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PROCEEDINGS AND DEBATES OF THE 101st CONGRESS, SECOND SESSION

SENATE—*Tuesday, September 11, 1990*

(Legislative day of Monday, September 10, 1990)

The Senate met at 8:30 a.m., on the expiration of the recess, and was called to order by the Honorable WENDELL H. FORD, a Senator from the State of Kentucky.

The PRESIDING OFFICER. This morning, we are privileged to have Capt. William Cundiff, of the Salvation Army, Shreveport, LA, to offer the prayer. Captain.

PRAYER

The guest chaplain, Capt. William Cundiff, commanding officer of the Salvation Army, 147 East Stoner Ave., Shreveport, LA, offered the following prayer:

Let us pray:

God come and fill this place with Your presence!

We are here by Your grace and mercy an example of representative Government. No one is here to represent themselves or their families or his personal interests, but the interests of others. Help us in our pursuit of the welfare and well-being of others.

Today, Lord, every child, man, and woman in the United States is here represented. Give these ladies and gentlemen the wisdom to represent them well. Father, we know righteousness exalts a nation.

We pray for a revivial of righteousness in this world, right thinking and right acting. Father, let it begin here. Let it begin now.

May we see the beginning of a new era when we truly honor You, love and respect our fellow man and do everything possible to help the honest poor.

God grant that the words spoken here be honest and right. Grant that the legislation enacted by this august body be just and fair. Constantly remind us of Your will and the blessings we receive by following it.

God bless this great Nation.

God bless these great people.

God grant a bright and prosperous future for our country and our world. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC., September 11, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WENDELL H. FORD, a Senator from the State of Kentucky, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. FORD thereupon assumed the chair as Acting President pro tempore.

PROGRAM

The ACTING PRESIDENT pro tempore. Under the previous order, leadership time is reserved, and, under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with the following Senators to be recognized to speak: Senator ROCKEFELLER for 30 minutes; Senator LAUTENBERG for 10 minutes; Senator SPECTER for 15 minutes; and Senator BIDEN for 45 minutes.

The Chair, using his prerogative as a Senator from the State of Kentucky, suggests the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ROCKEFELLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from West Virginia is recognized for not to exceed 30 minutes.

REGAINING AMERICAN ENERGY INDEPENDENCE

Mr. ROCKEFELLER. Mr. President, the crisis in the Middle East has many troubling aspects. One of the most troubling is that the stakes are so high because of this Nation's dependence on Middle East oil. This dependence is intolerable.

For two centuries, the cornerstone of America's security and our economic well-being was our independence. No petty foreign chieftain could threaten our national security with economic blackmail.

The tragedy of the current crisis is that we had advance warning of the threat, but throughout the 1980's the danger was ignored. Incredible though it seems, instead of preparing for this day, the administration did everything it could to dismantle our energy policy.

Programs to develop renewable energy were cut. The administration sought persistently to slash fossil energy research. Efforts to develop synthetic fuels were subverted and then dismantled. Conservation measures were abandoned, and the administration even sought to repeal automobile fuel economy requirements.

Why did this happen? Because the administration lived in a fool's paradise of cheap oil. Yes, you could buy a barrel of oil for $16, but they ignored the additional charges for which we would all be billed later—a billion dollars a month, assuming no shooting, to support a vast military operation on a far off continent. And there is no way to properly measure the value of the lives of thousands of our soldiers sent to the desert to protect the flow of oil.

So the administration's cheap energy policy turned out to be a very expensive military policy. We live in a dangerous world. We cannot always avoid conflict. Thank goodness that when we have to, we can rely on the

● This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

superb men and women who make up America's Armed Forces. But the tragedy of the present crisis is that the high energy stakes involved were avoidable. We did not have to be dependent on a region of the world that everyone knows is a powder keg waiting to explode.

The warnings came year after year in rising imports, now climbing to over 50 percent American dependence on imported oil. The warning was obvious in America's incredible use of gasoline—amounting to some 130 billion gallons a year. But the warnings were ignored, and now we are facing the consequences of being held hostage to foreign oil. This is one hostage situation that is within our own power to end. We must heed the wisdom of a traditional Turkish saying—"no matter how far you have gone down the wrong road, turn back." We cannot continue as we have.

For all of these reasons, I have long advocated measures to improve our energy independence. Just consider that consumption of 130 billion gallons of gasoline a year. Some of us have been saying for a long time that that is madness.

If we replace just the gasoline we use in automobiles with alternative fuels, we would be independent of imported oil. We would greatly improve our energy security by replacing even a fraction of our gasoline consumption. This is why I authored the Alternative Motor Fuels Act, which was enacted into law in 1988. The law provides incentives to auto companies to build cars that can run on methanol, ethanol, or natural gas. These fuels can be made from domestic resources such as coal, natural gas, and grain, and these fuels also will contribute to cleaner air.

This summer, the Senate passed two more energy independence items I authored, as part of S. 324, a larger energy bill. One would set up a demonstration program to help make electric vehicles a reality. Our electricity comes primarily from domestic resources, with the majority of our electric power coming from coal.

The second measure would set up a research program to move this country into using coal as a chemical feedstock and for advanced materials. Coal can be refined into building blocks for everything from plastics to satellite components. In the contemplated uses, coal can often replace imported oil as a feedstock. Advanced electric vehicles are important for our clean air strategy, and the research on new uses for coal can also have environmental benefits.

Before the current Middle East crisis, I sometimes heard it said that the results from programs like the ones I have referred to are too distant. I replied that the critics lacked an appreciation of what we are capable of when we want to do a job. I pointed out that during World War II when our rubber supplies were cut off, we launched a crash program and developed the synthetic rubber industry virtually overnight. We can do that with alternative energy and technology for conservation. The need should be apparent now, even to the skeptics.

I have cited a couple of specific examples from my energy policy agenda. The fact is that everyone knows generally what must be done. We must judiciously develop our existing, conventional energy resources. We must develop new, alternative sources of energy, and we must conserve energy.

That much is easy to say. But there are some things that are not being said. Foremost among these are the sacrifices that have to be made to pay for energy policy and for freedom. It is now clear to everyone that we do not have $16 a barrel oil. It is clear that even when we thought we had it, we did not really have it. We were only paying part of the bill directly.

Now it is clear that the price was and is higher. But the question is whom we will pay and how. We can keep paying that something extra to a cartel or to dictators who may from time to time try to grab control of the Middle East's oil. We can keep paying for emergency military action. Or we can pay the modest amounts it will take to make adjustments that will attain energy independence. And, if we do that, instead of paying tribute to foreign cartels and dictators, we will mostly be investing in our own country, helping our own economy, and creating jobs here.

In the past, each generation of Americans was willing to make sacrifices for American independence and for the well-being of the next generation. But for a dozen years now, we have had no-sacrifice Government. No-sacrifice Government was good politics—for awhile. Who would not want all things without sacrifice? Prosperity, a clean environment, plentiful energy, even freedom—for a dozen years we have been told we could have all of them of a discount.

President Kennedy said we should ask what we could do for our country. He said we were willing to pay any price and bear any burden to assure the survival and success of liberty. But during the last dozen years we have been told that there is no price, no burden, no need for sacrifice.

It was good politics until recently. The trouble is that it has now become clear that no-sacrifice Government was not buying a free lunch. It was buying trouble for the future. What they should have told the American people is "you can pay now or you can pay much more later." Now it is later and the bills are rolling in—bills for taking the cops off the beat who prevent banks from gambling with other people's money; bills for disastrous mismanagement of nuclear waste; bills for neglect of health care and education; bills for neglect of our roads and birdges; and bills for the tragic neglect of energy policy. "No-sacrifice" has turned out to be sacrifice with interest.

In the long run, the price of a good energy policy will be less than what it turns out we are paying for no energy policy. The price of cheap oil in the 1980's was an illusory and ephemeral price set by a cartel and excluding the cost of garrisoning the oil fields for decades, not to mention fighting a war.

By contrast, we can readily pay for alternative fuels and for development of technology to further improve efficiency and conservation. I am sure that Americans would rather pay to each other the modest price for these things than pay extortionist prices for oil to a foreign tyrant.

Is that the entire cost? That depends. It depends, for example, on whether we care about the environment and whether we care about jobs.

There are some people who are already saying that because the crisis in the Middle East demands crash energy development, concern for the environment can now be abandoned. I am not among those people. The environment is another case of pay now or pay more later, and it would be a mistake to think we can cut corners by discarding environmental protection.

But there is more. We cannot have an environmental policy that ignores jobs. In the recent debate over clean air, I argued that coal miners and steel workers and others in our region should not have to pay disproportionately for a national clean up. The administration said it would cost too much to worry about jobs, and I am afraid that some who wanted environmental protection felt employment wasn't their problem.

That was the old approach—ignore the costs, every man for himself, do not worry about the future. It is time for a new approach. I call on the President to come clean with the American people and to move from no-sacrifice politics to forthright leadership. Tell the American people what the cost will be of restoring American independence and let us get on with the job.

Let us get the whole cost. Let us get it all out on the table—the price of alternative sources of energy, the cost of protecting the environment, and the cost in economic adjustment and job training. And let us also get the full cost of no energy policy—including the cost in military operations and potential economic disaster.

Once there is a clear statement of the costs, there is a second very important disclosure that needs to be made.

The American people need to be told how the costs are going to be shared. Americans have always been willing to pay the necessary price of independence and freedom, but the costs have to be fairly shared. We cannot tolerate public policy that spreads the burdens unfairly any more than we can tolerate private price gouging at the gas pump or anywhere else.

The dangers of unfair national policy are fresh in my mind because of the recent clean air debate. In that legislation, the costs were not shared fairly. In that case, Appalachia and the Midwest were singled out for a disproportionate share of the burdens. If we do not correct the way we approach national policy, there will be other legislation in which others will be disadvantaged. That time it was my region. Next time it will be someone else's.

There is a fundamental point at issue here. During the consideration of the clean air bill, I pointed out that a few years ago there was a debate on Capitol Hill about the need for this Nation to have an industrial policy. Critics said then that the Government should not involve itself in decisions about industrial policy.

Some of us replied that in the face of fierce international competition, the need for energy security, and complex social problems here at home, there will be times when government will inevitably become involved. We will have little choice in that. What we have a choice about is whether, when Government acts, it acts openly and fairly.

The fundamental point is that when we take tough measures to secure our independence and defend ourselves in a difficult and sometimes threatening world, the one thing we cannot sacrifice is our democratic principles.

Not just any energy policy will do. It is not an accomplishment for us to have an energy policy if that energy policy is written by those interests that happen to be most powerful at the moment. It is not good enough because such a policy will merely ratify the very status quo we must get beyond. And it is not good enough because economic policy dictated by the powerful few is the antithesis of democracy.

The Middle East crisis has created understandable dismay. Just when we thought the world might be passing from cold war to an era of peace, a grave new threat has emerged.

But the threat presents us with a challenge to create new structures to contain the threat. In recent weeks we have seen hopeful signs of international cooperation. We should keep up the pressure for cooperation. It should not always or only be American soldiers who are at risk or Americans who must pay the costs of the world's police actions.

Apart from the need for cooperation for collective security, the world faces a long-term challenge to reduce and eventually eliminate the likelihood that a struggle over oil will pose a continuous threat of war. In our own effort to develop an energy policy to regain energy independence, we can help the entire world. We can do this by doing what America has always done well—by applying ingenuity and technology to solving problems.

We can do this in the traditional spirit of American generosity. But we should also do it in our own deep self interest. Make no mistake about it. Our long-run interest in energy security is not, as some have suggested, just a matter of nickels and dimes at the gas pump or of infatuation with the automobile.

Energy supply is critical to our entire economy. If someone could cut our energy supply to a trickle, they would have life and death power over our society. They would be able to create vast unemployment, social unrest, and hardship both in the United States and throughout the World.

As I said at the outset, such a situation is intolerable. Consider the economic danger the Middle East crisis poses for the fledgling democracies of Eastern Europe. Consider our own current, precarious economic condition. No. Much more is at stake than a few pennies at the gas pump. History teaches that economic turmoil is the graveyard of freedom.

At the beginning of the 20th century, five empires began to crumble. The crumbling of those empires created war and chaos. It appears that the world may be on its way to overcoming the impact of the collapse of four of the five empires—the German, the Austrian, the Japanese, and the Russian. The fifth empire—the Ottoman Empire—encompassed the ancient lands of the Middle East. The turmoil in the Middle East in the old lands of the Ottoman Empire is accentuated by the location in that region of two-thirds of the world's oil supply.

To resolve this last great set of problems, the world must not only mediate bitter traditional rivalries and help ease the transition to more representative government, it must reinvent industrial society on a basis other than oil. That is a task of a magnitude worthy of America's creative powers.

Fortunately, this great Nation was blessed with enormous resources of its own, which we have only begun to tap. We have centuries worth of energy supply in the coal buried in the mountains of West Virginia and other States. We still have substantial supplies of natural gas. We have the prairies of the Middle West, with endless fields of grain that can be turned into fuel. We have potentially limitless renewable resources of Sun and wind and water.

Above all, we have the people that came to our shores from all the nations of the globe. In them we have the talent and, I believe, the wisdom to harness our natural resources to serve the needs of humankind. Our human potential is limitless. But the secret of this power is our democratic tradition. In keeping with that tradition, the American people will respond if leadership is not afraid to make clear the price of a wise policy of freedom. In keeping with that tradition, the costs and benefits of freedom must be fairly shared.

During World War II, when the democracies were locked in a struggle to the death with fascism, Churchill said that when the Nazis were defeated, the world would move out of the shadows into broad, sunlit uplands. We have made progress. We are closer to the day Churchill foresaw. We have nearly traversed this dangerous century. Perhaps all the rest was prologue. Now, it is our task to finish the job and put in place the foundations for a new era of a world of peace and freedom. An energy policy worthy of the name must be cornerstone in the foundation.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LAUTENBERG addressed the chair.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey [Mr. LAUTENBERG] is recognized for not to exceed 10 minutes.

Mr. LAUTENBERG. Mr. President, I thank the Chair.

(The remarks of Mr. LAUTENBERG pertaining to the introduction of S. 3019 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LIEBERMAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SPECTER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order the Senator from Pennsylvania is now recognized for not to exceed 15 minutes.

NOMINATION OF JUDGE DAVID SOUTER

Mr. SPECTER. Mr. President, 2 days from now, on September 13, the Judiciary Committee will commence hearings on Judge David Souter for the position of Associate Justice of the Supreme Court of the United States.

Since the opening statements at the committee hearings are necessarily limited, I think it is useful to take the floor today to discuss in some greater length two very important issues which are before the Judiciary Committee and will be before the Senate on Judge Souter's nomination.

The public discussion today, Mr. President, is focused largely on a way questions appropriately may be formulated to determine Judge Souter's views on abortion. That proposition, I suggest, encompasses two principal topics. First, should one issue, however important, dominate the selection of a Supreme Court Justice? And, second, has the Supreme Court's increasing activity in deciding major public policy issues as contrasted with their traditional interstitial interpretation of constitutional and statutory provisions given the public and the Senate the right to know the nominee's ultimate positions? I answer both of those questions in the negative.

Mr. President, it is understandable that there is deep concern in this country on the abortion question. I think it fair to say that no issue has divided our Nation, with the exception of slavery, since its inception.

In my open house town meetings, as I believe in yours, Mr. President, this issue dominates the agenda, and each year, on January 22, Washington is the site of numerous demonstrations on the anniversary of Roe versus Wade, and hundreds and sometimes more than a thousand of my constituents from Pennsylvania come to talk about the issue.

With the Court evenly split and the next Justice in a position to perhaps cast the deciding vote on this tremendously important matter, there has been virtually exclusive focus on what Judge Souter may or may not do on this subject. But I suggest that beyond what the news media has covered and beyond what has been discussed on cocktail circuits and perhaps in the bars across America—I think this nomination is being widely discussed at all levels in our society—there are many, many other issues of tremendous importance.

Judge Souter dominated the news in late July, but by August Saddam Hussein replaced Judge Souter, and at the present time there is a deployment of tens of thousands, perhaps more than 100,000—the exact number not being publicized—as to how many United States troops are present in Saudi Arabia.

It may well be that the critical questions under the War Powers Resolution deciding whether the President has the authority to send those troops without congressional consent may be before the Court. The War Powers Act provides that unless Congress gives specific authorization within 60 days troops must be withdrawn if they are in a position of peril or there are hostilities. Of course, there are complex legal issues as to whether the War Powers Resolution is applicable. But an even more complicated subject is the constitutionality of the War Powers Resolution.

Balancing perhaps the two most important parts of the Constitution or, as important as any, is the exclusive prerogative of the Congress to declare war and the authority of the President as Commander in Chief to dispatch U.S. troops. That issue has not been decided, but it might well be decided by the Supreme Court, and it might well be that Justice Brennan's replacement will cast the critical vote.

There are enormously important questions on the death penalty, with a long series of decisions being decided five to four, and in the balance hangs our society's right to a very important measure for deterrence in law enforcement and, obviously, very important interests on the part of the accused who faces the death chamber, and again Justice Brennan's replacement may cast the decisive vote.

Similarly, in the civil rights area and on quotas, there is a long series of decisions, five to four, this year in the Metro Broadcasting case, the rights of minorities prevailing by a thin 5-to-4 vote, contrasted with Croson, the decision striking down the minority set-asides, very recently. Again, Justice Brennan's replacement is in a critical position.

This year the Supreme Court decided, in a surprising adjudication, that district courts can order that taxes be imposed, again by 5-to-4 decision. It may be there is no more controversial decision in the history of the Court than that one. And that comes on the heels of the decision on holding legislators, councilmen, the city of Yonkers in contempt of court, an extraordinary application of judicial authority given the traditional separation of legislative responsibilities in taxing authority.

So these are just a few of the critical issues before the Court. And there are many other 5-to-4 decisions, as in the right-to-die case. So I suggest, as forcefully as I can, that there not be overemphasis on any single issue, and I do believe that abortion has unreasonably dominated the agenda as we look to what Justice Brennan's successor may be called upon to decide.

Mr. President, there is another very vexing question that is pending before the Senate and that is how far may Senators go in their questions? Or perhaps more accurately stated, what must a nominee answer if he is to be confirmed? There are no hard and fast rules on this subject. During the course of the past 10 years we have seen a fascinating series of nominations. We saw Justice O'Connor decline to answer many, many questions on the ground that the issue might come before the Supreme Court. Her confirmation candidly was never in doubt and she was confirmed.

Chief Justice Rehnquist declined to answer many questions. He finally did answer some on the issue of the authority of Congress to take away court jurisdiction on first amendment issues. He finally said, after extensive interchanges, that the Congress did not have that authority. But he refused to answer many other questions. There is a sense that goes through these Supreme Court nomination processes, at least as I see it, that the Justices, the nominees, tend to answer as many questions as they feel necessary for confirmation. Of course, that is a hard factor to evaluate. It was reported that Chief Justice Rehnquist felt he ought not to appear before the Judiciary Committee at all, as a sitting Justice coming before the Senate seeking the higher position as Chief Justice.

When Justice Scalia came before the Judiciary Committee, he answered virtually no questions, and following that proceeding, Senator DECONCINI and I had prepared a resolution to try to set a minimum standard, if that is possible—perhaps it is not possible, given the individuality of the 100 Senators—which would try to establish a minimum standard as to what a Supreme Court nominee would have to answer.

Before we could proceed, Judge Bork was nominated, and his proceedings, I think, established a standard or an attitude that a nominee has to answer very wide-ranging questions on judicial philosophy.

Interesting, Mr. President, as we now debate whether Judge Souter has to answer fundamental questions as to how he is going to decide the next case on abortion, overrule or sustain Roe versus Wade, that 3 years ago there was considerable debate as to whether we could even inquire into Judge Bork's judicial ideology. That was the first question I asked when he came to my office on the so-called courtesy call. I said, "Judge, do you think it appropriate to discuss judicial ideology?" He said, "I don't like the term ideology, but I think it is appropriate to answer questions on judicial philosophy." And of course there were wide-ranging questions.

Again, I think Judge Bork's proceedings illustrated the proposition, at least in my sense, that he had to answer wide-ranging questions, because he had written and spoken ex-

tensively on so many subjects, if he were to have any chance of confirmation.

Justice Kennedy, although his confirmation was never in doubt, also answered a wide range of questions.

So I think there has been established a Senate standard, perhaps a Senate attitude that could be generalized that a nominee does have to answer questions on judicial philosophy and specific questions on his writings, his speeches, and opinions if he is a lower court judge, unless they go to his inclination or his decisionmaking function in a case likely to come before the Court.

Even there, Mr. President, there is evolving a considerable body of thought that when the Supreme Court functions as a super legislature, and if it is to continue to move in that direction, that it may be appropriate or the temptation may be irresistible—although I personally hope we do not get that far, either by the Court's movement or by the Senators pressing—but if it continues to act as a super legislature, it may be that the pressure would be irresistible if the Justices were going to impose their own personal views as super legislators, then it may be that Supreme Court nominees will come very, very close to congressional candidates, to what Senators have to answer.

I would illustrate that, Mr. President, with the decision by the Supreme Court in 1989 in Wards Cove, where the Justices took the issue of the civil rights standard of proof on disparate impact. In the brief time today, I will not go into any detail as to what that complex concept means.

Suffice it to say that in the case of Griggs in 1971, a unanimous Court, speaking through Chief Justice Burger established a standard on burden of proof on the employer and a definition of business necessity. That decision stood for 18 years until 1989 when the Supreme Court reversed it 5 to 4.

Eighty percent of that majority, four of those Justices, had appeared before the Judiciary Committee and had articulated views of judicial restraint and nonactivism; they were not going to make the law, they were going to interpret the law.

I speak, of course, only for myself. That is all any Senator can do, any person can do. But I think it is plain that Wards Cove overruled Griggs and that there was a conclusive presumption of congressional intent that Griggs accurately interpreted the various provisions of the Civil Rights Act starting in 1964—Congress had not sought to amend it—and that was I think judicial activism.

Now, if judges are going to act as super legislators, then the question arises why should they not have to answer how they stand on matters of public policy. There is a fascinating evolution, Mr. President, and there are only two matters which I will discuss, because time is growing short, on federalism.

In 1976, the Supreme Court decided in National League of Cities versus Usery that the Federal Government did not have the power to control the States on certain issues. That was reversed in 1985 in Garcia versus San Antonio; 5 to 4, both decisions. But in the Garcia case, Chief Justice Rehnquist said we are going to move back to National League of Cities versus Usery at the next chance. Justice O'Connor said the same thing.

Now, if the judges are not waiting for the formulation of the facts of a specific case, not waiting to read the briefs, not waiting to hear the arguments, not waiting to confer with their colleagues in a traditional sense for a traditional decision, then it seems to this Senator that it is highly personalized, and Justice Brennan's successor can make the difference to go back to Usery.

This is an unemotional, bloodless case, Mr. President. But in a sense what more does Judge Souter have to do than read National League of Cities and read Garcia versus San Antonio, perhaps some other materials, to say where he stands philosophically on Federal-State relations.

But this is illustrative. If the Court, as articulated by the Chief Justice and another Justice, highly personalizes these matters, simply waiting a change in Court personnel, then how different are they from a Member of the House or a Member of the Senate?

Now it is my hope, Mr. President, that Justice Brennan's successor will follow the admonition of the President when he made the nomination that the Supreme Court should not legislate. We all agree with that, or at least that is a dominant thought. It is not easy to apply that.

We know that in Brown versus Board of Education the Supreme Court had to interpret the equal protection clause in the face of persistent refusal from the Congress of the United States and State legislatures to end segregation. And even the strict constructionists on interpretivism agree that that was a correct decision.

Mr. President, my time is about to expire. Might I ask, since, in fact, there are no Senators on the floor, that I have leave to speak an additional 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I thank the Chair.

I refer to the segregation case in Brown versus Board of Education and also Bolling versus Sharper for even those who oppose an application of substantive due process of law said that their decisions were correct, and that we had to end segregation in the District of Columbia even though the equal protection clause did not apply.

So there are those types of comportment, Mr. President. But I would suggest strongly that if the Court continues to move ahead in areas of public policy where it functions as a super legislature, that it may be that in the future, if that trend continues, that when nominees come before the Senate they may be compelled to answer specific questions about how they are going to decide the next case, judging from the way the Court functioned in Wards Cove and judging from the lineup of Justices ready to overrule Garcia as a matter of personal philosophy. It would be my hope that we do not move in that direction, Mr. President, because of the importance of separation of powers; that the legislative bodies like the Congress establish principles of public policy and the courts with interpretation of the Constitution or the statutes.

There is sufficient room, Mr. President, to avoid having a robe as a judicial straitjacket, that there is sufficient flexibility as to when stare decisis applies, to handle complex questions even where there are precedents on the boards. But there is a strong sense to the contrary, or there is a continum of U.S. Supreme Court jurisprudence on concepts like liberty so that it is not left to the total uncharted discretion of the judges, that there are norms and standards to be applied.

Since opening statements in the Judiciary Committee hearings on the nomination of Judge David Souter for the position of Associate Justice of the Supreme Court of the United States will be limited, I believe it is worthwhile to take some additional time in this floor statement to comment on the broad framework of issues which, in my view, will be before the Senate on this nomination.

The public discussion to date has focused largely on the way questions appropriately may be formulated to determine Judge Souter's views on abortion. That proposition encompasses two topics:

First, should one issue, however important, dominate the selection of a Supreme Court Justice; and

Second, has the Supreme Court's increasing activity in deciding major public policy issues, as contrasted with interstitial interpretation of constitutional and statutory provisions, given the public and the Senate the right to know the nominee's ultimate positions?

I answer both questions in the negative.

The pendency of so many issues of tremendous legal importance makes the first question easy to answer; but it requires going far beyond media commentary or conversations in the cocktail circuit to the Court's docket

to understand the broad range of prospective issues.

While the Supreme Court has assumed prerogatives which frequently make it much like a super legislature, our basic and important doctrine of separation of powers precludes demanding that nominees prejudge cases which are likely to come before them. If nominees to the Court are to retain immunity from such disclosures, the Supreme Court of the future must exercise much greater restraint.

The genius of our constitutional separation of powers does not give bright line divisions to preclude arguable invasions by one branch into the other's area; but if justices of the Supreme Court act like legislators, the movement may one day prevail to compel Court nominees to answer the questions now required of congressional candidates.

I. NUMEROUS CRITICAL QUESTIONS FOR THE COURT

The powerful feelings on the abortion issue are evident and understandable. No issue has so divided our Nation in this century and probably none in U.S. history with the exception of slavery. In 10 years in the Senate, I have seen the dominance of pro-life and pro-choice positions at hundreds of open-house town meetings and from thousands of Pennsylvanians who fill our largest Senate hearing rooms each January 23d, the anniversary date of *Roe* v. *Wade*, 410 U..S 113 (1973).

But there are many other critical legal issues where the results are uncertain on important matters affecting millions of Americans.

THE AUTHORITY TO COMMIT U.S. TROOPS TO COMBAT

In July it appeared that Judge Souter's nomination would dominate the national news through his September hearings. That changed abruptly in August with Iraq's invasion of Kuwait. With the President's success to date and the Congress in recess, there has been relatively little public focus on the long-standing constitutional controversy of the relative authority of the President as Commander in Chief contrasted with the ultimate authority of the Congress to declare war.

The constitutionality of the War Powers Act may soon eclipse abortion as the most important pending constitutional issue.

CIVIL RIGHTS AND EMPLOYMENT VERSUS QUOTAS

Five decisions by the Supreme Court of the United States last year fomented enormous national controversy on the proper standards for hiring Afro-Americans, women, and other minorities. Without considering all five cases at this time, it is sufficient to refer to Senate and House action on the issues of business necessity and burden of proof in seeking to overturn the Supreme Court's 5-to-4 decision in *Wards Cove Packing Co., Inc.* v. *Atonio*, 109 S.Ct. 2115 (1989), and to reinstate the Court's 1971 ruling in *Griggs* v. *Duke Power Co.*, 401 U.S. 424 (1971), where Chief Justice Burger spoke for a unanimous Court.

Weeks of negotiations among top White House officials and Senators from both parties produced no results before the Senate passed a bill which the President is likely to veto. The House has since passed a similar bill. Gridlock is likely unless continuing negotiations produce an answer to these vexing issues.

On closely related issues, the Supreme Court has teetered back and forth on 5-to-4 decisions on other minority rights which again raise the quota controversy. This summer the Supreme Court by a 5-to-4 vote in *Metro Broadcasting, Inc.* v. *Federal Communications Commission*, 110 S.Ct. 2997 (1990), affirmed FCC policies upholding minority ownership preferences. That decision swung the pendulum back from the Court's 1989 5-to-4 decision in *City of Richmond* v. *J.A. Croson Company*, 488 U.S. 469 (1989), which declared unconstitutional a 30-percent set-aside to minority businesses.

These two opinions, covering 92 pages in West's Supreme Court Reporter, require an anlysis of every semicolon to discern the differences. The complexities are overwhelming. In Croson, Justice O'Connor delivered the opinion of the Court with respect to parts I, III-B, and IV of her opinion. The Chief Justice and Justices White and Kennedy joined Justice O'Connor in parts III-A and V and overall six opinions were filed with Justices concurring in the judgment, dissenting and joining each other in various parts of their opinions.

Justice Brennan's replacement will provide a key role on the litigation which is certain to continue on these important bread and butter economic issues.

THE DEATH PENALTY CASES

A closely divided Supreme Court has established a complex maze of procedural rules on reviewing State convictions resulting in the death penalty. The issue of the death penalty involves complex legal and moral issues and a judgment on the deterrent effect of capital punishment.

In 1972 in *Furman* v. *Georgia*, 408 U.S. 238 (1972), the Supreme Court invalidated all pending death penalty sentences on constitutional grounds and further enlarged constitutional protection in 1976 in the cases of *Woodson* v. *North Carolina*, 428 U.S. 280 (1976, and *Roberts* v. *Louisiana*, 428 U.S. 325 (1976), again invalidating intervening convictions resulting in the death penalty.

At the present time, there are approximately 2,500 pending death penalty cases with approximately 125 executions having been carried out since 1976. Pennsylvania, which has the death penalty, has not implemented a jury's capital verdict since 1962, and now has approximately 125 inmates on death row.

During the last two terms, in an area of great relevance to the application of the death penalty throughout the country, the Supreme Court has established new rules for determining whether newly created constitutional rights should be applied retroactively to State criminal convictions pending in the Federal courts on collateral review; that is, habeas corpus petitions. In *Teague* v. *Lane*, 489 U.S. 288 (1989), the Court held, 5 to 4, that a rule of constitutional law established after a habeas petitioner's conviction has become final may not be used to attack the conviction in a habeas corpus proceeding unless the new rule falls within two narrow exceptions. Most recently, in three cases decided by a 5-to-4 vote in the last term, the Court applied Teague in *Sawyer* v. *Smith*, 110 S.Ct. 2822 (1990); *Saffle* v. *Parks*, 110 S.Ct. 1257 (1990); and *Butler* v. *McKellar*, 110 S.Ct. 1212 (1990).

Justice Brennan's successor will doubtlessly have a key role in our evolving legal standards on the death penalty.

FREEDOM OF THE PRESS

Another issue of continuing importance to free speech and a free press is the constitutional protections established under the first amendment governing actions for defamation. Last term, in a 7-to-2 decision authored by the Chief Justice, the Supreme Court held that a separate constitutional privilege for "opinion" in addition to extant constitutional safeguards against liability for defamation was not required under the first amendment. *Milkovich* v. *Lorain Journal Co.*, 110 S.Ct. 2695 (1990). Since *New York Times* v. *Sullivan*, 376 U.S. 254 (1964), the Supreme Court has decided a series of such first amendment cases and Justice Brennan's successor will doubtless have considerable impact in this area.

FREEDOM OF RELIGION

Like the Metro Broadcasting-Croson cases, the 5-to-4 Supreme Court decisions on freedom of religion must be read under a microscope to understand their nuances. In *Lynch* v. *Donnelly*, 465 U.S. 668 (1984), the Supreme Court decided by a 5-to-4 vote that there was no violation of the first amendment right to freedom of religion when the city of Pawtucket, RI, erected a nativity scene in the Christmas season.

Five years later in 1989, the Supreme Court decided, again 5 to 4, in *County of Allegheny* v. *American Civil Liberties Union*, 109 S.Ct. 3086 (1989), that a nativity scene in Pittsburgh did

violate the establishment clause of freedom of religion under the first amendment because of the overall context; but at the same time, the Court ruled, 5 to 4, that a Jewish menorah and a Christmas tree in the holiday season were permissible.

Again, the various Justices' opinions had to be dissected to find five Justices in agreement on the various issues with Justice Blackmun delivering the opinion of the Court with respect to parts III-A, IV, and V of his opinion with the Justices filing five separate opinions joining others in part, concurring in part, concurring in the judgment, dissenting in part, and dissenting.

With a 5-to-4 decision, the Supreme Court decided in *Employment Division, Department of Human Resources of Oregon* v. *Smith,* 110 S.Ct. 1595 (1990), that the free exercise clause of the first amendment permits the State of Oregon to prohibit sacramental peyote use and accordingly to deny unemployment benefits to persons criminally charged with the use of that drug.

Again, Justice Brennan's successor may cast the vote on critical cases involving both the establishment clause and exercise clause of freedom of religion under the first amendment.

FEDERALISM

The Supreme Court may be awaiting Justice Brennan's successor to reverse direction again on the basic question of federalism involving the relative powers of States versus the U.S. Government. The Supreme Court by a 5-to-4 vote in *National League of Cities* v. *Usery,* 426 U.S. 833 (1976), ruled that the commerce clause does not authorize Congress to enforce the minimum wage and overtime provisions of the Fair Labor Standards Act. Nine years later, the Court reversed that decision in *Garcia* v. *San Antonio Metropolitan Transit Authority,* 469 U.S. 528 (1985), again by a 5-to-4 decision.

That, of course, is hardly the end of the controversy. In dissenting, Justice—now Chief Justice—Rehnquist remarked that Garcia would be reversed. Referring to the holding of National League of Cities versus Usery, Justice Rehnquist stated:

> I am confident, [that] in time [*National League of Cities* will] again command the support of a majority of this Court.—469 U.S. at 580.

Similarly, Justice O'Connor, in dissent, predicted that Garcia would be reversed and the doctrine of National League of Cities would be reinstated.

If Justice Brennan's successor agrees with Chief Justice Rehnquist and Justice O'Connor then that important doctrine will again be reversed.

THE SUPREME COURT REQUIRES TAXES AND CONTEMPT CITATIONS

In a pair of 5-to-4 decisions involving the enforcement of constitutional rights, the Supreme Court last term upheld the broad remedial powers of the Federal courts. In *Spallone* v. *United States,* 110 S.Ct. 625 (1990), the Court ruled in a housing discrimination case that the district court had abused its discretion in imposing contempt fines on individual city council members who had refused to vote in favor of the remedial plans ordered by the district court. Instead, the Court held that the district court should first have imposed contempt fines only against the city before fining the individual council members. If such fines did not work, however, the Court implied that fines against council members could be imposed.

In a second 5-to-4 decision, the Court upheld the power of Federal courts to order localities and States to increase taxes to pay for remedial measures imposed after a finding of constitutional violation. In *Missouri* v. *Jenkins,* 110 S.Ct. 1651 (1990), the Court affirmed an order requiring the Kansas City School District to submit a proposed property tax increase to pay for court-ordered remedies required to overcome a finding of racial discrimination in the Kansas City schools to State taxing authorities. The Court also upheld the power of Federal judges to enjoin the operation of statutes that would have prohibited the school district from raising the taxes as ordered by the district court.

These cases are extremely difficult. In one, the issue was: Could a court sanction a legislator for voting a certain way; in the other, the issue was: Could a court, directly or indirectly, increase taxes. Such questions may not arise with frequency, but they are critical to the enforcement of constitutional and civil rights and are integral to the role of the courts in our system of government.

Again, Justice Brennan's successor could provide the key vote on a closely divided Court.

RIGHT TO DIE

Last term, a new issue that has been percolating in State courts for several years finally came before the Supreme Court, and it resulted in a 5-to-4 decision on a question of fundamental importance: What evidentiary standard may a State impose before allowing an individual being kept alive only by medical intercession to be disconnected from a feeding tube and allowed to die?

In *Cruzan* v. *Director, Missouri Department of Health,* 110 S.Ct. 2841 (1990), the Court held that an individual has a constitutionally protected liberty interest in refusing unwanted medical treatment. The Court then upheld a Missouri statute requiring an incompetent person's wishes as to the withdrawal of life-support systems to be proven by clear and convincing evidence. The case, involving such fundamental issues, drew five separate opinions. No doubt this issue and other issues arising from the continuous advance of science and medicine will come before the Court, where Justice Brennan's successor may cast key votes in a series of 5-to-4 decisions.

II. HOW MUCH DOES THE NOMINEE HAVE TO SAY?

There has been no standard or absolute answer to this question with the responses differing from an interaction of various nominees and Senators. If any valid generalization may be gleaned from the record, at least as I see it, it is that nominees for the Supreme Court answer as many questions as they feel necessary to win confirmation. That is my sense of studying the history of Supreme Court nominees and participating in the past decade in the confirmation hearings of Justice O'Connor, Chief Justice Rehnquist, Justice Scalia, Judge Bork, and Justice Kennedy.

There may be some significance to the historical fact that the Founding Fathers at an early stage in the Constitutional Convention decided to have the Senate select Supreme Court Justices. A broad sense of senatorial authority may have been responsible for the Senate's rejection of John Rutledge in 1795 by a vote of 14 to 10 on the purely political grounds that he supported the Jay Treaty.

In 1930, the nomination of Judge John Parker was rejected after strong opposition was voiced by organized labor.

During President Nixon's administration, Judge Haynesworth and Judge Carswell were rejected by the Senate in part because of questions of ethics and competency, and in part for political reasons. Judge Haynesworth was opposed by organized labor and civil rights groups; Judge Carswell was also opposed by civil rights groups.

While the Senate has rejected some nominees for political reasons, it has been generally viewed by the middle of the 20th century that the Senate should defer to the President's selection of a nominee who was qualified without regard to judicial philosophy.

The limited role of the Senate in inquiring into a nominee's views was demonstrated by the fact that Harlan Fiske Stone was the first nominee to testify before the Senate in 1925, and it was not a common practice for nominees to appear before the Judiciary Committee until the 1950's. Prof. Felix Frankfurter did so in 1939, but he said very little beyond discussing his background and personal activities, especially his membership in various organizations.

Of the next 10 nominations, only Robert H. Jackson testified before the Judiciary Committee; Sherman Minton was asked to testify in 1949, but refused. All these nominations were confirmed. Only since 1955, with the nomination of John Marshall

Harlan, has every nominee to the Court testified before the Judiciary Committee.

My participation in and observations of other Members' questioning in Judiciary Committee hearings since 1981 has led me to conclude that nominees say as much as they feel necessary to win confirmation. Justice O'Connor's confirmation was never in doubt and she declined to respond to many questions on the ground that they might involve cases which would come before the Court.

In his confirmation hearings for Chief Justice, Justice Rehnquist at first declined to answer questions about congressional authority to limit the jurisdiction of the Supreme Court, but later relented and answered some of those inquiries. He stated that the Congress did not have the authority to limit the Court's jurisdiction on first amendment issues but left open the question as to other parts of the Bill of Rights. I personally found sufficient reassurances in the answers which he gave to vote for confirmation; but I sensed Chief Justice Rehnquist's strong preference to say as little as possible.

Justice Scalia answered virtually nothing in his confirmation hearings, where he appeared totally safe for many reasons including the just-concluded bruising Rehnquist hearings. As a result of those hearings, Senator DECONCINI and I prepared a resolution seeking to establish minimum standards on what a nominee must answer; but that resolution was never pursued because Judge Bork's hearings intervened and resolved the issue.

Judge Bork's circumstance was unique because he had written and spoken so extensively on so many subjects. Immediately following his nomination, there was wide public debate as to whether it was appropriate to inquire into "judicial ideology." When Judge Bork came to my office for his first so-called courtesy call, my first question was whether he thought it was appropriate to discuss "judicial ideology" and he responded that he did not like the term "ideology" but he though it was appropriate for the Senate to inquire into his "judicial philosophy."

In my view, Judge Bork had little choice but to respond to questions on the wide range of issues which he had previously addressed. There was so much known about Judge Bork before he said his first word at his confirmation hearing that 11 of the 14 Judiciary Committee members announced their positions in support or opposition. I believe Judge Bork responded to the broad range of Senator's questions because he concluded it was indispensable in order to win confirmation.

Although Justice Kennedy's nomination was never in doubt, again for many reasons including the bruising process on Judge Bork, Justice Kennedy answered a wide range of Senators' questions.

In my judgment, a Senate standard or perhaps attitude has been established requiring the nominee to discuss his judicial philosophy in general terms including specific responses on his prior writings, speeches, and judicial opinions, if any, at least to the extent that the questions do not encroach on his judgment on legal issues likely to come before the Court. In my opinion, Justice Scalia's proceeding was almost as influential in establishing that Senate attitude or standard as was the process involving Judge Bork.

While not determinative, Judge Souter has already begun to answer some questions about his judicial philosophy. In our meeting on July 27, we discussed a variety of legal issues including his May 13, 1981, letter to a New Hampshire House Committee which was considering abortion legislation. I was impressed with the report that he had given advance notice to the President's advisers that he even would not travel to Washington for interviews if he was to be asked about his views on reversing Roe versus Wade.

In the intervening weeks, Judge Souter has been reported to have studied the videotapes of prior confirmation hearings and been questioned in practice sessions by the so-called murder board, so he has obviously given considerable thought to his position on responding to the Senators' questions.

The American people, including prospective litigants, Senators, commentators, and so forth, have a right to be concerned about judicial activism and whether a new Justice will apply his or her own personal views on public policy on cases that come before the Court outside of the continuum of U.S. constitutional interpretation.

During my 10 years in the Senate, the Judiciary Committee has been assured by four nominees, who have been confirmed, that they were philosophically opposed to judicial activism and they would only interpret and not make new law.

While I am obviously only giving one person's view, it is my legal judgment that, notwithstanding those protestations of nonactivism, those four members of the Supreme Court wrote new law as super legislators in *Wards Cove* v. *Atonio,* 109 S.Ct. 2115 (1989). In *Griggs* v. *Duke Power,* 401 U.S. 424 (1971), the Supreme Court of the United States, in a unanimous opinion written by Chief Justice Burger, had established the law on disparate impact cases.

That law stood for 18 years without any congressional effort to change it, establishing a conclusive presumption on congressional intent approving the doctrine of Griggs as amplified by later decisions. On what virtually all would agree was a rewriting of the law, the Supreme Court overruled Griggs in Wards Cove. Other examples, on all sides of the judicial-philosophical spectrum, could be cited. While perhaps unusual or impolitic to be so specifically critical, I think it appropriate to be this specific in reminding sitting justices that many, including their confirmers, remember their commitments and carefully watch their performances.

The stage is set on the Supreme Court docket for reconsideration of many far-reaching constitutional doctrines where Justice Brennan's successor could rewrite the law. Take, for example, one bloodless, unemotional issue involving Federal-State relations. As noted above in National League of Cities versus Usery, the Supreme Court ruled, 5 to 4, that Congress could not compel the States to pay minimum wages and overtime provisions required by Federal legislation. In 1985, the Court reversed itself in Garcia versus San Antonio Metropolitan Transit Authority by a 5-to-4 decision. Both Chief Justice Rehnquist and Justice O'Connor wrote in dissents in Garcia that Garcia would be reversed and National League of Cities would be reinstated as the law of the land mandated by the U.S. Constitution.

If constitutional law is to depend upon the personal views of the men and women who sit on the Court, then why is it inappropriate to find out what a nominee thinks about federalism as interpreted by Garcia? Since Justice Brennan was in the Garcia majority, his successor will have the power to make the Rehnquist/O'Connor prediction come true. Is anything more realistically required for Justice Brennan's replacement than the studying of the Garcia and National League of Cities decisions, plus perhaps other related cases or materials, to fairly state how he or she would decide that issue.

Chief Justice Rehnquist and Justice O'Connor have flatly stated that they will reverse Garcia at the next opportunity which implies no concern for the specific facts of the case, the briefs, the oral arguments, or judicial conference.

It is in this setting that there is so much public and senatorial concern about a nominee's judicial philosophy. The legal scholars write extensively about interpretivism contrasted with noninterpretivism. Some commentators argue that it is required that Supreme Court decisions must be based on specific constitutional provisions—interpretivism—as opposed to more generalized statements which give greater leeway to personal predilections. Thus, it is argued, that the Jus-

tices overstep their bounds if their decisions are based on unstructured constitutional concepts—noninterpretivism—like "fundamental fairness" or "essential to the concept of liberty."

There is obviously no conclusive compartmentalization or bright line to keep Justices interpreting rather than making new law; and there are, of course, endless differences on what those words mean.

The Supreme Court adds credence to the demands for specific answers from nominees on future cases when it moves in the direction of becoming a super legislature. To the extent that Justices are result-oriented or articulate their own personal views, the arguments become stronger that the public and the Senate are entitled to answers on future decisions involving subjects like Garcia or even Roe versus Wade.

President Bush is conclusively correct when he has stated that judges should not legislate. The balance even for strict constructionists on interpretivism, however, is not easy to find. No one today questions the correctness of the Supreme Court's decision in *Brown* v. *Board of Education*, 347 U.S. 483 (1954), ending school segregation. Yet that decision directly contradicted the obvious original intent of the drafters of the equal protection clause, who established that generalized right at a time when segregation was commonplace including schools and even the U.S. Senate gallery.

The strongest advocates of original intent like Judge Bork agreed with the Court in Brown even though Federal and State legislatures had refused to make the public policy decision to end segregation. Similarly, the strongest advocates against the Supreme Court's use of the due process clause, again like Judge Bork, agreed with the Court's use of due process in *Bolling* v. *Sharp*, 347 U.S. 497 (1954), to strike down segregation in the District of Columbia schools where no other constitutional doctrine could be cited to achieve that result.

At the end of the relevant legal analysis, we find no automatic, self-executing standards. It comes down to judgment, which is why we have judges.

The constitutional continuum provides the norms and values for balanced judgment. Supreme Court Justices must exercise greater restraint, regardless of whose agenda is at stake, in not legislating like the Court did in Wards Cove if nominees are to retain immunity from answering Senators' questions on specifically how they will vote on an issue which is heading for the Court. Similarly, the Court cannot personalize the law as some would do on Garcia/Usery without future nominees failing at confirmation in default of answering specific questions on their ultimate views.

Even with such restraints, there remains sufficient fluidity within the constitutional continuum on interpretivism on "liberty" or the flexibility of when stare decisis applies for the Justices to exercise judgment without being bound by robes which function like straitjackets.

Interest groups, like litigants, are not entitled to a new Justice who they know is predisposed to their views.

Retention of an independent judiciary requires restraint by the public and Senators in asking for the nominee's ultimate views. By not asking such questions, the Senate will be reinforcing the basic doctrine of separation of powers.

Accordingly, I would not ask Judge Souter about his judgment on issues likely to come before the Court but would await his decision in the traditional course after he reads the briefs, listens to oral argument, and confers with his colleagues.

Mr. President, I see my colleague, the distinguished chairman of our judiciary subcommittee, has come to the floor, so I will conclude at this point.

I think the Senate does realize the range of issues beyond abortion. But I would urge the public at large not to focus unduly on abortion in the face of so many other major issues which could involve war and peace, or life and death. I would further urge my colleagues that at this stage of evolution it is not appropriate to ask the ultimate question as to what Judge Souter will do on reversing or sustaining Roe V. Wade. At the same time, as I have amplified the admonition, the caveat, if a nominee to the Court is to avoid being treated like a candidate for Congress, the justices are going to have to exercise restraint and decide cases in the tradition of the judiciary within the broad U.S. constitutional continuum.

Mr. President, I thank the Chair and yield the floor.

The PRESIDING OFFICER. Under the previous order, the Senator from Delaware [Mr. BIDEN] is recognized for not to exceed 45 minutes.

The Chair will advise the Senator from Delaware that under another previous order, morning business is to conclude at 10 a.m., which under any form of mathematics is a dilemma.

Mr. BIDEN. Mr. President, I ask unanimous consent to have morning business extended until 10:15.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

Mr. BIDEN. I hope that solves our mathematical dilemma.

The PRESIDING OFFICER. It does.

THE SENATE AND JUDGE SOUTER: A CRITICAL ENCOUNTER AT A CRITICAL TIME

Mr. BIDEN. I am delighted to see the Senator from Pennsylvania and hear his statement. He has provided great insight for other members of the Judiciary Committee and the Senate as a whole on matters of great consequence, not the least of which has been the selection of Supreme Court nominees, and an insight into the great and hallowed traditions of the Court and what in fact does and does not constitute a judicial philosophy that falls within the mainstream of the last 70 years of deciding cases, and how one can reasonably determine the extent of—and the certainty one can be guided by—stare decisis.

He also has been extremely skillful and fair in the way he has probed nominees to find out, totally legitimately, their judicial philosophy and to determine whether or not they fall within the broad mainstream. That has encompassed liberals and conservatives, but all of them seem to have shared one sense of progression, and very few have been inclined to regression. That is my characterization, not his.

It may be unfair to my friend from Pennsylvania, but I would like to—it may be unfair to say expand on—but I would like to continue the discussion along the lines he began this morning.

As we all know, on July 20, 1990, the Nation—at least this Senator and I believe the Nation—was saddened by the retirement of what I believe to be one of the greatest figures ever in American law, Associate Supreme Court Justice William J. Brennan. No person, selected by any President, could ever replace Justice Brennan. His contribution to our system of constitutional government is staggering. The list of significant decisions he authored over the 34 years of his career on the Court is overwhelming.

The responsibility for nominating someone to fill Justice Brennan's seat on the Court fell to President Bush, to state the obvious. Four days after Justice Brennan retired, the President discharged that responsibility by naming Judge David H. Souter as his nominee. Now, under article II of the Constitution, the responsibility falls to this body to offer our advice and consent on the President's nomination.

It is a solemn duty, and made all the more solemn by the loss to the Court of Justice Brennan's wisdom, by the important role the Court now plays in our society, and by the close division on the Court with respect to many critical constitutional issues, some of which have been mentioned earlier this morning.

Later this week, the Judiciary Committee will open its hearings on the Souter nomination. Before these hear-

ings commence, I wanted to address some of the questions concerning the nomination, particularly those that are being widely debated in the corridors of the Congress and the country as a whole, because my colleagues in the Senate in my view should be clear on what is at stake on this nomination and how we should go about our role in determining how to fulfill our responsibility and what lies before us. My remarks today will be divided into two parts.

First, I will address an issue that has been the subject of lively debate since the nomination of Judge Souter, both here in Washington and across the Nation, and that is what types of questions can properly be asked of the nominee. What are the types of questions to which the committee has a right to expect answers from a nominee?

I might note, parenthetically, the committee staff went back and looked at every question ever asked of any nominee in the history of the United States of America so that we could get some historical perspective.

In the second part of these remarks, I will offer some initial thoughts about what we know and what we do not know about Judge Souter's philosophy. At this point, there are more blank spaces than answers in Judge Souter's record. I do not say that critically, just as a matter of observation. But some of the things we do know emphasize to me, at least, how important it is to have Judge Souter closely questioned by our committee on his constitutional and judicial philosophy, not on his personal background.

Before I address either of these matters, however, I want to make one observation. We are a long, long way from where we were in July 1987 when I took the floor to address the question of whether the Senate had the right and the responsibility to consider the nominee's judicial philosophy before giving our advice and consent to a Supreme Court nomination. At that time, that proposition should we investigate the judicial philosophy, was being hotly debated, notwithstanding the fact that our history pointed to one consistent conclusion: consideration of a nominee's substantive views is a proper part of the Senate deliberation on a Supreme Court nomination.

Today, though some still wish to debate questions raised in the Bork nomination, this question seems to have been put to rest among judicial scholars, among editorial writers, among our colleagues, among all who have paid any attention to this process. I hear no one taking the Senate floor—although now that I have said that, there may be some Senator who will come forth—but up to now, I have heard no one taking to the floor or the television airwaves or the editorial pages to tell us it is not the Senate's place to look into Judge Souter's views on constitutional matters. I hear no one saying that the Senate lacks the right or the responsibility to weigh these views when we vote to confirm or reject that nomination. That debate, at least, appears to be settled. We should look at his judicial philosophy.

But the consensus over that issue has given rise to another issue: What kinds of questions can members of the Judiciary Committee properly put to Judge Souter in an effort to exercise our aforestated constitutional responsibility of determining what his philosophy is?

To put it another way, everyone agrees we can consider the nominee's views when we vote on his confirmation. But there is sharp division over what we can do to find out his views before our dispositive hour comes. And that is the first issue I would like to address today: the scope of questioning.

Although the Constitution sets our responsibilities for reviewing Supreme Court nominations and grants us broad powers to do so, it offers us no specific guidance on how we should go about exercising that power. Thus, it falls to us to determine how we will discharge our constitutional duty.

Before I offer my thoughts on this matter, it may interest my colleagues to know something about how, historically, our predecessors have exercised their role in this area.

First, it is worth noting that there is no necessary link between considering a nominee's views on substantive issues and questioning the nominee on those issues. Several nominees—John Rutledge in 1795 and John Parker in 1930, to just name two—have been rejected for their views on pending issues of the day without ever having been asked a single question by the Senate about those views. Still, for the better part of the latter half of this century, the Senate Judiciary Committee has invited nominees to appear before it and to answer questions about their views on matters of judicial philosophy.

I point this out because, contrary to popular perceptions, the practice of detailed questioning of the nominee about his or her legal views did not start with the Bork nomination. I emphasize that. It did not start with the Bork nomination.

The list of nominees questioned in great detail about their views on legal philosophy reads like a "Who's Who" of the modern Supreme Court: John Marshall Harlan, in 1955; Thurgood Marshall, in 1967; Lewis Powell, in 1971; John Paul Stevens, in 1975. Questions have come from liberal and conservative Senators alike, from advocates of strong national Government and from exponents of States rights, from proponents of the war and Court's jurisprudence, and from the staunchest critics of that Court.

So what can we learn from these older precedents and newer ones as well? Generally we see that three factors, often acting in combination, have shaped the extent to which a nominee will be questioned about his or her judicial philosophy. The first of these factors is how the President and his administration has exercised their responsibility in selecting the nominee. The second is how the nominee's expected impact upon the Court or institution is likely to be viewed. And the third is what is known of the nominee's views before the hearing.

I would like to look at each of these three factors and particularly at their influence on the questioning of the recent nominees.

Mr. SPECTER. Will the Senator be willing to yield for a question? I make this interruption with reluctance because I know the distinguished chairman is developing his approach. I was due in another Judiciary Committee hearing on the savings and loan issue 10 or 15 minutes ago. I wanted to hear the Senator's comments.

Now that I have heard the three issues Senator BIDEN has formulated on the broad question of what questions may be answered, I do not think I am precluding or anticipating or interrupting the chain as to any one of those questions which I would like to raise, and that is a matter I discussed very briefly before the Senator came to the floor; and that is the ultimate issue of a question where the Court is moving toward functioning as a superlegislature. I interrupt at this time because I do not think the Senator is going to reach that. I do not think it will interrupt his train of thought. If it does, I regret it.

I would be interested in the Senator's views in the context of the two cases I have discussed, and there are many more which could be discussed. One is the decision of the Court last year in Wards Cove which upset Griggs. Griggs had established the burden of proof and definition of business necessity in title VII cases in 1971. Congress let it stand giving rise to the conclusive expression that was the expression of intent under the 1964 Civil Rights Act. Then five Members of the Court overruled Griggs. Four of them came before our Judiciary Committee in the decade I have been here. The Senator has been here longer. He was here when Justice Stevens was confirmed.

My point is this: If the Court is going to function as a superlegislature and decide questions of public policy as opposed to what has traditionally been called interstitial interpretation of the Constitution and statutes, to use a fancy word, because this is not

quite like interstitial, if they are going to decide questions of public policy, then why should not Justices have to answer the ultimate question of what they are going to do in the next case? I do not think they should, and I hope the Court does not come to that. But if the Court insists on functioning as a superlegislature, then I would be interested in Senator BIDEN's views as to why not the ultimate question?

Mr. BIDEN. Quite frankly, in that context, there is no historical reason why not, there is no constitutional prohibition why not. There is no prohibition whatsoever, and there is an overwhelming inclination on the part of those of us who serve in this body when the Court, which claims to be a court that does not legislate—that is the sort of catchword which I am going to discuss later—this notion that somehow if we say, "I have appointed a Justice who will not legislate from the bench," I will argue that a number of those 4-to-5 decisions that have been reversed—and as the Senator points out—you need not only pick the Griggs case, you can pick a half dozen others and can pick a half dozen others that are hanging in the balance at this moment. It seems to me we are in a timeframe, someone suggested time warp, when it is increasingly appropriate, not inappropriate, to seek the views of a nominee on the very issues the Senator has raised.

So let me say, to answer briefly, (a) I know of no constitutional prohibition, (b) there is no historical precedent that would suggest that it would be inappropriate, and (c) the nature of the times and the tenor of the Court and the debate that is about to ensue in the Nation may very well dictate it.

Mr. SPECTER. I thank the Senator for that answer. Again I repeat, as I amplified earlier, I do not think we should ask Judge Souter the ultimate question. I hope the Court will reverse the trend of being a super legislature.

I know I am intruding on the Senator's time. I shall be brief.

On the federalism issue where National League of Cities v. Usery held that the Federal Government did not have the authority to dominate the States, reversed in Garcia, 5 to 4 again, the Federal Government does have the authority. Chief Justice Rehnquist, in Garcia, and Justice O'Connor, in Garcia, said, just wait; we are going to put back National League of Cities once there is a change of personnel. If the Court is to be personalized and is to apply judicial philosophy, pre-existing, without weighing the facts of the case or reading the briefs, hearing the arguments, conferring among their colleagues, why should not Justice Brennan's successor be asked that question if there is to be personalized interpretation of those major constitutional issues?

Mr. BIDEN. There may be numerous reasons in the context of the hearing why he should or should not be asked. Let me emphasize again, there is no prohibition that I can find, nor staff has found anywhere in precedent, in the way in which we have conducted hearings over the last several hundred years to the extent they have been conducted or in practice as we have acted in the near past.

I do think there are other ways to get at it. The Senator used the phrase "ultimate question," and I will speak to that in a moment. We may well learn a great deal more by asking our colleague to explain in detail his views of section 5 rather than precisely how we would rule on one case or another. There are other ways to deal with getting at what is legitimately, in my view, an area of inquiry.

Let us cut through it all for just a moment. The fact of the matter is, long after the Persian Gulf situation is resolved, long after the savings and loan scandal has been dealt with, and the legislation the Senator and I have worked on has, hopefully, done its job, long after we have worked out a compromise on the budget, Justice Souter, if confirmed, God willing, will be healthy and sitting on the Court. In the year 2020 or 2035, if he sits there as long as some Justices have, or 2030, a generation will be looking back and wanting to ask, "Wait a minute, why, in that context, didn't those folks back then figure out what this guy was all about?" They will not even have on their plate the issues that are now consuming us because this Justice is going to impact more on the future of this country than anything any of us are going to do and almost anything short of the declaration of war that the President of the United States will do in our tenure in Washington, DC.

So, for a whole range of reasons, it makes overwhelming sense for us to find out as much as we can about this gentleman's judicial philosophy, the reasons the Senator from Pennsylvania has raised and ones which I hope to explore, if I can get back to my statement.

Mr. SPECTER. I thank the chairman for permitting the colloquy and responding.

Mr. BIDEN. Let me move back to the issue, with a little more precision, about what is appropriate and inappropriate to ask.

There is no question that the President's approach in selecting a nominee has always shaped the Senate's approach in reviewing that nomination. Where a President has made a choice for political reasons, such as President Madison's choice of Alexander Walcott or President Cleveland's nomination of William Hornblower or Wheeler Pectin, he can expect a political response such as the Senate's outright rejection of all three of the nominees I just mentioned.

More generally, when the perception exists that the President has selected a nominee to advance a political agenda, particularly an agenda that has been stymied in Congress and in the country, that President can also expect the nominee to be scrutinized rigorously by the Senate Judiciary Committee and by the Senate as a whole.

Undoubtedly, that was an important factor in the Senate's consideration of the nominations made during the Reagan administration. In that period, our committee developed a sense that the nominating process had been deeply politicized by an administration committed to a detailed ideological agenda for the courts. Remember, it was the Reagan administration that added a new phrase to our judge-picking vocabulary, and that new phrase was "litmus test." This is why, especially when the two other factors pointed in the same direction, President Reagan's nominees for the Supreme Court and other courts as well were so carefully screened. Simply put, the Senate that had rejected the Reagan civil rights agenda, the Reagan agenda on rights for women, the Reagan agenda on a host of social issues, was not about to let that agenda, the Reagan agenda, be smuggled into the Constitution via the Court selections.

To President Bush's great credit, this is not the situation we face today. I have not yet had to vote against a single nomination made by President Bush to any Federal court. Our committee has passed on 59 men and women that this President has nominated to the Federal bench, and I have been able to vote for every one of those nominees. While there is no doubt that the President's nominees have overwhelmingly been conservative Republicans, and men I might add, there is no strong sense that he has been intent on politicizing the nominating process.

However, some troubling facts still suggest that we have to examine Judge Souter closely with regard to this factor, for while the Bush administration does not appear to have the Reagan administration's approach to judicial selections, it does not appear to have the Eisenhower approach either. President Bush ran on, and has never repudiated, a Republican Party platform that pledged to appoint only "judges who respect the sanctity of innocent human life," a term understood to mean opposition to choice for women.

Many wonder if Judge Souter's nomination represents a deliverance on that promise or, instead, as the President's remarks in introducing Judge

Souter suggest, a willingness to set that issue aside.

This concern was exacerbated when reports surfaced of a memo from a conservative activist who claimed to have been assured by the President's Chief of Staff that conservatives would be pleased with Judge Souter's performances on the Court.

Now, again, this hardly represents a return to the Reagan days, but it is grounds for some fears that politics may be seeping deeper into the process. It certainly suggests that Judge Souter must be prepared to answer specific questions about his views on important constitutional issues.

The second factor which covers the extent to which a nominee will be questioned about judicial philosophy is the nominee's expected impact on the Court, a little bit about like what the Senator from Pennsylvania and I were talking. When a nominee's ascension to the Court would open the door to powerful changes there, it is only natural that the Senate is more interested in knowing with precision what sort of changes the nominee is likely to make. Not a one of us, when we went back home on the recess, have not had our constituencies ask us what that impact will be. The question directed at the issue on which the Court has been divided has long been our practice.

When Thurgood Marshall was nominated to a Court divided 5 to 4 on many key criminal law issues, he was questioned at length on those very issues when he appeared before the committee. This was a Court divided 5 to 4 on issues that were still alive, still lively, still new, and he was questioned specifically on those issues. Some questions he answered, some he did not. But the point is that specific and detailed questions were asked.

Today, on a variety of critical issues, the Court is narrowly divided. No one doubts that replacing Justice Brennan with Justice Souter will impact profoundly on the direction of the Court. The little we know of Judge Souter strongly suggests he will differ in constitutional philosophy from Justice Brennan with respect to many, if not most, if not all of the issues, thus the replacement of Justice Brennan with Judge Souter seems certain to represent a landmark change in the Court's direction and role in our society.

This is certainly why there is so much interest in Judge Souter's philosophy and views and why close questioning about those views is essential and appropriate.

Finally, we move to the third factor governing questioning about judicial philosophy, and it is key. It is what do we know about the nominee's views? Just think about that. What do we know? The less we know, the more we have to ask. The more we know, we may have reason to differ, but the less we have to ask about judicial philosophy the more it is laid out.

It should come as no surprise that two kinds of nominees lead Senators to ask many detailed questions: Those such as Judge Bork, with extensive and provocative records which give rise to great controversy, not merely here but in the legal community among jurisprudential philosophers, among teachers, among anybody, and all those who have any views about the law. That is the one kind of nominee that generates a great deal of questioning. The other is those such as Judge Souter with very limited records that give rise to almost total uncertainty.

Nominees Scalia and Kennedy or, long before them, Felix Frankfurter could point to an extensive collection of writings and opinions reflecting their philosophies and say quite reasonably; "Here is my record. Know my views from these articles and opinions. Judge me on this public evidence of my philosophy." But Robert Bork, who wished to explain and limit the significance of his previous statements on many constitutional issues, or David Souter, who lacks such extensive statements, cannot take this approach. In such cases, detailed and thorough questioning is the only way that the Senate's consent to a nomination can be deemed informed consent.

Such are the factors that dictate how specific a committee feels obliged to ask the questions and how specific the questions are likely to be. I will not take the time to debate which of these is most important, which of these three factors, or how we proceed if one or two but not all three of the factors I mentioned are present, because to some greater or lesser extent all of the three relevant factors are present in this case. We have some cause for concern about the nature of the administration's approach.

We know that Judge Souter's impact on the Court is likely to be profound, and we know almost nothing about his views on critical constitutional issues of the day. All signs point to the need for very extensive, detailed questions on this nominee, Judge David Souter.

The conclusion that Judge Souter will be and should be questioned specifically and at length is inescapable, but it does not tell us precisely which questions should be asked and which answers he should be expected to provide. Historically, several nominees have been willing to answer extremely specific questions about their views, especially when the various factors I have discussed earlier made such questions appropriate and necessary.

Potter Stewart, testifying 5 years after the case was decided, was asked if he agreed with the "premise, reasoning and logic expressed by the Supreme Court in arriving at its decision in Brown." Understand how specific that question is. Brown versus Board of Education, the famous desegregation case, landmark decision, was only 5 years old, the Nation was grappling with its implementation, there was continuing debate as to whether or not it was right or wrong, and a nominee 5 years after, while that case was still in controversy, was asked—let us say it again: "Do you agree with the premise, reasoning and logic expressed by the Supreme Court in arriving at its decision in Brown?" Justice Potter Stewart replied "Basically, the answer is yes." It is a very specific answer.

Lewis Powell, appearing at a time when the Court's criminal law cases were under attack told the committee he thought that in one of those cases, Escobedo versus Illinois, "The Court decided the case plainly correctly." Those were very controversial cases at the time, and those were very direct answers.

Judge Kennedy told the committee that with respect to one important free speech decision, Brandenburg versus Ohio, which Judge Bork had criticized, he knew of "no substantial responsible argument which would require the overruling of that case"; very direct answer, very specific case.

But even if Judge Souter should decline to answer questions such as these regarding specific cases I believe he must expect to be asked questions concerning quite specific aspects of his judicial philosophy, and we have a right to expect answers. The long tradition that our committee establishes, especially when the factors I discussed above are present, is that nominees will be questioned about specific aspects of their judicial philosophy, and that they will provide answers to those questions, even highly controversial ones.

Harry Blackmun, Justice Blackmun, testifying at a time when the Nation was deeply divided over law and order issues, told the Judiciary Committee that he believed the death penalty to be constitutional punishment for murder. It was a major, major issue at the time, and still is. Yet he came forward with his view of the extent to which it was permissible or impermissible under the Constitution.

William Rehnquist, Chief Justice Rehnquist, appearing at a time when the Nation was torn over the Vietnam war and the administration's reaction to dissent against that war, detailed to the committee several constitutional limits he perceived on the President's power to maintain surveillance over those who oppose his policy. I ask my colleagues to think back at that time. This is at a time when the Nation was in overwhelming turmoil, when everyone was debating the limits and extent of severally legally engaging in civil disobedience, and when cases were being decided. Justice Rehnquist, then

nominee, laid out the details for maintaining surveillance over those who oppose the President's policy.

Justice Kennedy appearing after the profound debate during the Bork nomination on the scope of the right to privacy expressly told the committee that he believed the Constitution recognized the right to marital privacy.

These precedents and many others which I will not bore my colleagues with, nor burden the RECORD with, suggest that there is nothing wrong in putting to Judge Souter some rather specific questions about the constitutional issues, including religion, speech, civil rights, and abortion, and expect some rather specific answers as have been given by Justices Kennedy, Rehnquist, Blackmun, and many others in the recent past.

At this fateful moment in our history, we have a right to know, and I believe a duty to discover, precisely what David Hackett Souter thinks about the great constitutional issues of our time, not how he will rule on a future case but what is his thought process. How is he going to arrive at decisions on the great constitutional issues of the day?

I do not know how the Senate could say that it had faithfully and meaningfully exercised its constitutional duty if we did not find out the answers to these questions. Simply knowing that Judge Souter adheres to a general philosophy such as interpretism or strict constructionism does not provide us with an adequate basis upon which to exercise our constitutional responsibility of advice and consent. We must know and we must be specific about his views on four critical areas about which the Court is divided, four vital aspects of the Constitution that the Court is grappling with, and has an interest in interpreting. And the first is the first amendment, and particularly its guarantee of freedom of speech and religion; the fourth, fifth, and sixth amendment provisions on criminal law and civil liberties and the delicate balance between them; the 14th amendment, equal protection clause, particularly its guarantee of civil rights and equal rights for all Americans, and the 14th amendment's due process clause as it establishes a constitutional right to privacy, other unenumerated rights, and, yes, the right to reproductive freedom.

Let me be clear. We are not looking for promises on any of these matters. I do not want, and we should not ask for, assurances as to how Judge Souter would vote on any of these matters if he were confirmed to the Court. Indeed, I would be appalled if Judge Souter were to offer such assurances to us or anyone else.

Rather we only want to know, and we are entitled to know, and I have no reason to believe that Judge Souter will not let us know, how he views these questions at this time, how he approaches them as a matter of constitutional reasoning, and what he thinks about them as he appears before us seeking a seat on the Court.

We must know these things. Let me stress this point not so as to apply a litmus test or a checklist as to the views of the nominee. Rather it is only by knowing how Judge Souter views specific constitutional issues that can we arrive at any real understanding of what is meant by the more general description of his philosophy.

Thus, while the ultimate issue always is how does Judge Souter view the Constitution at a broad philosophical level, the only way to get at any solid grip on this question is to go beyond the bumper sticker slogans of strict constructionism or original intent or a more meaningful understanding to a more meaningful understanding of judicial philosophy.

And that is to ask how his general philosophy leads him to understand and to interpret specific issues. I offer a very rough analogy from our experience in the Senate. We learn very little about a colleague by putting a label on him like "liberal" or "conservative." The only way to know what someone means by using that description of one of us is to know where the person stands on specific issues. Only then can we say he is that sort of liberal, or she is that type of conservative.

The same is true of judicial philosophy. Only by asking Judge Souter with thoroughness and detail about his views on specific constitutional questions can we come to understand how he approaches the most important task of any Supreme Court Justice, and that is giving meaning to the broad and majestic, yet ambiguous, phrases of the Constitution like due process of law, equal protection of the law, freedom of speech, freedom of religion, and so on. In this general observation, it is particularly true when one considers what we know about Judge Souter's general philosophy and how much we know about it.

That leads me to the second part of my remarks. What do we know about Judge Souter's philosophy? We know very little of Judge Souter's views on matters of Federal constitutional law, with the possible exception of Justice O'Connor, and that is debatable. David Souter has the slightest record on constitutional law of any Supreme Court nominee in a quarter century, going back to the nomination of Abe Fortas in 1965.

So in preparing for this week's hearings, we have been looking for any indication of Judge Souter's constitutional philosophy, not to take issue with it, but to determine what it is. Among the things that we found was one statement, perhaps the most sweeping definition of his own views, that Judge Souter made in a newspaper report earlier this year:

> On constitutional matters, I am of the interpretivist school. We are not looking for the original application, we are looking for meaning here.

What does this mean? Labels that friends have attached to Judge Souter, such as "strict constructionist" or "opposed to legislating from the bench," what do any of these broad terms mean? It is very difficult to discern.

Many people with many different views travel under the banner of interpretivism. That is what Judge Souter says his philosophy is. He is of that school. But there are many different interpretivists. To use another phrase Judge Souter himself has employed to describe his views, the philosophy of "judicial restraint in the construction of the Bill of Rights." In fact, two jurists could both be called interpretivists when both claim to be applying the same constitutional theory of reasoning and yet come to exactly opposite results with regard to very specific and critical constitutional questions.

Thus, some types of interpretivism are very troubling and profoundly misguided, in my view, while others are not. Because it is only certain varieties of interpretivism that are highly problematic, and because two people who both like being interpretivists can wind up with two positions on constitutional issues, it is vital to learn what type interpretivist Judge Souter holds himself out to be.

In my remarks for the day, I do not mean to suggest or even imply that Judge Souter shares the views of other interpretivists. He has chosen to attach that broad label to himself. During this week's hearings, we will, hopefully, find out what that label means.

During these hearings we are about to find out, by looking at specific issues, what David Souter means when he uses the phrase "interpretivist." What I am about to say applies only to a particular application of this philosophy, an application that I hope, very strongly, in my innermost heart Judge Souter does not subscribe to.

But before the hearings start, I think it is important to lay out for the American people and my colleagues the full consequences of some phrases that are thrown around without detailed explanation. Then once these phrases are better understood, we can all better appreciate the consequences, if Judge Souter should tell us he adheres to them.

If we explain why some types of interpretivism are so troubling, perhaps people can better understand why we must question Judge Souter extensively on specific issues in order to ensure that his brand of interpretivism is not the troubling sort.

I ask unanimous consent that morning business be continued for 15 more minutes.

The PRESIDING OFFICER. Without objection, the period for morning business is extended until 10:30.

Mr. BIDEN. What I want to do now is to tell you what the purists who call themselves interpretivists believe. Well, perhaps it is simplest to look at the decisions which adherence of this purest interpretivist view have criticized. Brown versus the Board of Education is the landmark civil rights case.

One of the most influential texts of the interpretivist school by Learned Hand—the name of the book is "The Bill of Rights"—criticized the Court's decision in Brown for "overruling the 'legislative judgment', of the States by its own reappraisal of the relative values at stake."

Learned Hand, an interpretivist, in his book, "The Bill of Rights," or his series of lectures on the Bill of Rights, criticized the landmark civil rights case, basically saying it was wrongly decided, because it was overruling the legislative judgment of the States by its own reappraisal of the relative values at stake. He went on to say of Brown that "It was not necessary for the courts to go to such extremes."

That is one of the most learned interpretivists. Does our learned friend from New Hampshire share this view that Brown versus the Board of Education was wrongly decided, an interpretivist view, a purist view, who leads one to that conclusion? I want to know, and the country should know. For if he does, he will not be on the bench, and he should not be on the bench, in this Senator's view. But that is an interpretivist view.

Bolling versus Sharpe was the case that ended segregation in the District of Columbia at the same time the Brown decision was made. Judge Bork, another influential interpretivist, called this decision "a clear rewriting of the Constitution by the Warren Court." He went on to suggest that because he said, basically, look, you cannot find anywhere in the fifth amendment that it applied to segregation.

An interpretivist goes back and looks at the document, in large part as it was read at the time.

And interpretivist Judge Bork said, "Hey, Bolling versus Sharp wrongly decided" or precisely he said the decision was a clear rewriting of the Constitution by the Warren court and interpretivists said they do not want to rewrite the Constitution.

Another case, Griswold versus Connecticut, the case that established the marital right to privacy and guaranteed married couples access to contraception. The State of Connecticut passed a law that said married couples cannot use contraceptive devices, that they cannot be sold in drug stores. The Court came along and said "Wrong, wrong." Although the Constitutiion does not mention the word "privacy," there is a marital right to privacy.

Criticizing the outcome in that case, the grandfather of modern interpretivism, Justice Hugo Black, said, "I like my privacy but the Government has a right to invade it unless prohibited by some specific constitutional provision."

An interpretivist says unless you can find a specific provision you do not have the right. So Justice Black applied that interpretivist view, said rightly from his perspective, "I do not see 'privacy' written in the Constitution. The word never appears. So we interpretivists only look at the document. The document does not say anything about privacy. Therefore, Connecticut can pass a law that says married couples cannot decide whether or not to procreate." That is an interpretivist view. Is that a view held by our friend from New Hampshire? I do not know.

Baker versus Carr, the case that established one person/one vote, established that principle, applied interpretivist reasoning. Former University of Chicago law professor Phil Neal has written that there is "an imposing case against Baker and a total absence of support in the Constitution's text for that decision."

That is a lawyer's way of saying, a professor's way of saying Baker versus Carr was wrongly decided.

It the States want to allow the rural areas to have the same representation with one-tenth the population in State legislatures, so be it. You do not find anything in the Constitution that says States cannot do that. I am an interpretivist. That is what some interpretivists say.

And finally, there is a host of gender discrimination cases in the 1970's where the Court made clear that it would aggressively police laws that discriminate against women.

Taking the strict interpretivist view in these cases, Justice William Rehnquist criticized the Court's decision as "So elastic as to invite subjective judicial preferences, masquarading as judgments." That is an interpretivist view.

The 14th amendment is the one we are talking about, equal protection. At the time it was written they were talking about slaves. They were not talking about women. So what in the Constitution says you cannot discriminate against women? And if you are going to discriminate against women, what kind of burden should the State have to overcome? Is it a reasonable basis, which says they can think of any reason, like they do not want a woman to be a bartender because it is just not nice for a woman to be a bartender? That meets the reasonable basis test. Or is it a strict scrutiny test that says you better have an overwhelming reason to tell a woman she cannot do something?

What is our overwhelming reason for saying you cannot do something? It all depends on whether or not you are an interpretivist, how you view those things. I, for one, do not want to see someone on the Court who says the 14th amendment as it applies to women gives the State the power to do anything to women they can reasonably think of, and I suspect if it were put to a vote here on the floor of the Senate my view would prevail 99 to 1. I do not know who the one would be, but there is bound to be one.

But we are back to the question. Bumper sticker slogans, like interpretivists, do not serve justice well. If Justice Souter came before me and said, "I am an interpretivist; that is all I will say to you," I not only would vote against him; I would do everything in my power to defeat him because I must assume in the absence of an explanation this is a man who thinks Brown versus Board of Education was wrongly decided, that desegregating the public schools of Washington, DC, cannot be found in the Constitution, that there is no right of married couples to use contraceptive devices, that there is no reason why there should be a philosophic notion of one man/one vote in the State legislatures.

So there you have it. Cloaked in the mantle of history, some interpretivists reject the legacy of historical Supreme Court decisions. Fortunately, these harsh interpretivist critiques are not prevalent at the Court, for if they had been, the Supreme Court would have tolerated continued racial segregation, tolerated and limited the freedom of couples to plan their families and have control over their lives, eliminated the democratic principles of one man/one vote, undermined the principle to protect against gender discrimination in this country, and more.

That is what some interpretivists, if they get their way at the Supreme Court, would do to and how they would read the Constitution.

As I said, again, I, for one, am profoundly opposed to this vision of constitutional law. I, for one, have spent my life fighting for a profoundly different vision of America. And I, for one, am not prepared to yield an inch on these principles now.

Having said that, let me again reemphasize that we do not know which of these criticisms, if any, of his cointerpretivists that Judge Souter might agree with and which he may disagree with.

I am not trying, nor do I wish to be accused of, practicing guilt by association. As I said before, many scholars and jurists travel under this common

banner—and where in that panoply David Souter fits is the subject for our inquiry and in his interest to define for us, and that is why the questioning of Judge Souter must be thorough and specific.

This is especially so because what little we know of Judge Souter, and it was quite tentative, emphasizes how important it is that we thoroughly question him.

In the past—exercising a variety of roles that may have resulted in the views he expressed not necessarily being his own—David Souter has made statements that would place him among the more rigid of these interpretivists.

For example, as attorney general, David Souter described the Supreme Court's standard for dealing with gender discrimination, the rule the Supreme Court used to strike down a variety of restrictions on women's rights, he defined it as lacking "definition, shape, or precise limits * * * inviting subjective judicial judgment and possible abuses."

The one thing interpretivists hate the most, their boogeyman is subjective judicial judgments.

That is what he said. What did he mean? That is what David Souter said as attorney general and he said about the Supreme Court gender case.

But he was attorney general. He was taking the State's case. Did he agree with that or disagree with that? In what context was he saying those things? We must know if David Souter, Supreme Court nominee, holds this view.

As a trial court judge, writing to a State legislator about a pending bill, David Souter repeated, apparently favorably, the criticism that the modern judiciary has been engaged in "judicial activity in the application of constitutional standards that is no more than the imposition of individual judges' views in the guise of applying constitutional terms of great generality." What does he mean by that?

He could be right there with Learned Hand and I could have a much more enlightened view from my perspective than that.

That is what David Souter, trial judge, said in echoing some of the words of the most strident of Supreme Court rulings, some of which I discussed earlier.

We must know if David Souter, Supreme Court nominee, shares these criticisms.

As a State supreme court justice, David Souter wrote that a court's "task is * * * to determine the meaning of [constitutional] language as it was understood when the framers proposed it and the people ratified it as part of the original constitutional text * * * in June of 1784."

Awfully limiting. In fairness to David Souter, he was talking about the New Hampshire constitution, not the U.S. Constitution. But does he share the same view about interpretation of the U.S. Constitution? I do not know.

That is what David Souter, supreme court justice, said in detailing his philosophy of interpreting the New Hampshire constitution. We must know if David Souter, Supreme Court nominee, intends to apply this theory of interpretation to the Federal Constitution and our venerated bill of rights.

Mr. President, I ask unanimous consent that morning business continue for another 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The period for morning business is extended for an additional 15 minutes.

Mr. BIDEN. Finally, Mr. President, as a nominee for the Supreme Court, David Souter has already told this committee that judges must be sure "to honor the distinction between personal and judicially cognizable values" and read the "expansively phrased provisions of the Constitution * * * in light of its divisions of power among the branches of Government"—words, though perhaps harmless enough, that could suggest an aversion to the critical role the Court has played in giving life to those "expansively phrased provisions of the Constitution."

We must know what David Souter, potential Supreme Court Justice, means by these words.

And let me emphasize one point about all the quotations from Judge Souter that I have cited. Each of these comments may have an explanation that significantly diminishes their significance. Some were said about New Hampshire law and may not have been meant to apply to the Federal Constitution. Some were spoken while Judge Souter was serving in positions that required him to advocate views that were not his own. And some may reflect the application of precedent that Judge Souter felt he was bound to adhere to: All logical explanations.

But coupled with his definition of himself as an interpretivist, and knowing what other interpretivists, the best known among them in this century, have said about the profoundly significant cases that have been overwhelmingly accepted by the body politic of Americans, coupled with that reading, they may mean something different.

I say all this only to emphasize, Mr. President, that is why this is not merely an idle exercise we begin on Thursday. My purpose is to give Judge Souter a full opportunity to lay out for us what his judicial philosophy is. We simply do not know whether and to what extent these comments reflect David Souter's constitutional views as they are relevant to his nomination.

Finding that out, among other things, is the task of our hearings, for the position of Associate Justice of the U.S. Supreme Court inures to no one by birthright or by virtue of a Presidential nomination alone. To attain a post on the Supreme Court, a nominee must persuade the Senate that he or she is the person in whose hands we should agree to vest such awesome power and responsibility.

No one is entitled to be a Supreme Court Justice, anymore than any of us are entitled to be a U.S. Senator. The burden of proof is on the nominee, as the burden of proof is on you and me when we go before the electorate and say, "I wish to be a Senator." No one says to us, "Well, you can be a Senator unless we can make a case against you." They say to us, as the Constitution requires, and should, and representative government demands, "Tell me why—the burden of proof is on you, Senator ROBB, on you Senator BIDEN, to tell me, the voter, why I should give you the power to go back and make decisions that affect my life."

The Constitution says the burden is on the nominee to say to the Senate why they should be on the Court, why you and I should vote for them, to give them such awesome power over the future direction of the United States of America. We are one of 535 in the Congress. He will be one of nine. It is an equal branch of the Government in every respect. The power is awesome. The responsibility is profound. The obligation is his. The responsibility is ours.

A Supreme Court Justice can assume this post only if we are persuaded that the nominee is the right person for that position at that juncture in our history.

In closing, Mr. President, let me reemphasize that I have made no judgments about David Souter and his nomination. A number of questions have been raised in my mind, but I have made no judgment.

All I am saying today is that we in the Senate have a right and a duty to ask him detailed questions to learn his views on specific constitutional issues of our time. That is the reason I took the floor, because there is a debate that is taking place, not unlike the debate that took place 3 years ago when I was required to take the floor then.

Then, by way of refreshing the recollection of my colleagues, the debate was: What is the role of the Senate? Major editorials were written saying all we had the responsibility and obligation to look at is whether or not they were bright, whether they committed any crime of moral turpitude, and whether or not they had a background in the law.

That was profoundly wrong, historically unsubstantiated, and ultimately rejected by this body. A similar debate is taking place, and I wanted to come to the floor to at least give my view clearly on it prior to the Souter nomination. And the debate is: because we know so little about him, how much can we ask of him?

There are those who suggest that if there is any case in controversy which he may have an impact on at any time—and if the actuarial tables are right, and, God willing, he lives to vindicate them, he will be on the Court well into the 20th century. That will cover a lot of ground. There are those who say we cannot ask him certain questions. That is the reason I came to the floor today to hopefully put to rest that argument, as we did 3 years ago in the role of the Senate.

Mr. President, let me add as an aside here that the fact the Senate recently confirmed Judge Souter for the court of appeals is not at all relevant to the issues I have been speaking to today. As long as an appeals court nominee meets the other requirements for the position, dedication is applying precedents of the Supreme Court is the most important criterion for the candidates of choice for that office.

As such, Judge Souter and all judges are bound by their oath to apply existing Supreme Court decisions. As a result, the Senate has approved a variety of men and women for the lower courts whose constitutional philosophy might very well make them totally unsuited for the Supreme Court. Or, to put it another way, constitutional views are far less important for the court of appeals, which is required by law to apply existing Supreme Court cases, than for a Supreme Court Justice, who can decide what the law will be.

It will not be a faithful application of lower court judge's responsibility to attempt to overrule, and he cannot overrule, a Supreme Court case. Only the Supreme Court can do that. He or she is bound by precedent. A Supreme Court Justice is not necessarily bound. So the fact that one is totally acceptable for the lower court in no way speaks to the ultimate question of whether or not they should or should not be on the Supreme Court. Suitability for the first task does not make someone, necessarily, suitable for the second.

I know these remarks have consumed a good deal of the Senate's time, but in my view the Souter nomination is the most important item of business before the Senate this year. Yes, I know that more time will be spent debating budget deficits and troop deployments, clean air conferences, and the fate of Kuwait. But let me be very blunt about it. Long after Saddam Hussein has bitten the dust, long after the current budget crisis has been replaced by some other fiscal dilemma, long after the phrases, "S&L," "campaign reform," and "burden sharing" are tossed into the scrap heap of historical political trivia, long after President Bush is gone from Washington and almost all of us are gone from the Senate, far into the 21st century David Hackett Souter, if he is confirmed, will be making fundamental decisions about the kind of country our children and our grandchildren will live in. And, if David Souter is confirmed and if he serves as long as Justice Brennan did, it will not be until the year 2024 that the next debates on a nomination for this seat on the Supreme Court will take place.

When that day comes, do we really want our successors closing out the first quarter of the 21st century to look back on us and say: Those fools, they thought that—whatever—was more important than questioning and debating Judge Souter's record. What a supreme act of folly to ignore the supreme importance of the Court.

Let his not be the legacy of the 101st Congress, Mr. President. Let us do our duty, our constitutionally prescribed duty, as our Founders mandated the duty, and do it with dignity and fairness to the nominee.

I thank the Chair for its indulgence and yield the floor.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2005th day that Terry Anderson has been held captive in Beirut.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, what is the pending business?

The PRESIDING OFFICER. The period for morning business has about a minute and a half before it expires, at which time we will take up, under the previous order, H.R. 5241.

Mr. HEINZ. Mr. President, I see no other Senator seeking time in morning business. I ask that morning business be considered to have expired.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The period for morning business is closed.

TREASURY, POSTAL SERVICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1991

The PRESIDING OFFICER. The Senate will now resume consideration of H.R. 5241, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 5241) making appropriations for the Treasury Department, the United States Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1991, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Heinz/Bond amendment No. 2625, to express the sense of the Senate that Saddam Hussein should be tried for war crimes in the event of hostilities between the Government of Iraq and the United States.

Mr. BYRD. Mr. President, today we are considering H.R. 5241, the Treasury, Postal Service, and General Government appropriation bill for fiscal year 1991. This measure provides funding for the programs of the Department of the Treasury, including the Customs Service, the U.S. Mint, the Secret Service, the Internal Revenue Service, and the Bureau of Alcohol, Tobacco and Firearms.

In addition the bill provides funding for the payment to the Postal Service fund, the various offices within the Executive Office of the President, and certain independent agencies including the General Services Administration, the Office of Personnel Management, the National Archives, and the U.S. Tax Court.

The bill, as recommended by the Committee on Appropriations, provides total obligational authority of $20,709,910,800. This represents a decrease of $2,547,200 from the President's request and a decrease of $10,183,200 from the House-passed bill. With respect to the subcommittee's 302(b) allocation, the bill as recommended is within both the budget authority and outlay ceilings.

I commend Senator DECONCINI, chairman of the subcommittee, and Senator DOMENICI, the ranking minority member, for their excellent work in accommodating the priorities of the Senate within the constraints of the budget. Their work was in no little part assisted by the cooperation of their colleagues on the subcommittee and on the full Committee on Appropriations.

Mr. President, I would also like to compliment both the majority and minority staff for their months of hard work in connection with this legislation: Patty Lynch, Rebecca Davies, Shannon Brown, and Judee Klepec.

The managers have explained in much greater detail the contents of the measure as recommended to you. I will not review again those highlights so that we can get down to the business of considering and passing this bill today. The bill, as reported by the Appropriations Committee, deserves the support of the Senate.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania [Mr. HEINZ].

Mr. HEINZ. Mr. President, it is my understanding the amendment offered by myself and Senator BOND is now pending before the Senate.

The PRESIDING OFFICER. The Senator is correct. The pending amendment is 2625.

Mr. HEINZ. Senator BOND and I presented our case for that amendment last night. There may be others who would like to debate the amendment but this Senator knows of none. It is the intention of the Senator from Pennsylvania to ask for the yeas and nays on the amendment. Then, because the budget negotiations are still taking place at Andrews Air Force Base, I will ask unanimous consent that the amendment be laid aside so the Senate might proceed with other business. But the Senator from Pennsylvania is really rising at this point to inquire of his colleagues whether there are other Senators who wish to be heard on the amendment?

The PRESIDING OFFICER. Is there objection? The Chair recognizes the Senator from Arizona [Mr. DECONCINI].

Mr. DECONCINI. Reserving the right to object, I apologize to my friend from Pennsylvania. I was in a conversation and did not hear the request.

Mr. HEINZ. I may have misled the Chair. I did not actually pose a unanimous-consent request at this time. I was simply inquiring of the Chair. I was simply inquiring whether there was any further debate on the amendment offered by the Senator from Pennsylvania and the Senator from Missouri. If not, and I see no indication to the contrary, Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The Senator from Arizona [Mr. DECONCINI].

Mr. DECONCINI. Mr. President, we are informed there may be some other Senators who would like to speak on this subject matter. However, they are not here at the present time. I am going to make a unanimous-consent request, with the indulgence of the Senator from Pennsylvania, to lay his amendment aside temporarily so we can proceed to the Bradley amendment. The Senator is here and will handle that amendment during this period of time. There may be some more speakers on the amendment of the Senator from Pennsylvania.

If the Senator has no objection, I so request unanimous consent, Mr. President.

The PRESIDING OFFICER. Without objection, it is so ordered. The pending amendment is laid aside.

Mr. DECONCINI. I see the Senator from New Jersey is here. If he is ready he can have the floor; if not, I will suggest a quorum call.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2626

(Purpose: To urge the submission of the Convention on the Rights of the Child to the Senate for its advice and consent to ratification)

Mr. BRADLEY. Mr. President, on behalf of Senators LUGAR, RIEGLE, MIKULSKI, AKAKA, SANFORD, KOHL, SPECTER, Mr. DECONCINI, Mr. PELL, Mr. DODD, Mr. GORE, and Mr. LEAHY, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New Jersey [Mr. BRADLEY], for himself, Mr. LUGAR, Mr. RIEGLE, Ms. MIKULSKI, Mr. AKAKA, Mr. SANFORD, Mr. KOHL, Mr. SPECTER, Mr. DECONCINI, Mr. PELL, Mr. DODD, Mr. GORE, and Mr. LEAHY proposes an amendment numbered 2626.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . CONVENTION ON THE RIGHTS OF THE CHILD.

(a) FINDINGS.—The Senate finds that—

(1) the future peace and prosperity of all nations depend upon the good health and well-being of the world's children;

(2) the Congress has long recognized the vulnerability of children and has enacted numerous laws that afford them special protections in this country;

(3) similar protections for children are either totally lacking or inadequately enforced in much of the world;

(4) in part as a result of this lack of protection, millions of children are threatened daily by poverty, malnutrition, homelessness, exploitation and abuse, depriving both family and society of their productivity and potential;

(5) the Child Survival and Development Revolution, launched in 1982 to attack the root causes of infant mortality and child illhealth through low-cost means such as universal child immunization and oral rehydration therapy, is saving the lives of more than 3,000,000 children each year and has demonstrated that the number of child deaths can be reduced significantly if available resources are used appropriately;

(6) despite these gains and an emerging international consensus about the importance of protecting children, children both here and abroad will continue to face poverty, sickness, and ill-treatment;

(7) on November 20, 1989, the United States and other members of the United Nations unanimously endorsed the Convention on the Rights of the Child and urged national governments to ratify the Convention and make possible its application as international law;

(8) this Convention, if implemented, will help establish universal legal standards for the care and protection of children against neglect, exploitation, and abuse;

(9) the United States Government, scores of private voluntary organizations, and hundreds of American citizens were actively involved in the drafting of this Convention; and

(10) the United States must continue playing a leading role in the implementation of the Convention to ensure that it becomes a force for improving the lot of children, both in this country and abroad.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the issue of children's rights and their well-being is important both to the United States and the world at large and that, in consideration thereof, the President should promptly seek the advice and consent of the Senate to the ratification of the Convention on the Rights of the Child, adopted by the United Nations with the support of the United States on November 29, 1989.

Mr. BRADLEY. Mr. President, the amendment I offer urges President Bush to sign the Convention on the Rights of the Child and send it to the Senate for ratification. The amendment asks the President to sign the convention before he attends the World Summit on Children on September 29.

The World Summit on Children will be an extraordinary gathering of 70 world leaders, who will meet to discuss what they and their governments can do for the world's most vulnerable people: our children.

Mr. President, in the United States, we recognize that children need special protection. The Senate has a long tradition of enacting effective children's legislation, but even here in America, we are all too aware of the tragedy of infant mortality, the horror of child abuse, the scourge of drugs and the wasted potential of high school dropouts. We need to focus on those problems more.

In other countries, the condition of children is immensely worse. With weak legal protections and scarce resources, children in many poor nations work 12 hours a day in dangerous conditions for a pitiful wage. In some parts of the world, children are sold, often into prostitution. Throughout the world, children go to bed hungry every night, sleep in the streets, are used for cannon fodder in wars and suffer deprivation and injustice.

Mr. President, what can we do to help? One important step we can take to help children everywhere is to ratify the Convention on the Rights of the Child. This historic international

treaty, 10 years in negotiation, provides the basic rights and special protections that all children need. The convention is an international effort to get each government to establish basic standards of protection for children. Of course, the convention itself is not a panacea that will resolve the world's problems overnight, but it does two very practical things:

First, it calls on every government to enact legislation which guarantees their children certain rights and protections which American kids take for granted. Every child has the right to a name and a nationality at birth, the right to an education, regardless of ethnic or social background. Every child has the right to protection from sexual abuse, protection from exploitative labor practices, protection from slavery, child prostitution, the drug trade, and other gruesome practices which are still tolerated in some parts of the world.

The convention will not make these abuses disappear, but it will call upon countries to make such practices illegal.

The second thing the convention does is it calls on governments to set national priorities that recognize how vulnerable and how valuable children are. Every day about 40,000 children die from largely preventable causes. There are so many simple things that can be done to save them. For example, the two most common causes of death in the developing world are diarrhea and respiratory infection. A 10-cent oral rehydration packet can save a child from dying from the dehydration diarrhea causes. Vaccines can save the lives of 3 million children who die from whooping cough and pneumonia and other diseases.

Will it cost a lot? Not at all, 10 cents for a package of salts and vaccines that cost $1.50 for a fully vaccinated child.

There are other simple, effective measures that should be taken. Vitamin A supplements can save a child from going blind and proper prenatal care can do much to prevent infant mortality and low-birth-weight babies.

Most Americans take the protections given children in the convention for granted, but I cannot say that we have done all we can to protect our children here at home. Much can still be done to lower infant mortality rates, the highest in the industrialized world, or to prevent the tragedy of children born with crack addiction or severe disabilities. Like in the developing countries, relatively simple measures can go a long way toward solving these problems.

Mr. President, the convention does things that continue our long tradition of legislation that makes the world a better place for children everywhere. Fifty-nine Senators, now sixty, I am told as of this morning, have joined me in sponsoring Senate Resolution 231, which I am now introducing with Senator LUGAR as an amendment. This attests to the strong bipartisan support for the convention and for the basic principles for which it stands. But the Senate cannot act until it receives the treaty for ratification.

So, Mr. President, I believe the President should not go to the summit on children and say that the administration lawyers are still reviewing the convention. I think the President should go to the summit with a firm commitment that the U.S. Government gives priority to the needs of children. I therefore urge my colleagues to join me in voting in favor of this amendment.

YEAR OF THE CHILD, LET'S MAKE IT COUNT FOR THEM

Mr. SANFORD. Mr. President, in the midst of the perplexing issues facing our Nation and the world right now, there is one crisis that is not confusing. Not only are the needs of the world's children critical today, but the ramifications of this neglect will be terrifying for all of us, and for our grandchildren's children.

The facts and statistics are staggering. But even more astonishing is how radically we could turn this downward trend around with relatively few resources. The cost-benefit analysis of the return on investments in immunizations, oral rehydration therapy, safe drinking water, prenatal care, and nutrition is better than any stock or bond on Wall Street. This is about giving our children a future. The pressures on population growth, the environment, education, health care, and housing have blocked us into a corner, and our world's children are the most vulnerable victims.

Yet, I am encouraged. Our consciences are awakening. It is apparent by the overwhelming global support for the upcoming U.N. World Summit for Children that from east and west, north and south there is a groundswell of support of the children. On September 23, in over 500 cities spread across every continent there will be vigils in honor of the children, not just the 40,000 that die every passing day, but for the future generations, too. I am proud that I will be attending the Durham, NC, gathering to show my solidarity and enthusiasm for the needs of children.

I continue to urge President Bush to make it his priority as well. The U.N. World Summit for Children will be the largest gathering of the world's leaders in history. The United States should be unified in this struggle for the suffering children are not all in a corner of Africa, they are in each of our towns and cities. I urge the rest of my colleagues to join me in working for substantial improvements for our most valuable resource, our kids. It is a personal commitment, a national responsibility and a global necessity.

Mr. BRADLEY. I yield the floor.

Mr. DECONCINI. Mr. President, this Senator supports the amendment offered by the Senator from New Jersey. I am a cosponsor of his original resolution that I believe is already pending on the calendar. The sooner we get to this and adopt the resolution, the better.

I believe there is someone on the other side who wants to speak, so we will hold off a little bit before we proceed further. I compliment the Senator on his work. I ask unanimous consent that I be made a cosponsor of the Senator's pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. KOHL). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the pending amendment of the Senator from New Jersey be temporarily laid aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, the Senate Budget Committee has examined, H.R. 5241, the Treasury, Postal Service, and general government appropriations bill and has found that the bill is under its 302(b) budget authority allocation by $82 million and under its 302(b) outlay allocation by $0.2 million.

I compliment the distinguished manager of the bill, Senator DECONCINI, and the distinguished ranking member of the Treasury, Postal Subcommittee, Senator DOMENICI on all of their hard work.

Mr. President, I have a table from the Budget Committee showing the official scoring of the Treasury, Postal Service, and general government appropriations bill and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 5241—TREASURY-POSTAL SUBCOMMITTEE—SPENDING TOTALS

[In billions of dollars]

	Fiscal year 1991	
	Budget authority	Outlays
302(b) bill summary:		
H.R. 5241, Senate reported, (new budget authority and outlays)	20.7	17.3
Enacted to date	0	2.6

SENATE BUDGET COMMITTEE SCORING OF H.R. 5241—TREASURY-POSTAL SUBCOMMITTEE—SPENDING TOTALS—Continued

[In billions of dollars]

	Fiscal year 1991	
	Budget authority	Outlays
Adjustment to conform mandatory programs to resolution assumptions	−.4	−0.4
Scorekeeping adjustments	0	0
Bill total	20.3	19.5
Senate 302(b) allocation	20.4	19.5
Difference	−.1	
Bill total above (+) or below (−):		
President's request		−.2
House-passed bill		
House 302(b) allocation	−.1	
Programmatic baseline	1.4	.2

Ms. MIKULSKI. Mr. President, I rise today to congratulate my good friends Senator DECONCINI and Senator DOMENICI, the chairman and ranking member of the Treasury, Postal Service and General Government Appropriations Subcommittee.

They have done a tremendous job in the face of a very austere budget. The bill we have before us today successfully addresses many of our Nation's most pressing needs.

The bill increases funds available for many of our important law enforcement programs, including the U.S. Customs Service, the U.S. Secret Service, the Bureau of Alcohol, Tobacco and Firearms, the Financial Crimes Enforcement Network, and the Federal Law Enforcement Training Center.

In addition, the bill provides the funds to let the IRS continue collection the revenues which keep our Government functioning, the Postal Service continue delivering the mail, and many, many other Federal agencies and offices continue carrying out their missions and serving the public.

I particularly appreciate the inclusion in the bill of an Alcohol, Tobacco and Firearms Project Achilles unit for the city of Baltimore. These BATF personnel will be charged with enforcing Federal law requiring that drug traffickers who use firearms and violent career criminals go to jail. The 5 to 7 full-time BATF personnel who will be permanently assigned to Baltimore as a result of this bill will be a catalyst, bringing together Federal, State, and local resources in a concerted effort to get the criminals who use handguns, machineguns, and other firearms off the streets.

Mr. President, I would like to express strong support for two other provisions in this bill as well.

The first gives the U.S. Secret Service concurrent jurisdiction with the FBI to investigate financial crimes committed in the savings and loan scandal. The FBI has the primary responsibility for investigating S&L fraud cases, but they are overburdened. They need help, and the Secret Service, which has a long history of investigating counterfeiters, is well equipped to give them that help.

As far as I am concerned, the only difference between a crook in a suit and one in a ski mask is that the one in the suit got away with more money. Attorney General Dick Thornburgh recently said that the administration is working to intensify its efforts "to bring to justice those who have looted federally insured financial isntitutions for their own selfish purposes." The language in this bill is an important part of that effort, and I applaud it.

Another important provision in this bill is intended to help the IRS stop tax evasion by U.S. subsidiaries of foreign corporations.

Through devious and complex tax avoidance schemes, many of these foreign companies are getting off without paying their fair share of U.S. tax. These schemes have various names—"transfer pricing", "earnings striping" and others—and they are so complicated that only a handful of tax experts understand them.

I think it is outrageous that these companies, which operate in this country and enjoy the benefits of our flag and our free market, should use devious and complex tactics to avoid bearing their fair share of the tax burden. In particular, I think we cannot expect the middle class to accept paying higher taxes when these profitable companies are getting away with tax avoidance.

The language in this bill allows the IRS to hire outside auditors skilled in detecting these tax evasion methods without placing ads in general circulation journals announcing to the whole world what the IRS is up to. In effect, this language outsmarts the companies who are trying to outsmart the United States.

Mr. President, I am proud to be associated with each of these important provisions in this bill. I urge my colleagues to vote for its passage.

Mr. D'AMATO. Mr. President, I want to publicly commend the chairman, Senator DECONCINI, and the ranking member, Senator DOMENICI, for their extraordinary leadership in making substantial additional funds available to combat money laundering and thereby cut off the life blood of the drug dealers.

One of the newest ways the drug dealers are using to launder money is to use so-called money transmitters. These storefront operations frequently front as travel agencies, but they are really nothing more than fronts for laundering millions of dollars of drug money. There is virtually no Federal regulation of them, and with rare exceptions, only very meager state enforcement activity.

This is a serious situation that will only get worse if we continue business as usual. In fact, the Treasury Department's new Financial Crimes Enforcement Network [FINCEN] is so concerned that they have been working with me in organizing a conference calling in top Federal, State, and local law enforcement officials to put together active working groups and task forces to attack this problem. The conference will be similar to a very successful one held recently on the problem of money exchanges along the Southwest border.

I understand FINCEN is concerned about meeting the cost of such a conference, given all the demands on its resources, and it occurs to me that one possible source of funding may be the High Intensity Drug Trafficking Area Program, which contains several anti-money laundering initiatives as part of its total plan.

I would like to ask the chairman if he thinks this could be a possible source of funding for the FINCEN money transmitter conference.

Mr. DECONCINI. I share the Senator's concern about the money transmitter problem, and believe a FINCEN conference such as he has outlined will be most helpful in addressing that problem. Since the High Intensity Drug Trafficking Area Program [HIDTA] focuses great attention and resources on money laundering, I can think of no reason why HIDTA funds should not be used to fund the FINCEN conference, and I strongly support such use of those funds.

Mr. D'AMATO. I thank the Senator.

AMENDMENT NO. 2627

(Purpose: To provide that certain agreements of nondisclosure of information by Federal personnel shall contain certain provisions, and for other purposes)

Mr. DECONCINI. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Arizona [Mr. DECONCINI], for Mr. PRYOR (for himself and Mr. GRASSLEY), proposes an amendment numbered 2627.

Mr. DECONCINI. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 106, beginning with line 10, strike out all through line 12 on page 107 and insert in lieu thereof:

SEC. 617. No funds appropriated in this or any other Act for fiscal year 1991 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form or agreement if such policy, form or agreement does not contain the following provisions:

"This Agreement is consistent with and does not supersede the employee obligations, rights or liabilities created by Executive Order 12356; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United

States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. section 421 et seq.) (governing disclosures that could expose confidential Government agents), and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions and liabilities created by said Executive Order and listed statutes are incorporated into this Agreement and are controlling.".

Mr. DECONCINI. This represents an amendment to an ongoing discussion about a controversial nondisclosure agreement that the administration has told Federal workers they must sign. It is an amendment consistent with current law and executive orders regarding nondisclosure and with many of the negotiations held with the executive branch and congressional representatives.

This amendment replaces a provision in the bill before us that was included as sections 630, 619, and 618 of the last three Treasury, Postal Service, and General Government appropriations measures respectively.

That provision, which banned the use of a controversial so-called nondisclosure agreement, has been the subject of protracted litigation and negotiations between Congress and the executive branch, which to date have been unsuccessful in achieving a resolution.

This amendment should put to rest the concerns for the sticky constitutional issues of such litigation. Hopefully, this will speed up any further negotiations that are necessary to clear up additional concerns of the parties in the dispute over these forms.

I urge the adoption of the amendment. I understand there is no opposition on the other side, and they support the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2627) was agreed to.

Mr. DECONCINI. I move to reconsider the vote.

Mr. BRADLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, the Senator from New Jersey has had an amendment pending waiting for some debate for more than an hour. As I have indicated, on this side of the aisle we are prepared to accept the amendment. I support the amendment. I think that really the Senate should have adopted the resolution of ratification of the convention a long time ago.

I hope, if there is anyone who wants to proceed on this from the other side, that they will come forward, because it is my intent to accept the amendment of the Senator from New Jersey.

I see that my colleague from New Jersey and the Senator from North Carolina is here. I would be glad to yield the floor to the Senator from North Carolina if he is prepared to go forward.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2628 TO AMENDMENT NO. 2626

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2628 to amendment No. 2626.

At the end of the amendment, add the following new section:

"And inform all parties to the Convention that the United States recognizes the right to life as the paramount and most fundamental human right, and shall interpret the word "child" to apply to all human beings under the age of eighteen, including the unborn offspring of any human being at every stage of biological development.".

Mr. HELMS. Mr. President, I admire the amendment of the distinguished Senator from New Jersey. I am very much interested in the Convention on the Rights of the Child. And I am specifically and particularly interested in the preamble thereto. Let me read it. The preamble:

* * * recalls the basic principles of the United Nations and specific provisions of certain relevant human rights treaties and proclamations, reaffirmed the fact that children because of their vulnerability need special care and protection—

Now, get this—

and places special emphasis on the primary caring and protective responsibility of the family, the need for legal and other protection of the child before and after birth, the importance of respect for the cultural values of the child's community and the vital role of international cooperation in achieving the realization of children's rights.

I think we all ought to ponder every syllable of that preamble. So, Mr. President, the pending amendment which I have just sent to the desk simply emphasizes that the paramount human right to life is vested in each human being without regard to age, health or condition of dependency.

Back on November 20 of last year, Mr. President, the U.N. General Assembly adopted by consensus the First International Convention on the Rights of the Child, a pact that sets standards on: Adoption, child labor, child abuse and other children's issues not covered by current international human rights laws.

The director of UNICEF, James Grant, described this convention as being "the Magna Carta for children, an instrument of far-reaching significance for the needs of those who are humanity's most vulnerable."

So here we are today, Mr. President, considering whether we should support this U.N. Convention on the Rights of the Child.

There has not been extensive debate. In fact, there has been practically none. But I hope, with the pending amendment to the amendment of the distinguished Senator from New Jersey, we will take a moment to give some thoughtful consideration to the countless unborn children who are being deliberately, intentionally destroyed every day in countries all around the world, including our own.

Mr. President, the highest level of moral culture is that at which the people of a nation recognize and protect the sanctity of innocent human life. All nations in which freedom and justice have governed the affairs of the people have upheld this principle, giving it the highest priority in their laws and their customs. Indeed, this principle is the bedrock of western civilization—the one principle above all others which has distinguished free and democratic systems from the barbaric regimes of the past and the totalitarian systems of today.

It is for this reason that abortion—the taking of innocent human life—has, until very recent times, been viewed as violative of this basic principle of the Western tradition. And it is no mere coincidence that the modern practice of abortion first appeared as a policy of government in Nazi and Communist dictatorships, where contempt for the dignity of human life is widely demonstrated.

Two hundred years ago, this Nation was founded on principles of human rights—the right to life, liberty, and the pursuit of happiness. Thomas Jef-

ferson stated that the guiding principle of the new nation was: "The God who gave us life gave us liberty at the same time." Jefferson believed that government's highest duty was to preserve that life and that liberty. His credo permeates one of the most important documents in history, the Declaration of Independence of the United States of America. However, 17 years ago, a dark shadow was cast over that document when the highest tribunal in the United States, the Supreme Court, ruled that an unborn child in the womb is not a person entitled to the right to life. The decision has thrown America into a moral crisis.

Mr. President, this crisis is not confined to our country and was very much a point of contention among the 42-nation working group of the U.N. Commission on Human Rights that wrote the Convention on Children's Rights. As the New York Times reported on October 29, 1989:

> Among the most contentious issues, which some groups would like brought back to the table, is the question of the rights of fetuses. While there is general agreement that childhood ends at 18, the working group was unable to reach a concensus on when it begins. The preamble to the convention, which is not binding, has a statement from the Declaration on the Rights of the Child saying children need "special safeguards and care, including appropriate legal protection, before as well as after birth."

Mr. President, my amendment proposes that the resolution specify that the Government of the United States fully supports the concluding sentiment of the United Nations Declaration of the Rights of the Child:

> [T]hat the child, by reason of his physical and mental immaturity, needs special safeguards and care, including appropriate legal protection, before as well as after birth.

Mr. President, all governments have the duty and a sacred obligation to protect these most innocent lives to the maximum extent possible.

I commend the goals of the U.N. Convention on Children. Its goal is to prevent the abuse and exploitation of children around the world.

It is the duty of this Senate to put the words of this U.N. Convention on the Rights of the Child to their greatest possible use by reaffirming our support for the protection of the Earth's most vulnerable and helpless citizens—the unborn children. Our children are the greatest hope for the future, they deserve our love and protection.

Mr. BRADLEY. Mr. President, let me say at the outset that the distinguished Senator from North Carolina and I have differing views on the issue of abortion. I strongly support the right of a woman to choose whether or not to have an abortion. The Senator from North Carolina has consistently supported a constitutional amendment aiming to ban all abortions. So we do have a very different view on this issue. Each of us has strong feelings about our respective positions.

The point to be made here, I think, is that this is simply a resolution to ask the President to sign the Convention on the Rights of the Child, which is enormously important, and to do so before he goes to the summit on children which will take place at the United Nations on September 29, and to send the convention to the Senate for ratification before that time.

So, Mr. President, this is not the time, really, to debate what the convention does or does not say, since this is only a resolution that would ask the President to sign the convention and send it to the Senate.

The Senator has raised the amendment, however. I hope that we would not spend too much time on it because it is really not the appropriate place. When the President sends the convention to the Senate, this will clearly be the moment for the Senator to revisit this issue.

On this resolution, I think that it is inappropriate for him to attach this amendment to it. But let me attempt as best I can to deal with the issue that he raises. That is to make clear that the countries that drafted the convention debated at great length whether, for purposes of the convention, the definition of a child should include the unborn. The countries drafting the convention were able to agree that childhood began at least as early as birth. However they disagreed over whether the convention should protect the fetus from the moment of conception.

For example, in an earlier draft of article I, a child was defined as every human being from the moment of his birth—emphasis added to the "moment of birth." The emphasized language was deleted from subsequent drafts to allow each country to define human being under its own national laws. The drafters also did not accept the recommendation of several countries that the words "from conception" follow "human being" in the article.

The language of article I ultimately accepted by drafting countries represents a carefully worded compromise. As a result of this compromise, the application of the convention to the unborn of a state-party will depend on the definition of a human being under the law of that country. In other words, Mr. President, the convention does not define when childhood begins and therefore allows the laws of the ratifying nation to determine that question, and therefore it has no effect on the issue of abortion or abortion rights.

This was an issue that was debated at length. This history goes over a 10-year period. The chairman of the working group that essentially ran the commission was Mr. Adam Lopatka, who was the Polish representative, and he was clearly from a state that wanted very strong antiabortion language. I would like to quote what he said. He said:

> Facing principal divergence of views on this issue as well as its high sensitivity and importance, the working group decided not to prejudice any national solution of this question and left it open for appropriate national legislation and policies of state-parties to the convention. I am strongly convinced about the wisdom of this compromise.

That was the chairman of the working group, Mr. Lopatka, from Poland.

I think that another example is the fact that states with differing views have supported this convention. The Holy See has already ratified it. Sweden has ratified it. Denmark has ratified it—countries of quite divergent views on the issue of abortion.

So, Mr. President, the drafters of Convention on the Rights of the Child worked long and hard so that the result of their efforts would be to protect children worldwide, this being an extremely controversial issue. The convention and the commission that drafted it over a 10-year period thought it best that the Convention on the Rights of the Child be designed to be completely neutral on the issue of beginning of childhood. It leaves the matter entirely up to the laws of nations ratifying the treaty.

I would hope that the distinguished Senator from North Carolina, who will have an opportunity to revisit this issue when the convention is submitted, will not push his amendment.

I would say the history of this is quite clear. During the drafting of the convention there was considerable debate on the issue, no question. Strong advocates both for and against abortion rights tried to include language to make the convention move in their direction. In the end, both sides agreed to what was essentially a three-step compromise designed to assure that the convention is neutral on this controversial question.

So I would hope that since this is only a resolution asking the President to sign the convention and send it to the Senate for ratification, we will at this stage not interject this extremely controversial question.

The Commission, and the drafters of the convention, as I said, enacted a three-step compromise. Article I of the compromise defines the rights of the woman; defines the end of childhood as 18. It says nothing, absolutely nothing about the beginning. The convention's preamble, which recounts the history, quotes a sentence from the 1959 Declaration of the Rights of the Child which says, "The child, by reason of his physical and mental immaturity, needs special safeguards and care, including appropriate legal protection, before as well as after birth."

Under international law it is well established that the preamble of the treaty has no binding effect. The preamble language was included in the treaty only after an agreement was reached to clarify that this sentence would in no way affect the abortion issue. This was done by making it clear in the legislative history that in adopting the preambular paragraph the working group does not intend to prejudice article I or any other article of the convention by state parties. In sum, the convention does not define when childhood begins and therefore allows the laws of ratifying nations to determine the question.

It has no effect on the issue of abortion, and I would hope that the Senate would recognize that this resolution is an attempt to move the convention forward, the President to send the convention to the Senate where it can be ratified.

Every day there are 40,000 children in the world who die from diseases that could be prevented if nations gave greater emphasis to protect their children. Every day children in the world are used as cannon fodder in wars, every day they are sold into slavery and prostitution. Every day they are denied adequate education.

The convention is a very important document that puts nations on the record, and they are on the record, to take care of their children. The reason this convention has moved as far as it has is because this issue, which would have made it impossible to get an agreement at the United Nations was carefully avoided through the three-step compromise that I described.

So I would hope that we would be able to reject the amendment of the Senator from North Carolina if he chooses to push it to a vote.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I thank the Chair.

I recognize that the distinguished Senator from New Jersey would prefer that this amendment not be offered, but in good conscience I cannot accommodate him in his suggestion that I not pursue it. He is proabortion and I am antiabortion, or to put it another way, I am pro-life and he is what is called pro-choice. It so happens that I am running some risk here this afternoon in proposing this amendment because the militant forces promoting abortion in this country have invaded my State with the announced intent of defeating me on this issue. I have said to them, and I have said to the people of North Carolina, that I will not retreat, and that if I am denied another term in the Senate because I dare to stand up for the most helpless humanity imaginable, so be it. I will go home with the knowledge in my heart that I did the best I could.

Furthermore, Mr. President, the position that this amendment of mine takes is precisely the position taken by the Bush administration at the United Nations. The U.S. Alternate Representative to the U.N. General Assembly before the Third Committee in New York City on November 10, 1989 had this to say. It is very clear:

The United States fully supports the inclusion within the preamble of the convention language from the 1959 Declaration of the Rights of the Child confirming that the child, by reason of his physical and mental immaturity, needs special safeguards and care, including appropriate legal protection, before as well as after birth.

Then the Representative to the United Nations went on to say:

Children—born and unborn—are precious and extremely vulnerable. Governments have a duty and sacred obligation to protect these children to the maximum extent possible.

Birth is an event which happens to each of us. The most tender, formative 9 months prior to this great event will forecast the healthiness of the child after birth. One of the most positive protections for a healthy childhood—after life itself—is proper prenatal care.

I am going to ask unanimous consent that at the conclusion of my remarks, Mr. President, the entire statement by Christopher H. Smith, U.S. Alternate Representative to the U.N. General Assembly, be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. I simply cannot accede to the suggestion that we pretend that this issue is not here. It is here. Millions of dollars are being spent to promote the kind of stuff that it is all right to destroy an innocent, helpless, unborn child. Thousands, hundreds of thousands of dollars have been spent in my State by forces from outside the State contending just that.

I am perfectly willing to wait until the Supreme Court reviews and revisits that decisions in the early seventies called Roe versus Wade. The Court made the original mistake in Roe versus Wade and I am confident that the present Court will correct that error.

Are we going to continue to engage in the sophistry that this issue has something to do with choice? How about the choice of the unborn child? Is that to be disregarded forever? This amendment simply states what is in the preamble which has been endorsed publicly at the United Nations by the representative of the President of the United States of America.

So the Senate can work its will on it. Inasmuch as this is a resolution just expressing our support for the goals of the preamble, perhaps it would be better to just go ahead and adopt the second-degree amendment as a part of Senator BRADLEY's underlying amendment. I will say to the Senator that I regret that I cannot accommodate him, but I will not withdraw the amendment.

I yield the floor.

EXHIBIT 1

DEFINING THE RIGHTS OF CHILDREN

(By Christopher H. Smith)

(Following is an address by Christopher H. Smith, U.S. Alternate Representative to the UN General Assembly, before the Third Committee, New York City, November 10, 1989.)

After 10 years of constructive dialogue, seemingly endless consultations, and finally an agreement, the Commission on Human Rights has presented the Convention on the Rights of the Child to the UN General Assembly for adoption. The United States participated actively in the drafting of the convention. We believe that it represents a notable step forward in the needed promotion and protection of the rights of children. Athough the convention is far from perfect—no agreement ever is—the United States strongly believes in the enumerated commitments and goals of the convention, and it is our hope that the General Assembly will adopt the text without change.

The Government of Poland deserves much of the credit for the conclusion of this convention. The version we have before us today represents many years of debate and revisions to the Government of Poland's first draft; but if it were not for that initial effort over 10 years ago, we might not be considering adoption of a Convention on the Rights of the Child during the 44th session of the General Assembly. We must also make special mention of Professor Adam Lopatka of Poland, who served with distinction as chairman of the working group established to draft the convention.

The United States also recognizes the valuable contribution made by many nongovernmental organizations during the drafting process. the promotion of human rights standards inevitably creates a certain tension between what might be best in an ideal world and what governments are prepared to accept today. Although in the end it is governments that are bound to uphold human rights standards, the participation of nongovernmental organizations in the drafting of these conventions—and in the United Nations generally—serves to push us to higher standards over and above our parochial interests. In addition, it prevents us from being content to settle for the lowest common denominator.

The Convention on the Rights of the Child grapples with many difficult issues and rests on several hard-fought compromises. A number of these compromises were necessitated by the differing cultural, legal, and religious views of the unique relationship between the rights of the child, the righs and responsibilities of parents, and the state's obligations of legal and moral protection. Other concessions were necessary on other matters. My government, like many others, is not completely satisfied with some of these compromises. But because we recognize the importance and desirability of adopting the convention without further delay, we do not wish to reopen negotiation on any part of the text.

For the record, I would like to make a brief statement of my government's views on several aspects of the convention.

PROTECTION OF THE UNBORN

The United States fully supports the conclusion within the preamble of the conven-

tion language from the 1959 Declaration of the Rights of the Child confirming that "the child, by reason of his physical and mental immaturity, needs special safeguards and care, including appropriate legal protection, before as well as after birth."

Children—born and unborn—are precious and extremely vulnerable. Governments have a duty and sacred obligation to protect these children to the maximum extent possible.

Birth is an event which happens to each of us. The most tender, formative 9 months prior to this great event will forecast the healthiness of the child after birth. One of the most positive protections for a healthy childhood—after life itself—is proper prenatal care.

We in the United States are just now fully recognizing the positive effects of basic maternal and prenatal care. This does not demand elaborate, expensive medical facilities; the basics cost little but are extremely effective. For instance, sound nutritional education and tetanus toxoid inoculation for mothers produce resounding positive effects. Neonatal tetanus is the single most important identifiable cause of infant mortality in the developing world. This threat can be wiped out if the child inherits the benefits of his or her mother's tetanus inoculation.

The U.S. Agency for International Development has launched a new project for maternal and neonatal health and nutrition in developing countries. Comprehensive research and experience, domestically and internationally—through organizations such as the World Health Organization—have proven that proper prenatal and neonatal care spell the difference between a healthy or health-threatened mother, and between a strong or vulnerable child. Healthy babies, right from the start, will help provide brighter futures for all of our children, who represent our own future and our legacy for the next generation.

RELIGIOUS RIGHTS AND FREEDOM OF CONSCIENCE

My government concurs fully and is pleased that the convention reaffirms "the right of the child to freedom of thought, conscience and religion." The international community has long agreed that all people, including children, must be guaranteed religious rights. As early as 1948, when the General Assembly adopted the Universal Declaration of Human Rights (the one document which was deposited with the UN Charter in the cornerstone of this building), the General Assembly declared that "Everyone"—and I wish to emphasize the word everyone—"has the right to freedom to change his religion or belief, and freedom, either alone or in community with others and in public or private, to manifest his religion or belief in teaching, practice, worship and observance" (Article 18).

Although parents or guardians must, of course, offer guidance and assist young children in the exercise of their right of freedom of conscience, we must recognize that this inherent and inalienable right of religious freedom is a precise right of each individual, including children. If possible, the United States would have wished for a stronger reaffirmation of this in the convention.

In particular, we would have liked to specify that children continue to have such supplementary rights as the freedom to have or to change a religion, the right to worship according to their beliefs alone or with others, and the right to teach, learn, and practice their religion in public and in private. The Universal Declaration of Human Rights and other international instruments include references to such supplementary rights, and the United States continues to believe that they apply to everyone, including children.

FUNDING

The United States firmly believes that the costs of the Committee on the Rights of the Child that will be established by the convention should be borne exclusively by the states that ratify the convention. In our view, the committee established by the convention is not a UN body, but an instrument of the states parties to the convention. Only those states may nominate and elect members of the committee; only those states submit reports to it. Moreover, the convention will enter into force when only 20 states have ratified. We believe that it would be inappropriate for the entire membership of the United Nations to bear the expenses of a body created to serve so small a number of states, at least initially.

In any event, UN financing is no guarantee of full financing for committees such as this one. In times of budgetary constraint, the members of the United Nations can and very well may decide which functions the committee will have to forgo. The United States believes that state-party financing is more likely to preserve the independence of the Committee on the Rights of the Child, for that financing method would give the committee complete power to decide how to use its funds.

KEY ELEMENTS OF U.S. POLICY

The current draft of the Convention on the Rights of the Child addresses many of the social concerns facing the children of the world. I would like to highlight a number of the key elements that the U.S. Government supports.

Family Reunification: We are particularly concerned about the reunification of families so that children and parents can live together. Families have been torn apart by wars, restrictive borders, and indiscriminate limits on emigration rights. This disruption in cohesive family ties is especially detrimental to the lives of children, who are generally the ones who suffer the most from forced separations. The convention obligates the states parties to address reunification applications by children or their parents "in a positive, humane and expeditious manner." this is an easily obtainable goal, and governments should not have difficulty in doing this.

Abuse and Neglect: The prevention of physical and mental abuse against children demands constant vigilance, a moral and ethical consciousness throughout our society—from government agencies to churches, synagogues, and mosques, to local community awareness efforts, to neighbors and families. The scourge of child abuse—whether physical or sexual abuse, whether negligence, neglect, or other forms of exploitation—is all too prevalent throughout the world. Governments must be committed to providing legal and administrative protection to children, as well as supporting social and educational programs that help prevent this gross scourge which has infected many of our communities.

Adoption: With the strong and active encouragement of President Bush, the U.S. Government has promoted the adoption of children by loving and caring families. Through legal safeguards and constructive adopting agencies, governments can help ensure that eligible children or orphaned children enjoy the love and nurture of a family. As an example of how a government can promote adoption, President Bush is scheduled to sign into law a bill which will designate the last week of this month as "National Adoption Week" in the United States.

This initiative of the Congress and the President of the United States will help bring attention to the rewards of adoption, both for children and for parents. A specific commemorative week will help promote legal adoption, and it will call special attention to the needs of children with mental and physical handicaps who do not have a family to care for their special requirements. This brings to mind Article 23 of the convention, which deals with disabled children.

Disabled Children: The United States is keenly aware of the special needs of mentally or physically disabled children, and we fully support the convention's call for a "full and decent life" for these children.

The world has come a long way from the days when the handicapped were locked away far from the support base of their family and the loving care of those who are able to help rehabilitate, train, and educate these children with special needs. Recognition of the rights of the handicapped has been slow. We hope that there will be a strong commitment to this particular goal in helping ensure that children with special needs receive proper guidance, so that they may "achieve the fullest possible social integration and individual development."

CONCLUSION

As I made clear at the outset, the United States is satisfied that the working group which drafted the Convention on the Rights of the Child made such progress and achieved consensus on all substantive issues. We sincerely hope that the General Assembly will adopt the convention without a vote and without changing any of the text.

The United States does believe, however, that we must view the convention in a sober, realistic light. It is not a perfect document, and its entry into force will not solve all problems and all threats for all children. Only by recognizing this can the international community work together to make the best possible use of the convention. Necessary protection for our societies' vulnerable and helpless will, ultimately, have to be demanded by the moral commitment of men and women throughout the world and will have to be guaranteed by member states.

To borrow from the teachings recorded in the Book of Luke, "he who is the least among you all—he is the greatest." Our children are the greatest hope among our generation. They deserve our protection, our living care, and the opportunity to achieve their best with their talents. The adoption of the Convention on the Rights of the Child will serve as a starting point—a launching pad—for improving the status and situation of all children of all nationalities, creeds, and social status.

Mr. BRADLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Only one further comment. I do not know what the distinguished manager of the bill would like to do, but I am prepared to go to a vote on this issue at any point.

The distinguished Senator correctly quotes the preamble, but, of course,

the convention would have never been adopted by the United Nations if the language in the legislative history had not made clear that this preambular paragraph is not intended to prejudice interpretation of article I or any other convention provisions. In other words, that the convention would be and was designed to the neutral on when childhood begins. It leaves the matter entirely up to the law of the nations ratifying the treaty.

Mr. President, I am prepared to vote.

Will the manager of the bill state his interest? If I can get the attention of the distinguished Senator from Arizona, does the distinguished Senator from Arizona want a recorded vote at this time, or does he want to delay it to some point in the future?

Mr. DECONCINI. If the yeas and nays are ordered and a rollcall is asked for, I will ask that the vote be put off until a later time and that we lay this amendment aside to proceed with the Senator from Ohio who has an amendment.

Mr. HELMS. If the Senator will yield for a question, what does he propose to do—have a rollcall vote?

Mr. DECONCINI. Nobody has asked for one. The only way to vote is if the Senator wants to proceed. This Senator wants to proceed.

Mr. BRADLEY. I want the distinguished managers to know we will have a rollcall vote on this, and at time the manager finds most appropriate.

Mr. DECONCINI. If that is the case, why does not the Senator ask for the yeas and nays, and we will set it aside?

Mr. BRADELY. I will be prepared at the appropriate time to ask for the yeas and nays on the amendment.

Mr. DECONCINI. I ask unanimous consent, Mr. President, that the pending amendment——

Mr. BRADLEY. Before the request, Mr. President, will the distinguished floor manager assure me that if I am not on the floor, we will be back to this amendment and the yeas and nays would be ordered on the amendment?

Mr. DECONCINI. I will see that that is accomplished.

Mr. President, I ask unanimous consent that the pending amendment of the Senator from New Jersey and the amendment to that amendment by the Senator from North Carolina be temporarily laid aside.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI. Mr. President, I ask unanimous consent that the pending amendments be laid aside for the consideration of the Glenn amendment, and that no call for the regular order, except if made by the majority leader or his designee, serve to displace the Glenn amendment, and that the recess of the Senate for the two party conferences be delayed until 12:45 today.

The PRESIDING OFFICER. Is there objection?

Hearing none, it is so ordered.

Mr. DECONCINI. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DECONCINI). Without objection, it is so ordered.

EXTENSION OF TIME BEFORE RECESS

Mr. GLENN. Mr. President, I know we are supposed to end at 12:45 under the current agreement. I ask unanimous consent that I be permitted to speak as long as is required to give my speech but not to extend beyond the time of 5 minutes before 1.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2629

(Purpose: To provide appropriations for employing additional collection personnel in the Internal Revenue Service)

Mr. GLENN. Mr. President, there has been talk about a new tax bill and new taxes being put in. But I think everyone, in considering a new tax bill, would consider that it is logical to try to first collect those taxes we already have out there that are owed to the Government and are not collected.

So, Mr. President, I rise to propose an amendment to H.R. 5241 on behalf of myself, Senator CONRAD, Senator LIEBERMAN, and Senator COHEN and ask for its immediate consideration. I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. GLENN], for himself, Mr. LIEBERMAN, Mr. CONRAD, and Mr. COHEN, proposes an amendment numbered 2629.

Mr. GLENN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 15, line 7, beginning with "$3,310,119,000" strike out all through "States" on line 11 and insert in lieu thereof "$3,365,619,000, of which not to exceed $70,000 shall be for official reception and representation expenses in connection with the 1991 General Assembly of the Inter-American Center of Tax Administrators, to be hosted by the United States, and of which $55,500,000 shall be for hiring personnel for 1,050 additional full-time equivalent positions in the Internal Revenue Service for the collection of unpaid accounts".

Mr. GLENN. Mr. President, this amendment would restore to the IRS tax law enforcement account the sum of $55.5 million needed to hire 1,050 additional IRS collection personnel. This level of staffing has been requested by the President for fiscal year 1991 and this amendment has the support of the administration. This amendment has been necessitated by the failure of the IRS over the past decade to keep up with the staggering increase in unpaid taxes owed by individuals, corporate and what we can term deadbeat taxpayers.

In its simplest terms, since fiscal year 1983 the total inventory of taxes assessed but not collected by the IRS has jumped from $26 billion to over $60 billion. On top of that is the approximately $30 billion in unpaid taxes, interest, and penalties which the IRS has written off as currently not collectible. As of June 1990, with interest and penalties accruing each day, the total then rises to somewhere around $96 billion that the IRS says is owed to the Government and which has not been paid by over 10 million deliquent taxpayers.

If we could just collect this or a good chunk of it, what a great jump that would be toward getting control of this budget deficit situation.

Americans are a self-taxing people. Every April 14 we wind up with people staying up until midnight and going through the throes of filing their income tax statements. We pay and we gripe and we joke about it. Like clockwork, once a year Johnny Carson mentions it in his monologue on April 15. And while we all moan about it, nothing makes people madder than to read how many people do not pay or have managed to avoid going through what the rest of us have done. It makes people truly upset to learn of others who thumb their noses at the Government, and effectively at everyone else who pays up. Our Government depends on that self-taxing system and the revenues that come with compliance.

Last year both the Office of Management and Budget [OMB] and the General Accounting Office [GAO] identified the unchecked growth in IRS accounts receivable as one of the high-risk items facing the Government today because of its significant potential for loss to the U.S. Teasury. The Governmental Affairs Committee, which I chair, has made oversight of these areas its highest priority. On August 1, 1990, the committee held a hearing on the IRS accounts receiva-

ble problem, and heard testimony from my distinguished colleague from North Dakota, Senator CONRAD, the IRS Commissioner, and representatives from GAO and the National Treasury Employees Union, including three revenue officers from the field.

That hearing conclusively established that each year the IRS has fallen farther and farther behind in its effort to reduce the accounts receivable balance, and that the IRS has an immediate need for an increase in collection staff. Commissioner Goldberg testified that though the IRS collection staff years has increased by 10 percent since 1984, there has been a lack of steady growth. He said:

We rode a roller coaster in our staffing, experiencing an alternating pattern of rapid expansion and abrupt downsizing.

The IRS has been under a hiring freeze begun in fiscal year 1989. At the committee's August 1 hearing, a revenue officer from Laguna Niguel, California District Office testified that with current staffing levels, the grade 7 and 9 revenue officers—those with only 1 or 2 years experience—are working complicated cases intended for grade 11 and 12 revenue officers.

IRS Commissioner Goldberg testified that with regard to the President's fiscal year 1991 budget request, OMB initially suggested that 3,000 additional positions for the collection function would be appropriate. I repeat that. OMB said that 3,000 additional positions for collection function would be appropriate. But the IRS rejected that level on their own because the agency felt they could not absorb 3,000 new hires in 1 year. That is what is needed, but they could not absorb them and make the proper use of them in 1 year. According to Commissioner Goldberg, 1,050 positions represents "the staff years that we think we can prudently manage. We cannot absorb any more. We would be losing an opportunity to employ any less." I understand that those positions will include over 400 additional revenue officers, over 200 tax examiners, and the remainder will consist of clerical and temporary personnel and follow-on overhead costs.

Now keep in mind that this is not a matter of additional outlays in the traditional sense; instead, we can reasonably expect that these outlays for additional IRS collection staff will pay for themselves many times over. For example, at the Governmental Affairs Committee's August 1 hearing, a 15-year revenue officer testified that he can earn back his nearly $43,000 annual salary in 1 week. Commissioner Goldberg testified that the Treasury Office of Tax Analysis and the IRS had carefully and conservatively estimated that over the next 5 years, those additional employees will generate about $1.6 billion in revenues.

That was broken down as follows: About $150 million in unpaid taxes from fiscal 1991; $200 million in the next year; $408 million in the third year; $418 million the fourth year; and $431 million in the fifth year. Those are their estimates.

Of course, there will always be disagreements about revenues expected to be generated by additional staffing resources. I understand the Congressional Budget Office has estimated that the first year revenues from the proposed expenditure of $55.5 million will be $109 million, not $150 million. GAO has issued a report to the ranking minority member of the Budget Committee, Senator DOMENICI, wisely counseling Congress that we should not overestimate the amount of additional revenue additional staffing will produce. However, GAO's bottom line at the Governmental Affairs Committee's August 1 hearing was that "staffing increases are appropriate in this area" because it "seems reasonable to assume that adding enforcement staff will generate additional revenues, especially over the longer term."

Even if one significantly discounts current IRS revenue estimates by one-third to one-half, there is no doubt in my mind that these employees will pay for themselves the first year they're employed, and every year thereafter.

We all know how badly this country needs the billions of dollars of revenue at stake here. Even as we debate this issue today, the budget summit participants are grappling with the painful possible combinations of spending cuts and tax hikes. To ponder increases in taxes and at the same time not do what is necessary to collect taxes already assessed has an Alice in Wonderland quality about it that defies comprehension. In my view, we must act immediately to provide the IRS more resources to work those delinquent taxpayer cases. Otherwise, the problem is only going to get worse.

One of the symptoms of this problem is its potential to be a negative influence on taxpayer voluntary compliance, in other words, the willingness of taxpayers to self-assess and pay their taxes. At present over 10 million taxpayers, representing individuals, corporations, Federal agencies and others, are on the IRS books as owing nearly $96 billion in taxes and related interest and penalties. If the IRS does not come after them this time, what incentive will they have voluntarily to pay their future taxes? What about the great numbers of hard-working, law-abiding taxpayers who currently pay in full and on time? What will be the impact on their future compliance once they see that the deadbeats are getting away with it? While there have been no scientific studies on this issue to my knowledge, there are some disturbing signs. GAO has found that the largest portion of the growth in accounts receivable in the last 3 years has been the portion due from individual taxpayers.

The unchecked growth in unpaid taxes clearly raises basic questions about the fairness of today's tax collection system. As the IRS struggles to allocate scarce resources to those cases with the greatest collection potential, will delinquent taxpayers in some IRS districts find themselves facing an IRS revenue officer at the front door while others with similar debt in other districts get off scot free? The potential is there; that is not fair.

I was shocked to learn of the size of the thresholds being established due to scarce resources in the collection function. One IRS revenue officer in a large California district office testified at the Governmental Affairs Committee's August 1 hearing that cases involving taxpayers who owe less than $50,000 are not even sent to the field office for active collection. Think of that. Unless the debt involves more than $50,000, it is not being actively worked. In other words, we only have agents out there to really work the big cases and everyone else gets off.

This revenue officer further testified that while nearly 48,000 cases in that district office are in the hands of collection personnel, 40,000 cases are in the queue awaiting active collection. Nationwide, this queue of unworked cases amounts to over 800,000 cases totaling about $3 billion. If we believe our voluntary compliance system is worth preserving—and I for one believe it is—then the IRS must be in a position to carry out its collection mission more uniformly and fairly.

In addition to the high number of cases in the queue, other current trends signify problems that are not just the result of the natural growth in tax return filers and inflationary tax amounts. I will give some examples.

The unpaid taxes written off as "currently not collectible" have experienced a growth from 14 percent of all unpaid taxes in 1985 to 24 percent—almost one-quarter—in 1989. Another: The average age of delinquent accounts that IRS is trying to collect is growing older. Between 1983 and 1989 the proportion of total unpaid taxes over 1 year old almost doubled, from 33 to 54 percent. Another: There has been a steady growth in accounts written off because the period of time the IRS has allowed for collection by law—generally 6 years—has expired. So some people literally beat the clock. This year almost $3 billion may be involved in such writeoffs, compared to only $600 million in 1983.

As any business person knows, and as IRS' own data suggest, the older the delinquent account, the less likely it is that it will be collectible. Also, the

older the receivable gets, the more likely it is that IRS will have to use its more costly and staff-intensive collection techniques to attempt collection. We simply cannot afford to let another year pass without effective action to turn this situation around. I recognize that many of the improvements that are necessary to better collect these unpaid taxes depend on more than just adding staff to the collection function. The IRS must improve its capability to provide information which tells us why the inventory of back taxes has grown and how their personnel are being assigned in the most efficient way to counter this trend. The IRS must install controls to identify and weed out those accounts which are invalid and do not represent a true tax debt. These cases of "bad paper" arise mainly from Government and taxpayer error, and only serve to bog down the system and give the IRS a bad reputation as it spends money tracking down a nonexistent liability. Although their results vary, several different studies show that between one-third to one-half of the nearly $96 billion the IRS says is owed, probably is not owed at all. However, if we cut that $96 billion figure in half, or even two-thirds, to approximately $30 billion, we will still have the amount of money everyone is looking for to help reduce our budget deficit.

To address these aspects of the accounts receivable problem, and in general to improve the entire tax administration system, the IRS is embarked on an extensive long-term computer modernization program. Now, if there is one thing we do well in this country, it is handling massive amounts of information and statistical data. Number crunching is what the IRS is all about, yet they are still using computers born back in the 1960's. Obviously it is imperative that we continue to fund the IRS' computer modernization program.

The IRS must also pay attention to the recommendations of the GAO to improve tax administration. At the Governmental Affairs Committee's August 1st hearing, GAO released a report with suggestions to simplify and modernize the Federal tax deposit system. The GAO has concluded that the current complex set of Treasury rules lead to many unnecessary cases of employer tax delinquencies, which swell the inventory of accounts receivable.

In sum, much remains to be done by the IRS which is well within its control to better manage the accounts receivable problem. Commissioner Goldberg testified on what are called the "vital few" management initiatives underway to improve IRS collections.

One was to improve and integrate the IRS' financial and revenue accounting systems. One way to intensify management of large dollar amount cases. Another, arrest the growth in accounts deemed "currently not collectible. Another centralize the handling of certain aspects of the tax processing system and clean up existing data files to remove both IRS and taxpayer errors.

All of these steps IRS is now taking should have a positive effect. We in Congress must continue to see that the IRS sets goals for solving this problem and its other management failures, and then see that IRS has the proper resources to carry out its remedial plan. Commissioner Goldberg has testified that the following is his main goal for the collection function in the near term:

Our objective is to begin work in all of our outstanding accounts receivable cases in our inventory. Once the outstanding backlog has been resolved, the objective is to work all accounts receivable on a current basis.

I request that Commissioner Goldberg's letter in support of fully funding the President's request for these positions be included in the RECORD. I also ask unanimous consent that a data sheet accompanying his letter which shows how much they asked for in the different functions also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTERNAL REVENUE SERVICE,
Washington, DC, September 7, 1990.

Hon. JOHN GLENN,
Chairman, Committee on Governmental Affairs, Dirksen Senate Office Building, Washington, DC.

DEAR MR. CHAIRMAN: I appreciate your continued support of effective tax administration and your particular interest in accounts receivable. As I have testified before the Senate Appropriations Subcommittee and as Director Darman has communicated, the President's Budget of $6.135 billion is the minimum amount which will permit a modest amount of growth in the Internal Revenue Service's ability to carry out its mission. Funding of an amount less than that requested will result in failure to achieve the revenue initiatives, one of which is the $55.5 million for reduction of accounts receivable. This initiative would enable us to hire 1,050 staff years and to collect over $150 million that would not otherwise be collected. I can assure you that full funding of our request will permit us to begin essential improvements in our systems and to hire staff that is necessary to address growth in accounts receivable.

Best regards,
Sincerely,

FRED T. GOLDBERG, Jr.

INTERNAL REVENUE SERVICE FISCAL YEAR 1991 COMPLIANCE INITIATIVES

[Dollar amounts in millions]

	FTE	Fiscal year 1991 budget authority	Collections	1992	1993	1994	1995	Total
A. Management initiative:								
1. Appeals large case	0	0	$1,000.0	0	0	0	0	$1,000.0
2. Exam tax shelter	0	0	349.0	$387.8	0	0	0	736.8
3. Exam CEP settlement authority	0	0	546.7	566.9	$364.0	($66.4)	($444.0)	967.2
4. Exam excise tax	0	0	2.3	15.6	32.9	44.1	51.6	146.5
5. EP/EO actuarial exams	0	0	602.0	109.3	26.8	0	0	[1] 802.1
Subtotal, management initiatives	0	0	2,500.0	1,079.6	423.7	(22.3)	(392.4)	3,652.6
B. Resource initiatives:								
1. Collect additional taxes owed	1,505	$55.5	150.2	200.0	408.5	418.3	431.4	1,608.4
2. Exam field audit	1,176	77.1	(18.2)	2.4	297.1	387.7	412.7	1,081.7
3. Exam service center	640	27.3	143.6	210.7	222.2	228.3	232.2	1,037.0
4. Exam contract training	0	7.5	13.8	47.6	97.9	154.5	203.8	517.6
5. Exam claim audit	146	7.9	0	111.3	169.6	218.7	212.5	712.1
6. RPA dependent SSN monitoring	84	2.9	57.5	66.2	70.6	72.1	72.8	339.2
7. RPA mortgage interest monitoring	14	0.5	17.5	28.9	31.5	32.6	33.1	143.6
8. RPA noncustodial parent dependent monitoring	366	12.3	172.6	198.8	211.9	216.3	218.5	1,018.1
Subtotal resource initiatives	3,476	191.0	537.0	754.6	1,339.7	1,509.8	1,604.5	5,745.6
Total fiscal year 1991 initiatives	3,476	191.0	3,037.0	1,834.2	1,763.4	1,487.5	1,212.1	9,398.2

[1] This total includes $64 million from actions taken in fiscal year 1990.

Mr. GLENN. Mr. President, one final point. There are two charts behind me, one concerning collection staffing basically unchanged since 1983 and the other concerning steep income increases in delinquent cases. The basic point to be made is without an increase in staffing the problem is just going to get worse. These point up the difficulties that the IRS is having. I think it is highly important we give them the tools to do the job they are supposed to do, and that includes getting the additional people that Commissioner Goldberg has said he has to have. Certainly we would not propose at this point cutting out 1,000 IRS collection agents. It would be just as foolish to say that we should fail to increase the number of agents also.

Mr. President, debate will continue after we have our break. We look forward to resuming this debate later this afternoon.

RECESS

The PRESIDING OFFICER. Under the previous order and the extensions thereto, the time has arrived for the Senate to recess. The Senate stands in recess until 2:15 p.m.

Thereupon, at 1:01 p.m., the Senate recessed; whereupon, the Senate reassembled at 2:15 p.m. when called to order by the Presiding Officer [Mr. BURDICK].

The PRESIDING OFFICER. I suggest the absence of a quorum.

The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TREASUREY, POSTAL SERVICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1991

The Senate continued with the consideration of the bill.

Mr. LIEBERMAN. Mr. President, I rise to speak in support of the amendment currently before the Senate that has been offered by our distinguished colleague from Ohio, Senator GLENN, who is also the chairman of the Governmental Affairs Committee, on which I am pleased to serve. It was in that capacity that I sat with Chairman GLENN at a recent hearing at which the shortage of collection personnel in the Internal Revenue Service was described to us. It is this shortage that motivates this amendment, which, as you know, would add to this Treasury appropriations bill $55.5 million to enable the Internal Revenue Service to hire an additional 1,050 collection personnel.

These additional collection agents are desperately needed to stem the growing tide of taxes that are owed to our Government that the IRS is simply unable to collect.

Mr. President, in a time of budget crisis, when we are considering the radical step of increasing Federal taxes to help make ends meet, few things could be more important than our ability to collect those taxes that everyone acknowledges are owed to the Federal Government but are not being paid.

I think it is important to put this in the proper context. These debts should not be viewed merely as taxes that are owed to the Internal Revenue Service. This is money that is owed to the American people, because when somebody's taxes go uncollected, the rest of us inevitably end up paying for it. That is unfair.

IRS accounts receivable have grown from $26 billion in fiscal year 1983 to over $60 billion in fiscal year 1989. I know that, in the context of a Federal budget that will be in the vicinity of $1.2 trillion this year, enormous numbers like $60 billion can become commonplace. But it is important, I think, to understand the significance of this figure.

We are talking here about more than $60 billion that we know are owed to the Federal Government, to each one of us, and are not being collected. This is not the underground economy. This is not hidden money. This is money that is owed in taxes and not being collected.

If you include interest and penalties, the current figure is actually over $95 billion, and it is expected to be over $100 billion by the end of 1991.

As you can imagine, since we are talking about the prospect of $100 billion being owed to the Federal Government, this is not just a few deadbeats who owe taxes. We are talking here about over 10 million person taxpayers that now owe their Government money that is not being collected.

So I ask the question: How can we seriously contemplate raising taxes that honest, hard-working, taxpaying Americans will have to pay, if we are unwilling to make that extra effort to collect the billions that are already owed to our Government.

If left unchecked, the dramatic growth in IRS accounts receivable will have ominous consequences. More and more delinquent taxes will become uncollectable each year, as the applicable 6-year statute of limitations expires.

This was an unsettling, startling disclosure to me in the hearing held before the Governmental Affairs Committee. We have a 6-year statute of limitations, meaning that the Government has to act to collect this money within 6 years of the effective date of its being due, or else we lose our legal right to collect.

What does that mean to us in actual dollar terms? Claims for $2.1 billion in accounts receivable expired in 1989. We lost our right as a Federal Government to collect over $2 billion that was owed to us because of what might be called a legal technicality, the running of the statute of limitations.

Mr. President, when we think of the agony that the budget summiteers out there at Andrews Air Force Base are going through right now, talking about how they might raise $1 billion or $2 billion, it is outlandish that more than $2 billion of claims for money that is owed the Federal Government, simply expired, went out of our reach, because of the statute of limitations.

I hope to come back and convince my colleagues that, particularly when we are thinking of the radical step of increasing taxes, in fairness we ought to extend the statute of limitations beyond the current 6 years, so we can reduce the money out there that is owed to us but is eluding our grasp.

I hope to introduce separate legislation on that, and perhaps when we come to a tax bill either have it included in the bill or submit it as an amendment here, because this is money that we are owed, and we ought not to prevent ourselves from collecting it.

Another serious problem is the growing inability of the IRS to collect delinquent taxes and the effect it has on the rest of the taxpayers. I fear it will send just the wrong message to the taxpayers who are now inclined to pay up voluntarily. I am afraid that the message they will receive, human nature being what it is, is that 10 million Americans already owe taxes. If the Federal Government is only pursuing those who have debts of $50,000 or more in some areas of this country in which the IRS offices are very busy, then why should I pay my fair share? That is obviously wrong, it is illegal, but, unfortunately, it may become reality.

The current tax gap, that is, the difference between taxes legally owed and what taxpayers voluntarily pay, is now estimated to be over $100 billion, and that will continue to grow unless our collection efforts improve and the threat of enforcement becomes more credible.

Mr. President, I realize that this is not a simple problem and that not all of the billions of dollars that are owed to the Government can be collected. Clearly, some of these are bad debts. We know that. But hiring additional collection personnel now is a crucial and eminently sensible first step.

In testimony before the Governmental Affairs Committee, the current Commissioner of the Internal Revenue Service stated that 1,050 new agents could be efficiently incorporated into

the agency collection system now. The truth is, we suggested that he could use a lot more, but he said 1,050, the number that would be authorized under Senator GLENN's amendment, could be efficiently incorporated within their structure this year.

The return on our investment in these agents would be striking. I know there is a problem here. I know what we are talking in the short term about an additional $55.5 million to allow us to hire these 1,050 additional personnel for the IRS. But if there ever was a case of shortsighted economy, if there was ever a case of being penny wise and pound foolish, this is it, if we reject this amendment. That $55.5 million is not money out the window; it is a genuine investment. The Commissioner of IRS conservatively estimated that the $55.5 million that would be used to hire the 1,050 additional collection agents would result in the collection of an additional $150 million during the coming fiscal year 1991 and $1.6 billion during the 5-year period through 1995, which is the period that we are talking about now as part of the budget summit and budget agreement. That is an enormous return on the dollars invested. I think it is folly for us to continue to fail to spend money today that will bring in much more money tomorrow.

Mr. President, when I served in my previous position as Attorney General of the State of Connecticut, we asked our legislature to give us some more money to do a better job at tax enforcement and collection of debts that were owed to the State of Connecticut. I can tell you that every dollar that the State invested in those additional personnel returned $4 to $5 and even more as time went on. This is an investment that is worth making.

This amendment makes economic sense, it helps, in addition, our current, critical budget deficit, and it is fair to the average hard-working, lawabiding, taxpaying citizens of our Government who step right up, painful as it is, and write out that check for taxes owed to the Federal Government. It is fair to him because it puts the pressure where it belongs, on those who are not paying their fair share.

So, Mr. President, I support this amendment, and I urge my colleagues to do likewise.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. I thank the Chair and thank my colleague from New York as well.

Mr. President, I add my voice to the voice of the Senator from Connecticut, who I think has made an excellent argument in support of the Glenn amendment.

At this very moment, as we meet on the floor of the Senate, negotiators from the White House, the House of Representatives, and this body are meeting at Andrews Air Force Base seeking to fashion a package that will reduce the Federal budget deficit by $500 billion over 5 years, and by $50 billion this year. We know, as one element of that package, that they are discussing tax increases that would fall upon those who are already paying their fair share of the tax burden of this country.

I submit to my colleagues that before we ask for one additional penny from the honest taxpayers of this country, we assure them that those who are dodging and ducking their responsibility contribute their fair share. We know that noncompliance—by those who are avoiding and evading their tax responsibility, is growing like a cancer in this society, and it is time for us to respond.

I direct the attention of my colleagues and others who might be watching to a simple series of charts which I think outline the problem. This first chart shows the growth in accounts receivable for the Internal Revenue Service from 1983 through 1989. What this chart shows is that the accounts receivable, those taxes that have been reported to the Internal Revenue Service but have not been paid, have grown and grown dramatically from just over $20 billion in 1983 to nearly $70 billion today. And that number would approach $90 billion if certain accounts that the agency has given up trying to collect were included.

We are searching for $50 billion for deficit reduction in the first year of a 5-year plan to reduce the budget deficit by $500 billion. Just in the accounts receivable area alone there is $60 billion, nearly $70 billion, waiting to be collected.

That is not the end of the story because, in addition to the problem with accounts receivable and the dramatic growth we have experienced there, we also have what I call the income tax gap—the difference between what is owed and what is being paid. That income tax gap, just like the accounts receivable, has been growing dramatically. This chart shows, from 1973 through a projection to 1992, what has been happening to the income tax gap. It has grown from $30 billion in 1973 to over $100 billion today. That money—$100 billion a year, is mostly owed by big corporations and rich individuals who, with their armies and legions of accountants, have managed to understate and avoid paying what they legitimately owed.

Mr. President, we wonder why this country is not able to pay its bills. We wonder why legitimate and honest taxpayers are upset when they are asked to pay more while others fail to meet their obligation.

The reasons for these problems, I think, can be shown in this next set of charts that show what has happened to total audit rates for the last 5 years, from 1964 to 1989. The overall rate of audit in this country was over 5 percent in 1964 and has steadily declined; by 1989 we had an audit rate of less than 1 percent in this country. If we look at individual types of accounts, we see the same pattern: Individual audit rates dropped from 5 percent to 1 percent between 1964 and 1989. Corporate audit rates, as well have fallen from rates of over 13 percent rate in 1964 to 2 percent by 1989. And, finally, if we look at audit coverage by type of tax—individuals, partnerships, corporations, estate tax, gift tax, of these categories show the same pattern: Very steep declines in the rate of audit between 1964 and 1989. The result has been dramatic increases in what is out there unrecovered.

Meanwhile, the enforcement ability of the IRS has fallen into a serious state of disarray. Every year tens of billions of dollars of revenue are simply slipping through the cracks because an effective program to enforce the law and provide assistance to taxpayers is not in place.

Mr. President, as my colleagues know, I have advocated a multiyear initiative to upgrade the resources of the Internal Revenue Service in all major divisions to make certain that all taxpayers pay their fair share. Not just the little guy, not just the businessman on Main Street, not just the person who works for a living, works for a wage, but everyone. We ought to be able to assure the taxpayers of this country that not just average people, but those who have legions of accountants and lawyers to protect them from paying what they legitimately owe are going to be expected to pay.

Over the past two decades, as shown in the set of charts that I have just gone through, audit rates have plumeted drastically in every taxpayer category. And make no mistake, these trends have been costly. According to a study by the California Institute of Technology, we could have collected $47 billion more in revenue in 1985 if we just had the same level of audit coverage that we had in the late 1970's. And as the charts I have just gone through demonstrate, the late 1970's were nowhere near the peak of audit activity in this country.

In my view, the IRS budget request for fiscal 1991 represented a modest increase in resources. The $635 million sought by the administration followed several years of retrenchment, during the agency operated under a hiring freeze with crippling levels of vacancies in some of its field offices. The computer system, at the IRS it totally antiquated, relying on manual data entries by thousands of key punch opera-

tors and the physical transportation of reels of computer tape from one part of the country to another. Inexplicably, in my view, the Appropriations Committee gave the IRS essentially a current services budget without any room for the kind of initiatives that would at least start to solve these problems.

The amendment offered by my distinguished colleague from Ohio, Senator GLENN, which I am pleased to cosponsor, would restore just a portion of the funds cut by the committee for IRS enforcement. Specifically, it would provide $55 million in fiscal 1991 to accommodate the hiring of thousands of additional collections agents. To begin tackling the accounts receivable problem, this increase is crucial and could produce revenue very quickly.

Mr. President, I would also favor additional investments, besides in the collection area, and would urge both the budget summit negotiators and the conferees on this appropriations bill to consider the arguments for a concerted effort to improve Federal tax compliance. Over time, investments to improve enforcement and taxpayer service will yield substantial revenue well in excess of the amounts expended.

Mr. President, in North Dakota where I served as tax commissioner before my election to the Senate, we implemented a Fair-Share Program which generated $14 of additional tax revenue for every $1 spent. If properly implemented, a Fair-Share approach to compliance at the Federal level should yield equally impressive returns.

Earlier in the year I proposed a Federal Fair-Share Program to the Senate Budget Committee. It was estimated to produce $63.7 billion of additional revenue over 5 years, for a net return nearly nine times greater than its cost of $7.2 billion. Based on my experience as a State tax commissioner, I believe these estimates are conservative. But it should be evident that there is a huge amount of money at stake.

Again, I urge my colleagues to consider the alternative. If we do not ensure that this tax system produces the revenue it is designed to produce from all of the taxpayers—rich, middle class, and poor—then we will inevitably tax those who are honest, more. I am deeply concerned that we are on the brink of doing precisely that.

Again, at this very moment, the negotiators are at Andrews Air Force Base talking about a tax increase for the American people. I must say, there should not be 1 penny of increase until and unless we are able to assure the honest taxpayers of this country that everyone is being asked to pay their fair share.

As we confront the urgent responsibility to reduce the budget deficit, it would be incredibly foolish to overlook this source of substantial additional revenue. Morever, if we do not act, the Federal tax gap will grow. Levels of accounts receivable will keep rising. And as backlogs cause these cases to get older, the chance that the IRS can collect the delinquent accounts will be reduced. Without additional resources, the agency will have to limp along with its outmoded computer system and will remain shorthanded in critical categories of personnel. But with the right effort, we can turn these problems around and collect a much larger portion of what is legitimately owed and due under existing law.

It is both fiscally irresponsible and unfair to the vast majority of honest taxpayers in this country if we fail to tap this revenue from those who have not complied.

I urge my colleagues to support the pending amendment. I ask unanimous consent that a chart to which I have referred be printed in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

AUDIT COVERAGE BY TYPE OF TAX—FISCAL YEAR 1964–89

Fiscal year	Individual [1]	Partnership	Corps.	Estate	Gift	Total
1964	5.10	3.04	13.50	26.00	7.70	5.24
1965	4.75	3.29	3.28	28.94	7.97	4.92
1966	4.62	3.60	12.93	29.17	7.66	4.80
1967	3.99	2.87	12.23	28.15	6.95	4.16
1968	3.55	2.59	11.75	27.24	7.96	3.74
1969	2.98	2.03	11.02	26.61	6.80	3.17
1970	2.20	1.66	10.98	22.47	5.33	2.40
1971	1.72	1.54	8.58	23.07	5.91	1.89
1972	1.76	2.11	8.81	19.22	3.85	1.94
1973	1.80	1.47	7.86	19.90	4.09	2.08
1974	2.21	1.23	8.10	23.51	4.57	2.38
1975	2.38	1.96	9.01	22.71	5.06	2.56
1976	2.41	2.14	9.61	21.27	4.74	2.59
1977	2.29	1.24	9.48	16.69	3.57	2.44
1978	2.16	2.44	8.01	15.03	3.33	2.29
1979	2.11	2.55	7.44	18.50	6.02	2.24
1980	2.02	1.79	6.48	18.17	4.06	2.12
1981	1.77	1.62	5.05	18.43	2.74	1.84
1982	1.55	1.63	4.74	16.73	2.37	1.63
1983	1.50	2.41	3.64	16.94	3.59	1.56
1984	1.27	1.57	2.66	17.14	2.23	1.31
1985	1.31	1.42	2.39	21.33	2.11	1.34
1986	1.10	1.00	2.20	20.80	1.90	1.12
1987	1.09	1.15	1.58	22.36	1.65	1.10
1988	1.18	1.37	1.63	26.55	1.54	1.19
1989	0.92	0.72	2.02	23.97	1.23	[2] 0.93

[1] Fiduciary returns were included with individual returns from 1964 through 1971.
[2] Estimate.
Source: Internal Revenue Service July 1990.

Mr. CONRAD. I thank the Chair and yield the floor.

Mr. DECONCINI. Mr. President, I ask unanimous consent that Ilona Nickels be granted privileges of the floor during the debate on this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The remarks of Mr. DOMENICI pertaining to amendment No. 2629 appear at this point in the RECORD by unanimous consent.)

Mr. DOMENICI. Mr. President, it is obviously alarming to learn that the Internal Revenue Service's [IRS] accounts receivable inventory grew from $30 billion in 1984 to $66 billion in 1989, and totals more than $95 billion currently if adjusted to include interest and penalties and amounts classified as "currently not collectible."

As we grapple with painful revenue and spending choices to reduce the Federal budget deficit, we hear that there are billions of dollars legally owed to the Federal Treasury which remain uncollected.

While I agree that every effort needs to be made to address this situation, I must caution my colleagues that according to the IRS Commissioner, there are no easy or quick ways to rectify this problem. In addition, we are told by all of the experts that the amount in assessed but unpaid taxes is significantly overstated—by as much as 40 to 60 percent. This is because the accounts receivable figure includes inaccurate account balances due to taxpayer and IRS errors, duplicate receivables, and accounts IRS will never be able to collect.

GAO analysis of accounts closed by the IRS over the past 2 years found that half were closed out because they were inaccurate or duplicate receivables. IRS and Price Waterhouse studies found that the amount owed to the Federal Government may be 40 to 60 percent less than what is reflected in the accounts receivable inventory.

An IRS examination of 21 large-dollar accounts in its receivables inventory is also enlightening. These 21 accounts involve at least $50 million each and an aggregate total of $3.6 billion:

six totaling $1.4 billion are in bankruptcy;

five totaling $1.06 billion were erroneous assessments due to IRS or taxpayer errors;

four totaling $505 million were found to have tax credits or offsets satisfying the liability;

two totaling $362 million for a number of reasons IRS indicates are likely never to be collected;

one involving $61 million is in litigation;

one involving $73 million involves a drug dealer; and

two totaling $191 million involve ongoing windfall profits tax litigation.

The bottom line is that of the $3.6 billion aggregate total owed in these 21 cases, $1.6 billion, or 43 percent, was found to either be in error or already satisfied.

IRS indicates that accounts receivable will naturally grow as its business grows; that increased IRS enforcement efforts add to the inventory; and that once a liability is assessed, interest and penalties continue to accrue adding to the inventory. It also points out that accounts receivable are driven by law and accounting changes and by economic conditions—by growth and inflation increasing the number of taxpayers and their liabilities and by

economic downturns increasing bankruptcies and default.

When the IRS Commissioner testified before the Senate Governmental Affairs Committee, he pointed out that the, and I quote, "IRS accounts receivable inventory is inextricably tied to all aspects of tax administration. As such, it is an extremely complex and difficult subject to address, and there are no obvious and easy ways to enhance our collection efforts." His concern was not the growth in the inventory but IRS' turnover rate, what it can do to enhance the collectibility of accounts receivable, and accurately identify the true value of IRS accounts receivable. No one seems to disagree with the fact that the older the receivable, the more difficult it will be to collect. The aging of the accounts receivable inventory is of legitimate concern.

IRS is not neglecting this problem. It is implementing changes in its classification, monitoring and reporting procedures as recommended in the independent study it commissioned by Price Waterhouse. IRS itself is identifying problem areas and implementing recommendations made by its own internal audit function.

In addition, IRS is implementing five short-term initiatives to change the way it deals with accounts receivables.

First, short of full implementation of tax systems modernization to fully integrate the IRS' financial and revenue accounting systems, the IRS is implementing interim systems to provide management information, to track the age of receivables, to track new receivables, and to identify the causes of receivables.

Second, IRS is developing an automated system to provide large dollar case trends to handle these cases more aggressively and has implemented special procedures for receivables totaling $1 million or more.

Third, IRS is conducting a review of currently not collectible accounts to see what corrective actions may be necessary. These accounts remain in the inventory and are monitored but not actively worked. They involve difficult collection problems, such as bankruptcies, cases where a taxpayer cannot pay or cannot be located, drug fugitives, et cetera—and represent $27 billion of the inventory.

Fourth, IRS plans to test centralized handling of notice review processing, large dollar notices, older accounts, bankruptcies and litigation, and installment agreements over the next year to identify systematic and procedural deficiencies in the way it handles these receivables.

Fifth, IRS now has 3 of its service centers examining 18,000 cases to identify and resolve incorrect account entries. It will complete this effort in December and proceed with a comprehensive, nationwide cleanup of IRS accounts receivable data files.

IRS is also working to prevent accounts receivable from arising through enhances taxpayer service and educational efforts. For example, the IRS is conducting small business tax workshops to help small businesses understand the law and the our very complex payroll tax deposit rules.

I believe these are necessary first steps to identifying the best way to handle IRS' accounts receivable problem and where additional resources are necessary.

Mr. President, the subcommittee has worked within the funding constraints placed upon it for fiscal year 1991 to balance the funding needs of the many varied Federal programs and activities covered by this bill. To bring a bill to this body within the subcommittee's 302(b) spending allocations for fiscal year 1991, we had to achieve $150 million in outlay savings below the President's total fiscal year 1991 request for programs and activities included under this subcommittee's jurisdiction.

Although we were unable to provide the $634 million increase requested by the President for the IRS, the bill recommends total funding of $5.9 billion for the IRS for fiscal year 1991, $405.6 million above the fiscal year 1990 funding level.

In developing our funding recommendations for the IRS, we worked with the IRS to address its base level funding deficiencies and to accommodate its highest priority initiatives. We have included $95 million not included in the President's request to fully fund IRS' fiscal year 1991 labor and base operating requirements.

We felt that this was the best and most honest approach. No absorption of pay increases, rising retirement and health costs, or other mandatory labor and support costs is assumed. In fiscal year 1991 when the IRS loses a person, it will be able to fill that vacancy.

Quite frankly, we did not want to see a repeat performance of previous years when assumption of these costs along with sequester reductions forced the IRS to place a freeze on hiring and to delay certain components of its revenue and information systems initiatives.

Our fiscal year 1991 appropriation recommendation for the IRS also provides all be $60 million of the increase requested for essetial investments in the long-term health of our Nation's tax system, including the full increment requested for fiscal year 1991 for tax systems modernization. The $60 million reduction we have taken from the President's requested increase for the IRS information systems account defers some data processing procurements IRS felt it could put off until fiscal year 1992. Quite frankly, if additional funds were available for IRS this is the first restoration I would recommend.

According to the IRS Commissioner, "All efforts to improve the way we deal with the accounts receivables occur against the backdrop of IRS' need to invest in tax systems modernization." IRS computer systems are 30 years behind the times. Outmoded computer systems are one reason IRS can only speculate on the growth in accounts receivable. IRS has no way of tracking the sources and aging of these accounts. Systems modernization will change the way the IRS does its business. It will verify certain return information as it is processed, reducing errors. It will provide IRS personnel with the latest and most accurate account information. It will track IRS enforcement action from start to finish and provide for accounting and management controls. It will give collection staff direct access to taxpayer account information.

We believe tax systems modernization is the IRS's No. 1 priority. In fiscal year 1990, we provided for an 84-percent increase in funding for this critical tax systems modernization program. Our fiscal year 1991 funding recommendation for the IRS includes the full amount requested for this program.

Under our recommendation, IRS resources will grow from a 1981 budget of $2.5 billion providing for almost 85,000 staff years to $5.9 billion and 116,235 staff years in fiscal year 1991.

GAO recently indicated to the Congress in a June 1990 report that the IRS should be funded at levels sufficient to adequately maintain current operations before staffing increases are considered.

Our IRS appropriation recommendation for fiscal year 1991 does this—it provides the funding increases necessary for the IRS to maintain its onboard staffing levels and current operations in fiscal year 1991.

The OMB letter on this bill indicates that about 1,300 staff years in base enforcement programs would have to be cut under the IRS funding level recommended. That simply is not true. Our recommendation provides the funding needed to maintain onboard enforcement staffing levels—no positions will be cut.

The amendment before us proposes no spending reductions to offset the cost of additional IRS enforcement positions. As such, it will cause total spending provided by this bill to exceed the subcommittee's 302(b) total outlay allocation for fiscal year 1991 in violation of the provisions of the Budget Act.

I urge my colleagues to support the committee's recommendation and to uphold the Budget Act point of order

against this amendment when it is made.

Mr. D'AMATO. Mr. President, we hear of the startling numbers, and they are startling, they go into the tens of billions of dollars. Sixty-six billion dollars uncollected—IRS accounts receivable. Obviously, as we grapple with the problem of balancing the budget and meeting those deficits, we say let us collect that money. Let us do what we must to see to it that we do not further exacerbate the problem by allowing billions of dollars in deficiencies to go uncollected. These are moneys that should be paid; moneys were there are judgments. What can we do?

Mr. President, I believe this bill represents the best opportunity to achieve those goals. The manager and the ranking member, Senator DOMENICI and the others—and I am proud to be on this committee—did not come up with this formula, did not drop $150 million out of the allocations to meet these needs because we wanted to. But rather because there was a 302 allocation that came from this body. So it cut $150 million and lowered the ability for us to deal with these problems, so we had to make hard choices.

As it relates to those choices, reasonable people might disagree. What did the committee do? The people went to the person who knew. We dealt with the Commissioner himself. Obviously, if he had had his druthers, he would have liked to have had everything, including an additional 1,050 IRS agents. And this Senator would. And I would join with my colleague because no one would dispute the fact, if we have more resources we will cut down on the delinquency rate. I do not argue that point.

But I do submit it was the Commissioner himself and his staff and the professionals who, in designing a program, came up with one that would maximize the operation for the IRS.

If I might, let me summarize some of the notes, and the reports by the Commissioner. I know Senator DECONCINI will touch on them. I know they are contained in the full statement I just submitted on behalf of Senator DOMENICI.

The Commissioner talks about dealing with these accounts. He says they are going to grow every year. Why? One reason is economic conditions. When there are poor economic conditions there are more bankruptcies, more deficiencies. It increases as it relates to more people working, more businesses, more revenues, mor uncollected taxes. He says this is going to take place.

But, he said, what we are concerned about—and he told this to our committee, he told this to other committees, he told this to the Governmental Affairs Committee—what we are concerned about is the age of these delinquencies. That is because the older they get, the less likely the chance of collection and therefore the statute of limitation lapses, which my colleagues have mentioned, and there is a loss of $2 billion, which my colleague brought up.

He said, if we can get to them sooner then we have a better chance of collecting that which is collectible. He indicated anywhere from 40 to 60 percent of the total that we have been talking about, $66 billion, are actually not moneys that are due and owing. But, as a result of accounting errors, as a result of duplications, as a result of miscalculations we have a situation where there is 40 to 60 percent that is uncollectible because in most cases it does not exist. This again was ascertained by not only the IRS, but by the General Accounting Office in their reviews.

But, it is significant as it relates to the fact that there are moneys, that people are not paying. So we said to the Commissioner, what can we do? What shall we do? He said you first have to increase our base and capabilities, you have to fill in the gaps in the last years that have not been filled in. And you have to give us the computer technology. That is what we attempted to do by beefing up the computer operation because he said we have a 30-year-old antiquated system and we are losing moneys. And it does not make sense.

So, while I would be absolutely delighted to support the additional moneys in dollars, we simply would be in violation of the 302(b) budget allocation. But I think the amendment makes a good point and that point is there are moneys out there. Senator GLENN is absolutely correct. My friend Senator LIEBERMAN from Connecticut is absolutely correct. We should be doing a better job in collections, and the Congress itself should have allocated more in the way of total dollars. Had we been able to do that I know we would have provided those resources.

That is why, Mr. President, this Senator will oppose the amendment. Not because additional resources are not necessary—they are. But because we attempted to meet, in allocating in this enforcement area, those needs which were best met to accomplish the very same objective. And we will collect more than what was possible as a result of moving in the manner that this bill does by providing resources to have a newer computer system, by filling out more of the other areas.

Let me say we do something that is very unusual in this bill. We do something that is very unusual. We lost $20 billion a year by foreign corporations who do not pay their fair share—$20 billion. Incredible. Lest I be accused of bashing our allies, let me say it is probably the two leading countries, as it relates to this—or corporations, foreign owned—that come from Germany and Japan. They go through a variety of techniques to disguise that.

We said to the Commissioner, what do we do? How can we get them? That is $20 billion a year they are not paying that they should be paying. I gave a high estimate—maybe they should only be paying $15 billion. Only $15 billion, and here we are in conference trying to raise that money. Fifteen billion dollars every year, in 5 years that is a good bit of money, $75 billion. And that is on the low side, $15 billion.

The fact is they are making profits here, they turn it around, do not pay their taxes, turn it around, make greater profits. As their revenues go up they pay less. It is the most incredible game you ever saw. I wish we could get out those charts and show them. Whether it is Sony Corp.—their sales go up and they actually show, year after year, diminished profits.

I said to the Commissioner, how can this be? He said, Senator, we need the ability to go out and hire the best and not to get into one of these bidding things. We cannot send in a Grade 14 or 15 to compete with the law firms and accountants and all of the professional expertise that is brought in, the array of talent that is brought in against us. We lose these cases. We provided him with that flexibility to do that.

This represents the best we could do with the limited assets. I think that is about the best we can say at this time. I think if we could find some additional funds so that we could more fully give to our enforcement agencies, our collection agencies, the opportunity to do that I certainly, and I know the distinguished manager of the bill, Senator DECONCINI, would be doing exactly that.

Mr. President, I oppose this amendment. I urge my colleagues to join with me. But let me commend the distinguished Senator from Arizona for undertaking the difficult task and I think doing the best he possibly could with the limited resources we had available to us.

The PRESIDING OFFICER. The Senator from Hawaii.

Mr. AKAKA. Mr. President, I ask that I be listed as a cosponsor of the pending amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. AKAKA. Mr. President, I may be the newest Member of the U.S. Senate, but I am not a newcomer to this issue. For 8 years I served as a member of the House Treasury Appropriations Subcommittee.

Each year my colleagues and I on that subcommittee fought to restore IRS positions that were cut by the administration. That is why I support this amendment. The Federal Govern-

ment lets billions and billions of dollars slip through its fingers each year.

This lost revenue represents taxes that are legally owed but go uncollected because an effective program to promote compliance and provide taxpayer assistance is not in place. Let us face it. The Federal Government does a lousy job of collecting what it is owed.

I am not convinced that taxes must be raised as President Bush has said. This amendment will send a message to the budget negotiator. Why talk about raising taxes when any increase would only place a greater burden on those individuals who conscientiously pay their fair share. Instead, we should go after tax cheats who do not pay what they owe.

Consider this:

The tax gap—amounts owed on unreported income—will exceed $95 billion this year.

IRS accounts receivable—taxes on reported income which the IRS has yet to collect—will total $65 billion this year.

The current Federal budget deficit—$160 billion—equals the combined amounts of the tax gap and IRS accounts receivable. Clearly, the Federal Government needs to collect what is owed, not raise taxes.

This situation is scandalous. This revenue shortfall only increases the burden on honest taxpayers at the same time that it adds to our mounting Federal deficit. As noncompliance gets out of hand it threatens to spread among honest taxpayers and erode our tax system. If large numbers of taxpayers believe that the IRS is unable to sustain an effective collection program, voluntary compliance suffers.

The Federal Government is simply losing control of its ability to collect taxes that are owed. The signs of this are unmistakable. And the consequences are frightening:

According to the GAO, the accounts receivable inventory—currently $65 billion—is growing faster than IRS' ability to collect it. With each passing year, IRS falls further and further behind in its efforts to reduce the level of outstanding taxes.

As any business person will tell you, the older a delinquent account, the less likely it will be collected. These overdue taxes are subject to a 6-year statute of limitations. This year, time ran out on the IRS' ability to collect more than $2 billion in taxes.

IRS' toll-free taxpayer assistance system has virtually collapsed. The number of taxpayers successful in reaching IRS personnel has been declining dramatically. In 1988, 84 percent of the taxpayers who sought assistance were able to reach IRS.

In 1989, the success rate fell to 61 percent. As of this year's tax filing date, only 34 percent got through. Most taxpayers got nothing more than a busy signal.

Worse yet, taxpayers who finally reach the IRS are likely to get bad advice. One-third of all callers receive wrong answers. Under the Bush budget, there is little hope for improvement. In the coming year, the proposal is for less taxpayer assistance than in past years.

Staff shortages within the IRS have greatly hampered tax collection and taxpayer assistance efforts. Understanding is a key reason for IRS' poor revenue collection performance. Hiring freezes and budget shortfalls undercut vital tax compliance efforts.

Accounts receivable serve as a good example; IRS knows the names, taxpayer identification numbers, and in most cases the whereabouts of the delinquent taxpayers. What is needed is the staff to initiate collection.

This amendment is a step toward fiscal sanity.

Mr. President, I want to point out that honest taxpayers have nothing to fear. Congress enacted the taxpayer bill of rights to safeguard taxpayers from mistreatment. Finally, while the amendment of the Senator from Ohio does not address this issue, I believe the time has now come to consider a program of Federal tax amnesty. Any proposal that has the potential to increase revenues, thereby reducing the deficit, without raising taxes, should be examined. A proven way of addressing uncollected taxes is through tax amnesty.

Within the last decade, two-thirds of the States conducted tax amnesty programs. These programs permit taxpayers to voluntarily pay delinquent taxes. State amnesty programs have been very cost effective, generating nearly $40 in tax revenue for every $1 invested.

I support legislation to provide a one-time amnesty from criminal and civil tax penalties for taxpayers who voluntarily pay delinquent taxes. This legislation would also increase all future tax penalties by 50 percent as well as strengthen compliance activities.

However, amnesty should only apply to legal-source income. Taxes due on income resulting from criminal activity should not be covered. Amnesty should also be accompanied by a strong public relations campaign making it clear that honest taxpayers have nothing to fear.

Delinquent taxpayers had better take advantage of the program because they will never get such a chance again. Unfortunately, the IRS has had its head in the sand when it comes to tax amnesty. Republican administrations are fond of pointing to the States as the breeding ground for new ideas, yet they consider tax amnesty proposals to be "ill-advised and counterproductive."

In closing, I urge my colleagues to support this amendment.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. PRYOR). The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, I commend those Senators who have given a very detailed explanation of the Senator from Ohio's amendment. I appreciate their efforts. I would love to see us fund everything that the IRS requires. I would love to see us fund everything that the Drug Enforcement Administration needs, the FBI and other law enforcement agencies, who assist in carrying out the drug enforcement laws of this country.

As the distinguished Senator from Ohio stated, IRS estimates that the accounts receivable inventory, including penalties and interest, total approximately $87 billion.

The Senator from Ohio in his remarks stated that the latest figure was $96 billion. So we are talking about a large amount of money.

This is a crucial point, Mr. President. Because IRS automated data processing systems are so outmoded, IRS cannot attest to the accuracy of this figure.

According to GAO, the actual amount of accounts receivable may be one-half of this amount for the following reasons:

As the Senator from New York pointed out, the figure includes inaccurate account balances, duplicate receivables, and accounts the IRS will never be able to collect.

In addition, an IRS internal audit and Price Waterhouse study estimated that the amount of money owed the Federal Government in back taxes may be overstated by 40 to 60 percent. No matter what it is, it is still a large number.

This is a very complicated area and not one that is simple to solve.

The issue is not do we want to reduce the inventory, we all agree that the inventory should be reduced. But what steps can we take, given the limited budgetary resources, to stem the increase.

Commissioner Goldberg has stated three reasons why the number of accounts receivable continues to increase each year:

To reiterate what my friend and colleague from New York, Senator D'AMATO said, as business grows, so will the number of accounts receivable.

From the time IRS assesses taxes, interest and penalties continue to accrue according to the inventory.

Increases in accounts receivable are linked to economic growth, law, and accounting changes and increased IRS enforcement activities.

Present numbers reflect accounts from a 6-year period. Over $5 trillion

in revenue was collected between 1984 and 1989 and the current inventory of accounts receivable is less than 2 percent of that amount. IRS contends that they will ultimately collect most of what is owed.

While any increase in accounts receivable is undesirable, Commissioner Goldberg makes it clear that, to some extent, increases are unavoidable despite effective collection methods.

As tax law enforcement increases its effectiveness, the accounts receivable inventory will naturally rise.

I am of the opinion that in order to address the accounts receivable problem we must first put IRS on firm fiscal ground. The Senator from Ohio stated that Commissioner Goldberg was concerned about the roller coaster affect on staffing at the IRS. I would agree that this has been a problem but not one intentionally caused by this committee. In past years revenue enhancement initiatives calling for increased IRS enforcement staffing have been funded by the Congress but have not been fully implemented due to recurring IRS funding shortfalls. Without restoring the base operating programs, any well intended action, may not result in additional revenues actually being collected.

This year the committee tried to rectify that situation. The funding recommendations contained in H.R. 5241 will once and for all shore up the base operating programs at the IRS.

The committee's funding decisions reflect an honest effort between the committee and the Internal Revenue Service to prioritize funding and initiatives of that agency. The money provided in the bill will permit IRS to maintain current levels and fully cover increased pay costs while allowing the agency to move forward with urgently needed initiatives, like tax systems modernization, which is critical to the accounts receivable problem.

The committee bill includes an additional $95 million spread across the four IRS accounts. This additional funding will ensure that rising labor costs are fully funded, that nondiscretionary support costs like telecommunications, rental of space, postage and printing costs, are funded, that long overdue drug enforcement initiatives are funded, and that an 80 percent level of taxpayer service is achieved in fiscal year 1991. This funding enhancement, will, for the first time permit the IRS to fund base operating expenses without reducing taxpayer service, instituting a hiring freeze, or taking money away from tax systems modernization.

The committee could have simply assumed the increased collection enforcement initiative contained in the President's budget without funding the well-known mandatory costs of the IRS which were not contained in the President's budget. We had limited dollars and we decided that we had to use them wisely. Therefore, we decided to fund the mandatory programs that required funding and eliminate lower priorities which ultimately would not be funded by the IRS.

Based on past history, the committee bill provides total funding of $5.907 billion, or an increase of $400 million over the fiscal year 1990 level for the IRS. This amount represents a total increase of 7 percent for the IRS.

I daresay what agency cannot get by with that kind of an increase and do the job that it statutorily must do.

This amount represents a total increase of 7 percent for the IRS. You show me any other agency that is getting that kind of increase and I will be very surprised.

This is the largest dollar increase for any Federal agency under the jurisdiction of this subcommittee. So we have singled out IRS. We have said you are going to get $400 million more, or a 7-percent increase.

STAFFING

Everyone agrees that if you increase the tax enforcement staffing levels, you are going to see higher returns on revenue. The question, however, is what level of return will you achieve?

In GAO testimony before the Governmental Affairs Committee, it was stated that for 1988 IRS collected more than $15 billion through notices to delinquent taxpayers advising them that they were past due. On the other hand, only $7 billion was collected during this same time period through telephone calls from the IRS and revenue officers combined. The most costly method to collect taxes was proven not be as productive as cheaper methods—sending notices.

The Senator from Ohio's amendment would not provide additional funding for the correspondence notices which are sent out from the service centers which generate more collections. It would provide funds for the most costly method of recovering taxes owed to the Federal Government.

With reference to staffing and the impact on the growth of accounts receivable, GAO stated that:

We are unconvinced that understaffing in the collection function is the key reason for IRS' poor performance. In general, staffing has been increasing over a 5-year period. In addition, at least for revenue officers, IRS does not seem to have a major problem with inexperienced staff due to high turnover.

As the attrition rate for revenue officers is less than the national average for other Government white-collar employees.

GAO further states:

That one should be careful not to overestimate the amount of additional revenue additional collection staffing will produce. Our recent report on revenue yield estimates for enforcement programs documented the current IRS estimating process has been unable to accurately predict what revenues actually result from staffing increases in its enforcement programs.

This is due to the fact that when you hire new revenue officers, you have to take experienced revenue officers away from their jobs to train the new hires—an action which contributes to a reduction in revenues being collected, even though you have given them the money to do so.

If we had unlimited funding, there would be no problem. We just do not have unlimited funding. The subcommittee 302(b) allocation for outlays was $150 million under the President's request. The subcommittee was faced with the need to restore funding to many agencies which were not sufficiently funded by the President, including all of the Treasury law enforcement bureaus to carry out the war on drugs. There simply was not enough money to fund revenue initiatives requested by the administration and which have had, according to both CBO and the GAO, questionable results.

The President's fiscal year 1991 budget requested an increase of $191 million for an IRS revenue initiative, which OMB alleges will generate an additional $537 million in revenues in fiscal 1991. Included in this amount is $55 million for collection activities which are purported to generate $150 million in "new revenues." This is the item which the Senator from Ohio is trying to resurrect.

The problem I have is that, in the past, the experts who reviewed these enhanced revenue initiatives have found the estimates of revenue return to be grossly inadequate. A CBO reestimate of the President's fiscal year 1991 budget stated that the $537 million estimated was not supportable.

A recent GAO report, dated June 1990, on the revenue enforcement initiatives for the IRS stated:

Until the IRS develops more reliable information on the results of its enforcement effort,* * * Congress should use the most conservative assumption in its deliberations about additional revenues that can be expected from additional enforcement staff.

In fiscal year 1990, the Congress provided an increase of $113 million for the IRS to achieve additional revenues of $468 million. I had great hesitancy in approving that funding. We debated it and then went ahead and provided it, because we were told by the IRS we could count this money toward deficit reduction which would help the country. The Budget Committee urged us to fund the initiative and the administration urged us to fund it, and so we did it. The year we did that, we appropriated an extra $113 million to get $468 million in revenues back. Thus far this year, the IRS has only spent $10 million of that amount on revenue enhancement and expects it may be

able to realize only $86 million of the $468 million amount.

Something is wrong. Maybe we should rethink this policy of pouring money into enforcement staff thinking that it is going to save us on the deficit, because in fact this has not occurred. How many days are left in this fiscal year? Less than 30 days. Instead of $468 million, IRS might collect $86 million.

The Senator from Ohio and the other advocates of this amendment stated that OMB wanted to give the IRS an additional 3,000 staff for enforcement purposes in fiscal year 1991. Let all of us be clear that the purpose behind the OMB initiative was yet another attempt to achieve deficit reduction through phony revenue assumptions, assumptions which have not been realized in actual revenue yields in the previous years.

IRS revenue estimates have always been off. This fact is substantiated by GAO and other studies that consistently showed that it was not fully realized. The most recent report was issued in June of this year. Base funding for labor costs and other nondiscretionary requirements such as rent, postage on tax returns, printing of forms, et cetera, are admittedly a part of the reason. The President's budget would have the IRS continue to absorb these costs, thereby resulting in a reduction in the revenue IRS alleges it could achieve and the accounts receivable it could collect. So they took it out of this package, which we all know they need, and then put it over here in the collection package so it showed more income coming in to offset the deficit.

The Congress has provided funding for elimination of nonfilers and criminal law enforcement programs, all of which, according to Commissioner Goldberg, will have a major impact on the accounts receivable inventory. The IRS states that increased taxpayer service and education are the keys to taxpayer awareness and compliance with tax laws. We have funded initiatives in both these areas to reduce significant future growth in inventory through prevention. What better answer can we have than to put the money there, and the IRS wants it there.

With respect to accounts receivable, I am convinced that the greatest priority should be placed on modernization of our tax system. The Presiding Officer has been an advocate for a taxpayer's bill of rights, and in the course of the debate of that bill, as he articulated, there were many abuses by the IRS. Many of these mistakes and abuses occurred because they did not have the proper accounting system to know what the right hand was doing when the left hand was acting and vice versa.

We have to provide the IRS with an accounting system that will work so they can have accurate information when they go after delinquent taxpayers. I am tired of the IRS making mistakes with constituents in my State. When I raise these matters with the IRS often they will go back and review the cases and find they made a mistake.

GAO repeatedly identified outmoded information systems as an inhibitor to accurate account management and tax administration. Poor systems are also responsible for errors on the part of the IRS in identifying actual accounts receivable. IRS agrees with the GAO criticism.

IRS information and telecommunication systems are 30 years behind in development and modernization. IRS has called modernization its "highest long-term priority, and the key to the future of sound tax administration."

In testimony before the Governmental Affairs Committee, Commissioner Goldberg stated:

A large portion of our accounts receivable inventory reflect amounts that are not owed the Federal Government.

This is the Commissioner of IRS telling us that.

We are faced with a combination of errors by taxpayers and the IRS against the backdrop of our outmoded computer systems and woefully complex payroll tax deposit rules. We must modernize our systems.

Here is the head of the IRS telling us that the problem is not inadequate collections staff, it is that they have an outmoded computer system. They cannot even find out who the delinquent taxpayers are. And, as I said a minute ago, the Presiding Officer knows better than I just how many abuses and mistakes have been made as a result, by the IRS. So the Commissioner understands the problems of his own organization. The Commissioner understands the taxpayers bill of rights. We have not had Commissioners make those kinds of admissions before. My compliments to Commissioner Goldberg. He goes on to state further that:

With respect to accounts receivable and our enforcement efforts generally, it is clear that we must improve and integrate our financial and revenue accounting systems* * *. For example, we have little information that lets us identify and track the sources and aging of our accounts receivable. This makes it difficult to focus our efforts, assess our performance, and identify potential areas of weakness. Indeed, while we can speculate as to why our inventory has grown, the plain fact is that none of us knows for sure.

This is a direct quote from the Commissioner of IRS.

The appropriation of $933 million for information systems in fiscal year 1991 which is included in the committee bill provides full funding for tax systems modernization activities.

By providing funding to update information systems, we will modernize and change the way IRS functions, including enhancing the collections process. The integrated collection system [ICS] funded in the committee bill will be collections' first step toward modernization and will allow staff to devote additional time to collection activities.

Fluctuating staff levels also create difficulties in maintaining trained personnel and has led to growth in accounts receivable inventory. The additional $95 million in the bill will ensure that pay raises and other mandatory costs are fully funded so that staffing levels can be stabilized without hiring freezes.

According to IRS, average dollars collected per staff year are increasing, average assessments per staff year in the nonfiler program are increasing, and consequently, total dollars collected through various collection initiatives will increase, and the rate of growth in accounts receivable are expected to decline. Commissioner Goldberg has reiterated several times that new programs focusing on improving accounts receivable inventory in long run will cause increasing inventory in the short term before the programs take effect.

What an argument. You have the Commissioner, contrary to the administration's letter that the Senator from Ohio pointed out in support of the amendment before us, really saying, wait a minute, do not do that until we are ready for it; and he is saying they are not ready for it.

Increased staff levels in the collection area is only one part of what is necessary to collect accounts receivable and prevent their occurrence. The committee has worked with the IRS to fund what they feel is the highest priority in this area—mandatory labor costs, tax systems modernization, taxpayer service and education.

We are attempting to get IRS on its feet—that is, providing the agency with the funding it requires to cover mandatory costs so that it will not have to rob Peter to pay Paul. This is what it has to do through the process if we do not cover the mandatory costs.

Whenever we have funded these initiatives, financial initiatives, what has happened? They have had to use that money for salary increases, postage, modernization, computers, and they have never even gotten the initiatives.

Maybe once we accomplish this we will see some improvement in the accounts receivable inventory and in other enforcement areas as well.

However, one thing I know for sure is that we cannot keep going down this road of providing large amounts of funding for revenue and collection ini-

tiatives when IRS base programs continue to be underfunded.

IRS states that almost 90 percent of the recommendations provided by independent analysts regarding improvements in the accounts receivable inventory have already been implemented. The rest have been put on hold until IRS' Internal Audit Division reviews and develops an effective long-range program for identifying and remedying the major problems it has.

IRS is not a mandatory account, and in times of fiscal constraint we do not have the luxury of providing thousands of additional staff and millions of additional dollars to maybe achieve additional revenues. And I think the case is very compelling that we will not reach the goals projected by the Senator from Ohio.

Yes, I am sympathetic to what the Senators from Ohio, Connecticut, North Dakota, and Hawaii have said today. I realize those frustrations continue, because I talk to people in Arizona all the time, and they ask why do you not get those tax cheaters, and why don't you go after those people who are not paying their taxes?

Quite frankly, you have to put your resources together; you have to have a modern tax system; you have to have the intelligence and the capacity to gather that information or what can you accomplish? You go out and you damage, and you hurt legitimate taxpayers through mistakes, as the IRS has been doing for years.

The amendment of the Senator from Ohio will cause the subcommittee to exceed its 302(b) allocation for outlays and, therefore, violates section 302(f) of the Budget Act.

So, Mr. President, this amendment is indeed a budget buster, and I have no other choice but to raise a point of order under section 302(f) of the Budget Act as the pending amendment would require the subcommittee to exceed its 302(b) targets.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LIEBERMAN. Mr. President, I rise to speak on the point of order being made by the Senator from Arizona. Mr. President, in doing so may I say that, though Senator GLENN, Senator CONRAD, Senator COHEN, and I are advancing this amendment and our friends and colleagues from Arizona and New York are opposing it, the truth is we are in sympathy in regard to the purposes of the amendment. But the subcommittee is, if I can put it this way, a victim of the budget process.

The subcommittee has been given a 302(b) allocation by the Budget Committee. For the understanding of those who may be in the gallery or perhaps watching at home, the budget process begins by allocating gross amounts to each of the subcommittees of the Appropriations Committee, which is the 302(b) allocation. They do not have the capacity to go beyond that number unless approved by vote of 60 Members of the full Senate.

So I understand that, in the best of all worlds, our friends on the subcommittee would be joining us in supporting this additional allocation of $5.5 million to provide for 1,050 collection agents for the IRS. I regret that the process does not allow them to do that.

If I may say so, Mr. President, this discussion suggests that it may be time to revisit the Budget Act in this regard and see whether we cannot better refine the purposes for which the 302(b) allocation process was created. I understand that the intention in giving each of the appropriations subcommittees these allocations which, to greater or lesser degree, are then cast in stone, was to avoid excessive spending by the full Chamber. It was to create some limits here, in order to achieve efficient, effective, fair budgeting and spending and avoid deficits.

The PRESIDING OFFICER. The Chair apologizes to the Senator. If the Senator from Connecticut would take notice, the Chair will advise the Senator that the Senator from Arizona [Mr. DECONCINI] raised a point of order on the budget. The point of order is not debatable and the Chair would recommend to the Senator from Connecticut that if the Senator moves to waive the point of order, that subject is a debatable matter.

The Chair apologizes for interrupting.

Mr. LIEBERMAN. I appreciate the counsel of the Chair and I would, therefore, pursuant to 904(b) of the Budget Act, move to waive the Budget Act for the purpose of allowing consideration by the Senate of the pending amendment.

The PRESIDING OFFICER. The question is now on the motion. That question is fully debatable.

Mr. LIEBERMAN. Mr. President, I thank the Chair. It does seem to me that, in the exercise of good judgment and institutional self-control, it is important to see if we can begin to distinguish between additions to the 302(b) allocations that are indeed budget busters, and ones like the current amendment that are not only not budget busters, but actually have a positive effect on the budget.

This is an amendment that will raise more money in the first year than it spends. I would like to see, at some point, a reconsideration of the rules to allow us to not be victims of the budget process. So when an idea comes forward that just about everybody agrees will raise more money for the Federal Government than it will cost, the rules will not hinder its enactment.

The process does allow the motion to waive the Budget Act, but as the Chair knows well, that waiver requires a super majority, a majority of 60 in this Chamber, which is very difficult to achieve.

Mr. President, let me just speak for a moment about some of the points that have been raised here, and underscore the basic point that this amendment is not a budget buster. This amendment is a money maker, and it is a money maker not just in the long term but in the short term, that is to say, in fiscal year 1991.

Now, reference has been made to the report by GAO. It is true that GAO did suggest that, until the IRS develops more reliable information on the results of its enforcement efforts, Congress should use the most conservative assumptions about additional revenues that can be expected from additional enforcement staff. I am reading directly from the GAO report.

But, Mr. President, the most conservative estimate that I have seen of the amount of additional money that this amendment would raise is $109 million in fiscal year 1991, and that is an estimate offered by the Congressional Budget Office. So, even using the most conservative estimate, this amendment will raise twice as much in the first year as it will cost. The Treasury Department itself suggests that it will in fact raise much more than that.

Reference has also been made in this debate to concerns of the Commissioner of the Internal Revenue Service, and to criticisms by the GAO, about the IRS's ability to actually carry out and achieve the improvement of its enforcement efforts, including increasing its enforcement staff. Let me quote from the statement of Commissioner Goldberg before our Committee on Governmental Affairs on August 1, 1990 at the hearing. He said:

> The President's budget for fiscal year 1991 calls for approximately $50 million to add 1,050 collection personnel to our rolls. I want to emphasize that our fiscal year 1991 budget is structured to help assure that the call for increases in collection staffing will in fact take place. I also want to emphasize that this represents the growth we can prudently manage and absorb during 1991. No more, no less.

Mr. President, it is interesting to hear Commissioner Goldberg testify at that hearing that the Office of Management and Budget—that standard bearer for restraint in Government spending, sometimes thought of as the very governmental embodiment of the spirit of Darth Vader here in Washington—actually wanted the Internal Revenue Service to ask for and take 3,000 additional collection personnel for fiscal year 1991. I think the folks at OMB understood that we have not reached yet the point where additional staff involved in collection at the IRS would bring back less than what it costs to bring that person on board. But Commissioner Goldberg and his

staff essentially said to OMB, in an unusual dialog for these times, "I am sorry, Mr. Darman, we cannot reasonably absorb 3,000 new employees in fiscal year 1991. We have looked at this. As much as we would like to do that, we do not want to raise expectations unfairly about the additional revenue we could produce. We have decided that we can effectively absorb 1,050 collection personnel, and we can fairly say to you that we can put them in place in 1991, and they will raise an additional $150 million in that fiscal year."

So this is a tight estimate. It is not an overestimate. It is not pie in the sky. It has been through a process, and the most conservative estimate suggests that at least $2 will be raised in this fiscal year for every $1 that is spent.

Let me just give you a few more numbers from Commissioner Goldberg's testimony before our committee to suggest the dimensions of the return here. He breaks it down in dollars collected on delinquent accounts per staff year in the past 3 years for the Internal Revenue Service.

Incidentally, we asked him about the cost of an additional collection person. Well, the most senior people are making in the low $40,000 per year. The dollars collected on delinquent accounts per staff person in fiscal year 1988 is $388,000, for no more than $42,000 or $43,000 invested. For fiscal year 1989, $433,000 collected per staff person, and for fiscal year 1990, a projected $472,000 collected per staff person. That means that per person they collect at least 10 times what we are paying for them.

So I cannot think of a better expenditure of our money in terms of getting a return on it.

Others have noted here today that IRS accounts receivable are only 2 percent of what the IRS collects in total.

This reminds me of discussions we had in the Governmental Affairs Committee on another topic—oil industry pricing—which is an issue of concern to a lot of us here in the Senate and to consumers throughout the country. One executive of the oil industry told us that his profit levels were very low and cited a percentage number. But of course that percentage was of a very large total.

The same is true here with the IRS. Receivables may be 2 percent of the total collected, but the total is enormous. And even if the receivables are half of the Internal Revenue estimate, which is $100 billion by the end of fiscal year 1991, that is still an enormous amount. Half of $100 billion is $50 billion, and $50 billion is what our colleagues out at Andrews Air Force Base are painfully struggling to achieve right now. That money is out there if we will only spend enough to collect it.

Mr. President, my friend from Arizona is correct. There is a lot more that the Internal Revenue Service has to do to improve its computer system and its information systems as well. I understand and appreciate the effort that this subcommittee has made to increase the investment in fiscal year 1991 in the IRS so it can improve its collection services. We are asking that they continue the logic of their own action and go beyond that. I would say to my friend from Arizona that with the extra money that this $55.5 million will enable the IRS to collect, we can do some of the things that I know he and the subcommittee would like to do to improve computer and information services.

With great respect for the Senator from Arizona, the Senator from New York, and the work of the subcommittee, I hope that my colleagues will join in supporting this motion to waive the Budget Act.

Mr. President, in deference to Senator GLENN, who is the main sponsor of this amendment and is preoccupied now at a special session of the Armed Services Committee concerning American involvement in the Persian Gulf, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will now call the roll.

The bill clerk proceeded to call the roll.

Mr. D'AMATO. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. D'AMATO. Mr. President, I know that Senator DECONCINI and others and sponsors of the amendment do want a rollcall vote at some point in time, so I would ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second. The yeas and nays are now ordered on the motion to waive.

Mr. D'AMATO. Mr. President, I am going to ask, because I know that we will be here for a period of time, that I might be permitted to proceed for 5 minutes as if in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

JAPANESE SUPPORT FOR OPERATION DESERT SHIELD

Mr. D'AMATO. Mr. President, there have been some questions raised as to my outspokenness on the issue of whether or not our allies are doing enough as it relates to their commitment to Operation Desert Shield. I, for one, have said that the Japanese Government has not been doing enough; that I considered their commitment of $1 billion wholly insufficient. They replied that I was wrong. But I note that they immediately increased that commitment to the area of $3 billion.

Mr. President, that amount is still totally insufficient.

If we look at the record, we find that the country that has the greatest dependence on imported oil and benefits most directly as a result of our action is Japan. The cost of protecting that access is incalculable, as it relates to their own economy and their own interests. It is estimated we will have to spend in excess of $20 billion to maintain our forces in the Persian Gulf, and that does not include the preexisting cost of stay with maintaining our troops to keep in Japan—the planes, the tanks, the billions of taxpayers' dollars.

Mr. President, it is time for Japan to pick up their fair share, and that is what this Senator said. It seems to me that the Japanese Government has had a policy of how can they enhance themselves as they go along?

At the appropriate time, I am going to make some remarks in terms of Japan's trade policies—and maybe that is what is exacerbating things—and its unfair competition, and the government's entering into agreements and then breaking those agreements. I will talk with some specificity to the Murkowski amendment concerning Japan's flagrant breaking of agreements related to Kansai Airport, and American companies that should be winning bids, that are given short shrift, that has been adopted into the law. This is not something that is new. It has happened over and over.

Currently, the United States stations 55,000 men in Japan. The Japanese pay for part of that. They pay $2.5 billion. The cost is $4.6 billion, to maintain that presence. At a time when this country is working hard to deal with its economic problems, right at this very minute, I think it is important to say to an ally we need your help, we need your participation. We need, now, for you to come forth as we did 45 years ago to provide a protective shield and to help and work with you so you could revitalize your economy.

Some have suggested my remarks with respect to this situation cast an unfair light on Japanese and Japanese Americans and Asians. I want to set the record straight. That was never, never this Senator's intention. To anyone I may have offended as a result of that, I apologize. I was talking about the Japanese Government and their totally unfair reaction to this crisis in not moving forcefully and aggressively to pick up those burdens.

Mr. President, there are others of our allies whom I have criticized. We station almost 300,000 troops in West

Germany as part of the NATO Alliance. Those troops cost the American taxpayers tens and tens of billions of dollars. Yet the Germans, who also depend on imported oil from the Middle East to a much greater extent than we do, have been reluctant to make the kind of significant contribution to funding our military presence there.

I find that especially ironic, Mr. President, in light of the fact that they have recently—West Germany—agreed to pay $8 billion to house Soviet troops in East Germany; $8 billion to fund the stationing of foreign troops on their own soil. But no significant contribution, really, to a force designed to protect the lifeblood of their economy.

Look, if that offends people and gets the State Department upset and gets foreign governments upset, too bad. What about our taxpayers? What about our young men? What about our sacrifices?

I am tired of those who take a free ride at the expense of this country and our taxpayers and on the backs of our boys who do a great job and of whom we are so proud, Mr. President. I hope we can begin to get some of those allies to understand that they have an obligation to pick up their fair share of Operation Desert Shield. Or maybe we have to reevaluate the expenditures that we have made in the past, and those that we will continue to make

Mr. President I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

The Senator from Ohio is recognized.

TREASURY, POSTAL SERVICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1991

The Senate continued with the consideration of the bill.

Mr. GLENN. Mr. President, the motion has been made to waive the Budget Act to allow for an up-or-down vote on my amendment to increase funding for the IRS collection function. I want to thank very much my colleagues from Connecticut and North Dakota and Hawaii who have spoken so eloquently in support of this amendment.

Mr. President, my amendment is not a budget buster. The amendment is a revenue raiser. That is the intent of it. That would be the effect of it. By everybody that has looked at it, whether CBO, GAO, IRS, Treasury, the only question is how much additional money it would raise above and beyond the cost of $55.5 million. The very lowest estimate of any of those groups is that it would raise $109 million for that $55.5 million spent, and that is the very lowest estimate that anyone has made.

So, although the subcommittee chairman has pointed out his constraints from the Budget Act point of view, I respectfully submit that the budget rules in this case should not apply. If we let those rules apply, the problem will only get worse. We in this body should act now to provide the IRS with the resouces it say it needs to start reducing unpaid taxes.

That is exactly the point that the GAO made at my Governmental Affairs Committee hearing on August of this year. I quote from their testimony:

> It is imperative that IRS take action now to reduce the accounts receivable inventory. Additional staffing in the collection area, while not the complete solution, it probably necessary in view of the current trends in the inventory.

Mr. President, I do not disagree at all with those who say computerization modernization, better techniques, better administrative processes are the long-term answer to our problems at IRS. I agree with that 100 percent. But in the interim period, what happens? In the interim period we will have a lot of these cases running beyond their statutory limitation. That normally is about 6 years. So here we have all of this backlog of cases and not enough people over there to administer them.

It is estimated we have some 800,000 delinquent cases nationwide awaiting collection action in the Queue. Many of those are just going to go unworked. They will not be followed up because we do not have the people to do it. Originally OMB suggested some 3,000 additional IRS collection personnel this year. But Commissioner Goldberg over at IRS said that he could not use 3,000. He could not integrate them into the system. But what he could use effectively, and train is 1,050. They would get more than their cost back the first year and each additonal year they will beome more efficient. He estimated that those 1,050 additonal IRS staff put to work this year at the end of a 5-year period will return $1.6 billion additional dollars to the U.S. Treasury.

Mr. President, I can speak with some authority for the views of the people of Ohio who have talked to me. If there is one thing that they absolutely get livid about, it is to think they are paying their taxes, and someone else is getting away with not paying his or hers.

That really is an irritant that they find hard to accept.

GAO, CBO, IRS, Treasury, they all may disagree on exactly what revenues will result from these additional staff. But even, as I said, the most conservative estimate of CBO shows there will be approximately $2 raised for every dollar spent.

So this is a revenue raiser. It corrects inequities against those who are paying their far share out there, paying the taxes that are assessed, seeing other people at the same time not paying, getting away with it, and never getting any penalties because we do not have the people to really do the job.

So I respectfully recommend to my colleagues that the Budget Act waiver option was written specifically for this kind of a situation where we can raise enough revenue through an amendment to the appropriations bill, and I urge adoption of this motion to waive the Budget Act.

Mr. President, to repeat what I said a moment ago, this is not a budget buster. It is a revenue raiser. I agree with my distinguished colleagues who say that the computers, new processes, and more are the answer. But, it is going to take a while for those improvements to be put into place. Since even the lowest estimates are that we would double our money on this investment the first year and go up even more after that period of time, I just think that is a bargain that we can hardly pass up.

That is the reason for this amendment. It is the reason for asking for the Budget Act waiver because it truly will raise more money. This is not one of those indefinite things. We have a track record concerning new agents coming on and what their effect is.

It was estimated that the amount of money that was owed due to delinquent taxpayers was some $26 billion in 1983. By 1989 that had gone up to $60 billion. With the interest and penalties, as of June of this year it is estimated that $96 billion is owed to the Governemnt.

I do not take a Budget Act waiver lightly. I agree that it should not be done lightly. I do not propose to do it lightly here.

But I also believe that just sticking with the words of the Budget Act blindly, when we could be gaining money for the U.S. Treasury from those who owe, is not justified either.

Mr. President, I urge adoption of this motion to waive the Budget Act.

I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, first I thank the Chair. Let me say for the

record that I would have been much happier had I been here today and yesterday with my friend, the chairman from Arizona, Senator DECONCINI on this very important bill. But I think the Senate knows, and I want to state for the record, that I have been one of those lucky or unlucky ones, whichever the case may be, that is out at Andrews Air Force trying to put together a multiyear budget which we hope we can do. We have not completed that yet.

We returned because we are supposed to vote on this bill with four or five successive votes. I think, but for one other amendment, we will be ready shortly. Having said that, my remarks with reference to the overall bill have been inserted in the record.

We worked rather hard trying to put together an overall Treasury-Postal bill that was good for the country, within, I stress, within the assigned targets that the Appropriations Committee gives to each subcommittee. When you add up those assigned targets, you have all of the money available to be spent without breaking the budget. We do our arguing in the Appropriations Committee with reference to this allocation. This subcommittee gets its share. The Subcommittee on Military Construction gets its share. The Subcommittee on Defense gets its share. All of the 13 subcommittees get their share in both program authority and expected outlays.

The distinguished chairman from Arizona and the Senator from New Mexico had the hearings that are required, that we thought were necessary to understand the issues and we have now recommended a bill. We are very concerned about adequately funding the Internal Revenue Service. As a matter of fact, this subcommittee knows a little bit about the shortcomings and the problems the IRS is having.

Let me say right up front that we are not going to solve the problems of noncollection by people who still owe the Federal Government money and are not paying their fair share by pumping money into this particular bill, directed specifically at agents who will go out and collect money that is owed and in default or that has not been paid timely. I guarantee the Senate that unless IRS's base operations and on-board personnel levels are fully funded, we should not even consider adding more agents who will go audit and collect. Add 1,000, 2,000, 3,000 and then come here and say it will yield $2 billion in new revenue. We have tried it. What actually happens is, because the computer system, resources to support existing personnel, and levels of professionals are inadequate, we never get the money we expected.

So, in this bill, we are not cheating the Internal Revenue Service; we are not trying to let people get away without paying what they owe. What we have recommended in this bill is $405.6 million in new money for the Internal Revenue Service to do their job. We have put that in to maintain on-board positions and for equipment and new technology that they know they need.

We had to choose between that priority and additional money that would be directed and focused specifically at collecting accounts that are in default of people that have failed to properly pay. I think we choose right: $405.6 million in new additional money, a 70-percent increase.

Frankly, nothing would be more pleasing to a subcommittee of the Appropriations Committee—and I do not speak for the chairman, I only speak for myself—than to get more money in the allocation. But we are bound, at least honor bound, if not otherwise, that when we are told of a total available pot for spending, we spend that money prudently and not to ask for more. Because if we ask for more, we have to take it away from somebody. Every subcommittee has the same problem. So we did not exceed our targets.

I make this case because it is important to know that my very good friend and distinguished Senator from Ohio thinks we ought to ask for more. He does not couch it that way. He says waive the Budget Act. But I believe I am saying it in the practical way. We go argue for what is our share, we get it, and then somebody comes to the floor and says: We are arguing with how you spent it. We are not trying to take something away that you spent. We just want to put more in.

That is what this amendment is about. You put more in, and in putting more in, you exceed the amount that was given to this subcommittee and in a very real sense, you thereby exceed the budget of the United States. You break it, and when you do that, you need a waiver. To get a waiver, you need 60 votes, because we think it is very important that we not break the budget. So if you want to do it, you have to waive the Budget Act or your amendment falls.

This amendment did not fall because the motion was made to waive. I urge that Senators not vote to waive this. Vote not to waive because it is the opinion of the Senator from New Mexico, No. 1, that we should not, in a year when we are running around the country talking about the enormous deficit, saying let us have a budget summit, and we are putting this year's budget together; we ought not to exceed the targets.

Second, if I believe it was right to pump more money in under the current situation and that we would indeed collect substantially more money, and that indeed if we did that, we would put this country on some collection path that could be substained that would improve the performance, I would probably be joining in the waiver.

I think we ought to do what we did in this bill, build up the basic strength of the IRS, its various activities, modernization of its computer systems, and filling the personnel vacuums and holes that exist all over it. We have done that with the $405.6 million, 7-percent funding increase. I do not think the Senate ought to waive the Budget Act in this case.

I yield the floor.

The PRESIDING OFFICER. Who seek recognition?

Mr. GLENN. Mr. President, this has a sort of "Alice in Wonderland" quality to it. We have a lot of cases, a lot of delinquent tax owers. We have billions of dollars owed to the U.S. Treasury. It has grown from some $26 billion in 1983 to over $60 billion in 1989. You also have interest and penalties. The estimates are that as of June of this year, 1990, $96 billion is owned to the Government of the United States by taxpayers who are thumbing their noses at the U.S. Government.

We are saying, because the subcommittee did not get their allotment, that we cannot go out and collect that money. And at the end of 6 years, the statute of limitations kicks in and nobody ever goes after those delinquent taxpayers. If that does not make your blood boil, I do not know what does.

I can assure you that people I have talked to about this, say it makes their blood boil. They do not mind paying their fair share, but they want to know everybody else is paying theirs too. No matter what my distinguished colleagues says, it takes agents to go and do this.

We had an agent who came in from one of the districts out in California. He said in his district they had active, some 48,000 cases. But he also said that they did not have agents to even begin to work another 40,000 cases that are in what they called the "Queue." It means they are waiting and they may never get out of the Queue because the IRS does not have the people to do it.

We are refusing to put agents on a situation like that, and the some 800,000 estimated in the Queue from the rest of the country. When you add them together, that amounts to billions of uncollected taxes. We are refusing to do that because the subcommittee did not get its proper allotment.

I thought that the whole Budget Act was supposed to try to help us balance the budget, supposed to help us get a handle on the budget, and to make the budget fair, above all. One thing that is fair is that the deadbeats out there

who are not paying their fair share ought to be caught, and they either pay along with interest and penalties, or they go to jail. It seems to me that that is the best way to make sure we do not have even an increasing number of scofflaws in the future.

That is just a basic part of it. We can stick with some rules here, budget rules and waiver rules. I have no idea whether we will get the required 60 votes to waive this thing or not. People do not like to vote for budget waivers. I have voted against many of them proposed around here for whatever purpose.

But this one, I submit, is different and it is not going off to some welfare or some do-good program of some kind. This is to collect more revenue for the Federal Government. And no one who has made any estimate denies that it will collect more than it costs. And the very worst estimate of how much money it will collect is 2 to 1.

If we are going to hide behind a subcommittee allotment defense that we should not consider ways to collect this enormous backlog of some $96 billion out there, then I think we have our procedures here getting in the way of common sense. The procedures are going to get in the way of collecting this money and we will see the scofflaws just go out and do more of it because if the IRS is not going to collect, why bother to even file a tax return.

One way to create dissention among our people is for them to think that the Federal Government is dealing unfairly with them, with the law-abiding citizens who go out and pay their taxes every year and do it and they are proud to do it. They want to see everybody else pay theirs, too. And that is what is at issue here, not whether the subcommittee got a certain allotment or not.

I do not like to waive the Budget Act either, but where it is going to gain us in revenue and correct a monumental inequity that has grown, has more than tripled, almost quadrupled since 1983, then I think there is no longer time to just sit around waiting for computers to take over and provide some efficiency. Now is the time for us to put some more agents out there which Commissioner Goldberg says he needs and can use and can integrate this coming year. Now is the time to do that so we can start making our tax system fair, and that should not be held up because of some subcommittee allotment problem, as referred to here.

I yield the floor.

The PRESIDING OFFICER. The Senator from Arizona [Mr. DECONCINI].

Mr. DECONCINI. Mr. President, I ask for the yeas and nays on the motion of the Senator from Ohio to waive the Budget Act.

The PRESIDING OFFICER. The Chair will advise the yeas and nays have already been ordered.

Mr. DECONCINI. I thank the Chair. We were not here when that happened.

We have heard the argument time and time again here to let us waive the Budget Act. We are going to have more money coming in if we waive the Budget Act.

Without waiving the Budget Act last year, we in 1990 invested $113 million to get $400-some million in return from collections, and IRS did not realize those revenues.

First of all, the IRS has only spent $10 million of the $113 million. And, second, at best, in the next 30 days they may collect a total of $86 million. So I say that this is the worst investment we could make at a time when we do not need to be waiving and busting the budget. We are putting the money into the programs that will do something about the accounts receivable inventory, that will do something to modernize the way the IRS works based on Commissioner Goldberg's testimony in which he stated that he needs this infrastructure, if you want to call it that, the modernized IRS computer systems, instead of being plagued with salaries, postage, and printing costs that we instruct them to do and then do not provide them the money. We have provided money for that this year.

So I hope my colleagues today will not vote to waive this budget.

I thank the distinguished Senator from Ohio. I understand his intent here, and he is an expert in the area of governmental operations. I just happen to disagree with him on this particular item that he is attempting to pass, and I hope that we will proceed now with the vote.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. GLENN. Mr. President, I will respond briefly to my good friend from Arizona. The money that was sent over last year was not used for collection personnel. It was used in large part, as I understand it, to fund the pay raise for those who were already there. So it is not the expansion of personnel that was anticipated. And this year this money will actually be earmarked for and be used for collection personnel, the people out there working some of those 800,000 delinquent accounts across the country. They will be out there working on that $96 billion that is owed to the Government, by people who are either just putting it off or just have not paid, and nobody is around to go after them, nobody is around to go get them.

Mr. President, ordinarily the waiver of the Budget Act would only occur when there is some purpose that every one in the Senate thought was important enough that we should really expend that additional money. Ordinarily, these are straight expenditures, but this time even the lowest estimate of return from this money that will be used for collection personnel, the lowest estimate is 2 to 1. We have made these arguments here and I hope that there would be a waiver because this is a revenue raiser not a budget buster, and it is brings more fairness back into our tax system, and that is needed.

So I urge my colleagues to vote in favor of this Budget Act waiver.

I yield the floor. I am prepared to vote.

The PRESIDING OFFICER. Is there further debate?

The Chair hearing none, the question occurs on the motion to waive the Budget Act for consideration of the Glenn amendment No. 2629. An affirmative vote of three-fifths of Senators duly chosen is required.

On the question, the yeas and nays have been ordered, and the clerk will now call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent.

[Rollcall Vote No. 228 Leg.]

The result was announced—yeas 35, nays 64, as follows:

YEAS—35

Adams	Ford	Moynihan
Akaka	Fowler	Nunn
Baucus	Glenn	Pell
Biden	Gore	Pressler
Boren	Harkin	Pryor
Bradley	Hollings	Riegle
Burdick	Jeffords	Sanford
Cohen	Kerry	Sarbanes
Conrad	Levin	Simon
Cranston	Lieberman	Specter
Daschle	Metzenbaum	Wirth
Exon	Mitchell	

NAYS—64

Armstrong	Gorton	McCain
Bentsen	Graham	McClure
Bingaman	Gramm	McConnell
Bond	Grassley	Mikulski
Boschwitz	Hatch	Murkowski
Breaux	Hatfield	Nickles
Bryan	Heflin	Packwood
Bumpers	Heinz	Reid
Burns	Helms	Robb
Byrd	Humphrey	Rockefeller
Chafee	Inouye	Roth
Coats	Johnston	Rudman
Cochran	Kassebaum	Sasser
D'Amato	Kasten	Shelby
Danforth	Kennedy	Simpson
DeConcini	Kerrey	Stevens
Dixon	Kohl	Symms
Dodd	Lautenberg	Thurmond
Dole	Leahy	Wallop
Domenici	Lott	Warner
Durenberger	Lugar	
Garn	Mack	

NOT VOTING—1

Wilson

The PRESIDING OFFICER (Mr. ROCKEFELLER). On this vote the yeas are 35, the nays are 64. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

The Glenn amendment increases budget outlays by $55.5 million. The amendment would cause the Treasury Subcommittee's 302(b) allocations for outlays to be exceeded. The point of order is sustained and the amendment falls.

Mr. DECONCINI. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Arizona.

AMENDMENT NO. 2628

Mr. DECONCINI. A question to the Chair: What is now the pending business?

The PRESIDING OFFICER. The pending business is the Helms second-degree amendment to the Bradley amendment.

Mr. DOMENICI. May we have order, Mr. President?

The PRESIDING OFFICER. There are at least four conversations taking place, which will cease before we resume our business in the Senate.

The Senator from Arizona.

Mr. DECONCINI. Mr. President, it is my intention to yield to the Senator from New Jersey to proceed with his amendment. I hope we can move quickly on that first amendment, the perfecting, second-degree amendment of the Senator from North Carolina. I yield.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I ask for the yeas and nays on the Helms amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. BRADLEY. Mr. President, the amendment that we are discussing is an amendment to my effort to ask the President to sign the Convention on the Rights of the Child and send that convention to the Senate for ratification. The distinguished Senator from North Carolina has offered an amendment to that amendment which defines a child as all human beings under the age of 18, including the unborn offspring of any human being in every state of biological development.

Mr. President, the Convention on the Rights of the Child——

The PRESIDING OFFICER. If the Senator will suspend, the Chair is not convinced there is order in the Senate. The Senate is trying to make an argument. There are at least five conversations that I can count, and I will wait until there are no more conversations before the Senator proceeds. The Senator may proceed.

Mr. BRADLEY. Mr. President, the Convention on the Rights of the Child is a document that has been 10 years in negotiations. It was passed last November by the United Nations. Over 100 countries have signed the convention to date, countries and entities as diverse as Sweden and the Holy See.

Mr. President, the reason we are able to get this convention adopted by the United Nations was that on the issue of abortion and the issue of when child life begins, it was left entirely to the laws of the nations ratifying the treaty. In other words, it was neutral on the question of abortion. Mr. President, this is a very controversial area. It is an area in which Senators have deeply held views on both sides of the issue. The amendment that I have offered simply asks the President to sign the convention and send that to the Senate for ratification.

The amendment the distinguished Senator from North Carolina has offered would interject into this effort to have the President send the convention to the Senate the issue of abortion, on which the convention itself is neutral.

We had a long debate about this subject this morning. I had hoped that the distinguished Senator from North Carolina would withdraw the amendment. He does not appear to be willing to withdraw the amendment. So at the appropriate time, I will make a motion to table the amendment. I will ask for the yeas and nays.

As I said this morning, during the drafting of the convention there was considerable debate on this issue. Strong advocates both for and against abortion rights tried to include language in the convention that furthered their cause. In the end, both sides agreed to a three-step compromise designed to assure the convention is neutral on this controversial question. That compromise involves article I of the convention which defines to whom the convention rights apply and defines the end of childhood at 18, but says absolutely nothing about its beginning.

Two, the convention's preamble, which recounts the history of the U.N.'s effort to protect children, includes a sentence from the 1959 declaration of the rights to the child—you might note that the preamble of a treaty, under international law, has no effect. The preamble language, however, says that the child, by reason of his physical and limited immaturity, needs special safeguards and care, including appropriate legal protection before as well as after birth.

The preamble language was included only after an agreement was reached to clarify that sentence, ensuring that it would have no effect on the abortion issue. This was done by inserting into the legislative history the following statement:

> In adopting this preambular paragraph, the working group does not intend to prejudice the interpretation of article I or any other provision of the convention by State parties.

In sum, the convention does not define when childhood begins and, therefore, allows the laws of the ratifying nation to determine the question. In other words, it has no effect on the question of abortion rights. That is, indeed, why the convention was ratified. In fact, the chairman of the working group, Mr. Lopatka from Poland, said the following:

> Facing principal divergence of views on this issue—
>
> Meaning the issue of abortion—
>
> as well as its high sensitivity and importance, the working group decided not to prejudice any international solution of this question and left it open for appropriate national legislation and policies of state parties to the convention. I am strongly convinced about the wisdom of this compromise.

That, of course, is by Mr. Lopatka, who is representing Poland, who was one of the strong proponents of very strong language against abortion.

After a 10-year negotiation, we have a Convention on the Rights of the Child that goes a long way toward getting nations to sign on to protecting the health of their children; to moving to keep children from being used as cannon fodder, or sold into slavery or prostitution; the convention encourages nations to deliver to all of their children both health and a good education. It is a convention that already 100 nations have signed, as diverse as Sweden, Denmark, and the Holy See, as a matter of fact.

Therefore, this question is, at this time, unfortunate. It is particularly unfortunate because the amendment before the Senate now is simply an amendment that asks the President to sign the convention and send it to the Senate for ratification. If he did that today and we then dealt with this issue over the next several weeks and months, the Senator's concern about the issue would be more properly placed, at least the venue would be more properly placed. On this amendment, it is, in my view, totally out of place. I will move to table it in short order if there is no other Senator who wishes to speak on this amendment.

The PRESIDING OFFICER. The Senator from New York.

Mr. MOYNIHAN. Mr. President, I rise to support the position of the Senator from New Jersey. It is very clear. He has established that this issue was anticipated. And on the particulars of individual issues the convention leaves such determinations to individual nations. If it did not, it would not have been adopted. We would not have 100 signatories.

I hope we will do what Senator BRADLEY urges us to do.

The PRESIDING OFFICER. Is there further debate?

Mr. BRADLEY. Mr. President, I move to table the Helms amendment. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. CRANSTON. Mr. President, the Helms amendment to the Bradley amendment relating to the U.N. Convention on the Rights of the Child should be defeated.

This amendment is intended to inject the issue of abortion into what would otherwise be a relatively noncontroversal effort to enhance and protect the interests of children throughout the world. Once again, those who want to take decisions about abortion away from individual women are willing to jeopardize an important measure for the well-being of children in pursuit of their antichoice agenda. In years past, important child health initiatives have been lost because of this ideological battle.

The Senate should reject this amendment and separate once and for all ratification of the U.N. convention from the divisive and endless debate over the issue of abortion. The U.N. Convention on the Rights of the Child is neutral on the issue of abortion—as it should be.

The Helms amendment is a repeat of the debate we had a few years ago over the so-called human life amendment—when does life begin and should a fertilized egg be entitled to the same legal protections that are afforded a child after birth.

It is a debate over which there are profound differences of opinion, based upon deeply held personal beliefs. It is an issue which I believe, and the vast majority of Americans believe, is best left to the individuals involved, guided by thier own convictions and judgments.

The Helms amendment should be rejected so that we can move forward with the important task of ratifying the U.N. Convention on the Rights of Children.

The PRESIDING OFFICER. The question is on agreeing to the motion. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 63, nays 36, as follows:

[Rollcall Vote No. 229 Leg.]

YEAS—63

Adams	Boren	Cohen
Akaka	Bradley	Conrad
Baucus	Bryan	Cranston
Bentsen	Bumpers	Daschle
Biden	Burdick	Dixon
Bingaman	Byrd	Dodd
Bond	Chafee	Exon
Fowler	Kerry	Riegle
Glenn	Kohl	Robb
Gore	Lautenberg	Rockefeller
Gorton	Leahy	Roth
Graham	Levin	Rudman
Harkin	Lieberman	Sanford
Hatfield	Metzenbaum	Sarbanes
Heinz	Mikulski	Sasser
Hollings	Mitchell	Shelby
Inouye	Moynihan	Simon
Jeffords	Nunn	Specter
Kassebaum	Packwood	Stevens
Kennedy	Pell	Warner
Kerrey	Pryor	Wirth

NAYS—36

Armstrong	Ford	Mack
Boschwitz	Garn	McCain
Breaux	Gramm	McClure
Burns	Grassley	McConnell
Coats	Hatch	Murkowski
Cochran	Heflin	Nickles
D'Amato	Helms	Pressler
Danforth	Humphrey	Reid
DeConcini	Johnston	Simpson
Dole	Kasten	Symms
Domenici	Lott	Thurmond
Durenberger	Lugar	Wallop

NOT VOTING—1

Wilson

So the motion to lay on the table amendment No. 2628 was agreed to.

Mr. BRADLEY. Mr. President, I move to reconsider the vote by which the motion to lay on the table was agreed to.

Mr. EXON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2626

Mr. KOHL. Mr. President, I rise in strong support of the amendment offered by our colleague from New Jersey. If current trends continue, over 100 million children will die in the 1990's—half of them from three preventable diseases. We have to act on that.

In late November 1989, the U.N. General Assembly adopted a landmark Convention on the Rights of the Child. It was the first time that the economic, political, and social rights of all children were put forth in one document.

In 2 weeks, over 60 world leaders will gather at the United Nations for the World Summit for Children. It offers a remarkable hope and a difficult challenge.

The hope is that as the face of the geopolitical globe changes, we might turn our eyes to the future of the world's children. The challenge is that saving the lives of 100 million children by the end of the century will only be accomplished through the full participation of all nations.

In that regard we need the public commitment of our own President to the issue of children's rights and well-being. The National Center for Children in Poverty recently published their "Statistical Profile of Our Poorest Young Citizens." With 5 million children in this Nation living in poverty, we don't have to look too far beyond our own backyard to document the human needs.

The resolution before us urges the President to promptly seek the advice and consent of the Senate to the ratification of the Convention on the Rights of the Child. There are many pressing issues today—the Middle East, the budget deficit. But I am hard pressed to think of any single action taken by the President that could make such a positive difference in the lives of 100 million people. He should send this convention to the Senate for immediate consideration.

As a cosponsor of this amendment, as a U.S. Senator and as an individual who is deeply committed to lifting the children of this Nation toward a better future, I urge my colleagues to support this amendment. And in so doing, I urge the President to afford children first call on our Nation's concerns and resources.

Mr. KASTEN. Mr. President, I rise today in support of Senate Resolution 231, which urges the administration to forward the U.N. Convention on the Rights of the Child to the Senate for consideration of ratification. As many of my colleagues are aware, the convention was adopted by consensus before the U.N. General Assembly last November, and has since been signed by almost 100 countries; 22 have ratified. In my opinion, the convention is an important, though not perfect, treaty and I believe the United States may need to take a few reservations, particularly with regard to provisions on capital punishment and federalism. However, it is on the whole a well drafted and most important treaty for the world's children, embracing many rights guaranteed to all Americans under the Constitution, including those of free speech, religion, and association. I believe it deserves our serious consideration and I would welcome a debate on its impact on children in the United States and around the world. Indeed, I understand that several U.S. executive departments participated in the 10-year drafting process.

Mr. President, the backdrop for the convention and the upcoming World Summit for Children is the daily death toll of 40,000 children, largely from preventable causes. As my colleagues are aware, I have been a strong supporter of the Child Survival and Development Program spearheaded by UNICEF, who, and our own USAID in scores of developing countries. I was pleased to have the opportunity as chairman of the Appropriations Subcommittee on Foreign Operations in 1985 to earmark the first appropriation for the child survival fund administered by AID. Now in 1990, AID has delivered its fifth report to the Congress on its child survival efforts and it is evident that a great deal of progress has been achieved on behalf of children, particularly con-

cerning immunization and oral rehydration.

However, ill-health and access to clean water are not the only problems facing the world's children today, particularly in urban areas. Therefore, while the treaty highlights child survival and basic education needs of children, it also seeks to protect children from sexual exploitation and abuse, exploitation by the illegal and deadly narcotics trade, and illegal child labor practices.

Mr. President, America cares a great deal for its children, and our Government is serious about implementing laws designed to protect them. Our record in this area is second to none. However, as we are painfully aware, this is not the case in many other countries. The convention establishes minimum international standards for the protection, survival, and development of children, and will help pressure these governments to recognize their responsibilities toward their children. With this in mind, I am cosponsoring Senate Resolution 231 and am jointing a growing number of my colleagues on both sides of the aisle who are encouraging President Bush to transmit the convention to the Senate in conjunction with his participation at the upcoming World Summit for Children.

Mr. BOSCHWITZ. Mr. President, I am happy to support the incorporation of Senate Resolution 231 as an amendment to the Treasury and Postal appropriations bill.

No one seriously debates the importance of protecting the rights, lives, and health of our children—whether they be kids in Ethiopia, Poland, or Minnesota. I have heard from a large number of Minnesotan church, civic, and women's groups on this subject. I agree with them that kids are particularly vulnerable, and that all of the world's children have special needs and require special protections.

President Bush as taken admirable steps to deal with some of the problems faced by many of this country's children—the tragedy of infant mortality, the terror of child abuse, the scourage of drugs, and the wasted potential of school dropouts. In many other parts of the world, where legal protections are weaker of ever nonexistent, and resources are scarce, the plight of children is considerably worse.

Accordingly, on June 8 of this year, I wrote to the President, urging him to complete the administration's review of the U.N. Convention on the Rights of the Child. At that time, I also urged him to take part in the September 29-30 World Summit for Children.

In addition to cosponsoring Senate Resolution 231, I am on the National Advisory Council on the Rights of the Child, and serve as well on the advisory committee for the St. Paul Candlelight Vigil on behalf of that children's summit—one of 2,500 such vigils which will take place around the world the evening of September 23.

Mr. President, I am happy that the President's busy schedule will allow him to take part in the upcoming World Summit for Children. It is a good use of his scarce time. I agree with the sponsors of this amendment that his time will be even better spent at that summit if he can announce in New York that his administration has completed its review of the Children's Treaty and that the United States has signed it. I look forward to speedy administration action.

Ms. MIKULSKI. Mr. President, I am proud to be a cosponsor of this resolution. It is critical that the U.S. Senate have an opportunity to examine and vote upon the Convention on the Rights of the Child as soon as possible. In that process we will focus our attention on surely one of the most distressing issue before us today—the mistreatment of millions of defenseless children around the world.

I commend President Bush for his decision to attend the World Summit on Children, to be held at the United Nations at the end of this month. Earlier this year I circulated a letter to President Bush, signed by 24 Senators, thanking him for his decision to attend and encouraging him to express in the strongest possible terms our national concern for the well-being and survival of children in the United States and around the globe. I ask unanimous consent to have that letter reprinted in the RECORD after my remarks.

Clearly, there is strong sentiment in this country for an offensive against the misery suffered by today's children. Communities around the United States are planning activities to coincide with the summit. In Baltimore, our mayor has instituted a "shots for tots" campaign to provide free immunizations for young children.

The statistics on the state of the world's children are shocking:

Sixty to seventy percent of the world's refugees are children:

Nearly 80,000 children die every day from the lack of necessities: Food, shelter, basic health care;

There are 80 million homeless children in the world;

Four-fifths of all prisoners in Sao Paulo, Brazil, are children; and

An estimated 25 million children are working as bonded laborers; that is, virtual slaves in South Asia.

Mr. President, I wonder how many Members of this body realize the extent to which slavery is practiced in today's world. In many nations, young boys and girls are sold to pay off their parents' debts and are forced into prostitution by their new owners. In many countries, particularly the Asian subcontinent, young boys are sold to rug manufacturers, kept under unspeakable conditions without any educational opportunities, and forced to work 12 hours a day knotting rugs. The boys are in great demand because their small hands make the best knots and because they come cheap.

Approximately 20 countries or opposition forces conscript boys under 15 years old, some as young as 9. In Mozambique RENAMO troops have forced children to kill their own families and other children.

In countries swept by famine and war, it is the children who are the first to die.

In many countries children are thrown into jail on political charges; some of these children have been tortured and killed. Just 2 years ago, the Congress passed a resolution which I introduced calling on South Africa to release dozens of children it had jailed without charge or for political reasons.

The results of global mistreatment of children will linger for many generations—spread of AIDS, drug addition, violence fostered by despair, emotionally scarred victims of war, adults without skills, a great class of criminals.

The U.N. Convention on Children sets international standards on the treatment of children. It is the first step toward ending the abuses of children and improving the conditions under which they live.

The difference between action and inaction on this issue may affect the lives of 150 million children over the next decade. We can get started by adopting this amendment today.

Mr. President, I ask unanimous consent that an article on slavery from the January 6, 1990, Economist also be printed in the RECORD at the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON APPROPRIATIONS,
Washington DC, August 2, 1990.

President George Bush,
The White House, 1600 Pennsylvania Avenue, Washington, DC.

DEAR MR. PRESIDENT: We are writing to thank you for your decision to attend the World Summit for Children to be held at the United Nations in New York on September 29 and 30. We urge you to express in the strongest possible terms our national concern for the well-being and survival of children in the U.S. and around the globe.

Today's children face slavery, forced prostitution, conscription, imprisonment, torture, starvation and the effects of war. They are also the primary victims of poverty, ignorance and desease. Forty thousand children under the age of five die every day, largely from preventable causes.

Many heads of government have decided to act in concert to address this preventable tragedy. The summit will mark the first time that leaders from around the globe have met to try to resolve some of the universal problems that children encounter in

surviving and developing to adulthood. The difference between action and inaction will affect the lives of 150 million children over the next decade.

The World Summit can also provide the impetus for the ratification of the Convention on the Rights of the Child. The Convention establishes minimum standards for measuing the way governments treat their children. It stresses the importance of child survival and the need for primary health care. It emphasizes primary education, because four years of schooling can turn potential beggars into productive citizens. It requires governments to protect their children from exploitative and hazardous child labor, drug abuse, and sexual exploitation. It provides for special protections in adoption and mandates proper care for orphaned children. It requires countries to establish minimum standards of juvenile justice. It prohibits states from using children as cannon fodder during war.

Senate Resolution 231, pending in the Senate with 55 cosponsors, requests that you complete the administration's review of the Convention of the Rights of the Child so the Senate can act on its ratification prior to the September summit.

Mr. President, the United States must take the lead on enacting the Convention. We were actively involved in the drafting process and played a key role in getting civil and political rights written into the final document. Your presence at the summit conference will assert U.S. moral leadership where it is desperately needed.

Clearly, this issue is important to the American people. On the summit weekend in communities nationwide, from East Los Angeles to Ft. Worth to Boston, U.S. citizens are convening town meetings to discuss the needs of children locally and globally. Candlelight vigils are planned in 100 cities. California communities will discuss ten year plans for children, and the City of Baltimore will hold free immunization days.

As you have said, ". . . our national character can be measured by how we care for our children." We respectfully ask you to spotlight this concern at the New York summit.

Sincerely,

Bill Bradley, Timothy E. Wirth, Wendell H. Ford, Herb Kohl, Barbara A. Mikulski, Terry Sanford, Quentin N. Burdick, Bob Packwood, Richard G. Lugar, Patrick J. Leahy, Daniel Patrick Moynihan, Harry Ried, Frank R. Lautenberg, Alfonse M. D'Amato, Brock Adams, Rudy Boschwitz, Daniel K. Inouye, Joseph R. Biden, Jr., Dennis DeConcini, Paul Simon, Claiborne Pell, Dave Durenberger, Tom Harkin, Alan Cranston.

[From the Economist, Jan. 6, 1990]

SLAVERY: BY ANY OTHER NAME

If you thought slavery was abolished in eighteen something or other, think again. Countless slaves have been freed since the days of William Wilberforce, the nineteenth-century British abolitionist. Slavery is illegal everywhere. Yet Britain's Anti-Slavery Society (ASS), the United National Working Group on Slavery, and national groups such as India's Bonded Liberation Front, say they have hard evidence that slavery is entrenched in Asia, Africa and Latin America.

Really? Well, it depends how you define slavery. For these groups the term covers more than the buying and selling of human beings—the chattel slavery of the past. The 1956 UN Supplementary Convention on Slavery considers anyone to be a slave if he is unable to withdraw his labour voluntarily. Into that category fall: bonded labourers who work for nothing to pay off moneylenders; serfs who cannot leave the agricultural estates where they work; and exploited children who are cut off from their families to work long hours for a pittance or (more often) nothing.

Across the globe there are at least 200m such "slaves", and probably many more. Most live in conditions so abject that there is little to distinguish them from the most wretched chattel slaves of the past.

Chattel slavery persists here and there in the Arabian peninsula, where slavery was not abolished officially until the 1960s and 1970s. From Amazonia come chilling reports of Indians enslaved by ranchers or miners. In Sudan chattel slavery is spreading fast, as a consequence of the civil war between the black Christian and pagan southerners and the Arab, Muslim north.

Arab tribal militias formed and armed by the northern-dominated government are trafficking in slaves from the southern Dinka tribe. Dinka children and women seized in raids are either kept by the militias or sold north. In February 1988 a Dinka child could be brought for $90; so many slaves are available that the price has now fallen to $15. The government has yet to keep a promise, made a year ago, to let the ASS investigate.

Perpetual bondage often follows when someone agrees to work to pay off a loan carrying a usurious interest rate only to find himself forever in debt. Latin America has at lest 8m bonded labourers, Africa millions more. But the heart of the problem is in Asia, especially India. The Indian government admits to fewer than 200,000 bonded labourers; the ASS puts the number at more than 5m. They are found in road-building gangs, in quarries and brickworks, on plantations and in sweatshops.

Wives and children are frequently entrapped. Children can inherit the debts and the bondage of their parents: in the stone quarries outside Delhi, three generations of bonded labourers work side by side. Bonded labourers often come from minority groups: 80% of India's bonded labourers are drawn from tribes or "scheduled castes" ("untouchables") whose psychological subservience helps to perpetuate their enslavement. In Malaysia's palm-oil and rubber plantations the labourers are Tamils, descendants of low-caste workers orginally imported from India. The creditors who run the bondage schemes are often the local landowners, magistrates or paymasters of political parties.

The Bonded Liberation Front estimates that there are 25m bonded children in India, Pakistan, Bangladesh, Nepal and Sri Lanka. In India alone more than 50m child-labourers work in conditions often indistinguishable from slavery. Throughout the third world—in the Philippines sweatshops, in the Moroccan and Turkish carpet industries, in the Latin American drugs business, in Sri Lanka's male-prostitute trade, in the tea plantations—child workers are cheap, exploitable and expendable.

The child slaves of India's Uttar Pradesh carpet belt, around the holy city of Vanranasi (Benares), are the subject of a detailed ASS study.[1] The region's 55,000 looms employ more than 100,000 boys, many of them only six years old; 15% of them are bonded labourers "sold" to the loom-owners by their parents. Small boys are said to tie the finest knots, but the real reason they are used is that they are cheap. They work 12 hours a day, six or seven days a week, sleep at their looms, for the equivalent of 40 cents a week. They suffer malnutrition, poor eyesight, bone deformation and respiratory diseases.

There are hundreds of thousands of child slaves in Thailand, many of them in child prostitution. The pretty girls and boys end up in the sex trade, the not-so-pretty in back-street sweatshops. When they burn out in their late teens, they are thrown out. Some are kidnapped from the countryside or from Bangkok's large population of street children. Many more are "bought" from their parents in the backward north-east and sold to employers. The going rate for a child in Bangkok is $130.

Debt bondage and child slavery are sometimes viewed as a distasteful but inevitable feature of a developing economy. Apologists argue that the cheap labour provided by children and bonded workers helps economic development. But child labourers grow up unhealthy and ill educated. The use of child labour also means fewer adults in work.

Putting an end to slavery is more than a matter of passing laws. Abolition means tackling the poverty that forces parents to sell off their children. It also means education, particularly where slavery is entrenched in local cultures and economies, sometimes by the psychological subservience of the victims themselves. Those working to end the scourge often face official connivance or participation. The Thai authorities, for example, are less than enthusiastic about stopping the child prostitution that boosts Thailand's tourist industry.

One experimental venture between the Uttar Pradesh state government, a group of voluntary organisations and local carpet manufacturers aims to end child slavery in the carpet belt. Project Mala plans to break the cycle of exploitation by offering local children education, training, medical care and an adequate diet. Schools are being set up, each serving a cluster of villages. Children attending school will be taught a trade, and paid a small wage to replace the pittance they would have earned at the loom. The hope is that Project Mala will serve as a model for similar schemes in India and, perhaps, in other countries as well.

Mr. WARNER. Mr. President, I rise today in support of the Bradley amendment urging the President to sign and forward the Convention on the Rights of the Child to the Senate for immediate consideration. Along with the other cosponsors of Senate Resolution 231, now an amendment to H.R. 5241, I feel that this convention is of vital importance in the fight to protect the rights and well-being of children throughout the world. The convention will not only protect children from hunger, sickness, torture, adverse working conditions, and other hardships, but also raise world awareness of the importance of protecting our children.

On September 29-30, 1990, the World Summit for Children is being held in New York City. President Bush will be one of the 70 world lead-

[1] A pattern of slavery: India's carpet boys. The Anti-Slavery Society, 180 Brixton Road, London SW9; £3.50.

ers attending the summit, which will focus on the convention. I strongly believe that the President should arrive at the summit with the ratified convention in hand in order to express the United States sincere concern and support for the children of the world. Children are our future and this historic treaty would give them the rights and protection they deserve.

RAISING CHILDREN TO THE SUMMIT

Mr. KENNEDY. Mr. President, the children of the world are the promise of our planet's future. But if present trends continue, more than 100 million children will die from illness and hunger in the 1990's. Tragically, these young lives are often cut short by diseases that can be prevented, such as measles, polio, whooping cough, diphtheria, tetanus, pneumonia, and diarrhea. What we need is the political will to mobilize the modest resources that could prevent these needless deaths.

The World Summit for Children, to be held at the United Nations September 29-30, 1990, is a promising step. Heads of state will discuss how to save the lives of millions of children in the 1990's and ensure universal access to education by the year 2000. The summit will also address the complex problems of children and AIDS, child victims of war, and children and drugs.

The World Summit for Children will also encourage all nations to join the Convention on the Rights of the Child. The convention formalizes an international commitment to provide for the economic, social, educational, medical and other needs of the world's children. Senate Resolution 231, of which I am proud to be a cosponsor, would urge the President to complete his review of the convention as soon as possible so that the Senate can act on its ratification.

I urge the President to complete his review of the U.N. Convention and make America a party to it without delay. We must not repeat mistakes of the past, when our inaction has prevented the United States from fully supporting conventions against genocide and torture. Our failure to implement these conventions has damaged our moral standing among nations and hindered our efforts to pressure other governments to respect human rights and obey the rule of law.

The summit, originally proposed by the United Nations Children's Fund [UNICEF], offers an excellent opportunity for all of us to address important issues that affect the quality of children's lives around the world, every day. The U.S. Committee for UNICEF's Town Meetings on Children, to be held across the United States this fall, will also provide forums to focus on the needs of children in America.

An editorial in the Boston Globe last spring highlights the importance of the summit and I ask unanimous consent that it be printed in the RECORD.

[From the Boston Globe, May 23, 1990]

RAISING CHILDREN TO THE SUMMIT

While unusual outbreaks of disease and the AIDS epidemic capture the headlines, there is a horrendous toll of death among the world's children that goes largely unnoticed because it is chronic. Forty-thousand children die needlessly every day from preventable causes.

To save more of these children, leaders of many nations are calling a World Summit for Children next September in New York City. Organized by the United Nations Children's Fund, this meeting is aimed at lessening the shameful, large-scale deaths and widespread malnutrition of the world's children.

It would take so little to save the majority of these youngsters whose lives are wasted daily. UNICEF's executive director James Grant says $2.5 billion a year would do it—"an amount that tobacco companies spend on advertising every year and the nations of the world spend every day on arms."

Eight-thousand children die daily from contagious diseases because they did not receive vaccines, which cost $1 each, to prevent the illness. Another 7,000 succumb to dehydration caused by diarrheal disease because they are not given fluids supplemented with sugar, salt and minerals contained in a packet that costs pennies. And 7,000 more are killed by easily curable infections because they do not have access to low-cost antibiotics.

Saving these children would also slow excessive population growth. As parents in Third World nations gain confidence that their children will survive, birth rates decline.

The World Summit for Children at the United Nations also will serve as a rallying point to ratify the Convention on the Rights of the Child. This agreement seeks to have all nations enact laws to protect children against abuse—whether in the home, workplace or during war.

A summit focused on making the 1990s a decade devoted to the well-being of all children should have unanimous support.

Mr. DODD. Mr. President, I urge my colleagues to extend their support to Senate Resolution 231, on the Convention on the Rights of the Child. This year presents two very important opportunities to advance the rights of children in this country and around the world—ratification of the convention and participation in the first-ever World Summit on the Child. This resolution asks the President to sign the convention and forward it to the Senate as soon as possible.

This convention is the international community's first universal and binding policy statement on children's rights. It reflects 10 years of careful work following the International Year of the Child in 1979. It was adopted unanimously by the General Assembly of the United Nations. Most importantly, it promotes the best interests of children, here in our country and around the world.

The convention represents a consensus that there are some universally accepted basic rights which are essential for any child's well-being and full development. It calls for protection from neglect and abuse, and for access to adequate living standards, health care, and education. It addresses the situation of children who are especially vulnerable because they are victims of war, as refugees or as child soldiers.

The United States should be taking the lead in making this treaty a reality. More than 30 other countries have ratified the convention since its adoption by the United Nations General Assembly last fall. Our delay in moving forward sends the wrong message.

At the end of this month, more than 70 heads of state will gather at a summit at the United Nations devoted entirely to strategies for addressing the unmet needs of children. I am pleased that President Bush plans to attend. I hope that he will be in the position of announcing that the United States has fully embraced the convention—that he has forwarded it to the Senate. For this reason, I urge the adoption of Senate Resolution 231.

The convention and the summmit present an unusual opportunity for our President and for our country. The United States can either slow down international recognition of children's needs, or we can set the tone and pace for greater action on behalf of children throughout the international community. The convention has been under interagency review for many months. I urge its immediate submission to the Senate for advice and consent to ratification. To do any less would be a serious disservice to the children of our country and of the international community as a whole.

The PRESIDING OFFICER. Is there further debate on the amendment of the Senator from New Jersey? If not, the question is on agreeing to the amendment of the Senator from New Jersey.

The amendemnt (No. 626) was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BRADLEY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2625, AS MODIFIED

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Pennsylvania [Mr. HEINZ].

Mr. HEINZ. Mr. President, the Foreign Relations Committee has recommended two quite acceptable and very minor modifications of the resolution, and I send the modifications to the desk and ask unanimous consent that the amendment be modified accordingly.

The PRESIDING OFFICER. Is there objection?

Mr. DECONCINI. Reserving the right to object.

Mr. HEINZ. Mr. President, can we have order?

Mr. DECONCINI. Reserving the right to object, Mr. President.

The PRESIDING OFFICER. If the Senator will withhold for a moment. The Senator from Arizona is recognized.

Mr. DECONCINI. Mr. President, I would like to see the modificaton. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. Mr. President, I think the manager of the bill has had an opportunity to examine the modification. It is my understanding that he has no objection.

Mr. DECONCINI. Mr. President, the Senator from Pennsylvania is correct.

The PRESIDING OFFICER. Hearing no objection, the amendment is so modified.

The amendment, as modified, is as follows:

At the appropriate place in the bill, insert the following new section:

SEC. . (a) The Congress finds that —

(1) President Saddam Hussein of Iraq has attempted to evade the consequences of his illegal invasion of Kuwait by the taking of civilian hostages;

(2) Saddam Hussein has violated standards of civilized conduct by willfully seeking to endanger the lives of foreign civilians in Kuwait and Iraq;

(3) He has further violated international diplomatic practice by laying seige to Western embassies in Kuwait;

(4) Iraq's conduct both at home and on the battlefield during the recent war with Iran has demonstrated a willingness to use the most barbaric methods of warfare, including the gassing of civilian women and children;

(5) The Nuremberg principles, while denying national guilt for acts of war, do also stipulate that individual leaders may be held responsible for violations of the conventions of war and of civilized behavior;

(6) The taking of hostages, the use of gas, the terrorizing of civilians and diplomats, and other such acts in both peace and war have long been considered crimes against humanity for which prosecution is justifiable.

(b) It is the sense of the Senate that in the event of hostilities between the United States and the government of Iraq it shall be the policy of the United States to pursue Saddam Hussein, other Iraqi leaders, and other such perpetrators as may be determined responsible in order to bring them to justice as war criminals, and to seek their prosecution and punishment under the auspices of an international tribunal with relevant jurisdiction.

Mr. DECONCINI. Unless the Senator insists on a rollcall vote, we can accept the amendment.

Mr. HEINZ. I ask unanimous consent that Senator D'AMATO, Senator CHAFEE, and Senator COATS be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Is there further debate?

The yeas and nays have been ordered.

Does the Senator wish to vitiate the yeas and nays?

Mr. HEINZ. No, Mr. President.

Mr. BOND addressed the Chair.

The PRESIDING OFFICER. The Senator from Missouri is recognized.

Mr. BOND. Mr. President, I wanted to take 1 minute to restate the subject of a discussion that the Senator from Pennsylvania and I had last evening. This is an extremely important measure to protect the safety of our hostages and all international hostages held in Kuwait and Iraq. The purpose of this resolution, which is the content of the amendment, is to point out to Saddam Hussein and all those who serve under him or serve in his stead that anyone harming hostages, violating the principles of international law, the Geneva Convention, the Nuremberg principles, will be held accountable and will be pursued as a highest priority of public policy of the United States when this current crisis, current situation is at an end.

In our view, it is extremely important for the safety of our hostages that we send a clear message and join our voices with the voices of other international leaders such as Prime Minister Thatcher who have said that we will hold anybody holding innocent civilians fully responsible under criminal law, and I urge my colleagues to support the amendment.

Mr. HEINZ. Mr. President, I want to commend Senator BOND for his careful work and advocacy of this amendment. This amendment would not be before us, I do not think, without his interest and perseverance. The only thing I add to what he has said is that the most important way that we can safeguard our hostages against any kind of harm coming to them in the future is for the Senate to go on record by a recorded overwhelming vote that if Saddam Hussein and his henchmen place the hostages in harm's way, in the event of hostilities, we will see to it that they are tried as war criminals just as surely as the Nazi war criminals were tried, convicted, and sent to punishment.

Mr. KERREY. Will the Senator yield for a question? If we have a rollcall vote on this, I am concerned; I hear in fact concern for the hostages expressed, and I am concerned for hostages. Everyone is. Will the Senator from Pennsylvania just deal also with an internal concern that I have? What happens if this in fact sends the precise opposite message?

I am not skilled in the psychology of somebody who takes hostages and holds them. I trust that Prime Minister Thatcher is knowledgeable and her advice and recommendations are well considered. But I certainly would not want, now that we are going to press a vote—my concern would be and is that my vote might produce precisely the opposite of what the Senator from Pennsylvania and the Senator from Missouri says will occur. I am not qualified to deal in questions having to do with what we should be doing in a hostage situation.

Mr. HEINZ. If the Senator will yield, I answer him that each of us are going to have to make up our own minds on how to deal with a situation where hostages have been taken. Our citizens are at risk. This Senator's view is that inaction may be perceived as a sign of weakness.

Certainly if Saddam Hussein knew that the United Nations and the world and the United States were going to stand against him as a result of what he was considering on Wednesday night, before he moved in against Kuwait, it might very well have been different.

This Senator does not want to take the chance that by inaction, by our failure to speak out, that we would run the very considerable risk that he might once again misread the intentions of those of us who have legitimate concerns.

Mr. KERREY. Mr. President, again, the question to the distinguished Senator from Pennsylvania: I do not know how one can misread strong language sent by the Commander in Chief of our Armed Forces to President Saddam Hussein, nor the voices, for that matter, of Prime Minister Thatcher and practically every other world leader.

Again, with respect, the concern I have is not that we should send an even stronger message but that something that could be done—and I appreciate I have to make up my own mind on this. But frankly, as I said, my skill does not happen to be in the psychology of people who take hostages. I am not well versed in that kind of antiterrorist, counterterrorist activity. I am genuinely concerned. I appreciate this sort of amendment that looks relatively harmless, but it seems to me that it is possible, given that we have heard over and over that there are people in this world that pay attention to our resolutions, it may be that it sends precisely the opposite message.

Of all the things we ought to be concerned about in this body, I think, it is not just interfering with what the Commander in Chief is doing but not to take action that could produce precisely the opposite impact of what we in fact think is going to occur.

Mr. HEINZ. Mr. President, the floor of the Senate is probably an inappropriate place to conduct a complete psychoanalysis of Saddam Hussein. Nevertheless, I think that a brief analysis of his behavior would cause one to conclude that this man—when concern for his own safety is in fact no different than most other people—will seek a way to ensure his own safety. Indeed, that is why he has murdered so many people.

He is paranoid about his own safety. When he thinks he can get away with it, he does not hesitate not just to place people in harm's way but to murder people as he did another of his officer corps just last week.

There is no doubt in this Senator's mind in the long run that the U.N. forces arrayed against Saddam Hussein and his country will prevail. How that comes about is for history to decide. Hopefully, it will come about through peaceful means in the end, and there will be an end; Saddam Hussein will not prevail. And it is important for him to know that when he comes to the end of this story, justice will be done. And that message is probably the best message we can send against the kind of mistreatment of our hostages that took place in Iran.

Mr. President, I ask unanimous consent that Senator NICKLES be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arkansas.

Mr. PRYOR. Mr. President, I think that nothing could be more popular at this particular moment than supporting the Senator from Pennsylvania and other authors of this sense-of-the-Senate resolution, or amendment, or whatever the case may be.

I would like to just say it is 10 minutes to 6. The President addresses a joint session of Congress and the American people 3 hours and 10 minutes from now. I would like to hear what the President has to say about a resolution like this the day after we get back to the Senate and to Washington after a 5-week recess.

Mr. President, I have gone all over my State and I have said I support what President Bush has done thus far in the Mideast. I suport the deployment of troops in the Saudi desert. I am standing behind my President and supporting him. But, Mr. President, I do not know if at this juncture this is absolutely necessary to do especially when the President, for the first time, is going to talk to the Congress and the American people about what we should be doing, about what our policy should be, and I am just wondering really about the wisdom of the timing of the Heinz amendment at this point.

I would like to address a question to the Senator from Pennsylvania. My question would be, if he would respond, Has the President of the United States requested such a position by the U.S. Senate? And I do pose that question to the Senator from Pennsylvania.

Mr. HEINZ. Let me answer my friend from Arkansas this way: As the Senator may know, Senator BOND and I laid this amendment down, not today, not this afternoon at 6 o'clock, but late yeasterday afternoon. It has been pending all day, and I think I can say without fear of contradiction by anyone in the administration that this amendment does not pose any problems for them.

Mr. PRYOR. It is my understanding that the President has not requested such an action by the Senate at this very, very precarious time.

Mr. HEINZ. I did not say that. The Senator is correct. I chose my words carefully, and the administration has had 24 hours to consider this amendment, and we have been in touch with them. I can say for the record that this amendment does not pose any problems for them.

I think the Senator will understand that the administration has its message that it wants to deliver tonight, the Senator is quite correct. But it is my understanding that this in no way contradicts that message and is not felt to be in any way hostile or in any other way a hindrance to that message.

Mr. PRYOR. Mr. President, I wonder if the Senator from Pennsylvania—and I make this request with all due respect—would consider at least waiting until tomorrow to have a vote on this particular amendment. It is possible that the majority leader and the minority leader have already agreed on a vote for the amendment tonight. My opinion is if this amendment is good enough tonight, it will also be good enough tomorrow, and I just think that we need to see what the President says 3 hours from now before we take action on this particular language.

Mr. President, I yield the floor, and I thank the Senator from Pennsylvania.

The PRESIDING OFFICER Is there further debate? If not, the question is on agreeing to the amendment, as modified, of the Senator from Pennsylvania. On this question, the yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent.

The PRESIDING OFFICER (Mr. AKAKA). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote 230 Leg.]

YEAS—97

Adams	Fowler	McConnell
Akaka	Garn	Metzenbaum
Armstrong	Glenn	Mikulski
Baucus	Gore	Mitchell
Bentsen	Gorton	Moynihan
Biden	Graham	Murkowski
Bond	Gramm	Nickles
Boren	Grassley	Nunn
Boschwitz	Harkin	Packwood
Bradley	Hatch	Pell
Breaux	Hatfield	Pressler
Bryan	Heflin	Pryor
Bumpers	Heinz	Reid
Burdick	Helms	Riegle
Burns	Hollings	Robb
Byrd	Humphrey	Rockefeller
Chafee	Inouye	Roth
Coats	Jeffords	Rudman
Cochran	Johnston	Sanford
Cohen	Kassebaum	Sarbanes
Conrad	Kasten	Sasser
Cranston	Kennedy	Shelby
D'Amato	Kerry	Simon
Danforth	Kohl	Simpson
Daschle	Lautenberg	Specter
DeConcini	Leahy	Stevens
Dixon	Levin	Symms
Dodd	Lieberman	Thurmond
Dole	Lott	Wallop
Domenici	Lugar	Warner
Durenberger	Mack	Wirth
Exon	McCain	
Ford	McClure	

NAYS—2

Bingaman	Kerrey

NOT VOTING—1

Wilson

So the amendment (No. 2625), as modified, was agreed to.

Mr. DECONCINI. Mr. President, I move to reconsider the vote.

Mr. CRANSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I would like to take this opportunity to clarify an aspect of this legislation that is extremely important to the city of Shreveport, LA. Within title IV of this act, up to $25 million are reserved for construction of a new Federal building and courthouse in Shreveport. It is my understanding that this new facility will serve the housing needs of the U.S. courts, the U.S. attorney, the U.S. Marshal, and other court or judicial-related agencies; that is, the probation office, bankruptcy court, et al. I am submitting for the RECORD a copy of the letter I received from the Shreveport Chamber of Commerce regarding the need for a new Federal building and courthouse and its economic impact on the existing office space in Shreveport. This issue is important because the local economy needs stimulating and I would be opposed to any construction project that would be detrimental to the Shreveport economy. Can the Senator explain whether the proposed new Federal building and courthouse would lead to greater reduction in property value and create a downward economic pressure on the city?

Mr. DECONCINI. No. It is the intent of the committee and GSA to act in

the best interest of the citizens of Shreveport and the Federal tenants. It is our understanding that Federal agencies unrelated to the operations of the Federal court will not be housed in the new facility, but will remain in existing privately owned buildings on a lease basis. Among others, Social Security, SBA, Corps of Engineers, HUD, IRS, DOL, and Defense Logistics Agency offices fall into this latter category. It is also our understanding that these and similar Federal offices will continue to be located in currently privately owned spaces in downtown Shreveport. With over 1 million square feet of vacant office space in Shreveport, it is not the intentions of the committee to have the existing facilities abandoned.

Mr. JOHNSTON. I thank the bill manager for his explanation and I look forward to working closely with him to ensure that the economic concerns of the citizens of Shreveport are addressed as we seek to provide adequate facilities for the various Federal agencies in the city of Shreveport.

DON'T MOVE THE ARCHIVES

Mr. PELL. Mr. President, I rise to address a matter of local controversy which has arisen in connection with the pending bill to provide appropriations for the Treasury, Post Office, and independent agencies.

The controversy involves a change in the location of the New England regional branch of the National Archives. I am advised that the House version of this appropriation bill contains a provision which would move the branch from its present location in Waltham, MA, to Pittsfield, MA, 120 miles to the west.

This move would cause great inconvenience to Rhode Island researchers, and many of them have written to me protesting the change. And I might note that the State archivist of Rhode Island has joined with the State archivists of the other five New England States in urging that the branch be permitted to remain at its present location. The move, they assert, would isolate the branch from the major population centers of the region and from the other institutions, governmental and academic, with which it is closely associated.

I am very pleased indeed that the Senate committee has deleted the House provision for this unwise move, and I urge the Senate conferees to insist on their position. The New England regional branch of the National Archives should not be moved.

SECRET SERVICE AUTHORITY TO CONDUCT S&L FRAUD INVESTIGATIONS

Mr. LIEBERMAN. Mr. President, on June 8, 1990, I introduced a bill, S. 2721, that would give the U.S. Secret Service authority, concurrent with the FBI, to investigate fraud committed by savings and loan operators and other criminals in the financial services industry.

Thanks to the dedicated efforts of my colleague Senator DECONCINI, the Treasury, Postal Service, and general government appropriations for fiscal year 1991 (H.R. 5241) that will be passed by the Senate today grants such authority to the Secret Service. The House appropriations bill contains a companion to my legislation, S. 2721, and I am confident that any differences on this issue will be quickly resolved in conference.

The savings and loan crisis is the economic crime of the century. The ultimate cost will be hundreds of billions of dollars. The Attorney General has estimated that at least 25 to 30 percent of the S&L failures are attributable to criminal activity by thrift officers. S&L officers have cheated the American taxpayer out of billions of dollars. It is up to us to make sure that we commit the resources necessary to investigate S&L operators who broke the law and bring them to justice.

The Federal Bureau of Investigation has done extraordinarily able work investigating S&L crimes, but it is truly overburdened. According to an FBI survey, the Bureau has over 1,000 fraud and embezzlement cases involving over $100,000 that it has been unable to address because of inadequate personnel. A number of these cases involve losses of more than $1 million. There have been 20,000 referrals of fraud cases in the financial services industry that the FBI has not been able to examine because of a lack of resources.

H.R. 5241 would give the Secret Service the authority it needs to help the FBI tackle the backlog of S&L fraud cases. The provisions in H.R. 5241 relating to Secret Service authority reflect an agreement worked out between the Justice Department, the Treasury Department and the Senate. Under those provisions, Secret Service personnel would have authority, under the supervision of the Attorney General, to conduct investigations of fraud in or against the Resolution Trust Corporation or any federally insured financial institution, including savings and loans. This new Secret Service authority would last for 6 years or until the expiration of the Resolution Trust Corporation, subject to extension by the Attorney General.

The Secret Service already has significant experience in investigating financial crimes. Though we often think of the Secret Service as the agency that protects the President, it has a long history of law enforcement. It has extensive experience in investigating financial crimes such as counterfeiting, Government check forgery, and fraud against the FDIC. In fact, 70 percent of its agents are assigned to criminal investigations, and their track record is outstanding.

To cite one example, 18 months after the Secret Service was directed to address the counterfeiting of credit card devices in 1984, industry losses were reduced from $200 million a year to $10 million a year—a testament to the Service's capability. This capability should now be brought to bear on the many cases of S&L fraud.

I thank Senator DECONCINI for his efforts on this legislation, and I am pleased that the Government will soon be able to benefit from the Secret Service's resources and expertise in investigating cases of S&L fraud and putting offenders behind bars.

Mr. HATFIELD. Mr. President, the passage of this bill represents the 3d of the 13 fiscal year 1991 appropriations bills to come to the floor. After receiving their 302(b) allocation, the subcommittee moved quickly to forge a bill providing essential funding for the Department of the Treasury, the U.S. Postal Service, the Executive Office of the President, and numerous independent agencies.

The subcommittee worked under extreme time constraints to push the bill through the full committee and now the full Senate, and to accomplish this at more than $84 million below their 302(b) allocation in budget authority and $176,000 under in outlays. Additionally, the subcommittee is below the administration's request by more than $3 million in budget authority and $153 million in outlays. This was only possible because of the leadership of Senator DECONCINI, the subcommittee chairman, Senator DOMENICI, the ranking minority member, and Senator BYRD, chairman of the full committee. I commend the Senators for their efforts in accomplishing this goal.

Mr. President, I would be remiss in my comments if I did not mention the work of the subcommittee staff, whose efforts made it possible to accomplish such a difficult task in such a short time frame. The majority and minority staffs worked together well into the night for several weeks so that this bill could become a reality. Specifically, I wish to convey my personal thanks to Patty Lynch of the majority staff and Becky Davies of the minority for their outstanding work in putting this bill together.

I yield the floor.

DECONCINI AMENDMENT ON DRUGS

● Mr. WILSON. Mr. President, as I have been saying for many years, fighting a war on drugs means more than simply declaring war—we must also pony-up the money to pay for it.

Our ability to meet the threat posed by drug trafficking and the violence it has spawned depends largely on the men and women who serve as Federal law enforcement officers. Yet, in many high costs cities across the country, our efforts to recruit and retain quali-

fied officers is being threatened by a growing disparity between the wages of Federal officers and those earned by State and local law enforcement officers.

I have received many letters from Federal officers in California on this issue, and the information they have shared with me in staggering. One study revealed that a bus driver in Los Angeles, with 3 years of service, earns $3,200 more than an FBI agent with the same length of service. A special agent with the Bureau of Alcohol, Tobacco and Firearms [ATF] wrote to me recently stating that for the first 2 years on the job, an ATF special agent with a family of four qualifies for food stamps in Los Angeles County.

We cannot expect our dedicated law enforcement officers to spend the long hours investigating cases, often at risk to their lives, unless we are willing to pay them a decent wage.

I was pleased to join with the Senator from Arizona [Mr. DECONCINI], in 1987 to say this. I said it to drug czar William Bennett in a letter last summer recommending initiatives to enhance the Federal war on drugs. And, I said it on the Senate floor last November when the Senate adopted my amendment requiring the President to implement the pay recommendations of the National Advisory Commission on Law Enforcement.

I am pleased that the Senate finally took action yesterday on legislation originally introduced by Senator DECONCINI and myself earlier this year.

Once enacted, the DeConcini-Wilson legislation will add as much as 50 percent to the pay checks of Federal law enforcement officers in Los Angeles, San Diego, San Francisco, and Fresno in my State and in other high-cost cities nationwide. This figure includes a nationwide salary increase, up to 25-percent high-cost city increment, and up to a 25 percent for foreign language proficiency—for which the FBI and DEA already are eligible.

This would mean a regular starting salary in Los Angeles, without language bonus, of more than $35,000. This is a level almost as high as the starting salary for a Los Angeles police officer with a college degree, who receives more than $38,000, while those without a college degree receive more than $32,000. Today, the starting salary for an FBI agent, who must have a college degree, is around $27,000.

The amendment also expands to all high-cost cities a special housing allowance program now in effect only for the New York FBI office. This program will provide a one-time payment to help those looking for housing in a city to which they are transferred.

The total proposal is not cheap, but if we simply stopped sending congressional newsletters, which cost more than $100 million per year, we could cover more than one-half of the cost.

This legislation is as important as any to the war against drugs even at the local level. That is why local law enforcement organizations in my State have endorsed a pay increase for Federal agents.

Mr. President, I am dismayed that the amendment will not take effect until fiscal year 1992—October 1 of next year. I had earnestly hoped that we could find the money to do justice for Federal law enforcement immediately, or at the latest on October 1 of this year. Unfortunately, the money has yet to be found to fund an earlier start.

Mr. President, Federal law enforcement officers are our first line of defense in our Nation's drug war, putting their lives on the line to protect our families and neighborhoods from the scourge of drugs. By taking action on the DeConcini-Wilson legislation, the Senate is sending a message that we intend to stand firmly behind these dedicated men and women and create the conditions that will make it possible to continue to recruit and retain highly qualified and dedicated officers.

Mr. President, I applaud the tireless efforts of my friend from Arizona, Senator DECONCINI. I was pleased to be an original cosponsor of this legislation when he introduced it earlier this year, and I hope that the Senate will fully support Senator DECONCINI's efforts to enhance our ability to prevail in conference with the House.●

Mr. LEVIN. Mr. President, I will vote for the Treasury-Postal appropriations bill because it funds a number of important programs while at the same time it exercises the fiscal restraint necessary in light of our current budget situation. The bill is below the President's request and is within the amount allocated to these programs by the full Appropriations Committee.

This legislation provides needed funds for additional Customs Service inspectors who are helping to stop the flow of drugs across our borders. In addition, it provides additional resources for the Bureau of Alcohol, Tobacco and Firearms to add positions to fight armed career criminals. As a result of an amendment added during the debate, this legislation will also provide free mailing privileges for members of the Armed Forces who are deployed as part of Operation Desert Shield. I have visited these dedicated men and women recently in Saudi Arabia and the Persian Gulf and could see how important it was for these people to feel in contact with the folks back home. This amendment will facilitate that contact.

This legislation also includes, as a result of an amendment offered during the debate, a provision reforming the Federal pay structure. This provision is similar to a bill which was considered by the Governmental Affairs Committee. I voted against that bill in committee. However, the pay reform proposal as offered as an amendment to the Treasury-Postal appropriations bill included a significant modification from the committee bill in that it provides the President with total discretion to offer an alternative annual pay plan. This modification addresses some of my concerns about that pay reform proposal.

Taken as a whole, the Treasury-Postal appropriations bill represents a positive step in a number of directions and it merits our support.

Mr. DECONCINI. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Are there further amendments? If not, the clerk will read the bill for the third time.

The bill (H.R. 5241) was read the third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent..

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 93, nays 6, as follows:

[Rollcall Vote No. 231 Leg.]

YEAS—93

Adams	Exon	McClure
Akaka	Ford	McConnell
Armstrong	Fowler	Metzenbaum
Baucus	Garn	Mikulski
Bentsen	Glenn	Mitchell
Biden	Gore	Moynihan
Bingaman	Gorton	Murkowski
Bond	Graham	Nickles
Boren	Gramm	Nunn
Boschwitz	Grassley	Packwood
Bradley	Harkin	Pell
Breaux	Hatch	Pressler
Bryan	Hatfield	Pryor
Bumpers	Heflin	Reid
Burdick	Heinz	Riegle
Burns	Hollings	Robb
Byrd	Inouye	Rockefeller
Chafee	Jeffords	Rudman
Coats	Johnston	Sanford
Cochran	Kassebaum	Sarbanes
Cohen	Kasten	Sasser
Conrad	Kennedy	Shelby
Cranston	Kerrey	Simon
D'Amato	Kerry	Simpson
Danforth	Kohl	Specter
Daschle	Lautenberg	Stevens
DeConcini	Leahy	Symms
Dodd	Levin	Thurmond
Dole	Lieberman	Wallop
Domenici	Lugar	Warner
Durenberger	McCain	Wirth

NAYS—6

Dixon	Humphrey	Mack
Helms	Lott	Roth

NOT VOTING—1

Wilson

So the bill (H.R. 5241), as amended, was passed.

Mr. DECONCINI. I move to reconsider the vote.

Mr. HATFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DECONCINI. Mr. President, I move that the Senate insist on its amendments to H.R. 5241 request a conference with the House of Representatives on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. DECONCINI, Mrs. MIKULSKI, Mr. KERREY of Nebraska, Mr. BYRD, Mr. DOMENICI, Mr. D'AMATO, Mr. HATFIELD, and solely for the consideration of the Senate amendments relating to Federal pay reform, Mr. GLENN, Mr. PRYOR, Mr. ROTH, and Mr. STEVENS as conferees on the part of the Senate.

Mr. DECONCINI. Mr. President, I thank my ranking member and the chairman of the full committee for their assistance in this bill, and the staffs that have worked long and hard to pass this bill, and the Senators who cooperated with us today. Particularly, I thank Patty Lynch from the subcommittee.

Mr. HATFIELD. Mr. President, I want to take just a moment before the Senator from Arizona leaves the floor. This, like many of the appropriation bills, is getting to be increasingly difficult, not only because of the shifting targets and the 302(b) allocations and the budgetary process in general, that we had to adopt our own budget resolution this year in order to free up the Appropriations Committee, to move with appropriations. Under all these circumstances, the Senator from Arizona [Mr. DECONCINI] and his ranking Republican member, Senator DOMENICI of New Mexico, have really handled this in a very superb and highly professional way.

As I say, it was an increasingly difficult situation. I thank the Senators for moving this bill and getting it to conference.

I also take this occasion to say that as a member of the summit that has been meeting at Andrews Air Force Base, the action of that summit could very well mean that we have to revisit all of these appropriation bills that have passed or are passing the Senate. We may have to modify those target levels, the 302(b)'s. I hope we do not. We may have to. I merely wanted to give the Senator from Arizona a signal that maybe his job is not done yet, even if he got to conference and got an agreement out of conference. I will do my best to minimize that possibility.

Mr. DECONCINI. I thank the Senator.

Mr. GLENN. Mr. President, I ask unanimous consent to proceed as in morning business.

Mr. HATFIELD. Reserving the right to object, Mr. President. I wonder if the Senator from Ohio would yield to the Senator from Washington. The order that the majority leader and the minority leader had indicated their desire to follow is to bring the D.C. appropriation bill up next. I was wondering if we could at least lay it down and then yield to the Senator for this action.

Mr. GLENN. I had spoken to the majority leader about this.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. GLENN. I thank the Chair.

(The remarks of Mr. GLENN pretaining to the introduction of S. 3025, S. 3026, S. 3027, and S. 3028 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Washington is recognized.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1991

Mr. ADAMS. Mr. President, I ask unanimous consent to proceed to the immediate consideration of Calendar No. 740, H.R. 5311, making appropriations for the District of Columbia.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (H.R. 5311) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in parts against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

H.R. 5311

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1991, and for other purposes, namely:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1991, $430,500,000: *Provided,* That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 4,430, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date.

FEDERAL CONTRIBUTION TO RETIREMENT FUNDS

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds, as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), $52,070,000.

TRANSITIONAL PAYMENT FOR SAINT ELIZABETHS HOSPITAL

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Hospital Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), $10,000,000.

CRIMINAL JUSTICE INITIATIVE

The $70,300,000 previously appropriated under "Criminal Justice Initiative" for the fiscal years ending September 30, 1986, September 30, 1987, September 30, 1989, and September 30, 1991, for the design and construction of a prison within the District of Columbia shall remain in the United States Treasury and shall be transferred to the District of Columbia government only to the extent that outstanding obligations are due and payable to entities other than agencies and organizations of the District of Columbia government, and payments to such agencies and organizations may be made only in reimbursement for amounts actually expended in furtherance of the design and construction of the prison: *Provided,* That construction may not commence unless access and parking for construction vehicles are provided solely at a location other than city streets: *Provided further,* That District officials meet monthly with neighborhood representatives to inform them of current plans and discuss problems: *Provided further,* That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding the new prison, can promptly obtain information from District officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further,* That the District of Columbia shall also take steps to publicize the availability of that service among the residents of the area surrounding the new prison.

DRUG EMERGENCY

For a Federal contribution to the District of Columbia, $26,708,000, to remain available until expended, to close open air drug markets, increase police visibility, and provide for speedier court processing of drug-related violent cases.

COMMISSION ON BUDGET AND FINANCIAL PRIORITIES

For payment to the District of Columbia for expenses incurred in fiscal year 1990 and fiscal year 1991 by the Commission on Budget and Financial Priorities, up to $1,000,000: *Provided,* That such funds shall become available only when equally matched with District funds.

DEPARTMENT OF ADMINISTRATIVE SERVICES

For a Federal contribution to the District of Columbia for the Department of Administrative Services, $1,000,000.

BOARD OF EDUCATION

For a Federal contribution to the District of Columbia, [$12,080,000] *$15,080,000*, of which $10,000,000 shall be for maintenance improvements and emergency repairs to public school facilities, [$2,000,000] *$1,000,000* shall be for renovations to public school athletic and recreational grounds and facilities, [and] $80,000 shall be for the D.C. Schools Project for immigrant children, *$1,000,000 shall be for expansion of the early childhood program, and $3,000,000 shall be for teacher pay raises.*

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

For a Federal contribution to the District of Columbia for the After School Kids Program, $160,000; *for the Social Services Division, $860,000; and, for counsel for Child Abuse and Neglect Program fees, $400,000.*

DISTRICT OF COLUMBIA GENERAL HOSPITAL

For a Federal contribution to the District of Columbia General Hospital, $5,000,000.

[DEPARTMENT OF PUBLIC WORKS

For a Federal contribution to the Department of Public Works of the District of Columbia for the preparation of an environmental impact statement relating to the expansion of the landfill at the Lorton prison, $100,000.]

DEPARTMENT OF HUMAN SERVICES

For a Federal contribution to the District of Columbia, $2,850,000, of which $350,000 shall be to develop a program for boarder babies and children of substance abusers, $500,000 shall be to develop a residential aftercare program for pregnant substance abusers, $1,500,000 shall be for outpatient aftercare for pregnant and the general recovering addict population, and $500,000 shall be for a program for early detection of breast and cervical cancer to be conducted by a independent organization or institution of national prominence.

CHILDREN'S NATIONAL MEDICAL CENTER

For a Federal contribution to the *District of Columbia for payment to the* Children's National Medical Center for a cost-shared National Child Protection Center, [$3,000,000] *$4,000,000.*

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, [$115,279,000] *$113,879,000*: *Provided*, That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further*, That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further*, That notwithstanding any other provision of law, there is hereby appropriated $9,077,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $818,000 shall be derived from the general fund and not to exceed $8,259,000 shall be derived from the earnings of the applicable retirement funds: *Provided further*, That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further*, That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: *Provided further*, That of the Indirect Cost Allocation distributed by the District government, no less than $500,000 shall be provided to the Department of Administrative Services and no less than $500,000 shall be provided to the Office of Personnel.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $135,541,000: *Provided*, That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Finance Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further*, That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Finance Agency and shall be repaid to the District of Columbia government only from available operating revenues of the Finance Agency that are in excess of the amounts required for debt service, reserve funds, and operating expenses: *Provided further*, That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia: *Provided further*, That up to $275,000 within the 15 percent set-aside for special programs within the Tenant Assistance Program shall be targeted for the single-room occupancy initiative.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, [$919,323,000] *$920,583,000*: *Provided*, That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Fire Department of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further*, That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further*, That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further, That notwithstanding any other provision of law, or Mayor's order 86-45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000*: *Provided further*, That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1991, shall be available for obligations incurred under that Act in each fiscal year since inception in the fiscal year ending September 30, 1975: *Provided further*, That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1991, shall be available for obligations incurred under that Act in each fiscal year since inception in the fiscal year ending September 30, 1985*: Provided further, That funds appropriated for expenses under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986, effective September 30, 1989 (D.C. Law 6-204; D.C. Code, sec. 21-2060), for the fiscal year ending September 30, 1991, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1989*: *Provided further*, That $50,000 of any appropriation available to the District of Columbia may be used to match financial contributions from the United States Department of Defense to the District of Columbia Office of Emergency Preparedness for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Mayor: *Provided further*, That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further*, That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding Lorton prison in Fairfax County, Virginia, can promptly obtain information from District of Columbia government officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further*, That the District of Columbia government shall also take steps to publicize the availability of the 24-hour telephone information service among the residents of the area surrounding the Lorton prison: *Provided further*, That not to exceed $100,000 of this appropriation shall be used to reimburse Fairfax County, Virginia, and Prince William County, Virginia, for expenses incurred by the counties during the fiscal year ending September 30, 1991, in relation to the Lorton prison complex: *Provided further*, That such reimbursements shall be paid in all instances in which the District requests the counties to provide police, fire, rescue, and related services to help deal with escapes, riots, and similar disturbances involving the prison: *Provided further*, That none of the funds appropriated by this Act may be used to implement any plan that includes the closing of Engine Company 3, located at 439 New Jersey Avenue, Northwest: *Provided further*, That at least 21 ambulances shall be maintained on duty 24 hours per day, 365 days a year: *Provided further*, That the staffing levels of each two-piece engine company within the Fire Department shall be maintained in accordance with the provisions of article III, section 18 of the Fire Department Rules and Regulations as then in effect: *Provided further*,

That none of the funds provided in this Act may be used to implement any staffing plan for the District of Columbia Fire Department that includes the elimination of any positions for Administrative Assistants to the Battalion Fire Chiefs of the Firefighting Division of the Department: *Provided further,* That none of the funds provided in this Act may be used to implement District of Columbia Board of Parole notice of emergency and proposed rulemaking as published in the District of Columbia Register for July 25, 1986 (33 DCR 4453a): *Provided further,* That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further,* That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for the emergency services involved: *Provided further,* That $17,630,000 for the Metropolitan Police Department and $2,600,000 for the District of Columbia Superior Court shall remain available until expended.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, [$735,240,000] *$738,240,000,* to be allocated as follows: [$526,764,000] *$530,764,000* for the public schools of the District of Columbia; [$22,000,000] *$21,000,000* for pay-as-you-go capital projects for public schools; $81,200,000 for the District of Columbia Teachers' Retirement Fund; 1[$75,313,000] *$76,913,000* for the University of the District of Columbia; $20,378,000 for the Public Library; $3,527,000 for the Commission on the Arts and Humanities; $3,940,000 for the District of Columbia School of Law; and $518,000 for the Education Licensure Commission: *Provided,* That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further,* That the amount allocated under this title for the public schools shall be increased, dollar for dollar up to $36,400,000, by the amount the annual Federal payment for fiscal year 1991 is increased above the current $430,500,000 Federal payment in fiscal year 1990: *Provided further,* That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further,* That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1991, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: *Provided further,* That under this heading for the fiscal year ending September 30, 1991, the Public Library shall be considered a statutorily independent agency and thus shall be exempted from any and all across-the-board rescissions that may be applied to agencies under the control of the Mayor.

HUMAN SUPPORT SERVICES

Human support services, [$873,390,000] *$876,240,000*: *Provided,* That $20,848,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further,* That of the funds provided for the D.C. General Hospital subsidy, $646,000 shall be used to provide health care to homeless persons: [*Provided further,* That not less than $191,000 of the funds appropriated under this heading shall be used by the Administrator of the Youth Services Administration to install security fences and security lighting at the Oak Hill Juvenile Detention Facility and security lighting at the Cedar Knoll Facility:] *Provided further,* That of the funds provided for the provision of emergency shelter services in the Department of Human Services, three-fourths of the funds shall be available solely for allocation to a legally constituted private nonprofit organization in the District as defined in section 411(5) of the Stewart B. McKinney Homeless Act, approved July 22, 1987 (101 Stat. 495; 42 U.S.C. 11371(5)): *Provided further,* That the District shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services, if the District would not be qualified to receive reimbursement pursuant to the McKinney Act (42 U.S.C. 11301 et. seq.) [: *Provided further,* That the Hurt Home located at 3050 R Street, Northwest, in the District of Columbia, shall not be occupied by residential or day patients or used as a residential treatment facility until final adjudication by the relevant courts.]

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $229,482,000: *Provided,* That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business: *Provided further,* That any unobligated funds from the school transit subsidy shall be applied solely to the repayment of the general fund accumulated deficit [: *Provided further,* That not less than $100,000 of the funds appropriated under this heading shall be used to prepare an environmental impact statement relating to the proposed expansion of the landfill at the Lorton prison prior to carrying out such proposed expansion.]

WASHINGTON CONVENTION CENTER FUND

For the Washington Convention Center Fund, $8,383,000: *Provided,* That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual Convention Center audit.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); section 1 of An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); section 723 of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, space note); and section 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act Amendments, approved October 13, 1977 (91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, $252,740,000.

REPAYMENT OF GENERAL FUND DEFICIT

For the purpose of reducing the $213,403,000 general fund accumulated deficit as of September 30, 1989, $20,000,000, of which not less than $18,287,000 shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both): *Provided,* That if the Federal payment to the District of Columbia for fiscal year 1991 is reduced pursuant to an order issued by the President under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177, approved December 12, 1985), as amended, the percentage (if any) by which the $20,000,000 set aside for repayment of the general fund accumulated deficit under this appropriation title is reduced as a consequence shall not exceed the percentage by which the Federal payment is reduced pursuant to such order: *Provided further,* That all net revenue the District of Columbia government may collect as a result of the District of Columbia government's pending appeal in the consolidated case of U.S. Sprint Communications, et al. v. District of Columbia et al., CA 10080-87 (court order filed November 14, 1988), shall be applied solely to the repayment of the general fund accumulated deficit.

SHORT-TERM BORROWINGS

For the purpose of funding interest related to borrowing funds for short-term cash needs, $13,028,000.

OPTICAL AND DENTAL BENEFITS

For optical and dental costs for nonunion employees, $3,112,000.

SUPPLY, ENERGY, AND EQUIPMENT ADJUSTMENT

The Mayor shall reduce authorized supply, energy, and equipment appropriations and expenditures within object class 20 (supplies), 30a (energy), and 70 (equipment) in the amount of $10,000,000, within one or several of the various appropriation headings in this Act.

PERSONAL SERVICES ADJUSTMENT

The Mayor shall reduce appropriations and expenditures for personal services within object classes 11, 12, 13, and 14 in the

amount of $10,000,000, within one or several of the various appropriation headings in this Act.

CAPITAL OUTLAY

For construction projects, [$324,322,000] *$323,322,000*, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 through 43-1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83-364); an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, secs. 9-219 and 47-3402); section 3(g) of the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved August 20, 1958 (72 Stat. 686; Public Law 85-692; D.C. Code, sec. 40-805(7)); and the National Capital Transportation Act of 1969, approved December 9, 1969 (83 Stat. 320; Public Law 91-143; D.C. Code, secs. 1-2451, 1-2452, 1-2454, 1-2456, and 1-2457); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided*, That $15,962,000 shall be available for project management and $17,521,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor: *Provided further*, That funds for use by each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further*, That [$22,000,000] *$21,000,000* for the public school system, $392,000 for the Department of Recreation and Parks, and $2,208,000 for the Department of Public Works for pay-as-you-go capital projects shall be financed from general fund operating revenues: *Provided further*, That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further*, That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90-495; D.C. Code, sec. 7-134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1992, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1992: *Provided further*, That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

WATER AND SEWER ENTERPRISE FUND

For the Water and Sewer Enterprise Fund, $226,209,000, of which $36,608,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $28,730,000, as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.): *Provided*, That the requirements and restrictions that are applicable to general fund capital improvement projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title: *Provided further*, That $39,609,000 in water and sewer enterprise fund operating revenues shall be available for pay-as-you-go capital projects.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriations Act for the fiscal year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97-91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), $8,600,000, to be derived from non-Federal District of Columbia revenues: *Provided*, That the District of Columbia shall identify the sources of funding for this appropriation title from the District's own locally-generated revenues: *Provided further*, That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), $1,700,000.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said purpose or object rather than an amount set apart exclusively therefor, except for those funds and programs for the Metropolitan Police Department under the heading "Public Safety and Justice" which shall be considered as the amounts set apart exclusively for and shall be expended solely by that Department; and the appropriation under the heading "Repayment of General Fund Deficit" which shall be considered as the amount set apart exclusively for and shall be expended solely for that purpose.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided*, That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided*, That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided*, That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Code, sec. 3-205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personnel compensation may be used to pay the cost of overtime or temporary positions.

SEC. 110. Appropriations in this Act shall not be available, during the fiscal year ending September 30, 1991, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds [40,037] *40,063*.

SEC. 111. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 112. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1992, shall be transmitted to the Congress no later than April 15, 1991.

SEC. 113. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on the District of Columbia, the Subcommittee on General Services, Federalism, and the District of Columbia of the Senate Committee on Governmental Affairs, and the Coun-

cil of the District of Columbia, or their duly authorized representative.

SEC. 114. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 115. None of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 116. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 117. None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health service. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

SEC. 118. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided,* That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

SEC. 119. The Mayor shall not borrow any funds for capital projects unless he has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 120. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 121. None of the funds appropriated in this Act may be used for the implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

SEC. 122. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443), which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

SEC. 123. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 124. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided,* That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 125. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) of this section for any position for any period during the last quarter of calendar year 1990 shall be deemed to be the rate of pay payable for that position for September 30, 1990.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.

SEC. 126. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided,* That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

SEC. 127. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency, and the District's best interest.

SEC. 128. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 1991, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1991 revenue estimates as of the end of the first quarter of fiscal year 1991. These estimates shall be used in the budget request for the fiscal year ending September 30, 1992. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 129. Section 466(b) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 806; Public Law 93-198; D.C. Code, sec. 47-326), as amended, is amended by striking out "sold before October 1, 1990" and inserting in lieu thereof "sold before October 1, 1991".

SEC. 130. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Code, sec. 1-1183.3), except that the District of Columbia Public Schools may renew or extend sole source contracts for which competition is not feasible or practical, provided that the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated Board of Education rules and procedures.

SEC. 131. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99-177), as amended, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided,* That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 132. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided,* That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 133. Section 133(e) of the District of Columbia Appropriations Act, 1990 is amended by striking "December 31, 1990" and inserting "December 31, 1991".

SEC. 134. Such sums as may be necessary for fiscal year 1991 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 135. For the fiscal year ending September 30, 1991, the District of Columbia shall pay interest on its quarterly payments to the United States that are made more than 60 days from the date of receipt of an itemized statement from the Federal Bureau of Prisons of amounts due for housing District of Columbia convicts in Federal penitentiaries for the preceding quarter.

[SEC. 136. For purposes of appointing individuals as attorneys, the residency provisions of section 1-610.6 of the District of Columbia Code, shall not apply: *Provided,* That individuals hired as attorneys shall be subject to the residency preference provisions of section 1-608(1)(e) of the District of Columbia Code.

[SEC. 137. None of the funds provided in this Act may be used by the District of Columbia to provide for the salaries, expenses, or other costs associated with, the offices of United States Senator or United States Representative under section 4(d) of D.C. Law 3-171 (sec. 1-113(d), D.C. Code).

[SEC. 138. Notwithstanding any other provision of this Act, each amount appropriated or otherwise made available by this Act in paragraphs appearing prior to the heading "Division of Expenses" that is not required to be appropriated or otherwise made available by a provision of law is reduced by 2 percent.]

SEC. 136. The proviso under the heading "Public Works" in the Dire Emergency Supplemental Appropriation for Disaster Assistance, Food Stamps, Unemployment Compensation Administration, and Other Urgent Needs, and Transfers, and Reducing Funds Budgeted for Military Spending Act of 1990, approved May 25, 1990 (Public Law 101-302; 104 Stat. 241), shall remain in effect until September 30, 1991.

SEC. 137. None of the funds appropriated in this or any other Act be used for lobbying expenses related to District of Columbia Statehood or for "shadow representation."

SEC. 138. (a) ENHANCED PENALTIES FOR USE OF A FIREARM DURING COMMISSION OF A CRIME OF VIOLENCE OR DRUG TRAFFICKING CRIME.—The Act of July 8, 1932 (47 Stat. 650, chapter 465) is amended by inserting after section 2 the following new section:

"SEC. 2a. (a) Whoever, during and in relation to any crime of violence or drug trafficking crime (including a crime of violence or drug trafficking crime which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device)—

"(1) possesses a firearm, shall, in addition to the punishment provided for such crime of violence or drug trafficking crime, be sentenced to imprisonment for not less than 10 years without release;

"(2) discharges a firearm with intent to injure another person, shall, in addition to the punishment provided for such crime of violence or drug trafficking crime, be sentenced to imprisonment for not less than 20 years without release; or

"(3) possesses a firearm that is a machinegun, or is equipped with a firearm silencer or firearm muffler shall, in addition to the punishment provided for such crime of violence or drug trafficking crime, be sentenced to imprisonment for 30 years without release.

"(b) In the case of a second conviction under this section, a person shall be sentenced to imprisonment for not less than 20 years without release for possession or not less than 30 years without release for discharge of a firearm, and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to life imprisonment without release.

"(c) In the case of a third or subsequent conviction under this section, a person shall be sentenced to life imprisonment without release. If the death of a person results from the discharge of a firearm, with intent to kill another person, by a person during the commission of such a crime, the person who discharged the firearm shall be sentenced to life imprisonment without release.

"(d) Notwithstanding any other law, a court shall not place on probation or suspend the sentence of any person convicted of a violation of this section, nor shall the term of imprisonment imposed under this section run concurrently with any other term of imprisonment including that imposed for the crime of violence or drug trafficking crime in which the firearm was used. No person sentenced under this section shall be eligible for parole, nor shall such person be released for any reason whatsoever, during a term of imprisonment imposed under this section.

"(e) For the purposes of this section, a person shall be considered to be in possession of a firearm if—

"(1) in the case of a crime of violence, the person touches a firearm at the scene of the crime at any time during the commission of the crime; and

"(2) in the case of a drug trafficking crime, the person has a firearm readily available at the scene of the crime during the commission of the crime.

"(f) This section has no application to a person who may be found to have committed a criminal act while acting in defense of person or property during the course of a crime being committed by another person (including the arrest or attempted arrest of the offender during or immediately after the commission of the crime).

"(g) In a case in which an offender may be sentenced under either this section or any other provision of law, the offender shall be sentenced to a term of imprisonment under the provision that authorizes imposition of the longer term of imprisonment.".

(b) MANDATORY MINIMUM PENALTIES FOR DISTRIBUTION OF ILLEGAL DRUGS TO MINORS AND EMPLOYMENT OF MINORS IN DRUG TRAFFICKING.—Section 408 of the District of Columbia Uniform Controlled Substances Act of 1981 (D.C. Code 33-546) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding subsection (a), and except to the extent a greater minimum sentence is otherwise provided by law, a term of imprisonment under section 406 or 407 for a first offense shall be not less than 10 years without release, and for a second offense shall be a mandatory term of life imprisonment without release. Notwithstanding any other provision of law, the court shall not place on probation or suspend the sentence of any person sentenced under the preceding sentence and such person shall not be placed on parole or released for any reason whatsoever during the term of such sentence.". This subsection shall not apply in the circumstances described in section 401(b)4 of the Controlled Substances Act (21 U.S.C. 841(b)4).

(c) MANDATORY LIFE IMPRISONMENT FOR THREE-TIME OFFENDERS.—Section 401 of the District of Columbia Uniform Controlled Substances Act of 1981 (D.C. Code 33-541) is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of this section, section 408, or any other law, a person who commits a violation of this section involving a controlled substance of a kind and in an amount described in section 401(b)(1)(A) of the Controlled Substances Act (21 U.S.C. 841) or commits a violation of section 406 or 407 or commits a crime of violence after two or more prior convictions for a felony drug offense or crime of violence or for any combination thereof have become final, such person shall be sentenced to a mandatory term of life imprisonment without release and fined in accordance with this section. For purposes of this subsection, the term 'crime of violence' means an offense that is a felony and has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or by its nature involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

Sec. 139. The Perinatal Abstinence Project located at 3551 Sixteenth Street, Northwest shall not require a certificate of occupancy, pursuant to Public Law 100-430, 100 Stat. 1619.

Mr. ADAMS. Mr. President, I will briefly summarize the committee's recommendations and after any remarks that Senator HATFIELD or Members of the minority may wish to make I will be happy to answer any questions the Members may have and consider any amendments that may be offered.

Mr. President, I am pleased to bring to the Senate a District of Columbia bill that represents a balanced budget. The District has balanced its budget during 8 of the last 9 years. I mention that only because too often we are quick to criticize the District for things that they do wrong but fail to mention their successes. As with many other State and local governments they are experiencing severe cash-flow problems due to slower than expected revenue growth. This slowdown comes for the District at a time when the Federal payment has not been increased in 4 years. During that same time the Federal budget has increased 8 percent.

The bill before you contains a total Federal appropriation of $569.9 million. This amount is within our 302(b) allocation. The bill also includes total District of Columbia funds of $3.8 billion.

The Federal funds portion of the bill includes $430.5 million for the Federal payment. This amount represents 13 percent of the District's general fund revenue, 4 years ago it exceeded 18 percent of local revenues.

For the contribution to the various retirement funds, the bill includes $52 million.

For the final transitional payment to St. Elizabeths Hospital, $10 million is included.

For the drug emergency, which the Senate established last year in response to the city's drug crisis, the President has requested and we are recommending $26.7 million. The majority of these funds will go to pay the salaries and expenses of the 700 police officers and the 8 new judges for the Superior Court which were authorized last year and confirmed by the Senate before the August recess. Mr. President, over the last 2 years we have increased the police budget by 24 percent, while total city budget has increased by only 4 percent.

The drug war, street violence, and their consequences remain overriding concerns of the committee. Last year we focused mostly on the police and criminal justice system in an attempt to assist the District with resources to help stabilize the streets. This year our recommendations continue support in those areas and give greater support to the more human side of the drug crisis.

Mr. President, we are recommending to the Senate $350,000 to begin a pro-

gram for boarder babies and the children of drug abusers. These funds will only begin to address the problems faced by the youngest victims of our drug war. These funds will provide the necessary resources to review the few existing programs that have been established around the Nation, to select the most promising among them, and to make modifications to meet the District's unique needs.

As a follow-on to the treatment on demand for pregnant drug abusers program established last year, and continued in this year's bill, we are recommending $500,000 for a residential aftercare program in this year's bill. This program is designed to maintain mother and newborn in a drug free environment until they can become self-sufficient. Related to this program is the recommendation of $1.5 million for outpatient aftercare for drug addicts who were pregnant and for the general population. According to District officials existing outpatient treatment programs are overwhelmed and simply cannot handle the variety of support services required by these individuals.

Mr. President, we are also recommending $860,000 to expand the capability of the Social Services Division of the District of Columbia Superior Court to divert, help, and monitor youth who come to the juvenile justice system in drug-related cases. As part of this program additional probation teams will be funded to monitor child abuse and neglect cases, which are mushrooming as a result of the drug trade and drug culture.

We are also including an additional $400,000 to close a projected shortfall in the court's fund to pay attorneys who represent the children in abuse and neglect cases.

For the D.C. Public Schools we have included an additional $1 million for the early childhood program. These funds will expand the Montessori program and increase the number of prekindergarten classes, and the number of instructional aides.

We are recommending $500,000 for a program of early detection of breast and cervical cancer. Breast and cervical cancer take 46,000 American lives every year, and the tragedy is that 1 in 5 of the breast cancer deaths is preventable by early detection with a mammogram. One thing that is needed is to make quality mammography more accessible. With early detection through regular pap smears cervical cancer has an 88-percent survival rate. Therefore, a key aspect of this initiative will be the outreach and education to make sure that women who are not medicaid eligible and who are not able to pay for these procedures know that they are available and that there are funds to help them pay for them.

The House included $3 million to establish and begin planning for the National Child Protection, Trauma, and Research Center to be located adjacent to Children's Hospital. This center will provide a focus on combating child victimization. According to the District's Family Services Administration, for the 4 years ending in 1988 the number of child abuse and neglect cases in the District of Columbia rose 77 percent. Much of this increase is due to the effects of drugs on family life. This center will provide a means not only for treatment once the abuse or neglect occurs, but focus for efforts to prevent its occurrence in the first place. Since this is a cost-sharing venture, the board tells us that they require a commitment of $4 million in order to raise additional sums privately. Accordingly we are recommending $4 million for the center.

Mr. President, in addition to the funds for the 700 new police officers, we are recommending language which raises the police department's small purchase authority from $10,000 to $500,000 for 1 year. Like the House we are concerned about reports that orders for new and replacement equipment are delayed and have included an increase for the Department of Administrative Services to help them process the request in a more timely manner. However, whether the problem is within the police department, or within administrative services, the fact is that police on the street may not have an adequate number of radios, or supplies of tear gas, or batons to safely perform their duties. This language will allow the police to directly solicit bids and award contracts for purchases up to one-half million dollars during the next fiscal year in order to speed delivery of needed supplies. During this time we will join the House in monitoring improvements in the Department of Administrative Services to determine if the authority should be extended.

That concludes my summary of the committee's recommendations. Before I yield to Senator GRAMM for any statement he may wish to make, I want to express my appreciation to the chairman of the Appropriations Committee, Senator BYRD, for his counsel and help bringing this bill to the floor. Also the ranking member of the committeee the Senator from Oregon [Mr. HATFIELD] for his usual support and good humor.

Mr. President, I also want to thank the other members of the D.C. Subcommittee, Senator FOWLER, Senator KERREY, Senator DOMINICI, and especially the Senator from Texas, without whose cooperation we could not have gotten to this point. Senator GRAMM and I have not always agreed, but we have been able to do it in a way that is not disagreeable.

I yield to the ranking minority member, Senator HATFIELD, for whatever statement he might like to make.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. HATFIELD. Mr. President, I thank the chairman of the District Subcommittee of the Appropriations Committee, the Senator from Washington State, Senator BROCK ADAMS.

Mr. President, this is the day of the election in the District and I think it is very significant that Senator ADAMS has seen fit to bring this bill to the floor on this day.

In this bill is the embodiment of what was created as home rule a number of years ago for the District even though we maintain this financial relationship through the Federal payment. As the Senator from Washington has indicated we have not increased that Federal payment in the last 4 years and we have struggled to make the whole accounting system more responsible and more accountable in terms of the moneys expended by the District granted under the Federal payment. I would say that only reiterates that this bill is in conformity to the 302(b) allocations and the targets that were adopted by the full Appropriations Committee.

I am happy to be here representing the minority side of this subcommittee. The Senator from Texas, Mr. PHIL GRAMM, who is unavoidably involved in other affairs at this moment, was not able to be here. But I am happy to congratulate both Senator ADAMS and Senator GRAMM for their leadership in providing the Senate with this very responsible appropriation and very lean appropriation bill, and it is certainly within the limits adopted by the full Senate in the budget resolution.

Mr. ADAMS. Mr. President, I ask unanimous consent at this point that the committee amendments be agreed to en bloc and the bill as thus amended be regarded for purposes of amendment as original text provided that no points of order shall have been considered to have been waived if the request is agreed to.

The PRESIDING OFFICER. Is there objection?

Mr. HATFIELD. Mr. President, reserving the right to object, I would only like to indicate to the chairman of the committee that I believe that the Senator from Virginia [Mr. WARNER] and perhaps the Senator from Colorado [Mr. ARMSTRONG] may be considering an amendment to this bill. But I have no objections in adopting the committee amendments en bloc and the technical amendments I guess to follow. I guess we can, providing that the Senators who have an interest in this bill will appear on the floor in order that we may complete this bill shortly.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. I thank the President.

I had not been informed of directly, I state to the ranking minority member, that anyone wishes to offer an amendment, but if the Senator is concerned about it, I am more than willing to go over until tomorrow morning in order that all Senators would be protected.

Mr. HATFIELD. All right.

Mr. ADAMS. Neither I nor staff have any direct knowledge of any amendment that Senators wish to offer. If there is some we will go over until tomorrow morning.

Mr. DOLE. Are there any amendments to be offered to this bill? I guess there is an amendment to strike out some stuff, is there not?

Mr. ADAMS. I would offer two technical amendments at this time, Mr. President.

AMENDMENT NO. 2630

Mr. ADAMS. Mr. President, I send to the desk a technical amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington [Mr. ADAMS] proposes an amendment numbered 2630.

Mr. ADAMS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill add the following new section:

SEC. . (a) Up to 75 officers or members of the Metropolitan Police Department who were hired before February 14, 1980, and who retire on disability before the end of calender year 1991 shall be excluded from the computation of the rate of disability retirement under subsection 145(a) of the District of Columbia Retirement Reform Act, as amended, approved September 30, 1983 (97 Stat. 727; D. C. Code, sec. 1-725(a)), for purposes of reducing the authorized Federal payment to the District of Columbia Police Officers and Fire Fighters' Retirement Fund pursuant to subsection 145(c) of the District of Columbia Retirement Reform Act.

(b) The Mayor, within 30 days after the enactment of this Act, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply with the requirements of section 142(d) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122, D.C. Code, secs. 1-722(d) and 1-724(d)).

(c) If any of the 75 light duty positions that may become vacant under subsection (a) are filled, a civilian employee shall be hired to fill that position or shall be filled by an officer or member of the Metropolitan Police Department for a temporary period of time.

(d) The limited duty policy of the Metropolitan Police Department shall be that in effect prior to July 8, 1990, unless ordered by the relevant court.

Mr. ADAMS. Mr. President, this amendment is one in which it is to technically allow the police department to go forward with a policy which they have on limited duty positions. I know of no objection to this. It also provides that they are able to retire certain officers, which they were not able to do prior to this time, and it also provides for protection for those who may have a situation of pregnancy. It would allow the Metropolitan Police Department to retire 118 police officers.

Mr. HATFIELD. Mr. President, the technical amendments are approved on this side.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington.

The amendment (No. 2630) was agreed to.

AMENDMENT NO. 2631

Mr. ADAMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Washington [Mr. ADAMS] proposes an amendment numbered 2631.

SEC. . Notwithstanding any other provision of law, the Task Force on Substance Abusing Pregnant Women and Infants Exposed to Maternal Substance Abuse During Pregnancy shall report no later than March 29, 1990.

Mr. ADAMS. Mr. President, this has been agreed to, so far as I know, on both sides. I ask that this amendment also be accepted.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington [Mr. ADAMS].

The amendment (No. 2631) was agreed to.

Mr. ADAMS. Those are the only technical amendments that I have.

Mr. HATFIELD. Mr. President, the Senator from Virginia [Mr. WARNER] is returning to the floor and will be here shortly to offer an amendment.

Mr. ARMSTRONG. Mr. President, in order to expedite things, I will be glad to go ahead if that is the desire of the managers.

AMENDMENT NO. 2632

(Purpose: To allow organizations in the Nation's Capital to exclude adult homosexuals from certain programs and activities that involve juveniles)

Mr. ARMSTRONG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. ARMSTRONG] proposes an amendment numbered 2632.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At an appropriate place in the bill insert the following new section:

SEC. . Section 103 of the District of Columbia Human Rights Act, effective Dec. 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2503 (1981 edition)) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c) Nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual person or adult bisexual person in any program or activity that—

(1) educates, coaches, or trains any juvenile, or

(2) holds out the adult as a role model, mentor, or companion to any juvenile.".

Mr. ARMSTRONG. Mr. President, I send a second degree amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Is there objection to the consideration of the second-degree amendment?

Mr. HATFIELD. Mr. President, reserving the right to object, I would like to know what the first amendment is.

Mr. ARMSTRONG. Mr. President, does the Senator have a right to object to consideration of the amendment?

The PRESIDING OFFICER. The Senator is not permitted to submit an amendment to his own amendment unless some action has occurred or unless it is authorized by the lack of objection.

Mr. ARMSTRONG. I thank the Chair.

Mr. President, the explanation is very simple. This is an amendment that relates to the Big Brothers issue which I think the Senator is familiar with. The reason I have offered it in this form and seek to have a second-degree amendment is to simply get an up-or-down vote on the issue. When I presented this to the floor previously, I was prevented from doing so by the expedience of someone offering a second-degree amendment. So to preclude that possibility, I simply offered a second-degree amendment at this time.

I would be glad to explain the issue in detail now or at a latter time, however the managers would perfer to proceed.

The PRESIDING OFFICER. Is there objection to the offering of the amendment at this time?

Mr. ADAMS. To the second-degree amendment?

Mr. ARMSTRONG. To the offering of the second-degree amendment.

Mr. ADAMS. Yes, I have an objection to that, Mr. President.

The PRESIDING OFFICER. Objection is heard.

Mr. ADAMS. Therefore, I think, Mr. President, due to the lateness of the hour and the fact that the various parties have not been able to appear, if the Senator wishes to offer this, maybe we can work out a time agreement and the manner of proceeding and proceed in the morning on that matter.

Mr. ARMSTRONG. Mr. President, if the Senator will yield.

The PRESIDING OFFICER. The Senator from Colorado has the floor.

Mr. ARMSTRONG. Is it the Senator's desire that we work out a time agreement on the second-degree amendment?

Mr. ADAMS. On both.

Mr. ARMSTRONG. That would be fine with me. If the Senator would suggest a time agreement, I would be happy to agree with that, either for tonight or tomorrow, whichever the Senator prefers.

Mr. ADAMS. We would be perfectly acceptable to having an agreement for an hour on each side.

Mr. ARMSTRONG. That would be fine.

Mr. ADAMS. On the first-degree amendment.

Mr. ARMSTRONG. On the first degree or the second degree?

Mr. ADAMS. First degree.

Mr. ARMSTRONG. What is the Senator's view of the second degree?

Mr. ADAMS. We have not agreed to the second-degree amendment being presented as yet.

Mr. ARMSTRONG. Mr. President, under those circumstances, my desire is to get a vote on the issue, and the way to do that is to let me offer a second-degree amendment. If the managers are agreeable to that, I would be happy to agree to an hour, a half hour, or any reasonable time, more or less than he has suggested. But I would not agree to a time limit on the first-degree amendment until we have decided how we are going to handle it. I am not trying to delay the process in the slightest.

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ACREAGE LIMITATION PROGRAM FOR 1991 CROP OF WHEAT

Mr. BOSCHWITZ. Mr. President, it is my understanding that my colleague from Kansas, the minority leader, Senator DOLE, will shortly be offering a bill that will establish a 15 percent set-aside on wheat for the 1991 crop year. I will not call for a rollcall vote on the bill, nor will I oppose or seek to delay it. I rise to speak about it, speak in opposition to it, and to establish my feelings about the idea of a 15 percent set-aside in wheat.

I know to many, set-aside are very popular. I know that the OMB, the Office of Management and Budget, feel there will be budget savings because of a set-aside. I, Mr. President, oppose set-asides and feel that we only penalize ourselves in the process of using them.

In the world, Mr. President, where wheat can grow almost like grass, just about anywhere—perhaps not on the desert, but almost anywhere—we alone seek to restrain production and thereby increase the price. If we were doing it in concert with other nations, if it were being done in such a manner that there really would be an impact on the worldwide supply, it would be one thing. But that is not the case.

Under the presumption that by setting aside some land, 15 percent of the base, about 10 million acres, that we somehow reduce output and increase price, we really just fool ourselves, Mr. President, because that has not been the result.

If other nations were to join us, if other nations were to take a similar tack, it would be one thing. But we do it alone, and acreage around the world increases as we set aside acres here in the United States.

When we set aside, Mr. President, 15 out of every 100 acres, the overhead on those 15 acres does not go away. The local tax man does not say to you, "Well, since you are not growing anything on that land, we will not tax it." No, indeed, the taxes continue. And the banker, in the event you have that land financed, does not say that you do not have to keep making payments, that no interest will need to be paid on this 15 percent of the land that lays idle. It is not that way at all. The overhead continues on the 15 percent which lays idle, so that you must make it up on the other 85 percent.

As a result, costs of production go up. The cost of production on what you produce on that other 85 percent goes up. We become less competitive as a result. And it just is not sensible for us to do that when the rest of the world does not take the same steps that we do.

Mr. President, this is a chart which shows displacement of other countries' grain exports and adjustments in U.S. grain production.

Look at the grain that was not grown because there was a set-aside. Over the years 1977 to 1990, the cumulative amount that we did not produce in this country because we set aside acreage was about 250 million metric tons.

The European Community shipped and simply displaced those acres that we did not grow wheat on. The result is that for every acre we set aside, others simply grow more and simply take our markets.

As it is shown here, the Europeans, almost bushel for bushel, ton for ton, have displaced American shipments of wheat because as we set aside acres that resulted in 250 million tons not produced, they simply expanded production and produced 250 million additional tons that they sold to the world.

So we are giving up export markets. We are making ourselves less competitive. We are not producing on land that should produce.

In addition, we are hurting rural America. The 250 million tons that we did not produce is an enormous amount of wheat that would take millions upon millions of truckloads, millions upon millions of hopper cars; an extraordinary amount of activity in rural America does not happen when we do not produce 250 million tons.

Just as we want to help the farmers, we also want to help rural America and rural America depends to a large degree on the volume of production. So, when we set-aside acres and do not produce, the elevators are not as busy, the insurers are not as busy. Throughout the entire system of the infrastructure of rural America there is not as much activity.

If people depart and go to the cities and that type of movement continues, part of that reason is that we do not produce on arable land. We do not produce, while others increase their production.

Because of farm programs, soybean production in this country has gone down 13 million acres and our share of the world markets has gone down. If we look at South America, Argentina, Brazil, and Paraguay, they have increased their production by precisely 13 million acres. Now we probably have lost that share of the world market in that very important crop.

Another result of set-asides is that we seek larger yields of the land that we can plant. If you set aside 15 acres and you have only 85 acres on which you can plant, you need a little larger crop from that 85 acres to pay the overhead on the other 15. So you use more fertilizers and do some things that environmentally may not be very sound.

It is just a lose/lose proposition, to set aside acres. I know my friend, my colleague, my leader, the Senator from Kansas, is well intentioned. He wants to do something so his farmers will get the signal to move forward on their 1991 crop. They have to start planting, and I understand that, so I understand his amendment.

Indeed, his amendment bill, at 15 percent, may be an improvement of

what would otherwise happen. Because otherwise it might be the set-aside will be even larger.

But, Mr. President, I wanted to rise and make the case against set-asides. I believe that set-asides penalize American agriculture, penalize the rural parts of our country, and as long as we do it alone, as long as we have no cooperation from other producing countries in the world, all we do is exact a great penalty on ourselves with no result.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, I would like to add to the remarks of my distinguished colleague from Minnesota because I think he has hit the nail on the head with respect to set-asides. Set-asides will do two things that I think need to concern us.

First, They will send a signal to those with whom we compete in Europe, Canada, the other wheat-producing parts of the world, that the United States is going to do it unilaterally, on our own, and that they are free to expand their plantings and again capture more of the world markekt. Mr. President, I think that would be a mistake.

Second, increased set-asides cost our farmers income. Mr. President, it may not be well understood in this Chamber that we are faced with a renewed crisis in rural America, especially those places that produce wheat. In the last 6 weeks wheat prices have dropped from $3.50 a bushel in my State of North Dakota to $2.02 a bushel today.

Mr. President, there is not another commodity, there is not another industry that could take that kind of precipitous drop in the price for its product and survive. Our industry and our part of the country will not survive. Our industry and our part of the country will not survive with the kind of deep drop from the price: $3.50, 6 weeks ago; $2.02 today.

Where is the Secretary of Agriculture? Where is the Secretary of Agriculture? There is no response. Last year they only used 40 percent of the export enhancement program. This year we are on track to only use half of the export enhancement program money. And meanwhile our competitors go out and seize market after market in place after place in this world.

Mr. President, I am offering a free-standing bill that has now been cleared on both sides. It is in line with the sentiments of the Senator from Minnesota. It simply says:

The Secretary of Agriculture shall give priority in targeting export enhancement funds to those markets in which the United States competes with other nations which have not reduced their acreage planted in years when the United States has decreased acreage planted through its farm programs.

Mr. President, it is time for the United States to stand up for itself and to insist that this be a world effort, a multilateral effort, and that the United States not simply act on its own, with our farmers paying the price.

With that, Mr. President, the bill will be handled later on. I will have a statement. I wanted to at this time make those comments, reflecting on the statement of my good friend from Minnesota.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

ANNUAL REPORT OF THE DEPARTMENT OF ENERGY MESSAGE FROM THE PRESIDENT—PM 142

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Energy and Natural Resources:

To the Congress of the United States:

In accordance with the requirements of section 657 of the Department of Energy Organization Act (Public Law 95-91; 42 U.S.C. 7267), I transmit herewith the tenth Annual Report of the Department of Energy, which covers the years of 1988 and 1989.

GEORGE BUSH.

THE WHITE HOUSE, *September 11, 1990.*

ANNUAL REPORT OF THE RAILROAD RETIREMENT BOARD MESSAGE FROM THE PRESIDENT—PM 143

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

I hereby submit to the Congress the Annual Report of the Railroad Retirement Board for Fiscal Year 1989, pursuant to the provisions of section 7(b)(6) of the Railroad Retirement Act, enacted October 16, 1974, and section 12(1) of the Railroad Unemployment Insurance Act, enacted June 25, 1938.

The Railroad Retirement Board (RRB) serves over 900,000 railroad retirees and their families and 290,000 railroad employees who rely on the system for retirement, unemployment, disability, and sickness insurance benefits. Beneficiaries depend on the financial integrity of the pension fund for payment of their benefits.

Unfortunately, the long-term financial outlook for the rail pension system remains bleak, primarily because of steady drops in rail employment. Time and again, refinancing legislation has been enacted to address the Board's chronic solvency crises, yet the trust funds still have a $34 billion unfunded liability.

In 1987, the Congress acknowledged the problems faced by the system, and the rail sector was given a chance to address them with the creation of the seven-member legislative advisory Commission on Railroad Retirement Reform. The Commission was directed to examine different ways to resolve the long-term stability of the railroad pension system that do not include continued general fund subsidies. I urge the Commission to adhere to the Congress' wishes and propose ways to put the total cost of current and future rail pensions on a sound basis financed solely with rail sector resources.

In 1983, the rail sector was granted a limited rail pension subsidy by a diversion of Federal income tax payments to the rail fund. The termporary subsidy expires at the end of fiscal year 1990. Extending the subsidy would set an undesirable and threatening precedent. In the long run, *railroad workers will be served best by stable rail sector funding.* The condition of our budget calls for restraint on Federal spending. I therefore strongly oppose renewal of the diversion of Federal income taxes to the rail pension.

While the Commission has been examining the financial solvency of the Railroad Retirement Board, the Office of Management and Budget (OMB) has been scrutinizing its operations and recently completed a Management Review of programs run by the Board. Based on that review, OMB and the Board are developing a joint plan to address RRB's management weaknesses. I am particularly pleased that the Board's Inspector General has in recent weeks identified $73 million owed the Government. This good management work will benefit both railroad retirees and taxpayers generally. The Congress has also shown an interest in this review, and we would like to work with its Members on solutions to

problem areas that could be improved with legislative changes.

GEORGE BUSH.

THE WHITE HOUSE, *September 11, 1990.*

MESSAGES FROM THE HOUSE

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 2:22 p.m., a message from the House of Repesentatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 2597. An act to amend the act of June 20, 1910, to clarify in the State of New Mexico authority to exchange lands granted by the United States in Trust, and to validate prior land exchanges;

S.J. Res. 279. Joint resolution to designate the week of September 16, 1990, through September 22, 1990, as "National Rehabilitation week";

S.J. Res. 285. Joint resolution to designate the period commencing September 9, 1990, and ending on September 15, 1990, as "National Historically Black Colleges Week";

S.J. Res. 289. Joint resolution to designate October 1990 as "Polish American Heritage Month"; and

S.J. Res. 309. Joint resolution designating the month of October 1990 as "Crime Prevention Month."

The enrolled bill and joint resolutions were subsequently signed by the President pro tempore [Mr. BYRD].

At 5:10 p.m., a message from the House of Repesentatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolutions, without amendment:

S.J. Res. 279. Joint resolution to designate the week of September 16, 1990, through September 22, 1990, as "National Rehabilitation Week".

S.J. Res. 285. Joint resolution to designate the period commencing September 9, 1990, and ending on September 15, 1990, as "National Historically Black Colleges Week";

S.J. Res. 289. Joint resolution to designate October 1990 as "Polish American Heritage Month"; and

S.J. Res. 309. Joint resolution designating the month of October 1990 as "Crime Prevention Month."

The message also announced that the House has passed the bill (S. 2830) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes; with amendments, in which it requests the concurrence of the Senate.

The message further announced that the House agrees to the amendment of the Senate to the bill (H.R. 94) to amend the Federal Fire Prevention and Control Act of 1974 to allow for the development and issuance of guidelines concerning the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation affecting commerce, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4985. An act to designate the Federal building located at 51 Southwest 1st Avenue in Miami, FL, as the "Claude Pepper Federal Building."

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4985. An act to designate the Federal Building located at 51 Southwest 1st Avenue in Miami. FL, as the "Claude Pepper Federal Building"; to the Committee on Environment and Public Works.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3486. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on the activities of the National Tourism Policy Council for fiscal year 1989, to the Committee on Commerce, Science, and Transportation.

EC-3487. A communication from the Secretary of Transportation and the Administrator of the Agency for International Development, transmitting, pursuant to law, the progress report on rulemaking proceedings as required by Section 303 of the Airport and Airway Safety and Capacity Enhancement Act from May through July; to the Committee on Commerce; Science, and Transportation.

EC-3488. A communication from the Secretary of Transportation transmitting, pursuant to law, a report on compliance with the Marine Plastic Pollution Research and Control Act of 1987; to the Committee on Commerce, Science, and Transportation.

EC-3489. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notification of a refund of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3490. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, notification of a refund of offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3492. A communication from the Acting Assistant Secretary of the Interior (Minerals and Land Management), transmitting, pursuant to law, the annual report describing royalty management and delinquent account collection activities during fiscal year 1988 and 1989; to the Committee on Energy and Natural Resources.

EC-3493. A communication from the Acting Assistant Secretary of the U.S. Department of Interior, transmitting, pursuant to law, the annual report describing royalty management and collection activities for 1989; to the Committee on Energy and Natural Resources.

EC-3494. A communication from the Assistant Secretary of the Interior (Policy, Management, and Budget), transmitting, pursuant to law, reports of the Bureau of Land Management and the Fish and Wildlife Service on implementation of section 318 of the 1990 Department of the Interior and Related Agencies Appropriations Act through July 1, 1990; to the Committee on Energy and Natural Resources.

EC-3495. A communication from the Secretary of Energy, transmitting, pursuant to law, the Continuous Fiber Ceramic Composite Program Plan dated July 1990; to the Committee on Energy and Natural Resources.

EC-3496. A communication from the Administrator of Federal Services, transmitting, pursuant to law, a lease prospectus for the Office of Personnel Management; to the Committee on Environment and Public Works.

EC-3497. A communication from the Administrator of General Services, transmitting, pursuant to law, an informational copy of a prospectus for the Environmental Protection Agency in Chapel Hill, NC; to the Committee on Environment and Public Works.

EC-3498. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report on the nondisclosure of safeguards information by the Commission for the quarter ended June 30, 1990; to the Committee on Environment and Public Works.

EC-3499. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report entitled "Rainfall Induced Infiltration Into Sewer Systems"; to the Committee on Environment and Public Works.

EC-3500. A communication from the Acting General Counsel of the Department of the Treasury, transmitting a draft of proposed legislation to amend the Tariff Act of 1930 to modernize and simplify customs procedures, facilitate the entry and clearance of vessels, increase the effectiveness of the Customs Service in commercial matters, and for other purposes; to the Committee on Finance.

EC-3501. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on the impact of the Medicare Hospital Protective Payment System for fiscal year 1987; to the Committee on Finance.

EC-3502. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, the semi-annual reports for the period October 1989 through March 1990 listing voluntary contributions made by the United States Government to international organizations; to the Committee on Foreign Relations.

EC-3503. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to August 16, 1990; to the Committee on Foreign Relations.

EC-3504. A communication from the Chairperson of the D.C. Board of Elections and Ethics, transmitting, pursuant to law, notification that Carol Fennelly submitted a Referendum Petition for filing with the D.C. Board of Elections and Ethics to reject the D.C. Emergency Overnight Shelter

Amendment Act of 1990; to the Committee on Governmental Affairs.

EC-3505. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Department of Public and Assisted Housing Inventory Accountability and Internal Controls"; to the Committee on Governmental Affairs.

EC-3506. A communication from the President of the United States, transmitting, pursuant to law, a report of the Federal employees' pay increase effective in October 1990; to the Committee on Governmental Affairs.

EC-3507. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report on the valuation of the U.S. Coast Guard Military Retirement System; to the Committee on Governmental Affairs.

EC-3508. A communication from the Comptroller General of the United States, transmitting, pursuant to law, General Accounting Office reports issued or released in July 1990; to the Committee on Governmental Affairs.

EC-3509. A communication from the Administrator of General Services, transmitting, a draft of proposed legislation to improve the utilization of Federal real property, and for other purposes; to the Committee on Governmental Affairs.

EC-3510. A communication from the District of Columbia Auditor, transmitting, pursuant to law, a report entitled "Review of the Student Tutorial and Recreational Support Program"; to the Committee on Governmental Affairs.

EC-3511. A communication from the Vice President of Human Resources of the Farm Credit Bank of St. Louis, transmitting, pursuant to law, the annual report for the Sixth Farm Credit District Retirement Plan for the year ending December 31, 1989; to the Committee on Governmental Affairs.

EC-3512. A communication from the Secretary of Labor, transmitting, pursuant to law, the quarterly report to Congress on the Expenditure and Need for Worker Adjustment Assistance Training Funds under the Trade Act of 1974; to the Committee on Labor and Human Resources.

EC-3513. A communication from the Chairman of the Railroad Retirement Board, transmitting, pursuant to law, proposed amendments to the fiscal year 1991 budget for the Dual Benefits Payments Account and the Federal Payments to the Railroad Retirements Account; to the Committee on Labor and Human Resources.

EC-3514. A communication from the Secretary of Education, transmitting, pursuant to law, a copy of Final Regulations for drug-free schools and campuses; to the Committee on Labor and Human Resources.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. LAUTENBERG (for himself and Mr. LIEBERMAN):

S. 3019. A bill to enforce compliance with an internationally agreed upon economic sanctions against Iraq; to the Committee on Foreign Relations.

By Mr. CHAFEE:

S. 3020. A bill to improve the standards that apply to Medicare supplemental health insurance policies, and for other purposes; to the Committee on Finance.

By Mr. DOLE (for himself and Mr. STEVENS):

S. 3021. A bill to establish national voter registration procedures for Presidential and congressional elections, and for other purposes; to the Committee on Rules and Administration.

By Mr. BRADELY (for himself, Mr. DODD, and Mr. HARKIN):

S. 3022. A bill to provide for the establishment of a Children's Vaccine Initiative, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. BURNS (for Mr. CONRAD (for himself, Mr. KERREY, Mr. BURNS, Mr. EXON, and Mr. DOLE)):

S. 3023. A bill to direct the Secretary of Agriculture to target Export Enhancement Program funds on the basis of whether or not the countries the U.S. is competing with have reduced plantings of the commodity in question an amount equal to the planting reductions in the U.S; considered and passed.

By Mr. BURNS (for Mr. DOLE):

S. 3024. A bill to require the Secretary of Agriculture to announce an acreage limitation program for the 1991 crop of winter wheat; considered, amended, and passed.

By Mr. GLENN (for himself, Mr. MCCAIN, and Mr. BOREN):

S. 3025. A bill to amend titles 10 and 37, United States Code, to make members of the Armed Forces involved in Operation Desert Shield or similar operations eligible for certain benefits and to make members of the reserve components of the Armed Forces and retired members of the Armed Forces eligible for certain benefits when ordered to active duty in connection with a mobilization; and for other purposes; to the Committee on Armed Services.

S. 3026. A bill to amend titles 10 and 37, United States Code, to make members of the Armed Forces involved in Operation Desert Shield or similar operations eligible for certain benefits and to make members of the reserve component of the Armed Forces and retired members of the Armed Forces eligible for certain benefits when ordered to active duty in connection with mobilization; to the Committee on Armed Services.

S. 3027. A bill to amend the Internal Revenue Code of 1986 to exclude from income the compensation received for active service as a member of the Armed Forces of the United States in a dangerous foreign area; to the Committee on Finance.

S. 3028. A bill to amend title 39, United States Code, to authorize members of the Armed Forces to post mail without charge while involved in Operation Desert Shield or similar operations; to the Committee on Governmental Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 2287. A bill to authorize appropriations to the National Aeronautics and Space Administration for research and development, space flight, control and data communications, construction of facilities, and research and program management, and for other purposes (Rept. No. 101-455).

STATEMENTS ON INTRODUCED BILL AND JOINT RESOLUTIONS

By Mr. LAUTENBERG (for himself and Mr. LIEBERMAN):

S. 3019. A bill to enforce compliance with the internationally agreed upon economic sanctions against Iraq; to the Committee on Foreign Relations.

IRAQI EMBARGO COMPLIANCE ENFORCEMENT ACT

Mr. LAUTENBERG. Mr. President, I rise to introduce the Iraqi Embargo Compliance Enforcement Act. I hope that many of my colleagues will join with me and cosponsor this bill, which I intend to offer as an amendment to the fiscal year 1991 foreign aid appropriations bill.

This legislation provides that a country which violates the United Nations embargo against Iraq may not receive United States military or economic aid unless the President certifies to Congress any one of the following: First, it is in our national interest to provide such aid; second, the aid would be used to provide humanitarian assistance to refugees in that country; third, the aid will directly benefit the needy people in such country; or fourth, the government is making a good faith effort to comply with the embargo.

It is my intent that under this legislation, countries which send food and medicine under the United Nations' humanitarian circumstances exception to the embargo, consistent with the conditions laid down by the United States and the Soviet Union in their joint communique, shall not be considered to be in violation of the embargo.

Mr. President, press reports indicate that Iraq continues to receive shipments of food by air from Yemen, Jordan, Libya, Tunisia and Sudan, and that Jordan may be continuing programs of military cooperation with Iraq. The press has also reported that China, Iran, Tunisia, Yugoslavia, Romania, and India are considering sending food and other supplies to their citizens trapped in Kuwait, which may constitute a violation of the embargo. Some of these countries are traditional recipients of U.S. aid, and may receive more aid this year.

For example, Jordan received $68 million in military aid and $35 million in economic aid in fiscal year 1990, and the administration has requested $50 million in economic aid and $35 million in military aid for fiscal year 1991. The House has already approved an earmark of $50 million in military aid for Jordan, and $35 million in economic support funds. Yemen received $1.5 million in military aid in fiscal year 1990 and the administration requested half a million in military aid this year. India received $105 million in economic aid and $300,000 in military assistance in fiscal year 1990, and the administration has requested similar amounts for this year. Romania re-

ceived $24 million in economic assistance this year, and could become eligible for more under the SEED 2 Eastern European legislation already reported from the Senate Foreign Relations Committee.

Mr. President, the Congress must make it clear that absent compelling humanitarian or other reasons of national interest, we should not reward countries who violate the U.N. embargo with the help of our scarce aid dollars. Effective enforcement of the economic embargo of Iraq is the key to bringing about the withdrawal of Iraqi soldiers from Kuwait peacefully. If the embargo fails, military force may be necessary.

Thus, the fate of both the American hostages and American soldiers depends on the success of the U.N. embargo. It is not too much to ask that those countries who benefit from American largesse also support America and the world in enforcing the United Nations embargo of Iraq.

This bill has two goals. First, it puts countries who are considering violating the embargo on notice that they face the loss of American aid if they choose to do so. Second, it gives countries who are already violating the embargo an economic incentive to stop.

Mr. President, this legislation gives the President broad discretion to continue to provide aid to a country if he believes that doing so would be in our interest. At the same time, it serves notice that the American taxpayer will no longer financially support those who do not support our efforts to peacefully resolve the Persian Gulf conflict. These countries cannot take economic and military aid from us on the one hand and then turn their backs on our efforts to bring stability and peace to the region.

Mr. President, I urge my colleagues to support this legislation, and I hope that it will be passed quickly by the Senate.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3019

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Iraqi Embargo Compliance Enforcement Act".

SEC. 2. PROHIBITION ON UNITED STATES ASSISTANCE.

No United States assistance may be provided to any country which is not in compliance with the United Nations-sponsored economic sanctions against Iraq unless the President determines and so certifies to the Congress that—

(1) it is in the national interest of the United States to do so;

(2) such assistance would directly benefit the needy people in the country;

(3) such assistance would be used to provide humanitarian assistance to refugees in that country; or

(4) the government of the country receiving the assistance is making a good faith effort to comply with those economic sanctions.

SEC. 3. DEFINITION.

For purposes of this Act, the term "United States assistance" means—

(1) assistance under the Foreign Assistance Act of 1961, including programs under title IV of chapter 2 of part I of that Act (relating to the Overseas Private Investment Corporation); and

(2) sales, credits, and guaranties under the Arms Export Control Act.

By Mr. CHAFEE:

S. 3020. A bill to improve the standards that apply to Medicare supplemental health insurance policies, and for other purposes; to the Committee on Finance.

MEDIGAP AMENDMENTS OF 1990

● Mr. CHAFEE. Mr. President, today I am introducing legislation which will strengthen the law regulating health insurance policies that cover services not provided under Medicare. Known as Medigap policies, these policies are regulated under the Baucus standards, named for their author, my colleague from Montana.

The Medicare Program is extremely complicated, especially for a senior citizen to whom terminology such as deductibles, coinsurance, premiums, covered services, balance billing, and others, must seem incomprehensible. We have all seen the television commercials in which celebrities ask Medicare beneficiaries if their current insurance policies are adequate, and urge them to send for information on their product. We can only guess at the number of insurance agents who visit them in their homes or the solicitations they receive through the mail. As a result, too many of our senior citizens own duplicative policies or policies that do not adequately address their needs.

Current law, among other things, establishes a minimum benefit policy, prohibits duplication of services covered by Medicare, and develops minimum loss ratio standards within the Medigap insurance industry. In addition, the National Association of Insurance Commissioners [NAIC] model standards, on which the Federal standards are based, have strengthened their standards recently, and continue to improve them. While these standards have done much to assist the elderly in selecting Medigap policies, there is room for improvement, particularly in the area of enforcement.

My bill takes a major step toward assuring that the Baucus standards are adequately enforced. Approved States would report to the Secretary of Health and Human Services annually on their implementation and enforcement of the standards. The Secretary would evaluate State programs, implement a Federal look behind, and offer technical assistance and grants to States which need assistance in implementing their program. Should the Secretary determine that a State is failing to implement their program, the Secretary would have the authority to revoke the State's plan.

If a State does not have approved Medigap standards, insurers wishing to sell Medigap policies in that State, could obtain Federal certification of their policy by the Secretary, or would be required to display a label warning consumers that the policy is not federally approved. In addition, the bill directs the NAIC to develop a standard language and format for policies in order to make them easier to comprehend. It also directs the NAIC to develop standards for calculating and reporting loss ratios.

Mr. President, I believe that these improvements, combined with the changes in the model NAIC standards adopted in December of last year, make significant progress in ensuring that purchasing a Medigap policy is less complicated while assuring an adequate selection of benefit packages. In addition, provisions in this bill will assure that the Federal Medigap standards are adequately enforced.

Mr. President, I ask unanimous consent that the text of the bill be inserted in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3020

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND REFERENCES IN ACT.

(a) SHORT TITLE.—This Act may be cited as the "Medigap Amendments of 1990".

(b) REFERENCES IN ACT.—The amendments in this Act apply to the Social Security Act.

SEC. 2. MONITORING OF STATE MEDIGAP PROGRAMS.

(a) REVIEW BY SECRETARY.—Section 1882 (42 U.S.C. 1395ss) is amended—

(1) in subsection (b)(1), in the matter following subparagraph (E), by striking "Panel" and inserting "Secretary"; and

(2) in subsection (g)(2)(B), by inserting "and whose regulatory program the Secretary finds continues to meet the standards and requirements of subsection (b)(1)" before the period.

(b) REPORTING BY STATES.—Section 1882(b) (42 U.S.C. 1395ss(b)) is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following:

"(2) The Secretary may not find, under paragraph (1), that a State regulatory program continues to meet the standards and requirements of this paragraph, unless the State transmits annually to the Secretary a report on its program. The report shall include information on loss ratios, frequency

and types of instances in which policies approved by the State fail to meet the standards of this paragraph, actions taken by the State to bring such policies into compliance, and information regarding State programs implementing consumer insurance protection provisions, and such further information as the Secretary may specify.".

SEC. 3. ASSISTANCE FOR STATE MEDIGAP PROGRAMS.

Section 1882(i) (42 U.S.C. 1395ss(i)) is amended to read as follows:

"(i)(1) The Secretary, in consultation with the National Association of Insurance Commissioners, may provide technical assistance to States in implementing and improving their regulatory programs for Medicare supplemental policies.

"(2)(A) The Secretary may make grants to States with an approved regulatory program to assist in strengthening enforcement of the requirements of that program.

"(B) For purposes of carrying out subparagraph (A) there are authorized to be appropriated $20,000,000 for fiscal year 1992, and such sums as may be necessary for each of the 4 succeeding fiscal years.".

SEC. 4. EDUCATION.

(a) REPORTS COMPARING MEDIGAP POLICIES.—Section 1882(e) (42 U.S.C. 1395ss(e)) is amended by adding at the end the following:

"(4) The Secretary, in consultation with the National Association of Insurance Commissioners, shall develop annual reports for each State comparing Medicare supplemental policies issued in the State with respect to benefits, loss ratios, consumer satisfaction, and other matters as may be useful to potential purchasers.".

(b) MEDICARE AND MEDIGAP INFORMATION BY TELEPHONE.—Title XVIII (42 U.S.C. 1395 et seq.) is amended by inserting after section 1888 the following:

"MEDICARE AND MEDIGAP INFORMATION BY TELEPHONE

"SEC. 1889. The Secretary shall provide information via a toll-free telephone number on the programs under this title and on medicare supplemental policies as defined in section 1882(g)(1) (including the relationship of State programs under title XIX to such policies).".

SEC. 5. FEDERAL CERTIFICATION FEES AND LOSS RATIO ADJUSTMENTS.

(a) INITIAL CERTIFICATION.—Section 1882(a) (42 U.S.C. 1395ss(a)) is amended by adding after the second sentence the following: "Certification of a policy under this section by the Secretary shall be subject to payment of a $20,000 fee.".

(b) CONTINUED CERTIFICATION.—The fourth sentence of section 1882(a) (42 U.S.C. 1395ss(a)) (as amended by subsection (a)) is amended—

(1) by striking "and" after "requirements" and inserting a comma; and

(2) by inserting before the period the following: ", if the insurer pays a renewal fee equal to the lesser of $10,000 and $1 multiplied by the number of subscribers covered by the policy, and if the insurer provides rebates or premium reductions (with such exceptions for unusual circumstances as the Secretary may specify) to offset previous failures to meet loss ratio standards".

(c) EFFECTIVE DATE.—The requirement concerning rebates or premium reductions enacted by subsection (b) applies with respect to previous failures to meet loss ratio standards that occur after 90 days after the date of enactment of this Act.

SEC. 6. REQUIRED DISCLAIMER FOR UNAPPROVED POLICIES.

Section 1882(d) (42 U.S.C. 1395ss(d)) is amended—

(1) in paragraph (5), by striking "and (4)(A)" and inserting "(4)(A), and (5)",

(2) by redesignating paragraph (5) as paragraph (6); and

(3) by inserting after paragraph (4) the following:

"(5)(A) If an insurer issues a medicare supplemental policy in a State without an approved regulatory program, and if that policy does not have a certification in effect under subsection (a), the insurer shall—

"(i) cause to be prominently displayed in at least 12 point type on any advertisement for that policy, on each page of the outline of coverage for the policy, and on the first page of the policy, the following statement: 'This policy has not been certified by the Secretary of the United States Department of Health and Human Services as meeting Federal requirements for Medicare supplemental policies.'; and

"(ii) require the purchaser to sign the following statement: 'I understand that this policy has not been certified by the Secretary of the United States Department of Health and Human Services as meeting Federal requirements for Medicare supplemental policies.'.

"(B) An insurer shall be subject to a civil monetary penalty of not to exceed $5,000 for each violation of any requirement of subparagraph (A).".

SEC. 7. REVISION OF THE NAIC MODEL STANDARDS AND MINIMUM BENEFITS REQUIREMENTS.

(a) UPDATED DEFINITION OF MODEL STANDARDS.—Section 1882(g)(2)(A) (42 U.S.C. 1395ss(g)(2)(A)) is amended to read as follows:

"(A) The term 'NAIC Model Standards' means the Medicare Supplement Insurance Minimum Standards Model Act together with the Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act as adopted and revised by the National Association of Insurance Commissioners as of 91 days after the date of enactment of the Medigap Amendments of 1990 (or that model act and model regulation as modified by Federal model standards, if any, promulgated by the Secretary under subsection (k)(3)).".

(b) CHANGES IN STANDARDS.—Section 1882 (42 U.S.C. 1395ss) is amended—

(1) by repealing subsections (1) through (n); and

(2) by amending subsection (k) to read as follows:

"(k)(1) The Secretary shall determine whether the National Association of Insurance Commissioners (NAIC) has, as of 91 days after the date of enactment of the Medigap Amendments of 1990, revised the Medicare Supplement Insurance Minimum Standards Model Act together with the Model Regulation to Implement the NAIC Medicare Supplement Insurance Minimum Standards Model Act to include requirements concerning—

"(A) format and uniform definition of terms for policies and related documents;

"(B) the calculation, reporting, and review of loss ratios; and

"(C) an alternative minimum benefit policy (to apply to policies certified under subsection (a) and, at the option of a State, to policies issued in that State) that excludes first dollar coverage and that is significantly less expensive than the standard minimum benefit policy.

"(2) The Secretary shall determine whether the NAIC has, as of 91 days after the date of enactment of the Medigap Amendments of 1990, adopted requirements concerning loss ratios (and the calculation, reporting, and review of loss ratios) for health insurance policies and other health benefit plans that cover only specified diseases, or provide benefits on an indemnity basis.

"(3) If the Secretary determines that the NAIC has not adopted all of the kinds of requirements specified in the preceding paragraphs, the Secretary shall promulgate, for each kind of requirements not so adopted, within 150 days of the date of enactment of the Medigap Amendments of 1990, Federal model standards.".

(c) SEPARATE MINIMUM BENEFITS POLICIES.—Section 1882(c) (42 U.S.C. 1395ss(c)) is amended—

(1) in the matter preceding paragraph (1), by striking "paragraph (3)" and inserting "paragraphs (3) and (4)";

(2) by striking "and" at the end of paragraph (3);

(3) by redesignating paragraph (4) as paragraph (5); and

(4) by inserting after paragraph (3) the following:

"(4) offers a medicare supplemental policy that provides only the minimum benefits specified in the NAIC Model Standards to any individual to whom it offers any other medicare supplemental policy, and list in the outline of coverage for that other policy the premium for the minimum benefits policy.".

(d) CONFORMING AMENDMENTS.—

(1) The fourth sentence of section 1882(a) (42 U.S.C. 1395ss(a)) (as amended by section 5 of this Act) is further amended by striking "Subject to subsections (k)(3), (k)(4), (m), and (n), such" and inserting "Such".

(2) Section 1882(b)(1)(B) (42 U.S.C. 1395ss(b)(1)(B)) is amended by striking "(4)" and inserting "(5)".

(3) The matter in section 1882(b)(1) (42 U.S.C. 1395ss(b)(1)) following subparagraph (E) is amended by striking "subject to subsections (k)(3), (k)(4), (m), and (n),".

(4) Section 1882(b)(1) (42 U.S.C. 1395ss(b)(1)) is further amended—

(A) by striking "and" at the end of subparagraph (D);

(B) by inserting "and" at the end of subparagraph (E); and

(C) by inserting after subparagraph (E) the following:

"(F) provides for the application of requirements concerning loss ratios (and the calculation, reporting, and review of loss ratios) for health insurance policies and other health benefit plans that cover only specified diseases, or provide benefits on an indemnity basis, equal to or more stringent than the requirements described in subsection (k)(2) or the standards described in subsection (k)(3).".

(e) EFFECTIVE DATE.—

(1) The amendments made by the preceding subsections apply to certifications and recertifications under section 1882(a) of the Social Security Act as of the 151st day after the date of enactment of this Act.

(2) The amendments made by the preceding subsections apply to determinations and findings with respect to a State regulatory program under section 1882(b)(1) of the Social Security Act as of the earlier of—

(A) the date the State adopts standards equal to or more stringent than the NAIC Model Regulation (as defined in section 1882(g)(2)(A) of the Social Security Act) as

amended by subsection (a) of this section; and

(B)(i) one year after the date on which that NAIC Model Regulation has been so revised or promulgated; or

(ii) in the case of a State which the Secretary of Health and Human Services identifies as—

(I) requiring State legislation (other than legislation appropriating funds) to comply with the amendments enacted by this section; and

(II) having a legislature that is not scheduled to and does not meet during that one year period in a legislative session in which that legislation may be considered,

the first day of the first calendar quarter beginning after the close of the first legislative session (or the first year of a 2-year legislative session) of the State legislature that begins after that 1 year period and in which that legislation may be considered.

SEC. 8. MEDICARE SELECT.

(a) MEDICARE SELECT POLICIES.—

(1) Section 1882 (42 U.S.C. 1395ss) (as amended by section 7(b) of this Act) is further amended by adding at the end the following:

"(l) If a policy meets the NAIC Model Standards except that benefits under the policy are restricted to items and, services furnished by certain entities (or reduced benefits are provided when items or services are furnished by other entities), the policy shall nevertheless be treated as meeting those standards if—

"(1) full benefits are provided for items and services furnished through a network of entities which have entered into contracts with the issuer of the policy;

"(2) full benefits are provided for items and services furnished by other entities if the services are medically necessary and immediately required because of an unforeseen illness, injury, or condition and it is not reasonable given the circumstances to obtain the services through the network;

"(3) the network offers sufficient access; and

"(4) the issuer of the policy has arrangements for an ongoing quality assurance program for items and services furnished through the network.".

(2) Section 1882(c)(1) (42 U.S.C. 1395ss(c)(1)) is amended by inserting "(except as otherwise provided by subsection (l))" before the semicolon.

(3) Section 1882(b)(1) (42 U.S.C. 1395ss(b)(1)) (as amended by section 7(d)(4) of this Act) is further amended—

(A) in subparagraph (A), by inserting ", except as otherwise provided by subparagraph (G)" before the semicolon;

(B) by striking "and" at the end of subparagraph (E);

(C) by inserting "and" at the end of subparagraph (F); and

(D) by adding after subparagraph (F) the following:

"(G) in the case of a policy that meets the standards under subparagraph (A) except that benefits under the policy are limited to items and services furnished by certain entities (or reduced benefits are provided when items or services are furnished by other entities), provides for the application of requirements equal to or more stringent than the requirements under subsection (l).".

(b) ADJUSTMENT TO CALCULATION OF LOSS RATIOS.—The second sentence of section 1882(c) (42 U.S.C. 1395ss(c)) is amended by inserting before the period the following: ", and costs (not to exceed 10 percent of benefits) associated with the operation of the network of entities which have entered into contracts with the issuer of a policy that qualifies under subsection (l) shall be treated as benefits".

(c) MEDICARE SELECT DETERMINATIONS OF REASONABLENESS AND NECESSITY.—

(1) Section 1882 (42 U.S.C. 1395ss) (as amended by subsection (a)(1) of this section) is further amended by adding at the end the following:

"(m) The Secretary may enter into a contract with an entity whose policy has been certified under subsection (l) or has been approved by a State under subsection (b)(1)(G) to determine whether items and services (furnished to individuals entitled to benefits under this title and under that policy) are not allowable under section 1862(a)(1). Payments to the entity shall be in such amounts as the Secretary may determine, taking into account estimated savings under contracts with carriers and fiscal intermediaries and other factors that the Secretary finds appropriate. Paragraph (1), the first sentence of paragraph (2)(A), paragraph (2)(B), paragraph (3)(C), paragraph (3)(D), and paragraph (3)(E) of section 1842(b) shall apply to the entity.".

(2) The first sentence of section 1154(a)(4)(B) (42 U.S.C. 1320c-3(a)(4)(B)) is amended by inserting "(or subject to review under section 1882(p))" after "section 1876".

(d) EFFECTIVE DATE.—

(1) The amendments made by the preceding subsections are effective as of 1 year after the date of enactment of the Medigap Amendments of 1990, except as otherwise provided by paragraph (2).

(2) In the case of a State which the Secretary of Health and Human Services identifies as—

(A) requiring State legislation (other than legislation appropriating funds) to comply with the amendments enacted by subsection (a)(3); and

(B) having a legislature that is not scheduled to and does not meet during that 1-year period in a legislative session in which that legislation may be considered,

the amendments enacted by subsection (a)(3) are effective as of the first calendar quarter beginning after the close of the first legislative session (or the first year of a 2-year legislative session) of the State legislature that begins after that 1-year period and in which that legislation may be considered.

SEC. 9. CLARIFICATION CONCERNING MEDICARE HEALTH MAINTENANCE ORGANIZATIONS AND COMPETITIVE MEDICAL PLANS.

The first sentence of section 1882(g)(1) (42 U.S.C. 1395ss(g)(1)) is amended by inserting before the period the following: ", nor any such policy or plan under a contract under section 1876".

CHAFEE MEDIGAP REFORM BILL

FEDERAL REVIEW OF STATE PLANS OF MEDIGAP REGULATION

As under current law, in order to participate in the Baucus program, States must adopt a set of standards for Medigap policies which are at least as stringent as federal standards. The Supplemental Health Insurance Panel determines whether states pass this test. Under this proposal, in order to retain Panel approved status, states must report annually to the Secretary of Health and Human Services on a range of activities covered under standards, including, but not limited to actual loss ratios, instances in which policies approved by the state fail to meet standards, and actions taken by the state to bring policies into compliance. If no action was taken, the state would have to justify inaction. States would also report on implementation of consumer protection provisions, and how they responded to consumer complaints.

This data would be used to evaluate State programs and implement a federal look behind. The Secretary would offer free technical assistance through the National Association of Insurance Commissioners to states which the Secretary determines have weak or ineffective programs. If the state continued to perform poorly, or should the Secretary determine that a state is not adequately enforcing its program, the Secretary would have the authority to revoke the panel-approved status.

FEDERAL CERTIFICATION OF INDIVIDUAL POLICIES

In the event that a state does not have an approved plan, either because a state did not enact standards, or because the state's plan was revoked by the Secretary, plans, as under current law, could be certified on a case-by-case basis. Under this proposal, for each such policy, the Secretary would be authorized to impose a certification fee of $20,000 per policy. In order to retain certification status, plans not meeting loss ratio standards would be required to provide rebates to subscribers or reductions in premiums where the Secretary determined that such action was warranted.

NON-CERTIFIED POLICIES

Should an insurer fail to gain approval by the Secretary, the insurer would be required to prominently display on any advertisement, each page of its outline of coverage and on the first page of the policy, the following message:

"This policy or certificate has not been certified by the Secretary of the United States Department of Health and Human Services as meeting federal requirements for Medicare Supplemental Policies."

Should an individual still wish to purchase the policy, he or she would be required to sign a waiver which stated the following:

"I understand that this policy or certificate is not certified by the Secretary of the United States Department of Health and Human Services as meeting Medicare Supplement Policy Standards."

Insurers who did not meet the above requirements would be subject to a civil monetary penalty of $5,000 per policy sold.

GRANTS

Established a direct grant to states to be used for enforcement of Medigap standards. FY 1992, $20 million. States which have Panel-approved plans for Medigap regulation, could apply for funds for strengthening enforcement of state standards.

EDUCATION

HCFA, in conjunction with the National Association of Insurance Commissioners, would develop annual, state-specific, Medigap reports which include comparisons of policies offered within that state with respect to benefits, loss ratios, consumer satisfaction, and any other information which would be useful to the consumer.

HHS would expand education and outreach programs to promote better understanding of Medicare and Medigap. This could include the establishment of a pilot program to assess cost and benefits of assigning Medicare specialists to Social Security district offices to answer questions regarding Medicare, Medicaid, and Medigap. In addition, the Secretary would establish a public awareness campaign to notify con-

sumers that only one Medigap policy is necessary, and establish a national, toll free number through which information on Medicare, Medigap and Medicaid could be provided. This information would not include state laws regarding Medigap or Medicaid.

STANDARDIZATION

Require NAIC to develop standard language and format.

LOSS RATIO STANDARDS

Require insurers to calculate and report loss ratios according to guidelines developed by the NAIC. In addition, NAIC would establish standards for state review of loss ratios.

Medicare Select insurers would be permitted to include costs associated with the operation of their managed care networks along with benefits for the purpose of calculating loss ratios up to 10% of benefits.

MINIMUM BENEFIT POLICY

Insurers would be required to offer a minimum benefits policy which meets the minimum NAIC standards, with no additional benefits. They would also be required to display the price of such policy so as to provide a comparison between the minimum policy and additional policies offered by the insurer. In addition, NAIC would establish a standards for a policy which policy would not include first dollar coverage, and would be offered at a significantly lower cost to beneficiaries. States would have the option of adopting as part of their state plan.

DREAD DISEASE AND INDEMNITY

NAIC would determine whether or not it is appropriate for dread disease and indemnity policies to meet Medigap loss ratio standards.

MANAGED CARE

Include Medicare Select legislation.

Clarify that prepaid entities with Medicare risk or cost contracts under section 1876 are not subject to Medigap standards.●

By Mr. DOLE (for himself and Mr. STEVENS):

S. 3021. A bill to establish national voter registration procedures for Presidential and congressional elections, and for other purposes; to the Committee on Rules and Administration.

NATIONAL VOTER REGISTRATION ENHANCEMENT ACT

Mr. DOLE. Mr. President, I join today with my distinguished colleague, Senator STEVENS, the ranking member of the Rules Committee, in introducing the National Voter Registration Enhancement Act. This legislation is intended as an alternative to S. 874, the so-called motor voter bill reported out of the Rules Committee last March.

Unlike S. 874, the alternative would enhance State efforts at voter registration without requiring Federal intervention in an activity that has traditionally been left to the States. More importantly, it avoids one of the greatest weaknesses of S. 874—the imposition of significant unfunded costs on State and local governments.

The alternative would authorize a total of $25 million over 3 years in block grants as an incentive for States to implement voter registration procedures, including procedures related to: First, registration at State departments of motor vehicles; second, registration by mail; and third, registration at State and Federal Government agencies. Unlike S. 874, implementation of these procedures would be completely voluntary. To be eligible for the block grants, States would be required to match any amount of Federal funds dollar for dollar with State funds.

The alternative also beefs up Federal and State efforts to combat election fraud and public corruption. More specifically, it would establish penalties of up to 20 years imprisonment for such crimes as the use of falsified ballots, the paying of an individual to vote, and the use of intimidation against a person for voting or registering to vote.

Mr. President, I urge all of my colleagues to give the alternative their serious consideration. I also encourage my colleagues to contact the election officials of their home States and ask these officials one simple question: Which piece of legislation would be more helpful in your efforts to increase the rate of voter registration and combat election fraud—S. 874 or the alternative? Some of us may be surprised by the answers we receive.

Mr. President, I ask unanimous consent that the full text of the National Voter Registration Enhancement Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3021

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Voter Registration Enhancement Act of 1990".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the right to vote is a fundamental right;

(2) it is the responsibility of each citizen to exercise that right;

(3) it is the duty of the Federal, State, and local governments to promote the exercise of that right;

(4) discriminatory and unfair registration laws and procedures can have a direct and damaging effect on voter participation in elections for Federal office;

(5) such laws and procedures can disproportionately harm voter participation in such elections by members of various groups, including racial minorities;

(6) all citizens of the United States are entitled to be protected from vote fraud and from voter registration lists that contain the names of ineligible or nonexistent voters, which dilute the worth of qualified votes honestly cast; and

(7) all citizens of the United States are entitled to be governed by elected and appointed public officers who are responsible to them and who govern in the public interest without corruption, self-dealing, or favoritism.

(b) PURPOSES.— The purposes of this Act are—

(1) to increase registration of citizens as voters in elections for Federal office;

(2) to make it possible for Federal, State, and local governments to enhance voter participation in elections for Federal office;

(3) to protect the integrity of the electoral process;

(4) to ensure the maintenance of accurate and current official voter registration lists; and

(5) to guarantee to the States, and to their citizens, a republican form of government, including elections conducted free of fraud, and governmental processes conducted free of corruption, self-dealing, or favoritism.

TITLE I—VOTER REGISTRATION ENHANCEMENT

SEC. 101. FEDERAL COORDINATION AND BIENNIAL ASSESSMENT.

The Attorney General—

(1) shall be responsible for coordination of Federal functions under this Act;

(2) shall provide information to the States with respect to State responsibilities under this Act; and

(3) shall, not later than June 30 of each odd-numbered year, submit to the Congress a report assessing the impact of this Act on the administration of elections for Federal office during the preceding 2 calendar years and providing recommendations for improvements in Federal and State procedures, forms, and other matters affected by this Act.

SEC. 102. RESPONSIBILITY OF CHIEF STATE ELECTION OFFICIAL.

The chief State election official of each State shall be responsible for coordination of State functions under this title.

SEC. 103. VOTER REGISTRATION ENHANCEMENT BLOCK GRANTS.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Attorney General—

(1) for making grants under this section for fiscal years 1991, 1992, and 1993, a total of $25,000,000; and

(2) such additional sums as may be necessary for administrative expenses of the Attorney General in carrying out this title.

(b) BLOCK GRANTS.—(1) From the amounts appropriated under subsection (a) for any fiscal year, the Attorney General shall make grants to States, through chief State election officials, for the purposes of supporting, facilitating, and enhancing voter registration.

(2) To qualify for a grant under paragraph (1), a State shall match any amount of Federal funds dollar for dollar with State funds for voter registration enhancement activities, including—

(A) providing for voter registration for elections for Federal office at State departments of motor vehicles;

(B) providing for registration by mail for elections for Federal office;

(C) providing for designation of, and the carrying out of, voter registration activities at State-related and (upon agreement with the Federal Government and nongovernmental entities) Federal and appropriate private-sector locations for voter registration for elections for Federal office; and

(D) providing for uniform and nondiscriminatory programs to ensure that official voter registration lists are accurate and current in each State.

(c) ALLOCATION OF GRANTS.—(1) The Attorney General shall by regulation establish

criteria for allocation of grants among States based on—

(A) the number of residents of each State;

(B) the percentage of eligible voters in each State not registered to vote; and

(C) other appropriate factors.

(2) In promulgating criteria pursuant to paragraph (1), the Attorney General shall give special consideration to State-sponsored programs designed to improve registration in counties with voter registration percentages significantly lower than that for the State as a whole.

(d) ADMINISTRATIVE REQUIREMENTS.—(1) The Attorney General shall by regulation establish administrative requirements necessary to carry out this section.

(2) To be eligible to receive a grant under this section, a State shall certify that the State—

(A) has in place legislative authority and a plan to implement procedures to promote and facilitate, to an extent and in such manner as the Attorney General may deem adequate to carry out the purposes of this title, voter registration for Federal elections—

(i) in connection with applications for driver's licenses;

(ii) by mail; or

(iii) at voter registration centers located conveniently to prospective voter registration applicants;

(B) agrees to use any amount received from a grant under this section in accordance with the requirements of this section;

(C) agrees that any amount received through a grant under this section for any period will be used to supplement and increase any State, local, or other non-Federal funds that would, in the absence of the grant, be made available for the programs and activities for which grants are provided under this section and will in no event supplant such State, local, and other non-Federal funds; and

(D) has established fiscal control and fund accounting procedures to ensure the proper disbursement of, and accounting for, grants made to the State under this section.

(3) The Attorney General may not prescribe for a State the manner of compliance with the requirements of this subsection.

(e) REPORTS.—(1) The chief State election official of a State that receives a grant under this section shall submit to the Attorney General annual reports on its activities under this section.

(2) A report required by paragraph (1) shall be in such form and contain such information as the Attorney General, after consultation with chief State election officials, determines to be necessary to—

(A) determine whether grant amounts were expended in accordance with this section;

(B) describe activities under this section; and

(C) provide a record of the progress made toward achieving the purposes for which the block grants were provided.

SEC. 104. DEFINITIONS.

For the purpose of this title—

(1) the term "chief State election official" means, with respect to a State, the officer, employee, or entity with authority, under State law, for election administration in the State;

(2) the term "election" has the meaning stated in section 301(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(1));

(3) the term "Federal office" has the meaning stated in section 301(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(3)); and

(4) the term "State" has the meaning stated in section 301(12) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(12)).

TITLE II—PUBLIC CORRUPTION

SEC. 201. ELECTION FRAUD AND OTHER PUBLIC CORRUPTION.

(a) AMENDMENT OF TITLE 18 OF THE UNITED STATES CODE.—Chapter 11 of title 18, United States Code, is amended by adding at the end thereof the following new section:

"§ 225. Public corruption

"(a) Whoever, in a circumstance described in subsection (d), defrauds, or endeavors to defraud, by any scheme or artifice, the inhabitants of the United States, a State, a political subdivision of a State, or Indian country of the honest services of an official or employee of the United States or the State, political subdivision, or Indian tribal government shall be fined under this title, imprisoned for not more than 20 years, or both.

"(b) Whoever, in a circumstance described in subsection (d), defrauds, or endeavors to defraud, by any scheme or artifice, the inhabitants of the United States, a State, a political subdivision of a State, or Indian country of a fair and impartially conducted election process in any primary, runoff, special, or general election—

"(1) through the procurement, casting, or tabulation of ballots that are materially false, fictitious, or fraudulent or that are invalid, under the laws of the jurisdiction in which the election is held;

"(2) through paying or offering to pay any person for voting;

"(3) through the procurement or submission of voter registrations that contain false material information, or omit material information; or

"(4) through the filing of any report required to be filed under State law regarding an election campaign that contains false material information or omits material information,

shall be fined under this title, imprisoned for not more than 20 years, or both.

"(c) Whoever, being a public official or an official or employee of the United States, a State, a political subdivision of a State, or an Indian tribal government, in a circumstance described in subsection (d), defrauds or endeavors to defraud, by any scheme or artifice, the inhabitants of the United States, a State, a political subdivision of a State, or Indian Country of the right to have the affairs of the United States, the State, political subdivision, or Indian tribal government conducted on the basis of complete, true, and accurate material information, shall be fined under this title, imprisoned for not more than 20 years, or both.

"(d) The circumstances referred to in subsections (a), (b), and (c) are that—

"(1) for the purpose of executing or concealing such scheme or artifice or attempting to do so, the person so doing—

"(A) places in any post office or authorized depository for mail matter, any matter or thing whatever to be sent or delivered by the Postal Service, or takes or receives therefrom, any such matter or thing, or knowingly causes to be delivered by mail according to the direction thereon, or at the place at which it is directed to be delivered by the person to whom it is addressed, any such matter or thing;

"(B) transmits or causes to be transmitted by means of wire, radio, or television communication in interstate or foreign commerce any writings, signs, signals, pictures, or sounds;

"(C) transports or causes to be transported any person or thing, or induces any person to travel in or to be transported in, interstate or foreign commerce; or

"(D) in connection with intrastate, interstate, or foreign commerce, engages the use of a facility of interstate or foreign commerce;

"(2) the scheme or artifice affects or constitutes an attempt to affect in any manner or degree, or would if executed or concealed so affect, interstate or foreign commerce; or

"(3) as applied to an offense under subsection (b), an objective of the scheme or artifice is to secure the election of an official who, if elected, would have some authority over the administration of funds derived from an Act of Congress totaling $10,000 or more during the 12-month period immediately preceding or following the election or date of the offense.

"(e) Whoever defrauds or endeavors to defraud, by any scheme or artifice, the inhabitants of the United States of the honest services of a public official or person who has been selected to be a public official shall be fined under this title, imprisoned for not more than 20 years, or both.

"(f) Whoever, being an official, public official, or person who has been selected to be a public official, directly or indirectly discharges, demotes, suspends, threatens, harasses, or in any manner discriminates against an employee or official of the United States, a State, a political subdivision of a State, or an Indian tribal government, or endeavors to do so, in order to carry out or to conceal any scheme or artifice described in this section, shall be fined under this title, imprisoned for not more than 5 years, or both.

"(g) For the purposes of this section—

"(1) the term 'official' includes—

"(A) any person employed by, exercising any authority derived from, or holding any position in an Indian tribal government or the government of a State or any subdivision of the executive, legislative, judicial, or other branch of government thereof, including a department, independent establishment, commission, administration, authority, board, and bureau, and a corporation or other legal entity established and subject to control by a government or governments for the execution of a governmental or intergovernmental program;

"(B) any person acting or pretending to act under color of official authority; and

"(C) any person who has been nominated, appointed, or selected to be an official or who has been officially informed that such person will be so nominated, appointed, or selected;

"(2) the terms 'public official' and 'person who has been selected to be a public official' have the meanings stated in section 201(a) and shall also include any person acting or pretending to act under color of official authority;

"(3) the term 'State' means a State of the United States, the District of Columbia, Puerto Rico, and any other commonwealth, territory, or possession of the United States; and

"(4) the term 'under color of official authority' includes any person who represents that such person controls, is an agent of, or otherwise acts on behalf of an official, a public official, or a person who has been selected to be a public official.".

(b) TECHNICAL AMENDMENTS.—(1) The table of sections for chapter 11 of title 18, United States Code, is amended by adding at the end thereof the following item:

"225. Public corruption.".

(2) Section 1961(1) of title 18, United States Code, is amended by inserting "section 225 (relating to public corruption)," after "section 224 (relating to sports bribery),".

(3) Section 2516(1)(c) of title 18, United States Code, is amended by inserting "section 225 (relating to public corruption)," after "section 224 (bribery in sporting contests),".

SEC. 202. FRAUD IN INTERSTATE COMMERCE.

(a) AMENDMENT OF TITLE 18 OF THE UNITED STATES CODE.—Section 1343 of title 18, United States Code, is amended—

(1) by striking "transmits or causes to be transmitted by means of wire, radio, or television communication in interstate or foreign commerce, any writings, signs, signals, pictures, or sounds" and inserting "in connection with intrastate, interstate, or foreign commerce, engages the use of a facility of interstate or foreign commerce"; and

(2) by inserting "or attempting to do so" after "for the purpose of executing such scheme or artifice".

(b) TECHNICAL AMENDMENTS.—(1) The heading of section 1343 of title 18, United States Code, is amended to read as follows:

"§ 1343. Fraud by use of facility of interstate commerce".

(2) The chapter analysis for chapter 63 of title 18, United States Code, is amended by striking the analysis for section 1343 and inserting the following:

"1343. Fraud by use of facility of interstate commerce.".

By Mr. BRADLEY (for himself, Mr. DODD, and Mr. HARKIN):

S. 3022. A bill to provide for the establishment of a children's vaccine initiative, and for other purposes; to the Committee on Labor and Human Resources.

CHILDREN'S VACCINE INITIATIVE ACT

● Mr. BRADLEY. Mr. President, I rise today to introduce legislation to authorize Federal support for the development of a "children's vaccine" to help immunize children in America and overseas against a wide range of diseases. The legislation authorizes $50 million next year, rising to $125 million in 1994. Joining me in introducing this legislation are my colleagues, the gentleman from Connecticut [Mr. DODD] and the gentleman from Iowa [Mr. HARKIN].

Mr. President, there was once a time in America when it was left almost to chance whether a child would grow to reach adulthood. Many large families took it for granted that at least one of their children would be lost to polio, diphtheria, measles or another contagious disease before adolescence. For most parents who sent their children back to school this fall with their innoculation records and booster shots, those days are history, thanks to the greatest life-saving invention in all of medicine—vaccines.

But the diseases that our children complain about getting shots for because they have never heard of them are still a matter of daily life—and death—for millions of children around the world. Each year, 3 million kids die from the major diseases that can be prevented by vaccines. Only about 70 percent of the infants in the developing world will be immunized in 1990. That's a tremendous improvement over the 5 percent that were immunized in 1974, and most of the improvement can be attributed to the United Nations' immunization program, supported in part by the Child Survival Fund. But it's still not enough to eradicate killer diseases in the way that we have eliminated polio in the United States and smallpox worldwide.

In most countries in the past decade, UNICEF, the World Health Organization, the U.S. Agency for International Development and other groups have built an adequate system for delivering vaccines to children. In very poor areas, including America's inner cities, this system fails, and many children never see a doctor at all, or they receive only partial immunization. About 70 percent of the children in Jersey City, NJ are not properly immunized. And in New Jersey—in 1990—two children died from measles. We must continue to work to make primary health care, including immunzations, a basic right of all children. But universal immunization will also require a bigger goal—better vcaccines. A few forward-looking scientists and public health officials have a vision of a children's vaccine. Administered once in infancy, it could prevent about a dozen diseases for a lifetime.

Mr. President, immunizing every child in the world today is made more difficult by the characteristics of the vaccines we have available:

Children need too many different vaccines keyed to different diseases. American schoolchildren must get three separate vaccine mixtures, including two that prevent three diseases each, and regular booster shots. In countries where illnesses like yellow fever are prevalent, even more distinct vaccines are required. The children's vaccine would immunize a child against numerous diseases at once, including regional plagues like Japanese encephalitis and many for which good vaccines are not yet available.

To remain effective, current vaccines require too many regular booster shots. Recent severe outbreaks of measles in high schools and on college campuses in New Jersey recently have been attributed to neglect of booster shots. The children's vaccine would need to be administered only once in a lifetime, in infancy.

Most vaccines need constant refrigeration in order to remain potent. This makes it more difficult to bring the vaccines to isolated areas or store them in small, rural medical facilities. The children's vaccine would be stored and transported at room temperature.

Most vaccines are administered by injection, which not only requires more equipment but makes children reluctant to return for boosters. The children's vaccine would be administered orally, like the Sabin polio vaccine.

The children's vaccine is an ideal, like JFK's vision of putting a man on the Moon. It may take anywhere from 10 to 30 years of research before that single, once-in-a-lifetime vaccine reaches the market. Each step along the way, though, will lead to more and better vaccines and help children live longer, healthier lives.

But the revolution in biotechnology makes the children's vaccine more than just a dream. Scientific research into vaccines peaked in the 1930's and declined with the introduction of antibiotics. New insights into the structure of the immune system and our ability to tinker with the very DNA of a virus make it likely that the 1990's will bring renewed progress in the development of human vaccines.

The only obstacle to this progress is an economic one. Vaccines are a public good; they are not particularly profitable for pharmaceutical companies, especially if they need be administered only once in a lifetime. If we are to realize the major advances that recent science makes possible, governments will have to play a role. Currently the United States provides $140 million for worldwide vaccine research. Developing the children's vaccine is an Apollo project for the world's children, and this legislation will provide resources adequate to this life-saving task.

The development of the children's vaccine has been endorsed by the World Health Organization's Scientific Group of Experts for the Programme on Vaccine Development. In addition the National Vaccine Program convened a special meeting of experts at the National Institutes of Health in August 1990 about the technical feasibility of such an initiative. The results of that meeting also were overwhelmingly positive.

Lastly, Mr. President, the world leaders later this month will come together at a historic Children's Summit in New York. Under the leadership of a rejuvenated United Nations, the world has at last shown a recognition that children must be protected from war, famine, slavery, and disease, and that it is children on whom the futures of all our nations rest. The nations of the world have recently joined forces to build peace in the Persian Gulf. The summit and the prospect of the children's vaccine mean that these nations have an opportunity to join forces to build a healthy future for all of our children. I urge our leaders at

the World summit to support this important legislation.

I ask unanimous consent that letters in support of the bill as well as a copy of the legislation be printed in the RECORD.

S. 3022

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Children's Vaccine Initiative Act of 1990".

SEC. 2. FINDINGS.

Congress finds that—

(1) immunization has been the most effective tool for child survival;

(2) public health programs in the United States and in developing countries have encountered serious obstacles to their efforts to achieve the optimal prevention of infectious diseases by immunization;

(3) many children receive inadequate protection because immunization programs require too many visits to the doctor or health center and because vaccines do not protect against all infectious diseases or protect the child early enough in life;

(4) the great scientific advances in biology and biotechnology in the last 15 years have created the capacity to solve technical problems related to vaccines and immunization;

(5) there can and should be new and improved vaccines and delivery systems;

(6) if sufficient resources were available for vaccine research, it would be possible over time to develop the "children's vaccine", which would be a vaccine administered only once in infancy that would produce life-long immunity against a wide range of key infectious diseases;

(7) there is a great capacity in the world to develop and produce new and improved vaccines with private industry and the Federal Government having distinguished records in the development and manufacture vaccines, and with the United Nations Development Program having a longstanding commitment to vaccine research, development and delivery; and

(8) while operational research is needed to determine how to better deliver is needed to children, State and local health departments and private practitioners have the basic capacity to deliver a wide variety of new and improved vaccines to America's children, and the World Health Organization and UNICEF are already prepared to organize basic vaccine delivery to the children of the developing world.

SEC. 3. CHILDREN'S VACCINE INITIATIVE.

Title XXI of the Public Health Service Act (42 U.S.C. 300aa-1 et seq.) is amended by adding at the end thereof the following new subtitle:

"Subtitle 3—Miscellaneous Provisions

"SEC. 2141. CHILDREN'S VACCINE INITIATIVE.

"(a) AUTHORITY.—The Secretary shall undertake a Children's Vaccine Initiative in accordance with this section. The Secretary shall organize the Initiative in consultation with the World Health Organization and the United Nations Children's Fund so that the benefits of such Initiative will accrue to all of the childern of the world.

"(b) PLANNING AND COORDINATION.—The Director the National Vaccine Program shall plan and coordinate the Children's Vaccine Initiative under this section.

"(c) ACTIVITIES.—The Director of the National Vaccine Program shall ensure that the Public Health Service shall conduct those vaccine research, operational research, development, production and delivery activities under the Initiative in collaboration with non-government institutions and with other Federal agencies to ensure the full use of the scientific and industrial capacity of the United States to prevent infectious disease.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $50,000,000 for fiscal year 1991, $75,000,000 for fiscal year 1992, $100,000,000 for fiscal year 1993, and $125,000,000 for fiscal year 1994.".

STATEMENT OF THE CHILDREN'S DEFENSE FUND REGARDING THE CHILDREN'S VACCINE INITIATIVE OF 1990

The Children's Defense Fund strongly supports "The Children's Vaccine Initiative of 1990" which would require the United States to invest in the development of a universal childhood vaccine. For far too long this nation has abdicated its role as a world leader on childhood immunizations. The nation ranks 15th worldwide in the proportion of one-year-olds adequately immunized against polio and 49th in the world when the rate for black American infants alone is considered. In many of the nation's largest cities, half of infants and toddlers are not fully immunized against diseases we know how to prevent.

Even with the technology available today, the United States could assure that all children are protected against preventable disease, disability and death. But it also is clear that within the world's grasp is the technology to vastly strengthen and simplify the childhood immunization process in all countries, making available truly universal vaccination against some of the world's worst scourges. The Children's Vaccine Initiative has the potential to:

Make immunization programs more efficient and more accessible to children by reducing the number of visits they and their parents need to make;

Reduce program costs by making vaccines easier to store and handle and, in turn, increasing coverage by reducing costs to parents and governments; and

Improve the safety and effectiveness of vaccines.

With the possibility of a single universal childhood vaccine within our reach, there is no time to delay further this additional investment.

UNITED STATES COMMITTEE FOR UNICEF

Senator Bill Bradley announced today that he will introduce legislation in the U.S. Senate that will accelerate the development of more effective vaccines against infectious childhood diseases. Responding to this announcement, Lawrence Bruce, President of the U.S. Committee for UNICEF stated that, "Senator Bradley's Children's Vaccine Initiative could have a tremendous impact on the efforts of UNICEF and its partners to save 50 million children by the year 2000."

In the developing world, immunization against the most serious of childhood diseases such as tetanus, diptheria, tuberculosis, polio, measles, and whooping cough is one of the main engines of UNICEF's child survival and development program. Ten years ago, when the goal of Universal Child Immunization by 1990 (UCI 1990) was announced, less than 10% of the world's children were immunized and 5 million of them died each year as a result. Expanded programs of immunization by scores of developing countries have raised the worldwide rate of immunization to over 60%. One and a half million lives are now being saved each year. Vaccines that do not require multiple doses and are more heat stable could increase the number of lives saved by millions.

Senator Bradley's initiative is the first of many intiatives worldwide on a broad array of child health issues expected to result from the World Summit for Children on September 29-30. Child health issues such as vaccination, safe motherhood, and healthy development will be on the agenda as President Bush and 70 other world leaders gather at the United Nations to focus world attention on children.

DEAR SENATOR BRADLEY: Your interest in and support for a strengthened program (The Children's Vaccine Initiative) directed toward immunization is most welcome. Vaccination is, by far, the most cost-effective, the simplest and most innocuous of all medical procedures. Indeed, parents now take for granted that their children simply will not experience poliomyalitis or diphtheria or whooping cough, for example—all diseases which once were greatly feared and would today be epidemic problems except for the simple procedure of vaccination.

Despite the truly remarkable improvements in health which can be attributed to vaccination, research to improve present vaccines and develop additional ones has lagged seriously. Meanwhile, our understanding of immunology and of biomedicine has progressed at an incredible pace. Few of these developments have been translated into the field of vaccine research. Not surprisingly, in reviewing needs and opportunities, experts now foresee the potential for extraordinary progress to be made over the years ahead. The concept, ultimately, of being able to protect a child at or soon after birth against 20 or more serious diseases is a wholly realistic one. Such an achievement will require many years of work but, in the meantime, new and better vaccines against many different diseases would become available.

Because vaccines are available does not automatically mean that they will be fully and appropriately utilized. This, too, represents a problem which must be addressed. It is a soluble problem, however, demanding sound operational research.

All of these activities, both of national and international interest, will require both mobilization of private and public sector resources, as well as coordination and orchestration. Fortunately, we now have such a mechanism in place in the form of the National Vaccine Program.

An added investment today in vaccine research and development will bring major returns over the coming years in healthier children—and adults, in diminished numbers of physicians' visits and hospitalizations and, indeed, in a better world.

Sincerely yours,

D.A. HENDERSON, M.D., M.P.H.
PRESIDENT,
Association of Schools of Public Health.

DEAR SENATOR BRADLEY: This letter is sent with enthusiastic endorsement for the legislation "Children's Vaccine Initiative of 1990" that we have learned you will sponsor. The goals of this program are logical and promising of the best in health for our infants and children. Coordination of the initiative by the National Vaccine Program Office and involvement of the Agency for

International Development should ensure both national and international impact.

In my personal role as Chairman of the National Academy of Science/Institute of Medicine committee that studied issues and priorities for new vaccine development for diseases of importance in the United States and for diseases of importance in developing countries, I am keenly aware of the needs for such augmented research and development. As Chairman of the Public Policy Committee of the Infectious Diseases Society of America, whose more than 3,500 certified members and follows are the leading authorities in research, practice and public health relating to problems of infectious diseases, we applaud this initiative and will cooperate in every way to seek fulfillment of its goals over the coming years.

Yours sincerely

SAMUEL L. KATZ, M.D.,
Wilburt C. Davison Professor Chairman, Public Policy Committee Infectious Diseases Society of America.●

By Mr. GLENN (for himself, Mr. MCCAIN, and Mr. BOREN):

S. 3025. A bill to amend titles 10 and 37, United States Code, to make members of the Armed Forces involved in Operation Desert Shield or similar operations eligible for certain benefits and to make members of the reserve components of the Armed Forces and retired members of the Armed Forces eligible for certain benefits when ordered to active duty in connection with a mobilization; and for other purposes; to the Committee on Armed Forces.

CERTAIN BENEFITS FOR ARMED FORCES MEMBERS INVOLVED IN OPERATION DESERT SHIELD

Mr. GLENN. Mr. President, I am introducing a bill today to provide for certain benefits for our men and women in uniform who are deployed to the Persian Gulf under Operation Desert Shield.

Having just returned from visiting some of our forward deployed forces there, I can attest to the harshness of the desert environment. I can also attest to the high degree of commitment of our military personnel to the mission to which they have been assigned. I believe they deserve a meaningful signal from us that we appreciate their commitment and that is what the bill I am introducing does.

Mr. President, before I describe the particular elements in my bill, I would like to take a few moments to give my colleagues my impression of Operation Desert Shield.

I believe President Bush acted appropriately in response to the invasion of Kuwait by Saddam Hussein, the misguided dictator of Iraq. Quite frankly, the invasion tramples on the freedom of the Kuwaiti people, a freedom we are bound on principle to protect. Moreover, I see Saddam Hussein's action as a threat to the national interest of this country and indeed to all of the countries of the free world.

I believe we could not avoid sending our men and women in uniform to Saudi Arabia to counter the threat posed by Saddam Hussein's invasion of Kuwait. I believe this action forestalled any immediate thrust on his part into Saudi Arabia. I believe all of us want to avoid any bloodshed in the Persian Gulf. However, there is a very real possibility that shooting can start and people can get killed or hurt. Make no bones about it, our people deployed to the gulf are in harm's way.

That is why I hope that the economic embargo that we and our allies have imposed on Iraq will bring Saddam Hussein to his senses and that he will realize that his scheme for domination in the middle east cannot succeed. I think we must make sure that we act in concert with our allies to tighten the noose on the embargo so that we can bring the situation there to a quick and peaceful ending.

Of course, that would not be possible without a "big stick"—our military forces. Quite frankly, I am very proud of the men and women in uniform who have been sent there on a very important but dangerous mission. I know that we have all read about how inhospitable the desert conditions are. During my recent visit with Marines in Saudi Arabia about 50 miles from the Kuwait border, I experienced the harshness first hand.

The temperature on the ground during the day reached 124 degrees, cooling off to the high 90's at night. The living conditions were primitive, as you would expect, and the level of personal discomfort high. Yet, I heard very few complaints. I was a bit dismayed though to learn that there was no way for our marines to write home to their lived ones because they could not buy stamps. That's a little thing back home but a big thing over there.

So I have a provision in my bill that would provide for free mail to all personnel deployed on Operation Desert Shield. I know a similar provision was included as an amendment to the Treasury and Postal appropriations bill. I hope it passes, but if it does not, my bill will ensure this benefit is provided.

Before I left on my trip to the Persian Gulf, I wrote a letter to Secretary Cheney that I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, August 22, 1990.

Hon. RICHARD B. CHENEY,
Secretary of Defense,
The Pentagon, Washington, DC.

DEAR MR. SECRETARY: I feel it important that the men and women of our Armed Forces participating in Operation Desert Shield receive appropriate additional benefits similar to those previously accorded military personnel operating in a hostile area. It is entirely appropriate that the nation recognize the personal sacrifices of our service members and their families in a tangible way.

As you know, if conditions warrant there are a number of actions that the Administration can take without Congressional approval, including hostile fire/imminent danger pay, free mailing privileges, federal income tax relief, and investment options. I urge you to consider these and any other suitable benefits for implementation on a priority basis.

As Chairman of the Manpower and Personnel Subcommittee of the Senate Armed Services Committee, I stand ready to discuss these and related matters, and to assist as appropriate should legislative action be required.

Best regards.

Sincerely,

JOHN GLENN,
U.S. Senator.

Mr. GLENN. Mr. President, to date, none of the actions I mentioned in my letter of August 22 have been taken. I know that the Department of Defense is working on some if not all of them. However, we are nearing the end of this legislative session and I believe there is some urgency in moving out before the legislative session ends.

Therefore, in addition to the free postal benefit, I propose in my bill a provision that would expand the current statute that provides for exemption of gross income from Federal income tax for military personnel in combat zones to include military personnel deployed under Operation Desert Shield. The exclusion would apply to the entire amount of gross income for enlisted personnel and to the first $2,000 of monthly gross income for officers.

My bill would expand the authority of the Secretary of Defense to pay imminent danger pay—$110 per month—to military personnel deployed under Operation Desert Shield. I believe the conditions in the Persian Gulf warrant such pay. According to the Department of Defense, the current list of locations where military personnel would be entitled to imminent danger pay include: Liberia, the Philippines, Laos, Afghanistan, Peru, Colombia, El Salvador, Lebanon, Iran, Cambodia, and Vietnam. It seems clear to me that the danger in the Persian Gulf where we have our troops deployed is no less than in these other areas where imminent danger pay is paid.

My bill would expand the authority of the Secretary of Defense to implement a savings plan for military personnel deployed under Operation Desert Shield. Under current statute, he can issue a joint regulation allowing personnel assigned overseas to deposit up to $10,000 per year of pay and allowances into the Treasury as savings to accrue interest at the rate of not more than 10 percent per year. I think this is a reasonable thing to do to make it simple for our young, single members to set aside savings at a time when they can afford to do so.

My bill would provide authority to the Secretary of Defense to continue to pay a subsistence allowance to military personnel deployed under Operation Desert Shield.

Right now, enlisted members are entitled to a basic allowance for subsistence [BAS] when Government furnished meals are not available. An enlisted member loses this allowance—$177.30 per month—when deployed to sea duty or field duty because Government means are furnished—even though they may be packaged field rations.

Officers do not lose their BAS—$123.92 per month—when deployed on sea duty or field duty, but must pay for Government meals.

While the rationale behind dropping BAS for members when they are on sea duty or field duty is analytically understandable, it is an irritant because the loss in cash income, while serving in arduous circumstances, appears to be out of phase with the duty being performed.

The provision I propose would allow the Secretary of Defense to continue to pay BAS to enlisted personnel and to exempt officers from paying for Government furnished rations when he considers such personnel to be serving under arduous conditions incident to a temporary deployment for an operational contingency.

Mr. President, the provisions in my bill that I have just outlined would apply to all military personnel—Active and Reserve—deployed under Operation Desert Shield.

There are two other provisions in my bill that specifically correct inequities in benefits for National Guard and Reserve personnel called up for Operation Desert Shield.

Right now, National Guard and Reserve personnel called up for Operation Desert Shield are not entitled to Variable Housing for Allowance [VHA] unless they are called up and serve on active duty for 140 days or more. I believe this is an appropriate provision for National Guard and Reserve personnel who come on active duty for training. However, I do not believe it is appropriate for National Guard and Reserve personnel who are involuntarily called up under the so-called 673b authority that the President has exercised for the first time.

My provision would modify the current statute to exempt military personnel called up under the 673b authority, or similarly situated military personnel, from the 140-day rule.

Finally, National Guard and Reserve personnel who are called up for Operation Desert Shield accrue leave for the period they serve on active duty. In some cases, these personnel are ineligible for reimbursement for their accrued leave when they leave active duty because they were previously reimbursed for leave up to the maximum allowed by statute of not more than 60 days per career.

My provision would exempt National Guard and Reserve personnel called up under the 673b authority, or similarly situated military personnel, from the 60 days per career ceiling on leave reimbursement.

I believe both of these provisions, applicable to National Guard and Reserve personnel, correct inequities that have come to light only because the President exercised the 673b authority for the first time. Under the total force policy, we depend upon our National Guard and Reserve Components to be equal partners with our Active components in fulfilling the military mission. As such, we should treat National Guard and Reserve personnel equally with Active personnel when they are on active duty and performing as equal partners.

Mr. President, I believe that the provisions in my bill which I have just outlined are reasonable given the arduous nature of what we are calling on our military personnel to do. If armed conflict breaks out, and I hope that it does not, our men and women in uniform serving in the Persian Gulf may be called upon to make the ultimate sacrifice. In the meantime, they must endure the rigors of serving in a very inhospitable environment and to give of their physical and mental strength to serve our country. I think it is not too much to ask that we show them that we appreciate them and support them in this difficult time.

Mr. President, I urge that the appropriate committees that have oversight of the particular provisions in my bill act expeditiously on them so that we can pass this bill before we conclude this session of the Congress.

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. CRANSTON, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 15, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 1224

At the request of Mr. BRYAN, the names of the Senator from Florida [Mr. GRAHAM] and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 1224, a bill to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes.

S. 1636

At the request of Mr. BRYAN, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1636, a bill to amend the Internal Revenue Code of 1986 to extend the period for issuing small issue bonds for manufacturing facilities through 1991.

S. 1651

At the request of Mr. MCCAIN, the names of the Senator from North Carolina [Mr. HELMS], the Senator from Wisconsin [Mr. KASTEN], the Senator from New Mexico [Mr. BINGAMAN], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 1651, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United States Organization.

S. 1890

At the request of Mr. THURMOND, the names of the Senator from New York [Mr. MOYNIHAN], the Senator from Hawaii [Mr. AKAKA], the Senator from Massachusetts [Mr. KENNEDY], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 1890, a bill to amend title 5, United States Code, to provide relief from certain inequities remaining in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes.

S. 2056

At the request of Mr. MITCHELL, his name was added as a cosponsor of S. 2056, a bill to amend title XIX of the Public Health Service Act to provide grants to States and implement State health objectives plans, and for other purposes.

S. 2100

At the request of Mr. CRANSTON, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 2100, a bill to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans; to amend title 38, United States Code, to improve veterans' compensation, health-care, insurance, and housing programs, and to provide for transitional group residences for veterans recovering from substance-abuse disabilities; and for other purposes.

S. 2222

At the request of Mr. BRADLEY, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 2222, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of payments under life insurance contracts for terminally ill individuals.

S. 2309

At the request of Mr. SIMON, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2309, a bill to establish a Presidential Advisory Committee for Policy Toward Cuba.

S. 2319

At the request of Mr. GARN, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2319, a bill to amend the Federal Deposit Insurance Act and the Federal Credit Union Act to protect the deposit insurance funds, to limit the depository institutions, credit unions, and other mortgage lenders acquiring real property through foreclosure or similar means, or in a fiduciary capacity, and for other purposes.

S. 2413

At the request of Mr. KERRY, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2413, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoners or taken captive by a hostile foreign government or its agents or a hostile force before April 15, 1962, and for other purposes.

S. 2709

At the request of Mr. BOSCHWITZ, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of S. 2709, a bill to amend the Internal Revenue Code of 1986 to provide that certain expenses of travel, meals, and lodging of members of the National Guard or reserve units of the Armed Forces will be allowable as deductions in computing adjusted gross income.

S. 2711

At the request of Mr. LOTT, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from North Carolina [Mr. HELMS], and the Senator from Wyoming [Mr. SIMPSON] were added as cosponsors of S. 2711, a bill to amend the Internal Revenue Code of 1986 to provide that certain deductions of members of the National Guard or reserve units of the Armed Forces will be allowable in computing adjusted gross income.

S. 2724

At the request of Mr. PELL, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2724, a bill to extend and improve arts and humanities programs, museum services, and arts and artifacts indemnification, and for other purposes.

S. 2729

At the request of Mr. CHAFEE, the name of the Senator from Virginia [Mr. WARNER] was added as a cosponsor of S. 2729, a bill to extend the Coastal Barrier Resources Act, and for other purposes.

S. 2827

At the request of Mr. GARN, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2827, a bill to improve the administration of the Federal Deposit Insurance Corporation and to make technical amendments to the Federal Deposit Insurance Act.

S. 2840

At the request of Mr. ROTH, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 2840, a bill to improve the management of the Federal Government by establishing a Deputy Director for Management in the Office of Management and Budget; by establishing a Chief Financial Officer of the United States who shall be in the Office of Management and Budget; by requiring the development of systems that provide complete, accurate and timely financial information; by increasing financial discipline and accountability by requiring independently audited agency financial statements; and for other purposes.

S. 2903

At the request of Mr. BOND, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of S. 2903, a bill to establish a National Commission on Financial Institution Reform, Recovery, and Enforcement.

S. 2933

At the request of Mr. EXON, the names of the Senator from Georgia [Mr. FOWLER], the Senator from Iowa [Mr. HARKIN], the Senator from Indiana [Mr. COATS], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of S. 2933, a bill to amend title 49, United States Code, regarding the collection of overpayments of undercharges on shipments via motor common carriers of property and nonhousehold goods freight forwarders, and for other purposes.

S. 2989

At the request of Mr. HEINZ, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 2989, a bill to amend title XIX of the Social Security Act to provide for an expansion of Medicaid benefits to low-income pregnant women and children, and to raise the tax on cigarettes to fund such Medicaid expansion.

S. 3001

At the request of Mr. SYMMS, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 3001, a bill to increase expenditures in programs funded out of the Highway Trust Fund and the Airport and Airway Trust Fund, to reduce the cash balance in those trust funds, and for other purposes.

SENATE JOINT RESOLUTION 57

At the request of Mr. PELL, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of Senate Joint Resolution 57, a joint resolution to establish a national policy on permanent papers.

SENATE JOINT RESOLUTION 256

At the request of Mr. SIMON, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of Senate Joint Resolution 256, a joint resolution to designate the week of October 7, 1990, through October 13, 1990, as "Mental Illness Awareness Week."

SENATE JOINT RESOLUTION 291

At the request of Mr. DANFORTH, his name was added as a cosponsor of Senate Joint Resolution 291, a joint resolution designating the week of October 14, 1990, as "National Standards Week."

SENATE JOINT RESOLUTION 295

At the request of Mr. DANFORTH, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 295, a joint resolution proposing an amendment to the Constitution of the United States to prohibit the Supreme Court or any inferior court of the United States from ordering the laying or increasing of taxes.

SENATE JOINT RESOLUTION 297

At the request of Mr. SIMON, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of Senate Joint Resolution 297, a joint resolution designating September 1990 as "National Craft Month."

SENATE JOINT RESOLUTION 337

At the request of Mr. SIMON, the names of the Senator from Virginia [Mr. ROBB], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of Senate Joint Resolution 337, a joint resolution designating Labor Day weekend, September 1, through 3, 1990, as "National Drive for Life Weekend."

SENATE JOINT RESOLUTION 342

At the request of Mr. SIMON, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Texas [Mr. BENTSEN], the Senator from Maryland [Mr. SARBANES], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from California [Mr. CRANSTON], and the Senator from Virginia [Mr. ROBB] were added as cosponsors of Senate Joint Resolution 342, a joint resolution designating October 1990 as "Ending Hunger Month."

SENATE JOINT RESOLUTION 346

At the request of Mr. BOSCHWITZ, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Joint Resolution 346, a joint resolution to designate October 20 through 28, 1990, as "National Red Ribbon Week for a Drug-Free America."

SENATE JOINT RESOLUTION 352

At the request of Mr. SIMON, the names of the Senator from New Jersey [Mr. LAUTENBERG], the Senator from New York [Mr. MOYNIHAN], the Senator from Idaho [Mr. MCCLURE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Hawaii [Mr.

INOUYE] the Senator from Michigan [Mr. LEVIN], the Senator from Iowa [Mr. GRASSLEY], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of Senate Joint Resolution 352, a joint resolution designating the month of September, 1991, as "National Growth Month."

SENATE JOINT RESOLUTION 353

At the request of Mr. JOHNSTON, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Alabama [Mr. SHELBY], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Alaska [Mr. STEVENS], the Senator from Arizona [Mr. DECONCINI], the Senator from Florida [Mr. GRAHAM], the Senator from Florida [Mr. MACK], the Senator from Georgia [Mr. FOWLER], the Senator from Georgia [Mr. NUNN], the Senator from Hawaii [Mr. INOUYE], the Senator from Hawaii [Mr. AKAKA], the Senator from Idaho [Mr. MCCLURE], the Senator from Kansas [Mr. DOLE], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Kentucky [Mr. MCCONNELL], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Michigan [Mr. LEVIN], the Senator from Michigan [Mr. RIEGLE], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Nevada [Mr. BRYAN], the Senator from Nevada [Mr. REID], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from New Mexico [Mr. DOMENICI], the Senator from New York [Mr. D'AMATO], the Senator from North Carolina [Mr. HELMS], the Senator from North Carolina [Mr. SANFORD], the Senator from North Dakota [Mr. BURDICK], the Senator from North Dakota [Mr. CONRAD], the Senator from Ohio [Mr. GLENN], the Senator from Oklahoma [Mr. BOREN], the Senator from South Carolina [Mr. THURMOND], the Senator from Tennessee [Mr. GORE], the Senator from Tennessee [Mr. SASSER], the Senator from Virginia [Mr. WARNER], the Senator from South Dakota [Mr. DASCHLE], the Senator from Colorado [Mr. WIRTH], the Senator from Iowa [Mr. GRASSLEY], the Senator from Indiana [Mr. LUGAR], and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 353, a joint resolution to designate September of 1991 as "National Rice Month."

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. COHEN, the name of the Senator from Georgia [Mr. FOWLER] was added as a cosponsor of Senate Concurrent Resolution 125, a concurrent resolution expressing the sense of Congress regarding adequate funding for long-term health care services provided through the Medicare and Medicaid programs.

SENATE CONCURRENT RESOLUTION 143

At the request of Mr. SIMON, the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of Senate Concurrent Resolution 143, a concurrent resolution to express the sense of the Congress concerning the public health implications of marketing campaigns and petitions by cigarette manufacturers to remove barriers to cigarette sales and advertising.

SENATE RESOLUTION 231

At the request of Mr. BRADLEY, the names of the Senator from Arizona [Mr. MCCAIN], and the Senator from Nevada [Mr. BRYAN] were added as cosponsors of Senate Resolution 231, a resolution urging the submission of the Convention on the Rights of the Child to the Senate for its advice and consent to ratification.

AMENDMENT NO. 2625

At the request of Mr. HEINZ, the names of the Senator from New York [Mr. D'AMATO], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Indiana [Mr. COATS], and the Senator from Oklahoma [Mr. NICKLES], were added as cosponsors of amendment No. 2625 proposed to H.R. 5241, a bill making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1991, and for other purposes.

AMENDMENTS SUBMITTED

TREASURY DEPARTMENT, POSTAL SERVICE, EXECUTIVE OFFICE OF THE PRESIDENT, AND INDEPENDENT AGENCIES APPROPRIATIONS ACT, FISCAL YEAR 1991

BRADLEY (AND OTHERS) AMENDMENT NO. 2626

Mr. BRADLEY (for himself, Mr. LUGAR, Mr. RIEGLE, Ms. MIKULSKI, Mr. AKAKA, Mr. SANFORD, Mr. KOHL, Mr. SPECTER, Mr. DODD, Mr. PELL, Mr. DECONCINI, Mr. KASTEN, Mr. GORE, and Mr. LEAHY) proposed an amendment to the bill (H.R. 5241) making appropriations for the Treasury Department, the U.S. Postal Service, the Executive Office of the President, and certain Independent Agencies, for the fiscal year ending September 30, 1991, and for other purposes, as follows:

At the appropriate place, insert the following new section:

SEC. . CONVENTION ON THE RIGHTS OF THE CHILD.

(a) FINDINGS.—The Senate finds that—

(1) the future peace and prosperity of all nations depend upon the good health and well-being of the world's children;

(2) the Congress has long recognized the vulnerability of children and has enacted numerous laws that afford them special protections in this country;

(3) similar protections for children are either totally lacking or inadequately enforced in much of the world;

(4) in part as a result of this lack of protection, millions of children are threatened daily by poverty, malnutrition, homelessness, exploitation and abuse, depriving both family and society of their productivity and potential;

(5) the Child Survival and Development Revolution, launched in 1982 to attack the root causes of infant mortality and child ill-health through low-cost means such as universal child immunization and oral rehydration therapy, is saving the lives of more than 3,000,000 children each year and has demonstrated that the number of child deaths can be reduced significantly if available resources are used appropriately;

(6) despite these gains and an emerging international consensus about the importance of protecting children, children both here and abroad will continue to face poverty, sickness, and ill-treatment;

(7) on November 20, 1989, the United States and other members of the United Nations unanimously endorsed the Convention on the Rights of the Child and urged national governments to ratify the Convention and make possible its application as international law;

(8) this Convention, if implemented, will help establish universal legal standards for the care and protection of children against neglect, exploitation, and abuse;

(9) the United States Government, scores of private voluntary organizations, and hundreds of American citizens were actively involved in the drafting of this Convention; and

(10) the United States must continue playing a leading role in the implementation of the Convention to ensure that it becomes a force for improving the lot of children, both in this country and abroad.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the issue of children's rights and their well-being is important both to the United States and the world at large and that, in consideration thereof, the President should promptly seek the advice and consent of the Senate to the ratification of the Convention on the Rights of the Child, adopted by the United Nations with the support of the United States on November 29, 1989.

PRYOR (AND GRASSLEY) AMENDMENT NO. 2627

Mr. DECONCINI (for Mr. PRYOR, for himself and Mr. GRASSLEY) proposed an amendment to the bill H.R. 5241, supra, as follows:

On page 106, beginning with line 10, strike out all through line 12 on page 107 and insert in lieu thereof:

SEC. 617. No funds appropriated in this or any other Act for fiscal year 1991 may be used to implement or enforce the agreements in Standard Forms 312 and 4355 of the Government or any other nondisclosure policy, form or agreement if such policy, form or agreement does not contain the following provisions:

"This Agreement is consistent with and does not supersede the employee obligations, rights or liabilities created by Executive Order 12,356; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United

States Code, as amended by the Military Whistleblower Protection Act (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code, as amended by the Whistleblower Protection Act (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. section 421 et seq.) (governing disclosures that could expose confidential Government agents), and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions and liabilities created by said Executive Order and listed statutes are incorporated into this Agreement and are controlling.".

HELMS AMENDMENT NO. 2628

Mr. HELMS proposed an amendment to amendment No. 2626 proposed by Mr. BRADLEY (and others) to the bill H.R. 5241, supra, as follows:

At the end of the amendment, add the following new section:

"And inform all parties to the Convention that the United States recognizes the right to life as the paramount and most fundamental human right, and shall interpret the word "child" to apply to all human beings under the age of eighteen, including the unborn offspring of any human being at every stage of biological development.".

GLENN (AND OTHERS) AMENDMENT NO. 2629

Mr. GLENN (for himself, Mr. LIEBERMAN, Mr. CONRAD, Mr. COHEN, and Mr. AKAKA) proposed an amendment to the bill H.R. 5241, supra, as follows:

On page 15, line 7, beginning with "$3,310,119,000" strike out all through "States" on line 11 and insert in lieu thereof "$3,365,619,000, of which not to exceed $70,000 shall be for official reception and representation expenses in connection with the 1991 General Assembly of the Inter-American Center for Tax Administrators, to be hosted by the United States, and of which $55,500,000 shall be for hiring personnel for 1,050 additional full-time equivalent positions in the Internal Revenue Service for the collection of unpaid accounts".

DISTRICT OF COLUMBIA APPROPRIATIONS ACT FOR FISCAL YEAR 1990

ADAMS AMENDMENTS NOS. 2630 AND 2631

Mr. ADAMS proposed two amendments to the bill (H.R. 5311), an act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes, as follows:

AMENDMENT No. 2630

At the end of the bill add the following new section:

SEC. . (a) Up to 75 officers or members of the Metropolitan Police Department who were hired before February 14, 1980, and who retire on disability before the end of calendar year 1991 shall be excluded from the computation of the rate of disability retirement under subsection 145(a) of the District of Columbia Retirement Reform Act, as amended, approved September 30, 1983 (97 Stat. 727; D.C. Code, sec. 1-725(a)), for purposes of reducing the authorized Federal payment to the District of Columbia Police Officers and Fire Fighters' Retirement Fund pursuant to subsection 145(c) of the District of Columbia Retirement Reform Act.

(b) The Mayor, within 30 days after the enactment of this Act, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply with the requirements of section 142(b) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122, D.C. Code, secs. 1-722(d) and 1-724(d)).

(c) If any of the 75 light duty positions that may become vacant under subsection (a) are filled, a civilian employee shall be hired to fill that position or shall be filled by an officer or member of the Metropolitan Police Department for a temporary period of time.

(d) The limited duty policy of the Metropolitan Police Department shall be that in effect prior to July 8, 1990, unless ordered by the relevant court.

AMENDMENT No. 2631

SEC. . Notwithstanding any other provision of law, the Task Force on Substance Abusing Pregnant Women and Infants Exposed to Maternal Substance Abuse During Pregnancy shall report no later than March 29, 1990.

ARMSTRONG AMENDMENT NO. 2632

Mr. ARMSTRONG proposed an amendment to the bill H.R. 5311, supra, as follows:

At an appropriate place in the bill insert the following new section:

SEC. . Section 103 of the District of Columbia Human Rights Act, effective Dec. 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2503 (1981 edition)) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c) Nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual person or adult bisexual person in any program or activity that—

(1) educates, coaches, or trains any juvenile, or

(2) holds out the adult as a role model, mentor, or companion to any juvenile.".

ACREAGE LIMITATION PROGRAM FOR 1991 CROP OF WINTER WHEAT

KERREY (AND OTHERS) AMENDMENT NO. 2633

Mr. MITCHELL (for Mr. KERREY, for himself, Mr. EXON, Mr. CONRAD, and Mr. DASCHLE) proposed an amendment to the bill (S. 3024) to require the Secretary of Agriculture to announce an acreage limitation program for the 1991 crop of winter wheat, as follows:

At the end of the bill add the following:

(b) SENSE OF CONGRESS ON PAID LAND DIVERSION PROGRAM FOR WHEAT.—It is the sense of Congress that the Secretary of Agriculture should give full consideration to offering producers of the 1991 crop of wheat the option of participating in a paid land diversion program, if the Secretary determines that additional wheat acreage, in excess of the quantity of acreage that would be removed from production under an acreage limitation program with a uniform percentage reduction of 15 percent, must be removed from production in order to ensure that the market price for wheat received by United States producers, and the cost of the wheat price support and production adjustment program, are maintained at reasonable levels.

NOTICES OF HEARINGS

COMMITTEE ON SMALL BUSINESS

Mr. BUMPERS. Mr. President, I would like to announce that the Small Business Committee will hold a full committee hearing on Wednesday, September 19, 1990, to examine various tax issues and their impact on small, business. This hearing was originally scheduled for August 1, 1990. The hearing will be held in room 428A of the Russell Senate Office Building and will commence at 9:30 a.m. For further information, please call Marja Maddrie at 224-5175, or Matthew Helmerich at 224-4721.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON ANTITRUST, MONOPOLIES, AND BUSINESS RIGHTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Antitrust, Monopolies, and Business Rights, of the Committee on the Judiciary, be authorized to meet during the session of the Senate on September 11, 1990, at 9:30 a.m., to hold a hearing on the S&L investigation.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet during the session of the Senate on Tuesday, September 11, 1990, at 2 p.m. to receive testimony on the situation in the Persian Gulf region.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet

during the session of the Senate on Tuesday, September 11, 1990, at 10 a.m., to conduct a hearing on the General Accounting Office's audit of the Bank Insurance Fund [BIF].

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on September 11, 1990, beginning at 9:30 a.m., in 485 Russell Senate Office Building, on H.R. 5539, the San Carlos water settlement.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on September 11, 1990, at 10 a.m., to hold a hearing on the nominations of Jerome H. Powell, to be Assistant Secretary for Domestic Finance of the Department of the Treasury, and Steven B. Kelmar, to be Assistant Secretary for Legislation of the Department of Health and Human Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on September 11, 1990, at 2:15 p.m., to hold a hearing on the nomination of Joel F. Dubina, to be U.S. circuit judge for the 11 Circuit, W. Lee Rawls, to be an Assistant Attorney General, J. Michael Luttig, to be an Assistant Attorney General, Robert S. Mueller, III, to be an Assistant Attorney General, and Charles B. Dewitt, to be Director of the National Institute of Justice.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

FURLOUGHING FEDERAL WORKERS: UNWISE, UNFAIR, AND UNNECESSARY

● Mr. KERRY. Mr. President, throughout my years in the Senate, I have been a strong supporter of the rights of Federal workers. I have cosponsored reform of the Hatch Act and Federal workers comparability pay, and I have introduced legislation to give Federal workers in Massachusetts locality pay to help offset the high cost of living in our region. I have supported these measures because I believe that one of the best ways to assure the efficient expenditure of Federal funds is by attracting to and retaining in the civil service the best and most able workers in our society. Unfortunately, this administration and its predecessors do not share this view. As a result, both the workers and the quality of Federal services, have suffered from a decade of neglect.

Washington has failed dismally to deal with the deficit in the 1980's. Presidential leadership has been long on rhetoric but short on action. As a result, we have a massive deficit and a most serious threat to our economic health. And not only is this a threat to all our Federal workers, but it is a major threat to the economic welfare of every American family.

During my nearly 6 years in the Senate, I have fought and voted against phony budgets and encouraged the Presidential leadership indispensible to any deficit reduction. The administration's proposed furloughing of Federal employees is a tragic sign of this administration's, and its predecessor's, failure to lead the way out of this deficit crisis. There are better ways to reduce the deficit, and I oppose it as a ridiculous response to a serious problem. These alternatives must be found immediately by the President and congressional leaders at the budget summit which is underway at this moment. The proposed furloughs fail all the tests that such a summit agreement must meet. Furloughs are temporary, our solution must be permanent. Furloughs produce relatively small savings, we need large deficit reduction. Furloughs are not fair, they force Federal workers to absorb too much of the cost of deficit reduction. Finally, furloughs undercut some of our most important national priorities such as an effective judicial and law enforcement system, public safety and health, a clean environment, and so much more.

I will insist, America must insist, on a long-term and substantial budget agreement that is fair to all Americans, and not one that unfairly and unwisely discriminates against Federal workers.●

VERY SPECIAL ARTS ALASKA

● Mr. MURKOWSKI. Mr. President, I am pleased to make my colleagues aware of a citation from the Alaska State Legislature honoring Very Special Arts Alaska. Very Special Arts Alaska is a model of volunteerism and provides a valuable service to Alaskans. I join the Alaska State Legislature in their recognition of Very Special Arts Alaska's outstanding efforts and their contribution to Alaska. The following is the text of the Alaska State Legislature's citation:

The 16th Alaska Legislature wishes to honor Very Special Arts Alaska for its contributions to Alaskans with disabilities.

Very Special Arts Alaska is an affiliate of Very Special Arts, an international organization, with headquarters in Washington, DC. They provide numerous opportunities in visual, performing, and literary arts for children and adults throughout the State who have disabilities.

Since its inception in 1976, Very Special Arts Alaska has continued to expand. This year, they are sponsoring arts festivals in five towns throughout Alaska. Their current projects include artists in residence and the new visions dance project, originally developed for blind and visually impaired children and teens, and early childhood programs. In addition, they provide training to artists and teachers to encourage their involvement with people with disabilities. Very Special Arts Alaska currently serves more than 5,000 people statewide.

Every 5 years, Very Special Arts sponsors an international festival which is held at the John F. Kennedy Center for Performing Arts in Washington, DC. This festival provides an unparalleled experience for artists in all walks of life to come together to share their talents and learn more about each other. The last festival was held in June 1989. Ten Alaskan artists were invited to participate.

Very Special Arts is truly a program that lives up to its name. Congress has designated Very Special Arts as the national coordinating agency for arts for people with disabilities.

We are proud of the accomplishment of Very Special Arts Alaska and of our very special Alaskan artists and their talents. We wish them continued success in all their endeavors.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Dr. Robert McArthur, a member of the staff of Senator COCHRAN, to participate in a program in the Republic of Korea, sponsored by the Ministry of Foreign Affairs of the Republic of Korea, from August 18-25, 1990.

The committee has determined that participation by Dr. McArthur in the program in the Republic of Korea, at the expense of the Ministry of Foreign

Affairs of the Republic of Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for William Lynn, a member of the staff of Senator EDWARD KENNEDY, to participate in a program in Iceland, sponsored by the University of Iceland, from August 15–16.

The committee has determined that participation by Mr. KENNEDY in the program in Iceland, at the expense of the University of Iceland, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Anne Smith, a member of the staff of Senator JESSE HELMS, to participate in a program in Lithuania, sponsored by the Republic of Lithuania, from August 14–21.

The committee has determined that participation by Ms. Smith in the program in Lithuania, at the expense of the Republic of Lithuania, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Tracy Kaye, a member of the staff of Senator DANFORTH, to participate in a program in Taiwan, sponsored by the Soochow University, from August 11–18, 1990.

The committee has determined that participation by Ms. Kaye in the program in Taiwan, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Miss Alison Carroll, a member of the staff of Senator DAN COATS, to participate in a program in Taiwan, sponsored by Tankang University, from August 7–14, 1990.

The committee has determined that participation by Miss Carroll in the program in Taiwan, at the expense of the Tankang University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. David McKean, a member of the staff of Senator JOHN KERRY, to participate in a program in Canada, sponsored by the Institute de Formation Intrbancaire and the International Crime Police Organization, on Wednesday, May 30, 1990.

The committee has determined that participation by Mr. McKean in the program in Canada, at the expense of the Institute de Formation Intrbanciare and the International Crime Police Organization, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Lori Nirenberg, a member of the staff of Senator HUMPHREY, to participate in a program in Taiwan, sponsored by the Chinese Culture University from August 18–25, 1990.

The committee has determined that participation by Ms. Nirenberg in the program in Taiwan, at the expense of the Chinese Culture University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Janet Bowers, a member of the staff of Senator JOHN WARNER, to participate in a program in Taiwan, sponsored by the Chinese Culture University, from August 18–25.

The committee has determined that participation by Ms. Bowers in the program in Taiwan, at the expense of the Chinese Culture University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Jeffrey Roe, a member of the staff of Senator SLADE GORTON, to participate in a program in The Republic of China, sponsored by the Soochow University, from August 11–18, 1990.

The committee has determined that participation by Mr. Roe in the program in the Republic of China, at the expense of the Soochow University is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Andrew G. Hyde, a member of the staff of Senator JOHN WARNER, to participate in a program in Taiwan, sponsored by the Soochow University, from August 11–18.

The committee has determined that participation by Mr. Hyde in the program in Taiwan, at the expense of the Soochow University, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Charles Smith, a member of the staff of Senator ALAN J. DIXON, to participate in a program in the Republic of Korea, sponsored by the Ministry of Foreign Affairs of the Republic of Korea.

The committee has determined that participation by Mr. Smith in the program in the Republic of Korea, at the expense of the Ministry of Foreign Affairs of the Republic of Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Mr. Jason Steinbaum, a member of the staff of Senator DONALD W. RIEGLE, to participate in a program in Indonesia, sponsored by the U.S.-Asia Institute, from August 17–September 2.

The committee has determined that participation by Mr. Steinbaum in the program in Indonesia, at the expense of the U.S.-Asia Institute, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Gregory Stanko, a member of the staff of Senator JESSE HELMS, to participate in a program in the Republic of Korea, sponsored by the Ministry of Foreign Affairs of the Republic of Korea, from August 18–25.

The committee has determined that participation by Mr. Stanko in the program in the Republic of Korea, at the expense of the Ministry of Foreign Affairs of the Republic of Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Jim Morhard, a member of the staff of Senator ROBERT W. KASTEN Jr., to participate in a program in the Republic of Korea, sponsored by the Ministry of Foreign Affairs of the Republic of Korea, from August 18–25, 1990.

The committee has determined that participation by Mr. Morhard in the program in the Republic of Korea, at the expense of the Ministry of Foreign Affairs of the Republic of Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Lyric Wallwork, a member of the staff of Senator HUMPHREY, to participate in a program in the Republic of Korea, sponsored by the Ministry of Foreign Affairs of the Republic of Korea, from August 18–25, 1990.

The committee has determined that participation by Ms. Wallwork in the program in the Republic of Korea, at the expense of the Ministry of Foreign Affairs of the Republic of Korea, is in the interest of the Senate and the United States.

The select committee has received a request for a determination under rule 35 for Gare Smith, a member of the staff of Senator EDWARD M. KENNEDY, to participate in a program in Asia, sponsored by the Cambodia Study Group, from August 22–September 4, 1990.

The committee has determined that participation by Mr. Smith in the program in Asia, at the expense of the Cambodia Study Group, is in the interest of the Senate and the United States.●

MEMORIAL DAY IN CUDAHY

● Mr. KASTEN. Mr. President, I rise today to report a wonderful occurrence in Cudahy, WI—the largest Memorial Day parade in Cudahy's history, which took place on May 28.

This parade was occasioned by the unveiling of the Cudahy War Memorial, a moving and heartfelt tribute to the Wisconsin veterans who made the ultimate sacrifice to assure the survival of our country.

Recognition of heroism is nothing new to Cudahy. The Patrick Cudahy Brothers Co. was the first in the country to provide benefits for the returning veterans of World War II.

America's war heroes made their great sacrifice so that the rest of us could carry on the project of democracy—so it is fitting that we honor and respect the ideals embodied in the newly-dedicated Cudahy War Memorial. Only by persevering in those ideals can we hope to be worthy of that sacrifice.●

TOM GIAGO, LAKOTA TIMES

● Mr. SIMON. Mr. President, Tom Giago is the president and founder of the Lakota Times and was its publisher until taking a leave of absence to be at Harvard.

He publishes one of the finest weekly newspapers in the Nation and publishes it for the Pine Ridge Indian Reservation, which has virtually every economic problem you can imagine.

Recently, he had a column titled, "No skills no jobs no income."

The column is about our neglect of the problems faced by the native American community. Coming from a reservation with an unemployment rate of 73 percent, he notes, "Unemployment on many Indian reservations runs as high as 80 percent."

But in the next-to-last paragraph of his column, he has a statement that should concern all of us. He says:

If the unemployment rate in the United States climbed to 12 percent the Government would believe we were headed into another Great Depression, and yet, with unemployment rates hovering at 50 percent and more on many Indian reservations, no one in a position to help seems to notice or care.

Unfortunately, there is too much truth to his statement.

My hope is that in the future, Congress and the administration will be more sympathetic to those less fortunate, both on Indian reservations and throughout our society.

The problems of the disadvantaged are real.

This is just one example, though a graphic and poignant one.

I ask that his column be printed in the RECORD at this point.

The column follows:

NO SKILLS NO JOBS NO INCOME

OKLAHOMA CITY, OK.—Bob Giago has lived, gone to school, and worked in and around Oklahoma City for more than 20 years. And yet, if you ask him for directions to anywhere in this town, he is at a total loss.

"My wife, Judy, is from New York State and she hasn't lived here that long but she knows this city better than me already," Bob said.

Bob is my brother, in the Lakota way. His father, Joe, was my dad's brother and in the traditional way, when one brother passes away, the surviving brother becomes the father to his children.

When Bob graduated from Holy Rosary Indian Mission on the Pine Ridge Reservation of South Dakota, more years ago than he cares to remember, he went to Haskell Indian School in Kansas. From there he went on to the University of Oklahoma at Norman and ended up liking Oklahoma so much he has made it his home.

When he comes home to attend the annual Sundance each summer, he is kidded roundly by his friends and relatives about his Oklahoma twang.

He has served as the director of the American Indian Training and Employment Center for 16 years. "At a time when unemployment is at an all-time high in Indian country, we have less funds than we have ever had," he said.

Oklahoma City is like the rest of Indian country. Unemployment has escalated among the Indian people as the budget cuts have taken a drastic toll.

Bob said, "Without proper funding to alleviate the unemployment problem for American Indians, the bottom line is obvious; no skills equals no jobs equals no income. Without income all the necessary needs like food, clothing, shelter and medical care will not be able to be purchased in order for the Indians to exist in this cement jungle."

Wilford Williams, a member of the Caddo tribe, has worked with Bob for 16 years. He is the program officer for the employment center. Eddie Brokeshoulder, an Absentee Shawnee, has been at the center for 13 years and serves as the accountant.

The continuity of leadership for this center is exceptional in Indian country.

The Indian set-asides for the Title IV Jobs Training Partnership Act program Bob directs have been cut 71 percent since the Reagan Administration under the Graham-Rudman bill. Consequently, services and staff have had to be reduced equally.

And yet, despite these severe financial restrictions, the center has served 868 individuals in seeking employment and jobs skills training thus far this year.

Because Oklahoma City draws Indians from many tribes seeking employment, the 868 individuals seeking jobs and training this year came from 46 different Indian tribes.

The situation in Oklahoma City is typical of what is happening nationally. Unemployment on many Indian reservations runs as high as 80 percent. Because state governments have a complex system of determining the unemployment rate, oftentimes the unemployed Indian is not included in the unemployment statistics.

In South Dakota, a state which boasts an unemployment rate of less than five percent, a tribal statistician determined that if all of the unemployed Indians residing within the boundaries of the state were counted realistically, the unemployment rate would jump to 12 percent.

Perhaps if those figures compiled by state job services departments could be restructured to include the unemployed Indian people of the state, a true picture of the extreme situation would emerge for Washington's perusal.

As long as states continue to send deflated unemployment statistics to the U.S. Labor Department, the true picture facing the Indian people in the urban centers and on the Indian reservations will remain hidden.

I used my brother Bob's program in Oklahoma City as an example because it is one of the programs that has been the most successful despite the many budget cuts.

When I keynoted the JTPA annual convention at St. Petersburg, Fla., in late May, I pointed out to the many program directors present that they had to make more use of the media to let the state and federal governments know that, despite the many hardships created by the lack of funds, they still have many, many success stories.

If the unemployment rate in the U.S. climbed to 12 percent the government would believe we were headed into another Great Depression, and yet, with unemployment rates hovering at 50 percent and more on many Indian reservations, no one in a position to help seems to notice or care.

Bob tells his prospective employees that if they want to make money or get a lot of pay increases, they should not consider working for him. "But, if you want to work at a job that helps Indian people, this is the place for you," he tells them.●

EMERGENCY MEDICAL SERVICES WEEK

● Mr. DIXON. Mr. President, I support the designation of September 16-22, 1990, as "Emergency Medical Services Week." I commend those men and women engaged in emergency medical service for their outstanding contribution to the health and welfare of the citizens and the communities they serve in my State of Illinois and throughout the Nation.

Illinoisans have played an active role in providing emergency medical services. This spirit of community assistance was never more evident than in the wake of the recent series of tornadoes that hit northern Illinois. Emergency medical service workers made heroic efforts to help those injured by the natural disaster.

Mr. President, any American who has suffered a serious physical injury knows the importance of emergency medical service professionals. These persons extend care in emergency and trauma situations, are involved in prehospital and hospital care, and often are called on to provide help in heroic situations.

My fellow citizens and I are grateful for the good work of emergency medical service professionals in this country. Many Americans owe these men and women their deepest gratitude, and it is only fitting that we honor them during Emergency Medical Services Week.●

DODD/BOND S&L COMMISSION

● Mr. DECONCINI. Mr. President, I am pleased to join Senators DODD and BOND in cosponsoring legislation today which will create a bipartisan commission to probe the root causes of the S&L crisis and seek ways to avoid such costly pitfalls in the future.

The American public is angry, and rightly so, at the cost of resolving the S&L crisis. They are not only angry, they are concerned that this situation may be repeated in the banking industry or any of the many other federally insured programs sponsored by the Federal Government. Therefore, not

only is the Commission charged with determining the causes of the S&L crisis, but it is also tasked with recommending changes to prevent a recurrence of this disaster.

I am hopeful that this legislation will be passed quickly and that the President, House and Senate will just as quickly make their appointments to the Commission. Those appointments should be men and women respected for their competence and fairness. This Commission should not be an excuse for bipartisan posturing.

I am proud to be a cosponsor of this bill and look forward to its timely passage.●

THE TRAGEDY OF POVERTY

● Mr. SIMON. Mr. President, in catching up on my reading over the recess, I came across a letter to the editor by Hyman Bookbinder, a leader here in the Washington area, whom many of us have had the opportunity to get to know.

He has written a brief letter to the editor about the tragedy of poverty in this country. It is the neglected problem of our country.

One of the little known facts is that we are more segregated on the basis of economics today than at any point in our Nation's history.

Those who are less fortunate are no longer our neighbors, no longer people we have much contact with unless we live in America's smallest communities.

One of the great advantages of small towns continues to be that small towns are economically integrated.

Hyman Bookbinder's letter is an urgent message to the President to reach out to those less fortunate.

Unfortunately, that is not now happening, and the Nation desperately needs it to happen.

Mr. President, I ask that the Hyman Bookbinder's letter be printed in the RECORD.

The letter follows:

30 MILLION AMERICANS CAN'T JOKE POVERTY AWAY

To the Editor:

Your July 6 front-page report that the Bush Administration has abandoned its intentions to develop new programs to combat poverty is a sobering reminder of our less kind and less gentle national commitment. A White House official you quote summed up interagency task force conclusions with the not-so-funny flippancy: "Keep playing with the same toys. But let's paint them a little shinier." It is enough to make one weep with shame for our country.

Twenty-seven years ago, the President challenged his economic advisers: "It's intolerable that in our rich country there should be over 30 million Americans living below a very low poverty line. I want to know who these poor people are, why they are poor, and what we must do to get them out of poverty, not just to relieve their poverty." John F. Kennedy's challenge became Lyndon B. Johnson's, and a "war on poverty" began. Millions were helped out of poverty, but not enough. The "war" failed to keep up with new challenges.

Today, tragically, there are again more than 30 million Americans below the poverty line—with disproportionate numbers of children and minorities among them. It is incumbent upon today's President to ask the questions asked by Kennedy. The answers will be somewhat different, but the questions are the same: Who are the poor? Why are they poor? What can we do to get them out of poverty? As one who tried to answer such questions in the 60's, I know there are no easy or sure answers. But it is intolerable to be told that there are no answers. Whatever happened to the dramatic call for a new war on poverty issued by Jack Kemp when he was sworn in as Housing and Urban Development Secretary?

I urge President Bush to refuse to take "no" for an answer. If his aides cannot make intelligent proposals for wiping out illiteracy, bringing better health care to the poor, improving education and training for the underclass and for the whole range of identifiable obstacles to escaping from poverty, let him get more imaginative aides.

HYMAN BOOKBINDER.

WASHINGTON, *July 9, 1990.*

(The writer served as executive officer of the President's task force on poverty in 1964.)●

MRS. LYNN WALTERS, DIRECTOR OF THE ILLINOIS PORK ASSOCIATION FOR WOMEN

● Mr. SIMON. Mr. President, I recently heard a remarkable story about an Illinois constituent of mine. Her name is Lynn Walters. She is from Delavan, IL. Lynn was the first woman to be elected to the National Pork Council and is the director of the Women's Illinois Pork Association.

Almost a year ago, she was involved in a near-fatal automobile accident. Many people doubted whether she would live and certainly doubted whether she would ever walk again. She has surpassed everyone's expectations and is back on her feet. Lynn set her own personal goals for recovery and has worked courageously to achieve them. One of her goals was to come back to Washington DC, as a representative of the Illinois Pork Producers.

Wednesday, September 12, 1990, Lynn will be in Washington, DC, I am honored to have the opportunity to meet with her. She is a symbol of courage to all who know her.●

ACREAGE LIMITATION PROGRAM FOR 1991 WINTER WHEAT CROP

Mr. BURNS. Mr. President, on behalf of Mr. DOLE, I send a bill to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 3024) to require the Secretary of Agriculture to announce an acreage limitation program for the 1991 crop of winter wheat.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2633

(Purpose: To express the sense of Congress on a paid land diversion program for the 1991 crop of wheat)

Mr. MITCHELL. Mr. President, on behalf of Senator KERREY of Nebraska, Senator EXON, Senator DASCHLE, and Senator CONRAD, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Maine [Mr. MITCHELL], for Mr. KERREY (for himself, Mr. EXON, Mr. DASCHLE, and Mr. CONRAD), proposes an amendment numbered 2633.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following:

(b) SENSE OF CONGRESS ON PAID LAND DIVERSION PROGRAM FOR WHEAT.—It is the sense of Congress that the Secretary of Agriculture should give full consideration to offering producers of the 1991 crop of wheat the option of participating in a paid land diversion program, if the Secretary determines that additional wheat acreage, in excess of the quantity of acreage that would be removed from production under an acreage limitation program with a uniform percentage reduction of 15 percent, must be removed from production in order to ensure that the market price for wheat received by UNited States producers, and the cost of the wheat price support and production adjustment program, are maintained at reasoanble levels.

Mr. KERREY. Mr. President, let me say first of all that I support the bill of the Senator from Kansas, and I applaud him for this action. The planting time for the winter wheat crop is now upon us, and farmers need to know the details of the 1991 wheat program.

I also agree that the continued deterioration in the wheat market requires that we have a 1991 Acreage Reduction Program of at least 15 percent. Wheat prices in western Nebraska are under $2.40 per bushel and the outlook is grim, thanks to a bumper crop, a stagnant export market, and an administration more concerned about market share than farm income.

The reason I offer my amendment is because, unfortunately, a 15-percent ARP may be insufficient to arrest the slide in wheat prices or to prevent a surge in farm program outlays in the form of higher wheat deficiency payments. The Department of Agriculture will likely have to ask producers to

idle more than 15 percent of their wheat base if we are to keep surplus stocks in check and lend some support to market prices.

My amendment simply expresses the sense of the Congress that if it becomes necessary to remove additional acreage from production in excess of a 15-percent ARP, the Secretary of Agriculture should offer each producer the option to idle additional land under a paid diversion program. A paid diversion program, by further cutting production, should provide a net savings to the Federal Government, but do so in a way that is somewhat friendlier toward the farmer's bottom line because the producer will receive direct compensation for idling the additional acreage.

Mr. President, it is rather ironic, but certainly not surprising, that we find ourselves facing this situation today.

It is not surprising because it was exactly 1 year ago this Thursday that USDA decided to allow farmers to forgo any acreage limitation requirement and instead plant 105 percent of their wheat base. As I said then, that calls for farmers to plant "fence row to road side" would return us to an era of boom and bust agriculture unless USDA was prepared to aggressively use its export authorities to find an outlet for increased production.

Unfortunately, my prediction has come to pass. Wheat prices are more than $1 per bushel below their level of 1 year ago. Surplus stocks have increased by nearly 60 percent. Our foreign sales are in a slump, and with less than 3 weeks left in the fiscal year, USDA is sitting on nearly one-half of the funds provided by Congress under the Export Enhancement Program. Last year's boom is this year's bust. Now my wheat farmers are eager to learn if the administration's anxiety about high prices last year will be matched by a concern about low prices this year.

I do however find some irony in the legislation offered by the Senator from Kansas. I find it ironic because it was just 2 months ago that the Agriculture Committee shed considerable blood over the issue of whether or not we would legislate higher ARP's in the farm bill as a means of providing farmers reasonable price support levels consistent with severe budget constraints.

That debate was settled in favor of smaller rather than larger ARP's. In fact, the amendment by the Senator from Kansas is made necessary because, under current supply conditions, the Senate-approved farm bill would allow a 1991 wheat ARP of not more than 12.5 percent. I guess that makes the minority leader's bill the first amendment to the 1990 farm bill, even though that legislation has not yet been enacted. Perhaps that's what happens when free market rhetoric confronts market reality.

I urge the adoption of the amendment.

Mr. DASCHLE. Mr. President, I rise today as a cosponsor of the amendment offered by my colleague from Nebraska, Senator KERREY, and in support of the underlying bill offered by Senator DOLE. Farmers need to know what to expect for the 1991 wheat program. We have tried to move the 1990 farm bill forward as fast as possible so that program announcements could be made quickly. However, Secretary Yeutter has chosen to be more vague than necessary in his statements about the 1991 wheat program. This amendment and bill will provide farmers with a clearer idea of what the Congress, if not the administration, want the new program to look like.

Senator DOLE's bill will require the Secretary of Agriculture to announce a 15-percent Acreage Reduction Program [ARP] for the 1991 wheat crop. Personally, witnessing the current lows in the wheat market, I feel that the ARP could be even higher, maybe closer to 20 percent. However, I do acknowledge that it is still early in the season to make binding projections. Therefore, rather than get in a fight today about whether the ARP should be 15 or 20 percent, I am happy to join Senator KERREY in suggesting that if a 15-percent ARP appears to be insufficient for meeting program objectives, the Secretary should consider offering a paid land division program to idle additional acreage.

It is somewhat ironic to me that we find ourselves today talking about such large ARP's and land diversions. The administration has outdone itself in reversing the stocks depletion of the last 4 years. It is almost exactly a year ago that the administration gave producers the option to modify their 1990 wheat crop to overplant their base acreage. At the time, I said it was a bad idea, and today it has become abundantly clear that I and others who shared my views were right.

However, it gives me no pleasure to say "I told you so," since the administration's mistake has come at the expense of every wheat farmer in this country. A year ago it was not uncommon for producers to be receiving prices of over $4 per bushel for their wheat. A South Dakota wheat grower I spoke with today told me that the price this week at his local elevator is just $2.02 a bushel. Yes, prices have tumbled in half in only 1 year.

Some of the difference will be made up from increased deficiency payments. But at a time when we are so pressed for Government funds, who wants to increase Government payments, when a better supply management response from the administration could have avoided the situation? At the time USDA announced its intention to let producers overplant, I asked the administration what stocks goal they were trying to hit with the revised program. They answered that they had no specific stocks or price goals. Well, with wheat prices hovering just above $2 a bushel in my State, all I can say is they better get an objective goal pretty quick.

I and many of my colleagues have recently urged USDA to step up its use of the Export Enhancement Program to increase our wheat export sales and bring back some price strength. So far I have seen few signs of the administration taking this or any other actions. So far there have just been some small sales to Morocco and Algeria. We need to be more aggressive than this. If the Secretary of Agriculture continues to plead that he can do nothing to affect the prices of our commodities, the cries of foul are going to get a lot louder here in Congress.

For the moment I am happy to support the amendment and bill before us now. This legislation will let producers know that the Congress is serious about letting them plan for the 1991 crop and serious about increasing the price of wheat in the market. Without more action from the administration, I would predict that the next congressional attempts to influence the programs, either in the farm bill conference or as free standing amendments, will be less to the administration's cheap grain liking.

Mr. President, I urge my colleagues to support this amendment and bill and also to keep up the pressure on the administration to take swift actions to make amends for their mistaken policies of the last year.

Mr. BAUCUS. Mr. President, I chose not to force a recorded vote on this amendment today because I recognize the need for farmers to begin to plant winter wheat.

But I want the record to reflect that I oppose the amendment offered by the Senator from Kansas.

The surplus problem we are experiencing today is primarily the result of faulty USDA policy.

Last year, the administration believed that stocks were too low. It decided, therefore, to boost production by allowing farmers to plant on 105 percent of their base at a lower target price.

Farmers heeded to the administration's call and increased production.

Now, we are in an overproduction situation.

As a result, the Senator from Kansas has offered an amendment to reverse last year's policy and, instead, increase the amount of land a farmer keeps out of production.

The true effect of the Senator's amendment will be to punish farmers.

Increasing the ARP does nothing more than take money out of farmer's pockets.

The fewer acres a farmer plants, the fewer bushels he has to sell at the market.

Mr. President, the solution to overproduction is not to increase ARP's.

The solution is to sell more wheat.

We should be EEP'ing, not ARP'ing.

Setting a high ARP is the wrong approach at the wrong time.

According to statistics compiled by the USDA, unilateral acreage reduction by the United States has a negative effect on the U.S. competitive position throughout the world.

In the past, as the United States, increased the amount of land a farmer set aside from the production of wheat, the U.S. share of wheat production among the major exporters fell sharply.

During the 1980's, as the amount of diverted acreage increased, the U.S. share of wheat production worldwide fell from 39 percent in 1980 to 28 percent in 1988.

During that same period, wheat production from Argentina, Australia, Canada, and the European Community increased by close to 30 million metric tons.

Clearly, it makes no sense for the United States to curtail production when the rest of the world will respond by increasing production to fill in the gaps.

The people this policy hurts are the American farmers.

Today, I received a letter from the Montana Grain Growers Association expressing their strong opposition to the Senator from Kansas' amendment.

The letter tells the story:

It is ridiculous for us to be considering such a high ARP. First, we cannot ask American producers to reduce their production and potential income by 15 percent when the effect of their actions on world carryover stocks would be minimal. We believe that Montana farmers cannot live with a wheat target price frozen at $4. A 15-percent set-aside would result in an effective target price of only $3.40. * * *

The letter goes on to say:

We must get away from wildly gyrating ARP's. To go from 27.5 percent set-aside to 105 percent of base to a 15 percent set-aside is insane. We must have more precious management of current policy if we expect it to work. * * *

Instead of increasing ARP's, we should aggressively use the Export Enhancement Program to sell our wheat abroad.

We should be selling wheat, not curtailing its production.

I urge this administration to use the authority and budget Congress appropriated for the Export Enhancement Program to sell our wheat abroad. This will help bolster U.S. farm income instead of curtail it as a higher ARP would do.

Increasing the EEP is responsible policy. Increasing the ARP is not.

Mr. President, I ask unanimous consent that the letter from the Montana GrainGrowers be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MONTANA GRAIN GROWERS ASSOCIATION,
Great Falls, MT, September 11, 1990.

Hon. MAX BAUCUS,
U.S. Senate,
Washington, DC.

DEAR MAX: It is our understanding that Senator Dole will be offering an amendment to establish the 1991 wheat set-aside at 15 percent. The MGGA would encourage you to vote against such a provision.

It is ridiculous for us to be considering such a high ARP. First, we cannot ask American producers to reduce their production and potential income by 15 percent when the effect of their actions on world carryover stocks would be minimal. We believe that Montana farmers cannot live with a wheat target price frozen at $4.00. A 15-percent set-aside would result in an effective target price of only $3.40. Second, it does not make good sense for the U.S. to be considering such a large set-aside when we can be reasonably sure that our competitors will not. In fact, they would most likely be eager to increase their production to take up the slack.

We must get away from wildly gyrating ARPs. To go from a 27.5 percent set-aside to 105 percent of base to a 15 percent set-aside is insane. We must have more precise management of current policy if we expect it to work. As you know, we were in a position last fall and winter where prices were beginning to respond to a more favorable supply/demand situation. By allowing producers to over-plant their base and reducing our efforts to sell grain through the EEP program, we let that situation slip away from us. What we need now is not more ARP, but more EEP.

Thank you for considering our opinion.

Sincerely,

RANDY JOHNSON,
Executive Vice President.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2633) was agreed to.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. Mr. President, our Nation's winter wheat farmers are currently facing a disastrous wheat market on the heels of one of the largest wheat crops in history. Right now, those farmers are facing the skyrocketing cost of fuel as they prepare the ground for the seeding of next year's crop. In the past month, many have seen positive profit margins disappear, and with them the hopes of making up for 2 years of devastating drought.

As these producers are attempting to cope with the sudden cost squeeze, the administration has said they cannot announce the Acreage Reduction Program [ARP] for the 1991 wheat program. An ARP is the percentage of a farmer's base acreage which he must idle in order to be eligible for Government programs. Without a specific figure, producers will be forced to guess what the ARP will be and risk future loss of base acres if they underplant or penalties if they overplant.

Under the 1985 farm bill, producers would have known by June 1 of this year; now it is mid-September, we have still not finished the farm bill, and once again wheat farmers in Kansas and other Plains States are paying the price.

On August 2, USDA announced a potential ARP in the range of 10 to 20 percent. What does that mean? That means that a fairly common 1,000 acre wheat farmer in western Kansas must decide whether to invest preproduction expenses on 800 acres or on 900 acres. Making the wrong decision with today's wheat market can and potentially will make or break many farms. The bottom line is that farmers deserve better than this.

It is time to direct our efforts toward the farmer. Producers have been told 10 to 20 percent, and USDA and industry officials believe that 15 percent is quite close to what would be announced once the farm bill is completed. By providing a specific number, we can give producers a benchmark to base purchasing, marketing, and financing decisions upon.

I fully understand the administration's position on not making a specific announcement, since the House and Senate versions of the farm bill do differ on the way in which ARP's are determined. But we cannot expect mother nature and farmers to wait on a group of conferees in Washington. I hope that my colleagues will recognize that the farm bill is not going to be done before farmers begin planting wheat, so we should go ahead and give them a program based on what we know.

This amendment is not designed to have any budget implications but simply to let the wheat farmer know a bassic element of the 1991 wheat program.

Mr. LUGAR. Mr. President, winter wheat producers need to know what the 1991 wheat program will be. Farmers in many States are already planting, and others will need to start soon. Moreover, it is my belief that the 15-percent acreage reduction program in the Republican leader's proposal is very close to the percentage that would eventually be announced by Secretary Yeutter. I therefore conclude that the Dole proposal will not materially affect budget outlays because it will not result in a wheat program substantially different from that

which is likely to be announced anyway.

The only sense in which this measure could be said to affect outlays is in comparison to a static analysis of assumptions incorporated in the mid-session review of the President's budget. The MSR assumed a 10-percent wheat ARP for 1991. It is clear, however, that the ARP will be higher than that.

The point I want to make, Mr. President, is that the Dole amendment is intended to give farmers information they vitally need—how many acres the 1991 wheat program will allow them to plant. It is not intended to save or cost money. And, speaking only for myself, I will not consider this or similar measures as contributing toward any reductions in outlays that the farm bill conference may be required to make, for the simple reason that it will not have the effect of reducing Federal spending below the level it would otherwise attain.

I am familiar with the arguments about baselines that some Senators may make, and will address those when the time comes actually to make spending cuts. My position will be that spending reductions should be structured so as to provide some certainty that spending will actually be reduced. Manipulation of ARP baselines does not meet this test, as the distinguished Republican leader would undoubtedly agree. Once again, therefore, I make the point that this legislation is not about raising or cutting outlays. It gives farmers some guidance they urgently need, and is to be commended for that reason.

Mr. BURNS. Mr. President, I rise today to support legislation that I believe is vital to the continued well-being of production agriculture. My bill, the product of consultation with the grain growers in my State of Montana will give the Secretary of Agriculture the authority he needs to combat the unfair trade practices of those countries that do not set-aside acreage of a commodity when the United States has a set-aside.

The farmers of the United States have carried the burden of regulating the world's supply of food and feed grains for the past 50 years. They are getting tired of it. Rural communities have suffered as well. Many of our towns are on their deathbed. It needs to stop.

For too long, producers have set-aside productive lands in order to comply with annual Federal program provisions only to see identical increases in production in competing countries.

U.S. producers store their surplus, competing countries dump their surplus. U.S. producers cut back on production in order to bring prices up to a more orderly level, competing countries rev up production to take advantage of the United States.

Those of us in agriculture know the importance of the international market. In wheat, in the northern Great Plains we live and die by exports. But we need a level playing field. We cannot stand by and watch other countries increase their production when the United States faces up to surpluses.

My bill gives to the Secretary of Agriculture the authority to retaliate with the use of the Export Enhancement Program if we set-aside acres and other countries do not.

Mr. President, we need to reverse the trend that is laid out so dramatically in the attached table. I ask unanimous consent that the table be printed in the RECORD at this point.

There is no objection, the table was ordered to be printed in the RECORD, as follows:

MAJOR WHEAT EXPORTERS' PRODUCTION (1970–89)

	U.S. harvest acres	U.S. prod. (MMT)	U.S. divert acres [1]	U.S. prod. foregone (MMT) [2]	Non-U.S. area (HA) [3]	Non-U.S. prod. (MMT) [3]	Of which EC prod. (MMT)
1970...	43.5	36.5	15.7	10.6	31.5	63.1	41.3
1971...	47.7	44.1	13.5	10.0	35.6	77.0	48.3
1972...	47.2	42.1	20.1	14.3	37.2	76.4	48.4
1973...	54.1	46.6	7.4	5.1	37.8	82.6	47.7
1974...	66.5	46.5	.0	.....	37.2	83.4	52.7
1975...	69.4	57.9	.0	.....	37.6	82.8	45.1
1976...	70.9	58.5	.0	.....	42.1	93.0	46.6
1977...	66.7	55.7	.0	.....	38.0	79.5	44.5
1978...	56.6	48.3	9.6	6.6	40.6	102.6	55.3
1979...	62.5	58.1	8.2	6.1	41.3	94.6	53.2
1980...	71.2	64.8	.0	.....	43.0	99.0	61.5
1981...	80.6	75.8	.0	.....	45.9	107.3	58.1
1982...	77.8	75.3	5.2	4.0	44.9	115.5	64.7
1983...	61.3	65.9	20.1	17.1	49.9	119.3	63.8
1984...	67.0	70.6	18.6	15.7	47.5	136.0	82.9
1985...	64.7	66.0	18.8	15.4	46.0	120.6	71.6
1986...	60.8	56.9	20.3	15.2	46.2	128.5	71.9
1987...	55.8	57.4	23.8	19.5	43.5	120.7	72.2
1988...	53.1	49.3	21.1	15.6	44.5	124.2	74.7
1989...	63.5	57.6	18.3	13.3	44.8	128.4	77.6

[1] U.S. diverted acres calculated at 80 percent of average annual yield.
[2] U.S. production foregone derived from US diverted acres.
[3] Argentina, Australia, Canada, European Community (EC).
Source: USDA.

Mr. BURNS. Mr. President, we are handing our competitors our market. That cannot go on. I hope that this measure will pass, and that the Secretary will use this authority.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill, as amended.

The bill (S. 3024) was ordered to be engrossed for a third reading, was read the third time, and passed as amended, as follows:

S. 3024

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ACREAGE LIMITATION PROGRAM FOR 1991 CROP OF WHEAT.

Notwithstanding any other provision of law, as soon as practicable after the date of enactment of this law, the Secretary of Agriculture shall announce an acreage limitation program for the 1991 crop of wheat under which the acreage planted to wheat for harvest on a farm would be limited to the wheat crop acreage base for the farm for the crop reduced by 15 percent.

SEC. 2. SENSE OF CONGRESS ON PAID LAND DIVERSION PROGRAM FOR WHEAT.

It is the sense of Congress that the Secretary of Agriculture should give full consideration to offering producers of the 1991 crop of wheat the option of participating in a paid land diversion program, if the Secretary determines that additional wheat acreage, in excess of the quantity of acreage that would be removed from production under an acreage limitation program with a uniform percentage reduction of 15 percent, must be removed form production in order to ensure that the market price for wheat received by the United States producers, and the cost of the wheat price support and production adjustment program, are maintained at reasonable levels.

Mr. BURNS. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. MITCHELL. I move to lay that motion of the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 3023 introduced earlier today by Senator CONRAD.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 3023) to direct the Secretary of Agriculture to target Export Enhancement Programs funds on the basis of whether or not the countries the United States is competing with have reduced plantings of the commodity in question an amount equal to the planting reductions in the United States.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. CONRAD. Mr. President, I would like to speak briefly regarding the legislation of the Senator from Kansas and a companion bill which I have introduced. Wheat producers, particularly winter wheat producers, need to know immediately the level of acreage set-aside for the 1991 winter wheat crop. Determining that is the role of the administration, however, the Secretary of Agriculture has chosen not to state his policy at this time. The Senator from Kansas's legislation, quite correctly, manages the farm program because the Secretary is not. Moreover, his legislation eliminates the Secretary of Agriculture's discretion to limit the set-aside to 10 percent or less.

However, there is a serious downside to high land retirement programs. The downside is tofold: First, we send a signal to our competitors—Argentina, Australia, Canada, and the European Community—that we are taking ourselves out of the wheat market and that they can increase their acreage. Second, we reduce the incomes of our farmers and farm businesses. We

should retire land from production only with great reluctance.

The legislation I am introducing today, cosponsored by Mr. BURNS of Montana, Mr. DASCHLE of South Dakota, Mr. KERREY of Nebraska, and Mr. DOLE of Kansas, would remedy part of that problem. This legislation directs the Secretary of agriculture to target export enhancement funds to those markets in which the United States is competing with nations which increase their wheat planting when the United States reduces our wheat plantings.

This legislation is designed to send a message to our competitors in world wheat markets that we will no longer reduce plantings and allow them to take our wheat markets. We will fight to keep those markets.

Ideally, the United States should enter into an agreement with other major producing countries to coordinate land retirement and grain reserve programs. That would protect our farmers and farm businesses and enhance our balance of trade. The need for such an agreement is due to the fact that farm production is extremely unstable because of the weather. While we need some reserves to carry us through the bad years; we also need a method of reducing production after a bumper crop year. This administration has refused to even consider negotiating an international food and land retirement cooperation agreement at GATT.

In spite of my strong reservations about the Senator from Kansas's legislation, it will help prevent another massive buildup of price depressing wheat stocks. After 2 years of drought in 1988 and 1989, we had eliminated our surplus wheat stocks. Unfortunately, once again we are facing huge stocks of wheat, falling export markets, and low wheat prices. The price of wheat, in real terms, is now at one of the lowest levels in 25 years.

How did we get wheat surpluses and low prices only 1 year after a devastating drought? First, crop weather returned to normal or above normal in most parts of the Nation and around the world.

Second, the Secretary of Agriculture made a decision to sharply expand wheat acreage—many of us thought that was a mistake at the time and told the Secretary so before he made the decision.

Third, the Secretary has failed to employ the Export Enhancement Program aggressively. In fiscal year 1989 only 40 percent of EEP funds were used and in fiscal year 1990 only 50 percent will be used. For your information the Office of Management and Budget scores the use of EEP funds as budget neutral; no costy to the Treasury. I believe that EEP should be used aggressively, not only against the EEC which subsidizes exports, but against other producing countries which fail to implement land retirement programs in years of weather generated surpluses.

Fourth, the Secretary dumped the food security wheat reserve on the market last year and has failed to refill it this year from market stocks. The reserve was dumped on the market at a time when wheat prices were below the target price. In addition, rather than refilling the reserve earlier this year from the open market as prices plummeted, the Secretary waited until now and is filling the reserve from stocks already held by USDA.

Fifth, the Secretary has failed to open the farmer held reserve to soak up some of the surplus grain in the bumper crop year. The farmer held reserve is designed to store surplus grain during years of bumper crops to create a reserve for bad crop years and to prevent the surplus from depressing prices below the cost of production. The reserves accumulated in the mid-1980's were a godsend during the severe droughts of 1988–89. The prestigious Food and Agricultural Policy Research Institute at the University of Missouri and Iowa State University has estimated that the reserves will save consumers a total of $40 billion in lower food costs.

The Secretary made a commitment when he sharply expanded wheat acreage that he would do what he could to prevent a sharp price drop. He has many tools at his disposal to meet that commitment.

Not only do low wheat prices harm farmers trying to recover from 2 years of drought and the farm depression of the 1980's, low wheat prices increase the cost of the wheat program.

To date, the Secretary has failed to keep that commitment at a huge cost to farmers and the Treasury.

I urge the Secretary of Agriculture to use those tools given to him by Congress to prevent the current surplus of wheat from unduly depressing prices and increasing budget costs.

Once again, I want to state that I believe the legislation of my colleague from Kansas is needed, but is the second best course. My legislation improving the targeting of the Export Enhancement Program will send a strong message of that we will stay in the export markets and is a good companion bill to the legislation of the Senator from Kansas. It would be far better if the Secretary of Agriculture managed the farm programs; it would be far better had the Secretary used the tools available to him to manage supply and exports. Most important now would be aggressive secretarial action to export wheat and other agricultural products.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 3023

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DIRECTION TO THE SECRETARY OF AGRICULTURE REGARDING EXPORT ENHANCEMENT PROGRAM.

The Secretary of Agriculture shall also give priority, in targeting Export Enhancement Program funds, to those markets in which the United States competes with other nations which have not reduced their acreage planted of the relevant commodity in years when the United States has decreased acreage planted through its farm programs.

Mr. MITCHELL. I move to reconsider the vote.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STAR PRINT OF S. 2851

Mr. MITCHELL. Mr. President, I ask unanimous consent that a star print be made of S. 2851, the Airline Competition Equity Act of 1990, to reflect the change I now send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORIZATION TO APPOINT ESCORT COMMITTEE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Vice President be authorized to appoint a committee on the part of the Senate to join with a like committee on the part of House of Representatives to escort the President of the United States into the House Chamber.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration en bloc of Calendar Nos. 737, 777, 778, 779, and 785; that the committee amendments, where appropriate, be agreed to, the bills as amended be read a third time and passed, the motion to reconsider passage be laid on the table, and that the title amendment, where appropriate, be agreed to. I further ask unanimous consent that any statements relating to these calendar items appear at the appropriate place in the RECORD and that consideration of these items appear individually in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

REINSTATEMENT OF AN OIL AND GAS LEASE

The Senate proceeded to consider the bill (S. 1805) to authorize the Secretary of the Interior to reinstate oil and gas lease LA 033164, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

That subsection 31(g) of the Mineral Leasing Act, as amended (30 U.S.C. 188(g)), is amended by adding the following:

"(3) Notwithstanding any other provision of law, any lease issued pursuant to section 14 of this Act shall be eligible for reinstatement under the terms and conditions set forth in subsections (c), (d), and (e) of this section, applicable to leases issued under subsection 17(c) of this Act (30 U.S.C. 226(c)) except, that, upon reinstatment, such lease shall continue for twenty years and so long thereafter as oil or gas is produced in paying quantities.

"(4) Notwithstanding any other provision of law, any lease issued pursuant to section 14 of the Act shall, upon renewal on or after enactment of this paragraph, continue for twenty years and so long thereafter as oil or gas is produced in paying quantities.".

SEC. 2. (a) Notwithstanding any other provision of law, United States oil and gas leases CALA 033164, CAS 019746C, and CAS 021009B shall be eligible for reinstatement under the terms and conditions set forth in subsections 31 (c), (d), and (e) of the Mineral Leasing Act, as amended (30 U.S.C. 188 (c), (d), and (e)) applicable to leases issued under section 17(c) of the Mineral Leasing Act (30 U.S.C. 226(c)) except that, upon reinstatement, such lease shall continue for twenty years and so long thereafter as oil or gas is produced in paying quantities.

(b) Within thirty days after the enactment of this Act, the Secretary of the Interior shall give written notice by registered mail to the last lessees of record for the leases listed in subsection (a) of this section that said lessees may petition for reinstatement in accordance with the procedures and conditions in subsections 31 (c), (d), and (e) of the Mineral Leasing Act, as amended, (30 U.S.C. 188 (c), (d), and (e)). The lessee shall have sixty days from the date of the Secretary's notice to file such petition. If the Secretary determines that the leases listed in subsection (a) of this section qualify for reinstatement pursuant to subsection 31(d) (30 U.S.C. 118(d)), in all respects except for compliance with the deadlines imposed by that provision, the Secretary shall reinstate such leases.

The amendment was agreed to.

The amendment was ordered to be engrossed, the bill was read the third time, and passed.

RELIEF OF CERTAIN PERSONS IN STONE COUNTY, AR

The Senate proceeded to consider the bill (S. 2680) to provide for the relief of certain persons in Stone County, AR, deprived of property as a result of a 1973 dependent resurvey by the Bureau of Land Management, which had been reported from the Committee on Energy and Natural Resources, with an amendment to strike all after the enacting clause, and inserting in lieu thereof the following:

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) certain landowners in Stone County, Arkansas, who own property adjacent to the Ozark National Forest have been adversely affected by certain erroneous surveys;

(2) these landowners have occupied or improved their property in good faith and in reliance on erroneous surveys of their properties that they believed were accurate; and

(3) the 1975 Bureau of Land Management dependent resurvey of the Ozark National Forest correctly established accurate boundaries between such forest and private lands.

(b) PURPOSE.—It is the purpose of this Act to authorize and direct the Secretary of Agriculture to convey, without consideration, certain lands in Stone County, Arkansas, to persons claiming to have been deprived of title to such lands.

SEC. 2. DEFINITIONS.

For the purposes of this Act the term—

(a) "affected lands" means those Federal lands located in the Ozark National Forest in Stone County, Arkansas, in sections 1, 2, 3, 9, 10, 11, and 12, township 15 north, range 12 west, Fifth Principal Meridian, as described by the dependent resurvey by the Bureau of Land Management conducted in 1975, and subsequent Forest Service land line location surveys, including all adjacent parcels where the property line as identified by the 1975 BLM dependent resurvey and National Forest boundary lines before such dependent resurvey are not coincident;

(b) "claimant" means an owner of real property in Stone County, Arkansas, located adjacent to the Ozark National Forest lands described in subsection (a), who claims to have been deprived by the United States of title to property as a result of previous erroneous surveys; and

(c) "Secretary" means the Secretary of Agriculture.

SEC. 3. CONVEYANCE OF LANDS.

Notwithstanding any other provision of law, the Secretary is authorized and directed to convey, without consideration, all right, title, and interest of the United States in and to affected lands as described in section 2(a), to any claimant or claimants, upon proper application from such claimant or claimants, as provided in section 4.

SEC. 4. TERMS AND CONDITIONS OF CONVEYANCE.

(a) NOTIFICATION.—Not later than two years after the date of enactment of this Act, claimants shall notify the Secretary, through the Forest Supervisor of the Ozark National Forest, in writing of their claim to affected lands. Such claim shall be accompanied by—

(1) a description of the affected lands claimed;

(2) information relating to the claim of ownership of such lands; and

(3) such other information as the Secretary may require.

(b) ISSUANCE OF DEED.—(1) Upon a determination by the Secretary that issuance of a deed for affected lands is consistent with the purpose and requirements of this Act, the Secretary shall issue a quitclaim deed to such claimant for the parcel to be conveyed.

(2) Prior to the issuance of any such deed as provided in paragraph (1), the Secretary shall ensure that—

(A) the parcel or parcels to be conveyed have been surveyed in accordance with the Memorandum of Understanding between the Forest Service and the Bureau of Land Management, dated November 11, 1989; and

(B) all new property lines established by such surveys have been monumented and marked.

(3) The Federal Government shall be responsible for all surveys and property line markings necessary to implement this subsection.

(c) NOTIFICATION TO BLM.—The Secretary shall submit to the Secretary of the Interior an authenticated copy of each deed issued pursuant to this Act no later than thirty days after the date such deed is issued.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

Mr. BUMPERS. Mr. President, I am pleased to rise today in support of S. 2680, legislation which I introduced to resolve a property line dispute in my State between the Ozark National Forest and certain adjacent landowners in the town of Fifty-Six. Enactment of this legislation will go a long way toward resolving this problem and will put to rest what has become a very difficult and contentious issue.

This issue has a long and complex history. In 1829, the Government Land Office conducted the initial survey for Stone County. The survey corners for the 1829 survey were monumented with wooden corner posts and bearing trees. A 1935 Forest Service survey to determine the forest's property lines was unable to locate any of the 1829 markers and instead relied on monuments set by private surveyors. In a subsequent attempt to determine boundary lines, the Forest Service conducted another survey in 1960, again relying on the monuments set by earlier private surveys.

Although public domain lands in this area were reserved for National Forest purposes in 1908, the United States made no attempt to locate the original survey corners. The property boundaries existing at the time were accepted as the line between private and Federal lands. During both the 1935 and 1960 surveys, the Forest Service relied upon the established lines on the ground, rather than taking the time to properly locate the boundary lines delineating Federal and private property.

In 1973, the Bureau of Land Management conducted a dependent resurvey of a portion of Township 15 North, Range 12 West in Stone County, AR. The resurvey was officially approved by the BLM in 1975. During the resurvey, the BLM found what it believed to be evidence of the original Government Land Office survey markings, in the form of a remnant of the original GLO section corner at the southwest corner of section 12. The original section corner was located approximately 200 feet from the monument used by the private surveys.

Beginning late last year, the Forest Service began marking the official property lines for the Ozark National Forest, using the BLM dependent resurvey information. During that process, the Forest Service identified several encroachments totaling approximately 48 acres by some 25 adjoining private landowners. Many of these landowners, as well as their predecessors and ancestors, have lived upon and used these lands for over 70 years. In many cases, generations of the same family have occupied these properties, made improvements, grown crops, and raised livestock on land that up to now has clearly belonged to them.

The Forest Service is currently authorized under the Small Tracts Act to convey lands where an unintentional encroachment has occurred on Forest lands. However, that act requires payment to the Federal Government by the private landowners for the full value of the land. Because this encroachment was caused by the Forest Service's adoption of new boundary lines, I do not believe forcing innocent property owners to pay for what has always been regarded as their land is an acceptable solution. I would like to note that the Forest Service also agrees that requiring payment is not appropriate in this case. This legislation will give the Forest Service the authority it needs to convey the affected lands to return the privately owned residences and farms to their status prior to the adoption of the new Forest property lines.

Mr. President, I understand that the Forest Service's adoption of the new property line descriptions based on the BLM dependent resurvey may possibly affect the property descriptions of certain additional properties in Stone County. These additional lands also have property descriptions tied to the earlier 1935 and 1960 Forest property lines. This legislation does not attempt to address that issue; rather, I think that the only proper means of settling this, should it arise, is through Arkansas property law.

I would like to thank my colleague, Senator PRYOR, who has joined me in cosponsoring this bill, and the Forest Service for its assistance and cooperation in resolving in this difficult matter.

Mr. President, the entire value of the lands to be conveyed by this bill is estimated to be less than $8,000. Although this is a very small amount compared to the vast sums contained in other measures we consider here every day, it is extremely important to those citizens of Fifty-Six whose property descriptions have been affected by the new forest boundaries. S. 2680 represents a solution that is fair for all parties and I urge my colleagues to join me in expeditiously passing this bill.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The bill have been read the third time, the question is, Shall it pass?

So the bill (S 2680), as amended, was passed.

The title was amended so as to read: "A bill to provide for the conveyance of lands to certain individuals in Stone County, Arkansas."

MISSISSIPPI RIVER NATIONAL HERITAGE CORRIDOR

The bill (H.R. 2174) to establish a commission to prepare a report on the feasibility of creating a Mississippi River National Heritage Corridor, was read, ordered to a third reading, read the third time, and passed.

ACQUISITION OF WILLIAM JOHNSON HOUSE

The Senate proceeded to consider the bill (H.R. 4501) to provide for the acquisition of the William Johnson House and its addition to the Natchez National Historical Park, and for other purposes.

Mr. LOTT. Mr. President, I am pleased that today the Senate will approve legislation, H.R. 4501, which is of great importance to the State of Mississippi. This measure will allow the National Park Service to accept by donation the property known as the William Johnson House for inclusion in the Natchez National Historical Park. The House of Representatives passed this bill on June 15, 1990.

I appreciate the cooperation of my fellow Mississippian and colleague, Congressman PARKER, who worked with me in introducing this legislation. I introduced identical legislation to H.R. 4501 in the Senate, S. 2475.

As the author of the original legislation which created the Natchez National Historical Park (Public Law 100-487), I know that it was intended for various themes to be carried out with the establishment of this national park in Natchez. This bill will fulfill the theme of black history in the antebellum South. It will expand the Natchez National Historical Park by allowing the inclusion of this significant home in our country's black history.

This house was built by a famous black man of the ante-bellum South, William Johnson. Johnson was born a slave, freed as a youth, and eventually became a successful businessman. Johnson was a wealthy man; however, he is famous for his meticulous diary in which he recorded the events of Natchez during this significant time in American history. Johnson wrote when Natchez' influence on regional and national politics, society, and trade was at its peak. His extensive passages provided historians with a first-hand report of the role free blacks played in the Natchez economy and society.

Mr. President, I want to thank you and my Senate colleagues for recognizing the historic value of the William Johnson home thus allowing us to be one step closer to completion of the Natchez National Historical Park in my home State of Mississippi. Thank you.

The bill was considered, ordered to a third reading, read the third time, and passed.

TRANSFER OF CERTAIN LANDS TO THE STATE OF CALIFORNIA

The Senate proceeded to consider the bill (H.R. 2809) to provide for the transfer of certain lands to the State of California, which has been reported from the Committee on Energy and Natural Resource, with an amendment to strike all after the enacting clause, and inserting in lieu thereof the following:

SECTION 1. FINDINGS AND PURPOSE.

(a) FINDINGS.—The Congress finds and declares that—

(1) in order to protect certain outstanding examples of ponderosa pine, sugar pine, and giant sequoia trees located in the North and South Calaveras Groves, on the western slope of the Sierra Nevada Mountains, the State of California has established the Calaveras Big Trees State Park;

(2) for similar purposes, the United States has designated certain adjacent Federal lands, amounting to approximately 379 acres, as the Calaveras Big Trees National Forest; and

(3) this National Forest (managed as part of the Stanislaus National Forest) is the smallest National Forest in the United States and could be more appropriately and efficiently managed as part of the Calaveras Big Trees State Park.

(b) PURPOSE.—The purpose of this Act is to improve the management of the lands located in the Calaveras Big Trees National Forest, and to protect certain examples of ponderosa pine, sugar pine, and giant sequoia trees, by unifying the management of the lands in such National Forest and in the California Calaveras Big Trees State Park.

SEC. 2. LAND CONVEYANCE.

(a) CONVEYANCE.—Subject to valid existing rights and the provisions of this Act, the Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") is authorized and directed to convey all right, title, and interest of the United States in and to lands and interest therein within the Calaveras Big Trees National Forest, as generally depicted on a map numbered 20435 and dated June 5, 1989, prepared by the California Department of Parks and Recreation, to the State of California for inclusion within the Calaveras Big Trees State Park.

(b) MAP AND DESCRIPTION.—As soon as practicable after the enactment of this Act, the Secretary shall submit a map and legal description of the lands referred to in subsection (a) to the Committee on Interior and Insular Affairs of the United States House of Representatives, and the Committee on Energy and Natural Resources of the Senate. Such map and legal description shall have the same force and effect as if included in this Act, except that any clerical or typographical errors in such map or legal description may be corrected. The Secretary shall place such map and legal description on file, and make them available for public inspection, in the Office of the Chief of the Forest Service.

(c) CONDITIONS OF CONVEYANCE.—Conveyance of the lands and interests described in subsection (a) of this section shall be subject to the following conditions—

(1) The conveyance shall take place only if within two years after the date of enactment of this Act, there is concluded an agreement between the State of California and the Secretary whereby the State of California agrees to provide to the United States, in exchange for the lands described in subsection (a) and pursuant to terms and conditions which the Secretary finds acceptable, consideration of approximately equal value. Such consideration shall include either lands in California that the Secretary finds suitable for addition to, and are contiguous to, one or more units of the National Forest System, cash payment, or monetary grants awarded to the United States after June 1, 1990, or any combination thereof;

(2) No harvest of timber (except as may be necessary for the control of fire, insects, or disease) and no mining, mineral leasing, or geothermal exploration or development shall be permitted on such lands;

(3) Any action by the State of California to convey any portion of such lands or interests to any entity other than the United States shall be void ab initio and shall result in the reversion to the United States of all right, title, and interest in such lands;

(4) Any action by the State of California to permit the use of any portion of such lands for any purpose prohibited by this subsection or any purpose incompatible with the continued ability of such lands to support ponderosa pine, sugar pine, or giant sequoia trees, shall result in the reversion of all right, title, and interest in such lands to the United States. Any such lands which revert to the United States shall be incorporated into the Stanislaus National Forest and managed to preserve and protect the stands of ponderosa pine, sugar pine, and giant sequoia trees located on such lands;

(5) The Secretary, acting through the Forest Service, shall be afforded by appropriate officials of the State of California reasonable opportunities to collect seeds from trees located on such lands for scientific or silvicultural purposes;

(6) The Secretary, upon prior notification to the State of California, shall be entitled at any time to enter upon such lands for the purpose of monitoring the management of such lands and the compliance of the State of California with the provisions of this subsection; and

(7) The conveyance shall be subject to the following reservations or exceptions:

(A) existing ditches and canals as authorized by the Act of August 30, 1890 (43 U.S.C. 945); and

(B) any existing rights-of-way to provide the United States and its assigns access to federally owned lands.

(d) ENFORCEMENT.—Upon the request of the Secretary, the Attorney General shall bring any action or take any other steps necessary to enforce the provisions of subsection (c) of this section.

(e) TIMING, VALUE, AND STATUS.—(1) Conveyance of lands to the State of California pursuant to this Act shall occur when the agreement described in paragraph (1) of subsection (c) has been reached. The restrictions and conditions specified in paragraphs (2), (3), (4), (5), (6), and (7) of subsection (c) shall be included in the instruments of conveyance of lands to the State of California.

(2) Effective upon the conveyance to the State of California of lands described in subsection (a) of this section, or two years after the date of enactment of this Act, whichever is sooner, the National Forest designation of such lands shall terminate. Any such lands not conveyed to the State of California shall thereupon be incorporated into the Stanislaus National Forest and managed to preserve and protect the stands of ponderosa pine, sugar pine, and giant sequoia trees located on such lands.

(3) Any lands conveyed to the United States pursuant to this Act shall be deemed national forest lands and managed according to the laws governing the management of the National Forest System. If any such lands are outside existing boundaries of one or more National Forests, the Secretary shall modify such boundaries as he deems appropriate to include such lands.

(4) Values of the respective lands exchanged between the United States and the State of California pursuant to this Act shall be of "approximately equal value" as that term is defined by regulations implementing the Act of January 12, 1983, known as the Small Tracts Act (16 U.S.C. 521c-521i).

The amendment was agreed to.

The amendment was ordered to be engrossed, the bill was read the third time, and passed.

The title was amended to read "An act to provide for the conveyance of certain lands to the State of California, and for other purposes."

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CLOTURE MOTION

Mr. MITCHELL. Mr. President, I move that the Senate proceed to the immediate consideration of Calendar No. 504, S. 1511, the age discrimination bill, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 1511, a bill to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes.

John F. Kerry, Dennis DeConcini, Herb Kohl, Howard Metzenbaum, David Pryor, Tom Daschle, Dale Bumpers, Paul Simon, Claiborne Pell, Carl Levin, Albert Gore, Jr., John Glenn, Joseph Lieberman, Bob Graham, Daniel K. Inouye, Barbara A. Mikulski, Daniel Patrick Moynihan, Edward M. Kennedy.

Mr. MITCHELL. Mr. President, I withdraw my motion to proceed to S. 1511.

The PRESIDING OFFICER. The motion is withdrawn.

ORDERS FOR TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m., on Wednesday, September 12th; that following the prayer, the Journal of Proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; and that there be a period for morning business not to extend beyond 10 a.m. with Senators permitted to speak therein for up to 10 minutes each; and that at 10 a.m. the Senate resume consideration of H.R. 5311, the D.C. appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECESS FROM CONCLUSION OF BUSINESS TODAY UNTIL 8:35 P.M. AND FOR RECESS FOLLOWING THE JOINT SESSION OF THE TWO HOUSES UNTIL 9:30 A.M. TOMORROW

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate now stand in recess until 8:35 p.m. this evening, and when the joint session of the Congress concludes that the Senate stand in recess as understood under previous order.

There being no objection, the Senate, at 7:46 p.m., recessed until 8:38 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer [Mr. KERREY].

JOINT SESSION OF THE TWO HOUSES—ADDRESS BY THE PRESIDENT OF THE UNITED STATES

Mr. MITCHELL. Mr. President, I move in accordance with the previous order that the Senate stand in recess so that the Senators may proceed to the Hall of the House of Representatives for the joint session, and that upon the conclusion of the joint session the Senate stand in recess under

the order previously entered until 9:30 o'clock a.m. on tomorrow.

The motion was agreed to; and, at 8:38 p.m., the Senate preceeded by the Sergeant at Arms, Henry K. Giugni; the Secretary of the Senate, Walter J. Stewart; the majority leader, GEORGE J. MITCHELL, and the Republican leader, ROBERT DOLE, proceeded to the Hall of the House of Representatives to hear the address by the President of the United States, George H.W. Bush.

(The address delivered by the President of the United States to the joint session of the two Houses of Congress is printed in the proceedings of the House of Representatives in today's RECORD.)

RECESS UNTIL 9:30 A.M. TOMORROW

At the conclusion of the joint session of the two Houses, and in accordance with the order previously entered, at 9:45 p.m., the Senate recessed until Wednesday, September 12, 1990, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, September 11, 1990*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We admit, O gracious God, that even our best acts do not always bring a sense of justice and our best efforts do not always bring the peace and respect among people that we so earnestly desire. May Your good spirit, O God, that transcends all we do, lift our eyes to see the full measure of Your whole creation and the responsibilities we have to do the works of justice for all people. May Your blessing encourage those who truly labor for righteousness and for peace, this day and in all the days to come. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Missouri [Mr. VOLKMER] please come forward and lead the House in the Pledge of Allegiance?

Mr. VOLKMER led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Kalbaugh, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 365. Concurrent resolution providing for a joint session of Congress to receive a message from the President.

UNITED STATES ENERGY INDEPENDENCE BY 2000

(Mr. VOLKMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VOLKMER. Mr. Speaker, today I am introducing legislation to reauthorize a number of alternative fuels and energy conservation programs to address the energy crisis which has been brought to a head by the Iraqi invasion of Kuwait, but more importantly is the result of 10 years of neglect by the Reagan and Bush administrations.

Mr. Speaker, my legislation—the Commercialization of Alternative Energy Sources and Energy Conservation Technology Act of 1990 is designed to put back on the books programs which Congress started in 1979 and 1980 but which have been underfunded, downplayed, and ignored over the past decade. Had these programs been on the books and funded as the Congress intended, our private businesses, farmers, Federal, State, and local government agencies, homeowners and individual citizens would not be faced with the skyrocketing costs of fuel, and our American fighting forces would not be stationed in the Middle East, because we would not have needed to rely on imported oil as we do under the Reagan-Bush policy. Frankly, had these alternative fuels and conservation programs been carried through the 1980's, our lifestyle would not be threatened in 1990.

Mr. Speaker, my legislation encourages the production and use of electric vehicles by Federal, State, and local government agencies, it extends the 6-cent tax exemption on gasohol made with ethanol and methanol—corn derivatives, it provides loan guarantees for individuals and firms building commercial refineries to liquefy coal and crack oil shale, a 20-percent tax credit for equipment for businesses who use 20 percent or less natural gas or oil for heating purposes, and a solar bank to provide loans to homeowners to install solar heating devices is reestablished. Finally, this legislation increases funding for programs providing low income weatherization assistance, increases conservation assistance to schools and hospitals, funds a program to assist State agencies implement conservation techniques, and provides money for an energy extension service to benefit the agriculture sector.

Mr. Speaker, I urge my colleagues to cosponsor my legislation which repeals the Reagan-Bush energy policy—which is no policy—and put in place a sensible energy policy which reduces our dependence on foreign oil and commercializes the known and newly developing energy and conservation technologies by the year 2000—a short decade away.

AUTHORIZING THE SPEAKER TO DECLARE A RECESS TODAY

Mr. FRANK. Mr. Speaker, I ask unanimous consent that it may be in order at any time today for the Speaker to declare recesses, subject to the call of the Chair, for the purpose of receiving in joint session the President of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair desires to make an announcement.

After consultation with the majority and minority leaders, and with their consent and approval, the Chair announces that tonight when the Houses meet in joint session to hear an address by the President of the United States, only the doors immediately opposite the Speaker and those on his left and right will be open.

No one will be allowed on the floor of the House who does not have the privilege of the floor of the House.

Due to the large attendance which is anticipated, the Chair feels that the rule regarding the privilege of the floor must be strictly adhered to.

Children of Members will not be permitted on the floor, and the cooperation of all Members is requested.

THE FISCAL YEAR 1991 DEFENSE AUTHORIZATION

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, I want to talk about burden sharing. Sharing the burden of our country and our people.

With the budget deficit projected at over $200 billion, it is clear that the United States can no longer afford to pay the defense bill of its wealthy allies

It is time that our Japanese, Korean, and Western European allies assume their fair burden of maintaining international order and peace.

At the same time, while steelworkers, teachers, and farmers are being asked to send their sons and daughters to the deserts of the Middle East to

risk their lives, I find it difficult to accept that the President continues to endorse a capital gains cut for the wealthiest of our land.

Are hard-working Americans who send their children to foreign lands also asked to assume the tax burden of the rich?

I think the answer is clearly no.

Any negotiated budget agreement must be fair and progressive for all, especially middle-class Americans who work.

□ 1210

SDI FUNDING LEVEL SHOULD BE MAINTAINED

(Mr. McEWEN asked and was given permission to address the House for 1 minute.)

Mr. McEWEN. Mr. Speaker, some 3 months ago Saddam Hussein said that if he had a missile that could reach New York, he would use it.

Presently we are considering the House Armed Services Committee bill which has within it a program to protect America against such attack. Only time will tell whether or not we are acting too late. Some time over the next 3 to 5 years a Qadhafi or a Hussein or someone of that caliber will have the capacity to hit New York or Washington with only one—and they need only one—ballistic missile, whether it be nuclear, whether it be chemical, or whether it be conventional.

We will vote on an amendment to freeze the strategic defense initiative at last year's level. This is the level which the Senate has proposed. The President has said that a vote to cut below that mark will delay, cast out, and force us to cancel contracts. Thus, essentially that would be a vote against the strategic defense of America.

Mr. Speaker, I do not understand it. Common sense tells me that if we are going to spend $300 billion, at least $4 billion of it ought to be used to protect America against madmen hitting us with missiles. If we pass the Armed Services Committee mark, without the Kyl amendment, we will delay even further the day at which our populace will be protected.

AMERICA NEEDS A NATIONAL ENERGY POLICY

(Mr. CLARKE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CLARKE. Mr. Speaker, the invasion of Kuwait and Iraq's threat to Saudi Arabia have taught us that America must have a strong national energy policy to reduce our dependence on imported oil.

We must tighten Federal requirements for automobile fuel efficiency and conserve oil in other ways including an incentive program for better home insulation.

Research and development of alternative energy sources must be pushed. Synthetic oil from coal, motor fuel made from natural gas, solar power, alcohol fuels, shale oil, tar sands and other sources of energy all need to be researched.

As former President Jimmy Carter and others have pointed out, domestic production, which requires some degree of price stability, is much lower than it ought to be. The current increase in the price of oil should stimulate it.

Because of America's lack of an energy policy, the increase in the price of oil will hurt American industry much harder than it hits our economic competitors. For example, the impact of the oil price rise on production costs of Japanese goods will be only one-third of the impact on American products.

It won't be easy to develop an effective national energy policy, but if we miss the opportunity now, America will really be sticking its head in the sand. We must not let this happen again.

THE GINGRICH ECONOMIC GROWTH PACKAGE

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, I would like to take my time to applaud my colleagues, Congressman NEWT GINGRICH and Congressman BOB MCEWEN. Congressman GINGRICH and Congressman MCEWEN have developed an economic growth package which focuses on putting money back in the taxpayers pocket instead of taking it out. While the Democrats have failed to produce any kind of substantial budget package, Congressman GINGRICH and the Republican summiteers have been consistently willing to work and put substantive deficit reduction proposals on the bargaining table.

The recent economic growth package proposed by Congressman GINGRICH outlines a budget strategy which establishes as it's first duty the chore of reestablishing integrity and a bond of honesty in the political budget process. His package would avoid a recession by cutting taxes, providing jobs, and stimulating economic growth through investment incentives. Congressman GINGRICH's package is a response to our current tax system which is antifamily and probig government. Our tax system favors crippling the family by an increasing tax burden in order to fund welfare programs which continue to entrench the lower class in an archaic socialistic program. The economic growth package provides alternatives to our current antifamily tax system and provides hope for a more prosperous America. I support wholeheartedly the Gingrich economic growth package and urge my colleagues to do likewise.

JAPAN MUST ACCEPT FINANCIAL BURDEN SHARING

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute.)

Mr. TRAFICANT. Mr. Speaker, Japanese breeders have bought the great American racehorse, Sunday Silence, and they are shipping him to Japan for stud. Meanwhile Clayton Yeutter, our Secretary of Agriculture, gave a few bags of rice as a gift to Japanese leaders. Guess what? They did not eat the rice. They sent it to a lab for testing, and lo and behold, they said the American rice is inferior to Japanese rice; therefore, they must continue restrictions on American rice.

Now, if that is not enough to rub your rhubarb here today, while Sunday Silence will be over there servicing Japanese mares, the Japanese Government is servicing the American farmers and the American taxpayers.

We are spending billions of dollars to protect Japan and now millions of dollars every day to protect their oil in the gulf. I say it is time for Japan to pay their fair share. Today is the day for burden sharing. It is time to put some of that burden on Japan and take it off the backs of American taxpayers.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. The Chair would like to tell our guests in the gallery that we welcome their presence. We are pleased that they are here, but the rules of the House prohibit any signs of approval or disapproval as to any action or statement made on the floor of the House. The Chair requests that this rule be observed.

STRATEGIC STATEN ISLAND BASE FACES THREAT OF CLOSURE

(Ms. MOLINARI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MOLINARI. Mr. Speaker, for the past 5 years Congress has approved funding for new naval homeports strategically placed across the country. One of the these bases is in my district on Staten Island. Over $240 million has been spent constructing the most modern and technologically advanced pier in the country, if not the world. In addition, new housing has been constructed which the Navy itself says is the best that it has,

and it is already housing over 117 Navy families.

Yet there is still a move afoot in this body to eliminate the only port built since World War II—a move which has no national precedence and flies in the face and intent of the Base Closure and Realignment Act. This will be the first closure of a port to destroy the intent of the Base Closure and Realignment Act. I have to wonder why.

Why, since there is no economic argument to this move and since killing this port will cost the Government considerably more than it will to sustain it? If we do not complete this base, the Navy must only face closing costs, but then there would be upgrading facilities elsewhere to accommodate the Navy's newest ships.

Why, since there is no strategic argument to dismantling defenses in the Northeast?

Saddam Hussein has proven that point, and Abu Abbas has underscored it with his statement that Iraq will soon have missiles that can reach New York City. One can only conclude that it is parochial and partisan politics which spurs this dangerous move.

Mr. Speaker, I urge my colleagues not to make their first vote back since the invasion of Kuwait one that compromises our national readiness and could possibly jeopardize our national security.

COMMIT UNITED STATES TODAY FOR ENERGY INDEPENDENCE BY THE YEAR 2000

(Mr. PICKETT asked and was given permission to address the House for 1 minute.)

Mr. PICKETT. Mr. Speaker, twice during the 1970's, this Nation endured foreign oil price shocks that sent gas prices soaring and our economy reeling.

And twice, these crises faded from our memory without any lasting action being taken to ensure energy independence for our Nation.

Now, in 1990, with billions of dollars being spent to deploy our military forces in the Middle East, we are dramatically reminded of the reckless and dangerous policy of allowing this Nation to be dependent upon foreign oil in order to meet our energy needs.

In 1776, our forefathers had the courage and determination to adopt the Declaration of Independence signaling our political independence from the rest of the world.

Mr. Speaker, it is time, in 1990, for this Nation to adopt a declaration of energy independence from the rest of the world.

President Bush has drawn justifiable praise for his skillful political leadership in establishing a military presence in the Middle East.

But President Bush will be remembered for even more skill, leadership, and vision if he will commit today to making the United States of America energy independent by the year 2000.

□ 1220

BURDENSHARING

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES. Mr. Speaker, the American people have seen American troops go to the Middle East to stop a dangerous dictator. The leader of Iraq is indeed a despicable despot. He has started two wars with invasions of neighboring countries, used chemical weapons on his enemies both in and out of Iraq's borders, and has attempted to develop nuclear weapons. He must be stopped, and stopped now.

All nations should band together to stop this madness. Yet it seems that some nations do not want to pay their fair share of the burden. While our Arab allies have promised financial help, and some of our European allies have also offered help, others have done little. Japan is notable for its reluctance to make even a token gesture. Once again, Japan and others will quickly grab the benefits of our protection, while avoiding any responsible commitment of sharing the costs. It's time that our allies who are not paying their fair share ante up and pull their own weight. The people of the United States are tired of being soaked by the rest of the world, and they are not going to take it anymore.

ENERGY INDEPENDENCE, A NATIONAL PRIORITY

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, in the sixties we set an ambitious goal, to put a man on the Moon. We met that goal. For the nineties, we should set the goal of energy self-sufficiency for the Nation. You cannot tell me that it is beyond the capabilities of the United States of America to become energy independent if we make it a national priority.

There are those who would twist the tragic events of this third energy shock in the Middle East to their own benefit. They would plunder our coasts and the fragile Alaska National Wildlife Refuge for a few more days fix.

It is time to throw off the yoke of OPEC, the multinational oil companies, and develop a national energy policy based on our own traditional values of conservation, hard work and Yankee ingenuity.

Today I am introducing legislation based on the Northwest Power Planning and Conservation Act. The Pacific Northwest has proved that we can conserve and still maintain our quality of life, indeed, we can grow and prosper. It is time we applied these lessons to our Nation as a whole. Nothing could provide more for the security of our Nation in the 21st century than energy self-sufficiency and independence.

SUPPORT HOUSE CONCURRENT RESOLUTION 366 TO SHARE BURDEN IN THE MIDDLE EAST

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, I and a bipartisan group of my colleagues just finished up a second round of talks today with a delegation of Japanese Diet Members where we did receive some words of encouragement about Japanese assistance in the Persian Gulf.

Today the Japanese Government announced, or it was reported they had announced, that they would be contributing some $2 billion in assistance to some of the poorer nations in the area affected by the crisis, and also some 2,000 members of the Japan self-defense force for noncombatant roles in the Persian Gulf. This is a historic step, committing the SDF outside their own country. But, Mr. Speaker, the Japanese use Persian Gulf oil at twice the rate that we use it. They have a major, major responsibility to share in its protection. It is only fair they pay a major share of the costs.

The German Government, as has been noted earlier, has been noticeably reticent, nearly silent on making their contribution, using as an excuse that NATO's interests somehow do not extend to the Persian Gulf. Well, this is a post cold war era and it is time we had a post cold war mentality on the part of our allies to share responsibilities.

I would like to encourage my colleagues to support a resolution that I have introduced, House Concurrent Resolution 366. This calls upon foreign nations to share the cost of the deployment of U.S. forces in the Persian Gulf.

We already have a large number of bipartisan cosponsors, and this is the kind of resolution that will help support the President in his negotiations.

The resolution expresses support for the President's initiative to obtain assistance from other nations. And, because the costs of Operation Desert Shield are mounting every day, my resolution urges the President to continue to determine, and request, appropriate levels of assistance—material or even more important, troops—or reimbursement from other nations that

are benefiting from the deployment of U.S. forces in the Persian Gulf region.

Mr. Speaker, with our Federal deficit, the United States simply cannot be expected to bear the brunt of paying for the security of the Persian Gulf region. The burden must be shared fairly, especially by some of the rich nations of the gulf region and other wealthy, industrial nations that are heavily dependent on Persian Gulf oil. Indeed, in what seems to be a new era, the post cold war era, it is only fair that nations who benefit from global peace and security help to underwrite it.

SUPPORT THE BRADY BILL, BAN ASSAULT WEAPONS

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks).

Mr. SCHEUER. Mr. Speaker, America wants to be No. 1 in everything. But there is an area where we are indisputably No. 1 and we should be ashamed.

I am referring, Mr. Speaker, to the trigger happy state we live in. The United States has a homicide rate that is 20 times that of Japan, 17 times that of the United Kingdom, and at least 4 times that of any developed nation.

Virtually anyone can walk into a weapons store and purchase a gun, no background check, no waiting period, nothing. Giving free and easy access to guns to anyone is the recipe for disaster. Tragically, we see this everyday in New York City.

It used to be, when people got into an argument, they would shout or throw a punch. Now they simply pull a gun. New York is paying a price for this, not in dollars and cents, but in our children's lives.

Mr. Speaker, the gun lobby is fond of saying "Guns don't kill people, people kill people." But people kill people with guns. We can stop the killings by removing the instruments of murder. And anyone who has legitimate reason to own a handgun can wait a week to get one.

Assault rifles are the stuff of nightmares. The local drug cartel in New York City has created a small war between competing factions, and no bystander is safe from their predations. No longer is this a private fight between dealers and suppliers fighting for turf. It is an out-in-the-open kill-or-be-killed frenzy, and no bystander is immune.

As we have seen in New York this summer with the murder of 5 children and the wounding of 15 more, we are not safe anywhere. Assault weapons are killing machines. And they are designed to kill large numbers of people quickly. There is no place in a civilized society for weapons of war.

ANOTHER GROUP OF HOSTAGES

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker once more the civil servants of this country are being held hostage to the deficit. The threat of unpaid furloughs for 22 days has demoralized every agency and frightened hundreds of citizens dependent upon Government checks for their livelihood, both inside and outside the Government.

The picture being painted by the Office of Management and Budget of a 37-percent cut being mandated by the first of the year is not only cruel, but totally unnecessary in its projected implementation. Two days furlough each month spread out over 11 months would satisfy the demand, however unfair it is to the workers, without having the spector of airports shutting down, Social Security checks being held up, income taxes going uncollected, and even food going uninspected.

The draconian demand by Mr. Darman belies the seriousness of the threat and highlights the proposition that Government workers have become nothing but a bargaining chip in the summit negotiations. It is a shameful thing. It is a destructive act to our Government and its people. And finally, were the sequestration to be handled in the most humane way possible, it would be totally unfair that the professional Government worker alone should bear the burden of the deficit. The Congress, the administration and all appointed officials, now exempt by law, should equally take the hit.

INTRODUCTION OF DESERT SHIELD BURDEN-SHARING ACT OF 1990

(Mr. DINGELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DINGELL. Mr. Speaker, for the past 41 days, Americans have witnessed the most rapid and expensive mobilization of our armed forces in the history of the United States. This is to show the resolve of this country that we will protect human rights and assure peace in the Persian Gulf.

The Iraqi invasion of Kuwait has provoked a crisis which threatens not only global security, but jeopardizes the economic growth of every nation in the world, especially those dependent on oil from the Persian Gulf.

While Congress supports the President's initiatives to settle this crisis and to secure a lasting peace in the Middle East, I have to join my colleagues and all citizens of this Nation in expressing my outrage at those nations who have chosen to sit upon the sidelines, hoping to reap the windfall profit of a secure and stable oil supply at the expense of American effort, American money and American lives. This is a crisis which demands a real contribution from every nation desiring to maintain world peace and to benefit from the actions of the United States.

I am therefore introducing a bill to encourage meaningful contributions from our world neighbors for resolving this crisis. The "Desert Shield Burden-Sharing Act of 1990" would impose an additional 20 percent duty on the goods of nations that the President decides are not paying their fair share for Operation Desert Shield. While attempting to accomplish justice, we are in like fashion exempting many recipient countries, such as those in the Caribbean Basin, as well as a number of emerging democricies. This bill aims to generate monies that can be used by the United States to reduce the one-billion-dollar-a-month cost of this military mission to the American taxpayer.

During this crisis, the President has been able to encourage many nations to provide support; however, it is noteworthy that the Japanese propose to give us $1 billion, less than 1 month's cost of this undertaking, and West Germany has indicated that it will pay the Soviet Union $8 billion to house and support some 300,000 Soviet troops in East Germany, while contributing only a minuscule amount to the support of our undertaking.

The 20 percent tariff that is proposed in this legislation will put our trading partners on notice that the days of free American military protection have passed, and that the emerging world order requires a fair sacrifice from all who will benefit from American lives, and our expenditures of money. Justice demands no less, and I urge my colleagues to join me in cospsonsorship of this legislation today.

□ 1230

MORALE BUILDERS

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, there is one significant thing we can do to help the morale of our troops that are over in Operation Desert Shield in Saudi Arabia. We can give them the opportunity to write home free. All soldiers in the wars that I participated in had that opportunity.

In addition, Mr. Speaker, I know from my visit over there that it is very important to our soldiers. That is an environment in which it is impossible to keep up with stamps, it is too hot and too sticky, and the stamps just do not stick to the envelopes. I have seen that with my own eyes, and one of the

good morale builders is to just let them write home free.

Mr. Speaker, I have introduced a bill to do that today.

Now, Mr. Speaker, about our foreign allies that are not cooperating as they should:

The House passed just a couple of days before we adjourned a strong piece of legislation that gave the President the authority to cut off trade in this market for those who did not cooperate in our attempt to embargo that country over there. It is resting, as many pieces of good legislation are, over in the Senate. They just have not acted. It is in the Banking Committee over there.

Therefore, Mr. Speaker, I would encourage all Members, if they know or speak to any member of the Senate Banking Committee, that they take it up, and pass it, and send it on to the President, and the President would then have the authority to suggest very strongly that those who are dragging their feet could do it.

The House has done its work. It is up to the Senate.

JAPAN SHOULD DO MORE TO HELP IN MIDDLE EAST

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, it surely is not surprising to any of us that Japan is not contributing more to the struggle against Iraq. Actually, the Japanese have been acting totally the way they usually do—if there's no profit in it for Japan, forget it.

Yes, Japan, the world's largest creditor nation, has today offered $2 billion in Middle East aid to help victims of Saddam Hussein's terror and crimes.

How much is $2 billion to the Japanese? That is the same amount of money Japanese businessmen recently paid to buy Pebble Beach, CA.

The United States will have to pay at least $15 billion per year to pay the operating costs of Operation Desert Shield and that is only if a shooting war does not break out.

Japan's $2 billion offer is a mere pittance toward efforts to stop Saddam Hussein—a modern-day Hitler whose actions threaten 70 percent of Japan's oil and the very lifeblood of Japan's economy.

The ongoing, contemptible tokenism of the Japanese Government merits the world's contempt and American hostility.

The United States awaits Japan's commitment to equitably share the international responsibilities of a world power. Japan should quit hiding behind the world's most flexible constitution which conveniently allows the Japanese to let others fight—and pay for—world order, world peace, and the recognition of basic human rights.

WHILE YOU'RE AT IT, MR. BAKER * * *

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, our Secretary of State, Jim Baker, is off to see the Destroyer of Damascus to do something about the Butcher of Baghdad. No complaints. Any port in a storm.

Mr. President, you're doing such an excellent job, it seems like a dream that 3 or 4 years ago the liberal media was saying you couldn't handle the job. At that meeting at the White House last week we heard a distinguished liberal gentleman from this Chamber and the Senate describe your actions as an awesome array of allied power, pluperfect, flawless. You are doing a great job.

Mr. President, will you please direct Mr. Baker to ask something of the dictator of Damascus, the homeplate for the terrorists who destroyed the PanAm flight 103 with its great loss of 270 lives in the air and on the ground in Lockerbie? Ask him to release the forgotten hostages, the remaining Americans and other Europeans still being held in war-torn Beirut. When you have 3,000, 4,000, 5,000, 6,000, 8,000 hostages in Kuwait and in Iraq itself, it is a little easy to forget Tom Sutherland, and Terry Anderson, and Terry Waite and the others suffering in Beirut. But we must not forget them. And if Syria is going to benefit by our presence in the gulf region, then we must exact a price from them. The price should include the hostages.

Pray for them, everyone, and I say to our Secretary of State, "Mr. Baker, do not forget to ask about those Americans who are now well into their sixth year of captivity."

RIDICULOUS WASTE CAUSED BY HOUSE LEADERSHIP

(Mr. BRYANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRYANT. Mr. Speaker, while the budget summiteers argue over how to tax the American people, or cut the health care of the American people, in order to reduce the budget deficit, this Congress continues to go along with spending $170 billion a year to subsidize the defense of Europe and Japan 45 years after World War II. This is a ridiculous waste of American resources, yet the leadership of this House, and I am talking about the Democratic leadership of this House, refuses to permit consideration of meaningful amendments to stop this unnecessary waste of our resources as we take up the defense authorization bill this week.

Mr. Speaker, now we are reading in the newspaper that the Europeans and the Japanese refuse to make meaningful contributions to our effort to stop the aggression in Iraq. For goodness sake, Mr. Speaker, give the Committee on Rules permission to let us offer meaningful amendments to force the Europeans and the Japanese to pay their fair share of their own defense.

My colleagues, if we want $50 billion in reductions in the budget deficit, then let us stop needling the American people by talking about cutting their medical care and taxing them. Let us start talking about reducing this waste of money we are using to subsidize the defense of Europe and Japan 45 years after World War II. Mr. Speaker, stop preventing Members of this House from offering meaningful amendments to stop this waste of our resources and this unnecessary subsidy of Europe and Japan 45 years after World War II. Revise that rule. Give us an opportunity to vote on this issue in the House of Representatives.

GIVE OUR PRESIDENT AUTHORITY TO PENALIZE PROFITEERS IN TIMES OF CRISIS

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, the American people are prepared to sacrifice for the country they love. Families wait anxiously for word from their sons and daughters who are putting their lives on the line in Saudi Arabia. The American taxpayers are resigned to paying our fair share of the costs of halting the Iraqi aggression in the Middle East.

That is why, at this time of sacrifice and national unity, the prospects of price gouging and profiteering by oil companies are so shameful. Within minutes, Mr. Speaker, after word reached the United States of the crisis in the gulf, the board rooms of the largest oil companies in America were busy sending out their emergency preparedness teams to raise the price of gas on pumps across the United States. When gasoline prices skyrocket within hours after the onset of the crisis in the Kuwait, it is clear that the greed of the oil company executives is showing.

That is why I am introducing a bill this week to give the President authority to penalize such shameful profiteering, and I invite my colleagues to cosponsor the bill. We owe it to the American people who are sacrificing for this Nation in this time of crisis to let the oil companies, and any other

groups which attempt to profiteer during this crisis, know that their actions are reprehensible.

DEFINITION OF LEADERSHIP

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, tonight the American family will meet together in this Chamber. The President will summon us to a great national purpose, to stand firm in the Arabian Peninsula. There will be no dissention in this Congress. As a Nation, we stand together.

However, Mr. Speaker, there is this reminder:

Leadership is not simply the act of rallying troops against foreign enemies. Real leadership is challenging our own people to understand the goals and the sacrifices that are a part of our heritage which are required to assure the American future. Our way of life may be jeopardized in the Arabian Peninsula, but only because we continue not to have the discipline to free ourselves of cheap and foreign oil. Our economy may be imperiled by Saddam Hussein, but only because we continue to ask courage from our soldiers that our own leadership does not display in producing budgets that meet our needs and ask for sacrifices that pay our bills.

□ 1240

ANSWERS TO DOMESTIC PROBLEMS NEEDED

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, the President will come before this House tonight with the solid and deserving support of the American people for his handling of the crisis in the Persian Gulf. Democrats and Republicans, liberals and conservatives, everyone is in strong support of the President.

This overwhelming consensus is the very reason we do not need a recitation of what we have done tonight. We need rather to hear answers to some of the very tough questions that will dominate the future.

What is this administration going to do about our stifling energy dependence? A bold national energy plan will do a great deal to ensure that America always retains control of its destiny. Will the White House lead the charge to finally impose fuel efficiency standards on the auto industry?

What will Operation Desert Shield do to our long-range defense planning? It is obvious that what we spend on defense no longer correlates with what we do with our defense. Given our huge budget deficit, should not this administration support the House to cut things like star wars and focus on conventional forces, rather than just adding to the pie?

Finally, what are this Nation's long-term plans in the Middle East? We need to know more than our immediate goals. How long will our troops be there, how much support will we receive from others, like the Western European nations and Japan; and how does this undertaking affect our alliances in the region?

Mr. Speaker, our current commitment is too deep to leave the future to the Fates.

TIME TO PUT AMERICA'S HOUSE IN ORDER

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, as the President and congressional leaders struggle to reach an agreement on cutting the deficit, we ought to look to the area of burden sharing.

Most people use the term burden sharing to describe the amount of defense funds we use to pay to defend our allies.

And it is true, we borrow billions from Japan to protect France and Italy against an attack by Poland and Hungary. I know it sounds crazy, but it is true. Let us force our allies to start paying for their own defense. That would lower our budget deficit by over $100 billion a year.

But there's another burden sharing we ought to talk about, and that is asking the rich to share the burden of paying the taxes in this country along with the rest.

In the 1980's the rich got richer and the poor got poorer. While the rich got tax breaks, the rest got tax increases.

We ought to do some burden sharing abroad and burden sharing at home to balance our budget. Let us ask our allies to pay for their own defense. Uncle Sam cannot afford it any more. And let us ask the rich to pay their fair share of the tax bill in America. The rest are tired of bearing the burden.

And Mr. President, stop pushing your proposal for a capital gains tax break that will give a $25,000 average yearly tax cut to those whose incomes are over $200,000 a year. Mr. President, America needs to pay its bills, not give the rich another big tax cut. It's time for us to put our house in order, pay our bills and put America back on track.

A TWOFOLD CHALLENGE FACING AMERICA TODAY

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, the challenge facing America today is twofold: We face dual threats from enemies that threaten both the lives of American soldiers and the economic livelihood of the American people.

As we stand our ground and defend the sovereignty of the nations of the Mideast we must insist that working Americans not share this burden alone.

And just as we ask our allies to share the cost of the Persian Gulf deployment so must we ask the wealthiest among us here at home to do their fair share in the burden of fighting the deficit.

As our budget summiteers continue to meet, the President has made it clear both to them and to the American people, that new taxes are needed as part of any agreement. However differences in priorities still remain.

The working people of this country continue to pay the lion's share of the cost of this deficit and contribute to the defense of this Nation both with their tax dollars and their sons and daughters.

For the Democrats, the battle of the budget is about tax equity among Americans—the battle in the Persian Gulf is about burden sharing among allies.

BUDGET DEFICIT REQUIRES PRESIDENTIAL LEADERSHIP

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, a former colleague, now a Member of the Senate, yesterday said, I guess in a peak of anger, maybe the President should go around Congress, get kind of mad, and talk to the people about the deficit.

Well, I do not think that is a bad idea, if the President talks issues and avoids political finger pointing.

Mr. Speaker, I support the President's actions in the Mideast, but that will not resolve the budget crisis here at home. Indeed, the Mideast is deepening it. So when the President comes before the Congress, I hope that in addition to a report on the Mideast, he will talk straight to the Nation about our budget deficit, and specifically how he proposes to attack it.

The Mideast required Presidential leadership. So does our budget deficit. The President could not duck the crisis abroad. He cannot duck the crisis at home.

GIVE LITTLE GUYS A BREAK WHEN BALANCING THE BUDGET

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, the economic summiteers are meeting and have been. I am sure that when President Bush visits with us this evening, he will be talking about it. But I hope that he is not going to come before us and say, "Let us attack the little guy" again.

Studies show that the rich are getting richer and the poor are getting poorer. If you really want to start some place, let us start by eliminating the 5-percent discount that those who make $155,000 or more get from the IRS.

No. 2, let us tax the foreign companies. Last year they made $800 billion to $1 trillion profit, and they paid less than 1-percent tax on it. Let us collect the $100 billion from tax cheaters out there who are not paying their fair share. Then let us stop the waste and the abuse and the fraud to the tune of about $100 billion.

Finally, to help the Middle East conflict, let us liquidate the Iraqis' assets, and let that help pay for the cost over there.

Mr. Speaker, let us give the little guys a break, and hit the guys who soak the Government out of billions of dollars.

LEGALIZED ROBBERY BY U.S. OIL COMPANIES MUST STOP

(Mr. HAYES of Illinois asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, I rise today to address the crisis taking place in the Middle East. Iraqi leader Saddam Hussein's unprovoked attack against Kuwait is not only a violation of international law but is also morally repulsive. Arbitrarily annexing another country cannot be allowed by any leader. If we allowed this type of travesty to occur, without an appropriate response, we would be confronted with regional conflicts throughout the world. I agree with the U.N. response to the conflict, that a diplomatic settlement is the best way. However, I believe that it is a dangerous precedent when we overreact to conflicts of this magnitude by sending large numbers of troops to sit and wait, at great cost to our taxpayers and in deference to our own needs.

But what troubles me even more than the present conflict in the Middle East is the way in which U.S. oil companies are gouging the public by unnecessarily hiking the price of oil. This type of business is even more sickening than the present conflict in the Persian Gulf. The oil companies are saying that increasing oil prices are necessary, that they have no choice because the United States depends on the majority of its oil from that region. This does not make any sense. Nor is it true. The United States acquires less than 10 percent of its oil from Iraq and Kuwait which makes me question the oil company's motives. American soldiers are in Saudi Arabia protecting the interest of the oil companies, and they are robbing American citizens. This legalized robbery must stop.

I applaud my colleague from Illinois, Mr. DURBIN for having the foresight to introduce legislation that deals with this problem. His legislation places new powers in the hands of the President to deter and punish those in the energy industry who take advantage of international crisis and raise prices excessively for essential commodities. My constituents and I are upset that we are paying excessive prices for gas, Mr. DURBIN's bill is a step in the right direction.

□ 1250

SAFE AND LEGAL ABORTION BEING THREATENED AGAIN

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, the right to choose safe and legal abortion is being threatened again. The U.S. Solicitor General has filed a brief in the case of Rust versus Sullivan asking the Supreme Court to overturn Roe versus Wade. In doing so, the administration is trying to make a bad situation worse. In the Rust case, the administration seeks to uphold regulations promulgated by the Reagan administration to prevent federally funded family planning clinics from providing nondirective pregnancy counseling and abortion referrals. These regulations themselves are intolerable. They interfere in the relationship between medical professionals and their patients, restricting free speech and threatening their ability to provide accurate medical advice.

Now the administration wants the Court to go even farther, to strike down the right of all women to decide whether or not to have an abortion. That position is an unwarranted threat to the freedoms of American women and our right to privacy.

PROTECTING OUR FAIR-WEATHER FRIENDS AND FREE-RIDING ALLIES

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, Americans and freedom-loving people all over the world are outraged by Saddam Hussein's invasion of Kuwait and threatening actions toward Saudi Arabia. Yet, as we act against Hussein's brutal aggression, as the stock market plummets, and as oil prices begin their steep climb, serious questions arise about our presence and policies in the Persian Gulf, questions, I hope, President Bush will address tonight.

These are questions like:

Should U.S. troops be the mercenaries for feudal governments with at best a dubious record as our allies? How about in 1973 and 1979 when we were squeezed so hard by those OPEC'ers? Or should American forces be marching in step with the United Nations as part of an international peace-keeping force?

Is it really a diplomatic feather in our cap that a few Mideast trillionaires put up a few billion dollars to defray the costs of our effort? Or are they simply carving a thin slice from the windfall profits they have received since Hussein's invasion?

What of our allies in Europe and Asia? Why are they not doing more to protect their interests in the gulf?

Can we really afford to forgive $7 billion in Egyptian debt when we are on the verge of freezing COLA's and furloughing workers?

Finally, are we doing all we can to conserve energy and find alternative energy sources, so American blood is not spilled in the deserts of the Middle East simply to support a wasteful ways here at home?

Mr. Speaker, U.S. soldiers and America's poor and working people should not be put at risk just to protect our fair-weather friends and free-riding allies.

WILL OUR ALLIES SHARE THE RISK?

(Mr. SKELTON asked and was given permission to address the House for 1 minute.)

Mr. SKELTON. Mr. Speaker, August 2, Saddam Hussein came into Kuwait starting a series of problems and situations which end up with American young men and women on the Saudi Arabian sands.

I would like to say a word for those young people in our country, those who are in uniform and are willing and unquestioningly able to do their task as they leave this country to protect the interests of our Nation in Saudi Arabia and in the gulf. I have talked with a Navy corpsman aboard a hospital ship. I have talked with artillerymen and helicopter pilots. I have talked with Air Force pilots. And they are willing and ready to go and, of course, so many of them are already there.

We have heard the 1-minute speeches asking where our allies are in sup-

porting us in our efforts. Recently I led a delegation to Japan, and we met with three members of the Japanese Diet. We told them that the 1-minute speeches would begin and that the American public would also be asking, "Where is Japan," and, "Where are our allies in support of our efforts?"

I am pleased to see that Japan has made another offer today, but I think that it is not enough.

There are two aspects to this support for our people and our efforts, Mr. Speaker. No. 1 is financially. Will our allies come forward and help with the dollars and cents of this? The second is, "Will they share the risk with our young men and young women? Will they plant their flag on the Saudi Arabian sands and share the risk as we are sharing it over there in the interests of this country and of the industrialized world?" I hope they will understand and get the message from these 1-minute speeches that we, representing people across America, wnat them not only to participate financially but to share the risk with our young men and women in uniform who are in the Persian Gulf and in the sands of Saudi Arabia.

INTRODUCTION OF FEDERAL EMPLOYEE FAIR TREATMENT ACT OF 1990 WOULD BE TRIGGERED BY SEQUESTRATION

(Mr. McMILLEN of Maryland asked ans was given permission to address the House for 1 minute and to reivse and extend his remarks.)

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to bring this House's attention to the unfair treatment of Federal employees. While 350,000 Federal employees in the Baltimore-Washington area have gotten furlough notices, there are certain Federal employees who will not feel the same pain. Under present law, the Vice President, Presidential appointees, Cabinet members, and Members of Congress are exempted from the furlough axe.

While the administration has failed to lead us to a budget solution, its appointees are coldly proposing furloughs that only affect dedicated civil servants while exempting Presidential appointees and others from these cuts. The people who have led us into this crisis should feel its pain as much as Federal employees. I am getting calls from hundreds of people who will experience extreme hardship if we do not reach a budget agreement—everyone in Government, should be subject to the same financial hit.

If the sequestration order goes into effect on October 15, 1990, then I will introduce a bill, the Federal Employee Fair Treatment Act of 1990 to extend the proposed furlough penalty to all Members of Congress, members of the President's Cabinet, high-level political appointees, and the Vice President. Only by equal treatment of all Federal employees can we hope to maintain the trust of the American people.

THE PERSIAN GULF CRISIS

(Ms. KAPTUR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. KAPTUR. Mr. Speaker, we await the President's remarks this evening.

The American people initially supported the President's move to send troops to the Persian Gulf.

Unwisely, our Nation still imports over half the oil necessary to make our economy hum. But my constituents are now raising serious questions about America's long-term plans in the area. Should we be investing $1 billion a month in Middle Eastern deserts when we could be taking that money here at home and investing it to develop our own energy resources in coal, in hydrogen, in solar power, in agricultural energy of various types?

My constituents are asking me, "MARCY, what happened to the energy conservation program started in the 1970's? Why do we not invest here in America?" Others are saying that since the end of World War II, the rest of the free world has either rightly or wrongly looked upon the United States as the policeman of the world. What happened to the United Nations? They ask me, "If we are again to bear the main burden as is presently the case in the Middle East, why should not monetary contributions also come from our allies in Europe and in the Far East?

Mr. George Dixon of Waverly, OH, wrote me,

> We now follow the news and have the feeling that most of our political and military leaders are far from unhappy about this current rush to war, and it is a headlong, nonplanned and totally un-American rush that leaves the rest of us out here very perturbed. MARCY, do what you can to make it end, now, not later.

TIME FOR THE WEALTHY TO SHARE THE BURDEN

(Mr. FROST asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FROST. Mr. Speaker, we can all be proud of our Nation's response to the brutal invasion of Kuwait by Saddam Hussein, and I applaud President Bush for his decisive action in formulating an American response and working to convince other nations around the World to share the burden of stemming aggression in the Middle East.

However, Mr. Speaker, while I applaud the President's actions in the Middle East and his call for other nations to assist in the effort, I also ask why he had not called on the financially elite of this nation to share the burden of eliminating our deficit and preserving the long-term health of our economy.

Over the last 10 years, the rich, those in the very highest income brackets, have seen their marginal tax rates decrease dramatically and have their buying power skyrocket. At the same time, middle-income working families—those struggling to make mortgage payments, meet health care costs, educate their children, have seen their buying power decline. However, the President still wants to cut the Capital gains rate and to keep the maximum rate for the wealth at 28 percent.

As we work with the President to produce a plan to reduce the enormous deficit that has built up over the past decade, I hope he will acknowledge that its now time for the wealthy to share the burden of reducing our deficit and protecing the financial security of our Nation.

□ 1300

GETTING OUR YOUNG MEN AND WOMEN OUT OF THE MIDDLE EAST

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, there are two things we must do for our young men and women in Saudi Arabia so they can come home soon and not have to go back again.

First, ask other countries to do their part, dollars and people on the ground. The sacrifice must be shared fairly, and so far it has not been. There are a lot of words, but when we look at it, the sacrifice is not being shared fairly.

Second, we must enact fuel efficiency standards for automobiles as we did back in the 1970's. In those days our autos got about 14 miles per gallon until Congress acted. It is time to act again and to bring the Bryant/Boxer bill to the floor, the fuel economy bill. Fuel economy will save us three times the amount of oil we get from the Persian Gulf. Let us free ourselves at last from tyrants like Saddam Hussein. Let us save our young people, and let us save our environment by enacting fuel economy. That is where we will save all of that oil.

FAIRNESS IN THE INCOME TAX CODE

(Mr. SLATTERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SLATTERY. Mr. Speaker, I would like to draw the attention of my

colleagues to one basic point. If someone is making $50,000 a year in taxable income, and if they earn another $1,000 in taxable income, they will pay to the Federal Government $330 in additional income tax plus $76.10 in additional Social Security for a total of $406.100. If they are self-employed and earn that additional $1,000 with $50,000 of taxable income, they will have to pay an additional $76.10 in self-employment tax for a total of $482.20 in total additional Federal taxes on the last $1,000 of taxable income.

Guess what? If someone is making $200,000 and earns another $1,000 in taxable income, their tax bill to the Federal Government is $280. That is $200 less than the self-employed farmer or businessman who is making $50,000 a year in taxable income.

Mr. Speaker, when we hear talk about not touching the income tax rates in this country, what the President specifically is saying is he wants to defend the status quo. He does not want to change that.

I believe, and Democrats believe, that that is fundamentally unfair, that these rates should be changed so that the people making $200,000 a year or more are at least paying the same income tax rate on that last $1,000 of taxable income as someone making $50,000 a year.

Granted, the discrepancy that I just described is due partially to the fact that the Social Security tax terminates at $53,100 in income, and above that people do not pay the Social Security tax. But nevertheless, the fact remains that those making $200,000 a year or more are paying a lot less to the Federal Government on that last $1,000 of taxable income than those making $50,000 a year, and that needs to be changed.

PERMISSION FOR SUBCOMMITTEE ON POLICY RESEARCH AND INSURANCE OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. ERDREICH. Mr. Speaker, I ask unanimous consent that the Subcommittee on Policy Research and Insurance of the Committee on Banking, Finance and Urban Affairs be permitted to sit today, September 11, 1990, to consider a sequential referral of H.R. 2840, the Coastal Barrier Improvement Act.

I have discussed this with the ranking minority member, Mr. BEREUTER, who concurs with this request.

The SPEAKER pro tempore (Mr. BONIOR). Is there objection to the request of the gentleman from Alabama?

There was no objection.

IS THE ADMINISTRATION DOING ENOUGH FOR THE SOVIET UNION?

(Mr. NAGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NAGLE. Mr. Speaker, this past weekend the President of the United States and the leader of the Soviet Union met in Helsinki to discuss the Persian Gulf crisis. The comments by both leaders reflect a unique and unprecedented response by two superpowers to this international situation.

And while not wishing in any way to diminish the sense of this accomplishment, one has to ask the question: Is the administration doing enough to see that the current Soviet leadership succeeds in their own battle of internal reform? The clear answer is no.

The Soviets are, as we know, struggling with an economy that is in shambles. Basic commodities, such as food, are lacking from the shelves of the grocery stores. I know. I have been in their shops. They requested of us, at the summit, that we grant them $3 billion worth of credit to make immediate purchases of wheat and soybean oil under the provisions of GSM, and we reportedly said we would think about it.

The trade provisions they asked for, for which they would pay in cash over time, are nothing more than was available to Iraq 1 month ago.

What is our thinking? It does not make sense to deny them this credit, gamble that they can overcome the problems of their domestic economy, and risk that this Soviet leadership will be replaced with one much more hostile to our interests. The President, in his address to this body tonight, should announce his decision to grant this simple request.

ANNUAL REPORT OF DEPARTMENT OF ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce.

(For message, see proceedings of the Senate of today, Tuesday, September 11, 1990.)

ANNUAL REPORT OF RAILROAD RETIREMENT BOARD, FISCAL YEAR 1989—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce and the Committee on Ways and Means.

(For message, see proceedings of the Senate of today, Tuesday, September 11, 1990.)

NATIONAL DEFENSE AUTHORIZATION ACT FISCAL YEAR 1991

The SPEAKER pro tempore (Mr. BONIOR). Pursuant to House Resolution 457 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4739.

The Chair designates the gentleman from Illinois [Mr. ROSTENKOWSKI] as Chairman of the Committee of the Whole, and requests the gentleman from Illinois [Mr. DURBIN] to assume the chair temporarily.

□ 1310

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, with Mr. DURBIN (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 1 hour and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 1 hour.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I would like to tell the Chair that at this point the Republicans are meeting in a Republican conference. They asked if, in fact, we would take a good chunk of our time on the general debate to start off here. Therefore, for the first half hour or so, it will mostly be on the Democratic side, and the Republicans will come later.

Mr. Chairman, we convene here today amid changes in the international security environment undreamed of just a few years or even a few months ago. Look to the Persian Gulf. Our troops are in Saudi Arabia, invited there to stand with Arab nations against an Arab aggressor. If that is not enough, the Soviet Union is our partner, not our opponent, in seeking a solution to this regional crisis.

In Europe, a strong, effective Warsaw Pact fighting force is a mere memory as Eastern Europe rids itself of communism and the Germans rush to unite. And in Moscow, the very future of the Soviet Union is up for grabs as its leaders struggle with mountainous economic troubles and independence-minded republics.

For the last 2 years, your Committee on Armed Services has made an extraordinary effort to understand the implications of these enormous international changes for our national security so that we might embody them in this bill.

Your committee has worked as a team to cope with these historic and uncertain times—to buy the right defense for the dawn of a new era. During this period, three events marked the great changes in the superpower landscape.

First was Gorbachev's announcement on December 7, 1988, that he would be making substantial unilateral reductions in Soviet forces west of the Urals, and in particular in Eastern Europe. Second was the political change that swept through Eastern Europe in 1989, decimating the Warsaw Pact as a military alliance. And third was Gorbachev's agreement to large asymmetrical cuts in Warsaw Pact forces as part of the negotiations with NATO on conventional forces in Europe [CFE].

These events have dramatically changed the threat in Europe that we have feared and prepared for for so long. This will allow us to reduce the forces that we have to meet this kind of attack.

The changes have been hard to digest. We are only now beginning to reach a broad consensus on how to react. Three basic schools of thought on how we should respond developed in the wake of these changes. In some ways they compete with one another, in other ways they are complementary.

One school of thought says we should stick to the tried and true responses to the eastern bloc threat that have worked for decades. This school acknowledges that there have been changes in Eastern Europe and the Soviet Union. But it says keep your powder dry. It says we have not nailed down an agreement reducing conventional arms in Europe. It says we haven't executed an agreement reducing strategic arms. It says we don't know how long Gorbachev or his policies will be around. It says the Soviet Union retains massive military forces, including up-to-the-minute strategic nuclear forces. So this school says we had better keep the old responses to the old threat for a while longer.

The second school also realizes there have been a lot of changes in the threat. With the collapse of the Warsaw Pact, the threat of a short-warning blitzkrieg against Western Europe has collapsed as well. But this school also gives credit to the testimony of CIA Director William Webster.

Judge Webster told the House and Armed Services Committee in March that many of these changes are irreversible no matter who rules in Moscow. Therefore, this school says we can now look for new, cheaper, smarter ways to respond to the old—but diminished—threat.

The Senate Armed Services Committee and to a lesser degree the House Armed Service Committee wrote Defense authorizations bills for the next fiscal year that primarily represent this second school of new responses to the old threat.

The third school is the most challenging. This school of thought says the end of the cold war means a new era. We are no longer preoccupied with the East-West conflict. This school of thought says we can act to deal with dangers to our national security that were obscured by the cold war. To do this, this school says we have to find new solutions for the national security problems of this new era.

In its deliberations in July the committee took important first steps to meet the realities of this new, post-cold-war world. Of course the committee did not anticipate Saddam Hussein's invasion of Kuwait. But the committee fully recognized that we should begin the reorientation of our defense priorities away from our nearly total preoccupation with the Soviet threat in Europe.

As we pursued the kinds of policies that would guide our deliberations, key themes emerged:

We should protect the readiness and morale of our military people instead of preserving a larger force structure as the administration planned;

We should emphasize near-term weapons improvements and future-oriented research and development instead of the lockstep movement to the next generation of weapons platforms proposed by the administration;

We should favor deployable forces in place of the administration's emphasis on strategic nuclear weapons modernization.

In sum, the right approach for now and the future is building real conventional capability that can be deployed outside of Europe. In order to achieve these policy goals, the bill before you does these things:

It protects operations and training funds for contingency deployments such as Operation Desert Shield;

It preserves the morale of our active-duty troops by providing a full 4.1-percent pay raise and not skimping on their pay and benefits as the administration wished;

It begins the replacement of our concurrent buy and fix system of weapons acquisition with a more flexible approach to research and development that will lead us to buy only needed and fully tested equipment. The new R&D approach protects the defense technical base, gains immediate improvements in capability through modifications of existing weapons, and focuses more R&D effort on dramatic departures in technical approach. It will enable us to respond more quickly to a changing world.

Saddam Hussein's brutal invasion of Kuwait provided a test of our priorities a matter of days after our committee markup. Operation Desert Shield proves the wisdom of many specific actions the committee took in its bill:

Building on its own initiative of the previous year, the committee devised a program that would result in the development and purchase of the first sealift ships in a decade. The Bush administration refused to spend the money appropriated for this purpose last year and objected to the program again this year. Yet these are precisely the type of ships that were urgently needed to transport heavy forces to the gulf. The committee also endorsed the C–17 Airlifter Program that will result in an airplane that can deliver men and materiel quickly to short fields at intercontinental range.

Recognizing that Reserve Forces would become more important as the active military was reduced, the committee allocated $1.5 billion—$1 billion more than the administration request—for the improvement of selected National Guard and Reserve Force capabilities. DOD has placed many crucial capabilities for non-Soviet contingencies in the Reserves.

For example much military transport, all our water desalinizing and chemical decontamination capability for the Army, and our Navy minesweepers are in the Reserves.

Over half of the committee's additions for Reserve modernization was for transport aircraft and MH–53 minesweeping helicopters, capabilities that could become painfully needed if hostilities escalate in the gulf.

The committee supported development and initial production of the tilt-rotor V–22. Because of its capability to fly long distances and then to land and take off like a helicopter, this system is also especially suited to small-unit special operations over long distances, as might be needed for hostage rescue missions.

The committee redirected the Armored Systems Modernization Program away from a new heavy tank for Europe and toward a lighter, more survivable tank that could be more readily deployed in an operation such as Desert Shield.

The committee also denied the administration's request to mothball our M–1 tank factories, deciding instead to use the plants to upgrade all our M–1 tanks to the latest standard. The factories may now be needed to produce additional tanks for the Saudis.

The committee also took a first step toward reorienting our intelligence and communications systems away from the confrontation with the Soviet Union and toward more unpredictable regional contingencies by providing funding over the administration request for the Lightsat Program, which may eventually provide a means for more timely coverage of crises and conflicts outside the Soviet Union, as well as providing some insurance against the failure of our large satellites.

The committee provided for these programs in a fiscally responsible manner. Some adjustments are required, but nothing that has occurred in the gulf has called into question the wisdom of the approach the committee took in July. Indeed the gulf crisis should, if anything, move us farther in the direction already marked out.

Mr. Chairman, I want to assure my colleagues in this regard that in the fiscal year 1991 Defense Authorization Act and amendments we will protect the interests of our men and women in uniform while they are far away protecting the interests of our Nation. We will have a number of specific proposals in this area for consideration by the House.

CLARIFICATION OF COMMITTEE ACTION REGARDING THE ARMY LH PROGRAM

Mr. Chairman, in the scramble to report out H.R. 4739 before the August break, a minor amount of confusion was created over the intent of the Committee on Armed Services with regard to the Army's light helicopter or "LH" program.

For the record, I would like to take a minute to clarify the committee's position on this program to ensure there is no lingering doubt or ambiguity found in the legislative history.

During full committee markup on July 31, the position taken by the Subcommittee on

Research and Development on the LH program was modified by an amendment offered by the gentleman from Kentucky [Mr. HOPKINS].

This amendment was considered and adopted by the full committee on a rollcall vote of 32 to 22.

The Hopkins amendment reduced the amount of funding authorized for the Army to pursue development of a new combat helicopter in fiscal year 1991 from a level of $375 million to $300 million.

The Army requested $411 million for the program.

Adoption of the Hopkins amendment brought funding for this program in line with the new acquisition strategy endorsed by the committee for the development of a next generation Army combat helicopter.

The confusion stems partly from the fact that the language on the LH program in the committee report accompanying H.R. 4739 has not been revised to conform with the policy objectives of the Hopkins amendment as adopted by the Committee on Armed Services.

For this reason, I find it necessary to use this forum to clarify the point.

Mr. Chairman, in evaluating the Army's fiscal year 1991 request for full-scale development of the LH program, the committee determined it necessary to direct a fundamental restructuring of the program.

As Mr. HOPKINS stated during full committee debate on the issue, the committee's challenge was "to devise an approach to the LHX which recognizes the Army's legitimate needs to retain an advanced helicopter capability while also facing up to the changing budget and security situation."

The position adopted by the committee does just that.

It acknowledges and affirms the existence of a requirement for a next generation combat helicopter, but disagrees with the Army's present acquisition strategy to fulfill this requirement.

For this reason, the committee denied the request to begin full scale development of the LH and instead directed the Secretary of the Army to restructure the existing LH program into a new advanced combat helicopter development effort.

This new program, dubbed the "Army Scout/Attack helicopter," should be developed by restructuring existing elements of the LH program to serve as the foundation of a new effort to conduct demonstration and validation of prototype aircraft as a prelude to future possible full scale development of a new combat helicopter.

An important element of this new approach should be the Army's "down-selection" of a contractor team for this prototype development effort based on proposals already submitted for the old LH program.

This new approach will require that any prototype helicopter developed fully demonstrate all essential systems of a new Army Scout/Attack helicopter including propulsion, avionics, combat mission elements, and composite manufacturing technologies.

The prototype demonstration program should also fully exploit the concept of rolling over the initial demonstration technology to subsequent follow-on prototypes should unsatisfactory performance or other significant problems be demonstrated.

This roll-over concept is founded on the basic requirement that FSD and production should not commence until prototype testing validates the maturity of the technology and design contemplated.

The roll-over approach provides the Army the option to advance one or possibly more generations of technology until clear and convincing evidence of performance is available to justify a production commitment.

In considering the application of this concept for the LH, the committee was sensitive to the sizeable investment by industry toward development of the program.

The committee specifically recognizes that any prototype/roll-over acquisition strategy will require changes in the existing acquisition process.

Therefore, the committee believes that this approach requires the Department to fund the advanced development phase of the program on a pay-as-you-go basis.

Contractual and financial incentives should encourage robust research and development funding and avoid highly concurrent acquisition strategies that promote rapid decisions to enter FSD and premature initiation of initial production.

It is important to note at this point that Secretary Cheney completed the major program review on the Army LH program a few weeks ago, but his decision was released subsequent to the Armed Services Committee's action on the defense bill.

So we had to act without the benefit of his guidance in revising the Army's combat helicopter program.

However, I am pleased to note that Mr. Cheney's decision on the Army's LH program fits almost hand in glove with the approach already endorsed by our committee.

First, he agreed that any FSD decision should be delayed until after completion of a full prototype test program, thus delaying FSD for a minimum of 2 years. Second, Mr. Cheney agreed to reduce the fiscal year 1991 funding request for the LH program by $120 million to $291 million, or just $9 million below the $300 million we authorized. Lastly, the programmed buy has been scaled back from 2,096 helicopters to 1,292.

Mr. Chairman, I believe Mr. Cheney's decision begins to show a willingness on the part of DOD to rethink the old way of doing business and to take advantage of changing circumstances.

While the particular development strategy the Armed Services Committee prescribes for Army combat helicopters goes beyond what Mr. Cheney has proposed, it is clear that the department has taken an important first step toward bringing this program in line with new realities.

Mr. Chairman, as these changes represent a significant departure from the present Army helicopter acquisition strategy, the committee directs the Army to submit a revised acquisition plan for the new Army Scout/Attack Helicopte prototype development program that fully conforms to the guidance just described.

This plan should be provided to the Committees on Armed Services of the Senate and House of Representatives by February 1, 1991.

In closing, Mr. Chairman, we recognize that what is being proposed is a significant revision to one of the Army's highest priority R&D programs.

But the confluence of events resulting from the changing global security picture and increasing budgetary pressures provide us with a golden opportunity to adopt a more rational and prudent strategy for weapons systems acquisition.

The committee's action on the Army's next generation combat helicopter is a perfect example of this new acquisition strategy and could serve as a model for the entire range of weapon systems scheduled to ramp up into production during the coming decade.

Mr. Chairman, I yield 10 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I rise in support of H.R. 4739, the National Defense Authorization Act for fiscal year 1991. The Armed Services Committee has, in my view, fashioned a bill that makes real progress toward restructuring U.S. military forces to meet the changing circumstances of the 1990's and beyond. At the same time the bill reflects the fiscal reality that the budget dollars for national defense under the House-passed budget resolution are less than last year.

SUMMARY OF SHIPBUILDING RECOMMENDATIONS

The Seapower Subcommittee, which I chair, was faced with the challenge of reducing the President's request for Navy shipbuilding and related programs by $3 billion, the Seapower Subcommittee share of the $24 billion reduction in the President's budget called for under the House passed budget resolution. At the same time that we were making reductions we sought to assure that national security needs were met.

The shipbuilding request for 1991 included 15 new construction ships and the bill before us would authorize 10 ships, building 1 Trident submarine, 1 SSN-21 submarine, 5 DDG-51 destroyers, 1 LHD-1 class amphibious assault ship, 1 LSD-41 class amphibious landing ship dock, and 1 oceanographic ship. Personnally, I favor production of more ships and have never abandoned the 600-ship Navy goal.

I want to address a number of programs in additional detail.

TRIDENT SUBMARINE

In recommending that the 18th Trident submarine be authorized for 1991, the committee recommends that the Trident submarine construction program be terminated, based on an assessment that 18 submarines will meet United States military needs and a believe that additional ships would not be permitted under likely arms control agreements in any event. Long lead funds for future Trident submarines would be denied and long lead

funds provided last year would be applied against the 18th Trident submarine.

SSN-21 SEAWOLF PROGRAM

The budget request included the second and third SSN-21 submarines and contemplated six submarines in fiscal year 1993. The committee recommends one SSN-21 submarine in 1991 and $649 million for advance procurement for two SSN-21 submarines in fiscal year 1992 and two SSN-21 submarines in fiscal year 1993.

We held two lengthy hearings on the Seawolf submarine program in July shortly before marking up the Defense authorization bill seeking the most current and best information available on the need for the SSN-21 in light of dramatic changes in the world, as well as the status of the development and construction of the lead ship.

We concluded that the greatly improved capabilities that the SSN-21 is designed to possess, as compared to those available in the improved SSN-688 are essential in light of the steadily improving performance of new Soviet submarines and that the necessary improvements in capabilities cannot be adequately incorporated in the SSN-688 class submarine.

The SSN-21 design seeks to achieve major gains in capability in a number of essential areas. Testimony demonstrated that the risks are well understood and amenable to management so that, when the continuing construction of ever more capable submarines by the Soviet Union is taken into account, it is appropriate and prudent that construction of additional Seawolf submarines go forward at a measured pace. There is also extensive testing of components and subsystems that increase confidence in the performance of the completed submarine.

We considered the matter of concurrency. I think that it needs to be understood that concurrency in shipbuilding programs is a fact of life. The issues that we must deal with are the acceptable level of concurrency, and the management of the risks inherent in concurrency. I say this because the time to design, construct, and test the SSN-21, submarine is approximately 15 years—that is the timespan from when initial design studies that began in the early 1980's until the first submarine is delivered and fully tested at sea in operational tests that will extend into 1997. We cannot wait until 1997 to begin construction of the second SSN-21, because the submarine that is needed then will likely be more capable than the SSN-21. At a minimum the submarine that is authorized in 1997 will incorporate a number of improvements, and it is quite likely that a new submarine design will begin by 1997 with the prospect of going to sea for operational testing in about 2010.

We also considered the industrial base in recommending construction of the SSN-21 in 1991. The design and construction of nuclear attack submarines is a complex and difficult task. The capability present today in only two submarine builders has evolved over the past 40 years and, if not maintained through continuing submarine construction programs, will disappear quickly as the highly capable individuals engaged in the enterprise move on to other employment.

Since there is only one nuclear ship construction yard building the Trident submarine, and that same yard won the competition for the lead ship of the Seawolf, the committee concluded that the Navy should try to bring the other nuclear submarine construction yard into the Seawolf program as a second source, so that the opportunity for future competition can be protected. The committee recommendation recognizes that a continuity of work is necessary to maintain the capability to construct nuclear submarines.

DDG-51 "ARLEIGH BURKE" DESTROYER

The bill as reported by the committee would authorize five DDG-51 guided missile destroyers as contained in the President's request. Subsequent to the committee action the Secretary of Defense notified the committee that, as the result of a review of the DDG-51 program, the DDG-51 program was being reduced to four ships per year and that this would reduce the fiscal year 1991 budget by one ship and $457 million. The Secretary's decision to reduce the procurement rate was based on, and I quote, "the changed world situation and fiscal considerations." In light of the Secretary's action I will support Chairman ASPIN's amendment that will reduce the DDG-51 program to incorporate the Secretary of Defense's action and add authorization for other shipbuilding programs.

Aside from the question of whether four or five ships will be authorized for fiscal year 1991, several basic issues were considered by the committee in its deliberations. Concerns have been raised that the DDG-51 will be particularly vulnerable to antiradiation missiles [ARM's]. The ARM's that are of concern are antiship missiles that could be launched from ships, aircraft, or land and that employ guidance systems that detect and home on radar signals from the target ship.

In summary we concluded that the Aegis system installed on the DDG-51 can destroy ARM missiles. The Navy had demonstrated that Aegis can destroy missiles flying profiles representative of ARM's and we concluded that this is sufficient to demonstrate operational effectiveness against ARM's. The absence of an ARM seeker on target missiles in no way detracts from the validity of the tests because the Aegis capability against attacking missiles is dependent instead on the physical characteristics and flight profile of the missile.

There have also been questions raised about whether there is adequate testing of Aegis. It is perhaps unfortunate that the technological capabilities of the Aegis system, when combined with the great number of missiles that potential adversaries have built or could build, mean that it is not possible to test every possible missile in every possible circumstance. But we concluded that this is insufficient reason not to go forward with the construction of Aegis ships. After all, there are no other ships in the world that have as much defensive ability.

There has also been concern about an absence of certain countermeasures against ARM's. Evidence before the Armed Services Committee indicates that present day technology does not yet provide such capability at acceptable cost. But this is no reason to abandon the Aegis ship with all of its other great capabilities.

There have also been allegations of wrongdoing by one of the contractors building the DDG-51. This issue continues to be under active investigation. However the committee concluded that this matter should not prevent proceeding with the construction of additional Aegis ships because they can be built by more than one contractor.

In summary, the DDG-51 provides the capability necessary to prevail against potential adversaries and construction of Aegis ships should proceed this year. In coming to that conclusion it is recognized that Aegis ships are not perfect, and that it would be possible for an adversary to destroy an Aegis ship in war. However, Aegis ships are less susceptible to being destroyed than anything yet invented so we should have them.

Mr. Chairman, the Defense authorization bill will provide ships that are needed for the national defense and I believe that the bill deserves the support of the Members of the House.

□ 1320

Mr. ASPIN. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, today, as we take up our defense bill, I think it should be incumbent upon us as Members of Congress and also as Americans to keep ever mindful of the young men and young women wearing our uniform today. Those who at Norfolk, VA, wave goodbye to their families as their ship leaves for the Persian Gulf, those marines who embark and land on the shores of Saudi Arabia, the artillerymen who are getting ready to leave with their division, and the pilots who have flown over there,

using the tankers that we have provided them in our bills of yesterday—all of these people are doing the bidding of our President, with the great support of our Nation. That is what we are here about today.

Mr. Chairman, this bill, as we all know, is constrained by the budget resolution that has been passed, and we cannot speak above the figures that it has set for us.

I think this bill is an extremely good bill, considering the limitations of the budget. I compliment our chairman, the gentleman from Wisconsin [Mr. ASPIN], for the painstaking work that he has done, and I compliment the other members of our committee, as well as the subcommittee chairmen, for what they have done to put this piece of legislation together. It is not easy when we have constrained resources, with great challenges. Yet I think we have done that.

Since we last passed this bill out of the Armed Services Committee, Saddam Hussein went into Kuwait. Of course, there will be a need for additional taxpayer dollars to go into this effort. That, of course, will come in due time.

Besides that, I think what this event caused all of us in this country to understand is that this is still a very dangerous world in which we live. Though we feel euphoria and a great deal of satisfaction as a result of our prolonged efforts over the years in Europe, culminating in the collapse of the Berlin Wall and all of the Eastern European changes and reforms, as well as the reforms in the Soviet Union, we still live in a very uncertain world. Saddam Hussein has told us this in no uncertain terms.

This is the bill that we have before us, and we should look at it and see where it leads us. Hopefully, we will end up with a positive piece of legislation to back those men and women of whom I spoke a moment ago.

Mr. Chairman, the Navy has a phrase, "steady as she goes," and that should be our guide on national security. We should not bend to the ups and downs and be reacting to events and let the budget and other matters reflect those ups and downs and uncertainties.

It was Army Maj. George C. Marshall who gave a speech in 1923 in which he noted "the regular cycle in the doing and undoing of measures in national defense." Major Marshall also observed this:

> We start in the making of adequate provisions and then turn abruptly in the opposite direction and abolish what has just been done.

That is why it is important, Mr. Chairman, to go, as the Navy says, "steady as she goes," and not have the ups and downs that we have seen throughout the years.

Of course, we can cut our national defense budget, but we should do so based upon policy and based upon need, not based upon the mere fact that there are reactions to various events going on elsewhere.

In this whole scheme of things, Mr. Chairman, there is one system that is so very important that it might be called the pole star of this year. This system, of course, is the Stealth technology, the Stealth bomber, also known as the B-2. It is a terribly important system. This is very, very important technology.

There is a need for manned bombers. Manned bombers, as we all know, can be recalled. The START talks which are ongoing now at the present time favor the penetrating bomber. The penetrating bomber carrying internal weapons systems counts only as one weapon under the START agreements, but B-52's and B-1's carrying cruise missiles count at least as 10 weapons. So the START talks gear toward us having a substantial B-2 fleet.

When the START agreement does come and is finally signed and comes before the U.S. Senate, there could very well be debate there. Should we not proceed with the B-2 system, there could very well be debate on that START agreement and Senators would ask and the American people would ask them, Why didn't we develop more B-2's, because that is what the START agreement is geared toward?

Since last year at this time we have had more operational testings of this B-2 system. We have had more experience, and we see also that other Stealth vehicles such as the F-117 have worked and worked well.

There is a revolution, Mr. Chairman, in air technology. This is a revolution very much the same as what occurred at the advent of the submarine. When the submarines came along, the submarines were invisible to the naked eye. They could not be seen. This was very important during World War II. Stealth technology during the 1990's brings us an invisible airplane, one that cannot be detected by sophisticated radar systems.

It is important that we as a nation, as long as we are the bulwark of freedom in this world, have the best in technology and in our national security systems. That, of course, is what the B-52 does for us.

We see also in this changing world a diminishing number of military bases which we will be able to use, a limited number where we can deploy our systems and our young men and young women. The B-2 takes that into account because it has very long ranges and it is not necessary that we have B-2's stationed all over the world. We can have them and should have them stationed all over our country.

This development is a very important one for us as a nation. It will have a long-range effect on the decision made, and this decision, I think, will be made in conference between the House and the Senate. But let us review now where we are at this time.

□ 1330

If the B-2 system were stopped right now, we would have a mere 15, that is one squadron of Stealth bombers. One wing equals two squadrons, or roughly 30 airplanes.

The Secretary of Defense originally asked for 132 Stealth bombers, some four wings. He recently changed that to two wings, that is 75 such bombers. I think that is in line with his request, this is reasonable considering the budgetary constraints in which we find ourselves.

Much has been said, Mr. Chairman, about the cost of this system, but I think we should concern ourselves with the value of this system, rather than just the cost. What is its value? Of course, there is great strategic value. It keeps the air leg, the air breathing leg of the triad viable. It will not put the U.S. Air Force out of the bomber business. The B-2 will be maintaining a bomber force well into the next decade.

The B-52's that we have are being retired. They are becoming ancient.

The B-1's, as you know, are limited in number; 97 is all that we have. That is why it is important that we proceed to the next level of strategic deterrence in this leg of the triad with the Stealth bomber.

We also see, Mr. Chairman, the Soviet threat has not changed that much. The United States sees itself being paced with strategic forces being modernized throughout the U.S.S.R. and the only way to penetrate and defend against these on a long-range basis would be with the Stealth B-2 bomber.

We all know that bombers are different than other weapons systems. They can be recalled. Missiles, standoff Cruise missiles, you cannot change your mind once the trigger is pulled. That is why it is important to know that.

Under arms control, as I have already mentioned, it is important that we keep our arms control guidelines and followthrough with this.

The CHAIRMAN pro tempore (Mr. DURBIN). The time of the gentleman from Missouri has expired.

Mr. BENNETT. Mr. Chairman, I yield 5 additional minutes to the gentleman.

Mr. SKELTON. We discuss a great deal when we speak of the Stealth bomber in its nuclear or strategic role, but what we should not do is overlook its importance as a conventional system. We can compare, if we had the

B-2 system available during the Libyan raid what it would have been like then. Well, first, during the Libyan raid we had to use eight foreign military bases. We had to have 84 combat aircraft in use. We had to have 35 support combat in use, and we put 134 crew members at risk.

With the B-2 being part of that equation, we would have had to use no foreign bases. We would have had to use only four B-2's refueled by a few KC-10 tankers and only 8 crew members would be put at risk. Thus we see that the conventional use is a very important one for this Stealth technology.

We have had working tests. There are no surprises on the data that has come through. We have had 10 flights and 45 hours and all those tests are parallel to the flight test projections that have been given.

When we speak of the cost, we should remember that we need to put good money after other good money. We have already spent some $28 billion in this area. We have already spent over 80 percent of the research and development. We have another $33 billion to go to get 75 of these airplanes. We are about half way there now.

In looking at the proportionate cost of other systems in the past, the B-52 costs 1.4 percent of that era's defense budget. The B-1 is 1.6 percent and the B-2 only 1.1 percent; so when we speak of cost, it is well within the limits and the constraints that we have before us in this day and time.

I think, Mr. Chairman, it is incumbent upon us to look upon the value of this system, to look at the importance to us as a nation and to look long range as to what we want our national security to be in the years and decades ahead.

When this conference is ended between the House and the Senate, it is my hope that we will have a stronger national defense, a defense that deals with the realities of today a defense that deals with the uncertainties of tomorrow and the pole star of that is the B-2 Stealth bomber.

Mr. BENNETT. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. HUTTO], the chairman of the subcommittee.

Mr. HUTTO. Mr. Chairman, I appreciate the gentleman yielding this time to me.

Mr. Chairman, there has been a great change in the world situation just in the last few weeks since we voted this bill out of committee. I think it has proven for the whole world that the Soviet Union does not pose the only threat to the free world. As my colleague who spoke before me has said, there is still a threat from the Soviet Union because we have not negotiated a START treaty yet. They have not taken down any of their ICBM's pointed at the United States. They have not taken any of their submarines out of the water. There is a threat, yet we are all encouraged by what has happened in the Soviet Union and in the Eastern Bloc. It is good to know that these oppressed peoples, many people in these countries are beginning to see a little light at the end of the tunnel and to relish the thought that they may, too, one day enjoy the freedoms that you and I enjoy; but I think world events have proven to us that America has to remain strong.

I believe that all Americans are very proud of those young people, and some that are not so young, who are still willing to stand up and serve in our armed services and to protect our freedoms wherever the need is. We are especially proud of those who are in the Mideast at this time.

It is obvious to me and I appreciate the fact that our Secretary of State, Jim Baker, is prevailing on other countries to help us. Certainly they should share the burden, but it is obvious that we will have to come back and get a request from the Administration and have an additional authorization bill, an appropriations bill to take care of what is happening in Desert Shield; but Mr. Chairman, our committee is recommending a total of $85 billion in title III which contains the operations, maintenance and working capital accounts. This is a reduction of $6.8 billion from the President's request. Making a reduction of this magnitude, of course, was not an easy task, and I appreciate the good work of the members of our Readiness Subcommittee; but the committee believes that the Department can cope with a smaller budget without impairing the readiness of our fighting forces, of course contingent on further funding of Desert Shield.

During the past few years the Congress has adopted a strategy of protecting readiness at the expense of the investment accounts. The recent operation in Panama and the current Desert Shield deployment are dramatic examples of the success of this strategy. Our forces are ready, well trained and highly motivated.

The biggest challenge facing Congress and the Defense Department in the coming years will be to downsize the force structure and budget while maintaining acceptable levels of readiness to meet current and emerging threats to our national security.

I would like to take a minute to highlight some of the significant actions contained in title III. First, our recommendation would fully fund the President's request for field training and other direct operating combat support activities. We fully support Operation Desert Shield and realize that additional funds will be necessary to cope with the deployment.

The committee is currently studying alternatives to fund the additional incremental cost of the operation and will present options to the House in the near future.

Second, the committee took several positive steps to lessen the impact of civilian personnel reductions. We do not want to RIF people, to cause people to lose their jobs, but while we all realize that the civilian work force must be reduced as the Department is downsized, this can and must be done smartly.

□ 1340

Across-the-board reductions or furloughs make no sense and are an abdication by DOD officials to manage its work force. We are proposing that DOD continue a selective hiring freeze in 1991 that should preclude the need for major reductions and RIF's. We also recommend that priorities be established for any further reductions. In a major burden sharing initiative we are calling for allies to begin assuming a major portion of our overseas basing costs. We are beginning this process by proposing that host nations pay for more of the cost of foreign national labor on U.S. bases overseas and have reduced funding for this purpose by 25 percent.

Our proposed recommendations continue the committee's long-term interest to improve management and performance by emphasizing economy, efficiency and accountability within DOD. One major subcommittee initiative this year will improve the financial systems within DOD and provide decision makers with more accurate and complete data on the actual cost of programs and operations.

Finally, our recommendations also include almost a billion dollars for drug interdiction and other counterdrug activities by the Defense Department. We fully expect this account to grow substantially in the future as the department comes on line in attacking this increasing threat to our Nation.

So, Mr. Chairman, these are some of the highlights of the material contained in title III. I sully support title III and ask that the membership adopt it as it has been presented by the Readiness Subcommittee.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I rise in support of this bill and would like to thank the chairman of the Committee on Armed Services, the gentleman from Wisconsin [Mr. ASPIN], and the Investigations Subcommittee chairman, the gentleman from Massachusetts [Mr. MAVROULES] and their staffs for their support and inclusion of legislation I sponsored to help State, county and local police departments in upgrading their equipment. I am de-

lighted to say that because of language adopted in section 832 of this bill a test program will be started in 10 States allowing our local police departments to participate in Department of Defense purchases of equipment related to their work, particularly their work in fighting the drug war.

For instance, Mr. Chairman, a semiautomatic pistol presently costing $450 to police departments will be able to be purchased for $150. This program will allow our police departments on tight budgets to capitalize on economies of scale resulting from the vast size of Department of Defense purchases. Because of this our police officers now know that they may be able to afford the new semiautomatic pistols they desperately need to keep pace with the increasing danger these officers face on the streets.

Mr. Chairman, I urge my colleagues to support this important piece of legislation.

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Chairman, the last 6 weeks provide ample justification for moving in the direction outlined in the armed services committee version of the fiscal year 1991 defense authorization bill.

As a general rule, we tended to emphasize conventional forces as opposed to strategic forces. Thus far, the events of the last few weeks prove us right.

I know some of my colleagues on the other side of the aisle disagree and, like the administration, would invest more money in strategic programs.

Some of my colleagues on this side of the aisle, at least before August, would have preferred to spend less money. They have Saddam Hussein to thank for gutting the peace dividend.

A lot of us, including myself, think it is justified to add back funding that would have been left out of the bill in other circumstances.

As the hard reality of maintaining ourselves in Saudi Arabia begins to sink in, we do not want to shortchange our troops. Everyone knows defense costs money.

While no one claims this bill is perfect, it moves in the right direction. It combines enhanced conventional capability with changes reflecting an austere budget climate.

Like it or not, we must learn to cope with those realities. This bill is a good effort. It sustains a conventional force that is both deployable and manuverable.

It puts our military in the position of being able to command the air and the sea, thereby giving aid, assistance and advantage to our ground forces.

We have seen these principles at work in Saudi Arabia.

Carriers give us strike power superior to the air forces of most nations. No one seriously doubts our ability to control the air battle, should that eventually happen.

Our Navy has the ability to enforce the U.N. embargo in whatever degree we have the political will to decide. This bill would enhance that ability.

Our highly mobile ground forces are perfectly appropriate for a situation that more closely resembles World War II in North Africa than Southeast Asia.

I do not want to make light of the difficulties. I do say we are prepared and ready for whatever is necessary. I support this bill because it moves further in the right direction.

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in support of House Resolution 4739. This is one of the most important bills the Armed Services Committee has reported out in years. It contains the authorization to operate our military for the next fiscal year. The bill addresses the rapidly changing world situation in Eastern Europe, and the Middle East and our relationship with the Soviet Union.

We have included active component personnel reductions totaling 129,500 while at the same time restoring the National Guard and Reserve cuts made in fiscal year 1990.

As we reduce our active military personnel over the next 5 years, we have included a comprehensive package of transition benefits for those who will be forced out early. Congresswoman BEVERLY BYRON and I have cosponsored this package in an effort to be fair to our separating service members. The package includes severance pay, an opportunity to enroll in the Montgomery GI bill, employment assistance, and other benefits to ease the transition to civilian life.

I am concerned that the Defense Department has not seen fit to call up National Guard and Reserve combat units during this Persian Gulf crisis. Some airlift and other support units have been called, but not combat units that have trained right alongside the active forces.

The 48th Infantry Brigade from the Georgia National Guard is the Roundout Brigade of the 24th Division and the 155th Armored Brigade from the Mississippi National Guard is the Roundabout Brigade of the 1st Cavalry Division. Both the 24th and the 1st Cav Divisions have been sent to Saudi Arabia and the Army has substituted regular Army Brigades to roundout the divisions.

The Air Guard and Air Force Reserve combat elements are just as capable. Their A-10, F-15, and F-16 units are trained and ready. These units and pilots are as good as any in the world. By not calling up combat units of the Reserves, the Pentagon is not employing the total force as Congress intended. Active and reserves are trained side by side, and when there is a crisis, the Reserves are used just like the regulars. Chairman ASPIN, NEWT GINGRICH, BEVERLY BYRON, DAVE MCCURDY, and many others agree with me on this issue. In fact, Mr. ASPIN will offer an amendment that is a sense of Congress that combat units of the Reserve and National Guard will be called out. I would like to read a statement by an army general:

> Roundout is a fact of life * * * the 48th Brigade, Georgia Army National Guard, is the third brigade of my division. I expect them to fight alongside us. They have demonstrated their capability through three demanding rotations at the National Training Center * * *. They are, in fact, combat ready.

This statement was made by Gen. Norman Schwarzkopf, the Commander in Chief in the Persian Gulf, when he was the commander of the 24th Division.

Also in this authorization bill, we have added an additional $794 million for equipment for the Guard and Reserve, which shows the strong commitment of your Armed Services Committee toward the Guard and Reserve. This is the opportune time to test the total force policy to prove it works.

Mr. Chairman, I urge support for this bill.

□ 1350

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, all of us recognize the national responsibility and the global responsibility we have when we vote on this defense bill. The balance of our needs as a Nation and our responsibilities around the globe are significant. But it would be indeed a crime and a shame if this Government, that has been so considerate of others, has spent so much of its efforts to protect other nationals around the world, with an administration that is ready to forgive the debt of the Egyptians, where we continue to subsidize the defense of Western Europe and Japan to the tune of $100 billion, if we do not in this bill pass the Mavroules amendment, the one that the gentleman from Massachusetts [Mr. MAVROULES], myself, the gentleman from Missouri [Mr. WHEAT], the gentlewoman from Ohio [Ms. OAKAR], and others have worked on to deal with diversification and conversion.

Mr. Chairman, it would be a crime if this country had compassion for all others except for America's defense workers. In my district, as in many around this country, the changing realities have already caused dislocation. At UNC, Electric Boat, we are already feeling the first peace dividend. The peace dividend for American workers

cannot be unemployment. We cannot deal with them as if they were disposable.

Mr. Chairman, these are the men and women who built the strongest defense on the face of this Earth. These are communities that have focused all their resources on the defense of the free world.

As we approach this new defense bill, it is critical that we give them some options besides simply unemployment. We need to make sure that these workers are treated fairly, that these communities are not forgotten. If we can provide funds for the conversion of the economies of Eastern Europe, if we can provide funds for the economies around the globe, then we need to be able to provide for the workers in the communities that we live in an opportunity to evolve from total defense dependence.

Mr. Chairman, we need to make sure we buy those defense systems that we need as a Nation, but no Member would get up on the floor and argue that we need to buy systems simply to provide jobs back in our districts. If we are to make rational decisions as a country and as a Congress, we need to make sure as Members of Congress that the workers and communities have some alternative to unemployment and economic decay. So I ask Members to think of the times they have been on this floor to help out the farmers, to help out people in foreign countries, and remember that America's defense workers and those communities are at least that important. They have developed the strongest defense in the free world, indeed the entire world, and they ought not be left to dangle in the wind. They ought not be dealt with as if they are just one more disposable commodity in this disposable society.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN. Mr. Chairman, several months ago our committee, under the leadership of the gentleman from Wisconsin [Mr. ASPIN], began the very difficult task of writing a defense budget within changing priorities. We had been to the Soviet Union approximately 1 year ago and knew that in effect the cold war was over. Our chairman determined at that time that it was time to write a defense budget for a new era, and we proceeded to do that. However, our committee chairman and subcommittee chairmen had the foresight to see that we needed a new defense budget for a new era in America.

Mr. Chairman, it turned out that their effort has been somewhat prophetic. The situation of the last 30 days certainly bears out the fact that this is the right bill for the right time. I respectfully ask the entire House to vote it into law overwhelmingly.

Mr. Chairman, I rise in strong support of this legislation and want to commend the chairman of the Committee on Armed Services, the gentleman from Wisconsin, and the individual subcommittee chairmen for their efforts and leadership in drafting this historic legislation.

The Armed Services Committee began hearings on this legislation back in February. Although this was the beginning of formal hearings for drafting this specific bill. The chairman actually began laying the groundwork for this defense budget several years ago when he began defense policy panel hearings dealing with the changing threat presented by the Soviet Union.

These policy panel hearings were expanded to include a visit by most of the members of the committee to the Soviet Union to obtain first-hand knowledge of their military capabilities. More importantly, we were able to sit down with members of the Soviet Government and military and discuss the changing world.

Although at the time of our visit, almost a year ago, the Berlin Wall was still standing, and Eastern Europe remained under the domination of the Soviets, there was clear evidence that the Soviet Union was in a state of change. It was obvious that even the smallest of catalysts could bring about significant change.

Mr. Chairman, the events that have taken place in the Soviet Union and Eastern Europe during the past year have forced our committee to look at America's defense priorities in new and innovative ways. We began drafting this legislation realizing that, although the Soviet Union was the only nation in the world which could destroy us, the potential military actions which most threatened us or our allies would probably originate from another source.

Accordingly, we made, what I believe to be, significant alterations to a Presidential request that was based on old, if not unrealistic, assumptions. The committee made the assumption that future conflicts would be won by well-trained, well-equipped, and qualified personnel. We continue to support new weapon systems but only if these weapon systems are proven to work, are affordable, and meet stringent requirements for the changing mission.

An important point to me personally is the continued enhancement of our technology base. Last year, the chairman of the Research and Development Subcommittee, the gentleman from California, led the way in improving our technology base. We were quick to realize that even though we must meet our military needs now, we could not forfeit our future by neglecting to explore the basic advanced technologies that would ensure our continued success 15 or 20 years from now. This year, we have expanded this technology base enhancement program into one which is truly a research and development program, instead of a research and buy program.

Mr. Chairman, when we drafted this legislation, our hope was to take the initial steps necessary for addressing the new threat. We had little idea that the new threat of Third World powers attempting to control specific portions of the globe would be upon us so quickly. The events of the last 30 days have shown us that the alterations we have originated in this legislation are indeed the proper ones. However, let me remind the committee that this bill, as it was reported out of committee, does not address all the concerns that we have about the current Persian Gulf crisis. Accordingly, the chairman will include specifics to deal with this crisis in a separate amendment.

Mr. Chairman, in closing, a new type of military threat exists. This bill is a first step toward addressing this new challenge. I strongly support this legislation and urge its adoption by this body.

Mr. BENNETT. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, as chair of the Subcommittee on Research and Development, I am pleased to report to the House on the actions taken by the subcommittee and full committee in this area.

Title II of H.R. 4739, the National Defense Authorization Act for fiscal year 1991 provides authorization of $36.2 billion for research, development, test, and evaluation. This is approximately $2 billion less than requested by the administration.

As you may remember, last year the committee started an initiative that would increase the amount of funds that go to support the technology base, what we call 6.1 and 6.2 categories. This was done to correct the downward trends of the past and to redirect certain efforts in the defense technology base to insure a vigorous, modern, and advancing pool of technology that will be available to provide the needs of the Nation's defenses in the future.

This year we continued that effort and increased authorization for programs in these categories by around $450 million. This is an attempt to foster and encourage linkages among the Department of Defense, industry, and universities and to bolster the defense industrial base and provide greater opportunity to spin off technology into the civilian sector for commercialization. The projects we supported include such things as high performance computing, advanced material processes, materials and manufacturing technologies, environmental research, advanced display technology, and science and engineering fellowships.

In conjunction with the full committee, the R&D Subcommittee also began to focus on restructuring programs to be sure that we have the right technology before proceeding with full scale development of new weapon systems. Examples of this are the actions taken in connecting with the Army's armored systems modernization program, the Army's scout/attack helicopter, the Air Force's advanced tactical aircraft, and the Navy's Sea Lance missile system.

However, we also felt that the time was right to make some tough decisions and cancel certain weapon sys-

tems whose mission had become questionable. These include the follow-on to Lance [FOTL] missile, the short range attack missile—tactical [SRAM-T], chemical weapons, the vertical launch system, the joint surveillance target attack radar system [JSTARS] and the Navy's nuclear depth bomb.

Further action by the committee resulted in the antisatellite [Asat] request being reduced by $108 million, authorization increased for the light satellite program under DARPA, increased authorization for high altitude unmanned aerial vehicles, and continuation of authorization for laser verification research program. The committee also retained the prohibition against any test using MIRACL [Mid-Infrared Advanced Chemical Laser] against an object in space unless specifically approved by Congress.

In a major action, the committee reduced the strategic defense initiative [SDI] request from $4.46 billion to $2.9 billion, the same level as approved by the full House for fiscal year 1990. In a related action, the committee directed that the boost surveillance and tracking system [BSTS] be transferred to the Air Force and that full-scale development of the system be delayed until fiscal year 1992 to allow adequate time for the new requirements from the Air Force to be evaluated.

The committee also continued the research and development on the V-22 Osprey aircraft at an authorization of $238 million.

Authorization for the air defense antitank system [ADATS] and tacit rainbow weapon system was increased in R&D as a result of problems identified with these systems. It was decided that additional R&D funding was needed before they should proceed further into procurement.

Perhaps the most striking action by the committee was to agree to combine the rail garrison MX and small ICBM into a generic category for ICBM modernization and reduce the request by $140 million. The committee agreed that there was some need for R&D on a mobile ICBM, but that much uncertainty remains over the future of arms control, targeting requirements, and efforts to ban MIRV'd mobile missiles. Also given the inability to reach a political consensus necessary to develop both systems and budget pressures that make it unlikely that two—if any mobile systems will be deployed, the committee agreed to fence the funds approved until the President proposes how to allocate these funds and reports to Congress on this plan. In fact, some of us continue to believe that we should be moving away from mobile strategic missile systems, a view recently supported by the new Air Force Chief of Staff.

All of the above examples give me reason to be encouraged with the advances made in bringing sanity to the defense authorization process. I believe the Armed Services Committee has done a most commendable job of reporting an authorization bill that represents extraordinary and important changes in the direction of defense policy.

The bill before the House today represents a bipartisan, collective approach to addressing the changed international situation and realities while at the same time facing up to the budget crisis. The committee has crafted a Pentagon budget for fiscal year 1991 that not only safeguards our national security in a military context but also begins to restore our national security in an economic context.

Having said this, however, I remain opposed to the bill. It is my opinion that the Congress can go much further in addressing the national security of our Nation and at the same time continue to make larger reductions in the defense budget.

If the events of the past few weeks in the Middle East have taught us anything, it should be that over the last decade, the military buildup we have been paying for at the expense of domestic needs, has bought the wrong systems to deal with the crisis we face today. We have concentrated too heavily on nuclear strategic systems and weapons that are geared to a NATO scenario against the Soviet Union, at the expense of conventional weapons. We should not be hoodwinked again into thinking that we need new strategic weapons such as the B-2, mobile missiles, or SDI to defend ourselves in situations such as this. We do not.

However, that is not to say that I agree that this situation can be resolved through military means. Until we begin to realize that not every dispute in the world can be solved by military power, but must be addressed through diplomatic, social, and economic avenues, we will never stop wasting our defense dollars and fashion a defense budget that reflects only what is truly needed to protect our national security.

□ 1400

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I rise in support of H.R. 4739, the fiscal year 1991 Defense Authorization Act. Throughout the past year, we have grappled with the astonishing changes in Eastern Europe and the Soviet Union. Clearly, the conventional military threat to Western Europe from Moscow and its Warsaw Pact partners has greatly diminished. True, the Soviet Union still possesses substantial military forces—including undiminished strategic forces—but the large scale Warsaw Pact attack in Europe that we have geared up for so long is now just not in the cards.

Instead, with the cold war over, we must deal with security concerns that have been obscured by our East-West preoccupation—regional conflicts, weapons of mass destruction in the hands of international thugs, challenges to American worldwide interests.

Little did we know that the aggressive actions of Saddam Hussein would soon let us know that the direction we fashioned for the defense budget was the right one. Saddam Hussein is a one-man catalog of the dangers we face in this new era. Even the actions in Panama show us that we no longer should be focusing on the big war with the Soviet Union. In fact, Moscow has sided with us in opposing Saddam Hussein's hostile acts. Our attentions clearly must be concentrated on programs and equipment to handle desert warfare from the jungles to the desert.

Although Operation Desert Shield may force us to make some immediate budgetary adjustments, this is not the time to go back to our old way of thinking. I would urge you to make the decisions necessary to cope with the costs that this tremendous effort is incurring, and not use this as an opportunity to reinstate a pet program that is clearly not needed in today's—or even tomorrow's—defense climate.

I would like to echo Chairman ASPIN's assessment of the committee bill—this is the right stuff for the right times. As he has put it, it emphasizes people over procurement, deployable forces over redundant nuclear forces, and needed weapons over those of questionable utility.

These changes do, of course, lead us to the question of how we will cope with the disruptions to the lives of those who worked on defense production lines that we no longer need. Let me briefly highlight a proposal that I will be presenting to the full House later. The victims of the post cold war realities can be found throughout the country—workers, businesses, and communities that supported our military establishment and defense industrial base in its heyday. Many of them will be hard hit. As a nation, we owe them our gratitude. We also still need them. If we as a nation are going to compete economically with the Asian nations and with Europe after EC 1992, we are going to need our brightest minds; in short, we are going to need a redirected defense work force.

My amendment includes a core economic adjustment program, which provides expanded resources for existing Federal agencies, rather than creating new bureaucracies. The newly provided resources will be funneled into existing programs but utilized in a better coordinated, more resolute, in-

novative and timely manner than in the past. This is not a relief program—this is a transitional reinvestment effort.

In another area, I will be offering an amendment targeted to improving the quality and professionalism of the defense acquisition work force—the quarter million people who buy all our weapons and military equipment.

My amendment provides a comprehensive framework for developing a work force with the skills and attributes required for effectively managing the defense acquisition process.

I would like to touch on one final important issue—that of M accounts. I want to especially commend my colleagues, CHARLIE BENNETT, FRANK MCCLOSKEY, and ANDY IRELAND for their hard work and perseverance in bringing this to our attention.

The Congress appropriates funds annually and provides appropriations for different purposes with varying periods of obligational availability, ranging from 1 year—for example, military personnel funding—to 5 years—for example, funds for shipbuilding. When that time period expires, the unused budget authority ultimately ends up in the M accounts.

The M accounts were established in 1956 to make it easier to pay late bills for programs Congress fully intended to see to completion. The M stands for merged, which is what happens to funds added to the M accounts. There is essentially one M account for every appropriation made for the same general purpose—for example, Army aircraft procurement. All Federal agencies have M accounts.

Department of Defense M accounts currently total nearly $50 billion. They include funds to pay for things ordered, for which payment is not yet due. But they also include funds no longer needed. They aren't needed because a program was well-managed and came in under budget. Or they are unneeded because the program was poorly managed and scaled back as a result. Or they aren't needed because the cost estimates were on the high side. For whatever reason, about $38 billion of the $50 billion in the Pentagon M accounts aren't needed. While it is an exaggeration to think of the M accounts as a slush fund, there are examples of misuse by the Department of Defense of M account spending authority. Two sections of the committee's bill would clean up the controversial M accounts—one of them by killing off that $38 billion in excess funds, the other by providing for better management, and an audit, of the remaining $12 billion.

Once again, Mr. Chairman, I urge my colleagues to pass our "right stuff" bill.

Mr. COURTER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my concern is that this bill is pretty bad at the present time, and I guess my main concern is it is going to grow worse during the next 3 days of debate.

Over the last few months, there has been talk of the Defense Department being in a free fall by a wide variety of interest groups seeking to portion out the peace dividend. Unfortunately, nowhere was this atmosphere more pervasive than during the debate of the Committee on Armed Services. We cut people, we cut procurement, we cut weapons systems with little regard to the implications of these actions.

The evolution of the threat was deemed by the majority to be an indication of an absence of a threat. Through a magic formula of misguided priorities, pet programs, pork-barrel projects, this bill emerged.

Some have suggested that the product of this process might charitably be called a strategy. This is not strategy, Mr. Chairman. It is spin control. This bill has the same relation to national strategy as a bumper sticker may have to the study of philosophy. It is a collection of deep cuts, of some questionable add-ons, all sprinkled with a heavy dose of good old politics as usual. This was apparent to myself and several other colleagues on the Committee on Armed Services who, like myself, voted against final passage.

Mr. Chairman, I might add by way of footnote that I have been a Member of this body for 12 years. Each of those 12 years I have supported the Defense bill. This, regrettably, is the first time I cannot support the defense bill as it comes out of committee. Basically the overall thrust of this bill and its message to our enemies and allies overseas is that returning to the 1970's era of neglect of our Armed Forces is acceptable and will have no impact on the interests of the United States abroad.

Moreover, this neglect is not a benign neglect but an active one that throws careerists out of the military services and leaves those remaining without modern weapon to defend themselves.

In times when unreality seems to have taken hold of conventional wisdom, reality has had a nagging way of sneaking up on ourselves. Witness the fact that we are currently involved in a major military operation that is of uncertain duration in a far corner of the world. No one here seems to be reminded of the circumstances that were motivating factors for Operation Desert Shield or of the seriousness of the situation in the Persian Gulf.

Surely, however, we can use this opportunity to rethink the perceptions and the extreme position taken by the Committee on Armed Services. What is needed is flexibility, not extremism, in thinking about our national-security policy. Right now we are facing the possibility of military action against an adversary with a large army that is heavily armored and equipped with weapons of considerable sophistication. I am confident in our capability today.

In thinking about our future defense priorities, however, we must not only concentrate on the immediate threat but whatever threat may face the United States of America and the free world in the future.

Does this bill allow the United States a reasonable measure of security against such threats? It does not. Does it provide for a response to a variety of strategic, conventional, chemical, or biological scenarios? It does not.

Ultimately, does this legislation provide for the common defense in a responsible manner with a coherent, cost-effective strategy? Unfortunately, the answers to those questions are no.

Mr. Chairman, more specifically, the bill in its present form eliminates or underfunds crucial programs for the security of this Nation. It terminates the B-2 Stealth bomber program. It underfunds the SDI by about $3 billion, and it underfunds the A-12 attack plane that is vitally necessary for upgrading the A-6. It underfunds and overrestricts the C-17 cargo plane. It underfunds and overrestricts the advanced tactical fighter. The bill requires excessive cuts in military personnel by about 100,000.

Mr. Chairman, the bill, as well, would impose ill-advised and, in some cases, unconstitutionally suspect provisions that purport to limit the authority of the executive branch of the United States of America. These include geographical and numerical restrictions on deployment of personnel and equipment, two provisions that are of particular importance which we will get into later.

□ 1410

Mr. Chairman, as I mentioned, this bill is not a good bill. It was based I think during a time when everybody was tripping over themselves feeling that we could dismantle the Department of Defense of the United States.

It is definitely unfair to the 100,000 men and women that 6 months ago were not in Saudi Arabia but are there upon the request of the President of the American people today.

Mr. Chairman, unless this bill improves dramatically during the next 3 days, I and many of my colleagues will recommend that we vote no on final passage.

Mr. Chairman, I yield 7 minutes to the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, one of the specific administration criticisms of this bill has been insufficient funding for the strategic modernization pro-

gram of the administration. Specifically, both the President and the Secretary of Defense have indicated that the level of funding provided by the House committee mark for the strategic defense initiative is inadequate. The President requested $4.6 billion for fiscal year 1991. The House committee's mark is $2.9 billion.

Last year the President signed a bill that provided for $3.57 billion in Department of Defense funding for SDI. That is the same level that the Senate adopted earlier this year.

My amendment, which will be offered later, is for that same amount of money for SDI funding, $3.75 billion. That is last year's level, but without any inflation adjustment, and without any additional funding from the Department of Energy which has been eliminated now from the bill.

Let me quote from the President of the United States in a letter to Senator WARNER from last month. He said:

A vote to cut SDI below the Senate Armed Services Committee mark will force us to delay critical tests and cancel contracts, and therefore is essentially a vote against strategic defense for America.

Mr. Chairman, for that reason I will urge my colleagues to support the Kyl amendment which funds SDI at a level of $3.57 billion.

Why do we need SDI in this day when relations are falling in the Soviet Union? The fact of the matter is that missiles are a reality. The genie is out of the bottle. They have not only been invented by the United States, Great Britain, France and the Soviet Union, but now are being built by more and more countries. CIA Director Webster has testified before the committee that before the end of this decade 15 Third World countries will possess ballistic missile capability, and probably six of them will have a nuclear capability as well. In addition to that, we have reason to believe some of these countries will marry up chemical warheads with their ballistic missiles.

A good example of this proliferation is Iraq. Mr. Chairman, the fact of the matter is that these missiles are going to be around for a long long time. We are going to have to do something about defending against missiles. Iraq was able to successfully use ballistic missiles against Iran and thereby end the war that they had. These were not sophisticated missiles. They were used as terrorist weapons against the people of the city of Tehran primarily, and because of their fear that these missiles might contain chemical warheads, and because of the destruction which they rained upon that city, Iran finally sued for peace with Iraq.

We can see the destructive capability of these weapons fast with respect to potential use in the Middle East today, and clearly while we are not talking about it we are concerned because Iraqis have three different weapons, all of which could reach the troops we have deployed in the region. They could reach ships we have deployed in the region, and they could certainly reach our allies and, of course, they could reach other enemies of Iraq including the State of Israel.

Israel, with the United States, as part of the SDI Program, is developing a response to this. It is called the Arrow missile, and one of the suggestions that we have here is that the SDI Program must move forward robustly so that we can provide our own defense against these same kinds of missiles. It may not be the Arrow, it may be something called Arent, for example, but it is something we have to develop and deploy.

There is a misconception, and that is that SDI is only a space-based kind of defense. SDI has both ground-based and space-based components, both of which could defend against the Iraqi missiles. All three of the Iraqi missiles have the kind of trajectory which both space-based and ground-based assets could interdict, and for that reason it is the kind of defense which would not only protect us from these kinds of theater missiles, but the kind of strategic missiles which the program was originally designed to interdict.

I have just spoken with Secretary Cheney and he confirmed that while Iraq was not a new argument for the strategic defense initiative, it is a confirmation that we cannot delay the program with budget cuts, and that is what cuts of the level of the committee mark or other amendments would in fact do.

The basic argument for SDI remains the same as it has always been. Mr. Chairman, No. 1, Soviet modernization in the strategic area has continued apace. The Soviets still have on the order of 12,000 warheads aimed directly at the United States, and the fact of the matter is that the Soviets are not the only country that is going to possess this missile in the future, as I said.

That brings in the second reason. Because of the proliferation of missiles we are going to have to have a missile defense. Sometime, somewhere in the future, the United States is going to have an enemy with ballistic missiles, who is not afraid to use those missiles either against the Continental United States or against deployed forces abroad.

There is a third reason for the strategic defense initiative which is embodied in the fabric of our entire strategy for arms control, and that is that SDI will help us achieve arms control. It provides us the assurance we need to make those kinds of deep cuts that all of us would like to see in the ballistic missile and nuclear warhead proliferation.

As a matter of fact, I would like to quote from a letter just this last week from Ambassador David Smith who is our chief arms negotiator in the defense and space talks in Geneva. With specific respect to the two amendments which would have a very crippling effect on the SDI Program, both the Bennett amendment and the Spratt amendment, Ambassador Smith said:

I urge you and you House colleagues to oppose these amendments to the defense authorization bill. These amendments would also undercut the United States in the defense and space talks.

I must tell you frankly, our work in Geneva to seek Soviet agreement on ways to strengthen deterrence will be insufficient without a strong SDI Program.

This is just this last week that he wrote the letter. He said:

• • • if our SDI Program is progressing in accordance with the realistic timetable established by President Bush, there will be an opportunity for success in the defense and space talks. If, however, Secretary Cheney and Ambassador Cooper are prevented from running the SDI Program in a way which supports President Bush's plan to make a decision within his first term in office, I see no hope of success at the Geneva talks. Insufficient funding, inflexible program restrictions, or a combination of the two, will create such a situation. I am convinced that the Bennett and Spratt amendments would constrain the program in ways that could only pull the rug out from under my negotiating team and me.

So Mr. Chairman, I would urge my colleagues, both because of need to provide defense against future proliferation of missiles, of the kind of weapons which we are programming to go away, and which we ultimately have to have a defense against, and because it would be useful in our defense and space talks in Geneva to support a robust funding level for the SDI Program, at least to the Kyl amendment level, and oppose any Bennett or Spratt amendments which would cut that funding.

Mr. COURTER. Mr. Chairman, I yield such time as he may consume to the gentleman from Georgia, [Mr. RAY].

Mr. RAY. Mr. Chairman, during its deliberations of this legislation, the committee cut the CHAMPUS benefit for the first time. I doubt very much whether many of my colleagues in the House are even aware of this provision—and I think they would be concerned if they were.

The bill reduces the time a psychiatric patient can stay in the hospital from 60 days to 30 days and imposes—for the first time—a 90-day limit on lengths of stay in residential treatment facilities. These facilities are often used to treat children and adolescents suffering from substance abuse. It seems to me that enactment of such a cut just as we are placing great stress on our service personnel and their families is untimely and harsh.

There were no hearings held on this proposal. Futher, I am told that even DOD admits

that their data on CHAMPUS is unreliable. There are already two cost control mechanisms which Congress has placed on CHAMPUS mental health care. The first is a per diem cap on expenses, and the second institutes a system of pretreatment authorizations. As yet, we do not know how much these efforts have reduced costs, and we should have that knowledge soon.

We had no knowledge of this effort until shortly before our mark, and I am not a member of the subcommittee. But I have been gathering information as rapidly as I can in this compressed time frame, and I might say that much of what I am learning casts even further doubt on the wisdom of this course. We may need to make changes, but we shouldn't do so until we have all the facts we need, and have had adequate time to consider them. There is no comparable Senate provision, and I intend to do all that I can to get this issue resolved in conference in a way that is more equitable and compassionate.

Mr. COURTER. Mr. Chairman, I yield 6 minutes to the gentleman from Florida [Mr. IRELAND].

Mr. IRELAND. Mr. Chairman, we bring this bill to the floor for consideration at a time of unprecedented change and uncertainty in national defense planning. The way we think about defense is being completely reshaped. Traditional loyalties and new realities are pulling in opposite directions and creating powerful cross pressures. Just about every facet of defense planning to topsy-turvy.

Over the past year, much of our thinking on national defense has become irrelevant. We have witnessed more change in the last 12 months than I would expect to see in a lifetime.

NEW WORLD ORDER UNFOLDING

Uncertainty is being generated by several momentous events: Dramatic and continuing change in United States-Soviet relations; political revolution in Eastern Europe and the Soviet Union; and Saddam Hussein's invasion of Kuwait.

Our relationship with our principal cold war adversary—the Soviet Union—is undergoing profound change. This change is most certainly for the better, but it still requires some serious rethinking of some of the more basic tenets of our Nation's defense.

The centerpiece of our defense posture—the defense of Europe against a Soviet led invasion—is very much in question in the wake of the political revolution that has swept through Eastern Europe this year.

NATO and the Warsaw Pact are evolving—but we cannot yet say where they will end up. Major conventional and strategic negotiations are underway and future prospects look good for a long-term reduction in the threat of a major conflict between the superpowers.

Then suddenly, like a bolt of lightning out of the blue, comes Saddam Hussein's invasion of Kuwait—a move that threatens our vital national interests in the Middle East and precipitates a massive development of our forces in Saudi Arabia, the Persian Gulf, and Red Sea.

What is the net result of Hussein's unprovoked aggression? The United States and Soviet Union, along with the United Nations and most Arab States are now working together to force Hussein out of Kuwait. This kind of cooperation has not existed since World War II.

Were it not for vastly improved relations between superpowers, President Bush would never have moved to confront Iraq in such a decisive way. A new world order seems to be unfolding. But how do we respond to something we don't yet fully comprehend? What kind of force will we need in this decade?

Such dramatic and rapid change is enough to overwhelm and cripple a rigid, bureaucratic planning and budgeting process and leave it in a state of utter confusion. We must not allow that to happen. We must adapt to change however rapid and unpredictable. We must not be afraid to act and to move forward with this bill.

I commend Chairman ASPIN and ranking minority member DICKINSON for having the courage to bring this bill to the floor today., Now, is the time for leadership. We must decide whether to continue to hang onto old ideas—thereby turning defense into a truly dedicated jobs program, or whether to seek new directions. We have a golden opportunity to craft an affordable defense posture that meets our national security objectives.

NEW DIRECTIONS

Mr. Chairman the President needs to lay down fiscal guidance for defense for the next 5 years that is both affordable and realistic.

The Joint Chiefs of Staff need to develop a strategy that is consistent with the President's long-range fiscal guidance.

The Secretary of Defense, for his part, needs to structure the programs and budget to conform with the strategy and fiscal guidance.

Congress must begin to act in a more responsible manner.

As a first step, we must come to grips with economic realities. There is a massive budget deficit. We must move to reduce it, and defense must be part of the process and ultimately the solution.

SHORT-TERM BUDGET PROBLEM

The situation in the Soviet Union and Eastern European nations is placing downward pressure on defense spending. At the same time, the Iraqi invasion of Kuwait is generating short-term upward pressures. It's our job to determine the net result of those cross pressures.

I will be the first to admit that the bill is not completely in tune with the times. For example, cutting personnel end-strengths, originally viewed as a quick fix for the deficit, need to be deferred at least until crisis is over. Similarly, planned cuts in operations and support must also be put on hold. But I firmly believe that needed adjustments can be made in conference or in a supplemental action later on.

So the hand writing is on the wall. The bulk of fiscal year 1991 cuts must be applied to acquisition programs. Programs like the B-2, LH and the A-12—to name a few—belong on the chopping block where the Armed Services Committee put them in July.

LONG-TERM SOLUTIONS

As a second step, we must reevaluate our national military strategy and link it to economic reality. The bill before you helps to end the gap between strategy and resources and the mismatch between programs and strategy.

NATIONAL STRATEGY REPORT

Section 153 of the Goldwater-Nichols Act of 1986 gives the Chairman of the Joint Chiefs of Staff new responsibilities. It requires that he prepare "strategic plans, including plans which conform with resource levels projected by the Secretary of Defense."

He is also required to advise the Secretary "on the extent to which the program and budget proposals of the military departments conform with strategic plans" and to provide the Secretary with "alternative program and budget proposals within projected resources levels provided by the Secretary."

But required linkages still don't exist. DOD still has not developed a coherent long-range strategic plan that is anchored to a fiscally realistic budget plan as required by the Goldwater-Nichols Act. The committee has therefore moved to put some teeth in the law.

Under section 1032 of the bill, which was proposed by Mr. SKELTON and which I have supported from the start, the Secretary of Defense would have to submit a national military strategy report to Congress.

It would be based on alternative strategic plans developed by the JCS chairman using three budget toplines—$200 billion, $250 billion, and $280 billion in 1996. The Secretary would then select one or a combination of those options and tie the whole package to the current 5-year defense plan now called the multiyear Defense Program.

MULTI-YEAR DEFENSE PLAN

In line with the national strategy report, the committee has moved to beef up the law governing submission of the multiyear Defense Program to Congress—section 114, title 10, U.S. Code.

DOD failed to comply with that law this year. To force the issue, the committee has strengthened and clarified the law with two amendments—section 109 and section 1304. These provisions now make submission mandatory, and—as an incentive—withhold all advance procurement money until the department complies.

The message is simple and clear: Submit a plan that conforms with the President's budget. That's all that's required by these two sections. We can't act on the budget in an intelligent way until we understand the policy and fiscal consequences of that document. Those conditions do not exist today.

As Senator NUNN and his committee have repeatedly stated this year:

> The absence of a long-range plan outlining the administration's proposals for the future direction of U.S. military forces during this period of profound change seriously impeded the committee's work this year.

All the major assumptions underlying the budget President Bush submitted in January have gone out the window. The bill before you attempts to fill the void. We have provided the legislative framework for developing a strategic plan that accurately reflects our vital interests under the changing world order.

Hopefully, the new strategic plan will be consistent with the President's budget. And hopefully it will produce a multiyear Defense Program that conforms both with the strategic plan and the President's budget.

In conclusion, Mr. Chairman, we are at a serious crossroads. The decisions we make today will determine our ability to maintain our status as a world superpower—both militarily and economically.

The authorization bill we are considering today would go a long way toward assuring that we meet those goals. I plan to vote for the bill, and I urge my colleagues to do the same.

□ 1420

The CHAIRMAN pro tempore (Mr. DURBIN). Does the gentleman from Wisconsin [Mr. ASPIN] seek recognition?

Mr. ASPIN. Mr. Chairman, pursuant to House Resolution 457, I want to give notice of the order for consideration of amendments to H.R. 4739.

Today, after the conclusion of general debate, we will first consider the amendments listed in the report accompanying House Resolution 457, relating to the acquisition work force, which is the Mavroules and Gilman amendments. We will then proceed to three amendments on burden sharing, one by the gentleman from New York [Mr. MARTIN], one by the gentleman from Michigan [Mr. BONIOR], and one by the gentleman from New York [Mr. MRAZEK].

If we have time, we might then proceed to other amendments relating to burden sharing—the homeporting issue. But at this point, according to the rule, we must give notice of the order in which the amendments would be brought up.

I would like to announce at this point that it is the intention of the chairman here to call up the amendments in the following order: Acquisition, first; burden sharing, second; and homeporting, third.

Mr. COURTER. Mr. Chairman, reserving the right to object, is the gentlewoman from New York [Ms. MOLINARI]——

The CHAIRMAN pro tempore. The Chair would make the point that there is no request pending.

Mr. COURTER. I thought there was a unanimous-consent request, Mr. Chairman.

Mr. ASPIN. There is no unanimous consent, Mr. Chairman, but at this point I would like to yield to the gentleman.

The CHAIRMAN pro tempore. If the Chair may clarify the matter, it is the Chair's understanding that the gentleman from Wisconsin asked unanimous consent to revise and extend his remarks.

Mr. ASPIN. That is true, yes.

The CHAIRMAN pro tempore. The Chair's understanding is that under the rule no unanimous request is necessary. It is only a notice being given by the manager of the bill.

Mr. ASPIN. But I do want to engage the gentleman from New Jersey in a colloquy here, and I yield for that purpose.

Mr. COURTER. I thank the gentleman for yielding.

I just wanted to ask the gentleman this: I know what the rule is, but I just wanted to ask whether the gentlewoman from New York [Ms. MOLINARI] is aware of this request.

Mr. ASPIN. That we would do the homeporting on this day?

Mr. COURTER. Yes.

Mr. ASPIN. That is a good question.

Mr. Chairman, she is being notified as of this moment.

Mr. COURTER. I thank the gentleman.

Mr. ASPIN. The point basically is that we want to do the acquisition work force first. As the gentleman knows, we would like to make sure that we do not have votes until 4 so we would do the acquisition first because, according to the rule, that is allowed the greatest amount of time for debate.

Mr. COURTER. If the gentleman would continue to yield to me, it is my understanding that the rule did provide for consultation, and since perhaps the gentlewoman from New York [Ms. MOLINARI] has not received the message, could the gentleman just withhold for a few moments until she is notified?

Mr. ASPIN. Mr. Chairman, I would say to the gentleman that the gentleman can talk, and I think our staffs have talked together. Unfortuantely, the gentleman from Alabama [Mr. DICKINSON], the ranking member of the committee, has not been on the floor all afternoon because he has some other concern before the Committee on the Judiciary.

But we have been in consultation with the Republican side on this issue.

Mr. COURTER. Mr. Chairman, I appreciate the gentleman's yielding to me. I understand that the gentleman has been in consultation with staff, but my concern is the fact that he is a member and it is my understanding, through the statement of the gentleman, that she has not been consulted, and the rule requires consultation.

Mr. ASPIN. The rule requires consultation, not with every member who has an amendment, but consultation with the Republican side.

By that I mean the gentleman from Alabama and the Republican staff of the Committee on Armed Services.

Mr. COURTER. Then my question is: Has the gentleman consulted with the gentleman from Alabama on this issue?

Mr. ASPIN. I have not. The gentleman from Alabama has not been here. But I have consulted with his chief staff person.

Our basic problem here is that we have to give notice an hour before we begin these amendments. The rule requires that there be an hour of notice to the House as to the order in which these amendments are coming up. We do have some more time left, an hour's debate left on this issue. So I am rising first to give notice that the order will be acquisition first, burden sharing second, this afternoon, and probably that is all we are going to have time for.

PARLIAMENTARY INQUIRIES

Mr. COURTER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. COURTER. The parliamentary inquiry is whether consultation with staff under the rule is consultation under the rule. I would argue that consultation in the rule requires consultation with the standing Member of Congress.

The CHAIRMAN pro tempore. The Chair will only state the language of the rule. The language of the rule states: "After consultation with the ranking minority member of that committee." So the Chair will leave it to the Members to reach their conclusion as to when that happens.

The Chair would notify Members there are 8 minutes remaining on the

majority side under general debate and 41½ minutes on the minority side.

Mr. MARTIN of New York. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. MARTIN of New York. Mr. Chairman, the question I have is: I think the distinguished chairman has said he did not have the opportunity, and in any event did not, consult with the ranking member. I know that the ranking member has been here working today and has advised me and others that he needed to be on the Senate side for very good reasons at 2 o'clock and expects to be back at 2:30. The parliamentary inquiry is: Are we expected, are we now put on notice officially? Is that what the Chair is saying, that this is going to be the new order of debate?

□ 1430

The CHAIRMAN pro tempore (Mr. DURBIN). This is an extraordinary procedure, and it is in the best interests of the body that the two sides confer either in the Chamber or off the floor in terms of consultation. The gentleman from Wisconsin preceded this debate by alerting the Chair that the ranking minority member of the committee was disposed to be at another meeting, and is trying to accommodate him in scheduling. That accommodation should continue off the floor. The Chair hopes the Members will meet and discuss it and get back to the floor.

In the meantime, there is time remaining on the general debate.

Mr. COURTER. Mr. Chairman. I have a parliamentary inquiry. Is the 1-hour rule in effect, by the Chair's ruling, or not?

The CHAIRMAN pro tempore. The Chair will not rule on that at this point. The Chair would like to withhold ruling on that so Members on both sides can converse, and advise the Chair that there has been proper consultation, and the Chair would like to continue with general debate.

The gentleman from Wisconsin [Mr. ASPIN] is recognized to proceed.

Mr. ASPIN. Mr. Chairman, let me propose the following to the gentleman from New Jersey. The important part of this rule is that what we have to do is give notice at least an hour before any amendment is called up. The rule requires that there be an hour, that we give notice to the membership of the amendment being called up.

We are now proceeding under the general debate here, which is about to run out in an hour. So we are going to be caught without having given proper notice, and then the gentleman from New Jersey will be on his feet saying, "We have not had proper notice."

I would have liked it if the gentleman from Alabama [Mr. DICKINSON] had been here this afternoon, but I thought we were dealing in good faith with the members of the staff on the Republican side. Let me propose the following if it would help: Let Members at this point give notice about the acquisition amendment to come up. That is the amendment. There are 60 minutes of debate, 1 hour of debate on that amendment, followed by the Gilman amendment, and the Mavroulis amendment. We will not announce at this point any further action until later.

That will at least get Members through the problem of trying to deal with something to make sure that we have an hour's notice.

Mr. Chairman, I yield to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, It is not my purpose to be an obstructionist here, and I think that request is a good one. I have no problem with it.

Mr. ASPIN. Let Members do it that way.

At this point, Mr. Chairman, we are hereby giving notice that the first amendment that will come up at the end of the general debate is the acquisition amendment which has an hour of debate, followed by an amendment offered by the gentleman from New York [Mr. GILMAN], and an amendment offered by the gentleman from Massachusetts [Mr. MAVROULES]. A further announcement of amendments to come up after that will be made, and we hope that the gentleman from Alabama will be on the floor soon, so we can consult with him.

Mr. COURTER. If the gentleman will continue to yield, I would like to thank the chairman of the committee, the gentleman from Wisconsin [Mr. ASPIN], for his cooperation.

The CHAIRMAN pro tempore. Pursuant to the provisions of the rule, notice is noted for the RECORD, and general debate will continue, with 8 minutes remaining on the majority side, and 14½ minutes on the minority side.

The Chair recognizes the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I yield 30 seconds to the gentlewoman from Tennessee [Mrs. LLOYD].

Mrs. LLOYD. Mr. Chairman, I rise today in support of House Resolution 4739, the National Defense Authorization Act for fiscal year 1991.

Events of the past year have dramatically altered the world. Germany is on the verge of unification, the iron curtain has been lifted in Eastern Europe, and surprising, if unpredictable, change has occurred in the Soviet Union. The Warsaw Pact is, for all intents and purposes, a nonentity. The East-West conflict has been transformed and with it the threat to the United States. We have entered the post-cold war era.

The Persian Gulf crisis forcefully illustrates that the new world is not likely to be as peaceful as some predicted. The United States will continue to face threats to its interests. To meet these challenges, the United States will require a military capable of rapidly responding to a crisis with force enough to safeguard U.S. security. If we are going to send American boys overseas, we need to give them the tools they need to do their jobs.

Mr. Chairman, I believe this bill gives careful consideration to the changes that have occurred in the world and begins the process of restructuring America's defense to meet the challenges posed by the post-cold war era. Threats such as terrorism, the proliferation of weapons of mass destruction, and regional conflicts are likely to increase in the coming years. Weapons systems designed to fight the cold war are not always most suited to meet these new challenges. Preparing for a confrontation with the Soviets can no longer be the only forcus of America's defense planners.

Among the broad policy principles that guided committee action on the defense bill were: A decision to put people ahead of hardware, a decision to protect the readiness of a smaller force, a commitment to a real research and development program rather than the current develop and buy program for weapons systems, and a decision to fund forces for new threats over redundant cold war nuclear forces. I believe that these principles, taken together, represent a sound defense strategy.

Let me provide an example of how these principles guided committee action by examining its decision to fund the C–17. The C–17 is a multirole airlifter designed to provide improved force projection capabilities at reduced life cycle costs.

Operation Just Cause revealed that the United States has a critical need for more airlift capacity. Similar concerns have been raised during Operation Desert Shield. Without adequate airlift capability, the United States will find it very difficult to deploy the forces necessary to counter threats to American security. The committee correctly perceived a real need for a more modern, expanded airlift capacity and provided the funds necessary to continue the C–17 airlifter program at a pace consistent with its progress through testing.

This is just one example of the thinking which guided the committee's work on the fiscal year 1991 defense authorization bill. I believe this legislation takes the first steps toward meeting the security challenges posed by the post-cold war world: A world in which the primary threats to American security are likely to come not from the Warsaw Pact, but from terrorism, the proliferation of weapons of mass destruction, and regional conflicts, such as the current crisis in the Middle East.

Mr. Chairman, I urge my colleagues to support House Resolution 4739.

Mr. COURTER. Mr. Chairman, I yield 9 minutes to the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I very much appreciate the gentleman yielding me this time. This is not always an easy bill to debate or an easy position

for me to take as a Republican, but I wanted to kind of lay out my concerns about the bill.

My deepest concern about the legislation is the fact that I think we move too quickly to reduce the numbers of personnel in DOD. As a result of that, I will be supporting the efforts of the gentleman from Alabama [Mr. DICKINSON] to try to have a slower glide path in terms of personnel reduction. In fact, when I served on the House Committee on the Budget, I warned at that time that we could not make the savings we want to make in the area of personnel because the reductions would be too deep, they would be too quick, and a lot of people had been made promises and would find the promises made to them broken. In that area I clearly have a problem with the bill.

Second, I have great concern about the funding level. I do not think we gave enough money, but there are a number of features about this bill, and things we ought to think about as we go through the debate on the DOD bill. First of all, what we wanted to do this year in this bill was to try to redefine the priorities in the Department of Defense. It is very difficult to do this in an ever-changing world. Clearly, one of the things that we felt that we should do in the DOD bill was to provide for great mobility and greater flexibility to meet the emerging threat. No one is going to dismiss the fact that if America has 12,000 nuclear weapons aimed at it by the Soviet Union, we cannot just dismiss that threat. But clearly, the situation that exists today is fundamentally different than what existed in yesteryear. That is the idea that the Soviets are going to drive across Europe and invade Western Europe, and that all of our defenses have to be built toward more strategic nuclear weapons. The Soviet invasion in Europe, obviously we know that is not the threat that we face today. The threat is different from that, and it is borne out by the actions in the Middle East, where we see Saddam Hussein, or the actions that were needed to be taken in Panama, or the actions in Grenada.

Clearly, the future means that we will be facing more low-intensity warfare. We will be facing more Third World threats, and those threats are going to be difficult to define in and of themselves. I think the chairman would agree with that.

I do not think any Member ever anticipated the armor buildup problems in the Third World that we face today, which means that some of the weapons we may have thought at one point we could get rid of in a European conflict, may in fact be necessary in a conflict like the potential one in Iraq.

The botton line is that the structure of the defense is changing, and our goal was to provide for greater mobility and greater flexibility. If we take a look at the House bill as compared to the Senate bill, and I think it is necessary to do that because we do not want to do anything in a vacuum in the area of airlift, which is a critical area. When we take a look at what is going on in the Middle East right now, this issue of mobility, the House of Representatives has more emphasis on the C-17. We have been more generous in the area of providing airlift than the Senate. In addition to that, in our committee bill, we also provide for continued funding of the F-15 Eagle. That is the weapon of choice in the Middle East right now. People believe in the F-15E. Those in the Pentagon would just as soon shut that down and build other more fancy and expensive weapons, but we rejected that in the House bill and said that we ought to continue to buy more F-15E's. The M1 tank is now the land weapon of choice. That was recommended by the Pentagon for that line being closed down. We decided to hedge that decision and to provide for immediate capability in the area of armor. In the area of ATF, which my colleague from New Jersey says we slowed down too much, in fact, we may have slowed it down where the costs are going to go up. What we tried to do with ATF is exercise an old principle that I think makes good sense. That is "Fly it before you buy it." We purchased too many systems over the last 20 years that do not work as advertised. One thing that makes sense is "to fly before you buy," to hedge against technical failure.

Now, this is an emphasis on conventional systems, C-17 is better than the Senate. F-15E, continue the production of that aircraft. The M1, we have a hedge on the M1 against what the Army said, "Well, we don't need to do any more M1's, go to a future tank." We decided to stay with the technology. In terms of the Stealth technology, we brought the 117 on line. We have the Stealth fighter. Now we have ATF which we want to do. We want to produce it, but we want to produce it when we understand how it will work.

Those are all pretty darn good choices. In the strategic area, we are very generous in the area of additional submarines. Now, the D5 missile, I still do not fully understand what the committee has decided on the D5 missile. I am told that the reason why that has been slowed down is because of some technical problems with the bill. I may want to ask the chairman to respond to that at the end of my statement, about the D5, but in the area of the submarines we are proceeding forward with the submarines. In the area of the missiles, I myself have always supported the MX missiles, the rail garrison, and the development of the Midgetman. What we have done is give enough in there for the administration to make the decisions to which missile they want. That makes a heck of a lot of sense.

My personal view is that I would rather see single warhead missiles and the elimination of MIRV systems into the 21st century, but I think the decision in the area of the missiles has been a very good one. In the area of SDI, I intend to support the gentleman from Arizona [Mr. KYL], because I do believe we need to have a robust system. As the gentleman from Arizona [Mr. KYL] knows, I am very concerned about what we are doing with SDI.

□ 1440

I do not think that anybody in the Congress has a real good philosophy as to what SDI ought to be used for. My personal view is that it ought to be used for Third World threats, accidental launches and limited attack. As to the idea of leak-proof shields against the Soviets, I am first of all not convinced that it is conceivable, and second of all I am not sure it would be necessary. Besides that, I have doubts about whether it is affordable.

We did cancel the B-2, which gives many people heartburn, but that is because we decided that with 12,000 warheads and a whole host of delivery systems we do not need that system, and that there will be alternatives like advanced cruise missiles that give the same level of destructive capacity and deterrence and save us a ton of money. That money, I hope, will be used in the area of airlift, sealift, greater mobility, and more conventional weaponry, those kinds of things. As to chemical weapons protection, we are still operating with the suit.

All in all, when we talk about the House bill, I am not happy with the level of money we put in that bill. I am not at all happy, and I intend to support the Dickinson effort to have the glide path on troop reductions slow down. I think it is too deep, I think it is too fast. I think the House bill would make a very good and honest effort in trying to redefine the situation by trying to meet that threat. To me, that threat means greater mobility, greater flexibility, less emphasis on strategic systems, and more emphasis on conventional systems. That is what we have done in the bill. If we can go to conference and get the funding level up, that would be great.

In terms of Iraq, though, I want to say this: this crisis in Iraq should not be the grounds on which to build a whole new generation of weapons systems. We spent a trillion dollars over the last 10 years to develop our deterrence, and I think it is very good. As one marine said the other day, "If we had 5 minutes, we could destroy everything we want to destroy over here."

We clearly have the technology and the fire power to do what we want to

do. That is why the trillion dollars we invested during the Reagan years was not wasted. It was very wisely spent. If some people want to argue that the Iraq crisis justifies a whole new generation of weapons, that just calls into question what we did with the trillion dollars over the last 10 years. I think we spent it pretty darned wisely. I think the investments we made made a lot of sense. My only concern is that we probably should have done more in the area of airlift and sealift and a better job on conventional. I think the bill moves us in that direction. I think it moves us away from additional strategic systems.

I think, in light of the United States-Soviet cooperation at the U.N., this means that there is an opportunity for us now to take a break, a pause in the strategic area, and conduct negotiations on strategic and conventional with the Soviets and meet the threat of the new world, the threat of the 1990's and the 21st century that will add for us an effective and a very strong military establishment, with our budget concerns kept in mind.

Mr. BENNETT. Mr. Chairman, I yield 4 minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I am proud to report on the military construction part of the defense authorization bill (H.R. 4739). Prior to detailing the military construction part, let me set it in context.

A NEW DEFENSE POSTURE

Often in the past, the Committee on Armed Services tinkered a little on the edges to help so-and-so's district or to protect the XYZ contractor. But, by and large, we did the Pentagon's bidding.

This year the Pentagon requested a cold war, anti-Soviet budget. Amazingly, the Department of Defense even wanted money to secure the inner-German border. The Pentagon's budget did not reflect all the changes. We rejected the Pentagon's request because the Red threat has evaporated and the threat of the red ink has become imminent.

H.R. 4739 contains a blueprint for a leaner, more ready force. The military construction portion of the bill is part of that blueprint. The priorities we set for projects, the legislative proposals on base closure, dual basing, and Crotone we included, and the overall funding level of military construction are all key elements of the bludprint for the defense structure of the 1990's.

Some will argue that the reprehensible behavior of Saddam Hussein should lead us to scrap the committee bill and revert to rubber stamping the Pentagon's wish list. This view is, frankly absurd. The Pentagon's request included a continuation of our musclebound prescence in Europe and wild spending on strategic systems. Operation Desert Shield has demonstrated how our 325,000 soldier prescence in Europe is of no use to us in dealing with a threat outside of Europe. Indeed, not one tank and not one soldier has been sent to Saudi Arabia from Europe. And, B-2 bombers and MX missiles in rail garrisons are of absolutely no use in dealing with Iraqi threats to Saudi Arabia. What would be useful in dual based forces, reserve forces at a higher state of readiness, and more lift capacity. The committee's blueprint, contains what is required for the operation Desert Shield of the future.

I urge my colleagues to support H.R. 4739 and to oppose amendments. H.R. 4739 is a bill of which we can all be proud.

MILITARY CONSTRUCTION PORTION

The committee, in allocating the budget authority and outlay figures contained in the budget resolution, instructed the Subcommittee on Military Installation and Facilities to reduce budget authority by $1.5 billion and outlays by $900 million below the level of the administration's request. The subcommittee achieved this goal by reducing the real property maintenance account by $915 million, or about 16 percent of the request, and by reducing the military construction account by $626 million, or about 7 percent. The subcommittee fully funded the civil defense program.

The military construction portion of the bill is this year more than just a collection of projects approved. Rather, the committee approved legislation which starts us down the path which leads from our current basing pattern, which is designed to deter a Soviet attack, to a future basin scheme, which is designed to heighten security in a changing world.

Specifically, the committee:

Cut most overseas projects, approving only $71 million out of the $491 million in overseas military construction porojects requested;

Cut the U.S. contribution to the NATO Infrastructure program to $175 million, from the request level of $420 million;

Disapproved all projects related to rail garrison basing of MX missiles, totalling approximately $360 million, when the fiscal year 1990 projects at F.E. Warren AFB are cancelled;

Approved numerous needed projects, particularly for the National Guard and Reserves, in the United States, totalling $430 million;

Approved an additional $100 million for environmental cleanup of closed bases;

Added $50 million to start a serious energy conservation program for the facilities of the Department of Defense;

Increased funding for new barracks by adding $62 million for projects at 16 bases, in addition to approving $191 million in barracks projects at 29 bases;

Increased funding for child development centers by adding 14 new projects at $49 million to the 8 requested projects costing $13 million;

Increased funding for family housing improvements by $75 million; and

Fully funded real property maintenance in the United States while reducing real property maintenance to essential situations at bases abroad.

The intent of the committee is clear: the committee knows that morale will suffer due to the cutbacks in personnel levels mandated by the budget. We want to minimize the negative impact of the reduction. By providing quality of life facilities—barracks, family housing improvements, child development centers—at bases in the United States, Congress can help, in a very important way, to keep life in the military liveable.

LEGISLATIVE PROVISIONS

The important legislative provisions in the bill are:

Base closure—Section 2831 requires a detailed future force structure plan to be set out before any bases are proposed for closure. First priority should go to closing bases overseas. Domestic bases would be selected for closure based on the force structure plan, using objective criteria, and would be done under a fair and nonpartisan process, to be proposed as legislation by the Secretary of Defense. Bases on the January 29, 1990 base closure list could not be treated differently from other bases.

We expect there to be a major floor fight over the issue of base closure. Secretary Chaney wants the unilateral and unreviewable power to close whatever base he chooses and wants to exercise that power without having to find any linkage between force structure and a base closure. The committee wants the force structure and a base closure. The committee wants the force structure plan to be developed and announced before bases to be closed are picked. And, the committee wants a fair and nonpartisan process to be used to pick the bases for closure. This is not just a matter of fairness. Operation Desert Shield has shown how wrong the Secretary's January 29 list was. On that list, Secretary Cheney included bases that housed A-10's. Against Iraqi tanks in the Saudi Desert, A-10's are the best plane going. And, the bases which were to be closed are now the center of operation for Desert Shield.

Dual basing—Section 2801 instructs the Secretary of Defense to begin a program of dual basing, under which most troops would be based in the United States and would forward deploy to overseas bases for short-term exercises and training. The Secretary of Defense is required to desig-

nate units which would remain based abroad because they could not perform their mission if they were based in United States. A 3-year implementation period is established.

Later today, we will see a debate on this issue. All I want to say now is that Desert Shield has proven out dual basing and shown how our current, fixed basing scheme reduces readiness and limits our ability to meet contingencies.

Relocation of 401st Tactical Fighter Wing—Section 2802 prohibits the use of DOD funds to relocate any functions now at Torrejon AB, Spain, to Crotone, Italy, or any other location outside the United States. Torrejon AB is the home base for the 72 F-16's which constitute the 401st Tactical Fighter Wing.

Later today, we will have the opportunity to debate the wisdom of spending $1 billion for a brand new airbase at Crotone to preserve our ability to attack Warsaw Pact airbases with nuclear weapons. In that the Warsaw Pact is every bit as vital today as is the Holy Roman Empire, I suspect this is one military construction project which can be canceled.

NATO infrastructure reform—Section 2501 provides that it is the sense of Congress that, in the future, the United States should only contribute to NATO Infrastructure projects needed to implement or verify a conventional arms control treaty, to conduct environmental restoration at NATO bases, or to pay recoupment owed for prefinanced projects.

Leasing in National Capital Region—Section 2803 establishes a cap on the number of square feet DOD can lease in the National Capital Region. Today, DOD leases about 12 million square feet. This provision would reduce the total to 10 million square feet for fiscal year 1992, 9 million for fiscal year 1993, and 8 million for fiscal year 1994.

Overseas Environmental Restoration—Section 2833 prohibits DOD money from being used to cleanup European bases slated for closure. Rather, that funding should come from the NATO Infrastructure Program.

Funding for environmental restoration at closed bases in United States—Section 2834 contains the Fazio proposal for establishing a separate fund of $100 million within the base closure account to insure that priority is given to cleaning up bases slated for closure under the Base Closure Commission recommendations.

Sense of Congress opposing moratorium; extending authorizations—Section 2805 expresses the sense of Congress that the Secretary of Defense should not place a moratorium on the awarding of all military construction contracts. Section 2703 extends the authorizations in fiscal year 1989 bill for 1 year to avoid a rush to sign contracts, once moratorium is lifted.

Mr. Chairman, H.R. 4739 is a sound bill. I urge its passage.

Mr. DICKINSON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I would just like to say, as the fellow said when he saw his picture on the post office wall, "It is nice to be wanted."

I appreciate being missed, but just in case the gentleman is curious, I had a very pleasant experience. A good friend of mine over long years, a very competent jurist, Judge Joel Dubina, was being presented to the Senate Judiciary Committee for confirmation as judge of the Circuit Court of Appeals. I was invited to introduce him, which I did and which accounts for my absence here.

I understand the gentleman had difficulty contacting me. I have been in my office all morning, and the phone still works.

Mr. COURTER. Mr. Chairman, I yield 5 minutes to the gentleman from Louisiana [Mr. McCRERY].

Mr. McCRERY. Mr. Chairman, the deliberations of this House and the decision we make on this bill will determine if this body will heed the wake-up call that has been extended by the Mideast crisis. Too many in this body had fallen asleep, feeling comfortable that the cold war had ended and thinking that that signaled the end of history. Saddam Hussein has proven that history has indeed not ended, and that there are still bad men in the world. Saddam Hussein has let us know in no uncertain terms that the new world order that we all had hoped for will not come easily.

□ 1450

The bill that is before us is a victim of the sleepy habits of this body. We must wake up to the fact that the United States still has a role to play in this new world order, a very important role.

The combination of outlay cuts and BA cuts in this bill, about $12 billion from the base line in outlays and $30 billion in budget authority, the combination of those two means that we must cut too deeply in strategic programs and strategic modernization programs and too deeply in personnel. We cannot do just one or the other with this combination of BA cuts and outlays cuts. We must do both. We are doing both of them much too fast for the welfare of this Nation and for the welfare of the new world order that we all hope is coming as the result of the end of the cold war.

President Bush has been a master at handling this crisis. President Bush recognizes that as with most crises there is an opportunity, and certainly this is no different. We have an opportunity to emerge from this crisis as a leader and a participant in a new world order that will be more peaceful, that will be more progressive, that will allow nations to work together, not fight each other, and ultimately we all hope will allow us to spend much, much less on armaments, weapons of destruction, and more on the things that can raise the standard of living for everybody in this world.

But who will lead that new world order? Who will ensure that the new world order remains peaceful and progressive and helpful, if not the United States?

We are the only Nation, the only great Nation in this world that has never conquered for acquisition, never engaged in military disputes for the purpose of acquiring territory. We are a peaceful nation, a peaceful people. We are the Nation that ought to lead this new world order. We are the Nation that ought to ensure that it succeeds. We are going to need help and President Bush has done a good job in bringing in the rest of the world community in this crisis to demonstrate to Saddam Hussein and to others like him in the world that this new world order will no longer countenance naked aggression and acquisition of territory by military means.

The United States has been the leader in this effort to make that demonstration. It will be the United States, along with help from we hope the Soviet Union and our other international neighbors to lead the way in demonstrating that the new world order is here to stay, but it is going to take time. It is not going to be done overnight. The United States must keep a strong military for the time being. We cannot decimate our Armed Forces, as we did after World War I, World War II, and Vietnam. The risks are too great and the gains that can be made from this opportunity are too great.

So I beg my colleagues in the House to examine this piece of legislation. When you do, I think you will see that it cuts too much too fast. It is a precipitous drop in defense spending and defense preparedness, both in terms of strategic modernization and in terms of personnel.

We need to take another look and not cut so deeply into our military at this time.

Mr. ASPIN. Mr. Chairman, let me try again, I have been consulting with the gentleman from Alabama and the gentleman from New Jersey about the schedule here and would like to make an announcement on what I believe to be our agreement at this point. What we will do is finish the general debate on this bill, and looking at the schedule and looking at the amount of time remaining on both sides, we anticipate that would be about 3:30 when we would finish the general debate on this bill, at which point as we have al-

ready announced the first order of business would be the acquisition reform package, and that would be an hour of debate with the Gilman amendment and the Mavroules amendment.

Following that, again in consultation with the gentleman from Alabama and the gentleman from New Jersey, it would now be my intention at this point to go to the home porting issue. The home porting issue, according to the rule, is 30 minutes of debate, followed by 10 minutes on each of two amendments, the Molinari amendment and the Bennett amendment. I would anticipate recorded votes on both those amendments.

At this point, Mr. Chairman, because we have to be out of the Chamber between 6 and 6:30 in order to prepare it for the President's speech tonight, that is probably all we are going to be able to do tonight. It would be my intention then to ask that the Committee do rise after the home porting amendments, at which point we would come back, according to the schedule, tomorrow morning. Tomorrow morning the first order of business would be the second rule on this bill. The first order of business would be the Rules Committee on the floor dealing with the bill for the second part of this Armed Services bill.

When we come back to this bill, the first order of business would be to then go to the burden-sharing issue. We have three amendments under burden sharing. We have the Martin amendment; we have the Bonior amendment; and we have the Mrazek amendment.

Is this the understanding of the gentleman from Alabama?

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I am happy to yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, I appreciate the gentleman consulting with us. I think this is a reasonable approach. I think it is the best way to apportion the time that we have in order to get off the floor in a timely manner. All parties I am aware of are satisfied with this sequence of events, and certainly I agree.

Mr. ASPIN. Mr. Chairman, I thank the gentleman from Alabama and I thank the chairman of the committee.

Mr. COURTER. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARTIN].

Mr. MARTIN of New York. Mr. Chairman, I want to thank the gentleman from New Jersey for yielding me this 5 minutes.

Initially I wanted to speak on some of the amendments that were going to be coming up both today and tomorrow because they relate in particular to the subcommittee on which I am privileged to serve as vice chairman. I believe perhaps today we might get to the question of home porting and in particular home porting at Stalen Island, NY.

I am constrained in that I am a very proud New Yorker to point out to my colleagues who might not be up on the geography of the great State of New York that my home town in St. Lawrence County, as a matter of fact I know the gentleman from Florida [Mr. BENNETT] is very familiar with it because we are very proud of the fact that he was born there in Canton, but for those people who want to go to Staten Island, New York, I would suggest that you start from right here in Washington, because it is closer and much easier to get to than from northern New York.

The point I am making is that I have no parochial interest whatsoever in the home port at Stapleton, NY.

I do have this problem, however, with an amendment that is coming up to delete the home port in New York State as the only home port that is spoken to in the amendment. I know that in the subcommittee there have been attempts to remove all of the home ports throughout the country. It is my understanding that those efforts all failed quite decisively. The one home port which is now 95 percent complete, is the one on Staten Island that is subject to the amendment.

I think that is very poor reasoning for many reasons, but one in particular. We have attempted to give the Secretary of Defense and the Department of the Navy some latitude, and a study is ongoing. As a matter of fact, I thought that before this we would have the results of that study as to which of the home ports the Secretary of Defense thought would be useful and necessary in the future and that report will soon be available to us. It was my hope that everyone who is concerned with doing the right thing as far as our Nation's defense is concerned would at least give the Secretary of Defense the opportunity to spell out what in the future is going to be the requirement as far as home ports are concerned.

□ 1500

It is my feeling that, given the dramatic change in the defense budget and the number of people we are going to have serving in our armed services, that perhaps there is going to be more reliance, rather than less, on our Guard and Reserve forces, and, as far as Reserve forces are concerned, I believe that in Stapleton on Staten Island we have not only immediate access to the ocean, but we have access to a great many reservists, not only in New York, but in New Jersey and Connecticut, that might well be called upon to man our Navy ships in the future.

So, I would ask our Members to at least give the Secretary of Defense the opportunity in the future to come with his plan for which all of those bases would be utilized. There would be plenty of time at that point to take issue with any decision the Secretary of Defense might make.

There is one other thing that came through our committee that I want to comment on during the general debate, and that is something that is euphemistically referred to as dual basing, and I will offer an amendment, hopefully tomorrow, that would remove this provisions from the Department of Defense bill and specifically strike section 2801.

I had the privilege of discussing this some 2 hours ago personally with Secretary Cheney, and if anyone is wondering what his opinion is, he is wholeheartedly in favor of the Martin amendment. The Department of Defense at the present time is working very hard to come up with a plan to reduce, not only our forces here at various bases of the United States, but throughout the world. It will take a great deal of planning and negotiations because it must be discussed with the host nations that we have been dealing with these many years, in some cases with NATO, and do our build-down in an orderly fashion, and that is what the Secretary of Defense is doing.

Under this particular provision we would have to have an immediate study. The Secretary of Defense would be given only until March 31 of next year to designate every unit throughout the world and to explain why it would not be included in this dual basing which must be fully implemented by 1994, and keep in mind we can do all of this in the backdrop of what is going on in the Persian Gulf and elsewhere. I hope people would pay very, very close attention to this debate because I want to let Members know that everything they hear on this subject debated on the floor might be of first instance to them, but it will also be of first instance to the members of the subcommittee because although this particular provision affects every unit of the Marine Corps and the Army and the Air Force around the world, not just Europe. It has not even been discussed for one nanonsecond either in the subcommittee or in the full committee. I would think that with something as all-encompassing as this that we might give people, like the Secretary of Defense, or the Secretary of State, or some of those folks who have the real problem of implementing and making these decisions, a chance to at least come before a subcommittee or committee of Congress and give us the benefit of their views.

Mr. COURTER. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, as we take up the debate on this very important bill, I want to go to one area that I think is of some importance to us in an area that we should reflect on in this bill as we watch the events come about in the Middle East.

We have debated the strategic defense initiative for years, and everybody has developed an opinion, a position, generally speaking. Often that position is manisfested in simply taking the two numbers that are offered and, maybe, splitting the difference and saying, "I'm going to go with that number, and that looks like a reasonable amount of money to spend on it."

However, Mr. Chairman, I think it is important for us to go back to and to revisit the reason for a strategic defense initiative and whether we liked President Reagan's speech in March 1983, or did not like it, or do not like the idea of having an unbrella or a shield that would totally protect us from a strategic strike by an adversary with ICBM's.

I think everybody understands today that we live in an age of missiles, and I think we should look at SDI very simply as a way of stopping missiles. Those missiles can range from anything from an antiship missile, like the Exocet that hit the *Stark* and jarred us into the reality of this new era of warfare, or the missile that hit the Exocet, that hit the *Sheffield*, the British ship in the Falkland Islands, that shocked us with its capability to do great damage to men and to equipment. We lived in an age of missiles, and those missiles are being proliferated right now, not just by our adversaries and adversarial relationship between the United States and the Soviet Union, which was the backdrop of the strategic defense initiative debate over the early years, but we have now moved into an ear of what I think we should call terrorists with high technology.

A number of nations are now developing missiles that have a capability to do great damage, and, if we look at Iraq right now, Iraq has broken the code. They understand that the new instrument of warfare in this new era is missiles, and, if we couple that attempt to gain missile technology by Hussein with his capability, his present capability, to manufacture poison gas and his future capability to make nuclear weapons with the uranium oxide that presently has, if he develops his enrichment process, we can see great danger in the very near future.

Mr. Chairman. I just want to talk a little bit about what Mr. Hussein has developed. He developed the al-Abid missile. It has got a 1,250 mile range. It was tested December 1989. He has developed the Tammuz with a 1,250 mile ranged, tested December 1989. He is developing the Condor with a 600 mile range. Development is delayed. He has developed the al-Abbas, 560 mile range. It has been flight tested. He has developed the Hussayn missile, and that is H-u-s-s-a-y-n, a 400-mile-range missile. It is a modified Scud, and the importance of this missile is this missile has already been used in the war of the cities between Iran and Iraq with some devastation in those cities in Iran into which Hussein fired this missile. The Fahd, with 370 mile range, which is presently under development, and of course the Scud-B with a 170-mile range that was used in the Iran-Iraq war.

Mr. Chairman, there is one area of warfare that we often focus on because it is an area that reflects the realities of modern war as opposed to simply the politics which sometimes inhibit effective weapon systems from being developed in this country, and that area is the Middle East, and that ally of ours is Israel. Israel is developing a system called the Arrow, and the Arrow, make no mistake about it, is a strategic defense system. It is a SDI system. It is a star wars system. Therefore, it should be disliked by many people.

The point is Israel is developing the Arrow SDI system because they have in place in some of the unfriendly nations that are near their borders missiles aimed at Israel, and they understand that presently they cannot stop those missiles from being launched and from explosing in Tel Aviv. So, they have to be able to stop them, and that truth that to be a player in today's defense situation one has to be able to stop missiles should not be lost on the United States. We have to be able to stop missiles.

Mr. Chairman, SDI is a program to develop a way to stop missiles, and the faster we develop and put resources into that program and the more research our scientists do, the quicker we will have answers that will allow our men and women who are presently deployed in the Middle East to be less vulnerable.

SDI has assumed, my colleagues, an urgency that it has not had in past years, and I think that we should respond to that urgency by helping the gentleman from Arizona [Mr. KYL] on is his amendment.

□ 1510

Mr. COURTER. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, this defense authorization bill does not do enough for the national security needs of this Nation. It disregards many commitments made to the men, women and families in the military.

The House-passed budget resolution for fiscal year 1991 hamstrung the committee product from the very beginning, with a $24 billion cut to the request of the President. We have cut back too much too fast.

Mr. Chairman, the bill does not address the national security threat as it is evolving. The bill guts the strategic modernization program, despite the fact that Russia continues to deploy modernized ICBM's bombers, and ballistic missile submarines.

The bill puts off the development and deployment of the next generation of systems, while continuing production of current systems.

The bill slips development and procurement of C-17 airlifters, the A-12 attack fighter, and the air superority advanced tactical fighter.

The bill advocates sharp reduction in the Armed Forces, yet fails to give the Secretary of Defense the tools he will need to make the reductions in a responsible manner. The bill cuts 91,895 uniformed men and women in fiscal year 1991, taking 68,500 from the Army alone. Cuts of this size cannot be made without causing serious disruptions, endangering the volunteer force concept.

The bill contains provisions which will prevent closure or realignment of military bases for 2 years, denying the Secretary of Defense the flexibility he needs to close unneeded installations.

The bill totally misses the lesson we should be learning from the current crisis in the Mideast. The bill seriously disrupts the C-17 airlifter, which will be absolutely essential in future deployments.

Mr. Chairman, I hope that we can improve on this bill during this debate. It needs it.

Mr. BENNETT. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Chairman, some time ago a former Senator, George Aiken, said with regard to Vietnam that our strategy should be to declare victory and get out.

We have kind of an opposite strategy being followed by some people in this country with regard to the cold war. They want to deny victory and stay in.

For a very long time we have been spending large amounts of money to defend much of the rest of the world against an aggressive and monolithic and hostile Communist bloc. Two things have changed: the people we have been defending, many of them no longer need our defense, because they are themselves today sufficiently wealthy and powerful, if they wish to be, to defend themselves. That is not true of every country, but it is true of many. In fact, the major recipients of our defense subsidies tend to be nations which are our economic equals and rivals.

In addition, we have had a great diminution in the Russians' ability to

make war. They have lost virtually all of their allies. Even Mongolia is on the verge of defecting to democracy.

What we have brought forward is a bill for which I congratulate the members of the Committee on Armed Services, which begins a sensible policy of reduction. It says that we have had a substantial victory in that face-off against a monolithic Communistic bloc, and we can begin to reduce.

But now we are told we had better not do that, because in one of the great substitutions of history, Saddam Hussein is being sent in for Leonid Brezhnev. Now, Hussein is a very unattractive thug, but Iraq is not Russia, and Kuwait is not the nations of Eastern Europe, and there simply is no way that people can, as they are trying to do, take a justification for a multi-multi-multi tens of billions of dollars of star wars which was aimed at the Russians, and say it is now going to be for Iraq, which we are told has missiles which will go 1,200 miles. If they put four of them end-to-end, they could come halfway to America.

That does not mean that suddenly the world has become a peaceful place. The point is that those of us who said we could begin to stand down our efforts to prevent the Warsaw Pact invasion of Europe, we knew there was an Iraq, we knew there was a Libya, we knew there were other trouble spots.

The United States capacity to deal with the Iraqs of this world is not one whit diminished by this Armed Services bill, and it will not be one whit diminished if we continue a sensible path of reduction.

Star wars and the B-2 bomber and mobile intercontinental ballistic missiles have nothing to do with our capacity to deal with these trouble spots. The more than 100 billion dollars' worth of troops we have got in Europe, they have nothing to do with our ability to deal with these trouble spots. As the gentleman from Colorado pointed out, if anything, they derogate from our ability to do that.

The cold war has ended in substantial victory for the United States. We can reduce our military spending and remain far stronger than we need to be to deal with the other trouble spots.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me first say that I appreciate the courtesies extended by the chairman at the beginning of the general debate. We had a Republican conference scheduled and the times coincided, so that we either had to terminate our conference to attend on the floor, or else the minority had to go forward and use most of their time initially until we could get here.

Our chairman, the gentleman from Wisconsin [Mr. ASPIN] was very accommodating in that, and I do want to express my appreciation. It was for that reason I was not here to make an opening statement, which I would like to make at this time, because I opposed the bill in the committee as it presently exists, and I will most likely oppose it on final passage.

Contrary to the rhetoric emanating from our committee, our consideration of H.R. 4739 was not policy-driven but instead, was driven by good old fashioned pork barrel politics. Before the committee marked up the bill, Chairman ASPIN was very honest in stating the obvious—with a defense number as low as that contained in the House budget resolution he needed to construct a package that delivered a majority vote. To my chairman's credit, he succeeded. However, as our bipartisan reaction to the Middle East crisis and our national security interests demonstrate, the price of raw politics is too high this time.

Although most of us will disagree on what the right figure for defense spending is, or on specific priorities within the defense budget, I think it is safe to say that the one thing we can all agree on is that international politics have changed dramatically in the past year—and continue to change as we debate here today. The Warsaw Pact has dissolved as both a political alliance and a military threat. The judicious use of American military power in operation Just Cause helped to restore democracy in Panama. And now, American political influence and military might are at work in the Middle East as the Western and Arab worlds try to resolve the crisis resulting from Iraqi aggression against Kuwait. I don't believe that many of us expected such international turbulence and instability, nor did we expect the degree to which the U.S. military would be called upon to resolve certain crises.

But here we are in the middle of a situation whose outcome is inextricably tied to the commitment of U.S. military power in the Persian Gulf. And how might Congress react? Conventional wisdom, or at least rhetoric, seems to indicate that the House's proposed $24 billion cut in 1991 defense spending—a figure that passed the House with 218 Democrat votes only—is suddenly too severe and needs fixing. If this it true, I'm glad that some degree of common sense may prevail in the weeks ahead. I'm saddened, however, by the fact that it has taken a crisis in which the lives of thousands of U.S. military parsonnel are at risk for the House to realize it may have made a mistake. I feel neither vindication nor satisfaction when I look back at my comments following committee markup that we cut too far, too deep, and too fast in this bill. I wish we had been more serious about stepping up to the challenge of responsibly building our defense down in a fiscally constrained environment in the first place.

The challenge of building-down is all the more daunting when you consider that meeting it will require laying partisan and parochial concerns aside—which did not occur in the bill currently before the House. Trying to make sense of a $24 billion cut in 1 year is difficult even under the best of circumstances, and impossible if politics remain standard operating procedure.

The international environment will continue to change and unexpected upheaval will be the rule instead of the exception. As Panama and the Middle East have clearly demonstrated, a ready and capable United States defense posture can play both a military and a political role in an unstable world. How we maintain such a defense posture as we build-down is the major problem confronting us in the years ahead. Maintaining our strategic deterrent, staying prepared for a wide spectrum of conventional contingencies, and keeping quality military personnel as the country's overall defense posture is reduced by 25 percent in the next 5 years is a tall order.

Unfortunately, this bill does not maintain a viable strategic deterrent. It terminates the B-2 bomber, zeroes procurement funds for MX Rail Garrison, and cuts SDI far too deeply to ever permit the President to make an informed deployment decision. Moreover, if this bill were enacted in its current form, it would probably be the end of any START agreement because we would have very little left to negotiate with the Soviets.

Neither does this bill allow a smaller U.S. military to maintain its qualitative edge into the next century, as it seriously impedes a number of conventional modernization programs—for example, ATF, LH, AMRAAM—while simultaneously adding back unrequested—and even terminated—current generation programs for which there are no longer valid requirements or the force structure to absorb them.

Finally, our bill breaks faith with the men and women in uniform. This country will never maintain a reduced force of high quality volunteer personnel if it rushes headlong into excessive end-strength cuts like those contained in our bill. You simply can't reduce 129,000 active duty troops—three times the President's proposal—from an All-Volunteer Force in 1 year and expect to keep, or not to mention attract, the best and the brightest people.

We will be cast as hypocrites if, on the one hand, we insist that the world recognize and react to ongoing international change while, on the other hand, we the Congress do nothing to change. We are fooling ourselves if we believe that a buisness-as-usual approach to either the politics or the

substance of the defense budget is acceptable in the years ahead. Unfortunately, we've fooled ourselves in this bill.

Let me point out several examples of this business-as-usual attitude. Last year, even with a budget summit agreement on the top-line defense spending figure in place, the Armed Services Committee added $6.4 billion in unrequested programs to the bill, including $2.5 billion in weapons procurement. This year, despite a changed international environment and a massive $24 billion defense spending cut dictated by the House, the Armed Services Committee still added $5.6 billion in unrequested programs back into the bill, including an incredible $2.9 billion in weapons procurement. Adding unrequested procurement dollars only exacerbates the "bow wave" problem of outyear spending and is inconsistent with the objective of reducing defense spending in a rational, thoughtful manner.

Another example; the committee cut 129,000 military and 65,000 civilian personnel, but has added language that makes it all but impossible for Secretary Cheney to close any domestic bases for years. I noticed this particular provision earned the committee the dubious distinction of a "dart" in this month's Armed Forces Journal.

While the committee cut more than $15 billion out of the four services' procurement accounts, it nevertheless funded $25 million for the Naval Reserve to buy an unrequested C-20 executive jet to simply shuttle people and parts in. What kind of prioritization this?

While the Department is still trying to figure out how best to pay for the costs it incurred in Panama, and is now incurring in the Persian Gulf, the committee nevertheless directed the Army to pay North American Van Lines $357,000 for damages to warehoused goods of theirs incurred during Operation Just Cause. There is longstanding precedent for DOD not paying for damages incurred by the private sector in a war zone. Moreover, there are tens of millions in additional outstanding claims associated with Operation Just Cause. Why did the committee single out a particular moving company and set a terrible precedent that could end up costing the taxpayers billions of dollars in the long run? Simple—it was parochial politics—business as usual.

Why did the committee direct the Army to cut 68,000 of its active duty personnel, but simultaneously stop the ongoing deactivation of the Army's 2d Armored Division? Or why did the committee fund the design of an ammunition plant to produce HMX—high-melt explosive—although there is already a plant producing more HMX than our military has a requirement for? Once again—it's business as usual.

This bill is filled with such examples brought on by our apparent refusal to change while the world around us changes. If this bill is driven by consideration of any policy at all, it is the policy of member interest over national interest. Therefore, I have opposed the committee's bill.

While I am excited about many of the events occurring in the world today, I am anxious about many others. The world is neither stable nor safe. The uncertainty associated with an unstable world calls for prudence as we address reductions in our military posture. In a recent speech to the VFW, President Bush made some pointed comments that bear repeating. The President warned that,

> To prevent aggression, to keep America militarily prepared, I will oppose the defense budget slashers who are out of tune with what America needs to keep freedom secure and safe * * * Most Americans know that when it comes to national defense, finishing second means finishing last. And so they reject what the House Armed Services Committee recently suggested—unacceptable cuts from our defense budget for fiscal year 1991.

The President then asked his audience to,

> Help [him] convince the Congress, given recent events, to take another look and to adequately fund our defense budget.

Certainly no one wants to force a veto showdown with the President. Two years ago, with then-Vice President Bush's support, President Reagan vetoed the defense bill after Congress failed to heed his warnings—warnings remarkably similar to those been given about this bill. With thousands of U.S. troops potentially in harms way in the Persian Gulf, this is not the time to play political chicken with our national security. The President has asked, in no uncertain terms, that we reconsider this bill. Although it may be too late to change much of what needs changing in this bill on the floor this week, I hope the House will eventually endorse a higher defense number in the weeks and months ahead.

The greatest tragedy with this bill is the myth it foists on the American people. The public perception might be that we have taken a giant step toward banking the so-called peace dividend, while maintaining an adequate level of protection and deterrence. Behind the public posture, however, you will find business as usual, with little regard for defense policy, threat, prior law or common sense. The unfortunate result has little to do with enhancing our security.

Mr. Chairman, I reserve the balance of my time.

Mr. BENNETT. Mr. Chairman, I yield the balance of my time to the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, I have heard this debate. We spend $300 billion a year to a Pentagon whose bookkeeping system could best be described as multiple choice, and the American people know it.

We are now going to beat Hussein up for years, and we are going to have another $300 billion infinitum here.

Let me say this: There were 13 young people killed in Chicago last weekend, 75 shootings, and that is 13 more people killed in Chicago than all the Persian Gulf. We will have 22,000 murders in America this year.

We keep sending money for a military that is ripping us off with planes that cannot fly without any spare parts, and I come to the floor and it is as if I do not even participate or feel like a part of this debate.

We are concerned about cutting. I have a little simple amendment that calls for a 5-percent across the board cut, and let me tell you something, we have got a world on fire. The American inner-city youth are more in danger living at home in their communities than being sent to the front lines of an American war.

Let us not now make Hussein into something that he is not. I am hoping Members will take a look at that cut of 5 percent across the board so that maybe we will have security for America, because America's problem is not a foreign missile. It is our economic situation. If we cannot cut this, Mr. Chairman, then there is no Congress. Shame on Congress.

Why do we not let Japan and Germany pay for this fiasco over there in the Persian Gulf? After all, we have been saving their keisters for years.

I have a little 5-percent cut. I hope it does not offend any chairmen, so do not take away any little thing that I might have in my district that is needed.

The CHAIRMAN pro tempore (Mr. DURBIN). The only time remaining in general debate is 4½ minutes to the minority.

Mr. COURTER. Mr. Chairman, I yield 4 minutes to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, let me say, first of all, as chairman of the Military Personnal Subcommittee, that I want to rise in support of titles IV, V, VI, and VII of this legislation before us. That is the military personnel portion of the defense authorization bill for fiscal year 1991.

During this session, my subcommittee has held 11 hearings, some of them in the field, and our particular focus this year has been on force structure in the forthcoming force drawdown as well as the continued oversight on the military medical care system. It was not an easy task, given the extraordinary pressure of the Federal budget.

With the dramatic events that we have seen in the Soviet Union and Eastern Europe over the past year, we recognize that the size of the force is going to shrink over the next 5 years. We no longer need a large standing army in Europe targeted toward Warsaw Pact tanks that rolled through the Fulda Gap.

The force of our future must be smaller, but be more mobile and prepared to respond to another Saddam Hussein and similar contingencies.

In making up this bill, the committee's first priority was to protect its people, both those who remained on active duty and those who involuntarily are separated as the size of the force shrinks in the future. I believe the product before the Members respects that priority.

It is also consistent with the lessons we learned to date from Operation Desert Shield. Operation Desert Shield, in fact, represents a textbook lesson on what the forces of the future should look like.

□ 1530

Before we go into the committee bill which we will be doing this week, let me just digress for just a moment and tell Members about a recent trip to the Persian Gulf that the majority leader led. We had an opportunity to talk with a number of soldiers, sailors, airmen, and marines deployed quickly throughout the region. As Members can imagine, the great distance from home and the harsh climate present challenges that test the people, test the equipment, and test the planning.

Let me say that morale is extraordinarily high under really a hardship that many of our young people are enduring. We did find people-related problems, slowness in receiving mail, problems related to pay, but let me assure my colleagues that we intend to fix that, and we will address those issues in greater detail later in the week.

The committee is clearly concerned about how we draw down the size of the force while protecting the high quality that we have today. We have looked at separation pay, we have looked at medical care, we have looked at the things that affect the force structure reduction. We have looked at preseparation counseling and employment assistance. In addition, we have directed DOD to assist separating personnel in obtaining proper verification for job training skills. We have special assistance for personnel stationed overseas.

But I think the committee believes as strongly as ever that the quality of the people that we have in the service today is quality that is due to the things that have been in effect over the last 10 years. We cannot lose that quality. People are still our most precious asset, not weapons systems, and the Armed Services Committee has attempted to make as its guiding principle that people are our first line of defense.

Mr. SHAW. Mr. Chairman, I want to thank Congressman TAUZIN, Congressman HUTTO, and their subcommittee staffs for their help in getting my bill, H.R. 2800, included as a provision in the DOD authorization bill. Section 329 of the committee's report provides for the commercial sale of recordings of Armed Forces bands and for the crediting or preceeds to appropriations used for expenses of these bands. The American people will finally have the opportunity to hear these most impressive bands, and feel the inevitable patriotism that is created by the sound of their music, in the comfort of their own homes.

I think it is worth mentioning how this whole idea came about. Nearly 3 years ago a constituent wrote to me that he had been to a concert by one of the service bands. Following the performance he inquired on how to purchase a recording of the band, and was told he couldn't because it was against the law for the bands to sell their recordings. Naturally he did not understand the reasoning behind this law and wanted it changed. After investigating the matter I was surprised to learn that we were the only country in the world that didn't allow our service bands to sell recordings. There is now an opportunity for all of this to change, and it all began with a simple constituent letter. Mr. Chairman, this is a wonderful example of how the American public has the power to influence the laws created by Congress.

Military bands have an enthusiastic following not only across our great Nation, but also worldwide. I have received letters from England, West Germany, Holland, Japan, Canada, and Australia supporting my legislation on the United States bands. The U.S. military bands are sought after and have performed around the world at a variety of celebrations. In fact, a U.S. Marine Drum and Bugle Corps will be performing at the 1990 Edinburgh Tattoo, the most famous military band show in the world.

As a result of section 329, no one will have to attend a performance overseas in standing room only or fight the crowds that gather on the Capitol grounds. Any American citizen and enthusiasts abroad will have the brilliance of the U.S. military bands available at will.

Mr. ARMEY. Mr. Chairman, I am very disturbed that the defense bill as reported by the Armed Services Committee does not incorporate many of the priorities outlined by the President, particularly the B-2 Stealth bomber. I have always believed that the best way to ensure peace is to maintain a strong deterrent force. Not necessarily a large force, but a modern, well equipped military capable of going up against the best our potential adversaries have to offer. That means we must be willing to spend money and make a long term investment in cutting edge technology.

The B-2 Stealth bomber represents just such an investment. Unfortunately, the rhetoric surrounding production of the B-2 has grossly overemphasized the price tag at the cost of ignoring its value to American defense.

The B-2 is the single most advanced aircraft in existence today. Its radar signature is so small as to be virtually undetectable, and if detected, its stealth characteristics render it almost impossible to track accurately enough to shoot down. This is exactly what makes the B-2 such a credible deterrent—there is no assurance that it will be detected and stopped. The value of the B-2 lies in inspiring enough doubt in the enemy to deter military aggression.

If, however, the B-2 is called to action, there is no doubt in my mind that it would perform its role as a penetrating bomber more effectively than any other bomber in the U.S. inventory. The technoloy developed during production represents a quantum leap in aerospace engineering that has not been equalled by any other country in the world. In addition to its revolutionary stealth characteristics, the B-2 can reach anywhere in the world on one refueling with the daily ordance capability of an aircraft carrier. This combination of long range, high payload and low observability is a formidable addition to American strategic capabilities.

It has been suggested that the demise of the Warsaw Pact and warming relations with the Soviet Union negate the need to invest in high cost defense programs. I would argue that it was our willingness to invest in American defense that led the Soviet Union to ease tensions, and further that a stable world order will continue to rest on a strong American military. Although this view may seem unfashionable, there are certain unchanging factors that should not be ignored. Namely, the Soviet Union is the only country in the world that has the capability of destroying the United States, and more importantly, the Soviet Union continues to modernize its strategic forces despite its collapsing economy. There is no doubt that the balance of world power is shifting and we may again find ourselves working with the Soviet Union in situations such as the gulf crisis. But unless the Soviets cease modernizing their military we must continue to base our military planning on existing capabilities, not current intentions.

The changing relationship between the United States and the Soviet Union has increased pressure both at home and abroad for American troops to withdraw from foreign bases. As we lose these overseas staging areas, it will become increasingly important to have an alternate means of projecting American power and protecting American interests abroad. In the current crisis, the world community has joined together in unprecedented cooperation. If that were not the case, the United States could still credibly project military might by launching a squadron of B-2 bombers from the United States. The global range of the B-2 would allow the United States to either "show the flag" or deliver a devastating blow to Iraq, and return to the United States without having to rely on any other country. This capability alone demonstrates the incredible advantage the B-2 has over conventional bombers.

To halt production of the B-2 now would be to take a step backward. As Saddam Hussein has forcefully demonstrated, the United States must be ready to deter aggression and protect our national interests on a moment's notice. The B-2 provides the flexibility of mission necessary to respond to a variety of contingen-

cies while maintaining its role as a deterrent to nuclear confrontation.

Mr. GONZALEZ. Mr. Chairman, I rise in opposition to the proposed cuts to the CHAMPUS mental health program contained in this bill. These cuts would have a devastating effect on a vast number of my constituents, both health care providers and, primarily, patients themselves. In this day and time when medical costs are rising drastically, it is unconscionable to think of further exacerbating the problem for patients. If the services are needed, and the cost of services elsewhere is prohibitive—which it is—these proposals will have a most severe impact on those least able to handle the additional burden.

Mental health services have never been as widely covered under insurance and other such programs as they should be. I have introduced legislation for many years that would create a national mental health insurance program, as the need for these services is tremendous. These services are not a luxury, they are a necessity just as traditional medical services are a necessity. The short-sightedness of our lack of universal health insurance coverage is becoming more and more apparent, as the long-term costs eventually usurp any short-term savings realized by providing little or no health insurance coverage. It is time that we recognize the need for greater coverage—including greater mental health coverage—rather than attempt to balance the Federal budget on the backs of those in need.

Mr. CHAIRMAN. I implore my colleagues to consider very carefully what is being proposed in this bill, and consider the devastating consequences of short-sighted legislating. If these provisions are left in this bill, I will be compelled to vote against the entire package and I will be working diligently to see that conferees restore these benefits in the name of simple human decency.

Mr. GREEN. Mr. Chairman, although we begin our debate today shadowed by the Persian Gulf crisis, we must not allow developments in the Middle East to diminish our commitment to achieving cuts in our defense budget where such cuts can be responsibly made. Fortunately, Secretary of State Baker has been successful in securing commitments from Saudi Arabia, Kuwait, and other nations to assume their fair share of the defense burden that the international community must shoulder in responding to the brutal Iraqi invasion of Kuwait. Even if we in the United States must ultimately increase funding for operations and maintenance, personnel, and spare parts in responding to the Persian Gulf crisis, this should not be seen as an invitation to avoid making necessary cuts in big ticket strategic weapons systems.

Assuming a continuation of East-West trends, the United States will be more often working in concert, not in conflict, with the Soviets. Conflicts are more likely to be regional rather than global, and conventional rather than nuclear. We must take advantage of the changing posture of the Soviet Union and the fracturing of the Eastern bloc to lower defense spending where ever possible, with some savings used to reduce the budget deficit and some directed toward vital domestic programs. We must take a "leaner-meaner" approach to our defense budget, insuring that our military priorities are in line with increasingly scare funding.

While for the first time in years the President's fiscal year 1991 national defense request of $306.9 billion represents slightly less than would be required to keep up with inflation, I believe we can achieve more substantial cuts. For example, in spite of a reduced Soviet threat, the President's budget proposes no cutbacks in strategic weapons. In fact, there are substantial increases proposed for key strategic systems such as the B–2 bomber, the strategic defense initiative [SDI], MX rail garrison, and the Midgetman. Our Nation simply cannot afford this broad approach. We can ill afford, for example, to fund two mobile missile systems or to support the staggering proposed increase for SDI requested by the administration.

This past year has brought us some promising developments with respect to arms control and disarmament. The collapse of Communist governments throughout Eastern Europe has given new life to the Conventional Armed Forces in Europe [CFE] talks, and it appears that we may be able to reach agreement with the Soviets on a conventional arms reduction pact before the year's end. While important issues remain in disagreement, it does appear that we and the Soviets are well on the way to developing a security regime in Europe which will create an environment of confidence in which NATO will be comfortable drawing down its forces. Soviet forces should be out of Eastern Europe by the end of 1994.

With regard to overall troop levels in Europe and elsewhere, Congress is moving to cut military personnel levels with the assumption that active duty personnel will be reduced by 20 to 25 percent by the middle of this decade. While the Defense Department plans eventually to cut the active duty force by 500,000 from its current level of 2.1 million, the administration's budget request for fiscal year 1991 cuts only 38,000. Congress must continue to push the go-slower administration to accept higher levels of active duty personnel reductions. However, the Persian Gulf crisis shows how quickly an unforeseen crisis can erupt, and for that reason we need to move toward a larger, readier, reserve structure which will provide us with a less costly alternative to active duty forces.

While I believe that an agreement on conventional arms is critical to a major reduction in the burden of defense expenditures that the United States and the Soviet Union bear, I believe that other arms control efforts must be pursued at this time.

NUCLEAR WEAPONS TESTING MORATORIUM

I have long felt that the biggest threat of nuclear catastrophe comes not from problems between the Soviets and us, but because of the n-country problem, the problem that a Libya, Iraq or some country of that sort is going to develop nuclear weapons. Indeed, if Israel had not knocked out the Iraqi nuclear reactor in 1981, the world might be facing the unthinkable prospect of nuclear conflict today. With regard to nonproliferation, Secretary of State Baker has recently made some encouraging statements, arguing that, "Resolution of today's crisis—with Iraq—should also become a springboard for a sustained international effort to curb the proliferation of chemical, biological, and nuclear weapons and ballistic missiles in the region and elsewhere."

Progress toward a comprehensive test ban has always been regarded by the nonnuclear weapons states to be an absolute minimum condition for superpower compliance with article 6 of the Nonproliferation Treaty, which encourages weapons states to agree to negotiate good faith reductions of nuclear arsenals. If the Soviets and we will not comply with article 6, we cannot expect the nonnuclear powers to comply with the other parts of the Nonproliferation Treaty.

During consideration of the 1989 defense authorization bill, Congress enacted the Nuclear Test Ban Readiness Program within the Department of Energy to "assure that the United States is in a position to maintain the reliability, safety, and continued deterrent effect of its stockpile of existing nuclear weapons designs in the event that a low threshold or comprehensive test ban is negotiated and ratified within the framework agreed to by the United States and the Soviet Union." This year we should build on that by adopting an amendment to be offered by Representative BOSCO that urges the President to pursue a mutally verifiable comprehensive test ban in negotiations with the Soviets.

PLUTONIUM PRODUCTION

Last year, with my strong support, the House adopted, as an amendment to the defense authorization bill, the International Plutonium Control Act. That act urged the President to negotiate a mutual and verifiable ban with the Soviet Union on the United States-Soviet production of plutonium and highly enriched uranium for nuclear weapons. While that amendment was not included in last year's final defense bill, this year both the House and Senate appear ready to accept provisions urging the President to begin negotiations with the Soviets on a fissile material production moratorium and urging the Soviets to end production of plutonium.

An agreement such as this would free up significant funds which can be used to clean up the extensive contamination caused by past production of nuclear warheads. Estimates are that such an agreement could save our country more than $10 billion over the next 20 years.

A superpower agreement to cut off the production of fissile materials for nuclear weapons is also in the interests of nonproliferation. Because the superpowers would be accepting some of the same standards as nonweapons nations who are party to the Non-Proliferation treaty, such a ban would strengthen the NPT by making it less discriminating. Such an agreement puts additional political pressure on nations such as Pakistan and India to put their facilities which can produce nuclear explosive materials under international and/or bilateral inspection. Lack of such an agreement on the part of the United States and the Soviet Union can act to discourage compliance by nonweapons states with the NPT.

ASATS AND SDI

I have repeatedly called for immediate negotiations for a ban on weapons of any kind in space, and have urged the President to seek an immediate mutual moratorium on testing of Asat's.

Further, I have worked in each of the last three Congresses to cut drastically the administration's request for SDI, and I have worked to assure that none of the SDI funds be used in a manner which would violate the ABM Treaty.

I am specifically concerned that most SDI weapons will invariably first be Asat weapons and thus fail the Nitze test of not creating dangerous instability on the way to antimissile capability. It is in both superpowers' interest to stick to an Asat ban. Neither country can do without intelligence and communication satellites. If those systems are threatened by Asat's, each country will spend more and more to superharden their satellite technologies. At this juncture, SDI fails the Nitze test. The Soviets clearly can create more decoys than we can detect and SDI's costly antimissile capabilities will be wasted in their pursuit.

START

Fortunately, it appears that steady progress is being made on a strategic arms reduction agreement [START], which would cut the number of nuclear weapons carried by long-range missiles and bombers by about 30 percent. The treaty, under negotiation since 1982, could be completed by this year's end, and the administration has indicated its willingness to begin considering recommendations for a second arms treaty which would make even deeper cuts in long-range nuclear weapons.

Mr. OWENS of Utah. Mr. Chairman, as we consider this bill today, we begin to address the most fundamental defense policy questions of the post cold war era. We see that monumental change has rocked the Communist bloc and that the Soviet conventional threat is irreparably hobbled. How are we now to cope with a fiscal crisis which threatens devastating across-the-board cuts and imminent recession, while rising to the challenge of a new and very real threat: a depolarized world order and the likes of Saddam Hussein? For the first time in more than four decades, we must not only rethink the weapons systems, but the very assumptions which inspired them.

The ongoing crisis in the Persian Gulf should give us a glimpse at what's in store in the coming years. We see an unequivocal need for well trained and well equipped reserves, tested and reliable conventional weaponry, and expanded air and sealift capability.

During the crucial days between the Iraqi invasion of Kuwait and the deployment of American forces in strength, I asked and continue to ask why we don't expand and modernize our existing airlift fleet? Why do we continue to pursue the C–17, an untried and untested program, with an overall cost in excess of $37 billion? As Russel Murray, a former DOD acquisitions official pointed out, we could have purchased 70 C–5 aircraft for the sum we've sunk in the C–17 in R&D alone.

Why also has the administration persistently ignored the need for additional sealift? Last year, Congress appropriated $600 million for this purpose, $225 million of which was reprogrammed. The rest remains unspent. These are the urgent defense priorities in today's world, not star wars, not MX, not B–2.

The crisis in the Persian Gulf underscores the necessity to project conventional power across the globe quickly and effectively, and this tragic reality must be reflected in our defense budget. At the same time, however, our defense spending should reflect a clear distinction between a vastly diminished Soviet threat and that from conventional, chemical, and even nuclear arms proliferation in the developing world.

Operation Desert Shield should not be used to preserve bloated and antiquated programs designed to counter the Soviet threat in Europe. "Brilliant Pebbles," rail garrison MX, the B–2 stealth bomber—these are cold war anachronisms that we don't need and can't afford.

By terminating the B–2 program, cutting by one-third the request for star wars, terminating production funds for MX rail garrison, canceling the 19th and 20th Trident submarine, and increasing troop reductions to 129,500, this bill begins to align our defense budget with a changed threat from abroad and severe fiscal constraints at home. By substantially bolstering our conventional capability, however, we begin to address our realistic defense requirements in the years to come. I strongly urge your support.

Mr. OXLEY. Mr. Chairman, I want to express my support for the provisions of this legislation which deal with the M–1 tank program. I believe the members of the Armed Services Committee should be commended for recognizing the fact that the United States must maintain a full tank production capability.

As my colleagues know, the administration's January request would have terminated the M–1 tank program after fiscal year 1991. This would have required both tank production facilities to close their doors by mid-1993, and leave the United States without the capability to mass produce a heavy forces tank for the first time since World War II. While the administration envisioned the tank plants reopening by the turn of the century, a dedicated and skilled work force would have been lost, our ability to respond to national security emergencies would have been squandered, and billions of dollars in foreign military sales would have unrealized if the Congress had agreed to the Army's request. I am pleased that the committee did not go along with this short-sighted plan.

As we have recently seen, and as many Members have pointed out today, the world is still a dangerous place. With all of our new-fangled military technology, the day of the tank is not over. Saddam Hussein has nearly 5,600 main battle tanks, and if we need to confront his forces, the M–1 will be the backbone of our ground forces.

The bill before us authorizes the procurement of 225 main battle tanks during fiscal year 1991; 163 of these would be M–1 A–1's and 62 would be M–1 A–2's. The Committee also denied the funding request to mothball the tank plants. Let there be no misunderstanding, mothballing the Army tank plants is not a viable option at this point. More importantly, however, the committee authorized $150 million for a new modification program whereby existing M–1 tanks will be upgraded into the new M–1 A–2 main battle tank. This retrofit program will allow the tank production facilities to remain open and keep the labor force intact.

Additionaly, the retrofit program will allow us to realize significant foreign military sales of the tank. The Congress will be notified shortly that Saudi Arabia will purchase an additional 385 M–1 A–2 tanks. This is a follow-up to the already approved sale of 315 tanks to the Saudis. I understand that the United Arab Emirates also wishes to purchase 250 M–1 A–1's in the near future, and Great Britain is close to making a decision on their tank needs. I expect British officials will buy the M–1 A–2 main battle tank as it is unquestionably the finest in the world.

Mr. Chairman, the tank program outlined in this legislation is a good one. It allows the United States to keep its tank manufacturing base, ensures a quality work force, and permits significant foreign military sales. I commend the committee for their work on the provisions.

Mr. BUSTAMANTE. Mr. Chairman, I rise in support of the bill H.R. 4739, the fiscal year 1991 National Defense Authorization Act. The bill we will be debating in this Chamber today and tomorrow is the first step in shaping our military structure to fit a changed world environment.

In only 10 months we have witnessed the destruction of the Berlin Wall, the dissolution of the Warsaw Pact, the surgence of democracy in Eastern Europe, a reunited Germany. These events and the crisis in the Persian Gulf require us to change our military priorities, and this bill is responsive to those changes.

Although the bill was framed before Saddam Hussein's aggression on Kuwait, the direction it establishes is timely, as we shift our military strategy from a European orientation to Third World and regional conflicts like the one in which we presently find ourselves engaged.

H.R. 4739 cuts defense spending for personnel and weapons where the threat has decreased the most—in Europe. It funds and increases spending in areas to enhance our sea and airlift capabilities and to strengthen our National Guard and Reserve Forces. These are critical needs in support of our efforts in the Persian Gulf.

As we decrease the size of our force structure in Europe, we are providing a package of separation benefits for those who are involuntarily separated from the service. The bill authorizes payment of separation pay calculated at 10 percent of annual base pay for each full year of service for involuntarily separated officers and enlisted personnel with 6 or more years of service who are not in their initial term of enlistment or period of obligated service. The bill removes the current $30,000 cap on separation payments and made provisions to grandfather eligibility of current officers with 5 years of service. The transition benefits proposed in this bill will provide involuntarily separated military personnel with medical transition benefits, transition counseling, job skills certification, relocation assistance to overseas personnel, housing assistance, commissary and exchange privileges, and education benefits. We owe those who sought to make career to defend this country's security, and this safety net will ease the transition of the young men and women who are separated

from our military services as a result of the fading Soviet threat.

I also wish to add my support for efforts to provide our troops in Saudi Arabia with imminent danger pay. As a result of their deployment, enlisted personnel and officers no longer receive the basic allowance for subsistance to assist them in meeting their food costs. BAS for enlisted personnel averages $177.30 per month, while officers receive $123.92. Under an amendment that will be offered tomorrow, the Secretary of Defense will be required to compensate our troops imminent danger pay at the level of $110 per month. Payment of imminent duty pay will help make up for the loss of the BAS.

While H.R. 4739 is generally a good bill, responsive to America's new global security requirements, I wish to repeat my reservations regarding the proposed cutbacks in the CAMPUS mental health benefit. The committee proposal would cut the inpatient mental health benefit from 60 to 30 days annually and CAP residential treatment centers at 90 days annually, these cuts are severe and will have a major impact on access to mental health services by CHAMPUS beneficiaries. Moreover, these cuts would be coming at a most inopportune time with our men and women over in the gulf and their families under a great strain at home.

I stated during the committee markup that these cuts are unnecessary in light of the fact that there are currently strong cost controls in place. These cost controls include a per diem cap on inpatient services and external review of all cases to determine if the care is medically necessary.

Some have argued that there is a waiver process that will allow beneficiaries who need care beyond the annual limit to receive that care. This is not true in all cases. The waiver can only be granted in rare cases when the patient is actively suicidal or homicidal. There are many patients that do not meet this threshold but need medically necessary care beyond the annual limit.

I truly believe that we should not cut a CHAMPUS benefit without exploring all other options that may be available. We have not done that. Although the GAO is in the process of exploring cost increases under the CHAMPUS Mental Health Program, this bill proposes benefit reductions before the GAO is able to come up with any findings. So we are in essence legislating in the dark. We need to carefully study mental health benefits under CHAMPUS before we take such a drastic step as limiting access to mental health care for thousands of CHAMPUS beneficiaries. When we go to conference with the other body on this bill, I would urge my colleagues on the Armed Services Committee to be open to compromise with the Senate on this matter.

Mr. Chairman, there are many more positive features about the bill which deserve to be highlighted and I shall reserve my additional comments for the future. With certain exceptions, it is a good bill, and I urge my colleagues to support its adoption.

Mr. RAHALL. Mr. Chairman, today I intend to support an amendment to the Defense authorization bill that will assist communities, workers, and companies suffering from the adverse effects of the likely major reduction in defense spending over the next 5 or more years.

As a Member of the delegation from the great State of West Virginia, I know how devastating it is to contemplate enacting legislation that is well-intentioned—such as the Clean Air Act—knowing that workers and communities will be severely affected by such actions. West Virginia will have a great many workers displaced and communities in dire economic straits because of the implementation of the Clean Air Act. Believe me. I know how it feels.

Because we are hoping conferees on clean air will adopt a provision to provide worker displacement assistance for coal miners, which assistance I assure you is just as modest as that contained in the Mavroules amendment for displaced defense workers—I am supporting this provision in the DOD bill.

I can only say, I wish more Members, on both sides of the Capitol, had expressed as much concern over coal miner displacement as they are showing over displacement of defense workers.

Let's face it. Layoffs are layoffs. And in the defense industry, as in the coal industry, many or most of these jobs won't be making a comeback anyway soon.

Training and retraining of displaced workers is of such value and in such demand in such instances, that if my colleagues will just think about it in human, if not economic terms, they will always vote for adequate assistance for workers who lose jobs because of actions taken by the U.S. Congress—whether it is clean air—or defense spending reductions.

I will support assistance necessary for displaced defense workers, for I know and understand how devastating it will be to those workers, their familes, and their communities to suddenly have the rug pulled out from beneath them.

Think about it, and remember, when you are voting for the Mavroules amendment for displaced defense workers, be as charitable in your thinking about coal miner displacement as well.

Mr. HAWKINS. Mr. Chairman, I rise in support of Congressman MAVROULES' amendment to H.R. 4739, the fiscal year 1991 Department of Defense authorization bill, which calls for economic stabilization and adjustment programs to mitigate the effects of reductions in defense-related activities.

From now until 1995, between 880,000 and 1.1 million workers are estimated to lose their jobs as a result of military base closures or reductions in defense contracts. If the transition to peacetime employment is not thoughtfully carried out with appropriate adjustment policies, the proposed reductions in defense spending could be disputive to both individuals workers and affected communities across the country.

Based upon our committee's experience, job training and economic adjustment efforts have proven to be successful in helping dislocated workers to obtain retraining and employment assistance. I am pleased that Mr. MAVROULES' amendment incorporates many of the retraining provisions reported by the Education and Labor Committee on July 31.

The Defense Conversion Adjustment Program established under the Mavroules amendment, creates an obligation for both the Secretary of Defense and the Secretary of Labor to take a proactive role in helping to ease the pain of job loss by affected individuals and communities.

The existing Dislocated Work Program under title III of the Job Training Partnership Act would be utilized under the Mavroules proposal. Individuals who lose their jobs because of defense cutbacks would be eligible for skill training, job placement, relocation, and other assistance through title III's delivery system. No new or duplicative structures are created to provide the necessary services to the needy individual. States, service delivery areas under JTPA, units of general local government, employers, employer associations, and representatives of employees are eligible for grants from the Secretary of Labor to provide services to dislocated workers. Since there are contraints in current programs, an additional $150 million would be authorized to support this transitional retraining program under JTPA.

The Mavroules amendment represents an excellent foundation which is necessary for a smooth defense adjustment program. We must continue to stand behind the American workers who help to build a strong defense for our country. More importantly, we must support programs for those same workers who become unemployed as we experience substantial declines in military expenditures over the next several years.

I strongly urge my colleagues to support the Mavroules amendment to the Defense authorization bill.

Mr. VENTO. Mr. Chairman, in less than a year the world has witnessed the collapse of the Warsaw Pact and the rise of new democratic regimes in the nations of Eastern Europe. Similarly, the movement toward democratic political reforms continues in the Soviet Union under the leadership of Mikhail Gorbachev. The cold war has finally and thankfully become a part of history as the United States and the Soviet Union chart new movements toward peaceful cooperation rather than political and military competition and confrontation.

Unfortunately, however, at the very moment when the relations between the superpowers are finally improving, regional conflicts are escalating in importance. For the first time since the Vietnam war, the United States today stands poised to go to war in the Middle East against Iraq. The policies of the cold war era are ill-suited given the new political realities which we face around the world. The challenge for the administration and the Congress is now to develop strategies and policies which respond effectively for today's realities.

For the first time in over a decade, the United States is hopefully embarked upon substantial cuts in strategic weapons systems. If war can be avoided in most regions like the Persian Gulf region, and military responsibilities shared more equitable by other nations, we will see truly significant long-term cuts in military outlays over the next 5 to 10 years.

While I would prefer more decisive reductions in many of the cold war weapon systems contained in this defense authorization bill, nevertheless, I believe that our colleagues on

the Armed Services Committee have made a good effort to present a defense bill which makes significant reductions in many of the redundant and dated weapons systems and clearly set Congress and our policy on a course toward prudent and sound long-term reductions in defense spending.

I am encouraged that the Armed Services Committee under the leadership of Chairman LES ASPIN has recommended terminating further production of the B-2 Stealth bomber and the rail garrison MX missile system. The exorbitant cost of the B-2 at about $860 million per aircraft and the fact that this aircraft has not yet been fully tested or demonstrated to meet its promise would be sufficient grounds to scale back this program. However, the strongest reason for canceling the B-2 is because it is now a plane without a mission. My colleagues may recall that this aircraft was orgininally proposed as the necessary tool to penetrate deep into Soviet airspace in the event of a United States-Soviet military confrontation. If ever needed, certainly today such a confrontation appears to be a very remote possibility. Some of the same advocates of the B-2 now have changed the script and mission of the B-2 pointing out that we need this plane to possibly penetrate Iraq in the event of a war. This ignores the fact that the United States and our allies have assembled a vast, modern arsenal of ships, aircraft, and missiles which are more than a match for Iraq's armaments and which hopefully I pray will not need to be demonstrated. It's appropriate for the House to act decisively and to support the committee's recommendation to terminate the B-2 Program.

I am also pleased that the committee has proposed terminating all funds for procurement and military construction for the rail garrison MX missile system beyond the purchase of 12 test missiles. The bill shifts funding to a research and development pool on intercontinental ballistic missiles [ICBM's].

While the committee bill provides for a substantial reduction in funding for the strategic defense initiative [SDI] by providing $2.9 billion rather than the administration's requested $4.7 billion, nevertheless, I frankly believe that the better policy would be to terminate the SDI program. In my view, there has never been a realistic possibility of SDI fulfilling the extravagant promises of its proponents to provide a leak-proof umbrella against a nuclear attack against the United States. This is not simply a matter of personal opinion or political expediency but is a matter of scientific fact. That is why I support the Dellums amendment to terminate the SDI program. Alternatively, I support the Bennett Amendment to strike $600 million in funding for SDI if the more dramatic change in policy is not possible at this time. In an era of scarce defense dollars and an increasing Federal budget deficit, we simply cannot afford to keep pumping billions of dollars into this exotic and highly questionable SDI system.

Last year, I opposed the administration's request to terminate funding for the V-22 Osprey tilt-rotor aircraft. The Armed Services Committee has recommended authorizing $303 million for the V-22, a proposal which I support. The V-22 represents an important breakthrough in aviation technology and is important both militarily and commercially. This dual benefit weighs in favor of continuing this program and fits well with the forward-looking needs and policy of the U.S. military forces.

Certainly one of the most serious consequences of shrinking defense budgets is the dislocations which are occurring in many communities and for those individuals who work in the defense industry. In the Minneapolis/St. Paul area, many workers, particularly in the computer industry, have lost their jobs due to defense cutbacks and corporate reorganizations. Unisys Corp., as an example, has laid off thousands of workers and more may lose their jobs in the future, as well. Minnesota Governor Rudy Perpich has had the foresight to appoint an Economic Conversion Task Force made up of State and local government officials and business representatives to explore our State's dependence on defense spending and how dislocated defense workers may be affected.

As a member of the Banking Subcommittee on Economic Stabilization, I have been pleased to work with our chair, the gentlewoman from Ohio [Ms. OAKAR], who deserves special recognition for reporting H.R. 3999 out of the Banking Committee. While this measure is not on the floor today, I strongly support the Mavroules amendment which authorizes $200 million in funding for communities which are affected by defense spending cutbacks.

The Mavroules amendment makes use of the existing structures of the Economic Development Administration [EDA] and the Job Training Partnership Program [JTPA] in administering aid to affected communities and workers. One of my concerns, however, is that certain medium-sized cities with diversified economies, such as in Minnesota's Twin Cities area, may suffer from a series of substantial defense layoffs over a period of years and yet not be eligible for assistance under existing EDA and JTPA criteria. I hope that these agencies and the Congress will be able to find a way to address these situations where some affected workers and communities are falling between the cracks in receiving necessary assistance.

Reshaping the U.S. defense and military policies and programs will be a wrenching experience, but will be necessary if we are to meet our responsibilities. This measure today is but a first step, Mr. Chairman. Let us take it with care and follow through in the months and years down the path to new priorities and goals of the American people in the 1990's.

The CHAIRMAN. The gentleman from Alabama [Mr. DICKINSON] has one-half minute remaining.

Mr. DICKSON. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time under the rule for general debate has expired.

Pursuant to House Resolution 457, the amendment in the nature of a substitute now printed in the bill shall be considered as an original bill for the purpose of an amendment under the 5 minute rule and is considered as read.

The text of the amendment in the nature of a substitute is as follows:

H.R. 4739

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act for Fiscal Year 1991".

SEC. 2. ORGANIZATION OF ACT INTO DIVISIONS; TABLE OF CONTENTS.

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

(3) Division C—Department of Energy National Security Authorizations and Other Authorizations.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense Agencies.
Sec. 105. Reserve components.
Sec. 106. Chemical demilitarization program.
Sec. 107. Multiyear authorizations.
Sec. 108. Repeal of prior milestone authorizations.
Sec. 109. Prohibition of obligation of advance procurement funds pending submission to Congress of multiyear defense plan as required by law.

PART B—B-2 AIRCRAFT PROGRAM

Sec. 111. Termination of new production of B-2 aircraft.

PART C—OTHER STRATEGIC PROGRAMS

Sec. 121. D-5 missile program.
Sec. 122. SRAM II missile program.
Sec. 123. Ground-Wave Emergency Network.
Sec. 124. B-1B aircraft program.

PART D—ARMY PROGRAMS

Sec. 141. ADATS missile system.
Sec. 142. M-1 ABRAMS tank retrofit program.
Sec. 143. Army High Melt Explosives Propellant plant.

PART E—NAVY AND MARINE CORPS PROGRAMS

Sec. 151. Procurement of AHIP Scout helicopters for Marine Corps Reserve.
Sec. 152. Suspension of equipment transfer.

PART F—NONSTRATEGIC AIR FORCE PROGRAMS

Sec. 161. TACIT rainbow program.
Sec. 162. Chemical-biological collective protection systems.
Sec. 163. C-17 aircraft program.

PART G—CHEMICAL MUNITIONS

Sec. 171. Annual report on safety of chemical weapons stockpile.

Sec. 172. Funding clarification for chemical weapons stockpile disposal program.
Sec. 173. Chemical weapons stockpile safety contingency plan.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS

Sec. 201. Authorization of appropriations.
Sec. 202. Amounts for basic research and exploratory development.
Sec. 203. Prohibition on testing Mid-Infrared Advanced Chemical Laser against an object in space.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

Sec. 211. V-22 Osprey aircraft program.
Sec. 212. Army Scout Attack Helicopter program.
Sec. 213. Armored Systems Modernization program.
Sec. 214. Advanced Combat Vehicle Technology Program.
Sec. 215. Laboratory equipment for Navy industrial-funded activities.
Sec. 216. Advanced Tactical Fighter program.

PART C—STRATEGIC DEFENSE INITIATIVE

Sec. 221. Funding for the Strategic Defense Initiative for fiscal year 1991.
Sec. 222. Report on allocation of fiscal year 1991 SDI funding.
Sec. 223. Limitation on development and testing of anti-ballistic missile systems or components.
Sec. 224. Prohibition on operational test and evaluation of strategic defense systems.
Sec. 225. Boost Surveillance and Tracking System.
Sec. 226. Arrow Tactical Anti-Missile program.

PART D—STRATEGIC PROGRAMS

Sec. 231. ICBM modernization program.

PART E—OTHER MATTERS

Sec. 241. Biological Defense Research Program.
Sec. 242. Funding for facility for collaborative research and training for military medical personnel.
Sec. 243. Grant for institute for advanced science and technology.

TITLE III—OPERATION AND MAINTENANCE

PART A—AUTHORIZATION OF APPROPRIATIONS

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Humanitarian assistance.
Sec. 304. Assistance to the 1990 Winter World Series Torch Run and the 1991 Freestyle World Championships.
Sec. 305. Extended Cold Weather Clothing Systems.

PART B—LIMITATIONS

Sec. 311. Prohibition on the transfer of heavy military equipment to Europe.
Sec. 312. Limitation on the deactivation of the Second Armored Division.
Sec. 313. Continuation of Air Force hurricane reconnaissance mission.

PART C—CHANGES TO EXISTING LAW

Sec. 321. Repeal of requirements to manage civilian personnel by end strengths.
Sec. 322. Eligibility of members of the Ready Reserve to use commissary stores.
Sec. 323. Limitation on obligations against stock funds.
Sec. 324. Eligibility for assistance to plan community adjustments and economic diversification.
Sec. 325. Authority to enter into certain agreements with local governments for police, fire, and other civil services.
Sec. 326. Maintenance of firefighting and other emergency services at military installations.
Sec. 327. Expansion of authority to donate food to charitable nonprofit food banks.
Sec. 328. Authority to exchange property for services in connection with historical collections.
Sec. 329. Authorization for certain bands of the Armed Forces to produce recordings for commercial sale.
Sec. 330. Army program to promote civilian marksmanship.
Sec. 331. Ships' stores.
Sec. 332. Operation of the Inter-American Air Forces Academy.
Sec. 333. Setting aside proceeds from the transfer or disposal of commissary store facilities and property purchased with nonappropriated funds.
Sec. 334. Transportation of components and ingredients of supplies in United States vessels.

PART D—ENVIRONMENTAL PROVISIONS

Sec. 341. Indemnification requirement for contractors handling hazardous wastes from defense facilities.
Sec. 342. Additional requirements for environmental report.
Sec. 343. Reporting requirements on environmental compliance at overseas military installations.

PART E—MILITARY DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES

Sec. 351. Civil Air Patrol.
Sec. 352. Support for counter-drug activities.

PART F—MISCELLANEOUS

Sec. 361. Staff of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.
Sec. 362. Reduction in number of civilian employees of industrial- or commercial-type activities.
Sec. 363. Army Reliability Centered-Inspect and Repair Only as Necessary Program at Anniston Army Depot.
Sec. 364. Support for Defense Conversion Center.

PART G—STUDIES AND REPORTS

Sec. 371. Authorization for short-term lease of aircraft for initial entry rotory wing pilot training and study regarding long-term lease.
Sec. 372. Study of transportation options for obsolete chemical weapons located at certain military installations.
Sec. 373. Report on establishing new Naval Reserve Training Center at Newport, Rhode Island.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

Sec. 401. End strengths for active forces.
Sec. 402. Reduction in the authorized end strength for the number of military personnel in Europe.

PART B—RESERVE FORCES

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for Reserves on active duty in support of the Reserves.

PART C—MILITARY TRAINING STUDENT LOADS

Sec. 421. Authorization of training student loads.

PART D—AUTHORIZATIONS OF APPROPRIATIONS

Sec. 431. Authorization of appropriations for military personnel for fiscal year 1991.

PART E—OTHER PERSONNEL STRENGTH MATTERS

Sec. 441. Flag and general officers.
Sec. 442. Test of cadre concept.

TITLE V—MILITARY PERSONNEL

PART A—READJUSTMENT BENEFITS

Sec. 501. Separation pay.
Sec. 502. Other transition benefits and services.
Sec. 503. Travel and transportation allowances relating to members involuntarily separated.
Sec. 504. Continuation of enrollment in schools of the defense dependents' education system for dependents of members involuntarily separated.

PART B—VETERANS BENEFITS PROGRAMS

Sec. 511. Veterans recruitment appointments.
Sec. 512. Opportunity for certain personnel to enroll in Montgomery GI bill before being involuntarily separated from service.
Sec. 513. Technical amendments to Montgomery GI bill active duty program.

PART C—DEFENSE OFFICER PERSONNEL MANAGEMENT POLICIES

Sec. 521. Officer retention flexibility.
Sec. 522. Reduction in time-in-grade requirement for voluntary retirement.
Sec. 523. Required length of commissioned service for voluntary retirement.

PART D—OFFICER EDUCATION AND TRAINING

Sec. 531. Reduction in the number of appointments for the class of a service academy entering in 1991.
Sec. 532. Modification of the ten-year service obligation for graduates of the Uniformed Services University of the Health Sciences.
Sec. 533. Repeal of limitation on participation of certain National Guard personnel in Montgomery GI bill.

PART E—MILITARY JUSTICE AMENDMENTS

Sec. 541. Pretrial sessions involving military judge acting alone.
Sec. 542. Challenges to members of courts-martial.

PART F—MISCELLANEOUS

Sec. 551. Services by notaries public.

Sec. 552. Meaning of the term "office" under section 2071(b) of title 18, United States Code.
Sec. 553. Extension to Coast Guard of law providing for identification, treatment, and rehabilitation of members of the Armed Forces who are dependent on drugs or alcohol.
Sec. 554. Restatement of law relating to annual personnel strength authorizations, annual manpower requirements reports, and annual National Guard and Reserve component procurement report.
Sec. 555. Amendments to Uniformed Services Former Spouses' Protection Act.
Sec. 556. Authority for commissioned officers to serve on independent school boards.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

Sec. 601. Military pay raise for fiscal year 1991.
Sec. 602. Modification of limitation on adjustments in variable housing allowance.

PART B—BONUSES AND SPECIAL AND INCENTIVE PAY

Sec. 611. Physician special pay.
Sec. 612. Extension of nurse incentive programs.

PART C—MISCELLANEOUS

Sec. 621. Delay in effective date of optional high-tier survivor benefit plan coverage and open enrollment period.

TITLE VII—HEALTH CARE PROVISIONS

PART A—HEALTH CARE SERVICES

Sec. 701. Provision of pap smears and mammograms under CHAMPUS.
Sec. 702. Mental health services.
Sec. 703. Repeal of prohibition on payment for services of pastoral counselors, family and child counselors, and marital counselors as a medical expense.

PART B—HEALTH CARE MANAGEMENT

Sec. 711. Limitation on reductions in medical personnel.
Sec. 712. Increase in annual deductibles under CHAMPUS for certain covered beneficiaries.
Sec. 713. Collection from third-party payers of reasonable costs of health care services incurred on behalf of retired persons and dependents.
Sec. 714. Increase in the pay limit for personal services contracts for direct health care providers.
Sec. 715. Conditions on expansion of CHAMPUS reform inititive.
Sec. 716. Limitation on awarding contract for full production of medical information systems.
Sec. 717. Uniformed services treatment facilities.
Sec. 718. Requirements prior to termination of medical services at military medical treatment facilities.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

PART A—ACQUISITION MANAGEMENT IMPROVEMENT

Sec. 801. Authority governing operation of working-capital funded activities.
Sec. 802. Procedures for contract solicitation and evaluation.
Sec. 803. Additional waiver for submission of certified cost or pricing data.
Sec. 804. Repeal of requirements relating to commercial pricing for spare or repair parts.
Sec. 805. Competitive alternative source requirement.
Sec. 806. Solicitation area policy for West Coast Naval Reserve Force ships.
Sec. 807. Membership on Federal Acquisition Regulatory Council.

PART B—MODIFICATIONS TO EXISTING LAW

Sec. 811. Clarification of small business concerns covered by section 1207.
Sec. 812. Additional prohibition on convicted individuals.
Sec. 813. Disclosure requirement relating to subcontractors.
Sec. 814. Expansion of procurement technical assistance program.
Sec. 815. Requirement to use domestically manufactured carbonyl iron powders.

PART C—PROVISIONS RELATING TO WHISTLEBLOWERS

Sec. 821. Advisory committee on mental health evaluation protections.
Sec. 822. Defense contractor requirements with respect to employees who communicate with Government officials.

PART D—MISCELLANEOUS

Sec. 831. Equal employment opportunities relating to an Army contract.
Sec. 832. Test program to provide for the Department of Defense to purchase law enforcement equipment for States.
Sec. 833. Department of Defense ombudsman for foreign signatories of inter-governmental memorandums of agreement.
Sec. 834. Defense industrial base for textile and apparel products.
Sec. 835. Cost savings requirement for multiyear contracts.

TITLE IX—DEFENSE ACQUISITION WORKFORCE

Sec. 901. Short title.
Sec. 902. Management policies.

TITLE X—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

PART A—FINANCIAL MANAGEMENT

Sec. 1001. Department of Defense.
Sec. 1002. Defense Logistics Agency.
Sec. 1003. Department of the Army.
Sec. 1004. Department of the Navy.
Sec. 1005. Department of the Air Force.
Sec. 1006. Financial Management Audit Committees.

PART B—CONTRACTING OUT

Sec. 1011. Continuation of authority of base commanders over contracting for commercial activities.

PART C—PROFESSIONAL MILITARY EDUCATION

Sec. 1021. Preparation of budget requests for operation of professional military education schools.
Sec. 1022. Authority of Naval War College to confer degree of master of arts in national security and strategic studies.

PART D—MISCELLANEOUS

Sec. 1031. Establishment of Joint Requirements Oversight Council.
Sec. 1032. National military strategy reports.
Sec. 1033. Joint staff.
Sec. 1034. Authority of chiefs of reserve components.
Sec. 1035. Independent boards to conduct investigations of major incidents and allegations involving performance of the Armed Forces.
Sec. 1036. Security investigations.

TITLE XI—DEFENSE REPORTS REDUCTION

Sec. 1101. Short title.

PART A—REPEAL OF EXISTING REPORT REQUIREMENTS

Sec. 1111. Reports required by title 10, United States Code.
Sec. 1112. Reports required by annual defense authorization Acts.
Sec. 1113. Reports required by other Acts.

PART B—MODIFICATIONS TO EXISTING REPORT REQUIREMENTS

Sec. 1121. Reports required by title 10, United States Code.
Sec. 1122. Reports required by annual authorization Acts.

PART C—REPORT PROVISIONS PREVIOUSLY TERMINATED UNDER GOLDWATER-NICHOLS ACT

Sec. 1131. Purpose.
Sec. 1132. Repeal of statutory provisions terminated by Goldwater-Nichols Act.
Sec. 1133. Restoration of certain reporting requirements of title 10, United States Code, terminated by Goldwater-Nichols Act.
Sec. 1134. Repeal of Goldwater-Nichols reports termination section.

Part D—Clerical Amendments

Sec. 1141. Clerical amendments.

TITLE XII—ARMED FORCES RETIREMENT HOME

Sec. 1201. Short title.
Sec. 1202. Authorization of appropriations for the United States Soldiers' and Airmen's Home.
Sec. 1203. Definitions.

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TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

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SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

For purposes of this Act, the term "congressional defense committees" means the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

PART A—FUNDING AUTHORIZATIONS

SEC. 101. ARMY.

(a) AIRCRAFT.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of aircraft for the Army in the amount of $1,493,683,000, of which $561,795,000 is for modification of aircraft.

(b) MISSILES.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of missiles for the Army in the amount of $1,966,345,000, of which $135,374,000 is for modification of missiles.

(c) WEAPONS AND TRACKED COMBAT VEHICLES.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of weapons and tracked combat vehicles for the Army in the amount of $1,928,423,000.

(d) AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of ammunition for the Army in the amount of $1,324,171,000.

(e) OTHER PROCUREMENT.—Funds are hereby authorized to be appropriated for fiscal year 1991 for other procurement for the Army in the amount of $2,781,799,000, of which—

(1) $692,872,000 is for tactical and support vehicles;

(2) $1,275,365,000 is for communications and electronics equipment; and

(3) $813,562,000 is for other support equipment.

SEC. 102. NAVY AND MARINE CORPS.

(a) AIRCRAFT.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of aircraft for the Navy in the amount of $9,013,350,000.

(b) WEAPONS.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of weapons (including missiles and torpedoes) for the Navy in the amount of $5,376,097,000. Amounts authorized under the preceding sentence are available as follows:

(1) For missile programs other than ballistic missile programs, $2,657,160,000.

(2) For torpedo programs, $841,318,000 as follows:

For the MK-48 torpedo program, $350,291,000.

For the MK-50 torpedo program, $328,266,000.

For the ASW target program, $26,409,000.

For the ASROC program, $20,156,000.

For the modification of torpedoes and related equipment, $27,836,000.

For the torpedo support equipment program, $55,278,000.

For the antisubmarine warfare range support program, $24,382,000.

For the destination transportation program, $8,700,000.

(3) For other weapons, $202,146,000, of which—

(A) $61,958,000 is for the MK-15 close-in weapon system; and

(B) $81,292,000 is for the close-in weapon system modification program.

(4) For other ordnance, $266,263,000.

(5) For spares and repair parts, $69,209,000.

(c) SHIPBUILDING AND CONVERSION.—Funds are hereby authorized to be appropriated for fiscal year 1991 for shipbuilding and conversion for the Navy in the amount of $8,824,600,000. Amounts authorized under the preceding sentence are available as follows:

For the Trident submarine program, $1,145,629,000.

For the SSN-21 nuclear attack submarine program, $2,106,000,000.

For the aircraft carrier service life extension program (SLEP), $113,068,000.

For the DDG-51 guided missile destroyer program, $3,570,003,000.

For the LHD-1 amphibious assault ship program, $959,800,000.

For the LSD-41 cargo variant program, $240,000,000.

For the oceanographic research ship program, $43,100,000.

For service craft and landing craft, $37,700,000.

For the landing craft, air cushion (LCAC) program, $267,900,000.

For outfitting and post delivery, $335,600,000.

For first destination transportation $5,800,000.

(d) OTHER PROCUREMENT, NAVY.—(1) Funds are hereby authorized to be appropriated for fiscal year 1991 for other procurement for the Navy in the amount of $5,483,626,000. Amounts authorized under the preceding sentence are available for certain programs as follows:

(A) For the ship support equipment program, $1,214,555,000.

(B) For the communications and electronics equipment program, $1,800,611,000.

(C) For aviation support equipment, $283,787,000.

(D) For the ordnance support equipment program, $544,836,000.

(E) For civil engineering support equipment, $81,658,000.

(F) For supply support equipment, $294,760,000.

(G) For personnel and command support equipment, $790,141,000.

(H) For spares and repair parts, $473,278,000.

(2) Of the funds appropriated pursuant to this subsection, $10,000,000 shall be available for acquisition of AN/SQQ-T1 Onboard ASW Trainers.

(e) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement for the Marine Corps in the amount of $778,279,000.

SEC. 103. AIR FORCE.

(a) AIRCRAFT.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of aircraft for the Air Force in the amount of $7,245,375,000, of which $1,141,751,000 is available for modification of aircraft.

(b) MISSILES.—Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of missiles for the Air Force in the amount of $5,569,848,000, of which $111,273,000 is available for modification of missiles.

(c) OTHER PROCUREMENT.—Funds are hereby authorized to be appropriated for fiscal year 1991 for other procurement for the Air Force in the amount of $7,996,897,000, of which—

(1) $379,044,000 is for munitions and associated support equipment;

(2) $133,563,000 is for vehicular equipment;

(3) $1,586,742,000 is for electronics and telecommunications equipment; and

(4) $5,897,520,000 is for other base maintenance and support equipment.

SEC. 104. DEFENSE AGENCIES.

Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement for the Defense Agencies in the amount of $1,853,514,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1991 for procurement of aircraft, vehicles, communications equip-

ment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $269,900,000.

(2) For the Air National Guard, $258,000,000.

(3) For the Army Reserve, $111,100,000.

(4) For the Navy Reserve, $490,000,000.

(5) For the Air Force Reserve, $206,100,000.

(6) For the Marine Corps Reserve, $255,000,000.

SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1991 for the destruction of lethal chemical weapons in accordance with section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 747) in the amount of $377,300,000.

SEC. 107. MULTIYEAR AUTHORIZATIONS.

The Secretary of the military department concerned may use funds appropriated for fiscal year 1991 to enter into multiyear procurement contracts in accordance with section 2306(h) of title 10, United States Code, for the following programs:

(1) ARMY.—For the Department of the Army:

(A) UH-60L Helicopter Program.

(B) Pedestal-Mounted Stinger (Avenger) Program.

(C) Family of Medium Trucks.

(2) AIR FORCE.—For the Department of the Air Force, the GPS Navstar Satellite Program.

SEC. 108. REPEAL OF PRIOR MILESTONE AUTHORIZATIONS.

(a) PROCUREMENT PROGRAMS.—Section 106 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1034) is repealed.

(b) RDT&E PROGRAMS.—Section 216 of such Act (101 Stat. 1051) is repealed.

SEC. 109. PROHIBITION OF OBLIGATION OF ADVANCE PROCUREMENT FUNDS PENDING SUBMISSION TO CONGRESS OF MULTIYEAR DEFENSE PLAN AS REQUIRED BY LAW.

Funds appropriated for the Department of Defense for fiscal year 1991 for procurement may not be obligated for advance procurement until 30 days after the date on which the Secretary of Defense submits to Congress the multiyear defense program (including associated annexes) covering fiscal years beginning with fiscal year 1992 required (by section 114a of title 10, United States Code) to be submitted to Congress in conjunction with the President's budget for fiscal year 1992. The Secretary shall ensure that such a multiyear defense program as submitted to Congress meets the requirements for consistency with the President's budget set forth in subsection (b) of section 114a of such title.

PART B—B-2 AIRCRAFT PROGRAM

SEC. 111. TERMINATION OF NEW PRODUCTION OF B-2 AIRCRAFT.

(a) PRODUCTION TERMINATION.—Funds appropriated for the Department of Defense for fiscal years after fiscal year 1990 may not be obligated or expended to commence production of any B-2 aircraft.

(b) AUTHORIZED SCOPE OF B-2 PROGRAM.—Amounts appropriated for the Department of Defense may be expended for the B-2 aircraft program only—

(1) for the completion of production of those B-2 aircraft for which production was commenced with funds appropriated for a fiscal year before fiscal year 1991; and

(2) for research, development, test, and evaluation, including flight testing.

(c) PRESERVATION OF FACILITIES.—The Secretary of Defense shall preserve the production facilities and the tooling for production of B-2 aircraft so as to maintain a production option for such aircraft for the future.

PART C—OTHER STRATEGIC PROGRAMS

SEC. 121. D-5 MISSILE PROGRAM.

Funds appropriated for fiscal year 1991 pursuant to this Act may not be obligated for the D-5 missile program until each of the following has occurred:

(1) The advisory panel on nuclear weapons safety established by the Committee on Armed Services of the House of Representatives has submitted its report to the committee and a period of 30 days has passed after the report is received.

(2) The Secretary of Defense has reported to the congressional defense committees that a determination has been made to resume operations at the Department of Energy Rocky Flats Plant, Goldin, Colorado.

SEC. 122. SRAM II MISSILE PROGRAM.

None of the funds appropriated for fiscal year 1991 for procurement for the Air Force may be obligated for the SRAM II missile program (including work on the integration of the SRAM II on the B-1B bomber) until the Secretary of Defense certifies to the congressional defense committees that development flight tests for that missile demonstrate that the missile (including the rocket motor propellant) meets the established performance criteria.

SEC. 123. GROUND-WAVE EMERGENCY NETWORK.

None of the funds appropriated pursuant to this or any other Act may be obligated or expended for the Ground-Wave Emergency Network (GWEN) System until—

(1) the Secretary of Defense provides for the conduct of an independent study of such system on the health effects and environmental impact of the system on surrounding local jurisdictions; and

(2) a report containing the results of such study, together with the Secretary's comments and recommendations concerning the report, has been submitted to the congressional defense committees and a period of 15 days has elapsed after the report is received.

SEC. 124. B-1B AIRCRAFT PROGRAM.

Section 121(e)(3)(C) of Public Law 101-189 (103 Stat. 1380) is amended by striking out "in the late 1990s" and inserting in lieu thereof "in 2010".

PART D—ARMY PROGRAMS

SEC. 141. ADATS MISSILE SYSTEM.

The Secretary of the Army may not obligate any funds after the date of the enactment of this Act for a payment under the ADATS air defense program for contractor corrections of system reliability, availability, and maintainability (RAM) deficiencies to meet original program specifications for the system.

SEC. 142. M-1 ABRAMS TANK RETROFIT PROGRAM.

The Secretary of the Army may not obligate any amount in long-lead funds for a program to modify existing M-1 tanks to the M1A2 configuration until—

(1) the Secretary certifies to the congressional defense committees—

(A) that development and operational tests for the M1A2 tank have been successfully completed; and

(B) that the M1A2 tank has been type classified as standard equipment; and

(2) the Secretary submits to those committees a report describing an acquisition plan for upgrading all M-1 tanks in the current inventory to the new configuration.

SEC. 143. ARMY HIGH MELT EXPLOSIVES PROPELLANT PLANT.

The amount spent to complete the design of the plant at Longhorn Army Ammunition Plant, Texas, for the Army High Melt Explosives Propellant program may not exceed $13,000,000. The Secretary of the Army shall obligate such sums as necessary, up to $13,000,000, on the completion of the design of such plant from amounts appropriated for fiscal year 1991 for procurement of ammunition for the Army.

PART E—NAVY AND MARINE CORPS PROGRAMS

SEC. 151. PROCUREMENT OF AHIP SCOUT HELICOPTERS FOR MARINE CORPS RESERVE.

Section 133 of Public Law 101-189 (103 Stat. 1383) does not prohibit procurement of AHIP Scout aircraft for the Marine Corps Reserve, and this section supersedes such section 133 to the extent necessary to permit the Secretary of the Navy to carry out procurement of such aircraft for the Marine Corps Reserve.

SEC. 152. SUSPENSION OF EQUIPMENT TRANSFER.

(a) SUSPENSION.—The Secretary of the Navy may not carry out the proposed transfer of equipment described in subsection (b) until the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report providing an in-depth review of the effect of such transfer and consideration of all options to such transfer. The report shall address each of the matters referred to in the letter dated July 20, 1990, from the Chairman of the Committee on Armed Services of the House of Representatives to the Secretary of Defense with respect to such transfer.

(b) TRANSFER DESCRIBED.—Subsection (a) applies with respect to the proposed transfer of an L-1000A x-ray unit used for inspections of Trident, Titan, Delta II, and SRAM missile motor nozzles from a contractor facility in Pueblo, Colorado, to a contractor facility in San Leandro, California.

PART F—NONSTRATEGIC AIR FORCE PROGRAMS

SEC. 161. TACIT RAINBOW PROGRAM.

The Secretary of the Air Force may not obligate any funds to establish a second source for procurement of the TACIT Rainbow system until the Secretary submits to the congressional defense committees a report describing total program quantities to be procured and the cost effectiveness of proceeding with two sources of production.

SEC. 162. CHEMICAL-BIOLOGICAL COLLECTIVE PROTECTION SYSTEMS.

(a) TERMINATION OF PROCUREMENT OF SURVIVABLE COLLECTIVE PROTECTION SYSTEM.—After the date of the enactment of this Act, no funds may be obligated for procurement of the Survivable Collective Protection System.

(b) LIMITATION ON PROCUREMENT OF TRANSPORTABLE COLLECTIVE PROTECTION SYSTEM.—None of the funds appropriated pursuant to this Act may be obligated for procurement of the Transportable Collective Protection System until the Secretary of Defense submits to the congressional defense committees a report setting forth—

(1) the overall requirements for the program;

(2) the rationale for the program in light of the chemical weapons arms control agreement between the United States and the Soviet Union and the efforts to achieve a multilateral ban on all chemical weapons;

(3) the anticipated distribution of assets to be procured under the program, shown by

geographic region and by military forces; and

(4) total program costs.

SEC. 163. C-17 AIRCRAFT PROGRAM.

The Secretary of the Air Force may not obligate any funds appropriated pursuant to section 103 for procurement of the C-17 aircraft (other than funds for advance procurement for fiscal year 1992) until the Secretary of Defense certifies to the congressional defense committees that a production C-17 aircraft has successfully completed its first flight. After such certification, the Secretary of the Air Force shall seek authority to obligate funds for procurement for the fiscal-year 1991 program of such aircraft in accordance with established congressional reprogramming procedures.

PART G—CHEMICAL MUNITIONS

SEC. 171. ANNUAL REPORT ON SAFETY OF CHEMICAL WEAPONS STOCKPILE.

(a) ADDITIONAL ITEMS FOR ANNUAL REPORT ON CHEMICAL WEAPONS DEMILITARIZATION PROGRAM.—Subsection (g)(3) of section 1412 of Public Law 99-145 (50 U.S.C. 1521) is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(C) an assessment of the safety status and the integrity of the stockpile of lethal chemical agents and munitions subject to this section, including—

"(i) an estimate on how much longer that stockpile can continue to be stored safely;

"(ii) a site-by-site assessment of the safety of those agents and munitions; and

"(iii) a description of the steps taken (to the date of the report) to monitor the safety status of the stockpile and to mitigate any further deterioration of that status.".

(b) TECHNICAL AMENDMENTS.—Subsections (a)(1) and (h)(1) of such section are amended by striking out "the date of the enactment of this Act" and inserting in lieu thereof "November 8, 1985".

SEC. 172. FUNDING CLARIFICATION FOR CHEMICAL WEAPONS STOCKPILE DISPOSAL PROGRAM.

Subsection (c) of section 1412 of Public Law 99-145 (50 U.S.C. 1521) is amended by adding at the end the following paragraph:

"(3) In order to carry out subparagraph (A) of paragraph (1), the Secretary may make grants to State and local governments (either directly or through the Federal Emergency Management Agency) to assist those governments in carrying out functions relating to emergency preparedness and response in connection with the disposal of the lethal chemical agents and munitions referred to in subsection (a). Funds available to the Department of Defense for the purpose of carrying out this section may be used for such grants.".

SEC. 173. CHEMICAL WEAPONS STOCKPILE SAFETY CONTINGENCY PLAN.

(a) DEVELOPMENT OF PLAN.—The Secretary of Defense shall develop a plan setting forth the steps the Department of Defense would take if the chemical weapons stockpile of the United States began an accelerated rate of deterioration (or experienced any other event which called into question its continued safe storage) before a comprehensive full-scale chemical weapons disposal capability is developed. The plan shall address—

(1) the schedule that would have to be followed to put the plan into effect;

(2) the level of funding that would be required to put the plan into effect;

(3) the equipment and other resources that would be required to put the plan into effect; and

(4) an assessment of how quickly the plan could be placed into effect in the event of an emergency.

(b) UPDATES.—The Secretary shall periodically update the plan developed pursuant to subsection (a) as needed.

(c) SUBMISSION TO CONGRESS.—The Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a copy of the plan developed pursuant to subsection (a). The submission shall be made not later than 180 days after the date of the enactment of this Act.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

PART A—AUTHORIZATIONS

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1991 for the use of the Armed Forces for research, development, test, and evaluation as follows:

(1) For the Army, $5,655,827,000.

(2) For the Navy, $9,359,977,000.

(3) For the Air Force, $12,813,082,000.

(4) For the Defense Agencies, $8,263,135,000 of which—

(A) $216,100,000 is authorized for the activities of the Deputy Director, Defense Research and Engineering (Test and Evaluation); and

(B) $90,800,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNTS FOR BASIC RESEARCH AND EXPLORATORY DEVELOPMENT.

(a) FISCAL YEAR 1991.—Of the amounts appropriated pursuant to section 201, $3,855,950,000 shall be available for basic research and exploratory development projects.

(b) BASIC RESEARCH AND EXPLORATORY DEVELOPMENT DEFINED.—For purposes of this section, the term "basic research and exploratory development" means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

SEC. 203. PROHIBITION ON TESTING MID-INFRARED ADVANCED CHEMICAL LASER AGAINST AN OBJECT IN SPACE.

The Secretary of Defense may not carry out a test of the Mid-Infrared Advanced Chemical Laser (MIRACL) transmitter and associated optics against an object in space during 1991 unless such testing is specifically authorized by law.

PART B—PROGRAM REQUIREMENTS, RESTRICTIONS, AND LIMITATIONS

SEC. 211. V-22 OSPREY AIRCRAFT PROGRAM.

(a) FUNDING.—Of the amount appropriated pursuant to section 201 or otherwise made available to the Navy, $238,000,000 shall be obligated for research, development, test, and evaluation in connection with the V-22 aircraft program.

(b) PROHIBITION OF ALTERNATIVES.—None of the funds appropriated pursuant to section 201 may be used for research, development, test, and evaluation for a replacement aircraft to perform the medium-lift mission other than the V-22 aircraft.

SEC. 212. ARMY SCOUT ATTACK HELICOPTER PROGRAM.

(a) RESTRUCTURED PROGRAM.—The Secretary of the Army shall establish a technical demonstration program for a combat helicopter by restructuring the Light Helicopter (LHX) program to produce prototypes of such a helicopter for evaluation before a decision is made to proceed with full-scale development.

(b) FUNDING.—Of the amount appropriated pursuant to section 201 for the Army for fiscal year 1991, $300,000,000 shall be available for the Scout Attack Helicopter program.

SEC. 213. ARMORED SYSTEMS MODERNIZATION PROGRAM.

(a) ARMORED SYSTEMS MODERNIZATION.—The Secretary of the Army may proceed with the Armored Systems Modernization program, proceeding with the technology development and prototyping of the common chassis and other related common components associated with heavy and medium weight vehicles.

(b) FUNDING.—Of the amount appropriated pursuant to section 201 for the Army, $151,761,000 shall be available for the Armored Systems Modernization programs.

SEC. 214. ADVANCED COMBAT VEHICLE TECHNOLOGY PROGRAM.

(a) NEW PROGRAM.—The Secretary of Defense may establish an Advanced Combat Vehicle Technology Program to address revolutionary technology associated with mobility, stealth, armor, vehicle design and propulsion, battlefield integrated weapon compatibility and countermeasures.

(b) FUNDING.—Of the amount appropriated pursuant to section 201 for the Defense Agencies, $25,000,000 of amounts available for the Defense Advance Research Projects Agency shall be available for the Advanced Combat Vehicle Technology Program.

SEC. 215. LABORATORY EQUIPMENT FOR NAVY INDUSTRIAL-FUNDED ACTIVITIES.

Of the amount appropriated pursuant to section 103 of other procurement for the Navy, not less than $98,000,000 shall be available (as provided in the President's budget) for acquisition of laboratory equipment for Navy industrial-funded activities.

SEC. 216. ADVANCED TACTICAL FIGHTER PROGRAM.

(a) IN GENERAL.—The Secretary of the Air Force shall complete the demonstration and validation phase and the design selection process for the Advanced Tactical Fighter for the Air Force.

(b) PROHIBITION ON FULL-SCALE DEVELOPMENT.—Funds appropriated or otherwise made available pursuant to this or any other Act for the Air Force for fiscal year 1991 may not be obligated for full-scale development activities in connection with the Advanced Tactical Fighter of the Air Force.

PART C—STRATEGIC DEFENSE INITIATIVE

SEC. 221. FUNDING FOR THE STRATEGIC DEFENSE INITIATIVE FOR FISCAL YEAR 1991.

Of the amounts appropriated pursuant to section 201 or otherwise made available to the Department of Defense for research, development, test, and evaluation for fiscal year 1991, not more than $2,900,000,000 may be obligated for the Strategic Defense Initiative.

SEC. 222. REPORT ON ALLOCATION OF FISCAL YEAR 1991 SDI FUNDING.

(a) REPORT.—The Secretary of Defense shall submit to the congressional defense committees a report on the allocation of funds appropriated for the Strategic Defense Initiative for fiscal year 1991. The report shall specify the amount of such funds allocated for each program, project, or activity of the Strategic Defense Initiative.

(b) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than 90 days after the date of the enactment of legislation appropriating funds for the Strategic Defense Initiative for fiscal year 1991.

SEC. 223. LIMITATION ON DEVELOPMENT AND TESTING OF ANTI-BALLISTIC MISSILE SYSTEMS OR COMPONENTS.

(a) USE OF FUNDS.—(1) Funds appropriated or otherwise made available to the Department of Defense for fiscal year 1991, or for any fiscal year before 1991, shall be subject to the limitations prescribed in paragraph (2).

(2) Funds described in paragraph (1) may not be obligated or expended—

(A) for the development of testing of any antiballistic missile system or component, except for development and testing consistent with the development and testing described in the May 1990 SDIO Report; or

(B) for the acquisition of any material or equipment (including any long lead materials, components, piece parts, test equipment, or any modified space launch vehicle) required or to be used for the development or testing of antiballistic missile systems or components, except for material or equipment required for development or testing consistent with the development and testing described in the May 1990 SDIO Report.

(3) The limitations in paragraph (2) shall not apply to funds transferred to or for the use of the Strategic Defense Initiative for fiscal year 1991 if the transfer is made in accordance with section 1301 of this Act.

(b) DEFINITION.—As used in this section, the term "May 1990 SDIO Report" means the report entitled "1990 Report to Congress on the Strategic Defense Initiative," dated May 1990, prepared by the Strategic Defense Initiative Organization and submitted to certain committees of the Senate and House of Representatives by the Secretary of Defense on June 7, 1990, pursuant to section 224 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1398; 10 U.S.C. 2431 note).

SEC. 224. PROHIBITION ON OPERATIONAL TEST AND EVALUATION OF STRATEGIC DEFENSE SYSTEMS.

Funds appropriated or otherwise made available to the Department of Defense for fiscal year 1991, or for any fiscal year before fiscal year 1991, may not be obligated for any operational test and evaluation activity in support of—

(1) a strategic defense system; or

(2) a program, project, or activity of the Strategic Defense Initiative.

SEC. 225. BOOST SURVEILLANCE AND TRACKING SYSTEM.

(a) PROHIBITION ON FULL-SCALE DEVELOPMENT.—None of the amounts appropriated pursuant to section 201 or otherwise made available to the Department of Defense for fiscal year 1991 for research, development, test, and evaluation may be obligated for full-scale development of the Boost Surveillance and Tracking System (BSTS).

(b) TRANSFER OF BSTS SYSTEM TO AIR FORCE.—The Secretary of Defense shall transfer immediately responsibility for the direction, management, and funding for the development and procurement of the Boost Surveillance and Tracking System from the Strategic Defense Initiative Organization to the Secretary of the Air Force.

SEC. 226. ARROW TACTICAL ANTI-MISSILE PROGRAM.

(a) COOPERATIVE RESEARCH AND DEVELOPMENT.—Congress endorses a continuing program of cooperative research and development, jointly funded by the United States and the government of Israel, on the Arrow Tactical Anti-Missile program with a view to proving out (through such cooperative research and development) the feasibility and practicality of the system.

(b) TACTICAL DEMONSTRATION PROGRAM.—(1) Subject to paragraph (2), the Secretary of Defense may obligate, from funds made available for fiscal year 1991 for the Strategic Defense Initiative, up to $42,000,000 for the purpose of initiating the Tactical Demonstration Program (constituting Phase II of research and development work on the Arrow program).

(2) Funds may not be obligated for the purpose described in paragraph (1) until the United States and the government of Israel enter into a memorandum of agreement governing the conduct and funding of the Technical Demonstration Program.

PART D—STRATEGIC PROGRAMS

SEC. 231. ICBM MODERNIZATION PROGRAMS.

(a) PROGRAM FUNDING.—Of the amount provided in section 201 for the Air Force, $610,208,000 shall be available for the ICBM Modernization program for the Rail Garrison MX (RG/MX) program and the Small Intercontinental Ballistic Missile (SICBM) program.

(b) PRESIDENTIAL REPORT.—The President shall submit to Congress after the enactment of this Act a report setting forth his proposed allocation of the funds authorized under subsection (a) for ICBM Modernization.

(c) CONDITION ON OBLIGATION OF FUNDS.—The Secretary of Defense may not obligate funds appropriated for fiscal year 1991 for the RG/MX program or the SICBM program until after the end of the 90-day period beginning on the date on which the President submits to Congress the report required by subsection (b).

(d) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) some level of continued investment in research and development for mobile ICBMs is a prudent hedge (A) against failure of the sea-based leg of the strategic Triad (consisting of ICBMs, submarine-launched ballistic missiles (SLBMs), and strategic bombers), and (B) to help ensure the continued stability of the strategic balance as the United States negotiates reductions in its strategic forces under the prospective Strategic Arms Reduction Talks (START) Treaty and the planned follow-on negotiations for further reductions;

(2) the two-missile ICBM modernization program has failed to achieve the political consensus necessary for deployment of both systems; and

(3) the defense budget of the United States is likely to continue to decline in the future, making the deployment of both the RG/MX system and the SICBM system unaffordable.

SEC. 232. DEPRESSED TRAJECTORY BALLISTIC MISSILES AND OTHER SHORT-TIME-OF-FLIGHT BALLISTIC MISSILES.

Congress commends the President for proposing to the Soviet Union that the United States and the Soviet Union observe an interim mutual restraint on the flight testing of depressed trajectory and other short-time-of-flight ballistic missiles and expresses disappointment that the Soviet Union has not agreed to this proposal. Congress urges the President to continue to pursue such interim restraint and to further explore the possibility of a permanent agreement banning flight tests of such missiles.

PART E—OTHER MATTERS

SEC. 241. BIOLOGICAL DEFENSE RESEARCH PROGRAM.

(a) IN GENERAL.—(1) Chapter 139 of title 10, United States Code, is amended by inserting after section 2369 the following new section:

"§ 2370. Biological Defense Research Program

"(a) ANNUAL REPORT REQUIRED.—The Secretary of Defense shall submit to Congress an annual report on research, development, test, and evaluation conducted by the Department of Defense during the preceding fiscal year for the purposes of biological defense. The report shall be submitted in both classified and unclassified form and shall be submitted each year in conjunction with the submission of the budget to Congress for the next fiscal year.

"(b) CONTENTS OF REPORT.—Each report under this section shall provide the following information:

"(1) A description of each biological or infectious agent or toxin that was used in, or that was the subject of, research, development, test, and evaluation conducted for the purposes of biological defense during the fiscal year covered by the report and not previously listed in publications of the Centers for Disease Control (CDC).

"(2) A description of the biological properties of each such agent.

"(3) A statement of the location of each biological defense research facility and the amount spent by the Department of Defense during the fiscal year covered by the report at each such facility for research, development, test, and evaluation for biological defense research.

"(4) The biosafety level used at each such facility in conducting that research, development, test, and evaluation.

"(5) Certification by the Secretary that the local health, police, and fire departments at each such location have been provided during the fiscal year covered by the report with the matter required to be provided under subsection (c).

"(c) NOTICE TO LOCAL OFFICIALS.—(1) The Secretary shall ensure that the local health, police, and fire departments in the area of each biological defense research facility are provided annually with notice of each biological or infectious agent or toxin used in, or that was the subject of, research, development, test, and evaluation conducted for the purposes of biological defense at that facility (including agents or toxins listed in CDC publications). Such notice shall include the following:

"(A) The biosafety level for each agent.

"(B) The location of each agent within the facility.

"(2) The notice shall also include a statement of the methods and procedures to be followed by operators of the facility to respond to any release of biological agents at the facility. That notice shall include the following:

"(A) Procedures to provide effective and timely notice to local health, police, and fire departments that such a release has occurred.

"(B) A description of emergency equipment and identification of persons responsible for that equipment.

"(C) Evacuation plans for the facility.

"(3) The Secretary is not required to disclose under this subsection any matter that is exempt from disclosure under subsection (b)(1) of section 552 of title 5.

"(4) The Secretary shall require each facility conducting biological defense research for the Department of Defense to provide to the Secretary the information required under this subsection.

"(d) CONSULTATION WITH LOCAL OFFICIALS.—The Secretary shall require that whenever a new biological or infectious agent or toxin is introduced to a biological defense research facility, the head of that facility shall request in writing to meet with representatives of each local health, police, and fire department in the area of the facility in order to discuss the matters covered in subsection (c) with respect to that agent or toxin. Those meetings shall be conducted before research activities involving that agent or toxin are begun at the facility.

"(e) TYPES OF RESEARCH COVERED.—This section applies to all research, development, test, and evaluation activities conducted by the Department of Defense for the purpose of biological defense.

"(f) DEFINITIONS.—In this section:

"(1) The term 'biosafety level' means the applicable biosafety level described in the publication entitled 'Biosafety in Microbiological and Biomedical Laboratories' (CDC-NIH, 1984).

"(2) The term 'biological defense research facility' means a location at which research, development, test, and evaluation for purposes of biological defense involving any biological or infectious agent or toxin (whether or not listed in a CDC publication) is conducted.

"(3) The term 'release' means the intentional or unintentional escape of a biological agent requiring a biosafety level of II, III, or IV outside the confines of a biological defense research facility.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2369 the following new item:

"2370. Biological Defense Research Program.".

(b) EFFECTIVE DATE.—Section 2370 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1990.

(c) TRANSITION.—The Secretary of Defense shall require that as soon as practicable after the date of the enactment of this Act the head of each biological defense research facility shall request in writing to meet with representatives of each local health, police, and fire department in the area of the facility in order to discuss the matters covered in subsection (c) of section 2370 of title 10, United States Code, as added by subsection (a). Such discussions shall cover each biological or infectious agent or toxin used in, or the subject of, research, development, test, and evaluation of purposes of biological defense work for the Department of Defense at that facility.

SEC. 242. FUNDING FOR FACILITY FOR COLLABORATIVE RESEARCH AND TRAINING FOR MILITARY MEDICAL PERSONNEL.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201, $18,000,000 may be used by the Secretary of Defense as a contribution toward the construction of a facility as part of a complex to enable collaborative research and training for Department of Defense military medical personnel in the following fields:

(1) Trauma care.

(2) Head, neck, and spinal injury.

(3) Paralysis.

(4) Neurosciences and neurodegenerative diseases.

(b) REQUIREMENTS.—(1) Such a contribution may be made only for a facility that will—

(A) support education, training, treatment, and rehabilitative services related to the fields described in subsection (a); and

(B) support neuroscience research with relevance for the medical mission of the Department of Defense.

(2) Such a contribution may be made only for a facility to be located at an institutional setting that—

(A) has received national recognition for its work in the fields listed in subsection (a); and

(B) can best facilitate interagency collaborative research, education, and training activities.

(3) The amount of a contribution under subsection (a) may not exceed 33 percent of the total cost of such complex.

SEC. 243. GRANT FOR AN INSTITUTE FOR ADVANCED SCIENCE AND TECHNOLOGY.

(a) AUTHORITY TO MAKE GRANT.—Of the amount appropriated pursuant to section 201 for the Defense Agencies, $10,000,000 shall be available for a competitively awarded grant to an institution of higher education to establish an institute for advanced science and technology.

(b) QUALIFICATIONS.—The institution selected must—

(1) have been funded by the Army as a Center of Excellence for artificial intelligence research and education;

(2) be carrying out research on conducting electronic polymers by nonredox processes under the Department of Defense's University Research Initiative (Defense Advanced Research Projects Agency);

(3) be conducting research programs in airborne vision systems and scene segmentation funded by the Navy; and

(4) be performing research in nonlinear optics and in models for visual texture analysis funded by the Air Force.

(c) LIMITATIONS.—The grant shall be available for initial construction of a cost-shared facility, the Federal share of which may not exceed 50 percent of the total cost, designed to support mutually supportive technology research currently underway at the institution in response to the critical technologies research needs identified by the Department of Defense in its Critical Technologies Plan as required by Public Law 100-456.

TITLE III—OPERATION AND MAINTENANCE

PART A—AUTHORIZATION OF APPROPRIATIONS

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for fiscal year 1991 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance in amounts as follows:

(1) For the Army, $20,883,456,000.

(2) For the Navy, $23,318,996,000.

(3) For the Marine Corps, $1,831,300,000.

(4) For the Air Force, $20,449,779,000.

(5) For the Defense Agencies, $8,079,308,000.

(6) For the Army Reserve, $913,400,000.

(7) For the Naval Reserve, $1,004,800,000.

(8) For the Marine Corps Reserve, $86,100,000.

(9) For the Air Force Reserve, $1,050,800,000.

(10) For the Army National Guard, $1,998,500,000.

(11) For the Air National Guard, $2,203,000,000.

(12) For the National Board for the Promotion of Rifle Practice, $4,000,000.

(13) For the Defense Inspector General, $98,519,000.

(14) For Drug Interdiction and Counter-drug Activities, Defense, $939,300,000.

(15) For the Court of Military Appeals, $5,400,000.

(16) For Environmental Restoration, Defense, $1,000,000,000.

(17) For Humanitarian Assistance, $13,000,000.

(b) SPECIAL AUTHORIZATION FOR CONTINGENCIES.—There are authorized to be appropriated for fiscal year 1991, in addition to the amounts authorized to be appropriated in subsection (a), such sums as may be necessary—

(1) for unbudgeted increases in fuel costs; and

(2) for unbudgeted increases as a result of inflation in the cost of activities authorized by subsection (a).

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1991 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working-capital funds in amounts as follows:

(1) For the Army Stock Fund, $302,500,000.

(2) For the Air Force Stock Fund, $887,900,000.

(3) For the Army Industrial Fund, $151,100,000.

(4) For the Navy Industrial Fund, $238,700,000.

(5) For the Defense Industrial Fund, $4,000,000.

SEC. 303. HUMANITARIAN ASSISTANCE.

(a) PURPOSE.—(1) Funds appropriated pursuant to the authorization in subsection (a)(17) of section 301 for humanitarian assistance shall be used for the purpose of providing transportation for humanitarian relief for persons displaced or who are refugees because of the invasion of Afghanistan by the Soviet Union.

(2) Of the funds authorized to be appropriated for fiscal year 1991 pursuant to such subsection for such purpose, $3,000,000 shall be available for distribution of humanitarian relief supplies to the non-Communist resistance organization at or near the border between Thailand and Cambodia.

(b) AUTHORITY TO TRANSFER FUNDS.—The Secretary of Defense may transfer to the Secretary of State not more than $3,000,000 of the funds appropriated pursuant to such subsection for fiscal year 1991 for humanitarian assistance, other than the funds described in subsection (a)(2), to provide for—

(1) the payment of administrative costs incurred in providing the transportation described in subsection (a); and

(2) the acquisition of transportation assets for the distribution of humanitarian relief supplies in the country of destination.

(c) TRANSPORTATION UNDER DIRECTOR OF THE SECRETARY OF STATE.—Transportation for humanitarian relief provided with funds appropriated pursuant to subsection (a)(17) of section 301 for humanitarian assistance shall be provided under the direction of the Secretary of State.

(d) MEANS OF TRANSPORTATION TO BE USED.—Transportation for humanitarian relief provided with funds appropriated pursuant to such subsection for humanitarian assistance shall be provided by the most economical commercial or military means available, unless the Secretary of State de-

termines that it is in the national interest of the United States to provide transportation other than by the most economical means available. The means used to provide such transportation may include the use of aircraft and personnel of the reserve components of the Armed Forces.

(e) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to such subsection for humanitarian assistance—

(1) shall remain available until expended, to the extent provided in appropriation Acts; and

(2) may be used only to provide assistance to the persons and organization referred to in subsection (a).

(f) REPORTS TO CONGRESS.—(1) The Secretary of Defense shall submit (at the times specified in paragraph (2)) to the Congress a report on the provision of humanitarian assistance under the humanitarian relief laws specified in paragraph (4).

(2) A report required by paragraph (1) shall be submitted as follows:

(A) Not later than 60 days after the date of the enactment of this Act.

(B) Not later than June 1, 1991.

(C) Not later than June 1 of each year thereafter until all funds available for humanitarian assistance under the humanitarian relief laws specified in paragraph (4) have been obligated.

(3) A report required by paragraph (1) shall contain (as of the date on which the report is submitted) the following information:

(A) The total amount of funds obligated for humanitarian relief under the humanitarian relief laws specified in paragraph (4).

(B) The number of scheduled and completed flights for purposes of providing humanitarian relief under the humanitarian relief laws specified in paragraph (4).

(C) A description of any transfer (including to whom the transfer is made) of excess nonlethal supplies of the Department of Defense made available for humanitarian relief purposes under section 2547 of title 10, United States Code.

(4) The humanitarian relief laws referred to in paragraphs (1), (2), and (3) are the following:

(A) This section.

(B) Section 305 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 617).

(C) Section 331 of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1078).

(D) Section 303 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456; 102 Stat. 1948).

(E) Section 304 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1409).

(5) Section 304(f)(2) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1409) is amended—

(A) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(B) by striking out subparagraph (C).

SEC. 304. ASSISTANCE TO THE 1990 WINTER WORLD SERIES TORCH RUN AND THE 1991 FREESTYLE WORLD CHAMPIONSHIPS.

Of the amounts available to the Department of Defense for the provision of logistical support and personnel services for the 1990 Goodwill Games, $100,000 may be used by the Secretary of Defense to provide medical and ambulance support for—

(1) the Winter World Series Torch Run to be held in the State of New York between November 1, 1990, and December 7, 1990;

(2) the Freestyle World Championships to be held at the Olympic Center in Lake Placid, New York, between February 10, 1991, and March 3, 1991.

SEC. 305. EXTENDED COLD WEATHER CLOTHING SYSTEMS.

Of the amount appropriated under section 341(a)(1) for operation and maintenance for the Army for fiscal year 1991, the amount of $39,951,000 shall be available only for the acquisition of clothing under the Extended Cold Weather Clothing System.

PART B—LIMITATIONS

SEC. 311. PROHIBITION ON THE TRANSFER OF HEAVY MILITARY EQUIPMENT TO EUROPE.

(a) PROHIBITION.—Funds appropriated for the Department of Defense for a fiscal year after fiscal year 1990 may not be used to transfer heavy military equipment from the United States to Europe.

(b) EXCEPTION.—The President may waive the prohibition contained in subsection (a) if the President determines that such action is critical to the national security of the United States. The President shall immediately notify the Congress of any such waiver and the reasons for such waiver.

(c) HEAVY MILITARY EQUIPMENT DEFINED.—For purposes of this section, the term "heavy military equipment" includes trucks, armored personnel vehicles, tanks, and helicopters, but does not include aircraft.

SEC. 312. LIMITATION ON THE DEACTIVATION OF THE SECOND ARMORED DIVISION.

Funds appropriated for the Army for a fiscal year beginning after September 30, 1990, may not be used to deactivate the Second Armored Division (or any element of that division) or to reduce the number of members of the Army assigned to duty in that division, until a comprehensive arms reduction agreement enters into force as a result of the negotiations being conducted on reductions in conventional forces in Europe.

SEC. 313. CONTINUATION OF AIR FORCE HURRICANE RECONNAISSANCE MISSION.

The Secretary of the Air Force shall continue the operation of the hurricane reconnaissance mission of the Air Force during fiscal year 1991 at the same level as undertaken during fiscal year 1990 unless another Federal agency assumes responsibility for, and has funds to perform, such mission.

PART C—CHANGES TO EXISTING LAW

SEC. 321. REPEAL OF REQUIREMENTS TO MANAGE CIVILIAN PERSONNEL BY END STRENGTHS.

(a) REPEAL OF MANAGEMENT REQUIREMENT.—Section 129(a) of title 10, United States Code, is amended—

(1) by inserting "and" before "(2)" in the first sentence;

(2) by striking out ", and (3)" in the first sentence and all that follows through "such fiscal year"; and

(3) by striking out the period at the end of the second sentence and inserting in lieu thereof the following: ", any constraint or limitation (known as an 'end-strength') on the number of such personnel who may be employed on the last day of such fiscal year, or any constraint or limitation carried out through the measurement of full-time equivalent employees or other related methodology.".

(b) REPEAL OF REQUIREMENT THAT CIVILIAN PERSONNEL END STRENGTHS BE AUTHORIZED BY LAW.—(1) Section 115 of such title (as amended by section 554(a)) is amended—

(1) in subsection (a), by striking out paragraph (4); and

(2) in subsection (b)—

(A) by inserting "or" at the end of paragraph (2);

(B) by striking out "; or" at the end of paragraph (3) and inserting in lieu thereof a period; and

(C) by striking out paragraph (4).

(c) ANNUAL MANPOWER REQUIREMENT REPORTS.—Section 115a of such title (as added by section 554(a)) is amended—

(1) in subsection (a)—

(A) by striking out "recommendations for" in the material preceding the paragraphs;

(B) by inserting "recommendations for" after "(1)"; and

(C) by striking out "the annual civilian personnel end strength level" in paragraph (2) and inserting in lieu thereof "projections of the annual civilian personnel level"; and

(2) in subsection (b)(1) by inserting "or projected" after "recommended" both places it appears.

SEC. 322. ELIGIBILITY OF MEMBERS OF THE READY RESERVE TO USE COMMISSARY STORES.

(a) ELIGIBILITY.—Section 1063(a) of title 10, United States Code, is amended to read as follows:

"(a) ELIGIBILITY OF MEMBERS OF READY RESERVE.—A member of the Ready Reserve who performs active-duty for training (or annual training without compensation equivalent to active duty for training) shall accrue eligibility to use commissary stores of the Department of Defense for each day of that training. The Secretary concerned shall authorize the member to have one year from the date on which the member performs that training to use a day of eligibility for using commissary stores attributable to the performance of that duty.".

(b) APPLICATION OF AMENDMENT.—Section 1063(a) of title 10, United States Code (as amended by subsection (a)), shall apply with respect to active-duty for training or annual training performed by a member of the Ready Reserve after the date of the enactment of this Act.

SEC. 323. LIMITATION ON OBLIGATIONS AGAINST STOCK FUNDS.

(a) IN GENERAL.—Section 2210(b) of title 10, United States Code, is amended—

(1) by striking out "Obligations" and inserting in lieu thereof "(1) Subject to paragraph (2), obligations"; and

(2) by adding at the end the following new paragraph:

"(2) The Secretary of Defense may not incur obligations against a stock fund during a fiscal year in excess of any limitation placed by law on the amount of obligations that may be so incurred during that fiscal year.".

(b) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to fiscal years beginning after September 30, 1991.

SEC. 324. ELIGIBILITY FOR ASSISTANCE TO PLAN COMMUNITY ADJUSTMENTS AND ECONOMIC DIVERSIFICATION.

(a) ELIGIBILITY REQUIREMENTS.—Subsection (b) of section 2391 of title 10, United States Code, is amended—

(1) by striking out paragraphs (3) and (4);

(2) by redesignating paragraph (5) as paragraph (4); and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) In the case of a publicly-announced planned reduction in Department of Defense

spending, the cancellation or termination of a Department of Defense contract, or the failure to proceed with a previously approved major defense acquisition program, assistance may be made under paragraph (1) only if the reduction, cancellation, termination, or failure to proceed—

"(A) will have a direct and significant adverse impact on a State or local community; and

"(B) will result in the loss of a number of full-time Department of Defense and contractor employee positions of persons in an area equal to—

"(i) 2,500 or more employee positions, in the case of a Metropolitan Statistical Area (as defined by the Office of Management and Budget);

"(ii) 1,000 or more employee positions, in the case of an area outside of a Metropolitan Statistical Area; or

"(iii) one percent or more of the number of persons employed in that area.".

(b) REMOVAL OF CAP ON ASSISTANCE.—Such subsection is further amended by striking out paragraph (6).

(c) STYLISTIC AMENDMENTS.—Such section is further amended—

(A) in subsection (a), by inserting "REUSE STUDIES.—" after "(a)";

(B) in subsection (b), by inserting "COMMUNITY ADJUSTMENT AND ECONOMIC DIVERSIFICATION.—" after "(b)";

(C) in subsection (c), by inserting "REPORTS.—" after "(c)";

(D) in subsection (d), by inserting "MILITARY INSTALLATION DEFINED.—" after "(d)"; and

(E) in subsection (e), by inserting "AVAILABILITY OF APPROPRIATIONS.—" after "(e)".

(d) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1990.

SEC. 325. AUTHORITY TO ENTER INTO CERTAIN AGREEMENTS WITH LOCAL GOVERNMENTS FOR POLICE, FIRE, AND OTHER CIVIL SERVICES.

Section 2465 of title 10, United States Code, is amended by adding at the end the following:

"(c) Notwithstanding the prohibition set forth in subsection (a) or any other provision of law, in the case of any agreement entered into before the date of the enactment of this subsection by the Department of the Navy with a unit of local government for police, fire, and other civil services, the Department shall be considered to have had the authority to enter into such agreement and to make payments in accordance with its terms.".

SEC. 326. MAINTENANCE OF FIREFIGHTING AND OTHER EMERGENCY SERVICES AT MILITARY INSTALLATIONS.

(a) IN GENERAL.—(1) Chapter 147 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2491. Military installations: firefighting and other emergency services

"The Secretary of a military department shall ensure that each military installation under the jurisdiction of that Secretary is provided with firefighting and other emergency services—

"(1) through personnel and facilities of the installation, in the case of an installation that provides such services on October 1, 1990; or

"(2) through arrangements with a public or private entity that provides such services, in the case of a military installation without such services on that date.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2491. Military installations: firefighting and other emergency services.".

SEC. 327. EXPANSION OF AUTHORITY TO DONATE FOOD TO CHARITABLE NONPROFIT FOOD BANKS.

(a) INCLUSION OF MESS FOOD, READY TO EAT MEALS, AND OTHER FOOD.—Section 2485 of title 10, United States Code, is amended—

(1) by striking out "commissary store" in subsection (a);

(2) by striking out subsection (b) and inserting in lieu thereof the following:

"(b) Food that may be donated under this section is commissary store food, mess food, ready to eat meals, and other food available to the Secretary of a military department that—

"(1) is certified as edible by appropriate food inspection technicians;

"(2) would otherwise be destroyed as unusable; and

"(3) in the case of commissary store food, is unmarketable and unsaleable."; and

(3) by striking out "A donation" in subsection (c) and inserting in lieu thereof "In the case of commissary store food, a donation".

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 2485. Donation of unusable food: commissary stores and other activities".

(2) The item relating to such section in the table of sections at the beginning of chapter 147 of such title is amended to read as follows:

"2485. Donation of unusable food: commissary stores and other activities.".

SEC. 328. AUTHORITY TO EXCHANGE PROPERTY FOR SERVICES IN CONNECTION WITH HISTORICAL COLLECTIONS.

Section 2572(b) of title 10, United States Code, is amended—

(1) by striking out the period at the end of paragraph (1) and inserting in lieu thereof "or for search, salvage, and restoration services which directly benefit the historical collection of the armed forces."; and

(2) in paragraph (2)—

(A) by inserting ", or services provided," in the first sentence after "property transferred" the first place it appears; and

(B) by inserting "in the case of an exchange of property for property" in the second sentence after "preceding sentence".

SEC. 329. AUTHORIZATION FOR CERTAIN BANDS OF THE ARMED FORCES TO PRODUCE RECORDINGS FOR COMMERCIAL SALE.

(a) ARMY.—Section 3634 of title 10, United States Code, is amended—

(1) by striking out "No" and inserting in lieu thereof "(a) PROHIBITION.—Except as provided in subsection (b), no", and

(2) by adding at the end the following new subsection:

"(b) RECORDINGS.—(1) Any Army band designated as a special band may produce recordings for commercial sale.

"(2) Amounts received as proceeds from the sale of any such recordings may be credited to applicable appropriations of the Department of the Army for expenses of Army bands.

"(3) The Secretary of the Army shall prescribe regulations governing the accounting of such proceeds.".

(b) NAVY AND MARINE CORPS.—(1) Section 6223 of such title is amended by adding at the end the following new subsection:

"(c) EXCEPTION FOR COMMERCIAL RECORDINGS.—(1) Notwithstanding any limitation contained in subsection (a) or (b), any Navy band or Marine Corps band designated as a special band may produce recordings for commercial sale.

"(2) Amounts received as proceeds from the sale of any such recordings may be credited to applicable appropriations of the Department of the Navy for expenses of Navy and Marine Corps bands.

"(3) The Secretary of the Navy shall prescribe regulations governing the accounting of such proceeds.".

(2) Such section is further amended—

(A) by inserting "NAVY BANDS AND MEMBERS.—" after "(a)"; and

(B) by inserting "MEMBERS OF MARINE CORPS BANDS.—" after "(b)".

(c) AIR FORCE.—Section 8634 of such title is amended—

(1) by striking out "No" and inserting in lieu thereof "(a) PROHIBITION.—Except as provided in subsection (b), no", and

(2) by adding after subsection (a) the following new subsection:

"(b) RECORDINGS.—(1) Any Air Force band designated as a special band may produce recordings for commercial sale.

"(2) Amounts received as proceeds from the sale of any such recordings may be credited to applicable appropriations of the Department of the Air Force for expenses of Air Force bands.

"(3) The Secretary of the Air Force shall prescribe regulations governing the accounting of such proceeds.".

(d) COAST GUARD.—(1) Chapter 17 of title 14, United States Code, is amended by inserting after section 639 the following new section:

"§ 640. Coast Guard band recordings for commercial sale

"(a) The Coast Guard band may produce recordings for commercial sale.

"(b) Amounts received as proceeds from the sale of any such recordings may be credited to applicable appropriations of the Coast Guard for expenses of the Coast Guard band.

"(c) The Secretary shall prescribe regulations governing the accounting of such proceeds.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 639 the following new item:

"640. Coast Guard band recordings for commercial sale.".

(e) CONFORMING AMENDMENT.—Section 974 of title 10, United States Code, is amended by striking out "section 6223 of this title" and inserting in lieu thereof "sections 3634, 6223, and 8634 of this title and section 640 of title 14,".

SEC. 330. ARMY PROGRAM TO PROMOTE CIVILIAN MARKSMANSHIP.

(a) PROGRAM TO BE SELF-SUPPORTING.—Section 4313 of title 10, United States Code, is amended to read as follows:

"§ 4313. Promotion of civilian marksmanship: expenses

"(a) LIMITATION ON EXPENSES.—The Secretary of the Army may not expend more than $4,000,000 during a fiscal year to promote civilian marksmanship under sections 4307 through 4312 of this title.

"(b) USE OF APPROPRIATED FUNDS PROHIBITED.—(1) No funds are authorized to be directly appropriated to pay for the necessary

or incidental expenses of, or personnel services connected with, any program conducted by the Department of the Army for the purpose of promoting marksmanship among civilians.

"(2) Funds generally available to the Department of Defense may be used to pay the costs of such a program if the appropriation accounts used to pay those costs are reimbursed for the payment of those costs through fees paid by the persons or gun clubs participating in the program.

"(c) FEES.—The Secretary of the Army shall establish reasonable fees for persons and gun clubs participating in any program conducted by the Department of the Army for the purpose of promoting marksmanship among civilians. Such fees shall be established at a rate sufficient to cover the cost of operating the program, including the cost of pay and allowances earned by members of the armed forces while detailed under section 4307 or 4310 of this title, and members of the Army National Guard while detailed under section 316 of title 32, to assist in the promotion of civilian marksmanship.

"(d) RETENTION OF FUNDS.—Amounts collected by the Secretary of the Army under any program to promote civilian marksmanship (including amounts collected from the sale of arms, ammunition, targets, and other supplies under section 4308 of this title) may be retained by the Secretary to cover the cost of operating the program. Amounts collected that are in excess of amounts required or permitted to operate the program shall be deposited in the Treasury.".

(b) ABOLISHMENT OF ARMY'S ROLE IN THE CONSTRUCTION OF RIFLE RANGES FOR CIVILIAN RIFLE PRACTICE.—Section 4308(a)(1) of that title is amended by striking out "construction, equipment, maintenance, and operation" and inserting in lieu thereof "operation and maintenance".

(c) REQUIREMENT THAT SALES OF ARMY RIFLES AND AMMUNITION TO CIVILIANS BE MADE AT FAIR MARKET VALUE.—Section 4308(a)(5) of that title is amended by striking out "the sale" and all that follows through "rifled arms," and inserting in lieu thereof the following: "the sale (at fair market value) to citizens of the United States who are over the age of 18 and current members of a gun club,".

(d) ELIMINATION OF ANNUAL AUTHORIZATION OF APPROPRIATIONS FOR THE INCIDENTAL EXPENSES OF THE NATIONAL BOARD.—Section 4308 of that title is amended—

(1) by striking out subsection (b); and

(2) by redesignating subsection (c) as subsection (b).

(e) USE OF RIFLE RANGES BY CIVILIANS.—(1) Section 4309 of that title is amended to read as follows:

"§ 4309. Rifle ranges: available for use by civilians

"(a) AUTHORITY TO MAKE RANGE AVAILABLE.—(1) A rifle range constructed, in whole or in part with funds provided by the United States may be made available for use by able-bodied persons capable of bearing arms.

"(2) The Secretary of the Army shall establish reasonable fees for the use by civilians of a rifle range made available under paragraph (1) to cover any costs incurred by the Army to make the range available.

"(3) Use of a rifle range referred to in paragraph (1) by civilians may not interfere with the use of those ranges by members of the armed forces.

"(b) REGULATIONS.—Regulations to carry out this section shall be prescribed by the authorities controlling the rifle range, subject to the approval of the Secretary of the Army.".

(2) The item relating to section 4309 in the table of sections at the beginning of chapter 401 of that title is amended to read as follows:

"4309. Rifle ranges: available for use by civilians.".

(f) LIMITATIONS ON THE ISSUANCE OF RIFLES AND AMMUNITION FOR CIVILIAN RIFLE PRACTICE.—Section 4311 of that title is amended—

(1) by inserting "(a) AUTHORITY OF THE SECRETARY.—" before "The Secretary";

(2) by inserting "the sale of" before "such quantities";

(3) by striking out "established under section 4309 of this title" and inserting in lieu thereof "located on military installations and"; and

(4) by adding at the end the following new subsection:

"(b) LIMITATIONS.—A person issued a military rifle under this section may not remove the rifle from the military installation. Ammunition provided to civilians under this section shall be provided at fair market value.".

(g) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading of section 4308 of that title is amended to read as follows:

"§ 4308. Promotion of civilian marksmanship: authority of the Secretary of the Army".

(2) The table of sections at the beginning of chapter 401 of that title is amended—

(A) by striking out the item relating to section 4308 and inserting in lieu thereof the following:

"4308. Promotion of civilian marksmanship: authority of the Secretary of the Army."

(B) by striking out the item relating to section 4313 and inserting in lieu thereof the following:

"4313. Promotion of civilian marksmanship: expenses.".

(h) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992.

SEC. 331. SHIPS' STORES.

(a) CONVERSION TO OPERATION AS NONAPPROPRIATED FUND INSTRUMENTALITIES.—Not later than 180 days after the date of the enactment of this Act, the Secretary of the Navy shall convert the operation of all ships' stores from operation as an activity funded by direct appropriations to operation as an activity funded from sources other than appropriated funds.

(b) INCIDENTAL SERVICES.—Following the conversion of ships' stores under subsection (a), the Secretary of the Navy may provide financial services, space, utilities, and labor to ships' stores on a nonreimbursable basis.

(c) TRANSFER OF FUNDS.—To facilitate the conversion required under subsection (a), the Secretary of the Navy shall transfer to the Navy Resale and Services Support Office from—

(1) the Navy Stock Fund, an amount equal to the value of existing ships' stores assets in that Fund; and

(2) the Ships' Stores Profits, Navy Fund, residual cash in that Fund.

(d) SALES OF GOODS AND SERVICES.—(1) Chapter 651 of title 10, United States Code, is amended by striking out section 7604 and inserting in lieu thereof the following:

"§ 7604. Ships' stores: sale of goods and services

"Under such regulations and at such prices as the Secretary of the Navy may prescribe, the Secretary may provide for the sale of goods and services from ships' stores to members of the naval service and to such other persons as provided by law.".

(2) The item relating to section 7604 in the table of sections at the beginning of that chapter is amended to read as follows:

"7604. Ships' stores: sale of goods and services.".

(3) The regulations required to be prescribed under section 7604 of title 10, United States Code (as amended by paragraph (1)), shall be first prescribed not later than 90 days after the date of the enactment of this Act.

SEC. 332. OPERATION OF THE INTER-AMERICAN AIR FORCES ACADEMY.

(a) IN GENERAL.—Chapter 907 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9415. Inter-American Air Forces Academy

"(a) OPERATION.—The Secretary of the Air Force may operate the Air Force education and training facility known as the Inter-American Air Forces Academy for the purpose of providing military education and training to military personnel of Central and South American countries, Caribbean countries, and other countries eligible for assistance under chapter 5 of part II of the Foreign Assistance Act of 1961 (22 U.S.C. 2347 et seq.).

"(b) COSTS.—The fixed costs of operating and maintaining the Inter-American Air Forces Academy may be paid from funds available for operation and maintenance of the Air Force.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"9415. Inter-American Air Forces Academy.".

SEC. 333. SETTING ASIDE PROCEEDS FROM THE TRANSFER OR DISPOSAL OF COMMISSARY STORE FACILITIES AND PROPERTY PURCHASED WITH NONAPPROPRIATED FUNDS.

(a) RESERVE ACCOUNT REQUIRED.—Section 204(b)(4) of the Defense Authorization Amendments and Base Closure and Realignment Act (10 U.S.C. 2687 note) is amended—

(1) by inserting "or (C)" after "subparagraph (B)" in subparagraph (A); and

(2) by adding at the end the following new subparagraphs:

"(C) In the case of the transfer or disposal under this subsection of any real property or facility that was acquired, constructed, or improved (or whole or in part) with funds described in subparagraph (D), the proceeds shall be deposited in a reserve account established in the Treasury to be administered and used by the Secretary (in such an aggregate amount as is provided in advance by appropriation Acts) for the purpose of acquiring, constructing, or improving a commissary store facility or nonappropriated fund instrumentality.

"(D) The funds referred to in subparagraph (C) are funds received from—

"(i) the adjustment of, or surcharge on, selling prices at commissary stores fixed under section 2685 of title 10, United States Code; or

"(ii) a nonappropriated fund instrumentality.".

(b) CONFORMING AMENDMENT.—Section 209 of that Act is amended by adding at the end the following new paragraph:

"(10) The term 'nonappropriated fund instrumentality' means an instrumentality of

the United States under the jurisdiction of the Armed Forces (including the Army and Air Force Exchange Service, the Navy Resale and Services Support Office, and the Marine Corps exchanges) which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.".

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with regard to the transfer or disposal of any real property or facility pursuant to that Act occurring on or after the date of the enactment of this Act.

SEC. 334. TRANSPORTATION OF COMPONENTS AND INGREDIENTS OF SUPPLIES IN UNITED STATES VESSELS.

Section 2631 of title 10, United States Code, is amended by inserting "(including components and ingredients of supplies)" after "supplies" in the first sentence.

PART D—ENVIRONMENTAL PROVISIONS

SEC. 341. INDEMNIFICATION REQUIREMENT FOR CONTRACTORS HANDLING HAZARDOUS WASTES FROM DEFENSE FACILITIES.

(a) REQUIREMENT.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2708. Contracts for handling hazardous waste from defense facilities

"(a) CONTRACT REQUIREMENT.—Each contract entered into by the Secretary of Defense or the Secretary of a military department for the transportation, treatment, storage, or disposal of hazardous wastes from a facility under the jurisdiction of the Secretary of Defense shall provide the following:

"(1) Upon receipt of hazardous wastes properly characterized pursuant to applicable laws and regulations, the contractor shall indemnify the Federal Government against all liabilities, claims, penalties, costs, and damages caused by—

"(A) the contractor's breach of any term or provision of the contract; and

"(B) any negligent or willful act or omission of the contractor, its employees, or its subcontractors in the performance of the contract.

"(2) Not later than 30 days after the contract is awarded, the contractor shall demonstrate that the contractor and all of its subcontractors will indemnify the Federal Government as provided in paragraph (1).

"(3) Nothing in this section shall affect the liability of the Federal Government under any Federal or State law or under common law.

"(b) APPLICABILITY.—This section applies to all contracts described in subsection (a), whether the contract is entered into under the Defense Environmental Restoration Program or other programs or activities of the Department of Defense.

"(c) DEFINITION.—For purposes of this section, the term 'hazardous waste' has the meaning given that term by section 1004(5) of the Solid Waste Disposal Act (42 U.S.C. 6903(5)), except that such term also includes polychlorinated biphenyls as such term is used in section 6(e) of the Toxic Substances Control Act (15 U.S.C. 2605(e)).".

(2) The table of sections relating to chapter 160 of such title is amended by adding at the end the following new item:

"2708. Contracts for handling waste from defense facilities.".

(b) EFFECTIVE DATE.—Section 2708 of title 10, United States Code, shall apply with respect to contracts entered into after the expiration of the 60-day period beginning on the date of the enactment of this Act.

SEC. 342. ADDITIONAL REQUIREMENTS FOR ENVIRONMENTAL REPORT.

Subsection (b) of section 2706 of title 10, United States Code, is amended to read as follows:

"(b) REPORT ON ENVIRONMENTAL COMPLIANCE.—(1) Each year, at the same time the President submits to Congress the budget for a fiscal year (pursuant to section 1105 of title 31), the Secretary of Defense shall submit to Congress a report containing the following:

"(A) A statement of the funding levels and personnel required for the Department of Defense to comply with applicable environmental laws during the fiscal year for which the budget is submitted. The statement shall set forth separately the funding levels and personnel required for the Department of Defense as a whole and for each military installation.

"(B) A statement of the funding levels and personnel requested for such purposes in the budget as submitted by the President, together with an explanation of any differences between the funding level requirements and the funding level requests in the budget. The statement shall set forth separately the funding levels and personnel requested for the Department of Defense as a whole and for each military installation.

"(C) A projection of the funding levels and personnel that will be required over the next five fiscal years for the Department of Defense to comply with applicable environmental laws, set forth separately for the Department of Defense as a whole and for each military installation.

"(D) An analysis of the effect such environmental requirements may have on the operations and mission capabilities of the Department of Defense as a whole and of each military installation.

"(2) In this subsection, the term 'military installation' means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department which is located within any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, American Samoa, the Virgin Islands, or Guam. Such term does not include any facility used primarily for civil works, rivers and harbors projects, or flood control projects.".

SEC. 343. REPORTING REQUIREMENTS ON ENVIRONMENTAL COMPLIANCE AT OVERSEAS MILITARY INSTALLATIONS.

(a) ADDITIONAL INFORMATION IN ENVIRONMENTAL BUDGET REPORT.—Paragraph (1) of section 2706(b) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of subparagraph (A);

(2) by redesignating subparagraph (B) as subparagraph (C) and in that subparagraph by striking out "such purposes" and inserting in lieu thereof "the purposes described in subparagraphs (A) and (B)"; and

(3) by inserting after subparagraph (A) the following new subparagraph:

"(B) the funding levels and personnel required for the Department of Defense to comply with applicable environmental requirements for military installations located outside the United States during the fiscal year for which the budget is submitted; and".

(b) POLICIES AND REPORT ON OVERSEAS ENVIRONMENTAL COMPLIANCE.—(1) The Secretary of Defense shall develop a policy for determining applicable environmental requirements for military installations located outside the United States. In developing the policy, the Secretary shall ensure that the policy gives consideration to adequately protecting the health and safety of military and civilian personnel assigned to such installations.

(2) The Secretary of Defense shall develop a policy for determining the responsibilities of the Department of Defense with respect to cleaning up environmental contamination that may be present at military installations located outside the United States. In developing the policy, the Secretary shall take into account applicable international agreements (such as Status of Forces agreements), multinational or joint use and operation of such installations, relative share of the collective defense burden, and negotiated accommodations.

(3) The Secretary of Defense shall develop a policy and strategy to ensure adequate oversight of compliance with applicable environmental requirements and responsibilities of the Department of Defense determined under the policies developed under paragraphs (1) and (2). In developing the policy, the Secretary shall consider using the Inspector General of the Department of Defense to ensure active and forceful oversight.

(4) At the same time the President submits to Congress his budget for fiscal year 1993 pursuant to section 1105 of title 31, United States Code, the Secretary of Defense shall submit to Congress a report describing the policies developed under paragraphs (1), (2), and (3). The report also shall include a discussion of the role of the Inspector General of the Department of Defense in overseeing environmental compliance at military installations outside the United States.

(5) For purposes of this subsection, the term "military installation" means a base, camp, post, station, yard, center, or other activity under the jurisdiction of the Secretary of a military department which is located outside the United States and outside any territory, commonwealth, or possession of the United States.

PART E—MILITARY DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES

SEC. 351. CIVIL AIR PATROL.

Of the amount appropriated pursuant to section 301(a)(14) for drug interdiction and counter-drug activities, $1,000,000 shall be available to the Secretary of Defense only for the purpose of paying expenses incurred by the Civil Air Patrol in conducting drug surveillance flights.

SEC. 352. SUPPORT FOR COUNTER-DRUG ACTIVITIES.

At the request of the head of a Federal agency with counter-drug responsibilities, the Secretary of Defense may provide support during fiscal year 1991 for the counter-drug activities of that agency. Support provided by the Secretary of Defense under this section may include the following:

(1) Maintenance, repair, or upgrading of software and equipment that is used by that agency and is compatible with software and equipment used by the Department of Defense.

(2) Transportation of supplies, equipment, and domestic law enforcement personnel for purposes of facilitating counter-drug activities and transportation of law enforcement personnel of a foreign country for purposes of facilitating counter-drug activities outside the land area of the United States.

(3) Reimbursement of per diem expenses incurred by personnel during counter-drug activities for which transportation is provided under paragraph (2).

(4) Construction and operation of bases of operations for purposes of facilitating do-

mestic counter-drug activities or United States counter-drug activities outside the land area of the United States.

(5) Provision of training related to counter-drug activities to personnel of that agency or foreign law enforcement personnel, including associated support expenses for Federal trainees and such materials necessary to accomplish the training.

(6) Provision of training related to State and local law enforcement personnel, with the concurrence of the head of the Bureau of State and Local Affairs in the Office of National Drug Control Policy, including the associated support expenses for trainees and such material as necessary to accomplish the training.

(7) Construction of roads and fences and installation of lighting to block drug smuggling corridors across international boundaries of the United States.

PART F—MISCELLANEOUS

SEC. 361. STAFF OF THE ASSISTANT SECRETARY OF DEFENSE FOR SPECIAL OPERATIONS AND LOW INTENSITY CONFLICT.

(a) REQUIREMENT FOR INCREASED STAFF.—The Secretary of Defense shall increase the permanent staff of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict in accordance with this section.

(b) SIZE OF STAFF.—On and after June 30, 1991, the number of employees of the Department of Defense assigned or detailed to duty to assist the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict in the performance of the functions of the Assistant Secretary may not be less than the equivalent of 82 full-time employees.

(c) NUMBER OF SENIOR EXECUTIVES.—Eight of the employee positions designated for the staff of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict shall be Senior Executive Service positions, as defined in section 3132(a) of title 5, United States Code.

(d) INCREASE IN TOTAL NUMBER OF DEPARTMENT OF DEFENSE EMPLOYEES NOT AUTHORIZED.—This section does not authorize an increase in the number of civilian employees that may be employed by the Department of Defense.

(e) ASSESSMENT OF STAFF NEEDS.—The Secretary of Defense shall provide for an assessment, by an organization outside the Department of Defense, of the staff requirements of the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict. The Secretary shall submit the results of that assessment to the Congress not later than 180 days after the date of the enactment of this Act, together with such comments and recommendations as the Secretary considers appropriate.

SEC. 362. REDUCTION IN NUMBER OF CIVILIAN EMPLOYEES OF INDUSTRIAL- OR COMMERCIAL-TYPE ACTIVITIES.

(a) ESTABLISHMENT OF PRIORITIES.—The Secretary of Defense shall establish priorities for future reductions in the number of civilian employees of the Department of Defense who are employed by industrial-type activities or commercial-type activities described in section 2208 of title 10, United States Code. The Secretary shall comply with the following sequence in preparing such priorities:

(1) Employees who are foreign nationals are to be separated before employees who are United States citizens.

(2) Overseas employees are to be separated before employees in the United States.

(3) Overhead and administrative positions in headquarters or field operating agencies are to be reduced before employment positions in local installations.

(4) Overhead, indirect, and administrative positions are to be reduced before direct production positions.

(b) MASTER PLANS.—Each Department of Defense organization that employs persons referred to in subsection (a) and proposes a furlough for, or a reduction in, such employees shall submit to Congress a five-year civilian personnel master plan that includes the following:

(1) A listing of all activities within the organization and their missions.

(2) Demographic information on each activity, including number and type (overhead, administrative, or direct labor) of such personnel.

(3) Workload requirements for each activity for the three-year period preceding the date of the submission of the plan.

(4) An analysis of the number of employees necessary to accomplish the projected workload at each activity.

(5) A summary of the factors used by management to determine the size and location of the proposed furlough or reduction in force.

(c) EXCEPTION.—The Secretary of Defense may permit deviations from the priorities established under subsection (a) or a master plan prepared under subsection (b) if the Secretary determines that such deviation is critical to the national security of the United States. The Secretary shall immediately notify the Congress of any such deviation and the reasons for such deviation.

SEC. 363. ARMY RELIABILITY CENTERED-INSPECT AND REPAIR ONLY AS NECESSARY PROGRAM AT ANNISTON ARMY DEPOT.

The Secretary of the Army may operate and maintain an Army Reliability Centered-Inspect and Repair Only as Necessary Program at Anniston Army Depot in Anniston, Alabama.

SEC. 364. SUPPORT FOR DEFENSE CONVERSION CENTER.

(a) DEMONSTRATION GRANT.—The Secretary of Defense shall make a grant as provided in subsection (b) to the Defense Conversion Center, Aquidneck 2000, located in the State of Rhode Island to support the efforts of the center in providing information to defense contractors regarding the conversion from military to civilian production or activities.

(b) AMOUNT AND SOURCE OF GRANT.—The grant required under subsection (a) may not exceed $50,000 and shall be made from funds available to the Secretary during fiscal year 1991 to carry out section 2391(b) of title 10, United States Code.

PART G—STUDIES AND REPORTS

SEC. 371. AUTHORIZATION FOR SHORT-TERM LEASE OF AIRCRAFT FOR INITIAL ENTRY ROTORY WING PILOT TRAINING AND STUDY REGARDING LONG-TERM LEASE.

(a) AUTHORIZATION.—(1) The Secretary of the Army may enter into a contract described in paragraph (2) for the lease of aircraft for initial entry helicopter pilot training to determine if the cost of leasing, operating, and maintaining such aircraft is less than the projected cost of operating and maintaining existing aircraft of the Army for the same purpose.

(2) A contract referred to in paragraph (1) is a contract other than a contract—

(A) described in subsection (a)(1)(A) of section 2401 of title 10, United States Code; or

(B) containing terms described in subsection (a)(1)(B) of that section.

(b) STUDY.—In addition to the short-term lease authorized under subsection (a), the Secretary of Defense shall prepare the analysis required under section 2401(e)(1) of title 10, United States Code, preparatory to requesting under that section an authorization of a long-term lease or charter of aircraft for initial entry helicopter pilot training or for an authorization of a lease or charter of aircraft for such purpose which provides for a substantial termination liability on the part of the United States.

SEC. 372. STUDY OF TRANSPORTATION OPTIONS FOR OBSOLETE CHEMICAL WEAPONS LOCATED AT CERTAIN MILITARY INSTALLATIONS.

(a) STUDY REQUIRED.—The Secretary of the Army shall prepare a study of the feasibility of safely removing and transporting obsolete chemical weapons stored at the military installations described in subsection (b) to another site at which the incineration of such weapons will not pose a threat to densely populated areas. Such study shall be submitted to Congress not later than September 30, 1991.

(b) INSTALLATIONS INCLUDED IN STUDY.—The military installations referred to in subsection (a) are the Aberdeen Proving Ground in the State of Maryland and the Lexington-Blue Grass Army Depot in the State of Kentucky.

SEC. 373. REPORT ON ESTABLISHING NEW NAVAL RESERVE TRAINING CENTER AT NEWPORT, RHODE ISLAND.

Not later than six months after the date of the enactment of this Act, the Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the desirability of establishing a new Naval Reserve Training Center within the Naval Education and Training Center at Newport, Rhode Island, to serve as the principal Naval Reserve training center on the East Coast for surface warfare. The report shall consider the desirability of including within the training facilities of such a Reserve Training Center the FF-1052 frigates stationed as of the date of the enactment of this Act at the Naval Education and Training Center at Newport, Rhode Island, and of planning for the use of those frigates in the event of a mobilization.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

PART A—ACTIVE FORCES

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1991, as follows:

(1) The Army, 675,669.

(2) The Navy, 570,501.

(3) The Marine Corps, 192,235.

(4) The Air Force, 508,500.

SEC. 402. REDUCTION IN THE AUTHORIZED END STRENGTH FOR THE NUMBER OF MILITARY PERSONNEL IN EUROPE.

(a) REDUCTION REQUIRED.—Subsection (c)(1) of section 1002 of the Department of Defense Authorization Act, 1985 (22 U.S.C. 1928 note), is amended by striking out "326,414" in the first sentence and inserting in lieu thereof "261,855".

(b) WAIVER AUTHORITY.—Such subsection is further amended by adding at the end the following new sentences: "The President may exceed the permanent ceiling in any year by a number equal to not more than

50,000 if the President determines that the national security interests of the United States require such action. Whenever the President exercises such authority, the President shall inform the Congress of the number by which the end strength level exceeds the ceiling and the reasons for the exercise of such authority.".

(c) EFFECTIVE DATE AND CONFORMING AMENDMENT.—(1) The amendments made by this section shall take effect on September 30, 1991.

(2) Section 911 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1523) is repealed.

PART B—RESERVE FORCES

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) AUTHORIZATIONS.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 1991, as follows:

(1) The Army National Guard of the United States, 457,300.

(2) The Army Reserve, 318,700.

(3) The Naval Reserve, 153,400.

(4) The Marine Corps Reserve, 43,900

(5) The Air National Guard of the United States, 117,036.

(6) The Air Force Reserve, 85,591.

(7) The Coast Guard Reserve, 12,700.

(b) WAIVER AUTHORITY.—The Secretary of Defense may vary an end strength authorized by subsection (a) by not more than 2 percent.

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component shall be proportionately reduced by—

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of such component which are on active duty (other than for training) at the end of the fiscal year, and

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory participation in training) without their consent at the end of the fiscal year.

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strength of such units and by the total number of such individual members.

SEC. 412. END STRENGTHS FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1991, the following number of Reserves to be serving on full-time active duty or, in the case of members of the National Guard, full-time National Guard duty for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 26,199.

(2) The Army Reserve, 13,344.

(3) The Naval Reserve, 22,997.

(4) The Marine Corps Reserve, 2,401.

(5) The Air National Guard of the United States, 8,468.

(6) The Air Force Reserve, 655.

PART C—MILITARY TRAINING STUDENT LOADS

SEC. 421. AUTHORIZATION OF TRAINING STUDENT LOADS.

(a) FISCAL YEAR 1991.—For fiscal year 1991, the components of the Armed Forces are authorized average military training student loads as follows:

(1) The Army, 74,382.

(2) The Navy, 66,173.

(3) The Marine Corps, 23,236.

(4) The Air Force, 27,179.

(5) The Army National Guard of the United States, 16,611.

(6) The Army Reserve, 15,337.

(7) The Naval Reserve, 3,112.

(8) The Marine Corps Reserve, 3,520.

(9) The Air National Guard of the United States, 2,765.

(10) The Air Force Reserve, 1,628.

(b) ADJUSTMENTS.—The average military student loads authorized in subsection (a) shall be adjusted consistent with the end strengths authorized in parts A and B. The Secretary of Defense shall prescribe the manner in which such adjustment shall be apportioned.

PART D—AUTHORIZATIONS OF APPROPRIATIONS

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL FOR FISCAL YEAR 1991.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1991 a total of $78,253,700,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1991.

PART E—OTHER PERSONNEL STRENGTH MATTERS

SEC. 441. FLAG AND GENERAL OFFICERS.

Section 526 of title 10, United States Code, is amended by striking out the period at the end and inserting in lieu thereof "before October 1, 1995, and may not exceed 845 on and after October 1, 1995.".

SEC. 442. TEST OF CADRE CONCEPT.

(a) TEST.—The Secretary of the Army shall place at least one active Army division in so-called "cadre status" by the end of fiscal year 1992. That division shall be used as a Reserve training division.

(b) REPORT.—The Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on how the Secretary plans to implement the test program. The report shall include a request for any legislative changes that the Secretary considers necessary to carry out the test program and shall be submitted not later than February 1, 1991.

TITLE V—MILITARY PERSONNEL

PART A—PERSONNEL READJUSTMENT BENEFITS

SEC. 501. SEPARATION PAY.

(a) AUTHORITY FOR SEPARATION PAY FOR REGULAR ENLISTED MEMBERS.—Section 1174 of title 10, United States Code, is amended—

(1) by inserting "REGULAR OFFICERS.—(1)" in subsection (a) after "(a)";

(2) by redesignating subsection (b) as paragraph (2) of subsection (a); and

(3) by inserting after subsection (a) the following new subsection (b):

"(b) REGULAR ENLISTED MEMBERS.—(1) A regular enlisted member of an armed force who is discharged involuntarily or as the result of the denial of the reenlistment of the member and who has completed six or more, but less than 20, years of active service immediately before that discharge is entitled to separation pay computed under subsection (d) unless the Secretary concerned determines that the conditions under which the member is discharged do not warrant payment of such pay.

"(2) Separation pay of an enlisted member shall be computed under paragraph (1) of subsection (d), except that such pay shall be computed under paragraph (2) of such subsection in the case of a member who is discharged under criteria prescribed by the Secretary of Defense.".

(b) PERIOD OF SERVICE REQUIRED FOR ELIGIBILITY.—Such section is further amended—

(1) by striking out "five or more" in subsection (a)(2) (as redesignated by subsection (a)(2) of this section) and in subsection (c)(1) and inserting in lieu thereof "six or more"; and

(2) by striking out "at least five years" in subsection (c)(3) and inserting in lieu thereof "at least six years".

(c) REPEAL OF LIMITATION ON AMOUNT OF SEPARATION PAY.—(1) Subsection (d) of such section is amended—

(A) by striking out "or $30,000, whichever is less" in paragraph (1); and

(B) by striking out ", but in no event more than $15,000".

(2) Subsection (g) of such section is amended—

(A) by striking out "(1)" after "(g)"; and

(B) by striking out paragraph (2).

(d) LIMITATION FOR MEMBERS DISCHARGED DURING INITIAL PERIOD OF SERVICE.—Subsection (e) of such section is amended—

(1) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2) is discharged or released from active duty during an initial term of enlistment or an initial period of obligated service;".

(e) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), subsection (b) of section 1174 of title 10, United States Code, as added by subsection (a), and the amendments made by subsections (b), (c), and (d) shall apply with respect to a member of the Armed Forces who is discharged, or released from active duty, after September 30, 1990.

(2) The amendments made by subsection (b) shall not apply in the case of a member (other than a regular enlisted member) of the Armed Forces who (A) is serving on active duty on September 30, 1990, (B) is discharged, or released from active duty, after that date; and (C) on that date has five or more, but less than six, years of active service in the Armed Forces.

(f) CONFORMING CROSS-REFERENCE AMENDMENTS.—(1) Section 1186(c) of title 10, United States Code, is amended by striking out "section 1174(b)" and inserting in lieu thereof "section 1174(a)(2)".

(2) Section 6383(h) of such title is amended by striking out "section 1174(a)" and inserting in lieu thereof "section 1174(a)(1)".

(g) TECHNICAL AMENDMENTS.—(1) Subsection (a) of section 1174 of such title (as amended by subsection (a) of this section) is further amended—

(A) by striking out "or release"; and

(B) by striking out ", under section 564" and all that follows through "Management Act" and inserting in lieu thereof "or under section 564 or 6383 of this title".

(2) Subsection (c)(1) of such section is amended by striking out "after September 14, 1981,".

(h) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) by inserting "OTHER MEMBERS.—" in subsection (c) after "(c)";

(2) by inserting "AMOUNT OF SEPARATION PAY.—" in subsection (d) after "(d)";

(3) by inserting "EXCEPTIONS TO ELIGIBILITY.—" in subsection (e) after "(e)";

(4) by inserting "COUNTING FRACTIONAL YEARS OF SERVICE.—" in subsection (f) after "(f)";

(5) by inserting "COORDINATION WITH OTHER SEPARATION OR SEVERANCE PAY BENEFITS.—" in subsection (g) after "(g)";

(6) by inserting "COORDINATION WITH RETIRED OR RETAINER PAY AND DISABILITY COMPENSATION.—" in subsection (h) after "(h)"; and

(7) by inserting "REGULATIONS; CREDITING OF OTHER COMMISSIONED SERVICE.—" in subsection (i) after "(i)".

SEC. 502. OTHER TRANSITION BENEFITS AND SERVICES.

(a) BENEFITS AND SERVICES.—(1) Part II of subtitle A of title 10, United States Code, is amended by inserting after chapter 57 the following new chapter:

"CHAPTER 58—BENEFITS AND SERVICES FOR MEMBERS BEING SEPARATED OR RECENTLY SEPARATED

"Sec.
"1141. Office of Transition Assistance.
"1142. Involuntary separation defined.
"1143. Preseparation counseling.
"1144. Employment assistance: Department of Defense.
"1145. Employment assistance, job training assistance, and other transitional services: Department of Labor.
"1146. Health benefits.
"1147. Commissary and exchange benefits.
"1148. Use of military family housing.
"1149. Relocation assistance for personnel overseas.
"1150. Excess leave and permissive temporary duty.
"1151. Affiliation with Guard and Reserve units: waiver of certain limitations.

"§ 1141. Office of Transition Assistance

"The Secretary of Defense shall establish within the Office of the Secretary of Defense a Military Personnel Readjustment Assistance Office. The head of the office shall develop and coordinate Department of Defense programs designed to assist members of the armed forces and their dependents in readjusting to civilian life after discharge or release from active duty and shall act on behalf of the Department in coordinating benefits and services for such personnel and their dependents with benefits and services provided by other department and agencies of the United States.

"§ 1142. Involuntary separation defined

"A member of the Army, Navy, Air Force, or Marine Corps shall be considered to be involuntarily separated for purposes of this chapter if the member was on active duty or full-time National Guard duty on September 30, 1990, and—

"(1) in the case of a regular officer (other than a retired officer), the officer is involuntarily discharged under other than adverse conditions, as characterized by the Secretary concerned;

"(2) in the case of a reserve officer who is on the active-duty list or, if not on the active-duty list, is on full-time active duty (or in the case of a member of the National Guard, full-time National Guard duty) for the purpose of organizing, administering, recruiting, instructing, or training the reserve components, the officer is involuntarily discharged or released from active duty or full-time National Guard (other than a release from active duty or full-time National Guard duty incident to a transfer to retired status) under other than adverse conditions, as characterized by the Secretary concerned;

"(3) in the case of a regular enlisted member serving on active duty, the member is (A) denied reenlistment, or (B) involuntarily discharged under other than adverse conditions, as characterized by the Secretary concerned; and

"(4) in the case of a reserve enlisted member who is on full-time active duty (or in the case of a member of the National Guard, full-time National Guard duty) for the purpose of organizing, administering, recruiting, instructing, or training the reserve components, the member (A) is denied reenlistment, or (B) is involuntarily discharged or released from active duty (or full-time National Guard) under other than adverse conditions, as characterized by the Secretary concerned.

"§ 1143. Preseparation counseling

"(a) REQUIREMENT.—Upon the discharge or release from active duty of a member of the armed forces, the Secretary concerned shall provide for individual preseparation counseling of the member. A notation of the provision of such counseling with respect to each matter specified in subsection (b), signed by the member, shall be placed in the service record of each member receiving such counseling. In carrying out this section, the Secretary concerned may use the services available under section 1145 of this title.

"(b) MATTERS TO BE COVERED BY COUNSELING.—Counseling shall include the following:

"(1) A discussion of the educational assistance benefits to which the member is entitled under the Montgomery GI Bill and other educational assistance programs because of the member's service in the armed forces.

"(2) An explanation of the procedures for and advantages of affiliating with the Selected Reserve.

"(3) Information concerning Government and private-sector programs for job search and job placement assistance.

"(4) If the member has a spouse, job placement counseling for the spouse;

"(5) Information concerning the availability of relocation assistance services and other benefits and services available to persons leaving military service, as provided under section 1145 of this title.

"(6) Information concerning the availability of medical and dental coverage following separation from active duty, including the opportunity to elect into the conversion health policy provided under section 1146 of this title.

"(7) Counseling (for the member and dependents) on the effect of career change on individuals and their families.

"(8) Financial planning assistance.

"§ 1144. Employment assistance: Department of Defense

"(a) EMPLOYMENT SKILLS VERIFICATION.—The Secretary of Defense shall provide to members of the armed forces under the jurisdiction of the Secretary who are discharged or released from active duty a certification or verification of any job skills and experience acquired while on active duty that may have application to employment in the civilian sector. The preceding sentence shall be carried out in conjunction with the Secretary of Labor.

"(b) EMPLOYMENT ASSISTANCE CENTERS.—The Secretary of Defense shall establish permanent employment assistance centers at appropriate military installations.

"(c) EMPLOYMENT PREFERENCE BY NONAPPROPRIATED FUND INSTRUMENTALITIES.—The Secretary of Defense shall take such steps as necessary to provide that members of Army, Navy, Air Force, or Marine Corps who are involuntarily separated, and the dependents of such members, shall be provided a preference in hiring by nonappropriated fund instrumentalities of the Department. Such preference shall be administered in the same manner as the preference for military spouses provided under section 806(a)(2) of the Military Family Act of 1985, except that a preference under that section shall have priority over a preference under this subsection. A person may receive a preference in hiring under this subsection only once.

"§ 1145. Employment assistance, job training assistance, and other transitional services: Department of Labor

"(a) IN GENERAL.—(1) The Secretary of Labor, in conjunction with the Secretary of Defense and the Secretary of Veterans Affairs, shall establish and maintain a program to furnish transition counseling, employment, and placement assistance training and other information and services to members of the armed forces under the jurisdiction of the Secretary of a military department who are being separated from active duty and the spouses of such members. Such services shall be provided to a member during the 180-day period before the member is separated from active duty.

"(2) The Secretary of Defense and the Secretary of Veterans Affairs shall cooperate with the Secretary of Labor in establishing and maintaining the program under this section.

"(3) The Secretaries referred to in paragraph (1) shall enter into a detailed agreement to carry out this section. The agreement shall be entered into no later than 60 days after the date of the enactment of this section.

"(b) ELEMENTS OF PROGRAM.—In establishing and carrying out a program under this section, the Secretary of Labor shall do the following:

"(1) Provide information concerning employment and training assistance, including (A) labor market information, (B) civilian work place requirements and employment opportunities, (C) instruction in resume preparation, and (D) job analysis techniques, job search techniques, and job interview techniques.

"(2) In providing information under paragraph (1), use experience obtained from implementation of the pilot program established under section 408 of Public Law 101-237.

"(3) Provide information concerning Federal, State, and local programs, and programs of military and veterans service organization, that may be of assistance to such members after separation from the Armed Forces, including, as appropriate, the information and services to be provided under section 1143 of this title.

"(4) Assure such members obtain from the Department of Defense under section 1144(a) of this title proper certification or verification of job skills and experience ac-

quired while on active duty that may have application to employment in the civilian sector for use in seeking civilian employment and in obtaining job search skills.

"(5) Provide procedures to release the names of such members and their spouses (with the consent of such members and spouses) to civilian employers, organizations, and other entities for the purpose of assisting such members and spouses in locating civilian employment opportunities.

"(6) Provide counseling and other assistance to such members in their efforts to procure loans and grants from the Small Business Administration and other Federal, State, and local agencies.

"(7) Provide information about the areas in which such members will relocate after separation from the armed forces, including information about employment opportunities, the labor market, and the cost of living in such area (including the cost and availability of housing, child care, education, and medical and dental care).

"(8) Work with military and veterans' service organizations and other appropriate organizations in promoting and publicizing job fairs for such members.

"(c) PARTICIPATION.—The Secretary of Defense shall encourage and otherwise promote maximum participation by members of the armed forces eligible for assistance under the program carried out under this section.

"(d) USE OF PERSONNEL AND ORGANIZATIONS.—In carrying out the program established under this section, the Secretaries may—

"(1) provide, as the case may be, for the use of disabled veterans outreach program specialists, local veterans' employment representatives, and other employment service personnel of the Department of Labor;

"(2) use military and civilian personnel of the Department of Defense;

"(3) use personnel of the Veterans Benefits Administration of the Department of Veterans Affairs and other appropriate personnel of that Department;

"(4) use representatives of military and veterans' service organizations;

"(5) enter into contracts with public or private entities; and

"(6) take other necessary action to develop and furnish the information and services to be provided under this section.

"(e) FUNDING.—(1) There is authorized to be appropriated to the Department of Labor to carry out this section $9,000,000 for each of fiscal years 1991, 1992, and 1993.

"(2) There is authorized to be appropriated to the Department of Veterans Affairs to carry out this section $4,000,000 for each of fiscal years 1991, 1992, and 1993.

"§ 1146. Health benefits

"(a) TRANSITIONAL HEALTH CARE.—(1) For the applicable time period described in paragraph (2), a member of the armed forces who is involuntarily separated from active duty during the five-year period beginning on October 1, 1990 (and the dependents of the member), shall be entitled to receive—

"(A) medical and dental care under section 1076 of this title in the same manner as a dependent described in subsection (a)(2) of such section; and

"(B) health benefits contracted under the authority of section 1079(a) of this title and subject to the same rates and conditions as apply to persons covered under that section.

"(2) Transitional health care shall be available under subsection (a) for a specified time period beginning on the date on which the member is involuntarily separated as follows:

"(A) For members involuntarily separated with less than six years of active service, 60 days.

"(B) For members involuntarily separated with six or more years of active service, 120 days.

"(b) CONVERSION HEALTH POLICIES.—(1) The Secretary of Defense shall inform each member referred to in subsection (a) before the date of the member's discharge or release from active duty of the availability for purchase by the member of a conversion health policy for the member and the dependents of that member.

"(2) If a member referred to in subsection (a) purchases a conversion health policy during the period applicable to the member (or within a reasonable time after that period as prescribed by the Secretary of Defense), the Secretary shall provide health care, or pay the costs of health care provided, to the member and the dependents of the member—

"(A) during the one-year period beginning on the date on which coverage under the conversion health policy begins; and

"(B) for a condition (including pregnancy) that exists on such date and for which care is not provided under the policy solely on the grounds that the condition is a preexisting condition.

"(3) The Secretary of Defense may arrange for the provision of health care described in paragraph (2) through a contract with the insurer offering the conversion health policy.

"(c) HEALTH CARE FOR CERTAIN SEPARATED MEMBERS NOT OTHERWISE ELIGIBLE.—(1) Consistent with the authority of the Secretary concerned to designate certain classes of persons as eligible to receive health care at a military medical facility, the Secretary concerned should consider authorizing, on an individual basis in cases of hardship, the provision of that care for a member who is separated from the armed forces during the five-year period beginning on October 1, 1990, and is ineligible for transitional health care under subsection (a) or does not obtain a conversion health policy (or a dependent of the member).

"(2) The Secretary concerned shall give special consideration to requests for such care in cases in which the condition for which treatment is required was incurred or aggravated by the member or the dependent before the date of the separation of the member, particularly if the condition is a result of the particular circumstances of the service of the member.

"(d) DEFINITION.—In this section, the term 'conversion health policy' means a health insurance policy with a private insurer, developed through negotiations between the Secretary of Defense and a private insurer, that is available for purchase by or for the use of a person who is no longer a member of the armed forces or a covered beneficiary.

"§ 1147. Commissary and exchange benefits

"The Secretary of Defense shall prescribe regulations to allow a member of the armed forces who is involuntarily separated from active duty during the five-year period beginning on October 1, 1990, to continue to use commissary and exchange stores during the two-year period beginning on the date of the involuntary separation of the member in the same manner as a member on active duty.

"§ 1148. Use of military family housing

"(a) TRANSITION FOR INVOLUNTARILY SEPARATED MEMBERS.—The Secretary of a military department may, pursuant to regulations prescribed by the Secretary of Defense, permit individuals who are involuntarily separated during the five-year period beginning on October 1, 1990, to continue for not more than 180 days after the date of such separation to reside (along with other members of the individual's household) in military family housing provided or leased by the Department of Defense to such individual as a member of the armed forces.

"(b) RENTAL CHARGES.—The Secretary concerned, pursuant to such regulations, shall require a reasonable rental charge for the continued use of military family housing under subsection (a), except that such Secretary may waive all or any portion of such charge in any case of hardship.

"§ 1149. Relocation assistance for personnel overseas

"(a) IN GENERAL.—The Secretary of Defense shall develop a program specifically to assist members of the armed forces stationed overseas who are preparing for discharge or release from active duty, and the dependents of such members, in readjusting to civilian life. The program shall focus on the special needs and requirements of such members and dependents due to their overseas locations and shall include, to the maximum extent possible, computerized job relocation assistance and job search information.

"(b) PILOT PROGRAM.—During fiscal year 1991, the Secretary shall carry out the program required by subsection (a) at not less than 10 military installations located outside the United States.

"§ 1150. Excess leave and permissive temporary duty

"Under regulations prescribed by the Secretary of Defense, the Secretary of the military department concerned shall grant a member of the armed forces who is to be involuntarily separated such excess leave (for a period not in excess of 30 days), or such permissive temporary duty (for a period not in excess of 10 days), as the member requires in order to facilitate the member's carrying out necessary relocation activities (such as job search and residence search activities), unless to do so would interfere with military missions.

"§ 1151. Affiliation with Guard and Reserve units: waiver of certain limitations

"An individual who is involuntarily separated from the Armed Forces during the five-year period beginning on October 1, 1990, and who within 12-months after such separation becomes a member of a National Guard or Reserve unit may remain a member of that unit for up to three years without regard to otherwise applicable strength limitations or limitations with respect to grade or military occupational qualifications. However, the total number of members carried in units of any reserve component without regard to otherwise applicable strength limitations during any fiscal year (under authority of the preceding sentence) may not exceed 10 percent of the otherwise authorized total strength for that reserve component for that fiscal year.".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, of such title are amended by inserting after the item relating to chapter 57 the following new item:

"58. Benefits and Services for Members Being Separated or Recently Separated..... 1141".

(b) CONFORMING AMENDMENTS.—(1) Section 1046 of such title is repealed.

(2) The table of sections at the beginning of chapter 53 of such title is amended by striking out the item relating to section 1046.

(c) EFFECTIVE DATE.—Chapter 58 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1990.

(d) IMPLEMENTATION REPORTS.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Labor shall submit to Congress a report setting forth the agreement entered into to carry out section 1145 of title 10, United States Code, as added by subsection (a). The report shall include a detailed description of the responsibilities of the Secretary of Labor, the Secretary of Defense, and the Secretary of Veterans Affairs in carrying out that section and of the steps that have been taken to carry out those responsibilities.

(2) Not later than one year after the date of the enactment of this Act, the Secretary of Labor shall submit to Congress a report containing a detailed evaluation of the program carried out under that section to that date.

(3) The reports under paragraphs (1) and (2) shall be prepared in consultation with the Secretary of Defense and the Secretary of Labor.

SEC. 503. TRAVEL AND TRANSPORTATION ALLOWANCES RELATING TO MEMBERS INVOLUNTARILY SEPARATED.

(a) MEMBERS.—(1) Subsection (c)(1) of section 404 of title 37, United States Code, is amended—

(A) by striking out "or" at the end of subparagraph (A);

(B) by inserting "or" at the end of subparagraph (B);

(C) by inserting after subparagraph (B) the following:

"(C) is involuntarily separated from active duty during the five-year period beginning on October 1, 1990," and

(D) by inserting "involuntarily separated," after "placed on that list," in the material following the subparagraphs.

(2) Subsection (f)(2)(B) of such section is amended—

(A) by striking out "or" at the end of clause (iii);

(B) by striking out the period at the end of clause (iv) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following:

"(v) who is involuntarily separated from active duty during the five-year period beginning on Octo- ber 1, 1990.".

(3) Such section is further amended by adding at the end the following new subsection:

"(j) In this section, the term 'involuntarily separated' has the meaning given that term in section 1142 of title 10.".

(b) DEPENDENTS, BAGGAGE, AND HOUSEHOLD EFFECTS.—(1) Subsection (a)(2)(B) of section 406 of such title is amended—

(A) by striking out "or" at the end of clause (iii);

(B) by striking out the period at the end of clause (iv) and inserting in lieu thereof "; or"; and

(C) by adding at the end the following:

"(v) who is involuntarily separated from active duty during the five-year period beginning on Octo- ber 1, 1990.".

(2) Subsection (g)(1) of such section is amended—

(A) by striking out "; or" at the end of subparagraph (A);

(B) by inserting "or" at the end of subparagraph (B);

(C) by inserting after subparagraph (B) the following:

"(C) is involuntarily separated from active duty during the five-year period beginning on October 1, 1990," and

(D) by inserting "involuntarily separated," after "placed on that list," in the material following the subparagraphs.

(3) Subsection (a) of such section is amended by adding at the end the following new paragraph:

"(4) In this section, the term 'involuntarily separated' has the meaning given that term in section 1142 of title 10.".

(c) STORAGE OF HOUSEHOLD EFFECTS.—(1) The Secretary of a military department shall exercise the authority provided by section 406 of title 37, United States Code, to provide nontemporary storage of baggage and household effects for a period not longer than one year in the case of individuals who are involuntarily separated during the five-year period beginning on October 1, 1990.

(2) For purposes of this subsection, the term "involuntarily separated" has the meaning given that term in section 1142 of title 10, United States Code.

SEC. 504. CONTINUATION OF ENROLLMENT IN SCHOOLS OF THE DEFENSE DEPENDENTS' EDUCATION SYSTEM FOR DEPENDENTS OF MEMBERS INVOLUNTARILY SEPARATED.

(a) CONTINUATION OF ENROLLMENT.—Section 1407 of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following new subsection:

"(c) CONTINUATION OF ENROLLMENT FOR DEPENDENTS OF MEMBERS OF THE ARMED FORCES INVOLUNTARILY SEPARATED.—A member of the Armed Forces serving on active duty on September 30, 1990, who is involuntarily separated during the five-year period beginning on October 1, 1990, and who has a dependent who is enrolled in a school of the defense dependents' education system (or a school for which tuition assistance is provided under subsection (b)) on the date of that separation shall continue to be eligible to enroll that dependent for attendance at that school in the same manner as if the member were still on active duty until—

"(1) in the case of a dependent who on the date of the member's separation is enrolled in or completed the eleventh grade, the earlier of—

"(A) the completion of the secondary education of the dependent; and

"(B) the end of the two-year period beginning on the date of the involuntary separation of the member; and

"(2) in the case of other dependents, the completion of the period of enrollment during which the member is involuntarily separated.".

(b) INVOLUNTARILY SEPARATED DEFINED.—Section 1414 of that Act (20 U.S.C. 932) is amended by adding at the end the following new paragraph:

"(5) The term 'involuntarily separated' has the meaning given that term in section 1142 of title 10, United States Code.".

PART B—VETERANS BENEFITS PROGRAMS

SEC. 511. VETERANS RECRUITMENT APPOINTMENTS.

(a) POLICY.—Section 2014(a)(1) of title 38, United States Code, is amended—

(1) by striking out "It is the policy of the United States" and inserting in lieu thereof the following: "The United States has an obligation to assist veterans of the Armed Forces in readjusting to civilian life. The Federal Government is also continuously concerned with building an effective work force, and veterans constitute a major recruiting source. It is, therefore, the policy of the United States"; and

(2) by striking out "certain veterans of the Vietnam era" and all that follows through the period and inserting in lieu thereof "qualified disabled veterans, veterans of the Vietnam era, and other veterans described in subsection (b)(2) of this section.".

(b) IMPLEMENTATION.—(1) Section 2014(b)(1) of such title is amended—

(A) in the material preceding clause (A)—

(i) by striking out "readjustment" and inserting in lieu thereof "recruitment"; and

(ii) by inserting "veterans of the Vietnam era and other" before "veterans" the first place it appears;

(B) in clause (A), by striking out "up to" and all that follows through the semicolon and inserting in lieu thereof "to any position in the competitive service;"; and

(C) by striking out clauses (B) and (C) and inserting in lieu thereof the following:

"(B) a veteran of the Vietnam era shall be eligible for such an appointment without any time limitation with respect to eligibility for such an appointment;

"(C) a veteran shall be eligible for such an appointment without regard to the number of years of education completed by such veteran;

"(D) a veteran who is entitled to disability compensation under the laws administered by the Secretary or whose discharge or release from active duty was for a disability incurred or aggravated in line of duty shall be given a preference for such an appointment over other veterans;

"(E) any veteran receiving such an appointment shall—

"(i) receive training or education to the extent, if any, considered appropriate by the agency involved; and

"(ii) upon successful completion of the prescribed probationary period, acquire a competitive status; and";

(D) by striking out clauses (E) and (F); and

(E) by redesignating clause (D) as clause (F) and by striking out "; and" at the end of such clause and inserting in lieu thereof a period.

(2) Section 2014(b) of such title is amended by striking out paragraphs (2) through (4) and inserting in lieu thereof the following:

"(2) The other veterans referred to in the material preceding clause (A) of paragraph (1) of this subsection are veterans who first became a member of the Armed Forces or first entered on active duty as a member of the Armed Forces after May 7, 1975, and were discharged or released from active duty under conditions other than dishonorable.

"(3)(A) Except as provided in subparagraph (B) of this paragraph, a veteran described in paragraph (2) of this subsection may receive an appointment under this section only within the five-year period following—

"(i) the date of the veteran's last discharge or release from active duty; or

"(ii) the date of the enactment of the Veterans Recruitment Authority Act of 1990,

whichever is later.

"(B) The five-year limitation in subparagraph (A) of this paragraph shall not apply to any veteran who—

"(i) has a service-connected disability; or

"(ii) has served on active duty in the Armed Forces in a campaign or expedition for which a campaign badge has been authorized.

"(C) For purposes of subparagraph (A)(i) of this paragraph, the last discharge or release from active duty shall not include any discharge or release from active duty of less than 90 days of continuous service unless the individual involved is discharged or released for a service-connected disability, for a medical condition which preexisted such service and which the Secretary determines is not service connected, or for hardship.

"(4) For purposes of carrying out this section, the term 'veterans readjustment appointment' as used in the Executive order referred to in paragraph (1) of this subsection shall be considered to be a veterans recruitment appointment referred to in such paragraph.".

(c) CLERICAL AMENDMENTS.—(1) The heading for chapter 42 of such title is amended striking out "DISABLED AND VIETNAM ERA".

(2) The items for such chapter in the index of parts at the beginning of title 38, United States Code, and at the beginning of part III of such title, are amended by striking out "Disabled and Vietnam Era".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply only to appointments made after the date of the enactment of this Act.

SEC. 512. OPPORTUNITY FOR CERTAIN PERSONNEL TO ENROLL IN MONTGOMERY GI BILL BEFORE BEING INVOLUNTARILY SEPARATED FROM SERVICE.

(a) IN GENERAL.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by inserting after section 1418 the following:

"§ 1418A. Opportunity for certain active-duty personnel to enroll before being involuntarily separated from service

"(a) Notwithstanding any other provision of law, an individual who—

"(1) after December 31, 1990, or the end of the 90-day period beginning on the date of the enactment of this section, whichever is later, is involuntarily separated (as such term is defined in section 1142 of title 10) with an honorable discharge;

"(2) before such separation has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree;

"(3) in the case of any individual who has made an election under section 1411(c)(1) or 1412(d)(1) of this title, withdraws such election before such discharge or release pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section or which the Secretary of Transportation shall provide for such purpose with respect to the Coast Guard when it is not operating as service in the Navy;

"(4) in the case of any person enrolled in the educational benefits program provided by chapter 32 of this title, makes an irrevocable election, pursuant to procedures referred to in paragraph (3) of this subsection, before such separation to receive benefits under this section in lieu of benefits under such chapter 32; and

"(5) before such separation elects to receive assistance under this section pursuant to procedures referred to in paragraph (3) of this subsection,

is entitled to basic educational assistance under this chapter.

"(b) The basic pay of an individual described in subsection (a) of this section shall be reduced by $1,200.

"(c) A withdrawal referred to in subsection (a)(3) of this section is irrevocable.

"(d)(1) Except as provided in paragraph (3) of this subsection, an individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (a)(4) of this subsection shall be disenrolled from such chapter 32 program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall refund—

"(A) as provided in section 1623(b) of this title, to the individual the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account established pursuant to section 1622(a) of this title; and

"(B) except as provided in paragraph (3) of this subsection, to the Secretary of Defense the unused contributions made by such Secretary to the Account on behalf of such individual.

"(3) Any contribution made by the Secretary of Defense to the Post-Vietnam Era Veterans Education Account pursuant to subsection (c) of section 1622 of this title on behalf of any individual referred to in paragraph (1) of this subsection shall remain in such Account to make payments of benefits to such individual under section 1415(e) of this chapter.".

(2) The table of sections at the beginning of chapter 30 of such title is amended by inserting after the item relating to section 1418 the following new item:

"1418A. Opportunity for certain active-duty personnel to enroll before being involuntarily separated from service.".

(b) CONFORMING AMENDMENTS.—(1) Section 1413 of such title is amended—

(A) by redesignating subsection (d) as subsection (e); and

(B) by inserting after subsection (c) the following new subsection (d):

"(d) Subject to section 1795 of this title, each individual entitled to educational benefits under section 1418A of this title is entitled to the lesser of—

"(1) 36 months of educational assistance under this chapter (or the equivalent thereof in part-time educational assistance); or

"(2) the number of months of such educational assistance (or such equivalent thereof) that is equal to the number of months served by such individual on active duty.".

(2) Section 1415 of such title is amended—

(A) in subsection (b), by striking out "or 1418" and inserting in lieu thereof ", 1418, or 1418A"; and

(B) by adding at the end the following new subsection:

"(e) In the case of an individual referred to in section 1418A(d)(3) of this title, the Secretary shall increase the rate of the basic educational assistance allowance applicable to such individual in excess of the rate provided under subsection (a) or (b) of this section in a manner consistent with, as determined by the Secretary of Defense, the agreement entered into with such individual pursuant to the rules and regulations issued by the Secretary of Defense under section 1622(c) of this title.".

(3) Section 1435(b) of such title is amended—

(A) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)"; and

(B) by adding at the end the following:

"(3) Payment for entitlements established under section 1418A of this title shall be made—

"(A) except as provided in subparagraphs (B) and (C) of this paragraph, from the Department of Defense Education Benefits Fund established under section 2006 of title 10;

"(B) in the case of any individual described in section 1418A(a)(3) of this title, from funds appropriated, or otherwise available, to the Department of Veterans Affairs for the payment of readjustment benefits; and

"(C) in the case of the increase in payments made under section 1415(e) of this title, from the Post-Vietnam Era Veterans Education Account established pursuant to section 1622(a) of this title.".

(c) REGULATIONS.—The Secretary of Defense, the Secretary of Transportation, and the Secretaries of the military departments shall prescribe regulations, within 60 days after the date of the enactment of this Act, to carry out section 1418A of title 38, United States Code, as added by subsection (a).

SEC. 513. TECHNICAL AMENDMENTS TO MONTGOMERY GI BILL ACTIVE DUTY PROGRAM.

(a) REASON FOR DISCHARGE.—(1) Subparagraph (A)(ii)(I) of section 1411(a)(1) of title 38, United States Code, is amended—

(A) by striking out "or for" and inserting in lieu thereof "for"; and

(B) by inserting after "hardship" the following: ", or for a physical or mental condition that was not characterized as a disability and did not result from the individual's own willful misconduct but did interfere with the individual's performance of duty, as determined by the Secretary of each military department in accordance with regulations prescribed by the Secretary of Defense or by the Secretary of Transportation with respect to the Coast Guard when it is not operating as service in the Navy".

(2) Subparagraph (B)(ii)(I) of section 1411(a)(1) of such title is amended—

(A) by striking out "or for" and inserting in lieu thereof "for"; and

(B) by inserting after "hardship" the following: ", or for a physical or mental condition that was not characterized as a disability, as described in subparagraph (A)(ii)(I) of this paragraph".

(3) Section 1412(b)(1) of such title is amended—

(A) in subparagraph (A)—

(i) by striking out "or (v)" and inserting in lieu thereof "(v)"; and

(ii) by inserting immediately before the period the following: ", or (vi) for a physical or mental condition that was not characterized as a disability, as described in section 1411(a)(1)(A)(ii)(I) of this title";

(B) in subparagraph (B)(i)—

(i) by striking out "or for" and inserting in lieu thereof ", for"; and

(ii) by inserting immediately before ", if the individual" the following: ", or for a physical or mental condition not characterized as a disability, as described in section 1411(a)(1)(A)(ii)(I) of this title"; and

(C) in subparagraph (B)(ii)—

(i) by striking out "or (V)" and inserting in lieu thereof "(V)"; and

(ii) by inserting immediately before the period the following: ", or (VI) for a physical or mental condition not characterized as a

disability, as described in section 1411(a)(1)(A)(ii)(I) of this title".

(b) INITIAL PERIOD OF DUTY.—Section 1411(d) of such title is amended—

(1) in paragraph (1), by striking out "paragraph (2)" and inserting in lieu thereof "paragraphs (2) and (3)"; and

(2) by adding at the end the following:

"(3) The period of service referred to in paragraph (1) is also any period of service on active duty which an individual in the Selected Reserve was ordered to perform under section 672(d) of title 10 for a period of less than 2 years.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect as of October 19, 1984.

PART C—DEFENSE OFFICER PERSONNEL MANAGEMENT POLICIES

SEC. 521. OFFICER RETENTION FLEXIBILITY.

(a) IN GENERAL.—(1) Chapter 36 of title 10, United States Code, is amended by inserting after section 638 the following new section:

"§ 638a. Modification to rules for continuation on active duty; enhanced authority for selective early retirement and early discharges

"(a) The Secretary of Defense may authorize the Secretary of a military department, during the five-year period beginning on October 1, 1990, to take any of the actions set forth in subsection (b) with respect to officers of an armed force under the jurisdiction of that Secretary.

"(b) Actions which the Secretary of a military department may take with respect to officers of an armed force when authorized to do so under subsection (a) are the following:

"(1) Shortening the period of the continuation on active duty established under section 637 of this title for a regular officer who is serving on active duty pursuant to a selection under that section for continuation on active duty.

"(2) Providing that regular officers on the active-duty list may be considered for early retirement by a selection board convened under section 611(b) of this title in the case of officers described in any of subparagraphs (A) through (C) as follows:

"(A) Officers in the regular grade of lieutenant colonel or commander who would be subject to consideration for selection for early retirement under section 638(a)(1)(A) of this title except that they have failed of selection for promotion only one time (rather than two or more times).

"(B) Officers in the regular grade of colonel or, in the case of the Navy, captain who would be subject to consideration for selection for early retirement under section 638(a)(1)(B) of this title except that they have served on active duty in that grade less than four years (but not less than two years).

"(C) Officers holding a regular grade below the grade of colonel or, in the case of the Navy, captain who are not eligible for retirement under section 3911, 6323, or 8911 of this title but who after two additional years of active service as a commissioned officer would be eligible for retirement under one of those sections and whose names are not on a list of officers recommended for promotion.

"(3) Suspending section 638(c) of this title.

"(4) Convening selection boards under section 611(b) of this title to consider for discharge regular officers on the active-duty list in a grade below lieutenant colonel or commander—

"(A) who have served at least one year of active duty in the grade currently held;

"(B) whose names are not on a list of officers recommended for promotion; and

"(C) who are not eligible to be retired under any provision of law and are not within two years of becoming so eligible.

"(c) In the case of an action under subsection (b)(2), the Secretary of the military department concerned shall specify the number of officers described in that subsection which a selection board convened under section 611(b) of this title pursuant to the authority of that subsection may recommend for early retirement. Such number may not be more than 30 percent of the number of officers considered in each grade in each competitive category.

"(d)(1) In the case of an action under subsection (b)(4), the Secretary of the military department concerned may submit to a selection board convened pursuant to that subsection—

"(A) the names of all officers described in that subsection in a particular grade and competitive category; or

"(B) the names of all officers described in that subsection in a particular grade and competitive category who also are in particular year groups or specialties, or both, within that competitive category.

"(2) The Secretary concerned shall specify the total number of officers to be recommended for discharge by a selection board convened pursuant to subsection (b)(4). That number may not be more than 30 percent of the number of officers considered—

"(A) in each grade in each competitive category; or

"(B) in each grade, year group, or specialty (or combination thereof) in each competitive category.

"(3) The total number of officers described in subsection (b)(4) from any of the armed forces (or from any of the armed forces in a particular grade) who may be recommended during a fiscal year for discharge by a selection board convened pursuant to the authority of that subsection may not exceed 70 percent of the decrease, as compared to the preceding fiscal year, in the number of officers of that armed force (or the number of officers of that armed force in that grade) authorized to be serving on active duty as of the end of that fiscal year.

"(4) An officer who is recommended for discharge by a selection board convened pursuant to the authority of subsection (b)(4) and whose discharge is approved by the Secretary concerned shall be discharged on a date specified by the Secretary concerned.

"(5) Selection of officers for discharge under this subsection shall be based on the needs of the service.

"(e) The discharge or retirement of an officer pursuant to this section shall be considered to be involuntary for purposes of any other provision of law.".

(2) The table of sections at the beginning of subchapter IV of such chapter is amended by inserting after the item relating to section 638 the following new item:

"638a. Modification to rules for continuation on active duty; enhanced authority for selective early retirement and early discharges.".

(b) CONFORMING AMENDMENTS.—(1) Section 637 of title 10, United States Code, is amended—

(A) by adding at the end of subsection (c) the following new sentence: "The period of the continuation on active duty of an officer under this section may be reduced by the Secretary concerned in the case of any officer as provided in section 638a of this title.";

(B) by redesignating subsection (d) as subsection (e); and

(C) by inserting after subsection (c) the following new subsection:

"(d) For purposes of this section, a period of continuation on active duty under this section expires or is completed on the earlier of (1) the date originally established for the termination of such period, or (2) the date established for the termination of such period by any shortening of such period under section 638a of this title.".

(2)(A) Subsection (a) of section 638 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) A regular officer on the active-duty list of the Army, Navy, Air Force, or Marine Corps may also be considered for early retirement under the circumstances prescribed in section 638a of this title.".

(B) Subsection (b)(1) of such section is amended by inserting "or section 638a of this title" after "under this section".

SEC. 522. REDUCTION IN TIME-IN-GRADE REQUIREMENT FOR VOLUNTARY RETIREMENT.

Section 1370(a)(2) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(2)";

(2) by inserting after "not less than three years" at the end of the first sentence the following: ", except that the Secretary of Defense may authorize the Secretary of a military department to reduce such period to a period not less than two years in the case of retirements effective during the five-year period beginning on October 1, 1990"; and

(3) by designating the second sentence as subparagraph (B) and by striking out "the preceding sentence" in that sentence and inserting in lieu thereof "subparagraph (A)".

SEC. 523. REQUIRED LENGTH OF COMMISSIONED SERVICE FOR VOLUNTARY RETIREMENT.

(a) ARMY.—Section 3911 of title 10, United States Code, is amended—

(1) by inserting "(a)" at the beginning of the text of the section; and

(2) by adding at the end the following:

"(b) The Secretary of Defense may authorize the Secretary of the Army, during the five-year period beginning on October 1, 1990, to reduce the requirement under subsection (a) for at least 10 years of active service as a commissioned officer to a period (determined by the Secretary of the Army) of not less than eight years.".

(b) NAVY AND MARINE CORPS.—Section 6323(a) of such title is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following:

"(2) The Secretary of Defense may authorize the Secretary of the Navy, during the five-year period beginning on October 1, 1990, to reduce the requirement under paragraph (1) for at least 10 years of active service as a commissioned officer to a period (determined by the Secretary) of not less than eight years.".

(c) AIR FORCE.—Section 8911 of such title is amended—

(1) by inserting "(a)" at the beginning of the text of the section; and

(2) by adding at the end the following:

"(b) The Secretary of Defense may authorize the Secretary of the Air Force, during the five-year period beginning on October 1, 1990, to reduce the requirement under subsection (a) for at least 10 years of active

service as a commissioned officer to a period (determined by the Secretary of the Air Force) of not less than eight years.".

PART D—OFFICER EDUCATION AND TRAINING

SEC. 531. REDUCTION IN THE NUMBER OF APPOINTMENTS FOR THE CLASS OF A SERVICE ACADEMY ENTERING IN 1991.

(a) REDUCTION REQUIRED.—The number of appointments made for the class entering a service academy in 1991 may not exceed the number that is 100 less than the number of appointments for the class that entered that service academy in 1990. The reduction required by this section may not be achieved by reducing the number of appointments under section 4342(a), 6954(a), or 9342(a) of title 10, United States Code.

(b) SERVICE ACADEMY.—For purposes of this section, the term "service academy" means the United States Military Academy, the United States Naval Academy, or the Air Force Academy.

SEC. 532. MODIFICATION OF THE TEN-YEAR SERVICE OBLIGATION FOR GRADUATES OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) REDUCTION IN REQUIRED ACTIVE-DUTY SERVICE.—Subsection (b) of section 2114 of title 10, United States Code, is amended by striking out "10 years" in the fourth sentence and inserting in lieu thereof "seven years".

(b) RESERVE SERVICE REQUIRED.—Such section is further amended—

(1) in subsection (b), by inserting after the fourth sentence the following new sentence: "Upon completion of, or release from, the active-duty service obligation, a member of the program shall serve in the Ready Reserve until the completion of the commissioned service obligation of the member.";

(2) in subsection (c), by striking out "an active duty obligation" and inserting in lieu thereof "a commissioned service obligation"; and

(3) by adding at the end the following new subsection:

"(f) In this section, the term 'commissioned service obligation' means, with respect to an officer who is a graduate of the University, the period beginning on the date of the appointment of the officer in a regular component after graduation and ending on the tenth anniversary of that appointment.".

(c) CONFORMING AMENDMENT.—Section 511(e) of the National Defense Authorization Act for fiscal years 1990 and 1991 (Public Law 101-189: 103 Stat. 1439) is amended by striking out "the Uniformed Services University of the Health Sciences or".

(d) EFFECTIVE DATE.—The amendment made by subsection (b) shall take effect on December 31, 1991, and shall apply to persons who are first admitted to the Uniformed Services University of the Health Sciences after that date.

SEC. 533. REPEAL OF LIMITATION ON PARTICIPATION OF CERTAIN NATIONAL GUARD PERSONNEL IN MONTGOMERY GI BILL.

Section 2132(d) of title 10, United States Code, is amended by striking out "or full-time National Guard duty".

PART E—MILITARY JUSTICE AMENDMENTS

SEC. 541. PRETRIAL SESSIONS INVOLVING MILITARY JUDGE ACTING ALONE.

(a) IN GENERAL.—Section 839(a) of title 10, United States Code (article 39(a) of the Uniform Code of Military Justice), is amended by adding at the end the following new sentence: "These proceedings may be conducted notwithstanding the number of members of the court and without regard to section 829 of this title (article 29).".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply only to a court-martial convened on or after the date of the enactment of this Act.

SEC. 542. CHALLENGES TO MEMBERS OF COURTS-MARTIAL.

(a) CHALLENGES FOR CAUSE WHEN MEMBERSHIP BELOW MINIMUM NUMBER.—Subsection (a) of section 841 of title 10, United States Code (article 41 of the Uniform Code of Military Justice), is amended—

(1) by inserting "(1)" after "(a)"; and

(2) by adding at the end the following:

"(2) If exercise of a challenge for cause reduces the court below the minimum number of members required by section 816 of this title (article 16), all parties shall (notwithstanding section 829 of this title (article 29)) either exercise or waive any challenge for cause then apparent against the remaining members of the court before additional members are detailed to the court. However, peremptory challenges shall not be exercised at that time.".

(b) PEREMPTORY CHALLENGES WHEN MEMBERSHIP BELOW MINIMUM NUMBER.—Subsection (b) of such section (article) is amended to read as follows:

"(b)(1) Each accused and the trial counsel are entitled initially to one peremptory challenge of members of the court. The military judge may not be challenged except for cause.

"(2) If exercise of a peremptory challenge reduces the court below the minimum number of members required by section 816 of this title (article 16), the parties shall (notwithstanding section 829 of this title (article 29)) either exercise or waive any remaining peremptory challenge (not previously waived) against the remaining members of the court before additional members are detailed to the court.".

(c) ADDITIONAL PEREMPTORY CHALLENGES WHEN NEW MEMBERS DETAILED.—Such section (article) is further amended by adding at the end the following new subsection:

"(c) Whenever additional members are detailed to the court, and after any challenges for cause against such additional members are presented and decided, each accused and the trail counsel are entitled to one peremptory challenge against members not previously subject to peremptory challenge.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply only to a court-martial convened on or after the date of the enactment of this Act.

PART F—MISCELLANEOUS

SEC. 551. SERVICES BY NOTARIES PUBLIC.

(a) IN GENERAL.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1044 the following new section:

"§ 1044a. Authority to act as notary

"(a) The persons named in subsection (b) have the general powers of a notary public and of a consul of the United States in the performance of all notarial acts to be executed by any of the following:

"(1) Members of any of the armed forces.

"(2) Other persons eligible for legal assistance under the provisions of section 1044 of this title or regulations of the Department of Defense.

"(3) Persons serving with, employed by, or accompanying the armed forces outside the United States and outside Puerto Rico, Guam, and the Virgin Islands.

"(4) Other persons subject to the Uniform Code of Military Justice (chapter 47 of this title) outside the United States.

"(b) Persons with the powers described in subsection (a) are the following:

"(1) All judge advocates on active duty or performing inactive-duty training.

"(2) All civilian attorneys serving as legal assistance officers.

"(3) All adjutants, assistant adjutants, and personnel adjutants on active duty or performing inactive-duty training.

"(4) All other persons on active duty or performing inactive-duty training who are designated by regulations of the armed forces or by statute to have those powers.

"(c) No fee may be paid to or received by any person for the performance of a notarial act authorized in this section.

"(d) The signature of any such person acting as notary, together with the title of that person's offices, is prima facie evidence that the signature is genuine, that the person holds the designated title, and that the person is authorized to perform a notarial act.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1044 the following new item:

"1044a. Authority to act as notary.".

(b) CONFORMING AMENDMENTS.—Section 936 of title 10, United States Code (article 136 of the Uniform Code of Military Justice), is amended—

(1) in subsection (a), by striking out ", and have the general powers" and all that follows through "United States" the third place it appears; and

(2) by striking out subsections (c) and (d).

SEC. 552. MEANING OF THE TERM "OFFICE" UNDER SECTION 2071(b) OF TITLE 18, UNITED STATES CODE.

(a) NONAPPLICABILITY TO RETIRED REGULAR OFFICERS OF THE ARMED FORCES.—Section 2071(b) of title 18, United States Code, is amended by adding at the end the following: "As used in this subsection, the term 'office' does not include the office held by any person as a retired regular officer of the Armed Forces of the United States.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall be effective as of January 1, 1989.

SEC. 553. EXTENSION TO COAST GUARD OF LAW PROVIDING FOR IDENTIFICATION, TREATMENT, AND REHABILITATION OF MEMBERS OF THE ARMED FORCES WHO ARE DEPENDENT ON DRUGS OR ALCOHOL.

(a) EXTENSION OF CURRENT LAW TO COAST GUARD.—Section 1090 of title 10, United States Code, is amended by inserting ", and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy," after "Secretary of Defense".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1990.

SEC. 554. RESTATEMENT OF LAW RELATING TO ANNUAL PERSONNEL STRENGTH AUTHORIZATIONS, ANNUAL MANPOWER REQUIREMENTS REPORTS, AND ANNUAL NATIONAL GUARD AND RESERVE COMPONENT PROCUREMENT REPORT.

(a) RESTATEMENT OF CURRENT LAW.—Chapter 2 of title 10, United States Code, is amended by striking out section 115 and inserting in lieu thereof the following:

"§ 115. Personnel strengths: requirement for annual authorization

"(a) Congress shall authorize personnel strength levels for each fiscal year for each of the following:

"(1) The end strength for each of the armed forces (other than the Coast Guard) for (A) active-duty personnel who are to be paid from funds appropriated for active-duty personnel, and (B) active-duty personnel and full-time National Guard duty personnel who are to be paid from funds appropriated for reserve personnel.

"(2) The end strength for the Selected Reserve of each reserve component of the armed forces.

"(3) The average military training student loads for each of the armed forces (other than the Coast Guard).

"(4) The end strength for civilian personnel for each component of the Department of Defense.

"(b) No funds may be appropriated for any fiscal year to or for—

"(1) the use of active-duty personnel or full-time National Guard duty personnel of any of the armed forces (other than the Coast Guard) unless the end strength for such personnel of that armed force for that fiscal year has been authorized by law;

"(2) the use of the Selected Reserve of any reserve component of the armed forces unless the end strength for the Selected Reserve of that component for that fiscal year has been authorized by law;

"(3) training military personnel in the training categories described in subsection (d) of any of the armed forces (other than the Coast Guard) unless the average student load of that armed force for that fiscal year has been authorized by law; or

"(4) the use of the civilian personnel of any component of the Department of Defense unless the end strength for civilian personnel of that component for that fiscal year has been authorized by law.

"(c) Upon determination by the Secretary of Defense that such action is in the national interest, the Secretary may—

"(1) increase the end strength authorized pursuant to subsection (a)(1)(A) for a fiscal year for any of the armed forces by a number equal to not more than 0.5 percent of that end strength; and

"(2) increase the end strength authorized pursuant to subsection (a)(1)(B) for a fiscal year for any of the armed forces by a number equal to not more than 2 percent of that end strength.

"(d) In counting active-duty personnel for the purpose of the end-strengths authorized pursuant to subsection (a)(1), persons in the following categories shall be excluded:

"(1) Members of the Ready Reserve ordered to active duty under section 673 of this title.

"(2) Members of the Selected Reserve of the Ready Reserve ordered to active duty under section 673b of this title.

"(3) Members of the National Guard called into Federal service under section 3500 or 8500 of this title.

"(4) Members of the militia called into Federal service under chapter 15 of this title.

"(5) Members of reserve components on active duty for training.

"(6) Members of reserve components on active duty for 180 days or less to perform special work.

"(7) Members on full-time National Guard duty for 180 days or less.

"(e) The authorized strength of the Navy under subsection (a)(1) is increased by the authorized strength of the Coast Guard during any period when the Coast Guard is operating as a service in the Navy.

"(f) Authorization under subsection (a)(3) is not required for unit or crew training student loads, but is required for student loads for the following individual training categories:

"(1) Recruit and specialized training.

"(2) Flight training.

"(3) Professional training in military and civilian institutions.

"(4) Officer acquisition training.

"§ 115a. Annual manpower requirements report

"(a) The Secretary of Defense shall submit to Congress, not later than February 15 of each fiscal year, an annual manpower requirements report. The report shall be in writing and shall contain the Secretary's recommendations for—

"(1) the annual active-duty end-strength level for each component of the armed forces for the next fiscal year; and

"(2) the annual civilian personnel end strength level for each component of the Department of Defense for the next fiscal year.

"(b)(1) The Secretary shall include in each report under subsection (a) justification for the strength levels recommended and an explanation of the relationship between the personnel strength levels recommended for that fiscal year and the national security policies of the United States in effect at the time.

"(2) The justification and explanation shall specify in detail for all major military force units (including each land force division, carrier and other major combatant vessel, air wing, and other comparable unit) the following:

"(A) Unit mission and capability.

"(B) Strategy which the unit supports.

"(C) Area of deployment and illustrative areas of potential deployment, including a description of any United States commitment to defend such areas.

"(3) The justification and explanation shall also specify in detail the manpower required to perform the medical missions of each of the armed forces and of the Department of Defense.

"(c) The Secretary shall include in each report under subsection (a) a detailed discussion of the following:

"(1) The manpower required for support and overhead functions within the armed forces and the Department of Defense.

"(2) The relationship of the manpower required for support and overhead functions to the primary combat missions and support policies.

"(3) The manpower required to be stationed or assigned to duty in foreign countries and aboard vessels located outside the territorial limits of the United States, its territories, and possessions.

"(d) In each such report, the Secretary shall also—

"(1) identify, define, and group by mission and by region the types of military bases, installations, and facilities; and

"(2) provide an explanation and justification of the relationship between this base structure and the proposed military force structure, together with a comprehensive identification of base operating support costs and an evaluation of possible alternatives to reduce those costs.

"(e) The Secretary shall also include in each such report, with respect to each armed force under the jurisdiction of the Secretary of a military department, the following:

"(1) The number of positions that require warrant officers or commissioned officers serving on active duty in each of the officer grades during the current fiscal year and the estimated number of such positions for each of the next five fiscal years.

"(2) The estimated number of officers that will be serving on active duty in each grade on the last day of the current fiscal year and the estimated numbers of officers that will be needed on active duty on the last day of each of the next five fiscal years.

"(3) An estimate and analysis for the current fiscal year and for each of the next five fiscal years of gains to and losses from the number of members on active duty in each officer grade, including a tabulation of—

"(A) retirements displayed by year of active commissioned service;

"(B) discharges;

"(C) other separations;

"(D) deaths;

"(E) promotions; and

"(F) reserve and regular officers ordered to active duty.

"(4) An analysis of the distribution of each of the following categories of officers serving on active duty on the last day of the preceding fiscal year by grade in which serving and years of active commissioned service:

"(A) Regular officers.

"(B) Reserve officers on the active-duty list.

"(C) Reserve officers described in clauses (B) and (C) of section 523(b)(1) of this title.

"(D) Officers other than those specified in subparagraphs (A), (B), and (C) serving in a temporary grade.

"(5) An analysis of the number of officers and enlisted members serving on active duty for training as of the last day of the preceding fiscal year under orders specifying an aggregate period in excess of 180 days and an estimate for the current fiscal year of the number that will be ordered to such duty, tabulated by—

"(A) recruit and specialized training;

"(B) flight training;

"(C) professional training in military and civilian institutions; and

"(D) officer acquisition training.".

"(f) In each such report, the Secretary shall also include recommendations for the average student load for each category of training for each of the armed forces for the next three fiscal years. The Secretary shall include in the report justification for, and explanation of, the average student loads recommended.

"(g)(1) In each such report, the Secretary shall also include recommendations for the end strength levels for medical personnel for each component of the armed forces as of the end of the next fiscal year.

"(2) For purposes of this subsection, the term 'medical personnel' includes—

"(A) in the case of the Army, members of the Medical Corps, Dental Corps, Nurse Corps, Medical Service Corps, Veterinary Corps, and Army Medical Specialist Corps;

"(B) in the case of the Navy, members of the Medical Corps, Dental Corps, Nurse Corps, and Medical Service Corps;

"(C) in the case of the Air Force, members designated as medical officers, dental officers, Air Force nurses, medical service officers, and biomedical science officers;

"(D) enlisted members engaged in or supporting medically related activities; and

"(E) such other personnel as the Secretary considers appropriate.

"§ 115b. Annual report on National Guard and reserve component equipment

"(a) The Secretary of Defense shall submit to the Congress each year, not later than February 15, a written report concerning the equipment of the National Guard and the

reserve components of the armed forces for each of the three succeeding fiscal years.

"(b) Each report under this section shall include the following:

"(1) Recommendations as to the type and quantity of each major item of equipment which should be in the inventory of the Selected Reserve of the Ready Reserve of each reserve component of the armed forces.

"(2) A statement of the quantity and average age of each type of major item of equipment which is expected to be physically available in the inventory of the Selected Reserve of the Ready Reserve of each reserve component as of the beginning of each fiscal year covered by the report.

"(3) A statement of the quantity and cost of each type of major item of equipment which is expected to be procured for the Selective Reserve of the Ready Reserve of each reserve component from commercial sources or to be transferred to each such Selected Reserve from the active-duty components of the armed forces.

"(4) A statement of the quantity of each type of major item of equipment which is expected to be retired, decommissioned, transferred, or otherwise removed from the physical inventory of the Selected Reserve of the Ready Reserve of each reserve component and the plans for replacement of that equipment.

"(5) A listing of each major item of equipment required by the Selected Reserve of the Ready Reserve of each reserve component indicating—

"(A) the full war-time requirement of that component for that item, shown in accordance with deployment schedules and requirements over successive 30-day periods following mobilization;

"(B) the number of each such item in the inventory of the component;

"(C) a separate listing of each such item in the inventory that is a deployable item and is not the most desired item;

"(D) the number of each such item projected to be in the inventory at the end of the third succeeding fiscal year; and

"(E) the number of nondeployable items in the inventory as a substitute for a required major item of equipment.

"(6) A narrative explanation of the plan of the Secretary concerned to provide equipment needed to fill the war-time requirement for each major item of equipment to all units of the Selected Reserve, including an explanation of the plan to equip units of the Selected Reserve that are short of major items of equipment at the outset of war.

"(7) For each item of major equipment reported under paragraph (3) in a report for one of the three previous years under this section as an item expected to be procured for the Selected Reserve or to be transferred to the Selected Reserve, the quantity of such equipment actually procured for or transferred to the Selected Reserve.

"(c) Each report under this section shall be expressed in the same format and with the same level of detail as the information presented in the annual Five Year Defense Program Procurement Annex prepared by the Department of Defense.".

(b) FURTHER RESTATEMENTS OF EXISTING LAW.—(1) Chapter 3 of title 10, United States Code, is amended by inserting after section 123 the following new section:

"§ 123a. Suspension of end-strength limitations in time of war or national emergency

"If at the end of any fiscal year there is in effect a war or national emergency, the President may defer the effectiveness of any end-strength limitation with respect to that fiscal year prescribed by law for any military or civilian component of the armed forces or of the Department of Defense. Any such deferral may not extend beyond November 30 of the following fiscal year. The President shall promptly notify Congress of any deferral of an end-strength limitation under this section.".

(2) Such chapter is further amended by inserting after section 129 the following new section:

"§ 129a. General personnel policy

"The Secretary of Defense shall use the least costly form of personnel consistent with military requirements and other needs of the Department. In developing the annual personnel authorization requests to Congress and in carrying out personnel policies, the Secretary shall—

"(1) consider particularly the advantages of converting from one form of personnel (military, civilian, or private contract) to another for the performance of a specified job; and

"(2) include in each manpower requirements report submitted under section 115a of this title a complete justification for converting from one form of personnel to another.".

(c) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 2 of title 10, United States Code, is amended by striking out the item relating to section 115 and inserting in lieu thereof the following new items:

"115. Personnel strengths: requirement for annual authorization.
"115a. Annual manpower requirements report.
"115b. Annual report on National Guard and reserve component equipment.".

(2) The table of sections at the beginning of chapter 3 of such title is amended—

(A) by inserting after the item relating to section 123 the following new item:

"123a. Suspension of end-strength limitations in time of war or national emergency."; and

(B) by inserting after the item relating to section 129 the following new item:

"129a. General personnel policy.".

SEC. 555. AMENDMENTS TO THE UNIFORMED SERVICES FORMER SPOUSES' PROTECTION ACT.

(a) PROHIBITION OF CERTAIN RETROACTIVE COURT ORDERS.—Subsection (c)(1) of section 1408 of title 10, United States Code, is amended by adding at the end the following new sentence: "A court may not treat retired pay as property in any proceeding to divide or partition any amount of retired pay of a member as the property of the member or the member's spouse or former spouse if a final decree of divorce, dissolution, annulment, or legal separation (including a court ordered, ratified, or approved property settlement incident to such decree) affecting the member and the member's spouse or former spouse (A) was issued before June 25, 1981, and (B) did not treat (or reserve jurisdiction to treat) any amount of retired pay of the member as property of the member and the member's spouse or former spouse.".

(b) REDUCTIONS ALLOWED FOR DETERMINATION OF DISPOSABLE RETIRED PAY.—Subsection (a)(4) of such section is amended—

(1) by striking out the semicolon at the end of subparagraph (A) and inserting in lieu thereof "for previous overpayments of retired pay and for recoupments required by law resulting from entitlement to retired pay;"

(2) by striking out subparagraph (B) and inserting in lieu thereof the following:

"(B) are deducted from the retired pay of such member as a result of forfeitures of retired pay ordered by a court-martial or as a result of a waiver of retired pay required by law in order to receive compensation under title 5 or title 38;";

(3) by striking out subparagraphs (C) and (D); and

(4) by redesignating subparagraphs (E) and (F) as subparagraphs (C) and (D), respectively.

(c) CLARIFICATION OF STATUS OF PAYMENTS TO SPOUSES AND FORMER SPOUSES.—Subsection (c)(2) of such section is amended by adding at the end the following new sentence: "Payments by the Secretary concerned under subsection (d) to a spouse or former spouse with respect to a division of retired pay as the property of a member and the member's spouse under this subsection may not be treated as amounts received as retired pay for service in the uniformed services.".

(d) CLARIFICATION OF LIMITS ON PAYMENTS OF RETIRED PAY.—(1) Paragraph (1) of subsection (e) of such section is amended by striking out "payable under subsection (d)" and inserting in lieu thereof "payable under all court orders pursuant to subsection (c)".

(2) Paragraph (4)(B) of such subsection is amended by striking out "the disposable retired or retainer pay payable to such member" and inserting in lieu thereof "the amount of the retired pay payable to such member that is considered under section 462 of the Social Security Act (42 U.S.C. 662) to be remuneration for employment that is payable by the United States".

(e) EFFECTIVE DATES.—(1) The amendment made by subsection (a) shall apply with respect to judgments issued before, on, or after the date of the enactment of this Act. In the case of a judgement issued before the date of the enactment of this Act, such amendment shall not relieve any obligation, otherwise valid, to make a payment that was required to be made before the date of the enactment of this Act.

(2) The amendments made by subsections (b), (c), and (d) apply with only respect to divorces, dissolutions of marriage, annulments, and legal separations that become effective after the end of the 90-day period beginning on the date of the enactment of this Act.

(f) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) by adding at the end of subsection (a) the following new paragraph:

"(7) The term 'retired pay' includes retainer pay."; and

(2) by striking out "or retainer" each place it appears.

(g) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) by inserting "DEFINITIONS.—" in subsection (a) after "(a)";

(2) by inserting "EFFECTIVE SERVICE OF PROCESS.—" in subsection (b) after "(b)";

(3) by inserting "AUTHORITY FOR COURT TO TREAT RETIRED PAY AS PROPERTY OF THE MEMBER AND SPOUSE.—" in subsection (c) after "(c)";

(4) by inserting "PAYMENTS BY SECRETARY CONCERNED TO SPOUSE OR FORMER SPOUSE.—" in subsection (d) after "(d)";

(5) by inserting "LIMITATIONS.—" in subsection (e) after "(e)";

(6) by inserting "IMMUNITY OF OFFICERS AND EMPLOYEES OF UNITED STATES.—" in subsection (f) after "(f)";

(7) by inserting "NOTICE TO MEMBER OF SERVICE OF COURT ORDER ON SECRETARY CONCERNED.—" in subsection (g) after "(g)"; and

(8) by inserting "REGULATIONS.—" in subsection (h) after "(h)".

SEC. 556. AUTHORITY FOR COMMISSIONED OFFICERS TO SERVE ON INDEPENDENT SCHOOL BOARDS.

Section 973 of title 10, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by insertng after subsection (b) the following new subsection (c):

"(c) An officer to whom subsection (b) applies may seek and hold nonpartisan civil office on an independent school board that is located exclusively on a military reservation.".

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

PART A—PAY AND ALLOWANCES

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1991.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1991 shall not be made.

(b) INCREASE IN BASIC PAY, BAS, AND BAQ.—Effective on January 1, 1991, the rates of basic pay, basic allowance for subsistence, and basic allowance for quarters of members of the uniformed services are increased by 4.1 percent.

SEC. 602. MODIFICATION OF LIMITATION ON ADJUSTMENTS IN VARIABLE HOUSING ALLOWANCE.

Section 403a of title 37, United States Code, is amended—

(1) in subsection (c)(2), by striking out ", except that the monthly amount" and all that follows through the period at the end and inserting in lieu thereof a period; and

(2) by adding at the end the following new subsection:

"(f) The monthly rate of a variable housing allowance for members of the uniformed services in the same pay grade and dependency status in an area may not be reduced pursuant to subsection (c)(2), a redetermination of median monthly costs of housing under that subsection, or any other law to the extent that the total amount of monthly basic pay, basic allowance for quarters, basic allowance for subsistence, and variable housing allowance for that grade and status is reduced, as a result of such a reduction in variable housing allowance, below the monthly total of those items of pay and allowances for the month preceding the effective date of the most recent increase in the rate of basic pay for that grade.".

PART B—BONUSES AND SPECIAL AND INCENTIVE PAY

SEC. 611. PHYSICIAN SPECIAL PAY.

(a) REMOVAL OF RESTRICTION ON INCENTIVE SPECIAL PAY FOR FLAG AND GENERAL OFFICERS.—Section 302(b)(1) of title 37, United States Code, is amended by striking out "subsection (a)(2)" and inserting in lieu thereof "subsection (a)".

(b) LIMITATION ON TERM OF ACTIVE-DUTY AGREEMENTS.—Active-duty agreements entered into during fiscal year 1991 under section 302(c) of title 37, United States Code, shall be limited to a period of one year.

SEC. 612. EXTENSION OF NURSE INCENTIVE PROGRAMS.

(a) NURSE ACCESSION BONUS.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "1991," and inserting in lieu thereof "1992,".

(b) SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "1991," and inserting in lieu thereof "1992,".

(c) NURSE CANDIDATES.—Section 2130a of title 10, United States Code, is amended—

(1) in subsection (a)(1), by striking out "1991," and inserting in lieu thereof "1992,"; and

(2) in subsections (a)(2) and (b)(1), by inserting "by the Secretary selecting the person" after "this title".

PART C—MISCELLANEOUS

SEC. 621. DELAY IN EFFECTIVE DATE OF OPTIONAL HIGH-TIER SURVIVOR BENEFIT PLAN COVERAGE AND OPEN ENROLLMENT PERIOD.

The Military Survivor Benefits Improvement Act of 1989 (title XIV of Public Law 101-189) is amended—

(1) in section 1404, by striking out "October 1 1991" in subsections (a)(1), (a)(2), and (b)(3) and inserting in lieu thereof "October 1, 1992"; and

(2) in section 1405, by striking out "October 1, 1991" in subsection (f) and inserting in lieu thereof "October 1, 1992".

TITLE VII—HEALTH CARE PROVISIONS

PART A—HEALTH CARE SERVICES

SEC. 701. PROVISION OF PAP SMEARS AND MAMMOGRAMS UNDER CHAMPUS.

(a) CARE AUTHORIZED.—Section 1079(a)(2) of title 10, United States Code, is amended by inserting before the semicolon the following: ", except that pap smears and mammograms may be provided on a diagnostic or preventive basis".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1990, and shall apply to the provision of pap smears and mammograms under section 1079 or 1086 of title 10, United States Code, on or after that date.

SEC. 702. MENTAL HEALTH SERVICES.

(a) REDUCTION IN AUTHORIZED INPATIENT CARE.—Subsection (a)(6) of section 1079 of title 10, United States Code, is amended by striking out "60 days in any year;" and inserting in lieu thereof "30 days in any year or, in the case of inpatient mental health services provided as residential treatment care, 90 days in any year;".

(b) MANAGEMENT OF MENTAL HEALTH SERVICES.—Subsection (i) of such section is amended—

(1) by redesignating paragraphs (1), (2), (3), and (4) as subparagraphs (A), (B), (C), and (D), respectively;

(2) in subparagraph (B) (as redesignated), by inserting before the semicolon the following: "pursuant to a waiver authorized by the Secretary of Defense because the patient is a spouse or child of a member referred to in subsection (a) who is stationed outside of the United States";

(3) by inserting "(1)" after "(i)"; and

(4) by adding at the end the following new paragraphs:

"(2) Notwithstanding subsection (b) or section 1086(b) of this title, the Secretary of Defense (after consulting with the other administering Secretaries) may prescribe separate payment requirements (including deductibles, copayments, and catastrophic limits) for the provision of mental health services to persons covered by this section or section 1086 of this title. The payment requirements may vary for different catagories of covered beneficiaries, by type of mental health service provided, and based on the location of the covered beneficiaries.

"(3) Except in the case of an emergency, the Secretary of Defense shall require preadmission authorization before inpatient mental health services may be provided to persons covered by this section or section 1086 of this title. In the case of the provision of emergency inpatient mental health services, approval for the continuation of such services shall be required within 72 hours after admission.".

(c) PLAN FOR REDUCING MENTAL HEALTH SERVICES COSTS.—Not later than February 1, 1991, the Secretary of Defense shall submit to the Congress a plan to reduce the costs incurred by the Department of Defense to provide mental health services under the Civilian Health and Medical Program of the Uniformed Services. The plan shall include a legislative proposal to implement the recommendation of the Secretary.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1991, and shall apply with respect to mental health services provided under section 1079 or 1086 of title 10, United States Code, on or after that date.

SEC. 703. REPEAL OF PROHIBITION ON PAYMENT FOR SERVICES OF PASTORAL COUNSELORS, FAMILY AND CHILD COUNSELORS, AND MARITAL COUNSELORS AS A MEDICAL EXPENSE.

(a) REPEAL OF PROHIBITION.—Section 1079(a)(8) of title 10, United States Code, is amended by striking out "may not be provided" and all that follows through the semicolon and inserting in lieu thereof the following: "may be provided consistent with such rules as may be prescribed by the Secretary of Defense, including credentialing criteria and a requirement that the counselor accept payment under this section as full payment for all services provided;".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1990, and shall apply with respect to the services of pastoral counselors, family and child counselors, and marital counselors provided under section 1079 or 1086 of title 10, United States Code, on or after that date.

PART B—HEALTH CARE MANAGEMENT

SEC. 711. LIMITATION ON REDUCTIONS IN MEDICAL PERSONNEL.

(a) LIMITATION ON REDUCTION.—The Secretary of Defense may not reduce the number of medical personnel below the number of such medical personnel serving on September 30, 1989, unless the Secretary of Defense—

(1) certifies to the Congress that—

(A) the number of such personnel being reduced is excess to the current and projected needs of the military departments; and

(B) such reduction will not result in an increase in the cost of health care services provided under the Civilian Health and Medical Program of the Uniformed Services; and

(2) in the case of military personnel, includes in the certification the information specified in subsection (b).

(b) INFORMATION REQUIRED.—A certification made by the Secretary of Defense in compliance with subsection (a)(2) shall include the following:

(1) The strength levels for the individual category of medical personnel involved in the reduction as of September 30, 1989.

(2) The projected requirements of the Department of Defense over the five-fiscal year period following the fiscal year in which the certification is submitted for medical personnel in the category of medical personnel involved in the reduction.

(3) The strength level recommended for each component of the Armed Forces for the most recent fiscal year for which the Secretary submitted recommendations pursuant to section 115(b)(1)(D) of title 10, United States Code, for personnel in the category of medical personnel involved in the reduction.

(c) DEFINITIONS.—For purposes of this section:

(1) The term "medical personnel" has the meaning given that term in section 115a(g)(2) of title 10, United States Code (as added by section 554), except that such term includes civilian personnel of the Department of Defense assigned to military medical facilities.

(2) The term "category of medical personnel" means—

(A) each corps referred to in subparagraphs (A) and (C) of section 115a(g)(2) of such title (as added by section 554);

(B) each designation referred to in subparagraph (B) of such section;

(C) the enlisted personnel referred to in subparagraph (D) of such section; and

(D) other medical personnel designated as medical personnel by the Secretary pursuant to subparagraph (E) of such section, if any.

SEC. 712. INCREASE IN ANNUAL DEDUCTIBLES UNDER CHAMPUS FOR CERTAIN COVERED BENEFICIARIES.

(a) DEPENDENTS COVERED BY SECTION 1079.—(1) Subsection (b)(2) of section 1079 of title 10, United States Code, is amended—

(A) by striking out "$50" and inserting in lieu thereof "$150"; and

(B) by adding at the end the following new sentence: "Notwithstanding the preceding sentence, in the case of a dependent of an enlisted member in a pay grade below E-5, the initial deductible each fiscal year under this paragraph shall be limited to $50.".

(2) Subsection (b)(3) of such section is amended by striking out "$100" and inserting in lieu thereof "$300 (or in the case of the family group of an enlisted member in a pay grade below E-5, the first $100)".

(b) OTHER COVERED BENEFICIARIES.—(1) Subsection (b)(1) of section 1086 of such title is amended by striking out "$50" and inserting in lieu thereof "$150".

(2) Subsection (b)(2) of such section is amended by striking out "$100" and inserting in lieu thereof "$300".

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply to fiscal years beginning after September 30, 1990.

SEC. 713. COLLECTION FROM THIRD-PARTY PAYERS OF REASONABLE COSTS OF HEALTH CARE SERVICES INCURRED ON BEHALF OF RETIRED PERSONS AND DEPENDENTS.

(a) COLLECTION FOR OUTPATIENT CARE.—(1) Subsections (a)(1), (a)(2), (c), (f), and (g) of section 1095 of title 10, United States Code, are each amended by striking out "inpatient hospital care" and inserting in lieu thereof "health care services".

(b) COMPUTATION OF REASONABLE COSTS.—Subsection (f) of such section is further amended—

(1) by striking out "or" at the end of paragraph (1);

(2) by redesignating paragraph (2) as paragraph (4); and

(3) by inserting after paragraph (1) the following new paragraphs:

"(2) all-inclusive per visit rates;

"(3) diagnosis-related groups; or".

(c) ADDITIONAL THIRD-PARTY PAYERS.—Such section is further amended by striking out subsection (h) and inserting in lieu thereof the following new subsections:

"(h) In this section:

"(1) The term 'third-party payer' means an entity that provides an insurance, medical service, or health plan by contract or agreement, including an automobile liability insurance or no fault insurance carrier.

"(2) The term 'insurance, medical service, or health plan' includes a insurance plan described as Medicare supplemental insurance.

"(i)(1) In the case of a third-party payer that is an automobile liability insurance or no fault insurance carrier, the right of the United States to collect under this section shall extend to health care services provided to a person entitled to health care under section 1074(a) of this title.

"(2) In cases in which a tort liability is created upon some third person, collection from a third-party payer that is an automobile liability insurance or no fault insurance carrier shall be governed by the provisions of Public Law 87-693 (42 U.S.C. 2651 et seq.).".

(d) TECHNICAL AND CLERICAL AMENDMENTS.—(1) Such section is further amended—

(A) in subsection (a)(1) (as amended by subsection (a)), by striking out "covered by section 1074(b), 1076(a), or 1076(b) of this title" and inserting in lieu thereof "covered beneficiary"; and

(B) in subsection (a)(2) (as amended by subsection (a)), by striking out "person covered by section 1074(b), 1076(a), or 1076(b) of this title" and inserting in lieu thereof "covered beneficiary".

(2) The heading of such section is amended to read as follows:

"§ 1095. Health care services incurred on behalf of covered beneficiaries: collection from third-party payers".

(2) The item relating to such section in the table of sections at the beginning of chapter 55 of such title is amended to read as follows:

"1095. Health care services incurred on behalf of covered beneficiaries: collection from third-party payers.".

(e) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to health care services provided in a medical facility of the uniformed services after the date of the enactment of this Act, but not with respect to collection under any insurance, medical service, or health plan agreement entered into before the date of the enactment of this Act that the Secretary of Defense determines clearly excludes payment for such services. Such an exception shall apply until the amendment or renewal of such agreement after that date.

SEC. 714. INCREASE IN THE PAY LIMIT FOR PERSONAL SERVICES CONTRACTS FOR DIRECT HEALTH CARE PROVIDERS.

Section 1091(b) of title 10, United States Code, is amended by striking out "basic pay and allowances authorized by chapters 3 and 7 of title 37 for a commissioned officer" and inserting in lieu thereof "basic pay, special and incentive pays and bonuses, and allowances authorized by chapters 3, 5, and 7 of title 37 for a commissioned officer with comparable professional qualifications".

SEC. 715. CONDITIONS ON EXPANSION OF CHAMPUS REFORM INITIATIVE.

(a) CERTIFICATION OF COST-EFFECTIVENESS.—The Secretary of Defense may not proceed with the proposed expansion of the CHAMPUS reform initiative underway in the States of California and Hawaii until not less than 90 days after the date on which the Secretary certifies to the Congress that—

(1) such CHAMPUS reform initiative has been demonstrated to be more cost-effective than the Civilian Health and Medical Program of the Uniformed Services or any other health care demonstration program being conducted by the Secretary;

(2) the contractor selected to underwrite the delivery of health care under the CHAMPUS reform initiative will accomplish the expansion without the disruption of services to beneficiaries under the Civilian Health and Medical Program of the Uniformed Services or delays in the processing of claims; and

(3) such contractor is currently, and projected to remain, financially able to underwrite the CHAMPUS reform initiative.

(b) REPORT ON CERTIFICATION.—Not later than 30 days after the date on which the Secretary of Defense submits the certification required by subsection (a), the Comptroller General and the Director of the Congressional Budget Office shall jointly submit to the Congress a report evaluating such certification.

(c) CHAMPUS REFORM INITIATIVE DEFINED.—For purposes of this section, the term "CHAMPUS reform initiative" has the meaning given that term in section 702(d)(1) of the Department of Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 1073 note).

SEC. 716. LIMITATION ON AWARDING CONTRACT FOR FULL PRODUCTION OF MEDICAL INFORMATION SYSTEMS.

(a) LIMITATION.—Subsection (g) of section 704 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 100 Stat. 3900), as added by section 733(d) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1122), is amended by striking out "until—" and all that follows through the period and inserting in lieu thereof the following: "until the later of—

"(1) January 1, 1992; and

"(2) 30 days after the date of the submission of the report required under subsection (f).".

(b) REPORT OF COMPTROLLER GENERAL.—Subsection (f) of such section is amended—

(1) by striking out "and" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following:

"(3) whether the operational test and evaluation phase was conducted at a sufficient number of sites and with sufficient software in operation to warrant a full production decision.".

SEC. 717. UNIFORMED SERVICES TREATMENT FACILITIES.

(a) DELAY OF TERMINATION EFFECTIVE DATE.—Subsection (e) of section 1252 of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d), is amended by striking out "1990" and inserting in lieu thereof "1991".

(b) AUTHORIZATION OF APPROPRIATIONS; RECORDS.—Such section is further amended—

(1) by redesignating subsection (f) as subsection (h); and

(2) by inserting after subsection (e) the following new subsections:

"(f) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to carry out this section and section 911 of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c), $152,900,000 for fiscal year 1991.

"(g) EXAMINATION OF RECORDS.—The Comptroller General shall have the right to examine all records (including books, documents, and other data) of a medical facility deemed to be a facility of the uniformed services under section 911 of that Act or designated as a facility of the uniformed services under subsection (c).".

(c) AUDIT REQUIRED.—The Comptroller General shall conduct an audit of civilian medical facilities deemed to be facilities of the uniformed services under section 911 of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c), during fiscal year 1990 to determine the amount of funds expended by such facilities for lobbying during fiscal years 1989 and 1990 and the source of such funds. A report describing the results of such audit shall be submitted to the Congress not later than May 1, 1991.

SEC. 718. REQUIREMENTS PRIOR TO TERMINATION OF MEDICAL SERVICES AT MILITARY MEDICAL TREATMENT FACILITIES.

(a) PROHIBITION.—The Secretary of a military department may not take any action to close a military medical facility under the jurisdiction of that Secretary or reduce the level of care provided at such a medical facility until 90 days after the date on which the Secretary submits to Congress a report described in subsection (b).

(b) ELEMENTS OF REPORT.—A report referred to in subsection (a) shall include the following:

(1) The reason for the action.

(2) The projected savings to the Government from the action.

(3) The impact on CHAMPUS and MEDICARE costs in the catchment area of the facility.

(4) The impact on beneficiary cost-sharing.

(5) An examination of alternative ways to provide care to the persons served by the facility that the Secretary determines would not result in adverse impact to such persons.

(6) An explanation of how care will be provided for and the cost, if any, to those persons to receive such care.

(c) EXCEPTION.—Subsection (a) shall not apply with respect to the closing of a military medical facility (or the reduction of the level of care provided at a military medical facility) as a result of a base closure.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

PART A—ACQUISITION MANAGEMENT IMPROVEMENT

SEC. 801. AUTHORITY GOVERNING OPERATION OF WORKING-CAPITAL FUNDED ACTIVITIES.

Section 2208(i) of title 10, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by striking out paragraphs (1) and (2) and inserting in lieu thereof the following new paragraphs:

"(1) Regulations under subsection (h) shall authorize a working-capital funded Army industrial facility (including a Department of the Army arsenal) that manufactures large caliber cannons, gun mounts, recoil mechanisms, ammunition, munitions, or components thereof to sell manufactured articles or services to a person outside the Department of Defense if—

"(A) in the case of an article, the article is sold to a United States manufacturer, assembler, developer, or other concern—

"(i) for use in developing new products;

"(ii) for incorporation into items to be sold to, or to be used in a contract with, an agency of the United States;

"(iii) for incorporation into items to be sold to, or to be used in a contract with, or to be used for purposes of soliciting a contract with, a friendly foreign government; or

"(iv) for use in commercial products;

"(B) in the case of an article, the purchaser is determined by the Department of Defense to be qualified to carry out the proposed work involving the article to be purchased;

"(C) the article or service is not readily available to the purchaser from a commercial source in the United States in a timely manner that meets the requirements of the purchaser;

"(D) the sale is to be made on a basis that does not interfere with performance of work by the facility for the Department of Defense or for a contractor of the Department of Defense; and

"(E) in the case of services, the services are related to an article authorized to be sold under this subsection and are to be performed in the United States for the purchaser.

"(2) The regulations shall authorize payment to be made by a purchaser of articles or services authorized by paragraph (1) using the payment method known as advance incremental funding.

"(3) Such regulations under subsection (h) shall provide that the authority to enter into a contract to sell articles or services authorized by in paragraph (1) may be exercised (subject to the authority, direction, and control of the Secretary of the Army) at the level of the commander of the major subordinate command of the Army with responsibility over the facility concerned.".

SEC. 802. PROCEDURES FOR CONTRACT SOLICITATION AND EVALUATION.

(a) STATEMENT OF SIGNIFICANT FACTORS.—(1) Clause (i) of section 2305(a)(2)(A) of title 10, United States Code, is amended—

(A) by inserting "(and significant subfactors)" after "significant factors"; and

(B) by striking out "(including cost or price)" and inserting in lieu thereof the following: "(including cost or price, cost- or price-related factors, and noncost- or nonprice-related factors)".

(2) Clause (ii) of such section is amended by inserting "(and subfactors)" after "those factors".

(b) STATEMENT RELATING TO DISCUSSIONS.—Subclause (I) of section 2305(a)(2)(B)(ii) of title 10, United States Code, is amended to read as follows:

"(I) a statement that the proposals are intended to be evaluated with, and award made after, discussions with the offerors, or a statement that the proposals are intended to be evaluated, and award made, without discussions with the offerors (other than discussions conducted for the purpose of minor clarification), unless discussions are determined to be necessary; and".

(c) RELATIVE IMPORTANCE OF EVALUATION FACTORS.—Paragraph (3) of section 2305(a) of title 10, United States Code, is amended by striking out "the quality of the services" and inserting in lieu thereof "the evaluation factors and subfactors, including the quality of the product or services".

(d) EVALUATION OF SEALED BIDS AND COMPETITIVE PROPOSALS.—(1) Paragraph (1) of section 2305(b) of title 10, United States Code, is amended by inserting "and make an award" after "competitive proposals".

(2) Paragraph (3) of such section is amended in the second sentence by inserting "in accordance with paragraph (1)" after "shall evaluate the bids".

(3) Paragraph (4) of such section is amended—

(A) in subparagraph (A), by striking out "competitive proposals" and all that follows and inserting in lieu thereof "competitive proposals in accordance with paragraph (1) and may award a contract—

"(i) after discussions with the offerors, provided that written or oral discussions have been conducted with all responsible offerors who submit proposals within the competitive range; or

"(ii) based on the proposals received, without discussions with the offerors (other than discussions conducted for the purpose of minor clarification) provided that the solicitation included a statement that proposals are intended to be evaluated, and award made, without discussions, unless discussions are determined to be necessary.";

(B) by striking out subparagraphs (B) and (C);

(C) by redesignating subparagraph (D) as subparagraph (B); and

(D) by redesignating subparagraph (E) as subparagraph (C) and in that subparagraph striking out "Subparagraph (D)" and inserting in lieu thereof "Subparagraph (B)".

(e) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), the amendments made by this section shall apply with respect to solicitations for sealed bids or competitive proposals issued after the end of the 120-day period beginning on the date of the enactment of this Act.

(2) The Secretary of Defense may require the amendments made by this section to apply with respect to solicitations issued before the end of the period referred to in paragraph (1). The Secretary of Defense shall publish in the Federal Register notice of any such earlier effective date.

SEC. 803. ADDITIONAL WAIVER FOR SUBMISSION OF CERTIFIED COST OR PRICING DATA.

Subsection (b) of section 2306a of title 10, United States Code, is amended--

(1) by striking out "or" at the end of paragraph (1);

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new paragraph:

"(3) in a case in which the price of the contract or subcontract is expected to exceed $100,000 but be not more than $500,000 and the head of the agency (acting through the contracting officer) determines, in accordance with criteria established by the Secretary of Defense, that the requirements of this section may be waived and states in writing his reasons for such determination.".

SEC. 804. REPEAL OF REQUIREMENTS RELATING TO COMMERCIAL PRICING FOR SPARE OR REPAIR PARTS.

(a) REPEAL.—Section 2323 of title 10, United States Code, is hereby repealed.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 137 of such title is amend-

ed by striking out the item relating to section 2323.

SEC. 805. COMPETITIVE ALTERNATIVE SOURCE REQUIREMENT.

Section 2438 of title 10, United States Code, is amended to read as follows:

"§ 2438. Major programs: competitive alternative sources

"(a)(1) Before full-scale development under a major program begins, the Secretary of Defense shall prepare an acquisition strategy for the program.

"(2) The Secretary shall ensure that contracts for each major program and each major subsystem under such major program are awarded in accordance with the acquisition strategy for such program.

"(b)(1) The acquisition strategy prepared under subsection (a)(1) shall ensure that the Secretary will have the option to award contracts to competitive alternative sources for major programs and for major subsystems under the major programs throughout the period from the beginning of full-scale development through the end of production when the establishment and maintenance of two or more sources—

"(A)(i) would likely reduce technological risks associated with the program;

"(ii) would likely result in reduced costs for such program; or

"(iii) would result in an improvement in design commensurate with the additional cost; and

"(B) would not result in unacceptable delays in fulfilling the needs of the Department of Defense; and

"(C) is otherwise in the national security interests of the United States.

"(2) In carrying out this subsection, the Secretary may provide that the requirement for competitive alternative sources of a major program or subsystem is satisfied even though the sources for that major program or subsystem do not develop or produce identical systems if the systems developed serve similar functions and compete effectively with each other.

"(c) In this section:

"(1) The term 'major program', means a major defense acquisition program, as such term is defined in section 2430 of this title.

"(2) The term 'major subsystem', with respect to a major program, means a subsystem of the system developed under the program, that is purchased directly by the United States and for which—

"(A) the amount for research, development, test, and evaluation is 10 percent or more of the amount specified in section 2430(2) of this title as the research, development, test, and evaluation funding criterion for identification of a major defense acquisition program; or

"(B) the amount for production is 10 percent or more of the amount specified in section 2430(2) of this title as the production funding criterion for identification of a major defense acquisition program.".

SEC. 806. SOLICITATION AREA POLICY FOR WEST COAST NAVAL RESERVE FORCE SHIPS.

Subsection (d) of section 7299a of title 10, United States Code, is amended in paragraph (3) by striking out "apply—" and all that follows through the period and inserting in lieu thereof "apply in the case of voyage repairs.".

SEC. 807. MEMBERSHIP ON FEDERAL ACQUISITION REGULATORY COUNCIL.

Paragraph (2) of section 25(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(b)(2)) is amended by inserting before the semicolon at the end of clause (A) the following: "or, in the case of the Secretary of Defense, an official at an organizational level not lower than an Assistant Secretary of Defense within the Office of the Under Secretary of Defense for Acquisition".

PART B—MODIFICATIONS TO EXISTING LAW

SEC. 811. CLARIFICATION OF SMALL BUSINESS CONCERNS COVERED BY SECTION 1207.

Section 1207(a) of the Department of Defense Authorization Act, 1987 (Public Law 99-661; 10 U.S.C. 2301 note), is amended by amending paragraph (1) to read as follows:

"(1) small business concerns, including mass media and advertising firms, owned and controlled by socially and economically disadvantaged individuals (as such term is used in section 8(d) of the Small Business Act (15 U.S.C. 637(d) and regulations issued under that section, the majority of the earnings of which directly accrue to such individuals;".

SEC. 812. ADDITIONAL PROHIBITION ON CONVICTED INDIVIDUALS.

(a) ADDITIONAL PROHIBITIONS ON INDIVIDUALS CONVICTED OF FELONIES RELATED TO DEFENSE CONTRACTS.—Paragraph (1) of section 2408(a) of title 10, United States Code, is amended—

(1) by inserting "or any subcontract of a defense contract" before the period at the end of subparagraph (A);

(2) by inserting "or any subcontractor awarded a contract by a defense contractor" before the period at the end of subparagraph (B);

(3) by inserting "or any subcontractor awarded a contract by a defense contractor" before the period at the end of subparagraph (C); and

(4) by inserting "or subcontract of a defense contract" before the period at the end of subparagraph (D).

(b) RELATED CRIMINAL PENALTY.—Section 2408(b) of such title is amended by inserting "or subcontractor" after "contractor" each place it appears.

SEC. 813. DISCLOSURE REQUIREMENT RELATING TO SUBCONTRACTORS.

Section 2393 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d) The Secretary of Defense shall prescribe in regulations a requirement that each contractor under contract with the Department of Defense shall require each contractor to whom it awards a contract (in this section referred to as a subcontractor) to disclose to the contractor whether the subcontractor is or is not, as of the time of the award of the subcontract, debarred, suspended, or proposed for debarment by the Federal government from Government contracting or subcontracting. The requirement shall apply to any subcontractor whose subcontract is in an amount above the small purchase amount established in section 2304(g) of this title.".

SEC. 814. EXPANSION OF PROCUREMENT TECHNICAL ASSISTANCE PROGRAM.

(a) TECHNICAL ASSISTANCE RELATING TO PROCUREMENT WITH OTHER FEDERAL DEPARTMENTS AND AGENCIES.—(1) Chapter 142 of title 10, United States Code, is amended—

(A) by redesignating section 2417 as section 2419; and

(B) by inserting after section 2416 the following new sections:

"§ 2417. Technical assistance relating to procurement with other Federal departments and agencies

"The procurement technical assistance furnished by eligible entities assisted by the Department of Defense under this section may include technical assistance with respect to procurement with Federal departments and agencies other than the Department of Defense.

"§ 2418. Administrative costs

"Of the amount appropriated for a fiscal year for operation and maintenance for the procurement technical assistance program authorized by this chapter, an amount not exceeding three percent of such amount shall be available to the Defense Logistics Agency to defray the expenses of administering the provisions of this chapter during such fiscal year.".

(2) The table of sections at the beginning of such chapter is amended by striking out the item relating to section 2417 and inserting in lieu thereof the following:

"2417. Technical assistance relating to procurement with other Federal departments and agencies.
"2418. Administrative costs.
"2419. Regulations.".

(b) EFFECTIVE DATES.—(1) Section 2417 of title 10, United States Code, as added by subsection (a), shall apply with respect to contracts with eligible entities entered into after October 1, 1990.

(2) Section 2418 of title 10, United States Code, as added by subsection (a), shall apply with respect to fiscal year 1991 and each fiscal year thereafter.

SEC. 815. REQUIREMENT TO USE DOMESTICALLY MANUFACTURED CARBONYL IRON POWDERS.

(a) LIMITATION.—Section 2507 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) CARBONYL IRON POWDERS.—(1) The Secretary of Defense shall require that only domestically manufactured carbonyl iron powders may be used in a system or item procured by or provided to the Department of Defense.

"(2) The Secretary of Defense may waive the restriction required by paragraph (1) if the Secretary certifies that such a restriction is not in the national interest.

"(3) After September 30, 1994, the Secretary may terminate the restriction required under paragraph (1) if the Secretary determines that continuing the restriction is not in the national interest.

"(4) In this subsection:

"(A) The term 'domestically manufactured' means manufactured in a facility located in the United States or Canada by an entity more than 50 percent of which is owned or controlled by citizens of the United States or Canada.

"(B) The term 'carbonyl iron powders' means powders or particles produced from the thermal decomposition of iron penta carbonyl.".

(b) EFFECTIVE DATE.—Section 2507(e) of title 10, United States Code, as added by subsection (a), shall apply with respect to systems or items procured by or provided to the Department of Defense after the date of the enactment of this Act.

PART C—PROVISIONS RELATING TO WHISTLEBLOWERS

SEC. 821. ADVISORY COMMITTEE ON MENTAL HEALTH EVALUATION PROTECTIONS.

(a) REQUIREMENT.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall establish an advisory committee to carry out the functions described in subsection (d).

(b) MEMBERSHIP.—The advisory committee shall include not fewer than 12 members, including the following:

(1) Three board-certified psychiatrists who are officers of the Armed Forces, one of whom shall be an officer in the Medical Corps of the Army, one of whom shall be an officer in the Medical Corps of the Navy, and one of whom shall be designated as a medical officer in the Air Force.

(2) One board-certified psychiatrist who is a civilian not employed by the Department of Defense, with expertise in procedures for the psychiatric commitment of civilian adults.

(3) Three licensed clinical psychologists who are officers of the Armed Forces. One of the psychologists shall be an officer in the Medical Service Corps of the Army, one shall be an officer in the Medical Service Corps of the Navy, and one shall be a biomedical sciences officer in the Air Force.

(4) One clinical psychologist who is a civilian not employed by the Department of Defense and who has been awarded a diploma as a Diplomate in Psychology by the American Board of Professional Psychology.

(5) Three judge advocates, one each from the Army, the Navy, and the Air Force, with expertise in pretrial restraint and other procedures associated with the mental health evaluation of individuals subject to the Uniform Code of Military Justice.

(6) An attorney who is a civilian not employed by the Department of Defense, with expertise in legal procedures associated with the psychiatric commitment of civilian adults.

(7) Such other civilian officials (employed by the Department of Defense or otherwise employed) and members of the Armed Forces as the Secretary considers appropriate.

(c) CHAIRMAN.—The Secretary of Defense shall appoint a chairman of the advisory committee from among the members of the committee.

(d) FUNCTIONS.—(1) The advisory committee shall develop regulations to recommend to the Secretary on procedural protections that should be afforded to any member of the Armed Forces who is referred by a commanding officer for a mental health evaluation by a mental health professional. The regulations shall provide that such procedural protections shall be uniform throughout the Department of Defense. The recommended regulations shall include different procedural protections according to whether the evaluations are to be carried out on an outpatient or inpatient basis and whether, based on the results of the evaluation, the member is committed to a mental health treatment facility. In developing the regulations with respect to procedural protections for evaluations conducted on an inpatient basis, the committee shall take into account any guidelines regarding psychiatric hospitalization of adults prepared by professional civilian mental health organizations.

(2) The advisory committee shall identify any special or additional procedural protections that should be afforded to any member who is referred for a mental health evaluation following communication with a member of Congress or an Inspector General as described in section 1034 of title 10, United States Code.

(3) The advisory committee shall evaluate and recommend whether there should be criminal penalties for the improper referral of a member of the armed forces for a mental health evaluation.

(4) The advisory committee shall evaluate and recommend whether referrals for, or involuntary hospitalization for, mental health evaluations in violation of the procedural protections contained in the regulations recommended by the advisory committee should be considered to be unfavorable personnel actions under section 1034 of title 10, United States Code.

(e) DEFINITIONS.—In this section:

(1) The term "mental health evaluation" means a psychiatric examination or evaluation, a psychological examination or evaluation, an examination for psychiatric or psychological fitness for duty, or any other means of assessing a member's state of mental health.

(2) The term "mental health professional" means a psychiatrist, a psychologist, a person with a master's degree in social work, or any other individual who conducts mental health evaluations for the Department of Defense.

(f) REPORTS.—(1) Not later than six months after the date of the enactment of this Act, the advisory committee shall submit to the Secretary of Defense a report containing the recommended regulations and such other information as the committee considers appropriate.

(2) Not later than 30 days after receipt of the report under paragraph (1), the Secretary of Defense shall submit to Congress the advisory committee's report, along with such additional comments and recommendations by the Secretary as the Secretary considers appropriate.

(g) IMPLEMENTATION.—Not later than 90 days after the Secretary of Defense submits his report to Congress under subsection (f)(2), the Secretary, in consultation with the Committees on Armed Services of the Senate and House of Representatives, shall initiate discussions concerning the implementation of the recommendations made by the advisory committee and the Secretary of Defense in the reports submitted under subsection (f).

SEC. 822. DEFENSE CONTRACTOR REQUIREMENTS WITH RESPECT TO EMPLOYEES WHO COMMUNICATE WITH GOVERNMENT OFFICIALS.

(a) DEFENSE CONTRACTOR REQUIREMENT.—(1) Section 2409 of title 10, United States Code, is amended to read as follows:

"§ 2409. Communicating with Government officials: defense contractor requirement to prohibit retaliatory personnel actions

"(a) REGULATIONS.— The Secretary shall promulgate regulations containing the provisions described in subsections (b), (c), and (d) and such other provisions as the Secretary considers necessary to administer the regulations. Such regulations shall require that each contract entered into by a contractor and the Department of Defense for an amount above the small purchase amount established in section 2304(g) of this title contain a clause requiring the contractor to comply with such regulations.

"(b) PROHIBITION.—The regulations promulgated under this section shall prohibit a defense contractor from discharging or otherwise discriminating against any employee with respect to such employee's compensation or terms and conditions of employment because the employee (or any person acting pursuant to a request of the employee) discloses to an appropriate Government official information concerning the contract between the defense contractor and the Department of Defense which the employee reasonably believes evidences—

"(1) a violation of any Federal law or regulation relating to Department of Defense procurement or the subject matter of the contract, or

"(2) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.

"(c) COMPLAINT AND INVESTIGATION.—The regulations promulgated under this section shall include the following provisions:

"(1) Any employee who believes that he or she has been discharged or otherwise discriminated against by any defense contractor in violation of regulations promulgated under subsection (b) may file (or have any person file on behalf of the complainant) a complaint with the Secretary alleging such discharge or discrimination. Any such complaint may not be filed more than 180 days after the date on which the violation is alleged to have occurred or to have been discovered.

"(2) A complaint filed under paragraph (1) must contain a certification, signed by the complainant, which states specifically the nature of the alleged discriminatory act and of the disclosure giving rise to such act. The certification also must contain one of the following statements:

"(A) All attempts at resolution through an internal company grievance procedure have been exhausted.

"(B) The company grievance procedure was not used because the complainant reasonably believed it to be ineffectual or to expose the complainant to employer reprisals.

"(C) The company has no company grievance procedure.

"(3) Upon receipt of a complaint filed under paragraph (1), the Secretary shall serve notice of the complaint on the defense contractor named in the complaint and the Secretary of the military department which entered into the contract (if applicable).

"(4)(A) Upon receipt of a complaint filed under paragraph (1), the Secretary shall conduct an initial investigation to determine whether the complaint is frivolous or merits further investigation. As part of such initial investigation, the Secretary shall find out whether the employee and the defense contractor have attempted to resolve the dispute. If the Secretary determines that the complaint merits further investigation, the Secretary shall, except as provided in subparagraph (B), complete an investigation of the complaint within 90 days after receipt of the complaint and shall provide a written report of the results of the investigation to the complainant, any person acting on behalf of the complainant, and the defense contractor alleged to have committed the violation.

"(B) If the Secretary determines that it is not possible to complete an investigation of a complaint within the 90-day period prescribed in subparagraph (A), the Secretary shall notify the employee of the reasons why the investigation cannot be completed within such time period and of the date when the investigation will be completed. Not later than 30 days after the investigation is so completed, the Secretary shall provide a written report of the results of the investigation to the persons described in subparagraph (A). The Secretary also may defer action on a complaint for not more than 120 days after receipt of the complaint if the employee and the contractor are attempting to resolve the complaint through other means.

"(C) Within 90 days after providing a report of the results of an investigation of a complaint, the Secretary shall issue an order

providing the relief prescribed in paragraph (5) or denying the complaint, unless the proceeding on the complaint is terminated by the Secretary on the basis of a settlement agreement entered into by the Secretary and the defense contractor alleged to have committed such violation.

"(D) An order of the Secretary shall be made on the record after notice and opportunity for public hearing.

"(E) The Secretary may not enter into a settlement agreement terminating a proceeding on a complaint without the participation and consent of the complainant.

"(5) If, in response to a complaint filed under paragraph (1), the Secretary determines that a violation of regulations promulgated under subsection (b) has occurred, the Secretary may issue, separately or in combination, any of the following:

"(A) An order that the defense contractor who committed such violation take affirmative action to abate the violation.

"(B) An order that such contractor reinstate the complainant to the position held by such individual when discharged, together with the compensation (including back pay), employment benefits, and other terms and conditions of his or her employment.

"(C) An assessment against such contractor (at the request of the complainant) of a sum equal to the aggregate amount of all costs and expenses (including attorneys' fees and expert witnesses' fees) reasonably incurred by the complainant for, or in connection with, bringing the complaint on which the order was issued, as determined by the Secretary.

"(6) In determining whether a violation of regulations promulgated under subsection (b) has occurred, the Secretary shall use the standard of proof that is used by the Merit Systems Protection Board in proceedings under section 1221 of title 5, as described in section 1221(e) of that title.

"(d) REVIEW AND ENFORCEMENT.—(1)(A) Any person adversely affected or aggrieved by an order issued under subsection (c)(4)(B) may obtain review of the order in the United States court of appeals for the circuit in which the violation alleged in the order occurred. No petition seeking such review may be filed more than 60 days after issuance of the Secretary's order. Review shall conform to chapter 7 of title 5.

"(B) The commencement of proceedings under this subsection shall not, unless ordered by the court, operate as a stay of the Secretary's order.

"(2) An order of the Secretary with respect to which review could have been obtained under paragraph (1) shall not be subject to judicial review in any criminal or other civil proceeding.

"(3) Whenever a person has failed to comply with an order issued under subsection (c)(4)(B), the Secretary may file an action for enforcement of such order in the United States district court for the district in which the violation was found to have occurred. In any action brought under this subsection, the court may grant appropriate relief, including injunctive relief, and compensatory and exemplary damages.

"(4)(A) Any employee on whose behalf an order is issued under subsection (c)(4)(B) may commence a civil action against the person to whom such order was issued to require compliance with such order. The appropriate United States district court may enforce such order.

"(B) The court, in enforcing any final order under this subsection, may award costs of litigation (including reasonable attorneys' fees and expert witnesses' fees) to any party whenever the court determines such award is appropriate.

"(5) Any nondiscretionary duty imposed by the regulations under this section shall be enforceable in a mandamus proceeding brought under section 1361 of title 28.

"(e) DEFINITIONS.—In this section:

"(1) The term 'appropriate Government official' includes—

"(A) an officer or employee of the Department of Defense responsible for command, direct staff assistance to a commander, contract administrator, program management, audit, inspection, investigation, or enforcement of any law or regulation relating to Government procurement or the subject matter of the contract;

"(B) a Member of Congress or an officer or employee of Congress, the General Accounting Office, the Congressional Budget Office, or the Office of Technology Assessment; and

"(C) any other officer or employee of the United States whose duties include the investigation or enforcement of any law, rule, or regulation relating to Government procurement or the subject matter of the contract.

"(2) The term 'defense contractor' means any employer providing goods or services, under contract, to the Department of Defense.

"(3) The term 'Secretary' means the Secretary of Defense.

"(4) The term 'information concerning the contract' means, with respect to a contract with the Department of Defense, information about cost, price, compliance with specifications, meeting the user's requirements, user safety, use or disposition of services, real property or personal property acquired under the contract, the procurement process (including competition, negotiation, award, and administration), and relationships with Government personnel, competitors, or subcontractors.".

(2) The item relating to section 2409 in the table of sections at the beginning of chapter 141 of such title is amended to read as follows:

"2409. Communicating with Government officials: defense contractor requirement to prohibit retaliatory personnel actions.".

(b) EFFECTIVE DATE.—Section 2409 of title 10, United States Code, as added by subsection (a), shall apply to contracts entered into after the expiration of the 180-day period beginning on the date of the enactment of this Act.

PART D—MISCELLANEOUS

SEC. 831. EQUAL EMPLOYMENT OPPORTUNITIES RELATING TO AN ARMY CONTRACT.

(a) LIMITATION.—Funds appropriated for procurement of aircraft for the Army for fiscal year 1991 and each fiscal year thereafter may not be obligated for the procurement of C-23 Sherpa aircraft unless the Secretary of the Army secures a commitment from the contractor that it will support equal employment opportunities in its employment practices for all individuals irrespective of race, color, religion, sex, or national origin.

(b) REPORT.—The Secretary of the Army shall require any contractor under contract with the Army for procurement of C-23 Sherpa aircraft to submit to the Secretary, not later than April 1 of each year, a report on the contractor's compliance with the commitment secured by the Secretary under subsection (a). The first report under this subsection shall be submitted by April 1, 1991.

SEC. 832. TEST PROGRAM TO PROVIDE FOR THE DEPARTMENT OF DEFENSE TO PURCHASE LAW ENFORCEMENT EQUIPMENT FOR STATES.

(a) TEST PROGRAM.—The Secretary of Defense shall establish a test program in accordance with this section under which a minimum of 10 States are authorized to buy law enforcement equipment from the Department of Defense. The test program shall be operated at no additional cost or liability to the Department of Defense, except for minimal administrative costs, and shall include the following provisions:

(1) Each State desiring to participate in the test program shall submit to the Department of Defense, in such form and manner and at such times as the Secretary prescribes, (A) a request for law enforcement equipment, and (B) advance payment for such equipment, in an amount determined by the Secretary of Defense based on estimated or actual costs of the equipment. No type of law enforcement equipment other than the types of equipment contained in the list developed under subsection (b) may be included in the request. Requests shall be submitted under this section annually or at another frequency determined appropriate by the Secretary of Defense.

(2) A request under paragraph (1) shall consist of an enumeration of the law enforcement equipment that is desired by the State. The Governor of each State may establish such procedures as the Governor considers appropriate for administering and coordinating requests for law enforcement equipment from local entities for submission in a request under paragraph (1).

(3) Law enforcement equipment procured by the Department of Defense pursuant to a State request shall be delivered as provided in the contract. The State requesting the law enforcement equipment shall be responsible for arranging for, and paying for, shipment of the equipment to the State and localities within the State.

(b) LIST OF LAW ENFORCEMENT EQUIPMENT.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Director of National Drug Control Policy, shall develop and publish in the Federal Register a list of law enforcement equipment that the Department of Defense expects to procure under current contracts or contracts planned to be entered into during the next year. At a minimum, such list shall include any small arms, ammunition, body armor, and communication equipment expected to be so procured. The list shall be updated at least once a year during the operation of the test program established under subsection (a). The Secretary shall notify the Director of National Drug Control Policy of the publication and updating of the list.

(c) OPERATION.—The test program established under subsection (a) shall begin operation not later than six months after the date of the enactment of this Act.

(d) TERMINATION.—The test program established under subsection (a) shall terminate on the date which is two years after the date on which operation of the test program begins.

(e) GAO REVIEW AND REPORT.—The Comptroller General shall conduct an independent review of the actions taken by the Secretary of Defense to carry out the requirements of this Act, beginning after the test program established under subsection (a)

has been operating for one year. Upon completion of the review, the Comptroller General shall submit to the Committees on Armed Services and Governmental Affairs of the Senate and on Armed Services and Government Operations of the House of Representatives a report on the review required by this subsection. Such report shall include—

(1) a delineation of the costs incurred or the amounts saved by the Department of Defense as a result of the test program;

(2) a delineation of the costs incurred or amounts saved by States and localities within States as a result of the test program;

(3) such recommendations as the Comptroller General considers appropriate, including whether the test program should be made permanent and how the test program may be carried out more effectively.

SEC. 833. DEPARTMENT OF DEFENSE OMBUDSMAN FOR FOREIGN SIGNATORIES OF INTERGOVERNMENTAL MEMORANDUMS OF AGREEMENT.

(a) DESIGNATION OF OMBUDSMAN.—(1) Chapter 138 of title 10, United States Code, is amended by adding at the end of subchapter II the following new section:

"§ 2350g. Memorandums of agreement: Department of Defense ombudsman for foreign signatories.

"The Secretary of Defense shall designate an official within the Office of the Under Secretary of Defense for Policy to act as ombudsman within the Department of Defense on behalf of foreign governments who are parties to memorandums of agreement with the United States concerning matters under the jurisdiction of the Secretary of Defense. The official so designated shall assist officials of those foreign governments in understanding and complying with procedures and requirements of the Department of Defense (and, as appropriate, other departments and agencies of the United States) insofar as they relate to any such memorandum of agreement.".

(2) The table of sections at the beginning of such sub-chapter is amended by adding at the end the following new item:

"2350g. Memorandums of agreement: Department of Defense ombudsman for foreign signatories.".

(b) DEADLINE.—The official required to be designated under section 2350g of title 10, United States Code, as added by subsection (a), shall be designated by the Secretary of Defense not later than 90 days after the date of the enactment of this Act.

SEC. 834. DEFENSE INDUSTRIAL BASE FOR TEXTILE AND APPAREL PRODUCTS.

(a) MONITORING AND FIVE-YEAR ANNUAL REPORT REQUIREMENT.—(1) Chapter 148 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2509. Defense industrial base for textile and apparel products

"(a) CAPABILITY OF DOMESTIC TEXTILE AND APPAREL INDUSTRIAL BASE.—The Secretary of Defense shall monitor the capability of the domestic textile and apparel industrial base to support defense mobilization requirements.

"(b) ANNUAL REPORT.—The Secretary shall submit to Congress not later than April 1 of each of the five years beginning with 1991 a report on the status of such industrial base. Each such report shall include the following:

"(1) An identification of textile and apparel mobilization requirements of the Department of Defense that cannot be satisfied on a timely basis by the domestic industries.

"(2) An assessment of the effect any inadequacy in the textile and apparel industrial base would have on a defense mobilization.

"(3) Recommendations for ways to alleviate any inadequacy in such industrial base that the Secretary considers critical to defense mobilization requirements.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2509. Defense industrial base for textile and apparel products.".

(b) CONFORMING AMENDMENT.—Section 1456 of Public Law 99-145 (99 Stat. 762) is repealed.

SEC. 835. COST SAVINGS REQUIREMENT FOR MULTIYEAR CONTRACTS.

Subsection (h) of section 2306 of title 10, United States Code, is amended—

(1) in subparagraph (A) of paragraph (1), by striking out "reduced total costs under the contract" and inserting in lieu thereof "substantial savings of the total anticipated costs of carrying out the program through annual contracts"; and

(2) by striking out subparagraph (C) of paragraph (9).

TITLE IX—DEFENSE ACQUISITION WORKFORCE

SEC. 901. SHORT TITLE.

This title may be cited as the "Defense Acquisition Workforce Improvement Act".

SEC. 902. MANAGEMENT POLICIES.

The Secretary of Defense shall establish policies for the effective management of military personnel serving in acquisition positions in the Department.

TITLE X—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

PART A—FINANCIAL MANAGEMENT

SEC. 1001. DEPARTMENT OF DEFENSE.

(a) DUTIES OF THE COMPTROLLER OF THE DEPARTMENT OF DEFENSE.—(1) Part I of subtitle A of title 10, United States Code, is amended by inserting after chapter 9 the following new chapter:

"CHAPTER 10—FINANCIAL MANAGEMENT

"Sec.
"251. Management of financial activities: duties of Comptroller.
"252. Annual financial statements.
"253. Annual independant audit.
"254. Audit by Comptroller General.
"255. Annual financial report.
"256. Budgetary assistance: duties of Comptroller.

"§ 251. Management of financial activities: duties of Comptroller

"(a) AUTHORITY.—Under the direction of the Secretary of Defense, the Comptroller of the Department of Defense shall direct and manage all financial management activities and operations of the Department of Defense.

"(b) SPECIFIC DUTIES.—The authority of the Comptroller under this section includes the authority to—

"(1) approve and supervise any project to design or enhance a financial management system for the Department of Defense;

"(2) direct and manage the development of Department of Defense financial management budgets; and

"(3) approve the establishment and supervise the operation of any asset management system of the Department of Defense, including—

"(A) systems for accounting for the quantity, location, and cost of property and inventory; and

"(B) systems for cash management, credit management, and debt collection.

"(c) FINANCIAL MANAGEMENT SYSTEMS.—The Comptroller shall ensure that financial management systems of the Department of Defense (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with the principles, standards, and requirements for accounting, financial reporting, and internal control established by the Comptroller General under sections 3511 and 3512 of title 31. Such systems shall provide for—

"(1) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(2) the development and reporting of cost information;

"(3) the integration of accounting and budgeting information; and

"(4) the systematic measurement of performance.

"(d) FIVE-YEAR PLAN.—The Comptroller shall prepare (and annually revise) a plan describing the activities that are proposed to be conducted by the Department of Defense over the next five fiscal years to improve financial management and comply with the requirements of this chapter.

"(e) REPORT ON COMPTROLLER ACTIVITIES.—(1) The Comptroller shall transmit to the Secretary of Defense an annual report on the activities of the Comptroller during the preceding fiscal year.

"(2) Each report under paragraph (1) shall include a description and analysis of the status of Department of Defense financial management, copies of the most recently completed Department of Defense financial statements required under section 252 of this title, and the audit report on such statements.

"§ 252. Annual financial statements

"(a) FINANCIAL STATEMENTS REQUIRED.—Not later than December 31 of each year, the Comptroller of the Department of Defense shall prepare financial statements for the Department of Defense that include the accounts of all of the offices, agencies, activities, and commands of the Department for the preceding fiscal year.

"(b) CONTENTS.—The financial statements required to be prepared under subsection (a) shall reflect the overall financial position (including assets and liabilities), results of operations, the cash flows or changes in financial position, and a reconciliation to Department of Defense budget reports. The financial statements shall be consistent with applicable accounting principles, standards, and requirements.

"(c) FIRST STATEMENTS.—The first financial statements required under subsection (a) shall be prepared not later than December 31, 1992.

"§ 253. Annual independent audit

"(a) AUDIT REQUIRED.—As soon as practicable after financial statements are prepared under section 252 of this title for a fiscal year, the Comptroller of the Department of Defense shall arrange for the auditing of those statements.

"(b) PERFORMANCE OF AUDIT.—Audits required by this section shall be performed by an independent external auditor or by the Inspector General of the Department of Defense in accordance with generally accepted Government auditing standards.

"(c) REPORT.—The person conducting the audit shall transmit to the Secretary of De-

fense a report which contains an opinion on the financial statements, a report on internal controls, and a report on compliance with laws and regulations relating to financial statements. The report shall be transmitted not later than 180 days after the end of the fiscal year for which the audit was conducted.

"§ 254. Audit by Comptroller General

"(a) AUDIT.—(1) The Comptroller General may audit financial statements prepared under section 202, 252, 3022, 5025, or 8022 of this title if the Comptroller General considers such action to be necessary or upon the request of a committee of Congress. An audit performed by the Comptroller General under this section shall be in lieu of any other audit.

"(b) REVIEW.—The Comptroller General may review an audit conducted under section 202, 253, 3022, 5025, or 8022 of this title. The Comptroller General shall submit a report to the Congress and the Secretary of Defense containing the results of any review conducted under this subsection, including any recommendations the Comptroller General considers to be appropriate.

"§ 255. Annual financial report

"(a) REPORT REQUIRED.—The Secretary of Defense, with the assistance of the Comptroller of the Department of Defense, shall prepare an annual report that includes—

"(1) the annual financial statements prepared under section 252 of this title and the audit of those statements;

"(2) a summary of the reports on systems of internal accounting and administrative controls and accounting systems transmitted to the President and the Congress under section 3512(c) of title 31 and a summary of the corrective actions taken with respect to material weaknesses identified in such reports; and

"(3) such other information the Secretary of Defense considers appropriate to fully inform the Congress concerning the financial management of the Department.

"(b) SUBMISSION OF REPORT.—The report required by subsection (a) shall be submitted to the President and the Congress not later than April 30 of each year and shall include the most recent report received under sections 202, 3022, 5025, and 8022 of this title. The first such report shall be submitted not later than April 30, 1993, except that reports received under those sections on or before April 30, 1992, shall be submitted by that date.

"§ 256. Budgetary assistance

"The Comptroller of the Department of Defense shall advise and assist the Secretary of Defense—

"(1) in performing such budgetary and fiscal functions and duties, and in exercising such budgetary and fiscal powers, as are needed to carry out the powers of the Secretary;

"(2) in supervising and directing the preparation of budget estimates of the Department of Defense;

"(3) in establishing and supervising the execution of principles, policies, and procedures to be followed in connection with organizational and administrative matters relating to—

"(A) the preparation and execution of budgets;

"(B) fiscal, cost, operating, and capital property accounting; and

"(C) progress and statistical reporting;

"(4) in establishing and supervising the execution of policies and procedures relating to the expenditure and collection of funds administered by the Department of Defense; and

"(5) in establishing uniform terminologies, classifications, and procedures concerning matters covered by paragraphs (1) through (4).".

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part I of subtitle A, of such title are amended by inserting after the item relating to chapter 9 the following new item:

"10. Financial Management..... 251".

(b) CONFORMING AMENDMENTS.—Section 137 of such title is amended—

(1) in subsection (b), by inserting "as provided in chapter 10 of this title and such other duties and powers" after "powers"; and

(2) by striking out subsection (c).

SEC. 1002. DEFENSE LOGISTICS AGENCY.

(a) FINANCIAL MANAGEMENT.—Subchapter II of chapter 8, title 10, United States Code, is amended by adding at the end the following new section:

"§ 202. Defense Logistics Agency financial management

"(a) MANAGEMENT OF FINANCIAL ACTIVITIES.—The Secretary of Defense shall designate an official of the Defense Logistics Agency to serve as the financial officer of the Agency. Under the general supervision of the Comptroller of the Department of Defense, the financial officer shall direct and manage financial management activities and operations of the Defense Logistics Agency. The authority of the financial officer under this section shall include the authority to—

"(1) approve and supervise any project to design or enhance a financial management system for the Defense Logistics Agency;

"(2) direct and manage the development of Defense Logistics Agency financial management budgets; and

"(3) approve the establishment and supervise the operation of any asset management system of the Defense Logistics Agency, including—

"(A) systems for accounting for the quantity, location, and cost of property and inventory; and

"(B) systems for cash management, credit management, and debt collection.

"(b) REQUIREMENTS OF FINANCIAL MANAGEMENT SYSTEMS.—Financial management systems of the Defense Logistics Agency (including accounting systems, internal control systems, and financial reporting systems) shall be established and maintained in conformance with the principles, standards, and requirements for accounting, financial reporting, and internal control established by the Comptroller General under sections 3511 and 3512 of title 31. Such systems shall provide for—

"(1) complete, reliable, consistent, and timely information which is prepared on a uniform basis and which is responsive to the financial information needs of department management;

"(2) the development and reporting of cost information;

"(3) the integration of accounting and budgeting information; and

"(4) the systematic measurement of performance.

"(c) FIVE-YEAR PLAN.—The financial officer of the Defense Logistics Agency, under the general supervision of the Comptroller of the Department of Defense, shall prepare (and annually revise) a plan describing the activities that the Defense Logistics Agency proposes to conduct over the next five fiscal years to improve financial management and to comply with the requirements contained in subsections (e) and (f).

"(d) ANNUAL REPORT OF ACTIVITIES.—The financial officer of the Defense Logistics Agency, under the general supervision of the Comptroller of the Department of Defense, shall transmit to the Secretary of Defense a report each year on the financial management activities of the Defense Logistics Agency during the preceding fiscal year. Each report shall include a description and analysis of the status of Defense Logistics Agency financial management, copies of the most recently completed Defense Logistics Agency financial statements required under subsection (e), and the audit report on such statements.

"(e) FINANCIAL STATEMENTS.—(1) Not later than December 31 of each year, the financial officer of the Defense Logistics Agency shall prepare financial statements that include the accounts of the Defense Logistics Agency for the preceding fiscal year. The statements shall reflect the overall financial position (including assets and liabilities), results of operations, the cash flows or changes in financial position, and a reconciliation to Defense Logistics Agency budget reports. The financial statements shall be consistent with applicable accounting principles, standards, and requirements. The first financial statements required under this subsection shall be prepared not later than December 31, 1991.

"(2) All financial statements prepared under paragraph (1) shall be audited. The financial statement audit shall be performed in accordance with generally accepted Government auditing standards by the Inspector General of the Department of Defense or by an independent external auditor selected by the Comptroller of the Department of Defense.

"(3) The person conducting an audit under paragraph (2) shall transmit to the official assigned responsibility for the overall supervision of the Defense Logistics Agency a report which contains an opinion on the financial statements, internal controls, and compliance with laws and regulations relating to financial statements. The report shall be transmitted not later than 180 days after the end of the fiscal year for which such audit was conducted.

"(f) MANAGEMENT REPORT.—(1) The official assigned responsibility for the overall supervision of the Defense Logistics Agency shall prepare (with the assistance of the financial officer of the Defense Logistics Agency) an annual report that includes—

"(A) the annual financial statements prepared under subsection (e) and the audit report of those statements;

"(B) a summary of the reports on systems of internal accounting and administrative controls and accounting systems prepared by the Defense Logistics Agency for inclusion in the Department of Defense report transmitted to the President and the Congress under section 3512(c) of title 31 and a summary of the corrective actions taken with respect to material weaknesses identified in such reports prepared by the Defense Logistics Agency; and

"(C) other information the official assigned responsibility for the overall supervision of the Defense Logistics Agency considers appropriate to fully inform the Congress concerning the financial management of the Defense Logistics Agency.

"(2) The report required by this subsection shall be transmitted to the Secretary of Defense for inclusion in the report required by section 254 of this title. The first such report shall be transmitted not later than April 30, 1992.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

"202. Defense Logistics Agency financial management.".

SEC. 1003. DEPARTMENT OF THE ARMY.

(a) FINANCIAL MANAGEMENT.—Section 3022 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

"(2) direct and manage the development of Department of the Army financial management budgets;";

(2) in subsection (c), by inserting after "financial management" the following: "and to comply with the requirements contained in this section";

(3) in subsection (d), by inserting after "financial management" the following: ", copies of the most recently completed financial statements under subsection (e), and the audit report on such statements"; and

(4) by adding at the end thereof the following new subsections:

"(e) FINANCIAL STATEMENTS.—(1) Not later than December 31 of each year, the Assistant Secretary of the Army for Financial Management shall prepare financial statements that include the accounts of all of the offices, agencies, activities, and commands of the Department of the Army for the preceding fiscal year. The statements shall reflect the overall financial position (including assets and liabilities), results of operations, the cash flows or changes in financial position, and a reconciliation to Department of the Army budget reports. The financial statements shall be consistent with applicable accounting principles, standards, and requirements. The first financial statements required under this subsection shall be prepared not later than December 31, 1991.

"(2) All financial statements prepared under paragraph (1) shall be audited. The financial statement audit shall be performed in accordance with generally accepted Government auditing standards by an independent external auditor, an Inspector General subject to the Inspector General Act of 1978, or the head of the office or other entity established or designated by the Secretary of the Army to conduct the auditing function specified in section 3014(c)(1)(B) of this title.

"(3) The person conducting an audit under paragraph (1) shall transmit to the Secretary of the Army a report which contains an opinion on the financial statements, internal controls, and compliance with laws and regulations relating to financial statements. The report shall be transmitted not later than 180 days after the end of the fiscal year for which such audit was conducted.

"(f) MANAGEMENT REPORT.—(1) The Secretary of the Army shall prepare an annual report that includes—

"(A) the annual financial statements prepared under subsection (e) and the audit report of those statements;

"(B) a summary of the reports on systems of internal accounting and administrative controls and accounting systems prepared by the Department of the Army for inclusion in the Department of Defense reports transmitted to the President and the Congress under section 3512(c) of title 31 and a summary of the corrective actions taken with respect to material weaknesses identified in such reports prepared by the Department of the Army; and

"(C) other information the Secretary of the Army considers appropriate to fully inform the Congress concerning the financial management of the Department of the Army.

"(2) The Assistant Secretary of the Army for Financial Management shall assist the Secretary of the Army prepare the report required by this subsection.

"(3) The report required by this subsection shall be transmitted to the Secretary of Defense for inclusion in the report required by section 254 of this title. The first such report shall be transmitted not later than April 30, 1992.".

(b) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "AUTHORITY OF ASSISTANT SECRETARY FOR FINANCIAL MANAGEMENT.—" after "(a)";

(2) in subsection (b), by inserting "FINANCIAL MANAGEMENT SYSTEMS.—" after "(b)";

(3) in subsection (c), by inserting "FIVE-YEAR PLAN.—" after "(c)"; and

(4) in subsection (d), by inserting "REPORT.—" after "(d)".

SEC. 1004. DEPARTMENT OF THE NAVY.

(a) FINANCIAL MANAGEMENT.—Section 5025 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

"(2) direct and manage the development of Department of the Navy financial management budgets;";

(2) in subsection (c), by inserting after "financial management" the following: "and to comply with the requirements contained in this section";

(3) in subsection (d), by inserting after "financial management" the following: ", copies of the most recently completed financial statements under subsection (e), and the audit report on such statements"; and

(4) by adding at the end thereof the following new subsections:

"(e) FINANCIAL STATEMENTS.—(1) Not later than December 31 of each year, the Assistant Secretary of the Navy for Financial Management shall prepare financial statements that include the accounts of all of the offices, agencies, activities, and commands of the Department of the Navy for the preceding fiscal year. The statements shall reflect the overall financial position (including assets and liabilities), results of operations, the cash flows or changes in financial position, and a reconciliation to Department of the Navy budget reports. The financial statements shall be consistent with applicable accounting principles, standards, and requirements. The first financial statements required under this subsection shall be prepared not later than December 31, 1991.

"(2) All financial statements prepared under paragraph (1) shall be audited. The financial statement audit shall be performed in accordance with generally accepted Government auditing standards by an independent external auditor, an Inspector General subject to the Inspector General Act of 1978, or the head of the office or other entity established or designated by the Secretary of the Navy to conduct the auditing function specified in section 5014(c)(1)(B) of this title.

"(3) The person conducting an audit under paragraph (1) shall transmit to the Secretary of the Navy a report which contains an opinion on the financial statements, internal controls, and compliance with laws and regulations relating to financial statements. The report shall be transmitted not later than 180 days after the end of the fiscal year for which such audit was conducted.

"(f) MANAGEMENT REPORT.—(1) The Secretary of the Navy shall prepare an annual report that includes—

"(A) the annual financial statements prepared under subsection (e) and the audit report of those statements;

"(B) a summary of the reports on systems of internal accounting and administrative controls and accounting systems prepared by the Department of the Navy for inclusion in the Department of Defense reports transmitted to the President and the Congress under section 3512(c) of title 31 and a summary to the corrective actions taken with respect to material weaknesses identified in such reports prepared by the Department of the Navy; and

"(C) other information the Secretary of the Navy considers appropriate to fully inform the Congress concerning the financial management of the Department of the Navy.

"(2) The Assistant Secretary of the Navy for Financial Management shall assist the Secretary of the Navy prepare the report required by this subsection.

"(3) The report required by this subsection shall be transmitted to the Secretary of Defense for inclusion in the report required by section 254 of this title. The first such report shall be transmitted not later than April 30, 1992.".

(b) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "AUTHORITY OF ASSISTANT SECRETARY FOR FINANCIAL MANAGEMENT.—" after "(a)";

(2) in subsection (b), by inserting "FINANCIAL MANAGEMENT SYSTEMS.—" after "(b)";

(3) in subsection (c), by inserting "FIVE-YEAR PLAN.—" after "(c)"; and

(4) in subsection (d), by inserting "REPORT.—" after "(d)".

SEC. 1005. DEPARTMENT OF THE AIR FORCE.

(a) FINANCIAL MANAGEMENT.—Section 8022 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

"(2) direct and manage the development of Department of the Air Force financial management budgets;";

(2) in subsection (c), by inserting after "financial management" the following: "and to comply with the requirements contained in this section";

(3) in subsection (d), by inserting after "financial management" the following: ", copies of the most recently completed financial statements under subsection (e), and the audit report on such statements"; and

(4) by adding at the end thereof the following new subsections:

"(e) FINANCIAL STATEMENTS.—(1) Not later than December 31 of each year, the Assistant Secretary of the Air Force for Financial

Management shall prepare financial statements that include the accounts of all of the offices, agencies, activities, and commands of the Department of the Air Force for the preceding fiscal year. The statements shall reflect the overall financial position (including assets and liabilities), results of operations, the cash flows or changes in financial position, and a reconciliation to Department of the Air Force budget reports. The financial statements shall be consistent with applicable accounting principles, standards, and requirements. The first financial statements required under this subsection shall be prepared not later than December 31, 1991.

"(2) All financial statements prepared under paragraph (1) shall be audited. The financial statement audit shall be performed in accordance with generally accepted Government auditing standards by an independent external auditor, an Inspector General subject to the Inspector General Act of 1978, or the head of the office or other entity established or designated by the Secretary of the Air Force to conduct the auditing function specified in section 8014(c)(1)(B) of this title.

"(3) The person conducting an audit under paragraph (1) shall transmit to the Secretary of the Air Force a report which contains an opinion on the financial statements, internal controls, and compliance with laws and regulations relating to financial statements. The report shall be transmitted not later than 180 days after the end of the fiscal year for which such audit was conducted.

"(f) MANAGEMENT REPORT.—(1) The Secretary of the Air Force shall prepare an annual report that includes—

"(A) the annual financial statements prepared under subsection (e) and the audit report of those statements;

"(B) a summary of the reports on systems of internal accounting and administrative controls and accounting systems prepared by the Department of the Air Force for inclusion in the Department of Defense reports transmitted to the President and the Congress under section 3512(c) of title 31 and a summary of the corrective actions taken with respect to material weaknesses identified in such reports prepared by the Department of the Air Force; and

"(C) other information the Secretary of the Air Force considers appropriate to fully inform the Congress concerning the financial management of the Department of the Air Force.

"(2) The Assistant Secretary of the Air Force for Financial Management shall assist the Secretary of the Air Force prepare the report required by this subsection.

"(3) The report required by this subsection shall be transmitted to the Secretary of Defense for inclusion in the report required by section 254 of this title. The first such report shall be transmitted not later than April 30, 1992.".

(b) STYLISTIC AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting "AUTHORITY OF ASSISTANT SECRETARY FOR FINANCIAL MANAGEMENT.—" after "(a)";

(2) in subsection (b), by inserting "FINANCIAL MANAGEMENT SYSTEMS.—" after "(b)";

(3) in subsection (c), by inserting "FIVE-YEAR PLAN.—" after "(c)"; and

(4) in subsection (d), by inserting "REPORT.—" after "(d)".

SEC. 1006. FINANCIAL MANAGEMENT AUDIT COMMITTEES.

(a) DEPARTMENT OF DEFENSE.—(1) Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 180. Defense Audit Committee

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a Defense Audit Committee to provide advice concerning auditing, accounting, internal controls, and financial management as may be requested by the Secretary of Defense or the official assigned responsibility for the overall supervision of the Defense Logistics Agency.

"(b) REVIEW AND ADVISORY DUTIES.—The Audit Committee shall—

"(1) review the selection process and criteria for the engagement of an independent external auditor under section 202 or 253 of this title;

"(2) review the breadth and scope of the audit plan prepared by the person conducting an audit required by those sections, monitor the audit work performed, and review the audit report prepared;

"(3) provide advice regarding the preparation of management reports under those sections; and

"(4) assess the adequacy and effectiveness of the audit resolution processes of the Department of Defense and the Defense Logistics Agency, including actions on any audit findings and recommendations.

"(b) MEMBERSHIP.—The Audit Committee shall consist of seven members who are appointed as follows:

"(1) Four members appointed by the Secretary of Defense.

"(2) The Chairman of the Department of the Army Audit Committee under section 3023 of this title.

"(3) The Chairman of the Department of the Navy Audit Committee under section 5026 of this title.

"(4) The Chairman of the Department of the Air Force Audit Committee under section 8023 of this title.

"(c) QUALIFICATIONS.—The members of the Audit Committee appointed by the Secretary of Defense—

"(1) shall be selected from among persons who have demonstrated ability and practicable experience in accounting, financial, and management analysis, budget execution, and financial systems development; and

"(2) may not be officers or employees of the Department of Defense.

"(d) CHAIRMAN AND MEETINGS.—The Secretary of Defense shall designate a member as chairman of the Audit Committee. The audit committee shall meet at such time and places as may be designated by the chairman.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"180. Defense Audit Committee.".

(b) ARMY.—(1) Chapter 303 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3023. Department of the Army Audit Committee

"(a) ESTABLISHMENT.—The Secretary of the Army shall establish a Department of the Army Audit Committee to provide advice concerning auditing, accounting, internal controls, and financial management as may be requested by the Secretary.

"(b) REVIEW AND ADVISORY DUTIES.—The Audit Committee shall—

"(1) review the selection process and criteria for the engagement of an independent external auditor under section 3022 of this title;

"(2) review the breadth and scope of the audit plan prepared by the person conducting an audit required by that section, monitor the audit work performed, and review the audit report prepared;

"(3) provide advice regarding the preparation of management reports under that section; and

"(4) assess the adequacy and effectiveness of the audit resolution processes of the Department of the Army, including actions on any audit findings and recommendations.

"(b) MEMBERSHIP.—The Audit Committee shall consist of five members who are appointed by the Secretary of the Army.

"(c) QUALIFICATIONS.—The members of the Audit Committee—

"(1) shall be selected from among persons who have demonstrated ability and practicable experience in accounting, financial, and management analysis, budget execution, and financial systems development; and

"(2) may not be officers or employees of the Department of Defense.

"(d) CHAIRMAN AND MEETINGS.—The Secretary of the Army shall designate a member as chairman of the Audit Committee. The audit committee shall meet at such time and places as may be designated by the chairman.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"3023. Department of the Army Audit Committee.".

(c) NAVY.—(1) Chapter 503 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 5026. Department of the Navy Audit Committee

"(a) ESTABLISHMENT.—The Secretary of the Navy shall establish a Department of the Navy Audit Committee to provide advice concerning auditing, accounting, internal controls, and financial management as may be requested by the Secretary.

"(b) REVIEW AND ADVISORY DUTIES.—The Audit Committee shall—

"(1) review the selection process and criteria for the engagement of an independent external auditor under section 5025 of this title;

"(2) review the breadth and scope of the audit plan prepared by the person conducting an audit required by that section, monitor the audit work performed, and review the audit report prepared;

"(3) provide advice regarding the preparation of management reports under that section; and

"(4) assess the adequacy and effectiveness of the audit resolution processes of the Department of the Navy, including actions on any audit findings and recommendations.

"(c) MEMBERSHIP.—The Audit Committee shall consist of five members who are appointed by the Secretary of the Navy.

"(d) QUALIFICATIONS.—The members of the Audit Committee—

"(1) shall be selected from among persons who have demonstrated ability and practicable experience in accounting, financial, and management analysis, budget execution, and financial systems development; and

"(2) may not be officers or employees of the Department of Defense.

"(e) CHAIRMAN AND MEETINGS.—The Secretary of the Navy shall designate a member as chairman of the Audit Committee. The

audit committee shall meet at such time and places as may be designated by the chairman.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"5026. Department of the Navy Audit Committee.".

(d) AIR FORCE.—(1) Chapter 803 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8023. Department of the Air Force Audit Committee

"(a) ESTABLISHMENT.—The Secretary of the Air Force shall establish a Department of the Air Force Audit Committee to provide advice concerning auditing, accounting, internal controls, and financial management as may be requested by the Secretary.

"(b) REVIEW AND ADVISORY DUTIES.—The Audit Committee shall—

"(1) review the selection process and criteria for the engagement of an independent external auditor under section 3022 of this title;

"(2) review the breadth and scope of the audit plan prepared by the person conducting an audit required by that section, monitor the audit work performed, and review the audit report prepared;

"(3) provide advice regarding the preparation of management reports under that section; and

"(4) assess the adequacy and effectiveness of the audit resolution processes of the Department of the Air Force, including actions on any audit findings and recommendations.

"(c) MEMBERSHIP.—The Audit Committee shall consist of five members who are appointed by the Secretary of the Air Force.

"(d) QUALIFICATIONS.—The members of the Audit Committee—

"(1) shall be selected from among persons who have demonstrated ability and practicable experience in accounting, financial, and management analysis, budget execution, and financial systems development; and

"(2) may not be officers or employees of the Department of the Defense.

"(e) CHAIRMAN AND MEETINGS.—The Secretary of the Air Force shall designate a member as chairman of the Audit Committee. The audit committee shall meet at such time and places as may be designated by the chairman.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"8023. Department of the Air Force Audit Committee.".

PART B—CONTRACTING OUT

SEC. 1011. CONTINUATION OF AUTHORITY OF BASE COMMANDERS OVER CONTRACTING FOR COMMERCIAL ACTIVITIES.

Section 2468 of title 10, United States Code, is amended by striking out subsection (f).

PART C—PROFESSIONAL MILITARY EDUCATION

SEC. 1021. PREPARATION OF BUDGET REQUESTS FOR OPERATION OF PROFESSIONAL MILITARY EDUCATION SCHOOLS.

(a) UNIFORM BUDGET REQUESTS.—Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2162. Preparation of budget requests for operation of professional military education schools

"(a) UNIFORM COST ACCOUNTING.—The Secretary of Defense, with the advice and assistance of the Chairman of the Joint Chiefs of Staff, shall promulgate a uniform cost accounting system for use by the Secretaries of the military departments in preparing budget requests for the operation of professional military education schools.

"(b) PREPARATION OF BUDGET REQUESTS.—(1) Amounts requested for a fiscal year for the operation of each professional military education school shall be set forth as a separate budget request in the materials submitted by the Secretary of Defense to Congress in support of the budget request for the Department of Defense.

"(2) The Secretary of a military department preparing a budget request for a professional military education school shall consult with, and obtain the recommendations of, the Chairman of the Joint Chiefs of Staff regarding the amount of the request. In formulating such recommendations, the Chairman shall determine whether the amounts requested for the operation of a school of the National Defense University are comparable to the amounts requested for the operation of other professional military education schools, taking into consideration the size and activities of the schools.

"(c) COMPARISON OF BUDGET REQUESTS.—Materials prepared in support of the budget request for a professional military education school—

"(1) shall describe whether the amount requested for that school is comparable to the amounts requested for other professional military education schools, taking into consideration the size and activities of the schools; and

"(2) shall include the recommendations of the Chairman prepared under subsection (b)(2) for that school.

"(d) DEFINITIONS.—In this section:

"(1) The term 'professional military education school' means—

"(A) the National Defense University;

"(B) the Army War College;

"(C) the College of Naval Warfare;

"(D) the Air War College;

"(E) the United States Army Command and General Staff College;

"(F) the College of Naval Command and Staff;

"(G) the Air Command and Staff College; or

"(H) the Marine Corps Command and Staff College.

"(2) The term 'National Defense University' means the National War College, the Armed Forces Staff College, and the Industrial College of the Armed Forces.".

(b) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2162. Preparation of budget requests for operation of professional military education schools.".

(2) The heading of such chapter is amended to read as follows:

"CHAPTER 108—DEPARTMENT OF DEFENSE SCHOOLS".

(3) The items relating to such chapter in the table of chapters at the beginning of subtitle A, and at the beginning of part III of subtitle A, of title 10, United States Code, are amended to read as follows:

"108. Department of Defense Schools ..... 2161".

(b) APPLICATION OF AMENDMENT.—Section 2162 of title 10, United States Code, as added by subsection (a), shall apply with respect to fiscal years after fiscal year 1991.

SEC. 1022. AUTHORITY OF NAVAL WAR COLLEGE TO CONFER DEGREE OF MASTER OF ARTS IN NATIONAL SECURITY AND STRATEGIC STUDIES.

(a) AUTHORITY.—Part III of subtitle C of title 10, United States Code, is amended by adding at the end the following new chapter:

"CHAPTER 609—PROFESSIONAL MILITARY EDUCATION SCHOOLS

"Sec.

"7101. Naval War College: master of arts in national security and strategic studies.

"§ 7101. Naval War College: master of arts in national security and strategic studies

"(a) AUTHORITY.—Upon the recommendation of the faculty of the Naval War College, the President of the college may confer the degree of master of arts in national security and strategic studies upon graduates of the college who fulfill the requirements for the degree.

"(b) REGULATIONS.—The authority provided by subsection (a) shall be exercised under regulations prescribed by the Secretary of the Navy.

"(c) NAVAL WAR COLLEGE DEFINED.—In this section, the term 'Naval War College' means the College of Naval Warfare and the College of Naval Command and Staff.".

(b) CLERICAL AMENDMENT.—The tables of chapters at the beginning of subtitle C of title 10, United States Code, and at the beginning of part III of such subtitle, are amended by inserting after the item relating to chapter 607 the following new item:

"609. Professional Military Educational Schools 7101".

PART D—MISCELLANEOUS

SEC. 1031. ESTABLISHMENT OF JOINT REQUIREMENTS OVERSIGHT COUNCIL.

(a) IN GENERAL.—Chapter 5 of title 10, United States Code, is amended—

(1) by redesignating section 155 as section 156; and

(2) by inserting after section 154 the following new section 155:

"§ 155. Joint Requirements Oversight Council

"(a) COMPOSITION.—There is in the Department of Defense the Joint Requirements Oversight Council. Unless otherwise directed by the Chairman of the Joint Chiefs of Staff, the Vice Chairman of the Joint Chiefs of Staff shall be the chairman of the Council. In addition to its chairman, the Council consists of the following:

"(1) The Vice Chief of Staff of the Army.

"(2) The Vice Chief of Naval Operations.

"(3) The Vice Chief of Staff of the Air Force.

"(4) The Assistant Commandant of the Marine Corps.

"(b) FUNCTION AS ADVISOR ON MILITARY REQUIREMENTS.—The chairman of the Council is the principal military advisor to the Chairman of the Joint Chiefs of Staff with respect to military requirements and shall decide all matters before the Council.

"(c) DUTIES.—Unless otherwise directed by the Secretary of Defense, the Chairman of the Joint Chiefs of Staff shall specify the duties of the Joint Requirements Oversight Council. Those duties (in addition to such other duties as the Chairman shall include) shall include requirements that the Joint Requirements Oversight Council—

"(1) assist the Chairman of the Joint Chiefs of Staff in carrying out the Chairman's responsibility under section

153(a)(4)(F) of this title to assess military requirements for defense acquisition programs;

"(2) in general, assist in identifying military needs and their linkage to national military strategy and validating specific weapon system and equipment programs to meet military needs;

"(3) have authority to review all development and acquisition programs in the Department of Defense, as determined by the Chairman of the Council;

"(4) review all major acquisition programs and all other acquisition programs that in the judgment of the Chairman of the Council have the potential to become major programs;

"(5) in each of its reviews of acquisition programs, consider the alternative ways to fill a military need or needs taking into account the cost, schedule, and expected performance of the program and the alternatives;

"(6) in each of its reviews of military needs and acquisition programs, place emphasis on ensuring interoperability, opportunities for joint or multiservice applications, eliminating unnecessary duplication in programs, and promoting economies of scale; and

"(7) establish priorities for all major programs and other programs as determined by the Chairman of the Council, periodically, but not less often than once each year, in light of the strategic plans developed by the Chairman of the Joint Chiefs of Staff in conformance with resource levels projected by the Secretary of Defense.

"(d) CONSULTATION BY THE CHAIRMAN OF THE COUNCIL.—In carrying out his functions, duties, and responsibilities, the Chairman of the Council shall, as he considers appropriate, seek the advice of—

"(1) the other members of the Council; and

"(2) the commanders of the unified and specified combatant commands.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 155 and inserting in lieu thereof the following new items:

"155. Joint Requirements Oversight Council.
"156. Joint Staff.".

SEC. 1032. NATIONAL MILITARY STRATEGY REPORTS.

(a) REPORTS BY SECRETARY OF DEFENSE.—(1) The Secretary of Defense shall submit to Congress a national military strategy report during each of fiscal years 1992, 1993, and 1994. Each such report shall be submitted with the Secretary's annual report to Congress for that year under section 113(j) of title 10, United States Code and shall include a copy of the report setting forth the strategic plans submitted to the Secretary by the Chairman of the Joint Chiefs of Staff for that year under subsection (b).

(2) Each such report shall also include a report of the Secretary containing the following:

(A) The Secretary's comments and conclusions concerning each of the three strategic plans set forth in the report of the Chairman.

(B) The Secretary's recommendations, based upon one of those plans or a combination of those plans, for a national military strategy that is both coherent and fiscally constrained.

(C) An explanation of how the Secretary's recommendations under subparagraph (B) relate to the current Department of Defense Multiyear Defense Plan.

(D) An explanation of how the Secretary's recommendations under subparagraph (B) relate to the budget of the Department of Defense for the next fiscal year, with such budget formatted by major missions of the Department.

(3) The Secretary shall prepare the report referred to in paragraph (2) after consultation with the Under Secretary of Defense for Policy, the Under Secretary of Defense for Acquisition, and such other officials as the Secretary considers appropriate.

(4) The reports submitted to Congress under this section shall be submitted in both classified and (to the extent practicable) unclassified versions.

(b) REPORT BY CHAIRMAN OF JCS.—The Chairman of the Joint Chiefs of Staff shall prepare, and submit to the Secretary of Defense under subsection (a), a strategic military plan for the Nation for the 10-year period beginning with fiscal year 1991 corresponding to each of three alternative sets of assumptions about future world conditions and defense funding levels (as set forth in subsection (d)). The strategic military plans shall be developed by the Chairman of the Joint Chiefs of Staff with the assistance of the Joint Staff and shall set forth the best strategic military plan, based upon the Chairman's professional judgment, for each of the three alternatives.

(2) Reports under paragraph (1) shall be submitted to the Secretary of Defense not later than January 1, 1991, not later than January 1, 1992, and not later than January 1, 1993.

(c) MATTER TO BE INCLUDED IN STRATEGIC MILITARY PLANS.—Each of the three strategic plans provided in a report under subsection (b) shall include the following:

(1) An elaboration of the threat to the United States from the world conditions assumed in the alternative that the strategic plan is developed to address.

(2) A discussion of the degree to which military forces can contribute to the achievement of selected national objectives with a military posture limited by the available resources specified for purposes of that alternative.

(3) The strategy for applying those military forces to the achievement of specified national objectives.

(4) The missions of strategic, tactical, special operations, land, sea, air, and other forces in achieving that military strategy, including requirements with respect to forward basing, sealift and airlift, logistics and other support, readiness and sustainability, reserve and ready forces assignments, and other relevant factors.

(5) The missions identified in paragraph (4) for which each of the armed forces should organize, train, equip, and otherwise prepare forces for combat.

(6) The recommended size and composition of each of the armed forces, including specification of the number of military and civilian personnel and specification of force structure in terms of both combat weapon systems and major organizational elements.

(7) An assessment, in light of the strategic plan, of the military requirements for all major acquisition programs of the Department, accompanied by a recommendation as to the timing of each acquisition, the number of end items to be procured under each such program, and the annual funding level for each such program.

(8) Recommendations on the priorities to be given to research and development programs necessary to support the strategic plan.

(d) ASSUMED WORLD CONDITIONS FOR WHICH STRATEGIC MILITARY PLANS ARE REQUIRED.—(1) Each report under this section shall be developed with respect to each of the following three alternative sets of assumptions concerning future world conditions and anticipated defense budgets:

(A) The first alternative, set forth more fully in subsection (e), shall assume that present trends in world conditions continue and that levels of defense spending decline at a relatively gradual rate for five years and then stabilize.

(B) The second alternative, set forth more fully in subsection (f), shall assume increased tensions in world conditions and that levels of defense spending decline at a relatively gradual rate for two years and then stabilize.

(C) The third alternative, set forth more fully in subsection (g), shall assume that domestic priorities become dominant for Federal budget purposes and that levels of defense spending decline precipitously.

(2) The Secretary of Defense, in providing guidance to the Chairman of the Joint Chiefs of Staff for preparation of reports under this section, may revise any of the three alternatives with respect to assumptions about world and domestic conditions (as set forth in paragraph (1) of each of subsections (e) through (g)) in any manner the Secretary considers appropriate in order to increase the utility of the reports to the Secretary, the President, and the Congress. The Secretary may not revise any of the three alternatives with respect to assumptions about levels of defense spending (as set forth in paragraph (2) of each of subsections (e) through (g)).

(e) PRESENT TRENDS ALTERNATIVE.—(1) The first alternative shall assume, with respect to world conditions, that present trends continue and specifically that—

(A) the threat posed by the Soviet Union continues to diminish;

(B) arms control agreements providing for the reduction of strategic nuclear weapons (START) and for the limitation on conventional forces in Europe (CFE) are signed and ratified, thus significantly reducing strategic and conventional threats;

(C) warning time for potential hostilities in Europe extends to a minimum of three months;

(D) instability in the Soviet Union and Eastern Europe does not intensify to the point establishing perceived need by political authorities for the United States to have the capability to intervene;

(E) military capabilities of regional powers (such as Iraq and Pakistan) continue to grow but hostilities and other developments in the Middle East, Southwest Asia, and elsewhere do not develop to the point that United States intervention to protect its interests is necessary; and

(F) military capabilities of the United States to interdict narcotics and cope with low-intensity conflicts continue to evolve.

(2) The first alternative shall also assume that defense budgets continue to decline at a rate of 2½ percent per year to a level of $250,000,000,000 in new budget authority for fiscal year 1996 (stated in fiscal year 1989 dollars) and then keep pace with inflation through fiscal year 2001 and thereafter.

(f) INCREASED TENSIONS ALTERNATIVE.—(1) The second alternative shall assume, with respect to world conditions, that world tensions increase and specifically that—

(A) there is significantly increased concern about the growth in chemical, nuclear, and conventional warfare capabilities of re-

gional powers that are potentially hostile to the United States and its allies;

(B) military capabilities of the United States to interdict narcotics and cope with low-intensity conflicts continue to evolve;

(C) the decline in the threat posed by the Soviet Union is reversed, normalization of relations with the Soviet Union is replaced by moderately increased tension, and instability increases in the Soviet Union as a result of popular unrest and ethnic or nationalist secessionist tendencies;

(D) arms control agreements are signed and ratified under the START and CFE-1 processes, but prospects for further arms control progress is unclear; and

(E) warning time for potential hostilities in Europe is estimated to be no more than three months.

(2) The second alternative shall also assume that defense budgets decline to a level of $280,000,000,000 in new budget authority for fiscal year 1992 (measured in fiscal year 1989 dollars) and then keep pace with inflation through fiscal year 2001 and thereafter.

(g) DOMESTIC PRIORITIES ALTERNATIVE.—(1) The third alternative shall assume that, due to a broad public perception (A) that the Soviet Union has become relatively benign, nonexpansionist, and internally focused, and (B) that no comparable threats to United States national interests have emerged, public support for defense expenditures at or near recent levels diminishes precipitously.

(2) The third alternative shall also assume that defense budgets decline to a level of $200,000,000,000 in new budget authority for fiscal year 1996 (measured in fiscal year 1989 dollars) and remain at that level indefinitely so that annual defense expenditures do not exceed 3 percent of gross national product.

SEC. 1033. JOINT STAFF.

(a) NATIONAL MILITARY STRATEGY PLANNING STAFF.—Section 156 of title 10, United States Code (as redesignated by section 1031(a)), is amended by adding at the end the following new subsection:

"(i) ELEMENTS OF JOINT STAFF.—The Chairman of the Joint Chiefs of Staff shall establish within the Joint Staff a national military strategy planning staff, which shall be under the direct authority of the Chairman and shall work exclusively for the Chairman.".

(b) REPEAL OF LIMITATION ON SIZE OF JOINT STAFF.—Such section is further amended by striking out that portion of subsection (g) that precedes paragraph (2) and inserting in lieu thereof the following:

"(g) OFFSETTING REDUCTIONS FOR INCREASE IN JOINT STAFF ABOVE FORMER LIMIT.—(1) Any increase above 1,627 in the total number of members of the armed forces and civilian personnel authorized to be assigned or detailed to permanent duty on the Joint Staff shall be offset by corresponding reductions in the total number of members of the armed forces and civilian personnel (in the aggregate) authorized to be assigned or detailed to permanent duty on the Army Staff, the Air Staff, the Office of the Chief of Naval Operations, and the Headquarters, Marine Corps. The Secretary of Defense shall direct the manner in which any such reductions shall be allocated.".

SEC. 1034. AUTHORITY OF CHIEFS OF RESERVE COMPONENTS.

(a) ARMY RESERVE.—Section 3038(a) of title 10, United States Code, is amended by inserting before the period at the end the following: "and who, subject to the authority, direction, and control of the Chief of Staff, has command and control of the Army Reserve".

(b) NAVAL RESERVE.—Section 5251(a) of such title is amended by adding at the end the following new sentence: "The Chief of the Naval Reserve, subject to the authority, direction, and control of the Chief of Naval Operations, has command and control of the Naval Reserve.".

(c) AIR FORCE RESERVE.—Section 8038(a) of such title is amended by inserting before the period at the end the following: "and who, subject to the authority, direction, and control of the Chief of Staff, has command and control of the Air Force Reserve".

(d) ARMY TRANSITION.—Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report on the plans of the Secretary for implementation of the amendment made by subsection (a). Such implementation shall begin not later than 90 days after the date of the enactment of this Act and shall be completed not later than one year after such date.

SEC. 1035. INDEPENDENT BOARDS TO CONDUCT INVESTIGATIONS OF MAJOR INCIDENTS AND ALLEGATIONS INVOLVING PERFORMANCE OF THE ARMED FORCES.

(a) INDEPENDENT INVESTIGATORY BOARDS.—(1) Chapter 7 of title 10, United States Code, is amended by adding after section 180 (as added by section 1006(a)) the following new section:

"§ 181. Boards to review military performance: convening by Secretary of Defense

"(a)(1) The Secretary of Defense may direct that an investigation of an incident or allegation of the type described in paragraph (2) be conducted by a board convened under this section if the Secretary determines that the incident or allegation involves a major question of performance of missions assigned to the armed forces or is otherwise of significant public concern.

"(2) Paragraph (1) refers to incidents or allegations involving questions of the performance of missions assigned to the armed forces or of the performance of members of the armed forces (other than the Coast Guard when it is not operating as a service in the Navy) with respect to which the Secretary of the military department concerned or another authority within the Department of Defense, under established procedures and policy, would customarily convene an investigatory board or panel.

"(b)(1) The Secretary of Defense shall appoint a chairman for each board convened under this section. The chairman—

"(A) may not be a member of the armed forces on active duty;

"(B) may not have served on active duty in the armed force with respect to which the investigation is to be conducted for more than six years;

"(C) may not have a current affiliation (including employment or service as a member of the armed forces) with the military department with respect to which the investigation is to be conducted or a former such affiliation within the preceding five years; and

"(D) shall have appropriate qualifications to head the investigation, including qualifications based on experience in national security matters or training and experience in matters relevant to the duties of the board.

"(2) Each board convened under this section shall have a deputy chairman. The deputy chairman shall be selected by the Secretary of Defense after considering recommendations of the Secretary of the military department with respect to which the investigation is to be conducted. The deputy chairman shall be selected from among officers on the active-duty list of the armed force with respect to which the investigation is to be conducted. If the incident or allegation with respect to which the board is convened involves more than one military department, the Secretary of Defense shall designate which Secretary of a military department shall recommend the deputy chairman.

"(3) Such a board shall include such additional members as the Secretary of Defense directs. Such members may be selected from members of the armed force with respect to which the investigation is to be conducted, other members of the armed forces, employees of the Department of Defense, and persons outside the Government. However, the number of members of the panel appointed from persons affiliated with the military department concerned (whether military or civilian) may not be more than half of the total membership of the board and at least one member of the board shall be appointed from outside the Government.

"(4) Members of a board convened under this section who are not members of the armed forces on active duty and (but for service on the board) are not employees of the United States shall be provided a stipend not to exceed $350 for each day in which they are engaged in performance of the work of the board.

"(c) A board convened under this section shall perform such duties, exercise such functions, and make such reports as the Secretary of Defense directs in connection with the investigation of the incident or allegation giving rise to the appointment of the board. The members of the board shall be engaged full time in the duties of the board until the work of the board is completed.

"(d) The Secretary of Defense shall provide a board with such staff assistance as it requires. Not more than one-third of the staff of the board may be from a military department concerned with the investigation. The remainder of such staff shall be from other components of the Department of Defense, from other agencies of the Government, or from the private sector, except that support staff for the board shall be furnished by the Inspector General of the Department.

"(e) The Secretary of Defense shall establish procedures and standards for the convening and functioning of boards under this section in order to facilitate the convening of such a board, and its effective functioning, as expeditiously as possible upon the occurrence of an incident or allegation described in subsection (a).

"(f) Meetings of a board convened under this section may, at the discretion of the chairman of the board, be closed to the public.

"(g) Unless otherwise directed by the Secretary of Defense, the convening of a board under this section shall be considered to meet any requirement imposed by law or regulation for the Secretary of a military department or other authority within the Department of Defense to conduct an investigation or inquiry with respect to an incident or allegation.".

(2) The table of sections at the beginning of such chapter is amended by adding after

the item relating to section 180 (as added by section 1006(a)) the following new item:

"181. Boards to review military performance: convening by Secretary of Defense.".

(b) EFFECTIVE DATE.—Section 181 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1990.

SEC. 1036. SECURITY INVESTIGATIONS.

(a) SECURITY INVESTIGATIONS.—Subchapter I of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2244. Security investigations

"No funds appropriated to the Department of Defense may be obligated or expended for the conduct of an investigation by the Department of Defense or any other Federal department or agency for purposes of determining whether to grant a security clearance to an individual or a facility unless the Secretary of Defense determines both of the following:

"(1) That a current, complete investigation file is not available from any other department or agency of the Federal government with respect to that individual or facility.

"(2) That no other department or agency of the Federal government is conducting an investigation with respect to that individual or facility that could be used as the basis for determining whether to grant the security clearance.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

"2244. Security investigations.".

TITLE XI—DEFENSE REPORTS REDUCTION

SEC. 1101. SHORT TITLE.

This title may be cited as the "Defense Reports Reduction Act of 1990".

PART A—REPEAL OF EXISTING REPORT REQUIREMENTS

SEC. 1111. REPORTS REQUIRED BY TITLE 10, UNITED STATES CODE.

Title 10, United States Code, is amended as follows:

(1) Sections 117 and 118 are repealed.

(2) Section 125 is amended by striking out the second sentence of subsection (c).

(3) Section 836(b) is amended by striking out "and shall be reported to Congress".

(4) Section 946(c)(1) is amended by striking out "a report—" and all that follows through "(B) to the" and inserting in lieu thereof "a report to the".

(5) Section 1051 is amended—

(A) by striking out subsections (e) and (f); and

(B) by redesignating subsection (g) as subsection (e).

(6) Section 2208 is amended by striking out subsection (k).

(7) Section 2313 is amended by striking out the last sentence of subsection (c).

(8) Section 2215 is repealed.

(9) Section 2330 is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(10) Sections 2349 and 2357 are repealed.

(11) Section 2367 is amended by striking out subsection (c).

(12) Section 2394(b) is amended—

(A) by striking out "only—" and all that follows through "after the approval" and inserting in lieu thereof "only after the approval";

(B) by striking out "; and" and inserting in lieu thereof a period; and

(C) by striking out paragraph (2).

(13) Section 2463 is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(14) Section 2779(b) is amended by striking out paragraph (4).

(15) Section 2805(b) is amended by striking out paragraph (3).

(16) Section 2834 is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(17) Section 2891 is repealed.

SEC. 1112. REPORTS REQUIRED BY ANNUAL DEFENSE AUTHORIZATION ACTS.

(a) PUBLIC LAW 101-189.—The National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1352 et seq.) is amended as follows:

(1) Section 852 (103 Stat. 1517) is amended by striking out subsection (b).

(2) Section 1604 (103 Stat. 1598) is repealed.

(b) PUBLIC LAW 100-180.—The National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100-180; 101 Stat. 1019 et seq.) is amended as follows:

(1) Section 273 (15 U.S.C. 4603) is amended by striking out paragraph (3) of subsection (b).

(2) Section 1201 (as amended by section 1202 of Public Law 100-456) is amended by striking out subsection (e).

(c) PUBLIC LAW 99-661.—The National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661) is amended as follows:

(1) Section 1207(g)(4) (10 U.S.C. 2301 note) is amended—

(A) by striking out subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B).

(2) Section 1362 (100 Stat. 4001) is repealed.

(d) PUBLIC LAW 99-145.—Section 106(a)(2) of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 596) is amended by striking out "may be obligated—" and all that follows through "(B) for" and inserting in lieu thereof "may be obligated for".

(e) PUBLIC LAW 98-115.—Section 803(b) of the Military Construction Authorization Act, 1984 (10 U.S.C. 2821 note), is amended—

(1) by striking out "in any year" and all that follows through "the Secretary determines" and inserting in lieu thereof "in any year if the Secretary determines";

(2) by striking out "; and" and inserting in lieu thereof a period; and

(3) by striking out paragraph (2).

SEC. 1113. REPORTS REQUIRED BY OTHER ACTS.

(a) DEFENSE INDUSTRIAL RESERVE ACT.—Section 5 of the Defense Industrial Reserve Act (50 U.S.C. 454) is repealed.

(b) MILITARY SELECTIVE SERVICE ACT.—Section 18 of the Military Selective Service Act (50 U.S.C. App. 468) is amended in subsection (h)—

(1) by striking out "(1)" at the beginning of the text of such subsection; and

(2) by striking out paragraph (2).

PART B—MODIFICATIONS TO EXISTING REPORT REQUIREMENTS

SEC. 1121. REPORTS REQUIRED BY TITLE 10, UNITED STATES CODE.

Title 10, United States Code, is amended as follows:

(1) Section 128(d) is amended by striking out "on a quarterly basis" and inserting in lieu thereof "on an annual basis".

(2) Section 2361(c) is amended—

(A) by striking out "a semiannual report" in paragraph (1) and inserting in lieu thereof "an annual report"; and

(B) by striking out "the six-month periods" in paragraph (2) and all that follows in that paragraph and inserting in lieu thereof "the preceding calendar year and shall be submitted not later than February 1 of the year after the year covered by the report.".

(3) Section 2457(d) is amended by striking out "Before February 1 of each year," and inserting in lieu thereof "Before February 1, 1989, and biennially thereafter,".

(4) Section 2662(b) is amended by striking out "$5,000" and inserting in lieu thereof "$25,000".

(5) Section 2822(b)(4) is amended—

(A) by striking out "if—" and all that follows through "the Secretary concerned provides" and inserting in lieu thereof "if the Secretary concerned provides";

(B) by striking out "; and" and inserting in lieu thereof a period; and

(C) by striking out subparagraph (B).

(6) Section 7434 is amended to read as follows:

"§ 7434. Semiannual reports to Armed Services Committees

"The Secretary shall submit to the Committee on Armed Services of the Senate and House of Representatives a semiannual report on the production from the naval petroleum reserves during the preceding six months. Each such report shall be submitted within 30 days after the end of a fiscal year and the end of the second quarter of a fiscal year.".

SEC. 1122. REPORTS REQUIRED BY ANNUAL AUTHORIZATION ACTS.

(a) PUBLIC LAW 101-189.—Section 121(d) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1379) is amended—

(1) by striking out "BIMONTHLY" in the subsection heading and inserting in lieu thereof "QUARTERLY";

(2) by striking out "a report every two months" in paragraph (1) and inserting in lieu thereof "at the end of each fiscal-year quarter a report"; and

(3) by striking out the first sentence of paragraph (3).

(b) PUBLIC LAW 99-661.—Section 1207(g) of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99-661; 10 U.S.C. 2301 note) is amended by transferring subparagraph (C) of paragraph (3) to the end of paragraph (4) (as amended by section 1112(c)(1)).

(c) PUBLIC LAW 98-525.—Section 1002(d) of the Department of Defense Authorization Act, 1985 (Public Law 98-525), is amended—

(1) in paragraph (1), by striking out "April 1, 1985, and each year thereafter," and inserting in lieu thereof "April 1, 1990, and biennially thereafter,";
and

(2) by adding at the end of paragraph (2)(B) the following new clause:

"(xi) Other selected indicators of NATO capability.".

PART C—REPORT PROVISIONS PREVIOUSLY TERMINATED UNDER GOLDWATER-NICHOLS ACT

SEC. 1131. PURPOSE.

(a) PURPOSE OF PART.—This part, with respect to Goldwater-Nichols terminations described in subsection (b)—

(1) in section 1132, repeals certain provisions of law containing terminated report requirements; and

(2) in section 1133, restores the effectiveness of selected other provisions of law containing such requirements.

(b) DESCRIPTION OF GOLDWATER-NICHOLS TERMINATIONS.—For purposes of subsection (a), Goldwater-Nichols terminations are those provisions of law that—

(1) set forth requirements for reports to Congress; and

(2) by reason of section 602(c) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 10 U.S.C. 111 note), are no longer effective.

SEC. 1132. REPEAL OF STATUTORY PROVISIONS TERMINATED BY GOLDWATER-NICHOLS ACT.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) Section 113 is amended—

(A) by striking out subsection (i); and

(B) by redesignating subsections (j), (k), and (l) as subsections (i), (j), and (k), respectively.

(2) Section 115(b) is amended by striking out the last sentence of paragraph (4).

(3) Section 2113(j) is amended—

(A) by striking out "subject to paragraph (2)," in subparagraphs (B), (C), and (E) of paragraph (1);

(B) by striking out paragraph (2); and

(C) by redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively.

(4) Section 2307 is amended by striking out subsection (d).

(5) Section 2359 is repealed.

(6) Section 2388 is amended by striking out subsection (d).

(7) Section 2394a is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(8) Section 2404 is amended—

(A) by striking out subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(9) Section 2455 is repealed.

(10) Section 2547 is amended—

(A) by striking out subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(11) Section 2675 is amended—

(A) by striking out "(a)" at the beginning of the text of such section; and

(B) by striking out subsection (b).

(12) Section 2690(b) is amended—

(A) by striking out "the Secretary—" and all that follows through "determines" and inserting in lieu thereof "the Secretary determines";

(B) by redesignating clauses (A) and (B) as clauses (1) and (2), respectively;

(C) by striking out "; and" and inserting in lieu thereof a period; and

(D) by striking out paragraph (2).

(13) Section 2721 is amended—

(A) by striking out "(a)"; and

(B) by striking out subsection (b).

(14) Section 4314 is amended by striking out the last sentence.

(15) Section 6956 is amended—

(A) by striking out subsection (a); and

(B) by redesignating subsections (b), (c), and (d) as subsections (a), (b), and (c), respectively.

(16) Section 7217 is repealed.

(b) TITLE 32, UNITED STATES CODE.—Section 314 of title 32, United States Code, is amended by striking out the last sentence of subsection (d).

(c) TITLE 37, UNITED STATES CODE.—Title 37, United States Code, is amended as follows:

(1) Sections 301a and 301c are amended by striking out subsection (e).

(2) Section 303a(c) is amended by striking out the last sentence.

(3) Section 306 is amended by striking out subsection (f).

(4) Section 308b is amended—

(A) by striking out subsection (e); and

(B) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(5) Section 308c is amended—

(A) by striking out subsection (e); and

(B) by redesignating subsection (f) as subsection (e).

(6) Section 310 is amended by striking out subsection (d).

(7) Section 312b is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(8) Section 312c is amended—

(A) by striking out subsection (d); and

(B) by redesignating subsection (e) as subsection (d).

(d) PUBLIC LAW 99-145.—The Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 583 et seq.), is amended as follows:

(1) Section 913 (10 U.S.C. 2301 note) is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsection (c) as subsection (b).

(2) Section 915 (10 U.S.C. 2431 note) is repealed.

(e) PUBLIC LAW 98-94.—Section 1260 of the Department of Defense Authorization Act, 1984 (Public Law 98-94; 97 Stat. 703), is amended by striking out the second sentence of subsection (b).

(f) PUBLIC LAW 96-418.—Section 802 of the Military Construction Authorization Act, 1981 (Public Law 96-418; 10 U.S.C. 2431 note), is amended by striking out subsection (e).

(g) PUBLIC LAW 94-106.—Section 808 of the Department of Defense Appropriation Authorization Act, 1976 (Public Law 94-106; 10 U.S.C. 7291 note), is repealed.

SEC. 1133. RESTORATION OF CERTAIN REPORTING REQUIREMENTS OF TITLE 10, UNITED STATES CODE, TERMINATED BY GOLDWATER-NICHOLS ACT.

(a) RESTORAL.—The effectiveness of the report and notification provisions named in subsection (b), previously terminated by section 602(c) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 10 U.S.C. 111 note), is hereby restored.

(b) COVERED PROVISIONS.—Subsection (a) applies to the following report and notification provisions set forth in title 10, United States Code:

(1) The quarterly report required by section 127(c) of that title, relating to emergency and extraordinary expenses.

(2) The quadrennial report required by section 2006(e)(3) of that title, relating to the Department of Defense Education Benefits Fund.

(3) The reports required by paragraphs (1)(B) and (3) of section 2438(a) of that title, relating to acquisitions strategies for major defense acquisition programs.

(4) The notifications required by section 2672a(b) of that title, relating to urgent acquisitions of interests in land.

(5) The notifications required by section 7308(c) of that title, relating to the transfer or gift of obsolete, condemned, or captured vessels.

(6) The notifications required by section 7309(b) of that title, relating to construction or repair of vessels in foreign shipyards.

SEC. 1134. REPEAL OF GOLDWATER-NICHOLS REPORTS TERMINATION SECTION.

Section 602(c) of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99-433; 10 U.S.C. 111 note), is repealed.

PART D—CLERICAL AMENDMENTS

SEC. 1141. CLERICAL AMENDMENTS.

Title 10, United States Code, is amended as follows:

(1) The table of sections at the beginning of chapter 2 is amended by striking out the items relating to sections 117 and 118.

(2) The table of sections at the beginning of chapter 131 is amended by striking out the item relating to section 2215.

(3) The table of sections at the beginning of subchapter I of chapter 138 is amended by striking out the item relating to section 2349.

(4) The table of sections at the beginning of chapter 139 is amended by striking out the items relating to section 2357 and 2359.

(5) The table of sections at the beginning of chapter 145 is amended by striking out the item relating to section 2455.

(6) The table of sections at the beginning of chapter 171 is amended by striking out the item relating to section 2891.

(7) The table of sections at the beginning of chapter 631 is amended by striking out the item relating to section 7217.

(8) The item relating to section 7434 in the table of sections at the beginning of chapter 641 is amended to read as follows:

"7434. Semiannual reports to Armed Services Committees.".

TITLE XII—ARMED FORCES RETIREMENT HOME

SEC. 1201. SHORT TITLE.

This title may be cited as the "Armed Forces Retirement Home Act of 1990".

SEC. 1202. AUTHORIZATION OF APPROPRIATIONS FOR THE UNITED STATES SOLDIERS' AND AIRMEN'S HOME.

There are authorized to be appropriated for fiscal year 1991 from the Soldiers' Home, Permanent Fund, $53,999,000 for the operation of the United States Soldiers' and Airmen's Home.

SEC. 1203. DEFINITIONS.

For purposes of this Act:

(1) The term "Retirement Home" means the Armed Forces Retirement Home established under section 1211(a).

(2) The term "Board" means the Armed Forces Retirement Home Board established under section 1215(a).

(3) The term "Director" means a Director of the Armed Forces Retirement Home appointed under section 1217(a).

(4) The term "Fund" means the Armed Forces Retirement Home Trust Fund established under section 1219(a).

(5) The term "Armed Forces" does not include the Coast Guard when it is not operating as a service in the Navy.

(6) The term "warrant officer" does not include a warrant officer in the Navy or the Marine Corps.

(7) The term "chief personnel officers" means—

(A) the Deputy Chief of Staff for Personnel of the Army;

(B) the Chief of Naval Personnel;

(C) the Deputy Chief of Staff, Manpower and Personnel of the Air Force; and

(D) the Deputy Chief of Staff for Manpower of the Marine Corps.

(8) The term "senior noncommissioned officers" means—

(A) the Sergeant Major of the Army;
(B) the Master Chief Petty Officer of the Navy;
(C) the Chief Master Sergeant of the Air Force; and
(D) the Sergeant Major of the Marine Corps.

PART A—ESTABLISHMENT AND OPERATION OF RETIREMENT HOME

SEC. 1211. ESTABLISHMENT OF THE ARMED FORCES RETIREMENT HOME.

(a) INCLUSION OF EXISTING HOMES.—The United States Soldiers' and Airmen's Home and the Naval Home are hereby incorporated into an independent establishment in the executive branch of the Federal Government to be known as the Armed Forces Retirement Home.

(b) PURPOSE.—The purpose of the Retirement Home is to provide, through the United States Soldiers' and Airmen's Home and the Naval Home, a residence and related services for certain retired and former enlisted members and warrant officers of the Armed Forces.

(c) OPERATION.—Each facility of the Retirement Home maintained as a separate establishment of the Retirement Home for administrative purposes shall be operated by a Director under the overall supervision of the Armed Forces Retirement Home Board.

(d) PROPERTY AND FACILITIES.—(1) The Retirement Home shall consist of such property and facilities as may be transferred to the Retirement Home or acquired by the Board for inclusion in the Retirement Home.

(2) On the effective date specified in section 1241(a), the property and facilities known and operated as the Naval Home and the United States Soldiers' and Airmen's Home shall be transferred to, and made a part of, the Retirement Home.

(e) ACCREDITATION.—The Board shall endeavor to secure for each facility of the Retirement Home maintained as a separate establishment of the Retirement Home for administrative purposes the accreditation of that facility by a nationally recognized civilian accrediting organization, such as the Continuing Care Accreditation Commission and the Joint Commission for Accreditation of Health Organizations.

SEC. 1212. RESIDENTS OF RETIREMENT HOME.

(a) PERSONS ELIGIBLE TO BE RESIDENTS.—The following persons who served as enlisted members or warrant officers in the Armed Forces are eligible to be residents of the Retirement Home:

(1) Persons who—
(A) are 60 years of age or over; and
(B) were discharged or released from service in the Armed Forces under conditions other than dishonorable after 20 or more years of active service.

(2) Persons who are determined under rules issued by the Board to be incapable of earning a livelihood because of a service-connected disability incurred in the line of duty in the Armed Forces.

(3) Persons who—
(A) served in a war theater during a time of war declared by Congress or were eligible for hostile fire special pay under section 310 of title 37, United States Code;
(B) were discharged or released from service in the Armed Forces under conditions other than dishonorable; and
(C) are determined under rules issued by the Board to be incapable of earning a livelihood because of injuries, disease, or disability.

(4) Persons who—
(A) were discharged or released from service in the Armed Forces under conditions other than dishonorable; and
(B) are determined under rules issued by the Board to be eligible for admission because of compelling personal circumstances.

(b) ACCEPTANCE.—To apply for acceptance as a resident of a facility of the Retirement Home, a person eligible to be a resident shall submit to the Director of that facility an application in such form and containing such information as the Board may require.

(c) PRIORITIES FOR ACCEPTANCE.—The Board shall establish a system of priorities for the acceptance of residents so as to accept the most deserving applicants whenever the number of eligible applicants is greater than the facilities of the Retirement Home can accommodate.

(d) EFFECT OF DEPARTURE.—A resident of the Retirement Home who leaves the Retirement Home for more than 45 consecutive days (other than for inpatient medical care) shall be required to reapply for acceptance as a resident.

(e) APPLICATION OF ELIGIBILITY REQUIREMENTS TO CURRENT RESIDENTS OF THE NAVAL HOME AND THE SOLDIERS' AND AIRMEN'S HOME.—Residents of the Naval Home and the United States Soldiers' and Airmen's Home as of the effective date specified in section 1241(a)—

(1) shall not be required to apply for acceptance as residents of the Retirement Home; and

(2) shall become residents of the Retirement Home on that date.

SEC. 1213. SERVICES PROVIDED RESIDENTS.

(a) SERVICES PROVIDED.—Except as provided in subsection (b), a resident of the Retirement Home shall receive the services authorized by the Board.

(b) LIMITATION ON PROVISION OF MEDICAL AND DENTAL CARE.—A resident of the Retirement Home may not receive medical and dental care at the Retirement Home if the care is reasonably available to the resident at a facility administered by the Secretary of Veterans Affairs or the Secretary of Defense.

SEC. 1214. FEES PAID BY RESIDENTS.

(a) MONTHLY FEES.—The Directors shall collect from each resident of the Retirement Home a monthly fee.

(b) DEPOSIT OF FEES.—The Directors shall deposit fees collected under subsection (a) in the Armed Forces Retirement Home Trust Fund.

(c) FIXING FEES.—The Board shall from time to time fix the fee required by subsection (a) on the basis of the financial needs of the Retirement Home and the ability of the residents to pay. The fee shall be fixed as a percentage of Federal payments made to a resident, including monthly retired or retainer pay, monthly civil service annuity, monthly compensation or pension paid to the resident by the Secretary of Veterans Affairs, and Social Security payments. The percentage shall be the same for each facility of the Retirement Home maintained as a separate establishment of the Retirement Home for administrative purposes.

(d) APPLICATION OF FEES TO CURRENT RESIDENTS OF THE NAVAL HOME AND THE SOLDIERS' AND AIRMEN'S HOME.—Residents of the Naval Home and the United States Soldiers' and Airmen's Home as of the effective date specified in section 1241(a) shall not be required to pay a monthly fee in excess of any fee required of those residents on that date.

SEC. 1215. COMPOSITION AND OPERATION OF RETIREMENT HOME BOARD.

(a) ESTABLISHMENT.—There is hereby established the Armed Forces Retirement Home Board.

(b) MEMBERS.—The Board shall consist of not less than seven members appointed by the Secretary of Defense as follows:

(1) Five members who—
(A) are not officers or employees of the United States; and
(B) are outstanding in the fields of gerontology, health care, the provision of retirement care, or financial management.

(2) One member from the residents of each facility of the Retirement Home maintained as a separate establishment of the Retirement Home for administrative purposes, upon the recommendation of the residents of the facility.

(c) ADDITIONAL MEMBERS.—The Board shall include the following additional members who shall not have a vote in matters before the Board:

(1) The Director of the Office of Management and Budget.

(2) The chief personnel officers of the Army, Navy, Air Force, and Marine Corps.

(3) Two members designated by the Secretary of Defense from among the four senior noncommissioned officers of the Army, Navy, Air Force, and Marine Corps.

(4) One member designated by the Secretary of Defense who—
(A) is a civilian employee of the Department of Defense; and
(B) is a personnel or finance official of the Department.

(5) One member designated by the Secretary of Health and Human Services from persons who are officers or employees of the Department of Health and Human Services.

(6) One member designated by the Secretary of Veterans Affairs from persons who are officers or employees of the Department of Veterans Affairs.

(d) FIRST APPOINTMENT AND DESIGNATION.—(1) Members of the Board required by subsection (b) to be appointed shall be first appointed not later than the effective date specified in section 1241(a).

(2) Members of the Board required by subsection (c) to be designated shall be first designated not later than the effective date specified in section 1241(a). The first senior noncommissioned officers designated under subsection (c)(3) shall be the Sergeant Major of the Army and the Master Chief Petty Officer of the Navy.

(e) CHAIRMAN.—The Board shall select one of the members appointed under subsection (b)(1) as chairman. The term of office of the chairman shall be three years.

(f) TERMS.—(1) The term of office of each member of the Board appointed under subsection (b) shall be five years.

(2) The term of office of each member of the Board appointed under subsection (b)(2) or designated under subsection (c)(3) shall be one year. A member so appointed or designated may not be reappointed or redesignated for a consecutive term.

(3) A member whose term of office has expired may continue to serve until the successor for the member is appointed or designated.

(4) The terms of office of the members first appointed under subsection (b)(1) shall expire (as designated by the Secretary at the time of the appointment) one at the end of three years, two at the end of four years, and two at the end of five years.

(g) VACANCIES.—(1) A vacancy in the Board shall be filled in the manner in which the original appointment or designation was made.

(2) A member appointed or designated to fill a vacancy occurring before the end of the term of the predecessor of the member shall be appointed or designated, as the case may be, for the remainder of the term.

(3) A vacancy in the Board shall not affect the authority of the Board to perform its duties under section 1216.

(h) COMPENSATION.—(1) A member of the Board appointed under subsection (b) shall—

(A) be provided a stipend not to exceed $100 for each day in which the member is engaged in the performance of services for the Board; and

(B) while away from home or regular place of business in the performance of services for the Board, be allowed travel expenses (including per diem in lieu of subsistence) in the same manner as a person employed intermittently in Government under sections 5701 through 5707 of title 5, United States Code.

(2) A member of the Board who is a member of the Armed Forces on active duty or a full-time officer or employee of the United States shall receive no additional pay by reason of service on the Board.

(i) MEETINGS.—(1) The Board shall meet twice a year, or at more frequent intervals, at the call of the chairman or a majority of the members appointed or designated under subsection (b).

(2) The first meeting of the Board shall be held during the 30-day period beginning on the later of—

(1) the effective date specified in section 1241(a); and

(2) the date on which the last of the five members required by subsection (b)(1) to be appointed is first appointed.

SEC. 1216. DUTIES OF RETIREMENT HOME BOARD.

(a) OVERALL OPERATION OF THE RETIREMENT HOME.—The Board shall be responsible for the overall operation of the Retirement Home. As part of such responsibilities, the Board shall perform the following duties:

(1) Issue and enforce appropriate rules for the operation of the Retirement Home.

(2) Periodically visit, and inspect the operation of, the facilities of the Retirement Home.

(3) Periodically examine and audit the accounts of the Retirement Home.

(4) Establish such advisory bodies as the Board considers to be necessary.

(b) SPECIAL DUTIES OF SPECIFIC MEMBERS.—The Board shall assign specific members of the Board appointed under section 1215(b) to oversee the operations of each facility of the Retirement Home maintained as a separate establishment of the Retirement Home for administrative purposes.

(c) ACQUISITION OF PROPERTY.—For the benefit of the Retirement Home, the Board may acquire property and facilities for inclusion in the Retirement Home.

(d) LIMITATION ON THE DISPOSAL OF PROPERTY.—Real property of the Retirement Home may not be disposed of by the Board by sale or otherwise unless the disposal of the property is specifically authorized by law. The Board shall deposit monies received from the disposal of any property in the Armed Forces Retirement Home Trust Fund.

(e) GIFTS.—(1) The Board may accept on behalf of the Retirement Home and use and dispose of gifts of money, property, and facilities.

(2) Monies received as gifts, or from the disposition of property and facilities received as gifts, shall be deposited in the Fund.

(f) ANNUAL REPORT.—At the close of each fiscal year, the Board shall submit to the Secretary of Defense, for transmission to Congress, a report describing the financial and other affairs of the Retirement Home for the fiscal year.

SEC. 1217. DIRECTORS, DEPUTY DIRECTORS, AND STAFF.

(a) APPOINTMENT AND QUALIFICATIONS.—(1) The Secretary of Defense shall appoint a Director and Deputy Director for each facility of the Retirement Home maintained as a separate establishment of the Retirement Home for administrative purposes.

(2) A Director and Deputy Director shall be appointed from among persons recommended by the Board who—

(A) are not officers or employees of the United States;

(B) have appropriate leadership and management skills, an appreciation and understanding of the culture and norms associated with military service, and a significant military background.

(3) A Director shall be required to pursue a course of study to receive certification as a retirement facilities director by an appropriate civilian certifying organization if the Director is not so certified at the time of appointment.

(b) APPLICATION OF CIVIL SERVICE LAWS TO APPOINTMENT AND FIXING PAY.—The Secretary of Defense may appoint under subsection (a) a Director or Deputy Director without regard to the provisions of title 5, United States Code, governing appointments in the competitive service.

(c) TERM OF DIRECTOR.—The term of office of a Director shall be five years. A Director may be reappointed for a single additional term upon the completion of the term of office unless the Director has failed to successfully complete a course of study to receive certification as a retirement facilities director.

(d) DUTIES OF DIRECTORS.—(1) A Director shall be responsible for the day-to-day operation of the facility of the Retirement Home for which the Director is appointed, including the acceptance of applicants to be residents of that facility.

(2) The Director shall keep accurate and complete records of the operations of that facility of the Retirement Home.

(e) STAFF.—(1) A Director, subject to the approval of the Board, may appoint and fix the pay of such staff as the Director considers appropriate to assist the Director in operating the facility of the Retirement Home for which the Director is appointed.

(2) The staff should include persons with experience and expertise in the operation and management of retirement homes and in the provision of long-term medical care for older persons.

(f) INITIAL OPERATION.—(1) Until the date on which the Secretary of Defense first appoints the Director for the facility of the Retirement Home known as the Naval Home, the Governor of the Naval Home shall operate that facility consistent with this Act and other laws applicable to the Retirement Home.

(2) Until the date on which the Secretary of Defense first appoints the Director for the facility of the Retirement Home known as the United States Soldiers' and Airmen's Home, the Governor of the United States Soldiers' and Airmen's Home shall operate that facility consistent with this Act and other laws applicable to the Retirement Home.

SEC. 1218. INSPECTION BY INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE.

The Inspector General of the Department of Defense shall—

(1) conduct not later than three years after the effective date specified in section 1241(a) (and at five-year intervals thereafter) an inspection of the Retirement Home and the records of the Retirement Home; and

(2) submit to the Board and the Secretary of Defense a report describing the results of the inspection and containing such recommendations as the Inspector General considers appropriate.

SEC. 1219. RETIREMENT HOME TRUST FUND.

(a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a trust fund to be known as the Armed Forces Retirement Home Trust Fund. The Fund shall consist of the following:

(1) Such amounts as may be appropriated or transferred to the Fund.

(2) Monies deposited in the Fund by the Board from gifts or from the disposition of property and facilities.

(3) Amounts deposited in the Fund as monthly fees paid by residents of the Retirement Home under section 1214.

(4) Amounts of stoppages, fines, and forfeitures deposited in the Fund under section 2722 of title 10, United States Code.

(5) Amounts deposited in the Fund as deductions from the pay of enlisted members and warrant officers under section 1007(i) of title 37, United States Code.

(6) Interest from investments made under subsection (c).

(b) AVAILABILITY AND USE OF FUND.—Amounts in the Fund shall be available solely for the operation of the Retirement Home. Such amounts shall be first available beginning on October 1, 1991.

(c) INVESTMENTS.—The Secretary of the Treasury may invest in obligations issued or guaranteed by the United States any monies in the Fund that the Director determines are not currently needed to pay for the operation of the Retirement Home.

(d) TRANSITIONAL ACCOUNTS.—(1) During the period beginning on the effective date specified in section 1241(a) and ending on October 1, 1993, the Fund shall contain a separate account for each facility of the Retirement Home maintained as a separate establishment of the Retirement Home for administrative purposes. Beginning on October 1, 1991, funds required for the operation of the facilities known as Naval Home and the United States Soldiers' and Airmen's Home shall be drawn from the appropriate account.

(2) During the period beginning on the effective date specified in section 1241(a) and ending on October 1, 1993—

(A) amounts referred to in subsection (a)(3) paid by residents of the facility known as the Naval Home and amounts referred to in subsections (a)(4) and (a)(5) derived from enlisted members in the Navy, Marine Corps, or Coast Guard shall be credited to the account relating to that facility; and

(B) amounts referred to in subsection (a)(3) paid by residents of the facility known as the United States Soldiers' and Airmen's Home and amounts referred to in subsections (a)(4) and (a)(5) derived from members and warrant officers in the Army

or Air Force shall be credited to the account relating to that facility.

SEC. 1220. DISPOSITION OF EFFECTS OF DECEASED PERSONS; UNCLAIMED PROPERTY.

(a) EFFECTS OF DECEASED PERSONS.—The Directors shall dispose of the effects of a deceased person delivered to the Retirement Home under section 4712(f) or 9712(f) of title 10, United States Code, as follows:

(1) A will or other paper involving property rights shall be promptly delivered to the proper court of record.

(2) If the heirs or legal representative of the deceased cannot sooner be ascertained, the Directors shall retain the remaining effects until three years after the death of the deceased, and then, if a right to the effects is established to the satisfaction of the Directors, shall deliver the effects to the living person highest on the following list who can be found:

(A) The surviving spouse or legal representative.

(B) A child of the deceased.

(C) A parent of the deceased.

(D) A brother or sister of the deceased.

(E) The next-of-kin of the deceased.

(F) A beneficiary named in the will of the deceased.

(b) SALE OF EFFECTS.—(1) After three years from the date of death of the deceased, the Directors may sell the effects to which a right has not been established under subsection (a) (except decorations, medals, and citations) by public or private sale, as the Directors consider most advantageous.

(2) After five years from the date of death of the deceased, the Directors shall dispose of effects that are not sold under paragraph (1) (including decorations, medals, and citations) and to which a right has not been established under subsection (a) in the manner that the Directors consider most appropriate in the public interest. Disposal may include—

(A) retaining the effects for the use of the Retirement Home;

(B) delivering the effects to the Secretary of Veterans Affairs, to a State or other military home, to a museum, or to any other appropriate institution; or

(C) destroying the effects if the Board determines that they are valueless.

(c) TRANSFER OF PROCEEDS TO THE FUND.—The net proceeds received by the Directors from the sale of effects under subsection (b) shall be deposited in the Fund.

(d) SUBSEQUENT CLAIM.—(1) A claim for the net proceeds of the sale under subsection (b) of the effects of a deceased may be filed with the Comptroller General at any time within six years after the death of the deceased, for action under section 2771 of title 10, United States Code.

(2) A claim referred to in paragraph (1) may not be considered by a court or the Comptroller General unless the claim is filed within the time period prescribed in such paragraph.

(3) A claim allowed by the Comptroller General under paragraph (1) shall be certified to the Secretary of the Treasury for payment from the Fund in the amount found due, including any interest relating to the amount. No claim may be allowed or paid in excess of the net proceeds of the estate deposited in the Fund under subsection (c), and interest thereon.

(e) UNCLAIMED PROPERTY.—In the case of property delivered to the Retirement Home under section 2575 of title 10, United States Code, the Directors shall deliver the property to the owner, the heirs or next of kin of the owner, or the legal representative of the owner, if a right to the property is established to the satisfaction of the Directors within two years after the delivery.

PART B—TRANSITIONAL PROVISIONS

SEC. 1231. TRANSFER OF TRUST FUNDS RELATING TO THE NAVAL HOME AND THE SOLDIERS' AND AIRMEN'S HOME.

(a) INITIAL TRANSFER.—On October 1, 1991, all monies in the following funds in the Treasury shall be transferred to the appropriate account in the Armed Forces Retirement Home Trust Fund, and those funds shall terminate:

(1) Soldiers' Home, permanent fund, referred to in paragraph (59) of section 1321(a) of title 31, United States Code.

(2) Soldiers' Home, interest fund, referred to in paragraph (81) of such section.

(3) Personal funds of deceased inmates, Naval Home, referred to in paragraph (5) of such section.

(b) SUBSEQUENT TRANSFERS.—After the termination of the funds referred to in subsection (a), any monies that would be deposited into one of those funds but for the termination of that fund under subsection (a) shall be deposited into the Armed Forces Retirement Home Trust Fund.

SEC. 1232. REPEAL OF PROVISIONS RELATING TO THE NAVAL HOME AND THE UNITED STATES SOLDIERS' AND AIRMEN'S HOME.

(a) LAWS RELATING TO THE NAVAL HOME.—The following provisions of law are repealed:

(1) Section 11 of the Act of August 2, 1946 (60 Stat. 854; 24 U.S.C. 21a).

(2) Section 9 of the Act of June 26, 1934 (48 Stat. 1229; 24 U.S.C. 21b).

(3) The second, third, fourth, and fifth provisos relating to the maintenance of the Naval Home under the heading "BUREAU OF NAVIGATION" in the Act of June 30, 1914 (38 Stat. 398; 24 U.S.C. 22, 23).

(4) The proviso relating to the maintenance of the Naval Home under the heading "BUREAU OF NAVIGATION" in the Act of March 4, 1917 (39 Stat. 1175; 24 U.S.C. 24).

(5) The first proviso relating to miscellaneous expenses of the Naval Home under the heading "BUREAU OF NAVIGATION" of the Act of August 22, 1912 (37 Stat. 334; 24 U.S.C. 25).

(b) LAWS RELATING TO THE SOLDIERS' AND AIRMEN'S HOME.—The following provisions of law are repealed:

(1) Chapter 2 of title LIX of the Revised Statutes of the United States (24 U.S.C. 41, 43, 45, 49, 50).

(2) The Act entitled "An Act prescribing regulations for the Soldiers' Home located at Washington in the District of Columbia, and for other purposes", approved March 3, 1883 (22 Stat. 564; 24 U.S.C. 41, 43, 46, 48, 59).

(3) The proviso relating to the military prison at Fort Leavenworth, Kansas, under the heading "MISCELLANEOUS OBJECTS, WAR DEPARTMENT" in the Act of March 4, 1909 (35 Stat. 1004; 24 U.S.C. 42).

(4) Section 1 of Public Law 94-454 (90 Stat. 1518; 24 U.S.C. 44b).

(5) The proviso under the heading "UNITED STATES SOLDIERS' HOME" in title II of the Act of April 9, 1935 (49 Stat. 147; 24 U.S.C. 46a).

(6) The proviso under the heading "UNITED STATES SOLDIERS' HOME" in the Act of July 19, 1937 (50 Stat. 519; 24 U.S.C. 46b).

SEC. 1233. CONFORMING AMENDMENTS.

(a) TITLE 10.—Title 10, United States Code, is amended as follows:

(1) Section 1089 is amended—

(A) in subsection (a) by striking out "United States Soldiers' and Airmen's Home" and inserting in lieu thereof "Armed Forces Retirement Home"; and

(B) in subsection (g), by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) the Armed Forces Retirement Home Board, in the case of an employee of the Armed Forces Retirement Home; and".

(2) Section 2575 is amended—

(A) in subsection (a), by striking out "section 4712, 4713, 6522, 9712, or 9713" and inserting in lieu thereof "section 4712, 6522, or 9712"; and

(B) in subsection (c)—

(i) by striking out "United States Soldiers' and Airmen's Home" and inserting in lieu thereof "Armed Forces Retirement Home";

(ii) by striking out "the Secretary of the Army or the Secretary of the Air Force," and inserting in lieu thereof "the Secretary of a military department,"; and

(iii) by striking out the last sentence of such subsection.

(3)(A) Section 2722 is amended to read as follows:

"§ 2772. Share of fines and forfeitures to benefit Armed Forces Retirement Home

"(a) DEPOSIT REQUIRED.—The Secretary of the military department concerned shall deposit in the Armed Forces Retirement Home Trust Fund a percentage (determined under subsection (b)) of the following amounts:

"(1) The amount of stoppages and fines adjudged against an enlisted member or warrant officer of the armed forces by sentence of a court martial or under authority of section 815 of this title (article 15) over and above any amount that may be due from the member or warrant officer for the reimbursement of the United States or any individual.

"(2) The amount of forfeitures on account of the desertion of an enlisted member or warrant officer of the armed forces.

"(b) DETERMINATION OF PERCENTAGE.—The Armed Forces Retirement Home Board shall determine, on the basis of the financial needs of the Armed Forces Retirement Home, the percentage of the amounts referred to in subsection (a) to be deposited in the trust fund referred to in such subsection.

"(c) APPLICATION TO COAST GUARD.—In this section, the term 'armed forces' does not include the Coast Guard when it is not operating as a service in the Navy.

"(d) EXCLUSION OF CERTAIN WARRANT OFFICERS.—This section shall not apply to a warrant officer in the Navy or the Marine Corps.".

(B) The item relating to such section in the table of sections at the beginning of chapter 165 is amended by striking out "retirement homes" and inserting in lieu thereof "Retirement Home".

(4)(A) Section 4624(c) is amended by striking out "United States Soldiers' and Airmen's Home" and inserting in lieu thereof "Armed Forces Retirement Home".

(B) The heading of such section is amended to read as follows:

"§ 4624. Medical supplies: civilian employees of the Army; American National Red Cross; Armed Forces Retirement Home".

(C) The item relating to such section in the table of sections at the beginning of chapter 439 is amended to read as follows:

"4624. Medical supplies: civilian employees of the Army; American National Red Cross; Armed Forces Retirement Home.".

(5) Section 4712 is amended—

(A) in subsection (a)(2), by striking out "an inmate of the United States Soldiers' and Airmen's Home" and inserting in lieu thereof "a resident of the Armed Forces Retirement Home"; and

(B) in subsection (f)—

(i) by striking out "for transmission to the United States Soldiers' and Airmen's Home"; and

(ii) by adding at the end the following: "The Secretary of the Army shall deliver to the Armed Forces Retirement Home all items received by the executive part of the Department of the Army under this subsection.".

(6)(A) Section 4713 is repealed.

(B) The table of sections at the beginning of chapter 445 is amended by striking out the item relating to such section.

(7)(A) Section 9624(c) is amended by striking out "United States Soldiers' and Airmen's Home" and inserting in lieu thereof "Armed Forces Retirement Home".

(B) The heading of such section is amended to read as follows:

"§ 9624. Medical supplies: civilian employees of the Air Force; American National Red Cross; Armed Forces Retirement Home".

(C) The item relating to such section in the table of sections at the beginning of chapter 939 is amended to read as follows:

"9624. Medical supplies: civilian employees of the Air Force; American National Red Cross; Armed Forces Retirement Home.".

(8) Section 9712 is amended—

(A) in subsection (a)(2), by striking out "an inmate of the United States Soldiers' and Airmen's Home" and inserting in lieu thereof "a resident of the Armed Forces Retirement Home"; and

(B) in subsection (f)—

(i) by striking out "for transmission to the United States Soldiers' and Airmen's Home"; and

(ii) by adding at the end the following: "The Secretary of the Air Force shall deliver to the Armed Forces Retirement Home all items received by the executive part of the Department of the Air Force under this subsection."

(9)(A) Section 9713 is repealed.

(B) The table of sections at the beginning of chapter 945 is amended by striking out the item relating to section 9713.

(b) TITLE 37.—Section 1007(i) of title 37, United States Code, is amended—

(1) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) Amounts deducted under paragraph (1) shall be deposited in the Armed Forces Retirement Home Trust Fund.";

(2) in paragraph (3)—

(A) by striking out "the Governor" and all that follows through "Airmen's Home," and inserting in lieu thereof "the Armed Forces Retirement Home Board,"; and

(B) by striking out "the homes" and inserting in lieu thereof "the Armed Forces Retirement Home"; and

(3) in paragraph (5), by adding before the period the following: "or a warrant officer in the Navy or Marine Corps".

(c) OTHER LAWS.—(1) Section 1321 of title 31, United States Code, is amended—

(A) in subsection (a)—

(i) by striking out paragraph (5) and inserting in lieu thereof the following:

"(5) Armed Forces Retirement Home Trust Fund."; and

(ii) by striking out paragraphs (59) and (81); and

(B) in subsection (b), by striking out "Soldiers' Home, Permanent Fund" both places it appears and inserting in lieu thereof "Armed Forces Retirement Home Trust Fund".

(2) Section 3 of the Act of June 15, 1943 (chapter 125; 57 Stat. 153; 24 U.S.C. 6a) is amended by striking out "naval home or".

(3) Section 906 of title 44, United States Code, is amended in the undesignated subparagraph relating to the provision of the Congressional Record to the United States Soldiers' Home by striking out "the United States Soldiers' Home and" and inserting in lieu thereof "each facility of the Armed Forces Retirement Home maintained as a separate establishment of such home for administrative purposes,".

PART C—EFFECTIVE DATE

SEC. 1241. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsections (b) and (c), this title and the amendments made by this title shall take effect on the first day of the fourth month beginning after the date of the enactment of this Act.

(b) AUTHORIZATION AND APPOINTMENT OF BOARD.—Section 1202 and the provisions of section 1215 that relate to the appointment and designation of members of the Board shall take effect on the date of the enactment of this Act.

(c) TRANSFER OF TRUST FUNDS.—The amendment made by section 1233(c)(1) shall take effect October 1, 1991, and shall apply with respect to fiscal years after fiscal year 1991.

TITLE XIII—GENERAL PROVISIONS

PART A—FINANCIAL AND BUDGET MATTERS

SEC. 1301. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division between any such authorizations (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary of Defense may transfer under the authority of this section may not exceed $3,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(2) may not be used to provide authority for an item that has been denied authorization by Congress.

(c) EFFECT ON OBLIGATION LIMITATIONS.—A transfer made under the authority of this section increases by the amount of the transfer the obligation limitation provided in this division on the account (or other amount) to which the transfer is made.

(d) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this section.

SEC. 1302. LIMITATION ON USE BY DEPARTMENT OF DEFENSE OF EXPIRED APPROPRIATIONS.

(a) IN GENERAL.—Section 2782 of title 10, United States Code, is amended—

(1) by redesignating subsections (a), (b), and (c) as subsections (d), (e), and (f), respectively;

(2) by inserting before subsection (d) (as so redesignated) the following new subsections:

"(a) LIMITATION OF RESTORAL FROM MERGED SURPLUS ACCOUNTS.—An unobligated balance of an appropriation account of the Department of Defense as of the end of the period of availability for obligation of the account may not be restored, in whole or in part, under any provision of law to pay obligations and make adjustments (or for any other purpose) after the end of the second fiscal year after the period of availablity for obligation ends.

"(b) LIMITATION OF RESTORAL FROM 'M' ACCOUNTS.—(1) Any amount in a merged account under paragraph (1) of section 1552(a) of title 31 (known as an 'M' account) that remains undisbursed at the close of the 5th fiscal year after it is transferred to the account pursuant to that paragraph shall be deobligated and shall be withdrawn in the manner provided in paragraph (2) of that section. Amounts so deobligated and withdrawn may not be restored.

"(2) Paragraph (1) shall not apply so as to require the deobligation of amounts for which there is documentary evidence that payment will be required within three months.

"(c) PROHIBITION OF RESTORAL OF EXPIRED DEOBLIGATED AMOUNTS.—When any part of the obligated balance of a Department of Defense appropriation account is deobligated after the end of the period of availability for obligation of that account, the amount deobligated may not be restored, in whole or in part, to pay obligations and make adjustments or for any other purpose."; and

(3) in subsection (f) (as so redesignated)—

(A) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(B) by inserting before paragraph (2) (as so redesignated) the following:

"(1) The terms 'obligated balance' and 'unobligated balance' have the meanings given those terms in section 1551(a) of title 31."; and

(C) in paragraph (2) (as so redesignated), by inserting "(and not prohibited by subsection (a))" after "title 31".

(b) CROSS-REFERENCE.—Section 1552 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(e) Additional provisions relating to unobligated balances in the case of accounts of the Department of Defense are set forth in section 2782 of title 10.".

(c) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ 2782. Expired and lapsed appropriations: limitations"

(2) The item relating to such section in the table of sections at the beginning of chapter 165 is amended to read as follows:

2782. Expired and lapsed appropriations: limitations.".

(d) STYLISTIC AMENDMENTS.—(1) Subsection (d) of such section (as redesignated by subsection (a)(1)) is amended by striking out "(d)(1)" and inserting in lieu thereof "(d) LIMITATION ON RESTORALS FOR CERTAIN CONTRACT CHANGES.—(1)".

(2) Subsection (e) of such section (as redesignated by subsection (a)(1)) is amended by inserting "CONGRESSIONAL NOTIFICATION OF CERTAIN RESTORALS.—" after "(e)".

(3) Subsection (f) of such section (as redesignated by subsection (a)(1)) is amended by inserting "DEFINITIONS.—" after "(f)".

SEC. 1303. AUDIT OF M ACCOUNTS.

(a) AUDIT REQUIREMENT.—The Secretary of Defense shall provide for an audit of each merged account of the Department of Defense established under paragraph (1) of section 1552(a) of title 31 (known as an "M" account). The audit shall, with respect to each such account, identify—

(1) the balance in the account;

(2) the amount of such balance that is considered by the Secretary (as of the time of the audit) to represent amounts required for valid obligations (as supported by documentary evidence as required by section 1501 of title 31) and the amount of such balance that is considered by the Secretary (as of the time of the audit) to represent amounts for obligations that are considered to be invalid;

(3) the sources of amounts in the account, shown by fiscal year and by amount for each fiscal year; and

(4) such other matters as the Secretary considers appropriate.

(b) DEOBLIGATION OF INVALID OBLIGATIONS.—Any obligated amounts in M accounts of the Department of Defense that are determined pursuant to the audit under subsection (a) to represent amounts for obligations that are invalid shall be deobligated. Any amounts so deobligated may not be restored to availability for obligation.

(c) REPORT ON AUDIT.—(1) The Secretary shall submit to Congress a report containing the results of the audit conducted pursuant to subsection (a). The report shall set forth—

(A) the information required to be identified pursuant to subsection (a);

(B) for each budget account (i) the average length of time funds have been obligated, (ii) the average size of the obligation, and (iii) the object classification of the obligations, all shown for total obligations and separately for valid and invalid obligations; and

(C) an explanation of the causes of invalid obligations determined to exist in the M accounts.

(2) The report shall describe any procedures that the Secretary intends to implement to prevent future accumulation of invalid obligations in M accounts.

(3) The report shall be submitted not later than December 31, 1991.

(d) GAO REVIEW AND REPORT.—The Comptroller General shall review the audit conducted pursuant to subsection (a) and shall submit to Congress a report setting forth the Comptroller General's findings, conclusions, and recommendations concerning the audit. The report shall be submitted not later than April 1, 1992.

SEC. 1304. CLARIFICATION OF REQUIREMENT FOR SUBMISSION OF ANNUAL MULTIYEAR DEFENSE PLAN.

(a) CLARIFICATION.—Subsection (a) of section 114a of title 10, United States Code, is amended—

(1) by striking out "or about"; and

(2) by striking out "the current" and inserting in lieu thereof "a".

(b) NUMBER OF YEARS COVERED BY PROGRAM.—Such section is further amended—

(1) by striking out "five-year" each place it appears and inserting in lieu thereof "multiyear"; and

(2) by adding at the end of subsection (a) (as amended by subsection (a) of this section) the following new sentence: "Any such multiyear defense program shall cover the fiscal year with respect to which the budget is submitted and at least the four succeeding fiscal years.".

(c) CLERICAL AMENDMENTS.—(1) The heading of such section is amended by striking out "Five-year" and inserting in lieu thereof "Multiyear".

(2) The item relating to such section in the table of sections at the beginning of chapter 2 of such title is amended by striking out "Five-year" and inserting in lieu thereof "Multiyear".

SEC. 1305. FULL LIFE-CYCLE COST INFORMATION FOR ALL MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) COVERAGE FOR SYSTEMS BEFORE FISCAL YEAR 1985—Subparagraph (A) of section 2432(c)(3) of title 10, United States Code, is amended to read as follows:

"(A) A full life-cycle cost analysis for each major defense acquisition program included in the report that is in the full-scale engineering development stage or has completed that stage.".

(b) DEFINITION.—Section 2432(a) of such title is amended by adding at the end the following new paragraph:

"(4) The term 'full life-cycle cost', with respect to a major defense acquisition program, has the meaning given the term 'cost of the program' in section 2434(c)(2) of this title.".

(c) COORDINATION OF LIFE-CYCLE COST CRITERIA.—Section 2432(c) of such title is amended by adding at the end the following new paragraph:

"(5) The Secretary of Defense shall ensure that paragraph (4) of section 2432(a) of title 10, United States Code, as added by subsection (a)(2), is implemented in a uniform manner, to the extent practicable, throughout the Department of Defense.".

(d) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect with respect to Selected Acquisition Reports submitted under section 2342 of title 10, United States Code, after December 31, 1991.

PART B—NAVAL VESSELS AND SHIPYARDS

SEC. 1321. PROCUREMENT LIMITATIONS WITH RESPECT TO CERTAIN EQUIPMENT FOR NAVAL VESSELS.

Section 2507 of title 10, United States Code, as amended by section 815, is further amended by adding at the end the following new subsections:

"(f) ANCHOR AND MOORING CHAIN.—(1) The Secretary of Defense may not procure anchor and mooring chain, except chain with a diameter greater than four inches, unless—

"(A) the anchor and mooring chain is manufactured in the United States; and

"(B) substantially all of the components of the chain are produced or manufactured in the United States.

"(2) For purposes of paragraph (1)(B), substantially all of the components of anchor and mooring chain shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States.

"(3) In this subsection, the term 'manufactured' includes cutting, heat treating, quality control, testing of chain, and welding (including the forging and shot blasting process).

"(g) AIR CIRCUIT BREAKERS.—(1) The Secretary of Defense may not procure air circuit breakers for naval vessels unless—

"(A) the air circuit breakers are produced or manufactured in the United States; and

"(B) substantially all of the components of the air circuit breakers are produced or manufactured in the United States.

"(2) For purposes of paragraph (1)(B), substantially all of the components of air circuit breakers shall be considered to be produced or manufactured in the United States if the aggregate cost of the components produced or manufactured in the United States exceeds the aggregate cost of the components produced or manufactured outside the United States.".

SEC. 1322. PROHIBITION OF CERTAIN LIMITATIONS ON CONTRACTING WITH PRIVATE SHIP REPAIR FIRMS.

The Secretary of the Navy may not preclude a private ship repair firm from bidding on, or being awarded, a contract for a major ship repair, overhaul, or maintenance project that requires use of drydock and pier facilities on the grounds that the firm does not have such facilities of its own if facilities of a public shipyard are available to that firm on a reimbursable basis. Nothing in this section requires the Secretary of the Navy to furnish facilities to any firm.

SEC. 1323. REPORT ON USE OF MAYPORT NAVAL STATION AS HOMEPORTS FOR NUCLEAR AIRCRAFT CARRIERS.

Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a plan for upgrading Mayport Naval Station, Jacksonville, Florida, to provide that naval station with the capability to be able to service nuclear-powered aircraft carriers and otherwise to serve as a homeport for nuclear-powered aircraft carriers.

SEC. 1324. FAST SEALIFT PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of the Navy shall establish a program for the construction and commercial operation of commercially viable cargo vessels that incorporate features essential for military use of the vessels in time of war or national emergency.

(b) PROGRAM CHARACTERISTICS.—The program under this section shall be carried out as follows:

(1) The Secretary of the Navy shall establish the military features to be included in the construction of the vessels and, except for specific cause, shall accept recommendations of the Administrator of the Maritime Administration for all other features of the vessels.

(2) The Administrator of the Maritime Administration shall recommend to the Secretary of the Navy the overall design of the vessels with the express purpose of ensuring that the vessels constructed will be commercially viable.

(3) Construction of the vessels shall be accomplished in private United States shipyards under contracts administered by the Maritime Administration as agent for the Department of the Navy.

(4) The Secretary of the Navy, acting through the Maritime Administration, shall make the vessels constructed under the program available for charter to United States ship operators under competitive bidding arrangements that ensure that the highest charter prices are obtained consistent with good business practice, except that such vessels shall be available for operation by the Secretary of the Navy when such operation is determined (by the Secretary of the Navy) to be in the interest of national defense.

(c) AVAILABILITY OF FUNDS.—Amounts appropriated to the Department of Defense for any fiscal year for acquisition of fast sealift vessels shall be used for the program under this section.

SEC. 1325. PROCUREMENT OF DEFENSE ARTICLES FROM NAVAL SHIPYARDS AND ARMY AND NAVAL AVIATION DEPOTS.

(a) IN GENERAL.—During fiscal year 1991, the Secretary of Defense, before contracting for defense articles that naval shipyards or Army or naval aviation depots are capable of producing, may conduct an analysis to compare the cost of producing those articles in naval shipyards or Army or naval aviation depots with the cost of procurement of those articles from the private sector. Except in a case in which the cost of contracting for purchase of those articles is less than the cost of the articles being provided by a naval shipyard or Army or naval aviation depot, the Secretary may direct that the provision of the articles be from a naval shipyard or Army or naval aviation depot, as the case may be.

(b) LIMITATION.—This section shall not apply if the Secretary determines that there are not adequate facilities or personnel available at naval shipyards or Army or naval aviation depots to provide the required articles.

(c) DEFENSE ARTICLES COVERED.—For purposes of this section, the term "defense articles" does not include—

(1) ship construction, overhaul, repair, and maintenance,

(2) ship refueling,

(3) aircraft maintenance and repair, and

(4) aircraft engine manufacture, overhaul, and repair.

PART C—CODIFICATION OF CERTAIN PROVISIONS OF LAW AND TECHNICAL AMENDMENTS

SEC. 1331. RESTATEMENT IN TITLE 10, UNITED STATES CODE, OF SELECTED PERMANENT LAW PROVISIONS.

(a) CREDITING OF CERTAIN RECEIPTS FROM FOREIGN MILITARY SALES.—(1) Section 114(c) of title 10, United States Code, is amended—

(A) by inserting "(1)" after "(c)"; and

(B) by adding at the end the following:

"(2) Notwithstanding section 37(a) of the Arms Export Control Act (22 U.S.C. 2777(a)), amounts received by the United States pursuant to subparagraph (A) of section 21(a)(1) of that Act (22 U.S.C. 2761(a)(1))—

"(A) shall be credited to the Special Defense Acquisition Fund established pursuant to chapter 5 of that Act (22 U.S.C. 2795 et seq.), as authorized by section 51(b)(1) of that Act (22 U.S.C. 2795(b)(1)), but subject to the limitation in paragraph (1) and other applicable law; and

"(B) to the extent not so credited, shall be deposited in the Treasury as miscellaneous receipts as provided in section 3302(b) of title 31.".

(2) Section 9017 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(b) AUTHORITY TO PROCURE SERVICES OF EXPERTS AND CONSULTANTS.—(1) Chapter 3 of title 10, United States Code, is amended by inserting after section 129a (as added by section 554) the following new section:

"§ 129b. Experts and consultants: authority to procure services

"(a) AUTHORITY.—Subject to subsection (b), the Secretary of Defense and the Secretaries of the military departments may—

"(1) procure the services of experts or consultants (or of organizations of experts or consultants) in accordance with section 3109 of title 5; and

"(2) pay in connection with such services travel expenses of individuals, including transportation and per diem in lieu of subsistence while such individuals are traveling from their homes or places of business to official duty stations and return as may be authorized by law.

"(b) CONDITIONS.—The services of experts or consultants (or organizations thereof) may be procured under subsection (a) only if the Secretary of Defense or the Secretary of the military department concerned, as the case may be, determines that—

"(1) the procurement of such services is advantageous to the United States; and

"(2) such services cannot adequately be provided by the Department of Defense.

"(c) REGULATIONS.—Procurement of the services of experts and consultants (or organizations thereof) under subsection (a) shall be carried out under regulations prescribed by the Secretary of Defense.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 129a (as added by section 554) the following new item:

"129b. Experts and consultants: authority to procure services of.".

(3) Section 9002 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(c) MILITARY RELOCATION ASSISTANCE PROGRAMS.—(1) Chapter 53 of title 10, United States Code, is amended by adding at the end a new section 1056 consisting of—

(A) a heading as follows:

"§ 1056. Relocation assistance programs";

and

(B) a text consisting of the text of subsections (a) through (g) of section 661 of the National Defense Authorization Act of Fiscal Years 1990 and 1991 (Public Law 101-189), revised—

(i) by replacing "Not later than October 1, 1990, the Secretary of Defense shall establish" at the beginning of subsection (a) with "The Secretary of Defense shall carry out"; and

(ii) by replacing "Armed Forces" each place it appears with "armed forces".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"1056. Relocation assistance programs.".

(3) Section 661 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1463) is repealed.

(4) The program required to be carried out by section 1056 of title 10, United States Code, as added by paragraph (1), shall be established by the Secretary of Defense not later than October 1, 1990. The Secretary shall prescribe regulations to implement that section not later than July 1, 1990.

(d) CIVILIAN PERSONNEL ADMINISTRATION.—(1) Section 1584 of title 10, United States Code, is amended—

(A) by inserting "(a) WAIVER OF EMPLOYMENT RESTRICTIONS FOR CERTAIN PERSONNEL.—" before "Laws prohibiting"; and

(B) by adding at the end the following:

"(b) NOTICE TO CONGRESS OF CERTAIN SALARY INCREASES.—The Secretary of Defense shall notify the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives when any salary increase granted to direct and indirect hire foreign national employees of the Department of Defense overseas, stated as a percentage, is greater than the higher of the following percentages:

"(1) The percentage pay increase authorized by law for civilian employees of the Department of Defense whose pay is computed under the provisions of section 5332 of title 5.

"(2) The percentage increase provided to national government employees of the host nation.".

(2) The heading of such section is amended to read as follows:

"§ 1584. Employment of non-citizens".

(3) Section 1593 of such title is amended by adding at the end the following new subsection:

"(d) USE OF APPROPRIATED FUNDS FOR ALLOWANCE.—Amounts appropriated annually to the Department of Defense for the pay of civilian employees may be used for uniforms, or for allowance for uniforms, as authorized by this section and section 5901 of title 5.".

(4)(A) Section 8114 of the Department of Defense Appropriations Act, 1989 (Public Law 100-463; 10 U.S.C. 1584 note), is repealed.

(B) Section 9010 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(e) MISCELLANEOUS ADMINISTRATIVE PROVISIONS.—(1)(A) Subchapter I of chapter 134 of title 10, United States Code, is amended by adding after section 2244, as added by section 1036, the following new section:

"§ 2245. Use of aircraft for proficiency flying: limitation

"(a) An aircraft under the jurisdiction of a military department may not be used by a member of the armed forces for the purpose of proficiency flying except in accordance with regulations prescribed by the Secretary of Defense.

"(b) Such regulations—

"(1) may not require proficiency flying by a member except to the extent required for the member to maintain flying proficiency in anticipation of the member's assignment to combat operations; and

"(2) may not permit proficiency flying in the case of a member who is assigned to a course of instruction of 90 days or more.

"(c) In this section, the term 'proficiency flying' has the meaning given that term in Department of Defense Directive 1340.4.".

(B) The table of sections at the beginning of such subchapter is amended by adding after the item relating to section 2244, as added by section 1036, the following new item:

"2245. Use of aircraft for proficiency flying: limitation.".

(C) Section 9006 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(2)(A) Subchapter II of such chapter is amended by adding at the end the following new section:

"§ 2254. Authority to accept the use of property and services from foreign countries

"(a) The Secretary of Defense may accept from a foreign country, for the support of any element of the armed forces in an area of that country—

"(1) real property or the use of real property and services and supplies for the United States or for the use of the United States in accordance with a mutual defense agreement or occupational arrangement; and

"(2) services furnished as reciprocal international courtesies or as services customarily made available without charge.

"(b) Within 30 days after the end of each fiscal-year quarter, the Secretary of Defense shall submit to Congress and to the Director of the Office of Management and Budget a report on all real property, services, and

supplies received under this section during that quarter.".

(B) The table of sections at the beginning of such subchapter is amended by adding at the end the following new item:

"2254. Authority to accept the use of property and services from foreign countries.".

(C) Section 9008 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(f) REIMBURSEMENT REQUIRED FOR PROVISION OF MEDICAL CARE TO FOREIGN MILITARY AND DIPLOMATIC PERSONNEL.—(1) Chapter 151 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2549. Provision of medical care to foreign military and diplomatic personnel: reimbursement required; waiver for provision of reciprocal services

"(a) REIMBURSEMENT REQUIRED.—Except as provided in subsection (b), whenever the Secretary of Defense provides medical care in the United States on an inpatient basis to foreign military and diplomatic personnel or their dependents, the Secretary shall require that the United States be reimbursed for the costs of providing such care. Payments received as reimbursement for the provision of such care shall be credited to the appropriations against which charges were made for the provision of such care.

"(b) WAIVER WHEN RECIPROCAL SERVICES PROVIDED UNITED STATES MILITARY PERSONNEL.—Notwithstanding subsection (a), the Secretary of Defense may provide inpatient medical care in the United States without cost to military personnel and their dependents from a foreign country if comparable care is made available to a comparable number of United States military personnel and their dependents in that foreign country.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"2549. Provision of medical care to foreign military and diplomatic personnel: reimbursement required; waiver for provision of reciprocal services.".

(3) Section 9020 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(g) LIMITATION ON LEASING OF AIRCRAFT AND VEHICLES TO NON-FEDERAL AGENCIES.—(1) Chapter 151 of title 10, United States Code, as amended by subsection (f), is further amended by adding at the end the following new section:

"§ 2550. Aircraft and vehicles: limitation on leasing to non-Federal agencies

"The Secretary of Defense (or Secretary of a military department) may not lease to a non-Federal agency in the United States any aircraft or vehicle owned or operated by the Department of Defense if suitable aircraft or vehicles are commercially available in the private sector. However, nothing in the preceding sentence shall affect authorized and established procedures for the sale of surplus aircraft or vehicles.".

(2) The table of sections at the beginning of such chapter, as amended by subsection (f), is further amended by adding at the end the following new item:

"2550. Aircraft and vehicles: limitation on leasing to non-Federal agencies.".

(3) Section 2550 of title 10, United States Code, as added by paragraph (1), does not prohibit the leasing of helicopters authorized by section 1463 of the Department of Defense Authorization Act, 1986 (Public Law 99-145; 99 Stat. 765).

(4) Section 9025 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(h) ADMINISTRATION OF REAL PROPERTY.—(1) Chapter 159 of title 10, United States Code, is amended by inserting after section 2677 the following new section:

"§ 2678. Feral horses and burros: removal from military installations

"When feral horses or burros are found on an installation under the jurisdiction of the Secretary of a military department, the Secretary may use helicopters and motorized equipment for their removal.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2677 the following new item:

"2678. Feral horses and burros: removal from military installations.".

(3) Section 9030 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(i) ENVIRONMENTAL RESTORATION.—(1) Section 2701 of title 10, United States Code, is amended by adding at the end the following new subsections:

"(f) USE OF APPROPRIATED FUNDS AT FORMER DOD SITES.—Appropriations available to the Department of Defense may be used at sites formerly used by the Department of Defense for removal of unsafe buildings or debris of the Department of Defense.

"(g) REMOVAL OF UNSAFE BUILDINGS AND DEBRIS BEFORE RELEASE FROM FEDERAL CONTROL.—In the case of property formerly used by the Department of Defense which is to be released from Federal Government control and at which there are unsafe buildings or debris of the Department of Defense, all actions necessary to comply with regulations of the General Services Administration on the transfer of property in a safe condition shall be completed before the property is released from Federal Government control, except in the case of property to be conveyed to an entity of State or local government or to a native corporation.".

(2) Section 9038 of the Department of Defense Appropriations Act, 1990 (Public Law 101-165), is repealed.

(j) FUNDS AVAILABLE FOR PAYMENT OF CLAIMS.—(1) Chapter 163 of title 10, United States Code, is amended by inserting after section 2731 the following new section:

"§ 2732. Payment of claims: availability of appropriations

"Appropriations available to the Department of Defense for operation and maintenance may be used for payment of claims authorized by law to be paid by the Department of Defense (except for civil functions), including—

"(1) claims for damages arising under training contracts with carriers; and

"(2) repayment of amounts determined by the Secretary concerned to have been erroneously collected—

"(A) from military and civilian personnel of the Department of Defense; or

"(B) from States or territories or the District of Columbia (or members of the National Guard units thereof).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2731 the following new item:

"2732. Payment of claims: availability of appropriations.".

(3) Section 8098 of the Department of Defense Appropriations Act, 1989 (Public Law 100-463; 10 U.S.C 2241 note), is repealed.

(4)(A) Section 2734(h) of title 10, United States Code, is amended by striking out "available to the" and all that follows and inserting in lieu thereof the following: "as provided in section 2732 of this title.".

(B) Section 2734a of such title is amended—

(i) in subsection (c), by striking out "for that purpose" and inserting in lieu thereof "as provided in section 2732 of this title"; and

(ii) in subsection (d), by striking out "the appropriation for claims of the Department of Defense" and inserting in lieu thereof "appropriations as provided in section 2732 of this title".

(C) Section 2734b(d) of such title is amended by striking out "for that purpose" and inserting in lieu thereof the following: "as provided in section 2732 of this title".

(k) LEGISLATIVE CONSTRUCTION.—(1) A reference to a law replaced by the provisions of title 10, United States Code, enacted by this section (including a reference in a regulation, order, or other law) shall be treated as referring to the corresponding provision enacted by this section.

(2) A regulation, rule, or order in effect under a law replaced by the provisions of title 10, United States Code, enacted by this section shall continue in effect under the corresponding provision enacted by this title until repealed, amended, or superseded.

(3) An action taken or an offense committed under a law replaced by the provisions of title 10, United States Code, enacted by this section shall be treated as having been taken or committed under the corresponding provision enacted by this title.

SEC. 1332. CODIFICATION OF CERTAIN RECURRING PROVISIONS OF ANNUAL DEFENSE APPROPRIATIONS ACTS.

(a) NOTICE OF INITIATION OF SPECIAL ACCESS PROGRAMS.—Section 119 of title 10, United States Code, is amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

"(f) A special access program may not be initiated until—

"(1) the defense committees are notified of the program; and

"(2) a period of 30 days elapses after such notification is received.".

(b) EMPLOYMENT OF ALIENS.—Section 1584 of title 10, United States Code, is amended by striking out "any expert" and all that follows through "that department" and inserting in lieu thereof "personnel of the Department of Defense".

(c) WORKING CAPITAL FUNDS.—Section 2208 of title 10, United States Code, is amended by striking out subsection (j) and inserting in lieu thereof the following:

"(j)(1) Cash balances in a working-capital fund established under this section may be maintained only in such amounts as are necessary at any time for cash disbursements to be made from the fund.

"(2) Transfers may be made between working-capital funds in amounts determined by the Secretary of Defense and approved by the Director of the Office of Management and Budget, except that a transfer between a stock fund account and an industrial fund account may not be made unless the Secre-

tary of Defense notifies Congress in advance of the proposed transfer.

"(3) An obligation may not be made against a working-capital fund for the purpose of purchasing war reserve material inventory in amounts in excess of amounts appropriated to the fund in appropriation Acts unless the Secretary of Defense notifies Congress in advance of the proposed obligation.".

(d) PROCEDURE FOR TRANSFER OF APPROPRIATIONS.—(1) Chapter 131 of such title is amended by inserting after section 2212 the following new section:

"§ 2214. Transfer of funds: procedure and limitations

"(a) PROCEDURE FOR TRANSFER OF FUNDS.—Whenever authority is provided in an appropriation Act to transfer amounts in working capital funds or to transfer amounts provided in appropriation Acts for military functions of the Department of Defense (other than military construction) between such funds or appropriations (or any subdivision thereof), amounts transferred under such authority shall be merged with and be available for the same purposes and for the same time period as the fund or appropriations to which transferred.

"(b) LIMITATIONS ON PROGRAMS FOR WHICH AUTHORITY MAY BE USED.—Such authority to transfer amounts—

"(1) may not be used except to provide funds for a higher priority item, based on unforeseen military requirements, than the items for which the funds were originally appropriated; and

"(2) may not be used if the item to which the funds would be transferred is an item for which Congress has denied funds.

"(c) NOTICE TO CONGRESS.—The Secretary of Defense shall promptly notify the Congress of each transfer made under such authority to transfer amounts.

"(d) LIMITATIONS ON REQUESTS TO CONGRESS FOR REPROGRAMMINGS.—Neither the Secretary of Defense nor the Secretary of a military department may prepare or present to the Congress, or to any committee of either House of the Congress, a request with respect to a reprogramming of funds—

"(1) unless the funds to be transferred are to be used for a higher priority item, based on unforeseen military requirements, than the item for which the funds were originally appropriated; or

"(2) if the request would be for authority to reprogram amounts to an item for which the Congress has denied funds.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2212 the following new item:

"2214. Transfer of funds: procedure and limitations.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1991.

SEC. 1333. TECHNICAL AND CLERICAL AMENDMENTS.

(a) DUPLICATE SECTION NUMBERS.—The second section 1592 of title 10, United States Code (added by section 501(a) of Public Law 101-193), is redesignated as section 1596, and the item relating to that section in the table of sections at the beginning of chapter 81 of such title is revised to reflect such redesignation.

(b) OBSOLETE PROVISIONS.—

(1) Section 130 of title 10, United States Code, is amended—

(A) by striking out "(1) Within" in subsection (b) and all that follows through "Such regulations" the first place it appears and inserting in lieu thereof "Regulations under this section"; and

(B) by striking out "(2) In this" and inserting in lieu thereof "(c) In this".

(2)(A) Section 2117 of title 10, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 104 of such title is amended by striking out the item relating to section 2117.

(3) Section 2382(d) of such title is amended by striking out "United States Court of Claims" and inserting in lieu thereof "United States Claims Court".

(4) Section 7307(b) of such title is amended—

(A) in paragraph (1)—

(i) by striking out "After August 5, 1974, no" and inserting in lieu thereof "A";

(ii) by inserting "not" after "may"; and

(iii) by striking out "disposition thereof has been approved by law enacted after such date" and inserting in lieu thereof "disposition of that vessel is approved by law enacted after August 5, 1974"; and

(B) in paragraph (2), by striking out "After August 5, 1974, any" and inserting in lieu thereof "A".

(c) CONFORMING AMENDMENTS TO PRIOR REPEALS.—

(1) Section 303a of title 37, United States Code, is amended by striking out "303, and 311" in subsections (a) and (c) and inserting in lieu thereof "and 303".

(2) Section 801 of such title is amended by striking out "(b)" before "Payment may not be made".

(d) DATE OF ENACTMENT REFERENCES.—

(1) Section 2130a of title 10, United States Code, is amended—

(A) by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1990 and 1991" in subsection (a)(1) and inserting in lieu thereof "November 29, 1989,"; and

(B) by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1990 and 1991" in subsection (d)(3) and inserting in lieu thereof "November 29, 1989".

(2) Section 302d of title 37, United States Code, is amended—

(A) by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1990 and 1991" in subsection (a)(1) and inserting in lieu thereof "November 29, 1989,"; and

(B) by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1990 and 1991" in subsection (d)(4) and inserting in lieu thereof "November 29, 1989".

(3) Section 302e of title 37, United States Code, is amended—

(A) by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1990 and 1991" in subsection (a) and inserting in lieu thereof "November 29, 1989,"; and

(B) by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Years 1990 and 1991" in subsection (e)(3) and inserting in lieu thereof "November 29, 1989".

(4) Section 559(a)(1) of title 37, United States Code, is amended by striking out "the date of the enactment of the Victims of Terrorism Compensation Act" and inserting in lieu thereof "August 27, 1986".

(e) U.S.C. CITATIONS.—

(1) Section 430(b) of title 37, United States Code, is amended by inserting "(20 U.S.C. 921 et seq.)" after "Defense Dependents' Education Act of 1978".

(2) Section 559(c)(2) of such title is amended by inserting "(5 U.S.C. 5569 note)" after "Victims of Terrorism Compensation Act".

(f) AMENDMENTS FOR STYLISTIC CONSISTENCY.—

(1) The heading of each chapter of title 37, United States Code, is revised so as to appear in all capital letters.

(2)(A) The heading of section 2004 of title 10, United States Code, is amended by striking out "of the military departments".

(B) The item relating to such section is the table of sections at the beginning of chapter 101 of such title is revised to conform to the amendment made by subparagraph (A).

(3) Section 2382(e) of such title is amended by striking out "issued" and inserting in lieu thereof "prescribed".

(4) Section 2431(c) of such title is amended by striking out "covered, and specifically include, but not be limited to—" in the matter preceding paragraph (1) and inserting in lieu thereof "covered and shall specifically include—".

(5) Section 2432(c)(3) of such title is amended—

(A) by striking out "include—" in the matter preceding subparagraph (A) and inserting in lieu thereof "include the following:";

(B) by capitalizing the first letter of the first word of each of subparagraphs (B) and (C);

(C) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(D) in subparagraph (C)—

(i) by striking out "program)—" in the matter preceding clause (i) and inserting in lieu thereof "program) the following:";

(ii) by capitalizing the first letter of the first word of each of clauses (i) through (vii);

(iii) by striking out the semicolon at the end of each of clauses (i) through (v) and inserting in lieu thereof a period; and

(iv) by striking out "; and" at the end of clause (vi) and inserting in lieu thereof a period.

(g) DEFINITIONS.—

(1) Section 1079(j)(2)(B) of title 10, United States Code, is amended by inserting "the term" after "In subparagraph (A),".

(2) Section 2382(a)(3) of such title is amended by inserting "the term" after "In this subsection,".

(h) CROSS REFERENCE CORRECTIONS.—

(1) Effective as of November 30, 1989, section 433(a) of title 37, United States Code, is amended by striking out "section 691 of title 10" and inserting in lieu thereof "section 687 of title 10".

(2) Section 1098(a) of title 10, United States Code, is amended by striking out "subsections (b) and (c)" and inserting in lieu thereof "subsection (b)".

(3) Section 2382(a)(3) of such title is amended by striking out "subsection (a)" and inserting in lieu thereof "paragraph (1)".

(4) Section 1013 of title 37, United States Code, is amended by striking out "or 1095" and inserting in lieu thereof "or 1095a".

(5) Section 804(a) of Public Law 101-189 is amended by striking out "(as amended by section 842)" and inserting in lieu thereof "(as amended by section 802(c))".

(6) Section 1213(b)(3) of Public Law 101-189 is amended by inserting "of title 10" after "chapter 18".

(i) PUBLIC LAW 100-180.—Section 638(a) of the National Defense Authorization Act for

Fiscal Years 1988 and 1989 (10 U.S.C. 113 note) is amended by striking out "under 18 years of age".

(j) MISCELLANEOUS.—

(1) Section 1074(b) of title 10, United States Code, is amended by striking out "Administrator" and inserting in lieu thereof "Secretary of Veterans Affairs".

(2) Section 523 of Public Law 100-456 (32 U.S.C. 709 note) is amended in subsection (a) by striking out the second comma after "at the technician's option".

(3) Section 653 of title 10, United States Code, is amended—

(A) by striking out "and" in subsection (a) and inserting in lieu thereof "or"; and

(B) by inserting a comma after "training" the first place it appears in each of paragraphs (1), (2), and (3) of subsection (c).

(4) The table in section 406(b)(1)(C) of title 37, United States Code, is amended by inserting a period at the end of footnote 2.

(5)(A) The heading of section 2007 of title 10, United States Code, is amended by striking out the first two words and capitalizing the first letter of the third word.

(B) The item relating to that section in the table of sections at the beginning of chapter 101 of such title is revised to conform to the amendments made by subparagraph (A).

(6) Section 2435(b)(1) of title 10, United States Code, is amended by striking out the closing parenthesis after "service acquisition executive designated by such Secretary".

(7) Section 2433(c) of such title is amended by striking out "the" each place it appears before "such service acquisition executive".

(8) The table of sections at the beginning of chapter 131 of such title is amended by striking out the item relating to section 2213.

(9) The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2407.

PART D—MISCELLANEOUS

SEC. 1341. EXTENSION OF DEADLINE FOR NATIONAL TEST CENTER INSTRUMENTATION.

Section 166(b)(2) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101-189; 103 Stat. 1391) is amended by striking out "July 1, 1990" and inserting in lieu thereof "January 1, 1993".

SEC. 1342. CLARIFICATION OF PROCEDURES FOR REVIEW OF CERTAIN VESSEL TRANSFERS.

Section 7308(c) of title 10, United States Code, is amended—

(1) by inserting "and" at the end of paragraph (1);

(2) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period; and

(3) by striking out paragraph (3).

SEC. 1343. AUTHORITY TO REIMBURSE NORTH AMERICAN VAN LINES FOR CERTAIN DAMAGES CAUSED DURING OPERATION JUST CAUSE.

(a) AUTHORITY TO REIMBURSE.—Notwithstanding any other provision of law, the Secretary of the Army may, to the extent that funds are available for obligation, reimburse North American Van Lines, a corporation operating under the laws of the State of Delaware, in an amount not to exceed $357,000, for damage to, or loss of, property owned by that corporation that—

(1) was located pursuant to the requirements of a contract with the Department of Defense at Albrook Air Force Base, Panama, on December 22, 1989; and

(2) was damaged or destroyed by United States Armed Forces during Operation Just Cause begun on December 22, 1989.

(b) ADMINISTRATIVE REQUIREMENTS.—A request for reimbursment may be allowed under subsection (a) only if—

(1) the request is presented to the Secretary of the Army in writing within two years after the damage to, or loss of, property occurred;

(2) the damage to, or loss of, property was not caused in whole or in part by a negligent or wrongful act of North American Van Lines (or an agent or employee of North American Van Lines); and

(3) the request is substantiated by the Secretary concerned.

(c) LIMITATION.—No funds may be paid pursuant to this section until North American Van Lines had made every reasonable effort (as determined by the Secretary of the Army) to secure compensation for the losses covered by this section through private means.

SEC. 1344. OVERSEAS WORKLOAD PROGRAM.

(a) IN GENERAL.—A firm of any member nation of the North Atlantic Treaty Organization (NATO) or of any major non-NATO ally shall be eligible to bid on any contract for the maintenance, repair, or overhaul of equipment of the Department of Defense to be awarded under competitive procedures as part of the program of the Department of Defense known as the Overseas Workload Program.

(b) SITE FOR PERFORMANCE OF WORK.—A contract awarded during fiscal year 1991 to a firm described in subsection (a) may be performed in the theater in which the equipment is normally located or in the country in which the firm is located.

(c) EXCEPTIONS.—The Secretary of a military department may restrict the geographic region in which a contract referred to in subsection (a) may be performed if the Secretary determines that performance of the contract outside the specific region—

(1) could adversely affect the military preparedness of the Armed Forces of the United States; or

(2) would violate the terms of an international agreement to which the United States is a party.

SEC. 1345. DESIGNATION OF THE COLONEL THOMAS HAWKINS JOHNSON VISITING SCHOLAR PROGRAM, LECTURE SERIES, AND SCIENCE LABORATORY.

(a) VISITING SCHOLAR PROGRAM.—(1) The Secretary of the Army shall establish a visiting scholar program at the United States Military Academy to be known as the "Thomas Hawkins Johnson Visiting Scholar Program". The Secretary shall select not more than two scholars to participate in the program for an academic year. A person selected to participate in the program shall serve as an instructor at the Academy for two weeks during the academic year and perform such duties as the Secretary may assign.

(2) There is authorized to be appropriated to the Secretary of the Army $25,000 for each fiscal year to carry out this subsection.

(b) LECTURE SERIES.—(1) The Secretary of Defense shall establish a lecture series at the National Defense University to be known as the "Thomas Hawkins Johnson Lecture Series". The Secretary shall use the lecture series to bring prominent persons to the National Defense University to deliver lectures on topics relating to public policy, national security, and science.

(2) There is authorized to be appropriated to the Secretary of Defense $25,000 for each fiscal year to carry out this subsection.

(c) DESIGNATION OF LABORATORY.—(1) The building located at the United States Military Academy and known as the Science Research Laboratory shall be known and designated as the "Thomas Hawkins Johnson Science Research Laboratory".

(2) Any reference in a law, map, regulation, document, paper, or other record of the United States to the building referred to in paragraph (1) shall be deemed to be a reference to the "Thomas Hawkins Johnson Science Research Laboratory".

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1991".

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS INSIDE THE UNITED STATES.

The Secretary of the Army may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALABAMA

Anniston Army Depot, $15,100,000.
Redstone Arsenal, $14,400,000.
Fort Rucker, $3,400,000.

ALASKA

Fort Wainwright, $5,600,000.

ARIZONA

Fort Huachuca, $1,050,000.

ARKANSAS

Pine Bluff Arsenal, $1,600,000.

CALIFORNIA

Fort Irwin, $4,200,000.
Fort Ord, $7,400,000.

COLORADO

Fort Carson, $23,500,000.
Falcon Air Force Base, $1,450,000.

GEORGIA

Fort Benning, $10,880,000.
Fort Stewart, $1,650,000.

HAWAII

Schofield Barracks, $9,700,000.

INDIANA

Fort Benjamin Harrison, $8,500,000.

KANSAS

Fort Riley, $14,900,000.

KENTUCKY

Fort Campbell, $2,300,000.
Fort Knox, $25,400,000.

MARYLAND

Aberdeen Proving Ground, $45,100,000.
Fort Detrick, $530,000.

MISSOURI

Fort Leonard Wood, $12,750,000.

NEW YORK

Fort Drum, $9,408,000.

NORTH CAROLINA

Fort Bragg, $60,070,000.

OKLAHOMA

Fort Sill, $25,150,000.
McAlister Army Ammunition Plant, $700,000.

PENNSYLVANIA

Carlisle Barracks, $1,200,000.
Fort Indiantown Gap, $6,350,000.

Tobyhanna Army Depot, $6,800,000.

SOUTH CAROLINA

Fort Jackson, $1,600,000.

TEXAS

Camp Swift, $100,000.
Fort Bliss, $20,000,000.
Fort Hood, $57,469,000.
Fort Sam Houston, $33,700,000.

UTAH

Dugway Proving Ground, $4,550,000.
Toole Army Depot, $11,800,000.

VIRGINIA

Fort A. P. Hill, $3,200,000.
Fort Belvoir, $2,500,000.
Fort Eustis, $530,000.
Fort Lee, $520,000.
Fort Myer, $2,150,000.
Fort Story, $1,600,000.

WASHINGTON

Fort Lewis, $9,200,000.

WISCONSIN

Fort McCoy, $24,400,000.

CONUS CLASSIFIED

Classified Location, $3,000,000.

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Army may construct or acquire family housing units (including land acquisition), using amounts appropriated pursuant to section 2104(a)(6)(A), at the following installation, in the number of units shown, and in the amount shown:

Hawaii, Oahu Various, one hundred thirty-eight units, $15,000,000.

(b) PLANNING AND DESIGN.—The Secretary of the Army may, using amounts appropriated pursuant to section 2104(a)(6)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $2,700,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS INSIDE THE UNITED STATES.

Subject to section 2825 of title 10, United States Code, the Secretary of the Army may, using amounts appropriated pursuant to section 2104(a)(6)(A), improve existing military family housing inside the United States in an amount not to exceed $69,100,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1990, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,288,547,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101, $495,407,000.

(2) For the construction of the Ammunition Demilitarization Facility, Phase II, Tooele Army Depot, Utah, as authorized by section 2101(a) of the Military Construction Authorization Act, 1989 (division B of Public Law 100-456; 102 Stat. 2088), $49,400,000.

(3) For unspecified minor construction projects authorized under section 2805 of title 10, United States Code, $7,603,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $89,577,000.

(5) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $10,400,000.

(6) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $86,800,000; and

(B) for support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,492,650,000, of which not more than $434,316,000 may be obligated or expended for the leasing of military family housing worldwide.

(7) For the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $56,710,000, to remain in effect until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this division may not exceed the total amount authorized to be appropriated under paragraph (1) of subsection (a).

SEC. 2105. RESTRICTION OF AUTHORITY TO CARRY OUT CERTAIN MILITARY CONSTRUCTION PROJECTS OUTSIDE THE UNITED STATES.

(a) RESTRICTION.—The authority provided by section 2101(b) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189) to the Secretary of the Army to acquire real property and carry out military construction projects outside the United States is hereby terminated with respect to projects for which funds have not been obligated before the date of the enactment of this Act.

(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of acquiring real property and carrying out military construction projects for which authority is provided under section 2101 of this Act, the Secretary of the Army may, to the extent provided in appropriation Acts, use funds that have been appropriated for projects to which subsection (a) is applicable.

SEC. 2106. AMMUNITION DEMILITARIZATION FACILITY, TOOELE ARMY DEPOT, UTAH.

(a) PROJECT AMOUNT.—Section 2101(a) of the Military Construction Authorization Act, 1989 (division B of Public Law 100-456; 102 Stat. 2088) is amended by striking out "Tooele Army Depot, $92,300,000." and inserting in lieu thereof "Tooele Army Depot, $141,700,000.".

(b) TITLE TOTAL.—Section 2105(b) of such Act (102 Stat. 2091) is amended—

(1) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(2) by adding after paragraph (2) the following:

"(3) $49,400,000 (the balance of the amount authorized under section 2101(a) for the construction of the Ammunition Demilitarization Facility, Tooele Army Depot, Utah).".

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

ALASKA

Adak, Naval Air Station, $13,750,000.
Adak, Naval Security Group Activity, $3,000,000.

ARIZONA

Yuma, Marine Corps Air Station, $3,720,000.

CALIFORNIA

Camp Pendleton, Amphibious Task Force, $13,770,000.
Camp Pendleton, Marine Corps Air Station, $4,110,000.
Camp Pendleton, Marine Corps Base, $19,910,000.
Corona, Naval Weapons Station, Seal Beach Annex, $8,870,000.
El Toro, Marine Corps Air Station, $6,980,000.
Lemoore, Naval Air Station, $900,000.
Long Beach, Naval Shipyard, $500,000.
Long Beach, Naval Station, $3,520,000.
Miramar, Naval Air Station, $9,010,000.
Monterey, Naval Postgraduate School, $8,810,000.
North Island, Naval Air Station, $1,510,000.
Point Mugu, Pacific Missile Test Center, $2,070,000.
Port Hueneme, Naval Construction Battalion Center, $2,010,000.
Port Hueneme, Naval Ship Weapon Systems Engineering Station, $10,150,000.
San Diego, Fleet Anti-Submarine Warfare Training Center, Pacific, $8,950,000.
San Diego, Naval Ocean Systems Center, $11,760,000.
San Diego, Naval Submarine Base, $4,670,000.
San Diego, Naval Supply Center, $8,800,000.
San Diego, Naval Training Center, $15,229,000.
San Diego, Navy Public Works Center, $3,320,000.
Twentynine Palms, Marine Corps Air-Ground Combat Center, $10,820,000.

CONNECTICUT

New London, Naval Submarine Base, $22,500,000.
New London, Naval Submarine School, $18,990,000.

DISTRICT OF COLUMBIA

Washington, Naval Research Laboratory, $9,850,000.
Washington, Commandant Naval District, $3,600,000.

FLORIDA

Jacksonville, Naval Air Station, $9,140,000.
Jacksonville, Naval Aviation Depot, $14,670,000.
Key West, Naval Air Station, $7,030,000.
Mayport, Fleet Training Center, $4,300,000.
Mayport, Naval Station, $7,100,000.
Orlando, Naval Training Center, $18,030,000.
Panama City, Naval Coastal Systems Center, $4,330,000.
Pensacola, Navy Public Works Center, $3,460,000.

GEORGIA

Albany, Marine Corps Logistics Base, $1,360,000.
Kings Bay, Naval Submarine Base, $66,675,000.

HAWAII

Barbers Point, Naval Air Station, $3,300,000.
Kaneohe Bay, Marine Corps Air Station, $1,650,000.
Lualualei, Naval Magazine, $1,660,000.
Pearl Harbor, Commander Oceanographic System Pacific, $12,780,000.
Pearl Harbor, Naval Submarine Base, $2,010,000.

Pearl Harbor, Navy Public Works Center, $6,940,000.

ILLINOIS

Great Lakes, Naval Training Center, $2,170,000.
Great Lakes, Navy Public Works Center, $2,460,000.

INDIANA

Crane, Naval Weapons Support Center, $13,520,000.

KENTUCKY

Louisville, Naval Ordnance Station, $5,660,000.

MAINE

Kittery, Portsmouth Naval Shipyard, $38,182,000.

MARYLAND

Bethesda, National Naval Medical Center, $9,040,000.
Indian Head, Naval Ordnance Station, $12,430,000.
Patuxent River, Naval Air Test Center, $11,040,000.
Patuxent River, Naval Hospital, $2,510,000.
St. Inigoes, Naval Electronic Systems Engineering Activity, $4,020,000.

MISSISSIPPI

Gulfport, Naval Construction Training Center, $9,310,000.

NEW JERSEY

Earle, Naval Weapons Station, $86,650,000.

NORTH CAROLINA

Camp Lejeune, Marine Corps Base, $29,170,000.
Cherry Point, Marine Corps Air Station, $13,950,000.

OKLAHOMA

Tinker Air Force Base, $4,800,000.

PENNSYLVANIA

Warminster, Naval Air Development Center, $10,770,000.

RHODE ISLAND

Newport, Naval Education and Training Center, $7,430,000.
Newport, Naval Underwater Support Center, $13,700,000.

SOUTH CAROLINA

Beaufort, Marine Corps Air Station, $6,700,000.
Charleston, Naval Station, $720,000.
Charleston, Naval Weapons Station, $27,030,000.
Parris Island, Marine Corps Recruit Depot, $3,410,000.

TEXAS

Lackland Air Force Base, Naval Technical Training Center Detachment, $11,850,000.

VIRGINIA

Arlington, Headquarters Marine Corps, $2,810,000.
Dahlgren, Naval Space Surveillance System, $9,850,000.
Dam Neck, Fleet Combat Direction Systems Support Activity, $6,500,000.
Little Creek, Naval Amphibious Base, $22,870,000.
Little Creek, Naval Amphibious School, $2,600,000.
Norfolk, Fleet Training Center, $16,080,000.
Norfolk, Naval Station, $10,950,000.
Norfolk, Navy Public Works Center, $4,020,000.
Norfolk, Naval Shipyard, $14,600,000.
Oceana, Naval Air Station, $3,670,000.
Quantico, Marine Corps Combat Development Command, $19,964,000.
Quantico, Naval Research Laboratory Annex, $2,600,000.
Wallops Island, AEGIS Combat Systems Center, $5,490,000.

WASHINGTON

Bangor, Trident Refit Facility, $3,020,000.
Bangor, Trident Training Facility, $3,610,000.
Bremerton, Puget Sound Naval Shipyard, $22,000,000.
Everett, Naval Station, $22,267,000.
Keyport, Naval Undersea Warfare Engineering Station, $18,590,000.
Oak Harbor, Naval Hospital, $2,180,000.
Silverdale, Strategic Weapons Facility Pacific, $56,480,000.
Whidbey Island, Naval Facility, $1,750,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Navy may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

GUAM

Naval Magazine, $9,319,000.
Navy Public Works Center, $7,500,000.

ICELAND

Keflavik, Naval Air Station, $2,440,000.

ITALY

Sicily, Naval Communication Station, $1,513,000.
Sigonella, Naval Air Station, $8,390,000.

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(7)(A), construct or acquire family housing units (including land acquisition), at the following installations in the number of units shown, and in the amount shown, for each installation:

Camp Pendleton, Marine Corps Base, California, one hundred and sixteen units, $11,805,000.
Long Beach, Naval Station, California, three hundred units, $24,928,000.
San Diego, Navy Public Works Center, California, three hundred units, $31,880,000.
Little Creek, Naval Amphibious Base, Virginia, Family Housing Office, $372,000.
Norfolk, Navy Public Works Center, Virginia, two Community Centers, $834,000.
New York, Naval Station, New York, one hundred and fifty units, $19,692,000.
Guantanamo Bay, Naval Station, Cuba, one hundred and thirty-four units, $18,409,000.
Keflavik, Naval Air Station, Iceland, one hundred twelve units, $27,479,000.

(b) PLANNING AND DESIGN.—The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(7)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,200,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS INSIDE THE UNITED STATES.

Subject to section 2825 of title 10, United States Code, the Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(7)(A), improve existing military family housing units inside the United States in the amount of $67,420,000.

SEC. 2204. DEFENSE ACCESS ROADS.

The Secretary of the Navy may, using amounts appropriated pursuant to section 2205(a)(6), make advances to the Secretary of Transportation for the construction of defense access roads under section 210 of title 23, United States Code, at the following locations and in the following amounts:

Naval Station, Charleston, South Carolina, $3,000,000.
Various locations, $4,017,000.

SEC. 2205. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1990, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,018,645,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $908,637,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $29,162,000.

(3) For the construction of the Headquarters Building, Naval Intelligence Command Headquarters, Suitland, Maryland, as authorized by section 2201(a) of the Military Construction Authorization Act, 1989, $55,048,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $13,311,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $76,951,000.

(6) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $7,017,000.

(7) For military family housing functions—

(A) for construction and acquisition of military family housing and facilities, $209,019,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $719,500,000, of which not more than $53,775,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this division may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $65,300,000 (the balance of the amount authorized under section 2201(a) for the construction of trestles replacement at Naval Weapons Station, Earle, New Jersey).

SEC. 2206. RESTRICTION OF AUTHORITY TO CARRY OUT CERTAIN MILITARY CONSTRUCTION PROJECTS OUTSIDE THE UNITED STATES.

(a) RESTRICTION.—The authority provided by section 2201(b) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189) to the Secretary of the Navy to acquire real property and carry out military construction projects outside the United States is hereby terminated with respect to projects for which funds have not been obligated before the date of the enactment of this Act.

(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of acquiring real property and carrying out military construction projects for which authority is provided under section 2201 of this Act, the Secretary of the Navy may, to the extent provided in appropriation Acts, use funds that have been appropriated for projects to which subsection (a) is applicable.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amount shown for each of the installations and locations inside the United States:

ALABAMA

Gunter Air Force Base, $20,100,000.
Maxwell Air Force Base, $22,500,000.

ALASKA

Clear Air Force Station, $5,000,000.
Eielson Air Force Base, $12,400,000.
Galena Airport, $8,700,000.
King Salmon Airport, $2,500,000.
Shemya Air Force Base, $47,400,000.
Various Locations, $11,000,000.

ARIZONA

Williams Air Force Base, $3,650,000.

CALIFORNIA

Beale Air Force Base, $7,090,000.
Castle Air Force Base, $13,200,000.
Edwards Air Force Base, $23,600,000.
March Air Force Base, $1,050,000.
McClellan Air Force Base, $11,200,000.
Sierra Army Depot, $3,650,000.
Travis Air Force Base, $10,800,000.
Vandenberg Air Force Base, $115,000,000.

COLORADO

Air Force Academy, $18,000,000.
Falcon Air Force Station, $710,000.
Lowry Air Force Base, $4,550,000.
Peterson Air Force Base, $4,050,000.

FLORIDA

Avon Park Range, $700,000.
Cape Canaveral Air Force Station, $2,400,000.
Eglin Air Force Base, $4,700,000.
Homestead Air Force Base, $12,800,000.
MacDill Air Force Base, $8,900,000.

GEORGIA

Moody Air Force Base, $4,400,000.
Robins Air Force Base, $21,200,000.

HAWAII

Hickam Air Force Base, $11,420,000.
Wheeler Air Force Base, $3,500,000.

IDAHO

Mountain Home Air Force Base, $1,350,000.

ILLINOIS

Scott Air Force Base, $2,160,000.

INDIANA

Grissom Air Force Base, $2,500,000.

LOUISIANA

Barksdale Air Force Base, $1,600,000.

MAINE

Bangor Air National Guard Base, $970,000.
Loring Air Force Base, $830,000.

MARYLAND

Andrews Air Force Base, $6,900,000.
Fort George G. Meade, $1,800,000.

MASSACHUSETTS

Hanscom Air Force Base, $3,800,000.

MICHIGAN

K.I. Sawyer Air Force Base, $2,700,000.
Wurtsmith Air Force Base, $960,000.

MISSISSIPPI

Columbus Air Force Base, $3,100,000.

MISSOURI

Whiteman Air Force Base, $62,400,000.

NEVADA

Indian Springs Auxiliary Field, $2,550,000.
Nellis Air Force Base, $15,620,000.

NEW JERSEY

McGuire Air Force Base, $7,850,000.

NEW MEXICO

Holloman Air Force Base, $3,010,000.
Kirtland Air Force Base, $4,200,000.

NEW YORK

Griffis Air Force Base, $4,500,000.
Plattsburgh Air Force Base, $1,200,000.

NORTH CAROLINA

Pope Air Force Base, $2,150,000.
Seymour Johnson Air Force Base, $2,502,000.

NORTH DAKOTA

Grand Forks Air Force Base, $8,850,000.
Minot Air Force Base, $3,600,000.

OHIO

Newark Air Force Base, $5,100,000.
Wright-Patterson Air Force Base, $5,500,000.

OKLAHOMA

Altus Air Force Base, $21,700,000.
Tinker Air Force Base, $56,950,000.
Vance Air Force Base, $400,000.

SOUTH CAROLINA

Charleston Air Force Base, $14,090,000.
Shaw Air Force Base, $3,000,000.

SOUTH DAKOTA

Ellsworth Air Force Base, $13,150,000.

TEXAS

Brooks Air Force Base, $4,100,000.
Carswell Air Force Base, $12,616,000.
Dyess Air Force Base, $7,550,000.
Goodfellow Air Force Base, $980,000.
Kelly Air Force Base, $10,300,000.
Lackland Air Force Base, $22,500,000.
Laughlin Air Force Base, $1,820,000.
Randolph Air Force Base, $1,750,000.
Reese Air Force Base, $5,090,000.
Sheppard Air Force Base, $8,400,000.

UTAH

Hill Air Force Base, $33,057,000.

VIRGINIA

Langley Air Force Base, $3,850,000.

WASHINGTON

Fairchild Air Force Base, $11,200,000.
McChord Air Force Base, $5,200,000.

WYOMING

F.E. Warren Air Force Base, $4,400,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of the Air Force may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations outside the United States:

ANTIGUA

Antigua Air Station, $8,200,000.

CANADA

Various locations, $6,300,000.

GREENLAND

Thule Air Base, $6,300,000.

KOREA

Osan Air Base, $3,500,000.

SEYCHELLES ISLANDS

Mahe Missile Tracking Site, $4,600,000.

TURKEY

Incirlik Air Base, $1,100,000.
Pirinclik Air Station, $1,250,000.

UNITED KINGDOM

RAF Lakenheath, $3,155,000.

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—The Secretary of the Air Force may construct or acquire family housing units (including land, acquisition) using amounts appropriated pursuant to section 2304(a)(7)(A), at the following installations in the number of units shown, and in the amount shown, for each installation:

Nellis Air Force Base, Nevada, housing office, $235,000.

Holloman Air Force Base, New Mexico, housing maintenance facility, $219,000.

Seymour-Johnson Air Force Base, North Carolina, housing office, $365,000.

Charleston Air Force Base, South Carolina, housing office and maintenance facility, $592,000.

Myrtle Beach Air Force Base, South Carolina, housing office, $258,000.

Ellsworth Air Force Base, South Dakota, housing office, $313,000.

(b) PLANNING AND DESIGN.—The Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(7)(A), carry out architectural and engineering services and construction design activities with respect to the construction or improvement of military family housing units in an amount not to exceed $6,000,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS INSIDE THE UNITED STATES.

Subject to section 2825 of title 10, United States Code, the Secretary of the Air Force may, using amounts appropriated pursuant to section 2304(a)(7)(A), improve existing military family housing units inside the United States in an amount not to exceed $198,612,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1990, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,996,787,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $730,175,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $34,405,000.

(3) For the construction of the Large Rocket Test Facility, Arnold Engineering Development Center, Tennessee, as authorized by section 2301(a) of the Military Construction Authorization Act, 1989 (division B of Public Law 100-456; 102 Stat. 2087), and as amended by section 2307 of the Military Construction Authorization Act, 1990, Public Law 101-189, $109,300,000.

(4) For unspecified minor construction projects under section 2805 of title 10, United States Code, $10,272,000.

(5) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $107,741,000.

(6) For advances to the Secretary of Transportation for construction of defense access roads under section 210 of title 23, United States Code, $9,000,000.

(7) For military family housing functions:

(A) For construction and acquisition of military family housing and facilities, $206,594,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $789,300,000 of which not more than $110,911,000 may be obligated or expended for leasing of military family housing units worldwide.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the

cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this division may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $85,800,000 (the balance of the amount authorized for the construction of the Titan IV Launch Complex Vandenberg Air Force Base, California.)

(c) AUTHORIZED EXPENDITURE.—Of the funds appropriated pursuant to subsection (a)(4), the Secretary of the Air Force may expend not more than $332,000 to purchase a facility at the operation and test evaluation center at Edwards Air Force Base, California.

SEC. 2305. AUTHORIZATION OF A FACILITY.

The Secretary of the Air Force may acquire at no cost an existing building constructed on Eglin Air Force Base, Florida, in 1986 as part of a three-year incrementally funded research, development, test and evaluation contract.

SEC. 2306. RESTRICTION OF AUTHORITY TO CARRY OUT CERTAIN MILITARY CONSTRUCTION PROJECTS.

(a) RESTRICTIONS.—(1) The authority that was provided by section 2301(b) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189) to the Secretary of the Air Force to acquire real property and carry out military construction projects outside the United States is hereby terminated with respect to projects for which funds have not been obligated before the date of the enactment of this Act.

(2)(A) Section 2301(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189) is amended by striking out the following:

"WYOMING

"F.E. Warren Air Force Base, $104,850,000.".

(B) Section 2304(a) of such Act is amended—

(i) by striking out "$2,193,638,000" and inserting in lieu thereof "$2,088,788,000; and

(ii) in paragraph (1), by striking out "$945,836,000" and inserting in lieu thereof "$840,986,000".

(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of acquiring real property and carrying out military construction projects for which authority is provided under section 2301 of this Act, the Secretary of the Air Force may, to the extent provided in appropriation Acts, use funds that have been appropriated for projects to which subsection (a) is applicable.

(c) EFFECTIVE DATE.—The provisions of subsection (a)(2) shall take effect as of July 26, 1990.

SEC. 2307. MANDATE TO CARRY OUT RECOMMENDATIONS OF THE BASE CLOSURE COMMISSION.

(a) IN GENERAL.—Consistent with the recommendations of the Commission on Base Realignment and Closure, the Secretary of the Air Force may not relocate, until after September 30, 1995, any of the functions that were being carried out at the ballistics missile office at Norton Air Force Base, California, on the date on which the Secretary of Defense transmitted a report to the Committees on Armed Services of the Senate and House of Representatives as described in section 202(a)(1) of Public Law 100-526.

(b) EFFECTIVE DATE.—This section shall take effect as of the date on which the report referred to in subsection (a) was transmitted to such Committees.

SEC. 2308. DESIGNATION OF INSTALLATION.

The Secretary of the Air Force shall provide that the installation which receives the last operational upgrade for the Minuteman II system shall be the installation from which the last Minuteman II ballistic missile is retired.

SEC. 2309. RESTRICTION ON RELOCATION OR REALIGNMENT AT TONOPAH RESEARCH SITE, NEVADA.

None of the funds available to the Department of Defense during fiscal year 1991 may be used, directly or indirectly, to transfer, realign, relocate, or otherwise diminish any part of the 37th Tactical Fighter Wing at the Tonopah Research Site, Nevada, until—

(1) an environmental impact statement on any such action is completed by the Secretary of the Air Force; and

(2) after the 21-day period beginning on the date on which such Secretary transmits to the Committees on Armed Services of the Senate and House of Representatives a report containing an analysis of the costs and benefits of taking any such action.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects in the amounts shown for each of the following installations and locations inside the United States:

DEFENSE COMMUNICATIONS AGENCY

Wheeler Air Force Base, Hawaii, $1,491,000.

Arlington Service Center, Virginia, $2,664,000.

DEFENSE LOGISTICS AGENCY

Defense Reutilization and Marketing Office, Anniston Army Depot, Alabama, $2,370,000.

Defense Depot, Tracy, California, $1,700,000.

Defense Reutilization and Marketing Office, Eglin Air Force Base, Florida, $2,850,000.

Defense Reutilization and Marketing Office, Fort Meade, Maryland, $9,500,000.

Defense Depot, Mechanicsburg, Pennsylvania, $18,100,000.

Defense Personnel Support Center, Philadelphia, Pennsylvania, $3,940,000.

Defense Reutilization and Marketing Office, Fort Jackson, South Carolina, $500,000.

Defense Depot, Memphis, Tennessee, $14,900,000.

Defense General Supply Center, Richmond, Virginia, $7,000,000.

Defense Reutilization and Marketing Office, F.E. Warren Air Force Base, Wyoming, $1,700,000.

DEFENSE MEDICAL FACILITIES OFFICE

Marine Corps Base, Camp Pendleton, California, $1,750,000.

Walter Reed Army Medical Center, District of Columbia, $4,000,000.

MacDill Air Force Base, Florida, $2,900,000.

Fort Benning, Georgia, $2,000,000.

Fort Riley, Kansas, $1,050,000.

Marine Corps Base, Camp Lejeune, North Carolina, $3,200,000.

Altus Air Force Base, Oklahoma, $500,000.

Philadelphia Naval Shipyard, Pennsylvania, $11,600,000.

Lackland Air Force Base, Texas, $2,250,000.

Cheatham Annex, Virginia, $6,500,000.

Dam Neck Flight Center, Virginia, $4,050,000.

Fort Lee, Virginia, $4,850,000.

Marine Corps Base, Quantico, Virginia, $2,450,000.

NATIONAL SECURITY AGENCY

Fort George C. Meade, Maryland, $16,046,000.

OFFICE OF THE SECRETARY OF DEFENSE

Defense Language Institute, Monterey, California, $4,182,000.

Uniformed Services University of the Health Sciences, Bethesda, Maryland, $800,000.

Classified Locations, $26,600,000.

SECTION VI SCHOOLS

Fort Benning, Georgia, $9,400,000.

SPECIAL OPERATIONS COMMAND

Coronado Naval Amphibious Base, California, $21,020,000.

Eglin Air Force Base, Florida, $11,750,000.

Fort Stewart/Hunter Army Air Field, Georgia, $4,900,000.

Norristown, Army Reserve Center, Pennsylvania, $2,598,000.

Dam Neck Marine Environmental Facility, Virginia, $9,160,000.

Classified Location, $2,747,000.

STRATEGIC DEFENSE INITIATIVE ORGANIZATION

Barking Sands Pacific Missile Range, Hawaii, $3,870,000.

(b) OUTSIDE THE UNITED STATES.—The Secretary of Defense may acquire real property and may carry out military construction projects outside the United States at a classified location in the amount of $7,800,000 for the Office of the Secretary of Defense.

SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, the Secretary of Defense may, using amounts appropriated pursuant to section 2404(a)(13)(A), improve existing military family housing units in an amount not to exceed $100,000.

SEC. 2403. CONFORMING STORAGE FACILITIES

Section 2404(a) of the Military Construction Authorization Act, 1987 (Public Law 99-661) is amended to read as follows:

"(a) AUTHORITY.—The Secretary of Defense may carry out military construction projects not otherwise authorized by law for conforming storage facilities using funds appropriated for such purpose.".

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1990, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $1,602,528,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $226,888,000.

(2) For military construction projects outside the United States authorized in section 2401(b), $7,800,000.

(3) For military construction projects at Nellis Air Force Base, Nevada, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991, as amended, $56,000,000.

(4) For military construction projects at Fort Sill, Oklahoma, authorized by section

2401(a) of the Military Construction Authorization Act, 1989, as amended, $10,400,000.

(5) For an energy conservation program, $50,000,000.

(6) For military construction projects at Fort Sam Houston, Texas, authorized by section 2401(a) of the Military Construction Authorization Act, 1987 $50,000,000.

(7) For military construction projects at Portsmouth Naval Hospital, Virginia, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991, $40,000,000.

(8) For unspecified minor construction projects under section 2805 of title 10, United States Code, $14,955,000.

(9) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $10,000,000.

(10) For architectural and engineering services and for construction design under section 2807 of title 10, United States Code, $94,285,000.

(11) For base closure and realignment activities as authorized by the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526), $1,016,500,000.

(12) For conforming storage facilities constructed under the authority of section 2404 of the Military Construction Authorization Act, 1987, $5,000,000.

(13) For military family housing functions—

(A) for construction and acquisition of military family housing facilities, $100,000; and

(B) for support of military housing (including functions described in section 2833 of title 10, United States Code), $20,600,000, of which not more than $17,897,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2405. MEDICAL FACILITY, NELLIS AIR FORCE BASE, NEVADA.

(a) PROJECT AMOUNT.—The item listed under the heading "Defense Medical Facilities Office" in section 2401 of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189) is amended by striking out "Nellis Air Force Base, Nevada, $62,000,000." and inserting in lieu thereof "Nellis Air Force Base, Nevada, $66,000,000.".

(b) TITLE TOTAL.—Section 2405(b)(3) of such Act is amended by striking out $52,000,000." and inserting in lieu thereof "$56,000,000.".

SEC. 2406. RESTRICTION OF AUTHORITY TO CARRY OUT CERTAIN MILITARY CONSTRUCTION PROJECTS OUTSIDE THE UNITED STATES.

(a) RESTRICTION.—The authority provided by section 2401(b) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189) to the Secretary of Defense to acquire real property and carry out military construction projects outside the United States is hereby terminated with respect to projects for which funds have not been obligated before the date of the enactment of this Act.

(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of acquiring real property and carrying out military construction projects for which authority is provided under section 2401 of this Act, the Secretary of the Defense may, to the extent provided in appropriation Acts, use funds that have been appropriated for projects to which subsection (a) is applicable.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS

(a) IN GENERAL.—The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Infrastructure program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Secretary of Defense should provide that funds made available after September 30, 1990, for the North Atlantic Treaty Organization Infrastructure program be used only for—

(1) verifying or implementing the terms of conventional arms control agreements;

(2) environmental restoration of military installations or portions thereof used or previously used for military activities in connection with the North Atlantic Treaty Organization;

(3) recoupment owed by the United States for projects completed before the date of the enactment of this Act; and

(4) the completion of any construction project the construction of which began before October 1, 1990.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1990, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Infrastructure Program as authorized by section 2501, in the amount of $175,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1990, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 133 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $208,898,000; and

(B) for the Army Reserve, $66,992,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $63,300,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $119,620,000; and

(B) for the Air Force Reserve, $37,700,000.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS; EFFECTIVE DATES

SEC. 2701. EXPIRATION OF AUTHORIZATIONS.

(a) EXPIRATION OF AUTHORIZATIONS AFTER TWO YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI, XXII, XXIII, XXIV, and XXV for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor) shall expire on October 1, 1992, or the date of the enactment of the military construction authorization act for fiscal year 1993, whichever is later.

(b) EXCEPTION.—The provisions of subsection (a) do not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the NATO Infrastructure Program (and authorizations of appropriations therefor) for which appropriated funds have been obligated before October 1, 1992, or the date of the enactment of the military construction authorization act for fiscal year 1993, whichever is later, for construction contracts, land acquisition, family housing projects and facilities, or contributions to the NATO Infrastructure Program.

SEC. 2702. EFFECTIVE DATE.

Except as specifically provided otherwise, titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on October 1, 1990, or the date of enactment of this Act, whichever is later.

SEC. 2703. EXTENSION OF 1989 AUTHORIZATIONS.

Section 2701 of the Military Construction Authorization Act, 1989 (division B of Public Law 100-456) is amended—

(1) by striking out "1990" each place it appears and inserting in lieu thereof "1991"; and

(2) by striking out "1991" each place it appears and inserting in lieu thereof "1992".

TITLE XXVIII—GENERAL PROVISIONS

PART A—CONSTRUCTION, IMPROVEMENTS, LEASING, AND UTILIZATION OF MILITARY INSTALLATIONS AND FACILITIES

SEC. 2801. DUAL BASING.

(a) IN GENERAL.—(1) For purposes of meeting the world-wide security responsibilities of the United States effectively and efficiently and reducing tension and increasing stability internationally, the Secretary of Defense shall provide for the dual basing of units of the Army, Air Force, and Marine Corps in accordance with the requirements of this section.

(2) In this section—

(A) the term "dual basing" means the stationing of units of the Armed Forces on a permanent basis at military installations inside the United States with rotating short-term assignments to military installations outside the United States for purposes of training, carrying out exercises, meeting obligations to other nations, or carrying out other international security responsibilities of the United States; and

(B) the term "United States" means the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and any other commonwealth, territory, or possession of the United States.

(b) IMPLEMENTATION.—(1) The Secretary of Defense shall conduct a review of all units of the Army, Air Force, and Marine Corps stationed on a permanent basis at military installations outside the United States for

the purpose of identifying those units that should be exempted from the dual basing requirement of this section because dual basing would render the unit incapable of performing its mission.

(2) The Secretary shall, no later than March 15, 1991, transmit to the Committees on Armed Services of the Senate and the House of Representatives a report describing those units of the Armed Forces identified as a result of the review carried out under paragraph (1).

(3) The Secretary shall, beginning as soon as practicable after March 15, 1991, implement dual basing with respect to all units of the Army, Air Force, and Marine Corps stationed on a permanent basis at military installations outside the United States on the date of the enactment of this Act for which an exemption from dual basing has not been made in the report transmitted pursuant to paragraph (2).

(4) The Secretary shall complete the implementation of dual basing required under paragraph (3) by March 1, 1994.

(5) Nothing in this section shall apply to any deployment of military personnel by the President for reasons of national security or a military emergency.

SEC. 2802. PROHIBITION ON CONSTRUCTION AT CROTONE, ITALY.

None of the funds available to the Department of Defense, including contributions for the North Atlantic Treaty Organization Infrastructure program pursuant to section 2806 of title 10, United States Code, may be obligated or expended (whether obligated before the date of the enactment of this Act or not) in connection with relocating functions of the Department of Defense located at Torrejon Air Force Base, Madrid, Spain, on June 15, 1989, to Crotone, Italy, or any other location outside the United States.

SEC. 2803. RESTRICTIONS ON LEASING IN THE NATIONAL CAPITAL REGION.

(a) LIMITATION.—(1) During the following fiscal years, the total amount of administrative space in the National Capital Region for which the Department of Defense (including all departments, agencies, and other instrumentalities thereof) may expend, or be obligated to expend, funds under a lease or other agreement (including agreements entered into with any other Federal agency) may not exceed the following numbers of square feet:

(A) During fiscal year 1991, the number of square feet being utilized for administrative space by such Department on the date of the enactment of this Act.

(B) During fiscal year 1992, 10,000,000 square feet.

(C) During fiscal year 1993, 9,000,000 square feet.

(D) During fiscal year 1994 and each fiscal year thereafter, 8,000,000 square feet.

(2) The Department of Defense (including all departments, agencies, and other instrumentalities thereof) may not enter into or amend any lease or other agreement (including leases entered into with any other Federal agency) for administrative space in the National Capital Region that would result in a violation of the restrictions imposed by paragraph (1).

(b) PROHIBITION.—After March 31, 1991, the Department of Defense (including all departments, agencies, and other instrumentalities thereof) may not utilize any space under any lease or other agreement in the area known as Buzzard's Point in Washington, D.C., including the facility located at 1900 Half Street, Southwest.

(c) DEFINITIONS.—As used in this section—

(1) the term "administrative space" means property used for the operation of an office, for storage of office equipment or materials, or in support of activities carried out in an office, including those with special architectural features, fixed equipment, or utilities (such as laboratories, dark rooms, automatic data processing areas, food service areas, and security vaults); and

(2) the term "National Capital Region" means the District of Columbia; Montgomery and Prince Georges Counties in the State of Maryland; Arlington, Fairfax, Loudoun, and Prince William Counties in the Commonwealth of Virginia; all cities and other units of local governments within the geographic areas of such Counties; and the City of Alexandria, Virginia.

SEC. 2804. IMPROVEMENTS TO MILITARY FAMILY HOUSING PROJECTS.

For the purpose of carrying out improvements to family housing projects with funds appropriated pursuant to authorizations in this Act, the term "$40,000" in section 2825(b)(1)(A) in title 10, United States Code, shall be considered to be $50,000.

SEC. 2805. SENSE OF CONGRESS CONCERNING A MILITARY CONSTRUCTION MORATORIUM.

It is the sense of the Congress that the Secretary of Defense should not issue an order during fiscal year 1991 that prohibits, totally or generally, the military departments from entering into contracts for authorized military construction projects inside the United States or from exercising options under existing contracts for such projects.

PART B—LAND TRANSACTIONS

SEC. 2811. LAND CONVEYANCE, REDSTONE ARSENAL, ALABAMA.

(a) IN GENERAL.—Subject to subsections (b) through (f), the Secretary of the Army may convey to the Solid Waste Disposal Authority of the City of Huntsville, Alabama, all right, title, and interest of the United States in and to a parcel of real property consisting of approximately 20 acres, including improvements thereon, at the Redstone Arsenal, Alabama, that, on the date of the enactment of this Act, is leased to such Authority pursuant to Department of the Army lease DACA 01-1-87-225, dated December 14, 1987.

(b) CONSIDERATION.—In consideration for the conveyance specified in subsection (a), the Authority shall be required to provide to the Secretary, in accordance with requirements determined by the Secretary to be in the best interests of the United States—

(1) evidence that it has constructed on such real property, and is commercially operating, a refuse fired steam plant for the disposal of municipal solid waste;

(2) an executed agreement obligating the Authority to accept from the United States up to 50 tons per day of acceptable waste for processing, without consideration, at such site;

(3) an agreement indemnifying the United States from any liability with respect to the construction and operation of any waste disposal facility on the property; and

(4) an agreement obligating the Authority with respect to furnishing steam and electricity to the Department of the Army at such site.

(c) RESERVATIONS.—The deed of conveyance shall—

(1) reserve to the United States all mineral rights in the real property conveyed;

(2) reserve to the United States an easement for the maintenance and operation of ground water monitoring equipment located in the southeast corner of the parcel of real property and an easement for ingress and egress to the equipment;

(3) incorporate the easement granted by the Secretary of the Army to the city of Huntsville, Alabama, contained in the Road or Street Easement Numbered DACA 01-2-68-4, dated November 7, 1967, and recorded in Deed Book 458, pages 356-358, Probate Records, Madison County, Alabama; and

(4) be subject to any leases to which the real property conveyed under subsection (a) is subject at the time of the conveyance.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed pursuant to this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Authority.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2812. LAND CONVEYANCE, NAVAL WEAPONS STATION, CONCORD, CALIFORNIA.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of the Navy may sell and convey to the San Francisco Bay Area Rapid Transit District (hereafter in this section referred to as "BART") all right, title and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 40 acres comprising a portion of the Naval Weapons Station, Concord, California.

(b) CONSIDERATION.—(1) In consideration for the conveyance authorized in subsection (a), BART shall be required to—

(A) pay to the United States an amount equal to not less than the fair market value of the property to be conveyed under subsection (a), as determined by the Secretary;

(B) pay for the cost of relocating certain railroad tracks located on such property; and

(C) pay for the cost of relocating the existing security fence to conform with the new boundaries of the Naval Weapons Station after such conveyance.

(2) Costs incurred by BART in connection with the relocations referred to in subparagraphs (B) and (C) of paragraph (1) may not be considered as any part of the fair market value of the property referred to in subsection (a).

(c) USE OF PROCEEDS.—(1) The Secretary may use the proceeds received from the sale of property authorized by this section for the payment of—

(A) the cost of design and construction, at the Naval Weapons Station, Concord, of—

(i) a child care center;

(ii) family housing; and

(iii) parking for residents of barracks; and

(B) the costs of appraisals and other costs related to the sale and conveyance of property under this section.

(2) The Secretary may not enter into any contract for construction under this section until after the 21-day period beginning on the date on which the Secretary transmits to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a detailed report on the proposed contract.

(3) The Secretary shall deposit into the Treasury as miscellaneous receipts any amount received under this section and not obligated under this section by the end of

the four-year period beginning on the date of the receipt thereof.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by BART.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2813. LEASE AT HUNTERS POINT NAVAL SHIPYARD, SAN FRANCISCO, CALIFORNIA.

(a) IN GENERAL.—(1) The Secretary of the Navy shall, within one year after the date of the enactment of this Act, lease to the City of San Francisco, California, at fair market value and for at least 30 years, not less than 260 acres of the area known as the Hunters Point Naval Shipyard, San Francisco, California.

(2) In carrying out paragraph (1), the Secretary shall—

(A) determine the location of the acres to be leased;

(B) provide that the acres leased shall be used by the City subject to such terms and conditions as the Secretary determines appropriate to protect the interests of the United States; and

(C) take steps to minimize the disruption and displacement of tenants on Hunters Point to the maximum extent practicable.

(b) REPORT.—The Secretary shall transmit, by no later than February 1, 1991, to the Committees on Armed Services of the Senate and of the House of Representatives a report of the status of the negotiations carried out for the purpose of entering into a lease under subsection (a).

SEC. 2814. LAND CONVEYANCE, EGLIN AIR FORCE BASE, FLORIDA.

(a) IN GENERAL.—Subject to subsections (b) through (f), the Secretary of the Air Force may convey to the City of Valparaiso, Florida, all right, title, and interest of the United States in and to approximately 3.5 acres of real property, including improvements thereon, located on Eglin Air Force Base, Florida.

(b) CONSIDERATION.—In consideration for the conveyance authorized by subsection (a), the City of Valparaiso, Florida, shall pay to the United States an amount equal to the fair market value of the property to be conveyed, as determined by the Secretary.

(c) CONDITION OF CONVEYANCE.—The conveyance authorized by subsection (a) shall be subject to the condition that the real property so conveyed shall be used by the City of Valparaiso, Florida, as a public cemetery.

(d) REVERSION.—If the Secretary determines at any time that the property conveyed pursuant to this section is not being used for the purpose specified in subsection (c), all right, title, and interest in and to the property, including improvements thereon, shall revert to the United States and the United States shall have the right of immediate reentry thereon.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the City of Valparaiso, Florida.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2815. LAND CONVEYANCE, NAVAL AIR STATION, JACKSONVILLE, FLORIDA.

(a) IN GENERAL.—The Secretary of the Navy may sell, subject to subsection (b)(1), the real property and improvements owned by the United States in Duval County, Florida, comprising the Outlying Landing Field, Whitehouse, and utilize, in the manner described in subsection (b), funds received from such sale and other sales authorized by subsection (b)(3) and funds appropriated for military construction to the Department of the Navy for fiscal years beginning after September 30, 1990, to—

(1) acquire interests in real property, including improvements thereon, in the vicinity of the Naval Air Station, Cecil Field, Jacksonville, Florida, to locate an outlying landing field for Cecil Field to replace the Outlying Landing Field, Whitehouse, Duval County, Florida;

(2) construct facilities upon such property that are necessary to replace those at the Outlying Landing Field, Whitehouse, Duval County, Florida; and

(3) pay expenses related to the sale of property authorized by subsection (b).

(b) USE OF PROCEEDS.—(1) In carrying out subsection (a), the Secretary may use funds appropriated for military construction to the Department of the Navy for fiscal years beginning after September 30, 1990, but shall reimburse the appropriation accounts from which funds were expended with the proceeds from the sale of the real property and improvements owned by the United States in Duval County, Florida, comprising the Outlying Landing Field, Whitehouse, with such sale being carried out only after the completion of the activities described in paragraphs (1) and (2) of subsection (a).

(2) The sale of such property shall be by competitive procedures and at not less than the fair market value of the property (as determined by the Secretary).

(3)(A) The Secretary may also sell any property that is excess to the needs of the Department of the Navy if the Secretary determines that such a sale is necessary to fully reimburse the appropriations accounts from which funds were expended under subsection (a), but only after the 21-day period beginning on the date on which the Secretary transmits to the Committees on Armed Services of the Senate and of the House of Representatives a report containing the location of the property to be sold and its estimated value.

(B) Such additional sales shall also be by competitive procedures but not less than fair market value.

(4) The Secretary shall deposit into the Treasury as miscellaneous receipts any amount received under this section and not obligated under this section by the end of the four-year period beginning on the date of the receipt thereof.

SEC. 2816. LAND EXCHANGE, FORT BENNING, GEORGIA.

(a) AUTHORITY TO CONVEY.—Subject to subsections (b), (c), and (d), the Secretary of the Army may convey to the City of Columbus, Georgia, all right, title, and interest of the United States in and to a tract of real property, including improvements thereon, consisting of approximately 3,000 acres and comprising a portion of Fort Benning, Georgia.

(b) CONSIDERATION.—(1) In consideration for the conveyance by the Secretary under subsection (a), the City of Columbus shall be required to convey to the United States approximately 4,000 acres of real property located adjacent to the southern boundary of Fort Benning.

(2) If the fair market value of the land conveyed by the Secretary under subsection (a) exceeds the fair market value of the land conveyed to the United States, as determined by the Secretary, the City of Columbus shall pay an amount equal to the difference to the United States. The Secretary shall deposit any such amount into the Treasury as miscellaneous receipts.

(c) LEGAL DESCRIPTION OF LANDS.—The exact acreages and legal descriptions of the lands to be conveyed under this section shall be determined by surveys satisfactory to the Secretary. The cost of the surveys shall be borne by the City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the transactions authorized by this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2817. LAND CONVEYANCE, ROBINS AIR FORCE BASE, GEORGIA.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of the Air Force may sell and convey all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of a total of approximately 70 acres, and comprising a portion of Robins Air Force Base, Georgia.

(b) COMPETITIVE BID REQUIREMENT, MINIMUM SALE PRICE.—(1) The Secretary shall use competitive procedures for the sale of property referred to in subsection (a).

(2) In no event may any of the property referred to in subsection (a) be sold for less than the fair market value, as determined by the Secretary.

(c) USE OF PROCEEDS.—(1) The Secretary may use the proceeds from the sale of the property referred to in subsection (a) for the rehabilitation of military family housing at Robins Air Force Base, Georgia.

(2) The Secretary shall deposit into the Treasury as miscellaneous receipts any amount received under this section and not obligated under this section by the end of the four-year period beginning on the date of the receipt thereof.

(d) LEGAL DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of such survey shall be borne by the purchaser.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with any transaction authorized by this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2818. LAND CONVEYANCE, SOUTH BEND, INDIANA.

(a) IN GENERAL.—Subject to subsections (b) through (f), the Secretary of the Army shall convey to the Civic Foundation, Incorporated, a not-for-profit corporation organized and operating pursuant to the laws of the State of Indiana, or the City of South Bend, Indiana, or to both, all right, title, and interest of the United States in and to real property aggregating approximately 4.15 acres, including improvements thereon, located at 1733 East Northside Boulevard, South Bend, Indiana, and known as the Northside Army Reserve Training Center.

(b) CONSIDERATION.—(1) In consideration for the conveyance made under subsection (a), the Civic Foundation or the City, as the case may be, shall, in accordance with the agreement required by subsection (c), be required to—

(A) convey to the United States all right, title, and interest in and to a parcel of real property of approximately eight acres, together with improvements thereon, located at 2402 Rose Street, South Bend, Indiana, and known as the Maple Lane School;

(B) repair and rehabilitate the Maple Lane School in accordance with plans and specifications approved by the Secretary;

(C) construct an access driveway to the Maple Lane School property from Ironwood Drive; and

(D) design to Department of the Army standards and construct additional improvements on the Maple Lane School property in accordance with the requirements, and subject to the approval, of the Secretary.

(2) The cost of the repair, rehabilitation, construction work, and other improvements carried out under subparagraphs (B), (C), and (D) of paragraph (1) (including but not limited to the cost of any and all architectural, engineering design, environmental assessment and remediation, construction financing, and all legal and inspection fees for the additional improvements) shall be paid as follows:

(A) The Civic Foundation or the City, or both, shall pay a total of $500,000. Any funds expended by the Civic Foundation or the City pursuant to obligations under paragraph (1) before the execution of the agreement required by subsection (c) shall be considered as part of this payment.

(B) After payment by the Civic Foundation or the City, or both, as provided in subparagraph (A), the Secretary of the Army shall pay any remaining amount necessary to complete the work described in subparagraphs (B), (C), and (D) of paragraph (1), out of funds available for such purpose.

(3) The amount of $397,000 is hereby authorized to be appropriated to pay for the design and construction of improvements authorized by paragraph (1)(D).

(c) AGREEMENT.—In order to implement this section, the Secretary shall enter into an agreement with the Civic Foundation or the City, or both.

(d) OCCUPANCY.—The Department of the Army shall vacate the Northside Army Reserve Training Center upon beneficial occupancy of Maple Lane School.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the properties to be conveyed under this section shall be determined by surveys acceptable to the Secretary.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions as the Secretary considers appropriate to carry out the provisions of this section and to protect the interests of the United States.

SEC. 2819. LAND EXCHANGE, LEXINGTON PARK, MARYLAND.

(a) IN GENERAL.—Subject to subsections (b) through (d), the Secretary of the Navy may convey to the County of St. Mary's, Maryland, all right, title, and interest of the United States in and to approximately 32 acres of unimproved real property consisting of two severable parcels at the Naval Air Test Center, Patuxent River, Maryland.

(b) CONSIDERATION.—In consideration for the conveyance authorized by subsection (a), the County shall be required to convey to the United States approximately 7.2 acres of real property, including improvements thereon, known as the former Frank Knox Elementary School, Lexington Park, Maryland.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of any property to be conveyed or received under this section shall be determined by surveys satisfactory to the Secretary. The cost of such survey shall be borne by the County.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2820. RELEASE OF REVERSIONARY INTEREST, BERRIEN COUNTY, MICHIGAN.

(a) IN GENERAL.—Subject to subsections (b) through (e), the Secretary of the Navy may release the reversionary interest of the United States in and to approximately 1.7 acres of real property conveyed by the quitclaim deed described in subsection (b).

(b) DEED DESCRIPTION.—The deed referred to in subsection (a) is a quitclaim deed executed by the Secretary of the Navy, dated February 25, 1936, that conveyed to the State of Michigan approximately 1.7 acres of real property in Berrien County, Michigan, situated in section 23, township 4 south, range 19 west.

(c) PROPERTY DESCRIPTION.—The exact acreage and legal description of the property to which the reversionary interest is to be released under this section shall be determined by surveys satisfactory to the Secretary of the Navy. The cost of such surveys shall be borne by the State.

(d) FILING.—The Secretary of the Navy shall execute and file in the appropriate office a deed of release, amended deed, or other appropriate instrument effecting the release of the reversionary interest under this section.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require additional terms and conditions in connection with the conveyance under this section that the Secretary determines appropriate to protect the interests of the United States.

SEC. 2821. EXCHANGE OF INTERESTS, CAMP WITHYCOMBE, OREGON.

(a) RELEASE OF REVERSIONARY INTEREST.—Subject to subsections (b) through (d), the Secretary of the Army may release to the State of Oregon the reversionary interest of the United States in and to two parcels of real property totaling approximately 160 acres, including improvements thereon, at Camp Withycombe, Clackamas County, Oregon, that were conveyed by the United States to the State of Oregon by a quitclaim deed dated November 9, 1956.

(b) CONSIDERATION.—(1) In consideration for the release under subsection (a), the State of Oregon shall be required to convey to the United States a contingent interest, described in paragraph (2), in approximately 166 acres of real property, including improvements thereon, comprising Camp Rilea, Clatsop County, Oregon.

(2) The contingent interest referred to in paragraph (1) is an interest that provides that—

(A) in the event that Camp Rilea ceases to be used by the State of Oregon for military purposes, title to such property, including improvements thereon, shall immediately vest in the United States without payment of consideration and the United States shall have the immediate right to enter thereon; and

(B) in the event of a war declared by Congress or a national emergency declared by Congress or the President, and upon a determination by the Secretary of Defense that any of such property is needed for military purposes, the United States shall have the right, without payment of consideration, to enter the property and use the property or any part thereof, including any improvements thereon, for such period as the Secretary determines necessary, but in no event for any period that extends beyond 180 days after the end of such war or national emergency.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the parcels of real property from which the reversionary interest referred to in subsection (a) is to be released, and the exact acreage and legal description of the property in which the contingent interest is to be conveyed to the United States under subsection (b), shall be determined by surveys satisfactory to the Secretary of the Army. The cost of such surveys shall be borne by the State.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the release of the reversionary interest under subsection (a) and the conveyance of the contingent interest under subsection (b) as the Secretary determines appropriate to protect the interests of the United States.

SEC. 2822. LAND TRANSFER, ARLINGTON, VIRGINIA.

The property consisting of approximately 14.05 acres of real property, and improvements thereon, known as Barracks "K", located in Arlington, Virginia, shall be deemed excess property, and the Administrator of General Services may transfer the property to the Secretary of the Navy without consideration.

SEC. 2823. EASEMENT CONVEYANCE, FORT LAWTON, SEATTLE, WASHINGTON.

(a) IN GENERAL.—Subject to subsections (b) through (e) the Secretary of the Navy may convey to the municipality of metropolitan Seattle, Washington, certain easement interests of the United States in approximately 1.42 acres of real property comprising a portion of the Department of the Navy Fort Lawton family housing area, Seattle, Washington.

(b) CONSIDERATION.—(1) In consideration for the conveyance authorized in subsection (a), the municipality shall provide new waterline hookups at such Navy family housing area.

(2) If the fair market value of the easement interests to be conveyed under subsection (a) exceeds the fair market value of the consideration received under paragraph (1), as determined by the Secretary, the municipality shall pay the amount of the difference to the United States. Any such payment shall be deposited into the Treasury as miscellaneous receipts.

(c) HOUSING UNITS.—(1) The municipality may be permitted to occupy, without consideration except for reimbursement for utility and services, the ten units of military family housing that will be impacted by the waterline hookups referred to in subsection (b)(1) until such time as is mutually agreed to by the municipality and the Secretary.

(2) The Secretary may acquire, without payment of consideration, ten replacement housing units comparable to the ten housing units referred to in paragraph (1) at a site

within the Puget Sound area to be determined by the Secretary.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of such survey shall be borne by the municipality.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States, including a requirement that the municipality provide, without consideration, the ten housing units referred to in subsection (c)(2).

PART C—PROVISIONS RELATING TO BASE CLOSURES AND REALIGNMENTS

SEC. 2831. CLOSURES AND REALIGNMENTS OF MILITARY INSTALLATIONS.

(a) FORCE-STRUCTURE PLAN AND TERMINATION OF OPERATIONS AT INSTALLATIONS OUTSIDE THE UNITED STATES.—(1) The Secretary of Defense shall formulate a force-structure plan for the Armed Forces of the United States based on an assessment by the Secretary of the probable threats to the national security in the five-year period ending September 30, 1996, and of the anticipated levels of funding that will be available for national defense purposes during such period. Such plan shall include, without any reference directly or indirectly to military installations inside the United States that may be closed or realigned under such plan—

(A) a description of such assessment;

(B) a description (i) of the anticipated force structure during and at the end of such period for each military department (with specifications of the number and type of units in the active and reserve forces of each such department), and (ii) of the units that will need to be forward based (with a justification thereof) during and at the end of such period;

(C) a description of the anticipated implementation of such force-structure plan; and

(D) the plan described in paragraph (2).

(2) The Secretary shall formulate and implement a plan for reducing and terminating military operations by the United States at installations outside the United States.

(b) REPORTING REQUIREMENT.—(1) As part of the request for authorizations of appropriations for fiscal year 1992, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and the House of Representatives a report containing—

(A) the force-structure plan formulated pursuant to subsection (a)(1);

(B) a description of the actions carried out and to be carried under subsection (a)(2), including a list of the installations outside the United States at which military operations by the United States will be reduced or terminated and an estimate of the extent of each such reduction;

(C) a legislative proposal containing (i) a fair process, as described in paragraph (2)(A), by which military installations inside the United States could be selected for closure and realignment as part of the implementation of the force-structure plan referred to in subsections (a)(1) and (ii) the policy referred to paragraph (2)(B); and

(D) a proposal for assistance (including worker retraining and economic conversion assistance) for individuals and communities that will be adversely affected economically by the closure or realignment of military installations inside the United States under such force-structure plan, including recommendations for any legislative action that the Secretary determines is needed to provide such assistance.

(2) The legislative proposal referred to in paragraph (1)(C) shall provide—

(A) a fair process for selecting military installations inside the United States for closure or realignment solely on the basis of objective criteria designed to achieve effectively and efficiently the military objectives of the Department of Defense contained in the force-structure plan transmitted under paragraph (1); and

(B) a policy ensuring the prompt environmental restoration of all property that will become excess to the needs of the Department of Defense as result of a military installation inside the United States being selected for closure or realignment.

(3) The proposal for economic assistance referred to in paragraph (1)(D), in addition to providing for economic assistance generally to individuals and communities adversely affected economically by the closure or realignment of a military installation, shall provide for appropriate economic assistance to State and local governments that made expenditures in reliance on, and in support of, Federal plans to establish or continue to operate a military installation that was not opened or was selected for closure.

(c) MILITARY INSTALLATIONS INSIDE THE UNITED STATES.—(1) None of the funds available to the Department of Defense may, except as provided in paragraph (4), be expended (whether obligated before the date of enactment of this Act or not) to—

(A) identify, through any transmittal to the Congress or through any other public announcement or notification, any military installation inside the United States as an installation to be closed or realigned or as an installation under consideration for closure or realignment; or

(B) close or realign any military installation inside the United States,

until specifically authorized by law during the 102nd Congress or until January 1, 1992, whichever occurs first.

(2) None of the funds appropriated pursuant to authorizations in this Act may be obligated or expended, except as provided by paragraph (4), to initiate any study necessary to meet the requirements of section 2687 of title 10, United States Code, or the National Environmental Policy Act that are applicable to the closure or realignment of military installations.

(3) In providing for the repair and maintenance of facilities at military installations inside the United States during fiscal year 1991, the Secretary of Defense and the Secretaries of the military departments shall, except as provided in paragraph (4), expend an amount during such fiscal year, with funds appropriated for operation and maintenance pursuant to authorizations made by this Act and with other funds that may be available for such purpose for such fiscal year, for repair and maintenance at each such installation equal to not less than 75 percent of the average annual amount expended for repair and maintenance of facilities at the installation concerned during fiscal years 1985 through 1989.

(4) Paragraphs (1), (2), and (3) shall not apply to—

(A) closures and realignments carried out under title II of Public Law 100-526; and

(B) closures and realignments to which section 2687 of title 10, United States Code, is not applicable.

(d) PROHIBITION AND REMEDIAL ACTION.—(1) The provisions of the transmittal to the Congress by the Secretary of Defense, dated January 29, 1990, identifying certain military installations as candidates for closure, and the provisions of any other proposal (whether transmitted to the Congress or not) developed during the year ending on the date of the enactment of this Act with respect to identifying military installations for closure, shall not be used as the basis for any decision concerning the assignment of mission, personnel, or resources to any installation identified in such provisions.

(2) The Secretary of Defense—

(A) shall review all actions taken during the year ending on the date of the enactment of this Act with regard to any installation identified in any provision referred to in paragraph (1); and

(B) shall take such steps as may be necessary to remedy the damage to such installation that has resulted from any such action.

(e) DEFINITIONS.—(1) For purposes of this section—

(A) the term "military installation" means a base, camp, post, station, yard, center, homeport facility or any ship, or any other activity under under the jurisdiction of a department, agency, or other instrumentality of the Department of Defense, including a leased facility, except that such term shall not include any facility used primarily for civil works, rivers and harbor projects, or flood control projects;

(B) the term "United States" means the several States and the District of Columbia; and

(C) the term "realignment" has the meaning given such term by section 2687(e)(3) of title 10, United States Code.

(2) Section 2687 of title 10, United States Code, is amended—

(A) by striking out paragraph (2) of subsection (a) and inserting in lieu thereof the following:

"(2) any realignment with respect to any military installation referred to in paragraph (1) that would result, during any two-year period, in a reduction of more than 1,000 in, or by more than 50 percent of, the number of civilian personnel authorized to be employed at such military installation at the beginning of the two-year period concerned; or"; and

(B) in subsection (e)(3), by striking out "includes" and inserting in lieu thereof "means".

(3) For the purpose of making determinations with respect to closures and realignments carried out on or after the date of the enactment of this Act, the amendment made by paragraph (2)(A) shall be applied to include reductions of civilian personnel occurring during any two-year period beginning after the date that occurred two years before the date of the enactment of this Act.

(f) CLARIFYING AMENDMENT.—Section 2687(e)(1) of title 10, United States Code, is amended by striking out "under the jurisdiction of the Secretary of a military department" and inserting in lieu thereof "under the jurisdiction of a department, agency, or other instrumentality of the Department of Defense, including a leased facility,".

SEC. 2832. SENSE OF CONGRESS CONCERNING THE RESIDUAL VALUE OF IMPROVEMENTS MADE BY THE DEPARTMENT OF DEFENSE AT MILITARY INSTALLATIONS OUTSIDE THE UNITED STATES.

(a) IN GENERAL.—It is the sense of the Congress that, in providing for the termination of military operations by the United States

at any installation outside the United States, the Secretary of Defense should take steps to ensure that the United States receives, through direct payment or otherwise, consideration equal to the the fair market value of the improvements made by the United States at the installation.

(b) REPORT.—(1) For each installation on the list required by section 2831(b)(1)(B), the Secretary of Defense shall include, as part of the report required by such section, an estimate of the fair market value of the improvements made at the installation by the United States.

(2) For purposes of this section—

(A) the term "fair market value of the improvements" means the value of improvements determined by the Secretary on the basis on their highest use; and

(B) the term "improvements" includes new construction of facilities and all additions, improvements, modifications, or renovations made to existing facilities or to real property, without regard to whether they were carried out with appropriated or nonappropriated funds.

SEC. 2833. RESTRICTION ON FUNDING FOR ENVIRONMENTAL RESTORATION BY THE DEPARTMENT OF DEFENSE AT CERTAIN MILITARY INSTALLATIONS OUTSIDE THE UNITED STATES.

Funds provided under section 2806 of title 10, United States Code, for the North Atlantic Treaty Organization Infrastructure program are the only funds that may be made available by the Department of Defense for environmental restoration at any military installation outside the United States (1) that is located in a country which is a member of the North Atlantic Treaty Organization, and (2) at which military operations by the United States have been terminated or substantially reduced on or after the date of the enactment of this Act.

SEC. 2834. FUNDING FOR ENVIRONMENTAL RESTORATION AT MILITARY INSTALLATIONS SCHEDULED FOR CLOSURE.

(a) AUTHORIZATION OF APPROPRIATIONS.—There is hereby authorized to be appropriated to the Department of Defense Base Closure Account for fiscal year 1991, in addition to any other funds authorized to be appropriated to that account for that fiscal year, the sum of $100,000,000. Amounts appropriated to that account pursuant to the preceding sentence shall be available only for activities for the purpose of environmental restoration at military installations closed or realigned under title II of Public Law 100-526, as authorized under section 204(a)(3) of that title.

(b) EXCLUSIVE SOURCE OF FUNDING.—(1) Section 207 of Public Law 100-526 is amended by adding at the end the following:

"(b) BASE CLOSURE ACCOUNT TO BE EXCLUSIVE SOURCE OF FUNDS FOR ENVIRONMENTAL RESTORATION PROJECTS.—No funds appropriated to the Department of Defense may be used for purposes described in section 204(a)(3) other than funds that have been authorized for and appropriated to the Account. The prohibition in the preceding sentence expires upon the termination of the authority of the Secretary to carry out a closure or realignment under this title.".

(2) The amendment made by paragraph (1) does not apply with respect to the availability of funds appropriated before the date of the enactment of this Act.

SEC. 2835. COMMUNITY PREFERENCE CONSIDERATION IN CLOSURE AND REALIGNMENT OF MILITARY INSTALLATIONS.

In any process of selecting any military installation inside the United States for closure or realignment, the Secretary of Defense shall take such steps as are necessary to assure that special consideration and emphasis is given to any official statement from a unit of general local government adjacent to or within a military installation requesting the closure or realignment of such installation.

PART D—MISCELLANEOUS PROVISIONS

SEC. 2841. IMPACT ASSISTANCE FOR WHITEMAN AIR FORCE BASE.

Section 802 of the Military Construction Authorization Act, 1981 (Public Law 96-418), is amended—

(1) in subsection (a), by inserting "or Whiteman Air Force Base" after "East Coast Trident Base" each place it appears;

(2) in subsection (b)(3), by inserting "or Whiteman Air Force Base" after "East Coast Trident Base"; and

(3) in subsection (d), by striking out "program" and inserting in lieu thereof "or Whiteman Air Force Base programs".

SEC. 2842. MODIFICATION OF HEIGHT RESTRICTION IN AVIGATION EASEMENT.

(a) IN GENERAL.—The Act of July 2, 1948 (62 Stat. 1229), is amended by adding at the end the following new section:

"SEC. 6. The height restriction in subsection d. of the first section of this Act shall not apply with respect to any public utility structure that does not exceed 160 feet above mean low-water level.".

(b) FILING.—The Secretary of the Air Force shall execute and file in the appropriate office any instrument necessary to effect the modification of the avigation easement referred to in the amendment made in subsection (a).

SEC. 2843. HENDERSON HALL, ARLINGTON, VIRGINIA.

Section 2843(a)(1) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101-189) is amended by striking out "62,000 square feet" and inserting in lieu hereof "77,000 square feet".

SEC. 2844. LEASE-PURCHASE OF FACILITY FOR UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

Section 2112 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(d)(1) The Secretary of Defense may provide for the acquisition of a facility for the Uniformed Services University of the Health Sciences for classroom, laboratories, and office space through lease-purchase arrangements on real property under the jurisdiction of the Department of Defense.

"(2)(A) In carrying out this subsection and notwithstanding any other provision of law, the Secretary may lease, with or without compensation and for a period of not to exceed 35 years, to another party any of the real property described in paragraph (1) of this subsection.

"(B) Such real property shall be used as the site of the facility referred to in paragraph (1) of this subsection—

"(i) constructed and owned by the lessee of such real property; and

"(ii) leased under paragraph (3)(A) of this subsection to the Department for such use and for such other activities as the Secretary determines are appropriate.

"(3)(A) The Secretary may enter into a lease for the use of the facility described in paragraph (2)(B) of this subsection for not more than 35 years under such terms and conditions as may be in the best interests of the Department.

"(B) The agreement to lease a facility under subparagraph (A) of this paragraph shall include a provision that—

"(i) the obligation of the United States to make payments under the agreement is subject to the availability of appropriations for that purpose; and

"(ii) the ownership of such facility shall vest in the United States at the end of such lease.

"(4)(A) The Secretary may sublease any space in such a facility to another party at a rate not less than—

"(i) the rental rate paid by the Secretary for such space under paragraph (3) of this subsection; plus

"(ii) the amount the Secretary pays for the costs of administering such facility (including operation, maintenance, utility, and rehabilitation costs) which are attributable to such space.

"(B) In any such sublease, the Secretary shall include such terms relating to default and nonperformance as the Secretary considers appropriate to protect the interests of the United States.

"(5) The Secretary shall use the receipts of any payment for the lease of real property under paragraph (2) for the payment of the lease of a facility under paragraph (3).

"(6) The authority to enter into an agreement under this subsection shall expire on October 1, 1994.".

SEC. 2845. SALE OF AGGREGATE, NAVAL AIR STATION, MIRAMAR, CALIFORNIA.

(a) AUTHORITY.—(1) Subject to subsections (b) through (e), the Secretary of the Navy may extract, sell, and remove aggregate from the real property comprising the Naval Air Station, Miramar, California.

(2) Such extraction, sale, and removal shall be by competitive procedures except for that portion of the station where the City of San Diego operates a sanitary landfill. Within such area, the City may extract, sell, or remove the aggregate.

(b) CONSIDERATION.—In consideration for the rights authorized to the City of San Diego by subsection (a), the City shall pay to the United States fair market value, as determined by the Secretary, for any aggregate it extracts, sells, or removes.

(c) USE OF FUNDS.—(1) The Secretary may use proceeds generated under this section solely for the purpose of acquiring suitable sites for military family housing or constructing military family housing units, or both, in the San Diego area.

(2) Any funds received by the Secretary under this section and not used for the acquisition of a site for military family housing or the construction of military family housing units within 48 months after the receipt of such funds shall be deposited into the miscellaneous receipts of the Treasury.

(d) NOTIFICATION.—The Secretary may not enter into any contract under this section to—

(1) permit the extraction, sale, or removal of aggregate;

(2) acquire a site for military family housing; or

(3) construct housing.

until after the 21-day period beginning on the date on which the Secretary transmits to the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives a report of the details of the contract.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions under this section as

the Secretary considers appropriate to protect the interest of the United States.

DIVISION C—OTHER NATIONAL DEFENSE AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

PART A—NATIONAL SECURITY PROGRAMS AUTHORIZATIONS

SEC. 3101. OPERATING EXPENSES.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1991 for operating expenses incurred in carrying out national security programs (including scientific research and development in support of the Armed Forces, strategic and critical materials necessary for the common defense, and military applications of nuclear energy and related management and support activities) as follows:

(1) For weapons activities, $3,816,627,000 to be allocated as follows:

(A) For research and development, $931,564,000.

(B) For weapons testing, $442,268,000.

(C) For weapons safety, $150,000,000.

(D) For production and surveillance, $2,188,000,000.

(E) For program direction, $104,715,000.

(2) For defense nuclear materials production, $1,892,770,000, to be allocated as follows:

(A) For production reactor operations, $811,457,000.

(B) For processing of defense nuclear materials, including naval reactors fuel, $628,969,000.

(C) For supporting services, $292,043,000.

(D) For uranium enrichment for naval reactors, $117,801,000.

(E) For program direction, $42,500,000.

(3) For waste transportation and site management, $36,046,000.

(4) For verification and control technology, $186,484,000.

(5) For nuclear materials safeguards and security technology development program, $83,934,000.

(6) For security investigations, $65,000,000.

(7) For new production reactors, $132,900,000.

(8) For naval reactors development, $569,200,000.

SEC. 3102. PLANT AND CAPITAL EQUIPMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1991 for plant and capital equipment (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, land acquisition related thereto, and acquisition and fabrication of capital equipment not related to construction) necessary for national security programs as follows:

(1) For weapons activities:

Project GPD-101, general plant projects, various locations, $27,100,000.

Project GPD-121, general plant projects, various locations, $36,350,000.

Project 91-D-123, production assurance transformer replacement, Kansas City Plant, Kansas City, Missouri, $2,600,000.

Project 91-D-124, safeguards and security upgrades, Phase III, Mound Facility, Miamisburg, Ohio, $1,100,000.

Project 91-D-125, environmental, safety, and health upgrades, Phase III, Mound Facility, Miamisburg, Ohio, $1,746,000.

Project 91-D-126, health physics calibration facility, Mound Plant, Miamisburg, Ohio, $1,000,000.

Project 91-D-127, criticality alarm and production annunciation utility replacement, Rocky Flats Plant, Golden, Colorado, $6,600,000.

Project 90-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, $19,600,000.

Project 90-D-126, environmental, safety, and health enhancements, various locations, $8,500,000.

Project 89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $488,000.

Project 88-D-104, safeguards and security upgrade, Phase II, Los Alamos National Laboratory, Los Alamos, New Mexico, $1,000,000.

Project 88-D-105, special nuclear materials research and development laboratory replacement, Los Alamos National Laboratory, Los Alamos, New Mexico, $20,600,000.

Project 88-D-106, nuclear weapons research, development, and testing facilities revitalization, Phase II, various locations, $72,547,000.

Project 88-D-122, facilities capability assurance program, various locations, $106,806,000.

Project 88-D-123, security enhancements, Pantex Plant, Amarillo, Texas, $18,244,000.

Project 88-D-124, fire protection upgrade, various locations, $1,481,000.

Project 88-D-125, high explosive machining facility, Pantex Plant, Amarillo, Texas, $8,840,000.

Project 88-D-126, personnel radiological monitoring laboratories, various locations, $1,600,000.

Project 87-D-104, safeguards and security enhancement II, Lawrence Livermore National Laboratory, Livermore, California, $1,150,000.

Project 87-D-122, short-range attack missile II (SRAM II) warhead production facilities, various locations, $8,634,000.

Project 86-D-130, tritium loading facility replacement, Savannah River Plant, Aiken, South Carolina, $2,360,000.

Project 85-D-105, combined device assembly facility, Nevada Test Site, Nevada, $4,242,000.

(2) For materials production:

Project GPD-146, general plant projects, various locations, $36,994,000.

Project 91-D-143, increase 751-A electrical substation capacity, Phase I, Savannah River, South Carolina, $6,000,000.

Project 91-D-145, new whole body counter facility, Savannah River, South Carolina, $4,350,000.

Project 91-D-148, reactor charge/discharge training simulator, Savannah River, South Carolina, $2,000,000.

Project 90-D-141, Idaho chemical processing plant fire protection, Idaho National Engineering Laboratory, Idaho, $6,000,000.

Project 90-D-143, plutonium finishing plant fire safety and loss limitation, Richland, Washington, $2,500,000.

Project 90-D-149, plantwide fire protection, Phases I and II, Savannah River, South Carolina, $49,100,000.

Project 90-D-150, reactor safety assurance, Phases I and II, Savannah River, South Carolina, $32,600,000.

Project 90-D-151, engineering center, Savannah River, South Carolina, $4,000,000.

Project 89-D-140, additional separations safeguards, Savannah River, South Carolina, $16,300,000.

Project 89-D-148, improved reactor confinement system, Savannah River, South Carolina, $12,800,000.

Project 88-D-153, additional reactor safeguards, Savannah River, South Carolina, $1,000,000.

Project 87-D-159, environmental, health, and safety improvements, Phases I, II, III, IV, and V, Feed Materials Production Center, Fernald, Ohio, $14,133,000.

Project 86-D-149, productivity retention program, Phases I, II, III, IV, V, and VI, various locations, $61,750,000.

Project 85-D-139, fuel processing restoration, Idaho Fuels Processing Facility, Idaho National Engineering Laboratory, Idaho, $87,500,000.

Project 85-D-145, fuel production facility, Savannah River, South Carolina, $8,481,000.

(3) For waste transportation and site management:

Project GPD-171, general plant projects, various locations, $13,556,000.

Project 91-D-170, Idaho National Engineering Laboratory transportation complex, Idaho, $870,000.

Project 91-D-175, 300 area electrical distribution conversion and safety improvements, Phase I, Richland, Washington, $900,000.

Project 90-D-175, landlord program safety compliance-I, Richland, Washington, $8,230,000.

Project 89-D-171, Idaho National Engineering Laboratory road renovation, Idaho, $7,300,000.

(4) For verification and control technology:

Project 90-D-186, center for national security and arms control, Sandia National Laboratories, Albuquerque, New Mexico, $3,000,000.

(5) For nuclear materials safeguards and security:

Project GPD-186, general plant projects, Central Training Academy, Albuquerque, New Mexico, $2,000,000.

(6) For new production reactor:

Project 88-D-154, new production reactor capacity, various locations, $221,300,000.

(7) For naval reactors development:

Project GPN-101, general plant projects, various locations, $8,600,000.

Project 90-N-102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $4,000,000.

Project 90-N-103, advanced test reactor off-gas treatment system, Idaho National Engineering Laboratory, Idaho, $1,800,000.

Project 90-N-104, facilities renovation, Knolls Atomic Power Laboratory, Niskayuna, New York, $7,900,000.

Project 89-N-102, heat transfer test facility, Knolls Atomic Power Laboratory, Niskayuna, New York, $3,600,000.

Project 88-N-102, expended core facility receiving station, Naval Reactors Facility, Idaho, $1,500,000.

(8) For capital equipment not related to construction:

(A) For weapons activities, $272,231,000.

(B) For materials production, $105,622,000.

(C) For waste transportation and site management, $19,098,000.

(D) For verification and control technology, $9,924,000.

(E) For nuclear safeguards and security, $5,066,000.

(F) For new production reactors, $8,800,000.

(G) For naval reactors development, $55,400,000.

SEC. 3103. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

Funds are authorized to be appropriated to the Department of Energy for fiscal year 1991 for carrying out the environmental restoration and waste management programs

necessary for national security programs as follows:

(1) For operating expenses, $2,346,022,000.

(2) For capital equipment, $100,819,000.

(3) For plant projects:

Project GPD-171 General Plant Projects, various locations, $50,133,000.

Project 91-D-125, environmental, safety, and health upgrades, Phase III, Mound Plant, Miamisburg, Ohio, $284,000.

Project 91-D-171, waste receiving and processing facility module 1, Richland, Washington, $2,700,000.

Project 91-D-172, high-level waste tank farm replacement, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $13,000,000.

Project 91-D-173, hazardous low-level waste processing tanks, Savannah River, South Carolina, $5,800,000.

Project 90-D-103, environment, safety, and health improvements, various locations, $4,200,000.

Project 90-D-125, steam plant ash disposal facility, Y-12 Plant, Oak Ridge, Tennessee, $6,000,000.

Project 90-D-171, laboratory ventilation and electrical system upgrade, Richland, Washington, $4,100,000.

Project 90-D-172, aging waste transfer lines, Richland, Washington, $4,000,000.

Project 90-D-173, B plant canyon crane replacement, Richland, Washington, $4,300,000.

Project 90-D-174, decontamination laundry facility, Richland, Washington, $9,900,000.

Project 90-D-175, landlord program safety compliance-I, Richland, Washington, $2,640,000.

Project 90-D-176, transuranic (TRU) waste facility, Savannah River, South Carolina, $15,300,000.

Project 90-D-177 RWMC transuranic (TRU) waste treatment and storage facility, Idaho National Engineering Laboratory, Idaho Falls, Idaho, $26,000,000.

Project 90-D-178, TSA retrieval containment building, Idaho National Engineering Laboratory, Idaho Falls, Idaho, $11,100,000.

Project 89-D-122, production waste storage facilities, Y-12 Plant, Oak Ridge, Tennessee, $5,500,000.

Project 89-D-126, environmental, safety, and health upgrade, Phase II, Mound Plant, Miamisburg, Ohio, $1,723,000.

Project 89-D-141, M-area waste disposal, Savannah River, South Carolina, $7,500,000.

Project 89-D-142, reactor effluent cooling water thermal mitigation, Savannah River, South Carolina, $44,600,000.

Project 89-D-172, Hanford environmental compliance, Richland, Washington, $42,460,000.

Project 89-D-173, tank farm ventilation upgrade, Richland, Washington, $3,400,000.

Project 89-D-174, replacement high level waste evaporator, Savannah River, South Carolina, $11,330,000.

Project 89-D-175, hazardous waste/mixed waste disposal facility, Savannah River, South Carolina, $7,600,000.

Project 88-D-102, sanitary wastewater systems consolidation, Los Alamos National Laboratory, Los Alamos, New Mexico, $3,500,000.

Project 88-D-173, Hanford waste vitrification plant, Richland, Washington, $75,500,000.

Project 88-D-159, environmental, health, and safety improvements, Phases I, II, III, and IV, Feed Materials Production Center, Fernald, Ohio, $27,586,000.

Project 83-D-148, nonradioactive hazardous waste management, Savannah River, South Carolina, $5,000,000.

(4) The total amount authorized to be appropriated by paragraph (3) is reduced by a total of $129,751,000 for anticipated savings and schedule slippages.

SEC. 3104. FUNDING LIMITATIONS.

(a) INERTIAL CONFINEMENT FUSION.—Of the funds appropriated to the Department of Energy for fiscal year 1991 for operating expenses and plant and capital equipment, not less than $175,000,000 shall be obligated or expended for the defense inertial confinement fusion program.

(b) SECURITY INVESTIGATIONS.—No funds appropriated to the Department of Energy may be obligated or expended for the conduct of an investigation by the Department of Energy or any other Federal department or agency for purposes of determining whether to grant a security clearance to an individual or a facility unless the Secretary of Energy determines both of the following:

(1) That a current, complete investigation file is not available from any other department or agency of the Federal government with respect to that individual or facility.

(2) That no other department or agency of the Federal government is conducting an investigation with respect to that individual or facility that could be used as the basis for determining whether to grant the security clearance.

PART B—RECURRING GENERAL PROVISIONS

SEC. 3121. REPROGRAMMING.

(a) NOTICE TO CONGRESS.—(1) Except as otherwise provided in this title—

(A) no amount appropriated pursuant to this title may be used for any program in excess of the lesser of—

(i) 105 percent of the amount authorized for that program by this title; or

(ii) $10,000,000 more than the amount authorized for that program by this title; and

(B) no amount appropriated pursuant to this title may be used for any program which has not been presented to, or requested of, the Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) LIMITATION ON AMOUNT OBLIGATED.—In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant projects provisions authorized by this title if the total estimated cost of the construction project does not exceed $1,200,000.

(b) REPORT TO CONGRESS.—If at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $1,200,000, the Secretary shall immediately furnish a complete report to the Committees on Armed Services and on the Committees on Appropriations of the Senate and House of Representatives explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3102 or 3103 of this title, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken after a period of 30 calendar days (not including any day on which either House of Congress is not in session because of adjournment of more than three calendar days to a day certain) has passed after receipt by the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives of notice from the Secretary of Energy containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) IN GENERAL.—Funds appropriated pursuant to this title may be transferred to other agencies of the Government for the performance of the work for which the funds were appropriated, and funds so transferred may be merged with the appropriations of the agency to which the funds are transferred.

(b) SPECIFIC TRANSFER.—The Secretary of Defense may transfer to the Secretary of Energy not more than $100,000,000 of the funds appropriated for fiscal year 1991 to the Department of Defense for research, development, test, and evaluation for the Defense Agencies for the performance of work on the Strategic Defense Initiative. Funds so transferred—

(1) may be used only for research, development, and testing for nuclear directed energy weapons concepts, including plant and capital equipment related thereto; and

(2) shall be merged with the appropriations of the Department of Energy.

SEC. 3125. AUTHORITY FOR CONSTRUCTION DESIGN.

(a) IN GENERAL.—(1) Within the amounts authorized by this title for plant engineering and design, the Secretary may carry out advance planning and construction designs (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such planning and design does not exceed $2,000,000.

(2) In any case in which the total estimated cost for such planning and design exceeds $300,000, the Secretary shall notify the Committees on Armed Services and the Committees on Appropriations of the Senate and House of Representatives in writing of the details of such project at least 30 days before any funds are obligated for design services for such project.

(b) SPECIFIC AUTHORITY REQUIRED.—In any case in which the total estimated cost for advance planning and construction design in connection with any construction project exceeds $2,000,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY CONSTRUCTION DESIGN.

In addition to the advance planning and construction design authorized by sections 3102 and 3103, the Secretary may perform planning and design utilizing available funds for any Department of Energy defense activity construction project whenever the Secretary determines that the design must proceed expeditiously in order to meet the needs of national defense or to protect property or human life.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriation Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

When so specified in an appropriation Act, amounts appropriated for operating expenses or for plant and capital equipment may remain available until expended.

PART C—MISCELLANEOUS PROVISIONS

SEC. 3131. EXTENSION OF AUTHORITY TO LOAN PERSONNEL AND FACILITIES TO COMMUNITY DEVELOPMENT ORGANIZATIONS NEAR HANFORD RESERVATION.

(a) EXTENSION.—Subsection (c) of section 1434 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100-456) is amended by striking out "September 30, 1990" and inserting in lieu thereof "September 30, 1992".

(b) CONFORMING AMENDMENT.—Subsection (a)(3) of such section is amended by striking out "fiscal years 1989 and 1990" and inserting in lieu thereof "fiscal years 1989, 1990, 1991, and 1992".

SEC. 3132. REPORT ON ENVIRONMENTAL RESTORATION EXPENDITURES.

Each year, at the same time the President submits to Congress the budget for a fiscal year (pursuant to section 1105 of title 31, United States Code), the Secretary of Energy shall submit to Congress a report on how the environmental restoration and waste management funds for defense activities of the Department of Energy were expended during the fiscal year preceding the fiscal year during which the budget is submitted. The report shall include details on expenditures by operations office, installation, budget category, and activity. The report also shall include any schedule changes or modifications to planned activities for the fiscal year in which the budget is submitted.

PART D—INTERNATIONAL FISSILE MATERIAL AND WARHEAD CONTROL

SEC. 3141. SHORT TITLE.

This part may be cited as the "International Fissile Material and Warhead Control Act".

SEC. 3142. FINDINGS AND DECLARATION OF POLICY.

The Congress finds and declares as follows:

(1) On June 1, 1990, the President of the United States and the President of the Soviet Union issued a joint summit statement which stated that follow-on negotiations for further reductions below the levels achieved in the Strategic Arms Reduction Talks (START), so-called START II negotiations, would commence "at the earliest practical date".

(2) In May 1990, the President announced that the United States would begin talks with the Soviet Union on short-range nuclear forces (SNF) as soon as an agreement on conventional forces in Europe is signed and, at the July 1990 meeting of NATO leaders in London, NATO declared that as soon as SNF negotiations begin, "the Alliance will propose, in return for reciprocal action by the Soviet Union, the elimination of all its nuclear artillery shells from Europe".

(3) Verifiable warhead dismantlement and limitations on the production and stockpiles of fissile materials would impose an additional constraint on "break out" by either side from future agreements for deep reductions in strategic and tactical nuclear weapons.

(4) In light of the accelerated schedule now set for START II and SNF negotiations, it is appropriate to begin immediately to assess the verifiability of (A) requirements for warhead dismantlement, and (B) limitations on the production and stockpiles of fissile materials.

(5) At the present time, the United States is observing a de facto moratorium on the production of fissile materials, with no production of highly enriched uranium for nuclear weapons since 1964. While the United States has ceased operation of all of its reactors used for the production of plutonium for nuclear weapons, the Soviet Union currently operates as many as nine reactors for the production of plutonium for nuclear weapons.

(6) During 1990, the Secretary of Energy presented testimony to Congress that the Department of Energy could meet future stockpile requirements for plutonium through recycling retired warheads and processing existing scrap. To do this, however, will require that the United States promptly site, fund, and develop plutonium reprocessing facilities to meet future weapon requirements.

SEC. 3143. BILATERAL MORATORIUM ON PRODUCTION OF PLUTONIUM AND HIGHLY ENRICHED URANIUM FOR NUCLEAR WEAPONS AND DISPOSAL OF NUCLEAR STOCKPILES.

(a) AGREEMENTS WITH THE SOVIET UNION.—Congress urges the President to enter into additional negotiations with the Soviet Union, to complement ongoing and future arms reduction negotiations and agreements, with the goal of achieving verifiable agreements in the following areas:

(1) Dismantlement of nuclear warheads.

(2) An end by both the United States and the Soviet Union to the production of plutonium and highly enriched uranium for nuclear weapons.

(b) EXCHANGES OF INFORMATION.—Congress urges the President, in order to establish a data base on the Soviet Union's production capabilities and its stockpile of fissile materials, to seek to achieve an agreement with the Soviet Union to—

(1) exchange information on the location, mission, and maximum annual production capacity of their respective facilities that are essential to the production of tritium for replenishment of that nation's tritium stockpile;

(2) provide to each other a complete inventory of their facilities dedicated to the production of plutonium and highly enriched uranium for weapons purposes; and

(3) declare the size of their stockpiles of plutonium and highly enriched uranium for their nuclear arsenals.

(c) MUTUAL TECHNICAL WORKING GROUP.—Congress urges the President, in order to facilitate the achievement of agreements referred to in subsection (a), to seek to establish with the Soviet Union a mutual technical working group to examine and demonstrate cooperative technical monitoring and inspection arrangements that could be applied to the verification of—

(1) information on mission, location, and maximum annual production capacity of the two nations respective nuclear material production facilities and the size of their stockpiles of plutonium and highly enriched uranium;

(2) nuclear arms reduction agreements that would include provisions requiring the verifiable dismantlement of nuclear warheads, and

(3) an agreement between the two nations to halt the production of plutonium and highly enriched uranium for nuclear weapons.

(d) PRODUCTION BY THE SOVIET UNION.—Congress urges the President of the Soviet Union—

(1) to institute a moratorium on production by the Soviet Union of plutonium and highly enriched uranium for nuclear weapons; and

(2) to pledge to continue such moratorium for so long as the United States maintains its moratorium on production of such materials.

SEC. 3144. REPORT ON VERIFICATION TECHNIQUES.

(a) REPORT REQUIRED.—The President shall submit to Congress a report on the following matters:

(1) The on-site monitoring techniques, inspection arrangements, and national technical means that could be used by the United States to verify dismantlement of nuclear warheads of the Soviet Union under an agreement between the United States and the Soviet Union requiring such dismantlement.

(2) The on-site monitoring techniques, inspection arrangements, and national technical means that could be used by each nation to verify—

(A) the end use of any plutonium and highly enriched uranium recovered from the dismantlement of warheads; and

(B) a mutual halt by the two nations in the production of plutonium and highly enriched uranium for nuclear weapons.

(b) TECHNICAL WORKING GROUP.—In order to prepare the report required by subsection (a), the President shall establish a technical working group to advise the President on issues relating to nuclear material monitoring and nuclear warhead dismantlement. The working group shall be established not later than December 31, 1990.

(c) DEADLINE FOR REPORT.—The report required by subsection (a) shall be submitted not later than April 30, 1991. The report shall be submitted in both classified and unclassified form.

SEC. 3145. DEVELOPMENT AND DEMONSTRATION OF MEANS FOR WARHEAD DISMANTLEMENT VERIFICATION.

The Secretary of Energy shall use funds available to the Secretary for national security programs of the Department of Energy for fiscal year 1991 to carry out a program to develop and demonstrate a means for verifiable dismantlement of nuclear warheads. The Secretary shall include a report on such

program in budget justification documents submitted to Congress in support of the budget of the Department of Energy for fiscal year 1992. The report shall be submitted in both classified and unclassified form.

SEC. 3146. PRODUCTION OF TRITIUM.

Nothing in this part may be construed as intending to affect the production of tritium.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD AUTHORIZATION

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1991 $12,500,000 for the establishment and operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2268 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. AUTHORITY TO BARTER MATERIAL IN THE NATIONAL DEFENSE STOCKPILE TO FINANCE THE UPGRADING, REFINING, OR PROCESSING OF STOCKPILE MATERIAL.

(a) BARTER AUTHORIZED.—Subsection (c) of section 6 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e) is amended—

(1) by redesignating paragraph (3) as paragraph (4); and

(2) by inserting after paragraph (2) the following new paragraph:

"(3) Notwithstanding section 3(c) or any other provision of law, whenever the President provides under subsection (a)(3) for the upgrading, refining, or processing of a material in the stockpile to convert that material into a form more suitable for storage, subsequent disposition, and immediate use in a national emergency, the President may barter a portion of the same material or any other material in the stockpile to finance that upgrading, refining, or processing.".

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (a)(3)—

(A) by striking out "refining" and inserting in lieu thereof "upgrading, refining,";

(B) by inserting "(notwithstanding any intermediate stockpile quantity established for such material)" after "stockpile"; and

(C) by striking out "storage and subsequent disposition;" and inserting in lieu thereof "storage, subsequent disposition, and immediate use in a national emergency;";

(2) in subsection (c)(1)—

(A) by inserting "under subsection (a)(1)" after "the acquisition"; and

(B) by inserting "under subsection (a)(5) or (a)(6)" after "the disposal"; and

(3) in subsection (c)(2)—

(A) by striking out ", the disposition of which is authorized by law," and inserting in lieu thereof the following: "(the disposition of which is authorized by paragraph (3) to finance the upgrading, refining, or processing of a material in the stockpile, or is otherwise authorized by law)"; and

(B) by striking out "of refining" and inserting in lieu thereof "of upgrading, refining".

TITLE XXXIV—CIVIL DEFENSE

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated $154,117,000 for the fiscal year ending September 30, 1991, for the purpose of carrying out the Federal Civil Defense Act of 1950 (50 U.S.C. App. 2251 et seq.).

The CHAIRMAN. No amendments are in order except amendments specified by House Resolution 457, by House Report 101-668, or by subsequent order of the House. Said amendments shall be considered in the manner specified and shall be considered as having been read.

Under the procedure outlined in House Resolution 457, the chairman of the Committee on Armed Services has requested the Chair to change the order of consideration of amendments listed in that resolution. Therefore, the committee will consider subject areas in the following order:

First, acquisition work force;

Second, home porting; and

Third, defense burdensharing.

The amendments specified by House Resolution 457 and House Report 101-668 may be offered only by the Member designated, or such Member's designee, shall not be subject to amendment except as specified, and shall not be subject to a demand for a division of the question.

Pro forma amendments for the purpose of debate may be offered and controlled only by the chairman or ranking minority member of the Committee on Armed Services, and are in order at any time.

It is now in order to debate the subject matter of an acquisition work force.

Pursuant to the rule, the gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 30 minutes and the gentleman from Kentucky [Mr. HOPKINS] will be recognized for 30 minutes.

The chair recognizes the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, it is with great pride that at the conclusion of this general debate I shall offer an acquisition reform amendment with my ranking Republican member, Mr. HOPKINS, and other members of the Armed Services Committee and the Post Office and Civil Service Committee. If enacted this amendment shall become the "Defense Acquisition Workforce Improvement Act."

At the outset, I want to recognize and commend the efforts of my colleagues, Mr. HERTEL and Mrs. BOXER, for having the foresight to focus attention on this issue early on and push for congressional action.

In addition, LARRY HOPKINS, NORM SISISKY, ANDY IRELAND, and others have also provided invaluable assistance and support in putting this landmark legislation together. From the Post Office and Civil Service Committee, we have benefited from the counsel of Chairman FORD, Mr. GILMAN, Mr. SIKORSKI, and Mrs. MORELLA. I would also like to single out the unique role of FRANK MCCLOSKEY and PAT SCHROEDER who serve on both the Armed Services Committee and the Post Office Committee.

This amendment represents a new approach to addressing the defense acquisition problems that have plagued the Department of Defense for many years. As we all know, procurement scandals are nothing new to the Pentagon, but the 1980's seemed to have brought one scandal after another. In response, Congress enacted major procurement legislation every year from 1982 through 1986. However, as we have seen this year with the $999 pliers, the $1,868 toilet cover, the $688,000 fax machine—not to mention the Navy's A-12 attack aircraft—the defense acquisition horror stories go on and on. Something must be done today to again address these problems.

After much research and consultation, I believe it is time to try a new approach. It is time to address not the symptoms but the root causes.

In the past, reform initiatives have focused on changing either the process of acquisition, including the rules and procedures that must be followed, or the structure of acquisition, that is, offices and agencies that do the buying. While previous efforts were all well-meaning and rational, they failed to take into account the most vital and critical area: the quality and capabilities of the people who must work within the structure. My amendment provides a comprehensive framework for developing an acquisition workforce with the skills and attributes required for effectively managing the defense acquisition process.

My recommendations were not developed overnight. They are the culmination of years of consultation with many acquisition experts from DOD, private industry and academia. They are the culmination of many hearings, field trips, and staff reviews.

Their roots lie in a 776—page report the subcommittee issued in May that cataloged the scope and detail of the problems facing the 240,000 individuals which comprise the defense acquisition work force. We then developed recommendations for improving the quality and professionalism of the acquisition work force.

Our subcommittee work also revealed that many personnel assigned to key acquisition positions in the Defense Department are seriously unprepared for their jobs. The Department often places military officers and civil servants in impossible situations, asking them to control complex industrial programs—yet failing to equip them with a working knowledge of the acquisition process, with skills in analysis and technical negotiations, and with the stable assignments required to deal with defense contractors on an equal footing. During the past 25 years, Pentagon officials have assumed that the acquisition process could be

managed effectively at any level by generalists, technology specialists, and by military officers whose primary training and experience has been in combat operations. Many of the key acquisition leadership and decision-making positions were held by personnel with little practical training or experience in industrial management, and only one or two acquisition assignments.

Furthermore, the Defense Department appears to have assumed it unnecessary to implement previous congressional direction to lengthen the average tenure of program managers for major weapon systems. In fact, we found that program manager tenure actually dropped after passage of the 1984 law mandating longer tours.

It now seems clear to me—as I hope it will to you—that the Defense Department must develop a comprehensive acquisition work force management program. Such a program is a prerequisite for any further progress that may derive from the structural or process changes directed by the Defense Management Review.

I would sum up the theme of today's amendment as quality, professionalism, and empowerment. This legislation creates a professional and powerful Acquisition Corps in each of the military services and sets high standards in order to attract the most highly qualified personnel.

This legislation would demand substantial education and training. Acquisition needs to be recognized as a specialized field of knowledge. I want to stop for all time the practice of assigning great pilots to manage billion dollar aircraft procurement programs when they have had only minimal experience in acquisition. You'd never send a great military commander to perform heart surgery or defend your case in court. Why on earth do we send them in to handle immensely intricate acquisition programs?

This legislation would set high standards of experience. The managers in the top jobs shouldn't be getting OJT. They should already have earned their spurs. They should be appointed to acquisition leadership positions because of their capabilities and outstanding performance in the field of acquisition—not because they were successful battalion commanders, squadron leaders, or ship skippers.

This legislation would also reverse the current weird tenure system. Civilian acquisition managers now stay on the job too long and military managers not long enough. Civilian managers tend to be left on the job so long that they become cobwebbed and closed to new ideas. On the other hand, military managers are rotated through assignments so fast they can't master the intricacies of their jobs. We want to correct both these errors.

Recognizing that there is a quality shortfall not only in the defense acquisition community, but throughout the Federal Government, my colleague Congressman GILMAN will be offering an amendment to provide added educational opportunities and benefits for all Federal agencies. Congressman GILMAN and other members of the Post Office and Civil Service Committee have had the insight to recognize that improved quality and professionalism must be achieved throughout the Federal Government, if we are ever to achieve more cost effective government operations, and reduce the mounting Federal deficit. I believe the Gilman amendment will go a long way toward recruiting and retaining higher quality personnel. I fully support this amendment.

In closing, let me thank the entire leadership of the Post Office and Civil Service Committee and recognize their contribution to the amendment which I offer. The amendment has been substantially improved thanks to their help. Mr. HOPKINS, Mr. HERTEL, and I have worked closely with Mr. FORD, Mr. SIKORSKI, Mr. GILMAN, and Mrs. MORELLA. Working closely together, all of us have crafted a package we believe goes hand-in-hand to address some of the most critical workforce quality problems facing the Federal Government today.

The pair of amendments being offered for your consideration are both bipartisan and bicommittee. They are the joint product of the labors of both Republicans and Democrats on both the Armed Services and Post Office and Civil Service Committees. All of us urge you to join with us today in adopting these amendments to advance the quality and professionalism of the personnel working in the acquisition system.

DISCUSSION OF THE ACQUISITION WORKFORCE IMPROVEMENT ACT

PURPOSE AND SUMMARY

Although it has been recognized for over 30 years in studies and commissions (including the First and Second Hoover Commissions in 1949 and 1955, the Fitzhugh Commission in 1970, the Commission on Government Procurement in 1972, and the Packard Commission in 1986) that the quality and professionalism of the Department of Defense (DOD) acquisition workforce should be improved, implementation of the recommendations of these commissions has been sorely lacking. Although workforce problems have surfaced frequently in previous studies of the acquisition system, the great majority of reform efforts have focused on changes in policies and procedures, or in the organizational structure of the offices executing the acquisition process.

The Defense Acquisition Workforce Improvement Act would focus on improving the effectiveness of the people who must implement the defense acquisition system and make it work. Improving the quality of the workforce will not in and of itself address such problems as service parochialism and budget instability. Nor will improvements in the skill levels of program managers in and of itself stop cost underestimating, force service commitment to joint programs, or lower technical risk. Although improvements in the quality and professionalism of the acquisition workforce will not guarantee that the acquisition process runs flawlessly; however, such improvements will significantly improve the ability of personnel to carry out the acquisition process and will also make it work more cost-effectively.

Before considering the adoption of any of the myriad proposals for improving the acquisition workforce, the Committee on Armed Services believed it crucial to conduct an in-depth assessment of the state of the acquisition workforce—including an analysis of the qualifications (training, education, and experience) and professionalism of acquisition personnel and a review of various DOD efforts to establish and manage the career development of the acquisition workforce. In this manner. the committee hoped a better assessment of cause and effect could be made—providing greater assurance that changes adopted will in fact bring about the desired result.

The committee's 776-page report, "The Quality and Professionalism of the Acquisition Workforce," was printed on May 8, 1990 (Committee Print No. 10). The report focused on four major questions: (1) Are the services appointing program managers, deputy program managers, and contracting officers with the experience, education and training required by law and regulation, and are program managers being retained in their positions the mandatory four-years or until completion of a major milestone? (2) Is there a career program structure to develop qualified and professional acquisition personnel—both military and civilian? (3) Is there an appropriate mix of military and civilian personnel within the workforce? and (4) What impediments exist that must be overcome in order to develop a quality, professional workforce?

The committee concluded that acquisition is a complex process, and that professional skills and attributes are essential for the people performing acquisition functions. Thus, a comprehensive program is needed to ensure required improvement in the quality and professionalism of those personnel working in acquisition positions throughout the Department of Defense. The Defense Acquisition Workforce Improvement Act would address this goal by establishing the framework for a career program for all personnel who wish to pursue careers in the defense acquisition field. That framework—discussed in more detail below—would establish organizational responsibility and set minimum policy objectives, to the extent necessary, for each of the elements of a career program: accession, education, training, experience, assignment, promotion, and retention.

IDENTIFICATION OF ACQUISITION WORK FORCE COMPONENTS

Initially, the legislation would provide for establishment of certain minimum education, training, and experience requirements to be met by individuals filling acquisition positions. The legislative provisions would address acquisition positions rather than acquisition personnel in recognition of the fact that acquisition is a multi-disciplinary or multi-functional career field. Acquisition includes such functions as: program management; systems planning, research, development, engineering, and testing procurement, including contracting; industrial prop-

erty management; logistics; quality control and assurance; manufacturing and production; business, cost estimating, financial management and auditing; education, training, and career development; construction; and joint development and production with other government agencies and foreign countries.

Individuals in some career fields or disciplines, such as contracting, are involved in acquisition no matter what organization they are assigned to. But there are other individuals for whom the determination of whether or not they are said to be in acquisition is dependent on whether or not they are performing acquisition functions. Examples of the latter include individuals in the auditing, financial management, and education and training career fields. The legislation is not intended to alter the status of individuals in these latter areas within their own "functional" area or specific technical career field. However, the legislation would attempt to ensure that when assigned to perform functions integral to the acquisition process, personnel in these functions or career fields are appropriately trained, educated, and experienced in acquisition matters.

Although it is sometimes difficult to ascertain the dimensions of the term "acquisition positions," the legislation would assume that the department is much more capable of defining that term than describing the acquisition workforce. Thus, the act would require that the department designate all "acquisition positions," to include, at a minimum, those acquisition-related positions in the areas designated in the statute, as well as any additional positions the Secretary deems appropriate. Thus the Department of Defense would be given the necessary flexibility to delineate the specific positions within the guidelines provided.

It is intended that the Secretary's designation include acquisition positions relating to special access programs, contract auditors, inspector general personnel performing acquisition related inspections, and certain operational billets, such as the commander of a test squadron. In addition, although the designation of acquisition positions may not include pure research or scientific positions, it should include many of the supervisory, management, and other positions in research and scientific organizations that are performing "acquisition" functions.

To varying degrees, each of the services use non-commissioned officers such as warrant officers, limited duty officers, and enlisted personnel to perform acquisition functions. Because the initial cut at establishing job requirements is based on the position rather than the individual, the legislation would make no distinction at this level between commissioned officers and non-commissioned military personnel. The Under Secretary of Defense for Acquisition, in reviewing the use of military and civilian personnel in various acquisition organizations, should review whether or not such personnel are being appropriately utilized.

Acquisition Corps

In recognition of the complexity of the skills and professional characteristics required of persons in certain acquisition positions, the Defense Acquisition Workforce Improvement Act would provide that special recognition be accorded these individuals. Specific standards required for entry into the acquisition corps are discussed later in this statement.

Designation as a member of the Acquisition Corps would be a personal distinction and would imply that one so designated had met the criteria to distinguish that individual as a member of an elite group of professionals who had obtained expertise in the multi-disciplinary acquisition career field. Membership in the corps would not in and of itself qualify an individual for any particular acquisition position; rather, an individual would still be required to meet the specific education, training and experience requirements established for a position he or she were seeking. Because corps designation would be a personal, individual distinction, individuals would retain that characterization independent of whether or not they were serving in an acquisition position. Just as attorneys, having met the requirements for entry into the "bar" of a particular state or court, retain that privilege and distinction irrespective of whether they are practicing law, members of the "Acquisition Corps" would retain that distinction whether they had, for example, returned to the cockpit or any other non-acquisition position. Although the legislation would not be intended to preclude individuals who are members of the Acquisition Corps from moving in and out of acquisition and non-acquisition positions, it would be very difficult for an individual to do so other than on an exception basis and still acquire the education, training, and experience needed to qualify for many acquisition positions.

The concept of the Acquisition Corps as structured in the legislative proposal is unlike that of the French Delegation Pour Armaments, which is organizationally a separate entity from the military services. In reviewing the French system, the committee found that while it had many beneficial attributes, the differences in size and other distinctions between the French and U.S. systems made it inappropriate for the United States to copy the French organizational structure at this point in time.

The legislation would concentrate on the professionalism of the workforce rather than on organizational structure or process. As such, this legislation would create a professional Acquisition Corps without altering the fundamental personnel structure within the miltiary departments. The Acquisition Corps established as a result of this legislation would be a highly qualified cadre of individuals who, by a demonstration of their capabilities (as reflected by their achievement of a certain rank or grade and attainment of certain educational qualifications), would have earned recognition as experts in the field of acquisition.

Critical acquisition positions

Recognizing that there are certain positions that by their very nature warrant special management attention, the legisation would require the designation of critical acquisition positions. All acquisition positions to be held by GS-14s or O-5s (lieutenant colonels or commanders) or above would be classified as critical acquisition positions. Additionally, certain positions—programs executive officers, program managers and deputy program managers of major defense acquisition programs and any other acquisition positions of significant responsibility in which the primary duties are supervisory or management—would be designated as critical acquisition positions if held by a GS-13 or 0-4 (major or lieutenant commander). The effect of the designation of critical acquisition positions would be to preclude individuals who do not possess the requisite acquisition skills from being placed in positions that are essential to the acquisition process.

Although the legislation would allow individuals to enter the Acquisition Corps at the GS-13, O-4 level, only certain positions at that level could be designated as "critical" positions. Thus, the services could transition individuals (primarily military) from operational career fields into acquisition. These individuals, because they presumably would not be able to meet the experience requirements for entry into the Acquisition Corps, would not be able to hold critical acquisition positions. They would occupy positions that would provide them the necessary experience to hold a critical acquisition position when they become eligible.

Because these individuals would not have the requisite acquisition expertise, however, they would not be able to qualify to hold program executive officer, acquisition program manager, deputy program manager, or other acquisition positions of significant responsibility in which the primary duties were management or supervisory.

The legislation would end the practice of assigning military personnel (particularly rated or line officers) from operational career fields directly into supervisory or management positions in acquisition organizations. Although it might be beneficial to allow individuals without acquisition experience to transfer into the career field at this level, it would be inappropriate to place them in positions where they were managing or supervising acquisition personnel. Instead, they should be placed in "training" positions commensurate with their grade level.

ORGANIZATIONAL STRUCTURE

The Defense Acquisition Workforce Improvement Act would rely principally on existing officials and organizational entities for implementation. The Secretary of Defense, charged with overall responsibility for establishing policies for the effective management of DOD personnel in acquisition positions, would be expected to fulfill his responsibilities through the Under Secretary of Defense for Acquisition. Thus the legislation would add to the stature of the "acquisition czar" Congress established in 1986 to remedy problems in defense acquisition.

Similarly, the legislation would focus responsibilities on the service acquisition executives. Each service acquisition executive would be authorized 'to carry out all powers, functions, and duties" of the military department secretary "with respect to the acquisition workforce", and to ensure that the acquisition workforce policies established by the Secretary of Defense are implemented. The legislation would not, however, undermine or in any way to diminish the authority of the Secretaries of the military departments. Thus, the legislation would provide that the responsibilities and authorities of the service acquisition executives would be "subject to the authority, direction, and control" of the Secretary of the military department concerned.

To provide staff assistance to the principal officials, the legislation would establish a Director of Acquisition Education, Training, and Career Development in the Office of the Secretary of Defense (OSD) and Directors of Acquisition Career Management in each military department. The OSD official would assist the Under Secretary of Defense for Acquisition by formulating education, training and career development policies for the acquisition workforce; overseeing the implementation of the legislation; and coordinating the overall management of

acquisition training, education, and career development programs. Although not required in the legislation, the Under Secretary for Acquisition is encouraged to establish and chair a board composed of the Director of Acquisition Educaction, Training and Career Development, the service acquisition executives, the Assistant Secretary of Defense for Manpower and Reserve Affairs, representatives of the defense agencies, and other OSD and component officials to advise on the implementation of this legislation.

Under the legislation, the director of acquisition career management in each of the military departments, in assisting the service acquisition executive, would be responsible for monitoring compliance with the legislation, coordinating management of the acquisition workforce within their department, serving as the principal liaison with other officials in the military department concerned with the acquisition workforce, and serving as the executive secretary of the acquisition career program board discussed below.

The legislation would require that each military department have an acquisition career program board to advise the service acquisition executive on acquisition workforce issues. The responsibilities of the board would include recommending policies to manage the acquisition workforce, providing technical advice on the various career fields, monitoring and evaluating the effectiveness of career programs, and screening applicants for appointment to the Acquisition Corps. The acquisition career program board would be headed by the service acquisition executive or his designated representative and would include the following members (or their designated representatives): the director of acquisition career management; senior officials responsible for personnel development in the various acquisition career fields in the military departments; and the assistant secretary with responsibility for manpower and reserve component affairs.

Although the legislation would require only a single acquisition career program board composed of senior management officials in each military department, it is anticipated that a hierarchial board structure would in fact be needed to carry out the provisions of the legislation. Subordinate boards at command headquarters and other major acquisition installations would probably be needed to facilitate the screening of personnel for the Acquisition Corps, advising on the designation of critical acquisiton positions, and advising on the execution of waivers authorized in the legislation. By not specifying a specific board structure, the legislation would leave this matter to the discretion of the service acquisition executive; as a consequence, the board structure could be tailored to the needs of each military department.

Although these provisions in the legislation are framed in terms of the requirements for the military departments, it is intended that the provisions also apply to the Office of the Secretary of Defense and the defense agencies, including elements such as the Strategic Defense Initiative Organization, and the National Guard and Reserves. Thus, a key provision would require that the Secretary of Defense establish and implement policies for his office and the defense agencies that are "as uniform as practicable with the policies established . . . for the military departments." As a corollary, the Director of Acquisition Education, Training, and Career Development would be assigned the additional responsibility of serving as the Director of Acquisition Career Management for the Office of the Secretary of Defense and the defense agencies.

Likewise, the legislation would make it the responsibility of the Secretary of Defense to "ensure that acquisition workforce policies . . . are implemented in the Department of Defense as uniformly as practicable" throughout the department. Although the uniqueness of military missions and dissimilarities in the organization and structure of the military departments might justify some differences in the manner in which the provisions in the legislation were implemented, those differences should be very few. Therefore the Secretary of Defense, to the maximum extent possible, should frame regulations and other directives to carry out the provisions of the legislation without need for amplification in component regulations.

Finally, this legislation would authorize, but not require, that the Navy Department establish separate management systems for the Navy and the Marine Corps. Recognizing that there would be advantages in both the unitary and the dual approaches, the decision on the appropriate structure for the Department of the Navy would be left to the Secretary.

QUALIFICATION STANDARDS AND CAREER PROGRESSION OF DEFENSE ACQUISITION PROFESSIONALS

This legislation would respond to the need for increased emphasis on developing a better qualified and more professional civilian and military acquisition workforce. Although the department has made some improvements in professionalizing certain aspects of the acquisition workforce, much more needs to be done. Specifically, the creation of an overall acquisition career program structure, including education, training, and experience requirements for acquisition positions throughout the Department of Defense, would be considered essential for developing the highly qualified and productive workforce which is needed to conduct the department's vast and diverse acquisition business efficiently and effectively.

The establishment of such a structure would not be intended to replace individual career programs previously established within a given acquisition functional area, such as contracting or logistics. Neither would it be intended to supplant or conflict with existing civilian and military career programs. Rather, the intent is that the department recognize acquisition as a multidisciplinary career field that encompasses many specific functional career fields. The department should use the existing systems and programs for specific career fields, supplementing these where necessary to achieve the desired improvements in the management of the entire civilian and military acquisition workforce.

The legislation would require that the Secretary of Defense establish qualification standards for all acquisition positions in the Department of Defense. Standards would be stated in terms of the required education, training, and experience needed for each position. They should reasonably reflect the required knowledge, skills, and abilities at the various grade levels or ranks within given career fields or specialties. The standards should be written such that they would be applicable without regard to whether the individual who may hold the position is civilian or military, unless the position is designated to require a military officer.

It is recognized that there may be acquisition positions that could ony be held by military personnel. Such determinations would only be made, however, after the department established clear and definitive criteria and conducted a position by position review to evaluate current positions against the established criteria. It is intended that the department make a distinction with respect to experience—in particular, operational experience—as a desired job qualification and the need for an active-duty military member to hold a position. Only the latter should be the basic for designating a position "for military only." If operational experience were a desired job qualification, it would be stated in terms of the experience required for the job—not in terms of military or civilian status—and should be clearly justified in terms of required job performance. The Department of Defense should expect the Congress to scrutinize the criteria established for designating a "military only" position and to review the positions designated as requiring operational experience. In those limited cases where operational experience were established as a requirement for a position not designated "for military only", this qualification factor would be applicable equally to military and civilian personnel.

In establishing qualification standards, to the extent practicable, basic requirements should be established by major category across a functional area and rank or grade level equivalent. The same uniform standards would not necessarily be appropriate, however, for every position in the same job series and grade throughout the department. For example, a supervisory contracting position in which the incumbent would be responsible for overseeing multi-million dollar contracts for the procurement of complex command, control, and communications systems would probably not have the same standards as those established for a supervisory contracting position at the same grade level responsible for supervising other contracting personnel who are engaged in base contracting.

The legislation would require that the Defense Department submit standards for all positions (except those identified to be filled solely by miltary personnel) to the Director of the Office of Personnel Management for approval. If not disapproved within 30 days, the standards would be considered approved.

To the maximum extent practicable, education, training, and experience qualification standards should be the same for like positions in each military department. Of necessity, there would be some diversity, but uniformity across the services would be the goal.

Career progression

As previously noted, an essential component of improving the quality and professionalism of acquisition personnel is the establishment of a comprehensive program for the development and management of all acquisition personnel within the department. The legislation would require the establishment of specified career paths for acquisition professionals which would permit both military and civilian personnel to advance to the most senior levels of the defense acquisition system. This provision is not intended to suggest that there be only one, or even a few, career paths leading to senior positions. Nor would it imply that fol-

lowing an identified career path would provide any guarantee that an acquisition professional would reach the most senior acquisition career positions.

The legislation would require cross fertilization of experience and talent among various acquisition career fields. The only way to "grow" the high quality, professional acquisition leaders of tomorrow is to identify today the qualifications and standards which are needed so that the personnel who aspire to hold those positions in the future have a clear roadmap as to the types of job experience, education and training they should strive to achieve in order to be competitive for future acquisition leadership positions.

The department would be expected to identify for each functional area and career field the professional experience the department considers important for subsequent movement to successively higher positions of responsibility and authority within that career field—as well as to specify what cross-functional or cross-disciplinary experience would be necessary to progress within the multi-disciplined acquisition career field. Moreover, the department would be required to make available published information to serve as guidelines for career planning by defense acquisition professionals. In developing the career program, the maximum degree of uniformity should be established within the department with regard to personnel management of the acquisition workforce.

Increased opportunities for civilians to achieve key acquisition leadership positions

An important feature of the acquisition career management program required by this legislation would be the increased emphasis on improving opportunities for career development and advancement for civilian acquisition professionals. In the past most key leadership positions in the defense acquisition system were earmarked for military officers. Although the defense acquisition workforce was predominantly comprised of civilians, they could not aspire to many of the top-level positions because the positions were considered "for military only." In general, the committee's detailed review of the defense acquisition workforce revealed that civilian career progression has been geared towards developing technical experts while military personnel were groomed for management and supervisory positions. Moreover, civilians were not in general provided access to career broadening positions and training.

By requiring that most acquisition positions be available to both civilian and military personnel, this legislation would seek to ensure that in the selection of an individual to fill a particular acquisition position, the best qualified individual—whether civilian or military—would be selected. The legislation would also provide that civilians be offered the opportunity to achieve the education, training, and experience necessary to compete for senior-level acquisition positions.

The legislation would recognize that there may be some limited number of acquisition positions that must be performed by a military officer because of legal restrictions or for other compelling reasons. The legislation would provide that the Secretary of Defense establish a policy under which such positions would be identified.

Although some shift in the civilian/military mix of the defense acquisition leadership probably could be achieved in the short term, the legislation would recognize that significant changes in the mix of personnel in some career fields will take time. The legislation would provide that the Secretary of Defense should make every effort to (1) fill at least 50 percent (by grade level and career field) of all critical acquisition positions with civilians by January 1, 1996, and (2) increase substantially the number of civilians in program manager and division head positions.

Rotation policy

Another critical area of career management addressed by the legislation is job rotation—or the movement of personnel from one position to another. Overall, military acquisition personnel rotate too frequently. Conversely, civilians often stay too long in any one position, thus limiting their opportunity to broaden their experience and to offer new and innovative job management perspectives. The Acquisition Workforce Improvement Act would require that the Secretary of Defense establish a policy that would provide for a balance between the need for personnel to serve in career broadening positions and the need for requiring sufficient time in each such position to effectively carry out the duties of the position and to allow for the establishment of responsibility and accountability.

Seeking to address the long-standing issue of the abbreviated tours served by the program managers of major weapons (all of whom were military), Congress required in Section 1243 of Public Law 98-525, the Fiscal Year 1985 National Defense Authorization Act, that the tour of duty for any newly named program managers should be four years or until the program reached one of its "major milestones." The law provided the service secretaries with the legal authority to waive the mandated tour length. But the framers' intent was that this authority be exercised only in exceptional circumstances.

The Investigations Subcommittee recently found that the department has complied with the law in only 11 percent of the instances of program manager turnovers. Of the 94 major programs examined, the subcommittee found that 5 program managers served 48 or more months, 4 served until achievement of a major program milestone, and the requirement was waived in 4 instances by a service secretary. The subcommittee found the average program manager tenure to be only 24.6 months. The Investigations Subcommittee believes this is an egregious example of the flouting of statutory requirements and must be addressed.

The Defense Acquisition Workforce Improvement Act would make yet another attempt to address the program manager tenure problem. It would provide that program managers and deputy program managers of major defense acquisition programs must be assigned to their positions at least until completion of the first major milestone that occurs closest in time to the date on which the person has served in the position for four years. This slight change in the statutory requirement—to completion of the nearest milestone—is intended to focus attention on the fact that what is needed is continuity and accountability—making an individual responsible and accountable for the achievement of program management goals (i.e., completion of the milestone). Rotation is tied to four years, not as an arbitrary measure, but as a guideline to ensure some minimum amount of continuity in the event milestones are within a short time of each other.

Unless a waiver were executed by the service Secretary, a program manager or deputy program manager of a major system could not be reassigned until after a major milestone had occurred. The legislation would require that persons not be assigned to program manager/deputy program manager positions unless they executed a written agreement to remain in the position for the required tour length—with the proviso that the service Secretary could waive the requirement under certain circumstances.

The legislation would also specify job-tenure requirements for other acquisition leadership positions. The legislation would provide that any persons assigned to critical acquisition positions (including program managers and deputy program managers for less than major systems) serve in those positions for not fewer than three years. To foster appropriate job rotation for civilians in critical acquisition positions, the legislation would also require that the Secretary of Defense establish a policy encouraging the rotation of members of the Acquisition Corps serving in critical acquisition positions after they have served in the position for five years (or, in the case of a program manager, after completion of a major program milestone, whichever is longer).

Rotation would not be required if continuation in a given critical acquisition position were in the best interest of the government and the individual. The legislation would provide that a procedure be established whereby, after not more than five years, a tenure review would be conducted to determine whether or not rotation were appropriate.

It should be noted that the term "rotation" in the legislation is not intended to connote relocation from one physical locale to another, but rather reassignment from one position to another which might very well be in the same physical location.

Military promotion opportunities

A key factor in developing a more highly qualified, professional military acquisition workforce is to ensure that military officers in acquisition are primarily devoted to acquisition management as opposed to operations. Consequently, it is expected that military officers serving in the Acquisition Corps would spend the predominant share of their remaining military careers serving in acquisition positions. To offset any potential promotion disadvantage, the legislation would require equitable advancement opportunities for highly qualified officers.

Under the Acquisition Workforce Improvement Act, the Secretary of each military department would be directed to ensure that the qualifications of officers selected for the Acquisition Corps are such that those officers are expected, as a group, to be promoted to the next higher grade at a rate not less than the rate for all line officers (or the equivalent) of the same armed force (both in the zone and below the zone) in the same grade. Each service Secretary would be required to report yearly to the Secretary of Defense regarding his department's progress in meeting these promotion objectives, and, as a part of his annual report to Congress, the Secretary of Defense would include a report on promotion rates of Acquisition Corps officers in each of the services. Should the promotion rates fail to meet the objectives set forth in the Defense Acquisition Workforce Improvement Act, the Secretary of Defense would be required to notify Congress immediately of such failures and of what actions the Secretary has

taken or plans to take in reaction to such failures. It is assumed that the promotion board reviewing the records of acquisition personnel would have appropriate representation of Acquisition Corps members.

Performance appraisals of military and civilian acquisition professionals

The subject of performance appraisals is almost always a sensitive area, and is particularly sensitive for civilian and military personnel in some phases of acquisition. For example, it is possible that a contracting official working in a program office may be pressured to do something that conflicts with his professional judgment to expedite a procurement or to otherwise be more responsive to program office considerations. The operational chain of command must be maintained along the same lines as the chain of responsibility. But it is also important that functional leaders remain cognizant of the job performance and work environment of personnel within their career field who are serving in organizations in which they are supervised by personnel from other career fields. Thus, the legislation would provide that any appraisal of the performance of a person serving in an acquisition position must be either completed or endorsed by a person serving in an acquisition position in the same acquisition career field. The intent of the provision is to ensure when the rating official (typically the individual's supervisor) is in a non-acquisition career field or a different acquisition career field from the acquisition professional being rated, an endorsement will be completed by an appropriate civilian or military official in the individual's career field.

Centralized job referral system

Under the legislation, each military department would be required to establish a centralized referral system for promoting and reassigning civilians to critical acquisition positions. Although the referral process would be centralized, the actual selection from a list of qualified candidates should remain the responsibility of the supervisor or manager of the organization to which the position belongs.

The establishment of such a system should have a number of salutary effects. First, the effective development of civilian personnel to compete on an equal basis with military officers for critical acquisition positions, especially those at the senior levels, requires an assignment process that will assure that the best qualified individuals can compete for jobs at various functional and organizational levels within the military department. Only by expanding the experiential horizons of civil servants, as is done for military officers, will civilians develop the breadth of vision necessary for them to fill the most senior acquisition positions.

Second, only a centralized system can assure that the best qualified individuals within a military department are given due consideration for the critical acquisition positions.

The Under Secretary of Defense for Acquisition would be directed to establish a comparable centralized referral system for the Office of the Under Secretary of Defense for Acquisition and for acquisition positions in the defense agencies.

SPECIAL QUALIFICATION REQUIREMENTS

Although the legislation would in general allow the department to determine the qualification standards for acquisition workforce positions (subject to review by the Director of the Office of Personnel Management), it would require that specific standards be established for contracting officers and contracting personnel in the contract management GS-1102 career field, the Acquisition Corps, program managers, program executive officers, senior executive service or flag officers in critical acquisition positions, senior contracting officials, and certain other positions. The intent of the legislation is not to prevent people from entering acquisition who could perform competently, but rather to recognize the existence of skills that are essential for developing fully qualified acquisition professionals.

Contracting personnel

Special qualification standards are needed for DOD civilian contracting personnel in the GS-1102 series, as well as for both military and civilian not in the GS-1102 series who are legally authorized to enter into and administer contracts on behalf of the department. It is essential that only qualified individuals be appointed as contracting officers or serve in other contracting positions. The committee found, however, that some unqualified personnel have been assigned to such positions in the past.

Educational requirements for job entry into the contracting work force have long been touted as a key requirement for developing a high quality, motivated corps of expert contracting managers. Contracting personnel must deal with professionals such as accountants and engineers who themselves have earned professional status through college degree programs. Many experts believe that until contracting personnel are required to follow the same rigorous preparations, they will not be treated as equals—a factor which adversely impacts their working relationships and their ability to perform their jobs effectively.

Contracting officers must be conversant in cost and pricing analysis, financial management, cost-benefit analysis, and other technical and legal considerations and must act as the team leaders for the contracting process. Educators and trainers of contracting personnel point out that they currently must develop training courses that are appropriate for audiences ranging from high school graduates to those having masters degrees. They contend that because technical contracting courses must be understood by personnel not having higher level mathematics skills, the courses must be watered down and are currently not as rigorous as they should be to develop fully qualified contracting specialists.

Recognizing the need for improving the qualifications of its contracting work force, the Department of Defense has made significant, though unsuccessful, efforts over the past few years to establish educational requirements for the GS-1102 job series. Despite its highly complex, technical, and sensitive nature, only about 50 percent of the personnel in the GS-1102 career field are college graduates. After considerable study, the committee concluded that establishing academic standards for entry into the GS-1102 contracting job series is essential for improving the quality and professionalism of the defense contracting workforce. Thus, the legislation would require that, effective three years after the date of enactment, a person may not be employed by the Department of Defense in the GS-1102 occupational series, or be appointed as a contracting officer (for other than small purchases), unless the person has: (1) received a baccalaureate degree; or (2) completed 24 semester hours of college study in business, finance, quantitative methods, or management-related subjects; or (3) passed an examination considered by the Secretary of Defense to demonstrate skills, knowledge, and abilities comparable to that of an individual who has completed at least 24 semester credit hours in business, finance, quantitative methods or management-related subjects. The legislation would require that any examination given to civilian employees must be submitted to the Director of the Office of Personnel Management (OPM) for approval. If the Director did not disapprove an examination within 30 days after the date on which the director received the examination, it would be deemed to be approved. The legislation would include an identical provision concerning OPM with respect to other required examinations discussed below.

It is recognized that some existing GS-1102 positions may not require the credentials gained through formal college education. In general, those positions should be reclassified into another existing contracting series or into a newly established category. The legislation would also require that the same academic standards would apply to civilian personnel who are appointed as contracting officers but are not in the GS-1102 series, as well as to all military personnel acting as contracting officers.

The legislation would provide for certain exemptions and waivers to the academic requirements established for GS-1102s and contracting officers (for other than small purchases). These requirements would not apply to any employee who, on the date of enactment of the workforce improvement act, had at least 10 years of acquisition experience. Furthermore, the requirements would not apply to any employee for purposes of qualifying that individual to serve in the position in which he or she was serving on the date of the enactment of the act. Finally, the acquisition career program board of a military department could waive the requirements if the board certified that the employee possesses significant potential for advancement to levels of greater responsibility and authority based on demonstrated job performance and qualifying experience.

Acquisition Corps

Educational and experience standards are not only important for the contracting career field but also for leadership positions in other acquisition career fields. The Defense Acquisition Workforce Improvement Act would provide that certain requirements be met by acquisition workforce personnel seeking entry into the Acquisition Corps. It would specify that, effective three years after the date of enactment, a person could not serve in the corps unless the person has a baccalaureate degree or had been certified by the acquisition career program board of the employing military department as possessing significant potential for advancement to levels of greater responsibility and authority based on demonstrated analytical and decision-making capabilities, job performance, and qualifying experience. Furthermore, to qualify for the corps, acquisition personnel would also be required to have completed at least 24 semester credit hours in business, finance, quantitative methods or management-related subjects; have at least four years of experience in an acquisition position; and, as a minimum, have achieved the level of GS-13 for civilians or major (or, in the case of the Navy, lieutenant commander) for military officers. Civilians must also have agreed to sign a mobility statement.

The legislation would provide several exceptional and waivers to the standards established for Acquisition Corps members. The requirements would not apply to any employee with 10 years acquisition experience. Nor would they apply to someone currently in an acquisition position with less than 10 years experience if the employee passed an exam considered by the Secretary to demonstrate skills, knowledge, or abilities comparable to those of an individual who has completed at least 24 semester hours of business, finance, quantitative methods, or management-related courses.

The legislation would also provide that the Secretary of Defense submit requirements with respect to civilian employees to the Director of the Office of Personnel Management for approval. If the Director did not disapprove the requirements within 30 days after receipt, the requirements would be deemed approved.

Program managers

Qualification standards established for program managers and deputy program managers should ensure that only the most highly qualified acquisition personnel are selected for those positions. Although the legislation would not specify in detail what these qualifications should be, it would provide minimum standards. It would require that these positions be filled by Acquisition Corps personnel; therefore, program managers would be required to meet the qualification standards discussed above for membership in the corps. They must also have completed the program management course at the Defense Systems Management College (DSMC) or a management program at an accredited educational institution in the private sector. Finally, they must have signed a written agreement to remain in their position at least until completion of the first major milestone that occurs closest in time to the date the person has served in the position for four years.

Under the legislation, program managers and deputy program managers of major programs must also have at least eight years experience in acquisition. At least two of those years of experience must have been in a systems program office. To qualify as program managers and deputy program managers of less than major systems, individuals would be required to have at least six years acquisition experience.

Program executive officers

The legislation would also establish special qualification requirements for DOD program executive officers. Program executive officer positions would be required to be filled by a member of the acquisition corps. Individuals assigned to these positions would also be required to have completed the program management course at the Defense Systems Management College (or a management program at an accredited educational institution in the private sector which is determined to be comparable); to have at least ten years experience in acquisition positions, at least four of which qualify as a critical acquisition positions; and to have held a previous position as a program manager or deputy program manager.

Senior executive service and general or flag officers in critical acquisition positions

The legislation would provide that before a person who is in the Senior Executive Service, or is a general or flag officer, may be assigned to a critical acquisition position, the person must be a member of the Acquisition Corps, have at least 10 years experience in an acquisition position, at least four of which were performed while assigned to a critical acquisition position.

Senior contracting officials

Before being assigned to a critical acquisition position as a senior contracting official, a person would be required to be a member of the Acquisition Corps and to have at least four years experience in contracting.

IMPROVING THE DEFENSE DEPARTMENT'S EDUCATION AND TRAINING PROGRAMS

Significant improvements are needed in the way the department manages education and training programs and activities for acquisition personnel. The Defense Acquisition Workforce Improvement Act would focus on identifying education and training requirements, education assistance, increasing other acquisition training opportunities, and establishing a Defense Acquisition University structure.

Identifying education and training requirements

The department's first step in identifying education and training requirements for acquisition positions should be to identify the required body of knowledge for each acquisition functional area and position. This task is a particularly onerous one in the field of acquisition management because acquisition itself embodies a number of different but interrelated individual career fields such as engineering, logistics, and contracting. Thus the body of knowledge would include not only a general knowledge of acquisition for the entire work force but also a base of knowledge for each functional area (e.g., program management, engineering, contracting, and logistics).

Given this baseline, the department should be in a better position to identify what training courses and on-the-job training activities, etc., are needed at various levels. Detailed education and training plans should be developed for each acquisition career field. The department has made some progress in this area over the last few years by laying out a series of required training courses for the contracting career field. This effort represents a good starting point. It should be made more comprehensive and expanded to other acquisition career fields.

Although increased acquisition education and training is clearly a key aspect of improving the quality and professionalism of the defense acquisition work force, there is a distinct difference in the experience one receives in an education or training environment and the experience one receives through the day-to-day conduct of business while on the job. Consequently, the legislation would provide that only one year of acquisition education and/or training may count toward the experience requirements that are established by this legislation.

Education assistance

The Defense Acquisition Work Force Improvement Act would provide for several educational assistance programs in order to facilitate its emphasis on improving the educational standards of the defense acquisition work force. The act would provide for an intern program, a cooperative education program, and a scholarship program. Funding requested for these programs would be included in a separate line item of the department's budget. Recognizing that funding will be limited, priority should be given for funding tuition assistance for current acquisition workforce members who wish to attend college courses on their own time.

As previously discussed, a major objective of the act is to increase the opportunities of civilian acquisition workforce personnel to compete for key, top-level management positions in the defense acquisition system. The committee noted in its recent study of the defense acquisition work force that military officers in acquisition positions are often significantly better-educated than civilian acquisition workforce personnel. For example, in 1985, 99 percent of the Army officers, 93 percent of the Navy officers, and 100 percent of Air Force officers in contracting had either a baccalaureate or masters degree; comparable figures for the civilian contracting work force were 44 percent in the Army, 49 percent in the Navy, and 58 percent in the Air Force.

If civilian acquisition personnel are to be competitive for key defense acquisition management positions, it is essential to increase their participation in higher level education programs (such as the Air Force Institute of Technology, Naval Postgraduate School, Program Management Course, and Education with Industry) which in the past have been very limited for civilians. Although, long-term training opportunities cannot be made available for all civilian acquisition corps personnel, increasing training opportunities should be made available for those civilian acquisition professionals who are expected to be competitive for key acquisition positions.

Increasing other acquisition training opportunities

Increased emphasis should be placed on classroom training as well as on-the-job training. To provide an opportunity for classroom training for the largest number of people, classroom training programs should be centrally developed where possible and distributed to acquisition activities throughout the United States. Education with industry is a nine-month training program with selected defense contractors to allow DOD personnel to obtain first hand experience in defense contractor operations. The committee concluded that the education with industry program should be broadened to encompass all services and that civilian as well as military personnel should be allowed to participate. Additionally, a tailored training program consisting of both classroom and on-the-job training should be developed for military personnel transitioning into the acquisition work force from operational assignments.

Improving defense acquisition training is not solely a function of increasing the number of courses. In its recent review of the defense acquisition work force, the committee found that little effort has been made in the past to assess the quality of existing training programs. The Director of Acquisition Education, Training, and Career Development, whose position would be established by the legislation, should place emphasis on developing quality standards for acquisition training programs, identifying meaningful measurement tools for assessing the quality of each training program, and implementing an effective quality control program.

On-the-job training is another area not previously well-developed for DOD acquisition personnel. Limitations on the availability of classroom training, or the funds with which to conduct them, as well as the need to keep acquisition personnel on duty the maximum time practicable are key reasons for developing on-the-job training programs for acquisition personnel. The Director of Acquisition Education, Training and Career Development should ensure the develop-

ment of a viable on-the-job training program that includes requirements for successively higher positions in each acquisition career field.

Defense Acquisition University

Traditionally, defense acquisition education and training programs have been a responsibility of the military departments, with little policy direction or oversight by the Office of the Secretary of Defense. By directing in 1988 that the mission of the Defense Systems Management College (DSMC) be expanded to include the entirety of acquisition management, however, the Under Secretary of Defense for Acquisition intended that the college broaden its horizons to address the overall goal of maintaining excellence in education and training in all essential elements of defense acquisition management.

Although some progress has been made in this direction, much more needs to be done. The Defense Acquisition Work Force Improvement Act would require the establishment of a Defense Acquisition University structure. The primary purposes of the university structure would be to: coordinate education and training programs and tailor them to support the careers of personnel in the acquisition work force; develop a critical mass of acquisition education, training, research and publication capabilities, thereby creating an acquisition center of excellence whose products and services would be available to acquisition policy and decision makers; and achieve more efficient and effective utilization of available acquisition education and training resources. The university structure would exercise resource control and direction of courses for the education and training of selected acquisition personnel throughout the Department of Defense, including the teaching of courses, funding, standards and evaluation, and research and publication.

The legislation would require that, as a part of the Defense Acquisition Management University structure, the department establish a senior level course that is specifically designed for personnel serving in critical acquisition positions. This course would be a substitute for, and equivalent to, existing senior professional military education school courses. The purpose of this school would be to prepare senior military and civilian personnel for acquisition leadership positions in the institutions which are responsible for managing and conducting the defense acquisition process.

The Defense Systems Management College's program management course, which is currently the most senior level long-term acquisition training program, is essentially a technical, "how to" program. Knowledge and skills gained there are important. But they do not cover all the essential acquisition management expertise that program managers, deputy program managers, and other high-level acquisition professionals should be exposed to in an academic environment. The proposed senior-level acquisition school, which would be comparable to the service war colleges, would educate the most senior acquisition managers.

A critical element in the department's efforts to improve the quality of defense acquisition education and training is to employ quality senior acquisition professionals as professors, instructors, and lecturers in its acquisition programs. The department has in the past been hindered in this area by its inability to offer competitive compensation levels which would enable hiring the most highly qualified personnel. The legislation would allow the Secretary of Defense to establish the compensation of persons in the Defense Acquisition University. It would also allow the Secretary to employ as many civilians as professors, instructors and lecturers in the university as he considers necessary within the limitations of the Department of Defense budget.

Although the legislation would reflect Congress's recognition that a comprehensive defense acquisition school structure is needed, it would leave the determination of that structure to the Secretary of Defense. It is unclear, for example, whether the Industrial College of the Armed Forces should be redirected to become a part of, or the central core of the school or whether a new school is needed. Consequently, the Secretary of Defense would be required to develop an implementation plan for the Defense Acquisition Management University structure and to provide it to the House and Senate Armed Services Committees within six months of enactment. The plan would be placed into effect within one year.

COMPENSATION

Although the provisions of the proposed legislation should go a long way toward achieving the intended goals, without some improvements in its current ability to adequately compensate its civilian and military acquisition professionals, the Department of Defense may find it difficult to attract and retain highy qualified and motivated acquisition professionals. It is not within the committee's purview to address compensation for civilian acquisition professionals. It is, however, widely recognized that further action on civilian compensation is essential to achieve a balanced compensation policy for the defense acquisition work force.

There is a fundamental distinction between civilian and military compensation. For the military, the primary objective is to attract, retain and motivate the number and quality of military personnel needed to maintain our national security. Although the overall level of compensation appears to be only one of a number of factors influencing the retention of military personnel, it becomes a critical factor when an individual becomes eligible to receive retirement pay and begin a second career—after the government has invested years in developing that individual's acquisition qualifications.

Two proposals that would make continued government service a more attractive option for some of these individuals were considered. The first would waive the salary limitations on retirement income for retired officers who enter the civil service (the so-called dual-compensation restriction). This would encourage officers, upon retirement, to continue in critical acquisition positions. This proposal, however, was not included in the legislation because it incurs jurisdictional problems with the Post Office and Civil Service Committee. Fortunately, that has included dual compensation relief in a pay measure that it has reported.

The other proposal would authorize a bonus for officers in critical acquisition positions who commit to remain on active duty for at least one year rather than retire. The amount of this bonus would be set at a maximum level of 15 percent of basic pay. The legislation would also specify that the Secretary of a military department may require repayment of the bonus on a pro rata basis if an officer fails to complete the active duty period specified. It should be emphasized that the Secretary's authority concerning repayment would be completely discretionary.

The benefits of such commitment bonuses are well-documented. Special and incentive pays have been used successfully in other military areas to compensate for unusual risks or hardships and to encourage the retention of individuals in hard-to-fill skills.

Jobs qualifying for special and incentive pays include flight duty, submarine duty, high- and low-pressure chamber duty and aviation career incentive pay. Special pays and continuation bonuses are given to service members in traditionally difficult to fill professions such as medical and nuclear-qualified fields.

The Medical Officer Retention Bonus (MORB) is one of the ways the military compensation system contends with outside influences drawing some of our best and brightest away as soon as they are free from obligation. It has helped reverse the declining retention rate for experienced physicians.

Bonuses are a flexible means, capable of being applied with discretion, to encourage long-term commitments when added retention and experience are needed. It also provides cost-effective employment of limited special pay dollars, ensuring the Department of Defense receives the most benefit for incentives that could be used to shape, in the case of this legislation, the acquisition workforce.

The Department of Defense should review this bonus concept and consider whether it should be applied to the civilian acquisition workforce as well. If such action is deemed necessary to retain civilian employees in critical positions after they, too, become eligible for retirement, the department should forward an appropriate legislative proposal to the Congress.

CONCLUSION

The Defense Acquisition Workforce Improvement Act is designed to improve the quality and professionalism of defense acquisition personnel. The legislation recognizes that institutions are comprised of people. To improve the acquisition system, attention must be paid to the needs of the people in the system. The legislation is not proposed as a panacea. But, if enacted, it should go a long way toward addressing the systemic personnel problems that have plagued Department of Defense acquisition for many years. Although the problems will not go away, the people who must deal with them will be a lot better prepared to do so.

□ 1540

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I wish to congratulate the chairman of the subcommittee, the gentleman from Massachusetts [Mr. MAVROULES], the gentleman from Kentucky [Mr. HOPKINS], and the gentleman from Michigan [Mr. HERTEL] on the gentleman's amendment and on their efforts.

People should realize the amount of not just time that went into this, but the intellectual process that it followed. You are actually doing something here very positive, other than trying to affect a symptom or two.

I particularly want to congratulate the gentleman in the well on his ef-

forts in focusing on personnel. What the gentleman said a while ago is so true: If you do not have the key personnel well-trained, professional, then all of this is for naught.

So I congratulate the gentleman on his effort to improve the quality of the personnel. As the quality of the personnel improves through the years, the work product, that is, the acquisition of the various systems, whatever they may be, whether they be radio, tanks, will make a great deal of difference to the men and women who use them while in uniform.

So a great deal of thanks go to the gentleman from Massachusetts [Mr. MAVROULES] and I again want to congratulate him.

Mr. MAVROULES. Mr. Chairman, I thank the gentleman from Missouri [Mr. SKELTON] for his comments, my friend and colleague.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. HAYES of Illinois). The gentleman from Massachusetts [Mr. MAVROULES] has consumed 11 minutes.

The gentleman from Kentucky [Mr. HOPKINS] is recognized for 30 minutes.

Mr. HOPKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today I join my friend and chairman, NICK MAVROULES, in offering a bipartisan, comprehensive defense acquisition reform amendment, which deserves the strong support of this body.

This legislation represents the centerpiece of the Armed Services Investigations Subcommittee's effort in the area of acquisition reform.

After year, after year, of watching Congress chase after the symptoms of the problem with all sorts of legislative magic cures and band-aids, this subcommittee has made a conscious decision to get serious by identifying and tackling the root causes of the defense acquisition mess.

Instead of the usual approach of ready, shoot, air, we thought it high time that we aim first and then shoot in legislating any further changes to the acquisition process.

We did this by devoting months of study, hearings and interviews to seek out expert views, and analysis on how to improve our acquisition system.

Part of the outcome from this effort is contained in an exhaustive 776-page report issued by the Investigations Subcommittee this past May cataloging the scope and detail of the problems facing the 240,000 individuals which make up the defense acquisition work force.

In summary, our study found that the Defense Department has thousands of dedicated and able acquisition professionals suffering at the hands of a system which provides them little recognition, incentive or assistance to carry out the complex, and challenging task of buying for our national defense.

We found a system dominated by the operational side of the military and plagued with fragmented, conflicting, and confusing personnel rules and procedures.

From these findings, we extracted the intellectual foundation for the Defense Acquisition Work Force Improvement Act we are presenting today.

This landmark legislation proposes to extend acquisition professionals the recognition and opportunities common and essential to all other recognized professions, while at the same time provide them with a greater degree of independence and accountability.

Our legislation establishes an incentive structure for our best acquisition personnel to stay within Federal service and not jump ship to the private sector at the earliest opportunity.

It also aims to break through the monopoly that the military has held on the most senior and important acquisition positions throughout the Department of Defense.

Under our bill, these positions would be filled by whomever is best qualified—regardless of whether they are civilian or military.

In summary, the legislation we are presenting today is a comprehensive and far-reaching proposal which promises to reshape the acquisition process and increase the effectiveness and professionalism of acquisition personnel.

Mr. Chairman, I should point out that the Department of Defense has not totally ignored these issues, and as part of Secretary Cheney's defense management review effort, certain changes and improvements are being made.

But, we find the changes being proposed thus far fall short of what is truly needed and believe DOD could use a boost in the form of statutory authority.

Mr. Chairman, rather than consume any more of my colleague's time, I will join Mr. MAVROULES in inserting a more detailed discussion of this comprehensive proposal for the RECORD.

In closing, I join NICK in expressing appreciation for the valuable contributions made by DENNIS HERTEL and other members of the subcommittee and urge adoption of this amendment.

□ 1550

Mr. Chairman, I yield 5 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I would like to commend the distinguished chairman of the Investigations Subcommittee of the Committee on Armed Services, Mr. MAVROULES, and the distinguished ranking member of the Committee on Post Office and Civil Service, the gentleman from New Jersey, [Mr. GILMAN] for their bipartisan and B1 Committee cooperation in which they are amending the Department of Defense authorization bill for fiscal year 1991.

I support both the amendment proposed by the gentleman from Massachusetts and the perfecting amendment offered by the gentleman from New York.

The first amendment improves the expertise and excellence of the entire defense acquisition workforce in the Department of Defense. This provision includes training, education, and experience requirements for the workforce, but retains the final authority regarding provisions which affect civilian DOD employees with the Office of Personnel Management. This amendment would also have the effect of increasing the number of qualified acquisition personnel.

The perfecting amendment is, essentially, H.R. 2544, the Public Service Education Act of 1990, which was introduced by the ranking member of the Committee on Post Office and Civil Service and cosponsored by the chairman of the committee, the gentleman from Michigan. This legislation was passed by the committee on October 25, 1989. It provides agency heads with the flexibility to reimburse or pay for training in critical skills occupations. Furthermore, it permits agencies to repay Federal student loans of qualified employees for a commitment from those employees to serve in public sector positions for a certain period of time.

At this time when we are struggling to keep our best and brightest and attract promising candidates to Federal positions, I cannot think of a better incentive tool than repayment of student loans or the ability to further one's educational prospects. As we are well aware, salaries in the public sector are not competitive with the private sector and we are losing too many outstanding candidates who are interested in the public sector but cannot afford to raise their familes on a public sector salary and pay off their student loans.

As a member of the Committee on Post Office and Civil Service, I am aware of the Volcker Commission recommendations for this measure, and I know how committed the ranking member has been in pushing this legislation.

I commend both gentlemen for their perserverance in proposing amendments which will be of benefit to Federal employees, and I urge my colleagues to support both amendments.

Mr. MAVROULES. Mr. Chairman, I yield 5½ minutes to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL. Mr. Chairman, I thank the chairman very much for all of his assistance and leadership.

It has been 10 years since the Iranian revolution toppled the Shah and demonstrated to the world the vulnerability of one-half of the world's energy supply. In the subsequent decade the acting administrations have chosen to downplay the ceaseless conflict in the Persian Gulf for military supremacy. Instead, those administrations have chosen to squander billions in the mindless acquisition of strategic weapons and defenses for what was always considered a remote military contingency. In the meantime, the most obvious threat to international peace, an assault of conventional forces on the oil fields of the Persian Gulf was virtually ignored.

The American people should be appalled that the leadership in the executive branch in the 1980's has placed a very low priority on conventional forces. I am proud to say that Congress has been diligent in attempting to correct this horrible deficiency and imbalance. For its trouble, the administrations have heaped charges of micromanagement, pork barreling, and parochial interests upon those Members who attempted to correct the priority.

Nothing is clearer than this year's example. If the Department of Defense had its way the production of the following weapons systems would have been terminated, this year, in this authorization. They would have terminated: F-14D fighter; terminated the F-15E fighter; terminated the M-1 tank; and terminated the Apache attack helicopter; the administration tried to topple the Army Helicopter Improvement Program, tried to kill the Phoenix missile, and stop the Maverick missile.

If this list sound familiar, it is because these are the weapons that are in the arsenal of the Desert Shield forces right now in the Persian Gulf. They took money for nuclear forces, and we took it back to stop the MX missile to reduce SDI, so we could field and continue to have those very weapons I just talked about that are needed by our forces today.

It was the intention of the Pentagon to stop production of all of these systems. Plans to replace these systems had gaps in production of 5 to 10 years. Congress refused to let the Pentagon make a shambles of the defense industrial base. Astonishing as it may seem, the leadership of the Pentagon was not even distantly aware that closing the Nation's's only tank plants involved more than laying off 5,000 workers. It meant stopping an entire industry of more than 90,000 people that could not be replaced. An industry simply cannot be turned off and then restarted a decade later. The administration was willing to allow most of the industrial mobilization base of the United States to simply vanish.

The total failure of leadership at the Pentagon in the 1980's is astonishing. It is a tribute to our constitutional system of checks and balances that outstanding members of our Committee on Armed Services like the gentleman from Mississippi [Mr. MONTGOMERY], the gentleman from Florida [Mr. BENNETT], the gentleman from Massachusetts [Mr. MAVROULES], the gentleman from Missouri [Mr. SKELTON], the gentleman from Kentucky [Mr. HOPKINS], and yes, the ranking member, the gentleman from Alabama [Mr. DICKINSON], have fought long and hard to improve the funding and resources of our conventional forces, Reserves and National Guard. Their vast experience has exceeded that of the longest serving Secretaries of Defense by many times. They have taken much abuse for their efforts, but they were right.

I salute them and the chairman of the full committee who crafted a bill which straightens out the shockingly deficient inadequacies of the 1980's.

It is no secret that acquisition at the Department of Defense has been a fiasco. It has never been good, as six major executive branch commissions have found over 40 years of inquiry. But the 1980's vastly increased the size and scale of the problem. The blue ribbon panels repeatedly came to the same conclusions: First, increase professionalism of the acquisition force; second, streamline regulations; third, regulate the revolving door syndrome; and fourth, restructure the defense acquisition work force.

It is striking the Department of Defense's determined resistance to making any institutional changes particularly with respect to acquisition.

The blue ribbon commissions reported on the same goals for the future. In 1982, Speaker Tip O'Neill appointed me to chair a task force on waste, fraud, and abuse in the Department of Defense, and we found it. What we did, though, was not seek headlines, but worked to reform the procurement system. I first began on this type of attack 8 years ago. I worked with the chairman of the Subcommittee on Investigation, the gentleman from Massachusetts [Mr. MAVROULES] to craft meaningful acquisition reform legislation, to make a difference, to change the system.

We have passed many measures but the best have been merely bandages which have not stemmed the waste of procurement dollars.

I stand here today as a Democrat who does not want to see us squander any more of our Nation's wealth. I stand here to say President Hoover was right, President Eisenhower was right. The only way to improve DOD acquisition is to improve the skills of the people making acquisition decisions, and then retained those very good people. We have to create an environment where the right decision can be made. The current DOD acquisition system has not worked.

What we need is common sense, and that is a responsibility to have the best people put forward, and then to keep those people.

I want to thank the gentleman from Massachusetts [Mr. MAVROULES], the subcommittee chairman, and the gentleman from Kentucky [Mr. HOPKINS] for their courage in this area, because I worked for 8 years, and even 4 years ago, no Member was interested, but because of the scandal in the Pentagon, because we reduced the budget, and because people know we have to make a change, we are now seeing that change made by a subcommittee, and the full committee, and the Congress. I thank the ranking member also for his assistance in this.

Our subcommittee has exhaustively studied the situation. We have issued authoritative studies of comparable British and French acquisition systems; the integrity of the DOD acquisition system and its impact on U.S. national security; and a comprehensive work on the quality of professionalism of the acquisition work force.

These volumes of several thousand pages of work and study showed the subcommittee the validity of the policy changes recommended a generation ago by both Presidents Hoover and Eisenhower. It also guided the amendment before us today.

This is not a glamorous amendment but it is a vital amendment. This legislation ranks with the Goldwater/Nichols reorganization law as absolutely essential to restructuring the Pentagon to the procurement needs of the post-cold war era.

This amendment is not a panacea. It needs rigorous oversight, much as the Goldwater-Nichols Act. It requires the Congress to strictly monitor the implementation of this amendment. I must remind the House, that we have had total abdication of acquisition management by DOD in the last decade. As the late Dr. Richard DeLauer said, "(Secretary Weinberger) was not interested in acquisition. He would delegate the acquisition authority to anybody." This is intolerable.

The advantage of the amendment today is that it strives to instill discipline in the procurement system by emulating the buyer-customer relationship, the discipline of the marketplace. At the present time, the DOD system is a rigid hierarchy. If a general or admiral want a plane to land on

the Sun, the system will try regardless of cost to follow orders. What the amendment before us attempts to create is a "hearable voice." A discipline which examines the dynamics of performance, cost and productibility. A robust system of adaptible individuals who will work skillfully with realistic goals to produce excellent weapons at affordable prices. An environment where individuals will have the incentive to question mindless, unnecessary procedures and specifications which produce absurd results.

The acquisition work force requires more than a "Yes, Sir and a salute." This amendment begins this process. I salute the subcommittee chairman, Mr. MAVROULES, and ranking member for their patient labor.

Mr. HOPKINS. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. GILMAN], the ranking member on the Committee on Post Office and Civil Service.

Mr. GILMAN. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Massachusetts, the chairman of the Subcommittee on Investigations of the House Armed Services Committee, Mr. MAVROULES with the support of the ranking minority member of the subcommittee, the gentleman from Kentucky [Mr. HOPKINS]. This amendment is the product of negotiations between the principals of the committees of jurisdiction and contains modifications responsive to the policy and jurisdictional concerns of both committees.

Specifically, the measure establishes requirements to identify Defense acquisition personnel positions and defines "acquisition corps" personnel as critical positions employees. The amendment establishes provisions aimed at increasing the number of civilians in senior acquisitions positions. It also establishes a Defense Acquisition University Structure and authorizes an intern, cooperative education, and scholarship program for acquisition personnel.

The amendment, as considered, represents a cooperative effort on the part of both committees of jurisdiction, the House Committee on Post Office and Civil Service and the Committee on Armed Services. As ranking minority member of the Committee on Post Office and Civil Service, I want to thank my good friends, the chairman of the Subcommittee on Investigations, NICHOLAS MAVROULES, and the ranking minority member of that subcommittee, LARRY HOPKINS, for their cooperation and hard work in formulating a measure on which both committees can agree.

While I note that this amendment creates strong incentives for improving the Department of Defense Acquisition work force, I also want my colleagues to note that the remaining sectors of the Federal service are in need of major reform. This past July the Committee on Post Office and Civil Service approved a comprehensive pay reform package for the entire Federal work force and it is important that Congress move this measure expeditiously in order to stop any further erosion in quality of the work force.

Following the close of debate on this amendment, I plan on offering a perfecting amendment addressing specific recruitment and retention problems for the entire Federal work force. It is important that Congress avoid the temptation of addressing the problems affecting the civil service in a piecemeal fashion. Consequently, the amendment I will be offering will be effective system wide and available to all Federal employees.

Accordingly, Mr. Chairman, I urge my colleagues to join in supporting this amendment as offered by the gentleman from Massachusetts [Mr. MAVROULES].

□ 1600

Mr. MAVROULES. Mr. Chairman, I yield 4 minutes to the gentleman from Minnesota [Mr. SIKORSKI], the chairman of the Subcommittee on Civil Service.

Mr. SIKORSKI. Mr. Chairman, I first want to support the Gilman-Ford initiative in dealing with the student loan repayment program.

Second, oversight hearings a couple of weeks ago in the Committee on Energy and Commerce detailed stories of mismanagement by Northrop in several Defense Department contracts. We know that these stories are not new. In the 1980's the American public and Congress have been repeatedly and regularly barraged with newspaper stories, TV exposes, and GAO reports of DOD cost overruns and spare parts problems costing our taxpayers billions of dollars. They demonstrate the need to have a highly professional, well-trained acquisition work force within the Federal Government.

Over the past four decades there have been numerous commissions, the most recent being the Packard Commission, reviewing the Department of Defense acquisition process, and without fail each of them concluded the need for real improvements in the quality and professionalism of the defense acquisition work force. That is what this amendment does.

As a result of these recommendations and the numerous committee investigations, the Committee on Armed Services and the Committee on Post Office and Civil Service have worked jointly to propose a substantial but really not controversial reform of the acquisition work force at DOD—this Mavroules amendment.

The work force that works for America overseeing over 100 billion dollars' worth of defense goods and products and services every year deserves the best trained and the best managed employees possible. That is the goal of our amendment.

As chairman of the Subcommittee on Civil Service, which has jurisdiction over the Federal Government's civilian personnel system, I have worked with my colleague, the subcommittee chairman, the gentleman from Massachusetts [Mr. MAVROULES], to help craft an amendment that reforms both the civilian and the military flanks of this work force. Incidentally this system and this reform are important not only because these personnel are vital to our Nation's defense, not only because they oversee over $100 billion of expenditures of taxpayers' money, but also because this is a unique joint military-civilian personnel system.

What does this amendment do, briefly? It sets minimum levels of education, training, and experience. Second, it creates "critical acquisition positions." Third, it establishes an acquisition university structure for training, education and research. And finally, it ensures adherence to civil service merit principles and to the goal of equal opportunity.

The Federal civil service offers a wealth of innovative, talented, and dedicated individuals. I am hopeful as chairman of the Subcommittee on Civil Service that this joint effort will further our goal of putting only our best and brightest in charge of activities which involve billions in taxpayer dollars.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. SIKORSKI. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I also want to commend the gentleman from Minnesota for his total cooperation in this matter. I thank him very much for his help.

Mr. HOPKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama [Mr. DICKINSON], the ranking member of the committee.

Mr. DICKINSON. Mr. Chairman, I am not opposed to this amendment, but feel an obligation to bring to the attention of the House some concerns it has raised with DOD, and with me.

I understand that this rather sizable amendment is the product of years of work by the Investigations Subcommittee and its chairman and ranking minority member.

I also understand that they have stayed in constant touch with DOD, in particular Under Secretary John Betti, during the drafting phase and that much of the Department's input is reflected in the amendment before us.

However, it is also my understanding that there are a few outstanding issues

where no agreement has been reached and where further consideration is therefore warranted.

For instance, this amendment contains extensive and detailed reporting requirements which, in my mind, run counter to the committee's initiative this year to cut down on the number of congressional reports we require. I hope this problem will be reexamined in conference.

I also understand that the size of the acquisition corps under the Mavroules amendment could end up being over 23,000 people which appears excessive and possibly self-defeating. Again, I believe this area needs some more work.

Lastly, I am concerned over the tone and detail of many of the directive provisions in this amendment which appear to bind the flexibility of the Department to effectively manage its acquisition work force.

Mr. Chairman, placing those items I mentioned aside, I have no real objection to the amendment and commend Mr. MAVROULES and Mr. HOPKINS for their hard work and dedication on this important and complex issue.

I should also mention that this side has no objections to the perfecting amendment by the gentleman from New York [Mr. GILMAN].

This amendment falls outside the jurisdiction of the Armed Services Committee and provides the government with a valuable tool in recruiting quality personnel by enabling agencies and departments to offer expanded educational benefits.

□ 1610

So, Mr. Chairman, to rephrase it and reiterate what I said, I have no objection to the amendment. I think it is not completely perfect. I think it should be examined in certain particulars perhaps, but I for one certainly intend to vote for it.

Mr. MAVROULES. Mr. Chairman, I wonder if I could impose upon my dear friend, the gentleman from Kentucky [Mr. HOPKINS] and ask him if he could yield me about 3½ minutes.

Mr. HOPKINS. Mr. Chairman, I yield 4 minutes to the gentleman from Massachusetts, the chairman of the subcommittee.

Mr. MAVROULES. Mr. Chairman, I yield 3 minutes to the gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Chairman, I thank the gentleman from Massachusetts for yielding me this time. I want to thank the chairman, the gentleman from Massachusetts [Mr. MAVROULES] for the work he has done on the Acquisition Corps legislation, as well as the ranking member, the gentleman from Kentucky [Mr. HOPKINS].

This bill is a marked improvement over the current situation. It will help ensure military and civilian program managers have the professional backgrounds necessary to perform their duties with greater effectiveness and skill.

During the months we considered these improvements, Chairman MAVROULES has been extremely responsive—not only to his colleagues, but to members of the DOD acquisition community.

Today's bill is not the final word on acquisition reform. We still have work to do in the conference committee and coming years.

I want to briefly mention the concerns I had about giving sufficient flexibility to DOD in managing the program, while at the same time holding their feet to the fire in making necessary changes.

During past months I brought several concerns to Chairman MAVROULE'S attention:

First, the scope of the acquisition corps, second, the mechanics of the scholarship program, third, DOD approval of educational institutions, fourth, adequate rewards for managers with outstanding records, and fifth, fair compensation for military and civilian managers.

Most of these concerns have already been addressed, some can be addressed in report language, and there remains work on others.

On the whole, the proposal represents marked improvement in the current situation, and I ask all my colleagues to support it 100 percent.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield to me for a moment so that I may respond?

Mr. SISISKY. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I just want to inform the gentleman, and let me give credit to the gentleman's prodding of the committee and to me personally, that four out of the five requests the gentleman has made in his statement have already been taken care of. We are now working on the fifth one, so we have made some progress, and I want to thank the gentleman for his statement.

Mr. SISISKY. Mr. Chairman, I thank the committee chairman.

Mr. MAVROULES. Mr. Chairman, I yield 1 minute to the gentleman from Indiana [Mr. MCCLOSKEY].

Mr. MCCLOSKEY. Mr. Chairman, I thank the distinguished chairman for yielding me this time.

As an original cosponsor of this legislation, I urge swift and overwhelming passage of this amendment.

As a member of both the Armed Services and the Post Office and Civil Service Committees, I believe this proposal provides the framework for developing a work force with the skills and attributes required for effectively managing defense acquisition. I want to commend the leaders who have put so much time and effort in bringing this extensive measure before us today—Representatives NICK MAVROULES, LARRY HOPKINS, WILLIAM FORD, GERRY SIKORSKI, CONNIE MORELLA, and BEN GILMAN.

The budget decline expected with the end of the cold war does not mean that acquisition is any less important. If anything, acquisition reform—in this case improving our acquisition work force—is even more important as defense budgets tighten and fiscal constraints force the Congress and executive branch to make ever harder spending choices.

The crisis in the Middle East points to the importance of a quality acquisition work force that can respond rapidly to the needs of our service men and women in the desert.

The legislation will create a cadre of highly capable acquisition personnel, within the existing structure. It provides opportunities to provide more uniformity among the services without centralizing acquisition organizations.

I again urge my colleagues to promptly approve this important measure.

Mr. MAVROULES. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. HUTTO].

Mr. HUTTO. Mr. Chairman, I thank the gentleman for yielding me this time.

I just want to take a moment to commend the chairman and the ranking minority member, the gentleman from Kentucky [Mr. HOPKINS] for the fine work they have done in this area. I know they have been working on this issue for literally a number of years. What they are trying to do I think is something we all want, to bring about greater efficiency in the acquisition process.

I would ask the chairman also to respond to this. One of the objectives I would think would be to increase the efficiency to the extent that we could get the systems a lot quicker than we do now. It takes many, many years. Is that also one of the objectives?

Mr. MAVROULES. Mr. Chairman, if the gentleman will yield, there is no question about that. Once you professionalize the entire corps, that automatically will be taking place.

Mr. HUTTO. Well, I have personally been in meetings with both these gentlemen where they have sought input on how to better do this, and again I want to commend both these gentlemen for the fine work they have done toward the acquisition work force.

Mr. MAVROULES. Mr. Chairman, I yield 1 minute to the gentlewoman from Colorado [Mrs. SCHROEDER], who has been extremely helpful to the subcommittee.

Mrs. SCHROEDER. Mr. Chairman, I, like many of the other gentlemen, am from both committees, fortunately enough, and I want to thank them so much for moving on this. Normally we have waited until there has been a disaster and then we start tinkering with the system.

This is cranking in professionalism, cranking in trust, and cranking in expertise. I think we are going to see it pay off all over the place. I think this is the end of the $999 pliers and the umpteen thousand dollar fax machines and all the other things; so I think what we have to do is treat people with the respect that we have seen other countries do.

I thank both gentlemen because I know they have studied extensively procurement systems in other countries. This is not rash. This is preventive.

Also, I want to thank the Committee on Post Office and Civil Service for their long hard work.

It really is long overdue, but nevertheless it has been done and now it is turning this incredible ship around and getting it going in the right direction, so I salute both gentlemen and I hope everybody votes for this amendment.

Mr. Chairman, I rise to offer my unqualified support for the amendments we are considering today that are aimed at professionalizing the defense acquisition work force.

These proposals we have before us are the result of extensive combined efforts on the part of the two committees on which I sit—Armed Services and Post Office and Civil Service. I commend my colleagues NICK MAVROULES, LARRY HOPKINS, WILLIAM FORD, GERRY SIKORSKI, CONNIE MORELLA, and BEN GILMAN for their foresight in pushing forward this important measure.

The amendments provide incentives for defense acquisition personnel to improve their skills and abilities but also provide the vehicles through which they may acquire these qualifications.

We must always remember that institutions—even the Department of Defense—are comprised of people. Therefore, if we really want to improve the system and the people in it, we must pay attention to the needs of the people in the system. While the problems in defense procurement will not go away entirely, the people who must deal with them will be a lot better prepared to deal with them.

Furthermore, improving the quality, professionalism, and effectiveness of the defense acquisition work force will significantly improve the overall ability of these particular Defense Department personnel to implement the rules and regulations governing acquisition processes and do their job more effectively.

Our approach here, in fact, is a refreshing change from the way we too often grapple with problems. Today, we are not chasing after the latest scandal and offering a quick fix before moving on to the next scandal. We have undertaken a thorough review of an issue that does not command headline attention but will in the long run make the system smoother. We may as a result see far fewer stories on $999 pliers or $688,000 fax machines.

Therefore, I urge my colleagues to approved these amendments directed at professionalizing our defense acquisition work force.

Mr. HOPKINS. Mr. Chairman, I yield back the balance of our time.

Mr. MAVROULES. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). It is now in order to consider the following amendments printed in House Report 101-668 relating to an acquisition work force, which shall be debatable for 10 minutes each, equally divided and controlled by the proponent of the amendment and a member opposed thereto: First, by Representative MAVROULES, and second, an amendment thereto by Representative GILMAN.

For what purpose does the gentleman from Masschusettes rise?

AMENDMENT OFFERED BY MR. MAVROULES

Mr. MAVROULES. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MAVROULES: Strike out title IX and insert in lieu thereof the following:

TITLE IX—DEFENSE ACQUISITION WORKFORCE

SEC. 901. SHORT TITLE.

This title may be cited as the "Defense Acquisition Workforce Improvement Act".

SEC. 902. DEFENSE ACQUISITION WORKFORCE.

(a) DEFENSE ACQUISITION WORKFORCE.—Subtitle A of title 10, United States Code, is amended by striking out chapter 85 and inserting in lieu thereof the following:

"CHAPTER 87—DEFENSE ACQUISITION WORKFORCE

"Subchapter Sec.
"I. General Authorities and Responsibilities 1701
"II. Defense Acquisition Positions 1721
"III. Acquisition Corps 1731
"IV. Critical Acquisition Positions 1741
"V. Education and Training 1761
"VI. General Management Provisions 1781

"SUBCHAPTER I—GENERAL AUTHORITIES AND RESPONSIBILITIES

"Sec.
"1701. Management policies.
"1702. Under Secretary of Defense for Acquisition: authorities and responsibilities.
"1703. Service acquisition executives: Authorities and responsibilities.
"1704. Director of Acquisition Education, Training, and Career Development.
"1705. Directors of Acquisition Career Management in the military departments.
"1706. Acquisition career program boards.
"1707. Personnel in the Office of the Secretary of Defense and in the Defense Agencies.
"1708. Reserve officers not on the active-duty list.

"§ 1701. Management policies

"(a) POLICIES.—The Secretary of Defense shall establish policies in accordance with this chapter for the effective management, including accession, education, training, and career development, of persons serving in acquisition positions in the Department (including members of the Acquisition Corps).

"(b) UNIFORM IMPLEMENTATION.—The Secretary shall take such actions as are necessary to ensure that acquisition workforce policies established in accordance with this chapter are implemented in the Department of Defense as uniformly as practicable throughout the Department.

"§ 1702. Under Secretary of Defense for Acquisition: authorities and responsibilities

"Subject to the authority, direction, and control of the Secretary of Defense, the Under Secretary of Defense for Acquisition shall carry out all powers, functions, and duties of the Secretary of Defense with respect to the acquisition workforce in the Department of Defense. The Under Secretary shall ensure that the policies of the Secretary of Defense established in accordance with this chapter are implemented throughout the Department of Defense.

"§ 1703. Service acquisition executives: Authorities and responsibilities

"Subject to the authority, direction, and control of the Secretary of the military department concerned, the service acquisition executive for each military department shall carry out all powers, functions, and duties of the Secretary concerned with respect to the acquisition workforce within the military department concerned and shall ensure that the policies of the Secretary of Defense established in accordance with this chapter are implemented in that department.

"§ 1704. Director of Acquisition Education, Training, and Career Development

"(a) APPOINTMENT.—There shall be a Director of Acquisition Education, Training, and Career Development within the office of the Under Secretary of Defense for Acquisition, who shall be appointed by the Under Secretary to assist the Under Secretary in the performance of his duties under this chapter.

"(b) FUNCTIONS.—The Director of Acquisition Education, Training, and Career Development, in assisting the Under Secretary of Defense for Acquisition, shall—

"(1) formulate training, education, and career development policies for persons serving in acquisition positions;

"(2) oversee the implementation of this chapter and report to the Under Secretary on the effectiveness of such implementation within each military department, within the Office of the Secretary of Defense, and within the Defense Agencies; and

"(3) coordinate the overall management of the acquisition training, education, and career development programs within the Department of Defense.

"§ 1705. Directors of Acquisition Career Management in the military departments

"(a) APPOINTMENT.—There shall be a Director of Acquisition Career Management for each military department within the office of the service acquisition executive to assist the executive in the performance of his duties under this chapter. The Secretary of the Navy, acting through the service acquisition executive, may appoint separate

directors for the Navy and the Marine Corps.

"(b) FUNCTIONS.—Each Director of Acquisition Career Management of a military department, in assisting the service acquisition executive of that department, shall—

"(1) monitor compliance with the provisions of this chapter within that military department;

"(2) coordinate the management of the acquisition workforce in that military department;

"(3) serve in that military department as the principal liaison between (A) military and civilian senior officials with responsibility for personnel development in the various acquisition career fields, and (B) military and civilian personnel managers; and

"(4) serve as executive secretary to, and provide support for, the acquisition career program board of that military department.

"§ 1706. Acquisition career program boards

"(a) ESTABLISHMENT.—The Secretary of each military department, acting through the service acquisition executive for that department, shall establish an acquisition career program board to advise the service acquisition executive in managing the accession, training, education, and career development of military and civilian personnel in the acquisition workforce and in selecting individuals for appointment into the Acquisition Corps.

"(b) FUNCTIONS.—Each acquisition career program board shall have such functions as the Secretary of the military department concerned may prescribe, including the following:

"(1) To develop and recommend to the service acquisition executive concerned appropriate policies and actions for managing the acquisition workforce.

"(2) To provide technical advice in the various career fields within the acquisition workforce.

"(3) To assist in monitoring and evaluating the effectiveness of career programs.

"(4) To assist in reviewing and examining applicants for appointment into the Acquisition Corps.

"(c) COMPOSITION OF BOARD.—Each acquisition career program board shall include the Director of Acquisition Career Management (or his representative), the Assistant Secretary with responsibility for manpower and reserve component affairs (or his representative), and the military and civilian senior officials with responsibility for personnel development in the various acquisition career fields. The service acquisition executive (or his representative) shall be the head of the board.

"(d) SUBORDINATE BOARDS.—The Secretary of a military department may establish a subordinate board structure in the department to assist the acquisition career program board of the department in carrying out its functions under this chapter.

"§ 1707. Personnel in the Office of the Secretary of Defense and in the Defense Agencies

"(a) POLICIES.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish and implement, in such manner as the Secretary considers appropriate, policies for the effective management, including accession, education, training, and career development, of persons serving in acquisition positions in the Office of the Secretary of Defense and the Defense Agencies. Such policies shall include the establishment of an Acquisition Corps with respect to such persons. Such policies shall be as uniform as practicable with the policies established under this chapter for the military departments.

"(b) MANAGEMENT.—The Director of Acquisition Education, Training, and Career Development appointed under section 1704 of this title shall serve as the Director of Acquisition Career Management for the Office of the Secretary of Defense and for the Defense Agencies.

"§ 1708. Reserve officers not on the active-duty list

This chapter shall apply to reserve officers in an active status not on the active duty list.

"SUBCHAPTER II—DEFENSE ACQUISITION POSITIONS

"Sec.
"1721. Designation of acquisition positions.
"1722. Education, training, and experience requirements.
"1723. Contracting positions: qualification requirements.
"1724. Career development.

"§ 1721. Designation of acquisition positions

"(a) DESIGNATION.—The Secretary of Defense shall designate in regulations those positions in the Department of Defense that are acquisition positions for purposes of this chapter.

"(b) REQUIRED POSITIONS.—In designating the positions under subsection (a), the Secretary shall include, at a minimum, all acquisition-related positions in the following areas:

"(1) Program management.

"(2) Systems planning, research, development, engineering, and testing.

"(3) Procurement, including contracting.

"(4) Industrial property management.

"(5) Logistics.

"(6) Quality control and assurance.

"(7) Manufacturing and production.

"(8) Business, cost estimating, financial management, and auditing.

"(9) Education, training, and career development.

"(10) Construction.

"(11) Joint development and production with other government agencies and foreign countries.

"(c) MANAGEMENT HEADQUARTERS ACTIVITIES.—The Secretary also shall designate as acquisition positions under subsection (a) those acquisition-related positions which are in management headquarters activities and in management headquarters support activities. For purposes of this subsection, the terms 'management headquarters activities' and 'management headquarters support activities' have the meanings given those terms in Department of Defense Directive 5100.73, entitled "Department of Defense Management Headquarters and Headquarters Support Activities" and dated November 25, 1988.

"§ 1722. Education, training, and experience requirements

"(a) REQUIREMENTS.—The Secretary of Defense shall establish education, training, and experience requirements for each acquisition position, based on the level of complexity of duties carried out in the position. In establishing such requirements, the Secretary may state the requirements by categories of positions.

"(b) STATEMENT OF REQUIREMENTS WITHOUT REGARD TO STATUS.—Qualification requirements for acquisition positions shall be stated in terms of the education, training, and experience necessary for the position without regard to the military or civilian status of a person under consideration for the position.

"(c) OPM APPROVAL.—The Secretary of Defense shall submit any requirement with respect to civilian employees that is established under this section or under section 1723(a)(4) to the Director of the Office of Personnel Management for approval. If the Director does not disapprove the requirement within 30 days after the date on which the Director receives the requirement, the requirement is deemed to be approved by the Director.

"§ 1723. Contracting positions: qualification requirements

"(a) CONTRACTING OFFICERS.—The Secretary of Defense shall require that in order to qualify to serve in an acquisition position as a contracting officer with authority to award or administer contracts for amounts above the small purchase amount established in section 2304(g) of this title, a person must (except as provided in subsections (c) and (d))—

"(1) have completed all mandatory contracting courses required for a contracting officer at the grade level, or in the position within the grade of the General Schedule (in the case of an employee), that the person is serving in;

"(2) have at least two years of experience in a contracting position;

"(3)(A) have received a baccalaureate degree from an accredited educational institution authorized to grant baccalaureate degrees, (B) have completed at least 24 semester credit hours (or the equivalent) of study from an accredited institution of higher education in any of the following disciplines: accounting, business finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, and organization and management, or (C) have passed an examination considered by the Secretary of Defense to demonstrate skills, knowledge, or abilities comparable to that of an individual who has completed at least 24 semester credit hours (or the equivalent) of study from an accredited institution of higher education in any of the disciplines listed in subparagraph (B); and

"(4) meet such additional requirements, based on the dollar value and complexity of the contracts awarded or administered in the position, as may be established by the Secretary of Defense for the position.

"(b) GS-1102 SERIES.—Except as provided in subsections (c) and (d), a person may not be employed by the Department of Defense in the GS-1102 occupational series unless the person (1) has received a baccalaureate degree from an accredited educational institution authorized to grant baccalaureate degrees, (2) has completed at least 24 semester credit hours (or the equivalent) of study from an accredited institution of higher education in any of the following disciplines: accounting, business finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, and organization and management, or (3) has passed an examination considered by the Secretary of Defense to demonstrate skills, knowledge, or abilities comparable to that of an individual who has completed at least 24 semester credit hours (or the equivalent) of study from an accredited institution of higher education in any of the disciplines listed in paragraph (2).

"(c) EXCEPTIONS.—(1) The requirements of subsections (a)(3) and (b) shall not apply to any employee who, on the date of the enactment of the Defense Acquisition Workforce

Improvement Act, has at least 10 years of experience in acquisition positions or in comparable positions in other government agencies or the private sector.

"(2)(A) The requirements of subsections (a) and (b) shall not apply to any employee described in subparagraph (B) for purposes of qualifying to serve in the position that the employee is serving in on the date of the enactment of the Defense Acquisition Workforce Improvement Act.

"(B) An employee covered by this paragraph is an employee who, on the date of the enactment of the Defense Acquisition Workforce Improvement Act, is serving—

"(i) in an acquisition position as a contracting officer with authority to award or administer contracts for amounts above the small purchase amount established in section 2304(g) of this title; or

"(ii) in a position in GS-1102 occupational series.

"(d) WAIVER.—The acquisition career program board of a military department may waive the requirements of subsections (a) and (b) with respect to an employee of that military department if the board certifies that the employee possesses significant potential for advancement to levels of greater responsibility and authority, based on demonstrated job performance and qualifying experience. With respect to each waiver granted under this subsection, the board shall set forth in a written document the rationale for its decision to waive such requirements. The document shall be submitted to the Director of Acquisition Education, Training, and Career Development.

"(e) OPM APPROVAL.—The Secretary of Defense shall submit examinations to be given to civilian employees under subsection (a)(3) and subsection (b) to the Director of the Office of Personnel Management for approval. If the Director does not disapprove an examination within 30 days after the date on which the Director receives the examination, the examination is deemed to be approved by the Director.

"§ 1724. Career development

"(a) CAREER PATHS.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall ensure that appropriate career paths for civilian and military personnel who wish to pursue careers in acquisition are identified in terms of the education, training, experience, and assignments necessary for career progression of civilians and members of the armed forces to the most senior acquisition positions. The Secretary shall make available published information on such career paths.

"(b) OPPORTUNITIES FOR CIVILIANS TO QUALIFY.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall ensure that civilian personnel are provided the opportunity to acquire the education, training, and experience necessary to qualify for senior acquisition positions, except those positions designated for military personnel under subsection (c)(2).

"(c) EQUAL CONSIDERATION FOR MILITARY AND CIVILIAN PERSONNEL.—(1) Except as provided in the policy established under paragraph (2), in establishing requirements under this subchapter, a requirement may not be imposed relating to the civilian or military status of a person under consideration for an acquisition position. The Secretary of Defense shall ensure that, provided that applicants are otherwise qualified, both civilians and members of the armed forces are considered for acquisition positions on an equal basis.

"(2) The Secretary shall establish a policy under which a particular acquisition position may be specified as available only to members of the armed forces if a determination is made, under criteria established in the policy, that a member of the armed forces is required for that position by law, is essential for performance of the duties of the position, or is necessary for another compelling reason. Whenever an acquisition position that has been specified as available only to members of the armed forces under such policy becomes vacant, the Secretary, without delegation other than to the Under Secretary of Defense for Acquisition, shall review the position, in accordance with the policy, to determine whether such position should remain so specified.

"(d) BEST QUALIFIED.—In establishing policies under this chapter, the Secretary of Defense shall ensure that, in the selection of an individual to fill a particular position, the best qualified individual shall be selected from among those available for the position.

"(e) QUALIFICATION AND SELECTION OF CIVILIANS.—In establishing policies under this chapter, the Secretary of Defense shall ensure that the acquisition workforce is managed such that, over time, more civilians become qualified for, and are selected for, critical acquisition positions. The Secretary of Defense shall make every effort—

"(1) to fill at least 50 percent, by grade level and career field, of all critical acquisition positions with civilians by January 1, 1996; and

"(2) to make a substantial increase in the number of civilians in program manager and division head positions.

"(f) ASSIGNMENTS POLICY.—(1) The Secretary of Defense shall establish a policy on assigning military personnel to, and hiring civilian personnel for, acquisition positions that provides for a balance between (A) the need for personnel to serve in career broadening positions, and (B) the need for requiring sufficient time in each such position to provide the stability necessary to effectively carry out the duties of the position and to allow for the establishment of responsibility and accountability for actions taken in the position.

"(2) In implementing the policy established under this subsection with respect to members of the armed forces, the Secretaries of the military departments shall provide, as appropriate, for longer lengths of assignments to acquisition positions than assignments to other positions.

"(g) PROMOTION RATE FOR OFFICERS IN ACQUISITION CORPS.—The Secretary of each military department shall ensure that the qualifications of officers selected for the Acquisition Corps are such that those officers are expected, as a group, to be promoted at a rate not less than the rate for all line (or the equivalent) officers of the same armed force (both in the zone and below the zone) in the same grade.

"(h) PERFORMANCE APPRAISALS.—The Secretary of each military department, acting through the service acquisition executive for that department, shall require that any appraisal of the performance of a person serving in an acquisition position be performed or endorsed by a person serving in an acquisition position in the same acquisition career field.

"SUBCHAPTER III—ACQUISITION CORPS

"Sec.

"1731. Acquisition Corps: in general.

"1732. Education, training, and experience requirements.

"§ 1731. Acquisition Corps: in general

"(a) ACQUISITION CORPS.—There is an Acquisition Corps (hereinafter in this subchapter referred to as the 'Corps') within each military department, consisting of civilian employees and members of the armed forces in that military department who are selected for entry into the Corps. The Secretary of the Navy, acting through the service acquisition executive, may establish separate Corps for the Navy and the Marine Corps.

"(b) SELECTION PROCEDURE.—A person meeting the requirements established under section 1732 of this title may apply for entry into the Corps. Selection of applicants into the Corps shall be made in accordance with criteria established by the Secretary of Defense.

"(c) OPM APPROVAL.—The Secretary of Defense shall submit any requirement with respect to civilian employees established under section 1732 to the Director of the Office of Personnel Management for approval. If the Director does not disapprove the requirement within 30 days after the date on which the Director receives the requirement, the requirement is deemed to be approved by the Director.

"§ 1732. Education, training, and experience requirements

"(a) REQUIREMENTS.—Except as provided in subsections (b) and (c), a person may not be considered for service in the Corps unless the person—

"(1) in the case of an employee, is in a position within grade GS-13 or above of the General Schedule (including any employee covered by chapter 54 of title 5) or, in the case of a member of the armed forces, is serving in the grade of major or, in the case of the Navy, lieutenant commander, or a higher grade;

"(2)(A) has received a baccalaureate degree at an accredited educational institution authorized to grant baccalaureate degrees, or

"(B) has been certified by the acquisition career program board of the employing military department as possessing significant potential for advancement to levels of greater responsibility and authority, based on demonstrated analytical and decisionmaking capabilities, job performance, and qualifying experience;

"(3) has completed at least 24 semester credit hours (or the equivalent) of study from an accredited institution of higher education from among the following disciplines: accounting, business finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, and organization and management;

"(4) has four years of experience in an acquisition position in the Department of Defense or in a comparable position in industry or government;

"(5) in the case of a civilian, agrees to sign a mobility statement; and

"(6) meets such other requirements as the Secretary of Defense or the Secretary of the military department concerned prescribes by regulation.

"(b) EXCEPTIONS.—(1) The requirements of subsections (a)(2) and (a)(3) shall not apply to any employee who, on the date of the enactment of the Defense Acquisition Workforce Improvement Act, has at least 10 years of experience in acquisition positions or in comparable positions in other government agencies or the private sector.

"(2) The requirements of subsections (a)(2) and (a)(3) shall not apply to any employee who is serving in an acquisition position on the date of the enactment of the Defense Acquiisition Workforce Improvement Act and who does not have 10 years of experience as described in paragraph (1) if the employee passes an examination considered by the Secretary of Defense to demonstrate skills, knowledge, or abilities comparable to that of an individual who has completed at least 24 semester credit hours (or the equivalent) of study from an accredited institution of higher education from among the following disciplines: accounting, business finance, law, contracts, purchasing, economics, industrial management, marketing, quantitative methods, and organization and management. The Secretary of Defense shall submit examinations to be given to civilian employees under this paragraph to the Director of the Office of Personnel Management for approval. If the Director does not disapprove an examination within 30 days after the date on which the Director receives the examination, the examination is deemed to be approved by the Director.

"(c) WAIVER.—The acquisition career program board of a military department may waive the requirements of subsection (a) with respect to an employee of that military department if the board certifies that the employee possesses significant potential for advancement to levels of greater responsibility and authority, based on demonstrated analytical and decisionmaking capabilities, job performance, and qualifying experience. With respect to each waiver granted under this subsection, the board shall set forth in a written document the rationale for its decision to waive such requirements. The document shall be submitted to the Director of Acquisition Education, Training, and Career Development. Nothing in this subsection shall be considered to apply with respect to the requirement under subsection (a)(2)(B).

"SUBCHAPTER IV—CRITICAL ACQUISITION POSITIONS

"Sec.
"1741. Critical acquisition positions.
"1742. Education, training, and experience requirements.
"1743. Program managers and deputy program managers.
"1744. Program executive officers.
"1745. General and flag officers and civilians serving in equivalent positions.
"1746. Senior contracting officials.
"1747. Career development.

"§ 1741. Critical acquisition positions

"(a) REQUIREMENT FOR CORPS MEMBER.—A critical acquisition position may be filled only by a member of the Acquisition Corps.

"(b) DESIGNATION OF CRITICAL ACQUISITION POSITIONS.—(1) Of the acquisition positions in the Department of Defense (as designated under section 1721 of this title), the Secretary of Defense shall designate those positions (A) that are to be filled by employees in a position within grade GS–13 or above of the General Schedule (including employees covered by chapter 54 of title 5) or that are to be filled by a member of the armed forces serving in the grade of major or, in the case of the Navy, lieutenant commander, or a higher grade, and (B) that are positions of significant responsibility. Such positions shall be considered critical acquisition positions for purposes of this chapter. The Secretary shall periodically publish a list of the positions designated under this section.

"(2) In designating critical acquisition positions, the Secretary shall include the following acquisition positions:

"(A) Any position which—

"(i) in the case of employees, is required to be filled by an employee in a position within grade GS–14 or above of the General Schedule (including an employee covered by chapter 54 of title 5), in the Senior Executive Service; or

"(ii) in the case of members of the armed forces, is required to be filled by a commissioned officer of the Army, Navy, Air Force, or Marine Corps who is serving in the grade of lieutenant colonel, or, in the case of the Navy, commander, or a higher grade.

"(B) Other selected acquisition positions not covered by subparagraph (A), including the following:

"(i) Program executive officer.

"(ii) Program manager of a major defense acquisition program (as defined in section 2430 of this title) or of a program other than a major defense acquisition program (as defined in section 1743(c) of this title).

"(iii) Deputy program manager of a major defense acquisition program.

"(C) Any other acquisition position of significant responsibility in which the primary duties are supervisory or management duties.

"§ 1742. Education, training, and experience requirements

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish requirements for education, training, and experience for all critical acquisition positions. The requirements shall include, at a minimum, the requirements described in this subchapter and may include such additional requirements as the Secretary of Defense considers necessary or appropriate.

"(b) LIMITATION.—Any civilian or military member of the Corps who does not meet the education, training, and experience requirements for a critical acquisition position established under this subchapter may not carry out the duties or exercise the authorities of that position, except for a period not to exceed six months, unless a waiver of the requirements is granted under subsection (c).

"(c) WAIVER.—The Secretary of each military department, acting through the service acquisition executive for that department, may waive, on a case-by-case basis, the requirements established under this subchapter with respect to the assignment of an individual to a particular critical acquisition position. Such a waiver may be granted only if unusual circumstances justify the waiver or if the Secretary concerned (or official to whom the waiver authority is delegated) determines that the individual's qualifications obviate the need for meeting the education, training, and experience requirements established under this subchapter. The authority to grant such waivers may be delegated by the service acquisition executive only to the Director of Acquisition Career Management for the military department concerned.

"(d) OPM APPROVAL.—The Secretary of Defense shall submit any requirement with respect to civilian employees established under this subchapter to the Director of the Office of Personnel Management for approval. If the Director does not disapprove the requirement within 30 days after the date on which the Director receives the requirement, the requirement is deemed to be approved by the Director.

"§ 1743. Program managers and deputy program managers

"(a) REQUIREMENTS.—Before being assigned to a critical acquisition position as a program manager or deputy program manager, a person—

"(1) must have completed the program management course at the Defense Systems Management College or a management program at an accredited educational institution in the private sector determined to be comparable by the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition;

"(2) must have executed a written agreement as required in subsection (b)(2); and

"(3)(A) in the case of a program manager or deputy program manager of a major defense acquisition program (as defined in section 2430 of this title), must have at least eight years experience in acquisition, at least two of which were performed in a systems program office; or

"(B) in the case of a program manager or deputy program manager of a program other than a major defense acquisition program (as defined in subsection (e)), must have at least six years experience in acquisition.

"(b) MAJOR MILESTONE ASSIGNMENT PERIOD.—(1) The Secretary of each military department, acting through the service acquisition executive for that department, shall provide that a program manager or deputy program manager of a major defense acquisition program shall be assigned to the position at least until completion of the major milestone that occurs closest in time to the date on which the person has served in the position for four years. Except as provided in subsection (c), the Secretary concerned may not reassign a program manager or deputy program manager from such an assignment until after such major milestone has occurred. The Secretary concerned also shall make every effort to ensure that a program manager who is the replacement for a reassigned program manager arrives at the assignment location before the reassigned program manager leaves.

"(2) A person may not be assigned to a critical acquisition position as a program manager or deputy program manager of a major defense acquisition program unless the person executes a written agreement to remain on active duty (in the case of a member of the armed forces) or to remain in Federal service (in the case of an employee) in that position at least until completion of the first major milestone that occurs closest in time to the date on which the person has served in the position for four years. The service obligation contained in such a written agreement shall remain in effect unless and until waived by the Secretary concerned under subsection (c).

"(c) WAIVER OF ASSIGNMENT PERIOD.—(1) With respect to a program manager or deputy program manager of a major defense acquisition program, the Secretary concerned may waive the prohibition on reassignment of that person in subsection (b)(1) and the service obligation in an agreement executed by that person under subsection (b)(2), but only in exceptional circumstances in which a waiver is necessary for one of the following reasons:

"(A) For cause or for poor performance.

"(B) To assign the person, after a promotion, to a new position (when a promotion in which the person remains in the same position would not be economical or practicable).

"(C) To suspend the person from active duty (in the case of a member of the armed forces).

"(D) To approve the retirement of the person or the release of the person from active duty (in the case of a member of the armed forces).

"(E) To approve a reassignment of the person for unusual personal reasons (including extreme hardship and medical conditions) beyond the control of the person and the Department of Defense or the military department concerned.

"(F) To meet critical needs of the Department of Defense.

"(2) The authority to grant such waivers may be delegated by the service acquisition executive only to the Director of Acquisition Career Management for the military department concerned.

"(3) With respect to each waiver granted under this subsection, the service acquisition executive (or his delegate) shall set forth in a written document the rationale for the decision to grant the waiver. The document shall be submitted to the Director of Acquisition Education, Training, and Career Development.

"(d) MAJOR MILESTONE GUIDELINES.—(1) The Secretary of Defense shall issue uniform guidelines defining what constitutes major milestones for purposes of this section. The service acquisition executive of each military department shall establish major milestones at the beginning of a major defense acquisition program consistent with such guidelines and shall use such milestones to determine the assignment period for program managers and deputy program managers under subsection (b).

"(2) The guidelines shall require that major milestones be clearly definable and measurable events that mark the completion of a significant phase in a major defense acquisition program and that such milestones be the same as the milestones contained in the baseline description of the program (as required by section 2435(a) of this title). The Secretary shall require that the major milestones as defined in the guidelines be included in the Selected Acquisition Report (required under section 2432 of this title for each major defense acquisition program).

"(e) DEFINITIONS.—In this subchapter:

"(1) The term 'program manager' means, with respect to a defense acquisition program, the member of the Acquisition Corps responsible for managing the program, regardless of the title given the member.

"(2) The term 'deputy program manager' means, with respect to a defense acquisition program, the person who has authority to act on behalf of the program manager in the absence of the program manager.

"(3) The term 'program other than a major defense acquisition program' means a Department of Defense acquisition program that is not a major defense acquisition program (as defined in section 2430 of this title) and that is estimated by the Secretary of Defense to require an eventual total expenditure for research, development, test, and evaluation of more than $50,000,000 (based on fiscal year 1980 constant dollars) or an eventual total expenditure for procurement of more than $250,000,000 (based on fiscal year 1980 constant dollars).

"§ 1744. Program executive officers

"(a) REQUIREMENTS.—Before being assigned to a position as a program executive officer, a person—

"(1) must have completed the program management course at the Defense Systems Management College or a management program at an accredited educational institution in the private sector determined to be comparable by the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition;

"(2) must have at least 10 years experience in an acquisition position, at least four of which were performed while assigned to a critical acquisition position; and

"(3) must have held a position as a program manager or a deputy program manager.

"(b) PROGRAM EXECUTIVE OFFICER DEFINED.—The term 'program executive officer' has the meaning given such term in regulations prescribed by the Secretary of Defense.

"§ 1745. General and flag officers and civilians serving in equivalent positions

"Before a general or flag officer, or a civilian serving in a position equivalent in grade to the grade of such an officer, may be assigned to a critical acquisition position, the person must have at least 10 years experience in an acquisition position, at least four of which were performed while assigned to a critical acquisition position.

"§ 1746. Senior contracting officials

"(a) REQUIREMENTS.—Before being assigned to a critical acquisition position as a senior contracting official, a person must have at least four years experience in contracting.

"(b) SENIOR CONTRACTING OFFICIAL DEFINED.—In this subchapter, the term 'senior contracting official' means a director of contracting, or a principal deputy of a director of contracting, serving in the Secretariats or Headquarters of the military departments and Defense Agencies, in the subordinate command headquarters, or in the major systems or logistics contracting activities in the Department of Defense.

"§ 1747. Career development

"(a) THREE-YEAR ASSIGNMENT PERIOD.—(1) The Secretary of each military department, acting through the service acquisition executive for that department, shall provide that any person who is assigned to a critical acquisition position, including a program manager or deputy program manager of a program other than a major defense acquisition program (as defined in section 1743(b) of this title), shall be assigned to the position for not fewer than three years. Except as provided in subsection (b), the Secretary concerned may not reassign a person from such an assignment before the end of the three-year period.

"(2) A person may not be assigned to a critical acquisition position unless the person executes a written agreement to remain on active duty (in the case of a member of the armed forces) or to remain in Federal service (in the case of an employee) in that position for at least three years. The service obligation contained in such a written agreement shall remain in effect unless and until waived by the Secretary concerned under subsection (b).

"(b) WAIVER OF ASSIGNMENT PERIOD.—(1) With respect to a person assigned to a critical acquisition position, the Secretary concerned may waive the prohibition on reassignment of that person in subsection (a)(1) and the service obligation in an agreement executed by that person under subsection (a)(2), but only in exceptional circumstances in which a waiver is necessary for one of the following reasons:

"(A) For cause or for poor performance.

"(B) To assign the person, after a promotion, to a new position (when a promotion in which the person remains in the same position would not be economical or practicable).

"(C) To suspend the person from active duty (in the case of a member of the armed forces).

"(D) To approve the retirement of the person or the release of the person from active duty (in the case of a member of the armed forces).

"(E) To approve a reassignment of the person for unusual personal reasons (including extreme hardship and medical conditions) beyond the control of the person and the Department of Defense or the military department concerned.

"(F) To meet critical needs of the Department of Defense.

"(2) The authority to grant such waivers may be delegated by the service acquisition executive only to the Director of Acquisition Personnel for the military department concerned.

"(3) With respect to each waiver granted under this subsection, the service acquisition executive (or his delegate) shall set forth in a written document the rationale for the decision to grant the waiver. The document shall be submitted to the Director of Acquisition Education, Training, and Career Development.

"(c) ROTATION POLICY.—(1) The Secretary of Defense shall establish a policy encouraging the rotation of members of the Acquisition Corps serving in critical acquisition positions to new assignments after serving in the position for five years, or, in the case of a program manager, until completion of a major program milestone, whichever is longer. Such rotation policy shall be designed to ensure opportunities for career broadening assignments and an infusion of new ideas into critical acquisition positions.

"(2) The Secretary of each military department, acting through the service acquisition executive for that department, shall establish a procedure under which the assignment of personnel to critical acquisition positions shall be reviewed on a case-by-case basis, by the acquisition career program board of the department concerned for the purpose of determining whether the Government and the individual would be better served by a reassignment to a different position. Such a review shall be carried out with respect to an individual in a critical acquisition position not later than five years after the individual is assigned to the position.

"(d) CENTRALIZED JOB REFERRAL SYSTEM.—In selecting civilian personnel for critical acquisition positions, the Secretary of the military department concerned shall select persons from a centralized list that covers the military department or the entire Department of Defense, and such persons shall be considered on the basis of their qualifications, without respect to their geographic location.

"(e) EXCHANGE PROGRAM.—(1) The Secretary of Defense shall establish, for purposes of broadening the experience of members of the Acquisition Corps, a test program in which members of the Corps serving in a military department or defense agency are assigned or detailed to an acquisition position in another department or agency. Under the test program, at least 5 percent of the members of the Acquisition Corps shall serve in such exchange assignments each year. The test program shall operate for not less than a period of three years.

"(2) The Secretary of Defense shall submit the portion of the test program applicable to civilian employees to the Director of the Office of Personnel Management for approval. If the Director does not disapprove that portion of the test program within 30 days after the date on which the Director receives it, that portion of the test program is deemed to be approved by the Director.

"(f) RESPONSIBILITY FOR ASSIGNMENTS.—The Secretary of each military department, acting through the service acquisition executive for that department, is responsible for making assignments of civilian and military members of the Acquisition Corps to critical acquisition positions.

"SUBCHAPTER V—EDUCATION AND TRAINING

"Sec.
"1761. Policies and programs: establishment and implementation.
"1762. Intern program.
"1763. Cooperative education program.
"1764. Scholarship program.
"1765. General provisions.
"1766. Defense acquisition university structure.

"§ 1761. Policies and programs: establishment and implementation

"(a) POLICIES.—The Secretary of Defense shall establish policies for the establishment and implementation of the education and training programs authorized by this subchapter.

"(b) FUNDING LEVELS.—The Under Secretary of Defense for Acquisition each year shall recommend to the Secretary of Defense the funding levels to be requested in the defense budget to implement the education and training programs under this subchapter. The Secretary of Defense shall set forth separately the funding levels requested for such programs in the Department of Defense budget justification documents submitted in support of the President's budget submitted to Congress under section 1105 of title 31.

"(c) PROGRAMS.—The Secretary of each military department, acting through the service acquisition executive for that department, shall establish and implement the education and training programs authorized by this subchapter. In carrying out such requirement, the Secretary concerned shall ensure that such programs are established and implemented throughout the military department concerned and, to the maximum extent practicable, uniformly with the programs of the other military departments.

"§ 1762. Intern program

"The Secretary of Defense shall require that each military department establish and implement an intern program in the military department concerned for purposes of providing highly qualified and talented individuals an opportunity for accelerated promotions, career broadening assignments, and specified training to prepare them for entry into the Acquisition Corps.

"§ 1763. Cooperative education program

"The Secretary of Defense shall require that the Secretary of each military department establish and implement a department-wide program under which the military department selects accredited educational institutions for purposes of entering into cooperative arrangements to provide educational credit to undergraduate students who are employed by the Department of Defense in an acquisition position.

"§ 1764. Scholarship program

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish a scholarship program for the purpose of qualifying personnel for acquisition positions in the Department of Defense.

"(b) ELIGIBILITY.—To be eligible to participate in the scholarship program, an individual must—

"(1) be accepted for enrollment or be currently enrolled as a full-time student at an accredited educational institution authorized to grant baccalaureate or graduate degrees (as appropriate);

"(2) be pursuing a course of education that leads toward completion of a bachelor's, master's, or doctor's degree (as appropriate) in a qualifying field of study, as determined by the Secretary of Defense;

"(3) sign an agreement described in subsection (c) under which the participant agrees to serve a period of obligated service in the Department of Defense in an acquisition position in return for payment of educational assistance as provided in the agreement; and

"(4) meet such other requirements as the Secretary prescribes, including the requirements described in section 1768 of this title.

"(c) AGREEMENT.—An agreement between the Secretary of Defense and a participant in the scholarship program established under this section shall be in writing, shall be signed by the participant, and shall include the following provisions:

"(1) The Secretary's agreement to provide the participant with educational assistance for a specified number (from one to four) of school years during which the participant is pursuing a course of education in a qualifying field of study. The assistance may include payment of tuition, fees, books, laboratory expenses, and a stipend.

"(2) The participant's agreement (A) to accept such educational assistance, (B) to maintain enrollment and attendance in the course of education until completed, (C) while enrolled in such course, to maintain an acceptable level of academic standing (as prescribed by the Secretary), and (D) after completion of the course of education, to serve as a full-time employee in an acquisition position in the Department of Defense for a period of time of one calendar year for each school year or part thereof for which the participant was provided a scholarship under the scholarship program.

"§ 1765. General provisions

"(a) REPAYMENT.—(1) Any person participating in a program established under section 1764 of this title shall agree to pay to the United States the total amount of educational assistance provided to the person under the program if the person is voluntarily separated from service or involuntarily separated for cause from the Department of Defense before the end of the period for which the person has agreed to continue in the service of the Department of Defense in an acquisition position.

"(2) If an employee fails to fulfill his agreement to pay to the Government the total amount of educational assistance provided to the person under the program, a sum equal to the amount of such educational assistance is recoverable by the Government from the employee or his estate by—

"(A) setoff against accrued pay, compensation, amount of retirement credit, or other amount due the employee from the Government; and

"(B) such other method as is provided by law for the recovery of amounts owing to the Government.

"§1766. Defense acquisition university structure

"(a) ESTABLISHMENT OF STRUCTURE.—The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall establish a structure for a defense acquisition university. The university structure shall provide for the following:

"(1) Operation under a charter developed by the Secretary of Defense.

"(2) Establishment of a university mission to achieve objectives formulated by the Secretary of Defense. Such objectives shall include—

"(A) the achievement of more efficient and effective use of available acquisition resources by coordinating Department of Defense acquisition education and training programs and tailoring them to support the careers of personnel in acquisition positions; and

"(B) the development of education, training, research, and publication capabilities in the area of acquisition.

"(3) Establishment of appropriate lines of authority (including relationships between the university and each of the existing acquisition education and training institutions and activities) and accountability for the accomplishment of the university mission (as established by the Secretary).

"(4) A coherent framework for the educational development of personnel in acquisition positions. Such framework shall cover courses of instruction from the basic level through intermediate and senior levels. At the senior level, the framework shall provide for a senior course as a substitute for, and equivalent to, existing senior professional military educational school courses, specifically designed for personnel serving in critical acquisition positions.

"(5) Appropriate organizations, such as a policy guidance council, composed of senior Department of Defense officials, to recommend or establish policy, and a board of visitors, composed of persons selected for their preeminence in the fields of academia, business, and the defense industry, to advise on organization management, curricula, methods of instruction, facilities, and other matters of interest to the university.

"(6) An appropriate centralized mechanism, under the Under Secretary of Defense for Acquisition, to control the allocation of resources for purposes of conducting mandatory acquisition courses and other training, education, and research activities to achieve the objectives of the university, such as funding for students to attend courses of instruction, funding to conduct the courses, and funding to pay instructor salaries.

"(b) CIVILIAN FACULTY MEMBERS.—(1) The Secretary of Defense may employ as many civilians as professors, instructors, and lecturers in the defense acquisition university structure as the Secretary considers necessary.

"(2) The compensation of persons employed under this subsection shall be as prescribed by the Secretary.

"(3) In this subsection, the term 'defense acquisition university' includes the Defense Systems Management College.

"SUBCHAPTER VI—GENERAL MANAGEMENT PROVISIONS

"Sec.
"1781. Management information system.
"1782. Limitation on credit for training or education.
"1783. Balanced workforce requirement.
"1784. Reports to Congress.

"§ 1781. Management information system

"The Secretary of Defense shall develop procedures to ensure that the military departments implement a management information system to provide standardized information to the Secretary on the qualifications of personnel serving in acquisition positions.

"§ 1782. Limitation on credit for training or education

"Not more than one year of a period of time spent pursuing a program of academic training or education in acquisition may be counted toward fulfilling any requirement established under this chapter for a certain period of experience.

"§ 1783. Balanced workforce requirement

"In exercising any authority under this chapter with respect to any civilian employees or applicants for employment, the Secretary of Defense or the Secretary of a military department (as applicable) shall, consistent with the merit system principles set forth in paragraphs (1) and (2) of section 2301(b) of title 5, take into consideration the need to maintain a balanced workforce in which women and members of racial and ethnic minority groups are appropriately represented in Government service.

"§ 1784. Reports to Congress

"(a) ANNUAL REPORT.—The Secretary of Defense shall include in the annual report of the Secretary to Congress under section 113(c) of this title, for the period covered by the report, the following information (which shall be shown for the Department of Defense as a whole and, with respect to paragraphs (1) through (12), separately for the Army, Navy, Air Force, Marine Corps, Defense Agencies, and Office of the Secretary of Defense):

"(1) The number of acquisition positions specified under the policy established under section 1724(c)(2) of this title as being available, as of December 1 of the period covered by the report, only to members of the armed forces, set forth separately under each criterion established in the policy, together with a discussion of the types of positions that are so specified.

"(2) The total number of persons serving in the Acquisition Corps as of December 1 of the period covered by the report, set forth separately for members of the armed forces and civilian employees, by grade level and by functional specialty.

"(3) The total number of critical acquisition positions held as of December 1 of the period covered by the report, set forth separately for members of the armed forces and civilian employees, by grade level and by functional specialty. Of such critical acquisition positions, the report shall include the number of principal positions in each acquisition organization (as specified by the Secretary of Defense) and the number of deputy or second-ranking positions in each such organization, set forth separately for members of the armed forces and civilian employees.

"(4)(A) The promotion rate for officers considered for promotion from within the promotion zone who are serving in acquisition positions, compared with the promotion rate for other officers considered for promotion from within the promotion zone in the same pay grade, shown for all officers of the same armed force and for all line (or the equivalent) officers of the same armed force.

"(B) The promotion rate for officers considered for promotion from below the promotion zone who are serving in acquisition positions, compared in the same manner as specified in subparagraph (A).

"(C) If the promotion rates fail to meet the objective of section 1724(g) of this title, the Secretary of Defense shall notify Congress of such failures and of what actions the Secretary has taken or plans to take in reaction to such failures.

"(5) The number of employees who met the requirement of section 1723(a)(3) or section 1723(b) by passing an exam as described in section 1723(a)(3)(C) or section 1723(b)(3) (as appropriate), set forth separately by the requirements of each section.

"(6) The number of employees to whom the requirements of subsections (a)(2) and (a)(3) of section 1732 of this title did not apply because of the exceptions provided in paragraphs (1) and (2) of section 1732(b) of this title, set forth separately by type of exception.

"(7) The number of employees certified by an acquisiton career program board under section 1732(a)(2)(B).

"(8) The number of program managers and deputy program managers who were reassigned after completion of a major milestone occurring closest in time to the date on which the person has served in the position for four years (as required under section 1743 of this title), and the proportion of those reassignments to the total number of reassignments of program managers and deputy program managers, set forth separately for program managers and deputy program managers. The Secretary also shall include the average length of assignment served by program managers and deputy program managers so reassigned.

"(9) The number of persons, excluding those reported under paragraph (8), in critical acquisition positions who were reassigned after a period of three years or longer (as required under section 1747 of this title), and the proportion of those reassignments to the total number of reassignments of persons in critical acquisition positions.

"(10) The number of times a waiver authority was exercised under section 1723(d), 1732(c), 1742(c), 1743(c), or 1747(b) or any other provision of this chapter (or other provision of law) which permits the waiver of any requirement relating to the acquisition workforce, and in the case of each such authority, the reasons for exercising the authority. The Secretary may present the information provided under this paragraph by category or grouping of types of waivers and reasons.

"(11) The number of persons reviewed for reassignment pursuant to section 1747(c)(2) of this title and the number of persons reassigned as a result of such reviews, together with a discussion of the criteria used to determine reassignments.

"(12) The number of persons participating in each of the programs described in sections 1762 through 1764 of this title, as of December 1 of the period covered by the report.

"(13) The number of persons paid a bonus under section 317 of title 37 and the number of years of service contracted for, for each such bonus, by category.

"(14) Such other information and comparative data as the Secretary of Defense considers appropriate to demonstrate the performance of the Department of Defense and the performance of each military department in carrying out this chapter.

"(b) NOTIFICATION OF REVISIONS IN REGULATIONS.—At the same time that the Secretary of Defense submits to Congress the annual report under section 113(c) of this title, the Secretary shall submit to Congress a notification of revisions of any regulations (including directives) prescribed by the Secretary of Defense to implement this chapter during the period covered by the annual report, set forth by section or other identifying number of the regulation and by section number that the regulation relates to in this chapter.

"(c) WAIVER DOCUMENTS.—At the same time that the Secretary of Defense submits to Congress the annual report under section 113(c) of this title, the Secretary shall submit to Congress the waiver documents, in consolidated form, submitted to the Director of Acquisition Education, Training, and Career Development under sections 1723(d), 1732(c), 1743(c), and 1747(b) of this title during the period covered by the annual report.".

(b) CLERICAL AMENDMENT.—The tables of chapters at the beginning of subtitle A of title 10, United States Code, and at the beginning of part II of such subtitle are each amended by striking out the item relating to chapter 85 and inserting in lieu thereof the following:

"87. Defense Acquisition Workforce ..... 1701".

SEC. 903. SPECIAL PAY FOR CERTAIN OFFICERS HOLDING CRITICAL ACQUISITION POSITIONS.

(a) AUTHORITY FOR SPECIAL PAY.—(1) Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

"§ 317. Special pay: officers in critical acquisition positions extending period of active duty

"(a) BONUS AUTHORIZED.—An officer described in subsection (b) who executes a written agreement to remain on active duty in a critical acquisition position for at least one year may, upon the acceptance of the agreement by the Secretary concerned, be paid a retention bonus as provided in this section.

"(b) COVERED OFFICERS.—An officer referred to in subsection (a) is an officer of the Army, Navy, Air Force, or Marine Corps who—

"(1) is a member of the Acquisition Corps selected to serve in, or serving in, a critical acquisition position designated under section 1741 of title 10; and

"(2) is eligible to retire, or is assigned to such position for a period that will extend beyond the date on which the officer will be eligible to retire, under any provision of law.

"(c) AMOUNT OF BONUS.—The amount of a bonus paid under this section for each year a member agrees to remain on active duty may not be more than 15 percent of the annual rate of basic pay paid to the member at the time the member executes a written agreement under this section.

"(d) PAYMENT OF BONUS.—Upon the acceptance of a written agreement under subsection (a) by the Secretary concerned, the total amount payable pursuant to the agreement becomes fixed and may be paid by the Secretary in either a lump sum or installments.

"(e) ADDITIONAL PAY.—A bonus paid under this section is in addition to other pay and allowances to which an officer is entitled.

"(f) REPAYMENT OF BONUS.—If an officer who has entered into a written agreement under subsection (a) and who has received all or part of a bonus under this section fails to complete the total period of active duty specified in the agreement, the Secretary concerned may require the officer to repay

the United States, on a pro rata basis and to the extent that the Secretary determines conditions and circumstances warrant, all sums paid under this section.

"(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owned to the United States.

"(3) A discharge in bankruptcy under title 11 that is entered less than 5 years after the termination of a written agreement entered into under subsection (a) does not discharge the officer signing the agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11 after January 1, 1991.

"(g) PERIOD OF COMMITMENT.—The period of active duty agreed upon by an officer in a written agreement under this section is in addition to any other service commitment of the officer, except that any period of active duty agreed upon in a written agreement under section 1743 or 1747 of title 10 by the officer may be counted concurrently with the commitment under this section.

"(h) REGULATIONS.—The Secretaries concerned shall prescribe regulations to carry out this section. Regulations prescribed by the Secretary of a military department shall be subject to the approval of the Secretary of Defense.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

"317. Special pay: officers in critical acquisition positions extending period of active duty.".

(b) EFFECTIVE DATE.—Section 317 of title 37, United States Code, as added by subsection (a), shall take effect on October 1, 1990.

SEC. 904. DEFINITION OF SERVICE ACQUISITION EXECUTIVE.

Section 101 of title 10, United States Code, is amended by adding at the end the following:

"(46) The term 'service acquisition executive' means the civilian official within a military department who is designated as the service acquisition executive for purposes of regulations and procedures providing for a service acquisition executive for that military department.".

SEC. 905. TRANSITION PROVISIONS.

(a) LEVEL OF DIRECTOR OF ACQUISITION CAREER MANAGEMENT.—Effective during the three-year period beginning on the date of the enactment of this Act, the position of Director of Acquisition Career Management (as established by section 1705 of title 10, United States Code, as added by section 902), may be held only by—

(1) a civilian employee in a position in the civil service the rate of pay for which is equal to or greater than the rate of basic pay payable for positions in level V of the Executive Schedule; or

(2) an officer serving in the grade of major general or rear admiral.

(b) DEADLINE FOR DESIGNATION OF ACQUISITION POSITIONS.—The designation of acquisition positions required by subchapter II of chapter 87 of title 10, United States Code (as added by section 902) shall be made by the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, not later than 180 days after the date of the enactment of this Act.

(c) MILITARY POSITIONS POLICY DEADLINE AND REVIEW REQUIREMENT.—(1) The policy required by paragraph (2) of section 1724(c) of title 10, United States Code (as added by section 902), shall be established by the Secretary of Defense not later than 180 days after the date of the enactment of this Act.

(2) The Secretary of Defense shall conduct a review of all acquisition positions to determine, under the criteria established in such policy, which positions should be specified as available only for military members under such policy. The review shall be completed not later than one year after the date of the enactment of this Act.

(d) ASSIGNMENTS POLICY DEADLINE.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall establish, and require commencement of implementation of, an assignments policy pursuant to section 1724(f) of title 10, United States Code (as added by section 902).

(e) EFFECTIVE DATE FOR REQUIREMENT FOR CORPS MEMBERS TO FILL CRITICAL ACQUISITION POSITIONS.—(1) Subsection (a) of section 1741 of title 10, United States Code (as added by section 902), shall take effect three years after the date of the enactment of this Act.

(2) Notwithstanding paragraph (1), the Secretaries of the military departments shall make every effort to fill critical acquisition positions by Acquisition Corps members as soon as possible after the date of the enactment of this Act. For each of the first three years after the date of the enactment of this Act, the Secretary of Defense shall include, in the material included in the Secretary's annual report pursuant to section 1784(a) of title 10, United States Code (as added by section 902), the number of critical acquisition positions filled by Acquisition Corps members.

(f) PUBLICATION OF LIST OF CRITICAL ACQUISITION POSITIONS.—The Secretary of Defense shall publish the first list of positions designated as critical acquisition positions under section 1741(b) of title 10, United States Code (as added by section 902), not later than 18 months after the date of the enactment of this Act.

(g) IMPLEMENTATION OF DEFENSE ACQUISITION UNIVERSITY STRUCTURE.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense, acting through the Under Secretary of Defense for Acquisition, shall submit to the Committees on Armed Services of the Senate and House of Representatives an implementation plan, including a charter, for the defense acquisition university structure required under section 1766 of title 10, United States Code (as added by section 902). Not later than one year after such date, the Secretary of Defense shall carry out the implementation plan.

(h) EFFECTIVE DATE AND CONFORMING AMENDMENT FOR CIVILIAN FACULTY AUTHORITY FOR DSMC.—(1) Subsection (b) of section 1766 of title 10, United States Code (as added by section 902), shall take effect with respect to the Defense Systems Management College on the date of the enactment of this Act.

(2) Section 5102(c)(10) of title 5, United States Code, is amended—

(A) by striking out "and" before "the Academic Dean"; and

(B) by adding after the last semicolon the following: "civilian professors, instructors, and lecturers in the defense acquisition university structure (including the Defense Systems Management College) whose pay is fixed under section 1766(b) of title 10;".

(i) CREDIT FOR EXPERIENCE IN CERTAIN POSITIONS.—For purposes of meeting any requirement under chapter 87 of title 10, United States Code (as added by section 902), for a period of experience (such as requirements for experience in acquisition positions or in critical acquisition positions) and for purposes of coverage under the exceptions established by sections 1723(c)(1) and section 1732(b)(1) of such chapter, any period of time spent serving in a position later designated as an acquisition position or a critical acquisition position under such chapter may be counted as experience in such a position for such purposes.

(j) TRANSITION PROVISION FOR REPORT REQUIREMENT.—For each of the first three years after the date of the enactment of this Act, the Secretary of Defense shall include in the material required under section 1784(a) of title 10, United States Code (as added by section 902), as much information as is available with respect to requirements that have not yet taken effect as of the date of the report.

SEC. 906. REPEAL OF CERTAIN PROVISIONS.

(a) ASSIGNMENT OF CONTRACTING OFFICERS.—Section 925 of the Department of Defense Authorization Act, 1986 (10 U.S.C. 2304 note) is hereby repealed.

(b) TOUR OF DUTY OF PROGRAM MANAGERS.—Subsection (c) of section 2435 of title 10, United States Code, is repealed, effective on the effective date of this Act.

SEC. 907. EVALUATION BY COMPTROLLER GENERAL.

The Comptroller General shall conduct an independent evaluation of the actions taken by the Secretary of Defense to carry out the requirements of this Act and the amendments made by this Act. Not later than two years after the date of the enactment of this Act, the Comptroller General shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the evaluation required by this subsection. Such report shall include—

(1) an analysis of the effectiveness of the actions taken by the Secretary to carry out the requirements of this Act and the amendments made by this Act; and

(2) such legislative and administrative recommendations as the Comptroller General considers appropriate to meet the objectives of this Act and the amendments made by this Act.

SEC. 908. REGULATIONS.

Unless otherwise provided in this Act, the Secretary of Defense shall promulgate regulations to implement this Act and the amendments made by this Act not later than one year after the date of the enactment of this Act.

SEC. 909. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in subsection (b) and in this Act, this Act and the amendments made by this Act, including chapter 87 of title 10, United States Code (as added by section 902), shall take effect on the date of the enactment of this Act.

(b) EDUCATION, TRAINING, AND EXPERIENCE REQUIREMENTS.—Sections 1722 and 1723 of title 10, United States Code (as added by section 902), shall take effect three years after the date of the enactment of this Act.

Mr. MAVROULES. Mr. Chairman, at this point I reserve the balance of my time.

PARLIAMENTARY INQUIRY

Mr. MAVROULES. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. MAVROULES. Mr. Chairman, I ask if parliamentarily we could move to the Gilman amendment at this point?

The CHAIRMAN pro tempore. If the gentleman reserves his time, yes, we can so move.

Is there an agreement by the gentleman from Kentucky to this procedure?

Mr. HOPKINS. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. Then the Chair now recognizes the gentleman from New York [Mr. GILMAN].

AMENDMENT OFFERED BY MR. GILMAN TO THE AMENDMENT OFFERED BY MR. MAVROULES

Mr. GILMAN. Mr. Chairman, I offer an amendment to the amendment.

The CHAIRMAN. The Clerk will designate the amendment to the amendment.

The text of the amendment to the amendment is as follows:

Amendment offered by Mr. GILMAN to the amendment offered by Mr. MAVROULES:

After section 905 (page 55, after line 18), insert the following new section 906:

SEC. 906. DEGREE TRAINING AND REPAYMENT OF STUDENT LOANS.

(a) DEGREE TRAINING.—Chapter 41 of title 5, United States Code, is amended—

(1) in section 4107(c), by striking "This" and inserting "Except as provided in subsection (d), this"; and

(2) by inserting after section 4107(c) the following:

"(d)(1) The regulations prescribed under section 4118 shall include provisions under which an agency may provide training, or payment or reimbursement for the costs of any training, not otherwise allowable under subsection (c), if necessary to assist in the recruitment or retention of employees in occupations in which the Government has or anticipates a shortage of qualified personnel, especially in occupations involving critical skills (as defined under such regulations).

"(2) In exercising any authority under this subsection, an agency shall, consistent with the merit system principles set forth in paragraphs (1) and (2) of section 2301(b), take into consideration the need to maintain a balanced workforce in which woman and members of racial and ethnic minority groups are appropriately represented in Government service.

"(3) No authority under this subsection may be exercised on behalf of any employee occupying or seeking to qualify for any position which is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character.".

"(b) REPAYMENT OF STUDENT LOANS.—(1) Chapter 53 of title 5, United States Code, is amended by adding after section 5375 the following:

"§ 5376. Student loan repayments

"(a)(1) For the purpose of this section—

"(A) the term 'agency' means an agency under subparagraph (A), (B), (C), (D), or (E) of section 4101(1); and

"(B) term 'student loan' means—

"(i) a loan made, insured, or guaranteed under part B of title IV of the Higher Education Act of 1965;

"(ii) a loan made under part E of title IV of the Higher Education Act of 1965; and

"(iii) a health education assistance loan made or insured under part C of title VII of the Public Health Service Act or under part B of title VIII of such Act.

"(2) An employee shall be ineligible for benefits under this section if such employee occupies a position which—

"(A) is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character; or

"(B) is not subject to subchapter III.

"(b)(1) The head of an agency may in order to recruit or retain highly qualified professional, technical, or administrative personnel, establish a program under which the agency may agree to repay (by direct payments on behalf of the employee) any student loan previously taken out by such employees.

"(2) Payments under this section shall be made subject to such terms, limitations, or conditions as may be mutually agreed to by the agency and employee concerned, except that the amount paid by an agency under this section may not exceed—

"(A) $6,000 for any employee in any calendar year; or

"(B) a total of $40,000 in the case of any employee.

"(3) Nothing in this section shall be considered to authorize an agency to pay any amount to reimburse an employee for any repayments made by such employee prior to the agency's entering into an agreement under this section with such employee.

"(c)(1) An employee selected to receive benefits under this section must agree in writing, before receiving any such benefit, that the employee will—

"(A) remain in the service of the agency for a period specified in the agreement (not less than 3 years), unless involuntarily separated; and

"(B) if separated involuntarily on account of misconduct, or voluntarily, before the end of the period specified in the agreement, repay to the Government the amount of any benefits received by such employee from that agency under this section.

"(2) The payment agreed to under paragraph (1)(B) may not be required of an employee who leaves the service of such employee's agency voluntarily to enter into the service of any other agency unless the head of the agency that authorized the benefits notifies the employee before the effective date of such employee's entrance into the service of the other agency that payment will be required under this subsection.

"(3) If an employee who is involuntarily separated on account of misconduct or who (excluding any employee relieved of liability under paragraph (2)) is voluntarily separated before completing the required period of service fails to repay the amount agreed to under paragraph (1)(B), a sum equal to the amount of outstanding is recoverable by the Government from the employee (or such employee's estate, if applicable) by—

"(A) setoff against accrued pay, compensation, amount of retirement credit, or other amount due the employee from the Government; and

"(B) such other method as is provided by law for the recovery of amounts owing to the Government.

The head of the agency concerned may waive, in whole or in part, a right of recovery under this subsection if it is shown that recovery would be against equity and good conscience or against the public interest.

"(4) Any amount repaid by, or recovered from, an individual (or an estate) under this subsection shall be credited to the account from which the amount involved was originally paid.

"(d) An employee receiving benefits under this section from an agency shall be ineligible for continued benefits from such agency if the employee—

"(1) separates from such agency; or

"(2) does not maintain an acceptable level of performance, as determined under standards and procedures which the agency head shall by regulation prescribe.

"(e) In selecting employees to receive benefits under this section, an agency shall, consistent with the merit system principles set forth in paragraphs (1) and (2) of section 2301(b), take into consideration the need to maintain a balanced workforce in which women and members of racial and ethnic minority groups are appropriately represented in Government service.

"(f) Any benefit under this section shall be in addition to basic pay and any other form of compensation otherwise payable to the employee involved.

"(g) The Office of Personnel Management, after consultation with a representative number and variety of agencies and any other consultation which the Office considers appropriate, shall prescribe regulations containing such standards and requirements as the Office considers necessary to provide for reasonable uniformity among programs under this section.".

(2) The table of sections for chapter 53 of title 5, United States Code, is amended by adding after the item relating to section 5375 the following:

"5376. Student loan repayments.".

[Conforming amendment:] Redesignate sections 906, 907, 908, and 909 as sections 907, 908, 909, and 910, respectively.

[Conforming amendment:] In sections 908 and 909 (as redesignated), after "and the amendments made by this Act" insert "(other than the amendments made by section 906)" each place it appears (page 56, lines 4 and 5, 12, 16, and 20).

In the matter proposed to be added by section 902, insert after section 1764 (page 38, after line 20) the following new section:

"§ 1765. Additional education and training programs available to acquisition personnel.

"(a) TUITION REIMBURSEMENT AND TRAINING.—The Secretary of Defense shall provide for tuition reimbursement and training (including a full-time course of study leading to a degree) under section 4107(d) of title 5 for acquisition personnel in the Department of Defense for the purposes described in that section. For purposes of such section 4107(d), there is deemed to be, during the 10-year period beginning on the date of the enactment of the Defense Acquisition Workforce Improvement Act, shortage of qualified personnel to serve in acquisition positions in the Department of Defense.

"(b) REPAYMENT OF STUDENT LOANS.—The Secretary of Defense may repay all of part of a student loan under section 5376 to title 5 for an employee of the Department of Defense appointed to an acquisition position.

[Conforming amendments:] In the matter proposed to be inserted by section 902:

(1) Redesignate sections 1765 and 1766 as sections 1766 and 1767, respectively.

(2) In the table of sections at the beginning of subchapter V (page 35; after line 4), strike out the items relating to sections 1765 and 1766 and insert in lieu thereof the following:

"1765. Additional education and training programs available to acquisition personnel.
"1766. General provisions.
"1767. Defense acquistion university structure.

(3) In paragraph (12) of section 1784 (page 46, line 25), strike out "1764" and insert in lieu thereof "1765".

[Conforming amendment:] In subsections (g) and (h) of section 905, strike out "section 1766" and insert in lieu thereof "section 1767" each place it appears (page 54, lines 8, 14, and 15).

Mr. GILMAN. Mr. Chairman, under the rule, I offer this amendment as a perfecting amendment to the gentleman's amendment.

Mr. Chairman, as the original sponsor of H.R. 2544, the amendment which I am offering today comprises the test of H.R. 2544, the Public Service Education Assistance Act of 1990, as reported by the committee of jurisdiction, the Committee on Post Office and Civil Service. The amendment is designed to supplement the Mavroules amendment and is the product of negotiations between the principals of the committees of jurisdiction.

Inclusion of this measure as an amendment to the Department of Defense authorization bill is in no way intended to detract from the jurisdiction which the Committee on Post Office and Civil Service has under House rule X, clause 1(1) concerning the subject matter of the legislation as it pertains to civilian employees of the Federal Government.

Mr. Chairman, the purpose of this measure is to make the Federal Government the employer of first choice for many of our Nation's college graduates. The amendment enhances Government recuriting and retention efforts by: First, removing the ban on Federal agencies funding degree training expenses for current Federal employees, and second, allowing Federal agencies to repay all or part of a Federal student loan of a potential college recruit in exchange for a specified period of Government service.

Last year, the Committee on Post Office and Civil Service held a series of hearings on the recommendations submitted by the Commission on the Public Service. In drafting this measure, I intended to incorporate several of those recommendations aimed at increasing our recruiting and retention efforts of our civil service employees. This amendment represents a first of a series of legislative initiatives aimed at implementing those recommendations.

Today, the Federal Government finds itself at a severe competitive disadvantage when it comes to recruiting and retaining highly trained and marketable employees. While the Committee on Post Office and Civil Service has approved a comprehensive pay reform package, the legislation before us serves as one tool the Federal Government presently could use to enhance its career attractiveness to college graduates and employees.

I commend the Office of Personnel Management for its foresight in proposing the initiative regarding tuition assistance for Federal employees. In addition, I am indebted to my good friends and colleagues, the gentleman from Alaska, Senator TED STEVENS, and the gentleman from Arkansas, Senator DAVID PRYOR, for their efforts in formulating provisions affecting student loan repayments. I also want to thank the National Commission on the Public Service for its letter of support for the legislation.

Mr. Chairman, I will insert in the RECORD at this time a letter of support for the former H.R. 2544 issued from the former Volcker Commission.

THE NATIONAL COMMISSION ON THE PUBLIC SERVICE, PUBLIC SERVICE LIAISON COMMITTEE,
Washington, DC, February 13, 1990.

Hon. BENJAMIN GILMAN,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN GILMAN: I understand that the House will soon be considering legislation that you are sponsoring that would allow for repayment by agencies of the federal government of student loans in order to assist in the recruitment and retention of employees in shortage or critical occupations.

The Volcker Commission welcomes this indication that Congress shares one of the Commission's concerns; i.e., that not enough of the ablest of our young people today are prepared to consider careers in government. If that concern is justified, and we think it is, then the country faces a serious problem in the years ahead.

There appear to be a variety of reasons for this state of affairs. But prominent among them is the disparity in entry level salaries between the private sector and that of government, combined with the need facing students to repay student loans at career choice time. This situation is particularly true among skills held by certain technical and administrative personnel, and it is in this area where the needs of government are particularly acute, and will inevitably become more so in the years ahead as demographic trends result in a declining overall work pool.

The legislation that the House will shortly consider is thus an important step forward in the larger challenge of ensuring that the services of government in the years ahead are performed by personnel of the highest competence. The nation deserves no less.

Sincerely,

L. BRUCE LAINGEN,
Executive Director.

Mr. Chairman, this amendment represents a first step toward addressing the myriad problems confronting the Federal Government recruiting and retention efforts. It is not intended to correct the problems alone; rather, this measure can serve as one of several tools available for Federal agencies to use in improving their competitive advantage in attracting highly trained and skilled employees.

I emphasize that the provisions contained in this amendment are intended to be applied systemwide to all Federal agencies. In addition, the legislation does not authorize any new funds to pay for these programs. Rather, any funds needed to implement these programs must come from agency salary and expense accounts. Agencies are expected to use these tools in a cost efficient manner since no new funds have been authorized.

To further clarify legislative intent, please refer to the report filed with H.R. 2544, House Report 101-402.

Mr. Chairman, I would like to thank my colleagues, the gentleman from Massachusetts, Mr. MAVROULES, the gentleman from Kentucky, Mr. HOPKINS, and Committee on Post Office and Civil Service Members Mr. SIKORSKI of Minnesota and Mr. MCCLOSKEY of Indiana for their cooperation in working toward agreement on this measure. In addition, I thank the chairman of the House Armed Services Committee, Mr. ASPIN, and the committee's ranking minority member, Mr. DICKINSON, for their cooperation and support on this amendment. I am pleased to note that jurisdictional disputes did not stand in the way of a good measure being enacted into law.

Accordingly, I invite and urge all my colleagues to support my efforts aimed at strengthening the Federal Government's recruiting and retention efforts by joining me in support of this measure.

□ 1620

The CHAIRMAN pro tempore (Mr. DURBIN). Under the rule, there is 5 minutes reserved to any Member opposed to the amendment offered by the gentleman from New York [Mr. GILMAN]. Does anyone seek recognition for that purpose?

Mr. MAVROULES. Mr. Chairman, I am not opposed to it, but would I be allowed under the rule to make a statement in support of the amendment?

The CHAIRMAN pro tempore. The gentleman from New York [Mr. GILMAN] has 2 minutes remaining in support of his amendment, and, if the gentleman from New York cares to yield his time, the gentleman from Massachusetts [Mr. MAVROULES] can speak in support of it.

Mr. GILMAN. Mr. Chairman, I yield such time as he may consume to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I thank the gentleman from New York [Mr. GILMAN] for yielding time to me.

I rise in support of the gentleman from New York's amendment and commend him for his valuable contribution and cooperation. As a proponent of the measure being amended, I

want to say that it is with pleasure that we accept the gentleman's amendment.

The Gilman amendment rounds out our defense acquisition work force proposal by providing essential statutory authority for agency heads to pay or reimburse employees for the cost of degree training and education.

Additionally, in providing the authority for the Government to repay federally supported student loans, this amendment would grant the Defense Department the needed tools to recruit and retain the high quality personnel required to make the new acquisition work force work.

Mr. Chairman, the Gilman amendment and many of the provisions in the Mavroules-Hopkins amendment resulted from the extensive consultations between the Armed Services Committee and the Post Office and Civil Service Committee. I take this opportunity to once again express my appreciation for the cooperative manner in which Mr. FORD, Mr. GILMAN, Mr. SIKORSKI, and Mrs. MORELLA considered our legislation and worked with us hand-in-glove to bring it to the floor during this session.

I should also mention, Mr. Chairman, that the pay reform initiative contained in H.R. 3979, as proposed by the Post Office and Civil Service Committee, is an essential element of our defense acquisition work force package, one which we did not address in the expectation that it will be covered in the expected pay reform bill.

In closing, I thank Mr. GILMAN for his contribution and support and urge the House to adopt the Gilman amendment as an important and integral component of the Defense Acquisition Improvement Act.

Mr. GILMAN. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. MAVROULES] for his kind support of the amendment.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. GILMAN. I yield to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, I associate myself with the remarks just made by the gentleman from Massachusetts and join him in supporting and accepting the Gilman perfecting amendment to the Mavroules-Hopkins amendment.

Mr. GILMAN has ably explained the contents of his amendment so I won't attempt to expand or improve on his presentation.

However, for the record, I want to point out that the Defense Department does not object to the Gilman amendment and considers it an important tool in enhancing their ability to recruit and keep essential qualified personnel.

I also want the record to reflect the fact that both the Gilman and the Mavroules-Hopkins amendments do not authorize any additional funds. Although they provide the authority to expand the scope of existing education programs, agencies must come up with the money to fund these expanded programs from within their existing budget.

Mr. Chairman, I thank the gentleman from New York for his valuable work in this area and urge the adoption of his amendment.

Mr. GILMAN. Mr. Chairman, I thank the gentleman from Kentucky [Mr. HOPKINS] for his kind supporting remarks, and I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment of the gentleman from New York [Mr. GILMAN] to the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES].

The amendment to the amendment was agreed to.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from Massachusetts [Mr. MAVROULES] in support of his amendment, as amended.

PARLIAMENTARY INQUIRY

Mr. MAVROULES. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. MAVROULES. Mr. Chairman, on my amendment how much time am I given?

The CHAIRMAN pro tempore. Five minutes under the rule.

Mr. MAVROULES. And also 5 minutes for the gentleman from Kentucky [Mr. HOPKINS]?

The CHAIRMAN pro tempore. The rule reserves 5 minutes for any Member in opposition to the amendment as well.

Mr. MAVROULES. In opposition?

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES] is correct.

Mr. MAVROULES. Mr. Chairman, my amendment establishes a Defense Department program to improve the quality and professionalism of the defense acquisition work force. I have already discussed why this legislation is needed and the process through which it was developed. Let me briefly summarize its highlights.

This legislation provides the framework for developing a work force with the skills and attributes required to manage the defense acquisition process. Under this legislation, the department identify the defense acquisition work force; establish a leadership cadre by creating an Acquisition Corps in each military department and the defense agencies; identify "critical acquisition positions;" and establish certain minimum education, training and experience requirements for these personnel and positions. The amendment aims to increase the number of civilians in critical acquisition positions and the tenure of persons in critical acquisition positions. It also requires that the Defense Department implement improvements in defense acquisition education and training programs.

My colleagues and I who have developed this landmark legislation urge you to join with us in adopting the Defense Acquisition Workforce Improvement Act and setting into motion an acquisition reform initiative which will finally address the most important element within the defense acquisition system—the people who must make it work.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield to my friend and colleague, the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. MAVROULES] for yielding.

Mr. Chairman, we are obviously in support of this legislation. I merely want to commend the chairman for the very hard work that he has performed over many, many years in trying to correct the situation that all of us knew needed to be corrected.

Mr. MAVROULES. Mr. Chairman, I thank the gentleman from Kentucky [Mr. HOPKINS].

Finally, Mr. Chairman, I would like to thank all my staff for their work on this proposal and the 776-page report they developed. And I would like to thank especially two staff members who are not permanent members of the Armed Services Committee: first, Dr. Jim Edgar, an American Political Science fellow who was on loan to the committee for over a year from the Air Force; and second, Mrs. Julia Denman, on detail from the General Accounting Office for the past year. They both worked extremely hard on both the report and recommendations and I thank them sincerely for their efforts.

Ms. SLAUGHTER of New York. Mr. Chairman, I rise today to comment on the spare parts procurement debate and to commend the chairman of the Subcommittee on Investigation for this interest and his efforts in this area.

Two years ago, in the last Congress, I introduced H.R. 5229, a bill to revise certain Government procedures with respect to contracts for the procurement of spare parts in order to reduce Federal procurement costs and to improve the ability of small businesses to compete for such contracts. Again in the 101st Congress, I have reintroduced this legislation, H.R. 1111, the Competition in Government Spare Parts Procurement Act, to continue these efforts.

The Competition in Government Spare Parts Act is designed to broaden the industrial base by increasing competition in the procure-

ment of DOD spare parts. H.R. 1111 breaks down the barriers to competition by ensuring potential suppliers have access to technical data and by beefing up the numbers, training, and education of competition advocacy employees. In order to assure a level playing field for small businesses, the amendment would also tighten up enforcement of the Regulatory Flexibility Act and ends current anticompetitive abuses of contract aggregation, qualification requirements, and source approval standards.

H.R. 1111 is designed to increase competiton in defense procurement, and improve the ability of small businesses to compete for Government contacts, particularly for spare parts. The bill specifically addresses several areas which currently hinder small business from more extensive involvement in the procurement process. By increasing small business participation, this legislation will save money, strengthen our industrial base, and create a more efficient and effective procurement system.

Although the last several years have seen numerous efforts to reform the procurement process, the gains made in 1984 and 1986 have been whittled away. Noncompetitive practices and the domination by large corporations still characterizes the defense procurement process. We can no longer afford the luxury of expanding and open ended defense spending.

The debate over proprietary rights to technical data, and the efficacy of sole source contracting as opposed to increased competition, is not one that is easily settled. Balancing contractors rights to data against the demand for reform caused by the fraudulent abuses associated with sole source contracting is not easy. On March 15 of this year, Chairman MAVROULES held a hearing on H.R. 1111, providing an opportunity for me to testify, along with representatives of industry and the Defense Department.

Largely as a result of this hearing, as well as of the threat of a legislative settlement of the technical data rights debate—which has proven to be the most contentious section of the bill—a coalition of industry representatives involved in Federal contracting have developed a set of recommendations for improving the Department of Defense regulations on technology and technical data.

This group includes: The Aerospace Industries Association [AIA], the National Tooling and Machining Association [NTMA], the Proprietary Industries Association [PIA], the Electronics Industries Association [EIA], and others. The actual agreement is one of principle, and contains five main points which attempt to define the rights to data, while ensuring adequate access to data for all parties concerned.

Specifically, the industry agreement states that Government procurement policies should be based on the following precepts: First, technology development should be encouraged; second, commercial products should be acquired whenever practicable and the Government should have no greater rights in the deliverable technical data than a commercial customer; third, competition should be pursued whenever practicable; fourth, contractor rights in technology are a property right and should not be acquired without a fair and reasonable compensation; and fifth, where Government owns data, such data, for purposes of reprocurement, should be provided in a timely manner.

Furthermore, the group holds that improvements are needed both in the protection of contractors' rights in technology and in the timely availability of deliverable technical data needed for reprocurement. It is further held that both improvements can be accomplished without one impinging upon the other. These are the two questions concerning the "rights to data" and "access to data." To increase competition, access to data needs to be facilitated. The problem is how this relates to an organization's rights to data, particularly in a system notorious for mislabling as proprietary, data which is not.

These recommendations were transmitted to the Department of Defense—a copy of the full text is submitted for the record—and discussions with the industry group and the DOD are continuing. There obviously remain areas of dispute, and questions over the implementation of these principles; but it is my hope that with continued pressure from Congress for a negotiated settlement, that a mutually acceptable agreement on providing access to technical data can be obtained and implemented. Providing such access could do much to increasing competition and lowering costs. Again, it remains unclear whether or not such an arrangement can be achieved.

Regarding the other elements of H.R. 1111, the Armed Services Committee, at my request, has asked the General Accounting Office to provide a study on, first, the technical data repository system, and second, the feasibility of requiring the Department of Defense [DOD] to accept Federal Aviation Administration [FAA] certification on commercial parts which are procured by DOD, unless otherwise designated. Such procedures are common practice in NATO countries, and would increase competition in the procurement of spare parts by the Federal Government.

There remain outstanding problems, and the issues raised by H.R. 1111 are far from resolved. Streamlining a cumbersome and overly bureaucratic procurement process does not end with the debate over the rights to technical data. Eliminating the aggregation of contracts, source approval standards or other barriers to competition are all necessary and legitimate provisions of this legislation. However, with the continued efforts of the committee, the Congressional Military Reform Caucus, the industry representatives, the DOD and other concerned parties, I feel we can make great progress in improving our defense procurement process.

Again, I would like to thank Chairman MAVROULES, the Armed Services Committee and its staff for their efforts in this area. I look forward to the conclusion of the GAO studies, and to working with the committee next year on these issues.

UNITED TECHNOLOGIES,
Hartford, CT, April 3, 1990.

MS. ELEANOR SPECTOR,
The Pentagon,
Washington, DC

DEAR MS. SPECTOR: In our December 14, 1989 meeting, you asked industry representatives to coordinate their activities in establishing a unified set of recommendations on how to deal with the long-standing issue of technical data. I agreed to coordinate that overall industry effort.

We established an industry team with representatives from Aerospace Industries Association, the Proprietary Industries Association (PIA), Electronic Industries Association (EIA), National Tooling and Machining Association (NTMA), Council of Defense and Space Industry Association (CODSIA), and National Security Industrial Association (NSIA). In an atmosphere of mutual trust and understanding, the team undertook an aggressive effort to identify, work and resolve the issues that caused us to be fragmented. Attached is the Unified Defense Industry Recommendations for Improving the DoD Regulation on Technology and Technical Data.

We fully recognize that our effort thus far is only the first major milestone toward achieving a fair and balanced regulation which could represent a lasting solution to this issue. However, we fully believe that can be achieved and stand ready to work with you to find a fair solution.

We believe the process that industry has pursued over the past 3½ months in resolving its differences is evident in the product that we offer as our recommendation. We further believe that continuing the same process with DoD involvement could enable us to jointly achieve the next major milestone: a set of unified DoD/industry recommendations. Following that accomplishment and with continuing executive level attention and guidance, we should be able to work together to gain any necessary legislative changes. The ultimate objective of developing a concise, fair, workable and understandable regulation can then be accomplished.

We commend you for your initiative to bring industry together on this issue and believe that it forms the basis for us to work with you on issues of mutual interest in the future. We look forward to your response and are committed to working this issue to a fair conclusion.

Sincerely

ARTHUR E. WEGNER.

UNIFIED DEFENSE INDUSTRY RECOMMENDATIONS FOR IMPROVING DOD REGULATION ON TECHNOLOGY AND TECHNICAL DATA

(Note: Contract/contractor and subcontract/subcontractor can be used interchangeably in this document. Developer may mean contractor or subcontractor.)

INTRODUCTION

A committee of defense industry representatives, including members from the Aerospace Industries Association (AIA), Electronics Industries Association (EIA), the Proprietary Industries Association (PIA), the Council of Defense and Space Industries Association (CODSIA), the National Tooling and Machining Association (NTMA) and the National Security Industrial Association (NSIA) have worked jointly to develop a set of unified industry recommendations for improving the DoD regulation on technology and technical data.

BACKGROUND

For the past five (5) years Government and industry have been working to resolve major differences in developing a fair and workable regulation on technology and technical data. Although progress was made during that period, the effort had reached an impasse with major issues still existing. Industry felt that executive level attention was essential for further progress. Through a series of meetings involving DoD and industry executives, it was decided that industry should establish a set of unified recommendations for developing a fair, concise and workable regulation on technology and technical data.

Industry believes that the Government procurement policies should be based on the following precepts: (1) technology development should be encouraged because its incorporation into vital defense systems is essential to national security; (2) commercial products and their modifications should be acquired whenever practicable and the Government should have no greater rights in the deliverable technical data than a commercial customer; (3) competition should be pursued whenever it facilitates the national security and is economically practicable; (4) contractor rights in technology are a property right and should not be acquired without a fair and reasonable compensation and (5) where the Government has acquired the rights to deliverable reprocurement technical data and pursues competition using that data, the Government should provide timely access to all potential suppliers who wish to compete for that reprocurement requirement. However, industry does not believe these precepts have been achieved by the present policies and regulations.

Improvements are needed both in the protection of contractors' rights in technology and in the timely availability of deliverable technical data needed for reprocurement. Both improvements can be accomplished without one impinging upon the other. Without such improvements, contractors will be discouraged from making future investments in technology for defense application and frustration will continue relative to limited competitive spare parts reprocurements.

Progress in working these issues can be made if it is first recognized that problems resulting from past contracting practices and from deficiencies in the Government repositories have inhibited effective competition due to lack of timely access and incompleteness of technical data which was not acquired generally for the purpose of competitive reprocurement.

Inudstry feels that we can build on the lessons learned from the current situation and that meaningful progress can be made in resolving the technology and technical data issues if they are dealth with first as business issues, then framed by legal considerations. Improved regulation must be founded in law, be fair to all parties involved, utilize the latest tools and concepts available to satisfy the requirements, recognize the impact that contract-enabling documents (DoD directives, specifications and standards) have on the data requirements and be developed as a cooperative effort by Government and industry in an atmosphere of mutual trust.

RECOMMENDATIONS

Industry believes that there are three separate but related issues: (1) rights in technology developed, (2) the acquisition of technical data when it is essential for Government needs, and (3) timely access to technical data which the Government has the right to use for competitive reprocurement purposes. Industry recommends that a fair, concise and workable regulation be developed which defines rights in technical data based on the concept of "technology developed at private expense" and "technology developed with direct Government funds". Since the rights issue is applicable to all Government procurements, we recommend that it be dealt with Government-wide through appropriate modifications to the current Federal Acquisition Regulation (FAR).

Relative to DoD needs for deliverable technical data for training, installation, operation and maintenance and relative to guidelines for contracting officers in satisfying the competitive reprocurement needs of the Government, including the timely access to technical data for reprocurement purposes, we recommend that those issues be dealth with in DoD FAR Supplements.

In pursuing this recommended apoproach, industry offers the following policy principles and is committed to work with DoD in resolving these long-standing issues.

RECOMMENDED POLICY PRINCIPLES

1. Rights in Technical Data—FAR Modifications As Appropriate:

Technology developed initially in performing a Government contract should be considered developed with direct Government funds provided the development is charged as a direct cost by the developer to the Government.

All technology developed under a contract with direct Government funds is the property of the developer, but subject to a Government royalty-free, non-exclusive license, including the right to license others for Government reprocurement purposes.

When both the Government and a contractor contribute to initial development of technology and it is impossible to separate technology developed at private expense, Government rights should be negotiated.

Technology other than that set forth above shall be considered technology developed at private expense.

Technology initially developed for and included in commercial products and their modifications shall be considered technology developed at private expense.

In order for a contractor to protect rights in technology developed at private expense, in whole or in part, the deliverable data depicting that technology should be marked with an appropriate restrictive legend.

The validity of markings applied to deliverable technical data may be challenged in a timely manner through the contracting officer except for: Data which was marked in accordance with a predetermined agreement between the contractor involved and the Government; or data relating to commercial products.

2. Guidelines for Procurement Officials in Acquiring Technical Data—DoD FAR Supplement;

The relinquishment of rights in privately developed technology shall not be a condition for being responsive to a solicitation or for a contract award.

The Government should specify its needs for deliverable technical data required for training, operation, installation and maintenance.

When the Government procures commercial products or modified commercial products, the contractor should be required to provide to the Government only that deliverable technical data, and with substantially the same rights as are normally delivered to its commercial customers.

When competitive reprocurement is deemed in the best interest of the Government and the Government does not have the right to use technical data for that reprocurement, the contracting officer shall consider alternative procurement techniques. Among these alternatives are: Form fit and function specification(s), licensing of new sources by the contractor, reverse engineering, purchase of rights in deliverable reprocurement technical data, and contracting for a transferable license to a reprocurement technical data package.

During contract performance, the design verification process should insure that the Government is not deprived of the use of deliverable technical data through inappropriate incorporation of technology developed at private expense for the purpose of limiting Government reprocurement rights.0

3. Guidelines for Procurement Officials in Assuring Effective Competition and Providing Timely Access to Reprocurement Technical Data—DoD FAR Supplement.

To enhance competition to the maximum practical extent, the Government should, as a part of procurement planning, make every reasonable effort to obtain and provide timely access to all deliverable reprocurement technical data which the Government has a right to make available, provided such action is cost effective and fully consistent with product quality and safety requirements.

Deliverable technical data in which the Government has a royalty-free, non-exclusive license shall be made accessible to potential suppliers of competitive reprocurement requirements in a timely way.

In new procurements where the Government is contracting for requirements which include delivery of technical data for the first time, the Government should have a policy for contracting with the developer to: (i) Serve as the repository for the deliverable technical data including the reprocurement technical data, and (ii) Provide the Government timely access to such repository data upon request by the Government.

Where the Government currently has in its repositories contractor developed and delivered technical data, which it has the right to use for reprocurement, but which do not meet the requirements for timely availability, and are not current, accurate, and complete for competitive reprocurement purposes, the Government should have a policy for contracting with the developer to: (i) Update the contractor developed data which was delivered under the contract to meet reprocurement requirements; and (ii) Serve as a repository for future Government access/need for such updated data.

4. Implementation:

At their discretion and without additional consideration, contractors should be allowed to follow the new regulation in existing contracts having earlier versions of the regulation published September 10, 1985, April 16, 1987, April 1, 1988, or October 28, 1988.

To the extent that revisions to existing law are required to remove obstacles to obtain a regulation implementing these guidelines, the DoD and industry will cooperate in seeking those revisions.

The DoD should establish a program of scheduled reviews addressing DoD's implementation and industry's compliance with the regulatory requirements established by these policy guidelines.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES] as amended.

The question was taken; and the Chairman pro tempore, announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MAVROULES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 413, noes 1, not voting 18, as follows:

[Roll No. 321]

AYES—413

Ackerman	Crane	Hancock
Alexander	Crockett	Hansen
Anderson	Dannemeyer	Harris
Andrews	Darden	Hastert
Annunzio	Davis	Hatcher
Anthony	de la Garza	Hawkins
Applegate	DeFazio	Hayes (IL)
Archer	DeLay	Hayes (LA)
Armey	Dellums	Hefley
Aspin	Derrick	Hefner
Atkins	DeWine	Henry
Baker	Dickinson	Herger
Ballenger	Dicks	Hertel
Barnard	Dingell	Hiler
Bartlett	Dixon	Hoagland
Barton	Donnelly	Hochbrueckner
Bateman	Dorgan (ND)	Holloway
Bates	Dornan (CA)	Hopkins
Beilenson	Downey	Horton
Bennett	Dreier	Houghton
Bentley	Duncan	Hoyer
Bereuter	Durbin	Hubbard
Berman	Dwyer	Huckaby
Bevill	Dymally	Hughes
Bilbray	Dyson	Hunter
Bilirakis	Early	Hutto
Billey	Eckart	Hyde
Boehlert	Edwards (CA)	Inhofe
Boggs	Edwards (OK)	Ireland
Bonior	Emerson	Jacobs
Borski	English	James
Bosco	Erdreich	Jenkins
Boucher	Espy	Johnson (CT)
Boxer	Evans	Johnson (SD)
Brennan	Fascell	Johnston
Brooks	Fawell	Jones (GA)
Broomfield	Fazio	Jones (NC)
Browder	Feighan	Jontz
Brown (CA)	Fields	Kanjorski
Brown (CO)	Fish	Kaptur
Bruce	Flake	Kasich
Bryant	Foglietta	Kastenmeier
Buechner	Ford (MI)	Kennedy
Bunning	Ford (TN)	Kennelly
Burton	Frank	Kildee
Bustamante	Frenzel	Kleczka
Byron	Frost	Kolbe
Callahan	Gallegly	Kolter
Campbell (CA)	Gallo	Kostmayer
Campbell (CO)	Gaydos	Kyl
Carper	Gejdenson	LaFalce
Carr	Gekas	Lagomarsino
Chandler	Gephardt	Lancaster
Chapman	Geren	Lantos
Clarke	Gibbons	Laughlin
Clay	Gillmor	Leach (IA)
Clement	Gilman	Leath (TX)
Clinger	Gingrich	Lehman (CA)
Coble	Glickman	Lehman (FL)
Coleman (MO)	Gonzalez	Lent
Coleman (TX)	Goodling	Levin (MI)
Collins	Gordon	Levine (CA)
Combest	Goss	Lewis (CA)
Condit	Gradison	Lewis (FL)
Conte	Grandy	Lewis (GA)
Conyers	Grant	Lightfoot
Cooper	Gray	Lipinski
Costello	Green	Livingston
Coughlin	Guarini	Lloyd
Courter	Gunderson	Long
Cox	Hall (TX)	Lowery (CA)
Coyne	Hamilton	Lowey (NY)
Craig	Hammerschmidt	Luken, Thomas
Lukens, Donald	Payne (VA)	Smith (NE)
Machtley	Pease	Smith (NJ)
Madigan	Pelosi	Smith (TX)
Manton	Penny	Smith (VT)
Markey	Perkins	Smith, Robert (OR)
Martin (NY)	Petri	Snowe
Martinez	Pickett	Solarz
Matsui	Pickle	Solomon
Mavroules	Porter	Spence
Mazzoli	Poshard	Spratt
McCandless	Price	Staggers
McCloskey	Pursell	Stallings
McCollum	Quillen	Stangeland
McCrery	Rahall	Stark
McCurdy	Rangel	Stearns
McDade	Ravenel	Stenholm
McDermott	Ray	Stokes
McEwen	Regula	Studds
McGrath	Rhodes	Stump
McHugh	Richardson	Sundquist
McMillan (NC)	Ridge	Swift
McMillen (MD)	Rinaldo	Synar
McNulty	Ritter	Tallon
Meyers	Roberts	Tanner
Michel	Robinson	Tauke
Miller (CA)	Roe	Tauzin
Miller (OH)	Rogers	Taylor
Miller (WA)	Rohrabacher	Thomas (CA)
Mineta	Ros-Lehtinen	Thomas (GA)
Moakley	Rose	Thomas (WY)
Molinari	Rostenkowski	Torres
Mollohan	Roth	Torricelli
Montgomery	Roukema	Towns
Moody	Rowland (CT)	Traficant
Moorhead	Rowland (GA)	Traxler
Morella	Roybal	Udall
Morrison (WA)	Russo	Unsoeld
Mrazek	Sabo	Upton
Murphy	Saiki	Valentine
Murtha	Sangmeister	Vander Jagt
Myers	Sarpalius	Vento
Nagle	Sawyer	Visclosky
Natcher	Saxton	Volkmer
Neal (MA)	Schaefer	Vucanovich
Neal (NC)	Scheuer	Walgren
Nelson	Schiff	Walsh
Nielson	Schneider	Washington
Nowak	Schroeder	Waxman
Oakar	Schulze	Weber
Oberstar	Schumer	Weiss
Obey	Sensenbrenner	Weldon
Olin	Sharp	Wheat
Ortiz	Shaw	Whittaker
Owens (NY)	Shays	Whitten
Owens (UT)	Shumway	Williams
Oxley	Shuster	Wise
Packard	Sikorski	Wolf
Pallone	Sisisky	Wolpe
Panetta	Skaggs	Wyden
Parker	Skeen	Wylie
Parris	Skelton	Yates
Pashayan	Slaughter (NY)	Yatron
Patterson	Slaughter (VA)	Young (AK)
Paxon	Smith (FL)	Young (FL)
Payne (NJ)	Smith (IA)	

NOES—1

Walker

NOT VOTING—18

AuCoin	Martin (IL)	Smith, Denny (OR)
Cardin	Mfume	Smith, Robert (NH)
Douglas	Morrison (CT)	Watkins
Engel	Savage	Wilson
Flippo	Schuette	
Hall (OH)	Serrano	
Marlenee	Slattery	

□ 1645

So the amendment, as amended, was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). It is now in order to debate the subject of home-porting.

Pursuant to the rule, the gentleman from Florida [Mr. BENNETT] will be recognized for 15 minutes, and the gentleman from New York [Mr. MARTIN] will be recognized for 15 minutes.

The Chair recognizes the gentleman from Florida [Mr. BENNETT].

□ 1650

Mr. BENNETT. Mr. Chairman, I yield myself such time as I may use.

Mr. Chairman, my amendment would provide for the prompt closure of the Navy home port of Staten Island, NY, and require the facilities and property there to be disposed of under applicable provisions of law.

Mr. Chairman, I believe that we should have a strong Navy, and the amendment I am offering reflects that the Navy is unfortunately going to be smaller in the future, even though I personally never abandoned the goal of a 600-ship Navy.

Mr. Chairman, it will cost almost a half billion dollars to open and operate the Staten Island base over the next 5 years. So far the U.S. Government has expended $136 million on initial construction of this facility. This could be recouped from the sale of the facility, but it will take $57 million more to bring the base into initial operating capability. The General Accounting Office reports that it will take at least $400 million more to bring the base to full operating capability and operate the base over the next 5 years.

New York City is a very expensive place to base ships. For example, the Navy says that it will cost twice as much for family housing on Staten Island than at other areas. Further, the cost of operating ships out of Staten Island will run $15 million to $20 million more per year than keeping the ships where they are in ports like Norfolk or Philadelphia.

There is no strategic rationale for this new home port. We do not need a new base at Staten Island to ease overcrowding at the 34 existing home ports. We currently have 550 ships and the Navy is planning to build down to 450 ships by 1996.

Nor would time be gained in deployment since ships from Staten Island would still need to convoy with ships based in other east coast ports.

New York City does not want the base. This base is in an overwhelming Democratic area. But the city's Democratic mayor, David Dinkins, and 11 of the 12 Democratic New York City Representatives have told us: "Close the base."

Mr. Chairman, I am sad to see this base close, but I feel that the change that has occurred in the Navy, with cutting the size of the Navy, it just does not make sense to spend another half billion in the next 5 years to take care of this base when all of these ships have home ports now. They can

all be taken care of at bases that are there now.

Mr. Chairman, that ends my opening remarks. I have a lot of Members who want to speak for just 1 minute, so I reserve the balance of my time.

Mr. MARTIN of New York. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, as the ranking member of the Military Construction Subcommittee, this is a subject that we have dealt with on any number of occasions over the last 4 or 5 years. Ultimately we came up with a home-porting plan.

Ultimately the Navy came up with the plan that this House has passed on time and time again, and one of those home ports was in Stapleton on Staten Island in New York. I have asked so many Members of the committee and this body to take it upon themselves to go up to Staten Island and take a look. It is 95 percent complete. When I talked to them about it, one would think that we thought we were going to tie the bow of these ships up to the World Trade Center and the stern to the Empire State Building and drop the gangway somewhere down on Broadway. For those of my colleagues who have not taken the opportunity to go to Staten Island, yes, they can see a view of the city of New York. But Staten Island is a very nice community that wants the Navy very badly. Once Members have been there and seen how their dollars have been spent on this facility they will not wonder why I am so taken aback in wondering why some are trying to close down this particular home port.

□ 1700

That would make a lot more sense. To talk about closing this home port that is 95 percent complete, with a ship and the families there, at a time when the Department of the Navy is coming forth with a report to explain their position on where they want these ships dispersed into the next century; I just don't understand. Is it too much to ask to even allow Secretary Cheney in the difficult times to come up here and give us a report and his logic about which of these home ports he wants? If the Secretary comes up and says he does not want this home port, that would be my position.

Mr. Chairman, I ask everyone in the Chamber to vote against the Bennett amendment.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HERTEL].

Mr. HERTEL. Mr. Chairman, I congratulate the chairman for this amendment.

Well, I told you so. In 1986 I brought this amendment to the floor. We had a majority of the House pass the amendment to stop the New York home port. They took it out in conference committee because we had hundreds of Navy people come in and lobby this Congress and threaten this Congress.

Barry Goldwater said it was the stupidest idea he ever heard in over 25 years in the Senate, to build a Navy home port in the most expensive city in the United States in the nuclear age; in a nuclear age when I assume—I think we all assume—that New York and Washington are at the top of the list for any missile attack.

Now we have wasted hundreds of millions of dollars, hundreds of millions of dollars. Today I hope we will make the right decision and stick to it in conference and save this money because the budget is being cut, because there are meetings today out at Andrews Air Force Base on this huge deficit.

Yet, because of politics, the Navy Secretary got his way and tried to spend this kind of money and now waste this kind of money in building a port in New York City.

Let me tell you, the sailors and the families do not want to be in New York City either. They cannot afford to live there. It costs more to have construction in New York City. In fact, in the first year the housing cost doubled.

So let us stop it now before we waste hundreds more millions of dollars. Let us just stop it now. Let us have some common sense.

We are closing bases in other parts of the country. Yet we go to the most expensive city to build one of the most expensive bases when the budget is being cut and the deficit is rising.

Let us listen to the people in New York City, let us end this and save this money. Let us vote for the Bennett amendment today.

Mr. MARTIN of New York. Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I rise in opposition to the amendment. The Department of Defense is supportive of home-porting and has not requested their department, in the bill that was sent over from the Defense Department to our committee, that any home ports be taken out or be dropped from the legislation.

Now, this issue really seems to be a fight between the New York delegation. That is fine. However, we did get a letter from the Governor of New York supportive of home-porting Staten Island.

Now, our former colleague, Guy Molinari, who is administering this area where the home port is being built, is supportive. Also, the gentlewomen from New York, SUSAN MOLINARI, is supportive. It is her district. She knows whether she wants it there or not, and she wants it.

We have already spent, Mr. Chairman, $240 million in building that home port. Now the Navy has shown some good common sense in saying that they are going to put the naval reservists in that home port, use some of those naval reservists in that area.

It makes a lot of good common sense to continue to support home-porting.

Mr. Chairman, I rise in opposition to the amendment.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Chairman, the decision to place a home port in Staten Island was always a political decision and never a military decision. We were seeking support all over the country for the Navy's master plan. The battleship *Iowa* was supposed to be berthed in this home port. They insisted on maintaining nuclear weapons option for the battleship *Iowa*.

In the most densely populated area of the country we want to have nuclear weapons.

The battleship *Iowa* blew up later. In case you do not know it, 49 sailors died when it blew up.

The battleship *Iowa* is now put in mothballs. Still, we want to have the Staten Island home port. We are not trying to save money today, not asking you in the name of the majority of the New York City delegation to save money and close down the home port; we are trying to save the credibility of the Congress.

Why are you insisting that a home port that was constructed for a ship that has now been put in mothballs for a strategy that is no longer applicable must go forward? It is ridiculous.

Mr. Chairman, I rise in strong support of the Bennett amendment to cease construction of the Staten Island home port. There are many reasons why completion of this particular home port makes no sense. The redirection of our future military needs no longer requires that we spend the resources on building new bases. Since the mothballing of the battleship *Iowa,* which was to be the centerpiece of the home port, the home port has lost its purpose. In addition, citizens groups and legislators have been protesting against the establishment of the Staten Island nukeport since it was first proposed. Stationing ships with nuclear weapons in the extremely densely populated area of New York City represents dangerously irresponsible planning. This safety threat is completely out of proportion to the defensive value the home port would now have.

Halting construction of the Staten Island home port would save the Federal Government from spending any more money on the site. The site could be converted to commercial use, which would provide jobs, tax revenue, and would have the support of the city's residents. Several worthwhile commercial proposals have already been made to the city,

and consideration is pending subject to the decision of the Federal Government regarding the future of the home port.

Moreover, the this body we have passed many resolutions regarding the need to downsize our Military Establishment at home and close bases, but few Members of Congress want a military base in his or her own district to be on that list.

Well, here is an easy one, Mr. Chairman. Not only do 11 out of the 14 Members from the New York City area support closing the Staten Island home port, but we have even been actively campaigning against the home port.

The senior Senator, the mayor, the comptroller, and a majority of the city council members are also opposed to the home port.

Citizens groups have been lobbying our offices heavily against it.

Mr. Chairman, why should we insist on the home port that the community does not want, and spends millions of dollars in start-up costs, and millions more to operate it, when other communities around the country are being devastated by the closing of their bases. It makes no sense.

Yes, money has already been spent on the Staten Island home port. But GAO estimates it will cost $57 million more to complete the base and at least $400 million more to bring the base to full operating capability over the next 5 years. Let's not make it worse by pouring hundreds of millions of dollars more down that hole. After all, in 6 years it may be on the list of bases to be closed.

Let's be prudent, let's respond to the wishes to the New York City citizens, and let's stop this latest Government boondoggle now.

Vote for the Bennett amendment.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. I thank the chairman.

The Staten Island homeport is unwanted. New York opposition to the base has been consistent, widespread, and adamant. According to a 1985 poll, a majority of the city's citizens oppose the base. So do 11 out of the 14 members of the New York City congressional delegation, Mayor David Dinkins, and a majority of New York City council members.

The Staten Island home port is unnecessary. Its battleship has been decommissioned. And, the base is not needed to ease overcrowding at the 34 existing home ports, especially, when the Navy plans to pair down its fleet by 100 ships by 1996. The Middle East crisis demonstrates that the Navy does not need more ports, but rather more transport ships and mine sweepers.

The Staten Island home port is unfinished. Its supporters assert that it is 90 percent complete. Yes, 90 percent of the $188 million authorized by Milcon to achieve initial operating capacity has been spent. But, according a 1988 Navy document, $446 million in total construction expenditures will be required to bring the port to full operating capacity. Thus, according to the Navy's own figures, the port is less than 50 percent complete.

Secretary Cheney recently challenged Members of Congress to put their money where their mouths are in asking for defense cuts. Well, the New York City delegation, rather than protesting the closing of the New York base, is pleading for it. I urge you to join New Yorkers in supporting the Bennett amendment and opposing the Molinari substitute. The Molinari substitute spells procrastination, and procrastination wastes time and money.

Mr. Chairman, you know we have been hearing talk about how this home port is 90 to 95 percent complete. That is simply totally untrue. Ninety-five percent of the money that has been appropriated has been spent. That is about $160 million. There are almost $500 million more to be spent.

You need 850 housing units that will cost $120 million. Even groundbreaking has not taken place on it. A headquarters building has to be built, a construction battalion unit facility has to be completed, a public works facility has to be done. Physical fitness and general well-being facility also. That totals $425 million alone. The Navy says, in addition, it needs bachelors enlisted quarters and officers quarters, it needs a child care center, it needs a post exchange and commissaries, and it needs additional fencing.

A half billion dollars more. Do you want to spend good money after bad at this point? You can use the facility for other purposes; there are lots of alternatives for it. When we are trying to cut back on bases that are already working, to spend a half billion dollars to open up an unnecessary new base simply does not make any sense.

It will come out of projects that you may want in your districts.

The CHAIRMAN pro tempore (Mr. DURBIN). For the information of the Members, the gentleman from New York [Mr. MARTIN] has 12 minutes remaining, and the gentleman from Florida [Mr. BENNETT] has 9 minutes remaining.

Mr. MARTIN of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Chairman, it is an old truism that there are no final defeats. We always have in the legislative process the opportunity to reconsider any decision we make. This is controversial, there is no question about it.

Mr. Chairman, I have enormous respect for the gentleman from Florida [Mr. BENNETT] who offers the amendment. But when we reconsider things time and time again, we do so at very significant cost. Two hundred forty million dollars have already been spent. Base housing has already been built. Navy families have already been moved into the housing. Navy children are already attending school.

This is not the only home port to reflect that kind of investment. Time after time, Congress has decided to go ahead, resulting in money being spent, in planning decisions being made, in families moved.

To change our minds now wastes those millions and all that planning and disrupts those families.

At some point we must finally decide. At some point we must solder the decision. At some point we must move beyond this issue and on to other important issues instead of reconsidering the reconsideration of the reaffirmation of the last decision, which was a reconsideration of the original vote.

At some point we must do that. I would suggest to my colleagues that today is the time to do that.

I urge my colleagues to vote against this amendment.

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. I thank the gentleman for yielding.

Mr. Chairman, I rise to support the Bennett amendment.

Mr. Chairman, for us at this point in time to go into a home port operation on Staten Island is absolutely absurd, in my view.

The home port concept is identified with the cold war at its height, with a 600-ship Navy. Today, when we see the Soviet empire disappearing into the morning mist, when we see the disappearance of the Warsaw Pact as a reality, as we see the Baltic countries exiting the Soviet family of nations, running, not walking, to the nearest exit, it seems absolutely absurd, with the radical change in our relations with the Soviet Union epitomized by the unprecedented degree of cooperation that we received from them on the Middle East and on other subjects.

□ 1710

It seems absurd for Members to be gearing up to a cold war posture that is reflected in the need for a 600-ship Navy. We have a 450-ship Navy that we are headed toward, Mr. Chairman. The big problem is not to find scarce home ports for our ships. As a matter of fact, they are deactivating the *Iowa* which really was the original. The battleship *Iowa* was the original rationale for the Staten Island home port. The real problem is going to be to prevent the existing ports we have from being too lonely. That home port, that facility could be converted into something we actually need. It could be converted into an oilspill response facility.

The New York Harbor handles more oil than any other port in the country, 120 million tons a year. In the last few months, we have had five major oilspills. It could be converted into an oilspill response facility that would serve New York and serve the Nation.

Mr. MARTIN of New York. Mr. Chairman, I yield 2 minutes to the

gentleman from New York [Mr. MANTON].

Mr. MANTON. Mr. Chairman, I rise in opposition to the Bennett amendment. Since the Navy first proposed its homeporting plan in 1982, I have consistently supported the construction of a Navy home port at Staten Island. I continue to believe the Staten Island home port is a good idea for the Nation and a good idea for New York. I will address the merits of the Staten Island home port during debate on the amendments that will be offered by Ms. MOLINARI. First, I want to take this opportunity to clear up an allegation made by several of my colleagues that New York Democrats are opposed to the Staten Island home port.

It is simply not true that all Democrats in the area oppose the project. In fact, the Democratic speaker of the New York City Council, Peter Vallone, supports the home port; a majority of the Democratically controlled New York City Council supports the home port; a majority of the Democratically controlled New York State assembly supports the project; the Democratic borough presidents of Queens, Brooklyn, and the Bronx support the home port; and the Democratic Governor of the State, Mario Cuomo, supports the Staten Island home port.

In a letter to Defense Secretary Cheney, Governor Cuomo states,

I understand several members of the New York City delegation have recently written you expressing their opposition to the stationing of naval vessels at the U.S. home port on Staten Island. I do not share their views. I simply want you to know that I fully appreciate and welcome the presence of the U.S. Navy in New York City. I assure you that you have my continued full cooperation with regard to the homeporting of naval vessels at Stapleton, Staten Island.

Mr. Chairman, despite this list of distinguished Democratic officials in New York who support the home port, I believe it is important to remember that this is not a partisan issue. This is an important national defense issue, and the Staten Island home port will strengthen our national defense.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. RANGEL].

Mr. RANGEL. Mr. Chairman, this is not a Democrat or Republican issue, and I do not doubt that at one time that it was a serious military consideration as to where a port of this type might have been needed.

However, when an amendment comes from the distinguished gentleman from Florida [Mr. BENNETT], who certainly has made a career of understanding the defense needs of this country, and he reaches the conclusion that this port is not needed in the country, in the city, or in the borough of Staten Island, then I would hope we would not think that this is a Democrat or Republican issue. It is an economic issue, and I think it is one that the borough president of Staten Island has good concern, because this port can create not a home for a ship that is blown up, but the need for jobs, which are so necessary in our great city.

I, for one, want to work with him, the members of the city council, and the mayor of the city of New York, to make certain that the money that has been invested already in this great borough is not wasted, that the buildings that are there can be used for civilian purposes, and that we can really create what this port was originally created for. That is, the jobs that are necessary for our great city to move forward the way we all do, Democrats and Republicans, in the great city of New York.

Mr. MARTIN of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. CALLAHAN].

Mr. CALLAHAN. Mr. Chairman, I appreciate the time and the opportunity to speak today.

Quite frankly, what we're talking about today is not just whether the Navy home port on Staten Island should be completed, as in my personal opinion it ought to be. Rather, what we are talking about is whether it is the responsibility of the Congress, or any future Congress, to micro-manage the affairs of the Department of Defense.

Please understand, Mr. Chairman, the Molinari substitute is not some magicians' rabbit-in-the-hat trick, designed just to keep the Staten Island home port alive. To the contrary, this amendment, what it does is protect the $230 million investment of taxpayer's money that has already been spent.

Furthermore, it provides, the home port does, the authority to close home ports, or for that matter, to make any other direction of our national defense policy in the Molinari substitute, to be left in the hands of the Secretary of Defense, just as the Members of this body envisioned when we enacted the Base Closure Realignment Act.

If this were just a question of respect and admiration for the distinguished chairman of the Seapower Subcommittee, I am certain there would be no debate here today. The chairman has served this Nation and this body with valor and distinction.

However, Mr. Chairman, what we are doing is wrong if indeed we stop homeporting on Staten Island, at this point which is 95 percent complete. If we are so unwise as to vote to kill this one base, would we not really be setting ourselves up for future votes on the fate of an Army installation in Oklahoma or an Air Force base in California, or, say, a navy yard in Virginia or South Carolina? Will the next step be for Congress to determine how many men we station on each ship we have in the Navy, or the color of the hangars at Andrews Air Force Base? No, I hope Members see my point. We ought to be encouraging this direction because the home port concept, including New York, participates and have participation of local money, local dollars, in the millions of dollars. Let me encourage Members to vote against the Bennett amendment and vote for the Molinari substitute.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, if I represented Staten Island or some other portion of New York, I, too, might fight to complete this naval facility that is underway.

I do not represent New York. I represent one of the States whose taxpayers are going to be asked to cough up another half billion dollars to complete a project I believe to be unwise and unneeded. We are not far from where they are gathered today, a number of our colleagues are meeting at Andrews Air Force Base. They are wrestling with the solution to a deficit problem that defies solution. To the extent that we are not able to at least address this particular issue, God help us in addressing the real big budget deficit issue.

I felt that his particular homeporting for Staten Island, when adopted, was unwise. It was a flawed idea then. I think with the mothballing of the *Iowa*, with the changes in the world, with the Soviet Union, it is a foolish notion today. God knows, it is a very, very expensive proposition. I urge the adoption of the Bennett amendment.

Mr. MARTIN of New York. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. SOLOMON].

□ 1720

Mr. SOLOMON. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, my colleagues on both sides of the aisle, usually I stand up here in support of a strong national defense. But I am not going to do that here now because I think there is something a lot more important at stake on this particular issue. The issue here is fairness. As I look at some people on both sides of the aisle, I remember that I have stood up here for the automobile industry. It does not affect my district back home in upstate, northern New York near Canada, but I voted for the omnibus trade bill. Do you know why? Because this bill means jobs, American jobs.

I voted for the cargo preference bill here on the floor. That bill does not mean much up in the mountains of

New York State, but it does mean jobs for Americans.

I voted for the textile trade bill. I voted to override my President because that bill means jobs in all our districts. That is what we are talking about here.

The New York State AFL-CIO held their annual convention in Kiamesha Lake last week. They asked me if I would come and talk about jobs—GERRY SOLOMON, a Republican—and what this home porting would mean to the people of New York City and the surrounding area.

You know, there are 130,000 young men and women over in Saudi Arabia and in the Persian Gulf right now. Their lives are on the front lines, and yet Mayor Dinkins writes me a couple of letters and says he is afraid of home porting because it is dangerous.

Mr. Chairman, how many times have I been told that all New York State gets is welfare and they produce nothing? Here is a chance for New York City and New York State to actually participate. Give us this Molinari amendment. Turn down the gentleman from Florida [Mr. BENNETT], my good friend, and let the amendment of the gentlewoman from New York [Ms. MOLINARI] prevail; do so out of fairness, you ought to do it out of fairness to this woman.

Mr. BENNETT. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. Mr. Chairman, when the proposal to build a homeport in Staten Island was first put forward, it was in the context of the cold war. There was reason to believe that we needed to disperse the fleet so the Soviets could less easily eliminate it should there be a nuclear war between our two countries. There was a feeling that we needed to put some of our capital ships in closer proximity to the North Atlantic. It was a time when it appeared we would have a 600-ship Navy and we needed more facilities for harboring the fleet.

Now that the cold war is over, none of these assumptions apply, and the homeport is no longer needed.

We all know there are many Members of Congress who battle to keep projects and programs in the defense budget that make a marginal contribution at best to the national security of our country. Here you have 11 out of 14 members of the New York City delegation who say this a boondoggle. Who say it is not needed. Who say it does not contribute to the national defense and the money can be better put to use for other purposes.

I support the Bennett amendment.

Mr. MARTIN of New York. Mr. Chairman, I yield 1 minute to the gentleman from New Jersey [Mr. TORRICELLI].

Mr. TORRICELLI. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, and my colleagues, we are learning a great deal these days about the new realities of national defense. Paramount among them is that even in a nuclear age conventional weapons are essential to the defense of the United States. And what are these conventional capabilities today in our country? The largest port in the United States, the center of our industrial base and our maritime industry, if a naval ship breaks down, if a maritime vessel cannot sail, there is not a drydock, there are not supplies for it, there are not spare parts for it.

The maritime capabilities of the United States are in shambles.

This is not a question of the fact that with a homeport our naval vessels are one day closer in sailing to the North Atlantic, it is also about rebuilding the naval infrastucture of America. You cannot be a naval power and not have your fleet be able to be dispersed and deployed in your largest city in the heart of your industrial base.

Oppose the Bennett amendment. Bring the U.S. Navy back to the port of New York where it is needed to keep a strong conventional defense for the United States.

Mr. BENNETT. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise in support of the amendment offered by my friend, the gentleman from Florida [Mr. BENNETT], chairman of the Seapower Subcommittee of the Committee on Armed Services.

Mr. Chairman, we have entered a new era. Times have changed. The Staten Island home port makes no strategic sense—it makes no fiscal sense.

The Staten Island home port makes no strategic sense. The home-porting concept was born when we all talked of 600-ship Navy. Now, the size of the fleet may dip as low as 400–450 ships.

The Staten Island home port makes no fiscal sense. Closing the home port now could save up to $500 million. We should not spend the Navy's scarce dollars building new ports.

The home port makes no fiscal sense for the city of New York either, which is why it is opposed by nearly the entire New York City delegation and its mayor.

The Navy should spend its money on the priorities of the 1990's. Not on the wish lists of a different era. It is just common sense. Let us close Staten Island.

Mr. MARTIN of New York. Mr. Chairman, it is a great pleasure for me to yield 3 minutes, the balance of our time, to the gentlewoman from New York [Ms. MOLINARI], who represents Staten Island so well.

Ms. MOLINARI. Mr. Chairman, and my colleagues, let us get the facts straight. There has been a lot of misrepresentation of what has gone on in this Congress to date. For the last 5 years this Congress has voted to appropriate moneys for the Staten Island home port. Over $240 million of taxpayer money has been spent for the Staten Island home port.

It is not close to operational? I wish you would come take a look at this picture and see ships already docked at the pier.

It is not close to operational? I wish you would come to some of the finest Navy houses we have in our Nation and see over 240 families living there, most by their own choice because they enjoy the quality of life that we on Staten Island have been able to offer, unlike the rest of the city.

Now, it may be true, it is true, the *Iowa* has been decommissioned; but what about the *Normandy*? What about the other battleship cruiser groups that have already been targeted for Staten Island? Has not anybody told the rest of my colleagues about them? They are scheduled and ready to come here, God willing, when the gulf crisis is over.

Let me tell you a little bit about our pier, because there is lots to brag about in terms of what our money bought us. It is a state of the art military pier. It is environmentally sensitive. It is economically better than any other pier with regard to electricity, and it is not a pier that can handle an oilspill response team. It is built only to satisfy Navy ships, Navy ships that if they need to can disperse to the other side of Staten Island to handle the oilspills that some of my colleagues are so rightly concerned about.

There are home ports that have been built, constructed, and military facilities throughout this Nation, and yet Staten Island, NY, is the only base that will ever be closed by this Congress flying in the face of the Base Realignment Act. Why? Now full cost. It will cost more to close it.

Why? Because Mayor Dinkins does not want it in his port. I suggest to my colleagues that if you let a municipal mayor dictate defense policy, we are going to be in more difficult shape than we have ever been.

Yes, gratefully, as proven by Helsinki and as will be expounded by our President tonight, the cold war is over, but there are still threats out there. We still need reservists to be more adequately trained than we have in our Navy today.

I have read that, I have heard that report. We were shocked that our naval reservists were not in the kind of

shape they needed to be. Staten Island will also serve as a Reserve center for 10,000 reservists in the Northeast.

It is unfortunate that some of my friends choose to call up the idea of money and state that while it is true we are meeting on a very difficult budget, at this very same time halfway around this world our friends and our families are meeting for national security and the future of a better tomorrow for everyone in this world.

I ask you not to let Mayor Dinkins make that decision, let the Secretary of Defense make that decision.

□ 1730

Mr. BENNETT. Mr. Chairman, I yield the balance of my time to the gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Chairman, I thank the gentleman from Florida [Mr. BENNETT] for yielding to me.

Mr. Chairman, it has been a very interesting debate. As my colleagues know, I am often amazed to sit here and see the different complexions of debate that take place and how anybody could really try to prove the point that they are trying to prove. For instance, 2 hours ago the ranking member, the ranking member, of the Committee on Armed Services, who I have a great deal of respect for, said that there is pork, there is pork, in this budget. I ask, "What do you think this is? Why are we changing now? For Mayor Dinkins?"

I can say to my colleagues that in 1986 I never even knew a Mayor Dinkins existed, and I was opposed to it.

This is wrong. It was never done based on a threat, assessment, or any other type of thing. It was done for political reasons. That is why we are against it.

Yes, this Congress did vote for the last 5 years for money. Wrongly, but let me tell my colleagues something. Things have changed in 5 years. Who would have ever thought that the Committee on Armed Services would bring a bill to this floor cutting $23 billion out of it: Who would have thought 1 year ago that this would happen?

In addition, Mr. Chairman, let me tell my colleagues something. Let me tell it to them clearly. We have spent money on this base. But the problem is we are going to spend a lot more. How can we and the members of the Committee on Armed Services and this Congress look our colleagues in the face and say, "Gee, I'm sorry. You're going to have to close your base"? But yet we are opening other bases.

Now a charge was made this morning that this was politically motivated. This is pure politics. Why are we picking on Staten Island? Why are we picking on it? We tried the other base in the committee, but this is the base that is going to open the soonest. This is the shot that we had, and particularly, we have the shot because most of the Members of the delegation are opposed to it. It is that simple. I am being very honest with my colleagues now.

Another charge was made that there are parochial reasons. Sure there are parochial reasons around here. I represent the largest naval shipyard in the world, and in the wintertime we have buildings there where people have to work with overcoats.

Vote for the amendment of the gentleman from Florida [Mr. BENNETT] in order to do right.

Mr. SERRANO. Mr. Chairman, today I join my colleagues, Mr. BENNETT and Mrs. SCHROEDER and an impressive list of New York officials and private citizens who oppose completion of the Staten Island home port facility. I rise in strong support of the Bennett-Schroeder amendment to defund this boondoogle.

Opponents of this amendment will tell us that the base is 90 percent complete and that nearly $200 million of taxpayers' money already invested will be wasted.

But total construction costs to make the port fully operational would exceed $305 million and the Navy would have to spend at least $144 million to complete construction of the facility and an added $33 million in first year expenditures to outfit the new base. And, terminate of the home port at this time, according to some estimates, could produce savings of as much as $450 to $480 million over the next 5 years.

Supporters of the project insist the base will be safe. Not one of them have spoken of the devastation in human lives, in property, and in the economy of the city of New York should a nuclear accident occur.

Supporters speak of thousands of jobs created by the home port but most of these employment opportunities would be filled by Navy personnel. The home port would not enhance the economy of the city.

What New York City needs is Federal aid to help repair some 76 water bridges and 2,000 highway and railroad bridges, maintain 6,000 miles of water mains, 6,100 miles of sewers and 6,200 subway cars that travel over 700 miles of track.

Today, more than 100,000 persons live doubled up in our city's cramped housing projects. Instead of home porting, let the advocates endorse a vitally needed housing plan.

The Federal Government should scrap expensive, totally unnecessary boondoogles like this home port and spend its taxpayers' dollars on municipal infrastructure repair or some of the direly needed social programs for our urban centers.

Mr. McGRATH. Mr. Chairman, I rise today in strong support of the Staten Island, NY, naval home port.

The question of shutting down the Staten Island base is, in all essence, moot. Construction at the Staten Island base is virtually completed. Over 100 families of sailors from the U.S.S. *Normandy* have moved into the base housing. The pier has been completed. The support facilities are operational. The Navy is ready and willing to move into Staten Island. However, skeptics contend that there are great savings to be had if we shut down a base that has already been completed and open for business.

This is not a base built to World War II specifications. This is a state-of-the-art naval facility designed to quickly deploy vessels to the open sea in times of national crisis and emergency. The base would also serve a valuable reserve role for personnel who must now travel to Philadelphia or Newport, RI, for training.

Opponents of the Staten Island base want to wish it away, pretend the labor on the part of the Navy, local contractors, politicians, and civic groups never happened. Opponents claim that the mayor is opposed to this project, thus local support is insignificant. Did any of them dare to ask the Governor of New York? The New York City Council? The Staten Island Chamber of Commerce? It remains beyond logic to close this base.

An outsider to this issue would be led to believe that this is a policy debate—that we are here to determine whether or not the certain factors merit placing a naval base at Staten Island. This is a national defense matter that has been contested and argued by both sides several years ago. However, Staten Island home port opponents see this as an opportunity to replay the bottom of the ninth inning, long after the game is over and the score has been settled.

I urge my colleagues today to resist any amendment to close the Staten Island base and to reaffirm support of the people of Staten Island, NY, the U.S. Navy, and most important, the overall defense scheme of this country.

The CHAIRMAN pro tempore (Mr. DURBIN). It is now in order to consider the following amendments printed in House Report 101-668 relating to home-sporting which shall be debatable for 10 minutes each, equally divided and controlled by the proponent of the amendment and a Member opposed thereto: an amendment to be offered by the gentleman from Florida [Mr. BENNETT], and a substitute amendment thereto to be offered by the gentlewoman from New York [Ms. MOLINARI].

Mr. BENNETT. Mr. Chairman, is it true that I have 10 minutes to distribute, or is it 5 minutes?

The CHAIRMAN pro tempore. Under the rule, the gentleman from Florida has 5 minutes in support of his amendment, and a Member in opposition has 5 minutes as well. The same thing is true for the amendment to be offered by the gentlewoman from New York.

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BENNETT: Insert the following at the end of Part C of Title XXVIII of Division B (and make corresponding changes in the table of contents):

SEC. 2836. CLOSURE OF STRATEGIC HOMEPORT, AND DISPOSAL OF FACILITIES, AT STATEN ISLAND, NEW YORK.

The Secretary of the Navy shall, as soon as possible after the date of the enactment of this Act—

(1) close the Stapleton site of the strategic homeport at Staten Island, New York; and

(2) under applicable provisions of law, designate the facilities and real property as such site as excess to the needs of the Department of the Navy and take all necessary steps to provide for the transfer or disposal of such facilities and property.

The CHAIRMAN pro tempore. Under the rule, the gentleman from Florida [Mr. BENNETT] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Mr. COURTER. Mr. Chairman, I am opposed.

The CHAIRMAN pro tempore. The gentleman from New Jersey [Mr. COURTER] will be recognized in opposition to the amendment of the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, there is nobody that loves the Navy more than I do. I have a deep affection for it. I have been a chairman of the Seapower Subcommittee for many years.

Mr. Chairman, the trouble about a financial situation like we are involved in with this New York situation today is the dollars which will be spent to bring this base up to ordinary standards in the Navy which amount to a half a billion dollars in the next 5 years. This is a lot of money. Of that half a billion dollars, $400 million or $500 million in that area will be taken out of other things that the Navy needs to do to do harm to the enemy. So, this is not a parochial thing.

Mr. Chairman, it is a judgment of whether or not my colleagues think we ought to have this home port in New York City. It is very expensive at a time when the Navy is reducing its ships to spend that kind of money that is bound to be taken out of other things that the Navy desperately needs. We expected 15 new ships this year in this bill. We actually have only ten. We have to cut back, and cut back and cut back, and the Navy is feeling this pinch. These are dollars that are needed for other things in the Navy.

Mr. Chairman, I would hope very much that the committee would see fit to accept the amendment which I have introduced.

Mr. Chairman, I reserve the balance of my time.

Mr. COURTER. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I think most of my colleagues know that I am not a friend and have not been a friend in the past of strategic homeporting. In the committee bill, in the committee vote that included what the gentleman from Florida offered that included Everett, WA, I voted affirmatively. This was to strike and to terminate a home porting at that point. Somewhere on the way, and I understood at the time that that same amendment, or one substantialy like it, would be offered on the floor. Somewhere between committee and the floor an interesting thing happened, and that was that the home port at Everett, WA, got knocked out.

Mr. Chairman, the gentleman from Virginia [Mr. SISISKY], my friend, says this is the home port at which we have a shot. It is the one that is maturing now. If my colleagues look at the report that was done at the request of the committee, the Everett, WA, home port is one where we could actually make money. If we halted construction right now, if we sold the titlings that are going to be utilized by the U.S. Navy, we could at least break even and possibly even make a few bucks for the taxpayers.

Mr. Chairman, I do not like the idea of home porting, but I like less the idea of singling out one port and leaving others which should be considered especially by the Committee on Armed Services and by the full House, leaving them intact.

So, register my vote, if my colleagues will, as a vote of resistance to the way this bill has shaped up on the House floor, which is definitely singling out for political reasons, in my estimation, the home port of Staten Island. I am voting no.

Mr. BENNETT. Mr. Chairman, I yield myself a half minute.

Mr. Chairman, I would like to take a half a minute to reply to this remark that there is something political about this particular decision. We had a very full hearing on the matter, and the only base in which there was virtual unanimity was this particular base. There was no other base that was opposed. The mayor of New York opposed this base. Most of the Congressmen in the area opposed the base. The testimony was very strongly against this base. So it was done intellectually. It was not done politically.

It is sort of strange to me how any political thing can be ascribed to it at all.

Mr. COURTER. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. SHAW].

Mr. SHAW. Mr. Chairman, I rise today in opposition to the Bennett amendment and in support of the Molinari substitute. Mr. Chairman, the Bennett amendment is an unprecedented attempt to single out and close the Staten Island naval home port.

This modern, state-of-the-art facility is the most energy efficient and environmentally sensitive base in the entire Navy. It has also been designated as the home for the Aegis cruiser *U.S.S. Normandy*.

Already, over the past 5 years, Congress has appropriated $230 million for this base. The base is 95 percent complete and already operational.

No additional funding is necessary for the base to become fully operational. As a matter of fact, the Navy estimates that the costs to terminate this project would exceed the amounts necessary to realize the home port.

Supporters of the Bennett bill would have you believe that New York doesn't want this base. However, this is just not true. Governor Mario Cuomo supports the Staten Island home port. Senator D'AMATO supports the Staten Island home port. The majority of New York's 34 congressional delegates support this home port. And four out of five of New York's borough presidents also support the Staten Island home port.

That doesn't sound to me like New York wants this port closed.

In the past, base closures have been overwhelmingly rejected by my delegation, the Florida delegation, as well. In 1986 a vote to eliminate funding for Staten Island and other home ports was rejected by an 18 to 1 margin.

Mr. Chairman, the Pentagon is presently preparing a study to decide which home ports, if any, should be closed. The Molinari substitute would merely keep the unfairly singled-out Staten Island home port open until this study is presented to Congress.

Congress can then make a more educated decision on what to do and not make an irrational decision to close our newest, most up-to-date active base.

Mr. Chairman, I urge my colleagues to vote against the Bennett Amendment and in favor of the Molinari substitute.

□ 1740

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from New Jersey [Mr. COURTER] has 1 minute remaining, and the gentleman from Florida [Mr. BENNETT] has 3 minutes remaining.

Mr. COURTER. Mr. Chairman, I reserve 1 minute, in view of the fact that the gentleman from Florida [Mr. BENNETT] has 3 minutes remaining.

The CHAIRMAN pro tempore. The gentleman from Florida [Mr. BENNETT] is recognized, with 3 minutes remaining in debate on his amendment.

Mr. BENNETT. Mr. Chairman, I am getting conflicting advice as to whether I can reserve the balance of this

time for the Molinari amendment. Is that possible?

The CHAIRMAN pro tempore. If the gentlewoman from New York [Ms. MOLINARI] should offer her amendment in the nature of a substitute while the gentleman from Florida [Mr. BENNETT] still has time reserved, then it is the opinion of the Chair that the gentleman could use that time during the course of the debate on the gentlewoman's substitute.

Mr. BENNETT. Mr. Chairman, I do not want to ask the gentlewoman from New York [Ms. MOLINARI] to do something she may regret later, so I will use my time up at this point by yielding the remainder of my time to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I rise in strong support of the Bennett amendment to close down and sell off the Staten Island home port. If we are serious about base closure, we ought to vote to shutdown a base which has barely opened and which is unneeded.

When Navy Secretary John Lehman hatched the strategic homeporting idea, he did not do so because there were homeless ships. Even his pipe dream of a 600-ship Navy could have been comfortably berthed at the existing Navy installations. Secretary Lehman designed homeporting as a way to build a broader base of political support for the Navy. There is nothing like building a base and hiring local people to create support for the Navy.

The 600-ship Navy has now been forgotten. In 5 years, we may have a 480-ship Navy. So, if homelessness was not a major problem for ships in 1985, it surely will be no problem in 1995.

I want to talk a little about the vote on the Bennett amendment today and the vote on LYNN MARTIN's amendment tomorrow. LYNN MARTIN wants to give Secretary Cheney complete freedom to close military bases at his whim. CHARLES BENNETT, on the other hand, has analyzed the porting needs of the Navy and has determined that the Staten Island operation is unnecessary. The right vote is for Bennett today and against Martin tomorrow. In that way, we indicate our desire to close bases where it is justified, while rejecting the back of the envelope, partisan base closure efforts used by Secretary Cheney so far.

The reported bill puts a hold on the base closure list Secretary Cheney announced in January. Unlike Staten Island, the bases on the January list are fully operational, staffed by dedicated long-term workers who would be thrown out of work. At Staten Island, the work force is just being brought on board now.

The real test on whether you have the stomach to close bases is the vote on the Bennett amendment because the Bennett amendment closes a real base. The Martin amendment merely passes the buck to the Secretary of Defense.

The Molinari amendment is just a diversion. Voting for the Molinari amendment has the same effect as voting against the Bennett amendment. So, if you want to close unneeded bases and reduce unnecessary Government spending, defeat the Molinari amendment and pass the Bennett amendment.

Mr. COURTER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I guess the fundamental question here is, does America have enough money to invest $230 million in something it is not going to use? As far as I am concerned, this country cannot waste that kind of money. We have to come to our senses.

Mr. Chairman, I think we should use what we build, and not build that which we do not want to use. If the Bennett amendment passes, very frankly, this facility is going to be known as the Spruce Goose of the Navy. It will be known as the Shoreham of the military.

There are tactical, there are strategic, there are financial, there are practical reasons to continue to make sure that this facility is used now that we have invested $230 million.

Mr. Chairman, as was said before, it is 93 percent complete. It needs very little for it to be completed. Thousands of people have been moved from one part of the country to another. It will be used for our reserves.

Mr. Chairman, let Members vote "no" on Bennett, and "yes" on Molinari.

The CHAIRMAN pro tempore. The question now is whether the gentlewoman from New York [Ms. MOLINARI] is prepared to offer her substitute amendment.

AMENDMENT OFFERED BY MS. MOLINARI AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. BENNETT

Ms. MOLINARI. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Ms. MOLINARI as a substitute for the amendment offered by Mr. BENNETT: Insert the following at the end of part C of title XXVIII of division B (and make corresponding changes in the table of contents):

SEC. 2836. RESTRICTION ON CLOSURE OF STAPLETON NAVAL STATION, STATEN ISLAND, NEW YORK

None of the funds available to the Department of Defense may be expended to close Stapleton Naval Station, Staten Island, New York, until—

(1) the Secretary of Defense, in consultation with the Secretary of the Navy, has completed a study of the shore infrastructure requirements of the Department of the Navy;

(2) the Secretary of Defense has transmitted to the Congress a plan to close and realign installations of the Department of the Navy within the United States; and

(3) a period of 30 days, beginning with the date on which the plan is transmitted under paragraph (2), has expired.

The CHAIRMAN pro tempore. The gentlewoman from New York, [Ms. MOLINARI] is recognized for 5 minutes, and the gentleman from Florida [Mr. BENNETT] is recognized for 5 minutes in opposition to the substitute.

The Chair recognizes the gentlewoman from New York [Ms. MOLINARI].

Ms. MOLINARI. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. GREEN].

Mr. GREEN. Mr. Chairman, when the base closing legislation was on the floor here in Congress, I supported the strongest version of it. I made it clear at that time that even though I was a supporter of the Staten Island base, if that commission said the base would be closed, I would support that decision.

Well, not only did the commission not say the base should be closed, it said it should stay open, and it said that some other facilities in the New York metropolitan area should be moved over to the base and consolidated at the base. So plainly that commission thought that this base should be here and be here for a long time.

Now, obviously events have changed since the Base Closing Commission did its work, and there is going to have to be another round of base closings. I am not objecting to that, and the gentlewoman from New York [Ms. MOLINARI] is not objecting to that. All we are saying is treat us the same way you are treating every other base in the Army, the Navy, and the Air Force. If the system works and says close it, we will support closing it. But if the system says keep it open, then we think it ought to be kept open.

Mr. Chairman, there is nothing in the substitute amendment that gives any special status to Staten Island. It is the Bennett amendment that tries especially to single out Staten Island. All we are asking is to be treated like everyone else. If it should turn out that the base has to be closed, then it will be closed, and we will support that. But in the meantime, there is no reason why Staten Island should be treated any differently from any other base.

Mr. Chairman, for that reason I urge Members to vote against the Bennett amendment and for the Molinari substitute.

Mr. BENNETT. Mr. Chairman, I yield myself such time as I may consume.

The gentleman from New York [Mr. GREEN] is certainly a very logical person when he says it should not be treated differently. The truth is that

the Molinari amendment will treat the New York base differently. It will not allow it to go through the same procedure that other bases go through.

□ 1750

It stops it. In other words, it says that it must be built. That is as I understand it. That is how I read it. It is good English language. Well, read it to me. But read it on your own time.

I would like to say this: I would like to say in conclusion, and I am not really in conclusion, because I will reserve the balance of my time, but this is, of course, a painful thing to do to say that there will not be a base built in a particular spot. But the trust is that the whole situation so painful.

We were going for a 600-ship Navy, which I still support. I support a 600-ship Navy. But I have been ordered by the Department of Defense and the President to have a lesser Navy, so we have to have a lesser Navy, so we are going to have a lesser Navy.

We do not need this facility. One thing that I would like to underline, and that comes out of what the gentlewoman from Colorado said, as an experienced person, and she was chairman of the Military Construction Committee, and I used to be chairman for years of that committee, and I know what happens. This is just the opening door of what has happened in New York. It will cost at least a half billion more in the next 5 years to do the things that have to be done for the simple reason that one cannot have Navy officials, enlisted and officers, at one base, say, Norfolk or San Francisco have chapels for all three branches of the religious activities and have bowling alleys and have golf links and all that sort of thing and not have it at other bases, so you eventually have to have all of these things at all of the naval bases we have. It does not cost a little bit of money. It costs a lot of money. It costs hundreds of millions of dollars.

That is what I am trying to say here, to keep the situation where we will not be throwing away this money that could be used for something that would do harm to the enemy. That is what the military is supposed to be for is doing harm to the enemy. That is the purpose of the military. You are not doing harm to the enemy when you are building an unneeded naval base.

Mr. Chairman, I reserve the balance of my time.

Ms. MOLINARI. Mr. Chairman, I yield 1 minute to my colleague, the gentleman from New York [Mr. MANTON].

Mr. MANTON. Mr. Chairman, I rise in strong support of the substitute offered by the gentlewoman from New York [Ms. MOLINARI].

Mr. Chairman, the Staten Island home port is a good idea for the Nation and a good idea for New York. Let me take a moment to tell our colleagues why.

First, I believe New York must make its contribution to the defense of our Nation. The Staten Island home port is a state-of-the-art port that will be vital to our Nation's defense capability and readiness.

Second, the Staten Island home port will have important economic benefits for New York. The Staten Island home port will create more than 4,000 new jobs in the area and generate $387 million per year in additional revenue for the city. New Yorkers need these jobs, and the city desperately needs this revenue. New York is suffering from an economic slowdown in real estate and construction. The Staten Island home port will be a much needed shot in the arm for the local economy.

Finally, construction of the Staten Island home port is more than 95 percent complete. The Federal Government has already spent more than $230 million on the home port. It would be economically irresponsible and foolish to scrap the project at this point.

I urge my colleagues vote for the Molinari substitute and reject the Bennett amendment to terminate the Staten Island home port.

Mr. BENNETT. Mr. Chairman, I yield myself ½ minute.

Mr. Chairman, I would like to emphasize the fact that the purpose of this amendment is purely to save money for the military so it can be used to do harm to the enemy. That is what all defense matters are for is to see that the dollars hurt the enemy or make it difficult for the enemy. The spending of money is not for the purpose in the military of building up some particular economic situation. It is for the purpose of seeing to it that we remain strong and that we can defend ourselves, and that is our responsibility.

Mr. Chairman, I yield 1½ minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, the numbers on economic benefits to the city of New York are absolutely phony. At best, there may be 200 to 300 jobs. That is why the mayor of the city of New York is opposed, because it will cost the city more to invest in that project than it will get by way of economic benefits.

Let me say one final thing. The Secretary of Defense, Mr. Cheney, publicly challenged the Members of Congress to come forward and find projects in their own areas to close down. He said, "You cannot do it." The New York City delegation took him up on his challenge, and 11 out of the 14 members of the delegation have come forward and said, "Here is a plant that is not needed, a base or port that is not needed. Do not open it Close it down." Now is the time to do that.

In the next 10 years the defense budget is going to be cut by 50 percent. This year the Committee on Armed Services had to struggle to cut $23 billion. There are many more billions to be cut. Will it come out of your projects in your district, because there is an insistence on building this unnecessary base which will cost one-half billion dollars?

Vote "no" on Molinari. Vote "yes" on Bennett.

Ms. MOLINARI. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, for the record and for my colleague's edification, perhaps there has been some misunderstanding of the challenge that Secretary Cheney laid down before this body, because he, in fact, went public this morning and supports my amendment.

He, too, is curious as to why this base, and only this base, is being allowed to close. He, too, wants to know why just this facility out of all other military facilities in our Nation will be closed by an act of Congress before the Defense Department releases their list.

The Molinari substitute does not seek to exempt Staten Island. It seeks to include Staten Island.

Why do we then, therefore, insist on this? If it is not political, why did my colleague send out a "Dear Colleague" letter which said that we should kill this base because New York City does not want this base, and this base would open in a Democratic town? But the city's Democratic mayor and 11 of the 12 Democratic New York City Representatives have told us to close the base. Why did we stress "Democrat" in this letter if this was not a partisan issue?

Perhaps I am too new in this body to understand that.

I hope my colleagues here who have military facilities understand one thing, if the Molinari substitute does not pass, a very dangerous precedent is set. Your military installation could be next. The Base Closure and Realignment Act that this Congress struggled with so long is rendered meaningless.

Yes, the cold war has ended. But just how much are we willing to go back to our districts right now and defend the lack of a military threat? Are you willing to carry that argument to your hometowns now? I am not.

Ladies and gentleman, I appeal to the Members: Your first vote back in Congress since the invasion of Kuwait should not be based on what is good for Florida or Philadelphia or Colorado or New York. Your vote should be

based on what is good for every American and the future national security of our country.

The Molinari substitute allows the Members to see what the Navy and the Department of Defense decide in that matter before you cast a vote, before you throw our money away, before you subjugate our national security.

I urge a yes vote on the Molinari substitute.

Mr. BENNETT. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to just make a few comments. The Department of Defense, as I understand it, is in favor of my position in this matter. They said that closure of this facility is appropriate to the Department's ability to implement the closure and realize savings needed, so they do not favor the position of the gentlewoman from New York.

Mr. COURTER. Mr. Chairman, will the gentleman yield?

Mr. BENNETT. I am happy to yield to the gentleman from New York.

Mr. COURTER. Mr. Chairman, it is my understanding, and I think it is an important point, I think the gentleman misspoke. The Secretary of Defense, Mr. Cheney, speaking for DOD, mentioned this morning that he is against the gentleman's amendment and in favor of Molinari.

Mr. BENNETT. The way I read it is they oppose the Molinari position.

The CHAIRMAN pro tempore (Mr. DURBIN). All time has expired.

The question is on the amendment offered by the gentlewoman from New York [Ms. MOLINARI] as a substitute for the amendment offered by the gentleman from Florida [Mr. BENNETT].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Ms. MOLINARI. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 230, noes 188, not voting 14, as follows:

[Roll No. 322]

AYES—230

Archer	Bunning	Dannemeyer
Armey	Burton	Davis
Atkins	Callahan	de la Garza
Baker	Campbell (CA)	DeLay
Ballenger	Chandler	DeWine
Bartlett	Chapman	Dickinson
Barton	Clinger	Dicks
Bateman	Coble	Donnelly
Bereuter	Coleman (MO)	Dornan (CA)
Bevill	Combest	Downey
Bilirakis	Condit	Dreier
Bliley	Conte	Duncan
Boehlert	Coughlin	Dwyer
Boggs	Courter	Edwards (OK)
Broomfield	Cox	Emerson
Browder	Craig	Erdreich
Buechner	Crane	Fawell
Fields	Lukens, Donald	Robinson
Fish	Machtley	Roe
Flippo	Madigan	Rogers
Frank	Manton	Rohrabacher
Gallegly	Markey	Ros-Lehtinen
Gallo	Marlenee	Roth
Gekas	Martin (NY)	Roukema
Geren	Matsui	Rowland (CT)
Gillmor	Mavroules	Rowland (GA)
Gilman	Mazzoli	Saiki
Gingrich	McCandless	Sarpalius
Gonzalez	McCollum	Schaefer
Goodling	McCrery	Schiff
Goss	McDade	Schneider
Gradison	McEwen	Schulze
Grandy	McGrath	Shaw
Grant	McHugh	Shays
Green	McMillan (NC)	Shumway
Guarini	McNulty	Shuster
Gunderson	Meyers	Skeen
Hall (TX)	Michel	Slaughter (VA)
Hammerschmidt	Miller (OH)	Smith (IA)
Hancock	Miller (WA)	Smith (NE)
Hansen	Molinari	Smith (NJ)
Harris	Montgomery	Smith (TX)
Hastert	Moorhead	Smith (VT)
Hefley	Morella	Smith, Robert (OR)
Herger	Morrison (WA)	Snowe
Hiler	Mrazek	Solomon
Hochbrueckner	Murphy	Spence
Holloway	Murtha	Stangeland
Hopkins	Myers	Stearns
Horton	Natcher	Stenholm
Houghton	Neal (MA)	Stump
Hubbard	Nielson	Sundquist
Hunter	Nowak	Swift
Hutto	Oakar	Tallon
Hyde	Ortiz	Tauke
Inhofe	Oxley	Tauzin
Ireland	Packard	Taylor
James	Pallone	Thomas (CA)
Johnson (CT)	Panetta	Thomas (WY)
Kanjorski	Parker	Torricelli
Kasich	Parris	Traficant
Kolbe	Pashayan	Upton
Kyl	Paxon	Valentine
LaFalce	Payne (VA)	Vander Jagt
Lagomarsino	Penny	Vucanovich
Lancaster	Perkins	Walker
Lantos	Petri	Walsh
Leach (IA)	Pickle	Weber
Leath (TX)	Pursell	Whittaker
Lent	Quillen	Whitten
Levine (CA)	Ravenel	Wise
Lewis (CA)	Regula	Wolf
Lewis (FL)	Rhodes	Wylie
Lightfoot	Ridge	Yatron
Livingston	Rinaldo	Young (AK)
Lowery (CA)	Ritter	Young (FL)
Luken, Thomas	Roberts	

NOES—188

Ackerman	Clay	Frost
Alexander	Clement	Gaydos
Anderson	Coleman (TX)	Gejdenson
Andrews	Collins	Gephardt
Annunzio	Conyers	Gibbons
Anthony	Cooper	Glickman
Applegate	Costello	Gordon
Aspin	Coyne	Gray
Barnard	Crockett	Hall (OH)
Bates	Darden	Hamilton
Bellenson	DeFazio	Hatcher
Bennett	Dellums	Hawkins
Bentley	Derrick	Hayes (IL)
Berman	Dingell	Hayes (LA)
Bilbray	Dixon	Hefner
Bonior	Dorgan (ND)	Henry
Borski	Durbin	Hertel
Bosco	Dymally	Hoagland
Boucher	Dyson	Hoyer
Boxer	Early	Huckaby
Brennan	Eckart	Hughes
Brooks	Edwards (CA)	Jacobs
Brown (CA)	English	Jenkins
Brown (CO)	Espy	Johnson (SD)
Bruce	Evans	Johnston
Bryant	Fascell	Jones (GA)
Bustamante	Fazio	Jones (NC)
Byron	Feighan	Jontz
Campbell (CO)	Flake	Kaptur
Cardin	Foglietta	Kastenmeier
Carper	Ford (MI)	Kennedy
Carr	Ford (TN)	Kennelly
Clarke	Frenzel	Kildee
Kleczka	Patterson	Slaughter (NY)
Kolter	Payne (NJ)	Smith (FL)
Kostmayer	Pease	Solarz
Laughlin	Pelosi	Spratt
Lehman (CA)	Pickett	Staggers
Lehman (FL)	Porter	Stallings
Levin (MI)	Poshard	Stark
Lewis (GA)	Price	Stokes
Lipinski	Rahall	Studds
Lloyd	Rangel	Synar
Long	Ray	Tanner
Lowey (NY)	Richardson	Thomas (GA)
Martinez	Rose	Torres
McCloskey	Rostenkowski	Towns
McCurdy	Roybal	Traxler
McDermott	Russo	Udall
McMillen (MD)	Sabo	Unsoeld
Miller (CA)	Sangmeister	Vento
Mineta	Sawyer	Visclosky
Moakley	Saxton	Walgren
Mollohan	Scheuer	Washington
Moody	Schroeder	Waxman
Nagle	Schumer	Weiss
Neal (NC)	Sensenbrenner	Weldon
Nelson	Sharp	Wheat
Oberstar	Sikorski	Williams
Obey	Sisisky	Wolpe
Olin	Skaggs	Wyden
Owens (NY)	Skelton	Yates
Owens (UT)	Slattery	

NOT VOTING—14

AuCoin	Savage	Volkmer
Douglas	Schuette	Watkins
Engel	Serrano	Wilson
Martin (IL)	Smith, Denny (OR)	
Mfume		
Morrison (CT)	Smith, Robert (NH)	

□ 1818

Messrs. COYNE, KOLTER, and HENRY changed their vote from "aye" to "no."

Messrs. ROTH, WISE, WHITTAKER, and PALLONE changed their vote from "no" to "aye."

So the amendment as a substitute for the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 1820

The CHAIRMAN pro tempore (Mr. DURBIN). The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT], as amended.

The amendment, as amended, was agreed to.

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. BROWN of California) having assumed the chair, Mr. DURBIN, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent for rollcall No. 321, the Mavroules amendment on the acquisition of defense systems, and rollcall No. 322, the Molinari amendment on the strategic home port at Staten Island, NY. Had I been here, I would have cast the following votes: "aye" and "nay."

CLARIFICATION OF PROCEDURES IN CONSIDERATION OF AMENDMENTS TO H.R. 4739, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that during further consideration of the bill, H.R. 4739, on Wednesday, September 12, 1990, pursuant to House Resolution 457, or any subsequent order of the House, the Committee of the Whole may proceed as follows: I ask unanimous consent that when we get back to this matter tomorrow, we may proceed, first, with 30 minutes of general debate on the subject of burdensharing; followed by, second, 60 minutes of general debate on the subject of appropriate levels of funding for the Strategic Defense Initiative; third, following that, 30 minutes of general debate on the subject of Strategic Defense Initiative, some language issues on Strategic Defense Initiative; after that, the fourth item, 40 minutes of general debate on the subject of base closings; followed by the fifth item, 40 minutes of general debate on the subject of economic conversion; following that, number six, considerations of amendments, pursuant to House Resolution 457 or any subsequent order of the House, with the periods of general debate specified therein considered as completed, and that pro forma amendments shall be in order, if ordered by the chairman or ranking minority member of the Committee on Armed Services.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. DICKINSON. Mr. Speaker, reserving the right to object, I was reading along and I think I heard everything that the chairman said. Let me just say, reserving the right to object, that I think this is a very clumsy and cumbersome way to go about it. I recognize the necessity of it, but to go through all the debate and not have any vote at the end of discussion is sort of misleading to the Members, who feel strongly about the various amendments.

I am not going to object, but I would hope that the Members would pay attention to the debate because they are going to be called on for a series of votes.

Further reserving the right to object, if I might ask of the chairman, I have had some requests for a discussion on the B-2. Even though there might be no vote on the B-2 amendment, under this unanimous-consent request, would there be time allotted for discussion of the B-2? Say, 10 minutes per side, or something of that nature?

Mr. ASPIN. Mr. Speaker, the request that I have before me does not allow amendments on the B-2 debate because it is my understanding that the gentleman from Missouri [Mr. SKELTON] did not want to do it, but if the gentleman would like to amend the unanimous-consent request, if the gentleman from Missouri has no objection, I certainly have no objection.

Mr. DICKINSON. I am not asking that an amendment be offered, but I would like to ask that that be included in the unanimous-consent request, would be 20 minutes for discussion of the B-2 issue, to be divided between the gentleman from Wisconsin [Mr. ASPIN] and myself.

Mr. ASPIN. Mr. Speaker, let me then ask for unanimous consent to amend my unanimous consent request. It would come after item 5, the 40 minutes of general debate on the subject of economic conversion. We would then put in 20 minutes of debate on the subject of B-2.

Mr. DICKINSON. Yes, if the gentleman would include that. I have discussed this with the gentleman from Missouri [Mr. SKELTON].

Mr. ASPIN. If it is all right with the gentleman from Alabama, and the gentleman from Missouri, it is all right with me.

Mr. DICKINSON. That is fine, Mr. Speaker, if it would be included in the unanimous-consent request, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the modified request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. ASPIN. If I might make a further explanation of the way we are treating the issue. The gentleman from Alabama is correct, what we are doing is going through the general debate here.

Now, when we come to voting on these amendments, of course, there will be an opportunity for 5 minutes of debate, 5 and 5 minutes of debate against each amendment, before we vote on it.

So, for example, we have 60 minutes of general debate on the subject of the appropriate levels of funding in the strategic defense initiative. When we get to, later in the day, and we get to the point about actually voting on those, there will be various amendments offered, and we will have a 5 and 5 before we vote. So there will be a chance to focus each of the votes on the amendment when we get to that point in the process.

□ 1830

Mr. DICKINSON. Mr. Speaker, I thank the gentleman for the explanation.

The SPEAKER pro tempore. Is there objection to the modified request of the gentleman from Wisconsin?

Mr. WALKER. Mr. Speaker, reserving the right to object, I have two questions. The first question is, Am I to assume that all this debate time comes after the debate on the second rule tomorrow, so that we are then talking about a potential vote, probably not a recorded vote, but a potential vote on the rule and then this debate following that?

Mr. DICKINSON. Mr. Speaker, if the gentleman will yield, I will respond and then let the chairman respond.

It is my understanding that the first item of business in the morning will be on approving the second rule. Is my understanding correct?

Mr. ASPIN. Mr. Speaker, if the gentleman will yield, the gentleman is correct as far as I know on our side. The only thing that will happen before we get to this bill is a vote on the rule.

Mr. WALKER. Mr. Speaker, I thank the gentleman.

I have one additional question. The pattern that we are in is somewhat clumsy, as the gentleman has said and it is probably necessary given where the House has to be; but I do want to try to assure that the Members have sufficient time to focus on these issues.

We are not anticipating these votes becoming 5-minute votes, are we?

Mr. ASPIN. No, we are not. They are 15-minute votes. As I understand it, this is the arrangement, that when each amendment comes up there will be 5 minutes for and 5 minutes against and then a 15-minute vote.

Mr. DICKINSON. Further reserving the right to object, Mr. Speaker——

The SPEAKER pro tempore. (Mr. BROWN of California). If the gentleman will withhold for just a moment, let the Chair resolve the first question.

Is there objection to the modification of the request of the gentleman from Wisconsin [Mr. ASPIN]?

Mr. SKELTON. Reserving the right to object, Mr. Speaker, I would like for the RECORD to show that I have no objection to the procedure as outlined by the gentleman from Wisconsin and the gentleman from Alabama. I do so because even though my amendment would prevail, it would still be a conferenceable item, so because of that I think the arrangement of 10 minutes on each side will be sufficient.

Mr. Speaker, I withdraw my reservation of objection.

Mr. WALKER. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the modification of the request of the gentleman from Wisconsin [Mr. ASPIN]?

There was no objection.

The CHAIRMAN. Is there objection to the original request of the gentleman from Wisconsin?

Mr. DICKINSON. Further reserving the right to object, Mr. Speaker, I just want to make clear with the committee chairman here so that the Members can understand. One of the reasons are going through this rather convoluted process is that we are still trying to work within the budget that has been approved by the House, or might be approved by the Senate, that is ongoing now.

We had been asked to delay our vote today until 4 o'clock, which we did. Hopefully we can get some guidance tomorrow, and if that should be so and the House budget figure be raised, it could make a great deal of difference in what we would do in offering amendments on the floor.

Is that the understanding of the chairman?

Mr. ASPIN. Mr. Speaker, if the gentleman will yield further, what was the question?

Mr. DICKINSON. I say, one of the reasons we are going through this unusual procedure is because we are trying to comply with the budget and we are waiting to see if the budget summit is going to give us any relief from the constraints that we are now operating under. Hopefully this will be the case. If not, then we will vote for it, as the chairman says.

Mr. ASPIN. Mr. Speaker, if the gentleman will yield further, the gentleman is correct. Essentially what we are looking to do by this process is to delay votes until after 4 o'clock tomorrow afternoon in the hopes that we will be able to get some chance for the budget summit people to be successful.

Mr. DICKINSON. Well, further reserving the right to object, Mr. Speaker, is there any glimmer of hope that the gentleman has seen or is privy to that we might have something come from the budget summit that would be beneficial in this process?

Mr. ASPIN. I wish I could answer, but the gentleman from Alabama is on his own.

Mr. DICKINSON. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the unanimous consent request, as modified, by the gentleman from Wisconsin?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR FURTHER CONSIDERATION OF H.R. 4739, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-693) on the resolution (H. Res. 461) providing for the further consideration of the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, which was referred to the House Calendar and ordered to be printed.

WATER RESOURCES RESEARCH ACT EXTENSION

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 1101) to extend the authorization of appropriations for the Water Resources Research Act of 1984 through the end of fiscal year 1994, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Senate amendment: Page 1, line 3, strike out all after "1." over to and including line 17 on page 7 and insert:

WATER RESEARCH INSTITUTES.

(a) Section 103(5) of the Water Resources Research Act of 1984 (42 U.S.C. 10302(5)) is amended by deleting "coordinate more effectively" and inserting in lieu thereof: "to promote more effective coordination of".

(b) Section 104(a) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(a)) is amended by changing "Trust Territory of the Pacific Islands" to "Federated States of Micronesia".

(c) Section 104(b) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(b)) is amended by inserting in the last sentence after the phrase "for the purpose of" the following: "promoting".

(b) Section 104(b)(1) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(b)(1)) is amended to read as follows:

"(1) plan, conduct, or otherwise arrange for competent research that fosters (A) the entry of new research scientists into the water resources fields, (B) the training and education of future water scientists, engineers, and technicians, (C) the preliminary exploration of new ideas that address water problems or expand understanding of water and water-related phenomena, and (D) the dissemination of research results to water managers and the public, and".

(e) Section 104(c) of the Water Resources Research Act of 1984 (42 U.S.C. 10103(c)) is amended by deleting the period at the end thereof and inserting in lieu thereof "and thereafter, such sums to be used only for the reimbursement of the direct cost expenditures incurred for the conduct of the water resources research program.".

(f) Section 104(e) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(e)) is amended to read as follows:

"(e) The Secretary shall conduct a careful and detailed evaluation of each institute at least once every 5 years to determine that the quality and relevance of its water resources research and its effectiveness as an institution for planning, conducting, and arranging for research warrants its continued support under this section. If, as a result of any such evaluation, the Secretary determines that an institute does not qualify for further support under this section, then no further grants to the institute may be made until the institute's qualifications are reestablished to the satisfaction of the Secretary.".

(g) Section 104(f)(1) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(f)(1)) is amended by deleting "September 30, 1985, through September 30, 1989" and inserting in lieu thereof "September 30, 1989, through September 30, 1995,".

(h) Section 104(f)(2) of the Water Resources Research Act of 1984 (42 U.S.C. 10303(f)(2)) is amended by deleting "section 106 of this Act" and inserting in lieu thereof "section 104(g) of this Act".

(i) Section 105(a)(3) of the Water Resources Research Act of 1984 (42 U.S.C. 10304(a)(3)) is repealed.

(j) Section 105(c) of the Water Resources Research Act of 1984 (42 U.S.C. 10304(c)) is amended by:

(1) striking "$20,000,000" and inserting in lieu thereof, "$10,000,000"; and

(2) striking "1989" and inserting in lieu thereof, "1985".

(k) Section 108(6) of the Water Resources Research Act of 1984 (42 U.S.C. 10307(6)) is amended by inserting immediately after "depletion" a comma and the word "contamination,".

(l) Section 108(8) of the Water Resources Research Act of 1984 (42 U.S.C. 10307(8)) is amended by inserting immediately after "water" the words "quality and quantity".

"(m) Section 104 of the Water Resources Research Act of 1984 (42 U.S.C. 10303) is amended by adding the following:

"(g)(1) There is further authorized to be appropriated to the Secretary of the Interior the sum of $5,000,000 for each of the fiscal years 1991, 1992, 1993, 1994, and 1995 only for reimbursement of the direct cost expenses of additional research or synthesis of the results of research by institutes which focuses on water problems and issues of a regional or interstate nature beyond those of concern only to a single State and which relate to specific program priorities identified jointly by the Secretary and the institutes. Such funds when appropriated shall be matched on a not less than dollar-for-dollar basis by funds made available to institutes or groups of institutes, by States or other non-Federal sources. Funds made available under this subsection shall remain available until expended.

"(2) Research funds made available under this subsection shall be made on a competitive basis subject to the merit of the proposal, the need for the information to be produced, and the opportunity such funds will provide for training of water resources scientists or professionals.".

(n) Section 106 of the Water Resources Research Act of 1984 (42 U.S.C. 10305) is amended to read as follows:

"SEC. 106. (a)(1) The Secretary shall make grants in addition to those authorized under sections 104 and 105 for technology development concerning any aspect of water resources including water-related technology which the Secretary may deem to be of State, regional, or national importance. Ac-

tivities funded under this section may be carried out by educational institutions, private firms, foundations, individuals, or agencies of State or local government. Care shall be taken to protect proprietary information of private individuals or firms associated with the technology.

"(2) The Secretary may establish any condition for the matching of funds by the recipient of any grant or contract under this section which the Secretary considers to be in the best interest of the Nation considering the information transfer and technology needs of the Nation. However, in the case of institutes established by section 104 of this Act no match greater than that required under section 104 may be required.

"(b) Each application for a grant under this section shall state the nature of the project to be undertaken, the qualifications of the personnel who will direct and conduct it, facilities of the organization performing any technology development, the importance of the project to the Nation, region, and State concerned, and the potential benefit to be accrued.

"(c) there is authorized to be appropriated to the Secretary the sum of $6,000,000 for the purpose of carrying out this section for each of the fiscal years ending September 30, 1990, through September 30, 1995; such sums to remain available until expended.".

(o) Section 309(a) of the Water Resources Research Act of 1984 (42 U.S.C. 10301 et al.), as amended, is further amended by deleting "1991" and inserting in lieu thereof "1995".

SEC. 2. (a) The Secretary of the Interior, in consultation with the Secretary of Agriculture and the Administrator of the Environmental Protection Agency, is authorized to enter into contracts or cooperative agreements, as the Secretary deems appropriate, with national laboratories (including Los Alamos National Laboratory) to carry out water resources research, development, and demonstration projects within the authorities of Public Law 98-242 (including the effects of potential climate changes on surface and ground water quality and quantity and the elimination of contamination of ground water aquifers).

(b) The water resources research authorized in this section shall be undertaken under such rules and regulations as the Secretary deems appropriate and shall be carried out in close consultation and collaboration with the institutes established pursuant to Public Law 98-242, to the extent such research work affects the State in which the institute exists, and to the extent such institute agrees to consult and collaborate.

(c) For the purposes of carrying out this section, there is authorized to be appropriated to the Secretary of the Interior the sum of $10,000,000 for each of the fiscal years 1991 through 1995.

Mr. MILLER of California (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from California?

Mr. HANSEN. Mr. Speaker, reserving the right to object, under my reservation I ask the gentleman from California to explain this request, and I yield to the gentleman from California.

Mr. MILLER of California. Mr. Speaker, H.R. 1101 extends the authorization for the Water Resources Research Act of 1984. This legislation passed the House, without objection, on June 6, 1989. The Senate considered the measure on August 2, 1990, amended the legislation, and returned it to the House.

The most significant change in H.R. 1101 by the Senate was to revise the matching requirements for receipt of the Federal grant funds by the water resources research institutes in each of the States.

The House-passed bill changed the matching grant formula in the 1984 act by making the match on non-Federal dollar for every Federal dollar. In other words, a one-to-one match.

The Senate amendment requires a 2-to-1 match. This means that two non-Federal dollars must match every Federal dollar appropriated in order to obtain grants under this program. The Senate amendment, in effect, retains the program as it was amended in 1984.

I support the changes made by the Senate. Mr. Speaker, this change will insure that the institutes will contribute a reasonable share of program costs. I am pleased that we will finally reauthorize the water resources research program. I know of no controversy with the legislation and urge its passage by the House.

Mr. HANSEN. Mr. Speaker, I thank the gentleman for his explanation, and support the Senate amendment.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the initial request of the gentleman from California?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on the Senate amendment to H.R. 1101.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

WHERE IS GERMANY WHEN WE NEED HER?

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, I am an American of German descent. My ancestors were among the first to come to this country from Germany 313 years ago. A large percentage of my district is of German descent. But today, Mr. Speaker, I am criticizing Germany as I criticized Japan yesterday.

Germany has vetoed supplying direct funds for United States military forces in the Persian Gulf region. Maybe they could have temporarily forgotten why there was a need for the presence of U.S. troops in their country for the last 45 years. Recently, a consultant to the Deutsche Bank said: "We have found $3 billion for a loan to the Soviet Union, so we should certainly be able to find the $1.8 billion that President Bush requested."

Mr. Speaker, I am not saying that countries like Japan and Germany are not doing anything; but it is obvious when you look at their huge economic interests, and the commitments we have extended to them for over 45 years, that they should and certainly can be doing more. How is it that Germany can afford to give $3 billion to her longtime foe, turned new friend, yet she can't make a minimum contribution to world peace and security? Come on Germany. Get on board the peace wagon. Americans are tired of being forgotten, when the going gets tough!

GERMANY, JAPAN KEEP WALLETS SHUT

By Martin Sieff

International support for President Bush's Persian Gulf policy looks a mile wide, but financially it has proved to be only an inch deep.

Treasury Secretary Nicholas Brady is on an 18,500-mile globetrotting mission to seek further financial support from America's reluctant European and East Asian allies. He meets today with South Korean President Roh Tae-woo and Japanese Prime Minister Toshiki Kaifu.

The administration says privately what critics in Congress are saying openly—that our main allies, especially Japan, should do much more, given the size of their economies.

Britain and France have both boldly supported the United States with words and force movements. But neither of them has committed themselves to any specific financial pledges. Officials of the 12-nation European Community are due to take up the question of increased assistance at a meeting today.

In particular, West Germany and Japan—the two powerhouse industrial economies that Mr. Bush is asking to bankroll much of the costly U.S. deployment in the Gulf—have refused to invest in the enormous peacekeeping effort.

The West German government has rejected Mr. Bush's request, according to reports from Bonn.

The United States finally strongarmed a $1 billion aid package out of Japan for countries damaged by the international blockade, but Tokyo flatly refused to underwrite any U.S. military costs.

These actions have angered congressional leaders, who already question the sums Washington pays to protect its allies, including Japan and Germany.

"It is about time Germany realizes that we cannot hide behind our constitution and [the priority of reunification] forever on this crisis," said Hieko Thieme, a consultant to the Deutsche Bank, Germany's largest. "We have found 5 billion deutsche marks [$3 billion] for a loan to the Soviet Union, so we should certainly be able to find the 3 billion deutsche marks [1.8 billion] that President Bush requested. We are morally in his debt for his support for German unification."

German and Japanese leaders argue that their nations have huge economic problems of their own that dictate caution rather than boldness in dealing with the Gulf crisis.

The West German bailout of East Germany has become a bottomless pit. West German investment to replace and aid the East's moribund economy will require at least $500 billion over the next 10 years, with another $200 billion to clean up the environment, analysts say.

London financial sources report "extreme nervousness and reluctance" among German money managers over supporting and helping fund that U.S. deployment in the Gulf.

Of all the major Western nations, West Germany is the most dependent on Middle East oil for its energy needs. Britain, with North Sea oil is the ninth-largest oil producer in the world. France produces 70 percent of its electrical energy from cost-efficient nuclear power stations. The Germans have neither option.

Along with fears of a devastating energy cutoff, German financial leaders worry that the once-mighty deutsche mark is already strained to the limit, anchoring the European Monetary System as well as bailing out East Germany.

West German Chancellor Helmut Kohl, determined to push through unification as fast as possible, brushed aside warnings from Finance Minister Theo Weigal and Bundesbank (central bank) chief Karl Otto Pohl that the generous exchange rate he promised the East Germans for their defunct Ostmark would create major inflationary pressures.

However, the warning came true. Interest rates in the financial center of Frankfurt are rising steeply as the Bundesbank seeks to shore up the faltering deutsche mark.

Japan faces the same problems as Germany in supporting U.S. Gulf policy, but to an even more extreme degree. Some 90 percent of Japan's energy requirements come from the Middle East, and a disruption because of war would have devastating repercussions, analysts say.

GUAM'S AIRPORT NAMED FOR THE LATE TONY WON PAT

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DE LUGO. Mr. Speaker, the airport in Guam, a U.S. insular area in the Pacific, was just recently officially named the Antonio B. Won Pat Guam International Airport in honor of our late colleague, Tony Won Pat, who died in 1987.

Tony was my predecessor in the job of chairman of the insular affairs subcommittee of the House Interior and Insular Affairs Committee. In fact, when he became chairman in 1981, he was the first island representative to become a chairman of a legislative subcommittee of the House. Prior to his coming to Congress in 1973, he served his beloved Guamanians in various elected capacities from the 1930's on, so he had a long history of public service.

Tony was a tireless campaigner and lobbyist on behalf of the Guamanian people and it is fitting that they should honor him by naming their airport after him.

I insert an editorial from the June 6, 1990 Pacific Daily News that applauds the decision to name the airport after Mr. Won Pat at this point in the RECORD.

GUAM AIRPORT'S NEW NAME WELL-CHOSEN

Many times were hear of proposals to change the name of an area or landmark. Usually this leads to confusion and quarrels. One change, however, against which few will argue is naming Guam's international airport for the late Antonio B. Won Pat. Many good men and women have served this community and deserve to be recognized. One of these is Won Pat.

Won Pat served the people of Guam as an elected official for four decades. He served locally and in Washington, D.C. He was very much dedicated to improving the lifestyle of the people of Guam and today many Guam residents continue to reap the benefits of his lobbying and legislation.

Won Pat's secretary of 18 years, Juanita R. Charfauros, said her former boss earned this recognition. He was known as a man whose traits were hard work and humility. This dedication was well-chosen. We hope to see others like him pass through the gates of the Antonio B. Won Pat International Airport.

Mr. Speaker, many of our colleagues pass through Guam on their way to and from the Far East on congressional fact finding trips. In future, if but for a fleeting moment, as they move through the airport, I hope they will remember our late colleague and his ceaseless efforts on behalf of his constituents, those U.S. citizens who live where, as he used to put it, "America's day begins."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. DENNY SMITH (at the request of Mr. MICHEL), for today and the balance of the week, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HANSEN) to revise and extend their remarks and include extraneous material:)

Mr. INHOFE, for 60 minutes each day, on September 18 and 19.

Mr. GINGRICH, for 60 minutes each day, on September 17, 18, 19, 24, 25, 26, and 27.

Mr. SAXTON, for 5 minutes each day, today and on September 12.

Mr. DORNAN of California, for 60 minutes each day, on September 11, 12, 13, 17, 18, 19, 20, 24, 25, 26, and 27.

Mr. MICHEL, for 5 minutes, today.

Mr. DORNAN of California, for 60 minutes each day, on October 2, 3, 4, 8, 9, 10, and 12.

(The following Members (at the request of Mr. HARRIS) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MCHUGH, for 5 minutes, on September 12.

Mr. GAYDOS, for 60 minutes each day, on September 18 and 19.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. HANSEN) and to include extraneous matter:)

Mr. BROOMFIELD in two instances.
Mr. PETRI.
Mr. WELDON.
Mr. MADIGAN.
Mr. PURSELL.
Mr. BURTON of Indiana.
Mr. MICHEL.
Mr. RINALDO.
Mr. CONTE.
Mr. CRANE.
Mr. PORTER in two instances.
Mr. YOUNG of Alaska.
Mr. GALLEGLY.
Mr. BEREUTER.
Mr. SCHAEFER.
Mr. GILMAN in two instances.
Mr. MACHTLEY.
Mr. LOWERY of California.
Mr. GRANDY.

(The following Members (at the request of Mr. HARRIS) and to include extraneous matter:)

Mr. HAMILTON in three instances.
Mr. SOLARZ.
Ms. LONG.
Mr. FRANK.
Mr. WEISS.
Mr. HERTEL in two instances.
Mr. ROWLAND of Georgia.
Mr. MURTHA.
Mr. THOMAS A. LUKEN.
Mr. DONNELLY.

Mr. DARDEN.
Mr. OWENS of Utah.
Mr. DINGELL.
Mr. TRAFICANT in two instances.
Mr. FOGLIETTA.
Mr. ESPY.
Mr. THOMAS of Georgia.
Mr. JACOBS.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 2597. An act to amend the act of June 20, 1910, to clarify in the State of New Mexico authority to exchange lands granted by the United States in Trust, and to validate prior land exchanges.

S.J. Res. 279. Joint resolution to designate the week of September 16, 1990, through September 22, 1990, as "National Rehabilitation Week."

S.J. Res. 285. Joint resolution to designate the period commencing September 9, 1990, and ending on September 15, 1990, as "National Historically Black Colleges Week."

S.J. Res. 289. Joint resolution to designate October 1990 as "Polish American Heritage Month."

S.J. Res. 309. Joint resolution designating the month of October 1990 as "Crime Prevention Month."

□ 1840

RECESS

The SPEAKER pro tempore (Mr. BROWN of California). Pursuant to the order of the House of earlier today, the House will stand in recess until approximately 8:40 p.m.

Accordingly (at 6 o'clock and 40 minutes p.m.), the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 8 o'clock and 49 minutes p.m.

JOINT SESSION OF THE HOUSE AND SENATE HELD PURSUANT TO THE PROVISIONS OF HOUSE CONCURRENT RESOLUTION 365 TO HEAR AN ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The SPEAKER of the House presided.

The Doorkeeper, the Honorable James T. Molloy, announced the Vice President and Members of the U.S. Senate, who entered the Hall of the House of Representatives, the Vice President taking the chair at the right of the Speaker, and the Members of the Senate the seats reserved for them.

The SPEAKER. The Chair appoints as members of the committee on the part of the House to escort the President of the United States into the Chamber:

The gentleman from Missouri [Mr. GEPHARDT];

The gentleman from Pennsylvania [Mr. GRAY];

The gentleman from Maryland [Mr. HOYER];

The gentleman from Michigan [Mr. BONIOR];

The gentleman from California [Mr. FAZIO];

The gentleman from Illinois [Mr. MICHEL];

The gentleman from Georgia [Mr. GINGRICH];

The gentleman from California [Mr. LEWIS];

The gentleman from Oklahoma [Mr. EDWARDS]; and

The gentleman from Minnesota [Mr. WEBER].

The VICE PRESIDENT. The President of the Senate at the direction of that body appoints the following Senators as members of the committee on the part of the Senate to escort the President of the United States into the House Chamber:

The Senator from Maine [Mr. MITCHELL];

The Senator from California [Mr. CRANSTON];

The Senator from Rhode Island [Mr. PELL];

The Senator from Georgia [Mr. NUNN];

The Senator from Michigan [Mr. LEVIN];

The Senator from Illinois [Mr. SIMON];

The Senator from Hawaii [Mr. AKAKA];

The Senator from Kansas [Mr. DOLE];

The Senator from Wyoming [Mr. SIMPSON];

The Senator from South Carolina [Mr. THURMOND];

The Senator from Virginia [Mr. WARNER];

The Senator from Maine [Mr. COHEN]; and

The Senator from South Dakota [Mr. PRESSLER].

The Doorkeeper announced the ambassadors, ministers, and chargés d' affaires of foreign governments.

The ambassadors, ministers, and chargés d' affaires of foreign governments entered the Hall of the House of Representatives and took the seats reserved for them.

The Doorkeeper announced the Cabinet of the President of the United States.

The members of the Cabinet of the President of the United States entered the Hall of the House of Representatives and took the seats reserved for them in front of the Speaker's rostrum.

At 9 o'clock and 5 minutes p.m., the Doorkeeper announced the President of the United States.

The President of the United States, escorted by the committee of Senators and Representatives, entered the Hall of the House of Representatives, and stood at the Clerk's desk.

[Applause, the Members rising.]

The SPEAKER. Members of the Congress, I have the high privilege and the distinct honor of presenting to you the President of the United States.

[Applause, the Members rising.]

ADDRESS BY THE PRESIDENT OF THE UNITED STATES

The PRESIDENT. Mr. President, Mr. Speaker, Members of the United States Congress, distinguished guests, fellow Americans, thank you very much for that warm welcome.

We gather tonight, witness to events in the Persian Gulf as significant as they are tragic. In the early morning hours of August 2d, following negotiations and promises by Iraq's dictator Saddam Hussein not to use force, a powerful Iraqi Army invaded its trusting and much weaker neighbor, Kuwait. Within 3 days, 120,000 Iraqi troops with 850 tanks had poured into Kuwait, and moved south to threaten Saudi Arabia. It was then I decided to check that aggression.

At this moment, our brave servicemen and women stand watch in that distant desert and on distant seas, side by side with the forces of more than 20 other nations.

They are some of the finest men and women of the United States of America. And they're doing one terrific job.

These valiant Americans were ready at a moment's notice to leave their spouses, their children, to serve on the frontline half-way around the world. They remind us who keeps America strong. They do.

In the trying circumstances of the gulf, the morale of our servicemen and women is excellent. In the face of danger, they are brave, well-trained, and dedicated.

A soldier, Private First Class Wade Merritt of Knoxville, Tennessee, now stationed in Saudi Arabia, wrote his parents of his worries, his love of family, and his hopes for peace. But Wade also wrote: "I am proud of my Army and its men . . . I am proud to serve my country."

Let me just say, Wade, America is proud of you. And grateful to every soldier, sailor, marine, and airman serving the cause of peace in the Persian Gulf.

I also want to thank the Chairman of the Joint Chiefs of Staff, General Powell, the Chiefs here tonight, our commander in the Persian Gulf, General Schwartzkop, and the men and women of the Department of Defense—what a magnificent job you are doing. Thank you very, very much.

I wish I could say their work is done. But we all know it is not.

So if ever there was a time to put country before self and patriotism before party, that time is now. Let me thank all Americans, especially those in this Chamber tonight, for your support for our forces and their mission.

That support will be even more important in the days to come.

So tonight, I want to talk to you about what is at stake—what we must do together to defend civilized values around the world, and maintain our economic strength at home.

Our objectives in the Persian Gulf are clear, our goals defined and familiar:

Iraq must withdraw from Kuwait completely, immediately—and without condition.

Kuwait's legitimate government must be restored.

The security and stability of the Persian Gulf must be assured.

American citizens abroad must be protected.

These goals are not ours alone. They have been endorsed by the United Nations Security Council five times in as many weeks. Most countries share our concern for principle. And many have a stake in the stability of the Persian Gulf. This is not, as Saddam Hussein would have it, the United States against Iraq. It is Iraq against the world.

As you know, I've just returned from a very productive meeting with Soviet President Gorbachev, I am pleased that we are working together to build a new relationship. In Helsinki, our joint statement affirmed to the world our shared resolve to counter Iraq's threat to peace. Let me quote:

> We are united in the belief that Iraq's aggression must not be tolerated. No peaceful international order is possible if larger states can devour their smaller neighbors.

Clearly, no longer can a dictator count on East-West confrontation to stymie concerted United Nations action against aggression.

A new partnership of nations has begun.

We stand today at a unique and extraordinary moment. The crisis in the Persian Gulf, as grave as it is, also offers a rare opportunity to move toward an historic period of cooperation. Out of these troubled times, our fifth objective—a new world order—can emerge: A new era—freer from the threat of terror, stronger in the pursuit of justice, and more secure in the quest for peace. An era in which the nations of the world, east and west, north and south, can prosper and live in harmony.

A hundred generations have searched for this elusive path to peace, while a thousand wars raged across the span of human endeavor. Today that new world is struggling to be born. A world quite different from the one we've known. A world where the rule of law supplants the rule of the jungle. A world in which nations recognize the shared responsibility for freedom and justice. A world where the strong respect the rights of the weak.

This is the vision I shared with President Gorbachev in Helsinki. He and other leaders from Europe, the Gulf and around the world, understand that how we manage this crisis today, could shape the future for generations to come.

The test we face is great—and so are the stakes. This is the first assault on the new world we seek, the first test of our mettle. Had we not responded to this first provocation with clarity of purpose; if we do not continue to demonstrate our determination; it would be a signal to actual and potential despots around the world.

America and the world must defend common vital interests. And we will.

America and the world must support the rule of law. And we will.

America and the world must stand up to aggression. And we will.

And one thing more—in the pursuit of these goals America will not be intimidated.

Vital issues of principle are at stake. Saddam Hussein is literally trying to wipe a country off the face of the Earth.

We do not exaggerate.

Nor do we exaggerate when we say: Saddam Hussein will fail.

Vital economic interests are at risk as well. Iraq itself controls some 10 percent of the world's proven oil reserves. Iraq plus Kuwait controls twice that. An Iraq permitted to swallow Kuwait would have the economic and military power, as well as the arrogance, to intimidate and coerce its neighbors—neighbors who control the lion's share of the world's remaining oil reserves. We cannot permit a resource so vital to be dominated by one so ruthless. And we won't.

Recent events have surely proven that there is no substitute for American leadership. In the face of tyranny, let no one doubt American credibility and reliability.

Let no one doubt our staying power. We will stand by our friends.

One way or another, the leader of Iraq must learn this fundamental truth.

From the outset, acting hand-in-hand with others, we've sought to fashion the broadest possible international response to Iraq's aggression. The level of world cooperation and condemnation of Iraq is unprecedented.

Armed Forces from countries spanning four continents, are there at the request of King Fahd of Saudi Arabia to deter and, if need be, to defend against attack. Muslim and non-Muslims, Arabs and non-Arabs, soldiers from many nations, stand shoulder-to-shoulder, resolute against Saddam Hussein's ambitions.

We can now point to five U.N. Security Council resolutions that condemn Iraq's aggression. They call for Iraq's immediate and unconditional withdrawal, the restoration of Kuwait's legitimate government, and categorically reject Iraq's cynical and self-serving attempt to annex Kuwait.

Finally, the United Nations has demanded the release of all foreign nationals held hostage against their will, and in contravention of international law. It is a mockery of human decency to call these people "guests." They are hostages, and the whole world knows it.

Prime Minister Margaret Thatcher, a dependable ally, said it all: "We do not bargain over hostages. We will not stoop to the level of using human beings as bargaining chips. Ever."

Of course, our hearts go out to the hostages and their families. But our policy cannot change. And it will not change. America and the world will not be blackmailed by this ruthless policy.

We are now in sight of a United Nations that performs as envisioned by its founders. We owe much to the outstanding leadership of Secretary-General Perez de Cuellar. The U.N. is backing up its words with action. The Security Council has imposed mandatory economic sanctions on Iraq, designed to force Iraq to relinquish the spoils of its illegal conquest. The Security Council has also taken the decisive step of authorizing the use of all means necessary to ensure compliance with these sanctions.

Together with our friends and allies, ships of the United States Navy are today patrolling mideast waters. They have already intercepted more than 700 ships to enforce the sanctions. Three regional leaders I spoke with just yesterday told me that these sanctions are working. Iraq is feeling the heat.

We continue to hope that Iraq's leaders will recalculate just what their aggression has cost them. They are cut off from world trade. Unable to sell their oil. And only a tiny fraction of goods gets through.

The communique with President Gorbachev made mention of what happens when the embargo is so effective that children of Iraq literally need milk, or the sick truly need medicine. Then under strict international supervision that guarantees the proper destination, then food will be permitted.

At home, the material cost of our leadership can be steep. That's why Secretary of State Baker and Treasury Secretary Brady have met with many world leaders to underscore that the burden of this collective effort must be shared. We are prepared to do our share and more to help carry that load; we insist others do their share as well.

The response of most of our friends and allies has been good. To help defray costs, the leaders of Saudi Arabia, Kuwait, and the United Arab Emirates have pledged to provide our deployed troops with all the food and fuel they need. Generous assistance will also be provided to stalwart frontline nations, such as Turkey and Egypt.

I am also heartened to report that this international response extends to the neediest victims of this conflict—the refugees. For our part, we have contributed $28 million for relief efforts. This is but a portion of what is needed. I commend, in particular, Saudi Arabia, Japan, and several European nations who have joined us in this purely humanitarian effort.

There is an energy-related cost to be borne as well. Oil-producing nations are already replacing lost Iraqi and Kuwaiti output. More than half of what was lost has been made up. We are getting superb cooperation. If producers, including the United States, continue steps to expand oil and gas production, we can stabilize prices and guarantee against hardship. Additionally, we and several of our allies always have the option to extract oil from our strategic petroleum reserves, if conditions warrant. As I have pointed out before, conservation efforts are essential to keep our energy needs as low as possible. We must then take advantage of our energy sources across the board: Coal, natural gas, hydro, and nuclear. Our failure to do these things has made us more dependent on foreign oil than ever before. Finally, let no one even contemplate profiteering from this crisis. We will not have it.

I cannot predict just how long it will take to convince Iraq to withdraw from Kuwait. Sanctions will take time to have their full intended effect. We will continue to review all options with our allies, but let it be clear: We will not let this aggression stand.

Our interest, our involvement in the gulf, is not transitory. It predated Saddam Hussein's aggression, and will survive it. Long after all our troops come home, and we all hope it is soon, very soon, there will be a lasting role for the United States in assisting the nations of the Persian Gulf. Our role, with others, is to deter future aggression. Our role is to help our friends in their own self-defense. And something else: To curb the proliferation of chemical, biological, ballistic missile, and above all, nuclear technologies.

Let me also make clear that the United States has no quarrel with the Iraqi people. Our quarrel is with Iraq's dictator, and with his aggression. Iraq will not be permitted to annex Kuwait. That's not a threat, or a boast, that's just the way it's going to be.

Our ability to function effectively as a great power abroad depends on how we conduct ourselves here at home. Our economy, our Armed Forces, our energy dependence, and our cohesion all determine whether we can help our friends and stand up to our foes.

For America to lead, America must remain strong and vital. Our world leadership and domestic strength are mutual and reinforcing; a woven piece, as strongly bound as Old Glory.

To revitalize our leadership capacity, we must address our budget deficit—not after election day, or next year, but now.

Higher oil prices slow our growth, and higher defense costs would only make our fiscal deficit problem worse. That deficit was already greater than it should have been—a projected $232 billion for the coming year. It must—it will—be reduced.

To my friends in Congress, together we must act this very month—before the next fiscal year begins October 1—to get America's economic house in order. The gulf situation helps us realize we are more economically vulnerable than we ever should be. Americans must never again enter any crisis—economic or military—with an excessive dependence on foreign oil and an excessive burden of Federal debt.

Most Americans are sick and tired of endless battles in the Congress and between the branches over budget matters. It is high time we pulled together—and get the job done right. It is up to us to straighten this out.

This job has four basic parts.

First: The Congress should, this month, within a budget agreement, enact growth-oriented tax measures—to help avoid recession in the short term; and to increase savings, investment, productivity, and competitiveness for the longer term. These measures include extending incentives for research and experimentation; expanding the use of IRA's for new homeowners; establishing tax-deferred family savings accounts; creating incentives for the creation of enterprise zones and initiatives to encourage more domestic drilling; and, yes, reducing the tax rate for capital gains.

Second, the Congress should, this month, enact a prudent multiyear defense program—one that reflects not only the improvement in East-West relations, but our broader responsibilities to deal with the continuing risk of outlaw action and regional conflict. Even with our obligation in the gulf, a sound defense budget can have some reduction in real terms, and we are prepared to accept that. But to go beyond such levels, where cutting defense would threaten our vital margin of safety, is something I will never accept.

The world is still dangerous. Surely that is now clear. Stability is not secure. American interests are far-reaching. Inter-dependence has increased. The consequences of regional instability can be global. This is no time to risk America's capacity to protect her vital interests.

Third, the Congress should, this month, enact measures to increase domestic energy production and energy conservation—in order to reduce dependence on foreign oil. These measures should include my proposals to increase incentives for domestic oil and gas exploration, fuel-switching, and to accelerate the development of Alaskan energy resources, without damage to wildlife.

As you know, when the oil embargo was imposed in the early 1970's the United States imported almost 6 million barrels of oil per day. This year, before the Iraqi invasion, U.S. imports had risen to nearly 8 million barrels per day. We had moved in the wrong direction. Now we must act to correct that trend.

Fourth, the Congress should, this month, enact a 5-year program to reduce the projected debt and deficits by $500 billion—that is, by half a trillion dollars. If, with the Congress, we can develop a satisfactory program by the end of the month, we can avoid the ax of sequester—deep across-the-board cuts that would threaten our military capacity and risk substantial domestic disruption.

I want to be able to tell the American people that we have truly solved the deficit problem. For me to do that, a budget agreement must meet these tests:

It must include the measures I've recommended to increase economic growth and reduce dependence on foreign oil.

It must be fair. All should contribute, but the burden should not be excessive for any one group of programs or people.

It must address the growth of government's hidden liabilities.

It must reform the budget process, and further: It must be real.

I urge Congress to provide a comprehensive 5-year deficit reduction pro-

gram to me as a complete legislative package—with measures to assure that it can be fully enforced. America is tired of phoney deficit reduction, or promise-now, save-later plans. It is time for a program that is credible and real.

Finally, to the extent that the deficit reduction program includes new revenue measures, it must avoid any measure that would threaten economic growth or turn us back toward the days of punishing income tax rates. That is one path we should not head down again.

I have been pleased with recent progress, although it has not always seemed so smooth.

But now it is time to produce.

I hope we can work out a responsible plan. But with or without agreement from the budget summit, I ask both Houses of the Congress to allow a straight up-or-down vote on a complete $500 billion deficit reduction package—not later than September 28.

If the Congress cannot get me a budget, then Americans will have to face a tough, mandated sequester.

I am hopeful, in fact I am confident, the Congress will do what it should. And I can assure you, we in the executive branch will do our part.

In the final analysis, our ability to meet our responsibilities abroad depends upon political will and consensus at home. This is never easy in democracies—where we govern only with the consent of the governed. And although free people in a free society are bound to have their differences, Americans traditionally come together in times of adversity and challenge.

Once again, Americans have stepped forward to share a tearful goodbye with their families before leaving for a strange and distant shore. At this very moment, they serve together with Arabs, Europeans, Asians, and Africans in defense of principle and the dream of a new world order. That is why they sweat and toll in the sand and the heat and the sun.

If they can come together under such adversity; if old adversaries like the Soviet Union and the United States can work in common cause; then surely we who are so fortunate to be in this great chamber—Democrats, Republicans, liberals, conservatives—can come together to fulfill our responsibilities here.

Thank you, good night, and God bless the United States of America.

Thank you all very much.

[Applause, the Members rising.]

At 9 o'clock and 40 minutes p.m., the President of the United States, accompanied by the committee of escort, retired from the Hall of the House of Representatives.

The Doorkeeper escorted the invited guests from the Chamber in the following order.

The members of the President's Cabinet.

The ambassadors, ministers, and charges d'affaires of foreign governments.

JOINT SESSION DISSOLVED

The SPEAKER. The Chair declares the joint session of the two Houses now dissolved.

Accordingly at 9 o'clock and 45 minutes p.m., the joint session of the two Houses was dissolved.

The Members of the Senate retired to their Chamber.

MESSAGE OF THE PRESIDENT REFERRED TO THE COMMITTEE OF THE WHOLE HOUSE ON THE STATE OF THE UNION

Mr. FAZIO. Mr. Speaker, I move that the message of the President be referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

The motion was agreed to.

LEGISLATION PROVIDING FREE MAILING PRIVILEGES FOR TROOPS ENGAGED IN OPERATION DESERT SHIELD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, right now, our men and women in the Saudi Desert are faced with many enemies. Saddam Hussein and the hot sun, of course, are deadly in a very direct way. Boredom and loneliness are also enemies, and they can be deadly in their own way.

We here in the Congress can't do much about the sun, and the President is handling Saddam Hussein. We can make a contribution, though. We can try to relieve the boredom and loneliness that has dogged our men and women over in the Middle East.

Providing free mailing priviledges to our troops would be a small, yet significant, step in keeping their morale high.

That is why I have introduced legislation which would provide members of the Armed Forces who are participants in this temporary overseas deployment in Saudi Arabia with free mail service.

In my bill, the postal service would be reimbursed for this free mailing by legislative branch appropriations. Thus, some of the money earmarked for congressional franking will be put to better use: Helping American troops in operation Desert Shield.

I think this can be an important contribution the Congress can make for our troops overseas and for our constituents back at home.

H.R. 5570

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FREE MAILING PRIVILEGES FOR MEMBERS OF THE ARMED FORCES PARTICIPATING IN TEMPORARY OVERSEAS DEPLOYMENT IN ARDUOUS CIRCUMSTANCES.

(a) MAILING PRIVILEGES.—In a case in which members of the Armed Forces are temporarily deployed overseas for an operational contingency in arduous circumstances, as determined by the Secretary of Defense, members so deployed shall be provided mailing privileges under section 3410(a)(1)(A) of title 39, United States Code, in the same manner as if the forces deployed were engaged in military operations involving armed conflict with a hostile foreign force.

(b) REIMBURSEMENT OF POSTAL SERVICE FROM LEGISLATIVE BRANCH APPROPRIATIONS.—There shall be transferred to the Postal Service as postal revenues, out of appropriations made for the legislative branch for the purpose of franked mailings, as a necessary expense of the appropriations concerned, the equivalent amount for postage due, as determined by the Postal Service, for matter sent in the mails under authority of subsection (a).

(c) EXPIRATION.—The provisions of this section shall expire on June 30, 1991.

ADJOURNMENT

Mr. FAZIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 49 minutes p.m.), the House adjourned until tomorrow, Wednesday, September 12, 1990 at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3864. A letter from the Acting Executive Director, Neighborhood Reinvestment Corporation, transmitting the annual report of the Corporation for 1989, pursuant to 42 U.S.C. 8106(a); to the Committee on Banking, Finance and Urban Affairs.

3865. A letter from the Commissioner, Rehabilitation Services Administration, transmitting a report on the accomplishments of the supported employment programs for the fiscal year October 1, 1988 through September 30, 1989, pursuant to 29 U.S.C. 777a; to the Committee on Education and Labor.

3866. A letter from the Attorney General, Office of the Attorney General, transmitting the Departments 1989 annual report on missing children, pursuant to 42 U.S.C. 5773(a); to the Committee on Education and Labor.

3867. A letter from the Secretary of Education, transmitting the interim report on the distribution of Federal elementary-secondary education grants among the States, pursuant to Public Law 100-297, section 6207 (102 Stat. 427); to the Committee on Education and Labor.

3868. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a pro-

posed license for the export of defense equipment sold commercially to the Republic of Korea (Transmittal No. DTC-30-90), pursuant to 22 U.S.C. 2776(c), (d); to the Committee on Foreign Affairs.

3869. A letter from the Comptroller of the Department of Defense, transmitting notification that the Secretary has invoked the authority granted by section 3732 of the Revised Statutes to authorize the military departments to incur obligations in excess of available appropriations for the costs of any additional members of the Armed Forces on active duty which have been increased beyond the number for which funds were provided for; jointly, to the Committees on Armed Services and Appropriations.

3870. A letter from the Secretary of Energy, transmitting a comprehensive report describing the project entitled, "Confined Zone Dispersion Flue Gas Desulfurization Demonstration", proposed by Bechtel Corp.; jointly, to the Committees on Appropriations; Energy and Commerce; and Science, Space, and Technology.

3871. A letter from the Secretary of Energy, transmitting a comprehensive report describing the project entitled, "Evaluation of Gas Reburning and Low NO_x Burners on a Wall-Fired Boiler," proposed by Energy and Environmental Research Corp.; jointly, to the Committees on Appropriations; Science, Space, and Technology; and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. FROST: Committee on Rules. House Resolution 461. Resolution providing for the consideration of H.R. 4739, a bill to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes (Report No. 101-693). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL (for himself, Mr. SMITH of Florida, Mr. KOSTMAYER, Mr. HAMILTON, Mr. YATRON, Mr. SOLARZ, Mr. STUDDS, Mr. WOLPE, Mr. GEJDENSON, Mr. DYMALLY, Mr. LANTOS, Mr. TORRICELLI, Mr. FEIGHAN, Mr. ACKERMAN, Mr. UDALL, Mr. CLARKE, Mr. FUSTER, Mr. JOHNSTON of Florida, Mr. FALEOMAVAEGA, Mr. BOSCO, and Mr. MCCLOSKEY):

H.R. 5567. A bill to authorize international narcotics control activities for fiscal year 1991, and for other purposes; jointly, to the Committees on Foreign Affairs, the Judiciary, and Banking, Finance and Urban Affairs.

By Mr. DINGELL (for himself and Mr. RITTER):

H.R. 5568. A bill to impose additional duties on the products of foreign countries if, and during such time as, such countries do not make sufficient contributions to the multinational military mobilization and operations being carried out in response to the invasion of Kuwait by Iraq; to the Committee on Ways and Means.

By Mr. GILMAN (for himself, Mr. DORNAN of California, Mr. INHOFE, Mr. BATES, and Mr. DONALD E. LUKENS):

H.R. 5569. A bill to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to enhance the protections for members of the Armed Forces on active duty, including members of the reserve components of the Armed Forces; to the Committee on Veterans' Affairs.

By Mr. MICHEL (for himself, Mr. LEWIS of California, Mrs. MARTIN of Illinois, Mr. SMITH of New Hampshire, Mr. ROWLAND of Connecticut, Mr. CRAIG, Mr. BROWN of Colorado, Mr. GILMAN, Mr. DICKINSON, Mr. TAUKE, Ms. SCHNEIDER, and Mrs. SAIKI):

H.R. 5570. A bill to provide free mailing privileges for members of the Armed Forces who are participants in a temporary overseas deployment for an operational contingency in arduous circumstances; to the Committee on Post Office and Civil Service.

By Mr. BORSKI:

H.R. 5571. A bill to amend title 28, United States Code, to provide for the appointment of an additional bankruptcy judge for the Eastern District of Pennsylvania; to the Committee on the judiciary.

By Mr. BRYANT (for himself and Mr. MORRISON of Connecticut):

H.R. 5572. A bill to amend the Immigration and Nationality Act to extend the requirement for an annual GAO report on the impact of employer sanctions, to improve enforcement of antidiscrimination provisions, and for other purposes; jointly, to the Committees on the Judiciary and Education and Labor.

By Mr. DEFAZIO:

H.R. 5573. A bill to require the Secretary of the Interior to prepare a national least-cost energy plan and to prohibit any oil and gas leasing on Federal lands currently withdrawn from, or not available for, oil and gas leasing until such a plan is submitted to the Congress; jointly, to the Committees on Interior and Insular Affairs and Energy and Commerce.

By Mr. DUNCAN:

H.R. 5574. A bill to authorize financial assistance for Knoxville College of Knoxville, TN; to the Committee on Education and Labor.

By Mr. GIBBONS:

H.R. 5575. A bill to provide for free mailing privileges for members of the Armed Forces serving in the Persian Gulf region as part of Operation Desert Shield; to the Committee on Post Office and Civil Service.

By Mr. GREEN:

H.R. 5576. A bill to amend the Internal Revenue Code of 1986 to exempt cooperative housing corporations from the provisions of section 277 of such Code; to the Committee on Ways and Means.

By Mr. HAYES of Illinois (for himself, Mr. CONYERS, Mr. CLAY, Mr. SERRANO, Mr. STOKES, Mr. DELLUMS, Mr. RANGEL, Mr. FAUNTROY, Mrs. COLLINS, Mr. FORD of Tennessee, Mr. DIXON, Mr. GRAY, Mr. CROCKETT, Mr. DYMALLY, Mr. SAVAGE, Mr. OWENS of New York, Mr. TOWNS, Mr. WHEAT, Mr. ESPY, Mr. FLAKE, Mr. LEWIS of Georgia, Mr. MFUME, Mr. PAYNE of New Jersey, Mr. WASHINGTON, Mr. HOYER, Mr. LEHMAN of Florida, Mr. ROSE, Mr. SPRATT, Mr. FROST, Mr. KILDEE, Mr. MARTINEZ, Mr. JONTZ, and Mr. PERKINS):

H.R. 5577. A bill to establish the Lovejoy Building as an African-American Higher Education Center, and for other purposes; to the Committee on Education and Labor.

By Mr. PETRI:

H.R. 5578. A bill to amend the Fair Labor Standards Act of 1938 to exempt certain model garment programs from minimum wage and maximum hour requirements, and for other purposes; to the Committee on Education and Labor.

By Mr. RAHALL (for himself and Mr. CRAIG):

H.R. 5579. A bill to amend section 28(w) of the Mineral Leasing Act, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SHARP (for himself and Mr. MCCLOSKEY):

H.R. 5580. A bill to deny to Iraq any windfall resulting from its invasion of Kuwait, and for other purposes; to the Committee on Foreign Affairs.

By Mr. SMITH of Florida:

H.R. 5581. A bill to amend the Clayton Act to improve the notification requirements applicable to foreign persons who acquire voting securities or assets of persons in the United States; to the Committee on the Judiciary.

By Mr. DURBIN (for himself, Mr. ANNUNZIO, Mr. ATKINS, Mrs. COLLINS, Mr. COSTELLO, Mr. EVANS, Mr. FEIGHAN, Mr. GUNDERSON, Mr. DE LUGO, Mr. JOHNSON of South Dakota, Mr. JONTZ, Mr. KOLTER, Mr. MILLER of California, Mr. MORRISON of Connecticut, Mr. NEAL of Massachusetts, Mr. PALLONE, Mr. PARRIS, Mr. PEASE, Mr. SHAYS, Mr. TRAFICANT, Mr. UDALL, Mr. YATES, Mr. HAYES of Illinois, Mr. COLEMAN of Missouri, Mr. HUGHES, Mrs. UNSOELD, Ms. KAPTUR, and Mrs. BOXER):

H.R. 5582. A bill to protect the national security by prohibiting profiteering of essential commodities during periods of national emergency; to the Committee on the Judiciary.

By Mr. GLICKMAN (for himself, Mr. ENGLISH, Mr. ROBERTS, Mr. JOHNSON of South Dakota, Mr. STANGELAND, Mr. SARPALIUS, Mr. VOLKMER, Mr. NAGLE, and Mr. STALLINGS):

H.R. 5583. A bill to provide for an acreage limitation program for the 1991 crop of wheat; to the Committee on Agriculture.

By Mr. LOWERY of California:

H.R. 5584. A bill to amend title 37, United States Code, to expand the eligibility of members of the Reserve components of the Armed Forces to receive a variable housing allowance and to amend the Soldiers' and Sailors' Civil Relief Act of 1940 to expand the protections for members of the Armed Forces on active duty who occupy rental housing; jointly, to the Committees on Armed Services and Veterans' Affairs.

By Mrs. MARTIN of Illinois (for herself, Mr. FAWELL, and Mr. TAUKE):

H.R. 5585. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to include the pay of Members of Congress and high-level officers of the executive branch within the coverage of the act; jointly, to the Committees on Government Operations and Post Office and Civil Service.

By Mr. VOLKMER:

H.R. 5586. A bill to authorize funding for certain alternative fuel source and energy

conservation programs, and for other purposes; jointly, to the Committees on Ways and Means; Energy and Commerce; Science, Space, and Technology; and Banking, Finance and Urban Affairs.

By Mr. WELDEN:

H.R. 5587. A bill to amend part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to include the pay of Members of Congress within the coverage of the act; jointly, to the Committees on Government Operations, Post Office and Civil Service , and House Administration.

By Mr. WEISS (for himself, Mr. YATRON, Mr. DYMALLY, Mr. BEREUTER, Mr. MILLER of Washington, Mr. BERMAN, Mr. ACKERMAN, Mr. KOSTMAYER, and Mr. FEIGHAN):

H. Con Res. 368. Concurrent resolution commending the United Nations for its actions with respect to Iraq: to the Committee on Foreign Affairs.

By Mr. McCANDLESS:

H. Res. 462. Resolution to facilitate compliance with congressional intent expressed in the Balanced Budget and Emergency Deficit Control Act of 1985 with respect to fiscal year 1991; to the Committee on Rules.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 39: Mr. DOUGLAS.

H.R. 107: Mr. MURPHY.

H.R. 222: Mr. NELSON of Florida.

H.R. 496: Mr. JOHNSTON of Florida, Mr. COSTELLO, Mr. MCMILLEN of Maryland, Mr. LEHMAN of Florida, Mr. MILLER of California, and Mr. SHAYS.

H.R. 671: Mrs. BOXER.

H.R. 689: Mr. HOLLOWAY.

H.R. 725: Ms. OAKAR and Mr. SOLARZ.

H.R. 1378: Mr. FUSTER.

H.R. 1380: Mr. FUSTER.

H.R. 1406: Mr. KYL.

H.R. 1693: Ms. ROS-LEHTINEN, Mr. TRAFICANT, and Mr. NEAL of Massachusetts.

H.R. 1767: Ms. PELOSI.

H.R. 1875: Mr. HALL of Texas, Mr. LEHMAN of Florida, and Mr. INHOFE.

H.R. 2098: Mr. ALEXANDER.

H.R. 2383: Mr. HENRY.

H.R. 2395: Mr. EMERSON, and Mr. DEFAZIO.

H.R. 2664: Mrs. COLLINS and Mr. DURBIN.

H.R. 2807: Mr. STUDDS.

H.R. 2816: Mr. EMERSON, and Mr. BEREUTER.

H.R. 2885: Mr. HARRIS, Ms. OAKAR, Mrs. MORELLA, Mr. MCCURDY, and Mr. KANJORSKI.

H.R. 3004: Mr. BILIRAKIS, Mr. GILMAN, Mr. GUNDERSON, Mr. MORRISON of Washington, Mr. PURSELL and Mr. PARRIS.

H.R. 3037: Mr. KOLTER and Mr. DWYER of New Jersey.

H.R. 3623: Mr. INHOFE.

H.R. 3785: Mr. JOHNSON of South Dakota, Mr. CAMPBELL of Colorado, Mr. INHOFE, and Mr. WATKINS.

H.R. 3903: Mr. MORRISON of Connecticut.

H.R. 3923: Mr. EMERSON.

H.R. 3970: Mr. GORDON, Mr. ENGLISH, and Mr. SLATTERY.

H.R. 3999: Mr. BOSCO and Mr. DOUGLAS.

H.R. 4075: Mr. DOWNEY and Mr. NEAL of North Carolina.

H.R. 4121: Mr. GUNDERSON and Mr. PAYNE of New Jersey.

H.R. 4247: Mr. SUNDQUIST.

H.R. 4330: Mr. ANDREWS, Mr. BARNARD, Mrs. BOGGS, Mr. BOUCHER, Mr. DEFAZIO, Mr. SKAGGS, Mr. STAGGERS, Mr. STOKES, Mr. SWIFT, and Mr. YATRON.

H.R. 4367: Mr. TAUKE.

H.R. 4550: Mr. DE LUGO.

H.R. 4641: Mr. JACOBS and Mr. HUNTER.

H.R. 4683: Mr. MCMILLAN of North Carolina.

H.R. 4684: Mr. SKAGGS and Mr. CROCKETT.

H.R. 4755: Mr. LEWIS of Florida, Mr. AUCOIN, Mr. PRICE, Mr. MCGRATH, and Mr. TALLON.

H.R. 4848: Mr. FEIGHAN.

H.R. 4875: Mr. GIBBONS.

H.R. 4880: Mr. RANGEL.

H.R. 4955: Mr. OWENS of Utah, Mr. ROWLAND of Georgia, and Mr. MCNULTY.

H.R. 4958: Mr. KENNEDY.

H.R. 4962: Mr. NELSON of Florida, Mr. DE LA GARZA, Mr. WHEAT, Mr. HANSEN, Mr. JACOBS, Ms. SNOWE, Mr. ROWLAND of Connecticut, Mr. FRENZEL, Mr. BRENNAN, Mr. MICHEL, Mr. PASHAYAN, Mr. CLEMENT, Mr. ANNUNZIO, Mr. PICKETT, Mr. GINGRICH, Mr. GALLO, Mr. MACHTLEY, and Mr. BUECHNER.

H.R. 4975: Mr. GINGRICH.

H.R. 4993: Mr. KYL.

H.R. 5006: Mr. KOLBE and Mr. SPRATT.

H.R. 5008: Mrs. BOXER.

H.R. 5028: Mr. MCCOLLUM.

H.R. 5054: Mr. ROE.

H.R. 5144: Mrs. BYRON, Mr. CRAIG, and Mr. PARRIS.

H.R. 5194: Mr. DONALD E. LUKENS, Mr. ENGLISH, Mr. LEACH of Iowa, and Mrs. VUCANOVICH.

H.R. 5222: Mr. SCHIFF, Mr. HORTON, Mrs. MEYERS of Kansas, Mrs. MARTIN of Illinois, and Mr. WATKINS.

H.R. 5244: Mr. GRANDY, Mr. WATKINS, and Mr. GILMAN.

H.R. 5261: Ms. SCHNEIDER.

H.R. 5290: Mr. FOGLIETTA, Mr. HERTEL, Mr. WYDEN, Ms. MOLINARI, Mr. MARKEY, and Mrs. BYRON.

H.R. 5292: Mr. MARLENEE.

H.R. 5338: Mrs. LOWEY of New York, Mr. RICHARDSON, and Ms. ROS-LEHTINEN.

H.R. 5362: Mr. SUNDQUIST and Ms. SCHNEIDER.

H.R. 5392: Mrs. JOHNSON of Connecticut, Mr. OWENS of Utah, Mr. MACHTLEY, Mr. FAUNTROY, Mr. GREEN, Mrs. BOXER, Mr. RANGEL, Mr. HUGHES, Mr. HORTON, Mr. TOWNS, Mr. FUSTER, Ms. PELOSI, and Ms. SLAUGHTER of New York.

H.R. 5393: Mrs. JOHNSON of Connecticut, Mr. OWENS of Utah, Mr. MACHTLEY, Mr. FAUNTROY, Mr. GREEN, Mrs. BOXER, Mr. RANGEL, Mr. HUGHES, Mr. HORTON, Mr. TOWNS, Mr. FUSTER, Ms. PELOSI, and Ms. SLAUGHTER of New York.

H.R. 5410: Mrs. COLLINS, Mrs. UNSOELD, Mr. DICKS, and Mr. MCDERMOTT.

H.R. 5429: Mr. SUNDQUIST.

H.R. 5481: Mr. SOLOMON, Mr. COX, Mr. NOWAK, Mr. PALLONE, Mr. SAXTON, Mr. HORTON, Mr. MCGRATH, Mr. MILLER of Washington, Mr. BORSKI, and Mr. FAWELL.

H.R. 5531: Mrs. COLLINS and Mr. MADIGAN.

H.R. 5553: Mr. RHODES and Mr. ROBERTS.

H.R. 5563: Mrs. BYRON, Mrs. MORELLA, Mr. ROBINSON, and Mr. HAYES of Louisiana.

H.J. Res. 214: Mr. STOKES and Mr. ROWLAND of Connecticut.

H.J. Res. 369: Mr. TAYLOR, Mr. PRICE, and Mr. VOLKMER.

H.J. Res. 476: Mr. BEREUTER, Mr. BLAZ, Mr. BROWN of Colorado, Mr. CHAPMAN, Mr. FIELDS, Mr. FISH, Mr. GINGRICH, Ms. OAKAR, Mr. SMITH of Texas, Mrs. VUCANOVICH.

H.J. Res. 562: Mr. BILIRAKIS, Mr. FUSTER, Mr. PAYNE of New Jersey, Mr. HAYES of Louisiana, Mr. WHEAT, Mr. FASCELL, and Mr. YATRON.

H.J. Res. 571: Mr. SMITH of Iowa, Mr. SPRATT, Mr. LEACH of Iowa, Mr. EMERSON, Mr. EVANS, Mr. DONALD E. LUKENS, Mr. HAYES of Louisiana, and Mrs. COLLINS.

H.J. Res. 572: Mr. ORTIZ and Mr. TAYLOR.

H.J. Res. 579: Mr. TOWNS, Mr. WALSH, Mr. KOSTMAYER, Mr. HAMMERSCHMIDT, Mr. DOWNEY, Mr. GILMAN, Mr. LIGHTFOOT, Mr. MONTGOMERY, and Mr. SCHUMER.

H.J. Res. 583: Mr. LEACH of Iowa, Mr. APPLEGATE, Mr. SCHEUER, Mrs. LLOYD, Mr. KOLTER, Mr. GRANT, Mr. TORRICELLI, Mr. WOLPE, Mr. BATEMAN, Mr. BLILEY, Mr. BEVILL, Mr. VALENTINE, Mr. WALGREN, Mr. SMITH of Florida, Mr. RINALDO, Mr. THOMAS A. LUKEN, Mr. DIXON, and Mr. SAWYER.

H.J. Res. 585: Mr. BATEMAN, Mr. BROWN of Colorado, Mr. COUGHLIN, Mr. GUNDERSON, Mr. HERTEL, Mr. KANJORSKI, Mr. KOSTMAYER, Mr. MOODY, Mr. ORTIZ, Mrs. PATTERSON, Mr. PERKINS, Mr. PORTER, Mr. SPENCE, Mr. WATKINS, Mr. BROOMFIELD, Mr. JENKINS, Mr. MILLER of California, and Mr. STALLINGS.

H.J. Res. 595: Mr. STARK, Mr. BROWN of Colorado, Mr. OWENS of Utah, Mrs. COLLINS, Mr. ROE, Mr. ROBERTS, Mr. SUNDQUIST, Mr. PURSELL, Mr. RAVENEL, Mr. PARKER, Mr. RHODES, Mr. BEVILL, Mr. ESPY, Mr. CALLAHAN, Mr. BARTON of Texas, Mr. WYDEN, Mr. LEACH of Iowa, Mr. STOKES, Mr. SKEEN, Mr. PAYNE of New Jersey, Mr. RITTER, Mr. ROBINSON, Mr. HOAGLAND, Mr. HARRIS, Mr. VANDER JAGT, Mr. BROWN of California, Mr. TANNER, Mr. HERTEL, Mr. FEIGHAN, Mr. FAUNTROY, Mr. LAFALCE, Mr. INHOFE, Mrs. PATTERSON, Mr. JOHNSON of South Dakota, Mr. SKAGGS, Mr. ALEXANDER, and Mr. FALEOMAVAEGA.

H.J. Res. 603: Mr. RUSSO, Mr. GEJDENSON, Mr. DONALD E. LUKENS, Mr. ANDREWS, Mr. BAKER, Mr. BEREUTER, Mr. BOUCHER, Mr. BOEHLERT, Mr. BROWN of California, Mr. CALLAHAN, Mr. CAMPBELL of Colorado, Mr. CLAY, Mr. CRANE, Mr. CROCKETT, Mr. DONNELLY, Mr. FIELDS, Mr. FISH, Mr. GIBBONS, Mr. GRAY, Mr. HAWKINS, Mr. HOAGLAND, Mr. HOYER, Mrs. KENNELLY, Mr. MCCURDY, Mr. MOODY, Mr. NEAL of Massachusetts, Mr. NELSON of Florida, Mr. ROSE, Mr. SISISKY, Mr. SYNAR, Mr. VISCLOSKY, and Mr. WHEAT.

H.J. Res. 608: Mr. ACKERMAN, Mr. ANDERSON, Mr. ATKINS, Mr. BARNARD, Mr. BATES, Mr. BERMAN, Mrs. BOGGS, Mr. BROWN of California, Mr. BROWN of Colorado, Mr. BRUCE, Mr. CAMPBELL of Colorado, Mr. CONTE, Mr. COURTER, Mr. COYNE, Mr. DARDEN, Mr. DERRICK, Mr. DORGAN of North Dakota, Mr. DREIER of California, Mr. FEIGHAN, Mr. FISH, Mr. FORD of Michigan, Mr. FRANK, Mr. GALLEGLY, Mr. GALLO, Mr. GOODLING, Mr. GUNDERSON, Mr. HASTERT, Mr. HAWKINS, Mr. HALL of Texas, Mr. HALL of Ohio, Mr. HAMILTON, Mr. HANSEN, Mr. HENRY, Mr. HERTEL, Mr. HOCHBRUECKNER, Mr. HOYER, Mr. HUNTER, Mr. HUTTO, Mr. INHOFE, Mr. JOHNSON of South Dakota, Mr. JONES of Georgia, Mr. JONES of North Carolina, Mr. KASICH, Mr. KENNEDY, Mrs. KENNELLY, Mr. KILDEE, Mr. KOSTMAYER, Mr. LAFALCE, Mr. LAGOMARSINO, Mr. LAUGHLIN, Mr. LEVINE of Michigan, Mr. LEVIN of California, Mrs. LOWEY of New York, Mr. DONALD E. LUKENS, Mr. MANTON, Mr. MATSUI, Mr.

McHUGH, Mr. McMILLEN of Maryland, Mr. MFUME, Mr. MINETA, Mrs. MORELLA, Mr. MORRISON of Connecticut, Mr. MORRISON of Washington, Mr. NELSON of Florida, Mr. OBEY, Mr. ORTIZ, Mr. PORTER, Mr. PRICE, Mr. RICHARDSON, Mr. ROE, Mr. ROSE, Mr. ROWLAND of Connecticut, Mr. RUSSO, Mr. SARPALIUS, Mr. SCHUMER, Mr. SERRANO, Mr. SLATTERY, Mr. SMITH of New Hampshire, Mr. STALLINGS, Mr. THOMAS of Wyoming, Mr. THOMAS of Georgia, Mr. TORRES, Mr. TORRICELLI, Mr. UDALL, Mr. VISCLOSKY, Mr. WALGREN, Mr. WILSON, Mr. WOLF, Mr. WOLPE, Mr. WYDEN, and Mr. YATRON.

H.J. Res. 610: Mr. ACKERMAN, Mr. APPLEGATE, Mr. AUCOIN, Mr. BATES, Mr. BENNETT, Mr. BILBRAY, Mr. BONIOR, Mr. BORSKI, Mr. BOSCO, Mrs. BOXER, Mr. CALLAHAN, Mr. CARPER, Mr. CARR, Mr. CLARKE, Mrs. COLLINS, Mr. COSTELLO, Mr. COURTER, Mr. CROCKETT, Mr. DELLUMS, Mr. DE LUGO, Mr. DEWINE, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DORNAN of California, Mr. DWYER of New Jersey, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. ENGEL, Mr. ESPY, Mr. FALEOMAVAEGA, Mr. FEIGHAN, Mr. FRENZEL, Mr. FROST, Mr. GEJDENSON, Mr. GUARINI, Mr. HARRIS, Mr. HAWKINS, Mr. HAYES of Illinois, Mr. HORTON, Mr. JOHNSTON of Florida, Mr. KOLTER, Mr. LEVIN of Michigan, Ms. LONG, Mr. McCLOSKEY, Mr. McDADE, Mr. McGRATH, Mr. MACHTLEY, Mr. MANTON, Mr. MARTIN of New York, Mr. MINETA, Mr. MOORHEAD, Mrs. MORELLA, Ms. OAKAR, Mr. OBERSTAR, Mr. ORTIZ, Mr. PALLONE, Ms. PELOSI, Mr. PRICE, Mrs. ROUKEMA, Mr. SCHEUER, Mr. SCHIFF, Mr. SKAGGS, Mr. SLATTERY, Ms. SLAUGHTER of New York, Mr. SMITH of New Jersey, Mr. SOLARZ, Mr. SPENCE, Mr. STOKES, Mr. TALLON, Mr. TOWNS, Mr. TRAFICANT, Mr. VENTO, Mr. WALGREN, Mr. WAXMAN, Mr. WOLPE, and Mr. YATRON.

H.J. Res. 628: Mr. LAGOMARSINO, Mr. LANCASTER, Mr. McDERMOTT, Mr. SCHUETTE, Mr. SMITH of Florida, and Mr. WALGREN.

H.J. Res. 637: Mr. CHAPMAN, Mr. HORTON, Mr. NATCHER, Mr. TOWNS, Mr. LEWIS of Georgia, Mr. ANTHONY, Mr. WHITTEN, Mr. MARTINEZ, Mr. FAUNTROY, Mr. LEHMAN of Florida, Mr. BAKER, Mr. BENNETT, Mr. WASHINGTON, Mr. FASCELL, and Mr. DIXON.

H. Con. Res. 315: Mr. CAMPBELL of California, Mr. FALEOMAVAEGA, Mr. LAGOMARSINO, Mr. LIPINSKI, Mr. PENNY, amd Mr. WHEAT.

H. Con. Res. 356: Mr. GRAY and Mr. WAXMAN.

H. Res. 380: Mr. SCHAEFER, Mr. DYMALLY, Mr. FALEOMAVAEGA, and Mr. DICKINSON.

H. Res. 421: Mr. DORGAN of North Dakota, Mr. SMITH of New Hampshire, Mr. WHITTAKER, Mr. STANGELAND, Mr. GRANDY, and Mr. PAYNE of Virginia.

EXTENSIONS OF REMARKS

HUSSEIN'S REPRESSIVE REGIME POSES THREAT TO MILLIONS

HON. JOHN EDWARD PORTER
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. PORTER. Mr. Speaker, we are all aware of the threat to world economic stability posed by Iraq's illegal invasion of Kuwait. But Saddam Hussein's repressive regime poses an equally urgent threat to millions of human lives in the Persian Gulf.

Since Saddam Hussein came to power in 1979, the Kurds, Iraq's largest minority, have been brutally repressed for seeking recognition of their distinct ethnicity. Over the past 5 years, hundreds of children, whose parents were reportedly political activists have been arrested and tortured; hundreds of thousands of Kurds have been relocated in efforts to diminish a collective Kurdish presence; and hundreds of villages were destroyed, killing thousands, by a chemical offensive aimed against Kurdish civilians. Any voice of dissent has been violently suppressed.

We must ignore Saddam's words, for the truth means nothing to him, and look instead at his deeds. In light of his dismal human rights record against his own children, it is our duty to ensure the safety of both foreign nationals held hostage in Kuwait, and the citizens of Kuwait and neighboring countries.

The following articles outline Saddam Hussein's abysmal record on human rights and how this accord may affect current events:

[From the Christian Science Monitor, Aug. 28, 1990]

EXPERTS FAMILIAR WITH NATION'S RECORD EXPRESS CONCERN OVER WELFARE OF FOREIGN HOSTAGES

(By David Mutch)

Iraq's dismal human rights record bodes ill for the thousands of foreigners caught in the invasion of Kuwait, say experts on human rights.

David Korn, a former top Middle East official at the United States State Department and author of a significant new study of Iraqi government human rights abuses, says, "Iraq's president, Saddam Hussein, operates an absolute police state that for years has tortured and murdered thousands of its own citizens, including children."

Mr. Korn says he is greatly concerned for the welfare of the hostages.

James Graham, head of the Middle East coordinating group for Amnesty International in the US, agrees, and he says: "Iraq has carried out wholesale abuses against its citizens. It also has executed foreign nationals, including Farzad Bazoft [a journalist working for a British newspaper] this March.

"Saddam Hussein has executed some of his top generals who gained prominence in the war with Iran. It can be said that this man is cynical on the subject of human rights. Consider that Iraq has signed international agreements on rights but has no consistent record of abiding by them."

A Swede was also executed in Iraq July 11 because he was supposedly involved in intelligence gathering, Mr. Graham says.

Richard Parker, director of the Center on War and the Child, and Kay Castelle, director of the New York office of Defense for Children International, both express especial concern for the children held hostage in Iraq since the August 2 invasion. Over the past five years, hundreds of children are known to have been arrested, tortured, and in some cases killed in Iraq, according to these two experts.

Most are Kurdish children, and the motive for the brutality, Ms. Castelle says, has been to obtain information about membership of parents and other relatives in Kurdish resistance forces.

Considering Iraq's brutal treatment of so many children, these experts see great irony in Saddam Hussein's appearance on Iraqi TV Aug. 23 with a British child hostage, and then with other hostages, reportedly at a "vital Iraqi installation."

Korn is a former ambassador to Togo, and his study, done for Human Rights Watch, will be published by Yale University Press in November.

Citizens of Iraq who oppose the police state, he writes in the conclusion of his study, are regularly subjected to "forced relocation and deportation, arbitrary arrest and detention, torture, disappearance, and summary and political execution."

Human rights organizations have been gathering data on such violations in Iraq for more than 10 years—ever since Saddam Hussein came to power in 1979 and began to consolidate absolute control over his country.

Amnesty International's 1990 report lists some of these abuses. One passage reads: "Routine torture and ill-treatment of prisoners reportedly continued. Information was received during the year about the alleged torture of children and others arrested in previous years for political reasons. For example, eight school students aged between 13 and 16 were arrested. . . . They allegedly suffered . . . beatings with metal cables while naked and suspended by the wrists from the ceiling, burns with cigarettes, extraction of their fingernails and electric shocks."

Similar reports on Iraq are quite extensive, says Laurie Wiseberg, editor of Human Rights Internet Reporter. There are more than 100 nongovernmental human rights groups in the world that gather and publish information on abuses in a number of countries, in addition to many governmental groups. And those who know this field say they are concerned for the safety of hostages in Iraq.

The HRI Reporter, in its Spring 1989 issue, published abstracts of reports on Iraq.

They noted, among other human rights abuses, that at least 300 Kurdish children were tortured to death in 1985; and chemical weapons have been used in efforts to depopulate whole areas.

Korn is critical of the US government for being associated with Saddam Hussein over the past 10 years.

"The US government has ignored the known fact that, in addition to being a sleazy character, this man is a megalomania personality," he says.

Mr. Graham comments: "I believe there is a greater realization now that it is in the interest of the US to pay greater attention to abuses in other countries, even if they don't affect us directly. The world is more and more a global community."

Korn also deplores US trade policy with Iraq. Until the invasion of Kuwait, the US was buying $3.7 billion worth of oil a year from Iraq. To promise US farm and commercial exports to Iraq, the US, until just this month, had been providing Iraq about $1 billion in credit guarantees per year, according to the State Department. US taxpayers will now have to pay any losses under such programs, Korn says.

The State Department, however, defends the recent US trade policy with Iraq. David Good, a spokesman in the office of John Kelly, assistant secretary for Near Eastern and South Asian affairs, says that the US has made a "balanced effort" to encourage Iraq to follow an increasingly responsible role.

There were efforts in Congress over the last year to embargo trade with Iraq because of human rights abuses.

But Mr. Kelly stated to Congress in April that economic sanctions are truly effective "only when imposed on a multilateral basis." At that time, the US according to the Kelly statement, saw no prospect for such a unified approach in the case of Iraq, largely because of Iraq's $70 billion foreign debt.

Nations that were owed money by Saddam Hussein wanted a chance to have their money paid back, and trade sanctions make this next to impossible. Many of the loans were made during the Iran-Iraq war. What will now happen in regard to these loans is highly uncertain.

The State Department, in defense of its Iraqi policy over the past few years, also claims the US government has been vigilant in preventing Saddam from importing nuclear weapons material.

However, Iraq has successfully developed a chemical-weapons industry, with considerable help from the international community, including companies in West Germany.

[From the Washington Post, Aug. 27, 1990]

SUPPRESSED AT HOME AND DISMISSED ABROAD

(By Glenn Frankel)

LONDON.—As much of the world is drawn into a crisis spawned by the actions of Iraqi President Saddam Hussein, one group feels entitled to say, "We told you so": Iraq's scattered and diverse political opposition.

Ruthlessly suppressed at home, ignored, denigrated and at times betrayed by the West, and hopelessly divided among themselves, Saddam's opponents for years have issued unheeded warnings about the Iraqi leader's expansionist goals and willingness to use weapons of mass destruction and Gestapo-style tactics against enemies foreign or domestic.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Yet even with the Persian Gulf in crisis, they remain prophets without honor. Many Western analysts and intelligence specialists dismiss the opposition—much of which is based here—as too weak to play a significant role in overthrowing the Iraqi president or destabilizing his government. "We don't see them as particularly effective," said an official in the State Department, which this month rejected a meeting with one of the leaders of Iraq's Kurdish resistance movement.

Still, exiled dissidents insist they have an important role to play because of their links both with military leaders inside Iraq who they say opppose Saddam's rule and with an Iraqi population that they assert is growing restive despite a flood of nationalist propaganda from the government and relentless monitoring by its elaborate security newwork. They contend that, as in Eastern Europe, the government is weaker than it appears and that once it starts to crumble, their own supporters will emerge.

"If there is going to be change in Iraq, it must come from within," said Hoshyar Zebari, spokesman for the Kurdistan Democratic Front, a coalition of Kurdish movements. "There is an existing internal opposition to Saddam Hussein. If the United States and the West want to see democratic change, they must recognize the opposition and understand our objectives."

The opposition is a fragmented collection of Islamic fundamentalists, Kurds, nationalists and leftists who are divided along religious, ethnic, class and ideological lines. Some are fierce Iraqi nationalists, while others hold allegiance to Iran, Syria or even the Soviet Union. Most are suspicious of the Western governments that helped fund and arm Saddam during the past decade and that kept their distance from the dissidents because the Iraqi government objected to any contacts.

Since Saddam's Baath Party came to power in 1968, it has played divide-and-conquer with the opposition, cutting deals with various groups, setting one faction against another, imposing a reign of terror. In one case in 1985, according to Amnesty International, security forces arrested 300 children whose parents were deemed political activists. At least 29 were reported to have been executed. The U.N. Commission on Human Rights officially lists 2,876 Iraqi citizens who have "disappeared."

The opposition movements share two main features: All have been relentlessly repressed by Saddam, and all seek his downfall. But each group is ineffective on its own, analysts say, and must learn to rely on the others to become an effective force.

The traditional left, headed by the Iraqi Communist Party, was suppressed by force, including assassinations, in the late 1970s after its alliance with the ruling Baath Party broke down. Most analysts discount it as a force for change.

More potent is the Islamic fundamentalist movement rooted in Iraq's large Shiite community. About 55 percent of the country's 17 million people are Shiites. The largest fundamentalist party—known as Dawa, or "The Call" in Arabic—was banned by Baghdad in 1980, when several of its leaders were executed and thousands expelled to Iran. Dawn and several other Shiite factions have joined under the banner of the Iranian-backed Supreme Assembly of the Islamic Revolution in Iraq.

The Shiites' Iranian base is both a major source of support and their greatest liability. When Tehran's mullahs were at war with Baghdad, they gave Iraqi fundamentalists money, arms and encouragement. But since the 1988 cease-fire, analysts say, that support has waned and the Shiites have taken a lower profile. The new peace accord offered by Iraq will only compound the problem, they believe.

Shiism also divides the fundamentalists from Iraq's almost exclusively Sunni ruling elite. The elite may be afraid of Saddam, said an Iraqi dissident here but it is more afraid of the Shiites. "He's had a basic feel for the psychology of the Sunnis—if you keep the [Shiites] down, they will tolerate anything else you do," he said.

Like their Iranian brethren, Iraqi fundamentalists have been steadfastly anti-American, seeing the United States as a supporter of the Saddam government. When exiled Shiite leader Sayed Mahdi Hakim was assassinated by Iraqi agents in Khartoum, the Sudanese capital, in 1988 and buried in Tehran, thousands of mourners chanted, "Revenge to America!" at the funeral, according to his cousin, Sahib Hakim, a dissident living here.

State Department officials concede they know little about the Shiites. "We don't know much about the internal workings of the Shiite community," said one official. "We've talked to them from time to time on the fringes of conferences. . . . For the most part, we don't seek them out and they don't seek us out."

Then there are Iraq's 4 million Kurds, an ethnic minority with a long history of armed resistance to Baghdad. After years of intermittent guerrilla warfare, Saddam's army turned its full attention to Kurdistan after the 1988 cease-fire with Iran, razing more than 3,000 villages, expelling tens of thousands to Turkey and Iran and, finally, using chemical weapons on several Kurdish towns to kill an estimated 10,000 civilians.

The chemical attacks crushed the resistance and sent thousands more Kurds fleeing across the border to Turkey, where many remain sheltered in bleak camps. Kurdish leaders concede it has taken them two years to recover and begin launching new attacks inside Iraq. The movement, which once boasted 30,000 fighters, now numbers only a few thousand.

But Kurdish leaders say the Iraqi army is withdrawing hundreds of tanks and heavy weapons along with troops from the Kurdish mountains to support its southern front with Kuwait, and they plan to intensify their own campaign.

Kurdish relations with the West have long been difficult. The Kurds felt betrayed by the United States in 1975, when Washington withdrew CIA support after Saddam signed an accord with the shah of Iran. The agreement recognized Iranian rights to the Shatt al-Arab waterway in return for suspension of Iranian aid to the Kurds—a pact Saddam reneged on five years later when Iraq invaded Iran.

These days Washington's official lack of interest stems in part from a desire not to alienate the government of Turkey, which sees Kurdish nationalism as a threat to its territorial integrity. The Kurds insist they are only seeking political autonomy within a democratic Iraq, but State Department officials contend that ultimately the Kurds are looking for a breakaway state.

Western intelligence agents have been more forthcoming, according to dissidents, seeking meetings and opportunities to employ the Kurds and other dissidents to help subvert the government. But the dissidents say they are not interested. "Basically we're not going to be pawns again in other people's wars," said Kurdish spokesman Zebari.

The other major opposition group consists of secular Arab nationalists and pro-democracy dissidents, including former army officers and members of the government. Many have been hounded from Iraq or killed, and they concede that their base inside the country is small. But most are Sunnis who have ties to the ruling elite, and many are also close to Damascus, where a rival branch of the Baath Party rules under Syrian President Hafez Assad.

Many analysts believe the secular opposition is potentially the most significant and could play the key role in linking dissident forces inside Iraq to the West. But those dissidents also are bitter and suspicious about past Western support for Saddam.

"The State Department still won't talk to us," said a leading dissident here. "It's part of a racist attitude about Arabs. They wanted to deal with one strong man. They have treated us with total contempt."

The dissidents claim they are forging a unified front with Kurdish and Islamic groups. There was a joint meeting in Damascus two weeks ago, and there have been several joint statements from London condemning the invasion and encouraging collective U.N. action against Iraq.

But some contend that the divisions are too deep and the damage wreaked by the Iraqi government too widespread to allow the creation of an effective, united opposition.

"It's not Eastern Europe," said Samir Khalil, author of a new study of the Iraqi government. "Iraq is a police state in a classic 1930s meaning. There is a climate of fear, the kind of atmosphere that destroys civil society. If the regime crumbled or was destroyed, the opposition groups would rise overnight. But first the aura of fear has to be shattered."

HONORING GEORGE M. CURIS, JR.

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. HERTEL. Mr. Speaker, on Wednesday, September 26, Mr. George Curis, Jr., will be awarded by the March of Dimes as the "Alexander Macomb Citizen of the Year," an honor he will share with his father, Mr. George Curis, Sr.

George has been the president of Curis Big Boys, Inc., since 1983. He owns and operates nine Big Boy restaurants in the Metropolitan Detroit area. He joined the family Big Boy business in 1974 and has been working his way up the employee ladder ever since.

George received a bachelor of arts degree in hotel, restaurant, and institutional management from Michigan State University in 1973. He is very active with Michigan State University alumni groups. He is a member of Michigan State University's President's Club, Ralph Young Club, and Green and White Club. In addition, George is on the Michigan State University board of directors.

George married Laura Jean Vogel, also a Michigan State alumnus, in 1974. George and Laura have four children: George, Jason, Mat-

thew, and Meghan. According to George, his favorite hobby is spending time with his family.

Not only is George a successful business man and a devoted father, but he is also a committed volunteer in his community. He regularly serves the March of Dimes, the Easter Seals, and the United Communities Services. In addition, he is a reserve deputy with the Macomb County Sheriff's Department.

This testimonial could not possibly contain all that George has done for his community. He is truly dedicated to service. My dear colleagues, please join me in expressing gratitude to Mr. George M. Curis, Jr., for all he has done to improve the lives of our fellow people.

LIMITING CONGRESSIONAL TERMS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 15, 1990 into the CONGRESSIONAL RECORD:

LIMITING CONGRESSIONAL TERMS

The public frustration about government in general and the Congress in particular continues to grow. The savings-and-loan crisis is the principal focus of discontent, but Hoosiers are frustrated over the budget deadlock and issues like the congressional pay raise. They often charge that the Congress and, more broadly, the federal government lack common sense and simply are not accountable to the American people. In general, there is a sour mood toward Washington. I understand their dissatisfaction, and, to a degree that often surprises them, I share it. The Congress and the President simply are not meeting many of the problems facing our nation as effectively as they should. Neither branch of government is performing to our expectations.

One manifestation of the frustration with the performance of the Congress is the proposal for a constitutional amendment to limit the number of terms a Member of Congress may serve. After six terms in the House or two terms in the Senate, for example, Members would be unable to run for reelection. Supporters of this proposal argue that the high rate of re-election for Members of Congress has made the Congress unresponsive to the people. Members certain of returning to Congress are less concerned about performance while in office and more likely to put off hard decisions such as reducing the budget deficit. Proponents further argue that the two-term limit on presidential service has worked reasonable well and similar limits should be applied to legislators.

My view is that dissatisfaction with a Congress that has not always performed satisfactorily does not justify removing all Members of Congress, the good Members as well as the bad, after a certain number of years.

First, arbitrary limits on how long a person may serve in the Congress may serve in the Congress would usurp the power of voters. We ought to have more faith in democracy. The limitation of terms proposal reflects a distrust of the voter. It denies the people a choice of representatives and unnecessarily limits democracy.

Second, limiting the terms a Member may serve would deprive the country of the services of many outstanding public servants whose experience and wisdom have accumulated over long years of sensitive and sensible service. Almost all congressional leaders in the House and Senate would be affected by such a proposal. Today's America is an extremely complicated country. To assume that a Member of Congress can learn all about government in a few years is simplistic. The premise behind the proposal to limit terms seems to be that anyone new is better and that experience is an obstacle to good performance. Few private sector companies would endorse the view that performance would improve by requiring all employees to leave after twelve years.

Third, Members should be judged on their own record, not on the record of Congress as a whole. Congressional decisions are usually reached by majority votes in the House and Senate, with 535 Members each making choices as he or she sees fit. Discriminating persons should always separate, and judge separately, the performance of an individual from the performance of the institution to which that individual belongs. We do not, for example, judge a doctor on the basis of what the American Medical Association does.

Fourth, limiting the terms of Members would create a power vacuum, and bureaucrats would seek to fill it. New Members would find themselves confronting bureaucrats made more powerful by the legislators' inexperience. The power of unelected and entrenched bureaucrats would far exceed that of Members whose tenure was sharply limited. Their expertise, formed over many years, would overwhelm Members. Representative democracy would be the loser, and bureaucracy the winner.

Fifth, the proposal would increase the power of special interests. Members of Congress who knew that after twleve years they had to seek other work may well seek that work with the very interests that lobby them. In such a situation, Members would be tempted to favor special interest groups that could offer them employment after their legislative careers are over.

Sixth, the proposal would make Members of Congress less responsive to the views of the public during their final term. Knowing that they would not have to face voters again, Members would not be bound to respect the views of their constituents. This could result in a loss of the effectiveness of representative democracy. With a large number of Members serving their last term, the Congress' obligation to reflect the wishes of its constituents could be undermined.

Seventh, limiting the terms of Members is an example of politics by distraction. This measure emphasizes a simple solution without directly addressing the many substantive problems facing our country. The process of amending the Constitution to adopt this proposal could take years to complete, while the important problems facing America are not addressed.

Eighth, such a limit on time of service for the Congress would be a new political experiment. No states and no other industrialized countries have limits on how long legislators may serve.

Finally, the notion of a permanent Congress is exaggerated. Three-fourths of the current Members have been in office for less than twelve years, and the average Member today serves about ten years.

Nonetheless, supporters of the proposal have a valid point: the Congress is not working well and should do better. Members of Congress need to get at the underlying cause of dissatisfaction with the Congress, by doing a better job of addressing the major issues of the day. The Congress also should focus on election reforms. Steps could include campaign finance reform and enforcement mechanisms against abuse of the franking privilege or other congressional perks. Making elections more competitive by implementing such reforms would assist voters in making decisions about who should represent them in the Congress.

PROBLEMS IN GUYANA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. SOLARZ. Mr. Speaker, the spread of democracy in our hemisphere and around the world should not lead us to ignore those countries whose governments do not yet permit fundamental political freedoms and do not respect internationally recognized human rights. In that regard, I commend to our colleagues "Human Rights Abuses Continue in Guyana," a recent article by Mr. Gregory Grandin, a research associate of the Council on Hemispheric Affairs.

[From the Washington Report on the Hemisphere, July 1990]

HUMAN RIGHTS ABUSES CONTINUE IN GUYANA

(By Gregory Grandin)

The government of Guyana has met continued resistance to its harsh economic reform program with an increase in labor repression and police brutality, including mass arrests and arbitrary firings of strikers. In its annual report, the Guyana Human Rights Association (GHRA) stated that the slight improvment in human rights that occured during President Desmond Hoyte's first four years in office as sharply reversed in 1989. The GHRA cited a growing intolerance of the rights of organized labor as well as a rise in the number of reported beatings, shootings and deaths attributed to the police.

The GHRA report cited widespread police brutality, including cases of torture, rape and murder. According to GHRA, "violence by the police continues as a serious human rights problem and accounts for an unacceptably high number of deaths . . . [and] brutality." Ealier this year, a Guyanese opposition newspaper, the Mirror, reported that two policemen accused of killing a man buried a witness and a companion "up to their neck in the earth" in order to extract information from them. According to another GHRA report issued in July 1989, three woman were raped by members of the Quick Reaction Squad, a branch of the police force, while in custody.

In an effort to revive the country's moribund economy, the ruling People's National Congress (PNC) has embraced a number of free market reforms, such as drastic currency devaluations, privatization of state industries and austere limits on government spending. The PNC also hopes to attract greater levels of investment from abroad by now allowing up to 100 percent foreign ownership of certain enterprises. These reforms, generally referred to as the Economic Recovery Program (ERP), have been met with

harsh criticism by large segments of Guyana's population.

LABOR UNREST INCITES GOVERNMENT REPRESSION

Although the right to "form or belong to a union" is guaranteed by the Guyanese constitution, labor relations have been strained since 1988, when seven dissident unions broke away from the PNC-controlled labor federation, the Trade Union Congress, and formed the Federation of Independent Trade Unions of Guyana (FITUG).

In March 1989, following the implementation of the ERP, unions in the crucial sugar and bauxite industries went on a six-week strike, demanding wage hikes to offset the devastating 70 percent currency devaluation. FITUG unions played an active role in that strike and subsequent protests.

The PNC responded to this growing labor independence last February by "derecognizing" the leadership of two bauxite unions, as well as dismissing nearly 300 workers from state-run industries who had participated in an April 1989 FITUG-sponsored one-day protest over government policies. More than 300 workers were arrested during related demonstrations and picketing, as well as teachers and students being attacked by PNC-controlled gangs. Many teachers who supported the strikes were either dismissed or transferred to remote regions of the country. Even the U.S. State department, a perennial PNC apologist, noted in its 1989 human rights report that "authorities showed little tolerance for a new labor umbrella organization which challenged government policies."

Though the government has managed to attract some foreign investors, it has failed to reach many of its fiscal objectives. In 1989, the economy contracted by 5 percent and all three of the nation's leading exports—sugar, bauxite and rice—earned less than their targeted levels. Guyana, with its fertile lands, once had the potential, according to opposition leader Dr. Cheddi Jagan, to be the "breadbasket of the Caribbean." It now depends on wheat distributed by an U.S. aid program to meet its basic nutritional requirements. The GHRA report blames the economic policies of the ERP, with its emphasis on food exportation, for the deteriorating standard of living. The report also blames severe budget cuts for the "steadily growing population of homeless and mentally deranged persons . . . [that] now permanently inhabit the streets of Georgetown."

As a result of these worsening social conditions, more than 1000 people a month flee Guyana for any country that will accept them. This exodus, in a country with a population of 750,000 people, is expected to seriously deplete the country's workforce.

With the help of a bridge loan provided by an international support group led by Canada, Guyana has paid outstanding loans to the International Monetary Fund (IMF), the World Bank and the Caribbean Development Bank and has regained its eligibility for international aid. The Hoyte administration has just reached an agreement with the IMF to adopt a restructuring program designed to revitalize the stalled ERP. In exchange for a 26.6 percent currency devaluation which went into effect on June 15, increased taxation rates and removal of sugar subsidies, Guyana will receive loans totaling $295 million during the next two years from the IMF.

Opposition parties in Guyana repeatedly have charged the PNC, in power since 1964, with vote fraud, and international voices recently have been added to domestic ones calling for electoral reforms. Other Caribbean nations and Great Britain have expressed desire for electoral reform, while Sen. Edward Kennedy (D-Mass.) issued a statement this past spring calling for "free and fair" elections in Guyana.

In a country that now competes with Haiti as being the poorest nation in the hemisphere, these newly-implemented austere economic reforms are expected to be met with continuing resistance as a growing consensus in Guyana believes that there can be no substantial economic recovery without first reforming the political system. This belief is underscored by the GHRA's conclusion that "more than any other single factor the human rights climate in Guyana is determined by the absence of a democratically elected government. Virtual one-party rule within a parliamentary facade has brought the country to the brink of ruin. . . . It is evident that economic recovery and the hope of an adequate standard of living being achieved is dependent upon democratic reform being put into effect."

A LETTER FROM THE AMBASSADOR FOR THE KINGDOM OF SAUDI ARABIA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. MICHEL. Mr. Speaker, I have received a letter from Bandar bin Sultan, Saudi Arabia's Ambassador to the United States, in which the Ambassador conveys the thanks of King Fahd and Saudi Arabia for the "prompt and firm response" of our Nation to the invasion of Kuwait.

I believe our colleagues will find this letter as informative and welcome as I do. At this point I wish to insert this letter in the RECORD:

ROYAL EMBASSY OF SAUDI ARABIA,
Washington, DC, September 1, 1990.

Hon. ROBERT H. MICHEL,
House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR REPRESENTATIVE MICHEL: As the Congress reconvenes, I want to thank you personally on behalf of King Fahd and Saudi Arabia for the prompt and firm response of the United States, along with the clear preponderance of the Arab people and states and the practical unanimity of the international community as a whole, in opposing the flagrant recent invasion and attempted annexation of Kuwait and resulting threat to Saudi and broader Gulf security. Unavoidably also placed in jeopardy is the kind of international order, norms of behavior and peace that are to prevail in the post-Cold war era now relentlessly taking shape by either our resolve or default.

I want to emphasize our thanks to the Congressional leadership of both parties and the overwhelming majority of the Congress itself, as well as to President Bush and the American people in support of this U.S. response.

Even more, I want to convey our regard and respect for the individual men and women of the American air, naval and ground units now temporarily in Saudi Arabia and the adjoining waters side by side with our own defense forces and those from a number of important Arab, European and other countries vigilantly there. We are grateful to all these men and women, their families and the great many others helping to supply and support this wide-based endeavor. We shall fully meet the mutual trust and teamwork on which they and we are now embarked.

Saudi Arabia's friendship with the United States is long standing and broadly, deeply rooted. But now more than ever, our two countries share not only vital economic and political interests along with a great many others, but also—and even more basic—moral responsibilities in this pressing situation inseparably bound up with the stability and peace to be brought about in the new epoch now forming throughout the world.

As King Fahd has stated over the years and with special relevance in the immediate circumstances, "The Kingdom of Saudi Arabia is continuing to fulfill its role and to meet its responsibilities."

May you and we, and the international community as a whole, be guided in the present passage by wisdom and steadfastness. May the One Almighty to whom we all turn, be with each of us and especially those in the forward areas of this challenge.

Sincerely,

BANDAR BIN SULTAN,
Ambassador for the Kingdom of Saudi Arabia.

ROLE MODEL REVIVAL

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. PORTER. Mr. Speaker, last Sunday Pete Sampras defeated Andre Agassi to win the U.S. Open Tennis Championship. I was heartened by the sportsmanship exhibited by both young players.

I have often taken the floor to criticize sports figures for their unsportsmanlike conduct. I have done so because public figures are role models for America's youth, and as such have a higher responsibility to conduct themselves appropriately.

Andre Agassi reached the finals of the Open by defeating Boris Becker in a nationally televised semifinal match. His play was intense and inspired. But, unlike other talented players, he accepted the bad breaks and bad calls without complaint.

On Sunday, Agassi was clearly overmatched by Sampras. Again, the play was intense. But both players were models of decorum. They didn't throw tantrums. They didn't berate the officials. Sampras was a good winner, and Agassi was as gracious in defeat as he had been in victory.

I congratulate Andre Agassi and Pete Sampras on their tennis success. More importantly, I congratulate them for their sportsmanship. Their performances on Sunday were worthy of admiration.

HONORING GEORGE CURIS, SR.

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. HERTEL. Mr. Speaker, it is with great esteem that I rise today to honor George Curis, Sr., who, on September 26, will be awarded as the "Alexander Macomb Citizen of the Year." This honor is to be given to George by the March of Dimes. He will share this distinction with his eldest son, George Curis, Jr.

George was born in Detroit and taught the value of hard work and the spirit of volunteerism by his father. He has selflessly committed himself to his community, specifically to the service of sick, needy children.

In 1950, George married Amelia Assaff Curis. By 1958, they were the proud parents of five children: George, Jr.; Michael; Theresa; Maria; and Daniel. In 1960, he purchased his first Elias Brothers Big Boy Restaurant, which has remained an important part of his life. Presently, he heads Curis Management, Inc., and is a member of the Michigan Restaurant Association and the National Restaurant Association.

George is a devout Catholic. He belongs to Our Lady of Redemption Church and the church council. In addition, George gives his service to the Boy Scouts of America, the March of Dimes, Easter Seals, the Capuchin Soup Kitchen, and the St. John's Hospital Guild.

George has served his community with dedication and integrity throughout his lifetime. His tireless spirit and giving heart know no bounds. The honor bestowed on him, "Alexander Macomb Citizen of the Year," is greatly deserved. My dear colleagues, I ask you to join me, and the many friends of George Curis, Sr., in extending sincere congratulations and gratitude to a person so very much appreciated throughout his community, for giving so much to so many.

U.S. MANUFACTURING JOBS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 22, 1990, into the CONGRESSIONAL RECORD:

U.S. MANUFACTURING JOBS

The decline of U.S. manufacturing jobs over the 1980s remains a source of considerable concern and frustration for many Americans. The worry is that the opening of the American economy to world competition and the flood of imports have meant that we have in effect been exporting a large number of manufacturing jobs.

Trends: U.S. manufacturing as a share of total jobs in the economy has consistently declined since the early 1950s, although the number of manufacturing jobs is greater today. Manufacturing employment (work producing durable goods like automobiles or nondurable goods like clothing) increased from about 16.3 million in 1954 to 19.6 million in 1989. Other jobs—including services (such as health care and food service), construction, mining, wholesale and retail trade, and government—grew more rapidly. As a result, the share of manufacturing jobs in our economy has fallen from 33% of total jobs in 1954 to 18% today.

Moreover, even the number of manufacturing jobs has declined over the last decade. From 20.3 million in 1980, manufacturing employment fell to 18.4 million in 1983 and has since recovered only about half of the jobs lost.

Importance Of Manufacturing Jobs: Some believe that the loss of U.S. manufacturing jobs is not particularly worrisome. They argue that in an increasingly interconnected world economy we should put our resources where the most money is to be made—be that in services or high-tech jobs—and trade with other nations for the manufactured goods we want.

While plausible in theory, that assumes that other nations will play by our rules and that they will give us the same access to their markets and technology that we have given them. Moreover, manufacturing jobs generally pay better than other kinds, and towns where mass layoffs occur often become economically depressed and lose even service jobs. In addition, the manufacturing process and manufactured products are becoming increasingly dominated by digital electronics. Once we lose touch with state-of-the-art manufacturing, that could spill over into the design and application of digital electronics to a broad range of high-tech products. Without a strong manufacturing base, several other sectors of our economy are at risk.

Reasons For The Decline: A variety of factors have contributed to the decline in manufacturing jobs in the U.S. Some of the fault lies with unfair trade practices by our competitors, such as their dumping products in our market at less than their domestic cost and erecting elaborate non-tariff trade barriers to restrict imports. Other factors include the success of other countries in borrowing our technology, major technological improvements in transporting goods (most notably in containerization), the image of poor quality that American products have in global markets, U.S. companies falling behind in making commercial applications of research, the short-term planning horizon for American management, and inadequate U.S. investment in education, research, and training to boost productivity.

Most importantly, the United States made a serious economic policy mistake in the early 1980s when we began running huge budget deficits. That meant that the U.S. had to borrow large sums from overseas, which drove up domestic interest rates and the value of the dollar. That made imports cheap here and made our goods expensive overseas. During the mid-1980s, the overvalued dollar was in effect adding about one-third to the price of our exports overseas and making imports one-third cheaper. It is not surprising that such a price disparity meant lost U.S. manufacturing jobs.

What Can Be Done: The solution to the decline in U.S. manufacturing jobs is not to simply close our borders. If we do, foreigners will close their borders to us, killing our agriculture, aircraft, chemical, and high-tech industries, which are successful exporters and live on export business. Even the industries we hope to protect will eventually fall behind world standards without the pressure of competition, and our entire economy will cease to be world-class.

To keep high-wage manufacturing jobs, we have to be able to earn a profit at those wage rates against foreign competition. To do that, we must be more productive. That requires, first, more investments in our workforce. Workers without a solid education will suffer in an economy based on skills and flexibility. Second, we must improve our national saving rate. Our lack of savings, both public and private, has held back our investment in new plant and equipment and in research and development. Third, and most important, we must get the federal budget under control. That will allow interest rates and the value of the dollar to fall, thus improving the competitiveness of our products overseas.

Outlook: There is some reason to be optimistic for the next few years. The consolidation of the European market in 1992 will increase the demand for capital goods—a field where the U.S. excels. As Europe becomes richer, it will become a more formidable competitor, but its demand for U.S. products should increase as well. Demand for U.S. goods should also increase in Japan. In addition, cutbacks in defense could allow us to devote more of our talents to commercial, rather than military, production.

At the same time, the long-term factors driving up our trade deficit—our budget deficit and shortage of national savings—still need to be addressed. The longer we delay, the greater the foothold in the U.S. markets we allow to foreigners, the greater our loss of markets abroad, and the greater the foreign debt we must repay. Ultimately, our delay means that we will have to fight harder for markets and export more to pay our debts, and our ability to buy foreign goods and our standard of living will be lower.

Manufacturing may not grow as a share of the economy, but if we get our economic house in order and invest to become more productive, the number of manufacturing jobs could rise as it did before the 1980s.

THE KASHMIR DISPUTE

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. BURTON of Indiana. Mr. Speaker, the following report prepared by Mark Franz, director of the United Nations Assessment Project at the Heritage Foundation, correctly states that the United States should suspend United States aid to India until the V. P. Singh government allows international relief and human rights organizations to operate freely in Kashmir. For those Members of Congress who are unfamiliar with the history of the Kashmir dispute or with the atrocities now being perpetrated against the Kashmiris by the Indian Government, this article is a must.

KASHMIR: UNFULFILLED U.N. RESOLUTIONS SHOULD BE FOCUS OF U.S.-SOVIET PEACE EFFORTS

Since January, the conflict between India and Pakistan over Kashmir, which has been raging for over forty years, has been growing more heated, with threats of military intervention on both sides. There are currently more Indian troops in Kashmir than there were Soviet troops in Afghanistan at the height of their occupation.

The dispute is not new. The nations already have fought two wars since 1947 over Kashmir. India, which considers itself the world's largest democracy, recently has responded to Kashmiris' calls for self-determination with a massive crackdown on all popular dissent.

The rapidly escalating death toll in Indian-occupied Kashmir and the advanced military and nuclear capabilities of both India and Pakistan have brought a new urgency to resolving the conflict. The U.S. and Soviet Union are being called on to apply pressure on their respective allies so as to avert an even more deadly war between the two nations.

Roots of the crisis. The conflict dates back to 1947 with the partition of British India. The Kashmiri nation was divided in this settlement with one-third going to Pakistan and two-thirds to India.

This settlement was intended to be temporary. Both India and Pakistan agreed at the time that the final status of Kashmir would be decided by its people in a U.N.-run plebiscite a process reaffirmed by two U.N. resolutions in 1948 and 1949. Pakistan held its section of Kashmir "in trust" awaiting the plebiscite. India, reneging on its commitment, annexed the portion of Kashmir under its control and incorporated what is now Jammu and Kashmir state as an "integral part" of greater India.

Human rights abuses grow. In 1987, Kashmiri nationalism grew dramatically when India rigged local elections and installed a pro-Delhi government. This past January, India began a massive crackdown on supporters of self-determination. New Delhi declared a state of emergency and imposed a round-the-clock curfew. Indian armed forces repeatedly opened fire on unarmed crowds of demonstrators and in one incident, killed over two hundred people. In house to house searches, Indian militia have raped and sexually abused young Kashmiri women, beat children and summarily executed young Kashmiri men.

Congressman Dan Burton, the Indiana Republican, testified on July 18 at a joint hearing of the House Subcommittees on Asian and Pacific Affairs and Human Rights and International Organizations of one case in which a six-year-old boy was shot and killed by Indian troops "as he was hiding between his father's legs during a search of the family home."

Increased crackdown. According to Congressman Eni Faleomavaega, the Democrat from American Samoa, testifying at the same hearing, the Indian Government has begun to use "scorched-earth" tactics to break the will of the Kashmiri people. He told the committees that, in the two weeks prior to his testimony, the Indian Army burned four Kashmiri villages to the ground, resulting in 12 deaths, millions of dollars in damage and 5,000 homeless.

To prevent the world from viewing these human rights abuses, India has sealed off Kashmir. Human rights organizations such as Amnesty International and United Nations observer teams, as well as the International Red Cross, have been denied access to the region since the current escalation in human rights abuses began early this year.

This isolation has allowed the Indian government to use unrestrained force in putting down the proponents of self-determination. These atrocities have in turn radicalized the Kashmiri population and pushed them further toward independence. The result is a growing spiral of violence with no end in sight.

Some Indian apologists in America, in an attempt to prevent the U.S. from pressuring New Delhi to curb its human rights abuses in Kashmir, have noted that the Kashmiri resistance groups contain many Islamic fundamentalists who are no friends of the U.S. These thinly-veiled racist attacks in no way detract from the fact that Kashmiris have the same right to self-determination as East Europeans, Estonians, Latvians or Lithuanians. The Bush administration should support this right. In addition, the administration should have no qualms about condemning the Indian government's human rights abuses in Kashmir, India is no friend of the U.S. In the 1989 United Nations General Assembly, India voted against the U.S. more than any other nation except Angola. Even Cuba and the Soviet Union supported U.S. positions more frequently than India.

In an effort to open up Kashmir to international observers and relief agencies, Congressman Burton introduced H.R. 4641, with 57 cosponsors, which would deny U.S. development aid to India until the ban on these organizations is lifted. Last year, U.S. bilateral aid to India was $162.8 million.

In response to this bipartisan congressional pressure and the exposes of a few journalists who have been able to sneak into Kashmir despite an Indian-imposed media blackout, Prime Minister Singh has agreed to talk to Amnesty International about allowing access to Kashmir. However, Congressman Burton testified, "In a recent discussion with the Ambassador of India, I was informed that Amenesty International will have to submit an itinerary to the government of India outlining the extent of the investigations they plan to conduct. It is not difficult to imagine what the government will use this information for."

Simla and the importance of the U.N. resolutions. In addition to the existing U.N. resolutions, a 1972 Indo-Pakistani pact, known as the Simla Agreement, called for an end to hostilities and a negotiated settlement of the Kashmir dispute between India and Pakistan. The Indian Government now claims that Simla has superseded all prior U.N. resolutions and should be the basis for an end to the crisis.

The Simla pact was a positive step, in that it called for a cessation of hostilities and a peaceful settlement of the dispute. However, any solution based on Simla alone will be doomed to failure because, under Simla, there is no place at the negotiating table for the Kashmiris. It is unlikely that the Kashmiris will accept the imposition of a bilateral agreement that gives them no voice in the final status of their nation. Unless the Kashmiri people have the final say, through a free and fair plebiscite, the movement for self-determination almost certainly will continue.

A coordinated approach needed. Unfortunately, India clings to Simla, not for its spirit, but for its usefulness in sweeping aside the U.N. resolutions. India is increasing the level of brutality in its efforts to suppress the Kashmiris, and Pakistan is responding with inflammatory rhetoric which has brought the two countries to the brink of war. If there is to be a permanent end to the Kashmiri conflict, the U.S. and the Soviet Union must work together, using their respective positions of influence in the region to help bring about the implementation of the relevant U.N. resolutions. With this in mind, President Bush should:

Suspend U.S. aid to India until the Singh government allows international relief and human rights organizations to operate freely in Kashmir.

Urge Gorbachev to call on India to open Kashmir to international observers, relief organizations and foreign journalists.

Help develop a time frame for early implementation of a U.N.-sponsored plebiscite in all of Kashmir. The U.S. and Soviet Union should introduce a joint resolution in the U.N. Security Council to this effect.

Encourage all parties to the dispute—Pakistanis, Indians and Kashmiris—to begin direct negotiations.

Press the appropriate U.N. agencies to provide humanitarian assistance to Kashmiris caught in the crossfire.

The crisis in Kashmir is growing ever more volatile. It is incumbent upon the U.S. and the Soviet Union to use their influence in the region not only to stop the outbreak of war, but to help the various parties resolve the root causes of the crisis. The alternative could well be nuclear conflict in South Asia.

THE IRAQI THREAT AND DEFENSE BUDGET REDUCTIONS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. FRANK. Mr. Speaker, the defense budget project has done an excellent job of examining the military budget in light of America's security needs, and in demonstrating carefully and factually how we can make substantial reductions in that budget over the next few years. It is clear that the only way for us to make make significant reductions in our national deficit without large tax increases or unjustified cuts in such important programs as Medicare is to make significant reductions over a period of time in our military budget. The substantial reduction in Soviet power within the past 18 months, coupled with the fact that our allies have a financial and industrial capacity to contribute to their defense far beyond what they have historically done means that the American people need no longer be burdened with such heavy military costs—far above in percentage of GNP terms than is the norm for our prosperous allies.

Some have tried to use Iraqi aggression in the Middle East as an argument against these cuts, but that position cannot be logically supported, since the case for the reductions always assumed that there would be a need for an American response in situations such as this.

The defense budget project has recently done an excellent analysis of this particular issue and has concluded, quite correctly, that "only minor adjustments may be needed in congressional action on the fiscal year 1991 budget, and plans for reductions in future years should not be affected" because of the Iraqi situation. I ask that their analysis be printed here:

THE IRAQI THREAT AND DEFENSE BUDGET REDUCTIONS

The military confrontation in the Middle East has prompted second thoughts about reductions in the U.S. defense budget. However, the cost of the Middle East operation is small enough that it can be funded within a defense budget that continues to decline. Only minor adjustments may be needed in

Congressional action on the fiscal year 1991 budget, and plans for reductions in future years should not be affected.

The Iraqi threat does not justify major new investments in weaponry and forces. The threats posed by Iraq and other potential adversaries in the devolping world, while troubling, require fewer forces and less funding than did the Soviet threat, which continues to diminish. Significant reductions are still prudent in strategic forces and in conventional forces oriented toward the Soviet threat, particularly in Europe. Even after these reductions, the U.S. military will be fully capable of coping with the military dimensions of conflicts in the developing nations, perhaps even more capable given the opportunity to rethink U.S. force structure, missions, and equipment in the post-Cold War era. Significant defense budget reductions remain realistic. The defense cuts passed in the FY 1991 authorization bills of the House Armed Services Committee (HASC) and the full Senate are still achievable, responsible, and compatible with U.S. military activities in the Persian Gulf.

COSTS OF THE OPERATION

The costs of the U.S. deployment to the Middle East are relatively small in terms of the overall defense budget. The forces being deployed already exist; it is not a matter of raising and equipping new forces, although some reserves are being called up. Thus, cost analysis should focus on the additional costs caused by the deployment.

If U.S. forces do not become involved in combat, the most significant costs are likely to be associated with transporting forces to the Middle East by air and sea, with additional, though smaller, costs of resupplying the forces once they are deployed. Additional costs will also result from a higher pace of operations—flying hours, steaming days, combat vehicle miles—for forces deployed in the Persian Gulf and Saudi Arabia. In order to prepare for potential conflict, become accustomed to desert conditions, and coordinate with allied forces, U.S. ground and air forces in Saudi Arabia will operate at a higher level than they would if still deployed in the United States. Additional Navy ships are also being sent to the region, some of which would have been in or near their homeports were it not for the operation. Finally, a call-up of some reserve units will increase pay costs.

The net additional cost is difficult to estimate. However, according to a preliminary Defense Department estimate, a deployment of approximately 100,000 troops is likely to cost roughly $46 million per day.[1] Costs should fall after initial transport of the forces is complete, although the reserve call-up will offset some of the reduction in transport costs.[2] If the deployment lasts four months, and if costs average between $40 million and $46 million per day, the total cost would be between $4.8 billion and $5.5 billion.

However, the U.S. defense budget will not shoulder all of these costs, since the Saudis have already agreed to provide fuel for U.S. forces, which accounts for a substantial portion of the cost.[3] The Saudis are also providing much of the food, water, shelter, and transportation needed by U.S. forces while in Saudi Arabia. In addition, the Kuwaiti royal family has expressed its willingness to help defray U.S. costs, and it may be possible to gain the support of other allies in providing supplies, further reducing costs to the United States.

Congressional action to date would set the FY 1991 defense budget between $283 billion (approved by HASC) and $289 billion (approved by the Senate). The Additional cost of a four month deployment to the Middle East would be less than the difference between the two bills ($6 billion), even if the United States paid for the entire operation by itself. Thus, a final defense budget could stay within the parameters set by HASC and the Senate, while increasing funds above the HASC level to cover the cost of the Middle East deployment.

It would also be possible for DoD to find some of the funds needed to support the Middle East deployment by reducing operations elsewhere. The costs of increased operations for the roughly five percent of U.S. forces which may be deployed in the Middle East could be at least partially offset by reduced operations for the 95 percent deployed elsewhere. If the deployment continued for an extended period or if U.S. forces became involved in actual combat, a supplemental appropriation could cover the increased costs.

COPING WITH NONSOVIET THREATS

Iraq's military actions could prompt attempts to restore funds to the defense budget not only to cover the direct cost of the U.S. response, but also to strengthen long-term U.S. capabilities to project power, especially to the Persian Gulf. However, the need for such add-backs is questionable, given the capabilities that the United States already possesses and would continue to possess even after significant defense budget reductions. Recent reductions in the Soviet threat dwarf the potential threat posed by Iraq and other developing countries, making continued defense budget reductions prudent.

Furthermore, Iraq's actions are being used to argue in favor of defense programs that are not relevant to the Middle East situation. Therefore, it is important to assess the reductions from the administration's request made by the House Armed Services Committee (HASC) and the Senate in light of the recent events in the Middle East.

Strategic Weapons: None of the Congressional reductions in funding for strategic programs should be affected. Rail-garrison MX production and funding for the 19th and 20th Trident submarines (cut by both HASC and the Senate) are not relevant to the conflict with Iraq. However, Iraq's actions are being used as an argument in favor of funding for the B-2 bomber (cut by HASC), the Milstar communications satellite (cut by the Senate), and the Strategic Defense Initiative (reduced by both HASC and the Senate).

The B-2 bomber, it is argued, would be useful for conventional bombing missions against Iraq or other adversaries. However, at $860 million per plane, the presumed increase in capability (assuming the B-2 could perform as advertised) would come at high cost, especially since the United States has numerous other assets that could be used effectively for conventional bombing (tactical aircraft, B-52 and B-1B bombers, and cruise missiles launched from either aircraft or ships). In any case, it is questionable whether the United States would use such an expensive weapon in such a mission; older B-52 bombers are being deployed to the region, but B-1B bombers are not.

The Milstar satellite could provide communications links between commanders and forces in the field in the Middle East. It may be excessive and redundant for this mission, however. The Senate Armed Services Committee argues that the United States already possesses substantial command, control, and communications capabilities, especially after investing $40 billion in them during the 1980s. The primary function of an additional $35 billion to $40 billion for Milstar would be to maintain communications after an extended nuclear exchange.[4]

Since Iraq possesses short-range ballistic missiles and is reportedly developing nuclear weapons, some have suggested that Iraq's belligerence demonstrates that a strategic defense system is needed to guard against ballistic attacks from developing nations. However, the current design of SDI does not include defense against tactical missiles, and the technology is not yet ready to be pushed into production.[5] Moreover, Iraq is still years from developing an international ballistic missile, and it would be imprudent to rush to deploy an ineffective system and to jeopardize arms control with the Soviet Union in response to a remote threat.

AIRLIFT AND SEALIFT

Lift has been an essential component of the deployment to Saudi Arabia, legitimately focusing attention on long-term airlift and sealift needs. However, criticism of the Senate for deleting procurement funds for the C-17 airlift aircraft is misplaced. The Senate cited the need for additional testing on the C-17 before a large number of aircraft entered production. The sound management principle of "fly before buy" should not be jettisoned simply because the deployment to Saudi Arabia has served as a reminder of the importance of airlift.

The Department of Defense can legitimately be criticized, however, for inadequate attention to sealift. The Navy has bought no fast sealift ships since purchasing eight in the early 1980s. In FY 1990, Congress appropriated $600 million for fast sealift ships which the administration had not requested, but Secretary Cheney sought to transfer all of the funds to other projects. The final outcome was that $225 million was reprogrammed, leaving $375 million for sealift ships, none of which has been spent. In the FY 1991 budget, the Senate added

[1] According to the Department of Defense's "Preliminary Costs Incident to Desert Shield (Subject to Revision)," August 28, 1990, the deployment will cost $2.5 billion from August 7 through September 30, or $46 million per day. This estimate includes the costs of a reserve call-up. A previous DoD estimate, dated August 15, 1990, projected a $1.2 billion cost through September 30. Other estimates were also below the current DoD estimate. Lawrence J. Korb, a former Assistant Secretary of Defense, estimated that a deployment of 100,000 troops would cost "at least $20 million a day." Korb, "We Can Afford to Fight Iraq," New York Times, August 21, 1990. The Center for Defense Information estimated that the deployment would cost $22.5 million per day. CDI, "Additional Daily Costs of Contingency Operations of U.S. Forces in Saudi Arabia," August 16, 1990.

[2] Activation of 50,000 reserves would cost roughly $4 million per day in increased pay.

[3] In an August 28 briefing, Defense Department spokesman Pete Williams said that the estimated $2.5 billion cost of the operation (through September 30) was not the cost to the United States, but the cost of the operation regardless of the source of funding.

[4] *National Defense Authorization Act for Fiscal Year 1991,* Report of the Senate Armed Services Committee, pp. 109-112.

[5] *National Defense Authorization Act for Fiscal Year 1991,* Report of the Senate Armed Services Committee, pp. 127-128.

$30 million in R&D funds for fast sealift ships.

FORCE REDUCTIONS

The Senate would reduce U.S. active duty military personnel by 100,000 and HASC by 129,000 by the end of FY 1991. These reductions, from a level of over two million personnel, should not be affected by the deployment of Saudi Arabia. This deployment will involve roughly 100,000 troops (five percent of the total), with a potential deployment of 200,000 (ten percent) or more in the case of armed conflict. A deployment of this magnitude could be accommodated while still reducing personnel in FY 1991. A call-up of 50,000 reserves would involve only four percent of selected reserve personnel, which in any case would not be cut under either the HASC or the Senate defense authorization.

Most U.S. forces are not involved in the Persian Gulf operations. These operations should not affect projected reductions in forces based in Europe,[6] forces meant primarily for the European contingency, forces based in Asia, or strategic forces. The anticipated activation of reserves does *not* indicate that active duty forces are inadequate in size. Reserves will be activated because, under the "total force" policy, they supply the majority of DoD's medical, water supply, transport, refueling, and other support services.

The Persian Gulf operation should have little effect on medium-term plans for force reductions. Current Pentagon planning calls for a 25 percent reduction (roughly 500,000 troops) by FY 1996. Even after these reductions, the Pentagon would have, in addition to forces meant for Europe and forces deployed in the Pacific, a "rapid reaction" force of seven air wings and five airborne and light infantry Army divisions, as well as Marine Corps forces and reserves, to respond to third world conflicts.

CONVENTIONAL MODERNIZATION

Both HASC and the Senate reduced funding for some new conventional systems, including the A-12 attack plane, Advanced Tactical Fighter, LH helicopter, SSN-21 submarine, AMRAAM missile, and, in the case of the House, the ATACMS missile and the JSTARS aircraft.[7] In most cases, Congressional action was based on concerns that the system was not capable of performing as advertised or that it needed further testing before advancing into production.

Moreover, these systems are not yet in operation and would have no effect on the current conflict. If war broke out, it would be more important to keep production lines for operational systems open than to rush new weapons into production. This is especially true against a foe like Iraq, over which U.S. forces already possess overwhelming technological superiority. Thus, the Middle East contingency tends to support Congress' emphasis on product improvements over new weapons systems.

OPERATIONS AND MAINTENANCE

HASC cut FY 1991 operations and maintenance funding by $6.3 billion and the Senate by $3.9 billion. Some of these funds may need to be restored to support the Persian Gulf operations, although Saudi provision of fuel and other potential allied support may make such a restoration unnecessary. The prnciples behind Congressional reductions in O&M remain valid—planned force reductions and the opportunity to lower the readiness of Europe-oriented forces as a result of the reduced Warsaw Pact capability to launch a short-warning attack.

CONCLUSION

The crisis in the Middle East should not be used as a pretext to avoid reductions in strategic forces or conventional forces designed and sized to deter conflict with the Soviet Union. Nor is it an argument for abandoning the sound management principle that weapons should not be produced until they are adequately tested and the need for them is clearly established. Barring an actual shooting war in the Gulf, the impact on the FY 1991 defense budget should be fairly small. The impact on long-term defense plans should not be to increase funding projections, but to encourage a redefinition of the missions, forces and equipment appropriate to post-Cold War military realities.

It will be vital for the Administration and Congress to work together to reach a budget agreement that prevents automatic, across-the-board spending cuts in FY 1991. Such cuts would have an extremely negative impact on the Department of Defense, particularly its ability to sustain the Middle East operations. It would be far better for the Administration to accept carefully-designed Congressional defense cuts than to risk the Gramm-Rudman-Hollings meat axe.

[6] Both the House and Senate bills would reduce the ceiling on U.S. troops deployed in Europe by 50,000.

[7] In the case of the V-22 Osprey, a conventional modernization program that the administration seeks to cancel, both the House and Senate added funds.

IMPROVING THE U.S. SAVING RATE

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 8, 1990 into the CONGRESSIONAL RECORD:

IMPROVING THE U.S. SAVING RATE

Of the various measures often cited as indicators of the future strength of the U.S. economy—ranging from the stock market to the unemployment and inflation rates—one of the most important, though least reported, is the national saving rate. On this measure the United States needs to do better.

IMPORTANCE OF SAVING

National saving is composed of what is saved by individuals, business, and government. Last year personal saving came to $204 billion, or 3.9 percent of Gross National Product. Business saving in excess of what is needed to replace worn out plant and equipment totalled $47 billion, 9 percent of GNP. Total government saving was negative, absorbing $105 billion (2.0 percent of GNP) of the saving from other sectors, due to the federal government's large budget deficit. Because overall U.S. saving was not enough to meet our investment needs, we borrowed $100 billion from abroad in 1989.

The U.S. saving rate is generally considered too low. By some measures, Japan saved 20 percent of GNP in 1989 and West Germany saved around 10 percent, while the U.S. was saving 3 percent. Such comparisons among countries are difficult to make, and under different sets of assumptions of what is classified spending or saving, the U.S. is not as far behind. Yet it is generally recognized that the U.S. must do better, as shown by our need to borrow large amounts of foreign savings each year and by the decline in U.S. saving over the years. The current 3 percent U.S. rate is far less than the 7.5 percent of GNP averaged during 1950-1979.

The importance of national saving is clear. Savings finance investment, and our country's economic growth depends upon investment in new plant and equipment, education and training for our workers, and research and development. By making us more productive, investment will lead to a higher standard of living for our citizens in the future. And by using our own national savings to finance investment rather than relying on foreign borrowing, we keep more of the benefits in the U.S. The connection between saving and growth is not automatic. For example, a significant portion of any new U.S. savings will be used not to finance domestic investment, but to finance consumer purchases or promising ventures abroad. Yet in general, those countries exhibiting higher rates of saving tend to have faster rates of economic growth.

PERSONAL SAVING

Personal saving has made a strong turnaround in recent years, increasing from 3.2 percent of take-home pay in 1987 to over 5 percent today. Although a big improvement, this still lags the more than 9 percent saved by Americans in the early 1970s. There is considerable disagreement about what the federal government should be doing to boost personal saving.

There are two basic views. Some argue that there is little for the federal government to do because personal saving is influenced by broader economic, demographic, and societal factors, such as people's feelings of personal security. On this view, basic forces now underway will produce a major increase in U.S. saving. Americans are worrying more about the future of the economy and, in various parts of the country, many are feeling less wealthy as they see the value of their houses erode. Moreover, as the baby boomers move out of their prime consumption years and into their prime saving years, they will be buying fewer houses and saving for their children's college and for their own retirement. The most optimistic analysts believe that such factors will push up the personal saving rate to 10% within a few years.

The other view is that the federal government needs to take major steps to boost the personal saving rate. Some favor shifting the overall emphasis of the federal tax code, which traditionally has encouraged consumption over saving and investment. Some argue for specific tax breaks for personal saving, such as reinstating some version of Individual Retirement Accounts. Another step the government could take would be to initiate a broad education program for saving—giving Americans a clear sense of how much they should be saving (such as 10% of take-home pay) and the importance of it.

My sense is that there is merit to both views. The personal saving rate may continue to increase somewhat in the years ahead through factors such as the aging of the baby boomers. At the same time, there is also a limited federal role in boosting personal saving, through tax incentives and

public education efforts. Any tax breaks for saving need to be carefully constructed so they do not produce an offsetting loss of federal revenue and thus yield no overall national saving gain. Moreover, the recent improvement in personal saving reduces the pressures for a massive federal role.

BUSINESS SAVING

Net business saving has declined, from an average of 2.5% of GNP during the 1970s to around 1.5% over the last few years. This has been due largely to smaller retained earnings by corporations as their profits have been falling. Little serious attention is being given in the Congress to proposals for boosting business saving. Steps such as reducing the federal tax on corporate profits would increase business saving, but would do it by decreasing federal tax dollars which may mean no net gain for overall national saving.

GOVERNMENT SAVING

The major culprit in the decline of national saving during the 1980s has been the federal budget deficit. While state and local governments have been adding to national saving by running budget surpluses, the federal deficit has instead been absorbing huge amounts of savings. Averaging 3.9% of GNP during the 1980s, the federal budget deficit basically absorbed half of our nation's savings pool. Without the deficit, overall national saving in the 1980s would have equalled our saving rate in the 1950s and 1960s. In recent years modest progress has been made, as the federal deficit as a share of GNP has declined. Yet the budget deficit is again increasing, and there is broad agreement that the surest way to improve overall national saving is to reduce the federal budget deficit.

As long as the federal budget deficit remains high, we decrease the pool of domestic funds available for productive investment, which in turn threatens to hold down our standard of living and transform the nation into a second-rate economic power.

WOMEN IN THE MILITARY

HON. CARL D. PURSELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. PURSELL. Mr. Speaker, on March 20, 1990, the Military and Compensation Subcommittee of the House Armed Services Committee held extensive hearings on women in the military. When the hearing record was printed, several written statements were inadvertently omitted. Among the statements that were not included were a report and an article from Elaine Donnelly, a former member of the Defense Advisory Committee on Women in the Services [DACOWITS]. Ms. Donnelly has testified before Congress on several occasions and made countless contributions to the committee during her term.

While the Military Personnel Subcommittee, under the distinguished leadership of my good friend, Mrs. BYRON, did an excellent job in presenting its findings, I thought that other Members of Congress would be interested in Ms. Donnelly's remarks.

WRITTEN STATEMENT OF ELAINE DONNELLY, FORMER MEMBER OF THE DEFENSE ADVISORY COMMITTEE ON WOMEN IN THE SERVICES [DACOWITS]

Madame Chairman and members of the Committee, I respectfully ask that this statement and the attached article that I have written on the subject of women in combat (Human Events, 10 February 1990) be included in the public record of this hearing.

I hope that at some later date I will be allowed the opportunity to testify in person in opposition to Rep. Patricia Schroeder's bill, which would direct the Secretary of the Army to carry out a four-year test program to remove limitations on the assignment of female members of the Army to combat positions.

I am a former member of the Defense Advisory Committee on Women in the Services, but I do not support the Committee's official position in support of the repeal of combat restrictions. I am speaking here today as an individual, but I have also been authorized to speak on this issue as Legislative Chair for the Republican Women's Federation of Michigan.

During my three-year term as a DACOWITS member (1984-86), I had the opportunity to speak with many female officers and enlisted women at a number of military bases throughout the country. I attended every meeting, listened to almost all the briefings, made a number of independent base visits and reports, and participated in the writing of many DACOWITS recommendations that did not conflict with my views on the combat issue.

As I see it, the issue at stake here is not support or admiration for the professionalism and patriotism of the women in the military. I share that support and admiration.

The question, rather, is whether women should be directly involved in long-term ground combat in a future conventional war. The Army employs thousands of people, but it is not just another equal opportunity employer whose functions would be essentially the same in wartime as in peacetime.

A four-year "test" of women in combat roles would be worse than meaningless, unless the Army is willing to get involved in a real shooting war, with real ammunition, just to see what happens when a world power sends women to fight in prolonged ground combat for the first time in modern history. Please keep in mind that the Marines don't even allow women to throw live grenades at Parris Island because tests in 1987 showed that 45 per cent of the female recruits weren't physically strong enough to throw the explosive devices beyond the minimum 49-foot margin of safety.

Having observed the inner workings of the DACOWITS during my term as a member, I'm well aware of the political pressures involved with this issue. It's apparent that the Department of Defense is passing the buck to you, as elected representatives, because of political constraints that are very intense at the Pentagon. No one wants to be accused of being anti-women, simply by expressing reservations about the wisdom of sending women into combat. I saw the same pressures at work at each DACOWITS meeting, when officers told me privately that they agreed with my opposition to women in combat, but did not feel free to say so publicly because their careers might be adversely affected.

Nevertheless, I hope you will continue to view this as a national defense issue, and not just a women's rights issue. Repeal of the combat restrictions may work to satisfy feminist ideological goals, or to benefit a handful of female officers. This should not be done, however, at the expense of female enlisteds and young civilian women who want nothing to do with combat duty in a future war.

Please be mindful of the legal implications of the Schroeder bill. The Supreme Court rested its 1982 Rostker v. Goldberg decision, which upheld the exemption of young women from the draft, on the fact that Congress had decided after extensive hearings in 1979 to exempt women from combat duty. A move to lift that restriction even on a "temporary" basis, with or without legislation, would likely set off a legal chain reaction that could result in young women being subject to registration for the draft and combat duty in a future war.

Please keep in mind, too, that if Rep. Schroeder's bill is passed, it would be virtually impossible four years hence to reverse the supposedly "temporary" change in policy. The reason is that the careers of military women would be severely disrupted if certain MOSs were first opened and then closed to them.

Contrary to overheated news reports, nothing that happened in Panama indicates that women are now ready for combat duty in a prolonged conventional war. Some people have claimed that women served in combat just by being in Panama during the recent invasion. I don't agree with that claim, but if it were a valid one then congressional intent has already been violated and someone should be held accountable.

The attached article covers many but not all of the issues that I am concerned about. Again, I hope that you and members of the Committee will take the time to review this article, and that you will allow me the privilege of addressing your subcommittee at a later date.

PUSH FOR WOMEN IN COMBAT BASED ON CAVALIER NOTIONS

(By Elaine Donnelly)

Early national news reports from Panama about Army Capt. Linda Bray, who was hailed as the "first woman to lead men into cambat," read like the script of a made-for-TV movie, One excited reporter described the young military policewoman's actions in securing a Panamanian attack-dog kennel as "worthy of a young Douglas MacArthur or George Patton."

Nevertheless, as the readers of Human Events already know (January 20, page 3), the saga of Capt. Bray was too sensational to be true. Later reports indicated that there was no three-hour firefight, no Panamanian soldiers dead on the floor, and it turned out that the young officer had directed her MP unit by radio from a half-mile away. Bray arrived on the scene after about 10 minutes of unexpected gunfire, and when the snipers faded into the woods the mission was over.

All the American soldiers, including women in support roles, deserve credit for performing well in Panama. But the premature conclusion that Panama proves that women are now ready for the combat infantry—even in prolonged wars like Korea or Vietnam—is just as overblown as the early reports about Capt. Linda Bray.

The Defense Advisory Committee on Women in the Services (DACOWITS), a Pentagon based, civilian advisory group, officially advocates the repeal of laws and Army regulations that bar women from a

small percentage of direct combat jobs. Hearings on Colorado Rep. Patricia Schroeder's idea to do this on a trial basis (with a trial war?) will begin in March.

Former DACOWITS Chair Connie Lee told the Charlotte Observer that "[The committee's] major concern is career opportunities for women. The combat roles appear to be the ones that are most important and offer the most promise for promotion. If they're qualified, we feel women should be allowed to compete."

The argument is disingenuous, however, because the word "qualified" has no real meaning. There are no physical tests or standards that are used to disqualify individual women from strenuous Army jobs that are beyond their physical strength.

The reason is that in 1982, a major project called "Women in the Army" (WITA) attempted to establish an objective, sex-neutral system for testing a recruit's physical strength and stamina.

The Military Enlistment Physical Strength Capacity Test (MEPSCAT) was designed to match individual abilities to the requirements of Army jobs, which were analyzed by the WITA review group and rated on a scale ranging from light to very heavy.

But feminists objected to sex-neutral standards for jobs requiring physical strength because they tended to exclude women from combat-related jobs. In his newly released book, Weak Link—the Feminization of the American Military, Brian Mitchell describes the intense political pressures, as orchestrated by the DACOWITS, that led the Pentagon to scrap the WITA project.

As a result, the MEPSCAT test was reduced to nothing more than a recruiting "guidance tool," and a woman who doesn't meet the qualifications can get a strenuous job anyway.

This is not the case in Canada, where 60 women tried to qualify for combat infantry jobs that were recently opened to them. Fifty-nine of the 60 failed to meet the rigorous requirements, so they didn't get the job. The importance of this difference in American and Canadian policy is lost on feminist advocates, whose persistent demand for double standards has actually hurt the credibility of women in the services.

Army officials know that the definition of combat involves more than the experience of being fired upon in a brief operation like Panama. The question is whether women serving in the infantry can fully contribute to the success of prolonged conventional wars like World War II, Korea or Vietnam.

Egalitarian theories about the interchangeability of men and women collide with harsh reality in the brutal environment of ground combat. Warfare isn't fair or equal—it isn't even civilized. Women are equal before the law, but on average they have only about 60 per cent of the physical strength of men—80 per cent if height and weight are the same.

The difference is important when soldiers must move quickly with heavy equipment over rough terrain with almost no personal privacy in all kinds of weather. Women have less than an equal opportunity to survive, or to help fellow soldiers survive, in that kind of environment.

First Lady Barbara Bush said it best when she commented on the issue of women in combat with straightforward common sense: "I do not think a woman is as strong as a man. If you endanger the lives of your buddies, then that just automatically rules it out."

Mrs. Bush also expressed justified concern about soldiers who might risk somebody else's life because they couldn't carry a fellow soldier to safety or throw a grenade as far as a man.

The grenade is a low-tech but effective weapon which, if used properly, can help ground combat soldiers to accomplish a dangerous mission under fire.

At the Marine Corps Parris Island training camp, female Marines are not allowed to throw live grenades, because tests in 1987 showed that 45 per cent of the female recruits weren't strong enough to throw the explosive devices beyond the minimum 49-foot margin of safety.

But some feminist civilians—who will never see combat themselves—insist that physical strength doesn't matter. They fantasize about high-tech "push-button wars," and ignore the practical realities of conventional wars and weapons, which in the nuclear age are far more likely to be used, not less so.

Even if physcial strength were not an issue, the normal tension between men and women leads to other sociological complications—sexual harassment, fraternization, inter-service marriages that complicate assignments, and pregnancy—all of which interfere with readiness, morale and unit strength.

Ten per cent of military women are in maternity uniforms at any given time. Nobody knows which policy regarding pregnant soldiers would cause more problems in time of war: leaving them in or taking them out.

Retired Air Force Brig. Gen. Wilma Vaught, who served as an official military adviser to the DACOWITS during my term, told Human Events (January 20) that she has no objections to the use of pregnant women in battle. This is the kind of cavalier attitude that is routinely promoted by the DACOWITS in the name of military women.

But female soldiers out in the field disagree. Sociology Prof. Charles Moskos of Northwestern University, who conducted an extensive study of 48 female officers and enlisted women serving in Honduras in 1984, found unanimous agreement that "If there is an absolute precondition for the effective utilization of women in field duty, it must be exclusion of pregnant women."

Moskos also discovered strong disagreement on the combat exclusion issue. Half of the enlisted women said that women should not be allowed in combat units. The others agreed with half of the officers who thought combat duty for women should be optional and voluntary. Only about 50 per cent of the officers thought combat duty should be mandated on an equal basis with men—a viewpoint held by none of the enlisted women.

Work conditions may have accounted for much of the difference of opinion. Moskos reported that the field policy in Honduras was for work sections to continue sleeping in the same tents, with only a draped blanket between the men and women. At first the women tried all sorts of awkward techniques to cope with the lack of privacy in field tents and showers, but it was so much trouble that after about a week their defenses eroded to an uneasy attitude of "Let 'em look."

None of this bothered the DACOWITS. The Moskos report was hailed out of context as a "success story" because the enlisted women were performing their assigned jobs, including the most unpleasant menial jobs that are associated with outdoor latrines.

In 1986, I made an official visit as a member of the DACOWITS to a combat Navy frigate based in Jacksonville. I specifically asked to see the berthing areas where enlisted Navy men and women would be assigned if combat restrictions were repealed by Congress.

The quarters were neat but extremely cramped, with bunks from floor to ceiling. The ship captain noted that without major reconstruction of the ship's interior, safety considerations would preclude minimal privacy for female sailors.

When I reported this to the DACOWITS at the next meeting, the prevailing attitude was "So what?" Career progression for female officers, who are entitled to more comfortable quarters, remains the primary consideration. The drive to put women on combat ships continues, even though a 1988 Pentagon task force reported that enlisted women are studiously avoiding 1,200 billets that are available on noncombat Navy ships.

Military readiness depends on training, equipment, intelligence and the like, but these days it also depends on babysitters. Single parents are supposed to make provisions for long-term child care in case of emergency, but a recent Navy study found that less than 50 per cent of the sailors are complying with that requirement.

The Pentagon has tried to downplay this as a "woman" problem by claiming that most single parents are men. Mitchell has pointed out, however, that the deception can only be sustained by counting men without custody along with an estimated 24,000 single service mothers with custody of minor children.

Shrinking military budgets cannot keep up with quadrupling demands for day-care centers. Funds for other worthwhile community projects, such as libraries, commissaries and recreation centers are already being denied at bases around the world. There have been troubling reports from Korea and Germany about service mothers who had to take their children with them when called up on short notice alert. Child care is a persistent and growing problem that cannot be ignored for the sake of social experimentation.

American women have suffered, sacrificed, or served in the military with distinction in all our previous wars. There is no doubt they will do so again. But military units should not be slowed down or deployed short-handed because some soldiers cannot march as fast, carry the same load, or are absent because of pregnancy or lack of child care.

No other military power in the world—including Israel—has fought and won a war with women in combat roles.

Hearings before the House Armed Services Committee on Rep. Schroeder's bill for a "temporary" repeal of combat restrictions could become a long-overdue opportunity to examine all these issues and more. Something would have to be done, however, to relieve the political constraints on active military people who are reluctant to talk about certain problems involving women in the military because candor might hurt their careers.

It's likely that Rep. Schroeder and the Defense Advisory Committee on Women in the Services will try to pressure the Department of Defense—starting with the Army—to meet their demands without a vote of Congress. Amendments to specific statutes would be needed to put women on combat ships and planes in the Air Force, Navy and Marines. Army policies are self-defined,

however, in compliance with the clear intent of Congress that women should not be used in close combat roles.

Even without a vote of Congress, the Pentagon and the various service secretaries have been steadily yielding ground under relentless pressure from the DACOWITS.

A 1988 Department of Defense task force report, for example, recommended that complicated new principles based on exposure to "risk" be consistently applied to all service jobs in order to shrink the combat exclusions almost to the vanishing point. More than 24,000 occupations that were previously closed to women were opened up by quietly changing the word "or" to "and" in the official definitions of combat missions, ships and aircraft.

These policy changes may increase jobs and promotion opportunities for a few military women, but the time has come for a serious analysis of the costs and consequences.

The purpose of the military is not just to provide jobs and promotions; the mission of the armed forces is to deter aggression or to win a war in the event the deterrence fails. Congress must remember that the issue isn't women's rights; the issue is national defense.

"EXXON VALDEZ": CLEANUP COMPLETE

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. CRANE. Mr. Speaker, while most of our attention was directed toward the Middle East, a remarkable story came out of Alaska's Prince William Sound last month. According to residents of Valdez, the spring herring catches were their best ever, and salmon fishermen expect a record-breaking season as well. Indeed, it appears as though the sound is well on its way to recovery.

Exxon, on the other hand, continues to suffer from bad press. Reports of its cleanup success were omitted from all of the major network news programs, and Washingtonians found only a two-line story buried in the Post's "TV Column." An article about the oil company finally did get printed in Michigan where a Detroit News editorial gave Exxon the recognition it deserves. I direct my colleagues' attention to this piece and encourage them to share it with their friends who might not ordinarily read the "TV Column."

I am not suggesting that the events of March 24, 1989, be forgotten, but I do implore that they now be forgiven.

[From the Detroit News, Aug. 27, 1990]

"EXXON VALDEZ": CLEANUP COMPLETE

More than one year and $2 billion after the March 1989 *Exxon Valdez* oil spill, Alaskan pink salmon have returned to Prince William Sound in record numbers. When the herring fishery opened last spring, most fishermen make their quota within the first 20 minutes.

That should not be surprising. There is no evidence that even the largest spills have had any measureable permanent effect on wildlife, much less caused extinctions. That was confirmed on July 24. Bernard Fichaut, one of the world's leading oil-spill scientists (with impeccable environmental credentials), on that day told an audience in Anchorage that the ecological recovery was so far advanced that further cleanup might do more harm than good.

Most of the oil is now well beneath the surface, where it does little or no harm. Dr. Fichaut warns that further rock washing or use of detergents will only retard the progress made so far. That judgment is backed by a study released July 8 by the National Oceanic and Atmospheric Administration in Washington.

Exxon itself recently funded a two-week investigation by British scientists and oil-spill experts Jennifer Baker and Robert Clark, both of whom have high standing in the environmental community. "The news from Prince William sound is virtually all good," they told The News recently. "The recovery has been much faster than anyone had expeced." They found not only surprisingly little oil left on surfaces, but solid signs of biological recovery everywhere. Even the bird and sea mammal populations appear to be rebounding.

"Remember," Dr. Clark said, "there have been at least 30 spills larger than the Valdez, (one of them just two weeks later) and none of them has shown permanent ecological damage. The Torrey Canyon (1967, England) was three times as large, and the recovery after that spill was nearly complete within three years with no major clean-up effort."

Oil is not some synthetic man-made chemical. It is a fossil fuel made up primarily of natural hydrocarbons. Its most toxic elements evaporate relatively quickly after the spill, and what remains becomes nutrients for microorganisms.

Unfortunately, such common sense does not impress such great environmental scientists as folk singer John Denver, who accused Exxon and the scientists of "lying through their teeth. I think they're trying to bull---- the American people." People like Mr. Denver forget that hundreds of millions of gallons of petroleum were deposited on the shores of the United States and Europe during the U-boat sinkings of World War II, with no long-term ecological impact.

This does not mean oil spills are wonderful. But in a world consuming 50 million barrels of the stuff every day, there will be accidents. But the sky won't fall, and the wolf will not come to the door, unless we invite him by shutting down domestic petroleum development because we are afraid of spills. Then the wolf's name will be Saddam.

TERRORISM: ANOTHER WEAPON FOR SADDAM HUSSEIN?

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. BROOMFIELD. Mr. Speaker, as the world still reels from the shock of Saddam Hussein's brutal invasion of Kuwait, recently released information about the ruthless Iraqi dictator troubles me. The Iraqi madman who hides behind female hostages and gasses his own citizens has secretly built new ties with world terrorists.

New reports reveal that in the past few months, the Iraqi leader has built a network of old and new terrorist allies who could be called upon to conduct terrorist operations against American interests. Among Saddam's new friends are notorious terrorists Abu Nidal, Abu Abbas, and Abu Iyad—all star performers in the sordid world of international terrorism. As many as 1,400 terrorist operatives may now be living in Iraq as guests of Saddam Hussein. Iraqi involvement with terrorist groups is so extensive that the Department of State recently put Iraq back on the list of countries that support terrorism.

Of great concern is a recent statement by Iraq's Foreign Minister, Tariq Aziz, in which he noted that "Iraq was free of any moral obligations to proscribe acts of terrorism against American, British, and French interests." Given these threats and the unpredictable nature of the Iraqi regime, I trust that the administration, which has handled the gulf crisis in such a commendable manner, is enhancing the security posture of our military units and diplomatic missions overseas in the event that Iraq should resort to using terrorism against United States interests around the world.

I recommend the following Wall Street Journal article on Iraq's new alliance with terrorists to my colleagues in the Congress.

[From the Wall Street Journal, Aug. 20, 1990]

BEFORE ITS INVASION, IRAQ STRENGTHENED TIES TO TERRORIST NETWORK—GROUPS INVITED TO BAGHDAD, INTELLIGENCE AGENCIES SAY; HUSSEIN'S MOTIVES UNCLEAR—ABU NIDAL AND THE HEZBOLLAH

(By Walter S. Mossberg and Gerald F. Seib)

WASHINGTON.—In the months leading up to Saddam Hussein's invasion of Kuwait, the Iraqi dictator secretly built new ties with a long list of terrorist operators, U.S. intelligence agencies say.

Now he is in a position to deploy those killers and kidnapprs to strike at Americans, Europeans and moderate Arabs, if he decides to turn to the terrorist option in the Persian Gulf crisis.

U.S. officials stress that the Central Intelligence Agency and other U.S. and Allied intelligence operations haven't detected any specific terrorist moves to retaliate for President Bush's swift military deployment to the Gulf. And they are anxious to head off public alarm; portents of terrorist attacks have been wrong in the past.

GROWING NETWORK

But the West's counterterrorism networks have gone into high gear in the past 10 days, issuing alerts across the world and even within the U.S. Their worry has increased as analysts have revisited past intelligence reports with the advantage of hindsight and concluded that, well before the invasion, the Iraqi dictator seemed to be methodically knitting together a network of old and new terrorist allies. Although for years Saddam Hussein had sat on the terrorism sidelines, even expelling some groups, now he appears in a position to get back into the game if he chooses.

By one foreign intelligence estimate, there may be as many as 1,400 active international terrorists now in Iraq, which is double the estimate of just a year ago. Any attack they might stage against Americans could put pressure on President Bush to order military retaliation, risking wider combat. "We have conveyed the message to Saddam Hussein that an act of terror will be viewed as something for which he'll be held responsible," says a senior administration official.

Nobody in the West knows for sure whether Saddam Hussein will choose the path of terrorism. He faces political and lo-

gistical problems in using terror tactics, and a growing American military force on his doorstep. Experts warn that intelligence in this field is slippery, sometimes contradictory, and subject to differing interpretations.

However, American, French and Israeli sources familiar with intelligence on the subject say Saddam Hussein took a number of key steps earlier this year to build up his terrorist capabilities. The various spy services don't agree on all the details, but all are convinced that the terrorist pattern is real. Among the actions by Saddam Hussein they cite are these:

He began reinstalling the notorious Abu Nidal Organization in Baghdad this spring. It had been exiled for years to Libya, where it suffered a debilitating internal split. By some estimates, there now are hundreds of Abu Nidal operatives training in and around Baghdad in case they are ordered to repeat the group's earlier exploits, such as machine-gunning airports and synagogues. Abu Nidal himself may now be in Baghdad.

He gave haven to his longtime terrorist protege Abu Abbas, after Mr. Abbas publicly took responsibility for an aborted attack on an Israeli beach that forced the U.S. to end talks with the Palestine Liberation Organization. Mr. Abbas's Palestine Liberation Front is also responsible for the 1985 hijacking of the Achille Lauro cruise ship in the Mediterranean, in which a wheelchair-bound American was shot and thrown into the sea.

He permitted Yasser Arafat and the rest of the PLO leadership to move key parts of their headquarters to Baghdad from Tunis. While many PLO leaders play no direct role in terrorism, Western experts claim that Abu Iyad, an Arafat deputy who is suspected of directing the killing of a U.S. diplomat in the Sudan, is in Baghdad, along with elements of Force 17, a PLO military arm that has engaged in terrorism.

He opened contact with Ahmad Jibril, leader of the group that is believed to have blown up Pan Am flight 103 over Lockerbie, Scotland, in 1988. According to French sources, Mr. Jibril was invited to open an office in Baghdad for his Popular Front for the Liberation of Palestine—General Command, even though his patrons are Iraq's worst Moslem enemies: Syria and Iran. Mr. Jibril is thought to have declined, but has changed patrons before.

He may have gained a lever over another bloody group that is an unlikely ally: Lebanon's pro-Iranian Shiite Hezbollah, or Party of God. By seizing Kuwait, Saddam Hussein won control over 15 Shiite terrorists in prison there, including the brother-in-law of one of Hezbollah's most brutal operatives, Imad Mugniyah. French intelligence sources say the prisoners are now in Baghdad, and Saddam is offering to free Mr. Mugniyah's brother-in-law if Hezbollah plays ball with him. If true, that could be ominous for the six American hostages the group holds, including two controlled by Mr. Mugniyah.

He is bidding for the backing of some groups with which he doesn't appear to have made contact, by calling on devout Moslems to help him stand up to America. U.S. intelligence is especially worried that Iraq may recruit the Islamic Jihad, a Lebanon-based Palestinian group that in February shot up an Israeli tourist bus in Egypt.

In addition to these contacts, two other major terrorist figures have long lived in Baghdad. One is Abu Ibrahim, the master Arab terrorist bomb-maker, who devised the hidden suitcase bomb for destroying airliners and trained others who built even smaller and cleverer bombs. Mr. Ibrahim is supposedly retired, his terror group disbanded, but he is a potential asset for Saddam Hussein.

Another terrorist based in Iraq is Abu Salim, whose group, the Popular Front for the Liberation of Palestine Special Command, claimed responsibility for the 1985 bombing of a Spanish restaurant frequented by U.S. servicemen.

Lesser groups also call Baghdad home. Iraq sponsors a marginal group called the Arab Liberation Front, and it has backed Kurdish terrorists in Turkey and Iranian terrorists in Iran.

The last time American forces were on the ground in the Mideast, it was terrorism, not conventional arms, that drove them off, through the stunning 1983 bombing of the Marine barracks in Lebanon.

This time, terrorists are again issuing threats. Hussein Musawi, a leader of Hezbollah, the Lebanese group that killed the 241 Marines in 1983, has called for "suicide attacks" against U.S. interests, even though his pro-Iranian group has also condemned the Kuwait invasion. Abu Abbas, the man behind the Achille Lauro hijacking, has told his followers to "strike with your strong arms at all U.S. interests."

And, in addition to the prominent, methodical groups, experts fear that Saddam Hussein's flaming anti-American rhetoric could incite quicker, free-lance terrorism by unknown individuals.

"Saddam Hussein is building up something, obviously," says a French terrorism expert who writes under the pen name of Xavier Raufer. "It seems that even in May and June, Saddam Hussein already had something in mind."

Gary Sick, a former National Security Council specialist on the Gulf, thinks terrorist actions inspired by Saddam Hussein are "highly probable." He notes: "This can be directed not only at us, but also at the Saudis and the Egyptians and all of those Arab forces who have chosen to oppose him." In case of terrorism, he says, "Bush will find it very hard to sit still with all those forces there."

Two days after Mr. Bush announced the U.S. intervention, the U.S. issued an innocuous-sounding travel warning that was lost in the tide of crisis coverage. "The Department of State advises that the Iraqi invasion of Kuwait may raise the risk of terrorist incidents directed against American interests overseas," it said, adding, "There is, however, no specific information available at this time concerning such terrorist operations."

BEHIND THE SCENES

The bland announcement was the public manifestation of an intense counterterrorism effort. Since U.S. troop deployments began, American embassies and military bases have been told to increase security. The FBI has stepped up surveillance in the U.S., especially where troops and arms concentrate on their way to the Mideast. The CIA has redoubled its detection efforts overseas, searching for signs that Iraq-inspired groups might be activating terror cells to kill Westerners, incite Israel to enter the fray or destabilize Arab allies of the U.S.

In Washington, a little-known interagency counterterrorism group has met frequently, sifting a surge in clandestine information and tips, most of them of little value. Experts from the National Security Council staff, the CIA, the FBI, the Defense Intelligence Agency and the State Department also confer frequently, and terrorism intelligence is a regular part of Mr. Bush's crisis briefings.

For most of the 1980s, Iraq wasn't a leading terror suspect. As part of his effort to win help in the long war against Iran, Saddam Hussein barred active terrorism out of Baghdad in the early 1980s. Iraq was removed from the U.S. list of terrorist states in 1982, and the next year expelled the Abu Nidal Organization.

Now all terrorist-trackers are focused on Baghdad again. "We are very, very concerned," says a senior U.S. counterterrorism official. "In the context of everything else, it looks very ominous."

Intelligence officials are especially concerned about the Abu Nidal and Hezbollah groups—proven masters of the bloodiest and most calculated sort of terror, with experience operating far from home.

Abu Nidal's band had been widely reported shattered in severe infighting that peaked last year in Libya, and Abu Nidal himself (whose real name is Sabri al-Banna) has been reported dead or imprisoned in Libya. But U.S. olfficials now believe at least a remnant of the group has emerged in fighting shape in Baghdad. The group had been expert at concealing cells of killers in Europe, and U.S. intelligence was particularly alarmed this spring at sudden signs that Abu Nidal operatives there were stirring, traveling and holding meetings, after long being dormant.

French and Israeli sources go further: Both say Abu Nidal himself is now in Baghdad. By some foreign accounts, the terrorist chief was escorted to the Iraqi capital from Libya by a brother of Saddam Hussein. They also note signs that scores of PLO fighters have recently defected to Abu Nidal in Lebanon.

THE HOSTAGE FACTOR

Hezbollah is doubly dangerous: It is as bloody as Abu Nidal's band and despises the U.S., plus it holds the six U.S. hostages in Lebanon. They key to its posture may lie in Iran's attitude toward Iraq, and especially in the fate of that 15 Shiite prisoners Kuwait had held. Twelve of those are Iraqi exiles who have tried to unseat Saddam Hussein, a past that would normally mark them for death in Iraq. But French sources contend that all 15 have been taken to Baghdad, where they could be used as bait to coax new anti-U.S. terrorism from Hezbollah's Mr. Mugniyah, who holds hostages Terry Anderson and Thomas Sutherland. U.S. intelligence is striving to locate the 15 Shiite prisoners.

Hussein Musawi, a Hezbollah leader, has called on terrorists to help dislodge the U.S. from the Persian Gulf and said that "releasing the [U.S. hostages] now would be a reward to the Americans for their invasion of the Gulf." If Iraq's new peace bid to Iran succeeds, the pro-Iranian Hezbollah may take an even harder line.

Despite the assets Saddam Hussein seems to have assembled, he still would face several obstacles that could slow or even stop him from moving to terrorism. One is that Syria, Iraq's enemy and rival in the Arab world, opposes his invasion of Kuwait and has sent troops to help keep him out of Saudi Arabia. Many of the most radical Palestinian and Shiite terrorists owe some allegiance to Syria, which has let them operate from Syria or Lebanon.

Moreover, though Saddam Hussein now portrays himself as a Moslem seeking to oust foreign infidels, he remains handicapped by being known as a secular Arab

who spent eight years fighting Iran, the Shiite Moslem theocracy that inspires some of the most active Shiite terrorists.

An additional obstacle is that most professional terrorists acts take months to plan.

And, of course, the biggest constraint may be the simple fact that Saddam Hussein would have to contemplate launching terrorism with tens of thousands of American troops on his nation's doorstep—a far different situation than in earlier outbreaks of terrorism, when any U.S. forces that could retaliate were far away.

THE EFFECTS OF THE PROJECTED SEQUESTER ARE STAGGERING

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. WELDON. Mr. Speaker, it appears that the budget summit has stalled. With the beginning of the new fiscal year fast approaching, it seems that a sequester is all but inevitable.

It appears that a meat-axe cut of $100 billion will occur in less than 1 month. This will not just hurt faceless bureaucrats facing extended furloughs. The true victims will be those most dependent on the Government: The sick, the indigent, and the elderly. The effects of the projected sequester are staggering.

At a time when our test scores are the lowest they have ever been, Head Start would eliminate program services to 113,000 children. At a time when we have pledged to win the "war on drugs," 44,000 drug and alcohol treatment slots would be eliminated. At a time when the expansionism of Saddam Hussein is pushing up the price of energy, 2 million families dependent on the Low-Income Home Energy Assistance Program for assistance in paying their heating bills will be driven from the program. At a time when we are struggling to remain competitive in the global marketplace, nearly 1½ million college students would be denied Pell grants.

It seems that a sequester will in some way affect nearly every American—with the exception of the residents of this Chamber and the other body. You may be surprised to learn that our salaries are exempt from Gramm-Rudman budget cuts. If we are to ask our constituents to shoulder the enormous burden of a budget sequester, it seems only fair that our pay be similarly reduced.

For that reason, Mr. Speaker, I have introduced legislation to subject the pay of Members of Congress to the same spending cuts made of other programs under Gramm-Rudman. I urge my colleagues to join me in supporting this important initiative.

RESOLUTION COMMENDING THE UNITED NATIONS ACTION WITH RESPECT TO IRAQ

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. WEISS. Mr. Speaker, today I am introducing a resolution commending the United Nations for the extraordinary role it has played in the aftermath of Iraq's unprovoked attack against Kuwait. In the 5 weeks since the invasion, the United Nations has proven to be an indispensable forum for the development and articulation of a coordinated international response to the conflict.

In an unprecedented demonstration of international consensus and cooperation, the U.N. Security Council unanimously adopted five resolutions to condemn Iraq's armed aggression and to recommend policies to restore the sovereignty, independence and territorial integrity of Kuwait.

In this series of resolutions, the U.N. Security Council called for Iraq's immediate and unconditional withdrawal from Kuwait; imposed a set of stiff economic sanctions against Iraq; called Iraq's annexation of Kuwait "null and void"; expressed deep concern about the safety of foreign citizens in Iraq and Kuwait; and authorized members states to enforce the economic sanctions with whatever measures may be necessary.

These resolutions have formed the backdrop and the ground rules for all subsequent actions taken by the international community in response to the crisis. In taking these steps in the face of Iraq's flagrant violation of international law, the United Nations has helped to develop the kind of new and more peaceful international order envisioned by the organization's founders.

The legislation I have introduced today recognizes the United Nations' extraordinary contribution to the resolution of the conflict and especially commends the member states of the U.N. Security Council for their work in formulating a coordinated international policy.

The resolution also commends the Bush administration for its strong leadership role in promoting international consensus and cooperation within the United Nations. Finally the resolution expresses support for the United Nations' continued diplomatic efforts to promote a peaceful resolution of the conflict.

Iraq's armed aggression against Kuwait cannot go unchallenged by the international community, and the United Nations has brought to bear the full power of international law in opposing this unprovoked attack. The resolution I am introducing today gives much deserved praise to the flowering of this important instrument of peace, the United Nations.

The text of the resolution follows:

H. CON RES. —

Whereas in the aftermath of Iraq's unprovoked attack against Kuwait on August 2, 1990, the United Nations has proven to be an indispensable forum for the development and articulation of a coordinated international response to the conflict;

Whereas the United Nations Security Council has unanimously approved a series of resolutions to condemn this armed aggression and to recommend policies to restore the sovereignty, independence, and territorial integrity of Kuwait;

Whereas on August 2, 1990, the United Nations Security Council adopted resolution 660, which condems the invasion and demands the immediate and unconditional withdrawal of all Iraqi forces from Kuwait;

Whereas on August 6, 1990, the United Nations Security Council adopted resolution 661, which imposes economic sanctions against Iraq under chapter VII of the Charter of the United Nations and calls on the international community to act in strict accordance with these sanctions;

Whereas on August 9, 1990, the United Nations Security Council adopted resolution 662, which declares Iraq's annexation of Kuwait "null and void" and calls on Iraq to rescind its actions purporting to annex Kuwait;

Whereas on August 18, 1990, the United Nations Security Council adopted resolution 664, which expresses deep concern about the safety and well being of foreign citizens in Iraq and Kuwait and demands that Iraq permit and facilitate their immediate departure;

Whereas on August 25, 1990, the United Nations Security Council adopted resolution 665, which authorizes the armed forces of member states to "use such measures commensurate to the specific circumstances as may be necessary" to ensure compliance with the United Nations economic sanctions;

Whereas these resolutions, and the many diplomatic activities that have comprised the United Nations response to the invasion of Kuwait, represent an exemplary degree of international cooperation and agreement in the face of a flagrant violation of international law;

Whereas the United States has taken a strong leadership role in promoting this extradordinary international consensus within the United Nations;

Whereas in its response to the Iraqi invasion, the United Nations has helped to formulate and solidify the ground rules of a new and more peaceful international order, as envisioned by the founders of the United Nations; and

Whereas President Bush has clearly articulated the determination of the United States to stand united with the international community to defend the principles of the United Nations Charter: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) commends the United Nations for its timely, unified, and forceful response to Iraq's armed aggression against Kuwait;

(2) commends the member states of the United Nations Security Council for their work in formulating a coordinated international policy with respect to the Iraqi invasion;

(3) especially commends the Bush Administration for its successful efforts to promote international consensus and cooperation within the United Nations in response to this crisis; and

(4) supports the continued diplomatic efforts of the United Nations to promote a peaceful resolution of the conflict.

TRIBUTE TO COACH ERK RUSSELL

HON. LINDSAY THOMAS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. THOMAS of Georgia. Mr. Speaker, I recently attended a dinner celebrating Coach Erk Russell's retirement as head football coach at Georgia Southern University. I would like to have these attached remarks entered into the CONGRESSIONAL RECORD.

Mr. Thomas of Georgia: Mr. Speaker: In my part of the country, the Labor Day holiday signals the beginning of the college football season. And for the past eight years, in my part of the state of Georgia, that has meant that Coach Erk Russell and the Georgia Southern University Eagles were on their way to another winning season. This year, after forty years of coaching high school and college football, Erk Russell has retired from the sidelines as one of the most accomplished coaches in NCAA coaching history.

Few coaches in the country have experienced the kind of success and popularity Erk Russell has enjoyed in his eight years as head football coach at Georgia Southern: three national championships, 83 wins and 17 All-American players-all at a school where the football program had been dormant for 40 years before his arrival in 1982.

A native of Birmingham, Alabama, Russell holds bachelor's and master's degrees from Auburn University, where he earned 10 varsity letters playing football, basketball, baseball, and tennis. He is, in fact, the last four-sport letterman in Auburn history.

Russell began his coaching career in 1950 at Atlanta's Grady High School, guiding his troops to the 1953 AAA State title, and twice earning the AAA Coach of the Year award.

In 1958, he returned to Auburn as freshman football and baseball coach, and in 1961 was elevated to varsity defensive coach and scout.

He was named Vanderbilt University's head defensive coach in 1963, a year before joining Vince Dooley's staff at the University of Georgia. Russell spent 17 years as defensive coordinator at UGA molding his "Junkyard Dogs," which eventually became synonymous with Georgia football.

Ironically, it was only when Coach Russell left UGA to head the newly-revived NCAA I-AA division football program at Georgia Southern that he achieved greatness. In 1989 he led the Eagles to an unprecedented third I-AA national championship, with a 15-0 season. For this he received the Eddie Robinson Award as the best coach in the I-AA division.

For these accomplishments alone, Coach Russell has become a legend in Georgia and throughout the Southeast and the world of college football. What may not be as well known outside Southeast Georgia is his incredible spirit and generosity to the players, students, and loyal fans of Georgia Southern University. He has become an example and a figure of admiration for his players, and has never tried to hide his love of football and of Georgia Southern University. For that, the people of Statesboro, Georgia, home of Georgia Southern, have loved him back, and we wish him well on the occasion of his retirement.

ONE SERIOUS PROBLEM WITH H.R. 5267

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. FRENZEL. Mr. Speaker, on Monday, September 10, the House passed H.R. 5267, which provides for some needed regulation of the cable television industry. Because I was involved in the budget summit, I was not available to register one serious problem I have with this bill.

Section 18 of the bill includes language which limits foreign ownership of U.S. cable systems. While existing foreign ownership is grandfathered, there are also limits on growth of that investment. The grandfather does help address a situation in my own area, but I still have a philosophical problem with any legislation which seeks to restrict foreign investment opportunities in the United States.

I understand that there was little opposition to this language and that it was drafted to include cable systems within current foreign investment restrictions on broadcast media.

The fact that we have current restrictions and that this bill just closes the gap is not a good reason for creating new restrictions. This certainly is not the best timing to create a new investment barrier. Right now our negotiators at the Uruguay Round of trade talks are attempting to eliminate or reduce current barriers to foreign investors. All countries have them, ourselves included. It does not make the negotiating any easier when our allies remind us of this new investment barrier.

In addition, at the Ministerial Meeting at Punta del Este to kick off the trade negotiations, we signed a "Standstill" agreement whereby we pledged not to initiate new trade related barriers during the period of the negotiations. This certainly flies in the face of that agreement.

Mr. Speaker, at this point, I'm not sure why it is perceived that there is a problem with excessive foreign investment in the cable industry. I believe that foreign investment is only 1 percent of the U.S. industry, hardly a threat. The United Kingdom has opposed these restrictions, even though it has no United States ownership. It notes that it is moving to open up its own cable industry to foreign investment and that currently 12 United States companies have involvement in over half of the total cable investment in the United Kingdom.

I regret that this change was made without proper debate. I hope that there will be an opportunity to strike the language in conference.

RESPONSE TO DEAR COLLEAGUE LETTER

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. JACOBS. Mr. Speaker, the following is a copy of a Dear Colleague letter sent by the gentleman from Colorado and me on September 6, together with the response—some might say character assassination—I received from the gentleman from Michigan, Mr. Dingell.

It is interesting to note that the gentleman from Michigan thinks that leadership by example is a pretty bad thing.

HOUSE OF REPRESENTATIVES,
Washington, DC, September 6, 1990.

DEAR COLLEAGUES: Obviously there are some differences of opinion about the congressional pay raise.

We believe it is unwise at this time of budget summitry and Mid East involvement.

Accordingly, we have filed H.R. 5416 to rescind the pay raise.

If you would care to co-sponsor, please call either David at X54011 or Roxie at X54676.

Sincerely,

ANDY JACOBS, Jr.,
HANK BROWN,
Members of Congress.

SEPTEMBER 10, 1990.

ANDREW:

This is cheap demagoguery.

JOHN DINGELL.

PERSIAN GULF FORCES CALIFORNIANS TO MAKE CHOICES

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. YOUNG of Alaska. Mr. Speaker, for years, energy prices were getting cheaper, and the public was complacent about the relationship between U.S. energy production and our national security. Now, with the Butcher of Baghdad's troops staring across the Kuwaiti border at United States service men and women, Americans are finally coming to their senses.

It is a fact that with 50 percent of our oil being imported, and over $150 million per day going to buy foreign energy, this country cannot continue to forgo developing its energy options. We must find new ways to conserve our energy, but that alone will not do it. We must produce the energy we have available if we want to put Americans to work, making American energy for Americans. And we have the resources, if we have the will.

Even Californians, who have developed a reputation for being at the forefront of the "NIMBY" [not in my backyard] movement have begun to soften their opposition to all energy resource production in their State. In the attached article, a recent poll shows Californians evenly divided on the issue of drilling for oil and gas in the offshore areas of the State. I would ask that it be inserted in the RECORD.

It is clear to those of us who have said for a long time that a national energy plan must be more than just rhetoric about the unachievable that the day of reckoning is before us, and that choices must be made. The coastal plain of ANWR in Alaska might just be a good first step toward energy independence. And, unlike Californians, Alaskans—by 85 percent—support opening ANWR.

[From the Daily News, Sept. 5, 1990]

OFFSHORE DRILLING LOOKING BETTER TO CALIFORNIANS

(By Lisa Pope)

Californians are softening their opposition to offshore drilling and domestic oil production in the wake of the crisis in the Persian Gulf, according to a new statewide poll.

Sentiment against the expansion of oil and gas drilling along the California coast, which ran almost 3-to-1 in August 1989, has ebbed to a 2-to-1 margin, according to the results from polling that began two weeks after the Aug. 2 invasion of Kuwait by Iraq.

More than half of those polled—61 percent—now believe it is "extremely important" for the United States to reduce its dependence on foreign oil.

That's up 14 percent from last year, according to the California Poll, which is conducted for the Daily News and other news organizations.

Environmental fears about offshore drilling declined. Half of those polled, up from 38 percent last year, now agree that the environment can be adequately safeguarded in offshore drilling ventures.

The telephone survey of 614 adults, conducted August 17-27, has a margin of error of plus or minus 4.1 percent.

Attitudes toward oil and gas drilling in government parklands and forest reserves also are changing with opposition to relaxed restrictions down to 61 percent from 68 percent last year.

Events in the oil-rich gulf have not eroded much opposition to the expansion of nuclear-generated power in California, according to the poll. Opinion against the construction of nuclear plants, which was 66 percent last year, remains strong at 60 percent.

The public's desire for oil self-sufficiency has not been so high since polls conducted in 1979 and 1980 after the Iranian revolution cut off supplies from that nation, sending prices up.

Pollster Mark Dicamillo links the shift in attitudes toward domestic oil production to the latest threat to Middle East supplies and price hikes at the gas pump.

"That's the main reason we're seeing the decline in objection to offshore drilling," Dicamillo said. "I think it's directly tied to the gulf."

The poll lends support to Gov. George Deukmejian's push to develop more domestic sources of oil in the interest of national security. Days after Iraq's invasion of Kuwait last month, Deukmejian said the uncertainty over Middle East oil supplies illustrated the need for drilling off the California coast.

Environmental groups, coastal area legislators and the leading gubernatorial candidates—Republican Pete Wilson and Democart Dianne Feinstein—have argued against offshore drilling as a threat to California's 1,100-mile coast.

PHILADELPHIANS CONTINUE TO UNITE AGAINST DRUGS

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. FOGLIETTA. Mr. Speaker, on September 16, 1990, the 35th Police District in Philadelphia will host its fourth annual Open House and Community Day. The celebration will include an open house of police and fire facilities, music, fun, and food. This year's theme is "United Against Drugs." The program will demonstrate how neighborhood groups and residents can work together to fight and win the war on drugs.

Recently, so much of our attention has been focused on the threat in the Persian Gulf. There, this Nation faces a threat to international stability as well as our own way of life and economic well-being. There, our Nation has responded—swiftly and powerfully to the Iraqi threat.

But here at home, in our cities, in our neighborhoods and on our streets, every day we wage a war against another powerful enemy—drugs. The war on drugs is 1 year old, but our armies aren't particularly well-supplied. We don't have legions of warriors or tons of equipment and supplies to support them. But the enemy Philadelphia and the rest of the country faces, poses just as serious a threat to national stability, economic well-being and our way of life.

We all see the victims of the drug war. They are on the nightly news—victims of crimes, murders, and robberies. They are our friends and neighbors, our children and our families.

At times, the war seems overwhelming. But Philadelphians have reason to hope and be proud. Many Philadelphians who have seen their neighborhoods fall into the hands of criminals are fighing back. There are over 80 community and neighborhood groups who won't settle for being victims and who are taking back the streets. These neighbors are banding together—sealing crack houses, patrolling their blocks, and putting the drug business out of business in their communities. These are real heroes in the drug war.

I commend the 35th Police District and the citizens of northwest Philadelphia on their commitment to their neighborhoods. The Community Day celebration next week will help build unity and bring hope to Philadelphians that we can fight and win back our neighborhoods. Together, we can fight and win the war on drugs.

A TRIBUTE TO THE U.S.S "TEXAS"

HON. MICHAEL A. ANDREWS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. ANDREWS. Mr. Speaker, recently, the people of Texas rededicated the Battleship U.S.S. *Texas*. The event was the culmination of a tremendous effort toward preserving a part of our Nation's naval history.

The Texas Parks and Wildlife Department, the Save the Battleship Foundation, the U.S. Navy and the citizens of Harris County deserve a tremendous amount of credit and thanks for raising the money and supplying the work for refurbishing the U.S.S. *Texas*.

The approximately $11 million facelift for the battleship and grounds—including the replacement or repair of over 300 thousand pounds of steel—was a credit to the fine fighting vessel that served its country so gallantly and, somewhere along the line, was christened with the nickname "The Mighty T."

Authorized by Congress on June 24, 1910, she was launched on May 18, 1912, from Newport News, VA, and joined the Sixth Battle Squadron of the Fifth Fleet—Atlantic—in 1918.

By 1919, she was chosen to escort President Woodrow Wilson to France and was honored by being the first U.S. capital ship to carry aircraft.

After being modernized in 1925, the U.S.S. *Texas* served as the flagship of the U.S. Atlantic Fleet from 1927 through 1941, before serving in convoy escort duty and as flagship of the commander Atlantic Fleet battleships.

After performing as a command ship for bombardment during the North African invasion, the Mighty T served in her best known engagement—as the flagship for bombardment of Omaha Beach during the Normandy invasion.

In a landing vehicle with soldiers on their way to attack Omaha Beach, Ernest Hemingway wrote about the *Texas* bombarding German defenses before the troops were to land.

Hemingway wrote that:

Those troops who were not waxy-gray with sea sickness, fighting it off, trying to hold onto themselves before they had to grab hold for the steel side of the boat, were watching the *Texas* with looks of surprise and happiness. Under the steel helmets they looked like pikemen of the Middle Ages to whose aid had suddenly come some strange and unbelievable monster.

There would be a flash, like a blast furnace, from the 14-inch guns of the *Texas* that would lick out far from the ship. Then the yellow-brown smoke would cloud out and, with the smoke still rolling, the concussion report would hit us, jarring the men's helmets. It struck your ear like a punch with a heavy dry glove.

The big guns of the *Texas* sounded as though they were throwing whole railway trains across the sky were far away as we moved in.

Soon afterward, the *Texas* was again called into service to bombard the port of Cherbourg along the Normandy coast. During that bombardment, one of the Nazi's 11-inch guns scored a direct hit on the *Texas*' bridge. Of the 14 men within the 18-by-18-foot bridge, 8 were killed and wounded, and 6 escaped. For the first time in the battleship's 30-year history, members of its crew were killed in action.

After quick repairs were made, she was transferred into the Pacific Theater in February 1945. Since it is traditional for ships to be painted colors that correspond to the color of the ocean where they are stationed, she was painted a dark blue—the color she bears today. This dark blue was to camouflage her from Japanese attack planes and kamikaze pilots.

During her tour in the Pacific, the Mighty T supported the bombardment of the island of Tinian in the South Pacific, which was part of the Japanese supply network, and provide invasion support for Iwo Jima in February 1945.

On April 21, 1948, she was decommissioned at the San Jacinto Battlefield, which—except for her recent stint in Galveston—she has called home.

Her tour of duty now is as important as those in the past: Teaching young and old about a significant stage in U.S. naval history and serving as a symbol for the citizens of the State she represents.

Our Nation has long recognized the need for a strong navy. In fact, during the final days of the American Revolution, George Washington wrote that: "Without a decisive naval force we can do nothing definitive. And with it, everything honorable and glorious."

In her day, the battleship *Texas* helped provide America that decisive naval force. And her commemoration is proof that her accomplishments were indeed honorable and glorious.

HONORING THE FRANK J. MANNING ELDER AWARD WINNER, MERLYN GIRARD

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. CONTE. Mr. Speaker, it is with tremendous pleasure that I pay tribute today to a special constituent of mine from North Adams, MA. Today Merlyn Girard will receive the Frank J. Manning Elder Award, the State's highest award for advocacy on behalf of Massachusetts elders.

Merlyn encompasses all that an advocate is about. She's caring, compassionate, and she's committed to the sort of change and progress that make life better not simply for elders, but for people of all ages.

Merlyn received the award for her ability to mobilize her peers and for her work on behalf of elders and their families on the local, State, and National level. She began her work a decade ago, working at a private, not-for-profit home care corporation serving older Berkshire County residents.

In her role there as community coordinator, she educated her peers about important issues and taught them to advocate on their own behalf. Her area of special interest is health care, more specifically, working to ensure that all elders have access to quality, affordable acute and long term care services.

In 1981, Merlyn came to Washington, DC as a Berkshire County delegate for the White House Conference on Aging. Following her retirement at the home care corporation in 1988, Merlyn was appointed to serve on the citizen's advisory committee to the executive office of elder affairs, a 48-member committee of older adults who guide the elder affairs secretary and governor on elder policy issues, where she currently serves as chairwoman to the committee on advocacy. Merlyn has also been involved with the Commission on Berkshire Women and the advisory council to the Massachusetts Commission Against Discrimination.

Merlyn has helped to bring the voice of Berkshire County elders and their families to the statehouse in Boston. She is a true leader, a gentle persuader, and a strong team player. Merlyn carries with her a charm and self-deprecating humor that makes her a friend to so many people. She is a wonderful role model for us all.

Mr. Speaker, the world needs more Merlyn Girards. I am proud to have Merlyn in my district and wish to thank her for all she has done for residents of Massachusetts and Berkshire County up to this point and in advance for all those contributions she has yet to make.

WHITE ELEMENTARY SCHOOL CELEBRATES 100 YEARS

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. DARDEN. Mr. Speaker, the opening of the new school year marks the 100th year of education at White Elementary School in White, GA. Since 1890, this school in Bartow County, has continously provided a quality education to over five generations of students. From its humble beginnings in a single-room frame structure to the current 26-classroom brick facility that was opened in 1974, the community of White, school administrators, and teachers have seen thousands of children in this rural community attain a qualify education. For a century, educating White's young people has been a priority for the entire community, and this community looks forward to providing an outstanding education to another generation of children. White may be a small community, but its tradition of excellence in education continues to help prepare its young people to become responsible, literate adults. Mr. Speaker, I join with the people of White, GA in saluting the centennial of quality education there.

TRIBUTE TO DON WOLFE

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Ms. KAPTUR. Mr. Speaker, it is a great honor to pay tribute to a fine journalist from my district whose love of life, superior knowledge, sense of humor, and thirst for reporting on America's byways sketched our community end-to-end in our local newspaper, the Toledo Blade. Mr. Don Wolfe has held the title of police reporter, State editor, city editor, sports editor, assistant managing editor, columnist, Sunday editor, Vietnam war correspondent, and most recently regional editor before retiring this year after nearly 56 years in the profession.

Mr. Wolfe is the print version of Charles Kuralt with a voice like the famous radio and television personality Arthur Godfrey. I, along with Toledo Blade readership of our community and his colleagues at the Toledo Blade, will miss his enlightened human interest stories and the many other personal contributions he has made to Toledo.

Don Wolfe began his journalistic career at the young age of 9 years by delivering the Toledo Times, daily and Sunday editions, to Walbridge, OH, residents. As a paper boy, he saved money for shoes and clothing, vacation trips, and a college opportunity. In 1935, Mr. Wolfe had the opportunity to interview the famous broadcaster Lowell Thomas and sent the story to the Bowling Green Sentinel-Tribune. It was accepted. Three weeks later, the editor of the Sentinel asked Don if he wanted a job as a reporter, which Don accepted.

In 1937, Mr. Wolfe accepted a job at the Toledo Times and joined the Toledo Blade in 1948, where he is best known for his human interest columns, "I've Heard" and "Town Talk."

In 1967, Mr. Wolfe toured Vietnam and Southeast Asia and sent back 42 front page stories of Ohio and Michigan servicemen. He has written the "Biography of Frazier Reams, Sr.," Lucas County prosecuting attorney and Member of Congress.

He has also become well known for his ability to speak to groups, and has given speeches to nearly every high school, service organization, and other area groups in Toledo, northwest Ohio, Los Angeles, CA; Orlando, FL; Philadelphia, PA; Washington, DC, and many other major cities. In fact, he is on the board of governors of the International Platform Association, an organization of the world's top public speakers.

His community service is unmatched by any other and represents a wide range of interests and skills. Mr. Wolfe founded the local press club's ribs and roast dinner and served as the press club's president for 2 years. He has provided journalistic scholarships for University of Toledo and Bowling Green State University students and served on the advisory board of the journalism department at Ohio State University. He also served on the advisory boards of Little Sisters of the Poor and Exchange Bank of Walbridge. He has served on the board of trustees at St. Charles and Mercy Hospital and served as chairman of the Ohio Governor's Commission on Alcoholism, Northwest Ohio's Heart Association, and Christmas seal campaign when Toledo merged with outlying northwest Ohio counties. He is also a board member of the Toledo Area Better Business Bureau and the Toledo-Lucas County Safety Council.

Mr. Wolfe gives deep meaning to the word citizen. His lively and interesting career as a journalist has touched him with every phase of life. He is at home whether he is deliberating in his executive chair, interviewing a subject in the field, writing articles in his office, or speaking to various organizations. Our community shall always treasure his character sketches of us, his love of our people, and the numerous and great contributions he has made to the Toledo Blade, to the field of journalism, and to our Nation.

TRIBUTE TO MR. ANTHONY TRUSCELLO

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. MURTHA. Mr. Speaker, on September 16 the Sons of Italy of district 9 in Pennsylvania will hold a testimonial dinner for a remarkable individual and a good friend of mine, Mr. Anthony Truscello.

Tony has had a long, distinguished career helping the people of the Johnstown area. He is presently serving as Johnstown City Council president, and the list of other organizations he is active in would fill this page.

Tony was born and raised in Johnstown, and he and his lovely wife Dorothy are the proud parents of three children and the proud grandparents of three grandchildren. I know that Tony's family, and the whole Johnstown community is proud of the many accomplishments of Tony Truscello. No one is more deserving of a testimonial dinner than Tony, and I am sure that the list of people who could stand up to relate the good things that he has down for his community would stretch out the door and down the street.

I would like to add my thanks to my friend and a fellow marine for all his efforts to help the people of Johnstown over the years, and extend my best wishes to Tony as he is honored by the Sons of Italy.

TRIBUTE TO REVEREND LANE

HON. THOMAS A. LUKEN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. THOMAS A. LUKEN. Mr. Speaker, as the Representative for the First Congressional District of Ohio, I would like to bring to the attention of my colleagues the commitment and service of Reverend T.L. Lane of Cincinnati who has devoted his time and energy as pastor to the New Prospect Baptist Church and the surrounding community.

During his term as pastor, New Prospect Baptist Church has increased both its membership and staff. The membership of the church has grown from less than 100 to over 500. There has also been the addition of a Christian education director, a public relations director, a church photographer and an investment fund committee. Under the leadership of Reverend T.L. Lane, the construction of the facility that now houses the New Prospect Baptist Church was completed on April 6, 1975.

Reverend Lane's active involvement in the community consists of his position as first vice president of the NAACP, as executive director of the Southern Christian Leadership Conference, and as the parliamentarian of the Ohio State Baptist Convention.

Mr. Speaker and Members of the House, I have known Reverend Lane for many years and consider him to be a good friend. Reverend Lane's commitment to the church, his family and the community are to be commended. This Saturday, September 15, 1990, the New Prospect Baptist Church will be honor Reverend Lane for his 29 years of service. I ask you to join with me in paying tribute to this fine man.

RUN, JANE, RUN CELEBRATING ITS 10TH ANNIVERSARY

HON. JILL L. LONG

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Ms. LONG. Mr. Speaker, I rise today in support of Run, Jane, Run, an organization created by and for women, that is celebrating its 10th anniversary on September 12.

Run, Jane, Run, which was established by the Fort Wayne Women's Bureau in my congressional district, organizes sporting events for amateur women athletes on behalf of women's centers in eight cities around the country. Profits that are earned from the events than Run, Jane, Run coordinates are funneled back into the sponsoring women's agencies so that those agencies may provide services, such as battered women and homeless shelters, to women in their communities.

Everyone who participates in Run, Jane, Run is a winner. For the athletes, Run, Jane, Run events provide the opportunity to enjoy all the benefits of physical fitness and the feeling of accomplishment that comes with sports participation. For volunteers, the events offer the opportunity to give something back to the community. For the corporate sponsors, Run, Jane, Run provides positive exposure and association wth highly visible events, and for the women's agencies who sponsor the events, Run, Jane, Run is a proven way to raise funds and awareness of women's issues at the same time.

I am proud that Run, Jane, Run had its beginnings in my district. The work that Run, Jane, Run does touches many lives, and today, as Run, Jane, Run, Inc., kicks off its 10th year, I extend my warmest congratulations and my heartfelt thanks to the many women and men who make this project possible.

SUPPORT OF THE NATIONAL FACULTY

HON. MIKE ESPY

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. ESPY. Mr. Speaker, I, along with the following members of the Lower Mississippi Delta Caucus, Bill Alexander, Beryl Anthony, Bill Emerson, Harold Ford, James Hayes, Clyde Holloway, Carroll Hubbard, Jerry Huckaby, Glenn Poshard, Tommy Robinson, John Tanner, and Billy Tauzin, wish to express our support for the work of the National Faculty of Humanities, Arts, and Sciences and the promise it offers for enhancing education in the delta region.

The report of the Lower Mississippi Delta Development Commission confirms that improvements in education are a key to economic development in the delta region. For education to improve, we must support ways to better train and motivate the teachers who are primarily responsible for educating the delta's children.

For over 20 years the National Faculty, which grew out of Phi Beta Kappa, has been bringing together elementary and secondary teachers and leading university scholars in English, history, foreign languages, the arts, sciences, and mathematics, and conducting hundreds of successful teaching projects in every State of the country. The National Faculty's only mission is to improve the quality of education in our Nation's schools.

The visiting scholars of the National Faculty mobilize all available resources in local communities to give teachers new teaching capacities and mastery of what they teach. Training programs are prepared by working with local teachers, administrators, and State and local officials to meet the unique needs of each community.

This approach has been particularly productive in the delta, where the National Faculty has conducted 18 teacher training projects. Teachers who have participated report a renewed excitement about, and commitment to, teaching.

We believe that expansion of the National Faculty's program in the delta would make a tremendous difference in education in the delta region. And when education in the delta improves, our region's dependence on Federal payments will decline accordingly. A modest investment in teacher training today will save far more in Federal resources tomorrow.

BOSTON POLICE PATROLMEN'S ASSOCIATION CELEBRATES 25TH YEAR

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. DONNELLY. Mr. Speaker, I rise today to salute the Boston Police Patrolmen's Association, which will be celebrating its 25th anniversary on September 22, 1990.

The association deserves special recognition for its work in bettering the lives of its members and their families through the collective bargaining process.

For 25 years, the association has led the community in aiding homeless people by raising much-needed funds from various events including their annual softball game.

The Boston Police Patrolmen's Association has and always will be there for the dedicated street soldier who is on the front lines, 24 hours a day, keeping our streets clean from crime and drugs.

Because of their organizational expertise, the BPPA has been paid a special honor. Officers of the association have been invited by Poland's Solidarity Party to help organize the union there and help improve relations between the constabulary and the people.

Mr. Speaker, it is tough enough to walk the streets of any city in this country without fear. Over the past year, the city of Boston and cities across the Nation have seen an increased number of malicious crimes.

Without our local police, our city and country would unravel at the seams. Since being a police officer is probably the toughest job I

know, we need organizations like the Boston Police Patrolmen's Association to support them.

INTRODUCTION OF LEGISLATION CREATING AN AFRICAN-AMERICAN HIGHER EDUCATION CENTER

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. HAYES of Illinois. Mr. Speaker, the National Association For Equal Opportunity in Higher Education [NAFEO] is a nonprofit, voluntary, independent membership organization of the historically and predominantly black colleges and universities of this Nation. The 117 NAFEO institutions consist of private 2- and 4-year institutions, as well as graduate and professional schools enrolling upward of 270,000 students, graduating approximately one-third of all African-American students annually.

NAFEO has been housed in the historic Lovejoy School Building located at 12th and D Streets NE. here in Washington, DC, for the last 2 years. The Lovejoy Building was named for the great abolitionist and educator, Elijah Parish Lovejoy.

In recognition of Elijah Lovejoy's remarkable career and accomplishments, NAFEO has initiated an effort to rehabilitate the 12th and D Streets site, establishing an African-American Higher Education Center for the use of all African-American higher education organizations. The mission of this center is to serve as a research and demonstration center, research training center, and "Think Tank" for the 117-member institutions.

Due to my ongoing concern for minority higher education, today I am introducing legislation which establishes the Lovejoy Building as an African-American Higher Education Center. In accordance with the center's mission, the legislation provides funding for the renovation and rehabilitation of the historic Lovejoy Building. This legislation clearly enhances NAFEO's, as well as other African-American higher education organizations', ability to better serve the higher education interests of all minorities, and specifically African-Americans.

Mr. Speaker, I encourage my colleagues' support and sponsorship of this measure.

LIGHT THE WAY HOME DAY

HON. J. ROY ROWLAND

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. ROWLAND of Georgia. Mr. Speaker, the city of Milledgeville, GA, which is within my congressional district, has proclaimed Wednesday, September 12, as "Light the Way Home Day" in support of Americans who are caught up in the Middle East crisis, including our military personnel and citizens held against their will in Kuwait and Iraq.

On that day, motorists in Georgia will drive with their headlights turned on during daylight hours. The idea originated with the daily newspaper in Milledgeville, the Union-Recorder, and it has spread through the community and State.

Other communities have done similar things. And many individuals are doing their part by displaying yellow ribbons and sending cards and letters to Americans in the Middle East. All of these activities are helping to bring the country together at this moment of national crisis.

Those of us from Georgia invite everyone across the country to join us in observing "Light the Way Home Day" on Wednesday.

A TRIBUTE TO YOUNGSTOWN'S ALL-STAR BABE RUTH CAMPS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Youngstown's All-Star Babe Ruth team of my 17th Congressional District of Ohio, which recently won the 13-to-15-year-old Babe Ruth World Series championship in Houma, LA.

Comprised of the representatives of four of the six teams competing in the Youngstown Babe Ruth league, the Youngstown All-Stars compiled a 6–1 tournament record in their drive for the world series championship. By coming from behind in all but one of the tournement games, the Youngstown All-Stars clearly demonstrated the winning spirit of the Mahoning Valley and the drive and determination of the 17th District as a whole.

It is my honor to pay tribute to the following all-stars and their coaches: Monte Morris, Ricky Haurilla, Brian Parker, Michael Billy, Pat Criffi, Kevin Dill, Tommy Beeson, Ryan Merrell, Fred Bennett, Billy Farajack, Ted Kardecki, Todd Huda, Tommy Megas, Bobby Roth, Lou Santangelo, and coaches Terry Landis, Tony Garvet, and Bob Garvet.

Again, I would like to commend the Youngstown All-Stars on their fine effort in winning the Babe Ruth World Series championship, and for representing the Mahoning Valley in such an outstanding manner.

MODEL GARMENT BILL

HON. THOMAS E. PETRI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. PETRI. Mr. Speaker, today I am introducing legislation which would enable retail fabric stores to offer model garment programs to their employees. Model garment programs have been very popular with employees of fabric stores. Under these voluntary programs, employees have received free patterns, notions and materials. After the garment had been displayed in the store for a brief period, the employee was allowed to keep it.

Unfortunately, these programs are not allowed at the present time because several years ago the Department of Labor decided that the voluntary sewing at home of model display garments violated the Department of Labor's industrial homework restrictions.

Frankly, this is an absurd bit of overregulation. It's hard to imagine a single store employee actually wanting this kind of protection which basically protects employees from enjoying a fringe benefit. There's no question of exploitation here—no one was forced to sew model garments or paid for doing it. Moreover, this sewing was merely incidental to employees' work, and the garments were not sold. In short, model garment sewing was neither industrial nor work. There is simply no reason to deny people this opportunity by classifying it as industrial homework.

In 1988, the Department of Labor attempted to address through regulations the concerns of those who supported model garment programs. In the past 2 years, fabric retailers and the Department of Labor have continued to discuss this issue, but an agreement has not yet been reached.

As a result, today I am introducing legislation which exempts model garment programs from the Fair Labor Standards Act. With this change, model garment programs could be restored so that employees once again could voluntarily construct model display garments at home without violating industrial homework restrictions. I urge my colleagues to join me by cosponsoring this bill.

TRIBUTE TO GLORIA PATRIZIO

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. RINALDO. Mr. Speaker, at a time when members of the entertainment community like Roseanne Barr and Sinead O'Connor are rendering our national anthem in a disgraceful manner or refusing to perform where the national anthem is sung, I am proud to bring to the attention of my colleagues, Mrs. Gloria Patrizio, a constituent of mine who has made a career of singing the national anthem.

For over 20 years Gloria Patrizio, of Short Hills, NJ, has sung the Star-Spangled Banner before national and international audiences. Her audiences have included several U.S. Presidents, Vice Presidents, the Governors of many States, world leaders, and European royalty.

Gloria Patrizio is recognized as New Jersey's foremost singer of the anthem. Her rendition of the Star-Spangled Banner has been described as crisp and at a bright pace which is the traditional interpretation of the anthem.

Mrs. Patrizio says:

I like to sing "The Star-Spangled Banner" in a traditional manner out of respect for the flag. My parents came to America from Italy as infants and since that time helping the community has been an important part of my family's life. Singing the National Anthem has been a great experience for me. It has been a way for me to express my love of America through music.

I salute Gloria Patrizio on her patriotism and for her stirring performances of the national anthem.

A CONGRESSIONAL SALUTE TO AL HERNANDEZ

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. ANDERSON. Mr. Speaker, today I rise to pay tribute to an outstanding community and labor leader. On September 14, 1990, Albert Hernandez will be honored by the Los Angeles County Federation of Labor, AFL-CIO, and the Los Angeles Chapter of the Labor Council for Latin American Advancement. During his tenure with the Federation of Labor, Al displayed an exemplary record of leadership and community involvement, which earned him the universal admiration and respect of his fellow members.

Al's union affiliation first began after his 3 years in the Army during World War II. During his service, he was involved in numerous flying missions over Germany and France in a B-17 Flying Fortress. Throughout his tour, Al displayed the utmost courage and bravery. Upon returning home, he began working at the Firestone Tire plant in South Gate. It was here that he became involved in his first local union, an involvement that would eventually span 44 years. His early involvement began with a long apprenticeship of trade unionism, eventually becoming an officer before moving to the International Union, where he served as a representative.

In 1969, Al went on to the Federation of Labor, where he has been for the last 21 years. Here, he has worked hard to improve the quality of life for working men and women and their families. Through his hard work and dedication, numerous people's lives have been changed for the better.

Never weary of assuming extra community duties, Al has somehow found the time to work on the Labor Council For Latin American Advancement. He has also been involved in programs helping the homeless, helping youngsters in the Golden Gloves Program, and also raising the social consciousness of the people in the community.

Al has given us all a true example of a life of service. My wife, Lee, joins me in extending this congressional salute to him in honor of his years of contribution to the community. We wish Al, his wife, Dolores, and their children, Gloria, Leonard, Anthony, and Sylvia, all the best in the years to come.

SPEECH BY DAN SCHROER, NATIONAL FFA VICE PRESIDENT

HON. FRED GRANDY

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. GRANDY. Mr. Speaker, today I submit for my colleagues' review a short speech by Dan Schroer, national FFA vice president. Each July the State presidents of FFA convene in Washington for policy briefings and meetings with their Representatives. I was honored to be their luncheon speaker this year and was extremely impressed with the leadership qualities of these young agriculturalists. As the House and Senate begin their conference it would be wise to heed the words of Dan Schroer and remember our next farm bill should serve the needs of not just the present generation of farmers, but the generation to follow as well.

SPEECH BY DAN SCHROER, NATIONAL FFA VICE PRESIDENT

Good afternoon. What a wonderful week we are having! We thank each and every one of you for attending the 1990 State Presidents' Conference Congressional Luncheon. Thanks to the Chevrolet Motors Division, General Motors Corp; also, thank you, to the Representatives, Senators and Congressional Aides who have taken time from your busy schedules to be with, in our opinion, the most exciting youth organization in the world.

We are part of an industry that is the most essential industry in the world. America's agriculture represents 17% of our nation's gross national product, provides one out of every six jobs in the United States and provides $35.5 billion of export business.

Every blue jacket in this room signifies and represents the future of agriculture.

There is a legend of a man who lived outside Venice who could answer any question posed by any man. However, there were two boys inside the town who boasted they could ask the man a question that he could not answer. One day, the two boys left the town to find this man. One of the boys had a little bird and placed it between his two hands. When they found the old man, the boy said to him,

"I hold a bird between my two hands. Tell me, is the bird alive or is it dead?" The wise old man thought for a minute and replied,

"Boys, the answer lies in the palm of your hand. If I say the bird is alive, you will crush the bird and kill it. If I say the bird is dead, you will release the bird and it will fly away. You hold life and death in the palm of your hands."

FFA members and leaders, you hold success and failure in the palm of your hands. Your efforts today will ensure the continued success of our most important industry, providing an ample food supply for a growing planet.

TRIBUTE TO WALTER JONES

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. TRAFICANT. Mr. Speaker, today I rise to request the insertion of the attached article to honor a fine American and outstanding leader, Congressman WALTER JONES of North Carolina, into the CONGRESSIONAL RECORD:

ANOTHER WALTER

In Dare County Sir Walter Raleigh, a man who never saw the place, is a highly regarded figure of history associated with the region.

Today, another Walter is linked closely with the county and its environs, and that's our long-time representative in Congress.

As a rule we do not support specific candidates editorially, nor do we now. But it is appropriate at this time to acknowledge recent actions by Walter B. Jones which have had a major impact on the county.

The new Washington Baum Bridge across Roanoke Sound is in use today rather than a hope for the future because Jones got federal funding for much of its cost as a demonstration project.

With many in the county and state alarmed at the prospect of drilling for natural gas off the North Carolina coast, Jones, by legislative maneuver got House approval for a year's delay on the ground that more information is needed on the possible environmental effects of such an operation.

And, although Oregon Inlet has not been stabilized, it was Jones who got House passage of a bill which would have authorized the Department of the Interior to issue building permits. Similar legislation didn't make it out of committee in the Senate.

So the current Walter has been diligent in serving the county as its representative and we think it appropriate to acknowledge that.

ENOUGH IS ENOUGH FOR IRAN-CONTRA PROSECUTOR

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. BROOMFIELD. Mr. Speaker, 4 years ago Lawrence Walsh, the independent counsel for the Iran-Contra prosecutions, launched a hugely expensive fishing expedition. He has had few results to show for it.

Yesterday's Wall Street Journal says it all: "Enough is enough." The independent counsel's office is clearly getting desperate to show something for its efforts. In fact, the Journal suggests that Mr. Walsh's targets were prosecuted not only to the "extent the law allows," but "as we now know, even beyond."

The Journal editorial lists the rules which have been violated by the independent counsel and asks: "How much more evidence does President Bush need before deciding it's time to thank him for his services and send Mr. Walsh home?"

I couldn't agree more. In fact, on July 24, I sent a letter to Attorney General Richard L. Thornburgh, urging him to begin actions to terminate the office of independent counsel for the Iran-Contra matter. I have yet to receive a response.

On July 25, I introduced a bill which would make sure that future special prosecutors aren't able to conduct endless fishing expeditions. It would automatically put a 2-year sunset provision on the appointment of special prosecutors, unless an extension is approved.

My four Republican colleagues on the Iran-Contra panel have agreed to serve as original cosponsors of the bill, and I urge other interested Members to join me in supporting this much-needed legislation.

I ask that the Wall Street Journal editorial be printed in the RECORD.

[From the Wall Street Journal, Sept. 10, 1990]

SAY GOODNIGHT, MR. WALSH

Readers of this space are hardly surprised to see Lawrence Walsh's Iran-Contra prosecutions crumble like castles in the sand. He

has now lost the two major cases to reach the appeals court, with more legal defeats likely soon. Independent counsel Walsh—independent, that is, from experienced prosecutors at the Justice Department—has become a multimillion-dollar legal disaster area.

Mr. Walsh was especially busy last week. He asked the full appeals court in Washington to review the appeals opinion that seems likely to reverse all of Oliver North's convictions. Mr. Walsh does not want to accept that he violated the Constitution when he used evidence from Mr. North's coerced testimony to Congress, despite the clear rule that such evidence can't be used at trail. The same mistakes probably will also reverse John Poindexter's conviction.

Part of Mr. Walsh's enormous prosecuting team is in Baltimore trying a former CIA official, Thomas Clines. This case may also be headed for a fall. The charges against Mr. Clines, an Iran-Contra middleman, have nothing to do with the original allegations of supposedly illegal arms trades or the diversion of money from the Iranians. Instead, Mr. Walsh accuses him of failing to report all taxes owed on his covert income.

There are many problems with this case, including precisely how are private contractors, asked by government officials to play middlemen roles, supposed to account for secret income on their tax returns. Taxes owed surely must be paid, but Mr. Walsh's lead witness, Richard Secord, shocked the proceedings when he said the prosecution case rests on evidence that had somehow been falsified.

What especially piqued our interest in this case, however, was that Mr. Walsh brought it as a tax case. Federal criminal tax cases are fewer than 1,500 a year. There is strict oversight because of the real danger of selective tax prosecution.

Indeed, the Justice Department Guidelines for U.S. Attorneys requires prosecutors to get prior approval for any criminal tax case from the tax division of Justice. U.S. Attorneys Manual Section 6-4.122 says even independent counsel must not bring an indictment "without specific prior authorization of the Tax Division."

Did Mr. Walsh get approval from Justice before indicting Mr. Clines? When we asked, Mr. Walsh's press spokesperson refused to comment. Justice spokesmen, however, say that Mr. Walsh did not consult the department before bringing any of the Iran-Contra cases. In other words, Mr. Walsh apparently did not follow Justice rules before charging Mr. Clines. This could be a ground for an appeal from any conviction.

This was not the first time Mr. Walsh ignored Justice guidelines that apply even to independent counsel. Last week he got confirmation from a federal appeals court that his case against former CIA agent Joseph Fernandez was an abuse from day one.

He indicted Mr. Fernandez, the former agency chief in Costa Rica, for giving misleading statements about his role in Iran-Contra. The supposed misstatements about who did what to help the Contras were not under oath or part of any transcript, but Mr. Walsh had an even bigger problem. To show that his statements were true, Mr. Fernandez needed to cite some 100,000 classified documents.

Mr. Walsh ignored the Justice Department rule that prosecutors considering indictments in cases involving classified material must first consult with the intelligence agencies. Instead, Mr. Walsh brought the indictment, then when intelligence officials screamed about the sources and methods that would leak if there was a trial, he dismissed this as "fictional secrets" and "artificial deniability."

Mr. Walsh, no national-security expert, was wrong. Trial Judge Claude Hilton agreed with a classified filing by three top intelligence officials who warned of "exceptionally grave damage" if these secrets got out. Last week a unanimous appeals court agreed that there can be no trial. The detailed opinion by Judge J. Harvie Wilkinson itself was full of asterisks marking sensitive material, as in "although the * * * * program and the * * * * 'may not have been as closely tied as * * * *,' they were still relevant to the charges against Fernandez and thus were admissible."

The criminalization of policy differences known as Iran-Contra has been a flop. President Reagan was not impeached, Nicaragua is inching toward freedom and Iran remains in the feudal era. At home, we have learned that institutional pressures on congressionally created independent counsel have forced many of them to push the outer envelope of prosectorial behavior. Mr. Walsh has left no doubt that his targets were prosecuted to the extent the law allows, and as we now know even beyond.

Enough is enough. There is a long rap sheet against Mr. Walsh: He violated immunity rules in the North and Poindexter cases; violated tax rules in the Clines case; violated classified information rules in the Fernandez case. How much more evidence does President Bush need before deciding it's time to thank him for his services and send Mr. Walsh home?

ENGLISH LANGUAGE—A WAKEUP CALL

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. BEREUTER. Mr. Speaker, this week our colleague, the distinguished gentleman from Michigan, Congressman WILLIAM BROOMFIELD, is sending a letter to Secretary of Education Lauro Cavazos, commending him for his candid remarks regarding English language competency.

In a speech in Laredo, TX, Secretary Cavazos offered the opinion that "Parental involvement and language competency are basic * * *. If a child cannot speak English the first day of school, that child is not ready to learn."

Well put, Mr. Secretary, and high time that certain Members of Congress and other professionals set aside the preoccupation with their own and their constitutents' ethnicity and native languages, and look to what is best for children and young people in our school systems. While bilingual capability is an asset that opens global doors for those individuals so trained, the inability to speak the dominant language of commerce and daily life is a grave handicap. Too often native language instruction is portrayed as a means to assist newcomers in their educational tasks, and to preserve and revere a cultural identity. In reality, long-term native language instruction condemns a child to a second-class status and segregates him or her from the educational and social mainstream. Those who would knowingly inflict this condition on our children need to wake up and reassess their stance.

While the administrations of Presidents Bush and Reagan have tried to advance the practice of language immersion with regard to the uses of funds under the Bilingual Education Act, their efforts have been steadfastly resisted by the leadership of the relevant committees and the Congress—to the detriment of children entering our schools from non-English-speaking families. In fact, educational leaders in non-English-speaking communities are themselves split on which method of language instruction is best for their children. In my State, a large number of educators believe that the current dual track system does a disservice to the children it purports to help; this Member of Congress emphatically agrees.

As our country continues to open its doors and heart to immigrants from around the world, it is time to put aside the unrealistic concerns that have lately been exaggerated about ethnic voter backlash—and possibly one's own heritage—and do the right thing for the children who are our future.

Thomas V. DiBacco, writing a recent column first appearing in the Baltimore Sun, states that

Unless an ethnic is content to spend his or her life in an ethnic enclave, where the native langauge is important, the outward and manifest signs of the American system have to be honored: through elementary, secondary and higher education that bears the hallmark of no one ethnic group, through mastery of the English language, including its idioms, and through the acquistion of a polish that society expects of its upwardly mobile people.

DiBacco elegantly speaks to the heart of the issue, which is that the lure of America is the promise of something better. That promise still brings the seekers of the dream to our towns and cities. If we are to protect their opportunities to reach their goals, we must not hamper them even as they begin by limiting the opportunity or necessity for their children to quickly learn the English language.

In closing, let me share with Members the full text of Mr. DiBacco's cogent column.

LEARNING ENGLISH IS ROAD TO SUCCESS IN U.S.

(By Thomas V. DiBacco)

Secretary of Education Lauro Cavazos may be getting a lot of flak from educators in general and Texans in particular about his recent contention that young people need to know English in order to take full advantage of opportunities, but he is right. All that the good secretary is doing is confirming what history has shown for generations.

To wit: Most groups of ethnics arriving in the United States wanted to keep as much of the Old World for their children as possible. Language was one such objective, but the longer the group stayed in the United States, the more likely these ethnic appendages would fade. Of course, the family might teach the ethnic language to children, but in school, English was the sine quan non, ensuring, unlike today's bilingualist thrust in some public institutions, a more manageable intellectual plate for youngsters.

I learned my Italian at home, but I was determined to speak and write the King's

English in school because I was not content with the ethnic enclave's low denominators of expectation for its youth. A "good, steady job" in a steel mill or mine alongside my Italian-American *paisanos* simply was not my cup of tea.

Unfortunately, Italian-Americans as a group were much slower than other ethnics to concentrate on mastering English—unfortunate because research has shown a high correlation between upward mobility and educational advancement, including facility in English.

In Cleveland, for example, one study indicated that the degree of success for Italians, Romanians and Slovaks in the late 1800s was dependent on the mix of (1) education, (2) religion, and (3) size of family. Slovaks utilized Catholic parochial schools, isolating children from contact with middle-class peers and slowing down upward mobility. Romanians, on the other hand, took advantage of public schools in which contacts were numerous and varied and benefited from fathers who sired fewer children but had high hopes for those born.

The more Latinos in the United States are encouraged to break their mooring to bilingual public education the better. Too many youngsters are not going to master both languages, and in our excuse-ridden contemporary society, in which some ethnic children believe their unskillfulness in English is like a handicap deserving of some special consideration, the result is often an adult with a you-owe-me perspective for the working world.

When I first started teaching in the mid-1960s, some institutions in higher learning offered classes in Black English. This was nothing more than street vernacular in which too many blacks already had inordinate facility. Of course, this was an emerging decade for blacks—and, for that matter, some other minorities and women—and many foolish ideas became a part of curricula that now have little margin for error.

In a world in which knowledge has grown enormously in a few decades, our children must master at a minimum the three R's. And while that may not preclude them from excelling in history, geography, Spanish or even physics, these basics constitute the fulcrum for success in the American system.

That means that unless an ethnic is content to spend his or her life in an ethnic enclave, where the native language is important, the outward and manifest signs of the American system have to be honored; through elementary, secondary and higher education that bears the hallmark of no one ethnic group, through mastery of the English language, including its idioms, and through the acquisition of a polish that society expects of its upwardly mobile people.

And toss away the nonsense that the first-and-foremost stress on facility in English is somehow an infringement on an ethnic's right to be "unmelted" in America's melting pot of people.

There is, to be sure, a right to keep as much of one's ethnicity as one chooses. But educational policy should not be determined by a collective process that defers more to ethnic faddishness than useful direction for youngesters. And just because a lot of educators and Latinos do not like what Cavazos said is not any reason to suggest that he is wrong.

Collective nonsense, in the final analysis, is still nonsense.

SOLDIERS' AND SAILORS' CIVIL RELIEF ACT AMENDMENTS OF 1990, H.R. 5569

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. GILMAN. Mr. Speaker, I rise today to introduce legislation amending the Soldiers' and Sailor's Civil Relief Act of 1940 to enhance the protection for members of the Armed Forces on active duty, including members of the Reserve components of the Armed Forces—H.R. 5569.

When a reservist is called into active duty, his earnings may be reduced by a considerable amount. As a result, the reservist may not be able to meet his car, mortgage, or personal loan payments.

Many years ago, Congress enacted the Soldiers' and Sailors' Civil Relief Act of 1940 to protect the reservists' interests when they were called into active duty.

The one area Congress overlooked was rent. Congress did include a provision under the housing section of the Soldier's and Sailors' Civil Relief Act of 1940, to protect individuals from being evicted.

The current legislation protects the reservist's dependents from being evicted as long as the rent does not exceed $150 per month, and the landlord can evict the dependents within 3 months.

My legislation would adjust the $150 rent ceiling upward to $600, and on December 1 of each year, the rent limitation will be increased by the same percent as the retired pay of a member or former member of the Armed Forces.

Additionally, the landlord will not be able to evict their reservist and his family within the 3 months that is stated in the current legislation.

Under the present laws, reservists are experiencing difficulty in meeting high rent payments.

Take for example a reservist who is making $50,000 a year, has a wife and three children. When that reservist is called into activie duty his salary can be reduced up to 50 percent. How is he going to continue paying his rent and supporting his family while he is on active duty?

The Soldiers' and Sailors' Civil Relief Act Amendments of 1990 protects reservists who cannot make the high rent payments by placing a stay on their lease, as long as the reservist is in active duty for more than 30 days.

During the period that a stay is placed upon the lease, the reservist will pay an amount agreed upon by the reservist and the landlord, that will correspond with the sum of any basic allowance for quarters and variable housing allowance to which the reservist is entitled to while he is in active duty.

The amount of agreed rent that is unpaid during the period of active duty will bear interest at a rate of 6 percent and will be repaid in equal monthly installments, beginning 1 month after the termination of the period of active duty. The unpaid rent will be paid over a period equal to four times the number of months the reservist was in active duty.

To all my colleagues that share my concern that the reservists may suffer financial hardship when called to active duty, I urge you to cosponsor this measure and send a clear message to our Nation's reservists that their hard work has not gone unnoticed.

I insert at this point in the RECORD the full text of my bill, H.R. 5569, for review by my colleagues.

H.R. 5569

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Soldiers' and Sailors' Civil Relief Act Amendments of 1990".

SEC. 2. STRENGTHENING THE LIMITATION ON THE AUTHORITY TO EVICT DEPENDENTS OF MEMBERS OF THE ARMED FORCES FROM RENTAL HOUSING.

Section 300(1) of the Soliders' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 530(1)) is amended—

(1) by striking out "$150" and inserting in lieu thereof "$600"; and

(2) by adding at the end the following new sentence: "Effective on December 1 of each year, the rent limitation on the application of this section shall be increased by the same percent by which the retired pay of a member or former member of the Armed Forces is increased for that year under section 1401a(b)(2) of title 10, United States Code.".

SEC. 3. SPECIAL EVICTION RULES FOR MEMBERS OF A RESERVE COMPONENT ORDERED TO ACTIVE DUTY.

Section 300 of the Soliders' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 530) is amended—

(1) in paragraph (2), by inserting after the first sentence the following new sentence: "Notwithstanding the preceding sentence, in the case of a member of a reserve component of the Armed Forces who is ordered to active duty for a period of more than 30 days, the stay authorized by the preceding sentence may be ordered for the period specified in section 204."; and

(2) by adding at the end the following new paragraph:

"(5) A member of a reserve component of the Armed Forces who is ordered to active duty for a period of more than 30 days and who receives a stay as provided in this section shall pay as rent during the period of that stay an amount equal to the agreed rent that corresponds to that period or the sum of any basic allowance for quarters and variable housing allowance to which the member is entitled during that period under sections 403 and 403a of title 37, United States Code, whichever is lesser. The amount of the agreed rent that is unpaid, if any, during the period of active duty of the member shall bear interest at a rate of six percent per annum and shall be repaid in equal monthly installments, beginning one month after the termination of the period of active duty, over a period equal to four times the number of months of active duty of the member.".

PAYING A FAIR SHARE FOR PEACE

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. DINGELL. Mr. Speaker, since the senseless invasion of Kuwait 41 days ago, we have witnessed the most rapid mobilization of our Armed Forces in American history, to show our resolve that neither Saddam Hussein nor any other dictator may attack the sovereignty of a peaceful nation or the stability of the world economy.

Almost every Member of Congress has shown support for the President as he has committed our Armed Forces to the Persian Gulf. One of the few losses during these 41 days has been the appalling lack of financial support from some nations who have committed very little beyond angry words and U.N. votes.

I have introduced the Desert Shield Burden-Sharing Act of 1990, a bill to encourage the commitment of needed manpower, equipment, and other support needed to guarantee the success of this multinational effort to stop Iraqi aggression.

The Desert Shield Burden-Sharing Act of 1990 would: Impose a 20-percent duty on all goods of any nation that the President decides are not paying their fair share for resolving this crisis; require the President to determine within 60 days of enactment whether each foreign country is making a "commensurate contribution"; earmark all funds generated by this act to help pay for American contributions for Operation Desert Shield.

A 20-percent duty will give notice to our trading partners that the days of free American military protection have passed, and that the emerging world order requires a fair sacrifice from all countries who benefit from the bravery of our fighting men and women overseas.

Mr. Speaker, I urge my colleagues to join me in expressing my concern by cosponsoring the Desert Shield Burden-Sharing Act.

Following is the text of the bill:

H.R. ——

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Desert Shield Burden-Sharing Act of 1990".

SEC. 2. DEFINITIONS.

For purposes of this Act:

(1) The term "commensurate contribution" means, in the case of a foreign country, that—

(A) such country is making a contribution to the multinational military mobilization and operations referred to in section 3; and

(B) such contribution is commensurate with—

(i) the extent of the economic benefit accruing to such country as a result of the securing of supplies of Persian Gulf area petroleum through such military mobilization and operations, and

(ii) the ability of such country to contribute, taking into account (in addition to such other factors as the President considers relevant) the financial and economic capabilities of the country and the balance of trade of such country with the United States.

(2) The term "entered" means entered, or withdrawn from warehouse for consumption, in the customs territory of the United States.

(3) The term "foreign country" does not include any country that—

(A) is party to a free trade area agreement with the United States;

(B) is a beneficiary developing country under title V of the Trade Act of 1974 (relating to a generalized system of preferences); or

(C) is a beneficiary country under the Caribbean Basin Economic Recovery Act.

SEC. 3. PRESIDENTIAL DETERMINATIONS REGARDING MULTINATIONAL CONTRIBUTIONS TO THE MILITARY MOBILIZATION AND OPERATIONS AGAINST IRAQI AGGRESSION.

Within 60 days after the date of the enactment of this Act, the President shall determine whether each foreign country is making a commensurate contribution to the multinational military mobilization and operations being carried out in and around the Arabian Peninsula in response to the invasion of Kuwait by the armed forces of Iraq on August 2, 1990.

SEC. 4. ADDITIONAL DUTIES ON PRODUCTS OF COUNTRIES DETERMINED NOT TO BE MAKING COMMENSURATE CONTRIBUTIONS.

(a) IMPOSITION OF ADDITIONAL DUTIES.—Subject to subsection (b), the President shall, with respect to any foreign country that is determined under section 3 not to be making a commensurate contribution to the multinational military mobilization and operations referred to in such section—

(1) apply to all of the dutiable products of that country an additional duty at the rate of 20 percent ad valorem or the specific rate equivalent; and

(2) apply to all duty-free products of that country a duty of 20 percent ad valorem.

(b) SPECIAL PROVISIONS.—(1) The duties imposed under subsection (a) (1) and (2) on the products of a foreign country apply with respect to articles entered on or after the 30th day after the date on which the determination under section 3 regarding such country is made.

(2) Duties may not be applied under subsection (a) (1) or (2) on—

(A) articles that are duty-free; and

(B) the value of articles or contents of United States origin that are exempt from duty;

under chapter 98 of the Tariff Schedule of the United States.

(c) TERMINATION OF ADDITIONAL DUTIES.—The duties imposed under subsection (a) (1) and (2) on the products of any foreign country shall cease to apply effective with respect to articles entered on or after the date on which—

(1) the President determines that such country is making a commensurate contribution to the multinational military mobilization and operations referred to in section 3; or

(2) such military mobilization and operations are terminated.

SEC. 5. DISPOSITION OF ADDITIONAL DUTIES.

(a) IN GENERAL.—There is established in the Treasury of the United States a fund to be known as the Desert Shield Reimbursement Fund which shall be available, subject to appropriation Acts, only for reimbursement of appropriations made to support the United States participation in the military mobilization and operations referred to in section 3.

(b) DEPOSITS.—There shall be deposited into the Fund established under subsection (a) all duties collected pursuant to section 4.

SEC. 6. REPORT.

No later than the 180th day after the date of the enactment of this Act, the President shall submit to the Congress a report on the implementation of this Act, including, with respect to each foreign country the products of which are subject to duties imposed under section 4(a) (1) and (2), the bases for the determination made under section 3 regarding that country and the amounts collected by reason of such duties.

VEHICLE FUEL EFFICIENCY

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Ms. SCHNEIDER. Mr. Speaker, I am joining my colleague Congresswoman BARBARA BOXER today in introducing one of the most important pieces of legislation to be considered by the Congress this session, the Motor Vehicle Fuel Efficiency Act. This legislation will increase the Federal vehicle fuel efficiency standards to 40 miles per gallon by the end of the decade. This single act will eventually displace the entire amount of oil the United States currently imports from the Persian Gulf. The militaristic acts of Iraq's Saddam Hussein make it all too clear that the United States must not allow itself to be held hostage by such oil tyrants.

I have made this point repeatedly over the past decade, pointing out that two-thirds of the world's remaining cheap oil is located in the Middle East where wars and conflicts have occurred with regularity for decades. More than half a decade ago Mrs. BOXER and I first joined forces in introducing the Energy Efficient America Act, which included a title to increase Federal fuel efficiency standards to 45 miles per gallon by the early 1990's. The Nation would now be approaching that level if Congress had implemented our legislation, and we would not be as dependent on vulnerable Mideast oil imports. We cannot allow this golden opportunity to go untapped. Not only does higher fuel economy strengthen our national security by freeing us from Mideast oil addiction, but it will lower the trade deficit, over $50 billion of which now goes for importing foreign oil.

Improved fuel standards will also save Americans billions of dollars at the gas pump. Equally valuable is the fact that this one energy efficiency gain will prevent the combustion of billions of barrels of oil and the generation of a chemical soup of pollutants that would worsen the problems of smog, acid rain, and global warming. In short, this move buys us security and environmental quality at no cost to the taxpayers or consumer.

On the contrary, with the ever-present threat of higher oil prices stemming from Mideast conflicts and wars, the global demand for fuel efficient cars will inevitably increase. It is in our Nation's economic self-interest to maintain the technological lead on fuel efficient vehicles so we can enhance our competitive position in the world market. Most of us remem-

ber all too well the oil price shocks of the 1970's that had a devastating impact on American automakers as American consumers shifted to fuel-efficient foreign automobiles. Indeed, foreign car imports still constitute one-third of the U.S. trade deficit, and foreign oil imports another one-third. This should be totally unacceptable. As was said in the wake of the last oil crisis, there is no lesson in the second kick of a mule. We should prevent any further erosion of our domestic auto industry by spurring greater reliance on highly fuel efficient vehicles.

Some analysts argue that more demanding standards will make it impossible to produce the big cars consumers want and to provide adequate safety for drivers. But Department of Transportation studies indicate that employing a range of technological advancements make it possible to achieve over 45 miles per gallon in large cars. A few four- and five-passenger prototypes have done far better—achieving between 75 and 100 miles per gallon. As for safety, design is far more important than weight. Chevrolet's 4,100-pound 1985 Astro minivan, for example, was one of the worst performers in crash tests; on the other hand, the high mileage 2,600-pound Chevy Nova had the best crash test rating of any of the new cars tested that year.

However, our bill is more modest in scope, in the hopes of galvanizing congressional action around this very important policy step before we adjourn this year. The Senate Commerce Committee has already reported out a counterpart bill (S. 1224), and it is scheduled to be voted by the Senate very shortly. It is time for the House to move forward as expeditiously as the Senate. Public sentiment overwhelmingly favors higher fuel standards, even if it should turn out that a vehicle would cost several hundred dollars more. This was the findings of a poll recently conducted for the Union of Concerned Scientists, which found over 80 percent of the public strongly advocates fuel economy standards over 40 miles per gallon.

It has been 15 years since the Congress first enacted Federal vehicle fuel economy standards. According to studies by the U.S. Department of Energy, these standards have been extraordinarily successful in saving energy and saving money. Between 1976 and 1988 the standards helped accrue gas savings in excess of $250 billion, for an investment of $40 to $80 billion to make vehicles more fuel efficient.

Standards remain an indispensable part of securing additional savings. Many argue for simply raising the price of oil, while ignoring higher fuel economy standards. But higher prices alone, will not lead to higher fuel savings. This is self-evident in countries like Japan and in West Europe, where gasoline prices are 200 to 400 percent higher than in the United States, but vehicles are only slightly more efficient than in the United States. The reality is that gasoline becomes a relatively small part of the overall cost of operating and maintaining a vehicle when fuel mileage reaches 30 miles per gallon. Yet, enormous societal savings remain economically attractive even up to 75 miles per gallon or more. Standards are essential for spurring these technological advancements and capturing these societal savings.

We can eliminate Persian Gulf oil dependency, and we can do it while saving money. No other energy option offers this win-win combination of enhancing national security, environmental quality, and economic productivity. An ounce of prevention is worth a pound of cure—and in the case of energy efficiency, a barrel of oil and fistful of dollars. The best foreign policy we can envision consists of replacing our inefficient vehicles with the best available models. Let us get on with the task.

MORTGAGE ERRORS ARE COSTING CONSUMERS MILLIONS OF DOLLARS

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. RINALDO. Mr. Speaker, it is a little known fact that millions of Americans may be paying too much on their adjustable rate mortgages because of lender errors. This is more than just a problem for consumers, however, because it may also increase the cost of the $500 billion savings and loan bailout.

Normally, payments on an adjustable rate mortgage are recalculated periodically to reflect changes in interest rates in the general economy. The payments may be adjusted up or down based on a mathematical formula.

However, industry studies show that the payments on between 25 and 75 percent of adjustable rate mortgages are computed improperly. In most cases, this is the result of simple errors and not fraud, but over the life of the mortgage, a consumer could end up paying thousands of dollars more than he or she owes.

Although Federal regulations require the use of a public index that cannot be influenced by the lender, the index may not be readily available to the borrower. This can make it difficult for them to check on the lender's calculations.

Adjustable rate mortgages became popular in the late 1970's, when rapidly changing interest rates lowered the earnings at many mortgage lenders.

For those who do not have a fixed rate mortgage, a clerk typing in a wrong number can cost the borrower, or the lender, thousands of dollars. Even if future adjustments are absolutely correct, past errors of just a few cents a month can be very costly when carried over 30 years.

Simple computer programs exist to allow lenders to check the accuracy of both past and future adjustments, but I am told that in many cases they are not being used.

Lenders say that it is just too much trouble to check their mortgages. Consumers and now the taxpaying public are being penalized for this lack of responsibility.

Fortunately, these careless and costly practices among mortgage lenders are now coming to light. Several lenders have been sued for improperly adjusting mortgages and making corrections now could save lenders a great deal of time and money.

For lawyers, one financial consultant has estimated that suing lenders over these errors may be the growth industry of the 1990's.

Mr. Speaker, this is more than just a problem for consumers. The Resolution Trust Corporation holds thousands of adjustable rate mortgages seized from failed thrifts, and may face a huge liability if it resells them without checking the accuracy of the payments.

These loans are supposed to be sold to repay part of the cost of the thrift bailout. If they are inaccurate, the RTC will either have to indemnify the buyers or take less for the loans. In either case, this could raise the cost of the bailout by millions of dollars.

It would be a simple matter for the RTC to correct the loans before selling them, but there is no sign that it is doing so. Several of us in Congress have asked the RTC whether it is correcting these loans, but we have been unable to get any hard information.

The taxpayers are already facing a $500 billion bill for the bailout, and to force them to pay more because the RTC refuses to make a few corrections is unconscionable.

HONORING AMY BESS WILLIAMS MILLER OF THE HANCOCK SHAKER VILLAGE

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. CONTE. Mr. Speaker, this year, 1990, marks the 200th anniversary of the Shaker settlement in Hancock, MA. The Shakers lived in this picturesque setting for 170 years, maintaining their unique philosophy and lifestyle while cultivating the fertile soil of the Berkshires.

The restoration of Hancock Shaker Village was due in large part to the efforts of Mrs. Amy Bess Williams Miller. Amy Bess was born in Texas in 1912, and grew up in Worcester, MA. She attended Miss Hall's School in Pittsfield, MA., and went to college at the Sorbonne, in Paris, France. She has received honorary degrees from Williams College, North Adams State College, Rhode Island School of Design, and Muhlenberg College, and she is also the author of four books on the Shakers.

Amy Bess has volunteered her time to community service, such as being a trustee to the Berkshire Athenaeum, the Berkshire Museum, and Miss Hall's School. She is also a member of the Massachusetts Audubon Society, and was also the chair of the 1953 Pittsfield United Community Fund.

She has been on the board of overseers of Berkshire Medical Center since 1971, and also on the board of directors of the National Historical Communal Societies Association from 1986 to 1990.

Among her many awards, she has received the 1973 National Trust for Historic Preservation Award, the 1982 Pittsfield Business and Professional Women's Organization's "Woman of the Year" Award, and the 1988 Massachusetts Historical Commission's Preservation Award.

Amy Bess is the president of Hancock Shaker Village. She was a member of the steering committee in 1959 when the future of Shaker Village was being contemplated. And through her efforts, the purchase restoration, and establishment of Hancock Shaker Village, Inc., continues to promote the study and interpretation of the culture, religion, and arts of the Shaker Order.

With her dedication to the preservation of historical sites, it is no wonder that Amy Bess worked to restore the Hancock Shaker Village, sometimes working 14 or 16 hours a day traveling across the United States and Canada visiting historical villages and raising funds for the restoration of the 20 buildings on 1,200 beautiful acres in the Berkshire Hills—the present-day Hancock Shaker Village.

Hancock Shaker Village now stands as a living museum to the Shakers, thanks to the efforts of Amy Bess Williams Miller. Her efforts over the past 30 years have resulted in the preservation of the Hancock Shaker Village. Her efforts at the Shaker Village have guaranteed that the religion and culture of the Shakers will survive to be studied and enjoyed by today's generation and the generation of tomorrow. Without people like Amy Bess, who slave and toil and give their time freely, cultures unique to the United States are bound to fade away into the past unnoticed. Thanks to the efforts of Amy Bess and people like her, this part of Americana has been preserved for future generations.

It is with a great sense of personal pride, deep and abiding friendship, my love, and high esteem that I thank and congratulate this incredible woman, who has made so significant a contribution to her community, to the history of this great country, and to mankind, whom she has unfailingly and tirelessly served with caring concern. Through her labors and efforts an important piece of history has been preserved, and I feel proud and honored to know Amy Bess.

FEELINGS ABOUT THE CURRENT MIDDLE EAST SITUATION

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Ms. KAPTUR. Mr. Speaker, I would like to put on official record excerpts from a letter sent to me by an Ohio constituent. He puts into words his deepest feelings about the current Middle East situation.

AUGUST 1990.

DEAR MARCY: Throughout my life, I have been conscious of a very important happening: "Before you know it, you are half in love with the ordinary people of this country. Very neatly, you are seduced by their susceptibility to the remarkable." Think about this for a moment or two. If it doesn't generate a thrill of excitement and anticipation, then you have wrapped yourself too tightly in the sort of cloth that the current political atmosphere in Washington is wearing . . .

We now follow the news and have the feelings that most of our political and military leaders are far from unhappy by this current rush to war. It is head long, nonplanned and totally un-American. It leaves the rest of us out here very perturbed.

Victory of any sort at a far away date demands unity of purpose. So [Washington puts aside] any devisive debate . . . Now, we have always thought that Washington is the place where unwelcome truth is second nature even in peacetime. Now this necessity has an irresistable appeal.

. . . You know what this eye-blind strategy brings forth? No longer are the Democrats and Republicans two separate and different political parties. Now it is apparent that these two are two wings of a single party. With this "two wings" party in mind, there seemingly are no longer "hawks" and "doves" . . . No longer do we seem to have the truth thumping, hell raising politicians that will stand up and try to be counted on the anti-side of the Bush war-wagon. Isn't there someone out there that can look ahead and equate this ridiculous effort to build a momentum that can only lead to the loss of lives of young men and women on both sides.

I look at those faces, on both sides, and I feel I should apologize for all of you letting Bush get this far alone. But I wouldn't know how to say it.

How many mice do we have? How many men and women not afraid to question Bush's right and not condone his attitude of "if I can walk on water, can it not be that I'm the powerful one."

I'll probably not write another letter like this one. But those young men and women in the desert and on the ships would rather be in a Toledo roadhouse with checkered table cloths and long-necked beer mugs, you know, the "side of beef" sort of place, where a fellow and his gal can put on the feed bag, get a little tight, and cut-a-rug.

Marcy, do what you can to make it end—now, not later.

As I grow older, the things I am anti about seem more futile. But this doesn't allow them to fade towards inconsequence in my mind.

Incidentally, if one were to take a poll, house to house, one would find a feeling that Bush wanted to play war games and chose the proper time when all of you were home on [Congressional recess]. What an error. All of us hope that some sort of end can come about that brings back our youth, physically intact.

I wrote this letter as our Armed Services headed for serious war games [and recall the poem]:

Larks still upward winging fly,
In Flanders Field where in you lie;
And o'er your earthen bed
The poppies red
Still bloom and die.

'Tis hoped your sleep is sweet and slow:
May our almost wars
Be brief and muted low.
You gave your all.
Now, when and where men still fall,
We pray you never know.

GEORGE DIXON,

State of Ohio.

HONORING THE COLORADO TRIBUTE TO VETERANS

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. SCHAEFER. Mr. Speaker, I would like to take a moment to mark the construction of the Colorado Tribute to Veterans. Work is continuing on this valuable project in the hope it will be completed in time for a wonderful Veterans Day dedication later this year.

This tribute has been in the making since 1984, when our State legislature authorized the memorial. Since then, an all-volunteer board and staff have worked to make the Tribute a reality. Only through their efforts, as well as the generous donations from individuals, businesses, foundations, and various organizations, has this project been made possible.

The Tribute will stand as a memorial to the 5,400 Coloradans who have died in the defense of our Nation. It will also stand to honor the estimated 400,000 living Coloradans who have served in our Nation's Armed Forces.

With the Colorado focus of this Tribute, it is only fitting that the monument and environs will be constructed of native Colorado red sandstone. This stone is found throughout our great State, from the Garden of the Gods and Denver's Red Rocks Park, to Boulder's stark Flatirons and the majestic Maroon Bells near Aspen.

It is also fitting that the Tribute will sit just opposite our State capitol. There it will sit as a silent but powerful reminder of the sacrifices so many have made for our Nation. As a veteran myself, I am proud to see Colorado's veterans getting the recognition they so richly deserve, and look forward to the completion of the Colorado Tribute to Veterans.

IN HONOR OF DEBORAH SZEKELY

HON. BILL LOWERY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday September 11, 1990

Mr. LOWERY of California. Mr. Speaker, it once again gives me great pleasure to recognize the accomplishments of a distinguished San Diegan.

Deborah Szekely is an inspiration to us all. Through the years, she has been actively involved in the arts, health services, and politics, and she has worked continually for the underprivileged. Today, however, I rise to salute her leadership and tireless efforts on behalf of the women of San Diego. I am delighted she has been named the Women Together honoree for its second annual roast.

Combining the services of Rachel Women's Center, the House of Rachel, the YWCA Battered Women's Center, Women in Transition, and Julian's Anchorage, Women Together is an unprecedented coalition of San Diego assistance programs for homeless and battered women. These centers provide women with

safe environments where they can receive the care, counseling and support that will enable them to resume productive lives.

Women Together seeks to tackle some of our most tragic social problems with sensitivity and strength. It is then only fitting that the group honor Deborah Szekely, a woman who has combined compassion and vigor to make a difference. Deborah has touched many lives and has enriched our community. She has led through example and inspired others to give of themselves.

Mr. Speaker, I hope you will join me and a chorus of voices from California's 41st Congressional district in proclaiming, "Deborah—Well Done."

THE 100TH ANNIVERSARY OF THE ALEXANDER GRAHAM BELL ASSOCIATION FOR THE DEAF

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Ms. PELOSI. Mr. Speaker, I am pleased to rise today in celebration of the 100th anniversary of the Alexander Graham Bell Association for the Deaf.

Alexander Graham Bell knew that the only reason hearing-impaired children did not speak was that they were not taught to speak. The famous inventor of the telephone devoted a great portion of his life to helping hearing-impaired children develop their potential for listening, speaking, and speechreading. To make his dream come true, this great teacher and friend of the hearing impaired founded the Alexander Graham Bell Association for the Deaf in 1890.

Today, the association promotes programs to encourage enhanced communicative and educational opportunities for hearing-impaired people in over 35 countries. It advocates the use of residual hearing and speechreading and advances the development of speech and language skills. It has worked to cultivate better public understanding of the specific challenges faced by the deaf.

Mr. Speaker, this country has much to learn from the dedication, perseverance and inspiration that has for so long been a hallmark of the hearing-impaired community. It is my great priviledge today to rise in recognition of the Alexander Graham Bell Association for a century of achievement. I applaud its many dedicated members and look forward to its continued success in promoting increased opportunity for hearing-impaired individuals.

TRIBUTE TO MARATHON GRADUATES

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate the graduating class of Marathon.

Marathon has given help to people whose lives have been damaged by drug or alcohol abuse. The tough work has come from the graduates in their progress toward a self-sufficient, productive, drug-free life at home, at work, and in the community. This years graduates have successfully completed Marathon's residential treatment program, and are now ready to do these things.

Marathon's philosophy is a good philosophy, as it lies within the belief of the individual's capacity to live a productive, chemical-free life. Not only does the program accept clients from Rhode Island, but it accepts clients from all 50 States and Canada as well. Excellent programs like Marathon need funding, and I will try very hard to see that this happens.

I have been told that this years graduating class will be the largest in Marathon's 23-year history of service. These men and women have devoted a year or more to putting substance abuse behind them and learning to be competent, self-affirming, responsible members of the community. They have also concentrated on acquiring the educational and vocational training they need to maintain drug-free lives after completing the program.

Graduates of Marathon should take special pride in their hard work and accomplishments within this program. It is with great pleasure that I salute the graduates of Marathon, and I wish them continued success in the future.

TRIBUTE TO HERB TENZER

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. SCHEUER. Mr. Speaker, we in the House often have occasion to make note of a significant accomplishment by our friends, colleagues, and constituents. This is a rare opportunity to document a lifetime of signfiicant opportunity.

Mr. Speaker, a former colleague of the House will celebrate his 85th birthday on November 1 of this year. He is not only a former Member of Congress, but is the founder of Rescue Children, Inc., which cared for 2,200 war orphans from 1945 to 1948. I am speaking, of course, of the Honorable Herbert Tenzer.

Herbert Tenzer has fought all his life to bring health and well-being to the people of New York and our country. He is a long-time president of the National Council to Combat Blindness, is honorary chairman of the development board of St. John's Episcopal Hospital, and, during his congressional tenure, led the fight that launched an all-out national attack on cancer, heart disease, and stroke. He is active in the American Cancer Society, a member of the board of overseers of the Albert Einstein College of Medicine, and a member of the board of trustees of Beth Israel Medical Center.

Congressman Tenzer was a trailblazer, recognizing decades ago that the environment had a limited capacity to withstand man's exploitation, and worked to educate the Government and public that we must preserve and protect what resources we have. He sponsored laws to preserve our wetlands, and was an original advocate of recycling and waste reduction.

Mr. Speaker, Mr. Tenzer is a community activist par excellence. He is a founder of the United Jewish Appeal of Greater New York, and a member of the UJA-Federation Joint Campaign. He has been a chairman of the board of trustees of Yeshiva University, a vice-president of B'nai Zion and president of the America-Israel Friendship League. He is a trustee of the Jewish Communal Fund and a member of the exectuive committee of the American Israel Public Affairs Committee.

Mr. Speaker, this litany of accomplishments does not begin to describe Herbert Tenzer, the man. His is a kind, gentle soul, who treats everyone he meets with courtesy and respect. But he also possesses a fervent desire and tireless ability to do good for the sick, the illiterate, and the world in which we live.

It is a joy to have worked with Herb Tenzer over the years. It is an honor to call him friend.

Mr. Speaker, I know that all of my colleagues, and everyone who has known or worked with Herbert Tenzer, join me in saluting this remarkable man. On this occasion of his 85th birthday, it is important to take not of his many, many achievements and contributions. And it is a pleasure to know that there will be many more.

FIRE PREVENTION WEEK

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 11, 1990

Mr. GALLEGLY. Mr. Speaker, I rise today to remind my colleagues that the week of October 7–13 has been declared Fire Prevention Week.

As a member of the Congressional Fire Services Caucus, and chairman of its Urban Search and Rescue Task Force, I know how vital fire prevention is. In the United States, nearly 5,000 people a year die in their homes, nearly 80 percent of all fire fatalities. Tragically, many—if not most—of those fires could have been prevented.

Every year, men, women and children needlessly die because smoking materials were carelessly handled. They die because of inappropriately used or malfunctioning heating equipment. They die because of carelessness around matches, lighters and other sources of ignition. They die because they do not install—or replace batteries for—smoke detectors. They die because they do not have a home escape plan.

Mr. Speaker, there are some simple things Americans can do to "make their place fire-safe." By keeping smoke detectors maintained, keeping exits clear, smoking carefully, using heaters properly, ensuring there are no electrical hazards and storing matches and lighters out of children's reach, many residential fires could be prevented.

Fire Prevention Week was first proclaimed in 1922 by President Warren Harding to commemorate the Great Chicago Fire of 1871.

And just as Mrs. O'Leary could have prevented that fire, which killed 250 people, left 100,000 people homeless and destroyed more than 17,400 buildings, so too can Americans today prevent many of the fires that inflict so much needless death and suffering.

Mr. Speaker, I commend the National Fire Protection Association for their work each year in commemorating Fire Prevention Week, and ask my colleagues to join me in urging all Americans to take the simple precautions that could save their lives.

HOUSE OF REPRESENTATIVES—*Wednesday, September 12, 1990*

The House met at 10 a.m.

Rabbi Irving Spielman, Fort Lee Jewish Community Center, Fort Lee, NJ, offered the following prayer:

Eternal G-d, Father of All; with grateful hearts, we turn to Thee to bless us with wisdom to understand the true responsibilities of our tasks, to give us the courage to pursue them, and the health and vigor to persist in reaching our goals.

Bless us, the men and women of this House, that we may be granted the peace for which we yearn. May we be endowed with harmony, vision, and strength of purpose, so that we may better fulfill our obligations to You and to our fellow men. In moments of doubt, renew our faith. In days of adversity, gird us with patience and understanding. Above all, imbue us with the wisdom to count our blessings.

May we always uphold the challenge to "proclaim liberty throughout the land unto all the inhabitants thereof."

All this we ask in Thy name. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from California [Mr. GALLEGLY] please come forward and lead the House in the Pledge of Allegiance.

Mr. GALLEGLY led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

TRIBUTE TO RABBI IRVING SPIELMAN

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, it gives me great pleasure to welcome Rabbi Irving Spielman, this morning's guest chaplain to the U.S. House of Representatives.

Rabbi Spielman is the spiritual leader of the Fort Lee Jewish Community Center in Fort Lee, NJ. For nearly a decade, he has given inspired leadership in Bergen County on a variety of religious and community issues.

Rabbi Spielman received the rabbinical degree at the Jewish Theological Seminary of America. For over 30 years, he has served a number of important congregations in New York, New Jersey, and Connecticut.

Rabbi Spielman, among his many community affiliations, is a member of the National Rabbinic Cabinet of the Israel bonds organization, and serves on the boards of the Jewish National Fund of New Jersey, the Bergen County Board of Rabbis, and the Rabbinical Assembly of New Jersey.

Mr. Speaker, I know that you and our colleagues join me in extending warm greetings to Rabbi Spielman, his wife Selma, and members of their family on this happy occasion.

CUTTING INDIRECT COSTS OF THE FEDERAL GOVERNMENT

(Mr. SMITH of Texas asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Texas. Mr. Speaker, with across-the-board cuts only 18 days away, congressional leaders and the administration want to reach a budget agreement. Budget summit participants are faced with deciding what to cut, whose programs to cut, and what taxes to raise or cut.

I have introduced a proposal that would ask the budget summiteers to look not at what or whose programs to cut, but at how the Government can better control its costs.

Total net expenditures of the Federal Government in fiscal year 1991 will be about $1.3 trillion. Of this figure, $270 billion will be indirect, or overhead, costs.

My proposal would require every Federal manager to lower these overhead costs, such as travel, printing, and supplies by 10 percent. This works out to only $2 of every $100 the Federal Government spends.

Every Federal manager could achieve these savings and the Government would save $27 billion the first year alone.

URGE SUPPORT OF THE TEXTILE BILL

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD. Madam Speaker, today textile workers from throughout the United States of America have assembled here in the Capital for a march down to the White House in support of the textile bill, which will be before the Congress next week. They are here today to protect the jobs of 2 million American taxpayers and workers who work in the textile industry.

The Textile and Apparel Act, which will be before the Congress next week, is not saying, "Hey, roll back your level of imports." We are saying, "Limit the growth of imports to 1 percent annually," as this is the growth in the domestic markets. As my colleagues know, the imports in our country have been growing at about 10 percent a year. It does not take a mathematician to realize that if this trend continues, there will not be a textile industry, as we know it today.

Do we want to be dependent upon foreign countries for our supply of textiles entirely? This is where we will be if the trend continues. We know where we are when we are so dependent on our oil supply. Let Members not let this happen to the textile industry. I urge my colleagues to support the textile bill next week.

HEISMAN TROPHY CANDIDATE AT BYU

(Mr. NIELSON of Utah asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NIELSON of Utah. Madam Speaker, in 1984, when Brigham Young University captured the national football championship there were questions raised whether or not the Cougars were for real. One sportscaster referred to BYU at that time as "Bo-Diddily Tech." Even though they had beaten Pittsburgh, Texas, Air Force, and Michigan.

Even this year with Miami on the BYU schedule they figured the Hurricanes, with their legendary offense and defense, would cloud up and blow the Cougars all over the field. They figured the only question would be which quarterback would give a Heisman-type performance.

Madam Speaker, it was the Ty Detmer Show last Saturday on national prime time television. Ty and his no-name teammates put on a vintage BYU passing and defensive exhibition for the world to see and I simply want to say that I am proud of them all. Proud of the team, of their coaches, and of the school where I taught for 25 years.

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Madam Speaker, the Brigham Young University Cougar football team is for real. Quarterback Ty Detmer is for real and I wholeheartedly endorse his candidacy for the Heisman Trophy this season.

□ 1010

THE BANK ACCOUNT SAFETY AND SOUNDNESS ACT

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute.)

Mr. ANNUNZIO. Madam Speaker, the crisis facing the bank insurance fund protecting deposits at our Nation's banks is rapidly reaching the point of no return.

I have been deeply troubled by the condition of the bank insurance fund. In the last 2 years, the fund suffered $5.1 billion in losses. Since 1986, the fund's reserves has declined by almost 40 percent. The FDIC could easily lose another $2 billion this year.

Yesterday, the GAO released a report echoing my concerns that the fund does not have enough money. The GAO warns that a recession "could exhaust the fund and require a taxpayer bailout." With economic indicators weakening, a recession is a very real possibility.

Madam Speaker, we must act to avert this catastrophe. The taxpayer should not be saddled with another bill for financial institution failure.

That's why I am introducing the Bank Account Safety and Soundness Act. This bill will require banks to put and maintain 1 percent of their deposits into the bank insurance fund. This bill will pump an immediate $25 billion into the bank insurance fund, and protect the American taxpayer by placing banks' money between the fund and the taxpayer. The inflow of money will also reduce the deficit by $25 billion in the process.

Madam Speaker, the time for the Bank Account Safety and Soundness Act is now.

DEFENSE SPENDING MUST BE CUT TO GET BUDGET AGREEMENT

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Madam Speaker, pensions are underfunded, savings and loans are belly-up, and the General Accounting Office has now warned that with one major bank failure, the Federal deposit insurance of this Nation will be wiped out.

I am hearing all this fancy talk, and Madam Speaker, let me say to the Members that the Reagan experiment is over. America is technically bankrupt today, and Congress must cut defense spending.

Let us tell it like it is. Let us not make Hussein into something he is not. Let us let the world protect the world from Hussein, we will help, but let us not let Hussein become another reason for a glut for the Pentagon.

Everybody in this country can see it. It is awfully bad when the economic analysts say that the bookkeeping system at the Pentagon is best described as "multiple choice."

Madam Speaker, let us cut defense spending. That is what it is going to take to get the President that budget agreement.

INTRODUCTION OF THE COLA EQUITY ACT

(Mr. DICKINSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DICKINSON. Madam Speaker, I have been notified by the military coalition that a proposal is circulating in the budget summit that would eliminate any cost-of-living adjustment for military retirees under age 62, while maintaining a COLA for recipients of Social Security.

COLA policy should be equitable, but this discriminatory proposal singles out one group of retirees which is patently unfair. The same basic COLA policy should apply to those who retire under all Government-sponsored retirement programs, whether they are Federal/military retirees or Social Security recipients.

I oppose a COLA freeze that singles out any particular group.

There is no reason why we can't design a budget resolution that will treat all retirees equitably while achieving the Gramm-Rudman deficit target at the same time.

I have introduced legislation that would ensure fair treatment for military and civilian Federal retirees. The COLA Equity Act—H.R. 5403—would provide equitable cost-of-living adjustments across the board for both 1990 and 1991.

SUPPORT URGED FOR FIVE-POINT PLAN ON BASE CLOSING

(Mr. BROWDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWDER. Madam Speaker, last night, in this Chamber, President George Bush spoke some common sense to the joint session of Congress and the American people. He said:

> The world is still dangerous. Surely that is now clear * * * This is no time to risk America's capacity to protect her vital interests.

The President is right. This is no time to risk America's capacity to protect her vital interests by gutting the military bases and defense installations of this country. And this is no time to risk America's capacity to protect her vital interests for partisan politics.

Today, on this floor, we will see a fight over a section of the 1991 Defense authorization bill, the five-point plan, which outlines a fair base closing and realignment process based on rational defense strategy. There will be an effort to support a partisan plan developed by the Secretary of Defense without any basis in rational defense strategy. That plan targets 95 percent Democratic districts and 99 percent Democratic civilian jobs. That plan would close Fort McClellan, AL, in my district—the home of the Army's chemical school and the only place in the country where our soldiers can train with live chemical agents such as those that Saddam Hussein is aiming at our young men and women in the Middle East.

I would like to point out that nowhere have I called for saving Fort McClellan because of its importance to our community, and at no time have we complained because the budget cuts, which we know are coming, will affect Alabama. What I do maintain is that Fort McClellan and the other bases should get a fair hearing, and that the base-closing process should be based on rational defense strategy.

Many of us have formed what we call "The Fairness Network" to fight for those objectives, and you will be hearing from them this morning and throughout this debate.

Madam Speaker, I ask our colleagues to heed the President's request—"This is no time to risk America's capacity to protect her vital interests." Reject gutting our bases. Reject partisan politics. Vote for a rational defense strategy and fairness. Support the five-point plan in the Defense authorization bill.

THE END DOES NOT JUSTIFY THE MEANS

(Mr. GOSS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GOSS. Madam Speaker, in June President Bush announced plans to defer oil and gas development in certain environmentally sensitive waters off Florida's coast. That decision reflected a reasonable balance between protecting our national security and preserving our national resources.

With the volatile situation continuing to unfold in the Middle East, there has been speculation that the balance has changed—that national security needs dictate that we open up even the most environmentally sensitive waters to look for oil. In this case, they say, the end justifies the means.

But what end will we really be achieving?

Will we end dependency on foreign oil if we drill off the coast of southwest Florida? No. Most likely we end up with only a few days' supply of oil.

Will we be closer to a national strategy for conserving energy and developing alternate energy sources if we expand drilling along the Florida coast of the Gulf of Mexico? No. On the contrary, a search for more oil will most likely just increase our national appetite for it—at a time when President Bush has asked us to conserve.

It seems to me that we can count on only one thing if we change course in Florida waters at this point—and that is the enormous potential for destruction of some of our Nation's most treasured coastal resources.

Madam Speaker, we don't need bad environmental policy—what we need is to develop sound energy policy. It's time we got on with it.

PRISON EMPLOYMENT ACT OF 1990

(Mr. NEAL of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. NEAL of Massachusetts. Madam Speaker, I am today introducing a measure designed to address problems posed by the rapidly growing Federal prison population. This bill—the Prison Employment Act of 1990—will maximize the number of jobs created for Federal prisoners and thus help to avoid discipline problems that accompany idleness among prison inmates.

This measure will insure that Federal prison industries, which employs Federal inmates and manufactures goods for sale to the Federal Government, only enter to expand production in labor intensive industries, so that it can create the maximum number of new jobs for Federal prisoners. In the past, Congress has mandated that FPI create jobs in labor intensive industries. This measure helps define labor intensive.

My goal is to create guidelines for UNICOR, the Federal Prison Industries Co., which will help that agency create jobs for prisoners without putting workers and companies out of business. Many companies across this country depend on Federal Government contracts to survive. A great many of us in this House are concerned about the possibility of UNICOR cornering the market in some areas and doing damage to companies, both small and large. My bill will direct UNICOR to enter and expand in labor intensive industries and only to a reasonable level.

Madam Speaker, I believe this legislation will go a long way toward ending the conflict between UNICOR and private industry. It is a reasonable approach that will create jobs for prisoners while protecting the jobs of many working Americans. I urge all of my colleagues to take a look at this measure and join me by cosponsoring this important bill.

□ 1020

IN OPPOSITION TO JUDICIARY COMMITTEE CRIME BILL

(Mr. GEKAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEKAS. Madam Speaker, do you believe that the death penalty should be an option for a jury when someone kills through the mailing of a bomb intended for some unhesitating recipient? I do. If you do, you cannot support the crime bill that is being brought to the floor by the Judiciary Committee. You can vote for that and not cover that situation.

Do you favor the death penalty for someone who throws a bomb into a mass of people at a railroad depot or an airport? If you do, you cannot vote for the crime bill that purports to provide the death penalty that is shortly coming to the floor. If you believe the death penalty should apply to these heinous crimes, then you must support the substitute that we are going to be offering which will cover the death penalty possibilities in all these very vicious serious cases about which we have been crying all these years.

So I ask you to look very carefully at this. The crime bill, although it says it has the death penalty, covers only such a modicum of circumstances as to be in opposition of the general application of the death penalty.

Support the Bush proposal substitute that we will be offering and then you will be on proper grounds.

THE PRESIDENT'S BUDGET POLICY

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Madam Speaker, we all know how important it is to reach a deficit agreement and how devastating sequestration would be. Most everyone in this body hopes that the leadership of Congress and the White House can come to a real agreement on the deficit. That is why the President's speech was troubling.

Despite the muffling effect of conciliatory words, what the President said sets back, not forward, the cause of reaching an agreement. The President seemed to feel the best way to reduce the deficit was to cut taxes on the wealthy, whether they be rich individuals or big oil companies. After all, tax rates on the rich have only gone down from 71 to 28 percent in the last 20 years.

The President seems to feel that despite the fact that the Saudis and others are paying for most of the costs of Desert Shield that we still need an increase in the defense budget. This is a budget where more than half of the spending, far more than half, goes to the increasingly obsolete notions of nuclear destruction and preventing the Warsaw Pact from invading Western Europe.

Finally, the President seems to feel that most of the cuts should come from such places as Medicare, programs that working and middle income people struggle for. These are the same people who are paying an increasing share of the tax burden.

Madam Speaker, much as many of us want an agreement and are willing to make concessions and compromises to get to it, if the President insists on the proposal he outlined last night, it is hard to see in good conscience how this side of the aisle can support it.

The President's speech, while sincerely issued, sets back the cause of a budget compromise.

INCREASING AMERICA'S COMPETITIVENESS

(Mr. McEWEN asked and was given permission to address the House for 1 minute.)

Mr. McEWEN. Madam Speaker, last night the President said that first, the Congress should, this month, enact growth oriented tax measures, to help avoid recession in the short term; and to increase savings, investment, productivity, competitiveness for the longer term. These measures include extending incentives for research and experimentation; expanding the use of individual retirement accounts for new homeowners; establishing tax-deferred family savings accounts; creating incentives for the creation of enterprise zones and intiatives to encourage more domestic drilling, and thus reduce also the tax rate on capital gains.

Madam Speaker, our economic competitors in Germany, in Korea, in free China, in Hong Kong, and in Japan have a zero capital gains tax. We in America as of 1987 have the highest capital gains tax of any industrialized nation in the world.

Now, one should not be surprised when we also have a 100-percent deduction for debt, that America is forced to not increase its competitiveness through capital formation, but must go to debt because of the Tax Code that the President has proposed that we change.

If we are going to be competitive in the next decade, we must have increased savings and increased capital formation to create jobs.

I hope the other side of the aisle will not continue their program of subsidizing Japan by discouraging capital formation in America with the highest

capital gains tax in the industrialized world.

Congressman GINGRICH has introduced legislation to accomplish this. It will reduce it to an historically high level of 20 percent, and we can then move from there.

BURDEN SHARING

(Mr. BRENNAN asked and was given permission to address the House for 1 minute.)

Mr. BRENNAN. Madam Speaker, in a time of huge Federal deficits, citizens all across my home State of Maine are upset and angry about other countries not paying their fair share of the cost of the defense of the free world.

The Dave Bonior amendment that will be offered later today will require Japan to pay all the costs of U.S. troops stationed in that country.

We all know that Americans are carrying more than their fair share of the burden of the defense of the free world. The time has come for our wealthy allies to pay more of these costs.

The Bonior amendment, which would increase the Japanese share of the cost of American troops in that country from about 40 percent to 100 percent, I think would be a giant step by the Congress to get a just contribution from a country that gains much by the freedom of commerce that the United States military personnel and the United States taxpayers do so much to protect.

Americans have a legitimate right to expect more help from our friends. Let us support the Bonior amendment. Let us get that help. Let us make other nations pay their fair share. I think it is the right thing to do.

INTRODUCTION OF LEGISLATION ON RENTAL PROTECTION FOR RESERVISTS

(Mr. LOWERY of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LOWERY of California. Madam Speaker, many marines and sailors from San Diego are now in the Persian Gulf. A number of reservists have been called up to support Operation Desert Shield. This has caused an economic hardship to many of their families.

A bank in my hometown of San Diego recently announced it would suspend loan payments for activated reservists.

That bank is to be commended. But not all lenders and landlords will follow suit and there is a serious possibility that some reservists will not be able to make rental or mortgage payments in full while pulling in a lesser salary.

Under the Soldiers' and Sailors' Civil Relief Act, if you are a homeowner and are called to duty, it is possible for you to maintain your home for your family without fear of foreclosure during your time of duty and 3 months afterward. But if you are a renter you are afforded protection for 3 months under the act and then only if your rent per month is below $150.

Mr. Speaker, in San Diego a tent would rent for more than $150.

I have introduced legislation to bring rental protection into parity with the relief afforded the homeowner under the act.

In addition, I have heard from many reservists who wonder why they do not qualify for the variable housing allowance that comes to their active duty counterparts. In San Diego the VHA can add $200 to $300 a month to an enlisted persons paycheck due to the high cost of living in the area.

My legislation would allow a reservist to collect a variable housing allowance, if it applies in his area, after 30 days on active duty at the call of the President. Our young men and women should not be penalized for answering the call to defend our Nation.

OPPOSITION URGED TO MARTIN AMENDMENT ON BASE CLOSINGS

(Mr. ORTIZ asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ORTIZ. Madam Speaker, I rise today to express my strong opposition to an amendment to be offered today to provide the Secretary of Defense with expedited procedures for closing and realigning military bases.

I believe that approval of this amendment could have an extremely negative impact on our national defense and urge my colleagues to reject this proposal.

It is imperative that the Department of Defense devise a realistic plan for its future force structure before any final decisions are made to close bases.

All recommendations must be based on the projected critical needs of the military.

We must be sure that the process is fair and unbiased.

As our Nation begins to draw down our military forces in light of the changing global threat, we must remember that decisions on base closures have a real and often devastating impact on local communities.

Possibly more importantly, these decisions can have a major impact on the future readiness of our troops.

If bases are closed unwisely, there is always the possibility of actually costing our Government more money in the long run if decisions were made in a vacuum without relationship to our Nation's long-term needs.

The current proposal offered by the House Armed Services Committee ensures that base closures are done in a prudent manner.

Approval of the Martin amendment would take us several steps backward in the process and have a potentially devastating impact on many communities.

I urge you to oppose that amendment later today.

□ 1030

CREATION OF BIPARTISAN COMMISSION NEEDED TO MAKE US ENERGY INDEPENDENT

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Madam Speaker, President Bush indicated last night that we need a new energy policy coupled with conservation to make us less dependent on foreign oil supplies.

In the late 1970's, we saw long gas lines and high energy costs, and at that time we decided to develop a plan to make us energy independent. We imported about 35 percent of our oil then. Then the oil crisis passed, and so did our plans for energy independence. Now we import over 50 percent of our oil, and we are more dependent than ever on Middle East oil supplies.

Madam Speaker, this must stop. So today I am introducing legislation to make us as energy independent as possible by the year 2000. This bill would create a bipartisan commission of energy experts from all areas of energy to develop a plan. I hope my colleagues on both sides of the aisle will cosponsor this legislation.

We did not do it in the late 1970's, and look at the mess we are in today. This must not happen again.

CREATION OF NONPARTISAN COMMISSION TO CLOSE MILITARY BASES NEEDED

(Mr. ATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ATKINS. Madam Speaker, 2 years ago I supported legislation to create a nonpartisan commission to close obsolete military bases. I did so despite the fact that my district contains two major military installations and despite the fact that one of those installations, Fort Devens, has been targeted for closure on almost every single Pentagon hit list since the early 1970's.

Madam Speaker, I supported this legislation because I have always argued that we could achieve savings by reducing the number of military bases. The base closing decision should

be based on the merits of each individuals base and on a sensible force structure strategy rather than on the arbitrary whims on whoever controls the White House. I feel the same way today.

Madam Speaker, that is why I oppose Secretary Cheney's efforts to pick and choose which bases to close himself strictly on political criteria, and that is why I support the Aspin-Schroeder-Browder five point plan to close bases rationally.

There is far too much at stake to allow base closing decisions to be based on factors other than national security and cost effectiveness. Despite the crisis in the Persian Gulf, we can make major cuts in Pentagon spending, and we can continue to close obsolete bases at home and overseas. I am willing to take my chances again with the two bases in my district, but only if base closing decisions are made in a rational and objective manner and in keeping with a coherent defense strategy.

THE PRESIDENT'S ADDRESS TO CONGRESS

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES. Madam Speaker, the President of the United States spoke to Congress and the Nation last night. He defined with clarity his purpose and intentions for the benefit of America and the world. He clearly acknowledged, however, that our foreign policy, and our direction is clearly subservient to the will of the American people, and that any policies that we follow must meet with their approval. Whether or not we prevail in any confrontation is contingent upon the support of the citizens of this Nation. That is our constitutional process, and we must follow it.

The new thinking in the globe has allowed for a new world order in which the United States is a leader, but other nations must bear the burden of responsibility as well. We cannot afford to pay for all of the world's problems. We have enough problems with our domestic budget. Our own domestic economy is in difficulty, and we must come up with a sensible deficit reduction plan. Raising taxes, especially in these times when the economy is weakening, is not a prescription for growth and economic health. Our constituents have spoken, and they want us to take the President's advice and do what is right.

KEEP NEW BASE CLOSURE LANGUAGE IN THE DEFENSE BILL

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Madam Speaker, last night, just a few feet from where I am standing, the President of the United States came before us, and the world, and talked about a changing world order, a world order in which we might have prospects for greater peace, prospects for greater coordination and cooperation among the superpowers; and, where there are conflicts, they would be regional and be dealt with conventionally. That is exactly where the Naval Ordnance Station, Louisville, KY, comes in. Ironically, Naval Ordnance Station, which supplies many of the systems now being used by the Navy in the Persian Gulf, is on the Pentagon's hit list for possible closure or realignment.

Madam Speaker, this, I think, suggests the fallacy and the unfitness of the current existing law for base closure and realignment. We need a new law: one premised on a careful study of national defense; one carefully studying the force requirement; and, one which is fair and equitable.

That, Madam Speaker, is exactly the program put forth by the gentleman from Wisconsin [Mr. ASPIN], the gentlewoman from Colorado [Mrs. SCHROEDER], and the gentleman from Alabama [Mr. BROWDER] in their base closure amendment.

So, when the House deals with base closure later today, I ask my colleagues to oppose the amendment of the gentlewoman from Illinois, and support the Aspin-Schroeder-Browder amendment. That process will yield a fair and equitable procedure for base closure.

FORGIVING THE EGYPTIAN DEBT: WHAT WILL THE FOLKS AT HOME SAY?

(Mr. HEFLEY asked and was given permission to address the House for 1 minute.)

Mr. HEFLEY. Madam Speaker, there is a proposal floating around the Halls of Congress to forgive the military debts of Egypt. As most of my colleagues know, Egypt's debt estimate ranges from $6.7 billion to over $8 billion by the end of fiscal year 1990 depending on applied interest and penalties.

I ask the Members of this Chamber, how will we be able to face the American people if we, the Congress, forgive this debt? The American people who have been asked to bail out the S&L's. The American military and Federal retirees who face a possible COLA freeze. The American people who are Federal workers facing possible furloughs. The working people of America who are having trouble making house payments. The waitress who is being hassled by the IRS over her tips. The list goes on and on.

Mr. Speaker, I certainly recognize the role Egypt has played in the Persian Gulf crisis, but haven't we committed thousands of American lives in the gulf partially to save their bacon. How can we justify forgiving billions of dollars at the expense of United States jobs when we don't offer to forgive debts of the American people. We may find ourselves in a very precarious situation with other countries which owe the United States money. We can't afford this type of generosity. We must get our own house in order financially with prudent fiscal decisions. I ask my colleagues to make the right decision and not support forgiving Egypt's military debts.

SUPPORT FOR THE ASPIN FIVE-POINT PLAN

(Mr. ANDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON. Madam Speaker, I rise today in support of the Aspin-Schroeder-Browder base closing language in the 1991 defense authorization bill. Later today, an attempt will be made to strike this language from the bill and return us to the unfounded, partisan list of base closures released by Secretary of Defense Cheney in January. I urge my colleagues to vote against this approach.

The five-point plan contained in the defense bill is a sound, tested, and bipartisan approach to base closings. With the decline in the defense budget, there will have to be corresponding cuts in our base infrastructure. This language is the best way to approach these cuts fairly and effectively. The language in the defense authorization bill simply requires the Secretary of Defense to come forth with a long-range, 5-year force structure plan which will be the foundation for base closures. To this point, the Secretary of Defense has put the cart before the horse by suggesting base closings with no corresponding military strategy or force structure requirements.

The Aspin-Schroeder language places the decisionmaking process of base closing into the hands of a bipartisan commission that can examine this issue outside of the limelight and political pressures. In 1988, we saw just how effective this method of base closures and realignment can operate. This expert and rational approach will best serve the Nation's base needs in the years to come. It is the only way bases will be closed in this country and the only way they will be closed in a smart, fair manner.

I urge your support of the five-point plan. Defeat the other proposal.

□ 1040

AMERICANS ENTITLED TO KNOW HOW AND WHY OF IRAQI CRISIS

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Madam Speaker, last night President Bush did a masterful job of tapping the righteous outrage that we all feel toward Saddam Hussein's naked aggression. But over the last several days, facts have emerged that cast doubt on the accepted wisdom about events before and since the Iraqi invasion of Kuwait.

Fact: We were not blindsided by the Iraqi invasion. The CIA knew in early July that units of battle-ready Iraqi forces were amassing along the Kuwaiti border.

Fact: Despite Saddam Hussein's ominous actions before the invasion, the United States continued to take a friendly stance toward Iraq.

On July 25, our Ambassador responded to Saddam Hussein's threat that he would consider anything less than a rise in oil prices by Kuwait as a death threat of Iraq. The United States, knowing that he had amassed over 100,000 troops on the border, said, "We understand your need for new revenues."

It is time, Madam Speaker, that we deal with the facts, that on the same date the United States Ambassador to Iraq told the Iraqi Government that the United States was not interested in becoming enmeshed in an "Arab-Arab conflict."

Fact: In early and mid-July, President Bush and Saddam Hussein exchanged friendly cables, despite our knowledge of Iraqi troop movements along the Kuwaiti border.

Madam Speaker, did we really follow a policy of appeasement up until the invasion, only to have a change of heart immediately thereafter, after miscalculating just how far Hussein wanted to go? Did we set up Saddam Hussein, leading him to believe that we would not oppose his aggression and then pouncing on him? The costs of our involvement in the Persian Gulf are very likely to rise, both in human and economic terms.

Madam Speaker, it is time for the United States to raise the question whether or not we have pursued a diplomatic solution as rigorously as possible. The American people are entitled to know just how and why we are involved in the crisis in the gulf.

WORKING PEOPLE POWER GROWTH ENGINE OF AMERICA

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Madam Speaker, a few moments ago a Member described the proposal to forgive Egypt's debt as if it was a congressional proposal. President Bush wants to forgive Egypt's debt. He said, let us forget it, $7 billion; let us just give it away.

Look, this country is choking on debt here at home. We cannot be giving away $7 billion abroad. We need our allies to start paying their fair share of defending the free world.

The President came to this Chamber last night and said, "Yes, we have got a debt problem here at home." And he said "Here is how I propose to solve it." He said, "What I want to do is increase defense spending, and I want to give tax cuts to the rich."

Madam Speaker, that is kind of a curious approach to solving this country's deficit problem. I wonder how one is going to reduce the Federal deficit by increasing the largest area of spending and by cutting tax revenues from those who earn the most in this country?

Mr. President, do you really think tax cuts for the richest of the rich, the millionaires and billionaires, are going to provide some stimulus to the American economy? Is their money now hidden in socks or under mattresses, that they will run and begin investing productively? Nobody believes that.

Mr. President, how about giving the working people in this country a little something to work with? America's economic engine is powered by the effort, the sweat, the daily commitment of the people in this country that work for a living. Growth economics does not rest on the shoulders of the rich. It is made possible by the efforts of the rest.

Mr. President, pay a little attention to the rest. Give us an economic policy that really works, an economic plan that really will reduce the Federal deficit. That is what will put America back on track.

AMERICAN ALLIES MUST CONTRIBUTE FAIR SHARE TO DESERT SHIELD

(Mr. SCHULZE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHULZE. Madam Speaker, our major allies are not assuming their share of responsibilities in carrying out Operation Desert Shield.

In a recent ABC news poll, 89 percent of Americans said U.S. allies should help pay at least part of the cost of our military operations in the Middle East. Eighty-nine percent is not just a majority, it is near unanimity.

Today I am introducing legislation to convince our allies that the Congress supports the American people in demanding more assistance from them. This measure would impose an additional 25 percent duty on imports from countries which the President determines are not contributing sufficiently to Desert Shield.

America has a direct interest in protecting the Middle East oil upon which we depend so greatly. However, our major allies, especially Japan, depend on Middle East oil just as much as we do. It is time for these nations to get off the sidelines and take part in defending their own interests, and this legislation will send this message loudly and clearly.

DEMOCRATIC LEADERSHIP SHOULD PERMIT SERIOUS DEBATE ON REMOVING BURDEN OF PAYING FOR DEFENSE OF EUROPE AND JAPAN

(Mr. BRYANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRYANT. Mr. President, Mr. Speaker, you and your designates are now busy in a budget summit to decide what taxes should be raised on the American people and how much their Medicare should be cut in order to lower the deficit. But the biggest single item in our budget is the $170 billion we are spending every year to subsidize the defense of Europe and Japan. Forty-five years after World War II, this is ridiculous, and it is unnecessary.

Now we read that the Japanese and the Europeans are not really willing to share the cost of defending their principal source of oil in the Middle East. It is time we woke up and started the budget balancing process by telling the Europeans and Japanese that it is time for them to pay for their own defense, and it is time for us to use the tax dollars of the American people for the benefit of the American people. It is time for the Democrats in this House to ask their own leadership, and I am talking about the Speaker of the House, this question: why will you not permit a serious debate on removing the burden of paying for the defense of Europe and Japan in this House and in this defense authorization bill that is coming up, rather than the 10-minute debate on watered-down substitute versions of burden sharing that we are going to be permitted to consider in the debate today?

CONGRESS SHOULD NOT COMPROMISE BASE CLOSING PROPOSALS

(Mr. ALEXANDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ALEXANDER. Madam Speaker, as we witness the continued dramatic changes occurring in Eastern Europe and the Middle East and other places around the world, we are also witnessing changes in our United States defense policy, changes that are calling for a rapid response, for more mobility among our troops, and for other changes that were not foreseen by defense planners in years past.

Madam Speaker, I want to applaud the foresight of the Committee on Armed Services in the bill that is going to be brought up to this House today, for its thoughtfulness, reasoned, and fiscally sound approach to the idea of base closings. There will be attempts made today to compromise that plan, I believe to be offered by the gentlewoman from Illinois [Mrs. MARTIN]. I hope that Members will resist that effort and support the process that has been brought forward by the Committee on Armed Services to address these all-important questions.

THANK GOODNESS FOR LOW BLOOD PRESSURE

(Mr. JACOBS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JACOBS. Madam Speaker, I really liked the President's speech last night, for two main reasons: first, because of its stunning candor; and, second, because it was good for my health.

In speaking about who is going to pay the price of our curious military adventure in the Mideast, the President said, "We shall pay our share, and more."

I admire him for acknowledging that painfully obvious fact.

Second, I was born with low blood pressure. But despite that, I would have had a heart attack last night if the President had not requested one more tax break for the oil industry. He did. So here I am.

VOTE FOR THE COMMITTEE DEFENSE BILL

(Mr. TALLON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TALLON. Madam Speaker, in light of what is going on in the Middle East and an obvious need to redirect our policy in Europe, it is ludicrous that we are even here today discussing the possibility of closing Myrtle Beach AFB or any other domestic military base without the slightest indication from the Pentagon of what our force structure needs will be.

Like most Members of Congress, I am concerned that we take a good hard look at what our true defense challenges will be before we dismantle any bases. Especially in light of the events of the past month.

If anything, these events lend a tremendous amount of credence to what the House of Representatives has proposed to combat the current reckless base closing process.

Our five-point plan, first and foremost calls for a Pentagon assessment of the real threats to American security, such as regional conflicts, and to produce a long-term strategic plan.

Our plan also calls for closing domestic bases according to realistic military necessities.

Perhaps the most important part of the House five-point plan is that it would place a moratorium on the current process.

I believe this is our only option because we are facing an unknown future in our conflict in the gulf.

We all know we need savings from our defense budget.

But now, more than ever, we must step gingerly.

If our threats are not of superpower magnitude, then we must obtain our savings from those weapons systems designed for a superpower conflict.

Now is the time to truly consider putting in perspective strategic weapons such as star wars ASAT's and MX missiles where cuts may be made without sacrificing our national security interest.

I urge Members to vote for the committee bill and reject the Martin amendment.

JAPAN—PAY UP

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Madam Speaker, the August recess is over. Momentous events have occurred.

The eyes of the Nation and the world are on us to see how we can resolve the budget crisis, and how we will support the President in his efforts to restore stability to the Middle East.

October 1, we face a $100 billion sequester, which will adversely affect our military, our Federal workers, and beneficiaries of many critical programs, and yet our continental NATO allies refuse to commit ground troops to Saudi Arabia to protect their oil, and Japan also refuses to bear a sufficient share of this burden.

Japan once again is restraining in its support, trying hard to sit this one out.

We defend their oil—they defend their right to Buy America.

Japanese banks buy our T-bills, and we pay interest; Japanese banks loan our cities money, and we pay interest. Japanese private interests buy American assets. In August, the Japanese teed off on the famed Pebble Beach golf course—paying as much for it as their total offer to relieve the Iraq build up—and now Sunday Silence, the racing horse, is riding into the rising sun.

When we consider the defense budget—and contemplate the budget deficit, we must reorder our priorities. We cannot carry the world alone. It is time Atlas shrugged, and threw off some of the hangers on.

PRESIDENTIAL LEADERSHIP NECESSARY FOR CONSERVATION

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHEUER. Mr. Speaker, we all applauded the President's speech last night. He represented Americas' firm resolve, and determination to stick with and to accomplish the task of ridding the Mideast of Saddam Hussein. He mentioned our energy dependence on the gulf, and mentioned the word "conservation" twice. But he failed even to begin to spell out an energy program.

Mr. Speaker, energy conservation does not fall from the skies when the morning mist burns off. It is a creation of government and people, and it demands Presidential leadership.

I have here an article from last Monday's issue of the Wall Street Journal. It answers the question, "How Japan became so energy efficient." It leaned on industry. The Japanese Government made some demands upon their industry. The Wall Street Journal article continues, "One clear lesson to learn from Japan is that forcing core industries to become more energy-efficient is one thing that government can do well." That is a very simple but very important message.

And the government can do great things in encouraging individuals to engage in conservation in those millions of decisions that take place every day. From Her Majesty, the Queen, Department of the Environment, 1974, I have a poster exhorting us to, "Use the amazing 'off' switch. Easy to operate. Dramatic savings in electric bills. Simply switch off when not needed. Switch off unnecessary lights." That is the message that Her Majesty, the Queen, sent her subjects in Britain. That is leadership.

I hope very much that the President of the United States will come to understand that he ought to be in the bully pulpit calling upon Americans to pull in their belts just a hitch to engage in an energy conservation program that will vastly lessen our dependence on Persian Gulf oil.

If oil, that black, viscous fluid, is important enough to spend $1 billion of the taxpayers' money on, to send

100,000 of our troops abroad to broil in 120-degree desert heat, if it is important enough to the United Nations to put together this incredible consortium of nations to defend the flow of oil, and I give the President full credit for his magnificent leadership in producing that consensus among the civilized nations of the world, surely it is important enough for us to examine our consumption of oil and to do what has to be done to reduce it vastly, and we can.

We can turn off the lights. We can car pool. We can depend on mass transit more. We can ask our industries, our utilities, our manufacturing plants, and our automobile production factories to become fuel efficient. These are all the things that we can do, but it requires Presidential leadership.

Mr. Speaker, I would ask the President, please, match Her Majesty, the Queen, in leadership, in bringing great energy consciousness to our people as Her Majesty has done for our British cousins.

READ THE CONSTITUTION

(Mr. TAYLOR asked and was given permission to address the House for 1 minute.)

Mr. TAYLOR. Mr. Speaker, today a Member from the minority party will offer an amendment that will give the Secretary of Defense the power to close any military base.

Before she offers the amendment, I will encourage my colleagues to read article I, section 8 of the Constitution of the United States, the part of the Constitution that gives the Congress the authority to declare war, to raise and support armies, to provide and maintain a navy, to make rules for the government and regulation of land and naval forces.

□ 1100

Mr. Speaker, the Constitution very clearly gives the power, the responsibility, and the duty to provide for the common defense to the Congress of the United States, the elected representatives of the citizens and not to some appointed bureaucrat in Washington.

I urge Members of this Congress to honor the wisdom of our Founding Fathers and to defeat that amendment.

JOSEPH CICIPPIO'S PLIGHT CONTINUES

(Mr. COUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COUGHLIN. Mr. Speaker, it is with great sadness that I note that today is the fourth anniversary of Joseph Cicippio's captivity in Lebanon. A caring and committed individual who prior to his kidnapping oversaw the financial affairs of the American University of Beirut—an institution dedicated to the betterment of life for all Lebanese, Moslem or Christian—Joseph Cicippio, a native of the 13th District of Pennsylvania, today languishes, shut off from the world, somewhere in Lebanon.

Throughout the course of his captivity, Mr. Speaker, there have been many ups and downs. It has been most difficult for Joe's family and friends. There have been times when it seemed that the Government of the Islamic Republic of Iran, which has sponsored the Lebanese Hezbollah terrorists over the years, has looked beyond the vitriol of the past and has realized its own self-interest in improving relations with the West. There have been times when political moderation and even a sense of morality have taken hold, and Americans have been freed.

Then, there have been occasions when demogogic politicians in Iran have turned to their favorite scapegoat, the United States, to raise nonissues and ruin any chance of improved relations. Though Iran may not control entirely the outcome of hostage affairs in Lebanon, it is clear that Iranian sponsorship of the Hezbollah is a central determinant of Hezbollah policy. Ironically, when Iran's leadership assumes an antagonistic attitude toward the United States—an attitude that can have an important impact on the hostages' situation—it is cutting off its nose to spite its face. Iran's economic problems are huge, but until the hostages in Lebanon are freed, Western aid to help Iran's economic situation will not be forthcoming.

Mr. Speaker, the plight of Americans in Kuwait and Iraq now commands much of the Nation's attention, as well it should—Saddam Hussein is a reprehensible dictator. We must not forget, however, that the kidnapers of Joseph Cicippio and six other innocent Americans also continue each day to deprive our fellow countrymen of their freedom and most basic human rights. We must redouble our efforts to obtain the freedom of these Americans.

BASE CLOSING AMENDMENT

(Mr. LAUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAUGHLIN. Mr. Speaker, today the House will consider an amendment to strike Armed Services Committee language and give the Secretary of Defense the discretion to close bases such as Naval Air Station Chase Field, which is in my district, without the Defense Department submitting a force structure plan or legislative proposal containing a fair process based on objective criteria.

This is extremely disturbing to me because the Navy's own report to the Secretary of Defense in November 1988 ranks Chase Field No. 1 in strike pilot training and fourth overall in the world for naval air stations. Just this month, the Navy released another report that ranks Chase Field No. 1 again in strike pilot training and No. 1 in efficiency.

Chase Field is an important part of what is becoming the center of naval aviation training worldwide. Chase Field, which is located in a small Texas town, has graduated more strike pilots and recorded more training missions per year than any other naval air station but somehow continues to be on the base closure list without substantial claim.

If we are truly working in a cohesive bipartisan fashion, this type of methodology should not be implemented. I urge the Congress not to give such an enormous task that will ultimately impact the security of our Nation and world alliances to a select few in our Government that have repeatedly ignored the facts.

SOWING THE SEEDS OF THE CURRENT CRISIS IN THE PERSIAN GULF

(Mr. MARKEY asked and was given permission to address the House for 1 minute.)

Mr. MARKEY. Mr. Speaker, I applaud the President's goal of working together to build a national policy in the wake of the Iraqi invasion of Kuwait, but I think it is important for us to look back at where the seeds of our problems were sown.

In 1981 President Reagan appointed his first Secretary of Energy whose goal it was to abolish the Department of Energy.

In 1981 when the Israelis swooped into Iraq to destory the Osirak nuclear reactor, our Government condemned the Israelis, as did the United Nations, and President Reagan was heard to say that nonproliferation is none of our business.

In addition, for the last decade we sat on our hands with an enormous historic opportunity to meet our artical VI objections under the Non-Proliferation Treaty by signing a complete Nuclear Test Ban Treaty with the Soviet Union and a strategic agreement. This would allow the United States and U.S.S.R. to put pressure on Third World countries and on the French, and the Italians, and Germans, and Brazilians and others who have cynically been transferring dangerous technologies into the hands of Third World countries. At the same time we continue to ignore these opportunities, we tell the Soviet Union and other Eastern bloc countries that we will not trade with them with tele-

phone switching systems, telecommunications equipment and other information technologies that can help to reform their economies.

It is time for us to understand that as we reap the whirlwind that we sowed the seeds ourselves, that we, as Pogo would say, have the finger of historic responsibility in our own chest as much as any other country in the world. If we are going to dig our way out of this hole we have to do away with the denial of the past and not pretend that we are not responsible, and put together a comprehensive energy policy, a nonproliferation policy and arms proliferation policy that can sufficiently, adequately, intelligently deal with the challenges of the 1990's. Otherwise we are doomed to repeat the past over and over again.

BASE CLOSINGS

(Mr. PALLONE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PALLONE. Mr. Speaker, today I join several of my colleagues in bringing to the Nation's attention the fact that our Secretary of Defense wishes to close bases with great discrimination, and with little foresight. Right now, at Fort Monmouth in New Jersey, in my congressional district, workers who have been targeted by the Army for eventual elimination are working overtime. That's right. The Army says these workers are unnecessary, and yet they are working overtime.

We need to close obsolete bases, certainly, wasteful bases. What we do not need to do is take aim at bases like fish in a barrel. We need a plan, Mr. Speaker.

To win a war, you need a plan. To solve a deficit, you need a plan. To modernize our Army, we also need a plan.

Mr. Speaker, today the defense authorization bill provides such a plan. It provides a fairness process as it is called, and it should not be amended.

I simply ask that the Secretary of Defense formulate the larger picture. These are delicate times as we all know, and without fairness and foresight our military will remain ill-equipped in this new world.

WHO IS PROPOSING NEW TAXES?

(Mr. SOLOMON asked and was given permission to address the House for one minute.)

Mr. SOLOMON. Mr. Speaker, I waited until the end because I wanted to hear all of the 1 minute speeches from the other side of the aisle, some of which turned out to be 5 or 6 minutes. But briefly, let me just say that Members have heard the gentleman from Connecticut and others on the Democratic side complain that George Bush wants to raise taxes.

Mr. Speaker, I think the summiteers had better come back to Capitol Hill so the Democrats will know who is proposing what. Just in case they do not know, it is the Democrats who are proposing to raise the income taxes of middle America up to 35 percent. It is the Democrats who want to raise energy taxes 9 cents on a gallon of gasoline. It is the Democrats who want to put on an oil import tax to raise the home heating fuel costs in my State. It is the Democrats who want to raise the taxes by 2 percent on all of the energy, gas, and oil that is consumed in this country. And it is the Democrats who want to tax alcohol, tobacco, life insurance premiums, and telephones for senior citizens.

Let us get it straight. A majority of Republicans are not going to vote to increase any taxes. So let us get together and we will side with you. No taxes. Let us get the spending cuts in this country that we need.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

Mr. FROST. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 461 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 461

Resolved, That during the further consideration of the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels of fiscal year 1991, and for other purposes, no further amendment to the bill or to the amendment in the nature of a substitute, as amended, shall be in order except as specified by H. Res. 457 or the amendments designated in section 2 of this resolution. Said amendments shall be considered in the order and manner specified and shall be considered as having been read when offered. Each amendment may only be offered by the Member designated for such amendment in the report of the Committee on Rules accompanying this resolution, or in this resolution, or by his designee. Debate on each amendment made in order by this resolution shall not exceed the time specified in this report of the Committee on Rules, to be equally divided and controlled between the proponent and an opponent. Any period of general debate specified in this resolution, unless otherwise specified, shall be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services. No amendment shall be subject to amendment except as specified in the report of the Committee on Rules. No amendment printed in the report of the Committee on Rules shall be subject to demand for a division of the question in the House or in the Committee of the Whole. All points of order against the amendments printed in the report are hereby waived.

SEC. 2. It shall be in order to continue consideration of amendments as follows:

(A)(1) When the Committee on the Whole begins its consideration of H.R. 4739 pursuant to this resolution, it shall be in order to debate the subject of base closures for a period not to exceed forty minutes. It shall then be in order to consider the amendments relating to base closures printed in part 1 of the report of the Committee on Rules in the following order: (1) by Representative Martin of Illinois; and (2) by Representative Aspin of Wisconsin. If more than one of said amendments is adopted, only the latter such amendment which is adopted shall be considered as finally adopted and reported back to the House.

(2) Following disposition of said amendments, it shall be in order to debate the subject of the B-2 bomber for a period not to exceed forty minutes. It shall then be in order to consider the amendment printed in part 1 of the report of the Committee on Rules relating to that subject by Representative Skelton of Missouri.

(3) Following disposition of said amendment, it shall be in order to consider en bloc the amendments printed in part 1 of the report of the Committee on Rules offered by Representative Dickinson of Alabama.

(4) Following disposition of said amendment, it shall be in order to debate the subject of economic adjustment for not to exceed forty minutes, with ten minutes to be controlled by Representative Aspin of Wisconsin, with twenty minutes to be controlled by Representative Dickinson of Alabama, and with ten minutes to be controlled by Representative Oakar of Ohio. It shall then be in order to consider the amendments pritned in part 1 of the report of the Committee on Rules relating to that subject; (A) by Representative Mavroules of Massachusetts; and (B) a substitute therefor offered by Representative Hopkins of Kentucky.

(5) Following disposition of said amendments, it shall then be in order to consider the amendments printed in part 2 of the report of the Committee on Rules in the order and manner specified in the report. It shall be in order for the chairman of the Committee on Armed Services to offer one amendment en bloc, consisting of amendments and modifications in the text of any amendment which are germane thereto, printed in part 2 of the report of the Committee on Rules. Such amendments en bloc shall be considered as having been read, shall not be subject to amendment, or be subject to a demand for a division of the question in the House or in the Committee of the Whole. Such amendments en bloc shall be debatable for not to exceed twenty minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services. The original proponents of the amendments offered en bloc shall have permission to insert statements in the Congressional Record immediately before the disposition of the amendments en bloc. It shall be in order for the chairman of the Committee of the Whole to postpone for up to one legislative day recorded votes, if ordered, on any amendment considered under this paragraph until the conclusion of consideration on all the amendments printed in part 2. The Chair may reduce to a minimum of five minutes the period of time within which a recorded vote may be taken on all said amendments following the first vote in that series.

(B) It shall be in order for the chairman of the Committee on Armed Services, after giving at least one hour notice, and after consultation with the ranking minority member of that committee, to request the Chair to recognize for the consideration of amendment groups in an order other than that prescribed by H. Res. 457 or by this resolution.

SEC. 3. At the conclusion of the disposition of all amendments printed in the report of the Committee on Rules accompanying this resolution, no further amendments shall be in order and the question shall occur on the amendment in the nature of a substitute as amended. The Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions. Debate on any motion to recommit with instructions shall continue not to exceed sixty minutes, equally divided and controlled by the offeror and a Member opposed thereto.

□ 1110

The SPEAKER pro tempore (Mrs. UNSOELD). The gentleman from Texas [Mr. FROST] is recognized for 1 hour.

Mr. FROST. Madam Speaker, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON] for the purpose of debate only, pending which I yield myself such time as I may consume.

Madam Speaker, House Resolution 461 provides for further consideration of H.R. 4739, the National Defense Authorization Act for fiscal year 1991. The initial rule providing for consideration of the bill was adopted by the House earlier this week.

Madam Speaker, the resolution makes in order the amendments specified and no other amendments, except those specified in the initial rule, are in order. All the amendments are to be considered in the order and manner specified and may be offered only by the Member designated, or his or her designee. The amendments are debatable for the time designated, to be equally divided between the proponent of the amendment and an opponent. Any period of general debate specified in this resolution, unless otherwise specified, shall be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services. No amendment shall be subject to amendment except as specified, nor are they subject to a demand for a division of the question in the House or in the Committee of the Whole. All points of order against the amendments are waived.

Chairman ASPIN, after giving at least 1 hour notice, and after consultation with the ranking minority member of that committee, may require the Chair to consider amendment groups in a different order than prescribed in this or the initial rule for H.R. 4739. Yesterday, Chairman ASPIN asked for and was granted unanimous consent to restructure debate on the bill. That debate will proceed as follows: We will have general debate on major issue clusters which will include burden sharing, 30 minutes; SDI funding, 60 minutes; an SDI alternative budget, 30 minutes; base closings, 40 minutes; economic conversion, 40 minutes; the B-2 bomber, 20 minutes; and an en bloc amendment to be offered by Chairman ASPIN, 20 minutes.

After general debate on all of these issue clusters, we will then begin voting on specific amendments in the issue areas, with 10 minutes of debate time before each vote. Only those amendments specified are in order.

Mr. Speaker, we have clustered these votes in the late afternoon in order to permit those Members participating in the budget summit an opportunity to work without being interrupted for votes throughout the day.

Following disposition of the amendments in the issue clusters, we will begin consideration of amendments printed in part 2 of the report. Each amendment is debatable for 10 minutes.

These amendments may be considered separately or may be included as part of an en bloc amendment to be offered by the gentleman from Wisconsin [Mr. ASPIN]. Chairman ASPIN may include some or all of the part 2 amendments with germane modifications. The en bloc amendment is debatable for 20 minutes. Original proponents of amendments included in the en bloc have permission to include a statement in the RECORD at the appropriate place.

The Chairman of the Committee of the Whole may postpone recorded votes on any part 2 amendment until conclusion of debate on all part 2 amendments but may not postpone votes for more than 1 legislative day. After the first vote in the series, the Chair may reduce to a minimum of 5 minutes the time in which each of the other recorded votes is taken.

The resolution also provides one motion to recommit with or without instructions, debatable for 1 hour, equally divided and controlled by the proponent and a Member opposed.

Madam Speaker, this resolution permits us to continue this very important debate on our national security priorities and needs in a changing world. I urge its adoption.

Mr. SOLOMON. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, it is only with reluctance that I ask Members not to oppose this rule. Out of consideration for the summiteers out at Andrews Air Force Base, I am not going to ask for a vote on this rule. I do so only because the legislative process has to go forward. But even moving the process along may not get us anywhere, because the administration is making a very serious threat to veto this bill if it is not changed substantially from its present form, through this amendment process.

This second rule does not hold much promise of letting the House have that opportunity of changing this bill more to the administration's liking. Nevertheless, so that the House may work its will, let Members pass the rule today and let us get on with further consideration of amendments. The misgivings I have about this rule are rooted in the perception that we are presented in this rule with a more partisan approach than we had in the first rule, which I strongly supported on this floor and voted for.

□ 1120

Madam Speaker, I note, for example, that 34 individual amendments are made in order by this rule for inclusion in a large en bloc amendment. Any of these amendments that do not go into the en bloc package can be called up separately and debated under a strict 10-minute time limit.

What concerns me is the disparity of how these individual amendments are apportioned; 25 are by Democrats, and only 9 are by Republicans. That is not fair, nor is it is keeping with the traditional bipartisan approach with which defense bills have been considered in the past.

But my principal concern, I say to my colleagues, is this; This rule will not provide the House with an opportunity to vote directly on the matter of Operation Desert Shield. Many Members have drawn attention to the fact that H.R. 4739 has been brought to the floor under circumstances that are dramatically different than those that prevailed when this bill was marked up in committee over 6 weeks ago.

Madam Speaker, this bill cuts too much out of our defense needs. I offered a motion yesterday in the Committee on Rules that would have made in order an amendment adding $7.5 billion in authorizations to this bill. Such an amendment would have brought the funding level in H.R. 4739 up to an amount that is approximately the same as is contained in the Senate version of this bill. The administration and the Pentagon are estimating that under the present circumstances, with Desert Shield in effect, we are going to have a shortfall from this House bill today of about $15 billion over the next 12 months. What this amounts to is that we are going to be short about $7.5 billion in budget authority and short about $5.5 billion in outlays over the next 6 months. If such an add-back amendment had been allowed, it would have represented a realistic

commitment in support of our people who are serving over in Saudi Arabia today.

My motion was shot down on a straight party line vote. We were told there would not be adequate time to consider such an amendment on this floor.

Madam Speaker, I say, let us try telling that to our servicemen and women, all 130,000 of them, in Saudi Arabia. While they work in 100-degree heat, we cannot find an hour—and that is all it would have taken for that amendment—to sit here in air-conditioned comfort and make sure they have the support that they need. That is a shame.

I will not go any further right now, Madam Speaker, and at least I want to end on a positive note. I am grateful to the Rules Committee for making in order the right for the minority to offer a motion to recommit with instructions, with a full hour's debate on that motion. At least some of what I have been talking about will be included in that motion to recommit. However, motions to recommit, as we know, have a lot of other things in them. But the Members can be sure we will make the most of it.

This provides, I believe, enough redemption for me to ask the Members to approve this rule here today so that the House can proceed without further delay on this important bill.

Madam Speaker, I reserve the balance of my time.

Mr. FROST. Madam Speaker, for purposes of debate only, I yield 4 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Madam Speaker, I thank my colleague for yielding me this time.

Later today, in fact very shortly, under the burden sharing portion of the rule, I will be offering an amendment that will force Japan to pay for the cost of United States troops stationed there or else we are going to bring them home.

I think everyone would agree that we are extremely proud of the role the United States has played in the defense of freedom throughout the world, particularly in this latest excursion into the gulf, and we will continue to lead the world with our military strength. But I think my colleagues will agree also—and the President alluded to this yesterday when he spoke to us and to the country—that it is time for our allies, especially Japan, which is receiving up to 70 percent of the benefits of the oil in the Persian Gulf, and the Europeans, to pay their fair share. Japan can afford to pay for the defense of their own territory, and they can afford to pay for the defense of their oil supplies in the Persian Gulf.

They announced a package a couple of weeks ago, about $1 billion in aid, to help the international effort against Iraq. That is welcome, of course, but if I could say this to my colleagues, it is woefully inadequate—$1 billion is a very small amount, compared to what is going to be needed in that region for the next year. It has been estimated that the cost to us could be upward of $15 billion.

The Japanese are one of the main beneficiaries of this policy that will ensure those supplies of oil so they can have adequate supplies to run their factories and run their mills and keep their economy going.

I watched Senator MCCAIN last night on one of the shows. He called the Japanese contribution an insult. I want my colleagues to know that they can do much better.

Too often we have seen the Japanese promises and no action. They should pay a great share in the Persian Gulf, and they should pay for our troops who are protecting them.

My amendment was drafted before this whole crisis broke out in the gulf, but it is needed now more than ever. The American taxpayers are tired of footing this bill. We have 50,000 troops, we spend $4.5 billion a year to pay for Japanese nationals working at installations in Japan protecting Japan, with benefit packages which I will describe a little later when I am yielded the time, which far exceed those that are being received by American workers in health care and housing and other areas.

So, Madam Speaker, I would ask my colleagues to be supportive of the amendment when it is offered.

Mr. HUCKABY. Madam Speaker, will the gentleman yield?

Mr. BONIOR. I yield to my colleague, the gentleman from Louisiana.

Mr. HUCKABY. Madam Speaker, I want to commend the gentleman for his amendment.

I would like to point out today that the Japanese are receiving some 3.2 million barrels of oil from the Persian Gulf, whereas the United States receives 1.8 million barrels. Perhaps we could work this thing around, if the Japanese are not willing to pay their fair share, so that we could impose some type of an oil tax on oil from the Persian Gulf, so that we might be able to work with the countries in that region if we are going to be there for the long haul. We have got to have burden sharing.

Mr. BONIOR. Madam Speaker, I appreciate my colleague's comments, because I think it is important to recognize that we are all in this together. We are all allies together, and they have to pick up their fair share.

The gentleman from Michigan [Mr. DINGELL], the chairman of the Energy and Commerce Committee, has introduced legislation requiring burden sharing, and I recommend that to my colleagues. I would ask them to look at that, because it is an important part of putting this all together. So I look forward to speaking on this in just a few minutes when we get to this bill and begin debate on this portion of the bill.

Mr. SOLOMON. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I would just say to the previous speaker that we certainly share his concerns. I have told him so privately in the past.

As a matter of fact, I met with the White House not long ago stating the same concerns the gentleman has expressed here on the floor. Secretary of the Treasury Brady and Secretary of State Baker have both been traveling throughout the world trying to generate help.

I would just call attention to the fact that the Japanese and the West Germans, who are strong allies, have, I think, used a crutch in pointing out that their Constitutions do not allow them to participate militarily in this Persian Gulf crisis. That may well be true. Maybe we are partly responsible for that because we urged them to adopt that provision and we helped write that into their Constitutions. But there is absolutely nothing that prevents either of those two countries, as well as many others, from participating monetarily, especially, as the gentleman from Louisiana has said, those countries who benefit so much from the oil that comes from the Persian Gulf area.

Mr. BONIOR. Madam Speaker, will the gentleman yield?

Mr. SOLOMON. I yield to the gentleman from Michigan.

Mr. BONIOR. Madam Speaker, I thank my colleague, the gentleman from New York, for his support.

I also want to make one more important point here. When the Senate considered this bill—and they have finished with it—they did not address this question. This is the last vehicle we have before going to conference. And it is a tough measure. I would be the first to agree that this amendment is tough, but, believe me, it has got to be tough. They do not understand anything but "tough." And I am not so naive to think that this is probably going to hold throughout the conference. That is why indeed it has to be tough.

So if we want a vehicle to take over to the conference to put pressure on them to ante up and be a part of the solution rather than the problem, I would suggest that the Members support the amendment.

Mr. SOLOMON. Madam Speaker, I thank the gentleman for his concern, and let me just say that it is not only the situation in the Persian Gulf that is exacerbating. Look at trade, and, unfortunately, our Japanese friends

are very good at shaking hands; they are very good at smiling, winking, and then giving us nothing.

□ 1130

Madam Speaker, I yield to the gentleman from New York [Mr. MARTIN], perhaps to have a colloquy on how this debate is going to continue for the rest of the day. I know we want to delay votes as much as we can to benefit the Members participating in the summit. Perhaps if I would just let the gentleman from Texas yield to the gentleman from New York, they could have that colloquy, because the gentleman from New York will be handling the debate later on.

Mr. MARTIN of New York. Madam Speaker, will the gentleman from Texas yield for a question about how we proceed from here?

Mr. FROST. Madam Speaker, for the purpose of a question, I yield to the gentleman from New York.

Mr. MARTIN of New York. Madam Speaker, in the simplest terms, it is my understanding that to accommodate the summiteers who are out at Andrews Air Force Base, what we are going to do is take up for general debate only those general areas of burdensharing for 30 minutes, to be followed by SDI dollars, SDI policy, base closure, economic conversion, and the B-2, and that there would be no votes during that period of general debate, at which time somewhere around 4 o'clock we would hope we would come back and take up the amendments in order or burden sharing and then SDI dollars and the other areas of general interest, the idea being that in all probability after each of those amendments we would have a vote and it would be some time between 4 and 7 this afternoon. Then we would be standing down to let the summiteers return to Andrews Air Force Base. Is that correct?

Mr. FROST. That is my understanding. Of course, it is impossible to predict the exact time of the votes, but it is the intention on our side that those votes be scheduled between 4 and 7, that is correct.

Mr. MARTIN of New York. Madam Speaker, I thank the gentleman.

Mr. FROST. Madam Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Texas [Mr. BRYANT].

Mr. BRYANT. Madam Speaker, there has been reference made here today about the fact that we are going to be conducting our business in such a way as not to interrupt the work of the budget summit that is now going on out at Andrews Air Force Base, since the President and his designees, and the Speaker and his designees, are busy in a budget summit attempting to decide what taxes are going to be raised on the American people and which parts of their Medicare coverage is going to be cut and which parts of their veterans' benefits are going to be cut in order to lower the deficit. Yet, Madam Speaker, the fact of the matter is that the biggest part, the biggest single item in the budget today is the $170 billion that we continue to spend every year to subsidize the defense of Europe and Japan, a sum which 45 years after World War II is ridiculous and unnecessary. The recipient does not need it and we do not have it.

Now we read in the newspaper and see on the television news that the Japanese and the Europeans are unwilling to share the cost that we are not incurring to defend an area of the world, Saudi Arabia and Kuwait, which is their principal source of oil, not ours.

I submit to you today that it is time we woke up and started a budget balancing process, not by talking about how we are going to raise taxes on the American people or how we are going to cut their medical benefits or further deny access of veterans to veterans' hospitals, but instead start talking about how we are going to balance the American budget by telling the Europeans and the Japanese that 45 years after World War II it is time you paid your own bills. It is time the American people got the benefit of that $170 billion and not these other parts of the world to whom we have been so generous.

I am here to ask in the course of this rules debate today of the Democratic leadership of this House, and I am talking about the Speaker and I am talking about the chairman of the Armed Services Committee, why they will not allow us to have a serious debate on removing the burden of paying for the defense of Europe and Japan from the shoulders of the American people, rather than a short, abbreviated debate, on a watered-down version of burdensharing that is going to be permitted in the debate today.

The two rules that have been taken up, one which has been passed already and the one that is under consideration now allow a consideration of the most superficial of the burdensharing amendments. The one by the gentleman from Michigan [Mr. BONIOR] is a good amendment. I intend to support it. I am sure he would be for something much tougher if he could get the Rules Committee and if he could get the Speaker to allow us to consider it, and the chairman of the Armed Services Committee. I am sure that he would. I am going to support the one he has offered, but the fact of the matter is that we had the opportunity to consider an amendment that would say to the Japanese, not 10 years from now, as the Bonior amendment says, but right now, beginning next year, that you the Japanese are going to pay the full cost of defending your country or else we are going to begin to pull out immediately, because we do not have the money anymore and because they do not need the help anymore. But we were not allowed to consider that amendment.

The amendment by the gentleman from New York [Mr. MRAZEK] with regard to South Korea is a good one, but it does not go far enough. It does not recognize the realities of today. I intend to support it. I am sure he would like to have even more, but that is the best we could get.

The amendment that is going to be in the second rule that I have offered, I am glad it is in there. I am going to support it, of course; but it is a watered-down version of what I had asked for. And what had I asked for? Simply to ask these foreign countries to begin to pay the cost of hiring their civilian personnel to work in our military installations which are there to protect them, rather than making the American people pay the cost of hiring those civilians to work in military installations which are there to protect these foreign countries, as we do today.

I rise to publicly complain to the Speaker and to the chairman of the Armed Services Committee and to the other leadership on our side, and I exclude the Republicans. They have dragged their feet on this for years. They have never been there when we have pushed these initiatives.

I am focusing my criticism now on the folks that I think I have a right to appeal to, the folks who are supposed to be in agreement with the majority of the Democrats Caucus, but who have stood in the way of a meaningful burdensharing debate at a critical time.

We are taking up this Armed Services bill at a time when we have been informed that Europe and Japan are not going to contribute adequately to our effort in the Middle East, and yet we do not have a vehicle with which to respond and say to them what we ought to say, and that is, if you are not going to contribute in the Middle East, then by golly, we are going to take it out of your hides with regard to what we are sending over to you to defend you as we have for the last 45 years.

Finally, I would just simply say that I think it is incumbent upon our leadership not only not to raise obstacles to the legitimate consideration of this on the floor of the House, but to encourage debate in this area, because this is an area where we can achieve real savings that will not worsen our recession, but will serve the interests of the American people, help us to balance our budget and return us to common sense.

Mr. SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. FROST. Madam Speaker, I yield 1 additional minute to the gentleman.

Mrs. SCHROEDER. Madam Speaker, will the gentleman yield?

Mr. BRYANT. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Madam Speaker, I want to compliment the gentleman from Texas on his arguments. I think they are absolutely right on. I know he has been working so hard in this area.

I know the gentleman's frustrations is like mine. We hear constantly, "yes, yes we agree with you, but not now, not this time, not this day." It is never convenient.

For those of us who have been talking about this for 4 or 5 years, it really looks to me that we are at a very serious crunch point, especially with the Germans. I think the way the Germans have told us, "Forget it, we are not doing anything," has really been very shocking.

So I salute the gentleman. I am sorry he did not get to offer this amendment. I think it is an excellent one and I think we must stay in there and tell people it is the time to talk about this and vote on this.

Mr. BRYANT. Well, Madam Speaker, I thank the gentlewomen from Colorado for adding her remarks to my comments. She was a pioneer in this area, there is no question about that.

I simply say that I am not rising only with regard to my amendment, a portion of which is in the rule, but more to talk in terms of the overall area that we have not been allowed to consider in a meaningful way, even at a time such as this when we need to be sending a message to our allies with regard to the Middle East. We cannot expect to have these nations take us seriously if we are afraid to consider the issue of burden sharing in a meaningful way on the floor of the House of Representatives.

Mr. FROST. Madam Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Madam Speaker, first let me express my appreciation to my distinguished friend and colleague on the Rules Committee, the gentleman from Texas [Mr. FROST] for yielding time to me.

I am amazed to hear that just about everybody on both sides of the aisle, with the exception of the gentleman from Texas, is unhappy with this rule, and yet apparently the rule is going to be adopted as is.

Well, I, for one, am opposed to the rule. I can remember back only three or four Congresses ago when in recognition of the fact that the Defense Department Authorization legislation was the single largest authorization of all the bills that come before us, close to $300 billion, and because it considers the most important matters in regard to the national security of this country, Members were allowed to debate openly whatever amendments they felt were appropriate; and yes, it took some time, but the House worked its will.

Then there was a subtle change and we got to a point where the Rules Committee came out and said, OK, there will be certain amendments which will have class A category, and certain amendments that will have class B category, and class A's would get a lot of time, and class B's would get a little bit of time, and then there would be class C's, which would not get any time at all, but at least there would be votes on those amendments.

□ 1140

Maybe not the fairest, Madam Speaker, but at least again the issues were allowed to be resolved on the floor and the House was allowed to work its will.

Madam Speaker, this is not the fault of the Committee on Rules. The Committee on Rules, in fact, is the creature of the leadership, of the Speaker of the House. The Committee on Rules has been told to come forward with a rule that in essence places the House into a straitjacket. No longer does the membership decide what is important as far as national security is concerned. The leadership makes that decision, and what the leadership decides is important is the only thing that gets considered.

That is absolutely and abjectly wrong, Madam Speaker. The House should not sit still for it. I am amazed that the other side of the aisle is sitting still for it. I do not think that is the way for this body to go if it wants to continue to consider itself the most important deliberative body in the western world.

There are amendments that could have been offered that have been offered in years past affecting billions of dollars of wasteful expenditure whose time had run its course, and now, when we do not need the exotic weapon systems, when we need to have a buildup of conventional weapon systems and capacity to delivery to those troops and supplies as needed, no chance to debate. Commitments that were made by leadership as to amendments that would be permitted to be offered because of this rush to save time, have been wiped out.

This rule is unfair and wrong. I urge its defeat.

Mr. SOLOMON. Madam Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. FROST. Madam Speaker, I have no further requests for time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mrs. UNSOELD). The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. WEISS. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 327, nays 65, answered "present" 1, not voting 39, as follows:

[Roll No. 323]

YEAS—327

Ackerman	Dorgan (ND)	Jontz
Alexander	Downey	Kanjorski
Anderson	Durbin	Kaptur
Andrews	Dwyer	Kasich
Anthony	Early	Kastenmeier
Applegate	Eckart	Kennedy
Aspin	Edwards (CA)	Kennelly
Atkins	Edwards (OK)	Kildee
Baker	Emerson	Kleczka
Barnard	English	Kolbe
Bartlett	Erdreich	Kolter
Bateman	Espy	Kostmayer
Bates	Evans	LaFalce
Beilenson	Fascell	Lagomarsino
Bennett	Fawell	Lancaster
Bentley	Fazio	Lantos
Bereuter	Feighan	Laughlin
Berman	Fish	Leach (IA)
Bevill	Flake	Leath (TX)
Bilbray	Flippo	Lehman (CA)
Boehlert	Foglietta	Lehman (FL)
Boggs	Frank	Lent
Bonior	Frost	Levin (MI)
Borski	Gallegly	Levine (CA)
Bosco	Gejdenson	Lewis (CA)
Boucher	Geren	Lewis (GA)
Boxer	Gibbons	Lipinski
Brennan	Gillmor	Livingston
Brooks	Gilman	Lloyd
Broomfield	Glickman	Long
Browder	Goodling	Lowey (NY)
Brown (CA)	Gordon	Luken, Thomas
Bruce	Gradison	Lukens, Donald
Buechner	Grandy	Machtley
Bustamante	Grant	Madigan
Byron	Green	Manton
Callahan	Guarini	Markey
Campbell (CO)	Gunderson	Martin (IL)
Cardin	Hall (OH)	Martin (NY)
Carper	Hall (TX)	Martinez
Carr	Hamilton	Matsui
Chandler	Hansen	Mazzoli
Chapman	Harris	McCloskey
Clarke	Hatcher	McCollum
Clay	Hawkins	McCrery
Clement	Hayes (IL)	McCurdy
Clinger	Hayes (LA)	McDade
Coleman (MO)	Hefner	McDermott
Coleman (TX)	Henry	McGrath
Collins	Herger	McHugh
Condit	Hertel	McMillan (NC)
Cooper	Hochbrueckner	McMillen (MD)
Costello	Hopkins	Meyers
Courter	Horton	Mfume
Cox	Houghton	Miller (CA)
Coyne	Hoyer	Miller (WA)
Crockett	Hubbard	Mineta
Darden	Huckaby	Moakley
Davis	Hughes	Molinari
de la Garza	Hutto	Mollohan
DeFazio	James	Montgomery
Derrick	Jenkins	Moody
Dickinson	Johnson (CT)	Moorhead
Dicks	Johnson (SD)	Morella
Dingell	Johnston	Morrison (WA)
Dixon	Jones (GA)	Mrazek
Donnelly	Jones (NC)	Murphy

Murtha	Rose	Stenholm
Myers	Roukema	Stokes
Nagle	Rowland (CT)	Studds
Natcher	Rowland (GA)	Swift
Neal (MA)	Roybal	Synar
Neal (NC)	Sabo	Tallon
Nelson	Saiki	Tanner
Nielson	Sangmeister	Tauke
Oakar	Sarpalius	Tauzin
Oberstar	Sawyer	Taylor
Obey	Schaefer	Thomas (CA)
Olin	Scheuer	Thomas (GA)
Ortiz	Schiff	Thomas (WY)
Owens (UT)	Schneider	Torres
Oxley	Schroeder	Torricelli
Pallone	Schuette	Traficant
Parker	Schulze	Traxler
Pashayan	Schumer	Udall
Patterson	Sensenbrenner	Unsoeld
Paxon	Sharp	Valentine
Payne (NJ)	Shumway	Vander Jagt
Pelosi	Shuster	Vento
Penny	Sikorski	Visclosky
Perkins	Sisisky	Volkmer
Petri	Skaggs	Walgren
Pickett	Skelton	Walsh
Pickle	Slattery	Washington
Porter	Slaughter (NY)	Waxman
Poshard	Smith (IA)	Weldon
Price	Smith (TX)	Wheat
Pursell	Smith (VT)	Whittaker
Rahall	Smith, Robert (OR)	Williams
Rangel	Snowe	Wise
Ravenel	Solarz	Wolf
Ray	Solomon	Wolpe
Rhodes	Spence	Wyden
Richardson	Spratt	Wylie
Ridge	Staggers	Yates
Rinaldo	Stallings	Yatron
Ritter	Stangeland	Young (AK)
Robinson	Stark	Young (FL)
Roe	Stearns	
Rogers		

NAYS—65

Armey	Gallo	Packard
Ballenger	Gekas	Quillen
Barton	Gonzalez	Roberts
Bilirakis	Goss	Rohrabacher
Bliley	Hammerschmidt	Ros-Lehtinen
Brown (CO)	Hancock	Roth
Bunning	Hastert	Saxton
Burton	Hefley	Shaw
Combest	Hiler	Shays
Conyers	Holloway	Skeen
Coughlin	Hunter	Slaughter (VA)
Craig	Hyde	Smith (NE)
Crane	Inhofe	Smith (NJ)
Dannemeyer	Jacobs	Smith, Robert (NH)
DeLay	Kyl	
Dellums	Lewis (FL)	Stump
DeWine	Lightfoot	Sundquist
Dornan (CA)	Lowery (CA)	Upton
Douglas	Marlenee	Vucanovich
Dreier	McCandless	Walker
Duncan	McEwen	Weber
Fields	Owens (NY)	Weiss

ANSWERED "PRESENT"—1

Bryant

NOT VOTING—39

Annunzio	Gingrich	Regula
Archer	Gray	Rostenkowski
AuCoin	Hoagland	Russo
Campbell (CA)	Ireland	Savage
Coble	Mavroules	Serrano
Conte	McNulty	Smith (FL)
Dymally	Michel	Smith, Denny (OR)
Dyson	Miller (OH)	
Engel	Morrison (CT)	Towns
Ford (MI)	Nowak	Watkins
Ford (TN)	Panetta	Whitten
Frenzel	Parris	Wilson
Gaydos	Payne (VA)	
Gephardt	Pease	

□ 1204

Mr. DUNCAN and Mr. JACOBS changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. (Mrs. UNSOELD). Pursuant to House Resolution 457 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4739.

□ 1205

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes with Mr. DURBIN (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, September 11, 1990, it had completed consideration of the following subject areas: First, acquisition work force; and second, homeporting.

Pursuant to House Resolutions 457 and 461, and the order of the House of Tuesday, September 11, 1990, the Committee of the Whole will engage in general debate in the following subject areas as specified: First, 30 minutes on burden sharing; second, 60 minutes on appropriate levels of funding for the strategic defense initiative; third, 30 minutes on the strategic defense initiative; fourth, 40 minutes on base closing; fifth, 40 minutes on economic adjustment; and sixth, 20 minutes on the B–2 bomber.

General debate on these subjects will be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, except for the subject of economic adjustment, which will be divided as specified in section 2(a)(4) of House Resolution 461.

DEFENSE BURDEN SHARING

It is now in order to debate the subject of defense burden sharing.

Pursuant to the rule, the gentlewoman from Colorado, [Mrs. SCHROEDER], will be recognized for 15 minutes and the gentleman from New York [Mr. MARTIN], will be recognized for 15 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, the rule provides one-half hour of debate on burden sharing, following by 10 minutes of debate and a vote on each of three amendments. The amendments are all of considerable importance:

DAVE MARTIN's amendment to strike the dual basing and Crotone prohibition from the bill;

DAVE BONIOR's amendment to force the reduction of United States troops in Japan unless the Japanese pay all the costs of stationing United States troops in Japan; and

BOB MRAZEK's amendment to set a troop ceiling on the number of United States troops in Korea.

I will discuss each of these amendments later.

BURDEN SHARING IN THE PERSIAN GULF

In the limited time I have, I want to say loudly and clearly on the record, that our allies are not doing their fair share to stop Iraqi aggression on the Arabian Peninsula. And, it is not just me saying this. Listen to British Prime Minister Margaret Thatcher:

It is sad that at this critical time Europe has not fully measured up to expectations. The only countries in Europe which have done significantly more than the minimum are Britain and France. It's not what you say that counts but what you do.

We cannot expect the United States to go on bearing major military and defense burdens worldwide, acting in effect as the world's policeman, if it does not get a positive and swift response from its allies when the crunch comes—particularly when fundamental principles as well as their direct interests are just as much at stake.

Prime Minister Thatcher is right.

I include in my full statement a listing of how each country is acting in response to the Iraqi invasion of Kuwait. This list was gathered from the public media. Getting official information from the administration on burden sharing has been quite difficult.

REFERENCES: COUNTRY ACTIONS ON IRAQI-KUWAIT

Warning: This is not a complete listing; it reflects positions reported in recently available media.

Afghan Mujahideen: Participating in Joint Arab-Islamic Force to defend S. Arabia [WP 08/29/90, A16].

Argentina: Oil and trade embargo, WT 08/17/90, 11.

Australia: Oil embargo; two frigates and supply ship to Gulf; plans to interdict Iraqi shipping to enforce UN sanctions, WT 08/17/90, 11.

Austria: Oil and trade embargo, WT 08/17/90, 11. Permitting U.S. military aircraft overfly en route to Persian Gulf, WP 08/22/90, A29.

Bahrain: Granted aircraft staging rights to U.S., WP 08/22/90, A29.

Bangladesh: Announced it would send "token military contingent" to supplement force assembling in S. Arabia, WP 08/16/90, A31. Military sources say likely to send some 5,000 men [WP 08/26/90, p. A24].

Belgium: Oil embargo, froze Iraqi assets; will send 2 minesweepers and a supply ship to enforce sanctions in Gulf, WT 08/17/90, 11.

Brazil: Oil and arms embargo, WT 08/17/90, 11.

Britain: Has one destroyer, two frigates, and three minesweepers in PG [WP 08/08/90, A1, A12, A14]. Sent one fighter aircraft squadron to Oman and one to Saudi Arabia [WP 08/09/90, A33, A37]. Oil and arms embargo; froze Iraqi assets; two fighter aircraft squadrons, incl. 1,000 men, to back U.S. force in Saudi Arabia; offered U.S. use of bases to launch operations against Iraq; plans to interdict Iraqi shipping to enforce U.N. sanctions, WT 08/07/90, 11. Ships in Gulf under West Europe Union (WEU) command, NPR 08/21/90, 1735 EST. Four warships in PG and three minesweepers heading there; will send 12-aircraft squadron on Tornado fighter-bombers to Bahrain to supplement 12 in S. Arabia and 12 Jaguar jets in Oman [WP 08/26/90, p. A24].

Bulgaria: Oil and trade embargo, WT 08/17/90, 11.

Canada: Oil and economic embargo; sent two destroyers and a supply ship to aid "multinational" fleet in Gulf, WP 08/17/90, 11.

Chile: Oil, trade, arms embargo, WT 08/17/90, 11.

China: Arms Embargo, WT 08/17/90, 11. Considering resuming food shipments to Iraq [WP 09/08/90, A13].

Colombia: Plans to boost oil production to cover loss from UN embargo, WT 08/17/90, 11.

Cuba: Reportedly involved in air shipping military-related equipment to Iraq [WT 08/30/90, 1].

Cyprus: Oil and trade embargo, WT 08/17/90, 11.

Czechoslovakia: Oil, trade, arms embargo, WT 08/17/90, 11.

Denmark: Oil, trade embargo; would join naval blockade of Iraq if authorized by UN, WT 08/17/90, 11.

Egypt: Send estimated 5,000 troops to S. Arabia, WP 08/19/90, A33. According to U.S. officials, willing to send two army divisions (over 30,000), WP 08/14/90, A1. Begun sending a mechanized infantry division (12,000 personnel) and artillery batteries to S. Arabia "to bolster U.S. forces and an all-Arab defense force", WP 08/22/90, A24. 5,000 troops in Saudi Arabia, at Hafr al-Batin, including 2,000 special forces [WP 08/26/90, pp. A21, A24]. 2,000 troops in Saudi Arabia [discrepancy with previous figure of 5,000; may be a case of only counting the special forces troops]; Egypt has agreed with Saudi Arabia to send two army divisions (30,000 personnel) with tanks and artillery [WP 09/09/90, A25]

Finland: Oil, trade embargo, WT 08/17/90, 11.

France: Oil, arms embargo; froze Iraqi asets; increased naval and air forces in Gulf but only under French command, WT 08/17/90, 11. Foreign Ministry announced instructions to naval units to apply "measures of verification, control and constraint" (apparently boarding, using radio interrogation, possibly warning shots), WP 08/20/90, A15. Pres. Mitterand announced ground reconnaissance forces would be part of troop contingent to be sent to Arabian Peninsula, WP 08/22/90, A29. Ground forces troops sent to UAE consist of 180 paratroopers who are "specialists in field intelligence"; technical advisors sent to Saudi Arabia will service 15 Mirage F-1 fighter aircraft recovered from Kuwaiti air force [WP 08/24/90, A31]. Has 3,500 men aboard four warships in Gulf; aircraft carrier Clemenceau en route; agreed to send reconnaissance units to UAE and military instructors to S. Arabia. Combat planes, warships, and troops from Djibouti and Indian Ocean bring total strength to 8,500 men [WP 08/27/90, p. A24].

Germany, E: Oil, trade embargo, WT 08/17/90, 11.

Germany, W: Considering changing constitution to permit troops to be sent to Middle East, NPR 08/21/90, 1705 EST. Oil embargo, froze Iraqi assets; offered U.S. use of bases to launch operations against Iraq; "Sending 4 or 5 minesweepers to Gulf", WT 08/17/90, 11. Sent three mine hunters, two minesweepers and a tender to the east Mediterranean to replace U.S. ships diverted to Gulf; will provides U.S. with 10 Fuchs vehicles designed to test air for CW agents [WP 08/26/90, p. A24].

Greece: Embargoed oil, allowed U.S. warplanes to overfly to Gulf, WT 08/17/90, 11. Announced it will send "military ships to the Middle East to join French and British air and naval units", WP 08/22/90, A29.

Hungary: Oil, trade embargo, WT 08/17/90, 11.

India: Considering resuming food shipments to Iraq [WP 09/08/90, A13]

Iran: Announced on 08/13 that it would abide by UN resolution ordering economic sanctions against Iraq, 73 AP 08/20/90, 0913 PET. Considering resuming food shipments to Iraq [WP 09/08/90, A13].

Italy: Oil, arms embargo; froze Iraqi assets, WT 08/17/90, 11. Announced it will send "military ships to the Middle East to join French and British air and naval units", WP 08/22/90, A29. Two frigates heading for the Gulf [WP 08/26/90, A24].

Ivory Coast: Oil, trade embargo, WT 08/17/90, 11.

Japan: Oil embargo, no trade or aid, WT 08/17/90, 11. Pledged economic assistance to Egypt to help its economy recover from effects of PG crisis; similar pledge to Jordan if it helps enforce UN sanctions against Iraq (Japanese constitution bars sending troops overseas) [WP 08/23/90, p. A40]. Premier Kaifu announced aid package on 08/29/90: send medical team of 100 pers; help with transport; help finance efforts by countries participating in multinational effort; provide financial assistance to countries affected by crisis, incl. immediate grant of $10 million+ to Jordan [Embassy of Japan, Washington, Press Release 08/29/90]. Promised $1 billion in supplies and transit aid to gulf force, plus further aid to countries near Iraq; Japan Forn Minister said might contribute twice that much; 800 four-wheel drive vehicles already en route on ship Sea Venus for U.S. troops [WP 09/08/90, A15].

Jordan: Will observe UN sanctions, reports say helping Iraq break embargo thru port of Aqaba, WT 08/17/90, 11. Concern about leakage of embargoed goods thru Jordan remains high in State Dept and White Hosue / but / Pentagon spokesman says flow of goods thru Aqaba has virtually stopped [WT 08/30/90, 1].

Korea, S: Will observe U.N. sanctions, WT 08/17/90, 11.

Korea, N: Reportedly involved in air shipping military-related equipment to Iraq [WT 08/30/90, 1].

Kuwait: Exiled emir offered $5 billion this year to help pay US mil deployment and compensate affected states, divided about evenly between Desert Shield and embargo relief [WP 09/08/90, 1].

Libya: Qadhafi would support naval blockade if approved by UNSC; criticized US moves to impose blockade without UN approval; voted against 10 Aug Arab summit resolution to condemn invasion and send an Arab force to Saudi Arabia, WP 08/21/90, A6, A11. Air shipments of weapons getting through to Iraq [WT 08/30/90, 1].

Luxembourg: Oil embargo, froze Iraqi assets, WT 08/17/90, 11.

Malaysia: Oil, trade embargo, WT 08/17/90, 11.

Mauretania: Cited by unnamed admin officials as defying UN trade embargo [WT 08/30/90, 1].

Morocco: Sent estimated 1,000 troops to S. Arabia, WP 08/19/90, A33 (between 600 and 1,000 with a promise of more, WP 08/22/90, A24). In Hafr al-Batin, Saudi Arabia: 1,000-man contingent from a motorized brigade that saw combat service in W. Sahara [WP 08/26/90, pp. A21, A24]. Provided 2,000 troops, dispersed along Saudi northern and northeastern border [WP 09/05/90, A22].

Netherlands: Oil embargo, froze Iraqi assets (but allowing Dutch company to continue work on Iraqi port); will send two frigates "to join multinational force in Gulf", WT 08/17/90, 11.

New Zealand: Oil, trade embargo, WT 08/17/90, 11.

Niger: Decided to send symbolic military detachment to S. Arabia, according Saudi FonMin official [FBIS, Dakar PANA 1112 GMT 7 Sep 90].

Nigeria: Plans to boost oil production, WT 08/17/90, 11.

Norway: Oil, trade embargo, WT 08/17/90, 11.

Oman: Granted aircraft staging rights to U.S., WP 08/22/90, A29.

Pakistan: Will contribute troops to help protect S. Arabia, WT 08/17/90, 11. According to U.S. officials, committed to send 5,000 to "multinational force", WP 08/09/90, A37. Committed 5,000 troops to military effort but none arrive yet [WP 09/05/90, A22].

Panama: Oil, trade embargo, WT 08/17/90, 11.

Philippines: Oil, trade embargo, WT 08/17/90,11.

Poland: Oil, trade embargo, WT 08/17/90, 11.

Portugal: Oil, trade embargo, WT 08/17/90, 11.

Qatar: Will open military facilities to US-led multinational units [WT 08/29/90, 8].

Romania: Oil, trade embargo, WT 08/17/90, 11. Considering resuming food shipments [WT 08/30/90, 1].

S. Arabia: Invited U.S. troops, reported ready to boost production by 2 mbd (about ½ of Iraqi-Kuwaiti production), WT 08/17/90, 11. King Fahd gave US an explicit commitment to devote billions of dollars in windfall oil revenues to underwrite US mil deployment and ease burdens on Egypt, Turkey, Jordan [WP 09/07/90, 1]; including fuel, transportation, water, and other necessities for US forces [WT 09/08/90, 1].

Singapore: Oil, trade embargo, WT 08/17/90, 11.

Solomon Is.: Oil, trade embargo, WT 08/17/90, 11.

Spain: Oil, trade embargo, WT 08/17/90, 11. Announced it will send "military ships to the Middle East to join French and British air and naval units", WP 08/22/90, A29. A frigate and corvettes heading "to the area" [WP 08/26/90, A24].

Sri Lanka: Oil, trade embargo, WT 08/17/90, 11. Wavering in spt of UN sanctions; US warship blocked freighter delivering goods bound for Iraq on 08/28; noted that Sri Lanka is major supplier of tea to Iraq [WT 08/30/90, 1].

Senegal: Pres announces will dispatch military contingent to S. Arabia; demanded immed/uncondit Iraqi withdrawal and reinstatement of Sabah regime [FBIS Paris

AFP 1914 GMT 4 Sep 90, also noted in WP 09/07/90, A30].

Sudan: Cited by unnamed admin officials as defying UN embargo on Iraq [WT 08/30/90, 1].

Sweden: Oil, trade embargo, WT 08/17/90, 11.

Switzerland: Oil, arms embargo; froze assets, restricted other trade, WT 08/17/90, 11.

Syria: Pledged unspecified size contingent to S. Arabia, WP 08/19/90, A33 (unofficially reported to have sent 1,200, WP 08/22/90, A24). In Hafr al-Batin, Saudi Arabia: 1,200-man contingent, from special forces [WP 08/26/90, pp. A21, A24]. Provided 3,200 troops [possible this is misprint for early figure of 1,200], dispersed along Saudi northern/northeastern borders [WP 09/05/90, A22].

Tunisia: Considering resuming food shipments to Iraq [WT 08/30/90, 1].

Turkey: Froze Iraqi assets, refused to allow ships to load Iraqi oil at terminus of Iraqi pipeline; Parliament approved measures to allow government to declare war on Iraq, WT 08/17,90, 11. Reinforced Second Army group defending southern border by 10,000 men, for total of 70,000 in the area; U.S. fighter-bombers based in Turkey within striking distance of Iraq [WP 08/26/90, p. A24].

UAE: Cheney announces UAE agreement to host U.S. C-130 unit with support personnel, WP 08/21/90, A5, A7. Announced would raise oil production to compensate for boycott [WP 08/30/90, A33,37].

Uruguay: Oil, trade embargo, WT 08/17/90, 11.

USSR: Arms embargo; two warships sent to Gulf to protect Soviet shipping, WT 08/17/90, 11. Soviet Defense Ministry said 193 Soviet military personnel still in Iraq, teaching Iraqi soldiers how to use, repair and maintain Soviet-made weapons; will leave Iraq "after they have reached their contractual obligations." WP 08/23/90, A38. Voted for UNSC Res. 665 but "we have no plans to use force or take part in such an operation" . . . will "carry out its responsibility" if UNSC decides to set up an international force in the Gulf [WP 08/27/90, A13]. Gorbachev said number of Soviet military experts in Iraq was 196 (presumably before invasion), but number has dropped to about 150 [WP 09/10/90, A20].

Venezuela: Plans to boost oil production, WT 08/17/90, 11.

Yemen: "Will help Iraq break U.N. sanctions". WT 08/17/90, 11. Agreed to turn away an Iraqi oil tanker, 352 AP 08/21/90 0345 AET (conflicting info on off-loading, WP 08/22/90, A24. Briish For'n Minister claimed Yemen violated embargo. Yemen officials said Iraqi tanker, Ain-Zaleh, carrying 20,000 tons of Iraqi crude, stopped unloading cargo five hours after it docked at Aden on 08/21/90; also denied reports it was allowing Iraqi aircraft to pick up food in Yemen [WP 08/26/90, p. A24]. Air shipments of food getting through to Iraq. [WT 08/30/90, 1]

Yugoslavia: Considering resuming food shipments to Iraq [WT 08/30/90, 1]

Arab League: Adopted resolution on Aug. 3 condemning invasion and calling for withdrawal of Iraqi troops by vote of 14 to 5, with Libya and Iraq not participating in the vote. Special Arab summit meeting on Aug. 11 confirmed previous resolution, rejected Iraq's annexation of Kuwait, denounced Iraqi threats to Gulf states by vote of 12 to 3, with 2 absentions, 3 not voting, and one absentee. Also agreed "to respond to Saudi Arabia and other gulf Arab states' request to transfer Arab forces to support their armed forces to defend their land and regional security against any outside aggression. This Arab force reportedly has been expanded into a Joint Arab-Islamic Force comprising troops from the Gulf states, Egypt, Morocco, Syria, Bangladesh, Pakistan, Afghan guerrillas, Senegal, and Niger. Passed resolutions on 09/01/90, demanding Iraq make no demographic or border changes re Kuwait; calling on Iraq to annul annexation; pay reparations to Kuwait; allow all fonnatls to leave Kuwait and Iraq; protect civs; allow embassies to operate in Kuwait. Passed by 12 to 1 (Libya); not attending: Algeria, Tunisia, Sudan, Mauretania, Jordan, Yemen, PLO [WP 09/02/90, A34].

Gulf Cooperation Council: [1] As part of the council's defense agreement, they have a joint force (called "Peninsula Shield") consisting of 10,000 troops, including reservists called up during the current crisis), committed to help defend Saudi Arabia and the Gulf states [WP 09/05/90, A22].

European Community: Agreed to send $2 billion emergency aid package to Turkey, Jordan, and Egypt to help offset embargo effect [WP 09/08/90, A13].

West European Union: Six member states (out of nine [2]) agree to coordinate naval forces under a European command, NPR 08/21/90, 1805 EST. WEU foreign ministers decided on coordinated military response, urged UNSC to give Persian Gulf forces more power to help enforce UN sanctions. Per communique, all warships will remain under their national commands; coordination will extend to zones of operation, task sharing, logistical support, info exchange. Only Portugal "expressed reservations" about joining in multinational military effort. 35 AP 08/21/90, 0906 PET. Foreign and Defense Ministers of 9-nation WEU agreed to expand naval operations in the Middle East and share responsibility with the United States for enforcing UN sanctions against Iraq. Senior military official from WEU countries will meet on 08/24/90 to work out the "the sharing of tasks, logistical support and exchange of intelligence" among their forces. WP, 08/22/90, pp. A23, A29.

The administration knows how to say the words "burden sharing"; there is still a question as to whether they know what it means. Let me talk about what some of our key allies are doing.

France has reinforced its naval, air, and ground presence in the Persian Gulf area. The United Kingdom has deployed additional air and naval assets, but no ground troops. Other NATO allies—Belgium, Canada, Italy, the Netherlands, and Spain—are each sending a ship or two, but not putting any soldiers or aviators on the ground. Our European allies have rebuffed U.S. suggestions that they help defray the cost of the U.S. military effort in the gulf.

Germany, highly dependent on Persian Gulf oil and our best friend when Germany needed our support for unification, has told us to stick it in our ear. No troops, no ships, no money, no help, nein danke. Perhaps, the most offensive aspect of the German debate was the view expressed by the proponents of German participation that they should help out as a show of gratitude for President Bush's support of German unification. Germany should do its part in the Persian Gulf because it is in the interest of Germany as a member of the community of nations. Burden sharing is not a matter of returning favors. It is a matter of sharing the common responsibility and burden.

The European Community, as a group, has decided to aid the front line nations of Turkey, Egypt, and Jordan. The amount of aid being discussed places no strain on any European treasury. This joint effort may, however, have the effect of preempting more responsible contributions from more responsible allies.

If burden sharing by our NATO allies in the gulf crisis is bleak, the situation with Japan is grim. Japan has said it will provide $1 billion in support to the United States. On questioning, however, it turns out that the $1 billion figure is just the limit. Japan will have to approve expenditures on a project-by-project basis. The first approved project, sending four wheel drive vehicles, ran into problems when the seamen on the ship refused to sail. And, like so much of Japan's aid, Japan sets the conditions. Japan will not give us money to buy Jeep Wagoneers. Rather, Japan will send us Toyota Land Cruisers. Japan has also said it would aid the front-line states. Last night, Tokyo announced that this aid package would come to $2 billion. But as we know from the Kuwaiti reflagging exercise, Japan takes a long time to negotiate aid packages, Japan restricts the use of the money, ties the purchases, and strongly prefers loans to grants. In other words, it is likely that a large chunk of this $2 billion will be for loans. It is hard to give the Japanese credit for loaning $2 billion which they will be repaid.

The countries in the Middle East—Turkey, Egypt, Kuwait, Saudi Arabia, Syria, Morocco, Qatar, Bahrain, Oman, and the UAE—are sending troops and contributing money to the fight. They are the ones in the center and they are making the large sacrifices.

The Pentagon is talking about $1 billion or more a month to support the operation. The committee is trying to parse this figure to find out what these costs are. It appears that some

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[1] Gulf Cooperation Council is a sub-regional economic and defense grouping established in 1981; consists of Saudi Arabia, Kuwait, Bahrain, Qatar, United Arab Emirates, and Oman.

[2] Members include France, Britain, W. Germany, Italy, Belgium, Netherlands, Spain, Portugal, and Luxembourg. The six nations participating in naval deployments to Persian Gulf appear to be France, Britain, Italy, Belgium, Netherland, and Spain.

of these costs—oil and water—will turn out to be unnecessary because the Saudis will provide these vital resources at no cost. Still, the costs are very high. And our allies should have the same interests we do: The interest in stopping Saddam Hussein from invading and annexing independent nations, the interest in preserving the free flow of oil, the interest in supporting allies. Our allies should respond to these interests by supporting Operation Desert Shield militarily and financially.

With a few exceptions, the efforts of our allies have been far too little. They have let Uncle Sucker do their heavy lifting for them again.

As a result, I would love to pass an amendment saying that our allies have failed us again in the Persian Gulf crisis; that they are not sharing their part of the common defense burden; that Americans are tired of having to protect free commerce and to stop military aggression all by themselves. Unfortunately, such an amendment is not in order. What is in order are three amendments filed before Saddam Hussein set foot in Kuwait.

Let me address the Bonior and Mrazek amendments before going into great detail on the Martin amendment.

BONIOR AMENDMENT

The Bonior amendment is attractive in that it gives the Japanese a good swift kick. And, that is something for which I would love to vote. Still, the Bonior amendment has a number of major problems:

First, the amendment has nothing to do with Japan's poor showing on burden sharing in the Persian Gulf. It addresses the presence of United States troops in Japan.

Second, the Bonior amendment would force the reduction in the number of United States troops stationed in Japan if the Japanese did not pay the bill. The problem is that United States forces are stationed in Japan for American security interests, as well as Japanese security. By withdrawing our troops, based solely on Japanese performance and without regard to our own security calculations, we may be punishing ourselves more than the Japanese.

Third, the amendment kicks the Japanese. The Germans, in particular, deserve reproach even more than the Japanese. At least the Japanese pick up about half of the direct costs of our troops—excluding compensation costs. Will we send a wrong message to Bonn if we pass the Bonior amendment without passing something even more offensive to the Germans?

Fourth, the Bonior amendment will be greeted with great anger in Tokyo. Maybe, that would do some good. I fear, however, that if we pass the Bonior amendment now, the paltry amount the Japanese have already committed to the Persian Gulf operation may vanish and hopes for more appropriate help will disappear.

Fifth, the Bonior amendment could be read to require the Japanese to pay for the salaries of our service members stationed in Japan. I believe in burden sharing and cost sharing. However, I am a little troubled by turning our soldiers, sailors, and fliers into mercenaries.

Sixth, Congress passed a strong and clear provision last year telling the Japanese what we expect of them. The Bonior amendment changes and raises the demand. We ought to be looking for ways to enforce last year's requirement on the Japanese before changing the standard. And, we should find a way to send the Japanese a clear message about the Persian Gulf.

I believe the Bonior amendment should be defeated. Still, I want the Government of Japan to know that Congress is mad as hell at their inadequate burden sharing in the Persian Gulf.

MRAZEK AMENDMENT

The Mrazek amendment would establish a troop ceiling on United States troops in Korea at 30,000, of which 20,000 would be Army. The administration hates troop ceiling, including the longstanding European troop ceiling, claiming that such congressional limitations are unconstitutional.

There have been three recent changes in Korea which should lead to a decline in the United States troop presence in Korea.

First, the Korean Army has become first rate. This means that the Koreans can take over much more of the command and ground combat role.

Second, Korea has prospered economically but has done little to defray the cost of the American presence. The Republic of Korea has enjoyed economic growth at nearly 10 percent a year. But, for the Koreans, burden sharing has meant that they would buy us a new golf course so that they could take over the golf course at Yongsan in Seoul.

Third, North Korea is beginning to squirm under international isolation losing its traditional allies to the winds of change sweeping across the Soviet Union. The two Koreas have just had the first Prime Ministers' meeting in their history and more are scheduled. North Korean leader Kim Il Sung says he is interested in reducing tensions at the DMZ.

Adm. Huntington Hardesty, our Pacific forces commander in chief, has announces that American presence in Korea will drop. And, the Defense Department, in answer to language in last year's defense authorization bill, has told us that they plan to reduce United States troops in Korea to 37,000 by December 31, 1992. That is about 7,000 higher than called for in this amendment. Pentagon planners have been projecting the American presence in Korea based on a higher end strength than in this bill. And, this amendment provides until September 30, 1993, to reach the lower level in Korea.

So, the Mrazek amendment is not inconsistent with Pentagon plans and is not inconsistent with the troop levels contained in this bill. The only question is whether we should legislate a troop ceiling. I will vote for the Mrazek amendment to let the Pentagon know that it is time to start reducing our troop level in Korea at a rate consistent with the new realities in Korea as well as the end strengths provided for in this bill.

MARTIN AMENDMENT

The Martin amendment would strike two sections of the authorization bill, section 2801 (dual basing) and section 2802 (Crotone). Dave Martin moved to strike these provisions in subcommittee—failing by a vote of 7 to 11—and in full committee—failing by a vote of 22 to 32.

I consider the dual basing and Crotone provisions to be key elements of the American defense posture of the future. Each provision moves us from the fixed position, forward deployed, NATO-oriented, expensive military of the 1980's to the mobile, flexible, worldwide deployable, and lower cost force we will need in the future. Operation Desert Shield has demonstrated the wisdom of the Armed Services Committee votes on these issues.

DUAL BASING

Section 2801 directs the Secretary of Defense to provide for the dual basing of units of the Army, Air Force, and Marine Corps by March 1, 1994. Dual basing means that most units would be permanently stationed in the United States and would forward deploy for short-term assignments to foreign bases—which would be provided by the host government—for training and exercises. In other words, dual based troops would be permanently based at a military installation in the United States and would face 3-month or 6-month assignments to a post overseas.

By March 15, 1991, the Secretary of Defense would be required to report on which units should be exempted from dual basing because dual basing would render the unit incapable of performing its mission. The Secretary's determination is solely within his discretion. Units involved in intelligence gathering, maintaining and securing prepositioned war material, maintaining liaison with host nations, and providing for the reception of rotated or reinforcing troops would certainly be exempt from dual basing.

The administration argues that we should retain heavy forward deployment of troops abroad to provide regional and global stability. With de-

clining budgets, reduced Soviet threat, and decreased tolerance for the stationing of U.S. troops by other countries, that is not an option. The choice for the future is between homebased which forward deploy to provide an American security presence and homebased troops which do not forward deploy. In 5 years, we will not have 450,000 troops stationed abroad. We may have 100,000. Dual basing provides us with access and influence throughout the world, at lower cost, with less intrusion on the sovereignty of other nations, and with less possibility of unwanted confrontation.

The experience with Desert Shield shows that dual basing works and is needed. Not one soldier or one tank has come out of Europe to support our buildup in Saudi Arabia. Why? Perhaps, we did not want to renege on any of our commitments to NATO. Perhaps, the troops in Europe are structured and trained only to fight on the plains of central Europe. Whatever the reason, the large, heavy permanent troops presence in Europe has interfered with and added to the cost of meeting a real crisis in the Persian Gulf. Dual basing would eliminate this problem.

The cost savings from dual basing will be immense. No longer will we have to support bakers, barbers, budgeteers, and bartenders at little American cities on the banks of the Rhine. As between having 100,000 Army troops permanently stationed in Europe and having 100,000 permanently based in the United States with 25,000 forward deploying for 6 months at a time, the savings are more than $700 million a year, according to a CBO estimate. With the reductions in the size of the military coming about in any case, there is no need to build new bases to accommodate troops in the United States. Dual basing would require no new construction in the United States. It would mean, however, that some domestic bases which might otherwise close would have to be kept open.

Essentially, the Pentagon knows that dual basing is the way to go in the future. The administration opposes mandating dual basing by law, however. Section 2801 mandates a dual basing program, but does not specify how many troops can remain permanently based abroad or in which countries. In other words, passage of section 2801 would force rapid transition to dual basing, but would not usurp any basing or foreign policy judgments which now reside in the administration.

If we do not pass the dual basing language, however, I fear that bureaucratic inertia, NATO politics, and preoccupation with the Middle East will mean that no reduction in our permanent overseas basing will occur. Section 2801 will force the administration to get serious about reducing our overseas basing structure and will permit this reduction to take place in a way that meets our commitments.

CROTONE

Section 2802 provides that no funds available to DOD may be used to relocate functions at Torrejon, Spain, on June 15, 1989, to Crotone, Italy, or any other location outside the United States. This prohibition applies to contributions to the NATO Infrastructure Program as well.

The United States currently has 72 F-16 fighter aircraft stationed at Torrejon, Spain, just outside Madrid. Last year, the United States and Spain negotiated a new base rights agreement which prohibits us from continuing to station the planes at Torrejon after May 9, 1992. The administration and NATO decided it was essential to keep the F-16's in the southern region of NATO. They persuaded Italy to host the planes. The NATO Infrastructure fund—28 percent of which is made up of American contributions—is supposed to pay for most of the facilities. The United States pays for the rest. Under last year's defense authorization bill, the U.S. payment to build Crotone is limited to $360 million.

Last year's authorization bill attempted to force our NATO allies to more fairly share the cost of meeting our defense needs in Europe. With the spectacular change in the world over the last year, we do not need a new base at all. The CFE agreement will likely result in vacant runaway, apron, and hangar space elsewhere in Europe. The planes could be stationed in the United States, either with the Active Forces or the Reserves, and be deployed to Europe in time of crisis.

The General Accounting Office has just completed a massive review of the Crotone project. Their report is classified. But I do have a letter from GAO recommending that we consider delaying the project until questions about mission, alternatives and cost are answered. I include the text of that letter in the RECORD.

U.S. GENERAL ACCOUNTING OFFICE,
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION,
September 11, 1990.

B-235882.

Hon. PAT SCHROEDER,
Chairwoman, Subcommittee on Military Installations and Facilities, Committee on Armed Services, House of Representatives.

Hon. DAVID MARTIN,
Banking Minority Member, Subcommittee on Military Installations and Facilities, Committee on Armed Services, House of Representatives.

On September 4, 1990, we provided you our draft report concerning the relocation of the 401st Tactical Fighter Wing from Torrejon, Spain. We are finalizing this report in response to your November 15, 1989, request. Our report addresses (1) how political and military changes in Europe may have affected the need for a new peacetime training base at Crotone, Italy, to accommodate the 401st; (2) whether Department of Defense (DOD) cost estimates for building and relocating to a new base are accurate; and (3) whether DOD has fully analyzed alternatives to a new base at Crotone.

Subcommittee Chairwoman Schroeder asked for an unclassified summary of our findings and conclusions to use in congressional debate on September 11, 1990. Because of the extent of classified information in the report, however, we cannot provide a full summary. We hope the following information, which is discussed more fully in the report, meets you current needs.

Since 1988, when NATO decided to build Crotone as a peacetime base for the 401st, significant events in Europe have substantially changed the relationship between NATO and the Wawsaw Pact countries. These changes raise questions about the role of the 401st and where it should be based. Until questions about the 401st's future missions are resolved, the Congress cannot be sure that the U.S. share of NATO construction costs for Crotone represents a wise allocation of funds, given U.S. budget deficit problems and competing national priorities.

DOD has estimated that the costs to relocate the 401st and other units at Torrejon will be about $320 million. This estimate is not based on the best available data, does not include some potentially significant costs, and understates some known costs. Although DOD is not likely to exceed the congressionally imposed cap of $360 million because it expires in 1993, a more reliable estimate for the project would be about $412 million. Actual costs could be higher or lower depending on factors such as exchange rate fluctuations and economies of scale realized during construction.

Although DOD has taken some steps to evaluate alternatives to a new base at Crotone for the 401st, DOD and NATO have not fully analyzed the costs and benefits of such options as deactivating the wing, moving it to the United States, moving it to an existing base in Europe, or building a scaled-back base at Crotone. Such alternatives may be more viable today than they where when the initial decision was made to build Crotone.

Existing unresolved operational problems could limit the usefulness of Crotone as a peacetime training base for the 401st.

In our report we are recommending that the Secretary of State, working with the Secretary of Defense and through the U.S. Ambassador to NATO, seek the support of other NATO members in (1) reassessing the 401st's missions and the need for a U.S. tactical fighter wing to be permanently based in NATO's Southern Region; (2) assessing alternatives to Crotone; (3) considering the potential impact of unresolved operational issues; and (4) limiting, to the extent possible, infrastructure fund expenditures for Crotone until the reassessment is completed. We are also recommending that the Secretary of Defense revise DOD's cost estimate to reflect the best available data.

Further, the Congress may wish to consider restricting DOD's use of appropriated funds for relocating the 401st to Crotone until the Secretary of Defense, after consultations with NATO, provides (1) a statement of the 401st's mission that addresses the changed threat and (2) an analysis of alternatives which demonstrates that Crotone is critical despite changing U.S. and NATO military needs, cost, and political considerations.

We provided copies of our draft report to the Departments of Defense and State for comment. We have not yet received comments from either Department. However, DOD provided us a letter on September 7, 1990, that cites the need for additional time to respond to the draft report, notes that DOD has serious reservations about the substance of the report, and outlines some of DOD's concerns (see enclosure). DOD states that our conclusions are based on assumptions relating to the 401st's future roles and missions, which are no longer valid. DOD further states that the report does not consider the impact of nuclear weapons reduction agreements, changes in force structure, and revised basing requirements stemming from the changed threat.

Our conclusions are based on the current stated roles and missions of the 401st and not on assumptions about future roles. Moreover, the report acknowledges that, according to DOD officials, NATO and DOD are reassessing NATO strategy and U.S. force structure in light of the changed threat. We also note that any changes in strategy and structure should be considered in reassessing the need for a U.S. fighter wing in the Southern Region. During our work, we were told that such reviews are still underway and that information concerning the specific changes being considered could not be released.

We hope this information is of value to you. With your concurrence, we can also make copies of the draft available to other Members of Congress as appropriate. We plan to issue our report within the next several days.

FRANK C. CONAHAN,
Assistant Comptroller General.

ASSISTANT SECRETARY OF DEFENSE,
Washington, DC, September 7, 1990.

Mr. FRANK C. CONAHAN,
Assistant Comptroller General, National Security and International Affairs Division, U.S. General Accounting Office, Washington, DC.

DEAR MR. CONAHAN: The Department of Defense (DOD) has serious reservations with the substance and presentation of the GAO Draft Report, "Overseas Basing: United States and NATO Should Reassess the Need for an Air Base at Crotone, Italy," Dated August 31, 1990 (GAO Code 392562), OSD Case 8458.

The report conclusions are based on assumptions relating to future roles and missions for the base at Crotone and the 401st Tactical Fighter Wing that are not valid and have long been acknowledged as such by the DOD. At the same time, the report does not take into account the fact that the DOD has reassessed the need for the base within the context of the emerging new situation in Europe. The report does not consider the impact of nuclear weapons reduction agreements, changes in U.S. forward deployed force structure, revised basing requirements stemming from force reductions in Central Europe and potential NATO out of area interests and support—all of which are crucial considerations in the DOD and NATO's decision to continue with the base. The costs developed in the GAO report are based on raw data and, in some cases, on estimated costs for requirements that have never been validated by the DOD, especially in regard to Military Airlift Command relocation needs. In addition, it does not take into account the fact that, as Secretary of Defense Cheney emphasized to the NATO Allies in November 1989, the Department will abide by the $360 million cap legislation. These errors of omission and unbalanced treatment of factual material seriously degrade this report and its usefulness as a credible reference.

The DOD is also disturbed with the inadequate time allowed to review the report. The GAO submitted the draft to the DOD on the afternoon of August 31, 1990, requesting DOD comments by September 7, 1990. Although advance copies were distributed at that time, formal tasking through the Inspector General's office was not possible until September 4, 1990. This leaves little time for the indepth review this subject deserves and needs. The short review process does not allow senior DOD, Air Force and Joint Chiefs of Staff leaders time to be consulted and have their opinions included. An adequate response could have been provided within the statutory 30-day period.

Sincerely,

STEPHEN J. HADLEY.

DOD says Crotone is needed to provide a rapid reponse nuclear deterrent in the southern region of NATO. But, DOD's analysis does not reflect changes in the threat—both in capabilities and in intensions—and other NATO capabilities in the region—including both U.S. carrier based air power and assets of other NATO nations. Crotone is a peacetime beddown location from which planes forward deploy in crisis. Today, there are few interesting targets within the unrefueled range of an F-16 operating from these bases. If the planes are needed to provide stability in the Middle East, basing should be in Turkey, not Italy. Besides, NATO and Italy, in particular, have never shown much interest in out-of-area missions, such as in the Middle East. Remember: Crotone is a NATO base and the Middle East is not part of NATO's mandate.

A U.S. decision not to go forward with the base would not undermine the alliance. Most of our NATO allies are making their own huge reductions in their defense spending. Britain announced a major reduction of their troops committed to the alliance. More pertinent is the problems we are having with Italy on the air-to-ground training range, joint military-civilian airfield use, air traffic control patterns, archeology, and dual basing. All these problems make Crotone a very troubled base, even without congressional concerns.

In response to last year's defense authorization bill language, DOD revised the U.S. share of the cost of Crotone from $466 million to $320 million. This change was due entirely to U.S. unilateral actions. The allies made no concessions. Rather, DOD achieved savings: By using a more favorable, although unrealistic, exchange rate. DOD assumed an exchange rate of $3.434, while the most recent rate is $4.068. By cutting the number of family housing units to 10 percent below the number of units needed. There is no housing available on the private market in the area of the airbase. By changing the repayment methods of U.S. to NATO for the housing. Unfortunately, NATO has not agreed to this change. By scaling back relocation plans for units at Torrejon other than 401st TFW. The estimate for the new MAC facilities at Rota, for example, is well below what MAC says it should be. Not surprisingly, GAO has told us that the DOD estimate is unrealistically low. In particular, the cost estimate does not include any of the costs of interim basing.

Crotone will not be ready until 1996 or later. The F-16's have to leave Spain by May 9, 1992. This will require interim basing. Current plans call for interim basing in United States, in Germany, and at another Italian base. The interim basing plan may be a good permanent basing scheme.

The Martin amendment strikes both of these provisions. Both section 2801 and 2802 are solid, responsible legislation. Desert Shield has proven the wisdom of the bill reported by the Committee on Armed Services. I urge you to vote no on the Martin amendment.

□ 1210

Mr. MARTIN of New York. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, under the general heading of burden sharing we are going to have three amendments that will come up later this afternoon, perhaps around 4 o'clock to be debated and then voted on in order. I would like to speak about a couple of them in the time I have allotted myself.

First I would like to speak to the amendment that is going to be offered by the gentleman from Michigan [Mr. BONIOR], concerning the Japanese paying for all expenses of our troops stationed in Japan. I want to say at the outset that I share with the gentleman from Michigan [Mr. BONIOR] wholeheartedly the outrage about the pittance that Japan has offered to pay relative to the enormous cost of the crisis presently going on in the Persian Gulf, and my frustrations are at least as high if not higher than this with respect to that.

I would like to point out to the House and to the gentleman something that kind of puts this in a catch-22 situation as we try to express our concern and our outrage, if you will, concerning their offer. Over the past few years as we have worked on this burden sharing issue, and the gentlewoman from Colorado and many Members are concerned about us picking up a disproportionate share of maintaining world peace. The problem is that we have been begging our European allies and friends and others throughout the world to take the Jap-

anese standard in the kinds of things they have done relative to the Japanese facilities improvement program, their willingness to pick up the pay and retirement and all of that as far as Japanese nationals working on our bases. So on the one hand I have the outrage as to what the cost is going to be in the Persian Gulf, and the pittance that they offer, contrasted to that standard, the kind of standard that if all our allies, as the gentlewoman from Colorado [Mrs. SCHROEDER] said so many times, had lived up to of supporting our troops as Japan had done, we would be a lot better off. So we are caught in that situation, and I understand the gentleman's frustration. I would like to support the amendment which will call on them for support, and I want to make sure they pay at least a proportionate share of the cost of our troops being over there in Saudi Arabia at the present time.

The gentlewoman from Colorado [Mrs. SCHROEDER], has spoken on her time about my amendment that relates to, as she pointed out, Crotone, and the dual basing concept. I would like to say only this relative to Crotone, that we have debated that over the course of the last 2 years and it still remains the No. 1 priority of NATO. I do not think this is the time to be bashing NATO of all times, given the situation in the world. But this is going to be the first time that the United States has made a line-item veto and told our NATO allies that that particular project cannot be built.

Second, with respect to the dual basing concept, I want to point out that I spoke to Secretary Cheney only yesterday concerning this. He is unalterably opposed. Why?

It is not that they are not in the process of considering all of these things, and as a matter of fact reducing substantially our troops that are on foreign soil. But this particular proposal that is in the bill that came through the committeee structure, we have not had 1 minute of hearings on this provision that affects the stationing of every unit of the Marine Corps, the Army, and the Air Force, not just in Europe but around the world. There is no consultation with the host nation, no consultations with any of our allies and absolutely no input from the administration, particularly the Secretaries of Defense and State.

It is just once again the House of Representatives, and I will admit it sounds good, saying, "I will tell you what, we will bring all the troops home, forget the rationale or the consequences."

It is interesting, as I was watching the garbage trucks race across the 14th Street Bridge into Washington yesterday morning, and was caught in traffic, a news commentator on WTOP pointed out that the French were going to loan us four ships to move our troops around the Persian Gulf. I think that is very nice of the French, but the pathetic truth of it is we do not have the sealift nor the airlift to do the dual basing concept even if it was Secretary Cheney's ideal wholeheartedly. Please support the Martin amendment and allow the Secretary of Defense some input.

Mrs. SCHROEDER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, let me restate again what I said a little earlier, that the American people are very proud of the role that the United States has played in the defense of freedom throughout the world, and we will continue to do that.

But let me also say and tell my colleagues that we have 50,000 American troops in Japan costing the United States taxpayers $4.5 billion a year. And even that figure is grossly inflated by Japan's high land values and by the fact that the dollar has fallen dramatically in relationship to the yen.

We pay salaries and benefits for half of the 22,000 Japanese nationals who work at these 31 installations that we have there. It is ludicrous that we give a better benefit package to Japanese workers on foreign bases than we provide our own workers here in the United States of America.

Let me tell Members a little bit about what those benefits are. They are substantial. It includes health benefits, housing allowances, moving allowances, lots of paid vacations and holidays. In essence, in Japan workers basically get 13 months' pay for about 12 months of work.

What about American workers? What about American health care? We have 37 million people in this country with no health care, 50 million who are underinsured.

What about housing in this country? We have dire needs here at home, and it is time that this Congress and this country start focusing on taking care of the needs of our own people here today.

I want to also indicate that it seems to me that with Japan, as everyone knows, being our most difficult and tough international competitor, we should not be subsidizing our toughest trading competitor. Last year nearly half of our United States trade deficit, $45 billion, $45 billion was with Japan, and every region of the country, nearly every State has felt the effects of these trade barriers, whether it is rice and feed grains in the Midwest, wood products from the Northwest, footwear and shipbuilding in the Northeast, high technology from California, autos from my area. The Japanese have a $60 billion auto parts industry. We get 1 percent of that market because they close it to us, and yet we are going to subsidize their workers at our military installations protecting them at the rate of almost $5 billion a year.

No, Mr. Chairman, this is a good amendment. It is a tough amendment. But it is a good amendment, and if there is one thing we have learned, one thing we have learned in these 45 years is that we have to be tough when we bargain with the Japanese.

□ 1220

The Senate put nothing, nothing in their bill in relation to this. We have got to take something tough into conference to get something out of conference.

So I encourage my colleagues to get the burden-sharing issue in front of us. This is a wakeup call. This is a real wakeup call for the new world order, and I would hope my colleagues would support the amendment when it comes before us.

Mr. Chairman, I thank the gentlewoman from Colorado for yielding this time to me, and I encourage my colleagues to vote for the amendment.

Mr. MARTIN of New York. Mr. Chairman, I yield 3 minutes to the gentleman from Alabama. [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I thank the gentleman for yielding.

As we begin consideration of the burden-sharing amendments, I strongly urge my colleagues in the House to support the Martin amendment. As events in the Persian Gulf have so recently reminded us, the United States and our allies have an active shared role to play in maintaining peace and the rule of law. The United States cannot shirk or avoid its role as a world leader.

The Martin amendment halts the blind U.S. retreat of isolationism caused by dual basing. It prevents the United States from adopting a blatant anti-NATO stance which prohibits the stationing of the 401st Tactical Fighter Wing anywhere except the United States, after it leaves Spain.

Let me try to put this into perspective. The Spanish made the decision that we should remove the 401st Fighter Wing of F-16's, 72 of them, from Terrajon and remove them from the country.

NATO was very much upset about this and looked around for an alternative basing mode. In casting about for a place to put it, the Italians came up and offered a site. We looked into this on our Military Construction Subcommittee, and we thought they were charging us too much. We said we will pay our share, our NATO portion, but not anything over and above this.

NATO says, after studying it, this is so important to them they would prefund it and urge that this be put forth as their primary and highest priority.

Now, even though NATO has gone on and funded it, we funded it last year up to our NATO level, this takes out all money and says you cannot even have the flexibility to move them some place else—not even 20 miles down the road. You have to bring the 401st back to the United States.

What most people do not know is that 24 of the planes of the 401st today have been transferred and are flying in the Persian Gulf for our protection and capability there.

We need the capability, and everybody I have talked to associated with NATO or with the U.S. forces, say that we need the capability there. We have not had any hearings on this in the committee.

I think it is shortsighted indeed to require dual basing. This not only applies in Europe, it applies around the world.

What we are doing is setting foreign policy here. I think we have not thought it through adequately. I think it is a mistake to do it at this time, and I think we should at least have hearings in the committee.

For that reason, I am supporting the Martin amendment, and I would hope all of my colleagues would do the same.

Mrs. SCHROEDER. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. SOLARZ].

Mr. SOLARZ. I thank the gentlewoman from Colorado very much for yielding to me.

Mr. Chairman, I listened very carefully to the arguments advanced by my very good friend from Michigan [Mr. BONIOR], on behalf of his amendment.

I must say that I find myself in agreement with much of what he has to say. I certainly share his view that Japan does need to share more of the collective defense burden, and I subscribe to his endorsement of his amendment as a very tough amendment.

The only problem is that it is also a counterproductive amendment.

The Bonior amendment would provide that, unless Japan assumes literally all the costs associated with the deployment of American forces in Japan, that the number of our troops there would have to be reduced by 5,000 a year for each fiscal year in which the Japanese declined to assume the totality of our fiscal burden associated with the maintenance of our forces in their country.

The problem with this amendment is that it assumes, first of all, that the purpose of the American forces in Japan is primarily to defend Japan. But the fact is that the forces we have deployed in Japan have been sent there not just to defend Japan but as a regional reserve for contingencies elsewhere in Asia. They are there to deal with the possibility of aggression on the Korean peninsula. They are there to deal with the possibility of aggression in the Persian Gulf. And indeed some of the very first forces sent to the Persian Gulf, after the Iraqi invasion, came from Japan.

And so it seems to me not to make very much sense to put a gun to the head of Japan and say that unless they pick up all of the costs associated with our forces in their country, we will begin to withdraw those forces, when our forces are there not just to help Japan but to defend important, indeed vital, American interests in other countries as well.

But I have another problem with the amendment offered by the gentleman from Michigan. Under his amendment, the Japanese would be required to pick up literally all of the costs associated with our forces in Japan. That includes not only the logistical costs but the salaries of the soldiers themselves. And if we were to have Japan pay for the salaries of our troops, something that no other country does anywhere else in the world, not even in Saudi Arabia, our troops would become latter-day Hessians.

While certainly we want other countries to contribute to host-nation support, I do not think the American people want other countries paying the salaries of our troops.

We are not renting our soldiers. They are American citizens, they are American soldiers, they are fighting for American interests, and they should be paid for by the American people.

Once we begin to have other countries paying the salaries of our troops, they would soon be in a position to tell them where to go and whom to fight. And that is something that is incompatible, compatible neither with our Constitution nor with our own fundamental interests.

Finally, let me say to my very good friend from Michigan and to other Members of the House that the Japanese are already contributing 40 percent of the costs of maintaining our forces in Japan. They have one of the best records on burden sharing of any nation in the world where we deploy forces. We ought to urge them to do more, but not in the counterproductive manner proposed by my friend from Michigan.

Mr. MARTIN of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, the Bonior amendment makes sense. We are in a new post-cold war era where collective security means collective financial responsibility.

Our policy is an anachronism. It is an anachronism in Japan, it is an anachronism in Europe. We are subsidizing countries that have accumulated vast wealth up from the post-World War II rubble, subsidizing our competitors, contributing to our trade imbalance.

It does not make sense anymore.

The Bonior amendment is a very limited approach to all of this. The United States is at 6 percent of GNP, the Japanese are at 1 percent. The arguments of the gentleman from New York about the payment of troops is but one small fraction of the overall costs that we and our taxpayers are expending for global collective security, a global collective security which Japan has been one of the great beneficiaries of in their global trading ways, keeping those sealanes open, democracy and capitalism there. They have benefited. It is time to begin to share.

Our focus on defense industries and defense products has cost us dearly in the global competitive struggle with the Japanese. And, I might add, with the Germans as well. It is time to start weaning our prosperous allies off the U.S. defense budget.

□ 1230

Again, it goes for our European allies as well. The world has changed dramatically. The vanquished of the post-World War II era are now the victors in the global economic struggle.

The Bonior amendment would save our taxpayers more than $4 billion a year, and it makes sense that the Japanese become more important partners in this global collective security. Let Members vote for it.

Mrs. SCHROEDER. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Chairman, I thank the gentlewoman for her leadership through the years on this issue, and for yielding time to me. I also thank the gentleman from Michigan [Mr. BONIOR] for his amendment.

I heard the arguments against this amendment. It seems to me they slide by the point. Yes, America is strong, and as the Persian Gulf shows, in the diplomatic and geopolitical and military areas we are clearly No. 1. However, if we let the economic area fall where we may not be No. 1 5 years from now, all the rest, as history teaches everyone, will go down the drain. The great powers of the world, when they lose their economic edge, when, in fact, other nations sort of catbirded on to the expenses we pay for the military to do all the things that benefits Japan, Western Europe, et cetera, we lose, and we ultimately lose everything.

This amendment sees the future. It says that as long as the Japanese, the

Germans, the French, and everybody else do not pay their fair share, America as a whole will be weakened, no matter how strong our armies, no matter what the diplomats say. We must restore America as number one economically. One important way is an amendment that makes burden sharing a reality.

Mr. MARTIN of New York. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I rise in support of the Martin amendment and against the Bonior amendment. First of all, I would like to associate myself with the words of the gentleman from New York [Mr. SOLARZ], as he spoke against the Bonior amendment.

I think it is important to recognize, as he indicated, that American troops deployed in that part of the world, particularly in Japan, are not there to defend Japan necessarily, but to defend the vital interests of the United States of America. That is why we have troops in Europe. That is why we are sending troops to Saudi Arabia. That is why we have troops in the four corners of the globe. Not to protect their interests, but to protect ours.

Therefore, that amendment, I think, would be a dangerous one. A dangerous one because it would set a precedent, that would not be helpful to this body in planning future foreign policy for the United States.

Second, the Martin amendment is extremely important because it deletes a provision in the bill that would prohibit the use of Department of Defense funds, including NATO contributions, for construction of a base in Crotone, Italy. The problem is the fact that our allies, our NATO allies, including the United States, made a joint decision to utilize funds, joint funds, for the construction of a military base in a strategically important part of the world. I might add, that it is much more strategically important because of the events in the Middle East. How would the Congress like it if our allies in Western Europe and other parts of the world that belongs to NATO, if their general assemblies, if their congresses said that funds which the United States and the entire NATO allies determined, that we jointly recognize must be used for the purposes of mutual defense, could be restricted by any one country. That would be the beginning of the end of NATO. NATO does not necessarily do precisely what the United States wants them to do.

This is a group. It is a group, a security group that is helpful for the national security of this country and other countries. The United States should not by this action today have a veto power over the joint agreement of all NATO commanders, and all countries that belong to that important defense body. Therefore, I urge Members of this body, let Members not destroy NATO. Let Members not send a signal by the United States that unless NATO agrees specifically with what we say, regardless of what the other NATO allies say, joint funds could be restricted.

The Martin amendment improves the bill. The Martin amendment must be passed in order to preserve NATO as an important defense security mechanism for the United States and the free world.

Mrs. SCHROEDER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. BRYANT].

Mr. BRYANT. Mr. Chairman, I thank the gentlewoman for yielding time to me. Mr. Chairman, the same voices of apology are rising today to defend the status quo in which 45 years after World War II the American people still spend $170 billion a year defending Europe and Japan. The same voices have risen in the past. I strongly hope that the House will not heed those voices one more time.

The gentleman from New York [Mr. MARTIN] said a moment ago that "We have been begging our allies to meet a certain standard of doing better" with regard to burden sharing. I think his use of the word "begging" is instructive regarding the purpose of the amendment pending, particularly, the Bonior amendment. It is time to stop begging. It is time for Members to tell and not ask Japan and Europe, that 45 years after World War II it is time for them to pay for their own defense. We do not have the money, and they do not need the money. We are borrowing this money. We are giving it to them. Some of it we are borrowing from them, giving it back to them. They, then, invest the savings that they can earn as the result of not having these defense obligations in their own industry. They compete with the United States, beat the United States in international trade, and they come back and buy our farms, our ranches, our corporations, our biggest assets. It is a preposterous circle, one that historians will look back upon with astonishment. Oppose the Martin amendment, vote for the Bonior amendment, and support what we can do today with regard to burden sharing.

Mr. MARTIN of New York. Mr. Chairman, I yield myself 1 minute. I just wanted to speak to what the previous speaker said, and also to embrace what the gentleman from New York [Mr. SOLARZ] said relative to the Bonior amendment.

The object of the exercise of our having troops in Japan is in our interest. They are not there for the defense of Japan. As I said before, as far as the Japanese facilities improvement program and those kinds of things, and the amount of money the Japanese have contributed to the support of our troops there are in our mutual interest has been far more than what some of our other allies have done.

Again, I would just like to advise the Members and hope that in voting and considering the Bonior amendment, that we do not allow our frustrations over embarrassing offer of contribution that Japan made for the crisis in the Middle East, to cloud their view that our troops are in Japan in our security interest every bit as much as the security interests of Japan.

Mrs. SCHROEDER. Mr. Chairman, I yield 3 minutes to the distinguished gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I thank the gentlewoman for yielding time to me. I rise to support the committee, to support the Bonior amendment, and to oppose the Martin amendment.

I have, for a number of years, served as a member of the Subcommittee on Military Construction. We get the job of finding the money to pay for the decisions of the Committee on Armed Services and of the administration, and of the policymakers on defense matters. For example, we will be struggling to find $1.8 billion in new money with which to construct permanent facilities in Saudi Arabia to house United States troops. That is on the way.

With the continuing collapse of communism, we are seeing changes in defense policy and defense actions that we never envisioned. Just a year ago we were trying to find money to build more sophisticated intercontinental ballistic missiles, strategic bombers, expensive equipment, and now we are talking about mobility, rapid response, and more training for our troops in order to have quality deployment. We have seen in the Middle East troops moved forward rapidly from the United States, from places like Georgia and Washington to California and Florida, over to the Middle East in a matter of hours.

□ 1240

That is called dual basing. That is called deploying troops at home and moving them abroad for deployment and/or for training.

Those troops did not come from Western Europe. Not one of the units from Western Europe was moved to the Middle East. They came from bases here in the United States. The committee has wisely stated in the committee bill the concept of dual basing when possible in order to save money, in order to provide better training and better housing for our troops, and in order to outline a post-cold war defense strategy.

I want to compliment the committee as well for opposing the wasteful

spending proposed by the administration to build an unneeded base in Europe at Crotone. It is cold war-era thinking that went into that base. It is not needed. It is a waste of money, and I think the committee should be supported and we should not build it.

Finally, let me say this: Our allies will allow us to pay the expenses of their defense as long as Uncle Sugar will do it. Sure, it is our defense, but it is also their defense. But what really gets me is that they do not respect us unless we stand up and say that "part of that cost should be paid by you because you are being defended. Your interests, as well as our interests, are being defended."

Mr. Chairman, I ask the Members here today to oppose the Martin amendment and to oppose these debilitating amendments that will be aimed at crippling the committee bill.

Mr. DICKERSON. Mr. Chairman, I yield my remaining 2 minutes to the distinguished gentleman from Virginia [Mr. WOLF].

Mr. WOLF. Mr. Chairman, I thank the gentleman for yielding this time to me.

Mr. Chairman, I rise in support of the Bonior amendment. At the outset let me say that since I have been in Congress I have never supported a protectionist trade bill on the floor of this House. I am one who believes in free trade, and this amendment should not be viewed as attacking or bashing anybody. But let me say that all of us in this body and all of us in this country know that the Japanese have not paid their fair share with regard to what is taking place in the Middle East. We all know it.

We know it, and some of us want to say it and some of us do not. We know it, the Bush administration knows it, the Democratic Members of Congress know it, the Republican Members of Congress know it, and I will mention some who know it even more than we do—the American people know it.

I have heard Mr. SOLARZ and others say what will happen if we pass the amendment. Let me tell the Members what will happen if we do not pass this amendment. If we do not pass this amendment, we will send the word back to the Japanese Government and the members of the Japanese Diet that the Congress has gone on record to say that it is not necessary that they do more. So my sense of what the gentleman from Michigan [Mr. BONIOR] is saying is that by voting no, we are saying this is a message. He is not locked in precisely on each and every term, but this is a message.

So I would say that if we vote no on the Bonior amendment, we will send a message to the Japanese Government that they are doing enough and they do not have to help in the Persian Gulf, that they do not have to carry a greater burden. None of us want to do that.

So I urge my colleagues on both sides of the aisle, let us do what I think is important and what the American people would tell us they want us to do if they were here today. Let us support the Bonior amendment, and perfect the language, if necessary, in conference.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentlewoman from Colorado [Mrs. SCHROEDER] has 1 minute remaining.

Mrs. SCHROEDER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I am pleased to close this debate by pointing out that we have put into the RECORD a list of every country and what they are contributing. I think the Members will find that very interesting. I point out that we have a letter from the Government Accounting Office urging Members to vote and sustain the committee position, vote against the Martin amendment vis-a-vis Crotone. They point out that there has been some hanky-panky, I guess, or some maneuvering around, because we really do not have the Crotone figures down, and that the allies have made no concessions, even though we have tried to bring the costs down.

They point out that the savings rate we are talking about is based on an unrealistic exchange rate, that they have cut the number of family housing units below the number that is absolutely needed. And they have changed the repayment method to NATO for housing, but NATO has not agreed to it.

So I think it is very, very important that we say at this time, no, we do not go forward with Crotone. And I think we must agree on dual basing, which I think the Persian Gulf incident has shown us is the wave of the future.

Mr. Chairman, I certainly hope that the Members will vote against the Martin amendment.

Mr. MCMILLEN of Maryland. Mr. Chairman, today I rise in strong support of amendments being offered by Congressmen MRAZEK and BONIOR. Both are representative of a realistic approach to U.S. foreign policy and defense spending.

We must decide whether maintaining our military presence in Japan and South Korea is both desirable and financially practical. While I believe it is desirable to maintain the present level of military forces in both Japan and South Korea, I no longer believe that it is financially practical. We cannot afford to unquestioningly borrow to financially secure the defense of our allies. In this day and age of huge deficits, there must be practical limits to our overseas defense commitments. We cannot ask our Federal employees to take unpaid furloughs when our allies are not willing to adequately commit financial resources to their own security.

But while the Mrazek and Bonior amendments would reduce our commitment to Japan and South Korea, neither amendment eliminates our military defense of both those nations. Let me reiterate my continued support for the mutual defense of those two key trading partners.

Mr. Chairman, I urge my colleagues to support the Mrazek and Bonior amendments.

Mr. KANJORSKI. Mr. Chairman, I rise in strong support of the amendments to be offered later today by my colleagues Mr. BONIOR and Mr. MRAZEK, as well as the portions of the bill currently being considered that implement similar burden sharing provisions.

These amendments and provisions promote a concept that I have advocated for many years: Making other countries contribute to the cost of American support.

The United States simply cannot afford to be the policeman of the world. Nor should we be. America can no longer singlehandedly foot the bill for the defense of other nations. This is especially true when the other countries in question can well afford to support military protection on their own.

The concept of burden sharing is one whose time has come. As we all are painfully aware, the United States is in serious financial straits. Just a few miles away, our colleagues are trying to determine whether or not to reduce Federal funds for programs that are vital to the well-being of our country, such as Medicare, education, and the war on drugs.

Yet there are some among us here who would argue that we should continue to support the defense of countries such as Japan, Korea, and others who are not faced with similar financial woes.

This does not make sense. This does not make sense to me; it does not make sense to a number of my colleagues; and, most importantly, if the people in my district are any indicator, it does not make sense to the American public.

There are presently 43,000 troops in Korea at a cost to the United States of nearly $3 billion annually. This cost is the equivalent of imposing a 3-cent-per-gallon tax on gasoline.

How can we justify this cost to the American taxpayer when the United States last year had a negative trade balance of almost $7 billion with South Korea?

In the case of Japan the numbers are even more unbalanced. Our trade deficit with Japan last year was $49 billion. Yet we are spending approximately $5 billion a year to station United States troops in Japan to provide for its security. Our colleague, Mr. BONIOR, is right on track in demanding that Japan bear a greater financial cost in paying for its own defense. Let the Japanese use some of the money they spend in their economic battles with the United States on their own defense, and let us invest some of these savings in our own economic system.

These are critical questions of equity and common sense, and I commend our colleagues for offering these amendments. Regardless of the outcome of the votes today, I intend to continue to pursue this matter across the globe.

Finally, Mr. Chairman, I would like to commend the Armed Services Committee for its recognition of the need to insist that foreign nations foot the personnel costs of their own

citizens who work in the U.S. military installations overseas.

The committee states that we are "serving notice that the overseas basing support budget should be reduced by fiscal year 1994 to half of the fiscal year 1990 funded levels * * *" The committee then went on to find that the host nations should begin paying for construction, maintenance, and foreign labor costs.

These findings are similar to those developed by the Post Office and Civil Service Subcommittees on Human Resources, which I chair. As a result of investigations conducted by my subcommittee, it is clear that foreign nations reap enormous benefits through the employment of their citizens at U.S. overseas military installations. It is only proper that foreign nationals who work at American bases be increasingly paid by the host nation rather than exclusively by the American taxpayer.

While I realize that in some cases this will mean entering into treaty renegotiations, I would argue that given this new world order that so many of us are celebrating, the treaties currently in place need to be reexamined. This is certainly the case with our bases in Germany, Japan, and Korea, as well as a number of other nations with vibrant economies.

Mr. Chairman, the time has come to discontinue the practice of straining the American budget so that other countries, wealthy countries, may receive free defense. Today we are in a deadly serious economic competition with a number of the countries whose defense we are providing.

We must demand countries who can afford to do so begin to pay their share of the defense burden. We should not force Americans to moonlight so that other nations might sleep well.

The CHAIRMAN pro tempore. All time has expired on the subject of burden sharing.

It is now in order to debate the subject matter of appropriate levels of fuding for the strategic defense initiative.

Pursuant to the rule, the gentleman from California [Mr. DELLUMS] will be recognized for 30 minutes and the gentleman from Alabama, [Mr. DICKINSON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me point out to the members of the committee that we now begin 1 hour of general debate on the strategic defense initiative. I might point out parenthetically that this is the first debate on the strategic defense initiative occurring in the so-called post-cold-war era. I think there is some significance in that fact.

Mr. Chairman, we have been allocated 1 hour, and I reserve 30 minutes. Before I go into my general presentation, I yield 5 minutes to my distinguished colleague, the gentlewoman from California [Mrs. BOXER], who is the cosponsor of the Dellums-Boxer amendment on the strategic defense initiative.

Mrs. BOXER. Mr. Chairman, I thank the gentleman from California [Mr. DELLUMS] for yielding this time to me.

We have worked together on this type of an amendment for 4 years now. We have stood before this body and we have said, "Let us reduce the level of spending for star wars to basic research."

I believe we have been correct for the past 4 years. The record of star wars proves to me that we were absolutely correct.

What the gentleman from California and I, along with several others in this body, have said is that the original vision of star wars put forward by President Ronald Reagan was a fairy tale, an obsolute fairy tale. It was presented as a solid shield to protect our people from Soviet missiles, from all the Soviet missiles that they could toss at us.

We said at the time that to spend billions of dollars on a fairy tale was ludicrous, that it was robbing money from other things we needed to do, not only in the military but for our people.

Last year the Pentagon decided that the gentleman from California [Mr. DELLUMS] and the gentlewoman from California [Mrs. BOXER] and others were correct, that the Ronald Reagan vision of star wars was indeed a fairy tale, was indeed a myth, and that the most they could stop in terms of missiles coming into this country would be 30 percent of the missiles thrown at us from the Soviet Union. Yet they still wanted to spend more and more billions of dollars on this new system.

The gentleman from California, with all the eloquence he has in him, and I stood up before this body and explained to the American people that even if 1 percent of the missiles thrown at us by the Soviet Union got through, this country would be history, there would be no one left to talk about how star wars failed. We tried very hard to explain that it was madness to pursue this course, that the course that had to be pursued was sitting down with the Soviet Union, negotiating treaties, and getting away from this madness.

This year the gentleman and I are back, and with all the history of this program behind us, we feel very confident that if people listen to this debate, we will win.

□ 1250

We will take this program back before the star wars days and make it a program of strong missile defense research, and that is what our number speaks to, $1.5 billion which would do that.

The world has changed. Last night I sat in this Chamber. President Bush talked about the new world order, held a press conference sitting side by side with the President of the Soviet Union, saying that it is time that we worked together against evil, against the rule of the jungle, and yet in this budget we still have the biggest expense in the budget for star wars.

Now, star wars, whether it was aimed at stopping 100 percent of Soviet missiles or 30 percent of Soviet missiles was aimed at the Soviet Union. That was the idea, to be able to win a fight with the Soviet Union. Those days are gone. So there is a little bit of panic in the military industrial complex, I say today, because they now have to look for another mission for star wars, because their first fairy tale was not true and the modified fairy tale did not make sense and now there is no need for it whatsoever. The walls have come down.

I just came back from Prague, Czechoslovakia. The countries of Eastern Europe that we have been protecting, that we have been protecting NATO from, now want to join NATO, now want to make one new organization where Eastern Europe and Western Europe can be together and defend Europe together.

It is a new day. How ludicrous for us to spend billions of dollars for a weapons system, even if it could work, and we have discussed that it could never work, is aimed at an old day, at an old world order. It makes no sense, especially in light of our terrible budget situation.

So star wars was created for fighting a war with the Soviet Union, and it is, my friends, a new day. So the military industrial complex now has told us that we need star wars to fight Saddam Hussein. We need star wars to stop the SCUD missiles. They have renamed it Brilliant Pebbles.

The CHAIRMAN pro tempore. The time of the gentlewoman from California has expired.

Mr. DELLUMS. Mr. Chairman, I yield 3 additional minutes to the gentlewoman.

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding me this additional time.

The SCUD missile was sold to Iraq by the Soviet Union. The Soviet Union is sitting down with our people to teach us how to stop the SCUD missile; and do you know what, I think we need to learn how to stop the SCUD missile, but it is not going to be stopped by Brilliant Pebbles. It is a low flying, short-range missile.

We need other kinds of research. The Dellums-Boxer approach would give us the funds we need to look at that type of research.

So to use the Middle East as an excuse, to continue a system that was dreamed up by Ronald Reagan to fight the evil empire, the Soviet

Union, is absolutely a cruel joke on the American people.

I hope that this body will wake up today and join with the gentleman from California [Mr. DELLUMS] and myself and give us a really strong, good vote, so that we can bring this program back to basic missile defense.

Mr. DOWNEY. Mr. Chairman, will the gentlewoman yield?

Mrs. BOXER. I am glad to yield to my colleague, the gentleman from New York.

Mr. DOWNEY. Mr. Chairman, I want to congratulate the gentlewoman from California and the gentleman from California for their leadership on this issue.

The world is now about to beat a path to their door, because they were right originally in suggesting that this program was absurd. It only existed with any degree of validity in the minds of those who believed it to be a useful bargaining chip to deal with the Soviet Union, and now that rationale has disappeared.

As the gentlewoman has suggested, the latest rationale for star wars will be the fact that some Third World nation might have a ballistic missile and might have a nuclear capability and that we should spend tens of billions of dollars on the off chance this happens to prevent it.

There are much more effective ways of delivering nuclear weapons by a nation that may have the technology. They may be able to build a bomb and put it on a ship and sail it into New York Harbor. That is a real possibility. Their ability to do that on a ballistic missile is not a real possibility.

I would just simply suggest that the gentlewoman is correct. The amount of money that is suggested here is the appropriate level of funding. Once again I want to add my strong support to the outstanding work both the gentlewoman from California and the gentleman from California have done.

Mrs. BOXER. Mr. Chairman, I thank the gentleman so much.

This is such an important time for our Nation. We can feel so optimistic because really the people of the world are choosing our system of government.

Does this mean that there will not be threats, that we will not have to be prepared? Of course not. We can see that we need to be prepared, but it is a different type of threat.

This vote on star wars is crucial to us, because if we continue to fund a program whose mission has changed so many times that it has lost all credibility, whose only function I think right now is make work, I think we will have lost this golden opportunity to change what this Nation is about, to turn from these weapons of destruction and to finally begin to invest in our people so that we win the new war, which is the economic war.

I thank my dear friend, the gentleman from California [Mr. DELLUMS]. It has been so wonderful to work with him on this issue for these many years. I think we are making progress and I hope today's vote moves us closer to sanity.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I might consume.

Mr. Chairman, in preparation for this year's SDI debate, I looked back over my comments of last year to reflect and see if my thinking had changed, or the situation had changed.

Last year I said, talking about SDI, that we need it. It is justified. It is doable, and I say again nothing has changed. It is important that the Congress let the SDI research proceed at an aggressive pace so that President Bush is in a position to make an informed deployment decision by the year 1993.

Neither the committee funded level of $2.9 billion nor the proposal of the gentleman from Florida [Mr. BENNETT] of $2.3 billion will keep the SDI Program, or a deployment decision, on track.

You know, Mr. Chairman, it is very interesting to hear the debate and see the players as they come on stage, pro and con. As we talk about SDI here, and talk about the Defense bill in general, it is really striking as you look over the history of the defense debates and the bills in the past few years, the people who oppose SDI today and yesterday are the same people who voted to gut the defense of this country for the last 10 years or more.

It is no accident that the Berlin Wall crumbled and that it is down today. It is no accident that the Warsaw Pact is in disarray and is crumbling as a military force. It is no accident that the whole thinking of the Soviet Union at the present time has swung around to where communism is being disavowed and they are going toward socialism or maybe even toward democracy. These things did not just happen out of a vacuum. They happened because the United States is strong, we are resolute, we are able to care for our defense programs and make the world safe for democracy.

It is not just one thing that does it. We had to be strong in our conventional forces. We had to be strong in our strategic forces, and SDI is a portion of this.

Many, many of the same people who would gut or kill SDI would gut or have killed our ICBM capability. I think you will hear in the debate today from some of them. These are the things that have made us strong, that are making us strong, that give us credibility when dealing with the Soviet Union. If we want to have a START agreement, as has been alluded to, it is only because we have the capability of responding.

Nobody has ever suggested, that I know of, that there is going to be a leakproof shield if we deploy SDI, that it is going to give 100 percent assurance that we are going to be able to stop all incoming missiles.

□ 1300

SDI was never proposed that way. The thing it was proposed to do, though, was give enough capability to the United States so that the Soviets would know that some of their missiles would be stopped. A portion of their missiles would be stopped, and this removes the threat to us because they could not make a first strike without suffering irreparable harm in exchange.

SDI is important. Our ICBM modernization program is important. Our conventional capability is important. Certainly the money spent in the past 10 years on our defense capability has brought us to where we are today, where we are able to respond to an emergency situation in the Middle East, where we are able to sit down now and speak rationally and as a friend with former potential adversaries and enemies.

Mr. Chairman, I have today received a letter from President Bush, and it says:

DEAR CONGRESSMAN DICKINSON: I want to underscore the importance of the SDI program and express my concern about Congressional action to further cut SDI funds or restrict our ability to manage the program.

When I entered office, I ordered a thorough review of the SDI program—both the progress of its technology and our policy governing it. I concluded that SDI had made tremendous progress toward giving us the technological means to strengthen deterrence through introducing defenses. As the technology matures, we will need to conduct rigorous and realistic tests—consistent with the ABM Treaty—in order to make an informed decision on the feasibility of defenses.

Until we had the SDI, our only defense was a counter capability: "If you shoot us, we're going to shoot you." This gives us the only defense, the only shield in the world.

He says further:

Nonetheless, in making up the Defense Authorization Bill, the House Armed Services Committee has cut over a billion and a half dollars from my SDI request. Such a cut would devastate SDI, forcing us to delay critical tests and cancel contracts.

Mr. Chairman, I will not use all the time in discussing this. I would just like to say that SDI is a very small fraction of our total defense budget. But it is essential, it is necessary, and the administration needs it. All the people in the Pentagon who are in positions of influence, the Joint Chiefs, the service chiefs, they say that we need it, we want it, it is affordable, it

is doable. There are no technological showstoppers of which I am aware in the program.,

So, Mr. Chairman, I say, "Let's go forward with building a capability for defense, not offense. Don't gut the program. Don't say that the money we've spent to date has been wasted so that we cannot go forward with it."

Mr. Chairman, I would hope that when the Members are given the opportunity of voting that they will not go to the lowest figure or go to the amendment of the gentleman from Florida [Mr. BENNETT]. What we are asking for in the amendment of the gentleman from Arizona [Mr. KYL] here today is funding at least year's level. Last year's level. No increase in funding.

Mr. Chairman, I think this is fair. I think it is doable, and, as the President has said:

> As you and your colleagues consider the Defense Bill, I hope you will take into account the tremendous progress and promise of SDI, and will provide us with the means to manage an effective program.

Just let me say in closing, Mr. Chairman, that we have already brought what I think is a bad bill to the floor. We have cut too deeply. We are now realizing, in part, that we have cut too deeply, even in conventional capability. We are looking to ways to restore it in view of what has been happening in the Middle East. I think that the bill, in its present form, will not have my support, and I do not think the President will support it, but if my colleagues continue to decimate the programs and keep cutting the funding, I think it can guarantee them that the final product will look something like a lace doily and will not be signed by the President. What we are doing here today is futile, and will have no effect.

Mr. DELLUMS. Mr. Chairman, it is with great pleasure that I yield 5 minutes to the distinguished gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, shortly after I come to this Chamber, after World War II, the question of SDI was a question before Congress, and it was decided in those early years that a study should be made to see how to stop incoming ICBM's and other projectiles of that nature. Some 20 billion, or thereabouts, was spent before President Reagan gave it its title, SDI, but the program was well under way before President Reagan was elected. It is an important program.

The chairman of the committee allowed me the privilege of chairing a panel to bring before us former Secretaries of Defense and others who were specialists in this field, and they testified that a figure of somewhere between $2 and $3 billion a year was ample for research in this field, and, therefore, it has been my effort in the recent years to set a figure of about $3 billion for the research aspect of this program.

Unfortunately though, when we have a program like this, the industrial complex gets involved, and parochialism gets involved, and it is very hard to put the thing in context.

So, Mr. Chairman, there is an effort being made today in our country to actually throw out the ABM Treaty which said that there was not going to be an SDI for Russia, or for the United States or for any other country, that there was not going to be that. There was going to be a limitation on this type of defense. There was going to be a limitation on this type of defense, and that now is a subject being talked about, and efforts are being made to change that treaty.

Mr. Chairman, that treaty has worked pretty well for the last 40 years. We have had 40 years of not being involved in that kind of warfare, and so I feel pretty good about it. It seems to work. I ask my colleagues, "Why would you want to change something under those circumstances?"

Now something has changed, and the world has already been talking about it, and that is a question of whether or not it is viable to think about Russia attacking the United States with ICBM's. This was discussed at a time when Russia would seem to be developing an SDI, and at that time Mr. Weinberger advised President Reagan that there was an obvious answer to SDI since it is not going to be perfect, as has already been testified to by the gentleman from Alabama [Mr. DICKINSON]. Nobody ever expected it to be perfect. It was said by Weinberger, "Well, in those circumstances we'll be well protected because we'll just produce more ICBM's, and due to the fact that it will be a leaky umbrella, we'll just produce more."

Mr. Chairman, that is exactly the situation that would occur. That is a very dangerous situation. That does not add to the likelihood of our survival. It does not have much to do with having a peaceful world working things out for the best for everybody concerned. It adds to the danger of the world, and that is the reason it is in the ABM treaty that we cannot do that. Protection under the treaty has to be done on just a particular location, it cannot be done on a universal pattern.

Mr. Chairman, as I approach the figure today in this bill and the figure which I have in my amendment, 2.35 billion, it is a figure which is arrived at in two ways. First, the $3 billion which I thought was a reasonable amount when we were in prosperous times as far as national defense is concerned is working it down to a figure which is more comparable to today's financial opportunity with regard to defense matters. And the other one was really expressed pretty well by our friend on the other side, Senator NUNN, when he said the Senate ought to have a figure which, together with our figure, could be compromised at a reasonable figure. So, this figure, compromised with their figure, would give us $3 billion, assuming we compromise to that point.

One other thing before I conclude my remarks, and that is to say that things have changed in more ways than one. Actually SDI should be channelled in directions today which it is not really channelled for. It should be channelled in directions to see what we are going to do to stop low-flying missiles, guided missiles and things of that type which are much more of a danger to ourselves. Also it should be looked at in a way in which we can look at the possibility of a country like Iran or Iraq, or some other country like that, getting nuclear arms, and what would we do about that.

Mr. Chairman, obviously our answer to that would be that we could just absolutely flatten them with what we have. If they send a missile or two over, we could just flatten them with what we have, which is enough to flatten Russia, as far as that is concerned. So, we have a pretty good answer to that, but we do not have a good scientific basis for saying how we would distinguish this circumstance without having an envelope over all the United States.

□ 1310

We should do that study because that is really the challenge today. It is not the erstwhile challenge of the Russian standoff with regard to ourselves. So for this reason my amendment has a $2.35 billion figure on it, which, when averaged together with the Senate figure, would give us the $3 billion, and I think that would be adequate.

Mr. KYL. Mr. Chairman, I wish to advise Members that from this point on I will be controlling the time on my side.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from Arizona [Mr. KYL] has 22 minutes remaining.

Mr. KYL. Mr. Chairman, I yield myself 6½ minutes.

Mr. Chairman, this debate is devoted to the appropriate spending levels for SDI. As we all know, the President requested $4.46 billion. The Senate passed an amount for SDI which was the same as last year's level of funding for SDI. It is $3.57 billion, and that is the level of the amendment which I will be proposing later on. Last year's level, the same thing the Senate passed, and that will be my amendment. Without an inflation factor, of

course, it represents a real dollar cut in the program.

Let me tell Members what the President of the United States said in a letter to Senator WARNER with respect to the funding level when the bill was before the Senate.

A vote to cut SDI below the Senate Armed Services Committee mark, which was $3.57 billion, will force us to delay critical tests and cancel contracts, and therefore is essentially a vote against strategic defense for America.

The President has said in effect that the bottom line for him is the Senate level of $3.57 billion. As I said, that is the level which is included in my amendment.

The gentleman from Alabama [Mr. DICKINSON] quoted from a letter that was just sent to him by the President today. I would like to reiterate something the President said in that letter.

In marking up the defense authorization bill, the House Armed Services Committee has cut over a billion and a half dollars from my SDI request. Such a cut would devastate SDI, forcing us to delay critical tests and cancel contracts.

It makes little sense to force us to forego realistic tests of promising SDI technologies. Indeed, Congress has always insisted that we fly before we buy systems.

Mr. Chairman, we are all familiar with the problem of the Hubble telescope, where we were pennywise, but pound foolish. That was science. This is defense, where we cannot afford to be wrong.

There are essentially three reasons for the SDI Program. One is the expanding Soviet strategic modernization. They still have 12,000 warheads aimed at the United States.

Second is the proliferation of ballistic missiles around the world. As CIA Director Webster has said, over 15 Third World countries will possess this technology by the end of this decade, approximately six of whom will also have nuclear capability.

Of course, the third reason that we have SDI is to help develop a balance between defense and offense, driving our defense in space talks toward an accommodation with the Soviet Union for a safer world.

Mr. Chairman, let me talk just a little bit about the Third World proliferation here. Unfortunately, missiles are with us. They have been invented. The genie is out of the bottle.

As CIA Director Webster said, and as this chart illustrates, there are people all over the world now who are acquiring this ballistic missile technology. As you will see, these are not the most stable countries in the world. They are in very unstable areas of the world.

An example, of course, is Iraq. That is the example that is with us today, because there are three Iraqi missiles, all of which have capability to reach our forces deployed in that region of the world. They have the capability of reaching our ships and of reaching our allies in that part of the world. Mr. Chairman, today there is no real defense against those missiles.

SDI will provide that defense. We cannot ignore the threat any longer. This is no longer just a cold war problem. We can have a defense in 5 years or so for the next Iraq.

As a matter of fact, Mr. Chairman, it is very clear that we are going to have Third World conflicts in the future. We are going to ask ourselves why we did not prepare for that when 5 years from now we are confronted with a similar threat and we have sent our young women and men into battle and not provided them the protection which they deserve.

There is a quotation from Abul Abbas of the Palestinian Liberation Front, September 1990, from the Wall Street Journal, where he said;

There is an Arabic saying that revenge takes 40 years. If not my son, then the son of my son will kill you. Some day we will have missiles that can reach New York.

So whether it is in a theater like the Middle East, or a threat against the continental United States, we need the strategic defense initiative.

Mr. Chairman, I want to close with respect to the arms control negotiations. I have two very recent letters. One is from the Director of the U.S. Arms Control and Disarmament Agency. I would like to put both of these letters and the President's letter in the RECORD.

This letter from Ron Lehman reads as follows, and I will only quote part of it.

I urge you and your colleagues to support the Strategic Defense Initiative program during House consideration of the fiscal year 1991 defense authorization bill. Specifically, I recommend your opposition to proposed amendments that would dramatically reduce necessary SDI funding and impose crippling programmatic restrictions. Such amendments, should they be enacted into law, would undermine our arms control negotiations with the Soviet Union and could deny the President the opportunity to move in the direction of a far more stable, secure deterrence.

SDI has provided significant negotiating leverage in the Strategic Arms Reduction or START negotiations. This will be no less true in the START follow-on negotiations.

Mr. Chairman, Mr. Lehman goes on to talk about the important need for support for SDI by the Congress today when discussing funding levels.

In a letter of September 4 from Ambassador David Smith, the Chief Ambassador of the Defense and Space Talks, expressly speaking to the amendment proposed by the gentleman from South Carolina [Mr. SPRATT] and the gentleman from Florida [Mr. BENNETT], he says;

I urge you and your House colleagues to oppose these amendments to the defense authorization bill. These amendments would undercut the United States in the Defense and Space Talks. I am convinced that the Bennett and Spratt amendments would constrain the program in ways that could only pull the rug from under my negotiating team and me.

Mr. Chairman, what are we doing here? We have got to support the U.S. policy to have a balance between offense and defense. We cannot pull the rug out from under our negotiators. What that means in the President's own words is that we have got to support a funding level which is at the Senate level of $3.57 billion, at a minimum.

Mr. Chairman, that is why I will urge my colleagues later to support that funding level which is embodied in the Kyl amendment, and to oppose the Bennett amendment and the Dellums amendment, which would cut the funding level far below that.

Mr. Chairman, I include these letters for the RECORD:

THE WHITE HOUSE,
Washington, September 12, 1990.

Hon. WILLIAM L. DICKINSON,
House of Representatives,
Washington, DC.

DEAR CONGRESSMAN DICKINSON: I want to underscore the importance of the SDI program and express my concern about Congressional action to further cut SDI funds or restrict our ability to manage the program.

When I entered office, I ordered a thorough review of the SDI program—both the progress of its technology and our policy governing it. I concluded that SDI had made tremendous progress toward giving us the technological means to strengthen deterrence through introducing defenses. As the technology matures, we will need to conduct rigorous and realistic tests—consistent with the ABM Treaty—in order to make an informed decision on the feasibility of defenses. To fund these tests I asked for an increase in the SDI budget, even as we faced an overall cut in the Defense budget.

Nonetheless, in marking up the Defense Authorization Bill, the House Armed Service, Committee has cut over a billion and a half dollars from my SDI request. Such a cut would devastate SDI, forcing us to delay critical tests and cancel contracts. Some in Congress are also seeking to manage the SDI program themselves by cutting my request for the most promising SDI technologies. In many ways this is more serious than a funding cut. A vote to fence funding of the most promising technologies amounts to a vote against strategic defenses even before we have the data from critical tests. As Congress imposes cuts in the Defense Budget, at the very least, I need flexibility to manage our programs. It makes little sense to force us to forego realistic tests of promising SDI technologies. Indeed, Congress has always insisted that we fly before we buy weapons systems.

As you and your colleagues consider the Defense Bill, I hope you will take into account the tremendous progress and promise of SDI, and will provide us with the means to manage an effective program. SDI will be among the most important factors in my evaluation of the Defense Authorization Bill.

Sincerely,

GEORGE BUSH.

U.S. ARMS CONTROL
AND DISARMAMENT AGENCY,
Washington, DC, September 10, 1990.

Hon. JON KYL,
Committee on Armed Services,
U.S. House of Representatives.

DEAR CONGRESSMAN KYL: I urge you and your colleagues to support the Strategic Defense Initiative (SDI) program during House consideration of the Fiscal Year 1991 Defense Authorization bill. Specifically, I recommend your opposition to proposed amendments that would dramatically reduce necessary SDI funding and impose crippling programmatic restrictions. Such amendments, should they be enacted into law, would undermine our arms control negotiations with the Soviet Union and could deny the President the opportunity to move in the direction of a far more stable, secure deterrent.

SDI has provided significant negotiating leverage in the strategic arms reduction (START) negotiations. This will be no less true in the START follow-on negotiations. Continued development of space-based defenses such as Brilliant Pebbles, which are particularly effective against large MIRVed ICBMs in the boost-phase, would provide substantial incentive to the Soviet Union to de-MIRV its ICBM force—a long-standing objective of U.S. arms control policy. Defenses may also provide a safer path to reductions.

In their joint statement at the Washington Summit on follow-on negotiations, President Bush and President Gorbachev also called upon both sides to "implement an appropriate relationship" between offensive and defensive forces. If we are patient and persistent in pursuing both our negotiating objectives and a vigorous SDI program, there is good reason to believe the Soviets will join us in deploying defenses in a way that enhances the security interests of both sides. I strongly believe that a robustly funded SDI program provides critical leverage to motivate the Soviet Union to agree to a cooperative transition to a more balanced offense-defense force posture.

Efforts to reduce drastically funding for SDI and to restrict the program manager's flexibility seriously undermine our ability to achieve our arms control objectives and reduce the potential to move deterrence onto a more stable and secure plane. I strongly urge your support in defeating any amendments which would harm the SDI program.

Sincerely,

RONALD F. LEHMAN II,
Director.

UNITED STATES DELEGATION TO THE
NEGOTIATIONS ON NUCLEAR AND
SPACE ARMS WITH THE SOVIET
UNION,
Geneva, Switzerland, September 4, 1990.

Hon. JON KYL,
U.S. House of Representatives,
Washington, DC.

DEAR MR. KYL: In response to your inquiry, I am pleased to convey my views on the effect the Spratt and Bennett amendments will have on the Defense and Space Talks here in Geneva. I urge you and your House colleagues to oppose these amendments to the Defense Authorization Bill. SDIO Director Ambassador Cooper has already shared with you the debilitating effect they would have on the SDI program. These amendments would also undercut the United States in the Defense and Space Talks.

Our talks are at what I would call the conceptual stage, similar to the negotiations which took place in the early and mid-1980s in START. Then we had to convince the Soviets that Western concepts of deterrence and stability would enhance not just our, but also their security. We are now seeing the fruit of those patient and determined efforts in the emerging START Treaty and in the Joint Statement on Future Negotiations on Nuclear and Space Arms and Further Enhancing Strategic Stability, issued at the Washington Summit in June.

Now, my Geneva negotiating team and I have a similar challenge, this time on the defense side.

We are encouraged by small, but nevertheless real, Soviet steps here at the talks on predictability, or confidence-building measures. We are even more hopeful that the fascinating Soviet public debate on the value of defenses, made possible by glasnost and new thinking, will turn up patches of common ground which we can work to expand here in Geneva. It is clear that a number of knowledgeable Soviets agree that a safer, more stable strategic balance can be achieved by increasing reliance on defenses. This would be for the good of both countries, and a negotiated, cooperative transition to this safer balance may be achievable. This would be the first cooperative transition since the dawn of the nuclear era.

However, I must tell you frankly, our work in Geneva to seek Soviet agreement on ways to strenghten deterrence will be insufficient without a strong SDI program. If the Soviet Union is going to join hands with us in designing this safer world, it must see that it is technologically feasible and that America is determined to get there. This will mean diverting some of the still considerable money, manpower, technology resources, and political commitment the Soviet Union now applies to its extensive strategic offensive nuclear weapons. Only the knowledge that the United States is proceeding with a credible strategic defense program will provide incentive to do this.

If we can expand the footholds of common ground we see emerging, if our SDI program is progressing in accordance with the realistic timetable established by President Bush, there will be an opportunity for success in the Defense and Space Talks. The President's timetable, a realistic schedule for a Phase I deployment, and our proposals here in Geneva would converge to allow time for ample discussion of all relevant issues and negotiation of a cooperative transition. If, however, Secretary Cheney and Ambassador Cooper are prevented from running the SDI program in a way which supports President Bush's plan to make a decision within his first term in office, I see no hope of success at the Geneva talks. Insufficient funding, inflexible program restrictions, or a combination of the two, will create such a situation. I am convinced that the Bennett and Spratt amendments would constrain the program in ways that could only pull the rug out from under my negotiating team and me.

Best regards,

DAVID J. SMITH,
Chief Negotiator,
Defense and Space Talks.

THE WHITE HOUSE,
Washington, August 3, 1990.

Hon. JOHN WARNER,
U.S. Senate,
Washington, DC.

DEAR SENATOR WARNER: I am writing to underscore the importance of the SDI program and express my concern about Congressional action to further cut SDI funds or restrict our ability to manage the program.

When I entered office, I ordered a thorough review of the SDI program—both the progress of its technology and our policy governing it. I concluded that SDI had made tremendous progress toward giving us the technological means to strengthen deterrence through introducing defenses. As the technology matures, we will need to conduct rigorous and realistic tests—consistent with the ABM Treaty—in order to make an informed decision on the feasibility of defenses. To fund these tests I asked for an increase in the SDI budget, even as we faced an overall cut in the Defense budget.

Nonetheless, in making up the Defense Authorization Bill, the Senate Armed Services Committee has cut almost a billion dollars from my SDI request. The House seems determined to cut more. But a vote to cut SDI below the Senate Armed Services Committee mark will force us to delay critical tests and cancel contracts, and therefore is essentially a vote against strategic defense for America. Some in the Senate are also seeking to manage the SDI program themselves by cutting my request for the most promising SDI technologies. In many ways this is more serious than a funding cut. As Congress imposes cuts in the Defense Budget, at the very least, I need flexibility to manage our programs. Moreover, it makes little sense to force us to forego realistic tests of promising SDI technologies.

As you and your colleagues consider the Defense Bill, I hope you will take into account the tremendous progress and promise of SDI, and will provide us with the means to manage an effective program. SDI will be among the most important factors in my evaluation of the Defense Authorization Bill.

Sincerely,

GEORGE BUSH.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, before I make a number of my points, I would simply like to respond to a few statements that have been made. First, with respect to the reference to the Berlin Wall, I would like to assert very aggressively that the Berlin Wall did not come down because we spent, and in my humble opinion, wasted, $20 billion pursuing star wars.

The Berlin Wall came down because of the power of ideas, and human beings' understanding that when they collectively decide they wanted to change the course of history, that they had the capacity to do that. Not because America had star wars and MX and small mobile and B-2 bombers. Anyone who asserts that, in my humble opinion, is asserting an absurd idea.

Second, the strategic defense initiative was sold to the American people

as the great peace shield, that in some way we would return to the naive days before there were nuclear weapons. We would build a Houston Astrodome over America, and the nuclear weapons will fall blithely away from the American people.

Then that idea clearly became fanciful. Suddenly we found ourselves not advocating a population defense, but a point defense. The American people had been sold great propaganda. We suddenly found out star wars was not about protecting them, but about protecting other missiles and other military assets.

Now we find that our colleagues want to sell the strategic defense initiative as a way of addressing the problems of the Third World. In the course of my remarks, I will focus very briefly upon that.

Mr. Chairman, there are a number of talking points I would like to make. Some of them I will not pursue in great detail, because over the years we have tried to make these points diligently, in the past.

No. 1, I would like to focus the attention of Members on the ABM treaty. The deployment of SDI, as we have said on many occasions, will abrogate the ABM Treaty, will put it at risk.

The fact of the matter is that the logic of ABM and the logic of SDI are contradictory ideas. To pursue one is to challenge the other. No one has effectively argued that that is indeed not the case.

Mr. Chairman, the ABM Treaty was agreed upon by the United States and the Soviet Union many years ago because they recognized that without ABM, we would pursue an offensive and defensive missile arms race that would plunge both nations into economic despair and the world into great danger. And here we are.

□ 1320

Mr. Chairman, I think anytime we are proceeding to take action that would abrogate a significant treaty we ought to move with great caution and great care.

Some people have been candid before the Committee on Armed Services. The most recent Director of SDI has said, yes, indeed, to pursue SDI, to pursue Brilliant Pebbles is to force the Nation at some point to abrogate the ABM Treaty.

Question, query: Is that what you choose to do? Answer: Each time over the last several years that the Congress of the United States, as representatives of the American people, have been asked that question, they have overwhelmingly voted to support the traditional interpretation of the ABM Treaty. Mr. Chairman, the ABM Treaty is central to ongoing arms-control agreements. This is important. We should not throw it out the window casually. It is certainly not a bargaining chip, Mr. Chairman.

Soviet negotiators have continued to insist that U.S. violation or withdrawal from ABM Treaty as traditionally interpreted would mean the end of Soviet offensive reductions under START. So to pursue this madness is to fly in the face of our ultimate objective which is to move the Soviet Union to reduce offensive weapons capability, not pursue them to lay that down.

Let us now look at Soviet strategic modernization. As this gentleman has been briefed, Soviet modernization is START-compliant. I repeat for emphasis: START-compliant. There has been no evidence to suggest, Mr. Chairman and members of the Committee, that the Soviets are planning some Sunday punch on the United States. Soviet strategy, strategic modernization, according to administration briefings, is START-compliant. Their method of modernization continues to be one that fiddles at the margins with existing weapons systems but no major new waves of weapon systems, and if the Soviets really, if they really wanted to exploit ABM, why do they not expand their Blackjack bomber capability which briefings indicate that they are not doing?

Let us now focus, Mr. Chairman and members of the Committee, on this new idea that SDI must now save us from Third World threats. I would begin by making this assertion: SDI was originally conceived, and improbably, as a shield against a massive strategic attack from the Soviet Union. It was never designed to preclude a missile attack from a Third World country. Most of the systems that SDI was focused on such as Brilliant Pebbles cannot intercept low-flying missiles such as the Iraqi tactical missiles, the SCUD or other short-range missiles, and I repeat, cannot attack those weapons.

Second, Third World technology is overstated. If I might have my colleague's attention, answer this argument, Third World technology is overstated. No Third World country's weapon will be aimed at the United States, because none can reach us. At least a dozen countries are trying to acquire missiles with ranges of hundreds of miles, but there is a huge technological difference between a 5-ton missile capable of lobbing a chemical weapon across a border and a 50-ton missile that can toss a nuclear warhead across an ocean.

The third point, the combination of factors needed to comprise a threat is not likely even if a Third World country succeeded in acquiring an ICBM, and successes in acquiring nuclear capability and mating the two will have to combine, Mr. Chairman, several other factors to constitute a threat to the United States, extreme hostility toward us, a leadership virtually immune to international opinion, a leader who is insane, and not just insane in the sense that this word is casually applied to some Third World leaders, but insane in clinical terms, Mr. Chairman, psychotic, because for a nation that lobs its three or four hard-earned nuclear missiles in the direction of the United States it would likely literally be annihilated within a matter of minutes if not a few hours.

Mr. Chairman, delivery would not be by an ICBM, I would assert very aggressively, Mr. Chairman. It would be much more clandestine, and even if one grant that somehow a crazy gets his or her hands on a bomb and an ICBM, why would they try to deliver the weapon in the one way that identifies their country unambiguously as the source of the attack, thereby assuring their own and their peoples' incineration and total annihilation.

I would assert, rather, that the weapon would be small, transportable, and, thus, more capable of being hidden and concealed. A crude nuclear weapon may weight more than 50 pounds of backpack nuclear weapons, but not more than about 1,000 pounds, which means it could be conveniently located in a footlocker. Mr. Chairman, it could be flown into the country undetected in a lightweight aircraft, moved about in a Chevy van to the White House, to the Capitol, to Wall Street or anywhere.

SDI would be no use in such a more likely scenario.

We have already spent $20 billion on a bizarre idea. We do not need Third World countries as a rationale of spending billions of hard-earned American dollars to pursue this level of madness.

The obvious point that this gentleman seeks to make is that SDI is a strategic defense initiative, not a tactical defense initiative. This is just another desperate attempt to rationalize and justify a system that no longer has a rationalization in a rational mind.

In the case of a prospective attack on an allied state, other systems, not SDI, are designed to face that threat, and I would like the Members to hear this, Mr. Chairman, that the United States is currently supporting work on a number of other systems intended to intercept ballistic missiles such as Scud.

Outside the SDI Program, improved versions of the Army's Patriot antiaircraft missile have been modified to give them the ability to intercept ballistic missiles, a greater Third World threat.

The Office of SDI is in pursuit of phase 1 deployment and has virtually ignored this threat that everybody is now talking about on the Third World. We are pursuing Brilliant Pebbles,

and, ironically, the programs in SDI which may be aimed at this sort of threat are not part of the phase 1 SDI, and nobody is talking about it, but I assert it on this floor.

Mr. Chairman, the phase 1 program, the programs that would affect these kinds of missiles, have low funding priorities. As a matter of fact, out of all of the money that is being requested here, over $4 billion, only $143 million goes to missile interception and the kinds of programs, the extended-range interceptor, the theater high-altitude air defense, the Arrow that the Israelis are developing; only $143 million in fiscal 1991 budget for the development of these kinds of systems.

Let us not play games here to rationalize it in some way, Brilliant Pebbles, putting thousands of miniature nuclear weapons in space, and, incidentally, each one will weigh about 88 pounds and cost $1 billion a copy, and you are talking about thousands of them in space. Not only would they abrogate the ABM Treaty, but they certainly would play no role in challenging a threat in Third World countries.

Mr. Chairman, finally, the gentlewoman from California [Mrs. BOXER] and myself have come to this floor saying let us put this genie back in the bottle. Let us only deal with basic research.

Before Mr. Reagan dreamed up this idea, we were doing basic research. We would at this point be spending about $1.5 billion in that basic research.

I find it interesting that this administration, through the SDI Office, are only asking for $1.5 billion in basic research, so the gentlewoman and I are right on target. We do not need to bend metal and engage in testing that threatens the ABM Treaty, that moves us toward some phase 1 deployment that serves no useful purpose.

Mr. Chairman, basic research allows us to move with greater flexibility, with greater care and greater caution, Mr. Chairman, so that if we did have to develop research to deal with the real-life threat, we could do it, not the $143 million that goes against the Third World threat when we are talking about billions of dollars that goes against a strategic threat that no longer exists.

I ask my colleagues to support the Dellums-Boxer amendment to bring this absurd level of funding down to $1.5 billion, and put it back in basic research, put it back in the laboratory where it should have been.

□ 1330

Mr. KYL. Mr. Chairman, I yield myself 30 seconds to respond to the last speaker.

I know the gentleman from California misspoke and probably realizes he misspoke when he indicated that the cost of each Brilliant Pebbles would be $1 billion. It is something less than $1 million, and I know he appreciates that fact.

Mr. DELLUMS. If the gentleman will yield briefly, I did misspeak. It is $1 million a copy.

Mr. KYL. I knew the gentleman knew that and I wanted to clarify that.

Second, I would also like to clarify for the record that while it may be true that Brilliant Pebbles could not intercept a Scud missile because of its low trajectory, two other Iraqi missiles, al-Abbas and al-Hussein, would be interceptible with Brilliant Pebbles.

Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. KASICH], who is acknowledged by both the last speaker, the gentleman from California, and myself, as well as our colleagues in this body to be an expert on the issue of strategic matters in defense.

Mr. KASICH. Mr. Chairman, let me say that this appears to be a contentious debate, but frankly I am very optimistic about where we are going on this strategic defense, and I will tell Members why I say it.

Our side has been pushing the idea of strategic defense for a very long time. It started out with President Reagan as the concept of a leak-proof shield. The liberal side of the Democrat Party particularly was opposed to any concept of strategic defense, arguing that we basically ought to keep it in the research and in the laboratory, and that all it does is really to invite a major attack, and that the system was unworkable and it is technically not achievable.

Let me tell my colleagues where we are right now. Both sides are coming to agreement that there is value in strategic defense. The issue is what level of strategic defense, what kind of strategic defense. Secondly, how much money should we spend at what particular point in time in order to achieve it.

We now as a Congress have decided that it does make sense in this country to have some system in place to protect us against incoming ballistic missiles. We tend to think that we ought to be more robust in our efforts to develop the technologies. The liberal side of the Congress tends to think we should be less robust and more cautious.

Mrs. BOXER. Mr. Chairman, will the gentleman yield?

Mr. KASICH. I only have 2 minutes, I am sorry. I would love to yield and be able to have a debate, and I wish I had 10 minutes to have a good debate on this, but the debate time is not long enough.

My point though is I am no longer a believer in the leak-proof shield concept, and I am not sure I ever was. I kind of dismissed that notion. I believe in a robust defense to protect us against what I think the threat is in the future, and that is the Third World threat, the limited attack, and, in fact, I was a sponsor, the first sponsor in the Congress for a study to figure out if we could develop the technologies, the JOHN KYL supported technologies and those that JOHN SPRATT is supporting, laser beams and particle beams, and KYL is supporting the Brilliant Pebbles. None of those concepts are inconsistent with what we ultimately want to achieve, and that is some level of effective strategic defense.

So rather than this being a contentious argument, really it is just a debate over the details and the fringe, and I support Kyl because I want to be more robust. It is a difference of about $600 million between the Kyl proposal and the committee.

I think we ought to be more generous. Some think we should be less, and some support Bennett. The bottom line is we all support strategic defense, and thank God we do. It is just the type and the level at which we proceed that we disagree on.

Mr. KYL. Mr. Chairman, I yield 3½ minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I appreciate very much the gentleman yielding me 3 minutes, which is not a long period of time so I would ask my colleagues not to ask me to yield. I will try to get my statement done in that period of time.

First of all, I think I would like to say that quote unquote star wars has nothing to do with the stars, it has nothing to do with war. It has everything to do with peace. It has everything to do with deterrence. It has everything to do with America having the capability of defending its homeland and our troops abroad.

Everybody in this body, particularly those who enjoy debating, probably debate in high school or college. I think we can simplify this extremely important debate about what type of strategic doctrine or conventional doctrine our Nation must have. If we think back about those questions when we are debaters in high school, the question, if we were debaters in high school, before us today would be resolved: Should the United States of America have the capability of stopping in midflight a ballistic missile armed with a nuclear, a chemical, a biological or conventional warhead aimed and targeted at our men and women in uniform launched by Saddam Hussein? That is the question we have before us today. Should the United States forgo that capability of defending 100,000 men and women halfway around the world or should we move as rapidly as we can toward developing a capability to stop a missile launched by Mr. Hussein?

If the question is placed in that way a simple resolution, in high school, in college, in law school debates, Americans, in that debate the winning side would say yes, America should develop the capability of defending our troops by stopping such a missile launched by Mr. Hussein.

Also, the ability to defend ourselves is a lot more humane than deterrence based on mutually assured destruction. It is more moral; it is as American as apple pie for America to develop the capability of stopping a ballistic missile aimed at ourselves or our soldiers.

Also I might say that mutually assured destruction is what we have today. That has been rejected I think in this body for Israel. Mutually assured destruction is basically saying I am defenseless and if you attack me we will kill you. It is based on the moral concept of revenge, and we want to go beyond that in this body.

Finally, there is a great irony, and I think the gentleman from Ohio [Mr. KASICH] hinted at it. The State of Israel right now is placed in an unfortunate situation. Israel almost must start a war in order to win a war. The reason that Israel is now in that position is because another side, if they start a war, would decimate Israel. Israel today has to preempt if they think a war is coming, and in essence has to start a war. That is an unstable situation.

The United States of America must build the capability of defending Americans whether they be abroad or whether they be here at home. This debate is fundamental. We are talking about moving in one direction or another direction.

Please give support to the gentleman from Arizona [Mr. KYL] and his amendment to have a robust effort so that Americans can deter conflict and protect our own in foreign lands.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HYDE], a member of the Permanent Select Committee on Intelligence.

Mr. HYDE. Mr. Chairman, in 1 minute I just wanted to say I think it would be extremely foolish of our country to let go of this technology. We cannot keep making progress without scientists, and we cannot underfund a program and retain the best scientists that are needed.

The nuclear genie will not climb back into the bottle.

The Soviet Union may talk peace, and I would love to see the lamb lie down with the lion, but the facts are they are building modern missiles, SS-24's which are rail-mobile, SS-25's which are road-mobile, they are modernizing the SS-18, the Typhoon class nuclear submarines, the Delta 4 class. So while all of this is going on, plus 15 countries in the Third World by the year 2000 will have an intercontinental ballistic missile capability, it would be very foolish of us not to move from mutual assured destruction to mutual assured survival.

The spinoffs from this technology in medicine, in computers, in optics are amazing, and this is the most open and reported-on program in the history of the world. Read the report and understand it is critical that we not yield this technology by underfunding the program. The Soviets are spending as much for strategic defense as they spend for strategic offense. This program is important as we move from mutual assured destruction to mutual assured survival.

□ 1340

Mr. KYL. Mr. Chairman, I yield 3 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. I thank the gentleman for yielding.

Mr. Chairman, I have just returned from a trip to the Middle East, and I can attest to the danger in the area there.

Over the last year I made a point of traveling to almost every major national laboratory and visited most of the contractors dealing with SDI. Those trips are incredibly interwoven.

The fact is that SDI already has been a success, and we have the technology to do the job for which it is intended. If ever deployed, and I am not absolutely optimistic that it will ever be deployed, but if deployed, we can successfully stop intercontinental ballistic missiles from purposely or accidentally hitting the people of the United States. And I think that is a noble purpose, it is a worthwhile purpose, it is one that we owe it to our people to pursue.

On the first point it has been a success because we have already, through the SDI Program, developed $20,000 motors that you can hold in the palm of your hand. We have electrical valves to turn these motors on and off in thousands of a second, some 100 times faster than we ever thought feasible.

We have developed cameras which have been scaled down to the size of a human eyeball with a tiny electronic retina and fisheye lens that gives incredibly extraordinarily sharp images. When equipped with infrared ultraviolet sensors, they can see through darkness or clouds.

We have new chips and new ways of wiring which would give us a mini-Cray computer able to do as many as a million calculations per second and are small enough to fit easily in a soft drink can.

I would say that the SDI Program has been an extraordinary success.

Combine the available technology with what we know about independent radical adversaries around the world, regardless of what has happened, thankfully, between the Soviet Union and the United States in the last 12 months; when you consider that as recently as May 10, 1990, Saddam Hussein was quoted as saying,

> With the help of Allah, we shall rid that region of American influence. Our missiles cannot reach Washington, but if they could we would hit there as necessary. However, we can still hit Washington in other ways, and other U.S. targets around the world.

Consider the fact that Iraq's recent missile tests showed it is only a matter of time before Hussein has ICBM's. Or that Iran, North Korea, Libya, and others are doing their darndest to get and acquire intercontinental ballistic missile capability.

Libya's Mu'ammar Qadhafi recently said that "if we had the deterrent force of missiles able to reach New York [during the American raid in 1986], we would have directed them at that very moment."

Those countries, by the way, are not signatories to the ABM Treaty and have no relevance whatsoever to that treaty.

We have to be prepared to contend with the threats before us in this world, and we have to utilize the technology available to us.

I emphatically support the amendments by the gentleman from Arizona [Mr. KYL] and the gentleman from California [Mr. DORNAN], and oppose the committee bill and those amendments of the gentleman from Florida [Mr. BENNETT] the gentleman from South Carolina [Mr. SPRATT], and the gentleman and lady from California, Mr. DELLUMS and Mrs. BOXER.

[From NBC Nightly News, NBC-TV, Apr. 21, 1990]

NEW THREAT FROM COLONEL QADDAFI

Garrick Utley: What today brought from Libya is the latest threat from Colonel Qaddafi. He said Arab nations must develop nuclear weapons within the next several years. He also said that if he had had nuclear missiles when American planes attacked Tripoli in 1986, he would have retaliated by firing those missiles at New York City.

That from Colonel Qaddafi today.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from New Mexico [Mr. SKEEN].

Mr. SKEEN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I thank my colleague for this brief opportunity to speak on the 1991 defense authorization bill and specifically, on behalf of the strategic defense initiative program.

I have been a strong supporter of SDI programs since their inception. SDI has become the cornerstone of our country's "peace through strength" program, by bringing our Soviet counterparts to the bargaining table for peace treaties and decreased tension between the superpowers.

I, like many of you, welcome the decreased tensions with our Soviet coun-

terparts, however we are not out of the woods yet. In general, military spending decreases must be viewed in the light that they could have a devastating effect on our ability to maintain worldwide stability.

Today's Persian Gulf crisis has once again demonstrated that the United States cannot weaken our military position in the world.

Continued research and development of SDI is integral to our continued ability to help maintain our security on our own continent and help maintain world stability and order in future years.

CIA Director William Webster estimates that between 15 and 20 nations will possess ballistic missile capabilities within 10 years; and 6 of those nations will have nuclear capabilities. Proliferation of ballistic missiles to the Third World threaten to reshape fundamental concepts of global security. This is a serious threat which cannot be ignored.

SDI theater defense programs will be able to counter the threat of tactical ballistic missiles, aircraft and some cruise missiles. SDI systems are being designed to destroy targets in flight before they hit their intended destination.

This essential program, the cornerstone of our peace through strength initiative, costs slightly more than 1 percent of our current defense obligations—a bargain for our most effective program.

I strongly urge my colleagues to vote in favor of the Kyl amendment, to continue the essential research and development of SDI.

Mr. KYL. Mr. Chairman, I yield 30 seconds to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. I thank the gentleman for yielding.

Mr. Chairman, it seems to me that it is very clear that the SDI Program is not simply an anti-Soviet system. There are 14, possibly 15, countries on the face of the Earth with nuclear capability. If we do not recognize that this is a system that is designed to ensure peace throughout the world, we are not going to be able to effectively maintain the gains of the revolution of 1989. I think SDI, as one person told me in West Germany, is clearly responsible for the crumbling of the Berlin Wall.

I think we need to recognize that to weaken our position now would be a gross mistake, and I urge support of the amendment.

Mr. Chairman, this year marks the 7th anniversary of Reagan's SDI speech, but in spite of all of the media attention that SDI has received, more than half of Americans still believe that the United States currently has a defense against missile attack.

Logic dictates the need for such a system. The theory of mutual assured destruction supposes that we are only safe as long as neither the United States nor the U.S.S.R. have any defense at all. Who could support such a theory?

Yet, even if this made any sense, the Soviet Union has violated the spirit and the letter of the ABM Treaty in developing a $200 billion defensive system. In fact, the Soviets have 12 large laser facilities, 6 laser testing sites, 10,000 scientists working on the program. The Kremlin has an existing and updated defense system around Moscow; thousands of portable radars in storage; and has tested lasers against helicopters and even their own satellites.

Indeed, Senior Soviet Foreign Ministry official Mikhail Aleksandrov, said what many of us in Congress have been saying for years: "It appears that the trend toward the development of defense technologies is correctly oriented, and far from leading to destabilization, it may result in a better model of strategic stabilization than the one we have." He is not the only Soviet official to say as much. Others including Ednan Agayev, of the Foreign Ministry, V. Etkin, the Chief of Applied Physics at the Soviet Institute of Space Research, and even Estonian Foreign Minister Lennart Meri, have all agreed with the rationale of SDI. I would argue that as a result, we now have a tremendous opportunity to move away from offensive nuclear deterrence, and toward a system based on defensive deterrence.

There is an even more pressing need for developing this technology. In the next 10 years, at least 15 nations, including Libya, Iraq, Iran, and India, will possess long-range ballistic missiles. Imagine a Colonel Quadafi with a long range chemical or nuclear missile. He already tried attacking United States forces with two SCUD B missiles off the coast of Italy in 1986.

Just this week, Palestinian Liberation Front leader Abul Abbas himself, gave Americans a powerful and real world reason to pursue SDI by saying that "There is an Arabic saying that revenge takes 40 years. If not my son, then the son of my son will kill you. Some day, we will have missiles that can reach New York."

Other speakers have focused on the threat posed by Iraq's Saddam Hussein. Who could vote to keep our scientists from developing a defense against attacks from his chemical missiles—or a radical fundamentalist Muslim in Azerbeijan who had captured a mobile Soviet SS-24—or Abul Abbas.

Meanwhile, the United States has no missile defense, and Democrats in Congress want to keep it that way.

These 7 years have seen tremendous technological progress in developing a defense against nuclear attack. When Reagan first announced his plan for a defense against attack, liberals and scientists denounced it as technologically unfeasible. Many argued that the system would cost more than $1 trillion. Seven years of progress has demonstrated that the doomsayers were wrong. Not only is an effective system within grasp, its cost has fallen to at most $140 billion for a complete system, and around $55 billion for the Brilliant Pebbles system, spread over a 10-year period. Some have estimated that such a system would add up to only $40 per person.

Americans spend nearly $80 billion every year on alcoholic beverages; $20 billion per year on soft drinks; $40 billion on tobacco. Is $55 billion over 10 years too much to spend to protect our children from the threat of missile attack? The total SDI Program cost represents less than one-third of 1 percent of the total U.S. budget.

Technologically, progress has been unbelievable. For instance:

An internal measurement component weighed 41 pounds and cost $70,000 in 1970. SDI has reduced that to 6 ounces and $8,000.

Data processors which once filled entire rooms, now can fit in the palm of a hand.

New computer switches are being developed which may be able to handle up to 1-trillion operations every second; contemporary switches can handle only around one one-thousandth that many.

Several tests have demonstrated the ability of a non-nuclear kinetic weapon to intercept and destroy a ballistic missile within the atmosphere.

I could continue almost indefinitely.

Let me conclude by making a few points. First, the Soviets have not in any way, shape, or form reduced spending on nuclear missiles. Should Gorbachev be overthrown, and a hardliner come into power, or radicals in one of the individual Soviet Republics capture a mobile nuclear weapon, these missiles would pose an enormous threat to us. In addition, Third World maniacs now are developing ballistic missiles as well.

Second, the cost of a phase I SDI Program is less than what the United States spends in a single year on alcohol. Such a system would protect us against accidental launch by the Soviets, or any launch by a Quadafi or Khomeini type, and would also convince any future Soviet leader that a nuclear attack against the United States would be futile.

Last, when I visited Eastern Europe in January, numerous Poles, Hungarians, and Czechoslovaks told me that it was SDI which convinced the Soviets that they could not compete with the United States, and therefore, led to many of the changes that we now see sweeping Eastern Europe. It is amazing that a defensive system, which has not even been deployed, could have such a tremendous impact.

President Reagan had a vision. He hoped that U.S. technological skill could find a way to eliminate the possibility of a nuclear holocaust. Our scientific community is in the process of doing so. They are developing a defensive program that could revolutionize warfare. No longer would we solely develop weapons that would kill people in order to deter war; SDI destroys weapons.

SDI made sense in 1983; it makes even more sense 7 years down the road.

So do the Soviets who have said the following:

SOVIET SUPPORT FOR BALLISTIC MISSILE DEFENSE

An effective missile defense system puts a nation in the position to assure its own security * * * rather than having to rely on the other side's good will.—General Nicolai Talensky, Soviet military historian.

It appears that the trend towards the development of defense technologies is correctly oriented, and far from leading to destabilization, it may result in a better model

of strategic stabilization than the one we have.—Mikhail Aleksandrov, Soviet Foreign Ministry.

In order to get to the truth, it is necessary to call everything into question. And hasn't the present 'offensive deterrence' been long ripe for that. The only modern deterrence is defensive.—Ednan Agayev, Soviet Foreign Ministry.

Safeguards from accidental launches, or more importantly, extremist groups * * * such a system * * * lies in the realm of possibility.—Vladimir Etkin, Chief of Applied Physics, Soviet Institute of Space Research.

Defensive systems guard against someone deciding to violate any arms reduction treaty.—Andrei Gromyko, former Soviet Foreign Minister.

Henry Kissinger wrote in 1977 that when President Johnson first proposed the idea of limiting defenses, Soviet Premier Alexei Kosygin replied that: "The idea of not engaging in defenses was one of the most ridiculous propositions I have ever heard."

SDI was a brilliant strategy. It is the real reason that the Soviet Union has been forced to develop its new strategy.—Lennart Meri, Estonian Foreign Minister, June, 1990.

Mr. Chairman, this kind of confidence in SDI from the Soviets leads me to conclude that we should provide at least the President's funding request.

Mr. KYL. Mr. Chairman, I yield 30 seconds to the gentleman from Louisiana [Mr. McCRERY].

Mr. McCRERY. Mr. Chairman, I rise today in strong support of the Kyl amendment to increase funding for strategic defense programs to $3.57 billion. The Kyl amendment provides the bare minimum amount required to maintain a credible SDI research and development program.

Saddam Hussein has reminded us that the world remains a dangerous place and it is made more so by the fact that the technology needed to produce both chemical and nuclear weapons and the ballistic missiles required for their delivery has become increasingly accessible. CIA Director William Webster recently testified that as many as 20 additional nations will develop a significant ballistic missile capability by the year 2000; 6 of those will have nuclear capability.

And please consider, with some of there Third World nations, traditional notions of deterrence will not prevent them from using their new-found technology. The leader of Libya Col. Mu' ammar Qadhafi, has stated that, had he possessed nuclear missiles when United States planes attacked Tripoli he would have retaliated by firing those missiles at New York City.

The strategic defense initiative provides the only possible avenue we have to protect America and her allies from these dangers and I urge your support for the Kyl amendment.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, recently I escorted a group of Russians into the mountain at Norad at Colorado Springs. While they were there watching the monitors, a Russian plane approached the coast of Alaska. Not only did they identify that plane at Norad, they told them exactly what kind of a plane it was. The Russians were tremendously impressed.

Prime Minister Thatcher was there recently. She also was impressed.

I have been there and I have watched them simulate attacks on the United States, and it was impressive to me to know the scientific knowledge that we have and they way that we can identify things coming toward us.

But what is not impressive is that we cannot do one doggone thing about it. We have no defense. We cannot do anything about it. You go to your town meetings and you ask people what would happen if Qadhafi shot a missile at us. They said, "We would shoot it down." Most folks think we have some defense.

We call that building out there at the Pentagon the Department of Defense. Yet we have no defense against incoming missiles. The only hope we have for defense against incoming missiles is SDI.

We must proceed aggressively so that the President has the information necessary to make an intelligent deployment decision.

Mr. KYL. Mr. Chairman, by my count I have 2½ minutes remaining, and the gentleman from California [Mr. DELLUMS] has 4 minutes.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from California [Mr. DELLUMS] has 4 minutes remaining. The gentleman from California does have the right to close.

Mr. DELLUMS. Mr. Chairman, I will yield 3 minutes and 45 seconds to the gentleman from New York [Mr. DOWNEY] in order to close. At this moment I yield myself 15 seconds.

First of all, let me say, Mr. Chairman, to the members of the committee that the last Brilliant Pebbles experiment had to be blown up. The four prior to that were clearly less than a success. I would suggest they failed.

Anyone who attempts to assert on the floor of the Congress that the star wars technology is ready to be put into space is taking a flight into fancy.

Mr. KYL. Mr. Chairman, I yield 30 seconds to the gentleman from Ohio [Mr. McEWEN].

Mr. McEWEN. Mr. Chairman, as was mentioned by the previous speaker, the average American using common sense can come to this conclusion: Mr. Qadhafi says, "If I had the missiles to hit Washington, I would have." Mr. Hussein said 5 months ago, "If I could hit New York, I would."

There is no way to prevent this technology from going to the Third World over this next decade. Rest assured the first time some maniac displaces some sovereign and uses that capacity to threaten or blackmail the American President, there will not be enough committee rooms around here for us to hold hearings as to who was minding the store.

Why do we spend all of this money and still are unprotected? Vote for SDI. It only makes common sense.

Mr. KYL. Mr. Chairman, might I inquire, does the gentleman from California intend to close with all of the time that he has remaining?

Mr. DELLUMS. Mr. Chairman, this gentleman is prepared to yield the entire remaining time to the gentleman from New York [Mr. DOWNEY].

Mr. KYL. Mr. Chairman, in order to have a real debate on this issue, we need more time and we need to engage each other in direct questions and answers. It would be nice if we could do that.

□ 1350

Unfortunately, the limited time has Members hurling accusations or assertions back and forth, and there is frequently not the kind of connect that would inform our colleagues as to what the truth is.

There are some things I would like to respond to here. The gentleman from California for whom I have high regard, has just said that the last Brilliant Pebbles test was blown up, and the three previous tests were unsuccessful. Every one of the Brilliant Pebbles tests has been very, very successful. It is one of the reasons, when President Bush went to Lawrence Livermore Laboratory in February to view the Brilliant Pebbles and discuss the status with the people there working on it, that he said in the 1990's SDI makes more sense than ever before, precisely because of Brilliant Pebbles. And with respect to the last test the reason the rocket had to be destroyed was range safety; it had nothing to do with Brilliant Pebbles. This is the kind of assertion that can easily be made, and takes time to respond to, but the truth is that the Brilliant Pebbles technology is at hand. That is what the President has said, and I think most knowledgeable people agree with that.

The real question is one of cost. As our colleague from Ohio [Mr. KASICH] said on the question of cost, we do not necessarily have to spend all the money that was originally anticipated for a leak-proof shield, if that is what some wanted to call it. We could just deploy a system against some of the threats, including limited threats of the Third World, and accidental launch, and that sort of thing. That would begin to provide us a kind of defense. For this year's funding, there is no necessity of making a choice between Brilliant Pebbles and something else, or between a Soviet threat or Third World threat. The question is the appropriate funding level to pursue for all of the relevant technol-

ogies. And I would remind my colleagues that it was President Bush who said that the $3.57 billion funding level is the required funding level to move this program forward, and he urged Members to support that funding level.

Therefore, I would conclude by urging my colleagues, when the time comes, to support the Kyl amendment for $3.57 billion and to oppose the amendments that would reduce the funding below that.

Mr. DELLUMS. Mr. Chairman, I yield the balance of my time, 3¾ minutes, to the distinguished gentleman from New York [Mr. DOWNEY].

Mr. DOWNEY. Mr. Chairman, I thank the gentleman for yielding time to me. I think it is just appropriate for Members to review just a little bit of the history of the strategic defense initiative, since it has been reinvented at least three or four separate times on the floor.

It was the brain child of one of the world's most dangerous men, Edward Teller, selling the idea to one of the world's most gullible men, Ronald Reagan. It resulted in a March 1983 speech where President Reagan said that he saw a world where nuclear weapons would become impotent and obsolete, where there would be a Houston Astrodome protection of the United States.

Now sadly, only the President of the United States believed that. No person in the Department of Defense thought that could ever be accomplished. However, there was something that could be done with this kernel of an idea that had before not been possible. That is to abrogate the ABM Treaty and move ahead not only with offensive weapons, but also with defensive weapons. So, Ronald Reagan's dream, every budgeteer's nightmare, became a reality. As it became clearer and clearer over time that an umbrella defense of the United States was not possible, so, too, did the rationale change for SDI. It then became a limited defense, and now in its latest incarnation, it is a protection against Third World countries and Saddam Hussein. That was nonsense then, and this is nonsense today.

What the gentleman and the gentlewoman from California want to do is not denude the United States of a defense, but to provide $1.5 billion which was the prefantasy consensus of what was necessary to do basic research on missile defenses.

It is possible at some point in the future that we and the Soviets might want to provide a change to the ABM agreement, to provide some limited defense against the threat of a Third World state. I do not think that is necessary to do. But if it is, we can then negotiate that. For the time being, to protect the United States, there are a whole variety of things, one of which President Bush mentioned last night, that will work. We can make sure that there is a nonproliferation treaty with respect to ballistic missile technology. We can ban ballistic missile flight tests. We can improve the IAEA regime so that nuclear systems, the proliferation of plutonium, and enriched uranium is not spread around the globe. That will work. That is reality. That is something we can do in a new world order, with a Soviet Union that wants to cooperate against Third World threats.

However, to suggest that the old shopworn rationale for the SDI are somehow valid, when we are cutting basic defense, is crazy. We started off having smart rocks and brilliant pebbles. And we find out today that it is innocuous grains of sands that slow down our military in the desert, what we need to protect ourselves against. That is what we need our money for. Not some harebrained scheme thought up 7 years ago. That did not have a valid rationale then, and has absolutely no place today.

The CHAIRMAN pro tempore (Mr. DURBIN). All time for general debate on this issue has expired.

It is now in order to debate the subject matter of the strategic defense initiative.

Pursuant to the rule, the gentleman from South Carolina [Mr. SPRATT] will be recognized for 15 minutes, and the gentleman from Alabama [Mr. DICKINSON] or his designee will be recognized for 15 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Chairman, I yield myself 9½ minutes.

Mr. Chairman, I want to discuss the amendment I will offer to structure the strategic defense program. We have debated the level of strategic defense spending, which is important, but it is time to debate how the billions we authorize are actually to be spent. SDI is not so much a program as an umbrella, and beneath it are many programs: sensors and surveillance systems; terminal interceptors, mid-course interceptors, boost-phase interceptors, and lasers systems, or directed energy weapons. Some are space-based; some are ground-based. Some comply with the ABM Treaty; some do not. The time has come when Congress should start deciding which of these programs to push and which to hold back; or, indeed, deciding how to keep the research evenly paced, so that no single system is selected prematurely to the detriment of others.

Through fiscal year 1990, Congress will have appropriated nearly $20 billion for the strategic defense initiative since it was first started in fiscal year 1984; and by any reckoning, that is real money. Furthermore, since fiscal year 1984, Congress has let the SDIO have $20 billion with extraordinary latitude in deciding how to spend it.

If SDIO is left to spend the next $20 billion as it sees fit, a good share of it is probably going to be sunk in developing a Phase I deployment scheme, the centerpiece of which is Brilliant Pebbles. Brilliant Pebbles is the nickname for space-based interceptors; single, autonomous satellites, launched literally in the thousands, to form a basket-weave of interceptors, constantly orbiting several hundred kilometers over the Soviet Union. Their mission is to spot, track, and destroy Soviet ICBM's in the boost phase, as they rise from their silos, or in the post-boost phase, as they offload their RV's. Brilliant Pebbles is a conceptual coup; it solves in concept many of the weaknesses in the satellite inerceptors that SIDO first proposed. But if it answers some questions, it begs many more. Can a single, light-weight system be made that is satellite, sensor, and rocket interceptor all in one? As we struggle to make simpler standoff systems like the AMRAAM work, we have reason to ask if space-based interceptors, tasked with a far more stressing mission, can ever work? And if they ever work just, how effective will they be? SDIO concedes that these space-based interceptors will take out only a fraction of ICBM's in their boost phase. If Brilliant Pebbles will only thin out the attack, there may be other more effective and less expensive ways to get the same results, such as making our own land-based missiles mobile. In any event, before we develop or deploy the space-based interceptors, we will need to know if other SDI systems, such as the ground-based interceptors, can take up the slack, and destroy the RV's that the Brilliant Pebbles let through. Finally, space-based interceptors mean that sooner or later we will have to abrogate the Anti-Ballistic Missile Treaty. The ABM Treaty made possible SALT I and SALT II, and it undergirds support for START. I don't think that we should remain hidebound by its terms forever; but before we abandon it, we should have a practical assessment of the stragetic defense system we put in its place.

I support strategic defense; if it can be made to work, it has a place in a world where each superpower has fewer warheads. The amendment I will offer will focus the objectives of the SDI Program as follows:

First, to encourage research on exotic technologies that might result in a revolutionary breakthrough in the technology of strategic defense. If any technology offers the possibility of defense against nuclear attack, it is the speed-of-light beam weapons that might conceivably destroy ICBM's as they lift off from their bases in the Soviet Union. The administration's

early deployment scheme does not include beam weapons, and by emphasizing early deployment, it threatens stable funding for research on these systems.

Second, to support development of ground-based systems that might be deployed to defend against a missile attack, launched accidentally or by a rogue commander, and that might be used to defend specific targets such as ballistic missile silos; and

Third, to balance funding for the development and deployment of the space-based, phase I strategic defense system, favoring in the short run ground-based, treaty-compliant systems.

I originally submitted two amendments to the Rules Committee. These two amendments were consolidated into one amendment with two sections. The first section would impose funding restrictions on SDI research and development spending as follows:

First, not less than $130 million would be obligated and spent for the Free Electron Laser [FEL] Program. Research on a ground-based FEL could lead to a breakthrough in ballistic missile defense, and it may also result in a effective anti-satellite weapon.

Second, not less than $142 million would be authorized for the Ground Based Interceptor [GBI] Program, and not less than $95 million for the High Endoatmospheric Defense Interceptor [HEDI] Program. These two ground-based interceptors could be employed in an interim, treaty-compliant defense against accidental attacks.

Finally, not more than 30 percent of the total SDI budget for fiscal year 1991 would be available for initial systems as defined by SDI; and of this amount, not more than $120 million would be authorized for research on the space-based interceptor concept, Brilliant Pebbles. $129 million is the amount allocated by SDIO to Brilliant Pebbles this year, so Brilliant Pebbles would not be cut, and certainly not eliminated; but it would not be allowed to ramp up to $340 million, as SDIO proposes.

The second section of my amendment would require the SDI Organization to submit two budget requests. The SDI organization has consistently submitted unrealistic budgets that have been significantly cut by Congress. Over the last 6 years, the administration has requested $7.4 billion more in spending authority than Congress has granted; and each year, the cuts and resistance to spending on SDI seem to run deeper. Last year, for example, the budget request for SDI was $5.6 billion but the Congress approved only $3.6 billion. This year the request is for almost $4.5 billion, and Congress is unlikely to provide more than $3 billion.

My amendment would require that an alternative budget be submitted by the President, based on the budget authority provided in fiscal year 1991 and constant dollar funding at the same level for the next 5 fiscal years. My amendment would require that the alternative plan be structured so that the SDI program:

First, does not pursue in the near-term the deployment in space of directed energy weapons or kinetic energy interceptors;

Second, remain consistent in the near-term with the customary interpretation of the Anti-Ballistic Missile Treaty;

Third, pursues instead in the near-term a treaty-compliant system of ground-based interceptors as an option for development and deployment;

Fourth, pursues research into directed-energy systems that are promising, particularly those capable of ground-based deployment; and

Fifth, continues support for antitactical ballistic missile interceptors to counter the threat rising from the growing proliferation of ballistic missiles.

In an effort to expedite today's proceedings, I have reached an agreement with opponents to modify my amendment. When my amendment is called up, I will ask for unanimous consent to amend my amendment by dropping the restrictions on SDI spending. The other body has already imposed such restrictions, and the level and extent of these restrictions can be decided by the House-Senate conference committee when the overall level of spending on SDI is finally decided. My amendment would retain the requirement for the submission of an alternative budget proposal.

My decision to reach a compromise on this amendment does not reflect a change of heart, it simply reflects a desire to seek a compromise that would set SDI on a stable and sensible path.

Mr. Chairman, all our defenses are strategic defenses if they deter war. And if they deter war generally, they reduce the risk of nuclear was specifically, because war is the time when the risk of nuclear attack is greatest. With today's budget limits, funds spent on SDI will be funds not spent to strengthen our forces. If the end result of all this spending is a strategic defense system that is marginally effective at most, then the Nation's defenses could be made weaker, not stronger. That is why we need to look with more discrimination at how the billions authorized for SDI are actually being spent.

□ 1400

Mr. Chairman, I reserve the balance of my time, and I will come back with a further explanation later.

Mr. KYL. Mr. Chairman, first, I yield myself 2 minutes.

I will begin by saying that it is my pleasure to serve as the ranking member on a special panel chaired by the gentleman from South Carolina [Mr. SPRATT] of the Committee on Armed Services known as the Department of Energy Defense Facilities Panel. In that capacity I have enjoyed working with this Member, who is very thoughtful and very careful in his deliberations and has a great deal to contribute to the defense of our country.

It is not often that we disagree, and when we do, it is generally over technical matters rather than general directions. We do have one disagreement to which the gentleman has spoken here today, and I think this is rather important. It is addressed in a letter and a statement from which I would like to quote. It is the question of how rapidly we should be pursuing the Brilliant Pebbles technology and how much promise that has. It is my contention that Brilliant Pebbles has a great contribution to make to the strategic defense initiative, and that we ought to be funding it at a very robust level.

The Directors of the two national laboratories most involved in this recently wrote a letter to Secretary Watkins. I am speaking of John Nuckolls who is the Director of the Lawrence Livermore National Laboratory, and Siegfried Hecker, the Director of the Los Alamos National Laboratory. They submitted to Admiral Watkins a paper which summarized their position on the technologies involved in SDI. This paper was authored by John Browne and Greg Canavan of the Los Alamos National Laboratory and Edward Teller and Lowell Wood of the Lawrence Livermore National Laboratory. I am quoting from their paper:

> Brilliant Pebbles offer effective and survivable space-based means for addressing near- and long-term missile threats in the boost phase. The timely development of "Brilliant Pebbles" must be viewed as the cornerstone of the SDI program and pursued accordingly.

They go on to say this:

> Both interceptors and directed energy weapons must be pursued to have a strategic defense strategy that can evolve to meet all presently foreseen threats, thereby maintaining sufficient effectiveness to deter potential adversaries from attack well into the next century.

Their point is that a balanced program, with Brilliant Pebbles as well as these other programs the gentleman from South Carolina [Mr. SPRATT] has spoken of, is critical to the strategic defense initiative.

Mr. Chairman, in order to balance the time, I now yield 2 minutes to the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise today in strong support of the strategic defense initiative and providing the President of the United States with the funding and flexibility he needs to pursue this program in the best interest of the American people.

I find it almost incomprehensible that anyone could be opposed to a program which will significantly increase the ability of the United States to defend itself against the devastating and far-reaching threat of ballistic missiles. Our strategic triad of land- and sea-based ICBM's and manned bombers has been most effective in deterring the Soviet Union from launching an all out nuclear attack on the United States. But the ballistic missile threat is rapidly changing. The Soviet Union is continuing to modernize its own strategic triad. And our ability to retaliate, while still needed, will not defend us against an accidental launch. Nor will they deter Third World leaders such as Saddham Hussein or Mu'ammar Qadhafi who are developing ballistic missile capabilities and who have neither the morality nor the wisdom to rationally control their use. We need the ability to destroy these missiles and the chemical, biological, or nuclear warheads which they can carry before they can cause their devastation.

The rapid proliferation of ballistic missile capabilities in the Third World and the Soviet Union's continuing modernization of their strategic forces leave us no other choice. To counter these threats, we must have the ability to make a fully informed decision on deploying strategic defenses by mid-1993. This will not be possible with the current level of funding in the authorization bill and it certainly will not be possible if we reduce these funds even further or put unnecessary constraints on how they are spent.

We were able to prevent Saddham Hussein from carrying his outrageous acts of aggression even further not because he listens to reason or empty threats. And the growth of democracy in Eastern Europe did not happen because we sat back and wished and hoped for it. Both of these actions were possible because past Congresses and past Presidents had the wisdom and foresight to realistically see emerging threats and took the necessary actions to ensure that we had the systems and manpower to defend against them.

Now is the time for this Congress to demonstrate the same wisdom and foresight. We cannot hope to face tomorrow's threats with yesterday's technology. And we cannot defend ourselves with weapons systems which are merely an idea on some engineer's drawing board. We must have the right capabilities at the right time. The SDI Program will do exactly that, and we need the funds and flexibility to do it.

□ 1410

Mr. KYL. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, we have not seen much reflection of the events taking place in the Middle East in today's debate. What we will probably see is an effect on the voting patterns, not so much the debate. We are hearing some of the same old tired arguments here that we have heard over the last 7 years. We are debating whether or not the United States of America should fulfill its constitutional obligation as espoused in the preamble to our Constitution, to provide for the common defense, with all the impact of what that word "defense" means, defending our homeland.

There is no obligation by any U.S. Senator or Congressman or Congresswoman more important than defending our homeland. That is what we are discussing at this moment.

Now, if a former member of this body who served here with great distinction for 4 years, and now President of the United States, were in this well today, I believe he would repeat the remarks embodied in his letter dated today, September 12, to the vice chairman of the Armed Services Committee of the House, our distinguished leader on the Republican side, the gentleman from Alabama [Mr. DICKINSON].

First, I would like to point out that the President sent a similar letter the day after the Iraqi invasion of Kuwait—as the President puts it, the swallowing whole of the nation of Kuwait—to Senator JOHN WARNER basically the same plea that he made today to Congressman BILL DICKINSON.

The President predicted, because we were debating this issue in a markup over in the Rayburn Building at this time, the President accurately predicted that the House was determined to cut even more savagely into his request for SDI funds than the Senate had done. The Senate had cut over a billion dollars from the executive branch request of $4.46 billion.

The President then went on to tell Senator WARNER that a vote to cut SDI any further is essentially a vote against strategic defense for America.

Now, here is his letter dated today to Congressman DICKINSON.

DEAR CONGRESSMAN DICKINSON: I want to underscore the importance of the SDI program and express my concern about congressional action to further cut SDI funds or restrict our ability to manage the program.

When I entered office, I ordered a thorough review of the SDI program—both the progress of its technology and our policy governing it. I concluded, as President, that SDI had made tremendous progress toward giving us the technological means to strengthen deterrence through introducing defenses. As the technology matures, we will need to conduct rigorous and realistic tests—consistent with the ABM Treaty—in order to make an informed decision on the feasibility of defense. To fund these tests I asked for an increase in the SDI budget, even as we faced an overall cut in the defense budget.

That is the burden of the Commander-in-Chief, my colleagues.

Nonetheless, in marking up the Defense Authorization bill, the House Armed Services Committee has cut over a billion and a half dollars—

That is below the Senate billion dollar cut—

Such a cut woud devastate SDI, forcing us to delay critical tests and cancel contracts. Some in Congress are also seeking to manage the SDI program themselves by cutting my request for the most promising SDI technologies. In many ways—

the President says—

this is more serious than a funding cut. A vote to fence funding—

There is that word fence. In real estate it is escrow.

A vote to fence funding of the most promising technologies amounts to a vote against strategic defenses even before we have the data from critical tests. As Congress imposes cuts in the defense budget, at the very least—

the President implores—

I need flexibility to manage our programs. It makes little sense to force us to forgo realistic tests of promising SDI technologies. Indeed, Congress has always insisted that we fly before we buy weapons systems.

As you and your colleagues consider the Defense bill, Mr. DICKINSON, I hope you will take into account the tremendous progress and promise of SDI, and will provide us with a means to manage an effective program. SDI—

the President closes—

will be among the most important factors in my evaluation of the Defense Authorization bill.

The gentleman from Arizona [Mr. KYL] quoted from Monday's Wall Street Journal an Arab expression that, "Revenge takes 40 years, even if your grandchild does the killing." All my life I have known the expression from the Arab world that, "The sweetest wine of all is the wine of revenge," and as in the case of slaughtering an entire jumbo jet full of passengers over Lockerbie, Scotland, and killing another 11 people on the ground, that did not take 40 years. That took from July 4 until December, a year ago December, when that revenge was eked out.

I will return during the debate on the Dornan amendment for the full administration President Bush funding.

Mr. KYL. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. COURTER].

Mr. COURTER. Mr. Chairman, I thank the gentleman for yielding me

this time. I think I can probably do it in less than two mintues.

What I would like to do is speak specifically on the Spratt amendment. I regretfully have to oppose it.

According to the Director of the Central Intelligence Agency, William Webster, between 15 and 20 developing nations will possess ballistic missile capabilities by the end of this century. Six of those countries will have nuclear weapons capabilities. The end of this century is just a number of years away, and so while it is very important to make sure that we robustly research and develop the capabilities of defending ourselves against some future threat 20 years, 30 years, 15 years from today, by the exotic efforts of laser beams and other types of things which the Spratt amendment really does, it is likewise important to defend ourselves against the present threat. America must defend itself against future threats which the Spratt amendment does, but also must have the present capability within the near future to defend ourselves against the threat of today.

We not only in America have a problem perhaps in the next 20 years, the real problem is now. So as much as I admire the gentleman from South Carolina, indeed it is important to fund these exotic new systems that will come on line decades hence, the danger now is not decades hence. The danger is in the Middle East. The danger is in the next 5 years when an additional 15 nations will have ballistic missile technology capabilities, 6 of which will have nuclear missile capabilities.

□ 1420

So, please, vote no on Spratt so America has the capability to defending present threats, as well as future threats.

Mr. KYL. Mr. Chairman, might I inquire of the gentleman from South Carolina if he intends to close and use all of his time? Is that correct?

Mr. SPRATT. Mr. Chairman, I have 5 minutes left, and I would like to use it simply to explain my amendment and to have a brief colloquy with the gentleman from Washington [Mr. DICKS] about the amendment as well. But it makes no difference to me whether I close or not.

Mr. KYL. Mr. Chairman, I presume that the gentleman from South Carolina [Mr. SPRATT] would prefer to close, and I would be happy to go ahead and use all of our time now.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from Arizona [Mr. KYL] is recognized for 4 minutes.

Mr. KYL. Mr. Chairman, I wanted to come to the well because I wanted to show my colleagues what we are really talking about here when we talk about Brilliant Pebbles. We are talking about the object directly behind me. I do not know if my colleagues can see it here, but that is all Brilliant Pebbles is. It is a very small, very light weight, relatively inexpensive, purely passive defensive kind of protection.

The amendment of the gentleman from South Carolina [Mr. SPRATT] is all about priorities. He would devote less of our efforts to Brilliant Pebbles and more of it to some of the long-range, more exotic technologies.

President Bush has said, "Please let me have the flexibility to manage this program in a balanced way," and the lab directors who are responsible for these more long-range technologies, who would clearly benefit from having more money thrown their way and less going to Brilliant Pebbles, have also acknowledged their support for the Brilliant Pebbles as part of SDI, just part of the program, but, as was said, as the cornerstone for the strategic defense initiative.

So, the point is to have a balanced program and to allow the President flexibility.

Now just to show this item behind me:

This is not some futuristic thing that we cannot possibly achieve. It is being tested now. It is being flown in rockets. It is capable of acquiring, and tracking, and ultimately honing in on a missile that we want to destroy; and with the deployment of many of these in space, we would have the capability, not only of intercepting the ICBM's that might be launched against us from the Soviet Union, but also weapons of much lower trajectory and shorter range, including a couple of the missiles possessed by Iraq.

So, Mr. Chairman, Brilliant Pebbles is not some futuristic thing. It is here today. It needs to be funded in a robust way, and we need to allow the President and the Secretary of Defense the flexibility to do that.

My closing point is this. As the gentleman from New Jersey [Mr. COURTER] just pointed out to us, the need is now to defend against present threats, not something far in the future, into the next century. We need therefore, to have a balanced program that not only conducts the robust research into the neutral particle beam and the various kinds of lasers which will provide that protection far into the future, but the near-term existing kind of defenses like Brilliant Pebbles, and that is why the President needs the flexibility to fund that kind of a program now while also funding these longer range programs which will not have payoff until much later in the future.

Therefore, Mr. Chairman, I would urge my colleagues to oppose the amendment of the gentleman from South Carolina [Mr. SPRATT], although I believe that Mr. SPRATT will later make some announcement regarding his intentions with respect to his amendment and will be willing to give the President more flexibility to operate the strategic defense program.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Washington.

Mr. DICKS. What would be the cost of deploying Brilliant Pebbles?

Mr. KYL. It depends on how many we wanted to deploy.

For example, if we wanted an accidental launch and minimum protection system, the deployment cost would be in the neighborhood of $12 billion.

Mr. DICKS. What is the present intention of the administration?

Mr. KYL. The administration wants it developed, and, by the way, that $12 billion not only buys us the necessary Brilliant Pebbles, but also a complement of a certain number of ground-based missiles which would add to the protection.

So, Mr. Chairman, such a deployment would be a combination of both ground-based and space-based assets. What we do depends upon what the Congress and the administration decides we want to do.

For example, we could start with the deployment of a minimum number of Brilliant Pebbles and ground-based interceptors, and either stop there or build onto it, depending upon the threat that we saw. But, the critical thing is to get the program into a mode where we could deploy it, and that requires funding now for the development and testing.

Mr. DICKS. Would it be effective against just an accidental launch in the Soviet Union, or would it have worldwide capability against a Third World type threat as well?

Mr. KYL. The $12 billion program that I am speaking of would provide protection of the continental United States and protection for our allies really almost anywhere in the world from an accidental launch or a launch of a few missiles by a Third World country or, perhaps, a rogue commander in the Soviet Union. Numbers are classified, as my colleagues know, but it would protect against the launch of a few missiles by Iraq, for example.

Mr. DICKS. Mr. Chairman, I appreciate the comments of the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I would urge my colleagues to oppose the amendment of the gentleman from South Carolina [Mr. SPRATT] if it is offered, and support flexibility for the President's program.

Mr. SPRATT. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore. The gentleman from South Carolina [Mr. SPRATT] is recognized for 5 minutes.

Mr. SPRATT. Mr. Chairman, let me go back to explaining the amendment

that I have offered and also the amendment that I intend to offer to the amendment I originally filed and obtained approval for from the Committee on Rules.

First of all, Mr. Chairman, I said that the amendment would guarantee $130 million for the free electron laser program. That is because I think it is the program which holds the greatest promise, unproven as yet, of providing us with a revolutionary breakthrough probably some time in the next century. But the money is worth spending now to build to that potential, at least to test it.

Second, not less than $142 million would be authorized for the ground-based interceptor program, including not less than $95 million in addition to that for the high endo-atmosphere defense interceptor. That is the HEDI Program.

So, in answer to my colleague, whom I respect, the gentleman from New Jersey [Mr. COURTER], this is the initial system which this amendment would favor, a ground-based interceptor which would be treaty compliant and would give us a system that would afford us practical experience and the feasibility of a nuclear defense and also would give us protection, treaty compliant protection, against unauthorized and accidental launches that were not in large quantities.

Finally, Mr. Chairman, not more than 30 percent of the total SDI budget for fiscal year 1991 would be made available for initial systems. Again the efforts here is to keep the program balanced, even-paced. Of this amount, not more than $129 million could be spent on Brilliant Pebbles.

Mr. Chairman, that does not eliminate the program, does not even cut the program because $129 million is the amount of money allocated by SDIO to Brilliant Pebbles for fiscal year 1990. So, we are simply providing for fiscal year 1991 the same amount of money that would be provided for Brilliant Pebbles, but would not be able to rank that program up from $129 to $340 million and leave the other programs, so to speak, the competitive programs, the complementary programs, in the dust behind it.

Mr. Chairman, there is a second section of my amendment. It would require SDIO to submit two budget requests. SDI has consistently submitted to Congress unrealistic budget requests, and we have consistently cut them. Over the last 6 years the administration has asked for $7.4 billion more in spending authority than the Congress has seen fit to grant, and each year it seems that the cuts and the resistance to increases in spending on SDI seem to run deeper.

Mr. Chairman, last year the administration asked for $5.6 billion. We gave them $3.6 billion. We cut it $2 billion. This year the request is for $4.5, $4.6 billion. We are likely to appropriate somewhere in the neigbhorhood of 3, perhaps just a bit more, $3 billion.

Mr. Chairman, my amendment would require that an alternative budget be submitted by the President based on budget authority provided this year for next year and the constant dollar funding at the same level be assumed for the next 5 fiscal years, and my amendment would be required so that the alternative budget be structured to give the SDI Program the priorities that I already have described.

However, in an effort to expedite today's proceedings, I have reached an agreement with the gentleman from Arizona [Mr. KYL] and opponents to modify my amendment. When the amendment is called up, I will ask for unanimous consent to amend my amendment and drop the restrictions on SDI spending.

Mr. Chairman, the other body has already imposed these restrictions at the level, and the extent, and reach, and nature of these restrictions we can better decide in conference when we have decided the overall level of spending on SDI. My amendment would retain, however, the requirements for submission of an alterative budget proposal.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, I rise in very strong support of the amendment of the gentleman from South Carolina [Mr. SPRATT].

Mr. Chairman, I want to compliment the gentleman from South Carolina [Mr. SPRATT]. I think he is clearly one of the leading experts in the House on this important issue of SDI. I would also like to commend him on his efforts to investigate a treaty compliant limited protection system.

□ 1430

It has become very apparent that we need to have something in the nature of a defensive system that is treaty compliant against Third World possibilities. Maybe we would have to amend this to give it nationwide coverage, but I think this is something we ought to continue to investigate.

Mr. Chairman, I would point out that the Senate, the other body, is making a very major cut in SDI. So this notion of having a budget that is more realistic is very, very timely. I think it would do the administration good. I think it is more realistic. I think it is what Congress is going to do, because clearly we are going to hold down money in this area. I think it is just a vote for realism. I appreciate the leadership of the gentleman from South Carolina [Mr. SPRATT].

Mr. KASICH. Mr. Chairman, will the gentleman yield?

Mr. SPRATT. I yield to the gentlemam from Ohio.

Mr. KASICH. Mr. Chairman, I want to compliment the gentleman from South Carolina [Mr. SPRATT] for his integrity.

Mr. ROHRABACHER. Mr. Chairman, I rise in support of the Kyl amendment to maintain SDI funding at last year's level.

Mr. Chairman, our relationship with the Soviet Union clearly has taken a turn for the better. This progress is being used as an excuse to attack the administration's strategic programs. Critics claim that the enemy has disappeared and, as for justification for SDI.

The debate over the threat still posed by the Soviet Union's enormous and expanding strategic capability is justified. However, the Soviet Union is not the only reason America needs SDI.

What about the Saddam Husseins, Mu'ammar Qadhafis, and Kim Il-songs of the world? Generally speaking, they don't have the capability to threaten the United States or our allies with ballistic missiles yet. But this situation too will change. The technology we have seen developed just in the last decade convinces me that today's circumstances are not the only basis for planning for tomorrow. We must envision the future, and use foresight to understand, and prepare for, America's future challenges.

A growing number of hostile powers are gaining chemical, biological, and nuclear capabilities. Many of these countries have acquired, or may soon acquire, ballistic missiles able to deliver their deadly payloads.

Today's third and fourth rate powers may soon be our primary threat. The wildman in Iraq is threatening to use ballistic missiles against Israel, and the lunatic in Libya has vowed that he would use ballistic missiles against the United States if he had them. The point is, we must prepare to live in a world where these weapons are in the hands of less stable regimes.

The democratic nations of the world need SDI to ensure their future security. The technology works, and it is getting less expensive everyday. Just this month, a combined effort between the United States and our Israeli counterparts successfully test fired the Arrow antiballistic missile system, which is designed to intercept and destroy short-range ballistic missiles. The Arrow would provide the type of protection our fighting men are now lacking in the Middle East. Why are some supporters of Israel willing to give that protection to Israel and not to the United States?

President Eisenhower once said that the future belongs to the brave and to those who prepare for it. There is an ever-increasing relationship between security and technology. If we are to be secure as a people, and if we are to be a force for stability, peace and freedom in the world, we must have courage and be prepared with the weapons, equipment, and technology needed to provide leadership in tomorrow's world.

Our leadership is founded in our moral authority, economic might, and military capability. In the past, our ability to protect our friends under a nuclear umbrella made the American voice the most clearly heard in the world. In

the future, the nuclear and ballistic shield provided by SDI will ensure that the voice of democracy and freedom continues to be heard.

I ask my colleagues not to gut our capacity to develop this shield. I ask you to support the Kyl amendment and oppose the Dellums and Bennett amendments.

Ms. PELOSI. Mr. Chairman, I rise in support of the Dellums-Boxer amendment to terminate the Strategic Defense Initiative [SDI] program. This amendment would eliminate the strategic defense initiative organization and limit SDI funding to $1.5 billion for basic research. I commend my colleagues, Congressman DELLUMS and Congresswoman BOXER, for their leadership on ths important issue.

Mr. Chairman, we do not need SDI. SDI was initially designed to protect American cities against the threat of a large scale intercontinental ballistic missiles [ICBM's] attack launched from the Soviet Union. The dramatic changes in the political landscape of Eastern Europe and the Warsaw Pact have greatly reduced that threat. In fact, the Director of the Central Intelligence Agency [CIA], Judge Webster, has stated that the threat posed by the Soviet Union and the Warsaw Pact has irreversibly declined.

SDI will not help the United States to deal with the threats posed by the post-cold war international order. There have been suggestions that SDI can protect the United States against an attack from ballistic missiles launched from Iraq and other Third World countries. Such a claim is outrageous. Gen. George Monahan, former head of the Strategic Defense Initiative Organization [SDIO], stated before Congress that latest SDI Design, the so-called Brilliant Pebbles concept, would be unable to stop Third World missiles because they fly too low and for too short a distance for a space-based SDI to intercept them.

What SDI will do is frustrate arms control negotiations, abrogate the ABM treaty, and devour a staggering sum of money. By continuing the current SDI Program, we would spend $60 billion on a program without a purpose and help to undermine negotiations to reduce the threat of nuclear war.

Mr. Chairman, I urge my colleagues to vote for the Dellums-Boxer amendment to terminate this extremely expensive, ineffective, unnecessary, and destabilizing weapons system.

Mr. BRENNAN. Mr. Chairman, as we enter a new era of defense requirements, one weapons program we can do without on such a grand scale is star wars. We are asked to continue spending billions on a system that won't perform as originally advertised.

President Reagan envisioned an astrodome-type shield that would protect Americans from nuclear attack. Seven years later, and billions of dollars squandered, we now know the system will not protect people, but our nuclear missiles.

If we are hard pressed to justify scarce dollars for defense, why are we spending money for a system that won't work? With the likely response to star wars being the Soviets building more intercontinental ballistic missiles, and further escalating the nuclear arms race—I say let's not continue a spending race and start protecting the human race.

I will support the Dellums SDI amendment, that scales back the Star Wars Program and permits basic research into the technology. The era of spending billions of dollars on defense programs with little or no basis is over. We cannot waste tax dollars for a program that has thus far, only served to protect us from the reality of its true costs—trillions of dollars.

Vote yes on the Dellums amendment and stop this senseless spending.

The CHAIRMAN pro tempore (Mr. DURBIN). All time has expired on this debate.

It is now in order to debate the subject matter of appropriate levels of funding in consideration of base closures. Pursuant to the rule, the gentleman from Wisconsin [Mr. ASPIN] or his designee will be recognized for 20 minutes, and the gentleman from Alabama [Mr. DICKINSON] or his designee will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I yield 2 minutes to the gentleman from Alabama [Mr. BROWDER], a distinguished Member who has worked very hard on this issue.

Mr. BROWDER. Mr. Chairman, I think it is clear to everyone that we need to examine our infrastructure and that we need to close and eliminate obsolete facilities. But the question is one of whether we are going to do it the right way, whether we are going to look at this rationally, or whether we are just going to go in blindly or perhaps engage in some partisan politics.

I would like to discuss for just a minute the plan that has been proposed by the Secretary of Defense. The Secretary of Defense came out with a list earlier this year, without stating why the bases were on that list. We have had cases that have come up with Operation Desert Shield that have demonstrated the lack of wisdom in that list. Now we are being asked to give the Secretary of Defense an expedited process.

Mr. Chairman, I do not believe that is a fair nor wise thing to do. I think we should look at the defense authorization bill's five-point plan, which has a clear process laid out. That process requires a rational force structure plan.

It requires the Secretary of Defense to come forward with a base closure process proposal. It has a moratorium on any closures for the January 29 list or the subsequent list, and it has a provision to prohibit bleeding of those bases in the meantime. It then has a fifth part of that process, which provides for economic adjustment assistance.

Mr. Chairman, I urge this House to consider the portion of the defense authorization bill which takes a rational, fair approach to closing those bases. We know that it has got to be done, but the question is whether we are going to do it the right way.

Mr. Chairman, I urge the House to support the defense bill as presented and to reject the Martin amendment.

Mr. DICKINSON. Mr. Chairman, the gentleman from New York [Mr. MARTIN], the ranking member on the Subcommittee on Military Installations and Facilities, will control the time as soon as I conclude my remarks. In the meantime, I yield myself such time as I may consume.

Mr. Chairman, the base closure provisions in the bill, which are identical to those in the Aspin amendment, contain some of the most counterproductive language that I have seen in recent days. Here are some examples of the provisions that prohibit future base closures or realignments from taking place. We all remember the drill we went through to enable the administration and the Department of Defense to close any bases. We had not had a base closed for 12 years, because political forces would keep them from being closed.

Mr. Chairman, I admit there are some proposed base closures that I do not agree with at all, but this is the broad concept and the broad effect of what happened under the present bill.

The Secretary of Defense must provide a 5-year force structure plan on overseas bases. There is nothing wrong with that. I think he should.

The Secretary of Defense must submit a legislative proposal to enact base closure or realignment by January 1991.

The Secretary of Defense must submit a legislative proposal for worker retraining and economic conversion for adversely affected communities. But it prohibits any base closure or studies. You cannot even study a base closure until January 1992.

As we are building down our forces and creating our vacancies on bases, this thing says that you cannot even study a proposed base closure until 1992, or when base closure legislation is approved by the Congress.

It mandates domestic bases must receive at least 75 percent of the average funding received over the last 5 years.

Mr. Chairman, what we are proposing here is taking away most of the flexibility given to the administration and to the Department of Defense. The mandates and the provisions go on and on.

Congress has given Secretary Cheney the incredible task of reducing our national defense by 25 percent over the next 5 years. How can we expect the Secretary to even think about such force reductions if he is unable to close or realign unnecessary bases? If we continue to cut force structure like we do in this bill, we will have a Nation full of unmanned bases.

Mr. Chairman, I am not advocating that the Secretary of Defense should be allowed to pick and choose which bases to close, willy-nilly. I am saying that he ought to be able to function as the manager of the Department of Defense and to allocate his dwindling resources in the most efficient manner possible. Not to deny him the flexibility which he needs.

Mr. Chairman, the Martin amendment accomplishes this objective without giving up congressional oversight. The Martin amendment simply codifies the base closure and realignment procedures approved by the Congress in 1988, which state that the Secretary of Defense must include a base closure recommendation in his annual authorization request to Congress, and satisfactorily complete six impact studies on the fiscal, local economic, budgetary, environmental, strategic, and operational consequences of the closure or realignment.

Closing or realigning a base under such circumstances would be extraordinary, but it will be downright impossible under the Aspin amendment, and that is the author's intent.

Mr. Chairman, this is a subterfuge, I would contend. It is couched in nice language, but the effect of what is in the bill now says that the Secretary of Defense cannot close a base. It flies in the face of what the Congress did 2 years ago. I think the Martin amendment corrects an inequity. I think it is a mistake not to pass the Martin amendment, and I urge Members, if they really want to affect the economy, as most claim they want to do. If you want to give the Secretary of Defense the ability to build down our force structure, pass the Martin amendment, and support it when it comes up later today.

Mr. Chairman, I reserve the balance of my time.

□ 1440

Mrs. SCHROEDER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I want to salute the gentlewoman from Colorado and the gentleman sitting next to her, the gentleman from Alabama, for the excellent leadership they have shown along with the help and the cooperation of the chairman, the gentleman from Wisconsin [Mr. ASPIN], and in having the courage and the foresight to establish new rules of the road dealing with base closure.

Let me just first assure this House and the country that we know that base closures are coming, and we are happily looking forward to them. That suggests, obviously, that we have made a turn, as the President said last night from this very place, and that we are entering a new world order which promises greater chances of peace, a greater opportunity for cooperation with the other superpower, the U.S.S.R., and a greater opportunity to deal with our differences and conflicts on a regional basis using conventional arms. So we are in a new era which means that we will have less tension and less military need for some of the bases which we now possess here at home and abroad. Some of them should be closed. All we are saying is the current procedure for closure is not fair. It is not equitable. It does not identify those bases that ought to be kept open.

For example, I represent the city of Louisville in which Navy Ordnance Station Louisville, is located. Naval ordnance is on Secretary's Cheney's January hit list for closure or realignment. It just happens that Naval Ordnance Station Louisville is the only naval facility in the country which does overhauling of the Phalanx, computer-driven, close-in antimissile system which is on all of the ships bearing our flag, now operating in the Persian Gulf. Phalanx is a conventional weapon system. It is a system which naval ordnance station overhauls and maintains, and does very well, and does cost-effectively. Ironically, this facility of the Navy is on Secretary Cheney's list.

I would urge adoption of the Aspin-Schroeder-Browder base-closure language today, and I would urge my colleagues in the House to oppose the Martin amendment.

Mrs. SCHROEDER. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. FOGLIETTA].

Mr. FOGLIETTA. Mr. Chairman, I rise in strong support of the Armed Services Committee five-point plan on military base closures.

The bill adopts a logical, fair, and nonpolitical plan for deciding how to close domestic military bases. And, make no mistake about it, we should close domestic military bases.

Unfortunately, earlier this year, the administration adopted an upside-down process for closing bases.

First, the Secretary released a list of bases to be studied for closure. But there was no strategic vision for our future defense. There was no force reduction plan.

The administration's approach was also blatantly political. Is it an accident that 93 percent of the bases slated for closure sit in Democratic districts? Is it coincidence that 99 percent of the workers who will lose their jobs live in Democratic districts?

The strategy is clear: We have a Defense Department playing political football with our constituents—trying to intimidate us by threatening to close the bases where they work. Well, I'm not intimidated.

The Armed Services Committee bill makes more sense. First, come up with a comprehensive force reduction plan.

Then, considering that force reduction plan, close bases in a fair, objective, nonpolitical manner.

Let's talk about what the bill does not do.

It does not block bases closures. It does not handcuff the Secretary of Defense.

Should we close bases?

Absolutely.

But only in a fair, rational, strategic, and bipartisan manner. That's what the Armed Services Committee plan would do.

Vote no on the Lynn Martin amendment.

Mr. MARTIN of New York. Mr. Chairman, I yield 5½ minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I wanted to just take a few minutes in the general debate to talk about the whole concept of base closings. We have just gone through this a couple of years ago, and we did, in fact, pass a rather clearly defined package by use of an instrument for decisionmaking that a great many of us had difficulty accepting, the idea of a commission.

I well understand that a great many Members of Congress prefer not to use commissions. I myself prefer not to use commissions, but a couple of years ago when, in fact, it had been some 17 years since a base had been closed, it seemed to be a matter of impasse. It seemed necessary at that time and, of courst, Congress agreed that it was necessary to use a commission.

I am not sure that is the case now. The reason is I would suggest, one, and most importantly, as over and against conditions 2 years ago or 3 years ago, today we are in a period of time when clearly circumstances with respect to Eastern European potential threats of aggression have been reduced, and the fact of the matter is the U.S. Congress is repeatingly and pressingly calling upon the Secretary of Defense to live with reduced expenditures, even reduced troop strength, and, in fact, to make a major realignment, redefinition of our defense structure. If the Secretary is going to do that, and it is going to be a rational, sane, integrated redefinition of the manpower, the hardware, the technology and the deployment of our defense resources, he must have the freedom to integrate this very sensitive issue of base closings into the plan so that we can get effective integrated restructuring of defense.

I do not think the committee mark on this, as brought to the floor in this bill, accommodates very well to that need and that requirement. I think, on

the other hand, that the amendment that will soon be offered by the gentlewoman from Illinois [Mrs. MARTIN] does accommodate to that need, and it is a very important need. At the same time, we cannot discount, and we never have discounted, the serious concern that many Members of Congress have in this body over the history of base-closing experiences throughout the post-World War II period, and that is the possibility that decisions will be made for something other than military-effectiveness reasons, reasons of parochial guardianship on the one hand which threaten, I think, the sanity of the process and, on the other hand, there is a threat that has been realized certainly by some Members here in historical experience of administrations using base closing or potential base closings as leverage against individual Members.

Mr. FAZIO. Mr. Chairman, will the gentleman yield?

Mr. ARMEY. I am happy to yield to the gentleman from California.

Mr. FAZIO. Mr. Chairman, I understand the gentleman's point about political or other nonmilitary purposes interventing in the process of winnowing out which bases to leave open and which to close. That is why I thought the gentleman's proposal for a commission 2 years ago had such a broad support in the body. I still do not understand what has changed that has caused the gentleman to drop that concept and now embrace one that gives almost total control to the Secretary of Defense to make these decisions with minimal input from this branch of government.

Mr. ARMEY. I appreciate the gentleman's point. I was moving to the point of what input we would have, because it is absolutely essential to us to know that we have an input.

If I can make the two points, one, what has changed is the fact that today we are undertaking a long-term, comprehensive redefinition, restructuring, and subsequently redeployment of our defense.

Mr. FAZIO. Mr. Chairman, if the gentleman will yield further, this bill, as drafted, emphasizes the need for a 5-year defense plan, the very kind of thing that the gentleman says is under way. Once that is in place, then we can move on and make some of these decisions.

Mr. ARMEY. I appreciate that, and I do want the gentleman to understand that I do appreciate the polemical stage-setting rhetoric in the bill, but when I get down to the line item, chapter and verse, I do not believe it lives up to that promise.

□ 1450

Mr. FAZIO. If the gentleman will yield, our concern is that we are making these decisions before this restructuring is completed.

Mr. ARMEY. I appreciate the gentleman's point. But the other point that I want to make is what protection do we as a body have for our prerogative. What we would like to see happen in this process is the elimination of the ability of an individual to obstruct the process while retaining, as the Martin amendment would, the ability of Congress as a body to adjudicate the case as brought by the Secretary of Defense or an individual that may be looking out for a parochial interest, and bring it to a vote for the body as a whole to decide on the basis of true defense needs.

Mr. FAZIO. We are asking the administration to submit to us a fair process that would mitigate against that individual standing in the way of what is best for all of us. So I would think the gentleman ought to support the bill as drafted. I really think it goes in the direction that his speech takes us.

Mr. Chairman, I rise in opposition to the Martin amendment.

A review of recent base closure history will reveal that Defense Secretary Cheney's slate of potential base closings is not rooted in any rational plan for the future of the Nation's defense forces. For example, on January 29, Secretary Cheney released a list of 34 bases as potential candidates for closure. This list was prepared without the benefit of a 5-year defense plan laying out the future structure of U.S. military forces. When the sole purpose of military bases is to support U.S. military forces, it would be premature, at best, to decide which bases are to be closed before a determination is made as to what the future military force structure will be.

The Martin amendment would only serve to put in place a procedure where basing decisions can be made in an even more capricious manner. I find the Martin approach highly suspect when you consider that Secretary Cheney has been perhaps the most stalwart proponent of going slow in reducing defense budgets and restructuring our defense forces. Yet, for some reason, he is advocating moving full speed ahead with base closings.

There is very strong evidence to indicate that Secretary Cheney's base closing announcements are politically motivated. In the January list of potential base closings, fully 99 percent of the civilian job losses that would result from the closings were concentrated in congressional districts represented by Democratic Members of the House, even though 40 percent of all bases nationwide are in congressional districts held by Republican Members.

It is precisely these politically motivated and premature basing decisions that we can least afford. Just take a look at Fort McClellan in Alabama which was included on Mr. Cheney's list. Fort McClellan contains the only facility in the world where our troops can receive defensive training against live chemical agents. Our troops are already facing the possibility of being bombarded with chemical weapons in Saudi Arabia—one of the most gruesome and deadly weapons in existence. Imagine the devastation these weapons would wreak on our soldiers if they didn't have any defensive training for chemical weapons. In effect, this is what the Martin amendment advocates.

This is the type of situation that must be avoided.

The Armed Services Committee has developed a reasonable approach to ensure that base closings proceed in a rational manner. First, the Secretary of Defense must submit a force structure plan that details the number and kinds of military units needed over the next 5 years based on the new strategic requirements and on anticipated funding levels. Second, the Secretary must submit a legislative proposal creating a fair process for selecting bases for closure based on the force structure plan. Third, the plan prohibits any closures or planning of closures until Congress has approved a new base closure process, or until January 1, 1992. Fourth, the plan protects the "bleeding" of bases by requiring that all domestic bases receive at least 75 percent of the average amount of repair and maintenance dollars received over the last 5 years, so that they cannot be reduced to rubble before a fair base closure process is developed. Finally, the Secretary is required to develop and submit a proposal for worker retraining and economic conversion in communities hurt by base closures.

We all realize that reductions in defense are on the way and that a consequence of these reductions will be base closings. However, we should not rush into making these decisions. As we proceed in restructuring or defense forces to reflect changes in the world, this restructuring must be based on a strategy that is as clear and well defined as any defense strategy developed during the height of the cold war. We simply can't afford to let premature or politically motivated decisions undermine our future defense capabilities.

I strongly urge my colleagues to reject the Martin amendment and support fair, rational planning in military basing decisions.

Mrs. SCHROEDER. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from California [Mr. BROWN].

Mr. BROWN of California. Mr. Chairman, I thank the gentlewoman for yielding me the 2 minutes.

Mr. Chairman, I wish to point out one glaring example of the errors contained in the list of base closures and realignments announced by Secretary of Defense Cheney on January 29, 1990: the Secretary's decision to deactivate the 63d Military Airlift Wing in California and send 20 of its giant C-141 military transport planes to the scrapyard. In addition and perhaps more importantly, the Secretary's action would cause the dissolution of a 4,300 person military airlift wing. That wing contains the personnel with the experience and skills needed to fly not only C-141's but the military transport planes of the future.

Mr. Chairman, if we have learned one thing from the Iraq crisis, it is that we need more air and sea lift, not less. In fact, we didn't even need the mobilization to the Middle East to tell

us that; even an action as small as the Grenada invasion evidently caused strains and unveiled major shortcomings in the level of staffing and equipment in our Military Airlift Command. As many of us know, military transport and other "nuts and bolts" aspects of our military structure have typically received the short end of the stick compared to more glamorous weapons programs. Hopefully, the current mobilization will be a wake up call to us that such a practice must end.

Mr. Chairman, I speak from some degree of direct experience on the base closure issue: Norton Air Force Base in my district was recommended for closure by the 1988 Commission on Base Realignment and Closure. If any more bases are to be closed or military forces reduced or realigned, then Congress must ensure that the decision is made by a fair process which ensures that a long-term assessment of the nation's military needs is considered.

Unfortunately, the long list of base closures and realignments proposed by Secretary of Defense Cheney is January 1990 is not, in my opinion, either fair or forward-looking. While there are some actions on the Secretary's list that should be carried out, others make little sense when the Nation's military needs are fully considered. Our Nation's long-term military needs urgently require rethinking before we launch ahead with more base closings and realignments.

While Norton Air Force Base in my district is scheduled to close, the 1988 Base Closure Commission recommended that the 63d remain intact and merely transfer 20 miles away to March Air Force Base. However, Secretary Cheney's 1990 closure and realignment list calls for the 63d to be deactivated.

Mr. Chairman, I seriously question whether we should be going ahead with the deactivation of the 63d Military Airlift Wing, and I think that a comprehensive reassessment of our long-term military needs would support the retention of the 63d. Looking at the big picture, I wonder whether there are other base realignments and closures on the list that would also look highly suspect alongside a comprehensive assessment of our military needs in the post-cold war era.

I thus call on the Secretary of Defense to reconsider his decision to deactivate the 63d Military Airlift Wing in light of the new knowledge of our airlift needs, and I call on the House of Representatives to support a process which is fair and in line with comprehensive long-term military plan for deciding which, if any bases, should be closed.

Mrs. SCHROEDER. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Chairman, I thank the gentlewoman for giving me this time.

Mr. Chairman, this is not an argument for closing or for opening, it is simply to state very very briefly that the language in the committee's bill sets up a fair and orderly procedure to look at this whole question of base closing. I have none in my district so I am not advocating that you close yours but not mine.

I simply want to say given the fact that Secretary Skinner recently called for an expansion of the merchant marine fleet, given the crisis we face now in the seaways, it seems to me most appropriate for us to look at this, because I will cite Long Beach as an example of a facility which is threatened with closing, not to mention strategic interests of Long Beach. Another facility is the Air Force Research Center in the district of the gentleman from California [Mr. LEVINE]. If we close that center it means that the Air Force will not have access to the aerospace industry.

Mr. MARTIN of New York. Mr. Chairman, I yield myself 2½ minutes.

Mr. Chairman, our subcommittee, which has jurisdiction over the subject, went through a process 2 years ago with the Base Closure Commission. Some have suggested that we ought to do that again. As a very practical matter, I do not see any such commission passing this House again.

I am not sure that I can support the amendment by my colleague, the gentlewoman from Illinois, Mrs. LYNN MARTIN. But I do know one thing, I am certainly not comfortable with the language that was provided for in our bill. We are in the process in this bill of talking about cutting something in the order of 130,000 uniformed personnel out of the Armed Forces over the course of the next year, and talking of reducing up to 500,000 uniformed personnel over the course of the next 5 years. Yet under the provisions that are in the committee bill the Secretary of Defense not only cannot propose closing any bases until 1992, he cannot even study it. We are telling the Secretary we are going to lay off probably 500,000 uniformed personnel, but he is not even allowed to think about closing bases.

Mr. COLEMAN of Texas. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of New York. I yield to the gentleman from Texas.

Mr. COLEMAN of Texas. Mr. Chairman, on that point, just about the study, I heard the gentleman from Alabama [Mr. DICKINSON] say that, and the gentleman from New York has now said it, but there is nothing in this provision that would prohibit an internal study within the Department of Defense of base closure. I want to make that clear.

The problem, of course, is when the word gets out to communities all across the country that there is a study going on and we may close your base, economic problems occur within those communities, and I think that is the only reason, in fact I know that is the only reason that the language is there. So I want to reassure the gentleman from New York.

I have his same reservations about any commission, but I have to say I do not know another way to do it, and I think the way the committee has done it is the best way, and again I thank the gentleman for yielding.

Mr. MARTIN of New York. Reclaiming my time, the gentleman makes a good point as far as it goes. The gentleman makes the good point that he would hope that the Department of Defense would be making contingency plans if we are going to be cutting 500,000 personnel out of the armed services. The problem the gentleman points to is what would terrify the Pentagon, that plan would be leaked, and then that would cause his community, or my community, or other communities terrible problems. But in my reading of this, if it were to become the law, the Department of Defense ought to be very reluctant to even conduct an in-house study as to what they would do if they are going to cut 500,000 people out of the services.

Mrs. SCHROEDER. Mr. Chairman, I yield 30 seconds to a very distinguished member of the committee, the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Chairman, I have the privilege of serving on this subcommittee as the ranking majority member. I have never voted for any base closures, and there were very few of us around here about 3 years ago that voted against the Army proposal. But I do think what we have done in this bill is logical, reasonable, and we have had hearings on it. I do support what is in the committee provisions, and I hope that the Members will stay with the committee.

Mrs. SCHROEDER. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. TALLON].

Mr. TALLON. Mr. Chairman, I hope that people all over the country today who are listening to this debate do not think we are all losing our minds.

In light of what is going on in the Middle East and an obvious need to redirect our policy in Europe, it is ludicrous that we are even here today discussing the possibility of closing Myrtle Beach Air Force Base or any other domestic military base without the slightest indication from the Pentagon of what our force structure needs will be.

Like most Members of Congress, I am concerned that we take a good look at what our true defense challenges

will be before we dismantle any bases. Especially in light of the events of the past month.

If anything, these events lend a tremendous amount of credence to what the House of Representatives has proposed to combat the current reckless base closing process.

Our five-point plan, first and foremost calls for a Pentagon assessment of the real threats to American security, such as regional conflicts, and to produce a long-term strategic plan.

Our plan also calls for closing domestic bases according to realistic military necessities.

Perhaps the most important part of the House five-point plan is that it would place a moratorium on the current process.

I believe this is our only option because we are facing an unknown future in our conflict in the gulf.

We all know we need savings from our defense budget.

But now, more than ever, we must step gingerly.

If our threats are not of superpower magnitude, then we must obtain our savings from those weapons systems designed for a superpower conflict.

Now is the time to truly consider putting in perspective strategic weapons such as star wars Asat's, and MX missiles where cuts may be made without sacrificing our national security interest.

I urge Members to vote for the committee bill and reject the Martin amendment.

□ 1500

Mr. MARTIN of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. ROTH].

Mr. ROTH. Mr. Chairman, I thank the gentleman from New York for yielding.

I am in favor of the Martin amendment, as I interpret this amendment it boils down to this: If you are looking out for your district, you say "no" to the Martin amendment; but if you look out for what is the best interest for our country, then you say "yes" to the Martin amendment.

We must codify the 1988 base closing guidelines. Now the Secretary of Defense needs six impact statements before he can close a base? Come on, it is ridiculous.

We have 300,000 troops in Europe. How long are you going to keep them in Europe? We have 50,000 troops left in Japan. How long are you going to keep them in Japan? I mean how long are we going to be able to afford this? We cannot. We cannot afford 3,000 bases for the United States of America. We do not need them.

You allow the Secretary of Defense to cut back the number of troops in uniform, but you do not give him any discretion to close bases. What do you want, every soldier to have his own base? It is getting to the point of being ridiculous and totally unreasonable.

Right now we have our budgeteers at Andrews tearing their hair out: Asking how are we going to balance the budget. Well, this is where we have to make some tough decisions. Decisions with American good in mind. We do not need 3,000 bases. This Congress cannot totally shackle the Secretary of Defense. He needs flexibility.

The Secretary of Defense needs flexibility in this area. That is all we proponents are saying.

I think Congress should set the policy, yes, but to get down to the nitty-gritty on every single base, we are going to vote on the floor of Congress on whether we are going to close 3,000 bases one at a time? Well, that is what you are looking for, yes, it is.

And that is why I think this amendment is so important. So, again, I must say this, as I intrepret this, what it boils down to is this: If you want to vote for your district, you vote against the Martin amendment; if you do what is in the best interest of the country, you vote for the Martin amendment.

Mr. TALLON. Mr. Chairman, will the gentleman yield?

Mr. ROTH. I yield to the gentleman from South Carolina.

Mr. TALLON. I thank the gentleman for yielding.

You know, I have a problem when we talk about parochialism. We have troops in the Middle East, we have 159 tanks chasing 1,500 Soviet-made Iraqi tanks. If you do not think we need the A-10's from Myrtle Beach Air Force Base and other A-10's from other bases that are studied for closure, then I think we really are not thinking and putting this thing into perspective. It is vitally important that we maintain these.

Mrs. SCHROEDER. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. BUSTAMANTE].

Mr. BUSTAMANTE. Mr. Chairman, I thank the gentlewoman for yielding time to me.

Mr. Chairman, later today we will be voting on the Martin base closure amendment.

With the fading Soviet threat and the dissolution of the Warsaw Pact, we will over time begin force draw downs and close military installations. No one disputes those facts.

At issue here is what procedures will be established to determine what, how many, and where U.S. military bases will be closed.

I believe a base closure policy should be consonant not only with our budgetary limitations but also with our total defense strategy and the shape of our force structure.

The Armed Services Committee, concerned about chaning defense requirements in a new world order, asked Defense Secretary Cheney to submit a force structure plan to fit a new defense strategy as a foundation to a base closure policy. He has not produced one, and we are still waiting.

The five-point plan on base closures contained in this bill is a rational way to go about identifying bases for deactivation.

It inspires confidence that base closure decisions will be based on sound defense strategy, not partisan politics.

For these reasons, I urge my colleagues to defeat the Martin Base closure amendment.

Mrs. SCHROEDER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, last evening, the House voted, 230 to 188, for the Molinari amendment which said do not close bases until a force structure plan is developed. That policy, which is contained in the committee bill, would be wiped out by the Martin amendment. The Martin amendment would permit the Secretary of Defense, at his sole discretion or whim, and without the benefit of any force structure plan, to close any base he pleases. I do not see how anyone who voted for Molinari can, in good conscience, explain a vote for Martin.

At bottom, the committee position and the Martin position aim at the same target: Closing bases. We need to close bases to save money. We need to close bases as the size of the force comes down. We need to close bases because the current basing structure is inefficient.

In terms of how bases are picked for closure, however, the House has a stark choice. We can adopt the Martin amendment which invests the Secretary of Defense with unbridled, unlimited power to close military bases in our districts or we can adopt the committee bill which requires a force structure plan and a fair process to select bases to be closed. The question is, when the jobs of thousands of your constituents are at stake, how much unrestrained power you want to give to a single political appointee.

What I want is a process which sets out the details of the military of the future, including how many planes tanks and ships we will operate, and then has a dispassionate, nonpartisan group decide on the most efficient base structure to house that military of the future. The five point plan in this bill accomplishes that objective.

For this scheme to work, the Secretary of Defense has to be a central player. That is why the provision leaves it to the Secretary of Defense to propose a fair way to select bases for closure. Some think another commission is the best way. I am not so sure. Maybe we should agree on objective criteria for closure and instruct the military services to make the decisions while GAO watches to make sure the criteria is rigorously followed. Whatever way the Secretary selects is fine as long as it is fair, nonpartisan and based on objective criteria.

But having the Secretary do it solo is not good enough. I like and respect Dick Cheney. But, the base closure list he submitted on January 29, 1990, shows the flaws with giving him unilateral power to pick bases for closure.

The flaw of the January 29 list is obvious: 91 percent of all military reductions and 99 percent of all civilian job losses occurred in Democratic districts. Maybe that wasn't intentional. Still, the January list was hardly one to inspire confidence in the fairness of the process.

The list was based on no force structure plan and no objective criteria. We held hearings and quizzed the services on how the list was developed. They had no answers. We asked what criteria they used. They had no answers. We asked why the list was so partisan. They had no answers.

The January 29 list reads like a sick joke in the wake of the Iraqi invasion of Kuwait. Consider:

Secretary Cheney proposed closing the only chemical weapons school in the Army, at Fort McClellan, AL. Had he gotten his way, Secretary Cheney would have eliminated the primary capacity we have to learn how to deal with a chemical weapons attack.

Secretary Cheney proposed deactivating the 2d Armored Division out of Fort Hood, TX. When Desert Shield began, the 2d Armored was the first to go because they were the best tank troops we have.

Secretary Cheney had RIF notices sent to the 5,000 employees of the Troop Support Command in St. Louis, MO. This unit provides needed logistical support to Army troops. Once Desert Shield started, the RIF notices were pulled and every employee was put on double shifts.

Secretary Cheney tried to close the Air Force Base at Myrtle Beach, SC, home of a unit of A-10 anti-tank attack aircraft. Today, A-10's are the most valuable piece of equipment we have in the Saudi desert.

Secretary Cheney tried to deactivate the C-141 aircraft at Norton Air Force Base, CA. For the last month, every transport plane in the inventory has been in virtually constant use bringing soldiers and equipment into Saudi Arabia.

Secretary Cheney proposed major reductions in combat and combat support units in the reserves in January. Today, many of the units he proposed for elimination have been called up to support operation Desert Shield.

The last 9 months have proven that no one individual is smart enough, fair enough, and respected enough to have the unchecked power to close military bases. The committee proposal on base closure provides the checks necessary to ensure that the base closure process commands respect. At the same time, the committee proposal guarantees that bases will be closed and the taxpayers will save money.

Reject the Martin amendment. Support the committee plan.

Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Chairman, I really would like to comment on the gentleman from Wisconsin, Mr. ROTH'S statement and also the statement of Mr. ARMEY.

First of all, with respect to Mr. ARMEY'S statement, I really did not understand why all of a sudden now he is changing from supporting a base closing commission 2 years ago and now coming up with a proposal to allow the Secretary to have full discretion. It really makes no sense.

Frankly, his argument with Mr. FAZIO raised, really did not bring out his rationale except he wants to support the President and the administration.

With respect to Mr. ROTH, there is no question we have 3,000 bases. Times have changed, and we have to close some military bases. One of my bases, one of the 86 under Mr. ARMEY'S proposal, I supported its closure, after seeing the rational way in which the Base Closing Commission operated.

The problem is that the Secretary has come up with a list of about 46 bases. We do not know how rational that list is.

I have been trying for the last 9 months to get at least some documents from the Secretary's office giving an explanation why the Army depot in Sacramento was on his list. We have not seen anything at all.

I think my other colleagues who have bases that are being proposed to be closed, have the same problem.

I mean if you talk about rationality, the Schroeder-Aspin proposal is the way to go. We need a force structure for 5 years, and then what we need also is to come up with a rational way to close bases.

All we are asking in this proposal is for Mr. Cheney to come up with a proposal. We are not mandating anything on him.

You talk about discretion. Give him discretion, have him come up with a proposal to give himself some discretion. I do not know what you people are afraid of on this particular matter.

We all acknowledge that military bases will be closing. The question is making sure that it is done in a way that in the year 2000 those bases that we closed should not have to be reestablished again.

Second, put an element of fairness in this particular process. That is all we are asking.

That is why I cannot understand why there is no support for the Schroeder-Aspin measure.

Mr. Chairman, I rise in strong support of the base closure language contained in the bill and to urge my colleagues to oppose the Martin amendment.

The bill language was carefully crafted by the distinguished chairman of the Armed Services Committee, LES ASPIN, and the respected chairwoman of the committee's Installations and Facilities Subcommittee, PAT SCHROEDER in complete consultation with the House membership.

The predominant theme running throughout the debate on almost all parts of this year's defense authorization is a genuine commitment to restructuring our force structure. Certainly, those reductions will necessitate the closure of some military bases at home and abroad. Yet there are many strategic questions that need to be answered regarding that restructuring that have nothing to do with dollars.

The issue simply comes down to this: should we develop a plan to close military bases in response to a long-range strategic plan, as the Aspin-Schroeder plan recommends, or should we close military bases first, and then determine our strategy, as the Martin amendment would allow.

For over 40 years, we have been posturing our military primarily to do one thing—defend the United States from nuclear attack by the Soviet Union. The events in the Middle East and the United States-Soviet cooperation in dealing with that threat are proof that our defenses need to be redirected. Those events will also set the tone for the future of modern warfare, and, combined with the changes in Eastern Europe, will hopefully result in a new military vision, which concentrates on low-intensity conflict and conventional mobile forces.

To date, however, we have no such direction, and until we have a force structure plan in place which reflects the rapid changes in what we define as a security threat, it is simply premature to talk about closing domestic bases, much less providing the Secretary of Defense with an expedited process for carrying out base closures.

The Aspin-Schroeder proposal provides the Pentagon with the proper direction to come to Congress with a base closure process which we can all support. Placing the onus upon the Secretary to put base closures within the broader context of force restructuring and taking steps to assure that the Department will not bleed individual bases to death by withholding repair and maintenance funds is the most responsible approach to take with respect to the base issue.

Furthermore, directing the Secretary to submit a plan for retraining displaced workers forces the Department and Congress to consider the impacts of base closures on individual employees. Seeing to the well-being of potentially affected employees is the only responsible way to address this issue and must be an integral part of any base closure proposal.

Base closures will undoubtedly be a consequence of our search for a peace dividend. We should make them a rational consequence, however, rather than a case of putting the cart before the horse. I urge you to support the Aspin-Schroeder proposal on

base closures and reject the Martin amendment.

Mr. MARTIN of New York. Mr. Chairman, I yield 5 minutes to the gentleman from Indiana [Mr. BURTON].

Mr. BURTON of Indiana. Mr. Chairman, I would like to redirect the discussion just a minute away from the base closure issue to an issue that I think is extremely important that has not been discussed today.

There was a letter sent by the chairman of the Committee on Armed Services to every Member of Congress. In that letter, second paragraph, he says:

Although the committee did not anticipate Saddam Hussein's invasion of Kuwait, we did recognize that historic changes require a general reorientation of our defense priorities away from the fading confrontation with the Soviet Union in Europe, now that we have won the cold war.

He says we won the cold war.

Then he says in another section, "We should fund forces for new threats over redundant cold war nuclear forces." He wants to do away with much of our nuclear deterrence and not fund that.

Now, I did a little research after I read this letter from Chairman ASPIN. I found that Mr. Gorbachev, just before he came over and signed the Intermediate Range Nuclear Disarmament Treaty with President Reagan a few years ago, that he made this speech to the Supreme Soviet, and in the speech, the last paragraph of the speech reads this way:

In October 1917 we irreversibly departed the Old World. We are heading to a New World, the world of Communism. We shall never deviate from that path.

Now, everybody says, well, that has changed, Mr. Gorbachev is our old buddy, we do not have to worry, Communism is a thing of the past.

Well, we all hope so. There are changes taking place in the Soviet Union and in Eastern Europe which are very heartening, and we hope that communism is on its death throes.

But the fact of the matter is, six times since the Bolshevik Revolution, this sort of thing has happened. The first glasnost—remember that word—happened in 1921, when Lenin came up with a new economic policy [NEP] which was a reversal of communism. It had an implicit message, that we were moving away from communism in the Soviet Union and toward capitalism. We all know that that did not happen. It was a ploy to get investment and capital from the West. And he was successful.

The second glasnost was in 1936 to 1937 under Stalin. Stalin said he was returning to a western-style constitutional government, and he called for radical reform, or perestroika. Have you heard that word before?

We first heard that in 1936 and 1937 when he called for profits and incentives. He said that he wanted to see an openness in the society. That ended with the Communist purge that killed millions of people in the Soviet Union in 1937 and 1938.

□ 1510

And perestroika, so-called, turned into what was called the great terror. The third glasnost was 1941 to 1945. Again, under Stalin, necessitated because of the invasion of Russia by Hitler. And Stalin said there was going to be manifest change, and he opened his arms to the West, but that was because he had to because of the defense of his nation. The fourth glasnost took place in February 1956, this time under Krushchev, and he said he was going to have political and economic reforms, openness. There was going to be freedom of assembly of the speech and meetings, and so forth. All we all know how that ended. The fifth glasnost was under Brezhnev, 1970 to 1975. Members remember the word "détente?" That was part of the fifth glasnost. There was a new constitution. Again, freedom of speech again, freedom of assembly and so forth. They even signed the Helsinki accord, and we found that this was all baloney in 1976 when our CIA found out, instead of them having 100 or so missiles pointed at the United States, nuclear missiles, we found that there was well over 1,000, and that Brezhnev had been lying to the United States.

Now we have Mr. Gorbachev. We all hope Mr. Gorbachev is a change from the past, but his mentor was Andropov, who was the head of the KGB, who lined up the 100 freedom fighters, after he said he was going to give them amnesty, then he came in and shot them down. His pride and joy was Mr. Gorbachev.

Now, we all hope that there have been changes in the Soviet Union, and we hope these are true changes, and they are going to move toward capitalism and away from communism. However, we must not let down our defenses. We must not lose sight of the fact they have lied to the United States in the past. It is my view that we must keep our nuclear deterrent, that Chairman ASPIN is right, there should be some changes in our structures. But we must not let our guard down because they have lied to the United States five times in the past, and this could be the sixth, and the worst of all.

Mr. COLEMAN of Texas. Mr. Chairman, if the gentleman will yield, is it the gentleman's position that the Martin amendment lets our guard down, or the committee bill does?

Mr. BURTON of Indiana. I deviated from the discussion because this is the only time I could get, and I apologize for that.

Mrs. SCHROEDER. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from Arkansas [Mr. ALEXANDER], a member of the Committee on Appropriations.

Mr. ALEXANDER. Mr. Chairman, I thank the gentlewoman for yielding time to me. I am compelled to add to the statement that was just previously made. I got a letter from someone in my district not long ago, after a meeting between the President and Secretary Gorbachev. He told me that next time I met with the President to warn him that Mr. Gorbachev was soft on communism, and do not believe anything he says.

I am here today, though, to talk about base closings. Some years ago, one of the bases in my district was recommended for closure. I checked it out, and it was true that it was not needed. So we closed it. Some bases simply are not needed. However, I appreciate the work of the Committee on Armed Services, headed by the gentlewoman from Colorado [Mrs. SCHROEDER] for a reasonable, rationale, fiscally responsible bipartisan approach to base closings. It is a process that everyone can be comfortable with, can be confident about, and can be proud to be a part of in order to address this question of bases that are needed and not needed in this post-cold war era that we are now in.

Unfortunately, the Pentagon took action last January which was in search of a policy. What the committee has done is to develop a policy that we can all be proud of. Now, the gentleman from Alabama [Mr. DICKINSON] said 1 minute ago that the process that is set up by the committee even prevents studies. That is not correct. In the bill, on page 430, it says that studies, of course, can be initiated. Any study necessary to meet the requirements of the National Environmental Policy Act are applicable to the closure or realignment of milkitary installations. Additionally, that the funds cannot be used to identify bases that are being considered in a public announcement, or to close or realignment any military installation until specifically authorized by the 102d Congress, or until January 1, 1992, whichever comes first.

I am here today to oppoose the Martin amendment. I urge my colleagues to join in supporting the committee amendment which is a rationale, fair process for base closure.

Mrs. SCHROEDER. Mr. Chairman, I yield 1½ minutes to the very distinguished gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR. Mr. Chairman, I rise in opposition to the Martin amendment, an amendment that will give the Secretary of Defense the power to close any military base.

Before we vote on this amendment, I would encourage my colleagues on both sides of the aisle to read article I,

section 8 of the U.S. Constitution. The section of our Constitution that gives the Congress the authority to declare war, to rise and support armies, to provide and maintain a Navy, to make rules for the Government, and regulation of land and naval forces. I will remind the proponents of this measure that the Constitution very clearly gives this power, this responsibility, and above all, this duty to provide for the common defense, to the Congress of the United States, not to some appointed bureaucrat in Washington.

I urge my colleagues to honor the wisdom of our Founding Fathers. I urge them not to shirk their duty, and above all, I urge them to defeat the Martin amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentlewoman from Colorado [Mrs. SCHROEDER] has 2 minutes remaining and the gentleman from Alabama [Mr. DICKINSON] has 1 minute remaining.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. DICKINSON. Mr. Chairman, it is my understanding that if there is any time remaining, that I could not then be recognized for a motion to strike the requisite number of words. It is my intent, and I have discussed this with the gentlewoman from Colorado, to acquire 5 additional minutes, but I cannot do that as long as I am retaining any time. Therefore, I yield back the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. DICKINSON] yields back the balance of his time, and the gentlewoman from Colorado [Mrs. SCHROEDER] now has 2 minutes remaining.

Does the gentleman from Alabama [Mr. DICKINSON] wish to strike the last word at this time?

Mr. DICKINSON. Mr. Chairman, if it is permissible, I move to strike the requisite number of words, and I yield to the gentlewoman from Illinois, [Mrs. MARTIN].

Mrs. MARTIN of Illinois. Mr. Chairman, in response to what we can all agree have been very profound and positive changes in the world, the Committee on Armed Services has brought to the floor a defense bill that anticipates very deep and lasting reductions in our Nation's defense force.

Right off the bat it cuts $24 billion from the President's budget request—a full 10-percent cut from CBO baseline for defense. It cuts the procurement account by over 20 percent and it cuts troop strength by 129,000.

Over 5 years, the committee anticipates a 25-percent reduction in overall force structure. From 18 Active Army divisions we could go to 12. From 36 Air Force fighter wings, we could go to 25. We would reduce the size of our naval force from 566 ships to 455 ships. We would cut manpower by an additional 300,000 troops.

To the vast majority of Americans, Mr. Chairman, it would seem logical that cuts of this magnitude in combat forces would argue for a proportionate reduction in the military base structure. Why pay for a three tank garage—so to speak—when you have only got two tanks and you are going broke. What this legislation actually says about base structure, however, is hands off.

H.R. 4739 tells the Secretary of Defense to formulate a 5-year force structure plan and submit it to Congress with the 1992 DOD budget request. It also tells him that the plan may not make either direct or indirect reference to military installations inside the United States that may be closed or realigned under that plan.

In addition, the committee provision states that none of the moneys appropriated to DOD through January 1, 1992 may be used to close or realign any bases other than those identified under the 1988 base closing process, and that no moneys shall be used to even identify, through a message to Congress or, indeed, any public announcement, military installations that the Secretary might want to consider for closure.

The committee's provision reads like a gag order. The only thing that the committee has not said is that the Secretary cannot think about closing a base, and one get's the impression that if such things could be legislated the committee would have included such a restriction.

If the committee believed that it was impossible to make reasonable decisions on base structure absent a "5-year force structure plan," then how can the committee believe it reasonable to cut nearly $25 billion from the President's budget—cut $25 billion out of force structure and readiness accounts—prior to having such a formal guidance document in place?

The argument that with respect to base structure we need to proceed on a whole different basis is clearly hogwash. It is a transparent attempt to protect congressional pork while at the same time shouting from the mountain about the need to cut defense spending and give American a peace dividend. It is the Congress of the United States at its worst.

The chairman of the Senate Armed Services Committee, Senator NUNN, expressed very strong and successful opposition to the inclusion of a similar provision in the Senate's Defense authorization bill, saying that it was absurd to be proposing cuts of the magnitude that we are talking about while at the same time telling the Secretary of Defense that he cannot even consider closing a military base for 2 years. I think that the Senator's characterization applies very well to what the committee is attempting to do.

Later in the day, Mr. Chairman, I will introduce an amendment that will replace the committee language with an effective base closing provision—the same provision, in fact, that the Senate—with the leadership of majority Members, has included in its Defense authorization. I urge all of my colleagues, Republicans and Democrats, to review my amendment and to support it when it comes to the floor.

□ 1520

Mr. Chairman, this is tough. These could be your bases, and, yes, I thought even one in my district would have been included the last time, although it was not. But a lot from my State were included, and as I look around among the Members, the possibility is that bases could be closed for each Member on the floor. But how do we ever talk about cutting defense if we are never going to cut bases, especially if they are in our districts. The American people do not believe that.

Even as much as we want to protect what is in our districts, it is time to put the greater good of America ahead. If we need to cut foreign and domestic bases, we must do so. I look forward to this and hope that we will rise above petty parochialism and do the right thing when my amendment comes along.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentlewoman from Colorado [Mrs. SCHROEDER] has 2 minutes remaining.

Mrs. SCHROEDER. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, I would like to respond by saying that I think the pork charge around on this floor is very unfair. If we really want to do that and get down to the dirt, there are a lot of Members on the other side of the aisle who voted for a little pork yesterday vis-a-vis the brand-new opening of a naval base when we do not have any homeless ships. So it is kind of interesting how we change our tune, depending on the day.

This has nothing to do with not closing bases. This debate is about whether we are going to unilaterally give to a person who is not elected or appointed by the President the right to close any base and waive a lot of the environmental laws or whether we are going to put together a process with that person i.e. the Secretary of Defense that we all think is nonpartisan and will be taking into account very critical things.

How do we know which bases to close if we do not know what the force structure is going to be? That is the first thing to consider. Let us get the force structure. Then we invite the

Secretary of Defense to propose what he thinks is fair, and then we come up with a bill that we promise will do it.

Attacking this committee and saying that they have not been closing bases is absolutely wrong. This committee has moved forward with the 86 bases that were on the closure list. Not a single one has fallen off the list that came up under the Commission proposal that this Congress backed. This committee also put into the bill $100 billion to expedite the closing of those 86 bases.

What we are saying is that the difference between those 86 bases selected by the Commission and these recent bases that were done by the President's appointee, the Secretary of Defense, is very apparent. We had long hearings looking at the January list that came over to us. These were done unilaterally and not done in a bipartisan fashion. We asked the Services, "How did you get these names? Where did you get these bases? How did you make these decisions?"

Their answer to every one of those questions was "We don't know. We don't know. We don't know."

So obviously the decisions about which of the bases were put on the closure list that came out this January did not come from the services; they came from the Secretary of Defense.

Mr. Chairman, I think the fair way is to stay with the committee. This is the best way to close bases, and that is the way we want to go, the best way and the most frugal way.

Mr. BROWN of Colorado. Mr. Chairman, I rise in support of the Martin amendment, which would allow the Secretary of Defense to identify, and with congressional consent, close obsolete foreign and domestic bases through the same expedited procedure provisions that were in the 1988 base closing bill and that are in the defense authorization passed by the Senate.

The bill we are considering today reduces military procurement by 21 percent and military manpower levels by 129,000. Over 5 years, the committee anticipates a 25 percent reduction in overall force structure. This would mean that the 18 Active Army divisions, could be reduced to 12, and that manpower would be reduced over 5 years by an additional 300,000. Our naval forces would be reduced from 566 ships to 455 ships, and the 36 Air Force fighter wings would be reduced to 25.

H.R. 4739 forbids the Secretary of Defense to identify directly or indirectly military installations that might be closed or realigned in the 5-year force structure plan he is required to submit under the bill. It also forbids the Secretary from identifying bases that are under construction for closure or realignment until 1992.

How can we propose these enormous cuts in our force structure without allowing for proportionate reductions in our base structure? With a projected $232.3 billion deficit, we simply cannot afford to maintain underutilized or obsolete bases.

The amendment would not give the Secretary of Defense authority to singlehandedly shut down bases. Under existing law, the Secretary has to take several steps before he can close a base. He must first send Congress a budget with base closure and realignment recommendations, and then prepare for Congress six separate reports on the economic, operational, environmental, local fiscal, budgetary and strategic affects of the closure and realignment recommendations. After that, Congress has 30 legislative or 60 calendar days to react. Ultimately, the only way that any bases could be closed is if Congress passes an appropriation for this purpose.

Mr. Chairman, it is hypocritical to advocate sharp defense cuts and at the same time forbid the consideration of closing obsolete bases. The Martin amendment would simply make permanent the streamlining procedures we adopted in 1988, on a one time basis, to allow the Secretary of Defense and Congress to close bases that are no longer needed. We have an obligation to the American taxpayer to ensure that their hard earned tax dollars are not being wasted on unnecessary military installations.

Ms. PELOSI. Mr. Chairman, I rise in support of the Browder base closing amendment provisions of H.R. 4739, the 1990 Defense authorization bill. The Browder amendment would establish a fair, bipartisan process to close U.S. military bases. I commend Mr. BROWDER, Mr. ASPIN, and Mrs. SCHROEDER for their leadership and commitment to this important issue.

The Browder amendment represents the Aspin-Schroeder five point base closure plan and is the result of months of discussion and hard work. It would prevent closures which do not reassess American military strategy or force structure in light of both events in Eastern Europe and the crisis in the Middle East.

Mr. Chairman, in order to structure our military in a way which addresses genuine national security concerns, we must establish a base closing process which is based on a prudent analysis of future military needs. I urge my colleagues to vote for the Browder amendment and a rational base closing process.

The CHAIRMAN pro tempore. (Mr. DURBIN). Under the rule, all time for general debate on the topic of base closures has now expired.

It is now in order to debate the subject of economic adjustment. Pursuant to House Resolution 461, the gentleman from Wisconsin [Mr. ASPIN] or his designee will be recognized for 20 minutes, the gentleman from Alabama [Mr. DICKINSON] or his designee will be recognized for 10 minutes, and the gentlewoman from Ohio [Ms. OAKAR] will be recognized for 10 minutes.

PARLIAMENTARY INQUIRY

Mr. DICKINSON. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. DICKINSON. Mr. Chairman, I was just wondering if I misunderstood or if the Chair misspoke.

It was my understanding that this gentleman had 20 minutes and the time for the other side was split, 20 minutes, 10 and 10. That was our agreement.

The CHAIRMAN pro tempore. The Chair will recheck the rule.

The gentleman from Alabama is correct. Ten minutes is allocated to the gentleman from Wisconsin [Mr. ASPIN] or his designee, 10 minutes is allocated to the gentlewoman from Ohio [Ms. OAKAR] or her designee, and 20 minutes is allocated to the gentleman from Alabama [Mr. DICKINSON].

The Chair recognizes the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I am proud to offer our economic adjustment amendment to the defense authorization bill today. The crafting of this economic adjustment, diversification, conversion, and stabilization program represents months of work by many members. Under the leadership of the majority leader RICHARD GEPHARDT, we were able to achieve consensus on a pragmatic $200 million plan to expand community adjustment and worker retraining programs. Our package relies heavily on existing programs and organizations as well as the enhancement of the President's Economic Adjustment Committee to coordinate and implement necessary community planning and worker assistance efforts.

Representatives OAKAR, GEJDENSON, and WEISS—in particular, worked for months along with the majority leader and myself developing the elements of our core adjustment program. Quite frankly, I wish we could have done more. However, the amendment before us is a solid beginning. It is a beginning that will send a signal of reassurance to workers and communities hard hit by the downturn in defense spending.

Over the past 2 days we have heard a considerable amount of debate on the importance of sustaining high levels of defense spending in the wake of the Iraqi aggression. However, despite the current funding requirements of Operation Desert Shield, I can assure you that the scope and magnitude of spending cuts in defense procurement programs over the next several years will be very significant.

Make no mistake about it. The fading Soviet threat and end of the cold war in Europe portend substantial economic dislocation throughout this country. Conservative estimates of defense budget reductions over the next 5 years of 10 to 25 percent could result in over 1 million lost defense jobs. That is 1 million laid-off Americans in less than 5 years.

Putting in place a defense adjustment and diversification program is not only a responsible step. It is an essential step. At present, we do not have sufficient resources to meet a potential explosion of demand for such economic assistance. That is why pas-

sage of this amendment is so important.

The amendment I am offering today was coauthored by myself and Congresswoman MARY ROSE OAKAR and introduced last February. Since that time, both the Banking and Armed Services Committees have held hearings. Every effort has been made to accomodate the committees of jurisdiction in drafting the amendment before us today.

Specifically, the amendment would provide a statutory basis for the President's Economic and Stabilization Council and require development and implementation of an economic adjustment program to assist industry civilians—$100 million would be earmarked for community planning assistance through the Commerce Department's Economic Development Agency and the Pentagon's Office of Economic Adjustment. Another $100 million would be funneled into the Labor Department's Jobs Training and Partnership Act. Additional initiatives which do not require funding authorizations are specified for small business export enhancement and venture capital development program.

Mr. Chairman, funding for this amendment will be provided through a cut in the funding requested by DOD for its general purpose automated information systems. This cut will in no way impact our operations in the Gulf.

Finally, Mr. Chairman, I want to reiterate my gratitude to the majority leader for the timely leadership he demonstrated in making it possible to bring this amendment to the floor today. I also want to express thanks to SAM GEJDENSON, TED WEISS, and MARY ROSE OAKAR—all of whom deserve credit for today's amendment.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ARMED SERVICES,
Washington, DC, Sept. 10, 1990.

SUPPORT DEFENSE ECONOMIC ADJUSTMENT INITIATIVE

DEAR COLLEAGUE: Despite the current funding requirements of operation Desert Shield on the Arabian Peninsula, the scope and magnitude of anticipated spending cuts in defense procurement programs over the next several years remain very significant.

While deep cuts in the defense budget are a welcome byproduct of the fading Soviet threat and the end of the Cold War in Europe, the potential economic dislocation for workers and communities resulting from these spending reductions could become very disruptive on the local level. In our judgment, it makes sense to establish a modest and effective Defense Economic Adjustment program to assist communities, workers and businesses in coping with large scale economic dislocations. This program would rely heavily on existing programs and organizations as well as enhance the ability of the President's Economic Adjustment Committee to coordinate and implement necessary community planning and worker assistance efforts.

The amendment which will be offered to the DOD Authorization bill by Congressman Nick Mavroules is based on H.R. 3999, legislation crafted by a coalition of House Members who have worked over the years on the policy issues of defense economic adjustment and conversion. It will provide $200 million from non-critical DOD accounts to more adequately fund economic adjustment planning, implementation and worker retraining programs conducted by the Pentagon's Office of Economic Adjustment, the Economic Development Administration of the Department of Commerce and the Department of Labor.

It should be noted that estimates on the impact of the real growth long-term defense budget proposed by the administration in April 1989 still forecasted reductions in defense related employment of 370,000 jobs over five years. The magnitude of the necessary defense budget reductions over the next five years of 10 to 25 percent certainly suggests a far greater potential for worker dislocation in these sectors. Some independent estimates put the number of defense industry civilian workers potentially affected over the next five years at over one million. And while some of these job losses may be absorbed assuming a period of continued economic expansion, a defense economic adjustment program as proposed is a responsible step to take to meet this problem head on.

It is clear that at present we do not have sufficient resources to meet a potential explosion of demand for such economic assistance on a timely basis should the deep cuts in defense procurement be implemented in line with the House Budget Resolution and the House Armed Services Committee bill.

Notwithstanding events in the Persian Gulf which will require a temporary adjustment in defense spending, the long term trends for the overall defense budget should remain steeply downward.

We hope that you will support our economic adjustment amendment to the FY 1991 Department of Defense Authorization bill. It is truly the culmination of many months of work by many Members. Importantly, every effort has been made to accommodate the committees of jurisdiction in drafting this amendment. We think it is a start in the right direction.

Sincerely,

RICHARD GEPHARDT.
LEE ASPIN.
NICK MAVROULES.
BEVERLY B. BYRON.

□ 1530

PARLIAMENTARY INQUIRY

Mr. HOPKINS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman will state his inquiry.

Mr. HOPKINS. Mr. Chairman, I am not sure I understood the Chair a little earlier about how the time has been allocated on this amendment.

The CHAIRMAN pro tempore. The minority side, by the gentleman from Alabama [Mr. DICKINSON] or his designee, has been allotted 20 minutes under the rule.

The majority, through the gentleman from Wisconsin [Mr. ASPIN] or his designee, and the gentlewoman from Ohio [Ms. OAKAR] are each allotted 10 minutes under the rule.

Mr. HOPKINS. Mr. Chairman, I yield myself as much time as I may consume.

Mr. Chairman, during today's debate and consideration of the defense economic conversion issue, the House will be able to choose between two distinctly different approaches.

Both approaches recognize that we need to face the real prospect of continued cuts in defense spending, and that we should, as a matter of policy, look at the possible impacts such cuts will have on the national economy and what appropriate steps can be taken to minimize economic dislocation.

From this point on, however, the two approaches part ways.

The Mavroules package takes the traditional approach—set up a new bureaucracy, new procedures and laws and, of course, sprinkles around a lot of new money.

The Hopkins substitute, on the other hand, attempts to address this issue in a manner consistent with our fiscal situation and with the demonstrated need.

The Hopkins substitute builds on the existing structure of programs and sharpens its focus to deal with this issue.

The Hopkins substitute provides the Defense Office of Economic Adjustment with additional funding to continue carrying out its job of helping affected communities.

And finally, unlike the Mavroules amendment, the Hopkins substitute does not raid the Defense readiness budget in order to fund domestic programs.

Mr. Chairman, Defense economic conversion, as defined by the majority's proposal, is founded on the belief that somehow the Federal taxpayers owe employees of defense contractors preferential treatment and funding.

This approach establishes as Government policy a system where if one of our constituents works in a factory that makes widgets that go into tanks or missiles, he or she is somehow special and eligible for all of the programs, funding, and special attention contained in the Mavroules amendment.

But if a similar constituent makes the same widget, but this widget happens to end up in a dishwasher or a car or any other nondefense product, then these workers somehow fail the test, they get no special treatment, they get no special help, they have no Government program dedicated for them.

Do we really want to send the message that defense workers are somehow more deserving of Federal assistance than say, steel workers or automobile workers or any other category of workers?

Are we saying that defense workers are more patriotic or have achieved

some special status which entitles them to a taxpayer subsidy?

I realize that Congress has adopted programs in the past which singles out categories of workers and industries for special help.

But, just because we have done it in the past doesn't make it sound policy.

And there is simply no convincing evidence that compels us to head down that road once again in the name of defense industry workers.

I believe this is an important and basic equity issue which the Mavroules amendment fails to address.

Mr. Chairman, the Mavroules amendment also assumes that the Defense budget will be cut by 25 percent over the next 5 years.

Maybe it will, maybe it won't.

The point is, we simply don't know what is going to happen in 5 years and may not know even if the budget summit is able to reach an agreement on a comprehensive 5-year budget plan.

There are simply too many variables out there, not the least of which is our growing military commitment in the Persian Gulf.

But even when we use this worst case scenario of 5-percent cuts per year for 5 years, the figures still don't show a problem that is in need of fixing.

The Department of Defense estimates that cuts of this magnitude would translate into the loss of 120,000 jobs per year in a national economy of 115 million workers.

To put these figures in the proper perspective, consider that the State of California alone could absorb these kind of job losses as its economy creates over 300,000 jobs every single year.

Under this worst case scenario of a 25-percent cut, defense job losses in States such as Virginia and Connecticut would represent less than 1 percent—0.5 percent—of their overall employment. And this is without factoring in the offsets from jobs created.

The point is, Mr. Chairman, the Mavroules/leadership package is an overreaction, founded on exaggerated claims of economic dislocation.

There is no evidence to support the contention that existing programs are inadequate to deal with any increase in demand for retraining and adjustment assistance and anyone who takes a close look at the numbers used to support this proposal shows they are written in sand.

Mr. Chairman, I reserve the balance of my time.

Ms. OAKAR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the pioneering work of the House Armed Services Committee on H.R. 4937, the Department of Defense Authorization Act for fiscal year 1991, and for the economic stabilization amendment that will be offered by Mr. MAVROULES later today.

In response to the demise of the Warsaw Pact in 1989, the Armed Services Committee has been engaged in a careful and decisive reshaping of U.S. Armed Forces. For this initiative, Chairman ASPIN and his committee are entitled to the commendation of this House and the thanks of the Nation.

I am delighted that, as a part of that effort, an amendment to assist in the transition of defense facilities, defense contractors and their workers, as encouraged by committee Chairman ASPIN and drafted by subcommittee Chairman MAVROULES. I would like to thank the Rules Committee for making such an amendment in order.

I am proud to say that the Economic Stabilization Subcommittee, which I am privileged to chair, developed the economic stabilization legislation that served as a framework for the Mavroules amendment durring 3 years of hearings, research, consultation and drafting. Our bill (H.R. 3999) was introduced on February 7, 1990, revised into a committee print of July 10, marked up by subcommittee on July 19, presented to the Armed Services Committee the same day, and ordered reported by a vote of 30 to 19 by the full Banking Committee September 11. The Banking Committee is the only House committee to act upon the bill and will be the only committee to file a report on it. This Banking Committee involvement is appropriate because of the potentially substantial impact of reductions in the Defense budget on economic stability, and I would like to thank my own committee chairman, the gentleman from Texas [Mr. GONZALEZ] for his support and assistance in reporting H.R. 3999.

Also in order is a heartfelt commendation to the other major authors of the legislation in this body, Representatives MAVROULES, GEJDENSON, and WEISS. I especially commend the gentleman from Massachusetts, Mr. MAVROULES, and the majority leader, Mr. GEPHARDT, whose plan to include, this matter in the Defense authorization bill made this issue mainstream. I would also like to thank Congressman TORRES.

As we are poised to approve this measure, I believe it is extremely important not to oversell this amendment or, especially, to undersell it.

Reality has dictated that the present amendment is only a first step. The provisions to be considered today fall short of my own expectations in several ways:

It was not possible to include extended unemployment compensation, on which the Ways and Means Committee has been working hard for several years.

It was not possible to include health, medical or retirement considerations for laid-off defense workers.

Expansion of small business programs to finance transition activities of inventors, small and medium-sized contractors and subcontractors was not included.

Innovative programs for retraining and reeducation, which we considered to be of great promise, are not included.

I am also concerned that the ample additional financial assistance, which we provide through the Economic Development Administration, is not, in my opinion, sufficiently targeted to the problems and opportunities of Defense budget reductions.

The assistance on an industrywide basis to assist in developing new products, new process and new export markets did not make it into the amendment.

The amendment does not go far enough toward establishing a multiyear program, matched to the long-term Defense budget reduction, and adequately funded, as I recommended in my testimony to the Armed Services Committee on July 19.

Coordination between the several committees having jurisdication over these diverse matters needs to be improved for implementation purposes, and for the many improvements called for in the future.

However, there will be other years and other Congresses for us to work on these matters, and these shortcomings should not cause us to lose sight of the overriding significance of the Mavroules amendment.

It should be noted that many valuable provisions from H.R. 3999 were incorporated into the armed services amendment:

A President's Economic Adjustment Council, which emphasizes good management, good analysis and coordination in devising a Governmentwide program of Federal assistance,

The sum of $200 million, to be divided between communities and labor benefits,

A direction to combine foreign market information, export promotion and export financing activities to help companies transitioning to peacetime production, and

Help to workers for retraining, job search and relocation.

Second, just as the Defense authorization bill—and my Defense Production Act amendments bill (H.R. 486) which Banking Committee ordered reported on September 11—reflect this country's iron resolve to be prepared for war, the economic adjustment amendment is a concrete reflection of America's commitment to prepare for a more widespread peace. The approval of this amendment sends a clear signal to the leaders and people of the

U.S.S.R. that the ultimate objective of the American people is peace, and we wish to shift as much investment as possible, as soon as possible, to the civilian sector. That is one of the reasons I believe the administration's opposition to this program is unwise. In the absence of such an indication from the White House, I hope that Congress will go ahead and emphasize the peace-loving character of the American people.

It has been the vision of the world's prophets since ancient days that men beat their swords into plowshares and their spears into pruning hooks and that nation should not lift up sword against nation. In 1990, we have the opportunity of a generation, or a century, to help to fulfil that vision.

We hope and pray that the Persian Gulf engagement will be a brief interruption in the transition to a world of lower Defense budgets.

In 1988, expenditure for armaments reached the staggering total of $1 trillion worldwide, with 29 million men and women in military service. Nations and populations are literally staggering under these burdens. I say to Mr. Gorbachev and the people of the U.S.S.R., Eastern Europe, and the Baltic States, that we in Congress wish you well in your desire for better economies and better lives. We wish the same for our own people, and will try to help by seizing this opportunity to shift resources from military to civilian production.

In my opinion, President Bush should join us in this endeavor by inviting the principal sponsors of this legislation to the oval office and joining the forces of his administration to the development and implementation of the best possible economic adjustment program. Imagine what Presidents Kennedy, Johnson or Truman would have done at a moment like this.

Instead, the administration is busy publishing reports opposing "conversion," which is a concept of limited application that accounts for a minor fraction of the economic adjustment process.

Today's amendment is aimed at giving a helping hand to the workers, professionals, businesses, and communities whose skills and steadfastness over the past 45 years made it possible to prevail in the cold war and open the way to freedom and economic improvement to millions of people around the globe. It is positively ungrateful to forget about these firms, people and cities at the moment of victory, and let them twist in the wind while the economy readjusts.

We know, from the base closings of the past 25 years—where civilian employment is higher than military employment by almost 50 percent—and from the highly successful skills conversion project of the 1970's, that the targeted and transitional assistance envisioned by this legislation will pay huge dividends in economic competitiveness and economic stability. This bill uses existing institutions and the strength of our traditional free market system to facilitate economic adjustment to declining Defense budgets we hope to see in the future.

I hope this House will overwhelmingly endorse the Mavroules amendment and the Defense Department authorization bill to start us down the road of planning for more peace oriented economies for our own people, and for other peoples around the world.

□ 1540

Mr. SISISKY. Mr. Chairman, I yield 2 minutes to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, this is a very generous country. We heard the President recently propose waiving 7 or 8 billion dollars' worth of Egyptian debt. We help small countries around the globe on a regular basis. Eastern Europe emerges from 40 years of Communist control to democracy, and the United States is there to lend a helping hand even when we have our own fiscal crisis at home.

What do we offer defense workers, those who built the equipment that gave us the finest military in the world, those people who we entice to help defend America in its toughest years?

The proposal by the gentleman from Kentucky [Mr. HOPKINS], my good friend and a member of the committee, is frankly inadequate. Not simply is the $4 million spread across the entire United States in this program, but the agency that he looks to to provide the service is simply not suited to deal with the problems we face; $150 billion to defend Western Europe and Japan, $7 billion for Egypt, $4 million for the American defense workers.

In my district at United Nuclear we have had the office that the gentleman will speak of, OEA. They cannot do the job. They are not equipped to help develop new industry, to retrain workers. We have, for workers who have lost their jobs because of foreign trade, provided additional assistance.

What we are saying is that in this case where the Government's policy determines what the future of the worker is, whether he can pay his mortgage, send his kids to school and buy his family's food is determined by Government policy, there the Government has some responsibility to give him an opportunity to go through that transition, to give that mother an opportunity to have some planning time so she can raise her children.

□ 1550

What we ask for here is not a handout, but a helping hand, to give industry and workers and communities a chance to adjust so they can prosper and build a stronger economy.

Mr. HOPKINS. Mr. Chairman, I yield 8 minutes to the gentleman from Alabama [Mr. DICKINSON], the ranking member of the Committee on Armed Services.

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the Mavroules economic conversion amendment and in support of the Hopkins substitute of which I am a cosponsor.

The Mavroules amendment, which is certainly well intentioned, is simply another backdoor scheme to bleed the defense budget by an additional $200 million to help ease the dislocation that the House Democrat's massive $24 billion cut made in defense.

We have seen time after time a reduction of our defense spending. We have seen a defense budget come over to be reduced. Then we see other hands reaching into the defense spending budget and bleeding it off for some other purpose.

I recognize there will be some dislocation, and I am not insensitive to this, nor do I feel that it should not be given proper attention.

The Mavroules amendment takes $200 million from defense and gives it to programs within the Department of Commerce and Department of Labor which have no bearing on providing for our national defense. If they want to find $200 million someplace else and set up such a program, that is a different thing. But do not take it from defense. We have ample needs that this money could go to if we do not spend it for the things for which it was originally budgeted.

Basically, the Department's budget is being sacrificed as a cash cow for Commerce and Labor programs.

The Mavroules amendment represents the same old approach to public policy—let's build up a new bureaucracy and throw some money at it, the more the better.

The Mavroules amendment is founded on the assumption that defense cuts in the coming years will be so drastic that they will lead to massive layoffs and severe economic dislocation in the defense industry.

Mr. Chairman, I doubt anyone today will argue that we are not going to have serious defense cuts.

As I pointed out, $24 billion was cut by this committee from the budget of the House from the administration's own request.

By how much, and how quickly, remain open questions as to what will be the final figure. We have to wait, I guess, until the group comes back from Andrews Air Force Base, this afternoon or tomorrow, to find out what the final figure is.

Moreover, the evolving situation in the Persian Gulf may not lead to

future increases in the domestic defense business. Strangely enough, it might lead to additional overseas business for our defense industry.

I know, in fact, that according to the paper, according to publications in the industry, we are looking for several billion dollars of increased spending to our friends and allies around the world, whether it be Saudi Arabia or other Persian Gulf countries, or even Great Britain.

The evolving situation in the gulf may lead to increased business, and I would hope that would be so, if it comes to ameliorating any layoffs of our civilian industrial workers.

Finally, Mr. Chairman, the Mavroules amendment sends a message to the country that its proponents may not fully realize.

What this amendment says is:

Mr. Defense Worker, because it's an election year, we are going to single you out for special treatment. We in Congress are going to set up a nice entitlement program for you, fund it with $200 million carved out of an already decimated the defense budget, and hopefully this will distract you from the fact that it is the Congress who is dictating these defense spending cuts which threaten to put you out on the street.

Mr. Chairman, we concede that defense cuts require that we pay closer attention to economic consequences, and the Hopkins substitute does just that.

It beefs up DOD's Office of Economic Adjustment so they can continue to help affected communities.

It sets up an early warning system so affected communities can receive adequate notice to begin planning and adjusting.

It encourages the President to closely monitor existing Federal retraining and adjustment programs to ensure they have enough resources to meet any additional demand.

In summary, we agree that something must be done in this area.

But, Mr. Chairman, we reject the inconsistent approach of the Mavroules amendment which proposes to ease the pain of defense cuts by cutting defense even further.

The DOD is not a Federal welfare center for every town that is going to feel the economic pain of impending cuts in defense spending.

Mr. Chairman, I think $6 million that the gentleman from Kentucky [Mr. HOPKINS] proposes to set up to study and make adjustments that are deemed necessary would be adequate, certainly at the inception, to get this started. We do not need the Mavroules amendment, which would take $200 million additional out of defense and allocate it to another agency of the Government. Mr. Chairman, I urge Members to vote no Mavroules and aye on Hopkins.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am pleased to yield to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, I appreciate the gentleman yielding. Mr. Chairman, the gentleman from Alabama [Mr. DICKINSON] has just returned from the Persian Gulf. As one who has a great deal of experience with the defense posture of this country and the authorization bills that he has helped craft for several years, certainly he is in a position to know whether or not we are going to need additional funds for the Persian Gulf, from which he just returned.

My question to the gentleman is could he briefly tell us about what is needed over there, and are we not waiting now to see if the budget is going to allocate additional funds for our costs in the Persian Gulf?

Mr. DICKINSON. Mr. Chairman, reclaiming my time, that is the inconsistency or the anomaly of the situation we are now discussing. We are expecting the Budget Committee to come in and give us an additional spending figure based on our present needs and anticipated needs in the Persian Gulf. We think it will be somewhere in the neighborhood of $7 billion for the first 6 months in the Persian Gulf.

What this amount will do is take an additional $200 million out of defense, while at the same time we are waiting to hear how much we are going to beef defense up. I think it is anomalous in the extreme to say we know we are going to need more money, that there is not enough in the present bill. We should increase, not decrease, what is in the defense bill, but, by the way, let us take out $200 million and give it to Commerce and Labor. I think it is well-intentioned, but not very well thought out.

Mr. HOPKINS. Mr. Chairman, will the gentleman further yield?

Mr. DICKINSON. I yield to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, in other words, what the gentleman from Alabama [Mr. DICKINSON] is saying, is the Mavroules amendment will take $200 million out of readiness, the very place that we are hoping to be able to put additional money when the budgeteers come back to us in the next couple of days, is that correct?

Mr. DICKINSON. Mr. Chairman, reclaiming my time, exactly. We are just using this as a cash cow to funnel money to another agency of Government, while at the same time we are saying, "Hey, we are running short as it is. We need additional funds." In the meantime, we give it away to another agency of Government.

Mr. Chairman, I cannot imagine anything more inconsistent.

The CHAIRMAN pro tempore (Mr. DURBIN). The Chair will advise at this point in the debate that the gentleman from Kentucky [Mr. HOPKINS] has 6½ minutes remaining, the gentleman from Virginia [Mr. SISISKY], controlling time for the gentleman from Wisconsin [Mr. ASPIN], has 4 minutes remaining, and the gentlewoman from Ohio [Ms. OAKAR] has 1 minute remaining.

Ms. OAKAR. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. WEISS].

Mr. SISISKY. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, I rise in support of the Mavroules amendment and in opposition to the Hopkins substitute. The United States must put in place a defense economic adjustment program to deal with massive layoffs and community dislocation that result from cuts in defense spending.

While deep cuts in the defense budget are a welcome byproduct of the fading Soviet threat and the end of the cold war in Europe, they also can be a tragedy on the local level. Communities all over the country have already begun to experience the disruption associated with such cuts. Weekly reports detail defense industry layoffs. As the Wall Street Journal recently reported, for instance, United Technologies will eliminate 4,000 jobs over the next 3 years. McDonnell Douglas announced plans to layoff 17,000 workers. Defense analysts forecast that more than 800,000 jobs are at stake over the next 5 years.

If we don't have an adjustment program, these dislocated workers will be thrown into the evergrowing pool of the unemployed. A recent General Accounting Office report found that dislocated workers remain unemployed more than 14 weeks, with an estimated productivity loss of almost $4,500 per worker. Considering the economic crisis the United States is in, it cannot afford to lose the productivity, nor keep these workers on public assistance.

The Mavroules amendment provides for a much-needed adjustment program. Although this program is a modest one, it will help workers and communities adjust to dislocation resulting from defense cuts. The amendment does so by establishing a President's Economic Stabilization and Adjustment Council to coordinate and implement national defense economic adjustment and provide information to localities on relevant loan, grant and job training programs.

The Mavroules amendment will also authorize $100 million through the Jobs Training Partnership Act for a special worker retraining program for unemployed defense-related workers, and $100 million for the Economic Development Administration planning and assistance grants.

Although this amendment will help workers and communities adjust, it does not deal with what I consider economic conversion. Economic conversion is a political, economic and technical process for assuring an orderly transition of economic resources now being used for military-related purposes to alternative civilian uses.

A genuine and comprehensive policy of economic conversion includes advanced planning. It would have plans for the conversion of the facility drawn up before contract reductions are announced. If this is done, then when the contract is cut back, a facility will be able to convert, retrain its workers, and start production without the massive employee layoffs and community disruption which often occurs with contract cancellations.

A policy of economic conversion also must provide dislocated workers with financial assistance that would enable them to maintain their health benefits while they retrain and while the facility converts to civilian work.

While the Mavroules amendment does not create a genuine policy for national economic conversion, it does take some steps to help workers adjust to dislocation related to defense cuts. It is a modest amendment that simply enhances programs that are already in place. It escapes me how anyone concerned with the well-being of defense workers and their communities could oppose such a modest proposal.

□ 1600

I urge my colleagues to support the Mavroules amendment. In the meantime for the sake of America's economically dislocated communities and employees. I will continue to attempt to persuade my colleagues to adopt legislation providing for a genuine program of economic conversion.

Mr. SISISKY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Maryland [Mrs. BYRON] for the purposes of a colloquy.

Mrs. BYRON. Mr. Chairman, I thank the gentleman for yielding me this time.

I am convinced that many of our colleagues in this body do not yet appreciate the scope of the economic hardship that will be felt in communities throughout the Nation as the defense budget is drawn down over the next 5 years. While the long-term effect of Desert Shield on the defense budget is uncertain, it remains clear to me that the lessening of world tensions must inevitably result in reduced defense spending.

I have long held the view that communication is the key element in any successful plan. The strength of the gentleman's amendment is that it creates the necessary formal management structure, and mandates timely coordinated effort between Federal agencies, State and local government, and local labor and business.

I would like to ask the gentleman if the Job Training Partnership Act provisions of the amendment include a reference to employer associations, and an authority to establish training and job placement demonstration projects?

Mr. SISISKY. Mr. Chairman, will the gentlewoman yield?

Mrs. BYRON. I am happy to yield to the gentleman from Virginia.

Mr. SISISKY. Mr. Chairman, I can assure the gentlewoman from Maryland that her concerns are accommodated in the amendment.

Mrs. BYRON. Mr. Chairman, let me say that I think the employer associations are often overlooked as a source of expertise in creative thinking. I had the Maryland Hospital Association come to me with an exciting proposal that would facilitate movement of many of our highly skilled employees from the defense industries to fill a shortage that we are seeing in the health care community. I think that is just probably one example that we can find of potential opportunities to transfer highly qualified defense employees to skills in other areas that are needed, sorely needed here in this Nation. So I want to once again congratulate the gentleman from Virginia and also the gentleman from Massachusetts, the chairman of the committee.

Mr. SISISKY. Mr. Chairman, I thank the gentlewoman for her support.

Mr. HOPKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, another problem with the Mavroules proposal is the highly irregular procedure used to develop it.

This proposal has not been formally adopted by any of the committees of jurisdiction, certainly not the Armed Services Committee.

It was crafted outside of the normal legislative process by an ad hoc task force appointed by the majority leader that even the chairman of the Ways and Means Committee has taken exception to.

We have heard Members talk about the position of this administration.

Let me quote briefly from a letter he wrote to Speaker FOLEY on August 2, outlining his objection.

Mr. ROSTENKOWSKI wrote to—

Express my serious concerns about the highly-irregular process that has been used to develop this legislation. Measures within the jurisdiction of the standing committees of the House should be considered by those Committees and not by ad hoc task forces. Such task forces . . . are directly violative of the institutional processes and committee prerogatives of the House.

Mr. ROSTENKOWSKI continues—

This irregular procedure of circumventing the normal Committee process results in a legislative product that has not had the benefit of any public hearings, investigative scrutiny or official legislative history in a Committee report. . . . The absence of such procedural and interpretive protections . . . can and usually does, result in deficient legislation whose provisions are subject to independent interpretation.

Clearly, this legislation suffers from the procedural deficiencies cited by Chairman ROSTENKOWSKI and should be sent back to the committees of jurisdiction for proper consideration.

This is no way to conduct business on an issue of important public policy and we should not be asked to jump blindly off the cliff on something that has not received the careful scrutiny and deliberation of the committee process.

Finally, Mr. Chairman, proponents of the Mavroules package claim that the $200 million they are taking out of the defense budget to bankroll this program is not really needed in the account where they got it; that is, general purpose data processing.

Well, if this is true, and I will take their word for it, I know of 60,000 or so young Americans in the middle of a desert somewhere who have plenty of ideas on how this $200 million can be put to a more pressing and important use than shifting it to the Departments of Labor and Commerce for programs of dubious priority.

Ms. OAKAR. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. I am happy to yield to the gentlewoman from Ohio.

Ms. OAKAR. Mr. Chairman, I thank the gentleman for yielding.

I would like to correct the gentleman, because the fact is that our committee did report out, the Committee on Banking, Finance and Urban Affairs, which has jurisdiction of titles I, II, III, and part of V, and that is the only thing we reported out, that in essence is the Mavroules amendment, and, as a matter of fact, in deference to the chairman of the Committee on Ways and Means, that section related to unemployment compensation is not included, is not included in the amendment offered by the gentleman from Massachusetts. So, in fact, we have reported out of the committee, 30 to 19, this amendment, and, in essence, the gentleman's information is incorrect.

Mr. HOPKINS. I thank the gentlewoman.

Mr. Chairman, I would add at this point in the RECORD that what they pointed out, in my opinion, was H.R. 3999, not this amendment.

Ms. OAKAR. In essence it is the same.

Mr. HOPKINS. In summary, our colleagues have two distinctly different choices to make on defense economic conversion.

They can jump on the same bandwagon that helped create the problem at issue, throw more money around,

create new and unnecessary bureaucracies and cut defense readiness by another $200 million.

This is the choice represented by the Mavroules amendment.

Or they can take the more rational, measured and responsible approach, which—I admit, it may not grab the headlines—but it certainly serves the interests of the taxpayers and the integrity of our defense budget.

I urge my colleagues to make the right choice, support the Hopkins substitute and vote down the Mavroules amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. ASPIN. Mr. Chairman, I wish to discuss for a moment with the gentleman from Alabama [Mr. DICKINSON] the schedule. Mr. Chairman, as the gentleman knows, the rule requires us to give notice to the Members before we have votes and calling up amendments as to what we are going to do and in what order and after discussing the issue with the gentleman from Alabama, I would like to propose the following schedule today.

We have been conducting general debate on a whole series of issues. It would be the proposal of the chairman that at the end of the discussion here that we are completing on the issue of the conversion that we would not do the other item listed for discussion today which was the B-2, but, in fact, to put that off until tomorrow, and to proceed, according to the wishes of the people who are conducting the economic summit negotiations, to proceed with some votes.

We were looking at votes roughly between 4 o'clock and 6 or 7 o'clock. It would be, after discussing the matter with the gentleman from Alabama, our suggestion that with the end of the discussion then on the conversion, as the chairman allocated that there was relatively little time remaining, that we would then proceed to the votes. There were three votes on the burden-sharing issue, so there would be three votes coming on the burden-sharing issue. The first would be an amendment by the gentleman from New York [Mr. MARTIN], and according to the agreement of yesterday, there would be 5 minutes in support of the amendment, 5 minutes opposed to the amendment, and then a vote on the amendment. That would be a 15-minute vote to be followed by the two other votes on the burden-sharing issue, which would be the amendment offered by the gentleman from Michigan [Mr. BONIOR] and the amendment offered by the gentleman from New York [Mr. MRAZEK].

□ 1610

At the conclusion of that, those would be three votes that would take care of the burden sharing issue. We would then proceed to have the votes on the base closing amendments. There are two amendments listed under base closing, the amendment by the gentlewoman from Illinois [Mrs. MARTIN], and then the amendment that the gentleman from Alabama [Mr. BROWDER] and I are offering on the base closure amendments. Those both would follow from that.

At that point it would be our intention to complete our business here today and to rise. It was the desire of people working the negotiations on the budget summit that we have whatever votes we have in a short time tonight, and then we would quit fairly early because they are going to go back and continue their negotiations.

But what we would be looking at is, starting probably about 4:30, five votes. I would guess each of those votes is going to take a half an hour. I would guess that we are talking about 7 o'clock adjournment tonight. Anyway, this was what we were working out.

Tomorrow then it would depend a little bit on what we hear from the people coming back from the budget negotiations as to the schedule tomorrow. The gentleman from Alabama [Mr. DICKINSON] and I would like to consult with them and see about that before we announce anything definitive about tomorrow. But we do plan, of course, to continue the B-2 debate which we did not get to this afternoon.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, for the edification of the Members, we had originally thought that we would be able to conclude the entire bill by going late tonight. It has become obvious that this is not the case, especially in view of the fact that we are trying to work in conjuction with the budget summit committee. They will not finish their work today we are told, even though they will be back about now, and we expect they would go back sometime this evening, and then we will have the final budget figure to work to.

It is the chairman's intent, as I understand it, and he can correct any part that is wrong, that he has some amendments that he will offer when he gets the final figure, and that will be one of the last things that will be offered tomorrow. When we start, we will start off with general discussion of the B-2. We anticipate no vote on the B-2, but there will be some 20 minutes I believe was the last figure that was mentioned of general discussion on the B-2. Then we will go forward to another subject.

Staff just commented that we do not know after that point where we are going. But things still need to be adjusted. We have some general amendments, and those that are not controversial can be lumped. Those that would not be agreed to or that would create some controversy we will probably have votes on.

I think the last amendment would probably be that of the chairman in trying to conform the budget deficit summit committee to what dollar figure we are given. After that the only thing left is a motion to recommit and final passage.

Have I substantially stated it as the chairman understands it?

Mr. ASPIN. The gentleman from Alabama is absolutely correct. We are now in the position where we have more votes to do than talking to do. The problem is that for the budget summiteers to meet we cannot have votes, so we are a little bit stymied as to how we proceed from today. But clearly we have a block, we have four amendments on SDI to vote out, and we have an SDI policy amendment to vote on, and of course we have a couple of amendments that we are discussing here, the Hopkins amendment and the Mavroules amendment in connection with economic conversion that we need to vote on. So what we need out of the scheduling here is voting time. But what the economic summit needs is quiet meeting time. So when they get back here we have to sort this out.

Mr. DICKINSON. If the gentleman will yield further, I just would like to point out to the membership we appreciate their forbearance and understanding. We are operating under a unique set of circumstances that we have never faced before. We are doing the best we can to conclude the entire bill. We thought we would have it done this evening. Obviously that cannot be due to no fault of those on the floor.

We anticipate that probably we will be able to finish the entire thing early tomorrow afternoon.

Mr. ASPIN. Depending again upon what they say.

Mr. DICKINSON. And I am not in a position, nor is the chairman I think, to speak for the leadership, but we were told that the next item of business then would be the crime bill, unless that has been changed.

Mr. ASPIN. That really is another department.

Mr. DICKINSON. That is correct.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Kentucky.

Mr. HOPKINS. I thank the gentleman for yielding.

Mr. Chairman, as I understand the schedule you have proposed, we would end today with the final vote on base closure; is that correct?

Mr. ASPIN. The gentleman is correct.

Mr. HOPKINS. There would be no vote today on economic conversion?

Mr. ASPIN. Not today.

Mr. HOPKINS. If the gentleman will yield further, let me ask if we would then tomorrow pick up on the schedule that we discussed earlier today, or would that be changed?

Mr. ASPIN. It seems to me that one thing that we could do tomorrow, the only thing we have not debated is the B-2 amendment, so we would probably go back to debating the B-2 amendment. But then the next logical thing in order here is the votes we did not get to today, and I would anticipate that the first set of votes is the SDI cluster, including the policy amendments, and then the amendments on the economic conversion.

Mr. HOPKINS. Then the schedule, if the gentleman will continue to yield, the schedule would then continue as was outlined in our meeting this morning, no change in that?

Mr. ASPIN. Exactly. Not yet.

Mr. HOPKINS. I thank the gentleman.

Mr. ASPIN. I thank the Chair for his indulgence.

The CHAIRMAN pro tempore (Mr. DURBIN). The Committee will now resume debate on the economic conversion issue.

Ms. OAKAR. Mr. Chairman, I yield my final one-half minute to the distinguished gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Chairman, I rise today in strong support of the Mavroules amendment providing for defense economic adjustment assistance.

This amendment is based on H.R. 3999, legislation of which I am proud to be an original sponsor, and which was approved yesterday by the Banking Committee. Congresswoman MARY ROSE OAKAR'S Economic Stabilization Subcommittee has spent years working on economic adjustment proposals. H.R. 3999 is the culmination of countless hearings and meetings and has truly undergone an evolutionary process. It is an excellent product and I am pleased that the amendment we are considering today includes the basic elements of H.R. 3999. It provides an urgently needed package of assistance to workers, to businesses, and to communities that will soon begin to feel the impact of defense spending cuts.

In July, Ms. OAKAR'S subcommittee joined my Small Business Subcommittee in Los Angeles to hear firsthand just how badly the situation is likely to become in southern California.

California ranks No. 1 in the country in defense spending, with nearly $56 billion and hundreds of thousands of jobs at stake. Cutbacks at the large defense contracting firms in southern California will have a ripple effect through the aerospace industry on the thousands of subcontractors and suppliers, small businessmen, in the region.

It is imperative that we have in place a strategy for the Nation to adjust to the reality of declining defense budgets. Although I would have preferred the stronger provisions in H.R. 3999 to become a part of this DOD bill, this amendment is a modest approach that will help us plan for the massive conversion of our best minds, talents, and technologies from military to peaceful production.

Mr. Chairman, we are at a juncture where we are all thankful for the monumental events transpiring in the world that are now compelling us to convert our military strength into economic strength. Let us capitalize on the situation rather than fear it. There is no reason why peace should bring pain.

Mr. HOPKINS. Mr. Chairman, I believe the author of the amendment has the right to close debate. We do not have any speakers at this time, so I would reserve the balance of my time.

The CHAIRMAN pro tempore. It is the Chair's position that the gentleman from Virginia [Mr. SISISKY], representing the gentleman from Wisconsin [Mr. ASPIN], has the right to close this debate, and the gentleman from Kentucky may utilize his time or yield back his time.

Mr. HOPKINS. Mr. Chairman, I yield back the balance of our time.

Mr. SISISKY. Mr. Chairman, in order to close the debate, I yield 1 minute to the distinguished gentleman from Maine [Mr. BRENNAN].

Mr. BRENNAN. Mr. Chairman, I thank the gentleman from Virginia for yielding time to me.

Mr. Chairman, I rise in strong support of the Mavroules amendment on economic conversion.

In my home State of Maine we are proud of the many contributions we make to the national defense. As a State that is heavily influenced by defense budgets, we know that it is only a matter of time before the defense budget reflects the changing world climate.

Despite the current Persian Gulf crisis, our defense spending is heavily geared to fight a war with our former chief adversary, the Soviet Union, and we know that likelihood has been greatly diminished.

The Federal Government must now adjust its defense spending. We have a special responsibility to assist the affected communities to make the transition from yesterday's high level of defense spending to tomorrow's more realistic budgets. We need to retrain workers. We need to assist businesses to move to alternative production, and we need to help affected communities.

The Mavroules amendment to me will serve as a very important first step in making that change to a peacetime economy. I urge my colleagues to assist our fellow citizens who have contributed so much to the defense of this Nation and help them make that important transition. I urge support for the Mavroules amendment.

Ms. PELOSI. Mr. Chairman, I rise in strong support of the Mavroules economic conversion amendment to H.R. 4739. This amendment addresses the problems that businesses, workers, and communities face as they cope with defense budget cuts. I commend Mr. MAVROULES, Ms. OAKAR, Mr. WEISS, Mr. GEJDENSON, and Mr. GEPHARDT for their commitment to developing this important legislative package.

The Mavroules amendment would be an important component of H.R. 4739 for two reasons. First, the economic savings from defense budget cuts are meaningless if the communities which depend on defense dollars aren't around to enjoy the savings. This legislation will help communities weather the bad times and capitalize on resources which are freed up through base closing and defense cuts.

The Mavroules amendment will also help fulfill a promise made by the Base Closing Commission of 1988 to provide economic assistance. Base closings without economic conversion is an empty promise.

Mr. Chairman, the challenge we face is to move from the plight of economic loss to the promise of economic conversion. We can achieve that promise by voting for the Mavroules amendment. I urge my colleagues to vote for the Mavroules amendment.

Mr. FAZIO. Mr. Chairman, I rise in support of the Mavroules amendment.

For the first time in 45 years, our Nation is faced with the prospect of developing defense and economic policies in a non-cold-war frame of reference. The Warsaw Pact has collapsed, the Berlin Wall has come down, and we are on the verge of reaching historic arms control agreements with the Soviet Union.

I think we all welcome these changes. However, they have at the same time created new problems for us. With these changes, reductions in defense spending are inevitable and base closings, mass layoffs, and plant closings are on the way. Already, Lockheed has announced the layoff of over 7,000 employees at its Los Angeles-based facilities. In addition, we are currently in the process of closing 86 domestic military installations as a result of legislation enacted in 1988.

We now face a difficult task of developing methods to help communities, workers, and businesses make a transition to an economy with greater reliance on private sector involvement rather than defense spending.

In California, though our economy is diverse and strong, we have many communities, businesses, and literally hundreds of thousands of workers who will be affected by declining defense budgets. Six to seven percent of all jobs in California are defense related. That's nearly 800,000 jobs, which is more than double that of any other State.

The defense industry is shrinking. New markets have to be created. Diversification must take place. The Mavroules amendment lays the groundwork to provide communities, work-

ers, and businesses with the tools they need to reduce their defense dependency and take advantage of economic opportunities in the civilian sector.

The Mavroules amendment authorizes $200 million to provide assistance to workers, communities, and businesses that suffer economic dislocation due to defense spending reductions. These funds would be used for a variety of purposes. For example, it would help communities plan the conversion of a military base to an airport or whatever use is determined to be in the best interest of the community. The funding would supplement job counseling and retraining services for defense workers and expand Small Business Administration loan programs for impacted businesses.

The Mavroules amendment expands existing programs in order to meet the growing demand that will result from declining defense budgets. I commend my colleague, Congressman MAVROULES, for the time and energy he has committed to this issue. He has crafted a fair and balanced measure which is probusiness, prolabor, and procommunity. I strongly urge my colleagues to vote in favor of the Mavroules amendment.

The CHAIRMAN. All time for general debate on this issue has expired.

Pursuant to House Resolution 457 and the requisite notice given by the chairman of the Committee on Armed Service yesterday, it is now in order to consider the amendments printed in House Report 101-668, relating to Defense burden sharing, which shall be debatable for 10 minutes each, equally divided and controlled by the proponent of the amendment and a Member opposed thereto, and shall be considered in the following order:

First en bloc amendments by Representative MARTIN of New York;

Second, by Representative BONIOR; and

Third, by Representative MRAZEK.

□ 1620

AMENDMENTS EN BLOC OFFERED BY MR. MARTIN OF NEW YORK

Mr. MARTIN of New York. Mr. Chairman, pursuant to the rule, I offer amendments en bloc.

The CHAIRMAN pro tempore (Mr. DURBIN). The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows: Strike out section 2801 (relating to dual basing) and redesignate the subsequent sections and the table of contents accordingly.

Strike out section 2802 (relating to Crotone, Italy) and redesignate the subsequent sections and the table of contents accordingly.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from New York [Mr. MARTIN] will be recognizerd for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

Is the gentlewoman from Colorado [Mrs. SCHROEDER] in opposition to the amendments?

Mrs. SCHROEDER. This gentlewoman is in opposition to the amendments, Mr. Chairman.

The CHAIRMAN pro tempore. The gentlewoman from Colorado will be recognized for 5 minutes.

The Chair recognizes the gentleman from New York [Mr. MARTIN].

Mr. MARTIN of New York. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Chairman, as a member of the Committee on Foreign Affairs, I want to express my strong support for the amendment offered by my colleague, Congressman MARTIN, to strike sections 2801 and 2802 from this bill.

These sanctions are being represented as cost-cutting measures. Actually, they are nothing more than isolationism in disguise. If these provisions become law, they would force the United States to abruptly and unilaterally abrogate its treaty obligations, something that would be detrimental to U.S. foreign policy.

It would come as bad news to many small, defenseless nations that rely on America's military might and honest dealing to preserve peace and stability around the world. Our Armed Forces played a vital part in the defeat of Germany and Japan in World War II, and in the maintenance of peace after the war.

The crisis in the Persian Gulf has demonstrated that much of the world still relies on the United States as the ultimate guarantor of peace. But we cannot continue to perform this role without forces deployed in forward positions outside the United States.

I understand the frustration many Members feel when military bases in their districts are closed while overseas bases are kept open. But we should not try to strengthen the Nation's economy by weakening the Nation's defenses.

Instead, let us work together to form a rational and coherent post cold war defense policy that continues to preserve the security America has enjoyed for 45 years.

I urge my colleagues to support this amendment.

Mrs. SCHROEDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me point out that this is not isolationism. I resent that label very much. Isolationism ended with the technology such as the jet plane, the satellite dish, many other such things.

We are a global village.

What this amendment does is it helps adjust to the world as it has changed today. We are no longer in a bipolar world. When we had a bipolar world, it made sense to predeploy our troops in Europe. Right now, we have got 325,000 troops in Europe defending West Germany from East Germany, while all the East Germans are in West Germany shopping at the malls.

Tell me where that makes sense. We have not taken one of those predeployed troops to the Persian Gulf. I think what we are talking about here with dual basing is giving us the most flexibility. It allows the Secretary of Defense total discretion to determine what troops must remain overseas, total discretion to do that. Then the next part is to look at what is left and see if there is not some way to bring them home and then only assign the service member to bases overseas. We have cost estimates that for every 100,000 Army troops permanently stationed abroad, if you station them instead in the United States with their families you would save $700 million per year per that unit.

Why? Because you do not have to send barbers and butchers and budgeteers and bartenders and bakers for them, because they are back in the United States, and that saves us an incredible amount of money.

It then gives us the most flexibility to move to wherever the next crisis is. That is very, very important.

Again, this is not totally cost saving either. This is an adjustment. We mandate nothing here. We only say that in the next 5 years it is highly unlikely 450,000 troops will continue to be deployed abroad and, therefore, we should be looking at how we are going to deploy them before we close all our bases at home and have to turn around and buy them all back to put them when we start seeing the changing world.

I think it is also very important to point out that this amendment, if it passes, you will also be voting to keep Crotone.

Now, the General Accounting Office has looked at this and spoken very strongly, recommending that we go with the committee position on Crotone. They point out that the response to last year's Defense authorization bill was really smoke and mirrors. In last year's Defense authorization bill, we put a cap on what was going to be spent at Crotone.

We have been told now that they can meet the cap. GAO says, "Oh, yeah"? Let me tell you how they are going to meet the cap. They are putting savings in that project a more favorable exchange rate than we have ever seen, with the dollar dropping hourly; they have cut the number of family housing units to below the number of families that are going to move there. Where are the rest of them going to live, in a tent? They have changed the repayment to NATO, slowed it down without getting NATO to agree to it.

They have scaled back all sorts of things that are very unrealistic. They

also have not gotten one new concession from the allies nor reopened that. Furthermore, this will not even be ready to open until 1996. The base has to have all these planes moved out of there by 1992. So those planes are going to go somewhere else.

We are going to hear in the debate that these planes must be there because we will need them for the whole Mideast region. Well, if we want to be in the Mideast region, it makes a lot more sense to put them in Turkey.

Also, we know that our NATO allies have been doing zip, very, very little in this whole Persian Gulf area. They do not let us use our troops stationed there because they do not want them out of theater. Well, then why are we building a NATO base when we are not going to be allowed to use it out of theater?

The only thing that it can be redeployed against realistically is the Warsaw Pact, which is about as militarily effective today as the Holy Roman Empire was in its day.

I think we ought to point that out.

We are going to hear a lot more about NATO. When even Mrs. Thatcher is attacking NATO for not doing more, I think we ought to look at this. Furthermore, Mrs. Thatcher has called down the number of their troops they have committed to NATO.

We just saw an agreement yesterday when all the allies came forward and came up with a new plan for getting troops out of West Germany and West Berlin. We are seeing all of this moving along. Everyone else is unilaterally starting to change and adapt to the changing world.

We are saying, "No." The American taxpayers must continue to spend the billions of dollars to predeploy troops in Europe, all over the Pacific, in Korea, and now in Saudi Arabia, and close all of our bases at home? Come on. It really does not make sense.

This is a very moderate, sensible amendment, and I hope everybody votes against this amendment and stays with what the committee put in because what the committee put in fits the modern world; what the amendment does is stays with the cold war world. I think we had better be getting a little more flexible and a little more into reality.

Mr. MARTIN of New York. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. IRELAND].

Mr. IRELAND. Mr. Chairman, I rise in strong support of the Martin amendment.

I rise in support of the Martin amendment to strike section 2801 of the bill. This provision calls for increased use of dual basing, in which permanently stationed units of the Armed Forces at military installations in the United States are given short-term rotation assignments to overseas military bases for training and exercises. The idea is that these rotating assignments would take the place of permanently stationed forces—at a lower cost.

In the unstable world that we live in today, I think dual basing is shortsighted. It constitutes a return to isolationism. It disregards treaty arrangements, and could undermine our ability to protect vital national interest abroad.

Dual basing is ill-advised at this time—particularly in view of our demonstrated shortage of sealift and airlift. Dual basing could, for example, end our forward deployments in such places as Japan, Okinawa, the Philippines, and elsewhere in the Indian Ocean and Pacific.

Those forward deployments have played a key role in our ability to move quickly in response to Hussein's invasion of Kuwait. Those very same bases are permanently occupied by Marine Corps units. They provided a major launching point for the first combat units to go ashore in the Middle East in significant numbers with heavy weapons and equipment, including several hundred tanks. Those tanks arrived on the scene ready to go long before the Army tanks, which had been transported from the United States by ship, began to trickle in.

If Hussein had moved large-scale armor forces against Saudi Arabia immediately following the occupation of Kuwait, we would have had real problems. Given our continuing shortage of airlift and sealift, we need to permanently station U.S. combat forces as close as possible to potential trouble spots.

Some dual basing makes sense—such as that now being used selectively in Europe. But section 2801 is too far reaching too soon. I ask you to join me in voting for the Martin amendment to strike that provision.

Mr. MARTIN of New York. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, obviously the gentlewoman from Colorado and I strongly disagree on this issue. We also disagree on the reading of the CBO report and the recommendations. We certainly disagree on the comment about no active forces coming from Europe to go to the Persian Gulf.

I have a list that I will submit for the record of the five units that came out of Germany, the United Kingdom, and Spain that are now in the Persian Gulf. One of them happens to be the 401st tactical fighter wing that is scheduled, under the North Atlantic Treaty Organization, to go from Terrajon, Spain, over to Crotone, Italy.

□ 1630

There is something more basic about this amendment that causes me to offer it. I am perhaps old fashioned, but I think we still live in a very, very dangerous world. I know it is a good week for NATO bashing, because last month was the month when everyone was satisfied that the last sword had been ground into a plowshare, and we were in a world of peace. We find ourselves in a very difficult situation at the present time in Iraq and Saudi Arabia, and who do we have to look to to help the United States in this? That is our allies. That is NATO and all the bilateral relationships we have around the world. Those are the kind of people we need in difficult times.

But what does the committee bill do? For openers, we come up with this concept of dual basing. We have not had 1 minute of hearings on either in the subcommittee, and I do not think the people on the Committee on Foreign Affairs, quite matter of factly, even knew about it. Not 1 minute of hearings, and yet we are going to affect every relationship we have worldwide. This is not just Europe, my friends. We are talking worldwide. This abrogates every agreement we have with every country that we have any association with as far as the common defense.

Have we even asked the Secretary of Defense? Have we even asked the Secretary of State? Have we even asked our colleagues on the Committee on Foreign Affairs for their input before we unilaterally abrogate every one of these agreements? The answer is no. What we have is a 5-minute debate here on the floor. As far as Crotone, Italy, is concerned, and the 401st Tactical Fighter Wing, people joked that we do not need it over there any more. Those folks, this evening over there in Saudi Arabia are over there protecting our soldiers, sailors, and marines and providing air cover. We do not live in a perfect world. There are very few people in this Chamber, but perhaps more every day who say they could have predicted what would have happened in Saudi Arabia, and Kuwait only a month ago. Where is it going to be next month? Where are we going to be if we decide we are so arrogant that, as one member of NATO, we are going to dictate what they can build with infrastructure funds? If this is not NATO bashing, I do not know what it is. If we happen to disagree with anything, I have to say we would be more than happy next to have Members come in front of our subcommittee or our committee, and perhaps we could haul off and have a hearing, maybe something a half hour or an hour, so at least the Secretary of Defense and Members would have an opportunity to have an input on this most important subject. I urge the adoption of the amendment.

The CHAIRMAN pro tempore (Mr. DURBIN). Under the rule, all time for debate for this group of amendments en bloc offered by the gentleman from New York [Mr. MARTIN] has expired.

The question is on the amendments en bloc offered by the gentleman from New York [Mr. MARTIN].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MARTIN of New York. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 174, noes 249, not voting 9, as follows:

[Roll No. 324]

AYES—174

Archer	Green	Pursell
Armey	Gunderson	Quillen
Baker	Hammerschmidt	Regula
Ballenger	Hancock	Rhodes
Bartlett	Hansen	Richardson
Barton	Hastert	Ridge
Bateman	Henry	Rinaldo
Bentley	Herger	Ritter
Bereuter	Hiler	Roberts
Berman	Holloway	Robinson
Bilirakis	Hopkins	Rogers
Bliley	Horton	Rohrabacher
Boehlert	Houghton	Ros-Lehtinen
Broomfield	Hubbard	Rostenkowski
Buechner	Hunter	Roukema
Bunning	Hyde	Rowland (CT)
Burton	Inhofe	Saxton
Callahan	Ireland	Schaefer
Campbell (CA)	James	Schiff
Chandler	Johnson (CT)	Schuette
Clinger	Kasich	Shaw
Coble	Kolbe	Shays
Coleman (MO)	Kyl	Shumway
Combest	Lagomarsino	Shuster
Conte	Lent	Skeen
Coughlin	Levine (CA)	Slaughter (VA)
Courter	Lewis (CA)	Smith (NE)
Cox	Lewis (FL)	Smith (NJ)
Craig	Livingston	Smith (TX)
Crane	Lowery (CA)	Smith (VT)
Dannemeyer	Lukens, Donald	Smith, Robert (NH)
Davis	Machtley	Smith, Robert (OR)
DeLay	Madigan	Snowe
DeWine	Marlenee	Solarz
Dickinson	Martin (NY)	Solomon
Dicks	Martinez	Spence
Dornan (CA)	McCandless	Stangeland
Douglas	McCollum	Stearns
Dreier	McCrery	Stump
Duncan	McDade	Sundquist
Edwards (OK)	McEwen	Thomas (CA)
Engel	McGrath	Thomas (WY)
Fascell	McMillan (NC)	Torricelli
Fawell	Meyers	Upton
Fields	Michel	Vander Jagt
Fish	Miller (WA)	Vucanovich
Foglietta	Molinari	Walker
Frenzel	Moorhead	Walsh
Gallegly	Morrison (WA)	Weber
Gallo	Murtha	Weldon
Gekas	Myers	Whittaker
Gibbons	Nielson	Wilson
Gillmor	Oxley	Wolf
Gilman	Packard	Wylie
Gingrich	Parris	Young (AK)
Goodling	Pashayan	Young (FL)
Goss	Paxon	
Gradison	Petri	
Grant	Porter	

NOES—249

Ackerman	Bruce	Dixon
Alexander	Bryant	Donnelly
Anderson	Bustamante	Dorgan (ND)
Andrews	Byron	Downey
Annunzio	Campbell (CO)	Durbin
Anthony	Cardin	Dwyer
Applegate	Carper	Dymally
Aspin	Carr	Dyson
Atkins	Chapman	Early
Barnard	Clarke	Eckart
Bates	Clay	Edwards (CA)
Bellenson	Clement	Emerson
Bennett	Coleman (TX)	English
Bevill	Collins	Erdreich
Bilbray	Condit	Espy
Boggs	Conyers	Evans
Bonior	Cooper	Fazio
Borski	Costello	Feighan
Bosco	Coyne	Flake
Boucher	Crockett	Flippo
Boxer	Darden	Ford (MI)
Brennan	de la Garza	Frank
Brooks	DeFazio	Frost
Browder	Dellums	Gaydos
Brown (CA)	Derrick	Gejdenson
Brown (CO)	Dingell	Geren
Glickman	Matsui	Sabo
Gonzalez	Mavroules	Saiki
Gordon	Mazzoli	Sangmeister
Grandy	McCloskey	Sarpalius
Gray	McCurdy	Savage
Guarini	McDermott	Sawyer
Hall (OH)	McHugh	Scheuer
Hall (TX)	McMillen (MD)	Schneider
Hamilton	McNulty	Schroeder
Harris	Mfume	Schulze
Hatcher	Miller (CA)	Schumer
Hayes (IL)	Mineta	Sensenbrenner
Hayes (LA)	Moakley	Sharp
Hefley	Mollohan	Sikorski
Hefner	Montgomery	Sisisky
Hertel	Moody	Skaggs
Hoagland	Morella	Skelton
Hochbrueckner	Morrison (CT)	Slattery
Hoyer	Mrazek	Slaughter (NY)
Huckaby	Murphy	Smith (FL)
Hughes	Nagle	Smith (IA)
Hutto	Natcher	Spratt
Jacobs	Neal (MA)	Staggers
Jenkins	Neal (NC)	Stallings
Johnson (SD)	Nelson	Stark
Johnston	Nowak	Stenholm
Jones (GA)	Oakar	Stokes
Jones (NC)	Oberstar	Studds
Jontz	Obey	Swift
Kanjorski	Olin	Synar
Kaptur	Ortiz	Tallon
Kastenmeier	Owens (NY)	Tanner
Kennedy	Owens (UT)	Tauke
Kennelly	Pallone	Tauzin
Kildee	Panetta	Taylor
Kleczka	Parker	Thomas (GA)
Kolter	Patterson	Torres
Kostmayer	Payne (NJ)	Towns
LaFalce	Payne (VA)	Traficant
Lancaster	Pease	Traxler
Lantos	Pelosi	Udall
Laughlin	Penny	Unsoeld
Leach (IA)	Perkins	Valentine
Leath (TX)	Pickett	Vento
Lehman (CA)	Pickle	Visclosky
Lehman (FL)	Poshard	Volkmer
Levin (MI)	Price	Walgren
Lewis (GA)	Rahall	Washington
Lightfoot	Rangel	Weiss
Lipinski	Ravenel	Wheat
Lloyd	Ray	Whitten
Long	Roe	Williams
Lowey (NY)	Rose	Wise
Luken, Thomas	Roth	Wolpe
Manton	Rowland (GA)	Wyden
Markey	Roybal	Yates
Martin (IL)	Russo	Yatron

NOT VOTING—9

AuCoin	Miller (OH)	Watkins
Ford (TN)	Serrano	Waxman
Gephardt	Smith, Denny (OR)	
Hawkins		

□ 1654

Mr. GORDON and Mr. BROWN of Colorado changed their vote from "aye" to "no."

Messrs. COBLE, BLILEY, and RICHARDSON, Mrs. ROUKEMA, and Mr. McMILLAN of North Carolina changed their vote from "no" to "aye."

So the amendments en bloc were rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). Pursuant to House Resolution 457 and the requisite notice given yesterday by the chairman of the Committee on Armed Services, the gentleman from Wisconsin [Mr. ASPIN], it is in order to consider the amendments printed in House Report 101-668 relating to defense burden sharing by the gentleman from Michigan [Mr. BONIOR] which shall be debatable for 10 minutes, with time equally divided between the gentleman from Michigan [Mr. BONIOR] and a Member opposed to the amendment.

AMENDMENT OFFERED BY MR. BONIOR

Mr. BONIOR. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BONIOR: At the end of part D of title XIII, add the following new section:

SEC. 1346. CONTRIBUTION BY JAPAN TO THE SUPPORT OF UNITED STATES FORCES IN JAPAN.

(a) PURPOSE.—It is the purpose of this section to require Japan to offset the direct costs incurred by the United States related to the presence of United States military personnel in Japan.

(b) PERMANENT CEILING ON UNITED STATES ARMED FORCES IN JAPAN.—After September 30, 1990, funds appropriated pursuant to an authorization contained in this Act or any subsequent Act may not be used to support an end strength level of all personnel of the Armed Forces of the United States stationed in Japan at any level in excess of 50,000.

(c) ANNUAL REDUCTION IN CEILING UNLESS SUPPORT FURNISHED.—Unless the President certifies to Congress before the end of each fiscal year that Japan has agreed to offset for that fiscal year the direct costs incurred by the United States related to the presence of all United States military personnel in Japan, the end strength level for that fiscal year of all personnel of the Armed Forces of the United States stationed in Japan may not exceed the number that is 5,000 less than such end strength level for the preceding fiscal year.

(d) EXCEPTIONS.—(1) This section shall not apply in the event of a declaration of war or an armed attack on Japan.

(2) This section may be waived by the President if he declares an emergency and immediately informs the Congress of the waiver and the reasons for the waiver.

(e) EFFECTIVE DATE.—This section shall take effect on October 1, 1990.

□ 1700

Mr. BONIOR. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, this amendment is a wakeup call for a new world order. I want to reiterate that America will continue to lead the world in the defense of freedom, but our allies must bear their fair share of the burden.

Mr. Chairman, this amendment is indeed a wakeup call for a new world order. Collective security means collective responsibility. We have 50,000 Armed Forces stationed in Japan at 31 installations, at a cost to the United States taxpayer of nearly $5 billion a year. With this amendment we send a clear message: Japan must pay its share of the burden.

Japan, as everyone knows, gets almost 70 percent of its oil from the Middle East. Yet Japan has offered to pay only $1 billion toward the defense of the Persian Gulf.

Mr. Chairman, while those who are working on the budget at Andrews Air Force Base, and they have a most difficult job, threaten to cut millions from Medicare and entitlements for American citizens, we are giving a better health care package to Japanese workers on foreign bases than the average American gets here in the United States. I know that may seem hard to believe, but it is true.

Mr. Chairman, it is time to take care of our own. American workers are paying to protect Japan, while Japan closes its markets to us. We have seen it in every corner of this country, whether it is shipbuilding and shoes in the Northeast, lumber in the Northwest, computers and high technology in California, automobiles in my part of the country, or feed grains in the Midwest, it is happening all over this country. Too often we have seen Japan make promises and we have seen very few results.

This is a tough amendment. This is a very, very tough amendment. But history has shown we need to get tough to get action from Japan, on trade, on tax subsidies, and now on defense.

Mr. Chairman, we are tired of carrying the Japanese economy on the backs of American workers.

I want to mention to Members that the Senate has no similar language in their DOD bill, not even report language. It is important. It is our only chance to send a wakeup call to Japan and the world that they have to pay their share.

Mr. Chairman, we have got people in this country who are in need of health care, who are in need of housing, who are in need of good jobs. When they find out that we are going to do a budget deal and we are going to continue to pay $5 billion a year to support the infrastructure and defense of Japan, they are going to be outraged.

Mr. Chairman, this is a good amendment. This is a wakeup call to the new world order. It is collective responsibility in a collective world that we live in today. I urge Members to support it.

Mr. TRAXLER. Mr. Chairman, will the gentleman yield?

Mr. BONIOR. I yield to the gentleman from Michigan.

Mr. TRAXLER. Mr. Chairman, I want to commend the gentleman from Michigan [Mr. BONIOR] on his comments. I want to join in his remarks. My only regret is the amendment does not apply to other forces than in Japan where we are based, such as West Germany and other portions of the world. It is time to bring those troops home. We have no business defending nations where there is no threat.

Mr. Chairman, this is an opportunity for us to take responsible action. Again, I commend the gentleman from Michigan [Mr. BONIOR]. Our security is not enhanced by these troops being there. Their security is.

Mr. Chairman, the warfare of the next century is economic. This Nation is ill-prepared to wage it. They are. It is through foolishness such as maintaining our Armed Forces abroad, where there is no risk to ourselves, but we are protecting them against nonexistent threats. The gentleman is totally correct, and I join with him in this effort.

Mr. BONIOR. Mr. Chairman, I thank the gentleman from Michigan [Mr. TRAXLER], and I reserve the balance of my time.

Mr. MARTIN of New York. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of the committee position, which is in opposition to the amendment of the gentleman from Michigan [Mr. BONIOR]. I only wish that we would have had as many Members in the Chamber when the gentleman from New York [Mr. SOLARZ] spoke on this subject during general debate, and for those who had the opportunity to read the statement of the gentlewoman from Colorado [Mrs. SCHROEDER] with respect to this amendment, both eloquently in opposition to Mr. BONIOR's amendment.

Mr. Chairman, I agree wholeheartedly with the gentleman from Michigan [Mr. BONIOR], with his exasperation with Japan contributing or saying they are going to contribute such a pittance to the conflict in Saudi Arabia and Iraq at the present time, with them being a great beneficiary of what we are doing there. It is an absolute outrage. I agree wholeheartedly with the gentleman from Michigan [Mr. BONIOR].

But that is not what the amendment speaks to. I would hope that every Member here would understand, as upset and outraged as one might be with Japan not supporting the conflict in Kuwait at the present time, that those 50,000 troops for the length of time they are going to be in Japan are there for our defense, and not solely for the defense of Japan. That entire part of the world, where we have so much of our future, depends on the bases we use to have influence in that area of the world.

Mr. Chairman, however one feels about the Japanese and their lack of contribution to the problems that we face today, please do not make a decision that is going to hurt our national security and really have very little effect on the Japanese and certainly not their economy.

Mr. Chairman, with that, I reserve the balance of my time.

The CHAIRMAN pro tempore. (Mr. DURBIN). The gentleman from Michigan [Mr. BONIOR] has 1½ minutes remaining, and the gentleman from New York [Mr. MARTIN] has 3 minutes remaining.

Mr. BONIOR. Mr. Chairman, I yield 20 seconds to my friend, the gentleman from Ohio [Mr. KASICH].

Mr. KASICH. Mr. Chairman, I appreciate the gentleman yielding. Let me just say that many times in the debate in the House we say that we want to send a message. This is a chance to send a message. This is not going to be approved in the conference committee, but it lets people of Japan know we are sick and tired of their lack of effort to support their own defense and to support our efforts in the gulf.

Mr. Chairman, I join with Senator MCCAIN in expressing my deep disgust with the lack of commitment and the lack of support that we have received from the Japanese, and I urge Republicans and Democrats to support the Bonior amendment, maybe not all the specifics, but in spirit, and let us send them a very clear message.

□ 1710

Mr. MARTIN of New York. Mr. Chairman, I yield myself 30 seconds to point out that I am not so sure what is going to happen in the conference committee notwithstanding what my friend, the gentleman from Ohio, might have said, but I am certainly with the gentleman from Michigan [Mr. BONIOR] in spirit but cannot support the amendment.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of New York. I am happy to yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, one of the things that I think has been our frustration is our country has done such a good job with burden sharing, and it could be an example for the Japanese. Our country lifted the burden of debt on Egypt because of its terrific role in the Persian Gulf. I think there is nothing in the Japanese Constitution that would prevent them from lifting some of the burden of debt on the United States for their role in the Persian Gulf, and I think one of the things we might do here today, and it is a shame the gentleman from Michigan could not change his amendment, because it was written before this all happened, but my guess is that even the gentleman from Michigan would love to tell the Japanese that one of the ways that they can help is to lift the burden of debt from the United States, as we know, we are one of the big debtors, for the role we played in keeping their oil flowing and keeping their economy moving.

Mr. Chairman, I am sure the gentleman from New York would agree on that.

Mr. MARTIN of New York. Mr. Chairman, that is for certain.

I wish to say that the exasperation we have with the Japanese, we also have exasperation because we are here in a situation where we do not have an adequate vehicle to do what I would like to do in sending a message to the Japanese, but I think the committee feels, and I feel, that this would be more detrimental to the United States defense and certainly to the Japanese.

I commend the gentleman, because I think this debate is worthwhile. If the Japanese are listening, they had better get their act together and support us in the Middle East.

Mr. Chairman, I yield back the balance of my time.

Mr. BONIOR. Mr. Chairman, I yield 30 seconds to my colleague, the gentleman from Louisiana [Mr. HAYES]. Regrettably, I can give no more time.

Mr. HAYES of Louisiana. Mr. Chairman, the people in my Louisiana district are hostages. Some are hostages because they have the background in oil exploration so they are physically within the country that was invaded. Some are hostage because we do not have an energy policy.

Most of their kids are presently ready to lay down their lives to defend traffic lanes to Japan. All of them wish that they could pay money to avoid that kind of nightmare.

To ask the Japanese to contribute is not to ask much, but we expect nothing less, and we will accept nothing less.

Mr. BONIOR. Mr. Chairman, I yield such time as he may consume to the gentleman from Texas [Mr. BRYANT].

Mr. BRYANT. Mr. Chairman, I rise in strong support of the Bonior amendment.

Mr. BONIOR. Mr. Chairman, I yield 30 seconds to my colleague, the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, there is a toll-free number that our friends and allies call whenever they run into trouble: 800-USA-FREE. Yes, anytime they face a threat to their economic opportunity or political security they call Uncle Sam on our nickle.

Japan, more than any other nation, has rung up the biggest tab on this toll-free line.

DESERT SHIELD AS A SCREEN

In the Middle East, the Japanese are using Operation Desert Shield not as an opportunity to share the burden of mutual defense but as a screen to hide behind. Even though it imports 70 percent of its oil from vulnerable sources in the Middle East—and almost twice as much as the United States, Japan is not willing to contribute a commensurate share to the cost of the operation. This operation is going to cost the United States taxpayers over $15 billion during the next several months, but Japan has promised only to offer only $1 billion altogether to mitigate the impact on friendly nations.

In other words, Japan reaps most of the benefits while the United States foots most of the bill.

It works the same way in Japan. The United States stations 50,000 troops and provides the protection for Japanese sealanes and airlines and guess who picks up most of the tab. Yes, the United States pays over 60 percent of these mutual defense costs. Japan, by contrast pays only about $3 billion for a $7.5 billion bill. It's a greater deal for Japan. They ship us stereos, sedans, and software, while we provide safe passage.

And while they open their arms to our sailors and soldiers, they close their markets to our telephones and TV's. That's why we have a $45 billion trade deficit with Japan.

It's time to blow the whistle on this nonsense.

It's time to expect the second wealthiest nation in the world to pull its weight on mutual defense. It's time to insist that a partnership should require both participants to make proportional contributions and to draw proportional benefits.

I pursued this goal with an amendment to last year's defense bill. It called for the President to negotiate an agreement in which Japan would cover two-thirds of the host nation costs instead of the one-third they were paying. The amendment cleared the House and Senate without a whimper, but the President noted his objection only to this specific provision and few others when signing the bill.

Since then, Secretary Cheney has taken a more assertive tack in pushing the Japanese to do more. However, the Pentagon just reported to me that we are still hoping for Japan to split the costs within the next 2 years. It's time for us to stop hoping and for Japan to start helping.

Now I understand that Japan's Constitution limits its ability to commit its self-defense forces overseas. Many Asian nations would fear such involvement. But that does not prevent Japan from paying its fair share. A bigger chunk of Desert Shield and a larger share of host nation support.

A FAIR SHARE FOR JAPAN

The Bonior amendment calls for Japan to fully absorb the $7.5 billion cost for United States forces in Japan. Failing such a contribution, the United States would begin withdrawing troops at the rate of 5,000 a year.

This amendment makes good sense. It sends Japan and the Bush administration a wake-up call that the days of cheap security are over. It does not require Japan to extend its military reach but it does require Japan to expend more on its own defense. It would not trigger a reckless reduction in U.S. forces, but it would mandate a reasonable drawdown of American troops.

The Bonior amendment is fair, but tough. It requires Japan to do no more than its Constitution allows, but no less than its economy can shoulder. It takes the Dorgan amendment a step further by requiring United States troop withdrawals if Japan does not start acting like a responsible partner.

It also calls on Japan to fully pay for the full cost of United States troops in Japan. But since the Senate had no comparable provision, we need tough language to ensure that a meaningful burden-sharing provision emerges from the conference.

The Bonior amendment does not deny that the United States has an interest in the security of Japan and the Pacific. However, it does argue that the burden of mutual defense should be shared according to the ability of each partner to pay and to participate. Under Bonior, the United States would still provide ships, planes, troop, and equipment. The difference would be that Japan would absorb all financial responsibility for these costs—not just one-third of them.

This is tough medicine. But the administration muffed its chance to finalize a new arrangement with Japan under the less stringent provisions of last year's Dorgan amendment. I ask my colleagues to note, however, that the amendment also permits the President to waive the Bonior amendment in an emergency.

Times have changed, Mr. Chairman. Twenty years ago, Japan's GNP was one-third of ours. Now it amounts to more than one-half of our national output. The burden of defense must shift with these changes in wealth. Both partners should expect to make such an adjustment.

If we do not pass the Bonior amendment, Japan will continue to believe that the United States should pay more than its fair share of mutual defense. If we do pass the Bonior amendment, we will put the word mutual back into the United States—Japan Mutual Defense Pact.

I urge my colleagues to take out the toll-free defense line to Japan. Japan can afford to pay for its own call. It must pay its own share of mutual defense costs. If we can risk the lives of our sailors, airmen, and soldiers, then surely Japan can invest three-tenths of 1 percent of its GNP on mutual defense.

The Bonior amendment makes good sense. It deserves our unanimous support.

Mr. BONIOR. Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Chairman, how much time is remaining?

The CHAIRMAN pro tempore. There are 15 seconds remaining.

Mr. FRANK. Mr. Chairman, Members talk about how exasperated they are, and they wish there was some other way to do it. There could have been. They chose not to offer it.

This is the only chance Members have got, and Members have said that it would be OK if the money was going to go to help Kuwait and Saudi Arabia. The money is fungible. Nothing says that the money that we get here cannot be used to offset our costs. So if you really believe that we ought to get a contribution for that purpose, this is the only game in town.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from Michigan [Mr. BONIOR].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DORGAN of North Dakota. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 370, noes 53, answered "present" 1, not voting 8, as follows:

[Roll No. 325]

AYES—370

Ackerman	Clement	Flippo
Alexander	Clinger	Foglietta
Anderson	Coble	Ford (MI)
Andrews	Coleman (MO)	Frank
Annunzio	Coleman (TX)	Frost
Anthony	Collins	Gallegly
Applegate	Condit	Gallo
Archer	Conte	Gaydos
Atkins	Conyers	Gejdenson
Baker	Costello	Gephardt
Ballenger	Coughlin	Geren
Barnard	Coyne	Gibbons
Bartlett	Craig	Gillmor
Barton	Crockett	Gilman
Bates	Dannemeyer	Glickman
Beilenson	Darden	Goodling
Bennett	Davis	Gordon
Bentley	de la Garza	Goss
Bereuter	DeFazio	Grandy
Berman	DeLay	Grant
Bevill	Dellums	Gray
Bilbray	Derrick	Guarini
Bilirakis	DeWine	Gunderson
Billey	Dingell	Hall (OH)
Boehlert	Dixon	Hall (TX)
Boggs	Donnelly	Hammerschmidt
Bonior	Dorgan (ND)	Hansen
Borski	Dornan (CA)	Harris
Bosco	Douglas	Hastert
Boucher	Downey	Hatcher
Boxer	Dreier	Hayes (IL)
Brennan	Duncan	Hayes (LA)
Brooks	Durbin	Hefley
Broomfield	Dwyer	Hefner
Browder	Dymally	Henry
Brown (CA)	Dyson	Herger
Brown (CO)	Early	Hertel
Bruce	Eckart	Hiler
Bryant	Edwards (CA)	Hoagland
Buechner	Edwards (OK)	Hochbrueckner
Bustamante	Emerson	Holloway
Byron	Engel	Hopkins
Callahan	English	Horton
Campbell (CA)	Erdreich	Hoyer
Campbell (CO)	Espy	Hubbard
Cardin	Evans	Huckaby
Carper	Fawell	Hughes
Carr	Fazio	Hunter
Chandler	Feighan	Inhofe
Chapman	Fields	Ireland
Clarke	Fish	Jacobs
Clay	Flake	James
Jenkins	Murphy	Sharp
Johnson (CT)	Murtha	Shaw
Johnson (SD)	Nagle	Shays
Johnston	Natcher	Shuster
Jones (GA)	Neal (MA)	Sikorski
Jones (NC)	Neal (NC)	Skeen
Jontz	Nelson	Skelton
Kanjorski	Nielson	Slattery
Kaptur	Nowak	Slaughter (NY)
Kasich	Oakar	Slaughter (VA)
Kastenmeier	Oberstar	Smith (FL)
Kennedy	Obey	Smith (IA)
Kennelly	Ortiz	Smith (NE)
Kildee	Owens (NY)	Smith (NJ)
Kleczka	Owens (UT)	Smith (TX)
Kolbe	Pallone	Smith (VT)
Kolter	Panetta	Smith, Robert (NH)
Kostmayer	Parker	Snowe
Lancaster	Parris	Solomon
Lantos	Pashayan	Spence
Laughlin	Patterson	Spratt
Leach (IA)	Paxon	Staggers
Lehman (CA)	Payne (NJ)	Stallings
Lehman (FL)	Payne (VA)	Stangeland
Lent	Pease	Stark
Levin (MI)	Pelosi	Stearns
Levine (CA)	Perkins	Stokes
Lewis (CA)	Petri	Studds
Lewis (FL)	Porter	Sundquist
Lewis (GA)	Poshard	Swift
Lightfoot	Price	Synar
Lipinski	Pursell	Tallon
Lloyd	Quillen	Tanner
Long	Rahall	Tauke
Lowery (CA)	Rangel	Tauzin
Lowey (NY)	Ravenel	Taylor
Luken, Thomas	Regula	Thomas (CA)
Lukens, Donald	Rhodes	Thomas (GA)
Machtley	Richardson	Thomas (WY)
Manton	Ridge	Torricelli
Markey	Rinaldo	Towns
Marlenee	Ritter	Traficant
Martin (IL)	Roberts	Traxler
Martinez	Robinson	Udall
Matsui	Roe	Unsoeld
Mavroules	Rogers	Upton
Mazzoli	Rohrabacher	Valentine
McCandless	Ros-Lehtinen	Vander Jagt
McCloskey	Rose	Vento
McCollum	Rostenkowski	Visclosky
McCrery	Roth	Volkmer
McCurdy	Roukema	Walgren
McDade	Rowland (CT)	Walsh
McDermott	Rowland (GA)	Washington
McGrath	Roybal	Waxman
McHugh	Russo	Weldon
McMillan (NC)	Sabo	Wheat
McMillen (MD)	Saiki	Whittaker
McNulty	Sangmeister	Whitten
Meyers	Sarpalius	Williams
Mfume	Savage	Wilson
Miller (CA)	Sawyer	Wise
Miller (WA)	Saxton	Wolf
Mineta	Schaefer	Wolpe
Moakley	Scheuer	Wyden
Molinari	Schiff	Wylie
Mollohan	Schneider	Yates
Moody	Schroeder	Yatron
Moorhead	Schuette	Young (AK)
Morella	Schulze	Young (FL)
Morrison (WA)	Schumer	
Mrazek	Sensenbrenner	

NOES—53

Armey	Hamilton	Packard
Aspin	Hancock	Penny
Bateman	Houghton	Pickett
Bunning	Hutto	Pickle
Burton	Hyde	Ray
Combest	Kyl	Shumway
Cooper	LaFalce	Sisisky
Courter	Lagomarsino	Skaggs
Cox	Leath (TX)	Smith, Robert (OR)
Crane	Livingston	Solarz
Dickinson	Madigan	Stenholm
Dicks	Martin (NY)	Stump
Fascell	McEwen	Torres
Frenzel	Michel	Vucanovich
Gekas	Montgomery	Walker
Gingrich	Myers	Weber
Gradison	Olin	Weiss
Green	Oxley	

ANSWERED "PRESENT"—1

Gonzalez

NOT VOTING—8

AuCoin	Miller (OH)	Smith, Denny (OR)
Ford (TN)	Morrison (CT)	Watkins
Hawkins	Serrano	

□ 1732

Mr. MIDIGAN and Mr. DICKS changed their vote from "aye" to "no."

Mr. LIGHTFOOT changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). Pursuant to House Resolution 457 and the notice given by the chairman of the Committee on Armed Services, it is now in order to consider the amendment printed in House Report 101-668, offered by the gentleman from New York [Mr. MRAZEK], relating to burden sharing, which shall be debatable for 10 minutes, the time to be equally divided and controlled by the proponent of the amendment and a Member opposed thereto.

Is the gentleman from Arizona [Mr. KYL] in opposition to the amendment?

Mr. KYL. I am, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Arizona will control the time in opposition.

The Chair recognizes the gentleman from New York [Mr. MRAZEK].

AMENDMENT OFFERED BY MR. MRAZEK

Mr. MRAZEK. Mr. Chairman, pursuant to the rule, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MRAZEK: At the end of Title 13 of the bill, insert the following section:

SEC. 1346. PERMANENT CEILING ON THE NUMBER OF UNITED STATES MILITARY PERSONNEL IN THE REPUBLIC OF KOREA.

(a) REAFFIRMATION OF COMMITMENT.—Congress reaffirms the commitment of the United States to the security and territorial integrity of the Republic of Korea, and in light of the announced reductions in the number of United States troops in the Republic of Korea, determines that further reductions can be made in United States force levels without adversely affecting the security of the Republic of Korea or lessening the United States commitment to its Mutual Defense Treaty with the Republic of Korea.

(b) PERMANENT CEILING.—After September 30, 1993, none of the funds appropriated pursuant to an authorization contained in this Act or any other Act enacted after the date of the enactment of this Act may be used to support an end strength level of members of the Armed Forces of the United States assigned to permanent duty ashore in the Republic of Korea at any level exceeding a permanent ceiling of 30,000, of which not more than 20,000 may be members of the Army.

(c) PHASED REDUCTION.—It is the sense of Congress that the President should achieve the permanent ceiling required by subsection (b)—

(1) in approximately equal annual reductions;

(2) as the beginning of a phased withdrawal of the Second Infantry Division and other ground combat units;

(3) in close consultation with appropriate Republic of Korea officials.

(d) ARMS CONTROL.—It is further the sense of Congress that—

(1) reductions in United States force levels in Korea should be part of an arms control and peace process on the Korean peninsula aimed at reduction of tensions and reduction of force levels by the Republic of Korea and the Democratic People's Republic of Korea, as well as the United States;

(2) reductions beyond the permanent ceiling required by subsection (b) should be based on reciprocal actions by the Democratic People's Republic of Korea.

(e) EXCEPTIONS.—(1) This section shall not apply in the event of a declaration of war or an armed attack on the Republic of Korea.

(2) This section may be waived by the President if he declares an emergency and immediately informs the Congress of his action and the reasons therefor.

Mr. MRAZEK. Mr. Chairman, this amendment is quite simple. It simply puts this House on record as supporting the administration and the Secretary of Defense, Mr. Cheney, in planning a phased reduction of troops on the Korean peninsula, based upon an improvement of conditions on the Korean peninsula, and with the proviso that if the situation were to change on the Korean peninsula the President would be in a position to tell Congress that an emergency has arisen and, therefore, this sense-of-Congress resolution cannot be guaranteed or followed through on.

The resolution is based upon a recognition that a lot has changed since 1954.

One of the things that has happened since 1954 is that we have invested about $100 billion to improve the security posture of the Republic of Korea and the interests of our own national security. This was based on the fact that the Republic of Korea had a very close relationship with the Soviet Union as well as mainland China.

Well, some things have changed since 1954. For one thing, it is important to know that the Soviet Union is seeking to normalize relations with South Korea. The idea that Kim Il Sung of North Korea could count on Soviet participation and support in the event of military hostilities is not exactly accurate.

Some other changes have taken place. Rather ignominiously, the United States was required to leave the Government of South Vietnam in April 1975. Thereafter, one of our very large bases, Camranh Bay, was taken over by the Soviets. It was their advanced position in the Pacific.

Well, it is important to understand that the Soviet Union has withdrawn unilaterally all of its forces from Camranh Bay, all of its Badger bombers, its Mig's, its submarines, and in fact when Senator ROBB and Congressman RIDGE and some of us were meeting with a high-level delegation of the Vietnamese not too long ago, they suggested maybe it would be a good idea if we came back to Camranh Bay.

I would submit to you these are fairly fundamental changes.

So what we would be doing in passing this amendment is recognizing that those changes have taken place, that the administration itself and Secretary Cheney would like to see a phased reduction of troops of the 2d Infantry Division, based upon an improvement in the situation there, and our amendment adds 6,000 troops of the 2d Infantry Division over the next 3 years. That is an additional reduction of 2,000 troops per year. It would save a time of fairly significant budget necessity, it would save us $3 billion over the next 5 years without affecting our deterrence capability.

□ 1740

I would submit to Members, those Members on the Committee not on Armed Services, that maybe there are some more constructive ways in terms of flexible deployment and other weapons systems that we know we might need, than to save that $3 billion on the Korean peninsula with a continued static deployment that does not make a lot of sense any more.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN) The gentleman from Arizona [Mr. KYL] will be recognized for 5 minutes.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong opposition to the Mrazek amendment and urge my colleagues to defeat this measure. While I appreciate the good intentions of the amendment, now is not the time to take unilateral disarmament actions in Korea. North Korea has done nothing really to lessen its threats or change its dictatorial policies to warrant us lowering our guard. If enacted, I believe the Mrazek amendment could seriously jeopardize the security situation on the Korean peninsula, increase the instability, and raise the possibility of another war—not lessen it.

When President Carter proposed to reduce American troops in South Korea early in his administration, he met a storm of protest and provoked serious shock waves in United States-South Korean relations. It was a proposal that was ill-conceived, ill-timed, and ill-advised. Nothing has changed in the past 13 years to make those troop reductions any more appropriate.

We have witnessed a series of incredible events over the past year, especially in Eastern Europe and to a lesser extent in the Soviet Union. We continue to witness real democratic change and political reforms in the Republic of Korea where free and fair Presidential, assembly and local elections have been held. Sadly, no such changes are occurring in North Korea. While Koreans in the South go to the polls to freely express themselves and build a better future, Koreans in the North live under the harshest of tyranny devoid of any real human rights.

The military threat from North Korea has certainly not changed. North Korea has not reduced its strength and the balance of forces remains greatly favored toward the North. It has a 2-to-1 superiority in many key categories of offensive weapons. The North continues to procure sophisticated military equipment from the Soviets, like Mig-29 fulcrum aircraft. North Korea continues to forward deploy hundreds of thousands of combat shock troops right along the DMZ poised offensively to attack the South. The North continues to build invasion and infiltration tunnels under the DMZ. North Korea is also believed to be working on developing nuclear weapons. American soldiers along the DMZ must still carry loaded weapons on the ready because of the threats of the North. We cannot even trust—sadly through experience—the North Koreans from kidnaping or murdering, even mutilating with an ax individual soldiers along the DMZ. Why should there be a difference on the larger scale?

Accompanying North Korea's unchanged military posture is North Korea's unchanged aggressive policy. While I am encouraged by the recent series of diplomatic initiatives between the North and the South, like the recent visit of North Korea's Prime Minister—unfortunately not a figure with much authority—to Seoul, the results of these meetings have been minor. They are steps in the right direction, but they are very small steps not warranting the significant actions of the Mrazek amendment. However, the overall North Korean policy of subversion, support for international terrorism, and opposition to any real political or economic reforms remains unchanged.

I have hope that changes may come to North Korea. The Soviets appear to be less willing to support their Stalinist allies and are concentrating instead on problems at home. Improved relations between the Soviets and us have moved the world into a new "post cold war period." However, as Saddam Hussein in Iraq has violently proven, this new world order can be subject to greater instability as renegade dictators pursue their own agenda now that the type of containment of conflict governed by American-Soviet rivalries is becoming removed. Kim Il Sung is just as dangerous as Saddam Hussein

in many of the same ways. I am sure Kim and his henchmen are closely monitoring the Persian Gulf situation in an effort to measure U.S. resolve. If we do not stand up for our friends and interests in the gulf, then why should we in Korea?

Our decision on the Mrazek amendment is also a test of our resolve. Passing this amendment, I believe, signals that we believe the North Korean threat has diminished even though it has not. It could serve in the worst case as greenlight to Kim that now is the time to take action, even military action, to attain his objectives in the South. And, with our rapid deployment forces already committed to the Persian Gulf, we are stretched thin to react. With Soviet aid diminishing, South Korea getting stronger both militarily and economically, and North Korea unable to keep up, time is not in Pyongyang's favor.

However, even if North Korea does nothing, the removal of many United States forces and the capping of Army ground forces at 20,000 means we, and that includes our South Korean allies, will not have the capability to withstand an attack—or the pressure—from the North. And, with our rapidly deployable forces in the gulf, we have few ready reserves and woefully insufficient transport capability to bolster our smaller contingent in Korea.

The Mrazek amendment turns the United States forces in Korea into a tripwire—a very costly one. There would be enough Americans in Korea to sustain very high casualties, yet not enough to really contain the North. From a security standpoint this is one of the worst situations in which to be.

We should know by now through many painful experiences that unilateral disarmament does not work when confronting aggressive, repressive dictators. Similarly it will not work in Korea and, in fact, increases the possibilities of war and instability. While this amendment does call for arms control with the North, without real, dependable verification about the North's military program and compliance with any arms control agreements, basing security decisions on such flawed agreements is dangerous and foolish. Furthermore, we should not be weakening our capabilities and hope that the North Koreans will follow suit. There is certainly no internal public pressure for them to do so.

I look forward to the day when an amendment like Mr. MRAZEK's is timely and helpful. However, today is not that day. The ball is in North Korea's court to make the kind of military, political, and economic changes—real changes and actions, not cosmetic ones designed to woo public opinion in the South and the U.S.A.—that will facilitate force reductions on the Korean peninsula. We have fought a war costing millions of Korean and American lives to protect freedom, liberty, and democracy in Korea. We cannot gamble the sacrifices and freedom, liberty and South Korea away on the naive wish that North Korea will be accommodating—especially since the North through its actions is showing just the opposite.

This amendment strikes at the long, solid United States-South Korean relationship. South Korea is a strategic interest of the United States, not to mention an important trading partner. This amendment jeopardizes that relationship and the gains we have made. I very strongly urge my colleagues to reject this dangerous amendment.

Mr. KYL. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Chairman, I voted for the last amendment. I thought it was right, but I did it without a great deal of enthusiasm, because I do not like the idea of tampering with our great President's foreign policy. Clearly, this amendment goes much further than that.

I believe this amendment is a dangerous amendment, and I say that with a great deal of respect for my friend from New York, the author of the amendment. However, Mr. Chairman, I was in Korea and had an opportunity to meet with our commander there, with the Ambassador, and it is very clear that one of the most dangerous spots on the face of the Earth is that border between North Korea and South Korea.

Now, this amendment goes much further than the 7,000 troop reduction which is planned and being scheduled and overseen by our great Secretary of Defense, but unfortunately to go further than that would, I believe, be a tremendous mistake. It would send the wrong signal.

When I was there, we of course were talking just a few days ago about the situation in the Persian Gulf, and Mr. Chairman, it is very apparent to me that a signal could be sent by Saddam Hussein to Kim Il-song, and it is not the right signal. It is not the right signal that we want. We have U.S. combat troops literally minutes away from potential conflict, and I think to take that kind of step sends the wrong signal, at the wrong time. I urge opposition to the amendment.

Mr. KYL. Mr. Chairman, I yield myelf such time as I may consume. I, too, rise in opposition to this amendment. There are four strong reasons. First, in a region where U.S. forces are just minutes from combat, the amendment potentially cuts U.S. ground combat strength, the 2d Infantry Division, in half without any reciprocal reduction by North Korea.

Reducing the 2d Division, viewed by the North Korean as the strongest sign of United States resolve to defend South Korea, is seen as a sign of weakness. North Koreans have always taken advantage of perceived United States weakness, or preoccupation in other areas of the world. It is how the Korean war started, and how the *Pueblo* incident occurred.

Second, the United States already plans to reduce our forces in Korea by trimming United States strength by 7,000 troops, which does not significantly cut the 2d Division, but further cuts will have to depend on North Korean reductions.

Third, cutting U.S. ground combat forces is not likely to save money. In fact, given the limited United States troop strength available now to cover this vast region, any troops withdrawn from Korea would likely remain based in the Pacific area, at an additional cost, according to CBO, of up to $1.5 billion.

Finally, since 1988, South Korea has begun to pay an increasing share of support for the cost of United States troops. In 1991, those payments will be in excess of $140 million, and South Korea has agreed to assume the $1 billion to $3 billion cost of moving United States headquarters.

I urge my colleagues to vote against this amendment. The existing plan for United States troop withdrawal need not be rushed. Haste often makes waste, and the United States experience in Korea has been that waste is often measured in United States lives. I urge my colleagues to oppose the Mrazek amendment.

Mr. Chairman, I yield back the balance of my time.

Mr. MRAZEK. Mr. Chairman, I yield myself such time as I may consume, and I would point out that the situation is changed on the Korean Peninsula. The Soviet Union is certainly not ready to come to the assistance of North Korea when it is normalizing relations with South Korea. There are 44 million South Koreans, and there are a little over 20 million North Koreans. There are 545,000 Reservists ready to get into uniform in South Korea to join the active duty forces. There is a qualitative advantage of the South Korean forces over North Korea as things now stand.

This is not a dangerous amendment. It is simply a reflection, an accurate reflection, of the way this planet is rapidly changing, and how $3 billion over the next 5 years could be better spent in terms of our own national security needs. I would ask for an aye vote on this amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from New York [Mr. MRAZEK].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. MRAZEK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 157, noes 265, not voting 10, as follows:

[Roll No. 326]

AYES—157

Ackerman	Gonzalez	Owens (NY)
Alexander	Gordon	Owens (UT)
Andrews	Gray	Panetta
Annunzio	Guarini	Payne (NJ)
Applegate	Hall (OH)	Pease
Atkins	Hall (TX)	Pelosi
Bates	Hawkins	Perkins
Bellenson	Hayes (IL)	Petri
Bereuter	Hefley	Pickle
Bonior	Henry	Poshard
Borski	Hertel	Rahall
Bosco	Hochbrueckner	Rangel
Boucher	Holloway	Regula
Boxer	Hubbard	Roe
Brennan	Jacobs	Rohrabacher
Brooks	Jenkins	Rostenkowski
Brown (CA)	Johnson (SD)	Roybal
Brown (CO)	Johnston	Russo
Bruce	Jontz	Sabo
Bryant	Kanjorski	Sangmeister
Bustamante	Kaptur	Savage
Cardin	Kastenmeier	Scheuer
Chapman	Kennedy	Schneider
Clay	Kildee	Schroeder
Clement	Kleczka	Schumer
Collins	Kolter	Sharp
Condit	Kostmayer	Sikorski
Conte	Lehman (CA)	Skaggs
Conyers	Lehman (FL)	Slaughter (NY)
Costello	Levine (CA)	Stark
Crockett	Lewis (GA)	Stokes
Darden	Long	Studds
DeFazio	Lowey (NY)	Synar
Dellums	Manton	Tallon
Dingell	Markey	Tauke
Donnelly	Matsui	Towns
Dorgan (ND)	McCloskey	Traficant
Downey	McDermott	Traxler
Duncan	McMillen (MD)	Unsoeld
Durbin	McNulty	Vento
Dymally	Mfume	Visclosky
Early	Miller (CA)	Walgren
Eckart	Moakley	Washington
Edwards (CA)	Moody	Weiss
Engel	Morella	Wheat
Espy	Mrazek	Williams
Evans	Murphy	Wilson
Flake	Nagle	Wolpe
Foglietta	Neal (MA)	Wyden
Ford (MI)	Nowak	Yates
Frank	Oakar	Yatron
Frost	Oberstar	
Gaydos	Obey	

NOES—265

Anderson	Campbell (CO)	Dreier
Anthony	Carper	Dwyer
Archer	Carr	Dyson
Armey	Chandler	Edwards (OK)
Aspin	Clarke	Emerson
Baker	Clinger	English
Ballenger	Coble	Erdreich
Barnard	Coleman (MO)	Fascell
Bartlett	Coleman (TX)	Fawell
Barton	Combest	Fazio
Bateman	Cooper	Feighan
Bennett	Coughlin	Fields
Bentley	Courter	Fish
Berman	Cox	Flippo
Bevill	Coyne	Frenzel
Bilbray	Craig	Gallegly
Bilirakis	Crane	Gallo
Billey	Dannemeyer	Gejdenson
Boehlert	Davis	Gekas
Boggs	de la Garza	Geren
Broomfield	DeLay	Gibbons
Browder	Derrick	Gillmor
Buechner	DeWine	Gilman
Bunning	Dickinson	Gingrich
Burton	Dicks	Glickman
Byron	Dixon	Goodling
Callahan	Dornan (CA)	Goss
Campbell (CA)	Douglas	Gradison
Grandy	McCandless	Schiff
Grant	McCollum	Schuette
Green	McCrery	Schulze
Gunderson	McCurdy	Sensenbrenner
Hamilton	McEwen	Shaw
Hammerschmidt	McGrath	Shays
Hancock	McHugh	Shumway
Hansen	McMillan (NC)	Shuster
Harris	Meyers	Sisisky
Hastert	Michel	Skeen
Hatcher	Miller (WA)	Skelton
Hayes (LA)	Mineta	Slattery
Hefner	Molinari	Slaughter (VA)
Herger	Mollohan	Smith (FL)
Hiler	Montgomery	Smith (IA)
Hoagland	Moorhead	Smith (NE)
Hopkins	Morrison (WA)	Smith (NJ)
Horton	Murtha	Smith (TX)
Houghton	Myers	Smith (VT)
Hoyer	Natcher	Smith, Robert (NH)
Huckaby	Neal (NC)	
Hughes	Nelson	Smith, Robert (OR)
Hunter	Nielson	
Hutto	Olin	Snowe
Hyde	Ortiz	Solarz
Inhofe	Oxley	Solomon
Ireland	Packard	Spence
James	Pallone	Spratt
Johnson (CT)	Parker	Staggers
Jones (GA)	Parris	Stallings
Jones (NC)	Pashayan	Stangeland
Kasich	Patterson	Stearns
Kennelly	Paxon	Stenholm
Kolbe	Payne (VA)	Stump
Kyl	Penny	Sundquist
LaFalce	Pickett	Swift
Lagomarsino	Porter	Tanner
Lancaster	Price	Tauzin
Lantos	Pursell	Taylor
Laughlin	Quillen	Thomas (CA)
Leach (IA)	Ravenel	Thomas (GA)
Leath (TX)	Ray	Thomas (WY)
Lent	Rhodes	Torres
Levin (MI)	Richardson	Torricelli
Lewis (CA)	Ridge	Upton
Lewis (FL)	Rinaldo	Valentine
Lightfoot	Ritter	Vander Jagt
Lipinski	Roberts	Volkmer
Livingston	Robinson	Vucanovich
Lloyd	Rogers	Walker
Lowery (CA)	Ros-Lehtinen	Walsh
Luken, Thomas	Rose	Waxman
Lukens, Donald	Roth	Weber
Machtley	Roukema	Weldon
Madigan	Rowland (CT)	Whittaker
Marlenee	Rowland (GA)	Whitten
Martin (IL)	Saiki	Wise
Martin (NY)	Sarpalius	Wolf
Martinez	Sawyer	Wylie
Mavroules	Saxton	Young (AK)
Mazzoli	Schaefer	Young (FL)

NOT VOTING—10

AuCoin	Miller (OH)	Udall
Ford (TN)	Morrison (CT)	Watkins
Gephardt	Serrano	
McDade	Smith, Denny (OR)	

□ 1808

Mrs. BENTLEY and Mrs. PATTERSON changed their vote from "aye" to "no."

Mr. JENKINS changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). Pursuant to House Resolution 461 and the requisite notice given by the chairman of the Committee on Armed Services, the gentleman from Wisconsin [Mr. ASPIN] earlier today, it is now in order to consider the amendments printed in part 1 of House Report 101-693 relating to base closures as follows: first, by the gentlewoman from Illinois [Mrs. MARTIN]; second, by the gentleman from Wisconsin [Mr. ASPIN].

Said amendments are not subject to amendment, are considered as read, may be offered only by the Members designated, or their designees, and are debatable for 10 minutes each, equally divided and controlled by a proponent of the amendment and a Member opposed thereto.

If both amendments are adopted, only the last amendment adopted shall be considered as finally adopted and reported back to the House.

AMENDMENT OFFERED BY MRS. MARTIN OF ILLINOIS

Mrs. MARTIN of Illinois. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. MARTIN of Illinois:

Strike out section 2831 (page 426, line 15 through page 433, line 20) and insert in lieu thereof the following (and redesignate the subsequent sections accordingly):

SEC. 2831. BASE CLOSURE AND REALIGNMENT

(a) MILITARY INSTALLATIONS OUTSIDE THE UNITED STATES.—The Secretary of Defense shall formulate and implement a plan for reducing and terminating operations by the United States at installations outside the United States and shall transmit a copy of such plan to the Congress as soon as practicable after the date of the enactment of this Act.

(b) BASE CLOSURE AND REALIGNMENT.—Section 2687 of title 10, United States Code, is amended—

(1) by striking out subsection (d);

(2) by redesignating subsection (e) as subsection (i); and

(3) by inserting after subsection (c) the following new subsections:

"(d) IMPLEMENTATION.—(1) The Secretary of Defense may, subject to the provisions of this section—

"(A) take such actions as may be necessary to close or realign any military installation, including the acquisition of such land, the construction of such replacement facilities, the performance of such activities, and the conduct of such advance planning and design as may be required to transfer functions from a military installation being closed or realigned to another military installation, and may use for such purpose funds in the Account or funds appropriated to the Department of Defense for use in planning and design, minor construction, or operation and maintenance;

"(B) provide—

"(i) economic adjustment assistance to any community located near a military installation being closed or realigned, and

"(ii) community planning assistance to any community located near a military installation to which functions will be transferred as a result of the closure or realignment of a military installation,

if the Secretary of Defense determines that the financial resources available to the community (by grant or otherwise) for such purposes are inadequate, and may use for such purposes funds in the Account or funds appropriated to the Department of Defense for economic adjustment assistance or community planning assistance;

"(C) carry out activities for the purposes of environmental restoration and mitigation, and may use for such purposes funds in the Account or funds appropriated to the Department of Defense for environmental restoration and mitigation; and

"(D) provide outplacement assistance to civilian employees employed by the Department of Defense at military installations being closed or realigned, and may use for such purpose funds in the Account or funds appropriated to the Department of Defense for outplacement assistance to employees.

"(2) Nothing in this section restricts the authority of the Secretary of Defense or the Secretary of the military department concerned to obtain architectural and engineering services under section 2807 of this title.

"(e) MANAGEMENT AND DISPOSAL OF PROPERTY.—(1) The Administrator of General Services shall delegate to the Secretary of Defense, with respect to excess and surplus real property and facilities located at a military installation closed or realigned under the procedures established by this section—

"(A) the authority of the Administrator to utilize excess property under section 202 of the Federal Property and Administrative services Act of 1949 (40 U.S.C. 483);

"(B) the authority of the Administrator to dispose of surplus property under section 203 of that Act (40 U.S.C. 484); and

"(C) the authority of the Administrator to grant approvals and make determinations under section 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(g)).

"(2)(A) Subject to subparagraph (B), the Secretary of Defense shall exercise the authority delegated to the Secretary pursuant to paragraph (1) in accordance with—

"(i) all regulations in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1991 governing the utilization of excess property and the disposal of surplus property under the Federal Property and Administrative Services Act of 1949; and

"(ii) all regulations in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1991 governing the conveyance and disposal of property under section 13(g) of the Surplus Property Act of 1944 (50 U.S.C. App. 1622(g)).

"(B) The Secretary of Defense, after consulting with the Administrator of General Services, may issue regulations that are necessary to carry out the delegation of authority required by paragraph (1).

"(C) The authority required to be delegated by paragraph (1) to the Secretary of Defense by the Administrator of General Services shall not include the authority to prescribe general policies and methods for utilizing excess property and disposing of surplus property.

"(D) The Secretary of Defense may transfer real property or facilities located at a military installation to be closed or realigned under this section, with or without reimbursement, to a military department or other entity (including a nonappropriated fund instrumentality) within the Department of Defense or the Coast Guard.

"(E) Before any action may be taken with respect to the disposal of any surplus real property or facility located at any military installation to be closed or realigned under this section, the Secretary of Defense shall consult with the Governor of the State and the heads of the local governments concerned for the purpose of considering any plan for the use of such property by the local community concerned.

"(3)(A) Except as provided in subparagraph (B), there shall be deposited into the Account all proceeds—

"(i) from any transfer under paragraph (2)(D); and

"(ii) from the disposal of any property or facility made as a result of a closure or realignment under this section.

"(B) In any case in which the Secretary of Defense requests assistance from the General Services Administration in the management or disposal of property or facilities under this section, the Secretary of Defense shall reimburse the Administrator of General Services in accordance with section 1535 of title 31 for any expenses incurred in such activities.

"(f) APPLICABILITY OF NATIONAL ENVIRONMENTAL POLICY ACT OF 1969.—(1) The provisions of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) shall not apply to—

"(A) the actions of the Secretary of Defense in selecting a military installation for closure or realignment;

"(B) in selecting a military installation to receive functions from an installation to be closed or realigned; or

"(C) in the preparation of the notification and evaluation required by subsection (b).

"(2)(A) The provisions of the National Environmental Policy Act of 1969 shall apply to actions of the Department of Defense under this section (i) during the process of property disposal, and (ii) during the process of relocating functions from a military installation being closed or realigned to another military installation after the receiving installation has been selected, but before the functions are relocated.

"(B) In applying the provisions of the National Environmental Policy Act of 1969 to actions referred in subparagraph (A), the Secretary of Defense and the Secretary of the military departments concerned shall not have to consider—

"(i) the need for closing or realigning the military installation which has been selected for closure or realignment by the Secretary of Defense or the Secretary of the military department concerned;

"(ii) the need for transferring functions to the military installation which has been selected as the receiving installation; or

"(iii) military installations alternative to those selected.

"(3) A civil action for judicial review, with respect to any requirement of the National Environmental Policy Act of 1969 to the extent such Act is applicable, of any act or failure to act by the Department of Defense or the military department concerned during the closing, realigning, or relocating of functions referred to in clauses (i) and (ii) of paragraph (2)(A), or of any act or failure to act by the Department of Defense or the military department concerned under this section, may not be brought more than 60 days after the date of such act or failure to act.

"(g) INAPPLICABILITY OF OTHER LAW.—The Secretary of Defense may close or realign military installations pursuant to the procedures set forth in this section without regard to—

"(1) any provision of law restricting the use of funds for closing or realigning military installations included in any appropriations or authorization Act enacted before the date of the enactment of the National Defense Authorization Act for Fiscal year 1991; and

"(2) section 2662 of this title.

"(h) BASE CLOSURE AND REALIGNMENT ACCOUNT.—(1) There is established on the books of the United States Treasury an account to be known as the 'Department of Defense Base Closure and Realignment account' which shall be administered by the Secretary of the Treasury as a single account.

"(2) The Account shall be composed of—

"(A) funds appropriated to the Account;

"(B) any funds transferred to the Account by the Secretary of Defense from funds appropriated to or for the use of the Department of Defense, other than funds appropriated to the Account, after the Secretary of Defense transmits to the appropriate committees of Congress written notice of, and justification for, such transfer; and

"(C) proceeds described in subsection (e)(3)(A);

"(3) The Secretary of Defense may use the funds in the Account only for the purposes described in subsection (d).

"(4) When funds in the Account are used to carry out a construction project under subsection (d)(1), and the cost of the project will exceed the maximum amount authorized by law for a minor construction project, the Secretary of Defense shall notify, in writing, the appropriate committees of Congress of the nature of, the justification for, and the amount of the expenditures for the project. Any such construction project may be carried out without regard to secton 2805 of this title.".

(c) CONFORMING AMENDMENT.—Subsection (i) of such section, as redesginated by subsection (a), is amended by adding at the end the following new paragraphs:

"(5) The term 'Account' means the Department of Defense Base Closure and Realignment account established by subsection (h).

"(6) The term 'appropriate committees of Congress' means the Committees on Armed Services and the Committees on Appropriations of the Senate and the House of Representatives.".

SEC. 2832. COMMUNITY PLANNING ASSISTANCE.

Section 2391(b) of title 10, United States Code, is amended—

(1) by striking out paragraphs (3), (4), and (6);

(2) by redesignating paragraph (5) as paragraph (4); and

(3) by inserting after paragraph (2) the following new paragraph (3):

"(3) In the case of a publicly announced planned reduction in Department of Defense spending, the cancellation or termination of a Department of Defense contract, or the failure to proceed with a previously approved major defense acquisition program, assistance may be made under paragrpah (1) only if the reduction cancellation, termination, or failure will have a direct and significant inpact on a community and will result in the loss of—

"(A) not less than 2,500 jobs, in the case of an urban area;

"(B) not less than 1,000 jobs, in the case of a rural area; or

"(C) a number of jobs equal to or greater than 1 percent of the employed labor force in either such area.".

In section 2832, strike out paragraph (1) of subsection (b) (page 434, lines 12 through 16) and insert in lieu thereof the following:

(1) The Secretary of defense shall include, as part of the plan required by section 2831(a), an estimate of the fair market value of the improvements made at the installations at which the plan provides for a termination of military operations by the United States.

The CHAIRMAN pro tempore. Under the rule, the gentlewoman from Illinois [Mrs. MARTIN] will be recognized for 5 minutes in support of the amendment.

Mrs. SCHROEDER. Mr. Chairman, I rise in opposition to the amendment offered by the gentlewoman from Illinois [Mrs. MARTIN].

The CHAIRMAN pro tempore. The gentlewoman from Colorado [Mrs. SCHROEDER] will be recognized for 5 minutes in opposition.

Mrs. MARTIN of Illinois. Mr. Chairman, the amendment in question strikes language from the bill which would most assuredly prevent the Secretary of Defense from closing a single military installation in the United States for at least 3 years. Like many, I have talked about how we must lower defense costs, but I have also argued the reality is difficult. We cannot lower force strength without closing bases, and grief in any district where that happens is real and complete.

Nonetheless, Mr. Chairman, it is time for the Congress to do what it knows it must do.

Mr. Chairman, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY] who was such an important figure in the last debate.

□ 1810

Mr. ARMEY. Mr. Chairman, I thank the gentlewomen for yielding. Let me just make some points that I think are important here. I have had an opportunity to study the provisions of the bill as brought to the floor and the provisions of the amendment brought by the gentlewoman from Illinois [Mrs. MARTIN]. If in fact we want as a body to close additional military bases in a sane and rational manner, with defense preparedness as our supreme criteria, this can be done with the amendment by the gentlewoman from Illinois [Mrs. MARTIN]; it cannot be done by the committee mark.

If we need to avoid unilateral decisions that are punitive in nature by the administration, or parochial decisions to block the closing of bases by individual Members of Congress, this can be achieved with the Martin amendment; it cannot be achieved with the committee mark.

If we want and need to have flexibility in a build-down in modernization and redeployment of our military by the Secretary of Defense, we can achieve that with the Martin amendment; we cannot achieve that with the mark of the committee.

If we charge the Secretary to do these things on behalf of the security needs of our children and our Nation, and at the same time retain the right of Congress as body to make a final decision on the closure of individual bases or a package of base closures, we can achieve that result with the Martin amendment; we will not achieve that result with the committee mark.

I ask all Members who believe it is necessary and desirable to eliminate wasteful, unnecessary basing of scarce military resources to support the Martin amendment and oppose the mark of the committee.

Mrs. MARTIN of Illinois. Mr. Chairman, if I may just finish, and I would hope the gentlewoman from Colorado [Mrs. SCHROEDER] would hear this, because I think it is of some interest to her, I recognize that the gentlewoman has some particular concerns. We all understand that base closing is important. I also understand the calls that have been made to Members on the other side of the aisle.

This is not an amendment for political mischief. Therefore, understanding the role of the Committee on Armed Services and of the Committee mark from the Senate, rather than make the long speech about either hypocrisy or who is doing what, I will ask unanimous consent to withdraw the amendment.

The CHAIRMAN pro tempore (Mr. DURBIN). Is there objection to the request of the gentlewoman from Illinois?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

Pursuant to House Resolution 461 and the requisite notice given by the chairman of the Committee on Armed Services earlier today, it is now in order to consider the amendment to be offered by the gentleman from Wisconsin [Mr. ASPIN] of the issue of base closure. That amendment is not subject to amendment and is considered as read.

Under the rule, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 5 minutes in support of the amendment, and a Member in opposition to the amendment will be recognized for 5 minutes.

Mr. ASPIN. Mr. Chairman, the Member I designate to offer the amendment is the gentleman from Alabama [Mr. BROWDER].

The CHAIRMAN pro tempore. The gentleman from Alabama [Mr. BROWDER] will control 5 minutes in support of the amendment.

AMENDMENT OFFERED BY MR. BROWDER

Mr. BROWDER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWDER:

Page 426, strike out line 14 and all that follows through line 20 on page 433 and insert the following:

SEC. 2831. CLOSURES AND REALIGNMENTS OF MILITARY INSTALLATIONS.

(a) FORCE-STRUCTURE PLAN AND TERMINATION OF OPERATIONS AT INSTALLATIONS OUTSIDE THE UNITED STATES.—(1) The Secretary of Defense shall formulate a force-structure plan for the Armed Forces of the United States based on an assessment by the Secretary of the probable threats to the national security in the five-year period ending September 30, 1996, and of the anticipated levels of funding that will be available for national defense purposes during such period. Such plan shall include, without any reference directly or indirectly to military installations inside the United States that may be closed or realigned under such plan—

(A) a description of such assessment;

(B) a description (i) of the anticipated force structure during and at the end of such period for each military department (with specifications of the number and type of units in the active and reserve forces of each such department), and (ii) of the units that will need to be forward based (with a justification thereof) during and at the end of such period;

(C) a description of the anticipated implementation of such force-structure plan; and

(D) the plan described in paragraph (2).

(2) The Secretary shall formulate and implement a plan for reducing and terminating military operations by the United States at installations outside the United States.

(b) REPORTING REQUIREMENT.—(1) As part of the request for authorizations of appropriations for fiscal year 1992, the Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and the House of Representatives a report containing—

(A) the force-structure plan formulated pursuant to subsection (a)(1);

(B) a description of the actions carried out and to be carried under subsection (a)(2), including a list of the installations outside the United States at which military operations by the United States will be reduced or terminated and an estimate of the extent of each such reduction;

(C) a legislative proposal containing (i) a fair process, as described in paragraph (2)(A), by which military installations inside the United States could be selected for closure and realignment as part of the implementation of the force-structure plan referred to in subsection (a)(1), and (ii) the policy referred to paragraph (2)(B); and

(D) a proposal for assistance (including worker retraining and economic conversion assistance) for individuals and communities that will be adversely affected economically by the closure or realignment of military installations inside the United States under such force-structure plan, including recommendations for any legislative action that the Secretary determines is needed to provide such assistance.

(2) The legislative proposal referred to in paragraph (1)(C) shall provide—

(A) a fair process for selecting military installations inside the United States for closure or realignment solely on the basis of objective criteria designed to achieve effectively and efficiently the military objectives of the Department of Defense contained in the force-structure plan transmitted under paragraph (1); and

(B) a policy ensuring the prompt environmental restoration of all property that will become excess to the needs of the Department of Defense as result of a military installation inside the United States being selected for closure or realignment.

(3) The proposal for economic assistance referred to in paragraph (1)(D), in addition to providing for economic assistance generally to individuals and communities adversely affected economically by the closure or realignment of a military installation, shall provide for appropriate economic assistance

to State and local governments that made expenditures in reliance on, and in support of, Federal plans to establish or continue to operate a military installation that was not opened or was selected for closure.

(c) MILITARY INSTALLATIONS INSIDE THE UNITED STATES.—(1) None of the funds available to the Department of Defense may, except as provided in paragraph (4), be expended (whether obligated before the date of enactment of this Act or not) to—

(A) identify, through any transmittal to the Congress or through any other public announcement or notification, any military installation inside the United States as an installation to be closed or realigned or as an installation under consideration for closure or realignment; or

(B) close or realign any military installation inside the United States,

until specifically authorized by law during the 102nd Congress or until January 1, 1992, whichever occurs first.

(2) None of the funds appropriated pursuant to authorizations in this Act may be obligated or expended, except as provided by paragraph (4), to initiate any study necessary to meet the requirements of section 2687 of title 10, United States Code, or the National Environmental Policy Act that are applicable to the closure or realignment of military installations.

(3) In providing for the repair and maintenance of facilities at military installations inside the United States during fiscal year 1991, the Secretary of Defense and the Secretaries of the military departments shall, except as provided in paragraph (4), expend an amount during such fiscal year, with funds appropriated for operation and maintenance pursuant to authorizations made by this Act and with other funds that may be available for such purpose for such fiscal year, for repair and maintenance at each such installation equal to not less than 75 percent of the average annual amount expended for repair and maintenance of facilities at the installation concerned during fiscal years 1985 through 1989.

(4) Paragraphs (1), (2), and (3) shall not apply to—

(A) closures and realignments carried out under title II of Public Law 100-526; and

(B) closures and realignments to which section 2687 of title 10, United States Code, is not applicable.

(d) PROHIBITION AND REMEDIAL ACTION.—(1) The provisions of the transmittal to the Congress by the Secretary of Defense, dated January 29, 1990, identifying certain military installations as candidates for closure, and the provisions of any other proposal (whether transmitted to the Congress or not) developed during the year ending on the date of the enactment of this Act with respect to identifying military installations for closure, shall not be used as the basis for any decision concerning the assignment of mission, personnel, or resources to any installation identified in such provisions.

(2) The Secretary of Defense—

(A) shall review all actions taken during the year ending on the date of the enactment of this Act with regard to any installation identified in any provision referred to in paragraph (1); and

(B) shall take such steps as may be necessary to remedy the damage to such installation that has resulted from any such action.

(e) DEFINITIONS.—(1) For purposes of this section—

(A) the term "military installation" means a base, camp, post, station, yard, center, homeport, facility or any ship, or any other activity under the jurisdiction of a department, agency, or other instrumentality of the Department of Defense, including a leased facility, except that such term shall not include any facility used primarily for civil works, rivers and harbor projects, or flood control projects;

(B) the term "United States" means the several States and the District of Columbia; and

(C) the term "realignment" has the meaning given such term by section 2687(e)(3) of title 10, United States Code.

(2) Section 2687 of title 10, United States Code, is amended—

(A) by striking out paragraph (2) of subsection (a) and inserting in lieu thereof the following:

"(2) any realignment with respect to any military installation referred to in paragraph (1) that would result, during any two-year period, in a reduction of more than 1,000 in, or by more than 50 percent of, the number of civilian personnel authorized to be employed at such military installation at the beginning of the two-year period concerned; or"; and

(B) in subsection (e)(3), by striking out "includes" and inserting in lieu thereof "means".

(3) For the purpose of making determinations with respect to closures and realignments carried out on or after the date of the enactment of this Act, the amendment made by paragraph (2)(A) shall be applied to include reductions of civilian personnel occurring during any two-year period beginning after the date that occurred two years before the date of the enactment of this Act.

(f) CLARIFYING AMENDMENT.—Section 2687(e)(1) of title 10, United States Code, is amended by striking out "under the jurisdiction of the Secretary of a military department" and inserting in lieu thereof "under the jurisdiction of a department, agency, or other instrumentality of the Department of Defense, including a leased facility,".

The CHAIRMAN pro tempore. Is there a Member in opposition to the amendment?

The Chair recognizes the gentleman from Alabama [Mr. BROWDER].

Mr. BROWDER. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have had a good bit of discussion of this amendment today. I think everyone agrees that we have got to do something about our military infrastructure. We are going to close bases, and we are going to realign our forces. The question before us tonight is whether we are going to do it the right way.

We have a process before us presented by the Secretary of Defense. I would like before I talk about the Secretary of Defense's proposal, to repeat a statement made by the President in these Chambers last night, in which the President said:

The world is still dangerous. Surely that is now clear. This is no time to risk America's capacity to protect our vital interests.

Mr. Chairman, I think there is good sense to that. But if we had followed the plan of the Secretary of Defense, let me tell you what would be happening to us in our defense, in our deployment in Desert Shield. Fort McClellan, AL, the only facility in the world where our troops can receive defensive training against live chemical agents, may be closing. Fort Hood, TX, home of the 2d Armored Division, which had been designated for deactivation and which is now being deployed for Desert Shield, we would have been deprived of those forces. Troop Support Command, St. Louis, MO, in early August the Army issued 5,000 reduction in force notices. Within days of those RIF's, the same employees were told to report for double shifts in order to keep up with troop needs.

At Myrtle Beach, SC, the A-10's were deployed to the Middle East in mid-August. The A-10 tank killers are among our frontline air forces ready to repel an invasion of Saudi Arabia.

Mr. Chairman, we have a five-point plan which first requires a rational defense strategy and force structure. Second, it requires the Secretary of Defense to prepare a proposal to us for a bipartisan base closure plan. Third, it establishes a moratorium until January 1992, 1 year. If the Secretary comes prior to that time and Congress authorizes, bases can be closed.

Fourth, it prevents bleeding of those bases. Fifth, it has an economic adjustment assistance provision.

Mr. Chairman, we have a choice. I urge this House to vote for a fair proposal, to vote for a rational defense strategy, and support this amendment.

Mr. Chairman, I yield such time as he may consume to the gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Chairman, I thank the gentleman for yielding. I just take this time as a sponsor of this amendment to congratulate the gentleman from Alabama [Mr. BROWDER] for his leadership and work on the committee for a reasonable, rational, bipartisan approach to base closing.

Mr. BROWDER. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky [Mr. MAZZOLI].

Mr. MAZZOLI. Mr. Chairman, I thank my friend, the gentleman from Alabama [Mr. BROWDER], for yielding. I salute him on his outstanding work on behalf of this amendment. I rise in support of this amendment and am proud to work with the gentleman.

Mr. BROWDER. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, as chairman of the Budget Committee, no one is more aware of the need to reduce defense costs than I. But my commitment, and the commitment of the citizens I represent, to reasonable reductions in defense spending does not necessitate a headlong, reckless rush into

across-the-board base closures and reductions.

Mr. Chairman, that January 29 list released by the Secretary of Defense was compiled over 2 or 3 weeks exactly 1 year ago. My colleagues may recall that just 1 year ago the Berlin Wall had not yet fallen and Vaclav Havel was still an outsider in Czechoslovakia. The small teams of hit men charged with developing the Secretary's base-closure list had no idea what the Department of Defense's grand strategy, force structure, budget plans and basing plans would entail today, much less 4 years from now. We cannot allow the Department of Defense to substitute quick strike, quickly obsolete base-closure schemes for rational planning. We cannot allow the Department of Defense to throw entire economic regions into chaos willy-nilly. There simply has got to be some kind of rationality built into the process. There has got to be a process, period.

Thus, it has been clear from day one that the Defense Department's current base closure process is not based on the slightest bit of defense strategy or fiscal planning in response to the tumultuous world events of the last year. The Secretary of Defense's unprecedented and unofficial release of a list of bases he considers candidates for closure has thrown communities across the Nation into disarray and raised the specter of very damaging defense cuts being implemented without relation to strategy, policy and planning. What happens to our preparedness? Where is the ultimate focus on our national security? I do not see that leading light, Mr. Chairman. We are blundering headlong in the darkness of ignorance—ignorance of our final goals and our final base structure in the new world order.

It is astonishing, in my view, that the Department of Defense is attempting to close military posts within the United States before taking a hard look at our bases in Europe and in East Asia. It would seem to be indisputable that the defense of the United States should be our first priority, that the cost of bases abroad is far higher than at home, that the need for our current number of troops in Europe and in Korea is diminished and that the disruption caused by base closures abroad is insignificant relative to that felt at home. Yet, again, the Department is not only attempting to foist this specious list on the Congress, we are now asked to swallow hard and accept a permanent codification of this practice.

Let us show a little mettle here: We have seen the Martin amendment before, in the form of the administration's base closure list released last January; it does not comport with the real world. Moreover, and perhaps more important, the Cheney-Martin strategy would deprive the Congress of its constitutionally mandated responsibility to authorize the expenditure of funds for the disposition of military posts and defense civilian personnel.

In my own district, the Department of the Army has recommended the relocation of the 7th Light Infantry Division to Fort Lewis, WA, and the closure of Fort Ord. You remember the 7th Division, Mr. Chairman. That's the division that was developed pursuant to former President Carter's order to create a rapid deployment force for contingencies much like Operation Desert Shield. That's the division that was deployed just last December to fight with great success and extraordinary skill in Panama. That's the division that has the best training facilities, best housing and one of the most flawless deployment records in the U.S. Armed Forces.

Yet, Office of the Secretary of Defense's September 1989 team decided that the division should be moved and that Fort Ord should be closed. I formed a community task force on Fort Ord, led by retired military experts, to conduct a study of the Defense Department's proposal. In March 1990, the task force issued its report on the military and budgetary issues of the relocation of the division. The defense report, the result of several weeks of painstaking analysis of all the issues involved, concludes that the Defense Secretary's proposal is completely unjustified in every respect. Having studied the issue carefully for 8 months now, I must tell you in all candor that I am at a loss to explain the Department's original recommendation to close Fort Ord.

The Committee on Armed Services, in consultation with many of our colleagues, has recommended a bill that clearly and wisely sets forth the requirements for a rational base closure process: first review our defense strategy and force structure needs, then develop a rational base closure process and, finally, institute necessary base closures along with a fair assistance program to smooth out the rough bumps dislocated defense personnel are sure to face.

The Martin amendment would not only harm our national security, it would represent another blow to the Constitution by wrenching yet another authority away from the Congress. Stand up for the congressional prerogative and a fair, American system. Vote against the Martin amendment.

Mr. BROWDER. Mr. Chairman, I yield to the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, this bill, the amendment that the gentleman from Alabama [Mr. BROWDER] offers, is really the only way that we have to really close bases. It does it in a rational way, it does it in a bipartisan way.

The gentleman from Alabama has done a lot of work on this. He is absolutely right. If you were in favor of closing bases before, if you want to make sure your base is protected by a rational process before it, if you want to make sure your base is protected by a bipartisan system before it, vote for the Browder amendment.

Mr. PEASE. Mr. Chairman, will the gentleman yield?

Mr. BROWDER. I yield to the gentleman from Ohio.

Mr. PEASE. Mr. Chairman, I appreciate the gentleman yielding. I was interested in the comments of our chairman, the gentleman from Wisconsin [Mr. ASPIN]. I thought we already had a base closing procedure in the law that we worked very hard to get a couple of years ago. I must say to me this looks like a retreat from that procedure. Am I wrong about that?

Mr. ASPIN. Mr. Chairman, no, this is the same procedure we had in the bill. This last procedure we had 2 years ago has run out. It was only a one-shot base closing process. What this would do would be to create the Commission again and to do it again.

Mr. PEASE. Mr. Chairman, if the gentleman will yield further, does this amendment pertain to the group of bases that were cited last year pursuant to the law we passed 2 years ago?

Mr. ASPIN. No, it covers any bases.

Mr. PEASE. Including those?

Mr. ASPIN. No. Anything that was ordered closed by the Base Closing Commission, the Carlucci Commission of a couple of years ago, that is a done deal and that will continue.

Mr. PEASE. Mr. Chairman, I thank the gentleman.

□ 1820

Mr. BROWDER. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). If there is no Member seeking time in opposition to the amendment, the question is on the amendment offered by the gentleman from Alabama [Mr. BROWDER].

The question was taken; and the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 287, noes 134, not voting 11, as follows:

[Roll No. 327]

AYES—287

Ackerman	Carper	Engel
Alexander	Chandler	English
Anderson	Chapman	Erdreich
Andrews	Clarke	Espy
Annunzio	Clay	Evans
Anthony	Clement	Fascell
Applegate	Coble	Fazio
Aspin	Coleman (MO)	Feighan
Atkins	Coleman (TX)	Fish
Ballenger	Collins	Flake
Barnard	Condit	Flippo
Bates	Conyers	Foglietta
Bennett	Cooper	Ford (MI)
Bentley	Costello	Frank
Berman	Coughlin	Frost
Bevill	Coyne	Gallo
Bilbray	Crockett	Gejdenson
Bilirakis	Darden	Gekas
Boehlert	Davis	Geren
Boggs	de la Garza	Gilman
Bonior	DeFazio	Glickman
Borski	Dellums	Gonzalez
Bosco	Derrick	Gordon
Boucher	Dicks	Grant
Boxer	Dingell	Gray
Brennan	Dixon	Guarini
Brooks	Donnelly	Hall (OH)
Broomfield	Dorgan (ND)	Hall (TX)
Browder	Downey	Hamilton
Brown (CA)	Durbin	Harris
Bruce	Dwyer	Hatcher
Bryant	Dymally	Hawkins
Bustamante	Dyson	Hayes (IL)
Byron	Early	Hayes (LA)
Callahan	Eckart	Hefner
Campbell (CO)	Edwards (CA)	Henry
Cardin	Emerson	Hertel

Hoagland	Mollohan	Schuette
Hochbrueckner	Montgomery	Schulze
Holloway	Moody	Schumer
Horton	Morrison (WA)	Sharp
Hoyer	Mrazek	Shuster
Hubbard	Murphy	Sikorski
Huckaby	Murtha	Sisisky
Hughes	Nagle	Skaggs
Hutto	Natcher	Skelton
Jacobs	Neal (MA)	Slaughter (NY)
Jenkins	Neal (NC)	Smith (FL)
Johnson (SD)	Nelson	Smith (IA)
Johnston	Nowak	Smith (NJ)
Jones (GA)	Oakar	Smith, Robert (OR)
Jones (NC)	Oberstar	
Jontz	Obey	Snowe
Kanjorski	Olin	Solarz
Kaptur	Ortiz	Spence
Kastenmeier	Owens (NY)	Spratt
Kennelly	Owens (UT)	Staggers
Kildee	Pallone	Stallings
Kleczka	Panetta	Stark
Kolter	Parker	Stenholm
Kostmayer	Patterson	Stokes
LaFalce	Payne (NJ)	Studds
Lancaster	Payne (VA)	Sundquist
Lantos	Pelosi	Swift
Laughlin	Penny	Synar
Leath (TX)	Perkins	Tallon
Lehman (CA)	Pickett	Tanner
Lehman (FL)	Pickle	Tauzin
Levin (MI)	Poshard	Taylor
Levine (CA)	Price	Thomas (GA)
Lewis (FL)	Quillen	Torres
Lewis (GA)	Rahall	Torricelli
Lipinski	Rangel	Towns
Lloyd	Ravenel	Traficant
Long	Ray	Traxler
Lowey (NY)	Richardson	Udall
Luken, Thomas	Rinaldo	Unsoeld
Machtley	Robinson	Valentine
Madigan	Roe	Vento
Manton	Rohrabacher	Visclosky
Markey	Rose	Volkmer
Martinez	Rostenkowski	Walgren
Matsui	Roukema	Walsh
Mavroules	Rowland (CT)	Washington
Mazzoli	Rowland (GA)	Waxman
McCloskey	Roybal	Weiss
McCurdy	Russo	Weldon
McDermott	Sabo	Wheat
McHugh	Sangmeister	Whitten
McMillan (NC)	Sarpalius	Williams
McMillen (MD)	Savage	Wise
McNulty	Sawyer	Wolpe
Mfume	Saxton	Wyden
Miller (CA)	Scheuer	Yates
Mineta	Schiff	Yatron
Moakley	Schroeder	Young (FL)

NOES—134

Archer	Gallegly	Lowery (CA)
Armey	Gibbons	Lukens, Donald
Baker	Gillmor	Marlenee
Bartlett	Gingrich	Martin (IL)
Barton	Goss	Martin (NY)
Bateman	Gradison	McCandless
Bellenson	Grandy	McCollum
Bereuter	Green	McCrery
Billey	Gunderson	McDade
Brown (CO)	Hammerschmidt	McEwen
Buechner	Hancock	McGrath
Bunning	Hansen	Meyers
Burton	Hastert	Michel
Campbell (CA)	Hefley	Miller (WA)
Carr	Herger	Molinari
Clinger	Hiler	Moorhead
Combest	Hopkins	Morella
Conte	Houghton	Myers
Courter	Hunter	Nielson
Cox	Hyde	Oxley
Craig	Inhofe	Packard
Crane	Ireland	Parris
Dannemeyer	James	Pashayan
DeLay	Johnson (CT)	Paxon
DeWine	Kasich	Pease
Dickinson	Kennedy	Petri
Dornan (CA)	Kolbe	Porter
Douglas	Kyl	Pursell
Dreier	Lagomarsino	Regula
Duncan	Leach (IA)	Rhodes
Edwards (OK)	Lent	Ridge
Fawell	Lewis (CA)	Ritter
Fields	Lightfoot	Roberts
Frenzel	Livingston	Rogers
Ros-Lehtinen	Slaughter (VA)	Thomas (WY)
Roth	Smith (NE)	Upton
Saiki	Smith (TX)	Vander Jagt
Schaefer	Smith (VT)	Vucanovich
Schneider	Smith, Robert (NH)	Walker
Sensenbrenner		Weber
Shaw	Solomon	Whittaker
Shays	Stearns	Wilson
Shumway	Stump	Wolf
Skeen	Tauke	Wylie
Slattery	Thomas (CA)	Young (AK)

NOT VOTING—11

AuCoin	Goodling	Smith, Denny (OR)
Ford (TN)	Miller (OH)	
Gaydos	Morrison (CT)	Stangeland
Gephardt	Serrano	Watkins

□ 1842

Messrs. DONALD E. "BUZ" LUKENS, GUNDERSON, and KENNEDY, and Mrs. JOHNSON of Connecticut changed their vote from "aye" to "no."

Mr. BATES changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. FASCELL. Mr. Chairman, there are several important developments related to chemical weapons and arms control that I would like to note for my colleagues during the debate today of the fiscal year 1991 Department of Defense authorization. I feel confident that these developments mark the beginning of the end for chemical weapons around the world.

The developments, simply put, are these: There are no production funds for new chemical weapons in this DOD authorization bill nor in the Senate version. The United States and U.S.S.R. have agreed to destroy all their chemical weapons and stop all future production of chemical weapons. Progress in Geneva brings closer to reality the opportunity to achieve a worldwide ban on chemical weapons.

The House of Representatives has played an active role in these developments. The House has opposed new production of chemical weapons by our country while promoting bilateral and multilateral negotiations to solve the chemical weapons problem.

An Iraqi sanctions bill was passed by the House 2 years ago due to Iraqi use of chemical weapons against Iran. Last year, the House passed a chemical weapons sanctions bill applicable to all countries, companies, and individuals using or proliferating chemical weapons. That bill had strong bipartisan support and was precedent setting because it had administration support. And, last month, another Iraqi sanctions bill passed the House.

Our colleague, MARTIN LANCASTER, is an observer to the chemical weapons negotiations in Geneva. He has visited those negotiations three times; the last time he organized an exchange there with Soviet legislators to discuss the destruction and nonproduction of CW agreement. He has made some excellent recommendations on policy and negotiating strategy to President Bush and to the Department of State. And other Members have given careful attention, exercised legislative oversight, and authorized increased funding for our chemical weapons destruction and defensive programs.

The total cuts in chemical weapons production amount to $224 million—$124 million for production of the 155mm artillery shell, $67 million for the Bigeye bomb, $28 million for the multiple-launch rocket system [MLRS], and $5 million for development of a new binary munition.

The larger estimate of savings in past years and future years for termination of the Bigeye bomb is $1.5 billion. This is a GAO estimate using the total projected production numbers for Bigeye adjusted to current-year dollars. Adding the 155mm artillery shell and MLRS program terminations, the grand total savings accrued by stopping this program amount to at least $2 billion. The Senate bill also cuts out the binary chemical weapons production programs.

It has been a long, hard 8-year struggle for the House to finally convince the executive branch of the foreign policy logic, arms control rationale, and good common sense of its position opposing the production of new binary chemical weapons.

That struggle is over; we won; and this year I do not have to offer an amendment to the DOD bill to cut chemical weapons production funds. It seemed foolish to produce new chemical weapons designed to counter the Soviet chemical threat which could not be based in Europe where they were needed because the Europeans did not want them and saw no military need for them. New U.S. production of chemical weapons contradicted stated U.S. arms control policy of wanting to stop chemical weapons proliferation and achieve a worldwide ban.

It never made any practical sense to approve a multibillion-dollar purchase of these new "modern, safe" chemical weapons when the General Accounting Office [GAO] proved that the weapons had continually failed tests. The Pentagon could never convince enough people of the military utility of these weapons. Contrary to the Pentagon's contention that these chemical weapons would add to U.S. security, the only thing that they added to was the Federal deficit. Consequently, House actions stopped a new generation of these weapons and saved several billion dollars.

Because Vice President Bush broke two tie votes in the Senate in favor of new binary chemical weapons production and because the requests for new funding of the weapons continued from the Reagan to the Bush presidency, the sincerity of the U.S. support for a worldwide ban and for a halt to chemical weapons proliferation was always questioned. The United States-U.S.S.R. agreement to halt chemical weapons production and begin destruction staked out new credibility and leadership for the United States on this issue.

The United States-U.S.S.R. agreement is an historic arms control achievement. It signals the beginning of the end for chemical weapons. This arms control achievement is a great confidence-building measure both between the two superpowers and between the superpowers and the rest of the world. This is a great example of superpower cooperation at its best, cooperation which eliminates a major weapons system of mass destruction from the world.

Now, other world leaders must join the two superpowers to convince all states to commit themselves to a universal ban on chemical weapons as quickly as possible.

Mr. WOLPE. Mr. Chairman, I rise in strong support of Mr. Bonior's amendment which would require that Japan accept a greater share of the responsibility for the costs of United States forces stationed there.

Clearly, when the United States undertook, in the immediate post-World War II era, the burden of defending our allies, it was because these countries were unable to effectively do so by themselves. However, it is also clear that our allies have enjoyed military security from U.S. forces, while spending far less of their national wealth on defense than does the United States. At the same time, we continue to run massive budget deficits at home and a host of pressing domestic needs go unmet.

For these reasons, I have long supported initiatives to encourage our allies to match their prosperity with significant contributions to our common defense. And Mr. BONIOR's amendment, by requiring Japan to pay the costs for United States troops, would make an important step in this effort.

The United States has nearly 50,000 troops stationed in Japan at an annual cost of $7.4 billion. Yet Japan pays only $2.9 billion of that figure. The Bonior amendment gives the President 1 year to negotiate an agreement. If Japan refuses to pay all costs, troops would be gradually withdrawn beginning in fiscal year 1991.

In addition, the United States should not be subsidizing one of our toughest trade competitors. Last year, nearly half the United States trade deficit—$45 billion—was with Japan alone. Japan has one of the world's strongest economies and can easily afford to make a larger contribution toward our collective defense. That defense is clearly as much in Japan's interest as it is our own.

Mr. Chairman, this legislation is especially timely in light of the current crisis in the Middle East. It is outrageous that Japan is offering such a paltry contribution when the stakes are so large—not only for Japan, but for the entire international community. Though Japan has announced $1 billion package of aid as its contribution to the multinational effort against Iraq, the United States is spending $1 billion a month to defend the Persian Gulf. We cannot allow strong economic powers like Japan to shirk its responsibility to the international community, and we should send that message loud and clear.

I am hopeful that we can take advantage of the dramatic changes around the world to reexamine our definition of international security and, when appropriate, call upon our allies to accept a larger portion of the tab for their own defense. I strongly support the Bonior amendment.

Mr. IRELAND. Mr. Chairman, since we began deploying forces in the Middle East in response to Iraq's invasion of Kuwait, there has been mounting interest in the cost of those operations and what constitutes a fair share to be borne by our allies. I think it is important to put some of the cost figures being used into better perspective.

Toward that end, I asked the Congressional Research Service [CRS] for a short report comparing the costs of current Middle East deployments with historical data on our last major deployment—the Vietnam war.

I asked CRS to do this work for two reasons. First, I wanted to understand how those added costs will effect the budget; and second, I wanted a better understanding of the true cost of supporting modern day forces under wartime conditions.

CRS has prepared a report on "Costs of the Vietnam Conflict Compared to Costs of Current U.S. Military Deployments in and Around the Arabian Peninsula." It was written by Steve Daggett of the Foreign Affairs and National Defense Division and is dated September 10, 1990. It is based on information provided by the Department of Defense [DOD].

Mr. Daggett has done an excellent job. Admittedly, the information available today is preliminary and incomplete, but it constitutes a good start. I want CRS to continue to monitor the data and update the analysis as more meaningful and complete information becomes available.

Mr. Chairman, I would like to share the results of this work with my colleagues:

Table I provides a detailed breakdown of the best available information on the "Estimated Incremental Costs of Operation Desert Shield" for fiscal years 1990 and 1991 in terms of budget authority and outlays.

Table II provides the "Incremental Costs of the Southeast Asia Conflict, Fiscal Years 1965–75" in current and constant dollars along with associated troop levels.

Mr. Daggett concludes his report with a warning that comparisons between the cost of Desert Shield with Vietnam should be undertaken with caution. I accept that. I know the information we have is preliminary and incomplete. I fully appreciate the limitations of the data. Nonetheless, I believe that we can draw some credible conclusions from these data.

DOD now estimates that Desert Shield will cost $11.3 billion in outlays in fiscal year 1991 and will require $15 billion in budget authority for that year. That figure, as I understand it, is associated with the deployment of 100,000 personnel. That, in turn, equates to a cost, in terms of outlays, of $113,000 per man per year.

Because of the changing tempo of operations in Vietnam and the evolution of the buildup and builddown, the best approach for comparison with today's operation is to average the numbers for the peak years—fiscal years 1966–71. That analysis yields an average cost per man per year, when adjusted for today's dollars, of $155,000 for personnel engaged in full-scale combat operations in South Vietnam.

When measured in these terms, the cost of massive combat operations in South Vietnam was only slightly higher than the cost of Desert Shield thus far—$155,000 versus $113,000—a difference of only $42,000. To me, this is quite astounding. How could the unit cost of Desert Shield—in which not a single shot has been fired—approach the unit cost of combat operations in Vietnam?

Desert Shield is no peacetime operation for sure. It is an explosive situation in which we are, for good reason, maintaining a high state of readiness. Still, while operating tempos must admittedly be high, we have not even begun expending ordnance and equipment as we did in Vietnam in 1969, nor are we having to pay for the massive logistics support apparatus needed to feed such operations. Some think a full-scale war in the Middle East could cost us $1 billion a week.

I think there is another reason for the high cost of Desert Shield. During the 1970's and 1980's, as the modernization effort gained momentum, the military services predicted that the operating and support [O&S] costs for advanced weapons systems like the AH–64 helicopter, M–1 tank, F–15 fighter, and naval combatants—all of which are deployed in the Middle East—would decline. And yet, O&S costs appear in fact to be rising dramatically instead.

Mr. Daggett alludes to the importance of O&S costs at the end of his report. He says: "Operating costs of current weapons are relatively high compared to costs of Vietnam era weapons," citing a CBO study as his source.

When making decisions on the acquisition of new weapons systems, we need to realistically compare the operating and support costs of proposed modernizations with the O&S costs of the systems being replaced. We need to factor the differences in those costs into our decisionmaking process. I believe that our experiences with Desert Shield will clearly demonstrate the need to watch those costs closely.

Mr. Daggett also raises questions about the cost of the Reserve callup included in the DOD cost figures for fiscal year 1991—$56,000 per reservist. Mr. Chairman, that figures is considered very high and needs to be explained.

Mr. Chairman, I place the CRS report in the RECORD so others can read it:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, September 10, 1990.

To: Hon. Andy Ireland, Attention: Charles Murphy.

From: Stephen Daggett, Analyst in National Defense, Foreign Affairs and National Defense Division.

Subject: Costs of the Vietnam conflict compared to costs of current U.S. military deployments in and around the Arabian Peninsula.

This is in response to your request for a comparison of costs of the Vietnam conflict with estimated costs of current U.S. military deployments to the Middle East following the Iraqi invasion of Kuwait.

On September 7, the Department of Defense provided a revised estimate of the additional expenses, over and above the normal operating costs of U.S. forces, incurred in deploying forces to the Persian Gulf region. From the beginning of Operation Desert Shield through September 30, DOD calculates, the action will cost a total of $1.9 billion in outlays and $2.7 billion in budget authority. If the currently planned deployment is maintained through Fiscal year 1991, DOD estimates costs of $11.3 billion in outlays and $15.0 billion in budget authority.

These estimates cover the incremental cost to DOD of deploying additional forces to the Persian Gulf—i.e., they exclude costs that would normally be incurred if forces

were deployed as usual and operating at a standard, peacetime tempo. Regular military pay, for example, is not counted, nor is the cost of operating naval forces that would normally be deployed in the region.

DOD officials emphasize that even this latest appraisal represents a preliminary analysis subject to further revision. The estimates assume that personnel are rotated every six months and that reserves called into service will be replaced with other reserves after six months but that no additional reserves will be mobilized. Fuel costs are based on a $10 per barrel increase in the cost of oil over pre-invasion prices. The estimates do not include costs of returning forces to the United States. Nor do the estimates take account of offsetting contributions by allies—Saudi Arabia, for example, is reportedly providing fuel, food and other materiel to U.S. forces, and other allies have promised additional contributions, but the value of these provisions has not been credited against the cost of U.S. operations. And, finally, DOD has not offered any estimate of possible costs if hostilities should break out.

Table 1 provides a breakdown of estimated costs of Operation Desert Shield. DOD has provided detailed figures only in terms of budget authority, with an overall estimate available in terms of outlays as well.

TABLE 1.—ESTIMATED INCREMENTAL COSTS OF OPERATION DESERT SHIELD

[Budget authority in millions of current year dollars]

	Fiscal Year—	
	1990	1991
Airlift: Maintenance, fuel, contractual support	472	2,240
Sealift: Fuel, supplies, loading costs, merchant seamen	275	1,560
Other deployment: Civilian overtime at depots, activation costs, storage costs	271	430
Medical: Activate hospital ships, purchase additional medical supplies	42	50
Operating costs: Maintenance, fuel, etc. for added steaming and flying hours	873	2,520
Reserve callup: Pay and other costs of reservists called to active duty	178	2,800
In-Theater Support: Housing, water, refrigeration, sanitation	250	1,800
Other: Family separation pay, etc	20	60
Fuel cost increase: Excluding costs of fuel for the higher operating tempo	300	1,740
Military construction: Billeting, mess, supply, vehicle maintenance, etc	35	1,800
Total budget authority	2,716	15,000

Note.—Estimated total outlays: Fiscal year 1990, $1,900,000,000; fiscal year 1991, $11,300,000,000.

Source: Figures provided by Department of Defense Comptroller, Sept. 7, 1990.

By way of comparison, Table 2 shows annual incremental outlays for U.S. military operations associated with the conflict in Southeast Asia, with costs reestimated at today's prices. It also shows the number of military personnel deployed in South Vietnam at the end of each fiscal year. Currently planned deployments to the Persian Gulf region are estimated to total about 100,000.

TABLE 2.—INCREMENTAL COSTS OF THE SOUTHEAST ASIA CONFLICT, FISCAL YEARS 1965–75 [1]

[Outlays in millions of dollars]

Fiscal year	Current year dollars	Constant fiscal year 1991 dollars	Military personnel in South Vietnam [2]
1965	103	500	59,900
1966	5,812	26,466	267,500
1967	18,417	79,453	448,800
1968	20,012	82,388	534,700
1969	21,544	85,561	538,700
1970	17,373	64,274	414,900
1971	11,452	39,916	239,200
1972	7,228	23,250	47,000
1973	5,266	15,889	(3)
1974	2,726	7,624	(3)
1975	719	1,802	(3)
Total	110,654	427,124	

[1] Includes direct costs of military personnel, operations and maintenance, procurement, RDT&E, and stock funds. Does not include military or economic assistance, veterans benefits or other costs.

[2] Personnel levels as of June 30 of each fiscal year.

[3] Less than 250.

Sources: Data on costs in current year dollars provided by the Office of the Assistant Secretary of Defense (Comptroller), converted into constant fiscal year 1991 dollars by CRS using DOD deflators. Data on personnel in South Vietnam from Department of Defense, Directorate for Information Operations and Reports "Selected Manpower Statistics, Fiscal Year 1985" (Washington: DOD, 1986).

A comparison of costs of Operation Desert Shield with costs of the Vietnam conflict should be undertaken with some caution. For one thing, much of the cost associated with the deployment to the Persian Gulf represents the expense of a large airlift effort needed to deploy troops very quickly and one-time costs of activating sealift assets. Beyond that, operating costs of current weapons are relatively high compared to costs of Vietnam era weapons [for a discussion, see Congressional Budget Office "Operation and Support Costs for the Department of Defense" (Washington: CBO, July 1988)].

If CRS can be of any further assistance, please call me at 707-7642.

Mr. POSHARD. Mr. Chairman, I rise in support of the Bonior amendment to H.R. 4739, Defense Authorization for Fiscal Year 1991.

The logic behind this amendment is clear. We are spending billions a year to defend a friend, yes, but also a trading partner that hammers us economically. We allow the Japanese to invest in their economic and social wealth at the expense of American workers and families.

I think the time for that to stop is now.

This amendment requires Japan to pay for the luxury of having the United States of America defend it. If it refuses, we will begin to withdraw that military and financial support. A reasonable approach.

I fully understand the vital security interests we have in that region, and I believe the Japanese people are good friends of the United States. But even friendships have limits. And we have reached ours when it comes to defending Japan.

This amendment will have a positive effect on two fronts. First, it obviously frees money in our defense budget to be used for other military or perhaps more appropriately domestic uses. Second, it sends the message to Japan and other countries that we are serious about our role as a world leader for peace and freedom, but cannot continue to pick up the lion's share of that burden.

Burdensharing is a fair and reasonable request of our international friends and neighbors. I'm pleased to support my good friend from Michigan's amendment and urge its passage.

Mr. ASPIN. Mr. Chairman, I would like to engage the gentleman from Alabama [Mr. DICKINSON] in a colloquy with respect to the schedule.

Mr. Chairman, as the gentleman knows, the rules require that we have to give an hour's notice on an amendment to be called up.

So I would like at this point to discuss with the gentleman from Alabama the schedule as we see it at this point for tomorrow.

When we left off the debate, the general debate, we had not had the debate on the B-2. So it would be my suggestion that the first thing we do when we come back to this bill tomorrow is to have 20 minutes' debate, plan for 20 minutes' debate on the B-2 amendment.

Following that, what we have left are some particularly—some amendments to vote on. We have the SDI amendments. It would be my suggestion, I think, that we next go to votes on the SDI amendments.

Then there are two votes on economic conversion amendment, a Hopkins amendment and a Mavroules amendment. It would be my intention that we at that point go and vote on those two economic conversion amendments.

Following that, and as the schedule now stands we are going to, according to what I hear, we are going to be able to do this bill tomorrow all day. It would be my proposal we then go and continue the schedule as it was laid out under the second rule that was passed this morning. That is essentially to go on to the schedule which covers the Dickinson alternative, the en bloc amendments, the general amendments and the budget adjustment amendment, the motion to recommit, and the final passage.

Mr. Chairman, I yield to the gentleman from Alabama.

Mr. DICKINSON. I thank the gentleman from Wisconsin for yielding.

I am trying to assimilate what I have just heard. I realize we have had several discussions, but I have got two pieces of paper, one which was just handed to me, different from the one I thought we were discussing.

We start off in the morning with 20 minutes of debate on the B-2, and no vote is expected or anticipated.

Mr. ASPIN. Correct.

Mr. DICKINSON. Next we have consideration of debates of 10 minutes each on SDI, and there are four of them.

Mr. ASPIN. Four amendments.

Mr. DICKINSON. Then there is an SDI policy issue that Mr. SPRATT has debated today, but that will not be an amendment.

Mr. ASPIN. I understand there may not be an amendment at that point.

Mr. DICKINSON. I thought that was probably the case.

Mr. ASPIN. That is not for sure, but I think that is right.

Mr. DICKINSON. Next would be the economic conversion.

Mr. ASPIN. That is right.

Mr. DICKINSON. Mr. HOPKINS and Mr. MAVROULES having one amendment each.

Mr. ASPIN. Yes.

Mr. DICKINSON. One is a substitute for the other.

Then it is my understanding that my amendment, the "Good Government" amendment will be in order next.

Mr. ASPIN. The bad guys—the black-hat amendment then is next in order for 20 minutes of debate.

Mr. DICKINSON. No, no, that follows.

Then general amendments.

Mr. ASPIN. Yes, sir.

Mr. DICKINSON. It is anticipated that perhaps they might be lumped.

Mr. ASPIN. We are looking for that, either dropped or not voted on.

Mr. DICKINSON. Those that are noncontroversial can be put together and adopted en mas.

Mr. ASPIN. That is correct.

Mr. DICKINSON. And then those that are controversial, they would have 10 minutes apiece.

Mr. ASPIN. Yes, sir.

Mr. DICKINSON. Ten minutes' debate and a 15-minute vote, unless we can agree otherwise.

Mr. ASPIN. We have authority to cluster the votes on that one. I am advised that the authority to cluster the votes, which would mean a 5-minute vote—let us consult about this in the morning. We may be able to work out a process.

Mr. DICKINSON. But the controversial votes will not be lumped in.

Mr. ASPIN. Yes.

Mr. DICKINSON. Then we have the Aspin add-back.

Mr. ASPIN. That is the "Good Government" amendment.

Mr. DICKINSON. Well, I color the hat differently.

But anyway, this would be dependent, in the main, by what comes from the budget summit, assuming that we hear from the oracle.

Mr. ASPIN. The gentleman is correct.

Mr. DICKINSON. And if we do not hear from them—that is what gets important here—if we do not hear from the Andrews summit group, then do we go forward or do we stop?

Mr. ASPIN. That is a good question. We will consult on it in the morning. I am not awfully anxious to keep going at that point if we do not know anything.

Mr. DICKINSON. All right. So that would normally be the last amendment that would be offered. If we can get some guidance and agreement from the leadership coming from the budget summit, then we can conclude at that point and there would be a motion to recommit, which I intend to offer. But we do have an hour's debate on that rather than the normal 10 minutes. Then final passage.

Mr. ASPIN. The gentleman is correct.

Mr. DICKINSON. All right. Then we have agreed on that.

Mr. ASPIN. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mrs. UNSOELD) having assumed the chair, Mr. DURBIN, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that the Committee, having had under consideration the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, had come to no resolution thereon.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent for rollcall No. 323, House Resolution 461, rollcall No. 325, the Bonior amendment on burdensharing, rollcall No. 326, the Mrazek amendment on burdensharing, and rollcall No. 327, the Aspin-Browder amendment on base closings. Had I been here, I would have cast the following votes: "aye," "aye," "aye," and "aye."

PERSONAL EXPLANATION

Mr. PANETTA. Mr. Speaker, I was participating in the budget summit negotiations at Andrews Air Force Base and was unable to cast my vote during House proceedings. Had I been present, I would have cast the following vote:

Rollcall No. 323—"yea," on the rule to allow consideration of the Defense authorization bill.

CLARIFICATION OF PROCEDURES IN CONSIDERATION OF AMENDMENTS TO H.R. 4739, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

Mr. ASPIN. Madam Speaker, I ask unanimous consent that when the Committee of the Whole resumes consideration of the bill H.R. 4739 on Thursday, September 13, 1990, it may entertain general debate on the subject of the B-2 bomber for not to exceed 20 minutes, equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4330, NATIONAL SERVICE ACT OF 1990

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-694) on the resolution (H. Res. 463) providing for the consideration of the bill (H.R. 4330) to establish school-based and higher education community service programs, to establish youth service programs, and for other purposes, which was referred to the House Calendar and ordered to be printed.

□ 1850

PERMISSION TO HAVE UNTIL MIDNIGHT TOMORROW, THURSDAY, SEPTEMBER 13, 1990 TO FILE CONFERENCE REPORT ON S. 2088, ENERGY POLICY AND CONSERVATION ACT AMENDMENTS OF 1990

Mr. SHARP. Madam Speaker, I ask unanimous consent that the managers may have until midnight tomorrow night to file the conference report on the Senate bill (S. 2088) to amend the Energy Policy and Conservaton Act to extend the authority for titles I and II, and for other purposes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

Mr. MOORHEAD. Madam Speaker, reserving the right to object, and I shall not object, but I make this reservation for the purpose of allowing the gentleman to explain this important unanimous consent request which is necessary to facilitate action by the House on an extension of the law on the strategic petroleum reserve before current law expires this Saturday, September 15, 1990.

Madam Speaker, I yield to the gentleman from Indiana [Mr. SHARP] under my reservation.

Mr. SHARP. Madam Speaker, I thank the gentleman for yielding. Thanks in good measure to cooperative work, we have an agreement between the House and the Senate, by all parties concerned, about extending the authority to utilize the strategic petroleum reserve which, of course, is essential at this point in time with the crisis in the Middle East. We have some significant improvements we are making in that policy which will be relevant for future potential crises, and so I appreciate the gentleman's expeditious actions here.

The President's authority will expire on Saturday, and so it is naturally critical that we have no legal lapse in the authority necessary to utilize that for the good of our country.

Mr. MOORHEAD. Madam Speaker, I urge the House to grant the unanimous consent request that has been

made, and I withdraw my reservation of objection.

The SPEAKER pro tempore (Mrs. UNSOELD). Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERMISSION TO CONSIDER CONFERENCE REPORT ON S. 2088, ENERGY POLICY AND CONSERVATION ACT AMENDMENT OF 1990 ON THURSDAY, SEPTEMBER 13, 1990 OR ANY DAY THEREAFTER

Mr. SHARP. Madam Speaker, I ask unanimous consent that it be in order on September 13, 1990 or any day thereafter, any rule of the House to the contrary notwithstanding, to consider the conference report to accompany the Senate bill (S. 2088) to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes, and that the conference report be considered as read when called up for consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

TIPP CITY, OH, CELEBRATES SESQUICENTENNIAL

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DONALD E. "BUZ" LUKENS. Madam Speaker, Tippecanoe and Tyler, too. This historic political slogan of the 1840 William Henry Harrison Presidential campaign helped create the city of Tippecanoe by John Clark 150 years ago. Today, Mr. Speaker, I salute Tipp City in Miami County, OH, on their sesquicentennial. Settler John Clark founded Tipp City in 1839, at the intersection of the then Miami and Erie Canal. Clark's admiration of William Henry Harrison caused him to name his community Tippecanoe in 1840. Tippecanoe citizens added "city" to their town in 1850, and shortened that to Tipp City in 1938.

Tipp City has had a year-long celebration during 1990, and adopted the appropriate motto: "Our image is growing." Special tribute for the successful sesquicentennial should go to the following: Carl J. Suerdieck, mayor of Tipp City, and Dick Heberling, Larry Crowl, and Janice Lee of the Tipp City sesquicentennial celebration committee.

Tipp City is very proud of its heritage. It is an all-American place to live and raise a family. It is appropriate that Congress and America recognize the source of its vitality and its values—our small towns like Tipp City, OH.

HISTORY OF TIPP CITY, TIPPECANOE CITY, BETHEL AND MONROE TOWNSHIPS OF MIAMI COUNTY, OH

The central part of what is now Tipp City was once a farm of 104 acres owned by Robert Evans, who had purchased it in 1828. After working diligently for eleven years, clearing the briery and heavily wooded tract for a farm home, he traded the land in 1839 with his brother-in-law, John Clark. (Born in Maryland in 1797, John Clark had moved to this township with his mother and several other families in 1810, settling in Cowlesville. In 1820 Clark constructed a flat boat at the mouth of Honey Creek—where the John Clark memorial bridge now stands—and loaded it with hides, flour and pork, which he took to Cincinnati to the markets. In 1817 he married Harriet Jenkins and to this union were born eight children). Mr. Clark was able to visualize the success of a town located on this spot, at the intersection of the Miami and Erie Canal (completed through this area about 1837) and the state road from Springfield to Greenville, which had been established in 1813 and made a state road in 1817 (now State Route 571). Immediately he had the land surveyed for a town site.

The first plat was recorded in 1840 and contained seventeen lots; starting at the northeast corner of Main and First Streets and extending seven lots north to Plum Street; then south on the opposite side of First, for nine lots, to Main Street; and one lot west on Main Street. This extended the original plat to the alley on the west side of the present Union Building. These lots did not include the grist mill on the west bank of the canal. James and Uriah John had erected this mill in 1839.

John Clark named his new village "Tippecanoe." This was the year William Henry Harrison was campaigning for the presidency of the United States, and the rallying slogan was "Tippecanoe and Tyler, too." Mr. Clark was a great admirer of Mr. Harrison (legend says Mr. Clark erected a temporary miniature log cabin at Main and First Streets, 1840, in his honor) and so adopted the name of Tippecanoe and recorded it with his plat. A few years afterwards, about 1850, the citizens unofficially added "City," and the village became known as such. But it was not until 1938 that the legal name of the town was changed from Tippecanoe City to Tipp City.

In the selling of lots to the new townsmen, Clark asked that no log structure be erected with the result that Tippecanoe City originated with neat frame or brick buildings, many of which are standing today.

135 E. Main Street. The first lot purchased from Mr. Clark was in 1839 by Thomas Jay who built the first (general) store on the northwest corner of Main and First Streets. In 1848 it was sold to S.L. Chaffee, then to L.M. Booher, who in turn sold to Joseph Miller in 1854. He operated the Exchange Hotel until his death in 1870, when his son John took over. In 1877 John's brother-in-law, John Bolte, managed the business and followed by another brother-in-law, John Henn (when it became known as the Henn House). In 1903 the Henn family leased the hotel to C.S. Yoder who ran it for a short time. The Henn's resumed management, opening a dining room and lunch bar on the east side of the first floor. Butch Henn's tailor shop and Whip's barber shop were on the west side, while the rear part was a recreational hall for social gatherings. The family had living quarters on the second floor. During prohibition Bernard Byrkett won a five dollar bill for his suggestion of "The Chic" for a new name for the restaurant. A large mirrored globe that hung above the center of the dance floor, slowly turning and casting light reflections on the dancers in the ballroom and a quoits court behind the building are included on the leisure moment memories of many citizens. Ford Yount operated the business in 1925. During World War II Robert Dawson purchased it from the Henn estate and ran it for a short time; then other owners followed and another name—the "Melody Bar." Howard Wietzel bought the building in 1945 and was the owner of the "Sequoia" when it was destroyed by fire in 1971. Parker Behm Real Estate completed a new building there in 1979. Next occupied by Ernst Aggregates.

Andrew Cotral built a large brick hotel (22 rooms) east of the canal in early 1840. It soon became known as the Barienbrock hotel and entertained much of the canal trade. After the Miami Conservancy took over that area, following the 1913 flood, this building was demolished about 1918.

Henry Krise built his tavern, general store and home on the northeast corner of Main and First Streets, 1840. About twenty years later he sold to William Hergenrether who maintained a wet-grocery and his family residence in it. The Hergenrether family lived there for eighty years. James Huffman established a creamery there about 1943, which was later purchased by Thomas Timmer, who continued the creamery, finally selling to Sander's Dairy. The structure was destroyed around 1976 and the area paved for the Fraternal Order of Eagles' parking lot.

115 Main street. Erected in 1865 the sixth building west served as a grocery and saloon during its early years. In 1898 a saloon was here, in 1911 it was filled by a plumbing business. Eldon "Tracy" Leonard made paper novelties and sold them; ran a printing shop and for two years he published a weekly newspaper, "The Tippite" (about 1912). Floyd Calicoat had a billiards and card room; Thomas Lane operated a business for fifteen years; Carter's ceramic business occupied the premises for a few years; then in 1976 the Pro-Strip Antique shop located there. At the present time Kitchen Distributing is in this building.

113 E. Main Street. The original building on the seventh location was moved in 1875 to South Fourth Street. In 1880 John Burwell designed and erected a building especially for his artist-photographer son, Ralph, whose studio was below the skylight located above the internal hallways. In 1898 a grocery was in the east room (known as Gibbon's Confectionary in 1908), and a millinery in the west room. In 1911 the grocery continued and a music store was in the west room; it was run by Preston Miller who also sold wallpaper. The young folks gathered around his player piano to sing songs or listen as he played the violin. M.B. Hines opened his grocery here in 1921; the Van Cleve Grocery was here at one time. For many years (1941 through 1956 at least) Ruby's Beauty Saloon occupied the west room, now taken over by the The Hair Designers and the address of this room is 111 E. Main Street. On the east, Miami Budget (a few years old) sold to City Loan and Savings Company about 1940. The address of the east room is 113 E. Main Street and is

now occupied by Underwood's Custom Electronics.

109 to 101 E. Main Street. Built in 1852 by Andrew Cotral as a hotel to serve canal patrons, the building had an addition to the west in 1850 extending to the northeast corner of Main and Second Streets. C.M. Kauffman later owned the hotel as did David Carles, who operated the Carles House as a hotel, tavern and billiard parlor. The property was purchased in 1877 by John Nunlist who continued the hotel business until 1925. (In 1989 through 1911 it was known as the City Hotel). The hotel lobby was to the east. In 1925 Charles Coble's optical and jewelry business was here, followed by Ralph Warner (jeweler) in 1937. The Tee Time Golf Company, Inc. opened their shop in 1976. In 1911 a cigar store was just inside the hotel door. At one time a porch fronted the building and here the band performed on special occasions. The bar room and hotel dining room later housed Ford Yount's restaurant, "The Maple Restaurant" run first by Mary Neal, then Mr. and Mrs. George Schram; and barbershops, Bake Staup and Freddie Oakes. Various businesses have occupied two rooms which was filled by Angel Antique Emporium and Craft Stoves. In 1898 a barber shop was in the corner room of the hotel; in 1911 it was a billiards room; later Bill Deams automobile agency located here as did an A & P Grocery. In 1930 the building was purchased by Paul and Richard Stiles and Style's Shoe Store was located in that area. These rooms of the "Old Hotel" now houses from east to west, The Potters House; Hampton Hill Collectibles; Tipp Cyclery and Morning Sun Florist.

In the area behind the City Hotel on North Second Street stands a Carriage House that was moved from North Fourth Street to this location after the tragic fire of the Ahijah W. Miles home on the southwest corner of Fourth and Main Street in 1988. At the present time the building is unoccupied. 18 N. Second Street. P.H. Tracey had a livery stable in 1898 and the Tipp Steam Laundry was on the adjoining lot. In 1911 Trost Brothers Livery was there and a movie theatre (run by Gus Diehl, then Carl Belford). Chaffee's (Pat and Webb) Garage—advertised as "The Big Green Barn"—occupied the area from 1925 to 1933; Rice's Service Station replaced it until Ernest and Roy Macy started a like business in 1935. Eventually the building became known as Macy's Arcade. Roy Macy opened a key shop in 1940 and continued gas service until 1968. 20 N. Second Street. In 1969 Dick Cain acquired the building for his "Heating and Cooling" business with Macy's key shop remaining. 22 N. Second Street. For a while Burl Thuma ran an automobile agency to the north (from about 1947 to 1966); then in 1969 The Tipp Herald moved their printing business into the corner building at Second and Walnut Streets. At the present time this building is the home of H & R Block Co.

132 E. Main Street. In 1847 the brick building at the southwest corner of First and Main Streets was erected by D.M. Shellebarger for a warehouse. In 1854 through 1869 F. Hogendobler's Tippecanoe City Tin Shop, selling stoves and tin ware, was there. On the second floor A.B. Hartman lived for a while and in 1860 the Tippecanoe City Item (on one year's duration) was published by C.E. Crowell. A frame addition was made to the brick structure about 1880. Jacob and Lou Herr resided there, later selling to Emma Booher. In 1898 the front room was a bakery; a tailor's shop was in the front room of the frame. In 1911 the bakery continued; it was Harve Herr's delicatessen/confectionery, then Ott and Met King's bake shop. "Blackie" and Nellie Smith's confectionery, known as the Blue Bird Tea Room, served as the "center-city" of the town in the 1920s and 1930s. (J.A. "Blackie" Smith, who was the Justice of the Peace, had the distinction of never having a ruling overturned). James Collins managed Ohio Cleaners (dry cleaners) located there. Mose Wray's Sandwich Shop opened in 1941. The Tipp City Laundromat operated in this building. The frame addition burned and was torn down. The original building was extended west and it became the "Memories Restaurant and Lounge." At the present time it is Wolfe Gang's at Memories Inn. The V.F.W. Post 4615 had headquarters on the second floor but it is now the Tipp Monroe Community Services Youth Center.

130 E. Main Street. The second structure to the west on the south side of Main Street, between First and Second Streets, was erected sometime between 1840 to 1850. In 1898 through 1911 a millinery shop occupied the premises. Frankie Jackson's millinery shop was very popular with the ladies of Tipp City. Hannah Mae Kessler lived in the building while The House of Lowell, a cosmetic firm known for its hand cream, located there in the 1940s. Fred's Bait and Tackle Shop was there in 1979. After that it became Rohr's Office Supply and now is Tower's Office Products.

106 E. Main Street. John Morrison and his twin brother Robert erected the first large business building on the southeast corner of Main and Second Streets in 1854. In 1869 The Tippecanoe Herald published their first edition on the second floor. Yount and Jay's General Store was located on the first floor. The editor, Joshua Horton, procured a container from the General Store and stood on the street corner selling yearly subscriptions for $2.00 (Joshua Horton had met enthusiastic Tippecanoe City resident A.W. Miles, who had encouraged him to start a paper in the "boom town." Mr. Horton visited, was impressed, stayed and published his paper—the beginning of 111 years service.) Ten Eyck's Drug Store was there in 1906; later it was Grant and Cooper Drugs; then Fred Grant operated it alone; it was purchased by Joe Cramer in 1924.

In the late 1930s a restaurant was developed there to be owned by: the Prillers (who had purchased the building in 1920); Chuck Schlingman and Art Kirsch; Prillers again; and others including the Morans (there in 1963), the Donald Croces (in the early 1970s) and the Sanos. A dry goods store was in the east room in 1898 and 1911; then Opps grocery; Bill Dorsey's grocery (there in the early 1940s); a restaurant run by Charles Priller; finally it was incorporated into the other room when they were remodeled. Carl Frings had a meat market in the back of the building, with a Second Street entrance (about 1913 and 1920). It was purchased by Louis Priller who continued the business to the 1940s. J.H. Horton and Company had real estate offices on the second floor. The first Chamber of Commerce meetings took place here as The Businessmen's Club. The Armory was located on the third floor and the Tippecanoe Silver Band met there. At one time the building was owned by John Dugan of Sidney. Since 1975 Patrick Phelan has operated Paddy's Restaurant and Lounge there and has owned the building since 1980.

Adjoining the Morrison building on Second Street is attached a cement block structure that was erected by Charles Priller in the mid 1940s to serve as a food locker—this covering the restaurant-affiliated beer garden site. Later a second-hand store, a used furniture store, then Kevin Cook's florist shop—The Village Green—occupied the building. It was a residence at one time but has been removed prior to 1990.

104 W. Main Street. At the southwest corner of Main and Fourth Streets stood the frame house that was erected by Captain Ahijah W. Miles in 1888. His daughter Mrs. George Brenizer inherited the house in 1933 and lived there for some time until the property was sold to Helen Dodds in 1944; it was sold to Philip Vanderhorst and then to Rex Spencer in November of 1975. The house and the carriage house in the rear had been restored by Mr. Spencer for Thornton's business offices and furniture display rooms and to be preserved as part of Tipp City's heritage. Born November 27, 1839, Ahijah W. Miles is remembered most for his military experiences and his civic influence. In 1861 he was the first one to enlist from this vicinity, becoming a member of the 11th Ohio Regiment of the Union Army; participating in the battles of Bull Run, South Mountain, Antietam, Chickamauga, Mission Ridge, Rocky Face Ridge and was with Sherman on his "March to the Sea." Honorably discharged in 1865, Captain Miles continued to head the Tippecanoe unit to help quell coal mine riots in eastern Ohio and courthouse riots in Cincinnati. In 1872 he was appointed postmaster and served for at least twelve years; he helped organize and became the first cashier of the Tipp National Bank holding the position for 37 years; for 40 years he was president of the Board of Education; for 33 years he was secretary of the Monroe Building and Loan Association; secretary of the Maple Hill Cemetery Association for many years; treasurer of the village and Monroe Township and also of the Baptist Church, his place of worship. Captain Miles had been a member of the Tipp City F. and A.M. Lodge for 66 consecutive years, was past president of D.M. Rouzer Post of the G.A.R. and its last member to answer the final roll call. He and his wife, Mary C. Wesler, had four surviving sons; Harry J., Herbert L., Earl and Joseph R. who operated under the name Miles Brothers and made a special shutter that produced no flutter for the first news reel presented to the public and established the first film exchange (in New York and San Francisco). Widower Captain Miles married Jennie Kittering in 1882 but she died two years later. In 1887 he married Ada Herman Dunhalter and they had a daughter Kathryn, who was married in her father's home in 1917. Following a fall and at the age of 94, Captain Miles died Dec. 3, 1933, and was buried in Maple Hill Cemetery. His compatriots honored him—in 1932 when the Women's Relief Corps planted the Captain A.W. Miles elm tree (presented by Mr. and Mrs. Fletcher Bohlender of Spring Hill Nursery) on the school campus—on Grand Army Day by the Women's Relief Corps as the only living Tipp Civil War veteran—and daily with their affectionate nickname for him, "Hijie." This Historic Home burned completely in 1988. The new building now on that lot is the home of "La Galerie Des Soeurs."

For about thirty years the residence at 300 West Main Street was the home for Sarah Feightly (1829-1906). Following her death, and according to the instructions in her will, it became a home to accommodate

ladies in their later years. Since the acceptance of Grandma Keziah Lindsay as the first resident in 1906, improvements made in the structure (1908, 1926 and 1936) had increased the capacity from six to fifteen persons. Administration of the home was through Lutheran Social Services of the Miami Valley. This structure has since been sold and is now apartments.

A few other early Tippecanoe businesses have become known though their location is not: 1855—Miss Mary Turner, Millinery; Wheeler and Shellabarger, iron wagon patterns, horse shoes, hardware; Morrison and Rouzer, loaned flax and seed for sowing; Fred Huber butcher (daily market in 1871); 1869—J.L. Norris and Brothers, grain merchants opposite railroad depot; D.R. Ebright, manufacture of saddles, harnesses (Main Street); 1870—Henry Max, fresh bread and cakes from Troy, oysters, fish (near depot); 1871—Mrs. Mary Wesler, millinery; Clark, Dye and Company (distillers of wines), Rue P. Hutchins agent; Oyler and Martin, plasterers; V. Pearson, gun and whitesmith (one mile west); Tippecanoe City Tin Shop, J.F. Ebert; Brown and Cushwa became Cushwa and Snell; Messrs. Ford and Hamlet; Mrs. M.C. Driver, millinery and fancy goods (successor to Bradstreet and Darst near post office); 1873—J.A. Kerr, attorney; 1876—John H. Reichel, grocer; 1880—Ernest Koetitz, carpenter; Young G. McCool, shoemaker (for fifty-five years).

It was not long before many additions were made to the original plat. By 1851 the population had increased to the extent that the town was ready to be incorporated and maintain its own government. Receiving a charter from the state, an election was held on May 5, 1851, and the following officers elected: Mayor, Levi N. Booher, Councilmen, Henry Krise, Thomas Jay and Michael Shellenbarger; Treasurer, J.L. Wilcox; Recorder, E.T. Shields. On May 7th those gentleman took the oath of office, administered by Dr. A.B. Hartman, Justice of the Peace, and the first meeting of the municipal government was conducted.

The boundaries named in the charter reached from quite a distance east of the canal; west of the village of Hyattsville; and from north of Plum Street to south of Elm Street.

The neighboring town of Hyattsville had been established by Henry J. Hyatt in 1833, at the intersection of the Dayton-Troy Road (established in 1808) and the Springfield-Greenville Road (established in 1813). It did not develop beyond its original twenty-seven lots, although it maintained a post office, two stores, tavern, blacksmith shop and a church. Most of the homes were of log structure. The east and west street (now Main) was called Canal Street and the north and south one (now Hyatt) was their Main Street. In 1874 the citizens asked to be incorporated into the village of Tippecanoe, so that they might have better schools and other advantages. The Commissioners of Maimi County approved the annexation and also extensions of the village limits, including Hyattsville in the west.

In 1851 the first town improvement ordinance required property owners to provide sidewalks of brick or stone; these were replaced by cement walks in 1891.

The Calaboose. It was determined that there was need for a calaboose in 1860 and a frame building was erected on the west side of a alley between Main and Walnut Streets. Tippecanoe was a canal town and depended upon a very hardy human element to provide the service required for its operation and repair. These men were also bawdy and boisterous. Their recreation was mostly to be found in the taverns and bars in the town and inevitably they consumed too much liquor at times and became intoxicated. Whether they were arrested for that state or as a result of a brawl, they often found themselves incarcerated in the local jail. When they did not show up for work the next day, their friends simply brought the mules up from the canal, into the town and to the jail. Ropes were tied to windows or any available part of the structure that would allow it; and with the other end secure in the mules' harness, they urged the animals forward, taking with them a section of the jailhouse wall. The prisoners were freed and went with the others, back to the day's labor along the canal, leaving the damaged structure to be dealt with by a more responsible segment of society. Needless to say the calaboose was the best "kept-up" building in the town.

The streets of Tippecanoe were first lighted with gasoline lamps erected on Main Street in 1870. These were replaced with gas lights in 1890. After the completion of the local power plant, the lamp-lighter was discharged and electric lights illuminated the streets. (One newspaper described it as being bright enough to read a paper anywhere along the street!) Tipp City's light and power plant was established in 1897 at 325 East Main Street east of the canal. It furnished adequate power for the town and supplied other numerous advantages that would otherwise have been paid by taxes. After the conservancy system was organized in 1917, the power plant was moved to the new building at 230 North First Street. It was enlarged in 1952. By 1975 power needs for the community had multiplied and the generators could no longer supply even a part of it without considerable repair, so they were shut down. Dayton Power and Light Company now provides electricity for Tipp City.

In 1874 the City Hall was erected to function as a fire engine house, town hall, calaboose and to house city offices.

Twenty-six acres of land was acquired from Uriah Johns for a city park in 1884. The unusual wooden pavilion was designed and erected by Wilhelm Koetitz in 1887 and is unique in its architectural style as there are no center supports for the roof. Later picnic shelters were built; slides, swings and sand piles were provided for youngsters. Baseball diamonds were laid out on the east side, to be used by old and young baseball and softball groups. Soon after, the diamonds east of the canal were washed away by the 1913 flood. A football field was developed about 1947 and bleachers were built. A cooperative agreement between the city and school officials as to its maintenance and use. In 1955 a swimming pool and pool house were erected with enlargement following 1979 a swimming pool and pool house were erected with enlargement following 1979. Tennis courts were built in 1964. In 1978 additional land was purchased—the Moulton farm to the north. It contained buildings and two small shallow ponds and borders the river, containing much natural beauty. Plans are to keep it as a nature reserve with cooperative effort from the Miami River Corridor Committee. A smaller park with playground equipment was created by a stream in Hathaway Village in 1975.

The population of the town was modestly increased throughout its 150 years. The Census Bureau, at Washington, DC., shows the following figures: 1860 949, 1870 1,204, 1880 1,401, 1890 1,465, 1900 1,703, 1910 2,038, 1920 2,426, 1930 2,559, 1940 2,879, 1950 3,304, 1960 4,267, 1970 5,090, and 1980 5,595.

The town expanded as follows: Westedge-1952; Roselyn-1956; Hathaway-1968; Tippecanoe Village-1972; the Indian Village-1973; Cotton Wood-1989; Spring Hill-1989: Tweed Woods-1990; Windmere-1990; and Woodlawn-1990.

In 1967 a Charter Commission was elected to write a charter for the village government. The fifteen members were these: Terry Lee—Chairman; Tom Kyle Sr.—Vice Chairman; Stephen White—Secretary; Alva Parsons—Assistant Secretary; Roy Baker, Michael Barnhart, Don Bridinger, Wayne Brownlee, Fred D. Evans, Dale Kinnison, John Kistler, Russell Lehman, Charles M. Poston, Richard Teller and Richard Wunderlich. The finished document, securing and exercising all powers and benefits of self-government, was presented. The Charter, adopting the Council-Manager form of government was approved by the electorate in 1968, with updated amendments making it more effective in 1977.

After receiving the 1970 census verifying that the village of Tipp City's population had exceeded 5,000, the village officially became a city in 1971.

A Planning Board has functioned since about 1954 to review and advise on matters of zoning, annexation and subdivision.

Organized in 1969 Tipp Monroe Community Services now fulfills a vital role, not only in coordinating social services for residents, but also in maintaining the reservation schedule for the city's facilities.

The Tipp City Community Schools were established in 1971—reorganized in 1976. The passage of a 5 mill township levy for administrative costs established the financial foundation for the organization.

The Old Tippecanoe City Restoration and Architectural District was established by City Council in 1974. The area, which originally included Main Street from the east edge of town to the C&O Railroad and one block north and south, was extended in 1979 west on Main Street to one property east of Hyatt Street. The purpose of the board being "to preserve and maintain that unique character of historical Tipp City which reflects the best elements of the age and era of the founding of the community and the American heritage created by its early residents."

The Council Members of 1990 are Eugene Mize, president; Carl Suerdieck, Mayor; Jesse Chamberlain, Thomas Dysinger, Richard Geels, Brenda Ketchum, and Jack Hounshell. The present City Manager is Greg Horn.

ANOTHER TAX BREAK FOR THE RICH

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GEJDENSON. Madam Speaker, the majority leader yesterday in his response to the President focused on burden sharing.

I got back to my office today, and I found some of the burden sharing that the President has in store for us. The richest people in my State under the

President's proposal for a capital-gains cut will get a $32,000 tax break, and the rest of the people of the State are going to get a tax increase.

The President wants to tax blue-collar six-packs of beer. He wants to tax their gasoline. And then what does he want to do for the rich, the richest people in the country who have had a decade of tax breaks, he wants to give them one more $32,000 tax cut.

The Citizens for Tax Justice did an estimate in my State. The richest 6,800 people get a $32,819 tax break. Even those with incomes of $72,000 will only get a $68 tax break on this deal, but will end up paying more taxes because beer and gasoline and everything else is going to go up.

Madam Speaker, I would ask the President: When are we going to decide the rich have had breaks enough in this game? When are we going to represent the rest of the people in the budget summit and the tax policies of this country?

We cannot afford to give $32,000 of tax breaks to the richest 6,800 people in Connecticut and increase the taxes on everybody else.

BUSH CAPITAL GAINS LOOPHOLE: $32,819 TAX BREAK FOR THE 6,846 RICHEST CONNECTICUTERS

CONNECTICUTERS WHO EARN UNDER $72,000 GET ONLY $68 FROM THE BUSH PLAN—AND WILL FACE HIGHER TAXES TO PAY FOR THE WEALTHY'S LOOPHOLE

Citizens for Tax Justice today released a study showing that President Bush's proposed capital gains tax cut would give the richest 6,846 Connecticut couples an average tax cut of $32,819. In contrast, four-fifths of Connecticut's taxpaying families would get next to nothing from the Bush plan, but instead would face higher taxes to pay for the cost of this enormous new loophole for the very wealthy.

The average tax cut for the 6,846 richest Connecticut families—the top 1 percent in the state, with average 1990 incomes of $1,127,000—would be 485 times the average tax relief afforded the 547,654 taxpaying families who make up the bottom 80 percent of Connecticut married taxpayers.

"The President and his allies promise that giving a handful of your rich neighbors another huge tax break will help everybody in Connecticut," said Robert S. McIntyre, director of Citizens for Tax Justice. "This is the same fairy tale that voters all across America heard all through the 1980's, and look what happened: taxes on middle-class families went up, middle-class incomes stagnated and the rich just got richer. And meanwhile, the federal deficit ballooned."

"This time, people shouldn't be fooled again," McIntyre said. "Right now, the President is actively seeking higher taxes in the budget summit negotiations in Washington, D.C. If an elite group of the very richest people in Connecticut and around the country get gigantic tax cuts, we all know that middle- and low-income families will end up paying the bill."

CTJ's study showed that, under the President's plan,

The four-fifths of Connecticut families whose incomes are below $72,000 would receive an average capital gain tax benefit of only $68. Since most Connecticut families own no capital assets other than their homes, most actually would get no capital gains tax break at all.

TRIBUTE TO PHIL SOKOLOF, PRESIDENT OF NATIONAL HEART SAVERS ASSOCIATION

(Mr. HOAGLAND asked and was givern permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HOAGLAND. Madam Speaker, I am here today to celebrate the efforts of my constituent, Phil Sokolof, to prevent heart disease and to extend the life expectancy of Americans throughout the Nation.

Members will all remember that Phil not too long ago challenged American industry. He challenged McDonald's and the other fast-food chains to do what they could to reduce the bad fat content of fast food in America, and McDonald's responded, and other fast-food chains responded, much to their credit and much to Phil Sokolof's credit.

Today he is once again challenging Congress to do our part, and Phil is personally financing these full-page advertisements in papers here in Washington calling on the U.S. Senate to effectively move on a nutritional-labeling bill that we here in the House passed in July, a bill that will inform Americans, inform consumers of the fat content of all of these products that we consume, that we buy at the grocery store, so that we will be able in our private families and our private day-to-day activities avoid heart disease ourselves.

Madam Speaker, I am including this ad and asking that it be placed in full in the CONGRESSIONAL RECORD.

Madam Speaker, I ask the Senate to respond to this ad, and I hope that we can get this bill, H.R. 3562, and the Senate bill, S. 1425, passed with alacrity by the full Congress and to the President's desk.

[Advertisement from the Washington Post, Sept, 12, 1990]

AN URGENT MESSAGE TO SENATOR ORRIN HATCH OF UTAH

WHAT IS MORE IMPORTANT THAN THE HEALTH OF THE AMERICAN PUBLIC? OBVIOUSLY NOTHING!

Senator Hatch: Please! Cease your attempts to alter and dilute the landmark Nutrition Labeling and Education Act H.R. 3562/S. 1425 passed by the 435 Member House of Representatives.

This vital food labeling bill is endorsed by leading U.S. health experts and organizations. It will require that food companies identify precise amounts of saturated fat, cholesterol, sodium, sugar, calories, and state other important information. The barrage of misleading nutrition and health claims on food labels is an abuse that will be stopped.

Consumers are entitled to proper identification of food ingredients. This legislation is a giant step forward and will help Americans make the informed choices necessary to lead healthier lives.

The Senate stands ready to overwhelmingly pass this important and much needed legislation if you will only stop trying to change it.

Your endeavoring to rewrite the bill reflecting your personal interests will lead to its demise.

If the bill is not passed before Congress adjourns October 4, the Food and Drug Administration will soon enact weaker food labeling regulations. Court challenges will delay their implementation indefinitely.

The American public's opportunity to have a comprehensive food labeling bill may be gone forever.

Senator Hatch, if the Senate does not pass this bill, you will bear the responsibility. Allow this legislation to be enacted into law.

Sincerely,

PHIL SOKOLOF,
4601 South 76th Street, Omaha, NE.

INTRODUCTION OF INTELLIGENCE SEARCH PROCEDURES ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. MCHUGH] is recognized for 5 minutes.

Mr. McHUGH. Madam Speaker, today I have introduced H.R. 5588, the Intelligence Search Procedures Act, which for the first time would require a court order for physical searches conducted in the United States to obtain foreign intelligence information.

I believe it would surprise most Americans, including many Members of Congress, that such searches, including the surreptitious entry of the homes of American citizens, occur with some regularity—without a court order of any kind and without statutory authorization. Rather, these intrusive searches are approved on a case-by-case basis by the Attorney General pursuant to a Presidential authorization contained in Executive Order 12333, issued by President Reagan in 1981. The Executive order authorization is based on a claim by the executive branch that there is a national security exception to the fourth amendment. A U.S. court of appeals and a U.S. district court have held such searches to be within the President's constitutional powers, but there has been no Supreme Court decision on the issue.

Until 1978, a similar situation existed in the United States with respect to electronic surveillance conducted for foreign intelligence purposes. In 1978, a convergence of interests among the Congress, the executive branch, and civil liberties groups led to the enactment of FISA, the Foreign Intelligence Surveillance Act. FISA authorized and regulated electronic surveillance conducted in the United States for foreign intelligence purposes, and required, in most cases, that a court order precede such a surveillance. Some in Congress at the time voted for FISA because they believed the fourth amendment required a court order for all wiretaps. Others voted for it because, whether or not a warrant was constitutionally required, they believed the court order process would provide the best assurance against a recurrence of the many abuses that had occurred. Still other Members voted for it be-

cause of a desire to provide legal protection to FBI officials involved in carrying out electronic surveillance in the foreign intelligence area.

These arguments apply with even greater force to physical searches. A warrantless search of one's home is, in my opinion, more of an intrusion than a wiretap of one's telephone. Such searches led directly to the adoption of the fourth amendment. Justice Powell noted in the Keith case that "* * * physical entry of the home is the chief evil against which the wording of the fourth amendment is directed. * * *" *United States* v. *United States District Court,* 407 U.S. 297, 311 (1972). And Circuit Judge Leventhal, in one of the Watergate cases, cast doubt on the national security rationale for warrantless searches:

Indeed the cases motivating adoption of the fourth amendment struck down governmental claims of unregulated power to search for evidence of treason and sedition. No American case since has sustained the right to search a home or office without a warrant merely in the name of national security. Although the precise issue at stake here has not previously been raised, those cases dealing with espionage prosecutions, where the national security implications were evident, refused to tolerate any deviation from standard fourth amendment requirements. In expanding the basic protections of the fourth amendment, the wiretap cases have not simultaneously eroded the fourth amendment's general protections already clearly in existence. *U.S.* v. *Ehrlichman,* 546 F.2d 910, 934, (D Cir. 1977). (footnotes omitted.)

When FISA was adopted, then Attorney General Griffin Bell said it:

sacrifices neither our security nor our civil liberties, and assures that the dedicated and patriotic men and women who serve this country in intelligence positions will have the affirmation of Congress that their activities are proper and necessary.

I believe the same thing can be said of this bill. I also believe that whether or not the President has the constitutional authority to approve warrantless physical searches, and I don't think he does, sound public policy is best served by a carefully drafted statute authorizing such physical searches for intelligence purposes and requiring a court order, under standards and procedures similar to FISA, before such searches may be carried out. That is what my bill seeks to achieve.

Except in cases where the search is of diplomatic premises, or other foreign government premises, or in circumstances where a warrant would not be required for law enforcement purposes, a court order would be required to conduct physical searches in the United States to collect foreign intelligence information. The application for such an order would be presented to one of the seven judges of the Foreign Intelligence Surveillance Court which is made up of sitting district court judges designated for 7-year terms by the Chief Justice. The Government must show, among other things, that the purpose of the search is to acquire intelligence information and that the target of the search is an agent of foreign power or a foreign power as defined in FISA. Since the purpose of the search is intelligence collection, not prosecution, some of the procedures and standards are different from those used to obtain a regular law enforcement search warrant. Thus, no notice is required to be given to the target, a criminal offense need not have occurred, and the proceedings are conducted in secrecy. However, if the agent of a foreign power whose property is to be searched is a U.S. citizen or permanent resident alien, there must be probable cause to believe that he is "engaged in clandestine intelligence gathering activities on behalf of a foreign power" and that such activities involve or "may involve" a criminal offense.

There are other, detailed provisions, all of which are based on 10 years of experience under FISA. When FISA was enacted the report of the Permanent Select Committee on Intelligence noted:

Although it may be desirable to develop legislative controls over physical search techniques, the committee has concluded that these practices are sufficiently different from electronic surveillance so as to require separate consideration by the Congress. The fact that the bill does not cover physical searches for intelligence purposes should not be viewed as congressional authorization for such activities. In any case, any requirement of the fourth amendment would, of course, continue to apply to this type of activity.

I believe it is time to address this important issue. For too long the intelligence committees, because of the complexity of the issue and lack of support from the executive branch, have avoided its consideration. At the same time, however, the committees have, for several years, received semiannual briefings on those physical searches conducted without a court order, and have stated no formal objection to the practice. If we do not approve of warrantless searches, we should enact appropriate legislation before our inaction is taken by the courts as a sign of support.

I, for one, do not approve. Continuing acquiescence in warrantless searches is unacceptable. Regardless of the honesty, legal skill, or good intentions of an Attorney General, he or she will always be part of the process with a stake in the outcome. As Justice Powell noted, the fourth amendment is predicated on a different principle:

The fourth amendment does not contemplate the executive officers of Government as neutral and disinterested magistrates. Their duty and responsibility are to enforce the laws, to investigate, and to prosecute. But those charged with this investigative and prosecutorial duty should not be the sole judges of when to utilize constitutionally sensitive means in pursuing their tasks. The historical judgment, which the fourth amendment accepts, is that unreviewed executive discretion may yield too readily to pressures to obtain incriminating evidence and overlook potential invasions of privacy and protected speech. *United States* v. *United States District Court,* 407 U.S. at 315 (citations and footnotes omitted).

I recognize, of course, that the bill I introduce today cannot be enacted in the few remaining days of the 101st Congress. I hope, however, that it will engender serious discussion, and that early in 1991, building on hearings conducted in May by the Subcommittee on Legislation of the Permanent Select Committee on Intelligence, which I chair, the new Congress, the administration, and civil liberties groups can agree on a measure that will once and for all end the practice of warrantless searches. Clearly, there are differences now among these groups, and within the Congress. However, I hope that they can be worked out.

The administration, apparently, would support a bill that would permit, not require, it to seek court orders for intelligence searches on the theory that such a practice would preserve its views on Presidential power. Interestingly, no security or operational objections have been raised.

Others, especially those in the civil liberties community, have problems with the notion that these searches, especially of the residences of American citizens, should proceed pursuant to standards and practices less rigorous than those applicable to law enforcement search warrants, even if there is a court order. I find merit in many of their arguments. However, I believe that the benefits of judicial scrutiny of the authorization of intelligence searches outweigh the need for the imposition of the full range of procedures now applicable in criminal proceedings.

In the next few months, it will be up to the Intelligence and Judiciary Committees, working closely with the administration and others, to fashion a bill that, building on the successful FISA model, will advance the cause of civil liberties while permitting the conduct of necessary intelligence activities. I think it can be done.

INTRODUCING LEGISLATION FOR RESERVISTS' HOUSING ALLOWANCE

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Pennsylvania [Mr. GEKAS] is recognized for 5 minutes.

Mr. GEKAS. Madam Speaker, today I am introducing legislation that will allow our Reserves to be paid housing allowances, something which they would be deprived of if we did not venture forth with this legislation.

As Members know, Madam Speaker, the President of the United States has called up some 25,000 Reservists in all branches of the service, yet he has called them up for only 90 days. Under the current legislation, those individuals cannot be accorded housing allowances, basic housing allowance, basic housing allowance for quarters or BAQ as it is called.

That is patently unfair. Our Reservists who leave our neighbors and their jobs, leave their families to go to serve in this exercise in Saudi Arabia, even if they are stateside, leave behind mortgages to pay, rents to pay, and all kinds of other obligations in the service of our country. It seems to me that we ought to, for at least the Saudi Arabian exercise, give the right to these Reservists to be able to be eligible for basic allowance for quarters, or housing allowances, even though they do not come in under the provision of

the regulation that says a Reservist cannot be eligible for these benefits unless he has served 140 days. I believe that the 90-day sacrifice that these Reservists are making should make them eligible for the housing allowances, and thus help their domestic situation, their home and family situation through the time they have to serve as Reservists.

Who knows, they may have their 90 days extended another 30 days or 60 days or 90 days beyond that. Therefore, we ought to put them in a stable condition so that they will know that their families will have this extra help that would come forth through the basic allowance for quarters, or housing allowances that now go to Reservists who are called up for a bigger period of time. This is a good first step in recognition of the fact that our Reservists are playing an important role in the Operation Desert Shield, and we ought to treat them just as valiantly as we are trying to treat the Armed Forces who are actually on the battlefield, which we hope never gets hot, hotter than the desert Sun itself.

Therefore, I am hoping for cosponsorship, and I invite the Members to join in to help our Reserves.

ON DEPOSIT INSURANCE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. LEHMAN] is recognized for 5 minutes.

Mr. LEHMAN of California. Madam Speaker, today I join with my colleague from Wisconsin [Mr. KLECZKA] in introducing comprehensive deposit insurance reform legislation. Known as the Deposit Insurance Modernization Act of 1990, this legislation is in response to the critical need to reduce the exposure of the Deposit Insurance Funds to further risk.

When Federal regulators took over NBW—the District of Columbia's oldest bank—on August 1, deposit coverage was not limited to $100,000. Instead of shutting the institution down which would have wiped out depositor's funds in excess of that amount, the OCC kept the institution open giving big depositors and businesses adequate time to move their checking accounts elsewhere. The FDIC has taken the same rescue tactic in 174 of 206 cases during last year.

The three insurance funds BIF and SAIF managed by the FDIC and one by the National Credit Union Administration, protect $2.9 trillion in insured deposits in about 30,000 banks, thrifts, and credit unions. This only includes accounts under $100,000. If we continue to abide by the practice of protecting all deposits, that amount could extend to $4 trillion.

As this chart shows, the three funds hold only $15.1 billion in reserve, or about one-half of 1 percent of total insured deposits. In 1988 and 1989 alone, FDIC reserves fell by $4 billion as a result of the failure of more than 400 institutions. Clearly, the bank insurance funds is seriously threatened and it's possible one major bank failure could devastate the system.

That is why it is important to act soon. Today Congressman KLECZKA, and I introduced legislation reducing the potential liability of the Federal Government—and the taxpayer—for losses from the deposit insurance funds. Key to this proposal is a limitation on deposit insurance to $100,000 per person beginning in 1992. In addition, a haircut—or reduction in coverage—is imposed on deposits between $50,000 and $100,000. Only by abandoning policies that protect uninsured accounts can we exert market discipline and limit risk-taking at financial institutions.

Other important elements of our legislation seek to restrict some of the practices which have made the insurance funds vulnerable. Pass-through deposit insurance protection (fund participants that have interests in BIC's—or bank insurance contracts threatens the stability of the funds—as do brokered deposits. Coverage for these activities is eliminated under our proposal.

Risk-based premiums are also called for in our proposal, as well as disclosure of an institution's CAMEL rating to any consumer who requests it. These two provisions will help to impose greater discipline on institutions likely to participate in risky activities. Finally, because foreign deposits are usually covered in bailouts, our bill seeks to include them in the assessment for premiums.

We were taught many lessons in our effort to resolve the thrift crisis last year. One of the most important was to be alert to the future and the potential for losses in the insurance system. FIRREA was one of the most significant pieces of legislation to be reported in recent history, but it was not enough. It was merely the first step in the long road to creating a safe, secure, and solvent financial system.

As a recent GAO report indicates, the bank insurance fund ended 1989 with a net loss of $852 million, reducing its balance to $13.2 billion; 35 additional banks are in severe jeopardy of failing resulting in an estimated cost to the fund of $4 to 6 billion. GAO concludes that a severe recession could lead to another taxpayer bailout.

This proposal does not have all the answers. There are still several questions left unanswered. Primarily—can the "too big to fail" policy be effectively eliminated? We cannot begin to solve banking the problem instantaneously. Forthcoming hearings in the Banking Committee will help us to better understand how to resolve this issue. I hope this proposal, in addition to others offered by different sources, can provide some a foundation for reform or our deposit insurance system.

As a member of the committee, I look forward to the upcoming debate and hope we can work as expeditiously as possible further erosion of the Deposit Insurance Funds.

□ 1900

Madam Speaker, I yield now to the gentleman from Wisconsin [Mr. KLECZKA] who has worked so hard along with me to make this bill today possible.

Mr. KLECZKA. Madam Speaker, first of all, let me thank my friend, the chairman of the House Banking Subcommittee on Consumer Affairs and Coinage, for yielding, and commend the gentleman for his work on this legislation.

The purpose of this bill is to limit liability in the Federal deposit insurance system, mainly by reducing the exposure of the Federal Government and its taxpayers to losses.

If the deposit insurance fund for banks collapses in the event of a recession, as the GAO suggested this week could happen, the billions we poured into the S&L crisis will seem like a small downpayment.

As my California colleague indicated, there are now $2.9 trillion in federally insured accounts, with only a combined $15.1 billion available in all of the various deposit insurance funds. Since the taxpayer picks up the difference in the event of a collapse, as we found with the S&L fund, we clearly ask the taxpayer to assume too much risk.

My colleague pointed out that our bill limits deposit insurance coverage to one $100,000 account per person.

To many people who may be looking at this problem for the first time, this may sound like a restatement of current law. It most definitely is not. Contrary to popular understanding, the law now requires the Federal Government to provide deposit insurance up to $100,000 per account, per individual, per institution, so if in fact you had $1 million, you would divide that into 10 $100,000 accounts and the taxpayers would pay for a billion dollar liability, instead of only $100,000.

The actual effect of this limitation on individual savers around the country would be minimal.

As my chart shows, a recent survey by the Independent Bankers Association of America indicates that 76 percent of the population—three out of every four people—have accounts totaling $50,000 or less. Roughly half the population has accounts of less than $10,000.

There are indications that even fewer people may be affected. I would like to share with my colleagues some data on this matter provided today to the House Banking Committee by the Federal Reserve Board.

According to their 1983 Survey of Consumer Finances, only 1 to 1.5 percent of all U.S. households held account deposit balances in excess of $100,000. That data is now being updated.

However, the chart and the figures by the Independent Bankers Association indicate that approximately 6 percent of savers have accounts of $100,000.

This measure also requires Federal financial regulators to establish a risk-based deposit insurance system which sets insurance premiums based on the safety and soundness of the insured institution and the type of activities engaged in by that institution.

The current system assesses the same deposit insurance premium to well-run institutions as it does to those run by highfliers. The current system doesn't provide any incentive not to engage in risky activities. As the FSLIC catastrophe showed, often institutions which pay the highest yields are those which are candidates for collapse. Desperate for funds, they pay a higher than market rate for big-ticket, insured accounts.

A risk-based premium would measure the risk of assets, as well as liabilities, since the risk to the insurance funds clearly derive as much from the asset as they do to the liability. We must reform a system in which profits, in the form of very high yields, are privatized, while losses, which accrue to the taxpayer when an institution fails, are socialized.

Another key provision of this legislation provides for the assessment of foreign bank deposits, an action which I have strongly advocated as a member of the House Banking Committee.

In September 1989, foreign deposits of American banks, which are insured de facto under the "Too Large to Fail" doctrine now embraced by Federal regulators, totaled $331 billion. Even though these deposits are effectively backed by our deposit insurance system, the banks which hold them—and most of them are very large—do not pay a nickel on these deposits to the FDIC insurance fund.

If these deposits were assessed at the current premium rate, FDIC receipts would increase by $400 million a year. As the basic assessment rate rises, FDIC could expect an annual increase in income of half a billion or more every year.

To establish a new discipline in our system of deposit insurance, the financial condition of a bank must be made known to individual customers.

The Federal regulators have devised a system—popularly known as the CAMEL system—which provides guidance in this area. The ratings which regulators currently use should be shared with those who pay the bills in the event of a failed institution—the taxpayer. In a major consumer protection provision, that is what this bill provides.

By adopting the reforms included in this bill, we can begin to limit the liability to taxpayers when it comes to deposit insurance, while protecting the interest of the overwhelming number of average depositors.

This legislation, in tandem with H.R. 1531, a bill I introduced earlier in this Congress to provide for a single, well-capitalized deposit insurance fund, would ensure the health of the deposit insurance system. In addition, it would provide greater protection to taxpayers from the type of losses we are experiencing in the savings and loan crisis.

Madam Speaker, today I am introducing, along with my good friend and Banking Committee colleague Representative RICK LEHMAN of California, legisation which will limit liability to the taxpayer in our deposit insurance system while guaranteeing the deposits of the average person.

This legislation will initiate debate on overdue changes in our taxpayer backed deposit insurance system which is now showing strains of collapsing under its own weight.

The bill would:

First, limit deposit insurance coverage to one $100,000 account per person. Current Federal law provides deposit insurance coverage on multiple $100,000 accounts for each individual.

Second, covered accounts would be 100 percent insured for the first $50,000, and 90 percent of the next $50,000, up to a maximum of $100,000.

Third, Federal financial regulators would be required to establish a risk-based deposit insurance system which sets insurance premiums based on the safety and soundness of the insured institution and the type of activities engaged in by that institution.

Fourth, Federal deposit insurance for bank investment contracts, or "BIC's" in amounts more than $100,000 would be eliminated. Pension fund used of these financial instruments has resulted in deposit insurance coverage of accounts of $1 million to $100 million, on the premise that coverage "passes through" to each pension plan participant.

Fifth, federally insured institutions would be required to disclose to customers the rating used by Federal regulators in determining the soundness of an institution, or a similar rating compiled by a private company.

Sixth, to increase receipts to the deposit insurance funds, foreign as well as domestic deposits would be included for purposes of assessment for deposit insurance premiums.

Seventh, brokered deposits would not be allowed. Deposit brokers typically take multimillion dollar investments, break them up into chunks of $100,000 or slightly less, and invest them in federally insured institutions paying the highest yield.

Let me describe in detail the various parts of this comprehensive proposal.

To limit losses to the taxpayer, the Federal Government should provide protection to savers only on one $100,000 account.

While this may sound like a restatement of current law, it most definitely is not. Contrary to popular understanding, the law requires the Federal Government to provide deposit insurance up to $100,000 per account, not per individual.

Frankly, we cannot afford to provide such extensive coverage. The Federal safety net was originally designed to protect the smaller savers.

The most eloquent rationale for this protection was included in the Committee Report on the New York Assembly bill which established the Nation's first deposit insurance system in 1928. It said:

> The loss by insolvency of banks falls upon the farmer, the mechanic and the laborer, who are least acquainted with the condition of banks, and who, of all others, are most illy equipped either to guard against or sustain a loss by their failure.

Those ill-equipped to sustain a loss due to a bank failure should be our concern. Providing $100,000 in deposit insurance coverage per person protects those interests. The interests of others, who are better equipped to provide their own protection, should not be a Federal priority, especially as the estimates of the long-term cost of the FSLIC crisis continue to rise.

While the FDIC is not now able to provide data on the number of persons who hold multiple accounts in excess of $100,000, a recent survey by the Independent Bankers Association of America sheds light on the subject.

In a scientific nationwide survey, the IBAA asked 838 respondents this question: "In all your savings and checking accounts, including CDs, money market accounts and IRAs, approximately how much do you currently have in total?"

Of those who responded, 6 percent, or roughly 1 person out of 17, said they had accounts totaling more than $100,000. Seventy-six percent had accounts totaling less than $75,000.

For most persons with more than $100,000 in deposits, private insurance—supplemental to the $100,000 basic coverage—would be appropriate. While there are skeptics about the possibility of developing such insurance, I am convinced that congressional action to limit Federal coverage to $100,000 per person would spur the development of a private deposit insurance industry.

It is worth nothing that the respected private sector bank rating firm, Veribanc, has examined the actuarial basis for private sector coverage of non-federally insured funds at banks. The findings indicate that widespread "excess FDIC" coverage could be written quite economically, if based on financial indicators of an institution's risk. A break-even insurance premium for banks rated by Veribanc as "Green, Three Star Banks," or roughly four out of five banks, would be $30 per year per $100,000 deposits.

The development of a system of supplementary, private deposit insurance for

amounts over $100,000 would have a singularly positive effect on our current system of deposit insurance.

As the FSLIC catastrophe showed, often institutions which pay the highest yields are those which are candidates for collapse. Desperate for funds, they pay a higher than market rate for big-ticket, insured accounts.

According to the April 27, 1990 American Banker, the highest retail, 6 month certificate of deposit yields offered on April 18, 1990 were as follows:

	Percent
Connecticut Bank and Trust, Hartford	9.00
Columbia S&L, Irvine, CA	8.87
Citytrust, Bridgeport, CT	8.84
Marine Savings Bank, Portland	8.78
Bank of New England, Boston	8.75

Of these five institutions, only Citytrust, of Bridgeport, CT, received other than the lowest rating by Veribanc, Inc.

What do we know about the low-rated institutions which pay such very high rates for funds, knowing full well that the taxpayer will pick up the tab on these CD's in the event of failure? And what do they have in common?

According to a computer analysis published in the May 30, 1990 USA Today, the three banks paying the highest yields were among the Nation's problem banks as of December 31, 1989.

Connecticut Bank and Trust, with $4.4 billion in assets, had 49 percent of its loans tied up in real estate in a softening real estate market. The bank's problem real estate loans as a percentage of capital and loan loss reserves equaled 78.6 percent. Nationwide, the average percentage of problem real estate loans was 15.4 percent.

The Bank of New England, with $14.3 billion in assets, has 32.4 percent of its loans in real estate. Its problem real estate loans as a percentage of capital and loan loss reserves equaled 103.5 percent.

The $1.54 billion asset Maine Savings Bank, with an astounding 86.8 percent of its loans committed to real estate, has an even more astounding 438 percent in problem real estate loans when measured against capital and reserves.

Finally, the fourth institution paying a high yield on deposits, Columbia Savings and Loan, Irvine, CA, is also shaky. With $9 billion in assets, it holds substantial amounts of junk bonds.

Under our current system, the Federal Government encourages deposits in these institutions, rather than more prudently run enterprises, through an open-ended system of deposit insurance. Limiting deposit insurance coverage to $100,000 per person would be step toward curbing a system in which profits, in the form of very high yields, are privatized, while losses, which accrue to the taxpayer when an institution fails, are socialized. This measure also requires that Federal regulators institute a system of risk-based deposit insurance by the end of 1991. The current system assesses the same deposit insurance premium to well-run institutions as it does to those run by high-fliers. This provides a perverse incentive to engage in risky activities. A risk-based premium would measure the risk of assets, as well as liabilities, since the risk to the insurance funds clearly derive as much from the asset as they do to the liability.

The numbers tell the story about why we must reduce taxpayer exposure in our deposit insurance system. At year end 1989, federally insured accounts in banks, savings and loans, and credit unions totaled $2.9 trillion—a staggering amount of federal liability. To cover that exposure, the combined amount of funds available from the bank insurance fund, the savings association insurance fund and the National Credit Union Share Insurance fund was a paltry $15.1 billion. That's $2.9 trillion in exposure, with only $15.1 billion in reserve.

To further limit losses to the taxpayer, we should take a step toward making our system of Federal deposit insurance look more like an actual system of insurance. Specifically, a 10-percent deductible for amounts insured above $50,000, up to $100,000, is part of this bill.

Mr. Speaker, the president of a very well run Wisconsin savings and loan, who has long been an advocate of this "haircut" approach to the establishment of a financial discipline in Federal deposit insurance, reminded me of a quotation by financier Bernard Baruch. He noted that "the return of your money is more important than the return on your money." For larger depositors, this should be the operating principle, but under the current system, it is not.

Under our legislation, 76 percent of all depositors, according to the IBAA figures, would have accounts 100 percent insured. The individual who seeks insurance on a $100,000 account would face a maximum deductible of $5,000. The effect of this tiered approach for the largest insured depositor is an effective 5-percent deductible.

The bill would also rein in a runaway expansion of the system of Federal deposit insurance which has occurred as a result not of congressional policy, but through administrative action. I refer to the policy by the FDIC in recent years which extends Federal deposit insurance coverage in for large-scale deposits of pension plans of $1 million to $100 million.

Banks have argued that the deposit insurance coverage "passes through" to individual participants in the plan. These participants, of course, do not have immediate access to their money, nor have they chosen to open accounts at a particular federally insured institution. If that institution fails, however, the taxpayer must pick up the tab for millions upon millions—all from a single account. By extending blanket coverage to such accounts, the Federal Government relieves the pension fund from the necessity of conductig a diligent review of the safety and soundness of a particular institution. This legislation would end this unsafe and unsound practice.

To establish a new discipline in our system of deposit insurance, the financial condition of a bank must be made known to individual customers. The Federal regulators have devised a system which provides some guidance in this area. The ratings which regulators use should be shared with those who, ultimately, pay the bills in the event of a failure of an insured institution—the taxpayer.

Formally known as the Uniform Interagency Bank Rating System, the more comon name for the ratings is CAMEL. Five factors make up the acronym: capital adequacy, asset quality, management, earnings and liquidity. Each factor is rated on a scale of 1 through 5, with 1 being the most favorable. Combining the five factor ratings brings about a composite rating of 1 through 5, with 1 indicating an institution sound in nearly every aspect and 5 indicating an institution with a high probability of failure in the near term.

This legislation simply provides that, upon request of any consumer, any insured depository institution shall disclose the Federal safety and soundness rating. That disclosure shall include a description of the meaning of the CAMEL composite rating. In addition, the insured institution would be required to disclose the safety and soundness rating by any private organization which compiles such ratings, if approved by the appropriate Federal banking agency.

The effect of this very pro-consumer, marketplace oriented provision should be profoundly positive. I am certain those insured institutions which are rated highly by the regulators will make that known in their advertising, as well they should. Those which are not will have a powerful incentive to increase their soundness, and thereby their rating, an incentive which the deposit insurance system unaccountably lacks.

Finally, the legislation would ban brokered deposits.

High yield deposits in shaky financial institutions are not the sole cause of our deposit insurance crisis, but they certainly contribute to the overall cost. Consider the following examples of institutions which failed which made use of funds supplied by deposit brokers in search of high yields.

Alaska National Bank of the North, Fairbanks, AK, had $200.2 million in deposits when it failed in October, 1987. Of this amount, $66.8 million were in brokered deposits.

Resource Bank of Houston, which failed in December, 1988, had $43.1 million in deposits. Thirteen million of these were in brokered deposits.

First Service Bank for Savings, Leominster, MA, had $678.6 million in deposits when it failed in March 1989, of which $315.2 million, or nearly half, were brokered deposits.

The law now requires the taxpayer to bail out these deposits just as it extends protections to the average depositor. A recent study found that of the 50 most expensive thrift resolutions in 1988, 36 had more than twice the industry average proportional holdings of brokered deposits.

As an article on the collapse of the savings and loans in the September, 1990 Washington Monthly notes:

Other evidence indicates that big investors accounted for an even greater share than that of the funds in collapsed S&L's. According to Tom Schlesinger of the Southern Finance Project, a group that is doing the hard work of sifting through the records of failed thrifts, "In many instances the biggest institutions that have been bailed out have deposits of $80,000 or more accounting for 30, 40 or 50 percent of deposits. That money could have been brokered or it could have come in direct, but one thing's for sure: It didn't come from small savings. It came from investors hunting for high interest—interest that we're now

paying off through the bailout. According to Schlesinger, brokered deposits at these thrifts account for 25 to 40 percent of all funds.

Madam Speaker, by taking the steps included in this legislation, we can begin to limit the liability to the taxpayers when it comes to financial deposit insurance, while protecting the interest of the overwhelming number of average depositors.

This legislation, in tandem with a bill I introduced earlier in this Congress to provide for a single, well capitalized deposit insurance fund and a single, strong financial regulator (H.R. 1531) would ensure that those who pay the bills—the taxpayers—will be calling the shots and, in the short-term as well as the long, wil' be getting their money's worth.

I urge my colleagues to support the Deposit Insurance Modernization Act of 1990.

Mr. LEHMAN of California. Madam Speaker, I thank the gentleman and look forward to the debate.

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JAPAN REFUSES TO RECOGNIZE ITS RESPONSIBILITIES FOR PEACE AND FREEDOM

The SPEAKER pro tempore (Mrs. UNSOELD). Under a previous order of the House, the gentleman from Ohio [Mr. MCEWEN] is recognized for 5 minutes.

Mr. MCEWEN. Madam Speaker, moments ago, during the debate on whether or not we should precipitously withdraw troops from Japan and Korea, time was allotted to me, and due to obligations outside the Chamber I was unable to make the points that I would like to make at this time.

On behalf of those who are following this debate and, perhaps, reporting it, I would like to focus, first of all, on Japan.

Madam Speaker, currently it costs us about 50 cents out of every dollar that goes for defense to maintain our defense forces. That is the cost of housing, and retirement and wages. Half of it goes for military weaponry, as well as the fuel necessary to have the ships steam and to fly the aircraft. Curently the contribution by the Japanese to our troops being stationed there, whether it be the Marines, or whether it be the combined base in Masawi, or the Air Force base on Okinawa and the others, the current contribution by the Japanese is about 50 cents on every dollar that is spent.

In other words, Madam Speaker, the defense of the Northern Pacific is equally shared.

However, during the end of 1991, due to the result of the negotiations recently completed, it is expected that the Japanese will contribute about 60 cents out of every dollar that is spent by the American Armed Forces in Japan.

Now let us just walk through that again just for a moment. Sixty cents out of every dollar contributed by the Japanese says that, not only are they contributing all of the necessary costs of housing and host nation maintenance of the facilities and the other burdens of maintaining a military force, but by moving beyond the 50-percent point, up into the 60-40 relationship, they are contributing funds that will be used for the actual salaries of America's defense forces.

Logical conclusion from that is this: That if we were to withdraw those personnel and remove them to the American shores, not only would we accept the burden and responsibility of maintaining the aircraft and the other facilities, which would increase costs, but also we would have an additional burden for their salaries.

In other words, America could not afford to maintain those personnel in the military force if they had to be stationed here.

Therefore, Madam Speaker, it is in Japanese interests, it is in world interests, it is in the interest of peace and in the interest of the United States that we maintain this relationship.

Now there is a great deal of hostility toward the Japanese because of their lack of cooperation in the Middle East, and I will talk about that next, but the follow-on amendment had to do with Korea.

As my colleagues remember, in Korea, in 1953, the 38th parallel, the demilitarized zone established north of that, is North Korea, which is Communist headed by Kim Il-song, who is well into his seventies, is the last of the Fidel-Stalin dictators that has a desire to use his military might to overrun his neighbor to the south, as he has attempted to do in the past and cost 35,000 American lives under the leadership of General MacArthur in order to keep the South free. Kim Il-song is of the ilk of Mr. Hussein. In fact, we know that there has been a great deal of communication between Mr. Hussein and Kim Il-song in the last 6 weeks. In fact, it was at some of the instigation of Mr. Hussein that troops were repositioned on the border over the last 3 weeks to simulate the potential for an attack into South Korea, and various defense measures had to be taken, which I need not go into except to say that to presume that the threat in these final waning death throes of communism under a dictator whose days on this Earth are numbered is unwise to presume that that threat has totally dissipated because it has not. I believe it will shortly, but in the moments presently before us it is important for us to stand with our friends in the south of Korea.

However, Madam Speaker, I do not believe that it is our responsibility to carry the burden alone, and, therefore, under Nunn-Warner 7,500 troops will be withdrawn over the next 24 months, and then we will go to phase 2, and we will make that decision then. It would be unwise for us now in the Congress at this moment, late in the evening, on a Wednesday night, during the course of budget negotiations, to renegotiate all of this so precipitously, and the Congress was wise, the House was wise, in refusing to do so by such overwhelming margins.

Final point: As I said, the Congress is distressed with Japan, and rightfully so. We are in a difficult time in which the United States is the only economic, military, and political power on the planet.

Has to lead: President Bush has done it in an unprecedented fashion. He has brought the Soviets, he has brought the Arab nations, he has brought the free nations of the world together to stand together against tyranny in Iraq.

We turn to our allies and ask for help. Korea responded within 24 hours. Said, "You need a lift? We'll give you 747's." Do you need assistance on the seas? We will give you access to our marine fleet." The Koreans said to the United States immediately, "You can have all that you request. Anything that you need is open to you," and so we were able to negotiate some flights, and I think it was a fair arrangement, and we are grateful to them.

The Japanese, however, chose not to participate. They immediately hide behind the 1-percent restriction that is established in the Constitution that was imposed upon them by General MacArthur, and they say, as my colleagues know, "We cannot engage in any military activity," but my colleagues and I know the fertile capacity of the Japanese to find opportunities to serve, if they choose, and they could have used their resources rapidly to send air-conditioners, to send military supplies, to send access to the massive marine lift fleet that the Japanese possess. They could have done something if they had chosen. For 32 days they have chosen to do nothing.

Finally, last week, while three of us were visiting with the various leadership in the Government, they agreed to a $5 million package, a billion in cash, and then the various other credits, especially to Jordan and some others.

I believe they could and should do more, and, as I told the leadership last week, very simply the United States and the free world are watching. Japan will define its role in the world over these next 30 days.

We know that we have competitors in the Pacific. We know about Singapore, we know about Taiwan, we know about Hong Kong and Korea. We know about Japan. We know we have competitors.

We also like to have friends and allies. Britain is a friend and an ally. It

has no reason to send troops to the Middle East. It has North Sea oil. It is increasing return to Britain because of the increase in the price of oil. They are standing jointly with us because we are friends and allies, and we stand for a common cause. Korea stood with us because they stand for a common cause. The 26 Arab nations and other allies in the Middle East and the African region are with us because we have a common cause.

Japan is choosing for itself. Is it going to be viewed in the world as a vulture? Is it going to be viewed solely as a competitor? Is it going to sit back and let the rest of the world do what has to be done and then wait to swoop in for the pickings? Or will it be an economic and geopolitical leader in the future?

Madam Speaker, only Japan can conclude that, and I would say that even though there was great justification for opposing the amendment today, and I did, that I would say to our Japanese friends that they need to understand that all Americans, indeed all of us in the free world, are becoming increasingly frustrated at a great economic power that refuses to recognize its responsibilities for world leadership for peace and freedom. We have paid much for them, and they should contribute as well.

THE PATENT COMPETITIVENESS AND TECHNOLOGICAL INNOVATION ACT

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Wisconsin [Mr. KASTENMEIER] is recognized for 5 minutes.

Mr. KASTENMEIER. Madam Speaker, today I am introducing an omnibus bill—entitled the "Patent Competitiveness and Technological Innovation Act of 1990"—the purpose of which is to benefit the American public by improving this country's patent law.

Congress, as the guardian of the rights of the people, has the constitutional responsibility to address the ethical, economic, social, environmental, and public health issues that are raised by technological changes in our society. My subcommittee—the Subcommittee on Courts, Intellectual Property, and the Administration of Justice of the House Committee on the Judiciary—has jurisdiction over this Nation's intellectual property laws, including patent, copyright, and trademark law, a legislative means to promote, protect, and stimulate technological advances.

Earlier this year, we celebrated the 200th anniversary of our first patent law. As part of our tribute, we reviewed how our current patent laws are serving our country in the face of advanced and rapidly changing technologies. From the very beginning, patent law was designed not to serve the interests of inventors, but to serve the public interest. The U.S. Constitution confers broad authority on Congress to create, amend or expand this Nation's intellectual property laws: "The Congress shall have power * * * To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." This constitutional provision does not grant any automatic right to inventors. Rather, it grants the responsibility and power to Congress to determine when and under what circumstances Congress should extend exclusive rights to inventors.

The framers envisioned that Congress would balance the public interest and the proprietary rights of creators. Congress struck that balance when it enacted the first patent and copyright laws in 1790 and in the interim when making changes in those laws. Our patent laws have been significantly updated three times, in 1793, 1836, and 1952, and have been sufficiently flexible to encompass new technologies of the 20th century.

If enacted, the Patent Competitiveness and Technological Innovation Act will significantly amend this Nation's patent law. The proposed legislation is composed of five titles, each containing distinct improvements to current law.

I would like to provide a brief description of each title. But first I would like to thank my colleagues who have cosponsored the measure: Mr. SYNAR, Mr. BRYANT, and Mr. SANGMEISTER, who are members of my subcommittee; and Chairman ROE, Mrs. LLOYD, and Mr. SCHIFF of the House Committee on Science and Technology.

Here is a discussion of the five titles of the bill.

TITLE I—PATENTS IF SPACE.

Title I of the bill is the Patents in Space Act. Americans have made important gains and discoveries in space at great risk and cost to the American people, including the loss of American lives. Now we must act to assure that scientific advances in space are protected. Title I of this legislation is essential to protect American inventions in outer space.

I introduced slightly different versions of the Patents in Space Act in the 99th, 100th, and earlier in the 101st Congress. The Subcommittee on Courts, Intellectual Property, and the Administration of Justice has held extensive hearings on the proposal. The bill passed the House in the 99th and 100th Congresses and passed the Senate for the first time in this 101st Congress under the leadership of Senator DECONCINI.

The Patents in Space Act is simple and noncontroversial. It has the support of the administration, through NASA and the Commerce and State Departments, and is supported by interested parties in the private sector.

This act states that inventive or other activities which occur in outer space on board U.S. space vehicles—including both shuttle and any space stations—shall be treated for patent purposes as though these activities occurred within the United States. Specifically, the bill amends the patent law by adding a new section 105 to title 35 of the United States Code, which provides that an invention made, used or sold on space vehicles under the jurisdiction or control of the United States shall be deemed to have been made or used within the United States.

This legislation provides a clear, definite and understandable set of rules for determining when and how U.S. patent law applies in outer space. This clarification serves to enhance the commercialization of space and to encourage investors in the space shuttle and future space stations or platforms to commercially utilize space. This clarity has also become important in international agreements dealing with cooperative activities in outer space, such as the Intergovernmental Agreement for Space Station Freedom. The legislation is also necessary to implement certain intellectual property provisions in the Intergovernmental Agreement for Space Station Freedom.

TITLE II—TRANSGENIC ANIMAL PATENT IMPROVEMENTS

Title II of the bill is the Transgenic Animal Patent Improvement Act. It resolves the controversy that has raged in this country ever since the Patent and Trademark Office—an arm of the executive branch—decided in 1987 to grant a patent on a genetically engineered animal, the Harvard mouse.

Having its genesis in a measure passed by the House in the 100th Congress, on September 13, 1988, under suspension of the rules, it has been the subject of extensive hearings during the past two Congresses.

Title II has four basic purposes. First, it recognizes that genetically altered animals—transgenic animals—are patentable subject matter. Second, it clarifies that human beings are not patentable subject matter. Third, it authorizes the Commissioner of Patents and Trademarks to issue any regulations necessary to regulate the deposit of biological materials. Finally, and most importantly, title II limits the scope of patent protection for transgenic farm animals.

The concept of a patented life form, such as a genetically altered animal, poses unique legal questions about the scope of patent protection for downstream activities on the American farm. It becomes essential for the Congress to develop a fair, workable, and balanced exception for farmers in order to clarify the legality of ordinary, routine noncompetitive reproduction activities and to avoid unnecessary paperwork as well.

As a consequence, title II provides for a farmers' exception to potential patent liability. It shall not be an act of infringement for a person to reproduce a patented transgenic farm animal through conventional breeding in the farming operation, use the animal in the farming endeavor, sell the animal, or use or sell the reproductive material—including germ cells, sperm, eggs, or embryos—of such an animal in the farming operation.

In short, title II seeks to fairly address the conflicting interests of patent owners and end users, including the American farm community. It proceeds on the solid premise that Congress, and not the Patent and Trademark Office, should determine whether and under what conditions the law should allow genetically altered animals to be patented.

TITLE III—PATENT REMEDY CLARIFICATION

Title III of the proposed legislation is the Patent Remedy Clarification Act, abrogating State sovereign immunity in patent law. As State government agencies and universities become increasingly involved in commercial ventures, it is important that they follow the same rules as everyone else in the market place. To this end, Mr. MOORHEAD and I intro-

duced H.R. 3886 in January of this year, to assure that patent owners can recover damages from States that infringe their patents, notwithstanding the provisions of the 11th amendment.

Last year the Subcommittee on Courts, Intellectual Property, and the Administration of Justice processed and the House passed similar legislation in the copyright area and a similar version of the bill passed the Senate. That bill clarifies Congress' intent that States be subject to damage suits in Federal court for their violations of the Copyright Act. The Patent Remedy Clarification Act assures that the same principle applies in patent law. The Subcommittee on Courts, Intellectual Property, and the Administration of Justice held hearings on the need for legislation abrogating State sovereign immunity in the patent area in February of this year.

U.S. patent law provides a variety of remedies for patent owners against whoever infringes a patent. In the past, the courts interpreted the patent remedy provisions to allow patent holders to recover damages against all infringers, including States. However, in 1985 the Supreme Court held in Atascadero State Hospital versus Scanlon that absent a clear expression of congressional intent to the contrary, the 11th amendment prohibits individuals from recovering damages against States in Federal court.

While Atascadero was not a patent case, earlier this year, the U.S. Court of Appeals for the Federal Circuit relied on Atascadero in ruling, in Chew versus California, that Congress has not clearly abrogated State sovereign immunity in the patent law. Therefore, it held that States are immune from damage suits for patent infringement.

It is my belief that Congress never intended to exempt the States from damages for copyright or patent infringement. Now, however, Congress must amend the patent law and specifically declare that States are monetarily liable for patent infringement if patent holders are to recover damages.

TITLE IV—RESEARCH, EXPERIMENTATION, AND COMPETITIVENESS

Title IV of the proposed legislation will create an incentive for the research and experimentation activities that fuel this country's inventive genius and our vibrant economy. It provides that the making or using of a patented invention solely for research or experimentation shall not be an act of patent infringement unless the patented invention has a primary purpose of research or experimentation. If the patented invention has a primary purpose of research or experimentation, such as a transgenic mouse used for cancer research or a laboratory implement, it shall not be an act of infringement to manufacture or use such invention to study, evaluate, or characterize such invention or to create a product outside the scope of the patent covering such invention.

Title IV is an attempt to codify current case law in the United States which excludes experimental use of reseach as an act of infringement. It is a central tenet of our patent law that there is a right to use scientific information to create new and better inventions in competition with the patented invention. Under an exception created by the Federal courts, use of a patented invention for certain experimental or testing purposes is deemed to be free from patent infringement. However, once a decision is made to commercialize the fruits of the research or experimentation, the exemption applies no further.

Justice Story stated long ago that:

[T]he making of a patented machine to be an offense within the purview of [the patent law] must be the making with the intent to use for profit, and not for the mere purpose of philosophical experiment, or to ascertain the verity and exactness of the specification.

This proposition is still true today. As aptly observed by a respected patent lawyer, Harold C. Wegner:

A contrary result would be unthinkable. The farmers of the Constitution clearly could not have envisioned shutting the door to further research for the long period of the patent grant.

Confusion nonetheless exists. Unnecessary litigation is bred and research is chilled. More importantly, legitimate research is driven outside the United States because commercial—or any other kind of—testing of the invention outside the United States is exempt from the U.S. patent laws.

Furthermore, title IV places the United States on firm international footing in terms of the laws of foreign countries and multilateral agreements. Both Japan and Western European countries have codified experimental use doctrines. The Patent Harmonization Treaty excludes from infringement—on a nation-by-nation basis, if implemented by national law—the making or using of patented inventions for experimental purposes or for scientific research.

Business testing is clearly not an experimental use, and would not be authorized by title IV. Provisions in the Drug Price Competition Act (Public Law 98–417)—which authorize the making, using or selling of a patented drug or medical device solely for uses reasonably related to the development and submission of information under a Federal law which regulates the manufacture, use or sale of drugs—are unaffected by title IV.

TITLE V—CONTRACTOR INVENTION RIGHTS

Title V is an important step in assuring a consistent Government-wide policy regarding ownership of the title to patents arising from research performed under Government contract. Prior to 1980, the Federal Government generally held title to such patents and issued nonexclusive licenses to those expressing interest. This led to a huge Government portfolio of patents and a low level of licensing because companies desiring to advance the underlying technology to the point of use in commercial products were unable to prevent competitors from receiving licenses and capitalizing on the company's research by introducing competing products.

Through the Bayh-Dole Act of 1980, Congress established a general policy of permitting Government contractors who are small businesses or nonprofit organizations to retain title to patents arising from research performed under Government contracts. President Reagan, through Executive Order 10096 in early 1983, extended this policy to all Government contractors to the extent permitted by statute. The primary code sections that were not entirely consistent with the policy were the section 152 of the Atomic Energy Act of 1954 (42 U.S.C. 2182) and section 9 of the Federal Non-nuclear Research and Development Act of 1974 (42 U.S.C. 5901). This meant that the Department of Energy has maintained a patent policy at variance with the rest of the Federal Government when its contractors are neither small businesses or nonprofit organizations. Section 305 of the National Aeronautics and Space Act of 1958 continues to be viewed as consistent with the policy and NASA is expected to continue to use its organic act for Government patent policy.

In 1984, through Public Law 98–620, Congress amended the Bayh-Dole Act. One of the purposes of these amendments—jointly developed by the House Committee on the Judiciary and the House Committee on Science and Technology—was to further the establishment of a uniform patent policy for patents arising from Federal research. The exemption for Government-owned, contractor-operated laboratories contained in the Bayh-Dole Act was repealed except for laboratories primarily serving the Department's defense and naval nuclear reactor programs. The act also required royalties from the contractor's licensing of these inventions to be used for specific governmental purposes.

The increased use of patents from Federal research is encouraging. Levels of licensing activity are up significantly both in universities and among the nonprofit operators of Government laboratories. However, the Department of Energy is left with a situation where laboratories doing similar work have different patent policies depending on whether the contractor running the laboratory is a university, a nonprofit organization, or a corporation. Defense-related research of the Department of Energy also falls under a patent policy which differs from the one used with contractors of the Department of Defense.

Title V of this bill advances the goal of a consistent patent policy for Government contractors by making three related statutory changes. First, the definition of "contractor" in the Bayh-Dole Act is expanded to include the "operator of a Government-owned, contractor-operated facility." Second, all Government contractors are brought within the provisions of the university-small business patent provisions of that act. And third, Department of Energy's defense programs exception is eliminated from the Bayh-Dole Act as amended. These changes will permit a consistent patent policy to be implemented by the Department of Energy. Nothing in these changes is intended to change the patent policy of the National Aeronautics and Space Administration.

This matter previously arose in the 101st Congress in the form of a nongermane Senate amendment to the Department of Defense authorization for fiscal year 1990. The amendment, which accomplished the same objective as title V, was deleted by the conference committee at my urging and based on a promise that my subcommittee would consider the matter.

Madam Speaker, in conclusion, the Patent Competitiveness and Technological Innovation

Act is a very important piece of legislation. Its five titles—relating to patents in space, the patenting of transgenic animals, sovereign immunity and patents, research and experimentation, and Government contractor rights—considered collectively, are balanced, fair, and effective. The beneficiaries will be our space program, American farmers, universities, Government contractors, patentholders, inventors, but most importantly, the American public.

I invite comments on the proposed legislation. Interested parties may feel free to address questions or thoughts to the Subcommittee on Courts, Intellectual Property, and the Administration of Justice, 2137 Rayburn Building, Washington, DC 20515. Telephone (202) 225-3926).

I also urge my colleagues to examine the proposal and to support it.

THE BANK ACCOUNT SAFETY AND SOUNDNESS ACT: IT'S TIME TO PROTECT THE AMERICAN TAXPAYER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, there is a crisis facing the insurance fund protecting deposits at our Nation's banks.

For some time now, Mr. Speaker, I have been deeply concerned with the deteriorating condition of the Bank Insurance Fund [BIF] operated by the Federal Deposit Insurance Corporation [FDIC].

For this reason, the Subcommittee on Financial Institutions Supervision, Regulation and Insurance, which I chair, has devoted considerable resources to investigating this issue during the 101st Congress. In September 1989, I held hearings exploring the safety and soundness of the Bank Insurance Fund.

At that time, the subcommittee heard divergent testimony. Government regulators disagreed with outside analysts on exactly how strong was the BIF, with outside experts claiming that the regulator's figures were substantially exaggerated.

As a result of these hearings, and because of my increasing concerns about the strength of the Bank Insurance Fund, I ordered earlier this year that a study to be conducted on its health by three of the Nation's leading economists in this field: Dr. Robert Litan of the Brookings Institution, Dr. R. Dan Brumbaugh of Stanford University, and Dr. James Barth of Auburn University.

More recently, as part of my continuing investigation into the rationale behind Federal deposit insurance and the safety and soundness of the FDIC, I directed the subcommittee to prepare a report on the past, present and future of deposit insurance in the United States. Just late last month, the subcommittee released this in-depth study entitled "A Briefing Paper on Deposit Insurance: How It Originated and How It Works".

In spite of these efforts and increasingly ominous indications from the banking industry, this issue has widely escaped the public's attention up until now. But that is about to end, Mr. Speaker, and end quickly.

The ink was hardly dry on my subcommittee's briefing paper when the General Accounting Office released its report yesterday on the safety and soundness of the Bank Insurance Fund. I am sorry to report, Mr. Speaker, that the GAO report only confirmed many of my worst suspicions.

"Not since it was born in the Great Depression," the report concludes "has the Federal system of deposit insurance for commercial banks faced such a period of danger as it does today." The GAO's findings are chilling.

The GAO found that the fund is too thinly capitalized to deal with potential bank failures. In the event of a recession or the failure of only one major bank, the GAO predicts that the fund's capital would be quickly exhausted and would require a taxpayer bailout. Thus far in 1990, there have been 129 bank failures—15 of which banks were among the 200 largest in the Nation—which will result in a net loss to the BIF of $2 billion. Ten percent of the Nation's 200 largest banks are likely to fail or will require assistance within the next 12 months, with a total cost of between $4 and $6 billion. FDIC has an $8 billion contingent liability for troubled loans now held by the purchasers of already-failed banks.

Prior to the release of this report, I would have ventured a guess that very few people in this country were aware of the fact the FDIC's Bank Insurance Fund would need to increase by nearly 80 percent in order to reach its historical operating level of $1.25 per $100 insured.

Additionally, it was not widely known that FDIC/BIF suffered an incredible $851 million loss in 1989, which is only exceeded by its $4.3 billion loss in 1988. Since 1986, the reserve-to-insured deposits ratio of FDIC/BIF has declined by almost 40 percent, from a level of 1.12 percent to 0.70 percent in 1989.

To make matters even worse, even the FDIC predicts that this downward trend will continue this year and, as I stated earlier, independent analysts believe that FDIC is exaggerating what little money it has.

But now, Mr. Speaker, with the release of this GAO report, the days of blissful ignorance are over. Congress must face up to the facts, and respond to them quickly in order to maintain the public's confidence in our financial system.

Mr. Speaker, the crisis facing the Bank Insurance Fund protecting deposits at our Nation's banks is rapidly reaching the point of no return.

There are any number of striking similarities between the current financial condition of FDIC and our past experience with FSLIC. In the words of baseball's Yogi Berra, I believe this may very well be "deja vu all over again!"

The question is, Will Congress act quickly to resolve this crisis and nip it in the bud?

One lesson of this recent history is that Congress needs to act boldly and decisively to respond to such crises. Time is of the essence, and that is why I am introducing today, legislation to respond to the facts that have been laid before us.

Another lesson that we overlook only at our peril, is provided to us from the Nation's credit union community. It varies in one very significant respect: It is a good lesson, a story with a happy ending.

At the same time the BIF has been experiencing monumental trouble, the fund protecting the Nation's credit unions has experienced stability. How can this fund, named the National Credit Union Share Insurance Fund [NCUSIF]—can operate in the same economy, perform the same function as FSLIC and FDIC, and meet such a divergent fate?

The answer is simple: The credit union's fund is structured in dramatically different way. Not only is this structure different, but I am in complete agreement with both the General Accounting Office and the distinguished business journal, the Economist, that NCUSIF may well serve as a model deposit insurance fund.

Thus, today I am introducing the Bank Account Safety and Soundness Act, which would follow the NCUSIF model and required every insured bank to place 1 percent of its total deposits into the BIF.

First, and I believe foremost, this system will protect the American taxpayer from another deposit insurance crisis.

Unlike FSLIC and FDIC, whose sole safety net is the U.S. Treasury, the banks would be required to expend all of their own money, if necessary, before turning to the Government for help. This is because the insured institution is required to give to the fund an amount equal to 1 percent of its insured deposits, and replenish these funds if they are expended by the Government. Thus, an industry would be the first and—in all likelihood—only line of defense to catastrophic insurance fund losses, not the U.S. Treasury.

Second, this legislation would result in an immediate inflow of $25 billion into BIF—funds which the GAO indicates are desperately needed. In addition, this revenue would reduce the Federal budget deficit by an equal amount.

Third, this system creates a market discipline favoring strong regulation for safe and sound banking practices.

Because industry's money—not the taxpayers—is on the line, insured institutions share the interest of Government in minimizing industry losses. This results in industry self-policing, conservative lending and investment practices, and industrywide cooperation with regulators.

Fourth, this will more than double the size of the BIF in one fell swoop, increasing its reserve ratio from 0.7 percent to 1.7 percent. This increase would put BIF above its historical level of safety and soundness, and provide the badly needed cushion that GAO suggests is needed against losses caused by a recession. It will restore American's confidence in the American deposit insurance system.

Fifth, this system provides for an insurance fund which grows at the same rate as the institutions it insures. An institution must maintain the funds held by the insurer at a level equal to 1 percent of insured deposits at all times, and is required to make an annual adjustment to reflect deposit growth.

Mr. Speaker, it is time to lift the burden of potential bank failures from the shoulders of the American taxpayer, and place it where it belongs—on banks and there shareholders who stand to reap the rewards of ownership.

This is an issue that we cannot delay until next year. I have scheduled hearing on this

legislation for September 27 in the Financial Institutions Subcommittee which I chair. Immediately following the hearings, I plan to have the subcommittee markup the legislation. With the BIF under stress, and the economy facing a recession that the GAO estimates could bankrupt the fund and require a taxpayer bailout, Congress cannot simply hope the crisis goes away.

I urge my colleagues to return safety and soundness to the American deposit insurance system by cosponsoring the Bank Account Safety and Soundness Act of 1990.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. AUCOIN (at the request of Mr. GEPHARDT), from Tuesday, September 11 through the balance of the week, on account of illness.

Mr. MILLER of Ohio (at the request of Mr. MICHEL), for today, on account of medical reasons.

Mrs. PATTERSON (at her own request) for tomorrow, on account of death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GEKAS) to revise and extend their remarks and include extraneous material:)

Mr. GEKAS, for 5 minutes, today.

Mrs. BENTLEY, for 60 minutes each day, on September 14, 17, 18, and 19.

Mrs. BENTLEY, for 60 minutes each day, on September 24, 25, 26, and 30.

Mrs. BENTLEY, for 60 minutes each day, on October 1, 2, 3, 4, and 8.

Mr. MCEWEN, for 5 minutes, today.

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. LEHMAN of California, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. KASTENMEIER, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. MCCURDY, for 60 minutes each day, on September 18, 19, and 20.

Mr. WASHINGTON, for 60 minutes, on September 13.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GEKAS) and to include extraneous material:)

Ms. ROS-LEHTINEN.

Mrs. BENTLEY in two instances.

Mr. BILIRAKIS in two instances.

Mr. PORTER.

Mr. OXLEY.

Mr. GREEN.

Mr. MICHEL.

Mr. CRANE.

Mr. SCHAEFER.

Mr. MCDADE.

Mr. DOUGLAS.

Mr. SCHUETTE.

(The following Members (at the request of Mr. MCNULTY) and to include extraneous material:)

Mr. TORRES in two instances.

Mr. MCMILLEN of Maryland.

Mr. LIPINSKI.

Mr. LEHMAN of Florida.

Mr. FRANK.

Mr. DYMALLY.

Mr. PELOSI.

Mr. FASCELL in two instances.

Mr. KLECZKA.

Mr. STARK in three instances.

Mr. HAMILTON in three instances.

Mr. HOYER.

Mr. MORRISON of Connecticut.

Mr. DONNELLY.

Mr. DORGAN of North Dakota.

Mr. COOPER.

Mr. ANNUNZIO.

Mr. TRAFICANT in two instances.

Mr. HALL of Ohio.

Mr. HOCHBRUECKNER.

ADJOURNMENT

Mr. MCEWEN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 19 minutes p.m.), the House adjourned until tomorrow, Thursday, September 13, 1990 at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3872. A letter from the Director, the Office of Management and Budget, transmitting the cumulative report on rescissions and deferrals of budget authority as of September 1, 1990, pursuant to 2 U.S.C. 685(e) (H. Doc. No. 101-236); to the Committee on Appropriations and ordered to be printed September 12, 1990.

3873. A letter from the Director, Office of Dependents Schools, transmitting the annual test report for school year 1988-89 for the overseas dependents' schools administered by the Department, pursuant to 20 U.S.C. 924; to the Committee on Education and Labor.

3874. A letter from the Acting Commissioner of Education Statistics, Department of Education, transmitting the second annual report on dropout and retention rates in the United States, pursuant to the Hawkins-Stafford Elementary-Secondary School Improvement Amendments of 1988; to the Committee on Education and Labor.

3875. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed letter(s) of offer and acceptance [LOA] to the Netherlands for defense articles and services (Transmittal No. 90-65), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3876. A letter from the Secretary of Health and Human Services transmitting a copy of a report entitled, "Development of Prospective Payment Methodology for Ambulatory Surgical Services", pursuant to Public Law 99-509, section 9343(f) (100 Stat. 2041); to the Committee on Ways and Means.

3877. A letter from the Comptroller General, General Accounting Office, transmitting a copy of the results of an audit of the Bank Insurance Fund's financial statements for the years ended December 31, 1989 and 1988 (GAO/AFMD-90-100); jointly, to the Committees on Banking, Finance and Urban Affairs and Government Operations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BEILENSON: Committee on Rules. House Resolution 463. Resolution providing for the consideration of H.R. 4330, a bill to establish school-based and higher education community service programs, to establish youth service programs, and for other purposes (Rept. No. 101-694). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McHUGH:

H.R. 5588. A bill to authorize physical searches in the United States to obtain foreign intelligence information; jointly, to the Committees on Intelligence (Permanent Select) and the Judiciary.

By Mr. WYDEN (for himself and Mr. COOPER):

H.R. 5589. A bill to amend title XIV of the Social Security Act to provide mechanisms to control Medicaid drug prices, to assure that Medicaid beneficiaries receive quality medical care, and to protect the physician's right to prescribe; to the Committee on Energy and Commerce.

By Mr. ANNUNZIO:

H.R. 5590. A bill to amend the Federal Deposit Insurance Act to provide for recapitalization of the Bank Insurance Fund by requiring additional deposits in such fund by insured banks; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BOEHLERT:

H.R. 5591. A bill to amend the Internal Revenue Code of 1986 to provide that, where there is distress termination of a pension plan, the tax on the failure to meet funding standards shall be waived in certain cases; to the Committee on Ways and Means.

By Mr. BURTON of Indiana:

H.R. 5592. A bill to establish a Commission on Energy Independence; to the Committee on Energy and Commerce.

By Mr. EDWARDS of Oklahoma:

H.R. 5593. A bill to maintain the viability of the domestic oil industry by enhancing capital investment and ensuring future oil

and gas exploration, and for other purposes; to the Committee on Ways and Means.

By Mr. GEKAS:

H.R. 5594. A bill to make Reserve members called or ordered to active duty in connection with Operation Desert Shield eligible for a variable housing allowance; to the Committee on Armed Services.

By Mr. GREEN:

H.R. 5595. A bill to redesignate the Federal building located at 1 Bowling Green in New York, NY, as the "Alexander Hamilton United States Custom House"; to the Committee on Public Works and Transportation.

By Mr. HALL of Ohio (for himself, Mr. EMERSON, Mr. DORGAN of North Dakota, Mr. GILMAN, Mr. ESPY, Mr. SMITH of New Jersey, Mr. PENNY, Mr. ACKERMAN, Mr. MCNULTY, Mr. FALEOMAVAEGA, Mr. AUCOIN, and Mr. WHEAT):

H.R. 5596. A bill to help end unnecessary child illness, suffering, and death; jointly, to the Committees on Foreign Affairs; Banking, Finance and Urban Affairs; and Education and Labor.

By Mr. INHOFE:

H.R. 5597. A bill to amend the Export-Import Bank Act of 1945 to reform U.S. bilateral economic assistance programs, to promote the purchase of U.S. goods and services, and for other purposes; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. KASTENMEIER (for himself, Mr. ROE, Mr. SYNAR, Mr. BRYANT, Mr. SANGMEISTER, Mrs. LLOYD, and Mr. SCHIFF):

H.R. 5598. A bill to amend title 35, United States Code, to provide certain improvements to the patent law; jointly, to the Committees on the Judiciary and Science, Space, and Technology.

By Mr. KLECZKA (for himself and Mr. LEHMAN of California):

H.R. 5599. A bill to amend the Federal Deposit Insurance Act and the Federal Credit Union Act to reduce the potential liability of the United States for losses from the deposit insurance funds, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. LAFALCE:

H.R. 5600. A bill to authorize the use of the symbols and emblems of the 1993 Summer World University Games; to the Committee on the Judiciary.

By Mr. MCDADE:

H.R. 5601. A bill to amend the Federal Property and Administrative Services Act of 1949 to authorize State agencies to distribute surplus Federal property to small businesses, to amend the Small Business Act to direct the Administrator of the Small Business Administration to provide lists and guidelines to assist the agencies in identifying small businesses, and for other purposes; jointly, to the Committees on Government Operations and Small Business.

By Mr. SCHULZE:

H.R. 5602. A bill to impose additional duties on the products of industrialized countries that do not adequately support the military mobilization and other international efforts being undertaken in response to the Iraqi invasion of Kuwait; to the Committee on Ways and Means.

By Mr. STUDDS (for himself and Mr. ATKINS):

H.R. 5603. A bill to provide for a revised biological opinion on the impact of the proposed Mt. Graham astrophysical observatory on the endangered Mt. Graham red squirrel; jointly, to the Committees on Merchant Marine and Fisheries and Interior and Insular Affairs.

By Mr. THOMAS of Georgia:

H.R. 5604. A bill to provide for the payment of special pay to members of the Armed Forces assigned to duty in the Persian Gulf area in connection with Operation Desert Shield; to the Committee on Armed Services.

H.R. 5605. A bill to amend title 38, United States Code, to increase the maximum amount of insurance available under the Servicemen's Group Life Insurance; to the Committee on Veterans' Affairs.

By Mr. ROYBAL:

H.J. Res. 650. Joint resolution designating October 1 through 7, 1990, as "National Nursing Home Residents' Rights Week"; to the Committee on Post Office and Civil Service.

By Mr. DEFAZIO (for himself, Mr. OBERSTAR, and Mr. KENNEDY):

H. Con. Res. 369. Concurrent resolution expressing the sense of the Congress regarding the desirability of promoting the safe and increased use of bicycling as a means of transportation; to the Committee on Public Works and Transportation.

MEMORIALS

Under clause 4 of rule XXII,

493. The SPEAKER presented a memorial of the Senate of the State of West Virginia, relative to patient access to needed prescription drugs; to the Committee on Energy and Commerce.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. NIELSON of Utah:

H.R. 5606. A bill to authorize and request the President to advance Maj. Ronald Tiffany on the retired list of the U.S. Army Reserve; to the Committee on Armed Services.

By Mr. NIELSON of Utah:

H.R. 5607. A bill for the relief of Debra Lange; to the Committee on Interior and Insular Affairs.

By Mr. YOUNG of Alaska:

H.R. 5608. A bill to clear certain impediments to the licensing of a vessel for employment in the coastwise trade and fisheries of the United States; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 200: Mr. MAZZOLI.

H.R. 201: Mr. APPLEGATE and Mr. HUCKABY.

H.R. 214: Mr. MCMILLEN of Maryland.

H.R. 560: Mr. SMITH of New Jersey.

H.R. 586: Mr. COYNE.

H.R. 747: Mr. MYERS of Indiana, Mr. HILER, Mrs. KENNELLY, Mr. NEAL of Massachusetts, Mr. DICKINSON, Mr. GUARINI, and Mr. SLAUGHTER of Virginia.

H.R. 1165: Mr. SHAYS.

H.R. 1400: Mr. CALLAHAN, Mr. SHAYS, Mr. BILBRAY, Mr. STANGELAND, Mr. SMITH of Texas, Mr. RITTER, Mr. MCGRATH, Mr. HOCHBRUECKNER, Mr. PRICE, Mr. SHARP, and Mr. UDALL.

H.R. 1676: Mr. SMITH of New Jersey.

H.R. 2041: Mr. PARKER, Mr. BEREUTER, and Mr. KYL.

H.R. 2121: Mr. COBLE, Ms. SCHNEIDER, and Mr. DREIER of California.

H.R. 2460: Mr. HERTEL.

H.R. 2531: Mr. DONALD E. LUKENS, Mr. STAGGERS, Mr. SARPALIUS, Mr. EVANS, and Mr. JOHNSON of South Dakota.

H.R. 2643: Mr. JACOBS.

H.R. 2902: Mr. PALLONE.

H.R. 3121: Mr. SMITH of Texas.

H.R. 3243: Mr. ROE, Mr. GORDON, Mr. HALL of Texas, Mr. JENKINS, Mr. MRAZEK, Mr. SLATTERY, Mr. COBLE, and Mr. CRAIG.

H.R. 3251: Mr. WEISS.

H.R. 3355: Mrs. BOXER and Mrs. COLLINS.

H.R. 3421: Mr. MCMILLEN of Maryland.

H.R. 3732: Mr. LEHMAN of California, Mr. EDWARDS of Oklahoma, Mr. MCCOLLUM, and Ms. ROS-LEHTINEN.

H.R. 3819: Mr. CARDIN.

H.R. 3906: Mr. RAVENEL and Mr. COLEMAN of Missouri.

H.R. 3914: Ms. ROS-LEHTINEN, Mr. GRANDY, Mr. MCMILLAN of North Carolina, Mr. TAUZIN, and Mr. GINGRICH.

H.R. 3925: Mr. DERRICK, Mr. LEHMAN of Florida, and Mrs. BENTLEY.

H.R. 3979: Mr. KOSTMAYER.

H.R. 4181: Mr. COLEMAN of Texas, Mr. ERDREICH, and Mr. ANDREWS.

H.R. 4287: Mr. CRANE, Mr. GORDON, Mr. KYL, Mr. EMERSON, Ms. PELOSI, Mrs. LOWEY of New York, Mr. SMITH of New Hampshire, Mr. PAXON, Mr. HUTTO, Mr. GRANDY, Mr. BRYANT, and Mr. LEWIS of Georgia.

H.R. 4344: Mr. BORSKI.

H.R. 4369: Mr. MOAKLEY.

H.R. 4484: Mr. DYSON.

H.R. 4485: Mr. DYSON and Mr. DORGAN of North Dakota.

H.R. 4486: Mr. DYSON.

H.R. 4492: Mr. LEVINE of California.

H.R. 4761: Mr. JOHNSON of South Dakota, and Mr. TALLON.

H.R. 4840: Mr. DWYER of New Jersey.

H.R. 4948: Mrs. COLLINS, Mr. DURBIN, Mrs. BOXER, Mr. TOWNS, Mr. BOSCO. Mr. JACOBS, and Mr. FOGLIETTA.

H.R. 4994: Mrs. UNSOELD and Mrs. SAIKI.

H.R. 5007: Mr. BUSTAMANTE Mr. CAMPBELL of Colorado, Mr. CLEMENT, Mr. DAVIS, and Mr. NCNULTY.

H.R. 5088: Mr. SKAGGS, Mr. GOSS, Mr. DEFAZIO, Mr. BOSCO, Mr. LEWIS of California, Mr. SOLARZ, and Mr. JONTZ.

H.R. 5129: Mr. KOSTMAYER, Mr. JACOBS, and Mrs. UNSOELD.

H.R. 5225: Mr. MCMILLEN of Maryland.

H.R. 5284: Mr. HYDE, Mr. MADIGAN, Mr. RINALDO, Mr. LOWERY of California, and Mr. PARRIS.

H.R. 5302: Mr. WATKINS, Mr. DEWINE, Mr. STARK, Mr. OXLEY, Mr. HORTON, and Mr. PALLONE.

H.R. 5314: Mr. BILIRAKIS.

H.R. 5315: Mr. ROE, Mr. STANGELAND, Mr. PETRI, Mr. LIGHTFOOT, Mr. HASTERT, Mr. UPTON, Mr. DUNCAN, Ms. MOLINARI, Mr. MCCLOSKEY, and Mr. NEAL of North Carolina.

H.R. 5338: Mr. JONTZ and Mr. BERMAN.

H.R. 5361: Mr. FRANK and Mr. BATES.

H.R. 5364: Mr. KYL and Mr. GINGRICH.

H.R. 5368: Mr. FAUNTROY and Mr. GILLMOR.

H.R. 5413: Mr. LEWIS of California, Mr. CAMPBELL of California, Mr. GOSS, and Mr. BURTON of Indiana.

H.R. 5468: Mr. FAUNTROY, Mr. STARK, Mrs. MEYERS of Kansas, Mr. VENTO, Mr. SERRANO, Mr. OBERSTAR, Mr. YATES, Mr. FEIGHAN, Mr. LEHMAN of Florida, Mrs. LLOYD, Mr. EVANS, and Mr. BOUCHER.

H.R. 5480: Mr. TOWNS, Mrs. COLLINS, Mr. DERRICK, Mr. MCDERMOTT, Mr. JONTZ, Mr. FOGLIETTA, Mr. EVANS, Ms. KAPTUR, Mr. MRAZEK, and Mr. RANGEL.

H.R. 5492: Mr. BATES and Mr. RAHALL.

H.R. 5586: Mr. ANNUNZIO and Ms. KAPTUR.

H.R. 5587: Mr. PETRI, Mr. GALLO, Mr. CARPER, and Mr. BARTON of Texas.

H.J. Res. 285: Mr. SCHIFF, Mr. HARRIS, Mr. MORRISON of Washington, Mr. HALL of Texas, Mr. PANETTA, Mr. SHAW, Mr. SMITH of Vermont, Mr. DEFAZIO, Ms. LONG, Mr. VOLKMER, Mr. PASHAYAN, Mr. SMITH of Florida, and Mr. PAXON.

H.J. Res. 481: Mr. EMERSON, Mr. SHAW, Mr. ALEXANDER, and Mr. MADIGAN.

H.J. Res. 509: Mr. DEWINE, Mr. BENNETT, Mr. DONNELLY, and Mr. SAWYER.

H.J. Res. 521: Mr. WAXMAN.

H.J. Res. 538: Mr. RUSSO, Mr. CLEMENT, Mr. SCHEUER, Mr. KASTENMEIER, Mr. FASCELL, Mr. COSTELLO, Mr. HUGHES, Mr. SAWYER, Mrs. BOXER, and Mr. LIPINSKI.

H.J. Res. 568: Mr. ASPIN, Mr. ATKINS, Mr. BRENNAN, Mr. BILBRAY, Mr. BRYANT, Mr. CHAPMAN, Mr. DAVIS, Mr. DEFAZIO, Mr. DWYER of New Jersey, Mr. FIELDS, Mr. GRAY, Mr. HOPKINS, Mr. HOCHBRUECKNER, Mr. HOUGHTON, Mr. HOYER, Mr. IRELAND, Mr. LENT, Mr. LEVIN of Michigan, Mr. LEHMAN of California, Mr. MCHUGH, Mr. NEAL of North Carolina, Mr. NOWAK, Ms. OAKAR, Mr. ORTIZ, Mr. PICKLE, Mr. RUSSO, Mr. SABO, Mr. SKEEN, Mr. SKAGGS, Mr. STALLINGS, Mr. STUMP, Mr. VENTO, and Mr. LAFALCE.

H.J. Res. 570: Mr. DINGELL, Mr. HALL of Ohio, Mr. FISH, Mr. CONTE, Mr. HENRY, Mr. SLATTERY, Mr. HAMMERSCHMIDT, Mr. SKAGGS, Mr. SMITH of New Hampshire, Mr. HYDE, Mr. BOUCHER, Mr. LENT, Mr. THOMAS of Wyoming, Mr. DORGAN of North Dakota, Mr. ACKERMAN, Mr. MFUME, Mr. WHITTAKER, Mr. WYLIE, Mr. ROE, Mr. JACOBS, Mrs. KENNELLY, Mr. HOYER, Mr. COUGHLIN, Mr. BLILEY, Mr. SCHUETTE, Mr. STUMP, Mr. MARKEY, Mr. GREEN of New York, Mr. HARRIS, Mr. UDALL, Mr. YATES, Mr. TRAFICANT, Mr. SKELTON, Mr. ROYBAL, Mr. STAGGERS, Mr. RAHALL, Mr. EVANS, Mr. DEWINE, Mr. DORNAN of California, Mr. BROWDER, Mr. COX, Mr. MACHTLEY, Mr. PORTER, Mr. SKEEN, Mr. HAMILTON, Mr. DELLUMS, Mr. STOKES, Mr. BEVILL, Mr. THOMAS of Georgia, Mr. THOMAS A. LUKEN, Mr. INHOFE, Mr. RAY, Mr. DURBIN, Mr. PASHAYAN, Mr. AUCOIN, Mr. MOLLOHAN, Mr. DARDEN, and Mr. SCHIFF.

H.J. Res. 602: Mr. ALEXANDER, Mr. ANNUNZIO, Mr. DEWINE, Mr. JONES of Georgia, Mr. PARKER, Mr. KANJORSKI, Mr. NOWAK, Mr. LAFALCE, Mr. BRUCE, and Mr. EVANS.

H.J. Res. 646: Mr. MARKEY and Mr. BALLENGER.

H. Con. Res. 178: Mr. ROE, Mr. GALLO, Mr. SMITH of New Jersey, Mr. VANDER JAGT, Mr. ENGEL, and Mr. SPRATT.

H. Con. Res. 269: Ms. KAPTUR, Mr. OWENS of Utah, Mr. DWYER of New Jersey, and Mr. DELLUMS.

H. Con. Res. 357: Mrs. COLLINS and Mr. RANGEL.

H. Res. 390: Mr. SARPALIUS, Mr. SAXTON, Mr. JOHNSTON of Florida, Mr. HOCHBRUECKNER.

H. Res. 407: Mr. WOLPE and Mr. ROWLAND of Georgia.

H. Res. 438: Mr. BRUCE, Mr. DANNEMEYER, and Mr. STENHOLM.

PETITIONS, ETC.

Under clause 1 of rule XXII,

229. The SPEAKER presented a petition of the Board of Commissioners, County of Durham, NC, relative to reducing the Federal deficit; which was referred to the Committee on Ways and Means.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5269

By Mr. KANJORSKI:

—On page 206, line 9 insert a new section 2134 as follows, renumber succeeding sections accordingly and adjust the table of contents:

SEC. 2134. CIVIL ACTIONS FOR CERTAIN VIOLATIONS

Section 951 of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1833a) is amended by adding at the end the following:

"(h) CIVIL ACTIONS FOR CERTAIN VIOLATIONS.—A person may bring a civil action to assess a civil penalty for a violation referred to in subsection (c) in the same manner and subject to the same procedures as a person may bring an action under section 3730 of title 31, United States Code, for a violation of section 3729 of such title.".

SENATE—*Wednesday, September 12, 1990*

(Legislative day of Monday, September 10, 1990)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

* * * *Blessed be the name of God for ever and ever: for wisdom and might are His: And He changeth the times and the seasons: He removeth kings, and setteth up kings: He giveth wisdom unto the wise, and knowledge to them that know understanding.*—Daniel 2:20-21.

Eternal Father, we cannot comprehend Your infinite wisdom and power. But we thank You that You have not abandoned the Earth—You are not an absent God. We thank You that You have a plan, that You are the Author of history and that You are infinitely just, infinitely good, infinitely true, and infinite in Your love.

We thank You for the August recess, for all of the blessings we enjoyed—rest, recreation, families, and work accomplished. We thank you for safety in travel. Now the Senate faces imponderable domestic issues and explosive international issues under the pressure of inexorable time and an imminent election.

Manifest Your gracious wisdom and power to each Senator and to the body as a whole. Prove to us, Lord, that the times are in Your hands and that You are in charge of history.

We pray this in the name of Jesus, Prince of Peace, Lord of Lords. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 12, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BRYAN thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for up to 10 minutes each.

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Arkansas is recognized.

Mr. PRYOR. I thank the Chair.

(The remarks of Mr. PRYOR pertaining to the introduction of S. 3029 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The ACTING PRESIDENT pro tempore. The Senator from Wisconsin [Mr. KOHL] is recognized.

Mr. KOHL. Thank you, Mr. President.

COSPONSORSHIP OF S. 1661, THE SMALL BUSINESS DISABILITIES TAX CREDIT ACT

Mr. KOHL. Mr. President, I have come to the floor today with my good friend, the Senator from Arkansas, to talk about a legislative effort to help small business: a tax credit to minimize the out-of-pocket costs which are created by the accessibility requirements in the recently passed Americans With Disabilities Act.

Senator PRYOR and I have been working for almost a year to get this tax credit adopted. Both of us introduced bills last fall, and both of us have been refining and promoting those bills ever since.

Today, I am happy to announce that we have joined forces. Our bills are very similar, and we are both committed to working out our few differences. Once we have done that, I believe we will have a package the Senate will be proud to support. In the meantime, I am happy to cosponsor Senator PRYOR's bill today, and I urge all the cosponsors of my bill to do the same.

It has been a pleasure to work with Senator PRYOR on this issue. He understands that small businesses keep the U.S. economy going. Senator PRYOR has consistently championed legislation that seeks to channel the energies of the small business community toward the pursuit of our common goals.

In addition, the Senator from Arkansas has always attempted to improve the way the Federal Government does business with business. As a former businessman, I believe it is vital to find ways to relieve business from the burdens the Federal Government places on it. Business and the Federal Government face common enemies—the budget deficit, a weakening economy, a shameful decline in basic social services. We need to work together to meet these challenges. And the best way we can do that is to give business the freedom to do what they do best, run their own business.

The ADA tax credit that Senator PRYOR and I have pursued for so long is symbolic of our efforts to forge an alliance between small business and the Federal Government. It acknowledges the vital role small business must play if the lofty goals of the ADA are to become a reality.

Let me say a few brief words about my bill on this subject, the Small Business Rehabilitation Relief Act. This legislation provides a refundable tax credit of up to $4,000 annually for small businesses that make their establishments accessible to disabled employees and customers. The bill is meant to complement the recently passed Americans With Disabilities Act in two ways. First, it will provide relief to small businesses making the accommodations required by the ADA. And second, it will encourage businesses too small to be covered by the ADA to voluntarily pursue the main goal of that act, which is the integration of the disabled community into the economy.

This legislation forges an alliance between business and Government by making them cost-sharing partners. The credit only kicks in after a business spends $250 on accommodations for the disabled. The copayment provision ensures that a business will have made an investment in renovations for the disabled before they receive a credit. More important, the copay-

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

ment represents the commitment of both business and the Federal Government to the goals of the ADA—a commitment demonstrated by the willingness of both the private and public sectors to spend the money needed to make those goals a reality.

Finally, my proposal for an ADA tax credit follows what must become every politician's first commandment: Thou shall not deficit spend. The tax credit I propose can be paid for completely by placing a $10,000 cap on the current $35,000 annual deduction allowed for expenses incurred by firms making renovations for the disabled.

There is nothing simple about the challenges this Nation faces. But there is also nothing that makes me think Government and business, working together as allies, cannot meet those challenges. I believe that the tax credit that Senator PRYOR and I propose is the kind of policy we need to cement this vital alliance.

I ask unanimous consent that I be added as a cosponsor of S. 1661, the Small Business Disabilities Tax Credit Act.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Arkansas [Mr. PRYOR].

COSPONSORING S. 1876, THE SMALL BUSINESS REHABILITATION RELIEF ACT OF 1989

Mr. PRYOR. Mr. President, I can think of no one in this body that I am prouder to join forces with than the distinguished Senator from Wisconsin [Mr. KOHL] on this particular issue. I am very, very honored to be asked today to be a cosponsor of his legislation which would provide a tax credit for small business for expenditures related to the Americans With Disabilities Act.

I think too often, Mr. President, in the Congress and in the Government generally, we tell businesses what they can do and what they cannot do. Many times, when we tell them what they must do, then we do not provide them the means to do it. We are constantly laying one burden after another on businesses, especially small businesses.

Mr. President, in the State of Arkansas, I would say 85 percent of the jobs today are working for small business.

I introduced S. 1661, the Small Business Disabilities Tax Credit Act of 1989 on September 22, 1989, shortly after Senate passage of the Americans With Disabilities Act [ADA]. This bill will provide a $5,000 refundable tax credit to businesses for expenditures they make to comply with the ADA.

The original inspiration for this bill came from my friend from Utah, Senator HATCH, who is an original cosponsor of S. 1661. Senator HARKIN of Iowa, who was the principal sponsor of the ADA in the Senate, is also an original cosponsor of S. 1661.

Roughly 3 weeks after I introduced my bill, Senator KOHL proved what a champion of small business he is by introducing his own ADA tax credit legislation, the Small Business Rehabilitation Relief Act of 1989, S. 1876. Senator KOHL's bill refines and expands upon some of the concepts in my bill very thoughtful and productive ways. I thank Senator KOHL for his demonstrated concern for small businesses and for his splendid work on this particular legislation.

I am very pleased that Senator KOHL and I are joining forces today to seek passage of an ADA tax credit bill which combines the best elements of our two bills as well as the ideas and suggestions of our colleagues. As a demonstration of my desire and commitment to work with Senator KOHL, I will today add my name to the list of cosponsors of his bill, S. 1876. I also urge cosponsors of my bill to cosponsor Senator KOHL's if they have not already done so.

The idea which Senator KOHL and I have promoted in our bills has proven a popular one. Two similar measures have been introduced in the House of Representatives, one of them by the chairman of the House Ways and Means Committee, Mr. ROSTENKOWSKI. In this body a bipartisan group of 21 Senators has cosponsored my bill, S. 1661. The bills have also attracted the endorsement of national small business groups such as the National Federation of Independent Business, the Small Business Legislative Council, and Small Business United.

Small businesses are not the only group that should be interested in these bills. The disabilities community also has a strong stake in the passage of these bills since a tax credit to businesses will help make affordable, the employment and accommodation of persons with disabilities, which is the primary objective of the Americans With Disabilities Act. In this respect, Senator KOHL's bill and my bill should be viewed as complementary to the ADA.

President Bush signed the ADA into law this past July, and the provisions of the act will phase in over the next few years. To make the ADA a success and to ease compliance for businesses, I believe it is important to have a tax credit in place from the start. With the rush to complete Senate business before adjournment and the pressure of the budget situation, it will be very important to have a strong demonstration of support for the ADA tax credit idea if passage is to take place this session. I urge my colleagues who are interested in supporting this idea to contact my staff, or Senator KOHL's, or both, and add their names as cosponsors of these important bills.

Now, Mr. President, I ask unanimous consent that my name be added as a cosponsor of Senator KOHL's bill, S. 1876, the Small Business Rehabilitation Relief Act of 1989.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from Washington [Mr. GORTON] is recognized.

Mr. GORTON. Mr. President, are we under orders pursuant to which morning business terminates at 10 o'clock?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. GORTON. Mr. President, I ask unanimous consent I be permitted to speak for 5 minutes in morning business, notwithstanding the order.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OF RECENT EVENTS AND LONGER MEMORY

Mr. GORTON. Mr. President, last night President Bush stated our goals in the Middle East with commendable clarity. Nevertheless, of the many prescriptions which have been offered with respect to Iraq, I have yet to hear, in this Chamber at least, the simplest and the best. In the blizzard of strategies and debate over goals and the quarrels over details that surround our—thus far—successful and assertive actions of the past 5 weeks, one fundamental principle is strangely neglected.

Do you recall the Vietnam-era conversation between the Chief of Naval Operations and the President's National Security Adviser? Admiral Zumwalt wrote in his notes that Mr. Kissinger:

> * * * does not agree with the President that American people can be turned around. He states strongly that the President misjudges the people. K. feels that the United States has passed its historic high point like so many earlier civilizations. He believes the U.S. is on downhill and cannot be roused by political challenge * * * that the American people have only themselves to blame because they lack stamina to stay the course.

Despite the fact that Dr. Kissinger denied the admiral's report and during the following decade was forced to suffer a major conversion with respect to the staying power of the American people, despite America's recent vigor and restored self confidence, despite the virtual collapse and capitulation of the Soviet Union which, in Admiral Zumwalt's version of Dr. Kissinger's views, was a Sparta to the American Athens, we still hear that our attention span is so short that we will restlessly turn from any enterprise not successfully concluded in a matter of weeks, that we will tire of the waiting, panic at first defeat, buckle at the first blood, capitulate, divide, turn against ourselves.

In the light of the 1970's, it is understandable that someone who does not feel the deeper currents of American history might fear such an outcome. Ever since 1929, some timid souls have sold all their stock each October because they associated the coincidence of a certain month and the crash of the markets with cause and effect.

The stock market does not crash every October. The American people, having suffered one major defeat and the period of self-doubt that followed it, need not repeat any course other than that which has marked our history for more than two centuries, a history not of failure, but of success, not of capitulation, but of victory.

The one principle we have not heard, the one vital goal, is that, at any cost, we must prevail in the Persian Gulf. Conditions could not be better. The world is aligned against our one enemy, almost as it has never been before. The force we can bring to bear is overwhelming. The issues are clear. If we back off here, if we succumb to another crisis of will, if we divide as we did in the Vietnam and post-Vietnam years, we may never recover, not because we are so weak that we cannot bear another humiliation, but because we are so strong that tolerating defeat will mean only that humiliation is what we desire.

The single and urgent principle, the preeminent objective, is that we must win. Let us determine to win, commit to it, decide that we will support the President even if his course of action be less perfect than it has been up to now, or than the perfect policy that we in this body in our wisdom might design, and declare that it is our intention to see this through as we have so many times before, recent memory be damned. The great forces of history now are running in our favor as they have so often in the past. Now we can capitalize on our victory in the cold war. Now we are back, our power decisive, our opportunities restored. The President has stated our goals. Let us resolve to achieve them.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ROBB). The absence of a quorum having been suggested, the clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

COSPONSORSHIP OF S. 2761, THE GAS RELATED ACTIVITIES ACT

Mr. BURDICK. Mr. President, I rise today to cosponsor S. 2761, the Gas Related Activities Act, introduced by Senator D'AMATO. S. 2761 would allow the three gas holding companies currently registered under the Public Utility Holding Company Act of 1935 [PUHCA]—Columbia Gas System, Consolidated Natural Gas Co., and National Fuel Gas Co.—to participate in the growing and competitive gas market on equal terms with other gas companies.

This legislation is particularly timely in view of anticipated passage of the Clean Air Act Amendments of 1990 prior to adjournment of the 101st Congress. Natural gas will play a critical role in helping America reach its clean air goals. Senator D'AMATO's bill is one important step to ensure that we will be able to get natural gas to places where it will be needed.

S. 2761 would also benefit consumers. At its February 1990 meeting, the National Association of Regulatory Utility Commissioners [NARUC] adopted a resolution endorsing the Gas Related Activities Act on the grounds that restrictions on activities of the registered companies which are functionally related to the retail sale of gas are "contrary to the best interests of their customers." I ask unanimous consent at this point, Mr. President, that the text of the NARUC resolution be printed in the RECORD following my remarks.

The Gas Related Activities Act has been referred to the Banking Committee because the SEC administers PUHCA. I urge my colleagues on that committee to expeditiously report this important legislation.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION REGARDING FEDERAL LEGISLATION TO CLARIFY THE PUBLIC UTILITY HOLDING COMPANY ACT OF 1935 CONCERNING FUNCTIONALLY RELATED GAS ACTIVITIES OF REGISTERED GAS HOLDING COMPANIES

Whereas, only three of the integrated natural gas systems remain registered as holding companies under the Public Utility Holding Company Act of 1935 (hereinafter referred to as PUHCA), namely, the Columbia Gas System, Inc., Consolidated Natural Gas Company, and National Fuel Gas Company (hereinafter referred to as the registered gas companies); and

Whereas, the operations functionally related to local distribution, including transmission of natural gas, exploration for natural gas, and marketing and supply of natural gas are deemed by PUHCA to be "non-utility business"; and

Whereas, recent interpretations of PUHCA, primarily developed in the context of electric industry, where generation and transmission are utility functions, limit "non-utility business"; of registered companies to those activities primarily benefiting affiliated utilities; and

Whereas, application of this interpretation to gas systems could limit the activities of gas systems to those primarily serving affiliated local distribution companies, without regard to the benefits such activities confer upon non-affiliated local distribution companies, many of which are major, long-term customers of the registered gas companies and others of which are potential customers in areas without sufficient pipeline capacity, particularly in the northeastern United States; and

Whereas, the deregulation of wellhead prices together with the regulatory changes which have occurred during the 1980's have encouraged a beneficial competitive restructuring of the gas industry; and

Whereas, State regulators have encouraged local distribution companies, including those distribution companies affiliated with the registered gas companies, to diversify their gas supply procurement by interconnecting with and obtaining gas via competing pipelines and directly from gas producers; and

Whereas, Federal regulators have opened access to the registered gas companies transmission facilities, thereby substantially increasing non-affiliated transactions; and

Whereas, restrictions on functionally-related activities of the registered gas companies place them at a competitive disadvantage and are contrary to the best interests of their customers; and

Whereas, restrictions on gas-related activities could prevent the registered gas companies from expanding their pipeline systems or from participating in joint ventures with other gas systems to expand pipeline service to areas of the country where enhanced transportation capability is necessary; now, therefore, be it

Resolved, That the Executive Committee of the National Association of Regulatory Utility Commissioners (NARUC), assembled at its 1990 Winter Committee Meeting in Washington, D.C., calls upon the Congress to enact legislation, in the form of the draft legislation below, to clarify PUHCA to secure the benefit of competition among gas systems for natural gas consumers.

"Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the acquisition or retention by a company, registered under the Public Utility Holding Company Act of 1935 solely by reason of direct or indirect ownership of voting securities of one or more gas utility companies, or by any subsidiary company of such registered company, of any interest in any natural gas company as defined under the Natural Gas Act (15 U.S.C. Sec. 717 (a) *et seq.*) or in any company organized to engage or participate in activities related to the supply of natural gas (including exploration, development, production, manufacture, storage, transportation, marketing or other similar activities related to the supply of natural or manufactured gas) shall be deemed, for the purposes if Section 11(b)(1) of said Act, to be reasonably incidental or economically necessary or appropriate to the operation of said utility companies. Nothing herein shall be construed to affect the applicability of any other provisions of the Public Utility Holding Company Act to the acquisition or retention of any such interest by any such company."

IN SUPPORT OF GRANTING CZECHOSLOVAKIA MOST-FAVORED-NATION TRADING STATUS

Mr. CRANSTON. Mr. President, I rise today in support of an agreement that would grant most-favored-nation trading status to Czechoslovakia. As my colleagues are aware, President Bush committed our country to action

on this matter in his meeting with President Havel in April. Many months have since passed and we have yet to act on this matter. It is time to stand shoulder to shoulder to make this happen.

Mr. President, granting most-favored-nation status to Czechoslovakia is one of the most significant and symbolic actions we may take this Congress. Granting MFN to Czechoslovakia would send a clear signal to the people of this new democracy that we believe in them and in their dream of freedom.

Recent events have underscored our belief that democracy is fueled by and dependent upon free enterprise. Unfortunately, Czechoslovakian imports are still burdened by cold war trade policy and thus, are subject to purposefully high tariffs relative to other nations. In a sense then, the United States, in continuing to levy high tariffs and otherwise discouraging trade with Czechoslovakia is as responsible for slowing the progress of democracy in Czechoslovakia as any other element.

I urge my colleagues to join the distinguished majority leader clearing the way for passage of this important legislation as quickly as possible. The time is now for the United States to extend a hand to a country that has met the test of loyalty to democratic ideals.

JOSEPH VINCENT MACHUGH: OUR FRIEND WILL BE MISSED

Mr. HOLLINGS. Mr. President, I am sure that there is not a man or woman in this body who was not saddened by the passing of Joseph Vincent MacHugh on August 19. Our sadness, however, is tempered by an appreciation that Joe, who was born in the last century, lived a very long, productive, and happy life.

Of course, most of that remarkable life was spent in service to the United States. At age 18, Joe interrupted his undergraduate studies at Catholic University to serve in the Army during World War I. After the war, he earned a law degree at Georgetown and went to work as an attorney with the Justice Department. Later in his career, he worked on a number of committees in both the Senate and House.

Joe took special pride, however, in his avocation as freelance essayist and political observer, in which role he was well known, respected, and beloved by countless Senators and Representatives. He was unfailingly cheerful, and we could always count on him for a positive, upbeat comment or compliment. Perhaps most, I will miss his familiar presence and warm words of greeting in the Capitol Building.

Mr. President, may Joe MacHugh rest in peace.

THE CONTINUING CRISIS IN BURMA

Mr. MOYNIHAN. Mr. President, one word describes the situation in Burma, agonizing.

Since the election in May of this year which was overwhelmingly won by candidates of the National League for Democracy—indeed, winning 396 out of 492 seats—and a fact conceded by the ruling State law and Order Restoration Council, SLORC, that regime has done nothing to begin the transition to a popularly elected dmocratic government.

The proposition which I have often stated continues to apply. To wit, anything which the Burmese Government—which is to say the military—tells you is a lie. What better example of this fact than elections held and sanctioned by the ruling regime, overwhelmingly won by the opposition, conceded by the government, and then forgotten.

Perhaps, Mr. President, we can help to remind that junta in Rangoon that it will continue not to be the policy of this Government to support such behavior.

Indeed, on August 20, President Bush signed into law the Customs and Trade Act of 1990. That legislation, now statute, requires the President to certify that Burma has met four conditions by October 1, 1990. These include cooperation in antinarcotics efforts, transfer of power to a civilian government, the end of martial law, and the release of political prisoners, including Aung San Suu Kyi and Tin Oo. If all conditions are not met, then President Bush must impose such economic sanctions upon Burma as he determines appropriate.

The elemental failure of the Burmese regime to respect its own peoples call for a democratic constitution and government, as well as the enormity of its narcotics corruption, demand a response from our Government, and the rest of the world. At a time when the Bush administration continues to press an economic embargo against Vietnam and Cambodia, there can be no explanation for not taking similar action against Burma. At a time when we have involved the United Nations in the crimes of Iraq, ought we not do the same as to the crimes of the Burmese junta?

A recent op-ed in the New York Times and an editorial in the Wall Street Journal clearly outline the abhorrent behavior of a nation in contempt of the will of its own people. Mr. President, our Government cannot be passive about such actions. With certainty, we cannot moderate our efforts on behalf of democracy in Burma. Indeed, we must invigorate them.

I ask unanimous consent that both the op-ed and the editorial appear at this point in my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 4, 1990]

SHACKLED BURMA

If the United Nations is indeed interested in restoring its relevance, there is an increasingly urgent project that world leaders might take up in Burma. It is now more than three months since the Burmese people voted overwhelmingly to end the socialist repression that over the past 28 years has wrecked their once-thriving nation. But the military dictators in Rangoon haven't budged. Instead, they've kept their security forces busy with tasks such as shooting to death at least four peaceful demonstrators on August 8 in Mandalay, according to Amnesty International.

The signs are that the ruling military junta, apparently led by General Khin Nynut, miscalculated in allowing relatively fair polling in the May 27 elections. Though some of the opposition's strongest leaders were hampered in the campaign by being held in prison or under house arrest, voters gave some 80% of the seats and 60% of the popular vote to the opposition.

So far, the Rangoon junta hasn't even offered the winners office space. The main opposition party's secretary-general, Aung Sun Suu Kyi, remains under the house arrest imposed more than a year ago. Its chairman, Tin Oo—reportedly ailing—is still serving a three-year sentence of hard labor, imposed last December.

Burma's dictator, Ne Win, officially stepped down when the junta took over to crush huge street protests in 1988. But Ne Win is widely believed to be keeping a hand in the organization's policies of gulag government. These have recently included big resettlement programs, reiminiscent of Khmer Rouge tactics in the 1970s in Cambodia, apparently aimed at breaking up pockets of political unrest. Tens of thousands of Burnese have been moved from the cities to the countryside. One Western diplomat based in Rangoon told us earlier this year that in some cases entire neighborhoods in the capital had been moved out. The resettlement areas are officially off-limits to outsiders.

Burna's sad experience should leave us all leery of trusting the sweeter promises offered by the tyrants of Asia's similarly bleak Marxist nations—Vietnam, Cambodia, Laos, China and North Korea. But if the junta can somehow be forced to honor the opposition victory at the polls, Burna's example could yet help inspire an East European-style sweep in Asia. Asia's tragedy is that the revolts in China and Burma have rattled but not yet broken the chains.

[From the New York Times, Aug. 26, 1990]

MYANMAR IS DIFFERENT FROM OTHER LANDS

(By Thant Myint-U)

As Rudyard Kipling looked out from the deck of his ship to the distant shore, a fellow passenger said to him, "And this is Burma, and it will be quite unlike any land that you know about. . . ."

Even the elections are different.

All over the world, from South Korea to Argentina to, most recently, Nicaragua, "free and fair elections" have been an important part of the transition from dictatorship to democracy. But in Burma, now Myanmar, the military Government held

"free and fair elections," lost those elections and is still very much in power.

The Burmese Government first tried, expectedly, to stack the odds in its favor. After announcing that it was holding elections, the military arrested thousands of opposition leaders, imposed strict martial law restrictions and forcibly moved nearly a million people from pro-opposition constituencies to the distant countryside, where it was difficult for them to vote. But the actual elections, held on May 27, turned out to be suprisingly clean. As a result, the opposition's main party, the National League for Democracy, won a resounding 396 out of 492 seats. The Government's own National Unity Party won a humiliating 10.

Unlike Ferdinand Marcos in the Philippines or Manuel Noriega in Panama, Myanmar's generals didn't try to "steal" the elections. They announced matter-of-factly that yes, the opposition did win a big victory. But, they said, the elections weren't for a parliament after all. In the words of one foreign observer, they "moved the goal posts."

Now, says the ruling State law and Order Restoration Council, or Slorc, it will have to first appoint a "representative national convention" to set "guidelines" for a new constitution. Then the Slorc will decide whether or not to approve the guidelines. Next, the "assembly" members (the ones just elected) will draft the actual document (and that's all for them). Then a national "plebiscite" will be held, followed by a new round of elections under the new constitution. Only when the new parliament has met and formed a "strong government" will the Slorc consider transferring power. The process could take years.

The National League for Democracy terms the plan "completely unacceptable" and has called for an immediate dialogue leading to a transfer of power by Oct 1. The military has remained silent, and Myanmar looks as if it could explode into violence once again. It may have started already. On Aug. 8, students and workers demonstrated in at least five cities all over the country. In Mandalay, soldiers opened fire on a crowd of 5,000 killing 4 and wounding several more. Some student leaders are calling for an all-out confrontation to force the military to step down.

Aug. 8 was also the anniversary of huge nationwide protests two years ago that almost toppled the 30-year-old military Government. During the uprising as many as 10,000 unarmed students and others were shot dead before the demonstrations ended in mid-September.

Since then, tens of thousands have been arrested and thousands of others have been forced to flee into the jungles. Torture is widespread and extrajudicial executions are still common. There are fears that the longer the military delays handing over power, the bloodier the inevitable change will be.

Congress has called on President Bush to impose sanctions on Myanmar if a transfer of power hasn't take place by Oct 1. Congress has expressed conern not only over the human rights situation but also over increasing reports of Burmese military complicity in the local drug trade, which provides half of all the heroin in the U.S. It believes that a government of the National League could do more to tackle the drug problem as well as improve the human rights situation. It wants the Administration to do more to help support democratic change.

Though America's trade with Myanmar is small, it is growing, and American companies have given the Burmese military much-needed hard currency for buying more guns and ammunition. American allies such as Thailand and South Korea do even more to help the regime, providing direct Government assistance and encouraging private investment in the military's projects.

More importantly, however, America has a loss of influence as a symbol of democracy. On Aug. 8 a group of about 20 schoolchildren, ages 12 to 15, gathered in front of the U.S. Embassy in Yangon, formerly Rangoon, vowing to continue the fight for democracy. Seven were arrested on their way home and haven't been seen since.

Myanmar's students increasingly look to the U.S. for understanding and support. And George Bush's reputation for standing up to dictators is growing, even in distant Yangon.

LET'S LISTEN TO OUR ISRAELI FRIENDS

Mr. CRANSTON. Mr. President, last week, after visiting Saudi Arabia, Bahrain, and Egypt as part of the congressional leadership delegation headed by our distinguished colleague, Senator PELL—I traveled on to Israel to consult with leaders there about the crisis in the gulf.

I thought it would be helpful to compare and to share, with America's longest-term and closest ally in the region, perspectives on the nature of the threat posed by Saddam Hussein's criminal barbarity.

I was able to meet with a truly representative range of the Israeli leadership, including Prime Minister Shamir, opposition leader Shimon Peres, defense minister Moshe Arens and military intelligence chief, Maj. Gen. Amnon Shahak.

I described to them and others what we had seen in the gulf—the readiness of our troops, their high morale, and their state-of-the-art weaponry.

I also expressed my deep appreciation for an Israeli action, much criticized at the time, which has meant that our fighting men and women are not left confronting a nuclear-armed Hitler on the sands of, and on the seas surrounding, the Arabian peninsula. I am referring, of course to Israel's 1981 air strike against the Iraqi Osirak nuclear reactor. I did not join in the chorus of condemnation expressed by so many at that time.

How different the Iraqi threat would be—how much bleaker the long-term prospects for world peace—if Saddam Hussein today was able to add nuclear weaponry to his dangerous collection of bombs and bombast.

Last week, Israeli leaders stressed their concern—a concern I share—about Iraq's ongoing nuclear, biological and chemical weapons programs, saying that if Saddam remained in power it was only a matter of time, perhaps less than 5 years, before Iraq would have nuclear weapons.

I told them that, beyond the crisis, the international community must end Iraq's deadly and dangerous weapons program. At a minimum, there must be an ironclad agreement not to help Iraq develop these weapons.

Mr. President, as you know, while Israel is not part of the multilateral force now poised and ready in the gulf, it is nonetheless exposed to greater danger as a result of the buildup in the region.

Saddam has made it clear that if the United States attacked, Iraq would strike both Saudi Arabia and Israel. An attack could come through Jordan, or in the form of missiles. In either case, I am sure, Israel would strike back.

While they did not oppose proposed United States arms transfers to Saudi Arabia, some Israelis emphasized to me their worry that those weapons may one day fall into the hands of Saddam, as has already happened with United States-supplied arms to Iran and Kuwait, or into those of another fanatical force in a region which has produced its share of them.

Other Israelis suggested that after the crisis, these arms might be used by the Saudis themselves against Israel. They pointed to the words of a high-ranking Saudi official in a recent harangue of Saudi troops now eyeball to eyeball in the showdown with Iraq. He had always hoped, the Saudi official declared, that if war was to break out, it would be against Israel.

Furthermore, several Israelis I talked with also noted that the relatively small Saudi army was already nearly drowning in sophisticated weaponry. "The Saudis are being armed to the teeth," one official told me, "but they don't have any teeth."

Despite these concerns, I should stress that at no time did the Israelis suggest that they would act independently of the United States or seek to nudge us from our present course of a diplomatic solution. Given the direct threats made against Israel and its people, I think this restraint is remarkable, and speaks to the essential and fundamental strength of the United States-Israeli friendship.

The new mood of insecurity and of danger in the gulf has heightened Israel's need for additional defensive equipment—F-15's, F-16's, and Patriot antiaircraft batteries. However, Israel does not have the money to pay for this latest round of military security needs. This is especially so given the enormous burden of absorbing the massive Aliya from the Soviet Union. Two hundred thousand people are expected to immigrate this year alone, with the number doubling by the end of next year.

Mr. President, I was one of those who opposed prior arms sales to the Saudis. However, given their current

role in the gulf crisis, I think they deserve our help and our support.

However, in doing so, I think it is important we do not give Riyadh a blank check. I want to know why they need what they request, and I want to know that the small Saudi armed forces can handle what they get effectively. And, at the same time, it is important to ensure that Israel, the only democracy in the region, maintains its qualitative military edge.

To this end, I think it is imperative that the administration continue its efforts to enhance United States-Israeli consultation. As the Israeli leadership pointed out to me, whatever the occasional misunderstanding between Jerusalem and Washington in the past, these have never clouded the strategic relationship between our two nations.

That, indeed, marks the difference between common interests and real friendship.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,006th day that Terry Anderson has been held captive in Beirut.

And the 1,460th day for Joseph James Cicippio. Today, Mr. Cicippio, formerly the deputy comptroller for the American University of Beirut, begins his 5th year in captivity. Tomorrow is his 60th birthday.

I ask unanimous consent that an Associated Press report from Mr. Cicippio's hometown, Norristown, PA, be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

NORRISTOWN, PA.—Thomas Cicippio went to mass this morning to pray once again for the release of his youngest brother, who today ended his fourth year as a hostage in Lebanon.

The sign in front of the Cicippio house says Joseph Cicippio has spent 1,460 days in captivity.

On Thursday, the family plans a quiet observance of the hostage's 60th birthday. Cicippio was the acting controller at American University in Beirut when he was kidnaped on Sept. 12, 1986.

From that day on, life for the Cicippio family hasn't been the same. Cicippio said this morning the telephone calls slowed down and there aren't many people showing up at the house anymore. But there are still daily reminders that one of the family is missing.

Today's mass was not intended as a special service. Family members attended the brief service, then went home or to work.

Cicippio is one of seven Americans still held somewhere in Lebanon with 10 other Westerners. Rumors that one or more are soon to be released keep filtering out, but none materialize.

The hostage's Lebanese wife, Elham Ghandour, remains in Beirut, waiting.

"It changed all of our lives," said Cicippio, 66, a retired postal worker. "Joseph is always on our mind. I don't wander too far. I'm always waiting for something to break, and I want to be around when it does."

Thirteen months ago his brother was the center of world attention as his captors threatened to execute him in retaliation for Israel's jailing of an Arab sheik.

Cicippio said he speaks several times a month with his brother's wife, and is in contact once in a while with the U.S. State Department.

He also carefully listens to news reports on television and radio, hoping for something favorable about the hostages.

"Iran let hostages go even during the Kuwait crisis (and) that was a good sign for us," he said. "I keep thinking they will be released tomorrow and tomorrow. I still truly believe our tomorrow will come."

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The period for morning business is now closed.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1991

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 5311, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 5311) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in parts against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

Armstrong amendment No. 2632, to allow organizations in the Nation's Capital to exclude adult homosexuals from certain programs and activities that involve juveniles.

The PRESIDING OFFICER. I will remind the floor managers that the Armstrong amendment No. 2632 is the pending amendment.

The Chair recognizes the Senator from Washington [Mr. ADAMS].

AMENDMENT NO. 2634 TO AMENDMENT NO. 2632

Mr. ADAMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Washington [Mr. ADAMS] proposes an amendment numbered 2634 to amendment No. 2632.

Mr. ADAMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment strike all after the word "SEC. ." and insert the following:

Section 1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

(c)(1) Nothing in this Act shall be constructed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches, or trains any juvenile, or holds out any adult as a role model, mentor, or companion to any juvenile, of any adult homosexual, bisexual, or heterosexual person who has been convicted of or is charged with a sexual offense with a juvenile, or who otherwise poses a threat of engaging in sex with a juvenile or otherwise sexually abusing a juvenile; and

(2) nothing in this Act shall be constructed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation or any adult homosexual, bisexual or heterosexual person in any voluntary program or activity that educates, coaches, or trains any juvenile, if the parent or guardian of said juvenile objects to the participation of such person based on the person's sexual orientation.

Mr. ADAMS. Mr. President, the amendment which I have just proposed was adopted by the Senate on March 1, 1990 on the national and community service bill by a vote of 97 to 1. I hope that we can avoid a lengthy debate and maybe simply adopt this substitute by voice vote.

This substitute responds to the Senator from Colorado's amendment which grows out of the Big Brothers of the National Capital Area policy which leaves to a youngster's mother the final decision on a match with a volunteer Big Brother.

The Senator from Colorado's underlying amendment is designed to legalize discrimination against "any adult homosexual person or adult bisexual person." My substitute adds to that list heterosexual persons who have been convicted of or are charged with a sexual offense with a juvenile, or who otherwise poses a threat of sexual abuse of a juvenile.

My amendment is broader and seeks to protect little brothers from abuse, from whatever source, not just from a select few.

Mr. President, I hope that we can simply adopt this substitute, as we have done in the past, and move ahead on this bill.

I yield the floor.

I notice that the Senator from Colorado has come in. I know we have a potential amendment pending from the other Senator from Virginia [Mr. WARNER]. I am prepared to set this amendment aside and proceed with the amendment of the Senator from Virginia or to proceed to the amendment of the Senator from Colorado, at his pleasure.

Mr. ARMSTRONG. Mr. President, I was not in the room. I understand the Senator from Washington has offered an amendment as a substitute to mine.

Mr. ADAMS. That is correct. It was the same substitute offered by Senator KENNEDY with identical mirror language.

Mr. ARMSTRONG. I thought that was a smoke screen then and it is a smoke screen now.

Mr. WARNER. Mr. President, I managed to put on the floor an amendment which I believe that the managers of the bill eventually will accept, if the Senator from Colorado has no objection to my going forward with an amendment.

Mr. ARMSTRONG. Mr. President, if the request of the Senator is that my amendment and the substitute be temporarily laid aside and recur after the Senator's amendment, that would be fine with me.

Mr. WARNER. Mr. President, I first want to ask the managers if that is an agreeable procedure.

Mr. ADAMS. That is an agreeable procedure. I ask unanimous consent that the pending amendment and substitute be temporarily set aside.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Mr. President, momentarily I will send an amendment to the desk. However, I would like to take this opportunity to explain the background.

Mr. President, in March 1909, the Congress enacted a statute which authorized the Federal Government to begin acquiring property in Lorton, VA, for the purposes of housing a prison workhouse and reformatory for the District of Columbia. The United States continues to hold title to the more than 3,000 acres which comprise the District's Lorton Reformatory Reservation.

In 1971, the District, Fairfax County, Arlington County, and the city of Alexandria entered into an agreement under which 290 acres of this Federal reservation were set aside for use as a municipal waste landfill. Leachate flowing from this landfill into Mills Branch and the Occoquan River has caused Fairfax County, the operator of the landfill since 1982, to be cited with numerous violations of state and Federal clean water statutes. In other words, there is a basis in fact now for the allegation that there is leaching from this particular landfill site into the various water basins that I have just enumerated, namely the Occoquan River and others.

Fairfax County and the District of Columbia have now proposed a 550-acre expansion of the existing landfill. The purpose of my amendment is to require that a full environmental impact statement be satisfactorily completed before the proposed expansion proceeds. My rationale in offering the amendment is quite straightforward, indeed.

The draft impact report prepared by the municipal government on this matter concludes that the landfill expansion would have no significant negative impact on the environment or on the densely populated communities adjacent to the Lorton Reservation. A cursory review of the report, however, provides no insight into how the county reached their conclusions. To name but a few of the reports inconsistencies:

First, the report states that there ought to be an adequate buffer zone to protect area residents from odor, noise and other static problems; yet, the report does not attempt to identify the degree of static impact of the proposed landfill, to define "adequate protection," or to provide for impact mitigation measures.

Second, the report states that the groundwater supply would not be recharged as a result of the nonpermeable barrier beneath the proposed landfill; yet it does not say what impact that might have on the down-stream water supply—nor does it contain baseline data for comparison.

Third, the report states that there will be a drastic increase in truck and private vehicular traffic at the site, but fails to identify the impact of that traffic increase on the already severely congested Interstate 95 and local arterial roads. It also fails to identify mitigating measures which might be taken to deal with the problem.

Fourth and last, the report fails to acknowledge the very real potential for failure of the so-called nonpermeable barrier system, which I might add, is not without precedent. Should this barrier fail to contain the leachate, the Government impact would be severe and far-reaching, particularly given the fact that the landfill will be located on land which the U.S. Geological Survey maps show to be very sandy and normally unsuitable for a landfill.

These are but a few of the very real, entirely appropriate concerns which everybody publicly expressed in the communities surrounding this Federal reservation. It is my judgment to move forward with this landfill without a proper environmental impact statement would represent a failure on the part of this Congress to demonstrate its commitment to the Clean Water Act, the National Environmental Policy Act, and the Chespeake Bay Cleanup Program.

Therefore, I urge my distinguished colleagues to consider the merit of my amendment and further ask for their support in this sincere effort to protect the environment on and around this Federal reservation.

Mr. President, I wish to ask that the distinguished Senator from Virginia [Mr. ROBB] be added as a cosponsor. I note he is now presiding in the Chair; otherwise, he would perhaps be joining me on the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The chair is pleased to join the senior Senator from Virginia.

Mr. WARNER. Mr. President, I acknowledge my respect and appreciation for the work on behalf of the staff of both Senators from Virginia in the preparation of this amendment.

Mr. President, I am going to revise the form of the amendment, the preamble. At the moment, I withhold sending it to the desk.

(By unanimous consent, the following remarks of Mr. ROBB were ordered to be printed in the RECORD at this point:)

Mr. ROBB. Mr. President, I offer this amendment, with my colleague from Virginia, in an effort to address the concerns of Fairfax County residents and local governments about plans to expand the I-95 sanitary landfill, located in Lorton, VA. The current I-95 sanitary landfill is expected to reach its capacity within 5 years. As a result, the local governments and the District of Columbia want to expand the size of the landfill. Residents around the landfill are understandably concerned about the impact that expansion could have on their neighborhoods. But because the land in question is federally owned, an environmental impact statement is not legally required.

The House adopted an amendment, offered by Representative MCDERMOTT, of Washington, which set aside a portion of the Federal payment to the District for an EIS for the landfill. I have been informed that the same amendment, if adopted by the Senate, would cause the subcommittee to exceed its section 302(b) allocations. Therefore, it would violate the Budget Act. Having just voted yesterday against a motion to waive the Budget Act on a prior appropriation bill, I would not seek a budget waiver on this issue.

Mr. President, this amendment prevents expansion of the landfill until completion of an environmental impact statement which must be contracted for by March 31, 1991. The parties to the December 7, 1987 I-95 landfill memorandum of understanding are required to share the cost of the study proportionate with their projected usage of the landfill expansion through its estimated life. In addition, the expansion of the landfill can not take place until the appropriate State agencies have issued the required permits.

The existing I-95 landfill subfund 186 covers unemcumbered balances which are distributed each year to the participating jurisdictions who are parties to the landfill memorandum of understanding. These parties are Fairfax County, the landfill operator; Arlington County; the city of Alexandria; and the District of Columbia.

The necessary environmental impact statement could be financed jointly by the parties from the unencumbered

fund balance. I urge the adoption of this amendment and thank the distinguished chairman of the subcommittee for his assistance.

Mr. ADAMS. Mr. President, we have examined on this side, the draft of the proposed amendment, and it indicates that there be an environmental impact statement, to which we have no objection, and that the cost of this would be divided appropriately among the parties that are involved, and that this is not to be used for the transport of municipal waste from the District of Columbia.

So on our side, we have no objection to this new draft of the amendment as it has been presented.

Mr. NICKLES addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I wish to compliment my friend and colleague, Senator WARNER from Virginia, and also Senator ROBB, for the amendment. We have no objection.

The PRESIDING OFFICER. The amendment has not been formally presented.

AMENDMENT NO. 2635

Mr. WARNER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Virginia [Mr. WARNER], for himself and Mr. ROBB, proposes an amendment numbered 2635.

SEC. . None of the funds appropriated by this Act may be used for expansion of the "I-95 sanitary landfill" until (1) completion of an environmental impact statement which shall be contracted for by March 31, 1991, and (2) the parties to the December 7, 1987, I-95 landfill memorandum of understanding agree to share the cost of the study proportionate with their projected usage of the landfill expansion through its estimated life: *Provided further*, That none of the funds appropriated by this Act may be used to transport any output of the municipal waste system of the District of Columbia for disposal in any State until the appropriate State agencies have issued the required permits.

Mr. WARNER. Mr. President, I thank the indulgence of my colleagues for allowing the amendment to be read. It was short, but I felt it was proper that all Members be familiar with this action.

It is simply an effort on behalf of myself and my colleague from Virginia to assure that the appropriate environmental standards are met.

Landfills are the subject of great controversy today. I am hopeful this can be resolved in a manner which is satisfactory to all parties concerned, because it is essential for the function of the communities that this landfill be properly handled.

Mr. President, seeing no other Senator desiring to speak, I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment?

If there be no further debate, the question is on agreeing to the amendment of the Senator from Virginia.

The amendment (No. 2635) was agreed to.

Mr. WARNER. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. ADAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

AMENDMENT NO. 2632, AS MODIFIED

Mr. ARMSTRONG. Mr. President, I am really encouraged, because I can see this is a good morning to agree to amendments. I compliment my friend from Virginia for doing so with such style and so expeditiously. Now I would like to do the same, if that would be all right.

If I understand the situation, we have the Armstrong amendment pending, and then a second-degree amendment by the Senator from Washington [Mr. ADAMS], pending as a substitute to that amendment, which is not exactly the situation I had hoped to find myself in here this morning.

But under the circumstances, Mr. President, I believe that I will simply modify my amendment to accept the second-degree amendment.

The PRESIDING OFFICER. The Senator has the right to modify the amendment. The Parliamentarian has asked that the Senator please send a copy of the modification to the desk.

Mr. ARMSTRONG. Mr. President, I do not have a copy of it, because I do not have a copy of the Adams amendment.

I now send it to the desk.

The PRESIDING OFFICER. The amendment is now so modified. The second-degree amendment is rendered moot.

The amendment, as modified, is as follows:

At an appropriate place in the bill insert the following new section:

SEC. . Section 1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

(c)(1) Nothing in this Act shall be constructed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches, or trains any juvenile, or holds out any adult as a role model, mentor, or companion to any juvenile, of any adult homosexual, bisexual, or heterosexual person who has been convicted of or is charged with a sexual offense with a juvenile, or who otherwise poses a threat of engaging in sex with a juvenile or otherwise sexually abusing a juvenile; and

(2) nothing in this Act shall be constructed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual, bisexual or heterosexual person in any voluntary program or activity that educates, coaches, or trains any juvenile or holds out an adult as a mentor, or companion to a juvenile, if the parent or guardian of said juvenile objects to the participation of such person based on the person's sexual orientation.

Mr. ARMSTRONG. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second.

Mr. ARMSTRONG. Then I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ADAMS. I believe the pending matter is the request from the Senator from Colorado for the yeas and nays; is that correct?

The PRESIDING OFFICER. The yeas and nays were not seconded at the time. That request is no longer pending.

Mr. NICKLES. Mr. President, I ask for the yeas and nays on the Armstrong amendment.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. ARMSTRONG. I wonder if the Senator would mind withholding that for a moment?

Mr. NICKLES. I am happy to withhold.

Mr. ARMSTRONG. I wish to seek recognition to speak. I am not trying to get ahead of the Senator from Washington.

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. It was my understanding the Senator from Colorado wished to address the Senate. I yield the floor for that purpose.

The PRESIDING OFFICER. The Chair recognizes the Senator from Colorado [Mr. ARMSTRONG].

Mr. ARMSTRONG. Has the Senator from Washington offered his second-degree amendment?

The PRESIDING OFFICER. The second-degree amendment has not been offered.

Mr. ARMSTRONG. A few moments ago I characterized the pending amendment as a smokescreen. That may have been uncharitable, but it was not inaccurate. This, the proposed second-degree amendment, is the same amendment which the Senator from Massachusetts offered. I think it is a fair summary of what happened that he did so to confuse the situation enough so my amendment would not be considered on its merits. In fact, that is what happened.

I regret that the Senator from Washington wishes to pursue this further. Let me say to the Senator from Washington that there is a way, today or tomorrow or sometime, that I am going to get a vote on this amendment. It is going to be a vote which will be straight up or down or tabling. I do not care which. And it is a way in which all Senators will know exactly what they are voting on and that it will not be confused with some other extraneous issue.

I would like to take a moment to explain what I believe the issue to be. I do not object if the Senator from Washington wants to get a vote on his amendment. That is fine. If he wants to amend his own amendment, that is fine with me. But I am not willing to stand by and let the D.C. government impose upon volunteer organizations a regime which is completely contrary to every standard of fair play and justice and decency that the broad mainstream of the people of the District of Columbia, let alone the people of the State of Washington or Colorado or of America, would think is fair. So let me just explain what we are really talking about.

I would refer my colleague's attention to an article which appeared in the October 24, 1989, Washington Post. Let me read it because it sums up the situation very well.

The Big Brothers of the National Capital Area has altered a policy under which it rejected the applications of homosexuals who volunteered to serve as role models for youngsters, officials of the organization said.

Under a vote taken last week by the private organization, the determination for matching a youngster with a volunteer is to be left with the youngster's mother. * * * In August, the D.C. Office of Human Rights decided to investigate a complaint filed by a Greenbelt man who alleged that the Big Brothers excluded him because he is a homosexual.

The article goes on. I ask unanimous consent that this be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Oct. 24, 1989]

BIG BROTHERS SHIFT RULES

The Big Brothers of the National Capital Area has altered a policy under which it rejected the applications of homosexuals who volunteered to serve as role models for youngsters, officials of the organization said.

Under a vote taken last week by the private organization, the determination for matching a youngster with a volunteer is to be left to the youngster's mother, Big Brothers officials said.

In August, the D.C. Office of Human Rights decided to invesitigate a complaint filed by a Greenbelt man who alleged that the Big Brothers excluded him because he is homosexual.

The man alleged that the group violated a D.C. law prohibiting discrimination against homosexuals by employers and public accommodations.

A Human Rights Office spokeswoman said in August that the agency had categorized Big Brothers as a "place of public accommodation."

United Press International quoted an official of the Gay and Lesbian Activist Alliance of Washington as expressing satisfaction yesterday that Big Brothers "will finally allow gay men to contribute to the community as they would anyone else."

Mr. ARMSTRONG. The issue is simple. The D.C. government is requiring that the Big Brothers and similar organizations, Boy Scouts, Girl Scouts, Camp Fire Girls, and whatever, admit into their ranks as role models and counselors and coaches and leaders and whatever, homosexual persons.

Mr. President, this is an outrage. This is so far outside any kind of fair treatment of these volunteer organizations, and more important for the youngsters which they seek to serve, that for the Senate to stand by and let that happen is just a dereliction of duty. My amendment does not go in and repeal the D.C. Code. It does not make a broad gauge change in the D.C.'s policy toward homosexuals.

If I were a resident of District of Columbia frankly, I would be ashamed of the conduct of City Council and city officials with respect to such issues as it relates not only to religious colleges and universities, but now to volunteer organizations and for that matter to private organizations. But that is not what my amendment does. I am not trying to go in and solve a lot of theoretical problems or make some kind of an ideological statement here. I am simply trying to solve a very real practical problem. The problem is this:

In the District of Columbia today, these organizations, the Big Brothers, the Camp Fire Girls, the Boy Scouts, and whatnot, are required to admit homosexuals in these sensitive positions of leadership and role modeling for impressionable young people.

Let us clear the air, because I can hear what somebody is going to say. This is not homosexual bashing. This does not forbid homosexuals from taking part in such organizations. What it says is that the organizations cannot be forced to accept such persons in positions of significant leadership where they are role models or mentors to these young people, against their will. It leaves to the organization that determination.

It is the D.C. Council and others in the District of Columbia who are exercising coercion here.

Mr. President, why is this a problem? Why should organizations not be required to admit homosexuals in that role? Mr. President, I would just appeal to the conscience of each of my colleagues and to hundreds of years of well-known history. With very few exceptions throughout recorded history, homosexuality has not been regarded as normal. It has been regarded as a form of aberrant behavior. There are some people who, in recent times—quite recently, as a matter of fact—have begun to argue that it is what they euphemistically term a valid alternative lifestyle. It is their privilege, it is their right to make that argument. I do not believe it. I reject it. It is contrary to human experience. It is contrary to moral teachings in practically every civilization in recorded history. It is contrary to my own observation of what happens to people when they engage in this kind of wrongful behavior. But that is another question. That is not addressed in my amendment either.

This does not tell anybody whether they can or cannot be a homosexual. It does not say what they can do or what they cannot. What it does is very limited; very narrow. It says that the D.C. city government will not be permitted to force the hands of volunteer organizations, who are not making a profit, who are not exploiting the situation. All they are trying to do is to help some young people who are in need of some adult mentoring and companionship.

For the government of the Nation's capitol to take the kind of rephrensible stand that the D.C. government has taken on this and some other related issues, it just seems to me, is so far afield that there would be few Senators who would want to support their action. There would be few Senators, it seems to me, who would say no, the council is right, the thing we ought to do is really we ought to force these volunteer organizations to accept homosexual persons.

Specifically, my amendment adds a fourth section to the existing Human Rights Act. It is a section entitled "Exceptions" and it is extremely narrow. The exception which my amendment seeks to make is limited to adults who work with minors in a particular situation and does not extend to minors themselves nor to adults who work with other adults. A minor in the District of Columbia, by the way, is some-

one who has not yet reached 18 years of age.

So that is the amendment which I wanted to offer this morning, which I do want to offer this morning, on which I had hoped to have a vote on and on which, let me say again to the Senator from Washington, I intend to have a vote.

It may be that he can prevent me from getting a vote on it this morning. It might be that he could keep me from getting a vote on it this afternoon. Maybe tomorrow. But surely the Senator does not believe that he can prevent me or some other Senators from raising this issue in a time and place when it will come to a vote.

There are going to be second-degree amendments in this Chamber, Mr. President. Let me say there are even going to be second-degree amendments offered by Republican Senators. We all know under the rules and traditions of the Senate it is possible for the majority leader or for a majority Senator to get ahead of minority Senators on some occasions. But there is going to be some occasion when somebody from this side of the aisle who wishes to do so can get this amendment up. In fact, I can probably still get it up in some other way even today. But I would like to just appeal to my friend from Washington not to pursue this any further, to let us have a vote on it and not try to confuse the issue with other amendments.

If he wants to have a vote on the amendment which he has raised I have no objection to that.

In fact, I welcome and I am seeking the yeas and nays on his amendment, but I just appeal to him in fairness on an issue which is of substantial public importance which affects the lives of a lot of young people in the Nation's Capital and which affects in a very significant way the very essence of these volunteer organizations. This is a matter that is worthy of a vote and which I believe will get a vote.

May I ask my friend if he would be willing to, in any way convenient to him, let us have a vote on this issue?

Mr. ADAMS. In reply to the Senator from Colorado, we have been through this before and there was a specific vote when the Senator from Colorado moved to table the amendment of the Senator from Massachusetts, and he lost that vote. So there has been a RECORD vote on this.

Going to the merits of what is involved in this case is that the Senator, which is his right, has singled out a particular group, whereas this Senator has said to the Big Brother organizations or to the mothers who are the responsible parties for these young people all dangerous parties or potentially dangerous parties. And that is why we have added in here "any person homosexual or heterosexual which has been charged with a sex offense against a minor." It is a broader provision; it is a more protective provision; it is a provision that provides that the District of Columbia, nor any of the people working in the administrative area, cannot force the Big Brothers, it cannot force a mother to take a person who is dangerous to that child. It is a better provision.

Mr. ARMSTRONG. Will the Senator pin that down for a moment? If I understand the Senator's amendment, it would apply an exemption only if a person had been charged with certain kinds of offenses.

Mr. ADAMS. That is for heterosexuals. It also says "or otherwise poses a threat to engaging in sex with a minor can be excluded from an organization." It is a good amendment. We have been through this. The date was March 1, 1990. We have been through it before. If we are going to make an amendment, the amendment that we have covers all of the points that the Senator has raised and is broader than that in stating that this organization and the people who are involved in putting people in that organization have the right to see that people who are dangerous to their children are excluded.

I am not trying to prevent that. I am trying to prevent a specific type of amendment, and I am happy to have the yeas and nays on the amendment, just as the Senator from Oklahoma indicated, or not, as the Senator from Colorado, and have a vote on it. You can try on some later bill or at some later point. Certainly, that is the Senator's right and this Senator is well aware of it.

I just do not think in this bill that we should be telling the District of Columbia any more than we have done in this amendment which we both agree covers all of the points. If the Senator from Colorado wants to make a specific point on a specific type of person in a specific way, I suggest he do it on another bill. At that point, there will be a vote on it.

I just would prefer we let the provisions that we have now, which are very protective and yet do not do complete violence to the D.C.'s home rule abilities, go through at this point, and I am prepared to let that go through. So it is really up to the Senator if he wants to ask for the yeas and nays. I have indicated to the other manager that I would see if the yeas and nays are agreed to on that and we could have that. I think they will all be set over until later this afternoon because of the parties who are missing, not because of anything involved with this bill. We will be pleased to do that, and I will offer a second-degree amendment as a protection. If he does not want it and wants to have a vote, I would vote for the amendment.

So the Senator is going to achieve his purpose in either way, through the specific thing that he may have in mind, and I am not trying to read the Senator's mind or tell him how he should run his business in any way whatsoever, of course can come, as he says, at a later time as a second-degree amendment or some other point. I just do not think this is the proper place for it.

Mr. ARMSTRONG. Mr. President, does the Senator from Washington have the floor or do I?

The PRESIDING OFFICER (Mr. KOHL). The Senator from Washington.

Mr. ADAMS. I yield to the Senator from Colorado.

Mr. ARMSTRONG. Mr. President, we ought to pin down just how much protection the Senator from Washington provides in his amendment. But let me make a point before we go any further that he has attributed to me a habit, mind, or attitude, or a conclusion which is simply not right. I believe I heard him say he and I are in agreement covering the points I am concerned about. I do not believe that is correct. Maybe we can clarify that.

As I understand the Senator's amendment, it would not solve the problem which I am concerned about; namely, that an organization such as Big Brothers, or one of the others I have mentioned, can be required to admit as a counselor, for example, a coach or a role model or a mentor, whatever, companion, a homosexual person. A homosexual person who has not been charged with a crime or does not necessarily meet the threshold test of posing a threat, as the Senator has described it, would not be precluded under his amendment, as I understand it. If I am wrong about that, then we can quickly compose our differences.

I think that is the essence of what the Senator's amendment seeks to avoid, giving the option to the groups not to permit such a person. Am I mistaken about that? Let me be specific. Under your amendment, if it were adopted and signed into law, would Big Brothers or the Girl Scouts or one of the other groups have the option of excluding a person as a counselor or mentor or role model because they were a homosexual?

Mr. ADAMS. If the parent wanted them to be excluded or if they had been convicted of a crime. In other words, you have to have some method or designation which establishes the condition that the Senator is referring to. Under either of those conditions, absolutely.

Mr. ARMSTRONG. But otherwise not.

Mr. ADAMS. I do not know what the Senator's otherwise not refers to.

Mr. ARMSTRONG. If a person is a homosexual and shows up—these are the facts that happen. This is not speculative. This is what happened. A

homosexual person shows up and said, "I want to sign up to be a part of the Big Brothers program." Under the old policy, Big Brothers would have been permitted to simply say, no, we do not admit for that purpose homosexual persons. We simply do not send homosexual persons out as coaches or role models, mentors, companions or baby sitters or anything else. We just do not do it.

My question is, under the Senator's amendment, would the Big Brothers or the Girl Scouts or one of these other organizations regain that option which they have always had and just decide, no, we do not accept homosexual persons?

Mr. ADAMS. They can. Under the amendment as it is adopted here, if that person has been established to be dangerous by either——

Mr. ARMSTRONG. But not otherwise.

Mr. ADAMS. Or if the person who is in charge of the child does not wish this to happen, they can say no, and they can adopt that kind of policy that it is my understanding they have. We are dealing with a private organization.

Mr. ARMSTRONG. The Senator's answer, I guess, is no; that there is another condition. In other words, if a person is a homosexual and has been charged with a crime, or if the person is a homosexual and has been rejected by a parent involved, then the organization would have the option of rejecting him. But the point is that for those who believe, and this is—though it may not seem so in certain circles—this is really the majority point of view and not a narrow majority, I judge, but is a viewpoint shared by the vast majority of persons throughout the country who thought about this—homosexuality is itself a disqualification from being in a role model position. This is not a new belief in 1990. This has been, I think, the accepted belief by the vast majority of people throughout recorded history that homosexuality is wrong behavior, it is aberrant behavior and it is not the kind of behavior that should be held up as an example to vulnerable people, particularly vulnerable young people.

The thing I want to pin down and I am satisfied, unless the Senator wants to modify his response, it is plain to me that under his amendment, this problem would not be solved; that a homosexual person could still come to the Big Brothers, the Girl Scouts, or whatever and say, "I want to be in the program," and they could not be excluded on the grounds of their homosexuality. They would have to, in addition, be charged with a crime or be specifically rejected by some other person, such as the parent of the child involved.

Mr. ADAMS. They have to be rejected by someone who is involved with the child who is involved. And the Senator's definition of what a person's sexual preference may be has to be determined by someone, under the Senator's proposal. What I am saying is that I am leaving the choice of this matter to the organization and to the person who is involved, otherwise you are setting up a test that does not have a specific basis for it.

I may agree with the Senator on some of the statements that the Senator has made, but this kind of choice is one that we have tried in this amendment to leave to the organizations and to the people who are involved in selecting these people. If the Senator wishes at some later time to draft some other amendment that says something different, fine. But I think we have covered the areas the Senator has raised as a problem.

Mr. ARMSTRONG. Mr. President, I am not here to prolong this, but if the Senator really believes that, then I need to start over. If that is just sort of, what one of my friends calls K Mart talk, just sort of chatter, then I am willing to pass over it. But the Senator cannot possibly leave the floor today thinking his amendment accomplishes the same general purposes that my amendment does. It does not. I am not saying that the Senator's purpose is unworthy, although I really do not think it addresses a real problem; it addresses sort of a theoretical problem but one which I am prepared to support. But I would be shocked to think that before this day is over, before this debate is over, the Senator from Washington had any doubt that what I was doing in my amendment was quite different than what he is doing.

What his amendment says, if somebody has been charged with a crime or is rejected by a parent or somebody else in a position of authority over the child, then that person can be excluded from the volunteer program.

My amendment says if a person is a homosexual, then the organization has the right for that reason, if they wish to do so, to exclude such person from a roll which brings them into contact with juveniles, persons under age 18, as a role model or mentor or coach or companion.

Those are different purposes. They are somewhat related because they both deal with similar volunteer organizations and they both express a concern for young people, but they are different purposes.

I am not trying to persuade the Senator to my point of view. I just want to be sure at this point that we have laid to rest the question of whether these amendments are functionally identical, whether his amendment somehow covers my point, whether or not his amendment is broader than mine.

It is different from mine. It is a different issue. It is a different subject. Do we have that settled?

Mr. ADAMS. In the Senator's mind, we may have, not in mine, because mine deals with the right of an organization to exclude.

If the Senator wants to state that he is trying to exclude a specific class which is not known at a particular time and may be found at a later time from a particular activity, it may have different connotations. But I am not trying to read the Senator's mind or ask the Senator to read mine. All I am saying is we have covered the danger point here, and I hope at this point we could proceed to vote.

Mr. NICKLES. Mr. President, first, I would like to compliment my colleague from Colorado. I think he has brought to the floor a very important amendment, an amendment which is very significantly different from the amendment by my friend from Washington, Senator ADAMS.

In the first place, Mr. President, I will compliment my colleague, the Senator from Washington, because I think his amendment is a good amendment but, frankly, I do not think it does much. It allows organizations to have some discretion; they can discriminate against a person that has been convicted of a sex crime. That is a marginal improvement over the existing D.C. Human Rights Act.

Mr. ARMSTRONG. Will my friend from Oklahoma yield?

Mr. NICKLES. I will be happy to yield.

Mr. ARMSTRONG. Certainly, nobody in their right mind would think we ought to let somebody who has been convicted or charged with a sex crime into this program. But I am not so sure it is an improvement because I do not think that is required by the D.C. Code at the present time. The D.C. Code does not say that it is against the law if you discriminate and exclude a sex criminal from the Big Brothers program. It does say that it constitutes discrimination if you exclude a person on grounds of homosexuality. So while I agree with his conclusion, I think to that extent the amendment really is a nullity.

Mr. NICKLES. I appreciate the Senator's comment. I agree with that. I have not reviewed the D.C. Human Rights Act to that extent, to find that an organization could not discriminate against a person convicted of a sexual crime. But at least the amendment of the Senator from Washington would make sure that they could exclude a person if they were convicted of being sexual abusers. If the parent of a child wished to exclude them from that, they would have that opportunity. So that is a marginal improvement but really it is camouflage. It is really not reality. That is not going to happen.

I would find it very hard to believe that any organization would be forced to accept a person who is convicted of

child abuse or sexual abuse of some kind as a role model, as a coach, or in some other function with that organization. But the amendment of the Senator from Colorado is significant. The amendment of the Senator from Washington does not change the fact that an organization—it may be a religious organization. Let us say it is the Catholic Church. I happen to know their position on homosexuality. They are opposed to it. I am sure they would not want homosexuals teaching in the Girl Scouts or Boy Scouts. That is not the type of role models the Catholic Church wants. My guess is a lot of religious organizations would not like to have them. Under the D.C. Human Rights Act, they are forced to have those people or not to discriminate. In other words, they could not say our policy is not to employ homosexuals in our organizations. That would be against the D.C. Human Rights Act as it is now presented. Senator ARMSTRONG's amendment would correct that. That is a significant change, and it is a change, quite frankly, that needs to be made. He does not mandate that the organizations could not employ homosexuals or other groups of sexual orientation. He just leaves it up to the organization, and that is really what we should be doing. We should not, under the guise of human rights, be compelling organizations, including religious organizations, to employ or to utilize groups with sexual orientations that are diametrically opposed to their fundamental beliefs. That is what the amendment of the Senator from Colorado does. I compliment him for it.

Now, where are we legislatively? Senator ARMSTRONG proposes an amendment. Senator ADAMS proposes an amendment which would strike most of his amendment and substitute for it what I would say is mostly camouflage but maybe a minor improvement over the D.C. Human Rights Act. I have no objection to adopting Senator ADAMS' amendment. But I will tell my colleague that Senator ARMSTRONG is exactly correct. We can, and I expect we will, get a vote on his amendment. We can come up with a substitute amendment, a second-degree amendment, and I am confident that we will have a vote on Senator ARMSTRONG's amendment in the very near future.

On this bill today, I would expect—I am not sure when we will be voting—we will have a vote on his amendment. It can be orchestrated. So I would urge my colleague, if the Senator wants to have vote on his amendment, fine. Let us have a vote on his amendment. Let us also have a vote on Senator ARMSTRONG's amendment.

I also ask unanimous consent to be added as a cosponsor to Senator ARMSTRONG's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2636 TO AMENDMENT NO. 2632, AS MODIFIED

Mr. ADAMS. Mr. President, I send an amendment to the desk as an amendment to the modified amendment.

The PRESIDING OFFICER. The desk will report the amendment.

The legislative clerk read as follows:

The Senator from Washington [Mr. ADAMS] proposes an amendment numbered 2636 to the modified Amendment No. 2632.

Mr. ADAMS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment is as follows:

In the pending amendment strike all after the word "section" and insert the following:

1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

(c)(1) Nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches, or trains any minor or holds out any adult as a role model, mentor, or companion to any juvenile, or any adult homosexual, bisexual, or heterosexual person who has been convicted of or is charged with a sexual offense with a minor or who otherwise poses a threat of engaging in sex with a juvenile or otherwise sexually abusing a minor; and

(2) nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual, bisexual or heterosexual person in any voluntary program or activity that educates, coaches, or trains any minor or holds out an adult as a mentor, or companion to a minor, if the parent or guardian of said juvenile objects to the participation of such person based on the person's sexual orientation.

(3) The effective date of this amendment shall be 10 days after the effective date of this Act.

Mr. ADAMS. Mr. President, all this amendment does is to change the effective date until 10 days after the effective date of the act. I know that we can have a long and protracted debate on this. We have been through this before. There was a motion to table. The motion to table failed.

What we have is a position by the Senator from Colorado that he may wish to place in some other bill or at some other point. I would hope not. I would hope that we could move on with this bill at this time by voting on these two amendments.

I do not know whether they want the yeas or nays on either one or both of the two amendments that are presently pending, but I am prepared to move ahead. I do not know of any other amendments to this bill. We could then move to potentially third reading or two other amendments, set them aside until this afternoon, whatever time the leadership sets for votes, and proceed with other matters. That is my proposal.

Mr. NICKLES. I apologize. Is it the proposal of the Senator that we have a vote on this amendment and on the Armstrong amendment?

Mr. ADAMS. No. My proposal was simply that we vote on the pending amendments, that if at that point that matter would be closed, the Senator could decide on some other bill or at some other time he could do it. I do not know if anybody else wants to offer an amendment to this bill. We would be able to complete this bill then.

Mr. NICKLES. If my colleague will yield further, I make a counterproposal. I suggest we voice vote his amendment, because I do not know of anyone who is going to object to Senator ADAMS' amendment, then allow us to vote on the Armstrong amendment. We can come up with a second-degree amendment, and we will come up with another amendment. But I will tell the Senator that we are going to have a vote, at least if this Senator has his way, on the Armstrong amendment. We will request the yeas and nays on the Armstrong amendment.

Mr. ADAMS. If the Senator will yield, the situation is that we have substituted or modified, and the Armstrong amendment as such is pending in a modified form with a second-degree amendment. So it is really past and gone. That is all I was saying to the Senator. That we would have to start an exercise all over. But that subject has been brought up, modified, and in effect closed.

All I am saying is the Senator might want to go to another bill to place his matter before at that time in clean form because here we would be in quite a parliamentary tangle at that time. That is all I was suggesting. If there are other amendments on that side, they could be brought up, we could go to third reading, and finish this bill. He could proceed to whatever or however he wishes to do it. I certainly know the Senator is very capable of placing it in clean form wherever he wants it.

Mr. NICKLES. Mr. President, if my friend will yield, why do we not dispose of the pending amendment, then let us see what other amendments there are? I understand there may be some other amendments on our side of the aisle. I have no objection to disposing with this amendment. Then we will see what happens with the future amendments.

Mr. ADAMS. All right. I suggest the absence of a quorum and see if we cannot work this out right now.

Mr. ARMSTRONG. Mr. President, if the Senator will withhold——

Mr. ADAMS. I withhold.

Mr. ARMSTRONG. Mr. President, there are a couple of things we need to clarify, then if the managers want to confer, that is OK. It looks to me they might as well as confer in public. There are only three of us on the floor. I guess we do not need too much more privacy than that.

I want to come back to the question of whether these two approaches are functionally identical, similar, or if they are in fact the real underlying effect, if not the intention. I leave that to the others to judge, intentions and motives. But the effect of the Adams amendment in my view quite clearly is to subvert the purpose and intention of my amendment.

Let me state clearly what my amendment is by reading the amendment itself.

"(c) Nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual person or adult bisexual person in any program or activity that—

(1) educates, coaches, or trains any juvenile, or

(2) holds out the adult as a role model, mentor, or companion to any juvenile.".

That in my amendment does. It says Boy Scouts, Girl Scouts, Catholic Church, whatnot, can reject for role modeling, coaching, and that kind of thing, homosexual persons on the grounds of homosexuality. It does not say they have to. In fact, my judgment is that not all of them would. But it says they cannot be forced against their will, against their moral judgment, against their judgment of what is best for the young people involved, to accept such persons in such sensitive roles. That is what my amendment does.

The Senator's amendment does something quite different. It says you have to take such people. But the D.C. Codes stand with respect to such sensitive positions and the admission of homosexual persons in positions of such leadership unless they are charged with a crime or unless the parent specifically rejects such person.

We all know that in many cases it is the very lack of parental involvement, it is the very lack of parental interest in these young people, that the Big Brothers and the other organizations involved are trying to take care of. The breakdown of the family is a very serious thing. I do not want to digress into that. It is a separate subject. Yet that part of the Senator's amendment reminds me of something I heard this week. I have not verified this. I do not know if it is true. I believe it probably is true.

In practically every large city in the country there is a homeless shelter, a place for runaway kids. The first thing that happens when they get somebody young, a person who is a runaway, about the very first thing they do is try to persuade that youngster to call his parents. According to something I heard this week, in about 68 percent of the cases when they do persuade the runaway to call his parents the response from the parents is you "Keep them; we do not want them."

That is a symptom of a larger problem than is addressed by my amendment. It is a symptom of a tragic trend in our society. But to suggest that this decision be left to the parents, who in many cases lack the interest or the ability to participate properly in the rearing of their own children, it seems to me that certainly they should not be cut out of the loop but there ought to be others who also exercise some discretion.

So the two amendments are functionally quite different. If anybody thinks otherwise they ought to go back and look over the written record of this last hour of debate in the Senate.

Why is it that the Senator from Washington is so eager to preclude the vote on my amendment, and why is it that he is so eager to portray his amendment as doing the same thing as my amendment does? The reason is, I think—he only knows what his motive is, but the apparent reason is to provide an opportunity for somebody to vote without actually doing anything. That is not an uncommon situation around here. It happens all the time. The introduction of second-degree amendments for that purpose and with that intention and effect is a regular feature of life in the Senate.

I am not complaining of it. I am just noting, pointing it out. I am pointing out that I do not intend to let this pass in that way.

It is true that on this particular occasion the Senator has the tree filled up. He has second-degree amendments pending and a first-degree amendment pending. So there is not much I can do. There are a few things I could do. I could move to recommit the bill with instructions. I guess the Senator from Washington did not hear that. But I could do that. I am not going to.

I was just saying at this particular point it looks like he probably has me stymied. There are things that could be done. I could offer a motion to recommit with instructions and maybe at some point I will do that. Frankly, I am half tempted to just say let us forget it. This bill probably is not going to be signed into law because it contains abortion language which has previously resulted in vetoes and probably will again. But I am not disposed to let it go that easily.

So let me one more time appeal to the Senator and ask him to let me have a vote on my amendment. It is going to happen sometime. The longer he and others resist a vote on it, the more likely, my view is, that it is going to be adopted.

Maybe the Senator has a different view; the longer they can avoid getting an up or down vote on this question. It is a simple issue. It is not complex. Maybe it advances some cause or interest that I am not aware of, but I think it just tends to focus more attention on something that really does not need a lot of attention or focus. All we need to do is just settle it. I would appeal to him to let us have a vote on it. If he is not willing to do that, I cannot force him to. But I just appeal to him. I ask him to.

Mr. ADAMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, our procedure at this time would be that Senator ARMSTRONG proposes to withdraw his amendment, as modified. I will then offer that amendment under my name. We will set the yeas and nays on that, and then he will proceed to offer his amendment. I will move to table that, and we will set the yeas and nays on that. That is the proposed method of moving ahead.

Mr. ARMSTRONG. Mr. President, I think the understanding is that neither amendment would then be subject to second degree.

Mr. ADAMS. Neither amendment would be subject to second degree.

Mr. ARMSTRONG. I thank my friend from Washington and my friend from Oklahoma, the managers of the bill, for working this out, and especially my friend from Washington. I know that was not his preferred course of action. I appreciate his courtesy in making it possible. This way we will have an up-or-down vote and a tabling, perhaps, but a vote on both issues.

Personally, I am going to vote for his amendment. I hope he will see fit to vote for mine as well. Whether he does or not, I am grateful to him for not attempting further to block the thing and letting us have a vote on it.

I guess under the parliamentary situation that we are in, it is up to me to withdraw the pending amendment. I do withdraw the amendment, and as soon as the Senator from Washington offers his, I will offer mine. And I do not think a lot more debate is needed.

The amendment (No. 2632), as modified, was withdrawn.

AMENDMENT NO. 2637

Mr. ADAMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Washington [Mr. ADAMS] proposes an amendment numbered 2637.

Mr. ADAMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert:

SEC. . Section 1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

(c) (1) Nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches, or trains any juvenile, or holds out any adult as a role model, mentor, or companion to any juvenile, of any adult homosexual, bisexual, or heterosexual person who has been convicted of or is charged with a sexual offense with a juvenile, or who otherwise poses a threat of engaging in sex with a juvenile or otherwise sexually abusing a juvenile; and

(2) nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation or any adult homosexual, bisexual or heterosexual person in any voluntary program or activity that educates, coaches, or trains any juvenile or holds out an adult as a mentor, or companion to a juvenile, if the parent or guardian of said juvenile objects to the participaton of such person based on the person's sexual orientation.

Mr. ADAMS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

AMENDMENT NO. 2638

(Purpose: To allow organizations in the Nation's Capital to exclude adult homosexuals from certain programs and activities that involve juveniles, and to define "juvenile" as a person who has not attained 18 years of age)

Mr. ARMSTRONG. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Colorado [Mr. ARMSTRONG proposes an amendment numbered 2638.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in the bill insert:

SEC. . Section 103 of the District of Columbia Human Rights Act, effective Dec. 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2503 (1981 edition)) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c)(1) Nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual person or adult bisexual person in any program or activity that—

"(A) educates, coaches, or trains any juvenile, or

"(B) holds out the adult as a role model, mentor, or companion to any juvenile.

"(2) For purposes of this subsection, the word 'juvenile' means a person who has not attained the age of 18 years.".

Mr. ARMSTRONG. Mr. President, this is the amendment we had talked about that accomplishes the purposes that I am interested in.

I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. ARMSTRONG. Before we take up the tabling motion, Mr. President, we ought to actually adopt a unanimous consent on second-degree amendments. I understand that the plan will be that the Senator is going to move to table my amendment, which is fine. But I assume he would not want to do that at this time because of people who are out of the Chamber.

Mr. ADAMS. I will withhold that until Senator MITCHELL gets here.

Mr. ARMSTRONG. Have the yeas and nays been ordered?

The PRESIDING OFFICER. Yes.

Mr. ARMSTRONG. I ask unanimous consent that neither the Adams or Armstrong amendments be subject to second-degree amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ARMSTRONG. Mr. President, I am ready to yield the floor. I thank my friend from Washington for accommodating me in this way. I believe we have had a good discussion, and unless there is something more, we will get back to the vote later in the day.

Mr. ADAMS. I agree, and as soon as the leadership has arrived, we will agree on whether or not there will be a motion to table.

There will be yeas and nays on both of the amendments, first the Adams amendment and then on the Armstrong amendment, either on the merits or the tabling motion, as set forth.

Mr. ARMSTRONG. I thank the Senator and the Chair.

Mr. ADAMS. Mr. President, I know of no further amendments on this side.

Mr. NICKLES. Mr. President, I believe that there will be at least one additional amendment on this side. Until that time, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, the Senate Budget Committee has examined H.R. 5311, the District of Columbia appropriations bill and has found that the bill is under its 302(b) budget authority allocation by less than $1 million and under its 302(b) outlay allocation by $10 million.

I compliment the distinguished manager of the bill, Senator ADAMS, and the distinguished ranking member of the District of Columbia Subcommittee, Senator GRAMM, on all of their hard work.

Mr. President, I have a table from the Budget Committee showing the official scoring of the District of Columbia appropriations bill and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE SCORING OF H.R. 5311—DISTRICT OF COLUMBIA SUBCOMMITTEE—SPENDING TOTALS

[In billions of dollars]

	Fiscal year 1991	
	Budget authority	Outlays
302(b) bill summary:		
H.R. 5311, Senate reported, (new budget authority and outlays)	0.5	0.5
Enacted to date	(*)	(*)
Adjustment to conform mandatory programs to resolution assumptions	0	0
Scorekeeping adjustments	0	0
Bill total	.6	.6
Senate 302(b) allocation	.6	.6
Difference	−(*)	−(*)
Bill total above (+) or below (−):		
President's request	(*)	(*)
House-passed bill	(*)	(*)
House 302(b) allocation	−(*)	−(*)
Programmatic baseline	−(*)	−(*)

*Less than.

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I have been asked by the majority leader to announce—and this is subject to further unanimous-consent requests at a later time—that the budget summit is

still meeting; therefore, a number of Members both on this committee and a number of Members who are interested in this bill and other matters are in that summit meeting and will not be available until 5 p.m. today.

So I am going to propound a unanimous-consent request at this time.

UNANIMOUS-CONSENT AGREEMENT

Mr. ADAMS. Mr. President, I ask unanimous consent that at 5 p.m. today the Senate vote on the Adams amendment No. 2637; that upon the disposition of the Adams amendment, the Senate vote on or in relation to the Armstrong amendment No. 2638.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Alabama is recognized.

Mr. HEFLIN. I thank the Chair.

(The remarks of Mr. HEFLIN pertaining to the introduction of S. 3030 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I ask unanimous consent that amendments No. 2637 and No. 2638 be laid aside until 5 p.m. and the commencement of the votes on those amendments under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, first, let me compliment my friend and colleague, Senator ADAMS, for his management of this bill and also for his handling of the Armstrong amendment and also the Adams amendment.

Mr. President, in managing this bill on behalf of Senator GRAMM, I will be offering an amendment momentarily that will reduce the number of employees from 40-some thousand to 39,262. That is the same number of employees that the District of Columbia has for fiscal year 1990, a reduction of 801.

I think that is a positive move; a move in the right direction. There is no question that the D.C. government has more employees per capita than almost any other city in the country, and that they are having financial problems. I think this amendment would be a step in the right direction.

Also, Mr. President, let me mention a couple of things in regard to the bill in general. In many respects we are wasting our time with the abortion language that provides for funding of abortions. There is no question the President will veto the bill. His veto will be sustained, or they have been sustained in the past. We went through this exercise a couple of times last year and it looks like it is going to become an annual rite. I do not know why we are doing that. I think we are wasting a little time doing so. I will vote in opposition to the bill because it provides for this.

I happen to be one who is very concerned about the District of Columbia. I am concerned about the health care in the District of Columbia. I am concerned about the fact that it leads the Nation, or certainly is one of a couple of cities that leads the Nation in abortion rates. I am concerned about the fact that over 60 percent of abortions were repeat abortions. In other words, in the District of Columbia with its very liberal abortion applications, abortion has become rampant. It has become a form of birth control.

Certainly when we provide for government funding of abortions as we are doing in this case, it continues to be exacerbated. I encourage the President to veto the bill if the language is not removed in conference. I am not going to offer an amendment. I contemplated it. I fought that battle a few times with my colleagues. We do not have the votes to prevail on the floor of the Senate today and, therefore, I will not offer that amendment at this time.

Mr. President, I also have been contemplating offering a resolution of disapproval of an act that was passed, the D.C. Act 8-249, in the Council of the District of Columbia. It is called the "District of Columbia Family and Medical Leave Act of 1990." Congress is working on a parental leave bill and certainly the District of Columbia has had a very aggressive, very expansive family and medical leave bill. But it goes much further than any other bill I have seen in this country.

It includes, "a person with whom the employee shares or had shared within the last year a mutual residence and with whom the employee maintains a committed relationship."

The essence of that means if a person is not married, and living with another person whether they be the same sex or opposite sex, the employer is going to have to provide medical and family leave benefits, should that person have an illness. That illness might be AIDS, it might be pneumonia, it might be anything else. It just is if they happen to be sharing the same residence within the last 12 months or within the last year.

That is an enormously expansive, expensive interference in the marketplace. We are going to be telling employers that any of their employees in the District of Columbia could come to them and say, I need some time off because my—maybe it is a spouse, maybe it is a parent, maybe it is a lover, maybe it is a homosexual friend or whatever—has a medical problem. Therefore I need 16 weeks off. Keep my job; keep my pay intact when I return. And they can do it with impunity.

I have not totally examined it but my guess is, if it follows other statutes, that the employer would be liable for legal costs, et cetera. If it follows the Federal guideline it would be liable for treble damages, if the employer did not comply.

This could certainly be an invitation for litigation, certainly for increased anxiety and confrontation between employers and employees. I happen to be an employer, particularly prior to my Senate days. I like to encourage employers and employees working together. I find this kind of provision to be really an intrusion between the employers and employees. Many firms, quite frankly, will be looking for other places besides the District of Columbia if they find themselves liable for this type of, not only a benefit, but really excuse for workers' absence I guess we might say—maybe it is justified, maybe it is not—without them negotiating it themselves.

I have no objection whatsoever to an employer and employee group or organization, if they wish, to negotiate this. That is their right and power to them. I am for them if that is mutually acceptable between employers and employees. What we find is this is forcing employers to accept this. It may or may not be abused. If it is, it could certainly be a level of contention which is unnecessary and, as a result, we will find a lot of employers will be seeking to have their facilities outside the District of Columbia.

That will exacerbate D.C.'s financial problems which, as I have stated in the past, are great.

AMENDMENT NO. 2639

(Purpose: Authorize the number of employees of the D.C. government at the same level as fiscal year 1990)

Mr. NICKLES. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows

The Senator from Oklahoma [Mr. NICKLES], for himself and Mr. GRAMM, proposes an amendment numbered 2639.

On page 25, line 20, strike the inserted number and insert the following new number. "39,262".

Mr. NICKLES. Mr. President, as I stated earlier, this is the same level of employment for the District of Columbia in fiscal year 1990. It would reduce the level from the appropriations bill by 801. It is an amendment that Senator GRAMM was considering offering, so I offer it on behalf of myself and Senator GRAMM, hopefully to lend a little more fiscal responsibility to the bill that we have before us.

The PRESIDING OFFICER. The Chair recognizes the Senator from Washington.

Mr. ADAMS. Mr. President, we have examined the amendment of the Senator from Oklahoma. There is a new mayor who has been elected who is pledging to do this type of thing. We have examined the number of people. We are expecting a report in that is going to make a recommendation for a great many more than that, so I think the amendment is—and I have discussed this with Senator GRAMM—is an appropriate amendment, to stay at the level that we were. Then from that point the new study will come in, the new mayor will come in, and we will not automatically start from a higher base. We have no objection to the amendment as offered by the Senator from Oklahoma.

The PRESIDING OFFICER. The Chair recognizes the Senator from Indiana [Mr. COATS].

Mr. COATS. Mr. President, I will shortly send an amendment to the desk. I want to explain to my colleagues what it is.

I might remind my friend from Washington that we do not yet have a new mayor for the city of Washington, DC. We have a new mayoral candidate. But there is a very well-respected and viable candidate, opposing the nominee from his party, who I hope will be the new mayor of DC. But that election is yet to be decided.

That aside, Mr. President, let me address an issue which I feel is extremely important and one which I have been struggling to address for some time in this body. I have run into a number of hurdles, which have been very difficult, but I think it is important. This seems to be an appropriate time to do this.

Mr. ADAMS. Will the Senator yield for a moment?

Mr. COATS. Mr. President, I yield for the purposes of a question.

Mr. ADAMS. Yes. My question simply is, we have pending the Nickles amendment which we both agreed upon. I was wondering if we can proceed to dispose of that and then the Senator can proceed with his amendment in whatever fashion.

Mr. COATS. I inform the Senator, Mr. President, that I intend to offer a second-degree amendment to the Senator's amendment.

Mr. President, a problem that is growing in the minds of the American people, one which has angered, outraged and produced a great deal of concern in States across our land, is the problem of disposal of municipal solid waste. Each year Americans produce about 180 million tons of waste. In fact, it has been said if we line up our trash trucks end to end, it will stretch from here to the Moon. The Environmental Protection Agency estimates that by the year 2000, we are going to significantly increase the generation of this waste. Frankly speaking, we are running out of places to put it.

In 1978, this Nation had 14,000 landfills. Today, we have less than half that. In fact, 6,000. Within the last 5 years, 3,000 landfills have closed. EPA estimates that 75 percent of our remaining landfills, those remaining 6,000, are expected to close in the next 15 years. And by the year 2000, which sounds like a long way away but which is actually only 9 years away, 25 States will have exhausted this remaining landfill capacity.

At the same time we are exhausting this capacity, the development of any new capacity has not even begun to keep pace. New Jersey had 400 landfills, many of which have now been closed for a number of reasons. Today that State has 12. They have gone from 400 to 12. In 1978, they disposed 9.2 million tons of their own garbage in-State. In 1989, just 2 years later, they are down to 5 million tons. Between 1986 and 1987, 83 landfills closed in New York State; 3 opened. In its latest solid waste management plan, the State of New York concludes that most of its 253 landfills will close by 1995 because they will reach capacity or close for some environmental reason.

In 1987, the State of New York estimated that it shipped only one-half million tons of garbage out of State. By 1989, that volume grew significantly to 4.5 million tons. These are according to GAO figures.

Failure to adequately provide new disposal space has given rise to a deeply offensive practice: Shipping garbage that you cannot dispose of in your own State or own municipality across State lines hundreds of miles away for disposal somewhere else.

We all like to bag up our garbage and take it out to the curb or take it down to the local dump site and think, there, we are done with it. But it has to go somewhere from that. I guess most people, when they put it out on ther curb and the truck picks it up, think it is run a few miles down the road and disposed of in some municipal landfill. That is not the case. What happens is on an increasingly significant basis, hundreds of millions of tons of this garbage is being shipped on an interstate basis into some other State for disposal. In fact, the GAO estimates that last year 395,000 truckloads, or 9 million tons of trash, were shipped from just New York or New Jersey alone across State lines into another State for disposal.

In my State of Indiana 2 years ago, the amount of out-of-State trash we received was virtually negligible. Today, nearly 30 percent of all trash that we dispose of in our State originates somewhere else, other than Indiana.

What this has done is undercut and undermine our State's and many other States' ability to responsibly manage and plan for their own waste. It creates deep resentment in communities that are forced to receive it because they legally have no choice in blocking it. It often results in increased disposal costs for local communities and raises traffic safety and health concerns. Let me just address a couple of these concerns.

First of all, I said that out-of-State trash wreaks havoc for States to plan for their own waste management. According to a statement of Pennsylvania's Secretary of Environmental Resources, the State mandated a 25 percent recycling goal to preserve their acknowledged diminished landfill capacity. The State then conducted a survey and determined that 30 percent of the trash being disposed in the State was being shipped in from out of State. Secretary Arthur Davis said, "But you can understand the anger of Pennsylvanians who have been asked to do their part to reduce solid waste when they see their roads congested by the thousands of trucks bringing in the trash of neighboring States for disposal in Pennsylvania landfills." That was his testimony before the New York Legislative Commission on Solid Waste on March 9, 1990.

The State of Ohio estimates that its landfill capacity will be reduced from 9.6 years to 7.8 years if imported waste continues to be disposed of in that State at the current rate. Many of us know that this rate is accelerated.

In the northwest region of my own State, a community constructed a landfill in 1979. It was expected and announced at the time that it would have capacity to manage the region's waste for 40 years. Today, only 11 years later, it has only 3 years remaining capacity. More than 75 percent of the waste disposed at that landfill is from out of State, and the community now faces a capacity crisis for its own disposal of waste, despite what everybody acknowledged at the time was very responsible planning and the willingness to even site a facility in its own community.

Here is a community that says we have a problem; let us address it responsibly; let us take the political heat for opening up a new landfill. They did it. They announced to their people they have opened a landfill for the

next 40 years. Seventy-five percent of the trash coming into that community is not from that community, not from that region but comes from out of State. They have no legal way to block that. Therefore, they are down to 3 years' capacity, and they have to go back to their public and say, "Well, I am sorry. Yes, we told you that you made this tough political decision in 1979 to open a new landfill. We wouldn't be back to talk to you about waste disposal problems for 40 years. Now we have 3 years left, and we have to talk about either another site or finding somewhere else to dump the trash."

The State of Indiana has set aggressive goals to deal with the problem of solid waste disposal. In fact, I think our State, if it does not lead the Nation, is certainly one of the leaders in terms of looking ahead into the future and putting in place a responsible plan for dealing with solid waste. We have set a recycling goal of 50 percent by the year 2001. That is an ambitious goal by anybody's standards. In fact, many questioned whether we would be able to reach that goal, but it is a laudable goal, and we are going to make every effort in the State of Indiana to achieve that.

We are looking at source reduction. We are looking at conservation. We are looking at a whole number of means to address the problem of how do we dispose of Indiana's solid waste.

But our citizens have little incentive to continue to act responsibly if we have to accept waste from other States that simply is part of their plan to rid themselves of their waste disposal problem by shipping it all to some other State. So those States that do take responsibility, like the State of Indiana, find their plans totally thwarted by this inability to regulate, control, monitor, set reasonable guidelines in place relative to disposal of trash from other States.

The second problem that exists is the fact that out of State trash inhibits the siting of new disposal facilities at a time when our Nation's capacity is rapidly dwindling. I talked about it from the standpoint of the State of Indiana. Let me talk about it nationally. According to EPA estimates, there were 6,000 municipal landfills in 1986. By 1992, 40 percent are expected to close, and within 15 years, 75 percent will be closed.

However, some States, in order to address this problem, have enacted moratoriums on the siting of any new landfills within their States to delay the siting of landfills intended for primarily for out-of-State trash. So they know of the problem of trash moving from one State to another. They simply said we are not going to open up any new landfills because we do not want to encourage the shipment of out-of-State trash which undermines our ability to deal with our own problem. We know that we are not legally allowed to do so.

Reaction against plans of one east coast firm to site a 22,000-acre landfill in Lordsburg, NM, designed to accept sludge from the east coast, was so strong that the State of New Mexico enacted a statewide moratorium on any new landfill sites. Mississippi and Pennsylvania have enacted similar moratoriums in the past year, both aimed at restricting the amount of capacity of out-of-State trash.

(Mr. SANFORD assumed the chair.)

Mr. COATS. Out-of-State trash also raises a number of safety and health concerns. Let me particularly address three of those: medical and infectious waste, the problem of backhauling, and highway safety.

Indiana health inspectors have informed me that late-night and weekend shipments of waste from other States includes infectious medical waste being poured into some of our landfills. According to State investigators, shipments have included bags of blood, hypodermic needles, and human body parts. At two of our landfills, last April managers documented that from Brooklyn we had syringes filled with blood and soiled bandages; from Newark, tubes of blood, soiled medical gloves, IV tubes containing blood and liquids; from Long Island, soiled hospital gowns, syringes of blood, tubes and bags of blood; from New Jersey, syringes with blood, bags of blood, and tubes filled with human liquids.

Pennsylvania reports stopping and turning back 210 trucks carrying infectious waste to facilities not licensed to accept such waste.

The Congress just 2 years ago enacted legislation designed to deal with the problem that was widely publicized of infectious waste washing up on some of our east coast beaches and passed legislation that would require proper treatment of infectious waste, and yet what is happening in Indiana is happening across this country, and that is that though that law is not being enforced, it is not being complied with, this kind of infectious medical waste trash which is regulated by statute is simply loaded in a truck, carried to some other State and dumped in our landfills.

I asked the EPA to send its enforcement officials from New York, which they did, to talk to our State and local officials about how we can deal with this. But that is only a part of the problem.

Another problem that we face with this interstate transportation of waste is that of backhauling. One of my constituents in Indiana, anxious to record the license plate numbers of trucks bringing in waste from out-of-State sites, followed a truck, noticed that it was being loaded with cargo to send back to the east coast, and so she took photographs of not only that truck dumping garbage in Indiana but that some truck carrying back foodstuffs and other materials—in a truck that had carried solid waste, some of it perhaps infectious solid waste, out to Indiana in the first place.

Terri Moore used photos in testimony before the House Energy and Commerce Committee in May 1989 in support of backhauling legislation introduced by Congressman CHRIS SMITH of New Jersey. At the time, now Governor Florio of New Jersey was chairman of the Subcommittee on Commerce, Consumer Protection, and Competitiveness. Out of that was born the attempt working its way through Congress to deal with the whole issue.

The National Governors Association has recorded that backhauling has become so lucrative that transporters search for cargo going east in order to backhaul waste going to the Midwest and vice versa. Rates to transport solid waste are $1.25 to $1.75 per mile compared with general freight rates of around 80 cents to 90 cents.

I have a copy of an advertisement that was recorded by the National Governors Association Task Force on Solid Waste Management. They copied this advertisement which appeared in an appropriate publication reaching truckers. It says, "Excerpts from a solicitation letter to Midwest trucking firms to backhaul municipal solid waste from the east coast." I quote:

> We recently opened new accounts in Brooklyn, New York, and are in desperate need of both vans and flatbeds to transport our waste. We load to six different landfills in four different locations. These include Wabash and Brazil, Indiana; Selma, Virginia; and Amanda, Ohio. It's your company and you have to decide where the breakeven point is between not hauling garbage, which may please some of your friends and neighbors, or hauling garbage so that you don't have to deadhead from the east coast.

I might note here he says:

> I'm not going to BS you and tell you it works for everyone. The simple truth is it doesn't work for everybody. We all know this stuff stinks but you can make some big bucks if you do it.

And at those freight rates we are seeing a number of trucking firms and independent truckers backhauling solid waste from the east coast.

So we are in the same truck—who knows what it is carrying. It may be carrying vegetables from the Midwest—backhauling solid waste, infectious waste, waste of which we do not know the content, we do not know the safety. It is a serious health concern for the State of Indiana which we are trying to address.

Highway safety has been a concern. Many truckers have carried dripping garbage down the road and created problems. The State of Pennsylvania

indicated that during inspections of municipal waste vehicles, nearly one-third of those vehicles were cited for violations.

Earlier I mentioned that out-of-State trash breeds resentment by communities forced to accept it. Let me tell you one story. It is about a small town called Center Point, IN. This town has a population of around 250. For years they had what was called a local town dump. It really was not even big enough to be called a landfill. About two trucks a day would carry the waste from the residents of this small town to this local waste disposal facility. Last year the site was purchased by out-of-State owners and suddenly advertisements began appearing in national magazines saying "send us your trash."

Today, the dump is visited by 30 to 50 semis every day bearing cargoes of trash from the east coast. How do we know this? Because 65 people in the small town of Center Point, IN, have given up their lunch hours, have given up their after-hours time and before-work time, vacation time to provide a total monitoring of every truck coming into that facility. They have set up a way station whereby they count the trucks. They note the origin. They note the license plate. They follow it. They note what it dumps. I have personally been there. I have talked to these people. I have stood on a knoll overlooking the landfill and watched as truck after truck after truck pours into that town, down narrow country roads, knocking over fence posts and signs, tearing up roads that were never meant for trucks of that load capacity, dumping waste hour after hour after hour.

I want to tell you that for every hour, every minute this Center Point landfill has been open in the past year, what has been dumped there has been monitored. The records show that 6,000 trucks have dumped a total of 240 million pounds of out-of-State trash in this little landfill. As I said, I have stood there and watched as truckload after truckload after truckload roll into the site, dumping loads of garbage, pulls up, gets hosed out, and off they go, probably to a site nearby to backhaul stuff picked up through this advertisement.

Who knows what kind of cargo is then placed in those trucks and how safe or sanitary the inside of those trucks are after carrying solid waste, perhaps infectious waste, from the east coast to Indiana.

Here is a town that is trying to do its job in providing its own landfill, purchased by an out-of-State owner, visited by 6,000 trucks in the past year with 240 million pounds of garbage and there is not a darned thing they can do about it except stand there and take photographs and record the license plates. They cannot stop it.

The State has tried to put in inspections. Every time we try to do something in the State of Indiana, we get thrown into court. The State legislature passed what I thought were reasonable regulations asked for by the Governor. We were literally in court within a few days. Injunctions were issued. The problem is that under the commerce clause and interpretations of that commerce clause, solid waste is considered interstate commerce and States have no unilateral authority to deal with this.

A number of citizens groups, as you can understand, are springing up not only in Indiana but elsewhere. In Indiana, there is one group referred to as HOPE [Hoosiers Opposed to Polluting the Environment]. The acronym of an Ohio group better describes the feelings of the States that are receiving the trash.

The Ohio group is called RAGE. [Residents Against Garbage Environments].

The reason why it is proper and important to address this issue here on the floor of the U.S. Senate is that Federal legislation is necessary if States are going to have any control whatsoever in their ability to monitor, to regulate, to deal with this problem of interstate shipment of trash. Each State either alone or with voluntary cooperation of other States ought to be able to manage the waste produced within their own borders. It is a goal that I endorse. It is a policy principle adopted by the National Governors Association.

But today importing States lack the tools to control the flow of out-of-State wastes and exporting States lack the incentives to site new disposal facilities because it is easier just to put the stuff on a truck and ship it to Indiana or Virginia or North Carolina, Pennsylvania or Oklahoma, New Mexico, or somewhere else.

In order for our States to effectively control waste management issues, we have to have the ability to regulate their interstate shipment of trash. In the section of the National Governors Association's report entitled "Giving States More Control Over Their Borders," the report concludes:

> In attempting to maintain control of their borders, States may run afoul of the U.S. Constitution. States need to be given flexibility in developing programs to protect their declining disposal capacity from out-of-State wastes.

That was recently from the National Governors Association.

As I said, to date the courts have effectively blocked and tied States' hands in dealing meaningfully with the out-of-State waste issues. The court struck down differential fee systems, struck down outright bans; the court has struck limitations on the volumes of out-of-State waste that is acceptable. In my own State of Indiana, laws require certification that waste is not infectious. How can you argue with the law that says all we want is certification that what you are bringing in is not infectious? That Massachusetts law has been challenged in court. Laws requiring indentity of out-of-State origin of trash are being challenged in the courts.

So our hands are tried. The only exceptions sustaining court challenges involve publicly owned facilities and the public facilities, as market participants, may discriminate in the marketplace. This exception results in far more draconian effects on commerce than a congressional waiver of the commerce clause would.

For instance, the State of Maine has outlawed the operation of any for-profit trash sites simply for the purpose of creating municipal sites so that they can use that as a basis to limit out-of-State wastes. It also allows States to erect very rigid interstate barriers.

Communities in New Jersey may prohibit wastes generated in that State from being disposed of in some other country or some other site. But other States cannot protect themselves from New Jersey.

I want to repeat that. If you are generating trash in Newark, NJ, you cannot ship it down to southern New Jersey to put in a landfill site. But you can put it on a truck and ship it across to Philadelphia, or to Delaware, Ohio, Indiana. So you cannot send it next door but you can send it to your neighboring State.

The Supreme Court has addressed this issue. It has said in Northeast Bancorp versus Board of Governors of the Federal Reserve System, a case decided in 1985, that "When Congress so chooses, State actions which it plainly authorizes are invulnerable to constitutional attack under the commerce clause."

In the Supreme Court case White versus Massachusetts Council of Construction Employers, a 1983 case, the Court said, "Where State or local government action is specifically authorized by Congress, it is not subject to the commerce clause even if it interferes with interstate commerce."

So what I am attempting to do today is to give that congressional authorization to the States that we believe is constitutional, is based on what the courts have said.

If we specifically authorize States to do certain things, even though what they might do would violate the interstate commerce clause as previously decided by the Supreme Court, it would be held constitutional because we had given them the authority.

What authority do I want to give the States? I think as I briefly explained this, Members will understand that this authority is reasonable. I am not

trying to shut down the flow of interstate commerce. I am not trying to shut down the ability of States to deal with what is acknowledged as a significant problem.

Nothing in what I am going to say is going to necessarily prohibit a State from entering into a contract with another State to deal with regional waste. Nothing is going to stop the ability to ship waste interstate for recycling purposes. Nothing is going to automatically place a ban on the shipment of interstate trash.

What we are simply trying to do is give the States the authority to make reasonable requirements relative to the trash that they receive from other States, to set reasonable fees, differential fees if necessary, so that the funds can be used to repair the roads that are torn up, to provide monitoring, to provide environmental safety.

Pennsylvania and New Jersey want to enter into a contract to dispose of waste in their State. They can do that. But it ought to be the State's determination. It ought to be the right of the Governor, the executive authority of the State, the health authorities of the State, to determine their own fate. They ought to be able to have the right to stand up and say "Look, we do not have the landfills for our own waste. How can you responsibly manage our own concern if we have no ability to sit down and negotiate with you what kind, how much, and what kind of trash you are sending into our State?"

So what does my provision do? First of all, it provides authority to States to impose differential fees on out-of-State waste. Enactment of the fee would be up to the discretion of each State. It does not have to do this. It just has the authority.

The States may not only differentiate between in-State and out-of-State waste but between States of origin. States may want to treat States differently or enter cooperative agreements with other States. Nothing in this bill prohibits that.

Two, States would be allowed under this legislation to ban out-of-State trash. They have the authority. It does not mandate it. It does not prohibit it. It says they have the authority. But they only have the authority to do so if they have certified certain things. And this is important.

This is different from the amendment that I proposed last spring. We have modified it to address a number of the concerns that were raised by the chairman of the Environment and Public Works Committee, and other members. I want to say something about that in a moment.

Let me finish discussing briefly what the bill does. It would allow State's demand if they certify a number of things. One, they had to have adopted a 20-year management plan. That 20-year management plan would be proof that the State has looked at the long-range problem of waste disposal and put in place a plan to deal with it. Not just a 1- or, 5-year plan, but a 20-year plan.

That 20-year plan must include as a minimum, first, the amount of municipal and commercial solid waste reasonably expected to be generated within the State for the next 20 years. We need to take a look at what we are going to generate before we make proper decisions about how we are going to dispose of it.

No. 1, we have to go through that process.

No. 2, the plan has to include a statement of the volume of solid waste expected to be reduced by the State through source reduction recycling.

So as part of that plan, I think any responsible State plan will have to include source reduction and recycling because clearly we cannot continue to generate the amount of solid waste and dump it in the ground as we have been doing in the past.

We are going to have to become much more conservation oriented, much more recycling oriented, and much more responsible in terms of how we deal with solid waste.

No. 3, a State's existing capacity to manage such amounts of waste for treatment or disposal facilities which meet existing environmental standards. This plan has to certify the State's capacity to handle this 20-year plan amount of waste by either treatment or disposal facilities, and those have to meet environmental standards, existing standards.

No. 4, the plan has to detail the methods by which the State plans to have new capacity available by its planning dates. Also, the Governor of the State with a 20-year plan has to certify that the State has identified adequate capacity to manage all solid waste generated within that State, or in agreement with other States, for the next 5 years. Upon certification, and only upon certification, after these conditions were met, would the State gain the authority to ban or otherwise regulate the importation of solid waste.

So we are not just throwing out a blanket "do whatever you want." We are saying that we have a serious problem. It is a problem that you have to address, but if you address that problem and take responsible steps in accordance with the guidelines outlined, we will give the authority to control some of your own environmental destiny for the next 20 years and not have you throw up your hands and say we went through 1 year or 2 years of responsible planning, and we cited the sites, we entered the recycling waste reduction program, but we are overwhelmed by the shipment into the State of trash that we cannot control.

We avoid the situation with the community in northwest Indiana who puts in place a responsible plan and sells it to the public and says it is a 40-year plan, and 11 years later comes back and says we are out of room, and we have to do something else. Why? Because we cannot stop trash from coming in from out of State.

Third, the bill provides for interstate compacts. It gives congressional approval for States to enter into interstate compacts to cooperate in solid waste management. If neighboring States or other States want to get together and cooperate and say, look, we both have a problem: We have the space and you have the trash, we will pay you for it; that makes economic sense for this part of the State to share with that State and another part of the State to share with another State. Those interstate compacts are expressly authorized by this legislation.

Fourth, we have provided some exemptions. We do not want to prohibit the recycling efforts that are going on. We do not want to get into the hazardous waste requirements under RCRA, so we exempt contaminated substances under the Chemical Substances Toxics Control Act. Exempt nonhazardous industrial waste disposed of by the company generating the waste. We exempt nonhazardous solid waste brought to facilities disposing of hazardous waste because some industries dispose of waste they believe will be hazardous in such facilities to avoid future liability questions.

We exempt any material separated from the waste stream that is designed for recycling. Pennsylvania may have a state-of-the-art recycling facility, and it may want to accept trash that has been separated from solid waste in New Jersey or New York or even Indiana. We want to encourage that kind of thing.

We grant EPA the authority to expand this list. We do not want this is be exclusive. We give EPA the authority to expand the list by regulation of capital, and in addition, to promote interstate markets in recycling necessary to protect the environment. We want EPA to have that authority. That is the bill. That is the amendment that I am offering.

I think it is reasonable, and I think it deals with the national problem. More important, it deals with an immediate State problem that so many of our State are facing.

Mr. President, I have attempted for nearly a year now to get at this question, to get to the point where Congress can give the authority for States to do this. In the meantime, our landfill facilities are filling to capacity, declining in number. We are overwhelmed by interstate trash flowing

into our State, and our hands are tied. We can do nothing about it.

I run into procedural problem after procedural problem: The legislation is not germane; wait for the bill to come up; RCRA will be up this year, so that is the perfect place to put it. It has a solid waste section.

I said fine, only to find out the Senate will not bring up RCRA this year. Maybe we will deal with that in the next session. I think we need to. But in the meantime, hundreds of millions of pounds, thousands and thousands and thousands of semis power into Indiana on a yearly basis, totally undermining our effort to responsibly plan for our environmental future.

So last spring, I attempted to bring this up and ran into a procedural nightmare in terms of even discussing the bill, let alone bringing it to a vote. We were stopped by a filibuster on that issue. But I want to at this point say how much I appreciate the efforts of the Senator from Montana, the chairman of the Environment and Public Works Committee, in attempting to fashion a compromise, something that would be workable.

Last May, we thought we had it. We were minutes away from coming to a vote on it, on a measure which combined my amendment with another Senator's provisions, to put a planning process in place, and we thought we had the problem solved. We ran into a procedural hurdle that we could not overcome, because some Senators did not want to proceed with it.

I understand that they were certainly within their rights to do that. Ever since, we have been trying to move this issue along and bring it to some resolution.

I want to commend the chairman of the Environment and Public Works Committee for holding a hearing on this matter in July. We had hoped to do something in June, but we deferred, thinking the hearing was important. The Senator was true to his word, and we held a hearing. The Governor from New Jersey and others testified. I think we identified a real problem.

We have attempted, through staff, and Member to Member, and with others through discussion, to fashion some kind of legislation that would be acceptable to bring to the floor, talk about, debate, and vote on. But those efforts have not succeeded, and as we all know, we are under the gun here from a time standpoint. We are literally just a few week away from terminating this session of Congress. We have a full plate ahead of us.

We have leadership out at Andrews Air Force base trying to negotiate a budget compromise or deal that is as significant as anything this Congress has done on the budget. We have troops in the Middle East, and we have a clean air bill to conference, and a very complex clean air bill, I might add. Child care is pending.

We have a long list of issues, and we all know the crunch is going to come very quickly. While I appreciate the efforts of the chairman of the Environment and Public Works Committee and the efforts of staff who so diligently tried to work something out here, it is clear to me that we are not all that much closer to something that can be enacted this session of Congress.

In the meantime, our State is filling up with out-of-State trash, and we need to have the authority to do something about it, as do other States. And that is why I take this opportunity, which seems a propitious one, since we are somewhat at a standstill here.

I know the Senator wants to finish this appropriations bill, but we cannot order any votes until 5 o'clock, until the leaders return from Andrews Air Force Base, on the budget.

I do not intend to take a whole lot more time with this. I simply think it is appropriate for Congress to address this. I think a number of Senators and a number of States face the very same problem that we face in Indiana, and I hope that we can move forward with this. I have no interest in dragging this out. I am happy to move to a vote as quickly as possible.

AMENDMENT NO. 2640 TO AMENDMENT NO. 2639

(Purpose: To authorize States to regulate certain solid waste)

Mr. COATS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Indiana [Mr. COATS], for himself and Mr. MCCONNELL, proposes an amendment numbered 2640 to amendment No. 2639.

Mr. COATS. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the amendment (No. 2639), add the following:

SEC. . SOLID WASTE DISPOSAL.

The Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) is amended by adding at the end of subtitle D the following:

"SEC. 4011. (a) AUTHORIZATION OF STATES TO REGULATE SOLID WASTE IN INTERSTATE COMMERCE.—(1) Each State is authorized to enact and enforce laws imposing and collecting fees or other charges in connection with the treatment and disposal within such State or solid waste generated in another State. Any State imposing and collecting any such fee or charge may, in connection therewith, differentiate between two or more States in which solid waste is generated, and may differentiate between any such State of origin and the fees or charges which it enforces and collects, if any, in connection with the treatment and disposal of waste generated within its geographical boundaries.

"(2) On and after the submission to the Administrator of the Environmental Protection Agency of a certification in accordance with paragraphs (3) and (4), each State is authorized to enact and enforce laws regulating the treatment and disposal of solid waste within such State, including laws imposing a ban on the importing into such State or any part thereof, of solid waste for its treatment or disposal, or laws otherwise regulating the importing into such State of solid waste for its treatment or disposal.

"(3) Any State, either directly or through regional or local planning units as may be established under section 4002(a)(1) of this Act, which has adopted a 20-year solid waste management plan may submit a statement to the administrator certifying the solid waste treatment and disposal capacity of such State pursuant to paragraph (4). The solid waste management plan shall include, at a minimum the following:

"(A) the amount of municipal and commercial solid waste by waste type, and waste residuals, which are reasonably expected to be generated within the State or accepted for treatment or disposal from another State during the ensuing 20-year period;

"(B) a statement of the volumes of solid waste expected to be reduced by the State submitting such plan through source reduction and recycling;

"(C) the State's existing capacity to manage such amount of waste by treatment or disposal facilities which meet existing environmental standards; and

"(D) the methods by which the State plans to have new capacity available by its planning dates.

"(4) The Governor of each State which has adopted a 20-year management plan pursuant to paragraph (3) of this section, may certify to the Administrator that such State, based on its plan, or on agreements made with any State or States, has identified adequate capacity to manage all solid waste generated in that State with the plan, and received pursuant to any such agreement, for the next following 60-month period.

"(b) LIMITATION.—Nothing in this section shall apply to—

"(1) any waste identified or listed as hazardous waste by the Administrator pursuant to section 3001 of this Act (42 U.S.C. 6921);

"(2) any solid waste, hazardous waste, hazardous substance, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9604 and 9606, respectively) or a corrective action taken under this Act;

"(3) any hazardous chemical substance or mixture regulated under section 6(e) of the Toxic Substance Control Act (15 U.S.C. 2605(e));

"(4) any metal, pipe, glass, plastic, paper, textile, or other material that has been separated or otherwise diverted from solid waste, and that has been transported into such State for the purposes of recycling or reclamation;

"(5) any nonhazardous solid waste produced by an industry that is transported for the purpose of treatment, storage, or disposal to a facility owned or operated by the original generator of the waste.

"(c) INTERSTATE COMPACTS.—The consent of Congress is give to 2 or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty

of the United States, for cooperative efforts and mutual assistance for the management of solid waste, and the approval of Congress is given to any such agreement or compact so entered into.

"(d) EPA AUTHORITY.—The Administrator of the Environmental Protection Agency shall have the authority to propose and promulgate regulations exempting waste types or recycling practices from the authority granted in this section, if the Administrator determines that such action promotes the development of an interstate market for recyclable materials or is necessary to promote environmentally sound waste disposal practices. Any person may petition the Administrator to propose such regulations and the Administrator shall solicit and consider public comments before making any final determination under this subsection.".

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Kentucky?

Mr. LAUTENBERG. Mr. President, reserving the right to object, I would not object as long as there is an understanding that I will cover the floor after the Senator has made his remarks.

The PRESIDING OFFICER. Is there objection to the request?

If there is no objection, without objection, it is so ordered.

Mr. MCCONNELL. I thank my friend from New Jersey.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from Kentucky.

Mr. MCCONNELL. Mr. President, I rise to support amendment being offered of my distinguished friend from Indiana, Senator COATS and myself. He has been out in front on the issue of trying to do something about out-of-State garbage for a number of months. I have joined with him and have been equally concerned about this most important issue. Kentucky, like Indiana, very unfortunately, has become the dumping ground for out-of-State garbage. The reason is quite simple. Tipping fees in the Northeast are quite high, up to 180 a ton, so the owners of garbage are shipping it down to Kentucky and Indiana.

Mr. President, we realize that this amendment does not necessarily solve the problem for the long run. Obviously, we have to be addressing the Nation's solid waste problem with long term solutions. In the short term, however, Kentucky does not want to be the dumping ground for the Nation's garbage. We think that is unfair. We think it is inappropriate. And we think we can craft an amendment, and I believe we have done it, which will include the provision similar to legislation I introduced earlier that gives States the authority to have some control over their own destinies.

Repeated attempts have been made to get this issue before the Senate with no success. So we are here today, out of a sense of frustration, seeking to get a chance to vote on an issue of great significance to the Midwest and in the Southeast. There have been hearings on this legislation. The Senator from Indiana and I both testified before the Committee on Environment and Public Works, and we appreciated that opportunity. The hearings demonstrated the need. Governor Florio, from New Jersey, testified and indicated that he, as well as the National Governors Association, could support an approach similar to the one that I have recommended, which is that States be granted the authority, by Federal legislation, to impose fee differentials. There is a clear indication that this kind of approach would be found to be constitutional.

There is a previous Supreme Court case arising out of the case of States charging in-State residents and out-of-State residents different fees for hunting licenses. So, obviously, there is a previous case in point on the question of whether Congress can grant to States the authority to differentiate between in- and out-of-State residents.

I would argue that that is not necessarily a ban on out-of-State garbage, but a grant of authority to the State to protect itself. If this authority were granted, what I would recommend to my Governor and to my State legislature is that they enact legislation that allows the local county governments to establish a tipping fee, at whatever level it was, at the point of origin.

If that were to happen, it would take the financial incentive out of shipping the garbage from, say, New Jersey down to Kentucky. It would take the incentive out; that is the point. We want New Jersey to deal with its own solid waste problem, and we want to deal with our solid waste problem. We do not want to unduly restict the flow of interstate commerce, and clearly there are cases where garbage ought to flow across State lines: If it is near the boundaries of the State for example, if it is coming in for the purpose of recycling. There are a variety of things that serve the public purposes in which we may reach a conclusion that some flow of garbage across State borders is appropriate, but not from 600 or 700 or 1,000 miles away.

So, Mr. President, I think that the Senator from Indiana, Senator COATS, and I are right on the mark here. We are hoping to get an opportunity for the Senate to express itself on this most important issue. This amendment is not designed to punish the Northeast. It is simply designed to give States an opportunity to protect themselves against this inflow of out-of-State garbage, which is a very serious problem.

So, Mr. President, I commend the Senator from Indiana and say how pleased I am to join with him again in our ongoing effort to get this issue voted on here in the U.S. Senate. It is extremely important to our area of the country, and we hope we will get a chance to get an expression in the U.S. Senate on this most important issue.

Mr. President, I rise today with my distinguished colleague and good friend from Indiana to discuss an amendment designed to give States control over out-of-State waste.

As we all know, the interstate transportation of garbage is currently regulated by the Federal Government. Given the problems with this arrangement, establishing a national policy which gives States immediate and complete control over out-of-State garbage is an idea whose time has come.

At the national level, managing solid waste is an important and pressing issue. At the State level, however, it has become a crisis. Shrinking landfill capacity, public opposition to new landfills, ground water contamination, and lack of funding to upgrade and modernize landfills are big problems. The inability to regulate or control out-of-State waste makes the problem almost untenable for States like Kentucky and Indiana. In Kentucky, the problem has gotten so bad that the Governor will probably call a special session of our legislature this fall to deal with it.

It is obvious why Congress should allow States to control imported garbage. Out-of-State waste brings with it costs in the form of road wear, loss of landfill capacity, visual pollution, odor, and ground water contamination. These costs are borne by Kentuckians and Hoosiers, not the residents of the exporting States and not the people generating the waste.

Senator COATS and I have already introduced separate bills dealing with this issue. The amendment offered today combines the best provisions of our original bills and includes some new ideas. This approach, I believe, solves the problems in our States and addresses the concerns raised by some of our colleagues with our original bills.

As I have said before, we are attempting to help States handle an immediate problem: out-of-State waste. We recognize our approach is not a total solution to the Nation's garbage crisis, nor is it intended as such. The Federal and State governments must continue to work together to develop a responsible, comprehensive strategy which combines source reduction, recycling, combustion, and landfilling. In the meantime, we can provide immediate relief to States and given them some breathing room to get their own

waste management problems under control.

After reviewing our amendment. I am sure you will agree that Senator COATS and I have made a good faith effort to address the concerns expressed by some with out earlier bills. We believe this approach represents compromise and we intend to move ahead. State likes Kentucky and Indiana cannot affort to wait until next Congress to get control over out-of-State waste and I urge my colleagues to support us in our effort.

Mr. President, before yielding the floor I would like to ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there is a sufficient second?

There is not a sufficient second.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quroum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, I ask unanimous consent that I be granted 15 minutes as if in morning business to make a speech.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE SOUTER NOMINATION

Mr. HATCH. Mr. President, tomorrow the Senate Judiciary Committee begins hearings on the nomination of Judge David H. Souter, of the Court of Appeals for the First Circuit, to be an Associate Justice of the Supreme Court. His nomination raises anew the question of the proper role of the judiciary, including the Supreme Court, in our Federal system. The Senate also faces, once again, the question of its proper role in confirming a Supreme Court nominee.

Judge Souter has authored many opinions as a State court judge in New Hampshire. He has not ruled on, nor written about, a number of issues of concern to a variety of groups across the ideological spectrum. This factor has sparked anticipation about the type of questioning Judge Souter will face tomorrow, and what kind of questions he should answer.

I have been a member of the Judiciary Committee for nearly 14 years, as it has approved hundreds of lower Federal court judges. Some of them have generated controversy, but most have not. I have also had the opportunity to sit through five Supreme Court confirmation hearings in the last 9 years.

Since the nomination of Judge Souter, I have tried to step back and review my experiences as well as the broader history of Supreme Court nominations and confirmations in order to focus my own thinking about the Senate's role in this very important task we are about to undertake. I want to set forth my view on the Senate's role in the Souter nomination. While I have often expressed my observations on the role of the judiciary in our Federal system, I will discuss them here briefly because they are related to my view of the Senate's confirmation role.

I share President Bush's view that a Supreme Court Justice should interpret the law and not legislate his or her own policy preferences from the bench. The role of the judicial branch is to enforce the provisions of the Constitution and the laws we enact in Congress as their meaning was originally intended by their framers.

Any other philosophy of judging requires unelected Federal judges to impose their own personal views on the American people, in the guise of construing the Constitution and Federal statutes. There is no way around this conclusion. This approach is judicial activism, plain and simple. And it can come from the political left or the right.

Let there be no mistake: The Constitution, in its original meaning, can readily be applied to changing circumstances. That telephones did not exist in 1791, for example, does not mean that the fourth amendment's ban on unreasonable searches is inapplicable to a person's use of the telephone. But while circumstances may change, the meaning—the principles—of the text, which apply to those new circumstances, does not change.

Even Alexander Hamilton, an advocate of a vigorous central government, in defending the judiciary's right to review and invalidate the legislative branch's acts which contravene the Constitution, made clear that Federal judges are not to be guided by personal predilection. He rejected the concerns that such judicial review made the judiciary superior to the legislature:

> A constitution, is, in fact, and must be regarded by the judges as, a fundamental law. It therefore belongs to them to ascertain its meaning as well as the meaning of any particular act proceeding from the legislative body. * * * It can be of no weight to say that the courts, on the pretense of a repugnancy [between a legislative enactment and the Constitution], may substitute their own pleasure to the constitutional intentions of the legislature. * * * The courts must declare the sense of the law; and if they should be disposed to exercise will instead of judgment, the consequence would equally be the substitution of their pleasure to that of the legislative body. [This] observation * * * would prove that there ought to be no judges distinct from that body. (Federalist 78.)

And this commingling of the legislative and judicial functions, of course, would tend to start us down the road to the kind of tyranny the framers warned about when the separate executive, legislative, and judicial functions are united in the same hands.

When judges depart from these principles of construction, they elevate themselves not only over the executive and legislative branches, but over the Constitution itself, and, of course, over the American people. These judicial activists, whether of the left or right, undemocratically exercise a power of governance that the Constitution commits to the people and their elected representatives. And these judicial activists are limited, as Alexander Hamilton shrewdly recognized over 200 years ago, only by their own will—which is no limit at all.

As a consequence of judicial activism, we have witnessed, in an earlier era, the invalidation of State social welfare legislation, such as wage and hour laws. Since the advent of the Warren Court and its successors, judicial activism has resulted in the elevation of the rights of criminals and criminal suspects, resulting in the strengthening of the criminal forces against the police forces of our country; the Orwellian twisting of the constitutional guarantee of equal protection of the law into a license to engage in reverse discrimination—racially preferential treatment in the dispensation of Federal governmental benefits, whether labeled goal, or quota, or set-aside; prayer being chased out of the schools; evenhanded efforts to assist private religious schools on a neutral basis getting struck down; and the Court's creating out of thin air a constitutional right to abortion on demand, and more. One of the objectives of the judicial activists for the future is the elimination of the death penalty.

The Constitution, as it has been amended through the years, in its original meaning, is our proper guide on all of these issues. It places primary responsibility in the people to govern themselves. That is why appointing and confirming judges and Supreme Court Justices who will not let their own policy preferences sway their judment is so important.

Judge Souter is not running for political office. Nor has the President nominated him to a policymaking position in the executive branch. He has been nominated for the highest Court in a coequal branch of the Federal Government.

In my view, the Constitution clearly gives the President principal responsibility for judicial selection. The framers rejected vesting the appointment power in both Houses of Congress or in the Senate alone. Article II, section 2 reads in relevant part: "* * * he shall nominate, and by and with the advice and consent of the Senate, shall appoint * * * Judges of the Supreme

Court. * * *" The President is entitled to nominate a person who reflects the President's view of the general role of the judiciary in our tripartite system of government. He is not entitled to seek assurance on how a nominee will vote on particular issues. The very function of judging requires independence to weigh the facts of individual cases, to consider the arguments of counsel, and to change one's mind when confronted by both.

The Senate is given a checking function through its "advice and consent" power. It does not have a license to exert political influence on the other branches or to impose litmus tests on nominees. Nor is the Senate entitled to seek the assurances on how a nominee will decide particular issues that the President may not seek.

As Alexander Hamilton wrote in Federalist 76 about the Senate' advice and consent function in general, the Senate's "concurrence would have a powerful, though, in general, a silent operation. It would be an execellent check upon a spirit of favoritism in the President, and would tend greatly to prevent the appointment of unfit characters from State prejudice, from family connection, from personal attachment, or from a view to popularity."

I note that prior to 1925, no Supreme Court nominee had testified before the Senate. The few nominees who appeared before the Judiciary Committee in the following 30 years were not questioned about judicial philosophy or their views on legal matters. When Felix Frankfurter accepted an invitation to testify before the Judiciary Committee in 1939, he made clear that he did not want to do so. Indeed, he declined to appear on the initial day of the committee hearings, sending Dean Acheson in his place, because he did not wish to miss a day of teaching. So, he showed up before the committee on the second day.

[Thorpe, "The Appearance of Supreme Court Nominees Before the Senate Judiciary Committee," 18 Journal of Public Law, 371, 376, 377 n.29 (1969) [hereinafter, "Thorp".]

In his opening statement, Frankfurter said,

I, of course, do not wish to testify in support of my own nomination * * *. While I believe that a nominee's record should be thoroughly scrutinized by the Committee, I hope you will not think it presumptuous on my part to suggest that neither such examination nor the best interests of the Supreme Court will be helped by the personal participation of the nominee himself.

I should think it improper for a nominee * * * to express his or her views on any controversial issues affecting the Court." He mentioned that his attitude and outlook had been expressed over a period of years and are readily accessible. Frankfurter said that it would be "inconsistent with the duties of the office * * * for me to attempt to supplant my past record by personal declarations.

One nominee, Sherman Minton, even refused an invitation to testify altogether, explaining that "personal participation by the nominee in the committee proceedings relating to his nomination presents a serious question of propriety, particularly when I might be required to express my views on highly controversial and litigious issues affecting the Court."

Since the 1950's, I think it is fair to say without oversimplifying, that when some conservative Senators had concerns that a Supreme Court nominee would rule in a manner displeasing to them, in some cases they asked the nominee questions about current legal issues of interest to them. Similarly, since the 1950's, when some liberal members of the committee had concerns about the way a particular nominee might rule in the future, they have asked questions addressing current legal issues.

One commentator has remarked that the appearances of the nominees before the Senate "have tended on occasion to subject nominees to hostile questioning, character assassination, and ridicule." [Thorp.] And that comment was made in 1969.

In my view, while Senators are free to ask a nominee any question they wish, a Supreme Court nominee should answer questions related only to his ethics, competence, legal ability, general view of the role of the Supreme Court in our Federal system; and independence of mind, that is, did he make any commitments on issues that might come before him in order to be nominated—or confirmed.

If the Senate probes into the particular views of a nominee on particular legal issues or public policies, let alone imposes direct or indirect litmus tests on specific issues or cases, the Senate impinges on the independence of the judiciary. It politicizes the judging function. The confirmation process becomes a means to influence the outcome of future cases on issues of concern to particular Senators. And a nominee may feel that in order to be confirmed he must agree with this or that Senator on particular legal issues that are within the province of the judiciary. An appearance of a lack of impartiality will arise when those issues later come before the justice. This course is as inappropriate as it would be for the President to seek such influence. The judiciary is the one branch which should be above politics.

A few years ago, the Twentieth Century Fund assembled a distinguished task force to consider the way the Federal judiciary is selected. Former New York Gov. Hugh Carey chaired the task force. Its other members included Prof. Walter Berns of Georgetown University and the American Enterprise Institute; former Secretary of Health, Education, and Welfare, Joseph A. Califano, Jr.; Lloyd N. Cutler, former counsel to President Carter; University of Chicago Law Prof. Philip B. Kurland; Jack W. Peltason, chancellor of the University of California, Irvine; Nicholas J. Spaeth, attorney general of North Dakota; Michael W. Uhlmann, former Reagan White House official; and Robert F. Wagner, the former mayor of New York City.

In 1988, the task force issued its report, Judicial Roulette. With Mr. Califano and Mr. Cutler dissenting, the task force recommended "that Supreme Court nominees should no longer be expected to appear as witnesses during the Senate Judiciary Committee's hearings on their confirmation. * * * The task force further recommends that the Judiciary Committee and the Senate base confirmation decisions on a nominee's written record and the testimony of legal experts as to his competence." The task force added, with Mr. Califano dissenting, "But if nominees continue to appear before the Committee, then the task force recommends that senators should not put questions to nominees that call for answers that would indicate how they would deal with specific issues if they were confirmed."

My fear is that if the Senate continues the trend begun in the 1950's, which seems to have accelerated since then, with both liberal and conservative Senators pressing Supreme Court nominees beyond the bounds I have described, we could permanently undermine the independence of the judicial branch. We will move closer to the circumstances described by Alexander Hamilton, wherein the courts exercise will rather than judgment and tend to become a mere extension of the legislature.

Earlier, the chairman of the Judiciary Committee, Senator BIDEN, suggested that the standard for judging nominees should be whether they are out of the mainstream of legal thought of "the past 70 years." That's a highly selective, artificial, and arbitrary timeframe, reflecting nothing more than a preference for certain Supreme Court precedents and antagonism to others. And, of course, there are always a select few on our law school faculties and editorial boards who are ready to tell us what the legal mainstream is in all of its particulars and details. What that amounts to, according to the self-selected arbiters of the mainstream today, is the current liberal political agenda.

Sixty or seventy years ago some would have argued that the legal mainstream dictated that social welfare statutes, such as wage and hour laws, were beyond the power of State governments to enact. But I wonder what would have happened if the ar-

gument about deference to the legal mainstream had been used then to derail the Justices who eventually overturned that line of cases? For a long time, many regarded the odious doctrine of separate but equal as the legal mainstream. Many persons, in the first half of this century, including Members of the Senate, believed in this doctrine. Would it have been appropriate to insist in the 1930's, right down to 1954, that Supreme Court nominees adhere to that element of the legal mainstream? I think not.

In response to a question from Senator SPECTER asking why the Judiciary Committee should not ask the most specific imaginable questions if the Court is to function as a super-legislature, the chairman answered, "Why not, indeed." He claimed that there is no historical precedent, no tradition, no basis whatsoever for Judiciary Committee restraint in asking questions of Supreme Court nominees. That is simply incorrect, in my view. As I have pointed out, the members of the Judiciary Committee have refrained from such questioning for a very long time. No nominee ever appeared before the Senate until 1925. Moreover, one reason a nominee should not answer such questions is that he might have to recuse himself on a case later.

When the chairman claims that there are no prohibitions, he overlooks all of the reasons for restraint—many cited in past hearings—that Senators have recognized in the past. Principal among these are considerations of legal and judicial ethics. I frankly believe that a judge has a responsibility not to comment on cases or legal issues that may come before him or her on the Court. Many others have taken this view as well. It may be that some Senators can find no historical principle or tradition that constrains him or her in questioning Supreme Court nominees, but it is not because these precedents do not exist—it is because they have decided not to follow them.

The chairman complains that in the Bork nomination President Reagan attempted to "smuggle" the Reagan agenda onto the Supreme Court. In fact, President Reagan was selecting judges that reflected an approach to interpreting the Constitution and our laws. This approach, relying on the meaning of these provisions as intended by their framers, gives deference to the people and their representatives. And he did not hide this view. He made clear that this philosophy of judging would be the criterion for appointment to the Supreme Court, and he was overwhelmingly elected twice. What has happened is that judicial activists on the High Court, sitting as a superlegislature, have enacted a vast range of the modern liberal political agenda. Some such decisions may be so embedded in our way of life, with institutions and expectations built up around them, that overturning them is imprudent. But there are those who wish to make of all of these overreaching decisions sancrosanct. Decisions, for example, like *Miranda* v. *Arizona*, 384 U.S. 436 (1966) (exclusion of confessions/fifth amendment) and *Mapp* v. *Ohio*, 367 U.S. 643 (1961) (exclusion of evidence/fourth amendment) which exalted the rights of criminal defendants and suspects, and the *United Steelworkers* v. *Weber* decision 443 U.S. 193 (1979), which twists title VII into a statute permitting rather than forbidding reverse discrimination. And many want to see the rest of that agenda imposed by the courts. That is why the jurisprudence of original meaning is under furious assault by those in our political system who have been unable to enact that liberal agenda through the political process or to elect a President who will nominate justices they prefer—justices who will impose that agenda by judicial usurpation.

The chairman attempts to establish precedent for a supposed rule that Supreme Court nominees are expected to answer specific questions about substantive issues. He cites Potter Stewart's answer to a direct question concerning the case of Brown versus Board of Education. That example, and the others he cites, establishes nothing. If prior practice provides any precedent, then the overwhelming authority supports the view that nominees need not answer such questions. As Senator SPECTER established in his remarks on Tuesday, for example, Justice Scalia answered virtually nothing of this sort.

But another point must be made. The fact that one nominee has chosen, for his own personal reasons, to answer a particular question has absolutely no relevance to another nominee's decision on what questions to answer. As I developed in my earlier remarks, the digression in the Senate's practice in reviewing nominees has not been a good development.

The chairman has several times expressed the sweeping view that this nomination is going to affect this country more than the careers of any of us here in the Congress, possibly more than that of the President himself. He stated that a Supreme Court Justice confirmed today will be making fundamental decisions about the kind of country we have far into the next century. While all of these statements may be true, I believe that the alarmist manner in which the chairman has made these statements ignores that the reason the Supreme Court has become so powerful is precisely because it has sat as a superlegislature in the last two generations enacting a liberal political agenda. And, I might add, that I am disturbed by the suggestion that one nominee should be judged by not only how he would vote but how four other Justices would vote as well. Judge Souter lacks the power to decide cases alone.

I do not view the future with the alarm expressed by the chairman. We have the power to bring the Court back to its historical role of interpreter of the Constitution and away from its recent stance as a superlegislature. We can do this by confirming nominees to the bench who will not rewrite the Constitution and who will not appropriate to themselves the powers of the legislature. These individuals have no concern for telling us what kind of country our grandchildren will inherit—their only desire is to enforce the will of the people as embodied in our Constitution and the laws passed by our elected representatives. So to the extent that the chairman fears that our present Supreme Court nominee will have some unforeseen impact on our country into the next century, I believe the nominee will allay those fears. All he will do, if confirmed, I believe, is enforce the people's political will as we indicate it should be done. Now, maybe that is a fearful prospect—that some of the laws that we pass here in Congress will actually be enforced as written. But at least we will live with our own mistakes; and, we will have nothing left to fear but ourselves.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. DODD). The Senator from New Jersey.

Mr. BRADLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Ms. MIKULSKI. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1991

The Senate continued with the consideration of the bill.

Ms. MIKULSKI. Mr. President, I rise as a member of the Appropriations Committee in support of the District of Columbia appropriations. I hope that we move expeditiously on this legislation and keep to a minimum amendments really related to social controversy that would be best dealt with either in authorizing committees or other forums.

But, Mr. President, I rise today to really bring to the Senate's attention that a new day has come to the District of Columbia. For all intents and purposes I think we have a new mayor and that mayor's name is Sharon Pratt Dixon, a distinguished woman, who comes to us from the private

sector to become the new chief executive officer of the District of Columbia.

Also, it looks like a woman by the name of Elenor Holmes Norton will be a new Delegate to the House of Representatives, replacing our distinguished friend, Delegate WALTER FAUNTROY.

Mr. President, that means new leadership has come to the District of Columbia, a leadership that I know will be stellar in their performance of governing as they were in their performance as candidates.

I urge my colleagues as they scrutinize the District of Columbia appropriation to realize that new leadership has come to the District of Columbia, a leadership that promises to clean house not only with the broom but with the shovel.

I hope as the District of Columbia manages its own affairs that we do two things: one, we give them the resources that we have pledged to them and are owed to them, and second, we do not micromanage the affairs of the District of Columbia.

We have a new leadership, a change in time. I hope it will be a new relationship with the Congress of the United States and that my colleagues who at times have been either cranky, or used the District of Columbia appropriations as vehicles for other social agendas, really have a new attitude. Let us give the new leadership a chance and let us give them the resources to do that.

This is the Capital of the United States. We owe that new mayor not only our respect but our pledge for support and I look forward to, of course, being at the swearing in of my new colleage in the House of Representatives.

So as we deliberate the bill I hope that we keep those thoughts in mind.

Mr. President, I yield back the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. MIKULSKI). Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Madam President, I ask unanimous consent there now be a period for morning business not to extend beyond the hour of 2:45 p.m., with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, the leader's request is agreed to.

The Senator from South Dakota is recognized.

OIL PRICE GOUGING

Mr. PRESSLER. Madam President, this morning I was pleased to join several other Senators in sponsoring legislation that would substantially strengthen the power of our State attorneys general and of the U.S. Attorney General to end price gouging on gasoline and other petroleum products' prices. We have a situation in Saudi Arabia and Kuwait that is very serious. But the situation there is a separate issue from the problem suffered by many of our people—higher gasoline and diesel fuel prices.

I traveled to the Middle East in late August and early September, and I found that our troops are doing their job well. I am very proud to be associated with them. Prior to going, I had held a series of public listening meetings in my home State. The No. 1 issue raised was the higher gasoline prices and higher diesel prices. Many of the people in my State are very energy sensitive. They drive a tractor or a truck all day. With fall and winter coming in the near future, people are concerned about energy prices.

We have witnessed an unconscionable increase in energy prices in this country in the last month. It is not the fault of the independent local dealers and it seems that almost everybody is helpless to do anything about it.

We had a hearing in the Commerce Committee on which I serve, and I asked why everybody agrees that price gouging is outrageous, but nobody is doing anything about it. Nobody seems to have the authority to act.

It is my strongest feeling that the Attorney General does have substantial authority under the antitrust laws. With this new legislation, introduce by the Senator from Connecticut and several cosponsors, including myself, we would enhance the power of the State attorneys general and the Attorney General of the United States to prosecute profiteering in the pricing of petroleum.

THE PERSIAN GULF CRISIS AND DEBT FORGIVENESS

Mr. PRESSLER. On a separate subject, Madam President, I report to the Senate that I accompanied a group of Senators to the Middle East about a week ago. There was one item on the agenda, one which I am in disagreement with our President, and that is the proposed forgiveness of the Egyptian military sales debt to our Government. I think our President has done an excellent job of handling this matter on the whole. I think what he has done is basically correct. But I was surprised to read that the administration essentially had promised Egypt that we will forgive their $7.1 billion debt on loans for the purchase of military equipment. This raises some serious questions. What shall we then do about the Polish debt, or the Brazilian debt, or the Israeli debt, or the debts of many other countries? Do we forgive them all? Do we put them in the same category?

It is my strongest feeling that the President's proposal to forgive the Egyptian debt at this time is a mistake. If we vote on that proposal here on the floor, I shall vote against it. We should look at debt rescheduling, and we should look at other options. But what are we going to say to Poland, what are we going to say to Brazil, and the many other countries that might ask us the same thing?

Saudi Arabia is making much greater profits on oil now than before the Iraqi invasion of Kuwait. Crude oil prices have risen to $30 a barrel from $20. I hope that Saudi Arabia considers expanding its assistance to the United States in compensation for our defense efforts. I hope we are able to get the same kind of assistance from Japan.

Indeed, when we were in the Persian Gulf, on the battleship U.S.S. *Wisconsin*, we observed an oil tanker ship sailing by bound for Japan. This illustrates the protection we are providing at the expense of the American taxpayers.

We very much need direct financial assistance from the Japanese in the Persian Gulf operations. I would say the same of the wealthy countries in Europe that have not come through as they should have. It is one thing to send ships to observe; it is another thing to send airplanes to take pictures. But we need to have some actual troops on the ground from the European countries and from some of the other Arab States.

We also need some financial assistance, some hard currency payments—not long-term loans or credits. Some countries extend credits to foreigners to buy their products and call that aid. I am talking about real assistance, the kind of assistance the United States gives many nations.

We have embarked on a very difficult course in the Middle East, but I think that it is on the whole the correct course, with some concern about Egyptian debt forgiveness and the levels of hard cash and troops provided by our wealthy allies.

I believe strongly that the offer to forgive the Egyptian debt prior to consultation with Congress will prove to be a mistake. Even if the administration succeeds in getting the Egyptian debt issue through this Congress, we will then find our credibility questioned if we do not relieve the debt all the other countries that may request forgiveness of their loan debts to us. The implications for the American taxpayers of agreeing to all that debt forgiveness are great.

One final observation on this trip. When we went to the front lines in the desert, where our Marines are dug in, I had the chance to meet with several South Dakotans who are stationed there. It occurred to me how alone the United Nations is in this operation. It is true that we have been endorsed in the United States and it is true that other countries have given lipservice approval to what we are doing. But there were no Saudi troops within our sight. We were told there were some on the front lines, but that their ranks were very thin.

The United States, basically, has been doing the whole job itself so far. We have had promises of other assistance. There might be some Egyptian troops going to Saudi Arabia; they are not there yet. There might be some troops from other countries going in; they are not there now.

It is true that a Canadian ship is there taking pictures. Some other countries have provided airplanes, which are doing some surveillance. But in terms of the troops on the ground, the hard work on the ground that is being done by the United States, the American taxpayers once again are bearing the main burden, as they have done in the past.

I find in my meetings—and I returned to South Dakota after the visit to the Persian Gulf—that with the increased energy costs and the possibility of increased taxes arising from this military operation, many of our citizens are expecting us to look very hard for assistance elsewhere.

In my judgment support for our operations in Saudi Arabia may well erode unless we get substantial contributions from other countries. This message was conveyed by a group of us during a meeting with King Fahd of Saudi Arabia, his brother Prince Abdullah and the Foreign Minister, Prince Faisal. We also made the same point to the Emir of Bahrain, and to President Mubarak in Egypt.

Once again we are trying to do what is right. We are willing to do our share, but we want to see the Japanese, the wealthy Europeans, the wealthy Saudis, who are making even more money now on the sale of oil, the wealthy United Arab Emirates and the wealthy Kuwaitis who fled their country and have a lot of money in Swiss bank accounts. and overseas investments, do their fair share. The American people want to see some real hard currency assistance, and they want to see it soon.

It is true that agreements have been reached, and I am sure that many of those will be fulfilled. But as we go into the difficult appropriations process in September and October I am told now we may be in session until mid-October we will be casting some very difficult votes on appropriations bills and on the budget of the United States, which we hope will be completed by October 1. Let us remember that out there are the American taxpayers who are observing all of this, who will be paying the bill, and they want to see us insist that other countries share in the burden.

The President of the United States has a great deal of opportunity to put pressure on these other countries to come through with assistance in some of our trade activities and some of our other bilateral and multilateral relationships.

So, in conclusion, Madam President, I would say that there may be many positive results of our efforts in the Middle East. One of them, I hope, will be to develop more gasohol and ethanol, making us more energy independent, and to alert us to the fact that we as a nation should not again become hostage to Middle East oil. I hope that we pursue along those lines.

As we begin this final month of Congress this year, it is my strongest feeling that we should take up the costs of the Middle East in our budget votes. We should be sure that energy price gouging does not decimate our citizens. We should make every effort to get assistance from the other wealthy countries. We should be very hesitant about jumping into a debt forgiveness situation with Egypt without considering its total worldwide impact. And we should listen closely to our citizens as we proceed to deal with the consequences of the latest Persian Gulf crisis.

Madam President, I yield the floor and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

FISH SAFETY ACT OF 1990

Mr. MITCHELL. I ask the Senate now proceed to the immediate consideration of Calendar No. 738, S. 2924, the Fish Safety Act of 1990, under the terms of the unanimous-consent agreement ordered on July 25.

The PRESIDING OFFICER. The clerk will report the bill.

The legislative clerk read as follows:

A bill (S. 2924) to expand the meat inspection programs of the United States by establishing a comprehensive inspection program to ensure the quality and wholesomeness of all fish products intended for human consumption in the United States, and for other purposes.

The Senate proceeded to consider the bill.

PRIVILEGE OF THE FLOOR—S. 2924

Mr. MITCHELL. Mr. President, I ask unanimous consent that during the consideration of S. 2924, Mr. Robert June, a congressional fellow who serves as a legislative assistant in my personal office through the National Sea Grant Marine Fellowship Program, be accorded the privilege of the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, under a previous order, before we reached the impasse on the previously pending appropriations bill, the D.C. appropriations bill, two votes had been scheduled on amendments to that bill to occur at 5 p.m. For the convenience of all Senators, so we will be able to get all the votes in at the same time, I now ask unanimous consent that those votes occur upon the disposition of S. 2924.

The PRESIDING OFFICER. Is there objection?

Mr. COATS. Mr. President, I just want to clarify with the majority leader that immediately subsequent to the votes that have been ordered, the pending business would be the Coats second-degree amendment to the Nickles amendment to the D.C. appropriations bill? Is that a correct understanding?

The PRESIDING OFFICER. Under the order, upon disposition of the fish bill, we would then vote on the Adams amendment, and then on the Armstrong amendment, at which point the Coats amendment would be pending.

Mr. STEVENS. Mr. President, reserving the right to object to the request, I would inquire, it is my understanding, then, if the time is used in full on this fish inspection bill, those votes would occur somewhere around 7:30 tonight?

Mr. MITCHELL. That is correct. but it is my hope, as I previously expressed to the Senator from Alaska and others, that we could reduce the time on the fish inspection bill so as to permit us to have votes prior to that.

What I am trying to accomplish is not to have an interruption of this for two votes and then complete this and then have to come back for another vote or two.

Mr. STEVENS. I understand.

Mr. MITCHELL. That is my intention. I hope we can get started and once we are into it the Senators participating in debate can agree on reducing the time to 2 hours or some other period of time less than 4 hours to accommodate the Members of the Senate.

Mr. STEVENS. I withdraw my request and interruption of the request for unanimous consent. I just want to make certain this does not amend the existing agreement on the shellfish bill.

Mr. MITCHELL. It has nothing to do with this. Just to repeat and clarify. We were on the D.C. appropriations bill and votes were scheduled on two amendments for 5 o'clock.

Subsequent to that, Senator COATS offered an amendment and an impasse developed which made it not possible to proceed with that bill.

I have discussed this with Senator COATS and the Senator from New Jersey, and it was agreeable that we then move to the fish inspection bill in the hopes that they could then work this matter out somehow, either today or tomorrow; and, so as to accommodate the largest number of Senators, rather than having those two votes occur right in the middle of this debate, I have asked that those votes occur upon dispositon of this, and I am then going to try to get agreement here to reduce the time so we then vote on this immediately following the debate, whenever that is, and then vote on the two amendments to the D.C. appropriations bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Without objection, it is so ordered.

Mr. MITCHELL. I thank my colleagues.

Mr. President, under the terms of the agreement, with respect to this measure, the only amendment that will be in order is a Hollings-Stevens-Kennedy substitute, amendment No. 2431. There will be 2 hours of debate on the bill with time equally divided; 2 hours of debate on the substitute amendment with time equally divided; followed immediately with a vote on the substitute amendment and a subsequent vote on the bill as amended, if amended.

As I have indicated, it is my hope we can reduce that time to about half of that previously agreed upon.

Mr. STEVENS. Mr. President, if the Senator will yield for a parliamentary inquiry at that point?

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, who will control the time under this agreement on the two versions of this bill? There are really two versions of the same bill. Who controls the time for the bill and against it; who controls the time for the amendment and against it?

The PRESIDING OFFICER. Under the agreement, the time will be divided in the usual form.

Mr. MITCHELL. Mr. President, might I suggest, if the Senator is agreeable, that the time in behalf of the proponents of S. 2924 be under the control of Senators LEAHY and COCHRAN and that the time in behalf of the proponents of the Hollings-Stevens-Kennedy substitute be under the control of Senators HOLLINGS and STEVENS?

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. STEVENS. That still does not answer the question about the opposition. There are 2 hours on each version. That means that there is a proponent 1 hour on the bill itself that is before us, and in opposition. And there are 2 hours on Senator HOLLINGS' amendment, which I support, which is divided, and someone is in control of that opposition.

As we get down to the question of how much time we are going to give up, I would like to know who controls the opposition to the Agriculture bill and who controls the opposition to the Senate Commerce Committee bill.

Mr. MITCHELL. The same persons. Might I suggest there is really one issue, as the Senator from Alaska has correctly noted; two competing bills. Could we not just agree that whatever the time is, it be considered as one, and LEAHY and COCHRAN would control for one side and HOLLINGS and STEVENS would control for the other side? Is that agreeable?

Mr. STEVENS. That is acceptable to me if it is acceptable to the chairman. I just wanted to make sure.

Mr. HOLLINGS. That is fine.

Mr. MITCHELL. That seemed to me to be the commonsense approach. I then place that in the form of an unanimous-consent request; that the time be considered as one, with the time in behalf of the proponents of S. 2924 to be controlled by Senators LEAHY and COCHRAN, and the time in behalf of the substitute to be controlled by Senators HOLLINGS and STEVENS.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, S. 2924 is a freestanding version of an amendment that I previously offered to the farm bill, with the consponsorship of Senators LEAHY, COCHRAN, LUGAR, and others, but withdrew in favor of the unanimous-consent agreement under which we are now proceeding.

The bill is based on S. 1245, a bill approved unanimously by the Senate Agriculture Committee on May 22.

Public awareness of the health benefits of eating fish has prompted increased demand for fish products. However, there is also widespread concern over the safety of fish products from contamination. Fish is the only flesh food that is not subjected to a comprehensive, mandatory food safety inspection program.

In a 1989 report, the Senate Appropriations Committee recommended that a comprehensive fish inspection program should be developed in the U.S. Department of Agriculture in an effort to consolidate Federal responsibilities. The U.S. Department of Agriculture already conducts comprehensive safety inspection programs for meat and poultry.

S. 2924, the Fish Safety Act of 1990, would establish this needed fish inspection program. Led by the Department of Agriculture, the bill also establishes clearly delineated roles for the Food and Drug Administration and the Department of Commerce.

Agriculture would conduct and administer the fish inspection program, FDA would set food safety standards, and the Department of Commerce would have continued authority over those aspects of the program involving fisheries management.

The bill would rely on, and would not affect, the authority of the Environmental Protection Agency to establish water quality criteria and standards.

The bill requires interagency coordination while preserving strong lines of agency authority and accountability. Consequently, the bill establishes an effective and efficient fish inspection program that will ensure public safety. It is also equitable to the U.S. fishing industry.

Public Voice for Food and Health Policy, a leading consumer advocate, and industry representatives such as the National Fisheries Institute and the American Meat Institute agree that a new fish inspection program would improve consumer protection and increase public confidence in the safety of fish and seafood.

I also appreciate the support of the Maine fishing industry, including the Associated Fisheries of Maine and the Maine Sardine Council, in working toward this legislation. Fishermen know that whatever affects the confidence of consumers in the marketplace ultimately affects the livelihood of fishermen, and Maine fishermen are committed to providing consumers with high quality fish products.

American fishermen and American consumers both need to be able to look to a single lead agency for confidence in the fish inspection program.

However, the substitute amendment would not provide for a lead agency, and it would eliminate the presence of the Department of Agriculture in the program. Under the substitute, the Department of Health and Human Services and the Department of Commerce each would lead different parts of the program. For example, imported fish products would be inspected by the Department of Health and Human Services, but domestic fish products would be inspected by the Department of Commerce. Although the Department of Commerce would hire and supervise domestic fish inspectors, the Department of Health and Human Services would theoretically control inspection procedures.

These roles are constructed in a confusing, overlapping, and frequently contradictory manner in the substitute amendment. The lack of a lead agency would muddle lines of authority and accountability, making the substitute program unworkable and, therefore, incapable of protecting public health.

Although the Department of Health and Human Services would theoretically have authority over the design of the program, for example, the Department of Commerce would decide which facilities would be required to be inspected and which are exempted.

In another example, the Department of Commerce is required to develop a shellfish monitoring program, apparently including new authority for setting water quality standards. States are required to implement a shellfish program that is at least equal to the program developed by the Department of Commerce, or else all shellfish beds in that State would be automatically closed. However, the determination that a State's program is at least equal to the Department of Commerce program would be made by the Department of Health and Human Services.

Similarly, if the Department of Health and Human Services determines that an imported fish product is unacceptable, then that product must be destroyed—unless the Department of Commerce determines that the imported product can be relabeled to satisfy the Department of Health's import inspection requirements.

The substitute amendment's convoluted provisions are unworkable, yet there is even a more important reason for rejecting its approach. Under the substitute, domestic fish inspections would be conducted by the Department of Commerce's National Oceanic and Atmospheric Administration [NOAA]. NOAA has the very important mission of exploring our oceans and conserving ocean resources, but NOAA is not a food safety agency, nor is any other part of the Department of Commerce. It should not be given authority for this essential food safety mission.

Under my bill, which I introduced with Senators LEAHY, COCHRAN, LUGAR, and others, the fish inspection program would be conducted by the Food Safety and Inspection Service within the Department of Agriculture. That service has only one mission: protecting food safety. In fulfilling this mission, the Service already conducts over 1.2 million tests on over 250,000 food samples each year. The Service has an established system of 189 inspection circuits, employing a field staff of over 7,000 food safety inspectors and 1,200 food scientists. Also, the Department of Agriculture currently supports fish research efforts totaling over $20 million, including studies of fish diseases, genetics, and growing patterns.

The fish inspection program needs to be conducted by a food safety agency, and the Food Safety and Inspection Service of the Department of Agriculture is the right agency for the job.

It is also essential that any fish inspection system provide a workable program with respect to international trade. The United States is the world's leading exporter and second leading importer of fish and fish products. Provisions regarding the trade implications of food safety standards, like those in this fish inspection legislation, are contained in the General Assembly on Tariffs and Trade, and they are included in the President's policy position under the current Uruguay round of GATT negotiations.

Throughout the development of this bill, Senator LEAHY, Senator COCHRAN, Senator LUGAR, and I have worked to ensure that this fish inspection program would be compatible with the President's GATT policy. In this regard, I now ask unanimous consent to print three documents in the RECORD. The first two are memoranda from the American Law Division of the Congressional Research Service regarding the compatibility of my bill and the substitute amendment with the provisions of GATT, and the third is a background statement regarding the United States position on the Uruguay round dealing with sanitary and phytosanitary standards for food.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, September 7, 1990.

To: Hon. George Mitchell. Attention: Bob June.

From: American Law Division.

Subject: Whether S. 2924, 101st Cong., 2d Sess., Legislation Establishing a Federal Fish Inspection Program, Comports with United States Obligations under the GATT.

This memorandum replicates, with some amplification, our August 3 memorandum responding to your request for an analysis of whether S. 2924, 101st Cong., 2d Sess. (1990), legislation that would establish a federal program for the inspection of domestic and imported fish offered for sale in the United States, comports with United States obligations under the General Agreement on Tariffs and Trade (GATT). As S. 2924 is intended to be identical to S. 1245, 101st Cong., 2d Sess. (1990), as reported[1] and amended, we reiterate our analysis and conclusions with respect to the latter, as provided in our memorandum of July 19.* The amended version of S. 1245 provides for certification through border inspections of certain imported fish products and strikes a provision allowing Presidential retaliation in the event of certain foreign restrictive practices. Our July 19 memorandum, amplifying an earlier memorandum prepared while the amendment would have provided for a charge for border inspection, discussed the legislation in light of a subsequent proposal that would allow such border inspections but not provide for a fee.

S. 2924, 101st Cong., 2d Sess. (1990),[2] adding Title XIX to the Food Security Act of 1985, proposes the creation of a fish inspection program in the United States including such features as federal and state cooperation, the certification of domestic fish processing establishments and fish importers, standards for labeling, packaging and marking, federally-regulated inspection of domestic and imported fish, and standards for fish destined for export. Standards created under the program are to be based on health risk assessments, *see* new § 1903(c), rather than on size, weight, or other such quality standards. As you have noted, the legislation is modeled in part on provisions of the Federal Meat Inspection Act, 21 U.S.C. §§ 601 *et seq.*, which, *inter alia*, condition the importation of meat from a particular country on the existence of federal certification that the exporting country maintains a program using reliable analytical methods to ensure compliance with United States standards for residues in such, and provide for United States inspection of foreign establishments to ensure compliance with these standards. 21 U.S.C. § 620(f). Because S. 2924 would affect foreign fish and fish products, you have asked whether it complies with United States obligations under the GATT, which provides for non-discriminatory, i.e., most-favored-nation (MFN), and national treatment of imported goods, and the Agreement on Technical Barriers to Trade (Standards Code), which imposes these and other requirements on the development and application of national standards and technical regulations.

Article III:1 of the GATT requires that national regulations and requirements affecting the internal sale, offering for sale, purchase, transportation, distribution, or use of products not be applied to imported or domestic products in a manner that affords protection to domestic production. Further, Article III:4 requires that imports be accorded no less favorable treatment than that accorded to like domestic products in respect of all laws, regulations and requirements affecting their internal sale, offering for sale, purchase, transportation, distribution or use. Under Article XX(b), however, these Agreement obligations are waived with respect to measures "necessary to protect human, animal or plant life or health" so long as any such measures "are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on international trade." Article XX recognizes the validity of certian national policy objectives but conditions them on a modified MFN standard and a requirement that otherwise legitimate measures not be applied in a trade-restrictive fashion. It is evident that under the GATT, tariffs, where they exist and are not prohibitive, are preferable to quantitative or other trade restrictions in that tariffs generally do not in themselves prohibit the flow of goods.

The United States has also become a party to the GATT Agreement on Technical Barriers to Trade (Standards Code),[3] which deals with the development and application of technical regulations and standards and covers both agricultural and industrial products.[4] The Code also recognizes the legitimacy of measure that advance health and

*Footnotes are at the end of article.

safety objectives, "subject to the requirement that they are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on international trade." Standards Code, Preamble. The Code, which also contains national treatment and MFN requirements with respect to technical regulations and standards, and requires that parties ensure that neither technical regulations nor standards nor their application have the effect of creating *unnecessary* obstacles to trade. Art. 2.1. The Code provides that parties, whenever appropriate, specify technical regulations and standards in terms of performance standards rather than design or descriptive characteristics, Art. 2.4; it also recognizes the primary of international standards, Art. 2.2, and, although it provides that they may be inappropriate for reasons such as the protection of human health or safety, *id.*, it sets forth consultation requirements for the failure to use them. Art. 2.5. The Code also recognizes the use of national certification systems by other parties to the Agreement, even when methods differ from their own, provided importing countries are satisfied that the methods employed in the terriroty of the exporting party provide a sufficient means of determining conformity with the relevant technical regulations and standards. Art. 5.2. The Code is not intended to prevent parties from carrying out reasonable spot checks within their territories. Art. 5.4.

To the extent that the legislation does not provide for national treatment or meet other GATT obligations, it would apparently need to be justified on the basis of the Article XX exception for measure necessary to protect human life or health and must thus be examined as to whether it meets the Article's non-discrimination standard and its requirement that such measures not have a trade-inhibiting effect. In addition, provisions that ostensibly apply to both imports and domestic goods must not be implicitly discriminatory, that is, applied in a way that inhibits trade or protects domestic goods.[5]

S. 2924 generally applies a national treatment standard in that it, for example, subjects domestic and imported fish to the same requirements regarding adulteration, misbranding, and the like (new §§ 1901, 1910(a)(1)), creates identical certification standards for both domestic fish processing establishments and persons engaged in the business of importing fish or fish products (new § 1907), and expressly states in new § 1910(a)(2) that once fish products are entered into the United States they shall be treated as domestic fish products. Both domestic and foreign fish found to be adulterated are generally subject to the same corrective action, i.e., compliance through relabeling or other action, export (in the case of imported fish), or destruction. New §§ 1905(b), 1910(c). An administrative hearing, with judicial review, is available to "any person" who claims to be adversely affected by an administrative action. § 1918. As the GATT discourages implicit discrimination against imported goods and requires that health and safety legislation not create a disguised restriction on international trade, it is probably unlikely that such a restriction would result from legislation seemingly pervaded by a national treatment standard and ostensibly not intended to have this effect. For example, the legislation does not appear to create adulteration standards that would on their face be applicable to all products of a certain category but would in practice primarily apply to imports rather than domestic products.

Under the reported version of the earlier S. 1245, fish could not be imported, however, unless the Secretary of Agriculture issues a certificate to a country desiring to export fish to the United States stating that the country meets United States standards and procedures and the country permits the enforcement measures that the Secretary determines are necessary to ensure compliance, including inspection of the foreign establishment; foreign inspection is also a component of the decision whether to grant a certification initially. New § 1910(e). This provision is retained in the amended version of the reported bill and in S. 2924; both the amendment and S. 2924, however, would make an allowance for individual establishments that meet United States standards but that are located in a country that does not have a certified national program.[6] In this event, fish and fish products from those establishments would be allowed to enter, but would be subject to border inspection in the United States. New § 1910(e)(3), as amended.[7]

Whether a requirement that a foreign country have a national program meeting United States standards will in fact constitute implied discrimination or create a disguised restriction on trade might only be apparent through actual application. Because the legislation would subject[8] to border inspection fish products from countries where individual establishments produce items that are likely to meet United States standards (new § 1910(e)(3)), it would seem to respect the underlying GATT principle that national measures not impede the flow of goods and to be consistent with the requirement in Article XX's proviso that measures not constitute a discrimination between countries where the same conditions prevail.[9] As all imports would apparently be subject to border inspection, however, *see* new § 1901(b), the products of foreign fish processors (though not any one particular product) would potentially be subject to inspections both in the home country and in United States customs territory. With this in mind, it is unclear from the legislation whether fish and fish products from noncertified countries would be subject to more rigorous and frequent inspections to compensate for the rigors inherent in a national certification program.

The fact that the legislation would not require that the importer pay a fee[10] for this inspection would appear to place fish and fish products from all countries not having a certified national program on a similar footing, given that the legislation is intended to provide only that these items are *subject* to inspection.[11] It may be argued that, were a fee charged, imports that were not inspected would be placed at an advantage, causing inspected imports to be treated in a discriminatory fashion. The same benefit might also extend to imports from countries having a certified national program since apparently these products would not be charged a fee if inspected prior to their entry, although all fish products denied entry would be charged storage, cartage, labor, and other related costs. *See* new § 1910(b), (d).

While time constraints preclude us from a detailed examination of the legislation with respect to specific requirements of the GATT Standards Code, much of our prior analysis would seem to be applicable to the general obligations of Code signatories. The Code, which has been said to be aimed at eliminating standards specifically designed to impede trade or that have the effect of creating unnecessary obstacles to trade and not at frustrating regulations prepared and applied for the purpose of protecting, *inter alia*, human life and health,[12] expressly provides that imports "be accorded treatment no less favorable than that accorded to products of national origin and to like products originating in any other country with respect to technical regulations and standards," Art. 2.1., and that national certification systems "not be formulated or applied with a view to creating obstacles to international trade" nor "have the effect of creating unnecessary obstacles to international trade." Art. 7.1. As noted above, the Code calls for the use of performance requirements, Art. 2.4, and international standards except where inappropriate (for example, to protect human health and safety), and, with respect to determining conformity with national standards, Art. 2.2, sets forth requirements for testing imports, Art. 5[13], encourages self-certification (provided the signatory is satisfied that the method used in the territory of the exporting party provides an adequate means of determining conformity with the former's requirements), Art. 5.2, and allows for reasonable spot checks with a signatory's territory. Art. 5.4.

The use of a health risk assessment to determine the federal standard and the fact that the health-related objective of the legislation would seem to allow the use of other than an international standard would appear to make these aspects of the legislation generally compatible with Code requirements. Further, the provisions apparently subjecting imports to random inspection[14] would seem to be covered by the Code's express recognition of the practice of spot checking. While it is unclear whether this provision also contemplates a more intensive form of border inspection for fish and fish products from non-certified countries to determine compliance with national standards, a situation which might occur in the implementation of the legislation, Article 5, which governs determinations of conformity with national standards, appears to recognize disparate treatment for products that are not in comparable situations.[15] Moreover, as noted earlier, the fact that fish and fish products from nations not having certified programs may be allowed entry would seem to comport with the proviso to the use of an Article XX exception, namely, that there be no arbitrary or unjustifiable discrimination between countries where the same conditions prevail, a situation that would arguably occur where foreign fish and fish products met the United States standard but federal certification were not possible.

We hope that this discussion will be helpful to you and that you will call on us if you have any additional questions.

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FOOTNOTES

[1] S. Rep. No. 335, 101st Cong., 2d Sess. (1990).

[2] 136 Cong. Rec. S10780-10791 (daily ed. July 26, 1990).

[3] GATT, 26th Supp. BISD 8 (1980). The Code was approved by Congress in § 2 of the Trade Agreements Act of 1979, Pub. L. No. 96-39, and implemented into United States law in Title IV of the same statute. 19 U.S.C. §§ 2503, 2531-2573.

[4] Standards Code, Art. 1.3. While the Code does not define "agricultural product," the GATT article

related to subsidies defines the term "primary product" as opposed to a manufactured item as "any product of farm, forest, or *fishery*, or any mineral, in its natural form or which has undergone such processing as is customarily required to prepare it for marketing in substantial volume in international trade." GATT, Ad. Art. XVI:B(2) (emphasis added). The GATT Subsidies Code, GATT, 26th Supp. BISD 56 (1980), employs this definition with the exception of the phrase "or any mineral." Subsidies Code, Art. 9, n.7.

[5] *See* GATT, Art. III:1; J. Jackson, "The World Trading System; Law and Policy of International Economic Relations" 206 and § 8.3 (1989) [hereinafter cited as "World Trading System"].

[6] A flat prohibition on fish imports that might otherwise meet the federal standard would arguably violate Article XI of the GATT, which generally prohibits quantitative restrictions.

[7] New § 1910(e)(3), as printed in Cong. Rec. S10786 (July 26, 1990), provides that "[a]ll fish products imported from a country that is not certified by the Secretary under this section shall be inspected by the Secretary at the port of entry to ensure compliance with the provisions of this section" (emphasis added). It is our understanding that the phrase "subject to inspection" was inadvertently omitted from the bill language when it was printed in the Congressional Record and that it is the intent of the Senate Committee on Agriculture and Senator Mitchell, the bill's sponsor, that this phrase replace the word "inspected" in § 1910(e)(3). Letter to the American Law Division from Edward Barron, Deputy Counsel, Senate Committee on Agriculture, August 2, 1990. A requirement that each entry of fish or fish products from non-certified countries be inspected may arguably subject fish and fish products from certain countries to a higher standard, in terms of frequency of inspection, than that applied to products from other countries and to United States goods. In addition, requiring all containers of perishable products to be inspected may have a trade-inhibiting effect in violation of the proviso to Article XX as well as various provisions of the GATT Standards Code, especially if less onerous requirement could be used to achieve the desired objective.

[8] *See supra* note 6.

[9] Jackson notes that where a nation has a policy of protecting consumers from a certain adulterated product, it may under Article XX create a special requirement to deal with imports. He states: "Perhaps the manufacture of imported goods cannot be readily inspected because of the cost of sending inspectors to a foreign country. In such a case it might be reasonable for the importing country to require that the . . . imports be subjected to some tests at or after importation. Article XX contemplates this possibility and allows it to occur without breaching GATT." "World Trading System," *supra* note 5, at 206-207.

[10] Where a fee is charged for border inspections, consistency with the GATT would seem to require that the fee not exceed the "approximate cost of services rendered" and "not represent an indirect protection to domestic products or a taxation of imports . . . for fiscal purposes," Art. VIII:1(a), and that it be applied in a nondiscriminatory fashion. Art. I:1. The fact that Article VIII's requirements extend to fees for analysis and inspection of imports, as well as for their quarantine, sanitation and fumigation, Art. VIII:4 (g), (h), indicates that under the GATT such fees do not constitute prohibited import surcharges. *See* Art. II:1(b). At the same time, however, the GATT has recently shown a lack of enthusiasm for a broad interpretation of the term "services rendered" and the use of fees to sustain them. "United States—Customs User Fee," report by the Panel adopted on 2 February 1988, GATT, 35th Supp. BISD 245 (1989).

[11] *See supra* note 6.

[12] Int'l Trade Comm'n, 6 *MTN Studies* part 3, at 69 (Senate Finance Comm. Print 1979) [hereinafter cited as *MTN Studies*].

[13] With respect to obtaining a positive assurance that a product conforms to a national standard, the Code requires, *inter alia*, that "imported products . . . be accepted for testing under conditions no less favourable than those accorded to like domestic or imported products in a comparable situation," Art. 5.1.1, and that "any fees imposed for testing imported products shall be equitable in relation to any fees chargeable for testing like products of national origin or originating in any other country." Art. 5.1.3. It has been stated that under the latter provision "fees assessed do not have to be equivalent in amount or in kind of those charged domestic or other imported products. This would allow the actual cost of testing for a particular product to be taken into account. Protection against discriminatory fees is provided by the requirement that national and most-favored-nation treatment be accorded the products of other adherents." 6 *MTN Studies*, *supra* note 6, part 3, at 74-75.

[14] *See supra* note 6; and new § 1910(b).

[15] Where a positive assurance is required that products conform with technical regulations or standards, Article 5.1 requires that "imported products . . . be accepted for testing under conditions no less favourable than those accorded to like domestic or imported products in a comparable situation." Article 5.2 requires that "the test methods and administrative procedures for imported products shall be no more complex and no less expeditious than the corresponding methods and procedures, in a comparable situation for like products of national origin or originating in any other country."

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, September 7, 1990.

To: Hon. George Mitchell. Attention: Bob June.

From: American Law Division.

Subject: Compatibility of Proposed Fish Inspection Legislation with the General Agreement on Tariffs and Trade.

This memorandum responds to your request for an analysis of whether the Consumer Seafood Safety and Quality Assurance Act of 1990 (Act), 101st Cong., 2d Sess. (1990),[1] comports with United States obligations under the General Agreement on Tariffs and Trade (GATT) and the GATT Standards Code. The legislation would, *inter alia*, establish federal seafood safety standards, provide for registration and inspection of domestic processing facilities and importers, prohibit the importation of fish that is adulterated or misbranded, mislabeled, and otherwise fails to comply with federal standards, and provide for bilateral agreements between the United States and countries desiring to export fish to the United States regarding seafood safety and quality assurance. The Act would delegate most of its authorities to the Secretary of Health and Human Services; some, however, such as authority over domestic inspections, would be vested in the Secretary of Commerce.

The Act would authorize the Secretary of Health and Human Services to develop and prescribe standards for contaminant levels in fish and fish products intended for human consumption, except where FPA has authority to do so under the Federal Food, Drug, and Cosmetic Act (FFDCA). § 5(a)(1). The Act would also authorize the Secretary, in cooperation with the Secretary of Commerce, to prescribe health-based and other appropriate standards of sanitation and quality control for the processing of fish and fish products. § 5(a)(2). In addition, the Secretary of Health and Human Services, in cooperation with the Secretary of Commerce, would be charged with prescribing standards of identity and composition, minimum quality, label and packaging, and fill of container for fish and fish products, building on existing federal regulations and taking into account any applicable international standards related to fish and fish products. § 5(a)(3).

The Secretary of Commerce, in consultation with the Secretary of Health and Human Services, must establish procedures for the registration of processing facilities and persons engaged in the commercial importation of fish and fish products. § 6(a). Unless a processing facility or importer is registered, that entity may not process or handle any fish or fish products. *Id.*

A federal inspection system would be established and administered by the Secretary of Health and Human Services, in cooperation with the Secretary of Commerce, with inspection authority vested in the Secretary of Commerce; inspections, which are aimed at determining if facilities meet the Act's requirements, are to be frequent, random, and unannounced § 7(a). Under the Act, facilities in which imported fish and fish products are processed are to be inspected at least at the same rate as other processing facilities are inspected. *Id.* The inspection system is to include sampling of fish and fish products for contaminants and the inspection of fish and fish products and their processing, at such points, in such manner, and with such frequency as the Secretary of Health and Human Services, in consultation with the Secretary of Commerce, determines are necessary based on enumerated statutory criteria. § 7(a) (3), (4).

All fish products found by the Secretary of Commerce to be adulterated or misbranded are to be immediately segregated, impounded, and if there is no objection made within 48 hours, condemned. § 7(c)[1]. An objection will trigger a hearing and judicial review; fish may be processed to the extent necessary to prevent spoilage in the interim. *Id.* Fish and fish products condemned without objection are to be destroyed. § 7(c)(3).

Imported fish and fish products may not be entered into the United States unless they are not adulterated or misbranded, comply with all standards applicable to fish and fish products in United States commerce, are marked and labeled as required by regulations for imported articles, and comply with the requirements of § 9 ("Imports") of the Act. § 9(a)(1). Once entered for consumption, fish and fish products satisfying these requirements will be deemed to be and treated as domestic fish and fish products. § 9(a)(2). The Secretary of Health and Human Services, in cooperation with the Secretaries of Commerce and Treasury, is charged with enforcing § 9, through random inspections and sampling of fish and fish products offered for importation or entered, or withdrawn from warehouse [2] for consumption in the United States and through any other procedures the Secretary, in consultation with the Secretary of Commerce, determines are necessary to ensure compliance with the Act. § 9(b)(1). Fish denied entry or entered, or withdrawn from warehouse, for consumption in violation of § 9 are to be destroyed unless exported within a fixed period of time, or brought into compliance by relabeling or other action. If the later, a determination to be made by the Secretary of Commerce, the destruction may be deferred pending filing of a written application and execution of a bond. § 9(c).

With respect of imports, the Act would also establish a mechanism by which the Secretary of Health and Human Services, in cooperation with the Secretary of Commerce and through the Secretary of State, may enter into bilateral agreements with fish exporting nations providing for reciprocity between the two nations with respect to seafood safety and quality assurance; upon the entry into force of the agreement, the Secretary of Health and Human Services, if he determines that the nation has a seafood safety and quality assurance program at least equal to that established under the Act, will certify the nation in that regard. § 9(e)(1),(2). All fish imported from a

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Footnotes at end of article.

nation possessing a valid certificate shall upon entry into the United States, or as provided by the agreement, be subject to random inspections, sampling, and such other procedures as needed to comply with the Act. § 9(e)(4). Fish and fish products from a country that has not entered into such an agreement, or which is not certified, will be subject to such intensified inspection, sampling, and such other procedures as needed to ensure compliance with the Act. § 9(e)(3).

Article III:1 of the GATT requires the national regulations and requirements affecting the internal sale, offering for sale, purchase, transportation, distribution, or use of products not be applied to imported or domestic products in a manner that affords protection to domestic production. Further, Article III:4 requires that imports be accorded no less favorable treatment than that accorded to like domestic products in respect of all laws, regulations and requirements affecting their internal sale, offering, for sale, purchase, transportation, distribution or use. Under Article XX(b), however, these Agreement obligations are waived with respect to measures "necessary to protect human, animal or plant life or health" so long as any such measures "are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on international trade." Article XX thus recognizes the validity of certain national policy objectives but conditions them on a modified most-favored nation (MFN) standard [3] and a requirement that otherwise legitimate measures not be applied in a trade-restrictive fashion. To the extent that the proposed legislation does not provide for national treatment or meet other GATT obligations, it would apparently need to be justified on the basis of this Article XX exception and must thus be examined as to whether it meets the Article's non-discrimination standard and its requirement that such measures not have a trade-inhibiting effect.

The United States has also become a party to the GATT Agreement on Technical Barriers to Trade (Standards Code),[4] which deals with the development and application of technical regulations and standards and covers both agricultural and industrial products.[5] The Code also recognizes the legitimacy of measures that advance health and safety objectives, "subject to the requirement that they are not applied in a manner which would constitute a means of arbitrary or unjustifiable discrimination between countries where the same conditions prevail or a disguised restriction on international trade." Standards Code, Preamble. While it is unclear whether this provision creates an exception having the legal force of Article XX of the GATT, it is viewed at least as a guide to interpreting and implementing Code obligations.[6] The Code contains national treatment and MFN requirements with respect to technical regulations and standards, and requires that parties ensure that neither technical regulations nor standards nor their application have the effect of creating *unnecessary* obstacles to trade. Art. 2.1. It further provides that parties, whenever appropriate, specify technical regulations and standards in terms of performance standards rather than design or descriptive characteristics, Art. 2.4. While the Code requires that parties use relevant international standards as the basis for their technical regulations or standards, it provides that such standards may be inappropriate for reasons such as the protection of human health or safety. Art 2.2. Such a finding must be "duly explained upon request," Art. 2.2; further, if a national standard substantially deviates from a relevant international standard, and the national standard "may have a significant effect on the trade of other Parties," notification and consultation requirements come into play. Art. 2.5. The Code also recognizes the use of national certification systems by other parties to the Agreement, even when methods differ from their own, provided importing countries are satisfied that the methods employed in the territory of the exporting party provide a sufficient means of determining conformity with the relevant technical regulations and standards. Art. 5.2. The Code is not intended to prevent parties from carrying out reasonable spot checks within their territories. Art. 5.4.

With respect to national treatment requirements, the legislation would appear on its face to subject both domestic and imported fish to identical federal standards with respect to adulteration and misbranding, *see* "Imports," § 9(a)(1), although as indicated below this may need to be clarified given the express application of § 801 of the FFDCA to imports. Further, § 9(a)(2) provides that upon entry for consumption in the United States, fish or fish products satisfying these standards and requirements are to be considered and treated as domestic items.[7] In addition, processors of both domestic and imported fish would appear to be subject to identical certification and inspection [8] requirements. §§ 6, 7.

The fact that fish and fish products exported from nations not having a certified program may still enter the United States, though "subject to" intensified inspection [9] would seem to comport with the Article XX proviso that legislation justified under an exception not arbitrarily or unjustifiably discriminate between countries where the same conditions prevail. In other words, while a nation may not choose to enter into an agreement with the United States, its fish may nonetheless meet United States standards; under these circumstances, failure to provide for the possibility of entry in the United States might work an impermissible discrimination. Further, the Standards Code appears to provide for disparate treatment (e.g., intensified inspection) in such a situation (e.g., where there is no certification of a national program), stating that "imported products shall be accepted for testing under conditions no less favorable than those accorded to like domestic or imported products in a comparable situation," Art. 5.1.1, and that "test methods and administrative procedures for imported products shall be not more complex and not less expeditious than the corresponding methods and procedures, in a comparable situation for like products of national origin or originating in any other country." Art. 5.1.2. It is unclear whether the fact that imported fish would be subject to inspection at the border, § 9(b),(e)(3)(4), and in facilities in which imported fish and fish products are processed, § 7(a), would constitute a denial of national treatment, given that domestic fish would not appear to be subject to more than one inspection before entering interstate commerce. On the other hand, the Secretary of Commerce is charged in the legislation with prescribing standards for fish growing and harvesting areas. § 5(a)(4).

The legislation would also make applicable to imports § 801 of the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 381, a provision that sets forth a variety of procedures applicable to imported food, drugs, devices, and cosmetics, including examination of imports for contaminants. § 9(e)(7). Section 801(a) requires the Secretary of the Treasury to deliver to the Secretary of Health and Human Resources, upon the latter's request, samples of food that are imported or offered for import into the United States, giving notice to the owner or consignee, who may appear before the Secretary and give testimony. Under § 801, if it appears from the examination of such samples or otherwise that (1) the article has been processed or packed under unsanitary conditions, (2) the article is forbidden or restricted in sale in the country in which it was produced or from which it was exported, or (3) such article is adulterated or misbranded, then the article is to be refused admission. The Secretary of the Treasury is to destroy the article refused admission unless it is exported.[10] Given that § 801 is made expressly applicable to imports, it is also unclear whether the terms "adulterated" and "misbranded" are to be defined with reference to the Federal Food, Drug and Cosmetic Act, *see* FFDCA §§ 402 and 403, 21 U.S.C. §§ 342, 343, or with reference to § 3 of the proposed legislation. Were the standards for adulteration and misbranding significantly different, particularly were the FFDCA standards more onerous, it could be argued that the GATT national treatment obligation was violated. If this was the case, and the disparate treatment was to be justified on the basis of Article XX, it would be necessary to show that the statute did not create a disguised restriction on trade.

The application of § 801 to imports would also appear to place domestic and imported fish on a different footing in that domestic items found to be adulterated or misbranded may, before destruction, be the subject of a hearing and judicial review, while imports may be excluded after an administrative hearing at which the Secretary of Health and Human Services may refuse entry if an article "appears" to be adulterated. Nevertheless, case law indicates that a right to limited judicial review of agency action, namely, for abuse of discretion, does exist under § 801.[11] It is unclear, however, whether under the proposed legislation the Secretary of Commerce, under § 7(c), and the Secretary of Health and Human Services, utilizing § 801, are to apply similar standards of judgment in determining whether fish and fish products are adulterated or misbranded.

Certain other questions remain with respect to the compatability of the Act with the GATT and the Standards Code. Given time constraints we will deal with then in a summary fashion. Because the Standards Code requires that wherever appropriate, Parties are to specify technical regulations and standards in tems of performance rather than design or descriptive characteristics, Art. 2.4, it is possible that some inconsistency may exist with respect to the provisions of the Act that mandate quality, rather than health-based or safety standards. The fact that international standards are to referred to in creating some of the quality standards to be devised under the legislation, however, would appear to indicate an intent to confront the question of quality standards multilaterally. While international standards do not appear to be used to determine tolerances for contaminants, the Standards Code indicates that a nation may deem such standards to be inap-

propriate for health and safety reasons. Art. 2.2.

In addition, the fact that the United States may enter into bilateral agreements regarding safety and quality assurance may result in certain nations receiving benefits under such agreements not accorded to other nations, a situation that must be viewed in the context of the MFN obligation contained in both the GATT and the Standards Code. In addition, a proliferation of bilateral agreements would appear to run contrary to the spirit of the GATT, its related codes, and current Uruguay Round negotiations, all of which are designed to deal with, and ultimately remove, trade restrictions on a multilateral basis.

We hope that this analysis is helpful to you and that you will call on us if you have any additional questions.

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FOOTNOTES

[1] 136 Cong. Rec. S11017-S11025 (daily ed. July 27, 1990).

[2] It might be noted that § 9(a) prohibits the entry or withdrawal from warehouse of fish and fish products, for consumption in the United States, unless they meet federal requirements.

[3] A most-favored-nation or nondiscrimination standard ensures that a nation will accord to a third nation the most favorable treatment it accords to any other nation.

[4] GATT, 26th Supp. BISD 8 (1980). The Code was approved by Congress in § 2 of the Trade Agreements Act of 1979, Pub. L. No. 96-39, and implemented into United States law in Title IV of the same statute. 19 U.S.C. §§ 2503, 2531-2573.

[5] Standards Code, Art. 1.3. While the Code does not define "agricultural product," the GATT article related to subsidies defines the term "primary product" as opposed to a manufactured item as "any product of farm, forest, or *fishery*, or any mineral, in its natural form or which has undergone such processing as is customarily required to prepare it for marketing in substantial volume in international trade." GATT, Ad. Art. XVI:B(2) (emphasis added). The GATT Subsidies Code, GATT, 26th Supp. BISD 56 (1980), employs this definition with the exception of the phrase "or any mineral." Subsidies Code, Art. 9, n.7.

[6] Int'l Trade Comm'n, 6 *MTN Studies*, part 3, at 59-60 (Senate Finance Comm. Print 1979).

[7] This national treatment requirement would seem to be applied to a specific situation in § 7(a) of the Act, which provides that the inspection of fish processing facilities handling imported fish is to be carried out at least as the same rate as inspections of facilities handling only domestic fish.

[8] The GATT Standards Code expressly states that nothing in the provisions of the Code Article governing programs set up to determine conformity with national standards "shall prevent Parties from carrying out reasonable spot checks within their territories." Art. 5.4.

[9] See text at *supra* note 7.

[10] It is unclear from the legislation how the actions required under this provision are to interact with the inspections referred to in § 9(e)(3) and (4).

[11] Seabrook Int'l Foods, Inc. v. Harris, 501 F. Supp. 1086 (D.D.C. 1980).

SANITARY AND PHYTOSANITARY (S&P) INITIATIVE *

BACKGROUND

Participants in the current GATT negotiations agree on the need to improve international trade rules governing sanitary and phytosanitary regulations. At present, GATT Article XX contains a broad exception from the application of GATT trading rules and disciplines for *any* measure intended to protect human, animal, or plant life or health. The 97 countries participating in the current negotiations stated in the 1989 Uruguay Round Mid-term Agreement that an outcome of the negotiations should include strengthened rules and improved dispute settlement procedures in this area. Above all, countries should be obliged to base health-related regulations which impact trade on sound science.

This issue is under discussion in the Working Group on Sanitary and Phytosanitary (S&P) Regulations and Barriers, a subsidiary negotiating body of the Agriculture Negotiating Group (ANG) which is one of 15 negotiating groups organized for the current round of GATT talks. Participation in the Working Group is open to all GATT member countries. The general mandate for the Group is contained in the 1989 Mid-term Agreement on S&P. In addition to identification of the specific goals of the S&P talks, the Mid-term Agreement on S&P identified three organizations for providing international scientific expertise: the Codex Alimentarius (CODEX) for food safety, International Plant Protection Convention (IPPC) for plant health, and International Office of Epizootics (OIE) for animal health.

The Working Group is currently focusing its attention on a proposed text developed by the GATT Secretariat on the basis of "common language" included in various country proposals. Participants are still clarifying their positions and trying to develop language to express points of agreement within the draft text. No text has yet been accepted by the United States or by any other country. The Working Group will continue meeting throughout the fall in preparation for the final Ministerial meeting of the Uruguay Round on December 3.

The U.S. position presented to the Working Group has been developed by an interagency group composed of representatives of the U.S. Trade Representative (USTR), the U.S. Department of Agriculture (USDA), the Food and Drug Administration (FDA), and the U.S. Environmental Protection Agency (EPA). All agencies agree that efforts to reduce the barriers to trade caused by S&P measures must not compromise the ability of the EPA, FDA, or USDA to protect the health and safety of our citizens. With that basic principle in mind, the U.S. has tried to develop a proposal which distinguishes between those S&P measures legitimately protecting health and safety and those which are disguised trade barriers.

The following are commonly asked questions on this topic. The answers provided reflect the U.S. negotiating position on S&P measures as developed by the U.S. Government (USG) interagency group and outlined in various U.S. position papers tabled in the GATT.

QUESTIONS AND ANSWERS

What is our basic goal in the S&P negotiations?

To establish an effective multilateral mechanism to ensure the legitimacy of S&P measures which affect trade.

How will this be accomplished?

The 1989 Uruguay Round Mid-term Agreement on S&P, accepted by all GATT members, designates the development of (1) strengthened rules requiring that health-related regulations be based on sound science; and, (2) an effective dispute settlement process which provides that the scientific expertise of international standards organizations be utilized in settling health-related trade disputes.

What measures will be covered?

It is generally agreed that all regulations that relate to plant, animal, and human health and have an impact on international trade will be covered.

What is the problem with GATT rules as they exists now?

The GATT currently allows each country to establish any standard it deems is necessary to protect animal, plant, and human life and health, with no objective criteria defined. The standard is so vague that it is practically impossible to determine which measures are legitimate and which are disguised trade barriers. The requirement that all health-related measures that restrict trade be based on verifiable scientific evidence would allow illegitimate measures to be more effectively challenged in a multilateral framework.

What will constitute a scientifically sound standard?

The U.S. has proposed that when a measure differs from a recognized international standard or an accepted international standard is lacking, the measures must be based on information or data collected in a legitimate scientific manner and reflect a scientific approach to risk assessment. The U.S. agrees with the majority of countries involved in the negotiations that a measure which is identical or equivalent to a recognized international standard should generally be considered scientifically sound, although all standards could be challenged.

What factors other than science will be taken into account in the enhanced GATT dispute settlement procedures?

The U.S. position is that domestic standards which are stricter than international standards would be considered justifiable on the basis of legitimate differences in such factors as dietary intake, climate conditions, human, animal or plant pest profiles, and risk management.

What does the principle of equivalency mean?

The principle of equivalency recognizes that differing regulatory methods may be used to achieve the same levels of health protection. The U.S. proposes that one country's measure not be considered illegitimate only because it is not identical to that applied by its trading partner, if the health-protection results are the same.

Who has the burden for proving the science behind a regulation?

In cases where domestic standards differ from recognized international standards, the U.S. believes that it should be up to the importing country to demonstrate the scientific foundation of its own standard. In cases where the equivalency of a measure is under question, the burden of proof would fall on the exporter.

Will these new rules require "international harmonization" of national measures?

In the GATT context, "harmonization" refers to the long-term process wherein national measures become increasingly similar as countries move to ensure that their standards are based on sound science. Virtually all countries participating in the negotiations view harmonization as an appropriate long-term goal. Neither the U.S. nor any other country has defined the GATT "harmonization" approach to mean that national standards must be identical or uniform with international standards.

Will the proposal result in a general lowering of food safety standards?

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* These materials were prepared by the U.S. Departmnt of Agriculture, the Environmental Protection Agency, the Food and Drug Administration, and the U.S. Trade Representative's Office, August 1990.

The U.S. will not accept any GATT agreement that requires the U.S. to make U.S. standards identical with any international standard. The current draft text is specific in protecting the right to take science-based measures necessary for the protection of human animal or plant health, including, when appropriate, measures more stringent than international standards.

What will be the role of international standards?

The Mid-term Agreement on S&P calls for the establishment of institutional arrangements between GATT and the Codex Alimentarius Commission, International Plant Protection Convention, and International Office of Epizootics. These organizations have been encouraged to review the available scientific data on S&P measures and assist in developing standards. There is broad support for using international standards as reference or starting points for scientific assessments of challenged measures.

How do U.S. regulatory agencies view this proposal?

The U.S. Department of Agriculture and the U.S. Trade Representative's Office have worked closely with the relevant U.S. regulatory agencies—the Environmental Protection Agency and Food and Drug Administration, as well as USDA's Animal and Plant Health Inspection Service and Food Safety and Inspection Service—in developing and representing the U.S. position of S&P measures. These regulatory agencies support the U.S. proposal in this area.

Will our regulatory agencies have to justify why our standards are different than international standards whenever an importing country challenges them in the GATT?

The U.S. position is that there should be no automatic rejection of a country's S&P measure which is more restrictive than the corresponding measure established by an international standards organization. A country should, however, be prepared to explain the basis for any S&P measure maintained which is more stringent than that of the relevant international standards organization. The justification should focus on the scientific evidence to support the national measure rather than a direct comparison of the national measure to the international measure.

Could the GATT S&P proposal wind up gutting laws established by Congress and state legislatures which address some of America's greatest concerns, including protecting our children from carcinogenic food additives, defactive products, and an unhealthy environment?

The GATT does not and, from the U.S. perspective, should not have the authority to force any country to change its regulations regarding health-related trade restrictions, provided they are based on sound science. The complete authority for regulating the safety of U.S. food imports will remain where it now lies, in the hands of federal and state regulatory agencies.

Would existing national approval procedures become obsolete because importers and domestic producers would only need to conform to the relevant international standard in cases where a national standard had not yet been determined?

No. Under current U.S. law, when a substance such as a pesticide or food additive has not received approval from a federal regulatory authority, use of that substance is considered illegal. This approach will not be altered by any final agreement on S&P in the GATT. However, there is a need for the final S&P agreement to include clear provisions regarding the role of international standards and their relationship to national systems of registration and approval. Our approach is that in cases where a central government has not made a determination on the domestic use of a substance, the bona fide approval procedures of that country must be utilized prior to invoking GATT dispute settlement procedures. This approach would preclude the use of international standards as presumptive standards in cases where a domestic mesure has not been established.

How do U.S. pesticede standards compare with Codex standards?

In most cases, where EPA and Codex have both set standards, Codex pesticide standards are equivalent to or stricter than EPA standards.

Will increased dependence on international standards change how the U.S. adopts Codex standards?

The U.S., through its regulatory agencies—FDA, EPA AND USDA—has been a strong presence in the various Codex committees and in technical expert groups since the inception of Codex almost thirty years ago. Our application of the approaches and standards adopted by Codex is likely to increase as these standards play an increasingly important role in international trade. With this increase, EPA anticipates playing a stronger role in the procedures of standard setting in Codex.

The U.S. has adopted very few Codex standards. Is that a problem?

In the area of pesticide tolerances, the U.S. and Codex standard setting approaches may differ with regard to how residues are defined, which parts of a product are included in pesticide sampling, and how "outliers" are handled in statistical sampling. These differences are significant enough to prevent our acceptance of many pesticide standards in Codex's voluntary approval procedures. However, both the Codex and U.S. approaches are widely viewed as scientifically sound and justifiable, and the suggestion that Codex has weak standards is incorrect.

Do EPA and Codex look at carcinogenic pesticides in the same way?

In general, yes, Both use animal testing to evaluate whether a food residue may cause cancer. The U.S., however, uses a risk assessment technique to quantify the specific level of risk posed by carcinogenic substances. This process is called Quantitative Risk Assessment. The Codex approach uses standard safety factors in determining the specific amounts of carcinogenic substances to be allowed in foods. Both approaches are widely viewed as scientifically sound and justifiable.

Given that many U.S. tolerances are higher, thus allowing greater amounts of residues than Codex, will our exporters have a problem meeting Codex standards in foreign markets?

Since U.S. tolerances are often higher than Codex, the U.S. may experience some problems meeting Codex standards, However, no significant impacts should occur since actual residue levels in U.S. food exports are generally equal to or below permissible Codex levels and those of our trading partners. In addition, U.S. tolerances can be defended on a scientific as well as "good agricultural practice" basis.

Which commodity groups are most likely to gain by strengthened GATT rules and enhanced dispute settlement procedures?

U.S. exporters which have been the most injured by health-related technical barriers to trade include the processed food product industries, meat producers, and fresh fruit and vegetable growers.

Is the U.S. in danger of being challenged in the GATT?

The U.S. could be challenged in the GATT (requiring the formation of a GATT panel) and have its regulations reviewed. However, with the GATT criteria requiring the acceptance of standards with adequate scientific justification, the United States would be in a stronger position than almost any other GATT country to handle such a challenge.

Will the proposal increase the likelihood that U.S. consumers will consume less safe foods imported from other countries?

There is no reason to believe that the final GATT agreement on S&P will compromise the safety in food imports. Imported foods will still be required to meet the standards set by our regulatory agencies. The point of strengthening GATT rules is to have countries base their health-related standards on science. This change should be reassuring to U.S. consumers since we are one of the world's biggest food importers.

(Mr. SIMON assumed the chair.)

Mr. MITCHELL. Mr. President, I recognize that not everyone necessarily agrees with the President's position regarding food safety standards under GATT, but relative to the very important dimension of international trade, we have tried to eliminate any conflicts with the President's policy, and I believe we have succeeded.

Under the President's submission in the Uruguay round negotiations, fish are regarded as agricultural commodities. Food safety regulations are to be scientifically based health standards, rather than involving criteria for aesthetic food quality. Importers are to be subjected to the same treatment as domestic fish producers, and all importers ought to be treated alike.

S. 2924 accommodates these provisions of the President's trade policy. The substitute amendment does not. The substitute includes standards for aesthetic quality, explicitly mixing promotional efforts with food safety standards. The substitute would treat importers differently than domestic producers, perhaps even subjecting imports to double inspections, and by providing for an array of bilateral fish inspection agreements, the substitute would likely fail to treat different nations in the same manner.

The substitute amendment's blurring of food and safety standards with promotional standards also undermines the basic public health purpose of this legislation.

Mr. President, and I say to my colleagues in the Senate, the Fish Safety Act of 1990, S. 2924, is sound food safety policy. It will protect the health of consumers in a manner that is effective and efficient, and it will be compatible with the President's trade policy.

In establishing a mandatory, publicly funded inspection program under the Department of Agriculture, the

bill ensures that the fishing industry will be treated equitably with respect to the meat and poultry industries. For the first time, the inspection of all flesh foods would be consolidated in a comprehensive program under USDA.

I urge my colleagues to join me in supporting S. 2924, the Fish Safety Act of 1990, and in rejecting the proposed substitute amendment.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, I yield myself such time as I may consume.

The PRESIDING OFFICER. The Senator is recognized.

Mr. COCHRAN. Mr. President, it is a pleasure for me to join with the distinguished Senator from Maine, the majority leader, and the Senators from Indiana and Vermont in introducing the Fish Safety Act of 1990.

This is a bill that will establish a comprehensive and mandatory program of inspection to ensure the safety of fish and fish products for the consuming public. This fish inspection program includes some very important and key elements. The Department of Agriculture, through its Food Safety and Inspection Service, is authorized to conduct inspection of fish, fish products, and fish processing establishments. Standards that will be used in the program will identify unsafe levels of certain contaminants and will be established on the basis of scientific analysis by the U.S. Food and Drug Administration. Standards for sanitation and labeling will be established by the Department of Agriculture.

Under this legislation, fish and fish products which do not meet the established standards will be removed from the commercial market. Those which satisfy the standards will receive a Federal seal much like a seal of approval. Processing establishments, including vessels which process fish, will be subject to periodic inspection as well and will have to be certified by the Department of Agriculture.

Imported fish and fish products will have to meet inspection standards which are at least as stringent as those affecting domestic fish products. The Department of Commerce has an important role and, in conjunction with the States, will establish a system for identifying and classifying fish and shellfish growing and harvesting areas for coastal areas and the Great Lakes.

This bill also authorizes a program for consumer education and fish safety research.

Mr. President, it seems to me that this is a balanced approach in that it includes the departments and agencies of Government with proven expertise in certain areas, and it draws upon that expertise and experience to provide the citizens of the United States with a program in which they can have confidence that they can have assurance will be administered in a way which provides them the best possible guarantee that the fish and fish products they will be consuming are wholesome and fit for human consumption.

Let me point out, Mr. President, that those who have looked at the legislation before the Senate and the alternative suggested by the Senators from Alaska and South Carolina are suggesting that the Senate approve this bill, the bill reported favorably by the Agriculture Committee. Included among those groups that are making that recommendation to the Senate are the National Fisheries Institute, Public Voice, and the National Restaurant Association, groups that have very carefully weighed the options and the alternatives that are presented to the Senate in this legislation. I hope Senators will look carefully at the provisions and will go along with and approve the Mitchell-Cochran bill.

The PRESIDING OFFICER. Who seeks recognition?

The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, I yield so much time as is necessary on the bill.

I must acknowledge a certain frustration, Mr. President, concerning this particular matter in that time and again we do our dead level best—and incidentally, the Commerce Department and the FDA are doing a good job—and we try to improve on the job and yet we get undermined and undercut by bills such as this. Specifically, I marked up our appropriation this morning in our Commerce, Justice, State Subcommittee, and we were not even allocated a 302(b) allocation that the administration requested for that particular department. So here we are trying to improve seafood inspection services and we are cut back and then a totally new approach is introduced with the assertion to the effect that now we are finally going to adequately provide for a seafood inspection program. If they would have given us the money, we would have bolstered this program long since. There is no question about it.

I want to emphasize what we had been doing over the many years in the Commerce Department, to get into the differences between the two proposals specifically, the deficiencies of the Department of Agriculture, which is a key matter of issue here. We had a hearing before the August break in which we reviewed all kinds of deficiencies in the Department of Agriculture. More persons have died this year due to salmonella poisoning than from fish poisoning as a result of inadequate inspections, so we are going in the wrong direction.

We feel strongly about it. As chairman of the Committee on Commerce, Science, and Transportation and as a Senator, of course, with a significant interest in the seafood industry, I must recognize and share the majority leader's interest in completing legislation on the subject. Indeed, I think a majority of this body agrees that legislation to establish a comprehensive Federal seafood program is needed. We have debated it over the entire year and during the latter part of last year. We worked the best we could with the staffs that have been initiating this particular proposal. Time and again we have met with the administration. In the end, the administration finally came out very solidly, not in any hesitant fashion, which they did at the beginning of the year—we tried to see if there were some way to divide the responsibility, and I did not think it wise, but in deference to the majority leader I thought it might be worth exploring. But the administration, the Secretary of Health and Human Services, Secretary Sullivan; and Secretary Mosbacher, of Commerce; and Mr. Darman, of OMB; and, of course, Dr. Knauss, of the National Oceanic and Atomospheric Administration, have all had several meetings on this and come down very decisively that they favor the present system, not instituting a new entity, particularly in the Department of Agriculture, for reasons that I will emphasize in this particular debate. The adminstration prefers that we move on and enhance what we are presently doing.

There is no seafood inspection crisis. We have a crisis in the gulf. We have a crisis on the budget. Yet amidst these real problems, we have this proposal to take a good program and try to give it to a department that is itself under investigation by the Congress because of deficiencies on its part with respect to food, meat, and poultry inspection.

The fishing industry supports the idea that we improve on the current inspection system, and the program will be in the best interests of the consumers. As a major exporter of fish products, the United States must take necessary steps to maintain our competitiveness in world markets. However, the Department of Agriculture is not the place for such a program, and S. 2924 falls short of the Federal program we need.

Moreover, I am deeply concerned by the manner in which the Senate committee jurisdiction has been linked to Federal agency authority. The fact that the Senator from Maine has chosen to pursue this matter in the context of a new program in the Department of Agriculture does not diminish the Commerce Committee's jurisdictional interest. Nor does it transform seafood inspection into agricultural legislation. Seafood inspection is a marine fisheries issue, not a farm issue. Under rule XXV of the standing rules of this body, the Commerce Committee has been vested with juris-

diction over all aspects of marine fisheries, including seafood safety.

The Commerce Committee's role in legislation affecting the seafood industry has been recognized consistently for more than two decades. Some of my earliest memories of the Senate involved committee discussions of a fishery issue and then-Chairman Senator Warren Magnuson asked me, as a young Member, and he also asked a young Member from Alaska, Senator STEVENS, now the ranking member of our national ocean policy study to participate in field hearings. These hearings I chaired, as a freshman member of the Commerce Committee in 1967, were on mercury contamination in halibut.

Over the years the Commerce Committee oversight has led to enactment of a number of fishery statutes, including the Magnuson Fishery Conservation and Management Act. I want to emphasize that. What you are starting now is a fragmentation of responsibility—bad legislation, bad approach.

The Commerce Committee has all the research. We have all the duties and expertise. The National Oceanic and Atmospheric Administration, the National Marine Fisheries Service, seafood safety, Fishery Conservation Management Act, you name it, they are all under Commerce's wing. Bear in mind, there are over 100,000 vessels, over 200 species of fish, over 6 billion pounds of fish harvested each year.

So I want to emphasize that through oversight the Commerce Committee has helped to shape the development of the U.S. fishing industry. The Agriculture Department simply has no experience or expertise in the field. Commerce has done the job. They have done it well. It is almost $50 billion U.S. industry, and for fish food safety only, of course, we spend $43 million. I would like to have $143 million. But we are under these budget restrictions right now.

The Commerce Committee's interest has not been limited just to fish harvesting or legislation thereof; rather, its scope includes all fishery related activities, from vessel construction, through processing, transportation, and marketing.

In addition, legislation involving distribution of commodities in interstate commerce, consumer product labeling, consumer education, scientific research, has all been within the jurisdiction of the Commerce Department and Commerce Committee along, of course, I am certain with the Food and Drug Administration.

The issue of seafood safety invariably includes consideration of all of these elements. Since 1971, Mr. President, 37 bills dealing with the marketing, processing, and sale of seafood products have been referred by this Senate all to the Commerce Committee. Then, in a mistake—I will be generous and call it such—this current matter was referred to the Agriculture Committee to be incorporated into the farm bill. The attempt was made to ram it through as an amendment, saying, well, they are not going to veto the farm bill. The attempt was made to ram it through as an amendment, saying, well, they are not going to veto the farm bill, and it is the best way to get it all over in the Agriculture jurisdiction.

It is a powerful ploy. There is no question in my mind about it.

Once Congress came close to resolving seafood inspections. Back in 1971 the Commerce Committee reported the Wholesome Fish and Fisheries Product Act, a bill to establish a comprehensive seafood safety program in the Food and Drug Administration.

It came out of the Commerce Committe and passed the Senate. However, the House failed to take it up. In the intervening years there has been little discussion.

In the intervening years, there has been little discussions of the issue. Now in the 101st Congress, the Senate is considering two alternative seafood inspection proposals—one of them the bill before us today. The second is the alternative supported by the Commerce Committee—the amendment proposed by myself and the Senators from Alaska and Massachusetts. Over the past year, we have all worked with our colleagues, the administration, and constitutent groups to develop a balanced bill and a comprehensive program. During that period, I think we have made enormous progress in shaping effective legislation. With a few significant differences, that progress is reflected in both the legislative proposals before us today.

On March 1, we introduced a bill on seafood inspection that was referred to the Commerce Committee, and reported favorably. It is on page 31 of the calendar, Order No. 69, S. 2228, as the seafood inspection bill that we have worked out with the involved Federal departments and with the approval of the administration.

The first issue is one of agency responsibility. The bill introduced by the majority leader would designate the Department of Agriculture and, of course, we are asking for the Departments of Commerce, and Health and Human Services. These departments have those responsibilities right now. They have people in place, expertise, working with the States.

This is very important because the States do a good bit of this under Federal training and using Commerce Department expertise and research. We cannot expect every State to conduct fish research and what have you.

The States have been working with the Food and Drug Administration and the Department of Commerce. I am convinced that this joint approach is the correct one; first, because of the unique characteristics of the fishing industry; second, because of the specialized public health problems that occur with seafood; and, third, because of the existing expertise at the two agencies as well as in the States that have been working to ensure seafood safety for over 30 years.

What advocates of this bill do is take these three and say let us transfer responsibility to the Department of Agriculture. It displaces those who have been over in one particular department working mutually not only in research but in inspection, and it says let's start building up a new bureaucracy in Agriculture.

Ironically, I guess I would like it in Agriculture because that crowd knows how to get money. This Commerce Department does not. I can tell you that right now Commerce has been cut, cut, cut.

When you get to the farm bill, people talk in billions and billions and billions of dollars. Everybody around here is for the farm bill. As long as you take care of my tobacco, I will take care of your wheat. We are all for peanuts. And funding is up in the billions and billions of dollars, up, up, and away. I know we could cough up $500 million in agriculture and it will not be missed. But it is wrong. It really is wrong.

I hope the Members are listening so they will vote correctly for seafood inspection here this afternoon and not just to please the leadership.

Inspectors cannot rely on plant inspections. They will have to inspect fish on the docks, at fish markets, and at sea as well. The commercial seafood industry, as I have said, has over 100,000 vessels landings. The processing sector is varied, includes many small operations whose equipment and awareness of proper storage and processing techniques ranges from rudimentary to sophisticated.

Further complicating the situation is the fact that two-thirds of seafood consumed in the United States, Mr. President, very interestingly, is imported from 120 countries. Think of that. And it is with varying degrees of seafood inspection expertise.

We have FDA all around in these particular countries, at their place of landings and at processing plants.

Finally, a significant amount of fresh seafood is consumed locally, and does not move in interstate commerce. This necessitates a strong and continuing involvement, as I have pointed out, with the States.

Effective implementation of a comprehensive seafood safety program will require an agency experienced with complexities of both fisheries and fishermen. Experience in working as a team with State governments also is important.

It is necessary to consider the public health and consumer problems associated with eating seafood. Are we facing a national public health crisis with respect to seafood? No. Everyone knows that. For the most part, the fish we eat are safe, wholesome, honestly marketed, and good.

Cases of illness linked to seafood amount to a tiny percentage of the total number reported cases of foodborne illnesses. According to the Centers for Disease Control, from 1973 to 1987 shellfish accounted for 2.8 percent of all cases, and fin fish for an additional 2.2 percent of such cases for a total combined of 5 percent.

FDA has estimated that chicken is 10 times as likely to cause illness as seafood.

I will have to repeat that, and we will embellish it further here in the debate. The Food and Drug Administration has said that chicken is 10 times more likely to cause illness as all seafood combined. The FDA Commissioner stated that, "fish is by far the safest source of muscle protein available."

In 1988 a report by the U.S. General Accounting Office concluded that, "available seafood-borne illness data, while recognized as incomplete, do not indicate widespread problems with the Nation's seafood." So what do we have? We have a movement of jurisdiction, turning it over to the Agriculture Department.

Here leading on the floor is the committee leadership, and we all hold the highest respect for these distinguished Senators, who have nothing to do with seafood, other than their hearings. I go back to that halibut hearing in 1967, some 23 years ago. I worked with all the Senators coming along with all the fishery interests, and what have you. Now here comes Agriculture Committee for the first time, and they are leading the way on the seafood bill and we all, of course, know why.

While the U.S. seafood consumer is not facing a national public health crisis, there are seafood-associated health risks that are not addressed effectively at present. CDC estimates that three problems account for over 90 percent of illness in seafood. One, viral and bacterial illnesses from eating raw molluscan shellfish, such as oysters, clams, and mussels, particularly those harvested commercially and recreationally from polluted waters; two, scombrotoxic poisoning due to toxins formed in species like tuna, mackerel, bonito and mahi-mahi, if they are not handled properly; and, three, with ciguatoxic illness associated with eating tropical reef fish like barracuda.

Both molluscan shellfish and ciguatera problems are best addressed through monitoring the growing areas and preventing harvest from polluted or contaminated waters. On the other hand, proper cooling equipment on board harvesting vessels is necessary to prevent scombrotoxic poisoning. In addition, many problems of seafood deterioration occur as a result of inadequate refrigeration during commercial transport after harvest. Clearly, a seafood inspection system will be effective only if it takes into consideration all factors affecting product safety from coastal water quality to interstate transportation.

Recognizing this, Mr. President, health professionals, the fishing industry, and consumer groups agree that a nontraditional approach will be more effective in minimizing seafood problems than the traditional meat and poultry inspection programs.

The most widely supported approach is the Hazard Analysis Critical Control Point method, HACCP. That consists of three clearly defined steps.

First, hazards associated with harvesting, processing, and using a food product must be identified and assessed. Second, critical control points must be determined to control any identifiable hazard; and third, procedures must be established to monitor the critical control points. The HACCP approach is a rational, commonsense way to approach seafood inspection. It has been incorporated in both of the legislative approaches on seafood safety that are now pending in the Senate. The Food and Drug Administration is the pioneer regulatory agency and implementing this method for low-acid canned seafoods, many of which of course are fish products.

This brings me, finally, to the issue of Federal agency qualifications for running a national inspection system. One commonly held misconception is that there is no Federal system now in place to ensure consumers that the fish they buy and eat is safe, wholesome, and properly labeled. People are surprised to learn that the Federal Government spends over $40 million annually to monitor and assess the Nation's seafood supply.

Federal activities include inspections, product sample analysis, water quality assessments, research and data gathering, management of fish harvesting, enforcement, and technical assistance to States and industry. The Members should concentrate on this particular point.

If we are going to start a program over in Agriculture now, we will have product sample analysis in both the National Marine Fisheries Service and in Agriculture. Water quality assessments—are we going to start that over in Agriculture, along with what we have now over in Commerce? Research and data gathering—are all the marine biologists to be transferred over to the Department of Agriculture? We are inviting a destructive fragmentation, with a bad bill, this bill of the Senator from Maine and others. This has not been thought through.

The challenge before us is not to create a national seafood safety and inspection system but to integrate and build on existing capabilities and develop it into a comprehensive program. At the Federal level, those capabilities are located primarily with two agencies—in the Food and Drug Administration and in the National Oceanic and Atmospheric Administration.

Under the authority of the Federal Food, Drug, and Cosmetic Act [FFDCA], FDA is responsible for ensuring the safety of all foods—including seafood—destined for interstate commerce. The FFDCA provides for consumer protection against adulterated, decomposed, unsanitary, and misbranded products. FDA currently spends $164 million and employs about 2,800 people on food safety efforts. Of these totals, the agency has committed $25 million and about 300 full-time employees to seafood safety programs.

Each year, FDA inspects about 1,200 seafood processing facilities, or about one-fourth of such facilities in the United States. At present, the agency inspects about 1 percent of domestic seafood and 3 percent of imported seafood.

FDA tests thousands of domestic and imported seafood samples annually for biological and chemical contamination. The agency operates 20 laboratories to sample and analyze its compliance with all food safety regulations, and it has three dedicated facilities for fish and seafood. In addition, samples may be tested by private laboratories. A targeted approach is used in the sampling program to address particular FDA compliance concerns such as mercury levels in swordfish or the safety of shrimp imports.

Finally, FDA is the lead agency for two specific programs that regulate seafood—the canned salmon control plan and the National Shellfish Sanitation Program [NSSP]. The agency also operates the low-acid canned food program that includes several canned fish products.

NOAA was created by the President's reorganization plan No. 4 of 1970 to consolidate many of our oceanic and atmospheric programs. One of the principal roles assigned to the agency at that time was the management of marine resources for the economic and social good of the Nation. Over the years, NOAA has developed substantial scientific and technical expertise in managing marine fisheries. Ongoing activities include fisheries research, enforcement of Federal marine resource regulations, seafood safety and quality assurance programs, and fishery development. NOAA currently operates seafood inspection-related programs at a total cost of about $18 million annually. Industry reimburse-

ments provide $6 to $8 million of this total. These programs employ more than 340 personnel.

Under the authority of the Agricultural Marketing Act of 1946, NOAA carries out voluntary seafood inspection and grading programs. The programs are operated on a fee-for-service basis to provide sanitation and processing inspections and product evaluation. Participation by seafood processors allows them to attach "Packed Under Federal Inspection" and "U.S. Grade" marks to their products. The U.S. military forces and a number of foreign and domestic buyers require such an evaluation as a condition of purchase. About 12 percent of the seafood consumed in the United States and 9 percent of our seafood exports are inspected under this NOAA program which involves over 300 Federal and State inspectors—about 170 are NOAA personnel.

Moreover, for the past 3 years NOAA has been working on the model seafood surveillance project [MSSP] to develop a comprehensive safety and quality assurance program suited to the unique characteristics of the fishing industry. The MSSP is comprised of two parts. First is an assessment of the public health impacts of eating seafood, now being carried out by the National Academy of Sciences. Second is the design of a seafood inspection system to minimize potential hazards associated with the handling and processing of seafood. An interim report on the findings of the MSSP was released in March, with completion of the study scheduled for December 1990.

Two years ago, NOAA initiated the national shellfish pollution indicator study to develop new techniques for assessing the safety of shellfish growing areas. The current indicators were developed over 40 years ago and do not reflect modern advances in food science or microbiology. The absence of a reliable method for determining whether it is safe to eat shellfish from a growing area may be contributing to closure of beds containing harvestable shellfish, while less safe sites are left open.

I recognize that both agencies have suffered from the budgetary shortsightedness of the Reagan era, and that we in the Congress have not always been able to provide the funding support that we could have justified. Despite these limitations, FDA and NOAA have carried out their responsibilities credibly. Their combined public health and marine fisheries expertise offers the best promise for implementing a program that will safeguard consumer interests. In addition, they are best equipped to deal with remaining problems. In an era of budget constraints, it is fiscally irresponsible to establish a duplicative program in the USDA—an agency with no seafood experience. The most cost-effective means of establiishing a comprehensive program is to build on existing seafood safety programs, which exist in FDA and NOAA.

This amendment also addresses some additional problems with the bill before us—by including whistleblower protection, as well as providing additional tools for dealing with the shellfish problem. The seafood inspection systems proposed in both bills will rely on employee identification of potential safety problems. For this reason, consumer and labor groups have made a strong employee protection provision a top priority in the legislation. The amendment I am offering includes a whistleblower provision, while the bill before us contains no employee protection provisions, whatsoever. Similarly, the bill fails to recognize that shellfish represent the most serious remaining seafood hazard. By contrast, my amendment calls for a targeted monitoring program to identify polluted or contaminated harvesting areas. Shellfish from closed or unmonitored areas would be treated as adulterated.

I recognize the Senator from Maine's sincere dedication to establishing an effective national program to ensure seafood safety. Because my amendment avoids unnecessary duplication of effort, because it recognizes many years of expertise in NOAA and FDA regarding seafood matters, because it provides whistleblower protection and shellfish provisions not present in the bill before us—for all these reasons, I urge support for the amendment. I invite him and my colleagues to join me in adopting an amendment that would further that mutual goal.

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Vermont.

Mr. LEAHY. Mr. President, I yield such time as I may need.

The distinguished Senator from South Carolina has praised himself for going up on the halibut hearings in 1967, and rightly so. I praise him for going up there in 1967. I tell my good friend from South Carolina, I wish I could have gone there with him in 1967, but I was not old enough to be in the U.S. Senate then. Otherwise, I would have. I am obliged to him for doing it.

I note, Mr. President, that I hope this debate does not get off into items that are not germane. This is not some kind of a power grab or anything of that nature and was never intended to be.

As the distinguished Senator from Maine has said, this legislation, drawn by myself and Senator COCHRAN, is anything but turf grabbing. As the Washington Post editorial says:

Turf has been a problem in setting up a government program: Which of several possible agencies would run it? A bill approved by the Senate Agriculture Committee would solve the problem by giving them all a role. The National Academy of Sciences would set an agenda—a list of unsafe substances to be filtered out. The FDA would then set tolerances for each; the Agriculture Department would become the policeman, making random inspections of processing plants in the process. The Commerce Department would retain the power to close contaminated fishing grounds.

In the same editorial, the Washington Post says the reason for the need for this is that "the risk of food poisoning from fish seems to be much greater—25 times greater than for beef, for example. The Center for Disease Control have estimated that 1 in 250 people who eat raw shellfish will become ill."

I ask unanimous consent that the full editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, June 9, 1990]

THE ONE THAT GOT AWAY

For years the government has had serious inspection programs for meat and poultry, but not for fish. That is true even though the public has been told in recent years both to eat more fish and to watch out lest the fish has come from increasingly contaminated waters. The low-fat protein is good for you; the contaminants are not. Nor is the problem a wisp of someone's imagination.

Americans still eat much more meat and poultry than they do fish, but in relative terms the risk of food poisoning from fish seems to be much greater—25 times greater than for beef, for example. The Centers for Disease Control have estimated that one in 250 people who eat raw shellfish will become ill. The Food and Drug Administration regularly finds pesticide buildups in seafood that exceed federal standards.

Congress is now considering an answer to this shortcoming: a fish inspection program that would not provide as constant a federal presence as in meat and poulty plants but would nonetheless be a great advance over the industry's present voluntary system, said to cover only 12 percent of U.S. seafood.

Turf has been a problem in setting up a government program: Which of several possible agencies would run it? A bill approved by the Senate Agriculture Committee would solve the problem by giving them all a role. The National Academy of Sciences would set an agenda—a list of unsafe substances to be filtered out. The FDA would then set tolerances for each; the Agricluture Department would become the policeman, making random inspections of processing plants in the process. The Commerce Department would retain the power to close contaminated fishing grounds.

That's a bit disjointed, but not a bad use of existing expertise, and maybe the best contraption that can be fashioned. Still, not everyone likes all aspects of it. The administration, for example, has urged among other points that the relatively small cost of the program be met through user fees rather than out of general revenues. But the committee bill is expected to reach the Senate floor this summer, perhaps as part of the farm bill, and some form is thought likely to pass. The House is less far along; a bill has emerged from only one of three committees

with jurisdiction. But this is hardly onerous legislation, and it is well within the government's responsibilities. The House should join the Senate in seeing to its passage.

Mr. LEAHY. Mr. President, I close on this. You know we should not go through this saying that somehow we should be blasting the FDA or blasting the USDA. That is not what is going on. If we were to take the arguments of my distinguished colleague, I would be standing here citing, for example, an EPA report that concludes our Nations fisheries are so contaminated that eating fish taken from them poses a substantial health risk.

If I were to take that kind of argument, I would cite the National Fish and Wildlife Foundation report which flunks the Commerce Department inspection program, citing weak leadership, lack of strategic planning, inadequate enforcement of fisheries laws. But I am not going to continue with this line of reasoning.

What I want is just to find something that will continue what we already have in this country. The United States has a good, safe food supply. We can make it safer. The United States gains a great deal of money by being able to export its food. We want to guarantee that those exports are safe. And, lastly, as a government, we have a responsibility to our people to make sure the food they get is safe. We can do it.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. STEVENS. Mr. President, representing as I do a State that has 50 percent of the coast of the United States and produces 50 percent of wild fish that is caught off the United States, I would say to my friend from Vermont that I am really not going to attack the Department of Agriculture. Of course, if I did, I would say that of the outbreaks of salmonella in the period from 1973 to 1987, 66 were poultry, 122 other meat, 3 were shellfish, and other fish were 5.

If you look at the United States today, the most effective system we have for assuring quality is in the seafood industry. The real questions we ought to get to today are the motivations for this bill.

The Senator from South Carolina has mentioned some and as chairman of the committee I think he was absolutely right to point out his distinguished service in this area, and he and I have traveled not only in this country but throughout the world dealing with the whole subject of fisheries management and seafood quality.

But from my point of view, the problems we have go back to the Magnuson Act. Prior to the Magnuson Act, foreign fishermen took the bulk of seafood beyond our 3-mile limit; they were taken abroad, processed abroad, and came into this country as imported products.

Today in the North Pacific, we are now harvesting over 3½ billion pounds of fish annually that we never touched before the Magnuson Act. Today fish is challenging red meat, poultry, and other meats for a massive percentage of our consumption of meat foods.

The Senator from South Carolina and I do not have any objection if the Department of Agriculture wants to inspect all the imported fish coming into this country. They have representatives all over the world. I think Agriculture could inspect the imports of fish into this country. But when it comes down to wild fish, Agriculture does not know anything about it; they have no track record.

We have a very viable system now and that system is supported by the consumers of this country. I want to go into that later. It also is supported by the people who work in the area—the labor movement supports the Commerce Committee bill, not the agriculture bill—and it does so for good reason, because we believe in protecting those who are invoved in the process.

We have a very strong whistleblower provision in the Hollings-Stevens-Kennedy substitute, which is based on the Commerce Committee bill. It could be stronger, I might add, and I hope someday it will be. But we want to assure quality. That is the essential factor for fish, which are a growing part of our daily diets.

The majority leader made a statement about the American Meat Institute supporting the agriculture bill. I would not be surprised. The great mega-agribusinesses now are starting to buy up the fish processors. They are getting involved in the processing of fish at sea. They do not like to be involved with the traditional individualistic fish harvester and small plant operator that produces fish of very high quality in this country.

They deal with the Department of Agriculture daily. They do not understand NOAA scientists. They do like the FDA and do their best to stay away from FDA. We have developed a system of sound review of seafood products under FDA regulations and Department of Commerce scientists who know the species of fish that are being harvested and what it takes to inspect them to make sure that you have consumer quality.

I think there are some significant differences here today in these two bills.

The Agriculture Committee bill would put in the Agriculture Department a seafood inspection program, giving a Department which has no experience at all in dealing with inspection of seafood the total right to inspect seafood in the future. In effect, I think everyone will agree that the Agriculture Committee bill would give to the Department of Agriculture the total, complete final say over all aspects of seafood inspection. It does not contain, as I indicated, a whistleblower protection provision.

The Hollings substitute, which I support and cosponsored, includes this whistleblower provision to protect employees from employer retaliation for reporting violations or for refusing to work when the work would cause a substantial threat to public health. Agribusinesses do not want that.

If I really wanted to attack the Department of Agriculture—I will not do it, of course, as the Senator from Vermont did not—but I would go into the long history of opposition from the Department of Agriculture to whistleblower provisions. They do not want people in packing plants speaking out about the conditions in packing plants. They do not want people talking about the quality of food as it moves into interstate commerce. We do.

The future markets of fish depend upon consumer confidence, and we have done our utmost to support it, and I think the record I just read demonstrates that—three cases of shellfish, five cases of other fish contamination in a period where there are literally hundreds of cases of poultry, beef, and other meats that have caused such sicknesses.

We have the support of the people who are involved in shellfish safety. There are some contaminated shellfish areas in this country. But the people who have organized for the purpose of assuring quality in that area, the Interstate Shellfish Sanitation Conference, support the provisions of the Hollings amendment that we have brought before the Senate today.

Mr. President, I ask unanimous consent to print in the RECORD the letter that was addressed to my distinguished colleague, the chairman of the Commerce Committee, from the Interstate Shellfish Sanitation Conference.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

INTERSTATE SHELLFISH
SANITATION CONFERENCE,
August 2, 1990.

Hon. ERNEST F. HOLLINGS,
Chairman, Committee on Commerce, Science and Transportation, U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: Proposed seafood safety legislation continues to be a current topic of debate within the United States Congress and it is my understanding that a bill similar to S. 1245 may soon be discussed. I have thoroughly reviewed S. 1245 and I have a number of concerns. It appears the bill attempts to solve the diversified and complex problems of seafood safety with an inappropriate and oversimplified solution. The bill lacks the specificity needed to address the numerous and varied public

health problems associated with seafood safety.

The most critical of these problems involve human illness associated with the consumption of raw and partially cooked molluscan shellfish and natural toxins found in marine fish. Although these problems are very serious they do not affect all types of seafood. Senate Bill 1245 does not recognize that these problems need special attention.

Human illnesses associated with the consumption of raw molluscan shellfish are well documented and prompted the creation of the National Shellfish Sanitation Program (NSSP) in 1925. Since 1982, the Interstate Shellfish Sanitation Conference (ISSC) has reviewed shellfish sanitation issues and developed guidelines that are published annually in Parts I and II of the NSSP Manual of Operations. This review by the ISSC incorporates a wealth of expertise from shellfish producing and non-producing states, the shellfish industry, United States Food and Drug Administration (USFDA), National Oceanic and Atmospheric Administration (NOAA), United States Environmental Protection Agency (USEPA), and the academic community.

Molluscan shellfish are filter feeding organisms having the ability to concentrate contaminates and naturally occurring toxins which may be present in shellfish growing waters. This fact makes water quality a very critical element of shellfish sanitation which requires special attention. The significant role of shellfish in the seafood safety issue is not acknowledged in S. 1245, nor does it recognize the existence of the NSSP or the efforts of the ISSC in improving shellfish sanitation. The ISSC feels strongly that one of the most effective ways to strengthen seafood safety is to build on the solid foundation that presently exists under the cooperative ISSC/FDA Program. The ISSC supports congressional appropriations of significant additional resources to existing federal programs in the United States Food and Drug Administration (USFDA), National Oceanic and Atmospheric Administration (NOAA), and the United States Environmental Protection Agency (USEPA). This is essential if we are to meet the increasing public health and product quality demands necessary to assure an adequate supply of safe and high quality domestic and imported seafood.

Ciguatoxin and Scrombrotoxin are natural toxins which can be present in marine fish. Scientists generally agree that ciguatoxins in fish are caused by consumption and accumulation of a toxic blue-green algae. This toxin is the most common poison found in marine organisms, although it is only present in fish from tropical and subtropical waters. Some of the more well known species, which may sometimes contain ciguatoxin include barracuda, grouper and red snapper. The meat of scombroid fish such as tuna, bonito, and mackerel can also become toxic when the fish are held at warm temperatures for several hours after harvest. Although the symptoms and prognosis of affected individuals may vary greatly, fatalities from both ciguatoxins and scrombrotoxins have been reported. Senate bill 1245 fails to acknowledge the special problems associated with natural toxins in marine fish. Although these toxins have serious implications, they are specific to certain species and harvest areas. This subject should receive specific attention to insure that the fishing industry is not overregulated.

If it is the intent of Congress to enact legislation which will enhance seafood safety, the concerns outlined in this letter must be given prompt attention. I have reviewed S. 2228 and concluded that it appropriately addresses many of the significant issues which are not specifically included in S. 1245. Senate Bill 2228 more clearly focuses on the many special and unique problems in seafood safety and if enacted will result in greater public health protection. The bill also recognizes the efforts of existing federal programs and cooperative initiatives such as the ISSC which have significantly improved seafood safety.

The issues outlined in this letter represent major concerns regarding S. 1245 and I urge you to request the Senate to consider S. 2228 as an alternate.

If I can be of further assistance or provide additional information, please feel free to contact me at (803) 734-5232.

Sincerely,

KEN B. MOORE,
Chairman, Interstate Shellfish Sanitation Conference.

Mr. STEVENS. They support our bill. They support our bill on the basis of our ability to protect the areas where seafood and particularly shellfish is cultivated. And that is where the quality is assured for the future product that comes into the food market. It is not after the Department of Agriculture looks at it onshore. It is the people offshore who are going to determine the shellfish quality and that is what the Interstate Shellfish Sanitation Conference is saying. I think that is a significant difference.

There are four significant differences in the Hollings amendment compared to the Agriculture Committee bill.

The Agriculture Committee bill will preempt State inspection programs for seafood products in interstate commerce. That is a very large percentage of seafood. Almost 98 percent of our seafood moves in interstate commerce, as it has been interpreted by our courts. We have State programs in my State that are more rigorous than any Federal inspections. We have zero tolerance. I mentioned that on the floor before.

If anyone brings in a ship full of fish and the inspectors find one fish that is contaminated the whole lot is dumped overboard. Zero tolerance. I challenge the Department of Agriculture to do that with poultry, to do it with hogs, to do it with other meats. We have it. That is a very strong law and Alaskan seafood products are known throughout the world because of our zero tolerance concept.

Now S. 2924 comes along and is going to overrule that law. It is going to say that the maximum limits of protection for our seafood are the Federal standards. That above all is the basis of my opposition to the agriculture bill.

Mr. President, I ask unanimous consent to have printed in the RECORD the summary of the Hollings-Stevens-Kennedy amendment on seafood safety and quality assurance.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SEAFOOD INSPECTION: SUMMARY OF MAJOR DIFFERENCES BETWEEN S. 2924 AND THE HOLLINGS-STEVENS-KENNEDY AMENDMENT

Under a Unanimous Consent agreement entered into on July 26, 1990, two competing proposals to establish a mandatory, nation-wide, federal seafood inspection program will be the subject of a four hour floor debate. There will be two hours of debate on the bill, S. 2924, and two hours of debate on a single amendment, #2431. No other amendments are in order.

S. 2924 was introduced by Senators Mitchell, Cochran, Leahy, Lugar, Cohen, Lott, Daschle, Pryor, Dixon, Cranston, Nunn, Graham, Pell, Simon, Burdick, Sanford, D'Amato, Kerrey, Wirth, and Reid. S. 2924 is similar to a seafood inspection bill reported by the Agriculture Committee.

Amendment #2431 was introduced by Senators Hollings, Stevens, Kennedy, Danforth, Kerry, Robb, Packwood, and Murkowski. The amendment is a substitute for the text of S. 2924, and is similar to a seafood inspection bill reported by the Commerce Committee.

S. 2924 and amendment #2431 (Hollings-Stevens-Kennedy amendment) both contain provisions to institute a mandatory, federally-funded, nation-wide seafood inspection program based on a form of non-continuous inspection known as the Hazard Analysis Critical Control Point (HACCP) system. Both proposals would require imports to meet the same standards imposed on domestic seafood. Under either program, all seafood processors and importers would be required to allow inspections and to mark their product with a federal seal.

There are four important differences between S. 2924 and the Hollings-Stevens-Kennedy amendment:

Jurisdiction.—S. 2924 establishes a seafood inspection program in the Department of Agriculture, an agency that has no experience with seafood inspection. The Hollings-Stevens-Kennedy amendment expands existing Food and Drug Administration (FDA) and Department of Commerce (Commerce) seafood inspection programs, with FDA setting standards and providing program oversight and Commerce conducting plant inspections.

Whistleblower Protection.—S. 2924 does not contain any protection for seafood employees who report violations or refuse to violate inspection standards. The Hollings' amendment includes a "Whistleblower" provision that protects employees from employer retaliation for reporting violations or refusing to work when such work would cause a substantial threat to public health.

State Programs.—S. 2924 would preempt state inspection programs for seafood products in interstate commerce (the large majority of seafood), even if state programs are more rigorous than the federal program. The Hollings-Stevens-Kennedy amendment allows state programs to be used in place of the federal program if the state program meets or exceeds the federal standards.

Shellfish Safety.—Contaminated shellfish account for over half of the seafood-related illnesses reported in the United States. S. 2924 does not include provisions adequate to prevent the sale of shellfish harvested from polluted areas. The Hollings-Stevens-Kennedy amendment establishes a monitoring program to identify polluted areas and

would prohibit the sale of shellfish from polluted or unmonitored areas.

The Administration is opposed to seafood inspection being moved to the Department of Agriculture. FDA and Commerce currently conduct seafood inspection programs in the United States, and have over 600 trained personnel and $40 million dollars annually committed to these existing programs. The Administration is opposed to S. 2924 and supports the Hollings-Stevens-Kennedy amendment.

A coalition of consumer and labor organizations, including Public Citizen, the Government Accountability Project, the United Food and Commercial Workers Union, and the Food Services Division of the AFL-CIO, are also opposed to S. 2924 and have sent a letter supporting the Hollings-Stevens-Kennedy amendment.

Mr. STEVENS. I think we have a bill that every single person in the country would applaud. It is not a bill that genuflects to those large mega-monstrous corporations that are now moving into the seafood industry. The barbarians at the gate, Mr. President, that is who they are. They are the people who do not care about the consumer. They care only about the bottom line.

Our fishermen have a different standard. They look to the future. Our future market share of the food industry depends upon quality assurance, particularly now that it has been under such attack. And if I were going to follow the Senator from Vermont again I might mention where these attacks come from.

We had to hold a hearing before the Governmental Affairs Committee to make people understand that salmonella was not a disease that comes from eating salmon. It is not. It is a disease that is named after the gentleman that identified it. And it is primarily found in the red meat industry. As I have just indicated, we have had only five outbreaks of salmonella in almost a 10-year period for the entire fish industry of this country.

The administration opposes this bill. It does so on very sound grounds. One of the foremost is the fact that it is going to create a redundant administration in another department of the Government to cover an area already manned sufficiently.

I agree with the Senator from South Carolina, I would say parenthetically. I wish we had more money. But I have to tell you the Department of Agriculture does not have any more money than the Commerce Department is going to have in the future under the budget constraints we have.

We currently have $25 million and 300 people involved strictly in seafood inspection in FDA. We have 341 people and $18.2 million in the Department of Commerce under NOAA involved in this program. Those people are going to be replaced by someone in agriculture, they believe.

But many of the functions here are going to be needed continually, as I said, to inspect the beds where the shellfish are, to inspect some of the facilities. Even the agriculture bill proponents admit that. So that is going to lead to a duplication in the executive branch; at a time when we are trying to reduce costs, along comes this. And I will not go too far in saying that it is a turf battle. But it is. It is an extensive turf battle. I think it is motivated primarily by people who do not want to deal with the FDA.

If you lived through the halibut years, as my friend and I did, and in the days of the swordfish scare that we did, you would understand our reasons for wanting to stay with the FDA. The FDA found the problem. They required our people to throw overboard every one of the halibut that was above a certain weight because they had accumulated too much mercury. They completely blocked the movement in interstate commerce of swordfish. But they gave us the scientific capability to find out what the problem was.

We all agreed to it. We found a way to solve it. And now they removed the blocks to the consumption and restored consumer confidence in our seafood products.

I never met one fisherman who violated the FDA restrictions against the harvesting of halibut that exceeded the weight limits that they said the mercury was in. This was self-imposed.

Our people wanted to support the future of their industry. And they believe in the FDA. They have no reason to believe in the Department of Agriculture, which is the home of their opponents, of their competitors.

Why would we have faith in a group that wants and is opposed to the entrance of seafood into the School Lunch Program? They have opposed the entrance of seafood into the Military Buying Program. They have opposed the entrance of seafood into the Surplus Food and Overseas Sources Program. It is because they support the meat industries, the red meat industries. We understand that.

And we believe they need an advocate. We need an advocate, too, and that advocate is the Department of Commerce and the people who want to see the sea continue to produce its bounty.

Mr. President, the administration opposes this bill. The AFL-CIO opposes this bill. The American Fishing Tackle Manufacturer's Association opposes this bill. The Consumers Union opposes this bill. The Consumer Federation of America opposes this bill. The Food and Allied Service Trades of AFL-CIO oppose this bill. The Government accountability project opposes the bill.

As I said, the Interstate Shellfish Sanitation Conference opposes this bill. The National Consumers League opposes the bill. The Public Citizens Congress Watch opposes it. The South Carolina Shrimpers Association opposes. The Southeastern Fisheries Association opposes. The United Food and Commercial Workers International Union opposes it. The former person in charge of the Department of Agriculture under the last Democratic administration, I am told, Carol Foreman, opposes. The Alaska Crab Coalition opposes it. The Alaska Pacific Seafoods opposes it. The Association of Food and Drug Officials of the United States opposes it. The Fishing Vessel Owners Association opposes it. And there is a series of smaller organizations, including my great personal adviser, Oscar Dyson and Co. of Kodiak, who I think probably knows more about fisheries than any other man in the country.

The Texas Shrimp Association opposes.

If you you want to look at this, I think the people in the fishing industry that are working to harvest fish and maintain quality, I think they know.

The National Fisheries Institute has forgotten who they represent. They have sold out now to the super megafood industries that are buying up the processing portion of the seafood industry. I regret that and I have had told them that.

I think that we will sometime get that group back together with our Alaska seafood people. Because we have worked too hard to establish quality. We have worked too hard to establish Alaska seafood as a trade name known throughout the world.

Now we are going to be preempted by a new system, a system that is designed to look at each chicken, look at each hog. And the ships that we bring in bring in tons of fish. If one is bad, they all go over.

I challenge the Department of Agriculture to adopt that kind of a program. If it did, we would join them.

The consumer interests in this country are for the Hollings amendment because they know it will protect consumer interests, period. It is not concerned with profit. It is not concerned with the motivation of international corporations. It is not concerned with the competitors of the seafood industry. It is concerned with the confidence of the American public and the public of the world in the production of the seafood from the waters off the United States.

There is still the problem of, in my opinion, committee jurisdiction. It arises here due to the unfortunate fact that those of us who are from the areas that have vast coastlines have gone to the Commerce Committee because it has traditional jurisdiction over fisheries. Now if Seafood inspection, which is the sine qua non of the future confidence of the American

public in seafood, is going to move to the Agriculture Committee, I have to tell the Agriculture Committee they have a new member next time.

We are not going to let people who run Agriculture monitor the seafood quality of the coastal seafood-producing States' industry.

In closing, I want to tell, you, Mr. President, the fishing industry is the largest industry in my State. Necessarily so. As I said, we have half the coastline of the United States. We produce half the domestic wild fish harvested from the waters of the United States. And there is absolutely no support I know of in the whole State for that agriculture bill. No one who is a resident of Alaska has contacted me to support that bill; labor, management, processor, harvester, public official—no one.

Somehow or other there ought to be some weight given to the fact that we are the source of half of the industry this bill is talking about.

That is what leads me back to the thing I said I would not talk about in terms of what is happening here. I still believe the motivation for this bill is the fear of some industries that we are moving out. We doubled the production of seafood from Alaska in the last 8 years. In the next 10 years we will triple even that. We are going to have every School Lunch Program serve a fish portion at least once a week. We are going to convince people, if they want to stay healthy in this country, they are going to eat fish. The American public demands that fish, and it can be produced in even greater quantities from off our shores if we will get these marauding driftnets off the high seas and if the Congress of the United States will listen to us about some of the necessary actions that have to be taken.

For instance, in that area we call "the donut" that is between the 200-mile limits of the Soviet Union and Alaska—in that area there where there is no jurisdiction, international waters between two areas of complete domestic jurisdiction for the United States and the Soviet Union—there is marauding in that area. There is death on the high seas coming from these driftnets. If we could eliminate those challenges to our future development of seafood, by the end of this century we would be even with these land-based meat industries.

I know the occupant of the chair and several other Members who are here from agricultural States do not like to hear that. To me that is the issue. We are going to move out and produce more fish, and we are going to do it by maintaining quality. If we keep it where it is now, in the Commerce Department, the price will be lower, the quality will be higher, and the confidence will be greater.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I yield myself such time as I may need.

I have, Mr. President, letters supporting the Mitchell bill from the Public Voice for Food and Health Policy, the National Fisheries Institute, the National Restaurant Association, the Boston Fisheries Association, Virginia Seafood Council, Shellfish Institute of North America, North Carolina Fisheries Association, UniSea, the Oregon Trawl Commission, Point Judith Fishermen's Cooperative Association, the Wisconsin Commercial Fisheries, the Blue Water Fishermen's Association.

I ask unanimous consent they be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PUBLIC VOICE
FOR FOOD AND HEALTH POLICY,
Washington, DC, July 18, 1990.

Hon. GEORGE J. MITCHELL,
Senate Office Building,
Washington, DC.

DEAR SENATOR MITCHELL: Public Voice for Food and Health Policy urges you to enact legislation creating a federal seafood inspection program, the purpose of which is to protect the public from the health risks of contaminated seafood.

Illness data from the Centers for Disease Control taken together with USDA consumption figures show that the risk of a food poisoning outbreak (two or more cases) is actually 25 times greater from seafood than it is for beef and 16 times greater than it is for either poultry or pork. The Food and Drug Administration estimates that approximately 64,230 illnesses and 22 deaths are caused by seafood each year. Most recently, several deaths linked to the consumption of raw oysters were reported in Louisiana and Florida.

Yet seafood is the only flesh food not subject to its own comprehensive, mandatory federal inspection program. In fact, the United States is virtually the only industrialized fishing nation that does not have such a program specifically for seafood.

S. 1245, introduced by Senate Majority Leader George Mitchell and over 30 cosponsors, contains many of the provisions essential to a seafood safety program:

1. The Food and Drug Administration is required to set limits for chemical and microbiological contaminants according to stringent Federal standards and to do so within a specific time frame.

2. Federal officials are given broad enforcement powers including certification of processing plants (including processing vessels), random and unannounced inspections, and procedures to trace back contaminated fish to its source. Regulations implementing these enforcement powers must be promulgated within a specific time frame.

3. Imported seafood is required to meet the same standards as domestic products. To export to the U.S., a foreign nation must have its inspection program certified by USDA and must allow USDA officials to inspect their plants and products.

4. State agencies may be authorized to administer the Federal interstate inspection and sampling programs and in such cases may receive Federal funds of up to 50 percent of the program's costs. However, the Federal requirements will apply, at a minimum, regardless of whether it is administered by USDA or a state agency.

5. States may continue to enact their own laws regulating fish in intrastate commerce. States whose seafood safety laws are at least equal to the Federal requirements for interstate seafood may receive Federal assistance.

6. If public health is endangered by adulterated fish products which are sold within a State as a result of a State program which falls and remains below the Federal standards, consumers in that state will be protected through application of the Federal seafood safety law.

S. 1245 clearly divides responsibility for the various components of the bill's seafood safety program, drawing on the strengths of the three relevant federal agencies: overall administration of the inspection and sampling program to USDA, the setting of contaminant limits to FDA, and monitoring and restriction of harvesting waters to the Commerce Department.

S. 1245 was developed following months of discussions among Senate staff, consumer, environmental, health and labor groups, and industry officials. While there is consensus on many parts of the bill, some important elements are still missing.

First, by a vote of 10–9, the Agriculture Committee deleted the bill's employee protection provision. It must be restored.

Federal inspection of seafood will be sporadic, unlike meat and poultry plants, where inspectors have a daily presence. Because of this, the public will be greatly dependent on the willingness of plant employees to observe and report violations which threaten public health. Legislation which does not effectively protect such employees from subsequent job discrimination is a threat to consumer health protection as well, and we would oppose such a bill.

The second major element missing from S. 1245 is coverage of harvesting vessels. Proper sanitation and storage on fishing vessels is essential to preventing the unnecessary contamination of seafood. Scombroid poisoning, for example, can result from the lack of proper refrigeration on board a boat.

Those establishments which violate the law should be publicly identified. This enforcement mechanism can act as a strong deterrent to future violations in a less-than-continuous inspection system. However, S. 1245 provides for publication in the case of criminal, but not civil, violations.

With the addition of the provisions cited above, S. 1245 can provide the framework for an effective federal seafood safety program. We urge you to act swiftly to close this serious gap in our federal food safety system.

Sincerely,

ELLEN HAAS,
Executive Director.

PUBLIC VOICE
FOR FOOD AND HEALTH POLICY,
Washington, DC, July 24, 1990.

DEAR SENATOR: As you know, an amendment to the Farm Bill incorporating S. 1245, the "Fish Safety Act of 1990," will be offered by Senators Mitchell, Cochran, Leahy, and Lugar. On July 18, Public Voice wrote to all Senate members, urging positive action on S. 1245 with the addition of a strong whistleblower provision.

Recently, you received a letter from Commerce Committee members opposing S. 1245, based on the issue of which Federal

agency or agencies should be given jurisdiction over the seafood safety program. We want to stress that the discussion of a federal seafood safety program should not be reduced to a jurisdictional dispute but instead should center on the best way to close this serious gap in our Federal food safety system.

S. 1245, with the addition of a strong employee protection provision, contains most of the elements needed for an effective public health protection program. While we commend the Commerce Committee for acting on legislation (S. 2228) to create a seafood inspection program, there are a number of areas where the Commerce Committee bill falls far short of S. 1245 in providing needed consumer protections.

1. Clear lines of agency responsibility—and accountability—are needed: The lines of responsibility for almost all aspects of the program in S. 2228 are blurred between the Commerce Department and the Food and Drug Administration, carrying an enormous potential for failure of the program. A complex food safety program which fails to clearly divide responsibility between the Federal agencies involved will be detrimental to consumers and industry alike.

S. 1245 clearly assigns responsibility for the separate aspects of the program, using the strengths of the three relevant agencies: FDA to set contaminant limits, USDA to carry out inspection and product sampling, and the Commerce Department to monitor growing and harvesting waters.

2. Jurisdiction over actual inspection: We disagree with the Committee's decision to entrust the actual inspection of fish to the Department of Commerce, an agency whose primary mission is to promote marketing, rather than to protect the public health. In fact, the Commerce Department's current inspection service is voluntary and includes "grading" of fish products for purely marketing purposes. The program in S. 2228 continues this service in order "to promote commerce in fish. . ." [SEC. 5 (a)(3)(C)]

Public health safeguards should be the first and only purpose of this legislation. For that reason, we think that assigning inspection responsibility to USDA, as does S. 1245, is a better choice. USDA is better positioned to expand its inspection efforts to cover fish because of its demonstrated capacity to conduct meat and poultry inspections, and its extensive domestic and international infrastructure of inspectors, laboratories and offices.

3. State programs to replace Federal inspection program: S. 2228 would allow approved state inspection programs to replace the Federal program for fish in interstate commerce. This is a serious problem since a state's law may be weaker in some ways than the Federal law. S. 2228 requires that an approved state program ensure fish meet or exceed Federal standards for contaminants and harvesting areas; however, they need to have a program only comparable to Federal registration, inspection and monitoring requirements.

States should be authorized to implement the Federal program at a minimum, as is required by S. 1245.

4. Timeframes needed:

a. FDA should have a tight timeline it must meet to set initial standards for contaminants in fish, as is required by S. 1245. S. 2228 provides no deadline at all for FDA's initial standards. The current failure of FDA to set more than one tolerance level for fish has been a problem under present law.

b. Commerce should also have a tight timeline to meet in issuing its processing, storage, handling, and other regulations under the program, as is required by S. 1245.

5. Inspection of imports: Imports make up about two-thirds of the fish products consumed in the U.S. They should come in for the same scrutiny as domestic products. S. 2228 does not require FDA or the Commerce Department to conduct inspections in foreign plants. Under S. 1245, a foreign nation must have its inspection program certified by USDA and must allow USDA officials to inpsect their plans and products in order to export to the U.S.

6. Emergency detention of fish likely to be adulterated: S. 2228 is missing any provision which would allow the inspector to immediately act to detain fish to prevent an unsanitary plant from continuing to market fish which are likely to be adulterated. The bill does not provide for this or other emergency powers that may be needed pending the outcome of a hearing. Such provisions, included in S. 1245, would be important deterrents against violations and should be included in legislation.

7. Waters: Under S. 2228, the Department of Commerce appears to have been given authority to set water quality standards. This authority should remain with the EPA. S. 1245 does not remove EPA's authority over water quality.

Because of our serious concerns about the shortcomings of S. 2228, Public Voice cannot recommend that you support this measure. S. 2228 is not an acceptable alternative to S. 1245 with whistleblower protection added.

Sincerely,

ELLEN HAAS,
Executive Director.

PUBLIC VOICE
FOR FOOD AND HEALTH POLICY,
Washington, DC, September 7, 1990.

DEAR SENATOR: The Senate will soon be asked to vote on legislation establishing a mandatory, comprehensive Federal seafood inspection program. Under a time agreement reached in July, S. 2924—introduced by Senators Mitchell, Cochran, Leahy and over 25 other members—will be considered with the only amendment in order being a measure introduced by Senators Hollings, Stevens, and Kennedy.

Public Voice urges you to support the Mitchell-Cochran-Leahy bill.

This measure contains most of the essential elements needed for an effective public health protection program:

1. The Mitchell-Cochran-Leahy bill (Mitchell bill) requires FDA to set limits for chemical and microbiological contaminants according to stringent Federal criteria and to do so within a specific time frame.

There is no criteria in the Hollings-Kennedy bill (Hollings bill) for FDA to adhere to in setting contaminant limits. Furthermore, the bill sets no deadline for FDA to issue contaminant limits.

2. The Mitchell bill clearly divides responsibility among three agencies based on their expertise: FDA (setting contaminant standards), USDA (inspection of plants and sampling products), and the Commerce Department (monitoring/restricting harvesting waters).

The division of jurisdiction (between FDA/Commerce) in the Hollings bill is very fuzzy, setting up a high likelihood of program failure. Nowhere is this more evident than in the section on inspection/sampling, in which the bill authorizes the Commerce Department to perform the inspections and the FDA to administer and provide "general oversight" over the inspection system.

Which agency is accountable for making the inspection system work? How does FDA hold the Commerce Department accountable if Commerce does not carry out the FDA-established inspection system in a way that protects human health?

3. The Mitchell bill imposes the same strict standards to imports, *which make up over 60 percent of the seafood consumed in the U.S.* S. 2924 requires USDA to inspect foreign plants. Further, the measure requires USDA to inspect all fish from nations which have not obtained a U.S. certificate indicating approval of their inspection system.

The Hollings bill does not require Federal inspection of foreign processors. Further the bill states only that fish imported from a nation without a U.S. certificate will be subject to "intensified inspection" upon entry to the U.S.

The inability of FDA to prevent contaminated imports from entering the U.S. was documented in a staff report by the House Energy and Commerce Committee's Oversight and Investigations Subcommittee. The report states:

"(I)t is fair to presume that tens of millions of pounds of imported food that do not meet U.S. standards are nonetheless approved for distribution into commerce by the FDA each year. . . .(FDA's problems include) clear evidence of dangerous foodborne diseases in fish from foreign and domestic sources." ("Hard to Swallow: FDA Enforcement Program for Imported Food," July 1989)

4. The Mitchell bill would allow states to administer the Federal interstate inspection and sampling programs. However, Federal requirements will apply, at a minimum, regardless of whether it is administered by USDA or a state agency.

The Hollings bill allows state seafood programs to actually replace the Federal law in that state, even though a state's program is not required to be at least equal in all its provisions to the Federal statute.

5. The Hollings bill combines seafood promotion (e.g., "grading . . . to promote commerce in fish") with a public health/food safety program, creating an inherent conflict in the program. The bill also introduces user fees to partially fund the inspection program. Meat and poultry inspections done under USDA are publicly funded as a food safety program.

The enclosed fact sheet contains additional details on the Mitchell-Cochran-Leahy bill for you to consider.

One critical element in the original Mitchell bill which was deleted by a single vote in committee is strong whistleblower protection for industry employees. Public Voice will continue to work with Senators Mitchell and Leahy to restore such a provision to the bill in conference.

Because of our serious concerns about the shortcomings of the Hollings-Kennedy bill, we urge you to oppose it as a substitute for S. 2924 and to vote in favor of the Mitchell-Cochran-Leahy bill when it comes to the Senate floor.

Sincerely,

ELLEN HAAS,
Executive Director.

FACTSHEET: THE FISH SAFETY ACT OF 1990, S. 2924 INTRODUCED BY MITCHELL, COCHRAN, LEAHY, LUGAR, AND 25 OTHERS

WHY DO WE NEED FISH INSPECTION LEGISLATION?

a. Unnecessary health risks:

Fish is the only flesh food not subject to comprehensive, mandatory federal inspection.

Fish is hunted in the wild, from potentially polluted waters. Sewage and other pollution led to restrictions in nearly ⅓ of U.S. shellfish areas in 1985. FDA seafood samples have shown illegal pesticide levels more often than all other FDA-tested domestic food.

Based on CDC and USDA data, the risk of a food poisoning outbreak from eating seafood is 25 times greater than it is for beef, and 16 times greater than it is for either poultry or pork. FDA estimates that fish causes 64,230 illnesses and 22 deaths yearly.

b. Inadequate inspection by FDA:

FDA inspects a seafood processing plant only about once every 4 years, and tests about 2000 samples a year for contamination out of 4 billion pounds of seafood consumed.

In contrast, USDA inspects all 7500 meat and poultry plants daily, and planned to analyze over 95,000 samples for contaminants in 1989.

Other modern fishing nations, including Canada, Japan, and the Netherlands, provide strong, mandatory federal fish inspection.

Hundreds of chemicals may contaminate fish, but FDA has set only *one* legal limit and 13 informal "action levels" for toxins in fish.

WHAT DOES THE FISH SAFETY ACT OF 1990 DO?

FDA must set limits, by a deadline, for chemical and microbiological contaminants to ensure that fish products are not injurious to health.

USDA must inspect processors to ensure that standards are met: USDA must certify processors (including processing vessels), set and enforce sanitation standards, enforce contaminant limits, conduct random and unannounced inspections and sampling, require records, condemn and recall adulterated fish, and set up procedures to trace contaminated fish back to its source. Regulations must be issued within a deadline.

Imported seafood must meet the same standards as U.S. products. USDA must approve foreign inspection programs and inspect foreign processors.

Commerce Dept. will monitor waters and restrict fishing if necessary.

States may be approved to administer the federal inspection program, applying federal standards, at a minimum, and receive 50% of the costs. States may also get federal aid to regulate fish in *intrastate* commerce.

Rules will be enforced with criminal and civil penalties, including fines and suspension or revocation of certification.

HOW IS THE FISH SAFETY ACT OF 1990 STRONGER THAN MEAT AND POULTRY INSPECTION LAWS?

Stringent required standards, with deadlines: The Fish Safety Act requires that strict safety standards be set to ensure that contaminants are not injurious to health. FDA must meet deadlines in setting standards for those contaminants identified by the National Academy of Sciences as most likely to cause adulterated fish. All other standards for inspection must be issued by deadlines. These requirements are far stronger than current food safety laws, including the meat and poultry laws.

Strengthened civil enforcement: Civil fines may be assessed against violators of federal rules, deterring them from future violations. This powerful regulatory tool is not available to meat and poultry regulators.

WHY IS THE FISH SAFETY ACT STRONGER THAN THE HOLLINGS SUBSTITUTE?

Strong standards needed: The Fish Safety Act requires strong standards to be set for contaminants so that fish "are not injurious to health." Hollings' substitute has no criteria for FDA to adhere to in setting limits on contaminants in fish. Without a strict mandate FDA is likely to continue to fail to set strict limits.

Deadlines needed: The Fish Safety Act sets deadlines which must be met in issuing contaminant standards. The Hollings bill sets no deadline for FDA to issue initial contaminant limits. FDA has long had authority to set contaminant limits for fish but has only set *one* legal limit.

Clear lines of authority needed: The Fish Safety Act clearly assigns authority for parts of the program, drawing on the strengths of 3 agencies: FDA sets limits for contaminants, USDA inspects processors, Commerce monitors waters. But the lines of authority for most parts of the Hollings program are blurred between the FDA and Commerce, setting it up for failure. HHS is to oversee inspections, but Commerce will carry out the inspections. How will HHS hold Commerce accountable? The program may be paralyzed. OMB may be left to control, and undermine, the program.

Promotion conflicts with public health: The Fish Safety Act is purely a food safety bill. The Hollings program combines food safety with promotional grading, setting up an inherent conflict. The bill shifts inspections and sampling of fish to the Commerce Dept. whose primary mission is to promote marketing. Will the same inspectors do both food safety testing and market-purpose grading? In meat and poultry programs at USDA, food safety inspection and promotional grading are covered under different statutes and are performed by different people.

Imports need stricter scrutiny: The Fish Safety Act requires USDA to inspect foreign processors. Hollings' bill does not require inspections abroad, although over 60% of the fish we eat is imported.

Weak state programs may replace federal program: The Fish Safety Act allows states to implement the federal program, at a minimum. Hollings' bill may allow weaker state programs to preempt the federal program.

NATIONAL FISHERIES INSTITUTE, INC.,
Arlington, VA, July 19, 1990.

THE NATIONAL FISHERIES INSTITUTE URGES YOUR SUPPORT FOR SEAFOOD INSPECTION LEGISLATION

DEAR SENATOR: Seafood inspection's time has come. Consumers and industry strongly support such legislation. We urge you to vote for the proposal to establish a seafood inspection program in the U.S. Department of Agriculture [USDA]. We expect this proposal (S. 1245) to be offered by Senator Mitchell for inclusion in the Farm Bill.

The National Fisheries Institute is made up of almost 1,000 firms engaged in all aspects of the U.S. seafood industry, including vessel operators, processors, importers, distributors, brokers, restaurants and retail chains. Growing seafood consumption, environmental concerns, and international trade requirements dictate action for the public good. We respectfully request your support for S. 1245.

Sincerely yours,

LEE J. WEDDIG,
Executive Vice President.

NATIONAL RESTAURANT ASSOCIATION,
Washington, DC, September 11, 1990.

DEAR SENATOR: I understand that fish inspection legislation is expected to reach the Senate floor within the next few days. On behalf of the National Restaurant Association, I urge you to support S. 2924 by Senate Majority Leader George Mitchell.

The Association believes that a seafood inspection program would help to provide greater assurances of a safe and healthy product for the foodservice industry and its patrons. We are further convinced that the U.S. Department of Agriculture [USDA] is best equipped to administer that program. Recognizing that USDA is presently responsible for both meat and poultry inspection, a mechanism for fish inspection could easily be created within the agency. By giving USDA this authority Senator Mitchell's bill, S. 2924, draws on their existing experience, personnel and inspection and research facilities, thereby assuring the most economic approach to fish inspection.

In addition, USDA already deals with overseas inspection agencies on meat and poultry issues. The agency therefore, is best equipped to handle the international aspects of fish inspection. USDA's presence abroad should be utilized in coordinating the program overseas.

For these reasons the National Restaurant Association urges you to support S. 2924. Should further information be helpful, please contact me or Shannon Tuel at 331-5900.

Sincerely,

MARK GORMAN,
Senior Director, Government Affairs.

BOSTON FISHERIES ASSOCIATION, INC.,
Boston, MA, July 13, 1990.

Hon. GEORGE MITCHELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MITCHELL: This is to thank you for your efforts to secure a mandatory seafood inspection program which will protect the interests of consumers while furthering our industry.

S. 1245 seems to represent the most sensible way to achieve this important legislative goal and we respectfully urge you to press forward with it.

Thank you for your continued support for the fishing industry in New England.

Sincerely,

MICHAEL VITALE,
President.

VIRGINIA SEAFOOD COUNCIL,
Newport News, VA, October 17, 1989.

The Virginia Seafood Council, a trade association representing seafood processors, packers, planters and harvesters in the Commonwealth of Virginia, supports Senate Bill No. 1245 titled "Federal Fish Inspection Act".

The Board of Directors and membership of the Council, at its regular quarterly meeting on October 10, 1989, voted unanimously to support the Mitchell bill in the United States Senate. This Council has been discussing federal seafood inspection programs for many years. The Council reiterates its endorsement of the Hazard Analysis

Critical Control Point method of seafood inspection.

We understand that under Senate Bill No. 1245 the administration of such inspection will be developed and carried out in accordance with HACCP. We further understand that Bill 1245 provides for training and funding of inspection officers. We strongly urge the appointment of an Undersecretary of Seafood in the structure of the Department of Agriculture and encourage that undersecretary to develop a strong working relationship with individual States.

FRANCES W. PORTER,
Executive Director

SHELLFISH INSTITUTE OF NORTH AMERICA,
Arlington, VA, July 24, 1990.

Hon. GEORGE MITCHELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MITCHELL: Consumers and industry strongly support seafood inspection legislation. We urge you to vote for the proposal to establish a program in the U.S. Department of Agriculture (S. 1245) to be offered by Senator Mitchell for inclusion in the Farm Bill.

The Shellfish Institute of North America is made up of firms engaged in all aspects of the U.S. shellfish industry, including vessel operators, processors and distirbutors. We respectfully request your support for S. 1245.

Sincerely yours,

ROY E. MARTIN,
Executive Director, Science & Technology.

NORTH CAROLINA FISHERIES ASSOCIATION INC.,
New Bern, NC, July 14, 1990.

Hon. GEORGE MITCHELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MITCHELL: We appreciate your efforts as a leader in the efforts to obtain legislation for the inspection of seafood. Consumer confidence in the commercial fishing industry and its products is vital if we are to grow or even survive.

We encourage you to press ahead with S-1245. In our view, S-1245 will adequately address the concerns of seafood consumers.

Yours truly,

JERRY SCHILL,
Executive Director.

UNISEA,
Redmond, WA, May 2, 1990.

Hon. GEORGE MITCHELL,
U.S. Senate,
Washington, DC.

DEAR SENATOR MITCHELL: For many years I have maintained that the seafood industry must have mandatory federal inspection in order to gain the complete confidence of the consumer. This is a great deal more true in the current era of 'consumerism' than in previous years.

UniSea has been a participant in the voluntary USDC program which allows us to use the 'Packed Under Federal Inspection [PUFI]' label. We have also had periodic infrequent inspection by Food and Drug inspectors. In my opinion, neither of these programs are effective in either protecting the consumer from the 'bad' operator or instilling consumer confidence in the nation's seafood products.

I believe in order for any seafood inspection program to be truly effective, it must be administered by the same agency that administers the inspection program for red meat and poultry. It also must be similar in its requirements.

The United States Department of Agriculture [USDA] Mandatory Inspection Program for Red Meat and Poultry has been very effective. Not only has USDA done a good job domestically, they have been most effective in the control of safety and sanitary requirements for imported products. Imports is an area that both FDA and USDC have proven themselves to be most inept.

Although the USDA Program now requires full time inspection, I believe this could be modified to accept the Hazard Analysis Critical Control Point [HACCP] system without lessening the effectiveness of the program. In view of the above, I urge your support of a program that directs the USDA to establish a program that

(1) Mandates inspection of all seafood products sold in the U.S. whether they are produced domestically or abroad;

(2) Utilizes the HACCP Program in lieu of full time inspection;

(3) Is funded in total by the U.S. taxpayer.

Until such time as this program is fully implemented, seafood will continue to lag behind red meat and poultry as a product that most consumers will believe is completely safe to eat. Until we overcome this consumer perception, the U.S. seafood industry will not achieve its full market potential. If the U.S. seafood industry is ever to achieve its true potential, I firmly believe that seafood must receive identical inspection treatment under the law as do red meat and poultry.

Sincerely yours,

UNISEA, INC.
J. RICHARD PACE,
President.

OREGON TRAWL COMMISSION,
Astoria, OR, July 16, 1990.

Hon. GEORGE MITCHELL,
U.S. Senate, Washington, DC.

DEAR SENATOR MITCHELL: If we are to have seafood inspection, and it appears we are, we want you to know we support your approach. S. 1245 is a much better bill than S. 2228, in our opinion.

We do not believe the seafood industry should have stiffer penalties than those applied to the meat industry. We should have to deal with only one agency on inspection. We do not believe vessels that do not process should be included.

We urge you to continue moving S. 1245 ahead as opposed to S. 2228.

Sincerely,

JOE EASLEY,
Administrator.

POINT JUDITH FISHERMEN'S COOPERATIVE ASSN., INC.,
Narragansett, RI, July 16, 1990.

SENATOR MITCHELL: Fish inspection has been a topic for discussion in our industry since I began working with fishermen nearly twenty years ago.

Now, thanks to you and your staff, we finally have a chance for rational and constructive ways to go about it. We have always known the advantages of quality assurance for our products. What your legislation does is to build effectively and reasonably upon that knowledge.

Our thanks to you, and to Bob and Bob, for the thought, the time, and the efforts you have invested for the industry in S. 1245. We really do appreciate it!

All good wishes,

LUDY SLOAN,
Washington Representative.

WISCONSIN COMMERCIAL FISHERIES,
Madison, WI, July 16, 1990.

Hon. GEORGE MITCHELL,
U.S. Senate, Senate Office Building, Washington, DC.

DEAR SENATOR MITCHELL: All of us in Wisconsin greatly appreciate your leadership in the Senate to obtain legislation for the inspection of fish and seafood. Obtaining a good program this year is vitally important to both consumers and our industry

That is why we urge you to continue moving S. 1245 forward. We firmly believe that S.1245 will successfully institute the reforms that both consumers and the industry need.

Sincerely yours,

GARY R. GOYKE,
Legislative Liaison, Wisconsin Commercial Fisheries.

BLUE WATER FISHERMEN'S ASSOCIATION,
Arlington, VA, July 16, 1990.

Senator GEORGE MITCHELL,
Washington, DC.

DEAR SENATOR MITCHELL: As Vice President of Blue Water Fishermen's Association, a swordfish fishermen/supplier/dealer's group, I want to express our organization's appreciation of your efforts in developing a reasonable and what should be effective seafood inspection program. If all the Congressional members and their staffs were as careful to ask the pertinent questions and keep affected people informed, the legislation coming from government would be immensely better.

We also appreciate your continuing interest in the ongoing debate over various fishery issues including the Reauthorization of the Magnuson Act.

Again, thanks to you and your staff.

Sincerely,

GAIL L. JOHNSON,
Vice President,
Blue Water Fishermen's Association.

Mr. STEVENS. Mr. President, I do not think the Chair approved my request for printing some of the documents I offered. I renew the unanimous-consent request.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,
Washington, DC, September 10, 1990.

DEAR SENATOR: The Fish Safety Act of 1990, S. 2924, sponsored by Senators Mitchell, Leahy and Cochran will soon be under consideration by the Senate. There is little disagreement that this nation needs an effective and mandatory federal fish inspection program. The AFL-CIO believes that the best route to such a program is contained in an amendment which will be offered in the form of a substitute to S. 2924 by Senators Hollings, Stevens and Kennedy.

The AFL-CIO Executive Council passed a resolution Feb. 20, 1990 outlining what it believes to be the necessary elements of an effective and safe fish inspection program. Its elements include standards for determining

microbiological and chemical contamination for fish and shellfish, certification and frequent inspection of harvesting vessels and processing plants and strengthening of source water monitoring.

Such a program should also include civil and criminal penalties for violations, protection for industry "whistleblowers" and consideration of a fish processor's occupational health and safety records to determine the frequency and intensity of inspections. We believe the substitute will more fully meet these standards.

It is our understanding that the respective sponsors are working to develop a compromise. We are supportive of their efforts to find common ground while at the same time maintaining the strong standards needed to establish a federal fish inspection program which will protect the public and gain the confidence of the thousands of American workers in the fish processing industry.

Thank you for your consideration.

Sincerely,

ROBERT MCGLOTTEN,
Director, Department of Legislation.

SEPTEMBER 6, 1990.

To all Members of the U.S. Senate:

DEAR SENATOR: Soon the Senate will vote on legislation to create the first mandatory seafood safety program in the United States. Under a unanimous consent agreement, two bills will come to the Senate floor for your consideration. These are S. 2924, sponsored by Senators Mitchell and Leahy, and substitute bipartisan legislation developed by Senators Hollings, Stevens and Kennedy. After full consideration of each of these measures, the undersigned consumer and labor organizations strongly urge you to support the Hollings-Stevens-Kennedy substitute. The Hollings-Stevens-Kennedy substitute contains more of what we believe to be the essential elements of a public health-based seafood safety program.

The Food and Drug Administration (FDA) estimates that approximately 64,230 illnesses and 22 deaths are caused by consumption of contaminated seafood each year. Yet, seafood is the only flesh food not subject to a comprehensive, mandatory federal inspection program. Passage of legislation which creates a strong public health-based federal inspection program that will significantly improve the safety of seafood for consumers is critical.

The Hollings-Stevens-Kennedy substitute provides stronger and more effective public health protection in several respects.

First, the Hollings-Stevens-Kennedy substitute provides a stronger definition of adulteration. The Mitchell-Leahy bill would allow sale of a product contaminated with a naturally occurring substance if that substance is not "ordinarily" injurious to health. Microbial contaminants such as salmonella are naturally occurring substances. This language will allow the approval of fish products contaminated with salmonella in amounts that might cause serious illness or death to vulnerable populations, such as children, the elderly, or immune-suppressed people.

Second, the Hollings-Stevens-Kennedy, substitute provides for some, thought still inadequate, protection for industry employees who report health and safety violations. In contrast, there is no whistleblower protection in the Mitchell-Leahy bill. If Congress and industry want an effective seafood safety program without continuous federal inspection, whistleblower protection—that is at least as protective as that provided to federal meat and poultry inspectors under current law—is essential. Although the rights and procedures contained in the Hollings-Stevens-Kennedy substitute are excellent, its legal standards do not give employees a realistic chance to win when they attempt to assert their rights. In terms of safe food and law enforcement objectives—the acid test for whether any legislation ultimately protects consumers—its legal standards would be counterproductive. In sum, the Hollings-Stevens-Kennedy substitute offers a useful beginning that needs to be completed in order to ensure effective, meaningful whistleblower protection.

Third, the Hollings-Stevens-Kennedy substitute assigns primary responsibility for seafood safety to the nation's primary public health agency, the Food and Drug Administration (FDA) of the Department of Health and Human Services. The Mitchell-Leahy bill gives primary responsibility to the Department of Agriculture, which is the premier agency for promoting the use of agricultural products. Public health protection and product promotion often conflict. The FDA is the preferable agency.

Fourth, other enforcement provisions in the Mitchell-Leahy legislation are also weak. One major concern is that the legislation allows USDA to transfer federal inspection responsibilities to the states without requiring a state enforcement program. Bifurcation of inspection and enforcement responsibilities will seriously undermine enforcement by blurring responsibility and accountability.

Finally, the Mitchell-Leahy legislation burdens federal authorities with onerous requirements for civil proceedings. Specifically, the bill requires civil penalties to be obtained in district court and subjects the government to a higher-than-ordinary burden of proof. Both conditions unnessarily drain valuable agency time and resources.

Although both bills need additional language requiring inspection of harvesting vessels and mandatory sampling of seafood that is caught by harvesting vessels and sold without processing, we believe that the Hollings-Stevens-Kennedy substitute offers the better alternative.

We strongly urge you to support the Hollings-Kennedy-Stevens substitute seafood safety legislation when it comes before you for a vote on the Senate floor.

Sincerely,

Consumers Union; United Food and Commercial Workers International Union; Carol I. Foreman, Assistant Secretary of Agriculture, 1977-1981; Public Citizen's Congress Watch; Thomas Devine, Government Accountability Project; Food and Allied Service Trades, AFL-CIO; National Consumer's League; Consumer Federation of America.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 10, 1990.

STATEMENT OF ADMINISTRATION POLICY

(S. 2924—Fish Safety Act of 1990—Mitchell, ME)

The Administration supports an expansion of the existing seafood inspection program in the Food and Drug Administration (FDA) and the National Oceanic and Atmospheric Administration (NOAA). The Administration, however, opposes S. 2924, which would move virtually the entire program to the Department of Agriculture for reasons unrelated to public health and safety. The Administration prefers S. 2228, which will be offered as an amendment in the form of a substitute. It would build on experience and scientific expertise in the FDA and NOAA to improve the inspection of all seafood products and aggressively address the primary health and safety concern—shellfish contamination.

If any legislation is presented to the President that does not include the principal elements of the Administration proposal, his senior advisers would recommend a veto.

The Administration believes that overall responsibility for seafood safety should remain with the FDA, an agency of the Department of Health and Human Services, and NOAA, an agency of the Department of Commerce. The President's FY 1991 Budget includes an increase for the Federal seafood inspection program directed toward those agencies. The Administration also supports user fees to allow further enhancement of inspection services that impart substantial private benefit to industry. The seafood industry has requested additional Federal inspection, which may increase public confidence and improve seafood marketing opportunities. Thus, user fees are appropriate to finance a portion of any expanded program.

FDA's seafood safety program currently includes mandatory, random inspections and extensive research, and relies on longstanding relationships with States, other Federal agencies, and foreign countries. Many of the activities in FDA's program require highly specialized knowledge and training, including expertise in marine biology and related marine disciplines. FDA's program should remain the cornerstone of the Federal regulatory system for seafood.

NOAA is the only Federal agency authorized to control fishing activities of vessels in Federal waters and has closed those waters to harvesting when a FDA tolerance for a contaminant in shellfish has been exceeded. NOAA has an unsurpassed knowledge of fishing vessels and acceptability of catch. Like FDA, NOAA has experience in inspecting seafood processors under its current voluntary program. This program, which complements FDA's mandatory program, includes grading and lot certification for export, features important for international trade. NOAA is also the lead Federal agency with respect to fisheries trade policy and strategy.

The clearest health risk from seafood involves the consumption of raw molluscan shellfish, although less than one percent of all seafood is consumed that way. This risk stems largely from human pollution of coastal waters. Monitoring the quality of local growing waters is the only viable recourse, and FDA and NOAA, working with the States, are uniquely qualified to address this public health problem. All State shellfish safety programs for monitoring growing waters are based on FDA training and rely on FDA technical assistance. S. 2228, the Commerce Committee substitute, constitutes a more thorough and effective response to this primary public health concern than does S. 2924.

	Amount (millions)	FTE
Current FDA seafood expenditures:		
Domestic plant inspections	$2.0	22
Domestic sample analyses	5.0	62
Import examinations and analyses	8.0	103
Seafood safety research	5.0	55
State liaison and compliance programs	4.0	50
Consumer education	1.0	8

	Amount (millions)	FTE
Total	25.0	300
Current NOAA inspection—related expenditures:		
Establishment and product inspection and analyses	8.3	215
Risk assessment, laboratory methods and standards activities	1.1	24
Product quality and safety research	8.8	102
Total	18.2	341

SUPPORT FOR HOLLINGS-STEVENS-KENNEDY AMENDMENT OR COMMERCE COMMITTEE BILL

Administration.
AFL-CIO.
American Fishing Tackle Manufacturer's Association.
Consumers Union.
Consumer Federation of America.
Food and Allied Service Trades, AFL-CIO.
Government Accountability Project.
Interstate Shellfish Sanitation Conference.
National Consumer's League.
Public Citizen's Congress Watch.
South Carolina Shrimpers Association.
Southeastern Fisheries Association.
United Food and Commercial Workers International Union.
USDA Assistant Secretary (1977-81) Carol T. Foreman.

SUPPORT FOR COMMERCE LEAD, FDA LEAD, OR JOINT PROGRAM

Alaska Crab Coalition.
Alaska Pacific Seafoods.
Association of Food and Drug Officials.
Fishing Vessel Owners Association.
Oscar Dyson and Company.
Texas Shrimp Association.
Trident Seafood Corporation.

Mr. LEAHY. The distinguished Senator from Alaska noted the Texas Shrimp Association, at least as I understand it, was opposed to the Mitchell bill. I ask unanimous consent a letter of June 19, 1990, from the Texas Shrimp Association in favor of the Mitchell bill—just to add to the confusion—be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE TEXAS SHRIMP ASSOCIATION,
Austin, TX, June 19, 1990.

Hon. GEORGE MITCHELL,
U.S. Senate, Russell Senate Office Building, Washington, DC.

DEAR SENATOR MITCHELL: On behalf of the membership of the Texas Shrimp Association, I wish to thank you for all of your efforts on Senate Bill 1245, the seafood inspection bill. TSA is able to support this bill in its present form.

We appreciate the commitment of members of the Senate Commerce and Agriculture Committees to work together on this issue in order to provide the best possible legislation dealing with seafood inspection.

If there is anything I can do to assist in your deliberations, please give me a call. Thank you again for your efforts on this legislation.

Sincerely,

LUCY L. GIBBS,
Executive Director.

Mr. LEAHY. I reserve the remainder of my time.

Mr. STEVENS. Mr. President, I yield to my colleague such time as I may have available under that agreement.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. MURKOWSKI. I thank the Chair, and I thank my colleague, the senior Senator from Alaska.

Mr. President, somebody once said, "If it's not broke, don't fix it." I think we have something like that before us today.

I, along with virtually everyone else who has given any thought to the matter, strongly support the concept of mandatory Federal inspection of the things that we eat: The meat, the poultry, the seafood, and the agricultural products.

What we are talking about here is a little different from normal agriculture. As my senior colleague from Alaska noted, Alaska is an agriculture State, but our production comes from the sea. Agriculture is a renewable resource. Fisheries products are a renewable resource, with the appropriate management.

Mr. President, when we last addressed this issue, I joined the senior Senator from Alaska, Senator STEVENS, the chairman of the Commerce Committee, and others in arguing that seafood inspection is far too important to have it dealt with as an amendment to the farm bill. At that time I requested that I be made a cosponsor of the measure prepared by the Commerce Committee. I am very pleased that the Senate is taking an opportunity now to explore the matter in the detail that it deserves.

Mr. President, for many years the per capita consumption of seafood in the United States stagnated at some 10 pounds per year. There was no concern that seafood would ever dominate much of the food requirements of the American consumer. That has changed. It has changed, Mr. President, because more and more consumers have realized the benefits of eating seafood, and consumption has been steadily increasing.

In 1989, it reached the record level of 15.9 pounds per person. This is still very much below the weight of beef, pork, and poultry consumed in America. But weight is less important than the percentage of increase. That is what is significant. There has been a signal out there, Mr. President, that fish products may be displacing some of our more conventional protein products.

Now we see the meat industry's response—a proposal to abandon the FDA and NOAA, which currently work with seafood, and move into a mandatory inspection program by the U.S. Department of Agriculture.

Mr. President, I suggest to you and my colleagues that we should see this matter for what it is.

The fact is, seafood consumption has been increasing at a time when red meat consumption is generally decreasing, and when there is growing concern about the intake of the various fats and cholesterol in red meats. Anyone who wonders why the red meat and poultry industries are so adamant about Agriculture taking over seafood inspection should study the facts.

First, let us look at the list of nonfishery groups that support putting seafood inspection into the Department of Agriculture. These are agricultural groups, not fisheries groups. The list includes the American Farm Bureau, the American Feed Industry Association, the National Cattlemen's Association, the National Turkey Federation, the United Egg Producers, the American Meat Institute, the National Broiler Council, the National Pork Producers Council, and the United Egg Association.

Mr. President, if any Member of this body thinks that these groups have only the best interest of the seafood industry or the consumer of seafoods at heart, then I probably have a bridge to sell them. These groups argue that USDA should handle seafood because it already has some 7,000 trained inspectors. But what are they trained to do? They are trained to inspect poultry, pork, and beef. But how much interest and experience have they had in inspecting fish products? The fact is, USDA's inspectors are trained for an entirely different type of inspection than the process proposed for seafoods.

Out of the thousands of USDA inspectors, only 65 have had any seafood training, and those had to be trained by the Department of Commerce; namely, the agency that currently has the responsibility.

Mr. President, the USDA itself has repeatedly said that it cannot even handle its full responsibility in meat inspection duties with its present resources, let alone start handling a new industry altogether.

One has to question the rationality of mandating additional responsibilities to the USDA when it cannot even handle its current requirements. Anyone who doubts that would merely have to check over the past few years of newspaper accounts of contaminated meat and other problems.

It simply makes no sense, Mr. President, to give seafood inspection authority to an agency that has had no experience in seafood, no inspectors trained in the appropriate inspection techniques, and which admits that it does not have the ability to do its present tasks as well as they should be done or as well as that administrative agency would like to do the job.

In fact, the administration, including the USDA, is strongly in favor of the approach which came out of the Commerce Committee.

Mr. President, fisheries landings in the State of Alaska totaled 4.1 billion

pounds in 1989. That was 3.5 times as much fish as was landed in the next most productive State, the State of Louisiana. But, Mr. President, even those figures are somewhat misleading because the Alaska landings were all edible seafood products, and the Louisiana landings included a large amount of menhaden, which are not used for seafood products.

You and I, Mr. President, and every other Member of this body has probably eaten some Alaska fish product during the past month, or at least during the past year. We could be sure that our meal would be clean and wholesome because it had been inspected under one of the country's most successful and up-to-date inspection programs, which is operated by the Alaska Department of Environmental Conservation.

We in the State of Alaska have undertaken the responsibility of seafood inspection because fishing is a major industry, the largest employer in Alaska, and we have a great deal at stake in making sure of the high quality and high degree of acceptability of those products not only in the United States but also in other markets such as the Pacific rim countries.

Despite the huge volume of seafood produced in Alaska, there has not been a single case of illness or disease from a commercially processed Alaska seafood product since an occurrence in 1982. In fact, Mr. President, the success of the Alaska program is one reason that the hazard analysis critical control point inspection process is now almost universally recognized as the state of the art, rather than the old continuous inspection process used for the red meat and poultry programs.

Mr. President, in November of last year, Mr. Donegan, director of the Alaska program, addressed the House Subcommittee on Fisheries. I quote:

> It is unfortunate that much of the discussion of inspection has focused on which agency should be given the responsibility for seafood inspection. In our view, the better approach is to define just what the problem is, determine what agency functions are needed to address that problem, and direct the appropriate agency to undertake the task.

In a letter to Chairman DE LA GARZA, of the House Agriculture Committee, the same gentleman said—that is Mr. Donegan, director of the Alaska program:

> We believe any federal inspection program would be most effective and least disruptive if administered by the federal Food and Drug Administration. Legally harvested and processed seafood present almost no risk of disease to the consumer and are one of the safest sources of protein available if not consumed raw. The FDA has years of experience in the inspection of seafood and disease prevention.
>
> With adequate funding, FDA would be able to provide an enhanced program without the disruption and loss of continuity that would accompany any wholesale reassignment of inspection responsibilities. We strongly recommend that their efforts in research, disease monitoring, and inspection continue without interruption and with increased support.

Mr. President, I think this body should follow Mr. Donegan's advice. I think it is appropriate to briefly review what the problem is; what agency functions are needed to address it; and what agency is best suited for that role.

Mr. President, many of the potential problems with seafood, and I stress potential problems, such as the presence of natural microtoxins, contamination from polluted source waters, and so on, are unique to an industry which is 88 percent comprised of resources harvested from the wild.

The Food and Drug Administration and the Department of Commerce have made a science out of understanding exactly what these potentially unique problems are. The Department of Agriculture has not. It does not have the background, the research, or the knowledge.

Another unique aspect is the fact that much of our seafood is processed at sea, on factory ships. These vessels move back and forth, hundreds of miles to the nearest port cities. They may be out for months at a time. That is a far cry from the typical USDA-inspected slaughterhouse, but it is a familiar environment to the Department of Commerce, which already manages fisheries throughout the U.S. 200-mile zone.

Mr. President, I do not want to take a lot of the Senate's time on this, and there may be others who wish to speak on the matter. However, let me close by summarizing the situation.

There are two proposals before this body. Both would break new ground by making fundamental changes in the way that an entire industry is regulated. In that sense, neither proposal reinvents a wheel. However, we have to be on our guard against inventing a wheel that is going to have a flat tire. I am convinced that placing the seafood inspection in the Department of Agriculture would do just that.

Those who espouse the USDA approach do so in good faith, I am sure, but they would place the regulatory authority in an agency that has no expertise—no expertise, Mr. President—in seafood; no experience with the type of inspection system proposed for it; and no way to cover the vessels at sea.

Are they going to ask the Coast Guard to go out and drop off inspectors on these vessels? The senior Senator and I and a few others happen to know how big that North Pacific Ocean is. The reality is that there are not enough Coast Guard vessels to observe and apprehend foreign fisheries violators. Are they now expected to take out inspectors. It is simply impractical. It is not going to work. It cannot be done.

If it is going to be done, you are going to have to appropriate an awful lot more in resources for the Coast Guard to be able to board those vessels, because you do not board those vessels with a helicopter, Mr. President. You have to do it with a surface vessel, and those vessels are days and days away from any port, in many cases.

Those who reflect on this issue, I think, have to recognize that the other proposal, the amendment from the Commerce Committee, would place the regulatory authority in the experienced hands where it belongs, experienced hands which already have authority over the seafood industry, which already conduct inspection and grading programs, which already have the scientists, the laboratories, the background, the vast experience in the special problems of seafood quality assurance, which already have a fully developed relationship with the States involved in inspection programs, which already have a cadre of inspectors trained in the necessary new techniques, and which have the full confidence and backing of our administration, as well as the American consumer.

In conclusion, Mr. President, I urge my colleagues to take these considerations into account before voting on this measure. I am confident if they do, they will overwhelmingly support the Commerce Committee approach.

I would like to commend my senior colleague and Members of the Commerce Committee for putting forth this measure in its current form, because it is the responsible expansion of a working program.

As I said in my opening remarks, Mr. President, if it is not broke, don't fix it. I am sure we have more important things to do around here.

Mr. President, I will be happy to respond to any questions my colleagues may have concernng the position I have taken on this matter.

Mr. COCHRAN. Mr. President, may I inquire what the situation is with respect to the time under the control of the managers of the bill and that available to the opponents of the legislation?

The PRESIDING OFFICER. The proponents retain 99 minutes, the opponents 59 minutes.

Mr. BOSCHWITZ. Mr. President, I rise today as a cosponsor of this legislation (S. 2924) to establish a mandatory federally funded fish inspection program.

Last year I was an original cosponsor of similar legislation, S. 1245, introduced by Majority Leader GEORGE MITCHELL, and am pleased that the

full Senate is now finally considering this important measure.

I believe that it is in the best interest of American consumers and the fishing industry to make fish inspection mandatory rather than voluntary.

Fish has become an important component of the diet of Americans. At the same time, American consumers have become more aware of food safety issues. The time is right to enact a mandatory program like this. This bill benefits the American consumer as well as the fishing industry. Indeed, the fish industry and a number of consumer groups strongly support this bill.

This bill makes the Department of Agriculture [USDA], the lead agency for fish inspection, but the Food and Drug Administration [FDA] and the National Oceanic and Atmospheric Administration [NOAA], will also play important roles. USDA will conduct the inspections, FDA will set standards, and NOAA will retain jurisdiction over growing and harvesting waters.

USDA has expertise in this area since it now has responsibility for meat and poultry inspection and already has thousands of inspectors out in the field. Indeed, fish is the only form of meat that is not now inspected by USDA.

While USDA is the logical choice for the lead agency for this new inspection program, it is also important to utilize the strengths and expertise of other Federal agencies in designing this new program. The bill we are discussing today does that.

In contrast, the program set forth in the Hollings substitute bill is not as well-coordinated, and the roles of the various Federal agencies involved with the new Fish Inspection Program are not as clearly defined. Under the Hollings substitute bill the Commerce Department would do the actual inspections while the Department of Health and Human Services would design and oversee the Inspection Program.

USDA is also better equipped to handle the international aspects of a fish inspection program. It is important to note that the United States is the largest exporter of seafood and the second largest importer. USDA already has experience dealing with other countries regarding meat and poultry inspection.

One final note regarding the Hollings substitute bill. I am very concerned about the difference in standards for imported and domestically produced fish products. As the largest exporter of seafood, we must be cautious about making changes that will impede our ability to export fish products. The Mitchell bill applies the same standards to both domestic and imported products.

I must add that it's unfortunate that a turf battle has resulted from the introduction of mandatory fish inspection legislation. The bottom line is that we should work together to enact a workable and effective program.

Again, I commend my colleagues for their hard work on fish inspection legislation. I urge the adoption of this bill.

Mr. COCHRAN. Mr. President, I now yield 10 minutes of our time to the distinguished Senator from Rhode Island [Mr. CHAFEE].

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. HOLLINGS. I wonder if the Senator will yield a minute to clarify the time. I was about to call up the amendment, which had not been called up, which has 2 hours. The Senator asked about the time on the bill itself.

The PRESIDING OFFICER. Under an adjustment to the previous unanimous consent, a subsequent unanimous-consent agreement aggregated all of the time available on the bill, so instead of 2 hours there was 4 hours in total available, and still remaining are 99 minutes on the part of the proponents, 59 minutes on the part of the opponents.

Mr. HOLLINGS. Let me make sure my amendment is called up. Is that all right? Is my amendment up for consideration under the unanimous-consent agreement? I would think it would be. I just want to make sure.

The PRESIDING OFFICER. It would be in order for the Senator to offer his amendment at this time.

Mr. HOLLINGS. I will after the Senator from Rhode Island is finished.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 10 minutes.

Mr. CHAFEE. The distinguished Senator from Utah has an emergency. I ask if he could go ahead of me.

The PRESIDING OFFICER. Who yields time.

Mr. HOLLINGS. I yield such time as necessary to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I rise to oppose the bill that has been proposed by the distinguished majority leader.

This bill will move the responsibility for this Nation's seafood inspection program from the Federal Food and Drug Administration to the U.S. Department of Agriculture. We can all agree that this is a major move of responsibility and resources, a move that is being made without committee hearings on the proposal, consultation with the Labor and Human Resources Committee, or the administration officials who have expertise in this area.

As a matter of fact, I have a letter signed by HHS Secretary Louis Sullivan, Commerce Secretary Robert Mosbacher, and OMB Director Richard Darman stating the administration's opposition to this approach to seafood inspection.

Mr. President, there is another bill pending on the calendar that is more appropriately drafted and that would build on the experience and knowledge of both the FDA and the National Oceanic and Atmospheric Administration [NOAA]. Both Senator KENNEDY and I have worked with the members of the Commerce Committee in crafting S. 2228, a bill that would establish an improved seafood inspection program in the FDA and the NOAA.

These are two agencies that have a long history of working with the seafood industry both in this Nation and internationally. These are two agencies that have strong ties to State and local health departments and that have worked to ensure that the waters from which seafood is harvested are safe.

Let me explain the special role of the FDA in the inspection of seafood. The FDA is responsible for the safety of America's food supply—which is the world's safest supply. Among FDA's duties is the inspection of seafood.

The FDA has primary responsibility for the safety of food. The only exceptions are the inspection of meat, poultry, and dairy products. Perhaps it would make sense for us to consider shifting these activities to the FDA rather than the other way around.

Nevertheless, I think it is important for all Senators to understand the basic differences between the USDA and FDA inspection programs. The USDA conducts inspection of meat and poultry on a look-see approach. The inspector looks at the product to see if it appears to be contaminated. I might add, as good as these inspections are, they cannot determine contamination by toxic substances, or check for bacteriological contamination, or establish the presence of micro organisms.

The FDA pioneered the hazard analysis critical control points, of HACCP. The HACCP Program requires that foods be more thoroughly examined under a microscope and tested for contaminants that cannot be seen by the naked eye. This is a far more comprehensive and scientifically based inspection, and it is valid for all forms of food processing. It is especially well suited for the inspection of seafood.

Unlike the USDA programs that focus on a few species, in fixed surroundings, the FDA and NOAA are experienced in working with a myriad of species, many of which have little in common with one another other than that they live in water. Most are caught in the wild under widely varying environmental conditions. Such conditions range from the cold waters of the north Atlantic and the Gulf of Alaska to the warm waters of the Gulf of Mexico. In addition, fish are har-

vested in shallow tidal waters subject to runoff and other forms of pollution as well as from off the continental shelf in very deep waters.

Unlike the meat and poultry industry, the seafood industry is made up of small processors and wholesalers, not large central facilities. These processors and wholesalers acquire their product from a broad variety of individuals who are, for the most part, catching their fish in wild waters and bringing them to market.

Also, unlike the products that are inspected by the USDA, seafood products, both fish and molluscan shellfish, can be eaten raw, alive, and with an intact gastrointestinal tract. As a consequence, it is important that they be harvested from waters that do not contain excess levels of toxins or other contaminants.

Carrying out the HACCP program effectively requires an understanding of naturally occurring toxins, ocean parasites, shellfish bacteria, and viruses. It also requires the presence of a Federal-State laboratory system for support. All of this is in place today.

Mr. President, the FDA conducts seafood research both at its headquarters here in Washington and at field research centers at the Seafood Products Research Center, in Seattle, at the Northeast Technical Services Unit in Rhode Island, and at the Fisheries Research Branch in Alabama. Each of these units addresses the unique problems of its geographic region.

Additionally, Mr. President, the FDA has the ability to utilize the scientific knowledge obtained from other parts of the FDA. For example, FDA is doing advanced work to develop a gene probe that will be able to detect certain viruses in shellfish.

Mr. President, I certainly respect the distinguished Senator from Maine who has offered this legislation. I do not question his—or anyone's—dedication to guaranteeing the safety of our seafood. But in looking through the report that accompanies S. 1245, there is no acknowledgment whatsoever of the fact that this technique is employed by the FDA.

I must oppose this proposal because I believe this issue should be debated more fully in committee and in consultation with the administration to fully identify aspects of seafood inspection that can be improved. But, also, I do not believe we should move from a highly comprehensive microbial inspection to a less sophisticated look-see inspection.

Personally, Mr. President, I would find little comfort in the fact that every single fish is looked at for 2 seconds to ensure that it is safe to eat. That look-see inspection will not indicate the presence of bacteria, toxins, or other contaminants as would an inspection performed under the HACCP program. If the HACCP program is lacking in some way, let's deal with that matter promptly in the context of S. 2228. But, let's not compromise this scientific, highly regarded approach to ensuring the safety of our seafood in the meantime.

Mr. President, I oppose this bill. I think that is the appropriate thing to do, or I would not be here. But I find no fault with those who are advancing it other than the points that I have made in these remarks here.

I support the Commerce Committee substitute. I urge my colleagues to do the same.

I also want to, personally, express my gratitude to the distinguished Senator from Rhode Island for allowing me to go first at this time because I have such a conflict I just have to be able to do it. He has been very, very gracious. I would never ask him otherwise. I really appreciate it.

I yield the floor.

Mr. COCHRAN. Mr. President, I yield 10 minutes to the distinguished Senator from Rhode Island [Mr. CHAFEE.]

The PRESIDING OFFICER (Mr. BINGAMAN). The Senator from Rhode Island is recognized for 10 minutes.

Mr. CHAFEE. Mr. President, first I want to thank the distinguished manager of the bill for this time.

I am pleased to support S. 2924, the Fish Safety Act of 1990. In June of last year I joined Senator MITCHELL and nine of my colleagues in introducing the original bill S. 1245 from which this present legislation is drawn. By acting on this legislation today, the Senate will be taking the first step toward ensuring the wholesomeness and safety of seafood products.

As a Rhode Islander, Mr. President, I am especially aware of the need to reassure consumers about the safety of the seafood that we eat. We residents of the Ocean State enjoy the full benefits of beautiful marine environment. On this marine environment which includes of course Narragansett Bay and the ocean, we enjoy boating, sailing, swimming. But the bay and the ocean also are critical economic resources for our State. The fishing industry in Rhode Island provides hundreds of jobs for our citizens and for other New Englanders. The products of our fishing industry are world famous, lobsters, clams, scallops, and others.

Mr. President, there has been increasing concern about the health risks posed by unsafe and contaminated seafood products. This fear has been heightened by recent troubling reports about the condition of our marine environment. We have all read the stories about the red tide, about medical wastes, about ocean dumping of sludge. These have appeared regularly in newspapers and news broadcasts. There have been other scares about the safety of foods generally such as fruits. These have all added to the public's hesitation about what is safe to eat and what is not safe to eat.

That is why a national seafood inspection program is extremely important. Currently, seafood is partially regulated by the Food and Drug Administration and by State agencies. But in order to allay public concerns about seafood consumption, we need a comprehensive inspection system to consolidate and enhance all the regulatory programs.

Not only would such a program protect consumers, but I might say it would protect fishermen and seafood processors as well. It is essential that we give the fishing industry a way to assure consumers that seafood products are not only safe to eat but are of high quality as well. The USDA now inspects other flesh products such as meat and poultry. Fish products are of no less importance and deserve that same stamp of confidence.

Under S. 2924, a comprehensive mandatory inspection program for fish and fish products would be established. That is what this bill does. The processing establishments, that include vessels that process food at sea, would be subject to inspection and certification by the Federal Government. Furthermore, I think this is important since more than 60 percent of seafood consumed in the United States is imported. The act would require that imported fish meet standards at least as stringent as those set for our domestic fish. Certainly that makes sense. In addition, a consumer education and fish safety research program would be established.

The bill before us would give primary responsibility for inspection to the Department of Agriculture. At the same time, the legislation ensures that two equally critical agencies, the Food and Drug Administration, so-called FDA, and the National Oceanic and Atmospheric Administration, known as NOAA, will play lead rolls in their respective areas of expertise. Thus, the U.S. Department of Agriculture will handle seafood plant inspection and product sampling, FDA will be responsible for developing contaminant standards for seafood and seafood products, and NOAA will be charged with monitoring and restriction of harvesting waters. This especially applies to the hard-shell clams.

Rhode Island takes pains to ensure the safety of its seafood products, but even so, our fishing industry is adversely affected by national negative public perception about seafood. Thus, its representatives, I am talking about the representatives from my State, have endorsed a national inspection program. It is important that they be able to reassure consumers about the wholesomeness of seafood that

reaches the dinner tables of America. That kind of public confidence would be greatly enhanced by a national inspection system. S. 2924 appears to be the best way to accomplish that goal.

I might say, Mr. President, that the principal fishing organizations in Rhode Island have endorsed S. 2924. They are the Point Judith Fishing Co-op, Seafood Resources, Blount Seafood Corp., and Seafreeze Ltd.

Mr. President, I believe this piece of legislation represents a win-win situation for consumers, and for the fishing industry in my State, and for the fishing industry nationally as well. I urge its passage.

I thank the Chair.

Mr. GORTON. Mr. President, over 40 percent of the Nation's seafood comes from the waters off Washington, Alaska, and Oregon, so I have a genuine interest in the issue of fish inspection. In addition, as a member of both the Agriculture Committee and the Commerce Committee, I am in a unique position to hear and understand arguments on both sides of the issue. I have followed closely the development of the proposals before us today, and I have concluded that the bill offered by the Agriculture Committee presents the more logical fish inspection program.

For years the Government has had inspection programs for meat and poultry, but not for fish. This is true even though the public has been told both to eat more fish and to avoid fish that comes from contaminated waters. The fish is good for you; the contaminants are not.

The Agriculture Committee's bill, S. 2924, the Fish Safety Act of 1990, will establish a comprehensive fish inspection program that is aimed at ensuring public confidence in the safety of fish and fish products. This bill is the result of extensive meetings and discussions among Government, consumer, environmental, health and labor groups, and industry officials. S. 2924 contains the essential elements needed for an effective public health protection program, including limits on chemical and microbiological contaminants, an effective program implementation and jurisdiction plan, and import standards.

The Fish Safety Act includes very detailed provisions on the definition of adulteration for fish and fish products and on the setting of contaminant standards for seafood. This is the heart of a strong seafood safety program. The bill provides for effective inspection and sampling programs as well. Little or no criteria exist in other proposals to guide the Food and Drug Administration for setting contaminant limits.

The Mitchell-Cochran-Leahy bill clearly divides responsibility for inspection among three relevant Federal agencies based on their expertise. The Food and Drug Administration will be responsible for setting contaminant standards. The Department of Agriculture, through its Food Safety and Inspection service, will conduct inspections of fish, fish products, and fish processing establishments. Finally, the Commerce Department will monitor and restrict harvesting waters.

Contrast this proposal with the alternative legislation, S. 2228, where jurisdiction is not defined so clearly. I firmly believe that explicit jurisdicitional boundaries are necessary for a successful fish inspection program.

S. 2924 also is very strong in the area of inspection of imported fish. Approximately 60 percent of the seafood consumed in the United States is imported. This bill will impose the same strict standards on imports to which domestic fish are subject. S. 2924 will require USDA to inspect foreign plants and all the fish from nations which have not obtained approval of their inspection system.

Finally, Mr. President, the Fish Safety Act would allow States to administer the Federal interstate inspection and sampling programs. Federal requirements, however, will apply regardless of whether it is administered by USDA or a State agency.

Mr. President, the United States is virtually the only industrialized nation that does not have a fish inspection program in place. The Fish Safety Act will establish a workable, sound inspection program specifically for seafood. I support this bill and encourage my colleagues to do the same.

Mr. LUGAR. Mr. President, I would like to address the issue currently facing the Senate in regards to seafood inspection. It is clear that the basis for the disagreement is not for lack of agreement on the need for seafood inspection. This issue has developed thus far due to an outstanding commitment by the industry and consumer groups to work together for a seafood inspection program. Last fall, these groups identified areas of agreement that laid the groundwork for S. 2429. Those areas included USDA as the primary inspection agency and a publicly funded program. With that as a guide, S. 2429 was developed to include all existing operations in the Department of Commerce and Food and Drug Administration, as well as the U.S. Department of Agriculture.

There is agreement that a seafood inspection program is in the best interest of industry and consumers, regardless of the primary inspection agency. If we are to begin an inspection program based on this agreement, however, our first priority should be identify how we can begin a program in the most efficient manner. USDA already has the inspectors on a national and international basis who stand ready to administer this program. The infrastructure—staff, food safety equipment and laboratories—needed to maintain such a program is already in place. Establishing a similar program in another agency is likely to duplicate this pre-existing infrastructure.

Second, we should maintain parity among all inspection programs. Meat and poultry are currently administered by the U.S. Department of Agriculture. Seafood, as the third mainplate item, should be subject to administration and regulation on the same basis. A level playing field for all meat, poultry, and seafood can be accomplished by housing the inspection processes under the U.S. Department of Agriculture.

An inspection system needs to be developed for fish and fish products that carries with it the assurance of quality consumers have in other USDA inspection programs. As consumer awareness continues to increase, so do demands for assurances of product safety and wholesomeness. We have successfully met these demands in the meat and poultry area and must strive for the same confidence in seafood.

Finally, the U.S. Department of Agriculture has the lead responsibility on food safety and agriculture products including fish in our trade negotiations. These issues should be handled by the same agency to further our relations with foreign governments on this important trade issue. USDA's presence in foreign countries for meat and poultry inspection will be available to the seafood issue under S. 2429. USDA's inspection network is well established abroad and can be implemented immediately. In addition, S. 2429 provides for plant-by-plant inspections to occur abroad and subjects domestic and imported fish to the same quality standards.

I recognize there are jurisdictional concerns about this issue. S. 2429 contains a role for USDA, FDA, and Commerce. For several months, committee staffs from these committees and others met to discuss this issue and identify the existing needs for a seafood inspection program. While there is disagreement about the level of the roles provided in S. 2429, there is inclusion of all agencies and their existing roles related to inspection.

My main concern is that we provide consumers with an inspection program they have confidence in. USDA conveys that confidence and the seafood industry and consumer groups support USDA as the primary inspection agency. If this amendment is not successful, we will not have a seafood inspection program for consumers.

For these reasons, Mr. President, I have supported the efforts by our distinguished majority leader in establishing a comprehensive inspection program within by the Department of Agriculture. I am not opposed to the Department of Commerce being in-

volved in seafood inspection. They are inherently involved with the seafood issue and have a role. I believe S. 2429 provides the best opportunity for an inspection program that provides confidence to our consumers and balance for all those effected by inspection processes.

Mr. HOLLINGS. Mr. President, I call up the substitute amendment of the distinguished Senator from Alaska [Mr. STEVENS], the distinguished Senator from Massachusetts [Mr. KENNEDY], and myself, and I will make sure it is up for consideration. I thought by unanimous consent it was. Is it?

AMENDMENT NO. 2431

Purpose: To make an amendment in the nature of a substitute

Mr. HOLLINGS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from South Carolina [Mr. HOLLINGS], for himself, Mr. STEVENS, Mr. KENNEDY, Mr. DANFORTH, Mr. KERRY, Mr. ROBB, Mr. PACKWOOD, and Mr. MURKOWSKI, proposes an amendment numbered 2431.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike everything after the enacting clause and insert in lieu thereof the following:

SHORT TITLE; TABLE OF CONTENTS

SECTION 1. (a) SHORT TITLE.—This Act may be cited as the "Consumer Seafood Safety and Quality Assurance Act of 1990".

(B) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
Sec. 3. Definitions.
Sec. 4. Seafood safety and quality assurance program.
Sec. 5. Federal seafood standards.
Sec. 6. Registration of processing facilities and importers.
Sec. 7. Federal inspection system.
Sec. 8. Monitoring of growing and harvesting areas.
Sec. 9. Recall.
Sec. 10. Imports.
Sec. 11. Exports.
Sec. 12. Prohibited acts and penalties.
Sec. 13. Hearings and subpoenas.
Sec. 14. Whistleblower protection.
Sec. 15. Cooperation with Centers for Disease Control.
Sec. 16. Consumer education.
Sec. 17. Research priorities.
Sec. 18. Regulations.
Sec. 19. State and interagency cooperation.
Sec. 20. Recovery of costs.
Sec. 21. Exemptions and exclusions.
Sec. 22. Relation to other laws.
Sec. 23. Authorization of appropriations.

FINDINGS AND PURPOSES

SEC. 2. (a) FINDINGS.—The Congress finds and declares the following:

(1) Seafood constitutes an important component of the Nation's food supply. Domestic and imported fish and fish products are consumed throughout the Nation, and are harvested and marketed by a large and diverse commercial fishing industry.

(2) Heightened awareness of the health benefits associated with seafood and a greater diversity of fish products have raised consumption rates and increased the demand for wholesome, high quality seafood.

(3) The sale of fish harvested from polluted waters and the sale of adulterated or misbranded fish products are injurious to the public welfare, destroy markets for wholesome and properly labeled and packaged fish and fish products, and result in injury to consumers and losses to the United States seafood industry.

(4) A significant number of consumer illnesses are caused by improper handling of fish and fish products in the home, and individuals dependent for dietary protein on fish obtained through recreational fishing are at particular risk.

(5) Existing Federal standards and systems of inspection and monitoring have failed to incorporate advances in science and food technology and are insufficient to ensure consumer confidence in the wholesomeness of fish and fish products.

(6) The Federal Government has the responsibility of ensuring the safety and quality of fish products sold in interstate commerce for consumption in the United States.

(7) A comprehensive national seafood safety and quality assurance program is necessary to protect public health and to maintain the position of the United States as a leading supplier of and market for fish and fish products.

(b) PURPOSES.—It is declared to be the purposes of the Congress in this Act to—

(1) safeguard the safety of fish and fish products sold in interstate commerce to consumers;

(2) increase the health benefits of consuming seafood and enhance public confidence in the wholesomeness of fish and fish products; and

(3) promote commerce in fish and fish products by encouraging the acceptance of wholesome fish and fish products in foreign and domestic markets.

DEFINITIONS

SEC. 3. As used in this Act, the term—

(1) "adulterated" means, with respect to any fish or fish product, that the fish or fish product—

(A) bears or contains any contaminant—

(i) for which a standard has been established under section 5(a)(1) and which is not within the limits of such standard; or

(ii) for which no standard has been established under section 5(a)(1) and which may render the fish or fish product injurious to health;

(B) has been made or derived in whole or in part from fish harvested in a restricted harvesting area designated under section 8 for that species;

(C) bears or contains—

(i) any food additive which is unsafe within the meaning of section 409 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 348); or

(ii) a color additive which is unsafe within the meaning of section 706(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 376(a));

(D) consists in whole or in part of any filthy, putrid, or decomposed substance or is for any other reason unsound, unhealthy, unwholesome, or otherwise unfit for human food;

(E) is or has been contained in a package that is composed in whole or in part of any contaminant that may render such fish or fish product injurious to health;

(F) has any valuable constituent in whole or in part omitted or abstracted therefrom; any substance substituted wholly or in part therefor; damage or inferiority concealed in any manner; or any substance added thereto or mixed or packed therewith so as to significantly increase its bulk or weight, reduce its quality or strength, or make it appear better or of greater value than it is; or

(G) is not in compliance with, or has not been processed in accordance with, this Act or standards and regulations promulgated under this Act;

(2) "contaminant" means any substance that may render fish or fish products injurious to health and includes—

(A) such chemicals as heavy metals, pesticides, and polychlorinated biphenyls;

(B) such parasitic or microbiological organisms as nematodes, bacteria, and viruses; and

(C) such naturally-occurring toxins as ciguatoxin and scombrotoxin.

(3) "fish" includes all finfish, mollusks, crustaceans, amphibians, and other forms of aquatic animal and plant life, whether from wild or cultured sources, except birds and mammals.

(4) "fish product" means any food product intended for human consumption and derived in whole or in part from fish, including unprocessed fish, except any product that—

(A) contains fish in a relatively small proportion or historically has not been considered by consumers as a product of the seafood industry, and

(B) is exempted by the Secretary of Health and Human Services from the definition of fish product under such conditions as may be prescribed to assure that the fish contained in such product is not adulterated and that such product is not represented as a fish product.

(5) "inspection" means the examination, by an authorized Federal or State agent, of any fish or fish product, or any processing facility, or of any activity involving the handling or processing of any fish or fish product, to ensure that the requirements of this Act and regulations promulgated under this Act are met.

(6) "interstate commerce" means commerce—

(A) between a place in a State and a place outside such State (including a place outside the United States);

(B) between two places in a State through another State or a place outside of the United States; or

(C) within the District of Columbia or any territory or possession of the United States.

(7) "label" means a display of written, printed, or graphic matter upon the package (not including package liners) of any article.

(8) "labeling" means all labels and other written, printed, or graphic matter upon any article or any of its packages, or accompanying such article.

(9) "misbranded" means, with respect to any fish or fish product, that—

(A) the labeling of the fish or fish product is false or misleading in any particular;

(B) the fish or fish product is offered for sale under the name of another food;

(C) the fish or fish product is an imitation of another food, unless its label bears, in type of uniform size and prominence, the word "imitation" and, immediately thereafter, the name of the food imitated;

(D) the package of the fish or fish product is so made, formed, or filled as to be misleading;

(E) the fish or fish product does not bear a label containing—

(i) the name and place of business of the manufacturer, packer, or distributor;

(ii) an accurate statement of the quantity of the contents in terms of weight, measure, or numerical count, except that reasonable variations may be permitted, and exemptions as to small packages or articles that are not in packages may be established by regulations promulgated by the Secretary of Health and Human Services;

(F) any word, statement, or other information required by or under authority of this Act to appear on the label or other labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or devices, in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

(G) the fish or fish product purports to be or is represented as a food for which a definition and standard of identity or composition has been prescribed by regulation under this Act unless—

(i) the fish or fish product conforms to such definition and standard, and

(ii) the label of the fish or fish product bears the name of the food specified in the definition and standard;

(H) the fish or fish product purports to be or is represented as a food for which a standard of fill of the container of such product has been prescribed under regulations promulgated by the Secretary of Health and Human Services, and such fish or fish product falls below such standard, unless the label of the fish or fish product bears, in such manner and form as such regulations require, a statement that it falls below such standard;

(I) the fish or fish product is not subject to the provisions of subparagraph (G), unless its label bears—

(i) the common or usual name of the food, if any such common or usual name exists; and

(ii) in the case of a product that is fabricated from two or more ingredients, the common or usual name of each such ingredient, except the spices, flavorings, and colorings may, when authorized by the Secretary of Health and Human Services, be designated as spices, flavorings, and colorings without naming each and, to the extent that compliance with this clause is impracticable or results in deception or unfair competition, exemptions shall be established through regulations promulgated by the Secretary of Health and Human Services; or

(J) the labeling or packaging of the fish or fish product contains an official mark which is not authorized under section 7 and which indicates compliance with any Federal standard applicable to fish or fish products.

(10) "official mark" means any symbol prescribed by regulations promulgated pursuant to this Act to identify the status of any fish or fish product.

(11) "package" includes any container, box, can, tin, cloth, plastic or other receptacle, wrapper, or cover.

(12) "person" means any individual (whether or not a citizen of the United States), any corporation, partnership, association, cooperative, or other entity (whether or not organized under the laws of any State), and any State, local, or foreign government, or any entity of such government or the Federal Government.

(13) "process" means, with respect to fish or fish products, to prepare or manufacture such products by canning, cooking, smoking, filleting, fermenting, or freezing to the extent that the freezing is associated with other actions related to processing (including heading and gutting), dehydrating, mincing, drying, and consumer packaging.

(14) "processing facility" means any fish processing vessel or any building, premises, structure, or other facility that is used in the handling or processing of fish or fish products intended for human consumption.

(15) "seafood" means fish products in general.

(16) "shellfish" means any species of oyster, clam, or mussel, either shucked or in the shell, and either fresh or frozen, or otherwise processed, or any part thereof.

(17) "State" means any State of the United States, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any territory or possession of the United States.

SEAFOOD SAFETY AND QUALITY ASSURANCE PROGRAM

SEC. 4. (a) ESTABLISHMENT OF PROGRAM.—Not later than two years after the date of enactment of this Act, the Secretary of Health and Human Services in cooperation with the Secretary of Commerce shall establish, in accordance with this Act, a comprehensive seafood safety and quality assurance program for fish and fish products. The program shall be designed in consultation with the Secretary of Agriculture, the Secretary of Transportation, the Interstate Shellfish Sanitation Conference, the heads of other appropriate Federal and State agencies, and representatives of the seafood industry and national consumer organizations.

(b) PROGRAM REQUIREMENTS.—The program shall—

(1) be specifically designed to take into consideration the special characteristics of fish and fish products, including the distinctive characteristics, hazards, control points, and processing procedures related to different species of fish;

(2) prescribed health-based standards for safety and sanitation in the harvesting and processing of fish and fish products;

(3) be based on a comprehensive evaluation of processing and distribution of fish and fish products, including—

(A) identification and assessment of the severity of potential health risks associated with fish and fish products, and with processing and handling of fish and fish products;

(B) determination of sources and specific points of potential contamination that may adulterate fish and fish products; and

(C) assessment of the potential for persistence and multiplication or concentration of contaminants in fish and fish products;

(4) provide for procedure to prevent, eliminate, or control potential contaminants and for monitoring of those procedures;

(5) implement a system to monitor fish growing and harvesting areas;

(6) provide inspection, enforcement, and monitoring authority for State governments and compensation to the States for carrying out such functions;

(7) design and implement a national consumer education program and an information program relating to health hazards associated with the human consumption of fish and fish products; and

(8) establish and administer a shellfish indicator research program and other research in furtherance of the purposes of this Act.

(c) CONSISTENCY WITH ISSC GUIDELINES.—The program established under subsection (a) shall be consistent, to the maximum extent practicable, with the guidelines for the National Shellfish Sanitation Program developed by the Interstate Shellfish Sanitation Conference.

FEDERAL SEAFOOD STANDARDS

SEC. 5.(a) FEDERAL STANDARDS.—(1) The Secretary of Health and Human Services shall develop and prescribe standards for contaminant levels of fish and fish products intended for human consumption, except with respect to contaminants for which tolerances are or will be established by the Administrator of the Environmental Protection Agency under section 408 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 346a). Such standards may include indicators, including indicator organisms, from which it may reasonably be inferred that a contaminant in the fish or fish product is likely to be present whenever the contaminant itself cannot be practicably detected.

(2) The Secretary of Health and Human Services in cooperation with the Secretary of Commerce shall prescribe health-based and other appropriate standards of sanitation and quality control for the processing of fish and fish products. The standards shall—

(A) be based on the evaluation required in section 4(b)(3) and take into account the results of the Model Seafood Surveillance Program carried out by the National Marine Fisheries Service of the Department of Commerce;

(B) require the freezing or cooking of fish or fish products that are customarily consumed raw only if the Secretary of Health and Human Services determines that freezing or cooking is necessary to adequately prevent, eliminate, or control an identified source of adulteration in the specified fish species; and

(C) include all applicable (i) sanitation and good manufacturing practices established by the Secretary of Health and Human Services, (ii) sanitation and good harvesting and processing practices established by the Secretary of Commerce for vessels, and (iii) sanitation and good harvesting and processing practices contained in the National Shellfish Sanitation Program.

(3)(A) The Secretary of Health and Human Services in cooperation with the Secretary of Commerce shall prescribe standards of identity and composition, minimum quality, label and packaging, and fill of container for fish and fish products. Such standards shall build upon existing Federal regulations and shall take into consideration any applicable international standards related to fish and fish products.

(B) In developing a standard of identity, the Secretary of Health and Human Services in cooperation with the Secretary of Commerce shall define a common or usual name for a fish or fish product which fairly describes the nature of the fish or fish product or its characterizing ingredients. The common or usual name may include generic designations for fish or fish products which have similar nutritional properties or other characteristics affecting the marketing of food products.

(C) To promote commerce in fish and fish products, the Secretary of Commerce may establish voluntary grading criteria for fish and fish products which exceed minimum

quality standards developed pursuant to this subsection.

(4) The Secretary of Commerce in cooperation with the Secretary of Health and Human Services shall prescribe standards for fish growing areas and harvesting areas. In developing such standards, the Secretaries shall consult with the Administrator of the Environmental Protection Agency, the Chairman of the Interstate Shellfish Sanitation Conference, and the heads of other appropriate Federal and State agencies and shall carry out a comprehensive assessment of the effectiveness of existing Federal standards and guidelines for classifying shellfish growing areas in minimizing—

(A) hazards associated with the human consumption of shellfish; and

(B) closure of growing areas containing safe and wholesome shellfish.

(5) The Secretary of Health and Human Services shall prescribe such other standards as such Secretary determines are necessary to carry out the provisions of this Act.

(b) REGULATIONS.—(1) In implementing this section, the Secretary of Health and Human Services and the Secretary of Commerce, respectively, shall promulgate regulations to establish the Federal seafood standards required, and such regulations or guidelines as are appropriate for applying and enforcing such standards. The Secretaries shall review such standards, regulations, and guidelines on a continuing basis, no less frequently than once every three years, and revise as necessary to reflect changes in processing methods and related advances in science and technology.

(2)(A) In developing the standards required under subsection (a)(1), the Secretary of Health and Human Services shall, within 30 days after the date of enactment of this Act, contract with the National Academy of Sciences for a report which shall—

(i) identify the contaminants which are likely to be found in fish products and which are likely to cause fish or fish products to be injurious to health;.

(ii) recommend priorities for the development of standards for contaminant levels under subsection (a)(1) on the basis of health risks; and.

(iii) provide such other data or assistance as such Secretary determines necessary.

(B) The National Academy of Sciences shall prepare and submit to such Secretary within 18 months after the date of enactment of this Act the report described in subparagraph (A).

(C) In promulgating regulations to implement subsection (a)(1), such Secretary shall establish standard for those contaminants which are most likely to be found in fish and fish products and which are most likely to cause fish and fish products to be injurious to human health.

(c) REPORT.—The Secretary of Health and Human Services shall report annually, beginning one year after the date of completion of the report required by subsection (b)(2), to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce and Committee on Merchant Marine and Fisheries of the House of Representatives, regarding the progress that, as of the date of such annual report, has been made to implement the standards required under subsection (a)(1). The annual report shall, among other things—

(1) describe as of the date of such report, the research that has been conducted and the research that remains to be conducted in order to establish any of such standards that have not yet been developed;

(2) specify, with respect to each of such standards that has not yet been established, the public health significance of the failure to have established such standard;

(3) specify a timetable for the development of each such standard that has not yet been established; and

(4) estimate the costs, including the costs of research associated with the development of each such standard.

REGISTRATION OF PROCESSING FACILITIES AND IMPORTERS

SEC. 6. (a) IN GENERAL.—The Secretary of Commerce in consultation with the Secretary of Health and Human Services shall establish procedures for the registration of processing facilities and persons engaged in the commercial importation of fish and fish products. No processing facility or importer shall process or handle any fish or fish product unless such processing facility or importer is registered by the Secretary of Commerce under this section.

(b) APPLICATION.—(1) Application for registration under the program shall be made to the Secretary of Commerce using such forms and containing such information as the Secretary of Commerce, in consultation with the Secretary of Health and Human Services, shall prescribe by regulation, including the name of the owner and operator of the processing facility or import business, the principal place of business, and a list of each type of fish or fish product processed or imported.

(2) Upon receipt and review of a completed application, the Secretary of Commerce shall register such processing facility or importer and issue to the applicant a certificate of registration unless good cause is shown why such application should be denied. Such Secretary shall promptly notify any applicant of such denial, include a written explanation of the reasons for such denial, and provide an opportunity for a hearing upon request.

(c) SANCTIONS.—(1) If a processing facility or importer registered under this section fails to comply with any requirement of this Act or regulations promulgated under this Act, the Secretary of Commerce in consulation with the Secretary of Health and Human Services may, after notice and an opportunity for a hearing—

(A) revoke the registration;

(B) suspend the registration for a period of time; or

(C) impose conditions and restrictions on the registration as the Secretary of Commerce determines are necessary and appropriate.

(2) The registration of a processing facility may be suspended immediately by the Secretary of Commerce for—

(A) failure to permit access for inspection; and

(B) violation of this Act or regulations promulgated under this Act, if the Secretary of Health and Human Services determines that such action is necessary to prevent serious, adverse health consequence or death.

(d) REINSTATEMENT.—(1) The holder of a registration that has been revoked or suspended may apply for reinstatement thereof. The Secretary of Commerce shall grant reinstatement of the registration if such Secretary in consultation with the Secretary of Health and Human Services finds that the processing facility or importer is no longer unfit to engage in the processing or handling of fish and fish products.

(2) The holder of a registration that is conditional or restricted may apply for the removal of such conditions or restrictions. The Secretary of Commerce shall immediately remove such conditions or restrictions if such Secretary in consultation with the Secretary of Health and Human Services finds that adequate measures have been taken to comply with this Act or regulations promulgated under this Act.

(e) RECORDS AND DOCUMENTATION.—Each registrant under this section shall maintain such records and provide such information as the Secretary of Health and Human Services in consultation with the Secretary of Commerce may require by regulation. Such regulations shall include requirements for records of sampling fish and fish products to determine compliance with the standards established under section 5(a), and shall only require that records be maintained under this subsection for a reasonable period after the fish or fish products to which they apply can reasonably be expected to have been consumed.

(f) IDENTIFICATION CODE.—The Secretary of Commerce shall assign a unique code for identification purposes to each registrant under this section.

FEDERAL INSPECTION SYSTEM

SEC. 7. (a) INSPECTION SYSTEM.—As part of the program established under section 4, the Secretary of Health and Human Services shall establish and administer, in cooperation with the Secretary of Commerce, a comprehensive and efficient inspection system for fish and fish products that protects the consuming public from fish and fish products that are adulterated or misbranded. The Secretary of Health and Human Services shall assure the effective operation of this inspection system and shall provide general oversight under which the Secretary of Commerce shall routinely inspect processing facilities. The inspection system shall provide for frequent and random, unannounced inspections by the Secretary of Commerce of processing facilities to determine if the facilities meet the requirements under section 5. Processing facilities in which imported fish and fish products are processed shall be inspected at least at the same rate as other processing facilities are inspected. The elements of such system shall include—

(1) the appointment and training of authorized inspection officers;

(2) the provision for training and certification of processing personnel in sanitation, quality control, and the requirements of this Act;

(3) the sampling of fish and fish products for contaminants using the best available and cost effective methodologies needed to achieve the purposes of this Act;

(4) the inspection of fish and fish products and of the processing of them, at such points, in such manner, and with such frequency as the Secretary of Health and Human Services in consultation with the Secretary of Commerce determines are necessary based on (A) the nature and volume of operations, (B) the adequacy of monitoring programs, (C) the history of processing facility compliance with this Act and other health and safety laws, (D) the degree that the fish and fish products involved ae susceptible to contamination or otherwise have the potential to affect public health, (E) the recommendations of the Model Seafood Surveillance Project, and (F) such other factors as the Secretary of Health and Human Services in consultation with the Secretary

of Commerce may determine are appropriate;

(5) recordkeeping, marking, labeling, or other handling procedures to assist in determining sources of adulteration or misbranding, and

(6) such other inspection activities as are determined by the Secretary of Health and Human Services in consultation with the Secretary of Commerce to be necessary for effectively carrying out the provisions of this Act.

(b) POWERS OF INSPECTION OFFICERS.—An inspection officer authorized by the Secretary of Commerce to conduct inspections under this Act (including a State employee authorized under section 19(b) to conduct such inspections) may, pursuant to procedures prescribed by the Secretary of Health and Human Services in consultation with the Secretary of Commerce, take such actions as are necessary to ensure the effectiveness of the provisions of this Act and regulations promulgated under this Act. Such actions shall include but not be limited to—

(1) the inspection of processing facilities and related fish and fish products, packages, labeling, conditions, equipment, and records;

(2) the sampling of fish and fish products;

(3) the detention and condemnation of adulterated and misbranded fish and fish products in accordance with subsection (c); and

(4) upon request and at reasonable times, inspection and copying of any records required under section 6(e).

Whenever the Secretary of Health and Human Services requests a copy of any record required under this subsection, the Secretary of Commerce shall obtain and provide such copy to the Secretary of Health and Human Services.

(c) PRODUCT DETENTION AND CONDEMNATION.—(1) Subject to paragraph (2), all fish and fish products found by the Secretary of Commerce to be adulterated or misbranded shall be immediately segregated, impounded, and if objection is not made within 48 hours, condemned. If objection is made, such fish or fish product that are in perishable form may be processed to the extent necessary to prevent spoilage pending hearing and judicial review.

(2) If such Secretary determines that an adulterated or misbranded fish or fish product can, by relabeling or other action, be brought into compliance with this Act or regulations promulgated under this Act, final determination as to the condemnation of such fish or fish products may be deferred pending the performance by the owner of such fish or fish product, within a time specified by such Secretary, of such relabeling or other action as such Secretary may authorize. Entry of the fish or fish products into interstate commerce shall be permitted if, after such action is performed, such Secretary determines that the fish or fish product has been brought into compliance with this Act and regulations promulgated under this Act.

(3) Any fish or fish product condemned by such Secretary without objection, or after hearing and judicial review, shall be destroyed for human food purposes under the supervision of such Secretary.

(d) LABELING AND PACKAGE.—Each package of fish or fish product that is processed by a processing facility registered under this Act shall be marked, at the time the package leaves the processing facility, with—

(A) the unique code assigned by the Secretary of Commerce under section 6 for the purpose of identifying the processing facility; and

(B) a label that bears or contains an official mark that is available only to processing facilities which are registered under this Act;

except that the Secretary of Commerce may exempt from such requirement any processing facility if the Secretary of Commerce in consultation with the Secretary of Health and Human Services determines that the facility is not the primary processing facility with respect to such fish or fish product and such exemption will not undermine the ability of the Secretary of Health and Human Services to ensure that standards prescribed under this Act are met.

(e) NOTICE.—Upon completion of any inspection and before leaving the processing facility, the inspection office shall give to the owner or operator of the facility a written report detailing the results of the inspection.

(f) TRADEMARK PROTECTION.—The Secretary of Health and Human Services or Secretary of Commerce, as appropriate, may apply for, secure, and maintain protection under the trademark laws of the United States and under the design, copyright, or trademark laws of a foreign nation for any official mark, or other mark or device, required by such Secretary for carrying out this Act.

MONITORING OF GROWING AND HARVESTING AREAS

SEC. 8. (a) MONITORING SYSTEM.—As part of the program established under section 4, the Secretary of Commerce, in cooperation with the Secretary of Health and Human Services and the Chairman of the Interstate Shellfish Sanitation Conference, shall establish and maintain a comprehensive system to monitor and classify geographical growing and harvesting areas from which significant quantities of fish and fish products not in compliance with this Act or regulations under this Act originate, or may be reasonably expected to originate.

(b) RESTRICTED AREAS.—(1) If as a result of monitoring conducted under subsection (a), the Secretary of Commerce determines that fish harvested from a particular area are likely to be unsafe under section 5(a) (1) or (4), such Secretary shall designate such area as a restricted harvesting area. Such designation shall apply only to species of fish for which such Secretary has made the determination described in the preceding sentence.

(2) An area from which shellfish are harvested shall be deemed a restricted harvesting area for shellfish if the State which has jurisdiction over such area—

(A) does not have in effect for such area a monitoring and classification system for shellfish which the Secretary of Health and Human Services, in cooperation with the Secretary of Commerce, determines is at least equal to the system established under this section; or

(B) has such a system and has prohibited the harvesting of shellfish from such area.

(c) REVIEW.—The Secretary of Commerce shall periodically review the areas designated under subsection (b) and shall withdraw or modify the designation to the extent such Secretary determines is consistent with the requirements of this section. The Secretary of Commerce shall review the designation of any such area upon request from the Governor of an affected State or upon petition, supported by reasonable information that such review may be warranted, by affected fishermen.

(d) PUBLIC NOTICE.—The Secretary of Commerce shall notify the Secretary of Health and Human Services, the Governor of any affected State, the Chairman of the Interstate Shellfish Sanitation Conference, and the Chairman of any affected Regional Fishery Management Council, and to the extent practicable, shall give reasonable public notice before any action is taken under this section.

RECALL

SEC. 9. The Secretary of Health and Human Services may require any person who owns or operates a processing facility or who is engaged in the importation of fish or fish products to recall any fish or fish product if such Secretary finds that there is a reasonable probability that such fish or fish product will cause a serious, adverse health consequence or death. Such Secretary in consultation with the Secretary of Commerce shall promulgate regulations for tracing fish and fish products in connection with a recall ordered under this section.

IMPORTS

SEC. 10. (a) IN GENERAL.—(1) No fish or fish product may be entered, or withdrawn from warehouse, for consumption in the United States unless such fish or fish product—

(A) is not adulterated or misbranded;

(B) complies with all standards applicable to fish and fish products in interstate commerce in the United States;

(C) is marked and labeled as required by regulations for imported articles; and

(D) complies with the requirements of this section.

(2) upon entry for comsumption in the United States, fish or fish products satisfying the requirements of paragraph (1) shall be deemed to be and treated as domestic fish or fish products.

(b) INSPECTION OF IMPORTS.—(1) The Secretary of Health and Human Services, in cooperation with the Secretary of Commerce and the Secretary of the Treasury, shall enforce this section through random inspections and sampling of fish and fish products that are offered for importation or entered, or withdrawn from warehouse, for consumption in the United States, and through any other procedures the Secretary of Health and Human Services in consultation with the Secretary of Commerce determines are necessary to ensure compliance with this Act.

Upon request and at reasonable times, the Secretary of Health and Human Services may inspect and copy any records required of importers under section 6(e).

(c) CORRECTIVE ACTIONS.—All fish and fish products that are refused entry pursuant to subsection (a) or that are entered, or withdrawn from warehouse, for consumption in the United States in violation of this section shall, pursuant to regulations, be destroyed unless—

(1) such fish and fish products are exported within a time fixed therefor by the Secretary of Commerce; or

(2) such Secretary determines that any such fish or fish product can be brought into compliance with this Act by relabeling or other action.

If such Secretary determines that the fish or fish product can be brought into compliance, the destruction of such fish or fish product may be deferred pending filing of a written application by the owner or consignee and the execution by the applicant of a bond within a time specified by such Secre-

tary. Upon such filing and execution of a bond, such Secretary may authorize the applicant to perform such relabeling or other action specified by such Secretary. After such action is performed, if such Secretary determines that such fish or fish product has been brought into compliance with this Act, such Secretary shall permit its entry for consumption in the United States.

(d) COSTS.—Storage, cartage, labor, and other costs resulting from the denial of entry, or withdrawal from warehouse, of any fish or fish product shall be paid by the owner or consignee, and nonpayment of such costs shall constitute a lien against such fish or fish product and any other fish or fish product thereafter entered, or withdrawn from warehouse, by such owner or consignee, for consumption in the United States.

(e) FOREIGN PROGRAM.—(1) The Secretary of Health and Human Services, in cooperation with the Secretary of State, may enter into an agreement with each nation desiring to export fish or fish products to the United States. Prior to concluding such an agreement the Secretary of Health and Human Services in cooperation with the Secretary of Commerce shall evaluate the seafood safety and quality assurance program of the foreign nation to determine if such program is at least equal to the program established under this Act. Any agreement under this paragraph shall provide for reciprocity between the two nations with respect to seafood safety and quality assurance.

(2) If the Secretary of Health and Human Services in consultation with the Secretary of Commerce determines that a nation desiring to export fish or fish products to the United States has a program at least equal to the program established by this Act, the Secretary of Health and Human Services shall, upon entry into force of an agreement under paragraph (1), issue a certificate to such nation stating that the nation maintains such a program.

(3) All fish or fish products imported from a nation that does not have a valid agreement with the United States under paragraph (1), or from a nation which does not possess a certificate issued by such Secretary under paragraph (2), shall, upon their entry into the United States, be subject to intensified inspection, sampling, and such other procedures as such Secretary in consultation with the Secretary of Commerce determines are necessary to ensure compliance with this Act.

(4) Fish or fish products imported from a nation possessing a valid certificate issued under paragraph (2) shall, upon entry into the United States or as provided by an agreement under paragraph (1), be subject to random inspections, sampling, and such other procedures as such Secretary in consultation with the Secretary of Commerce determines are necessary to ensure compliance with this Act.

(5) The Secretary of Health and Human Services in cooperation with the Secretary of Commerce shall periodically or for good cause, and not less than once every five years, review certificates issued under paragraph (2), and shall revoke the certificate of any nation that the Secretary of Health and Human Services determines is not maintaining a seafood inspection and quality assurance program at least equal to the program established under this Act.

(6) The Secretary of Health and Human Services, in cooperation with the Secretary of Commerce and through the Secretary of State, shall review and modify, as needed, an agreement made under paragraph (1) with any nation that has a certificate revoked under paragraph (5).

(7) The provisions of section 801 of the Federal Food Drug, and Cosmetic Act (21 U.S.C. 381) shall apply to imports referred to in this section.

(f) REPORT.—Not later than March 1 of each year, the Secretary of Health and Human Services in cooperation with the Secretary of Commerce shall submit to the Committee on Commerce, Science, and Transportation of the Senate and to the Committee on Energy and Commerce and the Committee on Merchant Marine and Fisheries of the House of Representatives a comprehensive and detailed, written report with respect to the administration of this section during the immediately preceding calendar year. Such report shall include a statement of—

(1) the nations with which a valid agreement under paragraph (1) is in effect;

(2) the nations which have been certified under this section, the nations which have not qualified for certification under this section, the nations which have lost their certification under this section, and the reasons for such lost certification;

(3) the number of inspectors employed by the Secretary of Commerce, in the calendar year reported on, in connection with certifications under this section;

(4) to the extent practicable, the number of inspectors of each nation from which fish or fish products were imported who were assigned (during the calendar year reported on) to inspect such fish and fish products, the identity of the facilities in which such fish and fish products were handled, and the frequency and effectiveness of such inspections; and

(5) the volume of fish and fish products imported during the calendar year reported on, the portion of that volume which was inspected by inspectors employed by such Secretary, and the portion of the volume inspected which was found out not to be in compliance with this Act.

EXPORTS

SEC. 11. (a) STANDARDS.—Fish or fish products intended for export to a foreign nation may be exempted from specific requirements of this Act if such exemption is necessary to avoid conflict with a law or custom of the importing nation. Fish or fish products so exempted shall be deemed not to be adulterated or misbranded under this Act if such fish or fish products—

(1) are in accord with the specifications of the foreign purchaser;

(2) are not in conflict with the laws of the nation to which they are intended for export;

(3) are shipped in a package whose outside labeling states that the fish or fish products are intended for export; and

(4) are not sold, offered for sale, or otherwise disposed of in commerce within the United States;

except that any such fish or fish product shall be deemed to be adulterated if the Secretary of Health and Human Services determines such fish or fish product are likely to be injurious to the health of the eventual consumer.

(b) INSPECTION.—The Secretary of Commerce shall inspect fish or fish products intended to be exported to foreign nations at such times and places and in such manner as the Secretary of Health and Human Services in consultation with the Secretary of Commerce determines are necessary to ensure compliance with this Act.

(c) CERTIFICATES.—The Secretary of Commerce shall, upon request, provide a certificate of export stating the condition of fish or fish products inspected under this section.

PROHIBITED ACTS AND PENALTIES

SEC. 12. (a) PROHIBITED ACTS.—No person shall—

(1) process or sell any fish or fish product that is adulterated or misbranded;

(2) process any fish or fish product at any processing facility, except in compliance with this Act or any regulations promulgated thereunder;

(3) sell, transport, offer for sale or transportation, receive for transportation, or otherwise dispose of, in interstate commerce any fish or fish product that is adulterated or misbranded at the time of such sale, transportation, offer for sale or transportation, receipt for transportation, or disposal;

(4) commit, with respect to any fish or fish product, and while such fish or fish product is being transported in interstate commerce or held for sale after such transportation, any act that is intended to cause or has the effect of causing such fish or fish product to be adulterated or misbranded;

(5) sell, transport, offer for sale or transportation, receive for transportation, or otherwise dispose of, in interstate commerce any fish or fish product that is not processed or labeled in accordance with the requirements of this Act or any regulations promulgated thereunder;

(6) forge, counterfeit, or falsely represent any official mark or registration;

(7) without authorization from the appropriate Secretary, use any official mark or registration, or simulation thereof, or alter, detach, deface, or destroy any official mark or registration;

(8) refuse to permit entry to or inspection of any processing facility, or otherwise interfere with any inspection or other person carrying out duties required under this Act;

(9) create or maintain records that are false either by content or omission, or destroy records containing information required under this Act or any regulations promulgated under this Act, or refuse access by the Secretary of Health and Human Services or Secretary of Commerce to records required under this Act or any regulations promulgated under this Act;

(10) handle or process for interstate commerce fish or fish products in any processing facility unless there is in effect for such facility a registration by the Secretary of Commerce; or

(11) import into the United States fish or fish products that are capable of use as human food if such articles are adulterated, labeled or packaged in a false or misleading way, or otherwise misbranded, or fail to comply with all the inspection, good processing practices, and other provisions of this Act and regulations promulgated under this Act applicable to such articles in interstate commerce within the United States.

(b) CIVIL PENALTIES.—(1) Any person who violates subsection (a) shall be liable, after notice and opportunity for a hearing, to the United States for a civil penalty in an amount not to exceed $5,000 for each violation. Each day of a continuing violation shall constitute a separate offense. In determining the amount of such penalty, the appropriate Secretary shall take into account the gravity of the violations and, with respect to the violator, the degree of culpability and history of prior violations (including

violations resolved by written warnings), and such other matters as justice may require.

(2) Such Secretary may compromise, modify, or remit, with or without conditions, any civil penalty that is subject to imposition under this section.

(c) CRIMINAL PENALTIES.—(1) Any person who willfully or by gross negligence violates subsection (a) shall be fined in an amount not to exceed $10,000, or imprisoned for not more than one year, or both; except that if such violation involves intent to defraud, or any distribution of any fish or fish product that is adulterated, be fined in an amount not to exceed $20,000, or imprisoned for not more than three years, or both.

(d) NOTICE OF WARNING.—In the case of one or more minor violations of this Act or regulations promulgated under this Act, the appropriate Secretary may, whenever such Secretary believes that the public interest will be adequately served thereby, issue to the violator a suitable written notice of warning. In determining whether the public interest will be adequately served by a written notice of warning, such Secretary shall consider, among other factors—

(1) the gravity of the violation;

(2) the compliance history of such person;

(3) whether compliance with this Act would likely be obtained as a result of such notice; and

(4) whether such violation is of a minor or technical nature.

(e) CARRIERS.—No common carrier or contract carrier shall be subject to penalties under this section for the receipt, carriage, holding, or delivery, in the usual course of business, as a carrier, of any adulterated or misbranded fish or fish product owned by another person, unless the carrier—

(1) during the time of such receipt, carriage, holding, or delivery, had knowledge or was in possession of facts that would cause a reasonable person to believe that the fish or fish product were adulterated or misbranded or were otherwise not eligible for transportation under this Act; or

(2) refuses to furnish on request of the appropriate Secretary the name and address of the person from whom the carrier received the adulterated or misbranded fish or fish product, and copies of all documents pertaining to the delivery of such fish or fish product.

HEARINGS AND SUBPOENAS

SEC. 13. (a) ADMINISTRATIVE HEARINGS.—The Secretary of Health and Human Services or Secretary of Commerce, as appropriate, shall afford an opportunity for an informal hearing as defined in section 201(y) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321(y)) to any person adversely affected by the action or inaction of the Secretary of Health and Human Services or Secretary of Commerce under this Act, and as soon as practicable after such hearing, shall take appropriate action.

(b) SUBPOENAS.—(1) For the purposes of any hearing or investigation under this Act, the appropriate Secretary may issue subpoenas requiring the attendance and testimony of witnesses and the production of any documentation or other evidence that relates to any matter under investigation or in dispute before such Secretary and to administer oaths or affirmations.

(2) Such Secretary shall pay witnesses subpoenaed under this subsection customary reasonable fees and mileage.

(3) In case of contempt or refusal to obey a subpoena served upon any person pursuant to this subsection, the district court of the United States for the district in which such person is found, resides, or transacts business, upon application by such Secretary and after notice to such person, shall have jurisdiction to issue an order requiring such person to appear and give testimony before such Secretary or to appear and produce documents before such Secretary or both, and any failure to obey such order of the court may be punished by such court as a contempt thereof.

WHISTLEBLOWER PROTECTION

SEC. 14. (a) No person shall discharge, discipline, or in any manner discriminate against any employee with respect to the employee's compensation, terms, conditions, or privileges of employment because such employee (or any person acting pursuant to a request of the employee) has filed any complaint or caused to be instituted any proceeding relating to a violation of this Act or of any regulation promulgated under this Act, or has testified or is about to testify in any such proceeding.

(b) No person shall discharge, discipline, or in any manner discriminate against an employee with respect to the employee's compensation, terms, conditions, or privileges of employment for refusing to perform the employee's duties when performing such duties would result in a violation of this Act or any regulation promulgated under this Act, or because of the employee's reasonable apprehension of serious injury to the public from adulterated or misbranded fish or fish products. The circumstances causing such refusal must be of such nature that a reasonable person would conclude that there is a bona fide danger of serious injury to the public resulting from adulterated or misbranded fish or fish products. In order to qualify for protectionl under this subsection, the employee must have sought from his employer, and have been unable to obtain, correction of the circumstances causing such refusal.

(c)(1) Any employee who believes he or she has been discharged, disciplined, or otherwise discriminated against by any person, in violation of subsection (a) or (b) may, within 180 days after such alleged violation occurs, file (or have filed by any person on the employee's behalf) a complainant with the Secretary of Labor alleging such discharge, discipline, or discrimination. Upon receipt of such a complaint, such Secretary shall notify the person named in the complaint of the filing of the complaint.

(2)(A) Within 60 days of receipt of a complaint filed under paragraph (1), such Secretary shall conduct an investigation and determine whether there is reasonable cause to believe that the complainant has merit and shall notify the complainant and the person alleged to have committed a violation of this section of the findings resulting from the investigation. Where such Secretary has concluded that there is reasonable cause to believe that a violation has occurred, such Secretary shall accompany the findings with a preliminary order providing the relief prescribed by subparagraph (B). Therefore, either the person alleged to have committed the violation or the complainant may, within 30 days after notification, file objections to the findings or preliminary order, or both, and request a hearing on the record, except that the filing of such objections shall not operate to stay any reinstatement remedy contained in the preliminary order. Such hearings shall be expeditiously conducted. Where a hearing is not timely requested, the preliminary order shall be deemed a final order which is not subject to judicial review. Such Secretary shall issue a final order within 120 days after the conclusion of such hearing. In the interim, such proceedings may be terminated at any time on the basis of a settlement agreement entered into by such Secretary, the complainant, and the person alleged to have committed the violation.

(B) If in response to a complaint filed under paragraph (1) such Secretary determines that a violation of subsection (a) or (b) has occurred, such Secretary shall order (i) the person who committed such violation to take affirmative action to abate the violation, (ii) such person to reinstate the complainant to the complainant's former position (taking into account any seasonal nature of such position) together with the compensation (including back pay), terms, conditions, and privileges of the complainant's employment, and (iii) compensatory damages. If such an order is issued, such Secretary, at the request of the complainant may assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorney's fees) reasonably incurred, as determined by such Secretary, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

(d)(1) Any person adversely affected or aggrieved by an order issued after a hearing under subsection (c) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation, with respect to which the order was issued, allegedly occurred, or the circuit in which such person resided on the date of such violation. The petition for review must be filed within sixty days from the issuance of such Secretary's order. Such review shall be in accordance with the provisions of chapter 7 of title 5, United States Code, and shall be heard and decided expeditiously.

(2) An order of such Secretary, with respect to which review could have been obtained under this section, shall not be subject to judicial review in any criminal or other civil proceeding.

(e) Whenever a person has failed to comply with an order issued under subsection (c)(2), such Secretary shall file a civil action in the United States district court for the district in which the violation was found to occur in order to enforce such order. In actions brought under this subsection, the district courts shall have jurisdiction to grant all appropriate relief, including injunctive relief, reinstatement, and compensatory damages.

SURVEILLANCE BY CENTERS FOR DISEASE CONTROL

SEC. 15. (a) SURVEILLANCE SYSTEM.—The Secretary of Health and Human Services shall establish, through the Centers for Disease Control, an active surveillance system, based on a representative proportion of the population of the United States, to provide an accurate estimate of the frequency and sources of human disease in the United States associated with the consumption of fish and fish products.

(b) ASSESSMENT OF HEALTH HAZARDS.—Through the surveillance system referred to in subparagraph (a), the Secretary of Health and Human Services in consultation with the Secretary of Commerce shall, among other things, assess such health hazards with respect to—

(1) fish and fish products that are commercially harvested and processed as compared with those harvested for recreational

or subsistence purposes and prepared noncommercially;

(2) fish and fish products that are domestically harvested and processed as compared with imported fish and fish products that are harvested and processed outside the United States; and

(3) contamination originating from certain practices that occur both prior to and after sale of fish or fish products to consumers, including contamination resulting from the manner in which consumers handle and prepare the fish and fish products they purchase.

(c) REPORTS.—The Secretary of Health and Human Services shall make timely reports to the Committee on Commerce, Science, and Transportation and the Committee on Labor and Human Resources of the Senate and to the Committee on Merchant Marine and Fisheries and the Committee on Energy and Commerce of the House of Representatives on significant findings of the surveillance system established under this section.

CONSUMER EDUCATION

SEC. 16. The Secretary of Health and Human Services and the Secretary of Commerce shall design and implement a national consumer education program on seafood. Such program shall provide—

(1) information to consumers and persons involved in processing regarding the standards and good practice requirements prescribed under section 5 and promotion of public awareness, understanding, and acceptance of such standards and requirements;

(2) advice to individuals involved in recreational and subsistence fisheries concerning the health hazards associated with the fish they may harvest and the precautions they should take to safeguard themselves and others from those hazards; and

(3) such other information or advice to consumers and other persons as such Secretaries determine will promote the purposes of this Act.

RESEARCH PRIORITIES

SEC. 17. (a) SHELLFISH INDICATOR RESEARCH PROGRAM.—(1) The Secretary of Commerce in cooperation with the Secretary of Health and Human Services shall establish and administer a five-year shellfish indicator research program to develop a system of classification of shellfish growing waters based upon the latest technological advancements in microbiology and epidemiological methods. In establishing such a program, the Secretary of Commerce shall develop a program plan which shall provide for, but not be limited to, the following activities:

(A) Environmental assessment of commercial shellfish growing areas in the United States, including evaluation of the relationships between indicators of fecal contamination and human enteric pathogens.

(B) Evaluation of such relationships with respect to potential health hazards associated with human consumption.

(C) A comparison of the current microbiological methods used for evaluation of indicator bacteria and human enteric pathogens in shellfish and shellfish growing waters with new technological methods designed for this purpose.

(D) Design of epidemiological studies to relate microbiological data, sanitary survey data, and human shellfish consumption data to actual hazards to health associated with such consumption.

(E) Recommendations for revising the Federal standards established under section 5 and improving the capabilities of Federal and State agencies to effectively manage shellfish resources and ensure the safety of fish products containing shellfish.

(2) The research program established pursuant to this section shall evaluate representative estuaries in each of the major shellfish growing regions of the United States and shall result in development of recommendations pertaining to shellfish management and regulatory considerations for each of the following shellfish growing regions:

(A) the New England region, consisting of the States north of New Jersey which border the Atlantic Ocean.

(B) the Mid-Atlantic region, consisting of Maryland, Virginia, Delaware, and New Jersey.

(C) the South Atlantic region, consisting of North Carolina, South Carolina, Georgia, and the Atlantic coast of Florida.

(D) the Gulf of Mexico region, consisting of Texas, Louisiana, Mississippi, Alabama, and the Gulf coast of Florida.

(E) the Pacific region, consisting of Hawaii, California, Oregon, Washington, and Alaska.

(3) The Secretary of Commerce shall carry out the research program authorized by this section by providing assistance in the form of grants to eligible applicants. Not later than 90 days after the date of enactment of this Act, such Secretary shall publish in the Federal Register a call for research proposals to carry out the research program. Not later than 90 days after the date of such publication, such Secretary shall award a grant or grants to eligible applicants for carrying out the research program. As used in this paragraph, the term "eligible applicant" means—

(A) any public or private institution of higher education;

(B) any public or private organization with suitable research capabilities; or

(C) any consortium of two or more entities referred to in subparagraphs (A) and (B).

(4) The Secretary of Commerce in cooperation with the Secretary of Health and Human Services shall establish an advisory panel to assist in the development and implementation of the research program. Such advisory panel shall include one representative each from the Environmental Protection Agency and the Interstate Shellfish Sanitation Conference. In addition, the Secretary of Commerce shall appoint an industry representative from each of the shellfish growing regions identified in paragraph (2) to serve on the advisory panel, and the Secretary of Health and Human Services shall appoint three representatives of consumer and public health organizations.

(5)(A) The Secretary of Commerce shall review the research program authorized by this section not less than every two years and, on the basis of that review, make changes in the administration of the program that are appropriate to carry out more effectively the activities described in paragraph (1).

(B) The Secretary of Commerce shall submit a biennial report to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives regarding the operation of the program. Each such report shall include, with respect to the period covered by the report—

(i) a description of the research assisted under the program and the results of such research; and

(ii) all changes to the program made under subparagraph (A) since the previous such report.

(C) At the completion of the research program, the final report submitted pursuant to subparagraph (B) shall include any recommendation for legislative action needed to improve the effectiveness of shellfish management and ensure the safety of shellfish and fish products containing shellfish.

(D) The final report shall be made available to appropriate Federal and State agencies, the shellfish industry, and the general public.

(b) OTHER RESEARCH.—Within one year after the date of enactment of this Act, the Secretary of Health and Human Services and the Secretary of Commerce jointly shall develop and publish in the Federal Register a strategic plan for research on fish and fish product safety. The strategic plan shall take into consideration the requirements of this Act and shall establish priorities for a comprehensive program, including research with respect to—

(1) testing methodologies for detecting and measuring contaminants in fish and fish products;

(2) techniques and procedures for inspecting fish and fish products;

(3) sanitation practices for the processing, transportation, and storage of fish and fish products;

(4) determining the sources of contamination of fish and fish products; and

(5) any other matters that may further the purposes of this Act.

REGULATIONS

SEC. 18. The Secretary of Health and Human Services and the Secretary of Commerce may each promulgate, after notice and opportunity for public comment, such regulations as are appropriate in carrying out this Act. Such Secretaries shall ensure that all regulations promulgated under this Act are developed and implemented in a consistent manner.

STATE AND INTERAGENCY COOPERATION

SEC. 19. (a) IN GENERAL.—The Secretary of Health and Human Services and Secretary of Commerce shall encourage States to continue, strengthen, or establish seafood safety and quality assurance programs at least equal to the program established under this Act.

(b) ASSISTANCE.—The Secretary of Health and Human Services in consultation with the Secretary of Commerce may provide to a state, in the planning and developing of such a program—

(1) advisory assistance;

(2) technical and laboratory assistance and training (including necessary materials and equipment); and

(3) financial and other aid.

(c) APPROVAL OF STATE PROGRAMS.—(1) At any time after establishment of the Federal seafood safety and quality assurance program under this Act, the Governor of any State desiring to administer its own seafood safety and quality assurance program may submit to the Secretary of Health and Human services a full and complete description of the program the State administers or proposes to establish and administer under State law. In addition, such State shall sumbit a statement from the attorney general (or appropriate legal officer) that the laws of such State provide adequate authority to carry out the described program. Such Secretary shall approve each such submitted program for a period of no more than five years unless such Secretary in

consultation with the Secretary of Commerce determines that adequate authority and capacity does not exist to—

(A) ensure that fish and fish products originating in the State and entering interstate commerce meet the Federal standards established under section 5;

(B) ensure that registration, inspection, and monitoring systems are at least equal in effectiveness to systems established under sections 6, 7, and 8;

(C) provide the Secretary of Health and Human Services with regular reports regarding State activities under the program; and

(D) abate violations of the program, including civil and criminal penalties and other ways and means of enforcement.

(2) If the Secretary of Health and Human Services in consultation with the Secretary of Commerce approves a State program under paragraph (1), such Secretary shall designate such State as one in which the Federal program established under this Act shall not apply within that State.

(3) The Secretary of Health and Human Services in cooperation with the Secretary of Commerce and Chairman of the Interstate Shellfish Sanitation Conference shall monitor the effectiveness of each approved State program to assure that the program is at least equal to the program established under this Act. If the Secretary of Health and Human Services determines that a State with an approved program has failed to maintain or is not operating a program that is a least equal to the program established under this Act, the Secretary of Health and Human Services shall promptly notify the Governor of the State of such determination and provide an opportunity for the State to correct any deficiencies identified in such notification. If after notice and opportunity for appropriate corrective action the State program does not meet the requirements of this section, such Secretary shall withdraw approval of the State program and reinstate the Federal program.

(4) Notwithstanding paragraph (2), the Secretary of Health and Human Services may enforce the Federal program in a State having a program approved under paragraph (1) if—

(A) such enforcement is necessary to address a circumstance which such Secretary finds is an emergency and poses a reasonable probability that failure to carry out such enforcement will cause a serious, adverse health consequence or death; or

(B) the State requests such enforcement.

Enforcement by such Secretary under this paragraph shall be discontinued no later than six months after its commencement or at such subsequent time as may be agreed upon by the State.

(5) The Secretary of Health and Human Services shall annually grant to each State with a program approved under paragraph (1) an amount not to exceed 60 percent of the cost of operating a federally equivalent State program. Such Secretary may withhold Federal assistance under this paragraph if such Secretary determines that the State program has failed to meet the requirements of this section. Such withheld assistance shall be paid subsequently upon a determination that any deficiencies have been corrected.

(d) SERVICE AGREEMENTS.—The Secretary of Health and Human Services or the Secretary of Commerce, as appropriate, may, under agreements entered into with Federal, State, or local agencies or foreign governments, use on a reimbursable basis or otherwise the personnel, services, and facilities of such agencies in conducting registrations, inspections, monitoring, and certification under sections 6, 7, 8, and 10. Such an agreement shall provide that any compliance records, notices, or reports issued in connection with activities under the agreement and in the possession of the agency or government which entered into the agreement shall be made available in accordance with section 552 of title 5, United States Code. Agreements with a State under this subsection may provide for training of State employees. The Secretary of Health and Human Services shall pay for or reimburse the State for the expenses of such training and for the actual cost of inspection activities performed by a State employee at the request of the Secretary.

RECOVERY OF COSTS

SEC. 20. (a) IN GENERAL.—The Secretary of Health and Human Services or Secretary of Commerce, as appropriate, shall promulgate regulations to assess and collect such fees as will be reasonable and will, to the extent practicable, cover the actual cost of services rendered under sections 5(a)(3)(C) and 11(c), except that no person shall be required to use the services authorized under section 5(a)(3)(C).

(b) FEES; LATE PAYMENT PENALTIES; INTEREST.—Any fees, late payment penalties, or interest earned from fees collected under this section shall be credited to the appropriate trust fund account that incurs the cost of the services provided under sections 5(a)(3)(C) and 11(c), and shall remain available without fiscal year limitation to pay the expenses of the Secretary of Health and Human Services or Secretary of Commerce, as appropriate, incident to providing such services. Such funds may be invested in insured or fully collateralized, interest bearing accounts or in United States Government debt instruments.

EXEMPTIONS AND EXCLUSIONS

SEC. 21. (a) IN GENERAL.—This Act shall not apply to—

(1) the processing by any individual of fish and fish products of that individual's own raising or harvesting exclusively for use by that individual, or by that individual's household members, nonpaying guests, and employees;

(2) any processing facility solely processing fish or fish products not intended for human consumption; and

(3) any restaurant, retail store, or recreational vessel as determined by the Secretary of Commerce.

(b) VESSELS.—Vessels that harvest or commercially prepare fish or fish products, unless they prepare fish or fish products other than by gutting, decapitating, gilling, icing, freezing, or brine chilling, as determined by the Secretary of Commerce, shall be exempt from sections 6 and 7.

(c) AQUACULTURE OPERATIONS.—To the extent that an aquaculture operation handles, as determined by the Secretary of Commerce, fish for the purpose of transporting such fish directly to a processing facility, such operation shall be exempt from sections 6 and 7.

(d) CONTRACT OF COMMON CARRIERS.—Except as provided by section 12, this Act shall not apply to any contract or common carrier that transports fish or fish products that are already processed.

(e) STUDY.—(1) The Secretary of Commerce in consultation with the Secretary of Health and Human Services shall, not later than 18 months after the date of enactment of this Act, conduct and complete a study of—

(A) the role of vessels exempted under subsection (b) in providing fish and fish products;

(B) the role of aquaculture operations, to the extent exempted under section (c), in providing such fish and fish products; and

(C) based on a scientific analysis conducted pursuant to section 4(b)(3) the necessity of including any particular type or class of such vessels or aquaculture operations in the registration and inspection system established pursuant to this Act.

The Secretary of Commerce may from time to time update any such study, and shall consult with the Secretary of Agriculture regarding subparagraph (B).

(2) The Secretary of Commerce shall submit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Merchant Marine and Fisheries of the House of Representatives the results of the study required under paragraph (1) and the results of any update of such study.

RELATION TO OTHER LAWS

SEC. 22. Except as directly inconsistent with this Act, nothing in this Act shall be construed to affect or limit the authority of the Secretary of Health and Human Services under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) or the Secretary of Commerce under title II of the Agriculture Marketing Act of 1946 (7 U.S.C. 1621 et seq.).

AUTHORIZATION OF APPROPRIATIONS

SEC. 23. (a) IN GENERAL.—There are authorized to be appropriated, to carry out this Act, not to exceed $35,000,000 for fiscal year 1991, $60,000,000 for fiscal year 1992, and $90,000,000 for fiscal year 1993.

(b) RESEARCH PROGRAM AUTHORIZATION.—Of the funds authorized to be appropriated under subsection (a), there are authorized to be appropriated not to exceed $15,000,000 for each of fiscal years 1991, 1992, and 1993, for carrying out the research program authorized by section 17.

Mr. HOLLINGS. How much time do we have remaining?

The PRESIDING OFFICER. The Senator has 52 minutes.

Mr. HOLLINGS. Very good.

Mr. President, pending the arrival of our colleague, the Senator from Massachusetts, here on the floor, let me emphasize because our distinguished colleague from Rhode Island rather amazed me. If I had to pick five experts in the field of oceanography, fisheries science, and everything else, one of the five would be Dr. John Knauss, the former Dean of the School of Oceanography at the University of Rhode Island, who presently is the Administrator of the National Oceanic and Atmospheric Administration.

I am confident that Dr. Knauss' position on our substitute amendment, he supports it, represents the position of the fishermen of Rhode Island.

Mr. President, I will emphasize these particular endorsements. Saving time, all listed supporters have been listed now as opposing the Mitchell bill. The fact is that they support the Hollings-

Stevens-Kennedy bill or substitute amendment now before the body.

With that understood I wanted to add one more to the list, the Pacific Seafood Processors Association. In addition, I ask unanimous consent that the Southeastern Fisheries Association—the largest regional industry association east of the Mississippi—endorsement of our substitute be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SOUTHEASTERN FISHERIES ASSOCIATION, INC.,
Tallahassee, FL, July 31, 1990.

Senator FRITZ HOLLINGS,
U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: Southeastern Fisheries Association sincerely appreciates all that you have done to make sure that a comprehensive and equitable seafood inspection bill is enacted into law.

We strongly support the proposition of keeping seafood inspection within the Department of Commerce and the Food and Drug Administration.

We acknowledge your proposal requires the government to provide the inspection services for our industry without cost in those areas pertaining to health and safety. We accept the proposition that costs for requested grading services be borne by the industry.

We hope you prevail in getting your version of a seafood inspection program passed by the Senate. We hope to have an opportunity to come to Washington and meet with some of the consumer groups and other interested trade associations should there be a difference in what passes the Senate and what passes the House of Representatives.

As a result of such a meeting, it just might be possible to come up with language that everybody will support.

Sincerely yours,

BOB JONES,
Executive Director.

Mr. HOLLINGS. I ask unanimous consent that this September 6 letter, an endorsement of our substitute by the Consumers Union; the United Food and Commercial Workers International Union; the former Assistant Secretary of Agriculture, Carol Tucker Foreman; the Public Citizen's Congress Watch; Government Accountability Project; Food and Allied Service Trades, AFL-CIO; the National Consumers League; and the Consumer Federation of America—be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 6, 1990.

To all Members of the U.S. Senate:

DEAR SENATOR: Soon the Senate will vote on legislation to create the first mandatory seafood safety program in the United States. Under a unanimous consent agreement, two bills will come to the Senate floor for your consideration. These are S. 2924, sponsored by Senators Mitchell and Leahy, and substitute bipartisan legislation developed by Senators Hollings, Stevens, and Kennedy. After full consideration of each of these measures, the undersigned consumer and labor organizations strongly urge you to support the Hollings-Stevens-Kennedy substitute. The Hollings-Stevens-Kennedy substitute contains more of what we believe to be the essential elements of a public health-based seafood safety program.

The Food and Drug Administration (FDA) estimates that approximately 64,230 illnesses and 22 deaths are caused by consumption of contaminated seafood each year. Yet, seafood is the only flesh food not subject to a comprehensive, mandatory federal inspection program. Passage of legislation which creates a strong public health-based federal inspection program that will significantly improve the safety of seafood for consumers is critical.

The Hollings-Stevens-Kennedy substitute provides stronger and more effective public health protection in several respects.

First, the Hollings-Stevens-Kennedy substitute provides a stronger definition of adulteration. The Mitchell-Leahy bill would allow sale of a product contaminated with a naturally occurring substance if that substance is not "ordinarily" injurious to health. Microbial contaminants such as salmonella are naturally occurring substances. This language will allow the approval of fish products contaminated with salmonella in amounts that might cause serious illness or death to vulnerable populations, such as children, the elderly, or immune-suppressed people.

Second, the Hollings-Stevens-Kennedy substitute provides for some, though still inadequate, protection for industry employees who report health and safety violations. In contrast, there is no whistleblower protection in the Mitchell-Leahy bill. If Congress and industry want an effective seafood safety program without continuous federal inspection, whistleblower protection—that is at least as protective as that provided to federal meat and poultry inspectors under current law—is essential. Although the rights and procedures contained in the Hollings-Stevens-Kennedy substitute are excellent, its legal standards do not give employees a realistic chance to win when they attempt to assert their rights. In terms of safe food and law enforcement objectives—the acid test for whether any legislation ultimately protects consumers—its legal standards would be counterproductive. In sum, the Hollings-Stevens-Kennedy substitute offers a useful beginning that needs to be completed in order to ensure effective, meaningful whistleblower protection.

Third, the Hollings-Stevens-Kennedy substitute assigns primary responsibility for seafood safety to the nation's primary public health agency, the Food and Drug Administration (FDA) of the Department of Health and Human Services. The Mitchell-Leahy bill gives primary responsibility to the Department of Agriculture, which is the premier agency for promoting the use of agriculture products. Public health protection and product promotion often conflict. The FDA is the preferable agency.

Fourth, other enforcement provisions in the Mitchell-Leahy legislation are also weak. One major concern is that the legislation allows USDA to transfer federal inspection responsibilities to the states without requiring a state enforcement program. Bifurcation of inspection and enforcement responsibilities will seriously undermine enforcement by blurring responsibility and accountability.

Finally, the Mitchell-Leahy legislation burdens federal authorities with onerous requirements for civil proceedings. Specifically, the bill requires civil penalties to be obtained in district court and subjects the government to a higher-than-ordinary burden of proof. Both conditions unnecessarily drain valuable agency time and resources.

Although both bills need additional language requiring inspection of harvesting vessels and mandatory sampling of seafood that is caught by harvesting vessels and sold without processing, we believe that the Hollings-Stevens-Kennedy substitute offers the better alternative.

We strongly urge you to support the Hollings-Kennedy-Stevens substitute seafood safety legislation when it comes before you for a vote on the Senate floor.

Sincerely,

——— ———, Consumers Union; Willie L. Baker, United Food and Commercial Workers International Union; Carol T. Foreman, Assistant Secretary of Agriculture, 1977-1981; Pamela Gilbat, Public Citizen's Congress Watch; Thomas Devine, Government Accountability Project; Keith R. West, Food and Allied Service Trades, AFL-CIO; ——— ———, National Consumer's League; Stephen Brobeck, Consumer Federation of America.

Mr. HOLLINGS. Mr. President, I further ask unanimous consent that the letter of endorsement of the Interstate Shellfish Sanitation Conference—the group of State regulators that has to address molluscan seafood poisoning which is the principal seafood safety threat—be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

INTERSTATE SHELLFISH SANITATION CONFERENCE,
August 2, 1990.

Hon. ERNEST F. HOLLINGS,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

DEAR SENATOR HOLLINGS: Proposed seafood safety legislation continues to be a current topic of debate within the United States Congress and it is my understanding that a bill similar to S. 1245 may soon be discussed. I have thoroughly reviewed S. 1245 and I have a number of concerns. It appears the bill attempts to solve the diversified and complex problems of seafood safety with an inappropriate and oversimplified solution. The bill lacks the specificity needed to address the numerous and varied public health problems associated with seafood safety.

The most critical of these problems involve human illness associated with the consumption of raw and partially cooked molluscan shellfish and natural toxins found in marine fish. Although these problems are very serious they do not affect all types of seafood. Senate Bill 1245 does not recognize that these problems need special attention.

Human illnesses associated with the consumption of raw molluscan shellfish are well documented and prompted the creation of the National Shellfish Sanitation Program (NSSP) in 1925. Since 1982, the Interstate Shellfish Sanitation Conference (ISSC) has reviewed shellfish sanitation issues and developed guidelines that are published annually in Parts I and II of the NSSP Manual of Operations. This review by the ISSC incorporates a wealth of expertise from shellfish producing and non-producing states, the shellfish industry, United States

Food and Drug Administration (USFDA), National Oceanic and Atmospheric Administration (NOAA), United States Environmental Protection Agency (USEPA), and the academic community.

Molluscan shellfish are filter feeding organisms having the ability to concentrate contaminates and naturally occurring toxins which may be present in shellfish growing waters. This fact makes water quality a very critical element of shellfish sanitation which requires special attention. The significant role of shellfish in the seafood safety issue is not acknowledged in S. 1245, nor does it recognize the existence of the NSSP or the efforts of the ISSC in improving shellfish sanitation. The ISSC feels strongly that one of the most effective ways to strengthen seafood safety is to build on the solid foundation that presently exists under the cooperative ISSC/FDA Program. The ISSC supports congressional appropriations of significant additional resources to existing federal programs in the United States Food and Drug Administration (USFDA), National Oceanic and Atmospheric Administration (NOAA), and the United States Environmental Protection Agency (USEPA). This is essential if we are to meet the increasing public health and product quality demands necessary to assure an adequate supply of safe and high quality domestic and imported seafood.

Ciguatoxin and Scrombrotoxin are natural toxins which can be present in marine fish. Scientists generally agree that ciguatoxins in fish are caused by consumption and accumulation of a toxic blue-green algae. This toxin is the most common poison found in marine organisms, although it is only present in fish from tropical and subtropical waters. Some of the more well known species which may sometimes contain ciguatoxin include barracuda, grouper and red snapper. The meat of scombroid fish such as tuna, bonito, and mackerel can also become toxic when the fish are held at warm temperatures for several hours after harvest. Although the symptoms and prognosis of affected individuals may vary greatly, fatalities from both ciguatoxins and scrombrotoxins have been reported. Senate bill 1245 fails to acknowledge the special problems associated with natural toxins in marine fish. Although these toxins have serious implications, they are specific to certain species and harvest areas. This subject should receive specific attention to insure that the fishing industry is not overregulated.

If it is the intent of Congress to enact legislation which will enhance seafood safety, the concerns outlined in this letter must be given prompt attention. I have reviewed S. 2228 and concluded that it appropriately addresses many of the significant issues which were not specifically included in S. 1245. Senate Bill 2228 more clearly focuses on the many special and unique problems in seafood safety and if enacted will result in greater public health protection. The bill also recognizes the efforts of existing federal programs and cooperative initiatives such as the ISSC which have significantly improved seafood safety.

The issues outlined in this letter represent major concerns regarding S. 1245 and I urge you to request the Senate to consider S. 2228 as an alternate.

If I can be of further assistance or provide additional information, please feel free to contact me at (803) 734-5232.

Sincerely,

KEN B. MOORE,
Chairman, Interstate Shellfish Sanitation Conference.

Mr. HOLLINGS. I ask unanimous consent that the letter of the Secretary of Health and Human Resources dated July 19, 1990, endorsing our legislation, be included in the RECORD at this point, along with the statement of the administration policy submitted earlier this week, on Monday, in support of our amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF HEALTH AND HUMAN SERVICES,
Washington, DC, July 19, 1990.

Hon. GEORGE J. MITCHELL,
U.S. Senate, Washington, DC.

DEAR SENATOR MITCHELL: We want to strongly reiterate the Administration's position opposing inclusion of seafood inspection provisions in S. 2830, the Farm Bill.

As Chief of Staff Sununu indicated in the attached letter of May 8 to the leadership of the Commerce and Agriculture Committees, "The Administration believes that overall responsibility for Seafood Safety should remain with the Food and Drug Administration at the Department of Health and Human Services and the National Marine Fisheries Services (NMFS) of the Department of Commerce."

The Senate Agriculture Committee Seafood Inspection Bill was developed without consulting the Administration. We strongly support the approach that the Senate Commerce Committee took in its seafood bill, S. 2228.

There are fundamental differences between these bills that are of interest to states, the seafood industry, consumers, committees of authority and the Administration. To assure that both committees' approaches are thoroughly examined, this matter should be addressed as free-standing legislation.

We urge the Senate to refrain from adding seafood inspection to the Farm Bill and ask that it be dealt with as a separate issue. This position is consistent with Administration policy.

Sincerely,

Louis W. Sullivan, M.D., Secretary, U.S. Department of Health and Human Services; Robert A. Mosbacher, Secretary, U.S. Department of Commerce; Richard G. Darman, Director, Office of Management and Budget.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 10, 1990.

STATEMENT OF ADMINISTRATION POLICY

(S. 2924—Fish Safety Act of 1990—Mitchell, ME)

The Administration supports an expansion of the existing seafood inspection program in the Food and Drug Administration (FDA) and the National Oceanic and Atmospheric Administration (NOAA). The Administration, however, opposes S. 2924, which would move virtually the entire program to the Department of Agriculture for reasons unrelated to public health and safety. The Administration prefers S. 2228, which will be offered as an amendment in the form of a substitute. It would build on experience and scientific expertise in the FDA and NOAA to improve the inspection of all seafood products and aggressively address the primary health and safety concern—shellfish contamination.

If any legislation is presented to the President that does not include the principal elements of the Administration proposal, his senior advisers would recommend a veto.

The Administration believes that overall responsibility for seafood safety should remain with the FDA, an agency of the Department of Health and Human Services, and NOAA, an agency of the Department of Commerce. The President's FY 1991 Budget includes an increase for the Federal seafood inspection program directed toward those agencies. The Administration also supports user fees to allow further enhancement of inspection services that impart substantial private benefit to industry. The seafood industry has requested additional Federal inspection, which may increase public confidence and improve seafood marketing opportunities. Thus, user fees are appropriate to finance a portion of any expanded program.

FDA's seafood safety program currently includes mandatory, random inspections and extensive research, and relies on longstanding relationships with States, other Federal agencies, and foreign countries. Many of the activities in FDA's program require highly specialized knowledge and training, including expertise in marine biology and related marine disciplines. FDA's program should remain the cornerstone of the Federal regulatory system for seafood.

NOAA is the only Federal agency authorized to control fishing activities of vessels in Federal waters and has closed those waters to harvesting when a FDA tolerance for a contaminant in shellfish has been exceeded. NOAA has an unsurpassed knowledge of fishing vessels and acceptability of catch. Like FDA, NOAA has experience in inspecting seafood processors under its current voluntary program. This program, which complements FDA's mandatory program, includes grading and lot certification for export, features important for international trade. NOAA is also the lead Federal agency with respect to fisheries trade policy and strategy.

The clearest health risk from seafood involves the consumption of raw molluscan shellfish, although less than one percent of all seafood is consumed that way. This risk stems largely from human pollution of coastal waters. Monitoring the quality of local growing waters is the only viable recourse, and FDA and NOAA, working with the States, are uniquely qualified to address this public health problem. All State shellfish safety programs for monitoring growing waters are based on FDA training and rely on FDA technical assistance. S. 2228, the Commerce Committee substitute, constitutes a more thorough and effective response to this primary public health concern than does S. 2924.

Mr. HOLLINGS. I yield such time as is necessary to the Senator from Massachusetts.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I want to join in expressing my appreciation to the distinguished Senator from South Carolina and the distinguished Senator from Alaska for work-

ing so closely with those of us on the Labor and Human Resources Committee in fashioning this substitute. Both the distinguished Senator from South Carolina and our colleague from Alaska have had a longstanding, continuing interest in not only this subject but in all matters which relate to the fishing and seafood industry, and we have appreciated the opportunity to work with them and with their colleagues on the Commerce Committee in developing a comprehensive program to ensure the safety of fish and fish products. I believe that the substitute which has been debated here this afternoon is the most effective instrument for achieving that goal.

Mr. President, it has been pointed out by our colleagues that there has been a dramatic increase in recent years in public awareness of the health benefits to be gained from the consumption of fish products. At the same time, however, public awareness of the health hazards posed by chemical and microbiological contamination of fish and shellfish has heightened public concern about the safety of these products. The result is that there is now a responsible consensus among those that catch the fish as well as those that process fish, distribute fish, and actually market fish to the public, that we need a comprehensive program to ensure to the consumers of this Nation the safety of fish products. This is why the proposal which has been advanced today is of such importance.

Both the Federal Government and the individual States currently conduct a variety of different programs to help monitor and assess conditions affecting fish and seafood safety. Unfortunately, however, the current patchwork of programs suffers from inadequate funding, gaps in coverage, and the lack of a central authority with oversight over the range of activities involved in ensuring fish and seafood safety. The Hollings-Stevens-Kennedy substitute addresses these problems by establishing a nationwide, mandatory, federally funded inspection program.

There are two principal issues before the Senate in this debate. First, the bill before the Senate would establish an inspection program in the Department of Agriculture—an agency that has no prior experience with fish and seafood inspection. By contrast, our substitute builds on the programs that already exist and puts responsibility for oversight of the inspection program where it belongs: In the Food and Drug Administration, the agency which day in and day out has had the primary responsibility for food safety in this country and has developed the expertise and the personnel to be able to do so.

Second—and I believe this is one of the most basic and fundamental differences and one of the most important differences between our substitute and the legislation that is before the Senate—the bill before the Senate provides no protections for the private industry employees who will have frontline, day-to-day responsibility for ensuring that contaminated products are not introduced into the marketplace. By contrast, the substitute includes provisions prohibiting employers from retaliating against employees who fulfill their responsibilities by blowing the whistle on employers who violate the law, or by refusing to participate in activities that would cause a threat to public health.

The assignment of primary responsibility for seafood safety to the FDA, and the inclusion of whistle-blower protections, are two of the major reasons why our substitute has been endorsed by a broad coalition of consumer and labor groups that includes not only the AFL-CIO and the United Food and Commercial Workers Union, but also the Consumer Federation of America, Consumers Union, the National Consumers League, Public Citizen's Congress Watch, and the Government Accountability Project.

As these groups have stated in a letter to the Members of the Senate strongly urging support for the substitute, our amendment provides "stronger and more effective public health protection in several respects" than the pending bill, and "contains more of what we believe to be the essential elements of a public health-based seafood safety program."

The importance of the whistleblower protections stems from the fact that neither S. 2924 nor the substitute provides for the continuous presence of Federal inspectors in fish and seafood processing facilities. In the absence of Federal inspectors to ensure that adulterated or contaminated products do not make their way to the market, it is essential that employees involved in the processing operation feel free to report violations without fear of losing their jobs or being disciplined. It is equally important that no employee be required, under the threat of discipline or discharge, to participate in activities that would create a threat to the public health.

The program that would be established under our substitute and under the pending bill are different from the inspection programs for poultry or meat; because of the unique nature of the fishing industry, and the diversity of locations at which fish and seafood are processed, it is not feasible to have the kind of continuous inspection program used for those particular products. We have adopted a different scientifically based approach, focusing on critical points in the processing process. Which is better suited to the fishing industry, but which absolutely demands that employees be assumed that they will have protection if they blow the whistle or health and safety notations.

The fact that S. 2924 contains no whistleblower protections is something that argues very strongly for the substitute and is one of the principal reasons why the leading consumer groups in this country that have monitored and studied this whole issue over a period of years have strongly endorsed the substitute.

Congress and the administration recognized the need for strong whistleblower protections to ensure the integrity of Federal inspection programs when we passed, and the President signed, the Federal Employee Whistleblower Protection Act of 1989. By enacting this legislation, we will, in effect, be deputizing private employees to act as Federal inspectors in ensuring compliance with fish and seafood standards. It is essential that we provide strong protections for those who blow the whistle on health or safety violations.

The substitute proves that the interests of both consumers and industry can be safeguarded in a regulatory program that not only enhances public health, but also enhances public confidence in the safety of the industry's products, thereby enabling the industry to thrive and prosper.

Mr. President, we believe that the public health is most protected by the substitute for the reasons we have outlined and for the reasons that those who have spoken in favor of the substitute have that articulated very well. That is the basic issue before us: How can we best protect public health. That is the issue that must be our primary interest.

We are concerned, obviously, about the fisherman who harvest the product; they, have a clear interest in the program we adopt. We are concerned as well about the interests of those involved in fish processing. We are concerned about all aspects of the fishing industry. But if we make the issue of public health our primary concern, there is a very clear choice as to which piece of legislation should be supported, and it should be the substitute.

I congratulate the Senator from Alaska and the Senator from South Carolina for proposing this important piece of legislation.

Mr. President, I yield back the time.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I thank the chairman of our Labor and Health and Human Resources Committee. I think it should be recorded that we did our best in negotiations over the past year to get the whistleblower provision, whether it was put in as a substitute or an amendment, I should say, to the farm bill. They were just adamant on that. That is significant.

I know how one of the reporters may relate it, that HOLLINGS attacked the Department of Agriculture. Not at all. I am citing the public record as I refer to it over the past year or so, because we have serious questions.

The Department of Agriculture has its hands full addressing current meat and poultry problems. They recently advised the Congress on December 15 of last year that full coverage of processors is no longer possible due to staff shortages. That was in a letter from Assistant Secretary Smith to the House Agriculture Committee.

Thereupon Dr. Lester Crawford, the Director of the U.S. Department of Agriculture Food Safety and Inspection Service, testified before the House Energy and Commerce Health Subcommittee that current FSIS resources, that is inspection resources, are inadequate to absorb seafood and that the Food Safety Inspection Service would have to obtain expertise that the other agencies now possess.

So those who would vote in favor of this particular measure knowingly vote for the inadequacy here where they just could not have the expertise, and it is just cursory and just passed over.

Of course, in March of this year the State officials complained at a congressional hearing that the U.S. Department of Agriculture has left them to their own devices in the fight against salmonella, a potentially fatal type of bacteria found in raw or undercooked eggs. Poisoning from this form of salmonella has been increasing steadily since 1982 and is most likely fatal among the very old, very young, and others whose immune systems are weak. Since 1985 there have been 217 outbreaks responsible for 7,370 cases of infection and 44 deaths.

There have been various letters submitted at these hearings, and various affidavits.

I ask unanimous consent that the letter addressed to Dr. Robert Kahr, Chairman, National Academy of Sciences Panel on Streamlined Inspection System for Cattle, dated May 23, 1990, and signed by quite a list of signatures here, be printed in the RECORD at this particular point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PLAIN VIEW, TX, *May 23, 1990.*

Dr. ROBERT KAHR,

Chairman, National Academy of Sciences panel on Streamlined Inspection System—Cattle, Washington, DC.

DEAR DR. KAHR: We are United States Department of Agriculture (USDA) food inspectors at the Excel pilot plants testing the Streamlined Inspection System—Cattle (SIS) in Friona and Plain View, Texas. Earlier this year the National Academy of Sciences (NAS) panel spoke with many of us about how SIS—Cattle is, or isn't, working. We are writing this letter to all the panel members, because some of us were not able to speak with you personally, and we all want to make a record of our concerns. We take our responsibility to the public seriously, and we have tried to make this program work. We also think it is significant that problems with SIS have continued and in some cases gotten worse since your site visit.

To put it simply, under SIS we have lost faith in the USDA seal of approval. In good conscience, we no longer can say that we know USDA-approved beef is wholesome. Our concerns cover three general areas. What is most obvious to us in the field is that the design in hopeless. USDA advertises SIS as fewer inspectors looking at less meat on more carcasses at faster line speeds, all without lowering public health standards. We don't buy it. The real point of SIS is faster line speeds to get quantity over quality. We used to actually inspect every carcass. Now we can seldom see or feel filth and the symptoms of disease. There's a bureaucratic wall between us and the food for which we're supposed to vouch. It consists of a "random" sampling program that doesn't fool anyone who is involved with it, and paperwork that says whatever is necessary to prevent a closer look by federal inspectors.

Second, under SIS scientific public health standards are not relevant to decide what is wholesome. The product standards at best lock in mediocrity, and over time they have gotten weaker and weaker. Agency management now rewrites the rules if the company complains or can't pass whatever tests were in place. And our hands are tied even from enforcing what's left.

Most basically, with SIS the government's seal of approval is no stronger than the moral willpower of industry giants not to make money from unwholesome products. The plan creates an honor system by deputizing the industry to police itself. Unfortunately, the temptation is too strong. Our experience is that the industry giants want to make money from whatever meat they can sell. Below are specific examples of our concerns.

UNWHOLESOME MEAT

With SIS the bottom line for consumers is that more beef is contaminated but less gets condemned. Now we see cattle with hide as large as 6" by 8" on the front shanks after the last company trimmer has finished, nearly complete lungs and spleens going into hot boxes, flukes, grubs, abscesses, adhesions, hair, ingesta, large feces smears over 40 centimeters long on carcasses about to go into the wash where it will get spread further, bones from improperly cut horns, and even ticks from ears that often aren't cut flush anymore.

Under traditional inspection when we saw these conditions we could act, so this type of contamination was the exception. Under SIS we can't act and we're generally not even there to see it, so this type of contamination is becoming the rule. We will illustrate our program criticisms with examples of the effect on products.

LINE SPEEDS

The reason there is more contamination is faster line speeds. They're over a third faster. The company workers can't keep up. And if there are a lot of violations, with less inspectors it is harder for us to keep up as well. Measles cysts tapeworms is a big problem, because the company won't slow the line down when requested. Even when cysts are found they hesitate to slow it down. Unfortunately, under SIS there is less we can do about faster line speeds. For example, the circuit supervisor has told us not to slow down the line when "rough," "large," or "crossbreed" cattle are being slaughtered.

This is all hampered by the lack of procedures, which results in the law meaning one thing at one plant and something else at the next one. At Plain View when we manage to still catch a measles cyst, we can slow the line down to traditional speeds until the problem has been corrected. At Friona we only can slow it down 10%.

WORKING BLIND

We agree that our senses, like sight and touch, are not as reliable as laboratory tests to be sure that meat is wholesome. But they're better than nothing. Sometimes with SIS we might as well be trying to check for wholesomeness when we're blind with our hands tied behind our backs.

In order to make informed judgments whether beef is wholesome, surfaces must be free of inedible organs and other debris; carcasses must be split and tissues incised so the proper spots for symptoms can be viewed; organs must be felt for conditions hard to see; cuts must be clean to avoid blood covering everything up; and inspectors must be placed at strategic spots like a final checkpoint to make sure nothing has been missed before a carcass goes in the cooler. We used to have all these factors to assist us before we agreed beef was wholesome. Now we often don't have any. The results are predictable.

To illustrate, because we no longer can palpate, or feel, the tongues, cactus thorns and associated abscesses are getting through. We miss the flukes, abscesses, lungs and measles, because we can't palpate the diaphragm and weasand, or hearts and cheeks. We're just supposed to observe. But under SIS we also have been stripped of our authority to supervise trrimming, so often the cuts are so sloppy that it's impossible to see the measles under all the blood. Also, the company workers cut off the measles cysts that allow us to know the carcass was diseased. Even when the pathology is visible, the line speeds are too fast to do more than glance.

A lot of the contamination used to be caught at the rail inspection station, the final checkpoint before the cooler. Under SIS there isn't any final rail inspection station standing behind the seal of approval. This allows pathology to get through, as well as disease.

Eosinophilic myositis (EM) and cysticercosis bovis lesions are being missed at an alarming rate, because carcasses are not split so we can see the internal symptoms. Both tasks used to be performed successfully at the rail inspection station. And the faster the line speeds, the worst the problems become.

Sometimes agency management just orders us not to look. That has been the case with presentation checks for "rough" cattle. We have been ordered not to conduct those inspections.

GUARANTEEING MEDIOCRITY

Just like not slowing down line speeds any more, another reason the products are dirtier is that under SIS the companies don't have to keep them as clean. The standard for USDA wholesomeness approval is that the meat is free from contamination prior to boning and/or shipping. By contrast, the USDA approval standard under SIS is that the product is not any dirtier than other companies' average meat.

This is a big incentive for companies to ease off on public health concerns. They do. For some problems, our plants used to strive

for zero defects. Now they strive for 34, because USDA has said the industry average is 35. Any significant amount of ingesta (prefecal matter from partially digested food) used to be a "major" or "critical" violation. Now ingesta doesn't count for anything unless there are 14 specks under Finished Product Standards, and it can't be worse than a "2," which is maxium tolerance. This also means slaughter sanitation has second class status. In the fabrication department of the same plants, the offal standard for acceptable filth is still zero. On the killfloor it's the national average.

Our primary concern about product standards is that they are all politics and no science. Based on the agency's inability to answer our questions, it appears that management picked the standards out of thin air and kept weakening them until the company could pass. Over and over we have seen the standards relaxed after the company failed to meet them. It's hard to maintain respect for that type of approach.

The whole system seems to be political, instead of a science-based public health program. For example, our local USDA veterinarian told us to look at cattle cheeks. After the company protested, USDA Technical Services overrode him and told us we couldn't check.

One of us was present at an even more revealing meeting last August. Excel officials complained that they hadn't been able to meet the standard of acceptable "presentation" performance (laying out the product so the inspector can see it adequately) for 10 days, which a company must achieve to reduce corporate quality control sampling from once every 30 minutes to once every hour. The Excel production manager issued the following threat: "Where's all the benefits we're supposed to be getting from SIS, as we're about to pull out of the program?" Without blinking an eye Dr. Nordyke from USDA in Washington, D.C. replied, "Okay, as of today we will allow you to go to reduced inspection on presentation checks." They did. Dr. Crawford, USDA's Food Safety and Inspection Service (FSIS) Administrator, essentially ignored the point of our grievance on this issue, which is enclosed. We are more than a little disillusioned.

The standards are misleading. For example, carcasses can be flunked for 41 defects, but that really means 410 fecal specks. For some reason, four fecal specks count as zero. You have to find five to count them as one. Similarly, there is something we call "maxing out," or official maximums. Under this con, 15 specks count the same as 100. That's not the reality for a consumer, who has a greater chance of getting sick.

The standards are vague. Our supervisors tell us not to deal with contamination unless it is "gross," which is not more precise than the eye of the beholder. The standards are incomplete. For example, there are no head ingesta standards.

NOT ENFORCING THE RULES

As weak as the standards are, they're better than the reality of SIS. That is because we're not consistently allowed to enforce the standards that exist on paper. Every day we see the standards violated, and there's nothing we can do.

This is built into the system. It no longer is enough for the federal inspector to fail a shipment of cattle and order rework. At Friona, the company gets to perform its own retest, and we can't act against problems unless the company agrees it flunked based on its own test. This gives the industry a veto power over inspection findings. Not surprisingly, Excel seldom flunks itself. At most the company agrees with us 20-30% of the time, and for extended periods they have never agreed with USDA inspection results that cost them money. For many of us, the company has never agreed when we flunked them—ever. Each one of these instances where Excel overruled the federal inspection results is another case where the meat would have been retained under traditional inspection, or at least trimmed until it was more wholesome.

These retests also illustrate the arbitrariness of SIS. At Plain View the GS-8 USDA inspector can conduct the retest. At Friona the company is in charge. Both plants produce Excel meat, but the USDA seal doesn't carry the same weight at each.

Logistics problems also frustrate us from enforcing the law. For example, if the heads in a particular lot fail, the associated heads also are supposed to be identified for rework. But the company does not wait for the results, so even if the retest is negative the heads already have been removed and boned out. By that point it is too late to match them up.

SAMPLING

In theory, a statistical sampling program should allow us to do less repetitive work and focus our inspection resources on assignments that need more time. That's the way it should be. In practice, the SIS sampling program is a sham—a buffer to stop us from acting on obvious violations.

Under traditional inspection if we saw seven or eight busted paunches in a row with filth spilling out, we would stop the line and deal with the problem immediately, until it was solved. Under SIS we have to wait for the sampling program (ten carcasses every hour for the company's program and less for USDA's), hope we happen to get the same carcasses that had all the problems, make it past the gauntlet of rigged standards full of loopholes that stop us from counting the safe food violations on the meat, and then hope the company also fails itself on its own retest. All this to act against the obvious! What should be obvious is that with this sampling system we seldom can enforce the law.

There also are specific flaws in the sampling plan. For example, they're not random. The corporate quality control (QC) staff takes samples, but they flag their arrival and come at regular, predictable intervals. Even worse, the QC inspectors whistle or otherwise warn the production crews when USDA is coming for the twice-daily samples. As a result, the company puts extra trimmers on the line and is generally on best behavior for the only meat that is looked at closely. For consumers this means the only meat they can be sure is as wholesome as under traditional inspection is that approved during SIS sampling. But that's a tiny fraction of what the public eats.

Most basically, we don't look at enough carcasses. We don't regularly check closely even one cow from each supplier. On some days cattle will come in from 13 suppliers. After eight hours we will have carefully checked six whole carcasses. Even then, the company cheats. If there is a shipment of cattle where an unusually high proportion are diseased, the company splits up the shipment and reduces the odds of sick animals showing up in the sample by slipping them into shipments of healthy cows.

SIS sampling even has reduced the effectiveness of sampling programs we already had. For example, weasands are cattle esophagus products that we export to Japan. We used to inspect all parts of 30 pounds of weasands. Under SIS we only check 10 weasands, and we are restricted to looking at 30 centimeters apiece—about a third to half of each weasand. This sampling system would be comical, except food poisoning isn't funny.

ANTI-HONOR SYSTEM

By this point it should be clear that the industry's primary commitment is to make money. Excel simply does not match the commitment of federal inspectors to protect the public from unsafe food. Frightened workers tell us confidentially that they have been ordered not to tell USDA if they find conditions like measles during trimming.

The corporate quality control personnel have much lower standards than USDA inspectors. When we're both checking the same lot of cattle during sampling, it is not unusual for Excel QC to only find a third as many scoreable defects as we do. That is because they can't stick their necks out. The QC inspectors are harassed constantly, cussed at and reassigned to the dirtiest jobs, like hauling offal. This means even the best ones can't do their jobs unless we're there when they catch something. If we're not there to back them up, they can't, or at least don't, act.

There also is a big problem with turnover of the corporate personnel. This means the company employees usually are green, and they generally leave before gaining enough experience to know their jobs. For example, every trimmer is supposed to complete a training program and get certified. But they seldom last long enough to complete it.

FALSE RECORDS

We don't trust either the USDA or corporate paperwork connected with SIS. That's especially disturbing, since so much more of inspection time is spent reading or preparing records instead of checking food. To put things in perspective, USDA sets a bad example. Our supervisors have instructed us not to document violations of food safety law. We also know the company records are false. Some of us have watched carcass defects like busted viscera happen on up to 20 cattle in a row, without showing up at all on company records.

WASHING INSTEAD OF TRIMMING

Under USDA regulations all beef contamination, like feces, ingesta and hair, is suposed to be trimmed. Washing is only allowed to rinse off blood and bone dust. The carcasses are supposed to be ready for the customer when they reach the rinse, which is supposed to be a purely cosmetic function.

That regulation is another bad joke under SIS. The rinses routinely are used now for washing contamination, to the point that when a shipment fails an inspection test, the company will explain that the carcass washer must have been turned off.

The problem is the high-pressure rinses don't leave the beef wholesome. They just spread and splatter the contamination all around, so it is harder to see and the clean carcasses get cross-contaminated. We know how SIS, along with the switch from washing to trimming fecal contamination from poultry led to doubling the salmonella contamination rate. We hope that USDA, the National Academy of Sciences and consumers don't allow the same thing to happen to beef that already has with chicken. But we're seeing it happen every day at the SIS pilot plants.

Unlike the industry and USDA managers supporting SIS, we are sharing our views without any possibility of personal gain. There are only risks from sending this letter. We are making a record of our concerns despite the certainty that we will face increased harassment, and possibly formal retaliation. Although USDA officials deny there is any chance of reprisal for speaking out on behalf of consumers, those denials have as much credibility as the company paperwork saying SIS beef is always wholesome—none.

We took our inspection jobs to protect public health, and we won't tolerate turning into window dressing. We have to share our concerns, because we are consumers ourselves. We're just consumers who know better. We wouldn't want our friends and families to eat some of the stuff that routinely gets by now.

Mr. HOLLINGS. Due to the limitation of time, and I know the Senators want to vote, I will read just part of it.

We are United States Department of Agriculture (USDA) food inspectors at the Excel pilot plants testing the Streamlined Inspection System-Cattle (SIS) in Friona and Plain View, Texas. Earlier this year the National Academy of Sciences (NAS) panel spoke with many of us about how SIS-Cattle is, or isn't, working. We are writing this letter to all the panel members, because some of us were not able to speak with you personally, and we all want to make a record of our concerns. We take our responsibility to the public seriously, and we have tried to make this program work. We also think it is significant that problems with SIS have continued and in some cases gotten worse since your site visit.

To put it simply, under SIS we have lost faith in the USDA seal of approval. In good conscience, we no longer can say that we know USDA-approved beef is wholesome.

They go right on saying:

USDA advertises SIS as fewer inspectors looking at less meat on more carcasses at faster line speeds, all without lowering public health standards. We don't buy it.

It talks about the symptoms of disease and then saying:

Agency management now rewrites the rules if the company complains or can't pass whatever tests were in place.

Later on they cite:

Sometimes with SIS we might as well be trying to check for wholesomeness when we're blind with our hands tied behind our backs.

Going further, I read again:

We used to have all these factors to assist us before we agreed beef was wholesome. Now we often don't have any.

And they go on to the speedlines.

Let me just read one small paragraph:

A lot of the contamination used to be caught at the rail inspection station, the final checkpoint before the cooler. Under SIS there isn't any final rail inspection station standing behind the seal of approval. This allows pathology to get through, as well as disease.

And they talk about the sampling and everything else, Mr. President.

I have an affidavit from Gerald Kuester, and I ask unanimous consent that this be printed in the RECORD at this point.

There being no objection, the affidavit was ordered to be printed in the RECORD, as follows:

AFFIDAVIT

My name is Gerald Kuester. I am providing this affidavit freely and voluntarily, without any threats or inducements to Mr. Thomas Devine, who has identified himself to me as the legal director of the Government Accountability Project. This statement evidences my concerns over the breakdown in the United States Department of Agriculture's regulatory program to control salmonella and other microbiological contamination of poultry.

More specifically, I am disturbed by USDA's censorship of the public record about the extent, causes and dangers of salmonella contamination; compromises in the scientific method, which became particularly crude during an agency study in Puerto Rico of proposals to further expand the Streamlined Inspection System; and USDA's failure to evaluate and control the impact of new technologies that increase food contamination. Most fundamental, I must challenge the agency's failure to recognize or act responsibly against the primary cause of the problem—cross-contamination which occurs because dirty flocks are not separated from clean ones at the beginning of the slaughter process, and then to make matters worse are mixed together in scald tanks and common baths such as the chill tank. These policies have represented mismanagement that resulted in a gross waste of taxpayers' funds and, more significant, a substantial and specific danger to public health and safety.

Until I resigned in September 1988, I was a GM-13 biological scientist in the Food Safety and Inspection Service (FSIS), Technical Services, Technology Transfer and Assessment Group. I had worked for the federal government as a microbiologist since 1967, first for the Food and Drug Administration (FDA) and since 1978 for USDA. In 1987, after the 60 Minutes fecal soup program on poultry, I was assigned to do a literature search on poultry processing research. To my surprise, there wasn't any significant and reliable microbiological data in-house on major agency policies, an inconclusive 1975 European Economic Community study was critical of temperature control through chill tanks as opposed to spray chilling.

Despite the absence of needed scientific data to support our regulatory policies, as a result of an extensive scientific literature review. I became one of the most knowledgeable agency scientist in this area. As a result, I was assigned to various teams working on poultry slaughter and processing initiatives, such as the Puerto Rico study. I also was assigned to publish papers summarizing the highlights of what I had learned. I dissented and declined to cooperate voluntarily when FSIS attempted to suppress politically unpopular data from the public record. Similarly, I challenged obvious subversion of the scientific method in favor of politically-based science in the Puerto Rico study.

As a result, I began facing steady harassment and a sudden dissatisfaction with the competence of work that always had been evaluated highly before. It reached the point where the agency proposed to fire me unless I "improved" my performance. It became clear to me that rather than responding to my concerns in good faith, FSIS officials would attempt to smear my employment record. I determined that the best course was to resign and present my views from the outside.

I am proud of my record as a public servant and perfectly willing to defend it if USDA wants to continue taking the low road rather than dealing with the serious public health threats I tried to raise internally. But that is not the point of this statement. I am presenting this affidavit to seek progress in addressing the public health threats, not as a way to get some sort of personal legal relief. As a result, wherever possible I am skipping any further discussion of the personal harassment I suffered for attempting to work within USDA's system. My specific public health and safety concerns are listed below.

THE VACUUM OF SCIENTIFIC RESEARCH

1. I soon learned that my research assignment was necessary, because we had developed regulatory policies on salmonella control and poultry processing in a vacuum of structured, prior scientific research. For all practical purposes, USDA has been developing safe food policies with scientific blinders. Based on the data made available to me, the agency never had done a thorough microbiological study, step-by-step, of how poultry processing affects the levels of salmonella and other enteric pathogens that cannot be detected by our senses.

2. The same blindness applied to our inspection policy choices. Although occasionally there were laboratory studies such as that preceding regulations that permitted washing instead of trimming, they were so superficial that they could not be taken seriously. There was inadequate or no independent peer review—a major tenet of the scientific method—for any of the major inspection changes I checked.

3. The most serious hole in the data was for the microbiological effects of different inspection policies. I found *no* microbiological testing to check the effect of line speeds on product wholesomeness. This was inexcusable, since anyone who watches a poultry slaughter can see that as line speeds increase, more intestines are ruptured with resulting contamination. FSIS consistently did not evaluate the microbiological effect of changing inspection systems, such as from traditional to New Efficient Line Speeds (NELS) to Streamlined Inspection System (SIS) models. Instead, the agency just counted the number of aesthetic defects visible to the eye—a largely irrelevant method.

3. There is a similar vacuum of data to verify the impact of new technologies approved by USDA for poultry slaughter. The new machinery, such as the eviscerating machines, feather-pickers, gizzard pullers, anus pluckers and others, had led to increased productivity and profits. But it also has coincided with greatly increased levels of contamination, in part because USDA simply reviewed the equipment for care and cleaning. The impact of the technologies for spreading salmonella and other germs effectively was overlooked. I will discuss the weakness of our equipment review program in more detail below.

4. One of the most embarrassing holes involves the lack of qualifications and training for FSIS participation in Hazard Analysis Critical Control Points (HACCP), the cornerstone of inspection system changes the agency plans to institute. HACCP systems substitute more intensive checking at strategic points in the production process for con-

tinuous but less-intensive oversight. The HACCP approach is a valid inspection model and has been recommended by the National Academies of Sciences (NAS) report on modernizing poultry inspection. But it is a sophisticated technique. Personnel responsible to implement it need specialized education and training. To the best of my knowledge, USDA started implementing it without those prerequisites. In the context of the Puerto Rico study I know that was the case, because I asked all three project leaders if they had HACCP training. They told me they did not. When I left the agency I was unaware of any USDA training programs in HACCP methods. The National Food Processors Association had one, but I am not aware USDA participated. Under these circumstances, the Department of Agriculture is just wasting the taxpayers' money to contract for prestigious studies like the NAS report. Even worse, the government makes a mockery of NAS findings and inspection models like HACCP by adopting the language but not getting trained or understanding their substance.

THE CHALLENGE OF CROSS CONTAMINATION

5. The most obvious insight I learned from my work was that the primary cause of the breakdown in poultry sanitation is cross-contamination between clean and dirty birds. I identified four basic causes of the increasing cross-contamination threat—(1) failure to separate flocks of birds that are dirty when they arrive for slaughter and processing from those that are clean; (2) mixing the birds together during slaughter/processing operations through scald tanks and common baths such as chill tanks that spread the filth through the medium of water; (3) vulnerability to higher levels of contamination caused by slaughter and processing through inspection changes and machinery that creates contamination by ripping up the carcasses; and (4) increasingly complex processing for more sophisticated products that cause increased cross-contamination as quantities of poultry are handled over and over by more and more equipment. In this section of my statement I will concentrate on contamination from failure to segregate the clean from the unclean, both before and during processing.

6. The most important and basic insight I learned from my research is that the key to lowering salmonella consumption is the wholesomeness of the birds when they arrive for slaughter. If they are saturated with salmonella before slaughter, there is not too much anyone can do to make them wholesome. The only real impact USDA could have is just what has occurred—making the problem worse by allowing it to spread. Poultry most often get salmonella from two sources on the farm—the feed poultry eat, such as their own excrement; and hens transferring it to their chicks. As the Minnesota Turkey Growers Association has demonstrated, poultry can be raised salmonella free and still be profitable. But practices on the farm are outside USDA's jurisdiction. The most effective way for FSIS to reduce the scope of the salmonella challenge is to check the flocks before they arrive and then to segregate the clean from the unclean.

7. In that context, it is inexcusable that USDA's HACCP testing programs have not included a critical control point at the start of the process. This assures that the industry will be permitted to ignorantly contaminate clean flocks from those that are filthy upon arrival. Further, no one knows just how much individual inspection techniques and production equipment increase or decrease salmonella levels, because we don't know how dirty the birds were when they arrived. Until USDA requires a critical control point to check poultry for salmonella before slaughter, the rest of the process will be a guessing game that is hopelessly handicapped until new rapid testing technologies are developed.

8. We do not have to wait for new technologies to conduct microbiological tests before slaughter. That could be done before the poultry arrives. If flocks had papers certifying their wholesomeness based on objective laboratory tests, they could be safely mixed. If flocks failed the tests, those birds could be slaughtered last, or isolated and reserved for products requiring further cooking that would kill the germs before they spread.

9. The other most serious cause of cross-contamination does occur during the slaughter and processing, due to mixing the carcasses together in common scald tanks or common bath chill tanks where the water carries salmonella from the dirty to the clean. In this way processing operations inherently spread the filth.

10. Again, this problem is unnecessary. Feathers could be loosened through steam sprays instead of scald tanks, and temperatures lowered through cold sprays instead of chill tanks. Those alternatives are used in Europe. Also, we could rely on dry chills, where birds are cooled in a cold room. That technique should work, but it would prevent the poultry industry from charging the public for up to 12 percent added water. Also, the chickens wouldn't look as good aesthetically. But that's better than the present system, which is like soaking the birds in a toilet.

CENSORSHIP

11. In June 1987 I submitted the first draft of an article on poultry contamination that the agency had ordered me to prepare as part of a Performance Improvement Plan (PIP) that I believe was due to previous internal whistleblowing, much of which is summarized in this affidavit. I also had dissented against misconduct such as laboratory safety violations at USDA facilities.

Clearly, my draft article was not what the agency wanted me to produce. On paper my supervisor objected to the workproduct on stylistic grounds, improvements with which I was completely willing to cooperate. The draft and his comments are enclosed as Exhibit 1. But his direct guidance was to change its contents, removing the most significant information for public health and safety purposes. I refused to do that. The agency subsequently proposed my termination for unacceptable performance and eventually published a sanitized version, which is enclosed as Exhibit 2. As mentioned earlier, I also refused to cooperate with the termination proposal and instead resigned.

12. By systematically comparing the draft and final articles, it is easy to obtain a list of significant substantive information that was removed. These deletions had nothing to do with writing style. Rather, they were the point of my research. In each case I had authoritative citations to support the deleted information, but that did not make any difference. The deletions include the following:

(1) Contrary to prior publicity, there have been more reported cases of salmonellosis from turkey than from chicken.

(2) Without better epidemiological data, it will be difficult to determine if risk management programs—another USDA policy goal that substitutes priority oversight for blanket coverage—are effective.

(3) Salmonella estimates in processed broiler chickens have ranged from 1-50 percent, and on an anecdotal level are far worse. Studies have reported that even upon entering the slaughter plant, incoming birds have been contaminated at rates up to 72 percent as was found in the Puerto Rico study.

(4) Canadian health authorities have reported salmonella contamination rates in their ready-to-cook boiler chickens as high as 67 percent. They contend that USDA's estimates are lower, because we use a less sensitive method to check for salmonella which involves freezing the samples.

(5) We don't know the quantity of salmonella contamination per bird, just its incidence.

(6) The more food is processed, the greater the chance for microbial contamination. Again contrary to the public spotlight on whole birds, there is a higher incidence of contamination in poultry parts and mechanically separated poultry. This is only logical, because the more the poultry is processed, the more surfaces are created for exposure to salmonella germs.

(7) Because we do not know the incidence of contamination for incoming birds, we do not know how much slaughter processing contributes to the total levels.

(8) With the advent of modern slaughter technologies, there are about 50 points during processing where cross-contamination can occur.

(9) There is little information about internal contamination of poultry carcasses.

(10) Salmonella attach to the skin and survive hot scald tank temperatures through water films that form. Once attached, the salmonella are difficult to remove even after considerable washing.

(11) Especially hot scald temperatures may be counterproductive because they also create surfaces to which salmonella can attach better if and when contacted during the rest of the process.

(12) Although pre-chiller inside-outside washing removes the visible filth, it could be a source of spreading contamination. Inadequate drainage due to excessive line speeds or blockage of the neck opening mean the contamination will be carried into the chiller. This portion of my analysis was rewritten to assert that washing will remove most contamination from the viscera unless the carcass is not properly drained.

(13) Salmonella cross-contamination also occurs from shipping out parts or whole birds in common containers, such as large tubs where birds are packed and sent to retailers who do their own processing, or plastic-wrap them in styrofoam trays.

(14) Significant improvements in salmonella control will not occur unless there is a dramatic change in the way poultry is processed. Good manufacturing practices under the current system may reduce the level of contamination per bird but spread it to more overall.

(15) Testing incoming birds would reduce cross-contamination by permitting timely isolation, such as even before transportation—where salmonella-carriers birds mix with and cross-contaminate both clean birds and equipment,

(16) Farms and hatcheries offer another opportunity for reducing salmonella, by decontaminating eggs before hatching and feeding young birds salmonella-free feed.

13. With a little explanation, it is easier to understand the significance of some of the

deletions listed above. For example, it is understandable why turkeys empirically pose a greater salmonella threat than chickens. Because turkeys are bigger; they take longer to cool. At home turkeys more frequently are undercooked, because they are served on holiday occasions and because the dressing interferes with proper heating in the turkey's body cavity—where most of the pathogens are located. Further, giblets are heavily contaminated, and the giblets from one bird of unknown condition are placed in the cavity of another for retail sale. On balance, although less turkey is consumed than chicken, more is associated with food borne illness.

14. In order to properly develop a risk management policy, we must know how much salmonella it takes to make which types of population groups sick. That will allow us to develop a rational policy on how much salmonella is acceptable, as compared to the current seat of the pants approach. For example, to make chicken totally salmonella free might make it cost more than steak. For some population groups that is necessary, because their resistance is too low to tolerate minimal levels. For others it would be a waste of money for poultry to be that sanitary.

15. If both the Canadian and U.S. survey data are accurate, there should be a problem with importing Canadian poultry. USDA has explained that it is acceptable to import highly contaminated poultry, because it gets cooked before we eat it. That illustrates an inconsistency in federal policy toward contamination. FDA bans raw, imported frogs legs—a product that is near the bottom of the food consumption heap in terms of quantity—if there is salmonella on them. Poultry, at the top of the main dishes in terms of popularity, can be imported and shipped interstate no matter how contaminated with salmonella.

16. Blind consistency is not necessarily a public health advantage, however. For instance, salmonella-tainted frog legs can be sold if the microbial contamination is killed by irradiation. But irradiation also kills the food spoilage organisms. Those germs are important warning signs for consumers: they make the food stink and inedible if it has spoiled and before botulism reaches deadly levels.

17. USDA has asserted that while the incidence of salmonella contamination is high, the levels are low per bird. Unfortunately, we just don't know whether that is accurate. The analytical testing method is suspect and has not been validated. Further, even if the levels were low when the poultry left the plant, they could skyrocket during shipping and transportation due to mishandling and/or refrigeration breakdowns.

18. The same unforeseen problem that makes irradiation dangerous also may make chlorination of water for poultry washes counterproductive. The best natural control against salmonella organisms are flora such as spoilage germs that compete with and crowd out the salmonella. If we chlorinate the water too much, we will have little or no impact on the salmonella but will kill the spoilage germs. Again, the result will be to strip spoiled food of its warning symptoms, and the salmonella will multiply even more in the absence of their main competitor.

19. We need to get serious research on internal contamination, because it is an increasingly significant problem due to practices such as slitting the chicken's neck or placing it in the scald tank while the heart is still beating. When that occurs, contamination from the knife or the filthy water gets into the blood and is pumped by the heart throughout the carcass within seconds.

BLIND APPROVAL OF NEW TECHNOLOGIES

20. As mentioned above, there is only superficial review of new machines that enhance both productivity and filth. Unlike energy or other technologies, there is no system to learn whether the same economic benefits can be obtained through alternatives with less significant economic side effects, the full impact of the side effects such as increased levels of contamination, and to decide whether the increased profits are worth the public health risks. This is a significant, dangerous hole in our oversight, since the drastic technological changes of the last 15 years have revolutionized the poultry industry.

21. USDA's approval process for new technologies is through the Equipment Review Branch (ERB). That shop only makes serious checks for ease of cleaning the equipment. The personnel do not have the stature or technical competence for a more ambitious oversight effort. The Equipment Review Branch has the reputation within the agency of a shop where employees are put out to pasture—staffed by veterinarians with personal problems or inspectors who are approaching retirement.

22. Even for ease of cleaning, there are so many exceptions that the Equipment Review Branch has lost control of that modest effort. There simply are too many exceptions, such as temporary approvals, that allow expensive machinery to get installed. Once the plant has rearranged its operations and finalized a major capital investment, that temporary approval might as well be carved in stone. There is no chance of the Equipment Review Branch yanking it. Interested public observers may find it educational to check how many times the ERB has stopped a new technology proposed by a plant owner or supported by the industry from being installed. To illustrate, despite the law's theoretical requirements mechanical fingers to pound off feathers cannot be adequately sanitized. They weren't designed for that purpose, but somehow they were approved anyway.

THE PUERTO RICO STUDY

23. During mid 1987 FSIS began planning a study of inspection systems for Puerto Rico. Although the purposes of the study were never clear and have changed over time, initial agency discussions centered around proving that a new fourth generation of the Streamlined Inspection System would be as effective as the system currently in place. The idea would be to have seen fewer inspectors on the line and to relax specialized presentation requirements. Those requirements had forced companies to place the birds so an inspector could see them adequately despite having less time under the extremely fast SIS line speeds of two seconds or less per bird.

My initial concern about the study was that FSIS was not taking the necessary time to plan it properly. Normally these type studies take several months to plan, but this one only got a few weeks. I asked why the agency was in such a hurry to develop the study and was told there just wasn't time for the normal methods. I believe that FSIS was trying to rush a justification for a policy decision that already had been made to further relax poultry inspection.

24. If that was the case the effort failed miserably. FSIS officials have refused to disclose the specific results of the Puerto Rico study's initial phase. Members of the public who have inquired received a nearly blank page with arrows pointing down, across or, mostly, up to indicate whether salmonella increased or decreased during slaughter processing. An example of the agency response is enclosed as Exhibit 3. I can understand why the agency did not want to tell anyone what had happened. My notes indicated that the poultry was contaminated with salmonella at a 57 percent rate going in and a 76 percent rate leaving the plant. An agency draft discussion paper on the results further reported "a 24 percent increase of Salmonella from prechill to postchill. This would indicate heavy cross-contamination in the chiller." The discussion draft is enclosed as Exhibit 4.

25. Actually the results probably were far more significant than even those the agency was unwilling to admit. Perhaps most significant, we didn't have a real baseline to measure the incidence of contamination when the birds arrived. As a result, we don't know what the salmonella rate was before slaughter processing. The first critical control point for measuring contamination was after the feather pickers and scald tank, so we also do not know how much those prime suspects contributed to the incidence of contamination.

26. We also may have underreported the salmonella levels due to the methodology of the project. For example, there was a serious problem maintaining the integrity of the samples. We even lost some of the birds.

27. Even when we kept track of the samples, we may have caused underreporting by freezing them. The samples were frozen before getting sent to the United States, which kills some of the salmonella germs unless they are resuscitated after specific precautions that did not occur, to my knowledge. Related to this problem, to my knowledge FSIS did not keep track of how long the samples were kept frozen, whether they were quick frozen, or the temperatures at which they were frozen. I had wanted that data to be collected, because inconsistencies would affect how badly the freezing process causes loss of salmonella germs. The Canadians collect and analyse their samples the same day, which helps to explain why they report incidence levels so much higher than ours.

28. We also used a questionable method to test the incidence of contamination. The best method is to use a safe microbiological organism marker that also indicates the presence of salmonella. Instead, USDA used what is called the rinse test method. The bird is shaken in a plastic bag and then the water poured into vials for testing. This method was not validated by having its accuracy demonstrated as acceptable before it was selected for the study.

29. The study was packed with other methodological flaws as well. For example, there was no effort to compensate, either through segmented data or adjusting the number of samples, for the fact that the plant got steadily dirtier as the week went on.

30. One Puerto Rican plant is not necessarily representative of conditions in the poultry industry throughout the United States. One plant is an inadequate basis to set a national policy.

31. The study only checked for salmonella contamination, failing to check for Campylobachter. The latter is one of the most significant and increasing forms of microbial con-

tamination of concern to public health officials.

32. To my knowledge, the sample size was not properly justified. Only five birds per day were taken from each of the five critical control points for eight days. That's a total sample size of 200 birds, a miniscule percentage of one plant's production. When I asked the basis for picking that figure, the only response I received was that a particular statistician had picked it. The lack of analytical justification, compared with the identity of that statistician, combined to raise a red flag to me. The statistician's qualifications were suspect. The statistician in question also had the reputation of being the person selected by agency management for biasing the methodology of studies when the agency wanted no uncertainty about their results.

33. I also asked for a complete description of all the equipment used in the study, the line speeds and the levels of chlorination throughout the plant. I had not received any answers before leaving the agency. I do not know if that information ever was disclosed, but it should be due to its potentially significant impact on the results.

34. Perhaps the most significant flaw was that the agency hired a group of experts to review the study. That meant the consultants would have a paid working relationship with the staff of the workproduct being reviewed. Unbiased peer review is a major aspect of the scientific method, and this approach flew in the face of normal practices. Usually peer review is conducted by independent scientists. Even worse, a condition of the contract was that the peer reviewers could not discuss their findings with the public without the agency's consent. They are gagged.

AGENCY RESPONSES TO CONSUMER PETITIONS

Mr. Devine requested that I review certain consumer petitions challenging USDA to reform its regulatory program on poultry slaughter processing. One petition was dated December 14, 1987 and signed by the American Federation of Government Employees, AFL-CIO Food and Allied Services Trades Department, Americans for Safe Food, Government Accountability Project, National Consumers League, Public Voice for Food and Health Policy and United Food and Commercial Workers Union. The petition sought a National Academy of Sciences study on the effectiveness of various poultry processing and inspection techniques. On January 21, 1988 USDA rejected the petition. The petition and response are enclosed as Exhibits 5 and 6.

On June 27, 1988 the Community Nutrition Institute and GAP filed another petition, to require mandatory condemnation of poultry visibly contaminated with fecal matter during processing. On July 25 USDA rejected that petition. The petition and response are enclosed as Exhibits 7 and 8.

To a great extent my statement already has rebutted the agency responses, which I believe generally are arbitrary and unreliable. Additional comments or points that I want to emphasize about the analysis in the rejection letter are listed below.

Rejection of December 1987 petition

35. In the January 21 letter, Deputy Assistant Secretary for Marketing and Inspection Services Karen K. Darling responded that USDA is implementing a Hazard Analysis Critical Control Point system as recommended already by NAS. While she used the right language, the response was inaccurate in terms of substance. USDA's HACCP program was completely inadequate. As mentioned earlier, the individuals running the HACCP project did not have any experience or qualifications in HACCP.

36. Ms. Darling also emphasized that "in developing new inspection methods, USDA makes use of the scientific method . . ." (Exhibit 6, at 2) Again she used the right language, but it had little to do with the reality of FSIS' approach. For major studies, consistently the agency has had inadequate or no peer review, failed to perform microbiological testing on the impact of faster line speeds, and failed to conduct public health evaluations on the impacts beyond the level of laboratory tests.

37. Ms. Darling took credit for technical experts critiquing the program. (Id.) But the critique is to be after-the-fact. Normally it should be done beforehand and cover the study's protocol, or methodology.

38. In response to the consumer groups' critique of a 1975 study that paved the way to replace trimming of fecal contamination with washing, Ms. Darling asserted, "[T]he results were considered to be useful and reliable. In the past several years FSIS has accumulated additional data that supports the basic conclusions of the ARS study." (Id., at p. 4) The first sentence was misleading. The second was false. Although surely many individuals found the 1975 study useful—it allowed the poultry industry to increase profits—and some individuals may have believed it reliable, the overwhelming scientific consensus has been in agreement with the criticisms summarized by the consumer groups. The study has not achieved stature as a significant, respected work that is taken seriously.

With respect to the second statement, I was the FSIS employee who conducted the literature search to find additional support for the 1975 results. I couldn't find any, so I asked scientists in the Microbiology Division for additional references. Consistently the response was that there were none.

39. Ms. Darling asserted that the "whole-bird rinse method was developed in 1967 and has attained wide acceptance." As discussed earlier, that statement also is inaccurate. The method has not been widely accepted and has not been validated, because we do not know what it can detect. I made this point in presentations within USDA. It was not rebutted, but it was not appreciated either.

40. In closing, Ms. Darling emphasized that FSIS had made "adequate provision for impartial, outside advice on the implementation of key provisions of the NAS recommendations—those involving risk assessment and the application of HACCP principles." As I emphasized earlier, it is completely arbitrary to make those assertions about advice that is bought and gagged.

June 27, 1988 petition and response

41. The June 27, 1988 petition denial was equally inaccurate and arbitrary in its rejection, Initially, Mr. Gilles denied that it was specifically a study of salmonella or that it was a study of fecal contamination. I read Lillard's work, and it was a study of salmonella. Indeed, Mr. Gilles went on to explain that the study was about enterobacteriacae, a bacteria family of which salmonella is a member. Scientists don't do studies on "families" of bacteria, however. They do it on individual members. This one was on Salmonella. Further, Salmonella is a fecal pathogen. That is where it comes from, whether or not USDA tried to "establish" its origin.

42. Mr. Gilles asserted that "the Agency is giving proper attention" to the Lillard study results. I was not aware of any meetings called to discuss the implications of her work on rinsing, and I would have attended or at least been aware of them.

43. Mr. Gilles concluded by asserting that there is no significant problem at all with poultry contamination and that it is unfair to malign the poultry industry without foundation. The facts are that the scientific community does not have the data to support Mr. Gilles' assertion. Within the scientific community, poultry contamination is recognized as the major food safety problem.

I have read the above twenty three page affidavit, and it is true, accurate and complete to the best of my knowledge and belief.

GERALD KUESTER.

JUNE 27, 1989.

I ask then, Mr. President, that the affidavit of Mr. David Carney at this point be printed in the RECORD.

There being no objection, the affidavit was ordered to be printed in the RECORD, as follows:

AFFIDAVIT

My name is David Carney. I am submitting this affidavit freely and voluntarily, without any threats, inducements or coercion to Thomas Devine, who has identified himself to me as the legal director of the Government Accountability Project (GAP). I am a GS-9 food inspector in the United States Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS). I also serve as vice chair of the Food Inspectors Union, American Federation of Government Employees.

This statement evidences the concerns that many USDA food inspectors have for public health and safety if the agency's proposed Streamlined Inspection System—Cattle (SIS) is implemented nationally. Although many inspectors have gone on the record to expose SIS, many more who feel the same way and should make an important contribution have not, due to a justified fear of reprisal. After USDA withdrew its disastrous Discretionary Inspection (DI) plan—which would have adopted many of the same principles for processing inspection that SIS does for slaughter—USDA engaged in crude harassment of the most effective critics. Nevertheless, in the last month many inspectors authorized me to make a record of problems that have gotten worse since I testified to the National Academy of Sciences (NAS) in January.

All of the inspectors agree that industry should take more responsibility for food safety, which USDA has said is the point of SIS. But in practice SIS has been a blank check for faster line speeds, and that is all some companies in the pilots have been concerned about. Overall, the daily experience of inspectors has been that the SIS agenda is to produce products at the fastest possible line speeds, with the cheapest labor and the least government oversight. That is like asking for increased food poisoning. Their concerns are listed below.

1. For inspectors the most basic effect of SIS has been their loss of credibility and authority on the kill floor. Before if they found a problem the company responded. Now the plant employees act as if they haven't heard. Before SIS the inspectors' judgment calls were questioned for borderline cases. Now the companies routinely

challenge their judgment on anything that could cost money.

2. For consumers the bottom line from the pilot plants is that over time USDA's stamp vouches for more dirty, diseased cattle. Much of what USDA calls wholesome meat today would have been condemned in 1984, and it wouldn't have been a close call. And SIS 1990 is worse than SIS 1986. Over time the inspectors in the SIS pilot plants have been allowed to condemn less and less. Examples of how this program has affected our food illustrate the specific program criticisms.

LINE SPEEDS

3. The combination of faster line speeds and fewer inspectors makes it impossible for USDA's seal of approval to mean what it used to. Before SIS the maximum line speeds used to be 300 cattle per hour. After SIS often there are 400 cattle per hour, with three less federal inspectors. During production cycles, they have less than 15 seconds to inspect each head, which supplies meat for hamburgers, sausages and similar products. During that time they're supposed to check for pathology and tag the product, all without stopping the line. Inspectors are supposed to check 30 livers per minute. The reality is that after two seconds when the liver gets past them they don't know whether it is wholesome or not. In fact, the inspectors get what they call line speed hypnosis and aren't even as alert to what's visible.

SIS will make America number one worldwide in line speeds. The problem is that it also will make American consumers vulnerable to being number one in food poisoning.

4. There is no doubt that stepping aside for unlimited line speeds is exactly what USDA is trying to accomplish through SIS. At one pilot plant, a Veterinarian Medical Officer (VMO) quoted as "vet," had said the line will never be shut down again by an inspector.

5. Even when the line can be stopped in theory under SIS, bad meat gets through anyway due to new rules. If SIS inspectors think conditions warrant stopping the line, they have to blow a horn and wait for a company foreman to come. They take their time. Usually when they get there it is too late: the cattle have long since passed.

6. The faster line speeds also mean more cross contamination. Before SIS if inspectors found an abscess on the table they were supposed to condemn other products on that surface. Now they're supposed to let them through unless reinspected. But at 400 carcasses per hour they can't even make informed judgments once, let alone twice.

7. It has reached the point where inspectors can't even stop the line to clean measles off surfaces where other cattle are worked on, which means we can expect cross contamination of that disease.

8. The consequences go beyond not having time to look adequately. We depend on slowing or shutting down the line to maintain the company's attention. When contamination gets out of control or the meat is presented so sloppily that disease symptoms are covered up by fat ingesta and blood along with other contaminants, we can get the company back to compliance by controlling line speeds. They know we're serious, and they deal with the problem.

By contrast, SIS inspectors have been straightjacketed. All they can do is complain. The inspectors are all aware of what happened to Marvin Miller at the Monfort plant in Grand Island. He was suspended after stopping the line when livers were so covered with ingesta that he couldn't see whether they were wholesome, even if there had been time. It's like a police officer trying to stop a robbery without a gun. This helps to explain why SIS inspectors believe the companies don't take them seriously anymore.

9. USDA has performed studies that supposedly prove inspectors can keep up with the line speeds. But the tests are rigged through advance notice of when the agency will take the statistics. Those days the cattle are atypical, smaller and much better presented due to more company people on the line. Similarly, the companies reduce line speeds around 50 head per hour when there are visitors from Japan or Canada.

REDUCED HEALTH STANDARDS

10. Under SIS science takes a back seat to politics, with the industry routinely winning at the expense of public health. On the one hand, most situations are supposed to be handled subjectively instead of objectively. Instead of being unacceptable, arbitrariness is the rule. The agency supervisors tell inspectors to act based on what they're comfortable with.

But that's not quite accurate. Actually the standard is what the company is comfortable with. The agency almost never backs its own personnel over the industry when there's a dispute, and that happens a lot since the rules are fuzzy. Even more than normally, when an SIS pilot company disagrees with the inspector, FSIS management sides with the company. Sometimes, as when Marvin Miller shut down the line, FSIS throws in a disciplinary action just to make sure they get the point. Others have been reprimanded this year for "misconduct" like requiring equipment to be sterilized before it is used to cut meat, without getting their side of the story, when FSIS supervisors took plant officials' complaints at face value.

This has totally destroyed morale and left SIS inspectors bewildered. Inspectors who have seen over two million cattle each tell me they don't know anymore why carcasses haven't been condemned.

11. One example of SIS wholesome is "water bellies," which means that urine has backlogged and swelled up the cow's tissues. This happens when cows cannot urinate, because they're clogged up with conditions like a gall stone in humans. There is the equivalent of buckets of urine in their briskets, shank and bellies. It just floods out when the cow is slaughtered. Before SIS any bovine in that condition would have been condemned. Since SIS, some vets have been approving the urine-soaked meat for consumers.

12. Another example of SIS wholesome is routine approval of cattle with chronic pneumonia and arthritis. Veterinarians are now approving cattle that wheeze loudly as they're breathing before slaughter, whose lungs are fulled with fluid, that have scar tissue and abscesses running all up and down the sides of the lungs and stuck to their ribs, and have piticiation—or popped blood vessels—in kidneys that are no longer functional.

13. Often the arbitrariness is because there is no procedure to deal with common conditions. For example, when inspectors find cactus thorns in a tongue, there is no system for followthrough. In practice, even if the thorn is removed vets often let the infected tongue get through—abscesses and all.

14. To put the bias in perspective, companies who disagree with an inspector or vet can appeal all the way to the FSIS Administrator in Washington, D.C. Inspectors who disagree with outrageous decisions by vets like those above cannot appeal. In fact, inspectors have been reprimanded for verbally challenging vets about approving some of the conditions listed above.

CONTAMINATION

15. The most visible impact of SIS has been increased contamination. USDA-approved beef has never been filthier. By and large, inspectors are supposed to ignore contamination and concentrate on disease. The bottom line has been a vacuum on filth control. For example, SIS-approved cattle heads routinely have mucus, hair and ingesta all over them.

16. Unless outside visitors are coming for a plant tour, building contamination is a disaster. At plants like Monfort, during the 1970's USDA inspectors used to keep the floors shining. Now unless there are visitors coming, they're full of guts, urine and feces, and general muck, sometimes to the point of being so slippery it's dangerous to walk.

17. Company workers no longer wipe down the rails touching carcasses, from which they routinely cleaned grease before SIS. Large pieces of fat stay stuck on beams directly above products, where they can drip dirty grease onto beef. On occasion, the fat has just stayed on the beams without getting cleaned until it became rotten and dried out.

18. Like the floors, the condemn cages are a mess. Since SIS they typically are filled with small intestines, corn, fecal contamination, guts, ingesta and the other junk that is all over some plants. These conditions attract flies and rodents.

19. There should not be any confusion why these conditions exist. Under SIS sanitation is the company's shot to call, and the industry standards are much lower than those of federal inspectors. Inspectors who challenge the filth have been cussed out and almost physically thrown out of company foreman's offices. As far as the industry is concerned, filth is none of the USDA inspector's business under SIS. As far as we're concerned, under an honest inspection system any contamination that makes the public sick should be our business.

NOT LOOKING AS CLOSE

20. Supposedly under SIS the inspectors can do a better job of going after disease, or pathology. That's not true, either. The inspectors can't see anywhere near as many symptoms. Part of the reason is all the contamination. Fecal contamination and ingesta spillage often cover the organs where inspectors are supposed to check for disease symptoms. That is because the company employees don't always tie off both ends of the intestines to minimize spillage like they used to before SIS, when the federal inspectors had more control.

21. Sometimes we can't see as well because company employees have replaced USDA inspectors in making the cuts necessary to find diseases. Unfortunately, they're butchering tissues that should receive surgical-like incisions. The result is that there is blood flowing all over and covering up measles and Eosinophilic Myositis lesions that would have sparked condemning or trimming the carcass if the inspector could see the symptoms.

22. Other times, the cuts that USDA inspectors always performed under traditional inspection are hardly ever made under SIS by anyone. For example, no one performs incises the atlantal lymph node on the tongue, which is the unique way to find acti

and abscesses that require a neck trim. The result is the necks seldom get trimmed anymore, so consumers eat diseased and infected beef.

23. SIS directly restricts inspectors from having a decent view, even if the meat were well-enough presented to see anything. Most SIS inspectors are prisoners of an inspection stand. But the stands are too low to see well above the shank.

24. This all ties in with the First Commandment of SIS: Never Stop the Line. Inspectors have been reprimanded for leaving the stand even after catching company quality control personnel approving carcasses with large hind quarter abscesses, in one case at least six inches in diameter and sticking out between one and two inches. The reason? By leaving the stand to stop abscessed beef, the inspector also had to stop the line.

25. Other inspection tasks have simply been canceled. For example, under traditional inspection USDA personnel checked tripe rumen and reticulum for abscesses and ulcers. They would incise and palpate, or feel, the carcasses, and condemn tripe with these symptoms. Now the inspectors are only allowed to glance at the tripe, which is pretty much a waste of time. Now when workers pick up boxes of tripe, on occasion pus from the abscesses drips out all over their aprons.

26. Some of the companies have performed tricks that keep inspectors from seeing the cattle when they come off of trucks, which is still supposed to be part of USDA's responsibility. Under traditional inspection we see 10% of the cattle as they come down a chute. But some SIS plants have added a second chute and simultaneously send cows down both. Since there aren't extra USDA inspectors, it is impossible to keep up.

27. The vets aren't looking as much as they used to, either. One example involves "realization" animals. These are cattle so undersized or crippled that traditionally the vets have been called out to make a disposition after checking closer. Inspectors only can condemn parts, but in some instances like advanced cases of arthritis or chronic pneumonia, the whole carcass must be condemned. In at least some traditional plants, significant percentages of animals are condemned after the vet takes a closer look. They generally make it through under SIS.

SAMPLING

28. In theory the USDA inspectors make up for not seeing each individual carcass by intensively checking a sample. But any sampling program flunks unless you see at least some example of the product being supplied from each ranch. Under the SIS schedule, sampling occurs too rarely and not enough cattle are checked. As one inspector said when asked if FSIS sees at least some product from each shipment of cattle, "Heavens no!" Sometimes inspectors don't even see half a carcass from two thirds of the suppliers. To illustrate, at some plants on a typical day lots will come in from as many as six different suppliers. But there are only two carcass checks, and even then only six half carcasses apiece are examined.

29. The company's quality control (QC) program is supposed to replace many of USDA's functions, but in practice company QC inspectors don't go beyond sampling, either. That means consumer protection is limited to the 10 or so carcasses they sample every one or two hours, out of around 400 per hour slaughtered. Unfortunately, these samples also are rigged. The 10 or 20 that are checked bear little resemblance to the other 380–790. At some facilities, the production crews routinely receive advance warnings of which carcass numbers will be covered by the QC sample. Then extra line workers are assigned to those carcasses to be sure they are acceptable.

CORPORATE SUBSTITUTES

As seen from the sampling problems, SIS means that company personnel have taken over many of USDA's public health duties. This is particularly the case with company trimmers, who are responsible to get rid of filth and debris that obstruct pathology symptoms. It used to be USDA's job to see that the carcass is clean, but now these trimmers are the only contamination enforcers for over 97% of the carcasses. Company QC personnel stick to carcasses in the sample. USDA inspectors get in trouble for interfering with production by acting against contamination or inedible products the trimmers missed, even when the stuff is obstructing the disease symptoms. The most that federal inspectors can do is apply a tag. One particular example makes it obvious how much less federal inspectors are involved with keeping beef clean in the SIS pilots. At traditional plants most inspectors had to sharpen their knives every day. At SIS pilots, they can go three months and their knives still aren't dull.

30. Unfortunately, the trimmers often don't know what they're doing. The turnover is like a Marine Corps boot camp; there are always new ones. People are hired off the street and certified as soon as they can hold a knife. It seems pretty obvious that they can't put out a quality product if they don't know their jobs. The results are pretty obvious, too. As a general rule, at some plants the trimmers allow everything to get past that is above eye level, including large abscesses, fecal matter and oil. Very few can trim two shanks in a row that have green tags. That means the best a federal SIS inspector can hope for is that one out of the two contaminated carcasses that he or she caught will be properly trimmed.

31. One obvious problem with deputizing trimmers is that often they don't speak English. Some SIS pilot plants seem to especially like illegal aliens, such as those who only speak Laotian or Spanish. The trimmers don't understand what the USDA inspector is saying.

32. The plants are supposed to have training programs for the trimmers, but they start working without any delays to get trained, and often they don't last long enough to complete the training. It is not as if they're missing much. At Monfort, for example, the training programs are mainly anti-union indoctrination and warnings. This year even the National Labor Relations Board—got many years no friend of labor—cited Monfort for "pervasive and outrageous" violations of labor law. That is not much basis for trusting a company to police itself on training and allowing workers to enforce public health laws.

33. One of the overall results is that if a federal SIS inspector misses something, the trimmers always let the problems go by. They don't know any better, in part because they haven't been trained enough to catch what the USDA inspectors miss. They don't know why the tag is there.

34. Company QC inspectors who know what the tag means also know better than to do anything with their knowledge. They'll be harassed or fired. The rule for QC employees is to do their jobs without interfering with production. But sometimes that is a contradiction. These people just don't have the right to enforce the law, or even to say anything about it being violated. The fear is so persuasive that at some plants workers get nervous if a federal inspector is seen talking to them. It is particularly bad for the aliens.

35. One of the ways this affects company QC inspectors is that they never stop the line. At one plant QC inspectors have not stopped the line for four years on the night shift, and only twice on the day shift during that time.

36. Generally the QC inspectors also ignore basic product sanitation. At one plant a group of federal inspectors between them could only remember twice in four years that QC voluntarily had stamped a carcass for contamination before it reached the USDA personnel. They get resentful when the USDA inspectors suggest conditions are so bad that QC should not restrict their contamination checks to the 10 carcass sample.

37. QC inspectors almost completely ignore building sanitation. This means basically there is a vacuum for a significant sanitation duty that has been stripped from USDA inspectors under SIS. All that is left is the voluntary cleanliness of production crews.

38. The FSIS inspectors catch corporate QC employee cheating, on paperwork that they can see is inaccurate, and by calling bluffs. For example, cattle aren't supposed to be slaughtered when they have high fevers. QC employees have said individual cattle were cooled down, when calling their bluff proved that actually the temperatures were over 105 degrees Fahrenheit.

39. Some companies view federal SIS inspectors the same way they do corporate employees. For example, Monfort lectures USDA inspectors that they should be looking for things that are right, not always trying to find things wrong. This attitude exposes a fundamental lack of respect for law enforcement functions that should disqualify the company from an honor system like SIS.

40. That company further gives away itself by frequently assigning foremen to keep the USDA inspectors under surveillance. If there were any doubt about Monfort's cynicism, they always have the inspectors under surveillance when a bad shipment is going down the line. In other words, they know there are problems with the meat. Nevertheless, the company personnel argue every USDA inspector's judgment call that could cost the company money. With this point of view, as a rule consumers can expect that every violation seen by the company but not caught by federal inspectors will go out to the public. Under traditional inspection that situation was the exception. Under SIS it is the rule.

41. Now that federal inspectors have lost enforcement authority, they have to go on sustained campaigns to get even the most basic sanitation safeguards. It can take over six months of reminders to get basic equipment like a sink in areas where everyone regularly handles filth.

WASHING VERSUS TRIMMING

42. At the SIS pilots the companies have turned washing carcasses from an aesthetic exercise to a substitute for the rail station trimming that used to get rid of contamination. Washing has been around for a while, but it is just supposed to be for rinsing the dust off carcasses that are free of hair, feces and other contamination. Under SIS it is

used to make carcasses that are full of germs from filth look good without getting rid of meat or germs. That is a fraud, the same as created such a disaster in poultry slaughter operations. Inspectors call the washing operation a "sh [feces] spreader." It is a way to make cross contamination worse. Contamination regularly splashes from the water onto workers and clean meat.

These inspectors' increasing frustration should be taken seriously. They are the employees who have been trying to make SIS work every day. They have nothing to gain and everything to lose by speaking out, as seen by their insistence on anonymity. There is no threat to jobs; the inspectors who used to inspect food instead will look at paperwork, which is a lot easier. Those who still are looking at food will not be allowed to do as much work on any individual carcass. It's a lot less work to just watch cattle whiz by than to cut and trim raw meat. With SIS they can get paid a full salary for going through the motions, but they're not happy about it. They want people to know what this program means, because they don't want their family and friends, or consumers all across the country, to eat the kind of diseased and filthy beef they can't condemn anymore.

I have read the above 16 page affidavit, and it is true, accurate and complete to the best of my knowledge and belief.

DAVID CARNEY.

Mr. HOLLINGS. Mr. President, quoting:

My name is David Carney. I am submitting this affidavit freely and voluntarily, without any threats, inducements or coercion to Thomas Devine, who has identified himself to me as the legal director of the Government Accountability Project (GAP). I am a GS-9 food inspector in the United States Department of Agriculture (USDA) Food Safety and Inspection Service (FSIS). I also serve as vice chair of the Food Inspectors Union, American Federation of Government Employees.

Skipping over some lines just for shortness in the control of time here, I quote:

USDA engaged in crude harassment of the most effective critics. Nevertheless, in the last month many inspectors authorized me to make a record of problems that have gotten worse since I testified to the National Academy of Sciences [NAS] in January.

Just turning in the middle of his statement here under the heading "Contamination":

The most visible impact of SIS has been increased contamination. USDA-approved beef has never been filthier.

Then under the control of time, Mr. President, I ask unanimous consent that an article by Mr. Tom Devine appearing in the magazine Southern Exposure, just a year ago, summer last year, entitled "The Fox Guarding the Henhouse" be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From Southern Exposure, summer 1989]

THE FOX GUARDING THE HEN HOUSE

(By Tom Devine)

Eighty-three years ago Upton Sinclair shocked the public with his description of the Chicago meatpacking industry in *The Jungle:* the slaughter of diseased animals, meat covered with excrement, and workers who fell into lard vats, never to return.

Except for disappearing workers, the current slaughtering practices in the meat and poultry industry today are remarkably similar to those Sinclair documented in 1906. According to poultry workers, federal inspectors, and public health officials, the U.S. Department of Agriculture (USDA) has cut its inspection staff, lowered health standards, and systematically cracked down on employees who try to inform the public about contaminated food.

What's more, observers say, USDA is gradually abdicating the responsibility for food safety it assumed after the public uproar over *The Jungle* by deputizing the poultry industry to inspect itself.

The relaxed inspection practices—known as the Streamlined Inspection System—are literally maiming workers and killing consumers. Workers in poultry processing plants are frequently crippled by unsafe machinery operated at reckless speeds, and USDA routinely puts its stamp of approval on contaminated birds. As a result, the number of cases of salmonella, the most serious form of food poisoning from poultry, has risen to 2.5 million a year—including an estimated 500,000 hospitalizations and 9,000 deaths.

THE DRIVER'S SEAT

The roots of the "streamlined" inspection policy can be traced to the early 1980s, when the Reagan administration began deregulating private industry. Dr. Robert Bartlett, a top-ranking Agriculture Department official, frankly described the new policy in a 1981 memorandum to his staff: "The political climate is such that the special interest groups supporting the meat and poultry industry have won and now have the ear of Washington. They 'paid their dues' and are now in the driver's seat. . . . The consumer base has disintegrated. We must be versatile and adjust to this new challenge."

One of the most obvious adjustments was a cut in the number of inspectors. At the beginning of 1981, the USDA roster called for 5,995 full-time slaughter inspectors. Although meat and poultry consumption has increased since then, the agency's current budget contains slots for only 5,020 inspectors. During the same period, the number of headquarters bureaucrats jumped from a handful to nearly 1,000.

The Agriculture Department also moved unofficially to lower inspection standards, either through word of mouth or informal memoranda. For example, inspectors once condemned all birds with air sacculitus, a disease that causes yellow fluids and mucus to break up into the lungs. Although the law hasn't changed, USDA inspector Estes Philpott of Arkansas now estimates that he is forced to approve 40 percent of air sac birds that would have been condemned 10 years ago.

Other whistleblowing inspectors report similar experiences. In a sworn affidavit, retired inspector Albert Midoux described how he was reprimanded in 1987 for ordering the shutdown and cleanup of a room where the maggots were so thick that workers were slipping on the floor. Midoux recounted how 10 years earlier he had received a commendation for taking the same action.

The relaxed standards fly in the face of a rising concern over public health threats from food poisoning. In 1987 testimony before the National Academy of Sciences, Dr. Edward Menning of the National Association of Federal Veterinarians warned that food poisoning is rising to unacceptable levels. As many as 81 million Americans suffer from yearly bouts of diarrhea, most commonly caused by contaminated poultry. And those hardest hit by the rise in salmonella poisoning have been the most vulnerable—the elderly, the very young, and those with immune deficiencies.

USDA doesn't deny that food poisoning has increased—it simply advises consumers to treat all poultry as if it's contaminated. The agency recommends extensive precautions in the kitchen: wearing rubber gloves when handling chicken, making sure the bird doesn't touch other food, and sterilizing any surface that comes into contact with uncooked poultry.

In effect, consumers are being told to regard all poultry as a potential health hazard. "It's not fair to expect consumers to behave as if they're decontaminating Three Mile Island when all they want to do is cook their Sunday dinner," said Kenneth Blaylock, president of the American Federation of Government Employees.

GRADE A CENSORSHIP

Given its response to contamination, it is not surprising that USDA has tried to keep secret the real goal of its "modernization" policy—turning federal responsibility for food safety over to the industry itself. The first step in the new program was censorship. USDA reviewers learned they no longer could write reports about contaminated meat that was illegally approved and sold to consumers. Eight veterinarians who persisted were harassed, transferred, or forced to retire.

Gag orders, censorship, and the destruction of documents that contain "bad news" have since become a way of life at USDA. As a top agency official explained in 1985 after the agency was caught destroying a report that revealed massive amounts of contaminated food had been approved, the department wants to maintain a "positive" image rather than examining "every damn little nitty-gritty thing that comes up."

The agency made a mistake, however, when it tried to censor the reports of one review team veterinarian, Dr. Carl Telleen. Telleen is a 75-year-old safe food crusader with a grandfatherly smile and a twinkle in his eye that changes to sparks when he talks about filthy poultry. He finally retired this spring, seven years after USDA tried to force him out.

In 1982, Telleen transferred to a do-nothing office job after refusing to tone down his reports. He kept busy researching new inspection techniques—and what he learned disturbed him. Carcasses contaminated with feces, once routinely condemned or trimmed, are now simply rinsed with chlorinated water to remove the stains. According to Telleen, washing removes the outer filth, but actually embeds invisible salmonella germs into the poultry flesh or spreads them to other parts of the carcass.

Worst of all, Telleen learned, thousands of dirty chickens are bathed together in a chill tank, creating a mixture known as "fecal soup" that spreads contamination from bird to bird. Once the feces are mixed with water it creates what Telleen calls "instant sewage." Consumers pay for the contaminated mixture every time they buy chicken: up to 15 percent of poultry weight consists of fecal soup.

When Telleen wrote an article exposing the scam, the Agriculture Department issued a reprimand and threatened to fire him for breaking its ethics code, which forbids employees from taking "any action which adversely affects public confidence in the integrity of the government." USDA reasoned that by warning the public of food poisoning, Telleen had violated the ethics rule.

Last year, however, USDA released a study that in effect acknowledged Telleen's only crime was telling the truth. The study conceded that washing does not adequately remove salmonella germs left behind by fecal contamination—even after 40 consecutive rinses.

Telleen remains dissatisfied, however, insisting that the only foolproof way to prevent the spread of the disease is to separate contaminated carcasses from clean birds as soon as the filth is detected. "Segregating clean food from the dirty," he says, "has been the law of science, religion, and common sense since the Bible."

"AT THEIR MERCY"

What Telleen stumbled across was only one example of how the technological revolution in poultry processing has actually increased the level of contamination. According to Menning, the federal veterinarian, the poultry industry was forced to begin washing carcasses because of increased contamination caused by mechanical eviscerating machines. The eviscerators are supposed to rip intestines from carcasses, but often they rip them open and spill feces all over the body cavity.

Part of the reason is the speed of the machines, which run at 70 to 90 birds per minute—nearly three times faster than a decade ago. Contamination is also exacerbated by other modern technologies like feather pickers, machines that use "rubber fingers" to pound off feathers. Unfortunately, the machines also pound dirt and manure into the skin pores.

As a result, salmonella contamination is steadily increasing—from an official rate of 28.6 percent of all USDA-approved broilers in 1967 to 36.9 percent in 1979. USDA has stopped reporting the levels, but other surveys reveal that contamination at some plants has skyrocketed to 60 percent. In 1986 the chief of federal poultry inspection admitted that levels of 58 percent at a given plant did "not surprise" him.

While expensive technology and faster assembly lines poison poultry sold to consumers, USDA is replacing federal inspectors with corporate "quality control" staffers who are permitted to vouch for the USDA stamp of approval. The new program has given the industry a rubber stamp, putting food safety in the hands of employees on the company payroll.

Unlike their corporate counterparts who have replaced federal inspectors in the defense and nuclear industries, quality control inspectors in the food industry are not required to earn professional certifications or receive federally approved training.

They are also denied the freedom to enforce the law. According to federal testimony, companies have fired quality control inspectors on the spot for reporting violations that could slow production or cause costly condemnations.

Earlier this year, quality control supervisor Donald Henley told a congressional committee how his boss informed him of his job rights after he stopped some 3,000 pounds of spoiled hams from being shipped illegally. "We don't need you around here," the plant owner told him. "You're fired. Now go on and get out."

"There was nothing I could do," Henley recounted. "When I worked in the industry, I didn't have the right to do the right thing." He warned that industry inspectors" aren't going to stick their necks out if they can't defend themselves."

Intent on keeping inspectors silent, industry lobbyists have vehemently opposed passage of the Employee Health and Safety Whistleblower Protection Act, a bill designed to protect employees who expose illegal practices. As Bette Simon, another poultry inspector who blew the whistle on the industry, testified at hearings on the bill, "Until Congress gives us some free speech rights in terms of our jobs, poultry companies are the law where we work. The public will continue to be at their mercy."

ON THE LINE

Opposition to civil rights is not surprising, many inspectors say, since the poultry industry is known for treating its workers as machines rather than human beings. Inspectors witness working conditions at poultry plants first-hand, and whistleblowers describe the work as "modern slavery."

Poultry companies allow nothing to get in the way of production, inspectors report—and the results are frequently tragic. One eyewitness signed a statement describing how a poultry worker who complained of a headache passed out and died after being denied a break:

"Maybe she died right there on the line, or maybe she hit her head when she fell, I don't know," said the witness, who asked not to be identified because family and friends still work at the plant. "All I know is that she had blood coming out of her eyes and ears. It was the worst thing I ever saw. I still cry just to think about it."

Inspectors are also exposed to many of the same occupational hazards that face poultry workers on the line, such as excessive chlorine in the water used to wash chickens. Bette Simon testified that the company she worked for used solutions of up to 70 percent chlorine to bleach feces it refused to remove from carcasses. Heavy fumes from the solutions made her eyes water and skin peel from her hands. She and other workers developed lung problems, and suffered from chronic headaches and sore throats.

"You just feel sick and worn out all the time," said Simon, relieved to have switched to a job as waitress at a truck stop.

Some of the hazards to inspectors and workers pose health threats to consumers as well. Since employees are not allowed to leave the line to go to the bathroom, they sometimes have to use the floor. Chickens that fall in the urine and excrement are routinely picked up and returned to the line. At one Southern poultry plant, inspectors reported, management would not stop the line after a pregnant woman vomited on it.

BLOWING THE WHISTLE

Even without protection, enough inspectors have spoken out so that consumers are starting to learn what they're eating. Hobart Bartley is a former federal grader whose dissent sparked a 1987 *60 Minutes* expose on fecal soup. A 57-year-old farmer, Bartley earned medals for bravery in Korea and Vietnam, where he served in an intelligence unit.

Bartley was forced to retire as an inspector after he caught the Simmons poultry company trying to switch the tags and ship out 200,000 pounds of chicken packed with tumors, abscesses, broken bones, and bruises. Although USDA scoffed at the disclosures, a born-again quality control inspector at the plant described on national television how he had been ordered to falsify records allowing the company to ship products illegally.

Although poultry prices and stock plummeted in the wake of the report, USDA is now pushing for a program that would cut inspections even further and speed up production lines. When the program was tested at a poultry plant in Puerto Rico, however, the number of contaminated birds was actually greater after inspection. According to former USDA microbiologist Gerald Kuester, the level of salmonella increased from 54 percent when the birds arrived at the plant to 76 percent when they emerged.

After sitting through a briefing on the new modernization plan, Food Inspectors Union vice president Dave Carney told agency officials, "When I started, we used to throw the contaminated bird away. Then, we trimmed the contamination away. Now, we're rinsing the contamination away. It looks like we're going to eat contamination away."

USDA is also anxious to extend the "streamlined" inspections to cattle, pigs, and "light fowl"—egg-laying hens that are no longer productive. Light fowl that emerged from a pilot plant were often covered with abscesses oozing yellow fluids or were bright red from bruises and internal hemorrhaging. The inspection simply did not allow enough time to detect and remove the blood.

From all reports, it seems clear that USDA and the poultry industry are deeply committed to a philosophy of "see no evil, hear no evil." The trends are too deeply ingrained for isolated federal inspectors and plant workers to reverse through acts of professional martyrdom. The USDA stamp of approval will be worth its rubber again only if consumers join whistleblowers in denouncing inspection cutbacks and insist on tough federal standards to bring the poultry industry out of The Jungle and into the modern world.

(Tom Devine is legal director of the Government Accountability Project, a nonprofit watchdog group based in Washington, D.C.)

LESS IS MORE

THE STRANGE CASE OF DISCRETIONARY INSPECTION

When Lester Crawford, director of food safety for the U.S. Department of Agriculture, announced a plan last November to improve inspection of processed meat and poultry, it seemed almost too bizarre to be true.

Better inspection is simple, Crawford said: just cut the inspection force in half, eliminate daily inspections of food processing plants, redirect the remaining inspectors to check buildings and paperwork instead of food, and put the industry on an honor system by replacing federal inspectors with untrained company employees.

The plan—dubbed "Discretionary inspection" (DI)—was soon on its way to becoming official policy. Industry supporters in Congress lauded the proposed inspection cuts, hoping to return food safety laws to the days before Teddy Roosevelt and Congress mandated daily meat inspection in 1906.

The plan called for inspectors to spend more time preparing paperwork and less

time examining food. In fact, DI would allow most processed food to be shipped off to market before inspectors could examine the records to check for contamination. What's more, inspection records would be corporate property considered secret documents, unlike USDA reports available under the Freedom of Information Act.

DI also placed a new emphasis on computer-generated schedules with questionable priorities. Inspectors would be required to check plant lockers, bathrooms, and lunchrooms instead of assuring proper cooking temperatures and monitoring lunchmeat additives—traditional functions vital to controlling salmonella and other health hazards.

The computer schedules were so inaccurate that even USDA conceded 31 percent of assignments were irrelevant. Inspectors reported being sent at 3:45 a.m. to plants that didn't open until 7 a.m. and ordered to check products the plants didn't produce. When the computer was instructed to add inspections at plants that abused the honor system, it blew its stack—spewing out an endless pattern of musical notes instead of a food inspection schedule.

In tests at pilot plants, discretionary inspection proved to be a disaster. According to USDA reports, the plants failed to improve sanitation, control pests and rodents, regulate temperatures, provide laboratory samples, and complete records. Inspectors and workers estimated that five to ten percent of all shipped products violated food safety laws, compared to levels of one to two percent under traditional inspection.

In the end, the plan didn't sell. A safe-food coalition of outraged consumers, workers, inspectors, and elderly citizens led by former Assistant Agriculture Secretary Carol Foreman staged a concerted campaign to defeat the measure. Those who wrote public comment letters to USDA about the proposal opposed it by a margin of 1,817 to 28.

When Crawford, chief of food safety, was unable to defend the plan against challenges from Delmer Jones, president of the food inspectors union, before officials at a congressional hearing in April, USDA backed down. One May 19, officials announced they were withdrawing the proposal.

Although USDA gave up on the plan, it has continued using computers to tell inspectors when, where, and how long to check food for wholesomeness. As a result, USDA estimates that daily inspections at poultry processing plants currently average only 25 minutes, and some inspections consist of little more than five or ten minutes spent glancing at locker rooms. In essence, we refused to buy the car—but somehow we're stuck with its motor.—T.D.

Mr. HOLLINGS. Mr. Devine is a cowinner of the National Magazine Award.

This issue has been boiling. Of course, you would not expect our good colleagues here from our agriculture leadership to want this emphasized. I do not want to, particularly, either.

But I only cite this material because there is a definite concern over on the House side, which has held several hearings and examined a number of these particular reports. So the record ought to be made here and now as well.

I do not think that the House has completed their hearings on the USDA, and I hope that what is wrong will be cleaned up. But we certainly do not want to approve the bill of the Senator from Maine in the U.S. Senate without knowing about these problems.

Once again, by way of emphasis, that the fisheries expertise is not in USDA, it is in NOAA in Commerce. You are going to have to duplicate that. The expertise in developing marine resource regulations, and in enforcing those regulations also will have to be duplicated, as well as seafood safety and quality assurance programs that are in place now. The fishery development programs, the various fish laboratories, and everything else will not be transferred, of course, under the bill of the Senator from Maine.

I thank the Chair. Let me yield what time we have remaining to the Senator from Massachusetts and the Senator from Alaska.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KERRY. Mr. President, I thank you and I thank the distinguished Senator from South Carolina, the chairman of the Commerce Committee.

I want to join my distinguished chairman, the Senator from Alaska, and others, in support of the pending amendment to authorize a seafood inspection program under the Food and Drug Administration and under the National Oceanic and Atmospheric Administration. I believe that the issue here is pretty straightforward and simple, and it is one that appeals to common sense and not just to some other issues, perhaps of jurisdiction and politics.

I believe that the FDA and NOAA approach is the best approach because it makes specific improvements in existing programs. And I think that makes a lot more sense than trying to move pieces of these agencies into the Department of Agriculture or even starting over again with a completely new program.

There is an existing expertise. There are years of investment in this endeavor. I think it would be a tragedy to try to dislocate that knowledge and expertise and pretend that is going to work effectively in a discipline that is very, very specific. Together, right now, the FDA and NOAA employ 600 people, and they spend over $40 million on seafood safety. The Department of Agriculture does not do that.

While the Department of Agriculture is experienced, as the Senator from South Carolina has made clear, even with that experience he raises questions about the efficiency of its current programs. The fact is that meat and poultry inspection run under one methodology, and it is not the same expertise that is needed for a seafood inspection program.

I want to emphasize, as we begin this debate, that we are not dealing with an epidemic problem in terms of fish inspection. Overall, there is a very high-quality food source in the fish products of this country. Fish products account for only 5 percent of all the food illness, and much of that is due more to the consumption of a few species of fish and of raw molluscan shellfish rather than to problems in production processes.

Nevertheless, a seafood inspection program is needed to further reduce the incidence of disease and to improve public confidence in seafood products. But, Mr. President, such a program ought to be tailored to seafood and to that industry. Otherwise, we are going to wind up with a program that builds public confidence, conceivably, but does very little to improve public health, which is what we are trying to do.

I believe Mr. President, seafood safety is unique in many ways, and it is certainly far, far different from any expertise or qualifications ever exhibited to this point by the Department of Agriculture. There is an enormous diversity in the seafood industry. Almost 275,000 U.S. fishermen harvest over 300 different species of fish and shellfish on over 92,000 vessels.

In addition, 100,000 processors and wholesalers handle the product. The distinguished chairman has talked about the methodology necessary to conduct an inspection of those various vessels, those personnel, and those processes. A seafood inspection program by definition has to consider things such as the sanitary conditions on the vessels, the quality of the waters that they fish in, and the very products themselves that they are trying to fish for. Special monitoring and very special testing programs are required that have nothing to do with the expertise currently of the Department of Agriculture.

Moreover, the noncontinuous inspection program envisioned for seafood is a very different kind of program from the continuous inspection programs that are used for meat and poultry.

Mr. President, I think that establishing an effective program is a challenge that requires an effective type of methodology and knowledge. And FDA and NOAA have proven themselves to be the agencies that are best qualified to conduct that kind of program. All you have to do is look at the current efforts that they expend.

Under the Food, Drug, and Cosmetic Act, the FDA currently protects consumers against foods that are adulterated, decomposed, unsanitary, and mislabeled. FDA right now inspects seafood processing plants. It examines

imports. It conducts research and provides technical assistance to States for seafood safety programs.

This is an existing program. It is an existing expertise, and there is no demonstration of rational basis or need for transitioning this program to another department to which they are completely foreign.

FDA is the lead Federal agency today for the National Shellfish Sanitation Program and for the Interstate Shellfish Sanitation Conference. These programs are Government success stories. They greatly improve the safety of shellfish and they deserve to continue in their current form and under their current jurisdiction. The Interstate Shellfish Sanitation Conference comprised of Federal, State, and industry representatives, supports FDA right now as the lead in the seafood inspection program.

Moreover, Mr. President, the FDA's primary mission, to ensure food safety and to protect public health, make it a logical choice for a seafood safety program.

In addition, I think we ought to note the NOAA has played a major role in defining a seafood inspection program. NOAA scientists developed a Model Seafood Inspection Program, and the hazards analysis critical control point, which establishes the standards for assuring safe and wholesome products.

NOAA has involved more than 400 members of the seafood industry in developing these programs. And NOAA also operates a voluntary inspection and grading program through which about 11 percent of seafood consumed in the United States today is already inspected.

Mr. President, I think it is also important to take note of what the attitude is of the people who work in these programs and are effected by them. We should note in that context that the Hollings-Stevens-Kennedy amendment is supported by the United Food and Commercial Workers International Union, by the Food and Allied Services Trades of the AFL-CIO; it is supported by consumer groups such as Public Citizen, the Consumers Union, National Consumers League, and the Consumer Federation of America.

And finally, Mr. President, this amendment is supported by the Bush administration. In fact, the Office of Management and Budget will recommend a veto if Congress places the authority for seafood inspection in the Department of Agriculture.

So, Mr. President, we all come to the floor with the same interest, and that interest is to guarantee that there is a safe and wholesome seafood inspection program, and to guarantee that seafood reaches the American consumer in such a way that they can trust that it is safe, wholesome and consumable.

I am convinced the best way to achieve that is to build on the existing programs that have already proven successful and to utilize the expertise that has already been created and established and is proven. The administration has come to the same conclusion.

Mr. President, I hope my colleagues will join in supporting the notion that the FDA and NOAA are the best qualified to carry out a comprehensive inspection program.

I yield back to the chairman of the Commerce Committee such time as may remain.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, how much time remains on each side?

The PRESIDING OFFICER. Senator LEAHY controls 92 minutes and Senators STEVENS and HOLLINGS control 19 minutes 28 seconds.

Mr. MITCHELL. Mr. President, I will suggest to my colleagues that we schedule the vote at 6:10 p.m., which is approximately 30 minutes from now, and the time between now and then be equally divided between the two sides. That would give our colleagues on both sides 15 minutes, and I believe that the number of Senators wishing to speak will about fill that time.

Is that agreeable to the proponents of both measures?

Mr. COCHRAN. Mr. President, if the distinguished majority leader will yield, that is certainly satisfactory to this Senator.

Mr. HOLLINGS. I agree with that.

Mr. LEAHY. Mr. President, I, of course, have been withholding that 92 minutes. Obviously, if the majority leader wants it at that time, it is fine with me. I would ask that 3 minutes of that be reserved to me.

Mr. STEVENS. In fairness, we would be happy to make it 20-10.

Mr. MITCHELL. Why do I not do this: Why do I not ask that the vote be at 6:15, with 15 minutes to the Hollings-Stevens side and the remainder, which will now be about 18 minutes, to this side.

Mr. HOLLINGS. Very good.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on the Hollings-Stevens substitute occur at 6:15 p.m., and the time between now and then be divided 15 minutes to Senators HOLLINGS and STEVENS and the remainder, or approximately 18 minutes, to Senators LEAHY and COCHRAN.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, have the yeas and nays been requested?

The PRESIDING OFFICER. They have not been requested.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. COCHRAN. I yield 3 minutes to the distinguished Senator from Maine [Mr. COHEN].

The PRESIDING OFFICER. The Senator from Maine is recognized for 3 minutes.

Mr. COHEN. Mr. President, I rise to support S. 2924, the Fish Safety Act of 1990.

Seafood consumption is no longer limited to coastal and shoreside communities. It has become a main plate item, like beef, pork, and poultry, with more and more Americans enjoying seafood each year. Unlike meat and poultry, however, seafood is not required to be inspected under Federal law. The result of this anomaly has been a growing consumer apprehension regarding the safety of seafood products.

When American consumers see hospital waste washing up on beaches or oilspills blanketing stretches of shoreline, they understandably start to wonder whether food from the sea is safe to eat.

Consumer apprehension is reaffirmed when they learn that seafood, unlike meat and poultry products, is not subject to mandatory Federal inspection

This legislation responds to these concerns by establishing a mandatory seafood inspection program.

Let me touch up four key provisions of program called for under S. 2924

First, responsibility for the program is clearly divided among three Federal agencies, drawing upon the expertise of each. The Food and Drug Administration [FDA] will establish tolerance levels, the Department of Agriculture [USDA] will perform the inspections, and the Department of Commerce will monitor harvesting waters.

Second, the program will employ an inspection methodology, known as hazard analysis critical control points [HACCP]. This means that, unlike meat and poultry inspection programs which are continuous, seafood inspection will focus only at those points where the greatest threats to food safety exist. To continuously inspect seafood would simply be too costly and too cumbersome because, while meat and poultry are processed at centralized locations, seafood is processed at thousands of different locations throughout the country. HACCP principles were developed by the National Academy of Science and will ensure a safe and wholesome supply of seafood.

Third, the inspection program will be Government-supported. Seafood inspection, like meat and poultry inspection, is a public health issue. The Government currently supports meat and poultry inspection programs. It would

simply be intolerable to require the seafood industry to pay for seafood inspection while other programs are Government-suppported.

Finally, imported seafood will be held to the same inspection standards as domestically harvested products. It is critical that domestic and imported seafood be treated the same in order to ensure the safety of seafood products.

Over the past year, a lot of effort has gone into developing a viable seafood inspection program. I strongly believe that S. 2924 establishes a good inspection program which should be supported.

As we know, Senator HOLLINGS and Senator STEVENS intend to offer a substitute amendment to this bill which would provide no role for USDA.

Because I believe that USDA has an important role to play in seafood inspection, I will oppose the substitute amendment. Nonetheless, I want to commend both Senator HOLLINGS and Senator STEVENS for their tremendous efforts to expand the debate on seafood inspection. Indeed, the Commerce Committee, under this leadership, has been a steadfast friend of the industry over the years.

Let me tell my colleagues why I believe that USDA has an important role to play in seafood inspection.

USDA has tremendous experience in this area through its meat and poultry programs. It has the necessary infrastructure to support a seafood inspection program, including nearly 5,000 field offices and over 100,000 employees.

The USDA also has an extensive network for research, training, and enforcement necessary to implement this program.

Frankly, a seafood inspection program would simply overwhelm any Federal agency except the USDA's Food Safety Inspection Service. To place this program primarily in NOAA or FDA would overwhelm those agencies to the point of ineffectiveness.

The USDA also has tremendous experience in certifying foreign inspection programs which is critical since S. 2924 will hold imports to the same standards as domestic fish.

It is critical that we take advantage of the USDA's experience in these areas.

The time for a mandatory seafood inspection program is now. There is unprecedented support from both the industry and consumer groups for S. 2924. The inspection program called for in this legislation will restore consumer confidence. Equally important, it will do so without subjecting the fishing industry to unworkable and unreasonable regulations.

The benefits of this legislation will reach far beyond the fishing community. It will serve every American consumer by assuring a safe and wholesome supply of seafood.

Mr. President, I will summarize my position on this matter. I spoke at some length prior to the August break in terms of my support for S. 2924 and why I believe it is a better approach than the substitute that is currently pending.

S. 2924 clearly establishes the role of each agency, drawing upon the expertise of each. USDA has overall control of the program. USDA will be responsible for inspections, FDA will establish tolerance levels, and Commerce will monitor the harvesting waters. I believe the lines of authority in this bill, S. 2924, are preferable to those of the substitute.

First of all, a seafood inspection program is going to require significant additional resources. From a purely programmatic perspective, USDA has the necessary infrastructure to accommodate this new program. I think putting the program in FDA would overwhelm that agency, stressing an already stressed agency.

Second, USDA has the most experience in operating Federal inspection programs, notwithstanding Commerce's and FDA's experience in operating a voluntary program.

The third point is that USDA is better equipped to handle the international aspects of the program. The United States is the largest exporter of seafood and the second largest importer. Inspection programs have to be coordinated with more than 50 overseas countries. USDA already deals with overseas inspection agencies on meat and poultry inspection matters in a very comprehensive way, and I think it would be wasteful not to utilize this expertise.

I know it is a matter of some contention, but I believe, in reading the substitute, there appears to be a different treatment for important products than for domestic products. I know the sponsors of the substitute take issue with that. But it appears to me that the substitute amendment holds a different standard for imports as opposed to domestic products. Under the substitute, imported products would be inspected by FDA according to parameters established by the Food, Drug and Cosmetic Act, and domestic products would be inspected by the Commerce under a different standard. I may be in error on this point, but I think to the extent there is confusion or ambiguity, it certainly would work to the detriment of the substitute itself.

For all of these reasons, the inspection program called for in S. 2924 is superior to that called for by the substitute amendment. I urge my colleagues to support S. 2924.

The PRESIDING OFFICER. Who yields time?

The Senator from Vermont.

Mr. LEAHY. Mr. President, in recent months, the evening news has been filled with stories raising questions about the safety of our food.

Fish found with chemical and pesticide residue are among the food safety problems reported.

There have also been several stories on the inadequate state of inspection programs.

Currently less than 12 percent of American seafood undergoes some kind of inspection—and these programs are designed more for grading product than for ensuring safety.

Only 7 percent of the almost 2,000 seafood processors participate in these voluntary inspection programs.

Food safety is not just a media issue. American consumers are concerned and worried.

We have one of the safest food supplies in the world but we can make the best better. Fish inspection is one area ripe for improvement.

This is particularly important now that more and more health-conscious Americans are choosing fish. This is why fish consumption was at an all time high in 1987. It fell in 1988, in part due to consumer concerns.

Seafood must be inspected because uninspected fish and shellfish may be contaminated by polluted waters, pesticide run-off, parasites and disease.

Twenty percent of all reported foodborne outbreaks are caused by contaminated seafood.

While mandatory federal inspection cannot completely eliminate all contaminants from the marketplace, it will make our seafood safer and reduce the risk of illness to consumers.

To protect consumers, we have established mandatory inspection programs for beef, poultry, pork and lamb—all conducted by USDA and paid for by public funds.

Fish is the Nation's only form of meat not subject to mandatory, comprehensive inspection programs. America lags behind other nations.

The Fish Safety Act will end the imbalance. It will bring equity and enhance consumer confidence for all meat products, whether fish or fowl or anything in between.

This act is flexible and relies on the expertise of four Federal agencies: USDA, FDA, the Environmental Protection Agency; and the National Oceanic and Atmospheric Administration [NOAA].

USDA's role is an important one—maintaining overall responsibility for the program and sole responsibility for inspection.

To retain and strengthen consumer confidence, Americans must be able to look to a single agency for all meat inspections.

As with other foods, FDA will determine what food tolerances to set, and at what levels.

EPA will determine water quality standards and pesticide tolerances.

NOAA will continue to protect the waters in which fish are grown and harvested and will share water closure authority with the States.

This will maintain Commerce's critical role as manager of our Nation's fisheries and guardian of our ocean's resources.

This bill in no way interferes with the operation of our Nation's fisheries.

By building on the strength of each agency, the act directs each agency to do what it does best.

The Fish Safety Act also provides a role for the States by permitting them to establish their own inspection programs.

To ensure consumer confidence nationwide, State programs must meet the minimum national standards established in the act and be enforced federally.

While this act will accomplish much, it will not change policy in three areas.

First, the act leaves untouched the role of the Commerce Department and the Commerce Committee in regulating marine fisheries, the areas of ocean water where fish and shellfish live.

These fisheries are enormous. They cover some 2 million square miles of ocean and coastal waters—an area half the land area of the United States—and contain some of the best fisheries in the world. Over 130,000 fishing vessels operate in these waters.

Historically, Commerce has managed these coastal fisheries, by enforcing catch restrictions and quotas, endangered aquatic species regulations, fishing gear restrictions, and fishing zone limits.

If this act is passed, Commerce's role will continue as before.

Second, this act does not affect our water quality laws.

It does not directly deal with water pollution, water resources, and fisheries and wildlife.

Under Senate rules those subjects are within the jurisdiction of the Environment and Public Works Committee.

Third, this act still leaves tolerance-setting with FDA.

It will however, require FDA to consider whether additional tolerances for fish are needed to protect human health.

And it also authorizes the additional funding FDA will need to perform the necessary scientific tasks needed to set additional tolerances.

In fact, this is one of several key differences between this act and the Commerce Committee amendment, which does not require FDA to set tolerances at levels such that fish products are safe.

Senators MITCHELL, COCHRAN, and I introduced this act nearly a year ago because of the need to protect consumers—who want safer food—and the fish industry—which wants a level playing field.

This act was crafted with these two goals in mind.

This is why this act enjoys broad support from both industry and consumer groups—entities not normally on the same side of an issue.

I am also pleased to say that this act has been endorsed by the Washington Post.

The Fish Safety Act contains some significant differences from the Commerce Committee amendment, which has been significantly revised since the Commerce Committee reported its amendment two months ago.

1. POTENTIAL TRADE BARRIERS

By setting different safety standards for foreign and domestic fish, the commerce amendment could result in costly trade wars.

Specifically, the commerce amendment applies one safety standard for imports and a different one for domestic fish. The Commerce Committee uses the Federal Food, Drug and Cosmetic Act definition of adulteration for imported fish, but creates a new, but different, standard of adulteration for domestic fish.

In contrast, the Fish Safety Act applies the same standards to imports and to domestic fish products.

U.S. trade in fish is a significant business.

Over 125 countries export fish to the United States and we are the world's largest exporter of seafood, with Japan purchasing over half the exports.

In 1989, total U.S. exports was $4.7 billion in 1989, nearly twice the 1988 figure.

Should imports be treated differently than domestic products, U.S. exporters may find themselves discriminated against when they try to open new markets and maintain current ones.

Few would gain from such a trade war. American jobs would be threatened.

2. CONFLICTING STATE STANDARDS AND CONSUMER CONFUSION

The Fish Safety Act requires that States, at a minimum, meet one, tough national standard.

The commerce amendment does not.

It instead allows for weaker State programs, setting the stage for a multitude of conflicting state standards, leading to consumer confusion and uncertainty.

3. NO SINGLE AGENCY IS FULLY IN CHARGE

The Fish Safety Act specifically sets roles and responsibilities for each of the Federal agencies which will help implement this program—FDA sets limits for contaminants, commerce monitors waters, USDA inspects processors.

In contrast, the commerce amendment blurs the lines between Commerce and FDA. Both agencies will promulgate regulations to establish and enforce the seafood standards.

FDA will determine when and which plants will be inspected but the actual inspection is left to Commerce. Commerce, not FDA, detains and condemns fish products. FDA recalls fish products.

Will a commerce inspector take orders from the Commerce Department or from FDA?

The Commerce amendment will not work. It is impossible to administer. No one is in charge.

It is like having two people drive the same car at the same time. Under some provisions, FDA tells Commerce what to do. Under others, Commerce tells FDA what to do. It is unclear in many instances who, if anyone, is in charge.

The Fish Safety Act is clearly the better alternative. It relies on each agency—FDA, USDA and Commerce—to do what each does best.

4. STRONG STANDARDS NEEDED

The Fish Safety Act requires that FDA set strong standards to help reduce the contaminants so that fish "are not injurious to public health."

The Commerce amendment has no criteria for FDA to adhere to in setting limits and no deadlines for FDA to meet. Without tough requirements, FDA is not likely to continue to set limits.

VISUAL INSPECTION SYSTEM

When this issue was debated some weeks ago on the Senate floor, one Senator argued that USDA's meat and poultry inspection system was a poor model on which to base a fish inspection program.

I agree and that is why the Fish Safety Act is not based on the USDA visual inspection system, a system of which I have been very critical.

Instead, the Fish Safety Act is based on the highly praised USDA National Residue Program in which USDA samples hundreds of thousands of meat products, testing them for 200 or so harmful chemical compounds and other substances.

Annually USDA examines 250,000 samples of meat and conducts over a million safety tests.

COMMERCE'S POOR TRACK RECORD

We expect that some Senators may criticize the Federal Meat and Inspection Program as a way of arguing that USDA should not inspect fish.

Not only is the Fish Safety Act not based on the current USDA meat and poultry visual inspection programs, but this type of agency bad-mouthing is not helpful.

For example, I could spend countless hours reciting the inadequacies of the Commerce Department fish programs.

I could cite the EPA report that concludes our Nation's fisheries are so contaminated that eating fish taken from them "poses a substantial health risk."

I could also cite the National Fish and Wildlife Foundation report which flunks the Commerce Department's Inspection Program, citing its weak leadership, lack of strategic planning, disorganized research program, and inadequate enforcement of our fisheries laws.

But I do not want to engage in that type of debate and I hope that the supporters of the Commerce Committee's amendment also refrain from doing so.

What we all share in common is a desire to find the best way to strengthen consumer confidence in the fish industry.

In closing, the Fish Safety Act has strong consumer and industry support because it combines the approach to protect consumers and safeguard our domestic fish industry.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I think what has failed to be emphasized is that the administration opposes this bill. The President's senior advisors have told us they will recommend to him a veto of the Agriculture Committee's bill S. 2924. This is not just one person. This is the total advice to the President of the United States that this is a bad bill from the point of view of seafood inspection.

If you want a new seafood inspection program, you ought to vote for the Hollings substitute—Commerce Committee bill—which has the support of the administration. It will be in place at least 2 years sooner than under the bill from the Committee on Agriculture, which will be vetoed, and we will have to start again in the next Congress to try and get a seafood inspection program.

That is the precise reasoning used by the Pacific Seafood Processors Association, which is located in Seattle, WA. They have written to Senator HOLLINGS, as chairman of our committee, and stated that they have not been able to reach a consensus position within the association regarding which Federal agency should have the lead role on seafood inspection, but they have said there must be a new system for seafood inspection. Therefore, they have taken the position now that they want to support the Commerce Committee alternative because "it is our opinion that this measure offers the best chance for enactment of a federally funded HACCP-based inspection system at this time."

I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

PACIFIC SEAFOOD,
PROCESSORS ASSOCIATION,
Seattle, WA, September 12, 1990.

Hon. ERNEST HOLLINGS,
Chairman, Senate Committee on Commerce, Science, and Transportation, Russell Senate Office Building, Washington, DC.

DEAR SENATOR HOLLINGS: The Pacific Seafood Processors Association has been following the issue of seafood inspection for quite some time and we are well aware of the conflicts over which federal agency and which Congressional Committee will have the lead role. At the same time, the members of our Association believe it is very important that a viable, federally funded program, based on the Hazard Analysis Control Point ("HACCP") concept, be implemented.

To date, we have not been able to reach a consensus position within the Association regarding which federal agency should have a lead role on seafood inspection. As you know, we provided the Commerce Committee with testimony supporting the Committee's continued role in any seafood inspection program that may be enacted. However, it has now come to our attention that the President has issued a Statement of Administration Policy which indicates that the Agriculture Committee bill would be vetoed, but that there is Administration support for the Commerce Committee proposal. Given the fact that the members of PSPA would like to see a federally funded program implemented, the Association has decided to support the Commerce Committee's alternative to S. 2924. It is our opinion that this measure offers the best chance for enactment of a federally funded, HACCP-based inspection system at this time.

We appreciate the time and effort you have put into this issue and we will continue to work with you as it progresses.

Sincerely,

I. JOHN IANI,
President.

Mr. STEVENS. Mr. President, I do not mean to talk too long at the end here. Let me just say this. I do not think the Agriculture Committee understands the Hazard Analysis Critical Control Point approach, which is the basis of the Commerce Department-FDA inspection system which the seafood producers want. The multilevel, mega-entity food corporations want to deal with the Department of Agriculture.

As I said before, Mr. President, we understand that. That is where they deal now. They buy food. They deal with the Department of Agriculture. They are suddenly coming into the fisheries areas, buying seafood products, and they want to deal with the same inspection people.

But our people want a system to continue the expansion of the credibility of seafood products in the United States. In almost 10 years, there has not been one case of a death from Alaska seafood products being brought to the attention of the authorities; 10 years almost.

When you look at it that way, Mr. President, as I said before, we have expanded the harvest in Alaska seafood now to over 3 billion pounds annually. I think the Congress ought to listen to those people in the departments of the executive branch who say the system that Alaska has proven works ought to be the national system. There is a great demand for a national system, but people forget that 50 percent of the seafood produced in the United States is subject to a system now.

I ask unanimous consent that the Alaska Seafood Inspection Program, the ASIP, as we know it, be printed in the RECORD. This is an analysis of that system.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

ALASKA SEAFOOD INSPECTION PROGRAM

The goal of the Alaska Seafood Inspection Program is to guarantee the wholesomeness and safety of all Alaska seafood caught for commercial sale, in order to protect the public's health and safety.

Alaska has had a seafood inspection program since the 1970's; it was expanded in spring 1982 after a man died of botulism after eating a tainted can of salmon processed in Alaska in 1981. Since 1982, the program has been upgraded, standardized, and expanded. It now employs 15 inspectors to monitor about 600 floating and shore-based seafood processing plants.

With Alaska fishermen and women now harvesting more than a billion pounds of seafood a year, the main issue is ensuring the proper care of the seafood after harvest, its transport, and especially its processing—often into value-added products. The goal is to guarantee that the seafood remains free of any chemical or biological contamination. The Alaska Seafood Inspection Program puts its highest priority on inspections of salmon canneries and firms that smoke salmon and vacuum pack it into pouches—processes, which if performed incorrectly, are capable of producing unsafe product—and the processing of some types of shellfish, notably oysters, mussels, and razor clams.

The major features of the Alaska Seafood Inspection Program include:

Review of all construction and facility plans to check for design problems that could result in sanitation-processing lapses;

Issuance of permits that require processors to follow State seafood regulations and, in the case of canneries and other value-added processors, to follow specific approved "plans of operation";

Inspections of fish tenders and processing plants to ensure that proper procedures are followed and training received;

Use of enforcement actions from warnings to issuance of notices of violations in the case of more serious problems. The program also can detain contaminated or adulterated seafood—all steps to ensure that only healthy seafood reaches market.

Since 1982, the Alaska Seafood Inspection Program has become far more sophisticated. Improvements include:

Expanded microbiological testing of seafood products;

Focused the program, concentrating inspection efforts on facilities with the higher health risks or those with lower previous inspection scores;

Moved to standardize the inspection process, with written directives, policies, and guidelines for processors.

Increased emphasis on upgrading handling procedures; that is, requiring that fish

be iced before processing and kept free of petroleum-based contamination;

Developed a scored inspection checklist based on relative health risks;

Produced new regulations that are easier to use, establishment of a special section for direct marketing fishing vessels, and consolidation of requirements;

Created an advisory committee made up of seafood processors, the Federal Food and Drug Administration, National Fish Processing Association, and others to oversee creation of new regulations and procedures.

Following the March 24, 1989, Prince William Sound oil spill, a special inspection program was created that inspected processing plants several times daily to prevent the processing of any oil-contaminated fish, conducted inspections of potentially contaminated boats, and developed monitoring requirements for fishing vessels, and processors.

The Department's efforts in 1989 detained more than 490,000 pounds of decomposed salmon, another nearly 300,000 pounds of adulterated salmon potentially contaminated by the results of the oil spill, plus thousands of pounds of halibut, herring, oysters, and crab. These efforts protected the consumer.

Printing of the recently enacted, revised seafood processing regulations.—While enforcement of the bulk of the regulations won't begin until October 1990, rules requiring floating processors to designate a home port to facilitate inspections will be in effect for the 1990 fishing season.

Training inspectors to standardize inspections and hiring an expert in "retortable" pouch and thermal processing techniques to improve these inspections.

Repeating last year's more detailed inspection program, which may help to open more areas for fishing in the wake of the *Exxon Valdez* oil spill.

Since 1982, there have been no incidents where contaminated fish have reached market and no cases of botulism reported from Alaska seafood. The program has guaranteed the wholesomeness and safety of seafood stocks.

Mr. STEVENS. Mr. President, I will not go into it at length. It is, Mr. President, the Hazard Analysis Critical Control Point approach which will give us the assurance that nothing will move in interstate commerce that does not have a foolproof system of analysis of the product from the point of its production in the waters of the oceans and the lakes of our country to the consumer, and anywhere along the line. If you find anything that gets out of line and does not meet the standards, bang, the whole thing is destroyed.

That is the answer. You tell people, if you let just one thing come through here, we are going to destroy your whole product. That is the message, and it has worked. It has worked in our State, and this would be a nationwide system that will be put in place sooner if this passes; I would say 2 years sooner.

So if you want a seafood inspection system, which is what the industry wants—the industry came before the Commerce Committee and pleaded for this long before the Department of Agriculture and the Agriculture Committee got involved. If you really want to meet the needs of the industry for the other 50 percent that does not have the Alaska inspection system, then I say you better support the Hollings substitute. The Hollings substitute is supported by the consumers of the country, by the labor people who work in all of these plants, and their representatives. I think that there is no question about it that the system we have used has proven itself in the last 10 years and it ought to be moved on to the national scene.

Mr. President, I want to close by thanking my good friend, who is the chairman of our committee, for his defense of the committee's position. It has been my privilege to work with the junior Senator from South Carolina. I do not know how you can have that much white hair and be a junior Senator. He has been my good friend, and, as I have said before, we have spent a great deal of time on this issue in the last 20 years in this body. I do not think that there is anyone in the Senate who has spent more time on this subject than we have.

I urge the Senate to listen to Senator HOLLINGS. It is not a turf battle with us; it is a subject matter battle. We believe that we have the best solution to the problem of assuring continued confidence in seafood products in the United States, and I think the Hollings substitute ought to be adopted.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. Mr. President, may I inquire how much time remains on each side on this issue?

The PRESIDING OFFICER. The Senator from Mississippi and the Senator from Vermont control 10 minutes and the Senator from Alaska and the Senator from South Carolina control 8 minutes, 32 seconds.

Mr. COCHRAN. I yield myself such time as I may consume, Mr. President.

Mr. President, let me just conclude the arguments that I would like to make by summing up three points which I think ought to be emphasized in terms of the differences between the Agriculture Committee recommendation to the Senate and the alternative that is before us in the form of a substitute offered by Senators HOLLINGS, STEVENS, and KENNEDY.

First of all, you have heard recited a list of organizations and groups that are supporting the substitute, the alternative. The Labor Committee, of course, is for that. The Commerce Committee, basically, is for that.

One of the reasons why you see such support for that version by some of those Senators, anyway, is the fact that there is a very strong protection provision in the substitute that gives those who are employees of fish processing plants, fish farming operations, an opportunity to allege discrimination in the employment place and say the reason they are being discriminated against in a promotion or for pay and any other compensation, was due to the fact that they complained about a safety deficiency in that processing plant or at that fish farm or, otherwise, have blown the whistle of violations under regulations of this law. It is one of the most far reaching opportunities to disrupt the labor relationship in this industry that we have seen in any legislation.

If you are blowing the whistle, for example, as an employee in the workplace under OSHA, you would have to be able to show that to walk off the job and say that you are not going to work because of an unsafe condition, there is an unsafe condition that existed, that there is reasonable cause to allege that fact. Under this bill, there is no such requirement, and the work stoppage or the discrimination can be alleged after the fact.

This is a very serious deficiency in the alternative. I would hope that Senators would notice that whistleblower position and see the mischief that that could cause and disruption between the employer and employee relationship in this industry.

One other point. The effort to assure the consuming public that fish and fish products are safe is the only object of the Agriculture Committee bill. There is no promotional activity involved in the Agriculture Committee proposal. On the other hand, the substitute combines some marketing and promotional activity as a part of the inspection and certification process so that the consuming public are subjects which are the object of marketing campaigns and therefore user fees are subject to being imposed in the alternative proposal suggested by the Senators from the Commerce and Labor Committees. That is a big difference. Think about that. We have two different issues in the Commerce alternative.

In the Agriculture Committee proposal, we are just trying to inspect for safety to ensure that the fish products are wholesome and fit for human consumption. That is what the approval of the Department of Agriculture would mean after the inspection, not that it is of a certain quality, not that it is better than any other kind of food. I think that may be one of the inherent differences in why the distinguished Senator from Alaska argues as strongly as he can that their alternative ought to be preferred.

Finally, Mr. President, let me conclude by saying that uniformity is something we need in this kind of law. We need for there to be minimum standards in every State. The Commerce-Labor alternative would permit a State that has a weaker program to substitute that program for the na-

tional program. The Agriculture bill suggests there has to be a Federal minimum standard met in every State, and even though some States are permitted to administer the law, they have to administer it and adhere to the Federal minimum standards. That is what the Agriculture Committee does. That is what the Commerce-Labor Committee does not do. I hope, for the sake of uniformity and other reasons, the Senate will approve the Agriculture bill that is proposed.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Everyone knows it is impossible and unrealistic to inspect every fish. To the point the Senator from Mississippi has just made, you bet your boots inclusion of a whistleblower provision is a big difference between the two proposals. He acts like providing employee protection is some remarkable initiative.

I remember when the distinguished Senator from Wisconsin, Senator Proxmire, was here, worked with the whistleblower in the Defense Department and saved us $2 billion. Just one Senator and one whistleblower. They faced down the entire administration, the Congress, and everybody else. As a result, section 942 of the Department of Defense Authorization Act has a whistleblower provision. The Toxic Substances Control Act, the Occupational Safety Health Act, the Migrant and Seasonal Agricultural Worker Act, Federal Mine Safety and Health Act—we can list several additional statutes that contain employee protection provisions.

Now, here comes the Department of Agriculture—with the effectiveness of their programs under fire, if you please. That is why I put that article in the RECORD entitled "The Fox in the Chicken Coop." We have employees who sent a letter to the National Academy of Sciences expressing concern with agriculture inspection programs. We have Department of Agriculture employees who signed affidavits when the Government accountibility project initiated it's USDA investigation. And those statements are adamant. Some parts of the fishing industry do not want inspection and safety. What they want is their bill and their jurisdiction. That is the objective of the major marine fisheries group that is behind this, that tried to sneak the program into Agriculture. Unbeknownst to me, there was a bill introduced and referred, although we had been getting the bills over the past 24, almost 25 years now, dealing with these fisheries matters—as the Senator from Alaska indicated, since before I became white-headed.

It is remarkable, Mr. President, to hear the Senator from Rhode Island say, and I quote, this bill of the Senator, of the Agriculture Committee and the Senator from Maine, is "the first step for wholesomeness and safety of seafood products." The Senator does not even realize we now have a national program. There are many Senators who do not understand the tremendous success that we already have had. I hold a booklet, "Meeting the Challenge, New Directions in Seafood Inspection," by the National Oceanic and Atmospheric Administration to show that NOAA has been doing this for some time and very successfully. But our funds have been cut year after year after year.

We get a Secretary of Commerce who comes in and asks, what is this NOAA? He is a businessman and he is interested in foreign trade, the National Association of Manufacturers, the census, and economic conditions. Then suddenly, he finds a majority of his employees are in the National Oceanic and Atmospheric Administration [NOAA], with the weather bureau and everything else. And whenever he wants to do anything, he cuts down on these matters because they are of very little interest to him.

But now we have Secretary Mosbacher who is interested. We have an Administrator, Dr. Kauss, from Rhode Island, incidentally, who testified back in the late sixties on the Stratten Commission Report, and then in 1970 when President Nixon instituted by Executive order the National Oceanic and Atmospheric Administration. They are supporting the Commerce Committee bill, that would have been considered in due course on this floor. And I would not have to be defending it here in the back row; I would be down in the well, knowing here is the leadership on fish inspection and here is how we want to improve it.

There are two points that should be emphasized in this limited time. The first is shellfish safety. The contamination of shellfish accounts for over half the seafood-related illnesses in the United States, and the agriculture bill does not include provisions adequate to prevent the sale of shellfish harvested from polluted areas. The Commerce Committee bill and our substitute amendment establishes a monitoring program to identify the polluted areas and would prohibit the sale of shellfish from polluted or unmonitored areas.

The second point is State programs. We have not had a chance to laud and praise our friends at the State level. They did not wait for the red tides back in 1985 and 1986 to start their programs. States have invested considerable effort to develop their own seafood safety programs.

S. 2924, the agriculture bill, of the Senator from Maine, would preempt State inspection programs for seafood products in interstate commerce. That is a large majority of seafood. It would take control away from the State, even if the State programs are more rigorous than the Federal programs. This would affect several States, as the Senator from Alaska has pointed out. The Commerce Committee substitute allows the State programs to be used in place of the Federal programs if the State programs meet or exceed the Federal standards.

So I feel at least satisfied, while we could not get the attention and the attendance of several Senators that were virtually interested in our substitute, those who wanted to be heard on this were here because they were dismayed to hear about this particular move around the committee of jurisdiction. It discombobulates the entire inspection program by going to agriculture where there is no marine science and no particular expertise.

But the distinguished United Nations Ambassador Pickering is upstairs now briefing Senators. I was brought out of another committee when we were being briefed by other defense and other agencies with respect to what is happening in the gulf crisis. It is a bad time. We had to take this time limitation because they had gone around us on the agricultural farm bill. This is the best we could do under the leadership—to get this brief chance to be heard.

So I thank the Senator from Vermont, the Senator from Mississippi, and the Senator from Maine, our distinguished majority leader for the chance to be heard. And particularly, Senator KENNEDY who has been working with the Food and Drug Administration, and the magnificent leadership of Senator STEVENS in fisheries over the past 25 years.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Mississippi.

Mr. COCHRAN. I do not know if any other Senator is here seeking recognition. I know the distinguished Senator from Vermont, the chairman of our committee, has made a very compelling argument as to the motivation of our committee in bringing this legislation to the floor. The sole reason was to try to develop a program, a nationwide program, with uniformity, Federal minimum standards, based upon scientific analysis and data, relying upon the National Academy of Sciences to come up with standards in encouraging the reliance upon Food and Drug Administration expertise in the area of setting those standards but then in conducting the inspection program using the vast resources that are already in place at the Department of Agriculture which is the only Federal agency that has had any experience whatsoever in in-

specting food products for safety and wholesomeness purposes.

It seems to our committee that we have drawn upon the expertise available not only in the existing agencies but we have not created under this legislation any new bureaucracy. We rely upon the wisdom, judgment, and expertise in the Department of Commerce for the purpose of determining which waters that are used for fisheries are contaminated for any reason at all—standards there are under the jurisdiction of the Department of Commerce. They are accustomed to making those determinations now under their current responsibilites.

So that has not changed by this legislation. It is my hope that once you sift through all of the different arguments that have been made today the conclusion has to be reached for the purpose of satisfying the concerns of the consuming public that the Agriculture Committee bill is the bill which does that. It is the bill that addresses that issue only. It is not in the business of trying to promote one product over the other or to say it is more wholesome for you to eat one kind of fish or another or one kind of food or another.

So that is a big difference before the Senate today. I am hoping that after reviewing all of those facts the Senate will reject the substitute that is being offered and go along with the recommendation the Agriculture Committee is making.

Mr. HOLLINGS. Mr. President, just one comment. The distinguished Senator says that only the Agriculture department has been inspecting food. Let the record show that the fish farms in Mississippi are inspected by the National Oceanic and Atmospheric Administration. And we have been inspecting fish all over the world, and along with the Food and Drug Administration, have been doing it for years.

Mr. LEAHY. Mr. President, regular order.

The PRESIDING OFFICER. Under the previous order, the question occurs on the amendment offered by the Senator from South Carolina.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Louisiana [Mr. JOHNSTON] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 39, nays 59, as follows:

[Rollcall Vote No. 232 Leg.]

YEAS—39

Adams	Durenberger	Kerry
Akaka	Ford	Levin
Armstrong	Garn	McCain
Bentsen	Gore	Metzenbaum
Biden	Gramm	Murkowski
Breaux	Hatch	Packwood
Bryan	Hatfield	Robb
Byrd	Heinz	Rockefeller
D'Amato	Hollings	Roth
Danforth	Humphrey	Specter
Dodd	Inouye	Stevens
Dole	Kasten	Thurmond
Domenici	Kennedy	Warner

NAYS—59

Baucus	Glenn	Mitchell
Bingaman	Gorton	Moynihan
Bond	Graham	Nickles
Boren	Grassley	Nunn
Boschwitz	Harkin	Pell
Bradley	Heflin	Pressler
Bumpers	Helms	Pryor
Burdick	Jeffords	Reid
Burns	Kassebaum	Riegle
Chafee	Kerrey	Rudman
Coats	Kohl	Sanford
Cochran	Lautenberg	Sarbanes
Cohen	Leahy	Sasser
Conrad	Lieberman	Shelby
Cranston	Lott	Simon
Daschle	Lugar	Simpson
DeConcini	Mack	Symms
Dixon	McClure	Wallop
Exon	McConnell	Wirth
Fowler	Mikulski	

NOT VOTING—2

Johnston Wilson

So, the amendment was rejected.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KOHL. Mr. President, I rise today in support of S. 2924, the Fish Safey Inspection Act. I do so because American consumers rely on the Federal Government to protect their health and safety through a comprehensive system of food inspection. Yet in the case of seafood, we are not providing that type of protection.

Seafood is the only meat or flesh food not now subject to a mandatory and comprehensive national inspection program. The current inspection program is a crazy quilt of outdated regulatory programs administered by a patchwork of agencies without adequate resources. The result is an ineffective system that allows an unacceptably high level of contaminated seafood. According to the Food and Drug Administration [FDA], more than 64,000 Americans fall ill each year from consuming contaminated seafood. Some of the contamination is caused by water quality problems; some of the contamination is the result of unsanitary handling and/or processing. Whatever the cause, it can be corrected with a mandatory and comprehensive national inspection program.

We are faced this afternoon with a choice of two approaches to such a comprehensive inspection program—the approach offered by the distinguished majority leader, Senator MITCHELL, and the approach offered by the distinguished chairman of the Commerce Committee, Senator HOLLINGS. Each of these approaches has merit, and each of these approaches has limitations.

Let me take just a moment to indicate why I will support the approach taken in S. 2924, the legislation offered by the distinguished majority leader. I do so because this measure gives lead responsibility for monitoring, inspection, and enforcement functions of the program to the U.S. Department of Agriculture, the agency already responsible for meat and poultry inspection. By doing so, S. 2924 offers the more cost-effective approach. It also assures that these functions will be administered by the Food Safety and Inspection Service, which has the experience and infrastructure necessary to manage a large dedicated food inspection program. In addition, S. 2924 also gives lead responsibility to the agency best equipped to handle the international aspects of the program. At the same time, the bill assures an active role for both the FDA, which will continue to set tolerance levels, and the Department of Commerce, which will continue its role managing fisheries in offshore waters.

While there may be merit to giving the FDA a more active role in seafood safety, I believe it is important that primary responsibility for all Federal food inspection programs be housed under the same roof. I do not think it appropriate to split inspection programs between agencies, as the substitute offered by Senator HOLLINGS would do.

That being said, however, I am particularly concerned with one aspect of S. 2924 that I hope can be corrected in conference. Unlike the Hollings substitute, S. 2924 offers no protection for industry employees who report health and safety violations. Especially in the absence of continuous Federal inspection, whistleblower protection is essential. Whistleblower protection is already assured Federal meat and poultry inspectors under current law. Similar protection should be given to Federal seafood inspectors as well. I urge the Senate conferees to adopt whatever whistleblower protections may be contained in the House-passed measure.

Mr. President, with the passage of this legislation, we will be well on our way to providing consumers with the valuable assurance of safe seafood. That, Mr. President, is the goal of this legislation, and one that I hope we can achieve this year.

FISH INSPECTION

Mr. DOLE. Mr. President, during the past 6 days the budget summiteers have been involved in intense negotiations, trying to address the Federal deficit. The negotiations are centered

on the President's direction to find $500 billion in savings over the next 5 years, a bold and challenging initiative which goes far beyond what we are attempting to address for the upcoming year alone.

In his address to the joint session of Congress last night, the President called for Members from both sides of the aisle and from both bodies of Congress to come together in an effort to restore fiscal responsibility to the Halls of Congress. And by responsibility I mean we must find real savings, and they must be fair.

The President's emphasis on fiscal priorities must not fall on deaf ears. It must not be cast by the wayside as Members score political points by jumping on the deficit-reduction bandwagon, only to hop off at the next new spending proposal. Mr. President, nothing could be more contradictory to the goal of deficit reduction, and for undermining our resolve to protect our future generations from the lack of sound governing.

I support the direction which the President has spelled out, and am committed to achieving a meaningful budget agreement which has no room to accommodate spending increases.

I understand that this issue before us today has many facets, and many key issues of contention. Proponents from both sides of this debate can certainly argue their merits quite convincingly.

However, as a budget summiteer, the issue which bothers me the most and can no longer be argued convincingly against the priorities of the Federal deficit, is the fact that these bills both represent new spending. We do not have new money to spend on new programs.

Mr. President, $500 billion is a lot of money. That amount will never be achieved by authorizing additional programs, no matter how insignificant or significant those programs are, and no matter how long that new program has been in the works.

I call upon my colleagues to reflect upon the challenge which we face, one that was spelled out and reconfirmed only last night by the President. The budget summiteers are going to be coming to Congress with a budget agreement, and ideas for new spending or a lack of determination to make some tough decisions will not help in our efforts. And I hope Members realize how that irresponsibility will continue to sell out our future generations. We must not trade the future of this country for a vote in November.

Mr. LEAHY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LEAHY. Mr. President, the yeas and nays have not been ordered, have they, on final passage?

The PRESIDING OFFICER. The Senator is correct.

Mr. LEAHY. I see no need for it. I understand the Senator from Mississippi feels the same way.

Mr. COCHRAN. Mr. President, I see no need for a rollcall vote on final passage, and would just as soon pass the bill on voice vote.

The PRESIDING OFFICER. The clerk will read the bill for a third time.

The bill was ordered to be engrossed for a third reading and was read for the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (S. 2924) was passed, as follows:

S. 2924

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Fish Safety Act of 1990".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) fish are an important component of the flesh food supply of the United States and are processed and marketed by a large and diverse industry;

(2) the wholesomeness and safety of fish and fish products are important to the health and well-being of the people of the United States;

(3) the Department of Agriculture currently conducts inspection programs for all flesh food products other than fish products and has the technical expertise and work force capacity necessary to rapidly expand meat inspection programs to cover fish and fish products or to assist in efforts by States to accomplish that objective;

(4) heightened public awareness of the health benefits associated with eating fish and fish products, and greater diversity of products, have raised consumption rates and the demand for wholesome products;

(5) current Federal health inspection and monitoring programs are insufficient to ensure public confidence in the wholesomeness and safety of fish and fish products;

(6) the sale of unwholesome, adulterated, mislabeled, or deceptively packaged fish or fish products is hazardous to consumers;

(7) existing Federal standards are inadequate to maintain good fish and fish products handling and manufacturing practices, to ensure consistent fish and fish products packaging and labeling procedures, and to detect hazardous levels of contaminants in fish and fish products;

(8) the Federal Government, in cooperation with the States, has the responsibility of ensuring the wholesomeness and safety of all fish and fish products sold in interstate commerce for consumption in the United States;

(9) a public health-based inspection program is important for fish and fish products because of several factors, including—

(A) the fish habitat is often an uncontrolled environment;

(B) certain fish species tend to concentrate contaminants;

(C) deterioration of fish and fish products tends to occur more rapidly; and

(D) fish are consumed raw in some instances;

(10) deceptively labeled or packaged fish products can compete unfairly with properly labeled and packaged products to the detriment of consumers and the public generally; and

(11) in the past decade, various State and local agencies have issued warnings concerning the dangers of consuming certain types or species of fish, and the absence of Federal standards has made it difficult to assure that adequate standards are being applied nationwide.

(b) PURPOSE.—It is the purpose of this Act—

(1) to expand current flesh food inspection programs administered by the Department of Agriculture to include fish and fish products and to assist those States desiring to implement the inspection and sampling program described in this Act;

(2) to ensure the wholesomeness and safety of all fish and fish products in the United States through the development of a comprehensive safety program, that will include—

(A) a mandatory health-based program for the inspection of fish and fish products that will ensure that fish and fish products are properly labeled and packaged;

(B) the establishment and enforcement of safety and wholesomeness standards for fish and fish products;

(C) the monitoring and evaluation of fish and fish product safety risks;

(D) the scientific assessment of consumer health risks attributable to the consumption of adulterated fish and fish products;

(E) consumer education programs; and

(F) the proper storage, labeling, processing, handling, and packaging of fish and fish products; and

(3) to enhance public confidence in the wholesomeness and safety of fish and fish products, and protect the fish and fish products market by requiring the development of a comprehensive safety program.

SEC. 3. FISH INSPECTION PROGRAM.

The Food Security Act of 1985 (7 U.S.C. 1281 note) is amended by adding at the end thereof the following new title:

"TITLE XIX—FISH INSPECTION PROGRAM

"SEC. 1901. DEFINITIONS.

"As used in this title:

"(1) ADULTERATED.—The term 'adulterated' means any fish product that—

"(A) bears or contains any poisonous or deleterious substance that may render such product injurious to health, except that if such substance is a naturally occurring part of the fish product, such product shall not be considered adulterated if the quantity of such substance does not ordinarily render such fish product injurious to human health;

"(B)(i) bears or contains any added poisonous or added deleterious substance (other than a substance that is a pesticide chemical, a food additive, or a color additive) that may, in the judgment of the Secretary, make such product unfit for human food;

"(ii) is, in whole or in part, a raw agricultural commodity and such commodity bears or contains any pesticide chemical which is unsafe within the meaning of section 408 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 346a);

"(iii) bears or contains any food additive which is unsafe within the meaning of section 409 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 348); or

"(iv) bears or contains any color additive which is unsafe within the meaning of sec-

tion 706 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 376), except that a fish product that is not otherwise considered to be adulterated under this clause or under clauses (ii) or (iii) shall be considered to be adulterated if the use of a pesticide chemical, food additive, or color additive in or on such article is prohibited by regulations promulgated by the Secretary in establishments;

"(C) consists in whole or in part of any filthy, putrid, or decomposed substance or is for any other reason unsound, unhealthy, unwholesome, or otherwise unfit for human food;

"(D) has been prepared, packed, or held under insanitary conditions that may have resulted in such fish product becoming contaminated with filth, or becoming injurious to human health;

"(E) is, in whole or in part, derived from any fish product identified as adulterated under the procedures described in section 1903(d);

"(F) is or was contained in a container that is composed, in whole or in part, of any poisonous or deleterious substance that may render the contents injurious to health;

"(G) has been intentionally subjected to radiation, except that the use of radiation in compliance with a regulation or exemption in effect under section 409 of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 348) shall not make such fish product adulterated under this subparagraph;

"(H)(i) has any valuable constituent, in whole or in part, omitted or abstracted therefrom;

"(ii) has any substance substituted, wholly or in part therefor;

"(iii) has damage or an inferiority concealed in any manner; or

"(iv) has substance added thereto or mixed or packed therewith so as to increase the bulk or weight, reduce the quality or strength, or make the appearance of such fish product better or of greater value than it actually is;

"(I) has been made or derived in whole or in part from fish harvested in a production area that has been closed under this title, or closed to commercial fishing for that species by any State or other appropriate authority for reasons related to food safety;

"(J) has been imported and is not in compliance with the requirements of section 1910;

"(K) has been processed by any establishment whose facilities or equipment, or the operation thereof, fail to meet the requirements of this title; or

"(L) has been handled by an establishment for which a certificate has not been issued, or by an establishment no longer holding a certificate.

"(2) CAPABLE OF USE AS HUMAN FOOD.—The term 'capable of use as human food' shall apply to any fish product that is capable of being consumed by humans as food, unless it is denatured or otherwise identified as required by regulations promulgated by the Secretary to deter its use as human food, or unless it is naturally inedible by humans.

"(3) CERTIFICATE.—The term 'certificate' means any certificate, prescribed under regulations promulgated by the Secretary, for issuance by an inspector or other person performing official functions under this title.

"(4) COMMERCIAL FISHING VESSEL.—The term 'commercial fishing vessel' means a vessel that commercially engages in the catching, taking, or harvesting of fish or any activity that can reasonably be expected to result in the catching, taking, or harvesting of fish, capable of use as human food and intended for human consumption.

"(5) CONTAINER, PACKAGE.—The terms 'container' and 'package' include any box, can, tin, cloth, plastic, or other receptacle, wrapper, or cover.

"(6) ESTABLISHMENT.—The term 'establishment' means any fish processing vessel that is subject to the jurisdiction of the United States, or any building, premises, structure, or other facility located in any State or Territory that is used in the handling or processing of fish products. Such term shall not include—

"(A) recreational vessels, fish tender vessels, commercial fishing vessels, or aquaculture operations, unless any such vessels or operations process fish;

"(B) retail stores;

"(C) restaurants; or

"(D) contract or common carriers that transport fish products.

"(7) FISH.—The term 'fish' includes freshwater or marine finfish, mollusks, crustaceans, and other forms of aquatic animal life, including amphibians, whether from wild or cultured sources, other than birds or mammals.

"(8) FISH PROCESSING VESSEL.—The term 'fish processing vessel' means a vessel that commercially prepares fish products, other than by gutting, decapitating, salting, gilling, skinning, shucking, icing, freezing to the extent that such freezing is associated with other actions related to processing, or brine chilling.

"(9) FISH PRODUCT.—the term 'fish product' means any food product capable of use as human food derived in whole or in substantial part from fish, including unprocessed fish or any part thereof, excepting products which contain fish ingredients only in a relatively small proportion or that historically have not been considered by consumers as products of the fish food industry, and that are exempt from the definition of fish or fish product by the Secretary under such conditions as the Secretary may prescribe to ensure that the fish ingredients contained in such product are not adulterated and that such products are not represented as a fish product.

"(10) FISH TENDER VESSEL.—The term 'fish tender vessel' means a vessel that commercially supplies, stores, refrigerates, or transports fish products that are intended for human consumption, or materials directly related to fishing or the preparation of fish, to or from a commercial fishing vessel, fish processing vessel, fish tender vessel or a fish processing facility.

"(11) IMMEDIATE CONTAINER.—The term 'immediate container' includes any consumer package, or any other container in which fish products, not consumer packaged, are packed.

"(12) INSPECTOR.—The term 'inspector' means any individual appointed or authorized by the Secretary to make inspections, to review compliance, or to perform other functions under this title.

"(13) INTERSTATE COMMERCE.—The term 'interstate commerce' means commerce between any State or Territory, and any place outside thereof, or within any territory not organized with a legislative body.

"(14) LABEL.—The term 'label', with respect to fish products, means a display of written, printed, or graphic matter appearing on the immediate container (not including package liners) of any fish product.

"(15) LABELING.—The term 'labeling', with respect to fish products, means all labels and other written, printed, or graphic matter on any fish product or on any of the packages, containers, or wrappers of such article, or accompanying any fish product.

"(16) MISBRANDED.—The term 'misbranded' means any fish product—

"(A) the labeling of which is false or misleading in any manner;

"(B) if such fish product is offered for sale under the name of another food;

"(C) if the package of such fish product is so made, formed, or filled as to be misleading;

"(D) if the label of such fish product is not approved by the Secretary, or is not in a standard form that is approved by the Secretary, or otherwise is not in conformity with regulations promulgated by the Secretary;

"(E) if such fish product is an imitation of another food product, unless the label of such fish product bears, in type of uniform size and prominence, the word 'imitation' and immediately thereafter, the name of the food imitated;

"(F) such fish product does not bear a label disclosing—

"(i) the name and the place of business of the manufacturer, packer, or distributor; and

"(ii) an accurate statement of the quantity of such fish product in terms of weight, measure, or numerical count, except that reasonable variations may be permitted, and exemptions as to small packages or articles that are not in packages or other containers may be established by regulations promulgated by the Secretary;

"(G) if any word, statement, or other information required by or under the authority of this title to appear on the label or labeling of such fish product is not prominently placed on such product with such conspicuousness (as compared with other words, statements, designs, or devices, in such labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

"(H) if such fish product purports to be or is represented as a food for which a definition and standard of identity or composition has been prescribed by the regulations of the Secretary under section 1908 of this title unless—

"(i) such fish product conforms to such definition and standard; and

"(ii) the label of such product bears the name of the food specified in such definition and standard and, insofar as may be required by such regulations, the common names of optional ingredients (other than spices, flavoring, and coloring) present in such food;

"(I) if such fish product purports to be or is represented as a food for which a standard or standards of fill of the container of such product have been prescribed under regulations promulgated by the Secretary, and such fish product falls below the standard of fill of container that are applicable thereto, unless the label of such product bears, in such manner and form as such regulations require, a statement that it falls below such standard;

"(J) if such fish product is not subject to the provisions of subparagraph (H), unless its label bears—

"(i) the common or usual name of the food, if any such common or usual name exists; and

"(ii) in the case of a product that is fabricated from two or more ingredients, the common or usual name of each such ingre-

dient, except that spices, flavorings, and colorings may, when authorized by the Secretary, be designated as spices, flavorings, and colorings without naming each and, to the extent that compliance with this clause is impracticable or results in deception or unfair competition, exemptions shall be established through regulations promulgated by the Secretary;

"(K) if such fish product bears or contains any artificial flavoring, artificial coloring, or chemical preservative, unless the fish product bears a label that states that fact, except that to the extent that compliance with the requirements of this subparagraph are impracticable, exemptions shall be established through regulations promulgated by the Secretary; or

"(L) if such fish product fails to bear on its package or immediate container, and in the case of nonconsumer packaged fish (if the Secretary so requires) directly thereon, as the Secretary may through regulations prescribe, the official mark, and such other information as the Secretary may require in such regulations to ensure that such fish product will not have false or misleading labeling and that the public will be informed of the manner of handling required to maintain the article in a wholesome condition.

"(17) OFFICIAL MARK.—The term 'official mark' means any official inspection legend or any other symbol, prescribed under regulations promulgated by the Secretary, to identify the establishment and the status of any fish product under this title.

"(18) OWNER OR OPERATOR.—The term 'owner or operator' means any person who owns, operates, leases, charters, or otherwise controls in whole or in part any establishment or vessel.

"(19) PERSON.—The term 'person' means any individual, partnership, corporation, establishment, importer of fish products, association, or other business unit.

"(20) PESTICIDE CHEMICAL, OTHER TERMS.—The terms 'pesticide chemical', 'food additive', 'color additive' and 'raw agricultural commodity' shall have the same meanings given such terms under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321, et. seq.).

"(21) PROCESS.—The terms 'process' and 'processing', with respect to fish products, means to prepare or manufacture such fish products by canning, cooking, smoking, filleting, fermenting, freezing to the extent that the freezing is associated with other actions related to processing, dehydrating, drying, and consumer packaging.

"(22) PROGRAM.—The term 'program' means all aspects of the inspection and sampling program for fish products established under this title.

"(23) RECREATIONAL VESSEL.—The term 'recreational vessel' means a vessel operated primarily for pleasure, or leased, rented or chartered to another for the pleasure of the leasee.

"(24) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture.

"(25) SHIPPING CONTAINER.—The term 'shipping container' means any container used or intended for use in packaging a fish product packed in an immediate container.

"(26) STATE.—The term 'State' means any of the 50 States, the Commonwealth of Puerto Rico, the District of Columbia, Guam, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, and American Samoa.

"(27) TERRITORY.—The term 'Territory' means any territory or possession of the United States not included in the definition under paragraph (26).

"SEC. 1902. EXEMPTIONS AND EXCLUSIONS.

"(a) GENERAL EXEMPTIONS.—The Secretary shall, by regulation and under such conditions as the Secretary may prescribe, exempt from specific provisions of this title—

"(1) the processing by any individual of fish products raised or harvested by that individual exclusively for use by that individual or by the members of the household, the nonpaying guests, and the employees of that individual;

"(2) the custom processing, in any establishment or vessel, of fish products that the owner of such products will exclusively use, in the household of the owner, for the owner or the members of the household, the nonpaying guests, or the employees of the owner, if—

"(A) such establishment or vessel ensures that such fish products are segregated at all times from fish products processed for sale;

"(B) such fish products are plainly labeled or marked as "Not for Sale"; and

"(C) such establishments and vessels are maintained and operated in a sanitary manner;

"(3) any establishment or vessel that processes only fish products that are not intended for use as human food, if such fish products are, prior to their offer for sale or other disposition in commerce, not capable of use as human food.

"(4) the entry, or withdrawal from warehouse, for consumption in the United States of any fish product acquired outside the United States for consumption by the person entering or withdrawing it if—

"(A) the total amount of such fish product does not exceed 50 pounds as the Secretary may prescribe by regulation; or

"(B) the fish product is exempted by regulation because it was caught for other than commercial purposes in waters outside the United States; and

"(5) operations of types traditionally and usually conducted at retail stores or restaurants, when conducted at any retail store or restaurant or similar retail-type establishment for sale in normal retail quantities of fish products to consumers at such stores or restaurants.

"(b) EXCLUSIONS.—This title shall not apply to recreational vessels, commercial fishing vessels or fish tender vessels except where such vessels process fish.

"SEC. 1903. FEDERAL AND STATE COOPERATION.

"(a) STATE PROGRAMS.—

"(1) POLICY.—It is the policy of Congress to protect the consuming public from fish products that are adulterated or misbranded and to assist in the efforts of State and other government agencies to accomplish this objective.

"(2) INTRASTATE INSPECTION PROGRAMS.—

"(A) AUTHORITY OF SECRETARY.—

"(i) IN GENERAL.—The Secretary may, when the Secretary determines that it would effectuate the purposes of this title, cooperate with the appropriate State agency in any State that has enacted a mandatory State fish product inspection law that imposes inspection, sampling, sanitation and other requirements of the type described in this title, that are at least equal to those described in this title, to assist such State in developing and administering a State fish product inspection program with respect to all or certain classes of persons engaged in the State in processing fish products solely for sale or other distribution within such State.

"(ii) MARKS OR CERTIFICATES.—Each State program described in clause (i) applicable to fish products in intrastate commerce shall not permit such fish products to bear any official marks or certificates applicable to fish products in interstate commerce as authorized under this title, and any labels on such fish products shall clearly indicate that the fish product is for intrastate commerce only.

"(B) ADULTERATION.—Fish products processed or handled for intrastate commerce, as authorized under a program established under subparagraph (A), that are sold, transported, or delivered for introduction into, or offered for sale in interstate commerce shall be considered to be adulterated for purposes of this title.

"(C) WARNING NOTICE.—If the Secretary determines that a State fish product inspection program established under subparagraph (A) is not at least equal to the program established under this title, or that a State has failed to maintain or is not enforcing a fish product inspection program at least equal to the program established under this title, the Secretary shall promptly notify the chief executive officer of the State of such determination.

"(D) NOTICE.—If, after notification is provided to a State under subparagraph (C), and after the Secretary has consulted with the State and provided the State with an opportunity to promptly correct any deficiencies identified in such notification, the Secretary determines that a State fish product inspection program continues to have State standards that are not at least equal to those established under this title or that the State has failed to maintain or is not enforcing a program having standards at least equal to those established under this title, the Secretary shall—

"(i) promptly notify the chief executive officer of such State of such determination;

"(ii) discontinue assistance to such State under this title;

"(iii) advise the Commissioner of Food and Drugs of such determination; and

"(iv) notwithstanding any other provision of this title, in the case of adulterated fish products that are being distributed or sold within such State that are determined to clearly endanger the public health, the Secretary shall immediately notify the chief executive officer of the State of such determination, and if the State does not take action to prevent such endangering of the public health within a reasonable period of time after the receipt of such notice, as determined by the Secretary, in light of the risk to public health, the Secretary may require that such State be subject to the provisions of this title as though the fish products were in interstate commerce until such time as the Secretary determines that the State has developed and will enforce requirements at least equal to those imposed under this title.

"(3) INTERSTATE COMMERCE.—

"(A) AUTHORITY OF THE SECRETARY.—

"(i) IN GENERAL.—The Secretary may, when the Secretary determines that it would effectuate the purposes of this title, cooperate with appropriate State agencies concerning the State administration of the inspection and sampling components of the program established under this title on behalf of the Secretary.

"(ii) REGULATIONS CONCERNING STATE ADMINISTRATION.—The Secretary shall promulgate regulations concerning the State administration of the sampling and inspection components as described in clause (i) on behalf of the Secretary.

"(iii) COOPERATION.—The Secretary may cooperate with other agencies of the Federal Government in implementing this title.

"(iv) EXAMINATIONS, ETC.—In carrying out this title, the Secretary shall conduct such examinations, investigations, and inspections as the Secretary determines practicable through any officer or employee of any State commissioned by the Secretary for such purpose. The Secretary shall monitor, investigate and evaluate each program administered under this paragraph on behalf of the Secretary by a State on an ongoing basis to assure that such programs comply with the regulations and other requirements of the Secretary. The Secretary shall be responsible for the enforcement of this title with respect to States that administer the program on behalf of the Secretary.

"(B) FINANCIAL ASSISTANCE.—

"(i) AUTHORITY.—The Secretary, in cooperating with State agencies under this paragraph, may provide such State agencies with—

"(I) advisory assistance in planning and otherwise developing an adequate State program under this paragraph; and

"(II) technical and laboratory assistance and training (including necessary curricular and instructional materials and equipment), and financial and other assistance necessary for the administration of a program under this paragraph.

"(ii) AMOUNT.—The amount to be contributed to any State by the Secretary for an approved State interstate commerce sampling and inspection program for any year shall not exceed 50 percent of the total cost of the cooperative program, and Federal funds utilized by the Secretary under such clause shall be allocated among the States desiring to cooperate under this paragraph on an equitable basis. Such cooperation and payment shall be contingent at all times on the demonstration that the State program is adequate to effectuate the sampling and inspection requirements of this title.

"(iii) WITHHOLDING OF ASSISTANCE.—The Secretary may promulgate regulations to provide for the withholding of Federal assistance under this subparagraph if the Secretary determines that the State is not effectively and properly administering the State program under this title. Such regulations may provide for the subsequent payment of any withheld assistance if the State, to the satisfaction of the Secretary, corrects any deficiencies determined by the Secretary to exist.

"(C) FEDERAL-STATE PARTNERSHIPS.—The Secretary shall establish procedures to enable States to apply to administer, on behalf of the Secretary, an inspection and sampling program under this paragraph.

"(D) PLAN OF OPERATION.—Each State approved by the Secretary to administer an inspection and sampling program for the Secretary under this paragraph shall annually prepare and submit to the Secretary a plan of operation that shall contain such information as the Secretary shall by regulation require, including a description of—

"(i) the manner in which the State intends to administer the fish product inspection and sampling program consistent with the requirements of this title;

"(ii) the State plans for sampling fish products and for inspecting and monitoring establishments;

"(iii) State cost projections that contain the anticipated cost to the State in administering the program on behalf of the Secretary;

"(iv) the staffing, equipment, and other needs of the State to administer such program and the indicators of the expected performance of the State in the administration of the program;

"(v) the types of reports and other information that the State shall provide, as may be required by the Secretary; and

"(vi) the procedures that the State will utilize for the issuing and handling of advance Federal payments under this title, and for the financial recordkeeping concerning the Federal share of the total cost of the cooperative programs administered under this paragraph.

"(E) STANDARDS FOR FEDERAL-STATE COOPERATION.—

"(i) ESTABLISHMENT.—The Secretary shall establish standards for the efficient and effective administration of the sampling and inspection program by each State whose application and plan of operation has been approved under this paragraph.

"(ii) WARNING NOTICE.—If the Secretary determines that any State inspection and sampling program established under this paragraph is not at least equal to the program established under regulations promulgated by the Secretary, or that a State has failed to maintain or is not operating a program at least equal to the program established under this title, the Secretary shall promptly notify the chief executive officer of the State of such determination.

"(iii) DESIGNATION BY SECRETARY.—If, after issuing a notification under clause (ii) to a State and after consulting with such State and providing an opportunity for the State to promptly correct any deficiencies identified in such notification, the Secretary determines that a State inspection and sampling program operated under this paragraph does not have standards that are at least equal to those required under this title or that such State has failed to maintain or operate a program having standards at least equal to those under this title, the Secretary shall promptly notify the chief executive officer of such State of such determination and designate such State as one in which the Federal inspection program established under this title shall apply.

"(F) DEPUTIZATION OF STATE EMPLOYEES.—The Secretary may deputize specific State employees in States approved to administer the Federal inspection and sampling program on behalf of the Secretary under this paragraph, under an annual agreement with each participating State to carry out, on behalf of the Secretary, the inspection program established under this title.

"(4) ADVISORY COMMITTEES.—The Secretary may appoint advisory committees consisting of such representatives of appropriate State agencies as the Secretary and the State agencies may designate to consult with the Secretary concerning State and Federal programs with respect to fish product inspection and other matters within the scope of this title. Such advisory committees may conduct evaluations of State programs and attempt to obtain improved coordination and more uniformity among such State programs and between the Federal and State programs, and shall provide advice on the protection of consumers.

"(5) LOCAL COOPERATION.—The appropriate State agency with which the Secretary may cooperate under this subsection shall be a single agency in the State that is primarily responsible for the coordination of the State programs having objectives that are the same as the objectives of this title. If the State program includes performance of certain functions by a municipality or other subordinate governmental unit, such unit shall be considered to be a part of the State agency for purposes of this subsection.

"(b) DEVELOPMENT OF FEDERAL INSPECTION PROGRAM.—The Secretary shall develop and administer a comprehensive and efficient health-based inspection program for fish products designed to protect the consuming public from fish products that may be adulterated or misbranded.

"(c) FEDERAL PROGRAM REQUIREMENTS.—The inspection program established by the Secretary under subsection (b) shall—

"(1) be specifically designed to take into consideration the special characteristics of fish species and fish products;

"(2) be based on a comprehensive assessment of fish and fish products, and the processing and handling of such products, that identifies the hazards and assesses the severity of the hazards and risks, and that prescribes health-based standards for sanitation in the processing of fish products in establishments to ensure that fish products will not be adulterated or misbranded when delivered to the consumer;

"(3) be based on a consideration by the Secretary of all procedures utilized during the processing and distribution of fish including—

"(A) the identification and assessment of the severity of the potential health risks associated with fish, fish species, and fish products and with the processing and handling of such fish, species, and products;

"(B) a determination of the sources and specific points of potential contamination that may adulterate fish products; and

"(C) the potential for persistence and multiplication or concentration of contaminants in fish and fish products;

"(4) be based on the need to require procedures to prevent, eliminate or control potential contaminants that may adulterate fish and fish products and the need to monitor those procedures;

"(5) be specifically designed to take into consideration the distinctive characteristics, hazards, control points, and processing procedures related to different species of fish;

"(6) assure, through frequent, and unannounced or announced, inspections of establishments that the processing of fish products complies with the standards prescribed pursuant to this title and the regulations issued by the Secretary thereunder, including standards for good sanitation, manufacturing, processing, storage, temperature control, packaging, and handling, taking into consideration—

"(A) the nature and frequency of operations;

"(B) the adequacy of monitoring programs;

"(C) the history of compliance with this title;

"(D) the recommendations of the Model Seafood Surveillance Program;

"(E) the potential of the operations to affect human health based on the probability of fish, fish species, or fish products being susceptible to adulterants or otherwise having potential to affect public health;

"(F) the compliance of the establishment with other federal health and safety laws; and

"(G) such other factors as the Secretary may determine appropriate;

"(7) not require the freezing or cooking of fish or fish products that are intended for raw consumption unless the Secretary determines that such freezing or cooking is the only practical procedure available that will adequately prevent, eliminate, or con-

trol an identified source of adulteration in the specified fish species;

"(8) provide for the identification and classification of fish growing and harvesting areas in conjunction with the appropriate Federal and State agencies;

"(9) provide for the delegation, as described in this title, of certain inspection and sampling authorities to State governments and provide compensation to the States for carrying out such authority at a level not to exceed 50 percent of the total cost of the cooperative program;

"(10) provide for the sampling and inspection of fish products, and for the monitoring, and the taking of samples or readings, at such points, in such manner, and with such frequency as the Secretary determines necessary, taking into consideration the factors described in subparagraphs (A) through (G) of paragraph (6);

"(11) establish procedures (that may include requiring the marking of containers, packages or fish products, or by requiring such recordkeeping, lot processing, or other handling procedures as the Secretary determines appropriate) to assist the Secretary in determining sources of contamination, including determining which harvesting or growing areas are likely to produce fish that are adulterated; and

"(12) provide for the promulgation of regulations establishing rules for the identification, naming, labeling and fill of containers of fish products taking into consideration current industry practices and Federal regulations.

"(d) TOLERANCES.—

"(1) POISONOUS OR DELETERIOUS SUBSTANCES.—

"(A) IN GENERAL.—The Commissioner of Food and Drugs shall establish tolerances, except where such tolerances are established by the Administrator of the Environmental Protection Agency, that shall be applicable to poisonous or deleterious substances that may adulterate fish products under the definition of adulteration contained in subparagraphs (A) and (B) of section 1901(1), which shall be used by the Secretary to determine instances in which fish products will be considered adulterated under such subparagraphs. Any such tolerances shall be established at levels so that fish products are not injurious to health.

"(B) CONSULTATION.—Tolerances shall be established under subparagraph (A) in consultation with—

"(i) the National Academy of Sciences;

"(ii) the Environmental Protection Agency;

"(iii) the Centers for Disease Control;

"(iv) the Secretary of Agriculture;

"(v) the Secretary of Commerce; and

"(vi) the Interstate Shellfish Sanitation Conference.

"(C) BASIS.—Tolerances shall be established under subparagraph (A) based on a scientific analysis of the health risks attributable to the poisonous or deleterious substance for which the tolerance is being established.

"(D) TRADE REPRESENTATIVES.—The Commissioner of Food and Drugs shall consult and advise the United States Trade Representative concerning tolerances that may apply to international trade negotiations.

"(E) RECONSIDERATION.—The Commissioner of Food and Drugs or the Administrator of the Environmental Protection Agency shall review and reconsider any tolerances established under subparagraph (A) concerning fish products as new scientific information or new technologies become available.

"(2) CONTAMINANTS.—The Commissioner of Food and Drugs shall establish tolerances, except where such tolerances are established by the Administrator of the Environmental Protection Agency under the Federal Food, Drug and Cosmetic Act, for harmful chemicals, toxins, parasites, pathogenic microorganisms, viruses, bacteria, and other harmful agents, that may render fish products adulterated.

"(3) INDICATORS.—The establishment of tolerances under this subsection may include the use of indicators present in fish or fish products, including indicator organisms, from which it may reasonably be inferred that a hazardous or injurious contaminant or substance is present whenever the contaminant or a poisonous or deleterious substance itself cannot be cost-effectively detected.

"(e) CONSTRUCTION.—Nothing in this section shall be construed to preclude any State from establishing an additional fish products quality program for fish products grown or harvested in such State.

"SEC. 1904. GROWING AND HARVESTING AREAS.

"(a) IDENTIFICATION OF GROWING AREAS.—The Secretary of Commerce for waters under the exclusive jurisdiction of such Secretary, and appropriate State authorities for waters under the jurisdiction of such appropriate State authorities, shall establish a system for the identification and classification of growing and harvesting areas for fish in coastal areas and the Great Lakes.

"(b) MONITORING.—The Secretary shall sample and test fish products to determine if there is any significant instance or trend in the condition of such fish products that may pose a significant threat to the health and safety of consumers.

"(c) NOTICE.—

"(1) DETERMINATION.—If the Secretary determines that a significant instance or trend of the type described under subsection (b) exists, the Secretary shall notify the appropriate State or Federal agencies with authority to remedy such instance or trend. Such agencies shall include—

"(A) the Interstate Shellfish Sanitation Conference;

"(B) the State from which any such fish may have been harvested;

"(C) the Secretary of Commerce;

"(D) the Commissioner of Food and Drugs; and

"(E) the Administrator of the Environmental Protection Agency.

The Secretary shall publish notice of the significant instance or trends determined to exist in the Federal Register.

"(2) ACTIONS.—Each agency notified under paragraph (1) shall, not later than 30 days after the receipt of such notice, inform the Secretary in writing of any actions that such agency has taken to prevent the distribution of adulterated fish products to consumers. Any such written information shall be available for public inspection.

"(d) GRANTS.—The Secretary, in cooperation with States under this section, may provide States with financial and other assistance to prevent the entry of adulterated fish products into establishments, including annual grants to each State that is a member of the Interstate Shellfish Sanitation Conference.

"(e) CLOSURE OF AREAS.—

"(1) IN GENERAL.—In the case of public health emergencies or on receiving notice of the type described in subsection (b) from the Secretary, the Secretary of Commerce may close waters under the exclusive jurisdiction of the Secretary of Commerce, or otherwise restrict the harvesting of a fish species in such waters if the Secretary of Commerce determines that fish of such species within the identified harvesting or growing areas are likely to be adulterated.

"(2) REVIEW.—The Secretary of Commerce shall periodically review the growing and harvesting areas closed or restricted under this subsection to determine whether such closure or restriction should be removed. The Secretary of Commerce shall establish procedures to permit further review on petitions by affected persons.

"(3) NOTICE.—The Secretary of Commerce shall give reasonable public notice, except in cases determined to be public health emergencies, prior to ordering any closure or restriction under this section.

"SEC. 1905. POWER OF INSPECTORS.

"(a) ACTIONS OF INSPECTORS.—Inspectors authorized by the Secretary to conduct inspections, enforce compliance, and otherwise implement his title (including State employees so authorized) shall, pursuant to procedures prescribed by the Secretary, take such actions as are necessary in the judgment of the inspector to implement this title and the regulations promulgated under this title. Such actions may include—

"(1) the inspection of establishments and all locations within establishments, including fish products, packages, containers, labeling, equipment, processing procedures, and records related to this title;

"(2) the sampling and testing of fish products;

"(3) the detention and condemnation of adulterated or misbranded fish products in accordance with this title; and

"(4) the inspection, sampling and testing of imports of fish products.

"(b) CONDEMNED FISH PRODUCTS.—

"(1) IN GENERAL.—Except as provided in paragraph (2), all fish products found by the Secretary to be adulterated or misbranded shall be immediately segregated, seized, and, if objection is not made within 48 hours, condemned. If objection is made, such fish products that are in perishable form may be processed to the extent necessary to prevent spoilage pending hearing and judicial review.

"(2) COMPLIANCE ACTIONS.—If the Secretary determines that an adulterated or misbranded fish product can, by relabeling or other action, be brought into compliance with this title or the regulations promulgated under this title, the Secretary may defer a final determination as to the condemnation of such fish product pending the performance by the applicant within a time period specified by the Secretary of such relabeling or other action as the Secretary may authorize. If after such action is performed, the Secretary determines that the fish product has been brought into compliance with this title, the Secretary shall permit its entry into commerce.

"(3) DESTRUCTION.—A fish product condemned by the Secretary without objection, or after hearing and judicial review under section 1918, shall be destroyed and not utilized for human food purposes under the supervision of the Secretary.

"(c) ACCESS.—Inspectors under this title shall have access, for purposes of examination, sampling, inspection, condemnation, and for such other purposes as are determined necessary, to every part of any establishment.

"SEC. 1906. SANITARY CONDITIONS.

"(a) MAINTENANCE OF FACILITIES.—Each establishment shall maintain premises, facili-

ties, and equipment, and the operation of such, in accordance with such sanitary practices as are required under regulations promulgated by the Secretary for the purpose of preventing the entry into, or flow or movement in, or burdensome effect on, commerce, of fish products which are adulterated.

"(b) STORAGE OR HANDLING.—The Secretary shall, by regulation, prescribe conditions under which fish products shall be stored or otherwise handled by any person engaged in the business of buying, selling, freezing, storing, or transporting, in or for commerce, or importing, such articles, when the Secretary determines that such action is necessary to ensure that such articles will not be adulterated or misbranded when delivered to the consumer. The Secretary may establish guidelines for the training of persons who are employed by establishments involved in fish and fish product sanitation and quality control.

"(c) TEMPORARY EXEMPTION AUTHORITY.—The Secretary may, under such sanitary conditions as the Secretary may by regulation prescribe, exempt from the inspection requirements of this title until, July 1, 1995, or earlier, the handling or processing of fish products by any person, where the Secretary determines—

"(1) that it is impractical to provide such inspection based on the amount of funds appropriated for the administration of this title; and

"(2) that an exemption under this subsection will aid in the effective transition to the program implemented under this title.

"SEC. 1907. CERTIFICATION OF ESTABLISHMENTS, IMPORTERS.

"(a) IN GENERAL.—

"(1) PROCEDURES.—The Secretary shall establish procedures for the annual certification, or decertification for good cause, of establishments, and persons engaged in the business of importing of fish or fish products.

"(2) INFORMATION.—The Secretary shall require such information as the Secretary determines appropriate for application for certification under paragraph (1), including the name of the owner and operator of the establishment or import business, the principal place of business, and a list of each type of fish or fish product typically processed, handled, or imported by each such establishment or importer.

"(3) PROHIBITION.—No establishment or person engaged in the business of importing shall process or handle any fish product for commercial purposes unless such establishment or importer is certified by the Secretary.

"(b) APPLICATIONS.—Applications for certification under subsection (a) shall be made to the Secretary using such forms and requiring such information as the Secretary shall prescribe by regulation including a description of the quality control program of the establishment or importer.

"(c) REFUSAL TO CERTIFY, REVOCATION.—

"(1) IN GENERAL.—If an establishment or importer certified under subsection (a) fails to comply with any requirement of this title or the regulations promulgated under this title, the Secretary may, after notice and an opportunity for a hearing—

"(A) revoke such certification;

"(B) suspend such certification for a period of time; or

"(C) impose conditions or restrictions on such certification as the Secretary determines necessary and appropriate.

"(2) DENIAL OR REVOCATION.—The Secretary may (for such period, or indefinitely, as the Secretary determines necessary to effect the purposes of this title) refuse to certify or decertify an establishment or importer if the Secretary determines, after providing such establishment or importer with an opportunity for a hearing, that such establishment or importer is unfit to engage in any business subject to or requiring inspection under this title as a result of the establishment or importer, or anyone responsibly connected with the establishment or importer, having been convicted in any Federal or State court of—

"(A) acquiring, handling, or distributing adulterated, mislabeled, or deceptively packaged food or fraud in connection with transactions in food; or

"(B) any felony, involving fraud, bribery, extortion, or any other act or circumstances indicating a lack of the integrity needed for the conduct of operations affecting the public health.

"(3) RESPONSIBLY CONNECTED.—For the purpose of this subsection a person shall be considered to be responsibly connected with the establishment or importer if such person is a partner, officer, director, holder, or owner of 10 percent or more of the voting stock of the establishment or importer or is an employee in a managerial or executive capacity, as defined in regulations promulgated by the Secretary.

"(4) HEARINGS.—On the revocation of a certification for failure to destroy condemned fish products as required under this title, or as a result of any other failure of an establishment or importer to comply with the requirements of this title as to premises, facilities, or equipment, or the operation thereof, or other noncompliance with the requirements of this title, the applicant for, or holder of, the certification shall, on request, be afforded an opportunity for a hearing with respect to the merits or validity of such action under section 1918. Such decertification or refusal to certify shall continue in effect unless otherwise ordered by the Secretary.

"(5) REINSTATEMENT.—

"(A) IN GENERAL.—An establishment or importer that has had a certification revoked or suspended under this subsection may apply for reinstatement of such certification. The Secretary shall grant such reinstatement, if the revocation or suspension is pending in a hearing or appeal under paragraph (4), if the Secretary determines that the establishment or importer is fit to engage in the handling or processing of fish products.

"(B) CONDITIONAL OR RESTRICTED CERTIFICATIONS.—An establishment or importer that has a certification that is conditional or restricted may apply for the removal of such conditions or restrictions. The Secretary shall immediately remove such conditions or restrictions, if the existence of the condition or restriction is pending in a hearing or appeal under paragraph (4), if the Secretary finds that adequate measures have been taken to comply with this title or regulations promulgated under this title.

"SEC. 1908. LABELING, PACKAGING AND MARKING.

"(a) LABELING.—All fish products processed at any establishment certified under this title, and that are not found to be adulterated, shall at the time that such products leave the establishment bear, in distinctly legible form, on their shipping containers and immediate containers such information as the Secretary may require. The Secretary may permit such fish products to bear a seal stating that the product was processed in accordance with Federal standards or such similar language as the Secretary determines appropriate.

"(b) PROTECTION OF PUBLIC.—The Secretary, when the Secretary determines such action is necessary for the protection of the public, may prescribe—

"(1) the styles and sizes of type to be used, with respect to material required to be incorporated in labeling to avoid false or misleading labeling, in marking and labeling any fish products subject to this title;

"(2) definitions and standards of identity or composition of articles subject to this title and standards of fill of containers for such articles that shall not be inconsistent with any such standards established under the Federal Food, Drug, and Cosmetic Act; and

"(3) procedures that permit statements on labels that indicate the State or location of origin of the product.

"(c) MARKING.—The Secretary shall—

"(1) require the owner or operator of any establishment certified under this title, to cause each package of fish product that is processed in such establishment to be marked at the time the package leaves the establishment with—

"(A) the appropriate identification issued under the authority of this title; and

"(B) labeling that bears or contains an official mark; and

"(2) ensure that the official mark shall be available only for fish products that are processed in establishments certified under this title.

"(d) NO SALES.—No article subject to this title shall be sold or offered for sale in commerce by any person, under any name or other marking or labeling that is false or misleading, or in any container of a misleading form or size. Established trade names and other marking and labeling that are not false or misleading and that are approved by the Secretary are permitted.

"(e) FALSE LABELS OR MARKINGS.—

"(1) WITHHOLDING REQUIREMENT.—If the Secretary has reason to believe that any marking or labeling or the size or form of any container in use or proposed for use with respect to any article subject to this title is false or misleading in any particular, the Secretary may require that such use be withheld unless the marking, labeling, or container is modified in such manner as the Secretary may prescribe so that it will not be false or misleading.

"(2) REQUEST FOR HEARING.—If a person using or proposing to use markings, labeling, or a container that is subject to a withholding requirement under paragraph (1) does not accept such requirement, such person may request a hearing, and the use of such marking, labeling, or container shall, if the Secretary so requires, be withheld pending such hearing and final determination by the Secretary.

"(3) APPEALS.—Any determination by the Secretary under paragraph (2) shall be conclusive unless, not later than 30 days after the person receives notice of such final determination, such person appeals such determination to the United States Court of Appeals for the circuit in which such person has its principal place of business or to the United States Court of Appeals for the District of Columbia Circuit. The provisions of section 204 of the Packers and Stockyards Act, 1921 (7 U.S.C. 194) shall be applicable to appeals brought under this section.

"SEC. 1909. RECORDS, REPORTS AND DISCLOSURE.

"(a) IN GENERAL.—Establishments shall maintain accurate records as determined to be appropriate by the Secretary. Any requirements imposed under this section may include information concerning—

"(1) the receipt, delivery, sale, movement, or disposition of fish or fish products;

"(2) matters reasonably related to whether fish products may be adulterated or misbranded, including the growing or harvesting area from which such fish was harvested;

"(3) the effective enforcement of this title to ensure against the sale or distribution of adulterated or misbranded fish products to consumers; and

"(4) other activities and matters relevant to food safety and sanitation.

"(b) TIME PERIODS.—The persons described in subsection (c) shall, for such period of time as the Secretary may by regulation prescribe (not to exceed 2 years unless otherwise directed by the Secretary for good cause shown) keep and maintain such records as determined by the Secretary to be appropriate under subsection (a).

"(c) PERSONS AFFECTED.—The recordkeeping and other requirements of this section shall apply to any person, not exempted under section 1902—

"(1) that engages in the business of processing any fish product for interstate commerce; and

"(2) that engages in the business of buying or selling (such as acting as products brokers or wholesalers), or transporting, in interstate commerce, or storing in or for interstate commerce or importing any fish products.

"(d) ACCESS TO RECORDS.—The Secretary and the Secretary of Commerce shall, on request at reasonable times, have access to and make copies of records maintained under this section.

"SEC. 1910. IMPORTS.

"(a) REQUIREMENT.—

"(1) IN GENERAL.—No fish product shall be entered, or withdrawn from warehouses, for consumption in the United States, unless such fish product—

"(A) is not adulterated or misbranded;

"(B) complies with all requirements applicable to fish products in commerce in the United States under this title;

"(C) is marked and labeled as required by regulations for imported articles; and

"(D) complies with the requirements of this title and regulations promulgated under this title.

"(2) TREATMENT.—On entry into the United States, any fish product that satisfies the requirements of paragraph (1) shall be considered and treated as domestic fish products under this title, except that all labeling of such fish products shall identify the country of origin.

"(b) INSPECTION OF IMPORTS.—The Secretary shall enforce the requirements of this section through inspections and other procedures, and the sampling and inspection of fish products that are offered for importation or entered, or withdrawn from warehouses, for consumption in the United States, and through any other procedures that the Secretary determines necessary to ensure compliance with this title.

"(c) CORRECTIVE ACTIONS.—All fish products that are refused entry into commerce in the United States under subsection (a) or that are entered, or withdrawn from warehouses, for consumption in the United States in violation of this section, shall pursuant to regulations promulgated by the Secretary, be destroyed unless—

"(1) such fish products are exported within a time fixed for such exportation by the Secretary; or

"(2) the Secretary determines that such fish product can be brought into compliance with this title through relabeling or other action.

If the Secretary makes a positive determination under paragraph (2), the destruction of such fish product may be deferred pending the filing of a written application by the owner or consignee and the execution by the applicant of a bond within a time period specified by the Secretary. On such filing and execution of a bond, the Secretary may authorize the applicant to perform such relabeling or other actions required by the Secretary. If after such action is performed, the Secretary determines that such fish product has been brought into compliance with this title, the Secretary shall permit its entry into commerce.

"(d) COSTS.—Storage, cartage, labor, and other costs resulting from the denial of entry, or withdrawal from warehouse, of any fish product under this section shall be paid by the owner or consignee of such product. The nonpayment of such costs shall constitute a lien against such product and any other fish product thereafter entered, or withdrawn from warehouse, for consumption in the United States by such owner or consignee.

"(e) FOREIGN SEAFOOD INSPECTION PROGRAM.—

"(1) REVIEW.—On request of a country desiring to export fish products to the United States, the Secretary shall review the inspection program, including the sanitary, wholesomeness, quality, species verification, residue and other requirements and tolerances, with respect to fish products to be offered for importation into the United States, to determine whether such requirements and tolerances for such products are at least equal to those established under this title.

"(2) CERTIFICATION.—If the Secretary determines that a country desiring to export fish products to the United States meets the standards and procedures set forth in paragraph (1), with respect to fish products to be offered for importation into the United States, and that such country will permit the enforcement measures that the Secretary determines necessary pursuant to paragraph (5), the Secretary shall issue a certificate to such country stating that the country meets such requirements.

"(3) EFFECT OF NONCERTIFICATION.—All fish products imported from a country that is not certified by the Secretary under this section shall be inspected by the Secretary at the port of entry to ensure compliance with the provisions of this section.

"(4) REVIEW.—

"(A) IN GENERAL.—The Secretary shall periodically review certificates issued under this subsection and shall revoke any such certificate if the Secretary determines that such action is necessary.

"(B) INSPECTION.—The consideration of any application for a certification under this subsection and the review of any such certification, by the Secretary, shall include the inspection of individual establishments that produce fish products to be offered for export to the United States to ensure that such products, and the procedures and standards used in handling and processing such products, meet the inspection, sanitary, quality, species verification, residue and other standards and tolerances required by this title.

"(5) ENFORCEMENT.—The Secretary shall enforce the requirements of this section through inspections, sampling, testing, or such other actions at such stages in the handling or processing of fish products, whether in the foreign country, during importation, or otherwise as the Secretary determines necessary to ensure compliance with this title.

"(f) REPORTS TO CONGRESS.—Not later than March 1 of each year, the Secretary shall submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition and Forestry of the Senate, a comprehensive and detailed written report with respect to the administration of this section during the immediately preceding calendar year. Such report shall include—

"(1) a certification by the Secretary that foreign entities exporting fish products under this section have complied with requirements at least equal to all the inspection, building construction standards, and all other provisions of this title and regulations issued thereunder;

"(2) the names and locations of establishments authorized or permitted to have imported fish products into the United States;

"(3) the number of inspectors employed by the Department of Agriculture in the calendar year for which the report is being prepared that were assigned to inspect the establishments referred to in paragraph (2) and the frequency with which each such establishment was inspected by such inspectors;

"(4) the number of inspectors licensed by each country from which any imports subject to the provisions of this section were imported who were assigned, during the calendar year concerned, to inspect such imports and the facilities in which such imports were handled and the frequency and effectiveness of such inspections;

"(5) the total volume of fish products that were imported into the United States during the year for which such report was prepared from each country, including a separate itemization of the volume of each major category of such imports from each country during such year, and a detailed report of rejections of entities for certification and products because of the failure of such entities or products to meet appropriate standards prescribed under this section; and

"(6) the name of each foreign country that applies requirements for the importation of fish products from the United States.

"SEC. 1911. EXPORTS.

"(a) STANDARDS.—Fish products intended for export to a foreign country shall not be considered to be adulterated or misbranded under this title if such products—

"(1) are exported consistent with the specifications of the foreign purchaser;

"(2) are not in conflict with the laws of the country to which they are intended for export;

"(3) are labeled on the outside of the shipping package that they are intended for export; and

"(4) are not sold, offered for sale, or otherwise disposed of in commerce within the United States except that such fish product shall be considered to be adulterated if the Secretary determines such products represent a threat to the health of the eventual consumer.

"(b) INSPECTION.—The Secretary shall inspect fish products intended to be exported to foreign countries at such times and places and in such manner as the Secretary determines necessary.

"(c) CERTIFICATES.—The Secretary shall, on request of the exporter, provide a certificate for export stating the condition of fish products inspected under this section.

"SEC. 1912. RECALL.

"The Secretary may require any person who owns or operates an establishment or is in the business of importing of fish products, to recall any fish product that is adulterated or misbranded if the Secretary determines that such fish product is adulterated or misbranded and could cause serious health consequences.

"SEC. 1913. COOPERATION WITH CENTERS FOR DISEASE CONTROL.

"The Secretary of Health and Human Services shall establish, through the Centers for Disease Control, an active surveillance system, based on a representative proportion of the population of the United States, to provide an accurate estimate of the frequency of human disease in the United States associated with the consumption of food, including a comparison of each major food category.

"SEC. 1914. PROHIBITED ACTS.

"The following acts and the causing thereof are prohibited under this title—

"(1) the processing or handling of any fish product at any establishment except in compliance with the requirements of this title;

"(2) the refusal to permit entry or inspection to or on any establishment or business engaged in importing fish products, or to otherwise interfere with any inspector or other person in carrying out the duties required under this title or under regulations implementing this title;

"(3) the sale, transportation, or offer for sale or transportation, in interstate commerce of any fish product that is adulterated or misbranded at the time of such sale, transportation, or offer for sale or transportation;

"(4) the possession by any establishment of fish products except in compliance with the requirements of this title or regulations issued under this title;

"(5) the commission of any act, or the omission of any act, while fish product is being transported in interstate commerce, or held for sale after such transportation, that is intended to cause or has the effect of causing such products to be adulterated or misbranded;

"(6) the sale, transportation, or offer for sale or transportation, in interstate commerce of any fish product that is not processed in accordance with the requirements of this title or any regulations promulgated under this title;

"(7) the reproduction, alteration, or destruction of any official stamp or certificate without the authorization of the Secretary;

"(8) the misbranding of fish products, or the creation or maintenance of records that are false either by content or omission, or destruction of records containing information required under this title or the alteration or removal of the whole or any part of the labeling of, or the doing of any other act with respect to fish products if such act is done while such fish products are held for sale (whether or not such sale is the first sale) after shipment in interstate commerce and results in such article being adulterated or misbranded;

"(9) the handling or processing for interstate commerce of fish products in any establishment unless there is in effect for such establishment a certification issued by the Secretary; and

"(10) the importation into the United States of fish products if such articles are adulterated, labeled or packaged in a false or misleading way, or otherwise misbranded, or fail to comply with all the inspection, good processing practices, and other provisions of this title and regulations issued under this title applicable to such articles in interstate commerce within the United States.

"SEC. 1915. CIVIL PENALTIES.

"(a) FINES.—

"(1) IN GENERAL.—Any person who violates any provision of this title, or the regulations promulgated pursuant to this title, shall be liable to the United States for a civil penalty in an amount not to exceed $5,000 for the first violation. Each day of a continuing violation shall constitute a separate offense.

"(2) CIVIL ACTIONS FILED IN DISTRICT COURT.—The Secretary may commence a civil action in the United States district court in which the person subject to requirements of this title resides, to seek a civil fine from any such person for violation of this title.

"(3) FINDING OF FAILURE TO COMPLY.—If the court, in an action brought under paragraph (2), finds on the basis of clear and convincing evidence, that the person subject to the requirements of this title has failed to comply with such requirements, or the rules and regulations promulgated thereunder, the court shall fine the person not more than $5,000 for each such violation.

"(4) NOTICE.—Not less than 90 days, and not more than 180 days, prior to commencing a civil action under paragraph (2), the Secretary shall provide to each person that is the subject of the action, a written notice that shall include—

"(A) a statement that the Secretary intends to commence such an action;

"(B) a comprehensive description of the alleged violations of this title and the regulations promulgated under this title; and

"(C) a description of the actions to be taken by such person that the Secretary considers necessary to enable the person to comply with this title and to eliminate the need to commence such civil action.

"(5) OPPORTUNITY TO BE HEARD.—Prior to the commencement of a civil action by the Secretary under paragraph (2), the Secretary shall provide the person with an opportunity to present, orally or in writing, information concerning the alleged violations or with respect to such proceeding.

"(6) WRITTEN NOTICE OF WARNING.—In determining whether the public interest would be adequately served by issuing a written notice of warning in lieu of commencing a civil action under paragraph (2), the Secretary shall take into account—

"(A) the compliance history of the person;

"(B) the magnitude of the violations by the person;

"(C) whether compliance with this title would be obtained as a result of a notice of warning; and

"(D) whether such violation is of a minor or technical nature.

Prior to commencing any such civil action under paragraph (2), the Secretary, after considering the the factors described in subparagraphs (A) through (D), shall provide a written explanation to the establishment concerning the reasons why the alleged violations of the person warrant commencing a civil action.

"(b) MODIFICATION.—The Secretary may compromise, modify, or remit, with or without conditions, any civil penalty that is subject to imposition or that has been imposed under this section.

"SEC. 1916. CRIMINAL PENALTIES.

"(a) IN GENERAL.—Any person who intentionally violates any provision of section 1903, 1908, 1910 or 1914, or the regulations promulgated thereunder, may—

"(1) be fined in an amount not to exceed $10,000, or imprisoned for not more than 1 year, or both; and

"(2) if such intentional violation involves the intent to defraud, or any distribution of any fish product that is adulterated or misbranded, be fined in an amount not to exceed $20,000, or imprisoned for not more than 3 years, or both.

"(b) NOTICE OF WARNING.—In the case of one or more minor violations of this title or the regulations promulgated under this title, the Secretary may, when the Secretary determines that the public interest will be adequately served thereby, issue to the person committing such violation a suitable written notice of warning. In determining whether the public interest will be adequately served by a written notice of warning, the Secretary shall consider, among other factors—

"(1) the compliance history of such person;

"(2) the magnitude of the violation;

"(3) whether compliance with this title would likely be obtained as a result of such notice; and

"(4) whether such violation is of a minor or technical nature.

"(c) NOTICE TO ALLEGED VIOLATOR.—

"(1) IN GENERAL.—Before any violation under this title is reported by the Secretary to any United States attorney for institution of a criminal proceeding under this section, the person against whom such proceeding is contemplated shall be given reasonable notice of the alleged violation and an opportunity to present the views of such person orally or in writing with regard to such contemplated proceeding.

"(2) EXCEPTION.—Paragraph (1) shall not apply in those cases where it is determined that such notice would significantly interfere with the ability of the United States attorney to prosecute any violation. Nothing in this title shall be construed as requiring the Secretary to report for criminal prosecution violations of this title when the Secretary believes that the public interest will be adequately served by the procedures described in subsection (b).

"(d) PUBLICATION.—In each case in which a criminal penalty is imposed under this section, the Secretary shall publish the name of the offending person, the location of the violator, the amount of the fine and the reason for the fine.

"SEC. 1917. CARRIERS.

"No common carrier or contract carrier, including such carriers that are fish tender vessels, shall be subject to penalties under this title for the receipt, carriage, holding, or delivery, in the usual course of business, as a carrier, of any adulterated or misbranded fish product owned by another person, unless the carrier—

"(1) during the time of such receipt, carriage, holding, or delivery, had knowledge or was in possession of facts that would cause a reasonable person to believe that the fish products were adulterated or misbranded or were otherwise not eligible for transportation under this title; or

"(2) refuses to furnish on request of the Secretary the name and address of the person from whom the carrier received the adulterated or misbranded fish product, and copies of all documents pertaining to the delivery of such fish product.

"SEC. 1918. HEARINGS AND SUBPOENAS.

"(a) ADMINISTRATIVE HEARINGS.—Except in the case of criminal prosecutions under section 1916, and as described in section 1908(e) and 1915, the Secretary shall afford an opportunity for an administrative hearing, under procedures established by the Secretary through regulations, to any person claiming to be adversely affected by the action or inaction of the Secretary under this title (hereinafter referred to in this section as the 'claimant'). Such procedures shall include an opportunity to present evidence, a right of cross examination, and a right to be heard in person or by counsel and through witnesses. After the expiration of 60 days after the entry of an order by the Secretary against the claimant under this section, the Secretary shall take any appropriate action under such order, unless the claimant files for judicial review under subsection (d).

"(b) SUBPOENAS.—

"(1) AUTHORITY.—For the purposes of any hearing or investigation under this title, the Secretary may issue subpoenas requiring the attendance and testimony of witnesses and the production of any documentation or other evidence that relates to any matter under investigation or in dispute before the Secretary and to administer oaths or affirmations.

"(2) COMPENSATION.—The Secretary shall pay witnesses subpoenaed under this subsection customary reasonable fees and transportation expenses.

"(c) INTERIM RELIEF.—The Secretary may take any actions in emergency situations determined necessary, during the pendency of the administrative hearing process and during the pendency of judicial review (unless the court shall order otherwise) to protect the public health, curb persistent violations that endanger public health, or enforce other provisions of this title or regulations promulgated pursuant to this title.

"(d) JUDICIAL REVIEW.—

"(1) PETITION.—Not later than 60 days after the entry of an order by the Secretary, a person adversely affected by such order may obtain judicial review through the filing of a petition of judicial review in the United States court of appeals for the circuit in which such person resides or where the principal place of business of such person is located, by filing with the clerk of such court a written petition praying that the order of the Secretary be set aside or modified in the manner stated in the petition together with a bond in such sum as the court may consider appropriate. A copy of the petition shall be transmitted by the clerk to the office of the Secretary, and the Secretary shall file in the court the record of the proceeding.

"(2) EVIDENCE.—The evidence contained in the record of the proceeding filed by the Secretary under paragraph (1) shall be considered by the court as evidence in the case. Judicial review of any such order shall be on the record on which the determination and order are based.

"(3) FINDINGS.—The findings of the Secretary concerning questions of fact surrounding the order for which a petition for judicial review is filed shall be sustained if supported by substantial evidence when considered on the record as a whole.

"(4) ACTION BY COURT.—The court may affirm, modify, or set aside the order of the Secretary. If the court determines that just and proper disposition of the case requires the taking of additional evidence, the court shall order the hearing to be reopened for the taking of such evidence in such manner and on such terms and conditions as the court determines to be appropriate. The Secretary may modify the findings of the Secretary as to the facts or make new findings by reason of the additional evidence so taken, and the Secretary shall file such modified or new findings, and the recommendations of the Secretary, if any, for the modification or setting aside of the order of the Secretary, with the return of such additional evidence.

"(5) APPEAL.—The judgment of the court affirming or setting aside, in whole or in part, any order by the Secretary under this subsection shall be final and subject only to review by the Supreme Court of the United States on certiorari or certification as provided for in section 1254 of title 28 of the United States Code.

"SEC. 1919. OTHER CRIMES.

"(a) BRIBES.—

"(1) PERSON WHO BRIBES.—Any person, or agent or employee of any person, who shall give, pay, or offer, directly or indirectly, to any inspector, or other officer or employee of the United States or a State, authorized to perform any of the duties authorized under this title or under rules or regulations of the Secretary promulgated under this title, any money or other thing of value, with the intent to influence such inspector, officer or employee, in the discharge of any duty of such inspector, officer or employee provided for under this title, shall be considered to have committed a felony and, on a conviction thereof, shall be punished by a fine not less than $5,000 nor more than $10,000 and by imprisonment for not less than 1 year nor more than 3 years.

"(2) PERSON ACCEPTING BRIBES.—Any inspector, officer or employee of the United States or a State authorized to perform any of the duties authorized under this title or under rules or regulations of the Secretary promulgated under this title, who shall accept any money, gift, or other thing of value from any person, or officers, agents, or employees thereof, given with the intent to influence the official action of such inspector, officer, or employee, or who shall receive or accept from any person engaged in commerce any gift, money, or other thing of value given with any purpose or intent whatsoever, shall be considered to have committed a felony and shall, on a conviction thereof, be summarily discharged from office and shall be punished by a fine not less than $1,000 nor more than $10,000 and by imprisonment not less than 1 year nor more than 3 years.

"(b) ASSAULT.—Any person who forcibly assaults, resists, opposes, impedes, intimidates, or interferes with any inspector or other person while engaged in or on account of the performance of the official duties of such inspector or other person under this title shall be fined not more than $5,000 or imprisoned not more than 3 years, or both. Whoever, in the commission of any such acts, uses a deadly or dangerous weapon, shall be fined not more than $10,000 or imprisoned not more than 10 years, or both. Whoever kills any person while engaged in or on account of the performance of the official duties of such person under this title shall be punished as provided under sections 1111 and 1114 of title 18, United States Code.

"SEC. 1920. REGULATION OF PRODUCTS AND ESTABLISHMENTS.

"(a) PROCESSING.—Each establishment or import business that is subject to inspection under this title shall be operated in accordance with such sanitary, good processing, quality control, and handling procedures or practices as are required by regulations promulgated by the Secretary.

"(b) STAMP.—The Secretary shall by regulation prescribe standards for identifying and otherwise marking fish or fish products, or their packages or containers, with an official stamp. The Secretary shall ensure that the official stamp is available only for fish and fish products that are processed or handled in accordance with the requirements of this title.

"(c) RECORDKEEPING.—The Secretary shall promulgate regulations providing for the preparation and maintenance of records that specifically describe all activities relevant to food safety and sanitation. Any such records shall be maintained for such periods of time as the Secretary may by regulation prescribe, but such period shall not exceed 2 years unless the Secretary directs otherwise for good cause shown. Any duly authorized representative of the Secretary shall, at all reasonable times, on notice, be given the opportunity to examine and to copy all such records.

"SEC. 1921. RESEARCH AND EDUCATION.

"(a) RESEARCH.—The Secretary shall, in consultation with other Federal agencies and with the States, establish priorities for fish and fish products safety research, such as test methodology for microbiological and chemical contaminants, and the appropriate Federal agencies shall conduct research regarding such priorities.

"(b) EDUCATION GRANTS.—The Secretary, acting through the Extension Service, shall provide $2,000,000 each fiscal year out of the funds appropriated to carry out this title to award grants for the establishment of demonstration projects by States, under terms and conditions prescribed by the Secretary, to assist States in conjunction with the Extension Service in providing food safety information and instruction regarding the proper handling, storage and preparation of fish and fish products for human consumption.

"(c) SHELLFISH INDICATOR RESEARCH PROGRAM.—

"(1) ESTABLISHMENT.—The Secretary of Commerce, in consultation with the Administrator of the Environmental Protection Agency, shall establish and administer, for a 5-year period, a shellfish indicator research program to develop a system of classification of shellfish harvesting areas based on the latest technological advancements in microbiology and epidemiological methods. In establishing such a program, the Secretary of Commerce shall develop a program that shall include the following activities:

"(A) ASSESSMENTS.—An assessment of commercial shellfish growing areas in the United States, including the evaluation of the relationships between indicators of fecal contamination and human enteric pathogens.

"(B) EVALUATIONS.—An evaluation of the relationships described in subparagraph (A) with respect to potential health hazards associated with human consumption.

"(C) COMPARISONS.—A comparison of the current microbiological methods used for evaluation of indicator bacteria and human

enteric pathogens in shellfish and shellfish harvesting areas with new technological methods designed for this purpose.

"(D) EPIDEMIOLOGICAL STUDIES.—The design of epidemiological studies to relate microbiological data, sanitary survey data, and human shellfish consumption data to actual hazards to health associated with such consumption.

"(2) GRANTS.—The Secretary of Commerce shall carry out the research program established under paragraph (1) by providing assistance in the form of grants to eligible applicants.

"(3) SOLICITATION.—Not later than 90 days after the date of enactment of this title, the Secretary of Commerce shall publish in the Federal Register a solicitation of research proposals to carry out the research program established under this subsection.

"(4) AWARDING OF GRANTS.—Not later than 90 days after the date of the publication of the solicitation under paragraph (3), the Secretary of Commerce shall award a grant or grants to eligible applicants to carry out the research program established under this subsection.

"(5) ELIGIBLE APPLICANT.—As used in this subsection, the term "eligible applicant" means—

"(A) any public or private institution of higher education;

"(B) any public or private organization with suitable research capabilities; or

"(C) any consortium of two or more entities referred to in subparagraphs (A) and (B).

"(d) ADVISORY PANEL.—The Secretary shall establish an advisory panel, consistent with the requirements of the Federal Advisory Committee Act, to assist in the development and implementation of the research programs under this section. Such advisory panel shall include one representative each from the Environmental Protection Agency, the Food and Drug Administration, the Department of Commerce, the Fish and Wildlife Service, the Interstate Shellfish Sanitation Conference, appropriate State health authorities and a representative from the commercial fish industry and from a public interest group.

"(e) PERIODIC REVIEW.—The Secretary shall review the research programs established under this section not less than once every 2 years and, on the basis of that review, make changes in the administration of the programs that are appropriate to carry out more effectively the activities described.

"(f) RESEARCH STUDY CONCERNING INSPECTIONS OF HARVESTING AND FISH TENDER VESSELS.—

"(1) CONDUCT OF STUDY.—

"(A) IN GENERAL.—Not later than 2 years after the date of enactment of this title, the Secretary, in cooperation with the Secretary of Commerce shall conduct and complete a study of—

"(i) the role of fish tender and fish harvesting vessels in safeguarding the wholesomeness of fish products;

"(ii) the potential necessity of requesting the Secretary of Commerce, in cooperation with the Coast Guard and the States, to establish procedures for the registration of commercial fishing vessels, fish processing vessels, and fish tender vessels; and

"(iii) based on a scientific analysis, the potential necessity of including any particular type or class of such vessels in the inspection program conducted pursuant to this title.

"(B) UPDATE.—The Secretary, in cooperation with the Secretary of Commerce, may from time to time update the study conducted under subparagraph (A) and shall on completion of such study or after any such updates, immediately submit to the Committees on Agriculture and Merchant Marine and Fisheries of the House of Representatives and the committees on Agriculture, Nutrition, and Forestry and Commerce, Science, and Transportation of the Senate, the results of such study and the results of any update of such study.

"(2) CONCLUSIONS.—If as a result of the study conducted under paragraph (1) or any update of such study the Secretary concludes, in consultation with the Secretary of Commerce, that any type or class of vessels not subject to inspection should be subject to inspection, the Secretary shall so advise the Committees described in subparagraph (B) of paragraph (1).

"(g) OTHER RESEARCH.—The Secretary shall conduct and support research concerning—

"(1) the testing of methodology for detecting and measuring biological and chemical contaminants in fish products;

"(2) the techniques and procedures utilized for inspecting fish and fish products;

"(3) the sanitation practices for the harvesting, processing, transportation, and storage of fish and fish products; and

"(4) any other matters that may further the purposes of this title.

"(h) REPORTS TO CONGRESS.—The Secretary of Agriculture in cooperation with the Secretary of Commerce shall prepare and submit, to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a biennial report concerning the research and education programs authorized and established under this section. Such reports shall be made available to appropriate Federal and State agencies, the fish industry, and the general public. Each such report shall include, with respect to the period for which such report was prepared—

"(1) a description of the research assisted under this section and the results of such research;

"(2) all changes that were made in the administration of the programs established under this section subsequent to the date of the previous report; and

"(3) any recommendations for legislative action to improve the effectiveness of the inspection program for fish products.

"SEC. 1922. MISCELLANEOUS.

"(a) PROHIBITION ON COPYING OF OFFICIAL MARKS.—No brand manufacturer, printer, or other person shall cast, print, lithograph, or otherwise make any device containing any official mark or simulation thereof, or any label bearing any such mark or simulation, or any form of certificate or simulation thereof, except as authorized by the Secretary.

"(b) COMPLIANCE.—No establishment processing fish products for interstate commerce or otherwise subject to this title shall process any fish product except in compliance with this title.

"(c) ENTRY OF ARTICLES INTO ESTABLISHMENTS.—The Secretary may limit the entry of fish products and other materials into any establishment, under such conditions as the Secretary may prescribe to assure that permitting the entry of such products into such establishments will be consistent with the purposes of this title.

"(d) CONDEMNATION OF SEIZURE.—This title shall not be construed to limit the authority of the Secretary to condemn or seize property that is conferred by provisions of other laws.

"(e) ADMINISTRATIVE DETENTION, CONDEMNATION.—

"(1) ADMINISTRATIVE DETENTION.—When any fish product is found by any authorized representative of the Secretary on any premises where it is held for purposes of, or during or after distribution in, commerce or otherwise subject to the requirements of this title, and there is reason to believe that any such product is adulterated or misbranded and is capable of use as human food, or that it has not been inspected, in violation of the provisions of this title or any other Federal law or the laws of any State or Territory, or the District of Columbia, or that it has been or is intended to be, distributed in violation of any such provisions, it may be detained by such representative for a period of not to exceed 20 days, pending notification of any Federal, State, or other governmental authorities having jurisdiction over such product, and shall not be moved by any person, from the place at which it is located when so detained, until released by such representative. All official marks may be required by such representative to be removed from such product before it is released unless it appears to the satisfaction of the Secretary that the product is eligible to retain such marks.

"(2) CONDEMNATION.—

"(A) LIBEL OF INFORMATION; JURISDICTION.—Any fish product that is being transported in commerce or otherwise subject to the requirements of this title, or that is held for sale in the United States after such transportation, and that—

"(i) is or has been processed, sold, transported, or otherwise distributed or offered or received for distribution in violation of this title;

"(ii) is capable of use as human food and is adulterated or misbranded; or

"(iii) in any other manner is in violation of this title;

shall be liable to be proceeded against and seized and condemned at any time, on a libel of information in any United States district court or other proper court as provided for in this title within the jurisdiction of which the product is found.

"(B) DISPOSAL.—If a fish product is condemned it shall, after the entry of the decree of condemnation—

"(i) be distributed in accordance with regulations promulgated by the Secretary; or

"(ii) be disposed of by destruction or sale as the court may direct and the proceeds, if sold, less the court costs and fees, and storage and other proper expenses, shall be paid into the Treasury of the United States, but such product shall not be sold contrary to the provisions of this title, or the laws of the jurisdiction in which it is sold.

On the execution and delivery of a good and sufficient bond conditioned that the fish product shall not be sold or otherwise disposed of contrary to this title, or the laws of the jurisdiction in which the disposal is made, the court may direct that such product be delivered to the owner thereof subject to such supervision by authorized representatives of the Secretary as is necessary to insure compliance with the applicable laws.

"(C) COURT COSTS AND FEES.—When a decree of condemnation is entered against a fish product and such product is released under bond, or destroyed, court costs and fees, and storage and other proper expenses shall be awarded against the person, if any, intervening as claimant of the fish product.

"(D) PROCEEDINGS.—The proceedings in libel cases under this subsection shall conform, as nearly as may be, to the proceedings in admiralty, except that either party may demand a trial by jury of any issue of fact joined in any case, and all such proceedings shall be at the suit of and in the name of the United States.

"(3) ADMINISTRATION AND ENFORCEMENT.—For the efficient administration and enforcement of this title, the provisions (including penalties) of sections 46, 48, 49, and 50 of title 15, United States Code (except subsections (c) through (h) of section 46 and the last paragraph of section 49 of such title) and the provision of section 4091 of title 47, United States Code, shall be applicable to the jurisdiction, powers, and duties of the Secretary in administering and enforcing the provisions of this title and to any person with respect to whom such authority is exercised. The Secretary, in person or by such agents as the Secretary may designate, may prosecute any inquiry necessary to carry out the duties of the Secretary under this title, and the powers conferred by sections 49 and 50 of title 15, United States Code, on the district courts of the United States may be exercised for the purposes of this title.

"(f) JURISDICTION.—Except as otherwise provided in this title, the United States district courts, the District Court of Guam, the District Court of the Virgin Islands, the highest court of American Samoa, and the United States courts of the other territories, are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of, this title and shall have jurisdiction in all other kinds of cases arising under this title. All proceedings for the enforcement or to restrain violations of this title shall be by and in the name of the United States.

"(g) SEVERABILITY.—If any provision of this title, or the application of such provision to any person or circumstance is held to be unconstitutional or otherwise invalid, the remainder of this title, and the application of the provisions of such to any person or circumstance shall not be affected thereby.

"SEC. 1923. REGULATIONS.

"(a) ISSUANCE.—The Secretary shall issue regulations necessary or appropriate to carry out this title in accordance with the informal notice and prior public comment requirements of section 553 of title 5, United States Code.

"(b) COPY AND JUSTIFICATION.—Not later than 5 days prior to issuing of any regulation under subsection (a), the Secretary shall provide to the Committee on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate a copy of the regulation and a statement in justification of the regulation.

"SEC. 1924. INTERAGENCY COOPERATION.

"The Secretary may, by agreement with the head of any Federal agency, utilize on a reimbursable basis or otherwise, the personnel, services, and facilities of any other department or agency of the United States in the performance of the duties of the Secretary under this title.

"SEC. 1925. EXEMPTION FROM FEDERAL FOOD, DRUG, AND COSMETIC ACT.

"The inspection, sampling or regulation of fish products, and the handling, processing, storage, or transportation of fish products, shall be exempt from the provisions of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321 et seq.) to the extent that this title applies to such fish products, or the handling, processing, storage, or transportation of fish products, except that this title shall not diminish any authority conferred by the Federal Food, Drug, and Cosmetic Act prior to the implementation or enforcement of this title under section 5 of the Fish Safety Act of 1990.

"SEC. 1926. COST OF INSPECTION, OVERTIME.

"The cost of inspections rendered under the requirements of this title, shall be borne by the United States, except that the cost of overtime work for overtime hours as defined by the Secretary at any given establishment, or for any required holiday work at an establishment, shall be borne by the establishment at such rates as the Secretary may determine appropriate. Sums received by the Secretary in reimbursement for sums paid out by the Secretary for such premium pay work shall be available without fiscal year limitation to carry out this title.

"SEC. 1927. AUTHORIZATION OF APPROPRIATIONS.

"(a) INSPECTION PROGRAM.—There are authorized to be appropriated to carry out this title, not to exceed $14,000,000 for fiscal year 1991, $40,000,000 for fiscal year 1992, $80,000,000 for fiscal year 1993, and $100,000,000 in each of the fiscal years 1994 and 1995.

"(b) RESEARCH PROGRAMS AUTHORIZATION.—Of the amounts appropriated under subsection (a), the Secretary shall use not to exceed $5,000,000 in each of the fiscal years 1991, 1992, and 1993, to carry out the research programs under section 1921 of this title.

"(c) EARMARKING OF FUNDS.—

"(1) FOOD AND DRUG ADMINISTRATION.—Of the amount appropriated under subsection (a) in a fiscal year, the Secretary shall ensure that the Food and Drug Administration shall receive—

"(A) 80 percent of such amount in fiscal year 1991;

"(B) 60 percent of such amount in fiscal year 1992;

"(C) 40 percent of such amount in fiscal year 1993; and

"(D) 20 percent of such amount in each of the fiscal years 1994 and 1995.

"(2) DEPARTMENT OF COMMERCE.—Of the amounts appropriated under subsection (a), the Secretary shall ensure that the Department of Commerce shall receive 10 percent of such amounts in each of the fiscal years 1991 through 1995 to carry out its research and classification functions under this title.

"SEC. 1928. EFFECTIVE DATE.

"This title shall become effective on the date of enactment of this title.".

SEC. 4. AMENDMENTS TO THE ACT OF MAY 8, 1914.

(a) EXTENSION SERVICE.—Section 2 of the Act of May 8, 1914 (38 Stat. 373, chapter 79; 7 U.S.C. 342), is amended by inserting "food safety," after "home economics,".

(b) EDUCATION.—Section 3 of such Act (7 U.S.C. 343) is amended by adding at the end thereof the following new subsection:

(g) There are authorized to be appropriated for each of the fiscal years 1991 through 1995, $750,000 for additional programs to be administered by the Secretary of Agriculture through the Extension Service to disseminate food safety information, publications, and instruction to consumers, restaurant food handlers, schools and other persons concerning the proper handling, storage and preparation of fish products.".

SEC. 5. IMPLEMENTATION BY SECRETARY OF AGRICULTURE.

(a) IN GENERAL.—Except as otherwise provided in this section or in title XIX of the Food Security Act of 1985 (as added by section 3), the Secretary of Agriculture shall, not later than 18 months after the Commissioner of Food and Drugs has issued the initial set of final regulations under section 6, develop and implement by regulation the comprehensive fish product inspection program required under such title XIX. Such regulations issued by the Secretary of Agriculture shall include regulations—

(1) establishing inspection procedures;

(2) setting forth procedures for training inspectors;

(3) regarding the certification of establishments and importers;

(4) for inspecting imported fish products;

(5) authorizing State programs; and

(6) establishing labeling requirements and procedures for the approval of labels and labeling in accordance with the program established under the amendment made by section 3.

(b) PHASE-IN OF STATUTORY PROVISIONS.—

(1) EFFECT OF CURRENT REGULATIONS.—The provisions of law in effect on the date of enactment of this Act relating to fish product safety, fish product labeling, fish product inspection, and related matters, that are relevant to the regulations of the Secretary of Agriculture, the Secretary of Commerce, or the Food and Drug Administration in effect on such date concerning such matters, shall remain in effect until such regulations are revoked, superseded, amended, or modified by regulations promulgated under title XIX of the Food Security Act of 1985 (as added by section 3).

(2) TRANSITION.—The Secretary of Agriculture shall issue regulations as the Secretary determines necessary or appropriate, in consultation with the Secretary of Commerce and the Commissioner of Food and Drugs, that provide for an orderly transition to the program required under title XIX of the Food Security Act of 1985 (as added by section 3). During such transition and phase-in period, the Secretary of Agriculture may implement any aspects of such program prior to the implementation of other aspects of such program and may require the implementation of such aspects in certain geographic areas prior to such implementation in other areas.

SEC. 6. IMPLEMENTATION BY THE COMMISSIONER OF FOOD AND DRUGS.

(a) IN GENERAL.—Except as otherwise provided in this section or in title XIX of the Food Security Act of 1985 (as added by section 3), the Commissioner of Food and Drugs, in cooperation with the Secretary of Agriculture, shall not later than 2 years after the date of enactment of this Act, develop and implement a program to carry out and administer such title XIX.

(b) SPECIFIC REQUIREMENTS.—

(1) CONTRACT WITH NATIONAL ACADEMY OF SCIENCES.—Not later than 30 days after the date of enactment of title XIX of the Food Security Act of 1985 (as added by section 3), the Commissioner of Food and Drugs shall enter into contracts with the National Academy of Sciences to identify chemical and microbiological contaminants, parasites, toxins and other harmful substances that are most likely to be found in fish and fish products and that are most likely to cause fish and fish products to be adulterated.

(2) REPORT.—Not later than 6 months after the date of the execution of the contract under paragraph (1), the National Academy of Sciences shall prepare and submit, to the Secretary of Agriculture, the Secretary of Health and Human Services, the Secretary of Commerce, the Committee

on Agriculture of the House of Representatives and the Committee on Agriculture, Nutrition, and Forestry of the Senate, a report describing the results of the research conducted under paragraph (1).

(3) REGULATIONS.—

(A) PUBLICATION OF TOLERANCES BASED ON REPORT.—Not later than 6 months after receiving the report under paragraph (2), the Commissioner of Food and Drugs shall publish an initial set of proposed regulations that shall include tolerances for those chemical and microbiological contaminants, parasites, toxins and other harmful substances that under such report are found in fish and fish products and that are most likely to cause fish and fish products to be adulterated.

(B) FINAL REGULATIONS.—Not later than 6 months after the date on which the Commissioner issues the proposed regulations under subparagraph (A), the Commissioner shall promulgate final regulations. Such final regulations shall contain a timetable for the issuance of additional rules and regulations.

SEC. 7. IMPLEMENTATION BY THE SECRETARY OF COMMERCE.

Except as otherwise provided in this section or in title XIX of the Food Security Act of 1985 (as added by section 3), the Secretary of Commerce in cooperation with the Secretary of Agriculture shall, not later than 2 years after the date of enactment of this Act, develop and implement a program to carry out the requirements of such title XIX. Not later than 18 months after such date of enactment, the Secretary of Commerce shall issue proposed regulations.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

Mr. COCHRAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1991

The PRESIDING OFFICER. The clerk will report H.R. 5311.

The assistant legislative clerk read as follows:

A bill (H.R. 5311) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in parts against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes,

The Senate continued with the consideration of the bill.

AMENDMENT NO. 2637

The PRESIDING OFFICER. The question occurs on amendment No. 2637, offered by the Senator from Washington.

Mr. ARMSTRONG addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, are we under a time limitation here? Is there a unanimous-consent agreement?

The PRESIDING OFFICER. Under the previous order, the unanimous-consent agreement is the vote was to occur upon the disposition of the previous business.

Mr. ARMSTRONG. I was not aware of that. I ask unanimous consent to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection?

Mr. ADAMS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. ADAMS. Mr. President, what is the status? I believe that I had asked for the yeas and nays and that they had been ordered.

The PRESIDING OFFICER. The Senator is correct.

Mr. ADAMS. Then it was my understanding under the order that we had that the amendment of the Senator from Colorado would come up next. I had a motion to table on that. If the Senator from Colorado wishes to take a minute, I would also have a minute and then I would make the motion to table after he had asked for the yeas and nays or not.

Mr. ARMSTRONG. Do I understand we at some point entered into a unanimous-consent agreement that limits time for debate on this issue? I do not want to debate it at length. I want to speak on it briefly.

The PRESIDING OFFICER. The interpretation would be that. The vote would occur after the completion of the pending business.

Mr. ARMSTRONG. I understand the pending business is the Adams amendment. I ask unanimous consent to proceed for 1 minute; following that, the Senator from Washington proceed for 1 minute; and then I ask the rollcall vote then occur on the Senator's amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I want to take a moment to explain the situation. Let me just explain where we are.

The Adams amendment simply says that we are going to overrule the D.C. government to the extent that a voluntary organization may have the right to exclude from their voluntary activities with young people any adult person, homosexual, bisexual, or heterosexual, in a coaching or training mode, if they had been convicted of or charged with a sexual offense.

A number of people have asked what does that have to do with my amendment, and my answer is, "It really doesn't have anything to do directly with my amendment."

I am going to vote for this amendment. I see some possible problems with it, but it expresses a sentiment with which we can all agree. It has previously been adopted by the Senate by a vote of 97 to 1. I voted for it on that particular occasion, and I am going to do so again.

Following the disposition of this amendment, we will get to my amendment. I understand it is the intention of the Senator from Washington to move to table my amendment. I hope Senators will not vote to table my amendment.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ARMSTRONG. If I may have 15 seconds more.

After we have disposed of this, we are going to vote on my amendment. The question there is whether or not the District of Columbia will be permitted to force volunteer organizations—Big Brothers, Girl Scouts, Boy Scouts—to accept homosexuals as role models, monitors, coaches, and counselors. If you believe they should be forced, then you will vote to table. If you think the organization should have the right to make that decision for themselves, they you will vote not to table.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ADAMS. Mr. President, that is not a statement of what has occurred. My amendment was an amendment that was put in previously. We have all voted on this, and the voting records will be there. It passed 97 to 1, to protect every organization in the District of Columbia and the parents, that they can state that they do not wish to have a particular person as a counselor. The District of Columbia does not force anyone to take anyone of any sexual preference. Instead, it says that you do not discriminate. It is a shielding operation. The amendment of the Senator from Colorado would specifically state that certain people could not participate. So I hope the motion to table will be accepted.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ADAMS. At this point I have asked for the yeas and nays on the Adams amendment, then I will move to table the amendment of the Senator from Colorado and ask for the yeas and nays.

The PRESIDING OFFICER. When the amendment of the Senator from Colorado comes back then the motion to table will be in order.

Mr. ADAMS. I will wait, then, and make that motion at that time.

Mr. CRANSTON. Mr. President, earlier this year we visited the same issue presented by the Armstrong amendment. And I again urge support for the alternative amendment, this time the Adams amendment, because it does not play on unfounded prejudices and hysteria. Rather, it affirms the power of the parent, guardian, or volunteer agency to bar any person who is a threat to a minor's physical or mental well-being.

The Armstrong amendment allows any organization or entity to bar or condition the participation of homosexual or bisexual persons in any pro-

gram or activity that educates, coaches, or trains any juvenile; or which holds the adult out as a role model, mentor, or companion to any juvenile.

Yet, Mr. President, despite statements to the contrary, this amendment is hardly narrowly crafted. There is nothing in its language which limits its reach to volunteer organizations, thus no reason exists to believe that the wording could not affect private commercial organizations or governmental programs that involve mentoring or teaching or coaching by an adult. Teachers or librarians or little league volunteers might easily serve as role models, mentors, and educators; but under the Armstrong amendment any of these persons may be fired or simply not hired based only on sexual orientation.

The Adams amendment is vastly superior to the Armstrong amendment because it clearly excludes participation by anyone—regardless of sexual orientation—who poses a threat to children. The Adams amendment also makes it clear that a parent or guardian may object to the adult's involvement with the child based on the adult's sexual orientation. I will support the Adams amendment as it has been drafted, but I want to make the record clear that I would have preferred to have provided simply that a parent has the right to object to the assignment of any adult, for any reason.

Mr. President, the Armstrong amendment seeks to codify unsubstantiated fears that homosexuals and bisexuals are more likely to engage in the exploitation of minors. The amendment also purports to protect our youth from bad role models. If we really want to protect children, then let the parent or guardian decide who is fit to share time with their child. The Adams amendment is the far better way to accomplish this goal.

The PRESIDING OFFICER. The question now is on agreeing to amendment No. 2637 of the Senator from Washington. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Louisiana [Mr. JOHNSTON] is necessarily absent.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 98, nays 0, as follows:

[Rollcall Vote No. 233 Leg.]

YEAS—98

Adams	Bentsen	Boren
Akaka	Biden	Boschwitz
Armstrong	Bingaman	Bradley
Baucus	Bond	Breaux
Bryan	Grassley	Mitchell
Bumpers	Harkin	Moynihan
Burdick	Hatch	Murkowski
Burns	Hatfield	Nickles
Byrd	Heflin	Nunn
Chafee	Heinz	Packwood
Coats	Helms	Pell
Cochran	Hollings	Pressler
Cohen	Humphrey	Pryor
Conrad	Inouye	Reid
Cranston	Jeffords	Riegle
D'Amato	Kassebaum	Robb
Danforth	Kasten	Rockefeller
Daschle	Kennedy	Roth
DeConcini	Kerrey	Rudman
Dixon	Kerry	Sanford
Dodd	Kohl	Sarbanes
Dole	Lautenberg	Sasser
Domenici	Leahy	Shelby
Durenberger	Levin	Simon
Exon	Lieberman	Simpson
Ford	Lott	Specter
Fowler	Lugar	Stevens
Garn	Mack	Symms
Glenn	McCain	Thurmond
Gore	McClure	Wallop
Gorton	McConnell	Warner
Graham	Metzenbaum	Wirth
Gramm	Mikulski	

NAYS—0

NOT VOTING—2

Johnston Wilson

So, the amendment (No. 2637) was agreed to.

Mr. ADAMS. Mr. President, what is the pending business?

The PRESIDING OFFICER. The Senate will come to order.

Mr. ADAMS. Mr. President, I move to reconsider the vote.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. ARMSTRONG. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ARMSTRONG. Do I understand the motion is to reconsider the tabling motion on reconsidering the vote by which this was passed?

The PRESIDING OFFICER. The Senator is correct.

Mr. ARMSTRONG. Is that a debatable motion? I would like to inquire before deciding whether I want to speak on this motion whether it will be the intention of the Senator from Washington to permit me to speak for 1 minute on my own bill and to speak for 1 minute on the bill himself?

Mr. ADAMS. Do you wish to speak now?

Mr. ARMSTRONG. Yes.

Mr. ADAMS. I have no objection to that as long as it is understood by the Senator I am going to move to table.

The PRESIDING OFFICER. We are in nondebatable posture. If there is no objection, the Senator is recognized.

Mr. ARMSTRONG. I do object. Mr. President, to facilitate the discussion that the Senator from Washington and I have just had, I ask unanimous consent that upon the disposition of this bill, including the motion to reconsider, that prior to the vote in relation to my amendment that I be recognized.

Mr. FORD. You are talking about an amendment or a bill?

Mr. ARMSTRONG. An amendment.

Mr. FORD. You have been referring to a bill, and I did not know what you were talking about.

Mr. ARMSTRONG. I beg the Senator's pardon. I am referring to the amendment. That I be recognized to address the Senate for 2 minutes, and the Senator from Washington be allowed to address the Senate for 2 minutes, and at that point, if he wishes to make a motion to table.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. ARMSTRONG. I withdraw my objection.

Mr. ADAMS. I renew my motion to reconsider.

Mr. NICKLES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I hope all Senators will listen carefully. There has been an effort, and I do not think it is an accident, to confuse the issue here. I would like to just explain one more time what the issue is in this amendment. It is neatly summed up in a letter which has been put on the Senators' desks, and I would like to read one paragraph from that letter.

May I have order, Mr. President?

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senate will come to order. The Senator from Colorado has the floor.

Mr. ARMSTRONG. "The pertinent legal question in this debate is should the government of the District of Columbia have the legal authority to compel organizations to admit homosexuals as role models, companions, coaches or trainers of children. Like you, we strongly believe that voluntary organizations should be allowed to establish their own policies."

Mr. President, that is what my amendment does. My amendment does not exclude homosexuals or anybody else from Big Brothers, Campfire Girls, Girl Scouts, or Boy Scouts. It says that we are not going to permit the District of Columbia to force these organizations to accept homosexual persons in these sensitive roles.

Mr. President, this is not a theoretical concern. I have here and I have distributed to some and will be happy to give to others an article from the Washington Post that explains that this is happening. We are not talking about an abstraction or something that somebody thought up as a possible problem. We are talking about what is occurring now in the Nation's Capital. My amendment will put a stop to it, nothing more, but it does not infringe on the rights of these or-

ganizations to let anybody in they want. It just says they have the right to exclude homosexual persons from these sensitive positions. I thank the Chair.

The PRESIDING OFFICER. Under the previous order, the Senator from Washington is recognized now for 2 minutes.

Mr. ADAMS. Mr. President, this is another of those great tragedies where somebody has taken something that is not an issue and made it into an issue that is for a particular position that the Senator may hold.

The District of Columbia Code does not force people to do anything. It is a regular antidiscrimination code, but they went even beyond that here and stated that if an organization had a problem, the problem would be referred to the parent of the child, and nobody can be forced on anybody in the District of Columbia. It is a decision that can be made by the parent, the mother of the child that they do not want anybody. They do not want a heterosexual; they do not want a bisexual; they do not want any kind of a sexual, they can say that.

That was the reason for my amendment. My amendment provides that. It provides that all these various kinds of dangers can be handled in the same way.

The Senator from Colorado singles out one to attack. That is his privilege, but it is also my privilege to move to table that on the basis that we have handled the problem and we have been through this in the U.S. Senate before. Senator KENNEDY had this in the community services bill, and we tabled Senator ARMSTRONG's attempt to table the Kennedy effort and he failed. We adopted what I have had as the first amendment here, and we adopted it by the same overwhelming margin.

The Senate has spoken on this that this is the way to handle it. Therefore, at this point, I move to table the amendment of the Senator from Colorado [Mr. ARMSTRONG].

The PRESIDING OFFICER. The motion to table has been made.

Mr. WALLOP. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the amendment offered by the Senator from Colorado. The clerk will call the roll.

The legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 45, nays 54, as follows:

[Rollcall Vote No. 234 Leg.]

YEAS—45

Adams	Gore	Mikulski
Akaka	Graham	Mitchell
Bentsen	Harkin	Moynihan
Biden	Hatfield	Packwood
Bingaman	Hollings	Pell
Bradley	Inouye	Reid
Bryan	Jeffords	Riegle
Burdick	Kennedy	Robb
Chafee	Kerrey	Rockefeller
Cohen	Kerry	Sanford
Cranston	Kohl	Sarbanes
Daschle	Lautenberg	Sasser
Dodd	Leahy	Simon
Fowler	Lieberman	Specter
Glenn	Metzenbaum	Wirth

NAYS—54

Armstrong	Durenberger	Mack
Baucus	Exon	McCain
Bond	Ford	McClure
Boren	Garn	McConnell
Boschwitz	Gorton	Murkowski
Breaux	Gramm	Nickles
Bumpers	Grassley	Nunn
Burns	Hatch	Pressler
Byrd	Heflin	Pryor
Coats	Heinz	Roth
Cochran	Helms	Rudman
Conrad	Humphrey	Shelby
D'Amato	Johnston	Simpson
Danforth	Kassebaum	Stevens
DeConcini	Kasten	Symms
Dixon	Levin	Thurmond
Dole	Lott	Wallop
Domenici	Lugar	Warner

NOT VOTING—1

Wilson

So the motion to lay on the table amendment No. 2638 was rejected.

Mr. ARMSTRONG. Mr. President, I move to reconsider the vote by which the motion to lay on the table was rejected.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question now recurs on the amendment of the Senator from Colorado.

Mr. ARMSTRONG. Mr. President, I ask unanimous consent that the yeas and nays be vitiated.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Colorado.

The amendment (No. 2638) was agreed to.

Mr. ARMSTRONG. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BOSCHWITZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, momentarily I will move that the Senate proceed to the immediate consideration of Calendar No. 603, S. 1224, a bill to require new standards for corporate average fuel economy.

Thereafter, I will send a cloture motion to the desk and withdraw the motion to proceed which will set the vote on the cloture motion on the motion to proceed under the rules to occur at 1 hour after the Senate convenes on Friday.

I have discussed this with the distinguished Republican leader and the sponsor of the bill, Senator BRYAN, as well as Senator RIEGLE who opposes the measure.

This is a process authorized under the rules, one which has been used frequently and which will enable us to consider whether or not the Senate should proceed to the bill.

This does not bring us to the bill itself but rather merely on a motion to proceed to the bill.

I understand that there is strong opposition to the bill. It is my intention that during the day tomorrow, following disposition of the export-import bill, a period of time will be set aside for debate on the measure and the wisdom of proceeding to it in which I expect the Senator from Nevada and the Senator from Michigan and others will want to proceed.

MOTOR VEHICLE FUEL EFFICIENCY ACT

CLOTURE MOTION

Mr. MITCHELL. Accordingly, with that background, Mr. President, I now move that the Senate proceed to the immediate consideration of Calendar No. 603, S. 1224, a bill to acquire new standards for corporate fuel economy, and I send a cloture motion to the desk.

The PRESIDING OFFICER. The clerk will report.

Mr. RIEGLE. Mr. President, reserving the right to object, if I may inquire of the Chair.

The PRESIDING OFFICER. If the Senator will withhold, no request for consent has been made at this time. The regular order will be to read the cloture motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 1224, a bill to amend the Motor Vehicle Information and Cost Sav-

ings Act to require new standards for corporate average fuel economy, and for other purposes.

John F. Kerry, Kent Conrad, Fritz Hollings, Claiborne Pell, Richard Bryan, Harry Reid, Wyche Fowler, Jr., Joseph Lieberman, Frank Lautenberg, Timothy Wirth, Patrick Leahy, Quentin Burdick, Christopher Dodd, Bob Kerrey, Bill Bradley, Daniel K. Akaka, Alan Crantston, Brock Adams.

Mr. MITCHELL. Mr. President, I withdraw my motion to proceed.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. RIEGLE. Mr. President, I thank the Chair, and I appreciate the step the majority leader is taking so the situation is clarified. He obviously has the authority which he just exercised to file the cloture motion and that is not something that any of us might object or do anything about. We have discussed that ahead of time. This is, of course, on a motion to proceed. So this cloture motion will now ripen and we will have a vote on that on Friday. Is my understanding correct?

Mr. MITCHELL. The vote will occur on Friday under the rules or at any other time if unanimous consent is obtained—and that is something we will consider the possibility of—to vote prior to then, perhaps tomorrow evening. But any Senator could object to that. That would require unanimous consent.

Mr. RIEGLE. I thank the Senator.

If I may continue, then, it is our understanding, as the majority leader has indicated, there will be time dedicated and set aside tomorrow, midday or thereafter, where there would be an opportunity for both sides to have a chance to discuss this issue and put forward some of our arguments and concerns for it and advocacy on the other side for those. So that will be part of the discussion tomorrow. It will then lead into and the vote that will come on Friday.

I just want to say for the record it will be my hope that should the cloture motion succeed, and I certainly hope it will not succeed, but should it succeed and should we then move on to the bill, I hope that there will be an opportunity for those of us who have amendments that are germane and proper to have some reasonable period of time in which to present those amendments and discuss them before any effort is made to file a cloture motion on the bill itself. I do not know if the majority leader has had a chance to think about that. But I know I speak not just for this Senator but for others who have a direct interest in wanting to get into the substance of the issue if we are going to proceed into a formal debate-and-amendment process on the bill.

Mr. MITCHELL. I have not previously considered that matter in any detail but will, of course, be pleased to discuss it with the Senator from Michigan and the other interested Senators and will make every effort to accommodate the interest of Senators to the extent possible.

Mr. RIEGLE. All right. I thank the Chair.

Does the Senator from Indiana want me to yield or would he prefer to seek recognition on his own time?

Mr. COATS. Mr. President, I prefer to seek recognition on my own time when the Senator from Michigan yields the floor.

Mr. RIEGLE. I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Indiana.

Mr. COATS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COATS. I have a parliamentary inquiry as to the nature of the present business. My understanding was under the appropriation bill we were discussing, the Coats amendment to the second degree to the Nickles amendment was the pending business. I am inquiring as to what the majority leader's actions do to that pending business and where the rights of the Senator from Indiana lie in this.

The PRESIDING OFFICER. Technically the Senate is still on the D.C. appropriations bill, and that is the pending question.

Mr. COATS. Is the Coats amendment the pending business?

The PRESIDING OFFICER. The Coats amendment No. 2640 to the Nickles amendment No. 2639 is the pending question.

Mr. COATS. Does the motion to proceed just filed by the majority leader in anyway affect that, set that aside?

The PRESIDING OFFICER. It has no impact because the motion to proceed by the majority leader was made and then withdrawn.

Mr. MITCHELL. Mr. President, if I might address myself to the Senator from Indiana. As we previously discussed, it had been my hope that we could complete action on the D.C. appropriations bill today. As he is aware, an impasse developed with respect to the amendment that he offered, and so as not to detain the Senate entirely, we proceeded to other business with the hope that the matter in dispute could be worked out by the interested Senators.

It is now my intention subsequently to obtain consent to proceed to another bill tomorrow, the export-import bill, and then get consent to proceed further to the age discrimination bill, which I intend to bring up next Monday based upon discussions with the distinguished Republican leader and the Republican manager of that bill.

If by then the matter has not been resolved, at some point we have to bring that bill up and pass it. It is an appropriations bill and has to be done. I hope that he and the opponents can work it out. But, if that cannot be done, then we have to bring it up and attempt to proceed as best we can under the circumstances.

Mr. COATS. I understand that. I think that is acceptable. I want the business of the Senate to proceed. The Senators from New Jersey are attempting to come forward with an alternative to my amendment. They have not done so yet, but I think it is reasonable to give them a reasonable amount of time to seek to do that. My understanding is they are in contact with the Governor of New Jersey and attempting to work something out.

In the meantime, rather than have the Senate simply do nothing, given the short amount of time we have before adjournment, I am perfectly happy to proceed under the basis that the majority leader just outlined, with the understanding, of course, that obviously I would like to get a resolution to this question and get to it as soon as possible.

Mr. FORD. Mr. President, I was pleased to be a cosponsor of Senator COATS' amendment when he first brought it before the Senate on May 17, and I am as strong in my support today as I was then of this attempt to help States solve one of their fastest growing problems—the dumping of garbage across State lines.

With Americans now generating 160 million tons of municipal solid waste a year, metropolitan areas on the east coast and elsewhere are running out of landfill space. Their totally unacceptable solution to this dilemma has been to try to turn Kentucky and other States into dumping grounds. This year alone, approximately 488,000 tons of out-of-State garbage will be dumped in Kentucky landfills. On any given day in northern Kentucky, for example, 50 semitrailers will be lined up on country roads leading to existing landfills, trailers filled with non-Kentucky garbage.

The phenomenon has gained such proportion that the Governor of Kentucky, Wallace Wilkinson, is seriously considering calling a special session of the Kentucky General Assembly to address solid waste issues, including a ban on out-of-State garbage. The catch is that, because of the interstate commerce clause, neither Kentucky nor any other State has the ability to propose such a ban. Unless Congress grants that authority to the States, any restriction of interstate garbage shipments could easily be overturned on grounds of unconstitutionality.

The citizens of Kentucky and Indiana and elsewhere should clearly have the right to make up their own minds about accepting or rejecting interstate garbage, and that is why I strongly endorse Senator COATS' proposal to

eliminate this intolerable gap in State authority. The language before us would give States the right to refuse foreign garbage and to impose fees on any such solid waste that might be accepted.

I urge my colleagues to vote for the Coats amendment. It is long overdue.

Mr. DOMENICI. Mr. President, I rise to express my strong support for the amendment offered by the Senator from Indiana [Mr. COATS]. I am a cosponsor of the bill from which this amendment was taken.

I, like other Senators, recognize that this Nation faces an emergency situation as it relates to the disposal of the solid waste generated by our populace. This Nation is rapidly running out of landfill space, as more and more landfills close each year.

In the context of reauthorizaton of the Resource Conservation and Recovery Act [RCRA], that the Congress will address next year, I expect we will aggressively move to establish new programs that will alleviate this situation—solutions such as recycling, better State planning, and source reduction.

Absent that action, however, Mr. President, States such as my own, face a serious threat. Many States are beginning to eye the open spaces of my State of New Mexico as the solution to their problems. Eighteen months ago, one east coast company expressed interest in establishing what would be the Nation's largest landfill in Hidalgo County, NM—a 7,800-acre landfill. This company expected to bring in as much as 20,000 tons of east coast household trash each day. Mr. President, let me put that number into perspective—the entire county of Hidalgo, NM, only produces 12 tons of trash each day.

While no further action has been taken on this proposal recently, needless to say, the residents of this New Mexico county remain extremely concerned. Other New Mexicans have expressed similar concerns as they recognize that their county could have been just as easily chosen by this company, or some other company.

I cannot more strongly indicate my concern that some seem to think that the answer to our disposal problems is to ship it off to some remote area in the West and the problem goes away.

Mr. President, that is not a responsible way to deal with this situation. This body should be prepared to not allow that to happen.

That is why I strongly support my good friend from Indiana and urge other Members of this body to support this effort.

Mr. MITCHELL. I thank the Senators.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. without objection, it is so ordered.

LAWYER BECKY KLEMT, LARAMIE, WY

Mr. WALLOP. Mr. President, I am always proud of the people of Wyoming and their absolute level-headedness. They are an independent, practical and above all, a profoundly sensible people without pretension.

No better demonstration of these traits has surfaced in recent months than a wonderful letter from lawyer Becky Klemt in Laramie to a lawyer in Irvine, CA. The description of the letter and its worldwide response of respect and appreciation appeared in the Wall Street Journal last Thursday, September 6.

I ask unanimous consent that the article appear in the RECORD. And I add my admiration to that already received by Ms. Klemt. Becky, you are just great and you've made us all very proud.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A LADY LAWYER IN LARAMIE WRITES A LANDMARK LETTER

(By Ron Suskind)

LARAMIE, WY.—The pilgrims have begun to arrive.

Just now passing the WYO Motel and the Suntan Salon are two New York attorneys, who crossed the prairie in a silver Lincoln Town Car to meet their heroine, Becky Klemt. They think she is the funniest lawyer in America.

Awaiting the arrival of her fans, Ms. Klemt has a touch of the jitters. "It's all a little weird, them coming out here just to meet me," she says, pacing the office floor at her four-partner law firm, Pence & MacMillan. "It's become like a cult. Look, I just wrote one funny letter."

Yet few landmark Supreme Court decisions seem likely to evoke the kind of comment that Ms. Klemt's two pages of prose have. Lawyers have called it "hilarious," "brutal," and "the best writing on legal stationery."

JOB AND MARRIAGE OFFERS

Written two years ago in response to a hyped letter from a high-priced attorney in California, Ms. Klemt's letter, admirers say, skewers the pretentiousness of big-city lawyering with incomparable wit. Both letters were copied, and facsimiles have gone from lawyer to lawyer around the globe, elevating the 35-year-old Ms. Klemt from small-town practitioner to legal celebrity.

She has received hundreds of telephone calls and fan letters, job offers, legal referrals from places as distant as London, and marriage proposals. International Creative Management, the talent agency, wrote to compliment her on the "most photocopied letter in legal history" and asked her to sign on as a literary client.

"Her letter is a masterpiece," says federal Judge Warren Eginton of Bridgeport, Conn. "Lawyers, lately, have become pretty full of themselves. They need someone to bring them back to reality."

"It's the pot-shot heard round the world," says Jordan Thaler, associate casting director for the New York Shakespeare Festival, who got copies of the letters from a lawyer friend in Paris. "I think Becky Klemt should read her letters at Carnegie Hall: Joseph Papp presents 'Our Lady from Laramie.'"

Our lady was quietly toiling in the vineyards of Wyoming jurisprudence two years ago when she won a $4,240 child-support judgment on behalf of Marcia Broomell, whose ex-husband had fled to Los Angeles. In attempting to collect the award—a tidy sum by Laramie standards but a pittance in Los Angeles—Ms. Klemt collided with one of the bitter realities of practicing law in the supercharged 1980s.

Searching for a lawyer, any lawyer, to collect the judgment, she sent scores of requests to Los Angeles law firms. "It's entirely possible," she pleaded in one, "that a single letter to Mr. Broomell will be all that's needed." There were no takers.

Finally, a response arrived that left Ms. Klemt stunned. "Without sounding pretentious," wrote Stephen G. Corris, a solo practitioner in Irvine, Calif., "my current retainer for cases is a flat $100,000, with an additional charge of $1,000 per hour. Since I specialize in international trade and geopolitical relations between the Middle East and Europe, my clientel *(sic)* is very unique and limited, and I am afraid I am unable to accept other work at this time:"

Ms. Klemt responded: "Steve, I've got news—you can't say you charge a $100,000 retainer fee and an additional $1,000 an hour without sounding pretentious. . . . Especially when you're writing to someone in Laramie, Wyoming, where you're considered pretentious if you wear socks to Court. . . . Hell, Steve, all the lawyers in Laramie, put together, don't charge $1,000 an hour."

Still, Ms. Klemt wrote, Pence & MacMillan had an international flavor, sort of. People at the firm regularly ordered Mexican food, and one partner had actually studied a foreign language, Latin, in high school. Perhaps a merger was in order?

"Steve," she wrote, "let us know when we should join you in California so that we can begin doing whatever it is you do. In anticipation of our move, we've all been practicing trying to say we charge $1,000 an hour with a straight face, but so far, we haven't been able to do it. . . . Anyway, because I'll be new to the area of international trade and geopolitical relations, I'm thinking of only charging $500–$600 an hour to begin with. Will that cover our overhead?"

"P.S.: Incidentally, we have advised our client of your hourly rate. She is willing to pay you $1,000 per hour to collect this judgment provided it doesn't take you more than four seconds."

Debora MacMillan, sister of Pence & MacMillan's senior partner, Hoke MacMillan, passed copies of the pair of letters to her boss, Colorado court of appeals Judge John A. Criswell, who then copied sets for his 15 fellow judges on the court. Some of them wired out facsimiles to friends. The rest is legal history.

Ms. Klemt, a University of Wyoming Law School graduate, had been spending most of her time representing ranchers and serving on the state parole board. "My only notable legal writing at that point was an article I published in the Land and Water Law Review." she says.

Reaction to her Dear Steve letter quickly followed. First, there was a marriage proposal—actually, more of a long-distance, speaker-phone group grope by three attorneys in Chicago. Then came adoring letters from a judge and a law-school professor, and job offers from a big San Francisco law firm and Compaq Computer Corp.

Robert M. McGreevey, now the second-ranking attorney at Amoco Corp., calls her letter "a jewel in the desert." He has recommended that Amoco's regional office in Denver use her as outside counsel, "solely on the basis of her letter." Toyota Motor Corp. felt the same, and retained her on a case in Cheyenne that she has just finished.

Mary McGuire Voog, associate general counsel of TWA Corp., and one of the two visiting lawyers from New York, got the letters from the No. 2 counsel at Pan Am Corp. Ms. Voog passed them on as something of a peace offering to Ian Fagelson, a London solicitor with whom she had just finished a rather bitter negotiation over his rates. Mr. Fagelson called Laramie to check that the letters were authentic, and then called Ms Voog to say he had reached Ms. Klemt.

"I told Ian. 'Well that must be the first call she's ever received from London.' " Ms. Voog recalls as she settles into a leather chair at Pence & MacMillan. "He said, 'First call? It's not even the first call she's gotten today!' "

Ms. Klemt, accustomed to such tales of far-flung celebrity, tells the visitors of her idea for Klemtville, a retreat for stressed-out lawyers; it would offer group therapy and rides on a horse named Satan. The New York visitors, who spend a day riding among the deer and the antelope at a nearby dude ranch and then talk about what's wrong with lawyering over giant slabs of prime rib, leave with saddle sores but in touch with their legal souls.

The obligation to pithily answer scores of calls and letters—to give her fans what they want—has turned Ms. Klemt into something of a prairie philosopher. Law schooling, she says, aims "to convince the overconfident that they are truly superior." Of legal pomposity: "Most lawyers refuse to itemize it in their bills."

Meanwhile, her firm has moved into new offices, partly to match its higher profile and handle the business that her letter has generated. Some clients have worried that the firm's rates will rise. Ms. Klemt, who still charges $85 an hour, says she is considering an increase—to $90. "That's plenty of money for what I provide." she says—an opinion that might be grounds for disbarment in New York.

And what of Stephen G. Corris, butt of a thousand faxes? Mr. Corris, 45 years old, says he is a part-time author of thrillers, former Orange County prosecutor and veteran of military intelligence. He is often quoted by news media as a Middle East specialist. He concedes he overstated his fees to Ms. Klemt; he says his usual charge is closer to $500 a hour. "I got calls from one Washington firm and two in New York." he says, "basically asking, "How are you pulling this off?" They wanted a piece of my action. I said get lost.

Last month. Ms. Klemt wrote off the fees owned her by Marcia Broomell in the unsuccessful attempt to collect the $4,240. "I figured I've gotten enough mileage out of this case." she says.

"Sure, sure, it's all incredible," says Ms. Broomell, who has moved to Abilene, Texas. "Now a thousand lawyers know about my plight, and not one of them can be bothered to collect my money."

A HISTORIC CHANCE FOR PEACE IN CAMBODIA

Mr. CRANSTON. Mr. President, the power sharing agreement reached on Monday by the four Cambodian factions and the framework for a comprehensive peace agreed to by the Permanent Five members of the United Nations Security Council last month raise the prospect of peace in Cambodia.

I will not say "peace is at hand"—that would be too much to hope for after decades of bloody conflict and hatred. I would not overestimate the obstacles that remain. Details concerning implementation of the peace agreement still have to be worked out by the United Nations and the four factions and the means of financing the U.N. involvement—conservatively estimated at $5 billion—will have to be found.

Still, I remain optimistic that peace can be achieved. The degree of consensus achieved by the U.N. Security Council members after months of negotiation and the abrupt and unexpected acceptance by the four factions of the formation of a Supreme National Council to govern Cambodia and occupy Cambodia's seat in the United Nations suggest that the time is ripe to reconvene the Paris Conference in order to reach an agreement on an interim United Nations administration of Cambodia.

I hope that the Paris Conference will begin as soon as possible. The longer that meeting is delayed the greater the chance the Cambodia Supreme National Council [SNC] will disintegrate into acrimony and infighting for political control. The SNC is not a coalition of like-minded groups: it is four scorpions capped in a bottle. They will use every opportunity to sting each other to death.

Thus the longer the world waits to flesh out the Perm Five agreement and introduce United Nations peace keeping forces into Cambodia the more likely the opportunity for peace in Cambodia will be lost.

Before the August recess I introduced Senate Resolution 321 "Concerning American Policy Toward Cambodia" with the cosponsorship of Senators KERRY, PELL, SIMON, KASSEBAUM, BIDEN, and DODD. That resolution called on the administration to open direct talks with the Phnom Penh government in order to facilitate a negotiated settlement. In the interim the President has initiated such a dialog which I think contributed significantly to the decision by the four factions to reach their agreement.

The resolution also called on the administration to concentrate its diplomatic efforts on achieving free and fair elections at the earliest possible date. That intent is now contained in section 3 of the U.N. Security Council agreement which makes the United Nations responsible for the "organization and conduct of free and fair elections."

Carrying out that election agreement will be an enormous task. Cambodia has never had a free and fair election. Our aid effort should be directed in part, I believe, toward educating the Cambodian electorate about democractic practices and fostering a pluralistic political system. As the U.N. agreement states, in advance of holding elections, among the many requirements for it are the development of "a system of laws, procedures and administrative measures" and the "design and implementation of a voter education programme."

A final caveat must be mentioned: the Khmer Rouge. Nothing that I have heard or read in the many hours of hearings my subcommittee has held on Cambodia would suggest that the Khmer Rouge have altered in any way their desire to regain power by book or by crook in Cambodia. Nor have I seen anything that would suggest that their basic political philosophy has changed.

The United Nations peace plan makes no mention of the genocidal nature of the Khmer Rouge. It states only that "Cambodia's tragic recent history requires special measures to assure protection of human rights." It doesn't state what those "special measures" should be except that they should include human rights education and annual reports by the U.N. Human Rights Commission after elections.

I fear that these measures will not be enough. Cambodia has been a party to the Genocide Convention since 1950 and the United Nations has reported many times about the Khmer Rouge violation of human rights. A 1979 U.N. report determined that the violations were "the worst to have occurred anywhere in the world since nazism."

Yesterday the Senate debated an amendment by Senators HEINZ and BOND to H.R. 5241 expressing the sense of the Senate that Saddam Hussein should be tried for war crimes in the event of hostilities. Let us not forget the war crimes perpetrated by the Khmer Rouge. Among the Khmer Rouge designated representatives to the Supreme National Council is Son Sen, the Khmer Rouge military commander who directed the Khmer Rouge reign of terror.

If we are going to prevent the Khmer Rouge from returning to power, we must begin now to strengthen the Cambodian nation and people so that they can resist the Khmer Rouge. On September 5, the President signed a determination to continue the United States trade embargo with Vietnam and Cambodia. I think that was an unwise decision.

With regard to Vietnam, Secretary Baker has already stated that Vietnamese occupation troops have been withdrawn from Cambodia and our discussions in New York with Vietnam have clearly contributed to agreement on a comprehensive peace settlement in Cambodia. These were the United States preconditions to normalization of relations with Vietnam. The time is ripe, I think, to end our trade embargo with Vietnam.

Secretary Mosbacher recently suggested that the trade embargo would be lifted. The American Chamber of Commerce in Hong Kong has recommended the lifting of the embargo against Vietnam trade and investment.

With regard to Cambodia, given the agreements now achieved in Indonesia and in the United Nations and our decision to open direct talks with the Phnom Penh government, no purpose is served by continuing to isolate the Cambodian people now suffering economic deprivation. The economic price the Cambodian people pay for our isolation of them is also a political price by giving the Khmer Rouge an additional advantage as they point to the economic failure of the Phnom Penh regime.

Mr. President, last night the President talked about an emerging new international order. I agree that this must be achieved. But it won't be achieved by adhering to failed policies and old thinking. Thankfully there are signs of new thinking by Secretary Baker who has opened a new dialog in Indochina. There needs to be both more talk and more action.

TRIBUTE TO M. STUART BARNWELL

Mr. THURMOND. Mr. President, I rise today to pay tribute to a promising young South Carolinian who recently passed away, Mr. M. Stuart Barnwell. Mr. Barnwell served his State with ability and dedication as director of transportation in the Governor's office. He was a kind man with a bright future, and it is a tragic loss to many that he was not able to fulfill his potential.

Mr. Barnwell faced his illness with sheer courage that inspired and touched the people around him. In the face of this hardship, his spirits refused to flag. This kind of determination is a rare quality in today's world.

Nancy and I extend our sincere condolences to the Barnwell family: his parents, Nathaniel and Nancy Barnwell; his wife, Jill Clary Barnwell; and his three brothers, John P. Barnwell, Francis P. Barnwell, and N. Elliot Barnwell.

I ask unanimous consent that certain articles regarding Mr. Barnwell be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Charleston (SC) Evening Post, July 25, 1990]

M. STUART BARNWELL, GOVERNMENT OFFICIAL, DIES AT AGE OF 36

COLUMBIA.—Middleton Stuart Barnwell, formerly of Charleston, director of transportation at the governor's office, died Monday in a local hospital.

The funeral will be at 11 a.m. today in St. Michael's Episcopal Church, Charleston. Burial, directed by Stuhr's Downtown Chapel, will be in Magnolia Cemetery.

Mr. Barnwell was born Oct. 8, 1953, in Charleston, a son of Nathaniel L. Barnwell and Nancy Parker Barnwell. He attended Christ School in Arden, N.C., and graduated from the College of Charleston.

In a statement Tuesday, Gov. Carroll A. Campbell Jr. said, "I have known Stuart for more than 16 years. He was a loyal ally and friend. As an official in my office, Stuart brought to the job determination and his unique ability to get along with people."

Mr. Barnwell was active in politics and ran as a Republican candidate for the House District 110 seat in 1988. Vaughn Howard, chairman of the Charleston County Republican Party, said Mr. Barnwell's death was a "very tragic loss to the Republican Party. To lose someone so young and active is a tragedy not only to the Republican party, but to the community as well."

He was a former partner in the insurance business of Stalling, Barnwell and Associates and had been associated with the American Mutual Insurance Co. He was also former deputy director for public safety for the governor's office. He was a member of the Carolina Yacht Club, the St. Andrew's Society, the Hibernian Society, the St. Cecilia Society and St. Michael's Church.

Surviving are his parents of Charleston; his wife, Jill Clary Barnwell; and three brothers, John P. Barnwell, Francis P. Barnwell and N. Elliot Barnwell, all of Charleston.

[From the Charleston (SC) Evening Post, July 25, 1990]

M. STUART BARNWELL

M. Stuart Barnwell was a political enthusiast who cast his lot with the Republican Party. He worked hard for candidates and ran once for public office himself. He was in the prime of life, newly married and working in the governor's office when he became ill. Before his death this week at age 36, his courage had inspired those around him.

Known for his affability, he got compliments even from his defeated opponent in a 1988 primary race for House Seat 110. Thomas Ravenel told a reporter the night of his defeat, I couldn't have chosen a nicer guy to run against."

Active in Carroll A. Campbell Jr.'s 1988 gubernatorial campaign, he also was among those Republicans who have been exerting an effort to attract black politicians and voters to the GOP. He moved into the governor's office after the election as director of transportation.

A Charlestonian with deep roots in the community, Mr. Barnwell had, according to the governor, a "unique ability to get along with people." "Stuart's passing," Gov. Campbell said, "Leaves many voids, but we will all especially remember his courage in the face of adversity. He inspired me and many others."

NOMINATION OF DAVID H. SOUTER

Mr. DOLE. Mr. President, tomorrow morning, the Senate Judiciary Committee is scheduled to begin its confirmation hearings on the nomination of Judge David Hacket Souter. The media will be out in full force, the cameras will click, and Judge Souter will undoubtedly face several days of tough questioning by the members of the committee.

DON'T POLITICIZE THE CONFIRMATION PROCESS

Unfortunately, some interested observers would expect Judge Souter to go beyond explanations of judicial or legal philosophy and answer specific questions about specific cases that may come before him as a sitting member of the Supreme Court. If the answers are not the correct ones, if Judge Souter does not mark the right box, then he should not be confirmed—or so the reasoning goes.

Needless to say, this litmus-test approach to the confirmation process is out of sync with historical practice. It allows the brazen intrusion of politics into the judicial selection process. And, most importantly, it gravely endangers the very independence of the Federal judiciary—an independence that has been cherished by Americans for generations.

In an article appearing in next Sunday's edition of Parade magazine, former Chief Justice Warren Burger will give us ample warning against transforming Federal judges into politicials. The Chief Justice writes:

No nominee worthy of confirmation will allow his or her position to become fixed before the issues are fully defined in detail before the Supreme Court with all the nuances that accompany a constitutional case. Presidents and legislators have always had platforms and agendas, but for judges the only agenda should be the Constitution and laws agreeable with the Constitution. The wisdom or desirability of a statute is not for the judge to decide; the judge is confined to deciding whether a particular statute is permitted by the Constitution.

Mr. President, these are very important words—words that I hope will guide the Judiciary Committee as it discharges its responsibilities during the next several days.

JUDGE SOUTER IS NO CIPHER

Some critics have complained that Judge Souter is a "cipher," that there are "more blank spaces than answers." I reject this assessment, and I say "take a look at the record."

Throughout his legal career—as New Hampshire Attorney General, as an associate justice of the New Hampshire Supreme Court, and as the author of more than 200 judicial opinions, Judge Souter has consistently distinguished himself with his keen intellect, with his evenhandedness, and with his commitment to the rule of law. Most importantly, he understands

that in a three-branch democracy such as ours, the role of a Federal judge is to interpret the Constitution strictly, and not to legislate one's own personal agenda from the bench.

So it is no wonder that the American Bar Association unanimously gave Judge Souter its highest rating—"well qualified." And it is no wonder that last April the Senate unanimously confirmed him for a seat on the First Circuit Court of Appeals.

Mr. President, to assist the American public in evaluating Judge Souter's personal and professional qualifications, I have compiled a sampling of references from some of the judge's former associates and colleagues as well as several newspaper and magazine articles. I am confident that these materials will confirm what I and so many others already know—that Judge Souter is eminently qualified to sit on our Nation's highest court, the Supreme Court of the United States.

Mr. President, I ask unanimous consent that the full text of the references and the articles be printed in the RECORD immediately after my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

"JUDICIAL AND INTELLECTUAL EXCELLENCE," WHAT AMERICA'S LEADERS ARE SAYING ABOUT JUDGE DAVID SOUTER

Raised in Boston and on his grandparents' New Hampshire farm, Judge David Souter attended local public high schools and then went on to earn further, superb academic credentials: Phi Beta Kappa at Harvard, Rhodes Scholar at Oxford, and a graduate of Harvard Law School.

It's an education that's been matched by real world experience. During a decade of distinguished law enforcement service, he rose to succeed Senator Warren Rudman as New Hampshire's Attorney General, the state's chief law enforcement official.

In 1978 he stepped up to the bench to begin a career of exceptional judicial service, as a hands-on trial judge (Associate Justice, New Hampshire Superior Court), elevated to the state's highest court (Associate Justice, Supreme Court of New Hampshire), and unanimously approved by the United States Senate for the U.S. Court of Appeals. With 12 years on the bench, he would bring to the Supreme Court more judicial experience than all but one of the current Justices had at the time of their elevation.

Judge Souter has already won high praise from Republicans, Democrats, and his professional colleagues. A sampling of published comments on Judge Souter's nomination is included below.

DAVID SOUTER THE JUDGE: "EXTRAORDINARILY TALENTED, IMPECCABLY FAIR"

New Hampshire Bar Association President John Broderick, a Democrat: He's the finest legal mind I have ever encountered. He gets to the bottom line faster than anybody I've ever seen." (Boston Globe, July 24, 1990.)

Broderick adds: "He's a judge's judge, extraordinarily talented and impeccably fair. . . . He will not cast his lot with the conservatives on the court merely because they're conservatives. He's fiercely independent in his legal reasoning. . . ." (Washington Times, July 25, 1990.)

David Broder, The Washington, Post: "President Bush's appointment of Judge David H. Souter to the Supreme Court has every indication of being a superb choice—both substantively and politically. What the country should care about is that the New Hampshire jurist—by the unanimous testimony of those who know him—brings a powerful, superbly trained legal intellect, disciplined work habits and genuine independence of judgment to the issues before the high court."

Cathy Green, president of the New Hampshire Association of Criminal Defense Lawyers, has tried numerous cases before Judge Souter. She says: "He was an excellent trial judge, though he was the kind of judge you knew was really going to hammer people at sentencing."

"I'm a liberal," Green concluded, but I have tremendous respect for Judge Souter. I think he will honor the Constitution." (Legal Times, July 30, 1990.)

Jame E. Morris, a Concorn (N.H.) attorney who served as an assistant attorney general under Judge Souter from 1975 to 1977: "(He is) a razor-sharp thinker' and "probably as apolitical a person as I ever knew. He's not one who aspires for publicity or breaking new ground or anything like that. He is just a sound thinker. He analyzes all aspects of the issues and reaches sound decisions." (Boston Globe, July 24, 1990.)

Clesson Blaisdell, a Democratic state senator from New Hampshire, said: "He'll interpret the law. He won't be there representing one side or the other" (the Wall Street Journal, July 24, 1990), and added: "[Souter] is a very fair . . . low-key jurist." (Chicago Tribune, July 24, 1990.)

Tom Rath, a friend of Judge Souter's and former New Hampshire Attorney General: "(Judge Souter) believes social policy should be made in the legislature, but he believes very much the judiciary should protect the rights of individuals." (Washington Post, July 27, 1990.)

U.S. Senator Gordon Humphrey (R-N.H.) concludes: "Everything about [Judge Souter] predicts judicial restraint." (Boston Globe, July 24, 1990.)

Manchester (N.H.) lawyer Jack Middleton recalled one case which illustrated Judge Souter's integrity. Faced with the case of a lawyer who had stolen money from a client, judge Souter wanted to send the lawyer to jail rather than simply have him pay the money back. "This wasn't just a bank transaction that you can pay back,' he kept saying," Middleton recalled. "It really upset him. That's the kind of justice he will be."

DAVID SOUTER THE LAWYER: "THE SINGLE MOST BRILLIANT INTELLECT I HAVE EVER MET"

Senator Warren B. Rudman (R-New Hampshire): "(Judge Souter' is) a brilliant intellectual, a classic conservative intellectual in the deepest sense of the word. He can't be classified as an ideologue in any way, shape, or fashion." Senator Rudman further stated that Judge Souter "is the single most brilliant intellectual mind I have ever met." (Washington Post, July 24, 1990.)

Paul McEachern, a Democrat and past president of the New Hampshire Bar Association: "My impression is that he's a first-rate scholar. He's going to . . . be confirmed, and deservedly so."

Representative Chuck Douglas (R-New Hampshire), a former N.H. State Supreme Court Justice and colleague of Judge Souter's: "(He is) one of the brightest individuals I have ever met." (Boston Globe, July 24, 1990.)

J. Joseph Grandmaison, a former Democratic party chairman in New Hampshire: "(Judge Souter has) an absolutely spectacular reputation." Mr. Grandmaison further described Judge Souter as "about 135 pounds—and about 120 pounds of brain." (New York Times, July 24, 1990.)

New Hampshire Supreme Court Justice William Johnson, who served on the bench with Judge Souter for four years: "He's always been a very bright guy—just plain exceptional." (USA Today, July 24, 1990.)

Ronald Snow, president of the Concord (N.H.) law firm of Orr & Reno, where Judge Souter worked after graduating from Harvard Law School in 1966: "He's absolutely an ethically superior guy, with an intellect to match" (Washington Times, July 24, 1990), as well as "charming, witty, and warm." (Baltimore Sun, July 27, 1990.)

DAVID SOUTER THE MAN: "A WARM, FRIENDLY PERSON . . . EXTREMELY CONSIDERATE"

R. Eden Martin, a prominent Chicago lawyer and a Democrat, worked with David Souter when they were both freshmen advisors at Harvard Law School in the mid-1960's. Writing in the Chicago Tribune on August 21, he talked about the human David Souter, his ready conversation, diverse friendships, and the kind of values that placed people above grades. He concluded:

"David Souter will obviously not bring an empty mind to the Supreme Court, but it will also not be a closed one. Like Justice [Oliver Wendell] Holmes, another Harvard Yankee and one of Souter's intellectual heroes, he is a judge capable of growth and change. He is not 'political' in any ideological or partisan sense of the word, and his mind and personality are too rich and complex to be assigned to a particular place on the traditional political spectrum."

Ellanor Stengel Fink, A Montgomery County (MD.) Democrat, community volunteer and mother of three, dated David Souter for several years during his law school days in Boston. She recently described him to the Washington Post as "a friendly, warm person . . . extremely considerate . . . very funny, loves to tell stories, loves Robert Frost. . . ."

She says: "[David Souter is] very much grounded in the day-to-day. He's somebody, I think, who would be really sensitive to different opinions and different backgrounds. He's not someone who's coming from his personal opinions and then twists the law accordingly. He really reveres the law." (Washington Post, July 27, 1990.)

William Bardel, a New York businessman, was a law school classmate of David Souter's and a fellow Rhodes Scholar during their student days. He says:

"What I remember is David . . . very gentlemanly, with his hands in the pockets telling stories and especially doing imitations with this New England accent." He added: "I'm pretty sure also that he climbed in a few windows with me after midnight when they locked the college gates." (L.A. Times, July 27, 1990.)

Judge Souter is godfather to the daughter of Jane Cetlin, a Boston lawyer who clerked for Judge Souter on the New Hampshire Supreme Court. She says: "It's not that he's insular because of his intellect, it's that it allows him to see life more broadly." (Legal Times, July 30, 1990.)

Steven Merrill, former New Hamsphire Attorney General, said that the "New

Hampshire bar is delighted that one of the best and brightest in New England, if not the whole country, was chosen." (Washington Times, July 25, 1990.)

And Arthur Mudge, a Hanover (N.H.) lawyer, sent a letter to the New York Times, saying: "As a New Hampshire lawyer, I can assure you that any poll of our bar would produce virtual unanimity, among Republicans and Democrats, males and females, that for this human, as well as his intellectual qualities, Judge Souter is New Hampshire's best candidate for the Supreme Court position," adding, "and we are just proud enough to think our best is plenty good." (New York Times, Aug. 19, 1990.)

[IACP News, Sept. 5, 1990]

IACP ENDORSES SOUTER NOMINATION

ARLINGTON, VA.—The International Association of Chiefs of Police today announced its endorsement of President Bush's nomination of Judge David Souter to be an Associate Justice of the United States Supreme Court.

Support for the Souter nomination was made formal at an August 18 meeting of the IACP's Executive Committee.

"The IACP's governing body carefully reviewed the background and experience of Judge David Souter," said IACP President Charles A. Gruber, Chief of Police in Elgin, Illinois. "We were deeply moved by the man, highly impressed with his legal training, and greatly swayed by his record as a jurist," Chief Gruber said.

Judge Souter clearly understands and stands for law enforcement, Gruber said. "We believe him to be extremely well-qualified to serve on the highest court in the United States and voted unanimously to endorse his nomination," he added.

The International Association of Chiefs of Police is the world's oldest and largest nonprofit membership organization of police executives. Established in 1893, the IACP currently has nearly 13,000 members in 71 nations around the world.

The Executive Committee of IACP is the governing body of the association and consists of 53 police executives representing international, federal, state and local government law enforcement agencies. An elected board of officers comprised of a president, six vice presidents, parliamentarian, treasurer, and division general chairmen carry out the regular business of the association.

For additional information, call IACP Headquarters at 703/243-6500 or write IACP at 1110 N. Glebe Road, Suite 200, Arlington, VA 22201.

NDAA ENDORSES JUDGE SOUTER FOR SUPREME COURT

ALEXANDRIA, VA.—The National District Attorneys Association has endorsed the nomination of Judge David H. Souter to the United States Supreme Court.

"Judge Souter has outstanding qualifications, having served with distinction as a trial court judge, a State Supreme Court Justice and a member of the U.S. Court of appeals for the First Circuit," said Richard P. Ieyoub, President of the National District Attorneys Association, in making the announcement.

"Additionally, Judge Souter has an excellent background in law enforcement which includes service as Attorney General of New Hampshire. His decisions as a State Supreme Court Justice indicate that he would be a tough anti-crime Justice who will interpret the Constitution rather than change it through judicial activism," Ieyoub added. "These facts make him highly acceptable to prosecutors to fill the Supreme Court vacancy."

Founded in 1950, the National District Attorneys Association is a 6500-member organization representing elected and appointed prosecutors nationwide. Together with its technical assistance affiliate, NDAA operates two national programs: The National Center for Prosecution of Child Abuse and the National Drug Prosecution Center.

INTERNATIONAL DRUG OFFICERS SUPPORT SOUTER

The International Narcotic Enforcement Officers Association [INEOA] representing over 12,000 drug officers throughout the United States, announced its support for Judge David Souter, nominee for the U.S. Supreme Court.

The matter of Judge Souter's nomination and record was reviewed by members of INEOA at the 31st Annual International Drug Conference held in San Antonio, Texas during the week of September 3rd through the 8th.

After careful consideration, INEOA voted unanimously to endorse and support the nomination of Judge Souter as Justice to the United States Supreme Court.

John J. Bellizzi, Executive Director of INEOA, stated Judge Souter is a tough, anti-crime Judge who has demonstrated a deep concern in society's battle against drug traffickers, and drunk driving.

Bellizzi added, "What we seek is protection of the constitutional rights of our law-abiding citizens and of our law enforcement agents and we also seek protection of the constitutional rights of the accused." "Judge Souter is capable and willing to do just that—ensure equal protection to all regardless of race, color, sex, religious or social background."

NATIONAL SHERIFFS' ASSOCIATION ENDORSES NOMINATION OF JUDGE SOUTER FOR SUPREME COURT

ALEXANDRIA, VA.—The 25,000 member National Sheriffs' Association has endorsed the appointment by President Bush of Judge David Souter as an Associate Justice of the United States Supreme Court.

"Judge Souter's distinguished career as a trial court judge, and his fine background in law enforcement makes him an excellent choice," said Sheriff Bob E. Rice of Polk County Sheriff's office, Des Moines, Iowa. President of the National Sheriffs' Association. "As law enforcement battles in the drug war and struggles with a rising tide of violent crimes nationwide, we need an anti-crime Justice with the qualifications of Judge Souter."

The National Sheriffs' Association, representing the nation's 3,096 sheriffs as well as thousands of other law enforcement officers, has been active in law enforcement matters since its founding in 1940. The Association has strong ties to state sheriffs' associations across the country whose more than 100,000 members are concerned with criminal justice issues.

The non-profit Association is governed by an elected Board of Directors, headed by a president and seven vice presidents.

NATIONAL TROOPERS COALITION,
Albany, NY, September 7, 1990.

A strong show of support was given to the nomination of Judge David H. Souter to the United States Supreme Court through the action of the Board of Directors of the National Troopers Coalition.

Any questions or comments concerning this endorsement should be directed to the undersigned at the Michigan office.

RICHARD J. DARLING,
Chairman, National Troopers Coalition.

[From USA Today]

DON'T LET ABORTION BE SOLE TEST FOR COURT

President Bush's nomination of Judge David Souter to replace Justice William Brennan could tip the Supreme Court's balance to the right for the first time in 50 years.

Conservatives would like to see the debate on social and legal issues shifted.

Liberals worry that such a shift would undo hard-fought victories on individual rights and minority protections.

There's no question the stakes are high. The decisions the court makes affect our daily lives:

It protects our right to wave the flag—and to burn it.

It protects our right to an equal opportunity to an education—and to a job.

It even protects our right to die—and determines under what circumstances it is permissible.

Some, including the writers elsewhere on this page, say that no nominee should be confirmed unless he or she answers correctly on the question of abortion. They say that is the overriding issue.

But as President Bush said on Tuesday, there was no one litmus test for his nomination of Souter, and there should be no one dominant issue determining whether Souter should be confirmed.

Approval of the nominee must be based on his integrity, competence and credentials.

It would be naive to expect Souter to say how he would decide a particular case or what his views are on issues such as abortion.

It would be wrong to base his acceptability on whether he does or does not think abortion is right.

Abortion is not the only issue, at least not to the women challenging fetal protection policies in the work place.

Or the civil rights leaders battling what they view as possible attempts to weaken integration policies.

Or the convict contesting whether a judge can exceed terms specified by federal sentencing guidelines.

Those cases, in addition to an abortion case, are to be argued before the Supreme Court in its new term starting on the first Monday in October.

For those who view this nomination as a serious test of our faith in our democratic process, take heart.

As Justice Harry Blackmun said, "That pendulum swings. It will stay this way now 40 or 50 years, I'm sure. We shouldn't resent it. That's the way the system works."

And it does work.

That's why justices get jobs for life, so they are obligated to no one, not even the president who appointed them.

That's why the FBI does background checks and the Senate holds hearings and votes up or down on the nomination.

That's why Congress can make new laws that override court decisions they—or their constituents—don't agree with, as is the case with the Senate's recent approval of a new civil rights bill.

Justices cannot legislate from the bench. They can only interpret the laws.

Our Constitution has made sure that there will always be checks to keep things in balance.

The court balance may be tipping, but as long as there are independent justices, the sales of justice are not.

[From the Legal Times, Aug. 27, 1990]

A PURIST AT HEART—SOUTER'S LEGAL FAITH: PROCESS OVER PRINCIPLE

(By Terence Moran)

Like hard-bitten prospectors sifting gravel for gold, activists on the left and right have spent the summer poring over the public record of Judge David Souter, President George Bush's Supreme Court nominee.

Squads of researchers have plowed through the microfilm files of The Manchester Union Leader and The Concord Monitor, looking for stories on Souter. Law professors have analyzed and assessed his 221 opinions as a justice on the New Hampshire Supreme Court. Senate staffers have even scrutinized his 1961 college honors thesis.

It is a patient search, one characterized not so much by a scamble to hit pay dirt—to catch Souter bluntly stating his position on abortion or some other issue—as it is an effort to flesh out the mind and faith of a cautious, elusive thinker.

"In many ways, it's like reading tea leaves," says Leonard Steinhorn, research director at People for the American Way, a liberal advocacy group. "You look through his career, and you see him drawing these fine lines between a dry, legal view of the world and what his personal views might be. It's difficult to reach many solid conclusions about him."

Adds George Kassouf of the Alliance for Justice, another liberal group: "This is a different kind of nominee. He's not pithy or easily quotable, so you have to read what he's written, think hard about it, and extrapolate from it."

Steinhorn, Kassouf, and their counterparts across the political spectrum have unearthed much new information about Souter's quiet career in the law. A picture of the 50-year-old jurist has begun to emerge from this research, and the outlines of that portrait stand in sharp contrast to many of the contentious approaches—both conservative and liberal—that have dominated debate over the high court in recent years.

PROCESS CONSERVATIVE

Souter's writings dating back to his college days reveal a man deeply devoted to slow, orderly development in the law. He depends upon explicit rules, settled precedents, and tested analytical methods for his conclusions, and he assiduously avoids basing his decisions on substantive principles or values. An adept logician and an exceedingly careful writer. Souter might best be described as a "process conservative," a jurist who finds the passive application of the mechanisms of the law the surest course to guide his thinking.

"First he wants to be a master of the facts in a case, and then he lets the process unfold to reach a conclusion," says Edward Haffer of Manchester's Sheehan, Phinney, Bass & Green, who served with Souter for six years in New Hampshire's Office of the Attorney General and who remains a good friend of the nominee. "He really is a legal purist."

Though Souter has never laid out his legal philosophy in a synoptic fashion, he has scattered hints about his general orientation throughout his career.

In a typically tantalizing fragment from the Souter file, a recent interview the nominee gave to The Massachusetts Lawyers Weekly sets him apart from the more doctrinaire disciples of the "original intent" school of judging. The paper reported in its May 28 issue that Souter "said that he views the constitution as a living document," and went on to quote him on the subject of original intent.

"On constitutional matters, I am of the interpretivist school," Souter explained, according to the Weekly. "We're not looking for the original application, we're looking for meaning here. That's a very different thing."

What kind of thing Souter might be talking about is indicated by his precisely worded Aug. 13 responses to a Senate Judiciary Committee questionnaire. In answering a query about his views on "judicial activism." Souter described a functional approach to the law that is distinct from the historical search for the intent of the framers that many conservatives embrace.

"The expansively phrased provisions of the Constitution must be real in light of its divisions of power among the branches of government and the constituents of the federal system," Souter wrote. (For the complete response to this question, and another excerpt from Souter's writings, see the accompanying box.)

That considered answer to a loaded question is typical of Souter. His cautious style is reminiscent of the justice he tells friends is his hero: Felix Frankfurter. Frankfurter's analytical conservatism and his belief in the limitations on judicial power parallel the views Souter briefly sketched in his Senate questionnaire.

"David thinks the world of Frankfurter," says Haffer.

MIXED SIGNALS

It is in the all-important area of privacy rights and the abortion controversy that the most fevered fortune-telling on Souter is taking place. In dribs and drabs over the past few weeks, the meager record of Souter's actions in the privacy area has been fillled in. But the clues point in divergent directions.

On the one hand. Souter has talked about abortion in terms that few in the pro-choice camp would use. His 1977 interview dicussing a bill that would have removed all state restrictions on abortion up to the moment of birth sent a chill through the hearts of many pro-choice advocates, more for the language he used than for the unexceptional position he espoused.

"Quite apart from the fact that I don't think that unlimited abortions ought to be allowed. If the state of New Hampshire left the situation as it is now, I presume we would become the abortion mill of the United States," Souter said.

That uncharacteristically strong language troubles some liberals.

"That's not the kind of rhetoric that a pro-choice or even a neutral observer would use," says Kassouf of the Alliance for Justice.

On the other hand, Souter in the 1970s had to deal with Roe v. Wade, the 1973 case that legalized abortion, as a practical reality to be respected and worked with rather than as an abstraction to be * * * about the halls of * * *. This experience Souter shares with Justice Sandra Day O'Connor—who served in the Arizona legislature from 1975 to 1979.

"He might have a better sense of what goes on in the state house and state legislatures when it comes to abortion policy." says Kassouf

Few liberals, however, harbor many dilusions that in Souter they have a nominee who will staunchly defend reproductive rights. The mood, in fact, is decidedly gloomy on the left.

"There's a general anxiety about him, because when you believe something is a constitutional right, you want certainty," says Steinhorn of People for the American Way.

Certainty on abortion is not something to be found in Souter's record. But there are some aspects of the nominee's career that run against the grain of the conventional wisdom.

Souter has signed on to judicial opinions and legal briefs that embrace truly expansive readings of both Griswold v. Connecticut, the Court's 1967 ruling that enshrined the right to privacy, and Roe. Most passionate anti-abortionists are likely to be troubled by the sweeping conceptions of privacy rights enunciated in the briefs and opinions in at least two high-profile New Hampshire cases.

In one, Souter embraced the Supreme Court's privacy doctrine in a case challenging the authority of the federal government to force states to report the race, sex, and national origin of their employees by job category. In defending New Hampshire's refusal to comply with the order, Souter and his legal team relied heavily on the controversial Griswold and Roe procedures to thwart federal authority

"Whether directly, or indirectly through agents, government cannot lightly intrude into anything which is a matter of individual privacy, and this applies no less to racial and ethnic background than to psychiatric needs and sexual habits," reads the state's 1976 brief to the U.S. Court of Appeals for the 1st Circuit. The state lost the case.

Souter did not write the brief to that case, and like all his work as state attorney general, his positions were determined by the policy of the governor at the time, arch-conservative Meldrim Thomson Jr. And New Hampshire offered a number of other statutory and constitutional arguments aside from privacy.

But Haffer, who wrote the brief and argued the case, says Souter was supportive and involved in the effort to fend off federal power.

"David and I talked generally about the case, since it was an argument that had to be made very carefully," Haffer recalls.

Souter's support of Haffer's creative application of Roe does not worry some conservatives, who see the nominee's work as state attorney general born more of necessity than conviction.

"I don't put a lot of stock in his tenure as attorney general in terms of direct relevance to his work as a judge," says Thomas Jipping, legal affairs analyst at Coalitions for America, a conservative group. "Using Roe was just an attempt to make every kind of argument in pursuit of victory."

UNANSWERED QUESTIONS

The only New Hampshire high court case that dealt directly with a woman's constitutional rights under Roe has also typically, sent mixed signals to activists on the issue. In Smith v. Cote, a woman sued her doctor for not diagnosing rubella early in her pregnancy and not telling her of the potential birth defects her child might suffer as a result. Thus, the woman claimed, the doctor

had made her suffer a "wrongful birth," since had she known the risks she ran, she might have chosen an abortion.

The opinion in the 1986 case was written by Justice William Batchelder; Souter filed a special concurrence. Batchelder's opinion, while carefully declining comment on the merits of Roe, is nevertheless a generous reading of the landmark ruling. Emphasizing the court's need to vindicate "an interest in preserving personal autonomy, which may include the making of informed reproductive choices," Batchelder and the court found in favor of the woman on the "wrongful birth" issue.

"Under Roe, prospective parents may have constitutionally cognizable reasons for avoiding the emotional and pecuniary burdens that may attend the birth of a child suffering from birth defects," Batchelder concluded.

In his concurrence. Souter sought to reassure physicians "with conscientious scruples against abortion" who might fear malpractice actions under the court's ruling. As long as those doctors refer their patients to other specialists, Souter wrote, they could discharge their legal obligations.

But most pro-choice advocates remain unconvinced by these oblique indications of Souter's reasoning on the subject of privacy and abortion. They want the Senate to fill in as much as possible the skeletal understanding the country now has of just who Souter is and how he sees the law.

"That's where all the questions will come out, and no one knows how far he will go in answering them," says People for the American Way's Steinhorn.

When Souter faces the Senate Judiciary Committee Sept. 13, that process of definition will just be getting under way. And the final verdict on Souter, if he is confirmed, will only come with the years.

[From the Legal Times, Aug. 27, 1990]

TWO PAGES FROM THE SOUTER FILE

The Senate Judiciary Committee asks all judicial nominees for their views on the subject of "judicial activism." Souter's full response. submitted to the committee Aug. 13, follows.

The obligation of any judge is to decide the case before the court, and the nature of the issue presented will largely determine the appropriate scope of the principle on which its decision should rest. Where that principle is not provided and controlled by black letter authority or existing precedent, the decision must honor the distinction between personal and judicially cognizable values. The foundation of judicial responsibility in statutory interpretation is respect for the enacted text and for the legislative purpose that may explain a text that is unclear. The expansively phrased provisions of the Constitution must be read in light of its divisions of power among the branches of government and the constituents of the federal system.

In a May 13, 1981 letter to a committee of the New Hampshire House that was considering abortion legislation, Souter described the position taken on the proposed bill by his colleagues on the New Hampshire Superior Court:

The judges do not believe it is appropriate for the Court to take a position on the basic question addressed by the bill, whether parental consent should be required before an abortion may be performed upon an unmarried minor. The Court's concern is directed, rather, to the provision of the bill that would require a justice of the Superior Court to authorize the performance of an abortion upon such a minor when there is no parental consent, if the justice determines "that the performance of an abortion would be in * * * [the] best interests" of a minor who is "not mature."

The members of the Court find two fundamental problems inherent in this provision. First, it would express a decision by society, speaking though the Legislature, to leave it to individual justices of this Court to make fundamental moral decisions about the interests of other people without any standards to guide the individual judge. Judges are professionally qualified to apply rules and stated norms, but the provision in question would enact no rule to be applied and would express no norm. In the place of a rule or a norm there would be left only the individual judge's principles and predilections. As carefully considered as these might be, they would still be those of only one individual, not those of society. Much criticism of the role of the judiciary in this country has characterized judicial activity in the application of constitutional standards as no more than the imposition of individual judges' views in the guise of applying constitutional terms of great generality. The provision that I have quoted from the present bill would force the Superior Court to engage in just such acts of unfettered personal choice.

The Court's second concern is with the necessarily moral character of such choice and the resulting disparity of responses to requests that judicial discretion be exercised. As you would expect, there are some judge who believe abortion under the circumstances contemplated by the bill is morally wrong, who could not in conscience issue an order requiring an abortion to be performed. There are others who believe that what may be thought to be in the "best interests" of the pregnant minor is itself just as necessarily a moral as a social question, upon which a judge may not morally speak for another human being, whatever may be that judge's own personal opinion about the morality of abortion. Judges in each such category would be obligated to indicate that they could not exercise their power in favor of authorizing abortions to be performed on immature pregnant minors. The inevitable result would be required shopping for judges who would entertain such cases. In other words, a principled and consistent application of the quoted provision would be impossible.

[From Washington Post, Aug. 1, 1990]

PREDICTING A JUSTICE'S FUTURE

Some consternation greeted the president's announcement of his choice for the Supreme Court because not much was known about the man and he had been chosen over various other distinguished judges who were thought to be more worthy of the honor. Fifty years old, a Harvard graduate, the candidate was acknowledged to have broad experience as a practicing attorney and a judge on both the trial and appellate levels of his state court—but only on state, not federal courts. And when senators, staffers and interest groups pored over his record of opinions, they found primarily assorted criminal, labor relations and land-use cases that are the stuff of state litigation. His supporters countered that the nominee had "a solid, rather than a spectacular record of hard work, painstaking preparation and independent judgment." This newspaper concurred, recommending confirmation of this "solid court worker" who was "an experienced judge with an excellent record." The nominee was William Brennan, and the year was 1956.

The burning political issue of the day related to Communists. Although Mr. Brennan had joined a unanimous opinion of the New Jersey Supreme Court upholding the constitutionality of the Communist Control Act of 1954, some senators sought reassurance of his reliability on the matter, because he had also criticized the activities of Senator Joseph McCarthy. Sen. McCarthy, though not a member of the Senate Judiciary Committee, was allowed to sit with the committee during the confirmation hearing and question the nominee. Did he believe, the Wisconsin senator asked, that the Communist Party is a conspiracy aimed at overthrowing the government? Mr. Brennan refused to reply, observing only that international communism was a threat to all free governments. In an editorial, this paper criticized the committee for quizzing the nominee about matters that were sure to come before the Supreme Court, and even chastised Mr. Brennan for answering in a limited fashion.

We review these historical facts not because we believe Judge David Souter is another Justice Brennan but because in some respects their situations at the time of nomination are similar. Both were little known nationally, and neither had a clear record on one side or the other on an important political matter. Combing state court decisions was not very productive in Mr. Brennan's case, nor was one apparently revealing opinion—on the Communist Control Act—a precursor of his Supreme Court opinions later. Imagine the consequences for liberal causes if Mr. Brennan had been denied his seat on the Supreme Court because this earlier ruling had not been liberal enough. The threat that seemed so important in 1956 receded quickly, and Justice Brennan served another 30 years deciding cases on other new and perplexing matters.

Judge Souter's record is now being combed for hints of a philosophy that might predict his future on the court. That's fine. But it will not be unprecedented if no clues are found in his state court opinions, and it would be a shame to jump to conclusions about his view of Roe v. Wade because of a limited and tangential aside in a New Hampshire case. More is at stake, and little is predictable.

[From the Philadelphia Inquirer, July 29, 1990]

IN NEW HAMPSHIRE, GLOWING PORTRAIT OF SOUTER

(By Christopher Scanlan)

WEARE, NH.—A warm, detailed—and admittedly biased—portrait of David Souter was painted by his friends and neighbors here last week after President Bush announced his nomination to the Supreme Court: an inspiring boss who opened the attorney general's office to women, a man unafraid to comfort a squalling infant, a friend devoted to an elderly woman who fostered his love of antiques.

Reporters in search of the clay feet they are accustomed to finding in public figures are on "a fool's errand," New Hampshire lawyer Steven McAuliffe says about his friend and former boss. "There is no smoking gun."

To be sure, those who know Souter best see at least a few idiosyncrasies, as well as virtues, when describing their admittedly private, often solitary and obsessively

single-minded, 50-year-old bachelor friend. But they say his aloof public image masks a witty, likable and compassionate man.

As a teenager in this rural village, Souter chauffeured Nellie Perrigo's mother around in her station wagon to hunt antiques for her shop—the reason his own home today is filled with Early American heirlooms.

Fifteen years later, when his old friend was confined to a nursing home and he was state attorney general, Souter spent an evening with her every week for three years until she died, even after she was so enfeebled that she did not recognize him. "That's the kind of fellow he is," says her daughter, Nellie Perrigo.

On the surface, at least, David Hackett Souter does seem a bit different. He doesn't have a car radio; he owns a black and white television set that he rarely watches. He lives alone in the weatherbeaten farmhouse where he grew up. He drives old cars and bragged that he owned one model for 14 years and never washed it. For enjoyment, he hikes to the top of mountains by himself. He spent a month's vacation one summer reading the works of Marcel Proust.

"David Souter is a man of letters in the classical sense," says Wilbur Glahn, a lawyer who has known Souter for 15 years. Another Souter friend notes that he has kept a diary since he was 7 or 8 years old and still handwrites thank-you notes "whether he stays an hour, for dinner or the weekend."

Always formal, he wears a shirt and tie to his chambers on weekends. Even to his friends, he is David, never Dave.

When Souter was named New Hampshire's attorney general in 1976 at the age of 36, his colleagues feted him with a cake inscribed "Foward into the 19th century." It was a testament to his style, friends say, not his mind-set. "He's modern in his thinking," says Glahn's wife, Hansi.

Although he entertains infrequently—Nellie Perrigo remembers a steak dinner and blueberry pie "made from scratch"—he's a dinner guest and hiking companion whose storytelling can spellbind the 16-year-old son of friends for hours.

His humor—the slash and wit of a quick one-liner rather than joke-telling—flashed last week on Capitol Hill. On Thursday, Sen. Patrick J. Leahy (D., Vt.) told Souter that he planned to spend the August recess reading the judge's opinions. "You'll have no trouble sleeping," Souter told him.

At the same time, so rigid are his principles that when the state historical society, a private, nonprofit agency where he is a longtime trustee, decided to build a museum, Souter told the director he would be glad to contribute personally, but wouldn't be able to participate in any fund raising events because his position as a justice might pose a conflict of interest. "He has a wonderful ethical sense of what's right," says society director John Frisbee.

Lawyers he hired remember the exhilaration of interviewing for a job with a then young deputy attorney general with a breathtaking passion and grasp for the intricacies of legal argument and the nobility of the profession. "It was like taking an exam," recalls one of them.

"A lawyer going before the Supreme Court in New Hampshire for the first time would be told to expect the most challenging questions from Justice Souter," agrees environmental lawyer Dave Harrigan of the Society for the Protection of New Hampshire Forests.

But questions about Souter's fitness remain.

Local divorce lawyer accused Souter of being out of step with the "real world" last week when the local Concord Monitor reported that in one of his last decisions as a state Supreme Court Justice, Souter ruled that a spouse could be considered an adulterer for having an affair even after filing for divorce. Such a determination could put the spouse at a disadvantage when a judge sets alimony, awards custody and divvies up community property.

Souter's supporters reject the notion that single status renders him unfit for the high court. Hansi Glahn tells this story:

Several years ago, Souter was hiking with the Glahns and their 7-month-old son, who rode on his mother's back. The baby grew tired and cranky. Glahn became upset that she could not stop the baby's wails. Souter relieved her of the baby and went down the mountain, Glahn recalls, the baby "screaming in his ear, leaving me behind where I couldn't hear him so I wouldn't be upset."

"He's single and he doesn't have kids, but he was sensitive to how a woman was feeling and sensitive to how a baby was feeling, and ready to step in, not say, 'Get me out of here,' " she recalls.

These are the people who may know Souter best. In New Hampshire last week, in Concord where he sat on the bench, in Weare where he still lives, these observers acknowledge their deep bias on his behalf. In the weeks to come, they are like to be his greatest champions.

Says lawyer Glahn, who has known the nominee since 1975, when Souter hired him to work in the state attorney general's office:

"He's a wonderful, warm human being who's widely read and fascinating to be with. He's got the highest moral, ethical and professional standards you can imagine. And he's going to put lawyers before that court through the wringer, which is what Supreme Court justices ought to do."

Supporters have ready—often lawyerly—explanations for everything. Why did Souter as attorney general insist on jail for Seabrook nuclear power plant protesters in 1977 after a judge had given them suspended sentences? That, says Tom Rath, who served as deputy attorney general under Souter, "reflects a person who believes in the rule of law. The Seabrook protester broke the law. It was his job to enforce it."

Souter's controversial opinion on a rape case—arguing that a victim's provocative behavior before the assault should have been introduced as evidence—actually was striking a blow "for defendants' rights," said Deborah Cooper, a former deputy attorney general hired by Souter on his first day as attorney general.

But, she added, "He's very supportive of women and women's role in the practice of law."

Why hasn't he stated an opinion on abortion? "He has understood that at any given moment the entire world could walk into that courtroom with any set of issues and a casual, idle, negligent comment at a social gathering, to a friend, could prejudge it," explains Rath. Souter takes his judge's oath "so seriously that he will not imperil his ability to render a fair and impartial decision by speculating about that kind of thing because that's his job."

"What he has is a compassion and an understanding that what he does impacts on everybody," Rath says.

His lawyer friends add that Souter is so wedded to the process of law—the careful reading of arguments, the study of precedents that underlie judicial review—that he couldn't say what he would do on abortion, even if he wanted to.

"He does not bring a political and social agenda to the bench," says McAuliffe. "He has an amazing ability to distinguish between his job as a judge and what he might feel like as a person. There's no doubt in my mind that David Souter has applied the law in ways that he personally wished he didn't have to apply, but he did it because that's the law."

Even Glahn, who says he has discussed, in general terms, Souter's moral and philosophic views on issues such as abortion, says he has no idea how his friend would decide an abortion case.

"He'll be hard to predict," says Glahn. "He may be the best judge on Earth for prochoice because the precedent is there."

"I think the left is overlooking that and the right is overconfident of this label conservative," adds McAuliffe.

Within hours of Souter's nomination, hordes of reporters descended on Weare, a farm community turned suburb outside Concord, the state capital. By Tuesday, the narrow dirt road where Souter and three other families live, was clogged with cars.

"We needed a traffic cop," complained next-door neighbor Mary Gilman.

[From the New York Times, July 25, 1990]

THE LEGAL MIND CONSERVATIVE, BUT WHAT ELSE?

After law school, Mr. Souter returned to Concord, a move that surprised some who had expected him to settle in a more distant and exotic place. He joined the Concord law firm Orr & Reno, where he spent two unhappy years. In 1971 he became a Deputy State Attorney General.

He remained in that office for the next 12 years, much of it under Mr. Rudman's tutelage. "They were the two sides of a perfect public person: Warren Rudman was gregarious and great on his feet, and David Souter more thoughtful, careful," said Charles Leahy of Concord, a friend of Judge Souter's. "It was a chemical, intellectual and emotional match."

In 1976 Governor Thomson named Mr. Souter Attorney General, and during his two-year stint he took several controversial stands, often at Mr. Thomson's behest. He urged, for instance, that demonstrators arrested at the Seabrook nuclear power plant be given more than suspended sentences. He also argued, unsuccessfully, that it was constitutionally permissible to fly the American flag at half staff on Good Friday and that New Hampshire could force residents to use "Live Free or Die" license plates on their cars.

Mr. Thomson named him to the Superior Court in 1978. Five years later his successor, Gov. John H. Sununu, elevated him to the Supreme Court to replace Maurice Bois, who had retired. "I think when I'm old and gray, people will say 'This is one of the greatest things you did as Governor,'" Mr. Sununu said at Judge Souter's swearing-in ceremony.

Over the next seven years, he became known for writing forceful but increasingly long and complex opinions. "He has a tendency to disclose compulsively every twist and turn in his reasoning," Mr. Gross said. It is an odd fate for someone who, as Attorney General, handed out copies of Strunk and White's manual on English usage to lawyers working for him.

[From the New York Times, Aug. 8, 1990]

SOUTER HEARINGS WON'T BE USEFUL FOR PREDICTIONS, ONE JUSTICE SAYS

(By David Margolick)

CHICAGO, August 7.—Justice John Paul Stevens said today that it was fruitless and inappropriate to use the coming Senate confirmation hearings of Judge David H. Souter to predict how he would decide cases as a member of the United States Supreme Court.

Speaking before a session at the American Bar Association's annual meeting, Justice Stevens cautioned that for a President or senators to pin down a nominee in advance discouraged open-mindedness on the part of the judge, gave an appearance of impropriety and threatened an independent judiciary.

"It's a mistake to assume that this process is going to enable the senators or the other members of the Court or the bar generally to predict how a nominee will vote after he or she comes on the Court," Justice Stevens said.

Nor, he said, should it. "You really wouldn't want a judge who would say in advance how he or she would vote on particular issues," he said. "That's not part of the independent judiciary that's such an important part of our tradition and our history."

MEANINGLESS LABELS

Judge Souter's views on public issues are a matter of intense curiosity in part because he has not made them known as a state judge, and in part because he could provide the crucial vote to overturn Roe v. Wade, the 1973 Supreme Court decision that established a constitutional right to abortion. Several senators have said they intend to quiz the nominee about his specific views on abortion.

Justice Stevens urged participants in the confirmation process to eschew the use of labels like "judicial restraint" and "judicial activism," which, he suggested, are often meaningless or misleading.

At his own confirmation hearings in 1975, he recalled, "practically everyone asked me if I believed in judicial restraint, and I always said 'I did'—and I do." But, he added, "I'm not sure it means the same thing to me as it does to others."

He said one could read the opinions in a recent employment discrimination case to show, contrary to conventional wisdom, that Justice William J. Brennan Jr. believed in judicial restraint and Chief Justice William H. Rehnquist was a judicial activist.

"I'm not going to suggest that Justice Brennan was not an activist," he said. "But sometimes we use these words in ways that are more misleading than helpful in an analysis of the candidate."

Justice Stevens warned that it was a mistake to predict how a nominee would vote once on the Court either on the basis of the nominee's political sponsor or general philosophical views, since neither takes into account the circumstances of particular cases.

He cited the example of President Richard M. Nixon's first court appointee, Warren E. Burger, noting that the former Chief Justice had neither written or voted for rulings upholding the disclosure of the Watergate tapes, abortion rights, school busing to achieve racial balance and findings of sex discrimination. "Who would have expected President Nixon's appointee to be the author of that ground-breaking decision?" he said of the latter case.

PRAISE FOR BRENNAN

Justice Stevens did not mention Judge Souter by name. But he saluted the man to be replaced, Justice Brennan, calling him "a very special man" whose departure was "a very, very traumatic event" for his colleagues.

"He always put the interests of the Court at the forefront of his work," Justice Stevens said.

For Justice Stevens, who went to law school at the University of Chicago and was a longtime trial lawyer here, the appearance at the A.B.A. meeting was a return to his home turf, one punctuated by affectionate reminiscences. He spoke extemporaneously and affably.

During his remarks he commented on the Supreme Court's recent flag burning decisions and its caseload.

RESTRAINT AND THE DOCKET

The Justice, who dissented from the two rulings that struck down statutes prohibiting the burning of the American flag, criticized the High Court for taking the cases in the first place. Instead, he said, they should have been left to the state courts to decide.

"An awful lot of ink and a lot of heartache would have been saved," he said.

The reduced number of cases heard by the Court in the past two years, he said, was not part of a hidden agenda, as some Court watchers have hypothesized, but rather of the elimination of types of cases the Court was formerly bound to hear. In addition, he said, the Court was doing "a little better job of exercising judicial restraint in managing its discretionary docket."

What the development showed, he said, was that there was no need to create an intermediate appellate court between the Supreme Court and the Federal courts of appeals, an idea much talked about in legal circles a few years ago.

"I'm hopeful that that idea will be kept on the shelf for quite some time," Justice Stevens said.

[From the Washington Post, Aug. 2, 1990]

IN JUSTICES, MYSTERY IS ESSENTIAL * * *

(By Lloyd N. Cutler)

When the president was choosing his nominee to replace Supreme Court Justice William Brennan, I hope his advisers reminded him of what happened when President Abraham Lincoln faced a similar choice. The tale is also worth the Senate's attention.

Lincoln had a Supreme Court vacancy to fill at a time when the court was about to hear the Legal Tender Cases. These cases involved the constitutionality of the Civil War statute authorizing the Treasury to issue paper money and making it "legal tender" for the payment of existing as well as future obligations. The cases were of enormous importance to the solvency of the government, and the argument was likely to turn on the vote of the new chief justice Lincoln was about to nominate.

Lincoln wrote to a friend: "We cannot ask a man what he will do, and if we should, and he should answer us, we should despise him for it. Therefore, we must take a man whose opinions are known." He then selected his Secretary of the Treasury, Salmon P. Chase, who had drafted the Legal Tender bill and had urged Congress to enact it. Chase was duly confirmed, but he confounded everyone by casting the decisive vote and writing the court's opinion holding the Legal Tender Act unconstitutional.

There are two morals to the story. The first is fairly obvious. While the president and the Senate both have the duty to consider a candidate's political and legal philosophy, they press this prerogative too far, as Lincoln recognized, if they ask how he or she would decide a particular issue such as whether to overrule *Roe* v. *Wade.*

The second moral is that thanks to the "good behavior" clause of the Constitution entitling a justice once appointed to serve for life, presidents and senators who try to make certain of how a nominee will vote are often disappointed. Lincoln is not the only president who made a wrong choice. Theodore Roosevelt was openly bitter that his nominee Oliver Wendell Holmes wrote opinions restricting the sweep of Roosevelt's antitrust legislation. Dwight Eisenhower, when asked if he had made any mistakes as president, replied: "Yes, two, and they [Earl Warren and William Brennan] are both sitting on the Supreme Court." As Homes, Warren and Brennan prove, presidents sometimes choose more wisely than they intend.

Moreover, justices usually serve more than a decade, and some, like Justices Holmes and Brennan, for more than three decades. No president or senator can predict what the important constitutional issues will be a decade or two ahead, and no nominee could reliably say how how he or she would resolve those issues. In selecting a Supreme Court justice, no president or senator with a sense of history would limit the focus to today's headline cases.

There is a further and even more important point. As Prof. Charles Black has noted, the court is the great legitimator of our government, the final arbiter of whether or not the executive and legislative branches have exceeded or abused their limited powers. To perform that vital function, the court must be, and must appear to be, as independent of the president and of Congress as humanly possible. While the president must appoint and the Senate must confirm or reject each nominee, it is vital to the integrity of the process that neither they nor the rest of us insist on knowing in advance how a new justice is going to vote in a particular case.

The key to the court's critical constitutional role lies in the mystery of its future actions. If the justices appear to have committed their votes to the president, who appoints them, or to the Senate, which confirms them, we will no longer trust them as our ultimate authority on the Constitution's meaning.

(The writer, a Washington lawyer, was White House counsel to president Jimmy Carter.)

[From the Los Angeles Times, July 27, 1990]

BEHOLDEN TO NONE, JUSTICES OFTEN CUT THEIR OWN PATHS

(By Ronald D. Rotunda)

The main news these last few days has not been about turbulence on Wall Street. Nor has it focused on the budget deficit or freedom in Eastern Europe.

The leading stories most often have concerned the resignation of Justice William J. Brennan Jr. and President Bush's nomination of David Souter to fill the Supreme Court vacancy. Liberals are wary of Souter, a federal judge and a former New Hampshire Supreme Court justice, for he is expected to be a staunch conservative like his friend and supporter, White House Chief of

Staff John H. Sununu. Conservatives hope that the liberals are right this time.

Supreme Court appointments were not always such newsworthy events. In grade school we learned that President John Adams appointed John Marshall to be our most famous chief justice. We weren't told that Marshall was Adams' third choice—the first two declined the honor. Even earlier this century, Supreme Court appointments were not the focal point of attention as they are now. On Sept. 4, 1922, Justice John Clarke resigned. The next day, President Warren Harding nominated George Sutherland to succeed him. The Senate confirmed him later that same day!

The Supreme Court now has become a much more important political institution and we tend to treat each new appointment as something like a political campaign. How will the new justice vote on the abortion issue, on the rules governing police seizure of evidence, on death penalty cases, on aid to parochial schools, on flag burning?

We should put things in a better perspective. We should expect Souter to be more conservative than Brennan. But that's not too hard to do, for Brennan was one of the most activist justices in our history. Other than that, history shows that Presidents, senators and the general public have a remarkably poor batting average in predicting how Supreme Court nominees are going to vote. Dwight D. Eisenhower appointed the liberal Brennan, while John F. Kennedy appointed the conservative Justice Byron White.

One reason why accurate predictions are so difficult is that the newly confirmed justice has lifetime tenure and salary protection, beholden to no one. History will be the final judge. That tends to make a man or woman an independent thinker. Perhaps that's why Hugo Black, the political crony of F.D.R. and a former member of the Ku Klux Klan, surprised a lot of people with his strong rulings in favor in civil rights.

Another reason why we predict so poorly is that the justice do not own the law. They are merely its custodians. Justices don't vote on an issue the way legislators do—a mere show of hands. The justices are supposed to reason from precedent and not be simply seismographs, registering public opinion. And the justices usually act the way they're supposed to act. That's why there was no judicial evolution when Chief Justice Warren E. Burger replaced Earl Warren. Some cases were no doubt decided differently than Warren would have decided them, but the law changes in degrees, not in upheavals. To the extent that time and experience shows some of the Supreme Court cases to have been poorly reasoned, to the extent that the cases are like judicial bricks made without straw, those cases will eventually be changed. Bad cases do not survive.

Finally, we should realize that we do not choose a new justice for today or tomorrow or even for next year. At 50, Souter is the same age Brennan was when he was appointed in 1956. If Souter's tenure on the court is as long, he will be deciding cases in the year 2024. We do not know what the major judicial questions will be five or 10 or 34 years from now. Even less do we know what the liberal or conservative answers to those questions will be.

If we realize that we are investing for the long term, we should worry less about how a nominee might vote on a particular issue (and our ability accurately to predict that vote is poor anyway), and concern ourselves more with what we think of the nominee's integrity, intellectual ability and good judgment.

(Ronald D. Rotunda is a professor of constitutional law at the University of Illinois and co-author of "Treatise on Constitutional Law.")

[From the Washington Post, July 27, 1990]

FORMER SOUTER GIRLFRIEND SAYS HE'S FAIR-MINDED

(By Judy Mann)

Ellanor Stengel Fink was a student at Wheaton College when she went out on a blind date with David Hackett Souter, a law student at Harvard, who had just returned from a Rhodes scholarship at Oxford. They dated for the next several years while he went through law school and she pursued a government major at Wheaton.

Today, she is the mother of three children who is very involved in volunteer activities with the Montgomery County schools, and she is chairman of the board of elections of the town of Somerset. She is a registered Democrat. Her husband is general counsel of the Investment Company Institute, the trade association for mutual funds. As she watches Souter going through the rituals of confirmation to the Supreme Court, one thought that goes through her mind is that "it is positively weird to see the face of your old friend looking out from the front page of your newspaper. It's especially strange realizing you're of an age for somebody to be nominated for the Supreme Court."

Fink, 45, has not spoken with Souter, 50, in 20 years, although they have corresponded on occasion. But she has vivid and extremely positive recollections of the man she, and other friends in those days, called Hackett.

Souter, with little federal court experience and, thus, almost no paper trail on where he stands, is one of the more mysterious nominees to have been named in recent times to the Supreme Court. He has never married. Fink is probably one of the women who has been closest to him during his life. Her recollections of the kind of man he was when she knew him well ought to reassure women and men who are concerned about how he will evaluate the great privacy issues of our time, such as abortion rights.

"I have no idea how he would vote on abortion," she says. "I doubt that anyone knows how he would vote. He's not an ideological person. What's characteristic of him is he's tremendously fair-minded. He wants to know and to listen to everybody and to reach a fair position based upon the law. The one thing you can say is he will be fair and he will listen to all sides and he will tell you how it is.

"Having never married, I know everyone is wondering does he have the empathy to understand women's issues, and I think he would. It's not as though he's lived in a cave for the last 25 years. He has many friends and I'm sure many women friends and I'm sure he's very aware of the impact of abortion on women's lives and men's lives, as well. He's very well-thought-of by his friends, both men and women."

Fink knew Souter's parents and describes them as "very warm, friendly, lovely people. A traditional, close family.

"To his toes, he loves New Hampshire and the rural life. He seems to get a lot of strength from the farm, from his roots. His idea of a great vacation was to put on a back pack and hike for seven days in the woods alone.

"He is exceptionally bright and wonderful to be with intellectually. What doesn't come across in the accounts I've read is what a warm, friendly guy he can be. He comes across as a steely intellectual. All head and no heart. He is a very bright person and very interesting, but he's not all brain. He's a friendly, warm person and extremely considerate.

"He's very funny, loves to tell stories, loves Robert Frost—at least when I knew him. He takes great delight in the life of the mind, but he's not an absent-minded professor at all. He's very much grounded in the day-to-day. He's somebody, I think, who really would be sensitive to different opinions and different backgrounds. He's not someone who's coming from his personal opinions and then twists the law accordingly. He really reveres the law.

"He is very much of an individualist, with strong feelings about the rights of individuals to control their lives, but I think he also has strong feelings about an individual's duty to the community. He feels very strongly about the country in a very quiet, unassuming sort of way.

"To understand Hackett, it's helpful to know what New Hampshire is like. It's a very special kind of place. It respects individualists and it's very tolerant of others. There's a strong streak of independence. All of those things are valued. It's such a physically beautiful place up there, you can understand very well how he loves it so. It gets in your blood."

She said he never spoke of a desire to be on the Supreme Court. "He wanted to go back to New Hampshire. He used to joke about wanting to be a pig farmer and how much he liked pigs, but all of us knew it was unlikely he was going to make that his life's work.

"I don't know what 20 years has done to him, but I think they're going to have to work very hard to find any blemishes," Fink says. "He's real class. There's a true quality to him."

[From the New York Times, July 25, 1990]

ASCETIC AT HOME BUT VIGOROUS ON BENCH

(By David Margolick)

WEARE, NH., July 24.—Whenever lawyers assess a candidate for the United States Supreme Court, they generally make comparisons to known judicial quantities. That is how the lawyers of New Hampshire are describing Judge David H. Souter, whom they have followed from private practice in Concord to the State Attorney General's office to the state and Federal bench.

Some see in Judge Souter the quirkiness of Justice John Paul Stevens. Others see the intellectual rigor of Justice Antonin Scalia, or the pragmatic conservatism of Justice Lewis F. Powell, Jr. And almost everyone reaches all the way back to the 1930's for a Justice of Judge Souter's ascetic style and monastic personal life: Benjamin N. Cardozo.

The one Justice to whom he is never compared here, either in temperament or judicial philosophy, is the one he would replace: William J. Brennan, Jr.

COTTAGE CHEESE AND AN APPLE

In this green and pleasant state, where lawyers number just 3,500 and State Supreme Court justices just five rather than the usual seven or nine, even someone as reclusive as Judge Souter cannot remain a remote Olympian figure.

Lawyers here can tell you what kind of cars he drives (and drives and drives): cheap subcompacts, most recently a 1987 Volks-

wagen Golf. They can tell you what he undeviatingly eats for lunch every day (cottage cheese and an apple); what he wears (his black judge's robe was said to add color to his attire), and how and where he lives (alone, in a weatherbeaten farmhouse in this southern New Hampshire town nine miles from the Supreme Court where he sat for seven years).

They know he is intermittently and selectively gregarious, a good storyteller who displays a dry New England wit to those who really get to know him. He is said to do a splendid imitation of former Gov. Meldrim Thomson, Jr., who named him Attorney General, and to tell great tales about Senator Warren Rudman, the New Hampshire Republican who is his long-term political mentor and sponsor.

Outside the courtroom, they say, he can cast aside judicial rigor for a measure of personal warmth. Each Sunday he walks the same elderly woman home from St. Andrew's Episcopal Church in Hopkinton, where he is a vestryman, and each Sunday he visits his mother at a Concord nursing home. He offered money to help rebuild a friend's barn after it burned down.

Neighbors like Martha Knox and Nellie Perrigo, as well as college classmates from his days at Harvard 30 years ago, describe him as courteous, loyal, unaffected and upright.

"He isn't stuck up, doesn't put on any airs and is very down to earth," said Howard Ineson, who lives a mile up Sugar Hill Road from the judge and has known him and his family for 40 years. "They're going to have to work very hard to find any blemishes."

On the New Hampshire Supreme Court, where unanimity is commonplace and whose spectrum runs less from liberal to conservative than from humanistic to hyper-logical, lawyers here say Judge Souter is at the far edge of the latter.

If there are any qualms at all about Judge Souter, it is a quiet concern over his circumscribed way of life. As a young man he was briefly engaged to the daughter of a State Superior Court Justice, but he never married, and even his admirers wonder whether his solitary style has limited his empathy or level of human understanding.

Almost no one here purports really to understand the small, buttoneddown figure who stood by awkwardly as President Bush nominated him to the nation's highest Court on Monday. Even by the laconic standards of this community, he is known for his reticence.

Few, including his fellow judges, have ever been inside his house, with its peeling paint, sagging porch, and lawn clogged with clover and Queen Anne's lace. Those who have say it is filled with books. By all accounts, he is much more interested in Tennyson than tennis, though he likes hiking in the White Mountains as much as either.

The Judge

Independence And Hard Work

But Judge Souter's reticence vanishes behind the bench. He is credited with bringing a new level of fire and vigor to the once-sleepy oral arguments that long characterized the court. He is also widely praised for his hard work, dedication, intellectual acuity and independence. "Souter does not carry this huge cargo of ideological precommitments that seems to have been a qualification for everyone who's been appointed to the Supreme Court for the last 10 years," said Martin L. Gross, a lawyer in Concord.

James E. Duggan, a professional at Franklin Pierce Law Center in Concord who has often argued before him, described Judge Souter as "very conservative, but with a streak of Yankee independence that makes him somewhat unpredictable."

"I'm disappointed that Brennan is leaving, but Bush could have done a lot worse," Mr. Duggan said. "Souter is not a blind right-wing law-and-order judge. On the other hand, he's not going to cut any breaks for criminal defendants."

Mr. Gross agreed. "David places a much stronger value on society's need to protect itself than most civil libertarians would like," he said. "What they'd better be rejoicing about is that they didn't get another right-wing nut. This is a guy who listens intently to what litigants have to say."

Bruce E. Friedman, director of the civil practice clinic at the Franklin Pierce Law Center in Concord, was less enthusiastic. "He's smart and diligent," Mr. Friedman said, but I don't think he will be a general in the war for a kinder, gentler America."

For the past day, New Hampshire residents have experienced a surge of pride as they did when two other New Hampshire natives, Alan Shepard and Christa McAuliffe, were selected for the space program. New Hampshire has not had a Supreme Court Justice it could call its own since Harlan Fiske Stone, in the 1940's. In Concord, WKXL radio's "Party Line" program, originally set aside for phone calls about big-band music, devoted today's show to Judge Souter, whom the moderator described as "squeakier than squeaky clean."

The Student

Formal, Reserved, Intensely Private

Judge Souter, an only child, moved here with his parents at the age of 11. His father, Joseph, was an official at the New Hampshire Savings Bank in Concord.

The younger Souter was a diligent student, whose only brush with juvenile delinquency, as one story has it, came when he was kicked out of the New Hampshire Historical Society for loitering after hours. At Concord High School where he was voted "most literary," "most sophisticated" and "most likely to succeed." The high school yearbook described him as "witty and in constant demand" and said he enjoyed "giving and attending scandalous parties."

Mr. Souter entered Harvard in 1957. From 1961 to 1963 he attended Oxford University on a Rhodes Scholarship, studying law and philosophy. He then moved to Harvard Law School, where he did well but did not make the Law Review.

When he graduated from Harvard College in 1961, several classmates came up with the perfect idea for a gift: a scrapbook filled with imaginary news stories about the blazing career everyone foresaw for him. In the book, someone pasted the headline "David Souter Nominated to the Supreme Court."

"MR. JUSTICE SOUTER"

It was a joke that said much about his classmates' affection for him, and about his single-mindedness. "All David ever wanted to be was a judge," said the Rev. John L. McCausland, an Episcopal minister who was one of his closest friends at Harvard College and Harvard Law School. He said Mr. Souter's friends used to call him "Mr. Justice Souter."

But just three weeks ago, when Mr. McCausland called Judge Souter to congratulate him on being confirmed to an appellate court seat in Boston and jokingly asked if this would just be a steppingstone to the Supreme Court, he said the judge replied: "No".

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:37 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1101) to extend the authorization of appropriations for the Water Resources Research Act of 1984 through the end of fiscal year 1994.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 3764. An act to amend the Wild and Scenic Rivers Act to designate certain segments of the Delaware River in the States of Pennsylvania and New Jersey as components of the National Wild and Scenic Rivers System;

H.R. 4632. An act to amend title 14, United States Code, to impose penalties for inducing the Coast Guard to render aid under false pretenses, to impose liability for costs incurred by the Coast Guard in rendering that aid, and to authorize appropriations for use for acquiring direction finding equipment for the Coast Guard;

H.R. 4773. An act to authorize the President to call and conduct a National White House Conference on Small Business;

H.R. 5070. An act to amend the John F. Kennedy Center Act to authorize appropriations for maintenance, repair, alteration, and other services necessary for the John F. Kennedy Center for the Performing Arts, and for other purposes; and

H.R. 5558. An act to provide for the temporary extension of certain programs relating to housing and community development, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 3764. An act to amend the Wild and Scenic Rivers Act to designate certain segments of the Delaware River in the States of Pennsylvania and New Jersey as components of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

H.R. 5070. An act to amend the John F. Kennedy Center Act to authorize appropriations for maintenance, repair, alteration,

and other services necessary for the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Environment and Public Works.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, September 12, 1990, he had presented to the President of the United States the following enrolled bill and joint resolutions:

S. 2597. An act to amend the Act of June 20, 1910, to clarify in the State of New Mexico authority to exchange lands granted by the United States in Trust, and to validate prior land exchanges;

S.J. Res. 279. Joint resolution to designate the week of September 16, 1990, through September 22, 1990, as "National Rehabilitation Week";

S.J. Res. 285. Joint resolution to designate the period commencing September 9, 1990, and ending on September 15, 1990, as "National Historically Black Colleges Week";

S.J. Res. 289. Joint resolution to designate October 1990 as "Polish American Heritage Month"; and

S.J. Res. 309. Joint resolution designating the month of October 1990 as "Crime Prevention Month".

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3515. A communication from the Chairman of the President's Cancer Panel, transmitting, pursuant to law, a report on the status the National Cancer Program as operated by the National Cancer Institute; to the Committee on Labor and Human Resources.

EC-3516. A communication from the Secretary of Labor, transmitting, pursuant to law, a report on minimum wage and maximum hours standards under the Fair Labor Standards Act; to the Committee on Labor and Human Resources.

EC-3517. A communication from the Secretary of Labor, transmitting, pursuant to law, the annual report on the administration of the Black Lung Benefits Act for calendar year 1988; to the Committee on Labor and Human Resources.

EC-3518. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations for the Paul Doughlas Teacher Scholarship Program, Guaranteed Student Loan and PLUS Programs; to the Committee on Labor and Human Resources.

EC-3519. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on the Runaway and Homeless Youth Program for fiscal year 1989; to the Committee on Labor and Human Resources.

EC-3520. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Technology—Related Assistance for Individuals with Disabilities: Demonstration and Innovation Projects of National Significance; to the Committee on Labor and Human Resources.

EC-3521. A communication from the Chairman of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Farm Credit Administration for calender year 1989; to the Committee on Agriculture, Nutrition, and Forestry.

EC-3522. A communication from the Secretary of Defense, transmitting, pursuant to law, a study of close support for land forces, including close air support; to the Committee on Armed Services.

EC-3523. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3524. A communication from the Acting Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's letter of offer to Saudi Arabia for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3525. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report on the profitability of credit card operations at depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

EC-3526. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, a report on a transaction involving United States exports to Turkey; to the Committee on Banking, Housing, and Urban Affairs.

EC-3527. A communication from the Deputy Secretary of Commerce, transmitting, pursuant to law, an analysis regarding the President's statutory authority to enforce the conditions under which the Cape York Technical Assistance Agreement may be approved; to the Committee on Banking, Housing, and Urban Affairs.

EC-3528. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a comprehensive report on the administration of the Manufactured Home Construction and Safety Standards Program; to the Committee on Banking, Housing, and Urban Affairs.

EC-3529. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report on the activities of the National Technical Information Service for fiscal year 1989; to the Committee on Commerce, Science, and Transportation.

EC-3530. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report on the competitiveness of the United States telecommunications industry; to the Committee on Commerce, Science, and Transportation.

EC-3531. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3532. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3533. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3534. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3535. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3536. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3537. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3538. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3539. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3540. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3541. A communication from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior to utilize fees collection for the evaluation of permissible mine explosives, and for other purposes; to the Committee on Energy and Natural Resources.

EC-3542. A communication from the Chairman of the U.S. Nuclear Waste Technical Review Board, transmitting a draft of proposed legislation to amend the Nuclear Waste Policy Act of 1982, as amended, to enable the Nuclear Waste Technical Review Board to pay staff salaries that are competitive with other agencies of the Federal Government and to enable the Board to attract and hire the quality of employee necessary for the Board to carry out its statutory mission; to the Committee on Energy and Natural Resources.

EC-3543. A communication from the Deputy Under Secretary of Energy (Policy, Planning, and Analysis), transmitting, pursuant to law, notice that a report on reduction of carbon dioxide emissions will be transmitted to Congress in December 1990; to the Committee on Energy and Natural Resources.

EC-3544. A communication from the Director of the Office of Environmental Restoration and Waste Management, transmitting, pursuant to law, notice that a report on progress in establishing new low-level radioactive waste disposal facilities will be submitted by the end of September 1990; to the Committee on Energy and Natural Resources.

EC-3545. A communication from the Administrator of General Services, transmitting, pursuant to law, a lease prospectus for the U.S. Attorney in Cleveland, OH; to the Committee on Environment and Public Works.

EC-3546. A communication from the Secretary of Energy, transmitting, pursuant to law, the first annual report on the Defense Waste Cleanup Technology Program dated April 1, 1990; to the Committee on Environment and Public Works.

EC-3547. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on State actions to adopt Federal minimum standards for Medigap policies; to the Committee on Finance.

EC-3548. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on technical issues in the calculation of the effect of the Medicare fee schedule on Medicare payments for counties with large eligible risk-sharing organization population; to the Committee on Finance.

EC-3549. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a report on improvements to the sanction process used by utilization and quality control peer review organizations; to the Committee on Finance.

EC-3550. A communication from the Secretary of Labor, transmitting, pursuant to law, a report on worker rights in export processing zones; to the Committee on Finance.

EC-3551. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on possible effects on abilities to monitor Soviet compliance on testing of nuclear devices; to the Committee on Foreign Relations.

EC-3552. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the 60-day period prior to August 30, 1990; to the Committee on Foreign Relations.

EC-3553. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report of security assistance allocations under section 653(a) of the Foreign Assistance Act; to the Committee on Foreign Relations.

EC-3554. A communication from the Chairman of the Federal Election Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar years 1988 and 1989; to the Committee on Governmental Affairs.

EC-3555. A communication from the Chairman of the U.S. Sentencing Commission, transmitting, pursuant to law, the annual report of the Commission for 1989; to the Committee on the Judiciary.

EC-3556. A communication from the Director of the National Center for Research in Vocational Education, transmitting, pursuant to law, the annual study of the center entitled "Order Amidst Complexity: The Status of Coordination Among Vocational Education, Job Training Partnership Act, and Welfare-to-work Program; to the Committee on Labor and Human Resources.

EC-3557. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the 10th annual report on implementation of the Age Discrimination Act of 1975 by departments and agencies; to the Committee on Labor and Human Resources.

EC-3558. A communication from the Secretary of Education, transmitting, pursuant to law, final regulations—Chapter 1 State Operated or Supported Programs for Handicapped Children Programs; to the Committee on Labor and Human Resources.

EC-3559. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the biennial report of the Advisory Committee on Former Prisoners of War; to the Committee on Veterans' Affairs.

EC-3560. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law the third annual report on the administration of the Montgomery G.I. Bill Educational Assistance Program; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 2800. A bill to permit telephone companies to engage in video programming (Rept. No. 101-456).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 2274. A bill to establish a Federal pay system with locality-based adjustments (Rept. No. 101-457).

By Mr. GLENN, from the Committee on Governmental Affairs, without amendment:

S. 2886. A bill to amend the Stewart B. McKinney Homeless Assistance Act to clarify requirements regarding the use of unutilized, underutilized, surplus, and excess Federal buildings and real property to assist the homeless, and for other purposes (Rept. No. 101-458).

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 3037. An original bill to authorize Federal depository institution regulatory agencies to revoke charters, terminate deposit insurance, and remove or suspend officers and directors of depository institutions involved in money laundering or monetary transaction reporting offenses, to amend chapter 53 of title 31, United States Code, to require the Secretary of the Treasury to issue regulations concerning the identification of nonbank financial institutions subject to the Bank Secrecy Act, to prohibit illegal money transmitting businesses, to provide for the standardization of advertised yields on savings accounts and investments, to require the uniform disclosure of the key costs of such accounts and investments, and for other purposes (Rept. No. 101-460).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. KENNEDY, from the Committee on Labor and Human Resources:

Larry Brown Jr., of Maryland, to be a member of the National Council on Disability for a term expiring September 17, 1992;

Helen Wilshire Walsh, of Connecticut, to be a member of the National Council on Disability for a term expiring September 17, 1993;

W. Glenn Campbell, of California, to be a member of the National Science Board, National Science Foundation for the remainder of the term expiring May 10, 1994;

Bernard F. Burke, of Massachusetts, to be a member of the National Science Board, National Science Foundation for a term expiring May 10, 1996;

Thomas B. Day, of California, to be a member of the National Science Board, National Science Foundation for a term expiring May 10, 1996; and

James Johnson Dunderstadt, of Michigan, to be a member of the National Science Board, National Science Foundation for a term expiring May 10, 1996.

(The above nominations were reported with the recomendation that they be confirmed, subject to the nominees' commitment to respond to requests to testify before any duly constituted Committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. PRYOR:

S. 3029. A bill to amend title XIX of the Social Security Act to provide mechanisms to control medicaid drug prices, to assure that medicaid beneficiaries receive quality medical care, and to protect the physician's right to prescribe; to the Committee on Finance.

By Mr. HEFLIN:

S. 3030. A bill to provide disaster assistance for agricultural producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SPECTER:

S. 3031. A bill for the relief of John Barren; to the Committee on the Judiciary.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 3032. A bill to designate the planned Department of Veterans Affairs Medical Center in Honolulu, Hawaii, as the "Spark M. Matsunaga Department of Veterans Affairs Medical Center"; to the Committee on Veterans Affairs.

By Mr. PRYOR:

S. 3033. A bill to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances; to the Committee on Governmental Affairs.

Mr. GLENN (for himself, Mr. DASCHLE, Mr. MOYNIHAN, Mr. ROBB, and Mr. STEVENS):

S. 3034. A bill to implement certain recommendations of the National Commission on

the Public Service; to the Committee on Governmental Affairs.

By Mr. LIEBERMAN (for himself, Mr. BRYAN, Mr. PRESSLER, Mr. SIMON, Mr. AKAKA, Mr. COHEN, Mr. D'AMATO, Mr. DASCHLE, Mr. DODD, Mr. HARKIN, Ms. MIKULSKI, Mr. PELL, Mr. REID, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. SANFORD, Mr. METZENBAUM and Mr. KENNEDY):

S. 3035. A bill to protect the national security by prohibiting profiteering of essential commodities during periods of national emergency; to the Committee on the Judiciary.

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 3036. A bill to establish the Smith River National Recreation Area in the State of California; to the Committee on Energy and Natural Resources.

By Mr. RIEGLE:

S. 3037. An original bill to authorize Federal depository institution regulatory agencies to revoke charters, terminate deposit insurance, and remove or suspend officers and directors of depository institutions involved in money laundering or monetary transaction reporting offenses, to amend chapter 53 of title 31, United States Code, to require the Secretary of the Treasury to issue regulations concerning the identification of nonbank financial institutions subject to the Bank Secrecy Act, to prohibit illegal money transmitting businesses, to provide for the standardization of advertised yields on savings accounts and investments, to require to uniform disclosure of the key costs of such accounts and investments, and for other purposes; from the Committee on Banking, Housing, and Urban Affairs; placed on the calendar.

By Mr. DODD:

S. 3038. A bill to impose a fee on certain works at the expiration of the copyright term to support the National Endowment for the Arts; to the Committee on Finance.

By Mr. PRYOR (for himself and Mr. SYMMS):

S. 3039. A bill to amend the Internal Revenue Code of 1986 to technically clarify the calculation of the basis of real property for purposes of computing gain or loss from sale; to the Committee on Finance.

By Mr. HATCH:

S.J. Res. 362. Joint resolution to designate the period commencing on November 18, 1990, and ending on November 24, 1990, as "National Adoption Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PRYOR:

S. 3029. A bill to amend title XIX of the Social Security Act to provide mechanisms to control Medicaid drug prices, to assure that Medicaid beneficiaries receive quality medical care, and to protect the physician's right to prescribe; to the Committee on Finance.

MEDICAID ANTI-DISCRIMINATORY DRUG PRICE AND PATIENT BENEFIT RESTORATION ACT

Mr. PRYOR. Mr. President, over the past several months, I have spoken on the floor several times about the double dose of bitter medicine this Nation's drug companies have forced our Medicaid Program to swallow. First, the drug companies simply refuse to negotiate discounts on those drug prices they are charging our $1 billion Medicaid Program. They are forcing our taxpayer-funded program for the poor, one of the largest purchasers of drugs in this country, to pay as much as 40 to 60 percent more for the very same drugs purchased by hospitals, HMO's, and the Department of Veterans Affairs.

Second, the drug companies are holding us captive to bankrupting the coffers of the State Medicaid drug programs.

If the prescription drug price inflation rate mirrored the general inflation rate, Mr. President, it might not be so bad. Unfortunately, as we know, that has not been the case. In fact, as the chart behind me demonstrates, over the last 10 years, consumer prices have increased 58 percent, while prescription drug prices rose by a staggering 152 percent.

Mr. President, the bottom line is that the drug companies have been giving second-class treatment to the Medicaid Program. Their discriminatory policies have resulted in a system of second-class medical care for Medicaid patients, the Nation's poorest and sickest citizens.

To bring an end to this unfair discrimination against the Medicaid Program, earlier this summer I introduced S. 2605, the Pharmaceutical Access and Prudent Purchasing Act of 1990. A preliminary CBO estimate projects that this legislation would save taxpayers approximately $1.6 billion over 5 years. To achieve these savings, States could, among other options, negotiate over the value of drugs in exactly the same way that many hospitals and HMO's do—by requiring the manufacturers to compete for Medicaid business.

By the manufacturers' reaction to this legislation, Mr. President, you would think that "competition" or that "bidding" were foreign terms. In addition, in an effort to defeat this legislation, the drug manufacturers have attempted to scare members of organizations representing the interests of minorities by suggesting to these groups that my bill would result in second-class medicine for the poor.

Mr. President, nothing is further from the truth. They know it, and I know it. In spite of an intense lobbying campaign by the Pharmaceutical Manufacturers Association—hiring the most expensive lobbying firms in Washington, DC, and around the country—the drug companies have attempted to stall my efforts.

We are now, however, on the verge of enacting a plan which requires drug manufacturers to offer substantial discounted prices to the Medicaid Program. Why, Mr. President? It is simple: Because there is no logical reason why, in an era of severe budget constraints and social needs, the Medicaid Program should be denied access to these same generous discounts and have to pay overly inflated prices for prescription drugs.

They are so concerned about the long-term impact of legislation that they shocked many Members in Congress by suggesting their own alternatives to my legislation. Four major drug manufacturers in recent weeks and the Pharmaceutical Manufacturers Association have now finally admitted that they are charging too much for drugs. They have offered their own national proposals for Medicaid drug cost containment. In the past weeks I have commended those particular drug manufacturers that have developed their own national proposals for Medicaid drug price cost containment. Unfortunately, after consulting with CBO and OMB, it has become clear to me that none of these proposals will produce significant savings because they allow the manufacturers to control the discounts that they offer. As a result, discounts could be eliminated or significantly reduced. This is obviously unacceptable.

Mr. President, to assist my colleagues in evaluating the drug manufacturers' proposals, I ask unanimous consent that a staff analysis of these proposals be printed in the RECORD following my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, further, I am today introducing the Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act. This legislation simply builds on the proposals already put forth by the drug industry. It mandates that, in order to be placed on a State list of covered drugs, a prescription drug manufacturer must provide the Medicaid Program the same substantial discounts it is now giving to other purchasers of that medication.

Mr. President, I ask unanimous consent that a summary of this bill be printed in the RECORD following my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, to guarantee that Medicaid continues to receive the best discounts in the market, the new bill's rebate is calculated by using the lower of the best price in the market or the best price as of September 1, 1990, indexed to the consumer price index. An indexing feature like this is the only approach likely to be scored for savings by OMB and CBO. My staff estimates that this legislation alone, Mr. President will achieve in excess of $2.5 billion in savings over the next 5 years.

Mr. President, I would like to make it clear that this legislation is not a

substitute for nor an amended version of S. 2605. There is no need for a substitute for a proposal that represents state of the art medical care and savings of $1.6 billion over 5 years. It is simply one other option that can be considered by this Congress this month as a true way to save money for the Medicaid Drug Program. Both plans assure an improved access to needed medications. Both plans save substantial sums of money. No other plans that I am aware of meet these two essential criteria, and until and unless any alternatives do, we should now focus our deliberations solely on these two proposals.

For the record, Mr. President, I would like to submit an updated list of those organizations who are now supporting S. 2605. I hope most, if not all, of these organizations will support the alternative proposal that I am introducing today. I have no doubt that many more letters of support will be coming in. Already I have received letters of support from Families USA, one of the Nation's most visible and credible representatives of the poor, the National Consumers League, and pharmacist organizations, the American Pharmaceutical Association and the NARD.

Of particular importance is the letter of support received by the American Cancer Society, because it sends a strong signal to other groups like this that my bill is a substantial improvement over the current situation in State Medicaid Programs. I ask unanimous consent that the updated list and the letters be printed in the RECORD following my statement.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, in an era of extraordinary budget constraints, we may well be forced to enact legislation that achieves savings from entitlement programs. It would be absolutely inconceivable to me and I assume inconceivable to my colleagues in the Senate for us to pass any budget agreement that asks Medicare recipients and beneficiaries, hospitals, physicians, and other health care providers to contribute to deficit reduction and at the same time not ask the pharmaceutical manufacturers to do their fair share.

I encourage my colleagues to join with me today in sending a very strong message to the drug industry that their longstanding policies of price discrimination against the Medicaid Program will no longer be tolerated.

Mr. President, I sent to the desk the legislation that I have made reference to and ask unanimous consent that a full text of that legislation be printed at the end of my statement.

Mr. President, I also send to the desk an analysis of the drug manufacturers' Medicaid discount proposals prepared by our staff which was referred to earlier along with a summary of the Medicaid Anti-Discriminatory Drug Price and Patient Relief Restoration Act of 1990. I send to the desk a list of those organizations, 27, I believe, in number, who are supporting this legislation, and three letters, Families USA, National Consumers League, and now the American Pharmaceutical Association of Retail Pharmacists, who support this particular legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3029

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act of 1990".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds as follows:

(1) State medicaid programs are under severe and increasing financial pressure as a result of drug price inflation.

(2) States have been forced to respond to this situation with undesirable measures to contain costs, such as excluding categories of drug products from coverage and increasing beneficiary copayments. These actions limit access to needed medications for poor elderly, minority, and other vulnerable low-income populations who rely on the medicaid program.

(3) Drug manufacturers offer, as a matter of business practice, substantial discounts on drug products to many large-volume purchasers.

(4) Medicaid's status as a publicly-funded program for the poor which purchases a large volume of prescription pharmaceuticals entitles it to earn these substantial discounts to the medicaid program.

(5) Drug manufacturers currently discriminate against medicaid recipients by refusing to offer similar discounts to the medicaid program.

(6) Certain drug manufacturers have proposed their own plans for medicaid drug program cost containment that cannot be counted on to achieve cost savings for medicaid and have the potential to create serious access problems to drugs for medicaid beneficiaries.

(b) PURPOSES.—The purposes of this Act are—

(1) to assure that State medicaid drug cost control initiatives are focused on drug manufacturer prices and that medicaid beneficiaries and providers do not absorb the cost of such initiatives;

(2) to obtain the best prices for pharmaceuticals dispensed under medicaid programs;

(3) eliminate drug manufacturer discrimination against low-income groups in the United States by requiring discounts on drug products of a manufacturer as a condition of Federal financial participation under the medicaid program for drug products of the manufacturer;

(4) to provide incentives for drug manufacturers to maintain substantial discounts for medicaid programs; and

(5) to enhance physicians' ability to prescribe and the patients' ability to receive needed medications under the medicaid program.

SEC. 3. REIMBURSEMENT FOR PRESCRIBED DRUGS.

(a) IN GENERAL.—

(1) DENIAL OF FEDERAL FINANCIAL PARTICIPATION UNLESS REBATE AGREEMENTS AND DRUG USE REVIEW IN EFFECT.—Section 1903(i) of the Social Security Act (42 U.S.C. 1396b(i)) is amended—

(A) by striking the period at the end of paragraph (9) and inserting "; or", and

(B) by inserting after paragraph (9) the following new paragraph:

"(10) with respect to covered outpatient drugs of a manufacturer dispensed in any State unless (A) except as provided in section 1927(a)(3), the manufacturer complies with the rebate requirements of section 1927(a) with respect to the drugs so dispensed in all States, and (B) effective January 1, 1993, the State provides for drug use review in accordance with section 1927(g).".

(2) PROHIBITING STATE PLAN DRUG ACCESS LIMITATIONS FOR DRUGS COVERED UNDER A REBATE AGREEMENT.—Section 1902(a) of such Act (42 U.S.C. 1396a(a)) is amended—

(A) by striking "and" at the end of paragraph (52),

(B) by striking the period at the end of paragraph (53) and inserting "; and", and

(C) by inserting after paragraph (53) the following new paragraph:

"(54)(A) provide that, in the case of a manufacturer which has entered into and complies with an agreement under section 1927(a), any formulary or similar restriction (other than a prior authorization program described in section 1927(d)) on the coverage of covered outpatient drugs under the plan shall permit the coverage of covered outpatient drugs of the manufacturer which are prescribed for a medically accepted indication (as defined in section 1927(l)(6)), and

"(B) comply with the reporting requirements of section 1927(b)(2)(A) and the requirements of subsections (d) through (f) and (g)(4) of section 1927. ".

(3) REBATE AGREEMENTS FOR COVERED OUTPATIENT DRUGS, DRUG USE REVIEW, AND RELATED PROVISIONS.—Title XIX of the Social Security Act is amended by redesignating section 1927 as section 1928 and by inserting after section 1926 the following new section:

"PAYMENT FOR PRESCRIBED DRUGS

"SEC. 1927. (a) REQUIREMENT FOR REBATE AGREEMENT.—

"(1) IN GENERAL.—In order for payment to be available under section 1903(a) for covered outpatient drugs of a manufacturer, the manufacturer must have entered into and in effect a rebate agreement described in subsection (b) with the Secretary, on behalf of all the States. If a manufacturer has not entered into such an agreement before January 1, 1991, such an agreement, subsequently entered into, shall not be effective until the first day of the calendar quarter that begins more than 60 days after the date the agreement is entered into.

"(2) EFFECTIVE DATE.—Paragraph (1) shall first apply to drugs dispensed under this title on or after January 1, 1991.

"(3) AUTHORIZING PAYMENT, WITH PRIOR AUTHORIZATION, FOR DRUGS NOT COVERED UNDER REBATE AGREEMENTS.—Paragraph (1), and section 1903(i)(10)(A), shall not apply to the dispensing of a single source drug or innovator multiple source drug if the physician has obtained approval of the drug in advance of its dispensing in accordance with a prior authorization program described in subsection (d).

"(4) EFFECT ON EXISTING AGREEMENTS.—In the case of a rebate agreement in effect between a State and a manufacturer on the date of the enactment of this section, such agreement may remain in effect, and shall be considered to be a rebate agreement in compliance with this section with respect to that State, if the State establishes to the satisfaction of the Secretary that the agreement provides for rebates that are at least as large as the rebates otherwise required under this section.

"(b) TERMS OF REBATE AGREEMENT.—

"(1) QUARTERLY REBATES.—

"(A) IN GENERAL.—A rebate agreement under this subsection shall require the manufacturer to provide, to each State plan approved under this title, for a rebate each calendar quarter in the amount specified in subsection (c) for covered outpatient drugs of the manufacturer dispensed under the plan during the quarter. Such a rebate shall be paid by the manufacturer not later than 30 days after the date of receipt of the information described in paragraph (2) for that quarter.

"(B) OFFSET AGAINST MEDICAL ASSISTANCE.—Amounts received by a State as rebates under this section in any quarter shall be considered to be a reduction in the amount expended under the State plan in the quarter for medical assistance for purposes of section 1903(a)(1); except that States shall provide, in a manner specified by the Secretary, for payments to the Prescription Drug Policy Review Commission (established under subsection (i)) of such portion of such rebates as may be specified in appropriation Acts.

"(2) STATE PROVISION OF INFORMATION.—

"(A) STATE RESPONSIBILITY.—Each State agency under this title shall report to each manufacturer, not later than 60 days after the end of each calendar quarter and in a form consistent with any standard reporting format established by the Secretary, information on the total number of dosage units of each covered outpatient drug dispensed under the plan during the quarter, and shall promptly transmit a copy of such report to the Secretary.

"(B) LIMITATIONS ON AUDIT.—A manufacturer has the right to an audit only of the information provided (or required to be provided) under subparagraph (A). Adjustments to rebates shall be made to the extent that information indicates that utilization was greater or less than the amount previously specified.

"(C) NOTICE TO SECRETARY.—Each State agency shall notify the Secretary within 30 days after the date each rebate is received under this section.

"(3) MANUFACTURER PROVISION OF PRICE INFORMATION.—

"(A) IN GENERAL.—Each manufacturer with an agreement in effect under this section shall report to the Secretary (and make available upon request to each State agency)—

"(i) not later than 30 days after the last day of each quarter (beginning on or after January 1, 1991), on the average manufacturer price (as defined in subsection (l)(1)) and (for single source drugs and innovator multiple source drugs) the manufacturer's best price (as defined in subsection (c)(3)(A)) for covered outpatient drugs for the quarter, and

"(ii) not later than 30 days after the date of entering into an agreement under this section on the best price (as defined in subsection (c)(3)(B)) as of September 1, 1990 for each of the manufacturer's covered outpatient drugs.

"(B) VERIFICATION SURVEYS OF AVERAGE MANUFACTURER PRICE.—The Secretary may survey wholesalers and manufacturers that directly distribute their covered outpatient drugs, when necessary to verify average manufacturer prices reported under subparagraph (A). The Secretary may impose a civil monetary penalty in an amount not to exceed $10,000 on a wholesaler, manufacturer, or direct seller, if the wholesaler, manufacturer, or direct seller of a covered outpatient drug refuses a request for information about charges or prices by the Secretary in connection with a survey under this subparagraph or knowingly provides false information. The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under this subparagraph in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).

"(C) PENALTIES.—

"(i) FAILURE TO PROVIDE TIMELY INFORMATION.—In the case of a manufacturer with an agreement under this section that fails to provide information required under subparagraph (A) on a timely basis, the amount of the rebate required under the agreement shall be increased by $10,000 for each day in which such information has not been provided, and, if such information is not reported within 90 days of the deadline imposed, the agreement shall be suspended for services furnished after the end of such 90-day period and until the date such information is reported (but in no case shall such suspension be for a period of less than 30 days).

"(ii) FALSE INFORMATION.—Any manufacturer with an agreement under this section that knowingly provides false information is subject to a civil money penalty in an amount not to exceed $100,000 for each item of false information. Such civil money penalties are in addition to other penalties as may be prescribed by law (including exclusion under section 1128(b)(11)). The provisions of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under this subparagraph in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).

"(D) CONFIDENTIALITY OF INFORMATION.—Information disclosed by manufacturers or wholesalers under this paragraph is confidential and shall not be disclosed by the Secretary or a State agency (or contractor therewith) in a form which discloses the identity of a specific manufacturer or wholesaler, except as the Secretary determines to be necessary to carry out this section and to permit the Comptroller General to review the information provided.

"(4) LENGTH OF AGREEMENT.—

"(A) IN GENERAL.—A rebate agreement shall be effective for an initial period of 1 year and shall be automatically renewed for an additional 1-year period unless terminated under subparagraph (B).

"(B) TERMINATION.—

"(i) BY THE SECRETARY.—The Secretary may provide for termination of a rebate agreement for violation of the requirements of the agreement or other good cause shown. Such termination shall not be effective earlier than 60 days after the date of notice of such termination. The Secretary shall provide, upon request, a manufacturer with a hearing concerning such a termination, but such hearing shall not delay the effective date of the termination.

"(ii) BY A MANUFACTURER.—A manufacturer may terminate a rebate agreement under this section for any reason. Any such termination shall not be effective until such period (of not more than 1 year) after the date of the notice as the Secretary may provide by regulation.

"(iii) EFFECTIVENESS OF TERMINATION.—Any termination under this subparagraph shall not affect rebates due under the agreement before the effective date of its termination.

"(C) DELAY BEFORE REENTRY.—In the case of any rebate agreement with a manufacturer under this section which is terminated, a new such agreement with the manufacturer (or a successor manufacturer) may not be entered into until a period of 1 calendar quarter has elapsed since the date of the termination, unless the Secretary finds good cause for an earlier reinstatement of such an agreement.

"(c) AMOUNT OF REBATE.—

"(1) IN GENERAL.—

"(A) SINGLE SOURCE DRUGS AND INNOVATOR MULTIPLE SOURCE DRUGS.—Except as provided in this subsection and subsection (b)(3)(C)(i), the amount of the rebate to a State during a calendar quarter with respect to single source drugs and innovator multiple source drugs shall be equal to the product of—

"(i) the amount by which (I) the average manufacturer price during the quarter for each dosage form and strength of a covered outpatient drug (after deducting customary prompt payment discounts), exceeds (II) the manufacturer's best price (as defined in paragraph (3)) for such form and strength; and

"(ii) the number of units of such form and dosage dispensed under the plan under this title in the State in the quarter (as reported by the State under subsection (b)(2)).

"(B) OTHER DRUGS.—Except as provided in subsection (b)(3)(C)(i), the amount of the rebate to a State during a calendar quarter with respect to covered outpatient drugs (other than single source drugs and innovator multiple source drugs) shall be equal to the product of—

"(i) 10 percent of the average manufacturer price to wholesalers during the quarter for each dosage form and strength of a covered outpatient drug (after deducting customary prompt payment discounts); and

"(ii) the number of units of such form and dosage dispensed under the plan under this title in the State in the quarter (as reported by the State under subsection (b)(2)).

"(2) MINIMUM AND MAXIMUM REBATE RATES FOR SINGLE SOURCE DRUGS AND INNOVATOR MULTIPLE SOURCE DRUGS.—In no case shall the amount of the rebate described in paragraph (1)(A) for a manufacturer for a calendar quarter with respect to single source drugs and innovator multiple source drugs be less than 10 percent, or more than 25 percent of the product of the price described in paragraph (1)(A)(i)(I) and the number of units described in paragraph (1)(A)(ii) for the quarter.

"(3) BEST PRICE DEFINED.—

"(A) IN GENERAL.—In this subsection, the term 'best price' means, for a covered outpatient drug of a manufacturer dispensed in a calendar quarter—

"(i) the lowest price available for the drug from the manufacturer to any wholesaler, retailer, provider, nonprofit entity, or governmental entity within the United States during the quarter, or

"(ii) the lowest price in effect for the drug from the manufacturer to any wholesaler, retailer, provider, nonprofit entity, or governmental entity within the United States in effect on September 1, 1990, increased (for calendar quarters beginning on or after

January 1, 1991) by the percentage increase in the Consumer Price Index for All Urban Consumers (all items; U.S. city average) from September 1990 to the month before the beginning of the calendar quarter involved,

whichever is lower.

"(B) TREATMENT OF NEW DRUGS.—In the case of a covered outpatient drug approved for marketing after September 1, 1990, any reference in subparagraph (A)(ii) to 'September 1, 1990' or 'September 1990' shall be a reference to the first day of the first month, and the first month, respectively, during which the drug was marketed and any reference in subsection (b)(3)(A)(ii) to '30 days after the date of entering into an agreement under this section on the best price described in paragraph (3)(B) as of September 1, 1990' shall be a reference to '30 days after the date the drug is first marketed in the United States'.

"(C) COMPUTATION OF LOWEST PRICE.—The lowest price described in this paragraph shall be inclusive of cash discounts, free goods, volume discounts, and rebates, shall be determined without regard to special packaging, labeling, or identifiers on the dosage form or product or package, and shall not take into account prices that are merely nominal in amount.

"(d) LIMITATIONS ON PRIOR AUTHORIZATION PROGRAMS.—

"(1) CONDITIONS.—A State plan under this title may not require, as a condition of coverage or payment for a covered outpatient drug for which Federal financial participation is available in accordance with this section, the approval of the drug before its dispensing for any medically accepted indication (as defined in subsection (l)(6)) unless the system providing for such approval—

"(A) is available to physicians 24 hours a day, 7 days a week, and

"(B) provides an immediate response by telephone or other telecommunication device to an inquiry.

"(2) DELAYED EFFECTIVE DATE.—Paragraph (1) shall only apply to prior authorization programs for drugs dispensed on or after April 1, 1991.

"(e) PARTIAL RESTORATION OF PAYMENTS TO PHARMACISTS.—

"(1) IN GENERAL.—Beginning fiscal year 1991 and ending September 30, 1993, each State plan under this title shall provide, after the end of each fiscal year and in a lump-sum payment, for a payment to pharmacies dispensing covered outpatient drugs under this title during the fiscal year.

"(2) AMOUNT OF PAYMENT.—The amount of the payment under this subsection for any fiscal year to a pharmacist shall bear the same ratio to 10 percent of the total amount of rebates received under this section by the State in the fiscal year involved, as the ratio of the number of prescriptions filled by the pharmacy under this title in the fiscal year bears to the total of such number for all pharmacies in the State in the fiscal year, and will be made within 60 days after the end of each fiscal year.

"(f) CHANGES IN REIMBURSEMENT SYSTEM FOR PRESCRIBED DRUGS.—

"(1) DISPENSING FEES.—

"(A) ANNUAL STUDY.—Each State plan shall have conducted, by not later than March 1 of each year (beginning with 1993), a study to determine the cost of dispensing prescriptions for covered outpatient drugs under this title. The study shall include a statistically valid sample of retail pharmacies in the State and shall use a generally accepted method to calculate the cost of dispensing a prescription.

"(B) UPDATING DISPENSING FEES.—Beginning on March 1, 1993, and yearly thereafter, each State shall update the payment amounts provided under the State plan for dispensing prescriptions to reflect a reasonable reimbursement fee which is based on the study of costs of dispensing prescriptions most recently conducted under subparagraph (A).

"(2) NO REDUCTIONS IN REIMBURSEMENT LIMITS.—Prior to March 1, 1993, no changes may be made by the Secretary or a State to the formula used to determine the reimbursement limits in effect under this title as of August 1, 1990, which would result in a reduction in the limit relative to either the ingredient cost portion or the dispensing fee portion of the formula, for covered outpatient drugs.

"(3) DENIAL OF FEDERAL FINANCIAL PARTICIPATION IN CERTAIN CASES.—The Secretary shall provide that no payment shall be made to a State under section 1903(a) for an innovator multiple-source drug dispensed on or after April 1, 1991, if, under applicable state law, a noninnovator multiple source drug (other than the innovator multiple-source drug) could have been dispensed consistent with such law.

"(g) DRUG USE REVIEW.—

"(1) IN GENERAL.—In order to meet the requirement of section 1903(i)(10)(B), a State shall provide, by not later than January 1, 1993, for a drug use review program described in paragraph (2) for covered outpatient drugs and for prescription drugs (other than psychopharmacologic drugs described in section 1919(c)(2)(D)) dispensed to residents of nursing facilities in order to assure that prescriptions (A) are appropriate, (B) are medically necessary, and (C) are not likely to result in adverse medical results.

"(2) DESCRIPTION OF PROGRAM.—Each drug use review program shall meet the following requirements for covered outpatient drugs and other prescription drugs:

"(A) PROSPECTIVE DRUG REVIEW.—(i) The State plan shall provide for a review of drug therapy before each prescription is filled or delivered to the patient, typically at the point-of-sale or point of distribution. Each pharmacist shall use the compendia referred to in subsection (l)(6) as its source of standards for such review.

"(ii) As part of the State's prospective drug use review program under this subparagraph, applicable State law shall establish standards for patient counseling by pharmacists which includes at least the following:

"(I) The pharmacist must offer to discuss with each patient or caregiver (in person, whenever practicable, or through access to a telephone service which is toll-free for long-distance calls) who presents a new prescription all matters, which in the exercise of the pharmacist's professional judgment the pharmacist deems significant, including at least the following:

"(a) The name and description of the medication.

"(b) The route, dosage, administration, and continuity of drug therapy.

"(c) Special directions for use by the patient as deemed necessary by the pharmacist.

"(d) Common severe adverse effects or interactions that may be encountered, and the action required if they occur.

"(II) A reasonable effort must be made by the pharmacist to obtain, record, and maintain at least the following patient information:

"(a) Patient name, address, telephone number, date of birth (or age), and gender.

"(b) Patient history where significant, including chronic disease state or states, known allergies and drug reactions, and as current of a comprehensive list of medications and relevant devices as possible.

"(c) Pharmacist comments.

Nothing in this clause shall be construed as requiring a pharmacist to provide consultation when a patient or caregiver refuses such consultation.

"(B) RETROSPECTIVE DRUG USE REVIEW.—The program shall provide, through its mechanized drug claims processing and information retrieval systems (approved by the Secretary under section 1903(r)) or otherwise, for the periodic examination of claims data and other records in order to identify patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care, among physicians, pharmacies, and patients, or associated with specific drugs or groups of drugs.

"(C) APPLICATION OF STANDARDS.—The program shall assess data on drug use against explicit predetermined standards and, as necessary, introduce remedial strategies, in order to improve the quality of care, to conserve program funds or personal expenditures, and to control fraud and benefit abuse.

"(D) EDUCATIONAL PROGRAM.—The program shall, through its State drug use review board established under paragraph (4), educate physicians and pharmacists to identify and reduce the frequency of patterns of fraud, abuse, gross overuse, or inappropriate or medically unnecessary care, among physicians, pharmacies, and patients, or associated with specific drugs or groups of drugs, as well as potential and actual severe adverse reactions to drugs, including such reactions due to—

"(i) interaction of two or more drugs being taken concurrently;

"(ii) concurrent use of two or more drugs from within the same drug use class;

"(iii) excessive or subtherapeutic daily dose;

"(iv) allergies to drugs;

"(v) interaction of prescribed drugs with drugs available without a prescription (commonly referred to as 'over-the-counter' drugs);

"(vi) incorrect drug dosage or duration of drug treatment; and

"(vii) interaction between a drug and an existing disease State.

"(3) USE OF INFORMATION BY SECRETARY.—At the earliest possible date after the date of the enactment of this section, the Secretary shall use the information on individual prescription claims which is available in the mechanized claims processing and information retrieval system provided for in section 1903(r) in order to perform retrospective drug use reviews described in paragraph (2)(B); except that information which comes to the Secretary's attention through a State's mechanized claims processing and information retrieval system and which suggests a pattern of inappropriate or medically unnecessary prescribing or dispensing of covered outpatient drugs shall be referred to the drug use review board of the concerned State, which shall use the information as the basis for targeting educational outreach and intervention under paragraph (4). This authority of the State board is not to be construed to limit any existing authority of the Secretary or the State to respond

to problems identified in the course of the prospective drug use reviews performed under this subsection.

"(4) STATE DRUG USE REVIEW BOARD.—

"(A) ESTABLISHMENT AND MEMBERSHIP.—Each State shall provide for the establishment of a drug use review board. The chairman of the board and a majority of the membership shall be practicing physicians. The remaining membership shall include clinical pharmacologists and pharmacists. All members shall have recognized knowledge and expertise in one or more of the following:

"(i) The appropriate prescribing the dispensing of covered outpatient drugs.

"(ii) Drug prescribing and dispensing.

"(iii) Drug use review.

"(iv) Medical quality assurance.

"(B) ANNUAL REPORT.—Each State drug use review board shall prepare and submit to the Secretary on an annual basis a report of the activities of the Board to identify the nature and the scope of the retrospective drug use review program, a summary of the interventions used, an assessment of the impact of these educational interventions on quality of care, and an estimate of the cost savings generated as a result of such program. The Secretary shall utilize such report in evaluating the effectiveness of each State's retrospective program.

"(C) EDUCATIONAL OUTREACH AND INTERVENTION.—Each State drug use review board shall, either directly or through contracts with utilization and quality control peer review organizations, as defined in section 1152, or with State medical societies, conduct ongoing educational outreach and intervention programs for physicians and pharmacists, targeted toward problems or individuals identified in the course of retrospective drug use reviews performed under this subsection, and evaluate the success of the interventions and make modifications as necessary. These educational outreach and intervention programs shall include at least—

"(i) written, oral, or electronic reminders containing patient-specific or drug-specific (or both) information and suggested changes in prescribing or dispensing practices, communicated in a manner designed to ensure the privacy of patient-related information;

"(ii) use of face-to-face interventions by health professionals with prescribers and dispensers, including follow up visits and discussion of optimal prescribing or dispensing practices; and

"(iii) enhanced review or monitoring of prescribers or dispensers exhibiting a pattern of suspected substandard care.

"(h) ELECTRONIC CLAIMS MANAGEMENT.—

"(1) IN GENERAL.—In accordance with chapter 35 of title 44, United States Code (relating to coordination of Federal information policy), the Secretary shall encourage each State agency to establish, as its principal means of processing claims for covered outpatient drugs under this title, a point-of-sale electronic claims management system, for the purpose of performing online, real time eligibility verifications, claims data capture, adjudication of claims, and assisting pharmacists (and other authorized persons) in applying for and receiving payment.

"(2) ENCOURAGEMENT.—In order to carry out paragraph (1)—

"(A) for calendar quarters during fiscal years 1991 and 1992, expenditures under the State plan attributable to development and operation of a system described in shall receive Federal financial participation under section 1903(a)(3)(A)(i) (at a matching rate of 90 percent) if the State acquires, through the applicable competitive procurement process in the State, the most efficient and cost-effective telecommunications network and automatic data processing services and equipment; and

"(B) the Secretary may permit, in the procurement described in subparagraph (A) in the application of part 433 of title 42, Code of Federal Regulations, and parts 95, 205, and 307 of title 45, Code of Federal Regulations, the substitution of the State's request for proposal in competitive procurement for advance planning and implementation documents otherwise required.

"(i) PRESCRIPTION DRUG POLICY REVIEW COMMISSION.—

"(1) IN GENERAL.—The Director of the Congressional Office of Technology Assessment (in this subsection referred to as the 'Director' and the 'Office', respectively) shall provide for the appointment of a Prescription Drug Policy Review Commission (in this subsection referred to as the 'Commission'), to be composed of individuals with expertise in the provision and financing of inpatient and outpatient drugs and biologicals. The provisions of title 5, United States Code, governing appointments in the competitive service shall not apply to the appoint of members of the Commission.

"(2) COMPOSITION.—

"(A) IN GENERAL.—The Commission shall consist of 11 individuals. Members of the Commission shall first be appointed by no later than January 1, 1991, for a term of 3 years, except that the Director may provide initially for such shorter terms as will insure that (on a continuing basis) the terms of no more than 4 members expire in any one year.

"(B) MEMBERSHIP.—The membership of the Commission shall include recognized experts in the fields of health care economics and quality assurance, medicine, pharmacology, pharmacy, and prescription drug reimbursement, as well as at least one individual who is a medicaid recipient.

"(3) ANNUAL REPORTS.—The Commission shall submit to the Congress an annual report (by not later than June 1 of each year beginning with 1992) which shall include information and recommendations regarding drug policy issues, such as—

"(A) the scope of coverage and reimbursement for prescribed drugs under this title, including accessibility of drugs to medical assistance recipients;

"(B) the availability and affordability of private insurance for prescription drug costs, the advisability of providing Federal funding to encourage the development of State pharmaceutical assistance plans for the elderly;

"(C) changes in manufacturers' prices for prescribed drugs and pharmacists' charges for covered outpatient drugs; and

"(D) changes in the level and nature of use of covered outpatient drugs by medical assistance recipients, taking into account the impact of such changes on aggregate expenditures under this title.

"(4) SPECIAL REPORT.—The Commission shall submit to Congress a report, by not later than December 1, 1993, including information and recommendations concerning—

"(A) methods of payment for drug products, including evaluation of methods of negotiating prices with drug manufacturers, of reimbursing pharmacists for cognitive services and prescription drug products, and other approaches to payment policy;

"(B) methods for assessing the relative therapeutic contribution of new drugs approved for marketing in the United States, including recommendations for expedited coverage under this title for products making a significant contribution to existing drug therapies;

"(C) requirements necessary for efficient program administration, such as uniform drug nomenclature, electronic claims management and payment technologies, and uniform reporting of claims; and

"(D) forms of cost-containment now used by private entities, including an assessment of the documented potential for significant expenditure reductions under this title resulting from price negotiations between manufacturers of drug products which are therapeutic alternates.

"(5) ADMINISTRATIVE PROVISIONS.—Section 1845(c)(1) shall apply to the Commission in the same manner as it applies to the Physician Payment Review Commission.

"(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection. Rebates provided under agreements under this section shall be available, in the manner specified in subsection (b)(1)(B) to carry out this subsection.

"(j) ANNUAL REPORT AND DATABASE.—

"(1) IN GENERAL.—Not later than May 1 of each year (beginning with 1992) , the Secretary shall transmit to the Committee on Finance of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committees on Aging of the Senate and the House of Representative a report on the operation of this section in the preceding fiscal year.

"(2) DETAILS.—Each report shall include information on—

"(A) ingredient costs paid under this title for single source drugs, multiple source drugs, and nonprescription covered outpatient drugs;

"(B) the total value of rebates received and number of manufacturers providing such rebates;

"(C) how the size of such rebates compare with the size or rebates offered to other purchasers of covered outpatient drugs;

"(D) the effect of inflation on the value of rebates required under this section; and

"(E) trends in prices paid under this title for covered outpatient drugs.

"(3) MEDICAID PRESCRIPTION DRUG DATA BASE.—

"(A) DEVELOPMENT.—Not later than October 1, 1991, the Secretary shall develop and make available for research purposes a medicaid prescription drug data base, which contains information (in a form that protects the confidentiality of information that identifies individual patients or confidential manufacturer information) on each State's program for covered outpatient drugs under this title.

"(B) TRANSMITTAL OF INFORMATION.—Each State agency shall transmit to the Secretary such data as may be necessary to carry out this paragraph.

"(C) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this paragraph. Rebates provided under agreements under this section shall be available, in the same manner specified in subsection (b)(1)(B) as such rebates are available to carry out subsection (i), to carry out this subsection.

"(D) EXPENSES.—Expenses required to carry out this paragraph in any quarter

shall be considered to be amounts expended during such quarter as medical assistance under section 1903(a)(1) and shall be offset against rebates received by States under this section in a manner proportional to the rebates received by each such State.

"(k) MISCELLANEOUS.—

"(1) EXCLUSION OF CERTAIN DRUG ASSOCIATED WITH EXCLUSIVE PATIENT MONITORING SERVICES.—Nothing in this title shall be construed as requiring a State to provide medical assistance for covered outpatient drugs of a manufacturer which requires, as a condition for the purchase of the drugs, that the manufacturer be paid for associated services or tests (such as patient monitoring systems) provided only by the manfacturer or its designee.

"(2) APPLICATION OF REBATE.—If a State elects to provide medical assistance for drugs described in paragraph (1), such drugs shall be subject to the rebate schedule described in subsection (c).

"(l) DEFINITIONS.—In this section:

"(1) AVERAGE MANUFACTURER PRICE.—The term 'average manufacturer price' means, with respect to a covered outpatient drug of a manufacturer for a calendar quarter, the average price paid to the manufacturer for the drug by retail pharmacies or by wholesalers for drugs distributed to the retail pharmacy class of trade.

"(2) COVERED OUTPATIENT DRUG.—Subject to the exceptions in paragraph (3), the term 'covered outpatient drug' means—

"(A) of those drugs which are treated as prescribed drugs for purposes of section 1905(a)(12), a drug which may be dispensed only upon prescription (except as provided in paragraph (5)), and—

"(i) which is approved for safety and effectiveness as a prescription drug under sections 505 or 507 of the Federal Food, Drug, and Cosmetic Act or which is approved under section 505(j) of such Act;

"(ii)(I) which was commercially used or sold in the United States before the date of the enactment of the Drug Amendments of 1962 or which is identical, similar, or related (within the meaning of section 310.6(b)(1) of title 21 of the Code of Federal Regulations) to such a drug, and (II) which has not been the subject of a final determination by the Secretary that it is a 'new drug' (within the meaning of section 201(p) of the Federal Food, Drug, and Cosmetic Act) or an action brought by the Secretary under sections 301, 302(a), or 304(a) of such Act to enforce sections 502(f) or 505(a) of such Act; or

"(iii)(I) which is described in section 107(c)(3) of the Drug Amendments of 1962 and for which the Secretary has determined there is a compelling justification for its medical need, or is identical, similar, or related (within the meaning of section 310.6(b)(1) of title 21 of the Code of Federal Regulations) to such a drug, and (II) for which the Secretary has not issued a notice of an opportunity for a hearing under section 505(e) of the Federal Food, Drug, and Cosmetic Act on a proposed order of the Secretary to withdraw approval of an application for such drug under such section because the Secretary has determined that the drug is less than effective for all conditions of use prescribed, recommended, or suggested in its labeling;

"(B) a biological product which—

"(i) may only be dispensed upon prescription,

"(ii) is licensed under section 351 of the Public Health Service Act, and

"(iii) is produced at an establishment licensed under such section to produce such product; and

"(C) insulin certified under section 506 of the Federal Food, Drug, and Cosmetic Act.

"(3) LIMITING DEFINITION.—The term 'covered outpatient drug' does not include any drug, biological product, or insulin provided as part of, or as incident to, and in the same setting as, any of the following (and for which payment may be made under this title as part of payment for the following and not as direct reimbursement for the drug):

"(A) Inpatient hospital services.

"(B) Hospice services.

"(C) Dental services, except that drugs for which the State plan authorizes direct reimbursement to the dispensing dentist are covered outpatient drugs.

"(D) Physician office visits.

"(E) Outpatient hospital emergency room visits.

"(F) Outpatient surgical procedures.

Such term also does not include any such drug or product which is used for a medical indication which is not a medically accepted indication.

"(4) NONPRESCRIPTION DRUGS.—If a State plan for medical assistance under this title includes coverage of prescribed drugs as described in section 1905(a)(12) and permits coverage of drugs which may be sold without a prescription (commonly referred to as 'over-the-counter' drugs), if they are prescribed by a physician (or other person authorized to prescribe under State law), such a drug may be regarded as a covered outpatient drug.

"(5) MANUFACTURER.—The term 'manufacturer' means any entity which is engaged in—

"(A) the production, preparation, propagation, compounding, conversion, or processing of prescription drug products, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or

"(B) in the packaging, repackaging, labeling, relabeling, and distribution of prescription drug products. Such term does not include a wholesale distributor of drugs or a retail pharmacy licensed under State law.

"(6) MEDICALLY ACCEPTED INDICATION.—The term 'medically accepted indication' means any use for a covered outpatient drug which is approved under the Federal Food, Drug, and Cosmetic Act or which is accepted by one or more of the following compendia: the American Hospital Formulary Service-Drug Information, the American Medical Association Drug Evaluations, and the United States Pharmacopeia-Drug Information.

"(7) MULTIPLE SOURCE DRUG; INNOVATOR MULTIPLE SOURCE DRUG; NONINNOVATOR MULTIPLE SOURCE DRUG; SINGLE SOURCE DRUG.—

"(A) DEFINITIONS.—

"(i) MULTIPLE SOURCE DRUG.—The term 'multiple source drug' means, with respect to a calendar quarter, a covered outpatient drug (not including any drug described in paragraph (5)) for which there are 2 or more drug products which—

"(I) are rated as therapeutically equivalent (under the Food and Drug Administration's most recent publication of 'Approved Drug Products with Therapeutic Equivalence Evaluations'),

"(II) except as provided in subparagraph (B), are pharmaceutically equivalent and bioequivalent, as defined in subparagraph (C) and as determined by the Food and Drug Administration, and

"(III) are sold or marketed in the State during the period.

"(ii) INNOVATOR MULTIPLE SOURCE DRUG.—The term 'innovator multiple source drug' means a multiple source drug that was originally marketed under an original new drug application approved by the Food and Drug Administration.

"(iii) NONINNOVATOR MULTIPLE SOURCE DRUG.—The term 'noninnovator multiple source drug' means a multiple source drug that is not an innovator multiple source drug.

"(iv) SINGLE SOURCE DRUG.—The term 'single source drug' means a covered outpatient drug which is produced or distributed under an original new drug application approved by the Food and Drug Administration, including a drug product marketed by any cross-licensed producers or distributers operating under the new drug application.

"(B) EXCEPTION.—Subparagraph (A)(i)(II) shall not apply if the Food and Drug Administration changes by regulation (after an opportunity for public comment of 90 days) the requirement that, for purposes of the publication described in subparagraph (A)(i)(I), in order for drug products to be rated as therapeutically equivalent, they must be pharmaceutically equivalent and bioequivalent, as defined in subparagraph (C).

"(C) DEFINITIONS.—For purposes of this paragraph—

"(i) drug products are pharmaceutically equivalent if the products contain identical amounts of the same active drug ingredient in the same dosage form and meet compendial or other applicable standards of strength, quality, purity, and identity;

"(ii) drugs are bioequivalent if they do not present a known or potential bioequivalence problem, or, if they do present such a problem, they are shown to meet an appropriate standard of bioequivalence; and

"(iii) a drug product is considered to be sold or marketed in a State if it appears in a published national listing of average wholesale prices selected by the Secretary, provided that the listed product is generally available to the public through retail pharmacies in that State.

"(8) STATE AGENCY.—The term 'State agency' means the agency designated under section 1902(a)(5) to administer or supervise the administration of the State plan for medical assistance.".

(c) FUNDING.—

(1) DRUG USE REVIEW PROGRAMS.—Section 1903(a)(3) of such Act (42 U.S.C. 1936b(a)(3)) is amended—

(A) by striking "plus" at the end of subparagraph (C) and inserting "and", and

(B) by adding at the end the following new subparagraph:

"(D) 75 percent of so much of the sums expended by the State plan during a quarter in 1991, 1992, or 1993, as the Secretary determines is attributable to the statewide adoption of a drug use review program which conforms to the requirements of section 1927(g); plus".

(2) TEMPORARY INCREASE IN FEDERAL MATCH FOR ADMINISTRATIVE COSTS.—The per centum to be applied under section 1903(a)(7) of the Social Security Act for amounts expended during calendar quarters in fiscal year 1991 which are attributable to administrative activities necessary to carry out section 1927 (other than subsection (g)) of such Act shall be 75 percent, rather than 50 per centum.

(d) DEMONSTRATION PROJECTS.—

(1) PROSPECTIVE DRUG UTILIZATION REVIEW.—

(A) The Secretary of Health and Human Services shall provide, through competitive

procurement by not later than January 1, 1992, for the establishment of at least 10 statewide demonstration projects to evaluate the efficiency and cost-effectiveness of prospective drug utilization review (as a component of on-line, real-time electronic point-of-sales claims management) in fulfilling patient counseling and in reducing costs for prescription drugs.

(B) Each of such projects shall establish a central electronic repository for capturing, storing, and updating prospective drug utilization review data and for providing access to such data by participating pharmacists (and other authorized participants).

(C) Under each project, the pharmacist or other authorized participant shall assess the active drug regimen of recipients in terms of duplicate drug therapy, therapeutic overlap, allergy and cross-sensitivity reactions, drug interactions, age precautions, drug regimen compliance, prescribing limits, and other appropriate elements.

(D) Not later than January 1, 1994, the Secretary shall submit to Congress a report on the demonstration projects conducted under this paragraph.

(2) DEMONSTRATION PROJECT ON COST-EFFECTIVENESS OF REIMBURSEMENT FOR PHARMACISTS' COGNITIVE SERVICES.—

(A) The Secretary of Health and Human Services shall conduct a demonstration project to evaluate the impact on quality of care and cost-effectiveness of paying pharmacists under title XIX of the Social Security Act, whether or not a drug is dispensed, for drug use review services. For this purpose, the Secretary shall provide for no fewer than 5 demonstration sites and the participation of a significant number of pharmacists.

(B) Not later than January 1, 1995, the Secretary shall submit a report to the Congress on the results of the demonstration project conducted under subparagraph (A).

(e) STUDIES.—

(1) STUDY OF THERAPEUTIC INTERCHANGABILITY.—

(A) The Secretary of Health and Human Services shall undertake a study of therapeutic interchangeability among pharmaceutical products and biologicals.

(B) The study shall include a review of—

(i) the scientific and clinical foundation for the concept of therapeutic interchangeability among drug products;

(ii) the use of therapeutic interchangeability by health care institutions, including Federally funded hospitals and health care programs, in managing drug therapy and containing costs;

(iii) current outpatient prescription drug systems which employ therapeutic interchangeability for the purpose of developing a therapeutic formulary and the patient safeguards incorporated into such a system;

(iv) how the concept of therapeutic interchangeability can be used by Federally funded programs and other third-party insurers for the purpose of managing drug therapy and containing costs; and

(v) mechanisms that might be developed on the national and State level to make determinations of therapeutic interchangeability of drug products.

(C) By not later than June 1, 1992, the Secretary shall submit a report to the Committee on Finance of the Senate, the Committee on Energy and Commerce of the House of Representatives and the Committees on Aging of the Senate and the House of Representatives concerning the study conducted under this paragraph.

(2) STUDY OF DRUG PURCHASING AND BILLING ACTIVITIES OF VARIOUS HEALTH CARE SYSTEMS.—

(A) The Comptroller General shall conduct a study of the drug purchasing and billing practices of hospitals, other institutional facilities, and managed care plans which provide covered outpatient drugs in the medicaid program. The study shall compare the ingredient costs of drugs for medicaid prescriptions to these facilities and plans and the charges billed to medical assistance programs by these facilities and plans compared to retail pharmacies.

(B) By not later than May 1, 1991, the Comptroller General shall report to the Secretary of Health and Human Services, the Committee on Finance of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committees on Aging of the Senate and the House of Representatives on the study conducted under subparagraph (A).

(3) REPORT ON DRUG PRICING.—By not later than May 1 of each year, the Comptroller General shall submit to the Secretary of Health and Human Services, the Committee on Finance of the Senate, the Committee on Energy and Commerce of the House of Representatives, and the Committees on Aging of the Senate and House of Representatives an annual report on changes in prices charged by manufacturers for prescription drugs to the Department of Veterans' Affairs, other Federal programs, retail and hospital pharmacies, and other purchasing groups and managed care plans.

ANALYSIS OF DRUG MANUFACTURER MEDICAID DRUG DISCOUNT PROPOSALS AND NECESSARY ELEMENTS OF MEDICAID DRUG PRICE NEGOTIATION PLAN

(Prepared by the Office of Senator David Pryor)

INTRODUCTION

Several drug manufacturers have proposed their own "national" plans for Medicaid drug cost containment: Merck, Pfizer, Glaxo and Upjohn. These manufacturers are to be commended for taking the initiative to offer their own solution to the urgent problem of containing rising drug prices for the Medicaid program. At first glance, these plans would seem to make available to the Medicaid program the same discounts on drug products that manufacturers generally offer to other large purchasers. For example, the DVA pays anywhere from 40 to 70% less than does Medicaid for the same drugs.

Unfortunately, as this paper will demonstrate, these proposals will not achieve substantive cost savings for the Medicaid drug programs. This conclusion is based on an analysis of each plan using the principles for Medicaid drug price reduction legislation developed by Senator David Pryor (D-Ark), which are summarized in the text.

In short, the analysis makes clear that any program that gives the drug manufacturers free reign to reduce or eliminate the discounts or manipulate their "best prices" cannot be counted on to achieve significant savings for the multi-billion dollar Medicaid drug program. All the manufacturer proposals advanced to date have this shortcoming and are therefore not likely to be scored as "budget savers" for the Medicaid drug program.

In analyzing these plans, the necessary elements of a responsible Medicaid drug price reduction plan that uses a manufacturers' "best price" or "lowest price" approach to contain costs is outined. A tabular summary of the analysis is attached.

SUMMARY AND ANALYSIS OF DRUG MANUFACTURERS' PLANS

The major provisions of each manufacturer's plan are described and analyzed below:

Merck and Pfizer.—These drug companies have proposed national plans which would require that drug manufacturers give Medicaid the "best prices" (through a rebate system) that they charge any other purchaser for their drug products. In return, each state would be required to put all the manufacturers' single source drugs on the state Medicaid drug program formulary. Merck provides for a 10% minimum aggregate rebate, with a yearly phase-in (over a 5 year period of time) to the manufacturers' "best price" for each single source product. Because Merck's "best prices" to purchasers are currently about 10% off the retail price, their plan would protect their discounts.

Pfizer has a three-year phase in to the "best price". However, in this plan there are no minimum discounts required for those manufacturers that offer small or no discounts on their drug products.

The very serious and obvious problem with both of these proposals is that the manufacturers have control over the "best price" on which the discounts would be based, and could easily eliminate the "best price" over time. The Medicaid programs would then have all these drugs on their formularies for which they were receiving little or no discounts, and the state Medicaid drug budgets would explode. In addition, we have evidence from states that have already signed an agreement with Merck that the company is not forcing all states to put all their single source drug products on the state Medicaid formulary as a condition of providing the "best prices". This fact is very important because all the manufacturers' proposals contain this requirement.

Glaxo.—In return for placing all its single source drugs on state Medicaid drug formularies, Glaxo is offering the Medicaid program the price that it offers to Independent Practice Association (IPA) model HMOs. Glaxo has a philosophical difference with Merck and Pfizer on this issue. The assumption within this proposal, therefore, is that Medicaid deserves some intermediate price, not a manufacturer's "best price".

In the scheme of things, these HMOs receive only very small discounts as compared to discounts offered by manufacturers to other purchasers. For example, the federal government usually receives the best discounts from drug manufacturers, followed by hospitals, staff and groups model HMOs, and then the IPA-type model HMOs, which are just below the manufacturer's regular retail prices. In addition, it is impossible for this to be a national plan because many manufacturers do not provide discounts to the IPA-model HMO class.

Glaxo's rationale for proposing this type of plan is very simple. The company gives deep discounts (about 67% off retail) to the DVA on its number one selling drug, Zantac. It apparently does not want to extend these same "best prices" to the Medicaid program on this or any other drugs that it deep discounts. In addition, under this plan, manufacturers would be able to raise or eliminate their "best prices" over time like the Merck and Pfizer plans.

Upjohn.—By any measure, Upjohn's plan is a poorly thought out and totally unacceptable plan. It does not tie the amount of the rebate to the price of the drug at all or

even offer Medicaid a "best price". It provides for a flat $1.36 rebate for each Medicaid prescription dispensed. Taking this thinking to its logical conclusion, if an Upjohn product cost Medicaid $40.00, the rebate would cost Upjohn $1.36 or 3.4% of the ingredient cost.

If a generic prescription drug cost Medicaid $3.00, the rebate would cost the generic manufacturer the same $1.36 or 45% of ingredient cost. In addition, if a stock bottle of 1000 generic tablets cost $3.00, and the pharmacists was able to fill 10 Medicaid prescriptions with the 1000 tablets (10 prescriptions, 100 tablets each), the generic manufacturer would be required to rebate $13.60 to Medicaid when the manufacturer sold the product for $3.00! In other words, the generic industry would be paying the Medicaid program $4 for every $1 of sales! This would be grossly unfair to generic manufacturers who will be forced to overwhelmingly and disproportionately bear the burden of cost containment under this approach

However, it is easy to understand why Upjohn advocated this approach. Upjohn is also a deep discounter, and does not want to provide these similar discounts to Medicaid. On its popular drug Motrin, the difference between the Medicaid price and the DVA price is about 62%.

Perhaps more disturbing about Upjohn's proposal is not its unrealistic and inequitable approach, but the subliminal intimations in its proposal that drug manufacturer "best price proposal carry the additional liability of stimulating price inflation in those classes of trade which enjoy discounts such as the Veterans Administration (sic) and tax-supported institutions such as state mental institutions." (see p. 8 of the Upjohn proposal). It is unacceptable that Upjohn would hold the threat of removing its discounts to DVA and other purchasers over the heads of the Members of Congress to receive favorable reaction to its plan. Isn't the Medicaid program, the tax-supported program for the poor, entitled to the same discounts offered to other tax-supported programs?

CRITERIA FOR ANALYSIS

The principles that have been advocated by Senator Pryor to evaluate Medicaid drug price reduction plans are used below to further analyze each manufacturers' proposal. These principles are:

(1) Medicaid deserves nothing less than a manufacturer's "best price; any "best price" approach should guarantee that these prices will not increase or be eliminated over time and negate the value of rebates;

(2) The focus on cost containment should be on single-source and innovator multi-source drugs, those categories of drug expenditures most responsible for exploding Medicaid drug program costs;

(3) The Secretary of HHS should have stautory authority to implement an alternative plan if cost-savings are not achieved;

(4) There should be penalties for manufacturers that attempt to "game" the system;

(5) There should be restitution to pharmacists for draconian reimbursement cuts of the past decade.

MEDICAID DESERVES THE "BEST PRICE"

The only drug manufacturer plans that should be seriously considered by Congress are those that offer the Medicaid program the "best price" or "lowest price" that the manufacturer makes available to any other purchaser of its drug products. Because it is the tax-payer funded program for the poor, Medicaid deserves the same access to the "lowest" or "best prices" that manufacturers offer to these purchasers. In many cases, these "best prices" are already being offered to federal government agencies, such as the DVA or DPSC.

If anything less than the "best price" is being offered to Medicaid, manufacturers are still providing "second class treatment". Both the Merck and Pfizer plans recognize that Medicaid is entitled to this "best price". The Glaxo and Upjohn plans simply do not and are therefore "non-starters".

GUARANTEES TO MAINTAIN A "BEST PRICE" ARE NEEDED

It is important to note that none of the manufacturers' plans developed to date have any provision to guarantee that the manufacturers will not simply raise or eliminate their "lowest or best" price over time, negating the value of the rebates to Medicaid. If Congress decides that it wants to use a "best price" approach to contain Medicaid drug costs, then it must find a way to prevent manufacturers from increasing or eliminating their "best prices" over time.

Congress needs only to look at recent issue taken up in May by the Senate Subcommittee on Antitrust, Monopolies, and Business Rights to see why protecting the "best price" for Medicaid drug programs is important. The issue related to drug manufacturers' providing substantial rebates to the states for infant formula provided in the WIC program. After a few years of drug manufacturers' offering a program of substantial rebates to states for infant formulas—up to 80 percent off the retain price—drug companies tried to push prices higher in 1989 for these formulas and negate the value of the rebates.

These actions have threatened the fiscal solvency of the WIC programs and have jeopardized access to food supplied by the program to millions of infants. If Congress places the determination of the "best price" in the hands of the drug manufacturers, state medicaid drug programs could face the same fiscal and access problems as the WIC programs are facing right now. This would create a worse situation that exists now in the states.

FOCUS PRIMARY ATTENTION ON DRUGS CREATING GREATEST PROBLEMS

The focus of drug cost containment in the Medicaid program should be on "single source drugs" and "innovator multi-source drugs." To understand why, the categories of Medicaid drug costs should be defined:

(a) single source drug products are drugs on patent for which there is currently only one manufacturer or supplier, or for which there is a cross-licensing/marketing agreement between two manufacturers; (eg. Mevacor, used to lower cholesterol).

(b) innovator multiple source drug products (IMSDPs) are the original patented brand of a product that is now a multiple-source drug; (eg. Valium is the innovator multiple source drug of "diazepam", now currently available in generic versions from several manufacturers.)

(c) non-innovator multiple source drug products (NIMSDPs) are drug products made by manufacturers that do not hold the original patent for the product. These are the true "generic drugs." (eg. this category would include all makers of "diazepam" except Roche, since it holds the original patent or NDA on Valium.)

(d) nonprescription drug products are those drug products generally available without a prescription. (eg. aspirin, antacids).

Clearly, categories (a) and (b) should be the target of cost containment efforts since they are the highest-priced products in the market and have been the primary cause of unchecked drug price inflation over the past decade.

(a) Minimum rebate on each "single source" drug product

State medical assistance programs should be entitled to a minimum rebate on manufacturer single source and new drug products. This is because manufacturers' discounts or rebates on these products are relatively small for the first few years after introduction to the market, especially if there is no therapeutic competition to that product. Once the product faces therapeutic or generic competition, the manufacturers' rebates increase. Therefore, it is not likely that Medicaid programs will receive substantial savings from single source products in the early years after introduction. For this reason, if Medicaid programs are going to cover single-source and new drug products, Medicaid should receive a minimum rebate percent for single source and new drugs, regardless of the manufacturer's current discounting policies for these drugs.

(b) "Best price" on innovator multi-source drug products (IMSDPs)

All the manufacturers plans developed to date exclude from their rebate plan a major drug expenditure component for the Medicaid programs: innovator multiple source drug products (IMSDPs). It is essential to include these products in any rebate plan developed because almost all manufacturers of single-source drug products also have a substantial number of high-priced IMSDP's in their product mix for which Medicaid incurs significant expenditures.

This happens when the physician writes a "restrictive prescription" for a certain brand of a multiple source product. For example, if the physician writes a prescription for "Valium", and does not indicate "brand medically necessary", then the pharmacist should dispense a generic version of diazepam in stock. The "HCFA upper limit" for the NIMSDP drugs applies in this case. However, if the physician indicates "brand medically necessary", the HCFA reimbursement limits do not apply, and the Medicaid program has to pay for the prescription in the same manner in which it pays for single source drugs. (See State Medicaid Manual, Part 6—Payment for Services, Transmittal 12, April 1989). When the physician indicates that a particular brand of a multiple source product is needed by the patient, it essentially creates a "single source of supply."

Because Medicaid expenditures on IMSDPs represent a steady source of revenue growth for the drug manufacturers, all their plans proposed to date exclude these from any discount or rebate system that might be developed.

There are several additional reasons why it is very important to include IMSDP's in any final drug price negotiation plan:

Patent expirations: Many "popular" single source drugs are soon coming off patent. (For example, Pfizer's *Procardia* comes off patent in 1991, a drug with $228 million in sales. Dow's *Seldane*, a popular antihistamine, comes off patent in 1992. It had sales of $118 million.) Because they are currently single source products, states would now have to put these drugs on their formulary in exchange for the "best price" under the manufacturers' plans.

Once these drugs are multi-source, manufacturers are no longer required to give "best prices" under their plans. However, since so many patients will be using these drugs, states will receive a tremendous amount of pressure from beneficiaries and providers to continue to cover these drugs on their formularies. In addition, manufacturers may put pressure on the states to keep the drugs on the formulary by "suing" states. This is a tactic they have used successfully in the past. Therefore, rebates and "best prices" must apply for IMSDPs.

IMSDPs prices continue to climb after patent expiration: When a single source drug comes off patent and competition is introduced, the price of drug does not fall, it remains the same or goes higher to recover lost revenues from generic competition. Because of the significantly increased competition from generic versions, the drug manufacturers have to "step-up" their marketing expenditures for these drugs, driving the prices they charge for these products even higher.

IMSDPs are highly discounted for other purchasers right now: To obtain a certain market share for itself in a competitive market with generics, the manufacturers of the IMSDP's will undercut the prices of NIMSDPs to obtain access to a hospital or managed care formulary, or the DVA system. Medicaid be entitled to these same "low prices" for IMSDPs when a restrictive prescription has been issued by the physician.

The R&D costs for a IMSDP has long been recovered: Six or seven years of marketing exclusivity for a single source drug product is a far sufficient time for the manufacturer to recover the cost of researching and developing the single source product and making up for "lost ventures" into research that did not produce either a "blockbuster" or "me-too" drug product.

Because of the highly-competitive nature of the NIMSDP marketplace (generics), the Medicaid program is already receiving substantial savings on this category of expenditures. However, small additional savings may be realized for Medicaid from NIMSDP's. One strategy that has been suggesting to wring additional savings from the true cost-saving generics is to lower the HCFA upper limit from 150% of the lowest generic AWP ato 120%. This would force pharmacists to dispense lower-quality generic products to Medicaid patients, since they would have to buy "cheaper" generics to come under the HCFA upper limit. The result woold be a system of "second-class" medical care for Medicaid beneficiaries.

STATUTORY AUTHORITY GRANTED TO THE SECRETARY

In any final plan developed, there should be realistic incentives for the entire drug industry to offer substantial and continuous discounts and rebates to Medicaid. Therefore, if at any time, the aggregate level of the rebates received by the states from the drug manufacturers falls below a certain percentage or level in any one state in any year, the Secretary of HHS should have the statutory authority to implement a system of negotiation with the industry to control Medicaid drug costs.

The drug industry fears negotiating with the federal government because of its tremendous pharmaceutical purchasing power. The Secretary should have the statutory authority to fall back on a plan of negotiating with the drug manufacturers by selective contracting or competitive bidding within therapeutic classes if the savings from rebates start to shrink.

The drug industry's continued cooperation with the Medicaid program is most assured and the solvency of the state medical assistance plans is best protected if there are unquestionable and significant incentives for the continuation of significant manufacturer discounts on single source drugs and IMSDPs. This is best achieved if the Secretary has the statutory authority to implement an alternative program of negotiating. None of the manufacturer plans to date includes such necessary provisions.

SUFFICIENT GUARANTEES AGAINST MANUFACTURERS' GAMING THE SYSTEM

All of the manufacturers' plans require that states place all of that manufacturers' single source drug products on the state's formulary as a condition of receiving a "best" or "lowest" price. (NB. Just to reiterate. In some cases, Merck has still given their "best prices" to states which refused to put all their single source drugs on the state Medicaid formulary.)

State medical assistance plans will feel more secure about entering into this type of agreement with the drug manufacturers if there are sufficient and harsh penalties for those drug manufacturers that might attempt to "game" the new system. For example, a small manufacturer with one or two drug products might give states their "best prices" for a year or two in order to get their products on state formularies, knowing that they would not renew the agreement after expiration.

Under this scenario, the state may be forced to continue to cover the total cost of the product(s) for all those patients that are taking the product(s). Although, under the manufacturer plans, the states would not have to cover these after the agreement is terminated because the manufacturer was not offering the state the "lowest price", the pressure on the states from beneficiaries and providers to continue to cover the product(s) on the state Medicaid drug formulary will certainly be intense.

Credibility is lended to this concern because the manufacturers' plans developed to date only require the manufacturer to have a one year contract with the state medical assistance program for rebates. Why are drug manufacturers unwilling to enter into long-term contracts with Medicaid when they routinely do so with other purchasers of their products?

RESTITUTION SHOULD BE MADE FOR PHARMACISTS' REIMBURSEMENT CUTS

Retail pharmacy has borne the brunt of Medicaid drug cost containment initiatives over the past number of years. The current system of reimbursement produces an average loss of 8 percent on retail pharmacy's Medicaid business, according to CBO and other estimates. To insure that pharmaceutical services continue to be widely available and accessible to Medicaid beneficiaries, and to encourage pharmacists to counsel Medicaid patients on the proper use of their medications, pharmacists should receive restitution for the draconian cuts inflicted on their reimbursement over the last 10 years in any final plan enacted. None of the drug manufacturer plans has any provisions for increasing pharmacy reimbursement.

On a final note, all the manufacturers' plan recognize that there is a simple, widely-used, time-tested system in place to provide the state medical assistance programs with the best price: a manufacturers' rebate system. Therefore, the argument that discounts on drug products can only be provided to those purchasers that actually take possession of drug products is debunked.

Further information about the manufacturers plans or further analysis can be provided by the staff of the Special Committee on Aging (X-45364).

U.S. SENATE SPECIAL COMMITTEE ON AGING—ANALYSIS OF DRUG MANUFACTURER MEDICAID DRUG DISCOUNT PROPOSALS

[September 1990]

Characteristic	Merck	Pfizer	Glaxo	Upjohn
1. Recognizes that Medicaid deserves "best price".	Yes	Yes	No	No.
2. Provides sufficient and unquestionable guarantees that a "best price" is maintained.	No	No	No	No.
3. Minimum rebate on each "single source" product guaranteed.	No	No	No	$1.36.
4. Minimum rebate on each "innovator multi-source" product guaranteed.	No	No	No	$1.36.
5. Statutory authority granted to Secretary to implement alternate cost savings plan.	No	No	No	No.
6. Sufficient guarantees against manufacturers' gaming system.	No	No	No	No.
7. Recognizes that Pharmacists should receive restitution for reimbursement cuts.	NO	No	No	No

SUMMARY OF MEDICAID ANTI-DISCRIMINATORY DRUG PRICE AND PATIENT BENEFIT RESTORATION ACT OF 1990

CONDITIONS OF COVERAGE OF DRUG PRODUCTS UNDER MEDICAID

The legislation requires that in order to be placed on a Medicaid prescription drug formulary (the State's covered drug list)—or to be covered by a state Medicaid program, prescription drug manufacturer must provide the Medicaid program the same substantial discounts it is now giving to other purchasers of its medications. (Currently, many manufacturers are providing in excess of 40 to 60 percent discounts to hospitals, HMO's the Department of Defense and the Department of Veterans Affairs for the very same drugs purchased by Medicaid.)

The required discounts, provided to the States through a rebate system, apply to the single source and innovator multiple source drug products of the brand name drug companies.

If a manufacturer fails to give such discounts to any one State, no Federal matching dollars will be provided for that drug manufacturer's medication in all States. (This provision has the effect of denying manufacturers' access to the Medicaid market, which usually constitutes 10–15% of the average manufacturer's business; such an approach should protect smaller States from being denied access to discounts.)

DEFINITION OF ACCEPTABLE MEDICAID REBATES

The value of the acceptable discount for single source and innovator multiple source drugs is equal to the difference between the price that manufacturers charge wholesalers to buy their products (known as the Average Manufacturers' Price, or AMP) and the "best price" that the manufacturer offers to any other purchaser of these drug products (AMP minus best price=value of the rebate). The AMP is the price that the manufacturer charges pharmaceutical wholesalers to buy their products.

To ensure that Medicaid continues to receive the lowest price in the marketplace, the "best price" is defined as the lower of the "best price" in the marketplace during the calendar quarter in which the drug is dispensed or the "best price" in place in the

market as of September 1, 1990, indexed to the consumer price index (CPI). The definition of "best price" excludes those prices that are merely nominal in amount that manufacturers offer to special purchasers, such as the sale of birth control pills for a penny a pack to Planned Parenthood.

The indexing mechanism is absolutely necessary because cost estimators, such as CBO and OMB, are highly unlikely to project significant savings for any proposal that would allow manufacturers to eliminate or significantly reduce current discounts.

In addition, when a voluntary manufacturer rebate approach was tried for cans of infant formula provided by the WIC program, the manufacturers tried to eliminate the rebates by significantly raising their "best prices".

The total aggregate value of the discount payment collected by each state Medicaid agency from each drug manufacturer can be no less than 10% of total state expenditures under Medicaid that are attributable to ingredient costs (AMPs) for drug products sold by the manufacturer. Manufacturers who are now discounting at drugs at significantly high levels (some are discounting in excess of 60% have argued that freezing such discounts would leave them no alternative but to not participate in the Medicaid program. To counter any drug manufacturer argument that it cannot afford to participate in Medicaid, the total amount that the manufacturer will be required to rebate will be capped at 25% of the total state expenditures attributable to their drugs.

The rebates are paid quarterly by the manufacturer to each state Medicaid plan. The agreements are for one-year and are automatically renewable unless terminated by the manufacturer or the Secretary. The Secretary can bar a manufacturer from participating in the Medicaid program for one year if an agreement is terminated with any state.

For non-innovator multiple source drug products (generics), the manufacturer is required to rebate a flat 10% of the total aggregate expenditures for all that manufacturers' drug products as a condition of Medicaid coverage.

QUALITY OF CARE IMPROVEMENTS FOR MEDICAID PATIENTS

1. *Access to Prescription Drugs Expended.*—The bill will significantly expand Medicaid beneficiary access to a wide range of FDA-approved prescription drug products and biologicals. In addition, physicians will be assured that they can prescribe these products for "off-label" indications if such use is supported by medical compendia.

To insure that Medicaid beneficiaries have access to all FDA-approved drug products, those drug products not subject to the discount (and hence not on the state formulary) can still be obtained if the physician obtains prior approval from the state Medicaid program. The bill insures that the final control over the drug product selected for the patient is retained with the patient's physician. There are no provisions in this bill for therapeutic substitution or therapeutic interchange of drug products by pharmacists.

2. *Reform of Prior Approval Programs.*—To make prior approval programs more responsive to physicians needs, states can only operate these programs if they meet certain minimal standards: they must be available to physicians 24 hours/day, 7 days a week, and provide a response to the physician's request which must be received by the inquiring physician immediately.

3. *Drug Utilization Review.*—The bill establishes a comprehensive system of drug use review (DUR) that encourages pharmacists to counsel patients on the proper use of their medications and requires state medical assistance programs to implement a program to avert inappropriate patterns of prescribing and dispensing of drug products.

NO COVERAGE FOR DRUG PRODUCTS SOLD ONLY WITH EXCLUSIVE PATIENT MONITORING SERVICES

The bill does not require the state medical assistance plan to cover those drug products of manufacturers which require that, a condition of sale of the product, the manufacturer be compensated for associated tests or services associated with the use of the product which are provided exclusively by the manufacturer or its designee. Serious questions have been raised by the medical community about the appropriateness of such a requirement. Thus, the state does not have to cover a drug of this type if it is included among the products of a manufacturer that has entered into an acceptable rebate agreement. An example of this is Clozaril, the antischizophrenic that can only be obtained if exclusive patient monitoring services are purchased from the manufacturer.

Medicaid Prescription Claims Processing: State medical assistance plans are given incentives to develop and implement a cost-saving on-line pharmacy-based electronic system to process Medicaid prescription drug claims. The encouragement given to the states is in the form of a 90/10 FFP match.

Restoration for Pharmacy Reimbursement Cuts: Some of the cuts that have been made in pharmacy reimbursement over the past decade are restored by setting aside 10% of the rebates received each year by the state for this purpose. Pharmacies will receive a fixed rebate for each prescription that they dispense to Medicaid beneficiaries in an annual lump-sum payment.

Reformation of Medicaid Pharmacy Reimbursement System: The bill would effect reforms in the current pharmacy reimbursement system. It places a two-year moratorium on any further reduction in drug product cost reimbursement for brand-name drug products and instructs the Secretary to develop a "look behind" program to provide better enforcement of the HCFA "brand medically necessary" requirement designed to promote generic substitution.

Prescription Drug Policy Review Commission: Provides for the establishment of an 11-member Prescription Drug Policy Review Commission to advise federal and state policy makers on policy and financing matters relating to publicly-funded prescription drug benefit programs, including Medicaid and Medicare.

Demonstration Project: Provides for a demonstration project on the effectiveness of on-line prospective drug utilization review in pharmacists' fulfilling patient counseling requirements and a demonstration project on the cost-effectiveness of pharmacists' providing cognitive services to patients.

Studies: Requires that a study be done on the scientific and clinical foundation for the concept of therapeutic interchangeability among drug products.

Further information about the bill can be obtained from Chris Jennings or John Coster at the staff of the Senate Aging Committee, X-45364.

ORGANIZATIONS THAT SUPPORT THE PHARMACEUTICAL ACCESS AND PRUDENT PURCHASING ACT OF 1990 (S. 2605)

(As of September 1990)

American Association of Homes for the Aging.
American Association of Retired Persons.
American Association of Homes for the Aging.
American Association for International Aging.
American Nephrology Nurses Association.
American Pharmaceutical Association.
American Society on Aging.
Catholic Golden Age.
Childrens Defense Fund.
Families USDA.
Food Marketing Institute.
National Association for Families Caring for their Elders.
National Association of Area Agencies on Aging.
National Association of Boards of Pharmacy.
National Association of Chain Drug Stores.
National Association of Foster Grandparents Program Directors.
National Association of Nutrition and Aging Service Programs.
National Association of Older American Volunteer Program Directors.
National Association of Retail Druggists.
National Association of Retired Federal Employees.
National Association of RSVP Directors.
National Association of Senior Companion Project Directors.
National Association of State Units on Aging.
National Council on Aging.
National Council of Senior Citizens.
National Hispanic Council on Aging.
National Pacific/Asian Resource Center on Aging.

AMERICAN PHARMACEUTICAL ASSOCIATION,
Washington, DC, September 11, 1990.

Hon. DAVID PRYOR,
Chairman, Senate Special Committee on Aging, Dirksen Senate Building, Washington, DC.

DEAR MR. CHAIRMAN: The American Pharmaceutical Association (APhA), the national professional society of pharmacists, has reviewed your proposal entitled "Medicaid Anti-Disciminatory Drug Price and Patient Benefit Restoration Act" and is pleased to convey our support for this important legislation.

We understand that this proposal is intended as an alternative to your earlier bill, the Pharmaceutical Access and Prudent Purchasing Act (S. 2605) and responds to efforts to incorporate Medicaid drug pricing reforms into the budget reconciliation process. We believe both proposals to be viable alternatives that would advance patient care, facilitate access to prescription drugs and generate programmatic cost savings for the Medicaid program. Indeed your proposals are the only ones of which we are aware that will improve patient care and assure significant Medicaid savings.

We are pleased that your latest proposal carries over many of the concepts included in S. 2605, specifically that drug manufacturers provide "best prices" to the Medicaid program and the recognition of the pharmacist as a critical professional in health care delivery. APhA believes that the S. 2605 provision calling for marketplace pricing for pharmacist reimbursement is an appropri-

ate mechanism given the intense competition that exists in pharmacy. However, we believe the approach taken in your most recent proposal implementing steps to restore fair reimbursement for pharmacists through a percentage set aside from manufacturer's rebates and annual dispensing fee updates based on economic studies by each state is a reasonable alternative.

You are to be commended for your continuing efforts to reform the pharmaceutical component of the Medicaid program. We believe the criticism you have encountered has been unfair, unjustified and based upon grossly inaccurate information. Your tireless efforts and those of your staff to assist Medicaid recipients, state government and the profession of pharmacy is greatly appreciated.

Sincerely,

JOHN A. GANS, *Pharm.D.*,
Executive Vice President.

FAMILIES UNITED FOR SENIOR ACTION,
Washington, DC, September 11, 1990.

Hon. DAVID PRYOR,
U.S. Senate, Washington, DC

DEAR SENATOR PRYOR: Families USA appreciates your efforts to control costs and improve Medicaid beneficiaries' access to needed prescription drugs. The Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act of 1990 is a well-balanced approach to controlling excessive inflation in Medicaid drug prices as well as increasing access to needed health care for the very poor. This effort will benefit low income elderly people, who represent a high percentage of Medicaid prescription drug beneficiaries and who are particularly vulnerable to cuts in the Medicaid prescription drug program and to the high rate of increase in prescription prices.

At a time of scarce resources, it is most important that we ensure that the Medicaid program is getting its money's worth. States and the federal government should not be paying unreasonable high prices for drugs. According to the most recent HCFA data, Medicaid prescription drug payments from 1973–1985 rose at an annual rate of 11.8 percent, while prescription drug use only rose at an annual rate of 2.2 percent.

High drug prices create access problems. Some states have instituted restrictive formularies. If a particular drug or entire class of drugs are not on a state formulary, it is completely unavailable to Medicaid beneficiaries. In addition, some states restrict coverage to an arbitrarily determined number of prescriptions per month. As a result, many low income individuals are being forced to make choices between their health care needs and other basic needs.

Your bill will make it possible for those most in need of medical assistance, Medicaid beneficiaries, to receive the most appropriate drug at the best price possible. Families USA looks forward to working with you to enact the Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act of 1990.

Sincerely,

RONALD F. POLLACK,
Executive Director.

NATIONAL CONSUMERS LEAGUE,
Washington, DC, September 11, 1990.

Senator DAVID PRYOR,
Russell Senate Office Bldg., Washington, DC.

DEAR SENATOR PRYOR: The National Consumers League supports the Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act of 1990. Drug costs are now the third largest budget item for state Medicaid programs, growing faster than any other major part of the program. Individual states have tried, without success, to bring the medication costs down for Medicaid beneficiaries by negotiating with drug manufacturers for better prices. This legislation provides a framework to help states better receive discounts available to other major drug purchasers. In order to receive the Federal matching dollars for Medicaid sales in all states, drug manufacturers would be required to provide each state's Medicaid program with the same discount offered to hospitals, HMO's and the Department of Veterans Affairs.

For a consumer receiving Medicaid benefits, an important part of this proposed legislation is the assurance that doctors can write prescriptions for any FDA-approved medications needed for an illness. Sometimes patients want and need a specific medication. With this legislation, Medicaid beneficiaries will have improved access to all medications.

The Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act is a major effort to help control rising drug costs. The League applauds your initiative and interest in helping to solve this health care financing crisis.

Sincerely,

LINDA F. GOLODNER,
Executive Director.

NATIONAL ASSOCIATION
OF RETAIL DRUGGISTS,
Alexandria, VA, September 12, 1990.

Hon. DAVID PRYOR,
Chairman, Senate Special Committee on Aging, Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN PRYOR: We are pleased to join the strong, broad based, bipartisan coalition supporting the "Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act of 1990".

The Medicaid Anti-Discriminatory Drug Price legislation will provide the $3.5 billion Medicaid outpatient drug program equal access to manufacturer prices already available to other Medicaid components and nonprofit entities generally; including hospitals, HMO's and mail order firms. By enabling the state Medicaid programs to access the current nonprofit manufacturer prices the program burden of cost containment will be shifted from the beneficiaries and pharmacists and will improve beneficiaries access to pharmaceuticals and pharmacy services which may have been reduced or eliminated by misguided cost containment approaches.

We support efforts to ensure equal access to equitable prescription drug prices for all American consumers.

The Medicaid Anti-Discriminatory Drug Price legislation addresses long standing priority concerns of the National Association of Retail Druggists. Like S. 2605, it is landmark legislation. It will help assure equal access for the poorest among us while also relieving the extraordinary fiscal pressures on the Medicaid outpatient drug program.

The enactment of Medicaid Anti-Discriminatory Drug Price legislation is our top legislation priority for the remainder of the 101st Congress. We strongly support its inclusion in the Budget Summit agreement.

We look forward to working closely with you and the many health care and consumer groups supporting your legislation.

Our members serve 18 million persons daily and provide nearly 85 percent of the Medicaid pharmaceutical services and products. On behalf of these 40,000 independent retail pharmacies and the 75,000 pharmacists practicing in these independent settings, we pledge to leave no strong unturned in assisting you, Majority Leader Mitchell, and others in the enactment of this long overdue legislation.

With warm regards,

CHARLES M. WEST, P.D.,
Executive Vice President.
JOHN M. RECTOR, Esq.,
Vice President of Government Affairs and General Council.

AMERICAN CANCER SOCIETY,
Washington, DC, September 12, 1990.

Hon. DAVID PRYOR,
U.S. Senate, Washington, DC.

DEAR SENATOR PRYOR: Thank you very much for forwarding to us the summary of "The Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act of 1990." The American Cancer Society believes that this proposed legislation would favorably affect the concerns of cancer patients regarding access to cancer treatment drugs, particularly among the socioeconomically disadvantaged.

Cancer is a liberal disease. It effects young and old alike. Likewise, it does not discriminate among ethnic groups; all populations get cancer. But there is a way in which cancer discriminates—it kills many more poor people than those living above the poverty line. In short, the chance of getting cancer and dying from it is disproportionately higher among poor Americans, regardless of race.

According to American Cancer Society statistics, nearly 39 million Americans now living below the poverty level have a relative cancer survival rate of 10 to 15 percent below other Americans. In general, we expect 50 percent of cancer patients to survive their disease. But poor Americans—23 million whites, 9.6 million blacks, 5.1 million Hispanics and the 1.8 million people of other races are much more vulnerable and more likely to die simply because they are too poor to get early and adequate cancer treatment.

The American Cancer Society is strongly committed to improving cancer care access for all Americans, and we believe that your new bill represents an improvement over the current Medicaid drug reimbursement. We would be pleased to work with you on this issue. We commend your efforts, and look forward to enactment of the type of legislation you are proposing.

Sincerely,

ROBERT J. SCHWEITZER, M.D.,
President.

AMERICAN PHARMACEUTICAL ASSOCIATION,
Washington, DC, September 11, 1990.

Hon. DAVID PRYOR,
Chairman, Senate Special Committee on Aging, Dirksen Senate Building, Washington, DC.

DEAR MR. CHAIRMAN: The American Pharmaceutical Association (APhA), the national professional society of pharmacists, has reviewed your proposal entitled "Medicaid Anti-Discriminatory Drug Price and Patient Benefit Restoration Act" and is pleased to convey our support for this important legislation.

We understand that this proposal is intended as an alternative to your earlier bill, the Pharmaceutical Access and Prudent Purchasing Act (S.2605) and responds to efforts to incorporate Medicaid drug pricing

reforms into the budget reconciliation process. We believe both proposals to be viable alternatives that would advance patient care, facilitate access to prescription drugs and generate programmatic cost savings for the Medicaid program. Indeed your proposals are the only ones of which we are aware that will improve patient care and assure significant Medicaid savings.

We are pleased that your latest proposal carries over many of the concepts included in S.2605, specifically that drug manufacturers provide "best prices" to the Medicaid program and the recognition of the pharmacist as a critical professional in health care delivery. APhA believes that the S.2605 provision calling for marketplace pricing for pharmacist reimbursement is an appropriate mechanism given the intense competition that exists in pharmacy. However, we believe the approach taken in your most recent proposal implementing steps to restore fair reimbursement for pharmacists through a percentage set aside from manufacturer's rebates and annual dispensing fee updates based on economic studies by each state is a reasonable alternative.

You are to be commended for your continuing efforts to reform the pharmaceutical component of the Medicaid program. We believe the criticism you have encountered has been unfair, unjustified and based upon grossly inaccurate information. Your tireless efforts and those of your staff to assist Medicaid recipients, state government and the profession of pharmacy is greatly appreciated.

Sincerely,

JOHN A. GANS,
Pharm. D., Executive Vice President.

By Mr. HEFLIN:

S. 3030. A bill to provide disaster assistance for agricultural producers, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

DISASTER ASSISTANCE ACT

Mr. HEFLIN. Mr. President, the State of Alabama is currently experiencing extreme heat and drought conditions as are other States in the Nation. I am not familiar with all of the facts surrounding the other States; however, I understand that in a great number of States there are extreme heat and drought conditions that are affecting the production of crops. I will speak, however, only about my own State in these remarks.

The lack of rainfall during the 1990 growing season will push a number of Alabama family farmers to the brink of financial collapse if present weather conditions continue or Federal disaster assistance is not forthcoming.

Mr. President, I rise today to introduce a bill which will provide much needed assistance to our Nation's family farmers that are being stricken by weather-related disaster. According to the USDA estimates, cotton production in Alabama will be down 35 to 50 percent, peanut production down 40 percent, soybean production will be reduced by somewhere between 50 and 100 percent.

My bill is similar to the bill that we adopted in 1988 relative to the disaster, and it calls for the Secretary of Agriculture to make disaster payments to farmers who have suffered at least a 35-percent reduction in yields due to the extreme weather conditions faced by farmers this growing season. In south Alabama, for example, the temperature rose above 95 degrees for 26 straight days during the month of August. Agriculture is Alabama's largest industry. This drought will cause a downturn in my State's economy if the conditions continue to worsen or Federal assistance is not provided.

Presently, the Secretary has the authority to implement a disaster program for all crops. However, he has not chosen to do so. therefore, I am left with no other choice than to introduce legislation. My bill is similar to the drought bill offered last year that provided assistance to farmers, particularly those farmers in the mid and upper Midwest. there should be up to $600 million savings in the cost of the cotton program this year alone due to the high market prices and poor growing conditions in the Southeast. This savings could be used to finance a limited disaster bill such as the one I have proposed today. This drought assistance bill would allow farmers with proven crop yields to receive 65 percent of the average market price on all losses over 35 percent of normal production. A farmer would be precluded from receiving a deficiency payment as well as a disaster payment for the same crop. The bill will also provide assistance to peach growers in Alabama who have experienced major losses as well as apple growers and other fruit growers. The USDA estimates that central Alabama peach growers will experience a 50-percent reduction in yields and others may lose peach trees if disaster conditions continue to persist.

Mr. President, therefore, it is essential to the farmers throughout the Southeast and perhaps other sections of this country that this bill become law.

Mr. President, I sent to the desk my bill.

The PRESIDING OFFICER. The bill will be received and referred.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 3032. A bill to designate the planned Department of Veterans Affairs Medical Center in Honolulu, Hawaii, as the "Spark M. Matsunaga Department of Veterans Affairs Medical Center"; to the Committee on Veterans' Affairs.

SPARK M. MATSUNAGA DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER

● Mr. AKAKA. Mr. President, for myself and Senator INOUYE, I am today introducing legislation to name the proposed VA medical center in Hawaii after our dear, departed friend and colleague, Senator Spark Masayuki Matsunaga.

Mr. President, few in this Chamber may be aware that Hawaii is one of only two States without a VA medical center [VAMC], or that Hawaii ranks at or near the bottom of the scale in terms of Federal medical expenditures per veteran. This despite the fact Hawaii veterans number more than 100,000—fully a tenth of the State's population—and despite the fact that Hawaii has the highest ratio of service-connected disabled veterans in the Nation.

Up until 2 years ago, the only VA facility in the entire State was a small outpatient clinic located in the bowels of the local Federal office building in Honolulu; there were then no VA facilities in the neighbor islands as there are today. While there was on-again, off-again talk about establishing a VA inpatient facility at Tripler Army Medical Center E-wing—interestingly, it was Senator Matsunaga himself who first proposed using E-wing as far back as 1975—continual delays by the military in turning over the wing to the VA rendered the project purely speculative.

Mr. President, if veterans required medical or psychiatric care, they were forced to negotiate a highly fragmented health delivery system involving the outpatient clinic, Tripler Army Medical Center, and private health care providers. As it does today, Tripler, the primary inpatient referral center for veterans, gave veterans lowest priority of care, after active duty military, their dependents, and retirees. Worse, Tripler personnel displayed little sensitivity to veterans, at times treating them like poor relations; horror stories abound about veterans who were victimized by inferior treatment accorded them by Army doctors and nurses.

Veterans in the neighbor islands had an even more difficult time accessing health care because of the absence of VA facilities in those areas. As a consequence, many veterans turned away from VA, preferring to suffer in silence or seek care in the private sector at their own oftentimes considerable expense.

It was this situation that impelled Senator Matsunaga, himself a wounded and decorated veteran of the famous 100th Infantry Battalion and 442nd Regimental Combat Team, to hold a Senate Veterans' Affairs Committee oversight hearing on the status of Hawaii veterans health care. That hearing, which took place in April 1987, featured compelling testimony from veterans about the many shortcomings of VA's patchwork health care "system" in Hawaii, and led directly to the formation of a special VA task force to assess the short- and long-term needs of Hawaii veterans.

The task force report, issued 2 months later, confirmed the hearing's

finding that Hawaii veterans had been seriously neglected, criticized the State of VA health care in Hawaii, and offered a number of far-reaching recommendations to enhance VA's presence in the 50th State, including proposals to expand the outpatient clinic, establish collocated primary care clinics and veterans readjustment counseling centers in the neighbor islands, and construct a full-fledged VA medical center on Oahu.

Today, as a result of pressure brought to bear on VA by Senator Matsunaga, many improvements suggested by the hearing and the task force have been carried out. For example, the outpatient clinic has tripled in size; primary care clinics and veterans readjustment counseling centers have been established on the Big Island, Maui, and Kauai; and, Tripler is now far more accommodating of veterans—the military hospital's new commanding general has taken radical steps to improve cooperation between VA and Tripler as well as to sensitize Tripler health care staff to veterans needs.

Most important, however, because of the late Hawaii lawmaker's untiring advocacy, the VA has at last agreed that there is ample justification to build a veterans medical center in Hawaii. Seizing on the task force recommendation that VA build a 165-bed freestanding hospital on Oahu, Sparky became the conscience of the Department, pressing VA officials to endorse the recommendation in countless letters, phone calls, and hearings. In late 1988, his efforts bore fruit when then chief medical director Dr. John Gronvall, gave his sanction to the hospital recommendation.

But Senator Matsunaga's crowning moment of victory came a few months later when, in early 1989, Secretary-designate Derwinski indicated at his confirmation hearing that he would strongly support the initiative. Knowing that the future Secretary of Veterans Affairs was a man of his word, Sparky believed at that moment that his dream must eventually come true. During the long illness that preceded his death last Easter, I am quite certain, Mr. President, that Sparky took great comfort in knowing that the Hawaii veterans hospital would someday become a reality.

Mr. President, to satisfy myself that Senator Matsunaga's name would be associated with a health care facility worthy of the honor, and to fulfill a commitment I made upon assuming Spark's seat last spring to carry out his legislative agenda, I chaired another Senate Veterans' Affairs Committee oversight hearing in Honolulu during the August recess in order to examine VA's latest plan for the hospital. For Sparky's sake, I wanted to find out if the VA's current plans for the facility were in keeping with my predecessor's wishes. I was pleased to discover that while the VA had significantly altered its plans for the hospital—from the freestanding concept originally envisaged by Sparky to a sharing arrangement with Tripler Army Medical Center—the Secretary's basic commitment to build a full service veterans medical center, as such, remained inviolate.

Dr. James Holsinger, the new VA Chief Medical Director Holsinger and General Girad Seitter, commander of Tripler Army Medical Center, explained to the committee that rather than the original concept of a 165-bed freestanding hospital, the VA now proposes to establish a hybrid medical center comprised of two parts, a renovated E-wing that will house acute care services, including 105 surgical and medical beds, and an adjacent structure that would incorporate 60 extended care beds, an outpatient clinic, and the regional benefits office. The hybrid VAMC and Tripler will share a limited amount of support and tertiary care services, but otherwise will remain completely separate entities. I am persuaded by their testimony that the latest architecture of the proposed VAMC will adequately address the needs of Hawaii's long-neglected veterans and may serve as a model for future VA-DOD sharing arrangements.

I was also pleased to discover that Hawaii veterans, at least as represented by the major service organizations, generally supported the new plan; however, they expressed their concern that revision of the original freestanding hospital plan has again delayed the completion date of the hospital. I cannot but echo their concern, Mr. President. It would mock Sparky's memory if the startup date of the facility were delayed much longer, given the more than 25 years of delay that has already occurred as a result of VA and DOD's long history of broken promises and footdragging on this issue.

I would like the veterans of my State to know, therefore, that 2 days ago I sent a letter to the Senate Appropriations Subcommittee on VA, HUD, and Independent Agencies requesting that language be included in the fiscal year 1991 VA appropriations measure urging the VA to: First, accelerate planning and construction of the medical center; and second, consider opening at least some beds at the E-wing portion of the facility by 1993. Based on General Seitter's testimony, I believe it is technically feasible to renovate E-wing by that early date. The veterans of my State will also be interested to know that I will be asking Secretary Derwinski immediately to designate a director for the proposed Hawaii VAMC as a token of the Department's intention to move forward with the initiative as expeditiously as possible.

Mr. President, I think it is important to recount this tale of an individual legislator's tireless, singleminded effort to accomplish something of immense value to his electorate. No one represented his State's veterans more effectively, or with more sympathy and understanding, than Spark Matsunaga. This is why, along with the senior Senator from Hawaii, Senator INOUYE, who served with him for so many years, I am introducing legislation to name the proposed Hawaii VA medical center after our late friend and colleague.

While to some this bill may seem unnecessary or redundant, given the fact that Secretary Derwinski has already indicated his support for naming the hospital after Senator Matsunaga, I believe that Congress, an institution he loved above all others and in which he took so much joy and pride in serving, should have the privilege and opportunity to express its will on this matter.

I also believe it important that Hawaii veterans be given an opportunity to express their appreciation for Senator Matsunaga's defense of their interests. At last month's oversight hearing, veterans service organization representatives expressed unanimous support for naming the hospital after my distinguished predecessor. In addition, I have in my hand many letters from individual Hawaii veterans, veterans organizations, and others who formally endorse the intent of this measure. I ask unanimous consent that these letters be printed in the RECORD after the conclusion of my statement.

Mr. President, it is eminently fitting that Spark Matsunaga's name be forever associated with a veterans medical center. Aside from the fact that it was his advocacy that made the Hawaii veterans hospital a possibility, it is suitable that the war hero who preferred to be remembered as a peacemaker be recognized in this way. For the essential truth about Sparky was this: although he accepted that war was sometimes necessary, he never accepted the pain and tragedy it engendered.

For Spark was far more about healing than he was about fighting, as his long efforts to establish the U.S. Peace Institute amply demonstrate. Those who knew him personally, as I did, knew that his abhorrence of conflict extended to his personal dealings as well: he never raised his voice in anger, he never twisted arms, always preferring to use the art of gentle persuasion rather than the bludgeon of confrontation. It is therefore appropriate that a veterans medical center be named in his honor—a place where wounds and illnesses are mended, a place where those who have suffered the terrible experience of war can receive succor and comfort.

Mr. President, I urge my colleagues to support the designation of the planned Hawaii veterans hospital as the "Spark M. Matsunaga Department of Veterans Affairs Medical Center."

There being no objection, the letters were ordered to be printed in the *Record*, as follows:

HILO POST NO. 3
THE AMERICAN LEGION,
Hilo, HI, July 27, 1990.

HON. DANIEL K. AKAKA,
U.S. Senator, Washington, DC.

DEAR SENATOR AKAKA: Responding to your request that our organization support the naming of the proposed Veterans Medical Center in Hawaii after the late Senator Spark Matsunaga.

At our July meeting this request was voted on to give full support from The American Legion Hilo Post 3 to the naming of the proposed hospital "Spark M. Matsunaga Department of Veterans Affairs Medical Center."

We, on the neighbor islands understand the need for this facility perhaps more so than those on Oahu. As one veteran stated, "Sparky was an all around guy and did more for the veterans in Hawaii than anyone else."

Yes, we the members of The American Legion Hilo Post 3 fully support your request.

Sincerely,

VIRGINIA G. NAGY,
Adjutant.

ROBERT C. PITTMAN,
PARALYZED VETERANS OF AMERICA,
Honolulu, HI, July 22, 1990.

HON. DANIEL K. AKAKA,
U.S. Senate, Washington, DC.

ALOHA: I apologies for being so late in replying to your letter of July 26, 1990 concerning naming the Veterans Medical Center in Hawaii after the late Senator Spark Matsunaga.

Please be advised that the Paralyzed Veterans of Hawaii whole heartedly supports this effort.

A big mahalo loa nui for coming up with this idea.

Aloha pumehana,

ROBERT C. PITTMAN,
Hawaii Chairman, Advocacy and Legislative.

NON COMMISSIONED OFFICERS
ASSOCIATION OF THE UNITED STATES OF AMERICA,
Alexandria, VA, July 23, 1990.

HON. DANIEL K. AKAKA,
U.S. Senate, Washington, DC.

DEAR SENATOR AKAKA: Our State organization in Hawaii informs us that you are about to introduce legislation calling for Honolulu's new veterans health care facility to be named for Sparks M. Matsunaga. NCOA believes this is a great idea.

Senator Matsunaga was an outstanding American who devoted his life to public service. He distinguished himself in military service and later in politics. His contributions to veterans are significant and will benefit those who have served our nation for decades to come.

Please list NCOA as a strong supporter of your initiative and do not hesitate to call upon us for support in advancing this legislation.

Sincerely,

RICHARD W. JOHNSON, JR.,
Director of Legislative Affairs.

VETERANS OF FOREIGN WARS OF THE UNITED STATES WILBERT W. H. TOM POST 3850,
Wailuku, Maui, HI, July 10, 1990.

DEAR SENATOR AKAKA: Post 3850 Veterans of Foreign Wars, Department of Hawaii fully support the naming of the veterans medical center in Hawaii after the late Senator Spark Matsunaga.

AL S. SPENSER,
Commander Post 3850.

CLUB 100, AN INCORPORATED
ASSOCIATION OF MEMBERS OF THE 100TH INFANTRY BATTALION,
Honolulu, HI, July 19, 1990.

Senator DANIEL K. AKAKA,
U.S. Senate, Washington, DC.

Kauai Chapter of the 100th Infantry Battalion Veterans are proud to support the naming of proposed veterans' medical center in Hawaii after the late Senator Sparky Matsunaga. This is an honor he deserves.

Our Memorial Day Services, sponsored by the Kauai Veterans' Council, was dedicated to him. After all too many of us grew up with him, served with him, and watched as he climbed the ladder to fame.

We of the 100th have been asked to plant a tree in honor of Sparky at the Kauai Veterans; Cemetery and will do so at our annual Memorial Services on September 23, 1990.

Thank you for writing and asking for our support.

Sincerely,

MAKO TAKIGUCHI,
President.

U.S. MARINE CORPS, 1ST MARINE EXPEDITIONARY BRIGADE, FMF
MCAS, Kaneohe Bay, HI, July 20, 1990.

HON. DANIEL K. AKAKA,
U.S. Senator, Honolulu, HI.

DEAR SENATOR AKAKA: I received your letter of 26 June and enthusiastically support your legislative efforts in honoring the late Senator Spark ("Sparky") Matsunaga.

As you know, Senator Matsunaga was a fierce advocate in behalf of our nation's veterans. His efforts protected existing VA programs and initiated many others. Additionally, with regard to the veterans of Hawaii, his tenacity resulted in the establishment of VA health care facilities in neighboring islands, a 100 percent increase in the size of the Honolulu Outpatient Clinic, and matching federal funding for state veterans cemeteries.

Senator Matsunaga's unprecedented drive and initiative to establish a VA medical center for Hawaii's veterans is indicative of his twenty-eight years of service to the United States Senate and the people of Hawaii. This desperately needed hospital would most appropriately be named the "Spark M. Matsunaga Department of Veterans Affairs Medical Center", and will serve as a monument and tribute to the late Senator's concerned leadership.

I will retire with 30 years of service to Country and Corps on 27 July 1990. However, I plan to reside here in Hawaii. If I could be of further assistance to yourself and this most worthy cause, please contact me at the address and/or phone number provided below.

250 Ilihau Street, Kailua, HI 96734, (808) 254-2923.

Sincerely,

A. J. KELLOGG, JR.,
Sergeant Major, U.S. Marine Corps.

July 19, 1990.

SEN. DANIEL K. AKAKA,
Washington, DC.

DEAR SENATOR AKAKA: Thank you very much for your letter of June 26, 1990, regarding the naming of the proposed veterans medical center in Hawaii.

The Aloha Detachment members of the Marine Corps League and I are proud to offer our support in favor of naming the veterans medical center the "Spark M. Matsunaga Department of Veterans Affairs Medical Center".

Sincerely yours,

DANIEL F. SULLIVAN,
Commandant, Aloha Detachment Marine Corps League.

1399TH VETERANS CLUB,
Honolulu, HI, July 17, 1990.

HON. SENATOR DANIEL K. AKAKA,
U.S. Senate, Washington, DC.

Re naming of the Proposed Veterans Medical Center in Hawaii. The "Spark M. Matsunaga Department of Veterans Affairs Medical Center".

DEAR SENATOR AKAKA: Thank you for your letter of June 26, 1990, addressed to me for the AJA Veterans Council.

The AJA Veterans Council is comprised of the president and a representative from each of the following World War II veterans clubs in Hawaii:

Club 100 (100th Infantry Battalion).

442nd Veterans Club (442nd Regimental Combat Team).

M.I.S. Veterans Club (Military Intelligence Service).

1399th Veterans Club (1399th Engineer Construction Battalion).

While I strongly believe all of these clubs will be in agreement in supporting you and other members of the Senate Veterans' Affairs Committe to offer legislation designating the proposed veterans medical center in Hawaii as the "Spark M. Matsunaga Department of Veterans Affairs Medical Center" after the late Senator Spark M. Matsunaga, I have contacted each club for their individual letter of support to you.

Speaking for the 1399th Veterans Club, we heartily endorse the naming of the proposed veterans medical center in Hawaii after the late Senator Matsunaga. It will be a fitting tribute to Sparky who worked tirelessly for all veterans, and particularly in our behalf for a much needed and overdue VA medical center in Hawaii. Most of us veterans of WW II are past 65, many in the 70's.

Thank you for this opportunity to endorse the naming of the proposed facility after Sparky.

Aloha,

EDWARD S. TARUTANI,
AJA VETERANS COUNCIL
President, 1399th Veterans Club.

RETIRED ENLISTED ASSOCIATION,
Honolulu, HI, July 12, 1990.

SEN. DANIEL K. AKAKA,
Washington, DC.

Re Naming the future VA hospital in honor of Senator Spark M. Matsunaga.

DEAR SENATOR AKAKA: Mr. Waiolama who is the President of The Retired Enlisted Association Chapter 42; Honolulu indicated that he received a letter from DKA in regards to the above. He said that the Board of Directors met last night; and they are all in favor of the above. (There are 467 members in this group.)

BENJAMIN WAIOLAMA,
President.

GAYLORD DILLINGHAM
MEMORIAL CHAPTER, MOWW,
1777 ALA MOANA BLVD.,
Honolulu, HI, July 14, 1990.

HON. DANIEL K. AKAKA,
U.S. Senator, Washington, DC.

DEAR SENATOR AKAKA: I read your letter of June 26, 1990 to the Staff of The Gaylord Dillingham Memorial Chapter of The Military Order of the World Wars.

We were touched by Sparky's accomplishments in support of the VA and especially his support in developing plans that may result in the establishment of a medical center in Hawaii for the VA in the near future.

The Gaylord Dillingham Memorial Chapter of the MOWW wholeheartedly supports the idea of you and other members of the Senate Veterans' Affairs Committee intention to offer legislation as a name for the proposed Veterans Hospital:

"SPARK M. MATSUNAGA DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER".

We would like to add our voice in support of such legislation and pray from the bottom of our hearts that Sparky's memory never be forgotten.

In Him With Aloha From the Paradise of the Pacific let it be so.

Aloha numehana,

ANDRE VERSSEN,
Lt. Col. USAF Ret., Commander.

July 19, 1990.

SEN. DANIEL K. AKAKA,
U.S. Senator, Washington, DC.

DEAR SENATOR AKAKA: The Kauai Veterans' Council wholeheartedly supports the naming of the proposed medical center in Hawaii after the late Senator Spark Matsunaga. We are most pleased.

We are hopeful that all the veterans' organizations you wrote to will respond. We represent all of them as each has a representative.

Thank you for your support in the past and we hope we can call on you again.

Sincerely,

EDWARD KAWAMURA,
President, Kauai Veterans' Council.

LA SOCIETE DES 40 HOMMES ET 8
CHEVAUX, GRAND VOITURE DU HAWAII,
Honolulu, HI, June 13, 1990.

SEN. DANIEL K. AKAKA,
Washington, DC.

DEAR SENATOR AKAKA: It is the desire of all the members of the Grand Voiture du Hawaii of La Societe de 40 Hommes et 8 Chevaux, a chartered veteran's organization, that the proposed veterans medical center in Hawaii be named after the late Senator Spark Matsunaga. The ladies of the Grande Cabane de Hawaii of La Societe des Femme, our auxiliary, share this desire.

We would greatly appreciate your efforts in support of this legislation to honor our fellow veteran and comrade, Sparky.

Mahalo and Aloha,

ROBERT J. CONRAD,
Grand Correspondant, Grand Voiture du Hawaii.

AMERICAN LEGION KONA POST 20
Kailua-Kona, HI, July 13, 1990.

SEN. DANIEL K. AKAKA,
Washington, DC.

DEAR SENATOR AKAKA: Your letter of June 26, 1990 asking for support from American Legion Post 20 for naming the proposed veterans medical center in Hawaii after the late Senator Spark Matsunaga was received and read to the comrades of Post 20 at its last regular meeting.

I am happy to say that American Legion Post 20 of Kona, Hawaii, then voted unanimously in support of the proposal.

We consider it a privilege and pleasure to have the opportunity to help honor Sparky Matsunaga's name for his untiring efforts and service to our beloved state, country and its veterans.

With warmest personal regards,

Yours sincerely,

MALLIE B. MOORE,
Commander, Kona Post 20, American Legion, Department of Hawaii.

M.I.S. VETERANS,
Honolulu, HI, July 14, 1990.

Hon. Daniel K. Akaka,
U.S. Senate, Washington, DC.

MY DEAR SENATOR: Thank you for your letter of June 26 regarding the naming of the proposed veterans medical center in Hawaii.

Spark Matsunaga is the name we immediately think of whenever we contemplate the matter of medical benefits for veterans of the Armed Forces residing in the State of Hawaii. We are familiar with Sparky's enormous effort, really a heroic effort, to have a much needed veterans hospital created in Hawaii. It would be fitting to name the proposed hospital after the late Senator Spark Matsunaga. Indeed it would be difficult to envision a name for this hospital without Sparky's name in it.

We of the M.I.S. Veterans Club of Honolulu most heartily endorse your plan for a legislation that would designate the proposed hospital as the "Spark M. Matsunaga Department of Veterans Affairs Medical Center." Go for it!

Sincerely and with aloha,

SAM S. ISOKANE,
President.

PAUL HEINBERG,
1530 AHUAWA LOOP,
Honolulu, HI, July 25, 1990.

SEN. DANIEL S. AKAKA,
Prince Kuhio Federal Bldg., Honolulu, HI.

DEAR SENATOR: The Hawaii Chapter of the American Ex-Prisoners of War has considered your request that we support the naming of the new Veterans' Affairs Hospital in Hawaii in honor of the late Senator Spark Matsunaga.

A motion to that effect was considered at our last meeting, and it was moved and passed instead that we support its being named in honor of a Hawaii-born veteran, preferably a Medal of Honor recipient.

Most cordially yours,

PAUL HEINBERG,
Corresponding Secretary.

KAUAI POST 2,
THE AMERICAN LEGION,
DEPARTMENT OF HAWAII,
Lihue, Kauai, HI, August 1, 1990.

SEN. DANIEL K. AKAKA,
Washington, DC.

DEAR SENATOR AKAKA: In response to your letter dated 26 June 1990 to Mr. George Susterich, Commander American Legion Post 2, we would like to submit the following:

1. We support 100 Percent your effort to name the new proposed hospital as "Spark M. Matsunaga Department of Veterans Affairs Medical Center".

2. "Sparky" as you are aware, was a "Kauai Boy" which all veterans here were proud, respected and called a friend.

3. This action was approved during a regular meeting (31 July 1990) of this post. I have been directed by the Post Commander to advise you of our complete support now and in the future. Sorry for being somewhat late but your letter was not received until mid July and our meetings are always the last Tuesday of each month.

Respectfully:

A.E. "GENE" BULLOCK,
Post Adjutant.

STATE OF HAWAII,
DEPARTMENT OF DEFENSE,
OFFICE OF VETERANS SERVICES,
Honolulu, HI, June 5, 1990.

HON. DANIEL K. AKAKA,
U.S. Senator, Washington, DC.

DEAR SENATOR AKAKA: Naming the long-awaited veterans medical center in Hawaii in honor of our much-loved and respected late Senator Spark Matsunaga would be but a small tribute to his incredible accomplishments.

Spark was the absolute advocate for veterans, their families and their survivors. He was an exemplary public servant who dedicated his life in unselfish commitment to the people of Hawaii and peace, justice and freedom the world over.

His personal involvement in the creation of the State Office of Veterans Services, the securement of funding for the State Veterans Cemetery and the establishment of medical clinics on the neighbor islands attest to his profound concern and compassion for his fellow veteran.

On behalf of more than 100,000 veterans in the State of Hawaii and their surviving family members and dependents, I urge that immediate legislation be introduced to designate our proposed hospital as the "Spark M. Matsunaga Department of Veterans Affairs Medical Center" and that this correspondence be included in the official proceedings of Congress as a tribute to Sparky.

Thank you for carrying-on so capably and effectively Sparky's efforts on behalf of veterans.

Sincerely,

LAWRENCE S. K. LEE,
Director.

July 16, 1990.

SEN. DANIEL K. AKAKA,
Washington, DC.

DEAR HONORABLE SENATOR: Just heard about your wonderful efforts to name the proposed Veterans Affairs Medical Center after the late Sparky Matsunaga. As part of the Kauai Veterans' Council, I hope someone has told you about the KVC.

Just in case, they have not, attached is a list of the present Council and we meet the first Tuesday of every month. We just held a successful Veterans' Roundup on the Fourth of July.

I am president of the American Legion Auxiliary, Kauai Unit 2, and we are very pleased to hear about your efforts.

I am sure you will succeed in getting the hospital named in Sparky's honor.

Sincerely,

TSUGIME TAKEMOTO,
President, American Legion Auxiliary, Kauai Unit 2.

By Mr. GLENN (for himself, Mr. DASCHLE, Mr. MOYNIHAN, Mr. ROBB, and Mr. STEVENS):

S. 3034. A bill to implement certain recommendations of the National Commission on the Public Services; to the Committee on Governmental Affairs.

PUBLIC SERVICE ACT OF 1990

● Mr. GLENN. Mr. President, the legislation I am introducing today implements several of the recommendations

of the National Commission on the Public Service. The Commission under the chairmanship of Paul A. Volcker, former Federal Reserve Board Chairman, included men and women with broad experience in government and private life, as President and Vice President, Senators, Representatives, Cabinet-level officers, Ambassadors, corporate executives university presidents, and leaders of national nonprofit organizations. The Commission perceived an erosion in the attractiveness of public service at all levels, and most specifically in the Federal Civil Service. It believed this undermines the ability of government to respond effectively to the needs and aspirations of the American people, and ultimately damages the democratic process itself.

The Commission's 1989 report clearly highlighted major problems in Government programs often stemming from the inability of Federal agencies to recruit and retain top quality people. Pointing to the HUD scandals, corruption in the Pentagon procurement process, and the financial problems in the savings and loan industry, the Commission concluded that we need to act now to restore the leadership, talent, and performance essential to the strong public service the future demands.

I share the concerns expressed by the Commission and strongly endorse its conclusion that we cannot afford to ignore this situation any longer. The challenges facing us today and in the next decade are enormous and can only be met if we are able to attract and retain people of the highest quality and dedication to public service. The Commission made numerous recommendations and some have already been acted upon. Last November, the Congress passed the Government Ethics Reform Act which addressed a number of the Commission's recommendations for increasing the pay of Federal executives, judges, and Members of Congress while placing restrictions on honoraria and other income.

Pay reform for other Federal employees as called for by the Commission is being addressed by Congress this year as it considers the comprehensive pay proposals that have been introduced. An amendment version of my pay reform bill, S. 2274, was accepted by the Senate on September 10, 1990, as an amendment to the Treasury and Postal Service appropriations bill. Recruiting and retention problems due to inadequate pay have reached crisis proportions across all Government agencies and cry out for immediate action.

The legislation I am introducing today addresses other key recommendations of the Commission. The bill would revise and strengthen the role of the Office of Personnel Management by designating its Director to serve as the principal adviser to the President on issues of human resource management in the Federal Government. The bill also requires the Office of Personnel Management to develop and implement a plan for decentralizing and delegating to Federal agencies as many of its current operating responsibilities as possible. This would allow the Office to concentrate on its primary roles of policymaking and oversight.

The legislation also creates a public service scholarship program targeted for 1,000 college-bound students each year to encourage young people to go into public service. Scholarship recipients would be entitled to reimbursement up to $15,000 annually for tuition and books and would receive the pay of a GS-2 during the school year. In return, they would agree to work in the Federal Government for a period of equal to 1½ times the period of their scholarship. Finally, the bill codifies the existing Presidential Management Intern Program which currently operates under the authority of Executive orders. Through this program highly qualified and talented people have entered Federal service and it should be made permanent.

Mr. President there are no simple or singular solutions to the problems facing us but with a comprehensive Civil Service strategy, I believe we can strengthen Federal executive leadership and provide the talent we need to meet the challenges of the 1990's and beyond.

I ask unanimous consent that the text of my bill and a section-by-section analysis of it be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3034

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "The Public Service Act of 1990".

TITLE I—PERSONNEL MANAGEMENT IMPROVEMENTS

SEC. 101. FUNCTIONS OF THE OFFICE OF PERSONNEL MANAGEMENT.

Section 1103(a) of title 5, United States Code, is amended by redesignating paragraphs (7), (8) and (9) as paragraphs (8), (9), and (10), respectively, and inserting after paragraph (6) the following new paragraph:

"(7) serving as the President's principal advisor on issues of human resource management in the Federal Government;".

SEC. 102. DECENTRALIZING GOVERNMENT MANAGEMENT.

Within 12 months after the date of the enactment of this Act, the Office of Personnel Management shall develop and implement a plan for decentralizing and delegating to the Federal departments and agencies as many of its current operating responsibilities as practicable. The plan shall, to the greatest extent practicable—

(1) provide all agencies flexibility to recruit employees and, consistent with merit system principles and due process considerations, greater flexibility to remove employees;

(2) provide for oversight by the Office to ensure consistent application of such principles and considerations; and

(3) exercise the Office's authority under chapter 47 of title 5, United States Code, to conduct demonstration projects.

TITLE II—RECRUITMENT

SEC. 201. PUBLIC SERVICE SCHOLARSHIPS.

(a) DEFINITIONS.—For the purpose of this title—

(1) the term "agency" means an executive agency and a military department;

(2) the term "institution of higher education" means an educational institution in any State which—

(A) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(B) is legally authorized within such State to provide a program of education beyond high school;

(C) provides an educational program for which it awards a baccalaureate degree; and

(D) is accredited by a nationally recognized accrediting agency or association; and

(3) the term "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

(b) ESTABLISHMENT.—The Office of Personnel Management shall establish a program under which scholarships may be awarded to individuals pursuing post-secondary degrees in fields of study as to which Federal agencies require, or anticipate a requirement of, employees with proficiency or expertise.

(c) GENERAL REQUIREMENTS FOR SCHOLARSHIP.—(1) The primary bases for the selection of scholarship recipients shall be individual accomplishments and demonstrated abilities or aptitudes.

(2) In addition to the criteria under paragraph (1), the Office shall, consistent with the merit system principles set forth in paragraphs (1) and (2) of section 2301(b) of title 5, United States Code, take into consideration the need to maintain a balanced workforce in which women and members of racial and ethnic minority groups are appropriately represented in Government service.

(3) A scholarship may be awarded by the Office to a student under this section only for any period during which such student is pursuing a baccalaureate or advanced degree at an institution of higher education which is qualified to participate in the program under this section.

(4) An institution of higher education shall not be considered qualified to participate in the program under this section, unless it demonstrates that it has established a system under which scholarship recipients would receive academic and career counseling, particularly with respect to any subjects or areas which the Office may from time to time identify.

(5)(A) The Office may offer scholarships covering—

(i) the full period of a student's undergraduate education, not to exceed 4 years; and

(ii) the last 2 years of a student's undergraduate education (or the equivalent thereof, in the case of individuals enrolled in accelerated programs).

(B) To the extent the Office considers appropriate, scholarships may also be offered to students pursuing an advanced degree.

(d) TERMS AND CONDITIONS FOR INDIVIDUAL PARTICIPATION.—(1) Subject to subsection (f), a scholarship recipient is entitled to receive, by advance payment or reimbursement—

(A) the full cost of tuition; and

(B) the full cost of books and other appropriate study materials.

(2) In addition to the benefits under paragraph (1), as long as a student's scholarship continues, such student is entitled to receive, on a biweekly basis—

(A) during each academic term, an amount equal to the minimum biweekly rate of basic pay payable for grade GS-2 of the General Schedule; and

(B) with respect to each period during which the student is serving in a position in fulfillment of work requirements under paragraph (4)(A), the minimum biweekly rate of basic pay payable for the grade of the position under the General Schedule or, in the case of a position not covered by the General Schedule, the minimum biweekly rate of basic pay usually payable for the position.

(3) A scholarship recipient shall not, for any purpose, be considered an employee by reason of such recipient's participation in a program under this section, except—

(A) in accordance with the terms under which the individual is appointed to a position in connection with fulfilling any work requirement under paragraph (4)(A); and

(B) as provided under paragraph (6)(D).

(4) To be eligible for a scholarship under this section, an individual shall agree in writing to—

(A) satisfy such work requirements as the Office may by regulation prescribe with respect to the period before completion of such individual's undergraduate or advanced studies, as the case may be; and

(B) work for a period after completing such individual's undergraduate or advanced studies (as the case may be) equivalent to one and one-half times the period over which any biweekly payments described under paragraph (2) were made.

(5) With respect to paragraph (4)(A)—

(A) work requirements shall be established to provide that such requirements may be satisfied during periods between consecutive academic terms in a year, or during the period between consecutive academic years;

(B) any position to which the individual is appointed, and the types of tasks required to be performed, shall be—

(i) consistent with the individual's background and experience; and

(ii) determined in a way that complements the individual's education and contributes to the individual's preparation for post-scholarship Government service; and

(C) the individual—

(i) may not receive any appointment other than a temporary appointment not to exceed 120 days;

(ii) shall be appointed in accordance with such procedures as the Office shall by regulation prescribe, including provisions under which any application or other appointment-related requirements may be waived; and

(iii) may request the Office to waive the work requirements under paragraph (4)(A), in whole or in part, in such circumstances as prescribed by regulation, and the Office may so waive.

(6)(A) With respect to paragraph (4)(B)—

(i) the position to which an individual is appointed shall be selected in a way that, to the extent practicable, makes use of the individual's education and training;

(ii) appointment shall be carried out in accordance with such procedures as the Office shall by regulation prescribe, including provisions under which—

(I) an individual's preferences as to geographic location shall be taken into account;

(II) any application or other appointment-related requirements may be waived; and

(III) appropriate minimum levels of pay and responsibility are fixed for post-scholarship appointment;

(iii) appropriate opportunities for continuing education or career development, such as seminars, conferences, and specialized training, shall be offered during post-scholarship service; and

(iv) the individual shall, while performing post-scholarship service, be considered an employee of the employing agency for all purposes, including for purposes of determining basic pay and eligibility for benefits.

(B) Nothing in subparagraph (A)(iv) shall be considered to authorize the appointment of an individual to a position other than a permanent position which is—

(i) in the competitive service; or

(ii) excepted from the competitive service either under regulations prescribed by the Office (other than a position of a confidential, policy-making, or policy determining character) or by statute.

(7) In addition to the matters described in paragraphs (4) through (6), each agreement referred to in such paragraphs shall include provisions under which—

(A) the Office shall reserve the right to terminate, at any time, an individual's scholarship, or post-scholarship employment with the United States (in fulfillment of such individual's obligations under this section), based on misconduct or any other reason which may be specified in the agreement; and

(B) the student agrees to reimburse the Office for any amounts which were paid either to or on behalf of the student under the scholarship program (excluding any amounts under paragraph (2) of this subsection and any amounts based on post-scholarship service) if the individual involved is unable to complete the required educational course of study or otherwise satisfy such individual's obligations under the agreement.

(8)(A)(i) The obligation to reimburse the United States under any provision described in paragraph (7)(B) shall for all purposes be treated as a debt owing the United States. In making payment to reimburse such obligation, an individual shall—

(I) make a lump sum payment of the total obligation within 6 months after such obligation is due, without making any interest payments; or

(II) pay such obligation under a schedule determined by the Office at the interest rate provided under subsection (g).

(ii) The Office may release an individual from the obligation referred to in clause (i), or from any part thereof, if it determines that equity or the interests of the United States so require.

(B) Termination of an agreement by the Office under subparagraph (A) releases the individual from all requirements and obligations to which such individual would otherwise be subject under the agreement.

(e) ANNUAL LIMITATION ON NUMBER OF SCHOLARSHIPS.—Not more than 1,000 scholarships may be awarded in any year.

(f) LIMITATION ON AMOUNT OF SCHOLARSHIP ASSISTANCE.—(1) Subject to the provisions of paragraph (2), no individual may receive scholarship assistance for tuition, books, and other appropriate study materials under this title greater than $15,000 for any one-year period.

(2)(A) The limitation of $15,000 described under paragraph (1) shall apply to the calendar year in which this Act is enacted. Beginning on December 1, next following the calendar year in which this Act is enacted, and on each December 1, thereafter, the monetary limitation described under paragraph (1) shall be increased by the percent change in the price index for the base quarter of such year over the price index for the base quarter of the preceding year in which an adjustment under this paragraph was made, adjusted to the nearest one-tenth of 1 percent.

(B) For the purpose of this paragraph—

(i) the term "base quarter", as used with respect to a year, means the calendar quarter ending on September 30, of such year;

(ii) the term "price index" means the Consumer Price Index (all items—United States city average) published monthly by the Bureau of Labor Statistics; and

(iii) the price index for a base quarter is the arithmetical mean of such index for the 3 months comprising such quarter.

(g) INTEREST RATES ON REPAYMENT.—The rate on repayment on scholarships awarded under this title shall be 9 percent.

(h) REPORTS.—The Office shall prepare and submit to the Congress an annual report. Each such report shall contain—

(1) a description of the program, including any modifications made during the period covered by the report;

(2) the number of individuals participating in the program;

(3) the criteria by which any students selected during the period covered by the report were chosen;

(4) an assessment of the success of the program, during the period covered by the report, in meeting the purposes for which the program was established; and

(5) any other information which the Office considers appropriate.

SEC. 202. PRESIDENTIAL MANAGEMENT INTERNS.

(a) ESTABLISHMENT.—There is established the Presidential Management Intern Program. The purpose of the program is to attract to the Federal service outstanding men and women from a variety of academic disciplines who have a clear interest in, and commitment to, a career in the analysis and management of public policies and programs. Individuals selected for the program shall be known as Presidential Management Interns.

(b) ELIGIBILITY.—Eligible individuals are those who have pursued a course of study at the graduate level which demonstrates both an exceptional ability and the commitment described in subsection (a). Such individuals at the time of application shall have recently received or expect to receive soon an appropriate advanced degree.

(c) GUIDELINES AND PROCEDURES.—(1) The Office of Personnel Management shall—

(A) prescribe guidelines as to what constitutes an appropriate advanced degree; and

(B) develop appropriate procedures for the recruitment, nomination, screening, placement and continuing career development of outstanding individuals possessing the qualifications described in subsections (a) and (b).

(2) In developing such procedures, the Office shall be guided by the following principles and policies:

(A) The number of new Presidential Management Interns selected shall not exceed 1,000 in any fiscal year.

(B) Final placement of Presidential Management Interns shall be made by the head of the department, agency, or component within the Executive Office of the President in which the Intern is to be employed, or by the designee thereof.

(C) Universities and colleges participating in the program shall make nominations for the program. In making nominations, they shall establish competitive selection processes and procedures to ensure that all applicants receive careful and thorough review.

(D) The procedures so developed shall provide for such affirmative actions as the Office determines appropriate to assure equal employment opportunity. The procedures shall also provide for the application of appropriate veterans preference criteria.

(d) APPOINTMENTS.—Successful candidates shall be appointed as Presidential Management Interns to positions in schedule A of the excepted service. The appointment shall not exceed 2 years unless extended by the Federal department or agency, with the concurrence of the Office of Personnel Management, for up to one additional year.

(e) TENURE.—Tenure for the Presidential Management Interns shall be governed by the following principles and policies:

(1) Assigned responsibilities shall be consistent with an Intern's educational background and career interests, and the purposes of the program.

(2) Continuation in the program shall be contingent upon satisfactory performance by the Intern throughout the internship period.

(3) Except as provided in paragraph (4), service as an Intern shall confer no rights to further Federal employment in either the competitive or excepted service upon the expiration of the internship period.

(4) Competitive civil service status may be granted to Interns who satisfactorily complete their internships and meet all other requirements prescribed by the Office of Personnel Management.

(f) REGULATIONS.—The Office of Personnel Management shall prescribe such regulations as may be necessary to carry out the purposes of this section.

(g) SAVINGS PROVISIONS.—Individuals who are undergoing the process of selection before or on the date of the enactment of this Act, or who were selected or appointed under the provisions of Executive Order No. 12364 or 12645 and who have not completed their scheduled period of excepted service, may continue their internships under the provisions of this section.

SEC. 203. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as necessary to carry out the purposes of this title.

SECTION-BY-SECTION ANALYSIS

Section 1 designates the act as "The Public Service Act of 1990."

TITLE I—PERSONNEL MANAGEMENT IMPROVEMENTS

Section 101 adds to the statutory list of functions of the Director, Office of Personnel Management (OPM), the role of serving as the principal adviser to the President on issues of human resource management in the federal government. The purpose of this is to highlight the important role of the Office and to ensure the participation of its Director in cabinet-level discussions on human resource management issues.

Section 102 requires OPM to develop and implement within one year, a plan for decentralizing and delegating to the federal departments and agencies as many of its current operating responsibilities as practicable. This would allow OPM to concentrate on its primary roles of personnel policymaking and oversight.

TITLE II—RECRUITMENT

Section 201 creates a Public Service Scholarship Program administered by the Office of Personnel Management. The purpose of the program would be to encourage young people to go into public service; it would be targeted for 1,000 college or college-bound students each year. Students would be selected on the bases of accomplishments and demonstrated abilities or aptitudes giving consideration to the need to maintain a balanced workforce in which women and minority groups are appropriately represented.

A scholarship recipient is entitled to reimbursement of tuition, books and other study materials up to a maximum of $15,000 per year and will receive the pay of a GS-2 during each academic term. Recipients would be required to agree to work for the Federal Government for a period equal to one and one-half times the period of the scholarship.

Section 202 would codify the existing Presidential Management Intern Program, which currently operates under the authority of Executive Order No. 12364 (May 24, 1982), as amended by Executive Order No. 12645 (July 12, 1988).●

● Mr. STEVENS. Mr. President, I am pleased to join with Senator GLENN in cosponsoring the Public Service Act of 1990. I would also like to commend the National Commission on the Public Service, also known as the Volcker Commission, on their good work in examining the maintenance of an effective and energetic civil service and providing us with carefully crafted recommendations. This bill, which creates a Public Service Scholarship Program for college bound students, is crucial in the face of current Federal recruitment difficulties.

A recent article on the state of the public service reported that of the 10 percent of all college seniors with a 3.5-grade point average, only 2 percent enter the public service. Moreover, among college seniors belonging to the major academic honor societies, less than 5 percent look with favor on a Government career. With pay rates falling increasingly behind those offered by the private sector for comparable positions, college students are simply not choosing public service.

We need to provide an incentive for more of our bright and energetic young people to want to participate in Government and to be exposed to careers in the Federal service. The Subcommittee on Federal Services, Post Office, and Civil Service held a hearing on recruitment and retention issues last summer. We found that agencies can do better in their recruitment efforts.

OPM's use of the career America recruiting materials have been a major improvement in the way in which service in the Federal Government is presented to college students and other candidates. However, more agencies need to make use of slick, attractive, and modern brochures. OPM has reported that approximately 50 percent of the executive branch agencies have no college recruiting brochures, 58 percent have no college recruiting budget, and 49 percent have no advertising budget for recruitment.

This bill provides that the Office of Personnel Management [OPM] shall establish a program under which scholarships may be awarded. The Public Service Scholarship Program would target 1,000 college-bound students each year in order to encourage them to enter public service. Scholarship recipients would be reimbursed the cost of tuition and books and receive the pay of a GS-2 during each academic term. A recipient would make a commitment to work in the Federal service for a time period that is 1½ times the period of the scholarship.

This component of the bill will also help to raise awareness of the importance of the aggressive Government search for candidates to fill vacant positions in demographic areas which the executive branch has not previously scrutinized.

Other provisions of the bill provide that a scholarship recipient will reimburse OPM for money paid if the recipient later defaults on his or her commitment to work for a time certain or to meet other agreed upon obligations. OPM would submit an annual report to the Congress describing the scholarship program, as well.

The Public Service Act also codifies the existing Presidential Management Intern [PMI] Program, which is currently operating under executive order. This program has been a useful tool both at present and in the past in exposing our young graduates to different components of the executive branch, giving them significant responsibility in various positions, and infusing our Government with fresh ideas and spirited enthusiasm.

The idea of Government service unfortunately brings to the minds of many people the issue of noncompetitive pay. "Work force 2000," a study that OPM conducted on Federal work force issues, shows that more people are leaving public service than are entering. We need to formulate a plan to attract young people into the civil service, keep them interested, and guide their professional development. We need to allow them professional training opportunities and reward them for good performance, both through case awards as well as noncash agency recognition awards.

The National Commission on the Public Service reported last year that among determinants of employee commitments, compensation, which traditionally had ranked first in surveys,

ranked fourth, behind communication, job content, and career development.

In 1987, Louis Harris' "Inside America" reported that 48 percent of those surveyed were most attracted by work that "gives a feeling of real accomplishment," while "good pay" was most important to only 18 percent.

I agree with these findings—when employees are continually facing mental challenges and achieving success through their accomplishments, the resulting job satisfaction often becomes more important to them than the amount of the paycheck. Of course, this not to say that Federal pay for certain occupations should not be comparable to similar positions in the private sector.

This bill will be instrumental in recruiting energetic, active, and intelligent individuals and is one of the first steps in improving recruitment methods and helping to vitalize the civil service with constructive ideas and new hope.●

By Mr. LIEBERMAN (for himself, Mr. BRYAN, Mr. PRESSLER, Mr. SIMON, Mr. AKAKA, Mr. COHEN, Mr. D'AMATO, Mr. DASCHLE, Mr. DODD, Mr. HARKIN, Ms. MIKULSKI, Mr. PELL, Mr. REID, Mr. RIEGLE, Mr. ROCKEFELLER, Mr. SANFORD, Mr. METZENBAUM, and Mr. KENNEDY):

S. 3035. A bill to protect the national security by prohibiting profiteering of essential commodities during periods of national emergency; to the Committee on the Judiciary.

NATIONAL EMERGENCY ANTI-PROFITEERING ACT

● Mr. LIEBERMAN. Mr. President, on August 2, the world witnessed an outrage—Saddam Hussein's sudden and brutal invasion of Kuwait. We also, however, witnessed the beginnings of a second outrage: As quickly as Iraqi forces overwhelmed their tiny neighbor, the price of gasoline at the pump skyrocketed. Within 5 days, the average retail price of gasoline climbed from $1.075 to $1.201, an increase of 12 percent. These price increases were so sudden and so steep that the President, in a nationally televised address from the Oval Office, ultimately had to call upon the oil companies to show some restraint.

What we witnessed was nothing more than rampant price gouging. Instead of pricing based upon actual production costs, the oil industry decided to charge whatever it could get away with. During this period, there was no real shortage of crude oil. Indeed, crude oil stocks throughout the industrialized world were at record levels. The oil industry simply used the hostilities in the Persian Gulf to transfer millions of dollars a day from consumers to its own pockets.

And as we head into the winter, this situation threatens to get worse. With or without continued conflict in the Persian Gulf, we face the possibility of a major heating oil and propane crisis this winter. Despite the fact that heating oil supplies are far higher than they were at this time last year, prices stand 30 percent above last year's level. Consumers and Government energy assistance stand to lose millions from these increases, even without harsh weather.

These recent events dramatize the need for standby measures that would allow the President to act swiftly and decisively to protect the American economy in cases of true emergency. The President, at present, has no means other than "jawboning" or a lengthy antitrust investigation to halt price gouging, regardless of the damage inflicted on our economy. We need a better assurance that the President can, when markets are abnormally disrupted in times of emergency, prevent price gouging with respect to those commodities, such as oil, that are essential to our economy and to the public health, safety, and welfare.

That is why I, along with sixteen of my Senate colleagues, will introduce today the National Emergency Anti-Profiteering Act of 1990. Congressman DURBIN and 28 other Members of the House of Representatives will introduce a companion measure in that body. This bill, if enacted, would give the President the power to declare a national economic emergency when abnormal market disruptions—whether from military threats, war, civil disorders, extraordinary weather conditions, or other catastrophes—that result in actual or threatened shortages or sharp price increases for an essential commodities. When the President declares a national economic emergency, he must also designate the essential commodities with respect to which the emergency exists.

For the duration of the emergency, sellers of those essential commodities would be prohibited from profiteering, i.e. charging an excessive price not justified by actual costs plus a reasonable profit. Profiteers would be subject to criminal penalties of up to 5 years in prison, fines of up to a half million dollars, and disgorgement of ill-gotten profits to consumers. They would also face civil actions by the Attorney General of the United States and the Attorneys General of our 50 States, who could seek double damages, restitution of ill-gotten profits to consumers, and injunctions.

I emphasize that the powers we propose to give to the President are emergency powers only. To prevent this statutory scheme from becoming a permanent fixture, a national economic emergency can last only 6 months without renewal. Thereafter, it must be renewed every 90 days. Both the declaration of an emergency and renewals of the state of emergency are subject to judicial review. Congress may also terminate a national economic emergency by passing a joint resolution.

This bill is also not intended to supplant State antiprice gouging statutes. Both Connecticut and New York already have such statutes on the books, and several others are now considering state antiprofiteering legislation. I am pleased to note that the National Association of Attorneys General recently established a task force to draft model State antiprice gouging legislation.

Mr. President, we should not wait for war to break out in the Persian Gulf before we act to give the President the power to prevent profiteering that threatens the health of our economy. It is my hope that both houses of Congress will act quickly to enact this bill into law.

Mr. President, I ask unanimous consent that a summary and text of the National Emergency Anti-Profiteering Act of 1990 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3035

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Emergency Anti-Profiteering Act of 1990".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The United States is dependent on certain commodities, such as oil and petroleum products, which are essential to the functioning of the United States economy and to the public health, safety and welfare.

(2) A shortage or threatened shortage or increase in the price of such commodities can significantly injure or threaten the United States economy or public health, safety or welfare, thereby endangering the national security.

(3) Some suppliers of these essential commodities can use abnormal market disruptions, including unexpected changes in weather conditions, acts of nature, civil disorders, war or other military actions, catastrophic loss of an energy source or other extraordinary adverse circumstances, to profiteer in these essential products, even when these actions may undermine the United States economy or otherwise threaten public health, safety and welfare.

(4) Existing Federal laws as presently enforced do not sufficiently control such profiteering in emergency situations. Profiteering can occur and injure the United States economy even in the absence of a provable violation of the antitrust or unfair trade practice laws.

SEC. 3. DEFINITIONS.

For the purpose of this Act:

(1) "National economic emergency" means, as determined by the President, an abnormal market disruption (whether actual or imminently threatened) resulting from extraordinary weather conditions, acts of nature, catastrophic failure of a source of energy, strike, civil disorder, war or other

military action, or national emergency, that—

(A) causes an actual or threatened shortage, or an actual or threatened increase in the price of an essential commodity, and

(B) is likely to significantly injure the economy of the United States or the public health, safety or welfare.

When the President declares a national economic emergency, he shall designate the essential commodities with respect to which that national economic emergency exists. Notice of the President's determination that a national economic emergency exists and his designation of the essential commodities with respect to which that national economic emergency exists shall be given by immediate publication of a Presidential proclamation.

(2) An "essential commodity" is—

(A) crude oil, propane, gasoline, diesel fuel, kerosene, home heating oil, aviation fuel, or other petroleum distillate, or

(B) a commodity that the President determines to be a commodity—

(i) of significant importance to the American economy, or

(ii) vital or necessary to the public health, safety or welfare,

a disruption in the supply, or sudden increase in the price, of which is likely to significantly injure the economy of the United States or public health, safety or welfare, and thereby threaten the national security. Notice of such determination shall be given by publication of a Presidential proclamation.

(3) "Listed essential commodity" means any essential commodity with respect to which the President has designated that a national economic emergency exists.

(4) "Profiteer" means to offer for sale, sell, transport, or deliver an essential commodity at an excessive price, or to place excessive restrictions or conditions upon the sale, delivery or transportation of an essential commodity.

(5) An "excessive price" is one that is not justified by the seller's actual costs of acquiring, producing, selling, transporting, and delivering the actual product sold, plus a reasonable profit. In calculating the seller's actual costs, no allowance shall be made for the replacement costs of an essential commodity if the seller is reasonably assured of recouping the replacement costs as a part of the price of subsequent sales of an essential commodity. It shall be prima facie evidence of an excessive price that the increase in the seller's price for a listed essential commodity during a national economic emergency exceeds the increase in the seller's actual costs for actual product sold.

SEC. 4. PROHIBITION OF PROFITEERING DURING A NATIONAL ECONOMIC EMERGENCY.

(a) IN GENERAL.—Following publication of a Presidential proclamation declaring a national economic emergency and designating the essential commodities with respect to which that national economic emergency exists, for the duration of that national economic emergency, no person shall profiteer with respect to any listed essential commodity.

(b) PENALTY.—Any person who profiteers in a listed essential commodity in violation of subsection (a), with the knowledge that he or she is engaging in profiteering of a listed commodity, shall be subject to up to 5 years imprisonment and a fine of up to $500,000, and shall be required to disgorge all profits earned on essential commodities with respect to which profiteering occurred.

SEC. 5. CIVIL REMEDIES.

(a) JURISDICTION.—The district courts of the United States shall have jurisdiction to prevent and restrain violations of section 4(a) of this Act by issuing, upon proof by a preponderance of the evidence, appropriate orders, including necessary injunctive or declaratory relief or restitution or other damages.

(b) COMMENCEMENT OF PROCEEDINGS; INTERIM RELIEF.—The Attorney General of the United States or the Attorney General of any State may institute proceedings under this section. Pending final determination thereof, the court may at any time enter such restraining orders or prohibitions, or take such other actions, including the acceptance of satisfactory performance bonds, as it shall deem proper.

(c) DOUBLE DAMAGES.—In any case brought by the United States or a State under this section, the defendant shall be liable for damages in the amount of twice the amount of all profits earned on the listed essential commodities with respect to which profiteering occurred.

SEC. 6. DURATION OF A NATIONAL ECONOMIC EMERGENCY.

(a) LIMITATION ON LENGTH OF EMERGENCY; EXTENSIONS.—A national economic emergency, as declared by the President pursuant to section 3(1) of this Act, shall be in effect for not more than 180 days from the date such emergency is declared, unless extended by Presidential declaration that a national economic emergency continues to exist, notice of which shall be immediately published as a Presidential proclamation. Each extension thereof shall last for not more than 90 days, but there shall be no limit on the number of times the President may extend a national economic emergency.

(b) CONGRESSIONAL TERMINATION.—A national economic emergency, or a designation of one or more essential commodities with respect to which the national economic emergency exists, may be terminated by passage of a joint resolution of Congress. Nothing in this subsection shall prohibit the President, through published Presidential proclamation, from terminating a national economic emergency or a designation of one or more essential commodities with respect to which said emergency exists.

SEC. 7. JUDICIAL REVIEW.

(a) STANDARD OF REVIEW.—The President's determination that a national economic emergency exists or continues to exist, designation of essential commodities to which the national economic emergency exists, or determination that a commodity is an essential commodity pursuant to section 3(2)(B) of this Act, shall not be overturned, except on a showing, by clear and convincing evidence, that the President acted arbitrarily or capriciously or not otherwise in accordance with the law.

(b) JURISDICTION.—The United States District Court for the District of Columbia shall have exclusive original jurisdiction over all actions against the United States challenging the constitutionality of this Act, the President's determination that a national emergency exists or continues to exist, the President's designation of the essential commodities to which that emergency exists, or the President's determination that a commodity is an essential commodity under section 3(2)(B) of this Act.

SEC. 8. EFFECT ON STATE LAWS.

Nothing in this Act shall be construed as altering or preempting any provisions of State law, except to the extent that State law mandates profiteering of a listed commodity during a national economic emergency.

SUMMARY OF THE NATIONAL EMERGENCY ANTI-PROFITEERING ACT OF 1990

The Act gives the President the power to declare a National Economic Emergency in the event of abnormal market disruptions resulting from military threats, war, civil disorders, extraordinary weather conditions, or other catastrophic failures that result in actual or threatened shortages or price increases for essential commodities, such as oil. The President must designate the essential commodities with respect to which the national economic emergency exists.

Essential commodities include (1) petroleum products, such as crude oil, gasoline, diesel fuel, home heating oil and aviation fuel, and (2) any other commodity that the President finds to be of significant importance to the American economy or vital to the public health, safety or welfare if a supply disruption or price increase for that product is likely to significantly injure the U.S. economy or public health, safety or welfare.

When the President declares that a National Economic Emergency exists with respect to an essential commodity, sellers of that product are prohibited from "profiteering", i.e. charging an excessive price for such products. Excessive prices are those not justified by actual costs, plus a reasonable profit. Pricing based on replacement cost is prohibited if the increased costs of replacement products can be recovered when those products are sold.

Increasing the price for an essential commodity, for which the President has declared a National Economic Emergency, faster than increases in the seller's actual costs for the product actually sold is prima facie evidence of profiteering.

People or companies who profitteer during a National Economic Emergency are subject to criminal penalties of up to 5 years in prison, fines of up to $500,000, and disgorgement of all profits earned through profiteering.

The Attorney General of the United States and the Attorneys General of the states can also seek civil remedies, including double damages, restitution of ill-gotten profits, and injunctions.

A National Economic Emergency can last only up to 180 days, unless renewed by the President. Renewals last for 90 days each.

Congress can terminate a National Economic Emergency by passing a joint resolution (which requires the President's signature or a two-thirds majority in each House). The President can terminate a National Economic Emergency by Presidential order.

State laws are not preempted. This act will not affect state price-gouging statutes.●

By Mr. CRANSTON (for himself and Mr. WILSON):

S. 3036. A bill to establish the Smith River National Recreation Area in the State of California; to the Committee on Energy and Natural Resources.

SMITH RIVER NATIONAL RECREATION AREA ACT

Mr. CRANSTON. Mr. President, on behalf of Senator WILSON and myself, I introduce for appropriate reference a bill to designate the Smith River National Recreation Area in State of California. The legislation is identical

to H.R. 4309, as approved by the House Interior Committee Subcommittee on National Parks and Public Lands last week.

The majestic Smith River has long been considered the "crown jewel" of California's wild and scenic rivers. The Smith and its tributaries comprise the only remaining watershed in the State without dams and diversions. The area boasts spectacular scenery, clear waters, abundant fish and wildlife, and diverse conifer forests, with stands of old growth redwoods and Douglas fir. These rich resources make the Smith River watershed an outstanding recreation destination.

But the watershed is being impacted by development. Over a billion board feet of timber have been harvested in the past four decades. Fisheries have declined 65 percent as logging, mining, and road building have destroyed spawning beds and increased stream sediment. Logging and poor maintenance also have eliminated hiking, hunting, and fishing trails. Today there are only 65 miles of trails, a third as many as 50 years ago.

In recognition of this situation, Congressman Bosco has been meeting for many months with representatives of local government, conservationists, the forest products industry, and the Forest Service to develop a comprehensive plan which will protect the natural values of the Smith River watershed and at the same time provide for compatible commodity production. I'm pleased to say the legislation I am introducing today is the product of his successful negotiations.

The bill establishes a 300,000 acre Smith River National Recreation Area encompassing the national forest lands in the Smith River watershed. It designates eight separate management areas within the NRA and provides specific management direction for each area. For most areas, the primary emphasis is on protection of river, scenic and wildlife values and enhancement of recreation. The bill prohibits timber harvests in wild and scenic river corridors and permanently protects over 75 percent of the remaining old growth forests in the Smith River basin, including all remaining stands of old-growth redwoods.

Under the bill, timber harvests are limited primarily to areas where extensive logging has already occurred and roads have been built. Additionally, the bill requires use of "new forestry" techniques and maintenance of biological diversity in areas subject to logging.

The bill designates by statute the Smith River and tributaries administratively designated as components of the National Wild and Scenic Rivers System by former Interior Secretary Andrus, upgrades the classifications of some of these streams, and adds several important tributaries not included in the original designation.

It permanently blocks completion of the Gasquet-Orleans Road and protects Indian religious sites by adding the G-O Road corridor to the Siskiyou Wilderness.

And it prevents large-scale surface mining in the Smith River watershed, while permitting existing small-scale and recreational mining to continue.

Mr. President, I realize that it is late in the session. Nonetheless, it's my hope that the 101st Congress will be able to pass this bill before it adjourns, providing the Smith River watershed significant lasting protection.

Mr. President, I ask unanimous consent that the text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3036

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Smith River National Recreation Area Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Smith River, undammed and free-flowing from its headwaters to the Pacific Ocean, represents one of the last wholly intact vestiges of an invaluable legacy of wild and scenic rivers;

(2) the Smith River watershed, from the diverse conifer forests of the Siskiyou Mountains and unique botanical communities of the North Fork serpentine to the ancient redwoods along the river's lower reaches, exhibits a richness of ecological diversity unusual in a basin of its size;

(3) the Smith River watershed's scenic beauty, renowned anadromous fisheries, exceptional water quality, and abundant wildlife combine with its ready accessibility to offer exceptional opportunities for a wide range of recreational activities, including wilderness, water sports, fishing, hunting, camping, and sightseeing;

(4) careful development and utilization at mutually compatible levels of recreation, fisheries, and timber resources on public lands will ensure the continuation of the Smith River watershed's historic role as a significant contributor to the region's local economy; and

(5) protection of the Smith River's unique values can be enhanced by a cooperative effort by Federal, State and local governments to coordinate land-use planning, management, and development of Federal and non-Federal lands throughout the watershed.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) the term "excluded area" means one of the four areas specifically excluded from the recreation area, as generally depicted on the map referred to in section 4(b);

(2) the term "forest plan" means the land and resource management plan for the Six Rivers National Forest prepared pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604);

(3) the term "recreation area" means the Smith River National Recreation Area established by section 4;

(4) the term "Secretary" means the Secretary of Agriculture; and

(5) the term "inner gorge" means the inherently unstable steep slope (65 percent gradient or more) immediately adjacent to the stream or river channel, extending from the channel or recent floodplain to the first significant break in slope (usually 15 percent or more).

SEC. 4. SMITH RIVER NATIONAL RECREATION AREA.

(a) ESTABLISHMENT.—For the purposes of ensuring the preservation, protection, enhancement, and interpretation for present and future generations of the Smith River watershed's outstanding wild and scenic rivers, ecological diversity, and recreation opportunities while providing for the wise use and sustained productivity of its natural resources, there is hereby established the Smith River National Recreation Area.

(b) BOUNDARIES.—(1) The recreation area shall consist of those lands within the area generally depicted on the map entitled "Proposed Smith River National Recreation Area" and dated July 1990. The map shall be on file and available for public inspection in the Office of the Chief, Forest Service, Department of Agriculture. The Secretary may, by publication of availability of a revised map and after public comment, make corrections or minor changes to the boundary of the recreation area.

(2) The exterior boundary of the recreation area, as generally depicted on the map, shall encompass the recreation area and the four excluded areas.

(c) BOUNDARY MODIFICATION.—The boundaries of the Six Rivers National Forest are hereby modified as generally depicted on the map referred to in subsection (b). A map and legal description of the boundary of the Six Rivers National Forest as modified by this subsection shall be on file and available for public inspection in the Office of the Chief, Forest Service, and the Office of the Forest Supervisor of the Six Rivers National Forest.

(d) TRANSFER.—The federally owned lands within the recreation area administered by the Secretary of the Interior on the date of enactment of this Act, comprising approximately 20 acres, are hereby transferred to the jurisdiction of the Secretary of Agriculture and shall be managed in accordance with the laws applicable to the National Forest System and this Act.

SEC. 5. ADMINISTRATION.

(a) IN GENERAL.—The Secretary shall administer the recreation area in accordance with this Act and the laws, rules, and regulations applicable to the National Forest System in furtherance of the purposes for which the recreation area was established. In administering the recreation area, the Secretary shall, consistent with the applicable area management emphasis provided under subsection (b), undertake the following:

(1) Provide for a broad range of recreation uses and provide recreational and interpretive services and facilities (including trails and campgrounds) for the public.

(2) Provide and maintain adequate public access, including vehicular roads for general recreational activities such as camping, hiking, hunting, and fishing.

(3) Improve the anadromous fishery and water quality, including (but not limited to) stabilizing landslides, improving fish spawn-

ing and rearing habitat, and placing appropriate restrictions or limitations on soil disturbing activities.

(4) Permit the use of off-road vehicles only on designated routes.

(5) Provide for public health and safety and for the protection of the recreation area in the event of fire or infestation of insects or disease.

(6) Permit programmed and other timber harvest only in those management areas where timber harvest is specifically authorized by subsection (b). Timber management in these areas shall incorporate the use of strategies to reduce habitat fragmentation and employ silvicultural prescriptions designed to maintain or enhance biological diversity and wildlife habitats (such as retention of standing green trees, snags, and other coarse woody debris) by providing for a high level of structural and compositional diversity in managed stands.

(7) Prohibit timber harvest within streamside protection zones along those rivers and river segments specified in section 11 of this Act.

(8) Permit removal of trees in areas where timber harvest is not authorized only when necessary to maintain trails, or existing roads, for human health and safety reasons, for the protection of the recreation area in the event of fire, for the development of recreation or other facilities, or to improve fish and wildlife habitat.

(9) Provide for the long-term viability and presence of Port-Orford-cedar and ensure its continued present economic and noneconomic uses through implementation of management strategies developed by the Forest Service.

(10) Protect, preserve, and increase old growth forest habitat in the recreation area.

(11) Provide for the restoration of landscapes damaged by past human activity consistent with the purposes of this Act.

(12) Develop a monitoring program to consistently gather water quality, air quality, wildlife, and fisheries data from representative Smith River subwatersheds within each management area.

(13) Develop and implement a management plan to maintain, protect, and promote habitat for native resident trout species in the recreation area.

(14) Cooperate with other Federal, State, and local government agencies in coordinating planning efforts throughout the Smith River watershed.

(b) MANAGEMENT AREAS.—(1) The recreation area shall contain eight management areas, as generally depicted on the map referred to in section 4(b). The Secretary may, pursuant to section 4(b), make minor revisions or amendments to the boundaries of the management areas.

(2) The Secretary shall administer each management area within the recreation area in accordance with the following:

(A) The management emphasis for the North Fork management area shall be on back-country and whitewater recreation, while recognizing unique botanic communities, outstanding whitewater, and historic and scenic values.

(B) The management emphasis for the Upper Middle Fork management area shall be on providing and maintaining ecologic and biologic diversity. Timber harvest shall be permitted, consistent with subsection (a)(6), only in existing plantations.

(C) The management emphasis for the Middle Fork-Highway 199 management area shall be on maintaining wildlife values and providing for a full range of recreation uses, with particular emphasis on the scenic and recreation values associated with the Smith River, old growth redwoods, and California State Highway 199.

(D) The management emphasis for the Upper South Fork management area shall be on wild river and roadless back-country recreation.

(E) The management emphasis for the Lower South Fork management area shall be on maintaining and protecting natural scenic values in the river canyon while providing for traditional and compatible river sports, including white water rafting, angling, sightseeing, and developed and dispersed recreation. Timber harvests based on uneven-aged management with extended rotations shall be allowed where consistent with protection of the scenic values of the recreation area.

(F) The management emphasis for the Lower Hurdygurdy Creek management area shall be on maintenance of wildlife values while providing rustic family and group recreation facilities for fishing, swimming, hunting, and camping. Timber harvests based on uneven-aged management with extended rotations shall be allowed where consistent with protection of scenic and wildlife values.

(G) The management emphasis for the prescribed timber management area shall be on providing maximum sustainable yields of wood products consistent with subsection (a)(6).

(H) The management of the Siskiyou Wilderness management area shall be pursuant to the provisions of the Wilderness Act (16 U.S.C. 1131 et seq.). The Gasquet-Orleans Road corridor between the eastern edge of section 36, T. 14 N., R. 3 E, and the corridor's eastern terminus in the middle of section 26, T. 14 N., R. 4 E. shall be added to the Siskiyou Wilderness.

(c) WILD AND SCENIC RIVERS.—The river segments designated as wild and scenic rivers by the amendments made by section 8(b) of this Act shall be administered in accordance with this Act and the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.). In case of conflict between the provisions of these Acts, the more restrictive provision shall apply.

SEC. 6. ACQUISITION AND DISPOSAL OF LANDS AND OTHER PROPERTY.

(a) ACQUISITION.—The Secretary is authorized to acquire by purchase, donation, exchange, or otherwise lands, waters, or interests therein (including scenic or other easements), and structures or other improvements thereon, within the boundaries of the recreation area as the Secretary determines appropriate for the purpose of this Act. In exercising this authority, the Secretary is directed to give prompt and careful consideration to any offer to sell, exchange, or otherwise dispose of such property made by an individual or organization. The Secretary shall not acquire any land or interest in land owned by the State of California or any of its political subdivisions within the recreation area except by donation or exchange. All lands acquired by the Secretary pursuant to this Act shall be subject to the laws and regulations pertaining to the National Forest System and this Act.

(b) TRANSFERS TO DEL NORTE COUNTY.—(1) Upon the adoption of a resolution by the Board of Supervisors of the County of Del Norte, California, accepting title to the lands described in paragraph (2) and subject to the County of Del Norte bearing the cost of the survey of such lands, the Secretary shall transfer all right, title, and interest of the United States in and to the lands described in paragraph (2).

(2) The lands referred to in paragraph (1) are described as follows:

(A) Lands north of tract 37, T. 17 N., R. 3 E., H.M., containing 6 acres, more or less, and more particularly described as:

Commencing at the N.E. corner of tract 37, T. 17 N., R. 3 E., H.M.; thence, northerly on a line continuing the eastern boundary of said tract 37 to a point where it intersects the southern boundary of the easement for State highway conveyed to the State of California, Department of Transportation, on the 17th day of May 1977, and recorded on June 22, 1977 at book 206 of Official Records, page 256; thence, southwesterly along the southern boundary of said easement to the point where it intersects the northern boundary of said tract 37; thence, easterly along the northern boundary of said tract 37 to the point of beginning.

(B) Land east of tract 37, T. 17 N., R. 3 E., H.M., containing 6 acres, more or less, and more particularly described as:

Commencing at a point on the eastern boundary of tract 37, T. 17 N., R. 3 E., H.M., lying 332 feet southerly of the N.E. corner of said tract 37; thence, due east of the high water line of the Middle Fork of the Smith River; thence, southwesterly along the high water line of the Middle Fork of the Smith River to its intersection with the northern boundary of tract 38, T. 17 N., R. 3 E.; thence, westerly along the northern boundary of said tract 38 to its intersection with said tract; thence, northerly along the eastern boundary of said tract 37 to the point of beginning.

(c) CONDITIONS OF TRANSFER.—Transfer of the lands and interests described in subsection (b)(2) of this section shall be subject to the condition that all right, title, and interest therein shall revert to the United States if the county of Del Norte, California, attempts to transfer any portion of such lands to any entity or person or if Del Norte County permits any portion of such lands to be used for any purpose incompatible with the purposes of this Act. The Secretary shall include in any document of conveyance whereby such lands are transferred to the county of Del Norte appropriate provisions of implement this subsection.

(d) Withdrawal.—Subject to valid existing rights, all public lands within the recreation area are hereby withdrawn from entry, sale, or other disposition under the public land laws of the United States. This subsection shall not affect the exchange authorities of the Secretary.

SEC. 7. FISH AND GAME.

Nothing in this Act shall be construed to affect the jurisdiction or responsibilities of the State of California with respect to fish and wildlife, including the regulation of hunting, fishing, and trapping on any lands managed by the Secretary under this Act, except that the Secretary may designate zones where, and establish periods when, no hunting, fishing, or trapping shall be permitted for reasons of protecting nongame species and their habitats, public safety, administration, or public use and enjoyment. Except in emergencies, any regulation of the Secretary pursuant to this section shall be put into effect only after consultation with the fish and wildlife agency of the State of California.

SEC. 8. MINERALS.

(a) WITHDRAWAL.—Federal lands within the exterior boundary of the recreation area are hereby withdrawn from all forms of lo-

cation, entry, and patent under the United States mining laws and from disposition under the mining leasing laws, including all laws pertaining to geothermal leasing.

(b) PATENTS.—Patents may not be issued under the mining laws of the United States after the date of enactment of this Act for locations and claims made before the date of enactment of this Act on Federal lands located within the exterior boundaries of the recreation area.

(c) ADMINISTRATION.—Except for extraction of common variety minerals such as stone, sand, and gravel for use in construction and maintenance of roads and other facilities within the recreation area and the excluded areas, all other mineral development on federally owned lands within the recreation area is prohibited.

SEC. 9. MANAGEMENT PLANNING.

The Secretary shall revise the document entitled "Smith River National Recreation Area Management Plan" dated February 1990 to conform to the provisions of this Act, and such revised plan shall guide management of the recreation area and shall be incorporated in its entirety into the forest plan for the Six Rivers National Forest. This incorporation shall not be deemed a revision or amendment to the forest plan for purposes of section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974. The Secretary shall make such further revisions to the management plan as are necessary in order to include more specific development and use plans for the recreation areas. Such revisions shall be made no later than 5 years after the enactment of this Act. Such revisions and any other modifications of the management plan shall be made only through the processes of revision or amendment of the forest plan pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, including appropriate consultation with State and local government officials and provision for full public participation considering the views of all interested parties, organizations, and individuals.

SEC. 10. WILD AND SCENIC RIVERS.

(a) PREVIOUS DESIGNATIONS.—Previous designations dated January 19, 1981, by the Secretary of the Interior (46 Fed. Reg. 7483-84) under section 2(a)(ii) of the Wild and Scenic Rivers Act (16 U.S.C. 1273) of rivers within the exterior boundary of the recreation area are superseded by this Act.

(b) DESIGNATIONS.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274) is amended by adding at the end thereof the following new paragraphs:

"( ) SMITH RIVER, CALIFORNIA.—The segment from the confluence of the Middle Fork Smith River and the South Fork Smith River to the Six Rivers National Forest boundary, including the following segments of the mainstem and certain tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from the confluence of the Middle Fork Smith River and the South Fork Smith River to the National Forest boundary, as a recreational river.

"(B) Rowdy Creek from the California-Oregon State line to the National Forest boundary, as a recreational river.

"( ) MIDDLE FORK SMITH RIVER, CALIFORNIA.—The segment from the headwaters to its confluence with the South Fork Smith River, including the following segments of the mainstem and certain tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from its headwaters about 3 miles south of Sanger Lake, as depicted on the 1956 USGS 15° Preston Peak topographic map, to the center of section 7, T. 17 N., R. 5 E., as a wild river.

"(B) The segment from the center of section 7, T. 17 N., R. 5 E., to the center of section 6, T. 17 N., R. 5 E., as a scenic river.

"(C) The segment from the center of section 6, T. 17 N., R. 5 E., to one-half mile upstream from its confluence with Knopki Creek, as a wild river.

"(D) The segment from one-half mile upstream of its confluence with Knopki Creek to its confluence with the South Fork Smith River, as a recreational river.

"(E) Myrtle Creek from its headwaters in section 9, T. 17 N., R. 1 E., as depicted on the 1952 USGS 15° Crescent City topographic map, to the middle of section 28, T. 17 N., R. 1 E., as a scenic river.

"(F) Myrtle Creek from the middle of section 28, T. 17 N., R. 1 E., to its confluence with the Middle Fork Smith River, as a wild river.

"(G) Shelly Creek from its headwaters in section 1, T. 18 N., R., 3 E., as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with Patrick Creek, as a recreational river.

"(H) Kelly Creek from its headwaters in section 32, T. 17 N., R. 2 E., as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with the Middle Fork Smith River, as a scenic river.

"(I) Packsaddle Creek from its headwaters about 0.8 miles southwest of Broken Rib Mountain, as depicted on the 1956 USGS 15° Preston Peak topographic map, to its confluence with the Middle Fork Smith River, as a scenic river.

"(J) East Fork Patrick Creek from its headwaters in section 10, T. 18 N., R. 3 E., as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with the West Fork of Patrick Creek, as a recreational river.

"(K) West Fork Patrick Creek from its headwaters in section 18, T. 18 N., R. 3 E., as depicted on the 1951 USGS 15° Gasquet topographic map to its confluence with the East Fork Patrick Creek, as a recreational river.

"(L) Little Jones Creek from its headwaters in section 34, T. 17 N., R. 3 E., as depicted on the 1951 USGS 15° Gasquet topographic map to its confluence with the Middle Fork Smith River, as a recreational river.

"(M) Griffin Creek from its headwaters about 0.2 miles southwest of Hazel View Summit, as depicted on the 1956 USGS 15° Preston Peak topographic map, to its confluence with the Middle Fork Smith River, as a recreational river.

"(N) Knopki Creek from its headwaters about 0.4 mile west of Sanger Peak, as depicted on the 1956 USGS 15° Preston Peak topographic map, to its confluence with the Middle Fork Smith River, as a recreational river.

"(O) Monkey Creek from its headwaters in the northeast quadrant of section 12, T. 18 N., R. 3 E., as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with the Middle Fork Smith River, as a recreational river.

"(P) Patrick Creek from the junction of East and West Forks of Patrick Creek to its confluence with Middle Fork Smith River, as a recreational river.

"(Q) Hardscrabble Creek from its headwaters in the northeast quarter of section 2, T. 17 N., R. 1 E., as depicted on the 1952 USGS 15° Crescent City topographic map, to its confluence with the Middle Fork Smith River, as a recreational river.

"( ) NORTH FORK SMITH RIVER, CALIFORNIA.—The segment from the California-Oregon State line to its confluence with the Middle Fork Smith River, including the following segments of the mainstem and certain tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from the California-Oregon State line to its confluence with an unnamed tributary in the northeast quarter of section 5, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15° Gasquet topographic map, as a wild river.

"(B) The segment from its confluence with an unnamed tributary in the northeast quarter of section 5, T. 18 N., R. 2 E., to its southern-most intersection with the eastern section line of section 5, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15° Gasquet topographic map, as a scenic river.

"(C) The segment from its southern-most intersection with the eastern section line of section 5, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with Stony Creek, as a wild river.

"(D) The segment from its confluence with Stony Creek to its confluence with the Middle Fork Smith River, as a recreational river.

"(E) Diamond Creek from California-Oregon State line to its confluence with Bear Creek, as a recreational river.

"(F) Diamond Creek from its confluence with Bear Creek to its confluence with the North Fork Smith River, as a scenic river.

"(G) Bear Creek from its headwaters in section 24, T. 18 N. R. 2 E., as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with Diamond Creek, as a scenic river.

"(H) Still Creek from its headwaters in section 11, T. 18 N., R. 1 E., as depicted on the 1952 USGS 15° Crescent City topographic map, to its confluence with North Fork Smith River, as scenic river.

"(I) North Fork Diamond Creek from the California-Oregon State line to its confluence with Diamond Creek, as a recreational river.

"(J) High Plateau Creek from its headwaters in section 26, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with Diamond Creek, as a scenic river.

"(K) Stony Creek from its headwaters in section 25, T. 18 N., R. 2 E. as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with the North Fork Smith River, as a scenic river.

"(L) Peridotite Creek from its headwaters in section 34, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15° Gasquet topographic map, to its confluence with the North Fork Smith River, as a wild river.

"( ) SISKIYOU FORK SMITH RIVER, CALIFORNIA.—The segment from its headwaters to its confluence with the Middle Fork Smith River, and the followng tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from its headwaters about 0.7 miles southeast of Broken Rib Mountain, as depicted on the 1956 USGS 15° Preston Peak Topographic Map, to its confluence with the South Siskiyou Fork Smith River, as a wild river.

"(B) The segment from its confluence with the South Siskiyou Fork Smith River

to its confluence with the Middle Fork Smith River, as a recreational river.

"(C) South Siskiyou Fork Smith River from its headwaters about 0.6 miles southwest of Buck Lake, as depicted on the 1956 USGS 15' Preston Peak topographic map, to its confluence with the Siskiyou Fork Smith River, as a wild river.

"( ) SOUTH FORK SMITH RIVER, CALIFORNIA.—The segment from its headwaters to its confluence with the Middle Fork Smith River, and the following tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from its headwaters about 0.5 miles southwest of Bear Mountain, as depicted on 1956 USGS 15' Preston Peak topographic map, to Blackhawk Bar, as a wild river.

"(B) The segment from Blackhawk Bar to its confluence with the Middle Fork Smith River, as a recreational river.

"(C) Williams Creek from its headwaters in section 31, T. 14 N., R. 4 E., as depicted on the 1952 USGS 15' Sip Mountain topographic map, to its confluence with Eight Mile Creek, as a wild river.

"(D) Eight Mile Creek from its headwaters in section 29, T. 14 N., R. 4 E., as depicted on the 1955 USGS 15' Dillon Mtn. topographic map, to its confluence with the South Fork Smith River, as a wild river.

"(E) Harrington Creek from its source to its confluence with the South Fork Smith River, as a wild river.

"(F) Prescott Fork of the Smith River from its headwaters about 0.5 miles southeast of Island Lake, as depicted on the 1955 USGS 15' Dillon Mtn. topographic map, to its confluence with the South Fork Smith River, as a wild river.

"(G) Quartz Creek from its headwaters in section 31, T. 16 N., R. 4 E., as depicted on the 1952 15' USGS Ship Mountain topographic map, to is confluence with the South Fork Smith River, as a recreational river.

(H) Jones Creek from its headquarters in section 36, T. 16 N., R. 3 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(I) Hurdygurdy Creek from its headwaters about 0.4 miles southwest of Bear Basin Butte as depicted on the 1956 USGS 15' Preston Peak topographic map, to is confluence with the South Fork Smith River, as a recreational river.

"(J) Gordon Creek from its headwaters in section 18, T. 16 N., R. 3 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(K) Coon Creek from the junction of its two headwaters tributaries in the southeast quadrant of section 31, T. 17 N., R. 3 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(L) Craigs Creek from its headwaters in section 36, T. 17 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(M) Goose Creek from its headwaters in section 13, T. 13 N., R. 2 E., as depicted on the 1952 USGS 15' Shop Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(N) East Fork Goose Creek from its headwaters in section 18, T. 13 N., R. 3 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with Goose Creek, as a recreational river.

"(O) Buck Creek from its headwaters at Cedar Camp Spring, as depicted on the 1952 USGS 15' Ship Mountain topographic map, to the northeast corner of section 8, T. 14 N., R. 3 E., as a scenic river.

"(P) Buck Creek from the northeast corner of section 8, T. 14 N., R. 3 E., to its confluence with the South Fork Smith River, as a wild river.

"(Q) Muzzleloader Creek from its headwaters in section 2, T. 15 N., R. 3 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with Jones Creek, as a recreational river.

"(R) Canthook Creek from its headwaters in section 2, T. 15 N., R. 2 E., as depicted in the 1952 USGS 15' Ship Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(S) Rock Creek from the national forest boundary in section 6, T. 15 N., R. 2 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(T) Blackhawk Creek from its headwaters in section 21, T. 15 N., R. 2 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.".

(c) MANAGEMENT.—The management plan prepared under section 9 of this Act shall be deemed to satisfy the requirement for a comprehensive management plan required under section 3(d)(1) of the Wild and Scenic Rivers Act.

SEC. 11. STREAMSIDE PROTECTION ZONES.

(a) For each of the rivers and river segments specified in this subsection, there is hereby established a streamside protection zone in which timber harvesting shall be prohibited. Such zone shall extend 300 feet from each bank of the rivers and river segments, or 100 feet from the inner gorge of said rivers and river segments, or within the limit of high and extreme landslide hazards on said rivers and river segments, whichever is greater. The provisions of this subsection shall apply to the following rivers and river segments:

(1) Rowdy Creek (from California-Oregon border to NRA boundary).

(2) Shelly Creek (from its headwaters to Patrick Creek).

(3) E. Fork Patrick Creek (from its headwaters to Patrick Creek).

(4) W. Fork Patrick Creek (from its headwaters to Patrick Creek).

(5) Little Jones Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(6) Patrick Creek (from the confluence of the East and West forks to the Middle Fork of the Smith River).

(7) Monkey Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(8) Hardscrabble Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(9) Quartz Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(10) Jones Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(11) Upper Hurdygurdy Creek (from its headwaters to Dry Lake).

(12) Gordon Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(13) Coon Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(14) Craigs Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(15) Goose Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(16) East Fork of Goose Creek (from its headwaters to its confluence with Goose Creek).

(17) Muzzleloader Creek (from its headwaters to its confluence with Jones Creek).

(18) Canthook Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(19) Rock Creek (from the NRA boundary to its confluence with the South Fork of the Smith River).

(20) Blackhawk Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(b) For each of the rivers and river segments specified in this subsection there is established a streamside protection zone in which timber harvesting shall be prohibited. Such zone shall extend on the average of one quarter mile on either side of said rivers and river segments, or 100 feet from the inner gorge of said rivers and river segments, or within the limit of high and extreme landslide hazards on said rivers and river segments, whichever is greater. The provisions of this subsection shall apply to the following rivers and river segments:

(1) Main stem Smith (from the South Fork to the NRA boundary).

(2) Middle Fork Smith (from its headwaters to its confluence with the Middle Fork of the Smith River).

(3) Myrtle Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(4) Kelly Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(5) Packsaddle Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(6) Griffin Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(7) Knopti Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(8) North Fork of the Smith River (from the California/Oregon border to its confluence with the Middle Fork of the Smith River).

(9) Diamond Creek (from the California/Oregon border to its confluence with the North Fork of the Smith River).

(10) Bear Creek (from its headwaters to its confluence with Diamond Creek).

(11) Still Creek (from its headwaters to its confluence with the North Fork of the Smith River).

(12) North Fork of Diamond Creek (from the California/Oregon border to its confluence with Diamond Creek).

(13) High Plateau Creek (from its headwaters to its confluence with Diamond Creek).

(14) Stony Creek (from its headwaters to its confluence with the North Fork of the Smith River).

(15) Peridotite Creek (from its headwaters to its confluence with the North Fork of the Smith River).

(16) Siskiyou Fork, Smith River (from its headwaters to its confluence with the North Fork of the Smith River).

(17) South Siskiyou Fork of the Smith River (from its headwaters to its confluence with the Siskiyou Fork of the Smith River).

(18) South Fork Smith River (from its headwaters to its confluence with the Middle Fork of the Smith River).

(19) Williams Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(20) Eight Mile Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(21) Harrington Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(22) Prescott Fork of the Smith River (from its headwaters to its influence with the South Fork of the Smith River).

(23) Buck Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(c) For the Lower Hurdygurdy Creek (from the Dry Lake to its confluence with the South Fork of the Smith River) there is established a streamside protection zone in which timber harvesting shall be prohibited. Such zone shall extend one-eighth mile on either side of said Lower Hurdygurdy Creek.

(d) The provisions of this section shall be in addition to, and not in lieu of, any restrictions on timber harvesting or other activities applicable to the streamside protection zones established by this section or under any other applicable provision of this Act.

SEC. 12. STATE AND LOCAL JURISDICTION AND ASSISTANCE.

(a) STATE AND LOCAL JURISDICTION.—Nothing in this Act shall diminish, enlarge, or modify any right of the State of California or any political subdivision thereof, to exercise civil and criminal jurisdiction or to carry out State fish and game laws, rules, and regulations within the recreation area, or to tax persons, franchise, or private property on the lands and waters included in the recreation area, or to regulate the private lands within the recreation area.

(b) COOPERATIVE AGREEMENTS.—The Secretary is authorized and encouraged to enter into cooperative agreements with the State of California or its political subdivisions for—

(1) the rendering on a reimbursable basis, of rescue, firefighting, and law enforcement services and cooperative assistance by nearby law enforcement and fire prevention agencies; and

(2) the planning for use, management, and development of non-Federal lands within the recreation area and elsewhere in the Smith River watershed in the furtherance of the purposes of this Act.

(c) TECHNICAL ASSISTANCE.—To enable the State of California and its political subdivisions to develop and implement programs compatible with the purposes of this Act, the Secretary, in consultation with the Secretaries of the Interior, Commerce, and Housing and Urban Development, shall consider upon request such technical assistance to the State and its political subdivisions as is necessary to fulfill the purposes of this section. Such assistance may include payments or grants, within existing programs, for technical aid and program development.

(d) LAND INFORMATION SYSTEM.—The Secretary of Agriculture shall assist the county of Del Norte in developing a land information system that will be compatible with the Forest Service and National Park Service systems for the Federal lands in Del Norte County and such non-Federal systems as may be appropriate and that will be made available to Federal and non-Federal entities for use in coordinating planning for the recreation area and other lands in the Smith River watershed.

SEC. 13. SAVING PROVISIONS.

(a) ACTIVITIES ON LANDS OUTSIDE OF RECREATION AREA.—Nothing in this Act shall limit, restrict, or require specific management practices on lands outside the recreation area boundary. The fact that activities or uses outside the recreation area can be seen, heard, or otherwise perceived within the recreation area shall not, of itself, limit, restrict, or preclude such activities or uses up to the boundary of the recreation area.

(b) PRIOR RIGHTS.—(1) Nothing in this Act shall limit, restrict, or preclude the implementation of valid timber sale contracts or other contracts or agreements executed by the Secretary before the date of enactment of this Act.

(2) Except as specifically provided herein nothing in this Act shall be construed as diminishing or relinquishing any right, title, or interest of the United States in any lands, waters, or interests therein within the boundaries of the recreation area designated by this Act.

(c) ROAD EASEMENTS.—Nothing in this Act shall be construed as affecting the responsibilities of the State of California or any of its political subdivisions with respect to road easements, including maintenance and improvement of State Highway 199 and County Route 427.

(d) RIGHTS OF ACCESS.—Existing rights provided by Federal law for access by private landowners across National Forest System lands shall not be affected by this Act.

(e) ENTITLEMENT MONEYS.—Annually for the first five full fiscal years beginning after the date of enactment of this Act, the Secretary shall pay for use by units of local government within the recreation area an amount equal to the difference between the amounts payable for such purposes pursuant to the Act of May 23, 1908 (chapter 193; 35 Stat. 251; 16 U.S.C. 500) and the average amount paid for such purpose under such Act during the five fiscal years preceding the date of enactment of this Act. Thereafter amounts payable under this subsection shall be reduced by 10 percent annually. This subsection shall expire 14 years after the first payment pursuant to this subsection.

SEC. 14. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such funds as may be necessary to carry out this Act and the amendments made by this Act.

By Mr. DODD:

S. 3038. A bill to impose a fee on certain works at the expiration of the copyright term to support the National Endowment for the Arts; to the Committee on Finance.

FEE FOR THE NATIONAL ENDOWMENT FOR THE ARTS

● Mr. DODD. Mr. President, today I am introducing legislation to provide a new source of public funding for the arts in our country, in addition to the existing authorization and appropriation process for the National Endowment for the Arts. The bill would effectively extend the existing copyright period by 25 years and dedicate those royalties to the National Endowment for the Arts.

Although we are the richest Nation in the world, community support of the arts in our country lags far behind many other civilized nations.

I am a great believer in the marketplace being the chief regulator and distributor of production, investment, and trade under our system of a market economy. The market works miraculously as long as its subjects are service or merchandise items, such as two competing brands of soap.

When it comes to artistic creations, however, their significance for our Nation far surpasses any value they may have in the marketplace. Being objects of property rights, they are, in a way, merchandise. Beyond that, however, they also embody part of that mysterious substance that makes us Americans, our common national culture and folklore. As such, they are one of our most important tools in implanting healthy social and cultural values in our children, the essence of education.

Objects of art move in and out of the marketplace every minute. Still, to leave the support and promotion of art in our country entirely to the marketplace would be just as foolhardy as leaving our educational system entirely to the mercy of the marketplace.

This realization led to the establishment of the National Endowment for the Arts in the 1960's. Its creation was a major step forward in providing public help to artistic activities, as the Endowment is funded from general tax revenues. However, our recent large deficits make the availability of such funds increasingly precarious.

The bill I am introducing today is intended to establish a so-called domain public payment system of funding, whereby the use of intellectual property in the public domain would generate fees which would be earmarked for the National Endowment. This system, in effect, would extend the time period during which a royalty is being paid under our copyright law by an additional 25 years. With the expiration of the original term of the copyright, the royalty payment would be converted into a fee of equal amount to be paid into a trust fund to benefit the National Endowment for the Arts.

This system may sound novel to American ears but it is by no means a new concept. Similar systems have functioned in many countries for years. While it would be a new approach in the United States, I believe it is one that deserves to be explored.

I want to emphasize that my initiative has nothing to do with the recent dispute over public funding of controversial art. This legislation is an attempt to provide funds for the arts paid by the users of artistic creations. It is silent on the use of the funds by

the National Endowment and leaves both the Endowment's approval process as well as any rules regulating the use of general tax revenues unchanged.

It is also important to keep in mind that this legislation, if enacted, would in no way trespass on the rights and material interests of the copyright holders. The rights of the author of the protected work, and the rights of any heirs or other derivative beneficiaries would remain whole and untouched. The fee imposed by this legislation would not displace anybody's rights or material interests. As I said before, this fee would only be imposed after the existing copyright has expired.

Mr. President, I realize that this proposal raises some complicated questions and ultimately it may well be enacted in a different form than it is today. This bill, after all, is of a very limited scope. It covers only those areas of copyright protection that, under U.S. law, are subject to so-called compulsory licensing. These areas are:

First, cable transmission of broadcast signals;

Second, use of musical compositions by record companies;

Third, use of musical compositions by jukebox operators;

Fourth, use of musical compositions and artistic works by public broadcasters; and

Fifth, secondary transmission of broadcast signals by satellite carriers.

The reason the bill addresses only these five systems is because, for them, a government mechanism exists to register and in some cases collect the fees due under copyright protection. In all other areas, such as book publishing or live public performances, a new mechanism would have to be created to keep track of copyrighted works entering the public domain and to collect the fees to benefit the trust fund. We will probably have to do that if we want to raise any significant amounts, but to extend the bill's effect to those areas will require further study in order to avoid unnecessary intrusiveness.

To develop this idea further, I will seek the advice of my colleagues and of various experts in this area. I am introducing this bill today so we can start the process of developing a system that will assure that the funding of the arts is not left entirely to the vagaries of private charity and of our uncertain budget process. I urge my colleagues to support the proposal.

I ask unanimous consent that the full text of the bill be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3038

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, Chapter 3 of title 17, United States Code, is amended by inserting at the end thereof the following new section 306:

"SEC. 306. FEE FOR THE NATIONAL ENDOWMENT FOR THE ARTS.

(a) IN GENERAL.—Notwithstanding any other provision of law, at the expiration of the term of any copyright involving royalty payments made pursuant to sections 111, 115, 116, 118, and 119 of this Act, there shall be imposed a fee on the occurrence of each event for which a copyright royalty is payable pursuant to such sections if the copyright had not expired. Such fee shall be deposited into the trust fund established pursuant to subsection (c).

(b) AMOUNT AND DURATION.—(1) The amount of the fee required under subsection (a) shall be equal to the amount of the royalty payment that would have been due if the term of the copyright had not expired.

(2) The fee required under subsection (a) shall be imposed during the 25-year period beginning the day after the date the term of the copyright expires.

(c) TRUST FUND.—(1) There is hereby established within the Treasury of the United States a trust fund to be known as the "National Endowment for the Arts Copyright Trust Fund" (hereafter in this subsection referred to as the "Trust Fund"), consisting of such amounts as may be deposited into the Trust Fund.

(2) The Chairperson of the National Endowment for the Arts shall be the trustee of the Trust Fund, and shall submit an annual report to the appropriate committees of the Congress on—

(A) the financial condition and the results of the operations of the Trust Fund during the fiscal year preceding the fiscal year in which such report is submitted, and

(B) the expected condition and operations of the Trust Fund during—

(i) the fiscal year in which such report is submitted, and

(ii) the 5 fiscal years succeeding such fiscal year.

Such report shall be printed as a House document of the session of the Congress to which the report is made.

(3)(A) The Secretary of the Treasury shall invest the funds in the Trust Fund in interest-bearing obligations of the United States. For such purpose, such obligations may be acquired—

(i) on original issue at the issue price, or

(ii) by purchase of outstanding obligations at the market price.

(B) Any obligations acquired by the Trust Fund may be sold by the Secretary of the Treasury at the market price.

(C) The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to, and form a part of, the Trust Fund.

(4)(A) The Secretary of the Treasury shall transfer to the Trust Fund out of the general fund of the Treasury of the United States amounts determined by the Secretary of the Treasury to be equivalent to the amounts received into such general fund that are attributable to the fee imposed under subsection (a) of this section.

(B) The amounts which are required to be transferred under subparagraph (A) shall be transferred at least quarterly from the general fund of the Treasury of the United States to the Trust Fund on the basis of estimates made by the Secretary of the Treasury of the amounts referred to in paragraph (1) that are received into the Treasury. Proper adjustments shall be made in the amounts subsequently transferred to the extent prior estimates were in excess of, or less than, the amounts required to be transferred.

(5) Subject to the authority provided in appropriation Acts, the Chairperson of the National Endowment for the Arts is authorized to use amounts in the Trust Fund as the Chairperson of the National Endowment for the Arts deems necessary to carry out the provisions of the National Foundation on the Arts and Humanities Act of 1965.●

By Mr. PRYOR (for himself and Mr. SYMMS):

S. 3039. A bill to amend the Internal Revenue Code of 1986 to technically clarify the calculation of the basis of real property for purposes of computing gain or loss from sale; to the Committee on Finance.

AMENDMENT OF 1986 CODE

● Mr. PRYOR. Mr. President, I am today introducing the Real Estate Tax Basis Calculation Technical Correction Act of 1990, which will preserve the historically recognized ability of real estate developers to include in basis, for computing gain or loss on the sale of units of real estate, the costs of improvements to such real estate that the developers are obligated by contract to make. Such legislation is needed because of a recent announcement by the Internal Revenue Service that it intends to eliminate this historic treatment. This announcement was contained in the "Preamble" to proposed regulations which the Internal Revenue Service has issued under section 461(h) of the Internal Revenue Code, a provision governing the deductibility of expenses, not the calculation of the basis in property. This bill clarifies that the Internal Revenue Service interpretation is not consistent with the congressional intent contemplated when section 461(h) was enacted.

Since at lease 1928 it has been settled law with respect to subdivided real estate that estimated costs of future improvements are includable in the basis of property sold, if the improvements to the property are contractually required. See, for example *Milton* v. *Mackay,* 11 B.T.A. 569 (1928); MIM. 4027, XII-1 C.B. 60 (1933). One of the compelling reasons for that rule is that such treatment permits the gain or loss from a sale to reflect accurately a portion of all related costs. In other words, it insures that economic income is appropriately calculated.

In 1975 the Internal Revenue Service issued a revenue procedure confirming and restating the above rule, and providing certain administrative guidelines which could be utilized by real estate developers in applying the long-established practice whereby estimated future costs would be included in computing tax basis for subdivided real estate. The concepts incorporated by this revenue procedure, Revenue

Procedure 75-25, insure that gain or loss on the sale of subdivided real estate will be properly reflected and, therefore, should be continued.

However, when the Internal Revenue Service issued proposed regulations on June 7, 1990, under section 461(h) of the Internal Revenue Code, it suggested that section 461(h) and its proposed regulations override Revenue Procedure 75-25, for taxable years beginning after December 31, 1989. Thus, the Internal Revenue Service took the position in the introductory statement accompanying the proposed regulations that the estimated costs of future improvements to subdivided real estate may not be added to the basis of lots sold because economic performance has not occurred with respect to those costs.

I believe the above described position by the Service is an incorrect interpretation of section 461(h), which deals with the timing of deductions of accrual basis taxpayers, and not the computation of tax basis for purposes of computing gain on sales. The legislative history of section 461(h) does not reflect any intention by Congress to overturn the concepts reflected in Revenue Procedure 75-25, which have its antecedents in case law going back more than 60 years. If Congress had intended to reverse such a basic and long-standing set of concepts, at a minimum, it would have indicated such an intent through its legislative history.

If real estate developers can no longer include the estimated costs of future improvements in the basis of lots sold, gain on the sale of such property will be significantly overstated to the extent that, it will exceed the actual economic gain realized on such sales. Therefore, to prevent this overstatement, this bill would amend section 1011 of the Internal Revenue Code, the section under which Revenue Procedure 75-25 was promulgated, to clarify that a seller of real property is permitted to include in the basis of such property the estimated costs of future improvements to such property that the seller is contractually obligated to make.

I strongly urge the Internal Revenue Service not to wait for the passage of this legislation, but instead to announce that it will continue to apply the concepts reflected in Revenue Procedure 75-25 consistent with what I believe was intent of the Congress in enacting section 461(h). I encourage my colleagues to cosponsor this necessary legislation, and to work for its prompt enactment, so that the real estate industry will have fair and proper tax treatment in computing its gains and losses from real estate sales. Mr. President, I ask unanimous consent that a copy of the bill be inserted immediately following my statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3039

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE: AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the "Real Estate Tax Basis Calculation Technical Correction Act of 1990."

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. BASIS CALCULATION CLARIFICATION.

(a) Section 1011 is amended by adding the following new subsection at the end thereof:

"(c) BASIS OF REAL PROPERTY.—Notwithstanding any other section, The cost of real property shall include the estimated costs of future improvements to such property that the seller is contractually obligated to make at the time of sale."

SEC. 3. EFFECTIVE DATE.

The amendments made by this Act shall apply to taxable years beginning before, after, or on December 31, 1990.●

● Mr. SYMMS. Mr. President, I am today joining Senator PRYOR in introducing S. 3039, the Real Estate Tax Basis Calculation Technical Correction Act of 1990. This legislation will continue the long-recognized ability of real estate developers to include in basis, for computing gain or loss on the sale of units of real estate, the cost of improvements to such real estate that the developers are obligated by contract to make. The Internal Revenue Service recently announced its intention to eliminate this treatment pursuant to proposed regulations which the Internal Revenue Service has issued under section 461(h) of the Internal Revenue Code, a provision governing the deductibility of expenses, not the calculation of the basis in property. The Internal Revenue Service interpretation is not consistent with the congressional intent contemplated when section 461(h) was enacted. Our bill would clarify that the current, sensible rule, should continue to apply.

The Internal Revenue Service has long-recognized the merit of the current rule it seeks to reverse. In 1975 it issued a revenue procedure affirming the rule, and providing certain administrative guidelines which could be utilized by real estate developers in applying the long-established practice whereby estimated future costs would be included in computing tax basis for subdivided real estate. The concepts incorporated by this revenue procedure, Revenue Procedure 75-25, insure that gain or loss on the sale of subdivided real estate will be properly reflected and, therefore, should be continued.

The proposed change of the Internal Revenue Service is not olny incorrect, but is wholly inconsistent with the legislative history of section 461(h). Moreover, if real estate developers can no longer include the estimated costs of future improvements in the basis of lots sold, gain on the sale of such property will be significantly overstated, that is, it will exceed the actual economic gain realized on such sales. Therefore, to prevent this overstatement of gain, our bill would amend section 1011 of the Internal Revenue Code, the section under which Revenue Procedure 75-25 was promulgated, to clarify that a seller of real property is permitted to include in the basis of such property the estimated cost of future improvements to such property that the seller is contractually obligated to make.

The Internal Revenue Service should not wait for the passage of this legislation, but instead should announce that it will continue to apply the current rule. I believe such a position would be clearly consistent with the intent of the Congress in enacting section 461(h). If the Internal Revenue Service fails to act, I encourage my colleagues to cosponsor this necesary legislation, and to work for its prompt enactment, so that the real estate industry will have fair and proper tax treatment in computing its gains and losses from real estate sales.●

By Mr. HATCH:

S.J. Res. 362. Joint resolution to designate the period commencing on November 18, 1990, and ending on November 24, 1990 as "National Adoption Week"; to the Committee on the Judiciary.

NATIONAL ADOPTION WEEK

● Mr. HATCH. Mr. President, it is my privilege to sponsor the joint resolution requesting the President to proclaim the week of Thanksgiving as "National Adoption Week." For the past 12 years, this week has been designated as such, so this joint resolution would continue the traditional observance.

Adoption is vitally important to millions of couples and children wanting to have a family of their own. In America today, as estimated 36,000 adoptable children remain in foster care or institutions because of a number of public and private barriers to adoption. A majority of these children have special needs such as physical, emotional, or mental handicaps. Or, they may have reached school age, have brothers and sisters, or be of various ethnic backgrounds. For these children, especially, the need for a family is apparent. But, a lack of awareness remains among prospective parents that these children desperately need a home.

I recently became aware of an adoption that took place in my home State of Utah. Margie Strom, a nurse at LDS Hospital, was given the task of caring for a small baby girl. The baby had contracted a chronic lung disease at birth. Her twin sister never made it out of the delivery room. Her parents could not care for her, so Margie Strom took the baby home and cared for her. After developing a close bond with this beautiful infant, Margie adopted her, giving her a chance to enjoy life.

We, in Congress, must remember that this infant is not alone in her need for a permanent, secure, and loving family; and National Adoption Week is only the beginning. We must work together to eliminate the barriers that discourage adoptions.

Please join me in celebrating with those families who are brought together through adoption, in commending the institutions and individuals working to find permanent homes for all adoptable children, and in heightening awareness of adoption as an option to those looking for a family.

I ask unanimous consent that the complete text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 362

Whereas Thanksgiving week has been commemorated as "National Adoption Week" for the past 12 years;

Whereas we in Congress recognize the essential value of belonging to a secure, loving permanent family as every child's right;

Whereas the President of the United States has actively promoted the benefits of adoption by implementing a federal program to encourage federal employess to consider adoption;

Whereas approximately thirty-six thousand children who have special needs—school age, in sibling groups, members of minorities, or children with physical, mental and emotional handicaps—are now in foster care or institutions financed at public expense and are legally free for adoption;

Whereas the adoption by capable parents of these institutionalized or foster care children into permanent, adoptive homes would ensure the opportunity for their continued happiness and long-range well-being;

Whereas public and private barriers inhibiting the placement of these special needs children must be reviewed and removed where possible to assure these children's adoption;

Whereas the public and prospective parents must be informed of the availability of adoptive children;

Whereas a variety of media, agencies, adoptive parent and advocacy groups, civic and church groups, business, and industries will feature publicity and information to heighten community awareness of the crucial needs of waiting children; and

Whereas the recognition of Thanksgiving week as "National Adoption Week" is in the best interest of adoptable children and the public in general: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the period commencing on November 18, 1990, and ending on November 24, 1990, is designated as "National Adoption Week", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 11

At the request of Mr. CRANSTON, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 11, a bill to provide for the protection of the public lands in the California desert.

S. 416

At the request of Mr. DOMENICI, the names of the Senator from Indiana [Mr. COATS] and the Senator from Illinois [Mr. DIXON] were added as cosponsors of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost of living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 1224

At the request of Mr. BRYAN, the names of the Senator from California [Mr. WILSON], the Senator from Washington [Mr. ADAMS], the Senator from New Jersey [Mr. LAUTENBERG], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of S. 1224, a bill to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes.

S. 1651

At the request of Mr. MCCAIN, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of S. 1651, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United States Organization.

S. 1661

At the request of Mr. KOHL, his name was added as a cosponsor of S. 1661, a bill to amend the Internal Revenue Code of 1986 to provide for a tax credit for qualifying disability expenses.

At the request of Mr. PRYOR, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1661, supra.

S. 1682

At the request of Mr. BENTSEN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 1682, a bill to amend the Internal Revenue Code of 1986 to encourage savings by increasing the amount of deductible contributions which may be made to an individual retirement account, to allow distributions from individual retirement accounts to be used without penalty to purchase a first home or to pay for higher education expenses, and for other purposes.

S. 1766

At the request of Mr. DANFORTH, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 1766, a bill to amend titles XVIII and XIX of the Social Security Act to require providers of service under such titles to enter into agreements assuring that individuals receiving services from such providers will be provided an opportunity to participate in and direct health care decisions affecting such individuals.

S. 1876

At the request of Mr. PRYOR, his name was added as a cosponsor of S. 1876, a bill to amend the Internal Revenue Code of 1986 to provide a refundable tax credit for the costs of small businesses in providing accessibility for disabled individuals.

S. 1981

At the request of Mr. HOLLINGS, the name of the Senator from Georgia [Mr. NUNN] was added as a cosponsor of S. 1981, a bill to permit the Bell Telephone Companies to conduct research on, design, and manufacture telecommunications equipment, and for other purposes.

S. 2025

At the request of Mr. HEINZ, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 2025, a bill to amend the Internal Revenue Code of 1986 to make permanent certain expiring tax provisions.

S. 2044

At the request of Mr. BIDEN, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 2044, a bill to require tuna products to be labeled respecting the method used to catch the tuna, and for other purposes.

S. 2056

At the request of Mr. HARKIN, the names of the Senator from Connecticut [Mr. LIEBERMAN] and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 2056, a bill to amend title XIX of the Public Health Service Act to provide grants to States and implement State health objectives plans, and for other purposes.

S. 2209

At the request of Mr. HEINZ, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 2209, a bill to amend the Internal Revenue Code of 1986 to provide that small life insurance companies need not amortize acquisition expenses for purposes of the minimum tax.

S. 2244

At the request of Mr. GLENN, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 2244, a bill to prevent and control infestations of the coastal and inland waters of the United States by the zebra mussel and other nonindigenous aquatic nuisance species.

S. 2250

At the request of Mr. DECONCINI, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of S. 2250, a bill to amend title 5, United States Code, with respect to setting rates of basic pay for law enforcement officers, and for other purposes.

S. 2286

At the request of Mr. HOLLINGS, the name of the Senator from Illinois [Mr. DIXON] was added as a cosponsor of S. 2286, a bill to require the Secretary of Transportation to lead and coordinate Federal efforts in the development of magnetic levitation transportation technology and foster implementation of a magnetic levitation transportation system.

S. 2413

At the request of Mr. KERRY, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 2413, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoner or taken captive by a hostile foreign government or its agents or a hostile force before April 15, 1962, and for other purposes.

S. 2414

At the request of Mr. WILSON, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 2414, a bill to amend the Public Health Service Act to establish a program of formula grants for compensating certain trauma care centers for unreimbursed costs incurred with respect to undocumented aliens.

S. 2489

At the request of Mr. LEAHY, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2489, a bill to improve the nutritional health of needy Americans, to provide emergency food assistance, to authorize several vital nutrition programs, and for other purposes.

S. 2537

At the request of Mr. DASCHLE, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2537, a bill to amend chapter 32 of title 38, United States Code, to authorize the pursuit of flight training under that chapter.

S. 2538

At the request of Mr. CHAFEE, the names of the Senator from Michigan [Mr. RIEGLE] and the Senator from Maine [Mr. MITCHELL] were added as cosponsors of S. 2538, a bill to amend title XVIII and XIX of the Social Security Act to improve the delivery of services at federally qualified health centers and rural health clinics, and for other purposes.

S. 2551

At the request of Mr. SYMMS, the name of the Senator from Alaska [Mr. STEVENS] was added as a cosponsor of S. 2551 a bill to clarify the application of the Internal Revenue Code of 1986 with respect to personal use of airplanes.

S. 2640

At the request of Mr. DASCHLE, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of S. 2640, a bill to amend title XVIII of the Social Security Act to prevent fraud and abuse and encourage competition in the sale of Medicare supplemental insurance.

S. 2720

At the request of Mr. SASSER, the names of the Senator from California [Mr. CRANSTON], the Senator from Hawaii [Mr. AKAKA], and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of S. 2720, a bill to encourage employee ownership of, and participation in, companies in the United States.

S. 2761

At the request of Mr. D'AMATO, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 2761, a bill to deem certain interests to be reasonably incidental to the operation of a gas utility company for the purpose of the Public Utility Holding Company Act of 1965.

S. 2790

At the request of Mr. BINGAMAN, the names of the Senator from Arkansas [Mr. BUMPERS] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 2790, a bill to promote educational partnerships and establish education programs involving Federal laboratories and public schools, colleges, and universities to promote and enhance science, mathematics, and engineering education at all educational levels, and for other purposes.

S. 2801

At the request of Mr. DOLE, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 2801, a bill to direct the Secretary of Health and Human Services to phase in the update to the area wage index used to determine the amount of payment made to a hospital under part A of the Medicare Program for the operating costs of inpatient hospital services for inpatient discharges occurring during fiscal year 1991, and for other purposes.

S. 2813

At the request of Mr. GRAHAM, the names of the Senator from Florida [Mr. MACK] and the Senator from Iowa [Mr. HARKIN] were added as cosponsors of S. 2813, a bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1992 Olympic Games.

S. 2819

At the request of Mr. MOYNIHAN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of S. 2819, a bill to amend title XVIII of the Social Security Act to provide coverage of services rendered by community mental health centers as partial hospitalization services, and for other purposes.

S. 2885

At the request of Mr. KASTEN, the names of the Senator from New Hampshire [Mr. RUDMAN], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Montana [Mr. BAUCUS] were added as cosponsors of S. 2885, a bill to amend the Federal Deposit Insurance Act to require States in which the failure of State chartered savings associations has involved a disproportionately large share of the thrift resolution costs to pay a State thrift deposit insurance premium as a condition of future Federal deposit insurance.

S. 2924

At the request of Mr. CHAFEE, his name was added as a cosponsor of S. 2924, a bill to expand the meat inspection programs of the United States by establishing a comprehensive inspection program to ensure the quality and wholesomeness of all fish products intended for human consumption in the United States, and for other purposes.

S. 2933

At the request of Mr. EXON, the name of the Senator from Wyoming [Mr. WALLOP] was added as a cosponsor of S. 2933, a bill to amend title 49, United States Code, regarding the collection of overpayments of undercharges on shipments via motor common carriers of property and nonhousehold goods freight forwarders, and for other purposes.

S. 3001

At the request of Mr. SYMMS, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 3001, a bill to increase expenditures in programs funded out of the Highway Trust Fund and the Airport and Airway Trust Fund, to reduce the cash balance in those trust funds, and for other purposes.

S. 3025

At the request of Mr. GLENN, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 3025, a bill to amend titles 10 and 37, United States Code, to make members of the Armed Forces involved in Operation Desert Shield or similar operations eligible for certain benefits and to make members of the

reserve components of the Armed Forces and retired members of the Armed Forces eligible for certain benefits when ordered to active duty in connection with a mobilization; and for other purposes.

SENATE JOINT RESOLUTION 270

At the request of Mr. BRADLEY, the names of the Senator from Washington [Mr. ADAMS], the Senator from Texas [Mr. BENTSEN], the Senator from Delaware [Mr. BIDEN], the Senator from Oklahoma [Mr. BOREN], the Senator from Louisiana [Mr. BREAUX], the Senator from Arkansas [Mr. BUMPERS], the Senator from North Dakota [Mr. BURDICK], the Senator from California [Mr. CRANSTON], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Nebraska [Mr. EXON], the Senator from Kentucky [Mr. FORD], the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], the Senator from Florida [Mr. GRAHAM], the Senator from Alabama [Mr. HEFLIN], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Michigan [Mr. LEVIN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from Georgia [Mr. NUNN], the Senator from Rhode Island [Mr. PELL], the Senator from Arkansas [Mr. PRYOR], the Senator from Michigan [Mr. RIEGLE], the Senator from Virginia [Mr. ROBB], the Senator from Alabama [Mr. SHELBY], the Senator from Illinois [Mr. SIMON], the Senator from Colorado [Mr. WIRTH], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Maine [Mr. COHEN], the Senator from New York [Mr. D'AMATO], the Senator from Missouri [Mr. DANFORTH], the Senator from Kansas [Mr. DOLE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Washington [Mr. GORTON], the Senator from Iowa [Mr. GRASSLEY], the Senator from New Hampshire [Mr. HUMPHREY], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Indiana [Mr. LUGAR], the Senator from Florida [Mr. MACK], the Senator from Oregon [Mr. PACKWOOD], the Senator from Wyoming [Mr. SIMPSON], the Senator from Pennsylvania [Mr. SPECTER], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], and the Senator from California [Mr. WILSON] were added as cosponsors of Senate Joint Resolution 270, a joint resolution to designate the period commencing February 17, 1991, and ending February 23, 1991, as "National Visiting Nurse Associations Week."

SENATE JOINT RESOLUTION 277

At the request of Mr. LUGAR, the names of the Senator from Washington [Mr. ADAMS], the Senator from Washington [Mr. GORTON], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of Senate Joint Resolution 277, a joint resolution designating October 6, 1990, as "German-American Day."

SENATE JOINT RESOLUTION 351

At the request of Mr. BYRD, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Joint Resolution 351, a joint resolution to designate the month of May 1991, as "National Trauma Awareness Month."

SENATE JOINT RESOLUTION 358

At the request of Mr. PACKWOOD, the names of the Senator from Colorado [Mr. ARMSTRONG], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Montana [Mr. BURNS], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Maine [Mr. COHEN], the Senator from New York [Mr. D'AMATO], the Senator from Kansas [Mr. DOLE], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Washington [Mr. GORTON], the Senator from Texas [Mr. GRAMM], the Senator from Utah [Mr. HATCH], the Senator from North Carolina [Mr. HELMS], the Senator from Vermont [Mr. JEFFORDS], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Mississippi [Mr. LOTT], the Senator from Indiana [Mr. LUGAR], the Senator from Florida [Mr. MACK], the Senator from Idaho [Mr. MCCLURE], the Senator from Alaska [Mr. MURKOWSKI], the Senator from South Dakota [Mr. PRESSLER], the Senator from Alaska [Mr. STEVENS], the Senator from Idaho [Mr. SYMMS], the Senator from South Carolina [Mr. THURMOND], the Senator from Wyoming [Mr. WALLOP], the Senator from Virginia [Mr. WARNER], the Senator from California [Mr. WILSON], the Senator from Hawaii [Mr. AKAKA], the Senator from Montana [Mr. BAUCUS], the Senator from Texas [Mr. BENTSEN], the Senator from New Jersey [Mr. BRADLEY], the Senator from North Dakota [Mr. BURDICK], the Senator from North Dakota [Mr. CONRAD], the Senator from California [Mr. CRANSTON], the Senator from South Dakota [Mr. DASCHLE], the Senator from Arizona [Mr. DECONCINI], the Senator from Illinois [Mr. DIXON], the Senator from Connecticut [Mr. DODD], the Senator from Georgia [Mr. FOWLER], the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], the Senator from Alabama [Mr. HEFLIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Hawaii [Mr. INOUYE], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Michigan [Mr. LEVIN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Ohio [Mr. METZENBAUM], the Senator from Georgia [Mr. NUNN], the Senator from Rhode Island [Mr. PELL], the Senator from Arkansas [Mr. PRYOR], the Senator from Virginia [Mr. ROBB], the Senator from Maryland [Mr. SARBANES], the Senator from Tennessee [Mr. SASSER], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of Senate Joint Resolution 358, a joint resolution to designate February 7, 1991, as "National Women and Girls in Sports Day."

SENATE JOINT RESOLUTION 359

At the request of Mr. D'AMATO, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Utah [Mr. HATCH], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of Senate Joint Resolution 359, a joint resolution designating the week beginning September 16, 1990, as "Emergency Medical Services Week."

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. COHEN, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of Senate Concurrent Resultion 125, a concurrent resolution expressing the sense of Congress regarding adequate funding for long-term health care services provided through the medicare and medicaid programs.

AMENDMENT NO. 2632

At the request of Mr. ARMSTRONG, the name of the Senator from Oklahoma [Mr. NICKLES], was added as a cosponsor of amendment No. 2632 proposed to H.R. 5311, a bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes.

AMENDMENTS SUBMITTED

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, FISCAL YEAR 1991

ADAMS AMENDMENT NO. 2634

Mr. ADAMS proposed an amendment to amendment No. 2632 proposed by Mr. ARMSTRONG to the bill (H.R. 5311) making appropriations for the Government of the District of Columbia and other activities chargeable in

whole or in part against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes, as follows:

In the pending amendment strike all after the word "SEC. ." and insert the following:

Section 1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

(c)(1) Nothing in this Act shall be constructed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches, or trains any juvenile, or holds out any adult as a role model, mentor, or companion to any juvenile, of any adult homosexual, bisexual, or heterosexual person who has been convicted of or is charged with a sexual offense with a juvenile, or who otherwise poses a threat of engaging in sex with a juvenile or otherwise sexually abusing a juvenile; and

(2) Nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation or any adult homosexual, bisexual, or heterosexual person in any voluntary program or activity that educates, coaches, or trains any juvenile or holds out an adult as a mentor, or companion to a juvenile, if the parent or guardian of said juvenile objects to the participation of such person based on the person's sexual orientation.

WARNER (AND ROBB) AMENDMENT NO. 2635

Mr. WARNER (for himself and Mr. ROBB) proposed an amendment to the bill H.R. 5311, supra, as follows:

SEC. . None of the funds appropriated by this Act may be used for expansion of the "I-95 sanitary landfill" until (1) completion of an environmental impact statement which shall be contracted for by March 31, 1991, and (2) the parties to the December 7, 1987 I-95 landfill memorandum of understanding agree to share the cost of the study proportionate with their projected usage of the landfill expansion through its estimated life: *Provided further*, That none of the funds appropriated by this Act may be used to transport any output of the municipal waste system of the District of Columbia for disposal in any State until the appropriate State agencies have issued the required permits.

ADAMS AMENDMENT NO. 2636

Mr. ADAMS proposed an amendment to amendment No. 2632, as modified, proposed by Mr. ARMSTRONG to the bill H.R. 5311, supra, as follows:

In the pending amendment strike all after the word "Section" and insert the following:

1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

(c)(1) Nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches, or trains any minor or holds out any adult as a role model, mentor, or companion to any juvenile, of any adult homosexual, bisexual, or heterosexual person who has been convicted of or is charged with a sexual offense with a minor or who otherwise poses a threat of engaging in sex with a juvenile or otherwise sexually abusing a minor; and

(2) nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual, bisexual or heterosexual person in any voluntary program or activity that educates, coaches, or trains any minor or holds out an adult as a mentor, or companion to a minor, if the parent or guardian of said juvenile objects to the participation of such person based on the person's sexual orientation.

(3) The effective date of this amendment shall be 10 days after the effective date of this Act.

ADAMS AMENDMENT NO. 2637

Mr. ADAMS proposed an amendment to the bill H.R. 5311, supra, as follows:

At the appropriate place in the bill insert:

SEC. . Section 1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

(c)(1) Nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches, or trains any juvenile, or holds out any adult as a role model, mentor, or companion to any juvenile, of any adult homosexual, bisexual, or heterosexual person who has been convicted of or is charged with a sexual offense with a juvenile, or who otherwise poses a threat of engaging in sex with a juvenile or otherwise sexually abusing a juvenile; and

(2) nothing in this Act shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual, bisexual, or heterosexual person in any voluntary program or activity that educates, coaches, or trains any juvenile or holds out an adult as a mentor, or companion to a juvenile, if the parent or guardian of said juvenile objects to the participation of such person based on the person's sexual orientation.

ARMSTRONG AMENDMENT NO. 2638

Mr. ARMSTRONG proposed an amendment to the bill H.R. 5311, supra, as follows:

At the appropriate place in the bill insert:

SEC. . Section 103 of the District of Columbia Human Rights Act, effective Dec. 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2503 (1981 edition)) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c)(1) Nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual person or adult bisexual person in any program or activity that—

"(A) educates, coaches, or trains any juvenile, or

"(B) holds out the adult as a role model, mentor, or companion to any juvenile.

"(2) For purposes of this subsection, the word 'juvenile' means a person who has not attained the age of 18 years.".

NICKLES (AND GRAMM) AMENDMENT NO. 2639

Mr. NICKLES (for himself and Mr. GRAMM) proposed an amendment to the bill H.R. 5311, supra, as follows:

On page 25, line 20, strike the inserted number and insert the following new number: "39,262".

COATS (AND McCONNELL) AMENDMENT NO. 2640

Mr. COATS (for himself and Mr. MCCONNELL) proposed an amendment to amendment No. 2639 proposed by Mr. NICKLES (and Mr. GRAMM) to the bill H.R. 5311, supra, as follows:

At the end of the amendment (No. 2639), add the following:

SEC. . SOLID WASTE DISPOSAL.

The Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) is amended by adding at the end of subtitle D the following:

"SEC. 4011. (a) AUTHORIZATION OF STATES TO REGULATE SOLID WASTE IN INTERSTATE COMMERCE.—(1) Each State is authorized to enact and enforce laws imposing and collecting fees or other charges in connection with the treatment and disposal within such State or solid waste generated in another State. Any State imposing and collecting any such fee or charge may, in connection therewith, differentiate between two or more States in which solid waste is generated, and may differentiate between any such State of origin and the fees or charges which it enforces and collects, if any, in connection with the treatment and disposal of waste generated within its geographical boundaries.

"(2) On and after the submission to the Administrator of the Environmental Protection Agency of a certification in accordance with paragraphs (3) and (4), each State is authorized to enact and enforce laws regulating the treatment and disposal of solid waste within such State, including laws imposing a ban on the importing into such State or any part thereof, of solid waste for its treatment or disposal, or laws otherwise regulating the importing into such State of solid waste for its treatment or disposal.

"(3) Any State, either directly or through regional or local planning units as may be established under section 4002(a)(1) of this Act, which has adopted a 20-year solid waste management plan may submit a statement to the administrator certifying the solid waste treatment and disposal capacity of such State pursuant to paragraph (4). The solid waste management plan shall include, at a minimum the following:

"(A) the amount of municipal and commercial solid waste by waste type, and waste residuals, which are reasonably expected to be generated within the State or accepted for treatment or disposal from another State during the ensuing 20-year period;

"(B) a statement of the volumes of solid waste expected to be reduced by the State submitting such plan through source reduction and recycling;

"(C) the State's existing capacity to manage such amount of waste by treatment or disposal facilities which meet existing environmental standards; and

"(D) the methods by which the State plans to have new capacity available by its planning dates.

"(4) The Governor of each State which has adopted a 20-year management plan pursuant to paragraph (3) of this section, may certify to the Administrator that such State, based on its plan, or on agreements made with any State or States, has identified adequate capacity to manage all solid waste generated in that State with the plan, and received pursuant to any such agreement, for the next following 60-month period.

"(b) LIMITATION.—Nothing in this section shall apply to—

"(1) any waste identified or listed as hazardous waste by the Administrator pursuant to section 3001 of this Act (42 U.S.C. 6921);

"(2) any solid waste, hazardous waste, hazardous substance, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9604 and 9606, respectively) or a corrective action taken under this Act;

"(3) any hazardous chemical substance or mixture regulated under section 6(e) of the Toxic Substance Control Act (15 U.S.C. 2605(e));

"(4) any metal, pipe, glass, plastic, paper, textile, or other material that has been separated or otherwise diverted from solid waste, and that has been transported into such State for the purposes of recycling or reclamation;

"(5) any nonhazardous solid waste produced by an industry that is transported for the purpose of treatment, storage, or disposal to a facility owned or operated by the original generator of the waste.

"(c) INTERSTATE COMPACTS.—The consent of Congress is give to 2 or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for cooperative efforts and mutual assistance for the management of solid waste, and the approval of Congress is given to any such agreement or compact so entered into.

"(d) EPA AUTHORITY.—The Administrator of the Environmental Protection Agency shall have the authority to propose and promulgate regulations exempting waste types or recycling practices from the authority granted in this section, if the Administrator determines that such action promotes the development of an interstate market for recyclable materials or is necessary to promote environmentally sound waste disposal practices. Any person may petition the Administrator to propose such regulations and the Administrator shall solicit and consider public comments before making any final determination under this subsection.".

OLDER WORKERS BENEFIT PROTECTION ACT

PRYOR (AND OTHERS) AMENDMENT NO. 2641

(Ordered to lie on the table.)

Mr. PRYOR (for himself, Mr. HEINZ, Mr. METZENBAUM, and Mr. JEFFORDS) submitted an amendment intended to be proposed by them to the bill (S. 1511) to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes, as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Workers Benefit Protection Act".

TITLE I—OLDER WORKERS BENEFIT PROTECTION

SEC. 101. FINDING.

The Congress finds that, as a result of the decision of the Supreme Court in Public Employees Retirement System of Ohio v. Betts, 109 S.CT. 256 (1989), legislative action is necessary to restore the original congressional intent in passing and amending the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.) which was to prohibit discrimination against older workers in all employee benefits except when age-based reductions in employee benefit plans are justified by significant cost considerations.

SEC. 102. DEFINITION.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsection:

"(I) The term 'compensation, terms, conditions, or privileges of employment encompasses all employee benefits, including such benefit provided pursuant to a bona fide employee benefit plan.".

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) by striking subsection (f) and inserting the following new subsection:

"(f) It shall not be unlawful for an employer, employment agency, or labor organization to take any action otherwise prohibited under subsection (a), (b), (c), or (e)—

"(1) where age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business, or where the differentiation is based on reasonable factors other than age, or where such practices involve an employee in a workplace in a foreign country, and compliance with such subsections would cause such employer, or a corporation controlled by such employer, to violate the laws of the country in which such workplace is located;

"(2)(A) to observe the terms of a bona fide seniority system that is not intended to evade the purposes of this Act, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of such individual; or

"(B) to observe the terms of a bona fide employee benefit plan—

"(i) where, for each benefit or benefit package, the actual amount of payment made or cost incurred on behalf of an older individual is no less than that made or incurred on behalf of a younger individual, as permissible under section 1625.10 title 29, Code of Federal Regulations (as in effect on June 22, 1989); or

"(ii) that is a voluntary early retirement incentive plan consistent with the purposes of this Act,

except that no such employee benefit plan or voluntary early retirement incentive plan shall excuse the failure to hire any individual, and no such employee benefit plan shall require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of such individual; and

"(3) to discharge or otherwise discipline an individual for good cause.

An employer, employment agency, or labor organization acting under paragraphs (1) and (2) shall have the burden of providing that such actions are lawful in any civil enforcement proceedings brought under this Act.";

(2) by redesignating the second subsection (i) as subsection (j); and

(3) by adding at the end the following new subsections:

"(k) A seniority system or employee benefit plan shall comply with this Act regardless of the date of adoption of such system or plan.

"(l) Notwithstanding clause (i) or (ii) of subsection (f)(2)(B)—

"(1) It shall not be a violation of subsection (a), (b), (c), or (e) solely because—

"(A) an employee pension benefit plan (as defined in section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2))) provides for the attainment of a minimum age as a condition of eligibility for normal or early retirement benefits; or

"(B) a defined benefit plan (as defined in section 3(35) of such Act) provides for—

"(i) payments that constitute the subsidized portion of an early retirement benefit; or

"(ii) social security supplements for plan participants that commence before the age and terminate at the age (specified by the plan) when participants are eligible to receive reduced or unreduced old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), and that do not exceed such old-age insurance benefits.

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an individual eligible for an immediate pension; and

"(ii) in any case in which retiree health benefits as described in clause (i) are provided, the value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and that make the individual eligible for not less than an immediate and unreduced pension,

are deducted from severance pay made available as a result of the contingent event unrelated to age.

"(B) For an individual who receives immediate pension benefits that are actuarially reduced under subparagraph (A)(i), the amount of the deduction available pursuant to subparagraph (A)(i), shall be reduced by the same percentage as the reduction in the pension benefits.

"(C) For purposes of this paragraph, severance pay shall include that portion of supplemental unemployment compensation benefits (as described in section 501(c)(17) of the Internal Revenue Code of 1986) that—

"(i) constitutes additional benefits of up to 52 weeks;

"(ii) has the primary purpose and effect of continuing benefits until an individual becomes eligible for an immediate and unreduced pension; and

"(iii) is discontinued once the individual becomes eligible for an immediate and unreduced pension.

"(D) For purposes of this paragraph, the term 'retiree health benefits' means benefits provided pursuant to a group health plan covering retirees, for which (determined as of the contingent event unrelated to age)—

"(i) the package of benefits provided by the employer for the retirees who are below age 65 is at least comparable to benefits provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(ii) the package of benefits provided by the employer for the retirees who are age 65 and above is at least comparable to that offered under a plan that provides a benefit package with one-fourth the value of benefits provided under title XVIII of such Act.

"(E)(i) If the obligation of the employer to provide retiree health benefits is of limited duration, the value for each individual shall be calculated at a rate of $3,000 per year for benefit years before age 65, and $750 per year for benefit years beginning at age 65 and above.

"(ii) If the obligation of the employer to provide retiree health benefits is of unlimited duration, the value for each individual shall be calculated at a rate of $48,000 for individuals below age 65, and $24,000 for individuals age 65 and above.

"(iii) The values described in clauses (i) and (ii) shall be calculated based on the age of the individual as of the date of the contingent event unrelated to age. The values are effective on the date of enactment of this subseciton, and shall be adjusted on an annual basis, with respect to a contingent event that occurs subsequent to the first year after the date of enactment of this subsection, based on the medical component of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"(iv) If an individual is required to pay a premium for retiree health benefits, the value calculated pursuant to this subparagraph shall be reduced by whatever percentage of the overall premium the individual is required to pay.

"(F) If an employer that has implemented a deduction pursuant to subparagraph (A) fails to fulfill the obligation described in subparagraph (E), any aggrieved individual may bring an action for specific performance of the obligation described in subparagraph (E). The relief shall be in addition to any other remedies provided under Federal or State law.

"(3) It shall not be a violation of subsection (a), (b), (c), or (e) solely because an employer provides a bona fide employee benefit plan or plans under which long-term disability benefits received by an individual are reduced by any pension benefits paid to the individual that the individual voluntarily elects to receive.".

SEC. 104. RULES AND REGULATIONS.

Notwithstanding section 9 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 628), the Equal Employment Opportunity Commission may issue such rules and regulations as the Commission may consider necessary or appropriate for carrying out this title, and the amendments made by this title, only after consultation with the Secretary of the Treasury and the Secretary of Labor.

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this title and the amendments made by this title shall apply only to—

(1) any employee benefit established or modified on or after the date of enactment of this Act; and

(2) other conduct occurring more than 60 days after the date of enactment of this Act.

(b) COLLECTIVELY BARGAINED AGREEMENTS.—With respect to any employee benefits provided in accordance with a collective bargaining agreement—

(1) that is in effect as of the date of enactment of this Act;

(2) that terminates after such date of enactment;

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)); and

(4) that contains any provision that would be superseded (in whole or part) by this title and the amendments made by this title, but for the operation of this section,

this title and the amendments made by this title shall not apply until the termination of such collective bargaining agreement or June 1, 1992, whichever occurs first.

(c) STATES AND POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 23, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law,

this title and the amendments made by this shall not apply until the date that is 2 years after the date of enactment of this Act.

(2) ELECTION OF COVERAGE FOR EMPLOYEES HIRED PRIOR TO EFFECTIVE DATE.—

(A) IN GENERAL.—An employer that maintains a plan described in paragraph (1)(B) may—

(i) following reasonable notice to all employees, implement a new employee benefit plan that satisfies the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title); and

(ii) then offer to each employee covered by a plan described in paragraph (1)(B) the option to elect coverage under the new plan in lieu of the existing plan, if—

(I) the offer is made no later than the effective date of the new plan; and

(II) the election is made within 180 days after the effective date of the new plan.

(B) PREVIOUS PLAN.—If the employee does not elect to be covered by the new plan, the employer may continue to cover the employee under the previous plan even though the previous plan does not otherwise satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title).

(C) ABROGATION OF RIGHTS.—An election of coverage under the new plan shall abrogate any rights the electing employee may have had under the existing plan.

(3) DEFINITIONS.—For purposes of this subsection:

(A) EMPLOYER AND STATE.—The terms "employer" and "State" shall have the respective meanings provided such terms under subsections (b) and (i) of section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630).

(B) REASONABLE NOTICE.—The term "reasonable notice" means, with respect to notice of a new employee benefit plan described in paragraph (2)(A)(i) that is given to an employee, notice that—

(i) is sufficiently accurate and comprehensive to appraise the employee of the plan; and

(ii) is written in a manner calculated to be understood by the average employee eligible to participate.

(d) DISCRIMINATION IN EMPLOYEE PENSION BENEFIT PLANS.—Nothing in this title, or the amendments made by this title, shall be construed as limiting the prohibitions against discrimination that are set forth in section 4(j) of the Age Discrimination and Employment Act of 1967 (as redesignated by section 103(2) of this Act).

TITLE II—WAIVER OF RIGHTS OR CLAIMS

SEC. 201. WAIVER OF RIGHTS OR CLAIMS.

Section 7 of the Age Discrimination and Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following new subsection:

"(f)(1) An individual may not waive any right or claim under this Act unless the waiver is knowing and voluntary. Except as provided in paragraph (2), a waiver may not be considered knowing and voluntary unless at a minimum—

"(A) the waiver is part of an agreement between the individual and the employer that is written in a manner calculated to be understood by such individual, or by the average individual eligible to participate;

"(B) the waiver specifically refers to rights or claims arising under this Act;

"(C) the individual does not waive rights or claims that may arise after the date the waiver is executed;

"(D) the individual waives rights or claims only in exchange for consideration in addition to anything of value to which the individual already is entitled;

"(E) the individual is advised in writing to consult with an attorney prior to executing the agreement;

"(F)(i) the individual is given a period of at least 21 days within which to consider the agreement; or

"(ii) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the individual is given a period of at least 45 days within which to consider the agreement;

"(G) the agreement provides that for a period of at least 7 days following the execution of such agreement, the individual may revoke the agreement, and the agreement shall not become effective or enforceable until the revocation period has expired;

"(H) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the employer (at the commencement of the period specified in subparagraph (F)) informs the individual in writing in a manner calculated to be understood by the average individual eligible to participate, as to—

"(i) any class, unit, or group of individuals covered by such program, any eligibility factors for such program, and any time limits applicable to such program; and

"(ii) the job titles and ages of all individuals eligible or selected for the program, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the program.

"(2) A waiver in settlement of a charge filed with the Equal Employment Opportunity Commission, or an action filed in court

by the individual or the individual's representative, alleging age discrimination of a kind prohibited under section 4 or 15 may not be considered knowing and voluntary unless at a minimum—

"(A) subparagraphs (A) through (E) of paragraph (1) have been met; and

"(B) the individual is given a reasonable period of time within which to consider the settlement agreement.

"(3) In any dispute thatr may arise over whether any of the requirements, conditions, and circumstances set forth in paragraph (1) or (2) have been met, the party asserting the validity of a waiver shall have the burden of proving in a court of competent jurisdiction that a waiver was knowing and voluntary pursuant to paragraph (1) or (2).

"(4) No waiver agreement may affect the Commission's rights and responsibilities to enforce this Act. No waiver may be used to justify interfering with the protected right of an employee to file a charge or participate in an investigation or proceeding conducted by the Commission.".

SEC. 202. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 201 shall not apply with respect to waivers that occur before the date of enactment of this Act.

(b) RULE ON WAIVERS.—Effective on the date of enactment of this Act, the rule on waivers issued by the Equal Employment Opportunity Commission and contained in section 1627.16(c) of title 29, Code of Federal Regulations, shall have no force and effect.

TITLE III—SEVERABILITY

SEC. 301. SEVERABILITY

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

● Mr. PRYOR. Mr. President, this morning I released an amendment in the nature of a substitute that Senators HEINZ, METZENBAUM, and JEFFORDS will join me in offering when the Senate takes up S. 1511, the Older Workers Benefit Protection Act.●

FAMILY PLANNING AMENDMENTS

HUMPHREY AMENDMENT NOS. 2642 THROUGH 2655

(Ordered to lie on the table.)

Mr. HUMPHREY submitted fourteen amendments intended to be proposed by him to the bill (S. 110) to revise and extend the programs of assistance under title X of the Public Health Service Act, as follows:

AMENDMENT No. 2642

At the end of the pending question, add the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Civil Rights of Infants Act".

SEC. 2. DEPRIVING PERSONS OF THE EQUAL PROTECTION OF LAWS BEFORE BIRTH.

Section 1979 of the Revised Statutes (42 U.S.C. 1983) is amended by adding at the end thereof the following new section:

"SEC. 4. For purposes of section 1979 of the Revised Statutes of the United States (42 U.S.C. 1983), and for purposes of other provisions of law, it shall be a deprivation of a 'right' secured by the laws of the United States for an individual to perform an abortion with the knowledge that the pregnant woman is seeking the abortion solely because of the gender of the fetus. No pregnant woman who seeks to obtain an abortion solely on the basis of the gender of the fetus shall be liable in any manner under this section.".

AMENDMENT No. 2643

At the end of the pending question, add the following:

SEC. . PROHIBITION ON PRODUCTION OR DISTRIBUTION OF CERTAIN MATERIAL.

Notwithstanding any other provision of this Act, or an amendment made by this Act, none of the funds made available under this Act or such amendment shall be used to produce or distribute materials that are directed at the teaching of school children if such materials promote or encourage homosexuality, or use words stating that homosexuality is "normal", "natural", or "healthy".

AMENDMENT No. 2644

At the end of the pending question, add the following:

Section 152 of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new subsection:

"( ) EXCEPTION.—For purposes of subsection (a), the term "dependent" does not include any individual in any taxable year

"(1) in which an abortion was attempted with respect to such individual;

"(2) such abortion was unsuccessful;

"(3) the taxpayer claiming such individual as a dependent consented to such abortion; and

"(4) such individual died within forty-eight hours of birth."

AMENDMENT No. 2645

At the end of the pending question, add the following:

"( )(1) No physician shall perform an abortion on a woman, except as provided in paragraphs (2) and (3), unless such physician shall have received from the woman upon whom the abortion is to be performed a signed statement, which need not be notarized, that she has notified her spouse, at least 48 hours prior to a scheduled abortion, that she is about to undergo an abortion. The statement shall bear a notice that any false statement made therein is punishable by such penalties as the Secretary may prescribe.

"(2) The statement certifying that the notice required by paragraph (1) has been given need not be furnished where the woman provides the physician a signed statement certifying that:

"(A) Her spouse is not the father of the unborn child;

"(B) Her spouse, after diligent effort, could not be located;

"(C) The pregnancy is the result of spousal sexual assault which has been reported to such authorities as the Secretary may prescribe; or

"(D) The woman has reason to believe that the furnishing of notice to her spouse is likely to result in the infliction of bodily injury upon her by her spouse or by another individual.

"Such statement need not be notarized, but shall bear a notice that any false statements made therein are punishable by such penalties as the Secretary may prescribe.

"(3) The requirements of paragraph (1) shall not apply in any case where the life of the mother would be endangered if the fetus were carried to term.

"(4) The Secretary shall publish forms which may be utilized for purposes of providing the signed statements required by paragraphs (1) and (2), and shall cause these forms to be distributed to health care facilities.

"(5) Any physician who violates the provisions of this subsection shall be subject to such penalties as the Secretary may prescribe.".

AMENDMENT No. 2646

At the end of the pending question, add the following:

SEC. . CLARIFICATION OF CONTRACEPTIVE AND FAMILY PLANNING.

Title X is further amended by adding at the end thereof the following new section:

"SEC. . CLARIFICATION OF CONTRACEPTIVE AND FAMILY PLANNING.

"(a) IN GENERAL.—As used in this title, the terms 'contraceptive' and 'family planning' shall not include any drugs, devices or methods that have, as one known effect, the termination of pregnancy after implantation of the fertilized human ovum, blastocyst or embryo in the uterus.

"(b) USE OF FUNDS.—No funds authorized for use under this title shall be used to provide, or to support research on, any post-implantation drugs, device or method.".

AMENDMENT No. 2647

At the end of the pending question, add the following:

"( )(1) No physician shall perform an abortion on any woman, except as provided in paragraph (2), unless such physician shall have received from the woman upon whom the abortion is to be performed written consent, on a form published by the Secretary pursuant to paragraphs (3) and (4), at least 24 hours prior to performing such abortion.

"(2) The requirements of paragraph (1) shall not apply in any case where the life of the mother would be endangered if the fetus were carried to term.

"(3) The Secretary shall publish forms to be utilized for the purpose of providing written consent required by paragraph (1) and shall cause these forms to be distributed to health facilities.

"(4) The forms published pursuant to paragraph (3) shall include medical information on fetal development from fertilization to full term. Such information shall be objective, nonjudgmental and designed to convey only accurate scientific information about the unborn child at the various gestational ages, and may include pictures representing the development of unborn children so long as any such depictions contain the dimensions of the fetus and are realistic and appropriate for the woman's stage of pregnancy. The forms shall also contain objective information describing the method of abortion that would be performed on the woman and its effect on the fetus.

"(5) Any physician who violates the provisions of this subsection shall be subject to such penalties as the Secretary may prescribe."

AMENDMENT No. 2648

At the end of the pending question, add the following:

SAVINGS AND LOAN FRAUD

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Savings and Loan Corruption Act of 1990."

SEC. 2. FINDINGS.

(a) Congress finds—

(1) that the savings and loan debacle is the largest financial crisis in our Nation's history, and that the cost to the American taxpayer of that debacle may be in excess of one trillion dollars;

(2) that fraud and other criminal activity—including criminal activity by federal officials and officeholders—may have contributed significantly to the saving and loan industry's losses and will cost taxpayers billions of dollars;

(3) that Attorney General Richard Thornburgh recently spoke of an "epidemic of fraud" in the savings and loan industry and indicated that at least 25 to 30 percent of savings and loan failures can be attributed to criminal activity by the institution's officers and management;

(4) that at least some of those fraudulent officers and managers attempted to perpetuate their fraudulent activities through the application of political influence on the appropriate regulatory authorities;

(5) that officials at the Resolution Trust Corporation indicate that an estimated 60 percent of the institutions the corporation has seized "have been victimized by serious criminal activity";

(6) that investigating and prosecuting criminal activity related to the savings and loan crisis—including unlawful efforts to exert political influence on regulatory authorities—will help send an important message of "never again" to those involved in the financial industry;

(7) that the passage of time makes investigation more difficult and expiring statutes of limitation could allow serious crimes to go unpunished if investigation and prosecution is delayed; and

(8) that the current level of resources devoted to investigating and prosecuting fraud and criminal activity within the financial services industry is inadequate to address the crimes that contributed to the losses of savings and loan associations.

(b) PURPOSE.—It is therefore the purpose of this Act to make increased resources available to the investigation and prosecution of persons who used their political offices to stymie the effective regulation of troubled financial institutions.

SEC. 3. ENFORCEMENT.

(a) Subsection (b) of section 519 of title 28, United States Code, is amended as follows:

(1) by striking the word "and" at the end of paragraph (7);

(2) by striking the period at the end of paragraph (8) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by inserting at the end thereof the following new paragraph:

"(9) for the purpose of those violations contained in subsection (h) of section 592, any member of the Senate or the House of Representatives or any former member of the Senate or House of Representatives.".

(b) Section 592 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(h) Not later than sixty days after the enactment of this Act, the Attorney General shall make an application pursuant to subsection (c) of this section for the appointment of an independent counsel to investigate any violation of Federal criminal law (other than a violation classified as a Class B or C misdemeanor or an infraction) in connection with any federally insured financial institution to which Public Law 101-73 and amendments made by Public Law 101-73 apply by any person described in subsection (b) of section 591 of this title."

AMENDMENT No. 2649

At the end of the pending question, add the following:

"( ) No physician shall provide an abortion to any woman at any medical facility who is more than 20 weeks pregnant unless the life of such woman would be endangered if the fetus were carried to term.

"( ) Any physician who violates the provisions of this subsection shall be subject to such penalties as the Secretary may prescribe."

AMENDMENT No. 2650

At the end of the pending question, add the following:

"( ) No physician shall provide an abortion to any woman at any medical facility who is more than 24 weeks pregnant unless the life of such woman would be endangered if the fetus were carried to term.

"( ) Any physician who violates the provisions of this subsection shall be subject to such penalties as the Secretary may prescribe."

AMENDMENT No. 2651

At the end of the pending question, add the following:

"( ) No physician shall provide an abortion to any woman at any medical facility who is more than 28 weeks pregnant unless the life of such woman would be endangered if the fetus were carried to term.

"( ) Any physician who violates the provisions of this subsection shall be subject to such penalties as the Secretary may prescribe."

AMENDMENT No. 2652

At the end of the pending question, add the following:

"( ) No physician shall provide an abortion to any woman at any medical facility who is more than 32 weeks pregnant unless the life of such woman would be endangered if the fetus were carried to term.

"( ) Any physician who violates the provisions of this subsection shall be subject to such penalties as the Secretary may prescribe."

AMENDMENT No. 2653

At the end of the pending question, add the following:

"( ) No physician shall provide an abortion to any woman at any medical facility who is more than 36 weeks pregnant unless the life of such woman would be endangered if the fetus were carried to term.

"( ) Any physician who violates the provisions of this subsection shall be subject to such penalties as the Secretary may prescribe."

AMENDMENT No. 2654

At the end of the pending question, add the following:

"( ) RULE OF CONSTRUCTION.—Nothing contained in this Act shall be construed to create a right to abortion in any facility or to require the performance of an abortion in any facility.

AMENDMENT No. 2655

At the end of the pending question, add the following:

"( )(1) Except as otherwise provided in this subsection, no physician shall perform an abortion on a woman who is under eighteen years of age and unemancipated

unless the physician notifies the parent of such woman, in person or by telephone, of his intention to perform the abortion at least 48 hours prior to the scheduled procedure.

"(2) Such notice need not be given in cases where:

"(A) The woman's life would be endangered if the fetus were carried to term; or

"(B) The parent, after diligent effort cannot be found.

"(3) Such notice described in paragraph (1) shall not be given in cases where:

"(A) The parent has consented in writing to the abortion; or

"(B) The woman has given the physician a written statement, which need not be notarized, that she fears physical or sexual abuse from the parent and that the fear is based on a pattern of physical or sexual abuse exhibited by the parent.

"(4) Any physician who violates the provisions of this subsection shall be subject to such penalties as the Secretary may prescribe."

AUTHORITY FOR COMMITTEES TO MEET

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on September 12, 1990, beginning at 10 a.m., in 485 Russell Senate Office Building, to consider for report to the Senate S. 2850, the Innovative Indian Health Facilities and Delivery System Demonstration Project Act; S. 2928, the Technical Amendments to the Indian Self-Determination Act; S. 381, a bill to provide Federal recognition of the Mowa Band of Choctaw Indians; S. 2888, the Indian Health Care, Provision; and S. 2995, a portion of income derived from trust or restricted land held by an Indian shall not be considered as a resource or income in determining eligibility for assistance under any Federal or federally assisted program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, September 12, 1990, at 10 a.m. to conduct a hearing on the con-

dition of the banking industry and the bank insurance fund [BIF].

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, September 12, 1990, to hold hearings on abuses in Federal student aid programs (part 2).

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, September 12, 1990, at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

HOUSING FOR MESA

● Mr. DECONCINI. Mr. President, I rise today to bring to the attention of the Senate an encouraging example of the effectiveness of Federal and local cooperation in meeting the needs of low income families in this country. I recently had the opportunity to visit the Home Ownership Project of Housing for Mesa, a private nonprofit housing development corporation in Mesa, AZ, which operates as a public/private partnership to help meet the significant housing needs among low/moderate income families in the Mesa area. The effectiveness of this organization, and the fulfillment of the lifelong dream of home ownership which it provides to honest, hardworking, low-income families in my State, is simply heartwarming. I would like to take this opportunity to discuss the operation of this organization as a shining example of a program that works.

We are all familiar with the vicious cycle that prevents many families from achieving home ownership. Exorbitant housing costs, a risky real estate market, and a low to moderate income prevent such families from meeting the downpayment or the credit qualifications required to purchase a home independently. But scarce public resources that often must necessarily be targeted to the homeless or the lowest income families precludes many of these deserving citizens from receiving the little boost that they need to attain home ownership. In the Mesa area, studies revealed that approximately 90 percent of those in need of housing assistance were not being served.

Housing for Mesa helps meet that need by subsidizing the purchase of the land and the construction of the home through a non-interest-bearing lien in order to provide a home for approximately $30,000, with a guaranteed 30-year fixed-rate mortgage and low monthly payments that low to moderate income families can afford. Housing for Mesa accomplishes this by bringing together the cooperative efforts of the community with partial funding from Federal CDBG funds.

The combined efforts that make Housing for Mesa work are the key to success. Besides funding assistance from Mesa's CDBG, money comes from the Arizona Department of Commerce Housing Trust Fund and the National Council of La Raza. Mortgage packages are provided by four different area banks, and legal and insurance work is provided by local firms. Applicants are screened carefully, with a solid work history playing a central part in the selection process. The result is a unified effort that makes the most of scarce Federal and State dollars and provides needed assistance to hardworking, deserving citizens.

I believe that Housing for Mesa serves as an example of the high quality programs we can expect from Federal funding in partnership with State and private resources. It is my hope that others will follow this excellent lead in the continuing effort to bring the American dream of home ownership to everyone.●

STATEMENT BY DENNIS DECONCINI, CHAIRMAN, HELSINKI COMMISSION

● Mr. DECONCINI. Mr. President, today in Moscow, Secretary of State Baker and the Foreign Ministers of our wartime allies and the two Germanies have signed documents that will settle many outstanding issues of World War II. This, of course, is a welcome and long overdue event. It is also a most appropriate time to remember that the new era in Europe has only just begun, and that many other questions will have to be resolved before Europe can truly be, as President Bush foresees, "whole and free."

With Germany's reunification, the consequences of World War II it will be only partially rectified. The ongoing Soviet occupation of the Baltic States remains a glaring violation of international law. Last week, the leaders of Estonia, Latvia, and Lithuania issued a statement in which they said:

> The full restoration of the independent statehood of Estonia, Latvia and Lithuania must be the object of international negotiations on the liquidation of the consequences of World War II, and, accordingly, an integral part of a meaningful Helsinki process.

At present, Moscow has lifted its blockade of Lithuania but serious negotiations have not yet begun to reach a mutually acceptable agreement on the restoration of Baltic independence. In fact, just last week, talks between Moscow and Estonia broke down. The Soviet Union itself is in the throes of convulsive changes and the ultimate outcome is unpredictable. In this atmosphere of great uncertainty, the United States should signal its unswerving support of the Baltic cause.

As the representatives of the great powers assemble to redress a historic wrong by undoing the division of Germany, let us not forget three small states that lost their freedom in 1940 but never lost their spirit. Of all the countries that fell to dictators in World War II, only Lithuania, Latvia, and Estonia have yet to regain real sovereignty. Let us, as a new era dawns in Europe, rededicate ourselves to Baltic independence.●

INVENT AMERICA!

● Mr. ROCKEFELLER. Mr. President, as head of the National Commission on Children, I have a tremendous interest in the creative abilities of children. Today, I would like to alleviate some of our worries about children and the country's future by discussing the ingenious inventions of children, and an organization that encourages them to use their talents to their full potential: Invent America!

Invent America! is much more than a contest for American children. The program adds an essential dimension to the education of many of our young people. It develops the analytical and creative skills necessary for a productive future. If you were once fearful that the future is doomed because all creativity and advanced technology has been snatched from our hands, fear no more. Invent America! arouses the imaginations of students in over 30,000 elementary schools across the Nation. To the children, it is a fun and challenging project. For our country, it promotes progress, increasing the standards of education. It is a learning experience that reaches beyond the textbooks.

This organization was started in 1987, under the leadership of J. Morgan Green, to benefit the United States National Patent Model Foundation. The patent foundation in turn benefits the Smithsonian Institute, providing funds to recover the original patent models of inventions that originated between the years 1836 and 1899. During this time period, phenomena such as Thomas Alva Edison's discovery of electricity, and Alexander Graham Bell's creation of the telephone advanced the world of technology and communication. Today, almost half of U.S. patents are awarded to foreign nations.

Invent America! is a nonprofit organization that relies on sponsors for funds. One of the main reasons for this funding is that public schools do not have a budget for the materials necessary to build the inventions. Private corporations, such as Pepsi-Cola and K-Mart, are generous sponsors of the program.

We all know that a child's mind is fascinating. It possesses an imagination with the capability to create that will bewilder you, as well as force you to question your own level of creativity. No matter how carefree they may seem, children are capable of applying amazing powers to solve a problem. James Calvin Gaines, of Metz, WV, felt tricked by the fish during each of his attempts to catch them.

Every time he dozed off or got a bite to eat, the fish would steal his bait. This happened time after time; until, like any determined fisherman, he decided to get even. The solution is the "bite light." Now, every time a fish bites, a light attached to his fishing pole flashes, and a buzzer sounds, making him aware of his catch.

I had the pleasure of meeting with this second grader on July 24. James is a regional winner of the Invent America! contest, and is one of the 45 winners who visited Washington, DC, in honor of Invent America! week, July 22-28. All of the winners in this contest are awarded for their creations and it was a tremendous honor to meet James. Since winning, he has appeared on national television shows. Other inventions that were recognized range from a water inventory heat manager to a scoliosis screener to a vein detector.

This organization reassures us that with our future in the hands of today's children, we have a good chance at being a productive, creative and innovative Nation in the 21st century.●

THE START TREATY AND THE CONTINUING SOVIET THREAT

● Mr. McCAIN. Mr. President, the START agreement is the most important single arms control negotiation affecting the security of our Nation. In spite of the improvements in our relations with the Soviet Union, Soviet strategic nuclear forces remain the only forces that are capable of seriously damaging or destroying the United States.

It is critical to our security that the START negotiations be conducted with proper regard for our security. The negotiations must actively seek to produce real reductions in the risk of nuclear war, potential damage to the United States, and pressures to strike first or escalate a conflict.

During the last few months, a number of commentators have raised questions about our approach to START and the effect of the START Treaty on the strategic nuclear balance. These questions have included the relationship between the START and CFE negotiations, the impact that START will have on strategic stability, the impact of Soviet modernization of the SS-18, the impact of Soviet deployment of the SS-24 and SS-25, United States agreement to a 600-kilometer accountability rule for air launched cruise missiles, the negotiation's treatment of Tacit Rainbow, controls on sea-launched cruise missiles, and past and future Soviet compliance with strategic arms control treaties.

I believe that these are important questions, and that they deserve clear answers. Accordingly, I have asked Ronald F. Lehman, the Director of the Arms Control and Disarmament Agency, to address each of these questions in detail, subject to the inevitable limits imposed by national security. He has provided me with a response which I believe will be of interest to each Member of this body, and I ask that Ambassador Lehman's response be included in full in the RECORD at the end of my statement.

Mr. President, I believe that Ambassador Lehman's reply will satisfy many of the questions that have recently been asked about START. At the same time, they highlight one factor we cannot ignore during the debate on the fiscal year 1991 Defense Authorization Act.

We need far clearer goals for reshaping our nuclear force posture than we are currently utilizing. Our strategy must include both substantial modernization of our strategic forces, and focus on a clear concept for START 2 or START "1.5" that allows us to trade quality for quantity. We need both an affordable and a survivable force.

The Soviet Union may be far less of a political threat than in the past, but it nevertheless appears committed to an extraordinary degree of nuclear modernization—if only to retain its last real credential as a superpower.

The U.S.S.R. has built roughly twice as many ICBM's as the United States since 1975. There are now 1,400 Soviet ICBM's deployed at roughly two dozen locations in the Soviet Union.

Last year the Soviet Union produced 140 new ICBM's, the United States produced 12 Peacekeepers. This is reinforcing a Soviet advantage in megatonnage that has exceeded 2:1 even since 1975, and a more than 2:1 lead in reentry vehicles.

At least one new warhead variant of the SS-18 Heavy ICBM is still being deployed that is capable of carrying 10 warheads and has a range of 5,940 miles. The Air Force estimates that these improvements could allow the SS-18 force to retain its present hard target kill capability even if it is cut from 308 to 154 deployed missiles under START.

The U.S.S.R. has deployed at least 20 rail-carried versions of the fully MIRV'd 10 warhead SS-24 ICBM on at least 6 trains, and there are at least 50 more SS-24 missiles deployed in former SS-19 silos. The U.S.S.R. has deployed 220 mobile, single warhead, SS-25 missiles. This gives the U.S.S.R. more than 240 mobile missiles, with nearly 100 becoming operational in 1989 alone. At current rates, the United States will not have a single mobile ICBM until after 1997.

The Soviet Union has increased its number of SLBM warheads from 750 in 1975 to 3,600 in 1989. It continues to produce two SSBN's per year; while at the same time the United States is debating the termination of the Trident Program. It also continues to make major improvements in the capability of its SLBM's.

The Soviet Union continues to phase out the older SS-N-6 and SS-N-17 SLBM's on its *Yankee*-class submarines. It is replacing them with Delta III's and Delta IV's that can hit U.S. targets without warning from home waters. At the current rate of improvement, the Soviet SSBN force will be more lethal in the late 1990's even if its size is cut 25 to 50 percent.

The U.S.S.R. has deployed six *Typhoon*-class submarines, each of which is 30 percent larger than the United States *Ohio*-class submarines. The submarines are still under construction and carry twenty SS-N-20 missiles per submarine, each of which has a range of 4,500 miles, and 6 to 10 warheads.

The U.S.S.R. is developing two nuclear armed cruise missiles. One is the subsonic SS-N-21, deployed aboard modified Yankee NOTCH submarines. The other is the supersonic SS-NX-24, which is likely to be deployed on specially reconfigured Yankee submarines.

Last year, the Soviet Union produced over 40 strategic bombers, the United States produced one B-2. The U.S.S.R. has built over twice as many strategic and long range theater bombers as the United States since 1960.

The Bear-H appears to be reaching final deployment levels, and the Blackjack is in active production, although the ultimate number will probably be smaller than the number the U.S.S.R. once planned. The Blackjack is a Mach 2 bomber with a range of 7,900 miles.

The Soviets have two nuclear armed cruise missiles designed for use on these bombers. The subsonic AS-15 ALCM has a range of 3,000 kilometers, and is carried by both planes. The AS-X-19 is currently undergoing testing for deployment on the Bear H.

These Soviet offensive forces are backing strategic air defenses that the

United States does not even attempt to match.

Approximately 20 percent of the 7,000 surface-to-air missiles in Soviet forces are now SA-10's—a missile which can engage several targets simultaneously, and which may have a limited antimissile capability. The Soviet Union continues to deploy more SA-10's at a steady rate. The United States has no national surface-to-air missile defenses.

The Soviets still have some 2,100 fighter interceptors dedicated to strategic air defense. These are rapidly being equipped with fourth generation look down/shoot down aircraft like the SU-27 and Mig-31, and the U.S.S.R. has deployed its own version of the AWACS—the IL-76 Mainstay.

By 1999, all these aircraft will be fourth generation or even newer types. In contrast, the United States has a force of less than 300 dedicated fighter interceptors.

The U.S.S.R. has recently deployed a totally new ABM system around Moscow with the maximum of 100 missile launchers permitted by the ABM Treaty. The United States has no ABM's deployed.

Mr. President, we cannot have an effective START agreement without effective U.S. strategic forces. Also, we cannot ignore the fact that the modernization and expansion of Soviet strategic nuclear forces has not abated with glasnost or the changes in the political situation in Europe.

We must continue our own modernization efforts. At a minimum, we need to build a force of 18 Trident SSBN's, deploy at least one modern mobile ICBM, and focus on bombers with cruise missile capability, rather than advanced penetrating capabilities. We need to fund programs like Milstar, which are necessary to make smaller forces more survivable and more effective as retaliatory weapons.

We must also maintain a strong strategic defense program. Strategic defense is still our best way of reacting to what is becoming a nuclear armed world. It offers a way of protecting our friends and allies against nuclear threats, and chemical and biological threats as well. At the same time, it offers us a way of protecting the United States against the hostile states that may be able to strike us in the future, and where the threat of retaliation may be far less effective than it has been in dealing with the rational and conservative leadership of the Soviet Union.

Unless we recognize this twin need for strategic modernization and a strong strategic defense program, we may well undermine even the best START agreement. No arms control agreement can save us from a failure to understand the military balance, and a commitment to a strong national defense. No START agreement can reduce the risk of war if we do not maintain the proper mix of strategic forces.

The response of Ambassador Lehman follows:

U.S. ARMS CONTROL AND
DISARMAMENT AGENCY,
Washington, DC, September 7, 1990.

Hon. JOHN MCCAIN,
U.S. Senate.

DEAR SENATOR MCCAIN: Thank you for your letter on June 19, 1990, which requested elaboration of certain issues pertaining to the START Agreement currently under negotiation. I have enclosed two short discussion papers which pertain to your question regarding the relationship between CFE and START and present a short analysis of the various ways in which the START Agreement will affect strategic stability.

In response to a request from your staff, I have also appended updated answers to questions regarding the START Agreement which you originally requested on May 24.

I hope that these documents respond to your concerns. As always, I am available to meet with you, at your convenience, to discuss these and any other questions that you may have.

Sincerely,

RONALD F. LEHMAN II.

Enclosures: As stated.

START AND CFE

Following the INF ratification debate in 1988, during the 1988 Presidential campaign, as well as during the subsequent transition period, the question of formal linkage between the START and (then future) European conventional force negotiations was raised in public discussion and by some members of Congress. At no point, however, did President Reagan or President Bush ever take a position requiring a conventional arms agreement as a precondition to START or vice versa. Both START and CFE are high priority. At the recent NATO summit, NATO leaders stressed that a CFE agreement was the Alliance's highest priority.

The objectives to the START negotiations, or course, were establishment in 1982, long before CFE was initiated and at a time when comparatively modest reductions were being sought in MBFR. From the outset, U.S. goals in START have remained relatively constant: a reduction in ballistic missile warheads to about 5000, a reduction in Soviet heavy ballistic missiles, and a reduction in Soviet ballistic missile throwweight. This set of goals was established, and subsequently has been often reaffirmed as U.S. policy, completely independent of the MBFR negotiations, which eventually developed into the more far-reaching CFE negotiations of today.

This is not to deny the relationship in deterrence terms that exists between conventional force issues and strategic nuclear issues, and thus between the negotiations that address these issues. However, each negotiating position and the eventual outcome must meet stringent U.S. national security criteria and stand on its own merits. Therefore, the strategic force structure the United States will be able to deploy under a START agreement is designed to meet our security requirements, including those that provide extended deterrence to NATO. Thus, post-START, the U.S. strategic contribution to NATO's flexible response strategy will be no less robust than today.

For the above reasons, the strategic review undertaken in the early months of the Bush Administration confirmed the view that there was no need to delay conclusion of a START agreement until CFE reductions occurred. Unilateral Soviet withdrawals and reductions in conventional forces, the prospect of German unification, and the unravelling of Warsaw Pact solidarity that have occurred since then only underscore this judgment. Since the beginning of the Bush Administration, CFE has at times made faster progress than START, and at times the reverse has been true. Currently, the U.S. hopes to complete both a START Treaty and a CFE agreement by the end of this year. Nevertheless, these two objectives are not formally linked or rigidly dependent on each other.

START AND STRATEGIC STABILITY

Our fundamental START objectives have remained unchanged since the negotiations began in 1982: to enhance stability and security through an equitable and effectively verifiable agreement, which significantly reduces the most destabilizing systems. START meets all these objectives. It will make substantial contributions to strategic stability and thus to U.S. security.

In START, the United States has not sought reductions for their own sake; we have focused on reducing those systems that are best suited for a disarming first strike. In particular, START favors "slow-flying" air-breathing systems over "fast-flying" (ballistic) systems, particularly, vulnerable silo-based heavy ICBMs. START limits the latter more strictly because of the greater stability problems they pose.

START reduces Soviet ballistic missile warheads by 50%—to 4900 warheads—slightly better than our original 1982 goal of 5000 Soviet warheads. In addition, START achieves approximately 50 percent reductions in Soviet heavy missile warheads and ballistic missile throwweight—two of our most important objectives. Soviet heavy missile warheads currently are the main fast-flying hard target threat to our forces, but in the long run, as accuracy improves, any Soviet ballistic missile warhead may become a hard target killer. The START agreement addresses both threats as well as the potential for future fractionation that unlimited throwweight represents. START limits the number of warheads that could be deployed on ICBMs (and SLBMs) to 10 even though the SS-18 is capable of being deployed with greater numbers, and START also provides incentives to de-MIRV missiles in part by reducing RVs by a greater proportion than missiles.

The Soviet heaviest missile, the SS-18, is both the most destabilizing in their arsenal and the most directly affected by this treaty. The SS-18 can launch at least ten warheads with sufficient accuracy and yield to threaten U.S. missile silos. Without START the USSR could mount at least 3080 hard-target killing warheads on 308 such missiles and probably more. For example, if without START the Soviets were to have 14 hard-target warheads for each of 308 SS-18s, they could have 4312 warheads on their SS-18s alone, far above the 1540 permitted by START and nearly equal to the entire 4900 ceilings on all ballistic missile warheads established by START. This would give their planners a targeting ratio far in excess of the two-to-one ratio needed for confidence in a first strike against the 1000 U.S. ICBM sites and against other hardened sites as well.

However, with START the USSR will be limited to 1540 warheads on SS-18s. Thus, they can obtain only a 1.54-to-1 ratio against 1000 U.S. silos. They will not reach a two-on-one first strike ratio unless the United States reduces the number of silos to fewer than 770. Viewed in this context, and in the context of the overall START constraints on the Soviet ICBM force, START offers clear benefits in limiting the possibility that the Soviet Union could achieve a first strike potential against the United States.

While we have reduced the Soviet ballistic missile threat, START's limit of 1600 strategic nuclear delivery vehicles does not require such large U.S. reductions from our current active force (i.e., less than 300 delivery vehicles). This reduces the Soviet advantages in overall weapons-to-target ratios, although the Soviets will continue to have more than sufficient weapons to cover their targeting requirements.

Critics of START have tended to focus on the specific issue of the weapons-to-target ratio of the Soviet prompt threat to U.S. ICBM silos. It is true that U.S. silos could still be threatened by Soviet missiles, especially as Soviet missile accuracy continues to improve. This was a concern prior to START and will continue to be a concern when START is implemented. This underlines the importance of Congressional support of Administration strategic modernization programs; no arms control agreement can substitute for U.S. willingness to take the Treaty-compliant measures needed to maintain a stable deterrent.

Indeed, our strategic modernization program, which is fully protected by START, is designed to maintain a strong, mutually reinforcing strategic triad even with negotiated reductions. The Ohio-class nuclear missile submarine, for example, has higher at sea rates than earlier SSBNs, can patrol a larger open area and carries more accurate warheads. The B-2 will be able to penetrate Soviet air defenses into the 21st century. The mobile ICBM programs will give the U.S. both dependable and survivable systems that will lessen U.S. ICBM vulnerability and counter much of the Soviet warhead-to-target advantage. The START mobile ICBM warhead limit of 1100 would permit a far larger percentage of the U.S. ICBM force to be survivable than would be the case for the Soviet ICBM force we project.

On the specific issue of START's treatment of mobile missiles, we recognize that mobile ICBMs, like SLBMs, make forces more survivable and in this way improve strategic stability. However, mobile ICBMs pose verification problems, and these problems need to be resolved through negotiation of detailed and intrusive inspection provisions.

The benefits of START of course also depend on full implementation and strict compliance. We are working out good verification provisions, but we will also need to maintain robust NTM capabilities. Here, too, Congressional support will be essential.

There is certainly more that strategic arms control can do to enhance strategic stability, and the joint U.S.-Soviet Summit statement on follow-on negotiations notes the importance in such negotiations of further reducing incentives to first strike and reducing the concentration of warheads on strategic nuclear delivery vehicles. But START is a major step forward in its own right; attempts to delay START to achieve further reductions would, in my judgment, not be useful and would only defer or endanger progress already in hand. Indeed, we will benefit from digesting the results of START and its implementation as we begin work in follow-on talks.

MAJOR ISSUES ON ARMS CONTROL

1. Critics have charged that the Soviets have succeeded in reversing our arms control priorities by giving START precedence over CFE and stonewalling on CFE.

Q. How does the Administration rate the relative priority of reaching a START vice a CFE agreement?

A. Both negotiations are key elements of the overall U.S. arms control agenda. Both are high priority, but neither one can be considered more important than the other. They will work together to reduce the number of nuclear and conventional arms, to strengthen stability and to reduce the risk of war.

Q. Has the Administration established any linkage between START and CFE? Should there be any such linkage?

A. Although both negotiations are key elements in our overall approach, there is no formal linkage between START and CFE. Because of the very nature of the negotiations, START being bilateral and CFE multilateral, it would be difficult and probably counterproductive to attempt to orchestrate such linkage. Moreover, the contents of the negotiations themselves are not so closely related to each other that such linkage is warranted; they treat different kinds of forces, with START focusing on nuclear systems and CFE on conventional systems. Thus, each negotiation has to satisfy US security criteria, and each can and should stand on its own merits and be judged independently.

Q. What is the current status of the CFE talks? Are the Soviets stonewalling at the talks? Have the Soviets slowed their announced withdrawals from Eastern Europe?

A. Round VII of the CFE Negotiations began in Vienna on May 14. While progress is being made in some areas, the Soviets are apparently conducting a review of the overall security situation in Europe, and progress on major issues had slowed prior to the recent Summit. Some additional progress has been made in the last two weeks. The Soviet Union is continuing to withdraw troops from Eastern Europe but Moscow has indicated some slowing of the process. We can provide you more definitive information on Soviet troop withdrawal from individual countries on a classified basis.

2. Critics have charged that the Administration reversed its position on testing and modernization of the SS-18 and failed to secure on-site inspection of the SS-18 production facility.

Q. What was the Administration's position on testing and modernization of the SS-18 force before the recent talks in Moscow?

A. The US position on the SS-18 was for a long period to seek reduction of deployed SS-18s by 50 percent and to ban new types of heavy ICBMs as well as further production, flight testing, and modernization of SS-18s. The US has achieved the 50 percent reduction of deployed SS-18s and their warheads, and the ban on new types of heavy ICBMs, all mobile heavy ICBMs, and heavy SLBMs, but has not yet achieved Soviet agreement to the other elements we have sought.

Q. What type of testing for the SS-18 would the Soviets be allowed under a START agreement? Will the Soviets be able to modernize its entire SS-18 force under START? What would be the relative hard-target capability of a modernized SS-18 force one-half the size of the current force?

A. As a result of discussions at the Moscow Ministerial and at the Washington Summit, the US continues to seek to constrain SS-18 modernization, particularly by limiting SS-18 flight tests to two per year or no more than seven flights in any three year period. In the context of the agreed reduction of the SS-18 force by 50 percent and the ban on new types of heavy missiles, the US would permit continued introduction of the most recent SS-18 models (Mods 5 and 6) into that reduced force. We took this move, recognizing that modernization of the SS-18 force with S-18 Mod 5s and 6s is well along. The SS-18 Mod 6 is a single-warhead system that nevertheless would count under START as carrying 10 warheads. The SS-18 Mod 5 is more powerful and accuarate than its predecessor, but it important to remember that, without START, there would be no constraints on either the size or the modernization of the force. START will include both. It should be recognized that the SS-18 is not the sole prompt hard target killer that we could face; for example, while the SS-19 and SS-24 currently have only a limited hard target capability, follow-on versions may have greater capability because of greater accuracy. For that reason, we look to enhance the survivability of our forces in any case through our strategic modernization program.

Q. Is there any difference between the testing and modernization provisions for the SS-18 and the MX? If so, why is there a difference?

A. The MX/Peacekeeper is not a heavy ICBM; it is comparable to the SS-19, rather than to the SS-18. There are, therefore, no START constraints on its testing and modernization.

Q. Can the US verify the number of SS-18s without on-site inspection of the production plant? Why did we fail to secure provisions for on-site inspection?

A. Verification of the number of deployed silo-based systems like the SS-18 is feasible by NTM.

3. Critics have charged that the U.S. lost a significant advantage by agreeing to the Soviet proposal to make ALCMs with a range greater than 600 km. accountable under START.

Q. Why did the US agree to the Soviet position on ALCM range?

A. The ALCM range issue was a question of what range would mark the threshold between short-range systems not limited by START in any way and long-range nuclear ALCMs which would be covered by START. Our concern on ALCM range was above all to protect U.S. conventional options. Since future non-nuclear ALCMs like Tacit Rainbow will not be limited by START if they are externally distinguishable from nuclear ALCMs, we could accept the 600 km. range threshold.

Q. Other than Tacit Rainbow, what U.S. ALCM programs are affected by this agreement? Will any future programs be cancelled as a result of this agreement?

A. No future programs will be cancelled as a result of this agreement. START will not limit future conventional ALCM programs, including Tacit Rainbow. Nuclear ALCMs above 600 km. will be accountable.

Q. Were there any plans to equip Tacit Rainbow with nuclear warheads? Why did the Soviets want to include Tacit Rainbow in the agreement on ALCMs? Does the

agreement have any effect on our ability to employ Tacit Rainbow?

A. Tacit Rainbow is a purely conventional system and there were no plans to equip it with nuclear warheads; therefore, the agreement will not have any effect on our ability to employ it. The Soviet effort to capture Tacit Rainbow was part of their overall effort in START to try to constrain U.S. conventional programs.

4. Critics have charged that the SLCM agreement favors the Soviets because it has no provisions for verification. They feel that the U.S. is limited because it will observe the agreement and the Soviets will not.

Q. How will the U.S. verify that the Soviets are observing the agreement on SlCMs?

A. The U.S. has not been able to identify any method to verify SLCM limits that would be either effective or acceptable from an operational standpoint. This is precisely the reason the U.S. could not accept including nuclear-armed SLCMs in a START agreement. The SLCM agreement with the Soviets is politically, vice legally, binding, and is primarily a declaration of intent; as such, it does not include verification measures.

Q. How many SLCM platforms will the Soviets have by the year 2000? How many SLCMs could they carry?

A. Estimates of numbers of future Soviet SLCMs and SLCM platforms are classified. The USSR currently has a large arsenal of nuclear-armed SLCMs. Most of those are below 600 km range, and most of the latter are ship-to-ship missiles, but some are believed to have a secondary land-attack role.

Q. How many SLCMs did we plan to deploy before reaching the agreement in Moscow? How many do we plan to deploy now?

A. I would refer you to the Defense Department for precise classified information on nuclear SLCM deployment plans. However, I can tell you that the maximum number we agreed with the Soviet Union will allow us to meet our nuclear SLCM requirements.

5. Why was the Backfire bomber not included in START? Does the U.S. consider the Backfire to be a strategic or theater system? Will the Backfire be included in CFE if it is not included in START?

A. Although the Backfire bomber is currently believed to have an exclusively theater mission, under certain circumstances, it could be used to strike targets in the United States. We have proposed to the Soviets that they sign a politically binding declaration outside of START, which would commit them to: (1) not give the Backfire an intercontinental capability by air-to-air refueling or by any other means; (2) deploy no more than 400 Backfire; and (3) include all Backfire in the ATTU area—including naval Backfire—in the CFE aircraft limits.

In CFE, it is the Western position that all land-based, medium bombers (which in CFE terms includes the Backfire) must be included in the overall combat aircraft ceiling. This, of course, would capture those Backfire bombers that are located in the Atlantic-to-the-Urals area.

6. Critics have charged that the Soviets now have a first strike-advantage because we did not obtain any limits on the Soviets' mobile SS-24s and SS-25s.

Q. Did we attempt to place limits on the SS-24s and SS-25s during the talks in Moscow? Will these systems be addressed in future talks?

A. START will include numerical limits on deployed mobile ICBM warheads and on non-deployed mobile ICBMs. All deployed warheads on SS-24s and SS-25s count against the 4900 ceiling. The Soviet Union has agreed to a limit of 1100 warheads on deployed mobile ICBMs; we have not yet settled on the numbers for non-deployed mobile ICBMs. START will also include restrictions on the location and movement of both road- and rail-mobile ICBMs.

Q. Does the U.S. consider the SS-24 and SS-25 to be hard-target or first strike weapons?

A. The U.S. estimates that the SS-24 and SS-25 currently have limited effectiveness as hard-target weapons; improvements in accuracy could increase their effectiveness. In any case, the capability provided by the SS-24 and SS-25 in conjunction with other ballistic missile forces could give the Soviet Union the belief that it could rely on the use of these systems to deter retaliation or deny an effective U.S. response after a Soviet first-strike or in other strategic roles.

7. Critics have charged that several provisions of the START agreement cannot be verified and, given the Soviet attempt to circumvent the SALT treaty at Krasnoyarsk, the Soviets will also violate the impending START treaty.

Q. How will the U.S. verify the number of Soviet mobile missiles?

A. The proposed START agreement contains a comprehensive set of measures designed to address mobile missile verification. These include monitoring their production via a continuous presence at certain mobile missile facilities, geographical restrictions on the locations of mobile missiles and their launchers, data exchanges that include their number and locations, notifications of movements, short-notice inspections at facilities related to mobile missiles, cooperative measures related to national technical means of verification, and tagging of mobile missiles. The combined effect of these provisions will allow the U.S. to verify the number of Soviet mobile ICBMs and will make it very difficult for the Soviets to cheat without being detected in a timely manner.

Q. How will we prevent the Soviets from circumventing the treaty through sale of weapons or technology to third countries?

A. In addition to their undertakings in the START treaty, the Soviets have indicated their support for the objectives of the Missile Technology Control Regime (MTCR), which controls the export of missiles and missile-related technology to their countries. The MTCR Guidelines prescribe a strong presumption of denial for transfers of complete rocket systems and unmanned air vehicle systems capable of delivering at least a 500 kg payload to a range of at least 300 km, and complete subsystems usable in such rockets and unmanned air vehicles. The Guidelines also prohibit the transfer of production facilities for these systems and subsystems. We will continue our intense and detailed consultations with the Soviet Union and the other MTCR partners on strengthening and expanding the regime.

Q. Did the Soviets violate the INF Treaty by transferring SS-23s to other members of the Warsaw Pact?

A. We are currently analyzing the legal and compliance aspects of this question. We have not yet made a determination. To avoid prejudging our analysis, we are reserving judgment on the questions of the transfer and ownership of the missiles. We cannot comment further until we have completed our analysis.

We can say that we regard the presence of SS-23 missiles anywhere as a serious matter. By now, all Soviet SS-23 missiles should have been eliminated pursuant to the INF Treaty.

Q. Have the Soviets stopped dismantling the radar at Krasnoyarsk?

A. The Soviets appear to be proceeding to dismantle the Krasnoyarsk LPAR.●

JAMES H. JACKSON HOSE CO. 100TH ANNIVERSARY

● Mr. D'AMATO. Mr. President, I rise today to congratulate the James H. Jackson Hose Co. No. 2 on the 100th anniversary of their organization on October 11-13, 1990.

The Jackson Hose Co. was organized on October 27, 1890, and is one of four volunteer fire companies that make up the Dansville Volunteer Fire Department. The company is named for Dr. James H. Jackson, a well-known resident of the area who was very active in civic affairs at that time. Mr. Jackson donated much of the original funds to sponsor the newest fire company in Dansville.

The present membership of the Jackson Hose Co. consists of 68 active members, with over 1,445 combined years of service. These members are supplemented by 75 members of exempt, honorary or social status, contributing an additional 785 years of service to the Jackson Hose Co.

The celebration of the 100th anniversary of the Jackson Hose Co. is an ideal occasion to show appreciation and recognition to past and present firemen that have given their time and efforts to keep the organization going, and to express gratitude to the citizens of Dansville for their support of the hose company for the last century.●

TRIBUTE TO DANNY GUSTAFSON

● Mr. DURENBERGER. Mr. President, last week the American people celebrated Labor Day. It is our annual national recognition of the contribution American working people make to our quality of life. Few Americans exemplify the best in the American worker better than Danny Gustafson, president of the Minnesota AFL-CIO.

Throughout his career, which has spanned four decades, Danny Gustafson has worked for the rights and welfare of working people. From 1955 to 1966, he was the business representative for Plasterers Local 65, Operative Plasterers and Cement Masons International Association. He served as president of the Minnesota State Building Trades for 5 years and the business manager of the Minnesota Building Trades Council for 12 years. In 1966, he was named district vice president of the Minnesota AFL-CIO. Danny was named secretary-treasurer of the Minnesota AFL-CIO in 1978 and president in 1985.

Danny Gustafson has, by words and action, provided the type of leadership that has made Minnesota labor unions a model for the rest of the Nation.

During the 24 years that I have known and worked with Danny, he has been dedicated to improving the economic status of the working person that he represents.

His vigilance on behalf of his constituents has helped to raise the standard of living for hourly wage earners. He has labored so they may afford the products they produce such as housing and automobiles; decent medical care; an education for their children.

Beyond that, Danny has been in the forefront in working for legislation to address pressing social issues such as child care, health care for the uninsured and the needs of the elderly. His personal involvement with social causes in Minnesota such as the United Way is further testimony to his belief in taking positive action to assist those persons who need help from society.

I have worked on many labor related issues during my 12 years in the U.S. Senate, especially during the last 2 years as a new member of the Senate Labor Committee. And, unlike a lot of people I deal with, I never end a conversation with Danny Gustafson unsure of where he stands. He has also been direct, informative, and persuasive to me as I evaluate these issues. He serves his people exceptionally well, and all Minnesotans owe him a debt of gratitude for his service.●

NATIONAL EMERGENCY ANTI-PROFITEERING ACT OF 1990—S. 3035

● Mr. D'AMATO. Mr. President, I join with many of my colleagues in introducing the National Emergency Anti-profiteering Act of 1990.

In the days following Iraq's invasion of Kuwait, I, like many Americans, were outraged to discover that once again we were being taken advantage of by the oil industry. In retrospect, this really should not have come as a shock at all. Our experiences following the *Exxon Valdez* spill and last winter's cold snap could easily have led one to predict that the oil industry would waste no time in exploiting Iraq's aggressions as an excuse to raise its prices at the pump.

In New York, as well as in the rest of the country, we experienced an almost immediate increase in gasoline prices. Since the Iraqi invasion on August 2, the statewide average for a gallon of regular unleaded gasoline in New York has risen 11 cents. While markets adjust quickly to world events such as an oil supply disruption, it bears noting that the gasoline reaching the pumps immediately following the Iraqi invasion, was purchased prior to the invasion. As it normally takes 30 to 90 days for the bulk of crude oil to affect retail prices, the rapid price increases suggest the possibility of unfair manipulation.

High oil prices mean higher inflation/lower growth. A 10-percent increase in world oil prices, for example, means a 1-percent increase in the consumer price index. Each $1 increase in crude oil prices raises gas prices by 2.4 cents per gallon. An increase of $5 to $6 in the price of crude means a 12- to 15-cent-per-gallon hike in gas prices.

The legislation that we are introducing today, the National Emergency Antiprofiteering Act, is a step in the right direction. The concept of the legislation is simple. It will give the President the power to declare a national economic emergency and to designate the essential commodities with respect to which that emergency exists. During the duration of that emergency, it would be illegal for sellers to profiteer in those designated commodities. Violators would be subject to criminal and civil penalties, including up to 5 years in prison, fines of up to $500,000, restitution to consumers, and double damages.

If past trends hold true the gas price excalator goes in only one direction, straight up, even if the price of crude declines. Unless we are vigilant, at both the Federal and State levels, we will continue to be gouged every time we pull up to the gas pump. Our legislation is an attempt to hold those who profiteer in times of national emergency responsible for their greed. I urge my colleagues to consider seriously this important bill.●

OPERATION DESERT SHIELD

● Mr. GLENN. Mr. President, I ask that bills S. 3025, S. 3026, S. 3027, and S. 3028 that I introduced on September 11, 1990, be printed in today's CONGRESSIONAL RECORD, along with a reprint of my September 11 remarks introducing S. 3025.

The material follows:

S. 3025

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SAVINGS PROGRAM FOR OVERSEAS PERSONNEL

The first sentence of section 1035(a) of title 10, United States Code, is amended by striking out "may deposit during that tour" and inserting in lieu thereof ", and a member of the armed forces who is serving outside the United States or its possessions under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment for an operational contingency, may deposit during that tour of duty or while so serving".

SEC. 2. SPECIAL PAY RELATING TO IMMINENT DANGER

(a) ELIGIBILITY FOR SPECIAL PAY.—Section 310(a) of title 37, United States Code, is amended—

(1) by striking out "or" at the end of clause (3);

(2) by striking out the period at the end of clause (4) and inserting in lieu thereof "; or"; and

(3) by inserting after clause (4) the following new clause:

"(5) was serving on duty in a foreign area under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment for an operational contingency."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1990.

SEC. 3. ENTITLEMENT OF ENLISTED PERSONNEL TO RECEIVE BASIC ALLOWANCE FOR SUBSISTENCE

(a) TEMPORARY DEPLOYMENT UNDER ARDUOUS CONDITIONS.—Section 402(b) of title 37, United States Code, is amended in the third sentence—

(1) by striking out "or" after "hospital,"; and

(2) by inserting before the period at the end the following: ", or while serving under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment away from his designated post of duty for an operational contingency".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1990.

SEC. 4. EXEMPTION FROM PAYMENT FOR MEALS

Section 1011 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(d) A member of the armed forces may not be charged for meals under this section while serving under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment for an operational contingency. The spouse and dependent children of such a member may not be charged for meals under this section while the member is so serving.".

SEC. 5. VARIABLE HOUSING ALLOWANCE FOR MEMBERS OF THE RESERVE COMPONENTS CALLED OR ORDERED TO ACTIVE DUTY FOR LESS THAN 140 DAYS

Section 403a(b)(3) of title 37, United States Code, is amended by inserting before the period at the end the following:", other than an order to active duty authorized by section 673, 673b, or 688 of title 10 and an order to active duty (other than for training) with the consent of the member during a period in which members of the reserve components are being ordered to active duty pursuant to such section".

SEC. 6. MAILING PRIVILEGES OF MEMBERS OF THE ARMED FORCES

Section 3401(a)(1)(A) of title 39, United States Code, is amended—

(1) by inserting "(i)" after "Armed Forces of the United States";

(2) by inserting "(ii) are" after "enemy of the United States,";

(3) by striking out "or serving" and inserting in lieu thereof "(iii) are serving"; and

(4) by striking out "; or" and inserting in lieu thereof ", or (iv) are serving under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment for an operational contingency; or".

SEC. 7. PAYMENTS FOR UNUSED ACCRUED LEAVE

Section 501(b)(3) of title 37, United States Code, is amended—

(1) by inserting "(A) after "(3)"; and

(2) by adding at the end the following new subparagraph:

"(B) The limitation in the second sentence of subparagraph (A) does not apply to the following leave:

"(i) Leave accrued by a member of a reserve component of the armed forces while serving on active duty (other than for training) pursuant to an order to active duty authorized by section 672, 673, 673b, or 674 of title 10.

"(ii) Leave accrued by a member of the armed forces in the Retired Reserve while serving on active duty pursuant to an order to active duty authorized by section 675 of title 10.

"(iii) Leave accrued by a retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps, a member of the Retired Reserve, or a member of the Fleet Reserve or Fleet Marine Corps Reserve while such retired member or member, as the case may be, is serving on active duty pursuant to an order to active duty authorized by section 688 of title 10.

"(iv) Leave accrued by a member referred to in clause (i), (ii), or (iii) while serving on active duty (other than for training) pursuant to an order to such active duty issued with the consent of the member during a period in which members of the armed forces are being ordered to active duty pursuant to a provision of title 10 referred to in such clause.".

SEC. 8. TREATMENT OF COMPENSATION FOR ACTIVE SERVICE IN DANGEROUS FOREIGN AREAS

(a) TAX EXCLUSION.—Subsection (a), (b), and (c) of section 112 of the Internal Revenue Code of 1986 are amended to read as follows:

"(a) IN GENERAL.—Gross income does not include compensation received for active service as a member in the Armed Forces of the United States for any month during any part of which such member—

"(1) served in a dangerous foreign area, or

"(2) was hospitalized as a result of wounds, disease, or injury incurred while serving in a dangerous foreign area.

Paragraph (2) shall not apply for any month beginning more than 2 years after the date of the termination of hostile activities in such area.

"(b) LIMITATION ON PAY OF COMMISSIONED OFFICERS.—Subsection (a) shall not apply to compensation received by a commissioned officer in the Armed Forces of the United States in any month in excess of $2,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) COMMISSIONED OFFICER.—The term 'commissioned officer' does not include a commissioned warrant officer.

"(2) COMPENSATION.—The term 'compensation' does not include pensions and retirement pay.

"(3) DANGEROUS FOREIGN AREA.—The term 'dangerous foreign area' means any area which the President of the United States by Executive Order designates for purposes of this section as an area in which Armed Forces of the United States are or have been subject to hostile activities.

"(4) HOSTILE ACTIVITIES.—The term 'hostile activities' means—

"(A) hostile fire,

"(B) explosion of hostile mines,

"(C) imminent danger of being exposed to hostile fire or the explosion of hostile mines, or

"(D) the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.

"(4) TIME OF SERVICE.—Service is performed in a dangerous foreign area only if performed on or after the date designated by the President of the United States by Executive Order as the date of the commencement of hostile activities in such area, and on or before the date designated by the President of the United States by Executive Order as the date of the termination of such activities."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1990.

S. 3026

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SAVINGS PROGRAM FOR OVERSEAS PERSONNEL

The first sentence of section 1035(a) of title 10, United States Code, is amended by striking out "may deposit during that tour" and inserting in lieu thereof ", and a member of the armed forces who is serving outside the United States or its possessions under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment for an operational contingency, may deposit during that tour of duty or while so serving".

SEC. 2. SPECIAL PAY RELATING TO IMMINENT DANGER

(a) ELIGIBILITY FOR SPECIAL PAY.—Section 310(a) of title 37, United States Code, is amended—

(1) by striking out "or" at the end of clause (3);

(2) by striking out the period at the end of clause (4) and inserting in lieu thereof "; or"; and

(3) by inserting after clause (4) the following new clause:

"(5) was serving on duty in a foreign area under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment for an operational contingency."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1990.

SEC. 3. ENTITLEMENT OF ENLISTED PERSONNEL TO RECEIVE BASIC ALLOWANCE FOR SUBSISTENCE

(a) TEMPORARY DEPLOYMENT UNDER ARDUOUS CONDITIONS.—Section 402(b) of title 37, United States Code, is amended in the third sentence—

(1) by striking out "or" after "hospital,"; and

(2) by inserting before the period at the end the following: ", or while serving under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment away from his designated post of duty for an operational contingency".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 1990.

SEC. 4. EXEMPTION FROM PAYMENT FOR MEALS

Section 1011 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(d) A member of the armed forces may not be charged for meals under this section while serving under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment for an operational contingency. The spouse and dependent children of such a member may not be charged for meals under this section while the member is so serving.".

SEC. 5. VARIABLE HOUSING ALLOWANCE FOR MEMBERS OF THE RESERVE COMPONENTS CALLED OR ORDERED TO ACTIVE DUTY FOR LESS THAN 140 DAYS

Section 403a(b)(3) of title 37, United States Code, is amended by inserting before the period at the end the following: ", other than an order to active duty authorized by section 673, 673b, or 688 of title 10 and an order to active duty (other than for training) with the consent of the member during a period in which members of the reserve components are being ordered to active duty pursuant to such section".

SEC. 6. PAYMENTS FOR UNUSED ACCRUED LEAVE

Section 501(b)(3) of title 37, United States Code, is amended—

(1) by inserting "(A)" after "(3)"; and

(2) by adding at the end the following new subparagraph:

"(B) The limitation in the second sentence of subparagraph (A) does not apply to the following leave:

"(i) Leave accrued by a member of a reserve component of the armed forces while serving on active duty (other than for training) pursuant to an order to active duty authorized by section 672, 673, 673b, or 674 of title 10.

"(ii) Leave accrued by a member of the armed forces in the Retired Reserve while serving on active duty pursuant to an order to active duty authorized by section 675 of title 10.

"(iii) Leave accrued by a retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps, a member of the Retired Reserve, or a member of the Fleet Reserve or Fleet Marine Corps Reserve while such retired member or member, as the case may be, is serving on active duty pursuant to an order to active duty authorized by section 688 of title 10.

"(iv) Leave accrued by a member referred to in clause (i), (ii), or (iii) while serving on active duty (other than for training) pursuant to an order to such active duty issued with the consent of the member during a period in which members of the armed forces are being ordered to active duty pursuant to a provision of title 10 referred to in such clause.".

S. 3027

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TAX EXCLUSION OF CERTAIN MILITARY PAY FROM GROSS INCOME

(a) TAX EXCLUSION.—Subsections (a), (b), and (c) of section 112 of the Internal Revenue Code of 1986 are amended to read as follows:

"(a) IN GENERAL.—Gross income does not include compensation received for active service as a member in the Armed Forces of the United States for any month during any part of which such member—

"(1) served in a dangerous foreign area, or

"(2) was hospitalized as a result of wounds, disease, or injury incurred while serving in a dangerous foreign area.

Paragraph (2) shall not apply for any month beginning more than 2 years after the date of the termination of hostile activities in such area.

"(b) LIMITATION ON PAY OF COMMISSIONED OFFICERS.—Subsection (a) shall not apply to compensation received by a commissioned officer in the Armed Forces of the United States in any month in excess of $2,000.

"(c) DEFINITIONS.—For purposes of this section—

"(1) COMMISSIONED OFFICER.—The term 'commissioned officer' does not include a commissioned warrant officer.

"(2) COMPENSATION.—The term 'compensation' does not include pensions and retirement pay.

"(3) DANGEROUS FOREIGN AREA.—The term 'dangerous foreign area' means any area which the President of the United States by Executive Order designates for purposes of this section as an area in which Armed Forces of the United States are or have been subject to hostile activities.

"(4) HOSTILE ACTIVITIES.—The term 'hostile activities' means—

"(A) hostile fire,

"(B) explosion of hostile mines,

"(C) imminent danger of being exposed to hostile fire or the explosion of hostile mines, or

"(D) the threat of physical harm of imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions.

"(4) TIME OF SERVICE.—Service is performed in a dangerous foreign area only if performed on or after the date designated by the President of the United States by Executive Order as the date of the commencement of hostile activities in such area, and on or before the date designated by the President of the United States by Executive Order as the date of the termination of such activities."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1990.

S. 3028

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MAILING PRIVILEGES OF MEMBERS OF THE ARMED FORCES

Section 3401(a)(1)(A) of title 39, United States Code, is amended—

(1) by inserting "(i)" after "Armed Forces of the United States";

(2) by inserting "(ii) are" after "enemy of the United States,";

(3) by striking out "or serving" and inserting in lieu thereof "(iii) are serving"; and

(4) by striking out "; or" and inserting in lieu thereof ", or (iv) are serving under arduous conditions (as determined by the Secretary of Defense) pursuant to a temporary deployment for an operational contingency; or".

[From the Congressional Record, Sept. 11, 1990]

By Mr. GLENN (for himself, Mr. MCCAIN, and Mr. BOREN):

S. 3025. A bill to amend titles 10 and 37, United States Code, to make members of the Armed Forces involved in Operation Desert Shield or similar operations eligible for certain benefits and to make members of the reserve components of the Armed Forces and retired members of the Armed Forces eligible for certain benefits when ordered to active duty in connection with a mobilization; and for other purposes; to the Committee on Armed Forces.

CERTAIN BENEFITS FOR ARMED FORCES MEMBERS INVOLVED IN OPERATION DESERT SHIELD

Mr. GLENN. Mr. President, I am introducing a bill today to provide for certain benefits for our men and women in uniform who are deployed to the Persian Gulf under Operation Desert Shield.

Having just returned from visiting some of our forward deployed forces there, I can attest to the harshness of the desert environment. I can also attest to the high degree of commitment to our military personnel to the mission to which they have been assigned. I believe they deserve a meaningful signal from us that we appreciate their commitment and that is what the bill I am introducing does.

Mr. President, before I describe the particular elements in my bill, I would like to take a few moments to give my colleagues my impression of Operation Desert Shield.

I believe President Bush acted appropriately in response to the invasion of Kuwait by Saddam Hussein, the misguided dictator of Iraq. Quite frankly, the invasion tramples on the freedom of the Kuwaiti people, a freedom we are bound on principle to protect. Moreover, I see Saddam Hussein's action as a threat to the national interest of this country and indeed to all of the countries of the free world.

I believe we could not avoid sending our men and women in uniform to Saudi Arabia to counter the threat posed by Saddam Hussein's invasion of Kuwait. I believe this action forestalled any immediate thrust on his part into Saudi Arabia. I believe all of us want to avoid any bloodshed in the Persian Gulf. However, there is a very real possibility that shooting can start and people can get killed or hurt. Make no bones about it, our people deployed to the gulf are in harm's way.

That is why I hope that the economic embargo that we and our allies have imposed on Iraq will bring Saddam Hussein to his senses and that he will realize that his scheme for domination in the middle east cannot succeed. I think we must make sure that we act in concert with our allies to tighten the noose on the embargo so that we can bring the situation there to a quick and peaceful meaning.

Of course that would not be possible without a "big stick"—our military forces. Quite frankly, I am very proud of the men and women in uniform who have been sent there on a very important but dangerous mission. I know that we have all read about how inhospitable the desert conditions are. During my recent visit with Marines in Saudi Arabia about 50 miles from the Kuwait border, I experienced the harshness first hand.

The temperature on the ground during the day reached 124 degrees, cooling off to the high 90's at night. The living conditions were primitive, as you would expect, and the level of personal discomfort high. Yet, I heard very few complaints. I was a bit dismayed though to learn that there was no way for our marines to write home to their loved ones because they could not buy stamps. That's a little thing back home but a big thing over there.

So I have a provision in my bill that would provide for free mail to all personnel deployed on Operation Desert Shield. I know a similar provision was included as an amendment to the Treasury and Postal appropriations bill. I hope it passes, but if it does not, my bill will ensure this benefit is provided.

Before I left on my trip to the Persian Gulf, I wrote a letter to Secretary Cheney that I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, August 22, 1990.

Hon. RICHARD B. CHENEY,
Secretary of Defense,
The Pentagon, Washington, DC.

DEAR MR. SECRETARY. I feel it important that the men and women of our Armed Forces participating in Operation Desert Shield receive appropriate additional benefits similar to those previously accorded military personnel operating in a hostile area. It is entirely appropriate that the nation recognize the personal sacrifices of our service members and their families in a tangible way.

As you know, it conditions warrant there are a number of actions that the Administration can take without Congressional approval, including hostile fire/imminent danger pay, free mailing privileges, federal income tax relief, and investment options. I urge you to consider these and any other suitable benefits for implementation on a priority basis.

As Chairman of the Manpower and Personnel Subcommittee of the Senate Armed Services Committee, I stand ready to discuss these and related matters, and to assist as appropriate should legislative action be required.

Best regards.

Sincerely.

JOHN GLENN,
U.S. Senator.

Mr. GLENN. Mr. President, to date, none of the actions I mentioned in my letter on August 22 have been taken. I know that the Department of Defense is working on some if not all of them. However, we are nearing the end of this legislative session and I believe there is some urgency in moving out before the legislative session ends.

Therefore, in addition to the free postal benefit, I propose in my bill a provision that would expand the current statute that provides for exemption of gross income from Federal income tax for military personnel in combat zones to include military personnel deployed under Operation Desert Shield. The exclusion would apply to the entire amount of gross income for enlisted personnel and to the first $2,000 of monthly gross income for officers.

My bill would expand the authority of the Secretary of Defense to pay imminent danger pay—$110 per month—to military personnel deployed under Operation Desert Shield. I believe the conditions in the Persian Gulf warrant such pay. According to the Department of Defense, the current list of locations where military personnel would be entitled to imminent danger pay include: Liberia, the Philippines, Laos, Afghanistan, Peru, Colombia, El Salvador, Lebanon, Iran, Cambodia, and Vietnam. It seems clear to me that the danger in the Persian Gulf where we have our troops deployed is no less than in these other areas where imminent danger pay is paid.

My bill would expand the authority of the Secretary of Defense to implement a savings plan for military personnel deployed under Operation Desert Shield. Under current statute, he can issue a joint regulation allowing personnel assigned overseas to deposit up to $10,000 per year of pay and allowances into the Treasury as savings to accrue interest at the rate of not more than 10 percent per year. I think this is a reasonable thing to do to make it simple for our young, single members to set aside savings at a time when they can afford to do so.

My bill would provide authority to the Secretary of Defense to continue to pay a

subsistence allowance to military personnel deployed under Operation Desert Shield.

Right now, enlisted members are entitled to a basic allowance for subsistence [BAS] when Government furnished meals are not available. An enlisted member loses this allowance—$177.30 per month—when deployed to sea duty or field duty because Government means are furnished—even though they may be packaged field rations.

Officers do not lose their BAS—$123.92 per month—when deployed on sea duty or field duty, but must pay for Government meals.

While the rationale behind dropping BAS for members when they are on sea duty or field duty is analytically understandable, it is an irritant because the loss in cash income, while serving in arduous circumstances, appears to be out of phase with the duty being performed.

The provision I propose would allow the Secretary of Defense to continue to pay BAS to enlisted personnel and to exempt officers from paying for Government furnished rations when he considers such personnel to be serving under arduous conditions incident to a temporary deployment for an operational contingency.

Mr. President, the provisions in my bill that I have just outlined would apply to all military personnel—Active and Reserve—deployed under Operation Desert Shield.

There are two other provisions in my bill that specifically correct inequities in benefits for National Guard and Reserve personnel called up for Operation Desert Shield.

Right now, National Guard and Reserve personnel called up for Operation Desert Shield are not entitled to Variable Housing for Allowance [VHA] unless they are called up and serve on active duty for 140 days or more. I believe this is an appropriate provision for National Guard and Reserve personnel who come on active duty for training. However, I do not believe it is appropriate for National Guard and Reserve personnel who are involuntarily called up under the so-called 673b authority that the President has exercised for the first time.

My provision would modify the current statute to exempt military personnel called up under the 673b authority, or similarly situated military personnel, from the 140-day rule.

Finally, National Guard and Reserve personnel who are called up for Operation Desert Shield accrue leave for the period they serve on active duty. In some cases, these personnel are ineligible for reimbursement for their accrued leave when they leave active duty because they were previously reimbursed for leave up to the maximum allowed by statute of not more than 60 days per career.

My provision would exempt National Guard and Reserve personnel called up under the 673b authority, or similarly situated military personnel, from the 60 days per career ceiling on leave reimbursement.

I believe both of these provisions, applicable to National Guard and Reserve personnel, correct inequities that have come to light only because the President exercised the 673b authority for the first time. Under the total force policy, we depend upon our National Guard and Reserve Components to be equal partners with our Active components in fulfilling the military mission. As such, we should treat National Guard and Reserve personnel equally with Active personnel when they are on active duty and performing as equal partners.

Mr. President, I believe that the provisions in my bill which I have just outlined are reasonable given the arduous nature of what we are calling on our military personnel to do. If armed conflict breaks out, and I hope that it does not, our men and women in uniform serving in the Persian Gulf may be called upon to make the ultimate sacrifice. In the meantime, they must endure the rigors of serving in a very inhospitable environment and to give of their physical and mental strength to serve our country. I think it is not too much to ask that we show them that we appreciate them and support them in this difficult time.

Mr. President, I urge that the appropriate committees that have oversight of the particular provisions in my bill act expeditiously on them so that we can pass this bill before we conclude this session of Congress.●

TEXTILE, APPAREL AND FOOTWEAR ACT OF 1990

● Mr. BOSCHWITZ. Mr. President, I rise today to applaud the editorial by Leslie Wexner, chairman of The Limited, Inc., which appeared in the Washington Post on September 11, 1990. It addresses the problems our Nation would face if the Textile, Apparel and Footwear Act of 1990 were to become law.

Mr. President, in July the Senate voted to pass the Textile, Apparel and Footwear Act, over opposition from the Bush administration. The House has yet to act on this legislation. Assuming it passes both houses of Congress, President Bush is certain to veto it. I and 31 other Senators opposed this legislation because it is protectionist and undermines the United States' position in the current Uruguay Round negotiations on the General Agreement on Tariffs and Trade.

Mr. President, in an era of growing free trade and open markets, our Nation cannot afford to place further restrictions on imports for an industry that is already protected. As Mr. Wexner points out, "Few consumers realize it, but the clothing they buy today is already costing them more than $250 more per family each year than it should because of existing protection enjoyed by the domestic textile industry."

This textile legislation also raises the threat of retaliatory action against all U.S. products. Thus, it would increase, rather than decrease, the U.S. trade deficit. In addition, the international textile industry is extremely important for the advancement of developing countries around the world. If we cut their exports of textiles to the United States, many in the Third and Fourth World will suffer.

Mr. President, I encourage my colleagues to read the editorial by Les Wexner. I ask that it be printed in the RECORD.

The editorial follows:

[From the Washington Post, Sept. 11, 1990]

HOW CONGRESS RAISES THE PRICE OF YOUR CLOTHES

(By Leslie H. Wexner)

Just before the August congressional recess, the Senate voted 68 to 32 for a bill that would increase the profits of a dozen or so major textile concerns at the expense of every man, woman and child in this country. I am referring to the textile, apparel and footwear bill. If this legislation, which few Americans outside Washington have even heard of, ever becomes law, it will cost them something like $85 billion over the course of the next few years.

I'm familiar with this legislation because the costs of it would be passed on to consumers through people like me, and frankly I resent the prospect of collecting money from Americans to pass on to a few wealthy mill owners. Our company, The Limited, and its affiliates sell clothing through more than 3,000 retail stores.

Few consumers realize it, but the clothing they buy today is already costing them more than $250 more per family each year than it should because of existing protection enjoyed by the domestic textile industry. That amounts to a tax requiring retailers to take money out of the pockets of middle- and lower-middle-class Americans in the form of higher clothing prices so that it can be put into the pockets of those who manage and own domestic textile mills. The textile industry is, in effect, using Congress as a tool to line its own pockets at the expense of everyone else.

This bill is just another example of special-interest legislation to help a healthy industry at the expense of consumers. U.S. output of textile products has grown every year since 1985. U.S. textile mills in 1989 produced at almost 90 percent of capacity compared with about 84 percent for other industries. Unemployment in the five major producing states—North Carolina, South Carolina, Alabama, Georgia and Virginia—is below the national average at about 5 percent.

Nevertheless, the textile magnates, the unions and southern senators are twisting arms to get Congress to sacrifice the trade and economic interests of everyone else so they can make even more money.

The Multi-Fiber Agreement under which we operate today puts rigid import quotas on hundreds of textile and clothing items on a country-by-country basis. As a result, retailers such as The Limited have to pay U.S. and foreign clothing producers 30 to 50 percent more for the clothing they sell than would otherwise be the case. Foreign and domestic producers pocket this windfall—they certainly do not pass it on to their employees either here or overseas—and consumers pay for it.

The $250 per year the average family already gives these interests reduces the living standard of U.S. families earning less than $15,000 by 3 to 5 percent. The bill the Senate voted for would reduce disposable income of poorer families by as much as an additional 1 percent. I believe that if the American people understood what is going on here, they would react to this "Robin Hood in reverse" textile legislation exactly as they would to a 5 percent tax on poor people, because that is what it is.

If we continue to protect the domestic textile industry, the United States will continue to lose apparel manufacturing and retail jobs. The Limited and other U.S. retailers and apparel manufacturers cannot increase

employment around the country if the price of apparel gets pushed up so that customers cannot afford to buy. Retailers who cater to lower-income customers will find it especially hard to increase sales and hire more people if this legislation becomes law. And U.S. manufacturers of other products and services would be hurt because customers who have had their pockets picked by the textile interests would have less to spend on other items.

The shortsighted selfishness of industries that have been able to look to Washington for protection against the need to compete has hurt us competitively in many sectors of our economy. We are not being beaten in international markets because American workers are somehow inferior to Japanese or German workers, but because America's industrial managers have figured out ways to make money without even having to worry about being competitive.

The fact that this effort to further increase their own profits could undermine U.S. credibility in the current Uruguay Round of trade negotiations probably doesn't even bother these people. If American farmers are shut out of Europe because the talks collapse or if our aircraft and other high-tech industries lose out because the textile industry's demands make it impossible for our negotiators to come up with an overall international trade agreement, I doubt that the folks behind this legislation will lose one minute's sleep.

The United States has said it wants to open foreign markets. The textile bill is an embarrassing indication that some U.S. industries do not really want to compete at all. And if textile special interests win, U.S. world leadership will suffer.

Textiles are key to trade agreements with Mexico, Brazil, Argentina, Thailand and a long list of other developing countries. These countries will not make the trade concessions President Bush wants on patent and copyright protection, financial and other services, agriculture and manufactured goods, if the United States further restricts their textile exports.

The House is expected to pass a bill similar to the one that cleared the Senate. The president has said he will veto it. Americans who care about fairer income distribution, lower inflation, faster economic growth and opening world markets to U.S. exports should let Congress know that they oppose this clothing tax. Then the country should get on with the job of gradually lowering apparel protection and costs and redistributing income in the right direction.●

UNANIMOUS-CONSENT AGREEMENT—THE AGE DISCRIMINATION BILL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Republican leader, may at any time, notwithstanding the provisions of rule XXII, proceed to the consideration of S. 1511, the age discrimination bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I further ask unanimous consent that the cloture vote on the motion to proceed to S. 1511 be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER TO HOLD HOUSE MESSAGE ON H.R. 5400 AT THE DESK

Mr. MITCHELL. Mr. President, I ask unanimous consent that a message from the House on H.R. 5400 be held at the desk until the close of business on September 13, 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1990

Mr. MITCHELL. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 566, the Housing and Community Development Act of 1990.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 566) to authorize a new Housing Opportunities Partnerships Program to support State and local strategies for achieving more affordable housing; to increase homeownership; and for other purposes.

(The amendments of the House are printed in the RECORD of August 1, 1990, beginning at page 21337.)

Mr. MITCHELL. Mr. President, I move that the Senate disagree with the amendments of the House and request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed the following conferees: From the Committee on Banking, Housing and Urban Affairs: Senators RIEGLE, CRANSTON, SARBANES, DODD, DIXON, D'AMATO, HEINZ, BOND, and MACK; from the Committee on Labor and Human Resources for title XIII only: Senators KENNEDY, DODD, MIKULSKI, HATCH, and DURENBERGER.

SEQUENTIAL REFERRAL OF S. 190

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Veterans' Affairs Committee reports S. 190, a disabled veterans benefits bill, it be referred to the Committee on Armed Services.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR THURSDAY

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:45 a.m. on Thursday, September 13; that, following the prayer, the Journal of the proceedings be deemed approved to date; that the time for the two leaders be reserved for their use later in the day; that there be a period for morning business not to extend beyond 10 a.m. and that Senator REID be recognized for not to exceed 15 minutes; and that at 10 a.m., the Senate proceed to the consideration of Calendar No. 742, S. 2927, the export administration bill

THE PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:45 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate recess until 9:45 a.m. tomorrow.

There being no objection, the Senate, at 7:54 p.m., recessed until Thursday, September 13, 1990, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate September 12, 1990:

FEDERAL MARITIME COMMISSION

CHRISTOPHER L. KOCH, OF VIRGINIA, TO BE A FEDERAL MARITIME COMMISSIONER FOR A TERM EXPIRING JUNE 30, 1995, VICE JAMES J. CAREY, TERM EXPIRED.

FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE FEDERAL MINE SAFETY AND HEALTH REVIEW COMMISSION FOR TERMS OF 6 YEARS EXPIRING AUGUST 30, 1996:

FORD BARNEY FORD, OF VIRGINIA. (REAPPOINTMENT.)

ARLENE HOLEN, OF THE DISTRICT OF COLUMBIA, VICE JAMES A. LASTOWKA, TERM EXPIRED.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

LT. GEN. GEORGE L. BUTLER, xxx-xx-xxxx U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST PURSUANT TO THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. THOMAS J. HICKEY, xxx-xx-xxxx U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be lieutenant general

MAJ. GEN. MICHAEL C. KERBY, xxx-xx-xxxx U.S. AIR FORCE.

IN THE ARMY

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624:

To be permanent brigadier general

COL. ROBERT F. FOLEY, xxx-xx-xxxx U.S. ARMY.
COL. WILLIAM A. WEST, xxx-xx-xxxx U.S. ARMY.
COL. ALBERT J. GENETTI, JR., xxx-xx-xxxx U.S. ARMY.
COL. JAN A. VANPROOYEN, xxx-xx-xxxx U.S. ARMY.
COL. WILLIAM J. BOLT, xxx-xx-xxxx U.S. ARMY.
COL. DAVID L. BENTON, III, xxx-xx-xxxx U.S. ARMY.
COL. CARL F. ERNST, xxx-xx-xxxx U.S. ARMY.
COL. JAMES J. CRAVENS, JR., xxx-xx-xxxx U.S. ARMY.
COL. FRANK H. ARKERS, JR., xxx-xx-xxxx U.S. ARMY.
COL. THOMAS J. KONITZER, xxx-xx-xxxx U.S. ARMY.
COL. STEPHEN M. BLISS, xxx-xx-xxxx U.S. ARMY.
COL. EDWARD G. ANDERSON, III, xxx-xx-xxxx U.S. ARMY.
COL. DAVID R. E. HALE, xxx-xx-xxxx U.S. ARMY.
COL. ANTHONY C. TRIFILETTI, xxx-xx-xxxx U.S. ARMY.
COL. CHARLES H. BAUMANN, xxx-xx-xxxx U.S. ARMY.
COL. NORMAN E. WILLIAMS, xxx-xx-xxxx U.S. ARMY.

COL. TRENT N. THOMAS, xxx-xx-xxxx, U.S. ARMY.
COL. JOHN A. DUBIA, xxx-xx-xxxx, U.S. ARMY.
COL. ORLIN L. MULLEN, xxx-xx-xxxx, U.S. ARMY.
COL. LINWOOD E. BURNEY, xxx-xx-xxxx, U.S. ARMY.
COL. ROBERT H. SCALES, JR., xxx-xx-xxxx, U.S. ARMY.
COL. HAROLD E. BURCH, xxx-xx-xxxx, U.S. ARMY.
COL. JOE N. BALLARD, xxx-xx-xxxx, U.S. ARMY.
COL. JOHN E. LONGHOUSER, xxx-xx-xxxx, U.S. ARMY.
COL. JOSEPH E. DEFRANCISCO, xxx-xx-xxxx, U.S. ARMY.
COL. LEONARD D. HOLDER, JR., xxx-xx-xxxx, U.S. ARMY.
COL. GEORGE A. CROCKER, xxx-xx-xxxx, U.S. ARMY.
COL. ROBERT W. ROPER, JR., xxx-xx-xxxx, U.S. ARMY.
COL. RANDOLPH T. POORE, xxx-xx-xxxx, U.S. ARMY.
COL. THOMAS A. SCHWARTZ, xxx-xx-xxxx, U.S. ARMY.
COL. JOHN G. ZIERDT, JR., xxx-xx-xxxx, U.S. ARMY.
COL. DOUGLAS D. BUCHHOLZ, xxx-xx-xxxx, U.S. ARMY.
COL. PATRICIA R. P. HICKERSON, xxx-xx-xxxx, U.S. ARMY.
COL. PATRICK M. HUGHES, xxx-xx-xxxx, U.S. ARMY.
COL. WALTER E. MATHER, JR., xxx-xx-xxxx, U.S. ARMY.
COL. LARRY, R. JORDAN, xxx-xx-xxxx, U.S. ARMY.
COL. WILLIAM F. KERNAN, xxx-xx-xxxx, U.S. ARMY.
COL. DAVID A. WHALEY, xxx-xx-xxxx, U.S. ARMY.
COL. JOSEPH K. KELLOGG, JR., xxx-xx-xxxx, U.S. ARMY.
COL. WILLIAM L. NASH, xxx-xx-xxxx, U.S. ARMY.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF BRIGADIER GENERAL WHILE SERVING AS THE STAFF JUDGE ADVOCATE TO THE COMMANDANT OF THE MARINE CORPS UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 5046:

To be brigadier general

COL. GERALD L. MILLER, xxx-xx-xxxx, USMC.

EXTENSIONS OF REMARKS

CRAFTING A NATIONAL ENERGY PLAN

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, August 29, 1990, into the CONGRESSIONAL RECORD:

CRAFTING A NATIONAL ENERGY PLAN

The crisis in the Persian Gulf brings home to Americans our dependence on foreign oil. With imports supplying half of U.S. oil and with American military forces arrayed to protect overseas oil reserves, it is clear to me that the U.S. has become much too vulnerable to Middle East turmoil and must rethink how it will meet its energy needs.

RECENT TRENDS

Nearly half of the nation's energy is supplied by oil. While the U.S. has long been dependent on foreign sources of oil, imports now account for 50 percent of U.S. supplies—breaking the 1977 record of 48 percent. Some predict that imports will reach 75 percent by the end of the decade. Yet overall energy consumption today nearly parallels the 1973 level, even though the size of the economy has almost doubled. More energy efficient cars, houses, and industries have tempered increases in U.S. consumption.

But in recent years, plentiful and cheap oil has dampened incentives to conserve energy, to invest in alternatives, and to produce oil domestically. Indeed, the Congress accepted President Reagan's efforts to cut federal support for energy efficiency and conservation and to let the market determine energy consumption, while turning back his attempt to abolish the Department of Energy. Automobile fuel efficiency, after making big gains since 1973, declined in 1988 and 1989—with Americans favoring faster and heavier vehicles, such as mini-vans and four-wheel-drive vehicles. While the Bush Administration promised a national energy strategy to guide U.S. energy policy through the 1990s and into the 21st century, no long-term proposal is in sight.

ROADBLOCKS

Weaning the U.S. from unreliable Middle East oil is a difficult challenge for several reasons. First, in the months before the current Gulf crisis, the price of gasoline adjusted for inflation was at its lowest price in history—a price too low to encourage saving fuel and too low to make alternative energy sources economical. Second, experts do not anticipate a repeat of anything like the tenfold increase in oil prices which shocked the nation during the 1970s, in part because U.S. oil supplies in storage are at record high levels. Third, the U.S. oil industry has shrunk—with under a thousand oil drilling rigs working last year, down from the 4,500 operating during the 1981 drilling boom. Fourth, by some estimates, as much as 40 percent of potential U.S. energy reserves—including gas and oil deposits—lie in environmentally sensitive areas, where development is prohibited or restricted.

A NATIONAL STRATEGY

But with Iraq poised to attempt control over a third of the world's oil reserves, the U.S. must curb its energy use and reliance on foreign oil. A national energy strategy should be multifaceted and should seek changes in both current supply and demand patterns. A prime target for increased energy efficiency and reduced oil demand is transportation, since the American fleet is by far the biggest U.S. oil consumer—accounting for over 60 percent of U.S. oil use. Fuel economy for 1990 models is declined and even the efficiency of Asian cars sold in this country is declining. Standards for fuel economy should be strengthened. The President and the Congress should also reexamine gasoline and energy taxes as part of a multi-year deficit reduction package. Significant increases in the cost of gasoline would be an effective tool to conserve energy. Such taxes could hit Indiana's economy hard however, and would have to be phased in and include an offset for lower-income families.

On the supply side, there are multiple options. President Bush favors expanded tax breaks for oil production, although such incentives may increase energy demand by reducing its price. It would also take about a decade to begin large-scale production of new sources, many of which are protected from development. The Congress needs to review more broadly how to balance environmental and energy needs nationwide. Other prospects for reducing dependence on Middle East oil involve boosting purchases from current supplies such as Mexico, Canada, and Venezuela. Some believe the U.S. should look to the Soviet Union, currently the largest oil producer in the world. Economic and political reforms could help the Soviets produce and market oil and gas supplies efficiently outside Eastern Europe. Attention is also being focused on natural gas—which burns cleaner and is more easily tapped than oil—since global gas reserves are more plentiful than oil reserves. Continued development of technology to turn natural gas directly into gasoline, improving the safety of transporting gas, and boosting the ability of cars to run on natural gas would be important steps in boosting its use.

The U.S. should also look towards non-oil sources. Continued investment in clean coal technology would help boost non-oil energy supplies and could be beneficial to the Midwest economy. Development of synthetic fuels in Canada and Venezuela, as well as research into producing gas from coal, could provide future energy sources. The nation should push ahead on developing the new generation of safer nuclear plants to meet energy needs. The U.S. should also turn more towards renewable energy sources, such as photovoltaic solar wells, which convert sunlight directly into electricity and ethanol, which can be made from wood, crops, or organic wastes.

Any effective energy strategy will have to be international. Not even the U.S. can have much impact on world oil markets acting alone. Of prime concern are the economies of emerging democracies in Eastern Europe. Modernizing their industries to make the region more energy efficient would be critical to reducing world energy demand and stabilizing energy costs.

More efficient use of energy in the past decades has cut energy consumption while making the U.S. stronger economically. A national energy strategy which looks broadly at supply and demand, at domestic and international steps, and at fossil fuels and renewable energies can boost our national security, secure a cleaner environment, and prepare us for the 21st century.

WILLIAM J. DOUSA, JR., MARYLAND STATE FIREMEN'S ASSOCIATION FIREMAN OF THE YEAR 1989

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mrs. BENTLEY. Mr. Speaker, my fellow colleagues, it is with great respect and admiration that I stand to recognize William J. Dousa, Jr., of the Joppa-Magnolia Volunteer Fire Co., Inc. Mr. Dousa was awarded the honor of Maryland's Fireman of the Year for 1989 by the Maryland State Firemen's Association.

William serves as a volunteer fireman and emergency medical technican with the Joppa-Magnolia Fire Co., located in Harford County, MD. The communities of Harford County depend heavily upon the emergency services provided by volunteers, as Harford County has no paid firefighters. For 20 years William has selflessly given of himself so that others may benefit.

In 1989 alone, William Dousa made 103 ambulance calls, 23 fire calls, attended 3 drills, 22 training sessions, 10 committee meetings, 17 fire company meetings, 2 case reviews at hospitals and participated in 4 CRT recertifications including 3 HASMAT classes. In all it is estimated that William has given a total of 348 hours to the aforementioned activities.

In addition, he has made the highest number of fire and ambulance calls in the Abingdon Volunteer Fire Co., who share a mutual aid agreement with the Joppa-Magnolia Fire Co. His work with the two fire companies culminates to a total of 668 calls in 1 year, a feat that is truly remarkable.

Yet, William Dousa's work does not end there. A CPR instructor, William conducts classes for volunteer firemen and local Boy Scout troops. William actively works with the Scouts and assists them in obtaining their merit badges. His own son has achieved the distinction of Eagle Scout after years of hard work.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

William's commitment to the community is clearly evident. An active member of the Prince of Peace Church, William has served his church by working on lay committees. In addition, he serves on committees at Edgewood Senior High School and makes annual visits to Edgewood Elementary School to address teachers and students on safety and fire prevention. For 16 years he has addressed the students and teachers of Edgewood Elementary School and even developed his own slide program to stress the importance of safety and fire prevention.

As chairman of the Harford County Volunteer Firemen's point system for the company, William is responsible for maintaining a record of the daily activities of all 150 members of the company. To serve the company more efficiently, he has even written a computer program to maintain such information. At the end of the year, he gave each member a personal account of their activity throughout the year which they also use for their tax records. In this one area alone, he gave 160 volunteer hours so the company had all the necessary records it needs to maintain so that it can meet county requirements.

On January 4, 1987, as the Nation heard the story unfold of an Amtrak train with 616 passengers on board had collided with a Conrail train in Chase, MD, William Dousa was one of the rescuers providing medical attention to the numerous victims. It is the work of people such as William Dousa to whom we owe so much. We are indeed deeply in debt to those individuals who, whatever their calling, continually volunteer their time and energy for the betterment of others. In doing so they have not only made our communities a better place in which to live, but they have made this a better nation as well.

I find it quite remarkable that out of 12 such awards given by the Maryland State Firemen's Association, 6 have gone to members of Harford County fire companies. In addition, Joppa-Magnolia has received recognition for its ability and expertise in statewide and even international competitions. All of us depend a great deal on emergency services. Although we wish never to have to call upon them, it is reassuring to know that we have professional and dedicated individuals such as William Dousa and other Harford County volunteers who always stand ready should they be needed.

Mr. Speaker, I congratulate William J. Dousa, Jr., on his recognition as Fireman of the Year for 1989. The American spirit of volunteerism and sense of duty is exemplified by the men and women across the United States who volunteer their time and energy to protect life and property. Without a doubt William Dousa personifies those qualities which have made our Nation so great. His commitment, devotion and fortitude of character are deserving of the greatest of praise. Again, I commend him and thank him for his hard work. He is truly a "point of light."

ACCOUNTABLE PRESCRIPTION PROGRAMS ARE NEEDED BY THE STATES

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. STARK. Mr. Speaker, I have recently received an excellent report prepared by the inspector general of the Department of Health and Human Services, titled "State Discipline of Pharmacists." The report, which studied in detail the disciplinary practices of State boards of pharmacy, found that the practice of pharmacy has become increasingly complex due to rapid technological changes, and an explosive proliferation of new drugs, and sophisticated therapies. However, with all these new responsibilities, most of the State pharmacy boards' enforcement and disciplinary time is consumed in dealing with pharmaceutical drug diversion.

While my subcommittee examines the complex issues of quality health care, this report now points out that "out in the trenches," the pharmacy boards frequently do not have time to deal with these complicated advances which impact upon pharmacy practice, because they are so overwhelmed in dealing with drug diversion and drug impairment. It seems at every turn when we deal with issues of health care costs and improving efficiency in the delivery system, we run headlong into drug diversion and abuse as obstacles. Hospital emergency rooms are strained and going broke from drug overdose victims; illegal prescriptions and the associated fraud cost taxpayers millions which could be used to improve health care; and our elderly are being overmedicated resulting in unnecessary hospital and nursing home costs.

Last month I introduced the Medicare Controlled Substance Accountability Act of 1990 (H.R. 5531) which would effectively deal with many of these problems by preventing and detecting illegal, fraudulent, and unnecessary prescriptions. I am pleased that the inspector general has also recognized the need for the accountable prescriptions which would be established under my bill. The inspector general recommended "States should consider adopting stronger measures for combating drug diversion such as * * * multiple copy prescription programs. Such approaches have enhanced the enforcement efforts of pharmacy boards as well as those of other agencies."

The inspector general's recommendation raises another in the long line of compelling reasons for the establishment of accountable prescriptions for controlled drugs. Faced this week with finding major budget cuts in our already underfunded health care programs for the elderly and poor, how can we fail to adopt a program which will eliminate illegal, fraudulent, and unnecessary prescriptions and resultant health care costs.

Let us protect our poor and elderly, rather than protect and fund crime, drug abuse, and drug company profits. We need accountable prescriptions for pharmaceutical drugs subject to abuse.

TAMPA COLLEGE'S CENTENNIAL ANNIVERSARY

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. BILIRAKIS. Mr. Speaker, in August Tampa College, the oldest business college in the State of Florida, marked its 100th anniversary.

A significant event in the history of any institution, the 100th anniversary of an institute of learning is especially noteworthy. Today I am proud to recognize this fine business college, which has four campuses, in Clearwater in my district and throughout the surrounding area, each well serving many of my constituents.

During this century, the ever-improving standard of living in the United States has been sustained by the success of our economic system. Florida has known its share of this progress over the years. In fact, my State is one of the fastest growing in the Nation and the Tampa Bay area one of the fastest growing areas of Florida.

During all that time—a century of progress and abundant business opportunities—Tampa College has been on hand to provide the individual entrepreneurs who are the backbone of America's economy.

Times have changed dramatically on what once was Florida's sleepy west coast, and Tampa College grew right along with the area. In 1890, when Tampa was but a small town on the Hillsborough River, Tampa College—then Tampa Business University—first opened its doors. From upstairs rooms over local businesses in those early days, Tampa College has expanded again and again until today it reaches into four cities—Tampa, Clearwater, Brandon and Lakeland—in three counties.

Each of its four campuses has its own director and dean, its own offices of financial aid, admissions and career planning and placement. Associate, bachelor's and master's degrees are offered in a variety of business-related majors and the college graduates some 800 students annually.

That is quite an achievement, Mr. Speaker, 100 years of sustained growth and a proud history of training the future business leaders of Florida and the Nation.

That is significant because, as in the past, the real keys for the future rest in individual leadership, individual initiative and personal responsibility.

I am pleased to say that such keys are being provided today by Tampa College—as they have been for 100 years now—and I am proud and honored to recognize their efforts today.

PENSIONS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday,

September 5, 1990 into the CONGRESSIONAL RECORD:

PENSIONS

Hoosiers are increasingly concerned about the quality of their pensions. Pension cutbacks, and terminations in recent years have made them nervous about their reliability.

ROLE OF PENSIONS

The United States has developed a comprehensive public-private retirement system that relies on Social Security, individual savings, and pensions to provide income for retired persons. More than 40% of those age 65 and over receive some income from either a private or public pension, compared to less than 20% in 1962. Pensions account for 17% of total income received by retirees, compared to 38% from Social Security, 25% from assets, and 17% from earnings. The federal government encourages the provision of pensions through tax incentives, primarily by allowing the employer's contribution to be tax free. Next year tax breaks for pensions—the largest of all federal tax breaks—will cost the federal Treasury some $52 billion. And through the Pension Benefit Guaranty Corporation (PBGC), the federal government guarantees payment from defined benefit pension plans set up for American workers.

TRENDS IN COVERAGE

Several trends have lessened the role of pensions. First, most private pensions are not indexed to inflation, so the value of the benefits can erode significantly over years. Since pension plans are funded years in advance it is difficult for companies to predict what would be needed to provide future inflation protection. Despite the fact that few pensions are indexed, other sources of income for retirees have done so well over the last several years that overall retiree income has still outpaced inflation.

Second, many companies are shifting away from defined benefit plans toward defined contribution plans. Under defined benefit plans, workers receive pension benefits based on earnings and years of service. Under a defined contribution plan, which is more like an Individual Retirement Account, benefits are based solely on the value of the individual worker's account at retirement—which is made up of employer and employee contributions plus interest. Defined contribution plans are becoming more popular with employers because they are less costly, are less subject to heavy federal regulation, and shift the risk of lower returns to workers. Over the last 15 years, the percentage of workers with defined contribution plans has risen from 15% to 35%. Defined contribution plans almost always pay smaller benefits upon retirement than defined benefit plans.

Third, the growth of pension coverage has halted abruptly. The share of private wage and salary workers being covered by pensions grew from about one fourth in the early 1950s to almost one half by the late 1970s. In the last decade, however, coverage has declined to the current level of 46%. It is difficult to pinpoint the cause of this drop, although factors may include the shift in employment towards lower-income, service-sector jobs, the decline in the number of manufacturing and unionized jobs, and the reduction in marginal tax rates, which diminishes the attractiveness of tax-free benefits to employees. Those without any public or private pension coverage tend to be from smaller enterprises or have frequently changed jobs.

FINANCIAL SOUNDNESS

Some well-publicized pension terminations by struggling companies, as well as general concerns raised by the savings-and-loan failures, have led many to question the financial soundness of the pension system. Studies show that most pension plans are financed soundly and have more than sufficient assets to meet expected liabilities. For the defined benefit plans, trust assets of $1 trillion are greater than promised benefits of $800 billion.

Yet while total pension assets exceed liabilities, some defined benefit plans are underfunded. To protect the pension benefits of nearly 40 million workers in 100,000 defined benefit plans, the Pension Benefit Guaranty Corporation collects premiums from all of the plans. Reserves built up from the premiums are used to finance the benefits owed to workers in terminated plans. Last year, PBGC paid out $355 million in benefits to over 109,000 workers entitled to benefits. The PBGC has an accumulated deficit of about $1 billion, but it is shrinking rapidly. Current PBGC assets are generally considered adequate to fund anticipated future liabilities, though unexpected business failures and adverse court decisions could raise the PBGC deficit to as high as $8 billion.

In some cases, employers facing financial difficulty have terminated underfunded pension programs. Then, after the PBGC takes over the terminated program, the company negotiates a new "follow-on" pension program with workers. In other cases, employers have replaced overfunded plans with new pension plans, with the excess assets of the terminated plan reverting to the employer. Recent court decisions and administrative action will place restrictions on such actions.

ISSUES FOR THE CONGRESS

Overall, my sense is that the safety and soundness of pension benefits should be less of a concern to those retired today or those nearing retirement than to today's middle-aged and younger workers. Their income from pensions may be much smaller than expected even a few years ago, due mainly to shifts to defined contribution plans. The Congress should consider the extent to which this general shift has been fueled by excessive federal regulation of defined benefit plans. In addition, the Congress should enact legislation to further limit conditions under which employees may terminate pension plans, expand funding for pension plan oversight, and upgrade government data on retirement income, much of which is limited in scope and not current.

I am most concerned about the large number of Americans who have no pension coverage at all. Most Americans are left out of the pension system entirely, which makes them extremely dependent upon Social Security. Lawmakers are looking for ways to improve pension portability for workers who shift jobs and to encourage small firms to offer pension plans, but such steps would likely be modest. The most important thing the federal government can do is to provide the proper economic climate for American businesses so that they can thrive and prosper, and in turn better meet the retirement needs of their workers.

MADD'S 10TH ANNIVERSARY

HON. HELEN DELICH BENTLEY

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mrs. BENTLEY. Mr. Speaker, Mothers Against Drunk Driving, better known as MADD, marked their 10th anniversary on August 1. Ten years ago, two mothers began a campaign to make this Nation aware of the damage that drunk drivers are doing to families throughout the country. MADD grew from the rage and pain of two mothers whose children were lost or crippled due to drunk drivers. These women turned that rage into a nationwide movement to remove intoxicated drivers from our highways.

Today, our society no longer accepts drunk driving in the manner it once did. Due to MADD's efforts driving while under the influence has lost its glamour. As a result, they have affected a change in driving habits.

There are two methods which they have popularized. First, the designated driver, who will not drink, but is the official driver for the evening, has become a popular individual among today's young people. Second, friends now will take an individual's keys if he or she has been drinking.

Having one for the road is now looked upon with disdain. Today Americans understand that drunk driving kills innocent people, and, for that, we can thank Mothers Against Drunk Driving.

One of the most notable campaigns initiated by MADD has been the red ribbon movement. Throughout the holiday season citizens can purchase red ribbons which are tied to antennas or doorhandles. These ribbons indicate that the driver of the car will not drink and drive.

While this campaign lasts only through the Christmas holidays, you can still see these ribbons on cars at this time of year. This drive has been very effective, and approximately 600,000 people participated in it last year.

Today MADD is 2.8 million members strong and maintains 400 chapters throughout the country. It has been instrumental in the creation of organizations like SADD, Students Against Driving Drunk, which focuses its efforts on the problem at the high school level.

It is difficult to measure the positive effects MADD has had. The Washington Post refers to MADD's statistics which indicate that the organization has been responsible for "lowering drunk driving deaths by 20 percent since 1980, saving an estimated 39,000 lives." This is an amazing accomplishment considering MADD's existence of only 10 years.

Because MADD has received such widespread support, legislators have begun to change the laws regarding the treatment of drunk drivers.

In my home State of Maryland MADD has been a staunch supporter of stricter drunk driving laws and in getting these laws passed. If a driver is pulled over and has a blood alcohol content of 1.0 or above, his license can be taken on the spot and replaced with a 45-day temporary license. If the driver refuses a

breathalyzer his license will be suspended on the spot without appeal.

Even the average per person consumption of alcohol, particularly hard liquor, has decreased in Maryland. This exemplifies the scope of MADD's influence. Not only have they affected changes regarding drinking and driving but also they have helped alter societal attitudes toward alcohol consumption.

Maryland's laws are now among the toughest in the Nation. Drunk drivers no longer walk away with a simple slap on the wrist. MADD has created an environment in society which has facilitated the passage of these vitally important laws. I only hope that MADD continues this extremely important work and that they celebrate many anniversaries in the future.

As I said, it is hard to measure MADD's influence, but if they have saved one life or prevented the disfigurement of one child, they have done much. I salute their efforts and congratulate them on their 10th anniversary.

IF HEALTH CARE IS KILLING YOU, WHOM SHOULD WE BLAME?

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. STARK. Mr. Speaker, there are occasions when somebody makes a statement that is so obvious that we all sit back and say "I knew that!" And, in fact, maybe we did, but never as succinctly and pointedly as the one making the statement. Such is the case with a recent paper written by Uwe E. Reinhardt, Ph.D., James Madison professor of political economy at Princeton University. Dr. Reinhardt has a propensity for saying the obvious which easily translates into "telling the truth."

I am entering as a matter of record his suggestion that the "uncontrollable health-care cost problem" is largely of business' own making. To be more exact, "America's business executives themselves, are the chief architects of the systems that begets our uncontrollable health care cost spiral." Contrary to much of public opinion, Reinhardt describes the Medicare Program as a "fairly lean insurance program."

I'm sure there can be debate as to the weight of the role business plays. After all, there are no innocents in this saga. Reinhardt, himself, seems pessimistic about business making any heroic efforts to turn the problem around, and even questions their ability to do so. I believe he is right. We are a nation with an entitlement mentality for everything in health care except the one thing that could alter our course, a universal entitlement program with access for all.

The paper follows:

IF HEALTH CARE IS KILLING YOU, WHOM SHOULD WE BLAME?

(By Uwe E. Reinhardt, Ph.D., James Madison professor of political economy, Princeton University)

[Charts not reproducible in the RECORD]

"Is Health Care Killing You?" was the headline of this magazine's FaxPoll™ in June. Chances are that a majority of corporate executives responding to this question will say "Yes!" The ever rising cost of health care is beginning to draw these executives' attention.

Total national health expenditures in this country will reach about $650 billion or 11.1 percent of our GNP, up from $250 billion or 9.1 percent of the GNP in 1980. If the annual growth in health spending continues to outpace the annual growth in non-health GNP by close to 3 percentage points—as it has during the 1970s and '80s—then $1.5 trillion will be spent on health care in the year 2000, or 15 percent of the GNP. By the year 2010, health spending would approach 20 percent of the GNP.

These projections may give American business executives pause, because their firms have traditionally picked up about one third of this enormous tab, chiefly through group health-insurance policies provided to employees. Governments at all levels finance 42 percent of the tab. The remaining 22 percent is paid by patients out of pocket. Figure 1 shows how these ratios have changed during the past decade. Most surprising in that display is the marked decline in the share of health spending covered by patients out of pocket, in spite of efforts by government and business to increase that share.

Although one can easily read too much into short-run kinks in trend lines, it would appear from Figure 1 that, since about 1985, the share of health expenditures paid by government has fallen at the expense of the private-insurance sector. This trend is likely to continue well into the 1990s.

A good part of this shift can be explained by disparate growth in the benefit packages offered in the two sectors. Throughout the 1980s, with a few notable exceptions in child care, strenuous efforts have been made in the public sector to limit enrollments in public-health programs and certainly not to expand the catalogue of benefits offered by these programs. By contrast, while business did try to increase somewhat the deductibles and coinsurance paid out of pocket by insured employees, it has at the same time felt compelled further to enhance the typical package offered employees, notably in the care of mental health and substance abuse.

Another part of the shift, however, can be explained by a phenomenon business executives decry as the infamous cost shift, but economists describe their students a mere price discrimination of the sort typical of the airline and hotel industries. Price discrimination occurs when a supplier charges different customers different prices for the same good or service. It is the classic economics of the hot potato, the latter being the fixed overhead and profits that customers with powerful market muscle would just as soon see paid by customers with weaker market muscle.

In the absence of regulation to the contrary, price discrimination is almost always found in cases where the good or service being traded cannot easily be resold by customers—as is the case in health care—and where fixed production costs constitute a large and truly incremental costs a small proportion of total costs—as is the case in health care as well. In such situations, a customer with market muscle can easily extract from the supplier prices much below fully allocated unit costs, because in the short run any supplier with excess capacity will still profit from such sales, as long as price exceeds somewhat the relatively low incremental costs.

Excess capacity, particularly in the hospital sector, has become a dominant characteristic of the American health sector. We should therefore not be surprised to see price discrimination rampant in that sector. Figure 2 illustrates in rough and ready fashion how that game in the hospital sector. That diagram depicts the incremental and fully allocated cost per typical, average patient day in a hypothetical hospital.

As is acknowledged by all the experts, the Medicaid program typically pays hospitals less than fully allocated costs, although more than incremental costs (which means that Medicaid patients remain profitable at the margin). In recent years, the Medicare program has moved to the same posture, although not to quite the degree attained by Medicaid. When someone among this nation's 35 million or so uninsured persons falls critically ill, often some neighborhood hospital feels obliged on moral grounds to care for that person. On average, such persons pay the hospital less even than incremental costs.

Medicaid, Medicare and the uninsured thus leave costs equal to the sum of areas A, B and E to be covered by the private-insurance sector which pays what is known in the trade as "charges", i.e., prices much in excess of fully allocated unit costs. While large business firms with a geographically concentrated work force may be able to wrest some concessions off charges through Preferred Provider Organization PPOs) or contracts with Health Maintenance Organizations (HMOs), small firms without access to these cost-containment tools usually wind up bearing the full brunt of this cost shift.

We may now contemplate the second question posed in this magazine's health-care FaxPoll™: "Who's mostly to blame for the spiraling cost of health care?" The questionnaire anticipates a number of responses, among them "Physicians," "Hospitals," "Insurers," "Employees," "Malpractice Lawyers," and "Other," but, strangely enough, neither "Government" or "Business Itself."

If in the rubric "Other" many executives will have identified "Government" as the chief culprit, that would not be surprising. It would be par for the course.

First, Americans in general, and corporate executives in particular, are fond of blaming everything from taxes, to potholes, to smog, to hurricanes and even sunspots on "the government." To soothe a wayward populace in this way now seems one of our government's major functions.

More thoughtful respondents, however, might have fingered the government in view of the cost shift described above. "It is the government that has created an entitlements mentality among the aged and the poor," might go that argument and now the government is unwilling to pay the price for that policy." That line of reasoning would certainly be more elevated than mere knee-jerk reflexes, but it would still not be thoughtful enough. A truly thoughtful respondent might have placed at least part of the blame upon America's business executives themselves, for they are the chief architects of the systems that begets our uncontrollable health-care cost spiral.

The private, job-tied health-insurance system that remains the corner stone of America's health system was not put there by our government. It was created, during World War II, to evade government-imposed limits on wages in war-production. Such limits were imposed on the quite sensible thought that, if drafted GIs were bleeding and dying in the trenches at a soldier's low

and fixed wage, it was only fair that the home folks who made the ammunition work at fixed wages as well. But America's corporate executives and their workers had other ideas. They walked around the limits with a newly invented fringe: employer-paid health insurance.

During the post-war decades, this insurance system was made ever more generous in an annual pas de deux between corporate and labor leaders. Both fought for and savored the tax-preference granted this new form of compensation, as did an obliging health-insurance industry. That tax preference, of course, shrinks the after-tax difference in an employee's cost of alternative health-insurance plans that are now customarily offered employees as a cost-containment technique.

Finally, for good measure, America's executives discovered early on that their so-called Generally Accepted Accounting Principles allowed them to pay their workers partly with funny money. I am speaking, of course, of retiree health benefits, whose cost did not have to be reported to shareholders in the year when these benefits were promised, but only in far-away future years when the promised benefits came due and the executive who had made these promises were long retired themselves. During the 1960s and '70s this funny money was used so recklessly that its true actuarial cost today threatens to devour major portions of corporate networth.

Worst of all, in building this generous, open-ended insurance system, American business and labor leaders have nourished among American employees (and among themselves!) a now deeply entrenched entitlements mentality that has no counterpart among Medicare and Medicaid recipient or, indeed, anywhere else in the world.

Unbeknownst perhaps to many readers of this magazine, the Medicare program is actually a fairly lean insurance program, leaving the aged to cover fully one third of their health spending in the form of sizeable deductibles, coinsurance, extra billing by doctors, services not even covered by medicare as well as Part B premiums and Medigap premiums. As to the young and officially poor, less than half of them now are enrolled in Medicaid, and those who are certainly do not expect free choice among providers.

Neither the Medicaid nor the Medicare eligibles ever enjoyed quite the entitlements that had come to be taken for granted by American workers by the early 1980s, namely, full first-dollar coverage for instant access to whatever doctor and hospital and whatever high-cost, high-tech medicine an employee might choose, with little or no control over the activities of their cherished doctors and hospitals or even over their fees, and with little or no cost sharing on the part of employees to boot. Blame not the American government for kindling these expensive tastes and expectations among the nation's workforce. Blame those who were present at the creation: America's business and labor leaders.

Granted, during the 1980s, many business executives did try to stuff into the bottle the entitlements-genie they or their predecessors had previously unleased. Attempts were made to increase the hitherto trivial deductibles built into the typical group health-insurance policy, to make employees bear a coinsurance rate up to a maximum risk exposure, to make employees share in health-insurance premiums or even to limit the employees choice of providers through PPOs and HMOs. Although this or the other firm has claimed resounding success with these techniques in the employee-benefits literature, overall and at the practical level they clearly have failed, as can be inferred from the data routinely collected by employee-benefit specialists such as Hewitt Associates. These data suggest that, during the period 1985–89, the average cost per employee of employer-provided health insurance has risen by an annual compound rate in excess of 13 percent. During the same period, average per-capita health spending for all Americans (including the aged) rose by only about 8.3 percent.

One can think of two major reasons for the failure of these cost-containment measures.

First, the retrenching was attempted in the context of a tightening labor market. It might have been possible to wean American workers from their entitlements during the mid 1970s, when the Baby Boom entered the labor market and labor was temporarily in surplus. Alas, by the 1980s the U.S. labor market shifted from a buyers' to a sellers' market, and the sellers (labor) were in no mood to settle for lower health benefits. On balance, they succeeded in broadening the benefit package.

Quite aside from current labor markets, however, it is extremely doubtful that health care costs can ever be effectively constrained in a so-called "market system" in which the supply side of the health sector is treated as an open economic frontier for entrepreneurship while, on the demand side, every firm or small third-party payer is left to bargain for advantageous prices in the health-services market. It is amazing that so many American business executives still believe that such a "market system" can work to their advantage.

Something just does not add up when America's business leaders claim that "the market works" in health care all the while lamenting pitiably and pitifully that they are hapless victims of the government's cost shift. If the market really works in health care, then what is stopping America's executives from engaging it? Why not follow Nancy Reagan's famous dictum "Just say No!" when doctors and hospitals try to recover from private payers the overhead and profits not covered by Medicaid and Medicare? But if doctors and hospitals just won't take "No!" for an answer, in what sense does the market then "work?"

Alas, with the stoicism of the Brits at Galipoli, most American business executives continue to seek solace in the thesis that "market forces"—that mysterious miracle weapon—will one day, somehow extricate their firms from the health-care cost spiral in which they now find themselves, and that tenacity will be a major stumbling block on the inexorable march towards a much more highly regulated American health-insurance system. Let me paint the scenario.

Besieged by both taxpayers and a list of long neglected priorities—among them reduction of the deficit and restoration of the nation's infrastructure—government at all levels will continue to shift health-care costs to the private sector. Such cuts in social spending are, after all, one of government's clear mandates, one endorsed by most business exectives themselves. America's corporate elite will continue to reel under this cost shift and use whatever market muscle it does have to pass on this cost shift to the smallest and weakest segment of the private sector: America's entrepreneur in Main Street.

Eventually that pin-the-tail-on-the donkey game will trigger the predictable reaction among America's entrepreneurs. Saddled with premium increases that, of recent, have hovered between 20 and 30 percent per year, these good folks are likely cancel whatever health-insurance they now offer their employees, or not offer such a fringe in the first place, thereby confronting government with a troubling dilemma: either to raise taxes to fold the uninsured into an expanded Medicaid program, or to mandate that all employers in America provide their employees with health insurance.

My bet is on the latter strategy. After all, it is the one way by which politicians can levy taxes upon the private sector without literally having to have their lips trace out the ugly word "taxes." But when that day comes, when small business is mandated to provide their employees with health insurance, that sector will undoubtedly insist upon substantial added regulation of the private health-insurance industry into whose arms the sector will be driven.

First, small business will insist upon open enrollment at community-rated premiums that abstract from the health status of the firm's own employees. Second, small business will insist that all employers in a particular market area pay providers the same fees for the same procedures—an approach technically known as an all-payer system. These all-payer prices will, of course, have to be negotiated between regional associations of payers and counterpart associations of providers. It will be a novel experience for Americans, but one on which there exists a rich and long experience in all other industrialized countries.

None of these developments are likely to come very soon, very easily or by strategic public policy. The approach will be more like a tortorous stumbling toward the only avenue eventually left in sight. As noted, one of the major stumbling blocks in this trek will be America's corporate elite, as it clings to the shopworn thesis that health-care is just another private consumption good best left to traditional "market forces." Until these executives learn otherwise—as they will—the American health system will keep on trucking in turmoil, there will be cost shifting and rancor all around, and there will be particularly loud lamentation among America's business elite over its "uncontrollable health-care cost problem." Sadly, of course, that problem is largely of business' own making.

THE FORMATION OF THE SWEDISH-AMERICAN CHAMBER OF COMMERCE, FLORIDA GULF COAST

HON. MICHAEL BILIRAKIS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. BILIRAKIS. Mr. Speaker, this past weekend I had the opportunity to attend a social function of the Swedish-American Chamber of Commerce, Florida Gulf Coast. This is a new organization in my district, having been formed only this year, and from the wonderful time I had there, and the new friends I made, I feel this organization will be a credit to Florida's suncoast for year's to come.

In view of the formation of this new and valued component of the Ninth District, I thought it would be a welcome time to pay tribute to a group of people that I don't often have the opportunity—in my area—to compliment: Swedish-Americans.

Interestingly enough, while only small numbers of Swedes emigrated to America in our early colonial days they began making their mark from the beginning. In fact, descendants of those first Swedish colonists took an active role during the Revolution.

John Morton—born Mortenson—cast the Pennsylvania delegation's deciding vote for independence at the Continental Congress of 1776. Maryland's John Hanson was the chief executive of our new Republic during 1781 and 1782.

Furthermore, Sweden itself was the first neutral nation to recognize the new United States when it signed peace and trade agreements with our Nation in 1783.

Later, after the First World war, the enterprising Swedes began crossing the Atlantic in ever-increasing numbers in search of the economic opportunities that remain abundant in our Nation today.

Swedish-Americans always have shown an avid interest in history—indeed they are justifiably proud of the fact that the earliest Swedish immigrants arrived here almost as early as the first pilgrims. Furthermore, they have had a proud history to record.

The Swedish author Vilhelm Moberg wrote a series of novels during the 1940's and 1950's about early Swedish immigrants—and these novels were later turned into two films, "The Emigrants and The New Land."

Lutheran Pastor Olof Olson dreamed of a community built on Christian ideals and later founded it in Lindsborg, KS. To this day it remains a predominantly Swedish town. Bethany College, established there in 1881, still flourishes, and Birger Sanzen, the most famous Swedish-American artist, was a lifelong professor there until his death in 1954. The art colony he founded there is still in existence.

Certainly the most famous of Swedish America's poets was Carl Sandburg. Interestingly, his works were always vitally American in character rather than ethnic, just as Swedish-Americans always have taken vigorously to America.

Finally, I can't forget the politicians, can I? You may be interested to know that there have been many. From John Morton and John Hanson, whom I mentioned earlier, to Charles Lindbergh, Sr., father of the great aviator and a Member of Congress. Thousands of Swedish Americans have held public office. Of these, 26 have been Governors—10 in Minnesota alone—13 have been U.S. Senators and dozens have served in the U.S. House of Representatives.

Mr. Speaker, this is a rich and constructive heritage, indeed, and I take great pleasure in having this opportunity to pay tribute to both the Swedish-American Chamber of Commerce and Swedish-America in general here today.

SADDAM HUSSEIN

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. OXLEY. Mr. Speaker, the crisis in the Persian Gulf has captured the attention of the world. While no one knows how it will all end, everyone is agreed on a few points. Point 1 is that Saddam Hussein is a dangerous man. Point 2 is that President Bush has acted swiftly, decisively, and with great courage in confronting Saddam. Finally, everyone agrees that Saddam Hussein's naked aggression cannot be tolerated by the civilized world.

Columnist Georgie Anne Geyer has written two very thoughtful and interesting articles about the events in the gulf, and about the Araqi dictator. I commend these articles to the attention of my colleagues.

[From the Washington Times, Aug. 6, 1990]

WHAT KIND OF MAN?

(By Georgie Anne Geyer)

In the spring of 1973, I innocently became the first Westerner ever to see Iraqi President Saddam Hussein. Not surprisingly, it was a distinctly strange interview.

I wore my suspicions of this strongman from the Iraqi underground. And for this, his coming-out interview, he wore an incongruously handsome silk suit and tie, a disarming smile and the intention to tell me virtually nothing.

Even more surrealistically, we sat for four full hours in one of the gilded rooms of the palace of the last Hashemite kings along the Tigris River. He kept telling me, his eyes shrouded, "Ask me anything." But when I did, he only smiled a kind of inward smile and gave elliptical answers.

Finally, I suggested he tell me what it felt like to kill a lot of people. Still another veil came down over those cold eyes, and he gave the one interesting answer of the interview. "Sometimes when you are in a revolution, you have to do things you do not want to do," he said. I wasn't sure about the last part.

When the interview was over and I was back at the old Hotel Baghdad, Western diplomats immediately flocked to see me. What had he been like? What did he look like? Until that moment, I realized with a kind of chill, no one in the West had laid eyes on this man.

Even then there were previews of what was to come last week. He had given this first interview because he had just nationalized the British oil fields, and through journalists he wanted to give the West an "important message" about oil.

As he put it to me at one point, "If the West wants to make sure of supplies of energy from Arab sources but still wants to maintain its policy that is hostile to the Arabs, the only solution will be for them to put to the sword 120 million Arabs."

He paused. "Of course," he added, "that would not be easily done."

Now, 17 years later, the story again is Saddam Hussein, long out of his underground from which he overthrew all other powers in the country, and oil. By brutally taking Kuwait, one of the most nonthreatening, progressive little countries in the world, he has announced a dangerous new stage in his megalomaniacal march toward grandeur.

Beyond this despicible invasion and the oil weapon, what kind of man are we dealing with here? What kind of people and country?

Mr. Hussein was born 53 years ago in a small village, Tikrit, and into a small Sunni Moslem group whose minority status supported his natural paranoia. Ever since his early days in the Baathist Party underground, he has had a penchant for dissimulation and for violence in a similarly inclined country.

One favorite story that is whispered around the Baghdad cafes has Mr. Hussein sitting quietly one minute with a close friend at an outdoor cafe and jumping up and shooting the man to death the next. On the outskirts of Baghdad, the fabled "Hanging Gardens" of Babylon are today being rebuilt as part of his link to great history—but in the city, until recently, you could often see his enemies hanging from the lampposts.

But the historical brutality of the country, its great early cultures destroyed by the Mongol hordes and just about everybody else, also masks a strangely facinating country. Iraq is a land of oil and roses, a land where the Tigris limps through Baghdad, where 1,000 people still worship John the Baptist and where a tiny, highly cultured upper class produces the best paintings and historical research in the Arab world.

But under Saddam Hussein, who has around him an exceptional group of Iraqi political thinkers, it is a country whose leader will not stop at anything. He sees grandeur only in stark military terms, with force backing up his demands for money and for oil. He is, however, nothing new in history; indeed, he is "every-dictator" in history. What seems to surprise many people today—those who have naively wanted to believe that human nature's violent propensities would somehow end with the close of the Cold War—is that men like Mr. Hussein still exist and that the most beautiful little counties (Lebanon, Cuba, Cambodia and now Kuwait) are the ones that die first under rapacious men like him.

What will be even more alarming is if the Iraqi hard-liners and the Iranian hardliners, who are only two years past their sanguinary war, now create a new economic bloc against the Western-supported moderate Arab monarchies, thus totally unsettling the always fragile balance of the Middle East. This already has happened in meetings of the Organization of Petroleum Exporting Countries in the recent weeks leading to the Kuwaiti invasion.

What is tragically sure is that we have already seen, in the last bitter week, the birth of the regional powers taking over in the twilight of superpower control. Saddam Hussein is indeed the dark harbinger of a new age.

[From the Washington Times, Aug. 9, 1990]

PLAYING TO OUR WEAKNESS

(By Georgie Anne Gayer)

Saddam Hussein is dangerous. Saddam Hussein is a demon from the netherworlds, a reincarnated Mongol khan from the steppes of Central Asia. By now, we certainly all know that.

But, as a matter of fact, it is precisely this "perfection" of the man that is most dangerous. His sheer badness could well turn out to be his greatest strength—and our greatest weakness—for already we are rushing with too great a self-righteousness into quicksands we little understand.

My thesis: His evil is causing the White House to underestimate the extent of disillusion and anger against the United States in the Middle East, thus putting us in the ironic position of innocently contemplating an American military intervention that could become a radicalizing force for the entire area. Look at the related lineup of concurrent events:

First of all, quick on the heels of the Hitlerian diagnosis of Mr. Hussein comes President Bush's stubborn anger at the Iraqi leader vs. much of the American press's perverse "you and him fight" attitude.

In this case, the president's upper-class sensitivity over criticism (he is "too refined" to deal with those harsh worlds out there) is brought too easily into play. We find him, with Iraq, in his "high macho" mood and many journalists clearly in their own mode, as they egg him on for their own adversarial, sensational purposes.

The president says with unusual brusqueness, "Just wait, watch and learn," to the journalists, and one correspondent on NBC typically goes so far as to advise Mr. Bush on the Saudi Arabian king. Mr. Bush might "convince King Fahd that if he doesn't let us in, he won't last."

Second, the words of Jordan's King Hussein to CBS' Dan Rather in the immediate wake of the Iraqi invasion of Kuwait seemed jarring. Why would one of the most decent and rational leaders in the Middle East not condemn Mr. Hussein outright?

But on reflection, his warning and plea to "please believe me . . . we could in a far worse situation than we are facing at the moment" take on grave importance. He is warning of the real danger of social disintegration, followed by increased radicalization, within the Arab world and of a war of the burgeoning "have-nots," or the Arab masses, against the "haves" of the traditional pro-Western monarchies.

As he put it in the CBS interview and as he warned me in a talk last June, the crux of the Gulf and indeed Arab crisis is not just one invasion (as heinous as that was) but the "redrawing of boundaries between the haves and the have-nots" in the area. In short, Mr. Hussein's anti-Western and anti-monarchy stance could become a rallying cry for the masses of Arab poor (from Jordan, Algeria, Egypt) who already are flocking to radical Islamic political fundamentalism.

It would be so easy, almost made-to-order, to form, say, a Palestinian "army of the poor" in Kuwait as the "new Kuwaiti army" Mr. Hussein threatens to form. For Kuwait in many ways exemplified the schismatic social divisions in the Arab world. Out of a population of 1.9 million in Kuwait, there were fully 300,000 Palestinians and even 90,000 Jordanian workers.

The real danger, then, is that the Arab world appears poised on the edge of another of its volcanic social and political upheavals. Almost everything has been tried (Nasserist socialism, Western secularism, Arab Ba'athist philosopy, traditional monarchy, communism, Khomeini fundamentalism, to name a few), but nothing has worked. What's next?

This is where the United States comes in again, only now on a more complex level. Mr. Bush and his people simply do not understand the extreme levels of disgust and disillusionment with the United States in even traditionally very friendly Arab countries. They certainly do not understand King Hussein's grave concern: the extent to which, because of the American support of Israel, an outright military intervention could coalesce Arab radicals against us.

This does not mean that the United States should—or even could—do nothing about Iraq and Saddam Hussein. It does mean that what appears to be direct military or political involvement on the part of Washington will certainly have the most sobering implications, and ones far more serious than the Bush administration is thinking about.

The problem with Mr. Hussein in the end is not that he is personally so bad, but that he is too bad to be politically good for us.

U.S. DEFENSE STRATEGY

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, September 12, 1990 into the CONGRESSIONAL RECORD:

U.S. DEFENSE STRATEGY

The crisis in the Persian Gulf has sharpened debate on the shape of the American military in a transformed world. Traditionally, the U.S. has devoted most of its defense budget to countering the military threat from the Soviet Union, principally in Central Europe, but also in the Far East and other regions. U.S. deployment of troops in Saudi Arabia, in response to an aggressive regional power, Iraq, is a marked change from past policy.

The Gulf crisis highlights a U.S. military strategy in transition, straddling the Cold War and post-Cold War eras and buffeted by declining defense budgets. The Soviet threat is fast receding as the Soviets withdraw their troops from Warsaw Pact nations, cut defense spending, and bolster ties with the West. The central rationale for annual $300 billion defense budgets—the defense of Western Europe—is outdated. Persistent budget deficits—and public demands for a "peace dividend"—require cutbacks in defense programs and U.S. troop levels. It is expected that defense spending will not keep pace with inflation.

NEW THREATS

The U.S. will likely keep a formidable presence in Europe until arms control agreements lock in cuts in conventional and strategic forces. This process of "building down" U.S. forces could last well into the 1990s. Future threats are likely to be very different—armed insurgencies, terrorism, narcotics trafficking, and aggressive military regimes in the Third World, such as Saddam Hussein's in Iraq—and will require a restructuring of military forces and missions.

The U.S. cannot be expected to be the global policeman. Such a role would be too costly, especially in an era of declining defense budgets. However, as the Gulf crisis has shown, the world remains a dangerous place, and the U.S. is the only world power capable of taking the leading role against aggression. The U.S. should continue to insist that its allies—whether in Europe, the Middle East, or East Asia—pay for a greater share of their own defense, but it should not use the budget deficit as an excuse to withdraw and isolate itself from world events.

DEFENSE PROGRAMS

The security threats of the 1990s will require a reassessment of U.S. defense programs. Some of the weapons systems developed or purchased in the 1980s will be of limited usefulness in the 1990s as the Soviet threat continues to recede. Strategic programs (such as the B2 bomber or Star Wars) and conventional programs (such as the M1 tank and the Bradley Fighting Vehicle) were designed, at great expense, to deter a possible Soviet attack against the West. Their utility against emerging threats may be far outweighed by their enormous costs. Recent events and the prospect of significant arms control agreements will permit the U.S. to scale back its strategic and heavy conventional forces as well as its plans to modernize those forces.

If the Gulf crisis is any indication of future conflicts in a post-Cold War world, the U.S. must make its forces more mobile and lighter than those deployed in Central Europe. The U.S. needs more transport aircraft and sealift capacity to move forces overseas quickly in a time of crisis. This capability will become more urgent as the U.S. reduces its role in Europe and Asia. U.S. forces will also have to be equipped with sufficient firepower to match the sophisticated weaponry of a regional power like Iraq. Defense planners, for example, are calling for development of a light tank to replace the Vietnam-era Sheridan tank.

Budget constraints will also shape future weapons procurement. Shrinking defense budgets will likely favor tried-and-tested weapons systems, rather than more sophisticated systems now in development. Proven systems, like the current generation of Navy and Air Force fighter and attack planes, have a lower per unit cost than next generation planes. They are also cheaper to operate and maintain, especially in demanding climates like the tropics (Panama) or the desert (Saudi Arabia).

MANPOWER

The changing threat and shrinking budgets will also have a profound effect on the size and structure of U.S. military forces. Defense planners are considering a 25% reduction in force structure over the next five years, a term used to describe the numbers and kinds of Army and Marine Corps divisions, Air Force wings, and Navy ships used to exert military power. The reduced threat in Europe could imply a disproportionate reduction in Army and Air Force units geared to defending Europe. Reductions could fall on the Navy as well if the U.S. scales back its commitments to its allies and closes military bases overseas.

Budget constraints have already forced a major restructuring of U.S. forces as more personnel and more missions have been transferred to reserve units. Reserves are cheaper and easier to maintain than active forces. The diminishing Soviet threat has already increased the amount of time the U.S. has to mobilize for a large-scale conflict from several weeks to several months or perhaps a year. Reserve units now comprise over 50% of total Army personnel, and budget pressures will likely continue this trend in the Army and other services as well.

Finally, the services are jockeying for a role in meeting the new threats in the Third World—whether it involves combatting drug traffickers in South America, or fighting "low-intensity" conflicts like that in Panama or aggressive military regimes in the Persian Gulf. The Army, for example, has highlighted the fact that its 82nd Airborne Division was the first unit in Saudi Arabia, while the Navy has stressed the importance of its carrier battle groups in the Gulf crisis. So-called "power projection ca-

pability" is one area of the defense budget likely to grow in coming years.

U.S. military strategy has entered a period of transition. The U.S. will face a critical challenge in the coming years in scaling back its military commitments in Europe while retaining a credible and flexible fighting force to meet a wide variety of smaller threats elsewhere in the world.

THE SOVIET MILITARY'S RECRUITMENT NIGHTMARE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. FRANK. Mr. Speaker, former Senator George Aiken of Vermont once advanced as a solution to our problems in Vietnam the possibility of declaring victory and getting out. We have an opposite tendency currently. Despite the very substantial victory America and our allies have obviously won in the long struggle with a hostile, united, aggressive Communist bloc, some Americans have decided that we should deny victory and stay in. That is, they believe we should continue to spend tens and tens of billions of dollars, for example, to deter a Russian led invasion by the Warsaw Pact of Western Europe, even though there is not the remotest prospect of that even being attempted.

The severe weakening of the Russians military posture goes beyond the obvious loss of all of their allies—with even Mongolia having moved in a democratic direction recently. No one now thinks that Poland, Hungary, Czechoslovakia, Bulgaria or East Germany—for the few more weeks that there is such an entity—would join the Russians in any sort of land war in Europe.

And it is now questionable as to how many Russians would join such an effort. The Soviet Union today is a nation racked with extraordinarily serious troubles—an economic crisis which is widely perceived, and ethnic divisions which substantially undercut any notion that this is a country that could contemplate aggressive warfare. While we were in recess, the Outlook Section of the Washington Post carried an article by Prof. Murray Feshbach, a specialist in demography at Georgetown University who is a very close student of Soviet society. Professor Feshbach documents the extreme difficulty the Soviets are now having in maintaining the draft by which they fill their armed services. As he says in his article, the statistics indicate "deep trouble for the armed forces." I urge Members to read Professor Feshbach's article because this is further evidence of the degree of our success in the cold war and further support for the proposition that we can begin now a process of a substantial reduction in our own armed services without in any way jeopardizing our security:

THE SOVIET MILITARY'S RECRUITMENT NIGHTMARE

(By Murray Feshbach)

When the Soviet Army newspaper published the results of the spring draft last month, the numbers did more than indicate deep trouble for the armed forces. They also revealed the underlying nationality conflicts and population differentials in various regions.

The report in Krasnaya Zvezda (Red Star) was the first to show a clear link between nationality questions and the draft—in particular, a lack of response to the draft by non-Russians in the Soviet Union. There were great variations among the various republics and, in the case of Armenia, a startling deviation: In fact, the number of conscripts reporting for the May-June draft in Armenia totaled just 7.5 percent of those expected.

In Armenia, according to the January 1989 census, Russians constituted only 1.6 percent of the republic's population, with Armenians totaling 93.3 percent. Thus, the low turnout of conscripts could be interpreted as a turnout limited mostly to the sons of Russians and other resident nationalities. The figures also suggest that local problems, as well as changes in attitude toward neighboring republics and the dominant Russian state, led the Armenians to turn around completely. In 1989, by contrast, the ratio of those reporting for duty was said to be 100 percent of the expected number. In Georgia, where 6.3 percent are of Russian nationality, just 27.5 percent responded to the draft compared to a reported 94 percent last year.

Similar patterns are reported in the Baltic republics. And if the figures are not quite so low as in Armenia, the explanation may be the same: a military sign-up consisting of young Russian male residents, joined by those from several other nationalities and a few 18-year-olds of local nationality.

Following this pattern, only 40.2 percent of youths in Estonia reported for duty (down from 79.5 percent in 1989). Analogous figures for Latvia and Lithuania are 54.2 percent reporting in Latvia (down from 90.7 percent in 1989) and 33.6 percent in Lithuania (down from 91.6 percent in 1989). Russians comprise only 9.4 percent of the Lithuanian population. In Estonia, it is 30.3 percent, and in Latvia, 34 percent.

Radio Liberty monitored the Lithuanian capital's radio on July 25 and learned that 5,880 youths should have been drafted during the spring call-up. Of these, 4,704 were to be ethnic Lithuanians. However, only 960 of the latter showed up (20 percent) and about 1,400 non-Lithuanian 18-year-old males for a total of about 2,400. An attempt had been made to recruit others and the draft period had been extended to July 13.

But even with the extension, only 6 to 7 percent more (about 235) young men reported for duty—still far short of the requirement. To the degree that Lithuania is typical of the other republics with larger proportions of Russians than Armenia, this pattern may well be duplicated as the drive for independence—and an independent military—gains among the individual non-Russian entities.

There are some mysteries in the draft statistics. Why Moldavia, now the self-proclaimed Moldova, and Azerbaijan, with its internal security problems in Baku and Nagorno-Karabakh and problems with the Soviet military, are reported to have 100 percent prompt reporting for duty is inexplicable. Perhaps someone on the local level felt it necessary to show perfect behavior. In Azerbaijan, a higher share reporting in 1990 than 1989 makes the veracity of these figures for the republic even less likely to be correct.

Fascinating also are the drops in the other republics with large populations of Muslim origin, i.e., Kazakhstan and the four republics of Central Asia (Kirghizia, Tajikistan, Turkmenistan and Uzbekistan). In all cases, they declined from 100 percent last year to about 90 percent.

Given the declarations of sovereignty in nine republics, including frequent calls for their own armed forces, conversion of the Soviet military from a draft-based armed forces to a volunteer armed forces becomes more likely. A major step in this direction came this year when naval seamen were offered contracts as hired employees. In addition, the length of service of Navy draftees was reduced from three to two years.

Other factors are contributing to the desire by individual republics to have their own armed forces. According to Moscow News, some 15,000 soldiers have died from non-combat-related causes during the last four years. Of these, 3,900 perished last year. Other information indicates that some 70 percent of these "incidents" were nationality-related—hazing, bullying, male rape and so forth. Uzbekistan alone witnessed the return of 510 sealed zinc coffins in 1989. (Uzbeks undoubtedly comprise the largest share of all conscriptees coming from the seven southern republics of Central Asia and the Transcaucasus.) Draftees from this same southern tier grew in proportional share of all draftees from 28 percent in 1980 up to a remarkable 37 percent by 1988. If this trend were to continue until the end of the century, this region would contribute some 50 percent of *all* conscriptees.

Earlier this month, an interview with the head of the Soviet military's Social and Psychological Problems Research Center revealed that the proportion of young males who "did not wish to serve" increased dramatically. Almost a decade before the Soviet incursion into Afghanistan, just 1.1 percent of those drafted in 1971 indicated that they did not wish to serve—very likely a minimal rate who were honest in their response. By 1974, the rate of negative responses increased slightly, to 2 percent, and in the year of the invasion, 1979, 7 percent so responded.

However, by the time of the surveys conducted in 1989 and this year, the proportion of those "who do not wish to serve" increased to 18 percent, and of these, the conscriptees who came from large cities are cited as being much higher; 47 percent from Moscow, 38 percent in or from Leningrad, about 20 percent from Frunze. If this is consistent throughout the country, it suggests that rural males are more willing to serve.

But rural males more and more are from the demographically-driven pool of youths residing in rural Central Asia. And in addition to the reasons noted earlier for their unwillingness to serve, their Russian-language ability is said to be almost nil. From the Soviet military's point of view, it is a worrisome fact that among the 1.5 to 2 million draftees called up during 1989, some 125,000 spoke Russian poorly—about one-and-one-half times greater than the year before and 12 times greater than in 1969.

How all of this affects our assessment of Soviet military capabilities remains to be seen. But nationality-related issues, combined with demographic shifts, health problems and a lack of Russian-language capability seem already to be changing the Soviets' view of themselves. Senior military officials there are now saying "not at the present time" rather than "never" for the institution of a professional armed service.

TRIBUTE TO ELAINE ADLER

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. LEHMAN of Florida. Mr. Speaker, the business community of North Dade County has a longstanding and much-deserved reputation for civic responsibility. To a large extent, this is the result of the vision, dedication and hard work of Elaine Adler, executive director of the North Dade Chamber of Commerce. More than any person, she deserves the credit for holding this diverse but progressive group together through the years and molding it into the effective organization it is today.

Elaine is unique. She is able to achieve good deeds furnished not through the authority of her office, but with knowledge, persistence, goodwill and graciousness. She gets business people together not only for their own good, but for the benefit of our entire community. I would like to share with my colleagues a profile of this truly remarkable person:

ELAINE ADLER

In the small waiting area at the North Dade Chamber of Commerce, the walls are obscured by myriad awards and commendations framed and proudly hung. Two words continually crop up on the congratulatory plaques and letters: "dedication and commitment."

The epithets refer to the Chamber's president, Elaine Adler, but they don't prepare you for the dynamic energy, the unfailingly positive outlook, the genuine sincerity that fairly blazes from her green eyes. Quite simply, this woman—a devoted wife and mother—loves her job, and everyone who knows her is captivated by her charm.

The file of thank-you letters in Adler's drawer is inches thick, with personal notes penned on stationery from the Governor's office to the Department of Education. She is lauded for her "enthusiasm and sincere efforts" and her "touch of class." One effusive organization wrote: "If a difficult task needs to be handled, call Elaine Adler."

But perhaps nothing better characterizes this woman than the sturdy cardboard box she carries around everywhere, wherein lie the pieces of a terrifically frenzied life piled high and none too neatly, a briefcase having become hopelessly insufficient years ago. The carton's contents attest to Adler's determination, born on her first day at the Chamber 14 years ago, to create and nurture a community in North Dade.

"I came on as a part-time secretary—in those days, the bottom was the top. I remember my first day—a couple of the directors came in and I said. 'Okay, what am I supposed to do?' and they said 'Make the Chamber grow, and oh, by the way, you can answer some phones if they ring.' But there were only 30 members: the phone wasn't ringing that much!"

With high hopes, Adler took to the streets—literally—for more than four years to attract new membership to the chamber. "I would get admitted to most businesses because I was very persistent, and the decision maker would say, 'Well, I've never heard of the North Dade Chamber,' and I said 'You see? That's exactly the problem. If you were a part of this, we could be the voice of the business community.'"

Her tenacity paid off, and membership has grown to more than 700 organizations, "mostly mom and pop—they really make the difference," Adler says. Along the way, she has served on dozens of special committees (the origin of those thank-yous in her file), managed to maintain a successful marriage to attorney Howard Adler and raise two delightful children.

Elaine has been accused of creating a social service agency out of the Chamber: she has directed anti-drug campaigns, biked 30 miles to raise money for a local junior high school and raised money for Baby House, a residential facility for developmentally disabled infants. But she has also been instrumental in bringing the idea for north Dade's Joe Robbie Stadium to fruition and hosts a business expo at Aventura Mall every January.

She is impervious to criticism and contends that all members' needs are serviced. "We do networking and all the usual business organization things, but we're also heavily involved in social action. We have committees on legislative action, crime prevention, education, transportation, health action—everything you would normally associate with a chamber of commerce—but our chamber also has these community service types of things.

"If you get up and the sun shines for you every morning, you had better thank God for that. Many of our members get great joy from giving in this way. I have some members who just want to play in the annual golf tournament [which benefits a local scholarship] and that's fine. But we also have members who only want to work on community action events and fundraisers."

Elaines' long-range goal is to develop a work force of handicapped youths; the Chamber annually cosponsors "Rising Star," a talent show for physically and mentally handicapped children, and is creating a scholarship for handicapped students in the field of performing arts at Miami-Dade North.

"If there's a need for it, if it's a legitimate idea, we'll do it," Adler says emphatically. "It's exciting to be a part of the community and to know that the Chamber is held in such high esteem."

MEDICAID DESERVES FAIR DRUG PRICES

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. WYDEN. Mr. Speaker, today my colleague Congressman JIM COOPER and I are introducing legislation to stop the rip-off of the Medicaid Program by pharmaceutical manufacturers. This legislation, the Medicaid Prescription Drug Fair Access and Pricing Act of 1990, is a companion measure to legislation being introduced today in the Senate by Senator DAVID PRYOR.

There is simply no logical reason why the Medicaid Program—the Federal/State program to provide health care for the poor—should have to pay prices for drugs which average 40 to 70 percent more than those prices paid by other large purchasers. Certainly no one would deny that Medicaid is a large purchaser: We spend over $3.5 billion per year on prescription drugs under Medicaid, and Medicaid represents 12 to 15 percent of all drugs dispensed in this country.

So why isn't Medicaid getting competitive prices? The answer is simple. Medicaid isn't getting competitive prices because Medicaid has never required competitive prices from drug companies as a condition of reimbursement. Our policy so far has been to write a blank check and let the drug companies fill in the numbers.

This kind of carte blanche system is not smart. Another Federal department, the Department of Veterans' Affairs, pays an average of 41 percent less for drugs than the Medicaid Program. HMO's, hospitals, and other nonprofit entities regularly get discounts far below the price that Medicaid pays. Isn't Medicaid the ultimate nonprofit and shouldn't Medicaid get similar discounts? The following two charts show just how discriminatory the drug manufacturers are when it comes to Medicaid:

SINGLE SOURCE DRUG PRODUCTS

[Price comparisons—July 1990]

Drug	Approval date	Medicaid pays [1]	Federal Government pays [2]	Percent difference [3]
Feldene 20 mg. (piroxicam) Pfizer, Inc.	April 1982	1.68	0.87	93
Zantac 150 mg. (ranitidine) Glaxo, Inc..	June 1983	1.18	.79	49
Seldane 60 mg. (terfenidine) Marion-Merrell Dow.	May 1985	.61	.40	53
Mevacor 20 mg. (lovastatin) merck.	August 1987	1.55	1.25	24
Prozac 20 mg. (fluoxetine) Lilly.	December 1987	1.40	1.20	16

[1] Medicaid reimbursement for single source drugs based on pharmacists Estimated Acquisition Cost [EAC]. For most States, this is AWP–10 percent. AWP is the Average Wholesale Price as reportd in the Redbook or Bluebook.
[2] Represents the "best prices" paid by a federal government purchaser. Under a "best price" rebate plan, Medicaid might pay even lower prices if another purchaser was getting a "better deal" than the Federal Government.
[3] In general, newer drug products are not as heavily dicounted as older products.

INNOVATOR MULTI SOURCE DRUG PRODUCTS

[Price comparison—July 1990]

Drug	Medicaid pays [1]	Federal Government pays [2]	Percent difference
Calan 80 mg (verapamil) Searle	0.32	0.026	1,130
Desyrel 100 mg. (trazadone) Bristol Myers Squibb	1.19	.63	88
Ativan 1 mg. (lorazepam) Wyeth-Ayerst	.51	.01	5,000
Motrin 400 mg. (ibuprofen) Upjohn	.16	.06	166
Inderal 40 mg. (propranolol) Wyeth-Ayerst	.40	.06	566

[1] Medicaid reimbursement for innovator multiple source drugs based on the pharmacist's Estimated Acquisition Cost [EAC]. For most States, this is AWP–10 percent. AWP is the average wholesale price as reported in the Redbook or Bluebook.
[2] Represents the "best prices" paid by a federal government purchaser. Under a "best price" rebate plan, Medicaid might pay even lower prices if another purchaser was getting a "better deal" than the Federal Government.

The fact is that the Medicaid Program is being taken to the cleaners. Drug companies are gobbling up scare government dollars for the poor by charging Medicaid far more than they charge other private purchasers. This discriminatory pricing practice is unconscionable and it's high time Medicaid and the poor people it serves get a fair deal.

What has been the response? The pharmaceutical manufacturers have attempted to drown the issue with distortions and outright

misrepresentations. In reaction to a bill originally introduced by Senator DAVID PRYOR (S. 2605), some drug companies concocted the idea that competitive bidding based upon therapeutic equivalence would result in second class medicine for the poor. That's just not true.

The fact is that exorbitant drug prices mean second class medicine for the poor. Exorbitant drug prices mean poor people can't always afford to get their prescriptions filled. Exorbitant drug prices mean that States have to cutback on Medicaid benefits or drop poor people off the roles. Exhorbitant drug prices mean States have to forgo future plans to expand coverage to needy children, pregnant women, and the elderly.

Some of these drug companies aren't concerned one iota about "second class medicine"; if they are, why do they continue to refuse to give competitive prices to the health care program for the poor? My guess is that drug companies are most concerned about protecting their bottom lines than protecting the quality of health care for poor Americans.

The campaign to distort the issue has been waged on many fronts. Not only have some drug companies convinced a few minority groups that cheaper drug prices means "second class medicine", they have also waged an intensive campaign to frighten groups which represent specific diseases into opposing fair drug prices. Drug companies, which contribute heavily to many of these groups, have attempted to scare these groups into believing that lower drug prices for Medicaid will result in a lower investment in research and development for drugs to treat such specific diseases.

Such a tactic is abhorrent. To imply that a drug company won't continue development of a much needed drug if Medicaid gets a similar price to other private purchasers defies logic. The Federal Government provides generous tax credits for drug companies who conduct research and development. These Federal R&D tax credits were created for the sole purpose of providing the proper financial incentives for drug companies to conduct R&D. Giving the Medicaid Program fair prices won't affect R&D tax credits.

At this point, I would like to insert a copy of 2 letters written by the Alzheimer's Association to the Pharmaceutical Manufacturer's Association, which illustrates the efforts to misrepresent the views of some organizations. I should clarify for the record that the Alzheimer's Association has taken no position on either my legislation, nor on the legislation introduced by Senator PRYOR. I use the Alzheimer's Association's letters only as an example of the frustrating campaign of misinformation which has swept through the country:

ALZHEIMER'S DISEASE AND
RELATED DISORDERS ASSOC. INC.,
Washington, DC, August 22, 1990.

ROBERT F. ALLNUTT,
Executive Vice President, Pharmaceutical Manufacturers Association, Washington, DC.

DEAR BOB, I have your letter of August 10. You have misunderstood our position on the Medicaid drug pricing issue.

We believe that Senator Pryor has raised very important questions about drug prices in the Medicaid program. We have taken no position on his bill, but we have made it clear that we are not necessarily opposed to his attempts to find a responsible way to reduce Medicaid drug costs without jeopardizing health care for beneficiaries.

We objected to specific elements in the reported OMB proposal which are not contained in the Pryor bill: thereapeutic substitution by a pharmacist without consultation with the prescribing physician, mandated use of the lowest cost drug in all circumstances without regard to effectiveness, and the use of any achieved cost savings to reduce the budget deficit rather than to restore or expand Medicaid benefits.

We trust that you will avoid any further suggestion that the Association has taken a broader position on these issues, or that we are opposing the Pryor bill.

To avoid any further misunderstanding or misconstruing of our position on this matter, I am sending a copy of this letter to Senator Pryor and to Congressman Waxman.

Sincerely,

EDWARD TRUSCHKE,
President.

ALZHEIMER'S DISEASE AND
RELATED DISORDERS ASSOC. INC.,
Washington, DC, September 12, 1990.

ROBERT F. ALLNUTT,
Executive Vice President, Pharmaceutical Manufacturers Association, Washington, DC.

DEAR BOB, I was pleased to receive your prompt response to my letter of August 22 in which I had expressed concern about misrepresentation of the Alzheimer's Association's position on Medicaid drug pricing legislation.

I was shocked, therefore, to learn that, subsequent to our exchange of correspondence, PMA members have contacted our chapters in at least three States—Texas, Ohio, and Michigan—to enlist their support in opposing S. 2605. Our chapters were specifically led to believe that the national Alzheimer's Association is opposed to S. 2605.

As I indicated in my letter of August 22, and in our earlier letter to the Office of Management and Budget, while we opposed specific elements of the OMB proposal on drug pricing (elements that are not in S. 2605), we are not necessarily opposed to legislation that will reduce Medicaid expenditures for prescription drugs. We have not taken a position in opposition to S. 2605.

We understand that both the House Energy and Commerce Committee and the Senate Finance Committee will be holding hearings on this issue in the next several days. I hope that PMA will use that opportunity to set the record straight about the Association's position on the issue.

Sincerely,

EDWARD TRUSCHKE,
President.

Recently, several individual drug companies have come forth with their own proposals for giving Medicaid some discounts for drug products. Specifically, Merck, Pfizer, Upjohn, and Glaxo have devised plans to recognize the problem and to attempt to rectify the current inequity.

While I applaud these companies for acknowledging that price discrimination exists, their proposals do not provide a long-term solution to the problem. The Congressional Budget Office has indicated that none of the drug companies' proposals would save any money because they are too open to manipulation.

None of the drug companies' proposals provide any guarantee that prices would not be substantially raised over time in order to compensate for the discounts. Without a mechanism for ensuring that Medicaid gets competitive prices in the out years, drug companies would simply be able to increase prices by a commensurate amount of the discount, thereby eliminating the value of the "best price" concept.

Faced with increasingly difficult budgetary decisions, Congress must first look for places to cut "fat" before it cuts the life blood services upon which so many Americans depend. Drug prices under the Medicaid Program are too high. We are paying prices that no right-thinking HMO or hospital would pay. We continually ask doctors, hospitals, and beneficiaries to pay their fair share toward deficit reduciton. It's time we made that request of the drug companies, too.

I urge my colleagues to cosponsor the Medicaid Prescription Drug Fair Access and Pricing Act of 1990. A summary of the legislation follows:

WYDEN/COOPER MEDICAID PRESCRIPTION DRUG FAIR ACCESS AND PRICING ACT OF 1990 SUMMARY

I. CONDITIONS OF COVERAGE OF DRUG PRODUCTS UNDER MEDICAID

The federal government would no longer provide Medicaid matching dollars for a manufacturer's pharmaceutical products if the manufacturer does not have a discount agreement in effect with the Secretary of Health and Human Services.

Each manufacturer which enters into a discount agreement with the Secretary shall be assured open access to all states' Medicaid drug formularies. Discount agreements would apply to single source and innovator multiple source drug products.

II. DISCOUNT AGREEMENT REQUIREMENTS

Discount agreements must equal the difference between the price that manufacturers charge wholesalers for a product (known as the Average Manufacturers' Price, or AMP) and the "best price" that the manufacturer offers to any other purchaser of a drug (i.e., AMP minus best price = value of the discount agreement).

To ensure that Medicaid continues to receive the "best price" in future years, the "best price" is defined as the lower of the best price during the calendar quarter in which the drug is dispensed or the best price offered to other purchasers as of September 1, 1990, indexed annually to the Consumer Price Index (CPI). "Best price" does not include those prices which are merely nominal in amount (for example, the sale of birth control pills for a penny a pack to Planned Parenthood).

The indexing provision of the bill prevents drug manufacturers from increasing their costs over time to offset the discount requirements. Without an index, manufacturers would be able to raise prices by a commensurate amount of the discount, thereby eliminating or severely reducing the value of the "best price" concept. For example, under the voluntary rebate arrangements of the Women, Infants, and Children (WIC) program, infant formula manufacturers tried to eliminate the rebates by significantly raising their "best prices".

The total aggregate value of the discount arrangement for each manufacturer cannot be less than 10 percent of total state ex-

penditures attributable to the AMPs for the manufacturer's drugs. To ease the transition into best prices, a discount ceiling for each manufacturer of 25 percent would be established for the first two years, increasing to 50 percent for years three and four, and achieving full "best prices" for the Medicaid program by year five.

Rebates will be calculated and paid to states on a quarterly basis. Discount agreements will be effective for a minimum of one year and are automatically renewable unless terminated by the manufacturer or the Secretary. If an agreement is terminated, the Secretary can bar a manufacturer from participating in the Medicaid program for one year.

IV. NON-INNOVATOR MULTIPLE SOURCE DRUG (GENERIC) DISCOUNTS

Generic Drugs will be required to offer discount arrangements to the federal government equal to at least 10 percent of the total aggregate expenditures for the manufacturer's drugs. The federal government will deny matching funds for the products of any generic manufacturer which does not have a discount agreement in effect with the Secretary.

V. EXPANSION OF ACCESS TO PRESCRIPTION DRUG

i. Open Formularies: The legislation will significantly expand access to a wide range of FDA-approved prescription drug products and biologicals. In states which use restictive formularies, beneficiaries will be given new access to a significant number of prescription drugs for which payment had been prohibited.

An exception to the open formulary rule will be allowed for drug products for which the manufacturer requires compensation for tests or services associated with the use of the drug product. For example, Clozaril, an antischizophrenic drug, is currently only available if purchasers also agree to pay for expensive patient monitoring services provided by entities under exclusive contract with the manufacturer. Serious questions have been raised by the medical community about the appropriateness of such arrangements.

ii. Physician's Right to Prescribe: The bill ensures that the final control over the drug product selected for the patient is the sole responsibility of the patient's physican. There are no provisions in this bill for therapeutic substitution of drug products by pharmacists.

iii. Prior Approval Reforms: The legislation sets in place basic standards for state prior approval programs. These standards will make prior approval programs more responsive to physicians' and patients' needs by requiring that such programs provide a response to physicians 24 hours/day, 7 days a week, and provide for an immediate response to the physician's request.

iv. Drug Use Review: A comprehensive system of retrospective and prospective drug use review will be established to prevent inappropriate prescribing and dispensing, and to encourage pharmacists to counsel patients on the proper use of their medications.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, September 13, 1990, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 14

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings to examine the challenges to America's economic leadership and how government and industry should respond.
SD-538

Foreign Relations
Business meeting, to consider S. 2436, authorizing funds for fiscal year 1991 and 1992 for the United States Peace Corps, S. 2575, to impose a ban on Antarctic mineral resource activities by U.S. persons and to urge the Secretary of State to negotiate a ban on mineral resource activities, S.J. Res. 206, calling for the U.S. to encourage negotiation of a new agreement among Antarctic Treaty Consultative Parties for the full protection of Antarctica as a global ecological commons, S. Res. 186, relating to the protection of the Antarctic system, a proposed resolution congratulating the Republic of Cyprus on the 30th anniversary of independence, and pending nominations and treaties.
SD-419

2:00 p.m.
Finance
Medicare and Long-Term Care Subcommittee
To hold hearings on proposed legislation to help senior citizens make more informed choices when purchasing Medigap insurance policies and to moderate increases in Medigap premiums.
SD-215

SEPTEMBER 17

10:00 a.m.
Finance
Health for Families and the Uninsured Subcommittee
To hold hearings on proposed legislation to modify Medicaid's drug reimbursement program to improve access to affordable high quality care.
SD-215

10:30 a.m.
Joint Economic
To hold hearings to examine new U.S. economic policies toward Mexico and Latin America, focusing on providing mutual benefits and environmentally sustainable growth, and the easing of dislocations resulting from lower trade barriers.
SD-628

2:00 p.m.
Armed Services
To hold hearings on the national security implications of nuclear testing agreements.
SR-222

SEPTEMBER 18

9:00 a.m.
Energy and Natural Resources
Water and Power Subcommittee
To hold hearings on S. 2969, to provide for completion of the Central Utah Project.
SD-366

Veterans' Affairs
To hold joint hearings with the House Veterans' Affairs Committee to review legislative recommendations of the American Legion.
SD-106

9:30 a.m.
Environment and Public Works
Nuclear Regulation Subcommittee
To hold hearings on the standardization of designs and the licensing process for nuclear power plants.
SD-406

Governmental Affairs
To hold hearings to examine the potential government liability on Federal loan guarantee programs.
SD-342

10:00 a.m.
Select on Indian Affairs
Business meeting, to mark up S. 381, to provide Federal recognition of the Mowa Band of Choctaw Indians of Alabama, H.R. 5063, to provide for the settlement of the water rights claims of the Fort McDowell Indian Community in Arizona, and S. 2645, to provide urban Indians with services for health promotion and disease prevention, immunization, child sexual abuse prevention, and mental health needs; to be followed by a hearing on S. 2895, to provide for the renegotiation of certain leases of the Seneca Nation.
SR-485

2:00 p.m.
Joint Library
Business meeting, on matters relating to the Library of Congress and its Congressional Research Service.
H-328, Capitol

SEPTEMBER 19

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
To hold hearings on S. 2840, to improve the management of the Federal government by establishing a Deputy Director for Management and a Chief Financial Officer of the United States in the Office of Management and Budget.
SD-342

Small Business
To hold hearings to examine the impact on small businesses of proposed legislation regarding estate tax freezes and capital gains.
SR-428A

10:00 a.m.
Finance
To hold hearings to examine the scope and effects of foreign influence on

U.S. policy decisions on trade and other economic matters.
SD-215

Joint Economic
To hold hearings to review the economic outlook for 1990.
2359 Rayburn Building

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2674, to provide for the reestablishment of the gray wolf in Yellowstone National Park and the Central Idaho Wilderness Areas.
SD-366

SEPTEMBER 20

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2771, to establish the Vancouver National Historical Reserve in the State of Washington, S. 2802, to establish the Fort Totten National Historical site near Devils Lake, North Dakota, S. 2809 and H.R. 3683, to revise the National Trails System to provide for the study and designation of the Underground Railroad Historical Trail, S. 2818 and H.R. 4834, to provide for a visitor center at Salem Maritime National Historic Site in the Commonwealth of Massachusetts, and H.R. 5084, to authorize the National Park Service to acquire and manage the Mary McLeod Bethune Council House National Historic Site.
SD-366

SEPTEMBER 21

10:00 a.m.
Finance
International Trade Subcommittee
To hold hearings to review the final report on the U.S.-Japan Structural Impediments Initiative (SII) talks.
SD-215

SEPTEMBER 25

8:30 a.m.
Office of Technology Assessment
Board meeting, to consider pending business.
EF-100, Capitol

9:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine student loan abuse.
SD-342

10:00 a.m.
Select on Indian Affairs
Business meeting, to mark up S. 2870, to approve the Fort Hall Indian Water Rights Settlement, S. 2895, to provide for the renegotiation of certain leases of the Seneca Nation, and S. 1554, to ratify and implement water settlements involving the Pyramid Lake Paiute Tribe, the States of California and Nevada and other parties regarding the waters of the Truckee and Carson Rivers and Lake Tahoe in Nevada and California; to be followed by a hearing on proposed legislation to establish Wounded Knee Memorial and Historic Site.
SR-485

2:00 p.m.
Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold hearings to review Peace Corps programs in Eastern Europe.
SD-419

SEPTEMBER 26

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine student loan abuse.
SD-342

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2474, to authorize an exchange of lands in South Dakota and Colorado, S. 2543, the Admiralty Island National Monument Land Management Act, S. 2815, to establish the Kokapelli National Outdoor Theater in the State of Utah, S. 2816, to disclaim all Federal right, title, interest in specified base lands over which the U.S. hold record title, S. 2891, to authorize and direct an exchange of lands in Colorado, H.R. 2566, to disclaim any interests of the U.S. in certain lands on San Juan Island, Washington, and H.R. 3888, to allow a certain parcel of land in Rockingham County, Virginia to be used for a child care center.
SD-366

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings to review the United States position in GATT negotiations affecting American manufacturing jobs.
SD-342

SEPTEMBER 27

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings to examine foreign influence in the United States.
SR-253

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2882 and H.R. 3209, to modify the boundaries of the Indiana Dunes National Lakeshore.
SD-366

SEPTEMBER 28

10:00 a.m.
Finance
International Trade Subcommittee
To hold hearings to review progress made on important trade issues between the U.S. and Canada, focusing on subsidies, dispute settlement panels, and general implementation of the Free Trade Agreement and the 1986 Softwood Lumber Memorandum of Understanding.
SD-215

OCTOBER 3

9:30 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings to review the Office of Technology Assessment's report, "Neurotoxicity, Identifying and Controlling Poisons of the Nervous System," and to examine related research and regulatory issues.
SD-406

FEBRUARY 26

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review legislative recommendations of the Disabled American Veterans.
345 Cannon Building

FEBRUARY 28

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, Blinded Veterans Association, Vietnam Veterans of America, Military Order of the Purple Heart, and Non-Commissioned Officers Association.
345 Cannon Building

APRIL 17

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review legislative recommendations of AMVETS, Ex- Prisoners of War, Jewish War Veterans, and World War I Veterans.
345 Cannon Building

CANCELLATIONS

SEPTEMBER 18

9:30 a.m.
Rules and Administration
Business meeting, to mark up S. 2522, to require Congress to purchase recycled paper and paper products to the greatest extent practicable, S. 2758, to provide additional membership on the Library of Congress Trust Fund Board, H. Con. Res. 338, authorizing printing of the proceedings of the bicentennial research conference entitled "Understanding Congress," and other pending calendar business.
SR-301

HOUSE OF REPRESENTATIVES—*Thursday, September 13, 1990*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. LEVINE of California].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 13, 1990.

I hereby designate the Honorable MEL LEVINE to act as Speaker pro tempore today.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

Rabbi Jay Marcus, rabbi for the Young Israel of Staten Island and director of Genesis Foundation and the Western Wall Heritage Foundation, Staten Island, NY, offered the following prayer:

As we approach the Jewish New Year, Rosh Hashanah, we are challenged to look back at the year gone by. We are astounded at the cataclysmic changes and events that have transpired. What a remarkably momentous year.

We have witnessed the demise of communism and the budding of democracy in Eastern Europe, the shattering of the Berlin Wall and the reunification of Germany, the mass emigration of Jews from the Soviet Union to America and Israel and the ugly rise of anti-Semitism in Russia and Eastern Europe, the continued emigration of Ethiopian Jews to Israel and Iraq's tragic invasion of Kuwait, the unprecedented economic blockade and military collaboration among the great powers and the Arab States.

How does one make sense of these events? What do they mean for the individual, for America and the world? We would posit that they are manifestations of God's hand in history. We cannot discern its direction, but we must believe that it is leading the nations of the world, and its people, toward an accommodation of differences, universal morality and an abiding peace. This belief is reinforced in the high holiday prayers.

On Rosh Hashanah we read:

Now, Lord our God, put Your awe upon all whom You have made, Your dread upon all whom You have created; let Your works revere You, let all Your creatures worship You; may they all blend into one brotherhood to do Your will with a perfect heart. For we know, Lord our God, that Yours is dominion, power and might, You are revered above all that You have created.

This prayer expresses the ideal of universal brotherhood and universal morality under the eyes of the universal God. Mankind is unable to solve all its problems alone.

Yesterday in New York major philanthropists overnight became paupers as the Japanese banks foreclosed on 43 major real estate buildings. Overnight magnates of real estate have been broken.

During these days of awe we realize that man's quest for power, and dominion and acts of aggression are puny, misguided and doomed to failure. We ask God that wickedness vanish like the smoke and to abolish the rule of tyranny on Earth. This is our dream, this is our hope, this is our prayer.

A moving story is told of an elderly Jewish woman who at the conclusion of the Rosh Hashanah service finds herself all alone with no one to exchange the customary Shana Tova, or good year, blessing. She reflects for a moment, and then steps to the front of the sanctuary and opens the ark. "I know who to wish a Shana Tova, a good year," she says. "I'll wish God a good year, but what can I wish Him? He has everything," and she smiles sweetly, looking at the ark and the Torah. "God, I wish You nachas, joy, satisfaction and pleasure from all Your children, from all of mankind."

Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. SCHULZE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Chair's approval of the Journal.

The SPEAKER pro tempore. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SCHULZE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 281, nays 103, answered "present" 1, not voting 47, as follows:

[Roll No. 328]

YEAS—281

Ackerman	Fish	Martinez
Anderson	Flake	Matsui
Andrews	Flippo	Mavroules
Annunzio	Foglietta	Mazzoli
Anthony	Ford (TN)	McCloskey
Applegate	Frank	McCollum
Aspin	Gaydos	McCrery
Atkins	Gejdenson	McCurdy
Barnard	Geren	McDermott
Bartlett	Gibbons	McEwen
Bateman	Gillmor	McHugh
Bates	Gilman	McMillan (NC)
Beilenson	Glickman	McMillen (MD)
Bennett	Gonzalez	McNulty
Berman	Gordon	Mfume
Bevill	Gradison	Miller (CA)
Bilbray	Grant	Mineta
Borski	Gray	Moakley
Bosco	Green	Molinari
Boucher	Guarini	Mollohan
Boxer	Gunderson	Montgomery
Brennan	Hall (OH)	Moody
Brooks	Hall (TX)	Moorhead
Broomfield	Hamilton	Morrison (WA)
Browder	Hammerschmidt	Mrazek
Brown (CA)	Harris	Murtha
Bruce	Hatcher	Myers
Bryant	Hayes (IL)	Nagle
Bustamante	Hayes (LA)	Natcher
Byron	Hefner	Neal (MA)
Callahan	Hertel	Neal (NC)
Campbell (CO)	Hoagland	Nelson
Cardin	Hochbrueckner	Nowak
Carper	Horton	Oakar
Carr	Houghton	Obey
Clarke	Hoyer	Olin
Clement	Hubbard	Ortiz
Clinger	Huckaby	Owens (NY)
Coleman (MO)	Hughes	Owens (UT)
Coleman (TX)	Hutto	Oxley
Collins	Hyde	Packard
Combest	Jenkins	Pallone
Conte	Johnson (CT)	Parker
Conyers	Johnson (SD)	Payne (NJ)
Cooper	Johnston	Payne (VA)
Costello	Jones (GA)	Pease
Coyne	Jones (NC)	Pelosi
Darden	Jontz	Penny
Davis	Kanjorski	Perkins
de la Garza	Kaptur	Petri
DeFazio	Kasich	Pickett
Dellums	Kastenmeier	Pickle
Derrick	Kennedy	Porter
Dicks	Kennelly	Poshard
Dingell	Kildee	Price
Donnelly	Kleczka	Pursell
Dorgan (ND)	Kolter	Rahall
Downey	Kostmayer	Ravenel
Duncan	LaFalce	Ray
Durbin	Lancaster	Richardson
Dwyer	Lantos	Rinaldo
Dymally	Laughlin	Ritter
Dyson	Lehman (CA)	Robinson
Early	Lehman (FL)	Roe
Eckart	Lent	Roth
Edwards (CA)	Levin (MI)	Rowland (CT)
Emerson	Levine (CA)	Rowland (GA)
Engel	Lewis (GA)	Roybal
Erdreich	Lipinski	Russo
Espy	Livingston	Sabo
Evans	Lloyd	Saiki
Fascell	Long	Sangmeister
Fazio	Lowey (NY)	Sawyer
Feighan	Luken, Thomas	Scheuer

Schiff	Solarz	Traxler
Schneider	Spence	Unsoeld
Schulze	Spratt	Valentine
Schumer	Staggers	Vento
Serrano	Stallings	Visclosky
Sharp	Stark	Volkmer
Shumway	Stenholm	Walgren
Shuster	Stokes	Walsh
Sisisky	Studds	Washington
Skaggs	Swift	Waxman
Skeen	Synar	Weiss
Skelton	Tallon	Weldon
Slattery	Tanner	Wheat
Slaughter (NY)	Tauzin	Wise
Smith (FL)	Taylor	Wolpe
Smith (IA)	Thomas (GA)	Wyden
Smith (NE)	Torres	Wylie
Smith (NJ)	Torricelli	Yates
Smith (VT)	Towns	Yatron
Snowe	Traficant	

NAYS—103

Armey	Hansen	Rhodes
Baker	Hastert	Ridge
Ballenger	Hawkins	Roberts
Barton	Hefley	Rogers
Bentley	Henry	Rohrabacher
Bereuter	Herger	Ros-Lehtinen
Bilirakis	Hiler	Roukema
Bliley	Holloway	Saxton
Boehlert	Hopkins	Schaefer
Brown (CO)	Inhofe	Schroeder
Buechner	Ireland	Schuette
Bunning	Jacobs	Sensenbrenner
Burton	James	Shays
Campbell (CA)	Kolbe	Sikorski
Chandler	Kyl	Slaughter (VA)
Clay	Lagomarsino	Smith (TX)
Coble	Leach (IA)	Smith, Robert (NH)
Courter	Lewis (CA)	Smith, Robert (OR)
Cox	Lightfoot	Solomon
Craig	Lowery (CA)	Stangeland
Dannemeyer	Machtley	Stearns
DeLay	Madigan	Stump
DeWine	Marlenee	Sundquist
Dickinson	Martin (IL)	Tauke
Douglas	Martin (NY)	Thomas (CA)
Dreier	McCandless	Thomas (WY)
Fawell	McGrath	Upton
Fields	Meyers	Vucanovich
Gallegly	Miller (WA)	Walker
Gallo	Nielson	Weber
Gekas	Parris	Whittaker
Goodling	Pashayan	Wolf
Goss	Paxon	Young (AK)
Grandy	Quillen	
Hancock	Regula	

ANSWERED "PRESENT"—1

Lukens, Donald

NOT VOTING—47

Alexander	Frost	Patterson
Archer	Gephardt	Rangel
AuCoin	Gingrich	Rose
Boggs	Hunter	Rostenkowski
Bonior	Leath (TX)	Sarpalius
Chapman	Lewis (FL)	Savage
Condit	Manton	Shaw
Coughlin	Markey	Smith, Denny (OR)
Crane	McDade	
Crockett	Michel	Udall
Dixon	Miller (OH)	Vander Jagt
Dornan (CA)	Morella	Watkins
Edwards (OK)	Morrison (CT)	Whitten
English	Murphy	Williams
Ford (MI)	Oberstar	Wilson
Frenzel	Panetta	Young (FL)

□ 1031

Mr. PAYNE of New Jersey changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. WISE). The gentleman from Ohio [Mr. TRAFICANT] will lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent for rollcall No. 328, a vote for the Journal, rollcall No. 330, the Goodling amendment to the National Service Act, and rollcall No. 331, the conference report on the Energy Policy Conservation Act. Had I been here, I would have cast the following votes: "aye," "nay," and "aye."

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 2174. An act to provide for the establishment of the Mississippi River Corridor Study Commission, and for other purposes; and

H.R. 4501. An act to provide for the acquisition of the William Johnson House and its addition to the Natchez National Historical Park, and for other purposes.

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2809. An act to provide for the transfer of certain lands to the State of California, and for other purposes.

The message also announced, That the Senate disagrees to the amendments of the House to the bill (S. 566) "An Act to authorize a new Housing Opportunities Partnerships program to support State and local strategies for achieving more affordable housing; to increase homeownership; and for other purposes", request a conference with the House on the disagreeing votes of two Houses thereon, and appoints from the Committee on Banking, Housing, and Urban Affairs: Mr. RIEGLE, Mr. CRANSTON, Mr. SARBANES, Mr. DODD, Mr. DIXON, Mr. D'AMATO, Mr. HEINZ, Mr. BOND, and Mr. MACK; from the Committee on Labor and Human Resources, for title XIII only: Mr. KENNEDY, Mr. DODD, Ms. MIKULSKI, Mr. HATCH, and Mr. DURENBERGER; to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 1805. An act to authorize the Secretary of the Interior to reinstate oil and gas lease LA 033164;

S. 2680. An act to provide for the conveyance of lands to certain individuals in Stone County, AR;

S. 3024. An act to require the Secretary of Agriculture to announce an acreage limitation program for the 1991 crop of winter wheat; and

S. 3023. An act to direct the Secretary of Agriculture to target Export Enhancement Program funds on the basis of whether or not the countries the United States is competing with have reduced plantings of the commodity in question an amount equal to the planting reductions in the United States.

RABBI JAY MARCUS

(Mr. ACKERMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ACKERMAN. Mr. Speaker, I wish to thank Dr. Ford for permitting Rabbi Jay Marcus to lead the House of Representatives in prayer this morning.

Mr. Speaker, for the past 20 years, Rabbi Marcus has distinguished himself as an exemplary community leader, and as the dynamic spiritual leader of the Young Israel of Staten Island.

In addition, for the past 7 years, Rabbi Marcus has been the teacher and confidant of a number of our colleagues and their families. Under the sponsorship of the Genesis Foundation, Rabbi Marcus has conducted a semimonthly congressional Bible class. Over the years, about 30 of our current and former colleagues, as well as members of their families have participated in these classes. Rabbi Marcus' class has been a shining light in our busy schedules. His ability to integrate the value of our tradition along with the subline nature of today's current events has been a beacon of inspiration to all those present to hear his words.

So, it is bittersweet that Rabbi Jay has been awarded a deserved 1 year sabbatical by his congregation. On the one hand, this sabbatical will enable Rabbi Marcus to recharge his batteries and expand his already broad horizons. Yet, on the other hand, his congressional students will miss hearing his inspirational words. Mr. Speaker, Rabbi Marcus is not only my teacher, but also my dear friend. On behalf of his loyal congressional students, I wish him only the best during his sabbatical in Israel.

TRIBUTE TO RABBI JAY MARCUS

Mr. GILMAN. Mr. Speaker, I am pleased to associate myself with the articulate remarks of our colleague from New York [Mr. ACKERMAN], focusing our attention on the distinguished accomplishments of Rabbi Jay Marcus of New York.

Rabbi Marcus is well known to many of us in the House through the outstanding, informative semimonthly congressional Bible class which he has conducted. Rabbi Marcus was blessed with an ability to relate the lessons of the Bible to the problems of contemporary life.

His teachings have been of great value over the past 7 years to about 30 of our current and former colleagues, as well as to their families.

Rabbi Marcus has been the spiritual leader of the Young Israel of Staten Island for 20 years, and has thus earned a reputation as a premier religious leader and instructor throughout the eastern seaboard.

Mr. Speaker, I have been informed that Rabbi Marcus is about to go to Israel to enjoy a 1-year sabbatical from his rabbinical duties. His outstanding counsel will be missed by many, although we appreciate the fact that this devout man has fully earned a period of rest and relaxation.

Mr. Speaker, I invite all of our colleagues to join with us in saluting Rabbi Jay Marcus for the exemplary manner in which he has fulfilled his rabbinical responsibilities in the House.

PRO-LIFE CANDIDATES DO WELL IN PRIMARIES

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, pro-life candidates have done exceptionally well this primary season, a trend which was continued this last Tuesday in Minnesota, Wisconsin, and New Hampshire, while pro-lifers had a day of mixed results in Maryland.

In the Republican gubernatorial primary in Minnesota, the upset victory of Jon Grunseth over an abortion advocate who was up by more than 10 points in the polls was directly attributed to pro-life mobilization. In the Minneapolis Star-Tribune the headline was "Abortion foes may have swung key races." The headline of an article in the Milwaukee Sentinel read "Anti-abortionists run strong in races for assembly seats."

Mr. Speaker, the Minneapolis Star-Tribune wrote:

This was supposed to be an election when abortion rights advocates proved they had undergone a political reawakening, but it was the abortion opponents who demonstrated a newfound zeal Tuesday in supporting candidates who share their views.

Mr. Speaker, pro-life sentiment also prevailed in the Minnesota Democratic primary where Democratic Governor Rudy Perpich beat back the challenger, an abortion rights candidate.

Ladies and gentlemen, slowly but inevitably, despite the pro-abortion euphemisms, Americans are discovering that abortion stops a beating heart.

Mr. Speaker, with your permission, I would like to insert in the Extension of Remarks section today, a summary analysis of Tuesday's election results that was prepared by the National Right to Life Committee.

KEEPING FEDERAL EMPLOYEES AND RETIREES FROM TAKING MAJOR BUDGET HIT

(Ms. OAKAR asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. OAKAR. Mr. Speaker, I know the budget summit is still going on, and I know how difficult it must be to reach a negotiation and a reconciliation.

But Mr. Speaker, the rumors and newspaper reports are dismaying to me. We cannot once again have Federal employees and retirees take the major hit on the cuts. The cost-of-living adjustment is as important to a Federal retiree as it is to a Social Security recipient. The average spousal benefit is less than $6,000 a year. Most of these women have no other income. They need that cost-of-living adjustment.

Similarly, Medicare was never meant to be means tested.

We have an amendment to cut SDI funding in the Defense bill. It is the same cost as the COLA for Federal retirees. I would rather cut arming the heavens than clobber senior citizens.

SUPPORT THE TEXTILE BILL, H.R. 4328

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, I rise today to encourage support for the Textile, Apparel, and Footwear Trade Act of 1990.

The U.S. textile industry is one of the most productive manufacturing sectors of the economy and employs nearly 2 million Americans nationwide. Aside from this fact, textile mills across the Nation contribute to their communities' economic well-being and quality of life in many significant ways.

Fiber, textile, apparel, and footwear companies are active members of every community. Where there is a mill or a factory, there is support for hospitals, schools, drug abuse programs, literacy programs, Scouts, and Little League. Foreign textile manufacturers don't contribute to American communities at all.

The American textile industry conforms with safety and environmental regulations and has been ranked No. 1 in safety by the National Safety Council 3 out of the last 4 years. However, some foreign companies' plants are so unsafe and emit pollutants such that they would be closed by EPA or OSHA.

I ask my colleagues once again to look closely at the current textile situation and decide if the United States can afford to lose this industry to foreign manufacturers. I do not think we can.

RECONCILING THE FEDERAL BUDGET

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute.)

Mr. TORRICELLI. Mr. Speaker, the President stood in this Chamber and he challenged our soldiers and our citizens to stand firm in the Middle East. He displayed character and vision, and then he issued another challenge, to reverse the spiraling national debt. But instead of straight talk and honest answers, he proposed oil drilling incentives, savings plans, capital gains tax reductions, good ideas all, things we would like to support, but ideas which contribute another $32 billion to the national debt.

□ 1040

He comes before us to talk about reducing the national debt, but he has idea after idea which only add to the national debt.

Mr. Speaker, our way of life may or may not be challenged in the Middle East, but most assuredly it is at issue in this Congress and in this city.

The courage of our soldiers in the Middle East is not the only measure of our national character. It is the courage of the administration, indeed, of our national leaders to come before the American people with straight talk and honest answers to end this fiscal abuse and save this country that is at issue.

CRIME BILL DEATH PENALTY A SHAM

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOUGLAS. Mr. Speaker, tomorrow we begin general debate on the crime bill. It is H.R. 5269, and it is an entirely inadequate bill when it comes to the death penalty. Unless it is amended, I intend to vote against the so-called anticrime bill.

One of the reasons the death penalty portion of the bill is so inadequate is that a number of crimes that are currently already capital crimes are not covered under the part of the bill that makes the death penalty constitutional under Federal law. We are currently not in accord with Supreme Court opinions.

The bill would bring us into that accord, but it exempts the following, and if you vote for this bill, this is what you will have voted to do: if you blow up an airplane and kill 300 people, you will not get the death penalty. That is the PLO Protection Act of 1990. If you murder a civil rights lawyer or send a letter bomb through

the mail to kill someone involved in a civil rights activity: not covered by the death penalty. For murdering of witnesses in Federal proceedings, it is not covered by the death penalty. And it goes on and on.

We must support the Gekas amendments to the anticrime bill if we are going to have a meaningful death penalty in this country.

WHERE ARE OUR ALLIES?

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, there have been some inappropriate characterizations of our policy of trying to promote burden sharing and shared responsibility with our allies vis-a-vis the Middle East problem as characterizations of tin cup diplomacy.

Mr. Speaker, well, let us put that to rest. To the people who belong to NATO other than the United States, to the Japanese, to the Germans, and others, you can take your money and stick it. We do not want your money. For 40 years we protected you. For 40 years we spent $40 trillion keeping our folks in Europe keeping you out of harm's way. Now somebody else in this world needs help because a dictator, a despot, has decided to annex a country by force. We are there protecting like the United States always did.

Where are you? Where are you, Germany? Where are you, Japan? Where are you, France, Belgium, Holland, Italy? Where are the rest of you? England? Put your people in harm's way. There are 100,000 American troops there. Where are you?

We do not want your money. We want your damn moral responsibility.

This is your chance to step up to the plate for a change, and if in the process you help the United States share the burden, all the better. But live up to your moral responsibility.

CONGRESS AND THE CRISIS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, the President's address to Congress was commendable. The President has made a strong stand against aggression in the Mideast. It is time for Congress to make a strong stand with him. The leadership in Congress should pass a resolution indicating our support of the President so that he can strengthen his already strong hand against Saddam Hussein of Iraq. It is time for us in Congress to share in the responsibility of this Nation's action. Let us show our support for the President—for the record.

I call on the Senate and the House leadership to tell the American people that we also back the President. The President and leaders of other countries around the world have shown their resolve to stand up against aggression. Is it not time we in this body stood up to be counted with the rest of the world?

I commend the President for his leadership and I ask the Congress to reassert its leadership. With today's notice that Iran is prepared to help Iraq punch through the blockade, we in Congress must show our resolve and support for the President now more than ever.

LET US NOT HURT OUR OWN PEOPLE

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Mr. Speaker, I want to address my colleagues and let the people of this country understand that the burdens that our President says are being shared by all the countries of the world, and he says 20 countries are being shared in the Middle East, that those burdens are simply not being shared.

I have a chart that shows the ground troops that have been committed so far in this Persian Gulf incident, just ground troops, not people in the Navy, not people in the Air Force, ground troops, the ones who are going to get it first, the ones who are in most trouble: The United States, 75,000; Egypt, 5,000; Bangladesh, 5,000; Pakistan, 5,000; Morocco, 1,500; Syria, 1,200; France, 200.

Where is NATO? Where are the Japanese?

We have spent in the last 4 years defending NATO from the Warsaw Pact $4 trillion. We have put our kids' lives on the line.

Where are they?

And I would say to this President that when he comes back with a harsh package of budgetary measures, how about some burden sharing? Let them pay the bills. Let us not hurt our own people.

DO NOT SHACKLE ENERGY INDUSTRY

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, I rise to speak about energy for this country and, indeed, an energy policy that will make that energy available.

Nearly everyone wants an energy policy. The question, of course, is what kind of a policy will we create.

If each of us in this body were to draft our own policy, it would likely be very different. The tough part is to craft a balanced policy which brings forth conservation, alternate sources, security, and domestic production. What we do not need is a series of production disincentives. Excess regulation and windfall profits taxes are among those disincentives.

Mr. Speaker, we have a market system, and one of the lessons that we surely must have learned in the 1970's was that incentives are necessary to produce oil and gas.

In a time when we look for energy security, we should not shackle our energy industry.

UNCLE SAM HAS HAD ENOUGH

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, when are we going to wake up in this country and decide to tell the rest of the world to pay their own bills?

Today we agonize and we wrestle with budget cuts. Some people say, "Well, let us cut farm programs for family farmers who have already seen their prices collapse." That does not make any sense.

I will tell the Members where we ought to cut spending. Let us cut defense spending. No, not ours. Theirs. We pay for their defense. We have 300,000 troops stationed in Western Europe, and we have 200,000 more civilian employees in Western Europe. That is 500,000 people on the American payroll protecting and defending France and Italy against an attack by Poland and Hungary.

No wonder people think there is a drug problem in America. Nobody is thinking very straight.

We need to tell our allies to pay your bills; we cannot afford to defend you anymore. Uncle Sam has had enough.

It is not old fashioned to begin to invest again in America. They pay their bills, and we invest here at home. That is what our priorities ought to be.

ENVIRONMENTALISTS ARE RESPONSIBLE FOR THE MIDDLE EAST CRISIS

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, a lot of Americans are asking why we have sent our troops to the Persian Gulf to protect Arab oil.

Frankly, Americans should realize that rabid environmentalists have decimated our national energy policy

to the point that we have become overly dependent upon foreign oil.

Since the last oil crisis when we imported 6 million barrels of oil per day, their policies have increased our dependence to almost 8 million barrels of oil per day, 33 percent more than was considered to be a dangerous threat to our national stability in 1973.

We could have developed our energy resources in a responsible manner and reduced our dependence on imported oil, and clean our environment, but the environmental extremists have prevented the United States from developing a responsible energy policy.

And why? Because the rabid environmentalists felt it was more important to jeopardize the lives of our brave American servicemen than risk the death of a single snail darter.

What have the environmentalists done to our energy security? Oil and gas drilling on the Outer Continental Shelf, closed. Exploration of oil on the Alaskan National Wildlife Refuge, closed. Construction of nuclear plants, closed. Construction of hydroelectric plants closed.

The greenies have led us into the crisis in the Middle East. Not only are they responsible for the huge amount of American dependence upon foreign oil, but if an open war develops in the sweltering heat of the Saudi Arabian desert, the tragic result will be on their heads.

□ 1050

JAPANESE BANKS ARE FORECLOSING ON AMERICAN BUSINESSES

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, surprise, surprise, surprise. Japanese banks are foreclosing on American businesses. That is right. We keep shipping over money to protect Japan and Europe, and guess what? I have said before, when we own something, we control it. When we have economic power, we have political power. Japanese banks are foreclosing on American businesses, and we are saving their keisters and their oil in the gulf. Shame on Congress.

Meanwhile, we are talking about raising taxes on beer drinkers. Let me remind Members that it was not beer drinkers who were the sinners that got the United States into this damn mess. Let Members start taking care of our business. Let Members put our foot down with Japan. Let Members cut back on foreign aid, and cut back on NATO. We do not need to raise taxes.

I think that Members of Congress and the Cabinet should take a drug test. Everybody must be high for screwing this country up like they have.

HOW ABOUT DEBT REDUCTION FOR THE UNITED STATES?

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Chairman, the United States of America does not just preach burdensharing, we practice it. During this whole Persian Gulf incident, look what we have done. We looked at Egypt, who is contributing, realized they were much poorer than the United States, and then exempted them from $7 billion worth of debt they had borrowed from the United States to build up the armies they have deployed on the front lines.

Now, I only want to say to the Japanese and Germans, we borrow money from those countries, and then we spend that money defending those countries. There is nothing in their constitution that does not allow those two countries the same kind of debt reduction, vis-a-vis the United States, that we have done vis-a-vis Egypt. So why do we not see a little debt reduction in this whole area?

Can Members imagine how much easier it would make our life at the summit? Can Members imagine how much easier everyone would feel? I think it is only time that we finally, finally, see some kind of recognition for the disparity in economic wealth, because we have been spending so much defending them.

GIVE SENIORS A BREAK

(Mr. JAMES asked and was given permission to address the House for 1 minute.)

Mr. JAMES. Mr. Speaker, I hope that while the summiteers are considering ways to budget, that they, in fact, realize that many Members abhor the concept of taxes. I have taken the "no tax" pledge, but more than that, I think it is significant and important that we realize that means we do not cut Social Security benefits by eliminating COLA freezes. We do not tax retirees, Federal retirees and military retirees, by eliminating the COLA's, because that is the same net effect on them as if we raised income taxes on the rest of the citizens. That would be inexcusable, if we used the same gimmickry that occurred with the catastrophic health insurance.

There is absolutely no difference fundamentally to the people, except we would be taxing only the elderly. The same thing with Medicare and Medicaid. That technique was inexcusable when employed a year ago, and would be just as bad if we attempt that technique now.

BUDGET SUMMITEERS WOULD BURDEN ELDERLY

(Mr. WAXMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WAXMAN. Mr. Speaker, I take this time to express my absolute outrage at the budget summiteers, who are talking about wholesale cuts in the Medicare Program. The elderly in this country did not cause this deficit we are now facing. They should not bear this burden. It will hurt them, and is going to hurt our whole health-care system.

Medicare has been the cornerstone of our health policy. It is built on the policy of a social insurance available to the entire population. It has worked well and is broadly supported. The idea that we will have a seniors only tax for a Medicare Program that will do less for them is tremendously offensive. To increase the out-of-pocket costs in premiums and expenses, will be devastating for low income elderly; 40 percent of them already have incomes 200 percent above the poverty line. They will be pushed below the poverty line with these increased expenses placed on all of them.

Why are we doing this? So we do not raise the taxes on the rich. That is unfair. That is why we have a deficit. We gave them tax cuts. Now, they have to pay their fair share.

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO HAVE UNTIL 6 P.M. FRIDAY, SEPTEMBER 14, 1990, TO FILE SUNDRY COMMITTEE REPORTS

Mr. TRAFICANT. Mr. Speaker, I ask unanimous consent that the Committee on Public Works and Transportation may have until 6 p.m. Friday, September 14, 1990, to file the committee reports on H.R. 5314, the Water Resources Development Act of 1990, and H.R. 4323, the Great Lakes Water Quality Improvement Act of 1990.

This request has been cleared by both the minority leadership of the House and the Committee on Public Works and Transportation.

The SPEAKER pro tempore (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from Ohio?

There was no objection.

IN RECOGNITION OF NATIONAL DARE DAY

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, today is National DARE

Day—a day on which we pay tribute to one of our Nation's most successful antidrug education programs.

In the 20th Congressional District in New York, I have seen first hand the success of the DARE approach to drug abuse prevention and education. By bringing law enforcement officials into the classroom to explain the dangers of drugs and to teach resistance techniques, and by involving parents in the process, DARE gives students the skills to recognize and resist pressures which contribute to drug abuse. That is absolutely essential if we hope to protect our Nation's children from the very serious dangers associated with drugs and drug-related crime.

DARE has expanded into more than 2,000 communities in 49 States and several foreign countries. However, it is still not available in too many locations around the Nation. This Congress must help ensure that all students in our Nation have access to DARE and other programs that will help make our schools drug-free. DARE is one of the best investments we can make in America.

Let's dare to make a real change on our priorities and invest in DARE. We cannot afford not to get drugs out of our communities.

INTRODUCTION OF RESOLUTION REGARDING MIDDLE EAST TROOP DEPLOYMENT

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, we have heard a great deal about sharing the burden of the Middle East troop deployment of the United States, and Members of Congress who are concerned about this can support a House concurrent resolution which I have introduced, with very strong bipartisan support, and that resolution is numbered House Concurrent Resolution 366.

Members, our defense policy with respect to our allies has been overtaken by events, and is in need of substantial change. It is absolutely essential that the administration pursue, with far greater vigor, the commitment to funds, troops, or other contributions to the Middle East deployment. Is it not strange that with nearly 100,000 U.S. troops in the gulf, our allies have virtually zero soldiers on the ground? Is it not a scandal, when these rich, technologically advanced nations shirk their responsibilities? Where is their moral fiber? Where is their backbone? Are they not ashamed of their lack of action?

□ 1100

THE NAPAP STUDY

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, the NAPAP study is out. This was a study that was initiated in 1980 to study the cause and effect of acid and toxic air. Little attention was given to it by any of the national media because it downplays the seriousness of what the environmentalists try to make it out to be. This is a demonstration of the power of the environmental establishment. They are killing regional economies.

We spent 10 years, $600 million of taxpayers' money, and yet they would see it wasted to achieve their political agenda, and Congress is being used foolishly.

The environmentalists supported this study in 1980, but because it does not say what they wanted it to say or expected it to say, they are going against it. It does not make sense. If we refuse to heed the conclusions of this NAPAP study, then Americans should be outraged at this blatant misuse of their tax dollars and Congress should be ashamed of itself.

MILITARY AND FEDERAL RETIREES SHOULD NOT HAVE TO BEAR BURDEN OF DEFICIT REDUCTION

(Mr. BILIRAKIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BILIRAKIS. Mr. Speaker, I wanted to take this opportunity to express my deep regret that congressional budget negotiators appear to have made a decision to reduce Federal and military retiree benefits, particularly the Lump Sum Payment Program, cost-of-living adjustments, and the Federal Employee Health Insurance Program.

I am outraged to learn the budget agreement would eliminate military and Federal COLA's. I say enough is enough. Why must military and Federal retirees be singled out in the name of deficit reduction?

I strongly believe that deficit reduction should not be achieved solely through the sacrifices of military and Federal retirees. All Federal retirees should be treated equally with regard to COLA's. How can we hope to attract good people to military and Federal service if we continue to disportionately reduce the benefits of military and Federal retirees?

I hope my colleagues will join me in continuing to work to prevent the perpetuation of inequitable treatment of our citizens who performed the jobs so essential to making our Government work.

IN SUPPORT OF BENNETT-RIDGE AMENDMENT TO CUT SDI

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, for 4 years in a row this House has voted for the Bennett-Ridge amendment on SDI. Four years in a row we have transferred funds from SDI to conventional forces.

We can do it again. Let me tell you why this is important.

The commander of Desert Shield is quoted on the front page of the Washington Post today. He says that the buildup of American forces in the Persian Gulf is being delayed because we do not have enough sealift. SEALIFT. Simple cargo ships.

The commander did not say he did not have enough SDI. He did not say he needed Brilliant Pebbles. He said he needed ships.

The Bennett-Ridge amendment will make sure that an American commander never has to say that again.

The Bennett-Ridge amendment will cut the SDI budget by $600 million. We will use that money to buy fast sealift ships in the Aspin conventional forces Persian Gulf amendment. Chairman ASPIN enthusiastically supports the Bennett-Ridge amendment.

You must vote for Bennett-Ridge to free up the money for these ships.

A vote for Bennett-Ridge is a vote for conventional forces.

A vote for Bennett-Ridge is a vote for realistic national defense.

THE 101ST CONGRESS SHOULD TAKE UP ASSAULT WEAPONS BAN AND BRADY BILL BEFORE ADJOURNING

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, tomorrow, September 14, is an important day. According to our schedule, the House will begin debating the anticrime bill which came out of our Judiciary Committee, a bill which we think will help the law enforcement community fight crime across the United States.

Also, tomorrow, sadly, is the 1-year anniversary of the Standard Gravure killings in Louisville, my hometown, where a person using an AK–47 assault weapon killed 8 people and wounded 13.

These are not exactly unrelated events, Mr. Speaker.

The House has an opportunity, once we pass the crime bill, with the permission of leadership, to take up two pieces of firearms legislation, both of which came out of our Judiciary Committee and both of which should be

passed and attached for conference purpose to the crime bill. One is the ban on the domestic manufacture of assault weapons and the other is the Brady bill, which calls for a 7-day delay before a handgun can be purchased or transferred.

I ask with great respect that our leadership, on both sides of the aisle, put those two pieces of public safety firearms legislation on our Calendar before the House adjourns.

IN SUPPORT OF THE SDI

(Mr. KYL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KYL. Mr. Speaker, our colleague, the gentleman from Florida [Mr. BENNETT] has just spoken on the issue of SDI, and I would like to speak to that for just 1 minute.

This morning's Washington Times carried a news report that the Iraqis have now developed a mobile capability for their missiles. They can launch their missiles from literally anywhere in occupied territory. Since their longest range missile has a range of 600 miles, that means they can strike literally anywhere that we have our forces deployed.

The only way that we could defend against those missiles in the future is through the development of the strategic defense initiative. We do not have that today. As a result, the young men and women defending our interests in the Persian Gulf area are exposed to either conventional or chemical warheads launched by missiles from Iraqi or Kuwaiti soil.

It seems to me, Mr. Speaker, that is a situation this Congress should not let continue for any longer than we can possibly avoid it. Perhaps within 5 years we can have a system deployed which could stop those Iraqi missiles or the missiles of any future adversary, and I urge my colleagues to support SDI to achieve that goal.

THE PYRO MINING CO. TRAGEDY—1 YEAR AGO TODAY

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, my colleague and friend Congressman RON MAZZOLI has reminded us that 1 year ago tomorrow—September 14, 1989—a crazed gunman killed eight employees of Standard Gravure Corp. in Louisville, KY, and injured 13 others before killing himself.

Well, just 1 year ago today—September 13, 1989—an explosion shook Pyro Mining Co.'s William Station Mine near Wheatcroft, KY, in my congressional district, and claimed the lives of 10 miners. Today, 1 year later, we are still feeling the after-shock of that tragedy.

This past Sunday, the Courier-Journal, Kentucky's largest newspaper, published excellent articles that focused on the pain and loss felt by the families of the victims of this terrible accident. These news and feature articles were written by Fran Ellers and Robert Garrett of the newspaper's staff. All of us in western Kentucky have been affected by this loss.

I congratulate the news media in Kentucky and in nearby Evansville, IN, for their attempts to educate the public with regard to what took place at the William Station Mine on September 13, 1989. Coal mining is critical to Kentucky's economy, and every citizen should know about safety and health conditions in our mines.

Moreover, those of us in Congress share a unique responsibility to learn exactly what took place at this mine and what actions we can take to avoid such accidents in the future. Miners, whether they are involved in coal mining or the mining of some other mineral or commodity, can be found all across these United States.

It is to that end that I draw your attention to special oversight hearings that will be conducted by the House Education and Labor Committee's Subcommittee on Health and Safety with respect to the Pyro Mine disaster. These hearings will take place in the Rayburn House Office Building on Thursday, September 27, and I am grateful to have the opportunity to take part in the hearings at the invitation of the subcommittee's chairman, my friend JOE GAYDOS of Pennsylvania.

Hopefully, through these oversight hearings we will be able to best ascertain what actions we need to take to make certain that an accident of this nature does not repeat itself—in western Kentucky or your home State.

TURNING OVER MORE OF OUR AUTO INDUSTRY TO JAPAN

(Mr. WALKER asked and was given permisson to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALKER. Mr. Speaker, we have had a number of people come to the floor this morning and do a little bit of Japan bashing in the course of their remarks. It was interesting that one of the people who engaged in that exercise is a sponsor of legislation that will have the effect of turning over even more of our automobile industry to the Japanese. That particular piece of legislation claims to have the effect of raising automobile fuel efficiency standards up to 40 miles to the gallon.

The problem is that the last time we did that, although some folks say with no harm, the last time we did it we turned over a major share of our automobile production capacity to the Japanese. They were the ones prepared with the small cars to meet those standards. American plants closed. American workers went on the unemployment lines because we did something stupid here in the Congress that let the Japanese get a share of the market that they did not think they could get.

The Japanese Ministry of Trade and Industry told the Japanese automobile industry that they did not have a chance of penetrating the American market. That was not until Congress acted.

Now one of the people who got up this morning and bashed again said, or is the sponsor of the legislation to do the same thing all over again.

BURDEN SHARING BY AMERICAN TAXPAYERS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, there is a lot of talk about burden sharing around here lately. The President spoke of it during his speech here just the other night. We all applauded when he spoke of having other nations share that burden in the Persian Gulf. Then he brought it home by saying everyone at home would have to share in reducing the deficit. I did not clap.

The reason is that there are a lot of Americans who have already been shouldering that burden. What about middle-income Americans who have seen their tax burdens go up while the richest Americans have seen theirs go down?

What about the office employee, the plant worker, the teacher, the mid-level executive who cannot get financial aid for their children's college education? They are already carrying that burden or senior citizens who are seeing Medicare cut each year. They know where the burden has been.

□ 1110

Mr. Speaker, in the Persian Gulf this President is working at persuading others who have not been involved to ante up. Now is the time to be asking the same of those at home who have not been carrying the burden that a lot of Americans have long been shouldering.

CONFERENCE REPORT ON H.R. 7, CARL D. PERKINS VOCATIONAL AND APPLIED TECHNOLOGY EDUCATION ACT AMENDMENTS OF 1990

Mr. HAWKINS. Mr. Speaker, I call up the conference report on the bill (H.R. 7) to amend the Carl D. Perkins Vocational Education Act to improve the provision of services under such

act and to extend the authorities contained in such act through the fiscal year 1995, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. WISE). Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of August 2, 1990.)

The SPEAKER pro tempore. The gentleman from California [Mr. HAWKINS] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to bring before the House today the conference report on H.R. 7, the Carl D. Perkins Vocational and Applied Technology Education Amendments of 1990.

This conference report is a reauthorization of current Federal vocational education programs; however, H.R. 7 is not a routine, business as usual reauthorization. Instead, it is a comprehensive measure intended to adapt current vocational education practices to the modern era of rapidly changing technological advancement and challenges. H.R. 7 will make vocational education more relevant and consequential to change in today's labor force and in the increasingly complex marketplace of the future.

This conference report is the result of several years of study of the effectiveness of our current vocational education system. It is the product of many months of hard work, staff oversight activities, and testimony from many expert witnesses who work day in and day out toward the implementation of these programs. These practitioners set forth their views and recommendations for the contents of this legislation. H.R. 7 also has taken into consideration the findings of the national assessment on vocational education, GAO reports, other research reports, reports from individuals who follow the program on a regular basis.

The principal theme of the bill is that we cannot continue our current Federal policy in vocational education. There are model vocational education programs, but, there are also programs that are no longer acceptable because they are not adequately preparing the workers who will be called upon to increase our country's international competitive position. We simply cannot afford to maintain the status quo.

H.R. 7 contains several changes from current law.

First, there is a change in the process of allocation of funds. Under current law, the States have great discretion over the use of funds for vocational education. H.R. 7 restricts State authority over these funds. It does this by changing the funding formula from a State controlled program to one in which local educational agencies, area schools and community colleges drive 75 percent of the funds.

Second, H.R. 7 includes a much clearer and more specific use of Federal funds in vocational education. Students will now learn academic skills at the same time they are strengthening their occupational skills. We have heard many comments from the business community regarding the shortcomings of our education system. The workers have inadequate skills and are ill-prepared in reading, writing, and computing. This provision responds to those criticisms.

Third, H.R. 7 provides for better targeting on special populations. The program has changed from a multiple setaside program to one which provides funding for more improved comprehensive programs. The funding is formula driven to local school districts based mostly on the number of economically disadvantaged students in schools, but also considering the number of handicapped students and the general enrollments. This legislation has been changed to help the most needy in our society. One of the findings of the National Assessment on Vocational Education is:

> The quality of vocational education available to students in poor schools is significantly lower than that available to students in more affluent communities. Students in schools in the lowest quartile, as measured by average family income student academic ability and socio-economic status, are half as likely to have access to an area vocational center as other students. They are also in schools with less than half the total number of vocational courses and less than half the number of advanced vocational courses.

Our conference report addresses this finding.

Fourth, H.R. 7 provides for better cooperation and coordination between high schools and community colleges. Building on several efforts currently underway, the "tech prep" provision encourages secondary schools and community colleges to work in concert with each other in planning and to pursue a more coordinated approach in curriculum that will better prepare students for the world of work.

Finally, the legislation provides for a name change for vocational education to Vocational and Applied Technology.

Changing the name of the Perkins Act is not just a gimmick; it is more than symbolic, for not only does it imply that we need more up to date and relevant education activities and job training, but it also signifies the emergence of a genuine transformation in the way we prepare students for the world of work.

As we know so well, it is never easy to embark on the road of change, but I believe this bipartisan conference report represents a monumental step toward enhancing the education and occupational training that the workers of tomorrow will receive. It will increase our productivity, increase our international economic standing, and more importantly will increase the education and skills of all of our people.

I urge my colleagues to vote in favor of the conference report.

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). The gentleman from Pennsylvania [Mr. GOODLING] is recognized for 30 minutes.

Mr. GOODLING. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of the conference report to H.R. 7, the Carl D. Perkins Vocational and Applied Technology Education Act. I think it is important that my colleagues hear the title because the title would indicate that we are trying to make changes, and I think we did just that.

Madam Speaker, I was very pleased to be an original cosponsor with the gentleman from California [Mr. HAWKINS] on this bill in the House. I have very much enjoyed working with him on the bold and thoughtful legislation, and I will certainly miss that relationship when he retires. The House bill passed over a year ago, on May 9, 1989, by a vote of 402 to 3.

□ 1120

Madam Speaker, this conference report retains the basic structure of the House bill and incorporates a number of improvements contained in the Senate bill. I did not think they could improve it, but they did.

H.R. 7 extends the Federal support for vocational education to the year 1995. The bill makes major advances in helping to target Federal program money to areas of greatest need for program improvement. I want to emphasize those words: "program improvement."

The bill recognizes the problems with the current law in its failure to adequately meet the needs of special population students.

First of all, the set-aside structure is eliminated. The largest problem with the current law centers on the funding structure of the Federal program. The current law requires that most of the money be split among categorical setaside programs. At the local program level these seven different pots of money translate into seven sets of regulations, seven applications, and seven sets of rules. We have learned that the restrictions imposed by the Federal law are causing such a dispersion of money that it has worked an injustice in burdening educators and students with tremendous paperwork and with very little funds. In fact, the GAO

report, I believe, indicated that one of the grants was for $1.12 or something close to that number. It probably cost thousands of dollars to send out that tiny grant.

In targeting, H.R. 7 corrects the current program's failure by creating one program at the local level. It eliminates the set-aside structure and sends money to local school districts and eligible institutions of higher learning through a formula based on their relative share of students in poverty, students with handicaps, and student enrollment. By driving funds to school districts based on these students, we have targeted the money to the areas most in need.

On program improvement, once these funds reach the local level, those funds must be used for programs which improve vocational education, are of sufficient size and scope to integrate academics with vocational education, and offer coherent sequences of courses. The formula drives the funds to areas of need; however, contrary to current law, the funds do not have to be spent on the individual students driving the formula. The school districts have considerable flexibility in the use of these funds. Funds can be used to hire teachers, to provide professional development, to improve curriculum, to provide the supportive services needed by special population students, and to purchase equipment.

As far as the area schools are concerned, one set of amendments, which incorporates several Senate provisions regarding the area vocational schools, corrects the deficiencies of the House bill. The conferees have agreed to allow for the State to make direct allocations to the area school instead of funneling the local money through the local school district before reaching the area school. There were several Members of the House who had that concern. This should ensure that quality vocational programs will be continued through the area school.

I do have one problem with the bill, however, and I believe that one of the gentlemen on the other side will be glad to hear this. I do have a problem with concentration grants in vocational education programs. I think they are fine in chapter 1. I have fought for them in chapter 1. I do not, however, believe this is the place for concentration grants.

Finally, I would like to reiterate my strong support regarding the conference report on H.R. 7 and encourage all Members to vote favorably for its passage.

Madam Speaker, I again want to thank the chairman of the committee for his leadership, not only on this bill, but for the leadership he has provided for young people and older people who are seeking training and retraining in education. During his many years of service here, he has provided real leadership.

I would certainly be remiss if I did not thank the young lady sitting to my left. Jo-Marie St Martin probably spent hundreds of hours on this legislation, first trying to get something together that she thought I wanted and then working with the chairman's staff trying to get something together that he wanted, and then trying to go out and convince all those people who had the set-asides that somehow they are going to do better with this bill than they have done presently. Of course, she is backed up by Beth Buehlmann.

Certainly I want to thank Jack Jennings and June Harris on the other side of the aisle. Those two worked very closely and very well together with the staff on our side of the aisle to provide us with the kind of legislation that I think will make a difference in the future and provide outstanding vocational technical education with this program.

Then I would also like to thank Liz Powell, the legislative counsel, because she was called upon quite often and came forth very readily.

Madam Speaker, again I commend this bill to all the Members of the House. I think it is even better than when I left the House, and at that time we only lost three votes.

Madam Speaker, I reserve the balance of my time.

Mr. HAWKINS. Madam Speaker, I yield myself such time as I may consume just so that I may also at this point, since it seems to be an opportune time, join in expressing our appreciation to the staffs, both the majority and minority, who worked on this bill. Also, as chairman of the committee, I wish to pay tribute to the generous cooperation of the ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING].

Madam Speaker, I yield 3 minutes to the gentleman from Kentucky [Mr. PERKINS].

Mr. PERKINS. Madam Speaker, I would say to my distinguished colleagues that it is a pleasure indeed to be able to stand here and talk to them about a piece of legislation that perhaps does not have a lot of controversy associated with it but which at the same time is distinguished for its importance and what it is going to be putting forth for the people of this country. I think this is one of the most integral and important pieces of legislation we will have considered during this session of Congress.

Across the country the needs for the future are increasingly being propounded in a fashion that requires vocational education and more modern types of training for the students of this great country. This piece of legislation that we are considering today goes a long way toward trying to improve what America can do to improve its place in the world in the future. That is something that I wish we could say about more legislation that goes through this House of Representatives.

What we are doing today is going to be something that will make a difference in how we are able to effectively improve the future in training and retraining and addressing the needs this country has in education.

My good friend, the gentleman from Pennsylvania [Mr. GOODLING] has gone through in detail, as has the chairman of the committee, the variety of things this legislation offers. The specifics sometimes sound a little dull to some people, but they are the heart and soul of what we could do. What we are doing is offering a totally new approach toward vocational education and toward retraining in technical areas throughout this country. That is an exicting and important thing.

So I feel very good today in coming forward and talking to all my colleagues and friends about this legislation. Again, as others have, I would like to thank the staffs for their help and thank my colleagues for the bipartisan support they have offered and the work they have done in bringing forth a piece of legislation that is going to make America greater than it is today.

Madam Speaker, I hope we come today to voice our unanimous support for the reauthorization of this exciting legislation. This action, which will update and reauthorize the Carl D. Perkins Vocational Education Act, is badly needed and comes in time to address many economic and training needs of our Nation.

This was the last major piece of legislation that my late father participated in and so it holds a very special place in my heart. The Vocational and Applied Technology Education Act Amendments contain many critical changes that will help to enable the vocational programs of our country provide the training opportunities that are demanded by today's business community.

I want to applaud Chairman HAWKINS and thank him for his exceptional leadership in shepherding this comprehensive bill through the legislative process. His service to our committee and to the Congress has remained a stellar example of true leadership and unrelenting commitment to getting the job done.

The committee's decision to break away from the practice of the past, to break new ground in this arena, bodes well for the future of vocational education. We have seen the critics of this program chip away at it because of the lack of contemporary answers to training problems. This legislation sets guidelines that will help to formulate working relationships and patterns of teachings that will ensure access to the training sequences that silence these critics.

By removing the program's set asides we are driving more of the money down to the local programs to enable them to make the needed program improvements that will ad-

dress the changing demographics of our global economy. The addition of the tech-prep legislation, by Congressman FORD, will also add to the integration of business to school as well as school to school programs. These bridges will allow more doors to be open and more opportunities to be created. Tech-prep will enhance the image of the traditional vocational programs by tying it to a continuing postsecondary program. This comprehensive training program will build on the programs in place today and create new and innovative training structures as a result of the cooperative between these partners.

The additional inclusion of the supplementary grant provisions will provide to those schools in economically depressed areas more funds in order to pay for the renovation of facilities and the acquisition of new and updated equipment. I originally offered this proposal in the committee consideration of the reauthorization because of the desperate conditions I personally witnessed in some of the schools in my own region. How can we expect the system to produce well trained graduates for the coming turn of the century challenges when we force them to utilize facilities and equipment based in 1950's techology? If we are to point the finger of blame anywhere it must rest on our own House because of the lack of Federal support in this arena. This provision will help to turn this corner and provide the tools that are so desperately needed.

I am pleased to find such bipartisan support for the reauthorization legislation and wish to express my appreciation to Congressman GOODLING for his continued commitment to improving the education and training systems of our Nation.

I look forward to the President's signature going onto this legislation very soon and will applaud one of his first brave steps in earning the title he claims to deserve, "the Education President." Personally, I feel it will take many more of these steps of courage for the President to earn this moniker and I look forward to his efforts to pursue this.

Mr. GOODLING. Madam Speaker, I yield such time as he may consume to the distinguished gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Madam Speaker, this is a good day for the House of Representatives, or at least it is a good hour. This is a good conference report. This is an important piece of legislation to continue America's efforts to prepare our work force for the 21st century.

In the past this committee has brought us reauthorizations of vocational education. Today we bring to the Members the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990.

□ 1130

That title in and of itself says a lot about what this legislation is all about and why it is so important. One of those rare but very important elements of the Congress working together, especially in the House of Representatives, was when this conference committee, under the distinguished leadership of our chairman, the gentleman from California [Mr. HAWKINS], and our ranking member, the gentleman from Pennsylvania [Mr. GOODLING], led us against the Senate in conference in a bipartisan fashion to make sure that we did not take steps backward, but rather we took important steps forward to use the leadership role, which is really all the Federal Government's role in vocational education is, because we provide only about 8 percent of all the money spent on vocational education in this country, but use that leadership role which we have to assist States in making the important steps to respond to the diversity of America's work force and the diversity and challenges of America's workplace in the 1990's and the 21st century.

How does that happen? As the gentleman from California [Mr. HAWKINS] and the gentleman from Pennsylvania [Mr. GOODLING] have indicated, we do not continue the effort of focusing money on set-asides, paperwork, bureaucracies, and categories. We stood up to the challenge to respond to the need to train each and every individual who needs that training. Some of them are high school students who are going to go directly into the work force. Some of those are graduates of high school who need additional training.

Madam Speaker, the majority of jobs in the 1990's are going to require some kind of training beyond high school. Some of them are adults coming back for additional training or even retraining as they recognize the realities of today's modern work force.

It was no one less than Lane Kirkland who said the average person in today's society will have four different careers and six different jobs in their lifetime. We are trying in this legislation to provide the leadership and the flexibility to respond to those particular needs.

I have to say we had some near misses. Because the Senate, unlike the House, passed legislation that said vocational education is struggling at the high school level. Therefore, let us put almost all the money into the high schools. If you have a postsecondary program in your State, well, that is your problem.

We at the Federal level ought not be making that choice. We ought to allow Pennsylvania to respond to the uniqueness of their educational program, California to do the same, and Wisconsin to do the same. And each and every one of us are different. We maintain the abilities of States to make that choice.

We ran into some controversy with some of our State Departments of Public Instruction because we said vocational education, like every other education program, ought not be allowed to skim off more than 5 percent of the money to the States for State administration.

I am not going to name States, but there have been States up to this point in time that are funding over half the bureaucracy at the State level for their departments of public instruction with Federal vocational education dollars, and that was literally not the intent. We stood up to that, and the bill we bring you is not going to allow that any more.

Third, I have to tell Members, from a rural area it was absolutely essential that we allow rural schools that are small in enrollment, that have developed unique programs to respond to their unique needs, to continue those programs, even if they do not get a $15,000 grant.

We include in this legislation the ability of a Governor to waive that if he believes his State's response to the unique vocational education training demands of their State ought to provide for that flexibility.

We can go on to the prep tech and the equipment and the other innovations that are included in this bill, but I think there is something very significant. Today we make clear, vocational education is not a program for the poor. Vocational education is not a program for the slow learner. Vocational education is not a program for special categories of population. Vocational education with this bill is a part of America's preparation to be a part of a competitive workplace, and have a competitive work force, in an emerging global and competitive society. That is good. That is why this conference report is so good, and that is why the gentleman from California [Mr. HAWKINS] and the gentleman from Pennsylvania [Mr. GOODLING] and their leadership need to be so commended and supported by every Member of this body.

Mr. HAWKINS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Speaker, as one of the conferees on the vocational education bill, I urge my colleagues to support the conference report.

This vocational education bill completely revamps the mission of vocational education to meet the challenges and demands of the more technologically advanced 21st century. It is a forward-thinking bill with a clear purpose better to prepare our students to compete in an everchanging world.

This conference report includes my vocational counseling provision which authorizes $20 million for guidance and counseling. Career guidance and counseling is more critical to vocational students than any other student. Counseling has been proven successful in assisting individuals with career development, job preparation, and employment. It can improve educational

performance and work skills. Counseling has long been recognized as an effective partner in vocational education but funding has been lacking. This authorization will provide crucial guidance and counseling programs.

Further, this bill preserves flexibility. It allows the States to decide where their greatest vocational needs exist—whether at the high school or postsecondary levels. In my home State, the real Washington, our northwest timber-based economies are threatened. This bill gives us flexibility to meet some of our unique needs and to respond effectively to the economic and job shifts that are now taking place.

I urge my colleagues to support this conference report that helps our students prepare for their future in an everchanging, complex society.

Mr. HAWKINS. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. MARTINEZ], chairman of the Subcommittee on Employment Opportunities, which contributed a great deal to the final proposal.

Mr. MARTINEZ. Mr. Speaker, I rise to urge my colleagues to support the conference report for H.R. 7 which reauthorizes the Perkins Act. This legislation modernizes and strengthens vocational and technical education to help provide American businesses with the trained human resources needed to turn the challenges facing our nation into opportunities. I want to draw special attention to two particularly important elements in this legislation.

First, I want to draw the attention of my colleagues to the tech-prep provisions. Postsecondary education has long been a vital part of vocational and technical education. For example, President Lincoln created the landgrant colleges to help provide such applied technical knowledge. These landgrant colleges helped transform America and provided the foundation for America's role as a world leader. H.R. 7 builds on that strong tradition by establishing the tech-prep program which builds bridges between technology and vocational education in high schools, community colleges, and other postsecondary institutions. It recognizes that all too often vocational education has served as a dumping ground for students who were not building skills in mainstream courses. Too often the students in those courses failed to build basic skills and found themselves at a dead-end with skills that were not in demand and without the educational credentials they needed to advance in school.

This legislation acts to end that problem by strengthening the integration of technology education with the standard academic courses and by building bridges from high school technology and vocational programs to those in community colleges and beyond. I am proud to note that this provision—which I actively supported and helped refine—builds to a substantial degree on California's 2+2+2 program which has built a strong track record in developing a skilled work force with topnotch basic and higher order skills.

Second, data and research provide the foundations for accountability and for program improvement in public policy. This has been a particularly serious problem in the Federal vocational education program where the Department of Education and other agencies have failed to collect quality data needed to adequately assess how our tax dollars are being used to improve technology and vocational education. In many cases we simply don't know whether these students are building the star-skills needed for jobs today and to forge new industries tomorrow, or whether we're still training students to make buggy whips. The Department of Education has been able to provide little too little information about the quality of facilities, of staff, participation by special populations, and so on.

We have worked closely with other members of the Committee on Education and Labor and with the broad education and business community to author the data provisions of this legislation. The development of a vocational and technology education data system is mandated as an integral part of the education data system of the National Center for Education Statistics. For the first time this will allow systematic comparisons of programs, facilities, patterns of course enrollment, participation by students with disabilities, and on other key factors to let us know how vocational and technology education programs are performing. To strengthen our knowledge of how academic achievement of vocational students compares to that of nonvocational students, this measure mandates that the National Assessment of Education Progress include a subsample of vocational education students to determine whether they are building academic skills that are at least as strong as those of other students.

Several other important data provisions strengthen this. Given the rapidly growing importance of world markets and world competition, this legislation requires that the Department of Education determine what information is available on how the work-related skills of our Nation's students compare with those in other nations and work to upgrade that data stream. For the first time this will allow us to address the issue of whether the technology skills of our Nation's students are competitive with those in our major trade partners. Strengthening this is a mandated GAO study, which we worked with other Members to improve in conference, which examines the work-based apprenticeship programs in Germany to determine what elements, if any, would provide a useful basis for American education policy and to assess the availability and quality of work-based education information needed by American private and public policy makers as we move to develop "work force 2000".

Too often the myriad Federal and State agencies collect costly and important information about vocational and technology education—but often the data in one place needlessly replicates the data available from other sources. And often vital policy questions cannot be answered because it is often extraordinarily difficult or impossible to cross-walk data from one division or one department to another to answer those questions. In other cases vital program information has not been available because it falls between the cracks, with no agency taking responsibility for dealing with the issue. That is why this legislation strengthens the role of the National Occupational Information Coordinating Committee—a Federal interagency group created to address these issues—to enable it to better bring together its member agencies—and State level affiliates—to determine what data is needed, what is available, and what needs to be done to eliminate needless duplication and to get the information needed for better policy.

While many of the most important consequences of education programs are long term, we have little quality data on the long-term career implications of vocational education. That is why this legislation includes what seems to be the first federally legislated use of unemployment insurance wage records in a demonstration project to provide timely, accurate, and cost effective data on long-term career outcomes for vocational education students, while providing strong protections for protection of privacy. I also authored the provisions which mandate regional vocational education curriculum centers to help local schools identify and implement effective technology and vocational education curricula. Finally, identifying and spotlighting innovative and effective programs that build excellence in vocational education is an important part of the process of modernizing and upgrading the quality of vocational education. That is why this legislation establishes blue ribbon vocational awards to provide for Presidential recognition of outstanding programs of vocational education and to disseminate information about these programs of excellance to other schools.

In sum, this legislation takes these and many other important steps to modernize our Nation's system for technology and vocational education,

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and to again move it from the backwaters of the educational enterprise to the main currents of educational reform and excellence. It works to integrate vocational and academic education, to build accountability, and to work for ongoing program improvement. I strongly urge my colleagues to join me in supporting enactment of this essential legislation.

□ 1140

Mr. GOODLING. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. UPTON].

Mr. UPTON. Mr. Speaker, I rise in strong support of the conference report on H.R. 7, the Carl D. Perkins Vocational and Applied Technology Education Act. I also want to rise in support of my good friends on our side of the aisle, the gentleman from Pennsylvania [Mr. GOODLING] and the gentleman from Wisconsin [Mr. GUNDERSON], who did yeoman work in completing action on this bill with our Senate conferees.

I was pleased to vote in favor of this bill when it passed the House in June 1989, and I urge my House colleagues to join me today in voting for passage of the conference report.

This legislation, which would reauthorize Federal vocational education programs for 5 years at $1.6 billion, focuses proper attention on the need for vocational education in America. If we as Americans want to maintain a strong position in the world economy, we must be willing to devote the energy and funds necessary to develop a trained work force that can compete in the world market.

This legislation is the most thorough revision of the Federal vocational education law in 25 years. It will help to improve vocational education training by focusing Federal funds to school districts and institutions of higher education with high concentrations of poor and handicapped students. It will also increase the flexibility of Federal funds for program improvement and improve the coordination between high schools and community colleges.

I am proud of the strong vocational education program in my home State of Michigan, where we have 56 area vocational centers, 401 high schools, and 29 community colleges that offer these vocational-technical programs. I have visited these centers in my district and have seen the success and difference these programs make.

Our strong national defense that is now being tested in the Middle East will mean nothing if we do not have a strong national offense, a successful education system that serves all Americans, here at home, where we will fight other wars against illiteracy and poverty, and the war to educate American workers to be the best and most innovative employees in the world.

I commend the work of my colleagues on the House Education and Labor Committee and the Senate Labor and Human Resources Committee, and I look forward to continuing to work with them to improve education in America.

Mr. HAWKINS. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. OWENS].

Mr. OWENS of New York. Mr. Speaker, despite the fact that not very much controversy surrounds this bill at this point of the conference report, it is a very compex piece of legislation, and I congratulate all of those staff members and Members who have worked on it throughout the whole process.

This is a bill which I hope has a moral imperative for all of the members of the Education and Labor Committee and our counterparts in the other body to watch the process and see to it that we guarantee safeguards for the people with disabiiities, students with disabilities. We removed certain safeguards for those students when we removed the set-asides, and that was not done by unanimous agreement, but it has been done, and I hold all Members to the moral imperative of watching the process to guarantee that students with disabilities are not shortchanged.

This is a bill which integrates vocational education with the whole education process of elementary and secondary schools. In New York City these students are already way ahead of us. Some of the longest waiting lists that we have are for schools that are called special vocational education schools. They understand at these schools, and the students on these waiting lists understand, that this is a very important part of our future. The School of Aircraft Technology and a few others have long waiting lists of students who have high marks in math and science and who have high marks in reading.

The integration of this program shows that it is just as important as any other part of our education effort. The goals of the President to achieve fewer dropouts will certainly be helped by this kind of activity. The goal to achieve No. 1 ranking in math and science in the world will certainly be helped by what is in this bill.

States will also decide on the allocation of the funds, which I think is very important in terms of States being able to determine where these funds can achieve the greatest impact.

Finally, I would like to applaud a part of the bill that was added in conference, or accepted in conference by the House conferees and proposed by the Senate, which is a department of corrections education, a department to focus on education in correctional institutions. This is a very important innovation, a very important new element. We recently had a study which shows that at least one-fourth of all black males between the ages of 20 and 29 are in some form of incarceration, in some form of the law enforcement supervision, under government control. This is an embarrassment. It is a scandal. It is a disaster. Steps should be taken to correct it.

I think many things have to be done, but certainly one of the things to do is to focus on trying to improve the education of young people who have come under the control of the government. Some youngsters as early as 12 or 13 are put into the juvenile correction system. That means that at that early age some unit of government has control over their lives, some unit of government has assumed the role of parent, or mentor, or the role of guardian. Let us take this opportunity, use this captive audience, use the fact that they are a captive audience and try to maximize the educational opportunities, maximize their contract with education so that when young people, and I do not have much hope for those that are over 30, but certainly all of those who are at a very young age can be molded, they can be helped, they can be started on the road to literacy, on the road to proficiency in reading and math, and when they return to society they will have the appreciation and go to get an education which will help them to get a decent and honest job.

□ 1150

This is a very important innovation. It is supported by those on the right and the left, the conservatives, the liberals. Everybody supports the need to provide for a more basic education system in the correctional institutions.

I applaud this conference report, and I urge all Members to vote for it.

Mr. HAWKINS. Mr. Speaker, I yield 2 minutes to the gentleman from New Mexico [Mr. RICHARDSON].

Mr. RICHARDSON. Mr. Speaker, I rise today to express my support for the conference report on H.R. 7 and to recognize the hard work put forth by the chairman and the conferees in the shaping of this important report.

H.R. 7 will provide critically needed Federal support of vocational education programs to many disadvantaged minority individuals, especially our Nation's youth. Statistics show that native Americans have the lowest high school graduation rate of any minority group and the dropout rate for Hispanics has been estimated to be as high as 50 percent. There is little question that the academic path which leads to college is not appropriate for all our young people, whether they be Hispanic, white, black, Asian, or Indian. Alternatives must be available so that these individuals are encouraged to continue their education in whatever direction they choose. Thus,

vocational education is a practical and positive investment for our economy as well as for those youth who might leave school without a skill or future.

In New Mexico where 40 percent of the population is Hispanic and 9 percent is native American, the negative trends represented by the previously stated statistics have had a disproportionate and serious impact on New Mexico. However, the benefit of Federal vocational education funding has allowed 150,000 individuals to receive the education and training they need to be productive citizens.

I am very pleased to see that the conferees included provisions for native American vocational education that were similar to legislation I introduced and the Education and Labor Committee adopted earlier in the 101st Congress. Specifically, H.R. 7 authorizes a stable source of Federal funding for tribally controlled postsecondary vocational institutions, of which the Crownpoint Institute of Technology, located in my district, qualifies. Crownpoint has played an essential role in transforming many welfare-dependent native Americans into proud, productive citizens contributing to tribal and State economies.

Mr. Speaker, I believe that H.R. 7 will be extremely beneficial to thousands of individuals across the country and I hope my colleagues will join me in supporting this conference report.

Mr. HAWKINS. Mr. Speaker, I yield 3 minutes to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY of New York. Mr. Speaker, I rise in support of the conference report, and I would like to take this opportunity to commend Chairman HAWKINS, ranking Member GOODLING, and Chairman FORD for their leadership in producing a conference agreement that will significantly improve vocational education programs throughout our Nation.

The final agreement contains numerous improvements that will help modernize our occupational training programs and improve our ability to compete effectively in the world marketplace. The bill targets funds to disadvantaged students. It ensures that vocational students will have a coherent sequence of courses and that vocational training will be linked to academic study. Further, it contains an innovative program, known as the tech-prep program, championed by Chairman FORD, which will link study in secondary and postsecondary institutions.

I am proud to support all of these important changes. I would also like to call attention, however, to two improvements in the final vocational bill that are of particular importance to my congressional district.

First of all, the final agreement contains a formula that permits direct funding of regional vocational education schools, such as New York's Board of Cooperative Educational Services, or BOCES. This is a significant improvement over the prior formula, which would have forced funding to go first to a local education agency. This might have disrupted the funding stream to area schools and caused financial difficulties for regional vocational schools. The final agreement will continue to provide strong, direct, support for area schools like the BOCES, which are doing a tremendous job in serving the needs of young people in New York.

Further, the final bill preserves Federal vocational education funding for New York's educational opportunity centers, which are regional postsecondary institutions serving disadvantaged students. Funding for these institutions was threatened by a funding formula based on receipt of Pell grants. But because these institutions do not charge tuition, their students are not eligible for the receipt of Pell grant funding. The final agreement will permit a waiver of this requirement if the State can propose an alternative formula that ensures that funding is directed to disadvantaged students. This formula will keep funds flowing to the EOC's, one of which is in my congressional district in Yonkers, NY.

In my view, these changes add significantly to the quality of ths reauthorization measure, and provide additional reasons why this excellent agreement should be strongly supported by all Members of the House of Representatives.

Once again, I express my appreciation to Chairman HAWKINS, ranking member GOODLING, and Chairman FORD, for their assistance in these matters and for their hard work on this essential legislation. I urge all Members of the House to support this conference report.

Mr. HAWKINS. Mr. Speaker, one important part of this conference report utilizes the bill as it was amended by H.R. 22, known as the Tech-Prep Education Act, sometimes also called 2+2, which would combine the last 2 years of high school with 2 years of college. The author of that particular provision is the gentleman from Michigan [Mr. FORD].

Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. FORD].

Mr. FORD of Michigan. Mr. Speaker, I thank the chairman for yielding me this time.

Mr. Speaker, Members of the House, I think one thing that has not been said today that ought to be noted is that we have been inundated with rhetoric about education reform for the last couple of years, and it has come from Governors, and it has come from Presidents and candidates for President and candidates for Congress.

But the bill that comes back to us now is a product of a conference between the House and the Senate which contains as much education reform as I have seen in any education legislation here in many years. It is more dramatic in terms of what it does to shift resources and target them better than they have been targeted in the past than most people recognize.

As the gentleman from Kentucky [Mr. PERKINS], the son of the gentleman for whom this legislation is named, mentioned on the floor, because this bill has not been controversial and divisive on a partisan basis, people might overlook its importance and think that because it has not caused a big fight it is not really doing very much. It has not caused a big fight because there has been a great deal of good will put forth by both the Democrats and Republicans on this committee.

Mr. Speaker, I am pleased to say that the chairman, the gentleman from California [Mr. HAWKINS], has put together a piece of legislation that everybody has an opportunity to take credit for, and we have neither a Democrat nor a Republican bill.

I have full confidence that President Bush is going to like it, and he is going to feel more like an education President after he signs it. For that reason, I do not think we have any difficulties.

I think that it is important to note that there are some traditional noses out of joint about this legislation. Changing the name of vocational education to applied technology education sort of flies in the face of people who have spent a good part of their life teaching vocational education, and they say, "Well, that means that you do not think that vocational education has a very high place in the public opinion." That is not quite the case, but the fact is it has been apparent to many of us on the committee for a long time that we have fallen into a rut in this country of people categorizing young people when they reach high school level as being either vocational-education students or real students; real students are those who say they want to go to college, and vocational-education students are, in the eyes of, and in the street language, the people who cannot make it to be the real students, and they are getting second best.

The name change is more than just a simple symbol. It is a very clear indication that we think that vocational education for the future, if it is going to anticipate the kind of work force that this country needs, has to provide the kind of job training and, therefore, job opportunities that the young people coming through our system now are going to need in the next decade and the decades following.

□ 1200

We have to break with some of the old traditions and we have to stop doing things just because we always did them that way. We have to stop teaching courses called "vocational education," that have no practical application in the modern, more sophisticated workplace, and direct our education resources toward the future.

We think that this legislation, starting with the name change and going all through the legislation, moves in that direction. I am particularly pleased that H.R. 22, the tech-prep bill which I was joined in sponsoring by more than 100 Members of the House, ended up as part of this. It is the first new education initiative we have taken in sometime. It is designed for education for the future, not to do anything like we did in the past.

Mr. Speaker, I think it is in keeping with the way in which the gentleman from California [Mr. HAWKINS] has served as chairman of this committee, that as we draw close to the end of this Congress, and Mr. HAWKINS has chosen to retire at the end of this Congress, we are here on the floor with a piece of legislation that does all of these dramatic things, but does it so quietly and firmly that even my Republican friends sit serenely over there and watch it going by. I think it is a great tribute to the leadership of Mr. HAWKINS, that with all the other changes that are going on out at Andrews, and all the fighting and spitting that is going on around this town, that we bring a dramatic piece of legislation like this to the floor, under his leadership, and see both parties working hard to see it pass. I hope we have a unanimous vote on this today.

I am very pleased to have participated in the development of this bill for two reasons. First, this bill incorporates H.R. 22, the Tech-Prep Education Act, which I introduced early in this Congress and which attracted well over 100 cosponsors. The Tech-Prep Education Act will provide Federal support for linking high school and postsecondary technical training in a continuous sequence. It will help give America a world-class work force, and it will help young people attain productive careers.

Second, this conference report dramatically reorients Federal policy toward vocational education. It puts more resources in the hands of local educators, eliminates the red tape now binding local schools, more clearly focuses Federal resources on creating high quality programs and guarantees access to quality programs for women, the disadvantaged, handicapped and those of limited English proficiency.

The act is renamed the Carl D. Perkins Vocational and Applied Technology Education Act. Vocational education, the sole name of the current act, unfortunately has too often come to symbolize second-rate programs for somebody else's children. In title and in deed the new act will provide quality programs attractive for everybody's children and necessary to meet the competitive challenges of the future.

The Tech-Prep Education Act was born out of the recognition of five important facts about the technical training being given to America's young people. First, the work force of the future will need increasing levels of technical skills. We will need large numbers of computer operators and programmers, laboratory technicians, nurses, dental hygienists, paramedics, travel agents, police officers, mechanics, welders and technicians in areas such as broadcasting, aerospace, electronics, heating, air conditioning, instrument and appliance repair, robotics and waste treatment. As David Broder noted in a recent article, "Skill shortages, rather than job shortages, are likely to become the dominant labor problem of the future."

Second, high school vocational education, even when done well, does not provide a sufficient level of skills for most of the jobs of the future. Today, some education or training beyond high school is required for entry into about 50 percent of all job classifications. By the mid-1990's it is predicted that 75 percent of all job classifications will require some postsecondary education.

Third, training in the skills to get a first good job is not enough. Young people must have training and education that prepares them for the second, third, fourth and fifth job or career. They cannot stop the world and get off. They must be able to grow and change with the evolution of technology and the world economy. Therefore, they must know how to read, comprehend, compute, reason, analyze, communicate and solve problems.

Fourth, while most young people will need to continue their education beyond high school, the secondary and postsecondary educational systems frequently do not mesh smoothly. There is duplication and inconsistency as the two systems protect their turf and hold each other at arm's length. Consequently resources are frequently wasted and students are sidetracked rather than having their educational paths smoothed.

Finally, a great many high school students, particularly those in general education curriculum, have no clear path either into further education or into the work force. While existing vocational education programs are primarily designed to provide entry level job skills for those completing the 12th grade and the college prep curriculum usually leads students to a 4-year college, general education leads no where in particular for a very large number of students. Tech-prep education will help provide a productive alternative for the general education students and many others.

The Tech-Prep Education Act will establish a program of Federal grants to consortia of secondary and postsecondary institutions to encourage the implementation of 4-year tech-prep education programs linking the last 2 years of high school with the first 2 years of postsecondary education. Tech-prep education is a combined high school-postsecondary program which leads to a 2-year degree or certificate, provides technical preparation in at least one mechanical, engineering, industrial, or practical field, provides, a high level of competence in mathematics, science, and communications and leads to productive employment.

Tech-prep education will provide technical education beyond high school and combine occupational and academic learning so that students will have the capacity to grow and change in the workplace. In addition, since tech-prep education is a joint secondary-postsecondary program and only consortia of secondary and postsecondary institutions can apply, it will help break down the barriers between the two systems. Finally, it will give many more high school students a richer, more well structured, better integrated, more focused, and more challenging educational program.

The conference committee agreed to reduce the authorization level from $200 million in the House bill to $125 million, to provide that the program will be administered as a national discretionary grant program by the Department of Education if the appropriation is $50 million or less, to provide that the program will distribute funds among the States and be administered as a discretionary grant program by the State education agencies if the appropriation is greater than $50 million, to eliminate the matching requirements in the House bill and to include apprenticeship programs as an optional component of tech-prep education. I believe that these are all reasonable compromises and improvements in the House-passed version of the Tech-Prep Education Act.

I am particularly pleased that Michigan has been a pioneer in tech-prep education. The Michigan Department of Education has supported 10 tech-prep projects in each of the last 2 years with Federal Perkins Act funds. Other tech-prep projects have begun through initiative. It is my expectation that the Tech-Prep Education Act will result in an acceleration of tech-prep education being adopted both in Michigan and throughout the Nation.

H.R. 7 is a landmark in Federal support for occupational and vocational education. It breaks with the past and creates a Federal education policy to produce a work force equipped for the future. It directs more of the funds to the local level where students and programs need help. It substitutes for State discretion in the distribution of funds formulas to allocate funds to the local level more consistently and reliably. It sends funds to the local level based on formulas that insure that areas with the greatest need for Federal support receive increased amounts of help. The General Accounting Office found that in many States relatively affluent areas were receiving far more Federal vocational education funds per student than low-income areas.

The new bill provides that Federal funds will be used for clearly defined purposes which will improve the quality of vocational education. Instead of the 24 uses of funds in current law, H.R. 7 will support programs which integrate academic and occupational disciplines, which offer coherent sequences of courses leading to job skills and which are of sufficient size, scope, and quality to improve educational quality in the schools.

The bill also assures that students who are economically disadvantaged, students of limited English proficiency, students with handi-

caps and women have access to vocational education and that they have any special services they need in order to succeed.

It streamlines the administration of the program, relieving the local schools of paperwork and matching requirements that were both unworkable and ineffective.

H.R. 7 responds to the criticisms of the Federal vocational education program that have been loudly voiced from the field, and it reflects the extensive research and recommendations of the National Assessment of Vocational Education, the General Accounting Office and the Office of Technology Assessment.

H.R. 7 also relects the best traditions of the Education and Labor Committee in bipartisan ccoperation to produce innovative and effective Federal education policy. I salute Chairman HAWKINS and Congressman GOODLING, the ranking minority member, for their leadership in bringing this outstanding conference report before the House.

Mr. GOODLING. Madam Speaker, I yield 3 minutes to a very new, bright part of our Committee on Education and Labor, a Member who is very much interested in education and has been very much involved in education in the past, the gentleman from Vermont [Mr. SMITH].

Mr. SMITH of Vermont. Madam Speaker, it gives me great pleasure to rise in support of this conference report on the Hawkins bill.

If I may, I would like to address a number of features. First of all, as has just so well been pointed out by the gentleman from Michigan [Mr. FORD], there is a long history of vocational education, but in the current day as we look back, we will understand that that history, including the original motivation for the Vocational Education Act is not a motivation or a history that can be allowed to continue.

Quite frankly, when vocational education legislation was first written more than 50 years ago in this country, it was because there was the first influx of children into our public school system who were different from the mainstream kids that existed at that point in time. Therefore, what educators did, with what were considered to be the best of intentions in those days, they created a new program for them. We were not going to give them general education. It was for everybody's children, including my father, and his father, and his father. We were going to give them a vocational education, training for a job. That split has continued over the years, and increasingly the concern has been as this society tested and reached for new forms of equality and saw the form of education as being the major instrument for achieving that kind of equality, that a dual system within the academic structure was not only inescapable but impermissible.

This bill goes a long way in a dramatic way to healing what has been the split historically. I think for a minute about a country today where we need to have a new vocational education or technical bill. This is a society that graduates 13 lawyers for every engineer. That in itself is a frightening statistic, when we think about the requirements that this country is going to face in the 21st century. Still, we lag behind in an even more critical area, even further behind, which is the creation of technicians, men and women who do, who build, who fix, who design. That is the guts of the infrastructure of this country as we work toward new technologies. It is an area where we are falling way behind.

In order to upgrade the image of vocational education, it takes more than a title change, and we have done that. It takes a substance change. It takes innovation. In fact, this bill does two things that I think make it an extraordinarily important piece of legislation. First of all, it gives more flexibility to States and to local areas to design their programs the way that they think will work for children. Secondly, within that, and the second point is it has elements of program improvement from the innovation of the Member from Michigan's tech prep section to the integration of job-related education with general education. This bill seeks to break the walls down and make sure that they stay down so that every child, whether they enter a general or a college course, or whether they start in a technical course, it is going to get the best of both. This country needs to make sure that every child gets the best of both so that we have the best trained human resources and citizenry in the 21st century.

Mr. LAGOMARSINO. Mr. Speaker, I rise in support of the conference report on H.R. 7, the Carl D. Perkins Vocational Education and Applied Technology Amendments of 1990.

Vocational and applied technology training is a critical element in preparing today's students for tomorrow's workplace. The workforce of the future will be challenged by many goals and obstacles that are quite different from those faced by past generations. The changing economic climate of our post-industrial nation will demand well-trained and highly skilled individuals. I believe that the provisions of H.R. 7 will help America's educational system be prepared to meet those demands. The Federal support for Tech-Prep Programs will be especially beneficial to California's community colleges, many of which began implementing such programs 8 years ago.

The conference report on H.R. 7 not only reauthorizes many vocational education and applied technology programs, but it reemphasizes the importance of these programs and redirects the targeting of these programs to those Americans who are most in need of assistance.

I commend the conferees for the flexibility written into the allocation formulas in the bill. The great diversity of California's educational system necessitates such flexibility to ensure that the State is able to meet the congressional intent of making education and training available to those who are least able to afford it.

I urge my colleagues to join me in supporting the passage of the conference report on H.R. 7.

Mr. RAHALL. Mr. Speaker, I rise in strong support of the Vocational Education Act reauthorization bill.

H.R. 7 authorizes a total of $1.6 billion to be appropriated in fiscal year 1991, nearly $700 million more than the $930 million appropriated in fiscal year 1990.

During our development of the bill in the Education and Labor Committee, on which I was privileged to serve, I focused as other Members did, under the leadership of our able chairman, Mr. HAWKINS of California, on our need to smooth the transition from school to work to ensure that students were well-prepared for entry-level jobs in the market place, but also—and more importantly—that vocational education consists of applied academics as well as occupational skills training.

While I am most pleased to have been able to focus on consumer and homemaking education, including an increased authorization of $38.5 million in fiscal year 1991, I was also involved in the development of the provisions in the bill, introduced by my friend from Kentucky, Mr. PERKINS, to provide funds for state-of-the-art equipment for our vocational schools, and for new or renovated facilities for vocational school students. When I visited my vocational schools during consideration of H.R. 7, and the absolute need for up-to-date equipment for use in training students for today's workplace is clearly evident, and run-down facilities in need of modernization, or facilities that just are not adequate to house the students participating in vocational education is clearly evident as well.

In addition to the all-important increase in basic State grants, H.R. 7 authorizes the Tech-Prep Education Act, which enjoyed broad bipartisan support, and is authorized to be funded at $125 million. I look forward to the implementation of this program nationwide, for it combines secondary and postsecondary education activities that lead to an associate degree or a 2-year certificate for participating students. Such degrees and/or certificates will show that the student has been prepared in at least one field of engineering technology, applied science, mechanical, industrial, practical art or trade, agriculture, health, or business, through a sequential or coherent course of study, and will lead to employment. I predict that this program will become one of the more successful ones contained in the Act.

H.R. 7 reserves a higher percentage of funds for State programs—25 percent instead of 20—but it reduces State flexibility over use of those funds. The bill decreases the amount a State can use for administration from 7 to 5 percent, but gives them a minimum of at least $250,000, with each State reserving $60,000 for the sex equity coordinator, and permission to use the remainder of administrative funds for specific purposes, such as plan development, technical assistance, and compliance with Federal laws.

For State programs and State leadership activities, the bill reserves 8.5 percent of

funds, down from 13 percent in previous law, for use for professional development for vocational and academic teachers, integration of vocational and academic instruction and coherent course sequences, and program assessment of performance standards and outcomes.

Sex equity and programs for displaced homemakers, single parents, and single pregnant women are funded by setting aside 10.5 percent of a State's basic grant—specifying that not less than 3 percent be used for sex equity and not less than 7 percent for single parents, displaced homemakers, and single pregnant women. One percent is to be used for criminal offenders. Local recipient grants are reduced from 80 percent to 75 percent under the bill.

H.R. 7 repeals most requirements for nonfederal matching of Federal funds, with one notable exception being that states must match funds reserved for administration on a dollar-for-dollar basis.

Under the bill, 75 percent of each State basic grant must be distributed to local recipients for secondary, postsecondary and adult vocational programs, with States having the discretion to decide the proportion of funds to be distributed between secondary and postsecondary and adult programs, following specific formulas in the act.

Throughout the act, we have focused on bringing credible, useful vocational education programs back to the secondary school level, to focus vocational students on the academic side of the ledger, stressing academic learning as an integral part of manual or occupational skills training. The programs are targeted to special population needs, among them the economically and educationally disadvantaged, the handicapped, women and minorities, assuring access and appropriate services are available.

Mr. Speaker, I commend our esteemed chairman, GUS HAWKINS, and our very able ranking minority member, BILL GOODLING, for bringing this bill out of conference with the Senate with the most important House provisions intact. I also would like to join my colleagues in expressing thanks and appreciation to our respective staff members. It took many hours, days, weeks, and months to reach agreement on a new, modern, forward-looking vocational education initiative, which will bring today's students into the 21st century who are more able, confident, and better prepared to compete locally and globally in the marketplace.

I strongly support the adoption of the conference agreement on H.R. 7, and urge my colleagues to vote in favor of its passage.

Ms. SCHNEIDER, Mr. Speaker, I rise today to express my strong support of H.R. 7, the Carl Perkins Vocational and Applied Technology Education Act Amendments of 1990. As a founder of the competitiveness caucus and a member of the executive boards of the congressional clearinghouse on the future, the congressional institute for the future and worldwise 2000, I know how important this measure is to our work force in the next century.

The future of the American economy depends on an increasingly better educated work force. For the first time in U.S. history, a majority of all new jobs will require education beyond high school. Moveover, a knowledge of basic technologies will be a requirement for nearly every job. In the past, women and girls have been tracked into traditional female occupations, such as clerical, retail, and service trades, while men and boys have been trained for higher paying technical, and construction occupations. According to the national coalition for women and girls in education, a full 70 percent of female secondary vocational school students are simply tracked in programs leading to traditional female jobs.

I am proud to say that this bill includes provisions from legislation that I introduced to ensure the continuation of full access to quality vocational education services for millions of women and girls in this country. These provisions clarify and strengthen certain parts of the Carl Perkins Act of 1984 including the current 8.5 percent set-asides for women and girls. They also add displaced homemaker to the definition of eligible women. And finally, they clarify and strengthen the role of the sex-equity coordinator, or the individual responsible for administering vocational education funds for women and girls.

This will guarantee access to women and girls in nontraditional jobs in high tech work. It provides funding for single mothers seeking vocational and technical education. My legislation was built upon the strengths of an already successful program that is providing a vital resource for thousands of women in this country. We cannot afford to lose these set-asides. Without continued Federal leadership and targeted Federal dollars, women and girls will not receive the vocational services they need. Records show that prior to the passage of the Perkins Act and the inclusion of the set-asides, less than 1 percent of all State money was spent on women and girls.

In my own State of Rhode Island, our vocational education programs are very successful, with a placement rate of 90 to 92 percent. But only 38 percent of the participants in these programs are female. And, I regret to say, most of them are staying within the traditional job areas that pay less. These provisions will help encourage women to seek out nontraditional jobs and higher salaries. We need to provide opportunities and incentives for these women to achieve their potential.

We have no time to lose. Preparing women for the work force has never been more important. Projections from the department of labor indicate that between now and the year 2000, almost two-thirds of all the new entrants to the workforce will be women. By 2000, women will compromise nearly half of the Nation's labor force; and 80 percent of women ages 25 to 54, will be working.

Women and the families they support are increasingly at risk of living in poverty. Without access to education and training as well as support services, many women find themselves among the working poor. According to the Senate budget committee, 43 percent of women workers are currently in jobs that pay below the poverty level—compared to 27 percent of men.

Full access to quality vocational education for women and girls cannot be compromised. Vocational education offers the individual a lifelong set of skills that can provide economic self-sufficiency in a changing labor market, and offers the country a valuable cadre of experts who perform many of the jobs that keep the economy functioning.

Mr. PRICE. Mr. Speaker, I rise in support of the conference report on H.R. 7, the Reauthorization of the Carl D. Perkins Vocational Education Act.

H.R. 7 will help our people prepare themselves for satisfying and rewarding work, and will help our country secure our economic future. It is clear that our competitiveness will depend on a skilled and literate work force—on preparing our young people for the more demanding office, laboratory, and factory jobs of tomorrow.

I am particularly pleased that the conference report incorporated Representative FORD's tech-prep legislation. This program links the last 2 years of high school with 2 years of college in a sequence of courses designed to increase students' technical skills. Partly modeled after programs in place at several North Carolina community colleges, the Tech-Prep Program is intended to lead to a 2-year degree or certification, technical preparation in practical fields, a high level of math and science skills and eventual job placement. In North Carolina, these programs have proven to be a solid approach for addressing the need of students who do not choose to pursue postsecondary education.

I also want to express my special appreciation to the House conferees for insisting on the House position regarding the formula split of funds for secondary-postsecondary programs. Their decision to give each State the option of determining its own internal split of Perkins funds will give States the flexibility to determine how Federal funds can best supplement their individual programs. This was a position supported by numerous community college systems in our country—including the North Carolina community colleges.

Vocational education and tech prep are vital parts of our educational system and need our ongoing support. I urge my colleagues to continue this investment in this country's human capital and join me in supporting H.R. 7.

Mr. CRAIG. Mr. Speaker, I have long been a strong supporter of vocational education, and I am supportive of the Carl D. Perkins Act and vocational education programs in general. I beleive that the Committee on Education and Labor and the House conferees have worked very diligently in their consideration of H.R. 7.

Last year, I discussed this legislation with the Idaho director of vocational education, the director of vocational rehabilitation, the director and members of the State Council, the Idaho Vocational Agriculture Teachers Association, the head of agricultural and extension education at the University of Idaho, the Idaho Education Association, and many, many teachers. They all expressed varying degrees of concern regarding H.R. 7. Therefore, I did not support the original bill passed by the House last year.

While I remain concerned about the effects of the funding formula in the Perkins Act, I am pleased that many of the changes I supported, on behalf of my constituents, were made in conference. Vocational education provides many important programs for Idahoans. The

people involved with vocational education in my State have done an excellent job, creating effective, worthwhile programs. For these reasons, I do support passage of the conference report.

Mr. POSHARD. Mr. Speaker, I rise in support of the conference report on H.R. 7, the Carl D. Perkins Vocational and Applied Technology Education Act Amendments of 1990. The report outlines the excellent compromise which my colleagues and I on the conference committee worked out with the Senate. I believe it fully represents the substance of the House's positions on a number of important issues, and I am convinced that the final bill will help us improve the quality of job and skill-related training.

One of the most important aspects of this bill is the new emphasis which it places on the integration of both academic and vocational skills. That goal will be difficult to achieve, but is absolutely essential in today's increasingly technical and information-based working world.

The bill also contains Congressman BILL FORD's Tech-Prep Program to coordinate vocational programs offered in high schools and postsecondary schools. This is a bold move forward and it has generated a great deal of support, interest, and enthusiasm in my home State of Illinois. Our educators are excited about what they see as a more comprehensive approach toward training today's students for tomorrow's work force.

I would like to commend Chairman HAWKINS for his strong leadership in shepherding this bill through the legislative process. It is an excellent report and I urge all of my colleagues to support its adoption.

Mr. BRENNAN. Mr. Speaker, I rise today in support of the Perkins Vocational and Applied Technology Act. I fully support the bill's purpose, and although I have concerns which I have shared with the conferees about certain provisions in the reauthorization bill, I am confident that this legislation will be implemented and adjusted to serve the academic, vocational, and technology needs of today's generations and tomorrow's society.

We are approaching a world where education and employment skills are synonymous with economic independence and the ability to survive in a competitive society. As a nation, we are only as strong as our weakest link. A lack of academic and skill development opportunities is a clear indication of the presence of a weak link.

This bill targets assistance to those most in need of vacation and education services. Individuals with low incomes, disabilities, or limited English proficiency will benefit from the act. Dislocated workers, displaced homemakers, pregnant women and teenagers, youth offenders, and men and women striving to enter nontraditional jobs will benefit. And of course, we all benefit from a more fully educated and employed society.

I congratulate the conferees on preserving the States' flexibility in determining how funds should be distributed between secondary, postsecondary, and adult education programs. Earlier proposals to require States to direct 65 to 75 percent of Perkins funds to the secondary level would have forced my home State of Maine to completely reverse its State allocations.

As States strive to meet their particular education and employment needs, it is essential to allow them discretion in determining where the greatest needs are, and it is essential to allow them the flexibility and leadership necessary to effectively and cost-efficiently serve the intended beneficiaries of Perkins' programs. I remain concerned about the limited resources many States are facing and their ability to effectively implement quality vocational programs for special populations in light of budget deficits. However, I do believe the conference report is a step toward recognizing the need for State-level flexibility and leadership in the education and job training arenas, and I believe it is a positive change for vocational education in the United States.

Once again, I urge my colleagues to join me in support of the Carl D. Perkins Vocational and Applied Technology Amendments of 1990. I also ask that we continue to work to coordinate the academic, vocational, and employment training programs available to needy individuals in our Nation, and to ensure these programs are producing competent, educated, and employable individuals who will be able to live meaningful and fulfilling lives within our communities.

Mr. DORGAN of North Dakota. Mr.Speaker, I rise in support of the conference report on H.R. 7, the Carl D. Perkins Vocational and Applied Technology Education Act. As I do so, I wish to congratulate the chairman and ranking member for their leadership in shaping a bill that responds to America's vocational education needs in the 1990's. I also want to thank the gentleman from Michigan [Mr. KILDEE] and the gentleman from Montana [Mr. WILLIAMS] for their leadership and cooperation on the Indian vocational education measures in the bill.

GENERATING WORKFARE

I am particularly pleased that the Indian titles in the bill address the unique educational and economic problems evident in Indian country. The key need on reservations is generating durable businesses and productive jobs.

Staggering unemployment and the attendant poverty are the roots of so many other reservation maladies, such as the alarming rates of alcoholism, diabetes, and child abuse. Even as we tackle these as discrete problems with sufficient resources and creative programs, we must engender support for workfare and curb dependence on welfare. Otherwise we will only see a further repetition of the endless cycle of joblessness, poverty, and social problems.

Creating jobs, however, assumes that Indian communities have developed a trained pool of workers and managers. On too many reservations that is not now the case. This bill responds to that problem by reaffirming basic Indian programs and by establishing new programs in Indian postsecondary vocational education.

SUPPORTING INDIAN POSTSECONDARY INSTITUTIONS

The latter programs in the bill reflect legislation which I introduced with my colleague, the gentleman from New Mexico [Mr. RICHARDSON]. I am reassured from discussions with committee staff that our focus on support for the United Tribes Technical College, the Crown Point Institute, and Tribally Controlled Community Colleges is manifested in title III, part H, and title IV.

It is clear from the language in title III, that United Tribes and Crown Point will be eligible to continue their leadership in Indian vocational education by tapping grants available to postsecondary institutions. United Tribes Technical College in Bismarck, ND, has placed some 80 percent of its graduates in paying jobs, a remarkable achievement given reservation unemployment rates of equal magnitude. It's all the more remarkable when you consider that 70 percent of United Tribes' graduates once received welfare. Surely this is one needed route to self-sufficiency.

Indian tribal colleges are recognized in the bill, as well, for their special role in promoting economic development on Indian reservations. The bill will enable the colleges to improve their vocational education programs, to assist with economic development planning, and to train tribal leaders, among other tasks.

The bill reinforces support for these Indian postsecondary institutions because it does not diminish eligibility for other Federal programs. That's a critical feature of this legislation.

In conclusion, matching trained workers with vibrant enterprises is precisely the right prescription for Indian country today. Tribal leaders and tribal members alike have striven to achieve that goal and I am pleased that this bill will make it more achievable. It's also the approach we need to stop the waste of tax dollars on welfare and to ensure instead that invested tax dollars flow back to the Treasury. These titles in the bill, then, will not only benefit native Americans but all Americans.

Mr. CONTE. Mr. Speaker, I rise in strong support of the conference report to H.R. 7, the Carl D. Perkins Vocational and Applied Technology Education Act.

I had hoped to speak on behalf of this act when it was debated on Thursday morning, but found myself at the budget summit at Andrews Air Force Base working on a measure to resolve our fiscal woes. As a longtime supporter of vocational education and a person who is deeply concerned about the manner in which future workers are prepared I did not want to miss this opportunity to support the reauthorization of a very important law.

As we all know it is very difficult to improve a masterpiece, but that is what our esteemed colleagues on the Education and Labor Committee have done. They used the reauthorization process to take a diamond-in-the-rough law and turn it into a jewel laden act that will touch the lives of countless students for years to come by bolstering the academic and vocational training available in our public schools.

The new jewels that have been added to the proposed $1.6 billion voc-ed crown are noteworthy. They include the new tech-prep program authorized at $200 million, $10 million for high technology training grants for business-education-labor partnerships, and $8 million is for community employment and lighthouse schools. It also includes $20 million for new career guidance and counseling programs and up to $100 million for supplementary assistance for economically depressed areas.

In addition to special programs some individuals also receive special services via the funds that have been targeted for students who are disabled, economically disadvantaged, do not speak English very well, and workers in nontraditionally occupations.

These gems are but of few of the terrific programs in H.R. 7, an act that addresses a major weakness in our educational system, the needs of students who are not headed to college. The act does not mandate how much money the States should use on either secondary or postsecondary programs but does designate 25 percent of the funds via formula for State programs with the rest going to the basic vocational education grants.

By all measures the act is a masterpiece. It has the support of the administration, the vocational education community, the Senate and now the House. I salute the conferees for a job well done and all my colleagues who supported H.R. 7.

I also want to take this opportunity to thank Chairman HAWKINS for the leadership he has provided on this and other education issues over the years and to say that his presence in this Chamber will be missed when we reconvene next session.

Mr. PENNY. Mr. Speaker, I rise in support of the conference report on H.R. 7, the reauthorization of the Carl Perkins vocational education programs and commend the able leadership of Chairman GUS HAWKINS and BILL GOODLING for their good work on this important measure.

Important to Minnesota was whether to target vocational funds to secondary or postsecondary students. The conference report provides that the States will continue to decide where the money is needed, within a formula. This will insure continued flexibility in the distribution of Federal dollars to where they can accomplish the greatest good. The new Perkins Act also provides, for the first time, that funds could be directly provided to area vocational schools or to the local education agencies servicing those schools. Second, the new law will require that Federal funds serve four important populations: the economically disadvantaged, the disabled, the limited English proficient, and men and women seeking training in nontraditional occupations. The report stipulates that funds at the local level be spent on program improvement, services for the targeted populations, and the integration of academic and vocational education.

Third, the new law will provide a strengthened emphasis on guidance and couseling. This means both prevocational counseling and comprehensive guidance once a student is pursuing a course of study and during the job search. Finally, the new Perkins Act retains programs for single parents, displaced homemakers and single pregnant women. The new law also provides support for the tech-prep concept linking secondary and postsecondary education with apprenticeship training.

I urge my colleagues to join me in supporting this vitally important education bill.

Mr. HAWKINS. Madam Speaker, I yield back the balance of my time.

Mr. GOODLING. Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Ms. SLAUGHTER of New York). Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAWKINS. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the conference report on H.R. 7 just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

NATIONAL SERVICE ACT OF 1990

Mr. BEILENSON. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 463 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 463

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4330) to establish school-based and higher education community service programs, to establish youth service programs, and for other purposes, and the first reading of the bill shall be dispensed with. After general debate, which shall be confined to the bill and the amendments made in order by this resolution and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill as an original bill for the purpose of amendment under the five-minute rule, said substitute shall be considered by titles instead of by sections and each title shall be considered as having been read, and all points of order against said substitute for failure to comply with the provisions of section 303(a)(4) of the Congressional Budget Act of 1974, as amended, and with clause 7 of rule XVI are hereby waived. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore (Mr. HAYES of Illinois). The gentleman from California [Mr. BEILENSON] is recognized for 1 hour.

Mr. BEILENSON. Mr. Speaker, I yield the customary 30 minutes for purposes of debate only to the gentleman from Tennessee [Mr. QUILLEN] and pending that I yield myself such time as I may consume.

Mr. Speaker, House Resolution 463 is the rule providing for consideration of H.R. 4330, the National Service Act of 1990. This is an open rule, providing for 1 hour of general debate to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor.

The rule makes in order the amendment in the nature of a substitute now printed in the bill as original text for purposes of amendment, and it provides that the substitute shall be considered by titles instead of sections, with each title considered as having been read.

The rule waives clause 7 of rule XVI, which prohibits nongermane amendments, against the substitute. This waiver is needed because the Education and Labor Committee added a third title, the Good Samaritan Food Donation Act, which was nongermane to the bill as introduced.

The rule also waives section 303(a)(4) of the Congressional Budget Act, which prohibits consideration of new entitlement authority prior to the adoption of the budget resolution, against the substitute. This waiver is necessary because the provisions of H.R. 4330 which permit the deferral or partial cancellation of student loan payments for certain volunteers are considered new entitlement authority. The cost of those provisions is minimal, only $500,000 annually. Since H.R. 4330 is an authorization bill, all of its other provisions are subject to appropriations.

Finally, the rule provides for one motion to recommit, with or without instructions.

Mr. Speaker, H.R. 4330, the bill for which the Rules Committee has recommended this rule, would expand and improve opportunities for civilian service, particularly for young Americans. Such opportunities are extremely important both for the people who will benefit from volunteer services and for the volunteers themselves. At a time when there are so many unmet needs in society, and when it is obvious that we are not doing enough to foster in young Americans an ethic of community service and commitment to others, this legislation is urgently needed.

Mr. Speaker, I urge the adoption of House Resolution 463, so that the House can proceed to consideration of H.R. 4330.

□ 1210

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, the able gentleman from California [Mr. BEILENSON] has explained the provisions of the rule, and I will not repeat those provisions. Mr. Speaker, I would like also to commend the ranking Republican member of the Education and Labor Committee, the gentleman from Pennsylvania [Mr. GOODLING] and the chairman, the gentleman from California [Mr. HAWKINS] for the fine job they have done in putting this legislation together and bringing it to the floor of the House.

We are going to miss the gentleman from California [Mr. HAWKINS]. In his last days in the House since he has announced his retirement, I want to tell the Members how much I have enjoyed working with the gentleman. He certainly is a true gentleman in the best sense of the word. He has earned the respect of the Members of this body and his service has been noteworthy throughout this Nation of ours. I salute the gentleman from California especially for his dedication and his loyalty to the betterment of education and of labor.

This bill is one that the gentleman appeared on before the Rules Committee. There was no controversy at that time.

Mr. Speaker, I support the rule and ask for a yes vote on the rule so that we can get down to the business of discussing the measure as a whole. If there is controversy on it, the Members of the body will have an opportunity to discuss the issues involved under this open rule.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. PORTER].

Mr. PORTER. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, this bill obviously concerns volunteers. It depends upon volunteers and their willingness to come forward and to offer their services in many different areas and in many different ways. That willingness depends increasingly in America, upon their perception of what it is they are undertaking, and I refer, Mr. Speaker, to liability concerns.

Unfortunately, increasingly in our country people worry that if they are going to volunteer—either in a direct service capacity or to serve on the board of an organization—that somehow they may end up in a court of law defending their assets, their homes, their farms, against a lawsuit. This has been documented in study after study taken across this country, and the chilling effect—the worry about ending up as a defendant in a court of law, at risk—is preventing many people who would otherwise be willing to come forward, from coming forward and offering their services.

Organizations like the Red Cross, the Boy Scouts and Girl Scouts, the PTA, the AAUW, and hundreds of others like them, have found, very increasingly, great difficulty in getting volunteers to come forward and offer the services needed to make their programs succeed.

Mr. Speaker, 3 years ago I offered to the Congress H.R. 911, a bill that would encourage States to amend State law—because this is essentially, primarily a matter of State law—to encourage State laws to be amended to give volunteers the immunity that they ought to have in order to encourage people to keep coming forward. In other words, people who are willing to volunteer their time and give their efforts to organizations that help others ought to be able to do so without ending up in a court of law as a defendant. Their organization ought to be the one that ends up as the defendant if somebody is injured or hurt as a result of their activities within the scope of their volunteer duties. The organization ought to end up as the defendant, not the individual. The individuals ought to be given immunity where they are acting within the scope of their volunteer duties and not in a willful or wanton manner. The organization should be made to be the defendant if any problem occurs. That was the essence of H.R. 911.

I might say, Mr. Speaker, that 254 Members of the House signed on as cosponsors to that legislation in the last Congress. Unfortunately, the committee of jurisdiction did not even give it a hearing.

In this Congress, the legislation has been reintroduced as H.R. 911. It has over half the House as cosponsors. It has, in this Congress, not received a hearing, either.

Mr. Speaker, this is essential legislation to getting people to come forward and volunteer. Two hundred fifty national organizations of the type I have just described ascribe to this legislation and support it and believe it is necessary to keep volunteerism alive in our country.

I would like to offer, and I hope to offer, the essence of this volunteer protection legislation as applied to the bill that we will consider under this rule. What it would do would, in respect to one of these programs, is make the organizations liable, but give direct service volunteers and board members a clear conscience, that they can come forward without any problem that will find them in court, unless they are acting outside the scope of their volunteer mandate or acting in a willful and wanton manner.

I would hope that the Members who are cosponsors would be alerted to the essentiality of this amendment. I would hope that others who may not be familiar with it would consider that liability concerns are increasingly a problem in our country. They are affecting many, many areas of American life—from the production of American products and their competitiveness overseas, to how our doctors and other health care providers treat patients—and what a waste it is for so much defensive medicine to be practiced in this country when those resources could be put forward to help people—to as simple a case as whether an individual will come forward and volunteer for something that needs to be done for others who are perhaps less fortunate than they.

I would hope that the Members would be alerted to the need for this kind of approach to be applied to this legislation, and I hope to offer that amendment when we consider the bill.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, one of the reasons why we are going to have this bill on the floor today is because we are seeking to have legislation brought to the floor that would not interfere with what is happening out at Andrews Air Force Base in the budget summit.

□ 1220

The DOD bill had to be pulled off the floor because they could not proceed until they got firm figures from the people who are engaged in the budget summit.

The people engaged in the budget summit have a real problem. They are trying to find ways to save enough money to get this Nation's economic situation back in order. One of the things where they are trying to find money is in the entitlement programs.

What does this rule do? Well, this rule brings the waiver of entitlements so that we can create a brandnew entitlement while they are out wrestling with exactly that problem at Andrews.

That does not make any sense. What in the world are we doing here? We are struggling to try to find ways to save money, and this bill would authorize $212 million of spending for brandnew programs, including new entitlement authority.

It just makes no sense at all. We ought to turn down the rule, based upon the fact that it has that waiver in it. We ought to be very cautious of this bill. This bill is not a noncontroversial bill.

The administration has a strong veto message on this bill. I will read to you from it. It says: "The administration strongly opposes H.R. 4330 because it is incompatible with the President's concept of voluntary service. If H.R. 4330 were presented to the President in its current form, his senior advisors would recommend a veto." They then

go on to point out about five different places where this bill has major problems and ought to give us real concern about its passage.

So I would suggest to the House and I would advise the House that this is a bill that, in its current form, will be vetoed. It is a bill that creates brand-new entitlement authority. It is a bill that creates $212 million in brand-new spending. It is a bill which gets in the way of all of what we have believed about voluntarism in America that is locally based. It is a bill that has major problems.

I would ask the House to reject the rule and to reject the bill.

Mr. BEILENSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, yes, there is some opposition to the bill. As the gentleman would say closing, the administration at the moment is not in favor of the bill. Some of those problems can be worked out in the immediate future. I would ask Members, however, not to be concerned about the waiver nor to be frightened away by the statements of our friend, the gentleman from Pennsylvania. As this gentleman stated earlier, the waiver is necessary because the provisions permit the deferral of partial cancellation of student loan payments for certain volunteers. That is considered new entitlement authority. That in fact is true, it is a new entitlement authority. But the cost, as the gentleman has told the Members earlier, is minimal.

The gentleman said earlier, $500,000 annually. In fact, CBO [Congressional Budget Office], says it is less than $500,000 per year. That is a very small amount of money. The gentleman would suggest to Members that that is not an adequate reason for turning down the rule.

It is an open rule. All of these matters will be before the Members later today, this afternoon, and this gentleman urges people's support of the rule.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore (Mr. HAYES of Illinois). The question is on the resolution.

The question was taken, and on a division (demanded by Mr. WALKER) there were—ayes 7, noes 3.

So the resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore. Pursuant to House Resolution 463 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 4330.

□ 1225

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 4330) to establish school-based and higher education community service programs, to establish youth service programs, and for other purposes, with Mr. OBEY in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California [Mr. HAWKINS] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. GOODLING] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. HAWKINS].

Mr. HAWKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, national service means Americans giving their time and effort to enhance the national good.

This bill is intended to promote national service by incorporating service learning into elementary and secondary school curricula, offering incentives to colleges and universities and college students to do service, especially in our Nation's schools, and creating American Conservation and Youth Service Corps to enable youth to carry out a variety of projects addressing unmet environmental and social needs. H.R. 4330 gives Americans, particularly disadvantaged youth the opportunity to serve their communities, their country, and themselves.

This bill, which reflects the contributions of many members on and off the Education and Labor Committee, is intended to build upon existing worthwhile community service efforts and enhance their potential for addressing unmet social needs. H.R. 4330 responds to the same concerns that the President noted when he proposed his points of light initiative in his inaugural address. This bill is an attempt to make the concept of service more central to American's life and work.

I want to make several points:

First, according to the organization Independent Sector, less than half of Americans are active volunteers. The typical volunteer is a white female between 35 to 44, married with no children and employed with an income of between $20,000 and $40,000. This legislation targets the young, the poor, and others presently not asked to serve. Further, it promotes opportunities for senior citizens through a blend of new and existing programs.

Second, it does not create cumbersome bureaucratic structures but rather uses existing administrative systems.

Third, this bill is fiscally responsible. For less than $200 million, it will generate hundreds of thousands of hours of community service.

Fourth, this bill is intended to expose more people to community service. It emphasizes exposing youth to these opportunities because studies show that young people who have served continue to do so throughout their adult lives.

Fifth, service learning also appears to be an effective technique in keeping students involved with school. It is consistent with the Congress' focus on programs to fight school dropouts.

Finally, this bill is faithful to a set of principles which emerged from hearings conducted by the Education and Labor Committee. First, it categorically rejects any linkage between service and student financial assistance. Second, it contains adequate and realistic protections regarding job displacement. Third, the programs authorized include appropriate compensatory education and job training, where necessary. Finally, it recognizes the large number of service efforts underway in virtually every American community and therefore intends to build upon, not smother, these efforts.

Similar legislation passed the Senate overwhelmingly with strong bipartisan support. I urge Members to pass this bill so that we can go to conference to produce a bill that achieves the widely shared goal of enhancing civic mindedness and good citizenship at a time when many Americans, particularly youth, are alienated from the system.

□ 1230

Mr. GOODLING. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I wish the honeymoon and the love-in that we had on the previous bill could continue on this bill. Unfortunately, it will not.

I am pleased that the Committee on Rules gave us an open rule. The only problem is that I, as the ranking member, only found out that the bill was coming to the floor at 9:15 this morning, meaning other members of the committee found it out even later. It is pretty difficult to get amendments prepared and ready as well as change schedules in order to present them. So, the open rule, unfortunately, does not help us to clean up the bill. I am pleased, however, that they did give us that opportunity.

Mr. Chairman, there has been considerable interest in this issue. Dozens of bills have been introduced in this Congress, the President addressed it in his State of the Union Message, and the Committee on Education and Labor has held over five full committee hearings on the issue.

The bill before us provides grants to colleges, elementary and secondary schools, and State and local conservation corps to establish or expand community service programs. The major focus of these programs is our youth, but it also provides for the participation of senior citizens.

Mr. Chairman, I have some concerns about the bill, and the administration has indicated its opposition to the bill, and I probably should read that opposition into the RECORD at this particular time.

The President strongly supports the concept of community service. He has challenged all individuals and institutions to make service central to their lives and work.

The administration, however, strongly opposes H.R. 4330 because it is incompatible with the President's concept of voluntary service. If H.R. 4330 were presented to the President in its current form, his senior advisers would recommend a veto.

H.R. 4330 would: Provide unnecessary financial incentives for service. It includes unjustified determent and cancellation of certain student loan payments for full-time professional staff in drug counseling, prevention and treatment programs, and full-time volunteers. These costly provisions extend the concept of volunteer far beyond reasonable bounds. Attempt to direct community service efforts from the Federal level rather than from the community. Emphasize short-term volunteer participation and financial rewards, concepts inconsistent with a substained commitment to voluntarism. The reward for voluntary service should never be seen as financial.

Mr. Chairman, there are other reasons why he would veto the legislation. Hopefully we will have an amendment or two that will clean it up so that it perhaps will not be as objectionable to the President or to many of us.

I have some concerns about the bill, as I indicated. First, the inclusion of loan cancellation provisions is troublesome as there is no reliable evidence that it would enable individuals to choose a public service career who otherwise would not. We also do not know what the fiscal impact of such a provision would be. First of all, it is a very discriminatory approach in my estimation. We are saying to people who receive Perkins loans that it is important to volunteer. Now to those who do not receive Perkins loans, I suppose it is not as important. The argument will be made that we know the purpose is to allow those people who ordinarily would not be able to afford to volunteer to volunteer. I have a little trouble following that line of thinking. With respect to the cost I would like to ask a question. Since the Perkins loan is a revolving fund to the college or the university, if we forgive that loan for the student and then the money does not come back to the revolving fund, do we then say to the college, "You don't have a revolving fund," or do we ask for additional money and additional revenue in order to continue the revolving fund? One or the other has to be done because there is no way to keep it going if these loans are canceled.

I had to laugh at CBO's comments on this provision because they said it probably would only cost $500,000 a year when fully implemented. That is because they go on to say, "It is available only for young persons with a major commitment to service and who make a major sacrifice to perform the service." CBO goes on to say that very few young people are willing to make this kind of sacrifice.

Again, I would hope that before we finish consideration of this bill we can offer the amendments, or at least in the conference report that will make it an acceptable bill to the administration. Notwithstanding these concerns I have, I cannot discount the value of community service, both to the participants and recipients of such service. In my State of Pennsylvania they have a very active service corps, PennServe, and a public-private partnership called the Pennsylvania Citizens Service Project. Each of these programs could be enhanced by this bill. However, we must be careful that we do not discourage true voluntarism by offering financial guarantees.

Mr. Chairman, I encourage my colleagues to listen carefully to the debate on the bill, and the issues raised by this bill and to the amendments that will be offered today. I believe that we all can support the concept of volunteer service and its value to our communities whether or not we believe that the bill in this form is the appropriate vehicle to encourage such support. Probably the bill represents a basis from which we can develop a national service policy, but in its present form it does not give us that opportunity. Perhaps it would be better dealt with in amendments to JTPA, and certainly a part of it should be considered in our higher education reauthorization.

Again, I am pleased for the open rule. I am only sorry that we do not have time to really make the open rule count, time to really develop the amendments that are needed in order to make this a bill that will be signed and a bill that will best serve voluntarism in the United States.

Mr. HAWKINS. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. NEAL].

Mr. NEAL of Massachusetts. Mr. Chairman, I rise to express my strong support for H.R. 4330, the National Service Act of 1990. I have been a long-time supporter of this type of measure and am happy that this measure has been brought to the floor today. A large number of people have worked to pull this bill together, from Captiol Hill to city and town halls and in thousands of schools and volunteer service organizations. I want to particularly thank Chairman HAWKINS, Congressman FORD, Senator KENNEDY, and all the sponsors of this measure for their efforts in behalf of volunteer programs. This is a good, solid measure and it will provide volunteer opportunities for thousands of students across this country.

As mayor of the city of Springfield, MA for 5 years I had the opportunity to help establish a community service learning program in that city. It has been a tremendous success. This program has become a catalyst for a renewed spirit of volunteerism in my home city and I believe a national program will do the same for America. This bill provides the seed money for a school- and college based comunity service program. If the Springfield experience is repeated nationwide, the schools will benefit, the communities will benefit and—most importantly—the students will benefit.

Just today I received some comments on the Springfield community service learning program from Carol Kinsley, who is the director of the program. She has put together reports from the teachers and principals who make it work in Springfield. For the past 3 years, hundreds of Springfield students have gotten involved in various volunteer program through this program. I would like to quote from remarks prepared by Carolyn Price, who is the principal of Lincoln School—kindergarten through fourth grade—in Springfield. She writes, "our test scores are higher. I would like to think that as community service becomes a part of school restructuring, C-S-L is one more component that adds to the success of the child. C-S-L builds more successful * * *." That kind of praise is common for the Springfield school volunteer program. Over and over, the teachers say that a school-based volunteer program helps students learn to care for themselves and for others. Voluntarism is a great learning experience, it is a great life experience.

Mr. Chairman, the other major benefit from a national service program is, of course, the work provided by the volunteers. In Springfield, many people and institutions have been enhanced by student volunteers. The elderly in nursing homes, in particular, have greatly enjoyed entertainment and reading programs that student volunteers have provided. Handicapped citizens and patients at area hospitals have also had their lives brightened by volunteers providing services.

It is my belief that good citizenship can, and should, be taught in our schools. The success of the Springfield program backs up that belief. Practical volunteer work, combined with course work, provides a much more realistic look at the world and better prepares students for adult life. Our young people are our greatest resource and a community service learning program improves both the students and the community.

This bill provides funds for grants to the States for them to implement school-based service learning programs. At least 80 percent of the funds will be passed through to the localities. Additional funds are provided for grants to institutions of higher learning to establish similar programs for college students. This is a much needed plan that will repay this modest cost a 100 times over. The National Service Act will benefit every community in this country and I urge all of my colleagues to vote for this measure.

□ 1240

Mr. GOODLING. Mr. Chairman, I yield such time as he may consume to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Chairman, this is not much fun. I do not know of anybody in this Congress who does not believe in voluntarism. I do not know of anybody in this Congress who did not get here without one heck of a lot of volunteers in our campaigns and in our political activities. And now we are here debating not the goal of voluntarism, because I believe everybody in America that I know of believes in the merits and the worthiness of voluntarism, but what we are debating today is apparently a major philosophical gulf between those who believe the only way we can have voluntarism is to pay for it and have Government set it up and those who think it can come from the hearts and the minds of people in the communities and schools and churches and families and clubs and organizations of America.

I thought probably it would be helpful as we begin this debate to call on our good friends who make up the dictionary—this is Webster's—and so I looked up "volunteer." It says that a volunteer is one who enters into or offers for a service of his own free will—that is not through government organization, not through incentives, not through compensation, not through grants to local governmental agencies or anything of the sort; it is doing it on their own because they know it is right and they know it is good.

The fact is, Mr. Chairman, that we are meeting here and talking about setting up a new Government program, a new Government authorization, at the very time that the leadership of this Congress and the administration is meeting at Andrews trying to figure out how we are ever going to bring the deficit down.

We ask, who is the problem? We are the problem. We are the problem when we say the only way we can get voluntarism in America is to pass an act and set up a bureaucracy and set up all kinds of grants and programs through different departments.

We just finished passing the conference report on vocational education. Do you know what? Every Member on both sides of the aisle stood up and talked about how good that bill was. Yet today we fund 56 percent of the authorization for vocational education because we do not have any more money. Today we fund 50 percent of the authorization for chapter 1 to disadvantaged children because we do not have any more money.

Today, for every poor college student in this country who is eligible for a Pell grant, they are authorized under Federal law to get $2,900 a year, and we give them only $2,200. That is $700 less than the authorization, because we do not have any money.

Let us talk about Head Start. Today in Head Start we have an authorization or a need for approximately $8 billion. We provide $1.4 billion. Twenty percent of the projected need for Head Start is all we can provide. Why? Because we do not have any money.

We have the Job Training Partnership Act which we are going to modify yet in this session in a program that looks upon the committee chairman, the gentleman from California [Mr. HAWKINS], for his leadership in creating that program. But do you know what? We only fund 5 percent because we do not have any money.

Then we look at education for the handicapped. We at the Federal level said we are going to provide 40 percent of the cost of education for every handicapped child in America. We only provide 7 percent of the cost. Do you know why? Because we do not have any more money.

But here we are today in the midst of deficit reduction saying, "Let's pass a new bill, let's set up a new authorization. It doesn't cost much."

But not this year. Is there any Member in this Chamber who thinks that if we pass this bill to pay for a centralized bureaucracy for volunteerism in the midst of the deficit reduction summit, we are not going to be back here next year expanding the authorization? Come on. This is not any fun. I do not like to be against volunteers. I am for them as much as anybody else. But do we need a Government bureaucracy?

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, does the gentleman understand that if we take this action today, that we will be able to provide more volunteers as a result of the passage of this bill?

Mr. GUNDERSON. I would hope so.

Mr. WALKER. That was my understanding when I looked through the committee report and saw the premise of the bill. But has the gentleman heard any figure as to how many additional volunteers we are going to get out of it?

Mr. GUNDERSON. Actually I have read the committee report pretty closely, and the best I can tell is that there is no projected figure.

Mr. WALKER. I wonder, can any Member on the other side tell us? Maybe the gentleman could yield to some Member on the other side who will tell us how many additional volunteers we are going to get for $212 million. Is there any Member in the House who knows that figure?

Mr. GUNDERSON. I would be happy to yield for that purpose.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further, I note there is a deafening silence. We have no idea, after we spend $212 million, how many additional volunteers we are going to get. Yet the whole premise of the bill is that we are going to get additional volunteers for the amount of money we spend. I think it is absolutely ludicrous that we would come to the floor and suggest that we have this bill that is going to do all these good things, but we do not have any idea how many additional volunteers it is going to produce.

What I do know is that under the present system we have been producing more and more volunteerism every year, that volunteerism in this country has gone up tremendously during the last 10 years, and that in communities across this country they have found more volunteerism, not less. We are about to get in the way of all that by adding a new Federal regulation and a new Federal bureaucracy over and above what is presently in place. Yet nobody can tell us how many volunteers it is going to produce.

□ 1250

It could in fact reduce the number of volunteers, if you put too much of a Federal overload on this.

Mr. NEAL of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I am happy to yield to the gentleman from Massachusetts.

Mr. NEAL of Massachusetts. Mr. Chairman, I thank the gentleman for yielding. I would cite the example earlier that I offered of the Springfield program, in which we expended a

salary of about $37,000 for a director. In the school system alone we came up with probably 10,000 to 15,000 from kindergarten through the senior high schools in the city of volunteers that participated broadly across the entire community.

I would also thank the gentleman from Wisconsin [Mr. GUNDERSON] for quoting from a dictionary that is produced in my home city as well.

Mr. GUNDERSON. Mr. Chairman, reclaiming my time, I appreciate the remarks of the gentleman from Massachusetts [Mr. NEAL]. I would ask the gentleman, did he have any funds for that project he set up?

Mr. NEAL of Massachusetts. Mr. Chairman, we used local and State money. But I think it is a wonderful model. Public money was used.

Mr. GUNDERSON. Mr. Chairman, I do, too. The tragedy of the debate we are going to have this afternoon is it is going to come off as some of us being against voluntarism. For gosh sakes, I hope no one in this body is against voluntarism. The question is do we need a Federal bureaucracy and appropriation to get voluntarism?

Mr. Chairman, I think my friend the gentleman from Massachusetts [Mr. NEAL] has clearly articulated we do not. Springfield did it with local funds.

Mr. NEAL of Massachusetts. Mr. Chairman, if the gentleman will yield, and State money.

Mr. GUNDERSON. And State money.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I just want to make one point, and that is that I just did some rough calculations here. In order to fund the $212 million, we are going to have to take every dime of taxes of 40,000 American families in order to pay for the cost of next year's program. Forty thousand American families are going to have to contribute every dime of their taxes, based upon just the average tax bill, in order to fund this program.

Mr. Chairman, it seems to me we ought to have some idea as to how many volunteers we are going to get for that level of sacrifice.

Mr. GUNDERSON. Mr. Chairman, reclaiming my time, let me go on. I think we are going to believe that this legislation, because it says the National Service Act, is all committed to just providing grants to local governments to set up volunteers. I would just like to call the attention of Members in the remaining time I have to section 224 of this legislaiton, which deals with the youth conservation and Youth Corps.

We can legitimately debate whether that kind of corps is or is not something that should be part of this bill, and whether you believe it is or is not going to be productive in the concept of education and training like the Job Training Partnership Act and vocational education, and so on. But I want all Members to understand what is included in this bill in section 224, where it says the following:

> Assistance under this title shall not be suspended for failure to comply with the applicable terms and conditions of this title.

(b) goes on,

> Assistance under this title shall not be terminated for failure to comply with the terms and conditions of this title.

Do Members know what I just said? I just said that under this act, under the language in front of us, once a grant is given, if that local agency does not comply, so what? We cannot suspend and we cannot terminate the program, unless we go through a long administrative hearing process.

If one thinks the administrator of a volunteer program at the Federal level should have to go through a long hewing process before they can suspend it during the hearing, or terminate it for just cause, then you begin to realize that this is not a Voluntarism Act, this is not a National Service Act, this is the new Bureaucracy Act of 1990.

Mr. HAWKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. MCCURDY], who has presented to the body several of the bills that were considered by the committee, and whom I wish to applaud for his leadership in this particular field. I think the gentleman inspired and really moved us to action. For that we are deeply thankful.

Mr. McCURDY. Mr. Chairman, I thank the chairman, the gentleman from California [Mr. HAWKINS].

Mr. Chairman, I am a strong advocate and proponent of voluntary national service. I have traveled this country, as many have, and observed the number of programs in the States and communities. I have been on college campuses advocating national service. I have publicly debated the issues with notable opponents like Milton Friedman. I am a strong supporter.

Mr. Chairman, I believe America supports a real national service program, and as an advocate of this approach, I wish I could rise in strong support of this bill.

Mr. Chairman, I cannot rise in strong support. I will vote for it in order for it to go to conference, in order that we have a possibility and potential to include one of the Senate provisions currently in that legislation which was advanced by Senator NUNN and myself for a demonstration program of earned benefits for young people who provide service in return for some increased educational benefits.

I firmly believe national service can be a truly progressive solution, a fresh approach, to a number of social problems facing our Nation today.

Voluntary national service promotes citizenship. It expands opportunities for Americans to secure educational benefits. Furthermore, participants gain by working to address many of the ills that face this country today, whether it is illiteracy, homelessness, or the problems that are faced by many urban areas and communities across this great country.

Mr. Chairman, I do not disagree with incentives to promote voluntarism. However, I believe that a real national service program goes beyond this particular legislation, and I would urge, respectfully, the leadership of this committee to consider the demonstration program contained in the Senate bill.

I would love to come back and urge my colleagues to support a strong bill for a new, fresh approach for national service that can stand the scrutiny of the American people, that addresses the concerns they have, and answers the desire that they have to promote citizenship, and at the same time increase opportunities for our young people, and furthermore, to address many of the social ills that we do not have money for in this country today.

Mr. Chairman, we do not at the Federal level have the money, but I believe a real national service program can put people on the ground in America to deal with those issues.

Mr. GOODLING. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin [Mr. PETRI].

Mr. PETRI. Mr. Chairman, I rise in opposition to the bill. The essence of voluntarism is that people do it on their own. They don't have to be told to do it. They don't have to be encouraged to do it. They don't have to be paid to do it. They volunteer on their own without expecting to be compensated because they see things that need to be done and they want to help. That's what voluntarism means.

And people are doing it all over America right now, as they always have—young and old alike. Today's youth, in particular, are no less public spirited, I am sure, than we were when we were younger. And when we were younger, I'm sure there were a lot of older people who looked down on us and thought we were self centered and wanted to tell us what to do with our lives. That's just the way it always is.

There are always some older people who think the younger generation is worthless and has to be told what to do. But that doesn't mean we should succumb to that temptation as a government. I firmly believe that today's younger generation is equally as capable as its predecessors of making its

own decisions about how best to serve our country.

Mr. Chairman, we should defeat this bill in the first place because it is unnecessary. The volunteer spirit is alive and well and just does not need government messing around with it. But we should defeat this bill also because it is counterproductive. A big new government program will hurt voluntarism in our country, not help it. It will divert effort and resources into meeting bureaucratic standards and into efforts to obtain ever increasing levels of Federal funding.

But in addition, when some so-called volunteers are paid to do what others have previously done without compensation, those who are paid will gradually supplant the true volunteers. There will be an increase in the sentiment that "I won't do it unless I'm paid." The true spirit of voluntarism will decline. The effect will be the exact opposite of what is intended.

Beyond that, this bill would increase the potential for waste of taxpayers' funds in the Federal student loan programs. It provides various kinds of deferment and loan cancellation to volunteers. But it is non-Federal entities running volunteer programs that get to decide who is a volunteer and therefore who qualifies for these benefits. This invites favoritism and abuse.

The cost of loan forgiveness or deferment is entirely borne by the Federal taxpayers while the eligibility is determined by the managers of thousands of private organizations, and the beneficiaries may be their sons or daughters or their neighbors' sons or daughters. In addition these benefits are highly inequitable, since the value varies greatly from person to person, and their tax status is unspecified.

The student loan provisions are reason enough to reject this bill. They invite abuse, they are unfair, and they represent large payments for what are supposed to be voluntary services. But beyond that, the entire concept of the bill is wrong. We don't need it, and government intrusion in this area will be harmful. I urge all my colleagues to vote against the bill.

□ 1300

Mr. HAWKINS. Mr. Chairman, I yield 3½ minutes to the gentleman from California [Mr. MARTINEZ].

Mr. MARTINEZ. Mr. Chairman, I rise in strong support of the youth service bill, H.R. 4330.

It has been mentioned here by several Members here that voluntarism is people coming forth wanting to provide service. The thing that is overlooked by them when they say that, is that in most cases when especially young people want to volunteer for a particular service, and they come forward, they say, "I want to help. Where can I help? Where can I go, what do I do," and there has to be an organization in place that will direct them into that voluntary service. That being the case, that organization must be structured and paid for by someone, and in many cases it is paid for on a voluntary basis by private individuals or corporations. In many cases it is provided for by local public funds, the same as the public funds we are talking about in this bill.

There will always be those who will find a way to volunteer on their own, and for no compensation, but there are also those who need to be inspired, convinced or cajoled into some kind of voluntarism, because it is terribly needed.

Let me read something that is a fact, and it is that the typical volunteer is a white female between the ages of 35 and 44, married, with no children, and employed with an income of between $20,000 and $40,000. That is not the kind of volunteer we are trying to attract by these programs. This legislation targets the young, the poor, and others who have not been asked to serve further, and it promotes opportunities for senior citizens through a blend of new and existing programs.

Mr. Chairman, at a time when our communities have eroded from drastic budget cutbacks and at a time when news accounts proliferate with crimes committed by youth, we have a wonderful opportunity and solution at hand I believe: The National Service Act of 1990.

Mr. Chairman, President Bush recognized the need for national youth service when he called upon all Americans to volunteer their services to our communities. At a time when we face both internal and external threats to our democracy, we must reestablish the moral foundations that made this such a great nation. One is that we must all help each other to find and bring out the best in our citizenship.

This national service bill will do that. It will allow our Nation's youth to provide services to their communities, to help their elders, to help their peers, and to help their juniors, to improve their communities and environments. In turn, the communities will receive help for performing needed services that no longer can be afforded by our State and local governments. Everybody comes out a winner.

For over 10 years we have debated national youth service and crafted legislation based upon successful programs that have already been implemented in over 60 States and local communities. This year with the strong endorsement of the administration for youth service programs, we hope to see this dream come into full and concrete fruition.

As I indicated at the onset, this bill establishing a national youth service will create a new set of moral and working values for our Nation to build upon for the future. I urge my colleagues to make this a lasting hope and reality for the future of our Nation.

Mr. GOODLING. Mr. Chairman, I yield 3 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I have been a volunteer all my life. At home we have raised money for the Boy Scouts, the Red Cross, the homeless, alcohol rehabilitation units, soup kitchens, colleges, and other good causes. The people who did most of the work were volunteers who never thought a moment about becoming paid, and because of this over 90 percent of the money that was raised went to good causes.

I remember quitting the Heart Fund because 40 percent went to a paid organization, a bureaucracy. I remember our churches for years took care of the poor and needy as our Christian duty with us as volunteers.

But slowly but surely the Government decided to step in and assist or supplant this volunteer effort. Through the years our Government assisted more and more and created the morass we today call welfare.

If we want to destroy the volunteer movement in our country today, let us start organizing and weakening this movement with Government financing and organization.

I can see the newest bill to be introduced next year that will mandate the maximum number of hours that volunteers will be allowed to work, and each volunteer group will have to have a proper racial and sexual makeup.

Our United Fund at home has never failed to pass its goal in 45 years, always with volunteers, and never with Federal guidance. To spend millions of Government money to assist in organizing and arranging the volunteer movement is the beginning of the fund's first failure.

If we want to destroy the idea of doing good work as a volunteer, allow the Government to take charge.

I ask my colleagues to vote against this bill.

Mr. HAWKINS. Mr. Chairman, I yield 5 minutes to the gentleman from Montana [Mr. WILLIAMS].

Mr. WILLIAMS. Mr. Chairman, I thank the chairman for yielding time to me.

Mr. Chairman, my Subcommittee on Postsecondary Education held several hearings on this legislation and worked to establish the language in several of the sections of the bill. We conducted filed hearings, hearings here in Washington, and had several onsite visits with students and volunteers throughout the country.

When this legislation was brought to us by the President and was first con-

sidered, and when the issue was first raised, I was struck by the attention that national service volunteerism in America was receiving. It was treated as though it were something new.

This is not a new issue. There have been a thousand points of light blinking brightly across the American landscape for more than 200 years. The organized concept of national service, especially service among the poor and middle-income people, stretches back to at least the 1800's with the creation of the YMCA and the YWCA, the Boy Scouts and the Girl Scouts, all agencies, by the way, which spend a considerable amount of money on administration.

In this century to help us out of the Great Depression the Federal Government, the public of the United States created the old Civilian Conservation Corps, and the National Youth Administration. They were wildly successful and popular agencies of Government. And by the way, the same objections that are being expressed by Republicans on the floor today to the cost in this bill were expressed by Republicans back in the 1930's against the cost of the CCC and the NYA. They were wrong then and they continue to be wrong a full half a century later.

In the 1960's under the inspired leadership of President Kennedy and President Johnson, the United States created the Peace Corps, the Teacher Corps, the Neighborhood Youth Corps, the Job Corps, the National Student Volunteer Program, the Foster Grandparent Program, the Retired Senior Volunteer Program, and VISTA.

□ 1310

There is a current agency downtown which administers most of those programs called ACTION, and so, my colleagues, there is nothing new about national service, nor is there anything new with the cost of administering national service in the United States, whether that cost is being borne by the private sector as it is with the YMCA and the YWCA, or borne by the public as it is under the Job Corps.

I expect that throughout my lifetime Republicans in this Chamber will rise in opposition to the extraordinary cost of these programs, but despite their objection, the American people continue to support these efforts.

President Bush, of course, understood that in his campaign when he called for a national service effort, volunteerism, a thousand points of light, but neither he nor his Republican colleagues in this Chamber want to provide any batteries for those thousand points of light. We need batteries. Yes, the batteries will cost some money.

Speaking of money, I just noted a new article that has come across the ticker tape outside this Chamber that last year, of the $300 billion that was spent on the Pentagon, $170 billion of it was spent to defend Japan, Korea, and Southeast Asia. We are talking here about the tiniest percentage of that kind of cost.

I would suggest that as our budget conferees meet not far from Capitol Hill out at Andrews Air Force Base, they reset the compass for America's priorities, putting more, not less, money into such efforts as being envisioned here today, and that we find the money by telling the Koreans and the Japanese and the others that if they want their country defended, they must either defend it themselves or pay someone else to do it for them, but that the American people want to turn our precious resources back to be spent, to be used, to be reinvested in this Nation, and that is what this national service legislation envisions us to do.

I am pleased to support it.

Mr. GOODLING. Mr. Chairman, I yield myself 30 seconds, just to rise to say that before the gentleman from Montana became totally politically partisan, he indicated for 200 years the system worked beautifully without the Federal Government providing any batteries, and I appreciate that statement from him.

Mr. Chairman, I yield 4 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Chairman, while this national service bill has come a long way since the original versions introduced last year, I must oppose it. It is dirty work, but someone has to do it. What has this Nation come to when Congress feels that it is necessary to authorize over $200 million for voluntary service?

When I was a teacher, schools organized and carried out community service voluntarily and without financial incentives from the Federal Government. If we want to encourage civicmindedness, clearly paying schools to participate is contradictory to that goal.

Aside from the sheer contradiction indeed its an oxiymoron this bill represents, we have no business being here today creating yet another Federal program while currently existing worthwile, tested programs go starving for funds. After this committee passes this legislation, student financial aid, vocational education, education of the handicapped, and the WIC programs will still be funded inadequately.

Even the administration which has espoused and promoted the worthiness of national service is opposed to this legislation. Why not allow the administration to carry out its voluntarism initiatives with the support they require from Congress? National service is not a "problem" requiring the infusion of Federal dollars. The lack of national service and civic mindedness is a problem that can only be addressed by changing the way our youth and adults think about what they owe their communities, their schools and their country. This cannot be accomplished by spending money.

In addition to the foregoing reasons, I must oppose this bill because of the student loan cancellation provisions. While I can agree that those performing volunteer service should be allowed to defer payment of their student loan obligations, I cannot agree with cancellation of loans. This sets a dangerous precedent and opens a Pandora's box. I had offered an amendment during the committee markup of this bill to delete the loan cancellation provision at least until a GAO study could be done to determine the cost impact of loan cancellations. This I believe to be an eminently sane way to go about legislating such an important issue which has profound, wide ranging policy implications.

Let me explain why I oppose the cancellation of student loans in return for volunteer service:

My colleagues on the other side of the aisle stated during our last debate on this point that this provision will not cost that much money. I do not oppose this section simply because my colleagues could not answer the question "How much will this cost?" I oppose it because it violates the very essence of the idea of voluntarism and service.

What precedent do we set by saying that it is important to serve others—for a price? Will people only volunteer as long as it is profitable? Have we come here again today to talk about the virtues of national volunteer service to our fellow citizens while lining the pockets of those that serve? Can we not persuade and encourage our citizenry to give of their time freely and willingly and without pay? Is authorizing in excess of $200 million the only way to accomplish that task?

If this is so—if we cannot enlist volunteers without these dollar incentives, then is it any wonder that we have raised a generation of young people with the attitude of "I don't know, and I don't care?" The "me" generation.

My colleagues across the aisle argue that this loan cancellation provision will not cost a lot of money—that it will not apply to very many people. I can not understand if that is an argument for the section or against it. If not many people will be using this loan cancellation provision, then why do we have it in the bill? Unless, of course, we have special interests at work here.

Beyond the costs of loan forgiveness and how many will take advantage of this provision, there is this question:

If we can cancel loans for these volunteers, why do we not cancel loans for your and my favorite group of

people? Let us cancel loans for volunteer fireman, volunteer ambulance crews, people who were Boy Scouts and Girl Scouts, the list goes on and on.

If your argument is that these full-time volunteers are only earning the minimum wage or less, well why do we not cancel every student loan of every person who earns the minimum wage or less? Let us cancel students loans for everyone working at McDonalds. While we are at it, why do we not cancel the student loan obligations of women that choose to stay at home and raise a family?

I think we need to excise this section of the bill and consider it further. Better yet, since, this deals with the Higher Education Act, should not we be putting it off until next year when we reauthorize that legislation? After all, that is what I have been told we should do with the much more serious problem of student loan defaults which I have been trying to get this committee to address for the past 2 years!

I urge my colleagues to resist the temptation to approve this feel good legislation and vote for fiscal responsibility and common sense. Let us find other ways to help encourage the ideals of national service by recognizing purely voluntary community leadership and service.

Mr. HAWKINS. Mr. Chairman, I yield 2 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I rise in strong support of H.R. 4330, the National Service Act of 1990.

In meeting and talking with young people around my district, I can testify to a new idealism and an eagerness to serve others. This bill represents a number of proposals to expand their opportunities to do that, and to encourage them to take advantage of those service opportunities.

For example, I have heard from students from all over my district and around the country who are interested in my proposal, incorporated in H.R. 4330, to create a Peace Corps training program. This program would provide 2-year scholarships to qualified students who agree to serve 3 years in the Peace Corps.

I decided to introduce legislation creating a Peace Corps training program following a September 1986 memorial service honoring Peace Corps volunteers who had died in service. Speaking at that ceremony, Father Theodore Hesburgh, then-president of Norte Dame University, suggested that students should have the opportunity to train for peace as they do for war. Father Hesburgh proceeded to propose a new challenge to our Nation's college students, taking as a model the Reserve Office Training Corps. [ROTC].

I believe that the Peace Corps Volunteer Education Demonstration Program Act incorporated in H.R. 4330 is an important addition and complement to the national service youth plans included in the bill under consideration today. My proposal addresses the principal benefits which Father Hesburgh asserted would result from this proposal: First it would help "to institutionalize the Peace Corps and set it firmly into American life." Second, it would produce Peace Corps volunteers who are much better trained than present volunteers, who only have about 3 months to prepare for service. Third, it would reinvigorate the once fruitful relationship between the universities and the Peace Corps. Fourth, it would "suddenly address * * * one great lack so often voiced about universities and American students today: the provincialism of students, the lack of international concerns, the dearth of Americans who can speak both the main and the esoteric languages of the world."

This program is intended to give special emphasis to the recruitment of minority students, who have been historically underrepresented in the Peace Corps, and preference will be given to students enrolled in technological and scientific fields. In addition to their regular academic curriculum, these Peace Corps candidates will also be required to study the languages, customs, history, and politics of those countries or regions in which they will serve. During their summer breaks, they will receive practical experience in public service in either their own communities or in the communities where they attend college.

For many students, and particularly for minority students, entering the work force as quickly as possible after graduation is a practical economic necessity. Repaying the often enormous loans that have financed their educations must be a top priority for them and their families. This Peace Corps program would help to remove that financial barrier, easing the burden for many students, as well as encouraging international service.

At a meeting at Stanford University 3 years ago, college presidents, including representatives from historically black colleges, met with Peace Corps officials to renew old ties between the academic community and the Peace Corps, and to consider ways to attract new volunteers, especially from minority groups. It was noted that although the idea of public service is an essential thread in the fabric of black American life, it is particularly difficult for students who may be the first in their families to attend college to surrender their first few years of earning power.

There is no question that the Peace Corps is committed to reflecting the diversity of the American people in its own ranks of goodwill ambassadors to the world. Yet it has indeed had trouble attracting minorities. By way of example, although the population of the United States is about 12 percent black, blacks constitute only about 2 percent of Peace Corps volunteers.

The college presidents suggested that the incentives included in the Peace Corps language of H.R. 4330 are certain to be of particularly great value in attracting blacks and other minorities into the corps. An increase in the number of minorities serving in the Peace Corps would have a ripple effect, helping to augment the number of minorities among foreign service officers and pessonnel of the Agency for International Development, both of whom the Peace Corps is a noted supplier.

Many in this body may recall that the Congress and President Reagan strongly supported the 1986 resolution setting a target of 10,000 Peace Corps volunteers by 1992. This legislation would help achieve that goal by addressing the decline in the number of volunteers, which has dropped from a high of around 15,000 in the mid-1960's to just over 6,000 today.

The Peace Corps language in H.R. 4330 would also help the corps recruit students with an expertise in such scarce skill areas as forestry, crop extension, animal husbandry, and irrigation—all of them skills which are much in demand in Peace Corps countries and in short supply on American campuses. It is well known that the Peace Corps today had a surplus of applicants with generalist degrees in fields such as history and political science. It is less well known that the Peace Corps does not come close to satisfying host countries' request for volunteers with those scarce skills which I previously mentioned.

Peace Corps volunteers have been called our best exports. Expecially in this post cold war era, they have been called on to help spread and instill the principles of democracy in Eastern Europe and around the world. They return for their service overseas as our best imports, serving our people as teachers, public interest advocates, social workers, and other community service careers, including legislators.

In his inauguration address, President Bush called on us to "make gentler the face of the world." It is time that a new generation of American students and we as a nation took up that challenge. I firmly believe that the national service legislation which we are debating is necessary to provide our youth with the opportunities to confront that challenge. I urge my colleagues to join me in strong support of H.R. 4330.

Mr. HAWKINS. Mr. Chairman, I yield 2½ minutes to the gentlewoman from Washington [Mrs. UNSOELD].

Mrs. UNSOELD. Mr. Chairman, the National Service Act is an exciting call to our young people to serve their communities. My family served overseas with the Peace Corps, and those Peace Corps volunteers changed lives forever.

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Their own and everyone with whom they came in contact. It would have been a drastically different service organization had those Peace Corps volunteers had to pick up all of their own expenses themselves with no Government umbrella.

Some of the various organizations that are identified as those that are examples of the voluntarism and therefore, no need for this program, are themselves advocates of our National Service Act. For example, the National Collaboration for Youth, National Council on the Aging, National Crime Prevention Council, National Network of Runaway and Youth Services, United Way, Big Brothers and Sisters, Girl Scouts, Red Cross, and the Child Welfare League of America.

The National Service Act is a brilliant plan. It delivers a double benefit. Volunteers benefit from the experience, and their own personal growth, while communities benefit from their help. National service projects offer a special advantage for at-risk youth. It allows them to obtain job skills and work experience which can lead to permanent employment. The Washington Service Corps, in my State, is an extremely successful, positive model of youth community service. That corps has attracted national attention because they do one thing well. They maintain their primary focus on community service, while giving unemployed youth meaningful work experience.

From tourism, to tutoring, from food banks, to fire departments, the youth of Washington are responding. Service to others, to communities, State, and Nation, is not by any means a new idea. It is emerging, however, from a long period of dormancy. I hope to encourage it. Along with thousands of others in this community, I benefited greatly from the Peace Corps experience years ago. I urge my colleagues to support this bill. It will help unlock the vast potential of our youth to improve their own lives and the well-being of their communities. The National Service Act is a winner for everyone.

Mr. GOODLING. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Chairman, what we have here is a difference in philosophies. There are some who believe that the only way we can have volunteers is if the Federal Government is involved in the process. There are some Members who believe that volunteers are there because they, themselves, want to be there and that that is the kind of voluntarism that has worked for 300 years in this country.

Indeed, the people who bring this bill to Members today, believe, evidently, that there is a Federal solution to everything, including things that have no useful Federal role. That is the case here.

There is an old adage that says, "If it ain't broke don't fix it." Well, that is what we ought to be looking at right now. We have 300 years of experience in this country of people volunteering. In the earliest days, volunteering to save their neighbors from fires on their farms, or in their homes, or to defend the community. Volunteering in all kinds of ways. And it has been getting better in recent years. In recent years, we have had more people volunteering, not less. We have had fantastic participation in voluntary organizations, and we ought not to get the Federal Government involved in ways that would be harmful.

I have to ask some of my colleagues who bring this bill to Members, have they been in high schools recently? Have those Members been on the college campuses recently? The young people in our colleges today and in our high schools today are doing a fantastic job. We have service clubs that have oversubscriptions of kids. We have church groups where kids are volunteering, doing all kinds of community work. We have fraternity and sororities that are holding all kinds of charitable events. These are kids who want to serve their country and are doing a good job of it.

Why in the world would we impose a new kind of Federal program on top of this? Why would we take real voluntarism and convert the people who are volunteers into simply tools for Federal bureaucrats? That makes no sense at all. Why do we do that? You have got young people today who are enthusiastically serving their country. Let Members keep it that way.

Mr. HAWKINS. Mr. Chairman, I yield 3 minutes to the gentleman from Michigan [Mr. BONIOR].

Mr. BONIOR. Mr. Chairman, I would like to commend the chairman, the gentleman from California [Mr. HAWKINS], as well as the gentleman from Michigan [Mr. FORD], and the others for bringing this legislation to the floor. It is a compilation of a number of Members' initiatives, and a response to the interest that many Members have had for a long time to encourage the community to get more involved in national service, especially the youth of our country.

The task of leadership is to help provide others with the opportunity to give the best of themselves. That is what, basically, we are doing today with this piece of legislation. It has a couple of important features. The school-based programs are particularly important. It encourages students at all levels to get involved in volunteer activities in their community. More and more high schools across this country, and junior high schools, are now requiring that there be some community-based service, and that is good.

My son, just this summer, spent 20 hours working in community service. He worked in a food bank. It had a tremendous and profound maturing effect on him. We need to be doing more of that type of thing. We need to be bringing in people with skills into our schools from the business community. New England Life Insurance is doing a magnificent job in a partnership between our young people in the schools and the business community, teaching them skills, getting them involved. We need to be bringing the skills of those who have worked with their hands, to help our young people in school understand those processes.

The school-based program is a wonderful component of this. It encourages partnership with business and labor and with our young people. The American Conservation and Youth Corps is another important part of that, recruiting youth for public service needs, conservation needs, historical preservation, day care, all of the important things in our society, why our youth can be productive, can obviously handle these cases, these activities better than some in other age categories. I know in my own State, the Michigan Conservation Corps and Youth Corps had done a tremendous job in helping many, many young people today develop a sense of responsibility, and to contribute to the community in health and environmental and other important ways.

I would like to see this whole concept broadened. I mentioned this to the gentleman from California [Mr. HAWKINS] and others. Ms. MIKULSKI, the Senator from Maryland and I have introduced legislation that would encourage community development among all ages, not just young people. We get an intergenerational mix with the old and young, they would work together and benefit, on a very small model scale. Those people who would give time, based on the concept of the National Guard, 2 weeks during the summer, 2 weeks during the year, they could earn a stipend which would help finance a college education or perhaps a first home buy.

I would like to have Members look at that, perhaps in conference, on a very small scale. I have no idea that that will work, but I think it is worth visiting. The Senate has included it in their package, and I think it is indeed a worthy idea to look at. Therefore, in conclusion, Mr. Chairman, let me congratulate the chairman of the committee, the gentleman from California

[Mr. HAWKINS], for bringing this to the floor of the committee. I look forward to working with the gentleman on this bill in the months ahead.

Mr. HAWKINS. Mr. Chairman, I yield myself such time as I may consume to simply say that this proposal simply brings before the body, and hopefully it will go into conference with the other body, which has already approved a companion bill, the views and proposals of many Members of the House, more than 140. What we have tried to do is incorporate those various ideas into the proposal.

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I do not understand those who now preach that we are creating some new bureaucracy. The bill simply provides grants to States and local governments that will in turn encourage already existing agencies. Not one bureaucracy is created. For a Member of the opposition to say that we are creating some great new bureaucracy, particularly at the Federal level, simply is not true.

The bill is not as broad, not as comprehensive as some of us would want to do. It certainly is not a Federal intervention into the subject matter.

The President in his Inaugural Address merely continued a Federal encouragement to volunteers in this country. If there is any intervention, it certainly is largely a result of the President proposes the creation of an initiative, a specific initiative to stimulate such volunteer service to America, and not certainly the members of this committee or the author of the proposal.

Now, I am also shocked that there seems to be a great desire to refer to the cost of the program, that we cannot afford it. It would be concluded that simply by authorizing $183 million for the National Service that somehow is going to bankrupt the country.

First of all, it would leverage millions of dollars that are not now being made available from local public funds, from corporations, from senior citizens who will use or volunteer out of their Social Security benefits, from students who already receive financial aid who would volunteer, from agencies as the Boy Scouts, the Girl Scouts, the YMCA's, the YWCA's, the Youth Corps, the United Way, and other such agencies. To me, that is not a tremendous departure. It certainly does not involve a great cost.

I am wondering what some of these individuals would have done had they been our Founding Fathers. We probably would never have closed the borders of our country. We would never have purchased Louisiana and Texas would be a part of Mexico. We would not have the Panama Canal. We would not have had the GI bill of rights at the end of World War II, one of the great investments that we have made. These were larger investments, but they paid off. Here is an investment that also will pay its own way and leverage millions of dollars, but most of all will give dignity to those who volunteer in national service in behalf of America.

I would certainly hope that we further the cause by approving this bill and allowing us to continue the subject matter.

Ms. PELOSI. Mr. Chairman, I rise in support of H.R. 4330, the National Service Act of 1990. The bill would authorize a variety of youth service programs which I believe will better prepare our young people for the future while benefiting communities now.

The bill authorizes grants for model community service youth programs and special service programs for dropouts and out-of-school youth. Among the programs provided for in the bill is youth build, through which young people are employed in the construction and rehabilitation of housing for low-income and homeless families as well as health service facilities.

In my district of San Francisco, voluntary youth service has been a hallmark of the community. The San Francisco Conservation Corps [SFCC] has become a model for youth service programs throughout the country, offering training for at-risk youths and services for the community at large. The National Service Act would provide needed support for programs such as the SFCC.

Mr. Chairman, young people are the foundation of our country; they represent our aspirations for the future. Investing in young people is the best use of our tax dollar. The National Service Act is a sound investment—it prepares our young people for the challenges of the 21st century. I urge my colleagues to vote for the passage of H.R. 4330.

Mrs. KENNELLY. Mr. Chairman, I rise today in support of national service.

We are all here today because we believe in national service. First, and foremost, the need is real; real in communities like my own Hartford, CT, where volunteers are desparately needed to help care for the elderly, feed the hungry, and educate our children.

But aside from meeting these needs of the Nation, national service goes to the heart of what it means to be an American. Often we are so caught up with our problems—the budget deficit and the summit and the Persian Gulf and a renewed energy crunch—that we forget how fortunate we are in America. But with the advantages and privileges of being Americans comes civic responsibility. This responsibility is what national service is all about.

All we are asking today is that Americans respond to this challenge, to give something back and to fulfill the promise that is America. As a Democrat, I believe in civic obligation. I believe in helping the less fortunate in the world and each other. I believe in hard work and equal sacrifice for the common good. These values are the key to our stature in the world, our survival and our future.

Today we are asking Americans to dedicate themselves to a higher standard of excellence. The Nation needs the courage, the ingenuity and the idealism of our citizens. We all have limits as individuals, but as a community, a nation, there is nothing we cannot accomplish, no problem we cannot solve. National service can unify our sense of national purpose and direction.

Mr. PENNY. Mr. Chairman, I rise in support of H.R. 4330, the National Service Act of 1990. This bill represents an initial step in fostering a sense of community service and expanding opportunities for community service among America's young people. And for that step, I applaud Chairman HAWKINS and the Education and Labor Committee. For the most part, this legislation uses existing structures to expand volunteer opportunities. It builds on State programs, such as the one in my State of Minnesota, that have already been successful. And, it expands loan cancellations to volunteers serving in nonprofit, nongovernmental agencies. This is comparable to a provision I would like to see adopted on an international level as well.

My interest in national service legislation, however, goes far beyond the scope of this bill. I recently introduced H.R. 5514, the Voluntary National Service Act of 1990, which has many of the same goals as H.R. 4330, namely to create, restore, and expand opportunities for voluntary national service. My legislation would encourage volunteer participation by providing assistance in student financial aid in exchange for voluntary service. It would enhance recruitment and retention in our Nation's Armed Forces by improving benefits under the provisions of the Montgomery GI bill education programs. It would expand international volunteer service opportunities by affording educational assistance for those serving overseas with private voluntary organizations as well as those serving in the Peace Corps. And, it would encourage qualified individuals to enter and be trained for law enforcement service. The opportunities for service and the needs to be met are endless.

I am aware that our current Federal fiscal situation does not allow us to adopt national service on a broader basis such as proposed by my legislation. But we can demonstrate support for expanded voluntary service as provided for in H.R. 4330. As an editorial in the Faribault, MN, News supporting my national service concept said: "* * * There is a need to actively nurture the concept of service, commitment and citizenship." With the passage of H.R. 4330, we can provide the nurturing climate that will allow those values to grow.

Mr. POSHARD. Mr. Chairman, I rise to express my support for H.R. 4330, the National Service Act of 1990. The legislation will establish school and college-based community service volunteer programs which will ultimately improve the quality of life in this country.

The bill gives States grants to establish school-based student volunteer programs. It creates an American conservation corps to work in wildlife areas, parks, forests, and recreational areas. It also establishes a youth service corps to provide volunteers for nursing homes, day care centers, libraries, and government agencies.

H.R. 4330 also provides funding for a rural youth demonstration project which would provide students in rural areas with volunteer op-

portunities which they would not otherwise have. In my rural southern Illinois district, many of the young people do not have as many recreational options as their counterparts in cities. When kids do not have constructive activities to occupy their time, they get into trouble. Alcohol abuse and teenage pregnancy are just two of the problems which plague rural schools in my district and across the country. The rural youth demonstration program would give those students a volunteer job and a chance to serve their communities.

Mr. Chairman, this bill reflects our strong commitment to voluntarism and it establishes important new programs, and it deserves the full support of each and every member of the House. I applaud the efforts of my colleagues on the committee for the work they have put into this important bill and I urge all of my colleagues to vote in favor of it.

Mr. FORD of Michigan. Mr. Chairman, I am very pleased to rise in support of H.R. 4330, the National Service Act of 1990, of which I am an original cosponsor. This comprehensive bill will encourage and reward public service by Americans of all ages, but particularly young people. This bill will help call on the altruism and generosity of Americans to make significant contributions toward alleviating some of our Nation's most pressing problems—illiteracy, inadequate health care, homelessness, environmental degradation, crime, drug and alcohol abuse, and insufficient care for children and the elderly.

Crafting this bill has been a very challenging and complex task that has involved the subcommittees on Elementary, Secondary and Vocational Education, Postsecondary Education, Employment Opportunities, Select Education and Human Resources of the Education and Labor Committee. The chairman of those Subcommittees, Congressman HAWKINS, Congressman WILLIAMS, Congressman MARTINEZ, Congressman OWENS, and Congressman KILDEE deserve commendation for their work in developing various facets of this bill. Chairman HAWKINS and his staff, especially Gene Sofer, merit special recognition for artfully weaving together the diverse strands of this legislation. Many Members who do not serve on the Education and Labor Committee, including Congressman NEAL of Massachusetts, Chairman PANETTA, Congressman BONIOR, Congressman MCCURDY, Congresswoman KENNELLY, and Congresswoman MORELLA, have also been strong advocates of national service legislation and contributed to the development of this bill. The Committees on Foreign Affairs, Banking, Finance and Urban Affairs and Interior and Insular Affairs were also extremely cooperative in expediting this bill and making its timely consideration by the House possible.

I am particularly pleased to support this bill because it substantially incorporates H.R. 2591, the Serve America, the Service to America Act of 1989, which I introduced on June 8, 1989. In particular, the School-Based Service Learning Program in title I of the bill authorizes the Secretary of Education to make grants to State education agencies to plan and build statewide capacity for school-based service learning programs. The State education agencies will make grants to local partnerships between local education agencies and local government agencies, community-based organizations, institutions of higher education or private nonprofits. Priority will be given to projects undertaken by the partnership which target low-income areas, promote intergenerational contact, promote drug and alcohol prevention and include mentoring activities. Thirty-five million dollars is authorized for these activities in fiscal year 1991 and such sums as may be necessary for each of the 3 succeeding years. In addition, the Higher Education Community Service Program authorizes the Secretary of Education to make grants, or enter into contracts, with institutions of higher education to enable them to create or expand service activities for their students. This program is authorized at $10 million in fiscal year 1991 and at such sums thereafter for the next 3 years. I believe that service opportunities which effectively use our schools at all levels and which engage the energy and idealism of students are likely to be most effective. Support for these school-based service opportunities were the centerpiece of my national service bill, H.R. 2591, and I am delighted that they remain central to National Service Act of 1990.

I urge my colleagues to vote in favor of H.R. 4330.

Mr. FAWELL. Mr. Chairman, when Congress sees a problem, its first impulse is to enact a law, any law, to spend money to solve it. Countless examples have shown that money spent does not always equal results. But what happens when there is no problem.

Welcome to the National Service Act of 1989. The National Service Act attempts to fight the problem of waning voluntarism nationwide. This measure spends $183 million each year to promote the oxymoron of the year—paid voluntarism.

According to a 1988 survey conducted by the Independent Sector, an umbrella organization for most of the charitable groups in the country, voluntarism thrives without government intervention. In the study, 45 percent of people surveyed said they regularly volunteered. Further, one-third of those respondents reported spending more time on volunteer work in the previous 3 years. In all, an estimated 80 million adults gave a total of 19.5 billion hours in 1987, at a value of $150 billion.

In the face of such huge success, Congress is well on its way to spending millions of tax dollars to solve a problem that doesn't exist or, at the very least, considering the debt and deficit, is of lowest priority. The national service bill will pay volunteers to fill a variety of roles. A few examples are: programs establishing a youth service corps to work in government agencies, libraries, law enforcement agencies, and other activities that are of substantial social benefit; paying Peace Corps volunteers' college tuition; and deferring the guaranteed student loans of those who would undertake full-time volunteer service.

But voluntarism thrives without Government subsidies. Where Federal money will make a difference, however, it will surely destroy the spirit which initially led people to volunteer. The example I cited above demonstrate the point. As for the Peace Corps, applicants for the corps far exceed the spaces available, because young college graduates and older technicians view the experience as gratifying and beneficial for future career prospects. Tuition subsidies—which could total $40,000 at an elite university—are unnecessary. Finally, a GSL deferral for those who choose full-time volunteer service is of little financial consequence and barely an incentive.

The only sure effect of paying volunteers will be to increase the size of the already mammoth Federal debt. Based on the most recent Congressional Budget Office [CBO] projections, the deficit for fiscal year 1991 will exceed $230 billion, not including borrowing from the Social Security trust fund. The Federal debt is over $3 trillion, and interest on the debt alone is projected to be $286 billion in fiscal year 1991. With this unshakable burden resting upon us, I found it hard to believe Congress is even considering a $180-million bill to address a problem that doesn't exist.

The American people know to volunteer—let's prove to them that Congress knows how to earn its salary. Vote no on the National Service Act.

Mr. RAHALL. Mr. Chairman, I rise in strong support of H.R. 4330, the National Service Act of 1990.

I was privileged to be an original cosponsor of the act, as introduced by the able chairman of the Education and Labor Committee, the gentleman from California [Mr. HAWKINS]. At the time of the bill's introduction, I was serving as a temporary member of that committee.

The Education and Labor Committee approved a bill that encourages a greater spirit of community service, particularly among America's youth by building upon existing State and local efforts and enhancing their potential for addressing unmet social needs. Funds are authorized in the bill for the coordination of school-based community services programs, both K–12 and higher education, as well as for the American Conservation Corps and the Youth Service Corps.

The bill as reported provides matching support for a variety of school-based and full-time service programs for America's young people, providing them with opportunities to serve their communities in significant ways, while improving their own skills. These opportunities will ease their transition to productive adulthood and give them an understanding of their responsibilities as citizens in a democracy.

Mr. Chairman, I am appalled that the administration is opposed to this measure, saying among other things that it authorizes unwarranted new Federal programs, such as loan deferment and cancellation provisions, or the costs of administering the new programs, or the authorization of $28 million in fiscal year 1991 for the Youth Service Corps.

The Secretary of Education claims that our bill attempts to direct community services from the Federal level, rather than from the community.

Mr. Chairman, I would characterize our bill as forming a partnership with States and localities who cannot afford to do what needs to be done by themselves. They cannot, and they have said they cannot, do it alone.

H.R. 4330, as reported, expressed a need for the legislation thusly: "* * * seeks to maintain and where necessary, revive the

American spirit of civilian service. While Americans have a rich history of commitment to service efforts, the availability of service opportunities has been less consistent. This bill intends to build upon existing Federal programs like VISTA, Peace Corps, Older Americans Volunteer Programs, and the Student Literacy Corps to expand service opportunities and to increase the number of Americans who perform community services."

I think that says a lot. In fact, I think that, says it all.

H.R. 4330 also addresses the issue of sectarian activity or participation in these programs, and the committee expresses its intent that prohibitions on sectarian activity in the performance of program responsibilities found in title I, section 157 shall not be interpreted to abridge or interfere wiht the rights of such individuals or organizations to freedom of speech and expression.

Mr. Chairman, the committee also acknowledges that the country's 960 community action agencies mobilize a vast and committed network of volunteers representing a broad cross-section of the local community. Community action agencies, or CAP's as they are known, are given the opportunity to use their more than 25 years experience to carry out programs authorized in this bill.

The inclusion of CAP's is of enormous satisfaction to me. While I was a member of the Education and Labor Committee early this year when the bill was originally introduced, regrettably I was rotated off the committee in June prior to its consideration and reporting of H.R. 4330. Prior to going off the committee, I had been urged by the director of the West Virginia State Community Action Agency Association, David Treharne, to include community action agencies throughout the bill. The simple justification was: If anybody or entity knows how to deliver volunteer and community services at the local level, it is the 25-year-old CAP's, who began their service in 1964, as part of the old EEO Program.

Last March I had prepared an amendment which was submitted at the Committee staff level, prior to leaving the committee, to include CAP's in the bill as eligible participants. I want to express again my pleasure that this has been done in the committee bill, and to commend the Subcommittee on Human Resources Chairman DALE KILDEE for his foresight in making CAP's eligible participants.

Chairman KILDEE'S outstanding record to improve and enhance the programs under his subcommittee's jurisdiction is legend, and particularly on behalf of the community action agencies and their continuing war on poverty begun back in 1964.

This bill will help prepare our young people to be the workers and citizens we will need in our global economy as we approach the 21st century. It also provides modest resources to energize the partnership we intend to forge with State and local governments in providing community services, among young and old alike.

Again, I commend the distinguished chairman of the Education and Labor Committee GUS HAWKINS, and its ranking minority member BILL GOODLING, for bringing this bill to the floor of the House for our consideration. I include all members of the Education and Labor Committee in my congratulations for reporting this tremendously important measure, and I also wish to convey my appreciation to the chairmen of other standing committees with jurisdiction over many of its parts, for their agreement to waive jurisdiction so that this bill can move forward to enactment by the House. These include the Committees on Foreign Affairs (Peace Corps), Banking, Finance, and Urban Affairs (construction and rehabilitation of Housing), and Interior and Insular Affairs (conservation).

I strongly support passage of H.R. 4330, and encourage my colleagues to vote for its passage as well.

Mr. PANETTA. Mr. Chairman, I rise today in support of H.R. 4330, the National Service Act of 1990, introduced by Representative AUGUSTUS HAWKINS, which now has the support of over 100 of our colleagues. That support alone indicates the tremendous interest this issue has garnered. Chairman HAWKINS has done an outstanding job in providing the leadership necessary to balance the various interests and concerns of the Members who were responsible for contributing to the titles represented in this comprehensive bill. This legislation we are addressing today will indeed promote and coordinate efforts to address social problems through community service across this great Nation.

H.R. 4330 authorizes $35 million for school-based programs that make community service an important element of learning. Such service learning programs have beneficial impacts on attendance, behavior, and achievement and energizes teachers and administrators as well as students. In addition, the bill authorizes $25 million in grants to institutions of higher education to create or expand service opportunities for their students. It also encourages students to tutor both disadvantaged students in chapter 1 schools and their parents.

The National Service Act of 1990 authorizes $93 million to establish the American Conservation Corps [ACC], the Youth Service Corps [YSC] and Youthbuild demonstrations. Both the ACC and the YSC, which are based on H.R. 717, the American Conservation and Youth Service Corps Act of 1989 which I introduced last year, would provide innovative means of restoring lost social services to our communities and performing vital conservation tasks. The American Conservation Corps would focus on environmental and conservation projects on public Federal and State lands. The Youth Service Corps would work with projects in nonprofit social service agencies, schools, nursing homes, and other facilities meeting human needs. Richard Danzig and Peter Szanton, in their book, "National Service: What Would It Mean?" estimated that up to 3.5 million positions could be filled by youth service workers each year to help fill the gaps without displacing current workers. These included over 1 million in education, over 700,000 in the health field, nearly 1.5 million in child care, over 165,000 in conservation and the environment, and 250,000 in criminal justice and public safety.

Youthbuild combines compensatory education and construction skills training to provide disadvantaged youth with an opportunity to learn and to revitalize their community's housing stock. In addition to performing service, participants receive education, job training, work experience and enhance self-esteem. Service benefits both the participant as well as the community, and this bill gives disadvantaged youth the opportunity to serve their communities, their country and themselves.

This bill also includes $30 million to fund demonstration programs targeted to school dropouts and rural youth; to encourage college students to join the Peace Corps; to encourage Foster Grandparents to participate in Head Start; to allow Governors to sponsor new and innovative community service programs at the State level; and to fund Presidential awards recognizing excellence in community service.

The bill also contains provisions regarding job displacement and, education and job training, where necessary. No new bureaucracy is created and in fact builds upon service efforts currently underway in local communities throughout the country. Finally, the bill does not include any linkage between service and student financial assistance.

I am very proud to be a part of this national service movement and am encouraged both by the passage of S. 1430, the National Community and Service Act, and by the President's interest in the national service issue. Community service helps address social and environmental needs; provides the chance to serve fellow citizens and communities, and provides participants with valuable experience and, often, education and training as well.

This call to service is not issued lightly, and it is the entire Nation, in the long run, which stands to gain the most from the more outward-looking citizenry that would develop from such a program. A national service program would offer young adults a renewed opportunity to earn a sense of pride and self-respect, and fulfill many pressing national, human, social and environmental needs. Fellow colleagues, I fervently hope that the House will take timely action, and build on extensive efforts, to create the national service program and make national service a national reality. I urge your support of the National Service Act of 1990.

Mr. TAUKE. Mr. Chairman, I rise in strong support of the volunteer liability protection amendment offered by my friend from Illinois, JOHN PORTER.

This amendment is virtually identical to a bill he has sponsored in the House, H.R. 911, which has 215 cosponsors.

We cannot introduce such a strong Federal presence in volunteerism without sending a firm message to States about the need to protect volunteers from malicious lawsuits.

I offered this amendment when we considered this bill in the Education and Labor Committee because it is an important component of an infrastructure we are attempting to build to support and encourage volunteerism.

A story I relayed during the Committee markup is worth mentioning here. This occurred in Runnemede, NJ in 1985. A child playing in the outfield during a little league playoff game misjudges a fly ball, is hit in the eye, and injured. The parents sued the four coaches as individuals. The allegation: the child was an infielder, not an outfielder and

the coaches knew this. The case was settled out of court for several hundred thousand dollars.

We are seeing greater and greater incidences of potential volunteers unwilling to give their time in service for fear of being sued.

A 1988 Gallup survey revealed: 20 percent of directors of nonprofit associations indicated that fear of liability was hurting their ability to recruit and retain volunteers to serve on boards.

A growing number of States are passing volunteer protection laws. This amendment does not usurp State's authority in this area. This amendment does not interfere with State participation in the act, except for one program, the new Governor's service program.

This amendment protects the volunteer as an individual, the organization must still answer in court for any injury.

In order for the volunteer to receive this protection, the volunteer must have been acting in good faith, not in a willful or wanton manner, and in a way that is within the scope of his duties.

The National Service Act will create thousands of federally-sponsored volunteers in all 50 States. These volunteers will be subject to different civil justice standards in each State. This amendment will encourage States to treat all volunteers, equitably and fairly.

The amendment is supported by over 75 organizations representing tens of millions of volunteers across the Nation including: The United Way, American Society for Personnel Administrators, U.S. Farm Bureau, the American Medical Association, and the National Association of Manufacturers.

I urge my colleagues to support this amendment.

Mr. GAYDOS, Mr. Chairman, I rise in support of this bill, H.R. 4330, the National Service Act of 1990, and in particular support of the title 2 provisions, which are similar to those in the service bill I introduced February 2, 1989.

Our Nation's young people must have the opportunity to experience both the tangible and the intangible benefits stemming from giving of themselves.

The experiences young men and women have while serving and later walk away with are more than just job related. In addition to helping other people, they learn that they can make a difference in their schools, their communities, their families, and in their own lives.

To show how effective these programs can be, let me tell you about just two of the many programs that are part of a statewide effort in Pennsylvania, my home State.

The Successful Student Partnership Program is an integral part of school dropout prevention efforts. It now operates in 30 school districts and will soon expand to 15 more because of the significant achievement of participating students. For example—out of 100 seventh graders at risk of leaving school before completing high school, after just 1 year in the program, 18 of these students were on the honor roll.

And, statistics from the Pennsylvania Conservation Corps Program, which targets youth who have already left school, show an even higher success rate. Out of the 8,000 young men and women the Pennsylvania corps had helped:

Each one was unemployed when joining the corps;

Almost 40 percent were on some form of public assistance; and

Fifty percent had not finished high school.

Today, 72 percent of these young people—5,760 of the original 8,000—have moved on to unsubsidized employment, further education, or military service.

Mr. Chairman, many of us in this Chamber don't even need statistics to know these programs work.

During the Depression, we saw firsthand the positive effect service programs had on thousands of families because some of those families were either our own, or those of close friends or classmates. We saw how these programs cannot only instill the work ethic, but also pull people out of the pits of despair by changing their lives and their outlooks on life.

I urge all of my colleagues to vote for H.R. 4330 the National Service Act of 1990.

While I still have the floor, I'd like to point out that Pennsylvania has been and continues to be a leader on this front. Currently, Pennsylvania invests more than $7 million in service programs through the Pennsylvania Conservation Corps and PennSERVE, the large program of which the Successful Student Partnership program I talked about earlier is only a small part.

Since 1988, PennSERVE has created 60 model school-based community service programs, launched two full-time year-round service corps in McKeesport and Pittsburgh, worked to expand he Pennsylvania Campus Compact to 28 colleges, initiated the Pennsylvania Model Literacy Corps on 13 college campuses, strengthened volunteer programs for 180,000 State employees, and collaborated with the United Way to establish the Pennsylvania citizen service project.

In addition, four school districts in the State have made community service a graduation requirement and the State's two largest districts—Philadelphia and Pittsburgh—have made community service an integral part of major restructuring efforts.

Mr. SIKORSKI. Mr. Chairman, National Youth Service is a phrase that has many definitions but one common goal. That goal is the development of patriotism and community spirit by encouraging America's youth to devote a portion of their lives to working for the common good. Our communities need the voluntary services of our Nation's college students and many of our young people are willing to serve their community. But one thing often stands in their way—looming student loan indebtedness.

In the past two Congresses, I have introduced youth service legislation that calls for the deferral or partial forgiveness of student loans for college graduates who spend at least 1 year of their life working in charitable or community service activities. Aspects of my legislation have been included in H.R. 4330, the National Service Act, and I commend Chairman HAWKINS for realizing that loan deferment and partial forgiveness can play a vital role in the promotion of community service activities.

As a member of the Governor's Blue Ribbon Committee on Mentoring and Youth Community Service in the State of Minnesota, I have seen firsthand the impact that volunteerism and service has on our Nation's communities, on its citizens, and especially, the positive impact it has on our Nation's young people—our future. H.R. 4330 consolidates many of the best ideas of the several youth service proposals that have been introduced in the House of Representatives that past Congress, and I am proud to be a cosponsor of this important legislation.

I would like to commend Chairman HAWKINS for his strong leadership on this legislation, and as a member of the Minnesota Governor's Blue Ribbon Committee on Mentoring and Youth Community Service, express the committee's full support of H.R. 4330.

Mr. OWENS of New York. Mr. Chairman, I rise in support of H.R. 4330, the National Service Act of 1990.

This legislation is a significant but appropriately modest response to the renewed interest in voluntarism and service we are seeing around the Nation. This bill will encourage and provide necessary support to State and local youth volunteer efforts, but it does not, as some urged us to do earlier in this Congress, create any massive new volunteer program. H.R. 4330 also recognizes that young people do care and are willing to serve their communities if they are given an opportunity and do not need to be compelled or coerced to serve as some have advocated. H.R. 4330 also forthrightly rejects the demands of some that postsecondary financial aid be provided only to those who perform service, recognizing that the Nation's woefully underfunded postsecondary aid programs are not welfare but a critical investment in our future. Finally, H.R. 4330 does not, as some had recommended, create any new bureaucracies to administer volunteer programs, recognizing that the ACTION Agency, an entity created by President Nixon specifically to support voluntarism and administer service programs like VISTA and Foster Grandparents, must have a pivotal role in administering any new volunteer programs.

Most of the resources provided by H.R. 4330 are targeted to improving opportunites for service by low-income and other disadvantaged young people. I am particularly pleased that the legislation includes provisions I authoried to support Youthbuild training and employment projects. Up to $10 million is authorized for grants to assist local development projects which provide disadvantaged youth with education, skills training, and work experience in the construction or rehabilitation of housing for homeless and other low-income people or community facilities needed in low-income communities.

All Youthbuild participants must be economically disadvantaged and at least 75 percent of the participants in each youthbuild project must be high school dropouts with reading or math skills below the eighth grade level—persons who are frequently unserved by JTPA and other training programs and who are among those with the greatest difficulties in the job market. The remaining 25 percent of the participants could be high school dropouts

with reading skills above the eight grade level or high school graduates who have educational needs despite their attainment of a degree. Special recruitment activities would have to be undertaken by each project to attract the participation of young women, ex-offenders, foster care youth, and youth who are homeless.

Youthbuild participants would spend half their time in academic remediation, GED classes, and other educational programs. The rest of their time would be spent on the construction site, working at minimum wage and learning marketable job skills. Upon its completion, the housing Youthbuild participants help to build would be reserved permanently for homeless and low-income families at affordable rents.

The innovative model upon which Youthbuild is based has proven successful wherever it has been tried. It has been carefully developed in East Harlem by the Youth Action Program since 1978. The Banana Kelly Community Improvement Association has successfully replicated it in the South Bronx since 1984. Public/Private Ventures has implemented the model in 12 cities. Youthbuild programs are now being developed by community groups in Minneapolis, Salt Lake City, San Francisco, Cleveland, Youngstown, Boston Chicago, Dallas, Los Angeles, Newark, and in many other locations, but they are struggling without an adequate and stable source of funding.

The Youthbuild Program has proven to be particularly attractive to and beneficial for young minority males and comprises an important part of the response we must make to the terrible crisis facing these young people. The average earnings of all young men have fallen since the early 1970's, but the earnings losses of young black and Hispanic men have been particularly severe. the average annual earnings of young black men fell by 36.7 percent between 1973 and 1987. Young Hispanic men lost 26.7 percent and young white men lost 21.5 percent. Black male dropouts have been hardest hit by changes in the economy. In 1987, young black male dropouts earned an average of only $2,986, compared to $8,496 in 1973—a drop of 64.8 percent. This is twice the size of earnings losses experienced by white and Hispanic male dropouts.

A devastatingly high proportion of young black and Hispanic men are in prison, in jail, or on probation or parole. In 1989, nearly one in four black men between the ages of 20 and 29 were under the control of the criminal justice system—either in prison, in jail, or on parole—on any given day. The proportion was 1 in 10 for young Hispanic men and 1 in 16 for young white men. Young black and Hispanic men are also disproportionately the victims of violent crimes. For example, black men are seven times more likely to die from homicide than their white peers.

Despite the magnitude of this crisis, precious little is being done at the Federal, State, and local levels to arrest and reverse this horrible waste of human potential. There are few programs available to meet the needs of young men in the inner city. As the founder of Youthbuild, Dorothy Stoneman, put it in testimony before our committee, "the only active recruitment of low-income minority men is for them to become drug dealers." By providing support for the replication of the Youthbuild model in communities across the Nation, H.R. 4330 will help to remedy this paucity of meaningful alternatives for young minority males. During consideration of H.R. 4330, our committee heard testimony from Mr. Ventura Santiago, a Youthbuild graduate from East Harlem who obtained his GED through the program and learned construction skills which helped him to obtain a good job paying over $23 per hour. Mr. Santiago spoke eloquently about what Youthbuild meant for him and what it could mean to other young people:

It is not easy growing up in East Harlem. Especially nowadays everybody thinks everybody is on crack or selling drugs or something. A lot of young guys are dropping out at early ages. It's just a shame. Most of them drop out because they really don't have anything to do. You've got to give people something to look forward to, like this training, something to look forward to that they could use in the future. If it wasn't for this training, I don't know where I'd be today. I really don't.

Through Youthbuild, H.R. 4330 will provide many more opportunities for young men like Mr. Santiago. I urge my colleagues to support this legislation without crippling amendments.

Ms. SCHNEIDER. Mr. Chairman, I rise today to speak in favor of H.R. 4330, the National Service Act. It encourages the spirit of voluntarism and community spirit, while addressing unmet social needs. I'd say that's a winning combination.

The National Service Act will help young Americans gain a sense of accomplishment and civic participation. The rewards of instilling this personal sense of commitment to community in our youth will go a long way. It will help prepare our young people to be the workers and citizens we will need in our global economy as we approach the 21st century.

This critical legislation will promote National Service by providing support for a variety of school-based and extracurricular service programs for young people. In addition, this bill will provide Federal assistance to programs for conservation, rehabilitation of wildlife habitats, historical and cultural preservation, and other environmental projects.

I recently enjoyed a visit to Brown University and met with President Vartan Gregorian, and a group of committed youth service leaders. Brown has a proud history of promoting National Service. In February 1988, Brown and Youth Service America sponsored a "Youth Service Leadership Conference" which attracted a number of senior Government representatives. I am proud to represent an institution which has shown such leadership in preparing our young people to understand their responsibilities as citizens in a democracy.

Mrs. LOWEY of New York. Mr. Chairman, I rise in strong support of H.R. 4330, a bill that is designed to ignite all 1,000 of President Bush's famous points of light.

This bill is about emphasizing the importance of giving something back to this great Nation—about meeting the enormous needs of our communities through the great American tradition of voluntarism.

The programs created by this bill have the potential to make a real difference in our schools and communities. Half of the funding is provided for service programs in our Nation's schools, with a significant portion devoted to encouraging the concept of service learning, a tool which combines community service with academics and is used by teachers to energize themselves and their students. This program is going to improve the quality of education in this country.

In addition, half of the bill's funding is devoted to the creation of the American Conservation Corps and the Youth Service Corps, which are designed to conserve our resources and to meet urgent human needs in our communities.

As I meet with young people around my district, I have sensed an increasing desire to help solve local problems—a real yearning to serve the community and the Nation. This bill will help local students realize these objectives.

The bill builds on a long tradition of voluntarism in American society. It simply seeks to encourage the instinct of many Americans to serve those around them who need our help and assistance.

President Bush has talked about "a thousand points of light." However, if we look around our Nation today, we realize that many of those points of light are not visible or are flickering and on the verge of going out. This legislation will help ignite those points of light—particularly among our young people, many of whom are searching for ways to contribute.

This bill will help increase participation across the Nation and help encourage better citizenship across the country. It deserves our strong support, and I hope that all Members will join in approving this valuable legislation.

Mr. OWENS of Utah. Mr. Chairman, everyday on this floor, Americans from every corner of our Nation discuss and debate the great ills facing our society. Crime, substance abuse, homelessness, economic destitution, illiteracy. Today, Congress has an opportunity to address all these concerns in a substantive and progressive way. Some call it preventative maintenance, but I prefer to call it common sense.

I am referring to the National Services Act, a bill that promotes community service at all school levels and establishes youth service programs. As legislators, we should resist looking upon the notion of voluntarism as just a way of providing services to our communities, but as an avenue through which the volunteer can become a productive participant in our society. That's the motivation behind this bill and it is sound.

H.R. 4330 will provide funding, with language for matching funds from State and local government, to create youth corps around the country. The work performed by these young men and women, most of whom have poor educations and few work skills, will have wide-ranging impact. What communities nationwide will receive are low-cost, quality services in the form of housing rehabilitation, day-care help, tutoring of young children, and conservation maintenance of parks and highways. Our disadvantaged and disenfranchised youth will get hands-on experience that will lead to real job skills, no wages but in some cases small stipends to help make ends meet, and oppor-

tunity to receive their GED's or college scholarships. And as importantly, they will receive an understanding of how their lives can have a significant effect on the people around them, an education they could never receive in a classroom.

What our society as a whole gets is something less tangible, but more substantive. Instead of embittered, unemployed and unemployable youths, our cities, towns and county's get productive, useful, caring citizens. Instead of drug usage and delinquent activities, the recourse for many who feel shunted from the mainstream, we will have willing and enthusiastic participants in our businesses, schools and churches, and the foundation of a competitive, global economy to take us into the next century.

It is not an oversight process. We will not wake up tomorrow from passing this bill and see the change. But like the violent crime, school dropout, and drug problems that develop over a number of years, it's a gradual process. However, it will happen if we give ideas like H.R. 4330 a chance.

For those in school, the National Service Act will expand their education in ways not possible without impetus from the Federal Government. Instead of just attending social studies classes, students could set up voter registration drives. Instead of attending science classes, kids could help the Red Cross in setting up blood drives. There are many applications and all of them positive because they reinforce that what our children learn in the classrooms is not all boring theory out of textbooks, but can have real and exciting implications in their daily lives. That is enriching and the full measure of what education is all about.

For some schools, these are extracurricular activities, but I would like to see these programs become part of the curriculum. For educators and parents who are worried about providing basic reading and writing skill for students, I think youth service programs reinforce those skills and will make our kids realize the value of having a solid foundation in the basic education fundamentals. It will teach kids how to learn, something they will need the rest of their lives as jobs change and become obsolete.

It is the hope for many supporters of H.R. 4330, that the Federal Government will provide the impetus for State legislatures to create programs within their jurisdiction. A number of States already have programs, and many more have legislation that would establish youth corps. Among them, I am pleased to note, is Utah, which this past session passed a measure to create a Youth Conservation Corps. This new youth corps program will assist Utah in maintaining its highways, hiking trails, and rural areas.

America's business and civic leaders have already recognized that there are plenty of high skill positions available in our current job market, but there are not enough students who have received the education and job skills training needed to take on those jobs. More and more, corporate America is willing to make an investment in its future. Congress should too.

The funding level this legislation authorizes is $180 million, not a significant sum to ask for with regard to the future of thousands of young Americans. And as I mentioned before, this legislation will act as motivation for States and localities to create youth services programs that one day they will have the principal responsibility in funding.

In closing, let me once again encourage your support for the National Services Act, legislation that I believe will have beneficial ramifications we have not even envisioned yet.

Mr. GOODLING. Mr. Chairman, I yield back the balance of my time.

Mr. HAWKINS. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. MONTGOMERY). Pursuant to the rule, the amendment in the nature of a substitute recommended by the Committee on Education and Labor now printed in the bill shall be considered by titles as an original bill for the purpose of amendment and each title shall be considered as read.

The Clerk will designate section 1.

The text of section 1 is as follows:

Be it enacted by the Senate and House Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Services Act of 1990".

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, as was evident from my previous remarks, I am a little concerned about the fact that we are taking voluntarism and making it into kind of a bureaucratic entity rather than in the true spirit of voluntarism.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. Yes, I yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, would the gentleman specify what bureaucracy is being created?

Mr. WALKER. Well, I have a couple questions of the gentleman just to try to clarify that.

Mr. HAWKINS. Well, would the gentleman answer mine, please, as a matter of courtesy?

Mr. WALKER. Excuse me?

Mr. HAWKINS. I asked whether or not the gentleman will specify what bureaucracies are being created.

Mr. WALKER. Well, for example, I think that we may involve the bureaucracy of the IRS in all this. Can the gentleman tell me what the situation is with regard to the loan forgiveness? Is that regarded as income to the individual involved? What is the status of that particular item? Are we not going to get the IRS involved in this?

Mr. HAWKINS. Mr. Chairman, if the gentleman will yield further, the gentleman should understand the IRS is already created. Is the gentleman saying that is a bureaucracy that we are going to create? The gentleman is saying the IRS will be involved in the creation of another new bureaucracy?

Mr. WALKER. Mr. Chairman, if the gentleman will listen to what I said, I said we are going to make these people into tools of Federal bureaucrats. That is what I said, and tools of Federal bureaucrats means that, for example, the IRS, it looks to me they get involved here unless there is some solution within this bill.

Mr. HAWKINS. Well, perhaps the gentleman, if he will yield further, does not realize that they are already involved. We are not asking for their involvement.

Mr. WALKER. The gentleman is creating in his bill a whole host of new loan forgiveness.

My first question is, is that going to count as income for the individuals involved?

Mr. WILLIAMS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Montana.

Mr. WILLIAMS. Mr. Chairman, there is no change in the relationship between the IRS regulations, laws and bureaucracy, as currently exists. There is cancellation in the law now. The IRS would treat the cancellations and deferments envisioned by this act exactly as it now treats other cancellation and deferments.

Mr. WALKER. And can the gentleman tell me, does that count as income to the individuals involved?

Mr. WILLIAMS. It is not income.

Mr. WALKER. It is not income to the individuals involved, so in this case the IRS will not count this forgiveness as income to the individuals involved, if I understand the gentleman.

Then I look at page 49 of the bill and I find a term called a full-time volunteer in service comparable to service referred to in subparagraph (E) and so on, but I do not see any definition in the bill of full-time volunteer. That is an interesting concept. This is somebody who is full time. What does that mean in terms of hours? Who is a full-time volunteer that is going to be eligible here? Is that somebody who works 40 hours a week as a volunteer? Who are these full-time volunteers?

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, that is already in the code. The definition would follow what is already in the code. We do not change the definition.

Mr. WALKER. Well, what is the definition of a full-time volunteer?

Mr. HAWKINS. It is 40 hours.

Mr. WALKER. It is 40 hours, so it is someone who works at voluntarism for 40 hours.

Then it goes on to say that this person must not receive compensation for services in excess of the Fair Labor Standards Act.

In other words, we have now created a new title for minimum wage workers called a full-time volunteer. Is that what we are doing here in this language?

Mr. HAWKINS. The gentleman is referring to categories that already exist.

Now, I understand the gentleman is opposed to the bill and obviously he is trying to obfuscate the issues to protect his position.

Mr. WALKER. I am not trying to obfuscate anything, and I resent the chairman saying that. I am trying to find out what the gentleman's bill means.

Mr. HAWKINS. I tried to indicate to the gentleman that these are not new definitions. These are definitions already in existence.

Mr. WALKER. Well, I thank the gentleman for that, but the problem is, that the gentleman is including under a loan cancellation authorization which is making a brandnew entitlement program. The gentleman is creating a brandnew entitlement program here and I am trying to find out what all this terminology means. I am telling the gentleman, I am not trying to obfuscate. I am trying to find out where the obfuscation is in the bill that the gentleman brings before us, because I will say that it sounds to me as though full-time volunteer is just another fancy word for minimum wage worker, if we go by the language which is in the gentleman's bill.

I also have another problem. When we go over to page 50, we find out over there that we are talking about cancellation of loans not to volunteers in this bill, but under the gentleman's——

The CHAIRMAN pro tempore (Mr. MONTGOMERY). The time of the gentleman from Pennsylvania has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 3 additional minutes.)

Mr. WALKER. Over on page 50 of the bill we find it is not volunteers that we are dealing with. Then we begin dealing with full-time professionals.

Now, down in the bill here it says "as a full-time professional employee engaged in drug counseling, prevention, intervention, treatment, or education and employed by a public or nonprofit private agency or organization."

□ 1340

Now all of a sudden we have gotten out of the business of canceling loans for volunteers. Now we are in the business of canceling loans in this bill for full-time professional employees.

How did that get in there if this is a volunteer bill? Where did that one come from?

I would be glad to yield to someone.

The question is how did we end up with a volunteer bill with full-time professional employees getting the cancellation? Why not doctors? I have got people who are serving the poor, doctors who are full-time professional employees. Why not cancel some of their loans in the bill as well? Why do we pick out one category? Why are we dealing with full-time professional employees and not volunteers?

Well, I do not get an answer.

I mean that is a problem. You have a series of bureaucratic decisions that are going to be made here about this bill, and these people are literally going to be tools of the Federal bureaucrats.

I will tell you this bill has got problems. They are problems that are not being resolved. Good heavens, we cannot even get answers. I could not get an answer earlier as to how many volunteers this was going to create. I suppose there is no answer to that. I cannot get an answer about what we mean by a "full-time volunteer." I cannot find out why we are including full-time professionals in the bill.

I got to tell you I am a little bit concerned that this is a major intrusion into what has been a working system in this country. Voluntarism in this country has worked.

For Congress to get involved in ways that we do not even pretend to understand on the House floor is wrong. It makes a mockery of the title of this bill that suggests that we are doing something to help voluntary organizations, or people participating, contributing their skills in meaningful ways in our society.

I think we ought to reject this bill.

The CHAIRMAN pro tempore (Mr. MONTGOMERY). Are there any amendments to section 1? If not, the Clerk will designate title I.

The text of title I is as follows:

TITLE I—SCHOOL-BASED AND HIGHER EDUCATION COMMUNITY SERVICE

PART A—SCHOOL-BASED COMMUNITY SERVICE

SEC. 101. SHORT TITLE.

This part may be cited as the "Schools and Service-Learning Act of 1990".

Subpart 1—School-Based Service Learning

SEC. 106. SCHOOL-BASED SERVICE LEARNING PROGRAM.

The Secretary of Education is authorized, in accordance with the provisions of this subpart, to make grants to States through their State educational agencies for—

(1) planning and building State capacity for implementing statewide, school-based, service-learning programs, including—

(A) preservice and in-service training for teachers, supervisors, and personnel from community organizations in which service opportunities will be provided;

(B) developing service-learning curricula, including age-appropriate learning components for students to analyze and apply their service experiences;

(C) forming local partnerships to develop school-based community service programs in accordance with this subpart;

(D) devising appropriate methods for research and evaluation of the educational value of youth service opportunities and the effect of youth service programs on communities;

(E) establishing effective outreach and dissemination to ensure the broadest possible involvement of nonprofit community-based organizations and youth-service agencies with demonstrated effectiveness in their communities; and

(F) integration of service-learning into academic curricula; and

(2) the implementation, operation, or expansion of statewide, school-based, service-learning programs through State distribution of not less than 80 percent of Federal funds made available under this subpart to projects and activities coordinated and operated by local partnerships of local educational agencies and other agencies and organizations in accordance with this subpart.

SEC. 107. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENTS TO STATES.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the purpose of carrying out the provisions of this subpart $35,000,000 for the fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

(b) RESERVATIONS.—Of the sums appropriated to carry out this subpart for any fiscal year, the Secretary shall reserve not more than 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(c) ALLOTMENT.—The remainder of such sums shall be allotted among the States as follows:

(1) From 50 percent of such remainder the Secretary shall allot to each State an amount which bears the same ratio to 50 percent of such remainder as the school-age population of the State bears to the school-age population of all States.

(2) From 50 percent of such remainder the Secretary shall allot to each State an amount which bears the same ratio to 50 percent of such remainder as allocations to the State for the previous fiscal year under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 bear to such allocations to all States.

(d) LIMITATION.—For any period during which a State is carrying out planning activities under section 106(1) prior to implementation under section 106(2), a State may be paid not more than 25 percent of its allotment under this subpart.

(e) REALLOTMENT.—The amount of any State's allotment for any fiscal year to carry out this subpart which the Secretary determines will not be required for that fiscal year shall be available for reallotment to other States as the Secretary may determine.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "school-age population" means the population aged 5 through 17, inclusive.

(2) The term "State" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 108. ASSISTANCE TO LOCAL PARTNERSHIPS.

(a) ASSISTANCE TO LOCAL PARTNERSHIPS.—From the sum made available under section 107 to a State educational agency for each fiscal year, such agency shall, through grants or contracts, provide not more than the Federal share of financial assistance to local partnerships for school-based service projects (in this subpart referred to as "partnerships") for the purpose of carrying out

the projects and activities authorized by this subpart.

(b) LOCAL PARTNERSHIPS.—

(1) Each partnership shall consist of at least 1 local educational agency and at least 1—

(A) local government agency;

(B) community-based organization;

(C) institution of higher education; or

(D) private nonprofit organization.

(2) A partnership may include representation by private for-profit business organizations and private elementary and secondary schools.

(c) PRIORITY.—In providing financial assistance pursuant to this subpart, State educational agencies shall give priority consideration to proposals for projects that—

(1) are in greatest need of assistance, such as projects serving low-income areas;

(2) involve participants in the design and operation of the program, where appropriate;

(3) involve students from both public and private elementary and secondary schools and individuals of different ages, races, sexes, ethnic groups, and economic backgrounds serving together;

(4) involve adults, particularly older individuals, as mentors and in other capacities that provide significant interaction with youth performing community service in a school-based setting, including at-risk youth;

(5) involve a partnership which includes private sector employees with talents and skills in short supply in the schools; and

(6) focus on drug and alcohol abuse prevention, school drop-out prevention, or nutrition and health education.

SEC. 109. STATE APPLICATIONS.

(a) APPLICATION REQUIREMENTS.—A State educational agency which desires to receive its allotment under this subpart shall submit to the Secretary an application at such time, in such manner, and containing such information and assurances as the Secretary may require, including—

(1) evidence of substantial cooperative efforts among local educational agencies, local government agencies, community-based organizations, the private sector, and State agencies to develop service-learning opportunities;

(2) an assurance that participation of economically and educationally disadvantaged youths, including youths in foster care who are becoming too old for foster care, youths of limited English proficiency, and youths with disabilities, will participate in service opportunities;

(3) provision for the coordination of service opportunities with other federally assisted education programs, training programs, social service programs, and other appropriate programs that serve youth;

(4) an assurance that urban, rural, and tribal areas will be served;

(5) an assurance that the State will give special consideration to providing assistance to projects that will provide academic credit to participants;

(6) an assurance that the State will keep such records and provide such information to the Secretary as may be required for fiscal audits and program evaluation; and

(7) an assurance that the State will comply with the specific requirements of this subpart.

(b) DIRECT GRANTS.—In any fiscal year in which a State does not participate in programs under this subpart, the Secretary may use the State's allotment to make direct grants for school-based service-learning projects to local applicants in that State.

(c) PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE SCHOOLS.—

(1) To the extent consistent with the number of children in the State or in the school district of the local educational agency involved who are enrolled in private nonprofit elementary and secondary schools, such State or agency shall (after consultation with appropriate private school representatives) make provision—

(A) for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this subpart; and

(B) for such training for the benefit of teachers of such children as will assure equitable participation of such teachers in the purposes and benefits of this subpart.

(2) If by reason of any provision of law, a State or local educational agency or institution of higher education is prohibited from providing for the participation of children or teachers from private nonprofit schools as required by paragraph (1), or if the Secretary determines that a State or local educational agency substantially fails or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children and teachers. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 1017 of the Elementary and Secondary Education Act of 1965.

SEC. 110. LOCAL PROGRAM PROPOSAL.

(a) PROPOSAL REQUIREMENT.—A partnership that desires to receive financial assistance pursuant to this subpart shall submit to the State educational agency of the State in which it is located a proposal which meets the requirements of this section. Such proposal shall be submitted at such time and in such manner as the State educational agency may reasonably require.

(b) PROPOSAL REQUIREMENTS.—Each proposal submitted under subsection (a) shall—

(1) contain a written agreement among the partners, including the entities with which students or school volunteers are affiliated, community representatives, and the local educational agency where service opportunities will be provided, which states that the program was developed by all the partners and that the program will be jointly operated by the partnership;

(2) provide for the establishment of an advisory committee consisting of representatives of community agencies, services recipients, youth serving agencies, students, parents, teachers, administrators, school board members, labor, and business, and describe the membership and role of such committee;

(3) describe the goals of the program, including goals that are quantifiable, measurable, and demonstrate benefits to both the students or school volunteers and the community;

(4) describe the service opportunities to be provided;

(5) describe how the students or school volunteers will be recruited, including special efforts to recruit school dropouts with the assistance of community-based organizations;

(6) describe how students or school volunteers were or will be involved in the design and operation of the program;

(7) state the responsibilities and qualifications of the coordinator of any program assisted under this subpart;

(8) describe preservice and in-service training to be provided to supervisors and students or school volunteers;

(9) describe potential resources that will permit continuation of the program, if necessary, upon the expiration of Federal funding;

(10) describe an age-appropriate learning component for students that includes, at a minimum, a chance for students to analyze and apply their service experiences and expected learning outcomes;

(11) indicate whether students will receive academic credit for participation;

(12) establish target numbers for—

(A) students who will participate in the program assisted under this subpart; and

(B) hours of service such students will provide individually and as a group;

(13) describe the proportion of students expected to participate who are educationally or economically disadvantaged, including students with disabilities;

(14) describe the ages and grade levels of students who are expected to participate;

(15) include other relevant demographic information about students who are expected to participate; and

(16) provide assurances that students will be provided with information (including information relating to student loan deferment and forgiveness provisions) concerning the Volunteers in Service to America program, the Peace Corps, full-time Youth Service Corps programs funded under this Act, and other appropriate civilian and military service options.

SEC. 111. FEDERAL SHARE.

(a) STATE SHARE.—

(1) The Federal share of the cost of planning and capacity building under section 106(1) may not exceed 90 percent of the total cost of such planning and capacity building.

(2) The State share of the cost of such planning and capacity building shall be in cash. The State share shall be provided through public or private non-Federal sources and may not be provided by any local public agency.

(b) LOCAL SHARE.—

(1) The Federal share of a grant or contract for a project under this subpart may not exceed—

(A) 90 percent of the total cost of a project for the first year for which the project receives assistance under this subpart;

(B) 80 percent of the total cost of a project for the second year for which the project receives assistance under this subpart;

(C) 70 percent of the total cost of a project for the third year for which the project receives assistance under this subpart; and

(D) 50 percent of the total cost of a project for the fourth year and each succeeding year for which the project receives assistance under this subpart.

(2) The State and local share of the costs of a project may be in cash or in kind fairly evaluated, including facilities, equipment, or services.

(c) WAIVER.—The Secretary may waive the requirements of subsection (b) with respect to any project in any fiscal year if the Secretary determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

SEC. 112. USES OF FUNDS; LIMITATIONS.

(a) STATE USES OF FUNDS.—The State educational agency may reserve, from funds made available to such agency under this subpart—

(1) not more than 5 percent of such funds for administrative costs for any fiscal year; and

(2) to build capacity through training, technical assistance, curriculum development, and coordination activities, not more than—

(A) 15 percent of such funds in the first year in which a State operates a program under this subpart;

(B) 10 percent of such funds in each of the second and third years in which a State operates a program under this subpart; and

(C) 5 percent in the fourth year and each succeeding year in which a State operates a program under this subpart.

(b) AUTHORIZED ACTIVITIES FOR LOCAL PROJECTS.—

(1) Local projects may use funds made available under this subpart for supervision of participating students, program administration, training, reasonable transportation costs, insurance, and other reasonable expenses.

(2) Funds made available under this subpart may not be used to pay any stipend, allowance, or other financial support to any participant, except reimbursement for transportation, meals, and other reasonable out-of-pocket expenses directly related to participation in a program assisted under this subpart.

Subpart 2—Youthbuild Projects

SEC. 116. STATEMENT OF PURPOSE.

It is the purpose of this subpart—

(1) to provide economically disadvantaged young adults with opportunities for meaningful service to their communities in helping to meet the housing needs of homeless individuals and low-income families; and

(2) to enable economically disadvantaged young adults to obtain the education and employment skills necessary to achieve economic self-sufficiency.

SEC. 117. AUTHORIZATION OF PROGRAM.

(a) FINANCIAL ASSISTANCE.—The Director of the ACTION Agency, in consultation with the Secretary of Labor, may provide grants to pay the Federal share of the cost of carrying out Youthbuild projects in accordance with this subpart.

(b) FEDERAL SHARE.—The Federal share under subsection (a) for each fiscal year shall not exceed 90 percent.

SEC. 118. SERVICE IN CONSTRUCTION AND REHABILITATION PROJECTS.

(a) CONSTRUCTION AND REHABILITATION PROJECTS.—Eligible participants serving in Youthbuild projects receiving assistance under this subpart shall be employed in the construction, rehabilitation, or improvement of real property to be used for purposes of providing—

(1) residential rental housing that is occupied solely by, or available for occupancy solely by, homeless individuals and low-income families;

(2) transitional housing for homeless individuals;

(3) facilities for the provision of health, education, and other social services to low-income families, including—

(A) senior citizen centers;

(B) youth recreation centers;

(C) Head Start or child care centers; and

(D) community health centers.

(b) REQUIREMENTS FOR COMMUNITY FACILITIES.—No assistance may be provided under this subpart to support the construction, rehabilitation, or improvement of real property to be used to provide facilities described in subsection (a) unless the property—

(1) is used principally by or for the benefit of low-income families;

(2) is owned and occupied solely by public or private nonprofit entities; and

(3) is located in census tracts, or identifiable neighborhoods within census tracts, in which the median family income is not more than 80 percent of the median family income of the area in which the facility is located, as such median family income and area are determined for the purposes of assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(c) RESTRICTION OF USE.—Participants under this subpart may not be employed in the construction, operation, or maintenance of any facility used for sectarian instruction or religious worship.

SEC. 119. EDUCATION AND JOB TRAINING SERVICES.

(a) IN GENERAL.—Assistance provided under this part shall be used by each Youthbuild project to provide to participants the following:

(1) SERVICE OPPORTUNITIES.—Service opportunities in the construction or rehabilitation projects described in section 118, which shall be integrated with appropriate skills training and coordinated with, to the extent feasible, preapprenticeship and apprenticeship programs.

(2) EDUCATIONAL SERVICES.—Services and activities designed to meet the educational needs of participants, including—

(A) basic skills instruction and remedial education;

(B) bilingual education for individuals with limited English proficiency; and

(C) secondary education services and activities designed to lead to the attainment of a high school diploma or its equivalent.

(3) PERSONAL AND PEER SUPPORTS.—Counseling services and other activities designed to—

(A) ensure that participants overcome personal problems that would interfere with their successful participation; and

(B) develop a strong, mutually supportive peer context in which values, goals, cultural heritage, and life skills can be explored and strengthened.

(4) LEADERSHIP DEVELOPMENT.—Opportunities to develop the decision-making, speaking, negotiating, and other leadership skills of participants, such as the establishment and operation of a youth council with meaningful decision-making authority over aspects of the project.

(5) PREPARATION FOR AND PLACEMENT IN UNSUBSIDIZED EMPLOYMENT.—Activities designed to maximize the value of participants as future employees and to prepare participants for seeking, obtaining, and retaining unsubsidized employment.

(6) NECESSARY SUPPORT SERVICES.—To provide support services and need-based stipends necessary to enable individuals to participate in the program and, for a period not to exceed 6 months after completion of training, to assist participants through support services in retaining employment.

(b) CONDITIONS.—The provision of service opportunities to participants in Youthbuild projects shall be made conditional upon attendance and participation by such individuals in the educational services and activities described in subsection (a). The duration of participation for each individual in educational services and activities shall be at least equal to the total number of hours for which a participant serves and is paid wages by a Youthbuild project.

SEC. 120. USES OF FUNDS.

(a) FUNDS.—Funds provided under this subpart may be used only for activities that are in addition to activities that would otherwise be available in the absence of such funds.

(b) ASSISTANCE CRITERIA.—Assistance provided to each Youthbuild project under this part shall be used only for—

(1) education and job training services and activities described in paragraphs (2), (3), (4), (5), and (6) of section 119(a);

(2) wages and benefits paid to participants in accordance with sections 119(a) and 122; and

(3) administrative expenses incurred by the project, in an amount not to exceed 15 percent of the total cost of the project.

SEC. 121. ELIGIBLE PARTICIPANTS.

(a) IN GENERAL.—An individual shall be eligible to participate in a Youthbuild project receiving assistance under this subpart if such individual is—

(1) 16 to 24 years of age, inclusive;

(2) economically disadvantaged; and

(3) except as is provided in subsection (b), an individual who has dropped out of high school whose reading and mathematics skills are at or below the 8th grade level.

(b) EXCEPTIONS.—Not more than 25 percent of the participants in a Youthbuild project receiving assistance under this subpart may be individuals who do not meet the requirements of subsection (a)(3) if such individuals—

(1) have not attained a high school diploma or its equivalent; or

(2) have educational needs despite the attainment of a high school diploma or its equivalent.

(c) PARTICIPATION LIMITATION.—Any eligible individual selected for full-time participation in a Youthbuild project may participate full-time for a period of not less than 6 months and not more than 18 months.

SEC. 122. WAGES, LABOR STANDARDS, AND NONDISCRIMINATION.

(a) WAGES AND LABOR STANDARDS.—To the extent consistent with the provisions of this subpart, sections 142 and 143 of the Job Training Partnership Act (29 U.S.C. 1552, 1553, and 1577), relating to wages and benefits and labor standards, shall apply to the projects conducted under this subpart as if such projects were conducted under the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(b) NONDISCRIMINATION.—(1) Except as provided in paragraph (2), an individual with responsibility for the operation of a Youthbuild project shall not discriminate on the basis of religion against a participant or a member of the project staff who is paid with funds under this title.

(2) Paragraph (1) shall not apply to the employment, with funds provided under this title, of any member of the staff of a Youthbuild project who was employed with the organization operating the project on the date the grant funded under this title was awarded.

SEC. 123. CONTRACTS.

Each Youthbuild project shall carry out the services and activities under this subpart directly or through arrangements or under contracts with administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act (29 U.S.C. 1501(b)(1)(B)), with State and local educational agencies, institutions of higher education, State and local housing development agencies, and with other public agencies and private organizations.

SEC. 124. PERFORMANCE STANDARDS.

(a) IN GENERAL.—The Director, in consultation with the Secretary of Labor, shall prescribe standards for evaluating the performance of Youthbuild projects receiving assist-

ance under this subpart, including the following factors:

(1) Placement in unsubsidized employment.

(2) Retention in unsubsidized employment.

(3) An increase in earnings.

(4) Improvement of reading and other basic skills.

(5) Attainment of a high school diploma or its equivalent.

(b) VARIATIONS.—The Director shall prescribe variations to the standards determined under subsection (a) by taking into account the economic conditions of the areas in which Youthbuild projects are located and appropriate special characteristics, such as the extent of English language proficiency and offender status of Youthbuild participants.

SEC. 125. APPLICATIONS.

(a) SUBMISSION.—To apply for a grant under this subpart, an eligible entity shall submit an application to the Director in accordance with procedures established by the Director.

(b) CRITERIA.—Each such application shall—

(1) describe the educational services, job training, supportive services, service opportunities, and other services and activities that will be provided to participants;

(2) describe the proposed construction of rehabilitation activities to be undertaken and the anticipated schedule for carrying out such activities;

(3) describe the manner in which eligible youths will be recruited and selected, including a description of arrangements which will be made with community-based organizations, State and local educational agencies, public assistance agencies, the courts of jurisdiction for status and youth offenders, homeless shelters and other agencies that serve homeless youth, foster care agencies, and other appropriate public and private agencies;

(4) describe the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children);

(5) describe how the proposed project will be coordinated with other Federal, State, and local activities, including vocational, adult and bilingual education programs, job training supported by funds available under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) and the Family Support Act of 1988, housing and economic development, and programs that receive assistance under section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306);

(6) provide assurances that there will be a sufficient number of supervisory personnel on the project and that the supervisory personnel are trained in the skills needed to carry out the project;

(7) describe activities that will be undertaken to develop the leadership skills of participants;

(8) set forth a detailed budget and describe the system of fiscal controls and auditing and accountability procedures that will be used to ensure fiscal soundness; and

(9) set forth assurances, arrangements, and conditions the Director determines are necessary to carry out this subpart.

SEC. 126. SELECTION OF PROJECTS.

In approving applications for assistance under this subpart, the Director shall give priority to applicants that demonstrate the following:

(1) POTENTIAL FOR SUCCESS.—The greatest likelihood of success, as indicated by such factors as the past experience of an applicant with housing rehabilitation or construction, youth and youth education and employment training programs, management capacity, fiscal reliability, and community support.

(2) NEED.—Have the greatest need for assistance, as determined by factors such as—

(A) the degree of economic distress of the community from which participants would be recruited, including—

(i) the extent of poverty;

(ii) the extent of youth unemployment; and

(iii) the number of individuals who have dropped out of high school; and

(B) the degree of economic distress of the locality in which the housing would be rehabilitated or constructed, including—

(i) objective measures of the incidence of homelessness;

(ii) the relation between the supply of affordable housing for low-income families and the number of such families in the locality;

(iii) the extent of housing overcrowding; and

(iv) the extent of poverty.

SEC. 127. MANAGEMENT AND TECHNICAL ASSISTANCE.

(a) DIRECTOR ASSISTANCE.—The Director may enter into contracts with a qualified public or private nonprofit agency to provide assistance to the Director in the management, supervision, and coordination of Youthbuild projects receiving assistance under this subpart.

(b) SPONSOR ASSISTANCE.—The Director shall enter into contracts with a qualified public or private nonprofit agency to provide appropriate training, information, and technical assistance to sponsors of projects assisted under this subpart.

(c) APPLICATION PREPARATION.—Technical assistance may also be provided in the development of project proposals and the preparation of applications for assistance under this subpart to eligible entities which intend or desire to submit such applications. Community-based organizations shall be given first priority in the provision of such assistance.

(d) RESERVATION OF FUNDS.—The Director shall reserve 5 percent of the amounts available in each fiscal year under section 130 to carry out subsections (b) and (c) of this section.

SEC. 128. DEFINITIONS.

For purposes of this subpart:

(1) COMMUNITY-BASED ORGANIZATIONS.—The term "community-based organizations" has the meaning given the term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(2) DIRECTOR.—The term "Director" means the Director of the ACTION agency.

(3) DROPPED OUT OF HIGH SCHOOL.—The term "individual who has dropped out of high school" means an individual who is neither attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma or a certificate of equivalency for such diploma, but does not include any individual who has attended secondary school at any time during the preceding 6 months.

(4) ECONOMICALLY DISADVANTAGED.—The term "economically disadvantaged" has the meaning given the term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(5) ELIGIBLE ENTITY.—The term "eligible entity" means a public or private nonprofit agency, such as—

(A) community-based organizations;

(B) administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act (29 U.S.C. 1501(b)(1)(B));

(C) community action agencies;

(D) State and local housing development agencies;

(E) State and local youth service and conservation corps; and

(F) any other entity that is eligible to provide education and employment training under other Federal employment training programs.

(6) HOMELESS INDIVIDUAL.—The term "homeless individual" has the meaning given the term in section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302).

(7) HOUSING DEVELOPMENT AGENCY.—The term "housing development agency" means any agency of a State or local government, or any private nonprofit organization that is engaged in providing housing for the homeless or low-income families.

(8) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(9) LIMITED ENGLISH PROFICIENCY.—The term "limited English proficiency" has the meaning given the term in section 7003 of the Bilingual Education Act (20 U.S.C. 3223).

(10) LOW-INCOME FAMILY.—The term "low-income family" has the meaning given the term "lower income families" in section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).

(11) OFFENDER.—The term "offender" means any adult or juvenile with a record of arrest or conviction for a criminal offense.

(12) QUALIFIED NONPROFIT AGENCY.—The term "qualified public or private nonprofit agency" means any nonprofit agency that has significant prior experience in the operation of projects similar to the Youthbuild program authorized under this subpart and that has the capacity to provide effective technical assistance under this section.

(13) RESIDENTIAL RENTAL PURPOSES.—The term "residential rental purposes" includes a cooperative or mutual housing facility that has a resale structure that enables the cooperative to maintain affordability for low-income individuals and families.

(14) SERVICE OPPORTUNITY.—The term "service opportunity" means the opportunity to perform work in return for wages and benefits in the construction or rehabilitation of real property in accordance with this subpart.

(15) STATE.—The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Somoa, the Trust Territories of the Pacific Islands, or any other territory or possession of the United States.

(16) TRANSITIONAL HOUSING.—The term "transitional housing" means a project that has as its purpose facilitating the movement of homeless individuals and families to independent living within a reasonable amount of time. Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.

(17) YOUTHBUILD PROJECT.—The term "Youthbuild project" means any project that

receives assistance under this subpart and provides disadvantaged youth with opportunities for service, education, and training in the construction or rehabilitation of housing for homeless and other low-income individuals.

SEC. 129. REGULATIONS.

The Secretary shall issue any regulations necessary to carry out this subpart.

SEC. 130. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out the provisions of this subpart $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the 3 succeeding fiscal years. Amounts appropriated under this section shall remain available until expended.

Subpart 3—Other Federal Volunteer Service Programs

SEC. 131. RURAL YOUTH SERVICE DEMONSTRATION PROJECT.

(a) IN GENERAL.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants and enter into contracts for demonstration projects in rural areas. Such projects may include volunteer service involving the elderly and assisted-living services performed by students, school dropouts, and out-of-school youth.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 132. GOVERNORS' VOLUNTARY SERVICE PROGRAM.

(a) IN GENERAL.—The Director of the ACTION agency (in this section referred to as the "Director") is authorized to make grants to the chief executive officer of each State for initiatives involving non-school-based voluntary service projects in the State.

(b) AUTHORIZED ACTIVITIES.—Grants under this section may be used for—

(1) enhancing State volunteer service programs;

(2) volunteer service demonstration programs;

(3) research concerning, assessment of, and evaluation of volunteer service programs;

(4) State coordination of volunteer service programs;

(5) technical assistance;

(6) training and staff development; and

(7) collection and dissemination of information concerning volunteer service programs.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $3,000,000 for each of the fiscal years 1991, 1992, 1993, and 1994.

(d) ALLOTMENTS.—

(1) Subject to paragraph (2), the Director shall allot to the chief executive officer of each State an amount which bears the same ratio to the amount appropriated under subsection (b) as the school-age population of the State bears to the school-age population of all States.

(2) Subject to the availability of appropriations, the chief executive officer of each State shall receive at least $30,000 for each fiscal year for purposes of carrying out an initiative under this section.

(e) DEFINITION.—For purposes of this section the term "State" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 133. MODEL SERVICE-LEARNING PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to, and enter into contracts with, States, local educational agencies, local government agencies, and community-based organizations for innovative community service and service-learning programs and curricula that can serve as national models.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $5,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 134. MODEL SERVICE PROGRAMS FOR DROPOUTS AND OUT-OF-SCHOOL YOUTH.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, local government agencies, community-based organizations, and other public or private nonprofit organizations to develop plans for model programs to enhance the capacity of educational institutions and community-based organizations to administer service-learning programs for school dropouts and out-of-school youth.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $10,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 135. ASSISTANCE FOR HEAD START.

Section 502(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5082(b)) is amended—

(1) by inserting "(1)" after "(b)", and

(2) by adding at the end the following:

"(2) There are authorized to be appropriated $5,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three subsequent fiscal years for the purpose of increasing the number of low-income individuals who provide services under part B of title II of this Act to children who participate in Head Start programs.".

Subpart 4—Activities of the Secretary of Education

SEC. 141. DISSEMINATION OF INFORMATION.

The Secretary shall widely disseminate information about programs under this part.

SEC. 142. CLEARINGHOUSES ON VOLUNTEER SERVICE.

(a) IN GENERAL.—The Secretary is authorized to make grants to or enter into contracts with public and private nonprofit agencies with extensive experience in student community service and school volunteer and partnership programs for the establishment and operation of national or regional clearinghouses for information on volunteer service.

(b) DUTIES.—National or regional clearinghouses established or operated with assistance provided under this section shall provide information, curriculum materials, technical assistance, and training to States and local entities participating in programs under subpart 1.

SEC. 143. EVALUATION.

(a) EVALUATION.—The Secretary shall provide, through grants or contracts, for the continuing evaluation of programs assisted under this part in order to determine program effectiveness in achieving stated goals in general and in relation to cost, the effect on related cost-saving programs, and the structure and mechanism for delivery. Such evaluation shall measure the effects of programs authorized by this part, including, where appropriate, comparisons with appropriate control groups composed of individuals who have not participated in such programs. Evaluations shall be conducted by individuals not directly involved in the administration of the program evaluated.

(b) STANDARDS.—The Secretary shall develop and publish general standards for evaluation of program effectiveness in achieving the objectives of this part.

(c) COMMUNITY PARTICIPATION.—In evaluating a program receiving assistance under this part, the Secretary shall consider the opinions of participating students, dropouts, out-of-school youth, and members of the communities where services are delivered concerning the strengths and weaknesses of such program.

(d) REPORTING REQUIREMENTS.—The results of evaluations conducted under this section, including opinions obtained under subsection (c), shall be made available to the public.

(e) REPORT TO CONGRESS.—The results of evaluations conducted under this section shall be analyzed and submitted to the appropriate committees of the Congress with the annual report of the Secretary.

SEC. 144. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for purposes of carrying out the provisions of this subpart $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

Subpart 5—Volunteer Service Activities of the President

SEC. 151. PRESIDENTIAL VOLUNTEER SERVICE AWARDS.

(a) PRESIDENTIAL AWARD FOR SCHOOL-BASED SERVICE.—The President is authorized to make Presidential Awards for School-Based Service recognizing excellence in school-based service programs.

(b) CATEGORIES OF AWARDS.—Each year the President is authorized to make 1 award to an individual in each State in each of the following categories:

(1) Excellence in a service program in kindergarten through grade 6.

(2) Excellence in a service program in grade 7 through grade 12.

(3) Excellence in a service program for dropouts and out-of-school youth.

(4) Excellence in teaching to a teacher in kindergarten through grade 6 who has demonstrated outstanding teaching ability in the area of volunteer service.

(5) Excellence in teaching to a teacher in grade 7 through grade 12 who has demonstrated outstanding teaching ability in the area of volunteer service.

(6) Excellence in teaching to a teacher in a service program for dropouts and out-of-school youth who has demonstrated outstanding teaching ability in the area of volunteer service.

(c) PRESIDENT'S SERVICE LEARNING TASK FORCE.—The President is authorized to create an interagency task force chaired either by the President or the Vice President, whose purpose shall be—

(1) the creation and monitoring of effective measures for coordinating the various parts of this Act; and

(2) design of a comprehensive Federal service strategy which shall include—

(A) review of existing programs to identify and expand opportunities for service, especially by students and out-of-school youth;

(B) designation of a senior official in each Federal agency who will be responsible for developing youth service opportunities in existing programs nationwide;

(C) establishment of service projects in each Federal agency;

(D) encouragement of participation of Federal employees in service projects;

(E) designation of a senior executive branch official or group of officials to coordinate the Federal service strategy;

(F) annual recognition of outstanding service programs operated by Federal agencies; and

(G) encouragement of businesses and professional firms to include community service among the factors considered in making hiring, compensation, and promotion decisions.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $1,000,000 for each of the fiscal years 1991, 1992, 1993, and 1994.

Subpart 6—General Provisions

SEC. 156. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided, the terms used in this part shall have the meanings provided for such terms in section 1471 of the Elementary and Secondary Education Act of 1965.

(b) OTHER DEFINITIONS.—For purposes of this part the term "service-learning" means a method—

(1) under which students learn and develop through active participation in thoughtfully organized service experiences that meet actual community needs and that are coordinated in collaboration with the school and community;

(2) that is integrated into the students' academic curriculum and provides structured time for a student to think, talk, or write about what the student did and saw during the actual service activity;

(3) that provides students with opportunities to use newly acquired skills and knowledge in real-life situations in their own communities; and

(4) that enhances what is taught in school by extending student learning beyond the classroom and into the community and helps to foster the development of a sense of caring for others.

SEC. 157. LIMITATION.

(a) PROHIBITED USES.—No grant under this part shall be used to provide religious instruction, conduct worship services, or engage in any form of proselytization.

(b) PARTICIPANTS.—Participants and project staff funded under this part shall not give religious instruction, conduct worship services, or engage in any form of proselytization as part of their duties.

SEC. 158. APPLICATION OF GENERAL EDUCATION PROVISIONS ACT.

Except as otherwise provided, the General Education Provisions Act shall apply to the programs authorized by this part.

PART B—HIGHER EDUCATION COMMUNITY SERVICE

Subpart 1—Innovative Projects for Community Service

SEC. 161. STATEMENT OF PURPOSE.

It is the purpose of this part to support innovative projects to determine the feasibility of encouraging students to participate in community service activities while such students are attending institutions of higher education.

SEC. 162. INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

(a) GENERAL AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this part, to make grants to, and contracts with, institutions of higher education (including combination of such institutions), and other public agencies and nonprofit organizations working in partnership with institutions of higher education—

(1) to enable the institution to create or expand community service activities for students attending that institution;

(2) to encourage student-initiated and student-designed community service projects; and

(3) to facilitate the integration of community service into academic curricula, so that students can obtain credit for their community service activities.

(b) TRAINING AUTHORITY.—The Secretary shall make grants to college and universities and other nonprofit organizations to provide for the training of teachers, related education personnel, and community leaders in the skills necessary to develop, supervise, and organize community service activities. Assistance under this section may be provided to individuals planning to undertake a career in teaching, as well as existing teachers. In awarding such grants, the Secretary shall take into consideration the particular needs of a community and the ability of the grantee to actively involve a major part of the community in, and substantially benefit the community by, the proposed community service activities.

(c) FEDERAL SHARE.—The Federal share of all grants under subsections (a) and (b) shall not exceed 50 percent of the cost of the community service activities.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart, $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.

(e) INSTITUTION OF HIGHER EDUCATION DEFINED.—For purposes of this subpart, the term "institution of higher education" has the meaning given to such term in section 1201(a) of the Higher Education Act of 1965.

Subpart 2—Campus-Based Community Work Learning Jobs

SEC. 166. ADDITIONAL RESERVATION FOR CAMPUS-BASED COMMUNITY WORK LEARNING STUDY JOBS.

Section 415B(a) of the Higher Education Act of 1965 is amended by inserting the following new paragraph at the end thereof:

"(3)(A) In the event the appropriation for this subpart exceeds $75,000,000, the Secretary shall, notwithstanding the provisions of section 415C(b)(3)(A), allot 50 percent of such excess to the States for the purpose described in section 415C(b)(2)(B).

"(B) The Secretary shall make the allotment required under subparagraph (A) on the basis of the number of students participating in programs assisted under section 415C(b)(2) of this subpart in each State as compared to the total number of students participating in such jobs in all States.".

SEC. 167. WORK STUDY PROGRAMS.

Section 441(b) of the Higher Education Act of 1965 is amended—

(1) by striking "$656,000,000" and inserting "$675,000,000"; and

(2) by adding at the end thereof the following: "In the event that appropriations for this part exceed $625,000,000, such additional amounts shall be used in accordance with section 447. The Secretary shall allocate the additional amounts to institutions which demonstrate a capacity to use these funds in accordance with section 447.".

Subpart 3—Guaranteed Student Loans

SEC. 171. LOAN DEFERMENT FOR VOLUNTEER SERVICE AUTHORIZED.

(a) GSL PROGRAM.—Section 428(b)(1)(M) of the Higher Education Act of 1965 is amended—

(1) by striking "and" at the end of clause (x);

(2) by striking the period at the end of clause (ix) and inserting a semicolon; and

(3) by adding at the end thereof the following new clause:

"(xii) not in excess of 3 years during which the borrower is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

(b) FISL PROGRAM.—Section 427(a)(2)(C) of the Higher Education Act of 1965 is amended—

(1) by striking "or" at the end of clause (x); and

(2) by adding at the end thereof the following new clause:

"(xii) not in excess of 3 years during which the borrower is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

SEC. 172. LOAN DEFERMENT FOR SERVICE IN DRUG COUNSELING AND PREVENTION.

(a) DEFERMENT OF GUARANTEED STUDENT LOANS.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (as amended by section 171 of this Act) is further amended by inserting after clause (xii) the following new clause:

"(xiii) not in excess of 3 years during which the borrower is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; and".

(b) INSURED STUDENT LOANS.—Section 427(a)(2)(C) of the Higher Education Act of 1965 (as amended by section 171 of this Act) is further amended by inserting after clause (xii) the following new clause:

"(xiii) not in excess of 3 years during which the borrower is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; and".

SEC. 173. LOAN DEFERMENT FOR VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.

(a) DEFERMENT OF GUARANTEED STUDENT LOANS.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (as amended by sections 171 and 172 of this Act) is further amended by inserting after clause (xiii) the following new clause:

"(xiv) not in excess of 3 years during which the borrower is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638);".

(b) INSURED STUDENT LOANS.—Section 427(a)(2)(C) of the Higher Education Act of 1965 (as amended by section 171 of this Act)

is further amended by inserting after clause (xiii) the following new clause:

"(xiv) not in excess of 3 years during which the borrower is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638);".

SEC. 174. EFFECTIVE DATE.

The amendments made by this subpart shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this Act to individuals who are new borrowers on that date.

Subpart 4—Direct Loans to Students in Institutions of Higher Education

SEC. 176. LOAN CANCELLATION AUTHORIZED.

(a) CANCELLATION FOR VOLUNTEER SERVICE.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 is amended—

(A) by striking out "or" at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(C) by adding at the end thereof the following new subparagraph:

"(F) as a full-time volunteer in service comparable to service referred to in subparagraph (E) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;"; and

(C) by adding at the end thereof the following new sentence: "An individual shall not be eligible as a volunteer under subparagraph (F) if such individual receives compensation for services at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938.".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 is amended—

(A) by striking out "or" at the end of clause (iii);

(B) by striking the period at the end of clause (iv) and inserting a semicolon; and

(C) by adding at the end thereof the following new clause:

"(v) in the case of service described in subparagraph (F) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service;".

(b) CANCELLATION FOR DRUG COUNSELING AND TREATMENT.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 (as amended by subsection (a)) is further amended by inserting after subparagraph (F) the following new subparagraph:

"(G) as a full-time professional employee engaged in drug counseling, prevention, intervention, treatment, or education and employed by a public or nonprofit private agency or organization; or".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 (as amended by subsection (a)) is further amended by inserting after clause (v) the following new clause:

"(vi) in the case of service described in subparagraph (F) of paragraph (2), at the rate of 15 percent for the first or second year of such service and 20 percent for the third or fourth year of such service; or".

(c) CANCELLATION FOR VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 (as amended by subsections (a) and (b)) is further amended by inserting after subparagraph (G) the following new subparagraph:

"(H) as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638).".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 (as amended by subsections (a) and (b)) is further amended by inserting after clause (vi) the following new clause:

"(vii) in the case of service described in subparagraph (H) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service.".

SEC. 177. LOAN DEFERMENT AUTHORIZED.

(a) VOLUNTEER SERVICES.—Section 464(c)(2)(A) of the Higher Education Act of 1965 is amended—

(1) by striking "or" at the end of clause (viii); and

(2) by adding at the end thereof the following new clause:

"(x) is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

(b) DRUG COUNSELING AND TREATMENT.—Section 464(c)(2)(A) of such Act (as amended by subsection (a)) is further amended by inserting after clause (x) the following new clause:

"(xi) is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; or".

(c) VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.—Section 464(c)(2)(A) of such Act (as amended by subsections (a) and (b)) is further amended by inserting after clause (xi) the following new clause:

"(xii) is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638).".

(d) DURATION OF DEFERMENTS.—The second sentence of section 464(c)(2)(A) of such Act is amended by striking "(v), or (vii)" and inserting "(v), (vii), (x), (xi), or (xii)".

SEC. 178. EFFECTIVE DATE.

The amendments made by sections 176 and 177 of this subpart shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this part to individuals who are new borrowers on that date.

Subpart 5—Publication

SEC. 181. INFORMATION FOR STUDENTS.

Section 485(a)(1) of the Higher Education Act of 1965 (hereafter in this part referred to as the "Act") is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by striking out the period at the end of subparagraph (K) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(L) the terms and conditions under which students receiving loans under part B or E of this title, or both, may—

"(i) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization, and

"(ii) obtain partial cancellation of the student loan for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization.".

SEC. 182. EXIT COUNSELING FOR BORROWERS.

Section 485(b) of the Act is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding the following new paragraph after paragraph (2):

"(3) the terms and conditions under which the student may obtain partial cancellation or defer repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973 or for comparable full-time service as a volunteer for a tax-exempt organization.".

SEC. 183. DEPARTMENT INFORMATION ON DEFERMENTS AND CANCELLATIONS.

Section 485(d) of the Act is amended by inserting the following before the last full sentence: "The Secretary shall provide information on the specific terms and conditions under which students may obtain partial cancellation or defer repayment of loans for service under the Peace Corps Act and Domestic Volunteer Service Act of 1973 or for eligible comparable full-time service as a volunteer with a tax-exempt organization, and shall explicitly state that students may qualify for such partial cancellations or deferments when they serve as a paid employee of a tax-exempt organization.".

Subpart 6—Student Literacy Corps

SEC. 186. AMENDMENTS TO STUDENT LITERACY CORPS PROVISIONS.

(a) PRIORITY FOR SINGLE PARENTS OF DISADVANTAGED CHILDREN.—Section 144(b)(2)(D) of the Higher Education Act of 1965 is amended by inserting before the semicolon the following: "and will give priority in providing tutoring services to illiterate parents of educationally or economically disadvantaged elementary school students, with special emphasis on single-parent households".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 146 of the Higher Education Act of 1965 is amended to read as follows:

"SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $15,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.".

Subpart 7—Student Tutorial Corps Initiative

SEC. 188. AMENDMENT.

Title I of the Higher Education Act of 1965 is further amended by adding at the end thereof the following new part:

"PART E—STUDENT TUTORIAL CORPS

"SEC. 151. PURPOSE.

"It is the purpose of this part to authorize a demonstration program to encourage col-

lege students to tutor disadvantaged students receiving services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (hereinafter in this part referred to as 'chapter 1').

"SEC. 152. GRANTS AUTHORIZED.

"The Secretary is authorized to make demonstration grants in accordance with the purposes and requirements of this part to institutions of higher education submitting applications that meet the requirements of section 153, in order to assist such institutions to establish and conduct student tutorial programs that—

"(1) encourage students enrolled in that institution to provide tutoring to educationally disadvantaged students receiving services under chapter 1;

"(2) are conducted at the request, and with the direction, of personnel providing services under chapter 1, to assist them in the education of such children; and

"(3) that do not displace any of such personnel.

"SEC. 153. APPLICATION.

"To receive a grant under this part, an institution of higher education shall submit an application that—

"(1)(A) specifies that such students will be compensated at rates consistent with the rates paid under part C of title IV of this Act; or

"(B) specifies the rate at which the student will obtain academic credit for tutorial services; and

"(2) demonstrate the active interest of the local educational agency (for the students receiving services under chapter 1) in establishing the program; and

"(3) contain or be accompanied by such other information of assurances as the Secretary may require to carry out the purposes of this part.

"SEC. 154. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.".

PART C—PEACE CORPS

SEC. 191. SHORT TITLE.

This part may be cited as the "Peace Corps Volunteer Education Demonstration Program Act".

SEC. 192. PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—The Director of the Peace Corps is authorized to carry out a training and educational benefits demonstration program in accordance with this part.

(b) CONTRACT AUTHORITY.—The Director is authorized, either directly or by way of grant, contract, or other arrangement, to carry out the provisions of this part. The authority to enter into contracts under this part shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriations Acts.

SEC. 193. ELIGIBILITY.

Any individual who—

(1) has completed at least 2 years of satisfactory study at an institution of higher education, is enrolled in an educational program of at least 4 years at an institution of higher education for which such institution awards a bachelor's degree, and will complete such program within 2 years,

(2) enters into an agreement with the Director to serve at least 3 years as a volunteer in the Peace Corps, and

(3) is selected pursuant to the competitive process established under section 194,

is eligible to participate in the demonstration program authorized by this part.

SEC. 194. SELECTION PROCEDURES.

The Director of the Peace Corps shall establish uniform criteria for the selection on a competitive basis of individuals to participate in the training program established under section 195 and to receive educational benefits under section 196. The selection procedures established under this section shall give special consideration to students from groups traditionally underrepresented in the Peace Corps and to students who will specialize in courses of instruction for which there is a special need in the Peace Corps.

SEC. 195. TRAINING PROGRAM.

The Director of the Peace Corps shall establish and carry out a training program under which each individual selected under section 194, as part of the course of study which the individual is pursuing at his or her institution of higher education, receives appropriate training for the work he or she will perform in the Peace Corps.

SEC. 196. EDUCATIONAL BENEFITS.

(a) BENEFITS PROVIDED.—Each individual who has been selected under section 194 shall be eligible to receive educational benefits in an amount not to exceed the costs of tuition, room and board, and books and fees, that the individual incurs in attending his or her institution of higher education during the remaining 2 years of the educational program in which the individual is enrolled.

(b) FORM OF BENEFITS.—The educational benefits provided to an individual under subsection (a) shall be in the form of grants, remissions of expenses, or such other form as the Director considers appropriate.

(c) REPAYMENT OF BENEFITS.—An individual provided benefits under subsection (a) shall repay the amount of the benefits so provided, plus interest—

(1) if the individual fails to complete his or her educational program within the 2-year period specified in section 193(1), or

(2) if the individual fails to serve 3 years as a volunteer in the Peace Corps upon completing his or her educational program.

The Director may waive the repayment requirement if exceptional circumstances, such as illness or death, prevent an individual from meeting such 2-year or 3-year requirement.

(d) COLLECTION BY SECRETARY OF EDUCATION.—The Secretary of Education shall have the authority to collect amounts owed by an individual under subsection (c). The Secretary may, for the purpose of collecting such amounts, exercise the authorities conferred on the Secretary by sections 467 and 468 of the Higher Education Act of 1965 (20 U.S.C. 1087gg and 1087hh) with respect to the collection of defaulted loans under part E of title IV of that Act. Amounts collected under this subsection shall be deposited in the general fund of the Treasury.

SEC. 197. EVALUATION AND REPORT.

The Director and the Secretary of Education shall jointly conduct an evaluation of the demonstration program authorized by this part and shall prepare and submit to the President and the Congress—

(1) not later than October 31, 1993, an interim report on such evaluation, and

(2) not later than October 31, 1995, a final report on such evaluation, together with such recommendations, including recommendations for legislation, as the Director and the Secretary consider appropriate.

SEC. 198. DEFINITIONS.

As used in this part—

(1) the term "Director" means the Director of the Peace Corps, and

(2) the term "institution of higher education" has the meaning given that term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

SEC. 199. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Peace Corps to carry out this part $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each succeeding fiscal year ending before October 1, 1994. Amounts appropriated under this section are authorized to remain available until expended.

PART D—COMMUNITY ACTION AGENCIES

For purposes of this title and the amendments made by this title, the term "community-based organization" includes a community action agency.

The CHAIRMAN pro tempore. Are there amendments to title I?

AMENDMENT OFFERED BY MR. GOODLING

Mr. GOODLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. GOODLING: On page 49, strike line 3 and all the follows through line 7 on page 52.

Redesignate sections accordingly.

Mr. GOODLING. Mr. Chairman, I offer this amendment for several reasons. One of them is that I think if we could pass this amendment the bill may be more palatable to the administration. But I offer it for other reasons. It strikes section 176, which provides for cancellation of loans held by persons working as full-time volunteers. I think that erodes the concept of voluntarism.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman.

Mr. HAWKINS. I thank the gentleman for yielding.

Mr. Chairman, if I may be forgiven, I would like to ask my distinguished friend: Do I understand the gentleman is presenting an amendment?

Mr. GOODLING. I am.

The Clerk read the amendment.

Mr. HAWKINS. Could we have a copy of the amendment? I apologize for the interruption, but we did not really know what was being discussed.

Mr. GOODLING. Mr. Chairman, my amendment would strike section 176, which provides for cancellation of loans held by persons working as full-time volunteers.

As I indicated, I do it for several reasons. No. 1, it would certainly make the bill much more palatable to the administration, I would think.

Second, it does have an unknown fiscal impact. I do not know what the cumulative effect will be. I do have a concern that if you take money from the Perkins loan revolving fund, and the student does not have to pay it back into that revolving fund, do we then, as a government, put the money

in that they did not get back because the student did not have to pay it back because it was forgiven? Or does it mean that the college and the university no longer has that revolving fund money?

I think it probably would be quite ineffective in enabling persons to engage in community service who otherwise would not be able to do so. In fact, I think that is what CBO said in their statement, and that is how they calculated the costs.

Mr. COLEMAN of Missouri. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. I yield to the gentleman from Missouri.

Mr. COLEMAN of Missouri. I thank the gentleman for yielding.

Mr. Chairman, I rise in support of the gentleman's amendment. I believe true voluntarism is just that. Attempts by the committee to include loan cancellation and deferment of payment on Perkins loans is really a backdoor way of trying to provide some sort of enticement, monetarily and financially, to people we ought to be encouraging and who ought to have the intention of volunteering on its own merits and for the reasons that all of us hope that people do indeed volunteer for various not-for-profit purposes.

The gentleman is absolutely right when he says and raises questions about the cost of having this section included in the bill. There are no estimates on how loan cancellations there will be. We do not know what the effect would be on individual colleges and universities, because this is not the guaranteed student loan we are talking about. It is the Perkins campus-based loan, from which each school has a limited amount of funds to utilize for this program. The loan is paid back by the students to the institution again. The revolving fund is there on campus for future students as well.

If the student is a volunteer and has part of his loan forgiven, is that university shorted or do they come back to the U.S. Treasury and ask for additional appropriations? I believe, in all fairness, they would have to come back to the Treasury to ask for additional appropriations.

The real concern I have, as the ranking Republican on the Subcommittee on Postsecondary Education, on this section—and why I support the gentleman's amendment—this is not the only legislative vehicle coming along this year which has indicated an inclination to try to utilize loan forgiveness as an incentive. I think it is very wrong to cheapen, if you will, the exemptions already on the books that we have now for loan forgiveness and deferrals. Yes, we know of VISTA volunteers, we know Peace Corps volunteers have, and other parts of the military, and so forth, have these exemptions and loan forgiveness provisions. But just because we have a societal ill, is it necessary for us to attract people to deal with it by forgiving them on loans, be they Perkins or Stafford loans? Or what have you? I think not.

I think it is the wrong direction to go. I think we have gotten this section off of other bills that have come to the floor. My sense of it is that the Congress is recognizing if we are going to have a voluntarism bill, we ought to have a voluntarism bill, we ought not to try to back-door the payments, if you will, to people so they can come in and volunteer for nothing or volunteer at a minimum wage when in fact we are paying their college tuition costs. That is not right. That is not what the purpose of the voluntarism is for. It certainly does danger and damage. It sets dangerous precedents to increase the already expanding roles of the Higher Education Act where we have exempted, for many students, their needs to pay back.

At a time when the major student loan program in this country is undergoing severe stress, losing almost $2 billion a year due to lack of paybacks, we are sending the wrong message to other students, that we recognize they would not have to pay back their loans either, just go to work for a nonprofit organization at a minimum wage and you too will not have an obligation.

The CHAIRMAN pro tempore. The time of the gentleman from Pennsylvania [Mr. GOODLING] has expired.

(By unanimous consent, Mr. GOODLING was allowed to proceed for 1 additional minute.)

Mr. GOODLING. I too would like to say that when the omnibus education bill came before us, there were those who wanted to dabble with loan forgiveness, who wanted to dabble with the higher education bill. We convinced them we should not do these kinds of things until we have a complete rewrite of that legislation.

That comes next year in the higher education bill. And I would think that without careful consideration of what we are doing here, which we have not had time to do, we would postpone this until we do have reauthorization of the higher education bill.

Mr. WILLIAMS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am at somewhat of a loss to understand all of the emotion that is emanating from the other side about not only this bill but this simple provision, tried and true. In the past 25 years of congressional history, this simple provision to provide the loan cancellation, we do this now for members of the Peace Corps, the exact same provision applies to members of the Peace Corps.

□ 1350

We do it now for those Americans who will volunteer, help out a little bit here at home their fellow citizens through VISTA. Exact same provision. We are only now saying, "Let's extend it as part of these thousand points of light to other young Americans who would agree to take a job temporarily at or below the minimum wage, at or below the minimum wage to help out their fellow citizens in which I think can easily be said to be a voluntary capacity."

As my colleagues know, we have students who are graduating from the colleges and universities and proprietary schools in America who are well educated, highly skilled, and they have a debt because of their loans of maybe up to $20,000. So we have said to those students, "If you'll come and join the Peace Corps, you'll come and join VISTA, we'll give you a partial or full cancellation of part or all of that debt," and it has worked.

And now we are simply saying, as part of this program envisioned by the President, that some of these same students who are without financial means, but want to become one of these new blinking points of light, can have the same opportunity that their roommate has because he decided, or she decided, to go join Peace Corps. We are saying to the other person, "If you want to come and volunteer in service for America through this new national service legislation, you could have exactly the same loan cancellation as your roommate is getting by going to the Peace Corps, VISTA."

If we listen to our colleagues on the other side of the aisle, we would think this is a radical new proposal that is going to cost hundreds of millions of dollars. The people who have accounted this for us say it is going to cost so little we cannot score it. We do not know how much it is going to cost, but we think it is going to cost very little.

So, let us now throw out all of these what I personally believe to be artificial questions and artificial hurdles in order to burden the passage of this legislation.

This, by the way, would only be a model loan cancellation program. Students could only apply for it in 1991. We would sign on the contract with those students, and then it would expire. No students after that would be eligible for it unless my colleagues in this Chamber and the others decided to reinstitute it.

So, it is in the tried and true American tradition with regard to encouraging voluntarism. We do it for Peace Corps, we do it for VISTA, it works. Let us do it for those who want to become involved in national service as well.

Mr. PETRI. Mr. Chairman, I rise in support of the amendment of the gentleman from Pennsylvania [Mr. GOODLING], and I yield to its author.

Mr. GOODLING. Mr. Chairman, I just want to take a second to thank

again the gentleman from Montana [Mr. WILLIAMS] for making my point very eloquently. He indicated we piecemeal, we piecemeal, we piecemeal. No planning. We do not know which will be next. We just continue it. Maybe drug enforcement officers. Who knows? But again I thank him for making the point.

Mr. PETRI. Mr. Chairman, I would like to make two points in support of the amendment and against provisions of the bill providing for broadening existing student loan forgiveness provisions in the Federal law which currently cover people who are selected by the armed services who are in specialties that are needed. They are sometimes attracted to serve, at the option of the military, by being granted student loans forgiveness. The same applies to volunteers in VISTA or in the Peace Corps who are, again, enlisting in a Federal agency. They are sometimes qualified for student loan forgiveness in exchange for that service. But this bill broadens that to cover service in voluntary, nonprofit organizations across the United States that are not run by the Federal Government. They are not Federal agencies. They are not the armed services of the United States. They are not the Peace Corps. They are not VISTA.

It seems to me that we are opening up the potential for a great deal of abuse. Not to say it will occur, but these are not going to be Federal agencies. Eligibility for student loan forgiveness is going to be determined by the local YMCA director or someone else, whoever happens to be running the volunteer, nonprofit program at which the person puts in the hours.

I just think that we ought to think this through carefully. If we try to go in and supervise the non-Federal organization, and prevent the abuse, we will raise the costs so much and the paperwork requirements so much that it really will be counterproductive. If we do not supervise it, we may end up having a lot of abuse—they will put their kids, or get their neighbors' kids or cousins on the volunteer minimum wage payroll and have 20,000 to 30,000 dollars' worth of student loans forgiven, that it would cost them twice as much in earned income to repay.

So, I think it will come back to haunt us if we were to actually enact this bill.

Second, Mr. Chairman, this loan forgiveness approach goes in exactly the opposite direction than the IRS is currently pursuing. During this break I had occasion to meet in office hours, as many of us do, with many of my constituents. Several came in who had sons or daughters in college today who are given educational grants, and, believe it or not, if the grant, even if it is a small grant, is in excess of the educational component of the education, if the grant covers room and board in addition to tuition and books, the IRS is attempting to tax young people on the portion that they call personal benefit, room and board, and meanwhile we are going to be giving loan forgiveness. So, what we are saying to young people is, "Take out loans, don't get a grant, then go and volunteer and have it forgiven. If you get a grant or are qualified for a grant, we're going to tax you while you're in school." So, that is disjunction, or an imperfection, or an unfairness that I think really ought to be addressed and is not.

Final thing—and I think it is a big flaw here—is that there is an unstated assumption in this legislation that somehow working for the minimum wage or for nothing in voluntary, nonprofit organizations is providing something of value and is helping other people, whereas working in the real world of work, whether it is building someone's house as a carpenter, or making a car or working on cancer research at the National Cancer Foundation or for some drug company is not, and I think that is a very narrow definition of community service, and it is wrong, and why someone working as a cancer researcher at the National Cancer Institute will not have loan forgiveness even if they come up with a cure for cancer, and someone working as a drug counsellor should have their loan forgiven is beyond me. It is just almost mindless tinkering with the Tax Code, and I regret this bill was not referred to the Committee on Ways and Means. It should have been.

Mr. Chairman, we are talking large amounts of money when we get into student loan forgiveness if they do not have to pay Social Security tax, do not have to pay various other payroll taxes on the amount that is forgiven. They would pay this later if they earned the money and then use what is left to repay the loan, so I urge my colleagues to support the amendment, avoid this thicket and clean up this bill.

Mrs. LOWEY of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I believe that the loan forgiveness provisions of the bill are needed and should be preserved. The opponents of the loan forgiveness provisions of the bill want to have it both ways, and I do not think we can. It is argued that it is not effective, and then it is argued that it will cost too much.

However, Mr. Chairman, the fact is that if it is not effective, then not many people will take advantage of it, and the costs will not be that high.

I agree that we need more information about the effectiveness of loan forgiveness programs. However, I do not believe that these concerns warrant the elimination of all loan forgiveness provisions in the bill. Instead I feel strongly that we should join together to get additional information about loan forgiveness and then to assess the effectivenes of these programs. If it turns out that the program are not effective or too costly, we will have plenty of opportunity in the future to revisit these issues.

My own support, strong support, for the loan forgiveness provision of the bill is based on discussions with organizations and individuals who are involved in various community service programs in my district. Without exception these individuals have expressed strong support for these provisions and have indicated that they believe loan forgiveness is an effective tool in encouraging people to enter community service programs. It may not be the whole answer, but they feel that it will be an effective tool.

I am particularly concerned about the importance of providing loan forgiveness and deferment to those who work, for example, in the drug treatment field. Everyone is aware that we are facing a crisis in drug treatment. There is a huge shortage of available treatment slots, Moreover, there is a severe shortage of qualified personnel and an enormous turnover rate. Drug treatment professionals are paid a pittance and are subject to severe stress on the job. The result is a turnover of more than 50 percent a year throughout the field. This means that we do not have the continuity that is needed for effective treatment of addicts, and our efforts to fight what we are calling an effective war on drugs are hampered as a result.

Let me read to my colleagues a letter from the National Association of Alcoholism and Drug Abuse Counselors which said, and I quote:

□ 1400

Alcoholism and drug abuse counselors are expected to put in long hours, be on call around the clock and throughout the week and to assist the rebuilding of human lives, for little recognition and compensation. We have seen a tremendous turnover in our profession, along with increased and acute shortages of adequately trained individuals. We need an incentive to recruit more, not fewer, individuals in the profession.

In addition, I received a letter from the director of the Renaissance project. This is an outstanding drug rehabilitation facility in my district. He said: "The system is put together with band aids and is carried on the backs of an underpaid work force." He has also indicated that additional incentives for the recruitment and retention of qualified personnel are urgently needed.

In addressing this issue, members of the committee should ask themselves the following question: "Is the problem of drugs and crime of sufficient importance in my community to justify providing an incentive to our stu-

dents to enter the field of drug treatment?"

I think the answer is a resounding "yes." Drugs and crime are destroying our communities, they are destroying our families and they are threatening the lives of innocent victims. Drug treatment is an effective method of ending the cycle of drug abuse, crime, and violence. But unless we have trained drug abuse treatment professionals, quality drug treatment programs will just remain a dream for many addicts who need help.

Let me also say a word about the cost of this program. CBO estimates the cost of this program to be negligible in the next several years and to rise to $5 million per year by 1988. In fact, the entire cost of all loan cancellations under the Perkins program was $22 million in fiscal year 1989.

The war against drugs in this Nation is urgent enough that we must take firm steps to get that battle won on all fronts. Drug treatment is one of the fronts that cannot be ignored, and the provisions before us today will help make quality drug treatment a reality around the Nation.

We have an opportunity now to assist in this all-important battle by rejecting this amendment and retaining these very important provisions for loan forgiveness.

Mr. HOYER. Mr Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment and in very, very strong support of the bill.

I will be brief. I think the gentleman from Wisconsin [Mr. PETRI] made some points that are good. On the other hand, as I was listening to him with respect to loan forgiveness in the Peace Corps and VISTA but not in the private sector, I recalled that President Reagan urged and I very strongly supported the increase in voluntarism and public service. Not necessarily through a Government program but through the private programs such as the Boys' and Girls' Clubs, such as the chamber of commerce, the Kiwanis Clubs, the Lions Clubs, volunteer fire departments, and other organizations in our communities that do such good work.

I understand the gentleman's point, but as the chairman of the committee and the distinguished gentlewoman from New York [Mrs. LOWEY] just reiterated, this is an encouragement. This is an encouragement for the private sector and a way we can involve people in very meaningful ways of the welfare of our communities yet have some incentive to encourage people in that end.

Mr. Chairman, one of the reasons I am so strongly in favor of this bill is that I think it is very important for America if we are going to reinvigorate our society, if we are going to bring young people out of the drug markets and into the public service markets, and if we are going to rekindle that spirit that John Kennedy kindled in America when he urged young people to bring their energy and their enthusiasm and their idealism into public service then we need national service. It was this kind of legislation that I think he had in mind. And I also think that this is the concept that President Reagan had in mind, and so many others have had in mind. We have seen in the last decade particularly in the latter part of the 1970's, a continuing focus on "me," a continuing focus on asking, "How is my life going to be better? How am I going to make more money?"

Quite frankly, I am in that crowd as well. I want everybody to know I am a very big fan of bettering one's self and being paid what one is worth. So I do not criticize any young person for wanting to maximize their income, maximize their ability to create for themselves and their families and provide good houses and a good standard of living. When John Kennedy said, "Ask not what your country can do for you but what you can do for your country," he was speaking to the very essence of what has made this country great.

This National Service Act of 1990 speaks to that objective. I frankly believe, as I am sure the chairman of the committee does, that perhaps there are other things we could do, but this is certainly a significant and an important step in this country, saying these things once again to young people, as we did when we adopted the Peace Corps. "Get involved in reaching out to peoples around the world," and as we did in 1965 when we adopted VISTA and said to young people, middle-aged and senior citizens, "Get involved and help your neighbors."

This is another way, another step, a timely step of saying, "Get involved. Help your neighbor, build your community, make America what we want it to be, the greatest Nation on the face of the Earth, a nation that cares about our communities."

I think we are going to win this drug war. We are not going to win it with all the rhetoric we hear on this floor, and we are not going to win it with all the billions of dollars that we appropriate. Those things may be important, but we are going to win it in the communities.

In one of my communities we have the Glen Arden apartments, and they have reclaimed those apartments because about 10 or 15 tenants every night are on the street, walking the sidewalks and walking the streets and saying, "Drug users, drug possessors, drug sellers are not welcome in our community."

Mr. Chairman, this bill says to our young people in particular, "Get involved." It is an important piece of legislation, it is a strong piece of legislation. I strongly support it, and I oppose the amendment.

Mr. Chairman, I rise today in very strong support of H.R. 4330, the National Service Act of 1990. I would like to thank and commend the chairman and ranking member of the Education and Labor Committee, Mr. HAWKINS and Mr. GOODLING for expeditiously bringing this important legislation to the floor.

I have been in support of national service programs for many years. I have long understood and recognized the value and benefit to the youth and older Americans who are given an opportunity they may not otherwise have, to perform community service and be compensated monetarily, educationally, and emotionally.

The National Service Act of 1990 is a comprehensive program which incorporates several areas of national service. It creates the Youth Service Corps which provides service in Government agencies, day care centers, nursing homes, and other nonprofit agencies with a need for service oriented skills.

The National Service Act would also create the American Conservation Corps. This Corps would perform services in the areas of park and recreational area improvement and urban revitalization. I am pleased to have recently had the opportunity to meet members of a conservation corps in my own State of Maryland.

These young people provide a full range of conservation services to the community and nonprofit organizations such as building bridges. In return, the corps members are paid an hourly wage, taught job skills, and are given a cash bonus or voucher to be used for higher education after completion of the program. I am very proud of the accomplishments that these corps members have made and I would like to see national and community service programs established throughout the country.

Mr. Chairman, the National Service is a program whose time has come. The most important aspect of National Service is that it encourages Americans to serve their country and their fellow man which leads to greater civic consciousness and personal responsibility.

It is for these reasons that I wholeheartedly support the National Service Act of 1990 and urge all of my colleagues to join with me in supporting this much needed legislation.

Mr. MCMILLEN of Maryland. Mr. Chairman, I rise today in strong support of the National Service Act, of which I am a cosponsor.

The National Service Act will renew vigor in this Nation's volunteer efforts. This bill will promote school and college-based community service programs and establish an American Conservation Corps and Youth Service Corps.

Many people may not be aware that Maryland has been a leader in school-based community service. Maryland is the only State with a State board of education that, by law, requires local school systems to provide opportunities for students to earn academic credits by performing community service. I have seen the success of this program in my home State. In the past semester over 1,500 Maryland public school students earned credit

toward graduation by performing community service in activities as varied as helping to feed the homeless in soup kitchens and assisting to clean up the Chesapeake Bay.

Having had the opportunity to see the impact of school-based community service in Maryland, I am confident and enthusiastic about the potential for similar programs nationwide.

What I find especially positive about the National Service Act is that, in addition to addressing problems in given communities in an innovative manner, it also educates students through experience. How better to instill a sense of citizenship in America's youth than by directly involving them in their own communities?

Students learn that their individual efforts can make a difference in the real world. They also learn to value their own abilities and gain a new appreciation for the efforts of others.

Some of my colleagues have expressed concern over the financial aspects of this bill. They are concerned that it will not be cost efficient. I believe that nothing could be further from the truth. The money that is going into implementing this initiative is merely seed money. By providing funds for this program today, I believe we can anticipate savings in many other programs tomorrow. If this program does nothing else than help cleanup our environment then this will be money well spent. If it does nothing but encourage students to lend their time to feeding the hungry; then it has been money well spent. If this accomplishes no other task than to encourage students to volunteer as tutors, teaching english, reading and writing, I ask you, isn't that money well spent?

It is true that there is no absolute means for determining the value that will come out of this legislation. No one knows for sure how many new volunteers this bill will attract. But, from what I have seen in Maryland, I think this bill is a pretty good bet.

The bill that is before us today will not solve complex problems, such as homelessness or environmental pollution. The need for coordinated Federal action will still exist. However, it will help to activate grassroots support for national programs designed to tackle these problems. It will also help to create a generation of conscientious, active citizens.

I urge all of my colleagues to support this measure. It is an idea that deserves a chance to show its worth and I am fully behind it.

Mr. CONTE. Mr. Chairman, I rise to express my strong support for the National Service Act of 1990, H.R. 4330.

When the conference report was discussed early Thursday afternoon I was out at Andrews Air Force Base trying to get a budget agreement at the summit. Even though other responsibilities prevented me from speaking on behalf of the act I still wanted to voice my support.

H.R. 4330 blazes a new trail by stimulating civic mindedness via the act's two components: School and college-based community service programs and the American Conservation and Youth Service Corps. All these programs help fill a void in the plethora of Federal programs and fosters service and volunteerism throughout the land. It is a shot-in-the-arm for everyone who understands the importance of providing youngsters with opportunities to experience the joy of serving humankind and improving our world by giving of time, sweat and talents.

I am really excited about the American Conservation [ACC] and Youth Service Corps component [YSC] of this act because I have long championed the cause of resurrecting the Civil Conservation Corps, a successful service program of an earlier era. I believe we cannot go wrong by harnassing youthful energy to improve our environment, conserve our resources, and serve humankind.

And that is what ACC does, providing opportunities for youth to rehabilitate wildlife habitats and preserve historical sites. Thus providing valuable training for our youth, preserving our culture, and improving the world in which we live.

Another program, placed under the direction of ACTION, is the Youth Service Corps which will undertake projects that meet unmet social needs by working through Government agencies, nursing homes, day care centers, and other nonprofit organizations.

In the school-based component several terrific programs will be started. Grants will be made to States to implement innovative service oriented learning programs with up to $35 million provided for this purpose and 80 percent of that amount going to the localities.

Another program called Youthbuild will be started with grants from ACTION. The $10 million for Youthbuild will help disadvantaged youth construct or rehabilitate low-income housing. Additional funds in this component will go to numerous Federal Volunteer Service projects including rural youth demonstrations, nonschool based voluntary service projects, special service-learning projects, projects for out-of-school youth, and the foster grandparent program in Head Start.

In the post-secondary arena up to $25 million in grants will be available to post-secondary institutions for the creation or expansion of service related activities for students. Priority will be given to proposals for expanding the Student Literacy Corps and for demonstrating the Student Tutorial Corps.

Under the act the Peace Corps will carry out a training and education benefits program for which participants will repay the Peace Corps with 3 years of service.

I am delighted this act passed because it strengthens the Nation by investing in people who in turn will invest in people. My appreciation goes out to everyone who worked to develop and secure passage of this act.

Mr. OWENS of Utah, Mr. Speaker, every day on this floor, Americans from every corner of our Nation discuss and debate the great ills facing our society. Crime, substance abuse, homelessness, economic destitution, illiteracy. Today, Congress has an opportunity to address all these concerns in a substantive and progressive way. Some call it preventive maintenance, but I prefer to call it common sense.

I am referring to the National Services Act, a bill that promotes community service at all school levels, and establishes youth service programs. As legislators, we should resist looking upon the notion of voluntarism as just a way of providing services to our communities, but as an avenue through which the volunteer can become a productive participant in our society. That's the motivation behind this bill and it is sound.

H.R. 4330 will provide funding, with language for matching funds from State and local government, to create youth corps around the country. The work performed by these young men and women, most of whom have poor educations and few work skills, will have wide-ranging impact. What communities nationwide will receive are low-cost, quality services in the form of housing rehabilitation, day-care help, tutoring of young children and conservation maintenance of parks and highways. Our disadvantaged and disenfranchised youth will get hands-on experience that will lead to real job skills, no wages but in some cases small stipends to help make ends meet, and opportunity to receive their GED's or college scholarships. And as importantly, they will receive an understanding of how their lives can have a significant effect on the people around them, an education they could never receive in a classroom.

What our society as a whole gets is something less tangible, but more substantive. Instead of embittered, unemployed, and unemployable youths, our cities, towns, and county's get productive, useful, caring citizens. Instead of drug usage and delinquent activities, the recourse for many who feel shunted from the mainstream, we will have willing and enthusiastic participants in our businesses, schools, and churches and the foundation of a competitive, global economy to take us into the next century.

It is not an overnight process. We will not wake up tomorrow from passing this bill and see the change. But like the violent crime, school dropout, and drug problems, that develop over a number of years, it's a gradual process. However, it will happen if we give ideas like H.R. 4330 a chance.

For those in school, the National Service Act will expand their education in ways not possible without impetus from the Federal Government. Instead of just attending social studies classes, students could set up voter registration drives. Instead of attending science classes, kids could help the Red Cross in setting up blood drives. There are many applications, and all of them positive, because they reinforce that what our children learn in the classrooms is not all boring theory out of textbooks, but can have real and exciting implications in their daily lives. This is enriching and the full measure of what education is all about.

For some schools, these are extra-curricular activities, but I would like to see these programs become part of the curriculum. For educators and parents who are worried about providing basic reading and writing skills for students, I think youth service programs reinforce those skills, and will make our kids realize the value of having a solid foundation in the basic education fundamentals. It will teach kids how to learn, something they will need the rest of their lives, as jobs change and become obsolete.

It is the hope for many supporters of H.R. 4330, that the Federal Government will provide the impetus for State legislatures to create programs within their jurisdiction. A number of States already have programs, and

many more have legislation that would establish youth corps. Among them, I am pleased to note, is Utah, which this past session passed a measure to create a Youth Conservation Corps. This new youth corps program will assist Utah in maintaining its highways, hiking trails and rural areas.

America's business and civic leaders have already recognized that there are plenty of high skill positions available in our current job market, but there are not enough students who have received the education and job skills training needed to take on those jobs. More and more, corporate America is willing to make an investment in its future. Congress should too.

The funding level this legislation authorizes is $180 million, not a significant sum to ask for with regard to the future of thousands of young Americans. And as I mentioned before, this legislation will act as motivation for States and localities to create youth services programs that one day they will have the principle responsibility in funding.

In closing, let me once again encourage your support for the National Services Act, legislation that I believe will have beneficial ramifications we have not even envisioned yet.

The CHAIRMAN pro tempore (Mr. MONTGOMERY). The question is on the amendment offered by the gentleman from Pennsylvania [Mr. GOODLING].

The question was taken; and on a division (demanded by Mr. HAWKINS) there were—ayes 10, noes 6.

Mr. HAWKINS. Mr. Chairman, I demand a recorded vote, and pending that, I make the point of order that a quorum is not present.

The CHAIRMAN pro tempore. Evidently a quorum is not present. Pursuant to the provisions of clause 2 of rule XXIII, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device, if ordered, will be taken on the pending question following the quorum call. Members will record their presence by electronic device.

The call was taken by electronic device.

The following Members responded to their names:

[Roll No. 329]

ANSWERED "PRESENT"—406

Ackerman	Bilbray	Callahan
Alexander	Bilirakis	Campbell (CA)
Anderson	Bliley	Campbell (CO)
Andrews	Boehlert	Cardin
Annunzio	Boggs	Carper
Anthony	Bonior	Carr
Applegate	Borski	Chandler
Armey	Bosco	Chapman
Aspin	Boucher	Clarke
Atkins	Brennan	Clay
Baker	Brooks	Clement
Ballenger	Broomfield	Clinger
Bartlett	Browder	Coble
Barton	Brown (CA)	Coleman (MO)
Bateman	Brown (CO)	Coleman (TX)
Bates	Bruce	Collins
Beilenson	Bryant	Combest
Bennett	Buechner	Condit
Bentley	Bunning	Conyers
Bereuter	Burton	Cooper
Berman	Bustamante	Costello
Bevill	Byron	Coughlin
Courter	Hughes	Nowak
Cox	Hunter	Oakar
Coyne	Hutto	Oberstar
Craig	Hyde	Obey
Crane	Inhofe	Olin
Crockett	Ireland	Ortiz
Dannemeyer	Jacobs	Owens (NY)
Darden	James	Owens (UT)
Davis	Jenkins	Oxley
de la Garza	Johnson (CT)	Packard
DeLay	Johnson (SD)	Pallone
Dellums	Johnston	Parker
Derrick	Jones (GA)	Parris
DeWine	Jones (NC)	Pashayan
Dickinson	Jontz	Paxon
Dicks	Kanjorski	Payne (NJ)
Dingell	Kaptur	Payne (VA)
Dixon	Kasich	Pease
Donnelly	Kastenmeier	Pelosi
Dorgan (ND)	Kennedy	Penny
Dornan (CA)	Kennelly	Perkins
Douglas	Kildee	Petri
Downey	Kleczka	Pickett
Dreier	Kolbe	Pickle
Duncan	Kolter	Porter
Durbin	Kostmayer	Poshard
Dwyer	Kyl	Price
Dymally	LaFalce	Pursell
Dyson	Lagomarsino	Quillen
Early	Lancaster	Rahall
Eckart	Lantos	Rangel
Edwards (CA)	Laughlin	Ravenel
Edwards (OK)	Leach (IA)	Ray
Emerson	Leath (TX)	Regula
Engel	Lehman (CA)	Rhodes
English	Lehman (FL)	Richardson
Erdreich	Lent	Ridge
Espy	Levin (MI)	Rinaldo
Evans	Levine (CA)	Ritter
Fascell	Lewis (CA)	Roberts
Fazio	Lewis (FL)	Robinson
Feighan	Lewis (GA)	Roe
Fields	Lightfoot	Rogers
Fish	Lipinski	Rohrabacher
Flake	Livingston	Ros-Lehtinen
Flippo	Lloyd	Rose
Foglietta	Long	Roth
Ford (TN)	Lowery (CA)	Roukema
Frost	Lowey (NY)	Rowland (CT)
Gallegly	Luken, Thomas	Rowland (GA)
Gallo	Lukens, Donald	Roybal
Gaydos	Machtley	Russo
Gejdenson	Madigan	Sabo
Gekas	Manton	Saiki
Geren	Markey	Sangmeister
Gibbons	Marlenee	Sarpalius
Gillmor	Martin (NY)	Savage
Gilman	Martinez	Sawyer
Glickman	Matsui	Saxton
Gonzalez	Mavroules	Schaefer
Goodling	Mazzoli	Scheuer
Gordon	McCandless	Schiff
Goss	McCloskey	Schneider
Gradison	McCollum	Schroeder
Grandy	McCrery	Schuette
Grant	McCurdy	Schulze
Gray	McDade	Schumer
Green	McDermott	Sensenbrenner
Guarini	McEwen	Serrano
Gunderson	McGrath	Sharp
Hall (OH)	McHugh	Shaw
Hall (TX)	McMillan (NC)	Shays
Hamilton	McMillen (MD)	Shumway
Hammerschmidt	McNulty	Shuster
Hancock	Meyers	Sikorski
Hansen	Mfume	Sisisky
Harris	Miller (CA)	Skaggs
Hastert	Miller (WA)	Skeen
Hatcher	Mineta	Skelton
Hawkins	Moakley	Slattery
Hayes (IL)	Molinari	Slaughter (NY)
Hayes (LA)	Mollohan	Slaughter (VA)
Hefley	Montgomery	Smith (FL)
Hefner	Moody	Smith (IA)
Henry	Moorhead	Smith (NE)
Herger	Morella	Smith (NJ)
Hertel	Morrison (WA)	Smith (TX)
Hiler	Mrazek	Smith (VT)
Hoagland	Murphy	Smith, Robert (NH)
Hochbrueckner	Murtha	Smith, Robert (OR)
Holloway	Myers	Snowe
Hopkins	Natcher	Solarz
Horton	Neal (MA)	Solomon
Houghton	Neal (NC)	Spence
Hoyer	Nelson	Spratt
Hubbard	Nielson	Staggers
		Stallings
		Stangeland
		Stark
		Stearns
		Stenholm
		Stokes
		Studds
		Stump
		Sundquist
		Swift
		Synar
		Tallon
		Tanner
		Tauke
		Tauzin
		Taylor
		Thomas (CA)
		Thomas (GA)
		Thomas (WY)
		Torres
		Torricelli
		Towns
		Traficant
		Traxler
		Unsoeld
		Upton
		Valentine
		Vander Jagt
		Vento
		Visclosky
		Volkmer
		Vucanovich
		Walgren
		Walker
		Walsh
		Waxman
		Weber
		Weiss
		Weldon
		Wheat
		Whittaker
		Williams
		Wilson
		Wise
		Wolf
		Wolpe
		Wyden
		Wylie
		Yates
		Yatron
		Young (AK)
		Young (FL)

□ 1429

The CHAIRMAN pro tempore (Mr. MONTGOMERY). Four hundred and six Members have answered to their names, a quorum is present, and the committee will resume its business.

(By unanimous consent, Mr. WALKER was allowed to speak out of order.)

LEGISLATIVE PROGRAM

Mr. WALKER. Mr. Chairman, I ask to proceed out of order for 1 minute to inquire of the gentleman from Maryland [Mr. HOYER] the nature of the schedule for tomorrow.

Mr. Chairman, I yield to the gentleman from Maryland [Mr. HOYER] for the purpose of telling the membership what the schedule for tomorrow may be.

PARLIAMENTARY INQUIRY

Mr. HOYER. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state his parliamentary inquiry.

Mr. HOYER. Mr. Chairman, before I proceed, may I raise the point that I understand that we had a quorum call, and that there was a pending 5-minute vote. I do not want to preclude that vote being taken.

The CHAIRMAN pro tempore. The Chair will recognize the gentleman. It will be brief, and the Chair will then move right ahead on the demand for a recorded vote.

Mr. HOYER. Mr. Chairman, I rise, and I thank the gentleman from Pennsylvania for yielding, to inform the House that the schedule previously announced has been modified. There will be a pro forma session only tomorrow. There will be no votes tomorrow.

The purpose of that, as all of us, I am sure, will understand, is to provide the best possible opportunity and time for the summiteers to reach conclusion as they labor in Prince Georges County, MD, at Andrews Air Force Base, thank you.

There will be two additional items on the schedule for the balance of the evening, but I think we expect to be able to get out of here by 6 o'clock.

We wanted to bring this to the attention of the Members early enough so that they could make arrangements for tomorrow, because it is a change in the schedule.

We will be meeting on Monday. There will be suspensions. We will go back to the defense bill. We expect to finish the defense bill on Monday, so expect a very late session or early morning session on Monday. We expect to finish the defense bill on Monday. There will, however, be no votes prior to 3 o'clock.

It may be a little later than that, but Members are held harmless, and there is agreement on both sides that there will be no votes before 3 o'clock.

So the balance of the day will be two additional pieces of legislation after this bill is completed, but no session on Friday.

Mr. WALKER. Mr. Chairman, I thank the gentleman.

RECORDED VOTE

The CHAIRMAN pro tempore. The pending business is the demand of the gentleman from California [Mr. HAWKINS] for a recorded vote. Five minutes will be allowed for the vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 200, noes 212, not voting 20, as follows:

[Roll No. 330]

AYES—200

Archer	Goodling	McGrath
Armey	Goss	McMillan (NC)
Baker	Gradison	Meyers
Ballenger	Grandy	Miller (WA)
Bartlett	Grant	Molinari
Barton	Green	Moorhead
Bateman	Guarini	Morrison (WA)
Bennett	Gunderson	Myers
Bentley	Hall (TX)	Neal (NC)
Bereuter	Hammerschmidt	Nelson
Bilirakis	Hancock	Nielson
Bliley	Hansen	Olin
Boehlert	Hastert	Oxley
Borski	Hayes (LA)	Packard
Broomfield	Hefley	Pallone
Brown (CO)	Henry	Parker
Buechner	Herger	Parris
Bunning	Hiler	Pashayan
Burton	Hoagland	Paxon
Byron	Holloway	Petri
Callahan	Hopkins	Pickett
Campbell (CA)	Horton	Porter
Chandler	Houghton	Pursell
Clinger	Hubbard	Ravenel
Coble	Hughes	Regula
Coleman (MO)	Hunter	Rhodes
Combest	Hutto	Ridge
Condit	Hyde	Rinaldo
Cooper	Inhofe	Ritter
Coughlin	Ireland	Roberts
Courter	James	Robinson
Cox	Johnson (CT)	Rogers
Craig	Johnston	Rohrabacher
Crane	Kasich	Ros-Lehtinen
Dannemeyer	Kolbe	Roth
Davis	Kyl	Roukema
DeLay	Lagomarsino	Rowland (CT)
DeWine	Laughlin	Saiki
Dickinson	Leach (IA)	Sarpalius
Dornan (CA)	Lent	Saxton
Douglas	Lewis (CA)	Schaefer
Dreier	Lewis (FL)	Schiff
Duncan	Lightfoot	Schneider
Edwards (OK)	Livingston	Schuette
Emerson	Lowery (CA)	Schulze
Fawell	Lukens, Donald	Sensenbrenner
Fields	Machtley	Shaw
Fish	Madigan	Shays
Ford (TN)	Marlenee	Shumway
Gallegly	Martin (NY)	Shuster
Gallo	McCandless	Sisisky
Gekas	McCollum	Skeen
Geren	McCrery	Skelton
Gillmor	McDade	Slaughter (VA)
Glickman	McEwen	Smith (NE)
Smith (NJ)	Stenholm	Vucanovich
Smith (TX)	Stump	Walker
Smith (VT)	Sundquist	Walsh
Smith, Robert (NH)	Synar	Weber
	Tallon	Weldon
Smith, Robert (OR)	Tauke	Whittaker
	Tauzin	Wilson
Snowe	Taylor	Wolf
Solomon	Thomas (CA)	Wylie
Spence	Thomas (WY)	Young (AK)
Stallings	Upton	Young (FL)
Stangeland	Valentine	
Stearns	Vander Jagt	

NOES—212

Ackerman	Frost	Neal (MA)
Alexander	Gaydos	Nowak
Anderson	Gejdenson	Oakar
Andrews	Gibbons	Oberstar
Annunzio	Gonzalez	Obey
Anthony	Gordon	Ortiz
Applegate	Gray	Owens (NY)
Aspin	Hall (OH)	Owens (UT)
Atkins	Hamilton	Payne (NJ)
Barnard	Harris	Payne (VA)
Bates	Hatcher	Pease
Beilenson	Hawkins	Pelosi
Berman	Hayes (IL)	Penny
Bevill	Hefner	Perkins
Bilbray	Hertel	Pickle
Boggs	Hochbrueckner	Poshard
Bonior	Hoyer	Price
Bosco	Jacobs	Quillen
Boucher	Jenkins	Rahall
Brennan	Johnson (SD)	Rangel
Brooks	Jones (GA)	Ray
Browder	Jones (NC)	Richardson
Brown (CA)	Jontz	Roe
Bruce	Kanjorski	Rose
Bryant	Kaptur	Rowland (GA)
Bustamante	Kastenmeier	Russo
Campbell (CO)	Kennedy	Sabo
Cardin	Kennelly	Sangmeister
Carper	Kildee	Savage
Carr	Kleczka	Sawyer
Chapman	Kolter	Scheuer
Clarke	Kostmayer	Schroeder
Clay	LaFalce	Schumer
Clement	Lancaster	Serrano
Coleman (TX)	Lantos	Sharp
Collins	Leath (TX)	Sikorski
Conte	Lehman (CA)	Skaggs
Conyers	Lehman (FL)	Slattery
Costello	Levin (MI)	Slaughter (NY)
Coyne	Levine (CA)	Smith (FL)
Crockett	Lewis (GA)	Smith (IA)
Darden	Lipinski	Solarz
de la Garza	Lloyd	Spratt
Dellums	Long	Staggers
Derrick	Lowey (NY)	Stark
Dicks	Luken, Thomas	Stokes
Dingell	Manton	Studds
Dixon	Markey	Swift
Donnelly	Martinez	Tanner
Dorgan (ND)	Matsui	Thomas (GA)
Downey	Mavroules	Torres
Durbin	Mazzoli	Torricelli
Dwyer	McCloskey	Towns
Dymally	McCurdy	Traficant
Dyson	McDermott	Traxler
Early	McHugh	Udall
Eckart	McMillen (MD)	Unsoeld
Edwards (CA)	McNulty	Vento
Engel	Mfume	Visclosky
English	Miller (CA)	Volkmer
Erdreich	Mineta	Walgren
Espy	Moakley	Waxman
Evans	Mollohan	Weiss
Fascell	Montgomery	Wheat
Fazio	Moody	Williams
Feighan	Morella	Wise
Flake	Mrazek	Wolpe
Flippo	Murphy	Wyden
Foglietta	Murtha	Yates
Ford (MI)	Nagle	Yatron
Frank	Natcher	

NOT VOTING—20

AuCoin	Huckaby	Rostenkowski
Boxer	Martin (IL)	Roybal
DeFazio	Michel	Smith, Denny (OR)
Frenzel	Miller (OH)	
Gephardt	Morrison (CT)	Washington
Gilman	Panetta	Watkins
Gingrich	Patterson	Whitten

□ 1444

Messrs. WALGREN, BATES, and UDALL changed their vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. PORTER

Mr. PORTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PORTER: Page 34, after line 13, insert the following new subsection (and redesignate subsequent subsections accordingly):

(e) PROTECTION FROM TORT LIABILITY.—

(1) REQUIREMENTS.—For fiscal year 1993 and subsequent fiscal years, the Director may not make a grant under subsection (a) unless the State involved provides assurances satisfactory to the Director that the State provides by law as follows:

(A) That, except as provided in subparagraph (B) and paragraph (2), a volunteer of a nonprofit organization or governmental entity does not incur any personal financial liability for any tort claim alleging damage or injury from any act or omission of the volunteer on behalf of the organization or entity if—

(i) such individual was acting in good faith and within the scope of such individual's official functions and duties with the organization or entity; and

(ii) Such damage or injury was not caused by willful and wanton misconduct by such individual.

(B) That the law described in subparagraph (A) may not be construed to affect any civil action brought by any nonprofit organization or any governmental entity against any volunteer of such organization or entity.

(C) That the law described in subparagraph (A) may not be construed to affect the liability of any nonprofit organization or governmental entity with respect to injury caused by any person.

(2) CONSIDERATION BY STATES OF AUTHORITY REGARDING LIMITATIONS ON PROTECTION.—For fiscal year 1993 and subsequent fiscal years, the Director may not make a grant under subsection (a) unless the State involved provides assurances satisfactory to the Director that, with respect to protection from liability, the State has adequately addressed whether the conditions and exceptions described in paragraph (3) should apply in the State.

(3) AUTHORIZED LIMITATIONS ON PROTECTION.—For purposes of paragraph (1), a State may impose one or more of the following conditions on and exceptions to the protection from liability provided by the law described in paragraph (1)(A):

(A) That the organization or entity must adhere to risk management procedures, including mandatory training of volunteers.

(B) That the organization or entity is liable for the acts or omissions of its volunteers to the same extent as an employer is liable, under the laws of that State, for the acts or omissions of its employees.

(C) That the protection from liability provided by the law described in paragraph (1)(A) does not apply if the volunteer was operating a motor vehicle or was operating a vessel, aircraft, or other vehicle for which a pilot's license is required.

(D) That the protection from liability provided by the law described in paragraph

(1)(A) does not apply in the case of a suit brought by an appropriate officer of a State or local government to enforce a Federal, State, or local law.

(E)(i) That the protection from liability provided by the law described in paragraph (1)(A) applies only if the organization or entity provides a financially secure source of recovery for individuals who suffer injury as a result of actions taken by a volunteer on behalf of the organization or entity.

(ii) For purposes of clause (i)—

(I) a financially secure source of recovery may be an insurance policy within specified limits, comparable coverage from a risk pooling mechanism, equivalent assets, or alternative arrangements that satisfy the State that the entity will be able to pay for losses up to a specified amount; and

(II) separate standards for different types of liability exposure may be specified.

Mr. PORTER (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PORTER. Mr. Chairman, the amendment that I have offered addresses a serious problem in America, and that is the increasing unwillingness of volunteers to come forward and offer their services in the many ways that volunteers do in America today.

The amendment I am offering would take effect 2 years after the underlying legislation takes effect and would not allow the director to make a grant under subsection (a) unless the State involved provides assurances satisfactory to the Director that the State provides by its law that volunteers are immune from general negligence liability, and that the burden of negligent injury would fall directly upon the service organization and not upon the individual volunteer.

Mr. Chairman, this amendment is consistent with legislation that I have offered in this Congress and in the previous Congress, H.R. 911, the Volunteer Protection Act, that had in the previous Congress 254 cosponsors, and in this Congress 220 cosponsors, over half the House of Representatives, on a broad bipartisan basis. The act is also supported by over 250 national voluntary organizations representing tens of millions of volunteers across America. Mr. Chairman, these include U.S. Farm Bureau Federation, the American Heart Association, the American Red Cross, the Girl Scout Council of the United States, the General Federation of Women's Clubs, Little League, Salvation Army, National PTA, B'nai B'rith, Air Force Association, Navy League, and many, many, other nationally known organizations. Each of them is a supporter of the Volunteer Protection Act, which this amendment is modeled upon.

Mr. Chairman, voluntarism in America is a large endeavor. Eighty-five million Americans volunteer in some capacity or another every year. They provide 16.5 billion hours of service to the Nation that is valued in excess of $110 billion. However, Mr. Chairman, in 1986 when the American Society of Association Executives polled 8,000 national, State, and local voluntary associations, they found over 60 percent of those answering the poll say that fear of liability exposure, the fear of having to go to court, is damaging their efforts at volunteer recruitment.

□ 1450

It has affected organizations across America as large as the American Red Cross and the United Way. It is having a chilling effect upon voluntarism and ought to be addressed in this legislation.

Mr. Chairman, the amendment is quite simple. It allows the Director to make a determination as to whether States are in fact protecting volunteers, and many are, I might say. My own State of Illinois, the State of Montana and others have comprehensive laws already on the books protecting volunteers, but many others do not.

It would allow the Director to make a determination as to whether volunteers are being protected from simple negligence liability, not from liability, Mr. Chairman, outside the scope of their volunteer activities and not for liability when they act in a willful and wonton manner, but from everyday negligence liability, so they can come forward and offer their services free of the nagging fear that they might end up being a defendant in a court of law and have their assets, their homes, their farms, and their bank accounts subject to a judgment.

I would say, Mr. Chairman, that our concern about people who are injured through negligent actions of others are protected under the amendment because the liability of the organization is not effected and remains intact. It would only affect individual volunteers coming forward to offer their services.

I commend this amendment to the Members of the House, over half of whom are supporters of the concept through the Volunteer Protection Act, H.R. 911.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I cannot say that I rise in opposition to the amendment. I believe it is a subject that obviously should be considered in connection with volunteer service. For that reason I commend the author of the amendment. It is a subject matter that is not within the jurisdiction of the Education and Labor Committee, and obviously was not considered in the context of the bill that is before us today.

On the other hand, I would certainly believe that the conference committee should in good conscience consider the subject. It is my understanding that the Judiciary Committee is doing so, and if this amendment is adopted I certainly would assume that they would also become conferees in the conference committee. For that reason, I see no harm that the amendment would do, but probably it would be relevant in a conference committee and for that reason I will not oppose the amendment and certainly believe that if adopted the amendment may be rightfully considered with the Judiciary conferees in the conference committee.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. PORTER].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to title I?

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON: Page 2, after line 5, insert the following:

SEC. 2. DRUG TESTING REQUIREMENT.

The head of each department and of each agency participating in programs assisted under title II of this Act or under amendments made by this Act shall establish and administer a program of random testing of individuals participating in such programs for the illegal use of drugs.

Mr. SOLOMON. Mr. Chairman, I will be as brief as I can.

The amendment is similar to those I have successfully offered to all reauthorization bills and to all new programs that have passed this House in recent years.

This amendment would require the random drug testing of individuals participating in programs under this act.

This bill envisions the Federal Government providing benefits to individuals who volunteer to assist in health care, who assist our youth in education and who care for those in this country with drug problems.

The bill provides for the cancellation of Federal student loans to persons who become engaged in drug counseling, drug prevention, and drug education. In other words, it waives the obligation to pay back those loans.

Clearly, it is appropriate for us to assure that individuals involved in the counseling of drugs are themselves drug free.

I would also point out that my amendment only involves persons who receive employment or some type of benefit from the Federal Government. If an individual receives tax dollars, whether in the form of employment or in the form of a student loan cancellation, it is not too much to require them to remain drug free during that

period of time. We cannot allow young people volunteering in education, health care, or drug counseling to be involved in drugs. Volunteers must be able to take care of themselves before they care for others.

Mr. Chairman, I would urge support for the amendment.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I am glad to yield to the gentleman from California.

Mr. HAWKINS. As I have indicated to the gentleman in the well, Mr. Chairman, I am not personally supportive of the idea in most instances; however, it is the usual amendment that we have always accepted and I believe a majority of the Members of the House do accept and would on a vote approve. On that basis, I am willing to accept it.

Mr. SOLOMON. Well, I certainly thank the chairman for his understanding. The gentleman is an outstanding chairman and we have a great deal of respect for him.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite numbers of words.

Mr. Chairman, I have reservations about the amendment of the gentleman in the well. I will not object or oppose the amendment, but just say that I believe the amendment lends itself to abuse and mischief. As the gentleman knows, I have had concern in the past about that. I will not object to the amendment at this point, at least, or ask for a vote on the amendment. I will agree to the chairmans desire to accept the amendment.

While I still have time remaining, I would like to being something to the attention of my colleagues. Two days ago on the Defense bill, the House accepted an amendment, correctly accepted it in my judgment, an amendment offered by the gentleman from Massachusetts [Mr. MAVROULES], as perfected by the gentleman from New York [Mr. GILMAN].

The vote on that amendment was 413 to 1, only 1 nay vote.

What that amendment did was provide student loan cancellations for people who will agree to accept certain jobs in the military under the Pentagon. Today when we had a vote nearly identical to cancel loans for students who would agree to go to work in the service of their country, not militarily, not in armed aggression, but domestically here at home, there were 200 votes against it. It makes one wonder where the priorities of the Members of this Congress really are.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. PETRI

Mr. PETRI. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PETRI: On page 50, strike line 15 and all that follows through line 8 on page 51.

Redesignate subsections accordingly.

Mr. PETRI. Mr. Chairman, I will not take my full 5 minutes.

We have actually, I think, made some progress today in debating and discussing this bill. We had a very close vote on the student loan provisions. I think that was a signal by many in this House that will require considerable improvement if this bill does in fact go through the Senate and through the conference committee before we have workable loan forgiveness provisions.

□ 1500

But there was one particular small special loan provision feature which I thought was worth singling out and dealing with and drawing attention to. That is the purpose of this amendment. And that is the loan forgiveness provision of the bill which forgives loans not for volunteers, not for low-paid volunteer workers who are working at below the minimum wage, but instead for full-time professional employees. This is on page 50 of the bill, line 17 through the next page, line 8.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the chairman.

Mr. HAWKINS. I thank the gentleman for yielding.

Mr. Chairman, we are trying to identify the amendment. Is it on page 50, strike line 15 and all through line 8 on page 51?

Mr. PETRI. The gentleman is correct.

Mr. HAWKINS. That is correct?

Mr. PETRI. It is not the broad one, it is the narrow amendment. What it does do is eliminate the section of the bill which singles out full-time professional drug treatment center counselors for student loan forgiveness.

It seems to me that it may or may not be appropriate to grant student loan forgiveness to this category of full-time paid professionals. But why we should do it willy-nilly, ignoring all kinds of other full-time paid professionals who are doing heroic service for the community in the police force, in medical research, in 101 nonprofit areas, plus all sorts of people who are doing great community service and things of benefit to others in the profitmaking private sector of the economy; why suddenly drug counselors and nonprofit—and, I assume, nonreligious nonprofit—programs should be given student loan forgiveness and not others is beyond me.

If you are a religious, I assume, a priest who is counseling someone for a drug problem, he would not qualify for loan forgiveness.

To single out this group of drug counselors and forgive their loans when they are full-time paid professional people seems to me is totally inappropriate and has nothing to do with voluntarism.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. PETRI. I yield to the gentleman from Pennsylvania.

Mr. GOODLING. I thank the gentleman for yielding.

Mr. Chairman, this portion would really allow an income of $50,000, $60,000, $70,000 to get loan forgiveness?

Mr. PETRI. Absolutely. We would be taxing people who are working, trying to pay off their student loan, working as policemen, working as auto mechanics, and so on, and so forth, they would be having to pay taxes and pay off their student loans, and meanwhile this highly paid professional person would have their loan forgiven, in effect, with their tax money.

Mr. GOODLING. I understand the amendment, and I support the gentleman.

Mr. PETRI. I urge acceptance of this amendment.

Mr. HAWKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I think the amendment is not fully understood. What the amendment would do would be to knock out the loan forgiveness, as I understand it, for those who are engaged in full-time professional—as full-time professional employees engaged in drug counseling, prevention, intervention, treatment, education, or employed by a public or nonprofit agency or organization.

The reason for the amendment is actually from a finding by the Committee on Education and Labor that there is, in this particular area in the war on drugs, a severe shortage, a serious shortage, and a very rapid turnover; to stabilize the number of individuals who are encouraged to go into this. Among all of the professions, this happens to be the situation, as a result of our finding.

Now, the amendment would eliminate that. It seems to me that it is unwise. The fact that other professions would be somewhat discriminated against, which is the argument used, is that all professionals in the various fields do not suffer from the same shortage and the very rapid turnover. It was for that reason that this amendment was thought to be one which we could include.

It was also subject to inclusion in the other educational programs that were contributed by the Committee on Education and Labor to the war on drugs in the legislation that has gone through the Committee on Education and Labor.

I think that loan forgiveness is highly justified. It has been so found in the hearings of the committee. I

think the removal of this would certainly be a mistake.

For that reason, I oppose the amendment.

Mrs. LOWEY of New York. Mr. Chairman, I move to strike the penultimate word.

Mr. Chairman, I rise in strong opposition to the amendment.

As I travel around my district—and I visit drug treatment centers like Renaissance and Phoenix House—every single person will tell you there is a 50-percent turnover. It is very difficult to recruit people to this profession.

If we are really serious in this House and in this country and we want the support of the public, then how can we not provide some incentive for this war against drugs?

Do you realize that on Tuesday every single Member of the House except one voted for student loan repayments of $6,000 per year for any employee, with a total of $40,000, for any employee, for the training of people in essential defense occupations?

If we do not really wage an all-out war on drugs, and certainly encourage people to get into this field of treatment, then we are not taking care of the people right here at home. This is a critical part of our defense.

Loan forgiveness may not be the whole answer, but we have to do what we can to recruit people into this field to work on the treatment part of this war on drugs.

Now, what does this cost us? It would cost about $2 million annually by 1998. That is what CBO expects if the provision were to be implemented fully.

Compared to the other expenses, this is a pittance.

Mr. Chairman, I strongly oppose the amendment. We have to wage a real war on drugs and get people into this difficult field in order to help fight the battle, and this is the least we can do.

Mr. GOODLING. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, the problem with this portion of the bill is that it does not belong in the bill. This part of the bill has nothing to do with voluntarism at all. That is what the bill is all about. This portion of the bill has nothing to do with voluntarism. So it does not belong in this piece of legislation. The bill deals with voluntarism; this portion of the bill has nothing to do with voluntarism.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman and Members, I will not take the time, but I think it is necessary that everyone understand what we are doing with this particular amendment. If you will look at the legislation in front of you, what this section says is that anyone who is a full-time professional employee engaged in drug counseling, prevention, intervention, treatment or education, employed by a public or nonprofit private agency or organization shall have their loans, not deferred, canceled.

Now, understand this has nothing to do with voluntarism. This has nothing to do with voluntarism. This is a full-time professional.

Think for a second of the problems you are going to create. If you are a full-time professional in the police force and you happen to be the person in La Crosse, WI who has been named to handle the DARE Program—and bless their hearts, I have met them and they are great men and women doing a great job—but they get paid for it as professional policemen. Under this section, they have their loans cancelled. Every other policeman has to pay their loan.

If you are a nurse in a hospital and you happen to be working in the drug treatment section of the hospital, you are therefore a full-time professional in the treatment section and you have your loan canceled, while everybody else has to pay their loan.

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Third, one of my colleagues just asked, "And how long do you have to work that year?"

The answer is, "Well, you've got to work at the police force, or you've got to work as a nurse, or you've got to work as a full-time professional long enough to get the paperwork done, and then you get 15 percent canceled. And you can go out and get another job. Go ahead. There's nothing in this bill that says you have to work a full year before you can get it."

It says that 15 percent in the first year will be eliminated as soon as they have been that professional and they have been certified.

We started this debate a couple of hours ago and said this is not going to be easy. We plead with our colleagues to get beyond the title of the bill and look at the specifics. The amendment by the gentleman from Wisconsin [Mr. PETRI] makes all the sense in the world.

I ask my colleagues, "How would you like to be the chief of the police department, the administrator of the hospital, who says, 'You, get your loan canceled by your assignment, but all the rest of you, you have got to pay yours off'?"

Mr. Chairman, that does not make any sense. It is not equitable. It has nothing to do with voluntarism and does not belong in this bill.

I support the amendment of the gentleman from Wisconsin [Mr. PETRI].

Mr. WALKER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, a few minutes ago reference was made to only one vote being against the provision of ending guaranteed student loans or not getting guaranteed student loan forgiveness on defense matters. I was that one vote, and I did not like voting that way because I said at that time I did not think we could afford it there.

The question is whether or not we can afford all these nice things that we want to be able to do.

The gentlewoman from New York [Mrs. LOWEY] made a rather interesting statement here a minute ago. She talked about $2 million, and she said that is a pittance. In my district $2 million is a lot of money; $2 million represents every tax dollar paid by about 400 American families. That is a lot of money. It is not a pittance. We are talking about real money here, and we are talking about whether or not we can afford to do some of these things as a nation that we would like to do but cannot.

Now here is another one of those areas. What we have done here is we have carved out one exceptional area, and we are going to give a group of professionals, some of them very highly paid professionals, special treatment, and I am suggesting that that is not an appropriate action within this bill.

I earlier in the debate raised the question of why we had loan forgiveness for full-time professionals in the bill that was supposed to be a voluntary bill. I did not get a very good answer at that time.

Now we have a chance to strike that provision from the bill and at least keep the bill oriented toward volunteers rather than full-time professionals.

Mr. Chairman, I would urge a yes vote on the amendment of the gentleman from Wisconsin [Mr. PETRI]. It is a good amendment and should be passed.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin [Mr. PETRI].

The question was taken; and on a division (demanded by Mr. PETRI) there were—ayes 14, noes 17.

So the amendment was rejected.

The CHAIRMAN. Are there any other amendments to title I?

If not, the Clerk will designate title II.

The text of title II is as follows:

TITLE II—TO ESTABLISH THE AMERICAN CONSERVATION AND YOUTH SERVICE CORPS

PART A—AMERICAN CONSERVATION CORPS

SEC. 201. ESTABLISHMENT.

(a) IN GENERAL.—There is established the American Conservation Corps to be administered by the Secretary of Agriculture and the Secretary of the Interior (individually referred to in this Act as the "administering Secretary") under subsection (b) and through a State grant component.

(b) FEDERAL COMPONENT.—

(1) The Secretary of the Interior and the Secretary of Agriculture shall establish the Federal component of the American Conservation Corps within their respective agencies to administer programs on Federal lands. Applications for participation in the Corps on Federal public lands shall be submitted to the administering Secretary in the manner described in part D and under regulations promulgated under subsection (e).

(2) Funds appropriated for purposes of this part to an administering Secretary shall be used to carry out projects on Federal lands and to provide for the Federal administrative costs of implementing this part.

(3) In using such funds, the Secretary of the Interior and the Secretary of Agriculture shall enter into contracts or other agreements with program agencies, local governments, and nonprofit organizations approved for participation under section 220(a).

(4) Participants shall contract with qualified existing youth corps programs in the regions or areas where Federal component activities will occur. In States where such corps programs do not exist, the Secretary shall encourage the chief executive officer of the State to establish a youth corps program. Only if a State has failed to establish a youth corps program shall the Secretary directly administer a program for the Federal component.

(c) STATE COMPONENT.—

(1) The Secretary of the Interior shall establish a program under which grants shall be made to States to administer the State component of the American Conservation Corps involving work on non-Federal public lands and waters within a given State. Each Governor shall designate a State program agency to administer the program within the State.

(2) If at the commencement of a fiscal year, such a program agency has not been so designated, any local government within such State may establish a program agency to carry out the State component within the political subdivision under the jurisdiction of such local government.

(3) Any program agency may apply for a grant under this title in the manner described in section 215.

(d) LOCAL GOVERNMENT PARTICIPATION.—

(1) Any local government program agency established under subsection (c)(2) shall be subject, in all respects, to the same requirements as a State program agency. Where more than one local government within a State has established a program agency under subsection (c)(2), the administering Secretary shall allocate funds between such agencies in such manner as the Secretary considers equitable.

(2) Any State carrying out a program under this part shall provide a mechanism under which local governments and nonprofit organizations within the State may participate in the American Conservation Corps.

(e) REGULATIONS AND ASSISTANCE.—

(1) Before the end of the 120-day period beginning on the date of the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture, after consultation with the Secretary of Labor, shall jointly promulgate regulations necessary to implement the American Conservation Corps established by subsection (a).

(2)(A) Before the end of the 30-day period beginning on the date of the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall establish procedures to give program agencies and other interested parties (including the general public) adequate notice and opportunity to comment on and participate in the formulation of such regulations.

(B) The regulations shall include provisions to assure uniform reporting on—

(i) the activities and accomplishments of American Conservation Corps programs,

(ii) the demographic characteristics of enrollees in the Corps, and

(iii) such other information as may be necessary to prepare the annual report required by section 229(a).

(f) PROJECTS INCLUDED.—The American Conservation Corps established under subsection (a) may carry out projects such as—

(1) conservation, rehabilitation, and improvement of wildlife habitat, rangelands, parks, and recreational areas,

(2) urban revitalization and historical and cultural site preservation,

(3) fish culture and habitat maintenance and improvement and other fishery assistance,

(4) road and trail maintenance and improvement,

(5)(A) erosion, flood, drought, and storm damage assistance and controls,

(B) stream, lake, and waterfront harbor and port improvement, and

(C) wetlands protection and pollution control,

(6) insect, disease, rodent, and fire prevention and control,

(7) improvement of abandoned railroad bed and right-of-way,

(8) energy conservation projects, renewable resource enhancement, and recovery of biomass,

(9) reclamation and improvement of strip-mined land, and

(10) forestry, nursery, and cultural operations.

(g) LIMITATION TO PUBLIC LANDS.—Projects to be carried out under the American Conservation Corps shall be limited to projects on public lands or Indian lands, except where a project involving other lands will provide a documented public benefit as determined by the administering Secretary. The regulations promulgated under subsection (e) shall establish the criteria necessary to make such determinations.

(h) CONSISTENCY.—All projects carried out under this part for conservation, rehabilitation, or improvement of any public lands or Indian lands shall be consistent with—

(1) the provisions of law and policies relating to the management and administration of such lands and all other applicable provisions of law, and

(2) all management, operational, and other plans and documents which govern the administration of the area.

(i) PARTICIPATION BY OTHER CONSERVATION PROGRAMS.—Any land or water conservation program (or any related program) administered in any State under the authority of any Federal program is encouraged to use services available under this part to carry out its program.

SEC. 202. ALLOCATION OF AUTHORIZED FUNDS.

Of the sums appropriated under section 232(b)(1)(A) to carry out this part for any fiscal year—

(1) 50 percent shall be made available to the administering Secretary for expenditure by State program agencies which have been approved for participation in the American Conservation Corps for work on State and county lands,

(2) 15 percent shall be made available to the Secretary of Agriculture for expenditure by agencies within the Department of Agriculture, subject to section 232(d),

(3) 5 percent shall be made available to an administering Secretary, under such terms as are provided for in regulations promulgated under section 201(e), for expenditure by other Federal agencies, subject to section 232(d),

(4) 25 percent shall be made available to the Secretary of the Interior for expenditure by agencies within the Department of the Interior, subject to section 232(d), and for demonstration projects or projects of special merit carried out by any program agency or by any nonprofit organization or local government which is undertaking or proposing to undertake projects consistent with the purposes of this part, and

(5) 5 percent shall be made available to the Secretary of the Interior for expenditure by the governing bodies of participating Indian tribes.

PART B—YOUTH SERVICE CORPS

SEC. 206. YOUTH SERVICE CORPS PROJECT GRANTS.

(a) ESTABLISHMENT.—There is established the Youth Service Corps.

(b) GRANTS.—The Director of the ACTION Agency shall appoint an Assistant Director (referred to in this Act as the "Assistant Director") who shall provide, to public and private nonprofit agencies determined to be eligible under section 216, grants for Youth Service Corps projects and otherwise to administer this part.

SEC. 207. SERVICE CATEGORIES.

(a) DESIGNATION OF SERVICE CATEGORIES.—The Assistant Director shall, by regulation, designate specific activities as service categories in which persons serving in Youth Service Corps projects may serve for purposes of this part.

(b) ELIGIBILITY REQUIREMENTS.—An activity may be designated as a service category under subsection (a) if the Assistant Director determines that—

(1) such activity is of substantial social benefit in meeting unmet human, social, or environmental needs (particularly needs related to poverty) of or in the community where service is to be performed,

(2) involvement of persons serving in Youth Service Corps projects under this part in such activity will not interfere unreasonably with the availability and the terms of employment of employees of sponsoring organizations with positions available in such activity,

(3) persons serving in Youth Service Corps projects under this part are able to meet the physical, mental, and educational qualifications that such activity requires, and

(4) such activity is otherwise appropriate for purposes of this part.

(c) SPECIFIC ELIGIBLE SERVICE CATEGORIES.—The service categories referred to in subsection (a) may include service in—

(1) State, local, and regional governmental agencies,

(2) nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, day care centers, and schools,

(3) law enforcement agencies, and penal and probation systems,

(4) private nonprofit organizations whose principal purpose is social service,

(5) the rehabilitation or improvement of public facilities, neighborhood improvements, literacy training benefiting educationally disadvantaged persons, weatherization of and basic repairs (including construction) to low-income housing, energy conservation, including solar energy tech-

niques, removal of architectural barriers to access by handicapped persons to public facilities, and conservation, maintenance, or restoration of natural resources on publicly held lands, and

(6) any other nonpartisan civic activity and service that the Assistant Director determines to be appropriate for purposes of this part.

(d) INELIGIBLE SERVICE CATEGORIES.—The service categories referred to in subsection (a) may not include any position in any—

(1) business organized for profit,

(2) labor union,

(3) partisan political organization,

(4) organization engaged in religious activities, unless such position does not involve any religious functions, or

(5) domestic or personal service company or organization.

(e) RELATED PROGRAMS.—Any program administered under the authority of the Secretary of Health and Human Services, which program is operated for the same purpose as any program eligible under this part, is encouraged to use services available under this part to carry out its program.

PART C—YOUTH SKILLS ENHANCEMENT

SEC. 211. CERTIFICATION AND ACADEMIC CREDIT.

The administering Secretary or the Assistant Director (whichever the case may be) shall provide guidance and assistance to States in securing certification of training skills or academic credit for competencies developed under part A or B.

SEC. 212. TRAINING AND EDUCATION SERVICES.

(a) ASSESSMENT OF SKILLS.—Each program agency shall, through programs and projects under part A or B, maintain or enhance the educational skills of enrollees in the program. Each such agency shall assess the educational level of enrollees at the time of entrance in the program, using any available records or simplified assessment means or methodology.

(b) PROVISION OF IN-SERVICE TRAINING AND EDUCATION.—

(1) Program agencies receiving assistance under section 216 shall use not less than 10 percent of the funds available to them to provide in-service training and educational materials and services for enrollees and persons serving in programs and may enter into arrangements with academic institutions or education providers, including—

(A) local education agencies,

(B) community colleges,

(C) 4-year colleges,

(D) area vocational-technical schools, and

(E) community based organizations,

for academic study (including remediation) by enrollees and other persons serving in Youth Service Corps projects during nonworking hours to upgrade literacy skills, to obtain a high school diploma (or its equivalency) or college degrees, or to enhance employable skills. Career counseling shall be provided to enrollees and other persons serving in Youth Service Corps projects during any period of in-service training. Each graduating enrollee must be provided with counseling with respect to additional study, job skills training, or employment and shall be provided job placement assistance where appropriate.

(2) Enrollees and other persons serving in Youth Service Corps projects who have not obtained a high school diploma or its equivalent shall have priority to receive services under this subsection.

(3) Whenever possible, an enrollee seeking study or training not provided at the enrollee's assigned facility shall be offered assignment to a facility providing such study or training.

(c) POST-SERVICE EDUCATION AND TRAINING ASSISTANCE.—Any such program or project shall use not less than 10 percent of the funds available to the agency for the program or project under section 216 to provide services described in subsection (b)(1) for post-service education and training assistance. The amount of such assistance provided to any eligible individual shall be based upon the period of time such person served in a program or project under this title. The activities under this section may include activities available to eligible enrollees under in-service education and training assistance, career and vocational counseling, assistance in entering a program under the Job Training Partnership Act, and other activities deemed appropriate for the enrollee by the program agency and the advisory board.

(d) STANDARDS AND PROCEDURES.—Appropriate State and local officials shall certify that standards and procedures with respect to the awarding of academic credit and certifying educational attainment in programs conducted under subsection (b) are consistent with the requirements of applicable State and local law and regulations. Such standards and procedures shall specify, among other things, that any person serving in a program or project under this title—

(1) who is not a high school graduate, shall participate in an educational component whereby such person can progress toward a high school diploma or its equivalent, and

(2) may arrange to receive academic credit in recognition of learning and skills obtained from service satisfactorily completed.

PART D—ADMINISTRATIVE PROVISIONS

SEC. 216. GRANTS.

(a) AWARD OF GRANTS.—Within 60 days after the date of the enactment of appropriations under section 232, any eligible entity may apply to the administering Secretary or the Assistant Director (whichever the case may be) for funds under this title in the manner specified under part A or part B. In determining the amount of funds to be awarded to any such applicant, the administering Secretary or the Assistant Director (whichever the case may be) shall consider each of the following factors:

(1) The proportion of the unemployed youth population of area to be served.

(2)(A) In the case of part A, the conservation, rehabilitation, and improvement needs on public lands within the State, and

(B) In the case of part B, unmet human, social, or environmental needs (particularly needs related to poverty) within the area to be served.

(b) MATCHING REQUIREMENT.—

(1) As a condition on the award of a grant under subsection (a), a State or program agency shall demonstrate to the satisfaction of the administering Secretary or the Assistant Director (whichever the case may be) that it will expend (in cash or in kind), for purposes of any American Conservation Corps or Youth Service Corps project funded under this Act, an amount from public or private non-Federal sources (including the direct cost of employment or training services provided by State or local programs, private nonprofit organizations, and private for-profit employers) equal to the amount made available to such State or agency under this title.

(2) In addition to such matching requirement, the State or program agency shall demonstrate to the satisfaction of the administering Secretary or the Assistant Director (whichever the case may be) that the effectiveness of the project will be enhanced by the use of Federal funds.

(c) PAYMENT TERMS.—Payments under grants awarded under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the administering Secretary or the Assistant Director (whichever the case may be) finds necessary.

(d) USE OF FUNDS, LIMITATIONS.—

(1) Contract authority under this title shall be subject to the availability of appropriations. Funds appropriated under section 232 shall only be used for activities which are in addition to those which would otherwise be carried out in the area in the absence of such funds.

(2) Not more than 10 percent of the Federal funds made available to any State or program agency for projects during each fiscal year may be used for the purchase of major capital equipment.

(3) Not more than 15 percent of any Federal funds made available to any State or program agency under this title may be used to cover administrative expenses. In any case in which a grant is being awarded to a specific unit of local government rather than to a State, the State may not use more than 3 percent of the grant to cover administrative expenses. The remainder of the grant shall be transferred to the relevant unit of local government.

(4) Not more than 5 percent of any Federal funds provided under this title may be used for part-time service or conservation programs. For purposes of this paragraph the term "part-time" means unpaid service of not more than 15 hours per week.

(5) Not more than 1 percent of any Federal funds provided under this title may be used for joint programs with organized senior citizen programs for community support services.

SEC. 217. APPROVAL OF APPLICATIONS AND SUPERVISION OF PROGRAMS.

(a) APPLICATION.—

(1) In order to be eligible for any grant under section 216, an applying entity shall submit, in accordance with subsection (c), a plan that describes the existing or proposed program or project for which such grant is requested.

(2) Any entity which is eligible to provide employment and educational training under other Federal employment training programs may apply for a grant under section 216.

(b) CONTENTS OF PLAN FOR ELIGIBILITY FOR GRANTS.—The plan referred to in subsection (a) shall include the following:

(1)(A) A comprehensive description of the objectives and performance goals for the program, (B) a plan for managing and funding the program, and (C) a description of the types of projects to be carried out, including a description of the types and duration of training and work experience to be provided.

(2) A plan for certification of the training skills acquired by enrollees and award of academic credit to enrollees for competencies developed from training programs or work experience obtained under this title.

(3) An estimate of the number of enrollees and crew leaders necessary for the proposed projects, the length of time for which the services of such personnel will be required, and the services which will be required for their support.

(4) A description of the location and types of facilities and equipment to be used in carrying out the programs.

(5) A list of positions from which any person serving in such project may choose a service position, which list shall, to the extent practicable, identify a sufficient number and variety of positions so that any person living within a program area who desires to serve in voluntary youth service may serve in a position that fulfills the needs of such person.

(6) A list of requirements to be imposed on any sponsoring organization of any person serving in a program or project under this title, including a provision that any sponsoring organization that invests in any project under this title by making a cash contribution or by providing free training of any person participating in such project shall be given preference over any sponsoring organization that does not make such an investment.

(7) With respect to the specified location and type of any facility to be used in carrying out the program, a description of—

(A) the proximity of any such facility to the work to be done,

(B) the cost and means of transportation available between any such facility and the homes of the enrollees who may be assigned to that facility,

(C) the participation of economically, socially, physically, or educationally disadvantaged youths, and

(D) the cost of establishing, maintaining, and staffing the facility.

(8)(A) A provision describing the manner of appointment of sufficient supervisory staff by the chief administrator to provide for other central elements of a youth corps, such as crew structure and a youth development component. Supervisory staff may include enrollees who have displayed exceptional leadership qualities.

(B) A provision describing a plan to assure the on-site presence of knowledgeable and competent supervision at program facilities.

(9) A description of the facilities, quarters, and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, and other appropriate services, supplies, and equipment that will be provided by the agency.

(10) A description of basic standards of work requirements, health, nutrition, sanitation, and safety, and the manner by which such standards shall be enforced.

(11) A description of the program's plan to assign youths to facilities as near to their homes as is reasonable and practicable.

(12) A description of formal social counseling arrangements to be made available to the participant during service in the American Conservation Corps or Youth Service Corps.

(13) Such other information as the administering Secretary or the Assistant Director (whichever the case may be) may prescribe.

(c) PRELIMINARY APPROVAL OF PART A APPLICATIONS.—

(1) An application for participation in the State component under part A shall first be submitted to the designated State agency for preliminary review and approval. Such agency shall forward to the appropriate State job training coordinating council, if any (established under the Job Training Partnership Act (29 U.S.C. 1502 et seq.)), for further review and comment, any application it approves. Upon the expiration of the 30-day review period referred to in subsection (e), the State agency shall submit any approved application, along with any comments by the council, to the administering Secretary.

(2) A State may submit any application for its own program under part A to the administering Secretary after complying with the review and comment requirement under subsection (e).

(3) The administering Secretary shall establish an appeals procedure (involving review and comment by the State job training council) for applying entities whose applications are disapproved under paragraph (1).

(d) PART B APPLICATIONS.—An application for participation under part B may be submitted by any public or private nonprofit entity to the administering Assistant Director after review and comment under subsection (e).

(e) REVIEW AND COMMENT ON APPLICATIONS.—No application for participation under part A or part B may be submitted to the administering Secretary or the Assistant Director (whichever the case may be) before the end of the 30-day period for review and comment by such council (except in the case of an appeal).

(f) CRITERIA FOR APPROVAL OF APPLICATIONS.—In approving an application under this section, the administering Secretary or the Assistant Director (whichever the case may be) shall consider the extent to which the specifics of the program or project (as described in the application) meet the goals of the program for which the grant is sought.

SEC. 218. PREFERENCE FOR CERTAIN PROJECTS.

In the approval of applications for programs and projects submitted under section 217, the Administering Secretary or the Assistant Director (whichever the case may be) shall give preference to those programs and projects which—

(1) will provide long-term benefits to the public,

(2) will instill in the enrollees a work ethic and a sense of public service,

(3) will be labor intensive, with youth operating in crews,

(4) can be planned and initiated promptly,

(5) will enhance the enrollees' educational level and opportunities, and skills development,

(6) in the case of a proposed part A project, will meet the unmet needs for conservation, rehabilitation, and improvement work on public lands within the State, and

(7) in the case of a proposed part B project, will meet human, social, and environmental needs (particularly needs related to poverty).

SEC. 219. EFFECT OF EARNINGS ON ELIGIBILITY FOR OTHER FEDERAL ASSISTANCE.

Earnings and allowances received under this title by an economically disadvantaged youth, as defined in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)), shall be disregarded in determining the eligibility of the youth's family for, and the amount of, any benefits based upon need under any program established under this title.

SEC. 220. ENROLLMENT.

(a) CRITERIA.—

(1)(A) Enrollment in the American Conservation Corps and the Youth Service Corps shall be limited to individuals who, at the time of enrollment, are—

(i) not less than 16 years or more than 25 years of age, except that programs limited to the months of June, July, and August may include individuals not less than 15 years and not more than 21 years of age at the time of their enrollment, and

(ii) citizens or nationals of the United States (including those citizens of the Northern Mariana Islands as defined in section 24(b) of the Act entitled "An Act to authorize $15,500,000 for capital improvement projects on Guam, and for other purposes.", approved December 8, 1983 (Public Law 98-213, 48 U.S.C. 1681 note), or lawful permanent resident aliens of the United States.

(B) Special efforts shall be made to recruit and enroll individuals who, at the time of enrollment, are economically disadvantaged.

(C) In addition to recruitment enrollment efforts required in subparagraph (B), the administering Secretary or the Assistant Director (whichever the case may be) shall make special efforts to recruit enrollees who are socially, physically, and educationally disadvantaged youths and also make special efforts who are participating in foster care independent living programs, who are homeless, or are otherwise disconnected from their communities.

(D) Any person who does not hold a high school diploma or its equivalent may not be accepted for service in a program or project under this Act unless such person has not been enrolled as a high school student during the 3-month period before the date of such acceptance.

(E) Notwithstanding subparagraph (A), a limited number of special corps members may be enrolled without regard to their age so that the corps may draw upon their special skills which may contribute to the attainment of the purposes of this Act.

(2) Except in the case of a program limited to the months of June, July, and August, individuals who at the time of applying for enrollment have attained 16 years of age but not attained 19 years of age, and who are no longer enrolled in any secondary school shall not be enrolled unless they give adequate written assurances, under criteria to be established by the administering Secretary or the Assistant Director (whichever the case may be), that they did not leave school for the express purpose of enrolling. The regulations promulgated under section 201(e) shall provide such criteria.

(3) The selection of enrollees to serve in the American Conservation Corps or Youth Service Corps shall be the responsibility of the chief administrator of the program agency. Enrollees shall be selected from those qualified persons who have applied to, or been recruited by, the program agency, a State employment security service, a local school district with an employment referral service, an administrative entity under the Job Training Partnership Act (29 U.S.C. 1502 et seq.), a community or community-based nonprofit organization, the sponsor of an Indian program, or the sponsor of a migrant or seasonal agricultural worker program.

(4)(A) Except for a program limited to the months of June, July, and August, any qualified individual selected for enrollment in the American Conservation Corps or Youth Service Corps may be enrolled for a period not to exceed 24 months. When the term of enrollment does not consist of one continuous 24-month term, the total of shorter terms may not exceed 24 months.

(B) No individual may remain enrolled in the American Conservation Corps or Youth Service Corps after that individual has attained the age of 26 years, except as provided in paragraph (1)(E).

(C) No enrollee shall perform services in any project for more than a 6-month period.

(5) Within the American Conservation Corps or Youth Service Corps the directors of programs shall establish and stringently enforce standards of conduct to promote proper moral and disciplinary conditions. Enrollees who violate these standards shall be transferred to other locations, or dismissed, if it is determined that their retention in that particular program, or in the Corps, will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees. Such disciplinary measures shall be subject to expeditious appeal to the administering Secretary or the Assistant Director (whichever the case may be).

(b) REQUIREMENT OF PAYMENT FOR CERTAIN SERVICES.—A reasonable portion of the costs of the rates for room and board provided at residential facilities may be deducted from amounts determined under subsection (c) and deposited into rollover funds administered by the appropriate program agency. Such deductions and rates are to be established after evaluation of costs of providing the services. The rollover funds established under this subsection shall be used solely to defray the costs of room and board for enrollees. The administering Secretary, or the Assistant Director (whichever the case may be), and the Secretary of Defense may make available to program agencies any surplus food and equipment available from Federal programs.

(c) SUBSISTENCE ALLOWANCE AND OTHER BENEFITS.—

(1) The administering Secretary or the Assistant Director (whichever the case may be), shall devise a schedule providing an aggregate amount of subsistence allowances and other benefits, including education and training benefits (such as loans, scholarships, and grants) in an amount that is equal to not less than 100 percent and not more than 160 percent of the amount such enrollee would have earned if such person had been paid at a rate equal to the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) during the period of service of such enrollee.

(2) During the period of an enrollee's service, the enrollee shall receive, from amounts determined under paragraph (1), an allowance (in cash or in kind) of not less than 50 percent and not more than 100 percent of such minimum wage, to be paid to such person during such period of service.

(3) In any case in which enrollees would perform services substantially similar to the duties and responsibilities of a regular employee employed by the employer to whom such enrollee is assigned, the program agency shall ensure that the amount determined under paragraph (1) shall be based upon a rate not less than the highest of—

(A) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938,

(B) the minimum wage under the applicable State or local minimum wage law, or

(C) the prevailing rates of pay for such regular employees of the employer.

(4) For purposes of the Fair Labor Standards Act of 1938, residential youth service corps programs will be considered an organized camp.

(d) SERVICES, FACILITIES, AND SUPPLIES.—

(1) The program agency shall provide facilities, quarters, and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, and other appropriate services, supplies, and equipment.

(2)(A) The administering Secretary or the Assistant Director (whichever the case may be) may provide services, facilities, supplies, and equipment to any program agency carrying out projects under this Act.

(B) Whenever possible, the administering Secretary or the Assistant Director (whichever the case may be) shall make arrangements with the Secretary of Defense to have logistical support provided by a military installation near the work site, including the provision of temporary tent centers where needed, and other supplies and equipment.

(e) HEALTH AND SAFETY STANDARDS.—The administering Secretary or the Assistant Director (whichever the case may be), along with the program agency, shall establish standards and enforcement procedures concerning enrollee health and safety for all projects, consistent with Federal, State, and local health and safety standards.

(f) GUIDANCE AND PLACEMENT.—Program agencies shall provide such job guidance and placement information and assistance for enrollees as may be necessary. Such assistance shall be provided in coordination with appropriate State, local, and private agencies and organizations.

SEC. 221. COORDINATION AND PARTICIPATION WITH OTHER ENTITIES.

(a) AGREEMENTS.—Program agencies may enter into contracts and other appropriate arrangements with local government agencies and nonprofit organizations for the operation or management of any projects or facilities under the program.

(b) COORDINATION.—The administering Secretary or the Assistant Director (whichever the case may be) and the chief administrators of program agencies carrying out programs under this title shall coordinate the programs with related Federal, State, local, and private activities.

(c) JOINT PROJECTS INVOLVING THE DEPARTMENT OF LABOR.—The administering Secretary or the Assistant Director (whichever the case may be) may develop, jointly with the Secretary of Labor, regulations designed to allow, where appropriate, joint projects in which activities supported by funds authorized under this title are coordinated with activities supported by funds authorized under employment and training statutes administered by the Department of Labor (including the Job Training Partnership Act (29 U.S.C. 1502 et seq.)). Such regulations shall provide standards for approval of joint projects which meet both the purposes of this title and the purposes of such employment and training statutes under which funds are available to support the activities proposed for approval. Such regulations shall also establish a single mechanism for approval of joint projects developed at the State or local level.

SEC. 222. AMERICAN CONSERVATION CORPS AND YOUTH SERVICE CORPS STATE ADVISORY BOARDS.

(a) ESTABLISHMENT.—Upon the approval of a project within a State, the State job training coordinating council within the State shall appoint an advisory board for the purpose of conducting regular oversight and review of projects of the American Conservation Corps and the Youth Service Corps within the State. In particular, the advisory board shall certify that the project satisfies the requirements and limitations under this title, including limitations respecting the displacement of existing employees and the types of projects and responsibilities appropriate for enrollees in the American Conservation Corps and the Youth Service Corps. Members of the advisory board shall also provide guidance and assistance for the development and administration of projects.

(b) COMPOSITION.—(1) Each advisory board shall be composed of not less than 7 individuals, of whom—

(A) 2 individuals who are representatives of organized labor (one of each representing the State and local levels), and

(B) 5 individuals, one of each of whom is a representative of the business community, community based organizations, State government (or an appropriate State agency), local elected office, and State or local school administration.

(2) If more than 7 individuals are appointed to an advisory board, the representation required by paragraph (1) shall be met, to the extent practicable.

(c) ANNUAL MEETINGS.—Each advisory board shall meet not less often than twice annually.

SEC. 223. FEDERAL AND STATE EMPLOYEE STATUS.

Enrollees, crew leaders, and volunteers are deemed as being responsible to, or the responsibility of, the program agency administering the project on which they work. Except as otherwise specifically provided in the following paragraphs, enrollees and crew leaders in projects for which funds have been authorized under section 232 shall not be deemed Federal employees and should not be subject to the provisions of law relating to Federal employment:

(1) For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, enrollees and crew leaders serving American Conservation and Youth Service Corps program agencies shall be deemed employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provision of that subchapter shall apply, except—

(A) the term "performance of duty" shall not include any act of an enrollee or crew leader while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction and supervision of a program agency (including an activity while on pass or during travel to or from such post of duty), and

(B) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee's or crew leader's employment is terminated.

(2) For purposes of chapter 171 of title 28, United States Code, relating to tort claims procedure, enrollees and crew leaders on American Conservation Corps and Youth Service Corps projects shall be deemed employees of the United States within the meaning of the term "employee of the Government" as defined in section 2671 of such title.

(3) For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, enrollees and crew leaders shall be deemed employees of the United States within the meaning of the term "employee" as defined in that section.

SEC. 224. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) IN GENERAL.—

(1) SUSPENSION OF PAYMENTS.—The Secretaries of Interior and Agriculture (in the case of a program funded under part A) or the Director of the ACTION Agency (in the case of a program funded under part B), is authorized, in accordance with this title, to suspend payments or to terminate payments under a contract or grant providing assist-

ance under this title whenever the Secretary or Director determines there is a material failure to comply with this title or the applicable terms and conditions of any such grant or contract issued pursuant to this title.

(2) PROCEDURES TO ENSURE ASSISTANCE.—The Secretary or Director shall prescribe procedures to ensure that—

(A) assistance under this title shall not be suspended for failure to comply with the applicable terms and conditions of this title, except in emergency situations for 30 days, and

(B) assistance under this title shall not be terminated for failure to comply with applicable terms and conditions of this title unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) HEARINGS.—Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to such recipient.

(c) TRANSCRIPT OR RECORDING.—A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.

(d) STATE LEGISLATION.—Nothing in this title shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with the provisions of this title, of the programs administered under this title.

(e) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—State and local applicants funded under parts A and B shall establish and maintain a procedure for grievances from participants, labor organizations, and other interested individuals concerning projects funded under this title, including grievances regarding proposed placements of such participants.

(2) DEADLINE FOR GRIEVANCES.—Except for a grievance that alleges fraud or criminal activity, a grievance shall be made within 1 year after the date of the alleged occurrence.

(3) DEADLINE FOR HEARING AND DECISION.—A hearing on any grievance shall be conducted within 30 days of filing such grievance and a decision shall be made not later than 60 days after the filing of such grievance.

(4) ARBITRATION.—

(A) IN GENERAL.—On the occurrence of an adverse grievance decision, or 60 days after the filing of such grievance if no decision has been reached, the party filing the grievance shall be permitted to submit such grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

(B) DEADLINE FOR PROCEEDING.—An arbitration proceeding shall be held within 45 days after the request for such arbitration.

(C) DEADLINE FOR DECISION.—A decision on such grievance shall be made within 30 days after the date of such arbitration proceeding.

(D) COST.—The cost of such arbitration proceeding shall be divided evenly between the parties.

(5) PROPOSED PLACEMENT.—If a grievance is filed regarding a proposed placement of a participant in a program assisted under this title, such placement shall not be made unless it is consistent with the resolution of the grievance pursuant to this subsection.

(6) REMEDIES.—Remedies for a grievance filed under this subsection include—

(A) suspension of payments for assistance under this title;

(B) termination of such payments; and

(C) prohibition of such placement described in paragraph (5).

SEC. 225. NONDUPLICATION AND NONDISPLACEMENT.

(a) NONDUPLICATION.—

(1) IN GENERAL.—Funds provided under this title shall be used only for an activity that does not duplicate, and is in addition to, programs and activities otherwise available in the locality.

(2) PRIVATE NONPROFIT ENTITY.—Funds available under this title shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency that such entity resides in, unless the requirements of subsection (b) are met.

(b) NONDISPLACEMENT.—

(1) IN GENERAL.—An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program established under this title.

(2) SERVICE OPPORTUNITIES.—A service opportunity shall not be created under this title that will infringe in any manner upon the promotional opportunity of an employed individual.

(3) LIMITATION ON SERVICES.—

(A) DUPLICATION OF SERVICES.—A participant in a program under this title shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of such employee.

(B) SUPPLANTATION OF HIRING.—A participant in any program under this title shall not perform any services or duties or engage in activities that will supplant the hiring of employed workers.

(C) DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.—A participant shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker,

(ii) employee who recently resigned or was discharged,

(iii) employee who is subject to a reduction in force,

(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick), or

(v) employee who is on strike or who is being locked out.

SEC. 226. GRIEVANCE PROCEDURE.

(a) COMPLAINTS.—Each program agency shall establish and maintain a grievance procedure for grievances and complaints about its projects from enrollees and labor organizations and other interested persons. Hearings on any grievance shall be conducted within 30 days of filing of a grievance and decisions shall be made not later than 60 days after the filing of a grievance. Except for complaints alleging fraud or criminal activity, complaints shall be made within 1 year after the date of the alleged occurrence.

(b) INVESTIGATION BY THE ADMINISTERING SECRETARY OR THE ASSISTANT DIRECTOR.—Upon exhaustion of a grievance proceeding without decision, or where the administering Secretary or the Assistant Director (whichever the case may be) has reason to believe that the program agency is failing to comply with the requirements of this title or the terms of a project, the administering Secretary or the Assistant Director (whichever the case may be) shall investigate the allegation or belief within the complaint and determine, within 120 days after receiving the complaint, whether such allegation or belief is true.

SEC. 227. USE OF VOLUNTEERS.

Where any program agency has authority to use volunteer services in carrying out functions of the agency, such agency may use volunteer services for purposes of assisting projects carried out under this title and may expend funds made available for those purposes to the agency, including funds made available under this title, to provide for services or costs incidental to the utilization of such volunteers, including transportation, supplies, lodging, recruiting, training, and supervision. The use of volunteer services permitted by this section shall be subject to the condition that such use does not result in the displacement of any enrollee.

SEC. 228. NONDISCRIMINATION PROVISION.

(a) IN GENERAL.—An individual with responsibility for the operation of a project funded under this title shall not discriminate against a youth corps member or member of the staff of such project on the basis of race, color, national origin, sex, age, disability, or political affiliation of such member.

(b) CONSTRUCTION UNDER CIVIL RIGHTS ACT OF 1964.—For purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), any program or project for which any State is receiving assistance under this title shall be considered to be receiving Federal financial assistance.

(c) RELIGIOUS DISCRIMINATION.—(1) Except as provided in paragraph (2), an individual with responsibility for the operation of a project funded under this title shall not discriminate on the basis of religion against a youth corps member or a member of the project staff who is paid with funds under this title.

(2) Paragraph (1) shall not apply to the employment, with funds provided under this title, of any member of the staff of a project funded under this title who was employed with the organization operating the project on the date the grant funded under this title was awarded.

SEC. 229. LABOR MARKET INFORMATION.

The Secretary of Labor shall make available to the administering Secretary or to the Assistant Director (whichever the case may be) and to any program agency under this title such labor market information as is appropriate for use in carrying out the purposes of this title.

SEC. 230. REVIEW AND REPORTING REQUIREMENTS.

(a) REPORT TO THE PRESIDENT AND CONGRESS.—The administering Secretary or the Assistant Director (whichever the case may be) shall prepare and submit to the President and to the Congress, at least annually, a report detailing the activities carried out under this title during the preceding fiscal year. Such report shall be submitted not later than December 31 of each year following the date of the enactment of the National Service Act of 1990.

(b) OVERSIGHT.—Each recipient of a grant made under section 216 shall provide oversight of service by any person in an American Conservation Corps or Youth Service Corps project under this Act, and of the operations of any employer of such person, in accordance with procedures established by the administering Secretary or the Assistant Director (whichever the case may be). Such procedures shall include fiscal control, accounting, audit, and debt collection procedures to ensure the proper disbursal of, and accounting for, funds received under this title. In order to carry out this section, each such recipient shall have access to such information concerning the operations of any sponsoring organization as the administer-

ing Secretary or the Assistant Director (whichever the case may be) determines to be appropriate.

(c) ANNUAL REPORT TO THE SECRETARY.—Any recipient of a grant made under this title shall prepare and submit an annual report to the administering Secretary or the Assistant Director (whichever the case may be) on such date as the Secretary shall determine to be appropriate. Such report shall include—

(1) a description of activities conducted by program or project for which such grant was awarded during the year involved,

(2) characteristics of persons serving in such program or project,

(3) characteristics of positions held by such persons,

(4) a determination of the extent to which relevant standards, as determined by the administering Secretary or the Assistant Director (whichever the case may be), were met by such persons and their sponsoring organizations,

(5) a description of the post-service experiences, including employment and educational achievements, of persons who have served, during the year that is the subject of the report, in projects under this title, and

(6) any additional information that the administering Secretary or the Assistant Director (whichever the case may be) determines to be appropriate for purposes of this title.

(d) RESEARCH AND EVALUATION.—The administering Secretary or the Assistant Director (whichever the case may be) shall provide for research and evaluation to—

(1) determine costs and benefits, tangible and otherwise, of work performed under this title and of training and employable skills and other benefits gained by enrollees, and

(2) identify options for improving program productivity and youth benefits, which may include alternatives for—

(A) organization, subjects, sponsorship, and funding of work projects,

(B) recruitment and personnel policies,

(C) siting and functions of facilities,

(D) work and training regimes for youth of various origins and needs, and

(E) cooperative arrangements with programs, persons, and institutions not covered under this title.

(e) TECHNICAL ASSISTANCE.—Each administering Secretary or the Assistant Director (whichever the case may be) shall provide technical assistance to the States, to local governments, nonprofit entities and other entities eligible to participate under this title.

SEC. 231. AUTHORITY OF STATE LEGISLATURE.

Nothing in this title shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with this title, of the programs administered under this title.

SEC. 232. AUTHORIZATION OF APPROPRIATIONS AND OTHER FISCAL PROVISIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, $83,000,000 for fiscal year 1991 and such sums as may be necessary for each of the 3 succeeding fiscal years.

(b) FISCAL YEAR 1991.—

(1) Of amounts appropriated for fiscal year 1991—

(A) $38,000,000 shall be allocated to carry out part A (the American Conservation Corps),

(B) $28,000,000 shall be allocated to carry out part B (the Youth Service Corps),

(C) $13,000,000 shall be allocated for in-service and postservice education, and

(D) $4,000,000 shall be allocated for national and regional clearinghouses, training and technical assistance activities, provide information and model programs, and for grants.

(2) Funds appropriated under this section shall remain available until expended.

(c) LIMITATION ON APPROPRIATIONS.—Of amounts appropriated to carry out this Act, funds designated for part B shall first be made available for part A of title I of the Domestic Volunteer Service Act in an amount necessary to provide the number of service years required for authorized fiscal year under such Act.

(d) LIMITATIONS ON ADMINISTRATIVE EXPENSES.—The regulations promulgated under this title shall establish appropriate limitations on the administrative expenses incurred by Federal agencies carrying out programs under this Act, including a cost reimbursement system under which the administrative expenses are paid under this title through reimbursement.

(e) CARRYOVER.—Funds obligated for any program year may be expended by each recipient during that program year and the two succeeding program years and no amount shall be deobligated on account of a rate of expenditure which is consistent with the program plan.

SEC. 233. DEFINITIONS.

For purposes of this title the following terms have the following meanings:

(1) The term "crew leader" means an enrollee appointed under authority of this title for the purpose of assisting in the supervision of other enrollees engaged in work projects pursuant to this title.

(2) The term "crew supervisor" means the adult staff person responsible for supervising a crew of enrollees (including the crew leader).

(3) The term "economically disadvantaged" with respect to youths has the same meaning given such term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(4) The term "employment security service" means the agency in each of the several States with responsibility for the administration of unemployment and employment programs and the oversight of local labor conditions.

(5) The term "enrollee" means any individual who is enrolled in the American Conservation or in the Youth Service Corps in accordance with section 405.

(6) The term "Indian" means a person who is a member of an Indian tribe.

(7) The term "Indian lands" means any real property owned by an Indian tribe, any real property held in trust by the United States for Indian tribes, and any real property held by Indian tribes which is subject to restrictions on alienation imposed by the United States.

(8) The term "Indian tribe" means any Indian tribe, band, nation, or other group which is recognized as an Indian tribe by the Secretary of the Interior. Such term also includes any Native village corporation, regional corporation, and Native group established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1701 et seq.).

(9) The term "public lands" means any lands or waters (or interest therein) owned or administered by the United States or by any agency or instrumentality of a State or local government.

(10) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(11) The term "displacement" includes, but is not limited to, any partial displacement through reduction of nonovertime hours, wages, or employment benefits.

(12) The term "program" means activities carried out under part A or part B.

(13) The term "administering Secretary" means for purposes of part A the Secretary of the Interior (in the case of any lands or programs involving the Department of the Interior), or the Secretary of Agriculture (in the case of lands or programs involving the Department of Agriculture).

(14) The term "program agency" means—

(A) any Federal or State agency designated to manage any program in that State, or

(B) the governing body of any Indian tribe.

(15) The term "chief administrator" means the head of any program agency.

(16) The term "applying entity" means any program agency or any nonprofit organization which applies for a grant under section 216.

(17) The term "project" means any activity (or group of activities) which result in a specific identifiable service or product that otherwise would not be done with existing funds, and which shall not duplicate the routine services or functions of the employer to whom enrollees are assigned. In any case where participant activities overlap with the routine services or functions of an employer, no participant shall work in the same project for more than 6 months.

PART E—YOUTH SERVICE CLEARINGHOUSES

SEC. 236. FUNDING.

(a) IN GENERAL.—The Secretary of the Interior and the Director of the Action Agency are each authorized to provide financial assistance to 1 or more national or regional clearinghouses on youth corps and youth service.

(b) PUBLIC AND PRIVATE NONPROFIT AGENCIES.—Public and private nonprofit agencies with extensive experience in youth corps and youth service programming may apply for financial assistance under subsection (a) for clearinghouses.

(c) FUNCTION.—National and regional clearinghouses assisted under subsection (a) shall—

(1) provide information, curriculum materials, technical assistance on program planning and operation, and training to States and local entities eligible to receive funds under this title,

(2) gather and disseminate information on successful programs, components of successful programs, innovative youth skills curriculum, and projects being implemented nationwide, and

(3) make recommendations to States, local entities, and agencies on quality controls to improve program delivery and on changes in the programs under this title.

PART F—COMMUNITY ACTION AGENCIES

For purposes of this title and the amendments made by this title, the terms "community-based organization" and "nonprofit organization" include a community action agency.

The CHAIRMAN. Are there any amendments to title II?

If not, the Clerk will designate title III.

The text of title III is as follows:

TITLE III—PROPOSED MODEL GOOD SAMARITAN FOOD DONATION ACT

SEC. 301. SENSE OF CONGRESS CONCERNING ENACTMENT OF GOOD SAMARITAN FOOD DONATION ACT.

(a) IN GENERAL.—It is the sense of Congress that each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States should—

(1) encourage the donation of apparently wholesome food or grocery products to nonprofit organizations for distribution to needy individuals; and

(2) consider the model Good Samaritan Food Donation Act (provided in section 302) as a means of encouraging the donation of food and grocery products.

(b) DISTRIBUTION OF COPIES.—The Archivist of the United States shall distribute a copy of this Act to the chief executive officer of each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

SEC. 302. MODEL GOOD SAMARITAN FOOD DONATION ACT.

(a) SHORT TITLE.—This section may be cited as the "Good Samaritan Food Donation Act".

(b) DEFINITIONS.—As used in this section:

(1) APPARENTLY FIT GROCERY PRODUCT.—The term "apparently fit grocery product" means a grocery product that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the product may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(2) APPARENTLY WHOLESOME FOOD.—The term "apparently wholesome food" means food that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(3) DONATE.—The term "donate" means to give without requiring anything of monetary value from the recipient, except that the term shall include giving by a nonprofit organization to another nonprofit organization, notwithstanding that the donor organization has charged a nominal fee to the donee organization, if the ultimate recipient or user is not required to give anything of monetary value.

(4) FOOD.—The term "food" means any raw, cooked, processed, or prepared edible substance, ice, beverage, or ingredient used or intended for use in whole or in part for human consumption.

(5) GLEANER.—The term "gleaner" means a person who harvests for free distribution to the needy, or for donation to a nonprofit organization for ultimate distribution to the needy, an agricultural crop that has been donated by the owner.

(6) GROCERY PRODUCT.—The term "grocery product" means a nonfood grocery product, including a disposable paper or plastic product, household cleaning product, laundry detergent, cleaning product, or miscellaneous household item.

(7) GROSS NEGLIGENCE.—The term "gross negligence" means voluntary and conscious conduct by a person with knowledge (at the time of the conduct) that the conduct is likely to be harmful to the health or well-being of another person.

(8) INTENTIONAL MISCONDUCT.—The term "intentional misconduct" means conduct by a person with knowledge (at the time of the conduct) that the conduct is harmful to the health or well-being of another person.

(9) NONPROFIT ORGANIZATION.—The term "nonprofit organization" means an incorporated or unincorporated entity that—

(A) is operating for religious, charitable, or educational purposes; and

(B) does not provide net earnings to, or operate in any other manner that inures to the benefit of, any officer, employee, or shareholder of the entity.

(10) PERSON.—The term "person" means an individual, corporation, partnership, organization, association, or governmental entity, including a retail grocer, wholesaler, hotel, motel, manufacturer, restaurant, caterer, farmer, and nonprofit food distributor or hospital. In the case of a corporation, partnership, organization, association, or governmental entity, the term includes an officer, director, partner, deacon, trustee, council member, or other elected or appointed individual responsible for the governance of the entity.

(c) LIABILITY FOR DAMAGES FROM DONATED FOOD AND GROCERY PRODUCTS.—A person or gleaner shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the person or gleaner donates in good faith to a nonprofit organization for ultimate distribution to needy individuals, except that this paragraph shall not apply to an injury to or death of an ultimate user or recipient of the food or grocery product that results from an act or omission of the donor constituting gross negligence or intentional misconduct.

(d) COLLECTION OR GLEANING OF DONATIONS.—A person who allows the collection or gleaning of donations on property owned or occupied by the person by gleaners, or paid or unpaid representatives of a nonprofit organization, for ultimate distribution to needy individuals shall not be subject to civil or criminal liability that arises due to the injury or death of the gleaner or representative, except that this paragraph shall not apply to an injury or death that results from an act or omission of the person constituting gross negligence or intentional misconduct.

(e) PARTIAL COMPLIANCE.—If some or all of the donated food and grocery products do not meet all quality and labeling standards imposed by Federal, State, and local laws and regulations, the person or gleaner who donates the food and grocery products shall not be subject to civil or criminal liability in accordance with this section if the nonprofit organization that receives the donated food or grocery products—

(1) is informed by the donor of the distressed or defective condition of the donated food or grocery products;

(2) agrees to recondition the donated food or grocery products to comply with all the quality and labeling standards prior to distribution; and

(3) is knowledgeable of the standards to properly recondition the donated food or grocery product.

(f) CONSTRUCTION.—This section shall not be construed to create any liability.

SEC. 303. EFFECT OF SECTION 302.

The model Good Samaritan Food Donation Act (provided in section 302) is intended only to serve as a model law for enactment by the States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States. The enactment of section 302 shall have no force or effect in law.

The CHAIRMAN. Are there any amendments to title III?

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TRAFICANT: At the end of the bill, insert the following new section:

SEC. . BUY-AMERICAN REQUIREMENT.

(a) DETERMINATION BY THE SECRETARY.—If the Secretary of Education, with the concurrence of the Secretary of Commerce and the United States Trade Representative, determines that the public interest so desires, the Commission is authorized to award to a domestic firm a contract made pursuant to the issuance of any grant made under this Act that, under the use of competitive procedures, would be awarded to a foreign firm, if—

(1) the final product of the domestic firm will be completely assembled in the United States;

(2) when completely assembled, not less than 51 percent of the final product of the domestic firm will be domestically produced; and

(3) the difference between the bids submitted by the foreign and domestic firms is not more than 6 percent.

In determining under this subsection whether the public interest so requires, the Secretary shall take into account United States international obligations and trade relations.

(b) LIMITED APPLICATION.—This section shall not apply to the extent to which—

(1) such applicability would not be in the public interest;

(2) compelling national security considerations require otherwise; or

(3) the United States Trade Representative determines that such an award would be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party.

(c) LIMITATION.—This section shall apply only to contracts made related to the issuance of any grant or contract made under this Act for which—

(1) amounts are authorized by this act (including the amendments made by this act) to be made available; and

(2) solicitation for bids are issued after the date of the enactment of this Act.

(d) REPORT TO CONGRESS.—The Secretary shall report to the Congress on contracts covered under this section and entered into with foreign entities in fiscal years 1990 and 1991 and shall report to the Congress on the number of Contracts that meet the requirements of subsection (a) but which are determined by the United States Trade Representative to be in violation of the General Agreement or an international agreement to which the United States is a party. The Secretary shall also report to the Congress on the number of contracts covered under this Act (including the amendments made by this Act) and awarded based upon the parameters of this section.

(e) DEFINITIONS.—For purposes of this section—

(1) SECRETARY.—The term "Secretary" means the Secretary of Education.

(2) DOMESTIC FIRM.—The term "Domestic Firm" means a business entity that is incorporated in the United States and that conducts business operations in the United States.

(3) FOREIGN FIRM.—The term "foreign firm" means a business entity not described in paragraph (2).

Mr. TRAFICANT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. TRAFICANT. Mr. Chairman, this is a buy-American amendment that has been offered to nearly all the legislation that has come to the floor.

I want to start out by commending the chairman of the committee, the gentleman from California [Mr. HAWKINS], who is serving at the end of his great career, and the ranking minority member, the gentleman from Pennsylvania [Mr. GOODLING].

Mr. Chairman, the amendment is well known to all of the Members of the House, and I ask that it be approved.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. TRAFICANT. I yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, I have no objection to the amendment. The gentleman from Ohio [Mr. TRAFICANT] has, I think, persistently offered this amendment. It has been adopted. It does not in any way hurt the bill. It may do some good.

On that basis, Mr. Chairman, I am willing to accept the amendment of the gentleman from Ohio [Mr. TRAFICANT].

Mr. WALKER. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am just interested. As I understand this amendment, it is a "Buy America" amendment. Is that correct?

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Ohio.

Mr. TRAFICANT. That is true, Mr. Chairman.

Mr. WALKER. What are we buying?

Mr. TRAFICANT. It is for any grants or contracts that may be made available under this particular act.

Mr. WALKER. Mr. Chairman, as I understood this, the bill goes to the question of student loans being for--given for volunteers. What would we be buying under that?

Mr. TRAFICANT. Mr. Chairman, it goes beyond that, and it provides for authorization for appropriations as well.

Mr. WALKER. It provides for authorization for appropriations.

Is this in the American Conservation Corps? Is that where the money is?

Mr. TRAFICANT. Under section 123—

Each Youthbuild project shall carry out the services and activities under this subpart directly or through arrangements or under contracts with administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act (29 U.S.C. 1501(b)(1)(B)), with State and local educational agencies, institutions of higher education, State and local housing development agencies, and with other public agencies and private organizations.

Mr. WALKER. Mr. Chairman, my understanding of that section was what they were doing was providing for help in terms of getting volunteers in place. Now what are we going to be buying that requires this amendment?

Mr. TRAFICANT. Mr. Chairman, it applies to all elements of the bill, not just to the loan cancellation section, where it would be moot.

Mr. WALKER. Mr. Chairman, section 1 is the loan cancellation section though. The gentleman from Ohio [Mr. TRAFICANT] quoted to me from section 1. That is the loan section of the bill.

Mr. TRAFICANT. All materials, all goods that would be purchased by anyone who would be receiving a contract under the bill, subject to any appropriation so listed and authorized by the act.

Mr. Chairman, I think it speaks for itself.

Mr. WALKER. I thank the gentleman from Ohio [Mr. TRAFICANT].

Mr. Chairman, I wonder whether or not we are not in a pretty superfluous area here, but I thank the gentleman for his explanation.

Mr. GUNDERSON. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. Mr. Chairman, let us pursue this a little bit further.

As I understand the basic thrust of the bill, it has three sections. Really one is grants to local States and local education agencies for voluntarism. The second title is the deferment in the waiver of student loans. The third is the Conservation Corps. That type of thing.

Under that, then I assume that anybody who gets a grant, any school would have to fill out the paperwork to verify that all of their money was used to buy American products.

Mr. WALKER. Mr. Chairman, I assume that is the case. There obviously has to be some kind of verification in this. We are right back into the whole business of bureaucracy that my colleagues and I were concerned about in the beginning, that someone is going to have to fill out the paperwork, verify that this is happening as a part of the volunteer program.

I mean once again it is Big Brother Federal Government, because I assume then that all of these places that are getting moneys under the program are now going to have to assure everybody in sight that they are not buying anything that has any kind of a foreign name on it so that they are certainly going to have to certify that as part of the program.

□ 1520

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, it is subject to the exceptions and limitations the bill has had in the past. If it contradicts or is in opposition to any existing laws, it can be waived. What it basically states is that for any money under this particular act for the administration or operation or purchasing, it would give preference to the fact that it would be given to an American firm.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his explanation. Our point is that we know it is in compliance with all the laws. The problem is that all of the laws increase the paperwork.

I think the gentleman from Wisconsin stated it correctly, and my point would be that we are adding more paperwork. I assume there is some sort of certification procedure required.

Mr. TRAFICANT. As this has been offered to every bill, it does require some paperwork, but there will be some paperwork needed if we try to provide for the purchase of American-made goods. I think it is a worthy effort as well.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his helpful comments, because he once again raises the point I made earlier in the debate, and that is that we are in the process here of making volunteers of Federal bureaucrats. This is one more nail in the coffin of voluntarism. I understand this has been accepted, but it does not sound like a very good idea for the benefit we are going to get from it.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, I differ from that on one point. Congress had stated that it is very important that we reinforce volunteer opportunities. All I am doing is reinforcing within the contest of congressional goals and intents that if there are purchases to be made, they may be made from American firms.

Mr. WALKER. Again I would say to the gentleman that the problem is that we are also creating a whole host of bureaucratic paperwork to go with his certification.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Pennsylvania.

Mr. GOODLING. Mr. Chairman, I am "Buy American" from the word "go." The only thing I think we should point out is that we want to see that nobody is blindsided, because every college and university, I suppose,

will be affected by this amendment because it would be they who would be forgiving the loan, and, therefore, I suppose they would be affected by it.

Mr. WALKER. In other words, the gentleman's understanding of this is that if a college or university was forgiving the loan, they would now be covered under a "Buy American" provision. So in fact if they went out and bought some Panasonic equipment to use in their audio-visual programs, they may in fact come under the coverage of this bill because they are forgiving student loans?

Mr. GOODLING. I am not sure, but I would assume that is true.

Mr. WALKER. That could get a little worrisome if we have that kind of problem.

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I am glad to yield to the gentleman from Ohio.

Mr. TRAFICANT. If we could clarify that, the university would not be subject to all of its purchases on the strength of this bill.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. WALKER] has expired.

(By unanimous consent, Mr. WALKER was allowed to proceed for 2 additional minutes.)

Mr. TRAFICANT. Mr. Chairman, will the gentleman yield further?

Mr. WALKER. I yield to the gentleman from Ohio.

Mr. TRAFICANT. Mr. Chairman, only those elements subject to this act would be covered in accordance with this Buy American provision. So it is not an omnibus provision. It does not mean that because there is a contract given to a university, all of their funds, because of that contract, is subject to this. What would be subject to this is all those elements involved in the contract subject to this particular act, and that act alone.

Mr. WALKER. Mr. Chairman, I thank the gentleman for his explanation, but the vice chairman of the committee seems to have a different interpretation, and I am sure he has consulted with counsel and at least has raised that question. So it seems to me we want to make absolutely certain that that is not the case. Nevertheless, it appears to me that what we have done here is we have created one more section of paperwork blizzard for these universities.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. WALKER. I yield to the chairman of the committee.

Mr. HAWKINS. Mr. Chairman, for clarification, I understand the gentleman's point in opposition. I think they are well taken.

I would assume, however, that any of those receiving money under this program, this operating program, the volunteer service program, and so forth, would be filling out forms, and I envision that it only takes one line. That is my assumption in accepting such an amendment. It takes one line on such a form, and you are asked, if you have done so, in the purchase of goods and services, "Have you complied with the Buy American concept?" So I would think, and I may be wrong, that it is just as simple as that.

If it takes a lot of paperwork and bureaucratic redtape, then I obviously would not even want to accept the amendment, although I agree with the spirit of it.

Does the gentleman envision that it would take more than possibly a line of certifying as to the origin of goods and services in compliance with the program?

Mr. WALKER. Well, does the gentleman have the same kind of concern that the gentleman from Pennsylvania expressed, that since colleges and universities, for instance, would be the institutions giving forgiveness on this, they, in fact, could end up being covered under this Buy American provision for a broad base of the programs they have at the university level?

Mr. HAWKINS. I would assume it applies only to the National Service Act part of it and would not apply across the university level. I think that is the intent of it. I think we are reading into the intent what is strictly in compliance with the National Service Act.

Mr. WALKER. The gentleman heard, as I am sure I did, that the gentleman from Ohio at one point quoted to us from section 1 of this bill, which is basically the loan forgiveness section of the bill. So some of us are a little concerned about just exactly what these provisions may mean to a whole host of institutions across the country.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The amendment was agreed to.

AMENDMENT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SOLOMON: Page 118, after line 17, insert the following new title:

TITLE IV—MILITARY SELECTIVE SERVICE PROVISIONS

SEC. 402. SELECTIVE SERVICE REGISTRATION.

(a) REGISTRATION REQUIRED.—An individual who—

(1) is or was required to register under section 3 of the Military Selective Service Act (50 U.S.C. App. 453); and

(2) is not so registered or knowingly and willfully did not so register before the requirement terminated or became inapplicable to the individual,

shall not be eligible to participate in a service program established under this Act.

(b) ENFORCEMENT.—The head of each agency of the Federal Government administering a service program under this Act shall ensure that each individual participating in that service program has not violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not submitting to registration as required under that section.

Mr. SOLOMON. Mr. Chairman, I will be very brief.

This amendment is similar to many that I have offered on this floor in the past which have been overwhelmingly accepted and, incidentally, upheld before the U.S. Supreme Court.

The bill before us waives the obligtion for students to pay back their college loans and grants if they are employed in programs covered under this legislation. When we have young patriotic American men and women serving as reservists in the Persian Gulf today at substantial financial hardship, we certainly do not want to be canceling college loans and grants for young men who would refuse to register for the draft. It is as simple as that. This simply writes into the law that they must be registered for the draft if they are going to participate in these programs.

Mr. Chairman, I hope the membership will accept the amendment.

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the chairman of the committee.

Mr. HAWKINS. Mr. Chairman, the gentleman is correct in his explanation. It has been consistently accepted, and I am pleased to assure the gentleman that we again accept it.

Mr. SOLOMON. Mr. Chairman, I thank the gentleman.

Mr. GOODLING. Mr. Chairman, will the gentleman yield?

Mr. SOLOMON. I yield to the ranking member.

Mr. GOODLING. Mr. Chairman, I am happy to accept the gentleman's amendment.

Mr. SOLOMON. Mr. Chairman, I thank the gentleman from Pennsylvania.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SOLOMON].

The amendment was agreed to.

The CHAIRMAN. Are there other amendments to the bill?

Mr. GUNDERSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, the reason I am taking time at this point in the debate is because it seems that for some reason Members spend a lot more of their time, energy, and attention on the debate once we get to the amendment process than they do during general debate on legislation. So I wanted to take a little time to again reflect on what we are doing here today.

I frankly am frustrated. I am frustrated because under guise of being for or against voluntarism, we frankly are throwing away taxpayers' dollars. Imagine, if you can, a situation where

the Government of the United States has a major deficit, where the President has brought together the leadership of both parties, where they have gone off of Capitol Hill and they have gathered for intensive negotiations to try to figure out a way to come up with at least $50 billion in deficit reduction this year and at least $500 billion in deficit reduction over 5 years, because that is what the experts say is going to be absolutely essential in order to keep the economy of that nation running.

□ 1530

While they are doing that, the Congress of the United States is in session, and while they are in session they take up some legislation that says in order to promote voluntarism in this country, we are going to setup a new Federal program, new Federal bureaucracy, rules, regulations, paperwork, inspectors, auditors, and everything else. Then what we are going to do is provide all kinds of incentives and payments to get that done.

Now, think about what that is in that legislation. In title I of the legislation that is in front of us, the first thing we are going to do is we are going to take and spend $10 million, $20 million, $30 million, $35 million for school-based community service.

Do you know what that is? We are going to send Federal money down to the administrators and teachers to promote voluntarism in their school.

The next thing we are going to do is take $10 million, $20 million, $30 million, $35 million, and we are going to give grants to higher education, to expand or create service opportunities. That is in essence part of what we are going to do to encourage students to participate. And if they do, we will defer their loans. And if they go into the right profession, I guess we might even do something else. We are going to take $10 million and put that to a youth bill project. You ought to read the youth bill project in here. You can only work for it 6 months at a minimum, 18 months at a maximum. And if you want to take training after work, education and training, you are going to be allowed to.

Then what we are going to do is take another $10 million, another $20 million, another $30 million, and we are to spend that on various targeted demonstration projects. Now, what is that? That is the program we were just talking about over here where if you are a professional, full-time paid professional, and you happen to be in drug prevention, we are not going to defer your loan, we are going to forgive it.

We do not have any apologies to the policeman working for the same police force who came out of the same college who gets the same salary, but he is on the front line of the streets, because he is not a drug professional per se.

Then we are going to go on to title II of this bill and we are going to create an American Conservation Corps. Now, listen to this: $10 million, $20 million, $30 million, $40 million, $50 million, $60 million, $70 million, $80 million, $83 million.

What are we going to do with those $83 million? Public works programs. And if they have time and interest after school, we will give them aid and training.

Do you know what has happened? We have just authorized $193 million in new spending in one little bill for voluntarism. Millions turn into billions; billions turn into trillions. That, ladies and gentlemen, is how the Congress of the United States creates the national debt we have today.

The CHAIRMAN. Are there other amendments?

AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. WALKER: Add a new section to the end of the bill.

No individual may participate in programs assisted under this Act if such individual has been convicted of use, possession or distribution of controlled substances.

Mr. WALKER. Mr. Chairman, this is a fairly straightforward amendment. It just makes clear that we are not wanting to have people who are involved in the drug trade participating under this particular program. The bill speaks to people being convicted, so that mere indication that someone had used drugs would not be enough. But if you have actually been convicted of use of drugs, if you have been convicted of distribution of drugs, if you have been convicted of possession of drugs, then you would not be eligible for participation under the programs outlined here.

It seems to me that this sends one more signal that as we move into some of these areas, that we are not going to allow the drug culture to move with us, that we are going to assure that programs that are forgiving student loans and doing other kinds of things are done for people who have remained drug free.

Mr. Chairman, that is, I think, the fairly straightforward nature of the amendment. I would urge its adoption.

Mr. HAWKINS. Mr. Chairman, I rise in opposition to the amendment. Apparently it is an 11th hour attempt to just confuse further the proposal. I think the proposal is straightforward. It is to encourage volunteers in service to the country.

The amendment itself says that no individual who has been convicted of use, possession, or distribution of controlled substances would be able to offer their volunteer service to the Nation.

Mr. Chairman, it would seem to me that these are some of the individuals we would want to encourage to do that. As a matter of fact, in many instances, the courts command them to do so as a condition of whatever sentence is handed down. They are sometimes mandated to engage in some type of community service. This would deny to the courts their discretion to do so.

Mr. Chairman, I do not think the amendment is well thought out. I think it is well-motivated, but I do not think it is well thought out. Certainly, it has not been discussed in any of the hearings, and I think that it would work mischief on the very program.

Mr. Chairman, if we want volunteers, we want everyone to the extent humanly possible to engage in the volunteer service. This would preclude some of the individuals whom I think we should rather mandate almost, and not wait for volunteers to do so. For that reason, I would oppose the amendment.

Mr. PETRI. Mr. Chairman, would the gentleman yield?

Mr. HAWKINS. I am glad to yield to the gentleman from Wisconsin.

Mr. PETRI. Mr. Chairman, it seems to me that the amendment of the gentleman from Pennsylvania [Mr. WALKER] is probably at least as well thought out and will help this bill as much as the amendment of the gentleman from Ohio which was accepted just a minute ago. The bill will go to conference anyway. Both provisions would be conferenceable.

Mr. Chairman, there is some indication we may have a rollcall vote on the amendment. It might be better just to accept it, and then if there is a problem with it, we could work it out.

Mr. HAWKINS. Mr. Chairman, reclaiming my time, I did not mean it was not well thought out in terms of its intent, because it has been offered before this. I think that the gentleman from Pennsylvania [Mr. WALKER] is sincere in offering it. However, I do not think that the gentleman would agree that if the court, let us say, commanded an individual that had been engaged in some way with the use, possession or distribution of a controlled substance, that the court would not have the privilege of mandating as a part of the sentence some type of community service. That is just one instance.

The gentleman, as I understand it, has also raised the objection about redtape or bureaucratic problems with the bill. This certainly would add to some of those, if the "Buy American" does not, and I was not extremely enthused about that amendment. But I did not see that that could do any harm. I can see instances in which this could do harm, and I just pointed out one instance.

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. HAWKINS. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, I thank the gentleman for yielding. First of all, I do not think there is anything in this amendment which suggests the court could not mandate somebody to do community service. But if they did community service under a court mandate, they could not get their loan forgiven.

Mr. Chairman, it seems to me that it is perfectly logical. Why, if the court is mandating a punishment, should the result of that be they get their loan forgiven?

Mr. HAWKINS. Mr. Chairman, reclaiming my time, this bill goes far beyond loan forgiveness. That is only a phase of it.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further, there is nothing in the bill or in this amendment that would stop the courts from ordering somebody into community service. But I would tell the gentleman from California [Mr. HAWKINS] that when the court orders somebody into community service, it is usually as a punishment, and that is not voluntarism. It is being done as punishment.

Mr. Chairman, all I am suggesting here is that we ought not be distributing benefits to people who are drug users, to people who are drug dealers. That is what this amendment says. I cannot imagine why we would want to send any other signal.

Mr. HAWKINS. Mr. Chairman, reclaiming my time, it could be the use of marijuana I would assume.

Mr. WALKER. Marijuana is a controlled substance.

Mr. HAWKINS. Some individual at an early age could be convicted of marijuana, who will be denied the opportunity to volunteer.

□ 1540

As I say, it goes far beyond being loan forgiveness. It is national service of all kinds, and it would go far beyond just forgiveness.

The CHAIRMAN. The time of the gentleman from California [Mr. HAWKINS] has expired.

(On request of Mr. WALKER and by unanimous consent, Mr. HAWKINS was allowed to proceed for 2 additional minutes.)

Mr. WALKER. If the gentleman will continue to yield, nothing would stop them from volunteering. They obviously can volunteer and do whatever they want. But they cannot be assisted under this act.

Mr. HAWKINS. The program could be assisted, and they could volunteer for the program.

Mr. WALKER. But this speaks to the individual, "No individual may participate."

Mr. HAWKINS. But it says, "No individual may participate in programs assisted under this act."

Mr. WALKER. I see what the gentleman is saying, in that case, if the program receives any assistance. But I would say to the gentleman that my understanding of the bill is that you are not giving the money to individual programs in that sense. That money is going to States, it is going to localities and so on, so you do not have any kind of a situation arising under this particular amendment.

Once again, I would say to the gentleman that the intent of this amendment certainly is that we are going to keep people out who are drug dealers and drug users, and I cannot imagine that we do not want to do that.

Mr. HAWKINS. If I may say to the gentleman from Pennsylvania, may I illustrate this way: I visited a conservation corps in San Francisco, a very excellent, well recognized program. The young people on that program clean up the street, they do the work of revitalizing buildings, of going down the alleyways and collecting trash, and things of that nature. That is a program which probably would be assisted under this act. The gentleman is saying that an individual may not participate in that program if that individual in early life had been convicted, let us say, of possession of marijuana, and the gentleman from Pennsylvania would say forever. There is no time limit on this.

Mr. WALKER. If the gentleman will yield, I see the point he is making. I think it is a good point, and I am perfectly willing to modify the amendment to take out the words "may participate in programs," so that we make it directly on the individual, and say, "No individual assisted under this act if such individual has been convicted."

Mr. HAWKINS. That is why I say at the 11th hour an amendment of this nature, we have not had an opportunity really to perfect it, and it is very difficult to oppose it because the thought is OK. But this goes too far it seems to me, and it would be an individual who has been convicted, one who has served one's time, who has paid one's debt to society, and they are forever foreclosed from the opportunity, that individual, of participating in any program or being eligible to volunteer. It seems to me that we are looking for volunteers.

Personally, I think most of these volunteers should be paid. They are doing a service for which I think society benefits, and I think we should be paying most of them. But out of the goodness of their heart they want to volunteer, and it seems to me we want to encourage everyone to do so.

Mr. GUNDERSON. Mr. Chairman, I move to strike the requisite number of words.

Mr. GUNDERSON. Mr. Chairman, I take the time because I think this issue needs to be resolved a little bit more before we go to a vote. I think the intent of all of us is the same here.

If I can have the attention of the gentleman from Pennsylvania [Mr. WALKER], I think what we are trying to do is say that loans ought not be deferred or canceled for people in this area. I think the concept of saying that anyone who has ever been convicted of a drug violation cannot participate in a volunteer program, cannot participate in the Conservation Corps, the chairman is right. That is the kind of individual the program is made for. So I think what we are trying to do is get this only at the loan deferments and forgivenesses.

Is that the intent of the gentleman from Pennsylvania?

Mr. WALKER. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from Pennsylvania.

Mr. WALKER. The intent of this gentleman is that we do not have druggies who are getting Federal benefits. One of the ways in which we can prevent that is to assure that as we create programs we keep people out who are or who have been involved in the drug culture, and we make very clear that the Federal Government is not going to permit that to happen. So that is the intent of this amendment.

MODIFICATION OF AMENDMENT OFFERED BY MR. WALKER

Mr. WALKER. Mr. Chairman, as I say, I would be willing to change this. I would ask unanimous consent that in the amendment at the desk the words "participate in programs" be stricken, and that the world "be" be inserted after the word "may," so that the amendment would read, "No individual may be assisted under this Act if such individual has been convicted of use, possession or distribution of controlled substances."

The CHAIRMAN. Is there objection to the modification offered by the gentleman from Pennsylvania?

There was no objection.

The text of the amendment, as modified, is as follows:

Add a new section to the end of the bill.

No individual may be assisted under this Act if such individual has been convicted of use, possession or distribution of controlled substances.

Mr. GUNDERSON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I am wondering, part of our problem here is apparently that we have gone beyond the particular title of the bill so that what we need to do is ask unanimous consent that the amendment refer to the title of the bill dealing with student loans, and also ask unanimous consent to go back to that section of the bill. Is that acceptable?

Mr. HAWKINS. Mr. Chairman, will the gentleman yield?

Mr. GUNDERSON. I yield to the gentleman from California.

Mr. HAWKINS. Mr. Chairman, I am not so sure that corrects it. It certainly would improve it. But I am thinking of the fact that you are saying, individuals who may be benefited under this; you are not talking only of those volunteers, but the volunteers who helped to provide benefits for individuals under the act. If we go that far, there may be some way that we could reach it, and I am just wondering how we could accommodate the amendment.

Mr. GUNDERSON. If the gentleman will defer to me, if we go back to that section dealing only with the student loans, that title of the bill, and we only make it applicable there, that may cure the problem.

Mr. HAWKINS. I would prefer we do that. I would certainly not object, but I would indicate with reservations that I would not commit myself to fight even for that type of a redrafted amendment unless we can see the language and study the language.

We could do it tentatively, obviously, and I would not call for a roll call vote if the Members voted to accept it. I would go for it. I would consent to go back and apply it to that section.

Mr. WALKER. Mr. Chairman, if the gentleman will yield, maybe we can do it without actually going back, and so on. I can put into the amendment the language, "under title I, subpart 4 of the act." That way it would deal with that particular section of the bill.

So it would read: "No individual may be assisted under title I, subpart 4 of the act if such individual has been convicted."

Mr. HAWKINS. Relating to direct loans.

FURTHER MODIFICATION TO AMENDMENT OFFERED BY MR. WALKER

The CHAIRMAN. Will the gentleman from Pennsylvania [Mr. WALKER] please restate his unanimous-consent request?

Mr. WALKER. We will get it right in a minute, Mr. Chairman. It would be, "No individual may be assisted under," and then the words "title I, subpart 4 of the act," and so forth.

The CHAIRMAN. Is there objection to the further modification offered by the gentleman from Pennsylvania?

There was no objection.

The text of the amendment, as further modified, is as follows:

Add a new section to the end of the bill.

No individual my be assisted under title I Subpart 4 of the act if such individual has been convicted of use, possession or distribution of controlled substances.

Mr. CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALKER], as modified.

The amendment, as modified, was agreed to.

Mr. PETRI. Mr. Chairman, I move to strike the last word.

My colleagues, I think we are just about through with the debate on this bill. At least this Member is not aware of any other amendments that Members intend to offer.

I think this has been, at least to me, and I think perhaps to a few others, an interesting debate. But I thought I owed it to my colleagues, particularly in this debate, to state why I do oppose this legislation.

I think in the United States we have a very unique sector of our society. It is stronger and more vital in our country than I believe in any other in the world, and that is the volunteer sector.

□ 1550

Everything in the United States is not consumed by the Government sector as it is in some societies, or by the private sector or a feudal sector the way it might be in some others. We have this sort of great mediating sector between the private sector and the Government sector which is the voluntary sector. It includes all sorts of religious organizations, community service organizations, a thousand and one different organizations.

There is not a town in my district out in Wisconsin that could function as a community as well as it does if it did not have the local Lions Club and the Kiwanis Club and the Rotary Club and, yes, the YMCA, and you name it, the DeMolay, and a hundred others, private, nongovernment, nonprofit, voluntary organizations. If they were to try to use the Government to try to build a swimming pool or a tennis court, it would be a big political controversy. If it is done because the firemen put on a picnic or some organization does it, everyone pitches in and helps, and it unifies the community rather than dividing the community.

I think that is a very important sector of our life and of our society, and I am just very afraid that if we get the Government involved in it in the wrong way, you will end up drying it up rather than helping it.

I say that because I have experienced that in my own life as a volunteer and as a citizen and an attorney in these sorts of organizations in the community. I can remember as a young member of the Fond du Lac County Bar Association volunteering, as did all of the other members of that association, to devote a week of our time, each of us, and there were about 50 members of the county bar, to take any case that could come in. We would go down to the local courthouse, and it was well advertised and publicized. Any citizens who would come in who could not afford to pay for their divorce or to pay for their dispute with their landlord or whatever the case happened to be, we would volunteer and take that case and pursue it no matter how long it took, if it took a year or 2 years, fine. What happened? Why, the Federal Government came in with some well-meaning, I am sure, people. They wanted us to fill out little forms about how much time we were spending doing this, and, by George, it started totaling up to 1 man-year worth of work, and they said, "Well, we have got to go hire a lawyer to go out and do this." Then the lawyer needed a secretary. Then they needed a coordinator, and suddenly we had a new bureaucracy in the community. I suspect fewer people actually were helped who had disputes as a result than had been helped before.

I served at one point on a Salvation Army board in our community, and this organization is a wonderful organization. It helps those who have no friends, who are destitute, who have no place to stay even, or anything to eat, the people who are at the very end against the wall, the homeless, and it has been out there for years doing it on a voluntary basis.

I can tell you that in our community, in my experience, over and over again, Government programs ended up replacing, driving out, this voluntary effort and doing the job worse rather than better and at much greater cost to the community.

So I am very concerned that, as I said at the opening, rather than fostering volunteers, and I should add that I have voted for, and I continue to vote for, the title II part of this bill having to do with the Civilian Conservation Corps, helping young people. I think that is a good idea. The administration happens to oppose it, but I have voted for it in the past, and I will vote for it again, but not getting under the guise of voluntarism, calling voluntarism things that are paid and are going to have to be regulated and be accountable and buying American and a hundred and one other things that will make it impossible for people to function efficiently and get the job done of helping in their own community. They will not really be able to participate in it. This is not going to help people in Monroe, WI, or in most of the counties in my district. There are going to be $3 million to $4 million for the entire State of Wisconsin, and I suspect for people to participate, if they were to try, it would end up costing more than twice that for them to actually participate if they were to actually figure it out and comply.

Mr. Chairman, I urge my colleagues to vote against this legislation.

The CHAIRMAN. If there are no further amendments, the question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. MAZZOLI] having assumed the chair, Mr. OBEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4330) to establish school-based and higher education community service programs, to establish youth service programs, and for other purposes, pursuant to House Resolution 463, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the committee amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment. The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4330, NATIONAL SERVICE ACT OF 1990

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that, in the engrossment of the bill, H.R. 4330, the Clerk be authorized to make corrections in section numbers, punctuation, citations, and cross-references, and to make such other technical and conforming changes as may be necessary to reflect the actions of the House in amending the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

GENERAL LEAVE

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous material on H.R. 4330, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be discharged from further consideration of the Senate bill (S. 1430) to enhance national and community service, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 1430

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National and Community Service Act of 1990".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title and table of contents.
Sec. 2. Findings.
Sec. 3. Purposes.

TITLE I—NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM

Subtitle A—General Provisions

Sec. 101. Definitions.
Sec. 102. Authority to make State grants.

Subtitle B—School and Community Based Service

Sec. 110. Short title.
Sec. 111. General authority.
Sec. 112. Locality application.
Sec. 113. State application.
Sec. 114. Local applications.
Sec. 115. Limitations on use.
Sec. 116. Use of funds.
Sec. 117. Treatment of Indian tribes.

Subtitle C—American Conservation and Youth Corps

Sec. 120. Short title.
Sec. 121. General authority.
Sec. 122. Allocation of funds.
Sec. 123. State application.
Sec. 124. Focus of programs.
Sec. 125. Related programs.
Sec. 126. Public lands or Indian lands.
Sec. 127. Training and education services.
Sec. 128. Amount of award.
Sec. 129. Preference for certain projects.
Sec. 130. Age and citizenship criteria for enrollment.
Sec. 131. Post-service benefits.
Sec. 132. Living allowance.
Sec. 133. Joint programs.
Sec. 134. Federal and State employee status.

SUBTITLE D—NATIONAL AND COMMUNITY SERVICE

Sec. 140. Short title.
Sec. 141. General authority.
Sec. 142. Grants.
Sec. 143. Types of national service.
Sec. 144. Te.ms of service.
Sec. 145. Eligibility.
Sec. 146. Vouchers.
Sec. 147. Living allowance.
Sec. 148. Training.
Sec. 149. Public-private partnership.
Sec. 150. In-service education benefits.

Subtitle E—Innovative Service Programs

Sec. 160. General authority.
Sec. 161. Grants.

Subtitle F—Administrative Provisions

Sec. 170. Limitation on number of grants.
Sec. 171. Reports.
Sec. 172. Supplementation.
Sec. 173. Prohibition on use of funds.
Sec. 174. Nondiscrimination.
Sec. 175. Notice, hearing, and grievance procedures.
Sec. 176. Nonduplication and nondisplacement.
Sec. 177. State advisory board.
Sec. 178. Evaluation.
Sec. 179. Engagement of participants.
Sec. 180. National Service Demonstration Program amendments.
Sec. 181. Partnerships with schools.
Sec. 182. Service as tutors.
Sec. 183. Conforming amendments.

Subtitle G—Commission on National and Community Service

Sec. 190. Commission on National and Community Service.

TITLE II—MODIFICATIONS OF EXISTING EDUCATION PROGRAMS

Sec. 201. References.

Subtitle A—Higher Education

Sec. 210. Innovative projects for community service.

Subtitle B—State Student Incentive Grant and Work Study Programs

Sec. 220. Additional reservation for campus-based community work learning study jobs.
Sec. 221. Work study programs.
Sec. 222. Public Health Amendment.

Subtitle C—Publication

Sec. 230. Information for students.
Sec. 231. Exit counseling for borrowers.
Sec. 232. Department information on deferments and cancellations.
Sec. 233. Data on deferments and cancellations.

Subtitle D—Direct Loans to Students in Institutions of Higher Education

Sec. 240. Loan cancellation authorized.
Sec. 241. Effective date.

Subtitle E—Loan Forgiveness

Sec. 250. Loan forgiveness.
Sec. 251. Effective date.

TITLE III—POINTS OF LIGHT INITIATIVE FOUNDATION

Sec. 301. Short title.
Sec. 302. Findings and purposes.
Sec. 303. Authority.
Sec. 304. Grants to the Foundation.
Sec. 305. Eligibility of the Foundation for grants.
Sec. 306. Powers and functions.
Sec. 307. Principal and branch offices.
Sec. 308. Nonprofit nature of the Foundation.
Sec. 309. Exemption from tax.
Sec. 310. Oversight.
Sec. 311. Annual budget.

TITLE IV—AUTHORIZATION OF APPROPRIATIONS

Sec. 401. Authorization of appropriations.

TITLE V—GENERAL PROVISIONS

Sec. 501. Emergency medical services for children.
Sec. 502. Physician's comparability allowance.

Sec. 503. Policy regarding "Peace Dividend".
Sec. 504. Drug free workplace requirements.
Sec. 505. Amend section 1-2503 of District of Columbia Code.
Sec. 506. Sense of Congress concerning enactment of Good Samaritan Food Donation Act.
Sec. 507. Condemning human rights repression in China.
Sec. 508. Exchange program with countries in transition from totalitarianism to democracy.
Sec. 509. Exchange national and community services.

SEC. 2. FINDINGS.

Congress finds that—

(1) service to the community and the Nation is a responsibility of all citizens of the United States, regardless of the economic level or age of such citizens;

(2) citizens of the United States who become engaged in service at a young age will better understand the responsibilities of citizenship and continue to serve the community into adulthood;

(3) serving others builds self-esteem and teaches teamwork, decision making, and problem-solving;

(4) the 70,000,000 youth of the United States who are between the ages of 5 and 25 offer a powerful and largely untapped resource for community service;

(5) conservation corps and human service corps provide important benefits to participants and to the community;

(6) the Volunteers in Service to America Program (hereinafter in this Act referred to as "VISTA"), as established by title I of the Domestic Volunteer Act of 1973 (42 U.S.C. 4951 et seq.), is one of the most cost effective means of fighting poverty in the United States;

(7) the cost of higher education, loan indebtedness, and the high price of housing deter many young adults from volunteering for service programs that involve a substantial time commitment;

(8) older Americans, through the Older American Volunteer Programs (as established by title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.)), provide 500,000,000 hours of service each year and are a vital force in addressing national problems;

(9) the VISTA and Older American Volunteer Programs have recently been expanded and are an important part of the national and community service effort of the United States;

(10) many Americans cannot participate in a full-time service program, but should have the option of part-time service; and

(11) a range of full-time and part-time national and community service opportunities should be made available to all citizens, particularly youth and older Americans.

SEC. 3. PURPOSES.

It is the purpose of this Act to—

(1) renew the ethic of civic responsibility in the United States;

(2) ask citizens of the United States, regardless of age or income, to engage in full-time or part-time service to the Nation;

(3) begin to call young people to serve in national service programs;

(4) enable young Americans to make a sustained commitment to national service by removing barriers to such service that have been created by high education costs, loan indebtedness, and the cost of housing;

(5) build on the existing organizational framework of Federal, State, and local programs and agencies to expand full-time and part-time service opportunities for all citizens, particularly youth and older Americans;

(6) involve participants in activities that would not otherwise be performed by employed workers; and

(7) generate 100,000,000 additional service hours each year to help meet human, educational, environmental, and public safety needs, particularly those needs relating to poverty.

TITLE I—NATIONAL AND COMMUNITY SERVICE STATE GRANT PROGRAM

Subtitle A—General Provisions

SEC. 101. DEFINITIONS.

As used in this title:

(1) ADULT VOLUNTEER.—The term "adult volunteer" means—

(A) an individual who is beyond the age of compulsory schooling, including an older American, an individual with a disability, and a parent;

(B) an employee of a private business;

(C) an employee of a public or nonprofit agency; or

(D) any other individual working without financial renumeration in an education institution to assist students or out of school youth.

(2) COMMISSION.—The term "Commission" means the Commission on National and Community Service established under section 190.

(3) COMMUNITY-BASED AGENCY.—The term "community-based agency" means a private nonprofit organization that is representative of a community or a significant segment of a community and that is engaged in meeting human, educational, or environmental community needs, including, but not limited to, churches and other religious entities.

(4) CREW SUPERVISOR.—The term "crew supervisor" means the adult staff individual who is responsible for supervising a crew of participants, including the crew leader.

(5) EDUCATION INSTITUTION.—The term "education institution" means a local educational agency, elementary or secondary school, including, but not limited to, private sectarian and nonsectarian schools, library or a community-based agency that provides educational services.

(6) ELEMENTARY SCHOOL.—The term "elementary school" has the same meaning given such term in section 1471(8) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(8)).

(7) INDIAN LANDS.—The term "Indian lands" means any real property owned by an Indian tribe, any real property held in trust by the United States for Indian tribes, and any real property held by Indian tribes that is subject to restrictions on alienation imposed by the United States.

(8) INDIAN TRIBE.—The term "Indian tribe" means an Indian tribe, band, nation, or other organized group or community, including any Alaska Native village or regional or village corporation as defined in or established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

(9) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the same meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(10) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(12)).

(11) LOCAL GOVERNMENT AGENCY.—The term "local government agency" means a public agency that is engaged in meeting human, social, educational, or environmental needs.

(12) OUT-OF-SCHOOL YOUTH.—The term "out-of-school youth" means an individual who—

(A) has not attained the age of 27;

(B) has not completed college or the equivalent thereof; and

(C) is not enrolled in an elementary or secondary school or institution of higher education.

(13) PARTICIPANT.—The term "participant" means an individual enrolled in a program that receives assistance under this title.

(14) PARTNERSHIP PROGRAM.—The term "partnership program" means a program through which adult volunteers, public or private agencies, including, but not limited to, churches and other religious entities, institutions of higher education, community organizations, or businesses assist an education institution.

(15) PLACEMENT.—The term "placement" means the matching of a participant with a specific project.

(16) PROGRAM.—The term "program" means an activity carried out with assistance provided under this title.

(17) PROGRAM AGENCY.—The term "program agency" means—

(A) a Federal or State agency designated to manage a youth service corps program;

(B) the governing body of an Indian tribe that administers a youth service corps program; or

(C) a local applicant administering a youth service corps program.

(18) PROJECT.—The term "project" means an activity that results in a specific identifiable service or product that otherwise would not be done with existing funds, and that does not duplicate the routine services or functions of the employer to whom participants are assigned.

(19) PUBLIC LANDS.—The term "public lands" means any lands or waters (or interest therein) owned or administered by the United States or by an agency or instrumentality of a State or local government.

(20) SECONDARY SCHOOL.—The term "secondary school" has the same meaning given such term in section 1471(21) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(21)).

(21) SERVICE OPPORTUNITY.—The term "service opportunity" means a program or project that enables students or out-of-school youth to perform meaningful and constructive service in agencies, institutions, and situations where the application of human talent and dedication may help to meet human, educational, linguistic, and environmental community needs, especially those relating to poverty.

(22) SPECIAL SENIOR SERVICE MEMBER.—The term "special senior service member" means an individual who is age 60 or over and willing to work full-time or part-time in conjunction with a full-time national service program.

(23) SPONSORING ORGANIZATION.—The term "sponsoring organization" means an organization, eligible to receive assistance under this title, that has been selected to provide a placement for a participant.

(24) STATE.—The term "State" means each of the several States, the District of Colum-

bia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Federated States of Micronesia, the Republic of the Marshall Islands, or Palau.

(25) STATE EDUCATIONAL AGENCY.—The term "State educational agency" has the same meaning given such term in section 1471(23) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 2891(23)).

(26) STUDENT.—The term "student" means an individual who is enrolled in an elementary or secondary school or institution of higher education on a full- or part-time basis.

(27) SUMMER PROGRAM.—The term "summer program" means a youth service corps program authorized under this title that is limited to the months of June, July, and August.

(28) YOUTH SERVICE CORPS PROGRAM.—The term "youth service corps program" means a program, such as a conservation corps or human services corps program, that offers full-time, productive work (to be financed through stipends) with visible community benefits in a natural resource or human service setting and that gives participants a mix of work experience, basic and life skills, education, training, and support services.

(29) YOUTH COMMUNITY SERVICE PROGRAM.—The term "youth community service program" means a program in which students or out-of-school youths are offered service opportunities in the community or an educational institution.

SEC. 102. AUTHORITY TO MAKE STATE GRANTS.

The Commission may, in accordance with the provisions of this title, make grants to States, or to local applicants, to enable such States or applicants to carry out national or community service programs under subtitles B, C, D, or E.

Subtitle B—School and Community Based Service

SEC. 110. SHORT TITLE.

This subtitle may be cited as the "Service America, the Service to America Act of 1990".

SEC. 111. GENERAL AUTHORITY.

The Commission may make grants under section 102 to States or local applicants for the creation or expansion of service opportunities for students and out-of-school youth and to increase the number of community members, particularly senior citizens, who are volunteering in schools.

SEC. 112. LOCALITY APPLICATION.

If a State does not apply for assistance under this subtitle or if a State does not have an application approved under section 113, the Commission may make grants directly to local applicants. The Commission shall apply the criteria described in section 114 in evaluating such local applications.

SEC. 113. STATE APPLICATION.

To be eligible to receive a grant under this subtitle a State, acting through the State educational agency, shall prepare and submit, to the Commission, an application at such time, in such manner, and containing such information as the Commission shall reasonably require, including a description of the manner in which—

(1) local applications will be ranked by the State according to the criteria described in section 114, and in a manner that ensures the equitable treatment of local applications submitted by both educational and non-educational institutions;

(2) service programs within the State will be coordinated;

(3) cooperative efforts among education institutions, local government agencies, community-based agencies, businesses, and State agencies to provide service opportunities, including those that involve the participation of urban, suburban, and rural youth working together, will be encouraged;

(4) economically and educationally disadvantaged youths, including individuals with disabilities, youth with limited basic skills or learning disabilities, and youth who are in foster care, are assured of service opportunities;

(5) service programs that receive assistance under this subtitle will be evaluated;

(6) programs that receive assistance under this subtitle will serve urban and rural areas and any tribal areas that exist within such State;

(7) technical assistance and training will be provided to service programs within the State;

(8) non-Federal and other types of Federal assistance will be used to expand service opportunities for students and out-of-school youth; and

(9) information and outreach services will be disseminated and utilized to ensure the involvement of a broad range of organizations, particularly community-based organizations.

SEC. 114. LOCAL APPLICATIONS.

(a) APPLICATION REQUIRED.—

(1) PARTNERSHIP.—

(A) IN GENERAL.—Any education institution, local government agency, community-based agency, or consortia thereof that desires to receive a grant—

(i) from a State that has received assistance under this subtitle; or

(ii) in the case of a State that does not apply for assistance under this subtitle or have an application approved under section 113, directly from the Commission;

shall form a partnership consisting of one or more education institutions and one or more local government or community-based agencies.

(B) EXCEPTION.—The provisions of subparagraph (A) shall not apply if the applicant is—

(i) an education institution that intends to provide service opportunities solely within such education institution; or

(ii) an education institution that has formed a partnership with one or more private businesses to conduct a partnership program.

(2) CONTENT OF APPLICATION.—To be eligible to receive a grant under this subtitle, a partnership under paragraph (1) shall prepare and submit, to the State educational agency (or the Commission if paragraph (1)(A)(ii) applies), an application at such time, in such manner, and containing such information as the State educational agency (or the Commission) shall reasonably require. Each such application shall—

(A) contain a written agreement, between the institution with which participants are affiliated and one or more representatives of the community or education institution where service opportunities will be provided, stating that the program was jointly developed by the parties and that the program will be jointly executed by the parties;

(B) establish and specify the membership and role of an advisory committee that shall consist of representatives of community agencies, service recipients, youth serving agencies, youth, parents, teachers, administrators, school board members, labor, and business, one-half of which shall be selected by the community partner and one-half of which shall be selected by the education institution;

(C) describe the goals of the program which shall include goals that are quantifiable, measurable, and demonstrate any benefits that flow from the program to the participants and the community;

(D) describe the service opportunities to be provided under the program;

(E) describe the manner in which the participants in the program will be recruited, including any special efforts that will be utilized to recruit out-of-school youth with the assistance of community-based agencies;

(F) describe the manner in which participants in the program were or will be involved in the design and operation of the program;

(G) state the name, if available, qualifications, and responsibilities of the coordinator of the program assisted under this subtitle;

(H) describe the preservice and inservice training to be provided to supervisors and participants in the program;

(I) describe the manner in which exemplary service will be recognized;

(J) describe any potential resources that will permit continuation of the program, if needed, after the assistance received under this subtitle has ended;

(K) disclose whether the program plans include addressing basic skill needs and reducing illiteracy;

(L) disclose whether the program plans include preventing and treating school-age drug and alcohol abuse and dependency; and

(M) contain assurances that, prior to the placement of a participant, the program will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program.

(3) YOUTH COMMUNITY SERVICE PROGRAM.—If an applicant under this section intends to operate a youth community service program, such applicant, in addition to providing the information described in paragraph (2), shall include in the application required under such paragraph—

(A) a description of an age-appropriate learning component for participants in the program that shall include a chance for participants to reflect on service experiences and expected learning outcomes;

(B) a description of whether or not the participants will receive academic credit for participation in the program;

(C) a description of the target levels of students and out-of-school youth who will participate in the program and the target levels for the hours of service that such participants will provide individually and as a group;

(D) a description of the proportion of expected participants in the program who are educationally or economically disadvantaged, including participants with disabilities;

(E) a description of the ages or grade levels of expected participants in the program;

(F) other relevant demographic information concerning such expected participants; and

(G) assurances that participants in the program will be provided with information concerning VISTA, the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), chapter 30 of title 38, United States Code, chapter 106 of title 10, United States Code, full-time Youth Service Corps and National Service programs receiving assistance under this title, and other service

options and their benefits (such as student loan deferment and forgiveness) as appropriate.

(4) PARTNERSHIP PROGRAM.—If an applicant under this section intends to operate a partnership program, in addition to the information required to be included in the application under paragraph (2), such applicant shall describe the students who are to be assisted through such program, including the ages and grade levels of such students.

(b) APPROVAL.—

(1) YOUTH COMMUNITY SERVICE PROGRAMS.—The State educational agency, or the Commission if subsection (a)(1)(A)(ii) applies, shall approve applications submitted by entities under this section that intend to operate youth community service programs, only if such applications meet the applicable requirements of subsection (a) and describe programs that provide—

(A) an age-appropriate learning component to enable participants to reflect on service experiences;

(B) preservice and inservice training for both supervisors and participants involving representatives of the community where service opportunities will be provided; and

(C) evidence that participants in the program will make a sustained commitment to the service project.

(2) ADULT VOLUNTEER AND PARTNERSHIP PROGRAMS.—The State educational agency, or the Commission if subsection (a)(1)(A)(ii) applies, shall approve applications submitted by entities under this section that intend to operate adult volunteer and partnership programs, only if such applications meet the applicable requirements of subsection (a) and describe programs that provide—

(A) preservice and inservice training for both supervisors and adult volunteers in the program; and

(B) opportunities for adult volunteers in the program to work with at-risk children or their teachers.

(c) PRIORITY.—

(1) IN GENERAL.—In providing assistance under this subtitle, the State educational agency, or the Commission if subsection (a)(1)(A)(ii) applies, shall give priority to applications that contain a description—

(A) of programs that involve participants in the design and operation of the program;

(B) of programs that are in the greatest need of assistance, such as programs targeting low-income areas;

(C) of programs that involve individuals of different ages, races, sexes, ethnic groups, disabilities, and economic backgrounds serving together; and

(D) in the case of applicants that are educational institutions, of programs that are integrated into the academic program.

(2) ADULT VOLUNTEER AND PARTNERSHIP PROGRAM.—In the case of an adult volunteer and partnership program, the State educational agency, or the Commission if subsection (a)(1)(A)(ii) applies, shall give priority to applications that contain a description of programs—

(A) that involve older Americans or parents as adult volunteers;

(B) that involve a partnership between an educational institution and a private business in the community;

(C) that include a focus on drug and alcohol abuse prevention, school drop-out prevention, or nutrition; or

(D) that will improve basic skills and reduce illiteracy.

SEC. 115. LIMITATIONS ON USE.

(a) REQUIREMENT FOR LOCAL APPLICANTS.—Assistance provided under this subtitle shall not be used by a local applicant to pay in excess of—

(1) 80 percent of the costs of programs that receive assistance under this subtitle for the first year in which the applicant receives assistance under this subtitle; and

(2) 70 percent of the costs of programs that receive assistance under this subtitle for the second year in which the applicant receives assistance under this subtitle.

(b) PAYMENT BY LOCAL APPLICANT.—

(1) NON-FEDERAL SOURCES.—That portion of the costs of programs that receive assistance under this subtitle that are to be paid by a local applicant from sources other than Federal funds may be paid in cash or in kind (fairly evaluated).

(2) PRIVATE PROFITMAKING ORGANIZATIONS.—If that portion of the costs of programs that receive assistance under this subtitle to be paid by a local applicant from sources other than Federal funds are paid by private profitmaking organizations, subsection (a) shall be applied by substituting—

(A) "85 percent" for "80 percent"; and

(B) "75 percent" for "70 percent".

SEC. 116. USE OF FUNDS.

(a) STATES.—

(1) ADMINISTRATION.—A State shall use not to exceed 20 percent of the amounts provided under this subtitle in each fiscal year for costs associated with administration, including training, technical assistance, curriculum development, and coordination activities.

(2) ADULT VOLUNTEER AND PARTNERSHIP PROGRAMS.—A State shall use not to exceed 10 percent of the amounts provided under this subtitle in each fiscal year to carry out adult volunteer and partnership programs.

(b) LOCAL APPLICANTS.—Local applicants may use assistance provided under this subtitle for supervision of participants, program administration, training, reasonable transportation costs, insurance, and other reasonable expenses.

(c) STIPENDS.—Assistance provided under this subtitle shall not be used to pay any stipend, allowance, or other financial support to any participant except to reimburse such participant for costs associated with transportation, meals, and other reasonable out-of-pocket expenses incident to participation in a program assisted under this subtitle.

SEC. 117. TREATMENT OF INDIAN TRIBES.

An Indian tribe shall be treated the same as a State for purposes of making grants under this subtitle.

Subtitle C—American Conservation and Youth Corps

SEC. 120. SHORT TITLE.

This subtitle may be cited as the "American Conservation and Youth Service Corps Act of 1990".

SEC. 121. GENERAL AUTHORITY.

The Commission may make grants under section 102 to States or local applicants, to the Secretary of Agriculture, to the Secretary of the Interior, or to the Director of ACTION for the creation or expansion of full-time or summer youth service corps programs.

SEC. 122. ALLOCATION OF FUNDS.

(a) COMPETITIVE GRANT.—The Commission shall award grants under this subtitle on a competitive basis to States or Indian tribes that have submitted applications under section 123.

(b) DIRECT GRANTS.—

(1) IN GENERAL.—In the case of a State that does not apply for a grant under this subtitle or have an application approved under section 123, the Commission may award grants directly to public or private nonprofit agencies within such State.

(2) EVALUATION.—The Commission shall apply the criteria described in section 123 in determining whether to award a grant to such local applicants.

(3) INDIAN TRIBES.—An Indian tribe shall be treated the same as a State for purposes of making grants under this subtitle.

(c) LIMITATION.—

(1) CAPITAL EQUIPMENT.—Not to exceed 10 percent of the amount of assistance made available to a program agency under this subtitle shall be used for the purchase of major capital equipment.

(2) ADMINISTRATIVE EXPENSES.—Not to exceed 15 percent of the amount of assistance made available to a program agency under this subtitle shall be used for administrative expenses.

SEC. 123. STATE APPLICATION.

(a) SUBMISSION.—To be eligible to receive a grant under this subtitle, a State or Indian tribe (or a local applicant if section 122(b) applies) shall prepare and submit, to the Commission, an application at such time, in such manner, and containing such information as the Commission may reasonably require, including the information required under subsection (b).

(b) GENERAL CONTENT.—An application submitted under subsection (a) shall describe—

(1) any youth service corps program proposed to be conducted directly by such applicant with assistance provided under this subtitle; and

(2) any grant program proposed to be conducted by such State with assistance provided under this subtitle for the benefit of entities within such State.

(c) SPECIFIC CONTENT.—To receive a grant under this subtitle to directly conduct a youth service corps program, each applicant shall include in the application submitted under subsection (a)—

(1) a comprehensive description of the objectives and performance goals for the program to be conducted, a plan for managing and funding the program, and a description of the types of projects to be carried out, including a description of the types and duration of training and work experience to be provided by such program;

(2) a plan for the certification of the training skills acquired by participants and the awarding of academic credit to participants for competencies developed through training programs or work experience obtained under this subtitle;

(3) an age appropriate learning component for participants that includes procedures that permit participants to reflect on service experiences;

(4) an estimate of the number of participants and crew leaders necessary for the proposed program, the length of time that the services of such participants and crew leaders will be required, the support services that will be required for such participants and crew leaders, and a plan for recruiting such participants, including educationally and economically disadvantaged youth, youth with limited basic skills or learning disabilities, youth with disabilities, and youth who are in foster care;

(5) a list of requirements to be imposed on the sponsoring organizations of participants in the program, including a requirement

that a sponsoring organization that invests in a program that receives assistance under this subtitle, by making a cash contribution or by providing free training to participants, shall be given preference over a sponsoring organization that does not make such an investment;

(6) a description of the manner of appointment and training of sufficient supervisory staff (including participants who have displayed exceptional leadership qualities), who shall provide for other central elements of a youth corps, such as crew structure and a youth development component;

(7) a description of a plan to ensure the on-site presence of knowledgeable and competent supervisory personnel at program facilities;

(8) a description of the facilities, quarters and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, accommodations for individuals with disabilities, and other appropriate services, supplies, and equipment that will be provided by such applicant;

(9) a description of the basic standards of work requirements, health, nutrition, sanitation, and safety, and the manner that such standards shall be enforced;

(10) a description of the plan to assign participants to facilities as near to the homes of such participants as is reasonable and practicable;

(11) an assurance that, prior to the placement of a participant under this subtitle, the program agency will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program; and

(12) such other information as the Commission shall require.

(d) GRANT PROGRAM.—To be eligible to receive a grant under this subtitle, a State shall establish and implement a program to make grants to applicants within the State pursuant to subsection (b)(2) and, in the application submitted under subsection (a), such State shall describe the manner in which—

(1) local applicants will be evaluated;

(2) service programs within the State will be coordinated;

(3) economically and educationally disadvantaged youth, including youth with disabilities, youth with limited basic skills or learning disabilities, and youth in foster care, will be recruited;

(4) programs that receive assistance under this subtitle will be evaluated;

(5) the State will encourage cooperation among programs that receive assistance under this subtitle and the appropriate State job training coordinating council established under the Job Training and Partnership Act (29 U.S.C. 1501 et seq.);

(6) such State will certify the training skills acquired by each participant and the credit provided to each participant for competencies developed through training programs or work experience obtained under programs that receive assistance under this subtitle; and

(7) prior to the placement of a participant under this subtitle, the State will ensure that program agencies consult with each local labor organization representing employees in the area who are engaged in the same or similar work as the work that is proposed to be carried out by such program.

SEC. 124. FOCUS OF PROGRAMS.

(a) IN GENERAL.—Programs that receive assistance under this subtitle may carry out activities that—

(1) in the case of conservation corps programs, focus on—

(A) conservation, rehabilitation, and the improvement of wildlife habitat, rangelands, parks, and recreational areas;

(B) urban revitalization, historical and cultural site preservation, rural revitalization, and reforestation of both urban and rural areas;

(C) fish culture, wildlife habitat maintenance and improvement, and other fishery assistance;

(D) road and trail maintenance and improvement;

(E) erosion, flood, drought, and storm damage assistance and controls;

(F) stream, lake, waterfront harbor, and port improvement;

(G) wetlands protection and pollution control;

(H) insect, disease, rodent, and fire prevention and control;

(I) the improvement of abandoned railroad beds and rights-of-way;

(J) energy conservation projects, renewable resource enhancement, and recovery of biomass;

(K) reclamation and improvement of strip-mined land;

(L) forestry, nursery, and cultural operations; and

(M) making public facilities accessible to individuals with disabilities.

(2) in the case of human services corps programs, include participant service in—

(A) State, local, and regional governmental agencies;

(B) nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, day care centers, programs serving individuals with disabilities, and schools;

(C) law enforcement agencies, and penal and probation systems;

(D) private nonprofit organizations that primarily focus on social service;

(E) activities that focus on the rehabilitation or improvement of public facilities, neighborhood improvements, literacy training that benefits educationally disadvantaged individuals, weatherization of and basic repairs to low-income housing, energy conservation (including solar energy techniques), removal of architectural barriers to access by individuals with disabilities to public facilities, activities that focus on drug and alcohol abuse education, prevention and treatment, and conservation, maintenance, or restoration of natural resources on publicly held lands; and

(F) any other nonpartisan civic activities and services that the Commission determines to be of a substantial social benefit in meeting unmet human, educational, or environmental needs (particularly needs related to poverty) or in the community where volunteer service is to be performed; or

(3) encompass the focuses and services described in both paragraphs (1) and (2).

(b) INELIGIBLE SERVICE CATEGORIES.—To be eligible to receive assistance under this subtitle, the activities conducted through programs referred to in subsection (a) shall not be conducted by any—

(1) business organized for profit;

(2) labor union;

(3) partisan political organization;

(4) organization engaged in religious activities, unless such activities do not involve the use of funds provided under this title by program participants and program staff to give religious instruction, conduct worship services, or engage in any form of proselytization; or

(5) domestic or personal service company or organization.

(c) LIMITATION ON SERVICE.—No participant shall perform services in any project for more than a 1-year period.

SEC. 125. RELATED PROGRAMS.

An activity administered under the authority of the Secretary of Health and Human Services, that is operated for the same purpose as a program eligible to be carried out under this subtitle, is encouraged to use services available under this subtitle.

SEC. 126. PUBLIC LANDS OR INDIAN LANDS.

(a) LIMITATION.—To be eligible to receive assistance through a grant provided under this subtitle, a program shall carry out activities on public lands or Indian lands, or result in a public benefit.

(b) REVIEW OF APPLICATIONS.—In reviewing applications submitted under section 123 that propose programs or projects to be carried out on public lands or Indian lands, the Commission shall consult with the Secretary of the Interior.

(c) CONSISTENCY.—A program carried out with assistance provided under this subtitle for conservation, rehabilitation, or improvement of any public lands or Indian lands shall be consistent with—

(1) the provisions of law and policies relating to the management and administration of such lands, and all other applicable provisions of law; and

(2) all management, operational, and other plans and documents that govern the administration of such lands.

(d) RESERVATION.—The Commission shall reserve not to exceed 5 percent of the amounts appropriated in each fiscal year under section 401(a)(2) to make grants under this subtitle for Federal disaster relief programs.

SEC. 127. TRAINING AND EDUCATION SERVICES.

(a) ASSESSMENT OF SKILLS.—Each program agency shall assess the educational level of participants at the time of their entrance into the program, using any available records or simplified assessment means or methodology and shall, where appropriate, refer such participants for testing for specific learning disabilities.

(b) ENHANCEMENT OF SKILLS.—Each program agency shall, through the programs and activities administered under this subtitle, enhance the educational skills of participants.

(c) PROVISION OF PRE-SERVICE AND IN-SERVICE TRAINING AND EDUCATION.—

(1) REQUIREMENT.—Each program agency shall use not less than 10 percent of the assistance made available to such agency under this subtitle in each fiscal year to provide pre-service and in-service training and educational materials and services for participants in such a program. Program participants shall be provided with information concerning the benefits to the community that result from the activities undertaken by such participants.

(2) AGREEMENTS FOR ACADEMIC STUDY.—A program agency may enter into arrangements with academic institutions or education providers, including—

(A) local education agencies;

(B) community colleges;

(C) 4-year colleges;

(D) area vocational-technical schools; and

(E) community based organizations;

to evaluate the basic skills of participants and to make academic study available to participants to enable such participants to upgrade literacy skills, to obtain high school diplomas or the equivalent of such diplomas, to obtain college degrees, or to enhance employable skills.

(3) COUNSELING.—Career and educational guidance and counseling shall be provided to a participant during a period of in-service training as described in this subsection.

(4) PRIORITY FOR PARTICIPANTS WITHOUT HIGH SCHOOL DIPLOMAS.—A program agency shall give priority to participants who have not obtained a high school diploma or the equivalent of such diploma, in providing services under this subsection.

(d) POST-SERVICE EDUCATION AND TRAINING ASSISTANCE.—

(1) USE OF FUNDS.—A program that receives assistance under this subtitle shall use not less than 10 percent of such assistance to comply with the requirements of section 131 for post-service education and training assistance.

(2) ACTIVITIES.—The activities conducted under this section may include activities available to an eligible participant under in-service education and training assistance programs, career and vocational counseling, assistance in entering a program under the Job Training Partnership Act (29 U.S.C. 1501 et seq.), and assistance for other activities considered appropriate for such participant by the appropriate program agency and the Commission.

(e) STANDARDS AND PROCEDURES.—

(1) CONSISTENCY WITH STATE AND LOCAL REQUIREMENTS.—Appropriate State and local officials shall certify that standards and procedures with respect to the awarding of academic credit and the certification of educational attainment in programs conducted under subsection (c) are consistent with the requirements of applicable State and local law and regulations.

(2) ACADEMIC STANDARDS.—The standards and procedures described in paragraph (1) shall provide that an individual serving in a program that receives assistance under this subtitle—

(A) who is not a high school graduate, participate in an educational curriculum so that such individual can earn a high school diploma or the equivalent of such diploma; and

(B) may arrange to receive academic credit in recognition of the education and skills obtained from service satisfactorily completed.

SEC. 128. AMOUNT OF AWARD.

In determining the amount of a grant to be awarded to an applicant under this subtitle, the Commission shall consider—

(1) the number of the unemployed youth population of the area to be served; and

(2) the type of project or service proposed to be carried out with the amounts appropriated under section 401(a)(2).

SEC. 129. PREFERENCE FOR CERTAIN PROJECTS.

In the consideration of applications submitted under section 123, the Commission shall give preference to programs that—

(1) will provide long-term benefits to the public;

(2) will instill a work ethic and a sense of public service in the participants;

(3) will be labor intensive, and involve youth operating in crews;

(4) can be planned and initiated promptly; and

(5) will enhance skills development and educational level and opportunities for the participants.

SEC. 130. AGE AND CITIZENSHIP CRITERIA FOR ENROLLMENT.

Enrollment in programs that receive assistance under this subtitle shall be limited to individuals who, at the time of enrollment, are—

(1) not less than 16 years nor more than 25 years of age, except that summer programs may include individuals not less than 15 years nor more than 21 years of age at the time of the enrollment of such individuals; and

(2) citizens or nationals of the United States (including those citizens of the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau) or lawful permanent resident aliens of the United States.

SEC. 131. POST-SERVICE BENEFITS.

The program agency shall provide post-service education and training benefits (such as scholarships and grants) for each participant in an amount that is not in excess of $100 per week, or in excess of $5,000 per year, whichever is less.

SEC. 132. LIVING ALLOWANCE.

(a) FULL-TIME SERVICE.—

(1) IN GENERAL.—From assistance provided under this subtitle, each participant in a full-time youth service corps program that receives assistance under this subtitle shall receive a living allowance of not more than an amount equal to 100 percent of the poverty line for a family of two (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))).

(2) NON-FEDERAL SOURCES.—Notwithstanding paragraph (1), a program agency may provide participants with additional amounts that are made available from non-Federal sources.

(b) REDUCTION IN EXISTING PROGRAM BENEFITS.—Nothing in this section shall be construed to require a program in existence on the date of enactment of this Act to decrease any stipends, salaries, or living allowances provided to participants under such program.

(c) HEALTH INSURANCE.—In addition to the living allowance provided under subsection (a), program agencies are encouraged to provide health insurance to each participant in a full-time youth service corps program who does not otherwise have access to health insurance.

(d) FACILITIES, SERVICES, AND SUPPLIES.—

(1) IN GENERAL.—The program agency may deduct, from amounts provided under subsections (a) and (c) to a participant, a reasonable portion of the costs of the rates for any room and board that is provided for such participant at a residential facility.

(2) EVALUATION.—The program agency shall establish the amount of the deductions and rates under paragraph (1) after evaluating the costs of providing such room and board to the participant.

(3) DUTIES OF PROGRAM AGENCY.—A program agency may provide facilities, quarters, and board and shall provide limited and emergency medical care, transportation from administrative facilities to work sites, accommodations for individuals with disabilities, and other appropriate services, supplies, and equipment to each participant.

(e) GUIDANCE AND PLACEMENT.—

(1) IN GENERAL.—Each program agency shall provide such job and educational guidance and placement information and assistance for each participant as may be necessary, including referrals of such participants to organizations where such participants may receive basic skills training or be tested and receive services for specific learning disabilities.

(2) COORDINATION WITH OTHER ENTITIES.—Assistance under paragraph (1) shall be provided in coordination with appropriate State, local, and private agencies and organizations.

SEC. 133. JOINT PROGRAMS.

(a) DEVELOPMENT.—The Commission may develop, in cooperation with the heads of other Federal agencies, regulations designed to permit, where appropriate, joint programs in which activities supported with assistance made available under this subtitle are coordinated with activities supported with assistance made available under programs administered by the heads of such agencies (including the Job Training Partnership Act (29 U.S.C. 1501 et seq.)).

(b) STANDARDS.—Regulations promulgated under subsection (a) shall establish standards for the approval of joint programs that meet both the purposes of this title and the purposes of such statutes under which assistance is made available to support such projects.

SEC. 134. FEDERAL AND STATE EMPLOYEE STATUS.

(a) IN GENERAL.—Participants and crew leaders shall be responsible to, or be the responsibility of, the program agency administering the program on which such participants, crew leaders, and volunteers work.

(b) NON-FEDERAL EMPLOYEES.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, a participant or crew leader in a program that receives assistance under this subtitle shall not be considered a Federal employee and shall not be subject to the provisions of law relating to Federal employment.

(2) WORK-RELATED INJURY.—For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, a participant or crew leader serving in a program that receives assistance under this subtitle shall be considered an employee of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provision of that subchapter shall apply, except—

(A) the term "performance of duty", as used in such subchapter, shall not include an act of a participant or crew leader while absent from the assigned post of duty of such participant or crew leader, except while participating in an activity authorized by or under the direction and supervision of a program agency (including an activity while on pass or during travel to or from such post of duty); and

(B) compensation for disability shall not begin to accrue until the day following the date that the employment of the injured participant or crew leader is terminated.

(3) TORT CLAIMS PROCEDURE.—For purposes of chapter 171 of title 28, United States Code, relating to tort claims procedure, a participant or crew leaders assigned to a youth service corps program for which a grant has been made to the Secretary of Agriculture, Secretary of the Interior, or the Director of ACTION, shall be considered an employee of the United States within the meaning of the term "employee of the government" as defined in section 2671 of such title.

(4) ALLOWANCE FOR QUARTERS.—For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, a participant or crew leader shall be considered an employee of the United

States within the meaning of the term "employee" as defined in paragraph (3) of subsection (a) of such section.

Subtitle D—National and Community Service

SEC. 140. SHORT TITLE.

This subtitle may be cited as the "National and Community Service Act".

SEC. 141. GENERAL AUTHORITY.

The Commission may make grants under section 102 to States for the creation of full- and part-time national and community service programs.

SEC. 142. GRANTS.

(a) TERM OF GRANT.—The term of a grant awarded under section 141 shall not extend beyond September 30, 1991.

(b) CRITERIA FOR RECEIVING APPLICATIONS.—In determining whether to award a grant to a State under section 141, the Commission shall consider—

(1) the ability of the proposed program of such State to serve as an effective model for a large-scale national service program;

(2) the quality of the application of such State, including the plan of such State for training, recruitment, placement, and data collection;

(3) the extent that the proposed program builds on existing programs; and

(4) the expediency with which the State proposes to make the program operational.

(c) DIVERSITY.—The Commission shall ensure that programs receiving assistance under this subtitle are geographically diverse and include programs in both urban and rural States.

(d) ALTERNATIVE VOUCHER OPTION LIMITED.—The Commission shall ensure that not to exceed 25 percent of States receiving a grant under section 141 are authorized to exercise the alternative voucher authorized under section 146(e)(3).

(e) COMPOSITION OF PROGRAMS.—The Commission shall ensure that not less than 25 percent of the programs that receive assistance under this subtitle include full-time, part-time and special senior service participants.

(f) STATE APPLICATION FOR GRANT.—To receive a grant under section 141, a State shall prepare and submit, to the Commission, an application at such time, in such manner, and containing such information as the Commission may reasonably require, including—

(1) a description of the State administrative plan for the implementation of a program with assistance provided under this subtitle, including such functions, if any, that will be carried out by public and private nonprofit organizations pursuant to a grant or contract;

(2) a description of the manner in which an ethnically and economically diverse group of participants, including economically and educationally disadvantaged individuals, college-bound youth, individuals with disabilities, youth in foster care, and employed individuals, shall be recruited and selected for participation in a program receiving assistance under this subtitle;

(3) a description of the procedures for training supervisors and participants and for supervising and organizing participants in such program;

(4) a description of the procedures to ensure that the program provides participants with an opportunity to reflect on their service experience;

(5) a description of the geographical areas within such State in which the program would be operated to provide the optimum match between the need for services and the anticipated supply of participants;

(6) a description of the plan for placing such participants in teams or making individual placements in such program;

(7) assurances that, prior to such placement, the State will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such program;

(8) assurances that, prior to such placement, such State will consult with employees at the proposed project site who are engaged in the same or similar work as that proposed to be carried out by such program;

(9) a description of the anticipated number of full- and part-time participants and special senior service members in such program;

(10) a plan for the recruitment and selection of sponsoring organizations that will receive participants under programs that receive assistance under this subtitle;

(11) a description of the procedures for matching such participants with such sponsoring organizations;

(12) a description of the procedures to be used to assure that sponsoring organizations that are not matched with participants shall be provided with information concerning the VISTA program and the programs established under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5001 et seq.);

(13) the State budget for the program;

(14) a description of whether the State desires to exercise the voucher alternative option authorized under section 146(e)(3);

(15) a plan for evaluating the program and assurances that such State will fully cooperate with any evaluation undertaken by the Commission pursuant to section 178; and

(16) any other information as the Commission may reasonably require.

(g) NUMBER OF STATES.—

(1) IN GENERAL.—The Commission shall ensure that not more than five States are authorized to operate full-time programs and not more than five States are authorized to operate part-time programs in fiscal year 1991 under this subtitle.

(2) SINGLE PROGRAM.—For purposes of this paragraph (1), a State operating a single national service program with both full- and part-time options shall be counted as a State operating a full-time program and a State operating a part-time program.

(3) COOPERATIVE ARRANGEMENT.—For purposes of this paragraph (1), a State operating a national service program involving a cooperative arrangement with a multi-State organization or with sites in more than one State shall be counted as a single State.

(h) INDIAN TRIBES.—An Indian tribe shall be treated the same as a State for purposes of making grants under this subtitle.

SEC. 143. TYPES OF NATIONAL SERVICE.

(a) IN GENERAL.—A participant in a program that receives assistance under this subtitle shall perform national service to meet unmet educational, human, environmental, and public safety needs, especially those needs relating to poverty.

(b) TYPES OF NATIONAL SERVICE.—National service performed under subsection (a) may include—

(1) educational service, such as service in literacy programs, the Head Start program (as established under the Head Start Act (42 U.S.C. 9831)) and other early childhood education programs, tutorial assistance, and service in schools, libraries, and adult education centers;

(2) human service, such as—

(A) service in hospitals, hospices, clinics, community health centers, public health organizations, facilities serving individuals with acquired immune deficiency syndrome, homes for elderly individuals, programs serving individuals with disabilities, and child-care programs;

(B) service in programs to assist elderly, disabled, poor, and homeless individuals, including programs to build, restore, and maintain housing for poor or homeless individuals and self-help programs;

(C) service in programs engaged in the education, prevention, and treatment of drug and alcohol abuse, including care programs for cocaine-addicted babies; and

(D) service in programs to assist elderly, disabled, poor, and homeless individuals obtain meaningful employment;

(3) environmental service, such as service in programs to conserve, recycle, maintain, and restore natural resources in urban and rural environments, to provide recreational opportunities, and to encourage community betterment or beautification;

(4) public safety service, including placement with police and fire departments, courts, the border patrol, and prisons; and

(5) in the case of special senior service members, service to assist a State in administering a program, including mentoring, supervision, and other functions.

SEC. 144. TERMS OF SERVICE.

(a) LENGTH OF SERVICE.—

(1) PART-TIME.—An individual performing part-time national service under this subtitle shall agree to perform community service for not less than 2 years.

(2) FULL-TIME.—An individual performing full-time national service under this subtitle shall agree to perform community service for not less than 1 year nor more than 2 years, at the discretion of such individual.

(3) SPECIAL SENIOR SERVICE.—A special senior service participant performing national service under this subtitle shall serve for a period of time as determined by the Commission.

(b) PARTIAL COMPLETION OF SERVICE.—If the State releases a participant from completing a term of service in a program receiving assistance under this subtitle for compelling personal circumstances as demonstrated by such participant, the Commission may provide such participant with that portion of the financial assistance described in section 146 that corresponds to the quantity of the service obligation completed by such individual.

(c) TERMS OF SERVICE.—

(1) PART-TIME.—A participant performing part-time national service under this subtitle shall serve for—

(A) 2 weekends each month and 2 weeks during the year; or

(B) an average of 9 hours per week each year of service.

(2) FULL-TIME.—A participant performing full-time national service under this subtitle shall serve for not less than 40 hours per week each year of service.

(3) SPECIAL SENIOR SERVICE.—A special senior service participant performing national service under this subtitle shall serve either part- or full-time as permitted by the Commission.

SEC. 145. ELIGIBILITY.

(a) PART-TIME.—

(1) REQUIREMENTS.—An individual may serve in a part-time national service program under this subtitle if such individual—

(A) is 17 years of age or older; and

(B) is a citizen of the United States or lawfully admitted for permanent residence.

(2) PRIORITY.—In selecting applicants for a part-time program, States shall give priority to applicants who are currently employed.

(b) FULL-TIME.—An individual may serve in a full-time national service program under this subtitle if such individual—

(1) is 17 years of age or older;

(2) has received a high school diploma or the equivalent of such diploma, or agrees to achieve a high school diploma or the equivalent of such diploma while participating in the program; and

(3) is a citizen of the United States or lawfully admitted for permanent residence.

(c) SPECIAL SENIOR SERVICE.—An individual may serve as a special senior service member under this subtitle if such individual—

(1) is 60 years of age or older; and

(2) meets the eligibility criteria for special senior service membership established by the Commission.

SEC. 146. VOUCHERS.

(a) PART-TIME.—

(1) IN GENERAL.—Subject to subsection (d), the Commission shall annually provide to each part-time participant a non-transferable voucher that is equal in value to $2,000 for each year of service that such participant provides to the program.

(2) WAIVER.—A State may apply for a waiver to reduce the amount of a voucher provided under paragraph (1) to an amount that is equal in value to not less than the average annual tuition and required fees at 4-year public institutions of higher education within such State.

(3) CONSTRUCTION.—Nothing in this subsection shall be construed to prevent a State from using funds made available from non-Federal sources to increase the amount of a voucher provided under paragraph (1) to an amount in excess of that described in such paragraph.

(b) FULL-TIME.—

(1) IN GENERAL.—Subject to subsection (d), the Commission shall annually provide to each full-time participant a non-transferable voucher that is equal in value to $5,000 for each year of service that such participant provides to the program.

(2) WAIVER.—A State may apply for a waiver to reduce the amount of a voucher provided under paragraph (1) to an amount that is equal in value to not less than the average annual tuition, required fees, and room and board costs at 4-year public institutions of higher education within such State.

(3) CONSTRUCTION.—Nothing in this subsection shall be construed to prevent a State from using funds made available from non-Federal sources to increase the amount of a voucher provided under paragraph (1) to an amount in excess of that described in such paragraph.

(c) SPECIAL SENIOR SERVICE PARTICIPANT.—A special senior service participant shall be ineligible to receive a voucher under this section.

(d) INDEXING.—The Commission shall increase the value of vouchers provided under this section in each fiscal year based on the increase in the costs associated with attending a 4-year institution of higher education during that fiscal year. The Commission shall determine such increases in costs based on information made available by the Bureau of Labor Statistics and the National Center for Education Statistics.

(e) USE OF VOUCHER.—

(1) PART-TIME.—A voucher provided under subsection (a) shall only be used for—

(A) payment of a student loan from Federal or non-Federal sources;

(B) downpayment or closing costs associated with purchasing a first home;

(C) downpayment, closing costs, or other costs associated with purchasing a small business concern; or

(D) tuition at an institution of higher education on a full-time basis, or to pay the expenses incurred in the full-time participation in an apprenticeship program approved by the appropriate State agency.

(2) FULL-TIME.—A voucher provided under subsection (b) shall only be used for—

(A) payment of a student loan from Federal or non-Federal sources;

(B) downpayment or closing costs associated with purchasing a first home;

(C) downpayment, closing costs, or other costs associated with purchasing a small business concern; or

(D) tuition, room and board, books and fees, and other costs associated with attendance (pursuant to section 472 of the Higher Education Act of 1965 (20 U.S.C. 1087ll)) at an institution of higher education on a full-time basis, or to pay the expenses incurred in the full-time participation in an apprenticeship program approved by the appropriate State agency.

(3) ALTERNATIVE VOUCHER OPTION.—A State administering a full-time national service program under this subtitle may apply to the Commission for authorization to offer an alternative voucher option limiting the use of vouchers for education, housing, or costs associated with the purchase of a small business concern, including downpayment or closing costs.

(4) DEFINITION.—As used in this subsection, the term "small business concern" shall have the same meaning given such term in section 3(a)(1) of the Small Business Act (15 U.S.C. 632(a)(1)).

SEC. 147. LIVING ALLOWANCE.

(a) FULL-TIME SERVICE.—

(1) IN GENERAL.—From assistance provided under this subtitle, each participant in a full-time national service program receiving assistance under this subtitle shall receive a living allowance of not more than an amount equal to 100 percent of the poverty line for a family of two (as defined in section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))).

(2) NON-FEDERAL SOURCES.—Notwithstanding paragraph (1), a program agency may provide participants with additional amounts that are made available from non-Federal sources.

(b) REDUCTION IN EXISTING PROGRAM BENEFITS.—Nothing in this section shall be construed to require a program in existence on the date of enactment of this Act to decrease any stipends, salaries, or living allowances provided to participants under such program.

(c) HEALTH INSURANCE.—In addition to the living allowance provided under subsection (a), grantees are encouraged to provide health insurance to each participant in a full-time national service program who does not otherwise have access to health insurance.

(d) SPECIAL SENIOR SERVICE PARTICIPANT.—

(1) FULL-TIME.—Each full-time special senior service participant shall receive a living allowance equal to the living allowance provided to full-time participants under subsection (a), and such other assistance as the Commission considers necessary and appropriate for a special senior service participant to carry out the service obligation of such participant.

(2) PART-TIME.—Each part-time special senior service participant shall receive a living allowance equal to a share of such allowance offered to a full-time special senior service participant under paragraph (1), that has been prorated according to the number of hours such part-time participant serves in the program, and such other assistance that the Commission considers necessary and appropriate for a special senior service participant to carry out the service obligation of such participant.

SEC. 148. TRAINING.

(a) PROGRAM TRAINING.—

(1) IN GENERAL.—Each participant shall receive 3 weeks of training provided by the Commission in cooperation with the State.

(2) CONTENTS OF TRAINING SESSION.—Each training session described in paragraph (1) shall—

(A) orient each participant in the nature, philosophy, and purpose of the program;

(B) build an ethic community service; and

(C) train each participant to effectively perform the assigned program task of such participant by providing—

(i) general training in citizenship and civic and community service; and

(ii) if feasible, specialized training for the type of national service that each participant will perform.

(b) ADDITIONAL TRAINING.—Each State may provide additional training for participants as such State determines necessary.

(c) AGENCY OR ORGANIZATION TRAINING.—Each participant shall receive training from the sponsoring organization in skills relevant to the work to be conducted.

(d) ACCOMMODATIONS FOR INDIVIDUALS WITH DISABILITIES.—In accordance with the nondiscrimination provisions of section 174, each training program shall provide reasonable accommodations for individuals with disabilities.

SEC. 149. PUBLIC-PRIVATE PARTNERSHIP.

The Commission shall consider and develop opportunities for cooperation between public and private entities in the funding and implementation of a program receiving assistance under this subtitle, including cost-sharing arrangements with sponsoring organizations.

SEC. 150. IN-SERVICE EDUCATION BENEFITS.

Each State that receives assistance under this subtitle shall provide to each participant enrolled in a full-time program in-service educational services and materials to enable such participant to obtain a high school diploma or the equivalent of such diploma.

Subtitle E—Innovative Service Programs

SEC. 160. GENERAL AUTHORITY.

The Commission may make grants under section 102 to States for the creation of innovative national and community service programs.

SEC. 161. GRANTS.

(a) CRITERIA FOR RECEIVING APPLICATIONS.—In determining whether to award a grant to a State under section 160, the Commission shall consider—

(1) the ability of the proposed program of such State to serve as an effective model for other States;

(2) the quality of the application of such State, including the plan of such State for training, recruitment, placement, and data collection;

(3) the extent that the proposed program builds on existing programs; and

(4) the degree to which the program responds to State and community human, educational, environmental and public safety needs in an innovative manner.

(c) STATE APPLICATION FOR GRANT.—To receive a grant under this subtitle, a State shall prepare and submit, to the Commission, an application at such time, in such manner, and containing such information as the Commission may reasonably require, including—

(1) a description of the proposed program to be established with assistance provided under the grant;

(2) a description of the human, educational, environmental or public safety service that participants will perform and the State or community need that will be addressed under such proposed program;

(3) a description of the target population of participants and how they will be recruited;

(4) a description of the procedure for training supervisors and participants and for supervising and organizing participants in such proposed program;

(5) a description of the procedures to ensure that the proposed program provides participants with an opportunity to reflect on their service experiences;

(6) a description of any stipend or benefit that participants will receive, if any;

(7) an estimate of the anticipated number of participants and the anticipated number of hours of service such participants will perform;

(8) a description of the State budget for the program;

(9) assurances that, prior to the placement of a participant in a project, the State will consult with any local labor organization representing employees in the area who are engaged in the same or similar work as that proposed to be carried out by such project; and

(10) assurances that, prior to the placement of a participant in a project, the State will consult with employees at the proposed project site who are engaged in the same or similar work as that proposed to be carried out by such project.

(d) INDIAN TRIBES.—An Indian tribe shall be treated the same as a State for purposes of making grants under this subtitle.

Subtitle F—Administrative Provisions

SEC. 170. LIMITATION ON NUMBER OF GRANTS.

(a) IN GENERAL.—The Commission shall not award more than one grant during each fiscal year to each State under section 102.

(b) NUMBER OF APPLICATIONS.—In submitting applications for a grant under section 102, a State shall consolidate all of the applications of such State for the conduct of programs under subtitles B through E, into a single application that meets the requirements of such subtitles.

(c) MULTIPLE USE.—A grant awarded under section 102 to a State may be used by the State in accordance with the applications consolidated, submitted, and approved under subtitles (B) through (E).

SEC. 171. REPORTS.

(a) STATE REPORTS.—

(1) IN GENERAL.—Each State receiving assistance under this title shall prepare and submit, to the Commission, an annual report concerning the status of the national and community service programs that receive assistance under such title in such State.

(2) LOCAL GRANTEES.—Each State may require local grantees that receive assistance under this title to supply such information to the State as is necessary to enable the State to complete the report required under paragraph (1), including a comparison of actual accomplishments with the goals established for the program, the number of participants in the program, the number of service hours generated, and the existence of any problems, delays or adverse conditions that have affected or will affect the attainment of program goals.

(3) REPORT DEMONSTRATING COMPLIANCE.—

(A) IN GENERAL.—Each State receiving assistance under this title shall include information in the report required under paragraph (1) that demonstrates the compliance of the State with the provisions of section 176 and 113(9).

(B) LOCAL GRANTEES.—Each State may require local grantees to supply such information to the State as is necessary to enable the State to comply with the requirement of paragraph (1).

(4) AVAILABILITY OF REPORT.—Reports submitted under paragraph (1) shall be made available to the public on request.

(b) REPORT TO CONGRESS.—

(1) IN GENERAL.—Not later than 120 days after the end of each fiscal year, the Commission shall prepare and submit, to the appropriate authorizing and appropriation Committees of Congress, a report concerning the programs that receive assistance under this title.

(2) CONTENT.—Reports submitted under paragraph (1) shall contain a summary of the information contained in the State reports submitted under subsection (a), and shall reflect the findings and actions taken as a result of any evaluation conducted by the Commission.

SEC. 172. SUPPLEMENTATION.

(a) IN GENERAL.—Assistance provided under this title shall be used to supplement the level of State and local public funds expended for services of the type assisted under this title in the previous fiscal year.

(b) AGGREGATE EXPENDITURE.—Subsection (a) shall be satisfied, with respect to a particular program, if the aggregate expenditure for such program for the fiscal year in which services are to be provided will not be less than the aggregate expenditure for such program in the previous fiscal year, excluding the amount of Federal assistance provided and any other amounts used to pay the remainder of the costs of programs assisted under this title.

SEC. 173. PROHIBITION ON USE OF FUNDS.

(a) IN GENERAL.—Assistance provided under this title shall not be used by program participants and program staff to—

(1) provide religious instruction, conduct worship services, or engage in any form of proselytization, but nothing in this Act shall be construed to prevent any church or other religious entity from—

(A) displaying religious symbols or decorations;

(B) allowing persons to pray voluntarily, whether silently or vocally;

(C) allowing persons to sing religious hymns; or

(D) affirming or promoting any moral tenet that may be based on religious precepts;

So long as no funds provided under this Act are used by program participants and program staff for such activities and so long as these activities are conducted in a manner consistent with the Constitution.

(2) assist, promote, or deter union organizing; and

(3) finance, directly or indirectly, any activity designed to influence the outcome of an election to Federal office or the outcome of an election to a State or local public office.

(b) CONTRACTS OR COLLECTIVE BARGAINING AGREEMENTS.—A program that receives assistance under this title shall not impair existing contracts for services or collective bargaining agreements.

SEC. 174. NONDISCRIMINATION.

(a) IN GENERAL.—Any assistance provided under this title shall constitute Federal financial assistance for purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.), the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), and the regulations issued under such Acts.

(b) NONDISCRIMINATION.—Any individual with responsibility for the administration of a program that receives assistance under this title shall not discriminate in the selection of participants to such program on the basis of race, religion, color, national origin, sex, age, disability, or political affiliation, except that nothing in this Act shall prohibit a church or other religious entity from requiring that participants adhere to the religious tenets and teachings of such organization and further, such organization may require that participants adhere to rules forbidding the use of drugs or alcohol.

(c) QUALIFIED APPLICANTS.—If two or more prospective participants are qualified for any position with a church or other religious entity that is funded under part A of title I or titles II or III, nothing in this Act shall prohibit such organization from accepting a prospective participant for such position who is already participating on a regular basis in other activities of the church or other religious entity.

(d) RULES AND REGULATIONS.—The Commission shall promulgate rules and regulations to provide for the enforcement of this section that shall include provisions for summary suspension of assistance for not more than 30 days, on an emergency basis, until notice and an opportunity to be heard can be provided.

(e) RIGHT OF ACTION.—

(1) SENSE OF THE SENATE.—It is the sense of the Senate—

(A) to deplore the practice of boycotting businesses on the basis of the race, religion, national origin, gender, age, or disability of the owner, operator, employees, or patrons of such entities;

(B) that the programs assisted under this Act should not be used to fund such boycotts; and

(C) that the rights of all persons to engage in free speech protected by the Constitution should be protected.

(2) LIMITATION.—None of the amounts appropriated under this Act shall be used to engage in a boycott of any entity on the basis of the race, religion, national origin, gender, age, or disability, of the owner, operator, employees or patrons of such entity.

(3) ATTORNEY GENERAL.—Notwithstanding any other provision of law, the Attorney General may file an action under this subsection, in the appropriate district court of the United States, against any organization or entity to recover the amount of assistance provided to such organization or entity under this Act that is used in violation of this subsection.

SEC. 175. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) IN GENERAL.—

(1) SUSPENSION OF PAYMENTS.—The Commission may in accordance with the provisions of this title, suspend or terminate payments under a contract or grant providing assistance under this title whenever the Commission determines there is a material failure to comply with this title or the applicable terms and conditions of any such grant or contract issued pursuant to this title.

(2) PROCEDURES TO ENSURE ASSISTANCE.—The Commission shall prescribe procedures to ensure that—

(A) assistance provided under this title shall not be suspended for failure to comply with the applicable terms and conditions of this title except, in emergency situations, a suspension may be granted for 30 days; and

(B) assistance provided under this title shall not be terminated for failure to comply with applicable terms and conditions of this title unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) HEARINGS.—Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to the recipient of assistance under this title.

(c) TRANSCRIPT OR RECORDING.—A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.

(d) STATE LEGISLATION.—Nothing in this title shall be construed to preclude the enactment of State legislation providing for the implementation, consistent with this title, of the programs administered under this title.

(e) GRIEVANCE PROCEDURE—

(1) IN GENERAL.—State and local applicants that receive assistance under this title shall establish and maintain a procedure to adjudicate grievances from participants, labor organizations, and other interested individuals concerning programs that receive assistance under this title, including grievances regarding proposed placements of such participants in such projects.

(2) DEADLINE FOR GRIEVANCES.—Except for a grievance that alleges fraud or criminal activity, a grievance shall be made not later than 1 year after the date of the alleged occurrence.

(3) DEADLINE FOR HEARING AND DECISION.—

(A) HEARING.—A hearing on any grievance conducted under this subsection shall be conducted not later than 30 days of filing such grievance.

(B) DECISION.—A decision on any grievance shall be made not later than 60 days after the filing of such grievance.

(4) ARBITRATION.—

(A) IN GENERAL.—On the occurrence of an adverse grievance decision, or 60 days after the filing of such grievance if no decision has been reached, the party filing the grievance shall be permitted to submit such grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

(B) DEADLINE FOR PROCEEDING.—An arbitration proceeding shall be held not later than 45 days after the request for such arbitration.

(C) DEADLINE FOR DECISION.—A decision concerning such grievance shall be made not later than 30 days after the date of such arbitration proceeding.

(D) COST.—The cost of such arbitration proceeding shall be divided evenly between the parties to the arbitration.

(5) PROPOSED PLACEMENT.—If a grievance is filed regarding a proposed placement of a participant in a program that receives assistance under this title, such placement shall not be made unless it is consistent with the resolution of the grievance pursuant to this subsection.

(6) REMEDIES.—Remedies for a grievance filed under this subsection include—

(A) suspension of payments for assistance under this title;

(B) termination of such payments; and

(C) prohibition of such placement described in paragraph (5).

SEC. 176. NONDUPLICATION AND NONDISPLACEMENT.

(a) NONDUPLICATION.—

(1) IN GENERAL.—Assistance provided under this title shall be used only for a program that does not duplicate, and is in addition to, an activity otherwise available in the locality of such program.

(2) PRIVATE NONPROFIT ENTITY.—Assistance made available under this title shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency that such entity resides in, unless the requirements of subsection (b) are met.

(b) NONDISPLACEMENT.—

(1) IN GENERAL.—An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program receiving assistance under this title.

(2) SERVICE OPPORTUNITIES.—A service opportunity shall not be created under this title that will infringe in any manner on the promotional opportunity of an employed individual.

(3) LIMITATION ON SERVICES.—

(A) DUPLICATION OF SERVICES.—A participant in a program receiving assistance under this title shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of such employee.

(B) SUPPLANTATION OF HIRING.—A participant in any program receiving assistance under this title shall not perform any services or duties or engage in activities that will supplant the hiring of employed workers.

(C) DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.—A participant in any program receiving assistance under this title shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker;

(ii) employee who recently resigned or was discharged;

(iii) employee who is subject to a reduction in force;

(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick); or

(v) employee who is on strike or who is being locked out.

SEC. 177. STATE ADVISORY BOARD.

(a) FORMATION OF BOARD.—Each State that applies for assistance under this title is encouraged to establish a State Advisory Board for National and Community Service.

(b) MEMBERS.—

(1) IN GENERAL.—The chief executive officer of a State referred to in subsection (a) shall appoint members to such Advisory Board from among—

(A) representatives of State agencies administering community service, youth service, education, social service, and job training programs; and

(B) representatives of labor, business, agencies working with youth, community-based organizations such as community action agencies, students, teachers, Older American Volunteer Programs as established under title II of the Domestic Volunteer Act of 1973 (42 U.S.C. 5001 et seq.), full-time youth service corps programs, school-based community service programs, higher education institutions, local educational agencies, volunteer public safety organizations, educational partnership programs, and other organizations working with volunteers.

(2) BALANCE OF MEMBERSHIP.—To the extent practicable, the chief executive officer of a State referred to in subsection (a) shall ensure that the membership of the Advisory Board is balanced according to race, ethnicity, and gender.

(c) DUTIES OF BOARD.—A State Advisory Board for National and Community Service established under subsection (a) shall assist the State agency administering a program receiving assistance under this title in—

(1) coordinating programs that receive assistance under this title and related programs within the State;

(2) disseminating information concerning service programs that receive assistance under this title;

(3) recruiting participants for programs that receive assistance under this title; and

(4) developing programs, training methods, curriculum materials, and other materials and activities related to programs that receive assistance under this title.

SEC. 178. EVALUATION.

(a) IN GENERAL.—The Commission shall provide, through grants or contracts, for the continuing evaluation of programs that receive assistance under this title, including evaluations that measure the impact of such programs, to determine—

(1) the effectiveness of such programs in achieving stated goals and the costs associated with such;

(2) for purposes of the reports required by subsection (h), the impact of such programs, in each State in which a program is conducted, on the ability of—

(A) the VISTA and older American volunteer programs (established under the Domestic Volunteer Services Act of 1973 (42 U.S.C. 4950 et seq.));

(B) each regular component of the armed forces (as defined in section 101(4) of title 10, United States Code);

(C) each of the reserve components of the armed forces (as described in section 216(a) of title 5, United States Code); and

(D) the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.));

to recruit individuals residing in such State to serve in such program; and

(3) the structure and mechanisms for delivery of services for such programs.

(b) COMPARISONS.—The Commission shall provide for inclusion in the evaluations required under subsection (a), where appropriate, comparisons of participants in such programs with individuals who have not participated in such programs.

(c) CONDUCTING EVALUATIONS.—Evaluations of programs under subsection (a) shall be conducted by individuals who are not directly involved in the administration of such program.

(d) PROGRAM OBJECTIVES.—The Commission shall ensure that programs that receive

assistance under subtitle D are evaluated to determine their effectiveness in—

(1) recruiting and enrolling diverse participants in such programs, consistent with the requirements of section 145, based on economic background, race, ethnicity, age, marital status, education levels, and disability;

(2) promoting the educational achievement of each participant in such programs, based on earning a high school diploma or the equivalent of such diploma and the future enrollment and completion of increasingly higher levels of education;

(3) encouraging each participant to engage in public and community service after completion of the program based on career choices and service in other service programs such as the Volunteers in Service to America Program and older American volunteer programs established under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.), the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), the military, and part-time volunteer service;

(4) promoting of positive attitudes among each participant regarding the role of such participant in solving community problems based on the view of such participant regarding the personal capacity of such participant to improve the lives of others, the responsibilities of such participant as a citizen and community member, and other factors;

(5) enabling each participant to finance a lesser portion of the higher education of such participant through student loans;

(6) providing services and projects that benefit the community;

(7) supplying additional volunteer assistance to community agencies without overloading such agencies with more volunteers than can effectively be utilized;

(8) providing services and activities that could not otherwise be performed by employed workers and that will not supplant the hiring of, or result in the displacement of, employed workers or impair the existing contracts of such workers; and

(9) attracting a greater number of citizens to public service, including service in the active and reserve components of the Armed Forces, the National Guard, the Peace Corps (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)), and the VISTA and older American volunteer programs established under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.).

(e) COMPARISON OF PROGRAM MODELS.—The Commission shall evaluate and compare the effectiveness of different program models in meeting the program objectives described in subsection (d) including full- and part-time programs, programs involving different types of national service, programs using different recruitment methods, programs offering alternative voucher options, and programs utilizing individual placements and teams.

(f) OBTAINING INFORMATION.—

(1) IN GENERAL.—In conducting the evaluations required under subsection (d), the Commission may require each program participant and State or local applicant to provide such information as may be necessary to carry out the requirements of this section.

(2) CONFIDENTIALITY.—The Commission shall keep information acquired under this section confidential.

(g) DEADLINE.—The Commission shall complete the evaluations required under subsection (d) not later than 2 years after the date of enactment of this Act.

(h) REPORTS.—

(1) INITIAL REPORT.—Not later than 24 months after the date on which the first program is initiated under this title, the Commission shall prepare and submit, to the appropriate Committees of Congress, a report containing the results of the evaluations conducted under subsection (a)(2) with respect to the first 18 months after such initiation date.

SEC. 179. ENGAGEMENT OF PARTICIPANTS.

A State shall not engage a participant to serve in any program that receives assistance under this title unless and until amounts have been appropriated under section 401 for the provision of vouchers and for the payment of other necessary expenses and costs associated with such participant.

SEC. 180. NATIONAL SERVICE DEMONSTRATION PROGRAM AMENDMENTS.

(a) TREATMENT OF EDUCATION AND HOUSING VOUCHER.—For purposes of determining eligibility for programs under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) (hereafter in this section referred to as the "Act"), vouchers received under this Act shall be considered as estimated financial assistance as defined in section 428(a)(2)(C)(i) of title IV of the Act (20 U.S.C. 1078(a)(2)(C)(i)), except that in no case shall such a voucher be considered as—

(1) annual adjusted family income as defined in section 411F(1) of subpart 1 of part A of title IV of such Act (20 U.S.C. 1070a-6); or

(2) total income as defined in section 480(a) of part F of title IV of such Act (20 U.S.C. 1087vv(a)).

(b) TREATMENT OF STIPEND FOR LIVING EXPENSES.—In no case shall stipends received under this Act be considered in the determination of expected family contribution or independent student status under—

(1) subpart 1 of part A of title IV of such Act (20 U.S.C. 1070a et seq.); or

(2) part F of title IV of such Act (20 U.S.C. 1087kk et seq.).

(c) CONTINGENT EXTENSION.—Section 414 of the General Education Provisions Act (20 U.S.C. 1226a) shall apply to this Act.

SEC. 181. PARTNERSHIPS WITH SCHOOLS.

(a) DEFINITIONS.—As used in this section:

(1) PARTNERSHIP PROGRAM.—The term "partnership program" means a cooperative effort between an agency or department of the Federal government and an educational institution to enhance the education of students.

(2) SCHOOL VOLUNTEER.—The term "school volunteer" means an individual, beyond the age of compulsory schooling, working without financial remuneration under the direction of professional staff within a school or school district.

(b) DESIGN OF PROGRAMS.—The head of each Federal agency and department shall design and implement a comprehensive strategy to involve employees of such agencies and departments in partnership programs with elementary schools and secondary schools. Such strategy shall include—

(1) a review of existing programs to identify and expand the opportunities for such employees to be school volunteers;

(2) the designation of a senior official in each such agency and department who will be responsible for establishing school volunteer and partnership programs in each such agency and department and for developing school volunteer and partnership programs; and

(3) the encouragement of employees of such agencies and departments to participate in school volunteer and partnership programs.

(c) REPORT.—Not later than 180 days after the date of enactment of this Act, and on a regular basis thereafter, the head of each Federal agency and department shall prepare and submit, to the appropriate Committees of Congress, a report concerning the implementation of this section.

SEC. 182. SERVICE AS TUTORS.

Notwithstanding any other provision of this Act, a service opportunity through which a part-time participant serves as a classroom tutor under the supervision of a certified professional shall be considered an acceptable placement if the requirements of section 176(b) (1) and (2) and section 173 are met.

SEC. 183. CONFORMING AMENDMENTS.

The Higher Education Act of 1965 is amended—

(1) in section 411F(9) (20 U.S.C. 1070a-6(9)), by adding at the end thereof the following new subparagraph:

"(F) Annual adjusted family income does not include any stipend received by a participant in programs established under the National and Community Service Act of 1990.";

(2) in section 411F(12)(B)(vi) (20 U.S.C. 1070a-6(12)(B)(vi)), by striking "(including all sources of resources other than parents)" and inserting "(including all sources of resources other than parents and stipends received as a result of participation in a program established under the National and Community Service Act of 1990.)";

(3) in section 480(f) (20 U.S.C. 1087vv(f)), by—

(A) striking "and" at the end of paragraph (1);

(B) by striking the period at the end of paragraph (2) and inserting a semicolon and "and"; and

(C) adding at the end thereof the following new paragraph:

"(3) any stipend received by a participant in a program established under the National and Community Service Act of 1990."; and

(4) in section 480(d)(2)(F) (20 U.S.C. 1087vv(d)(2)(F)), by inserting after "other than parents" "and stipends received as a result of participation in a program established under the National and Community Service Act of 1990)".

Subtitle G—Commission on National and Community Service

SEC. 190. COMMISSION ON NATIONAL AND COMMUNITY SERVICE.

(a) ESTABLISHMENT.—There is established a Commission on National and Community Service that shall administer the programs established under this title.

(b) BOARD OF DIRECTORS.—

(1) COMPOSITION.—The Commission shall be administered by a Board of Directors (hereinafter referred to in this section as the "Board") that shall be composed of 21 members, to be appointed by the President with the advice and consent of the Senate, who shall be individuals who have extensive experience in volunteer and service opportunity programs and who represent a broad range of viewpoints. The membership of the Board shall be balanced according to the race, ethnicity and gender of its members.

(2) POLITICAL PARTIES.—Not more than 11 members of the Board shall belong to the same political party.

(3) TERMS.—Each member of the Board shall serve for a term of 2 years, except that, subject to the provisions of paragraph (4), eleven of the initial members of the

Board shall serve for a term of 1 year, as designated by the President.

(4) VACANCIES.—

(A) IN GENERAL.—As vacancies occur on the Board, new members shall be appointed by the President with the advice and consent of the Senate and serve for the remainder of the term for which the predecessor of such member was appointed.

(5) CHAIRPERSON.—The Board shall elect a chairperson and vice-chairperson from among its membership.

(6) MEETINGS.—The Board shall meet not less than three times each year. The Board shall hold additional meetings if seven members of the Board request such meetings in writing. A majority of the Board shall constitute a quorum.

(7) EXPENSES.—While away from their homes or regular places of business on the business of the Board, members of such Board may be allowed travel expenses, including per diem in lieu of subsistence, as is authorized under section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(c) DUTIES.—The Board shall—

(1) advise the President and the Congress concerning developments in national and community service that merit the attention of the President and the Congress;

(2) design and administer the programs or initiatives established under this title;

(3) shall consult with appropriate Federal agencies in administering programs that receive assistance under title I;

(4) may delegate authority to administer the programs established under this title to any other agency or entity of the Federal Government, on the agreement of such agency or entity, as the Board determines appropriate;

(5) shall provide, directly or through contract with public or private nonprofit organizations with extensive experience in service programs, training and technical assistance to States, school and community-based service programs, full-time youth service corps, and national service demonstration programs;

(6) shall arrange for the evaluation of programs established under this title, in accordance with section 178;

(7) coordinate with the Secretary of Defense in evaluating the effect of the national service demonstration program on the recruitment efforts of the active and reserve components of the Armed Forces; and

(8) carry out any other activities determined appropriate by the Secretary.

(d) EXECUTIVE DIRECTOR OF THE BOARD.—

(1) IN GENERAL.—The Board shall appoint an individual to serve as Executive Director of the Board (hereinafter referred to in this section as the "Director").

(2) DUTIES.—The Director shall advise the Board concerning developments in volunteer or national service that the Director determines merits the attention of the Board, identify promising service initiatives, and coordinate the work of the Board with the work of other Federal agencies involved in service activities and in the design of a competitive grant to provide assistance as authorized under this title.

(e) TECHNICAL EMPLOYEES.—The Director may, at the discretion of the Board, appoint not more than 10 technical employees to administer the Committee. Such employees shall be appointed for terms that shall not exceed 2 years, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(f) CLEARINGHOUSES.—

(1) IN GENERAL.—The Board shall provide assistance to not less than three national or regional service clearinghouses.

(2) PUBLIC AND PRIVATE NONPROFIT AGENCIES.—Public and private nonprofit agencies that have extensive experience in community service, adult volunteer and partnership programs, youth service, and other volunteer programs shall be eligible to receive funds under paragraph (1).

(3) FUNCTION OF CLEARINGHOUSES.—National and regional clearinghouses that receive assistance under paragraph (1) shall—

(A) assist State and local community service programs with needs assessments and planning;

(B) conduct research and evaluations concerning community service;

(C) provide leadership development and training to State and local community service program administrators, supervisors, and participants;

(D) administer award and recognition programs for outstanding community service programs and participants; and

(E) facilitate communication amongst community service programs and participants.

(4) GRANTS.—

(A) IN GENERAL.—The Board may make grants to national model service programs.

(B) ELIGIBILITY.—States, education institutions, local government agencies, community-based agencies, nonprofit organizations, or consortia composed thereof shall be eligible to receive grants under subparagraph (A).

(C) DISSEMINATION OF INFORMATION.—The Board shall widely disseminate information concerning national model service programs that receive assistance under subparagraph (A).

(5) INNOVATIVE CURRICULUM MATERIALS.—The Board may make grants for the development of innovative curriculum materials for use in youth community service and adult volunteer partnership programs.

(g) PRESIDENTIAL AWARDS FOR SERVICES.—

(1) PRESIDENTIAL AWARDS.—

(A) IN GENERAL.—The President, acting through the Commission, is authorized to make Presidential Awards for service to individuals demonstrating outstanding community service and to outstanding service programs.

(B) NUMBER OF AWARDS.—The President is authorized to make one individual and one program award in each Congressional district, and one Statewide program award in each State.

(C) CONSULTATION.—The President shall consult with the Governor of each State, and with the Board, in the selection of individuals and programs for Presidential Awards.

(D) PARTICIPANTS IN PROGRAMS.—An individual receiving an award under this subsection need not be a participant in a program assisted under this title.

(2) INFORMATION.—The President shall ensure that information concerning individuals and programs receiving awards under this subsection is widely disseminated.

(h) DETAIL OF EMPLOYEES.—Any Federal government employee may be detailed to the Commission without payment of reimbursement to the detailing agency. Such detail of a Federal employee shall not result in the interruption or loss of civil service status or privilege of such employee.

(i) LIMITATION.—In each fiscal year the Commission shall limit the value of any benefits conferred under this Act, to an amount that is not in excess of the appropriations for such fiscal year to carry out this Act, and if the fulfillment of the requirements of this Act requires amounts in excess of the limitation described in this subsection, such benefits shall be reduced to the extent necessary to comply with the requirements of this subsection.

TITLE II—MODIFICATIONS OF EXISTING EDUCATION PROGRAMS

SEC. 201. REFERENCES.

Whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Higher Education Act of 1965.

Subtitle A—Higher Education

SEC. 210. INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

(a) PURPOSE.—Section 1061 of the Act (20 U.S.C. 1135e) is amended by striking out "projects in exchange" and all that follows through the end thereof, and inserting in lieu thereof "activities before, during, or after the completion of such student's higher education.".

(b) USE OF GRANTS.—Section 1062 of the Act (20 U.S.C. 1135e-1) is amended to read as follows:

"SEC. 1062. INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

"(a) GENERAL AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this part, to make grants to, and enter into contracts with, institutions of higher education (including combinations of such institutions), and other public agencies and nonprofit organizations working in partnership with institutions of higher education, for purposes including—

"(1) encouraging students to participate in community service activities that will engender a sense of social responsibility and commitment to the community;

"(2) encouraging students to assist in the teaching of individuals with limited basic skills or an inability to read and write;

"(3) creating opportunities for students to engage in community service activities in exchange for financial assistance that reduces the debt acquired by students in the course of completing postsecondary education;

"(4) encouraging student-initiated and student designated community service projects; and

"(5) encouraging the integration of community service into academic curricula.

"(b) ADMINISTRATIVE PROVISIONS.—

"(1) APPLICATION.—No grant may be made, and no contract may be entered into, under this section unless an application is made to the Director of the Fund for Improvement of Postsecondary Education (hereinafter referred to as the 'Director') at such time, in such manner, and contained or accompanied by such information as the Director may reasonably require. Such applications shall include plans that describe the manner in which appropriate training is to be provided to participants and supervisors.

"(2) ADVISE.—Consistent with the provisions of section 1003(c), the National Board of the Fund for the Improvement of Postsecondary Education shall advise the Director on programs, priorities, and the selection of projects developed under the authority of this section.

"(3) TECHNICAL EMPLOYEES.—

"(A) IN GENERAL.—The Secretary may appoint, for terms of not to exceed 2 years, without regard to the provisions of title 5, United States Code governing appointments in the competitive service, technical employees to administer this part who may be paid without regard to the provisions of chapter 51, and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(B) LIMITATION.—The Secretary may appoint not more than 1 technical employee for each $2,000,000 appropriated under section 1063.

"(4) APPLICATION OF OTHER SECTION.—The provisions of section 1004(b) shall apply to grants made under this section.

"(5) CONSTRUCTION.—Nothing in this part shall be construed as requiring an institution of higher education to offer academic credit as a requirement of receiving assistance under this part.".

Subtitle B—State Student Incentive Grant and Work Study Programs

SEC. 220. ADDITIONAL RESERVATION FOR CAMPUS-BASED COMMUNITY WORK LEARNING STUDY JOBS.

Section 415B(a) of such Act (20 U.S.C. 1070c-1(a)) is amended by inserting the following new paragraph at the end thereof:

"(3)(A) If the amount appropriated to carry out this subpart exceeds $75,000,000, the Secretary shall, notwithstanding the provisions of section 415(C)(b)(3)(A), allot 50 percent of such excess to the States for the purpose described in section 415(C)(b)(3)(B).

"(B) The Secretary shall make the allotment required under subparagraph (A) based on the number of students participating in campus-based community work learning study jobs assisted under this subpart in each State as compared to the total number of students participating in such jobs in all States.".

SEC. 221. WORK STUDY PROGRAMS.

(a) WORK STUDY PROGRAMS.—Section 443(b)(5) of such Act (42 U.S.C. 2753(b)(5)) is amended by striking "and 70 percent for academic year 1990-1991" and inserting "70 percent for academic years 1990-1991 and 1991-1992, and 60 percent for academic year 1992-1993".

(b) COMMUNITY SERVICE LEARNING PROGRAMS.—Section 443(b)(5)(B) of such Act is amended by striking "90" and inserting "100".

SEC. 222. PUBLIC HEALTH AMENDMENT.

Section 361(a) of the Public Health Service Act (42 U.S.C. 264(a)) is amended by striking out "The" and inserting in lieu thereof "Notwithstanding any other provision of Federal law, the".

Subtitle C—Publication

SEC. 230. INFORMATION FOR STUDENTS.

(a) INSTITUTIONAL AND FINANCIAL.—Section 485(a)(1) of such Act (20 U.S.C. 1092(a)(1)) is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by striking out the period at the end of subparagraph (K) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new subparagraph:

"(L) the terms and conditions under which students receiving guaranteed student loans under part B of this title or direct student loans under part E of this title, or both, may—

"(i) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), or for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness, and

"(ii) obtain partial cancellation of the student loan for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.).".

(b) PARTICIPATION AGREEMENTS.—Section 487(a)(7) of such Act (20 U.S.C. 1094(a)(7)) is amended by inserting before the period a comma and the following: "particularly the requirements of subsection (a)(1)(L) of such section".

SEC. 231. EXIT COUNSELING FOR BORROWERS.

Section 485(b) of such Act (20 U.S.C. 1092(b)) is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and "and"; and

(3) by inserting after paragraph (2) the following new paragraph:

"(3) the terms and conditions under which the student may obtain partial cancellation or defer repayment of the principal and interest for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness.".

SEC. 232. DEPARTMENT INFORMATION ON DEFERMENTS AND CANCELLATIONS.

Section 485(d) of such Act (20 U.S.C. 1092(d)) is amended by inserting before the last sentence the following new sentence: "The Secretary shall provide information concerning the specific terms and conditions under which students may obtain partial cancellation or defer repayment of loans for service under the Peace Corps Act (as established by the Peace Corps Act (22 U.S.C. 2501 et seq.)) and the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or for comparable full-time service as a volunteer with a tax-exempt organization of demonstrated effectiveness, shall indicate (in terms of the Federal minimum wage) the maximum level of compensation and allowances that a student borrower may receive from a tax-exempt organization to qualify for a deferment, and shall explicitly state that students may qualify for such partial cancellations or deferments when they serve as a paid employee of a tax-exempt organization.".

SEC. 233. DATA ON DEFERMENTS AND CANCELLATIONS.

Section 485B(a) of such Act (20 U.S.C. 1092b(a)) is amended—

(1) by striking "and" at the end of paragraph (3);

(2) by striking the period at the end of paragraph (4) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding the following new paragraph after paragraph (4):

"(5) the exact amount of loans partially canceled or in deferment for service under the Peace Corps Act (22 U.S.C. 2501 et seq.)), for service under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), and for comparable full-time service as a volunteer for a tax-exempt organization of demonstrated effectiveness.".

Subtitle D—Direct Loans to Students in Institutions of Higher Education

SEC. 240. LOAN CANCELLATION AUTHORIZED.

(a) CANCELLATION FOR CERTAIN SERVICE.—Section 465(a)(2) of such Act (20 U.S.C.1087ee(a)(2)) is amended—

(1) by striking out "or" at the end of subparagraph (D);

(2) by striking out the period at the end of subparagraph (E) and inserting in lieu thereof a semicolon and the word "or"; and

(3) by adding at the end thereof the following new subparagraph:

"(F) as a full-time volunteer in service comparable to service referred to in subparagraph (E) for an organization of demonstrated effectiveness which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code 1986.".

(b) CANCELLATION PERCENTAGE.—Section 465(a)(3)(A) of such Act (20 U.S.C. 1087ee(a)(3)(A)) is amended—

(1) by striking out "or" at the end of clause (iii);

(2) by striking out the period at the end of clause (iv) and inserting in lieu thereof a semicolon and the word "or"; and

(3) by adding at the end thereof the following new clause:

"(v) in the case of service described in subparagraph (F) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service.".

SEC. 241. EFFECTIVE DATE.

The amendments made by section 240 shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this subtitle.

Subtitle E—Loan Forgiveness

SEC. 250. LOAN FORGIVENESS.

(a) IN GENERAL.—Part B of title IV of such Act is amended by inserting after section 432 (20 U.S.C. 1082) the following new section:

"SEC. 432A. TREATMENT OF STUDENT VOLUNTEERS.

"(a) IN GENERAL.—Notwithstanding any other provision of law except subsection (c), a loan insurable under section 427, or the student loan insurance program of a State, institution, or organization under section 428, shall provide that, in the case of any student borrower who, prior to the beginning of the repayment period, agrees in writing to volunteer for service under the Peace Corps Act (22 U.S.C. 2501 et seq.) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or for comparable full-time service as a volunteer with a tax exempt organization of demonstrative effectiveness, for the payment by the United States of the percent of the amount of loans specified in subsection (b).

"(b) PARTIAL CANCELLATION AUTHORITY.—

"(1) AGREEMENT.—The Secretary shall enter into an agreement with any student borrower described in section 427(a)(2)(H) or 428(b)(1)(V) under which the borrower shall agree to serve as a volunteer under the Peace Corps Act (22 U.S.C. 2501 et seq.) or under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.) or for comparable full-time service as a volunteer with a tax-exempt organization of demonstrated effectiveness.

"(2) ASSURANCES.—The agreement entered into under paragraph (1) shall contain provisions designed to assure that—

"(A) the Secretary will assume the obligation of paying the percent of any loan made, insured, or guaranteed under this part,

except those described in sections 428A, 428B and 428C, pursuant to the schedule described in paragraph (5); and

"(B) the student borrower who fails to volunteer for service in accordance with the agreement will assume the obligation of paying the amount of any such loan attributable to the period for which the student borrower failed to comply with the agreement.

"(3) PAYMENT.—The Secretary shall in each fiscal year pay to the holder of each loan for which the Secretary assumes responsibility under this subsection the amount specified in paragraph (5).

"(4) WAIVER OR SUSPENSION.—The Secretary shall waive or suspend any obligation of service or payment of any loan, or any part thereof, to which the United States is entitled under paragraph (2)(A) whenever the Secretary determines that compliance by an individual with the agreement is impossible or would involve extreme hardship to the individual.

"(5) AMOUNT OF PAYMENT.—

"(A) IN GENERAL.—The percentage of a loan that shall be paid by the United States under paragraph (2)(A) shall be 15 percent for the first or second year of service and 20 percent for the third or fourth year of service as described in paragraph (1).

"(B) INTEREST.—If a portion of the loan is paid by the Secretary under this subsection for any year, the entire amount of interest on such loan which accrues for such year shall be paid by the Secretary.

"(C) CONSTRUCTION.—Nothing in this subsection shall be construed to authorize the refunding of any repayment on the loan.

"(c) LIMITATION.—In each fiscal year, the Secretary shall limit the value of any benefits conferred under this section to an amount that is not in excess of the appropriation for such fiscal year to carry out this section, and if the fulfillment of the requirements of this section requires amounts in excess of this limitation described in this subsection, such benefits shall be reduced to the extent necessary to comply with the requirements of this subsection.".

(c) TECHNICAL AMENDMENTS.—

(1) STUDENT VOLUNTEER.—

(A) NOTE.—Section 427(a)(2)(B)(ii) of such Act (20 U.S.C. 1077(a)(2)(B)(ii)) is amended by inserting after "that" a comma and the following: "subject to the provisions of subparagraph (H),".

(B) PAYMENT BY FEDERAL GOVERNMENT.—Section 427(a)(2) of such Act (20 U.S.C. 1077(a)(2)(B)(ii)) is amended by—

(i) striking out "and" at the end of subparagraph (G);

(ii) redesignating subparagraph (H) as subparagraph (I); and

(iii) inserting after subparagraph (G) the following new subparagraph:

"(H) complies with section 432A.".

(2) FEDERAL PAYMENT TO REDUCE INTEREST.—

(A) INSURANCE PROGRAM REQUIREMENT.—Section 428(b)(1)(D) of such Act (20 U.S.C. 1078(b)(1)(D)) is amended by inserting after "paragraph" the following: "and subject to subparagraph (V)".

(B) PAYMENT BY FEDERAL GOVERNMENT.—Section 428(b)(1) of such Act (20 U.S.C. 1078(b)(1)(D)) is amended by—

(i) striking out "and" at the end of subparagraph (T);

(ii) striking out the period at the end of subparagraph (U) and by inserting in lieu thereof a semicolon and "and"; and

(iii) adding at the end thereof the following new subparagraph:

"(V) complies with section 432A.".

SEC. 251. EFFECTIVE DATE.

The amendments made by section 250 shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this Act.

TITLE III—POINTS OF LIGHT INITIATIVE FOUNDATION

SEC 301. SHORT TITLE.

This title may be cited as the "Points of Light Initiative Foundation Act".

SEC. 302. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) community service and service to others is an integral part of American tradition;

(2) existing volunteers and volunteer programs should be praised for their efforts in helping and serving others;

(3) the definition of a successful life includes service to others;

(4) individuals should be encouraged to volunteer their time and energies in community service efforts;

(5) if asked to volunteer or participate in community service, most Americans will do so;

(6) institutions should be encouraged to volunteer their resources and energies and should encourage volunteer and community service among their members, employees, affiliates; and

(7) volunteer and community service programs are intended to complement and not replace governmental responsibilities.

(b) PURPOSE.—It is the purpose of this title—

(1) to encourage every American and every American institution to help solve our most critical social problems by volunteering their time, energies and services through community service projects and initiatives;

(2) to identify successful and promising community service projects and initiatives, and to disseminate information concerning such projects and initiatives to other communities in order to promote their adoption nationwide; and

(3) to discover and encourage new leaders and develop individuals and institutions that serve as strong examples of a commitment to serving others and to convince all Americans that a successful life includes serving others.

SEC. 303. AUTHORITY.

(a) The President is authorized to designate a private, nonprofit organization (hereafter referred to as the Foundation) to receive funds pursuant to section 401(a)(7), upon his determination that such organization is capable of carrying out the undertakings described in section 302. Any such designation by the President shall be revocable.

(b) Nothing in this Act shall be construed either (i) to cause the Foundation to be deemed an agency, establishment, or instrumentality of the United States Government, or (ii) to cause the directors, officers or employees of the Foundation to be deemed officers or employees of the United States.

SEC. 304. GRANTS TO THE FOUNDATION.

(a) Funds made available pursuant to sections 303 and 401(a)(7) shall be granted to the Foundation by a department or agency in the executive branch of the United States Government designated by the President—

(1) to assist the Foundation in carrying out the undertakings described in section 302; and

(2) for administrative expenses of the Foundation.

(b) Notwithstanding any other provision of law, the Foundation may hold funds granted to it pursuant to this Act in interest-bearing accounts, prior to the disbursement of such funds for purposes specified in subsection (a) of this section, and may retain for such purposes any interest earned on such deposits without returning such interest to the Treasury of the United States and without further appropriation by the Congress.

SEC. 305. ELIGIBILITY OF THE FOUNDATION FOR GRANTS.

(a) Grants may be made to the Foundation pursuant to this Act only if the Foundation agrees to comply with the requirements specified in this Act. If the Foundation fails to comply with the requirements specified in this Act, additional funds shall not be released until the Foundation brings itself into compliance with these requirements.

(b) The Foundation may use funds provided by this Act only for activities and programs consistent with the purposes set forth in sections 302 and 304.

(c) The Foundation shall not issue any shares of stock or declare or pay any dividends.

(d) No part of the funds available to the Foundation shall inure to the benefit of any board member, officer, or employee of the Foundation, except as salary or reasonable compensation for services or expenses. Compensation for board members shall be limited to reimbursement for reasonable costs of travel and expenses.

(e) No director, officer, or employee of the Foundation shall participate, directly or indirectly, in the consideration or determination of any question before the Foundation that affects his or her financial interests or the financial interests of any corporation, partnership, entity, or organization in which he or she has a direct or indirect financial interest.

(f) The Foundation shall not engage in lobbying or propaganda for the purpose of influencing legislation, and shall not participate or intervene in any political campaign on behalf of any candidate for public office.

(g) During the second fiscal year in which funds are granted to the Foundation pursuant to this Act, the Foundation shall raise from private sector donations an amount equal to at least one-fourth of any funds granted to the Foundation pursuant to this Act in that fiscal year. Funds shall be released to the Foundation during this fiscal year only to the extent that this matching requirement has been met.

(h) The accounts of the Foundation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The report of each such independent audit shall be included in the annual report required by subsection (l) of this section.

(i) So long as the Foundation is receiving grants pursuant to this Act, the accounts of the Foundation may be audited at any time by any agency designated by the President. The Foundation shall keep such records as will facilitate effective audits.

(j) So long as it is receiving grants pursuant to this Act, the Foundation shall be subject to appropriate oversight procedures of the Congress.

(k) The Foundation shall ensure—

(1) that any recipient of financial assistance provided by the Foundation from funds granted pursuant to this Act keeps separate accounts with respect to such assistance and such records as may be reasonably necessary to disclose fully (i) the amount and the disposition by such recipient of the assistance received from the Foundation, (ii) the total cost of the project or undertaking in connection with which such assistance is given or used, (iii) the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and (iv) such other records as will facilitate effective audits; and

(2) that the Foundation, or any of its duly authorized representatives (including any agency designated by the President pursuant to subsection (i) of this section), shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the recipient that are pertinent to assistance provided from funds granted pursuant to this title.

(l) The Foundation shall submit to the President and to the Congress an annual report, which shall include a comprehensive and detailed description of the Foundation's operations, activities, financial condition, and accomplishments for the preceding fiscal year. This report shall be submitted not later than three months after the conclusion of any fiscal year in which the Foundation receives grants pursuant to this Act.

SEC. 306. POWERS AND FUNCTIONS.

The Foundation, in addition to the other powers and functions provided for in this title—

(1) shall have perpetual succession, except that such Foundation may be dissolved by an Act of Congress;

(2) may adopt, alter, and use a corporate seal;

(3) may make and perform contracts and other agreements with any individual, corporation, or other entity and with any government agency;

(4) may acquire by purchase, devise, bequest, or gift, or otherwise lease, hold, and improve, such real and personal property as the Board finds to be necessary to achieve the purposes of the Foundation;

(5) may accept money, funds, property, and services of every kind of gift, devise, bequest, grant, or otherwise;

(6) may establish and operate such programs, adopt such policies, and pursue such activities as may be determined appropriate by the Board to further the purposes of the Foundation; and

(7) shall have such other powers as may be necessary and appropriate to carrying out its powers and duties under this Act.

SEC. 307. PRINCIPAL AND BRANCH OFFICES.

The Foundation shall establish a principal office in the District of Columbia and may establish such branch offices or other offices in any place within the United States or elsewhere where the Foundation may carry out its operations.

SEC. 308. NONPROFIT NATURE OF THE FOUNDATION.

(a) IN GENERAL.—The Foundation shall be a nonprofit corporation and shall have no capital stock.

(b) REVENUE AND EARNINGS.—No part of the revenue, earnings, or other income or property of the Foundation shall inure to the benefit of the members of the Board, the officers, or the employees of the Foundation, and such revenue, earnings or other income, or property shall be used for carrying out the purposes of this title.

(c) CONFLICT OF INTEREST.—No member of the Board, officer or employee of the Foundation shall in any manner, directly or indirectly, participate in the deliberation or the determination of any question affecting the personal interests of such members, officer or employee or the interests of any corporation, partnership or organization in which such members, officer or employee is directly or indirectly interested.

(d) CONTRIBUTIONS.—The Foundation shall not contribute to or otherwise support any political party or candidate for elective public office.

SEC. 309. EXEMPTION FROM TAX.

The Foundation, including its income, shall be exempt from taxation imposed by the United States or any territory or possession thereof, or by any State, county, municipality, or local taxing authority.

SEC. 310. OVERSIGHT.

The Board shall use amounts appropriated under section 401(a)(7) to—

(1) prepare and submit, to the appropriate Committees of Congress and the President, an annual report concerning the activities of the Foundation and the expenditure of funds by such;

(2) procure audits of its activities by the Comptroller General; and

(3) participate in the Office of Management and Budget budget review process.

SEC. 311. ANNUAL BUDGET.

The Foundation shall establish an annual budget for use in allocating amounts available to the Foundation under section 401(a)(7). The Foundation may, in each fiscal year, supplement the appropriation for such fiscal year under such section (a) with private resources.

TITLE IV—AUTHORIZATION OF APPROPRIATIONS

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this Act, $50,000,000 for fiscal year 1990 and $75,000,000 for fiscal year 1991, of which the Secretary shall make available—

(1) to carry out subtitle B of title I, $10,000,000 for fiscal year 1990 and $15,000,000 for fiscal year 1991;

(2) to carry out subtitle C of title I, $14,000,000 for fiscal year 1990 and $21,000,000 for fiscal year 1991;

(3) to carry out subtitle D of title I, $14,000,000 for fiscal year 1990 and $21,000,000 for fiscal year 1991;

(4) to carry out subtitle E of title I, $400,000 for fiscal year 1990 and $600,000 for fiscal year 1991;

(5) to carry out subtitle G of title I, $800,000 for fiscal year 1990 and $1,200,000 for fiscal year 1991;

(6) to establish clearinghouses under section 190(f), $800,000 for fiscal year 1990 and $1,200,000 for fiscal year 1991; and

(7) to carry out title III, $10,000,000 for fiscal year 1990 and $15,000,000 for fiscal year 1991.

(b) POINTS OF LIGHT FOUNDATION.—If any amounts made available under subsection (a)(7) are not used by the Points of Light Foundation, such amounts shall be made available to carry out subtitles B, C, and D of title I on a pro rata basis.

(c) UNUSED APPROPRIATIONS.—If an amount authorized to be appropriated in any fiscal year is not appropriated, or is appropriated but not expended in such fiscal year, such amount shall remain available to be appropriated, or expended, in the following fiscal year.

TITLE V—GENERAL PROVISIONS

SEC. 501. EMERGENCY MEDICAL SERVICES FOR CHILDREN.

Section 1910(a) of the Public Health Service Act (42 U.S.C. 300w-9(a)) is amended in the first sentence—

(1) by striking out "not more than four";

(2) by striking out "in any fiscal year"; and

(3) by striking out "in such States".

SEC. 502. PHYSICIAN'S COMPARABILITY ALLOWANCE.

The positions of the Assistant Secretary for Health, the Deputy Assistant Secretary for Health, the heads of the Public Health Services agencies, and other positions that are compensated under subchapter II of chapter 53, of title 5, United States Code, relating to the Executive Schedule, when employed as physicians shall be defined as "government physicians" for purposes of eligibility for physicians comparability allowance as defined in section 5948 of title 5, United States Code.

SEC. 503. POLICY REGARDING "PEACE DIVIDEND".

(a) FINDINGS.—The Senate finds that—

(1) in recent months, dramatic movements toward greater political and economic freedom have occurred in Eastern Europe and the Soviet Union, and

(2) these democratic reforms will permit the preservation of our Nation's security at a cost less than current budget levels.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that funds saved as a result of reductions in military expenditures shall be used for—

(1) balancing the budget, without resorting to use of the Social Security surpluses, in order to stop the ongoing "thievery" and "embezzlement" from the Social Security Trust Funds;

(2) urgent national priorities, including investing in America's future, anti-drug and anti-crime efforts, education, health care, the environment, rebuilding the infrastructure, assisting emerging democracies, and other critical needs;

(3) tax reductions for working men and women.

SEC. 504. DRUG FREE WORKPLACE REQUIREMENTS.

All programs receiving grants provided under this Act shall be subject to the Drug-Free Workplace Requirements for Federal Grant Recipients under section 5153 through 5158 of the Anti-Drug Abuse Act of 1988 (41 U.S.C. 702-707).

SEC. 505. AMEND SECTION 1-2503 OF DISTRICT OF COLUMBIA CODE.

Sec. 1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c)(1) Nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches or trains any minor, or holds out an adult as a role model, mentor, or companion to any minor, of any adult homosexual, bisexual or heterosexual person who has been convicted of or is charged with a sexual offense with a minor, or who otherwise poses a threat of engaging in sex with a minor or otherwise sexually abusing a minor; and

"(2) nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual, bisexual or heterosexual person in any voluntary program or activity that

educates, coaches, or trains any minor, or holds out an adult as a role model, mentor, or companion to a minor, if the parent or guardian of said minor objects to the participation of such person based on the person's sexual orientation.".

SEC. 506. SENSE OF CONGRESS CONCERNING ENACTMENT OF GOOD SAMARITAN FOOD DONATION ACT.

(a) IN GENERAL.—It is the sense of Congress that each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States should—

(1) encourage the donation of apparently wholesome food or grocery products to nonprofit organizations for distribution to needy individuals; and

(2) consider the model Good Samaritan Food Donation Act (provided in subsection (c)) as a means of encouraging the donation of the food and products.

(b) DISTRIBUTION OF COPIES.—The Archivist of the United States shall distribute a copy of this section to the chief executive officer of each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

(c) MODEL GOOD SAMARITAN FOOD DONATION ACT.—

(1) SHORT TITLE.—This subsection may be cited as the "Good Samaritan Food Donation Act".

(2) DEFINITIONS.—As used in this section:

(A) APPARENTLY FIT GROCERY PRODUCT.—The term "apparently fit grocery product" means a grocery product that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the product may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(B) APPARENTLY WHOLESOME FOOD.—The term "apparently wholesome food" means food that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(C) DONATE.—The term "donate" means to give without requiring anything of monetary value from the recipient, except that the term shall include giving by a nonprofit organization to another nonprofit organization, notwithstanding that the donor organization has charged a nominal fee to the donee organization, if the ultimate recipient or user is not required to give anything of monetary value.

(D) FOOD.—The term "food" means any raw, cooked, processed, or prepared edible substance, ice, beverage, or ingredient used or intended for use in whole or in part for human consumption.

(E) GLEANER.—The term "gleaner" means a person who harvests for free distribution to the needy, or for donation to a nonprofit organization for ultimate distribution to the needy, an agricultural crop that has been donated by the owner.

(F) GROCERY PRODUCT.—The term "grocery product" means a nonfood grocery product, including a disposable paper or plastic product, household cleaning product, laundry detergent, cleaning product, or miscellaneous household item.

(G) GROSS NEGLIGENCE.—The term "gross negligence" means voluntary and conscious conduct by a person with knowledge (at the time of the conduct) that the conduct is likely to be harmful to the health or well-being of another person.

(H) INTENTIONAL MISCONDUCT.—The term "intentional misconduct" means conduct by a person with knowledge (at the time of the conduct) that the conduct is harmful to the health or well-being of another person.

(I) NONPROFIT ORGANIZATION.—The term "nonprofit organization" means an incorporated or unincorporated entity that—

(i) is operating for religious, charitable, or educational purposes; and

(ii) does not provide net earnings to, or operate in any other manner that inures to the benefit of, any officer, employee, or shareholder of the entity.

(J) PERSON.—The term "person" means an individual, corporation, partnership, organization, association, or governmental entity, including a retail grocer, wholesaler, hotel, motel, manufacturer, restaurant, caterer, farmer, and nonprofit food distributor or hospital. In the case of a corporation, partnership, organization, association, or governmental entity, the term includes an officer, director, partner, deacon, trustee, council member, or other elected or appointed individual responsible for the governance of the entity.

(3) LIABILITY FOR DAMAGES FROM DONATED FOOD AND GROCERY PRODUCTS.—A person or gleaner shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the person or gleaner donates in good faith to a nonprofit organization for ultimate distribution to needy individuals, except that this paragraph shall not apply to an injury to or death of an ultimate user or recipient of the food or grocery product that results from an act or omission of the donor constituting gross negligence or intentional misconduct.

(4) COLLECTION OR GLEANING OF DONATIONS.—A person who allows the collection or gleaning of donations on property owned or occupied by the person by gleaners or unpaid representatives of a nonprofit organization for ultimate distribution to needy individuals shall not be subject to civil or criminal liability that arises due to the injury of the gleaner or representative, except that this paragraph shall not apply to an injury or death that results from an act or omission of the person constituting gross negligence or intentional misconduct.

(5) PARTIAL COMPLIANCE.—If some or all of the donated food and grocery products do not meet all quality and labeling standards imposed by Federal, State, and local laws and regulations, the person or gleaner who donates the food and products shall not be subject to civil or criminal liability in accordance with this section if the nonprofit organization that receives the donated food or products—

(A) is informed by the donor of the distressed or defective condition of the donated food or products;

(B) agrees to recondition the donated food or products to comply with all the quality and labeling standards prior to distribution; and

(C) is knowledgeable of the standards to properly recondition the donated food or product.

(6) CONSTRUCTION.—This subsection shall not be construed to create any liability.

(d) EFFECT OF SECTION.—The model Good Samaritan Food Donation Act (provided in subsection (c)) is intended only to serve as a model law for enactment by the States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States. The enactment of subsection (c) shall have no force or effect in law.

SEC. 507. CONDEMNING HUMAN RIGHTS REPRESSION IN CHINA.

(a) The Senate finds that—

(1) on June 4, 1989, the Government of the People's Republic of China brutally massacred thousands of innocent Chinese nationals demonstrating in Tiananmen Square for greater personal freedom and political expression, and subsequently executed at least 40 Chinese nationals for activities in support of the Tiananmen Square pro-democracy movement;

(2) since June 4, 1989, the Government of the People's Republic of China has brutally imprisoned 10,000 to 30,000 Chinese citizens for their participation in or allegiance to the pro-democracy movement in China;

(3) consular officials, and other official and unofficial representatives of the Government of the People's Republic of China, in direct violation of United States law, are reported to have instituted systematic intimidation and harassment of Chinese nationals in the United States for supporting the pro-democracy movement in China;

(4) the Government of the People's Republic of China continues to enforce coercive population policies, including the use of forced abortions and forced sterilizations;

(5) numerous international human rights organizations, including Amnesty International, Asia Watch, and the International League for Human Rights, report continued and even increased human rights and religious freedom violations by the Government of the People's Republic of China, including the recent arrest of four Chinese Catholic priests, and the November 30, 1989, detention of ten Tibeten monks;

(b) It is therefore the sense of the Senate that—

(1) the Senate strongly reiterates its condemnation of the Government of the People's Republic of China for its brutal military repression of the peaceful prodemocracy demonstration in Tiananmen Square on June 4, 1989, and further expresses its abhorrence of the continued political and human rights repression in the People's Republic of China;

(2) the Senate notes that the harassment of Chinese nationals residing in the United States is governed by section 2756 of title 22, United States Code, Public Law 97-113, and that any continuation of these harassment activities in the United States will further adversely affect Sino-American relations;

(3) the Senate expresses condemnation of the Government of the People's Republic of China for its inhumane policy of forced abortion and sterilization;

(4) the Senate urges the President of the United States to instruct the United States representatives to international financial institutions, and specifically the World Bank, to oppose loans or other financial assistance to the People's Republic of China which are not purely natural disaster relief or basic human needs, until it is clear that the human rights practices of the Government of the People's Republic of China have dramatically improved.

SEC. 508. EXCHANGE PROGRAM WITH COUNTRIES IN TRANSITION FROM TOTALITARIANISM TO DEMOCRACY.

AUTHORIZATION OF ACTIVITIES; GRANTS OR CONTRACTS FOR EXCHANGES WITH FOREIGN COUNTRIES.—The President is authorized, when he considers that it would strengthen

international cooperative relations, to provide, by grant, contract, or otherwise, for—

(1) exchanges with countries in transition from totalitarianism to democracy, which include, but are not limited to Poland, Hungary, Czechoslovakia, Bulgaria, and Romania;

(i) by financing studies, research, instruction, and related activities—

(A) of or for American citizens and nationals in foreign countries, and

(B) of or for citizens and nationals of foreign countries in American private businesses, trade associations, unions, chambers of commerce, and local, State, and Federal Government agencies, located in or outside the United States; and

(ii) by financing visits and interchanges between the United States and countries in transition from totalitarianism to democracy; which program shall be coordinated by a White House Office, which the President is hereby authorized to establish.

(2) TRANSFER OF FUNDS.—The President is authorized to transfer to the appropriations account of the agency (agencies) administering this program such sums as he shall determine to be necessary out of the travel accounts of departments and agencies of the United States as he shall designate, which transfers shall be subject to approval of the House and Senate Committees on Appropriations and in addition he is authorized to accept such gifts or cost-sharing arrangements as may be proffered to sustain the program, and to place such gifts into an endowment fund.

SEC. 509. ENHANCE NATIONAL AND COMMUNITY SERVICES.

Any entity, including the Foundation, administering a program or project under this Act shall take appropriate action to ensure that:

(1) rural areas receive equitable treatment in the allocation and distribution of assistance;

(2) prospective grantees or fund recipients located in rural areas are treated equitably under the eligibility criteria.

MOTION OFFERED BY MR. HAWKINS

Mr. HAWKINS. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. HAWKINS moves to strike all after the enacting clause of the Senate bill, S. 1430, and insert in lieu thereof the text of H.R. 4330 as passed by the House, as follows:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Service Act of 1990".

SEC. 2. DRUG TESTING REQUIREMENT.

The head of each department and of each agency participating in programs assisted under title II of this Act or under amendments made by this Act shall establish and administer a program of random testing of individuals participating in such programs for the illegal use of drugs.

TITLE I—SCHOOL-BASED AND HIGHER EDUCATION COMMUNITY SERVICE

PART A—SCHOOL-BASED COMMUNITY SERVICE

SEC. 101. SHORT TITLE.

This part may be cited as the "Schools and Service-Learning Act of 1990".

Subpart 1—School-Based Service Learning

SEC. 106. SCHOOL-BASED SERVICE LEARNING PROGRAM.

The Secretary of Education is authorized, in accordance with the provisions of this subpart, to make grants to States through their State educational agencies for—

(1) planning and building State capacity for implementing statewide, school-based, service-learning programs, including—

(A) preservice and in-service training for teachers, supervisors, and personnel from community organizations in which service opportunities will be provided;

(B) developing service-learning curricula, including age-appropriate learning components for students to analyze and apply their service experiences;

(C) forming local partnerships to develop school-based community service programs in accordance with this subpart;

(D) devising appropriate methods for research and evaluation of the educational value of youth service opportunities and the effect of youth service programs on communities;

(E) establishing effective outreach and dissemination to ensure the broadest possible involvement of nonprofit community-based organizations and youth-service agencies with demonstrated effectiveness in their communities; and

(F) integration of service-learning into academic curricula; and

(2) the implementation, operation, or expansion of statewide, school-based, service-learning programs through State distribution of not less than 80 percent of Federal funds made available under this subpart to projects and activities coordinated and operated by local partnerships of local educational agencies and other agencies and organizations in accordance with this subpart.

SEC. 107. AUTHORIZATION OF APPROPRIATIONS; ALLOTMENTS TO STATES.

(a) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the purpose of carrying out the provisions of this subpart $35,000,000 for the fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

(b) RESERVATIONS.—Of the sums appropriated to carry out this subpart for any fiscal year, the Secretary shall reserve not more than 1 percent for payments to Guam, American Samoa, the Virgin Islands, the Trust Territory of the Pacific Islands, and the Northern Mariana Islands, to be allotted in accordance with their respective needs.

(c) ALLOTMENT.—The remainder of such sums shall be allotted among the States as follows:

(1) From 50 percent of such remainder the Secretary shall allot to each State an amount which bears the same ratio to 50 percent of such remainder as the school-age population of the State bears to the school-age population of all States.

(2) From 50 percent of such remainder the Secretary shall allot to each State an amount which bears the same ratio to 50 percent of such remainder as allocations to the State for the previous fiscal year under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 bear to such allocations to all States.

(d) LIMITATION.—For any period during which a State is carrying out planning activities under section 106(1) prior to implementation under section 106(2), a State may be paid not more than 25 percent of its allotment under this subpart.

(e) REALLOTMENT.—The amount of any State's allotment for any fiscal year to carry out this subpart which the Secretary determines will not be required for that fiscal year shall be available for reallotment to other States as the Secretary may determine.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "school-age population" means the population aged 5 through 17, inclusive.

(2) The term "State" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 108. ASSISTANCE TO LOCAL PARTNERSHIPS.

(a) ASSISTANCE TO LOCAL PARTNERSHIPS.—From the sum made available under section 107 to a State educational agency for each fiscal year, such agency shall, through grants or contracts, provide not more than the Federal share of financial assistance to local partnerships for school-based service projects (in this subpart referred to as "partnerships") for the purpose of carrying out the projects and activities authorized by this subpart.

(b) LOCAL PARTNERSHIPS.—

(1) Each partnership shall consist of at least 1 local educational agency and at least 1—

(A) local government agency;

(B) community-based organization;

(C) institution of higher education; or

(D) private nonprofit organization.

(2) A partnership may include representation by private for-profit business organizations and private elementary and secondary schools.

(c) PRIORITY.—In providing financial assistance pursuant to this subpart, State educational agencies shall give priority consideration to proposals for projects that—

(1) are in greatest need of assistance, such as projects serving low-income areas;

(2) involve participants in the design and operation of the program, where appropriate;

(3) involve students from both public and private elementary and secondary schools and individuals of different ages, races, sexes, ethnic groups, and economic backgrounds serving together;

(4) involve adults, particularly older individuals, as mentors and in other capacities that provide significant interaction with youth performing community service in a school-based setting, including at-risk youth;

(5) involve a partnership which includes private sector employees with talents and skills in short supply in the schools; and

(6) focus on drug and alcohol abuse prevention, school drop-out prevention, or nutrition and health education.

SEC. 109. STATE APPLICATIONS.

(a) APPLICATION REQUIREMENTS.—A State educational agency which desires to receive its allotment under this subpart shall submit to the Secretary an application at such time, in such manner, and containing such information and assurances as the Secretary may require, including—

(1) evidence of substantial cooperative efforts among local educational agencies, local government agencies, community-based organizations, the private sector, and State agencies to develop service-learning opportunities;

(2) an assurance that participation of economically and educationally disadvantaged youths, including youths in foster care who are becoming too old for foster care, youths of limited English proficiency, and youths with disabilities, will participate in service opportunities;

(3) provision for the coordination of service opportunities with other federally assisted education programs, training programs, social service programs, and other appropriate programs that serve youth;

(4) an assurance that urban, rural, and tribal areas will be served;

(5) an assurance that the State will give special consideration to providing assistance to projects that will provide academic credit to participants;

(6) an assurance that the State will keep such records and provide such information to the Secretary as may be required for fiscal audits and program evaluation; and

(7) an assurance that the State will comply with the specific requirements of this subpart.

(b) DIRECT GRANTS.—In any fiscal year in which a State does not participate in programs under this subpart, the Secretary may use the State's allotment to make direct grants for school-based service-learning projects to local applicants in that State.

(c) PARTICIPATION OF CHILDREN AND TEACHERS FROM PRIVATE SCHOOLS.—

(1) To the extent consistent with the number of children in the State or in the school district of the local educational agency involved who are enrolled in private nonprofit elementary and secondary schools, such State or agency shall (after consultation with appropriate private school representatives) make provision—

(A) for including services and arrangements for the benefit of such children as will assure the equitable participation of such children in the purposes and benefits of this subpart; and

(B) for such training for the benefit of teachers of such children as will assure equitable participation of such teachers in the purposes and benefits of this subpart.

(2) If by reason of any provision of law, a State or local educational agency or institution of higher education is prohibited from providing for the participation of children or teachers from private nonprofit schools as required by paragraph (1), or if the Secretary determines that a State or local educational agency substantially fails or is unwilling to provide for such participation on an equitable basis, the Secretary shall waive such requirements and shall arrange for the provision of services to such children and teachers. Such waivers shall be subject to consultation, withholding, notice, and judicial review requirements in accordance with section 1017 of the Elementary and Secondary Education Act of 1965.

SEC. 110. LOCAL PROGRAM PROPOSAL.

(a) PROPOSAL REQUIREMENT.—A partnership that desires to receive financial assistance pursuant to this subpart shall submit to the State educational agency of the State in which it is located a proposal which meets the requirements of this section. Such proposal shall be submitted at such time and in such manner as the State educational agency may reasonably require.

(b) PROPOSAL REQUIREMENTS.—Each proposal submitted under subsection (a) shall—

(1) contain a written agreement among the partners, including the entities with which students or school volunteers are affiliated, community representatives, and the local educational agency where service opportunities will be provided, which states that the program was developed by all the partners and that the program will be jointly operated by the partnership;

(2) provide for the establishment of an advisory committee consisting of representatives of community agencies, services recipients, youth serving agencies, students, parents, teachers, administrators, school board members, labor, and business, and describe the membership and role of such committee;

(3) describe the goals of the program, including goals that are quantifiable, measurable, and demonstrate benefits to both the students or school volunteers and the community;

(4) describe the service opportunities to be provided;

(5) describe how the students or school volunteers will be recruited, including special efforts to recruit school dropouts with the assistance of community-based organizations;

(6) describe how students or school volunteers were or will be involved in the design and operation of the program;

(7) state the responsibilities and qualifications of the coordinator of any program assisted under this subpart;

(8) describe preservice and in-service training to be provided to supervisors and students or school volunteers;

(9) describe potential resources that will permit continuation of the program, if necessary, upon the expiration of Federal funding;

(10) describe an age-appropriate learning component for students that includes, at a minimum, a chance for students to analyze and apply their service experiences and expected learning outcomes;

(11) indicate whether students will receive academic credit for participation;

(12) establish target numbers for—

(A) students who will participate in the program assisted under this subpart; and

(B) hours of service such students will provide individually and as a group;

(13) describe the proportion of students expected to participate who are educationally or economically disadvantaged, including students with disabilities;

(14) describe the ages and grade levels of students who are expected to participate;

(15) include other relevant demographic information about students who are expected to participate; and

(16) provide assurances that students will be provided with information (including information relating to student loan deferment and forgiveness provisions) concerning the Volunteers in Service to America program, the Peace Corps, full-time Youth Service Corps programs funded under this Act, and other appropriate civilian and military service options.

SEC. 111. FEDERAL SHARE.

(a) STATE SHARE.—

(1) The Federal share of the cost of planning and capacity building under section 106(1) may not exceed 90 percent of the total cost of such planning and capacity building.

(2) The State share of the cost of such planning and capacity building shall be in cash. The State share shall be provided through public or private non-Federal sources and may not be provided by any local public agency.

(b) LOCAL SHARE.—

(1) The Federal share of a grant or contract for a project under this subpart may not exceed—

(A) 90 percent of the total cost of a project for the first year for which the project receives assistance under this subpart;

(B) 80 percent of the total cost of a project for the second year for which the project receives assistance under this subpart;

(C) 70 percent of the total cost of a project for the third year for which the project receives assistance under this subpart; and

(D) 50 percent of the total cost of a project for the fourth year and each succeeding year for which the project receives assistance under this subpart.

(2) The State and local share of the costs of a project may be in cash or in kind fairly evaluated, including facilities, equipment, or services.

(c) WAIVER.—The Secretary may waive the requirements of subsection (b) with respect to any project in any fiscal year if the Secretary determines that such a waiver would be equitable due to a lack of available financial resources at the local level.

SEC. 112. USES OF FUNDS; LIMITATIONS.

(a) STATE USES OF FUNDS.—The State educational agency may reserve, from funds made available to such agency under this subpart—

(1) not more than 5 percent of such funds for administrative costs for any fiscal year; and

(2) to build capacity through training, technical assistance, curriculum development, and coordination activities, not more than—

(A) 15 percent of such funds in the first year in which a State operates a program under this subpart;

(B) 10 percent of such funds in each of the second and third years in which a State operates a program under this subpart; and

(C) 5 percent in the fourth year and each succeeding year in which a State operates a program under this subpart.

(b) AUTHORIZED ACTIVITIES FOR LOCAL PROJECTS.—

(1) Local projects may use funds made available under this subpart for supervision of participating students, program administration, training, reasonable transportation costs, insurance, and other reasonable expenses.

(2) Funds made available under this subpart may not be used to pay any stipend, allowance, or other financial support to any participant, except reimbursement for transportation, meals, and other reasonable out-of-pocket expenses directly related to participation in a program assisted under this subpart.

Subpart 2—Youthbuild Projects

SEC. 116. STATEMENT OF PURPOSE.

It is the purpose of this subpart—

(1) to provide economically disadvantaged young adults with opportunities for meaningful service to their communities in helping to meet the housing needs of homeless individuals and low-income families; and

(2) to enable economically disadvantaged young adults to obtain the education and employment skills necessary to achieve economic self-sufficiency.

SEC. 117. AUTHORIZATION OF PROGRAM.

(a) FINANCIAL ASSISTANCE.—The Director of the ACTION Agency, in consultation with the Secretary of Labor, may provide grants to pay the Federal share of the cost of carrying out Youthbuild projects in accordance with this subpart.

(b) FEDERAL SHARE.—The Federal share under subsection (a) for each fiscal year shall not exceed 90 percent.

SEC. 118. SERVICE IN CONSTRUCTION AND REHABILITATION PROJECTS.

(a) CONSTRUCTION AND REHABILITATION PROJECTS.—Eligible participants serving in Youthbuild projects receiving assistance under this subpart shall be employed in the construction, rehabilitation, or improvement of real property to be used for purposes of providing—

(1) residential rental housing that is occupied solely by, or available for occupancy solely by, homeless individuals and low-income families;

(2) transitional housing for homeless individuals;

(3) facilities for the provision of health, education, and other social services to low-income families, including—

(A) senior citizen centers;

(B) youth recreation centers;

(C) Head Start or child care centers; and

(D) community health centers.

(b) REQUIREMENTS FOR COMMUNITY FACILITIES.—No assistance may be provided under this subpart to support the construction, rehabilitation, or improvement of real property to be used to provide facilities described in subsection (a) unless the property—

(1) is used principally by or for the benefit of low-income families;

(2) is owned and occupied solely by public or private nonprofit entities; and

(3) is located in census tracts, or identifiable neighborhoods within census tracts, in which the median family income is not more than 80 percent of the median family income of the area in which the facility is located, as such median family income and area are determined for the purposes of assistance under section 8 of the United States Housing Act of 1937 (42 U.S.C. 1437f).

(c) RESTRICTION OF USE.—Participants under this subpart may not be employed in the construction, operation, or maintenance of any facility used for sectarian instruction or religious worship.

SEC. 119. EDUCATION AND JOB TRAINING SERVICES.

(a) IN GENERAL.—Assistance provided under this part shall be used by each Youthbuild project to provide to participants the following:

(1) SERVICE OPPORTUNITIES.—Service opportunities in the construction or rehabilitation projects described in section 118, which shall be integrated with appropriate skills training and coordinated with, to the extent feasible, preapprenticeship and apprenticeship programs.

(2) EDUCATIONAL SERVICES.—Services and activities designed to meet the educational needs of participants, including—

(A) basic skills instruction and remedial education;

(B) bilingual education for individuals with limited English proficiency; and

(C) secondary education services and activities designed to lead to the attainment of a high school diploma or its equivalent.

(3) PERSONAL AND PEER SUPPORTS.—Counseling services and other activities designed to—

(A) ensure that participants overcome personal problems that would interfere with their successful participation; and

(B) develop a strong, mutually supportive peer context in which values, goals, cultural heritage, and life skills can be explored and strengthened.

(4) LEADERSHIP DEVELOPMENT.—Opportunities to develop the decisionmaking, speaking, negotiating, and other leadership skills of participants, such as the establishment and operation of a youth council with meaningful decisionmaking authority over aspects of the project.

(5) PREPARATION FOR AND PLACEMENT IN UNSUBSIDIZED EMPLOYMENT.—Activities designed to maximize the value of participants as future employees and to prepare participants for seeking, obtaining, and retaining unsubsidized employment.

(6) NECESSARY SUPPORT SERVICES.—To provide support services and need-based stipends necessary to enable individuals to participate in the program and, for a period not to exceed 6 months after completion of training, to assist participants through support services in retaining employment.

(b) CONDITIONS.—The provision of service opportunities to participants in Youthbuild projects shall be made conditional upon attendance and participation by such individuals in the educational services and activities described in subsection (a). The duration of participation for each individual in educational services and activities shall be at least equal to the total number of hours for which a participant serves and is paid wages by a Youthbuild project.

SEC. 120. USES OF FUNDS.

(a) FUNDS.—Funds provided under this subpart may be used only for activities that are in addition to activities that would otherwise be available in the absence of such funds.

(b) ASSISTANCE CRITERIA.—Assistance provided to each Youthbuild project under this part shall be used only for—

(1) education and job training services and activities described in paragraphs (2), (3), (4), (5), and (6) of section 119(a);

(2) wages and benefits paid to participants in accordance with sections 119(a) and 122; and

(3) administrative expenses incurred by the project, in an amount not to exceed 15 percent of the total cost of the project.

SEC. 121. ELIGIBLE PARTICIPANTS.

(a) IN GENERAL.—An individual shall be eligible to participate in a Youthbuild project receiving assistance under this subpart if such individual is—

(1) 16 to 24 years of age, inclusive;

(2) economically disadvantaged; and

(3) except as is provided in subsection (b), an individual who has dropped out of high school whose reading and mathematics skills are at or below the 8th grade level.

(b) EXCEPTIONS.—Not more than 25 percent of the participants in a Youthbuild project receiving assistance under this subpart may be individuals who do not meet the requirements of subsection (a)(3) if such individuals—

(1) have not attained a high school diploma or its equivalent; or

(2) have educational needs despite the attainment of a high school diploma or its equivalent.

(c) PARTICIPATION LIMITATION.—Any eligible individual selected for full-time participation in a Youthbuild project may participate full-time for a period of not less than 6 months and not more than 18 months.

SEC. 122. WAGES, LABOR STANDARDS, AND NONDISCRIMINATION.

(a) WAGES AND LABOR STANDARDS.—To the extent consistent with the provisions of this subpart, sections 142 and 143 of the Job Training Partnership Act (29 U.S.C. 1552, 1553, and 1577), relating to wages and benefits and labor standards, shall apply to the projects conducted under this subpart as if such projects were conducted under the Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(b) NONDISCRIMINATION.—(1) Except as provided in paragraph (2), an individual with responsibility for the operation of a Youthbuild project shall not discriminate on the basis of religion against a participant or a member of the project staff who is paid with funds under this title.

(2) Paragraph (1) shall not apply to the employment, with funds provided under this title, of any member of the staff of a Youthbuild project who was employed with the organization operating the project on the date the grant funded under this title was awarded.

SEC. 123. CONTRACTS.

Each Youthbuild project shall carry out the services and activities under this subpart directly or through arrangements or under contracts with administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act (29 U.S.C. 1501(b)(1)(B)), with State and local educational agencies, institutions of higher education, State and local housing development agencies, and with other public agencies and private organizations.

SEC. 124. PERFORMANCE STANDARDS.

(a) IN GENERAL.—The Director, in consultation with the Secretary of Labor, shall prescribe standards for evaluating the performance of Youthbuild projects receiving assistance under this subpart, including the following factors:

(1) Placement in unsubsidized employment.

(2) Retention in unsubsidized employment.

(3) An increase in earnings.

(4) Improvement of reading and other basic skills.

(5) Attainment of a high school diploma or its equivalent.

(b) VARIATIONS.—The Director shall prescribe variations to the standards determined under subsection (a) by taking into account the economic conditions of the areas in which Youthbuild projects are located and appropriate special characteristics, such as the extent of English language proficiency and offender status of Youthbuild participants.

SEC. 125. APPLICATIONS.

(a) SUBMISSION.—To apply for a grant under this subpart, an eligible entity shall submit an application to the Director in accordance with procedures established by the Director.

(b) CRITERIA.—Each such application shall—

(1) describe the educational services, job training, supportive services, service opportunities, and other services and activities that will be provided to participants;

(2) describe the proposed construction of rehabilitation activities to be undertaken and the anticipated schedule for carrying out such activities;

(3) describe the manner in which eligible youths will be recruited and selected, including a description of arrangements which will be made with community-based organizations, State and local educational agencies, public assistance agencies, the courts of jurisdiction for status and youth offenders, homeless shelters and other agencies that serve homeless youth, foster care agencies, and other appropriate public and private agencies;

(4) describe the special outreach efforts that will be undertaken to recruit eligible young women (including young women with dependent children);

(5) describe how the proposed project will be coordinated with other Federal, State, and local activities, including vocational, adult and bilingual education programs, job training supported by funds available under the Job Training Partnership Act (29 U.S.C. 1501 et seq.) and the Family Support Act of 1988, housing and economic development, and programs that receive assistance under section 106 of the Housing and Community Development Act of 1974 (42 U.S.C. 5306);

(6) provide assurances that there will be a sufficient number of supervisory personnel on the project and that the supervisory personnel are trained in the skills needed to carry out the project;

(7) describe activities that will be undertaken to develop the leadership skills of participants;

(8) set forth a detailed budget and describe the system of fiscal controls and auditing and accountability procedures that will be used to ensure fiscal soundness; and

(9) set forth assurances, arrangements, and conditions the Director determines are necessary to carry out this subpart.

SEC. 126. SELECTION OF PROJECTS.

In approving applications for assistance under this subpart, the Director shall give priority to applicants that demonstrate the following:

(1) POTENTIAL FOR SUCCESS.—The greatest likelihood of success, as indicated by such factors as the past experience of an applicant with housing rehabilitation or construction, youth and youth education and employment training programs, management capacity, fiscal reliability, and community support.

(2) NEED.—Have the greatest need for assistance, as determined by factors such as—

(A) the degree of economic distress of the community from which participants would be recruited, including—

(i) the extent of poverty;

(ii) the extent of youth unemployment; and

(iii) the number of individuals who have dropped out of high school; and

(B) the degree of economic distress of the locality in which the housing would be rehabilitated or constructed, including—

(i) objective measures of the incidence of homelessness;

(ii) the relation between the supply of affordable housing for low-income families and the number of such families in the locality;

(iii) the extent of housing overcrowding; and

(iv) the extent of poverty.

SEC. 127. MANAGEMENT AND TECHNICAL ASSISTANCE.

(a) DIRECTOR ASSISTANCE.—The Director may enter into contracts with a qualified public or private nonprofit agency to provide assistance to the Director in the management, supervision, and coordination of Youthbuild projects receiving assistance under this subpart.

(b) SPONSOR ASSISTANCE.—The Director shall enter into contracts with a qualified public or private nonprofit agency to provide appropriate training, information, and technical assistance to sponsors of projects assisted under this subpart.

(c) APPLICATION PREPARATION.—Technical assistance may also be provided in the development of project proposals and the preparation of applications for assistance under this subpart to eligible entities which intend or desire to submit such applications. Community-based organizations shall be given first priority in the provision of such assistance.

(d) RESERVATION OF FUNDS.—The Director shall reserve 5 percent of the amounts available in each fiscal year under section 130 to carry out subsections (b) and (c) of this section.

SEC. 128. DEFINITIONS.

For purposes of this subpart:

(1) COMMUNITY-BASED ORGANIZATIONS.—The term "community-based organizations" has the meaning given the term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(2) DIRECTOR.—The term "Director" means the Director of the ACTION agency.

(3) DROPPED OUT OF HIGH SCHOOL.—The term "individual who has dropped out of high school" means an individual who is neither attending any school nor subject to a compulsory attendance law and who has not received a secondary school diploma or a certificate of equivalency for such diploma, but does not include any individual who has attended secondary school at any time during the preceding 6 months.

(4) ECONOMICALLY DISADVANTAGED.—The term "economically disadvantaged" has the meaning given the term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(5) ELIGIBLE ENTITY.—The term "eligible entity" means a public or private nonprofit agency, such as—

(A) community-based organizations;

(B) administrative entities designated under section 103(b)(1)(B) of the Job Training Partnership Act (29 U.S.C. 1501(b)(1)(B));

(C) community action agencies;

(D) State and local housing development agencies;

(E) State and local youth service and conservation corps; and

(F) any other entity that is eligible to provide education and employment training under other Federal employment training programs.

(6) HOMELESS INDIVIDUAL.—The term "homeless individual" has the meaning given the term in section 103 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11302).

(7) HOUSING DEVELOPMENT AGENCY.—The term "housing development agency" means any agency of a State or local government, or any private nonprofit organization that is engaged in providing housing for the homeless or low-income families.

(8) INSTITUTION OF HIGHER EDUCATION.—The term "institution of higher education" has the meaning given the term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(9) LIMITED ENGLISH PROFICIENCY.—The term "limited English proficiency" has the meaning given the term in section 7003 of the Bilingual Education Act (20 U.S.C. 3223).

(10) LOW-INCOME FAMILY.—The term "low-income family" has the meaning given the term "lower income families" in section 3(b)(2) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(2)).

(11) OFFENDER.—The term "offender" means any adult or juvenile with a record of arrest or conviction for a criminal offense.

(12) QUALIFIED NONPROFIT AGENCY.—The term "qualified public or private nonprofit agency" means any nonprofit agency that has significant prior experience in the operation of projects similar to the Youthbuild program authorized under this subpart and that has the capacity to provide effective technical assistance under this section.

(13) RESIDENTIAL RENTAL PURPOSES.—The term "residential rental purposes" includes a cooperative or mutual housing facility that has a resale structure that enables the cooperative to maintain affordability for low-income individuals and families.

(14) SERVICE OPPORTUNITY.—The term "service opportunity" means the opportunity to perform work in return for wages and benefits in the construction or rehabilitation of real property in accordance with this subpart.

(15) STATE.—The term "State" means any of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, Guam, American Somoa, the Trust Territories of the Pacific Islands, or any other territory or possession of the United States.

(16) TRANSITIONAL HOUSING.—The term "transitional housing" means a project that has as its purpose facilitating the movement of homeless individuals and families to independent living within a reasonable amount of time. Transitional housing includes housing primarily designed to serve deinstitutionalized homeless individuals and other homeless individuals with mental or physical disabilities and homeless families with children.

(17) YOUTHBUILD PROJECT.—The term "Youthbuild project" means any project that receives assistance under this subpart and provides disadvantaged youth with opportunities for service, education, and training in the construction or rehabilitation of housing for homeless and other low-income individuals.

SEC. 129. REGULATIONS.

The Secretary shall issue any regulations necessary to carry out this subpart.

SEC. 130. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out the provisions of this subpart $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the 3 succeeding fiscal years. Amounts appropriated under this section shall remain available until expended.

Subpart 3—Other Federal Volunteer Service Programs

SEC. 131. RURAL YOUTH SERVICE DEMONSTRATION PROJECT.

(a) IN GENERAL.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants and enter into contracts for demonstration projects in rural areas. Such projects may include volunteer service involving the elderly and assisted-living services performed by students, school dropouts, and out-of-school youth.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 132. GOVERNORS' VOLUNTARY SERVICE PROGRAM.

(a) IN GENERAL.—The Director of the ACTION agency (in this section referred to as the "Director") is authorized to make grants to the chief executive officer of each State for initiatives involving non-school-based voluntary service projects in the State.

(b) AUTHORIZED ACTIVITIES.—Grants under this section may be used for—

(1) enhancing State volunteer service programs;

(2) volunteer service demonstration programs;

(3) research concerning, assessment of, and evaluation of volunteer service programs;

(4) State coordination of volunteer service programs;

(5) technical assistance;

(6) training and staff development; and

(7) collection and dissemination of information concerning volunteer service programs.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $3,000,000 for each of the fiscal years 1991, 1992, 1993, and 1994.

(d) ALLOTMENTS.—

(1) Subject to paragraph (2), the Director shall allot to the chief executive officer of each State an amount which bears the same ratio to the amount appropriated under sub-

section (b) as the school-age population of the State bears to the school-age population of all States.

(2) Subject to the availability of appropriations, the chief executive officer of each State shall receive at least $30,000 for each fiscal year for purposes of carrying out an initiative under this section.

(e) PROTECTION FROM TORT LIABILITY.—

(1) REQUIREMENTS.—For fiscal year 1993 and subsequent fiscal years, the Director may not make a grant under subsection (a) unless the State involved provides assurances satisfactory to the Director that the State provides by law as follows:

(A) That, except as provided in subparagraph (B) and paragraph (2), a volunteer of a nonprofit organization or governmental entity does not incur any personal financial liability for any tort claim alleging damage or injury from any act or omission of the volunteer on behalf of the organization or entity if—

(i) such individual was acting in good faith and within the scope of such individual's official functions and duties with the organization or entity; and

(ii) such damage or injury was not caused by willful and wanton misconduct by such individual.

(B) That the law described in subparagraph (A) may not be construed to affect any civil action brought by any nonprofit organization or any governmental entity against any volunteer of such organization or entity.

(C) That the law described in subparagraph (A) may not be construed to affect the liability of any nonprofit organization or governmental entity with respect to injury caused by any person.

(2) CONSIDERATION BY STATES OF AUTHORITY REGARDING LIMITATIONS ON PROTECTION.—For fiscal year 1993 and subsequent fiscal years, the Director may not make a grant under subsection (a) unless the State involved provides assurances satisfactory to the Director that, with respect to protection from liability, the State has adequately addressed whether the conditions and exceptions described in paragraph (3) should apply in the State.

(3) AUTHORIZED LIMITATIONS ON PROTECTION.—For purposes of paragraph (1), a State may impose one or more of the following conditions on the exceptions to the protection from liability provided by the law described in paragraph (1)(A):

(A) That the organization or entity must adhere to risk management procedures, including mandatory training of volunteers.

(B) That the organization or entity is liable for the acts or omissions of its volunteers to the same extent as an employer is liable, under the laws of that State, for the acts or omissions of its employees.

(C) That the protection from liability provided by the law described in paragraph (1)(A) does not apply if the volunteer was operating a motor vehicle or was operating a vessel, aircraft, or other vehicle for which a pilot's license is required.

(D) That the protection from liability provided by the law described in paragraph (1)(A) does not apply in the case of a suit brought by an appropriate officer of a State or local government to enforce a Federal, State, or local law.

(E)(i) That the protection from liability provided by the law described in paragraph (1)(A) applies only if the organization or entity provides a financially secure source of recovery for individuals who suffer injury as a result of actions taken by a volunteer on behalf of the organization or entity.

(ii) For purposes of clause (i)—

(I) a financially secure source of recovery may be an insurance policy within specified limits, comparable coverage from a risk pooling mechanism, equivalent assets, or alternative arrangements that satisfy the State that the entity will be able to pay for losses up to a specified amount; and

(II) separate standards for different types of liability exposure may be specified.

(f) DEFINITION.—For purposes of this section the term "State" includes the 50 States, the District of Columbia, and the Commonwealth of Puerto Rico.

SEC. 133. MODEL SERVICE-LEARNING PROGRAM.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to, and enter into contracts with, States, local educational agencies, local government agencies, and community-based organizations for innovative community service and service-learning programs and curricula that can serve as national models.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $5,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 134. MODEL SERVICE PROGRAMS FOR DROPOUTS AND OUT-OF-SCHOOL YOUTH.

(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to, or enter into contracts with, State educational agencies, local educational agencies, institutions of higher education, local government agencies, community-based organizations, and other public or private nonprofit organizations to develop plans for model programs to enhance the capacity of educational institutions and community-based organizations to administer service-learning programs for school dropouts and out-of-school youth.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $10,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

SEC. 135. ASSISTANCE FOR HEAD START.

Section 502(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5082(b)) is amended—

(1) by inserting "(1)" after "(b)", and

(2) by adding at the end the following:

"(2) There are authorized to be appropriated $5,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three subsequent fiscal years for the purpose of increasing the number of low-income individuals who provide services under part B of title II of this Act to children who participate in Head Start programs.".

Subpart 4—Activities of the Secretary of Education

SEC. 141. DISSEMINATION OF INFORMATION.

The Secretary shall widely disseminate information about programs under this part.

SEC. 142. CLEARINGHOUSES ON VOLUNTEER SERVICE.

(a) IN GENERAL.—The Secretary is authorized to make grants to or enter into contracts with public and private nonprofit agencies with extensive experience in student community service and school volunteer and partnership programs for the establishment and operation of national or regional clearinghouses for information on volunteer service.

(b) DUTIES.—National or regional clearinghouses established or operated with assistance provided under this section shall provide information, curriculum materials, technical assistance, and training to States and local entities participating in programs under subpart 1.

SEC. 143. EVALUATION.

(a) EVALUATION.—The Secretary shall provide, through grants or contracts, for the continuing evaluation of programs assisted under this part in order to determine program effectiveness in achieving stated goals in general and in relation to cost, the effect on related cost-saving programs, and the structure and mechanism for delivery. Such evaluation shall measure the effects of programs authorized by this part, including, where appropriate, comparisons with appropriate control groups composed of individuals who have not participated in such programs. Evaluations shall be conducted by individuals not directly involved in the administration of the program evaluated.

(b) STANDARDS.—The Secretary shall develop and publish general standards for evaluation of program effectiveness in achieving the objectives of this part.

(c) COMMUNITY PARTICIPATION.—In evaluating a program receiving assistance under this part, the Secretary shall consider the opinions of participating students, dropouts, out-of-school youth, and members of the communities where services are delivered concerning the strengths and weaknesses of such program.

(d) REPORTING REQUIREMENTS.—The results of evaluations conducted under this section, including opinions obtained under subsection (c), shall be made available to the public.

(e) REPORT TO CONGRESS.—The results of evaluations conducted under this section shall be analyzed and submitted to the appropriate committees of the Congress with the annual report of the Secretary.

SEC. 144. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for purposes of carrying out the provisions of this subpart $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

Subpart 5—Volunteer Service Activities of the President

SEC. 151. PRESIDENTIAL VOLUNTEER SERVICE AWARDS.

(a) PRESIDENTIAL AWARD FOR SCHOOL-BASED SERVICE.—The President is authorized to make Presidential Awards for School-Based Service recognizing excellence in school-based service programs.

(b) CATEGORIES OF AWARDS.—Each year the President is authorized to make 1 award to an individual in each State in each of the following categories:

(1) Excellence in a service program in kindergarten through grade 6.

(2) Excellence in a service program in grade 7 through grade 12.

(3) Excellence in a service program for dropouts and out-of-school youth.

(4) Excellence in teaching to a teacher in kindergarten through grade 6 who has demonstrated outstanding teaching ability in the area of volunteer service.

(5) Excellence in teaching to a teacher in grade 7 through grade 12 who has demonstrated outstanding teaching ability in the area of volunteer service.

(6) Excellence in teaching to a teacher in a service program for dropouts and out-of-school youth who has demonstrated outstanding teaching ability in the area of volunteer service.

(c) PRESIDENT'S SERVICE LEARNING TASK FORCE.—The President is authorized to create an interagency task force chaired either by the President or the Vice President, whose purpose shall be—

(1) the creation and monitoring of effective measures for coordinating the various parts of this Act; and

(2) design of a comprehensive Federal service strategy which shall include—

(A) review of existing programs to identify and expand opportunities for service, especially by students and out-of-school youth;

(B) designation of a senior official in each Federal agency who will be responsible for developing youth service opportunities in existing programs nationwide;

(C) establishment of service projects in each Federal agency;

(D) encouragement of participation of Federal employees in service projects;

(E) designation of a senior executive branch official or group of officials to coordinate the Federal service strategy;

(F) annual recognition of outstanding service programs operated by Federal agencies; and

(G) encouragement of businesses and professional firms to include community service among the factors considered in making hiring, compensation, and promotion decisions.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for purposes of carrying out the provisions of this section $1,000,000 for each of the fiscal years 1991, 1992, 1993, and 1994.

Subpart 6—General Provisions

SEC. 156. DEFINITIONS.

(a) IN GENERAL.—Except as otherwise provided, the terms used in this part shall have the meanings provided for such terms in section 1471 of the Elementary and Secondary Education Act of 1965.

(b) OTHER DEFINITIONS.—For purposes of this part the term "service-learning" means a method—

(1) under which students learn and develop through active participation in thoughtfully organized service experiences that meet actual community needs and that are coordinated in collaboration with the school and community;

(2) that is integrated into the students' academic curriculum and provides structured time for a student to think, talk, or write about what the student did and saw during the actual service activity;

(3) that provides students with opportunities to use newly acquired skills and knowledge in real-life situations in their own communities; and

(4) that enhances what is taught in school by extending student learning beyond the classroom and into the community and helps to foster the development of a sense of caring for others.

SEC. 157. LIMITATION.

(a) PROHIBITED USES.—No grant under this part shall be used to provide religious instruction, conduct worship services, or engage in any form of proselytization.

(b) PARTICIPANTS.—Participants and project staff funded under this part shall not give religious instruction, conduct worship services, or engage in any form of proselytization as part of their duties.

SEC. 158. APPLICATION OF GENERAL EDUCATION PROVISIONS ACT.

Except as otherwise provided, the General Education Provisions Act shall apply to the programs authorized by this part.

PART B—HIGHER EDUCATION COMMUNITY SERVICE

Subpart 1—Innovative Projects for Community Service

SEC. 161. STATEMENT OF PURPOSE.

It is the purpose of this part to support innovative projects to determine the feasibility of encouraging students to participate in community service activities while such students are attending institutions of higher education.

SEC. 162. INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

(a) GENERAL AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this part, to make grants to, and contracts with, institutions of higher education (including combination of such institutions), and other public agencies and nonprofit organizations working in partnership with institutions of higher education—

(1) to enable the institution to create or expand community service activities for students attending that institution;

(2) to encourage student-initiated and student-designed community service projects; and

(3) to facilitate the integration of community service into academic curricula, so that students can obtain credit for their community service activities.

(b) TRAINING AUTHORITY.—The Secretary shall make grants to college and universities and other nonprofit organizations to provide for the training of teachers, related education personnel, and community leaders in the skills necessary to develop, supervise, and organize community service activities. Assistance under this section may be provided to individuals planning to undertake a career in teaching, as well as existing teachers. In awarding such grants, the Secretary shall take into consideration the particular needs of a community and the ability of the grantee to actively involve a major part of the community in, and substantially benefit the community by, the proposed community service activities.

(c) FEDERAL SHARE.—The Federal share of all grants under subsections (a) and (b) shall not exceed 50 percent of the cost of the community service activities.

(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subpart, $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.

(e) INSTITUTION OF HIGHER EDUCATION DEFINED.—For purposes of this subpart, the term "institution of higher education" has the meaning given to such term in section 1201(a) of the Higher Education Act of 1965.

Subpart 2—Campus-Based Community Work Learning Jobs

SEC. 166. ADDITIONAL RESERVATION FOR CAMPUS-BASED COMMUNITY WORK LEARNING STUDY JOBS.

Section 415B(a) of the Higher Education Act of 1965 is amended by inserting the following new paragraph at the end thereof:

"(3)(A) In the event the appropriation for this subpart exceeds $75,000,000, the Secretary shall, notwithstanding the provisions of section 415C(b)(3)(A), allot 50 percent of such excess to the States for the purpose described in section 415C(b)(2)(B).

"(B) The Secretary shall make the allotment required under subparagraph (A) on the basis of the number of students participating in programs assisted under section 415C(b)(2) of this subpart in each State as compared to the total number of students participating in such jobs in all States.".

SEC. 167. WORK STUDY PROGRAMS.

Section 441(b) of the Higher Education Act of 1965 is amended—

(1) by striking "$656,000,000" and inserting "$675,000,000"; and

(2) by adding at the end thereof the following: "In the event that appropriations for this part exceed $625,000,000, such additional amounts shall be used in accordance with section 447. The Secretary shall allocate the additional amounts to institutions which demonstrate a capacity to use these funds in accordance with section 447.".

Subpart 3—Guaranteed Student Loans

SEC. 171. LOAN DEFERMENT FOR VOLUNTEER SERVICE AUTHORIZED.

(a) GSL PROGRAM.—Section 428(b)(1)(M) of the Higher Education Act of 1965 is amended—

(1) by striking "and" at the end of clause (x);

(2) by striking the period at the end of clause (ix) and inserting a semicolon; and

(3) by adding at the end thereof the following new clause:

"(xii) not in excess of 3 years during which the borrower is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

(b) FISL PROGRAM.—Section 427(a)(2)(C) of the Higher Education Act of 1965 is amended—

(1) by striking "or" at the end of clause (x); and

(2) by adding at the end thereof the following new clause:

"(xii) not in excess of 3 years during which the borrower is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

SEC. 172. LOAN DEFERMENT FOR SERVICE IN DRUG COUNSELING AND PREVENTION.

(a) DEFERMENT OF GUARANTEED STUDENT LOANS.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (as amended by section 171 of this Act) is further amended by inserting after clause (xii) the following new clause:

"(xiii) not in excess of 3 years during which the borrower is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; and".

(b) INSURED STUDENT LOANS.—Section 427(a)(2)(C) of the Higher Education Act of 1965 (as amended by section 171 of this Act) is further amended by inserting after clause (xii) the following new clause:

"(xiii) not in excess of 3 years during which the borrower is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; and".

SEC. 173. LOAN DEFERMENT FOR VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.

(a) DEFERMENT OF GUARANTEED STUDENT LOANS.—Section 428(b)(1)(M) of the Higher Education Act of 1965 (as amended by sections 171 and 172 of this Act) is further

amended by inserting after clause (xiii) the following new clause:

"(xiv) not in excess of 3 years during which the borrower is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638);".

(b) INSURED STUDENT LOANS.—Section 427(a)(2)(C) of the Higher Education Act of 1965 (as amended by section 171 of this Act) is further amended by inserting after clause (xiii) the following new clause:

"(xiv) not in excess of 3 years during which the borrower is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638);".

SEC. 174. EFFECTIVE DATE.

The amendments made by this subpart shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this Act to individuals who are new borrowers on that date.

Subpart 4—Direct Loans to Students in Institutions of Higher Education

SEC. 176. LOAN CANCELLATION AUTHORIZED.

(a) CANCELLATION FOR VOLUNTEER SERVICE.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 is amended—

(A) by striking out "or" at the end of subparagraph (D);

(B) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(C) by adding at the end thereof the following new subparagraph:

"(F) as a full-time volunteer in service comparable to service referred to in subparagraph (E) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986;"; and

(C) by adding at the end thereof the following new sentence: "An individual shall not be eligible as a volunteer under subparagraph (F) if such individual receives compensation for services at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938.".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 is amended—

(A) by striking out "or" at the end of clause (iii);

(B) by striking the period at the end of clause (iv) and inserting a semicolon; and

(C) by adding at the end thereof the following new clause:

"(v) in the case of service described in subparagraph (F) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service;".

(b) CANCELLATION FOR DRUG COUNSELING AND TREATMENT.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 (as amended by subsection (a)) is further amended by inserting after subparagraph (F) the following new subparagraph:

"(G) as a full-time professional employee engaged in drug counseling, prevention, intervention, treatment, or education and employed by a public or nonprofit private agency or organization; or".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 (as amended by subsection (a)) is further amended by inserting after clause (v) the following new clause:

"(vi) in the case of service described in subparagraph (F) of paragraph (2), at the rate of 15 percent for the first or second year of such service and 20 percent for the third or fourth year of such service; or".

(c) CANCELLATION FOR VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.—

(1) QUALIFICATION FOR CANCELLATION.—Section 465(a)(2) of the Higher Education Act of 1965 (as amended by subsections (a) and (b)) is further amended by inserting after subparagraph (G) the following new subparagraph:

"(H) as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638).".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A) of the Higher Education Act of 1965 (as amended by subsections (a) and (b)) is further amended by inserting after clause (vi) the following new clause:

"(vii) in the case of service described in subparagraph (H) of paragraph (2) at the rate of 15 percent for the first or second year of such service and 20 percent of the third or fourth year of such service.".

SEC. 177. LOAN DEFERMENT AUTHORIZED.

(a) VOLUNTEER SERVICES.—Section 464(c)(2)(A) of the Higher Education Act of 1965 is amended—

(1) by striking "or" at the end of clause (viii); and

(2) by adding at the end thereof the following new clause:

"(x) is in service as a full-time volunteer in service comparable to the service referred to in clauses (iii) and (iv) for an organization which is exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986 and does not receive compensation at a rate in excess of the rate prescribed by section 6 of the Fair Labor Standards Act of 1938;".

(b) DRUG COUNSELING AND TREATMENT.—Section 464(c)(2)(A) of such Act (as amended by subsection (a)) is further amended by inserting after clause (x) the following new clause:

"(xi) is employed full-time as a professional in drug counseling, prevention, intervention, treatment, or education by a public or nonprofit private agency or organization; or".

(c) VOLUNTEERS PROVIDING INDIAN HEALTH SERVICES.—Section 464(c)(2)(A) of such Act (as amended by subsections (a) and (b)) is further amended by inserting after clause (xi) the following new clause:

"(xii) is in service as a full-time volunteer providing health services to individuals who are eligible to receive services from the Secretary of the Interior under title I and section 4 of the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93-638).".

(d) DURATION OF DEFERMENTS.—The second sentence of section 464(c)(2)(A) of such Act is amended by striking "(v), or (vii)" and inserting "(v), (vii), (x), (xi), or (xii)".

SEC. 178. EFFECTIVE DATE.

The amendments made by sections 176 and 177 of this subpart shall apply only to loans made to cover the costs of instruction for periods of enrollment beginning on or after 30 days after the date of enactment of this part to individuals who are new borrowers on that date.

Subpart 5—Publication

SEC. 181. INFORMATION FOR STUDENTS.

Section 485(a)(1) of the Higher Education Act of 1965 (hereafter in this part referred to as the "Act") is amended—

(1) by striking out "and" at the end of subparagraph (J);

(2) by striking out the period at the end of subparagraph (K) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following:

"(L) the terms and conditions under which students receiving loans under part B or E of this title, or both, may—

"(i) obtain deferral of the repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization, and

"(ii) obtain partial cancellation of the student loan for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973, or for comparable full-time service as a volunteer for a tax-exempt organization.".

SEC. 182. EXIT COUNSELING FOR BORROWERS.

Section 485(b) of the Act is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting in lieu thereof a semicolon and "and"; and

(3) by adding the following new paragraph after paragraph (2):

"(3) the terms and conditions under which the student may obtain partial cancellation or defer repayment of the principal and interest for service under the Peace Corps Act or under the Domestic Volunteer Service Act of 1973 or for comparable full-time service as a volunteer for a tax-exempt organization.".

SEC. 183. DEPARTMENT INFORMATION ON DEFERMENTS AND CANCELLATIONS.

Section 485(d) of the Act is amended by inserting the following before the last full sentence: "The Secretary shall provide information on the specific terms and conditions under which students may obtain partial cancellation or defer repayment of loans for service under the Peace Corps Act and Domestic Volunteer Service Act of 1973 or for eligible comparable full-time service as a volunteer with a tax-exempt organization, and shall explicitly state that students may qualify for such partial cancellations or deferments when they serve as a paid employee of a tax-exempt organization.".

Subpart 6—Student Literacy Corps

SEC. 186. AMENDMENTS TO STUDENT LITERACY CORPS PROVISIONS.

(a) PRIORITY FOR SINGLE PARENTS OF DISADVANTAGED CHILDREN.—Section 144(b)(2)(D) of the Higher Education Act of 1965 is amended by inserting before the semicolon the following: "and will give priority in providing tutoring services to illiterate parents of educationally or economically disadvantaged elementary school students, with special emphasis on single-parent households".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 146 of the Higher Education Act of 1965 is amended to read as follows:

"SEC. 146. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $15,000,000 for fiscal year 1991 and such sums as may be neces-

sary for each of the three succeeding fiscal years.".

Subpart 7—Student Tutorial Corps Initiative

SEC. 188. AMENDMENT.

Title I of the Higher Education Act of 1965 is further amended by adding at the end thereof the following new part:

"PART E—STUDENT TUTORIAL CORPS

"SEC. 151. PURPOSE.

"It is the purpose of this part to authorize a demonstration program to encourage college students to tutor disadvantaged students receiving services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (hereinafter in this part referred to as 'chapter 1').

"SEC. 152. GRANTS AUTHORIZED.

"The Secretary is authorized to make demonstration grants in accordance with the purposes and requirements of this part to institutions of higher education submitting applications that meet the requirements of section 153, in order to assist such institutions to establish and conduct student tutorial programs that—

"(1) encourage students enrolled in that institution to provide tutoring to educationally disadvantaged students receiving services under chapter 1;

"(2) are conducted at the request, and with the direction, of personnel providing services under chapter 1, to assist them in the education of such children; and

"(3) that do not displace any of such personnel.

"SEC. 153. APPLICATION.

"To receive a grant under this part, an institution of higher education shall submit an application that—

"(1)(A) specifies that such students will be compensated at rates consistent with the rates paid under part C of title IV of this Act; or

"(B) specifies the rate at which the student will obtain academic credit for tutorial services; and

"(2) demonstrate the active interest of the local educational agency (for the students receiving services under chapter 1) in establishing the program; and

"(3) contain or be accompanied by such other information of assurances as the Secretary may require to carry out the purposes of this part.

"SEC. 154. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $10,000,000 for fiscal year 1991 and such sums as may be necessary for each of the three succeeding fiscal years.".

PART C—PEACE CORPS

SEC. 191. SHORT TITLE.

This part may be cited as the "Peace Corps Volunteer Education Demonstration Program Act".

SEC. 192. PROGRAM AUTHORIZED.

(a) GENERAL AUTHORITY.—The Director of the Peace Corps is authorized to carry out a training and educational benefits demonstration program in accordance with this part.

(b) CONTRACT AUTHORITY.—The Director is authorized, either directly or by way of grant, contract, or other arrangement, to carry out the provisions of this part. The authority to enter into contracts under this part shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriations Acts.

SEC. 193. ELIGIBILITY.

Any individual who—

(1) has completed at least 2 years of satisfactory study at an institution of higher education, is enrolled in an educational program of at least 4 years at an institution of higher education for which such institution awards a bachelor's degree, and will complete such program within 2 years,

(2) enters into an agreement with the Director to serve at least 3 years as a volunteer in the Peace Corps, and

(3) is selected pursuant to the competitive process established under section 194,

is eligible to participate in the demonstration program authorized by this part.

SEC. 194. SELECTION PROCEDURES.

The Director of the Peace Corps shall establish uniform criteria for the selection on a competitive basis of individuals to participate in the training program established under section 195 and to receive educational benefits under section 196. The selection procedures established under this section shall give special consideration to students from groups traditionally underrepresented in the Peace Corps and to students who will specialize in courses of instruction for which there is a special need in the Peace Corps.

SEC. 195. TRAINING PROGRAM.

The Director of the Peace Corps shall establish and carry out a training program under which each individual selected under section 194, as part of the course of study which the individual is pursuing at his or her institution of higher education, receives appropriate training for the work he or she will perform in the Peace Corps.

SEC. 196. EDUCATIONAL BENEFITS.

(a) BENEFITS PROVIDED.—Each individual who has been selected under section 194 shall be eligible to receive educational benefits in an amount not to exceed the costs of tuition, room and board, and books and fees, that the individual incurs in attending his or her institution of higher education during the remaining 2 years of the educational program in which the individual is enrolled.

(b) FORM OF BENEFITS.—The educational benefits provided to an individual under subsection (a) shall be in the form of grants, remissions of expenses, or such other form as the Director considers appropriate.

(c) REPAYMENT OF BENEFITS.—An individual provided benefits under subsection (a) shall repay the amount of the benefits so provided, plus interest—

(1) if the individual fails to complete his or her educational program within the 2-year period specified in section 193(1), or

(2) if the individual fails to serve 3 years as a volunteer in the Peace Corps upon completing his or her educational program.

The Director may waive the repayment requirement if exceptional circumstances, such as illness or death, prevent an individual from meeting such 2-year or 3-year requirement.

(d) COLLECTION BY SECRETARY OF EDUCATION.—The Secretary of Education shall have the authority to collect amounts owed by an individual under subsection (c). The Secretary may, for the purpose of collecting such amounts, exercise the authorities conferred on the Secretary by sections 467 and 468 of the Higher Education Act of 1965 (20 U.S.C. 1087gg and 1087hh) with respect to the collection of defaulted loans under part E of title IV of that Act. Amounts collected under this subsection shall be deposited in the general fund of the Treasury.

SEC. 197. EVALUATION AND REPORT.

The Director and the Secretary of Education shall jointly conduct an evaluation of the demonstration program authorized by this part and shall prepare and submit to the President and the Congress—

(1) not later than October 31, 1993, an interim report on such evaluation, and

(2) not later than October 31, 1995, a final report on such evaluation, together with such recommendations, including recommendations for legislation, as the Director and the Secretary consider appropriate.

SEC. 198. DEFINITIONS.

As used in this part—

(1) the term "Director" means the Director of the Peace Corps, and

(2) the term "institution of higher education" has the meaning given that term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

SEC. 199. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Peace Corps to carry out this part $2,000,000 for the fiscal year 1991 and such sums as may be necessary for each succeeding fiscal year ending before October 1, 1994. Amounts appropriated under this section are authorized to remain available until expended.

PART D—COMMUNITY ACTION AGENCIES

For purposes of this title and the amendments made by this title, the term "community-based organization" includes a community action agency.

TITLE II—TO ESTABLISH THE AMERICAN CONSERVATION AND YOUTH SERVICE CORPS

PART A—AMERICAN CONSERVATION CORPS

SEC. 201. ESTABLISHMENT.

(a) IN GENERAL.—There is established the American Conservation Corps to be administered by the Secretary of Agriculture and the Secretary of the Interior (individually referred to in this Act as the "administering Secretary") under subsection (b) and through a State grant component.

(b) FEDERAL COMPONENT.—

(1) The Secretary of the Interior and the Secretary of Agriculture shall establish the Federal component of the American Conservation Corps within their respective agencies to administer programs on Federal lands. Applications for participation in the Corps on Federal public lands shall be submitted to the administering Secretary in the manner described in part D and under regulations promulgated under subsection (e).

(2) Funds appropriated for purposes of this part to an administering Secretary shall be used to carry out projects on Federal lands and to provide for the Federal administrative costs of implementing this part.

(3) In using such funds, the Secretary of the Interior and the Secretary of Agriculture shall enter into contracts or other agreements with program agencies, local governments, and nonprofit organizations approved for participation under section 220(a).

(4) Participants shall contract with qualified existing youth corps programs in the regions or areas where Federal component activities will occur. In States where such corps programs do not exist, the Secretary shall encourage the chief executive officer of the State to establish a youth corps program. Only if a State has failed to establish a youth corps program shall the Secretary directly administer a program for the Federal component.

(c) STATE COMPONENT.—

(1) The Secretary of the Interior shall establish a program under which grants shall

be made to States to administer the State component of the American Conservation Corps involving work on non-Federal public lands and waters within a given State. Each Governor shall designate a State program agency to administer the program within the State.

(2) If at the commencement of a fiscal year, such a program agency has not been so designated, any local government within such State may establish a program agency to carry out the State component within the political subdivision under the jurisdiction of such local government.

(3) Any program agency may apply for a grant under this title in the manner described in section 215.

(d) LOCAL GOVERNMENT PARTICIPATION.—

(1) Any local government program agency established under subsection (c)(2) shall be subject, in all respects, to the same requirements as a State program agency. Where more than one local government within a State has established a program agency under subsection (c)(2), the administering Secretary shall allocate funds between such agencies in such manner as the Secretary considers equitable.

(2) Any State carrying out a program under this part shall provide a mechanism under which local governments and nonprofit organizations within the State may participate in the American Conservation Corps.

(e) REGULATIONS AND ASSISTANCE.—

(1) Before the end of the 120-day period beginning on the date of the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture, after consultation with the Secretary of Labor, shall jointly promulgate regulations necessary to implement the American Conservation Corps established by subsection (a).

(2)(A) Before the end of the 30-day period beginning on the date of the enactment of this Act, the Secretary of the Interior and the Secretary of Agriculture shall establish procedures to give program agencies and other interested parties (including the general public) adequate notice and opportunity to comment on and participate in the formulation of such regulations.

(B) The regulations shall include provisions to assure uniform reporting on—

(i) the activities and accomplishments of American Conservation Corps programs,

(ii) the demographic characteristics of enrollees in the Corps, and

(iii) such other information as may be necessary to prepare the annual report required by section 229(a).

(f) PROJECTS INCLUDED.—The American Conservation Corps established under subsection (a) may carry out projects such as—

(1) conservation, rehabilitation, and improvement of wildlife habitat, rangelands, parks, and recreational areas,

(2) urban revitalization and historical and cultural site preservation,

(3) fish culture and habitat maintenance and improvement and other fishery assistance,

(4) road and trail maintenance and improvement,

(5)(A) erosion, flood, drought, and storm damage assistance and controls,

(B) stream, lake, and waterfront harbor and port improvement, and

(C) wetlands protection and pollution control,

(6) insect, disease, rodent, and fire prevention and control,

(7) improvement of abandoned railroad bed and right-of-way,

(8) energy conservation projects, renewable resource enhancement, and recovery of biomass,

(9) reclamation and improvement of strip-mined land, and

(10) forestry, nursery, and cultural operations.

(g) LIMITATION TO PUBLIC LANDS.—Projects to be carried out under the American Conservation Corps shall be limited to projects on public lands or Indian lands, except where a project involving other lands will provide a documented public benefit as determined by the administering Secretary. The regulations promulgated under subsection (e) shall establish the criteria necessary to make such determinations.

(h) CONSISTENCY.—All projects carried out under this part for conservation, rehabilitation, or improvement of any public lands or Indian lands shall be consistent with—

(1) the provisions of law and policies relating to the management and administration of such lands and all other applicable provisions of law, and

(2) all management, operational, and other plans and documents which govern the administration of the area.

(i) PARTICIPATION BY OTHER CONSERVATION PROGRAMS.—Any land or water conservation program (or any related program) administered in any State under the authority of any Federal program is encouraged to use services available under this part to carry out its program.

SEC. 202. ALLOCATION OF AUTHORIZED FUNDS.

Of the sums appropriated under section 232(b)(1)(A) to carry out this part for any fiscal year—

(1) 50 percent shall be made available to the administering Secretary for expenditure by State program agencies which have been approved for participation in the American Conservation Corps for work on State and county lands,

(2) 15 percent shall be made available to the Secretary of Agriculture for expenditure by agencies within the Department of Agriculture, subject to section 232(d),

(3) 5 percent shall be made available to an administering Secretary, under such terms as are provided for in regulations promulgated under section 201(e), for expenditure by other Federal agencies, subject to section 232(d),

(4) 25 percent shall be made available to the Secretary of the Interior for expenditure by agencies within the Department of the Interior, subject to section 232(d), and for demonstration projects or projects of special merit carried out by any program agency or by any nonprofit organization or local government which is undertaking or proposing to undertake projects consistent with the purposes of this part, and

(5) 5 percent shall be made available to the Secretary of the Interior for expenditure by the governing bodies of participating Indian tribes.

PART B—YOUTH SERVICE CORPS

SEC. 206. YOUTH SERVICE CORPS PROJECT GRANTS.

(a) ESTABLISHMENT.—There is established the Youth Service Corps.

(b) GRANTS.—The Director of the ACTION Agency shall appoint an Assistant Director (referred to in this Act as the "Assistant Director") who shall provide, to public and private nonprofit agencies determined to be eligible under section 216, grants for Youth Service Corps projects and otherwise to administer this part.

SEC. 207. SERVICE CATEGORIES.

(a) DESIGNATION OF SERVICE CATEGORIES.—The Assistant Director shall, by regulation, designate specific activities as service categories in which persons serving in Youth Service Corps projects may serve for purposes of this part.

(b) ELIGIBILITY REQUIREMENTS.—An activity may be designated as a service category under subsection (a) if the Assistant Director determines that—

(1) such activity is of substantial social benefit in meeting unmet human, social, or environmental needs (particularly needs related to poverty) of or in the community where service is to be performed,

(2) involvement of persons serving in Youth Service Corps projects under this part in such activity will not interfere unreasonably with the availability and the terms of employment of employees of sponsoring organizations with positions available in such activity,

(3) persons serving in Youth Service Corps projects under this part are able to meet the physical, mental, and educational qualifications that such activity requires, and

(4) such activity is otherwise appropriate for purposes of this part.

(c) SPECIFIC ELIGIBLE SERVICE CATEGORIES.—The service categories referred to in subsection (a) may include service in—

(1) State, local, and regional governmental agencies,

(2) nursing homes, hospices, senior centers, hospitals, local libraries, parks, recreational facilities, day care centers, and schools,

(3) law enforcement agencies, and penal and probation systems,

(4) private nonprofit organizations whose principal purpose is social service,

(5) the rehabilitation or improvement of public facilities, neighborhood improvements, literacy training benefiting educationally disadvantaged persons, weatherization of and basic repairs (including construction) to low-income housing, energy conservation, including solar energy techniques, removal of architectural barriers to access by handicapped persons to public facilities, and conservation, maintenance, or restoration of natural resources on publicly held lands, and

(6) any other nonpartisan civic activity and service that the Assistant Director determines to be appropriate for purposes of this part.

(d) INELIGIBLE SERVICE CATEGORIES.—The service categories referred to in subsection (a) may not include any position in any—

(1) business organized for profit,

(2) labor union,

(3) partisan political organization,

(4) organization engaged in religious activities, unless such position does not involve any religious functions, or

(5) domestic or personal service company or organization.

(e) RELATED PROGRAMS.—Any program administered under the authority of the Secretary of Health and Human Services, which program is operated for the same purpose as any program eligible under this part, is encouraged to use services available under this part to carry out its program.

PART C—YOUTH SKILLS ENHANCEMENT

SEC. 211. CERTIFICATION AND ACADEMIC CREDIT.

The administering Secretary or the Assistant Director (whichever the case may be) shall provide guidance and assistance to States in securing certification of training skills or academic credit for competencies developed under part A or B.

SEC. 212. TRAINING AND EDUCATION SERVICES.

(a) ASSESSMENT OF SKILLS.—Each program agency shall, through programs and projects under part A or B, maintain or enhance the educational skills of enrollees in the program. Each such agency shall assess the educational level of enrollees at the time of entrance in the program, using any available records or simplified assessment means or methodology.

(b) PROVISION OF IN-SERVICE TRAINING AND EDUCATION.—

(1) Program agencies receiving assistance under section 216 shall use not less than 10 percent of the funds available to them to provide in-service training and educational materials and services for enrollees and persons serving in programs and may enter into arrangements with academic institutions or education providers, including—

(A) local education agencies,

(B) community colleges,

(C) 4-year colleges,

(D) area vocational-technical schools, and

(E) community based organizations,

for academic study (including remediation) by enrollees and other persons serving in Youth Service Corps projects during nonworking hours to upgrade literacy skills, to obtain a high school diploma (or its equivalency) or college degrees, or to enhance employable skills. Career counseling shall be provided to enrollees and other persons serving in Youth Service Corps projects during any period of in-service training. Each graduating enrollee must be provided with counseling with respect to additional study, job skills training, or employment and shall be provided job placement assistance where appropriate.

(2) Enrollees and other persons serving in Youth Service Corps projects who have not obtained a high school diploma or its equivalent shall have priority to receive services under this subsection.

(3) Whenever possible, an enrollee seeking study or training not provided at the enrollee's assigned facility shall be offered assignment to a facility providing such study or training.

(c) POST-SERVICE EDUCATION AND TRAINING ASSISTANCE.—Any such program or project shall use not less than 10 percent of the funds available to the agency for the program or project under section 216 to provide services described in subsection (b)(1) for post-service education and training assistance. The amount of such assistance provided to any eligible individual shall be based upon the period of time such person served in a program or project under this title. The activities under this section may include activities available to eligible enrollees under in-service education and training assistance, career and vocational counseling, assistance in entering a program under the Job Training Partnership Act, and other activities deemed appropriate for the enrollee by the program agency and the advisory board.

(d) STANDARDS AND PROCEDURES.—Appropriate State and local officials shall certify that standards and procedures with respect to the awarding of academic credit and certifying educational attainment in programs conducted under subsection (b) are consistent with the requirements of applicable State and local law and regulations. Such standards and procedures shall specify, among other things, that any person serving in a program or project under this title—

(1) who is not a high school graduate, shall participate in an educational component whereby such person can progress toward a high school diploma or its equivalent, and

(2) may arrange to receive academic credit in recognition of learning and skills obtained from service satisfactorily completed.

PART D—ADMINISTRATIVE PROVISIONS

SEC. 216. GRANTS.

(a) AWARD OF GRANTS.—Within 60 days after the date of the enactment of appropriations under section 232, any eligible entity may apply to the administering Secretary or the Assistant Director (whichever the case may be) for funds under this title in the manner specified under part A or part B. In determining the amount of funds to be awarded to any such applicant, the administering Secretary or the Assistant Director (whichever the case may be) shall consider each of the following factors:

(1) The proportion of the unemployed youth population of area to be served.

(2)(A) In the case of part A, the conservation, rehabilitation, and improvement needs on public lands within the State, and

(B) In the case of part B, unmet human, social, or environmental needs (particularly needs related to poverty) within the area to be served.

(b) MATCHING REQUIREMENT.—

(1) As a condition on the award of a grant under subsection (a), a State or program agency shall demonstrate to the satisfaction of the administering Secretary or the Assistant Director (whichever the case may be) that it will expend (in cash or in kind), for purposes of any American Conservation Corps or Youth Service Corps project funded under this Act, an amount from public or private non-Federal sources (including the direct cost of employment or training services provided by State or local programs, private nonprofit organizations, and private for-profit employers) equal to the amount made available to such State or agency under this title.

(2) In addition to such matching requirement, the State or program agency shall demonstrate to the satisfaction of the administering Secretary or the Assistant Director (whichever the case may be) that the effectiveness of the project will be enhanced by the use of Federal funds.

(c) PAYMENT TERMS.—Payments under grants awarded under this section may be made in advance or by way of reimbursement and at such intervals and on such conditions as the administering Secretary or the Assistant Director (whichever the case may be) finds necessary.

(d) USE OF FUNDS, LIMITATIONS.—

(1) Contract authority under this title shall be subject to the availability of appropriations. Funds appropriated under section 232 shall only be used for activities which are in addition to those which would otherwise be carried out in the area in the absence of such funds.

(2) Not more than 10 percent of the Federal funds made available to any State or program agency for projects during each fiscal year may be used for the purchase of major capital equipment.

(3) Not more than 15 percent of any Federal funds made available to any State or program agency under this title may be used to cover administrative expenses. In any case in which a grant is being awarded to a specific unit of local government rather than to a State, the State may not use more than 3 percent of the grant to cover administrative expenses. The remainder of the grant shall be transferred to the relevant unit of local government.

(4) Not more than 5 percent of any Federal funds provided under this title may be used for part-time service or conservation programs. For purposes of this paragraph the term "part-time" means unpaid service of not more than 15 hours per week.

(5) Not more than 1 percent of any Federal funds provided under this title may be used for joint programs with organized senior citizen programs for community support services.

SEC. 217. APPROVAL OF APPLICATIONS AND SUPERVISION OF PROGRAMS.

(a) APPLICATION.—

(1) In order to be eligible for any grant under section 216, an applying entity shall submit, in accordance with subsection (c), a plan that describes the existing or proposed program or project for which such grant is requested.

(2) Any entity which is eligible to provide employment and educational training under other Federal employment training programs may apply for a grant under section 216.

(b) CONTENTS OF PLAN FOR ELIGIBILITY FOR GRANTS.—The plan referred to in subsection (a) shall include the following:

(1)(A) A comprehensive description of the objectives and performance goals for the program, (B) a plan for managing and funding the program, and (C) a description of the types of projects to be carried out, including a description of the types and duration of training and work experience to be provided.

(2) A plan for certification of the training skills acquired by enrollees and award of academic credit to enrollees for competencies developed from training programs or work experience obtained under this title.

(3) An estimate of the number of enrollees and crew leaders necessary for the proposed projects, the length of time for which the services of such personnel will be required, and the services which will be required for their support.

(4) A description of the location and types of facilities and equipment to be used in carrying out the programs.

(5) A list of positions from which any person serving in such project may choose a service position, which list shall, to the extent practicable, identify a sufficient number and variety of positions so that any person living within a program area who desires to serve in voluntary youth service may serve in a position that fulfills the needs of such person.

(6) A list of requirements to be imposed on any sponsoring organization of any person serving in a program or project under this title, including a provision that any sponsoring organization that invests in any project under this title by making a cash contribution or by providing free training of any person participating in such project shall be given preference over any sponsoring organization that does not make such an investment.

(7) With respect to the specified location and type of any facility to be used in carrying out the program, a description of—

(A) the proximity of any such facility to the work to be done,

(B) the cost and means of transportation available between any such facility and the homes of the enrollees who may be assigned to that facility,

(C) the participation of economically, socially, physically, or educationally disadvantaged youths, and

(D) the cost of establishing, maintaining, and staffing the facility.

(8)(A) A provision describing the manner of appointment of sufficient supervisory staff by the chief administrator to provide for other central elements of a youth corps, such as crew structure and a youth development component. Supervisory staff may include enrollees who have displayed exceptional leadership qualities.

(B) A provision describing a plan to assure the on-site presence of knowledgeable and competent supervision at program facilities.

(9) A description of the facilities, quarters, and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, and other appropriate services, supplies, and equipment that will be provided by the agency.

(10) A description of basic standards of work requirements, health, nutrition, sanitation, and safety, and the manner by which such standards shall be enforced.

(11) A description of the program's plan to assign youths to facilities as near to their homes as is reasonable and practicable.

(12) A description of formal social counseling arrangements to be made available to the participant during service in the American Conservation Corps or Youth Service Corps.

(13) Such other information as the administering Secretary or the Assistant Director (whichever the case may be) may prescribe.

(c) PRELIMINARY APPROVAL OF PART A APPLICATIONS.—

(1) An application for participation in the State component under part A shall first be submitted to the designated State agency for preliminary review and approval. Such agency shall forward to the appropriate State job training coordinating council, if any (established under the Job Training Partnership Act (29 U.S.C. 1502 et seq.)), for further review and comment, any application it approves. Upon the expiration of the 30-day review period referred to in subsection (e), the State agency shall submit any approved application, along with any comments by the council, to the administering Secretary.

(2) A State may submit any application for its own program under part A to the administering Secretary after complying with the review and comment requirement under subsection (e).

(3) The administering Secretary shall establish an appeals procedure (involving review and comment by the State job training council) for applying entities whose applications are disapproved under paragraph (1).

(d) PART B APPLICATIONS.—An application for participation under part B may be submitted by any public or private nonprofit entity to the administering Assistant Director after review and comment under subsection (e).

(e) REVIEW AND COMMENT ON APPLICATIONS.—No application for participation under part A or part B may be submitted to the administering Secretary or the Assistant Director (whichever the case may be) before the end of the 30-day period for review and comment by such council (except in the case of an appeal).

(f) CRITERIA FOR APPROVAL OF APPLICATIONS.—In approving an application under this section, the administering Secretary or the Assistant Director (whichever the case may be) shall consider the extent to which the specifics of the program or project (as described in the application) meet the goals of the program for which the grant is sought.

SEC. 218. PREFERENCE FOR CERTAIN PROJECTS.

In the approval of applications for programs and projects submitted under section 217, the Administering Secretary or the Assistant Director (whichever the case may be) shall give preference to those programs and projects which—

(1) will provide long-term benefits to the public,

(2) will instill in the enrollees a work ethic and a sense of public service,

(3) will be labor intensive, with youth operating in crews,

(4) can be planned and initiated promptly,

(5) will enhance the enrollees' educational level and opportunities, and skills development,

(6) in the case of a proposed part A project, will meet the unmet needs for conservation, rehabilitation, and improvement work on public lands within the State, and

(7) in the case of a proposed part B project, will meet human, social, and environmental needs (particularly needs related to poverty).

SEC. 219. EFFECT OF EARNINGS ON ELIGIBILITY FOR OTHER FEDERAL ASSISTANCE.

Earnings and allowances received under this title by an economically disadvantaged youth, as defined in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)), shall be disregarded in determining the eligibility of the youth's family for, and the amount of, any benefits based upon need under any program established under this title.

SEC. 220. ENROLLMENT.

(a) CRITERIA.—

(1)(A) Enrollment in the American Conservation Corps and the Youth Service Corps shall be limited to individuals who, at the time of enrollment, are—

(i) not less than 16 years or more than 25 years of age, except that programs limited to the months of June, July, and August may include individuals not less than 15 years and not more than 21 years of age at the time of their enrollment, and

(ii) citizens or nationals of the United States (including those citizens of the Northern Mariana Islands as defined in section 24(b) of the Act entitled "An Act to authorize $15,500,000 for capital improvement projects on Guam, and for other purposes.", approved December 8, 1983 (Public Law 98-213, 48 U.S.C. 1681 note), or lawful permanent resident aliens of the United States.

(B) Special efforts shall be made to recruit and enroll individuals who, at the time of enrollment, are economically disadvantaged.

(C) In addition to recruitment enrollment efforts required in subparagraph (B), the administering Secretary or the Assistant Director (whichever the case may be) shall make special efforts to recruit enrollees who are socially, physically, and educationally disadvantaged youths and also make special efforts who are participating in foster care independent living programs, who are homeless, or are otherwise disconnected from their communities.

(D) Any person who does not hold a high school diploma or its equivalent may not be accepted for service in a program or project under this Act unless such person has not been enrolled as a high school student during the 3-month period before the date of such acceptance.

(E) Notwithstanding subparagraph (A), a limited number of special corps members may be enrolled without regard to their age so that the corps may draw upon their special skills which may contribute to the attainment of the purposes of this Act.

(2) Except in the case of a program limited to the months of June, July, and August, individuals who at the time of applying for enrollment have attained 16 years of age but not attained 19 years of age, and who are no longer enrolled in any secondary school shall not be enrolled unless they give adequate written assurances, under criteria to be established by the administering Secretary or the Assistant Director (whichever the case may be), that they did not leave school for the express purpose of enrolling. The regulations promulgated under section 201(e) shall provide such criteria.

(3) The selection of enrollees to serve in the American Conservation Corps or Youth Service Corps shall be the responsibility of the chief administrator of the program agency. Enrollees shall be selected from those qualified persons who have applied to, or been recruited by, the program agency, a State employment security service, a local school district with an employment referral service, an administrative entity under the Job Training Partnership Act (29 U.S.C. 1502 et seq.), a community or community-based nonprofit organization, the sponsor of an Indian program, or the sponsor of a migrant or seasonal agricultural worker program.

(4)(A) Except for a program limited to the months of June, July, and August, any qualified individual selected for enrollment in the American Conservation Corps or Youth Service Corps may be enrolled for a period not to exceed 24 months. When the term of enrollment does not consist of one continuous 24-month term, the total of shorter terms may not exceed 24 months.

(B) No individual may remain enrolled in the American Conservation Corps or Youth Service Corps after that individual has attained the age of 26 years, except as provided in paragraph (1)(E).

(C) No enrollee shall perform services in any project for more than a 6-month period.

(5) Within the American Conservation Corps or Youth Service Corps the directors of programs shall establish and stringently enforce standards of conduct to promote proper moral and disciplinary conditions. Enrollees who violate these standards shall be transferred to other locations, or dismissed, if it is determined that their retention in that particular program, or in the Corps, will jeopardize the enforcement of such standards or diminish the opportunities of other enrollees. Such disciplinary measures shall be subject to expeditious appeal to the administering Secretary or the Assistant Director (whichever the case may be).

(b) REQUIREMENT OF PAYMENT FOR CERTAIN SERVICES.—A reasonable portion of the costs of the rates for room and board provided at residential facilities may be deducted from amounts determined under subsection (c) and deposited into rollover funds administered by the appropriate program agency. Such deductions and rates are to be established after evaluation of costs of providing the services. The rollover funds established under this subsection shall be used solely to defray the costs of room and board for enrollees. The administering Secretary, or the Assistant Director (whichever the case may be), and the Secretary of Defense may make available to program agencies any surplus food and equipment available from Federal programs.

(c) SUBSISTENCE ALLOWANCE AND OTHER BENEFITS.—

(1) The administering Secretary or the Assistant Director (whichever the case may be), shall devise a schedule providing an aggregate amount of subsistence allowances and other benefits, including education and training benefits (such as loans, scholarships, and grants) in an amount that is equal to not less than 100 percent and not more than 160 percent of the amount such enrollee would have earned if such person had been paid at a rate equal to the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) during the period of service of such enrollee.

(2) During the period of an enrollee's service, the enrollee shall receive, from amounts determined under paragraph (1), an allowance (in cash or in kind) of not less than 50 percent and not more than 100 percent of such minimum wage, to be paid to such person during such period of service.

(3) In any case in which enrollees would perform services substantially similar to the duties and responsibilities of a regular employee employed by the employer to whom such enrollee is assigned, the program agency shall ensure that the amount determined under paragraph (1) shall be based upon a rate not less than the highest of—

(A) the minimum wage under section 6(a)(1) of the Fair Labor Standards Act of 1938,

(B) the minimum wage under the applicable State or local minimum wage law, or

(C) the prevailing rates of pay for such regular employees of the employer.

(4) For purposes of the Fair Labor Standards Act of 1938, residential youth service corps programs will be considered an organized camp.

(d) SERVICES, FACILITIES, AND SUPPLIES.—

(1) The program agency shall provide facilities, quarters, and board (in the case of residential facilities), limited and emergency medical care, transportation from administrative facilities to work sites, and other appropriate services, supplies, and equipment.

(2)(A) The administering Secretary or the Assistant Director (whichever the case may be) may provide services, facilities, supplies, and equipment to any program agency carrying out projects under this Act.

(B) Whenever possible, the administering Secretary or the Assistant Director (whichever the case may be) shall make arrangements with the Secretary of Defense to have logistical support provided by a military installation near the work site, including the provision of temporary tent centers where needed, and other supplies and equipment.

(e) HEALTH AND SAFETY STANDARDS.—The administering Secretary or the Assistant Director (whichever the case may be), along with the program agency, shall establish standards and enforcement procedures concerning enrollee health and safety for all projects, consistent with Federal, State, and local health and safety standards.

(f) GUIDANCE AND PLACEMENT.—Program agencies shall provide such job guidance and placement information and assistance for enrollees as may be necessary. Such assistance shall be provided in coordination with appropriate State, local, and private agencies and organizations.

SEC. 221. COORDINATION AND PARTICIPATION WITH OTHER ENTITIES.

(a) AGREEMENTS.—Program agencies may enter into contracts and other appropriate arrangements with local government agencies and nonprofit organizations for the operation or management of any projects or facilities under the program.

(b) COORDINATION.—The administering Secretary or the Assistant Director (whichever the case may be) and the chief administrators of program agencies carrying out programs under this title shall coordinate the programs with related Federal, State, local, and private activities.

(c) JOINT PROJECTS INVOLVING THE DEPARTMENT OF LABOR.—The administering Secretary or the Assistant Director (whichever the case may be) may develop, jointly with the Secretary of Labor, regulations designed to allow, where appropriate, joint projects in which activities supported by funds authorized under this title are coordinated with activities supported by funds authorized under employment and training statutes administered by the Department of Labor (including the Job Training Partnership Act (29 U.S.C. 1502 et seq.)). Such regulations shall provide standards for approval of joint projects which meet both the purposes of this title and the purposes of such employment and training statutes under which funds are available to support the activities proposed for approval. Such regulations shall also establish a single mechanism for approval of joint projects developed at the State or local level.

SEC. 222. AMERICAN CONSERVATION CORPS AND YOUTH SERVICE CORPS STATE ADVISORY BOARDS.

(a) ESTABLISHMENT.—Upon the approval of a project within a State, the State job training coordinating council within the State shall appoint an advisory board for the purpose of conducting regular oversight and review of projects of the American Conservation Corps and the Youth Service Corps within the State. In particular, the advisory board shall certify that the project satisfies the requirements and limitations under this title, including limitations respecting the displacement of existing employees and the types of projects and responsibilities appropriate for enrollees in the American Conservation Corps and the Youth Service Corps. Members of the advisory board shall also provide guidance and assistance for the development and administration of projects.

(b) COMPOSITION.—(1) Each advisory board shall be composed of not less than 7 individuals, of whom—

(A) 2 individuals who are representatives of organized labor (one of each representing the State and local levels), and

(B) 5 individuals, one of each of whom is a representative of the business community, community based organizations, State government (or an appropriate State agency), local elected office, and State or local school administration.

(2) If more than 7 individuals are appointed to an advisory board, the representation required by paragraph (1) shall be met, to the extent practicable.

(c) ANNUAL MEETINGS.—Each advisory board shall meet not less often than twice annually.

SEC. 223. FEDERAL AND STATE EMPLOYEE STATUS.

Enrollees, crew leaders, and volunteers are deemed as being responsible to, or the responsibility of, the program agency administering the project on which they work. Except as otherwise specifically provided in the following paragraphs, enrollees and crew leaders in projects for which funds have been authorized under section 232 shall not be deemed Federal employees and should not be subject to the provisions of law relating to Federal employment:

(1) For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to the compensation of Federal employees for work injuries, enrollees and crew leaders serving American Conservation and Youth Service Corps program agencies shall be deemed employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provision of that subchapter shall apply, except—

(A) the term "performance of duty" shall not include any act of an enrollee or crew leader while absent from his or her assigned post of duty, except while participating in an activity authorized by or under the direction and supervision of a program agency (including an activity while on pass or during travel to or from such post of duty), and

(B) compensation for disability shall not begin to accrue until the day following the date on which the injured enrollee's or crew leader's employment is terminated.

(2) For purposes of chapter 171 of title 28, United States Code, relating to tort claims procedure, enrollees and crew leaders on American Conservation Corps and Youth Service Corps projects shall be deemed employees of the United States within the meaning of the term "employee of the Government" as defined in section 2671 of such title.

(3) For purposes of section 5911 of title 5, United States Code, relating to allowances for quarters, enrollees and crew leaders shall be deemed employees of the United States within the meaning of the term "employee" as defined in that section.

SEC. 224. NOTICE, HEARING, AND GRIEVANCE PROCEDURES.

(a) IN GENERAL.—

(1) SUSPENSION OF PAYMENTS.—The Secretaries of Interior and Agriculture (in the case of a program funded under part A) or the Director of the ACTION Agency (in the case of a program funded under part B), is authorized, in accordance with this title, to suspend payments or to terminate payments under a contract or grant providing assistance under this title whenever the Secretary or Director determines there is a material failure to comply with this title or the applicable terms and conditions of any such grant or contract issued pursuant to this title.

(2) PROCEDURES TO ENSURE ASSISTANCE.—The Secretary or Director shall prescribe procedures to ensure that—

(A) assistance under this title shall not be suspended for failure to comply with the applicable terms and conditions of this title, except in emergency situations for 30 days, and

(B) assistance under this title shall not be terminated for failure to comply with applicable terms and conditions of this title unless the recipient of such assistance has been afforded reasonable notice and opportunity for a full and fair hearing.

(b) HEARINGS.—Hearings or other meetings that may be necessary to fulfill the requirements of this section shall be held at locations convenient to such recipient.

(c) TRANSCRIPT OR RECORDING.—A transcript or recording shall be made of a hearing conducted under this section and shall be available for inspection by any individual.

(d) STATE LEGISLATION.—Nothing in this title shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with the pro-

visions of this title, of the programs administered under this title.

(e) GRIEVANCE PROCEDURE.—

(1) IN GENERAL.—State and local applicants funded under parts A and B shall establish and maintain a procedure for grievances from participants, labor organizations, and other interested individuals concerning projects funded under this title, including grievances regarding proposed placements of such participants.

(2) DEADLINE FOR GRIEVANCES.—Except for a grievance that alleges fraud or criminal activity, a grievance shall be made within 1 year after the date of the alleged occurrence.

(3) DEADLINE FOR HEARING AND DECISION.—A hearing on any grievance shall be conducted within 30 days of filing such grievance and a decision shall be made not later than 60 days after the filing of such grievance.

(4) ARBITRATION.—

(A) IN GENERAL.—On the occurrence of an adverse grievance decision, or 60 days after the filing of such grievance if no decision has been reached, the party filing the grievance shall be permitted to submit such grievance to binding arbitration before a qualified arbitrator who is jointly selected and independent of the interested parties.

(B) DEADLINE FOR PROCEEDING.—An arbitration proceeding shall be held within 45 days after the request for such arbitration.

(C) DEADLINE FOR DECISION.—A decision on such grievance shall be made within 30 days after the date of such arbitration proceeding.

(D) COST.—The cost of such arbitration proceeding shall be divided evenly between the parties.

(5) PROPOSED PLACEMENT.—If a grievance is filed regarding a proposed placement of a participant in a program assisted under this title, such placement shall not be made unless it is consistent with the resolution of the grievance pursuant to this subsection.

(6) REMEDIES.—Remedies for a grievance filed under this subsection include—

(A) suspension of payments for assistance under this title;

(B) termination of such payments; and

(C) prohibition of such placement described in paragraph (5).

SEC. 225. NONDUPLICATION AND NONDISPLACEMENT.

(a) NONDUPLICATION.—

(1) IN GENERAL.—Funds provided under this title shall be used only for an activity that does not duplicate, and is in addition to, programs and activities otherwise available in the locality.

(2) PRIVATE NONPROFIT ENTITY.—Funds available under this title shall not be provided to a private nonprofit entity to conduct activities that are the same or substantially equivalent to activities provided by a State or local government agency that such entity resides in, unless the requirements of subsection (b) are met.

(b) NONDISPLACEMENT.—

(1) IN GENERAL.—An employer shall not displace an employee or position, including partial displacement such as reduction in hours, wages, or employment benefits, as a result of the use by such employer of a participant in a program established under this title.

(2) SERVICE OPPORTUNITIES.—A service opportunity shall not be created under this title that will infringe in any manner upon the promotional opportunity of an employed individual.

(3) LIMITATION ON SERVICES.—

(A) DUPLICATION OF SERVICES.—A participant in a program under this title shall not perform any services or duties or engage in activities that would otherwise be performed by an employee as part of the assigned duties of such employee.

(B) SUPPLANTATION OF HIRING.—A participant in any program under this title shall not perform any services or duties or engage in activities that will supplant the hiring of employed workers.

(C) DUTIES FORMERLY PERFORMED BY ANOTHER EMPLOYEE.—A participant shall not perform services or duties that have been performed by or were assigned to any—

(i) presently employed worker,

(ii) employee who recently resigned or was discharged,

(iii) employee who is subject to a reduction in force,

(iv) employee who is on leave (terminal, temporary, vacation, emergency, or sick), or

(v) employee who is on strike or who is being locked out.

SEC. 226. GRIEVANCE PROCEDURE.

(a) COMPLAINTS.—Each program agency shall establish and maintain a grievance procedure for grievances and complaints about its projects from enrollees and labor organizations and other interested persons. Hearings on any grievance shall be conducted within 30 days of filing of a grievance and decisions shall be made not later than 60 days after the filing of a grievance. Except for complaints alleging fraud or criminal activity, complaints shall be made within 1 year after the date of the alleged occurrence.

(b) INVESTIGATION BY THE ADMINISTERING SECRETARY OR THE ASSISTANT DIRECTOR.—Upon exhaustion of a grievance proceeding without decision, or where the administering Secretary or the Assistant Director (whichever the case may be) has reason to believe that the program agency is failing to comply with the requirements of this title or the terms of a project, the administering Secretary or the Assistant Director (whichever the case may be) shall investigate the allegation or belief within the complaint and determine, within 120 days after receiving the complaint, whether such allegation or belief is true.

SEC. 227. USE OF VOLUNTEERS.

Where any program agency has authority to use volunteer services in carrying out functions of the agency, such agency may use volunteer services for purposes of assisting projects carried out under this title and may expend funds made available for those purposes to the agency, including funds made available under this title, to provide for services or costs incidental to the utilization of such volunteers, including transportation, supplies, lodging, recruiting, training, and supervision. The use of volunteer services permitted by this section shall be subject to the condition that such use does not result in the displacement of any enrollee.

SEC. 228. NONDISCRIMINATION PROVISION.

(a) IN GENERAL.—An individual with responsibility for the operation of a project funded under this title shall not discriminate against a youth corps member or member of the staff of such project on the basis of race, color, national origin, sex, age, disability, or political affiliation of such member.

(b) CONSTRUCTION UNDER CIVIL RIGHTS ACT OF 1964.—For purposes of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), any program or project for which any State is receiving assistance under this title shall be considered to be receiving Federal financial assistance.

(c) RELIGIOUS DISCRIMINATION.—(1) Except as provided in paragraph (2), an individual with responsibility for the operation of a project funded under this title shall not discriminate on the basis of religion against a youth corps member or a member of the project staff who is paid with funds under this title.

(2) Paragraph (1) shall not apply to the employment, with funds provided under this title, of any member of the staff of a project funded under this title who was employed with the organization operating the project on the date the grant funded under this title was awarded.

SEC. 229. LABOR MARKET INFORMATION.

The Secretary of Labor shall make available to the administering Secretary or to the Assistant Director (whichever the case may be) and to any program agency under this title such labor market information as is appropriate for use in carrying out the purposes of this title.

SEC. 230. REVIEW AND REPORTING REQUIREMENTS.

(a) REPORT TO THE PRESIDENT AND CONGRESS.—The administering Secretary or the Assistant Director (whichever the case may be) shall prepare and submit to the President and to the Congress, at least annually, a report detailing the activities carried out under this title during the preceding fiscal year. Such report shall be submitted not later than December 31 of each year following the date of the enactment of the National Service Act of 1990.

(b) OVERSIGHT.—Each recipient of a grant made under section 216 shall provide oversight of service by any person in an American Conservation Corps or Youth Service Corps project under this Act, and of the operations of any employer of such person, in accordance with procedures established by the administering Secretary or the Assistant Director (whichever the case may be). Such procedures shall include fiscal control, accounting, audit, and debt collection procedures to ensure the proper disbursal of, and accounting for, funds received under this title. In order to carry out this section, each such recipient shall have access to such information concerning the operations of any sponsoring organization as the administering Secretary or the Assistant Director (whichever the case may be) determines to be appropriate.

(c) ANNUAL REPORT TO THE SECRETARY.—Any recipient of a grant made under this title shall prepare and submit an annual report to the administering Secretary or the Assistant Director (whichever the case may be) on such date as the Secretary shall determine to be appropriate. Such report shall include—

(1) a description of activities conducted by program or project for which such grant was awarded during the year involved,

(2) characteristics of persons serving in such program or project,

(3) characteristics of positions held by such persons,

(4) a determination of the extent to which relevant standards, as determined by the administering Secretary or the Assistant Director (whichever the case may be), were met by such persons and their sponsoring organizations,

(5) a description of the post-service experiences, including employment and educational achievements, of persons who have served, during the year that is the subject of the report, in projects under this title, and

(6) any additional information that the administering Secretary or the Assistant Di-

rector (whichever the case may be) determines to be appropriate for purposes of this title.

(d) RESEARCH AND EVALUATION.—The administering Secretary or the Assistant Director (whichever the case may be) shall provide for research and evaluation to—

(1) determine costs and benefits, tangible and otherwise, of work performed under this title and of training and employable skills and other benefits gained by enrollees, and

(2) identify options for improving program productivity and youth benefits, which may include alternatives for—

(A) organization, subjects, sponsorship, and funding of work projects,

(B) recruitment and personnel policies,

(C) siting and functions of facilities,

(D) work and training regimes for youth of various origins and needs, and

(E) cooperative arrangements with programs, persons, and institutions not covered under this title.

(e) TECHNICAL ASSISTANCE.—Each administering Secretary or the Assistant Director (whichever the case may be) shall provide technical assistance to the States, to local governments, nonprofit entities and other entities eligible to participate under this title.

SEC. 231. AUTHORITY OF STATE LEGISLATURE.

Nothing in this title shall be interpreted to preclude the enactment of State legislation providing for the implementation, consistent with this title, of the programs administered under this title.

SEC. 232. AUTHORIZATION OF APPROPRIATIONS AND OTHER FISCAL PROVISIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, $83,000,000 for fiscal year 1991 and such sums as may be necessary for each of the 3 succeeding fiscal years.

(b) FISCAL YEAR 1991.—

(1) Of amounts appropriated for fiscal year 1991—

(A) $38,000,000 shall be allocated to carry out part A (the American Conservation Corps),

(B) $28,000,000 shall be allocated to carry out part B (the Youth Service Corps),

(C) $13,000,000 shall be allocated for in-service and postservice education, and

(D) $4,000,000 shall be allocated for national and regional clearinghouses, training and technical assistance activities, provide information and model programs, and for grants.

(2) Funds appropriated under this section shall remain available until expended.

(c) LIMITATION ON APPROPRIATIONS.—Of amounts appropriated to carry out this Act, funds designated for part B shall first be made available for part A of title I of the Domestic Volunteer Service Act in an amount necessary to provide the number of service years required for authorized fiscal year under such Act.

(d) LIMITATIONS ON ADMINISTRATIVE EXPENSES.—The regulations promulgated under this title shall establish appropriate limitations on the administrative expenses incurred by Federal agencies carrying out programs under this Act, including a cost reimbursement system under which the administrative expenses are paid under this title through reimbursement.

(e) CARRYOVER.—Funds obligated for any program year may be expended by each recipient during that program year and the two succeeding program years and no amount shall be deobligated on account of a rate of expenditure which is consistent with the program plan.

SEC. 233. DEFINITIONS.

For purposes of this title the following terms have the following meanings:

(1) The term "crew leader" means an enrollee appointed under authority of this title for the purpose of assisting in the supervision of other enrollees engaged in work projects pursuant to this title.

(2) The term "crew supervisor" means the adult staff person responsible for supervising a crew of enrollees (including the crew leader).

(3) The term "economically disadvantaged" with respect to youths has the same meaning given such term in section 4(8) of the Job Training Partnership Act (29 U.S.C. 1503(8)).

(4) The term "employment security service" means the agency in each of the several States with responsibility for the administration of unemployment and employment programs and the oversight of local labor conditions.

(5) The term "enrollee" means any individual who is enrolled in the American Conservation or in the Youth Service Corps in accordance with section 405.

(6) The term "Indian" means a person who is a member of an Indian tribe.

(7) The term "Indian lands" means any real property owned by an Indian tribe, any real property held in trust by the United States for Indian tribes, and any real property held by Indian tribes which is subject to restrictions on alienation imposed by the United States.

(8) The term "Indian tribe" means any Indian tribe, band, nation, or other group which is recognized as an Indian tribe by the Secretary of the Interior. Such term also includes any Native village corporation, regional corporation, and Native group established pursuant to the Alaska Native Claims Settlement Act (43 U.S.C. 1701 et seq.).

(9) The term "public lands" means any lands or waters (or interest therein) owned or administered by the United States or by any agency or instrumentality of a State or local government.

(10) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, the Trust Territory of the Pacific Islands, and any other territory or possession of the United States.

(11) The term "displacement" includes, but is not limited to, any partial displacement through reduction of nonovertime hours, wages, or employment benefits.

(12) The term "program" means activities carried out under part A or part B.

(13) The term "administering Secretary" means for purposes of part A the Secretary of the Interior (in the case of any lands or programs involving the Department of the Interior), or the Secretary of Agriculture (in the case of lands or programs involving the Department of Agriculture).

(14) The term "program agency" means—

(A) any Federal or State agency designated to manage any program in that State, or

(B) the governing body of any Indian tribe.

(15) The term "chief administrator" means the head of any program agency.

(16) The term "applying entity" means any program agency or any nonprofit organization which applies for a grant under section 216.

(17) The term "project" means any activity (or group of activities) which result in a specific identifiable service or product that otherwise would not be done with existing funds, and which shall not duplicate the routine services or functions of the employer to whom enrollees are assigned. In any case where participant activities overlap with the routine services or functions of an employer, no participant shall work in the same project for more than 6 months.

PART E—YOUTH SERVICE CLEARINGHOUSES

SEC. 236. FUNDING.

(a) IN GENERAL.—The Secretary of the Interior and the Director of the Action Agency are each authorized to provide financial assistance to 1 or more national or regional clearinghouses on youth corps and youth service.

(b) PUBLIC AND PRIVATE NONPROFIT AGENCIES.—Public and private nonprofit agencies with extensive experience in youth corps and youth service programming may apply for financial assistance under subsection (a) for clearinghouses.

(c) FUNCTION.—National and regional clearinghouses assisted under subsection (a) shall—

(1) provide information, curriculum materials, technical assistance on program planning and operation, and training to States and local entities eligible to receive funds under this title,

(2) gather and disseminate information on successful programs, components of successful programs, innovative youth skills curriculum, and projects being implemented nationwide, and

(3) make recommendations to States, local entities, and agencies on quality controls to improve program delivery and on changes in the programs under this title.

PART F—COMMUNITY ACTION AGENCIES

For purposes of this title and the amendments made by this title, the terms "community-based organization" and "nonprofit organization" include a community action agency.

TITLE III—PROPOSED MODEL GOOD SAMARITAN FOOD DONATION ACT

SEC. 301. SENSE OF CONGRESS CONCERNING ENACTMENT OF GOOD SAMARITAN FOOD DONATION ACT.

(a) IN GENERAL.—It is the sense of Congress that each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States should—

(1) encourage the donation of apparently wholesome food or grocery products to nonprofit organizations for distribution to needy individuals; and

(2) consider the model Good Samaritan Food Donation Act (provided in section 302) as a means of encouraging the donation of food and grocery products.

(b) DISTRIBUTION OF COPIES.—The Archivist of the United States shall distribute a copy of this Act to the chief executive officer of each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States.

SEC. 302. MODEL GOOD SAMARITAN FOOD DONATION ACT.

(a) SHORT TITLE.—This section may be cited as the "Good Samaritan Food Donation Act".

(b) DEFINITIONS.—As used in this section:

(1) APPARENTLY FIT GROCERY PRODUCT.—The term "apparently fit grocery product" means a grocery product that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations

even though the product may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(2) APPARENTLY WHOLESOME FOOD.—The term "apparently wholesome food" means food that meets all quality and labeling standards imposed by Federal, State, and local laws and regulations even though the food may not be readily marketable due to appearance, age, freshness, grade, size, surplus, or other condition.

(3) DONATE.—The term "donate" means to give without requiring anything of monetary value from the recipient, except that the term shall include giving by a nonprofit organization to another nonprofit organization, notwithstanding that the donor organization has charged a nominal fee to the donee organization, if the ultimate recipient or user is not required to give anything of monetary value.

(4) FOOD.—The term "food" means any raw, cooked, processed, or prepared edible substance, ice, beverage, or ingredient used or intended for use in whole or in part for human consumption.

(5) GLEANER.—The term "gleaner" means a person who harvests for free distribution to the needy, or for donation to a nonprofit organization for ultimate distribution to the needy, an agricultural crop that has been donated by the owner.

(6) GROCERY PRODUCT.—The term "grocery product" means a nonfood grocery product, including a disposable paper or plastic product, household cleaning product, laundry detergent, cleaning product, or miscellaneous household item.

(7) GROSS NEGLIGENCE.—The term "gross negligence" means voluntary and conscious conduct by a person with knowledge (at the time of the conduct) that the conduct is likely to be harmful to the health or well-being of another person.

(8) INTENTIONAL MISCONDUCT.—The term "intentional misconduct" means conduct by a person with knowledge (at the time of the conduct) that the conduct is harmful to the health or well-being of another person.

(9) NONPROFIT ORGANIZATION.—The term "nonprofit organization" means an incorporated or unincorporated entity that—

(A) is operating for religious, charitable, or educational purposes; and

(B) does not provide net earnings to, or operate in any other manner that inures to the benefit of, any officer, employee, or shareholder of the entity.

(10) PERSON.—The term "person" means an individual, corporation, partnership, organization, association, or governmental entity, including a retail grocer, wholesaler, hotel, motel, manufacturer, restaurant, caterer, farmer, and nonprofit food distributor or hospital. In the case of a corporation, partnership, organization, association, or governmental entity, the term includes an officer, director, partner, deacon, trustee, council member, or other elected or appointed individual responsible for the governance of the entity.

(c) LIABILITY FOR DAMAGES FROM DONATED FOOD AND GROCERY PRODUCTS.—A person or gleaner shall not be subject to civil or criminal liability arising from the nature, age, packaging, or condition of apparently wholesome food or an apparently fit grocery product that the person or gleaner donates in good faith to a nonprofit organization for ultimate distribution to needy individuals, except that this paragraph shall not apply to an injury to or death of an ultimate user or recipient of the food or grocery product that results from an act or omission of the donor constituting gross negligence or intentional misconduct.

(d) COLLECTION OR GLEANING OF DONATIONS.—A person who allows the collection or gleaning of donations on property owned or occupied by the person by gleaners, or paid or unpaid representatives of a nonprofit organization, for ultimate distribution to needy individuals shall not be subject to civil or criminal liability that arises due to the injury or death of the gleaner or representative, except that this paragraph shall not apply to an injury or death that results from an act or omission of the person constituting gross negligence or intentional misconduct.

(e) PARTIAL COMPLIANCE.—If some or all of the donated food and grocery products do not meet all quality and labeling standards imposed by Federal, State, and local laws and regulations, the person or gleaner who donates the food and grocery products shall not be subject to civil or criminal liability in accordance with this section if the nonprofit organization that receives the donated food or grocery products—

(1) is informed by the donor of the distressed or defective condition of the donated food or grocery products;

(2) agrees to recondition the donated food or grocery products to comply with all the quality and labeling standards prior to distribution; and

(3) is knowledgeable of the standards to properly recondition the donated food or grocery product.

(f) CONSTRUCTION.—This section shall not be construed to create any liability.

SEC. 303. EFFECT OF SECTION 302.

The model Good Samaritan Food Donation Act (provided in section 302) is intended only to serve as a model law for enactment by the States, the District of Columbia, the Commonwealth of Puerto Rico, and the territories and possessions of the United States. The enactment of section 302 shall have no force or effect in law.

TITLE IV—MILITARY SELECTIVE SERVICE PROVISIONS

SEC. 401. SELECTIVE SERVICE REGISTRATION.

(a) REGISTRATION REQUIRED.—An individual who—

(1) is or was required to register under section 3 of the Military Selective Service Act (50 U.S.C. App. 453); and

(2) is not so registered or knowingly and willfully did not so register before the requirement terminated or became inapplicable to the individual.

shall not be eligible to participate in a service program established under this Act.

(b) ENFORCEMENT.—The head of each agency of the Federal Government administering a service program under this Act shall ensure that each individual participating in that service program has not violated section 3 of the Military Selective Service Act (50 U.S.C. App. 453) by not submitting to registration as required under that section.

SEC. 501. BUY-AMERICAN REQUIREMENT.

(a) DETERMINATION BY THE SECRETARY.—If the Secretary of Education, with the concurrence of the Secretary of Commerce and the United States Trade Representative, determines that the public interest so desires, the Commission is authorized to award to a domestic firm a contract made pursuant to the issuance of any grant made under this Act that, under the use of competitive procedures, would be awarded to a foreign firm, if—

(1) the final product of the domestic firm will be completely assembled in the United States;

(2) when completely assembled, not less than 51 percent of the final product of the domestic firm will be domestically produced; and

(3) the difference between the bids submitted by the foreign and domestic firms is not more than 6 percent. In determining under this subsection whether the public interest so requires, the Secretary shall take into account United States international obligations and trade relations.

(b) LIMITED APPLICATION.—This section shall not apply to the extent to which—

(1) such applicability would not be in the public interest;

(2) compelling national security considerations require otherwise; or

(3) the United States Trade Representative determines that such an award would be in violation of the General Agreement on Tariffs and Trade or an international agreement to which the United States is a party.

(c) LIMITATION.—This section shall apply only to contracts made related to the issuance of any grant or contract made under this Act for which—

(1) amounts are authorized by this act (including the amendments made by this act) to be made available; and

(2) solicitation for bids are issued after the date of the enactment of this Act.

(d) REPORT TO CONGRESS.—The Secretary shall report to the Congress on contracts covered under this section and entered into with foreign entities in fiscal years 1990 and 1991 and shall report to the Congress on the number of Contracts that meet the requirements of subsection (a) but which are determined by the United States Trade Representative to be in violation of the General Agreement or an international agreement to which the United States is a party. The Secretary shall also report to the Congress on the number of contracts covered under this Act (including the amendments made by this Act) and awarded based upon the parameters of this section.

(e) DEFINITIONS.—For purposes of this section—

(1) SECRETARY.—The term "Secretary" means the Secretary of Education.

(2) DOMESTIC FIRM.—The term "Domestic Firm" means a business entity that is incorporated in the United States and that conducts business operations in the United States.

(3) FOREIGN FIRM.—The term "foreign firm" means a business entity not described in paragraph (2).

The motion was agreed to.

The Senate bill was ordered to be read a thrid time, was read the third time, and passed.

The title of the Senate bill was amended so as to read: "An act to establish school-based and higher education community service programs, to establish youth service programs, and for other purposes."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 4330) was laid on the table.

CONFERENCE REPORT ON S. 2088, STRATEGIC PETROLEUM RESERVE AMENDMENTS OF 1990

Mr. SHARP submitted the following conference report and statement on

the Senate bill (S. 2088) to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes:

CONFERENCE REPORT (H. REPT. 101-698)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2088) to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

SECTION 1. SHORT TITLE.

This Act may be referred to as the "Energy Policy and Conservation Act Amendments of 1990".

SEC. 2. EXTENSION OF AUTHORITY.

The Energy Policy and Conservation Act (42 U.S.C. 6201 et seq.) is amended—

(1) in section 104(b)(1) by striking out "September 15, 1990" and inserting in lieu thereof "September 30, 1994";

(2) in section 171, by striking out "September 15, 1990" each place it appears and inserting in lieu thereof "September 30, 1994"; and

(3) in section 281, by striking out "September 15, 1990" each place it appears and inserting in lieu thereof "September 30, 1994".

SEC. 3. SEVERE DOMESTIC ENERGY SUPPLY INTERRUPTIONS.

(a) DEFINITION.—Section 3(8)(C) of the Energy Policy and Conservation Act (42 U.S.C. 6202(8)(C)) is amended—

(1) by inserting "(i)" after "from" the first place it appears; and

(2) by striking out "or from" and inserting in lieu thereof: "(ii) an interruption in the supply of domestic petroleum products, or (iii)".

(b) DRAWDOWN.—Section 161 of such Act (42 U.S.C. 6241) is amended by adding at the end the following:

"(h)(1) If the President finds that—

"(A) a circumstance, other than those described in subsection (d), exists that constitutes, or is likely to become, a domestic energy supply shortage of significant scope or duration; and

"(B) action taken under this subsection would assist directly and significantly in preventing or reducing the adverse impact of such shortage,

then the Secretary may, subject to the limitations of paragraph (2), draw down and distribute the Strategic Petroleum Reserve.

"(2) In no case may the Reserve be drawn down under this subsection—

"(A) in excess of an aggregate of 30,000,000 barrels with respect to each such shortage;

"(B) for more than 60 days with respect to each such shortage;

"(C) if there are fewer than 500,000,000 barrels of petroleum product stored in the Reserve; or

"(D) below the level of an aggregate of 500,000,000 barrels of petroleum product stored in the Reserve.

"(3) During any period in which there is a drawdown and distribution of the Reserve in effect under this subsection, the Secretary shall transmit a monthly report to the Congress containing an account of the drawdown and distribution of petroleum products under this subsection and an assessment of its effect.

"(4) In no case may the drawdown under this subsection be extended beyond 60 days with respect to any domestic energy supply shortage.".

SEC. 4. ENLARGEMENT OF SPR TO ONE BILLION BARRELS.

(a) IN GENERAL.—Section 159 of the Energy Policy and Conservation Act (42 U.S.C. 6239) is amended by adding at the end the following new subsections:

"(i) No later than 18 months after the date of the enactment of the Energy Policy and Conservation Act Amendments of 1990, the Secretary shall transmit to the Committee on Energy and Natural Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives a report on the results of negotiations undertaken pursuant to part C. The report shall—

"(1) describe the terms of any contracts negotiated pursuant to part C and any cost savings that would result from such contracts relative to the costs of acquisition pursuant to part B; and

"(2) give all available information on any cost savings that would likely result from additional contracts that could be negotiated pursuant to part C for completion of the storage of one billion barrels of petroleum product in the Reserve relative to the costs of acquisition pursuant to part B.

"(j) No later than 24 months after the date of the enactment of the Energy Policy and Conservation Act Amendments of 1990, the Secretary shall amend the Strategic Petroleum Reserve Plan to prescribe plans for completion of storage of one billion barrels of petroleum product in the Reserve. Such amendment shall comply with the provisions of this section and shall detail the Secretary's plans for the design, construction, leasing or other acquisition, and fill of storage and related facilities of the Reserve to achieve such one billion barrels of storage. Such amendment shall not be subject to the congressional review procedures contained in section 551. In assessing alternatives in the development of such plans, the Secretary shall consider leasing privately owned storage facilities.".

(b) CONFORMING AMENDMENTS.—Section 160 of the Energy Policy and Conservation Act (42 U.S.C. 6240) is amended—

(1) in subsection (c)(3)—

(A) by striking out "fiscal years 1988 and 1989" and inserting in lieu thereof "fiscal year 1994"; and

(B) by striking out "at least 750,000,000" and inserting in lieu thereof "1,000,000,000"; and

(2) in subsection (d)(1), by inserting before the period at the end of subparagraph (B) the following: "and the Secretary has amended the Strategic Petroleum Reserve Plan as required by section 159(j)".

(c) FACILITIES.—Section 160(d)(1)(A) of such Act (42 U.S.C. 6240(b)(1)(A)) is amended by inserting after "within" the following: "Government owned facilities of".

SEC. 5. PREDRAWDOWN DIVERSION OF SPR OIL.

(a) IN GENERAL.—Section 160 of the Energy Policy and Conservation Act (42 U.S.C. 6240) is amended by adding at the end the folowing:

"(f) If the Secretary finds that a severe energy supply interruption may be imminent, the Secretary may suspend the acquisition of petroleum product for, and the injection of petroleum product into, the Reserve and may sell any petroleum product acquired for and in transit to, but not injected into, the Reserve.".

(b) CONFORMING AMENDMENTS.—(1) Section 167(b)(3) of such Act (42 U.S.C. 6247(b)(3)) is amended by inserting after "(g) of such section" the following: ", or from the sale of petroleum products under section 160(f)".

(2) Section 167(d) of such Act (42 U.S.C. 6247(d)) is amended by inserting after "(g) of such section" the following: ", and from the sale of petroleum products under section 160(f)".

(3) Section 160(d) of such Act (42 U.S.C. 6240(d)) is amended by adding at the end the following:

"(4) For any fiscal year in which purchases of petroleum products are suspended, or the sale of petroleum products is carried out, under subsection (f), the fill-rate requirements of paragraph (1)(B) shall be reduced by—

"(A) the amount of petroleum products are acquired for such fiscal year as a result of such suspension; plus

"(B) the amount of petroleum products sold under such subsection during such fiscal year.".

SEC. 6. LEASING AUTHORITY.

(a) IN GENERAL.—Title I of the Energy Policy and Conservation Act (42 U.S.C. 6211 et seq.) is amended—

(1) in section 152, by inserting "and part C" after "this part" in the material preceding paragraph (1);

(2) by redesignating part C as part D;

(3) by redesignating section 171 (after the amendment is made by section 2(2) of this Act) as section 181; and

(4) by adding the following new part after part B:

"PART C—AUTHORITY TO CONTRACT FOR PETROLEUM PRODUCT NOT OWNED BY THE UNITED STATES

"CONTRACTING FOR PETROLEUM PRODUCT AND FACILITIES

"SEC. 171. (a) IN GENERAL.—Subject to the other provisions of this part, the Secretary may contract—

"(1) for storage, in otherwise unused Strategic Petroleum Reserve facilities, of petroleum product not owned by the United States; and

"(2) for storage, in storage facilities other than those of the Reserve, of petroleum product either owned or not owned by the United States.

"(b) CONDITIONS.—(1) Petroleum product stored pursuant to such a contract shall, until the expiration, termination, or other conclusion of the contract, be a part of the Reserve and subject to the Secretary's authority under part B.

"(2) The Secretary may enter into a contract for storage of petroleum product under subsection (a) only if—

"(A) the Secretary determines (i) that entering into one or more contracts under such subsection would achieve benefits comparable to the acquisition of an equivalent amount of petroleum product, or an equivalent volume of storage capacity, for the Reserve under part B, and (ii) that, because of budgetary constraints, the acquisition of an equivalent amount of petroleum product or volume of storage space for the Reserve cannot be accomplished under part B; and

"(B) the Secretary notifies each House of the Congress of such determination and includes in such notification the same information required under section 154(e) with regard to storage and related facilities proposed to be included, or petroleum product proposed to be stored, in the Reserve.

"(3) A contract entered into under subsection (a) shall not limit the discretion of the

President or the Secretary to conduct a drawdown and distribution of the Reserve.

"(4) A contract entered into under subsection (a) shall include a provision that the obligation of the United States to make payments under the contract in any fiscal year is subject to the availability of appropriations.

"(c) CHARGE FOR STORAGE.—The Secretary may store petroleum product pursuant to a contract entered into under subsection (a)(1) with or without charge or may pay a fee for its storage.

"(d) DURATION.—Contracts entered into under subsection (a) may be of such duration as the Secretary considers necessary or appropriate.

"(e) BINDING ARBITRATION.—The Secretary may agree to binding arbitration of disputes under any contract entered into under subsection (a).

"IMPLEMENTATION

"SEC. 172. (a) AMENDMENT TO PLAN NOT REQUIRED.—An amendment of the Strategic Petroleum Reserve Plan is not required for any action taken under this part.

"(b) FILL RATE REQUIREMENT.—For purposes of section 160(d)(1), any petroleum product stored in the Reserve under this part that is removed from the Reserve at the expiration, termination, or other conclusion of the agreement shall be considered to be part of the Reserve until the beginning of the fiscal year following the fiscal year in which the petroleum product was removed.

"(c) LEGAL STATUS REGARDING OTHER LAW.—Petroleum product and facilities contracted for under this part have the same status as petroleum product and facilities owned by the United States for all purposes associated with the exercise of the laws of any State or political subdivision thereof.

"(d) RETURN OF PRODUCT.—At such time as the petroleum product contracted for under this part is withdrawn from the Reserve upon the expiration, termination, or other conclusion of the contract, such petroleum product (or the equivalent quantity of petroleum product withdrawn from the Reserve pursuant to the contract) shall be deemed, for purposes of determining the extent to which such product is thereafter subject to any Federal, State, or local law or regulation, not to have left the place where such petroleum product was located at the time it was originally committed to a contract under this part.

"CONTRACTS FOR WHICH NO IMPLEMENTING LEGISLATION IS NEEDED

"SEC. 173. (a) CONGRESSIONAL REVIEW.—In the case of contracts entered into under this part, and amendments to such contracts, for which no implementing legislation is needed, the Secretary shall transmit each such contract and each such amendment to the Committee on Appropriations and the Committee on Energy and Natural Resources of the Senate and to the Committee on Appropriations and the Committee on Energy and Commerce of the House of Representatives within 30 days after the signing thereof.

"(b) EFFECTIVE DATE.—(1) Any such contract, and any such amendment, shall not become effective until the end of the 30-day period of continuous session of Congress after the date of such transmittal, except that such contract may become effective without regard to such period if the President determines that such contract is required as a result of a severe energy supply interruption or by obligations of the United States under the international energy program.

"(2) For purposes of paragraph (1)—

"(A) continuity of session is broken only by an adjournment of Congress sine die; and

"(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the calendar-day period involved.

"CONTRACTS FOR WHICH IMPLEMENTING LEGISLATION IS NEEDED

"SEC. 174. (a) IN GENERAL.—(1) In the case of contracts entered into under this part, and amendments to such contracts, for which implementing legislation will be needed, the Secretary may transmit an implementing bill to both Houses of the Congress.

"(2) In the Senate, any such bill shall be considered in accordance with the provisions of this section.

"(3) For purposes of this section—

"(A) the term 'implementing bill' means a bill introduced in either House of Congress with respect to one or more contracts or amendments to contracts submitted to the House of Representatives and the Senate under this section and which contains—

"(i) a provision approving such contracts or amendments, or both; and

"(ii) legislative provisions that are necessary or appropriate for the implementation of such contracts or amendments, or both; and

"(B) the term 'implementing revenue bill' means an implementing bill which contains one or more revenue measures by reason of which it must originate in the House of Representatives.

"(b) CONSULATION.—The Secretary shall consult, at the earliest possible time and on a continuing basis, with each committee of the House and the Senate that has jurisdiction over all matters expected to be affected by legislation needed to implement any such contract.

"(c) EFFECTIVE DATE.—Each contract and each amendment to a contract for which an implementing bill is necessary may become effective only if—

"(1) the secretary, not less than 30 days before the day on which such contract is entered into, notifies the House of Representatives and the Senate of the intention to enter into such a contract and promptly thereafter publishes notices of such intention in the Federal Register;

"(2) after entering into the contract, the Secretary transmits a report to the House of Representatives and to the Senate containing a copy of the final text of such contract together with—

"(A) the implementing bill, and an explanation of how the implementing bill changes or affects existing law; and

"(B) a statement of the reasons why the contract serves the interests of the United States and why the implementing bill is required or appropriate to implement the contract; and

"(3) the implementing bill is enacted into law.

"(d) RULES OF THE SENATE.—Subsections (e) through (h) are enacted by the Congress—

"(1) as an exercise of the rulemaking power of the Senate, and as such they are deemed a part of the rules of the Senate but applicable only with respect to the procedure to be followed in the Senate in the case of implementing bills and implementing revenue bills described in subsection (a), and they supersede other rules only to the extent that they are inconsistent therewith; and

"(2) with full recognition of the constitutional right of the Senate to change the rules (so far as relating to the procedure of the Senate) at any time, in the same manner and to the same extent as in the case of any other rule of the Senate.

"(e) INTRODUCTION AND REFERRAL IN THE SENATE.—(1) On the day on which an implementing bill is transmitted to the Senate under this section, the implementing bill shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself or herself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate.

"(2) If the Senate is not in session on the day on which such an agreement is submitted, the implementing bill shall be introduced in the Senate, as provided in the paragraph (1), on the first day thereafter on which the Senate is in session.

"(3) Such bills shall be referred by the presiding officer of the Senate to the appropriate committee, or, in the case of a bill containing provisions within the jurisdiction of two or more committees, jointly to such committees for consideration of those provisions within their respective jurisdictions.

"(f) CONSIDERATION OF AMENDMENTS TO IMPLEMENTING BILL PROHIBITED IN THE SENATE.—(1) No amendments to an implementing bill shall be in order in the Senate, and it shall not be in order in the Senate to consider an implementing bill that originated in the House if such bill passed the House containing any amendment to the introduced bill.

"(2) No motion to suspend the application of this subsection shall be in order in the Senate; nor shall it be in order in the Senate for the Presiding Officer to entertain a request to suspend the application of this subsection by unanimous consent.

"(g) DISCHARGE IN THE SENATE.—(1) Except as provided in paragraph (3), if the committee or committees of the Senate to which an implementing bill has been referred have not reported it at the close of the 30th day after its introduction, such committee or committees shall be automatically discharged from further consideration of the bill, and it shall be placed on the appropriate calendar.

"(2) A vote on final passage of the bill shall be taken in the Senate on or before the close of the 15th day after the bill is reported by the committee or committees to which it was referred or after such committee or committees have been discharged from further consideration of the bill.

"(3) The provisions of paragraphs (1) and (2) shall not apply in the Senate to an implementing revenue bill. An implementing revenue bill received from the House shall be, subject to subsection (f)(1), referred to the appropriate committee or committees of the Senate. If such committee or committees have not reported such bill at the close of the 15th day after its receipt by the Senate, such committee or committees shall be automatically discharged from further consideration of such bill and it shall be placed on the calendar. A vote on final passage of such bill shall be taken in the Senate on or before the close of the 15th day after such bill is reported by the committee or committees of the Senate to which it was referred, or after such committee or committees have been discharged from further consideration of such bill.

"(4) For purposes of this subsection, in computing a number of days in the Senate, there shall be excluded any day on which the Senate is not in session.

"(h) FLOOR CONSIDERATION IN THE SENATE.—(1) A motion in the Senate to proceed to the consideration of an implementing bill shall

be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

"(2) Debate in the Senate on an implementing bill, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

"(3) Debate in the Senate on any debatable motion or appeal in connection with an implementing bill shall be limited to not more than one hour to be equally divided between, and controlled by, the mover and the manager of the bill, except that in the event the manager of the bill is in favor of any such motion or appeal, the time in opposition thereto shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of an implementing bill, allot additional time to any Senator during the consideration of any debatable motion or appeal.

"(4) A motion in the Senate to further limit debate is not debatable. A motion to recommit an implementing bill is not in order.".

(b) CONFORMING AMENDMENTS.—The table of contents of the Energy Policy and Conservation Act is amended—

(1) by adding at the end of the items for title I the following items:

"PART C—AUTHORITY TO CONTRACT FOR PETROLEUM PRODUCT NOT OWNED BY THE UNITED STATES

"Sec. 171. Contracting for petroleum product and facilities.
"Sec. 172. Implementation.
"Sec. 173. Contracts for which no implementing legislation is needed.
"Sec. 174. Contracts for which implementing legislation is needed.";

(2) by redesignating part C in the items for title I as part D; and

(3) by redesignating the item for section 171 as the item for section 181.

SEC. 7. REFINED PETROLEUM PRODUCT RESERVE.

Section 160 of the Energy Policy and Conservation Act (42 U.S.C. 6240) is amended by adding at the end the following after the subsection added by section 5(a) of this Act:

"(g)(1) The Secretary shall conduct a test program of storage of refined petroleum products within the Reserve. The test program shall commence during fiscal year 1992 and continue through fiscal year 1994. The test program shall demonstrate mechanisms for storage of refined petroleum products within the Reserve which may be drawn down in accordance with this part.

"(2) The mechanisms demonstrated under paragraph (1)—

"(A) shall include the acquisition by lease or purchase, or both, of refined petroleum products for storage in the Reserve and shall include the acquisition by lease of storage facilities; and

"(B) may include other mechanisms including, but not limited to, industrial petroleum reserves pursuant to section 156 and State set-aside programs, except that such mechanisms must provide equivalent control over the drawdown and distribution of such refined petroleum products as is provided under this part.

"(3) Any refined petroleum products stored in the Reserve under this subsection shall be stored in locations to be determined by the Secretary, taking into account the proximity of existing distribution systems, the proximity of the area or areas of the United States most dependent on imported petroleum products or likely to experience shortages of refined petroleum products, and the capability for expeditious distribution to such area or areas.

"(4) In the conduct of the test program under paragraph (1), the Secretary shall increase the quantity of refined petroleum products acquired for storage in the Reserve by an amount equal to 10 percent of the fill of the Reserve during each of the fiscal years 1992, 1993, and 1994, except that the Secretary may not expend more than 10 percent of the funds appropriated for the acquisition, transportation and injection of petroleum products into the Reserve during each of the fiscal years covered by the test program.

"(5) In the conduct of the test program under paragraph (1), the Secretary may not construct or purchase facilities for the storage of refined petroleum products.

"(6) Refined petroleum products stored in the Reserve under the test program may be withdrawn from the Reserve before the conclusion of the test program—

"(A) as may be necessary to turn such products over because of changes in the physical characteristics of the product; or

"(B) on the basis of a finding made under section 161.

"(7) No later than January 31, 1994, the Secretary shall transmit to the Congress a report on the test program. The report shall evaluate the mechanisms demonstrated under the test program, other potential mechanisms, and the purchase of facilities. The report shall include an assessment of the costs and benefits of the various mechanisms. The report shall also make recommendations with regard to future storage of refined petroleum products and contain drafts of any legislative provisions which the Secretary wishes to recommend.".

SEC. 8. TEST DRAWDOWN.

Paragraph (1) of section 161(g) of the Energy Policy and Conservation Act (42 U.S.C. 6241(g)(1)) is amended to read as follows:

"(1) The Secretary shall conduct a continuing evaluation of the Distribution Plan. In the conduct of such evaluation, the Secretary is authorized to carry out test drawdown and distribution of crude oil from the Reserve. If any such test drawdown includes the sale or exchange of crude oil, then the aggregate quantity of crude oil withdrawn from the Reserve may not exceed 5,000,000 barrels during any such test drawdown or distribution.".

SEC. 9. EXEMPTION FROM INTERSTATE COMMERCE ACT.

Section 159 of the Energy Policy and Conservation Act (42 U.S.C. 6239), is amended by adding at the end the following new subsection after the subsection added by section 4(a) of this Act:

"(k) A storage or related facility of the Strategic Petroleum Reserve owned by or leased to the United States is not subject to the Interstate Commerce Act.".

SEC. 10. AUTHORITY TO ALLOW EXCHANGE OF SPR OIL.

Section 161 of the Energy Policy and Conservation Act (42 U.S.C. 6241) is amended by adding at the end the following new subsection after the subsection added by section 3(b) of this Act:

"(i) Notwithstanding any other law, the President may permit any petroleum products withdrawn from the Strategic Petroleum Reserve in accordance with this section to be sold and delivered for refining or exchange outside of the United States, in connection with an arrangement for the delivery of refined petroleum products to the United States.".

SEC. 11. DRAWDOWN PLAN AMENDMENTS DURING IMPLEMENTATION.

Section 159 of the Energy Policy and Conservation Act (42 U.S.C. 6239) is amended by inserting at the end of the section the following new subsection after the subsection added by section 9 of this Act:

"(1) Notwithstanding subsection (d), during any period in which the Distribution Plan is being implemented, the Secretary may amend the plan and promulgate rules, regulations, or orders to implement such amendments in accordance with section 523 of this Act, without regard to the requirements of section 553 of title 5, United States Code, and section 501 of the Department of Energy Organization Act (42 U.S.C. 7191). Such amendments shall be transmitted to the Congress together with a statement explaining the need for such amendments.".

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same.

JOHN D. DINGELL,
PHILIP R. SHARP,
EDWARD J. MARKEY,
TERRY L. BRUCE,
BILLY TAUZIN,
NORMAN F. LENT,
CARLOS J. MOORHEAD,
BILL DANNEMEYER,
Managers on the Part of the House.

J. BENNETT JOHNSTON,
WENDELL H. FORD,
JAMES A. MCCLURE,
PETE V. DOMENICI,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2088) to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendment to the text of the bill struck out all of the Senate bill after the enacting clause and inserted a substitute text.

The Senate recedes from its disagreement to the amendment of the House with an amendment which is a substitute for the Senate bill and the House amendment. The differences between the Senate bill, the House amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SECTION 1—SHORT TITLE

This Act may be cited as the "Energy Policy and Conservation Act Amendments of 1990."

SECTION 2—EXTENSION OF AUTHORITY

Title I and Title II of the Energy Policy and Conservation Act are extended from their current expiration date of September 15, 1990 to September 30, 1994.

SECTION 3—SEVERE DOMESTIC ENERGY SUPPLY INTERRUPTIONS

The Conferees agreed to include new authority which allows the President to draw down the Reserve in response to specified shortages of domestic oil supplies.

SECTION 4—ENLARGEMENT OF THE SPR TO ONE BILLION BARRELS

The Conferees agreed to direct the Secretary of Energy to amend the Strategic Petroleum Reserve Plan to prescribe plans for completion of storage of one billion barrels of petroleum product in the Reserve.

SECTION 5—PREDRAWDOWN DIVERSION OF SPR OIL

The Conferees agreed to include provisions authorizing the Secretary of Energy, if the Secretary finds that a severe energy supply interruption may be imminent, to suspend acquisition of petroleum product for the SPR and sell oil already enroute.

SECTION 6—LEASING AUTHORITY

The Conferees agreed to include a new Part C of title I in EPCA that grants additional authority for the leasing of petroleum product and facilities for the Reserve.

SECTION 7—REFINED PETROLEUM PRODUCT RESERVE

The Conferees agreed to the establishment of a three-year program to test various mechanisms for storing refined petroleum products. The Conferees expect the Secretary of Energy to locate the refined petroleum product reserve in a manner which facilitates the expeditious and reliable distribution of refined petroleum products to those areas of the United States most dependent on imported petroleum product or likely to experience shortages of refined petroleum products.

SECTION 8—TEST DRAWDOWN

The Conferees agreed to give the Secretary of Energy authority to withdraw and sell crude oil from the Reserve as part of a test drawdown and sale. If the Secretary sells any oil, the quantity of oil sold under each test may not exceed 5 million barrels of oil.

SECTION 9—EXEMPTION FROM INTERSTATE COMMERCE ACT

The Conferees included a technical clarification to assure that SPR storage or related facilities owned or leased by the United States are not subject to the Interstate Commerce Act.

SECTION 10—AUTHORITY TO ALLOW EXCHANGE OF SPR OIL

The Conferees granted authority to the President to permit the export of SPR oil in exchange for refined petroleum products delivered to the United States.

SECTION 11—DRAWDOWN PLAN AMENDMENTS DURING IMPLEMENTATION

The Conferees included authority which permits the Secretary of Energy to expedite amendments to the SPR Distribution Plan if a severe energy supply interruption exists or is imminent.

JOHN D. DINGELL,
PHILIP R. SHARP,
EDWARD J. MARKEY,
TERRY L. BRUCE,
BILLY TAUZIN,
NORMAN F. LENT,
CARLOS J. MOORHEAD,
BILL DANNEMEYER,
Managers on the Part of the House.

J. BENNETT JOHNSTON,
WENDELL H. FORD,
JAMES A. MCCLURE,
PETE V. DOMENICI,
Managers on the Part of the Senate.

Mr. SHARP. Mr. Speaker, pursuant to the order of the House of yesterday, September 12, 1990, I call up the conference report on the Senate bill (S. 2088) to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to order of the House of Wednesday, September 12, 1990, the conference report is considered as having been read.

The gentleman from Indiana [Mr. SHARP] will be recognized for 30 minutes and the gentleman from California [Mr. MOORHEAD] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Indiana [Mr. SHARP].

Mr. SHARP. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the strategic petroleum reserve is frequently called our first line of defense in an energy crisis. The existence of nearly 600 million barrels of Government-owned oil, available to be used at the President's discretion to prevent economic harm, is a powerful deterrent against those who would try to use the oil weapon against the United States. It is also a deterrent against those who would hoard oil or speculate on price increases, hoping to make a killing if a crisis or threat of crisis is over the horizon.

The existence of the strategic petroleum reserve may have prevented a large oil price increase when the tanker war broke out between Iran and Iraq. Its existence may also have limited the price increase we are currently seeing.

Many of us have urged the President to announce its use in order to check the increases we have already felt, but there is no doubt that fear and speculation would have driven the price even higher if we had no reserve.

The conference report before us today extends until 1994 the Energy Policy and Conservation Act, the 1975 law that established the strategic petroleum reserve. We must act now, because the authority to use the stockpiled oil is due to expire on Saturday. It would be irresponsible to let this authority lapse during the recent tense situation in the Middle East.

Fortunately, the bill before us not only extends the authority for the SPR, it improves it in five major ways.

First, it increases the ultimate size of the reserve from 750 million to 1 billion barrels.

Second, it establishes for the first time a reserve of refined oil products, such as gasoline and heating oil.

Third, it allows the reserve to be used in difficult situations that do not quite justify the Presidential declaration of a "severe energy supply emergency," the requirement for drawing down the stockpiled oil under the current law.

Fourth, it allows the Government to lease, rather than purchase, the oil to be put in the reserve, potentially allowing us to fill it much faster and at much lower cost to the taxpayer.

Fifth, it allows the reserve to be tested with an actual sale of oil.

Let me briefly describe each of these improvements in a little more detail.

The billion-barrel size has been contemplated for the reserve from the beginning, but the current plan only calls for 750 million barrels, and the administration recently submitted an interagency study arguing that an expansion beyond that level was not cost effective. Incredibly, that study was based on an assessment that the risk of a crisis in the Middle East was so remote that the potential benefit from a larger reserve had to be steeply discounted.

Those assumptions were among the first victims when Saddam Hussein invaded Kuwait. A similar study of the value of the SPR would come to a different conclusion today.

Another important factor in considering the ultimate size of the reserve is the reluctance of some decisionmakers to use any of the oil at the beginning of a crisis, which most analysts recommend, because of the fear that the crisis will become larger and the reserve will run out. This thinking may have influenced the administration's refusal thus far to announce the use of the oil in recent weeks.

A larger reserve—a billion barrel reserve—will help to reduce such concerns in future crises.

The second major improvement in the SPR provided by this bill is the creation of a refined product reserve. As we have learned in recent years, the availability of refined products, near the areas of large demand and supply vulnerability, can be very useful in reducing the impact of a shortage of specific products. Following the *Exxon Valdez* accident, oil supplies were temporarily reduced on the west coast, and gasoline prices spiked. Much of this effect was due to speculation and fear of a future shortage, and had Prince William Sound remained closed to tanker traffic for a little longer, the impact would have been severe. In such circumstances, a reserve of gasoline readily available to the west coast would be extremely useful.

Last winter, the severe December cold snap in the Northeast and Midwest and a shortage of available tankers resulted in a temporary heating oil shortage and price spike, which spilled over into propane and spread into other regions. Although the cold snap ended quickly, it was a stark reminder

of how vulnerable the Northeast and Midwest are, and a heating oil reserve available to these regions will be very valuable insurance.

A third improvement in the law is the authority for the President to draw down the reserve in the event of a domestic supply shortage that does not meet the full-scale international emergency standard now required to justify a drawdown. The two examples mentioned above, even had they been more severe, would not have met the previous drawdown standard because neither was an international supply emergency.

The fourth improvement, the authority to lease oil, is critically important in these times of budgetary constraint. If an oil-exporting country or producer wishes to lease oil to the SPR, with full control resting with the U.S. Government, it can be very beneficial to this country. We may be able to fill the reserve much faster, increasing our insurance against the risk of another oil price shock, with a relatively small premium payment. Recent events may have enhanced the likelihood that a Middle Eastern government, for example, would offer us attractive terms to be able to store a portion of its oil, and therefore its wealth, in the United States.

Finally, a fifth improvement in the law, and one that can be very useful in the coming days, is authority for the Department of Energy to sell up to 5 million barrels of oil in a test of the reserve's drawdown capabilities. Although the reserve has been tested frequently and in various ways, there has only once been an actual sale and delivery of oil, and that was a small test done in 1985, when mandated by the Congress.

Given the possibility that the reserve will have to be used in the coming months, and given the fact that an elaborate test of the reserve is about to be undertaken without any actual sale, this authority gives the Department of Energy, if they decide to do so, the opportunity to make an actual sale during that test. This would, I hope, get any bugs out of the system and reassure the public of the reserve's workability.

Mr. Speaker, it is true that we do not have an adequate energy policy in this country. A decade of allowing our energy policy to be determined by market forces, which has meant OPEC, has left us with too little domestic production and too little conservation.

But thanks to the efforts of many Members of this body, we have filled the strategic petroleum reserve faster than the last two administrations have recommended. We have insisted that it be tested. And it is now a powerful weapon waiting to be used to protect our citizens from the economic ravages of an oil price shock.

Today we strengthen that weapon. We will make it more usable next week, and larger and more flexible in the years ahead. This is a good bill, and this is an important element of the energy policy we must put together in the months and years ahead. I urge my colleagues to support it.

□ 1600

Mr. Speaker, I want to compliment my colleague, the gentleman from California [Mr. MOORHEAD] and other Members on both sides of the aisle who have worked diligently and cooperatively. I believe we will find enormous support in both Chambers and on both sides of the aisle for the present problem.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. SHARP. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, to my distinguished friend, the gentleman from Indiana [Mr. SHARP], I say that the gentleman is due a great tribute for his diligence in pursuing this issue. He worked hard on it, and he was farsighted. Establishing the strategic petroleum reserve, including the Big Hill Site in my congressional district, was a prudent and wise step. The gentleman was willing to take the heat, and I can remember when people said that it was foolish to "put the oil back in the ground."

I can hear those people making those arguments now, but they were wrong. The judgment that the gentleman had about this program has proved to be absolutely accurate now. Opponents of SPRO tried to terminate work on the Big Hill site twice. We had to get it reauthorized, restructured, started all over again. Now Big Hill is being filled, and it is serving the exact purpose the gentleman said it would. The Strategic Petroleum Reserve is a bulwark against increased prices, against pressure and threats from abroad, against speculation, and for our national interests. I want to commend the gentleman, and also to commend Republicans such as the gentleman from California [Mr. MOORHEAD], who stood with us in support of SPRO all the way.

Mr. SHARP. Mr. Speaker, I thank the gentleman for his kind remarks. Certainly he deserves considerable credit for his determination and work over the years to bring us to this point today.

Mr. SPEAKER. I yield such time as she may consume to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Speaker, I rise in support of the conference report.

Mr. Speaker, I rise in strong support of the Energy Policy and Conservation Act Amendment of 1990. The strengthened powers given the Secretary of Energy in this bill would give him the needed flexibility to make the strategic petroleum reserves the stabilizing force they were intended to be.

In the week following the invasion of Kuwait by Iraq, gasoline prices at the pump shot up 10 to 20 cents on speculation that oil supplies would be interrupted. Home heating oil, which was in very low demand at the time, saw an increase of about 40 cents. The muscle provided by this bill would ease such speculatory hysteria. The additional powers to sell off incoming strategic petroleum reserves, thus lowering demand on oil markets during times of crisis, along with the prospect of actually using reserves, will aid in calming oil markets much like when the Federal Reserve takes action to calm monetary markets.

In a recent letter to President Bush, I called for immediate consultation with our allies to coordinate a policy on using strategic petroleum reserves to quell the runaway gas price increases resulting from the invasion of Kuwait by Iraq. A direct result of a hearing held before the House Banking Economic Stabilization Subcommittee which I chair, the letter also emphasized the importance that the President develop a feasible national energy policy as soon as possible. This national energy policy, of which the strategic petroleum reserves would likely be a key provision, would help avoid problems that result from action such as the crisis in Kuwait and the subsequent erratic behavior of world oil markets.

The additional authority given to the Secretary of Energy in this bill to contract for specific amounts of refined products and to acquire storage facilities in regions of the country that may be adversely affected by interruptions in oil supplies are practical solutions to real problems that may result from energy supply interruptions. These are proactive steps that can be taken now to insure that future conflicts will not result in price gouging and baseless fluctuations. Had this and the previous administration had a national energy policy in place before the current situation as authorized by the Energy Department Organization Act of 1977, it is quite likely that many of the problems we now face in the Persian Gulf crisis could have been avoided.

I congratulate the gentleman from Indiana [Mr. SHARP], and the conferees for their work on this bill. The strategic petroleum reserves is an ace up our sleeves but only if we have a rational plan and a willingness to use it. I urge the support of this important legislation.

Mr. BRUCE. Mr. Speaker, adopting the strategic petroleum reserve conference report is essential to protecting the Nation's domestic energy security. Since 1975, when the reserve was authorized in response to the 1973–74 Arab oil embargo, the Nation has filled Louisiana and Texas salt caverns with 590 million barrels of crude oil.

But more must be done for energy security.

In addition to the need to expand the Nation's reserves closer to the 1 billion mark by early in the next century, this agreement addresses problems with refinery shutdowns which threaten our future energy security. The drop in U.S. refinery capacity makes it necessary for Congress to require the Department of Energy to maintain reserves of refined products, such as gasoline and heating oil.

The Strategic Reserve Program is also improved in this legislation by ensuring that domestic supply shortages, which may be caused by pipeline breaks or exceedingly cold winters, could also trigger the release of the reserve. By maintaining a refined product reserve which includes home heating oil, this Nation will be in a better position to deal with dramatic weather disruptions which threaten the lives of our citizens. Last December's cold, had it continued into January and February, would have been disastrous in many parts of the United States.

Finally, I want to urge the President to release strategic reserve crude later this month when the last of Iraqi and Kuwaiti crude en route during the invasion is delivered. The 2- to 6-week period in which the full effect of lost Kuwaiti and Iraqi crude will be felt—before increased production in Saudi Arabia and other areas comes on line—will provide a critical test of America's ability to respond to energy supply disruptions. Without the release of reserve oil, the price shocks of October could be worse than those of August. There is no reason to extend the economic trauma of the Persian Gulf crisis when crude oil supplies are plentiful in the reserve, and the international situation we have spent 15 years preparing to handle has forced us into needing this crude.

Mr. MOORHEAD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of the conference report on S. 2088, the Energy Policy and Conservation Act amendments of 1990.

The most important provision of this legislation is an extension of title I and title II of the Energy Policy and Conservation Act from September 15, 1990—this Saturday—to September 30, 1994. The importance of this extension is self-evident.

Title I provides for the fill and the basis for drawing down the strategic petroleum reserve. In light of the current situation in the Middle East and the impact of these events on energy markets, our energy insurance policy is that unlike the energy shortages of the 1970's, we now have almost 600 million barrels of crude oil in storage on the gulf coast.

Title II is important because it allows for the participation of the United States and its energy industry in the International Energy Agency. The IEA is the forum through which the United States works with its fellow oil consuming countries to coordinate a response to the world oil situation.

The other important change in current law made by this legislation is that the Secretary of Energy is to make plans for the eventual storage of 1 billion barrels of crude oil or refined product in the reserve.

The existing law contains a goal of a 1 billion barrel reserve, but the law only directs the Secretary to make plans for storing 750 million barrels. The last facility necessary to store 750 million barrels will be completed next year. While at projected fill rates it will likely take until the late 1990's to fill the reserve to 750 million barrels, the Department of Energy should begin making plans in the next few years if we are to be ready to fill to 1 billion barrels later.

Another feature of the bill I want to emphasize is its provisions allowing the Department of Energy to lease petroleum product and facilities as cost-saving ways in which to acquire more crude oil and product with less of a drain on the Federal Treasury.

Current events vindicate those of us who have long supported the strategic petroleum reserve. I urge the House to give its support to this conference report.

Before closing, I want to commend my fellow Republican conferees—Mr. LENT and Mr. DANNEMEYER—and the conferees from the other side of the aisle—Mr. DINGELL, Mr. SHARP, Mr. MARKEY, Mr. TAUZIN, and Mr. BRUCE—for their assistance and cooperation in the work which produced this timely conference report for the consideration of the House today.

Mr. Speaker, I reserve the balance of my time.

□ 1610

Mr. SHARP. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Arkansas [Mr. ALEXANDER].

Mr. ALEXANDER. Mr. Speaker, I thank the gentleman for yielding this time to me.

Mr. Speaker, I want to compliment the distinguished chairman of the Subcommittee on Energy and Power, the gentleman from Indiana [Mr. SHARP] for his fine work on the bill and for his leadership in the energy field. He has indeed distinguished himself in the area of energy and has been a tremendous help to our country. Back 10 years ago when we were not getting much leadership from other sources in our Government, the gentleman from Indiana was providing it, and I am here today to compliment the gentleman for his fine leadership, and the gentleman from California as well. Both have contributed substantially to the formulation of a national energy policy about which we are all hopeful.

Of course, I stand up today to support this bill, but I would like to add one other comment. We need conservation. The President stood here just the other night and said we must have conservation. There is an area of conservation within our midst should we seize it that is available to us in a dramatic way to reduce our dependency on foreign oil and at the same time to clean up the environment, and that is the requirement within the clean air bill that requires the use of oxygen in automotive fuels and transportation fuels. The mandate which we hope to come from the conference report of at least a 2.7-percent content of oxygen by weight is equal to about 10 percent by volume.

Now, should we require oxygen in all automotive fuels, that lessens our dependence on foreign oil by that amount; that is to say if you require 10 percent by volume of oxygen in 100 billion gallons of automotive fuels consumed in the United States annually, you need 10 billion gallons less of foreign oil.

If it very easy for us in this country to supply oxygen for our fuel because it comes from many products that are in abundance in this country, like compressed natural gas, like ethanol or methanol and liquified petroleum. There are many abundantly supplied products in America that we do not have to import from Saudi Arabia that supply oxygen for our automotive fuels. If we in this House insist upon an oxygen content in the Clean Air Act, not only does it clean up the fuels, because the more oxygen you have, the less hydrocarbons in emissions and the less carbon monoxide you have, the less dependence on foreign oil.

I would like to see the House insist on an oxygen content of twice the amount that is in the clean air bill, and hopefully someday we can address that subject and debate it, but for now I think we are talking about 2.7 percent by weight, which is equal to about 10 percent by volume.

Mr. SHARP. Mr. Speaker, I yield myself 1 minute.

Mr. Chairman, I want to indicate on the important subject that the gentleman has raised that we can develop alternative motor fuels in this country. The gentleman from Arkansas has been working on this for many, many years. The gentleman from Arkansas has worked very closely with us since 1988, when we passed the alternative motor fuels legislation, and I am very pleased to indicate that today the Department of Energy announced that the U.S. Government will be purchasing its first vehicles that can operate on neat, or total ethanol or methanol and can switch back and forth, flexible fuel cars. This is one of the things we have been pushing for many years, but finally we are going to see at least a small improvement, and this is critical to our future.

Mr. ALEXANDER. Mr. Speaker, will the gentleman yield just for one further statement?

Mr. SHARP. I yield to the gentleman from Arkansas.

Mr. ALEXANDER. Mr. Speaker, I neglected to mention that I am a member, I am speaking today as a member of the U.S. Alternative Fuels Council. I am the Democratic representative to that council. It is a new council. It has not yet been exposed to the membership, but we have the availability of the fuels here in the

United States, alternative fuels, if the Congress should adopt the legislation and create the policy to make us less dependent on foreign oil.

Mr. MOORHEAD. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. LENT], the ranking member of the Committee on Energy and Commerce.

Mr. LENT. Mr. Speaker, I rise in strong support of this conference report on S. 2088, the Energy Policy and Conservation Act Amendments of 1990. It is imperative that we get this legislation to the President for his signature by Saturday because current law expires at that time. Many of us have recommended that this authority be used to commence a modest drawdown of the reserve in coordination with other Government stocks.

By extending titles I and II of EPCA through September 30, 1994, with amendments, we will have a sound policy in place for the fill and use of the strategic petroleum reserve as events in the Middle East and in world oil markets continue to unfold.

From my perspective and that of the Long Island area I represent, the most important change in current law made by S. 2088 as recommended by those of us who served on the conference committee—is the section on refined petroleum products.

Current law authorizes storage of crude oil, refined products, or both. However, only crude oil is now stored in the reserve. This may have been understandable in the past on the basis that we cannot predict in advance what type of refine products might be needed.

Nonetheless, we learned last winter in the Northeast and again in the current energy environment that our major problem is low inventories of refined product and over-stretched U.S. refinery capacity. Thus, a barrel of refined product is more valuable to energy security than more crude oil in the reserve.

The compromise in the conference report on future storage of refined product is just that—a compromise. Unfortunately, some Members of the other body are not as sympathetic to our concerns as we might otherwise hope.

Under the conference report version of S. 2088, the Department of Energy will conduct a 3-year test program on mechanisms to store refined product under the control of the reserve. These mechanisms must include storing 10 percent of the volumes acquired in the 3-years for the reserve as refined product, subject to a funding cap. I expect and I hope that this will be heating oil in the Northeast. That is a product we are very much concerned about. The Department will also examine and may implement State set-asides and industrial reserves.

In conclusion, Mr. Speaker, I want to commend my colleagues on the conference, Chairman, DINGELL, Chairman SHARP, and gentleman from California [Mr. MOORHEAD], and the committee staff for their work on this important bill, and I strongly urge adoption of the conference report.

Mr. SHARP. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Michigan [Mr. DINGELL], the chairman of the full committee.

Mr. DINGELL. Mr. Speaker, I rise in strong support of this legislation. Events in the Middle East have shown us that the strategic petroleum reserve is a very important tool in easing our dependence on imports of petroleum products and petroleum from the Middle East in times of crisis, and that is the most economically, politically, and militarily dangerous area in the world today.

Had we filled the strategic petroleum reserve at the rate many of us proposed in earlier times when prices were low, we would now be much better protected than we are. We would be protected, in fact, not only against terrific spikes in oil prices, but also we would be better protected with regard to potential future supply.

□ 1620

However, previous and current administrations did not want to spend the money.

This is oil that has gone under the bridge.

We do have, however, before us an opportunity to enhance our energy security for the future by passing this conference report.

I urge my colleagues to do so. The bill would expand the strategic petroleum reserve to 1 billion barrels from its current 750 million barrels.

It will also, for the first time, create a reserve of refined petroleum products such as heating oil and gasoline.

I bring to my colleagues' attention the fact that we are now short in a very serious way of refining capacity. Our refineries are functioning at about 96 percent of capacity, and that is a level just below the danger level.

So we do need a product reserve, to help us ease the stress upon product supply during the time that we arrange to commence to use that strategic petroleum reserve.

Certainly those who are going to be dependent on heating oil are facing a long, expensive winter, one made worse by the fact that we do not have such a reserve in hand.

Every one of us has heard from our people about the substantial and the sudden spike in the price of gas. The harsh fact is that even if we were drawing from the existing reserve today, we would be hard-pressed to turn it into usable product. Indeed we would begin drawing, if we drew it today, too late to have prevented about a 50-percent increase in the price of crude oil.

Some of the crude that is now in our supply system is of low quality, and our refining capacity is stretched, as I indicated, to the limit.

This bill will protect the United States in the future. More is going to need to be done. As events go forward, the Committee on Energy and Commerce will be going into its responsibilities in this area to see what it is that we should be doing to assure not only supply but intelligent and sensible and bearable pricing without the destructive effects and the inflationary impacts of expensive price spikes.

Mr. Speaker, I commend the distinguished gentleman from Indiana [Mr. SHARP], the distinguished gentleman from California [Mr. MOORHEAD], and the distinguished gentleman from New York [Mr. LENT] for the fine work they have done on this legislation.

The SPEAKER pro tempore (Mr. MAZZOLI). The gentleman from California [Mr. MOORHEAD] has 24 minutes remaining.

Mr. MOORHEAD. Mr. Speaker, I yield such time as he may consume to the distinguished gentleman from California [Mr. DANNEMEYER], who recently represented the minority on the trip to Saudi Arabia to explore the situation over there.

Mr. DANNEMEYER. I thank my colleague from California [Mr. MOORHEAD] for yielding me this time.

Mr. Speaker, I rise in support of this conference committee report. I think we should note that just prior to the invasion of Kuwait by Iraq, that the world witnessed the daily production of about 63 million barrels of oil per day. The quantity that came from Iraq and Kuwait, now denied to the world market, was about 2.8 million in the case of Iraq and about 1.86 million in the case of Kuwait.

That means that the world supply is now experiencing a shortage of about 4.4 million barrels per day.

If we Americans wonder how it comes to be that the price has gone up roughly from $20 a barrel up to, at times, $30 a barrel, this is the reason.

There is a law of supply and demand. We in Congress may try to repeal it or alter it, but the market system establishes it very eloquently.

So what are we going to do? It is my hope that the President will exercise his discretion under this legislation, in coordination with our allies, to draw down the strategic petroleum reserve at this time so as to replace to the market what is now deprived to it by not getting the production from Iraq and Kuwait, such amount as is necessary to drive the price down to $20 a barrel or thereabouts.

This is part of the goal why we are in the Middle East to begin with, to stabilize the price of oil, so that we do

not experience having our economy go into the tank because of having to digest the increased cost of oil through our entire economic system.

I would also like to take this time to talk a little bit about how the cost of this operation should be equitably shared.

We should recognize that two of the countries in the gulf, specifically Saudi Arabia and the United Arab Emirates, are benefiting in a very direct way by this increase in the price of oil. For instance, Sauda Arabia produces about 5.2 million barrels a day and the United Arab Emirates about 2 million barrels a day. Together those two countries produce a little over 7.2 million barrels a day.

It does not take a great deal of calculation to realize that as a result of this crisis, these two countries are experiencing increased income from the same quantity of oil of about $72 million a day—based on $10 per barrel increase above the $20 price prevailing before the invasion.

Now, this quantity of money is more than adequate, depending on what estimate you choose to believe, to pay for the cost of what our American involvement in the Middle East is now experiencing.

I want to commend Secretary Baker for the job that he has done, along with President Bush, in convincing nations of the world, specifically in the Middle East, specifically Saudi Arabia, to recognize they have an obligation to pay for the cost of this.

It is in America's national interest to be there because it is not in our national interest to have Saddam Hussein in charge of 45 percent of the world's oil reserves.

I accept that as an American citizen, as a Member of Congress. But it is also, I think, obvious or should be obvious to the leaders of Saudi Arabia and the United Arab Emirates that the experienced taxpayer is not going to sit still one day for the idea we are going to pay for this cost to preserve their ability to get the increased revenues from this resource that the world needs.

So I think it incumbent upon Secretary Baker and President Bush and his team and leaders in this country to develop a consensus whereby the cost of this incident in the Middle East can be paid by those nations in that region who have benefited by this increase.

Lastly, let me comment for just a moment on the energy alternatives that many of us in this body have been struggling to produce legislatively.

I am talking about reform of the nuclear regulatory system so we can get rid of the second redundant adjudicatory hearing. A bill to do that is pending in the Rules Committee. It has been pending there for over a year.

Why we have not brought it to the floor I am not sure. But it is a mistake, it is an error in judgment that we have not done so. Nuclear power is one of the options we should pursue.

We have a field in northeastern Alaska called ANWR. Nobody knows what is there. The estimates are 10 billion barrels, more or less. Take your pick.

We cannot even drill it because Congress has tied it up. Off of my coast of California we have three fields containing 3 billion to 5 billion barrels of oil. We cannot drill in those known fields because they are tied up.

I think we should focus for just a moment on the political force that has produced this debacle in energy-dependent status in this country, and specifically it is the environmental party.

There may be some in this Chamber who believe that the Democratic Party and the Republican Party are the majority parties in America. If you believe that, forget it; it is not true.

The contributing base of the combined National Democratic and National Republican Parties in America totals about 2.4 million people. Annually, this contributing base contributes about $93 million a year to influence all political action in America.

The contributing base of the environmental party consists of a little less than 13 million people, and this contributing base believes in their cause enough that they put up $335 million a year, focusing their attention on environmental issues.

The two national parties, $93 million; the environmental party $335 million. The contributing base 2.4 million and 13 million.

We Americans must come to understand that the energy policy of this Nation is now being held hostage by the environmental extremists, the environmental party of America, that has stopped nuclear reform in America, that has stopped the development of the field in Alaska, ANWR, and it has stopped expansion of offshore drilling and has also produced for us the Endangered Species Act of America adopted in 1973, that has produced the ridiculous position that we are now concerned more with Stephens kangaroo rats, with spotted owls and caribou herds and gnat chasers than we are with human beings.

□ 1630

What kind of a society have we become where we are tenderly watching a caribou herd grazing in Alaska at a time when we are having the men and women in this Nation in the armed services risking their lives in the sands of the Middle East? What kind of a selfish political movement would produce such an absurdity?

I say to my colleagues, "It's the environmental party. They have got a lock on this Congress. Unfortunately they have got a ring through the nose of the Congress of the United States. Nothing is going to happen outside of conservation, which they support, in developing energy options to remove the dependence of this Nation on outside energy just so we can survive."

Mr. Speaker, the only way we are going to move these energy options which I have been talking about is for the American public to, I believe, rise up in indignation and say to Members of Congress, "Cut out letting the environmental tail wag the energy dog of America."

Mr. LENT. Mr. Speaker, will the gentleman yield?

Mr. DANNEMEYER. I yield to the gentleman from New York.

Mr. LENT. Mr. Speaker, I would just like to commend the gentleman from California [Mr. DANNEMEYER] for his statement and also for the work that he does on the Committee on Energy and Commerce.

I would just like to add one footnote to the gentleman. I am sure he knows this, but he mentioned the caribou in the same breath as he mentioned the oil coming down from Prudhoe Bay and the North Slope. He did not mean to suggest that the caribou have been at all injured by the development of oil in the North Slope; did he, because the fact is, for those of us who have the privilege of going up there, one of the problems they have on the North Slope, Prudhoe Bay, along the oil line there that goes down to Valdez, is the caribou population has tripled since Prudhoe Bay was developed. I did not know whether the gentleman from California [Mr. DANNEMEYER] knew that.

Mr. DANNEMEYER. Yes.

Mr. LENT. But there really has been a remarkable upsurge in the population of caribou, and, contrary to what the environmentalists said at the time they were trying so hard to stop the development of that pipeline which gives us one in every five barrels that are used in the United States today; they told us that this pipeline and its development was going to hurt the caribou. We have now tripled the herds of caribou in Alaska since that pipeline has gone through.

Mr. Speaker, it is a small point. I just wanted to make it because I thought the gentleman from California [Mr. DANNEMEYER] might enjoy hearing it.

Mr. DANNEMEYER. Mr. Speaker, I am glad the gentleman from New York [Mr. LENT] mentioned that because I heard the view expressed by some in the environment party in America that we cannot build another pipeline because it would increase the caribou herd and pose a possibility that the grazing capacity would be exceeded by the caribou that would grow

in numbers to exceed what can be accommodated. And so it goes, and my reason for mentioning this today is just that, hopefully, we Members of Congress will recognize that when we send our men and women in our military service to fight on the sands of the Middle East and put their lives on the line, just maybe, just maybe, those caribou in Alaska should be subordinated to the lives of our men and women.

I would also like to read with this comment:

As a Californian, I would rather explain to parents residing on the coast of California why there is an oil platform off of our coast than I would explain to those parents why we need to take their son or daughter into the military service of this Nation and go to the Middle East to defend the resources that some of us unfortunately in this country do not have the courage to develop on our own.

The recent invasion of Kuwait by Iraq's Saddam Hussein raises many questions for United States public policymakers concerning our interests abroad. America finds itself in a few conflicting patterns of behavior. On the one hand, many liberal pundits demanding an emasculation of our national defenses in the wake of changes in Eastern Europe are now struck with the reality that the cold war is not over, it has simply moved to the Third World.

On the other hand, these same creators of conventional wisdom are having to rethink our commitment to energy independence as they face the reality of an increasingly unstable Middle East as juxtaposed to risking the lives of young Americans defending Japanese and Western European oil flowing from the Persian Gulf.

The greatest enemy for the United States has always been the enemy from within—those who would sacrifice American independence on the altar of global interdependence. No foreign enemy could threaten our national security more than we have done to ourselves by keeping us mostly dependent on foreign sources of energy.

The enemy I speak of in this case is a group of powerful special interests I refer to as the Environmental Party. I describe them as a political party because of the massive monetary and grassroots resources they have managed to tap across this country.

For instance, six political organizations comprise the base of our two party political system. Three organizations are controlled by Democrats: Democratic National Committee [DNC], Democratic Congressional Campaign Committee [DCCC], and the Democratic Senatorial Campaign Committee [DSCC]. Three of the six organizations are controlled by Republicans: Republican National Committee [RNC], National Republican Congressional Committee [NRCC], and the Republican Senatorial Committee [RSC].

Data from the Federal Elections Commission [FEC] reveal that the Republican organizations took in contributions of $71.1 million in calendar year 1989. Democrat organizations took in $18.6 million in the same year. The donor base for Republicans is 1,881,260, while the donor base for Democrats is not available—but, if we extrapolate, the Democrats could have a donor base of about 489,128.

All told, both parties took in $89.7 million and have an approximate donor base of 2,370,388. Now consider the Environmental Party.

Twelve organizations comprise the base of support for the Environmental Party: Center for Marine Conservation, Clean Water Action Project, Environmental Defense Fund, Greenpeace, USA, National Audubon Society, National Wildlife Federation, Natural Resources Defense Council, The Nature Conservancy, Public Interest Research Group, Sierra Club, The Wilderness Society, and World Wildlife Fund.

All told, the Environmental Party has an operating budget of $336.3 million—1988—and has a donor base of 12,959,000. That's nearly $250 million more than the Republican and Democrat Parties combined and a donor base some 10 million persons more.

The Environmental Party is an awesome new dimension in American politics. They are a much bigger security threat than Saddam Hussein could ever hope to be. The Environmental Party's path of destruction has come in four general areas: Nuclear power, offshore oil drilling, the Arctic National Wildlife Refuge [ANWR], and the Endangered Species Act.

NUCLEAR POWER

The average time it takes to build a nuclear powerplant in the United States is 14 years. The average cost is $3 billion. France, which receives 70 percent of its energy from nuclear power, can build a plant in just under 5 years and at a cost $1 billion. Less than half the time and a third of the cost as the United States. What is the difference?

The difference is the Environmental Party. Countries such as France and Japan have a one-step licensing process for all proposed nuclear plants. The United States has a two-step process thanks to the Environmental Party. Their thinking is that the longer they can successfully draw out the construction process, the more cost prohibitive the project will become. And they are right. By driving up the costs of nuclear power, oil and coal are given a market advantage.

On June 15, 1989 I offered an amendment to a nuclear licensing reauthorization bill in the Energy and Power Subcommittee. The amendment created a one-step process. It was approved 13 to 10, four Democrats joined with me. The same measure lost in full committee by a vote of 20 to 22. I added a Democrat, but lost two from the subcommittee—Representatives BRUCE and RICHARDSON. These losses were a direct result of lobbying from the Environmental Party.

The newly passed Clean Air Act contains a provision to develop clean coal technology, but the costs to develop it will not keep coal competitive with oil and gas prices. What will consumers do—not to mention coal miners—when the market forces Americans to rely even more on foreign imported oil? The United States depends on these imports for half of our total consumption. Are we ready to rely solely on oil and gas given the Environmental Party's success at pricing nuclear and coal sources out of the market?

OFFSHORE OIL

One of the greatest ironies manifest by the Environmental Party is their zealous concern for oil shipped by tankers combined with their adamancy against offshore oil. Almost every last drop of imported oil comes to us by tankers like the *Exxon Valdez*, and yet the Environmental Party refuses to promote safe and ecologically sound offshore oil expansion as a matter of environmental policy.

The Bush administration's moratorium on the sale of offshore leases affects way over a trillion cubic feet of natural gas and up to a billion barrels of oil. This moratorium is thanks to the Environmental Party.

The current estimate of undiscovered oil reserves beneath the Federal Outer Continental Shelf [OCS] is about 18 billion barrels of oil and 145 trillion cubic feet of natural gas, or approximately one-third of all the recoverable oil and gas remaining to be discovered in the United States.

I would much rather explain to a parent why we have offshore drilling expanding off our coasts than I would to explain why we sent their child to a foreign land to defend oil largely consumed by Japan and Western Europe.

The Environmental Party would rather have us send our kids to be killed defending oil shipped by tankers which they view as an environmental threat. Figure that out?

ARCTIC NATIONAL WILDLIFE RESERVE

The Arctic National Wildlife Refuge is comprised of almost 19 million acres in northeast Alaska. A 1.5-million-acre tract known as the Coastal Plain, less than 1 percent of the total area of ANWR, is where substantial oil and gas reserves are located. Geological surveys and seismic exploration of ANWR indicate that the area contains between 4.8 and 29.5 billion barrels of oil and 31.1 trillion cubic feet of natural gas.

The Environmental Party wants this acreage locked up from energy development and, so far, they have been successful.

THE ENDANGERED SPECIES ACT OF 1973

The year 1973 was a watershed year. Congress voted to adopt a policy that would effectively protect a number of wildlife under the provisions of the Endangered Species Act and, in that same year, the Supreme Court issued the Roe versus Wade decision allowing men and women to kill the unborn.

We have become a society, moved greatly by the Environmental Party, that worships the creation more than the Creator. The Environmental Party says that it is okay to slaughter 1½ million unborn humans every year, but that it is not tolerable to kill one fish or critter.

We have seen what the snaildarter can do to public policy. Now we will witness what the Stevens kangaroo rat, the spotted owl, the gnatcatcher bird, and the least belles vireo will do.

Consider the economic impact of providing an exclusive home for the gnatcatcher. A minimum of 15,000 acres in San Diego, Orange, Riverside Counties will be sequestered from all current uses. Thousands of housing starts in Orange County alone would be lost in the next 2 years, with devastating effects on affordable housing and related business.

Seventy miles of road, toll booths, and interchanges, which were to have been built over

the next decade would be sacrificed. The 200,000 vehicular trips per day projected for these roads would be diverted to existing roads. The message from the Environmental Party is clear: grow wings and you will be secured a domicile for life.

Somewhere in the neighborhood of 10 to 15,000 jobs will be lost because of another feathered friend, the spotted owl. The timber industry in the Pacific Northwest is being asked to set aside acreage to allow this owl an unfettered livelihood. I have to wonder when the tab for these set-asides will exceed the value of the land?

The Endangered Species Act is up for reauthorization in 1992 and I plan to offer an amendment to say that if Americans must be forced to set aside lands for innumerable animals, then the land should be one geographic location, a sanctuary for all of these animals to congregate, rather than provide numerous places dotting the landscape and disrupting the economy. The Environmental Party will, no doubt, oppose this plan but, then again, they will also oppose my alternative plan to place humans on the endangered species list.

The Environmental Party is the enemy from within. Saddam Hussein is a marginal threat to the United States compared to the Environmental Party. We are being held hostage by extremists. They leave no room to negotiate. It is time for Americans to rise up and regain their national security. We should demand energy independence. To do so will save the lives of young Americans fighting for causes for which they have little interest.

Mr. SHARP. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Speaker, I rise in support of this legislation, and, first, I want to commend those people who worked so hard on it, including our chairman, the gentleman from Indiana [Mr. SHARP], the gentleman from Michigan [Mr. DINGELL], the gentleman from California [Mr. MOORHEAD], and others.

I think that, as all the Members who preceded me have said, this is one small step that this Nation can take, and should take, and is in timely fashion taking today, to respond to what was a missed opportunity in the 1980's to establish a long-term energy strategy for this country. But today we are sending the message out that in a multistrategy front, one of the things that we will be doing is to continue to build a buffer for this Nation for the types of things that we are now facing in the Middle East. This legislation goes a long way to build that buffer. I support it, and I commend my colleagues to it.

Mr. SHARP, Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, I thank the chairman of our subcommittee, the gentleman from Indiana [Mr. SHARP] for the important work he has done and continues to do as we struggle to find an energy policy for America, and the gentleman from California [Mr. MOORHEAD] for the great efforts of the minority for bringing forth a bill which I think improves dramatically the the strategic petroleum reserves for our country.

As my colleagues know, those of us in Louisiana and Texas have closely associated with the SPR because it is located within our boundaries. The SPR is an important asset for America, and completing work on this bill is an important step, and I think the President has called for us, the other night, to begin work on building a real and rational plan for our country.

The bill advances that effort in three very important aspects, I believe. One is that it does finally mandate and authorize the full billion barrel reserve. As my colleagues know, we are authorized to 750 million barrels. We only had about 590 million barrels in reserve when the Congress intended initially to go to a full billion. We ought to be there already. At least this bill will take us, I hope, the rest of the way, as soon as we can, in fact, to find oil supplies to fill that reserve.

I have suggested ways we could do that: of course, by encouraging here in America domestic drilling incentives, and we ought to look at that in terms of our own energy protections, and, hopefully, as part of our energy strategy, we will get to that point.

Second, Mr. Speaker, the bill advances the idea of the strategic petroleum reserve at a lease cost option. The bill advances the proposition of leasing space or leasing oil, not necessarily duplicating facilities that already exist.

In Louisana, for example, the loop, the offshore oil facilities, currently has storage capacity of Corvelli Dome, currently fills and draws down that capacity and pumps it into the cap line system for the refineries of America every day. Leasing additional space for America's security would make sense. The bill makes provision for that, and for that I compliment the chairman and the minority who have worked so hard on the bill.

Finally, the bill sets up something that I think is critically important. That is the possibility of refined product reserves, and this has been something the chairman has been pushing for a long time, an idea whose time has come.

When my colleagues look at America's dependence on foreign products, they will see that a larger and larger share of the imported fuel to America is already refined, and, if my colleagues think America was in trouble in the 1970's, when we got cut off in terms of our crude supply, think what happen if we got cut off in terms of those refined products that are imported into America.

Our refining capacity is down, dramatically down, and we are in trouble in that regard. Those imported refined products are critical to us. Without refineries at home, without the import of those crude oil refined products, America could be in desperate shape today and could well be in the future. A refined products reserve is a critical part of this new bill that we hopefully will authorize today.

Mr. Chairman and members of the committee, this bill, as it finally is drawn, in fact advances our SPR dramatically. It is just one step, and it is time, as the President has said, for us to come to grips with the notion that America cannot endure a policy on energy that is, in fact, vacant, a policy that allows cheap foreign oil to come into this country in a flood, as it has, to the point where we become so dependent on it that the life blood of our children is now on the line in defense of somebody else's energy supplies.

If my colleagues have any doubt about America's capacity, let me assure them we have five times in shale oil what all the Arab nations have put together in crude oil. We have in Louisiana 100,000 trillion cubic feet of natural gas compressed in salt reservoirs underlying Texas and Louisiana, and we have 400 years of coal in America. We have vast supplies of energy. What we lack is a policy to bring it forward for America. What we lack is the incentive and the initiative to make ourselves energy independent.

Mr. Speaker, maybe this crisis will make us think again, and I say to the gentleman from California [Mr. DANNEMEYER], "Maybe it will focus this Nation, this Congress, on the need to be self-sufficient. This SPR program is but one element, one safety net, but we ought to get busy building a platform upon which this Nation's economy and its security is firmly built around domestic production for our domestic needs."

□ 1640

Mr. Speaker, I commend the gentleman from Indiana [Mr. SHARP] on this bill, and I urge its adoption by the House.

Mr. MOORHEAD. Mr. Speaker, I yield 1 minute to the gentleman from Oklahoma [Mr. EDWARDS].

Mr. EDWARDS of Oklahoma. Mr. Speaker, I merely wanted to compliment the gentleman from Indiana [Mr. SHARP] and the gentleman from California [Mr. MOORHEAD] and others who have worked on this legislation. I am convinced that this current situation in the Middle East is at the state it is in terms of the involvement of American personnel on the ground because of our dependence on foreign energy sources. Had we merely had the invasion by one country of another, and not had the United States so dependent on those energy sources, my guess is we probably would have rattled sabers, sent ships, done a lot of

things, but not sent 150,000 American troops to be over there.

Mr. Speaker, we desperately need to increase our independence in the field of energy. I thought that was one of the most important things in the President's speech the other night.

Mr. Speaker, I compliment the committee for taking this step toward helping us increase our energy independence.

Mr. SHARP. Mr. Speaker, I want to indicate that the distinguished gentleman from Louisiana [Mr. TAUZIN] was a member of the conference committee. He has always been a very important participant on this issue, very creative in his ideas, and very determined in seeing that we had a solid policy of preparation, as well as a broader energy policy.

Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. MARKEY], another member of our committee who has also been very active on a number of these issues and who is very much responsible, as is the gentleman from New York [Mr. LENT], for the work on the refined product reserve.

Mr. MARKEY. Mr. Speaker, I thank the gentleman from Indiana [Mr. SHARP] very much, and want to begin by complimenting him and his staff for the excellent work which they have done in the report which we have before us today. I think that similar gratitude and praise belong to the gentleman from California [Mr. MOORHEAD] and the gentleman from New York [Mr. LENT] and other members of the committee who worked together in a bipartisan fashion in order to present this to the House today.

Mr. Speaker, let me just make a few points. I think that as we begin the 1990's, it is very important for us to put aside the partisan ideological bickering which so often characterized the energy dialog of the 1970's and the 1980's in this country. I think that a brief bit of history is important, just so we can put in context how far we have come.

In March 1981, as James Edwards from South Carolina is named President Reagan's first Secretary of Energy, in testimony before Congress when asked if his goal was to abolish the Department of Energy, he said yes. He said, "I want to be back in South Carolina in April or May, because the catfish are jumping." When told that it might take a little longer than that for him to accomplish his goal of dismantling the agency that he had just been named Secretary of, he said, "Well, they are still jumping in June and July."

That inauspicious beginning to the 1980's in the wake of two energy shocks in the early and late 1970's, was unfortunately the beginning of a major debate, which led to a paralysis and the lack of construction of a real energy program for this country.

As we sowed the wind in the 1980's and early 1990's, we reaped the whirlwind. We find ourselves more dependent upon imported oil. We find ourselves without the progress that we would have hoped on solar and conservation, alternative energy resources.

Yes, we have made progress. We have moved along as far as we could hope. But as we remember when the 1980's unfolded, the Department of Energy was 75 percent for energy in the budget and 25 percent for nuclear weapons. As the 1980's ended, 75 percent of their budget was for nuclear weapons, 25 percent for energy. Of that remaining 25 percent, 75 percent of that 25 percent was for nuclear energy, even though there has not been a nuclear powerplant ordered in the United States in the last 14 years.

Mr. Speaker, let us move on to a new agenda. Let us move on to an era where we can work together on the things that we can do, not the things that divide us. Because 95 percent of the issues that are before us we can work out on a bipartisan basis.

Mr. Speaker, instead of getting up and talking about the things that we disagree on, let us work together and leave those final issues to the end.

Mr. Speaker, in this bill our chairman, the gentleman from Indiana [Mr. SHARP] and the conferees have included a provision, long overdue, for a refined product reserve. For many parts of the country it is not a problem. There is plenty of crude and there is plenty of refined product. But for the Northeast and other parts of the east coast, and parts of the west coast, when there is a shortage, yes, there is crude oil out there in the system, but there is no refined product. There is no home heating oil, no gasoline, for those parts of the country.

What we do in this bill is ask, actually order, the Department of Energy to begin a 3-year pilot program that will begin the process of creating an area of refined product reserve so that those areas of the country as well during periods of shortage can also be dealt with.

Mr. Speaker, this is the kind of issue that should be the foundation, the building block, for the construction of a smart, progressive, modern energy policy in the 1990's.

Mr. Speaker, my feeling is that the strategic petroleum reserve should have already been used. My feeling is we should have used the reserve before we called up the Reserves. It is as much a weapon in the battle against Saddam Hussein as any of the aircraft carriers that are over there. One million barrels out of that strategic reserve, thank God 600 million barrels strong, could last for 2 years. But it could also serve as a real depressing effect upon the increase in oil prices and the concomitant effect upon every industry in America for all intents and purposes, with the exception of the oil industry.

Mr. Speaker, we cannot afford to run the risk of finding out what kind of shock economically that is going to send throughout our system over the next several years. We should already be using it.

That is why I am glad we are able to come together in this kind of a bipartisan fashion. It is a tribute to the gentleman from Indiana [Mr. SHARP], a tribute to the gentleman from California [Mr. MOORHEAD], a tribute to the gentleman from New York [Mr. LENT], and a tribute to the gentleman from Michigan [Mr. DINGELL].

Mr. Speaker, that is the atmosphere I think we are going to have to have in the 1990's. We are going to have to put behind us the battles of the 1980's. They were nonproductive, and to a large extent those battles could become the battles of the 1990's, but it would just be allowing almost Frankie Avalon records to set the agenda for the future.

Mr. Speaker, let us move on. My congratulations to the gentleman from Indiana [Mr. SHARP]. He has done an excellent job.

Mr. SHARP. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. CLEMENT].

Mr. CLEMENT. Mr. Speaker, I would say to the gentleman from Indiana [Mr. SHARP], the conferees, the members of the Committee on Energy and Commerce, and all those who worked diligently on this matter, that I feel very strongly about being energy independent. We need coal and oil and hydro and nuclear and alternative energy sources, and need to put much more emphasis on conservation than we have ever done before, and place those incentives there.

Mr. Speaker, I thought we learned our lessons in the 1970's but it is obvious history has repeated itself. Now we are energy dependent again. If we do nothing between now and the year 2000, we are going to be 60 percent dependent on foreign oil.

Mr. Speaker, most of those oilspills, as all Members know, are not from domestic production. Not at all. They are from transportation of foreign tankers to the United States that have been responsible for those oilspills.

We need to do a much better job than we have done in the past in terms of producing our oil and our energy resources in this country. We can do it, Congress can do it, working with the President. America will be proud of us, being energy independent, as well as being energy diversified.

Mr. PENNY. Mr. Speaker, I rise in strong support of this conference report. In light of the present uncertainty of oil supplies and

price volatility in the oil markets, I think that we can all agree that the strategic petroleum reserve [SPR] serves a critical role in the energy policy of this Nation. I also support the goal of increasing the SPR to 1 billion barrels of crude oil, and the creation of "refined product reserves" that the House indicated should consist of 20 million barrels of refined petroleum products.

An issue related to this Nation's energy security is the use of ethanol, a truly renewable energy resource. As many of my colleagues are well aware, alcohol blend fuels are increasing in use in this country and have tremendous potential for increasing our energy security, decreasing our dependence on imported oil, strengthening markets for farmers, and combating air pollution by reducing automobile emissions.

I would like to express my support for including ethanol in the regional refined product reserves. The conference report states that refined product reserves should be located in regions of the country that are dependent on imported petroleum products. Minnesota, and the Midwest in general, is such an area, and in my home State 12 percent of all gasoline marketed today is a 10-percent ethanol blend.

Critics of ethanol say that it is not price competitive with gasoline, but their calculations are based on outdated and distorted assumptions. What is the real price of a barrel of crude oil from the volatile Middle East? Alan Tonelson and Andrew Hurd of the Economic Strategy Institute argue that the real price of imported oil is about $80 per barrel if we include:

The $40 to $50 billion that America spends a year on military forces assigned to protect the Persian Gulf;

The nearly $6 billion the United States gives every year in foreign aid to Israel, Egypt, and Pakistan;

The yet unknown cost to the Federal budget to counter the terrorism of Saddam Hussein; and

The interest payments on the national debt to borrow for these funds.

It would interest my colleagues to note that today Agriculture Secretary Yeutter announced that all Agriculture Department employees wil be required to use ethanol blended gasoline in their vehicles. And, the Administrator of the General Services Administration announced the award of two Federal contracts to the Ford Motor Co. and General Motors Co. for a number of alcohol-powered vehicles.

Rather than move to diversify oil imports, improve energy conservation, and support alternative energy sources, the United States has allowed its dependency on oil imports from Arab OPEC members to rise from 8.5 percent of imports in 1985 to 26.6 percent in 1989. Let's start back down the road to energy self-sufficiency, including support for U.S.-produced ethanol in the strategic petroleum reserve.

Mr. MOORHEAD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SHARP. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. MOORHEAD. I object to the vote on the ground that a quorum is not present, and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device and there were—yeas 391, nays 0, not voting 41, as follows:

[Roll No. 331]

YEAS—391

Ackerman	Coyne	Guarini
Alexander	Craig	Gunderson
Anderson	Crane	Hall (TX)
Andrews	Dannemeyer	Hamilton
Annunzio	Darden	Hammerschmidt
Anthony	Davis	Hancock
Applegate	DeFazio	Hansen
Archer	DeLay	Harris
Armey	Dellums	Hastert
Aspin	Derrick	Hatcher
Atkins	DeWine	Hawkins
Baker	Dickinson	Hayes (IL)
Ballenger	Dicks	Hayes (LA)
Bartlett	Dingell	Hefley
Barton	Dixon	Hefner
Bateman	Dorgan (ND)	Henry
Bates	Dornan (CA)	Herger
Beilenson	Douglas	Hertel
Bennett	Downey	Hiler
Bentley	Dreier	Hoagland
Bereuter	Duncan	Hochbrueckner
Berman	Durbin	Holloway
Bevill	Dwyer	Hopkins
Bilbray	Dymally	Horton
Bilirakis	Dyson	Houghton
Bliley	Early	Hoyer
Boehlert	Eckart	Hubbard
Boggs	Edwards (CA)	Hughes
Bonior	Edwards (OK)	Hunter
Borski	Emerson	Hutto
Boucher	Engel	Hyde
Brennan	English	Inhofe
Brooks	Erdreich	Ireland
Broomfield	Espy	Jacobs
Browder	Evans	James
Brown (CA)	Fascell	Jenkins
Brown (CO)	Fawell	Johnson (CT)
Bruce	Fazio	Johnson (SD)
Bryant	Feighan	Johnston
Bunning	Fields	Jones (GA)
Burton	Fish	Jones (NC)
Byron	Flake	Jontz
Callahan	Flippo	Kanjorski
Campbell (CA)	Foglietta	Kaptur
Campbell (CO)	Frank	Kasich
Cardin	Frost	Kastenmeier
Carper	Gallegly	Kennedy
Carr	Gallo	Kennelly
Chandler	Gaydos	Kildee
Chapman	Gejdenson	Kleczka
Clarke	Gekas	Kolbe
Clay	Geren	Kolter
Clement	Gibbons	Kyl
Clinger	Gillmor	LaFalce
Coble	Gilman	Lagomarsino
Coleman (MO)	Glickman	Lancaster
Collins	Gonzalez	Lantos
Combest	Goodling	Laughlin
Condit	Gordon	Leach (IA)
Conte	Goss	Leath (TX)
Cooper	Gradison	Lehman (CA)
Costello	Grandy	Lehman (FL)
Coughlin	Grant	Lent
Courter	Gray	Levin (MI)
Cox	Green	Levine (CA)
Lewis (FL)	Panetta	Slaughter (NY)
Lewis (GA)	Parker	Slaughter (VA)
Lightfoot	Parris	Smith (FL)
Lipinski	Paxon	Smith (NE)
Livingston	Payne (NJ)	Smith (NJ)
Lloyd	Payne (VA)	Smith (TX)
Long	Pease	Smith (VT)
Lowery (CA)	Pelosi	Smith, Robert (NH)
Lowey (NY)	Penny	Smith, Robert (OR)
Luken, Thomas	Perkins	Snowe
Lukens, Donald	Petri	Solarz
Machtley	Pickett	Solomon
Madigan	Pickle	Spence
Manton	Porter	Spratt
Markey	Poshard	Staggers
Martin (NY)	Price	Stallings
Martinez	Pursell	Stangeland
Matsui	Rahall	Stark
Mavroules	Rangel	Stearns
Mazzoli	Ravenel	Stenholm
McCandless	Ray	Stokes
McCloskey	Regula	Studds
McCollum	Rhodes	Stump
McCurdy	Richardson	Sundquist
McDade	Ridge	Swift
McDermott	Rinaldo	Synar
McEwen	Ritter	Tallon
McGrath	Roberts	Tanner
McHugh	Roe	Tauke
McMillan (NC)	Rogers	Tauzin
McMillen (MD)	Rohrabacher	Taylor
McNulty	Ros-Lehtinen	Thomas (CA)
Meyers	Rose	Thomas (GA)
Mfume	Roth	Thomas (WY)
Miller (CA)	Roukema	Torres
Miller (WA)	Rowland (CT)	Towns
Mineta	Rowland (GA)	Traficant
Moakley	Roybal	Traxler
Molinari	Russo	Unsoeld
Mollohan	Sabo	Upton
Montgomery	Saiki	Vander Jagt
Moody	Sangmeister	Vento
Moorhead	Sarpalius	Visclosky
Morella	Savage	Volkmer
Morrison (WA)	Sawyer	Vucanovich
Mrazek	Saxton	Walgren
Murphy	Schaefer	Walker
Murtha	Scheuer	Walsh
Myers	Schiff	Waxman
Nagle	Schneider	Weber
Natcher	Schroeder	Weiss
Neal (MA)	Schuette	Weldon
Neal (NC)	Schumer	Wheat
Nelson	Sensenbrenner	Whittaker
Nielson	Serrano	Wilson
Nowak	Sharp	Wise
Oakar	Shaw	Wolf
Oberstar	Shays	Wolpe
Obey	Shumway	Wyden
Olin	Shuster	Wylie
Ortiz	Sikorski	Yates
Owens (NY)	Sisisky	Yatron
Owens (UT)	Skaggs	Young (AK)
Oxley	Skeen	Young (FL)
Packard	Skelton	
Pallone	Slattery	

NAYS—0

NOT VOTING—41

AuCoin	Gephardt	Quillen
Barnard	Gingrich	Robinson
Bosco	Hall (OH)	Rostenkowski
Boxer	Huckaby	Schulze
Buechner	Kostmayer	Smith (IA)
Bustamante	Lewis (CA)	Smith, Denny (OR)
Coleman (TX)	Marlenee	Torricelli
Conyers	Martin (IL)	Udall
Crockett	McCrery	Valentine
de la Garza	Michel	Washington
Donnelly	Miller (OH)	Watkins
Ford (MI)	Morrison (CT)	Whitten
Ford (TN)	Pashayan	Williams
Frenzel	Patterson	

□ 1712

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SHARP. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on the conference report on S. 2088 just agreed to.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Indiana?

There was no objection.

PERSONAL EXPLANATION

Mr. BUECHNER. Mr. Speaker, I unavoidably missed rollcall 331, the last vote on S. 2088. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mr. PANETTA. Mr. Speaker, I was participatingin the budget summit negitiations at Andrews Air Force Base and was unable to case my vote during House proceedings. had I been present, I would have cast the following votes:

Rollcall No. 330—"no," on the Goodling amendment to the National Service Act of 1990, which would have forgiven Federal student loans for those who volunteer for certain full-time public service. Rollcall No. 331—"yea," in favor of the conference report on S. 2088, to amend the Energy Policy and Conservation Act.

PERSONAL EXPLANATION

Mr. BOSCO. Mr. Speaker, because of a pressing engagement in my congressional district, I regret that I was unable to vote on S. 2088, the Energy Policy and Conservation Act Amendments of 1990. Had I been present, I would have voted "aye."

PERSONAL EXPLANATION

Mrs. PATTERSON. Mr. Speaker, due to a death in my family, I was not present for votes. Had I been present I would have voted "yes" on rollcall 328, "yes" on rollcall 330, and "yes" on rollcall 331.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 603

Mr. CLEMENT. Mr. Speaker, I ask unanimous consent that the name of the gentleman from Oklahoma [Mr. MCCURDY] be removed as a cosponsor of House Joint Resolution 603.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONCURRING IN SENATE AMENDMENTS TO H.R. 4328, CUSTOMS AND TRADE AGENCIES AUTHORIZATIONS, FISCAL YEARS 1991 AND 1992

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-699) on the resolution (H. Res. 464) providing for agreeing to the Senate amendments to the bill (H.R. 4328) to authorize appropriations for fiscal years 1991 and 1992 for the customs and trade agencies, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO HAVE UNTIL MIDNIGHT FRIDAY, SEPTEMBER 14, 1990, TO FILE A REPORT ON H.R. 2840, THE COASTAL BARRIER IMPROVEMENT ACT OF 1990

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs have until midnight Friday, September 14, 1990, to file a report on the bill, H.R. 2840, the Coastal Barrier Improvement Act of 1990.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

FEDERAL COMMUNICATIONS COMMISSION AUTHORIZATION ACT OF 1990

Mr. MARKEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 3265) to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert:

That this Act may be cited as the "Federal Communications Commission Authorization Act of 1990".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. (a) Section 6 of the Communications Act of 1934 (47 U.S.C. 156) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 6. (a) There are authorized to be appropriated for the administration of this Act by the Commission $109,831,000 for fiscal year 1990 and $119,831,000 for fiscal year 1991, together with such sums as may be necessary for increases resulting from adjustments in salary, pay, retirement, other employee benefits required by law, and other nondiscretionary costs, for each of the fiscal years 1990 and 1991.

"(b) In addition to the amounts authorized to be appropriated under this section, not more than 4 percent of the amount of any fees or other charges payable to the United States which are collected by the Commission during fiscal year 1990 are authorized to be made available to the Commission until expended to defray the fully distributed costs of such fees collection.

"(c) Of the amounts appropriated pursuant to subsection (a) for fiscal year 1991, such sums as may be necessary not to exceed $2,000,000 shall be expended for upgrading and modernizing equipment at the Commission's electronic emissions test laboratory located in Laurel, Maryland.".

COMMERCIAL RADIO OPERATOR EXAMINATIONS

SEC. 3. Section 4(f) of the Communications Act of 1934 (47 U.S.C. 154(f)) is amended by adding at the end the following new paragraph:

"(5)(A) The Commission, for purposes of preparing and administering any examination for a commercial radio operator license or endorsement, may accept and employ the services of persons that the Commission determines to be qualified. Any person so employed may not receive compensation for such services, but may recover from examinees such fees as the Commission permits, considering such factors as public service and cost estimates submitted by such person.

"(B) The Commission may prescribe regulations to select, oversee, sanction, and dismiss any person authorized under this paragraph to be employed by the Commission.

"(C) Any person who provides services under this paragraph or who provides goods in connection with such services shall not, by reason of having provided such service or goods, be considered a Federal or special government employee.".

TRAVEL REIMBURSEMENT PROGRAM

SEC. 4. Section 4(g)(2)(D) of the Communications Act of 1934 (47 U.S.C. 154(g)(2)(D)) is amended by striking "1989" and inserting in lieu thereof "1992".

COMMUNICATIONS SUPPORT FROM OLDER AMERICANS

SEC. 5. Section 6(a) of the Federal Communications Commission Authorization Act of 1988 (47 U.S.C. 154 note) is amended by striking "and 1989" and inserting in lieu thereof ", 1989, 1990, and 1991".

HAWAII MONITORING STATION

SEC. 6. (a) Section 9(a) of the Federal Communications Commission Authorization Act of 1988 (Public Law 100-594; 102 Stat. 3024) is amended—

(1) by striking "and 1990" and inserting in lieu thereof ", 1990, 1991, and 1992";

(2) in paragraph (4) by striking "a facility at the new location" and inserting in lieu thereof "facilities at new locations"; and

(3) in paragraph (6) by striking "a facility at a new location" and inserting in lieu thereof "facilities at new locations".

(b) Subsection (b) of section 9 of the Federal Communications Commission Authorization Act of 1988 (Public Law 100-594; 102 Stat. 3024) is amended to read as follows:

"(b) The Administrator of General Services is authorized to dispose of, only to the State of Hawaii, as much of the real property (including improvements thereon) at the present location of the Hawaii Monitoring Station as is necessary for the purposes of relating, at a minimum, the antennas associated with the Monitoring Station.".

(c) Section 9 of the Federal Communications Commission Authorization Act of 1988

(Public Law 100-594; 102 Stat. 3024) is amended by striking subsections (c) and (d), by redesignating subsection (e) as subsection (i), and by inserting immediately after subsection (b) the following new subsections:

"(c) Pursuant to the authority provided in subsection (b), the Administrator of General Services shall sell and convey to the State of Hawaii the real property and improvements thereon described in subsection (b) on an expedited basis, including provisions for lease-back as required.

"(d) In consideration of such sale, the State of Hawaii shall agree to—

"(1) pay to the General Services Administration an amount not less than the fair market value, as determined by the Administrator of General Services, of the property to be conveyed under subsection (c), or

"(2) convey to the Federal Communications Commission real property that would be suitable, as determined by the Commission, for the relocation of the Hawaii Monitoring Station and, in addition, pay to the General Service Administration an amount equal to the difference between the fair market value of the two properties, as determined by the Administrator of General Services, if the Federal property conveyed is of greater value.

"(e) The General Services Administration shall reimburse the Federal Communciations Commission from the net proceeds of such sale for all of the expenditures of the Commission associated with the relocation of the Hawaii Monitoring Station. Any such reimbursed funds received by the Commission shall remain available until expended.

"(f) The net proceeds of such sale, less any funds reimbursed to the Federal Communications Commission pursuant to subsection (e), and less normal and reasonable charges by the General Services Administration for costs associated with such sale, shall be deposited in the general funds of the Treasury.

"(g) If the General Services Administration and the State of Hawaii are unable to execute a contract for sale as required by this section or complete any other transaction necessary to carry out such sale, the Administrator of General Services shall not proceed to public sale of the property described in subsection (b).

"(h) The Hawaii Monitoring Station shall continue its full operations at its present location until new facilities have been built and are fully operational.".

(d) Subsection (i) of section 9 of the Federal Communications Commission Authorization Act of 1988 (Public Law 100-594; 102 Stat. 3024), as so redesignated by subsection (c) of this section, is amended by striking ", in fiscal years 1989 and 1990".

TARIFF NOTICE PERIOD

SEC. 7. (a) Section 203(b)(1) of the Communications Act of 1934 (47 U.S.C. 203(b)(1)) is amended by striking "ninety days notice" and inserting in lieu thereof "one hundred and twenty days' notice".

(b) Section 203(b)(2) of the Communications Act of 1934 (47 U.S.C. 203(b)(2)) is amended by striking "ninety days" and inserting in lieu thereof "one hundred and twenty days".

AMATEUR RADIO SERVICE RECIPROCAL PERMITS

SEC. 8. (a) Section 303(l)(3) of the Communications Act of 1934 (47 U.S.C. 303(l)(3) is amended by striking "bilateral agreement between the United States and the alien's government" and inserting in lieu thereof "multilateral or bilateral agreement, to which the United States and the alien's government are parties,".

(b) Section 310(c) of the Communications Act of 1934 (47 U.S.C. 310(c)) is amended by striking "bilateral agreement between the United States and the alien's government" and inserting in lieu thereof "multilateral or bilateral agreement, to which the United States and the alien's government are parties,".

WILLFUL OR MALICIOUS INTERFERENCE

SEC. 9. Part I of title III of the Communications Act of 1934 (47 U.S.C. 301 et seq.) is amended by adding at the end the following new section:

"WILLFUL OR MALICIOUS INTERFERENCE

"SEC. 333. No person shall willfully or maliciously interfere with or cause interference to any radio communications of any station licensed or authorize by or under this Act or operated by the United States Government.".

APPLICABILITY OF FORFEITURES TO APPLICANTS

SEC. 10. The first sentence of section 503(b)(5) of the Communications Act of 1934 (47 U.S.C. 503(b)(5)) is amended by inserting "and if such person is not an applicant for a license, permit, certificate, or other authorization issued by the Commission," immediately before "unless, prior".

Mr. MARKEY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendment be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER pro tempore. Is there objection to the original request of the gentleman from Massachusetts?

Mr. RINALDO. Mr. Speaker, reserving the right to object, I would like the gentleman from Massachusetts [Mr. MARKEY], the distinguished chairman of the Subcommittee on Telecommunications, to briefly explain the differences between the House-passed version and the Senate-passed bill.

Mr. MARKEY. Mr. Speaker, if the gentleman will yield, I rise today in support of H.R. 3265, the Federal Communications Commission Authorization Act of 1990.

Mr. Speaker, the Senate-passed bill represents a compromise between H.R. 3265 as passed by the House and S. 1022 as it was reported by the Senate Commerce Committee. The differences between the two bills are minimal, and the compromise is very close to the House bill passed last October.

As passed by the Senate, H.R. 3265 authorizes $109,831,000 in funding for fiscal year 1990, which is the same amount contained in the Senate and House bills and is the same amount requested by the President. For fiscal year 1991, it retains the figure of $119,831,000 contained in the Senate bill, as reported, rather than the figure of $121,478,000 contained in the House bill. The President requested an appropriation of $117,998,000 for fiscal year 1991. Since the President's request is well below the amount authorized by both the House and Senate bill, we have chosen to accept the figure in the Senate bill.

The compromise includes the House statutory provision concerning the upgrading and modernizing of the Commission's test laboratory in Laurel, MD. It directs that no more than $2 million "shall be expended" for upgrading this laboratory. The bill also extends the FCC Travel Reauthorization Program until 1992 and, in addition, it accepts the Senate language which will continue to ensure the Hawaii monitoring facility will operate fully in its present location until new facilities are fully operational at a new location.

Today, as we enter an unprecedented period in the evolution of America's telecommunications industries, the role of the FCC is critical to promoting a competitive marketplace, providing timely development of efficient, innovative communications facilities and services. This independent agency must have the resources needed to implement congressional policies, to regulate the dynamic, burgeoning telecommunications industry and to carry out its statutory responsibilities to promote the public interest.

The Commission should be especially cognizant of its statutory responsibilities as it considers adopting new regulatory mechanisms for the telecommunications industry. It must ensure that it can guarantee American consumers the benefits and protections they deserve.

The compromise contains the provision in the House bill that authorizes 4 percent of any fees or other charges collected by the Commission during fiscal year 1990 to be "authorized to be made available to the Commission until expended." This provision is intended to help defray the FCC's fully distributed costs of enforcing the fee collection provisions in section 8 of the Communications Act.

The House bill had authorized the FCC to retain 4 percent of these fees for both fiscal years 1990 and 1991. The Senate bill, as reported, stipulated that 2 percent of the fees collected by the Commission "shall be available" for both fiscal years.

The compromise accepts the House's 4-percent figure for fiscal year 1990 only and the House wording out of recognition that the FCC's costs of enforcing this congressionally mandated fees provision will be substantial, and that even the 4-percent figure will not compensate the Commission completely for its costs of collecting the fees. Even at the 4-percent level, the FCC informs us that it is likely to incur costs in collecting these fees that are $1.5 million greater than the amounts retained in fiscal year 1990. Because the FCC's fiscal year 1990 appropriation passed the Congress before the reconciliation bill was enacted, the appropriation level did not account for this additional expense. The bill before us would allow the FCC to retain 4 percent of these fees for only fiscal year 1990 in

recognition of the unfairness of this unique situation.

LAUREL LABS

The compromise includes the House statutory provision concerning the upgrading and modernizing of the Commission's test laboratory in Laurel, MD. It directs that no more than $2 million "shall be expended" for upgrading this laboratory. Although the Senate bill, as reported, did not contain statutory language directing the expenditure of funds for the laboratory, the Commerce Committee explicitly expressed its intention that the FCC expend such funds for this purpose. The Committee amended S. 1022 as introduced to increase the FCC's authorized funding for fiscal year 1991 by $2 million—from $117,831,000 to $119,831,000—before reporting the bill. The committee report accompanying the bill expressly declares that the $2 million "is to be used for the sole purpose of modernizing the FCC's Electronics Emissions Test Laboratory in Laurel, MD." (Senate Report 101-215. p. 2). Thus, by accepting the House statutory language the compromise codifies a requirement that the Commerce Committee already imposed in its report.

The committee expects the Commission to use its discretion in establishing the priorities for the laboratory's modernization. However, it is our intention that the funds will be primarily used for the purchase of new equipment. The necessary equipment purchases would include, but need not be limited to: programmable spectrum analyzers and signal generators; an enclosed test site for radiated emission measurements; and computers for technical analysis.

TRAVEL REIMBURSEMENT PROGRAM

The bill before us also extends the FCC's travel reauthorization program until 1992. Both the Senate bill, as reported, and the House bill would have extended the program until 1991. This bill extends the program an additional year because of its demonstrated success. Such an extension should also permit the FCC to continue to implement the travel reimbursement program through the end of fiscal year 1992 even if the next FCC authorization bill is not passed until after the end of 1991.

HAWAII MONITORING STATION

In the FCC Authorization Act of 1988, the Congress included a provision permitting the FCC to move the Waipahu, Oahu, monitoring station to a new suitable location. The bill reported by the Senate would have extended by 2 years the FCC's authority to relocate the monitoring facility. The House bill contained no provisions concerning this monitoring station.

The compromise extends the FCC's authority to relocate the monitoring station for 2 years until 1992. It also makes some substantial changes in the authorizing language to ensure that the land currently being used for the Hawaii monitoring station is sold to the State of Hawaii, which has a strong public interest in acquiring the property.

Under the new language contained in this bill, the Administrator of the General Services Administration [GSA] shall sell to the State of Hawaii as much of the land associated with the Hawaii monitoring station as is necessary to relocate, at a minimum, the antennas associated with the monitoring station. The State of Hawaii is permitted either to pay the fair market value, as determined by the Administrator of the GSA, of the property it acquires or to swap another piece of property for the property acquired from GSA and pay the difference in price between the two properties, if the value of the property conveyed by the State of Hawaii is less than the value of the property it receives. These provisions do not foreclose the State of Hawaii from buying or selling these properties in conjunction with or as an agent for a third party that the State of Hawaii deems appropriate. Together, these provisions should provide the FCC, the GSA, and the State of Hawaii with sufficient flexibility to allow them to reach an agreement on the disposition of this property expeditiously.

As in the Senate bill, the bill before us ensures that the Hawaii monitoring facility will continue to operate fully in its present location until new facilities are fully operational at a new location. The GSA shall reimburse the FCC for the expenses of the relocation from the net proceeds of the sale. Any excess funds from the sale of the property will be deposited into the general funds of the Treasury.

The language further directs that the provisions of this section should in no way disrupt or defer the ongoing programs or regulatory activities of the Commission by diverting appropriated funds to the relocation of the Hawaii facilities. While we assume that the sale of the property will result in adequate funds for the relocation of the monitoring facilities, if this does not occur, the FCC should immediately inform the Congress.

STOLEN MOBILE TELEPHONES OR TELEPHONES USED FOR DRUG DISTRIBUTION

The compromise does not contain the provisions in the Senate bill, as reported, concerning the procedures to be followed if there is a suspicion that a mobile radio unit is stolen or is being used to engage in the illegal distribution of a controlled substance. These provisions were not included in the House bill. These provisions raise several important issues which deserve to be studied in greater detail before they are adopted into law. The Senate has thus agreed to drop these provisions so that both Houses of Congress can explore these issues more fully.

TECHNICAL AMENDMENT

In the Omnibus Budget Reconciliation Act of 1989, Public Law No. 101-239, Congress amended section 503(b)(2) of the Communications Act in a manner that, as the conference report made clear, was intended, inter alia, to clarif[y] and confirm the FCC's authority to impose forfeitures on applicants who engage in misconduct during the application process. Unfortunately, however, Congress did not amend section 503(b)(5) of the act, which by its terms requires that a citation, rather than a forfeiture, be issued to a first-time offender who does not hold a Commission authorization. In order to correct this apparent anomaly, and to clarify that the Commission need not first issue a citation before imposing a forfeiture on an applicant for a Commission authorization, the bill includes a technical amendment to section 503(b)(5).

FCC TRADE AUTHORITY

The House adopted a provision—section 9 of the House bill—that would have given the FCC explicit authority to assess the impact of its public interest decisions on the foreign commerce of the United States. This provision—an amendment by our colleague, Representative BILL RICHARDSON—was an excellent addition to H.R. 3265. It made explicit what is implicit in the Commission's public interest standard. By doing so, the Richardson amendment heightened the importance of the Commission taking into consideration the impact of its decisions on the balance of trade.

The bill being considered today does not contain any similar provision. This omission should not be taken as an indication of any less concern about the FCC's ability to consider trade matters when making its decisions. Rather, the decision not to include this provision simply reflects the belief of the Congress that the FCC already has ample authority to consider the impact of its decisions on foreign commerce before making those decisions.

The committee intends to conduct vigorous oversight over the Commission's attention to trade matters. In the past there have been instances in which the Commission was apparently oblivious to the trade consequences of its decisions. The committee intends to see to it that the Commission not repeat these mistakes.

UNCHANGED PROVISIONS

The bill includes all the other provisions that were contained in both the Senate bill, as reported, and the House bill. These provisions are as follows:

The Commission is given additional authority to prevent willful or malicious interference to radio communications.

The Commission can extend the tariff notice period from 90 to 120 days, with the extra time used primarily for the processing of access charge tariffs.

The Commission may accept and employ the services of qualified persons to prepare and administer commercial radio operator exams for a fee that the Commission determines is appropriate, without those persons being considered Federal employees.

The Older Americans Program is extended for an additional 2 years until the end of 1991.

The Commission may permit aliens to operate over the amateur radio frequencies based on multilateral treaties as well as bilateral treaties.

Mr. Speaker, H.R. 3265 contains a careful balance of the fiscal restraints we must face, and the recognition that the various telecommunications industries are growth industries that require an appropriate commitment of public funds. I urge my colleagues to support the bill.

Mr. RINALDO. Mr. Speaker, I thank the gentleman for his courtesy in explaining the bill, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

A motion to reconsider is laid upon the table.

GENERAL LEAVE

Mr. MARKEY, Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on the Senate amendment to H.R. 3265.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

□ 1720

LEGISLATIVE PROGRAM

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, I have asked to proceed for 1 minute for the purpose of ascertaining the schedule for the upcoming week from the distinguished majority whip.

Mr. GRAY. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the distinguished gentleman from Pennsylvania.

Mr. GRAY. Mr. Speaker, I would like to share with the distinguished gentleman from Pennsylvania on the minority side the schedule for the rest of the week and next week.

I would say to my colleague, the gentleman from Pennsylvania [Mr. WALKER], that it is our expectation that tomorrow will be a pro forma session. There will be no votes.

Votes will be held on Monday. We have a long list of suspensions, 22 bills, as follows:

H.R. 4962—Commemorative coins for the 1992 Olympics.

H.R. 5610—Permit FDIC to increase deposit insurance premiums.

H.J. Res. 226—Establish national policy on permanent papers.

H.R. 5254—Reauthorization of the Fish and Wildlife Conservation Act of 1980.

H.R. 5255—National Fish and Wildlife Foundation Act Amendments of 1990.

H.R. 5264—Alaska Maritime Wildlife Refuge.

H.R. 2419—Chattahoochee National Forest facilities.

H.R. 1576—Cranberry Wilderness boundary.

H.R. 4145—Maine Wilderness Act of 1990.

H.R. 2840—Coastal Barrier Improvement Act of 1989.

H.R. 4567—Exchange of lands in South Dakota and Colorado.

H.R. 4811—To expand the boundaries of the San Antonio Missions National Historical Park.

H.R. 4687—Designating segments of the Lower Merced River as part of the Wild and Scenic Rivers System.

H.R. 4309—To establish the Smith River National Recreational Area in California.

H.R. 4660—To establish a memorial at Custer Battlefield Monument.

H.R. 4878—To establish the Lake Meredith National Recreational Area.

H.R. 4107—Regarding Richmond National Battlefield Park and Colonial National Historical Park.

S. 830—Blackstone River Valley Heritage Corridor.

H.J. Res. 431—Support for Brazilian conservation efforts to protect the Amazon.

H. Con. Res. 248—Sense of Congress regarding linkage between the environment and national security.

H. Res. 312—Regarding Convention on Rights of the Child.

H. Res. 398—Regarding Convention for the Protection of the Natural Resources and Environment of the South Pacific Region.

It is our expectation that all votes will be at the end of those suspensions and it would be expected that the House will not be required to cast any votes until approximately 4 o'clock in the afternoon on those suspensions where a vote is requested.

Following the suspensions, there will be the Department of Defense authorization bill brought back to the floor, and therefore Members can expect a late evening, a very late evening on Monday.

Also, the House can expect that on Tuesday there will be a late evening. It is our expectation to meet at 10 a.m. on Tuesday, the 18th.

The textile bill and the Comprehensive Crime Control Act of 1990 will be before the House for consideration. It is expected that we will work late on Tuesday until we finish consideration of those bills, or carry them over to Wednesday, September 19, when the House will meet at 10 a.m. to complete consideration of the Comprehensive Crime Control Act and also the Assault Weapons Control Act.

It is our expectation that the House will adjourn early in the afternoon on Wednesday, September 19, for Members to observe Rosh Hashanah, the holiday, and thus we can expect that we would adjourn and there would not be votes probably after 3 o'clock on Wednesday, September 19.

Mr. WALKER. Mr. Speaker, I thank the gentleman for the explanation of the schedule. There is much negotiating. There is much negotiating going on here.

Let me ask the gentleman about the suspension votes on Monday. If we finish all the debate on the suspensions, would we plan on having the votes on suspensions prior to going to the debate on DOD and further votes on DOD?

Mr. GRAY. Mr. Speaker, if the gentleman will yield further, it is our expectation that we would have any votes required on suspensions before we go to the DOD bill.

Mr. WALKER. So the chances are that we could have votes on any suspensions where votes are ordered some time in the late afternoon?

Mr. GRAY. It is our expectation that there would not be any recorded votes until after 4 o'clock in the afternoon.

Mr. WALKER. Until after 4 o'clock?

Mr. GRAY. Yes.

Mr. WALKER. Then with regard to the schedule for Wednesday, the expectation is that we would complete the Crime Control Act by Wednesday and then we would only go to the assault weapons bill if there is time, is that my understanding?

Mr. GRAY. That would be our expectation, because we do want to adjourn so that Members can observe Rosh Hashanah.

Mr. RUSSO. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Illinois.

Mr. RUSSO. Mr. Speaker, just a question for the majority whip. If the suspensions take until 5 or 6 o'clock, there would not be any votes until after 5 or 6 o'clock?

Mr. GRAY. Mr. Speaker, if the gentleman will yield, that is correct.

Mr. RUSSO. The process would not be interrupted to have votes at 4 o'clock?

Mr. GRAY. No. It is our expectation that if the 22 suspensions, the debate allotted for them goes until 5, the votes will be rolled until the end of the debate and consideration of all 22. It is only a guesstimate on our part that there would be no votes before 4 o'clock, so the gentleman is right. Votes could occur after 5 or as late as 6.

Mr. RUSSO. Mr. Speaker, I thank the gentleman.

Mrs. BYRON. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentlewoman from Maryland.

Mrs. BYRON. Mr. Speaker, if we take up the current bill before us on mail for the military in Saudi Arabia and if a vote is requested on that, could we have unanimous consent if a rollcall is requested to put that vote after the Suspension Calendar on Monday?

Mr. WALKER. Well, I do not have the authority on that.

Mrs. BYRON. It is my hope that there would be no rollcall vote on that.

Mr. WALKER. I would not have a particular objection to that. I am not certain that the Chair has the authority to do that, but I certainly personally would have no objection.

Mrs. BYRON. I am inquiring as to whether the gentleman would have an objection to that.

Mr. WALKER. I personally would not object to having the vote on Monday.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. WALKER. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, the committee has worked out an agreement with the Postmaster General that they are accepting postage-free mail already by complying with the free markup in the right-hand column, with the understanding that we would be able to get the bill on the floor today.

Now, if anyone here is intending to call for a vote, then we would be forced to wait until next Tuesday to bring this bill up and you are delaying action that is very badly needed by the troops in the Persian Gulf. So if anyone is going to ask for a vote, it is going to mess it all up.

Mrs. BYRON. Mr. Speaker, if the gentleman will yield, I can assure the gentleman that no one on this side will ask for a recorded vote.

Mr. MYERS of Indiana. The gentlewoman will lay down in the aisle and stop them? All right.

I think I can offer the same thing on this side. I tried to poll the group. I guess everyone is here, but it is just simply going to delay a very badly needed piece of legislation here to take care of this situation, so I hope everyone will understand.

Mr. WALKER. Mr. Speaker, I am glad there are so many people who think they can speak for 435 Members. I just said that I am not in a position to be able to do that. I would not guarantee anyone that there would not be a vote, but I am perfectly willing to have a unanimous-consent request.

ADJOURNMENT OF THE HOUSE FROM FRIDAY, SEPTEMBER 14, 1990, TO MONDAY, SEPTEMBER 17, 1990

Mr. GRAY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, September 14, 1990, it adjourn to meet at noon on Monday, September 17, 1990.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

HOUR OF MEETING ON TUESDAY, SEPTEMBER 18, 1990

Mr. GRAY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, September 17, 1990, it adjourn to meet at 10 a.m., on Tuesday, September 18, 1990.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ADJOURNMENT OF THE HOUSE FROM WEDNESDAY, SEPTEMBER 19, 1990, TO FRIDAY, SEPTEMBER 21, 1990

Mr. GRAY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Wednesday, September 19, 1990, it adjourn to meet at 10 a.m., on Friday, September 21, 1990.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GRAY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

ALLOWING FREE MAILING PRIVILEGES TO MEMBERS OF THE ARMED FORCES

Mr. HAYES of Illinois. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the bill (H.R. 5611) to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances, and ask for its immediate consideration in the House.

The Clerk read the title of the bill.

□ 1730

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Illinois?

Mr. MYERS of Indiana. Mr. Speaker, reserving the right to object, and I certainly will not object, I do so in order that the House might know what is in this legislation, and at this time I yield to the chairman of the subcommittee, the gentleman from Illinois [Mr. HAYES], for that purpose.

Mr. HAYES of Illinois. I thank the gentleman for yielding.

Mr. MYERS of Indiana. If I may, Mr. Speaker, may I reclaim my time?

The SPEAKER pro tempore. The gentleman is entitled to proceed.

Mr. MYERS of Indiana. Mr. Speaker, under the procedure the gentleman from Illinois [Mr. HAYES] just requested, that it be considered in the House, is it not in order to have a full hour of debate equally divided under that procedure rather than reserving the right to object?

The request was made to consider it in the full House. My understanding of the procedure is that we would be entitled to a full hour and not have to worry about this waiver.

The SPEAKER pro tempore. The Chair would advise the gentleman he is correct. However, the reservation procedure could continue to be used.

Mr. MYERS of Indiana. Mr. Speaker, I suggest we go ahead with the hour, a half hour to each side, equally divided between the two. I have to stand up for an hour in order to do that.

I request to have an hour, each a half hour, equally divided between Mr. HAYES and myself.

Mr. WALKER. Mr. Speaker, reserving the right to object my understanding of the gentleman's request was that he simply requested that the bill be considered in the House, which would give the hour of debate. There is no need for the gentleman from Indiana's unanimous consent request.

The SPEAKER pro tempore. The gentleman is correct. There is an hour of debate.

Mr. WALKER. I withdraw my reservation of objection.

The SPEAKER pro tempore. Does the gentleman from Indiana withdraw his reservation of objection?

Mr. MYERS of Indiana. Mr. Speaker, further under my reservation, I continue to reserve with this explanation: It is 5:30 here in Washington. A great many people do wish to get airplanes. We are not intending to vote. I am sure everyone thoroughly understands the legislation. I do not think it is going to take the full hour. I hope we can really expedite this.

Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill as follows:

H.R. 5611

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 3401 of title 39, United States Code, is amended—

(1) by striking "sound-recorded" each place it appears and inserting "sound- or video-recorded"; and

(2) in subsection (a)(1)(A), by inserting "engaged in temporary military operations under arduous circumstances," before "or serving".

(b) The amendments made by subsection (a) shall be effective as of September 12, 1990.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. HAYES] is recognized for 1 hour.

Mr. HAYES of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, so that the House may know what we are voting on, as chairman of the Subcommittee on Postal Personnel and Modernization, I rise to urge my colleagues to unanimously ap-

prove H.R. 5563, legislation by our colleague, FRANK MCCLOSKEY, chairman of the Subcommittee on Postal Operations and Services. This bill allows military personnel deployed in temporary oversees military operations to mail letters and parcels to their loved ones free of charge.

Members of this body who visited the Persian Gulf report that our servicemen and women were quite disturbed because they have been unable to obtain postage to mail letters back home to their relatives and friends.

Granting free mailing privileges is the least that we should do to ensure that the morale of our Armed Forces personnel in overseas military operations remains high. Again, I urge my colleagues to support this modest benefit to our service men and women who serve in temporary special deployments such as Operation Desert Shield.

Mr. Speaker, for purposes of debate only, I yield such time as he may consume to the gentleman from Indiana [Mr. MCCLOSKEY.]

Mr. MCCLOSKEY. I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of H.R. 5563 which provides for free mailing privileges for soldiers stationed in the gulf.

Over 50,000 members of the Armed Services have been stationed in Saudi Arabia for over a month now and, unfortunately, many of them have not been able to purchase stamps to write home. Communications with home are vital for our troops in the Persian Gulf. This is especially true now, when the troops are in a stable defensive posture, with periods of time available to write home.

H.R. 5563, which I introduced on Monday, would permit the President to grant free mailing privileges to troops engaged in temporary military operations under arduous circumstances, such as Operation Desert Shield. Since it appears that our troops will be stationed in the Middle East for an indefinite period of time, facing a potentially hostile enemy, I believe it is fitting that we give our military personnel the ability to communicate with their families and friends for free. This minor perk is a good morale booster and will send a clear message to our service men and women of our support for their efforts.

According to Defense Department estimates, the cost to the American public will be between $100,000 a month to $500,000 a month. At the most, this would amount to $6 million a year. This is a small price to pay to ensure constant communication between our troops and their families and friends back in the States.

Dramatic changes in the Soviet Union and Eastern Europe mean that the threats the United States will be facing in future years will be similar to the current situation in the Middle East. As such, military priorities will change and over time defense spending will decline. It seems reasonable to invest some of the money we will save by deleting funding for weapon systems, such as the B–2 bomber and SDI, to ensure that American men and women far from home are able to convey messages to the United States.

H.R. 5563 will also benefit families, friends and loved ones of our service men and women who are serving in the Middle East. Messages from the troops in the Middle East help alleviate the hardship of separation and loneliness.

This legislation will apply only to mail sent from the Middle East to the United States. It would cover letters, postcards, and audio and video cassettes but not other parcels.

In addition to providing the President with the ability to grant free mail privileges for our troops stationed in Saudi Arabia, this legislation would expand the current statute to allow free mail privileges in other cases involving temporary military operations. Situations similar to Panama and Grenada also would be covered.

I want to thank Chairman HAYES and our distinguished full committee chairman, Mr. FORD, for their leadership and assistance in this matter. I urge bipartisan support for this measure.

Mr. HAYES of Illinois. Mr. Speaker, for purposes of debate only, I yield 30 minutes to the gentleman from Indiana [Mr. MYERS].

Mr. MYERS of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we have troops now serving in the Persian Gulf, the Middle East, under an environment that most of them are not familiar with; tremendous heat, the sand, the environment, the culture with which most Americans are not familiar.

So morale is very easily up and down. For those of you who have served in the service, you know that morale can go up and down. But there is nothing in this world that restores morale like a letter from home or even the ability to correspond.

The problem we have in this Arab country now, in the desert, is the fact that postage is just not getting there, the stamps. And after the stamps get there, because of the heat and humidity, the stamps stick together. So the kids are having real trouble sending mail out.

The reason it is absolutely necessary we do this today is that in the meeting with the Postmaster General yesterday he agreed that he would issue the order immediately to start accepting letters with the "Free" written in the position where the postage stamp would normally be. So they are now accepting this. In order to keep his word and ours, it is very necessary that we take this action today. But it is the kind of thing that most of us who can remember from World War II, the "brown shoe Army," that we all did that and we took it for granted that the kids could do that when they went to the Far East, not realizing that there is a technicality because this is required. So I am sure that no one would want to vote or otherwise detain it and take away a right or privilege that our young people very necessarily need, those who are struggling in the sands right now.

Mr. Speaker, I yield 5 minutes to the ranking Republican of the Committee on Post Office and Civil Service, the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding and I rise to express my support for the legislation before us. It is my hope that this measure will serve as a token for our esteem of our Armed Forces and will serve to lighten the loads and spirits, and therefore the morale, of our men and women on duty in the Middle East as part of Operation Desert Shield, while they await the outcome of this confrontation so far from their homes and families.

As the ranking minority member on the Post Office and Civil Service Committee it is always a source of pride for me to bring to the attention of the House the truly bipartisan nature of our committee and how it is able to move so diligently and swiftly on matters of importance that fall within our committee's jurisdiction.

I would like to add and the House may not be formally aware of this but, yesterday, during our hearings on this bill the Postmaster General, Anthony M. Frank, announced that effective yesterday the Postal Service has placed these provisions into effect. However, the representatives of the Department of Defense advised us that they believe they are still restrained by the language in the existing statues and would need this measure enacted before they, too, can begin to pass those free mailing privileges on to our troops in the Persian Gulf.

I realize that our colleagues in the other body have attached similar language to the Treasury, Postal Service appropriations bill, however, it is my concern that this conference may be a protracted one, and I, for one, do not want to see enactment of this important legislation delayed as a result of extended debate on other issues. I believe we should move this bill as quickly as possible independent of any other legislative entanglements.

Our military personnel, whom we depend on for so much in this crisis, are now depending on us. They should not have to find change, and purchase

stamps that will melt in their pockets and become unusable under the intense desert heat, not to mention just how hot coins must get in that type of heat. These fine, well-trained representatives of our military services, have many pressing concerns on their minds, but, and I am certain that you will agree, that wondering how they are going to get a letter back home, should not be one of those concerns.

This is a relatively minor problem in this emergency that we can, as a body, immediately deal with and that will have a swift and favorable impact on their lives and the lives of their loved ones.

Accordingly, I urge my colleagues to concede to this request and support its adoption under this agreement and I withdraw my right to object.

□ 1740

Mr. HAYES of Illinois. Mr. Speaker, for purposes of debate only, I yield 1 minute to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Speaker, let me first of all thank my colleagues, the chairman of the subcommittee, because, as I testified before his subcommittee yesterday on the importance that I felt so strongly on, on the trips that we have overseas, I was delighted to hear just shortly afterward that the Postmaster General came in and said, "It is a done deal."

I am very pleased to be able to think back to the faces of the young people that we saw in Saudi just 2 weeks ago who looked at me and said, "Your know, mail means so much to me, but I don't have a quarter in my pocket to buy a stamp, but then the stamps aren't here if I had the quarter. Can you do something about the mail?"

Mr. Speaker, it is very nice when they look to us as Members and we can, with this legislation, go back and say, "Well, we heard you. We did something about it."

So, Mr. Speaker, I thank the gentleman very much.

Mr. MYERS of Indiana. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. HORTON].

Mr. HORTON. Mr. Speaker, I join a number of my colleagues on the Post Office and Civil Service Committee, in support of H.R. 5563.

Representatives FRANK MCCLOSKEY, WILLIAM FORD, BENJAMIN GILMAN, CHARLIES HAYES, and JOHN MYERS are to be commended for the expeditious handling of this bill. We are all dedicated to its prompt enactment. The bill would permit free mailing privileges for members of the armed service engaged in temporary military operations such as the one in the Persian Gulf.

Mr. Speaker, many of us in the Congress, in fact, many of us here today fought for this Nation in previous conflicts. I am veteran of World War II, having fought in North Africa and in Italy. As one who has served in conditions similar to those facing our men and women in the Middle East today, I can say firsthand how important it is for soldiers to be able to communicate with their loved ones back home. Enacting this legislation would make the difficult situation for the men and women in uniform much more bearable.

As a nation, we have asked our soldiers, sailors, airmen, and marines to take on a difficult task to protect our way of life. The environment is hostile and the local culture is confusing. Permitting our men and women the opportunity to mail letters back home for free is one thing which we can do to thank them for their efforts.

Once again, I urge my colleagues to support this legislation.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself 2 additional minutes for an explanation of a condition that does exist in Saudi.

Mr. Speaker, I am sure that all of my colleagues have been hearing, or will be hearing, from our troops there that a procedure is occurring in Saudi Arabia which does not occur any place else in the world where we have troops. The Army Post Office in Saudi Arabia, when the mail comes through, must deliver the mail through the customs officials at Saudi. There first-class letters are generally going through without any problem, but parcels, packages, are being intercepted, opened and, in some cases, things are taken out. This is the condition that is not going on any place else in the world of all the places in the world we have troops. The kids' mail goes through without being opened, and it is just something this Nation cannot tolerate.

So, Mr. Speaker, we urged the Army yesterday when they appeared before our committee to renegotiate a status of force with Saudi Arabia, and I am sure the Saudis are watching this. I urge them, right away, that we need to clarify that. We are over there at the invitation of Saudi. We are doing a job to help them too. We are not over there trying to impose our views on Saudi Arabia, our customs, our norms. We are not there trying to do anything like that. But there are also our troops who are doing a job for them who are entitled to the same decency, the same rights, because we are helping them, too, and we owe it to our troops and to us to eliminate this under the status of forces agreement we have with Saudi Arabia.

So, Mr. Speaker, I urge that we take action immediately on this, and I hope the Saudis are watching this and take action on this without having to go any further.

Mr. Speaker, I yield back the balance of my time.

Mr. HAYES of Illinois. Mr. Speaker, since I have no further requests for time, I will close the debate on this issue just by saying that this is the least we can do for those men and women who over there are making the sacrifice in that desert country over there.

I am advised by some who have been over there that it is so hot that even stamps stick together. So, the least we can do is provide them with free ways to write to their loved ones back here and just write on the letter "free mail."

Mr. TAUZIN. Mr. Speaker, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentleman from Louisiana.

Mr. TAUZIN. Mr. Speaker, I just want to commend the gentlemen and to add an additional point.

I recently learned from ham operators that third-party rights in Saudi Arabia have not yet been arranged for ham communication for our troops in the field. Having been over there with the gentlewoman from Maryland [Mrs. BYRON] and others, I can tell my colleagues that communications are critical, and I commend the gentlemen for what they are doing.

At the same time we pass this measure, we ought to appeal to the Department of Defense, and the State Department and the FCC to do something immediately about assigning somebody the job of securing third party rights in Saudi Arabia so our ham operators can provide communications for our service men and women there, too.

Mr. CLAY. Mr. Speaker, I rise in support of H.R. 5563, a bill which would amend title 39 of the United States Code to provide free mailing privileges for members of the Armed Services who are engaged in temporary military operations under arduous circumstances. I would like to commend my colleague, Representative FRANK MCCLOSKEY, for introducing this legislation, which I am pleased to cosponsor, to provide relief to the committed men and women who are currently deployed in the Persian Gulf and unable to write home to their families.

These individuals stationed in Saudi Arabia for the past month have faced serious difficulty trying to communicate with their loved ones back in the United States because they have been unable to purchase stamps to write home. A major complaint these soldiers expressed to our colleagues who recently returned from Saudi Arabia was their frustration in not being able to let their families know they are healthy and missing them.

The men and women are dedicated individuals who are stationed in hostile territory in order to serve the United States. Providing free mailing services is the very least we can do to support them. This extremely small gesture will boost morale and make an uncomfortable and difficult situation much more bearable.

I urge my colleagues to vote in favor of this measure.

Mr. HAYES of Illinois. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). Without objection, the previous question is ordered.

There was no objection.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. RIDGE

Mr. RIDGE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. RIDGE. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. RIDGE makes a motion to recommit the bill to the Committee on Post Office and Civil Service with instructions to report back the bill forthwith with the following amendment:

Strike all after the enacting clause and insert the following:

SECTION 1. FREE MAILING PRIVILEGES FOR MEMBERS OF THE ARMED FORCES PARTICIPATING IN TEMPORARY OVERSEAS DEPLOYMENT IN ARDUOUS CIRCUMSTANCES.

(a) MAILING PRIVILEGES.—In a case in which members of the Armed Forces are temporarily deployed overseas for an operational contingency in arduous circumstances, as determined by the Secretary of Defense, members so deployed shall be provided mailing privileges under section 3401(a)(1)(A) of title 39, United States Code, in the same manner as if the forces deployed were engaged in military operations involving armed conflict with hostile foreign force.

(b) REIMBURSEMENT OF POSTAL SERVICE FROM LEGISLATIVE BRANCH APPROPRIATIONS.—There shall be transferred to the Postal Service as postal revenues, out of appropriations made for the legislative branch for the purpose of franked mailings, as a necessary expense of the appropriations concerned, the equivalent amount for postage due, as determined by the Postal Service, for matter sent in the mails under authority of subsection (a).

(c) EXPIRATION.—The provisions of this section shall expire on June 30, 1991.

Mr. RIDGE (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

POINTS OF ORDER

Mr. HAYES of Illinois. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. HAYES of Illinois. Mr. Speaker, we do not have a copy of the motion over here.

Mr. RIDGE. I would be pleased to give the gentleman from Illinois [Mr. HAYES] a copy of the motion.

Mr. GIBBONS. Mr. Speaker, I have a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. GIBBONS. Mr. Speaker, I have no idea what is in this, so I reserve a point of order.

The SPEAKER pro tempore. The gentleman from Florida [Mr. GIBBONS] reserves a point of order.

It would be appropriate at this time for the Chair to ask the gentleman from Pennsylvania [Mr. RIDGE], in order to inform the House, what the gentleman is endeavoring to do in his motion to recommit, the reading of which has been dispensed with. Would the gentleman rather succinctly describe what his motion to recommit is about?

Mr. RIDGE. Mr. Speaker, I would be very pleased to do that for the Chair, and that was my intention in my introductory remarks to begin with.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. RIDGE] is recognized for 5 minutes in support of his motion to recommit.

Mr. RIDGE. My colleagues, the motion is straightforward. I can say that we can deal with it without a recorded vote, and I can say I think, without reservation, that it deserves the unanimous support of both sides of the aisle. Many people have had different experiences with Operation Desert Shield, and I would like to relate to my colleagues one that I had.

However, Mr. Speaker, the motion simply involves the matter of how the cost of this free mail is to be paid. Yesterday at the hearing before the subcommittee the Postmaster General announced that as of yesterday the mail was going to be free. As of yesterday, by postal regulation, the mail would be free. So, this legislative act is basically confirming something that the Postmaster General did as a matter of regulation yesterday.

The motion to recommit simply says that this will be paid for by an out-of-appropriation fund that we, as Members of Congress, receive to subsidize our franked mail that I think we all agree upon, that the mothers, and the fathers, and the husbands, and the wives, and the brothers, and the sisters and the children would rather hear from them than from us. Now we stand around and applaud when the President talks about their courage, their sacrifice, their commitment, or we can make some small, but I think very significant, contribution, and that is to say to these young men and women whom everybody has praised prior to this time, "Not only will your mail be free, but we, as elected officials will send out one or two fewer pieces of mail so that the mail you send home, which I think is probably more important to the moms, and dads and the spouses back home, will pay for it out of our legislative appropriation which subsidizes our frank mail," and I think that is a very simple, straightforward motion to recommit. I think that the parents would prefer to have it that way. I think the American people would prefer to have it that way.

That is the explanation.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. HAYES] is recognized for 5 minutes to speak on the question of the motion to recommit offered by the gentleman from Pennsylvania [Mr. RIDGE]. Do the Gentlemen press their points of order?

□ 1750

Mr. HAYES of Illinois. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, this is an appropriation which would be included in the authorization bill. We do not need it in here.

Mr. MYERS of Indiana. Mr. Speaker, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentleman from Indiana.

Mr. MYERS of Indiana. Mr. Speaker, this is what the Michel letter circulating around is. It is paid out of the Treasury of the United States, whether it is in appropriations for the legislative branch or the Defense Department. The Defense Department is on board. It has always been paid out of Defense Department. So it is still paid by the taxpayers of this country. It is just a matter of which pocket we take it out of. It makes absolutely no difference. The kids over there struggling could really care less about who pays for it, as long as the Treasury of the United States pays for it. I urge this be defeated.

Mr. McCLOSKEY. Mr. Speaker, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentleman from Indiana, the author of the bill.

Mr. McCLOSKEY. Mr. Speaker, I thank the gentleman for yielding. This has been thoroughly discussed, not only with the Postal Service, but with the Pentagon. As Members know, we are in a downward track overall as far as the defense bill, making various savings. The Pentagon itself, at least informally with communications, has indicated they have no objection to taking it out of the Pentagon. The costs are already being taken care of. Why in effect thrust us into a partisan political issue?

Mr. HAYES of Illinois. Mr. Speaker, reclaiming my time. I have made my position very clear. I think that this motion is completely out of order, and we ought to vote it down.

The SPEAKER pro tempore (Mr. MAZZOLI). Without objection, the pre-

vious question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and on a division—demanded by Mr. WALKER—there were—yeas 24, nays 43.

Mr. RIDGE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Without objection, the vote will be postponed until Monday, September 17, 1990.

There was no objection.

EMERGENCY MEDICAL SERVICES WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 568) designating the week beginning September 16, 1990, as "Emergency Medical Services Week," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to acknowledge the work of the gentleman from New York [Mr. MANTON], the chief sponsor of House Joint Resolution 568, designating the week of September 16, 1990, as "Emergency Medical Services Week."

Mr. MANTON. Mr. Speaker, I rise today in strong support of House Joint Resolution 568, a resolution I have introduced to designate the week beginning September 16, 1990, as Emergency Medical Services Week. I want to express my deep appreciation to Subcommittee Chairman SAWYER for his important help in bringing House Joint Resolution 568 to the floor, and for his cosponsorship of this resolution. Also, I want to thank my colleagues who joined me in cosponsoring this important measure. I know the emergency medical personnel in their districts are aware of their help in ensuring passage of this important resolution.

Mr. Speaker, Emergency Medical Services Week is designed to recognize the invaluable contributions and dedication of emergency medical services teams across the Nation. EMS teams include emergency medical physicians, paramedics, nurses, technicians, educators, and administrators. Thousands of lives are saved each day because of the work of EMS teams. From the prehospital setting to the hospital emergency department, EMS teams are available 24 hours a day, 7 days a week to provide access to emergency medical care for our citizens.

Every year the medical community's knowledge and expertise in the field of emergency medicine increases. Organizations such as the National Association of Emergency Medical Technicians, the American College of Emergency Physicians and the National Council of State EMS Training Coordinators help emergency personnel remain current with the latest developments in emergency medicine. EMS teams across the Nation also work together to improve and adapt their skills as new methods of emergency treatment are developed.

EMS personnel are a special part of the medical community who are trained to expect the unexpected and may be called upon to treat any illness or injury. They must make rapid decisions on appropriate treatment and the need for hospitalization, often while working under hazardous conditions. Advancements in the specialty of emergency medicine also have greatly contributed to the reduction of deaths resulting from emergency-related injuries during the past 25 years.

Mr. Speaker, it is unfortunate that we oftentimes take Emergency Medical Services personnel for granted because they are so reliable. Emergency Medical Services Week will afford cities and towns around the Nation the opportunity to honor their local EMS teams for the important contributions they provide the community. Emergency Medical Services Week also will provide EMS teams with an opportunity to educate the public about accident prevention and emergency treatment.

Every year since 1986, the Congress has passed resolutions recognizing the vital work of EMS professionals. Let us once again honor EMS by proclaiming the week beginning September 16, 1990, as Emergency Medical Services Week. I urge my colleagues to join me in supporting this important resolution.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gemtleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 568

Whereas the members of emergency medical services teams devote their lives to saving the lives of others;

Whereas emergency medical services teams consist of emergency physicians, nurses, emergency medical technicians, paramedics, educators, and administrators;

Whereas the people of the United States benefit daily from the knowledge and skill of these trained individuals;

Whereas advances in emergency medical care increase the number of lives saved every year;

Whereas the professional organizations of providers of emergency medical services promote research to improve emergency medical care:

Whereas the members of emergency medical services teams work together to improve and adapt their skills as new methods of emergency treatment are developed;

Whereas the members of emergency medical services teams encourage national standardization of training and testing of emergency medical personnel and reciprocal recognition of training and credentials by the States;

Whereas the designation of Emergency Medical Services Week will serve to educate the people of the United States about accident prevention and what to do when confronted with a medical emergency; and

Whereas it is appropriate to recognize the value and the accomplishment of emergency medical services teams by designating Emergency Medical Services Week: Now, therefore, be it.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week beginning September 16, 1990, is designated as "Emergency Medical Services Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on House Joint Resolution 568, the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

ALLIES SHOULD INCREASE SUPPORT

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, well, Hitler had his fool in Mussolini, now Iraq has Iran.

The other idiots in the Mideast have now thrown their hat into the ring. Iran Chief Mullah yesterday, formally called for a holy war against the United States and the multinational forces in the Persian Gulf. How is it that Iran is constantly claiming to be, or wants to be, a member of the international community, yet they continually support individual terrorist acts. And now they support the international terrorist Saddam Hussein and the horror he is inflicting on Kuwait and the entire Mideast.

Mr. Speaker, with Iran jumping into the ring, Saddam may now think he can be a little bolder in his actions. It is now much more important for our largest and wealthiest allies, Germany and Japan to increase their support in this international effort.

It is not right for the German and Japanese Governments to claim that it is sufficient that Kuwait and Saudi Arabia have pledged billions of dollars to cover the costs. Saudi Arabia and Kuwait do not have much more at stake than do Germany or Japan. Germany and Japan have their national economies, and their national security at stake and words are not enough.

German marks and Japanese yen is a small price to pay compared to the lives of Americans and our allies.

[From the New York Times, Sept. 13, 1990]

GERMANY AND JAPAN DRAW HARSH ATTACKS ON GULF CRISIS COSTS

(R.W. Apple, Jr.)

WASHINGTON, September 12.—A storm of animosity, extraordinary in its extent and intensity, has burst out on Capitol Hill and in the country at large over what critics are portraying as paltry contributions by Japan and West Germany to the international effort to confront Iraqi aggression in Kuwait.

An anti-Japanese amendment to the military spending bill, which would probably have died if not for resentments generated by the Middle East crisis, sailed through the House of Representatives this afternoon by a vote of 370 to 53. The measure is unlikely to survive in its present form.

President Bush's effort to spread the burden of financing the American effort in the Persian Gulf, which was intended to reassure Congress and the public, has failed to do so. Large numbers of Republicans and Democrats, conservatives and liberals, have attacked Tokyo and Bonn this week for what Senator John McCain, Republican of Arizona, described as "contemptible tokenism" and Senator John Kerry, Democrat of Massachusetts, called "almost an insult."

As the debate over the cost of the Persian Gulf operation continues, the United States finds itself in the somewhat embarrassing position of being in substantial debt to the United Nations, although President Bush has asked Congress to approve a major contribution to the organization.

On the burden-sharing issue, the legislators are using startlingly abrasive language on the floor, in television and newspaper interviews and in speeches to their constituents. To a considerable degree, that reflects the views of newspaper editorialists and of the general public, as reflected in recent opinion surveys.

"The most negative question you hear is why our allies aren't doing more," said Senator Trent Lott, a conservative Republican from Mississippi.

Representative Carroll Hubbard, Democrat of Kentucky, said that "the Japanese have been acting totally the way they usually do: if there's no profit in it for Japan, forget it."

In a speech on Tuesday night, Speaker Thomas S. Foley sought to quiet the rebellion arguing that "Japan has done more to respond to requests for assistance, arguably, than any other nation, yet finds itself more singled out" for attack more than other countries.

The Bush Administration is also trying to limit the damage; Mr. Bush treaded lightly on the issue in his speech Tuesday night, and Marlin Fitzwater, the White House spokesman, observed today that "generally, we think that the response has been good," while conceding that "in some cases, we think countries can do more."

But the potential for damage to relations with two important political and economic allies is great, and Senator Malcom Wallop, Republican of Wyoming, warned today that "these people who are talking this way run the risk of eroding the political support for the President's policy by focusing attention on arguments over money instead of on defeating Saddam Hussein."

Burden-sharing dominated the debate in the House today on the military spending bill. The amendments, proposed by Representative David Bonior, Democrat of Michigan, would require Japan to pay the full cost of stationing United States armed forces in that country, including their salaries, which Mr. Bonior estimated at more than $4.5 billion a year.

If the amendment became law and Japan refused to pay the costs, the United States would be obliged to begin withdrawing 5,000 of the 50,000 troops now based in Japan every year.

Representative Les Aspin, Democrat of Wisconsin, who heads the House Armed Services Committee, opposes the measure, as does his counterpart in the Senate, Sam Nunn, Democrat of Georgia. That makes it highly improbable that the amendment will ever reach the law books, but the vote nonetheless sent a powerful political signal, which might ultimately oblige Bonn and Tokyo to reassess their positions.

Mr. Aspin said that "if you're picking on one country, it should be Germany, which is doing even less than Japan." Mr. Nunn said the Japanese response to any such legislation would be to say to the American troops, which defend United States regional interests as well as Japan, "adios, amigo."

But both said they shared the general feeling that the two countries, which have the world's largest trade surpluses, two of the world's most productive economies and considerably more dependence of Middle East oil than the United States, have done too little.

Both countries are sending equipment to the international force, but Bonn has pledged no money yet and Japan has pledged only $1 billion.

The two nations have constitutional prohibitions against the use of their troops except in self-defense. But Chancellor Helmut Kohl of West Germany has said he will seek to remove that prohibition from the constitution of the new, unified Germany, which is to come into being in three weeks.

Hideaki Ueda, the counselor for public affairs at the Japanese Embassy here, confirmed tonight that Japan would announce this weekend a grant of $2 billion to Turkey, Egypt and Jordan, the three countries other than Iraq that have been hardest hit by the United Nations trade sanctions. He said, "The is not a small amount."

"We find this criticism disturbing," Mr. Ueda said. "We need to show unity. We are not fighting against each other, and we hope that reasonable men in the Senate and the House of Representatives will come to see that."

A senior German official, who insisted on anonymity, said: "We are astonished. We said we would bear our fair share, and we are ready to."

Mr. Kohl is expected to present to Secretary of State James A. Baker 3d, who is scheduled to arrive in Bonn on Friday or Saturday, a plan for West German underwriting of American air- and sea-lift expenses in the Persian Gulf.

[From the Washington Post, Sept. 13, 1990]

AMERICANS NEED NOT FEEL PUT-UPON BY THEIR ALLIES

(By Jim Hoagland)

Once again, East is East and West is confused. While the Soviet Union pursues its objectives in the Persian Gulf with a free hand, the United States and its allies find discord and differences as they join to force Iraq out of Kuwait.

In one important aspect, nothing has changed for the Soviet Union. Moscow did not bother to consult and coordinate with its "allies" when it claimed to have some. Now the Soviets do not even go through the motions.

Americans meanwhile are muttering into their gasoline tanks about the rest of the world sponging off U.S. might and treasure. The call rises for the Europeans and Japanese to do more. Congressmen returning here from summer recess and reporters out interviewing folks in the Midwest about the Mideast find concern soaring about faithless foreigners taking advantage of America's trusting nature and natural riches.

This intense reaction, while understandable, misses two essential points. The first is that America's allies in Europe and the Middle East are making significant contributions to the international campaign to rescue Kuwait from physical and political annihilation. The notable and unfortunate exception is West Germany, which is preoccupied with reunification and the December elections. (For Helmut Kohl and Hans-Dietrich Genscher, it is still reelection *uber alles.*) Japan, after a faltering start, is chipping in.

Americans feel more imposed upon than ever, despite this better-than-usual response in the politics of burden sharing. President Bush's proposal to write off $7 billion in Egyptian debts that would never have been repaid anyway is a clever accounting maneuver to clear the books at an opportune moment. But the write-off stirs anger among American taxpayers who get no such relief at home.

The misunderstanding about burden sharing is rooted in the fundamentally different images of each other held by America and its allies. The arrival of the Persian Gulf crisis, as the Cold War ends, should bring a less emotional sorting out of respective responsibilities and rights in the global political and economic system that took form after World War II.

Americans complain that they should not be expected to shoulder the world's problems at a time when their own domestic problems are at a time when their own domestic problems are so serious. The complaint implies that our international involvement is a net drain on American resources and the rest of the world contributes nothing or little to American well-being.

But for many abroad, the leading role America plays in this and other international crises is a natural consequence of the rights that America asserts in a global political and economic system that has been shaped and run by American values—and needs more than any other single nation.

The Financial Times of London—no radical anti-American sheet by anyone's measure—questions periodically why the United States should be allowed to go on "hogging the surplus capital of the world" to finance its budget and trade deficits. The willingness of Japanese, German and other foreign investors and lenders to help Americans live $150 billion a year beyond their means is perhaps the most immediate measure of how America benefits (in the short run, and at a price) from the international system it leads.

But the British newspaper's point is one that is too rarely considered by Americans. Dollars, Deutsche marks and yen sent to the United States are not available to pay for consumer goods or infrastructure invest-

ment in other countries that also need to import foreign capital.

While we focus on the reality that the Europeans and Japanese are more dependent on the energy resources Americans are protecting in the Persian Gulf, many abroad see another compelling reality: Americans, who make up 5 percent of the world's population, consume 24.1 percent of the world's energy supplies.

Americans reject high gasoline taxes and other forms of discipline that Europeans and Japanese use to cut petroleum consumption by industry, government and individuals. Lacking the room to maneuver that the United States felt it had, West Germany and Japan rode out the oil shocks of 1973 and 1979 and made their industries even more energy-efficient.

Because the dollar is the international reserve currency, the United States has been able to run budget and trade deficits that no other country has ever been allowed to accumulate without being disciplined, and to reap other special benefits of the global financial system the United States dominates. If allowed to spread, the Persian Gulf crisis would present a direct challenge to that system and thus to international stability.

The Americans take in global stability is clear. It has acted to protect its interests. So have most of its allies, although on a much smaller scale. The Europeans and Japanese need to up their ante in this particular crisis, while the Americans need to lower the resentment index in their dealings with foreigners.

The enemy is Saddam Hussein, not each other.

□ 1800

THE OMNIBUS CRIME BILL

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from New Hampshire [Mr. DOUGLAS] is recognized for 5 minutes.

Mr. DOUGLAS. Mr. Speaker, as the Members know, next week we are going to take up the omnibus crime bill which is H.R. 5269. I serve on the Judiciary Committee and I also serve on the Crime Subcommittee of the Judiciary Committee, and in looking this over, having voted against it, I want Members to understand that the Attorney General of the United States opposes this bill, the U.S. attorneys oppose this bill, the district attorneys oppose this bill and the attorneys general of the United States oppose this bill.

How could something that is called an anticrime bill be opposed by all of the law enforcement officers in this Nation who would have to administer it? The reason is very simple. The omnibus crime bill is the Christmas list of the American Civil Liberties Union enshrined in print with a House bill number on it called H.R. 5269. It is as if Michael Dukakis had won the election and this is the bill that he would be waiting to sign down at the White House, because this is a bill that ends the death penalty, makes it virtually impossible to get evidence into our courts, and otherwise guts the criminal justice system in this country.

Let me quote from Richard Ieyoub, president of the National District Attorneys Association.

This bill—

looks like it was drafted by the death row PAC at Leavenworth or Attica.

These provisions which at best can be characterized as pro-criminal, will dramatically increase the opportunity for delay, abuse and repetitive litigation in both capital cases and in cases that are not capital. And for the Congress, under the guise of reform, to try to pass this legislation is a sham.

That is the end of the quote from the head of the District Attorneys Association.

What about the attorneys general? Mike Moore, attorney general for Mississippi said:

The legislation would make the perpetrators of violent crime, not the victims or their families, the beneficiaries of an act of Congress.

I don't think you are going to find a single prosecutor anywhere in America that supports the habeas corpus provision in the House bill as it stands right now.

We think it is a bill that is pro-criminal and is not an anticrime package.

Finally, Richard Thornburgh, Attorney General of the United States, the Nation's chief law enforcement officer said, "Under the bill as it is coming to the floor, it requires two aggravating circumstances," if you are going to have someone put to death for assassinating the President of the United States. That means you cannot just shoot the President of the United States or stab him, you would first have to torture him, then shoot him or stab him before the perpetrator would end up getting the death penalty. That is absolutely ridiculous.

This bill also in its death penalty provisions would exempt the blowing up of an airliner that could kill 200 or 300 people. I have called that portion of the bill the PLO protection act of 1990. There is no rational reason to let airplane bombers off from the death penalty, but the liberals who control the House Judiciary Committee have no trouble doing that, and I am sure the Civil Liberties Union would think that is a neat idea as well.

But here is one that even they might be troubled over, murdering a civil rights lawyer or murdering a civil rights worker by sending a bomb through the mail. That will not get the death penalty even when you kill somebody, and I think it should. The Gekas amendment that will be offered next week, if the Rules Committee permits it, I think will bring that rationality back to the bill.

Murdering members of families of Federal officials, murdering witnesses, all of these folks who currently under Federal law should be getting the death penalty will walk if this bill becomes law. They will go to prison, but they will not pay the price that they should pay for a very heinous crime.

When this bill comes before the House I just hope the Members of this body will listen to the Attorney General, the U.S. attorneys, the attorneys general, the district attorneys, and the U.S. attorneys because these are the guys and gals out on the firing line that have to enforce the law. When they say we would be better off if we did not pass this thing than if we pass it, that should be telling the House something. Even the House liberals ought to think very carefully about voting for this so-called anticrime bill, because actually this bill will do more to help get our cities unsettled and to increase murder in this country than any single act we can do.

I am certain that we will be offering a number of amendments, and I certainly hope the amendments prevail.

ALTERNATIVE ENERGY AND FUELS IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 5 minutes.

Mr. ALEXANDER. Mr. Speaker, I am here today to join my friend and colleague, the gentleman from Missouri [Mr. VOLKMER] in a special order which I will not be able to be present during, but I would like to compliment the gentleman from Missouri for taking the initiative to address the question of alternative energy and alternative fuels in America. He recalls as I do back about 10 years ago when we established a commission, the National Alcohol Fuels Commission, on which I was privileged to serve as a member, that outlined a plan for alternative fuels in America which, if followed, would have eliminated the necessity of sending United States troops to Saudi Arabia.

Simply put, we abdicated our responsibility in the national energy area. We failed in that responsibility, and as a result we are spending $15 billion a year for operational costs just to keep our troops in Saudi Arabia for the purpose of protecting the oil supply. We can dress up the reasons. We can talk about grand design, a new world order. But back where I am from in Arkansas we know that the real reason our troops are in Saudi Arabia is to protect the oil supply.

I am trying with others to determine the real cost of that supply, and I will include an editorial published in the New York Times that estimates the real cost of oil at about $80 a barrel. I have asked the General Accounting Office to estimate those real costs, and some of the data Members might be interested in are as follows: We consume as a Nation about $100 billion of gasoline annually. We get about 25

percent of that gasoline from Saudi Arabia. It costs us in capital costs, in defense costs about $100 billion a year to keep, to prepare, to defend that oil.

So just with that simple data it costs us about $4 a gallon at the pump to subsidize or defend the cost of that gasoline getting to the pumps in the United States. Thus the real cost of fuel at the pump, it is about $1.25 at the pump and about $4 for the military escort.

We will try to estimate those costs and quantify those costs in a way that the American people deserve to have, and we hope very much to expedite that study.

I would like to mention one other thing. I compliment President Bush for confessing the failure of the last decade and for asking the Congress to present conservation measures. One such conservation measure is possible under the Clean Air Act which calls for about 2.7 percent oxygen content in all automotive fuels. That is by weight, and it is equivalent to about 10 percent by volume. If we should pass that and apply it to all transportation fuels, it would reduce our dependence on foreign oil by 10 billion gallons a year.

Those are the kinds of things that we can do in the Congress. Those are the kinds of initiatives that will lessen the need for sending troops to Saudi Arabia to protect the oil supply.

In effect, what we are saying here is that for less than a third of the cost of keeping our troops there, we can have a national energy policy and bring those troops home. I compliment the gentleman from Missouri [Mr. VOLKMER] for taking this initiative today.

□ 1810

THE GREATEST RISK IS GLOBAL WAR OVER OIL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. RITTER] is recognized for 5 minutes.

Mr. RITTER. Mr. Speaker, while nearly 100,000 American service men and women are in the Saudi Arabian desert or in its waters about Kuwait, we here at home have some really hard thinking to do about the risk that we are subjecting our service men and women to, and we have to do some really hard thinking about where we have been on the production of American energy since the oil shock of 1973, and when OPEC cut off supplies, or the Iranian oil crisis of 1979, when Iran shut off supplies.

Where have we been to avoid this crisis in the Middle East today? And If we think about it, we have not really been anywhere. We have not gone very far. Those crises back in the 1970's were tough; I mean, there were gas lines, and that was painful in a way, and there was a lot of inconvenience and it cost people money, and the policies caused shortages perhaps. But what we experienced in 1973 and 1979, is minuscule to what is happening today.

Today now we find that Iran is not going to respect the embargo and the United Nations sanctions, that Iran is going to work a deal with Iraq to transship oil for food and for medicine and whatever it takes to break the embargo. Iran feels they can make a lot of money on this. I guess, whatever the new ayatollahs think over there, I never could understand their line of reasoning, but the bottom line is this: the crisis we face today, the risk we face today with hundreds of thousands of American young men and women on the front lines is far different and far greater than 1973 and 1979. We are risking global war over oil to some very large extent because we did not do our homework and learn from the 1973 and 1979 crisis years.

What do I mean by that? Well, for starters, I mean that we seem to have turned off the oil spigot in the United States. We have taken our own potential for continental production and kind of put it out of the picture, and when it comes to offshore oil, we have considered the environmental risks of going offshore, the California coast or other coasts, we have considered those risks essentially greater than the risk of global war over oil. Think about it. We have considered the risk to the environment of high-technology, very sound processess of taking oil out of the North Slope and the ANWR in Alaska, we have considered that risk greater than the risk of global war over oil. That is what we essentially have done with our energy policy in the past decade.

Then take coal. We have not moved nearly fast enough forward with substitution of coal and the electricity it produces for those uses in our economy of oil. There are many areas where you can take electricity and substitute it for oil. We have not done that. As a matter of fact, we have built very little in terms of new electric-generating capacity in the 1980's and, as a matter of fact, the environmental problems that stem from oil-fired gasoline-burning engines could be mitigated somewhat with electric vehicles, but those electric vehicles at night will have to plug into some outlet at home, in someone's garage. It is going to need vast new quantities of electricity. That would be one way to help the Los Angeles Basin over its problems with smog.

But, no; the anti-central-generated-electricity movement has seen to it that we have put on line very little additional generating capacity.

Then we get to nuclear energy. I ask you: Is the risk of nuclear energy where not one person has ever died in the peaceful uses of atomic energy, where there is no air pollution in nuclear-generated electricity, where we responded very well to the problems of Three Mile Island and came back with a far safer nuclear alternative, no, it takes 14 years to license a powerplant. One cannot finance a powerplant in this country because of the interventions along the way and the time it takes. It is simply priced out of the market.

There is an interesting individual case in point which I would like to close with, and that is in the New York City metropolitan area. My colleagues, ladies and gentlemen, in the New York City metropolitan area there is a facility, a $5.5 billion electric generating facility, called the Shoreham nuclear powerplant, invented in America, made in America, American jobs, American technology, paid for initially in the Manhattan project by the American taxpayer, there is this $5.5 billion electric generating capacity which can substitute for oil, which is clean, which is kept out of production, which is kept down. There is an attempt to dismantle it by the Governor of the State of New York while New York State and New York City, in particular, is one of the biggest importers of Middle Eastern oil. So think of the decision. The decision has been made to shut down Shoreham by the Governor of New York State, Mario Cuomo. The decision has been made to shut down the facility in the face of massive oil imports by New York City from the Middle East for electricity, yes, to produce electricity. The decision has been made to risk essentially hundreds of thousands of American lives, global war over oil by those who refuse to produce American energy.

The greatest risk of all is not nuclear power or coal or offshore drilling or the ANWR's drilling. The greatest risk of all to our health, to our lives, to the environment is global war over oil.

PYRO MINING CO. TRAGEDY—1 YEAR AGO TODAY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kentucky [Mr. HUBBARD] is recognized for 5 minutes.

Mr. HUBBARD. Mr. Speaker, earlier today my colleague and friend Congressman RON MAZZOLI reminded us that 1 year ago tomorrow—September 14, 1989—a crazed gunman killed eight employees of Standard Gravure Corp. in Louisville, KY, and injured 13 others before killing himself.

Well, just 1 year ago today—September 13, 1989—an explosion shook Pyro Mining Co.'s William Station Mine near Wheatcroft, KY, in my congressional district, and claimed the lives of 10 miners. Today, 1 year later, we are still feeling the aftershock of that tragedy.

This past Sunday, the Courier-Journal, Kentucky's largest newspaper, published excellent articles that focused on the pain and loss felt by the families of the victims of this terrible accident. These news and feature articles were written by Fran Ellers and Robert Garrett of the newspaper's staff. All of us in western Kentucky have been affected by this loss.

I congratulate the news media in Kentucky and in nearby Evansville, IN, for their attempts to educate the public with regard to what took place at the William Station Mine on September 13, 1989. Coal mining is critical to Kentucky's economy, and every citizen should know about safety and health conditions in our mines.

Moreover, those of us in Congress share a unique responsibility to learn exactly what took place at this mine and what actions we can take to avoid such accidents in the future. Miners, whether they are involved in coal mining or the mining of some other mineral or commodity, can be found all across these United States.

Since the explosion at Pyro Mining Co., 18 other coal miners have lost their lives in mining accidents in Kentucky, including three miners who died in a single explosion at Big Mama Coal Co. in Knox County, KY, on July 31 of this year.

Under the provisions of the Federal Mine Safety and Health Act of 1977, we in Congress look to the Department of Labor's Mine Safety and Health Administration to enforce safety and health standards in the Nation's mines. Without that agency's constant vigilance, the men and women who work in these mines remain vulnerable to the type of senseless tragedy which occurred at the William Station Mine.

I applaud the recent actions taken by the Mine Safety and Health Administration to improve enforcement in the Nation's mines. However, I still believe that more must be done.

It is to that end that I draw your attention to special oversight hearings that will be conducted by the House Education and Labor Committee's Subcommittee on Health and Safety with respect to the Pyro Mine disaster. These hearings will take place in the Rayburn House Office Building on Thursday, September 27, and I am grateful to have the opportunity to take part in the hearings at the invitation of the subcommittee's chairman, my friend JOE GAYDOS of Pennsylvania.

Hopefully, through these oversight hearings we will be able to best ascertain what actions we need to take to make certain that an accident of this nature does not repeat itself, in western Kentucky or your home State.

Finally, I would like to congratulate a member of the congressional staff representing Kentucky's First Congressional District, namely Joey Lucas of Lancaster, KY, for his efficient and diligent work toward seeing to it that our Nation's mines are safer. Also, Joey Lucas, a 29-year-old projects director in our office, has been very helpful to the families of the 10 deceased coal miners who died 1 year ago today at William Station Mine, Wheatcroft, KY.

□ 1820

DEBATE NEEDED ON NATION'S ENERGY SECURITY

The SPEAKER pro tempore (Mr. MCDERMOTT). Under a previous order of the House, the gentleman from New York [Mr. WEISS] is recognized for 5 minutes.

Mr. WEISS. Mr. Speaker, when President Bush addressed Congress last Tuesday night, I listened with interest when he said, "Americans must never again enter any crisis, economic or military, with an excessive dependence on foreign oil * * *."

Such an admission from the President was curious. Although he voiced concern about our energy dependency, his proposals to reduce our dependency left something to be desired.

It seems one of the important lessons of the energy crises of the 1970's must be relearned—that of energy efficiency. The President mentioned energy conservation Tuesday night, but then he breezed on to discuss domestic oil drilling.

Such an oversight on the President's behalf was discouraging. In short, one issue that screams for attention from the Persian Gulf crisis is how rudderless the United States is in terms of long-term energy use strategy, much less energy independence.

Unfortunately, the energy efficiency and conservation measures gained in the 1970's were neglected during the 1980's for the seductive lure of cheap oil. Congress and the Reagan and Bush administrations slashed and burned our energy conservation and renewable energy programs. In fiscal year 1990, these programs have been reduced from their 1980 funding levels by 40, 50, and sometimes 60 percent.

Energy efficiency and conservation cannot be overemphasized. It is important for national security, economic stability, our environment and our health. An article in the Wall Street Journal points out that energy efficiency is a high priority for the national and economic security of many industrialized nations, especially Japan. As the Journal reports, "No country was harder hit than Japan by the oil shocks of 1973 and 1979. And no country subsequently insulated itself better from the vagaries of world oil markets."

In the midst of the Persian Gulf crisis, it is opportune to revisit the issue of energy efficiency and to focus on achieving a comprehensible, reasonable strategy for long-term energy use.

That's why I intend to propose legislation that calls attention to our energy problems. The bill would test the congressional waters, so to speak, for a proposal to request that President Bush call for a energy summit, much like the education summit held last year. As I see it, such a summit would be a national forum for the discussion and establishment of natural energy goals.

I envision a primary purpose of the summit is to develop national goals for the use of renewable and nonrenewable energy resources by the year 2000. It could be a forum for addressing national energy problems, prioritizing them and offering solutions to them. Just as the education summit established national goals for American education, the energy summit would come forth with general policy goals regarding foreign oil, domestic natural resources, and the role of the Federal Government in conservation—to name just a few policy areas. To be sure, I am by no means limiting the discussion to these issues.

I would like to briefly address the concern that some of my colleagues might have about the Department of Energy's national energy strategy, which is due to be released in December. The energy summit is not an attempt to short circuit the national energy strategy. On the contrary, the summit could be used to spotlight the plan and to integrate it into overall policy goals.

I encourage my colleagues to join in the discussion about our Nation's energy security, to offer ideas and to help direct the Nation's long-term energy use strategy. Most of all, I look foward to a sustained debate and concern about America's future energy use. One thing remains sure. Our energy woes certainly will not be resolved with the direction and preoccupations of our current energy policy.

RACING FOR CONFIDENCE: WILLIAM OLSON AND 52 ASSOCIATION

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, when we passed the Americans With Disabilities Act earlier this year, we took a major step to help the disabled to fulfill their dreams, to achieve everything that they hope to. In Westchester County, NY, William Olson and the members of the 52 Association are striving to help achieve that same end.

The 52 Association, an organization based in Ossining, NY, helps the disabled with their Confidence Through Sports Program. Eight thousand amputee, paraplegic, and blind vet-

erans and handicapped civilians come every year to the 52 Association's 41-acre sports center to strengthen confidence in themselves—to prove that handicaps aren't obstacles to full and meaningful lives.

Tonight, Regatta 52 is honoring Mr. William Olson—the chairman, president, and chief executive officer of People's Westchester Savings Bank—at their annual medal of honor dinner. He is being rewarded for his commitment to improving the quality of life for all, particularly for the handicapped. It is a reward he truly deserves.

It's not surprising that Mr. Olson is being given this honor. His commitment to public service, his tireless dedication to serving our Westchester community, is too great to go unnoticed. Besides his work with the 52 Association, William Olson has served as president and director of Phelps Memorial Hospital and of Westchester Residential Opportunities. He was chairman of the 1982 Summer Jobs for Disadvantaged Youth Campaign, and was recognized with an award by President Reagan. He has chaired the Westchester County Association, and the Housing Task Force Committee of Westchester 2000.

His public service includes responsibilities as a director or trustee of Lyndhurst Council, Historic Hudson Valley, Hudson River Valley Association, Westchester County Historical Society, Society for the Prevention of Cruelty to Animals, Community Preservation Corporation, and the Association for Mentally Ill Children of Westchester, and other active community organizations.

The 52 Association held their annual 52 Regatta this past weekend. Fifty-two able-bodied skippers sailed as their partners—52 disabled men and women--contested the 4 kilometer race on shore. The competition was fierce but free from rancor. Every one of these competitors had won before the race even started because they were showing that no disability could stop them from striving for excellence.

I'm proud to be associated with the 52 Association, and I'm proud to represent a concerned and involved citizen like William Olson. I offer him and every member of the association my warmest congratulations. I commend their work toward making the spirit behind the Americans with Disabilities Act a reality

CENTRAL AMERICAN DEMOCRACY AND DEVELOPMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida [Mr. FASCELL] is recognized for 5 minutes.

Mr. FASCELL. Mr. Speaker, I am pleased to introduce today the Central American Democracy and Development Act.

This legislation is the initiative of Senator TERRY SANFORD, who is introducing identical legislation in the Senate. The bill seeks to integrate the recommendations of the report of the International Commission for Central American Recovery and Development with current United States policy toward Central America. The bill also incorporates the President's recent Enterprise for the Americas Initiative.

The report by the Commission which was established at the suggestion of Senator SANFORD and was composed of 47 members from 20 countries, makes comprehensive recommendations to address social, economic, and political problems in Central America. The Commission's recommendations are consistent with U.S. policy and should help direct U.S. priorities. Similarly, the President's recent initiative to promote trade and investment opportunities and to ease the external debt burden of our southern neighbors is an important addition to U.S. policy.

I would also like to note that the five Central American Presidents, in their June Declaration of Antigua, adopted a plan for the development and economic integration of the region. The recommendations of the Commission, President Bush's initiative, and the integration scheme of the Central Americans all point to a consensus regarding the direction of development in and United States policy for Central America.

I commend Senator SANFORD for taking the initiative in attempting to develop a consensus, both within the United States Government and with leaders of Central America, on a framework for a United States policy response to the breadth of problems confronting the countries of Central America.

This billl has been developed with the cooperation of the administration, and I hope it will receive the appropriate bipartisan support.

IRAQ EMBARGO ENFORCEMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. STARK] is recognized for 5 minutes.

Mr. STARK. Mr. Speaker, the United Nations-ordered trade embargo of Iraq is our best hope for resolving the crisis in the Persian Gulf.

With our huge budget deficits, slowing economy, and S&L debacle, we can hardly afford a large long-term deployment of troops halfway around the world.

And anyway, why should we pay most of the expense? Europe and Japan import more of their oil from the Persian Gulf than we do, let them contribute their fair share.

And why should it be mostly American soldiers putting their lives at risk? Let United Nation troops protect Saudi Arabia. The whole world benefits from stopping Saddam Hussein so the whole world should help bear the burden.

That's why the embargo is our best hope. The cost is shared by everyone and there's the chance to minimize loss of human life.

But not everyone is observing the embargo. Increasingly there are reports of cracks here, leaks there. Cargo planes are flying in from Libya and Yemen. Cuba and Romania have reportedly struck oil deals with Hussein. Middlemen have set up in Cyprus and Lebanon and formed networks to move supplies into Baghdad, often passing through Jordan.

Worst of all, companies in several Western European countries are attempting clandestinely to ship goods into Iraq. And some of our new Eastern European allies are apparently trying to continue selling arms to Hussein.

I say it's time to take a stand against these cheaters who profit at the world's expense. I'm introducing the Iraq Embargo Enforcement Act. Under this legislation, any foreign company that violates the embargo is prohibited from exporting goods to the United States.

Let the smugglers try to make a few extra bucks while our soldiers sweat in the desert. They'll lose the biggest, richest, and most rewarding market the world has to offer. And they'll lose it for good.

ELOQUENT WORDS ON PERSIAN GULF CRISIS FROM HOUSE MAJORITY LEADER GEPHARDT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. SYNAR] is recognized for 5 minutes.

Mr. SYNAR. Mr. Speaker, on Tuesday night, the House majority leader, Congressman DICK GEPHARDT, spoke to the Nation for 10 minutes about the Persian Gulf crisis and the budget deficit reduction talks. Our colleague was eloquent, strong, and faithful to the American people and the principles for which all of us stand.

In recent days, DICK has been representing the national interest by leading a bipartisan delegation to the Persian Gulf and by chairing the budget summit talks currently underway between the administration and Congress. He was, beyond question, the best qualified to talk to the Nation about both of these issues.

Congressman GEPHARDT spoke with pride about the leadership role America is playing in the Persian Gulf crisis. He commended President Bush for organizing international resistance to Iraqi aggression, and called the United States "the only power capable of summoning a grand and global alliance on the scale we have seen in Operation Desert Shield."

But, unlike the President, Mr. GEPHARDT forcefully made the case that America's prosperous allies, especially Japan and Germany, should make a greater contribution to our Persian Gulf effort. He said:

When countries like Egypt can stand beside us, when young Americans stand on front lines, only miles from the threat of poison gas, the least the Japanese and Germans can do is support us—and not just with words; they must respond to our potential sacrifice of lives with at least a financial sacrifice of their own.

In discussing the budget, the majority leader expressed the values of our party and our commitment to writing a budget that fairly treated working Americans.

"To help the President write a budget," said Congressman GEPHARDT,

We Democrats have offered cuts in domestic programs while trying to protect the most important ones. But we will never abandon the cause of working families * * * They already pay for government, their student loans have already been cut, and their sons and daughters are at risk in the Persian Gulf.

I would like to share with all Americans the eloquent words and forceful ideas of our colleague, DICK GEPHARDT. I ask unanimous consent that the entirety of his address be inserted in the RECORD at this point.

HON. RICHARD A. GEPHARDT, HOUSE MAJORITY LEADER, REMARKS TO THE NATION, SEPTEMBER 11, 1990

Good evening.

I have been asked to give the Democratic response to the President's speech. But tonight, in this crisis, we are not Republicans or Democrats. We are only and proudly Americans.

The President has asked for our support. He has it. The effort will not be easy; it involves burdens and bravery, perhaps more of each than any of us can now predict. The end of what John Kennedy called "the long, twilight struggle" has not put an end to the darkness of aggression and conflict.

Yet as Americans, we enter this new world with a remarkable degree of purpose and confidence. Here at home the sense of unity and the absence of widespread opposition to this action in the Persian Gulf testify to our powerful, instinctive feeling that this is a cause worth standing and fighting for.

We are standing—and if necessary we will fight—because a vital national interest is at stake. We cannot and will not permit the invading forces of a fanatical regime to control half of all the oil reserves which are the lifeblood of the world economy.

Yet more is involved here than national interest, as important as that is. There has been, and there always should be, a moral component of American foreign policy. This has sometimes been criticized as weakness; in truth it is our greatest strength. When our policy has a moral center, we gain the unbreakable resolve that comes from standing for things we believe in.

So we are now in the Persian Gulf not simply for oil, or to save emirs and kings—but to defend the most fundamental values of a more stable and decent world. We are defending basic rights—of families to be safe in their homes, of nations to be secure within their borders, of individuals to travel freely and without fear.

The tyrant who rampaged into Kuwait has also murdered his own citizens with poison gas, plotted to acquire nuclear weapons, waged genocide against a minority people, and now taken hostage thousands of men, women and children.

To watch him on television touching the head of a hostage child stuns and then outrages us.

Firmly, clearly and unequivocally, we must say to Saddam Hussein: Let our people go. Let Kuwait go. And if you start a war, know that we will finish it.

We have learned before that the large conflicts which engulf the world begin from small and unanswered aggressions. If the civilized world had looked the other way, the Iraqi war machine could have rolled across the Arabian Peninsula. It would be only a matter of time until Iraq had ballistic missiles with chemical, biological and nuclear warheads that could reach Israel, Egypt and Europe itself.

But this time, other nations have acted in time.

Among them is the Soviet Union, a nation we did not often praise in the years of the Cold War. From the summit at Helsinki, where President Gorbachev and President Bush stood in common purpose, we could see beyond the present shadows of war in the Middle East to a new world order where the strong work together to deter and stop aggression.

This was precisely Franklin Roosevelt and Winston Churchill's vision of peace for the post-war period. Their hope, suspended in time for fifty years of Cold War, has come alive in this new, post-Communist era.

America is still the leader—the only power capable of summoning a grand and global alliance on the scale we have seen in Operation Desert Shield. But it is not enough for other nations just to share our commitment. They must also share the burden.

When Bangladesh is putting troops in harm's way, so should our powerful and prosperous allies.

When Japan, Germany, and other NATO countries depend far more heavily on Mideast oil than we do, they can and should contribute to defend their own vital interests in the Persian Gulf.

When countries like Egypt can stand beside us, when young Americans stand on front lines, only miles from the threat of poison gas, the least the Japanese and Germans can do is support us—and not just with words; they must respond to our potential sacrifice of lives with at least a financial sacrifice of their own.

We are there because it is right. But it is also right to tell our friends that they, too, have to stand up to international immorality and aggression. The United States will do its part—and we will also insist that other countries carry their share of the struggle.

We have not finished the job, but how powerful are the signs of a new world coming. Today we can see Egyptian or Saudi troops wearing Hungarian gas masks or carrying Russian rifles, standing guard in the desert next to a PFC from Pittsburgh who is wearing a chemical-proof suit made in Israel. The infamy of Saddam Hussein has made us United Nations in deed as well as name.

But ultimately, for America to lead the world, we must put our own economic house in order. For as another American president reminded us, "We cannot be strong abroad if we are weak at home."

For a decade America has been left with no real energy policy at all. It is time for energy security—more production, more conservation, more support for new forms of fuel. But our aim cannot be to make America safe for isolationism. Rather we must secure America's capacity to act overseas without maximum damage from oil embargo. This nation must not be permanently faced with a choice between standing up against aggression or standing still in gas lines.

Economic strength also demands action on the budget deficit.

To help the President write a budget, we Democrats have offered cuts in domestic programs while trying to protect the most important ones. But we will never abandon the cause of working families. They benefitted the least from the decade of the 80's; they should not have to sacrifice the most in the decade of the 90's. They already pay for government, their student loans have already been cut, and their sons and daughters are at risk in the Persian Gulf.

The standard of fairness should also be applied to President Bush's commitment to raise taxes. The working people who got almost nothing from the tax cuts of the past must not be asked to pay most of the tax increases of today. Just as we must ask wealthy nations to pay their fair share to deter aggression, so we must ask wealthy Americans to pay their fair share to prevent recession and reduce our debts.

Beyond this, we must be vigorous in shaping the defense policy that we now need—one that is more relevant and more responsive.

We can and will afford weapons critical to efforts like Operation Desert Shield: tanks, precision missiles and fast sealift.

But Star Wars, the B-2 Bomber and the M-X Missile are costly systems designed for a Cold War that we have already won. We can and must reduce the part of the Pentagon budget that is nothing more than shadow-boxing with the past.

But for all of us tonight, our deepest concern is for the most fundamental realities—the hundreds of American families with a loved one held hostage—the hundred thousand young Americans in uniform: daughters, sons, husbands, wives and friends, who have been so swiftly sent to Saudi Arabia. A few days ago on a trip to that country, I saw them transforming the trackless desert sand into the frontier of international defense.

I spoke with a soldier who described telephone lines melting in the Saudi sun. Pilots told me of cockpit temperatures reaching 140 degrees.

There was another young man who was supposed to be married next Sunday. But his wedding must wait. Before toasting his bride, he will be drinking six to seven gallons of water each day just to survive the unyielding heat.

None of the young men and women I met doubted their mission. They react to such problems as sand blowing into a machine or a gearshift with that remarkable American sense of ingenuity; they respond to frustration with that irreverent American sense of humor. They worry most about their families worrying about them.

Randy King of Arkansas handed me a scribbled note for his mother: "Doing fine. Having no problems. Please write. Love ya, Randy."

And Ronald Lloyd of Idaho spoke for most of the troops when he asked me to tell his family to "send stamps and cookies—and plenty of both."

Their courage commands our support. We will stand behind them as one, indivisible nation.

We will challenge other countries to match their resolve and sacrifice.

We will insist that to ignore aggression is to invite aggression.

We will try to solve this crisis peacefully, but without appeasement.

And if our soldiers have to fight, we will make sure they win.

Tonight that is our common purpose and our prayer—for them—and for our country.

TIME FOR THE LAW TO BE ENFORCED AND OBSERVED

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, American patience is wearing thin with Japan as its people go through their routine of stalling on infringement of American patents along with other actions I won't mention here.

What is distressing is this behavior is nothing new. You would think our Government would have learned by now how to deal with the Japanese other than giving in to them.

An almost identical situation took place 20 years ago. When our trade deficit with Japan was a mere $3.5 to $4 billion. To try to remedy that small

deficit, President Nixon met with Prime Minister Tanaka in Hawaii. The reports coming out after the meeting was that the Government of Japan would liberalize allowing improved investment opportunities in retailing, processing, and packaging as well as the decision to allow greater sales of American computer products in Japan.

We all know how long those agreements have taken. I thought I was reading about this year's structural impediment talks instead of a news clip from 20 years ago.

I mention this to show that what our United States companies are encountering is a long-term behavior of the Japanese Government. The Americans negotiate and then we wait.

The latest example of Japanese stalling and feinting with patents is the Allied-Signal case charging Japan with patent infringement of their amorphous metals process. Theirs is but one of the long list of complaints from American companies.

In the spring Allied-Signal filed a 301 unfair trade violation against the Japanese but agreed to a 150-day postponement to allow our Trade Representative, Ambassador Hills, to negotiate a settlement of their complaints. The 150 days are up and nothing is settled so far.

It is imperative that we now move forward swiftly with a 301 unfair trade investigation. The Allied-Signal process is not only important financially to the company but, it is also valuable to the commerce of the United States.

That amorphous metals process represents for Allied a potential $1 billion world market in transformers and more than $2.5 billion for other applications. Japan has been stalling every way it knows for 14 years to give Japanese companies a jump start on this American process—and of course on the $3.5 billion world market.

Allied-Signal has built the world's first commercial plant to manufacture amorphous metal alloys. Allied has been stymied selling in Japan although it has entered a joint venture with Mitsuiti. Even a joint venture is no guarantee for Japanese acceptance of an American product in Japan.

For years we have been hearing that Japan's patent process is rigged in favor of their own companies getting an advantage on pending American patents. A 301 investigation with Allied's claims should be most informative to us on just how the Japanese system is working.

Some of Allied's complaints are the following:

One, Japan organized and funded a 34 company Amorphous Metals Group under the Japan Research and Development Corporation to speed development of a Japanese product to compete with Allied-Signal. Through this government agency, the Research and Development Corporation has given large subsidies to Japanese steel companies to develop amorphous metal production.

Two, Japan manipulated its patent system so that it took 11 years for Allied-Signal's basic patent to issue. Allied-Signal has just 3 years of effective life remaining on its patent.

Three, the Japanese Government pressured Allied-Signal to license its proprietary technology to Japanese companies on unreasonable terms, backed by the threat of government aid to help evade the company's patents.

Four, the refusal by all Japanese electric utilities to buy imported amorphous metal for transformers despite its clear superiority.

All of this has been done under the overall direction of the Ministry of International Trade and Industry, be better known as MITI and other agencies of the Japanese Government. It is obvious that they never intended to deal fairly with Allied, although a subsidiary of the company has done business there for 30 years.

All the Government asks, and all Allied asks is to be dealt with fairly on a level playing field. This is not fair trade nor is it free trade. In this country, neighborhood bullies act better than Japan has toward Allied-Signal.

The reason for this behavior by the Japanese is not only the $1 billion market but that the amorphous metals process is one of the keys to America's future competitiveness.

The Commerce Department's 1990 Industrial Outlook describes advanced materials—amorphous metals, fine ceramics, carbon fibers, and engineering plastics—along with biotechnology as the key to any nation's future global competitiveness.

That statement is something we should pay attention to, and it certainly underscores the importance of the Allied-Signal process.

Allied's amorphous metal alloys are marketed under the name Metglas, and which is used in the cores of electronic transformers to reduce energy losses by 70 percent.

In Japan this would save oil and electricity and be a tremendous benefit to the consumers. The cost in oil expenditures alone would save $625 million per year and would eliminate the need to build two 750-megawatt nuclear plants.

This should be a boon to Japan which is dependent on the Middle East for 70 percent of its oil. The savings from Allied's process would certainly amount to more than the $2 billion that Japan now says it will contribute toward our efforts in the Persian Gulf.

While we are involved in the gulf, Japan continues to target this process as a strategic marketing area for Japanese business. We hear charges from them that American business will not spend the money for research and development and our businessmen are lazy.

Well, not in this case. Allied-Signal has invested $200 million in this technology and more than 15 years of research and development. They have earned the right to their patent.

This story is repeated by other companies but the Japanese Government continues to stonewall on all of their complaints.

Japan has manipulated patents and practiced market exclusion for Go-Video, the Arizona VCR double-deck manufacturer, Micro-Power systems, Fiberview, Therma-Systems, and the list goes on and on.

What the Japanese are doing is gobbling the minnows and then they will move on the larger fish. Allied-Signal is a larger fish. It is 28th of the Fortune 500 companies which are used to make up the Dow Jones Industrial Average and, has assets of $12 billion. It is definitely not a minnow. So if it happens to a big company, where else can it happen?

Well, it can happen to an American company in Japan or here in the United States regardless of its size if the company has a product the Japanese desire, particularly if it is a strategic company affecting an industry.

A good example of patent infringement by the Japanese and how they stalled an American business is the Go-Video case. This Arizona company is the manufacturer of the double-deck VCR—and they are the only American company making VCR's. Go-Video reacted to the obstacles and stalling by the Japanese by suing the major Japanese trading companies.

At one time the Japanese began marketing double-deck VCR's and actually sold some sets to another country, but Go-Video's attorney Joe Alioto stopped them. Go-Video owns the world patent on the dual-deck VCR's.

Then the Japanese took another tact. In good faith the Go-Video executives responded to an invitation by NEC to go to Japan and discuss their venture.

After the meetings in Japan, they thought they had a deal to buy parts from the Japanese to make their machine. No such thing. NEC had entered a "voluntary restraint agreement" not to manufacture or sell components parts, and collectively to boycott the American dual-deck VCR and prevent the VCR from being sold in the United States.

According to the CEO of Go-Video, the ringleaders of the boycott, EIAJ-NEC, Sony, Panasonic, Sanyo, JVC, and Sharp—"effectively denied Americans the choice of what VCR features they could purchase."

That may not sound so important but VCR's play a big part in our trade deficit with Japan. VCR's account for

approximately $5 billion of our trade deficit. In the past decade Americans have purchased 80 million VCR's. We sell 33,000 VCR's a day in the United States and none of them are manufactured here.

So the dollar stakes are high in this case both for the United States and Japan, but the United States interests are well represented by the executives at Go-Video.

I have spoken before about the gallant young men, Terry Dunlap and Eric Schedeler, who run this Arizona company.

They, like Allied-Signal hung tough with the Japanese although Go-Video is just a small company and not a global entity like Allied-Signal.

Go-Video went to court, and just recently received a court date for the charges of a trade conspiracy against Matshushita Electric, Sony, NEC, and others.

Can you imagine what a David and Goliath fight this is? What a show in the best of American tradition of fighting for your rights.

This small company, just getting started with its VCR, has named the Japanese trade giants in conspiracy charges and they now must stand trial in Phoenix, AZ. Now conspiracy is an interesting word.

Isn't that what Allied-Signal has been saying in a different way about the Japanese Government coordinating actions against it and its patent process? Other American companies have the same experience.

Therma-Systems of New Jersey did business with the Japanese for several years, only to find its patented hospital trays were duplicated by a Japanese company. After being praised for the quality of its product for 5 years, Therma was told overnight by its Japanese partner that its trays were not as good as the quality of the Japanese copies.

What happened was its patented process was infringed upon. After the Japanese learned everything that was needed they threw out Therma-Systems.

These cases are a case study in Japanese domination of an industry through illegal activities. I quote now from Terry Dunlap's testimony before the Republican Task Force on Technology Transfer of which Congressman FRANK HORTON and I are cochairmen.

Mr. Dunlap stated,

> The so-called "Japanese Miracle" has been accomplished over and over by the reformation of the Japan pre-war zaibatsu, which secured advanced technology from American companies under the guise of cooperation—then eliminate all competition through patent pooling, dumping, and complete disregard for antitrust laws in both countries.

He went on to explain.

> You see, the American electronics industry, like others around the world, has fallen prey to such Japanese cartel practices as price-fixing, patent and technology pooling and other illegal trade practices. The cartel meets regularly to decide collectively what products American consumers will be allowed to have * * * In these secret meetings, they and they alone choose which companies in Japan will make those products for American households.

At that same hearing Ken Cole of Allied-Signal testified to the effect of these practices. He said,

> Unless Japanese markets are opened to Metglas alloys now, a familiar pattern will have been established that will be impossible to break. We must establish the rules now or, for American companies that invest to compete in the global market with advanced technologies, the game will be over before it begins.

For those reasons just stated, and what has happened to Allied-Signal I believe a 301 investigation should be pursued vigorously by the U.S. Trade Representative. As part of the Executive Office of the President, our Ambassador should be able to win this one for the United States.

We must win this case. We can be tough and fight the good battle, but that is not good enough. The name of the game is winning. There are no prizes for second best in this economic war with Japan.

Mark Shields wrote in a recent Washington Post article, "The gold rule of international finance continues to prevail: He who has the gold rules."

Well, the way to have the gold is to win control of the strategic industries and, it is winner takes all in market dominance. Either we have the jobs, the jobs, the tax revenues, the opportunities for our citizens to do better, or we work for someone else.

As Akio Morita, chairman of Sony, said in his New York speech last year, "A service economy does not drive the engine of a country. You must have value added manufacturers."

That means some strong basic industries. The companies I have discussed together contribute to those strong basic industries. Some of them are in high technology and some are in the industries of the future.

Allied-Signal's amorphous metals process is one in both areas. As the Commerce Department stated, amorphous metal alloys is one of the key industries for our global competitiveness.

There is no giving in on this one. The trade negotiators at USTR must win this for the United States.

Our future rests with this small band of young trade warriors. We should wish them well, and let them know that all eyes are on them now, because all Americans will pay the price if they lose. It is up to them.

□ 1850

WHAT WOULD HARRY TRUMAN SAY ABOUT OUR U.S. ENERGY POLICY?

The SPEAKER pro tempore (Mr. MCDERMOTT). Under a previous order of the House, the gentleman from Missouri [Mr. VOLKMER] is recognized for 60 minutes.

Mr. VOLKMER. Mr. Speaker, I have taken this special order to highlight the need for a consistent energy policy at a time when this country is again feeling the effects of an energy crisis.

A number of my colleagues will be joining with me in this discussion and I appreciate them sharing their expertise on energy policy, alternative fuels programs, coal liquefaction, electric car technology, wind and solar energy, and conservation programs. What is said here tonight will be very helpful in focusing this nation on the need to commit to a long term energy policy.

At present, administration leadership in this area is lacking. Last Tuesday night when the President spoke to the American people before a joint session of Congress, he devoted less than 12 lines to developing our energy sources and increasing our conservation effort. It took less than 30 seconds time and that is not a national commitment.

To further illustrate the point that we need more Presidential commitment to energy independence let me point out that this special order on energy independence occurs 45 years after the end of World War II, a war which on the part of the Germans was fought with a military machine fueled by synthetic fuels derived from coal liquefaction and gasification technologies.

At the end of the war, American scientists began to build on that German technology with a research and demonstration project in Missouri. However, in the 1950's the Eisenhower administration shut-down the coal liquefaction plant at Louisiana, MO, because the availability of cheap oil and gas raised questions about the commercial viability of these synthetic fuels—in brief the big oil companies objected to the competition and flooded the American marketplace with oil and scuttled the fledgling synthetic fuels program.

In 1980, following two more energy crises in 1973 and 1979, President Carter and Congress passed legislation and established research and demonstration programs and promoted coal liquifaction and gasification plants. By 1981, the new Reagan administration agreed with the big oil companies that there was no need for experimentation with exotic energy sources and over the next 3 years the guts of alternative fuels program ground to a halt.

Today there exists an oil shale plant in Colorado, a windmill farm for electric power exists near Barstow, CA, and a goal has not been encouraged. The geothermal program is shutdown and solar energy program is defunct. The electric car program is not funded. The United States has no alternative energy source policy or program and the American people are at the mercy of foreign oil sources.

If Harry Truman were here today, I am sure he would be plainspoken on this subject and say to his assistants:

At the end of the Second World War I thought we had American scientists use German research and technology to develop an alternative fuel capability. We sponsored a coal liquefaction plant at Louisiana, Missouri to meet this problem head-on. We laid a base in the late 40's and early 50's. Why hasn't this problem been solved? Why isn't the United States energy independent? What have you been doing for the past 45 years?

While some administrations can report that they addressed the problem and developed an energy policy—other administrations have come up short. For the past 10 years this has been the case with the Reagan and Bush administrations. Alternative fuel and energy conservation programs have been downplayed and underfunded with the result that the 1980's have passed and, now in a moment of international crisis and a potential recession at home, the United States is faced with sky-rocketing gasoline and oil prices, higher fuel costs will affect employment, inflation, interest rates, winter heating costs, airline travel, automobile production, farm production cost, and so forth. The list is long and very costly, particularly since our national leaders refuse to face up to the major oil companies and develop a policy which commercializes alternative fuels and is not reliant solely on foreign oil.

Mr. Speaker, the time has come to reverse the Reagan-Bush policy of inaction and neglect and establish a policy and goal of energy independence by 2000.

In this respect, I have introduced legislation to reauthorize a number of alternative fuels and energy conservation programs. My legislation—the Commercialization of Alternative Energy Sources and Energy Conservation Technology Act of 1990—is designed to put back on the books programs which Congress started in 1979 and 1980 but which have been ignored for the past decade. Had these programs been on the books and funded as the Congress intended, our private businesses, farmers, Federal, State, and local government agencies, homeowners and individual citizens would not be faced with the sky-rocketing costs of fuel, and our American fighting forces would not be stationed in the Middle East because we would not have needed to rely on imported oil as we do under the Reagan-Bush policy. Frankly, had these alternative fuels and conservation programs been carried through the 1980's our life-style would not be threatened in 1990.

Mr. Speaker, my legislation encourages the production and use of electric vehicles by Federal, State, and local government agencies, it extends the 6-cent tax exemption on gasohol made with alcohol, ethanol—corn derivatives, it provides loan guarantees for individuals and firms building commercial refineries to liquify coal and crack oil shale, a 20-percent tax credit for equipment for businesses who use 20 percent or less natural gas or oil for heating purposes, and a solar bank to provide loans to homeowners to install solar heating devices is reestablished.

Finally, this legislation increases funding for programs providing low-income weatherization assistance, increases conservation assistance to schools and hospitals, funds a program to assist State agencies implement conservation techniques, and provides money for an energy extension service to benefit the agriculture sector.

Mr. Speaker, there will be some who object to the United States embarking on an energy independence program because it is too costly during this period of budget constraint.

In response, I would point out that the current cost of maintaining our military in the Middle East is $1 billion each month we are there—and there is no end in sight. Obviously, an energy independence program would not be this costly and it would save money in the long run.

Mr. ROE. Mr. Speaker, I am honored to join my distinguished colleague, Congressman HAROLD VOLKMER from Missouri, in this most timely special order on American energy independence.

The common denominator of contemporary society is energy. There is an energy component in every product we use, in every morsel of food we eat, in every machine we employ, and in virtually every activity of our daily lives. In fact, energy is so pervasive in our existences that we ignore its existence, that is until that energy component is threatened or altered in some way.

Over the past decade, we as a nation have spent an enormous amount of time and money trying to determine how to improve American competitiveness in the global marketplace. Somehow we have managed to disconnect that competitive quest from the availability and the cost of the energy component in the products and services we need to sell to be more competitive. The bottom line cost of a commodity is determined by how much it cost us to produce it.

The cost of energy is such a crucial economic factor that over the last 90 years of oil prices, a recession has followed each of the three major oil price rises in this century, 1920–21, 1974–75, and 1981–82.

We know that in most instances, oil is the energy resource of choice. The dramatic increase of world oil consumption can be portrayed best by two simple and stark statistics. The first 200 billion barrels of world oil were produced and consumed in 109 years. However it took only 10 years for the world to produce and consume the next 200 billion barrels. These are not judgments or opinions. These are facts. We cannot alter their reality. But it is within our power and determination to change future facts about oil consumption, its prevalence and its pace.

A rational American energy policy must accept and include another set of facts, facts that can never be changed. The fundamental determination of where the world's energy resources are located was set eons ago for this planet. Those facts and realities cannot be changed by either politics or power, now or at any point in the future.

Over half of the world's known oil resources, and one quarter of known global natural gas reserves are located in the Middle East. The United States has roughly 4 percent of world oil reserves and 6 percent of the natural gas reserves. On the other hand, the Middle East has virtually no coal resources, while America sits on more than one-fourth of the world's supply of coal.

These facts can be reduced to a simple conclusion. If the United States continues to be primarily an oil dependent economy, and most of the oil is located elsewhere, then our economic dependence translates into economic vulnerability. We learned the meaning of vulnerable overnight in 1973.

That grim, but luckily brief, period when the Middle East oil tap was turned off sent us into a 7-year search for national energy solutions. From 1973 to 1980, under the leadership of first, the Energy Research and Development Administration [ERDA], and then, the Department of Energy [DOE], we initiated numerous energy R&D programs in both alternative resources and new technologies.

Our philosophy was that future energy security could not rely on any one energy resource. A mix of diverse energy sources and technologies was the reasonable and rational way to avoid future vulnerability.

In 1980, we saw a turnabout in both energy philosophy and policy regarding private and public sector roles and responsibilities in energy development.

There was a nosedive in the funding for R&D programs related to conservation, solar, fossil, geothermal, and synthetic fuels commercialization. There was a national prejudice against nuclear power despite the proven track record of its safety. Many of those programs atrophied and disappeared, some hung on by a thread, but the energy program lost its mission and its momentum.

Mr. Speaker, it is time to change the words "American Energy Independence" from rhetoric to reality. It is time to learn this lesson for the last time, not for yet another time.

There are myriad possibilities for both conserving energy and for switching to other energy sources. We are not starting from ground zero. We developed a store-house of knowledge and experience in the years of strong and varied energy R&D programs. It's time to put the commitment back into the energy Agenda. It's time to design a comprehensive energy policy that will serve the

Nation, not a particular adminstration, only to be reversed by another administration.

Energy is the feedstock of our industrial economy. Let's not permit outside forces to determine the cost of our production and thus the competitiveness of our products. Let's not leave our energy stability open to the changing winds of some other nation's politics, or perfidy.

I want to commend my colleague, Mr. VOLKMER, for this special order on energy. I hope that it marks a turning point in our national resolve to promote American energy independence.

Mr. ALEXANDER. Mr. Speaker, I would first like to thank my friend, HAROLD VOLKMER, for arranging this special order. I can think of no more important topic than energy independence for America.

For more than 15 years, I have fought to expand the use of alternate energy, including farm-grown ethanol, in order to lessen our dangerous dependence on foreign oil, put more money in the farm economy, and prevent our foreign policy from being held hostage by the likes of Saddam Hussein.

The reasons for increasing reliance on alternate fuels and decreasing our dependence on foreign oil are many and have been stated many times. But, in providing naval escorts for Kuwaiti tankers and in mounting Operation Desert Shield, we have been presented with another striking and very compelling reason: Our dependence on foreign oil has now placed America in the position of possibly trading blood for gasoline.

Let us be honest with the American people and with ourselves. The lives of men and women wearing the uniform of this country are currently at risk because this Government has failed to formulate an energy policy which shakes off America's reliance on foreign oil.

Despite the warnings, despite the oil shocks of the 1970's, despite the experience with reflagging tankers—despite all of that and more, we refused to act while the gas tank was full.

We went about our business until an Iraqi despot forced us to yet again focus on the problem. Saddam Hussein may play a more important part in shaping this Nation's future energy policy than all of us put together.

On the whole, this situation represents a disgraceful abdication of leadership. Even when the gas tank is full, we must continue our work toward forging a new energy policy. We owe that to the people wo elected us—and to their children.

With our current addiction to oil, the decisions of a Saddam Hussein can directly affect the Nation's ability to compete in a global economy, jeopardize the jobs of our people, make it more expensive for them to even drive to and from work, dictate how much we pay for gasoline, and place the lives of American military personnel at risk.

It's just too high a price to pay.

As a long-time advocate of alternative fuels and a member of the U.S. Alternative Fuels Council, I have heard the argument ad nauseam that we cannot expand the use of alternate fuels, such as ethanol, because they are not price competitive with gasoline.

My question is: How can anyone make that statement without knowing the true cost of gasoline?

The total cost is certainly not reflected by the pump price.

What about the spending on military operations to protect the Mideast oil supply, increased health care costs which can be attributed to pollution, and the environmental damage done mainly by vehicle emissions?

We must also ask: If it were not for oil would the Egyptian debt writeoff proposal have been made?

I believe until we determine the true cost of gasoline, we will be writing the Nation's energy future in the dark. At a meeting of the U.S. Alternative Fuels Council last month, I announced that I would seek a study by the General Accounting Office [GAO] and the Office of Technology Assessment [OTA] of the hidden cost of gasoline.

The results of that study, I believe, will open some eyes.

I was interested in an article which appeared in the New York Times on September 4, which dealt with this subject. The authors of the article only factored in military and foreign aid costs and came up with an $80-a-barrel price tag for oil.

It goes without saying that when other items are factored in, the per-barrel cost will rise much beyond that figure.

Mr. Speaker, I would like to place in the RECORD the article from the New York Times. And I would also like to enter in the RECORD editorials which appeared in two of the leading newspapers in my district, the Jonesboro Sun and Batesville Guard.

These enlightened voices are most welcome in the debate over our energy future. They help shape public opinion and we must have public opinion behind us to forge a new policy on energy use in this country.

America, Mr. Speaker, can no longer be hostage to foreign oil. We must rely more on our own natural resources * * * turning to the grain fields of the Midsouth, instead of the oil fields of the Mideast for our energy supply.

You will not have to reflag grain trucks and it will not be necessary to send the military into the Nation's Farm Belt to insure the supply of raw material for our fuel.

Mr. HUGHES. Mr. Speaker, 12 years ago, I organized a solar energy conference and exhibition in Atlantic City to give homeowners and businesses the opportunity to examine solar energy equipment first hand. At the time, government, industry, and the public were earnest in their efforts to conserve energy and to utilize alternative energy sources. We were determined to reduce our dependence on imported oil and not let ourselves be held hostage to events in other parts of the world. Unfortunately, once the long gas lines disappeared, so did the commitment for such a forward looking energy policy.

Now, energy consumption in the United States is at its highest level ever. In fact, oil imports have doubled since the early 1980's. In the first 4 months of 1990, 46 percent of our oil needs were met by imports. About one-quarter of that oil came from Persian Gulf countries. The increase in oil prices immediately effected consumers. And if the price increase is sustained, the U.S. economy will most certainly be adversely affected as more resources are diverted to cover energy costs.

On Tuesday night, President Bush said, "We have moved in the wrong direction. Now we must correct that trend." Indeed, we have been moving in the wrong direction of nearly a decade. Federal energy conservation programs have been ignored and left to wither away by the Reagan and Bush administrations. The lack of leadership and programs has led to a lack of alternatives to oil.

It is the time to seriously develop a comprehensive national energy policy which will reduce our dependence on imported oil and is sensitive to environment.

The Arctic National Wildlife Preserve and the Outer Continental Shelf are not the first places to look to solve our energy needs. Exploitation of important national treasures should be our last resort—not our first—in addressing the energy security of our Nation. In the case of the Outer Continental Shelf, the oil and gas produced might last a few weeks or days at present levels of consumption. The environmental costs, on the other hand, would be high to our already heavily impacted beaches and coastline.

Conservation and efficiency must be our first priorities. After the crises of 1973 and 1977, we were committed to finding alternatives to meet our energy needs. Between 1979 and 1986, savings from increased efficiency in the United States resulted in seven times more energy than from additional capacity. Today, with energy consumption at an all-time high, the potential energy savings from conservation can be substantial. Clearly, the barriers to conservation must be reduced. And we must once again muster the will and determination to develop a long-term policy.

The Iraqi invasion of Kuwait has again demonstrated the dangers of not having a national energy policy. The time is ripe for creating a comprehensive energy policy that balances security with environmental concerns.

Mr. HARRIS. Mr. Speaker and colleagues, the ongoing tension in the Persian Gulf highlights the vulnerability of the U.S. economy because of our continued dependence on foreign petroleum to meet our energy needs. A comprehensive national energy policy with a reduced dependence on foreign oil is necessary for energy security and economic stability. As part of this national policy we need to encourage and promote clean fuels produced from American resources.

Coalbed methane is just such an energy product and can be an integral part of our national energy policy. Alabama has taken the lead in the rapid development of this clean-burning alternative fuel and related technologies. The coal seams of the Black Warrior and Cahaba River Basins offer uniquely efficient conditions for its recovery. Twenty trillion cubic feet of national gas is trapped in their ribbons of coal seams. According to the largest gas distributor for Alabama, that is enough natural gas to support its customers for the next 200 years.

I urge my colleagues to join me in encouraging the development of alternative fuels as part of a national energy policy. And assure you that Alabama will continue to contribute to the development of clean-burning coalbed methane.

GENERAL LEAVE

Mr. VOLKMER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MILLER of Ohio (at the request of Mr. MICHEL), for today, on account of medical reasons.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DOUGLAS) to revise and extend their remarks and include extraneous material:)

Mr. DREIER of California, for 60 minutes, on September 17, 18, 19, and 20.

Mr. DOUGLAS, for 5 minutes, today.

Mr. WOLF, for 60 minutes, on September 14.

Mr. RITTER (at the request of himself), for 5 minutes, today.

(The following Members (at the request of Mr. MCDERMOTT) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. HUBBARD, for 5 minutes, today.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. FASCELL, for 5 minutes, today.

Mr. STARK, for 5 minutes, today.

Mr. SYNAR, for 5 minutes, today.

Mr. DORGAN of North Dakota, for 5 minutes, today and 5 minutes on September 14.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. GILMAN following Mr. ACKERMAN in 1 minute speeches today.

(The following Members (at the request of Mr. DOUGLAS) to revise and extend their remarks and include extraneous material:)

Mr. SCHUETTE.

Mr. DANNEMEYER.

Mr. MCGRATH.

Mr. MACHTLEY.

Mr. MCCANDLESS.

Mr. CRAIG.

Mr. SMITH of New Jersey.

Mr. LAGOMARSINO.

Mr. PASHAYAN.

Mr. DONALD E. "BUZ" LUKENS.

Mr. BURTON of Indiana.

Mr. FRENZEL.

Mr. DOUGLAS.

(The following Members (at the request of Mr. MCDERMOTT) to revise and extend their remarks and include extraneous material:)

Mr. DORGAN of North Dakota.

Mr. LAUGHLIN.

Mr. YATRON.

Mr. MCHUGH.

Mr. SMITH of Florida.

Mr. STARK in three instances.

Mr. LEHMAN of Florida.

Mr. FASCELL in two instances.

Mr. KANJORSKI.

Mr. CLAY.

Mr. EVANS.

Mr. WHEAT.

Mr. DYSON.

Mr. LANTOS.

Mr. MANTON.

Mr. ROYBAL.

Mr. LAFALCE.

Mr. KILDEE in three instances.

Mr. JACOBS.

Mr. VISCLOSKY.

Mr. BOSCO.

Mr. OWENS of New York.

Mr. MORRISON of Connecticut in two instances.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1805. An act to authorize the Secretary of the Interior to reinstate oil and gas lease LA 033164; to the Committee on Interior and Insular Affairs.

S. 2680. An act to provide for the conveyance of lands to certain individuals in Stone County, AR; to the Committee on Interior and Insular Affairs.

S. 3024. An act to require the Secretary of Agriculture to announce an acreage limitation program for the 1991 crop of winter wheat; to the Committee on Agriculture.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 7. An act to amend the Carl D. Perkins Vocational Education Act to improve the provision of services under such Act and to extend the authorities contained in such Act through the fiscal year 1995, and for other purposes; and

H.R. 94. An act to amend the Federal Fire Prevention and Control Act of 1974 to allow for the development and issuance of guidelines concerning the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation affecting commerce, and for other purposes.

ADJOURNMENT

Mr. VOLKMER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 59 minutes p.m.), the House adjourned until tomorrow, Friday, September 14, 1990, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3878. A letter from the Export-Import Bank of the United States, transmitting the annual report of the Bank's operations for fiscal year 1989, pursuant to 12 U.S.C. 635g; to the Committee on Banking, Finance and Urban Affairs.

3879. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense equipment sold commercially to Spain (Transmittal No. OTC-24-90), pursuant to 22 U.S.C. 2776(c); to the Committee on Foreign Affairs.

3880. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense equipment sold commercially to Taiwan (Transmittal No. DTC-23-90), pursuant to 22 U.S.C. 2776(d); to the Committee on Foreign Affairs.

3881. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of a proposed license for the export of defense equipment sold commercially to Korea (Transmittal No. DTC-22-90), pursuant to 22 U.S.C. 2776(c), (d); to the Committee on Foreign Affairs.

3882. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting the twentieth 90-day report of progress on the investigation into the death of Enrique Camarena, the investigations of the disappearance of U.S. citizens in the State of Jalisco, Mexico, and the general safety of U.S. tourists in Mexico, pursuant to Public Law 99-93, section 134(c) (99 Stat. 421); to the Committee on Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3383. A bill to authorize the National Park Service to conduct a study of park system boundaries, and for other purposes; with an amendment (Rept. 101-695). Referred to the Committee of the Whole House on the State of the Union.

Mr. CONYERS: Committee on Government Operations. H.R. 4279. A bill to amend title 31, United States Code, to improve cash management of funds transferred between the Federal Government and the States, and for other purposes; with amendments (Rept. 101-696). Referred to the Committee of the Whole House on the State of the Union.

Mr. CONYERS: Committee on Government Operations. S. 535. An act to increase civil monetary penalties based on the effect of inflation; with amendment (Rept. 101-

697). Referred to the Committee of the Whole House on the State of the Union.

Mr. SHARP: Committee of Conference. Conference report on S. 2088 (Rept. 101-698). Ordered to be printed.

Mr. DERRICK: Committee on Rules. House Resolution 464. Resolutions providing for agreeing to the Senate amendments to the bill (H.R. 4328) to authorize appropriations for fiscal years 1991 and 1992 for the customs and trade agencies, and for other purposes (Rept. 101-699). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FASCELL:

H.R. 5609. A bill to set forth United States policy toward Central American and to assist the economy recovery and development of that region; to the Committee on Foreign Affairs.

By Mr. GONZALEZ (for himself and Mr. WYLIE):

H.R. 5610. A bill to amend the Federal Deposit Insurance Act to remove the caps imposed on deposit insurance premiums and annual premium increases, to allow the assessment rates to be adjusted more frequently than annually, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. McCLOSKEY (for himself, Mr. FORD of Michigan, Mr. CLAY, Mr. HAYES of Illinois, Mr. GILMAN, Mr. HORTON, Mr. RIDGE, Mrs. BYRON, Mrs. MORELLA, Mr. ROBINSON, Mr. HAYES of Louisiana, Mr. WOLPE, Mr. GALLO, Mr. MYERS of Indiana, Mr. TORRICELLI, Mr. MCNULTY, Mr. LANCASTER, Mr. BARNARD, and Mr. BURTON of Indiana):

H.R. 5611. A bill to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances; to the Committee on Post Office and Civil Service.

By Mr. CONYERS:

H.R. 5612. A bill to safeguard individual privacy of genetic information from the misuse of records maintained by agencies or their contractors or grantees for the purpose of research, diagnosis, treatment, or identification of genetic disorders, and to provide to individuals access to records concerning their genome which are maintained by agencies for any purpose; jointly, to the Committees on Government Operations and the Judiciary.

By Mr. GOSS:

H.R. 5613. A bill to eliminate the 25-percent increase in pay for Members of the House of Representatives provided by the Ethics Reform Act of 1989, and for other purposes; jointly, to the Committees on Post Office and Civil Service, House Administration, Ways and Means, and Rules.

By Mr. LAFALCE (for himself, Mr. NOWAK, Mr. HORTON, Mr. HOUGHTON, Mr. PAXON, and Ms. SLAUGHTER of New York):

H.R. 5614. A bill to authorize the use of the symbols and emblems of the 1993 Summer World University Games; to the Committee on the Judiciary.

By Mrs. LLOYD (for herself, Mr. MORRISON of Washington, Mr. ROE, Mr. TRAFICANT, Mr. VALENTINE, Mr. SCHIFF, Mr. STALLINGS, Mr. BOUCHER, Mr. BRUCE, Mr. FAWELL, Mr. WOLPE, Mr. SMITH of Texas, Mr. COSTELLO, Mr. WALGREN, and Mr. BUECHNER):

H.R. 5615. A bill to authorize certain science, mathematics, and engineering education activities of the Department of Energy's research and development facilities; to the Committee on Science, Space, and Technology.

By Mr. McDADE (for himself and Mr. MONTGOMERY):

H.R. 5616. A bill to amend the Small Business Act to establish programs and undertake efforts to assist and promote the creation, development, and growth of small business concerns owned and controlled by veterans of service in the Armed Forces, and for other purposes; jointly, to the Committees on Small Business and Veterans' Affairs.

By Mr. MARLENEE:

H.R. 5617. A bill directing the Secretary of Agriculture to utilize available funding under the Export Enhancement Program and agricultural sales credit programs against competing nations which fail to reduce agricultural production during any period of time in which the United States has in effect a production reduction program for surplus agricultural commodities; jointly, to the Committees on Agriculture and Foreign Affairs.

By Mr. NEAL of Massachusetts (for himself and Mr. PORTER):

H.R. 5618. A bill to amend the Federal Prison Industries Reform Act of 1988 to provide for the creation of the maximum number of jobs for Federal inmates; to the Committee on the Judiciary.

By Mr. ROWLAND of Georgia:

H.R. 5619. A bill to authorize the Secretary of the Interior to accept a donation of land for addition to the Ocmulgee National Monument in the State of Georgia; to the Committee on Interior and Insular Affairs.

By Mr. SCHIFF:

H.R. 5620. A bill to confer jurisdiction on the U.S. Claims Court with respect to land claims of Pueblo of Isleta Indian Tribe; to the Committee on the Judiciary.

By Mr. SCHUETTE (for himself, Mr. GUNDERSON, Mr. PURSELL, Mr. DAVIS, Mr. BROOMFIELD, Mr. HENRY, Mr. VANDER JAGT, Mr. MARLENEE, Mr. MORRISON of Washington, Mr. ROBERTS, and Mr. UPTON):

H.R. 5621. A bill to encourage energy conservation among farmers, ranchers forest industry, and utilizers of wood for energy, and for other purposes; to the Committee on Agriculture.

By Mr. STARK:

H.R. 5622. A bill to impose trade sanctions against any foreign person that exports items to Iraq which would not be permitted to be exported from the United States; to the Committee on Ways and Means.

By Mr. OWENS of Utah (for himself, Mr. GILMAN, Mr. SOLARZ, Mr. YATRON, Mr. BEREUTER, Mr. BERMAN, Mr. SMITH of Florida, Mr. WEISS, Mr. TORRICELLI, Mr. ENGEL, Mr. JOHNSTON of Florida, Mr. HYDE, Mr. CAMPBELL of California, Mr. CLARKE, Mr. FEIGHAN, Mr. STUDDS, Mr. MILLER of Washington, and Mrs. MEYERS of Kansas):

H. Con. Res. 370. Concurrent resolution commending President Hosni Mubarak of Egypt; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. THOMAS of Georgia introduced a bill (H.R. 5623) to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *Open Return*, which was referred to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 118: Mr. ANDERSON.

H.R. 733: Mr. FROST, Mr. DONALD E. LUKENS, and Mr. MAVROULES.

H.R. 857: Mr. SERRANO and Mr. PALLONE.

H.R. 1500: Mr. MANTON and Mr. BERMAN.

H.R. 1691: Mr. CONYERS.

H.R. 2037: Mr. DOWNEY, Mr. JONES of North Carolina, and Mrs. JOHNSON of Connecticut.

H.R. 2615: Mr. FISH.

H.R. 2707: Mr. TAYLOR and Mr. SCHUETTE.

H.R. 2731: Mr. FRANK.

H.R. 2786: Mr. HOPKINS.

H.R. 2816: Mr. MILLER of Washington and Mrs. LLOYD.

H.R. 2870: Mr. RAHALL, Mr. NEAL of Massachusetts, and Mr. KOSTMAYER.

H.R. 3085: Mr. KENNEDY.

H.R. 3139: Mr. ROSE and Mr. MADIGAN.

H.R. 3252: Mr. MCCRERY.

H.R. 3368: Mr. YATES.

H.R. 3690: Mr. KYL.

H.R. 3789: Mr. SERRANO.

H.R. 3842: Mr. BROOKS.

H.R. 3856: Mr. DOUGLAS.

H.R. 3880: Mr. BYRON.

H.R. 3954: Mr. STOKES, Mr. FASCELL, Mr. BROOMFIELD, Mr. HAYES of Louisiana, Mr. PENNY, and Mr. BILIRAKIS.

H.R. 3977: Mr. PRICE.

H.R. 4133: Mr. BOUCHER, Mr. GORDON, Mr. HERGER, Mr. JONES of North Carolina, Mr. PARKER, Mr. PAYNE of Virginia, Mr. PICKETT, Mr. RITTER, Mr. ROBINSON, Mr. SISISKY, Mr. SUNDQUIST, and Mr. WILSON.

H.R. 4231: Mr. WAXMAN.

H.R. 4289: Mr. FISH, Mrs. BOXER, and Mr. LAGOMARSINO.

H.R. 4345: Mr. LIPINSKI and Mr. GRANDY.

H.R. 4433: Mr. HERTEL, Mr. OWENS of New York, Mr. BATES, Mr. JONTZ, Mr. BOEHLERT, and Mr. ECKART.

H.R. 4494: Mr. LEATH of Texas, Mr. ORTIZ, Mr. PRICE, Mr. CARDIN, and Mr. BROWN of Colorado.

H.R. 4548: Mr. MARKEY.

H.R. 4622: Mrs. COLLINS.

H.R. 4690: Mrs. BENTLEY, Ms. KAPTUR, Mr. SCHAEFER, Mr. YATES, Mr. RAVENEL, Mr. JOHNSTON of Florida, Mr. KOLTER, Mr. PURSELL, and Mr. HENRY.

H.R. 4746: Mr. OWENS of Utah.

H.R. 4763: Mr. DIXON.

H.R. 4801: Mr. SHAYS.

H.R. 4994: Mr. ECKART.

H.R. 5103: Mr. DYSON.

H.R. 5104: Mr. DYSON.

H.R. 5105: Mr. DYSON.

H.R. 5125: Ms. PELOSI.

H.R. 5212: Mr. ACKERMAN, Mr. CAMPBELL of Colorado, Mrs. COLLINS, Mr. PARRIS, Mr. CLAY, Mr. BRUCE, Mr. FAZIO, Mr. FORD of Tennessee, Mr. JONTZ, and Mr. LEWIS of Georgia.

H.R. 5226: Mr. EMERSON, Mr. MARTINEZ, Mrs. COLLINS, and Mr. GORDON.

H.R. 5266: Mr. OWENS of New York and Mr. SUNDQUIST.

H.R. 5288: Mr. ECKART and Mr. JONTZ.

H.R. 5290: Mr. ECKART, Mr. FISH, and Mr. KOLTER.

H.R. 5341: Mrs. BOXER, Mr. GALLO, Mr. COURTER, Mrs. ROUKEMA, Mr. LIPINSKI, Mr. HOCHBRUECKNER, Mr. HERTEL, Mrs. MEYERS of Kansas, and Mr. RAVENEL.

H.R. 5351: Mr. PICKLE, Mr. RICHARDSON, Mr. RAHALL, Mr. WISE, Mr. COMBEST, Mr. HAYES of Louisiana, Mr. CHAPMAN, Mr. BRYANT, Mr. KOSTMAYER, Mr. CLINGER, Mr. SCHUETTE, Mr. BOUCHER, Mr. SCHAEFER, Mr. STENHOLM, Mr. GEREN, and Mr. DORNAN of California.

H.R. 5373: Mr. MCGRATH, Mr. TALLON, Mr. SMITH of Florida, Mr. VANDER JAGT, Mr. FRENZEL, Mr. SLATTERY, Mr. HOAGLAND, Mr. FORD of Tennessee, Mr. JACOBS, Mrs. SAIKI, Mr. PETRI, Mr. HUGHES, Mr. DERRICK, Mrs. COLLINS, and Ms. KAPTUR.

H.R. 5397: Mr. SMITH of Vermont, Mr. WHEAT, Mr. GILMAN, Mr. STOKES, Mr. MARKEY, Mr. FAUNTROY, Mr. DIXON, Mr. WYDEN, Mr. ATKINS, Mr. BOUCHER, Mr. BENNETT, Mr. FASCELL, Mr. EVANS, Mr. STARK, Mr. JOHNSON of South Dakota, Mr. FISH, Mr. FORD of Tennessee, and Mr. WOLPE.

H.R. 5416: Ms. SCHNEIDER, Mr. COBLE, Mr. CRAIG, Mr. SCHUETTE, Mr. PETRI, Mr. BATES, Mr. PENNY, Mr. TAUKE, Mr. SHUMWAY, and Mr. RAVENEL.

H.R. 5426: Mrs. VUCANOVICH and Mr. ECKART.

H.R. 5428: Mr. ANNUNZIO, Mr. BEILENSON, Mr. BONIOR, Mrs. COLLINS, Mr. COSTELLO, Mr. DURBIN, Mr. EVANS, Mr. FAWELL, Mr. JONTZ, Mr. LIPINSKI, Mr. MCGRATH, Mrs. MARTIN of Illinois, Mr. MICHEL, Mr. SANGMEISTER, and Mr. YATES.

H.R. 5492: Mr. ECKART, Mr. MCMILLEN of Maryland, and Mr. YATRON.

H.R. 5504: Mr. DORGAN of North Dakota, Mr. COYNE, Mr. SMITH of Vermont, Mr. BROWN of California, and Mr. MOLLOHAN.

H.R. 5536: Mr. CLAY, Mr. CONYERS, Mr. EVANS, Mr. FORD of Tennessee, Mr. KENNEDY, Mr. LEWIS of Georgia, Mr. THOMAS A. LUKEN, Mr. DONALD E. LUKENS, Mr. MCDERMOTT, Mr. MCNULTY, Mr. MARKEY, Mr. MFUME, Mr. MILLER of California, Mr. MRAZEK, Mr. OWENS of New York, Mr. PAYNE of New Jersey, Ms. PELOSI, Mr. RANGEL, Mr. ROE, Mrs. SCHROEDER, Mr. SHAW, and Mr. WALSH.

H.R. 5551: Mr. ANNUNZIO, Mr. CONYERS, Mr. BATES, Mr. JOHNSON of South Dakota, Ms. KAPTUR, Mr. ALEXANDER, and Mr. LEWIS of Georgia.

H.R. 5563: Mr. WOLPE, Mr. GALLO, Mr. MYERS of Indiana, Mr. TORRICELLI, Mr. MCNULTY, and Mr. LANCASTER.

H.R. 5568: Mrs. SCHROEDER, Mr. MARKEY, Mr. RAHALL, Mr. FRANK, Mr. JONTZ, Mr. FORD of Michigan, Mr. CAMPBELL of Colorado, Mr. KANJORSKI, Mr. LIPINSKI, and Mr. BATES.

H.R. 5580: Mrs. COLLINS, Mr. KOLBE, Mr. RICHARDSON, and Mr. HORTON.

H.J. Res. 369: Mr. LEWIS of Florida and Ms. MOLINARI.

H.J. Res. 418: Mr. PRICE, Mr. DYSON, Mr. MILLER of Washington, and Mr. SHAW.

H.J. Res. 431: Mr. HEFLEY, Mr. HUCKABY, Ms. SCHNEIDER, and Mr. BOSCO.

H.J. Res. 476: Mr. ANDERSON, Mr. BERMAN, Mr. BEVILL, Mr. DONNELLY, Mr. FUSTER, Mr. HUTTO, Mr. KENNEDY, Mr. LIPINSKI, Mr. MURPHY, Mr. QUILLEN, Mr. SAVAGE, Mr. SOLARZ, and Mr. SOLOMON.

H.J. Res. 492: Mr. KOLTER, Mr. LAGOMARSINO, Mr. STUMP, Mr. GORDON, Mr. CALLAHAN, Mr. STENHOLM, Mr. SAVAGE, Mr. TOWNS, Mr. MCCRERY, Mr. RAVENEL, Mr. HAYES of Louisiana, Mr. EDWARDS of Oklahoma, Mr. TAYLOR, Mr. JENKINS, and Mr. SUNDQUIST.

H.J. Res. 538: Mr. MCMILLEN of Maryland, Mr. WEISS, Mr. RAHALL, Mr. LEWIS of Georgia, and Mr. GAYDOS.

H.J. Res. 568: Mr. GALLO and Mr. GUARINI.

H.J. Res. 580: Mr. DEWINE, Mr. ACKERMAN, Mrs. JOHNSON of Connecticut, Mr. ROE, Mr. GUARINI, Mr. HARRIS, Mr. BUSTAMANTE, Mr. HORTON, Mr. DONALD E. LUKENS, Mr. LANCASTER, Mr. FUSTER, Mr. FAUNTROY, Ms. PELOSI, Mr. RANGEL, Mr. SMITH of Florida, Mr. MCNULTY, Mr. OWENS of New York, Mr. COYNE, Mrs. COLLINS, Mr. FALEOMAVAEGA, Mr. PANETTA, and Ms. SLAUGHTER of New York.

H.J. Res. 583: Mr. PANETTA, Mr. LIPINSKI, Mr. FOGLIETTA, Mr. DEWINE, Mr. LAGOMARSINO, Mr. OWENS of New York, Mr. DOWNEY, Mr. HOCHBRUECKNER, Mr. MCGRATH, Mr. KASICH, and Mr. SAXTON.

H.J. Res. 602: Mr. UDALL, Mr. DERRICK, Mr. EMERSON, Mr. BLAZ, Mr. BROOKS, and Mr. MRAZEK.

H.J. Res. 612: Mr. ANTHONY, Mr. JENKINS, Mr. PAYNE of Virginia, Mr. WHITTEN, Mr. BAKER, Mr. BARTLETT, Mr. BATEMAN, Mrs. BENTLEY, Mr. BLILEY, Mr. BOEHLERT, Mr. BROOMFIELD, Mr. BUNNING, Mr. CALLAHAN, Mr. CHANDLER, Mr. CLINGER, Mr. COBLE, Mr. CONTE, Mr. COOPER, Mr. COUGHLIN, Mr. CRAIG, Mr. DELAY, Mr. DICKINSON, Mr. DORNAN of California, Mr. DUNCAN, Mr. EDWARDS of Oklahoma, Mr. EMERSON, Mr. FAZIO, Mr. FRENZEL, Mr. GALLEGLY, Mr. GALLO, Mr. GEKAS, Mr. GINGRICH, Mr. GORDON, Mr. GRADISON, Mr. HAMMERSCHMIDT, Mr. HASTERT, Mr. HAYES of Louisiana, Mr. HEFLEY, Mr. HENRY, Mr. HERGER, Mr. HOPKINS, Mr. HOUGHTON, Mr. HUCKABY, Mr. HUNTER, Mr. INHOFE, Mr. IRELAND, Mrs. JOHNSON of Connecticut, Mr. KASICH, Mr. LIGHTFOOT, Mrs. LLOYD, Mr. LIVINGSTON, Mr. LOWERY of California, Mr. DONALD E. LUKENS, Mr. MCCOLLUM, Mr. MCCRERY, Mr. MCEWEN, Mr. MACHTLEY, Mr. MADIGAN, Mrs. MARTIN of Illinois, Mr. MAVROULES, Mr. MILLER of Ohio, Mr. MILLER of Washington, Mr. MOORHEAD, Mr. NIELSON of Utah, Mr. OBERSTAR, Mr. PACKARD, Mr. PASHAYAN, Mr. PORTER, Mr. PURSELL, Mr. RAVENEL, Mr. REGULA, Mr. RHODES, Mr. ROBERTS, Mr. ROGERS, Mr. RUSSO, Mr. SAXTON, Mr. SKEEN, Mr. SCHAEFER, Mr. SISISKY, Mr. DENNY SMITH, Mr. SMITH of Vermont, Mr. ROBERT F. SMITH, Ms. SNOWE, Mr. STANGELAND, Mr. TANNER, Mr. THOMAS of California, Mr. WALSH, Mr. WEBER, Mr. WILSON, Mr. WISE, and Mr. YOUNG of Alaska.

H.J. Res. 646: Mr. LIPINSKI and Mr. MCGRATH.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.J. Res. 603: Mr. MCCURDY.

PETITIONS, ETC.

Under clause 1 of rule XXII,

230. The SPEAKER presented a petition of the Association of ex-POW's of the Korean war, relative to the support of H.R. 3603; which was referred to the Committee on Government Operations.

AMENDMENTS

Under clause 6 of rule XXIII, proposed amendments were submitted as follows:

H.R. 5422

By Mr. DYMALLY:

—Page 12, after line 22, insert the following new section:

SEC. 403. PROHIBITION ON USE OF FUNDS FOR MILITARY ASSISTANCE TO UNITA.

None of the funds appropriated pursuant to this Act may be used (by the Department of Defense or any other agency or element of the United States Government) to provide military assistance to the National Union for the Total Independence of Angola (UNITA).

SENATE—*Thursday, September 13, 1990*

(Legislative day of Monday, September 10, 1990)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

* * * *as Jesus was praying in a certain place, when he ceased, one of his disciples said unto Him, Lord, teach us to pray* * * *—Luke 11:1.

God of our fathers, as the great leaders of Israel took prayer seriously, as Jesus and His disciples took prayer seriously, as our Founding Fathers took prayer seriously, may we take prayer seriously. We know prayer does not absolve us from responsibility, but it is certainly the most important thing we can do, and often the only thing we can do. We recall that at a critical moment in the Constitutional Convention when, after 2 months of debate, often acrimonious, there was a stalemate. Elder statesman Benjamin Franklin addressed the chair. He said, "In the beginning of the contest with Britain, when we were sensible of dangers, we had daily prayers in this room for the Divine protection. Our prayers, sir, were heard; and they were graciously answered. * * * I have lived, sir, a long time; and the longer I live the more convincing proofs I see of this truth that God governs in the affairs of men. * * *"

Gracious Father, as Jesus taught His disciples to pray, teach us to pray. In His name. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 13, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. SANFORD thereupon assumed the Chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, I would like to briefly inform my colleagues of the proposed schedule for the Senate today. This morning, at 10:15, the Senate will begin consideration of S. 2927. It had previously been scheduled for 10, but I intend shortly to request unanimous consent to extend the period for morning business in view of the number of Senators who wish to speak during morning business. There could be votes associated with the Export Administration Act, which we will turn to at 10:15, as I previously indicated, but those will not occur until later today. I will set a precise time following consultation with the distinguished Republican leader. Both he and I will be at the budget meetings at Andrews Air Force Base, and we will attempt to accommodate the participants there as well as the Members of the Senate. So that will be announced later today. Of course, that depends, in part, upon when we complete action on the Export Administration Act.

Following completion of that legislation, as we expect will occur during the day today, there will be a period set aside for debate on the CAFE standards bill, with respect to which a motion to proceed and a cloture motion on that motion to proceed have been filed. That is now scheduled to ripen for a vote under Senate rules tomorrow morning. We will consult with participants on both sides to see whether there is any interest in a consent agreement under which that vote would occur later today at the same time as the votes on the Export Administration Act.

EXTENSION OF MORNING BUSINESS

Mr. MITCHELL. Accordingly, Mr. President, I now ask unanimous consent that the time for morning business be extended to 10:15 a.m., with Senators permitted to speak therein for up to 5 minutes each with the previous order for Senator REID to remain in effect.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. MITCHELL. I thank my colleagues.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for morning business, with Senators permitted to speak therein for up to 5 minutes each, with Senator REID to be recognized not to exceed 15 minutes.

The Senator from Nevada is recognized.

Mr. REID. Mr. President, I ask unanimous consent that I be allowed to speak up to 10 minutes rather than 15 minutes, and following my presentation, that the junior Senator from North Carolina be recognized for 10 minutes, the Senator from Maine for 10 minutes and then the Senator from Illinois be recognized after that.

The ACTING PRESIDENT pro tempore. Is there objection? Without objection, it is so ordered. The Senator from Nevada.

CESSNA 411—A DEADLY PLANE

Mr. REID. Mr. President, Labor Day is a festive occasion in the State of Nevada as it is around the rest of the country. Parades and celebrations are held all over the State. One of the celebrations that has been going on for decades is a parade in a place called Fallon, NV. On that occasion, on September 3 of this year, the ordinary festivities took place, including the parade in Fallon, NV. Shortly after that parade, the festivities broke up and participants in the parade went various places.

One of the groups, consisting of a Republican candidate for State treasurer who was piloting an airplane, a State senator who was running for Lieutenant Governor, the pilot's wife, and two staff people took off from the Fallon airport in a Cessna 411 airplane. Shortly after takeoff, one of the engines failed in that aircraft. A crash ensued very quickly. Robert Seale's wife, Judith, was killed. State

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Senator Sue Wagner was hurt badly. She is still hospitalized. The pilot, Bob Seale is still hospitalized and one of the other passengers is still hospitalized. Luckily, one of the passengers was thrown from the aircraft and received only minor injuries.

When we first learned of the crash—I mean especially those of us who fly around the very large State of Nevada in small airplanes—when we first learned of that, of course, we were concerned. We were troubled. We had learned that one of the passengers was dead. After that information was sorted out, various thoughts came to our minds.

One thought, of course, was: With a two-engine airplane why could that airplane not land? Why could the pilot, who was just a short distance from the airport, not maneuver that aircraft back and land at Fallon? The weather was good. It was midday. There were no clouds. There was no wind. It was a beautiful Nevada day.

My initial feeling was concern for the survivors. One of the passengers, Sue Wagner's husband, had been killed 10 years before in an airplane crash, in a private plane crash. But, Mr. President, these feelings have since turned to feelings of anger.

I have learned this was an avoidable accident. The plane should never have been in the air. It should have been grounded years ago, but, of course, the person who purchased that airplane did not know that, the pilot did not know that.

Three hundred Cessna 411's were built in the late 1960's. This was the first cabin-class twin that they built. Mr. President, like the Edsel, it was poorly designed; but unlike the Edsel, it was deadly. The Cessna 411 is a death trap. Cessna and the Federal Aviation Administration have known this since before 1969. It has the worst safety record of any airplane. This is backed up by many sources, including an article that was written way back in 1985 by the Aviation Consumer, a magazine, by the way, that does not accept advertising.

The airplane is 10 times more dangerous than the safest plane. By comparison to any other plane, this airplane is a safety disaster. In 1985, there were only 150 of them still flying. By 1985, nearly 10 percent had crashed due to engine failure. How many have crashed since then I really do not know, but we are going to find out. But we know of at least one additional crash, the one that killed Judith Seale.

Everyone who flies and knows something about airplanes, knows this plane is simply unsafe. The proof, if any more is needed, is in the price of the airplane. Even in the mid-1980's you could buy this airplane for about $30,000, maybe $35,000. But, Mr. President, this has led to another problem, as indicated in the magazine article from which I read a paragraph entitled "Fly-by-Night":

> One of the insidious things about the 411 is, ironically, its attractiveness to shoestring air taxi companies. What other $35,000 airplane can carry eight people in cabin-class comfort? A cut-rate operator can buy a 411 for virtually nothing, hire a kid with a fresh commercial license and a few hours of multi-engine time, and start hauling around six or seven unsuspecting members of the general public.

If an engine goes out, the plane crashes. Intolerable forces buildup that make the plane uncontrollable. They far exceed both old and new FAA limits, yet the FAA has certified this airplane and recertified it. The recertification performed in 1969 is an embarrassment. The two people who recertified it said they only flew the airplane once. Cessna came back and said, it had been flown many times. But they could not have flown for the weather was too bad. The test, that is the recertification test, was performed under very suspicious circumstances.

In 1974, Mr. President, listen to this, a real-life safety test was made of this plane. Cessna hired a test pilot who had spent his career in the Air Force testing jet planes, one of the finest test pilots in the world, to demonstrate the safety of the 411 for a court case. He took off, and rose to a safe altitude. He knew he was turning the engine off as part of the test. Remember one of the best jet pilots around, turned the engine off—the plane crashed. He tried to explain it. He could not explain it. Why? Because the airplane will not fly on one engine.

But unlike my friends who crashed Labor Day, the test pilot was not injured. He was able to walk away. Remember, this is one of the best test pilots in the world and he could not keep the airplane in the air even though he knew he was going to turn the engine off. Think what would happen to an ordinary pilot, a pilot like Bob Seale?

It is time something is done to stop this death trap from killing again. Mr. President, I demand that the Federal Aviation Administration immediately move to prevent this plane from flying again. The FAA has that power. They could issue an airworthiness directive removing these airplanes from the sky. Cessna, for its part, should be glad to see the plane go.

The National Transportation Safety Board has already made an investigation of the Nevada crash. They know what happened. It was engine failure. Of course, they knew that before they went to Nevada. These planes cannot fly on one engine.

Cessna, as I indicated, should be glad to see the plane go. It is a death trap. They cannot defend it on moral grounds, and I imagine their legal defenses are becoming more limited each day. It is truly a proven killer and should be given the death penalty by the FAA. They know these airplanes are unsafe.

Cessna should have shown corporate responsibility long ago and recalled the planes, offer to buy them all. Not to repair or renovate—you cannot do that—but to retire them because they are unfixable.

As said by Aviation Consumer magazine way back in December 1985:

> We simply would not leave the ground in a Cessna 411 under any circumstances, either as a pilot or a passenger. We don't think anyone else should either. The airplane is a killer.

Mr. President, I ask unanimous consent that I be allowed to insert in the RECORD a news article setting forth the accident that took place in Nevada. I also ask unanimous consent that the magazine article to which I have referred be printed in its entirety in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CANDIDATE'S WIFE KILLED

(By Mike Norris and Steve Timko)

A bright morning of political glad-handing on the eve of primary elections ended in a Labor Day tragedy for two prominent Republican candidates, their families and campaign aides.

A plane crash outside Fallon Monday took the life of Judy Seale, surgical services director at Saint Mary's Regional Medical Center and wife of state treasurer candidate Bob Seale.

Seriously injured were state Sen. Sue Wagner, a candidate for lieutenant governor and Bob Seale, a Reno accountant who also was the pilot of the twin-engine Cessna airplane that crashed shortly after takeoff from Fallon Municipal Airport.

A helicopter flew both Seale and Wagner to Washoe Medical Center, where they were listed in serious condition Monday night, said hospital spokeswoman Kate Griswold.

Two campaign aides—Brian Krolecke and Stephanie Tyler Hicks—were also aboard the plane but received less serious injuries.

Wagner, 50, suffered a neck injury and a brace was applied, but doctors told a large crowd of relatives and well-wishers there was no paralysis. She also suffered spinal fractures, and lung, head and facial injuries.

Wagner's late husband, Peter, a respected scientist at the Desert Research Institute, was one of four men killed on March 2, 1980, when a B-26 Temop II weather research plane went down in the Sierras.

Seale, 48, fractured his left wrist and both ankles. He also suffered burns to the right hand and face, as well as other lung, head and facial injuries.

Despite their injuries, both Wagner and Seale were reported to be conscious and lucid, campaign aides said.

The eight-seat plane that was supposed to fly the candidates from a Fallon campaign stop to a Carson City campaign picnic developed trouble in the right engine shortly after taking off about 12:30 p.m. The plane began smoking, and a red light flashed on the control panel.

Seale, with his wife acting as co-pilot, turned the plane around and tried to gain altitude, but could not, said Churchill County Sheriff Bill Lawry.

With the landing gear still pulled up, the plane came down in a field about one to two miles from the airport, hit a ditch and flipped over. The crash sheared off one wing and one prop ended up in the ditch. The plane then began coming apart, leaving a trail of fuselage parts, vegetables and cantaloupes from the annual Fallon Cantaloupe Festival the candidates had just attended.

The second engine ended up in Seale's lap when the plan came to rest on its belly.

The crash tossed Krolecke, a campaign aide to Seale, and his seat out of the plane. He walked about two miles to a farmhouse where a rancher, identified only as Ray, notified authorities about 1:15 p.m.

Hicks, who is Wagner's campaign manager, also suffered injuries and was taken by ambulance to Sparks Family Hospital. A nursing supervisor there said Hicks was stable and not in serious condition.

Krolecke was treated and released and appeared later in the evening, wearing a bloodstained shirt with a Seale campaign logo and a bandage wrapped around his head, to join a large crowd that had gathered in a Washoe Medical Center waiting room.

Funderal services are pending for Judy Seale.

"She was very highly regarded and respected by her peers," said Bill Van Ry, Saint Mary's chief executive officer. "We're going to miss her."

Sources said family friends familiar with the 411 Cessna—a late 1960s-vintage aircraft that Seale had purchased for his campaign to defeat incumbent Treasurer Ken Santor—attributed the crash to mechanical failure. They said the left engine had undergone repairs only a few days earlier.

Wagner, a special assistant to the president of the Desert Research Institute, has served 16 years in the Legislature, including three terms in the Assembly beginning in 1975. She is midway through her third four-year term in the Senate, where she is chairwoman of the Judiciary Committee.

Wagner campaign consultant Jim Denton said she would not withdraw from the race, which includes only one other Republican primary candidate, Pro-Life Andy Anderson, an anti-abortion activist from Reno.

"She has no intention of withdrawing," said Denton, who was allowed to see Wagner just before 7 p.m.

Depite his injuries, Seale will also continue to be a candidate, said campaign spokeswoman Liz Younger.

Many Nevada political leaders, family members and well-wishers gathered at Washoe Medical Center after Wagner and Seale were flown there at 3:35 p.m. by REMSA CareFlight.

The group was reported to include Rep. Barbara Vucanovich, R-Nev., Democratic Gov. Bob Miller and State Sen. Bill Raggio, R-Reno.

Miller, who declined to immediately comment, had joined Seale, Wagner and other political candidates in Fallon earlier in the day for the annual cantaloupe festival. Among highlights were a crafts fair and parade through downtown Fallon.

The parade's grand marshal, Elmo Dericco, who retired last Friday as superintendent of Churchill County schools, said he spoke with Wagner at an early morning pancake breakfast before she and other politicians went off to appear in the annual downtown parade.

"She was chipper as heck," Dericco said.

But, in another of several ironies associated with Monday's crash, family friends said Wagner was known to dislike traveling on small airplanes.

At least two other Republican candidates, including gubernatorial contender Jim Gallaway, narrowly missed the tragic flight Monday.

The other was Bryan Nelson, running for attorney general. Nelson decided against using the plane because there wasn't enough room to fit his children inside.

[From the Aviation Consumer]

GROUND THE 411!—YOU WOULDN'T GET US UP IN ONE OF THOSE THINGS

We've never published anything this drastic before.

For all our muckraking about safety problems over the past 13 years, for all our accident analysis and safety ratings (see the "Best and Worst" ratings nearby), for all our ranting about unsafe planes, we've never judged any aircraft to be so dangerous that it should be grounded. We've never before said to ourselves, about a certified production airplane, "You'd never get me up in one of those things."

But in this case, we're making an exception. The evidence is simply too overwhelming.

In our opinion, the Cessna 411 cabin-class twin is an irremediably dangerous airplane. All of them should be grounded permanently. Right now. Scrap the suckers. Turn them into beer cans.

We don't offer this opinion lightly. Nor does it spring from a wimpish Ralph Naderlike fear of flying. Unlike Nader, who criticizes cars without ever having owned one, we usually don't hesitate to fly the planes we criticize for safety shortcomings. They're not that bad. Aviation Consumer editors have put in plenty of hours—in some cases, hundreds of hours—in each of the planes that rate "worst" in terms of accident rates—the AA-1 Yankee, the AA-5 Tiger, the old V-tail Bonanza, the Aerostar, MU-2 and Learjet. In some cases we actually prefer them to other, statistically safer planes. We fly them fully aware of their bad safety records and their quirks. The bad traits don't keep us from setting foot in the airplanes; they just make us more careful.

But the Cessna 411 is different. We simply would not leave the ground in a Cessna 411 under any circumstances, either as pilot or passenger. We don't think anyone else should, either. This airplane is a killer.

HISTORY

The 411 was first introduced in 1965. It was the first cabin-class Cessna twin, the forerunner of a vast fleet of successful big-cabin models including the 401, 402, 414 and 421 series. Production of the 411 was phased out after 300 had been built, in 1968. Later 400-series Cessnas were similar in overall layout to the 411, but with one critical difference. As we shall see later, that difference may be the factor that turns a deathtrap into a fine airplane.

ACCIDENT RATE

The safety statistics on the 411 are shockingly bad. During the period 1972-82, the 411 had a fatal accident rate of 7.6 per 100,000 flight hours. This number is nearly 10 times worse than the safest twin, the Cessna 414 (0.8) and more than six times worse than the median for the 17 other twin-engine aircraft we analyzed (1.2). The 411's fatal rate was twice as bad as the next-worst twin, the Aerostar (3.8).

In fact, the 411's fatality rate is far worse than that of any other airplane we've ever studied. The "worst in class" airplanes cited above and analyzed nearby have fatal accident rates ranging from 3.3 to 4.8. The 411, at 7.6, is truly the worst of the worst—by far.

ENGINE FAILURE

Why is the 411's accident rate so bad? Accident analysis is usually a subtle, sometimes puzzling exercise. But in the case of the 411, one factor stands out in sharp relief; engine failure accidents.

Compare the 411 to the very similar Cessna 401, for example. The 411 has an engine-failure accident rate five times higher than the 401's (2.7 vs. 0.5 per 100,000 hours) and a fatal engine-failure accident rate more than 10 times worse than the 401's (0.68 vs. 0.06).

Nearly one in 10 of all the 411s ever built has crashed due to engine failure. A total of 300 411s were manufactured, and fewer than 150 are currently active. But at least 25 have crunched when the engine lunched.

ENGINE HISTORY

The engine in the 411 is the 340-hp Continental GTSIO-520-C. The -C was the first of Continental's big geared turbocharged engines, and like many first tries, it fell well short of perfection. "There's a world of trouble brewing under the 411 cowlings," commented one engine expert we qurried.

Part of the problem was that pilots weren't used to handling such complex, fragile powerplants. Turbocharging was rare in those days, and pilots didn't know the nusances of operating turbo engines. The -C was also quite sensitive to over-cooling on descent, and the gear reduction system didn't like wind-milling at low power and high speed. "People tried to run it like you'd run an O-470 in a Skylane," commented one overhauler.

But a big part of the GTSIO-520-C's problem was simply poor design. The cylinder castings proved to be weak, and there were instance of cylinder heads blowing off in flight.

Comments one engine expert, "If you have a 411 with the original cylinders, you've got a flying time bomb on your hands."

Cracking crankcases were also a problem in the -C, along with a poorly designed turbocharger oil line restrictor that could clog up and allow overboosting of the engine.

COST VS. VALUE

Put a complex, finicky, high-maintenance engine on an obsolete, low-value airplane, and you've got a recipe for disaster. Current market value of a typical 411 in good condition is about $35,000. A remanufactured engine or overhaul job runs about $20,000. Thus the cost of a double overhaul exceeds the value of the airplane.

It doesn't take a Ph.D. in economics to figure out that 411 owners might tend to skimp on maintenance. The guy who buys a $35,000 cabin-class twin is very likely to be a low-baller working with a shoestring budget—a budget that may not allow for much engine maintenance.

HANDLING QUALITIES

What makes the 411 such a killer however is what happens after the engine fails. The airplane has atrocious single-engine handling qualities. By all reports if an engine fails in a 411 at low altitude, an accident is virtually assured.

An average pilot, caught by surprise in a real emergency, doesn't stand a chance.

How bad are the 411's engine-out traits? A professional test pilot (hired by a lawyer

suing Cessna over a 411 crash) wrung out a 411 for 4.5 hours, Excerpts from his report:

"With the prop windmilling and the cowls open, the rate of sink at 120 mph was approximately 700 fpm, and to maintain a speed of 120 mph, the rudder forces were approximately 270 pounds . . . Rudder pedal forces are unacceptably high and would max out most pilots . . . With an engine wind-milling, intolerable stick and rudder forces (are required) to maintain bell centered at 120 mph . . . banking into or away from the live engine does not appreciably change the forces."

The rudder forces are "intolerable" not only from a human point of view. They far exceed FAA limits. Both CAR 3.106, the old rules under which the 411 was certified, and FAR 23.149(b), the current regulation, set a limit of 150 pounds of rudder pressure.

FAA "RE-EVALUATION"

In 1969, the FAA, spurred by a rash of 411 engine-failure accidents, carried out a "re-evaluation" of the 411. The plane supposedly passed the FAA's scrutiny, but the re-evaluation was, at best, in our opinion, a farce, and perhaps an outright fraud.

The sorry saga of the FAA evaluation began after a 411 engine-failure crash at Teterboro Airport in New Jersey in 1968. Walt Cederlund, the supervising inspector at the Teterboro GADO office, investigated the accident and sent a report to Washington outlining numerous problems with the 411.

Cederlund's report criticized the 411's single-engine handling qualities—particularly the high rudder pressures required—and pointed out several other problems with the plane. For once, FAA headquarters reacted quickly. Less than a month later, an FAA evaluation team went to Wichita to take a second look a the 411.

What happened during the week-long evaluation is a matter of some dispute. The official FAA report implies that FAA and Cessna pilots thoroughly put the 411 through its paces. The report listed an ambitious plan of flight testing: Vmc determination, one-engine stalls, lateral and directional stability in single-engine flight, climb performance, and the effect of feathering, flaps, gear and cowl flaps on single-engine performance.

The report concluded, "Regulation compliance was found . . . in all areas tested with regard to flight characteristics and performance . . . No unsafe flight characteristics were noted."

But, according to two members of the FAA team tracked down by *The Aviation Consumer*, only one brief flight was made, Says team member Cederlund, "There were many things in the report that we didn't do during the evaluation of the airplane . . . I felt the evaluation was inadequate." A second team member, Robert Kennedy, confirmed that just one flight was made. Neither Cederlund nor Kennedy had a hand in writing up the report.

Cessna rebuts Cederlund's testimony, pointing out that he didn't arrive in Wichita until late in the week. Cessna told us that tests flights had been performed earlier in the week, and that perhaps Cederlund had been unaware of them.

If Cessna is right about those earlier flight tests, the FAA and Cessna test pilots who conducted them deserve a medal for bravery.

The weather was abominable. National Weather Service records for the first three days of the test period mention zero-zero conditions, fog, drizzle and strong gusty winds.

All the evidence suggests that just one brief test flight was made, under marginal weather conditions. The report exonerating the 411 looks to us like a fabrication, a sham.

TALE OF THE TAIL

Why is the 411's single-engine handling so awful? One answer is clear to the trained eye. The size of an airplane's tail and rudder is a major factor in single-engine controllability. Take a look at the size of the 411's tail and rudder in the picture nearby. Compare it to the tail of the 414 in the other picture. Do you suppose that perhaps Cessna learned something from the 411 and applied the lesson to the 411?

Other factors may contribute to the 411's engine-out handling problems. Walt Cederlund's initial FAA report mentioned that the pilot's seat tended to slip back under the strain of the pilot pushing on the rudder. The seat back itself also flexes under the load (just imagine doing 270-pound leg press exercises—with one leg—on a Nautilus machine). The 411 also has a two-inch step on the cockpit floor just in front of the rudder pedals. This step tends to catch the pilot's heel and makes it harder to apply quick, full rudder pressure.

FLY-BY-NIGHT

One of the insidious things about the 411 is, ironically, its attractiveness to shoestring air taxi companies. What other $35,000 airplane can carry eight people in cabin-class comfort? A cut-rate operator can buy a 411 for virtually nothing, hire a kid with a fresh commercial license and a few hours of multi-engine time, and start hauling around six or seven unsuspecting members of the general public.

BUY 'EM BACK

We believe the 411's problems can't be solved by any reasonable means. (Grafting a 421 tail onto the airplane is obviously out of the question economically.) No minor modification or inspection or handbook update will make the airplane safe. The only course of action, we believe, is a permanent grounding of the 411.

To our knowledge, the FAA has never issued an AD permanently grounding an airplane, without recourse. Realistically, we don't expect the FAA to have the guts to make such a politically controversial move, even though the 411 clearly doesn't meet certification requirements.

So here's our suggestion: Cessna should buy back every 411, bull-doze them into a big pile, and light a match.

Ridiculous? Crazy? We're not naive enough to believe that Cessna would pay millions of dollars out of altruistic concern for public safety. But in fact, Cessna would be doing itself a big favor by getting the 411s out of the air. In the long run, buying back the 411 fleet would almost certainly improve Cessna's bottom line.

The reason is product liability. Each of the 150-odd 411s now registered with the FAA is a flying time bomb of legal liability in case of an engine-failure accident. With eight seats per airplane, the active 411 fleet represents 1,200 potential million-dollar lawsuits. Cessna has already lost one 411 suit (to the tune of $300,000). In another recent bizarre case, a jury thought it was delivering a verdict against Cessna, but because of the jury's misinterpretation of a legal technicality, the company got off the hook.

It would be very difficult for Cessna to defend itself against a 411 engine-failure case. A jury, after seeing the airplane's horrible accident record, its apparent failure to meet FAA certification requirements, and the suspicious looking FAA "re-evaluation," might well frown upon Cessna in the courtroom.

For relief from such a liability burden, the cost to Cessna of a mass 411 buyback would be a bargain. Current value of a 411 in good shape is about $35,000. (A low-time loaded creampuff might go for as much as $50,000, while a high-time dog with a sick engine is virtually worthless, except perhaps for salvage value.) Assuming Cessna paid 40 Gs for each registered airplane (and what 411 owner wouldn't jump at a wad of cash that size?), the total cost to Cessna would be about $6 million.

Six big ones is not exactly peanuts, but it would not devastate the bank account of a company that will gross $700 million-plus this year. One engine-failure crash of a 411 full of people could cost Cessna $6 million is legal costs.

In addition, of course, Cessna would no longer have to support the 411 with spare parts and technical information.

Such a mass recall has a precedent at Cessna. In the mid-50's, the company developed a four-place helicopter called the CH-1. It was a commercial flop, however. After selling a couple of dozen of the $80,000 machines, Cessna decided to get out of the helicopter business altogether. Rather than leave its customers hanging without factory support, the company bought back every CH-1. One former Cessna employee recalls the total cost of the CH-1 buyback as "a couple of million or so."

Adjusted for inflation, the CH-1 buyback would amount to $7 or $8 million today. Cessna could buy back its 411 liability problem for less than that.

Too many things work against it: the unreliable engines; the high cost of engine maintenance in relation to the airplane's value; the terrible single-engine handling qualities that defy even the best of pilots; and its use as a cut-rate air-taxi/commuter aircraft.

Bring on the cutting torches.

Mr. REID. Mr. President, Nevadans believe it is time that we put this chapter to a close. These airplanes should be placed in a salvage yard and all these airplanes remain as junk because that is what they are.

I yield the floor.

The PRESIDING OFFICER (Mr. LIEBERMAN). Under the previous order, the Senator from North Carolina is now recognized for up to 10 minutes.

Mr. SANFORD. I thank the Chair.

(The remarks of Mr. SANFORD pertaining to the introduction of S. 3041 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, the Chair recognizes the Senator from Maine [Mr. COHEN] for 10 minutes. The Chair advises the Senator from Maine that under the previous order the period for morning business was to have expired.

Mr. COHEN. I thank the Chair for his calling my attention to the clock. I

will indicate that I spoke with the Senate majority leader just before his departure to Andrews. He indicated at that time that there was no pressure to confine the time to 10:15 as the original order, and at the appropriate time as we approach that, I will ask unanimous consent that morning business be extended to so I can complete my remarks. I will try to confine them to under 10 minutes.

I know the Senator from Illinois is also seeking time. I make that unanimous consent. I ask unanimous consent that I be allowed to proceed for 10 minutes; that morning business be extended to 10:35.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Maine is recognized.

Mr. COHEN. I thank the Chair.

(The remarks of Mr. COHEN pertaining to the introduction of S. 3042 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Under the previous order, the Chair recognizes Senator DIXON for not to exceed 10 minutes.

Mr. DIXON. I thank the Chair.

(The remarks of Mr. DIXON pertaining to the introduction of S. 3040 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Who seeks recognition?

Mr. DIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. PRESSLER. Mr. President, I would like to speak this morning on the issue of the upcoming sequester and its possible effect.

The PRESIDING OFFICER. If the Senator will withhold, with apologies the Chair informs the Senator that the time for morning business has expired, so it would require consent at this time.

Mr. PRESSLER. Mr. President, I ask unanimous consent that I might speak for 5 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

BUDGET SEQUESTER SHOULD INCLUDE CONGRESS

Mr. PRESSLER. Mr. President, I would like to speak about the possibility of the upcoming sequester. We all hope that a budget agreement is reached, but having served in Congress now for over 15 years, I believe that it is going to be very difficult to reach a budget agreement on time. I hope that we do. We have an obligation to do so.

In fact, it is my strongest conviction that our country will suffer greatly if we do not reach a budget agreement by October 1, by the date that it is required to occur.

When I was in my home State of South Dakota, I visited with several Federal employees. They are concerned about the effects of a sequester. They will be furloughed under budget sequestration. Our Federal employees have received letters telling them that they are going to be furloughed, and they are very upset. It is demoralizing to them.

I saw a piece on TV last night showing what would happen to meat inspection if there are furloughs, what will happen to air traffic control if there are furloughs. It would have a devastating effect on our economy.

I would like to point out that the sequester does not affect the pay of Senators and Congressmen. I believe that it should. I believe it should affect our pay. I believe it should affect the Members as much as the Federal civil servants and the Foreign Service, and so forth.

Thus, I am today introducing legislation to place Members of Congress under the same sequestration rules as our Federal employees. Thus, Members of Congress would receive furlough notices and pay reductions the same as our Federal civil servants. I think the example we set in this Chamber is very important.

People are confused about the rules of sequestration. Under the rules of sequestration, if Congress does not reach a budget agreement by October 1, a set of cuts go into effect, draconian cuts, across the board, that will result in Federal workers being sent home for several days of each month without pay.

You can imagine the impact this would have on some of their budgets, particularly those who are secretaries or those who have families. But it is also very demoralizing for those hard-working people, good-faith people, who are employees of our Government to receive such notices.

I met in Rapid City with various Federal employees. They were confused, hurt and angry that they were devoting their lives to working for the Government and for carrying out important public service functions. To receive a furlough notice letter without any explanation and without understanding the broader picture is a devastating experience.

It is Congress that is supposed to act. It is Congress that is supposed to get its work done on time. If Congress cannot get its work done on time, then its Members should be in the same category as furloughed civil servants. Thus, my legislation would apply the sequester to Members of the House and Senate. They would get a pay cut. They would experience the effects of a furlough just the same as the other employees of the Federal Government.

Mr. President, I think the example this body sets is very important. I think it is important that, if our Federal employees and others are treated this way, the Members of the House and Senate should also. So my legislation would provide that Members of Congress would receive a pay cut for so many days a month, as our civil servants and our Foreign Service and others will. It would place the Members of Congress under the same rules.

Mr. President, over the years, the Congress has had a habit of passing laws that apply to small businesses but do not apply to us. We had debates in this Chamber recently about making applicable to our staffs certain civil rights protections that are applicable to small businessmen across the U.S. Congress exempts itself from requirements that it places on small businessmen in their business. Almost every bill that goes through here has a provision in it that the House and Senate Members and their staffs are exempt from rules that apply to everyone else. Well, this has caused an uproar across our country. If there is a sequester and it does not apply to Members of Congress equally, it will be very bad.

It is true that the sequester applies, to some extent, to staffs of Members of Congress. But Members of Congress are exempt from the same requirements that we have placed on other people who work for the Federal Government. So my legislation corrects this, and I ask the Senate to give it full consideration. I shall offer it as an amendment, if necessary, to some bill late at night on October 1 if is not dealt with sooner.

Mr. PRYOR. Mr. President, I ask unanimous consent that I may proceed for no longer than 6 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

OLDER WORKERS BENEFIT PROTECTION ACT

Mr. PRYOR. Mr. President, on Monday of next week, according to what I understand of the Senate's schedule, the Senate will take up the so-called Betts bill, a case involving a woman in Ohio named June Betts, who won a case of age discrimination in the Federal district court in Ohio, who won in the circuit court of ap-

peals, but who lost in the Supreme Court of the United States.

This morning, Mr. President, Senator METZENBAUM, Congressman ROYBAL, myself, and others participated in a press briefing as to what the Betts bill did and what it did not do, because there is a great deal of confusion. We heard a very emotional statement, Mr. President, by Carolyn Betts, who is the daughter of June Betts, the subject of this particular matter.

I ask Carolyn Betts this morning, Mr. President, if I had her permission to basically read portions of her statement to the Senate on the floor at this time. She consented. Mr. President, I will read portions of her statement, and I will do so as follows:

Good morning. My name is Carolyn Betts. I am here to carry a message on behalf of my mother, June Betts, because she is not able to be with us today. I am here to urge Congress to pass the Older Workers Benefit Protection Act to stop discrimination against older workers like my mother.

I know my mother would believe it is important for you to understand what happens to older people, particularly older women, when they get sick and don't die right away. Let me tell you for her what happens to middle class people when their employers save money at the expense of older workers.

When my mother was in her 50s, she returned to school and got a master's degree in speech pathology. She got a job with Hamilton County, Ohio, teaching children with Down's Syndrome and Cerebral Palsy how to talk. Within a couple of years, my mother became unable to perform her job. No one realized she had Alzheimer's Disease.

Mother's supervisor told us that she could either go on unpaid leave or take early retirement. But she could not get disability benefits because she was sixty-one years old. We were shocked to learn that if you are a state or county worker in Ohio and become disabled at age 60 or older, you cannot get disability and are forced to take early retirement.

In cases like my mother where the worker is not vested, the pension benefit is much less than disability. On disability, Mother would have received $355 per month. On early retirement, she gets only $158. Older Ohio state and county employees who become disabled now are in a worse situation than my mother, since Ohio has eliminated health insurance benefits for early retirees. They become destitute quicker than Mother.

Mother didn't understand all of this, but she knew her employer was denying her money she should have gotten. We filed suit claiming age discrimination. We won all the way up to the U.S. Supreme Court. AARP and EEOC supported our case. The Solicitor General argued on our behalf in the Supreme Court that my mother could not be denied disability benefits based on her age. We seemed to have everything on our side. But the Supreme Court didn't listen. They ruled that it was legal to discriminate against older workers in employee benefits. They said it didn't matter what Congress intended in enacting the ADEA; it didn't matter that EEOC regulations in effect for 20 years were on our side.

For my mother, the difference between getting disability benefits and not getting them is a matter of a few months in a nice room in a nursing home instead of a charity bed at taxpayer's expense.

I don't want the name "June Betts" any longer to mean if you are over 40, your employer can deny you hard earned employee benefits. I want people to know that my mother made a difference to thousands of others because the Congress believed in her case and made it a cause for righting her wrong.

Mother says "thank you for caring."

Mr. President, that was the end of Carolyn Betts' statement this morning. I found it basically, in a nutshell, tells us what the issue will be on Monday when we start discussing the Betts case on that particular legislative day.

Some have said that we are attempting, basically, in the final days of this session, to pressure and to put this issue before the Senate without due consideration. Mr. President, let me respond to that, that the Betts override legislation was introduced in this Senate in August 1989. For over 1 year, we have attempted to compromise, we have attempted to meet each and every objection that we have heard about the ramifications of overriding this particular Supreme Court decision.

We are proud today, Mr. President, to have over 50 cosponsors of this legislation. We know that there will be controversy attending the debate on this legislation. But we urge our colleagues at this point to look very carefully at what the Supreme Court said to this elderly lady, and also to see what ramifications will ultimately occur if the U.S. Senate or the Congress as a whole refuses to override this blatant case of age discrimination in the work force.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

THE STRATEGIC PETROLEUM RESERVE LEGISLATION

Mr. JOHNSTON. I thank the Senator from Maryland. I am pleased to tell my colleagues that last night we finished work on an extension of the strategic petroleum reserve legislation. What that legislation does is increase the strategic petroleum reserve from 750 million barrels to 1 billion barrels. My colleagues will know that we now have only 540 million barrels in the strategic petroleum reserve. This is a much needed piece of legislation. It happens to be the only part of a domestic energy policy this country has which makes any sense.

Mr. President, year after year after year in this country, domestic oil production has gone down because we have not had any incentive to drill. Imports have gone up. And now, Mr. President, we find ourselves with only one piece of protection in an energy policy and that is the strategic petroleum reserve.

I am pleased that this passed. It is much needed legislation. But we ought to take this opportunity with the crisis in the gulf to understand that this country needs to change from a policy of import to a policy of made in America.

We need to produce energy in this country, we need to drill oil and gas in this country efficiently, where there is a good prospect, where it is environmentally safe. We need to produce clean coal, we need to produce safe nuclear power, we need to produce alternative sources of energy, and we need to conserve, and we need to put this policy in place now. This is a first step. It needs to be a first step in a meaningful policy to get a national energy policy that says "produce it here in America instead of importing."

Mr. President, I thank my distinguished colleague from Maryland.

THE "DIPLOMACY" OF AMBASSADOR GLASPIE

Mr. HELMS. Mr. President, ever so often there come occasions when a Senator can feel that his positions have been vindicated. I had that feeling this morning when I read a Washington Post report on a transcript of a conversation between the United States Ambassador to Iraq, April Glaspie, and the Butcher of Baghdad, Saddam Hussein.

According to the article by Jim Hoagland, Ambassador Glaspie assured Saddam on July 25, only a week before the invasion of Kuwait, that "we have no opinion on the Arab-Arab conflicts, like your border disagreement with Kuwait."

This statement by Ambassador Glaspie was equivalent to the famous statement of Secretary Dean Acheson that Korea was outside our defensive perimeter, thereby triggering the Korean war. Ms. Glaspie apparently failed to realize that she was dealing with a criminal mind. To suggest that we had no interest in the integrity of the borders of an independent friendly nation was like throwing meat to a hungry wolf.

It is significant that the State Department does not dispute the accuracy of the transcript. Indeed, Ambassador Glaspie took care to point out that she spoke under instructions from the State Department. But that does not excuse her fawning over the man who gassed Iraqi children, and murdered his closest advisers in cold blood. Indeed, she called an ABC television interview with him "cheap and unjust. * * * I am pleased that you add your voice to the diplomats who stand up to the media."

Indeed, the transcript indicates that she seemed to be more concerned

about her own travel plans for a trip home, than about the possibility of a threatened attack on a weak and defenseless nation. Apparently she had so little understanding of the situation in Kuwait, that she actually left on vacation the night before the invasion, leaving the United States without high-level diplomatic representation at the very height of the crisis.

However, considering the level of the competence which she displayed in this interview, the United States was fortunate that she was not on the scene.

Mr. President, such conduct by U.S. Ambassadors, apologizing for the crimes of moral degenerates, is disgusting. I can see no reason why someone who serves the Nation so poorly should receive another major assignment; however, considering the attitude of some in the State Department, she will probably be given a bonus and sent to a more prestigious post.

Actually, her performance in Baghdad was easy to forecast. A worse candidate for the post could have been hard to imagine. Her previous post was in Syria, where she was as enthusiastic about President Assad—another mass killer and protector of terrorists—as she later was about Saddam. Assad is the mirror image of Saddam in terrorism, crushing of human liberties, and aggression against defenseless neighbors. The only problem is that he is Saddam's main rival and chief enemy. Only the State Department would think of the idea of sending someone closely associated with support of Saddam's main enemy to be our Ambassador to his government.

Moreover, April Glaspie has been a strong and influential supporter of the PLO within the State Department, and argued strongly against accepting the action of Congress legislating the closing of the PLO offices in New York. She leaves the impression that she never saw a terrorist she didn't like.

Mr. President, I raised these precise questions directly when April Glaspie was nominated as Ambassador to Iraq. She might have pursued her career elsewhere with success, but it was clear that she would be a disaster in Iraq. I delayed her confirmation for 6 months in the hope that reason might prevail. But when it became evident that nothing could sway the State Department's judgment, when no amount of common sense could be made to prevail, her nomination was approved.

No one can take pleasure in watching the tragedy of Kuwait unfold.

However, this Senator does feel a small amount of vindication with regard to his caution on April Glaspie in this morning's news.

Mr. President, I ask unanimous consent that the article by Jim Hoagland from today's Post, as well as a UPI report from March 18, 1988, about April Glaspie's nomination be printed in the RECORD at the conclusion of my remarks.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 13, 1990]

TRANSCRIPT SHOWS MUTED U.S. RESPONSE TO THREAT BY SADDAM IN LATE JULY

(By Jim Hoagland)

One week before he ordered his troops into Kuwait, Iraqi leader Saddam Hussein warned the U.S. ambassador in Baghdad that America should not oppose his aims in the Middle East because "yours is a society that cannot accept 10,000 dead in one battle" and is vulnerable to terrorist attack, according to the Iraqi minutes of the July 25 conversation.

U.S. Ambassador April Glaspie did not respond directly to Saddam's menacing comments, concentrating instead on praising Saddam's "extraordinary efforts to rebuild your country." She also gently probed the Iraqi leader's intentions in massing troops on Kuwait's border, but did not criticize the Iraqi troop movements, according to the Iraqi transcript.

The State Department did not challenge the authenticity of the transcript yesterday. Spokesman Richard Boucher declined to comment on specific remarks it contains. He said Glaspie was not available for comment.

Iraq's version of the meeting shows Saddam giving Glaspie explicit warnings that he would take whatever action he deemed necessary to stop Kuwait from continuing an "economic war" against Iraq. Her response, as recorded by the Iraqis, was to reassure Saddam that the United States takes no official position on Iraq's border dispute with Kuwait.

In response to Saddam's comments about Iraq's need for higher oil prices, the ambasador said: "I know you need funds. We understand that and our opinion is that you should have the opportunity to rebuild your country. But we have no opinion on the Arab-Arab conflicts, like your border disagreement with Kuwait . . . James Baker has directed our official spokesman to emphasize this instruction."

The disclosure of the transcript to Western news media, which originated with Iraqi officials, appears intended to emphasize that Saddam had reason to believe that the Bush administration would not offer any serious opposition to his move against Kuwait.

The administration has acknowledged that it was caught by surprise by Iraq's Aug. 2 invasion of Kuwait. But the tone and content of the transcript of the July 25 meeting called by Saddam strongly suggest that the official American misreading of Saddam's intentions and capabilities may have emboldened him to commit an act of aggression that has brought the United States to the brink of war in the Persian Gulf.

ABC television on Tuesday night quoted briefly from the Iraqi transcript, which was also the subject of an article in the British newspaper The Guardian yesterday. The Washington Post has obtained a 17-page English translation of the full transcript.

While the Iraqi transcript is disjointed in places, the substance of Glaspie's recorded remarks closely parallels official U.S. positions stated in Washington at the same time, in which other State Department officials publicly disavowed any American security commitments to Kuwait.

A career foreign service officer, Glaspie made a point of telling Saddam that she was acting under instructions from Washington in responding to him.

Greeting her, Saddam said that he wanted his part of their conversation to be "a message to President Bush." Reviewing U.S.-Iraqi differences, he singled out the secret shipments of U.S. arms to Iran in 1985 and 1986 and recalled that he magnanimously accepted President Reagan's "apology" to him "and wiped the slate clean."

Saddam turned next to the devastated condition of the Iraqi economy because of eight years of war with Iran. He suggested that the United States was supporting an effort by Kuwait to wage "another war against Iraq," an "economic war" that deprives Iraqis of "their humanity by depriving them of their chance to have a good standard of living."

The United States should be grateful to Iraq for having stopped Iran miltarily because the United States could not fight such a war in the Persian Gulf. Saddam said, "I hold this view by looking at the geography and nature of American society. . . . Yours is a society which cannot accept 10,000 dead in one battle."

Denouncing Kuwaiti efforts to "deprive us of our rights" he demanded that the United States "declare who it wants to have relations with and who its enemies are. . . . If you use pressure, we will deploy pressure and force. . . . We cannot come all the way to you in the United States but individual Arabs may reach you."

The remainder of his opening monologue was filled with attacks on U.S. support for Israel, for the United Arab Emirates and for Kuwait. Saddam made a point of telling Glaspie that he had clearly warned the Kurdish tribesmen of Iraq and Iran's leaders before he went to war against them.

In the transcript, Glaspie did not respond to this rhetoric. She began her response by speaking of Bush's desire for friendship with Iraq: "As you know he directed the United States administration to reject the suggestion of implementing trade sanctions" against Iraq. "I have a direct instruction from the president to seek better relations with Iraq. . . . President Bush is an intelligent man. He is not going to declare an economic war against Iraq."

Saying that the American media's treatment of Saddam resembles its treatment of American politicians, Glaspie is quoted as calling an ABC Television interview with him "cheap and unjust. . . . I am pleased that you add your voice to the diplomats who stand up to the media."

She then said she has been instructed "to ask you, in the spirit of friendship—not in the spirit of confrontation—regarding your intentions" about Kuwait in light of his massing troops on the border. Saddam's response was that he hoped to settle his dispute with Kuwait peacefully, but the transcript shows him adding:

"We regard [Kuwait's economic campaign] as a military action against us. . . . If we are not able to find a solution, then it will be natural that Iraq will not accept death, even though wisdom is above everything else."

Glaspie took no notice of this implied threat in her concluding remarks. Instead, she told Saddam that she had worried that she would have to postpone her scheduled July 30 departure from Baghdad for consultations in Washington "because of the difficulties we are facing. But now I will fly" on July 30.

Thirty-six hours after her departure, Saddam launched his invasion. Glaspie has remained in Washington since then to underscore official U.S. displeasure with Saddam's action, according to the State Department

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[From UPI, Mar. 18, 1988]

CLEARANCE SEEN FOR GLASPIE NOMINATION

(By Jim Anderson)

WASHINGTON.—Last September, Secretary of State George Shultz cited April Glaspie, a foreign service officer, for her work in persuading the Syrians to use their influence to help free the 104 Americans held hostage aboard TWA Flight 847 in June 1985.

"A key was our contact with President Assad and Syria," said Shultz. "April Glaspie (then the ranking U.S. envoy in Syria) was just great and she is a little-known but, I think, genuine heroine of that whole effort."

Glaspie, nominated last November to become U.S. ambassador to Iraq, has since become a kind of hostage herself, caught in a struggle between the administration and conservative Republicans on Capitol Hill.

Sen. Jesse Helms, R-N.C., who questioned Glaspie sharply in her nomination hearings before the Foreign Relations Committee on Dec. 1 about U.S. policy toward the Palestine Liberation Organization, put a "hold" on her nomination, which was enough to postpone a vote until the 100th Congress was seated this year. In the new Congress, he used the same procedural device to cause a further delay.

At her confirmation hearing, Helms asked Glaspie if the PLO were a terrorist organization. She responded with the administration formula:

"The PLO is an umbrella organization, containing some elements who are terrorists." She pointed out that one of the directors of the PLO is an Anglican bishop.

Helms retorted, "I supppose Al Capone had some associates who went to church on Sunday. Does that mean that the Mafia is not a criminal organization?"

A Senate source close to Helms said that Glaspie was a symbol of the State Department's reluctance to brand the PLO a flat-out terrorist organization and Shultz's reluctance to close the PLO offices in Washington and New York.

Shultz later described the congressional mandate as "one of the dumber things that Congress has done lately" because of the credibility and prominence it gave the PLO.

But the Justice Department overruled the State Department and ordered the PLO observer mission to the United Nations to be closed by March 21, as ordered by Congress in the Anti-Terrorism Act of 1987.

Not totally coincidentally, on the day after the sheduled closure of the PLO the Foreign Relations Committee, after nearly six months of procedures, delays and maneuvering will finally gather a quorum to approve Glaspie's nomination as ambassador to Baghdad, the first American woman ever to be designated an envoy to an Arab nation.

A source close to Helms said that he will not seek to delay a vote any longer, once he is satisfied the administration will carry through the closure of the PLO observer mission at the United Nations.

Glaspie's approval by the committee and the full Senate are expected to be routine, once the Helms roadblock is removed. She is expected to be confirmed by the full Senate on April 26, her 46th birthday.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The period for morning business has now expired.

EXPORT ADMINISTRATION ACT AMENDMENTS

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 2927, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2927) to amend and extend the Export Administration Act of 1979.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The chair recognizes the floor manager, the Senator from Maryland, Mr. SARBANES.

Mr. SARBANES. Mr. President, I rise in support of S. 2927, the Export Administration Act Amendments of 1990. This legislation was marked up and reported out of the Senate Banking Committee on the 17th of July unanimously. It is an important piece of legislation. We need action on it before the end of the current fiscal year.

I would like, at the outset, to particularly acknowledge the very strong support and guidance which the chairman of the committee, Senator RIEGLE, gave with regard to this legislation. He made its passage a top priority of the committee this year.

He is not able to be with us at this moment because he is chairing a hearing in the Banking Committee concerning the Resolution Trust Corporation and its disposition of assets, which is, of course, a very important matter and an issue which the committee has been following very closely. In fact the committee is conducting a full week of oversight hearings this very week with respect to both the savings and loan situation and the banking industry. But Senator RIEGLE has had a keen interest in the issue of international trade and competitiveness and he played a vital role in the committee's development of this legislation.

I also, at the outset, would like to express my appreciation and thanks to the ranking Republican member of the Banking Committee, Senator GARN, and to Senator HEINZ, who is managing the bill on the Republican side today, for their very cooperative efforts in developing this legislation and bringing it to the floor.

Senator HEINZ had had a longstanding interest in this issue. He has had a great deal of influence over the substance of national policy in this area and we have been able to work, I think it is fair to say, closely together in a bipartisan fashion in order to shape this legislation.

The Export Administration Act provides the President broad authority to control exports of high technology commercial goods with possible military applications. Just 2 years ago the Banking Committee undertook a major revision of the Export Administration Act as part of the Omnibus Trade and Competitiveness Act of 1988. As Senators will recall, that was a major omnibus piece of legislation. It had pieces in it from a number of different committees in the Senate and involved a very extensive conference with the House.

We extended, under that legislation, the President's authority to control exports under this legislation until September 30 of this year. So, obviously, the Congress now has an important responsibility to reauthorize the law.

I might note the President has powers to act under the International Emergency Economic Powers Act if he does not have an Export Administration Act in hand. But I think it is the overwhelming view, both of administration and in the Congress and certainly in the private sector, that the definition which this legislation provides as to how this matter is to be dealt with is very important. This law actually sets out an extensive statutory scheme and therefore it is very important that this reauthorization takes place by the end of this fiscal year.

Our consideration of this legislation, of course, took place in the context of the extraordinary changes in East-West relations over the past year. In fact, in February there was a special meeting of the executive committee of Cocom, the Coordinating Committee on Multilateral Export Controls, which is made up of the NATO countries—with the exception of Iceland—Japan and Australia, and which has worked over the years to restrict the flow of sensitive technology which may be used for military purposes to the East bloc.

At the special meeting in February of the Cocom countries, it was agreed to undertake a major review and revision of the export control regime in light of the changes taking place in the Eastern bloc, which have attracted so much attention over the course of this past year. That review culminated in a high level meeting of Cocom that took place on the 6th and 7th of June, in which agreement was reached on an extensive revision of the West's system of export controls.

As this review was taking place in Cocom, the Senate Banking Committee began its consideration of the reauthorization of the Export Administration Act. The Subcommittee on International Finance and Monetary Policy of that committee, which I am privileged to chair, held oversight hearings in March to review the oper-

ations of the U.S. export control regime and to consider what changes might be appropriate.

We heard from administration witnesses and from outside experts and representatives of industry, particularly those industries that are in the export trade and are very vitally concerned with the provisions of this legislation. Part of the objective of those hearings was also to urge the administration to move forward in a positive and constructive fashion within Cocom, as that review was being carried out.

I make reference to this because we obviously operate in this international context and it is very important to command international support for what the export controls are, otherwise they can be undermined or vitiated by the actions of other countries no matter what position we may seek to take. In the agreement that was reached in June there was significant decontrol in certain areas as an interim measure and a commitment to develop a much streamlined control list or core list by the end of the year. That agreement provided a substantial change in the export control regime and the prospect of additional changes in the near future.

Given this progress that was going on in multinational efforts in the process of reform, the committee, in developing legislation, sought to work closely with the administration in revising the statutory authority by which the President imposes export controls in order to help encourage this process.

The committee drew on the suggestions of the business community on ways to improve the system and to update the law. The committee print, which was submitted for markup on the 17th of July, did receive the endorsement of the administration. I ask unanimous consent to print in the RECORD at the conclusion of my remarks a letter from Secretary Mosbacher indicating the support.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SARBANES. Mr. President, that letter suggests some reservations about some items in the committee print. It did not, of course, cover amendments that were subsequently adopted by the committee, other than a set of package amendments that had been worked out between the Democratic and Republican members, and it was introduced by Senator GARN and myself at the beginning of the markup. That group of package amendments also drew the support of the administration.

Action is important. I am hopeful, given the unanimous support in the committee, and I do not perceive any major controversy or differences involving this legislation, that we will be able to act on it speedily today and complete our work in short order. I very much hope any Members who may have amendments will bring them to our attention promptly so we will be able to move this legislation forward. We are, of course, in the closing weeks of the session and there is a long agenda of items to be considered by the Members. I think if we can move this legislation and clear it quickly—and I see no reason why we should not be able to do that—it would be helpful in addressing the balance of the agenda which confronts us.

I ask unanimous consent to print in the RECORD a letter sent by a broad coalition of industry groups urging swift Senate action on the reauthorization of this legislation.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE BUSINESS COALITION FOR EXPORT ADMINISTRATION ACT REAUTHORIZATION

SEPTEMBER 12, 1990.

DEAR SENATOR: As the 101st Congress draws rapidly to a close, the Senate will be faced with determining which bills to bring to the floor and which will have to start the legislative process over again next year. On behalf of many of the major industry trade associations in Washington, we would like to urge strongly that time be set aside as quickly as possible for rapid passage of S. 2927, the "Export Administration Act Amendments of 1990."

Given the extraordinarily rapid technological and political change in today's world, it is critical that U.S. business can compete with other countries for emerging markets. We need legislation that helps assure that we do so, by requiring that our export controls adjust to advances in technology and are similar in scope and application to those of our competitors.

The Export Administration Act expires on September 30. We believe it is important that the bill be passed promptly by the Senate and sent to conference. If the Senate and House conferees move rapidly in their consultations, a good compromise bill, combining the best provisions in the Senate and House legislation, should be obtainable before the Congress adjourns.

We greatly appreciate your attention to this legislation, which can further U.S. efforts to maintain a healthy industrial base, to stimulate the creation of well paying jobs, and to improve our balance of trade.

ADAPSO—The Computer Software & Services Industry Association; Aerospace Industries Association (AIA); American Association of Export and Importers (AAEI); American Electronics Association (AEA); American League for Exports & Security Assistance (ALESA); The Business Roundtable (BRT); Computer and Business Equipment Manufacturers Association (CBEMA); Electronics Industry Association (EIA); Emergency Committee for American Trade (ECAT); National Association of Manufacturers (NAM); National Foreign Trade Council (NFTC); NMTBA—Association for Manufacturing Technology; U.S. Council for International Business (USCIB).

EMERGENCY COMMITTEE FOR AMERICAN TRADE,

Washington, DC, September 13, 1990.

Hon. GEORGE J. MITCHELL,

U.S. Senate, Washington, DC.

DEAR SENATOR MITCHELL: The members of the Emergency Committee for American Trade (ECAT) urge your support of S. 2927, the Export Administration Act Amendments of 1990, which we understand is about to be considered on the Senate floor.

ECAT members are the heads of 64 major U.S. firms that have annual worldwide sales in excess of $1 trillion and over 6 million employees. Our members are among the nation's largest exporters and thus have a direct interest in U.S. export control laws and regulations.

Reform of the United States export control laws is of critical importance to the national security of the United States and to the international competitiveness of ECAT and other U.S. firms.

S. 2927 updates the U.S. export control system. The updating is necessary to ensure that our export control system keeps pace with the rapid evolution of products and technology that are available in the commercial marketplace. It is also necessary to accommodate to the monumental changes underway in Eastern Euorpe and in the European Committee (EC).

We urge enactment of export control legislation before the end of this congressional session. It is of vital importance to the U.S. business community.

Sincerely,

ALLEN F. JACOBSON,

Chairman, Emergency Committee for American Trade and Chairman, 3M.

Mr. SARBANES. Mr. President, there is a committee report which goes into careful detail in describing the provisions of the legislation. We continue to seek the balance and necessity of precluding the transfer of high technology which would serve military purposes, on which I think there is general agreement, obviously for that not to take place, with allowing the transfer of technologies which serves important trade and commercial purposes.

There is, obviously, a necessity for the United States to take a position which commands the support of the other industrial countries if any regime is to be effective, because if we try to be overly restrictive and are unable to enlist the support of others in that effort and they proceed to transfer that technology, obviously, the effort to preclude it is not effective. By the same token, I think our people have discovered that if the United States is able to act in a strong and reasoned manner, we are able to enlist the support of others for a control regime that is somewhat stricter than they might prefer.

One of the issues, and it is addressed in this legislation, is not just the substance of the control regime, but how it is implemented. As we listen to the business community who, in effect, say their efforts to trade are being arbitrarily impeded, it is clear that one of their concerns is the implementation

of the provisions. In other words, when you discuss a provision, and they say the provision may be all right, but it is the implementation that is causing us the problem, slowness in getting decisions which put our exporters at a competitive disadvantage with exporters from other countries; the national discretion and favorable consideration provisions which allow other countries to operate in a more expedited fashion; and there is concern that these countries will be more responsive than the United States in processing licenses under these procedures.

In response to this concern, the bill explicitly directs the Commerce Secretary to consider the actions of other members of Cocom in improving or denying licenses that are subject to such procedures and to seek to ensure that U.S. exporters are not placed at a competitive disadvantage. It sets a strict 15-day limit for processing licenses subject to national discretion procedures, and a 30-day time limit for processing licenses subject to favorable consideration procedures, although additional time is available for the Secretary to so notify the applicant.

We also require Commerce, State, and Defense, the three departments which have some involvement in this issue, to report and testify before the committee early next year on the status of implementing the Cocom agreements, including the progress that is being made on implementing the core list which Cocom is now working on.

So the committee intends to maintain a close oversight of this issue. We have tried to be responsive to the changing development in Eastern Europe, a matter of very important concern to all Members, and there are number of other provisions as well.

I think, Mr. President, rather than proceed to detail those, I will refrain and address those if they come up in the discussion period.

Let me talk about just a few items that are somewhat not a central part of the control regime, but important aspects of this bill. There is a significant provision dealing with the problem of the proliferation of missile technology. The bill calls on the administration to renegotiate the missile technology control regime to improve its effectiveness. It would also formally place the requirement to license dual use missile technology in section VI of the Export Administration Act.

In addition, it would require sanctions against foreign persons who, after the date of enactment, are determined by the President to have assisted missile proliferation through shipment of dual-use goods.

The bill contains a statement of policy that export license preferences for the People's Republic of China should be eliminated and that the United States should oppose proposals in Cocom to give preferential treatment to the PRC, compared to the treatment of other controlled countries.

There are two other titles to this legislation. Briefly, title II reauthorizes the export promotion programs of the Commerce Department for 2 years. It increases the number of minister-counselor level positions from 8 to 12, and requires a report from the Commerce Secretary on U.S. exports in any year in which the United States fails to achieve a merchandise trade surplus, as well as a report outlining a 5-year export market development strategy.

Chairman RIEGLE and Senator BOND are particularly interested in these provisions as part of our ability to be competitive, and we look forward to that report. The committee then, will be in a position to take further action, if required.

Last year, the Banking Committee authorized the Export Import Bank to undertake a 2-year pilot interest subsidy program to test the feasibility of that approach to financing exports. Congress authorized and appropriated funds for that program. The administration has not implemented it, and the supplemental appropriations bill required its implementation. We have authorized a demonstration program for an additional year since no action has been taken for such a long period in this fiscal year, and directed the Eximbank to use all amounts appropriated for that program.

Finally, title III of the bill imposes a series of economic sanctions on Iraq, including a ban on the export of items contained on the U.S. Munitions List for control for national security purposes under the Export Administration Act, Eximbank, and commodity credit loans or guarantees, and all forms of assistance under the Foreign Assistance Act of 1961, and the Arms Export Control Act.

I point out that the committee acted on this issue on the 17th of July in a markup; in other words, more than 2 full weeks before the Iraqi aggression in Kuwait.

Mr. President, that briefly summarizes the legislation that is before us.

I again want to express my deep appreciation to the members of the committee who worked in such a cooperative and positive way to move this legislation forward. I say to my colleagues, the other Members of the Senate, the committee reported this unanimously. It has strong bipartisan support in the committee. It is an important piece of legislation. It needs enactment, as the letter that has been included in the RECORD from a number of industry groups that are affected by the provisions of the Export Control Act indicates.

The administration is supportive of this legislation. They had some reservations about a few of its provisions and also about some of the amendments that were adopted in the committee. But I think it is fair to say they are anxious for it to be passed so that we would be able to go to conference with the House and address this issue before the end of the fiscal year. I hope we can act on it promptly. There is no reason it should take very long.

Mr. President, I yield the floor.

EXHIBIT 1

THE SECRETARY OF COMMERCE,
Washington, DC, July 13, 1990.

Hon. DONALD W. RIEGLE, Jr.,
Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This expresses the views of the Administration on the July 12 Banking Committee Print regarding renewal of the Export Administration Act (EAA). We appreciate the Senate Banking Committee staff working with the Administration in the development of the Committee Print.

The Administration supports this Committee Print for the EAA reauthorization. It embodies the shared objectives and goals of the Congress and the Administration to achieve an effective export control system without diminishing the national security interests of the United States. These shared objectives are especially relevant because of the recent dramatic events in the Soviet Union and the emergency democracies of Central Europe.

We particularly support those sections of the draft that reflect the achievements made by the Administration during the recent High Level Meeting of the Coordinating Committee, the plans to proceed with further developments in the "Core List" exercise, preferential treatment of the emerging democracies of Central Europe, and the license-free zone for COCOM.

We continue to be concerned, however, about provisions in the Committee Print that impinge upon the President's discretion to negotiate with our Allies. The Administration also objects to provisions that unduly limit the prerogatives of the President in organizing and controlling the Executive Branch, in particular Section 111 (and the corresponding earmark in Section 117(b)(1)). In addition, the Administration opposes the extension of an Eximbank interest equalization program. Finally, in regard to Section 116 (Policy Toward the People's Republic of China), we note that the Soviet Union, Eastern Europe, and China represent different strategic threats and that the United States may, in the course of COCOM negotiations, have to accord different treatment to each in order to protect vital security interests.

We remain available to work with the Committee in developing an effective export control bill. We have been advised by the Office of Management and Budget that there is no objection to the submission of this report to the Congress.

Sincerely,

ROBERT A. MOSBACHER.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Pennsylvania is recognized.

Mr. HEINZ. Mr. President, I am pleased to add my strong support to this set of amendments to the Export

Administration Act. As the Senator from Maryland has been kind enough to mention, I have been intimately involved in the last three major rewrites of our basic export control law: the 1979 act, when I was privileged to be ranking on the committee with Senator Stevenson, in 1983 through 1985—yes, it took the better part of 2½ years to get our job done then—and in 1987 and 1988. In either capacity, as chairman or ranking member of this subcommittee, I have had the pleasure and privilege to be working with many able people, none more so, I might add, than the Senator from Maryland [Mr. SARBANES].

I particularly commend the Senator from Maryland for the very successful work he has done on this measure because it is, indeed, the product very strongly forged in the committee with his leadership, joined of course by the Senator from Utah [Mr. GARN] and the Senator from Michigan [Mr. RIEGLE] that has in my judgment developed a balanced bill which advances the cause of American exports and retains necessary controls over those critical goods and technologies that our adversaries could use against us. Equally important, this bill also represents a strong and bipartisan consensus about what should be our policy.

Therefore, the work that the Senator from Maryland has put in has not only been productive, but it has resulted in a strong work product politically which we believe will pass the many tests both on this floor, in conference with the House, and downtown with the White House.

Mr. President, as one might expect from events over the past year, we have done a good deal of rethinking of the question of who our adversaries are and what the nature of the threat is. While we are able to make a number of important changes in the list of those who fall into the category of adversaries, there is still no question that the category does continue at least to exist. Indeed, it is precisely in an effort to modernize the Export Administration Act to take into account the new political and military realities that we have included in this bill both major changes with respect to Eastern Europe and new control and sanctions language on missile technology.

With respect to Eastern Europe, the bill reflects the recently achieved great success for U.S. national security export control policy and the American exporting community at the Cocom high-level meeting last June.

At that time, Cocom, the 17-nation organization that coordinates the export control policies of NATO, Japan, Australia, announced that it had agreed to a significant reduction of controls to the emerging democracies of Central and Eastern Europe. That included the German Democratic Republic, soon to be a part of a unified Germany in just a matter of days, Poland, Hungary, and Czechoslovakia. All of those countries stand to benefit immediately from that historic agreement. Substantial liberalization is occurring, particularly in the critical categories of machine tools, computers, and telecommunications. In the latter case, we will now permit the export of exactly the kind of sophisticated common channel switching equipment and other technology that will permit these countries to move their telephone systems into the 20th century, not to mention the 21st, which is probably the most basic requirement of a modern economy in this communications age in which we live.

With respect to computers, we will now be able to export to Eastern Europe at a level substantially higher than what was previously permitted to go to China.

The Cocom agreement affirms what so many of us in the Senate have been saying since the political revolutions have rocked Eastern Europe, namely that the cold war is over and United States policy should reflect that fact.

I particularly commend President George Bush. I am confident that with respect to the result we had at the Cocom high-level meeting in June, he was personally involved in bringing about those changes. I salute him for the vision and courage he has demonstrated before, then, and since in taking these steps.

In particular, the liberalization is going to play a critical role in modernizing the economies of Eastern Europe. That is of great interest to me and a number of us on the Banking Committee—so much so that earlier this year, back in April, I took a Senate delegation to Eastern Europe. During our visit, the four of us—the other three were Senators GARN, CHAFEE, and BOND—were profoundly impressed by the prevalence of the word "democracy" throughout that region and the rapid movement—stunningly rapid movement—towards adopting both Western values and principles such as freedom of speech, the ability to think freely, not just talk but implement what you thought, to freely worship, to have free elections, and to commit, in spite of tremendous difficulties in transition, to a free enterprise system.We became convinced even the most skeptical of us, of the irreversibility of those changes. At the same time one could not help but be aware of the fragility of those new governments because of the economic crises that they face.

So while the ultimate burden of economic progress and reorganization has to be on those governments and those peoples themsevles, there is nonetheless a great deal that we in the West can do to help. We have begun that process here in this body and the other in the SEED legislation that was enacted last year and in the SEED II bill that will be considered shortly, but the most useful form of Western assistance, I am convinced, will come from our private sector in the form of investment and joint ventures bringing with it technology, management skills, and ultimately capital from wherever.

Making those kinds of investments inevitably depends on access to technology and our willingness or ability to transfer the kind of technology that is needed to mobilize the management and capital and, thereby, help transform those creaky economies.

So the Cocom decision which is embodied in this legislation, as the Senator from Maryland also pointed out, opens the door to this opportunity. The deepest meaning of this bill, therefore, Mr. President, is that the so-called level playing field, a very elusive playing field, has been achieved. U.S. firms, particularly those in the most advanced technologies I mentioned—telecommunication, computers, machine tools—will now be able to compete without the unilateral restrictions that had inhibited not only the transfer of technology to Eastern Europe but, more importantly, in this Senator's view, our ability in this country to compete in seeking markets for private direct investment.

Mr. President, it is a matter of record. Back in July 1989 I wrote to both Secretary Baker and Secretary Mosbacher. Then following our trip in April of this year I both wrote and visited with the President, in each case urging them to understand that we here in the United States had in that window the unprecedented opportunity to assist in the economic transformation of the emerging democracies of Eastern Europe; that opportunity in particular was by using Western technology and private direct investment to promote free market mechanisms—the transformation of the Communist system in effect to capitalism.

The agreement reached in Cocom last June is a loud affirmation of this relationship. So I am very pleased with that result. That is the kind of liberalization that we had hoped for.

I might add that the Cocom agreement also reflects the wisdom of those in the United States Congress, and there are many, not just those of us who went to Eastern Europe, who have disagreed with the administration's initial impulse to extend the benefits of the relaxation of controls to the Soviet Union.

Mr. President, the Soviet Union will benefit by the agreement in Cocom. Once an item is decontrolled, though, it is gone. Approximately one-third of the categories on the list will be decontrolled by the end of the summer and

a core list will be finished by the end of the year.

Country by country proposals for the core list are due in Paris this month. But even under the core list there will still be many sensitive items controlled by Cocom, attesting to the need for the continued existence of this organization.

The sensitive technologies, be they supercomputers, laser technologies, advanced telecommunications, navigation, avionics systems, marine technology and so forth, to name but a few, should not be made available to the Soviet Union under the agreement at least at this time. They are protected in this bill.

I will be among the first to grant that the remarkable changes in Eastern Europe have been made possible in no small measure by President Gorbachev's new policies. I commend him on those policies. But, ironically, those changes, although there were as recently as this week some hopeful signs in the form of new economic policies, still have not been matched in the form of implementation in the Soviet Union.

For all that it means in concept, up to now perestroika has so far brought very little gain to the citizens of the Soviet Union. Indeed, they are worried about being able, in spite of a record grain harvest, to feed themselves this year. They simply do not have the equipment or knowhow to get the grain from the fields to the markets.

So this legislation, Mr. President, continues to reflect the difference in status between the Soviet Union and its former satellites in Eastern Europe by permitting substantially greater liberalization with respect to the latter.

The other important development contained in the bill is the recognition of the growing complexity and diversity of the political landscape that has been made so evident this month and early last month by the Iraqi invasion of Kuwait. As the security threat from the Communist bloc recedes, it is apparent that the threat from other sources is increasing as other nations seek to acquire chemical, biological, or nuclear weapons and the means to deliver them.

This, as we have seen, is a profoundly destabilizing development and we have seen its consequences in such nations as Libya and now Iraq.

For that reason the Senate has passed and sent to conference chemical and biological weapons legislation that would set up both a clear licensing regime and a set of sanctions.

Similarly, the bill that is before us now contains parallel provisions, very important provisions, this Senator believes, on missile technology. A clear licensing regime and a set of sanctions, both provisions which are based on legislation that I introduced earlier this year, track closely the chemical weapons language and the language we already enacted into law in the 1988 trade bill providing for sanctions for companies that violate Cocom controls.

Taken together, these provisions provide a rather complete symmetrical control and sanctions regime for goods and technology that would otherwise have a profoundly destabilizing effect were they to fall into the hands of irresponsible parties in the world.

So, what is in this legislation will rep resent a marked improvement over the patchwork control structure under which we presently operate. But having said that, what we have in this legislation is not a substitute for a new multilateral control regime aimed at chemical and biological weapons and the missile technology to deliver them that is anywhere near what we have on Cocom.

We do not have as yet, if you will, a north-south Cocom to police, to identify, to restrict the transfer of these new weapons of mass terror and destruction.

Although I have earlier called for the establishment of what you might call a north-south Cocom, I am under no illusions that it will be easy to create such an organization. Nevertheless, we are fortunate. We have in the Cocom organization that exists an example, and it took us decades to perfect it, of an organization, a regime, a structure, a model that works. A north-south Cocom would have to develop an acceptable new definition of what regionally strategic materials, products, and processes were, and identify those as critical to controlling the spread of chemical and biological weapons and the means of delivering them.

There would have to be agreement on exactly who our targets are. Is it just Iraq and Libya? Obviously, that cannot be a sufficient list. We have to have a philosophy of who we are going to aim at.

Similarly, while Cocom has worked well because the members of Cocom have had control over most of the critical technology regarding our old concept of national security, there are other exporters that have the kinds of technology that we would want to control Brazil and Taiwan, for example, in any kind of chemical-biological and missile technology regime.

So we have to bring new players with us into a north-south Cocom,

Finally, we will have to have a new and revitalized commitment. One could say why not simply try to transform the existing Cocom organization from east-west to north-south? That may be a possibility. There may be a way to do that. But it is a possibility that is potentially complicated by the fact that our regime in Cocom today still has a job with respect to the Soviet Union and to the People's Republic of China, and bringing them into Cocom could prove difficult, because the new control regime in a north-south Cocom would have to be very separate from what we retain with respect to the Soviet Union and the People's Republic of China.

But having said that, Mr. President, I believe that that is the next task of international diplomacy. I believe that going beyond what we have built in this legislation is critical, because no matter how wise we may be as legislators, it is going to be essential for the administration, for our negotiators, for our diplomats, and those of other countries, to recognize the urgency of the proliferation problem for chemical, biological, nuclear, and missile technology so that we get on top of it before it gets us.

Having just been in the Persian Gulf, 127 miles south of the Kuwaiti border, knowing that there were weapons not very far away that could deliver chemical and biological weapons, gave me, as a result of the visit to Saudi Arabia with a number of our colleagues over the Labor Day weekend, a very personal appreciation of just what it is like living with those kinds of weapons of terror not very far away.

Mr. President, that said, let me return to one last aspect of the legislation before us and make one cautionary note. I believe that the legislation is a significant step forward with respect to decontrol, and that step forward will enhance the ability of American firms to market their products abroad, particularly in Eastern Europe, which will be a major new market for us.

But I am also aware that there are those who do not believe this legislation goes far enough. Indeed, the bill passed by the other body is generally regarded as going much further. At the same time, those more radical provisions have attracted considerable opposition, most notably from the President, who is not entirely without influence in these matters.

It is my hope that we can pass this legislation quickly and go to conference quickly and produce an act that achieves meaningful decontrol before the current law expires on September 30. I will be working with our colleagues, Senators SARBANES, RIEGLE, and GARN, to achieve that end.

I would caution the exporting community that achieving this objective is likely to necessitate on their part some compromise. To be very blunt, they are unlikely to get the whole loaf, if there is to be a bill. So a choice must be made. Do we have a bill with significant reform that may not address every single problem, but solves most of them, or do we get an extension of current law for another year?

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Some of us, Mr. President, have already made that choice. The Senator from Utah [Mr. GARN] and I have made that choice, even though we pressed for a major structural reform this year in the creation of an Office of Strategic Trade and Technology that would, among other things, centralize the administration of all of our export control and technology transfer functions.

We have deferred that proposal in the interest of producing a consensus bill that deals with Eastern Europe and other urgent problems.

Obviously, Senator GARN and I are not going to fade away into the woodwork. We will live to fight again another day on that issue—most likely next year. I encourage our remaining dissatisfied exporters to consider adopting the same philosophy, in the interest of making substantial progress this year.

Mr. President, I yield the floor.

Mr. CRANSTON. Mr. President, I rise in support of S. 2927, the Export Administration Act Amendments of 1990. This bill moves U.S. trade policy in a positive direction. It poses in concrete terms a principle that I believe has become abundantly clear: That our national security and our economic security are intertwined.

The current climate in the Middle East might make some of my colleagues hesitant to liberalize the exportation of U.S. technology. But I urge us to recognize some very important points:

First, the Export Administration Act was originally drafted to guard against the exportation of sensitive technologies to the Soviet bloc.

Clearly, the threat of aggression from these quarters has substantially diminished. The recent meeting between President Bush and President Gorbachev underscores the new era of cooperation between the United States and the Soviet Union. Almost all the countries of Eastern Europe have moved toward democracy and a free market system.

Thus, the underlying rationale for the Export Administration Act must be reexamined. S. 2927 advances our economic and national security goals by incorporating the multilateral Cocom agreement reached in Geneva this past June. United States industry needs new markets; Eastern Europe and even to some degree the Soviet Union need our technology to advance their banking and communications systems. We have the opportunity to advance both goals.

Second, there are many safeguards that are outside the purview of this bill and would therefore remain unaffected. These safeguards are intended to prevent sensitive technologies from falling into the hands of unreliable nations. Exports to Iraq, for example, have for quite some time been reviewed under foreign policy restrictions. The system may not be fool proof, but significant safety nets do exist.

In sum, Mr. President, I urge my colleagues to closely examine this bill and see that it is little more than the embodiment of the June Cocom agreement which was negotiated by the administration and agreed to by our allies. This bill represents a positive first step, but could go farther in enhancing the competitiveness of America's exporters particularly the high technology businesses which are facing increasing stiff competition overseas.

I urge my colleagues to support the bill reported by the Banking Committee and to oppose any weakening amendments.

I thank my colleagues, Senators SARBANES, RIEGLE, GARN, and HEINZ for their leadership on this matter and all of their hard work on this bill.

Mr. GARN. Mr. President, I rise in support of S. 2927, the Export Administration Act Amendments of 1990. This bill makes a number of important changes to United States export control policies in response to the dramatic changes taking place in Eastern Europe, the Soviet Union, and now in the Middle East. I would like to review these changes and urge the support of the Senate for this bill.

The policy changes that this bill comprises would not have been possible were it not for the revolution of 1989. Political change that began in Poland and spread through the Soviet bloc has dramatically changed the threat we face from Warsaw Pact forces. Across Eastern Europe, we are no longer dealing with countries who are armed adversaries, but neutral or friendly states. The Soviet Union, itself, under tremendous economic strain, is both letting these changes go forward and reevaluating its own failed political and economic policies. These changes have triggered a fundamental rethinking of the scope and role of Cocom, just as they have triggered a fundamental reevaluation of the role of NATO on which Cocom is largely based.

Based on work begun last year, the Cocom governments have accelerated and expanded efforts to streamline the technology control list, reduce licensing requirements among Cocom countries, and upgrade enforcement by member countries. In addition, specific initiatives are being pursued to differentiate licensing treatment for the newly emerging democracies from that accorded the Soviet Union, China, and other controlled countries that do not now deserve preferred treatment.

While these changes in the strategic situation facing Cocom are far reaching, the bill we are taking up is not a major revision of our export control law or process. This restraint is significant because the committee resisted not only the normal demands from the business community to reduce the system's regulatory burden but urgent demands for fundamental reform triggered by the perceived decline in the strategic threat. In fact, it was the very rapid pace of change in the East-West equation that required moderation on the part of the committee.

The dilemma facing the Banking Committee was to develop legislation that would endorse and encourage necessary change in U.S. and Cocom policy, without itself complicating the administration's job of achieving that change. To accomplish this, the committee made two basic decisions. First, the bill endorsed the efforts the administration has been pursuing in Cocom to reduce lower level controls and to increase levels of technology that can be exported to the newly emerging democracies of Poland, Hungary, and Czechoslovakia. Second, it was decided that it would be unwise and inappropriate for the Congress to mandate sweeping changes in the U.S. system at a time of such policy flux.

The decision to forgo major reforms was a difficult one for me. I have been as critical as anyone of the inefficiency and ineffectiveness of our present system and I had legislation pending in committee, my Office of Strategic Trade bill, to completely rewrite the EAA. Given the stress on a system trying to adapt, I was persuaded that this was not the year to pursue fundamental structural reform of the U.S. policy process. The committee similarly decided to resist the more sweeping proposals of the business community to alter the rules of the game.

I would like to focus on several provisions of the bill that I strongly support. A key element of the administration's new Cocom policy that has been endorsed by the bill is more liberal licensing treatment for newly emerging democracies in Eastern Europe. At the Cocom high level meeting in June, a new policy was announced for countries that Cocom determined to be a lesser strategic threat due to domestic political change and consequent specific commitments to protect Western technology shipped to them. These countries would be differentiated from the Soviet Union and provided more and better technology. This policy begins with access to advanced telecommunications systems and should, in the near future, produce more liberal access to all but the most advanced technologies.

The liberalization does not come without cost, however. The bill would require these countries to take substantial steps to safeguard any high level goods and technology exported to them, in order to insure that diversions to the Soviets or to terrorist

countries do not occur. The requirements include a system of effective laws and penalties, technology security arrangements for Western technology including inspection and verification procedures, and termination of intelligence cooperation with other countries seeking to illegally acquire Western technology.

I endorse this new policy based on my personal examination of the situation in Eastern Europe. I traveled there this spring with Senators HEINZ, CHAFEE, and BOND and met with the new leaders of Poland, Hungary, and Czechoslovakia. Those leaders told us of their desperate need for American technology to pull their economies out of a Communist depression that has lasted for 40 years. These new leaders indicated that strong commitment to keep any technology they receive in their own countries and to use it properly. I was impressed with their sincerity and support the new policy.

However, I am not prepared to take their commitments on faith. To assist them in keeping their commitments to safeguard our technology, the bill requires that U.S. authorities certify that they have effective export control systems in place before granting them expanded access. The Secretary of Commerce is directed to provide the greatest possible assistance to these countries in developing their own export control systems. If the countries fail to honor their commitments, the United States would lower the levels of available technology.

Finally, the bill backstops these other protections by adding sanctions for diversions. I proposed broadening the reach of the Toshiba sanctions I introduced in 1988 to cover companies in Eastern Europe, as well as other non-Cocom countries like Switzerland and Austria, that cooperate with Cocom controls in return for greater licensing benefits. This change responds to the increased risk of diversion which is an almost inevitable byproduct of expanded trade with Eastern Europe. We can be certain that former security agents and other possible bad actors will try to take advantage of freer trade to divert technology to the Soviets or terrorist states. By including additional countries under the Toshiba provision and adding denial of export privileges, the committee intends to deter theft and, when it occurs, to cut off such persons from technology access.

I believe this is an important addition to our export control policy because the Toshiba sanctions have worked in the past in focusing the attention of governments and industry on technology security. The leaders of Japan and Norway have stated this to me personally. It is my hope that the Toshiba sanctions will do so in the other cooperating countries. The governments there have little sympathy for their own bad actors and have little cause to object to, or fear, this change.

Beyond developments in Eastern Europe, the Banking Committee also responded to regional stability concerns in the Middle East and the developing world. The committee has become increasingly concerned with controlling North-South proliferation of technologies capable of producing and delivering weapons of mass destruction, such as chemical and biological weapons and the missile systems to carry them. This is the export control challenge of the future.

These proliferation issues represent complex export control problems in the U.S. context and internationally. Complexity arises in the U.S. context because the technologies of concern include both munitions and dual use items controlled by the State and Commerce Departments and subject to the jurisdiction of different laws, the Arms Export Control Act and the Export Administration Act, and different committees in the Senate, Foreign Relations and Banking. The United States controls both chemical toxins, and precursor chemicals that are widely traded goods but may be used in production of weapons. The United States also controls both military missile systems and their components and a range of dual use goods and technology that have direct application to missile development. In recognition of this complexity, the Banking Committee has focused on control and enforcement of dual use technologies that are subject directly to the jurisdiction of the act or are controlled multilaterally in cooperation with U.S. controls maintained under the act.

The international control problem is complex because our longstanding multilateral control arrangement through Cocom has focused exclusively on East-West trade and the leakage of militarily critical technology to the Soviet Union and its allies. North-South proliferation is not within Cocom's charter and there is no consistent policy with regard to licensing and control of chemical or missile technology among the Cocom countries. In response to this problem, interested governments have established alternative multilateral export control fora focused on proliferation.

The Australia Group was established in response to an Australian initiative in 1984 to address the proliferation of chemical weapons. Twenty members, including the 12 members of the European Community, plus the Commission of the Community, as well as Australia, Canada, Japan, New Zealand, Norway, Switzerland, and the United States, have agreed to establish voluntary controls on precursor chemicals deemed useful in production of chemical weapons, but no production technology is controlled.

The Missile Technology Control Regime, or MTCR, was created in 1987 in recognition of the fact that 20 or more countries had obtained or were acquiring production capabilities for offensive missiles. This represented an increasing threat to U.S. front-line forces and regional stability. Therefore, the United States joined Canada, Japan, France, the United Kingdom, Italy, and West Germany to create the MTCR. This welcome development has several serious drawbacks. First, the informal nature of the arrangement has generated criticism of ineffectiveness even among member governments. Second, the MTCR fails to involve all producers, especially the Soviet Union and China.

More generally, these alternative multilateral regimes are new and quite informal. They require no uniform controls and have no enforcement standards or mechanisms. As fallible as Cocom controls have been in the past, they are sufficiently comprehensive and well enforced to appear a solid barrier to diversion when compared to the nonproliferation regimes. This problem is heightened by the limited participation in these newer regimes which leaves open a wide variety of diversion channels, including through Cocom countries. For example, there have been widespread allegations of nuclear, chemical, and missile proliferation involving West German companies in recent years.

Improving on these current, informal efforts requires action in a number of areas. The lessons drawn from Cocom indicate that effective control requires strong legal and regulatory mechanisms among member countries, vigilant enforcement by all governments, and the involvement of all producer nations. Achieving these objectives will require substantial multilateral negotiations but it must start with a strong focus on these issues in U.S. export control laws and our own control system. It must also require vigilance in implementing the East-West decontrol now occurring in Cocom which, if not handled appropriately, could actually exacerbate the proliferation problem, creating channels of proliferation through Cocom and Eastern Europe.

The administration has been mindful of these concerns in the Cocom decontrol exercise. A range of goods and technology decontrolled for national security purposes, but of concern for proliferation purposes, are being maintained on the U.S. control list under the authority of section 6 of the act. For example, six categories of items totally decontrolled under section 5 remain subject to licensing and control because of nuclear and missile concerns. The committee recognizes that this action will reduce the impact of Cocom list reduction for U.S. export-

ers but it is a necessary step to meet our nonproliferation objectives.

I have been particularly concerned that the present weak statutory basis in U.S. law for proliferation controls must be strengthened. I initiated action by the committee with respect to both chemical and biological weapons and, in this bill, with respect to missile technology. The committee acted first with respect to chemical weapons. At a hearing last year, the administration indicated its support for discretionary sanctions authority related to chemical and biological weapons proliferation. Private sector witnesses strongly supported both country and company sanctions to stem proliferation.

At my urging, last November the committee marked up a series of chemical weapons amendments which were proposed by the committee during floor consideration of S. 195, the Chemical and Biological Weapons Control Act of 1989. These amendments were accepted by Foreign Relations with minor modification during floor consideration of S. 195.

This committee bill adds a series of missile technology provisions I proposed along with Senators HEINZ and MACK. Senator MACK called for a U.S. policy to renegotiate and strengthen the MTCR which was adopted by the committee. I proposed amendments directing the Secretary of State to negotiate with other countries to expand the Missile Technology Control Regime and the Australia Group with the goal of developing comprehensive multilateral nonproliferation regimes along the lines of Cocom. In particular, these new regimes would establish a common standard of enforcement, and the Secretary would be required to review the performance of cooperating countries annually.

My amendments would also provide a statutory basis for U.S. participation in the MTCR. It would require creation of a missile technology control list and specify conditions for review, approval and referral of missile technology licenses. It would offer preferred licensing treatment for shipments to cooperating countries.

I strongly supported Senator HEINZ proposal to add company sanctions provisions from his missile technology bill, S. 1924, to the committee bill. This amendment, much like my Toshiba sanctions provision, would require the President to impose sanctions on any foreign person he determines is knowingly shipping dual use technology on the MTCR annex to assist missile proliferation. The major difference between this sanction and the Toshiba and CBW sanctions is the broader discretion for the President not to impose sanctions. This greater flexibility is in recognition of the fact that efforts to control missiles lack the cohesion of either Cocom controls or international rejection of chemical weapons, and greater discretion is required in their use.

Senator BINGAMAN has proposed a series of amendments to the Banking Committee's missile technology provisions that I am also supporting. During consideration of the Defense authorization bill Senators BINGAMAN, GORE, and MCCAIN proposed an amendment to add missile technology licensing and sanctions provisions to the Arms Export Control Act. I worked with them to craft an appropriate division of responsibility between that law and the EAA, and separated out issues along jurisdictional lines between their bill and the banking bill. The modifications to Senator BINGAMAN's bill and his amendment to our bill provide the parallel structure and linkages to which we agreed. Because of the parallels of these bills, Banking and Armed Services conferees will have to coordinate their dealings with the House Foreign Affairs closely. I look forward to working with them.

The final provision of the bill that I would commend to the Senate is my amendment regarding the People's Republic of China. I proposed eliminating any Cocom licensing preferences for the PRC because of that country's massive abuses of human rights and its known assistance in the proliferation of missiles and nuclear technology to politically volatile regions of the world. The bill would also generally deny licenses for the export to the PRC of goods controlled for proliferation reasons without firm assurance that the technology will be appropriately used and not transferred to others.

This is a balanced bill that recognizes changes for the better, and for the worse, in our strategic position. It would encourage the process of adaptation within Cocom and encourage a stronger focus on nonproliferation. It would also permit significant new market opportunities for American business. While no export control bill I have ever worked on includes everything I would have liked, I believe this is good legislation. Its export control and export promotion title are supported, with only minor objection, by the administration with whom we worked closely. I believe it merits the support of the Senate and urge its adoption.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. RIEGLE. Mr. President, I rise in support of S. 2927, the Export Administration Act Amendments of 1990, a bill which updates our export control regime to take account of current international realities and enhances our Nation's export promotion and finance activities.

The Export Administration Act [EAA] provides the statutory basis for the national security export control regime we have had in place since the beginning of the Cold War in the 1940's. We used such controls to deny the Soviet Union and its allies those critical machines and technologies they could have used to strengthen themselves militarily. Since the implementation of effective export controls depended on cooperation from our allies, the Coordinating Committee for Multilateral Export Controls, or Cocom, was formed in 1949 to harmonize allied export control policies. Cocom membership consists of the NATO countries—except Iceland—Japan, and Australia. Export controls we coordinated with our allies were most helpful to the United States in making our containment policy toward the Soviet Union, formulated in the late 1940's by President Truman and his advisers, succeed.

The success of that policy, marked most vividly by recent events in Eastern Europe and the Soviet Union, raises new questions about what type of export control regime makes sense in a new era of East-West relations. Those questions are particularly relevant when we understand our allies in Europe and Japan believe that a real relaxation of export controls is now required. During our deliberations to further streamline our export control regime this year, it became clear that if we do not adapt our export control regime to the new international realities then Cocom, the organization through which we coordinate controls with our allies will disintegrate.

We have also come to understand that in the post cold war era of global economic competition, we cannot hamper our exporters with controls that no longer make sense. In fact, overburdensome export controls that harm the ability of our industries to compete for sales in this new era will hamper rather than help our national security goals.

It was within this context that the Banking Committee set out this year to update the Export Administration Act so as to take account of the new global realities. Senator SARBANES, the chairman of our committee's International Finance Subcommittee, took the lead in developing the legislation that is now before us. Among other things, the bill incorporates in statute the decontrol agreements the administration reached in Paris in June with our Cocom allies and directs that these decontrol measures be implemented in a manner that will not disadvantage U.S. exporters. The bill also makes it possible for the newly emerging democracies of Eastern Europe, such as Poland, Hungary, and Czechoslovakia to obtain the Western tech-

nologies they need to modernize their economies.

The bill differentiates in the level of decontrol that will be granted to the East European countries as opposed to the Soviet Union. This reflects the recent agreement reached between the United States and its Cocom allies and is based on the premise that the strategic threat posed by the Soviet Union still differs greatly from that posed by its former client states in Eastern Europe. The bill also requires the administration to appear before the Banking Committee early next year to report the results of the core list review being undertaken with our Cocom allies to dramatically pare remaining controls to ensure they are maintained solely on items critical to our national security.

S. 2927 goes far in meeting the needs of our exporters in the new age of global economic competition and does so in a way that the administration believes does not jeopardize our national security in any way. Secretary Mosbacher wrote to me prior to our July 13 committee markup that the bill presented to the committee was supported by the administration.

The bill reported by the committee also takes account of the new threat posed to our national security by the proliferation of missile technologies to unstable governments. Title I of S. 2927 has provisions to control the exportation of dual use technolgoies that would help certain countries designated by the Secretary of State to develop or produce missiles capable of delivering chemical, biological or nuclear weapons. The absolute need for such controls has been made dramatically clear by recent events in the Persian Gulf. These provisions when combined with those passed August 3 as part of the Defense authorization bill, which amend the Arms Export Control Act, will produce a comprehensive and sensible missile technology control regime.

Title II of S. 2927 is designed to strengthen our country's export promotion and finance activities so as to enhance our international economic competitiveness. While trade promotion and financing is only one part of what must be a national effort to strengthen our trade posture, it is an important element. Among other things, the title requires the Commerce Department to develop a national strategy to coordinate and strengthen our ability to export. It provides that the Commerce Secretary should report to the Banking Committee once a year about how much a strategy is being implemented. This is a matter in which I have a strong interest and I urge the administration to implement this provision with the seriousness that our international debt status makes necessary. I strongly agree with the thoughts expressed by Deputy Secretary of State Lawrence Eagleburger in a cable recently sent to U.S. diplomatic posts throughout the world:

> We as a government and as a society are going to have to acknowledge that our economic health and our ability to trade competitively on the world market may be the single most important component of our national security as we move into the next century.

I want to commend Senator SARBANES for his leadership in developing S. 2927 as well as Senators GARN and HEINZ, and all members of the Banking Committee for the bipartisan manner in which our committee worked to develop the bill being presented to the Senate today. I urge my Senate colleagues to pass this bill so we can begin our conference with the House and complete a bill to renew and reform the Export Administration Act before it expires on September 30 of this year.

This bill has been a major priority of the committee. I feel strongly about reforms that have been made to the Export Administration Act. It is significant improvement over existing law, and the Senate should waste no time in passing it.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts [Mr. KERRY].

Mr. KERRY. Mr. President, first of all I want to thank the Senator from Alabama for permitting me to jump ahead of him. He has been waiting patiently. I do not have an amendment. I wish to make some remarks regarding this legislation.

I want to begin, if I may, by expressing my appreciation and respect for the job which the distinguished Senator from Maryland [Mr. SARBANES] has done in pulling together a consensus on our committee to move this bill forward. I appreciate enormously his willingness to work with me and with others in moving the legislation some distance in certain areas, in order to meet our thoughts and initiatives.

Mr. SARBANES. Will the Senator yield for a second?

Mr. KERRY. Yes.

Mr. SARBANES. I appreciate the Senator's very kind remarks. I want to say that the Senator had a very positive and constructive impact on shaping this legislation. On many of the issues that the Senator brought to our attention in the course of preparing the committee print and dealing with it in markup, an effort was made to respond to it in the legislation.

I think the legislation was significantly improved because of his efforts, and we are most appreciative.

Mr. KERRY. I thank the Senator for those comments, and I particularly thank him for the cooperative effort here.

I personally believe that this is an enormously important piece of legislation for us. As the Senator from Pennsylvania has made clear, there is a real balancing of some very important interests here. And for years we have been almost tongue-tied and hamstrung by the inability to really balance those equities.

We have tended to define our interests in guaranteeing our national security and in restraining the ability of our business community to be able to move into certain markets. I personally believe that we overplay that hand somewhat. The real security interests of this country are going to be met through other kinds of protocols and other kinds of restraints. The realities of the marketplace in today's world are such that we wind up more shooting ourselves in our own foot and denying ourselves jobs and growth, while allowing other countries that are less sensitive to some of the concerns expressed in the restraints to gain the market share that we forego and to sell to people that we restrain ourselves from selling to.

I think we have tried to balance that as effectively as possible in this particular piece of legislation. It is not easy, and I do not pretend that it is. The hard reality is that the State I represent, Massachusetts, is particularly dependent on exports and on high technology. And over the last years, we have watched—not happily, not without frustration, and not without efforts to change it—but we have been forced to watch while significant jobs are lost and significant market opportunity has been lost because of our export control licensing process.

Mr. President, in the United States of America, it takes a business significantly longer to get an export license in order to get a product into the marketplace than Germany or Japan.

Therein lies a great deal of the story of why the United States is struggling in the international marketplace, and why so many of our companies are so frustrated with Government. We have tended to restrain our companies from selling the particular technology, while other countries do not restrain their companies from doing so and are much more rapid than we are in permitting them to get into the marketplace.

The result of this is serious. We lose the ability to even bid on certain contracts. This is because a company in Europe will sit there and say: Well, we cannot rely on you to provide the spare parts. We cannot rely on you to be able to provide the product on time. The United States has even required that if an overseas customer needs a spare part for a particular product, that customer has to come back and get a license for the very same compo-

nent that is part of a product that has already been licensed.

The fact is that we have driven ourselves away from countless revenues as a result. We do not even have accurate figures to be able to tell precisely how much.

But the latest accurate data that we do have, for the year 1985, showed that just in Massachusetts alone we cost our State between $250 million and $1 billion of revenue and between 6,000 and 24,000 jobs because of these restraints.

I give you an example. I was in a company recently in Massachusetts called General Instruments, which does sonar mapping. They wanted to sell their sonar mapping capacities to certain research vessels in Europe. They were denied a license to do so. Consequently, the European country undertook its own development of that particular technology and within a short period of time had surpassed our company's technology and, lo and behold, the Government of the United States turned around and said to our company in Massachusetts, "We are not going to buy from you; we are going to buy from the company in Germany." That is the craziest thing I ever heard of. That is precisely why so many companies in our country and so many chief executive officers are frustrated with the capacity of Government to get in the way and the capacity of our own Government to gum things up.

Since World War II, 75 percent of the productivity increase of this Nation has come from technology advances. Unless we recognize the changes in the marketplace today and get out there and permit those companies to continue to create those kinds of technology advances, we are going to continue to fall further behind and watch the wages of our workers fall lower and our standard of living go down with it. I do not think anybody wants that. That is what this bill is directed at. It is directed at trying to liberate the creative energy of this country in order to get our businesses into the marketplace doing what they ought to do and soften the self-imposed restraint process we have.

The jobs I talked about that we lost do not even reflect the immeasurable impact of the loss of GNP, the lost market position, the underdesign of products that are created as a result of this restraint, and certainly does not reflect the wasted management time, the hundreds of hours trying to bang on doors in Washington to resolve the disputes between the State Department, the Defense Department, and the Commerce Department.

Now, this bill is not going to resolve them entirely, and as the Senator from Pennsylvania said, it may not even reach quite as far as some of us would like it to. I believe it does go a distance in assisting us to get into the marketplace and compete.

Very quickly, the four things that I think are most important in that respect is the Cocom license-free zone that will exist by December 31, 1991, a zone that will exclude reexports of products that have 25 percent or less of U.S. content in those products. That is going to eliminate some 30,000 licenses per year. It is interesting to note that of those 30,000 licenses per year in the past, less than 10 of them have been rejected. So for 10 products rejected we have had companies spending 114 days on average trying to get some 30,000 licenses. It is absurd.

There will be an automatic indexing procedure that will be used by the Secretary of Commerce to determine the licensing of the decontrolled exports. I think that automatic indexing is important because it will facilitate our keeping up with state-of-the-art changes in technology.

In addition, trade with Eastern Europe is going to be decontrolled to the thin greenline for all products except for telecommunications and computers and those products will be subject to the national discretion standards, and the favorable consideration standards.

There will be shorter time limits set for the administration to review each license, and that will speed matters up.

Finally, the technical operating data that accompanies many products will not in and of itself require separate licensing, which can often wind up restraining a particular transfer of a product.

So, Mr. President, in summary, I think this is a very important piece of legislation. We hear a lot of rhetoric around the Congress about competitiveness. We hear an awful lot of talk about getting Government off the backs of people and business, and so forth. I think this does so to a significant degree. It assists us to do what we always said we do best.

I associate myself with the comments of the Senator from Pennsylvania with respect to transition in Europe and what this does for our ability to move, hopefully, in directions we would like to go to sustain this move toward democracy, to assist other countries to provide for their people while at the same time opening up our own markets. I also particularly share the notion of North-South trade where I think we have greatly neglected opportunities and where we should turn a considerable amount of our attention.

But, Mr. President, I think it is very important, and I hope the Senate is going to move rapidly, and I hope the conference committee will meet and act rapidly so we can have the President sign this into law.

Again, I thank the distinguished Senator from Alabama for his forbearance, and I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama [Mr. SHELBY].

AMENDMENT NO. 2656

(Purpose: To amend the International Emergency Powers Act to increase the amount of civil and criminal penalties which may be imposed under that Act.)

Mr. SHELBY. Mr. President, I have an amendment at the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SHELBY] proposes an amendment numbered 2656.

Mr. SHELBY. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 48, after line 21, insert the following new section:

SEC. 306. EMBARGO PENALTIES.

Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended—

(1) in subsection (a), by striking out "$10,000" and inserting in lieu thereof "$250,000"; and

(2) in subsection (b), by striking out "$50,000" and inserting in lieu thereof "$1,000,000".

Mr. SHELBY. Mr. President, this amendment that I offer today would increase the penalties for a violation of the Presidential embargo against Iraq and Kuwait. Under current law, the penalties for a violation of a Presidential embargo are so insubstantial as to be almost meaningless. The civil fine for a violation of a Presidential embargo is currently set at $10,000 and the criminal fine is set at $50,000. My amendment, which I am offering now, will raise the civil fine for a violation of the Presidential embargo to $250,000 and the criminal fine will be set at $1 million.

Mr. President, I do not believe that I have to remind my colleagues of the commitment we have made in the Middle East. Not only have we placed the lives of thousands of U.S. men and women on the line there, we have entered into a commitment that will cost our Nation billions of dollars in the next few years. An integral part of our success in the Mideast will depend on the success of the President's embargo against Iraq and Kuwait. If our mission in the Mideast is to be a success, then the embargo must be strong and impenetrable. To ensure the effectiveness of the embargo, we need to say to those individuals and those businesses that would do business with the regime in Iraq for mere profit, "You will be punished severely." The current fines, as I said, are so low that they do not serve as a deterrent or even adequate punishment for violat-

ing a Presidential embargo. The current law is a mere slap on the wrist. I believe my amendment will put some bite into the punishment for a violation of a Presidential embargo.

I encourage all my colleagues in the Senate to join me in supporting this amendment. The least we can do for the men and women whose lives we laid on the line is to ensure that those in this country who work against their mission, our mission will be punished and not allowed to enjoy the fruit of their ill-gotten gains.

Mr. President, I yield the floor at this point.

The PRESIDING OFFICER. The Senator from Maryland [Mr. SARBANES].

Mr. SARBANES. Mr. President, first of all, I commend the Senator from Alabama for this effort to strengthen the effect of the sanctions that are with the embargo. The amendment changes an underlying provision of the law, and the only thing I want to be certain about is that we make it country specific to Iraq and Kuwait. It may be that underlying provision ought to be changed generically, but we have not had a chance to look at that.

Mr. SHELBY. Mr. President, will the Senator from Maryland yield?

Mr. SARBANES. I yield.

Mr. SHELBY. I have no problem with amending the amendment I offered to make it country specific if the Senator from Maryland would so move to do this. I hope, though, that if we do make it country specific—and that is what we are looking at—what is happening in the Persian Gulf and Middle East area—we in the committee will look to make it generic possibly down the road.

Mr. SARBANES. I am happy to do that. I am reluctant to make it generic now, not having a chance to examine it. I am very supportive of the Senator's efforts to increase these penalties as they pertain to Iraq and Kuwait and enforcement of that embargo. We have invested, as the Senator has pointed out, not only an emormous amount of money but, even more importantly, we have placed the lives of our fighting men and women at risk, and anyone who cannot honor that embargo imposed by the President deserves to be subjected to the very severe penalties which the Senator is offering.

The PRESIDING OFFICER. The Chair would inform the Senator from Alabama that if he desires to modify his amendment he has a right to to so.

AMENDMENT NO. 2656, AS MODIFIED

Mr. SHELBY. Mr. President, in view of my conversation with the chairman of the subcommittee, the Senator from Maryland, I would like to modify my amendment by making it country specific, by adding a new section, "in the case of Iraq and Kuwait." I send the modification to the desk and I ask unanimous consent that the amendment be so modified.

The PRESIDING OFFICER. The Senator has that right and, hearing no objection, the amendment is modified.

The amendment (No. 2656) as modified, is as follows:

On page 48, after line 21, insert the following new section:

SEC. 306. EMBARGO PENALTIES.

Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended by adding a new subsection as follows:

(b) in the case of Iraq and Kuwait,

(1) a civil penalty of not to exceed $250,000 may be imposed on any person who violates any license, order, or regulation issued order the chapter;

(2) whoever willfully violates any license, order, or regulation issued under this chapter shall, upon conviction, be fined not more than $1,000,000, or if a natural person, may be imprisoned for not more than ten years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment, or both.

Mr. HEINZ. Mr. President, I join with the Senator from Maryland in our willingness to accept this amendment. I think the penalties that are proposed by the Senator from Alabama are certainly appropriate to the two countries that he has modified his amendment to target; namely Iraq and Kuwait. This sends a strong and serious message that we want our embargo to be effective, and those who violate it will not be able to do so with a slap on the wrist. Since a lot of money can be involved in an individual violation, the fines that he has proposed are by no means excessive in those kinds of cases. So I, on the part of the minority, am prepared to accept the amendment.

Mr. SHELBY. Mr. President, I ask that the amendment be adopted.

The PRESIDING OFFICER. Hearing no further debate, the question is on agreeing to the amendment, as modified.

The amendment (No. 2656), as modified, was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2657

Mr. HEINZ. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ] proposes an amendment numbered 2657.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 38, line 20, strike "and";

On page 38, at the end of line 22, add "and

"(D) inadequacies in Federal and State government and private sector export financing programs;"

On page 39, line 9, strike "and";

On page 39, after line 11, insert:

"(D) improve Federal and State government and private sector export financing programs; and".

Mr. HEINZ. Mr. President, this amendment simply modifies and expands somewhat the study referred to on page 38 of the bill, a very good study proposed by the Senator from Missouri [Mr. BOND] by simply making sure that that study includes inquiry into the inadequacies in Federal and State government and private sector export financing programs.

With that modification, we believe that the study can do a better job for the benefit of the sponsor, for the committee, and for our colleagues. I know of no objection to the amendment and I ask that the amendment be agreed to.

Mr. SARBANES. Mr. President, I am supportive of the amendment. I think that it adds another factor to be considered in the submission of this report. I think it can only be helpful to obtain the information which the Senator was seeking.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2657) was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I ask unanimous consent that Mark Menefee be granted the privileges of the floor during the pendency of this measure today and each day the measure is pending and for rollcall votes thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2658

(Purpose: To limit commercial and financial assistance to Cuba)

Mr. HEINZ. Mr. President, I send an amendment to the desk on behalf of Senator MACK and Senator GRAHAM. I offer it in their behalf.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Pennsylvania, [Mr. HEINZ], for Mr. MACK (for himself and Mr. GRAHAM), proposes an amendment numbered 2658.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 37, after line 12, insert the following new sections—

"SEC. PROHIBITION OF CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

"The Trading with the Enemy Act is amended by adding at the end thereof the following new section:

"SEC. 44. Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989, unless a license may be issued for such transaction if such transaction were undertaken by a firm organized under the laws of any of the States of the United States."

Mr. MACK. Mr. President, the amendment before us is essentially identical to an amendment which passed the Senate overwhelmingly twice before. Its purpose is to close a loophole in the current economic embargo on Cuba, thereby increasing the economic pressure on Fidel Castro to let his people finally enjoy the fruits of freedom.

I just returned from a trip to the newly freed nations of Central Europe, and to the Soviet Union. I am convinced that within the next year Fidel Castro will face an untenable economic situation as the Soviet Union cuts billions of dollars in subsidies to Cuba. The amendment before us will prohibit subsidiaries of United States corporations from filling the gap by trading with Cuba.

Over the past decade, subsidiaries owned or controlled by United States corporations have engaged in $2.685 billion in trade with Cuba. While only a fraction of Cuba's total trade, United States subsidiaries have been a key source of hard currency for cash-starved Cuba.

Mr. President, the people of Cuba are suffering under an increasingly desperate dictator. Human rights is deteriorating. More Cubans are risking and losing their lives by braving the 90 miles of water between Cuba and Florida. Dozens attempted to seek asylum in Western embassies.

Mario Chanes de Armas remains in prison after 29 years, longer than any political prisoner in the world. Ernesto Diaz Rodriguez is now spending his 22d year in Castro's brutal prison system.

Fidel Castro will not stand against the tide of freedom that is sweeping the globe. We must do what we can to hasten the end of his tyranny and to stand as one with the people of Cuba.

Mr. HEINZ. Mr. President, I know that Senator GRAHAM wants to speak on the amendment. I yield the floor.

Mr. GRAHAM. Mr. President, my colleague, Senator MACK, and I have proposed today an amendment which would extend to the current prohibition against the sale by United States firms of items to Cuba that same prohibition to the subsidiaries of those United States firms. This, essentially, Mr. President, is a return to the policy that the United States had initially enacted in 1975, which, subsequently modified, has been a major loophole and an opportunity for Fidel Castro to secure goods from Western nations. We would now propose by this amendment to return to the 1975 law.

Mr. President, I would like to make a few comments as to the state of Cuba today. Fidel Castro remains one of the last political dinosaurs of the 20th century. As the democratic tide breaks over the world, east and west, Castro stands with his finger in the socialist dike trying, almost comically, to hold back the forces of change.

His isolation became apparent during a recent visit with Soviet officials in Moscow. Those Soviet officials said in no uncertain terms that the Soviet Union is prepared to change, to reduce, to terminate its relationship with Cuba. This is for both internal and external reasons.

Internally, the Soviet people have reached their limits in terms of pouring an average of $5.5 billion a year of economic and military aid into Cuba. Externally, there is growing resentment at the fact that Fidel Castro has not only resisted, but has jeered and ridiculed the efforts at reform that are occurring within the Soviet Union and other former Eastern and Central European allies of Cuba.

Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks the English language text of letters written on June 22 of this year between the President of Czechoslovakia, Vaclav Havel, to Fidel Castro and Fidel Castro's response to that letter on June 29.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GRAHAM. Mr. President, those letters reflect the schism that is occurring between Fidel Castro and the rest of the former Socialist world. In that letter to President Vaclav Havel, which was in response to President Havel's request that consideration be given to various political prisoners who had recently been sentenced to long prison terms in Cuba because of their efforts on behalf of political freedom and human rights, Fidel Castro responded with these words:

It was with no small surprise that we received your message in which, forgetful of your high office, you have resorted to a gross breach of Cuban sovereignty. It also exposes your absolute ignorance of the problems of our country that you dare address in complete lack of respect for our organs of justice.

Citizens subjected to the process of justice against which you irresponsibly protest are no defenders of freedom, contrary to what you suppose and allege. The rights of our citizens are in our country protected by the constitution of the Republic and it is not desirable that the president of Czechoslovakia hurry to defend them since these rights are supported by millions of citizens who would give their lives for their defense.

The seven persons that you have the nerve to defend without knowing the circumstances of their trial are mere instruments of North American imperialism, which you so gladly support without recalling its history of aggression and interventions * * *.

Mr. President, that conveys the sense of the estrangement of Fidel Castro from the country which ironically provides to Cuba its representation in this, the Capitol of the United States of America.

Mr. President, I am convinced that the Soviets share our view, as do the Czechoslovakians and other countries, that Fidel Castro is headed for the dustbin of history.

The only problem is it is taking longer for him to get there than any of us would like. One of the reasons for that length of time is the fact that we have had an exception to our economic embargo against Cuba which has been utilized by Cuba to secure a substantial amount of its supplies, services, products from the Western World. Our amendment would provide that the same restrictions on the sale of goods to Cuba which currently apply to a United States firm dealing directly with the Cuban Government would apply to the subsidiary of a United States corporation, including a subsidiary in a third country dealing with Cuba.

As I indicated in my introductory comments, Mr. President, this would essentially return us to the policy as it existed in 1975. It also is consistent with the provisions that we are currently enforcing in our embargoes with North Korea, Cambodia, and Vietnam.

The Senate approved an identical provision to the one that I offer today in 1989 by a vote of 82 to 13. It is no wonder the majority of our colleagues, as well as the majority of the American people, agree that the policy of isolation of Fidel Castro is working, and that what we need to do in order to hasten the day in which there will be a free Cuba, is to tighten the noose. This will achieve one further closure of that noose.

By exploiting the loophole which is currently available, Fidel Castro is able to do more than $300 million a year in hard currency trade through subsidiaries. This represents about

one-sixth of his total trade with the non-Communist world.

This figure has the potential of growing as Cuba seeks new trading partners in the West to replace the certain decline in trade with Eastern and Central European countries and with the Soviet Union.

The Soviet Union has announced that effective January 1991 it will no longer provide subsidized assistance to Cuba, such as the below-market rate at which it has sold petroleum and the excessive amount of petroleum which it has sold to Cuba, which has allowed Fidel Castro to sell that excess in the world market and secure hard currency. The Soviet Union has also indicated it will begin to phase out both its military and economic aid, and require hard currency payments on a parity basis for any future trade with Cuba.

Those steps will have a further tightening of the noose around this almost last standing exception in a world which is moving toward democracy, pluralism, and free markets.

I encourage my colleagues to again support this important step, which will bring us one day closer to the restoration of the same values in this nation which is so close to us, and with which we have had such a long, positive historical relationship. It will close the book on a 30-year dark period of a divergence, a dark period in which the people of Cuba have been denied the basic liberties that their fellow human beings around the world are now rising up to seize, and secure, and to relish, to move together into a new era of peace and freedom.

May this action today bring closer the time when Cuba will be part of that worldwide march toward democracy and freedom.

EXHIBIT 1

HAVEL/CASTRO EXCHANGE ON HUMAN RIGHTS

The text of the Havel and Castro Letters have been published in Czechoslovak newspapers. Our informal translation of the letters is provided below.

Text of the Havel to Castro June 22 Letter:

"Mr. President, it is with regret that I have received the news that a Havana Court yesterday sentenced seven opposition figures to high prison terms. Their only crime was they demanded Cuba set out on the road of plurality, democracy, and market economy, or the road all the former totalitarian countries of Central and Eastern Europe are now on.

"Mr. President, I resolutely protest against the Cuban judiciary ruling, which I regard as another step your country has taken into the darkest past, as a gross breach of basic human rights, and as an insult to the civilized world. I therefore demand you act to have all the unfairly sentenced freed immediately."

Text of the Castro to Havel June 29 Letter:

"It was with no small surprise that we received your message in which, forgetful of your high office, you have resorted to a gross breach of Cuban sovereignty. It also exposes your absolute ignorance of the problems of our country that you dare address in complete lack of respect for our organs of justice.

"Citizens subjected to the process of justice against which you irresponsibly protest are no defenders of freedom, contrary to what you suppose and allege. The rights of our citizens are in our country protected by the constitution of the republic and it is not desirable that the President of Czechoslovakia hurry to defend them since these rights are supported by millions of citizens who would give their lives for their defense.

"The seven persons that you have the nerve to defend without knowing the circumstances of their trial are mere instruments of North American imperialism, which you so gladly support without recalling its history of aggression and interventions of which Panama is only the last example. The said persons violated laws which had been approved by our representative organs and which enjoy the militant support of our people. They are delinquents serving foreign countries and that is why they were put in front of court organs. Only court organs can rightly and with full authority decide about their punishment.

"Our people, who so heroically defend their independence, loyalty to socialism, and honor, only several miles away from the most powerful imperialist power of the world, must take outrage at your shameful slander by which you try to teach us a lesson in political morals. There exist such who will thank you and perhaps will reward you for insulting Cuba.

"We confess to our embarrassment at seeing the President of a country that until recently was friendly to Cuba show such lack of judgment and use language so disrespectful it prevents us from paying him the attention his office might deserve."

Mr. SARBANES. Mr. President, the very able and distinguished Senator from Florida has pointed out this matter was considered by the Senate last year and by an overwhelming vote was agreed to. In light of that, and in light of the statement of the Senator from Florida with respect to it, we are prepared to accept the amendment.

The PRESIDING OFFICER. The Senator from Pennsylvania, [Mr. HEINZ].

Mr. HEINZ. As the Senator from Maryland has pointed out, this has passed the Senate on two previous occasions. On our side of the aisle we are also prepared to accept the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment of the Senators from Florida.

The amendment (No. 2658) was agreed to.

Mr. SARBANES. Mr. President, I move to reconsider the vote.

Mr. GRAHAM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Pennsylvania [Mr. HEINZ].

AMENDMENT NO. 2659

(Purpose: To provide for enhanced verification of export license conditions)

Mr. HEINZ. Mr. President, I send an amendment to the desk for Mr. GRAMM and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Pennsylvania [Mr. HEINZ], for Mr. GRAMM, proposes an amendment numbered 2659.

Mr. HEINZ. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place in title I of the bill, insert the following:

"SEC. AUTHORITY FOR PRIVATE INSPECTION SYSTEMS.

"Section 4 of the Export Administration Act of 1979 is amended by adding the following new subsection:

" "( ) AUTHORITY FOR PRIVATE INSPECTION SYSTEMS.—The Secretary is authorized to maintain a list of approved private inspection companies for the purpose of enabling exporters to submit independently verified, certified information necessary for effective and timely licensing." .".

Mr. HEINZ. Mr. President, let me take a moment to describe this amendment. It really is quite simple. It simply authorizes—it is permissive—the Secretary of Commerce to utilize private inspection companies to be used by exporters in independently certifying and verifying certain license information for the Commerce Department.

The language is permissive. It does not require the Commerce Department to shift any enforcement activities or any official activities to private vendors. That of course we would not want to do. It does, however, permit the use of private companies to undertake additional inspection procedures to support license applications. This should expand the information available to Commerce without endangering the enforcement process.

Although I am not offering this amendment myself, speaking for the minority we are prepared to accept it.

The PRESIDING OFFICER. The Senator from Maryland [Mr. SARBANES].

Mr. SARBANES. Mr. President, we have received some communications of concern about this amendment from the business community, and what its impact may be. As Senator HEINZ points out, though, the amendment only authorizes. It does not require or compel the use of such companies.

It seems to me we can take the amendment and go to conference. We will have an opportunity to hear what the concerns are, which we have only had just expressed to us. In any event,

since it is authorizing legislation and does not compel the department to do this, I am prepared, given that fact, to accept the amendment.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment offered by Senator HEINZ on behalf of Senator GRAMM of Texas.

The amendment (No. 2659) was agreed to.

Mr. HEINZ. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SARBANES. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2660

(Purpose: Managers' amendment)

Mr. SARBANES. Mr. President, I send an amendment to the desk on behalf of myself and Senator HEINZ, the manager's amendment, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Maryland [Mr. SARBANES], for himself and Mr. HEINZ, proposes an amendment numbered 2660.

Mr. SARBANES. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 24, after line 9, insert the following new subparagraph:

"(E) No controls under section 5 eliminated after the Coordinating Committee High Level Meeting, June 6-7, 1990, shall be extended or reinstated using any authorities other than section 6 of this Act, unless the President determines that extraordinary circumstances directly affecting the national security of the United States exist and reports such circumstances to the Congress within 10 working days of such determination."

On page 28, line 24, after "technology" insert ", including all dual use goods and technology on the Missile Technology Control Regime Annex,".

On page 30, line 3, after the word "proliferation" insert "or is a potential channel of diversion identified pursuant to paragraph (5) of this subsection."

On page 30, after line 7, insert the following:

"(5) The Secretary shall establish a procedure for information sharing with appropriate officials at the Central Intelligence Agency and the Defense Intelligence Agency that will ensure effective monitoring of flows of MTCR technology to all countries that the Secretary of State has determined are of concern to the United States regarding missile proliferation in order to ensure detection of channels of diversion."

On page 30, line 12, delete all from "(a)" through "(1)" on line 13 and insert the following: "PROLIFERATION CONTROL VIOLATIONS.

"(a) VIOLATIONS BY UNITED STATES PERSONS.—(1) SANCTION.—If the President determines that a United States person has transferred or conspired to transfer or facilitated the transfer, in violation of the provision of section 38 of the Arms Export Control Act (22 U.S.C 2778), section 5 or 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2404, 2405) or any regulations issued under any such provisions, of any item on the annex of goods and technology to the Missile Technology Control Regime, then the President shall deny to such United States person for a period of two years licenses issued pursuant to this Act for the transfer of missile equipment and technology.

"(2) DISCRETIONARY SANCTIONS.—In the case of any determination referred to in subsection (a), the Secretary may pursue any other appropriate penalties available under section 11 of this Act.

"(3) WAIVER.—The President may waive, to the extent required to meet the national security needs of the United States, the imposition of sanctions under subsection (a) if the President certifies to the Congress that—

"(A) the product or service is essential to the national security of the United States; or

"(B) such person is a sole source supplier of the product or service, the product or service is not available from any alternative reliable supplier, and the need for the product or service cannot be met in a timely manner by improved manufacturing processes or technological developments.

"(b) TRANSFERS OF MISSILE EQUIPMENT AND TECHNOLOGY BY FOREIGN PERSONS.—(1) SANCTION.—

On page 30, line 15, strike "1 year" and insert "2 years".

On page 30, line 15, after "(b)" insert "—(A)".

On page 30, line 24, after "State" insert ", or (B) the President has made a determination under section 73(a) of the Arms Export Control Act."

Mr. SARBANES. Mr. President, this amendment addresses two matters. The first relates to a concern raised by the able Senator from Delaware [Mr. ROTH], during a markup of this legislation with regard to the authority of the President to extend or reinstate export controls eliminated after the Cocom meeting which took place on June 6 and 7.

It was Senator ROTH's view that if the President wants to extend or reinstate export controls that had been eliminated after that Cocom high level meeting, it should be done under the foreign policy control provisions of section 6 of the Export Administration Act. He raised this concern in the committee markup of the act and an understanding was reached that an effort would be made to work out agreed language with the administration so that the committee could address this issue in a manager's amendment to be offered on the floor.

I am pleased to report the agreed language has been worked out with the administration providing that no national security controls under section 5 of the EAA eliminated after the Cocom meeting shall be extended or reinstated using any authorities, other than section 6 of the act, unless the President determines that extraordinary circumstances directly affecting the national security of the United States exist and reports such circumstances to the Congress within 10 working days of making the determination.

I think this essentially arrives at a constructive solution of this issue, and I particularly want to thank Senator ROTH for his leadership and cooperation on this important matter.

The second matter covered in the manager's amendment relates to the issue of missile technology proliferation. This legislation contains an extensive section addressing this issue and calls on the administration to renegotiate the missile technology control regime to improve its effectiveness and increase the number of countries participating in the regime. It would also formally place the requirement to license dual-use missile technology in section 6 of the Export Administration Act and, in addition, would require sanctions against foreign persons who, after the date of enactment of this legislation, are determined by the President to have assisted missile proliferation through shipment of dual-use goods.

Before the recess when the Senate was considering the Defense authorization bill, Senator BINGAMAN offered an amendment addressing the issue of missile technology proliferation as it relates to exports of defense articles controlled under the Arms Export Control Act. Several provisions of his proposal related to the Export Administration Act and the Banking Committee reached agreement with him at the time to include those provisions in the manager's amendment to the EAA.

Those provisions would further specify that all dual-use items on the missile technology control regime annex should be included on the EAA missile technology control list.

It would expand the range of missile technology licenses that must be referred by Commerce to the State and Defense Departments for their review; specify a procedure for interagency sharing of intelligence information on missile technology licenses; create an additional license denial penalty for U.S. persons who assist missile proliferation; and expand the provision of the bill that would impose sanctions against foreign persons by increasing the minimum penalty period to 2 years and make a violation of the parallel missile technology sanction provisions of the Arms Export Control Act, a basis for sanctions under this legislation.

I want to commend Senator BINGAMAN for his leadership on this issue, for his important contribution, and thank him for his cooperation.

Mr. McCAIN addressed the Chair.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Arizona.

Mr. McCAIN. Mr. President, I believe that the current version of the act we are considering represents a valid compromise for the time in which it was drafted. I believe the sanctions it places on Iraq are vital and necessary, and the provisions to limit the proliferation of long-range missiles complement legislation that was introduced and included in the Fiscal Year 1991 Defense Authorization Act by myself, Senator BINGAMAN, and Senator GORE.

I also, however, believe that we may soon be required to go further. The current crisis in the gulf marks the second time in the last 5 years we have faced a major threat to world peace, and the world's primary source of oil imports, from a state in the northern gulf.

Last time, that threat was Iran. Today, it is Iraq. Tomorrow it may be both nations acting together—overcoming their divisions and hatreds to forge a modern day version of the Molotov-Ribbentrop pact.

I believe that as we move forward with this act, we should consider whether stronger legislation should follow that uses the Export Administration Act to establish sanctions against any nation that violates the U.N. embargo on Iraq, and that sells arms, technology, and equipment to manufacture and deliver weapons of mass destruction, and dual use items to either Iraq or Iran.

Our first priority must be to force Iraq to give up its conquest of Kuwait, to check Saddam Hussein's immediate ambitions, and to put this evil genie back into his bottle.

It is clear, however, that liberating Kuwait will not be enough. Even if we are forced to war, much of Saddam Hussein's vast military machine will remain, and we cannot be sure we can root out Saddam Hussein's vast infrastructure to develop or manufacture chemical, biological, and nuclear weapons, and long-range missiles. We cannot be sure that many of Saddam Hussein's long-range strike aircraft will not remain.

In short, we must begin now to consider a longer term embargo that applies to both Iraq and Iran, which shuts off the shipment of every possible piece of military and dual use technology to these rogue and hostile states, and which confronts the world's arms sellers and merchants of mass destruction with a stark choice between halting sales to Iraq and Iran and being denied access to the American market.

In the past decade, roughly 100 billion dollars' worth of arms; military related equipment; and feedstocks, technology, and equipment for the manufacture of weapons of mass destruction has been allowed to flow to Iraq and Iran. The result has been a million Iraqi and Iranian casualties, a constant threat to friendly states in the region, and a growing need for the United States to act as the world's policeman.

Neither Iraq nor Iran, however, can hope to sustain their current military capabilities, or the present scale of their efforts to develop weapons of mass destruction, if they do not receive billions and billions of dollars more worth of exports.

Mr. President, if we use the full influence of the United States, and the full power of the American economy, we may well be able to convert Iraq and Iran to the world's largest military junkyards. We will reduce the need for a U.S. military presence in the gulf, and we will greatly reduce the risk of further atrocities and uses of weapons of mass destruction.

Mr. President, I do not believe that we should try to rush to pass such legislation today. I believe it will take time and must be carefully crafted. I do believe, however, that we should recognize that the sanctions in this act are only a beginning. We must go further or face the prospect of far more serious military challenges than the one we face today, and even more devastating wars.

Mr. President, I yield the floor.

Mr. HEINZ. Mr. President, the amendment limits the circumstances under which munitions controls can be used to extend or reinstate controls on items decontrolled by Cocom. Munitions controls could only be imposed under extraordinary circumstances as determined by the President, although export controls could, in any case, be maintained under section 6 of the EAA for foreign policy purposes.

It also contains a series of amendments on missile proliferation controls that sort out jurisdiction between the Banking Committee provisions of this bill and missile technology amendments attached to the DOD bill by Senators BINGAMAN, GORE, and MCCAIN. The amendments would:

Expand the list of controlled items by requiring that all dual-use items on the missile technology control regime annex should be included on the EAA missile technology control list;

Expand interagency license referral by Commerce to the State and Defense Departments for their review;

Require interagency sharing of intelligence information on missile technology licenses issued in order to detect diversion to countries of concern;

Expand penalties for missile technology violations by denying licenses to U.S. persons who assist missile proliferation, and making violations of parallel missile technology provisions of the Arms Export Control Act sanctionable offenses under the EAA; and

Expand sanctions against foreign persons by increasing the minimum penalty period to 2 years and making a violation of the parallel missile technology sanctions provision of the Arms Export Control Act a basis for sanctions under the EAA.

Mr. President, let me also say this about these amendments. The first amendment regarding those items decontrolled by Cocom will further clarify and further regularize the regime for dual use Cocom controlled items that are decontrolled, and the second set of amendments will substantially improve the scope and the means by which we can restrict and control the proliferation of missile technology. On the latter point, the obvious need to halt the growing arsenal of missiles acquired or being sought by the likes of Saddam Hussein is all the justification that is needed for this legislation.

So I urge our colleagues to accept it.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak for about 6 minutes as if in morning business.

The PRESIDING OFFICER. Is there objection?

Mr. SARBANES. Mr. President, will the Senator allow us to adopt the amendment that is pending?

Mr BAUCUS. It is a voice vote?

Mr. SARBANES. Yes.

Mr BAUCUS. Yes.

The PRESIDING OFFICER. If there is no further debate, the question is on agreeing to the amendment.

The amendment (No. 2660) was agreed to.

Mr. SARBANES. I move to reconsider the vote.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HEINZ. Mr. President, I ask unanimous consent that Senator MCCAIN be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LIEBERMAN. Mr. President, the world has changed dramatically in the last year, more dramatically than in any period since the end of the Second World War. The world order has been turned upside down. Terms like East versus West, superpower conflict, and national security have taken on new meaning. We are no longer fighting the evil empire. We are learning to do business with the "man of the decade." Instead of defining an allied military strategy, flexible response has come to mean differences between allies over how to aid the Soviets: Through technical assistance or direct financial aid.

National security is now defined in economic statistics as much as military might. An important measure of our ability to compete internationally is our balance of trade, and on this front we are falling down. The Federal Gov-

ernment has to assume a proactive role in helping our exporters compete, and one way of doing that is to update export laws that were written for another era. Another way is to aid our exporters as they compete against companies from other developed nations for markets in Eastern Europe and the developing world. The gentleman from Maryland and the Banking Committee have made a good start toward achieving these goals with the legislation before us today.

On June 28, I introduced S. 2826, the Trade and Competitiveness Act of 1990, which addresses some of the issues that the committee considered in the bill before us today. I would like to talk about two aspects of this bill that are particularly relevant to today's debate: Putting into law a definition of what a dual use item is and creating a more aggressive tied aid program combining AID, Eximbank, and TDP resources.

With regard to dual use and the whole topic of export controls, the committee has taken a complex and often contentious problem and fashioned a compromise that moves toward a more level playing field for U.S. exporters. The committee has also appreciated the need to remain diligent in the protection of America's security interests by keeping in place safeguards designed to prevent the exporting of defense sensitive technology.

But I wonder if the committee couldn't have gone a little further on the issue of dual use. A dual use item is an item that can be used for civilian and munitions purposes. The committee report language on what constitutes a dual use item is helpful in providing for a separation between the EAA and the Arms Export Control Act [AECA]. Senator GRAMM's excellent suggestions, as contained in the report, on how we might define dual use are extremely helpful as they attempt to create a clear distinction between the EAA and the AECA.

I still believe that there are two basic problems associated with dual-use items, or commodity jurisdiction, as it is better known. First, the statutes and implementing regulations of the EAA and the AECA do not provide clear guidance as to which commodities are controlled by one act versus the other. Neither act provides definitions as to what products are under its control. This results in frequent commodity jurisdiction disputes.

Second, the EAA imposes an obligation to coordinate its controls with those under the AECA. The practical effect of this asymmetry is that Commerce, which has primary authority in administering the EAA defers and "rolls over" to the decisions of the State Department, which has been designated primary responsibility for administering the AECA. As a consequence, there is a strong bias in favor of placing controversial items on the munitions list. Therefore, with a strong tendency for control, many of our truly dual use items are being inappropriately controlled, leading U.S. firms to lose markets to foreign competitors. In an era of fierce high technology competition, we cannot afford to constrain the environment for our companies and must allow them to freely compete.

As the civil arena becomes increasingly liberalized, the differences between how we treat items caught in the gray area between the two acts will be dramatically highlighted, and the emphasis on procedures, therefore, is more important than ever before. The U.S. tendency for using the munitions list as a basis for foreign policy sanctions already places U.S. high technology firms at a competitive disadvantage. We cannot afford to unilaterally control dual use items as munitions exports when those items are universally recognized as commercial items by our allies and competitors. Changes should be made in the AECA and EAA in order to conform, clarify, and coordinate the authority of the two acts.

I would like to suggest the following definition which includes many of the points taken from my bill as the excellent suggestions of Senator GRAHAM as offered in committee. My bill and others would require coordination between the agencies as coequals and recommends the following definition:

(1) items that are not specially designed, developed, configured, adapted, or modified for military intelligence application;

(2) items designed, developed, configured, adapted, or modified for military and space application which are used in commercial or civil (nonmilitary/intelligence) applications;

(3) items used in defense articles and services where the performance or functionally application is essentially equivalent to that found in the civil or commercial sector.

We have to begin to give our exporters a clear definition of what we mean by a dual use item. It is ridiculous to give an exporter an export license from the Department of Commerce and then have Customs or the State Department stop the exporter, because he does not have another license from the State. This only confuses the exporter and places the burden and blame on him for not having guessed correctly as to where he should have gotten his export license. Oftentimes, the delay causes the exporter the sale. Our exporters should not have to guess which is the right agency and then be penalized if they choose incorrectly. Senator GRAHAM addresses this problem with his report language by establishing criteria by which Commerce can claim jurisdiction and authority over dual use products. I would like to see us take that a step further and write into law, as specifically as possible, what it is we mean by dual use, using the Graham language as a starting point. By doing this, we would help eliminate any confusion in the mind of the exporting community as to which items they can export.

The line between commercial and defense technology is becoming increasingly blurred. For example, a microchip may be used in a VCR and also used in defense related radar. This is dual use. It has a commercial and military application. Smart cards fall into that same category. A smart card is like a credit card but with a microchip that permits the user to do things as simple as take out a library book or undertake a banking transaction. In fact, credit card companies have been told that smart cards that they issue fall under the jurisdiction of the munitions list. We need a clear definition of dual use technology.

All too often, existing law engenders bureaucratic infighting and makes life particularly difficult for our high technology, aerospace, and defense exporters. Let me give you an example of a problem a company had as a result of the problems associated with commodity jurisdiction. This particular company manufactures fasteners, nuts, and bolts, under a license from a European firm, and also produced in Germany, France, and Japan. These fasteners are used in automobiles, railroads, and bridges, as well as to fasten aircraft skin to frames, and had for years been exported under a general destination license. Last year, during a routine inspection, Customs detained a shipment worth $150,000 destined for the United Kingdom. Customs determined that the fasteners would be used in work related to fighter aircraft and asked whether a State munitions license was required. State responded that since the end user was military, State had proper jurisdiction. Customs was instructed to seize the shipment. The exporter was then subject to a fine and notified that the item could only be exported as a munitions list item.

The company appealed to Commerce for a commodity classification, stating that while the fasteners met military specs, they were not designed for the military, had numerous civilian applications and were readily available worldwide. Commerce agreed. What followed was a lengthy and costly appeal through the highest levels of both agencies before State agreed that the shipment could be properly exported under a general destination license.

This is one small example of the kind of problems that confront exporters. We are crippling industries that are important to the health of our Nation's economy. We must promote these industries' efforts to export to the fullest extent possible, not impede

them, if we are to lower our trade deficit.

There was a time in our Nation's history when trade was considered a kind of foreign aid program for our friends and allies. That time has passed. Now trade is vital to our economic future. It is time to take control of our economic destiny. It is time to protect our economic security by helping our Nation's exporters compete. Exporters are on the new front lines of the post-cold-war era of economic competition. We cannot expect them to keep up with their foreign competitors if confusion over government regulations puts them at a competitive disadvantage.

I, therefore, strongly encourage my colleagues on the Banking Committee, who will be in conference with the House on this bill, to do all that they can to put a definition of dual use into law. This small step could have a major positive impact on the lessening of our trade deficit.

The other issue that I want to address today is the question of tied aid. This subject pertains generally to the export promotion title of the bill, title II. Our exporters need government assistance in capturing new markets. American products are often competitive with the products of other nations, but it is the terms of trade—the packaging of a transaction—that makes life difficult for American exporters. Frank Doyle, a senior vice president at GE, was quoted recently as saying that "without competitive financing, we won't win any orders at all." That means not only direct loans and guarantees, it also means using tied aid as a tool to meet our competitors head on.

I am not advocating using tied aid unilaterally. But if we simply tell our exporters that we are ideologically opposed to tied aid and then walk away from them, we are shooting ourselves in the foot. The United States is running a $100 billion trade deficit, and we are not going to eliminate that deficit without being competitive. Our exporters need our help and support. A new aggressive tied aid program like the one that I have proposed in S. 2826, is one way of helping them.

My bill would establish a Capital Projects Bureau at AID that would work with the other AID bureaus in putting together capital projects that would be beneficial to our exporters. The annual budget for the Bureau would be $500 billion.

Within the Bureau there would be a special program for Eastern Europe. Initially the Bureau would conduct a study of the various sectors of the economies of the nations of Eastern Europe that need the most rebuilding. Those sectors would become eligible for assistance under the Capital Projects Bureau and cooperative programs that it will have with the Eximbank and TDP. The Bureau would establish desk officers and in country presence for the nations of Eastern Europe.

The bill also sets up a Capital Projects Interagency Board that would be administered by AID, Eximbank, and TDP, which would be the judge and jury over which tied aid projects should go forward. Such a board would bring these agencies even closer together as they deliberate on tied aid projects. Presently the National Advisory Committee [NAC] decides whether or not a tied aid deal will go forward. The new Interagency Board would be better suited to handle this issue since that will be its sole function, unlike the NAC which has a number of other issues with which it must contend.

The bill also increases the Eximbank's war chest to $500 million for each fiscal year, 1991 and 1992. This is important because the Bank remains the key agency in the tied aid battle. Joint efforts on tied aid programs betwen Exim, AID, and TDP are absolutely necessary to helping our exporters compete.

Ambassador Ernie Preeg, one of the leading experts on the issue of tied aid, said that our exporters lose an estimated $2.4 to $4.8 billion per year in exports because of foreign government support for our companies' competitors. The U.S. Commerce Department has estimated that merchandise exports accounted for approximately 7 million jobs in 1989. Bruce Talley, executive director of the Coalition for Employment Through Exports, was recently quoted as saying, the question of tied and export financing is "not only an income-trade issue, it's a jobs issue." He is right; more exports mean more jobs.

I realize that although my bill deals with tied and the Eximbank, the legislation that we are considering today may not be the appropriate vehicle on which to put my language, since my bill also deals with AID which is within the Foreign Relations Committee's jurisdiction. But I strongly encourage the gentleman from Maryland to hold a hearing on S. 2826 and the excellent bill introduced by Senators BOREN, BYRD, and BENTSEN on this same subject in his capacity as chairman of the Foreign Relations Committee's Subcommittee on International Economic Policy, Trade, Oceans and Environment. This is an issue that is important to our Nation's economic security.

Mr. GLENN. Will the distinguished Senator from Michigan engage me in a colloquy?

Mr. RIEGLE. I am happy to do so.

Mr. GLENN. Will the Senator clarify the intent of the bill S. 2927, with respect to the consistency of new export control reforms with U.S. nonproliferation objectives?

Mr. RIEGLE. It is the intent of this bill that no reforms undertaken pursuant to it shall have the effect of weakening existing controls over exports of goods and technology relating to nuclear, chemical, or biological weapons, or to delivery systems for such weapons.

Mr. GLENN. I thank the distinguished Senator.

Mr. SARBANES. Mr. President, I think we are in a position, if the Senator will defer for a moment, to pass this legislation. We have no further amendments pending. I know of no other amendments that are pending. If that is the case, we could pass the legislation and then revert to morning business and the Senator from Montana could be recognized to make his statement.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. Presdent, might I inquire whether a recorded vote would be required?

Mr. SARBANES. We do not expect a recorded vote.

Mr. HEINZ. I do not expect a rollcall vote on this. I agree with the Senator from Maryland; we are in a position to go to final passage. I understand there may be one other amendment offered. If that is true, that amendment should be considered now. Otherwise, the Senate is being detained. But I say to my friend from Maryland, I suppose no harm would be done by allowing the Senator from Montana to proceed as if in morning business for 5 minutes, or whatever he desires.

Mr. BAUCUS. Eight minutes, if possible.

Mr. HEINZ. And then go to final passage if nothing materalizes.

Mr. SARBANES. We are happy to do that. We do not want to close anyone out. When we first took up the legislation this morning, we indicated we hoped to move along quickly. We would like to do that and complete this work. I hope that we would be in a position to know if there are any further amendments. We are simply to some extent in a waiting pattern for that.

Mr. HEINZ. Mr. President, let me suggest this. I would be prefectly prepared to yield a brief amount of time as required by the Senator from Montana as if we were in a quorum call, which apparently would otherwise be necessary, to determine—and I will in a second—exactly what the status is of any amendments on this side of the aisle. But I share the desire of the Senator from Maryland to move along with this legislation.

Mr. SARBANES. Fine.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask unanimous consent to speak for 8 minutes as if in morning business.

The PRESIDING OFFICER. Is there objection? Without objection it is so ordered.

The Senator from Montana is recognized.

IRAQ SANCTIONS

Mr. BAUCUS. Mr. President, on August 2, 1990, Iraq invaded Kuwait.

In retaliation to Iraq's invasion, President Bush imposed economic sanctions on Iraq.

In the following days, the United Nations denounced Iraq's actions and announced a total trade embargo, the United States and other nations committed troops to the region, and the United States began interdicting shipping to Iraq.

I, like almost all Members and the vast majority of the American public, support these steps. But the crisis demonstrates some important shortcomings in U.S. security policy.

Congress should immediately begin preparing legislation to address some of these shortcomings.

Later this week, I plan to introduce legislation toward this end. This legislation will strengthen the embargo against Iraq in three ways:

First, it will improve enforcement of the embargo against Iraq.

Second, it will liquidate frozen Iraqi assets to pay off Iraqi debts in the United States.

And finally, it would direct the administration to find new export markets to replace those lost because of the Iraqi embargo.

ENFORCING MULTILATERAL SANCTIONS

My legislation would essentially give the President authority to retaliate against nations that break the embargo on Iraq.

The President would be granted specific authority to retaliate by restricting imports into the United States from nations that he determines are violating the U.N. embargo on Iraq.

With several nations—including Iran—threatening to break the embargo on Iraq, this legislation is particularly timely.

It has become apparent in recent days that the problem of leakage around the embargo through air and overland shipments is becoming more serious.

There are press reports that Argentina may be planning to ship wheat to Iraq through Iran.

This legislation gives the President another tool—in cases where interdiction is inappropriate or impossible—to enforce the embargo.

The threat of meaningful trade sanctions should deter cheating on the embargo and ensure that the United States is not the only nation bearing the economic cost of the embargo.

LIQUIDATING IRAQI ASSETS

There's another matter: The United States has already frozen substantial Iraqi assets in the United States.

In retaliation, Iraq suspended payments on debts to creditors in the United States.

Iraq now owes creditors in the United States about $2.6 billion.

This includes about $2 billion in loans to Iraq guaranteed by the United States Department of Agriculture for loans to purchase United States agricultural exports.

If Iraq defaults on these debts, USDA's Commodity Credit Corporation would be forced to pay off the loans.

And these debts would cost the CCC approximately $900 million in fiscal year 1991 alone.

That would be a tremendous drain on CCC assets that are already drawn thin to support the farm program.

My legislation would direct the President to liquidate a portion of Iraqi assets sufficient to repay their debts to United States creditors—particularly the Department of Agriculture.

The point of this legislation is simple.

American farmers are already suffering because of the Middle East crisis in many ways. Farmers are paying drastically higher fuel prices because of the threat to the flow of oil. Farmers also stand to lose hundreds of millons in sales to Iraq because of the embargo.

But if we do not take action, farmers will also be effectively forced to pay off Iraqi debts out of the farm program. This is simply unacceptable. We must move to pass this critical legislation quickly.

EMPLOY EXPORT PROMOTION TOOLS TO MINIMIZE IMPACT ON U.S. EXPORTERS

Finally, the economic burden of the embargo on the United States is being borne primarily by United States exporters who have lost sales to Iraq.

Particularly hard hit are rice and wheat farmers, for whom Iraq has been a substantial export market.

American wheat farmers could be expected to sell about $170 million in wheat to Iraq in a normal year. But those sales will obviously not be made.

The news of the Iraqi embargo sent an already soft wheat market into a further slide. Wheat prices have plummeted to levels comparable to the farm recession of the mid-1980's.

Farmers understand the importance of the embargo and are willing to bear a fair share of the cost of the embargo. But we should attempt to minimize the impact of the embargo on our exporters—including farmers.

My legislation directs the President to use United States export promotion tools to minimize the impact of Iraqi sanctions on United States exporters.

Specifically, the President would be directed to help locate replacement markets for United States exporters and to use export credits that would have gone to Iraq in alternative markets.

Taken together these three provisions will strengthen the current embargo against Iraq and ensure that the burden of the sanctions is borne fairly.

CONCLUSION

Iraq's invasion of Kuwait has sparked what many call the first post-cold-war crisis. This situation demonstrates that we need to develop a national defense system capable of responding to the realities of the current world.

Obviously, that means developing a conventional military capable of intervening in Third World conflicts, and the lift capacity to get our forces where they are needed.

But there are other lessons. For example, we must enhance our ability to use economic as well as military power to respond to crises.

We have tried economic embargoes in the past to promote U.S. objectives. Almost every one of those embargoes was an unqualified disaster.

We have learned from our past experience. That is why we worked with other nations to impose this embargo multilaterally, not unilaterally, and to take steps to enforce the embargo.

Hopefully, this embargo will succeed and make bloodshed unnecessary. But there are a number of additional steps that must be taken to fine-tune the embargo. This legislation is an important step toward that end.

Mr. President, I yield the floor. I very much thank the Senator from Maryland and the Senator from Pennsylvania for their kind cooperation.

EXPORT ADMINISTRATION ACT AMENDMENTS

The Senate continued with the consideration of the bill.

Mr. SANFORD. Mr. President, I rise today to voice my strong support for S. 2927, the Export Administration Act Amendments of 1990. These amendments to the U.S. export control regime represent the fundamental changes we must make to maintain American dominance through economic strength and uncompromising national security.

We have heard time and again over the past months that the United States seems to be losing its competitive edge. Our space program is suffering from recent, very expensive failures. The U.S. share of the world high technology market is shrinking. Research and development spending by American industry has plummeted. Our country, once the bastion of high technology and international trade, now faces an annual trade deficit. Add to that the impending consolidation of the European Community, an ever

stronger Japan, and the potential economic powerhouse of a reunited Germany, and the competitive position of the United States appears to be in serious trouble.

While export control laws are not the only barrier to rejuvenation of our international trade, they are a serious stumbling block. Our exporters have been forced to submit to a complex and time-consuming licensing process which up until recent weeks placed tough restrictions on even the most mundane technology. If our exporters are not allowed to put their goods on the world market in a timely fashion, and on an equal footing with the other industrialized nations, we cannot expect them to be competitive.

Mr. President, S. 2927 addresses these inadequacies in our current export control regime. This truly comprehensive reform bill points to a fundamentally different vision of export administration focused on maintaining U.S. national security without sacrificing our competitive position in the world market. I will not take the time to outline all of the important provisions contained in the bill, but there are several sections which deserve special attention.

One vital part of effective export control policy is a continual update of controlled items. The Export Administration Act Amendments of 1990 remedies the lack of such a procedure with a periodic list review process which gives new weight to purely technological considerations. The bill provides for ongoing, regular updates which will coincide with the actions of Cocom, the multilateral group with which the United States cooperates to control exports.

More importantly, the bill includes, as part of this review process, a newly strengthened indexing provision which will ensure constant reevaluation of the minimum levels of technology to be controlled. This indexing analysis puts technological advance on an equal level with the political and bureaucratic concerns which currently pervade the export control regime. Our Nation's cutting edge technology will be more carefully considered for decontrol on a timely basis, allowing for a renewed competitive position in the American manufacturing sector. I have worked over the past weeks to make sure that a strong indexing provision was included in this bill. I believe that this is exactly the kind of fundamental reform needed to help U.S. high-technology industries regain their lead in offering state-of-the-art civilian technology around the world.

A second major concern is the United States' competitive position among our friends in the West, particularly among the member nations of Cocom. In an increasingly competitive global environment, it is important that our businesses not be stifled by excessive unilateral controls. As the countries of the European Community eliminate all internal barriers, we must realize that such controls could effectively isolate the United States from that very important market. The Banking Committee bill deals with this issue by providing for license-free trade to all the members of Cocom and other nations who cooperate with Cocom to control exports. This license-free zone is especially important for U.S. exporters, who point out that the lion's share of licensing requirements apply to their trade with our allies.

A third vital change, possibly the most important as we move toward the 21st century, is a fundamentally revised policy toward Eastern Europe and the Soviet Union. Mr. President, our export control regime has historically been based on the protection of U.S. national security, and should remain so. The truly revolutionary changes in the former Communist world, however, mandate an updated definition of national security. Gone are the days when security and world power are defined solely by a nation's nuclear arsenal or defense budget. In an increasingly global, interdependent society, the best way to ensure national security is to work for global stability.

Whether or not the cold war is in fact dead may still be debated, but it is certain that increased trade and investment throughout Eastern Europe will help nail the coffin shut on communism. By committing the recent Cocom agreements on east-west trade to statute, and by making sure that our export control regime will never again become overly prohibitive on trade with Eastern Europe, these amendments to the Export Administration Act give our businesses the chance to enhance both the economic power and the competitive position of the United States. Further, through this promotion of the economic stability and the feelings of trust in Eastern Europe, American business can play an active role in the quest for world peace and the United States' national security.

In closing, let me extend congratulations and thanks to the distinguished Senator from Maryland [Mr. SARBANES], the chairman of the Subcommittee on International Finance and Monetary Policy. He and his excellent staff have worked diligently to ensure that this major overhaul of the export control system would be completed in a timely manner. Senator SARBANES has invested a great deal of time and effort in crafting legislation which has thus far been widely accepted by Members on both sides of the aisle and by the administration; for this he deserves our deepest gratitude. I would also like to thank Senator RIEGLE for his help in moving this important legislation forward once work in the subcommittee had been completed.

Mr. President, I urge all of my colleagues to support this very important overhaul of the Export Administration Act. In the interests of continued U.S. international strength and security, the need for an effective and efficient export control structure cannot be ignored.

Thank you, Mr. President.

Mr. BINGAMAN. Mr. President, I commend the Banking Committee for their work on the Export Administration Act reauthorization now pending. Under the leadership of Senators RIEGLE, GARN, SARBANES, and HEINZ the committee has produced a bill that strikes the right balance between national security concerns and the need of our high technology industries to compete in world markets.

As chairman of the Armed Services Committee's Defense Industry and Technology Subcommittee, I have taken a particular interest in the proliferation of missile technology in the Third World. During debate on the fiscal year 1991 Defense Authorization Act on August 3, the Senate adopted an amendment I offered with Senators GORE, MCCAIN, PELL, and HELMS to set a tough U.S. policy on missile technology proliferation.

At that time we only amended the Arms Export Control Act, but I announced that agreement had been reached with the Banking Committee to make conforming changes in the Export Administration Act as well.

As agreed that evening, the managers have offered those changes in the package of managers' amendments to the bill. I should note that the Banking Committee itself had included strong provisions with regard to missile technology proliferation in the bill as reported. The Armed Services, Foreign Relations, and Banking Committees are all in agreement on the fundamental importance of stemming missile technology proliferation and tightening our controls in this area, even as relaxation of controls in other areas becomes possible in light of the changes in East-West relations.

The President in his address to the joint session of Congress on Tuesday reiterated his interest in curbing the proliferation of chemical, biological, ballistic missile and nuclear technologies. The provisions in the Defense Authorization Act and the Export Administration Act are an attempt to express congressional support for the missile nonproliferation goal and to give the President and the Congress the tools we need to accomplish the job.

As the threat from the Warsaw Pact recedes, proliferation of these key technologies and key capabilities increasingly will be the central national security problem not only for this

Nation, but for the world as a whole. The experience of the last month in Saudi Arabia, where one of the key concerns we and our partners have faced is the threat of Iraqi missiles armed with chemicals, is ample testimony to this.

We have a long way to go to get our own house in order to stem missile proliferation. Today's Post carries an article on the interagency battle which was fought over the export of titanium furnaces to Iraq. Last Friday's New York Times broke a story about the export of hardened rocket casings to Brazil, many of whose nationals materials have participated in the Iraqi missile program, where a similar interagency battle is apparently being waged. Over the past few years these cases have come up all too regularly and they demonstrate that our export licensing processes, under both the Arms Export Control Act and the Export Administration Act, still do not give sufficient weight to blocking missile proliferation. We need a tighter process, not only here, but in all other nations with advanced missile technology. We must show leadership now or potentially pay a very large penalty 10 and 20 years from now.

Mr. President, let me conclude by again commending the Banking Committee for their work on missile nonproliferation and thanking Senators SARBANES and HEINZ for including in the bill the amendment needed to bring this bill and the Defense authorization bill into conformity. I look forward to working with the Banking Committee in the parallel conferences on these two bills which will soon be underway.

I yield the floor.

Mr. SARBANES. Mr. President, I repeat what I said earlier. We are now at the point of being prepared to act finally on this legislation. Unless there is some other Member who has an amendment to offer——

The PRESIDING OFFICER. Are there further amendments?

Mr. SARBANES. I understand there is a Member on his way. In view of that, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, I have a total of three amendments which I imagine the managers of the bill will be willing to accept. I do not know that for a fact. But we shall see.

I do make a parliamentary inquiry. The bill is now open for amendment. Is that correct?

The PRESIDING OFFICER. That is correct.

AMENDMENT NO. 2661

(Purpose: To provide for the imposition of sanctions on countries which use chemical or biological weapons and on corporations which assist Iraq, Iran, Syria, Libya or certain other countries to obtain, develop or stockpile chemical, biological or nuclear weapons, and for other purposes)

Mr. HELMS. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2661.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new title:

"TITLE —CHEMICAL WEAPONS

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chemical and Biological Weapons Control Act of 1990".

SEC. 2. FINDINGS.

The Congress finds that—

(1) chemical weapons were employed in the recent Iran-Iraq war and by Iraq in attacks against its Kurdish minority;

(2) the use of chemical and biological weapons in violation of international law is abhorrent and requires immediate and effective sanctions;

(3) United Nation's Security Council Resolution 620, adopted on August 28, 1988, states that intention of the Security Council to consider immediately "appropriate and effective" sanctions against any country using chemical or biological weapons in violation of international law;

(4) the Declaration of the Paris Conference on the Prohibition of Chemical Weapons demonstrates the resolve of most countries to reaffirm support for the 1925 protocol banning the use of chemical and bacteriological weapons and to press for attainment of a ban on the production and possession of chemical weapons;

(5) as many as 20 countries, including Iran, Iraq, Syria, and Libya have or are seeking the capability to produce chemical weapons;

(6) as many as 10 countries are working to produce biological weapons;

(7) by the year 2000, at least 15 developing countries will have the ability to produce ballistic missiles capable of carrying chemical or biological warheads;

(8) the further spread of chemical or biological weapons capabilities would pose a threat of incalculable proportions to friends and allies of the United States and undermine the national security of the United States;

(9) the United Nations should create an effective means of monitoring and reporting regularly on commerce in equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability; and

(10) every effort should be made to conclude an early agreement banning the production and stockpiling of chemical or biological weapons.

SEC. 3. PURPOSE.

It is the purpose of this Act—

(1) to mandate United States sanctions and to encourage international sanctions against countries that use chemical or biological weapons in violation of international law or use lethal chemical or biological weapons against their own nationals;

(2) to require presidential reports on efforts that threaten United States interests or regional stability by Iran, Iraq, Syria, Libya, and others to acquire the materials and technology to develop, produce, stockpile, and deliver chemical and biological weapons;

(3) to urge cooperation with other supplier nations to devise effective controls on the transfer of materials, equipment, and technology applicable to chemical or biological weapons production;

(4) to promote agreements banning the transfer of missiles suitable for armament with chemical or biological warheads;

(5) to encourage an early agreement banning the development, production, and stockpiling of chemical weapons; and

(6) to seek effective international means of monitoring and reporting regularly on commerce in equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability.

TITLE I—SANCTIONS AGAINST THE USE OF CHEMICAL AND BIOLOGICAL WEAPONS

SEC. 101. SANCTIONS FOR THE USE OF CHEMICAL WEAPONS.

(a) DETERMINATION BY THE PRESIDENT.—(1) Whenever information becomes available to the United States Government indicating the substantial possibility that, on or after the date of enactment of this Act, a foreign country has used chemical or biological weapons, the President shall, within 60 days of the receipt of such information by the United States Government, make a determination as to whether that foreign country, on or after such date, has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals.

(2) Not later than 60 days after the chairman of the Committee on Foreign Relations of the Senate, upon consultation with the ranking minority member of such Committee, or the chairman of the Committee on Foreign Affairs of the House of Representatives, upon consultation with the ranking minority member of such Committee, requests the President to make a determination as to whether or not a foreign country, on or after the date of enactment of this Act, has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals, the President shall make such determination and so report in writing to the chairmen of such Committees.

(3) In making the determination under paragraph (1) or (2), the President shall consider the following:

(A) All physical and circumstantial evidence available bearing on the possible use of such weapons.

(B) All information provided by alleged victims, witnesses, and independent observers.

(C) The extent of the availability of the weapons in question to the purported user.

(D) All official and unofficial statements bearing on the possible use of such weapons.

(E) Whether, and to what extent, the country in question is willing to honor a request from the Secretary General of the United Nations to grant timely access to a United Nations fact-finding team to investigate the possibility of chemical or biological weapons use or to grant such access to other legitimate outside parties.

(b) SANCTIONS.—In the event of a Presidential determination under subsection (a) that, on or after the date of enactment of this Act, a foreign country has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals, then the President shall—

(1) terminate assistance to that country under the Foreign Assistance Act of 1961, except for urgent humanitarian assistance, or for the purpose of purchasing food or other agricultural products;

(2) terminate all foreign military sales financing under the Arms Export Control Act with respect to that country;

(3) terminate United States Government sales to that country of any defense articles or defense services;

(4) prohibit the issuance of any licenses for the export to that country of any item on the United States Munitions List;

(5) prohibit, under the authorities of section 6 of the Export Administration Act of 1979, the export to that country of any goods or technology except food or other agricultural products;

(6) oppose, in accordance with section 701 of the International Financial Institutions Act, the extension of any loan or financial or technical assistance to that country by international financial institutions;

(7) deny that country any credit or credit guarantees through the Export-Import Bank of the United States;

(8) prohibit any United States bank from making any loan or providing any credit to that country, except for loans or credits for the purpose of purchasing food or other agricultural products; and

(9) terminate, consistent with international law, the landing rights in the United States of any airline owned by the government of that country at the earliest practicable date

SEC. 102. WAIVER.

The President may waive the applicability of some or all of the sanctions listed in section 101 with respect to a specific country for a period of not to exceed twelve months beginning on the date of the determination by the President of use by that country of chemical or biological weapons in violation of international law, or the use of lethal chemical or biological weapons against its own nationals, if he determines that such waiver is in the national interest of the United States and so certifies to the Speaker of the House of Representatives and the President of the Senate. Together with such certification, the President shall submit in writing a statement containing a detailed explanation of the national interest requiring a waiver, which may include a classified addendum if necessary.

SEC. 103. NOTIFICATION.

Not later than five days after he imposes any sanction described in section 101 against a country or waives under section 102 the applicability of any such sanction, the President shall so notify in writing the Speaker of the House of Representatives and the President of the Senate.

SEC. 104. CONTRACT SANCTITY.

(a) SANCTIONS NOT APPLIED TO EXISTING CONTRACTS.—No sanction described in paragraphs (6) through (10) of section 101(b) shall apply to any activity pursuant to any contract or international agreement entered into before the date of the appropriate presidential determination under section 101(a) unless the President determines, on a case-by-case basis, that to so apply such sanction would prevent the performance of a contract or agreement that would have the effect of assisting a country in using chemical or biological weapons in violation of international law or in using lethal chemical or biological weapons against its own nationals.

(2)(A) The same restrictions of section 6(m) of the Export Administration Act of 1979 which are applicable to exports prohibited under section 6 of that section shall apply to exports prohibited under section 101(b)(5).

(B) For purposes of subparagraph (A) of this paragraph, any contract or agreement the performance of which (as determined by the President) would have the effect of assisting a country in using chemical or biological weapons in violation of international law or in using lethal chemical or biological weapons against its own nationals shall be treated as constituting a breach of the peace that poses a serious and direct threat to the strategic interest of the United States, within the meaning of subparagraph (A) of section 6(m) of that Act.

(b) SANCTIONS APPLIED TO EXISTING CONTRACTS.—The sanctions described in paragraphs (1), (2), (3), and (4) of section 101 shall apply to contracts and agreements, without regard to the date such contracts or agreements were entered into, except that such sanctions shall not apply to any contract or agreement entered into before the date of the appropriate presidential determination under section 101(a) if the President determines that the application of such sanction would be detrimental to the national security interests of the United States.

SEC. 105. REMOVAL OF SANCTIONS.

The President may remove the sanctions imposed pursuant to section 101 of this Act if the President determines and so certifies to the Speaker of the House of Representatives and the President of the Senate that the country under sanction—

(1) has renounced any use of chemical or biological weapons in violation of international law, or any use of lethal chemical or biological weapons against its own nationals, and has provided reliable assurances to that effect; and

(2) has made satisfactory restitution to those affected in its earlier use of chemical or biological weapons in violation of international law or in its earlier use of lethal chemical or biological weapons against its own nationals.

SEC. 106. PRESIDENTIAL REPORTS.

Not later than 90 days after the date of enactment of this Act, and every 12 months thereafter, the President shall submit to the Speaker of the House of Representatives and the President of the Senate, a report—

(1) detailing efforts by countries or subnational groups that threaten United States security interests or regional stability (including efforts by Iran, Iraq, Libya, and Syria and other developing countries or subnational groups) to acquire the materials and technology to develop, produce, stockpile, and deliver chemical, biological or nuclear weapons, together with an assessment of the present and future capabilities of such countries or subnational groups to develop, produce, stockpile, and deliver chemical, biological or nuclear weapons;

(2) describing the degree to which any country or foreign person has aided or abetted the government of any country or a subnational group to engage in any activity in connection with the acquisition of any such chemical, biological or nuclear weapon; and

(3) listing all United States persons against whom administrative, civil, or criminal penalties have been applied for shipment of goods and technology controlled for chemical, biological and nuclear weapons proliferation purposes pursuant to the Export Administration Act of 1979 or the Arms Export Control Act.

To the extent practicable, reports submitted pursuant to this section should be based on unclassified information. Portions of each such report may be classified.

SEC. 107. MULTILATERAL EFFORTS.

The President is urged—

(1) to continue close cooperation with others in the Australia Group in support of its current efforts and in devising additional means to monitor and control the supply of chemicals applicable to weapons production to Iraq, Iran, Syria, and Libya—countries that currently support or have recently supported acts of international terrorism;

(2) to work closely with other countries also capable of supplying equipment, materials, and technology with particular applicability to chemical or biological weapons production to devise the most effective controls possible on the transfer of such materials, equipment, and technology;

(3) to seek agreements with countries that produce ballistic missiles suitable for carrying chemical or biological warheads that would prevent the transfer of such missiles; and

(4) to take the initiative in pressing for early conclusion of an international agreement banning the development, production, and stockpiling of chemical weapons.

SEC. 108. UNITED NATIONS INVOLVEMENT.

The President is urged to give full support to—

(1) the United Nations Security Council, in furtherance of Security Council Resolution 620, adopted August 26, 1988, in developing sanctions comparable to those enumerated in section 101 of this Act, to be imposed in the event that any country uses chemical or biological weapons in violation of international law; and

(2) the creation of an effective multilateral means of monitoring and reporting regularly on commerce in chemical equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability.

TITLE II—MEASURES TO PREVENT THE PROLIFERATION OF CHEMICAL AND BIOLOGICAL WEAPONS

SEC. 201. MULTILATERAL EFFORTS.

It is the policy of the United States to seek mulilaterally coordinated efforts with other countries to control the proliferation of chemical and biological weapons.

It is also the policy of the United States to strengthen efforts to control chemical agents, precursors, and equipment by taking all appropriate multilateral diplomatic measures—

(1) to continue to seek a verifiable global ban on chemical weapons at the 40 nation Conference on Disarmament in Geneva;

(2) to undertake a diplomatic initiative to strengthen the Australia Group's objectives to support the norms and restraints against the spread and the use of chemical warfare, advance the negotiation of a comprehensive ban on chemical warfare by taking appropriate measures, and to protect the Group's domestic industries against inadvertent association with supply of feedstock chemical equipment that could be misused to produce chemical weapons;

(3) to implement paragraph (2) by introducing steps complementary to, and not mutually exclusive of, existing multilateral efforts seeking a verifiable ban on chemical weapons, such as the establishment of—

(A) a permanent secretariat,

(B) a harmonized list of export control rules and regulations to prevent relative commercial advantage and disadvantages accruing to Australia Group members.

(C) liaison officers to the secretariat from within the diplomatic missions.

(D) a close working relationship between the Group and industry.

(E) A public unclassified warning list of controlled chemical agents, precursors, and equipment.

(F) information-exchange channels of suspected proliferants.

(G) a "denial" list of firms and individuals who violate the Group's export control provisions, and

(H) broader cooperation between the Australia Group and other countries whose political commitment to stem the proliferation of chemical weapons is similar to that of the Group; and

(4) to adopt the imposition of stricter controls on the export of chemical agents, precursors, and equipment and to adopt tougher multilateral sanctions against firms and individuals who violate these controls or against countries that use chemical weapons.

SEC. 202. PRINCIPLES GUIDING THE ADOPTION OF A MULTILATERAL EXPORT CONTROL SYSTEM.

(a) IN GENERAL.—The United States Government should propose to the Australia Group that its objectives should be guided by taking all appropriate measures—

(1) to ensure that the measures are effective in impeding the production of chemical weapons,

(2) to ensure that the measures are easy and economical to implement, and that they are practical; and

(3) to ensure that the measures do not impede the normal trade of chemicals and equipment used for legitimate purposes.

(b) DEFINITIONS.—For the purpose of section 201 and this section, the term "Australia Group" means the group of nineteen OECS nations dedicated to the control of the export of certain chemicals, including Australia, New Zealand, Austria, Belgium, Denmark, Canada, Japan, Norway, United States, United Kingdom, Federal Republic of Germany, France, Greece, Ireland, Italy, Netherlands, Portugal, Spain, Luxembourg, and Switzerland.

SEC. 202. EXPORT CONTROLS.

(a) IN GENERAL.—The President shall—

(1) use the authorities of the Arms Export Control Act to control the export of those defense articles and defense services, and

(2) use the authorities of the Export Administration Act of 1979 to control the export of those goods and technologies.

that the President determines who would assist a country in acquiring the capability to develop, produce, stockpile, deliver, or use chemical or biological weapons.

(b) EXPORT ADMINISTRATION ACT.—Section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) is amended by adding at the end thereof the following new subsection:

"(q) CHEMICAL AND BIOLOGICAL WEAPONS.—The Secretary, in consultation with the Secretary of State and the Secretary of Defense shall establish and maintain a list of goods and technology that would directly and substantially assist a country or group in acquiring the capability to develop, produce, stockpile, or deliver chemical or biological weapons, the licensing of which would be effective in barring acquisition or enhancement of such capability;

"(2) The Secretary shall require a validated license for any export of goods or technology listed under paragraph (1) to any country except those with whose governments the United States has entered into bilateral or multilateral arrangements for the control of such goods or technology and such other countries as the President shall designate consistent with the purposes of this Act.

"(3) Notwithstanding any other provision of this Act, a determination of the Secretary to approve or deny an export license for the export of goods or technology under this subsection may be made only after consultation with the Secretary of State. If the Secretary disagrees with the Secretary of State regarding any determination under paragraph (1) or (2), the matter shall be referred to the President for resolution.".

(c) IMPROVED VERIFICATION OF EXPORT CONTROLS.—The Secretary of Commerce should, in order to supplement existing means of verification of export controls relating to chemical and biological weapons, take measures to encourage voluntary utilization of appropriate independent inspection companies to inspect and certify shipments and end-users of chemicals that could be used in the development of chemicals and biological weapons."

SEC. 204. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

The Arms Export Control Act is amended by inserting after section 38 the following new section:

"SEC. 38A. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

"(a) DETERMINATION BY THE PRESIDENT.—

"(1) IMPOSITION OF SANCTIONS.—The President subject to subsection (d), shall impose on a foreign person the sanctions under subsection (b) if the President determines that the foreign person, on or after the date of the enactment of this section, has knowingly and materially contributed through shipment of goods or technologies that would be, if they were United States goods or technologies, subject to the jurisdiction of the United States, or through any transaction, other than of goods and technology, not subject to sanctions pursuant to the Export Administration Act, to the efforts to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons by any country that the President has determined has at any time after January 1, 1980—

"(A) use chemicals or biological weapons in violation of international law;

"(B) use lethal chemical or biological weapons against its own nationals;

"(C) made substantial preparations to do the activities described in clause (A) or (B); or

"(D) been designated pursuant to section 6(j) of the Export Administration Act of 1979 as a country which supports international terrorism.

"(2) CONSULTATIONS WITH THE ACTIONS BY GOVERNMENT OF JURISDICTION.—The President may delay imposition of sanctions against a foreign person for a period of up to 90 days in order to pursue consultations with the government with primary jurisdiction over that foreign person involved in the activities cited in paragraph (1). Following these consultations, the President shall impose sanctions against the foreign person unless he has determined and certified to the Congress that such government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in such activities.

"(3) REPORT TO CONGRESS.—The President shall report to the Congress, not later than 30 days after making a determination under paragraph (1), on the status of consultations with the appropriate government under paragraph (2), and the basis for any determination under paragraph (2) that such government has taken specific corrective actions.

"(b) SANCTIONS.—The sanctions referred to in subsection (a) shall apply to the foreign person committing the violation, as well as any parent, affiliate, subsidiary, and successor entity of the foreign person, are as follows:

"(1) PROCUREMENT SANCTION.—The United States Government shall not procure, or of, any goods or services from the foreign person.

"(c) TERMINATION OF SANCTION.—A sanction imposed on a foreign person under this section shall apply for a period of at least 24 months and in no case shall cease to apply to that foreign person until the expiration of the 12-month period beginning on the date the President determines and certifies to the Congress that—

"(1) reliable intelligence information indicates that the foreign person has ceased to aid or abet any foreign country in its efforts to acquire chemical or biological weapons capability as described in subsection (a)(1) of this section; and

"(2) in the President's judgment, it would be in the national interest of the United States to procure or contract for the procurement of goods or services from such foreign person, or to import goods or services from such foreign person.

(d) EXCEPTIONS.—The President shall not be required under this section to apply sanctions—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

"(B) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

"(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreement;

"(2) to products or services provided under contracts entered into before the data on which the President publishes his intention to impose sanctions;

"(3) to—

"(A) spare parts,

"(B) component parts, but not finished products, essential to United States products or produciton, or

"(C) routine servicing and mainteance of products, to the extent that alternative sources are not readily or reasonably available:

"(4) to information and technology not directly useful for the development, production, or stockpiling of chemical or biological weapons; or

"(5) to medical or other humanitarian items.

"(e) DEFINITION.—For the purposes of this section, the term 'foreign person' means—

"(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

"(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States.".

SEC. 205. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

The Export Administration Act of 1979 (50 U.S.C. App. 2410) is amended by inserting after section 11A the following new section:

"CHEMICAL AND BIOLOGICAL WEAPONS PROLIFERATION

"SEC. 11B. (a) DETERMINATION BY THE PRESIDENT.—

"(1) IMPOSITION OF SANCTIONS.—The President, subject to subsection (D), shall impose on a foreign person the sanctions under * * * the foreign person, on or after the date of the enactment of this section, has knowingly and materially contributed through shipment of goods or technologies that would be, if they were United States goods or technologies, subject to the jurisdiction of the United States pursuant to this Act; to the efforts to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons by any country that the President has determined has at any time after January 1, 1980—

"(A) used chemical or biological weapons in violation of international law;

"(B) use lethal chemical or biological weapons against its own nationals;

"(C) made substantial preparations to do the activities described in clause (A) or (B); or

"(D) been designated pursuant to section 6(j) of this Act as a country which supports international terrorism.

"(2) CONSULTATIONS WITH AND ACTIONS BY GOVERNMENT OF JURISDICTION.—The President may delay imposition of sanctions against a foreign person for a period of up to 90 days in order to pursue consultations with the government with primary jurisdiction over that foreign person involved in the activities cited in paragraph (1). Following these consultations, the President shall impose sanctions against the foreign person unless he has determined and certified to the Congress that such government has taken specific and effecitve actions, including appropriate penalties, to terminate the involvement of the foreign person in such activities.

"(3) REPORT TO CONGRESS.—The President shall report to the Congress, not later than 30 days after making a determination under paragraph (1), on the status of consultations with the appropriate government under paragraph (2), and the basis for any determination under paragraph (2) that such government has taken specific corrective actions.

"(b) SANCTIONS.—The sanctions referred to in subsection (a) shall apply to the foreign person committing the violation, as well as to any parent, affiliate, subsidiary, and successor entity of the foreign person, and are as follows:

"(1) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from that foreign person.

"(c) TERMINATION OF SANCTIONS.—A sanction imposed on a foreign person under this section shall apply for a period of at least 24 months and in no case shall cease to apply to that foreign person until the expiration of the 12-month period beginning on the date the President determines and certifies to the Congress that—

"(1) reliable intelligence information indicates that the foreign person has ceased to aid or abet any foreign country in its efforts to acquire chemical or biological weapons capability as described in subsection (a)(1) of this section; and

"(2) in the President's judgment, it would be in the national interest of the United States to procure or contract for the procurement of goods or services from such foreign person or to import goods or services from such foreign person.

(d) EXCEPTIONS.—The President shall not be required under this section to apply sanctions—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

"(B) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

"(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

"(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

"(3) to—

"(A) spare parts,

"(B) component parts, but not finished products, essential to United States products or production, or

"(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

"(4) to information and technology not directly useful for the development, production, or stockpiling of chemical or biological weapons; or

"(5) to medical or other humanitarian items.

"(e) DEFINITION.—For the purposes of this section, the term 'foreign person' means—

"(1) the term 'foreign person' means—

"(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

"(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

"(2) the terms 'defense article' and 'defense service' have the same meanings as are given to such terms by paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act.".

SEC. 206. DEFINITIONS.

For the purposes of this Act—

(1) the term "foreign person" means—

(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

(2) the terms "defense article" and "defense service" have the same meanings as are given to such terms by paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act.

TITLE III—ADDITIONAL RESTRICTIONS ON TRADE WITH CUBA

SEC. 301. PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989.

SEC. 302. MILITARY AID TO CUBA.

(a)(1) Since totalitarian rule is giving way to democratic rule around the world;

(2) Since the people of Eastern Europe have led the way, embracing Mikhail Gorbachev's policies of Glasnost and Perestroika and replacing totalitarian regimes with elected governments that respect human rights;

(3) Since Fidel Castro's totalitarian rule stands in stark contrast to the democracy sweeping through Eastern Europe, Latin America, and other parts of the world:

(4) Since after thirty years of rule Castro still stubbornly clings to power, publicly attacking the new policies and governments of Eastern Europe, and openly criticizing the policies of Mikhail Gorbachev;

(5) Since despite these attacks the Soviet Union continued to prop up the Castro government, subsidizing the Cuban economy at an annual rate of at least $5.5 billion, $1.5 billion of it in military assistance;

(6) Since Soviet Deputy Prime Minister Leonid Abalkin has publicly stated that commercial ties between the two countries might be expanded and perhaps even substantially increased;

(7) Since the Soviet Union continues to modernize the Cuban armed forces, delivering six new advanced MIG-29 fighters earlier this year;

(8) Since this business as usual support continues at a time when Castro has launched a new wave of repression, arresting human rights activists, underground political leaders, dissidents, university students, and religious leaders;

(9) Since Castro has executed, arrested, and dismissed key members of his military high command, state security ministry, personal body guard, Cuban Communist Party Central Committee, and diplomatic corps during the past year, in an ongoing purge to consolidate control and discourage reform;

(10) Since Castro has arrested and deported international journalists for reporting the growing human rights and pro-democracy movement in Cuba; and

(11) Since Castro has gone so far as to deport Eastern bloc reporters who "compare Cuba to Romania—the calm before the storm," take Soviet publications such as

Moscow News out of circulation, and ban Perestroika by Mikhail Gorbachev,

(b) It is the sense of the Congress that—

(1) continuing Soviet support of Cuba remains a serious problem in United States-Soviet relations;

(2) the Soviet Union, in reexamining its relationship with Cuba, should cease military aid to the Castro regime and take all other possible steps to further the policies of Glasnost and Perestroika by adopting policies supporting the political, economic rights, and human rights of the Cuban people.

TITLE IV—GENERAL PROVISIONS

SEC. 401. INCURSIONS INTO ISRAEL.

(a) During the next round of talks with the PLO, should such talks occur after the date of enactment of this Act, the representatives of the United States should obtain from the Representatives of the PLO a full accounting of the following attempted incursions into Israel which occurred after Yasser Arafat's statement of December 1, 1988:

(1) On August 7, 1989, a rocket attack on the settlement of Maoz Haim by members of the PLO-affiliated Popular Front for the Liberation of Palestine.

(2) On February 4, 1990, an unprovoked ambush by the Popular Front for the Liberation of Palestine-General Command on an Israeli tour bus in Egypt that killed 9 and wounded 15 Israelis.

(3) On September 6, 1989, a rocket attack by the PLO-affiliated Popular Front for the Liberation of Palestine aimed at Kibbutz Tel-Katzir that fell on Kibbutz Sha'ar Hagolan.

(4) On January 26, 1990, an attack on an Israeli Army patrol by at least three terrorists of the PLO-affiliated Democratic Front for the Liberation of Palestine headed for Kibbutz Misaay-Am.

(5) On May 28, 1989, an attack by the Popular Front for the Liberation of Palestine and the Palestine Liberation Front, both PLO-affiliated organizations, in which a one-year old Israeli was injured by a Katyush rocket.

(6) On October 7, 1989, an attempted raid on Kibbutz Misgav-Am by a squad of terrorists armed with machine guns and anti-tank missiles from the PLO-aligned Palestine Liberation Front.

(7) On April 13, 1990, an attempted infiltration into northern Israel by boat by four terrorists of Yasser Arafat's Al-Fatah, equipped with machine guns and grenades.

(b) In the event that talks are held with the PLO after the date of enactment of this Act, the Secretary of State shall include in the next report provided to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate under section 804 of the Foreign Relations Authorization Act for Fiscal Years 1990 and 1991 any accounting provided by subsection (a) and the relationship between those groups responsible for these attacks and the PLO: *Provided*, That such report shall also include a list of all individuals participating in discussions held between representatives of the United States and of the Palestine Liberation Organization since January 1, 1989; and, that such report should also include any additional affiliations of such representatives of the PLO.

(c) No later than 60 days after enactment, the Commissioner of the Customs Service shall provide the President of the Senate and Speaker of the House of Representatives with a report outlining illegal activities being undertaken in the United States by the Palestine Liberation Organization or on behalf of the Palestine Liberation Organization; including such activities as illegal drug trafficking, money laundering, weapons purchases and arms shipments; estimating the amount of funds associated with such activities; and describing the extent to which members of the PLO Executive Committee, and the PLO Central Council and the Palestine National Council are aware of, or are involved in such illegal activities".

Mr. HELMS. Mr. President, this amendment would impose sanctions on countries using chemical weapons and on companies which assist Iraq, Iran, Syria, Libya, and certain other countries to develop chemical, biological, or nuclear weapons. This amendment is identical to S. 195, which passed this Senate by a vote of 92 to 0 on May 17 of this year.

As we speak, and as every Senator knows, there are hundreds of thousands of American men and women in the Persian Gulf facing the threat of Iraqi chemical weapons, but despite this fact, the House of Representatives still refuses to appoint conferees to consider S. 195, the chemical weapons control bill. The House has refused to budge since May, so I feel obliged to offer this same legislation to a bill which I know the House will go to conference with.

Just over a week ago, I was one of a number of Senators who went on a highly instructive trip to the Middle East. I was honored that I was asked by the folks on Pennsylvania Avenue to make this trip. We learned a lot, and I will be frank to say that what impressed me the most was the commitment of the remarkable young American men and women who are serving this Nation with dignity and courage. I can get almost emotional about it. But I came home with a renewed sense of pride that I am an American citizen and that I was blessed by having been born in this county.

These young men and women whom we have sent to the Persian Gulf are top-class military personnel, enduring very difficult conditions without complaint. The conditions are beyond belief to anybody who has not experienced them. On the day we were in Saudi Arabia, out on that desert, for example, there were temperatures of 126 to 128 degrees. I do not understand how these young people are able to endure such temperatures.

What is even more difficult for this Senator to understand is how our troops can survive in those plastic suits they have been issued to protect themselves form chemical weapons attack. I spoke to one young man—and I am sure Senator SARBANES did likewise—about how hot it must get inside of one of those suits on a day when the temperature reaches 128 degrees. But do you know something? He did not complain. He would not complain. He said, "Senator, it is my duty." But he made it clear that he would have greatly preferred not to face the threat of chemical weapons. That is very much on their minds, and it is understandable that it is.

At that point, I could not help thinking how much Congress has let this young man down. We let all our troops in the Persian Gulf region down, because every Member of Congress knew in 1988 that Iraq had chemical weaponry. Every Member of Congress knew that Iraq was actively expanding its chemical weapons production facility. In the final run, Congress did nothing in response.

We in the Senate tried on three occasions. The Senate passed legislation offered by Senator PELL and me to impose sanctions on Iraq for its use of chemical weapons. All three proposals passed the Senate, with the encouragement of the State Department. However, these proposals were killed by the House of Representatives.

Mr. President, I ask unanimous consent that an account of the Pell-Helms proposals which were passed in 1988 be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

1. September 9, 1988, the Senate passed S. 2763, Pell-Helms legislation to impose sanctions on Iraq because of its use of chemical weapons. Specifically, the bill would terminate all U.S. taxpayer assistance to Iraq, require that the U.S. oppose all loans made to Iraq by the World Bank and other multilateral banks, prohibit the sale of defense items and technology to Iraq, and embargo Iraqi oil sales. The bill was killed by the House of Representatives.

2. September 30, 1988, the Senate approved amendment No. 3338, Helms-Pell amendment to H.R. 4637, the Foreign Operations appropriations bill for fiscal year 1989. The amendment would impose sanctions similar to those provided for in S. 2763. The amendment was rejected by the House of Representatives.

3. October 11, 1988, the Senate passed amendment No. 3645, Pell-Helms amendment to S. 2238, the Tax Technical Corrections Act. The amendment would impose sanctions similar to those provided for in S. 2763. The amendment was rejected by the House of Representatives.

Mr. HELMS. Mr. President, the point is that nothing was done by our Government to make Iraq pay a price for its use of chemical weapons. I think it was 5,000 men, women, and children in Iraq who died as a result of Saddam Hussein's cruelty, his barbarism. Nothing was done to make the companies which knowingly assisted Iraq in developing chemical weapons pay a price. So the signal, obviously, was sent to Iraq and its corporate suppliers that the development of chemical weapons obviously is OK. But it is not OK. And if ever Congress failed in its duty, it was on this issue.

In order to change this and let any country that would entertain using

chemicals weapons, and corporations which assist these countries, know there will be a steep price to be paid, it is imperative that we do this.

Senator PELL and I, therefore, produced the amendment now before the Senate. The amendment provides for S. 195 as introduced by Senator PELL and others, and for S. 238, introduced by myself and other Senators. The Foreign Relations Committee spent a lot of time melding together these two bills; 9 months of hearings and staff discussions to be exact. The resulting product, which I have already mentioned, the bill passed by the Senate on May 17 of this year, represents compromises made by all sides on our committee. It includes two complementary and integral approaches to stem the proliferation of chemical weapons. Sections 101 through 108 provide for sanctions against countries which use chemical weapons. Sections 201 through 206 provide for sanctions against companies which assist such countries.

In addition, the amendment includes two other proposals added by the Senate to S. 195 during the floor consideration: sections 301 and 302, offered by Senator MACK, to impose additional restrictions on trade against Cuba; and section 401, offered by this Senator from North Carolina, to provide for a report on continuing terrorist acts undertaken by the Palestine Liberation Organization.

Mr. President, it is difficult to believe that the House of Representatives still refuses to go to conference on legislation which will prevent companies from assisting Iraq's chemical weapons program and will impose sanctions on Iraq or any other country which uses chemical weapons, even though hundreds of thousands of American troops face a chemical weapons threat from Iraq as I speak on this Senate floor at this time, 11 minutes before 1 o'clock in the afternoon.

The bottom line, Mr. President, is that with American troops on the line, we must take every opportunity to enact this important legislation, and I hope all Senators will support it, as was the case on May 17 when it passed unanimously on a rollcall vote in the Senate of the United States.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, may I inquire, is Senator PELL a cosponsor of this amendment? If he is not, I ask unanimous consent that he be made a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SARBANES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, the amendment that the Senator from North Carolina has offered, as I understand it, is identical in every respect with the legislation passed by the Senate without dissent by an overwhelming vote with respect to chemical and biological weapons. It is going to complicate the conference, I assume, but we are prepared to take the amendment and see what can be worked out as we proceed on down the line. It is the bill passed by the Senate without any change whatsoever, as I understand it from the Senator from North Carolina.

Mr. HELMS. That is correct.

Mr. SARBANES. So we are prepared to accept the amendment.

Mr. HEINZ. Mr. President, as the Senator from Maryland has stated, this is exactly what the Senate has passed on a previous occasion and the substance of it is perfectly acceptable to this Senator. Indeed, the Senator from Maryland and I and the Senator from North Carolina did a lot of work together to make sure that this legislation came out well, and it did come out well.

Regarding the point the Senator from Maryland raises about conference, it is my understanding that, to limit the complications of conference, if this amendment is accepted, it will not entitle members of the Foreign Relations Committee to be conferees on the rest of the bill that does not deal with subjects in the jurisdiction of the Foreign Relations Committee. However, since this legislation was in part, a Foreign Relations Committee initiative, they would, along with the Banking Committee, be conferees on this amendment, which is the previously passed Senate version.

Mr. HELMS. Mr. President, I will only repeat what I said earlier. I think I made it perfectly clear what my point is. The language of this amendment was passed unanimously on a rollcall vote 92 to 0 on May 17. Since that time, the House of Representatives has not budged, not one inch. They have still refused to appoint conferees to consider S. 195, which was the bill we are talking about, and which is reconstituted in the amendment now pending.

So I feel obliged to do everything I can to encourage the House of Representatives to act on a matter which is of vital importance, a life or death matter, perhaps, to our men and women who are serving in the Persian Gulf. I appreciate so much the managers of the bill accepting the amendment.

Mr. HEINZ. Mr. President, I think we are in a position to have the Chair put the question.

The PRESIDING OFFICER (Mr. ROBB). Is there further debate on the Helms amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 2661) was agreed to.

Mr. HEINZ. I move to reconsider the vote by which the amendment was agreed to.

Mr. HELMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2662

(Purpose: To prevent the shipment to Iraq, Iran, Syria, or Libya of materials or technology which would assist the ability of such countries to develop, produce, or stockpile, chemical, biological or nuclear weapons or ballistic missiles)

Mr. HELMS. Mr. President, I am going to sent to the desk in just a moment an amendment with the understanding that we are working on a modification which I think will be an improvement and strengthen it. We do not have the language yet but let me at least offer the amendment and leave it pending, recognizing that a Senator has a right to modify his own amendment.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 2662.

Mr. HELMS. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the end of the bill, add the following new section:

"SEC. . Section 5(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2404(b)(1) is amended by adding after "Foreign Assistance Act of 1961" the following: "and Iraq, Iran, Syria, and Libya, and those countries determined by the President to be transferring United States chemical, biological, nuclear or missile technology to such countries, unless the President determines that such countries are not producing, developing or stockpiling chemical, biological or nuclear weapons or ballistic missiles,".

Mr. HELMS. Mr. President, Senators may recall that shortly before the Iraqi invasion of Kuwait, President

Bush wisely intervened to halt the sale of a state-of-the-art titanium processing furnace to Iraq. But the President's last minute intervention was required simply because the bureaucratic procedures for reviewing such sales had failed. This pending amendment is intended to correct those procedures to ensure that this sort of thing will not happen again, to ensure that the export control process adequately protects our national security interests.

Mr. President, under the Export Administration Act, there are two major categories of controls that can be placed on exports to foreign countries. The first category as specified under section 5 of the act, covers "national security controls." In other words, controls that the President can place on certain exports for "national security" reasons. And I take care to put in the quote, unquote because this is language in the bill.

The other major category covers "foreign policy controls," and that is in quotes because of the same reasons. But in recent years, because of the way the law is written, the Commerce Department has maintained broad authority—to the exclusion of the Department of Defense—to determine whether or not the export of a specific item jeopardizes U.S. national security.

Now we ought not to have such a situation prevailing.

The Export Administration Act clearly defines a role for the Department of Defense in reviewing export licenses. Under this act, the Department of Defense is authorized to review export licenses to countries that are listed in section 620(f) of the Foreign Assistance Act.

This is the list of the Soviet bloc countries that, if the Department of Commerce approves an export to a country on that list and the Department of Defense disapproves for national security reasons, then the two Departments must come together and bring their case before the President of the United States for adjudication. That makes sense.

In other words, under the act the Defense Department can take its case to the highest level of the U.S. Government in cases involving exports to the Soviet bloc.

But, Mr. President, that procedure, unfortunately, applies only in the case of exports to Soviet bloc countries or, to put it another way, those countries listed in section 620(f) of the Foreign Assistance Act. That means countries such as Iraq and Libya and Syria and Iran are not on the list and a different set of guidelines, known as foreign policy controls, govern the procedures.

This does not make a whole lot of sense, particularly in light of the apprehensions about what Saddam Hussein may or may not do in his maddening view of what he has a right to do. But that is neither here nor there for the moment.

The role of the Department of Defense in such cases is reduced significantly, and that should not be the case. Although the law specifies that the Commerce Department on the one hand may consult the Department of Defense, they generally consult only in cases where the Department of Commerce itself has determined that an export could benefit missile technology, for example, or chemical, biological, or nuclear weapons development, for another. But it is up to the Commerce Department, and that Department does not have the expertise of the Department of Defense to make such an awesome determination. And that is what this amendment is all about.

In such cases, even if the Department of Defense advises against an export, they can be overruled by the Commerce Department.

No later than this morning's news, we see an article on this very subject. I worked on this amendment long before this morning's paper was published, and I think probably sometime today I will put that news story in the RECORD so it will be a part of the permanent RECORD. But we have this situation where the Defense Department had to fight the Commerce Department to prevent the export of equipment Saddam Hussein could have used in his nonconventional weapons program. This has occurred over and over again in the case of Iraq alone.

Between 1985 and 1989, the Department of Commerce reversed at least 14—count them—14 Department of Defense recommendations of denial. The Department of Defense had recommended the denials because the Defense Department believed that the times would be exported to what they call end users known to be involved with missile development and nuclear and chemical weaponry development.

Now to this amendemnt. It is quite simple. It simply provides that Iraq, Libya, Syria, and Iran be added to the list of countries controlled under the national security guidelines of the Export Administration Act. This will ensure that the department of our Government that has the expertise and the primary responsibility for protecting U.S. national security—that is to say the Department of Defense—is given a full voice in reviewing licenses for the export of items that can jeopardize the national security of this country. This amendment alone will not prohibit any exports. It will merely tighten the review process to ensure that so-called foreign policy considerations do not override U.S. national security concerns.

Today's Washington Post contains a chilling front-page article entitled "Commerce Department Urged Sale to Iraq." The article explictly details the problem with the existing procedure. Because the Commerce Department determined early on in the process that the furnaces would be used for civilian purposes, they never sought a determination from the Department of Defense. Once the Department of Defense was tipped off, they conducted an investigation and determined that the furnaces were destined to help Iraq develop a nuclear capacity. Finally, on July 12, 1990, I joined with Senators PELL, MACK, and BINGAMAN, in a letter to the President asking that he halt the furnace export. Once the facts were brought to the President's attention, he acted to halt the export, as we knew he would.

The Washington Post article by Mr. Smith and Mr. Weiser is a story of heroes. The first is President Bush. It was his courageous decision to override foreign policy and commercial concerns to block the shipment of the equipment to Iraq.

Supporting the President were a number of Federal officials, past and present, of the Defense Department and the U.S. Customs Service. the orignial tipoff came from former DOD official Dr. Stephen Bryen, now a private citizen. Under Secretary of Defense Paul Wolfowitz and his team including William Rudman and Michael Maloof sounded the alarm. Customs officials John Kelly and Andrew McCrossan were instrumental in holding up the shipment so that it could be evaluated for national security concerns. Finally, National Security Council official Richard Hass chaired an extraordinary conference call that culminated in President Bush's decision.

Undoubtedly there were others whose contributions are known only to their agencies but none the less appreciated. Everyone of them deserves the gratitude of the American people for a job well-done.

Mr. President, I ask unanimous consent that both the Washington Post article and the letter to the President be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. HELMS. Mr. President, if we have learned one lesson from the current Persian Gulf crisis, it is that we must never again permit our foreign policy wishes to get out ahead of our national security interests. Today's Washington Post contains another chilling story on Iraq. Apparently, the Iraqis have released the transcript of a meeting between Saddam Hussein and the United States Ambassador to Iraq just days before the invasion. In that meeting, the U.S. Ambassador allegedly informed Saddam the administration had "no opinion on the Arab-Arab conflicts. Like your border disagree-

ments with Kuwait." Clearly the tone of the conversation indicates a willingness by some at the State Department to close their eyes to Saddam's true ambitions.

Mr. President, this amendment is long overdue. It merely enhances the ability of the executive branch to protect our national security interests.

Mr, President, I think I will pause and determine whether the managers of the bill are willing to accept the amendment.

U.S. SENATE,
Washington, DC, July 12, 1990.

The PRESIDENT,
The White House,
Washington.

DEAR MR. PRESIDENT: We write to bring to your attention a concern that is easily remedied but must be addressed expeditiously. As reported in the Philadelphia Inquirer on June 28, a number of large, state-of-the-art titanium processing furnaces have been approved by the U.S. government for export to Iraq, and will be shipped unless you take action before July 17th.

We are deeply concerned because the furnaces in question clearly have significant applications in the military arena. These furnaces are designed to process high purity metal and alloys which are likely to be used by Iraq in the making of:

Elements and parts of missiles and aerospace equipment;

Gas turbines, including fighter aircraft turbines;

Nuclear reactor facilities and nuclear weapons components;

These furnaces could form the core of an indigenous titanium processing complex that would allow Iraq to increase the range of its missiles by lowering the weight of the missile nose cones.

The U.S. manufacturer of these furnaces has been granted a U.S. export license. Fortunately, U.S. Customs has detained the shipment until July 17 in order to give the government a chance to reconsider the matter.

Unless you act on your authority under section 6 of the Export Administration Act, the furnaces will be shipped to Iraq next Tuesday. We hope you will move quickly to block this particular sale, and to ensure that similar technology is not permitted to be exported to Iraq in the future.

Sincerely,

Connie Mack, Jesse Helms, Jeff Bingaman, Claiborne Pell, Rudy Boschwitz, Joseph Lieberman, Daniel Inouye, Albert Gore, Jr.

[From the Washington Post, Sept. 13, 1990]

COMMERCE DEPARTMENT URGED SALE TO IRAQ

(By R. Jeffrey Smith and Benjamin Weiser)

President Bush boasted two weeks ago to a group of congressmen that even before the Iraqi invasion of Kuwait, his aides had blocked the export to Iraq of U.S.-built, high-temperature furnaces that could be used in making a nuclear weapon.

But left unstated were the extraordinary circumstances surrounding the last-minute interception of the three furnaces. For 18 months, U.S. Commerce Department officials had promoted the proposed $10 million sale, approving it in June 1989 even though the manufacturer had warned them that the equipment could be used to make nuclear weapon components.

The administration decided to stop the shipment only after the Pentagon received a tip from outside the government and launched an investigation in June, a year after Commerce's original approval of the export. While a huge furnace sat temporarily on a dock in Philadelphia during the administration's late-hour deliberations, Commerce officials continued to argue that the sale should proceed, saying they had no persuasive evidence of potential Iraqi misuse and lacked authority to stop the deal.

Eventually, a National Security Council official intervened, and in a highly unusual closed-circuit television conference involving four federal agencies on July 19, the proposed sale was permanently halted, according to informed sources and internal government documents.

Several participants said the episode illustrates the divisions between the Defense Department, which is concerned with national security issues, and the Commerce Department, which both promotes exports and grants licenses for strategically sensitive equipment and technology.

A former undersecretary of defense for trade security, Stephen Bryen, who helped tip off the Defense Department, said, "The bottom line is that clearly the [furnace] company had given at least enough information to the Commerce Department to send up all kinds of flags, and no flags went up."

The Commerce Department has defended its role in the furnace sale, stating in a detailed press release this week that it could have blocked the sale only if either the manufacturer or the government knew the equipment would be used in sensitive nuclear activities, a possibility it learned of at the last minute.

U.S. officials say the government's involvement began in early 1989, when the furnace manufacturer, the Consarc Corp., of Rancocas, N.J., told Commerce of the proposed sale of three furnaces and sought advice on its legality.

Consarc President Raymond J. Roberts first raised the possibility of nuclear applications for the furnaces in a conversation last year with Commerce Department engineer Jeff Tripp, based in Washington, according to internal Consarc documents.

"I told him . . . there is nothing to stop them from melting zirconium, the main use of which is a cladding material for nuclear fuel rods," Roberts wrote in a memo dated Feb. 15, 1989.

One week later, at Consarc headquarters, Roberts reminded another Commerce representative, Alan C. Stoddart, that the furnaces can be used "without modification" for nuclear applications, company documents state. Roberts noted that the company had no evidence Iraq intended that use.

On Mar. 6, Consarc obtained from the Iraqi Ministry of Industry and Minerals a formal letter of intent to purchase the furnaces. Ten days later, Consarc sought an advisory opinion on the deal from Commerce, saying "we will not proceed with the project until we have received approval to export . . .," documents state.

Consarc also cabled Russell Smith, Commerce's embassy representative in Baghdad, telling him of the prospective sale. "Hooray for you," Smith cabled back on April 5. "Look forward to your coming. Please do not hesitate to ask us for any service."

The Commerce Department approved the sale after inspecting Consarc technical documents and receiving from Consarc a copy of a written pledge from an Iraqi agency that the furnaces would be used for scientific research and to make prostheses for handicapped war veterans, according to agency officials.

Consarc president Roberts said in an interview this week that "we were being encouraged by the Commerce Department in Washington and by the U.S. Embassy in Baghdad to go get this order. The feeling we got from our government is that this is business we should be going after."

The Pentagon's involvement began in June, when Bryen's tip helped lead to an investigation by F. Michael Maloof, the Pentagon's director of technology security operations. Bryen had learned about the case from a Philadelphia Inquirer reporter, and the newspaper's source later provided information to the Defense Department.

The Pentagon discovered that in all, five Consarc furnaces—including two scheduled to be shipped separately from a Consarc subsidiary in Scotland—were to be installed by an Iraqi firm previously associated with weapon-related work at a complex south of Baghdad, far from any medical facilities.

The investigators were told by Western prosthesis makers that the capacity and complexity of the furnaces were "absolute overkill" for medical purposes, one official said.

William N. Rudman, deputy under-secretary of defense for trade security policy, whose office coordinated the investigation, questioned whether Iraqi President Saddam Hussein "is so caring of his own people that they're all going to be walking around with hi-tech wooden legs."

"I don't believe in the excuse Iraq gave," Rudman said in an interview. "In the end, the U.S. government had ample evidence to believe that the end-use was nuclear. The Iraqis were lying."

In early June, Maloof called the Customs Service, which agreed to detain a furnace already at a dock in Philadelphia—a decision that provoked angry protests by Michael Manning, a trade specialist with the Trenton, N.J., office of Commerce's International Trade Administration. Manning had advised Consarc closely on the furnace exports and complained to Customs on June 22 that its actions were jeopardizing his reputation with the company, according to a July 13 memorandum of the call written for Customs Service Strategic Investigations director John C. Kelly.

Maloof was criticized by Manning in separate calls as someone who "creates issues which cause problems for everyone but never result in any significant findings," according to the memo, which was obtained by The Washington Post from a source outside the Bush administration and authenticated by Customs Service spokesman David Hoover. "Manning further stated that Consarc is a major employer in the South Jersey region," the memo said.

On July 11, Manning telephoned a Customs official from Consarc's headquarters to argue that neither Commerce nor the State Department would support the detention. He said the Defense Department was "running around . . . stirring things up, when there really is no issue," the Customs memo states.

In another phone call from Manning, Customs Service special agent Andrew McCrossan said he and other Customs officials "were disturbed" by some of Manning's comments in the presence of officials of the manufacturer, which McCrossan said might jeopardize the government's legal position in blocking the deal, the Customs memo states.

A Commerce Department spokesman, asked what role trade specialists such as Manning should play in licensing and export matters, said, "None, besides advising them to be in touch with [the agency's] Bureau of Export Administration."

But Elizabeth Dugan of Commerce's International Trade Administration defended Manning's role in the furnace case, saying he "was never in a position to influence the outcome of the licensing decision . . . [and] was not interfering in the substance of the process."

A Philadelphia Inquirer report about Customs' detention of the shipment led to a July 12 letter of complaint to Bush from Sens. Jesse Helms (R-N.C.), Connie Mack (R-Fla.), Jeff Bingaman (D-N.M.) and five other senators, supporting the contention of Undersecretary of Defense Paul Wolfowitz that the immense, state-of-the-art furnaces could process and purify metals for nuclear arms, missiles and jet engines.

Wolfowitz's claim was based in part on information supplied by the Defense Intelligence Agency and the Central Intelligence Agency about the furnace's probable use in nuclear weapons applications.

The senators' letter got the attention of senior White House officials, who asked the intelligence community to provide more information on Iraq's intentions.

One day before Customs' temporary detention of the shipment was to expire, National Security Council aide Richard Haass chaired the late-afternoon conference call that culminated in the decision to halt the export. After this decision, Consarc voluntarily held back the two furnaces due to be shipped from Scotland.

"We carefully followed Bush administration policy at that time and we acted within the confines of the law and the policy guidance," said Wayne Berman, counselor to Commerce Secretary Robert A. Mosbacher. He said Commerce had worked closely with State Department lawyers to find a "creative way within the law" to revoke approval for the shipment. He also said there had been conflicts with some Defense Department officials and criticized Defense official Maloof as a "low-level clerk" who was part of a group of "ankle-biters."

Mr. HELMS. While I check on the status of the managers regarding their opinions, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2662, AS MODIFIED

Mr. HELMS. Mr. President, at the outset, I said we were working on a modification. It is an excellent modification. I compliment Senators and their staffs, including my own, who have worked on it. I send the modification to the desk and ask the amendment be so modified.

The PRESIDING OFFICER. The Senator has a right to modify his amendment. The amendment is so modified.

The amendment, as modified, is as follows:

At the end of the bill, add the following new section:

"SEC. . Section 5(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2404(b)(1) is amended by adding after "Foreign Assistance Act of 1961" the following: "and Iraq, Iran, Syria, and Libya, and those countries determined by the President to be transferring United States chemical, biological, nuclear or missile technology to such countries, unless the President determines that such countries are not producing, developing or stockpiling chemical, biological or nuclear weapons or ballistic missiles. Nothing in this section shall preclude the imposition of controls on the transfer of United States chemical, biological, nuclear, or missile technology under section 6 of this Act."

The PRESIDING OFFICER. Is there further debate on Amendment No. 2662, as modified? If not, the question is on agreeing to the amendment, as modified.

The amendment (No. 2662), as modified, was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote by which the amendment, as modified, was agreed to.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. HELMS. If the managers will forbear 1 minute while I get my next amendment, I will suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, since I know the managers of the bill wish to proceed to final passage, and I have some questions about one aspect of the third amendment that I had considered offering, I want to think about it a little bit more. I can offer it to another piece of legislation. So I have concluded with the two amendments that I have adopted.

I thank the Senator from Maryland and I thank the Senator from Pennsylvania for their cooperation and courtesy. I have no further amendment.

The PRESIDING OFFICER. Are there further amendments?

Mr. SARBANES. We are ready to go to final passage, Mr. President.

The PRESIDING OFFICER. If there are no further amendments——

Mr. HELMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SARBANES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, we are prepared to go to third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. SARBANES. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of H.R. 4653, the House companion bill, and that the Senate proceed to its immediate consideration; that all after the enacting clause be stricken; that the text of S. 2927, as amended, be inserted in lieu thereof; and that the bill be read a third time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I support this bill, however, I do wish to raise one concern about section 117 and the meaning of the term "exceptional circumstances" under which the President may transfer jurisdiction over a commodity from the Commerce Department's commodity control list to the State Department's munitions list.

The committee report explains that the committee intends this authority to be used only in a very limited number of cases where munitions licensing restrictions are clearly justified. The committee report further notes that this may be the case with respect to certain items that employ cryptography to ensure the confidentiality of data.

I certainly agree with the committee that encryption can raise national security concerns. At the same time, I believe that such concerns are not present in the case of mass market computer software products which are readily available and contain encryption features which are non-standard and incidental to the main purpose of the program. Indeed, I would point out that in the last year the State Department has agreed, on several occasions, that such programs are properly governed by the Export Administration Act and regulated by the Department of Commerce. The State Department did so after a full consultation with the appropriate security agencies of the Defense Department who were satisfied that with respect to such programs, there were no national security objections to export.

In drafting the language of this bill, it was my understanding that what the committee had in mind when it noted its concern are such things as items that employ strategic encryption algorithms, and whose primary func-

tion is the encryption of data. Certainly, I believe that mass market software incorporating encryption functions do not present such security concerns, would not constitute exceptional circumstances, and should be on the commodity control list and regulated by the Department of Commerce. I look forward to working with the managers in conference as necessary to further clarify this issue.

Thank you, Mr. President.

EXPORT CONTROL

Mr. WALLOP. Mr. President, I rise today to speak on yet another export fiasco—another example of U.S. security concerns being ignored. It follows closely on the heels of several other cases of major security importance for which the Commerce Department decided that no export licenses were necessary. More notable were the cases of the Agie machine tools and the wholesale decontrol of powerful personal computers to the Soviet Union.

I think an important aspect of the export process can be summarized as follows. The Commerce Department is charged with assessing whether the export of particular technologies are of a security concern to the United States. Yet, Commerce does not have the technical expertise to judge whether certain items, like powerful personal computers, which can help design real-time simulations for missile tracking, or sensitive instruments which can be used in missile testing and development, could be used in a manner with harmful security implications for the United States. However, none of these types of computers would be caught under national security controls to proliferating countries like Iraq. But this same problem developed in the recent near-export of large furnaces, which could be used in making Iraqi nuclear weapons. While the furnace company, CONSARC of New Jersey, had given enough warning of this potential nuclear use to the Commerce Department, Commerce did not heed this red flag, and made no attempt to stop the export. As today's Washington Post reports: "For 18 months, U.S. Commerce Department officials had promoted the proposed $10 million sale, approving it in June 1989, even though the manufacturer had warned them that the equipment could be used to make nuclear weapon components. The administration decided to stop the shipment only after the Pentagon received a tip from outside the Government and launched an investigation in June, a year after Commerce's original approval of the export."

The Commerce Department "has defended its role in the furnace sale, stating in a detailed press release this week that it could have blocked the sale only if either the manufacturer or the Government knew the equipment would be used in sensitive nuclear activities. A possibility it learned of at the last minute." Mr. President, this illustrates the very point I am trying to make. Commerce does not seem to have the defense-related expertise to realize when certain pieces of technology could be part of a greater, dangerous system—a system which could be used in all aspects of missile technology, whether it be nuclear, chemical, or biological.

And while some may allege that the Defense Department signed off on this export, their arguments obscure several important points. The CONSARC export license provided to the Defense Department was limited only to a review of a computer system intended to be provided by CONSARC with the furnace export. The computer was of such a low level that DOD did not have a problem with its export. DOD had sought to review the furnace export, but the Department of Commerce denied that request because it was not one of the categories authorized under a 1985 presidential directive between DOD and Commerce.

This example drives the point home that the Defense Department must be brought back into the loop, must be given authority beyond an advisory role to check the Commerce Department when national security concerns are at stake.

Mr. President, it is my intention to offer an amendment on an upcoming piece of legislation which would enable the Department of Defense to do just that. It would bring balance, in this new world order, to our concerns for commercial competitiveness and national security.

Mr. ROTH. Mr. President, I rise in support of S. 2927, the Export Administration Act Amendments Act of 1990. In reauthorizing the Export Administration Act, this important piece of legislation makes major revisions to our Nation's export control regime for dual-use products. These changes are, above all, a recognition of the new post-cold war era in which a dramatically improved East-West relationship is the prevailing theme.

This legislation is a balanced approach toward streamlining our export control regime and policymaking process. In large part, it codifies the multilateral changes the United States agreed to earlier this year at the high-level Cocom meeting. At this meeting, the United States took the lead in gaining agreement to overhaul our multilateral list of controls on industrial, dual-use items in response to the historic changes in our strategic environment. It has resulted in eliminating unnecessary export controls, with a greater enforcement focus on those high technology items which remain strategically critical.

The liberalizing changes contained in S. 2927 are vitally important to the revolutionary changes occurring in Eastern Europe. Without Western investment and access to computers, telecommunications, and other high-tech products, chances for a successful free market economic transformation among East European countries are diminished greatly.

Just as importantly, a modernized export control regime is absolutely critical to U.S. competitiveness. For too long, our exporters have been disadvantaged as a result of the way in which our export control policy has been administered. I believe the provisions of S. 2927 will help reverse this trend by, among other things, improving the commodity jurisdiction process and by creating a license-free zone within Cocom by September 30, 1991. The fact that in 1989, only 10 of 27,500 export licenses for Cocom countries were denied, highlights the need for a license-free zone with Cocom. Moreover, achieving a license-free Cocom zone is especially important to ensure that U.S. exporters are ready to take advantage of a borderless single market among the 12 members of the European Community in 1992.

In some respects, this legislation could have gone further to address the new post-cold war era. For example, bolder steps could have been taken to address industry's real concerns about the frequent use of unilateral export controls on products that are freely available from our trading partners. I believe the emphasis must be on multilateral, not unilateral, controls. On the one hand, when the U.S. unilaterally controls products that are produced by other countries, all this does is hurth our competitiveness by leading to lost U.S. sales. On the other hand, there may be ligitimate reasons for preventing certain products from reaching certain countries—Iraq obviously stands out in this regard. The solution is not, however, broadly and unilaterally imposing U.S. export controls in every instance. Rather, it is working with our allies to bring about constructive and multilateral solutions to specific problems. Cocom could perhaps play an important role in such an endeavor.

In sum, I fully support the provisions contained in S. 2927 as a significant step toward the establishment of an effective U.S. export control regime, one which is responsive to the fundamental changes in East-West relations and to U.S. industry concerns. Although it is a significant step, I also see it as a first step in adapting to the dynamic changes around us. Revision of our export control policies should be an ongoing process which continues to evolve as East-West tensions ease further. Additionally, it is my hope that the United States and its Cocom allies will, when necessary, unite more actively in devising coordinated export control policies to confront strategic

threats such as the proliferation of chemical weapons, and that the United States will, in turn, circumscribe its use of unilateral controls. Such multilateral action would be much more effective than unilateral action and would, above all, not place any one country at a major competitive advantage.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H.R. 4653), as amended, was passed, as follows:

Resolved, That the bill from the House of Representatives (H.R. 4653) entitled "An Act to reauthorize the Export Administrative Act of 1979, and for other purposes," do pass with the following amendment: Strike out all after the enacting clause and insert:

TITLE I—EXPORT ADMINISTRATION ACT AMENDMENTS

SEC. 101. SHORT TITLE; REFERENCE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This title may be cited as the "Export Administration Act Amendments of 1990".

(b) REFERENCE TO THE EXPORT ADMINISTRATION ACT OF 1979.—Except as otherwise specifically provided, whenever in this Act a section or other provision is amended or repealed, such amendment or repeal shall be considered to be made to that section or other provision of the Export Administration Act of 1979 (50 U.S.C. App. 2401 and following).

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Sec. 424. Sanctions against certain foreign persons.
Sec. 425. Sanctions against certain foreign persons.
Sec. 426. Definitions.
Subtitle C—Additional restrictions on trade with Cuba
Sec. 431. Prohibition on certain transactions between certain United States firms and Cuba.
Subtitle D—General Provisions
Sec. 441. Incursions into Israel.

SEC. 102. EAST-WEST DECONTROL.

(a) POLICY STATEMENT.—Section 3(15) (50 U.S.C. App. 2402(15)) is amended to read as follows:

"(15) It is the policy of the United States, in light of the developments in the Soviet Union and especially in light of the developments in the emerging democracies of Eastern Europe, to relax East-West controls on exports multilaterally and to support the elimination of certain licensing requirements as agreed to at the Coordinating Committee High Level Meeting, 6-7 June 1990. Moreover, it is the policy of the United States to continue and further the relaxation of such multilateral controls by implementing a 'Core List', the special procedures for countries representing a lesser strategic threat, the national discretion and favorable consideration procedures, and the license-free zone among the members of the Coordinating Committee, including a common standard of enforcement, all as agreed to at the Coordinating Committee High Level Meeting, 6-7 June 1990.".

(b) IMPLEMENTATION OF DECONTROL AGREEMENTS.—Section 5(c)(5) (50 U.S.C. App. 2401(c)(5)) is amended—

(1) by striking "Not later than 6 months after the date of the enactment of this paragraph" and inserting "Not later than 6 months after the date of enactment of the Export Administration Act Amendments of 1990";

(2) in subparagraph (A)(i), by striking all after "technology" and inserting "the licensing of which under this section has been eliminated by regulations promulgated to implement agreements reached in the Coordinating Committee High Level Meeting, 6-7 June 1990."; and

(3) by striking subparagraph (B) and inserting the following:

"(B) Not later than April 1, 1991, the Secretary, in consultation with the Secretary of Defense and the Secretary of State, shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House describing the implementation of the decontrol agreements reached in the Coordinating Committee High Level Meeting, 6-7 June 1990. Not later than May 1, 1991, the Under Secretary of Commerce for Export Administration, the Under Secretary of State for International Security Affairs, and the Under Secretary of Defense for Policy shall appear before both Committees to present testimony on the report. Such report shall include descriptions of—

"(i) the status of implementing the 'Core List' provided for in the decontrol agreements and a description of the criteria used in developing the Core List,

"(ii) the status of implementing the special procedure for countries representing a lesser strategic threat provided for in the decontrol agreements,

"(iii) the status of implementing the national discretion and favorable consideration procedures contained in the decontrol agreements,

"(iv) the status of implementing a license-free zone among the members of the Coordinating Committee, including a common standard of enforcement, and

"(v) the strategic justification for and impact of the decontrol agreements as they relate to the military capabilities and technology acquisition efforts of controlled countries.

"(C) Goods and technology removed from the control list pursuant to subparagraph (A) may only be placed back on the list under this section if such control is agreed to by the participating governments of the Coordinating Committee.".

(c) LICENSING.—Section 5(e) (50 U.S.C. App. 2404(e)) is amended by adding at the end the following:

"(7) In implementing the national discretion and favorable consideration procedures contained in the agreement reached at the Coordinating Committee High Level Meeting, 6-7 June 1990 the Secretary shall consider the actions of other members of the Coordinating Committee in approving or denying export licenses that are subject to such procedures and shall seek to ensure that United States exports are not placed at a competitive disadvantage.".

SEC. 103. EXPORTS SUBJECT TO NATIONAL DISCRETION AND FAVORABLE CONSIDERATION.

(a) IN GENERAL.—Section 10 of the Export Administration Act of 1979 (50 U.S.C. App.

2409) is amended by inserting after subsection (o) the following:

"(p) EXPORTS SUBJECT TO NATIONAL DISCRETION.—In each case in which the Secretary receives a license application for the export of goods or technology subject to the national discretion procedures of the Coordinating Committee, the Secretary shall formally issue or deny a license within 15 days after a properly completed application has been submitted.

"(q) EXPORTS SUBJECT TO FAVORABLE CONSIDERATION.—In each case in which the Secretary receives a license application for the export of goods or technology subject to the favorable consideration procedures of the Coordinating Committee or subject to special national discretion procedures requiring 30 days advance notification to the Coordinating Committee, the Secretary shall formally deny the license or it shall be forwarded for review to the Coordinating Committee within 30 days after a properly completed application has been submitted unless the Secretary notifies the applicant in writing that additional time will be required, but in any case the Secretary shall act within 60 days.".

(b) CONFORMING AMENDMENT.—Section 10(e)(2)(A) (50 U.S.C. App. 2409(e)(2)(A)) is amended by striking "Except" and inserting the following: "For general exceptions cases controlled under section 5 of this Act and except".

SEC. 104. STATEMENT OF POLICY TOWARD COUNTRIES REPRESENTING A LESSER STRATEGIC THREAT.

Section 5(b)(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2404(b)(2)) is amended to read as follows:

"(2)(A) It is the policy of the United States that licensing treatment of a country on the list of controlled countries maintained by the President pursuant to this section should be revised in any case in which that country—

"(i) represents a lesser strategic threat; and

"(ii) accomplishes the following:

"(I) implements an effective export control system including enactment of legislation controlling shipment of goods and technology subject to controls under agreement of the Coordinating Committee to controlled countries and imposing effective penalties to deter violation of its export controls;

"(II) adopts technology security arrangements including end-use assurances and on-site inspection and verification; and

"(III) terminates governmental policies and intelligence cooperation with other controlled countries relating to illegal acquisition and diversion of controlled technology.

"(B) The revision of controls necessary to implement the policy in subparagraph (A) shall include the following:

"(i) when the Secretary, in consultation with the Secretary of State and the Secretary of Defense, determines that necessary steps have been taken to implement the criteria in subparagraph (A), the Secretary of State should propose adoption by the Coordinating Committee of the special procedure for favorable consideration of exports to such countries adopted in the Coordinating Committee High Level Meeting, 6–7 June 1990, or other countries the Coordinating Committee may designate;

"(ii) the Secretary, in consultation with the Secretary of State and the Secretary of Defense, shall annually review the performance of such country and, to the extent of performance indicating appropriate use and protection from diversion of controlled technology, the Secretary of State should propose adoption by the Committee of more favorable licensing treatment or, if security concerns increase, propose tightening controls on technology exports to such country; and

"(iii) when, in addition to progress on the criteria in subparagraph (A), a country takes steps to reduce its offensive military capabilities and phase out its participation in the Warsaw Pact, including withdrawal of Soviet troops, the President should seek agreement in the Coordinating Committee to remove the country from the list of controlled countries and propose licensing treatment by the Committee as a free world or cooperating country destination.

"(C) The Secretary should provide the greatest possible technical assistance to countries undertaking the measures described in subparagraph (A).".

SEC. 105. REMOVAL OF SECTION 5(k) DESIGNATION.

Section 5(k) (50 U.S.C. App. 2404(k)) is amended by adding at the end the following: "If any country accorded the treatment authorized by the preceding sentence fails to maintain export restrictions comparable in practice to those maintained by the Coordinating Committee, as determined by the Secretary, in consultation with the Secretary of State and the Secretary of Defense, the Secretary shall restrict or terminate such treatment of that country.".

SEC. 106. POLICY TOWARD COUNTRIES RECEIVING LICENSING BENEFITS.

Section 11A (50 U.S.C. App. 2410a) is amended—

(1) in subsection (a)(1), by inserting after "Committee," the following: "pursuant to an agreement to restrict exports negotiated in accordance with section 5(k) of this Act, or pursuant to an export control system maintained by a controlled country that is receiving expanded licensing benefits from the Coordinating Committee because of its recognition as a lesser strategic threat as described in section 5(b)(2),";

(2) in subsection (b)—

(A) in paragraph (1), by striking the final "and";

(B) in paragraph (2), by striking the period and inserting ", and"; and

(C) by adding a new paragraph as follows:

"(3) the revocation by the Secretary of any validated export license previously issued for export by or to that foreign person, notwithstanding any other provision of law, and entry by the Secretary of a final order denying that foreign person all export privileges.

The Secretary shall publish any final order under paragraph (3) in the Federal Register."; and

(3) by striking subsection (l) and inserting after subsection (k) the following:

"(l) DEFINITION.—(1) For purposes of this section, the term 'foreign person' means any person other than a United States person.

"(2) This section shall apply to the German Democratic Republic until such time as a unitary German political state is a participating member of COCOM.".

SEC. 107. CONTROLS ON TELECOMMUNICATIONS.

Section 5(c) (50 U.S.C. App. 2404(c)) is amended by adding at the end the following:

"(8)(A) It is the policy of the United States to encourage and facilitate the most favorable treatment permissible for exports of telecommunications equipment for civil purposes pursuant to the Agreement reached at the Coordinating Committee High Level Meeting, 6–7 June 1990.

"(B) In the case of Czechoslovakia, Poland, and Hungary, when credible end-use assurances, on-site inspections, and verified access to all required information have been provided by a country, the Secretary shall immediately accord that country national discretion and favorable consideration treatment as permitted for exports of telecommunications equipment under the Agreement.

"(C) The Secretary shall consider exports of telecommunications equipment under the favorable consideration procedure, except as otherwise provided for in the Agreement, to countries which qualify as a lesser strategic threat under the Agreement.

"(D) As used in this paragraph, the term 'telecommunications equipment' means equipment or technology used in the transmission or receipt of information, either voice or data. Such term includes equipment and technology used in the transmission of analog or digital information.

"(E)(i) In the case of countries that qualify as a lesser strategic threat under the Agreement, the United States should propose to the Coordinating Committee that exports of computer network software and related equipment for civilian end use shall be accorded the same licensing treatment as that permitted for computer systems exported for interconnection to such networks and shall be in accordance with telecommunications controls established by the Coordinating Committee.

"(ii) For purposes of this paragraph, the term 'computer network software and related equipment' includes computer software that provides services and management for local area, intracity, intercity, and international data communications networks, and computer equipment specifically dedicated to the support of such networks.".

SEC. 108. EXPORTS TO COCOM.

Section 5(a)(4) (50 U.S.C. App. 2404(a)(4)) is amended by adding at the end the following:

"(C) Effective not later than December 31, 1991, no authority or permission may be required under this section for the export or re-export of goods or technology to or from a country which maintains export controls on such goods or technology cooperatively with the United States pursuant to the agreement with the group known as the Coordinating Committee or pursuant to an agreement described in subsection (k).

"(D)(i) Notwithstanding subparagraph (C), the Secretary, in consultation with the Secretary of Defense, the Secretary of State, and the Secretary of Energy, may require authority or permission to export or re-export goods or technology, which are otherwise eligible for export or re-export under subparagraph (C) in the case of—

"(I) exports to such unreliable end users as the Secretary may specify by regulation;

"(II) exports controlled as provided by special multilateral control arrangements; or

"(III) any re-export to a country other than a country described in subparagraph (A) of goods or technology identified under subparagraph (B).

"(ii) The provisions of subparagraph (C) shall not apply to a country that has not adopted measures necessary to achieve the common standard of enforcement agreed upon by the Coordinating Committee as determined by the Secretary, in consultation with the Secretary of State. These measures include:

"(I) national laws providing appropriate civil and criminal penalties and statutes of limitations sufficient to deter potential violations;

"(II) a program to evaluate export license applications that includes sufficient technical expertise to assess the licensing status of exports and ensure the reliability of end-users;

"(III) an enforcement mechanism that provides authority for trained enforcement officers to investigate and prevent illegal exports;

"(IV) a system of export control documentation to verify the movement of goods and technology; and

"(V) procedures for the coordination and exchange of information concerning violations of the agreement of the Coordinating Committee.

"(iii) The Secretary shall, during the period in which that determination is in effect, and to the extent determined by the Secretary, require authority or permission to export or re-export goods or technology to that country.

"(iv) The Secretary of State should notify the Coordinating Committee of a determination under clause (ii) and request the cooperation of the Coordinating Committee in imposing comparable controls. The Secretary, in consultation with the Secretary of State, shall review each determination made under clause (ii) at least annually for the purpose of determining whether the country has adopted measures necessary to achieve the common standard of enforcement agreed upon by the Coordinating Committee.".

SEC. 109. DISTRIBUTION LICENSES.

Section 4(a)(2) (50 U.S.C. App. 2403(a)(2)) is amended—

(1) in the first sentence of subparagraph (A), by striking all after "users of the goods" and inserting a period;

(2) in the second sentence of subparagraph (A), by striking "to controlled countries"; and

(3) in the first sentence of subparagraph (B), by striking all after "with the exporter" through the end of the sentence and inserting a period.

SEC. 110. TRADE SHOWS.

Section 5(e)(6) (50 U.S.C. App. 2404(e)) is amended to read as follows:

"(6) Consistent with multilateral control arrangements, an application for a license for the export to a controlled country of any good on which export controls are in effect under this section, without regard to the technical specifications of the good, for the purpose of demonstration or exhibition at a trade show, shall carry a presumption of approval if—

"(A) the United States exporter retains title to the good and complies with any safeguard requirement imposed by the Secretary during the entire period in which the good is in the controlled country; and

"(B) the exporter removes the good from the controlled country within a reasonable period of time after the conclusion of the trade show or demonstration, as defined in regulations issued by the Secretary.".

SEC. 111. TECHNICAL DATA.

(a) CONTROL LIST.—Section 4(b) (50 U.S.C. App. 2403(b)) is amended by adding at the end the following: "Technical data that is subject to licensing requirements must be included on the control list concurrent with implementation of the 'Core List', but not later than June 30, 1991.".

(b) EXPORTS OF RELATED TECHNICAL DATA.—Section 5(e) (50 U.S.C. App. 2404(e)), as amended by section 102, is amended by adding at the end the following new paragraph:

"(8) Any general or validated license authorizing the export of any goods or technology shall also authorize the export of operation technical data related to such goods or technology, whether or not such data is specifically referenced in the license or license application, if the technical level of the data does not exceed the minimum level necessary to install, repair, maintain, check, operate, or use the goods or technology.".

SEC. 112. STANDARD OF MEASUREMENT FOR COMPUTERS.

Section 5(a)(6) (50 U.S.C. App. 2404(a)(6)) is amended—

(1) by inserting "(A)" after "(6)", and

(2) by adding at the end the following:

"(B) In response to recommendations received from technical advisory committees established pursuant to subsection (h), the Secretary shall, after appropriate consultation with the Coordinating Committee, propose regulations which update and, where appropriate, revise or replace the measurement known as the 'Processing Data Rate', which is used in part to determine licensing requirements for computers other than supercomputers. Such regulations shall reflect the performance capabilities of computers and rely, to the maximum extent possible, upon measurements of those capabilities which are objective and commonly understood by the computer industry. In developing such measurements, the Secretary shall consider factors including, but not limited to, instruction rate, the input/output system, the memory system, vector processing, and parallel processing.".

SEC. 113. CONTROL LIST REVIEW.

Section 5 (50 U.S.C. App. 2404) is amended—

(1) in subsection (c)(1), by inserting before the final period the following: "and shall reflect multilateral control agreements reached by the group known as the Coordinating Committee"; and

(2) by striking subsection (c)(3) and inserting the following:

"(3) The Secretary shall review the control list in order to carry out the policy set forth in section 3(2)(A) of this Act and the provisions of this section. This review shall consider proposals for decontrol and other changes in policy arising from the indexing exercise described in subsection (g) and shall serve as the basis for United States proposals for revision of the International Industrial List maintained by the Coordinating Committee. To this end, the United States should seek to ensure that the Coordinating Committee reviews each item on its list at least once every 3 years and the Secretary shall conduct a periodic review of each item on the control list for national security reasons so as to achieve the same 3-year review cycle. In any case in which the Coordinating Committee has failed to review an entry on the International Industrial List within 3 years, the Secretary of State should, based upon United States review of its comparable entry, propose a review by the Coordinating Committee of that entry. Before beginning each periodic review, which should not exceed 180 days in length, the Secretary shall publish notice of that review in the Federal Register. The Secretary shall provide a 30-day period during each review for comment and the submission of data, with or without oral presentation, by interested Government agencies and other affected parties. The Secretary shall further assess, as part of each review, the availability from sources outside the United States, of goods and technology comparable to those subject to export controls imposed under this section. After consultation with appropriate Government agencies, the Secretary shall make a determination of any revisions in the list within 30 days after the end of the review period. The concurrence or approval of any other department or agency is not required before any such revision is made, except that in the case of national security controls implemented in cooperation with the Coordinating Committee, such revisions in the list shall be made consistent with the scope of controls agreed to in the Coordinating Committee and shall be made effective no later than the effective date agreed to by the Coordinating Committee.".

SEC. 114. INDEXING.

(a) ANNUAL INCREASES.—Section 5(g)(1) (50 U.S.C. App. 2404(g)(1)) is amended to read as follows:

"(g) INDEXING.—(1) In order to provide guidance to the list review process described in subsection (c)(3) regarding goods or technology that have become obsolete with respect to the national security of the United States, the Secretary shall, in response to recommendations of technical advisory committees established pursuant to subsection (h), incorporate into the list review process an indexing analysis that provides a technical justification for possible increases in the performance levels of goods or technology as described in paragraph (2). The indexing analysis shall set minimum levels of technology below which no authority or permission to export should be required. The analysis shall consider the specifications of the most technologically advanced version of the same or equivalent goods or technology which are commercially available. The results of the indexing analysis shall be incorporated into the United States proposals to the Coordinating Committee unless such proposals will adversely affect the United States national security. The Secretary shall report annually on the results of the indexing analysis, the extent to which the results were incorporated into United States proposals to the Coordinating Committee, and the justification for rejection of recommendations of the indexing analysis.".

(b) ANNUAL REVIEWS.—Section 5(g)(2)(A) (50 U.S.C. App. 2404(g)(2)(A)) is amended—

(1) in clause (ii), by striking "to the People's Republic of China";

(2) in clause (iii), by striking "subsection (b)(2) or (b)(3) of";

(3) by redesignating clauses (i), (ii), and (iii) as clauses (ii), (iv), and (v), respectively;

(4) by inserting before clause (ii), as redesignated, the following:

"(i) which are supercomputers subject to security safeguard procedures,"; and

(5) by inserting after clause (ii), as redesignated, the following:

"(iii) which are eligible for favorable consideration under the rules of the group known as the Coordinating Committee,".

(c) REPORT.—Section 14(a)(4) (50 U.S.C. App. 2413(a)(4)) is amended by inserting before the semicolon at the end the following: ", and including results of the indexing analysis under section 5(g) and providing a justification for rejection of such results that were not incorporated into United States proposals to the Coordinating Committee".

SEC. 115. COCOM REPRESENTATION.

Section 5(k) (50 U.S.C. App. 2404(k)) is amended—

(1) by inserting "(1)" after "(k)"; and

(2) by adding at the end the following:

"(2) The Secretary, or an officer or employee of the Department of Commerce designated by the Secretary, shall be a member of the permanent United States delegation to the Coordinating Committee.".

SEC. 116. REPORT ON IMPLEMENTATION OF SECTION 10(g).

Not later than January 15, 1991, the Secretary of Commerce and the Secretary of Defense shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Foreign Affairs of the House a report (which may be classified as necessary) on the implementation of the dispute resolution procedure, including the compliance of such cases with the time frame for dispute resolution provided under section 10(g)(2).

SEC. 117. RELATION TO MUNITIONS LIST.

Section 17(b) (50 U.S.C. App. 2416(b)) is amended—

(1) by inserting "(1)" after "CONTROLS.—"; and

(2) by adding at the end the following:

"(2)(A) Notwithstanding any other provision of law, no item may be included on both the control list and the United States Munitions List, as provided in this paragraph.

"(B)(i) Whenever the Secretary or the Secretary of State finds that an item is included on both lists, the Secretary making the finding shall notify the other Secretary. The two Secretaries shall have a period of 20 days following the notice to decide on which list the item should appear.

"(ii) If at the close of the period under clause (i) no resolution has been reached, the Secretaries shall provide the President with all relevant information in support of their respective positions. The President shall, within 20 days after receiving the transmittal under the preceding sentence, notify the 2 Secretaries of his determination with respect to the item involved.

"(C) Effective with the implementation of the 'Core List', but not later than March 31, 1991, for purposes of section 5, dual use items included on the Coordinating Committee's Industrial List shall be controlled under the control list. No item on the Coordinating Committee's Industrial List may be moved from the control list to any other United States control list unless the President determines that exceptional circumstances exist and reports such circumstances to the Congress within 10 working days of such determination.

"(D) Not later than March 31, 1991, the Secretary shall by regulation define the term 'dual use goods and technology'.".

"(E) No controls under section 5 eliminated after the Coordinating Committee High Level Meeting, June 6-7, 1990, shall be extended or reinstated using any authorities other than section 6 of this Act, unless the President determines that extraordinary circumstances directly affecting the national security of the United States exist and reports such circumstances to the Congress within 10 working days of such determination.".

SEC. 118. ENFORCEMENT AUTHORITY.

Section 12(a)(3) (50 U.S.C. App. 2411(a)(3)) is amended by adding at the end the following:

"(C) All goods or technology lawfully seized under this paragraph by authorized officers or employees of the Department of Commerce shall be forfeited to the United States. The provision of law relating to—

"(i) the seizure, summary and judicial forfeiture, and condemnation of property for violation of customs law,

"(ii) the disposition of such property or the proceeds from the sale thereof,

"(iii) the remission or mitigation of such forfeitures, and

"(iv) the compromise of claims,

shall apply to seizures and forfeitures incurred, or alleged to have been incurred, under the provisions of this subparagraph, insofar as applicable and not inconsistent with this Act; except that such duties as are imposed upon the customs officer or any other person with respect to the seizure and forfeiture of property under the customs laws shall be performed with respect to seizures and forfeitures of property under this subparagraph by the Secretary or such officers and employees of the Department of Commerce as may be authorized or designated for that purpose by the Secretary, or, upon the request of the Secretary, by any other agency that has authority to manage and dispose of seized property.".

SEC. 119. FOREIGN POLICY CONTROLS.

Section 6 (50 U.S.C. App. 2405) is amended—

(1) by striking subsection (b)(2) and inserting the following:

"(2) The President may impose, extend, or expand controls under this section only if the President determines that the criteria in paragraph (1) have been met."; and

(2) in subsection (h)(3)—

(A) in the first sentence by striking all after "the Secretary" through "controls" and inserting "shall make a determination of foreign availability"; and

(B) in the last sentence, by striking all after "this section" through "appropriate" and inserting "within 12 months after the date on which export controls under this section are imposed or expanded unless the foreign availability has been eliminated or a multilateral control arrangement has been achieved among major suppliers of the controlled goods and technology by that time or the President determines that essential foreign policy interests of the United States require continuation of the controls".

SEC. 120. MISSILE TECHNOLOGY.

(a) MULTILATERAL NEGOTIATIONS.—Section 3 (50 U.S.C. App. 2402) is amended by adding at the end the following:

"(16) It is the policy of the United States that the Secretary of State, in cooperation with the Secretary, the Secretary of Defense, and other appropriate agencies, should, in order to address the growing threat to United States interests from ballistic missile proliferation, immediately undertake steps to renegotiate multilateral arrangements for the purpose of—

"(A) effectively restricting technology with direct missile application from reaching undesirable end-users, and

"(B) increasing the number of countries participating in the missile technology control regime.".

(b) MISSILE TECHNOLOGY CONTROLS.—Section 6 (50 U.S.C. App. 2405) is amended—

(1) by redesignating subsections (k) through (p) as subsections (m) through (r), respectively; and

(2) by inserting after subsection (j) the following:

"(k) NEGOTIATIONS WITH OTHER COUNTRIES.—(1) The Secretary of State, in consultation with the Secretary, the Secretary of Defense, and the heads of other appropriate departments and agencies, shall be responsible for conducting negotiations with other countries, including but not limited to those countries participating in the groups known as the Coordinating Committee, the Missile Technology Control Regime, and the Australia Group, regarding their cooperation in restricting the export of goods and technology in order to carry out the policy set forth in section 3(2)(B) of this Act, and to carry out United States policy opposing the proliferation of chemical, biological, and other weapons and their delivery systems and effectively restricting the export of the dual use components of such weapons and their delivery systems as authorized by this subsection and subsections (a) and (l). Such negotiations shall cover, among other issues, which goods and technology should be subject to multilaterally agreed export restrictions and what conditions should apply for exceptions for those restrictions. In cases where such negotiations produce agreements on export restrictions that the Secretary, in consultation with the Secretary of State and the Secretary of Defense, determines to be consistent with the principles identified in section 5(a)(4)(D) of this Act, the Secretary may treat exports, whether by individual or multiple licenses, to countries party to such agreements in the same manner as dual use exports are treated under section 5 to members of the Coordinating Committee.

"(2) The Secretary shall annually review any determination under paragraph (1). For each country that the Secretary certifies to have an effective export control system, the Secretary may continue preferential licensing treatment for exports to that country provided under this section. For each country which the Secretary certifies is not meeting the requirements of an effective export control system, the Secretary shall restrict or eliminate any preferential licensing treatment for exports to that country provided under this section.

"(l) MISSILE TECHNOLOGY.—(1) The Secretary, in consultation with the Secretary of State, shall establish and maintain, as part of the control list, a list of dual-use goods and technology, including all dual use goods and technology on the Missile Technology Control Regime Annex, that would provide a direct and immediate impact on the development of missile delivery systems.

"(2) The Secretary shall require a validated license for any export of goods or technology listed under paragraph (1) to any country except those whose governments have been determined by the President to be effective in implementing missile technology export controls and such other countries as the President shall designate consistent with the purposes of this Act.

"(3) Licenses should in general be denied if the ultimate consignee of the goods or technology is a facility in a nonadherent to the Missile Technology Control Regime that is designed to develop or build missiles or in a country which the Secretary of State has determined, under subsection (j) has repeatedly provided support for acts of international terrorism.

"(4) Notwithstanding any other provision of this Act, a determination of the Secretary to approve an export license for the export of goods or technology under this subsection may be made only after referral to the Secretary of State and, if so requested, to the Secretary of Defense in any case in which—

"(A) the good or technology is included in the annex of equipment and technology to the Missile Technology Control Regime; and

"(B) the destination is a country which the Secretary of State has determined is of concern to the United States regarding missile proliferation or is a potential channel of diversion identified pursuant to paragraph (5) of this subsection.

If the Secretary disagrees with the Secretary of State, and the Secretary of Defense where appropriate, regarding any determination under paragraph (1), the matter shall be referred to the President for resolution.

"(5) The Secretary shall establish a procedure for information sharing with appropriate officials at the Central Intelligence Agency and the Defense Intelligence Agency that will ensure effective monitoring of flows of MTCR technology to all countries that the Secretary of State has determined are of concern to the United States regarding missile proliferation in order to ensure detection of channels of diversion.".

(c) SANCTIONS FOR MISSILE TECHNOLOGY PROLIFERATION.—The Act is amended by inserting after section 11A (50 U.S.C. App. 2410a) the following:

"MISSILE PROLIFERATION CONTROL VIOLATIONS

"SEC. 11B. PROLIFERATION CONTROL VIOLATIONS.—(a) VIOLATIONS BY UNITED STATES PERSONS.—(1) SANCTION.—If the President determines that a United States person has transferred or conspired to transfer or facilitated the transfer, in violation of the provision of section 38 of the Arms Export Control Act (22 U.S.C. 2778), section 5 or 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2404, 2405) or any regulations issued under any such provisions, of any item on the annex of goods and technology to the Missile Technology Control Regime, then the President shall deny to such United States person for a period of two years licenses issued pursuant to this Act for the transfer of missile equipment and technology.

"(2) DISCRETIONARY SANCTIONS.—In the case of any determination referred to in subsection (a), the Secretary may pursue any other appropriate penalties available under section 11 of this Act.

"(3) WAIVER.—The President may waive, to the extent required to meet the national security needs of the United States, the imposition of sanctions under subsection (a) if the President certifies to the Congress that—

"(A) the product or service is essential to the national security of the United States; or

"(B) such person is a sole source supplier of the product or service, the product or service is not available from any alternative reliable supplier, and the need for the product or service cannot be met in a timely manner by improved manufacturing processes or technological developments.

"(b) TRANSFERS OF MISSILE EQUIPMENT AND TECHNOLOGY BY FOREIGN PERSONS.—(1) SANCTION.—The President, subject to subsections (c) and (d), shall impose on a foreign person, for a period of not less than 2 years, one or more of the sanctions listed in subsection (b), (A) if the President determines that the foreign person, on or after the date of enactment of this section, knowingly attempted to export, import, or obtain dual use items on the Missile Technology Control Regime Annex that would be, if they were United States goods or technology, subject to the jurisdiction of this Act, for the purpose of assisting in the development or production of missiles capable of delivering chemical, biological, or nuclear weapons in a country identified as a country of concern by the Secretary of State, or (B) the President has made a determination under section 73(a) of the Arms Export Control Act.

"(2) The President may impose sanctions under paragraph (1) on a foreign person only after consultation, with respect to such sanctions, with the government having primary jurisdiction over that foreign person, and such sanctions shall not be imposed if the President has determined that such government has taken adequate corrective action with respect to the acts described in paragraph (1) by that foreign person.

"(b) SANCTIONS.—The sanctions on a foreign person specified in subsection (a) are, except as provided in subsections (c) and (d), the following:

"(1) The Secretary shall revoke any validated export license previously issued for export by or to that foreign person, notwithstanding any other provision of law, and enter a final order denying that foreign person all export privileges. The Secretary shall publish such final order in the Federal Register.

"(2) The United States Government shall ban the importation into the United States of products produced by that foreign person.

"(3) The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from that foreign person.

Any sanction imposed under this section shall remain in effect for not more than 5 years.

"(c) EXCEPTIONS.—The President shall not apply sanctions under this section—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

"(B) if the President determines that the person to which the sanctions would be applied is a sole source supplier of the defense articles and services, that the defense articles or services are essential to the national security of the United States, and that alternative sources are not readily or reasonably available;

"(C) if the President determines that such articles or services are essential to the national security of the United States under defense coproduction agreements or NATO Programs of Cooperation; or

"(D) if the President determines that the export or transfer was authorized by a country that is cooperating with United States efforts to stem missile proliferation;

"(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanctions; or

"(3) to—

"(A) spare parts,

"(B) component parts, but not finished products, essential to United States products or production,

"(C) routine services and maintenance of products, to the extent that alternative sources are not readily or reasonably available, or

"(D) information and technology.

"(d) WAIVER AND REPORT TO CONGRESS.—(1) The President may waive the application of subsections (a) and (b) to a foreign person if the President determines that such waiver is essential to the national security of the United States.

"(2) In the event that the President decides to apply the waiver described in paragraph (1), the President shall so notify the Congress not less than 20 working days before the waiver takes effect. Such notification shall include a report fully articulating the rationale and circumstances which led the President to apply the waiver.".

SEC. 121. LITHUANIA.

It is the sense of the Senate that no exports to the Soviet Union that are controlled by virtue of the amendments made in order by this title, may be licensed for sale by United States exporters until the President certifies to the Congress that the Soviet Union has entered into serious negotiations with the elected government of Lithuania for the purpose of allowing the self-determination of Lithuania and is conducting such negotiations without economic coercion.

SEC. 122. POLICY TOWARD THE PEOPLE'S REPUBLIC OF CHINA.

(a) FINDINGS AND POLICY.—The Congress finds that—

(1) the United States and the group known as the Coordinating Committee have granted special licensing preferences in favor of exports to the People's Republic of China compared to other controlled countries, based upon a consensus that the People's Republic of China posed a reduced national security threat;

(2) the United States policy of differentiating the People's Republic of China from other controlled countries was also intended to encourage emerging democratization and economic reform in that country; and

(3) the assumptions underlying past policy must be reevaluated in light of massive abuses of human rights by the government of the People's Republic of China and evidence that the Chinese Government has assisted in the proliferation of missiles and nuclear technology to politically volatile areas of the world.

It is therefore the policy of the United States that export licensing preferences for the People's Republic of China should be eliminated and access to dual-use goods and technology representing proliferation concerns should be restricted.

(b) NO PREFERENTIAL TREATMENT.—Section 5(b) (50 U.S.C. App. 2404(b)) is amended by adding at the end the following:

"(4)(A) In the context of the 'Core List' exercise undertaken pursuant to the agreements reached at the Coordinating Committee High Level Meeting, 6–7 June 1990, the United States representative to the Coordinating Committee should oppose preferential treatment for the People's Republic of China compared to the treatment of other controlled countries.

"(B) If the President determines that licensing treatment for the People's Republic of China should be liberalized compared to other controlled countries, no action to liberalize treatment should be taken until 30 days after the President reports such determination to the Congress stating the justification for the change in policy.".

(c) PROLIFERATION CONCERNS REGARDING THE PEOPLE'S REPUBLIC OF CHINA.—Section 6 (50 U.S.C. App. 2405), as amended by section 120, is amended by adding at the end the following:

"(s) PROLIFERATION CONCERNS REGARDING THE PEOPLE'S REPUBLIC OF CHINA.—(1) Requests for authority or permission to export goods or technology to the People's Republic of China which are controlled under this section, pursuant to multilateral arrange-

ments to control proliferation of chemical weapons and missile technology, should be denied in the absence of adequate assurances regarding appropriate end-use and nontransfer of goods or technology to a country or project of concern.

"(2) In order to ensure effective control of proliferation through the People's Republic of China, the Secretary of State should seek the cooperation of other governments involved in multilateral control arrangements to restrict exports of such goods and technology in harmonizing treatment of exports to the People's Republic of China with control efforts of the United States.

"(3) The policy in subparagraph (1) shall remain in effect unless the President determines and reports to Congress that the People's Republic of China has ceased to act in a manner inconsistent with multilateral nonproliferation efforts.".

SEC. 123. AUTHORIZATION AND EXTENSION.

(a) AUTHORIZATION.—Section 18(b) (50 U.S.C. App. 2417(b)) is amended to read as follows:

"(b) AUTHORIZATION.—There are authorized to be appropriated to the Department of Commerce to carry out the purposes of this Act—

"(1) $44,523,000 for the fiscal year 1991, and such sums as may be necessary for fiscal year 1992, of which $150,000 shall be available each year only for the representation of the Secretary or the Secretary's designee at the Coordinating Committee under section 5(k)(2); and

"(2) such additional amounts for each fiscal year as may be necessary for increases in salary, pay, retirement, other employee benefits authorized by law, and other nondiscretionary costs.".

(b) EXTENSION.—Section 20 (50 U.S.C. App. 2419) is amended by striking "1990" and inserting "1992".

SEC. 124. PROHIBITION OF CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

The Trading with the Enemy Act is amended by adding at the end thereof the following new section:

"SEC. 44. Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989, unless a license may be issued for such transaction if such transaction were undertaken by a firm organized under the laws of any of the States of the United States.".

SEC. 125. AUTHORITY FOR PRIVATE INSPECTION SYSTEMS.

Section 4 of the Export Administration Act of 1979 is amended by adding the following new subsection:

"( ) AUTHORITY FOR PRIVATE INSPECTION SYSTEMS.—The Secretary is authorized to maintain a list of approved private inspection companies for the purpose of enabling exporters to submit independently verified, certified information necessary for effective and timely licensing.".

TITLE II—EXPORT PROMOTION

SEC. 201. EXPORT PROMOTION AUTHORIZATION.

(a) IN GENERAL.—Section 202 of the Export Administration Amendments Act of 1985 (15 U.S.C. 4052) is amended to read as follows:

"There are authorized to be appropriated to the Department of Commerce—

"(1) to carry out export promotion programs $164,599,000 for the fiscal year 1991, and such sums as may be necessary for fiscal year 1992; and

"(2) to carry out section 2303 of the Omnibus Trade and Competitiveness Act of 1988 $6,000,000 for fiscal year 1991, and such sums as may be necessary for fiscal year 1992.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1990.

SEC. 202. MINISTER-COUNSELORS.

Section 2301(d)(1) of the Export Enhancement Act of 1988 (15 U.S.C. 4721(d)(1)) is amended in the first sentence by striking "8" and inserting "12".

SEC. 203. REPORT ON EXPORT POLICY.

(a) IN GENERAL.—For any year in which the United States fails to achieve a merchandise trade surplus, the Secretary of Commerce shall transmit to the Congress, not later than April 30 of the following year, a report that—

(1) analyzes ways to increase exports that addresses—

(A) progress made in strengthening coordination of Federal export promotion efforts;

(B) efforts made to improve coordination of Federal export promotion activities with the States;

(C) efforts made to improve coordination and cooperation with private industry groups; and

(D) inadequacies in Federal and State government and private sector export financing programs;

(2) assesses barriers to United States exports in Japan, the newly industrializing countries of East Asia, the European Community, Eastern Europe and Latin America identified in the National Trade Estimate Report, and sets forth activities undertaken by the Commerce Department to overcome such barriers and expand United States exports to such markets;

(3) includes recommendations by the Secretary on ways to—

(A) increase United States industrial exports;

(B) improve United States manufacturing and industrial competitiveness;

(C) encourage research and development on critical technologies; and

(D) improve Federal and State government and private sector export financing programs;

(4) describes means to improve and increase information and assistance to United States firms, particularly small- and medium-sized firms, that are exporting or have the potential to export their products overseas.

(b) EXPORT STRATEGY.—As part of the first report submitted pursuant to subsection (a), the Secretary of Commerce, acting through the International Trade Administration, shall—

(1) develop and submit to the Congress a 5-year export market development strategy, focusing on the issues identified in subsection (a)(1); and

(2) consider and report on the best means to establish and maintain within the United States and Foreign Commercial Service a one-stop shop which would—

(A) make available to exporters and other interested persons information on export services from all United States Government agencies; and

(B) coordinate Federal export activities with those of not-for-profit groups and trade associations involved in promoting exports as well as State, local, and regional export assistance agencies.

(c) TESTIMONY.—The Secretary of Commerce shall appear to testify on any report under this section at the request of the Committee on Foreign Affairs of the House of Representatives or the Committee on Banking, Housing, and Urban Affairs of the Senate.

SEC. 204. PILOT PROGRAM.

(a) IN GENERAL.—The Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service, and the Administrator of the Small Business Administration shall develop and implement a pilot program to increase cooperation between the agencies in providing export assistance to small businesses. Under this pilot program, the Administrator of the Small Business Administration shall assign at least 6 small business specialists to be assigned by the Assistant Secretary of Service to district or branch offices maintained in the United States by the United States and Foreign Commercial Service.

(b) DUTIES.—The small business specialist shall report to the manager of the office to which such specialist is assigned and shall be responsible for assisting small businesses to compete in international markets.

(c) DURATION.—The pilot program shall be implemented for a 2-year period from the date upon which the Assistant Secretary of Commerce and Director General of the United States and Foreign Commercial Service identifies the district or branch offices to which such small business specialists shall be assigned pursuant to subsection (a).

SEC. 205. INTEREST SUBSIDY PROGRAM.

(a) REQUIREMENT TO EXPEND AMOUNTS APPROPRIATED.—Section 2(f)(1) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(f)(1)) is amended by striking "may enter" and inserting "shall use all amounts appropriated to carry out this subsection to enter".

(b) EXTENSION OF PROGRAM THROUGH THE END OF FISCAL YEAR 1992.—Section 2(f)(4) of such Act (12 U.S.C. 635(f)(4)) is amended by striking "1991" and inserting "1992".

(c) LIMITATION ON AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1992.—Section 2(f)(3) of such Act (12 U.S.C. 635(f)(3)) is amended—

(1) in subparagraph (A), by striking "and";

(2) in subparagraph (B), by striking the period and inserting "; and"; and

(3) by adding at the end the following:

"(C) $35,000,000, for fiscal year 1992.".

SEC. 206. FINANCING DEFENSE ARTICLES AND SERVICES.

Section 2(b)(6) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(6)) is amended—

(1) by redesignating subparagraph (G) as subparagraph (H);

(2) by inserting after subparagraph (F) the following:

"(G)(i) So that United States exporters can remain competitive in the sale of defense articles and services to Japan or any country which is a member of the North Atlantic Treaty Organization (NATO), the Bank shall establish a program to provide guarantees for the sale of defense articles and services to such countries, on terms and conditions which are fully competitive with the Government-sponsored terms and conditions available for the financing of such articles and services from the principal countries whose exporters compete with United States exporters in the sale of defense articles and services to Japan and NATO countries; and

"(ii) The Bank shall carry out the provisions of this subparagraph, notwithstanding

subparagraph (A), and section 32 of the Arms Export Control Act."; and

(3) by striking "and (F)" in subparagraph (H) and inserting "(F), and (G)".

SEC. 207. HUMAN RIGHTS IN YUGOSLAVIA.

(a) FINDINGS.—The Congress finds that the Department of State's Country Report on Human Rights Practices for 1989 cites many human rights practices in Yugoslavia that violate internationally accepted human rights standards, including infringement upon and abrogation of the rights of assembly and fair trial, freedom of speech, and freedom of the press.

(b) REPORT.—The Secretary of State shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Banking, Finance and Urban Affairs of the House of Representatives, not later than 3 months after the date of enactment of this Act, explaining why Export-Import Bank funding for exports to Yugoslavia has not been restricted or denied pursuant to section 2(b)(1)(B) of the Export-Import Bank Act of 1945.

SEC. 208. INCREASE OF MEMBERSHIP OF ADVISORY COMMITTEE.

Section 3(d)(1)(A) of the Export-Import Bank Act of 1945 (12 U.S.C. 635a(d)(1)(A)) is amended by striking "twelve" and inserting "15".

SEC. 209. TECHNICAL CORRECTIONS RELATING TO THE INTERNATIONAL DEVELOPMENT AND FINANCE ACT OF 1989.

(a) ELIMINATION OF LANGUAGE MADE OBSOLETE BY ETHICS REFORM ACT OF 1989.—Subsection (c) of section 101 of the International Development and Finance Act of 1989 (103 Stat. 2494; Public Law 101-240), and the amendments made by such subsection, are hereby repealed, and section 2(a)(1) of the Export-Import Bank Act of 1945 shall be applied and administered as if such subsection (c) had never been enacted.

(b) REPEAL OF INADVERTENTLY INSERTED PARAGRAPH.—Paragraph (7) of section 101(b) of the International Development and Finance Act of 1989 (103 Stat. 2494; Public Law 101-240) is hereby repealed, and section 15 of the Export-Import Bank Act of 1945 shall be applied and administered as if such paragraph had not been enacted.

TITLE III—EXPORT SANCTIONS ON IRAQ

SEC. 301. FINDINGS.

The Congress find that—

(1) the Iraqi Government has engaged in numerous human rights violations, including torture, execution, the destruction of villages, and forcible relocation of peoples, and suppression of basic political freedoms in violation of its commitments and obligations under international law;

(2) the Department of State has continued to deem Iraq's human rights record "abysmal" in its Country Reports on Human Rights Practices;

(3) Amnesty International has documented extensive human rights abuses by the Government of Iraq, including the torture and execution of children;

(4) Iraq has blatantly violated international law in its initiation of the use of chemical weapons against Iran and in its use of chemical weapons against its own Kurdish citizens;

(5) Iraq is continuing to develop a chemical weapons capability and President Saddam Hussein has threatened to use chemical weapons against other nations, including the State of Israel;

(6) concern has been building due to persuasive evidence that Iraq is developing biological and nuclear weapons and is aggressively pursuing these technologies in violation of export controls; and

(7) evidence also indicates that Iraq has attempted to smuggle from the United States components for triggering devices used in nuclear warheads whose manufacture would contravene the Treaty on the Non-Proliferation of Nuclear Weapons, to which Iraq is a party.

SEC. 302. IMPOSITION OF SANCTIONS AGAINST IRAQ.

(a) FOREIGN MILITARY SALES.—The United States Government may not sell to Iraq pursuant to the Arms Export Control Act any item on the United States Munitions List.

(b) COMMERCIAL ARMS SALES.—Licenses may not be issued for the export to Iraq of any item on the United States Munitions List.

(c) EXPORTS OF DUAL USE ITEMS.—The authorities of section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) shall be used to prohibit the export to Iraq of any goods or technology on the control list established pursuant to section 5(c)(1) of that Act.

(d) DENIAL OF ACCESS TO THE EXPORT-IMPORT BANK.—Credits or credit guarantees through the Export-Import Bank of the United States shall be denied to Iraq.

(e) DENIAL OF ACCESS TO THE COMMODITY CREDIT CORPORATION.—Credit or credit guarantees through the Commodity Credit Corporation of the United States shall be denied to Iraq.

(f) DENIAL OF OTHER ASSISTANCE.—All forms of assistance under the Foreign Assistance Act of 1961 (22 U.S.C. 2751 et seq.) (other than assistance for medical supplies and other forms of humanitarian assistance) and the Arms Export Control Act shall be denied to Iraq.

SEC. 303. CONTRACT SANCTITY.

For purposes of the export controls imposed pursuant to subsection (c) of section 302 of this title, the date described in section 6(m)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2405(m)(1)) shall be deemed to be August 1, 1990.

SEC. 304. WAIVER.

The President may waive the requirements of any subsection of section 302 if the President certifies in writing to the Congress—

(1) that the Government of Iraq—

(A) has demonstrated, through a pattern of conduct, substantial improvement in its respect for internationally recognized human rights;

(B) has demonstrated substantial restraint in its acquisition of chemical, biological, and nuclear weapons and delivery systems for such weapons and has publicly forsworn the first use of such weapons; and

(C) has recommitted itself publicly to abide by the 1925 Geneva Protocol for the Prohibition of the Use in War of Asphyxiating, Poisoning, or Other Gases, and of Bacteriological Methods of Warfare; and

(2) that he has determined that it is essential to the national interests of the United States to waive the requirements of that subsection,

except that any such waiver shall not take effect until at least 60 days after the President's certification is submitted to the Congress. Any such certification shall include the justification for the President's determination under each subparagraph of paragraph (1) and under paragraph (2).

SEC. 305. MULTILATERAL COOPERATION.

The Congress calls on the President to seek multilateral cooperation—

(1) to deny dangerous technologies to Iraq; and

(2) to induce Iraq to respect internationally recognized human rights.

SEC. 306. EMBARGO PENALTIES.

Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended by adding a new subsection as follows:

"(b) In the case of Iraq and Kuwait—

"(1) a civil penalty of not to exceed $250,000 may be imposed on any person who violates any license, order, or regulation issued under the chapter;

"(2) whoever willfully violates any license, order, or regulation issued under this chapter shall, upon conviction be fined not more than $1,000,000, or if a natural person, may be imprisoned for not more than 10 years, or both; and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment or both.".

SEC. 307. PREVENT SHIPMENT TO IRAQ, IRAN, SYRIA OR LIBYA OF CHEMICAL, BIOLOGICAL, OR NUCLEAR WEAPONS OR BALLISTIC MISSILES.

Section 5(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2404(b)(1) is amended by adding after "Foreign Assistance Act of 1961" the following: "and Iraq, Iran, Syria and Libya, and those countries determined by the President to be transferring U.S. chemical, biological, nuclear or missile technology to such countries, unless the President determines that such countries are not producing, developing or stockpiling chemical, biological or nuclear weapons or ballistic missiles,". Nothing in this section shall preclude the imposition of controls on the transfer of U.S. chemical, biological, nuclear or missile technology under Section 6 of this Act.

TITLE IV—CHEMICAL WEAPONS

SEC. 401. SHORT TITLE.

This title may be cited as the "Chemical and Biological Weapons Control Act of 1990".

SEC. 402. FINDINGS.

The Congress finds that—

(1) chemical weapons were employed in the recent Iran-Iraq war and by Iraq in attacks against its Kurdish minority;

(2) the use of chemical and biological weapons in violation of international law is abhorrent and requires immediate and effective sanctions;

(3) United Nations Security Council Resolution 620, adopted on August 26, 1988, states the intention of the Security Council to consider immediately "appropriate and effective" sanctions against any country using chemical and biological weapons in violation of international law;

(4) the Declaration of the Paris Conference on the Prohibition of Chemical Weapons demonstrates the resolve of most countries to reaffirm support for the 1925 protocol banning the use of chemical and bacteriological weapons and to press for attainment of a ban on the production and possession of chemical weapons;

(5) as many as 20 countries, including Iran, Iraq, Syria, and Libya have or are seeking the capability to produce chemical weapons;

(6) as many as 10 countries are working to produce biological weapons;

(7) by the year 2000, at least 15 developing countries will have the ability to produce ballistic missiles capable of carrying chemical or biological warheads;

(8) the further spread of chemical or biological weapons capabilities would pose a threat of incalculable proportions to friends and allies of the United States and undermine the national security of the United States;

(9) the United Nations should create an effective means of monitoring and reporting regularly on commerce in equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability; and

(10) every effort should be made to conclude an early agreement banning the production and stockpiling of chemical or biological weapons.

SEC. 403. PURPOSE.

It is the purpose of this title—

(1) to mandate United States sanctions and to encourage international sanctions against countries that use chemical or biological weapons in violation of international law or use lethal chemical or biological weapons against their own nationals;

(2) to require presidential reports on efforts that threaten United States interests or regional stability by Iran, Iraq, Syria, Libya, and others to acquire the materials and technology to develop, produce, stockpile, and deliver chemical and biological weapons;

(3) to urge cooperation with other supplier nations to devise effective controls on the transfer of materials, equipment, and technology applicable to chemical or biological weapons production;

(4) to promote agreements banning the transfer of missiles suitable for armament with chemical or biological warheads;

(5) to encourage an early agreement banning the development, production, and stockpiling of chemical weapons; and

(6) to seek effective international means of monitoring and reporting regularly on commerce in equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability.

Subtitle A—Sanctions Against the Use of Chemical and Biological Weapons

SEC. 411. SANCTIONS FOR THE USE OF CHEMICAL WEAPONS.

(a) DETERMINATION BY THE PRESIDENT.—(1) Whenever information becomes available to the United States Government indicating the substantial possibility that, on or after the date of enactment of this Act, a foreign country has used chemical or biological weapons, the President shall, within 60 days of the receipt of such information by the United States Government, make a determination as to whether that foreign country, on or after such date, has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals.

(2) Not later than 60 days after the chairman of the Committee on Foreign Relations of the Senate, upon consultation with the ranking minority member of such Committee, or the chairman of the Committee on Foreign Affairs of the House of Representatives, upon consultation with the ranking minority member of such Committee, requests the President to make a determination as to whether or not a foreign country, on or after the date of enactment of this title, has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals, the President shall make such determination and so report in writing to the chairmen of such Committees.

(3) In making the determination under paragraph (1) or (2), the President shall consider the following:

(A) All physical and circumstantial evidence available bearing on the possible use of such weapons.

(B) All information provided by alleged victims, witnesses, and independent observers.

(C) The extent of the availability of the weapons in question to the purported user.

(D) All official and unofficial statements bearing on the possible use of such weapons.

(E) Whether, and to what extent, the country in question is willing to honor a request from the Secretary General of the United Nations to grant timely access to a United Nations fact-finding team to investigate the possibility of chemical or biological weapons use or to grant such access to other legitimate outside parties.

(b) SANCTIONS.—In the event of a Presidential determination under subsection (a) that, on or after the date of enactment of this title, a foreign country has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals, then the President shall—

(1) terminate assistance to that country under the Foreign Assistance Act of 1961, except for urgent humanitarian assistance, or for the purpose of purchasing food or other agricultural products;

(2) terminate all foreign military sales financing under the Arms Export Control Act with respect to that country;

(3) terminate United States Government sales to that country of any defense articles or defense services;

(4) prohibit the issuance of any licenses for the export to that country of any item on the United States Munitions List;

(5) prohibit, under the authorities of section 6 of the Export Administration Act of 1979, the export to that country of any goods or technology except food or other agricultural products;

(6) oppose, in accordance with section 701 of the International Financial Institutions Act, the extension of any loan or financial or technical assistance to that country by international financial institutions;

(7) deny that country any credit or credit guarantees through the Export-Import Bank of the United States;

(8) prohibit any United States bank from making any loan or providing any credit to that country, except for loans or credits for the purpose of purchasing food or other agricultural products; and

(9) terminate, consistent with international law, the landing rights in the United States of any airline owned by the government of that country at the earliest practicable date.

SEC. 412. WAIVER.

The President may waive the applicability of some or all of the sanctions listed in section 411 with respect to a specific country for a period of not to exceed twelve months beginning on the date of the determination by the President of use by that country of chemical or biological weapons in violation of international law, or the use of lethal chemical or biological weapons against its own nationals, if he determines that such waiver is in the national interest of the United States and so certifies to the Speaker of the House of Representatives and the President of the Senate. Together with such certification, the President shall submit in writing a statement containing a detailed explanation of the national interest requiring a waiver, which may include a classified addendum if necessary.

SEC. 413. NOTIFICATION.

Not later than five days after he imposes any sanction described in section 411 against a country or waives under section 412 the applicability of any such sanction, the President shall so notify in writing the Speaker of the House of Representatives and the President of the Senate.

SEC. 414. CONTRACT SANCTITY.

(a) SANCTIONS NOT APPLIED TO EXISTING CONTRACTS.—(1) No sanction described in paragraphs (6) through (10) of section 411(b) shall apply to any activity pursuant to any contract or international agreement entered into before the date of the appropriate presidential determination under section 411(a) unless the President determines, on a case-by-case basis, that to so apply such sanction would prevent the performance of a contract or agreement that would have the effect of assisting a country in using chemical or biological weapons in violation of international law or in using lethal chemical or biological weapons against its own nationals.

(2)(A) The same restrictions of section 6(m) of the Export Administration Act of 1979 which are applicable to exports prohibited under section 6 of that section shall apply to exports prohibited under section 411(b)(5).

(B) For purposes of subparagraph (A) of this paragraph, any contract or agreement the performance of which (as determined by the President) would have the effect of assisting a country in using chemical or biological weapons in violation of international law or in using lethal chemical or biological weapons against its own nationals shall be treated as constituting a breach of the peace that poses a serious and direct threat to the strategic interest of the United States, within the meaning of subparagraph (A) of section 6 (m) of that title.

(b) SANCTIONS APPLIED TO EXISTING CONTRACTS.—The sanctions described in paragraphs (1), (2), (3), and (4) of section 411 shall apply to contracts and agreements, without regard to the date such contracts or agreements were entered into, except that such sanctions shall not apply to any contract or agreement entered into before the date of the appropriate presidential determination under section 411(a) if the President determines that the application of such sanction would be detrimental to the national security interests of the United States.

SEC. 415. REMOVAL OF SANCTIONS.

The President may remove the sanctions imposed pursuant to section 411 of this title if the President determines and so certifies to the Speaker of the House of Representatives and the President of the Senate that the country under sanction—

(1) has renounced any use of chemical or biological weapons in violation of international law, or any use of lethal chemical or biological weapons against its own nationals, and has provided reliable assurances to that effect; and

(2) has made satisfactory restitution to those affected in its earlier use of chemical or biological weapons in violation of international law or in its earlier use of lethal chemical or biological weapons against its own nationals.

SEC. 416. PRESIDENTIAL REPORTS.

Not later than 90 days after the date of enactment of this Act, and every 12 months thereafter, the President shall submit to the

Speaker of the House of Representatives and the President of the Senate, a report—

(1) detailing efforts by countries or subnational groups that threaten United States security interests or regional stability (including efforts by Iran, Iraq, Libya, and Syria and other developing countries or subnational groups) to acquire the materials and technology to develop, produce, stockpile, and deliver chemical, biological or nuclear weapons, together with an assessment of the present and future capabilities of such countries or subnational groups to develop, produce, stockpile, and deliver chemical, biological or nuclear weapons;

(2) describing the degree to which any country or foreign person has aided or abetted the government of any country or a subnational group to engage in any activity in connection with the acquisition of any such chemical, biological or nuclear weapon; and

(3) listing all United States persons against whom administrative, civil, or criminal penalties have been applied for shipment of goods and technology controlled for chemical, biological and nuclear weapons proliferation purposes pursuant to the Export Administration Act of 1979 or the Arms Export Control Act.

To the extent practicable, reports submitted pursuant to this section should be based on unclassified information. Portions of each such report may be classified.

SEC. 417. MULTILATERAL EFFORTS.

The President is urged—

(1) to continue close cooperation with others in the Australia Group in support of its current efforts and in devising additional means to monitor and control the supply of chemicals applicable to weapons production to Iraq, Iran, Syria, and Libya—countries that currently support or have recently supported acts of international terrorism;

(2) to work closely with other countries also capable of supplying equipment, materials, and technology with particular applicability to chemical or biological weapons production to devise the most effective controls possible on the transfer of such materials, equipment, and technology;

(3) to seek agreements with countries that produce ballistic missiles suitable for carrying chemical or biological warheads that would prevent the transfer of such missiles; and

(4) to take the initiative in pressing for early conclusion of an international agreement banning the development, production, and stockpiling of chemical weapons.

SEC. 418. UNITED NATIONS INVOLVEMENT.

The President is urged to give full support to—

(1) the United Nations Security Council, in furtherance of Security Council Resolution 620, adopted August 26, 1988, in developing sanctions comparable to those enumerated in section 411 of this title, to be imposed in the event that any country uses chemical or biological weapons in violation of international law; and

(2) the creation of an effective multilateral means of monitoring and reporting regularly on commerce in chemical equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability.

Subtitle B—Measures to Prevent the Proliferation of Chemical and Biological Weapons

SEC. 421. MULTILATERAL EFFORTS.

(a) It is the policy of the United States to seek multilaterally coordinated efforts with other countries to control the proliferation of chemical and biological weapons.

(b) It is also the policy of the United States to strengthen efforts to control chemical agents, precursors, and equipment by taking all appropriate multilateral diplomatic measures—

(1) to continue to seek a verifiable global ban on chemical weapons at the 40 nation Conference on Disarmament in Geneva;

(2) to undertake a diplomatic initiative to strengthen the Australia Group's objective to support the norms and restraints against the spread and the use of chemical warfare, advance the negotiation of a comprehensive ban on chemical warfare by taking appropriate measures, and to protect the Group's domestic industries against inadvertent association with supply of feedstock chemical equipment that could be misused to produce chemical weapons;

(3) to implement paragraph (2) by introducing steps complementary to, and not mutually exclusive of, existing multilateral efforts seeking a verifiable ban on chemical weapons, such as the establishment of—

(A) a permanent secretariat,

(B) a harmonized list of export control rules and regulations to prevent relative commercial advantage and disadvantages accruing to Australia Group members,

(C) liaison officers to the secretariat from within the diplomatic missions,

(D) a close working relationship between the Group and industry,

(E) a public unclassified warning list of controlled chemical agents, precursors, and equipment,

(F) information-exchange channels of suspected proliferants,

(G) a "denial" list of firms and individuals who violate the Group's export control provisions, and

(H) broader cooperation between the Australia Group and other countries whose political commitment to stem the proliferation of chemical weapons is similar to that of the Group; and

(4) to adopt the imposition of stricter controls on the export of chemical agents, precursors, and equipment and to adopt tougher multilateral sanctions against firms and individuals who violate these controls or against countries that use chemical weapons.

SEC. 422. PRINCIPLES GUIDING THE ADOPTION OF A MULTILATERAL EXPORT CONTROL SYSTEM.

(a) IN GENERAL.—The United States Government should propose to the Australia Group that its objectives should be guided by taking all appropriate measures—

(1) to ensure that the measures are effective in impeding the production of chemical weapons,

(2) to ensure that the measures are easy and economical to implement, and that they are practical, and

(3) to ensure that the measures do not impede the normal trade of chemicals and equipment used for legitimate purposes.

(b) DEFINITIONS.—For the purpose of section 201 and this section, the term "Australia Group" means the group of nineteen OECD nations dedicated to the control of the export of certain chemicals, including Australia, New Zealand, Austria, Belgium, Denmark, Canada, Japan, Norway, United States, United Kingdom, Federal Republic of Germany, France, Greece, Ireland, Italy, Netherlands, Portugal, Spain, Luxembourg, and Switzerland.

SEC. 423. EXPORT CONTROLS.

(a) IN GENERAL.—The President shall—

(1) use the authorities of the Arms Export Control Act to control the export of those defense articles and defense services, and

(2) use the authorities of the Export Administration Act of 1979 to control the export of those goods and technologies,

that the President determines would assist a country in acquiring the capability to develop, produce, stockpile, deliver, or use chemical or biological weapons.

(b) EXPORT ADMINISTRATION ACT.—Section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) is amended by adding at the end thereof the following new subsection:

"(q) CHEMICAL AND BIOLOGICAL WEAPONS.—(1) The Secretary, in consultation with the Secretary of State and the Secretary of Defense, shall establish and maintain a list of goods and technology that would directly and substantially assist a country or group in acquiring the capability to develop, produce, stockpile, or deliver chemical or biological weapons, the licensing of which would be effective in barring acquisition or enhancement of such capability;

"(2) The Secretary shall require a validated license for any export of goods or technology listed under paragraph (1) to any country except those with whose governments the United States has entered into bilateral or multilateral arrangements for the control of such goods or technology and such other countries as the President shall designate consistent with the purposes of this Act.

"(3) Notwithstanding any other provision of this Act, a determination of the Secretary to approve or deny an export license for the export of goods or technology under this subsection may be made only after consultation with the Secretary of State. If the Secretary disagrees with the Secretary of State regarding any determination under paragraph (1) or (2), the matter shall be referred to the President for resolution.".

(c) IMPROVED VERIFICATION OF EXPORT CONTROLS.—The Secretary of Commerce should, in order to supplement existing means of verification of export controls relating to chemical and biological weapons, take measures to encourage voluntary utilization of appropriate independent inspection companies to inspect and certify shipments and end-users of chemicals that could be used in the development of chemical and biological weapons.

SEC. 424. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

The Arms Export Control Act is amended by inserting after section 38 the following new section:

"SEC. 38A. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

"(a) DETERMINATION BY THE PRESIDENT.—

"(1) IMPOSITION OF SANCTIONS.—The President, subject to subsection (d), shall impose on a foreign person the sanctions under subsection (b) if the President determines that the foreign person, on or after the date of the enactment of this section, has knowingly and materially contributed through shipment of goods or technologies that would be, if they were United States goods or technologies, subject to the jurisdiction of the United States, or through any transaction, other than of goods and technology, not subject to sanctions pursuant to the Export Administration Act, to the efforts to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons by any country that the President has determined has at any time after January 1, 1980—

"(A) used chemical or biological weapons in violation of international law;

"(B) used lethal chemical or biological weapons against its own nationals;

"(C) made substantial preparations to do the activities described in clause (A) or (B); or

"(D) been designated pursuant to section 6(j) of the Export Administration Act of 1979 as a country which supports international terrorism.

"(2) CONSULTATIONS WITH AND ACTIONS BY GOVERNMENT OF JURISDICTION.—The President may delay imposition of sanctions against a foreign person for a period of up to 90 days in order to pursue consultations with the government with primary jurisdiction over that foreign person involved in the activities cited in paragraph (1). Following these consultations, the President shall impose sanctions against the foreign person unless he has determined and certified to the Congress that such government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in such activities.

"(3) REPORT TO CONGRESS.—The President shall report to the Congress, not later than 30 days after making a determination under paragraph (1), on the status of consultations with the appropriate government under paragraph (2), and the basis for any determination under paragraph (2) that such government has taken specific corrective actions.

"(b) SANCTIONS.—The sanctions referred to in subsection (a) shall apply to the foreign person committing the violation, as well as to any parent, affiliate, subsidiary, and successor entity of the foreign person, are as follows:

"(1) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from that foreign person.

"(c) TERMINATION OF SANCTIONS.—A sanction imposed on a foreign person under this section shall apply for a period of at least 24 months and in no case shall cease to apply to that foreign person until the expiration of the 12-month period beginning on the date the President determines and certifies to the Congress that—

"(1) reliable intelligence information indicates that the foreign person has ceased to aid or abet any foreign country in its efforts to acquire chemical or biological weapons capability as described in subsection (a)(1) of this section; and

"(2) in the President's judgment, it would be in the national interest of the United States to procure or contract for the procurement of goods or services from such foreign person, or to import goods or services from such foreign person.

"(d) EXCEPTIONS.—The President shall not be required under this section to apply sanctions—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

"(B) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

"(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

"(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

"(3) to—

"(A) spare parts,

"(B) component parts, but not finished products, essential to United States products or production, or

"(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

"(4) to information and technology not directly useful for the development, production, or stockpiling of chemical or biological weapons; or

"(5) to medical or other humanitarian items.

"(e) DEFINITION.—For the purposes of this section, the term 'foreign person' means—

"(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

"(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States.".

SEC. 425. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

The Export Administration Act of 1979 (50 U.S.C. App. 2410) is amended by inserting after section 11A the following new section:

"CHEMICAL AND BIOLOGICAL WEAPONS PROLIFERATION

"SEC. 11B. (a) DETERMINATION BY THE PRESIDENT.—

"(1) IMPOSITION OF SANCTIONS.—The President, subject to subsection (d), shall impose on a foreign person the sanctions under subsection (b) if the President determines that the foreign person, on or after the date of the enactment of this section, has knowingly and materially contributed through shipment of goods or technologies that would be, if they were United States goods or technologies, subject to the jurisdiction of the United States pursuant to this Act, to the efforts to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons by any country that the President has determined has at any time after January 1, 1980—

"(A) used chemical or biological weapons in violation of international law;

"(B) used lethal chemical or biological weapons against its own nationals;

"(C) made substantial preparations to do the activities described in clause (A) or (B); or

"(D) been designated pursuant to section 6(j) of this Act as a country which supports international terrorism.

"(2) CONSULTATIONS WITH AND ACTIONS BY GOVERNMENT OF JURISDICTION.—The President may delay imposition of sanctions against a foreign person for a period of up to 90 days in order to pursue consultations with the government with primary jurisdiction over that foreign person involved in the activities cited in paragraph (1). Following these consultations, the President shall impose sanctions against the foreign person unless he has determined and certified to the Congress that such government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in such activities.

"(3) REPORT TO CONGRESS.—The President shall report to the Congress, not later than 30 days after making a determination under paragraph (1), on the status of consultations with the appropriate government under paragraph (2), and the basis for any determination under paragraph (2) that such government has taken specific corrective actions.

"(b) SANCTIONS.—The sanctions referred to in subsection (a) shall apply to the foreign person committing the violation, as well as to any parent, affiliate, subsidiary, and successor entity of the foreign person, and are as follows:

"(1) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from that foreign person.

"(c) TERMINATION OF SANCTIONS.—A sanction imposed on a foreign person under this section shall apply for a period of at least 24 months and in no case shall cease to apply to that foreign person until the expiration of the 12-month period beginning on the date the President determines and certifies to the Congress that—

"(1) reliable intelligence information indicates that the foreign person has ceased to aid or abet any foreign country in its efforts to acquire chemical or biological weapons capability as described in subsection (a)(1) of this section; and

"(2) in the President's judgment, it would be in the national interest of the United States to procure or contract for the procurement of goods or services from such foreign person or to import goods or services from such foreign person.

"(d) EXCEPTIONS.—The President shall not be required under this section to apply sanctions—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

"(B) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

"(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

"(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

"(3) to—

"(A) spare parts,

"(B) component parts, but not finished products, essential to United States products or production, or

"(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

"(4) to information and technology not directly useful for the development, production, or stockpiling of chemical or biological weapons; or

"(5) to medical or other humanitarian items.

"(e) DEFINITION.—For the purposes of this section, the term 'foreign person' means—

"(1) the term 'foreign person' means—

"(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

"(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

"(2) the terms 'defense article' and 'defense service' have the same meanings as are given to such terms by paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act.".

SEC. 426. DEFINITIONS.

For the purposes of this title—

(1) the term "foreign person" means—

(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

(2) the terms "defense article" and "defense service" have the same meanings as are given to such terms by paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act.

Subtitle C—Additional Restrictions on Trade With Cuba

SEC. 431. PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989.

SEC. 432. SOVIET MILITARY AID TO CUBA.

(a)(1) Since totalitarian rule is giving way to democratic rule around the world;

(2) Since the people of Eastern Europe have led the way, embracing Mikhail Gorbachev's policies of Glasnost and Perestroika and replacing totalitarian regimes with elected governments that respect human rights;

(3) Since Fidel Castro's totalitarian rule stands in stark contrast to the democracy sweeping through Eastern Europe, Latin America, and other parts of the world;

(4) Since after thirty years of rule Castro still stubbornly clings to power, publicly attacking the new policies and governments of Eastern Europe, and openly criticizing the policies of Mikhail Gorbachev;

(5) Since despite these attacks the Soviet Union continues to prop up the Castro government, subsidizing the Cuban economy at an annual rate of at least $5,500,000,000, $1,500,000,000 of it in military assistance;

(6) Since Soviet Deputy Prime Minister Leonid Abalkin has publicly stated that commercial ties between the two countries might be expanded and perhaps even substantially increased;

(7) Since the Soviet Union continues to modernize the Cuban armed forces, delivering six new advanced MIG-29 fighters earlier this year;

(8) Since this business as usual support continues at a time when Castro has launched a new wave of repression, arresting human rights activists, underground political leaders, dissidents, university students, and religious leaders;

(9) Since Castro has executed, arrested, and dismissed key members of his military high command, state security ministry, personal body guard, Cuban Communist Party Central Committee, and diplomatic corps during the past year, in an ongoing purge to consolidate control and discourage reform;

(10) Since Castro has arrested and deported international journalists for reporting the growing human rights and pro-democracy movement in Cuba; and

(11) Since Castro has gone so far as to deport Eastern bloc reporters who "compare Cuba to Romania—the calm before the storm," take Soviet publications such as Moscow News out of circulation, and ban Perestroika by Mikhail Gorbachev.

(b) It is the sense of the Congress that—

(1) continuing Soviet support of Cuba remains a serious problem in United States-Soviet relations;

(2) the Soviet Union, in reexamining its relationship with Cuba, should cease military aid to the Castro regime and take all other possible steps to further the policies of Glasnost and Perestroika by adopting policies supporting the political, economic rights, and human rights of the Cuban people.

Subtitle D—General Provisions

SEC. 441. INCURSIONS INTO ISRAEL.

(a) During the next round of talks with the PLO, should such talks occur after the date of enactment of this title, the representative of the United States should obtain from the representative of the PLO a full accounting of the following attempted incursions into Israel which occurred after Yasser Arafat's statement of December 14, 1988:

(1) On August 7, 1989, a rocket attack on the settlement of Maoz Haim by members of the PLO-affiliated Popular Front for the Liberation of Palestine.

(2) On February 4, 1990, an unprovoked ambush by the Popular Front for the Liberation of Palestine-General Command on an Israeli tour bus in Egypt that killed 9 and wounded 15 Israelis.

(3) On September 6, 1989, a rocket attack by the PLO-affiliated Popular Front for the Liberation of Palestine aimed at Kibbutz Tel-Katzir that fell on Kibbutz Sha'ar Hagolan.

(4) On January 26, 1990, an attack on an Israeli Army patrol by at least three terrorists of the PLO-affiliated Democratic Front for the Liberation of Palestine headed for Kibbutz Misgav-Am.

(5) On May 28, 1989, an attack by the Popular Front for the Liberation of Palestine and the Palestine Liberation Front, both PLO-affiliated organizations, in which a one-year-old Israeli was injured by a Katyusha rocket.

(6) On October 7, 1989, an attempted raid on Kibbutz Misgav-Am by a squad of terrorists armed with machine guns and anti-tank missiles from the PLO-aligned Palestine Liberation Front.

(7) On April 13, 1990, an attempted infiltration into northern Israel by boat by four terrorists of Yasser Arafat's Al-Fatah, equipped with machine guns and grenades.

(b) In the event that talks are held with the PLO after the date of enactment of this title, the Secretary of State, shall include in the next report provided to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate under section 804 of the Foreign Relations Authorization Act for Fiscal Years 1990 and 1991 any accounting provided by the representative of the PLO of the incidents described in subsection (a) and the relationship between those groups responsible for these attacks and the PLO: *Provided*, That such report shall also include a list of all individuals participating in discussions held between representatives of the United States and of the Palestine Liberation Organization since January 1, 1989; and, that such report should also include any additional known affiliations of such representatives of the PLO.

(c) No later than 60 days after enactment, the Commissioner of the Customs Service shall provide the President of the Senate and Speaker of the House of Representatives with a report outlining illegal activities being undertaken in the United States by the Palestine Liberation Organization or on behalf of the Palestine Liberation Organization; including such activities as illegal drug trafficking, money laundering, weapons purchases and arms shipments; estimating the amount of funds associated with such activities; and describing the extent to which members of the PLO Executive Committee, the PLO Central Council and the Palestine National Council are aware of, or are involved in such illegal activities.

Mr. SARBANES. Mr. President, I move to reconsider the vote.

Mr. HEINZ. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SARBANES. Mr. President, I ask unanimous consent that the Senate insist on its amendments and request a conference with the House on the disagreeing votes of the two Houses, and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, I ask unanimous consent that S. 2927 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SARBANES. Mr. President, I thank my distinguished colleague from Pennsylvania for, as usual, his very effective cooperation on this legislation.

I thank the members of the staffs, whose names I will include in the RECORD, for their help. They have done an outstanding job, and we are most appreciative to them.

I thank the Members of the Senate for their cooperation, enabling us to pass this very important piece of legislation in reasonably short order.

Mr. HEINZ. If the Senator will yield, Mr. President, I simply want to say that I think congratulations to the Senator from Maryland are in order. This is legislation which he has been working on in our committee and here on the floor for a total of some 3 or 4 months, not to mention the hearings we have had over the course of the last 2 years. It is a very fine work product in which he can and should take understandable pride. It has been a pleasure assisting in the management of this bill with him.

I would like to thank my staff, who discovered last night—John Walsh and Bill Reinsch—that we were going to take this legislation up today. They

have done a very fine job. The majority and other staff I commend equally.

Mr. SARBANES. Mr. President, I want to mention the staff by name. I said I would put it in the RECORD, but I want to thank Martin Gruenberg and Patrick Mulloy and John Walsh and Bill Reinsch for really very fine contributions. We are most appreciative to them.

MORNING BUSINESS

Mr. SARBANES. Mr. President, on behalf of the majority leader, I now ask unanimous consent there be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,007th day that Terry Anderson has been held captive in Beirut.

Today's New York Times reports an interesting development. The da'wa prisoners, those prisoners held in Kuwait for attempted bombings of the American and French Embassies in Kuwait, have apparently been turned over to Iran. Interesting, indeed.

A 1985 issue of the Lebanese newspaper, An-Nahar, reports the primary Islamic Jihad claim:

> When our many efforts to bring about the release of our brethren held in the prisons of Kuwait failed, we were compelled to detain a number of American and French hostages, until the United States * * * and the rulers of Kuwait, accede to our one, straightforward demand: The release of our detained brethren in Kuwait. Let it be known that the release of some of our brethren will be met with a proportionate release of the hostages; the release of all of the hostages held by us depends upon the release of all our brethren.

If, in fact, 15 of these brethren are now in the hands of Iran, an ally of Hezbollah's Islamic Jihad, what justification might they proffer for keeping Terry Anderson and Thomas Sutherland?

I ask unanimous consent that the above mentioned New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows.

FIFTEEN CONVICTS SENT TO IRAN

BEIRUT, LEBANON, September 12.—Fifteen escaped convicts whose fates are tied to that of Western hostages in Lebanon have been turned over to Iran by Iraqi occupation forces in Kuwait, as another sign of improved relations between Baghdad and Teheran, Shiite Muslims here said today.

The 15, who were convicted of roles in bombings in Kuwait nearly seven years ago, broke out of their prison with other inmates Aug. 2, the day Iraqi troops invaded, said Lebanese who fled Kuwait after the invasion.

A total of 17 men were convicted by Kuwait for their part in bomb attacks in December 1983 against the American and French Embassies and Kuwaiti public buildings and oil installations.

Mr. SARBANES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. (Mr. ADAMS). Without objection, it is so ordered.

MOTOR FUEL EFFICIENCY ACT

Mr. BRYAN. Mr. President, just 42 days ago, America basked in an era of inexpensive oil. When Saddam Hussein's tanks crossed the Kuwaiti border, he woke America from her long slumber. No one should any longer entertain any thoughts that our independence on foreign oil is cost free.

For the facts are clear and inescapable: we are more, not less, dependent on Middle East oil than when the Arab oil embargo first hit this country in 1973.

In the year of that embargo, we imported about 37 percent of our oil from abroad. This year we will import 50 percent of the oil that we use domestically from foreign nations. And that trend, Mr. President, is not stabilizing. It is increasing our level of dependency.

This dependence on foreign oil has led to a doubling of the oil coming into the United States from the Persian Gulf since that 1973 embargo.

The cost of that dependence on imported oil, once measured in billions of dollars sent abroad to foreign bank accounts, can now also be measured in the thousands of American lives being placed at daily risk in the Persian Gulf.

For in the final analysis, those young men and women of the Army, Navy, Air Force, and Marines are there in no small part because we are too dependent on imported oil. The harsh truth is that their lives are at risk, not only because Saddam Hussein is a brutal and aggressive dictator, but also because we import too much oil.

Mr. President, we must reduce our dependence on foreign oil, and to do that we must reduce the amount of oil that we use in the transportation sector. The transportation sector alone accounts for more than 60 percent of all of the oil that we use in America.

I would invite my colleagues' attention to a chart that indicates petroleum consumption by category for 1989. The large bar, by far and above more than any other area in our economy, indicates that 63 percent of the total consumed of a little over 17 million barrels per day is in transportation, 24 percent is in industrial, about 8 percent in residential and commercial, and approximately 5 percent in electric utilities. And of the 63 percent that is allocated to the transportation sector, more than half is consumed by automobiles.

Last year, with the support of my friend and colleague, the ranking member of the Consumer Subcommittee in the Commerce Committee, we worked together to develop the Motor Vehicle Fuel Efficiency Act of 1990. Contrary to some reports that have circulated, this was not a response to the Persian Gulf crisis, it is not a knee-jerk response but the result of a very lengthy, thoughtful, and deliberative process in which, before the bill was even drafted, we had hearings, invited representatives of the automobile industry to testify, other interested groups, before we developed that legislation.

In doing so, we carefully listened to the comments of the auto industry. And they told us that they wanted two things to be considered. One, they said, "Unlike the CAFE legislation that was introduced and passed for the first time in 1974 that each year ratcheted up the requirement for fuel economy," they said, "set a series of plateaus, goals that you want us to reach and to give us the time to reach them so that we can incorporate the technology that is necessary to achieve those levels."

For that reason, we established a two-tier system. Under the legislation as drafted, now having passed the Commerce Committee on a 14-to-4 vote, the legislation requires a 20-percent improvement in fuel economy for automobiles by the year 1995. That would take us from present 27½ miles per gallon to a threshold of 34 miles per gallon by that year.

The second threshold is by the year 2001, a 40-percent fuel economy would be required from the base year of 1988 and that would achieve a level of 40 miles per gallon.

This legislation, if enacted, would save an estimated 49 billion gallons of gasoline between 1995, the first year of its effectiveness, and the year 2001. And by the year 2005, after both tiers have been fully implemented, this legislation will save 2.8 million barrels of oil each and every day, permanent savings. That represents approximately 45 percent of all the oil that we are presently using in our automobiles today.

Mr. President, this bill also represents another opportunity for us in dealing with another urgent policy question—increased emissions of carbon dioxide, a primary greenhouse

gas, a contributor, many believe, to the onset of global warming.

The atmospheric concentrations of carbon dioxide are now about 25 percent higher than they were just a century ago. These gases trap infrared radiation at the Earth's surface, leading to warming. This presents as yet an undetermined level of risk to the climate and to the environment.

And I might add, parenthetically, although there is some differences of opinion among the scientific community about global warming, I believe it is fair to say that the great preponderance of evidence supports that theory. But even those scientists who have not yet be persuaded that global warming is occurring all would agree, Mr. President, that we ought to concentrate on reducing the carbon dioxide emissions into the air.

The United States, and the transportation sector in particular, bear a significant portion of the responsibility for these carbon dioxide emissions. The transportation sector alone contributes almost one-third of all the carbon dioxide emissions in this country. Carbon dioxide emissions from the United States transportation sector alone exceed the emissions from all sources—I emphasize "from all sources"—from such regions as Latin America and the Middle East and countries such as Japan.

Increased fuel economy presents significant potential for addressing this issue. It is estimated that the fuel economy improvements achieved by the current law passed by the Congress in 1974 have reduced carbon dioxide emissions by 107 million metric tons or about 7 percent of the total U.S. emissions. S. 1224 would continue that progress and would reduce carbon dioxide by an additional 500 million tons per year when fully implemented.

There is virtually no dispute that improved fuel economy should be a part of our efforts to address global warming. President Bush's science adviser, Dr. Bromley, testified before the Commerce Committee that improved fuel economy is possible and that is a primary interim means of addressing global climate change that must be pursued while research on climate change continues.

The Environmental Protection Agency listed fuel economy as an important, near-term strategy for dealing with global climate change.

As dramatic as the payoff will be for our environment and our economy, the question arises: Can the automobile manufacturers accomplish the goals set forth in this bill?

Representatives from the automobile industry have argued vehemently that they cannot; that to impose these standards would be nothing short of the death knell for the industry and the destruction of the American way of life as we know it. The specter is raised that no American will have a choice of a full six-passenger automobile.

I would remind my colleagues—and particularly those who served as Members of the other body or this Senate—that the identical arguments were raised by the automobile industry in 1974 when the first round of CAFE standards were proposed. The auto industry argued, and I quote:

This proposal—

Referring to the 1974 proposal that was enacted by the Congress—

This proposal would require a Ford product line consisting of either all sub-Pinto-sized vehicles or some mix of vehicles ranging from a sub-subcompact to perhaps a Maverick.

Now in spite of these dire predictions—and there were many others that were made at that time—the automobile industry, to its credit—and I fully acknowledge their resourcefulness and the technology and the design efforts that they have made to achieve these standards—did, in fact, achieve what the law mandated; namely, taking the average vehicle mileage from 14 miles per gallon as it was in 1974 to the mandated 27½ miles per gallon, or nearly double what the standard was in 1974.

So, in my view, the answer is clear. The industry can indeed achieve the standard if it applies itself. The independent evidence supports that conclusion as well. In an independent report prepared by Prof. Marc Ross of the University of Michigan's Department of Physics for the Lawrence Berkley Labs, he went on to state that clearly, using current technologies—and let me emphasize the words "current technologies"—fuel economy could be improved to 40.1 miles per gallon by the year 2001.

Moreover, this report states that significant improvement in fuel economy could be reached using the size and performance of the 1987 fleet. I think that merits an extra word of emphasis, if I may. Because the argument has been made, if this legislation is enacted, a full choice of the size of automobiles will no longer be available to the consumer market.

In drafting this legislation, working with my colleague from the State of Washington, Senator GORTON, we designed it so that no downsizing would be required, based upon the industry average—that is of the models that could be purchased on the showroom floor in 1987.

I think none would contest, Mr. President, in 1987 American shoppers were deprived of a full range of choices in terms of size that they needed for their own personal or family needs.

In short, the auto companies can meet the goals of the bill by providing a complete array of fuel efficient vehicles, and we need to make sure they do build them or we will never come to grips with our mounting dependency on foreign oil.

There has been another objection that has been raised as we process this legislation. You will recall to achieve the standards of 1995 and the year 2001, we have cast that in terms of a percentage: 20 percent by the year 1995, 40 percent by the year 2001. The objections that have come, particularly from the Japanese industry, is that this legislation treats them unfairly, requiring a percentage increase, when they claim that their cars are now considerably more fuel efficient than American cars.

That was once the case, Mr. President, but the facts show a different story. I invite my colleagues' attention, again, to a chart: "Trends in New Car Fuel Efficiency." If one looks at the benchmark year 1983, the top line representing the three big Japanese imports, Toyota, Honda, and Nissan, the bottom line representing the domestic big three, Chrysler, Ford, and GM, in 1983 indeed there was that differential of 9.1 miles per gallon. That is to say that Japanese automobiles sold by the big three harmonically averaged as this legislation requires, did in fact have a 9.1 mile per gallon fuel efficiency advantage over the domestic big three.

But if we extend the chart to 1990 we can see that has declined, so the gap today represents approximately 3 miles per gallon, the differential between the three largest Japanese imports, the Toyotas, Hondas, and Nissans, and the American big three.

In our view, the system that we have chosen, the percentage increase, represents ther fairest system available. Any system that would be chosen will affect different manufacturers somewhat differently because each manufacturer has a different mix. That is, the number of large vehicles, the number of mid-size vehicles, the number of smaller vehicles tends to differ with each manufacturer. So the impact will be somewhat different on each manufacturer. In our view, the percentage approach minimizes as much as is possible the difference in impact among manufacturers.

Let me illustrate, if I may. A 40-mile-per-gallon numerical standard as opposed to the percentage increase—the numerical standard would require the domestic big three manufacturers, Chrysler, Ford, and GM, to improve on average 4 miles per gallon more than their rival Japanese big three companies. By contrast, the percentage approach requires the Japanese big three to improve only 1.7 miles per gallon on average more than the domestic big three.

In the Consumer Subcommittee hearing we heard considerable testimony on the various approaches one

could take to improve our fuel economy standards. The domestic auto manufacturers, the United Auto Workers, environmental and community groups unanimously endorsed the percentage approach. And virtually all witnesses agreed that the present system was unfair, the present system being the numerical standard, and that no other system was suggested during the course of the extensive deliberations of the commerce subcommittee on consumer interests.

We built, Mr. President, a massive military force to intervene in the Persian Gulf. Now, because of Hussein's aggression, we have had to put that force into Saudi Arabia.

This Senator, Mr. President, agrees with the decision by President Bush to forcefully respond to Hussein's aggression. I think he has handled the diplomatic initiative with finesse and with great skill. I think this presentation to the joint session of the Congress earlier this week clearly stated what our goals and objectives in the Middle East are. I agree with the President.

But we would be deceiving ourselves if we did not also understand at the heart of all of this is oil. It does not take a crystal ball to realize that if we do not start conserving now, some future American President may have to consider sending our young men and women back to the deserts of the Middle East again. And that, Mr. President, is the final and best reason to move forward on fuel economy legislation now, so we do not have to send our young men and women back to the desert again.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, the invitation from the distinguished Senator from Nevada to join him in sponsoring the Motor Vehicle Fuel Efficiency Act a year or more ago was enthusiastically received by this Senator. The Senator from Nevada and I share a long history. We were attorneys general together. He was a distinguished and activist attorney general of the State of Nevada. So working together on this vitally important bill became very, very easy.

The Consumer Subcommittee of the Senate Commerce Committee has been active in many fields in the course of the last year and a half, and I am delighted to serve as the ranking Republican on that subcommittee, under the chairmanship of the distinguished Senator from Nevada. We were successful, working together, in holding hearings on this proposal and in securing a resounding 14-to-4 vote of the entire Commerce Committee of the U.S. Senate endorsing this bill and recommending its passage in April of this year.

In spite of that resounding vote in favor of this proposal, it did seem, to this Senate at least, the chances of Senate passage were remote. Then came the Iraqi invasion of Kuwait. Now it seems that opposition to this or a similar bill would appear to be extremely shortsighted, to say the least.

It is truly difficult to imagine that we in the Congess could be presented with a proposal which would decrease our dependence on foreign oil, reduce the trade deficit, save money for consumers all across the country, cut the emissions of greenhouse gases, and reduce smog, all in a single bill, and have anything other than an overwhelming show of support for such a bill.

The Bryan-Gorton proposal achieves all of these wise and meritorious goals. Of all of the activities of the Consumer Subcommittee in the course of the last year and a half, it is clearly the most important. If there is one overriding lesson which should be learned from the tragic invasion of Kuwait, it is that the United States of America is far too dependent upon oil secured in unstable regions of the world such as Kuwait.

During the Arab oil embargo of 1973, we imported a little bit more than one-third, 36 percent, of our oil. Last summer, oil imports were more than 50 percent of the supply we used in the United States. Transportation, taken as a whole, accounts for 60 percent of all of the oil consumed by Americans.

The first CAFE bill was enacted in 1975. At that time, automobiles averaged only 13.5 miles per gallon. Despite the auto industry's claim that the standards in the 1975 legislation could not be met, by 1985, manufacturers reached the goal set forth in the act of 27.5 miles per gallon.

The CAFE bill is probably the most efficient energy-saving measure ever enacted by this Congress. CAFE standards have not increased, however, during the last 5 years, and were actually rolled back slightly for a few years in the mid-1980's. Fuel efficiency for all models sold in the United States peaked at 28.7 miles per gallon in 1988. The average for all 1990 models has dropped to only 28.2 miles per gallon. Deep concerns with energy security and global warming require a reversal of that trend.

Both the Senator from Nevada and I remarked during the course of hearings on this bill that in one sense, hearing from the opposition was unnecessary. We simply could have taken the testimony they gave early in the 1970's and reproduced it because it was, for all practical purposes, identical. The arguments which will be made during the course of this debate will be so similar to those made almost two decades ago as to be remarkable.

What they opposed and what was necessary for this country in the early 1970's, they still oppose and is equally necessary for the United States of America in the 1990's. Had we listened to their counsel then, it is difficult even to imagine the depth of the problem and the challenge with which we would be faced today.

The bill which the distinguished Senator from Nevada and I have sponsored requires each manufacturer to increase its fuel performance by 20 percent over the 1988 model year by the year 1995. Then by the year 2001, manufacturers are mandated to achieve a 40-percent increase over those 1988 levels. This measure also brings light trucks, today's fastest selling vehicles, under the new requirments.

Increases of 20 and 40 percent would bring the average car fleet to 34.4 miles per gallon in 1995, and to 40.2 miles per gallon by the year 2001.

The standards set by this bill would save 2.4 million barrels of oil a day by the year 2005. In just 10 years, it would save more than 49 billion gallons of gas.

Equally, if not more important, to the impact our bill would have in decreasing oil consumption, is the effect it would have on the environment. Carbon dioxide, or CO_2, is the most serious global warming gas, responsible for 49 percent of the greenhouse effect. For every gallon of gas we burn, according to the Sierra Club, cars pump 19 pounds of CO_2 into the atmosphere. Over its lifetime, a car averaging 18 miles per gallon pumps 58 tons of CO_2 into the environment; while, on the other hand, a 40-mile-per-gallon car emits less than half that amount, about 26 tons.

Of all the steps Congress can take to curb CO_2 emissions, this bill is likely to be the most important. More than half of America's Nobel laureates and 700 members of the National Academy of Sciences recently called global warming "the most serious environmental threat of the 21st century."

Our bill would also lessen the chances of an environmentally devastating oilspill. When fully implemented, the Bryan-Gorton bill will eliminate more than 850 trips per year by supertankers the size of the *Exxon Valdez.*

Consumers themselves favor higher fuel economy. They understand that they will save every time they fill their gas tank. Last November, the research/strategy/management firm, headed by Vince Breglio, chief pollster for the Bush-Quayle campaign, conducted a poll on this issue. Voters were asked: "Would you favor or oppose an increase in Federal fuel economy standards for auto companies requiring that cars on average get 45 miles to a gallon by the year 2000?"

The poll found that 51 percent of respondents strongly favored a 45-mile-per-gallon standard, and 27 percent

somewhat favored it. When asked if they would pay $500 more for such a car on the assumption that their money would be recovered in 4 years, 83 percent of those questioned said that they would pay more.

Mr. President, consumers favor this bill because it makes good economic, environmental, and political sense. Americans do not want to continue to be dependent on foreign sources for half our oil. We must be independent of the whims of Saddam Hussein and those who could follow him. In addition, we owe it to our children to use our natural resources wisely and in a manner that causes the least harm to our environment.

I urge my colleagues to put America's future on a more responsible path and approve this bill.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. Thank you, Mr. President. Let me say at the outset, my colleagues who have just spoken know I have great regard for them personally, and my colleague and friend from the Senate Banking Committee, the Senator from Nevada and I have talked about this a number of times.

While we are on different sides of this issue, we are disagreeing in an agreeable fashion because of the nature of our respect for one another and the fact that we just happen to hold quite different points of view on this issue.

In a sense, it is a great illustration of the American system of debate, in a clash of ideas in a democratic forum, that one could hear certain arguments, that if you did not hear anything else would sound quite plausible and quite sensible. But they are only a small part of the story and, in fact, are not plausible and are not sensible, although they sounded that way.

I would like to take some time now to explain the rest of this story and to put the rest of the facts on the record so that people are in a position to make a balanced judgment, both Senators who will be voting on the cloture motion tomorrow, and also citizens across the country, because this is a very important issue. It affects everybody out there in a very direct way.

Most people in this country are car buyers, at one time or another. They are consumers of cars and all of the different items that attach to cars and car performance, car safety, and so forth and, of course, importantly, car cost. This is a debate that is a debate for Senators now in preparation for this vote, but it is also a very important, I think, public debate that needs to go on. So I would like to present some of the rest of the issues here that I think have been left out.

One of the things that every person should know and that every Senator should consider is the fact that the Federal Government now is involved in three different areas with respect to standards that are established and created for the automobile industry in the way we design and make cars in the United States.

One area, of course, has to do with fuel efficiency. That is what we are talking about now, trying to get the best possible fuel efficiency that we can from our automobiles.

But there are two other equally important goals. A second very important goal that we have as a matter of Federal law has to do with the emissions that come from the cars, from the engines of the cars, as we run them and as we burn the fuels in the car, the emissions that are necessarily produced and go into the atmosphere. So we have very precise and stringent laws in that area, as well. I will come back to that in a moment.

Then we have a third area that we are also concerned about, and that has to do with automobile safety because lots and lots of people, unfortunately, are killed in automobile accidents. We wish that were not so, and we have tried to, through the use of Federal standards, help develop car safety requirements in the design and manufacture of cars to try to protect people better, so that when automobile accidents and collisions occur, people have a better chance of surviving and coming out of those accidents.

So we have three side-by-side goals: We have the safety goal, in terms of protecting the occupant of a car in an accident; we have the mileage and fuel efficiency goal; and we have the emissions goal in terms of wanting to reduce the emissions and have cleaner air.

It turns out that to try to achieve each one of these goals, any single one of them affects the other two. They are interconnected. I will just provide an illustration.

If you want a very safe car that can withstand a head-on collision or a side collision on a road, an intersection, or what have you, the bigger the car is and the more strongly built it is and the heavier it is, the more protection it gives you.

So if you are in that car or if you are in there with your family and you have a child in that car and you have a heavier, stronger car in a collision, your chances are much better of surviving that collision without being killed or badly injured.

That is not guesswork. We have all kinds of insurance data and accident performance data that shows that there is a direct relationship in that area. It is very important because we all ride in cars and accidents do happen, some that we may cause, very often caused by the other driver, and we want to have safe cars in which we have a chance to survive.

That is a very key issue. If you want a stronger, heavier car that is larger and can withstand the impact of a collision and give you a better chance to survive, because it weighs more, it gets fewer miles to the gallon because we know a lighter car and a smaller car does not need as much gas, so you can take a lighter and smaller car down the road a greater number of miles on the same gallon of gas, but you have a car that is not as safe. And again the safety statistics bear that out very directly. So there is a tradeoff. We have to decide in our mind how safe a car do you want versus how fuel efficient a car do you want.

If that were all there was, it would be sort of a two-dimensional problem, but there is, as I said before, a third dimension that is to be taken into account and that is that we are now very concerned about the emissions that come out of cars as they are operated, as we burn these fossil fuels and the emissions go into the atmosphere. While that happens with any kind of a fuel that is used in a home furnace or any other place or in a utility plant or what have you, it happens with cars and we are concerned about that so we have established standards in that area. It turns out that if you want to reduce the auto emissions coming out of the tailpipe of a car, one way to do it is to design the engine and tune the engine in such a way that you do not get very good mileage with that car, you do not get as many miles per gallon because you do not go as fast and you do various other things, but you have the effect of reducing the emissions.

So there is a tradeoff between the fuel emissions coming out of a car and the number of miles per gallon that you get. So you have right there a three-dimensional problem to have to try to balance.

There is a fourth factor that in a sense is the sum of all of those, and that is all of us who buy cars have to pay for cars. So what do cars cost? Well, they cost a lot of money, just like houses cost a lot of money, and that is the nature also of the degree to which we build into the cars technology or sophistication or items that in effect have to be paid for. They are value added, and they have a cost factor to them, and they have the effect of boosting the price of the car.

I suppose it probably would be so—I do not know this for a fact—if someone could design a car they could sell for, say, $200,000 a unit so that the car would have $200,000 worth of exotic things with very fine adjustments in the motor that would get your mileage to be a little bit better and your emissions to be a little bit better and at the same time give you a little bit more of a safety factor, and so forth, you could probably, if cost were not a consider-

ation, build in these extra things. But these small margins of improvement, tend to be very expensive.

Back in the old days, before Donald Trump ran into these refinancing problems, if there were a car like that available for him and he wanted it, and it was $200,000, he would probably go right out and buy it. Most people cannot do that. Most people have to pay attention to the price of the car; they have to balance the price against these other factors that go into the design and makeup of a given automobile.

Obviously, style is important and other things, whether it is four-door or two-door, whether it is a larger car that can accommodate a family rather than a two-seater that a single person would be interested in, and so forth. So there are other factors as well.

I remember one day I invited the Federal regulators before the Banking Committee—this was several years ago—who regulate these elements of Federal law that apply to automobile design because I wanted to hear what they all were doing. I wanted to hear the Federal safety regulators, the car safety regulators, I wanted to hear the Federal fuel emission regulators, and I wanted to hear those Federal regulators that were dealing with mileage requirements. So they all trooped into the committee room and they brought their aides and staff people, and so forth and so on, and they came down to the witness table. They were all sitting there, and maybe I should not have been amazed, but I was amazed and I was surprised and distressed. These three sets of regulators met each other for the first time at the witness table in the Senate Banking Committee room.

You say to yourself, how can that be? The decisions that one group of regulators would make in one area were directly connected to the performance and the impact in the other two areas. And yet we were finding that rather than having a connected set of decisions and an intelligent set of tradeoffs that would give us a combination of benefits that would relate to good overall design and good cost factors, and so forth, they were off in three separate directions and not connecting these things.

Frankly, I have not heard those things connected today in the debate that has already taken place by the advocates of this amendment, because they are disconnecting these items; they are not connecting them. They are not connecting the fact that to get more of one you have to take less of the other. I wish it were not that way. I wish we could just wave a wand. We try to wave wands around here some of the time and say we want such and such. We say let us write a law and say we want such and such. It is not that simple. If we want more of one of these items I have been describing, we have to take less of one or both of the other two. That is just a hard fact of life.

Now, if you want to have a car that gets very good mileage, there are such cars right now. We do not have to invent one that comes on line in 1995. They are in showrooms for sale all around this area and all across the country and all around the world. There are cars available today that get over 50 miles to the gallon. Not very many people buy them. Why do they not buy them? The price is actually quite low. They do not buy them because they want other things in addition to getting high mileage per gallon from that car. They do not want a little tiny car. They do not want a car that is not very safe. They do not want a car in which they cannot put their family because there is not enough room.

I was thinking about it the other day. I was looking down in the Senate garage to see how many people in the Senate garage, for example, Members or staff, are driving the cars that get 50 or 55 miles to the gallon, which they could be buying. I did not see any. Do you know why? Because no one buys them. Is it because they are not for sale? No. They are for sale. They are not there because people are not buying them and they are not buying them for a reason. That is, mileage per se is just one goal that people are interested in, and these other goals, in fact, are very important and even more important in terms of decisions that people are making with respect to the cars they buy.

So they are buying bigger cars. They are buying bigger cars because they are safer, because they are more comfortable, and because lots of people have families of maybe three, four, or five people and they want to be able to get their whole family in one car. If you have a little tiny car and you have a family size where you cannot get them all in, then you have to buy two tiny cars, so you have two tiny cars rolling down the road, which really does not make a lot of sense and obviously undercuts the notion of the efficiency with that kind of concept. So about 3 percent of the car sales in this country today are being made in the class size, in the size of cars that, say, get 40 miles to the gallon.

So it is not a question of having to invent those kinds of cars. Those are out there today. The problem is people do not want them and they do not want them for other reasons, but those other reasons are very important.

The point is made if you go back to 1974, in terms of just the difficulty, the extraordinary difficulty, and the premium costs associated with trying to meet this enormous jump in goals, in miles per gallon that have been talked about here in this bill, back in 1974 the industry said it would be very difficult to do. They did not think they could do it.

Lo and behold, over the period of time since then through the late 1980's they have managed to get it done. If they have done it once, why can they not do it a second time? That would sound reasonable on its face if we were starting from where we were in 1974.

But we are not starting from where we were in 1974. Here is the big difference. I ask you to think about it. The cars that were being built in 1974 were on average 1,000 to 1,500 pounds heavier than the cars being built today. They were heavier. There were more pounds in those cars. As a result, because they were heavier and they were heavier going down the road, there was more wind resistance and they got lower mileage.

Back in those days our preference and habits growing up were to have big heavy cars. Most people wanted them. Most people bought them.

Then the fuel shock came along, and prices went up. People started thinking about it; started weighing the tradeoffs. We made a real push and drive in this country to try to take as much weight out of those cars as we could and still preserve the other key factors.

In other words, we tried to get the weight down, but to still keep the cars strong enough and heavy enough in certain areas with side panels, things of that kind, so if there was an accident you had a decent chance of coming out alive; or that your kids, if they were in the car, had a decent chance to come out alive.

So we took 1,000 to 1,500 pounds on average out of the cars over the 15 years since. We have increased the mileage over that period of time by 100 percent. We have gone from a fleet average of about 14 miles per gallon back in 1974 up to about 28 miles a gallon. That has been a real improvement and a real gain. We were able to take that 1,000 to 1,500 pounds out of the car.

We have been able to apply a lot of sophisticated engineering, redesign, and so forth to try to achieve the third goal; that is, at the same time cut down on the amount of auto emissions coming out of the engine because, as I have said before, there is a relationship between those two things.

If you do not care about what comes out of the tailpipe, you can adjust the engine to get very high mileage. But then you pour more exhaust out of the tailpipe.

If you want to reduce what is coming out of the tailpipe, in a very so sophisticated way, you have to make adjustments in the engine that affect your fuel economy. So there is a tradeoff.

So we have to be able to think in terms of a combination of these three things together. That is just common sense. But you have to understand at least that much with it to see why it is that you cannot just put aside two of the goals, and say I am just going to reach for one of the three goals because I am the person who wants higher mileage more than anybody else. I am going to reach for that goal. I am going to sort of put these other two aside.

You cannot put the other two aside. As a practical matter you cannot do it. It is not common sense. The market itself is telling you today, I think, in terms of its buyer preferences, that is not where it wants to go. That is not where it is going.

Let me give you another example. This will be surprising to people. Gasoline in the United States has been relatively inexpensive when you compare it to what gasoline sells for in other places around the world. I want to give you the precise numbers here. Let me find them. Listen to this. Gas prices today in Europe and Japan are 2 or 3 times higher than they are here. They are plenty high here. They have just gone up because of all of the price gouging because of the Middle East situation. In those countries gas sells for $3 or $4 a gallon. It has been that way for a long time.

What do you suppose that means to the manufacturer of cars selling cars in Japan and Europe? With the cost of gasoline as high as it is, there has been a tremendous market incentive for the manufacturers to try to produce a car that meets all of the buyers' requirements, including the best possible mileage. Because gasoline is $4 a gallon, if you can get better mileage out of a car, you can save, additional miles per gallon for that consumer.

So there is a tremendous built-in market incentive for the smartest engineers, the smartest car builders, the smartest manufacturers, in Germany, Italy, Japan, the United States to build the most fuel-efficient car they possibly can and sell it in Japan and sell it in Europe.

So you would assume if there was a magic technology out there with that kind of big financial reward out there for the company, they could find it, it would have been found by now, it would be in place by now, and you would be seeing cars produced for those markets with very high mile per gallon performance.

But you know what you find when you look? That is not what you find. The miles per gallon performance is very modestly higher in those countries, not enough really worth talking about. But, certainly nothing in the range of what is being talked about here by an amendment that basically says look, let us wave the wand, we want this particular goal, let us set it out there, then one way or another we will get there. If that were the case, we would be there now because there are enormous financial incentives and rewards out there today in the marketplace in those foreign settings where gas is so expensive. It has not worked that way.

I know my friends that are offering this amendment do not like to hear those arguments because those are practical arguments. They undercut the foundation of the economics of the position that they are representing. But that just is the fact of the matter.

Let me continue here. How much more weight can we take out of the cars? We have taken out about 1,000 to 1,500 pounds. I think if we really put the best minds of this country to work over a period of time we can probably take out some additional weight, although it is getting very tough, not the same as it was back in 1974. Taking every additional half pound or pound out now gets complicated. It gets complicated in part because we want a more sophisticated engine that weighs more, that gets better mileage and produces fewer emissions. That adds to the weight of the car.

We do not want to weaken the side panels of the car, because if you weaken the side panels, unless you have found some new materials or something that can be put in there that have the same strength as structural steel or something of that kind, then you give away something on the safety side. We do not want to do that either.

So these are the tradeoffs that have to be considered here in terms of safety and related to size, as well as the fuel efficiency and the emissions all at the same time.

Here is what our friends are saying here with this amendment. They are saying, look, we have an energy crisis. That is true. We have had an energy crisis for a long time. We should have been paying attention to it. We have not. The invasion of Kuwait, deployment of American forces in Saudi Arabia, that is back up on the radar screen. Now everyone is properly recognizing that we need a comprehensive national energy strategy.

The answer to that is yes, we do. We need it. It is urgent. We ought to get to work on it. But you do not do it in a piecemeal fashion. You do not come in here with an amendment that gets thrown on the table that says let us grab a CAFE amendment. It will not save any gas until 1995. But, it will start saving gas in 1995, and we have a problem today. So let us reach for this sort of quick solution. It is not a solution. But we need one.

We need, I think, probably in the spring of next year, because we are not going to stop right now—perhaps we should, but we will not—to convene an overall effort to try to develop a comprehensive national energy strategy. But when we do that, we are going to have to look at all uses of energy, all types of energy. We will have to look at all matters of energy conservation. Everything is going to have to be on the table.

I said to the automobile companies—they fully understand, CAFE is going to have to be on the table—everything will have to be on the table at that time when we take a look at where we can squeeze something out on the margin with respect to fuel savings or fuel efficiency. Cars will be part of it. But so will every kind of use of fuel in our entire society across the board. Because if you are going to really tackle the problem, you have to tackle all of it, not just a piece of it.

So to give you an example the other way, if somebody wants to save energy today—this will be an amendment, by the way, that we will vote on, if we get past the cloture vote tomorrow. I hope we do not. One of the amendments we will vote on is reinstituting the 55-mile-an-hour speed limit because that will save energy not in 1995. That will save energy right now. If we want to cut down on the amount of gasoline being used, particularly in the parts of the country where distances are longer, that people travel out in the West and other parts of the country, we can put the 55-mile-an-hour speed limit back on.

We can put the 55-mile-an-hour speed limit back on, or 50 miles per hour or pick a number. We will slow people down and burn a lot less gas, and we will save energy right now, today, not in a year, not 5 years, but now. There are lots of ways to save energy. We will have a chance to vote on some of these, if we are going to get into the issue of singling out just one approach that is only going to give us the yield out in the middle of the decade. So, if the bill does not make any sense in that respect either.

Let me just tell you what the effect would be of the Bryan bill, if in fact it were to take effect exactly as written and start to have just the yield with respect to the targets and mileage efficiency set out for 5 or 6 years from now. Bear in mind that the standards would only affect new cars, and by that time in 1995, there would be 180 million cars on the road that will not be new cars. So the only saving that we would begin to get at that time would be from the cars that were added to the existing fleet of 180 million cars in that year.

Sponsors of the amendment will not tell you that, because they would like you to listen and get the idea there will be much more fuel conservation, we will save all this energy. Not the case. You are going to have the exist-

ing fleet running out into the next century before this amendment, in terms of concrete saving designed to be achieved here, would actually begin to yield its modest fuel savings. But make no mistake about the cost of it. If you think it is cheap to do this, then you really are kidding yourselves.

The automobile industry today, and in fact a large part of our economy, is not in great shape. You only have to read the financial section of any newspaper in the country a day or two a week, and you will appreciate the fact that the country right now has some serious economic problems. We have a low savings rate, and we are having a difficult time with capital investment, and we are lagging behind other countries in productivity, development and growth, because we do not have the capital we need. We have huge deficits that have built up over a period of time.

This amendment will require the automobile industry to basically, if it were passed, tear up the plans that it has already made and already invested billions of dollars in car design for the next 2, 3, 4, 5, 6, 7 years, because it takes that long. You have to get all these things in stream, if you are going to do that in a product line type such as this.

They would have to scrap all those plans and start over again, but they could not even do that, because we do not even have the blueprint on the clean air amendment, which is still up in the air in the Senate and House conference committee, having to do with the emission requirements.

Again, one of the three things that has to be kept in balance is, how much would it cost to do this, how many tens of billions of dollars? Some multiple tens of millions of dollars. Where is the money going to come from? Does the amendment provide the money? Does the amendment say, look, as a matter of national policy we are going to mandate this kind of investment and change. We do not know what the technology is. We do not have the answers. We want you to invent it.

Is the amendment saying we want you to invent it as a matter of national policy, and here is the money to do it? No. It is not providing 5 cents for that. It is much simpler than that. It says, no, I am not going to give you a nickle to go do this, and you may not have the money. I am going to tell you to do it anyway, and you figure out how to get the money.

Well, it seems to me that having lived through the 1980's and the massive pileup of debt and the difficulty we have with high interest rates, and to little capital, and huge foreign debt, and everything else, it is unrealistic to waltz in here and to say, look, here is a great idea, it may cost $25 billion to get it done over the next 7 or 8 or years, but we think it is worthwhile. No, we are not prepared to give you any money for it, but we would like you to get started on it.

I mean, how many of those kinds of things can we impose upon ourselves as a Nation and continue to excel and have a good living standard, rather than continuing to fall behind the Japanese and Germans and other countries, which we clearly have been doing, and all of the data shows that?

Part of the problem is that we come up with these great ideas, and we mandate these great things—Government does very often—and the burdens and the costs and difficulties of getting it done in a practical way do a real harm. If we had an infinite amount of money and had engineers coming out of our ears and did not have anything else to do, then maybe sombody would say that it is a challenge, and let us do it because it is a challenge, and we have plenty of money to spend, and what difference does it make? Well, that is "Alice in Wonderland." That is not the real world.

That is what we have to understand here, that we have to make this thing fit with respect to what the real world situation is that is facing us. We have an industry that is in difficulty. We have an enormous foreign penetration, and if you start loading on additional capital costs in light of all of the other requirements out there, we are going to end up hurting this country, not helping it. We are going to cost ourselves tens of thousands of jobs, and I am talking about good jobs. I am talking about jobs that carry health insurance with them, and retirement benefits and other things, things we all want, things we want for our children, the kinds of jobs that are disappearing in this country.

The kinds of jobs that are growing are jobs without health insurance, generally at the minimum wage, oftentimes without any retirement benefits. I mean, that is the tilt of our society and our economy. It is the wrong tilt. It is a real problem, and we need to change it.

The middle class is being ground down. We see it by the data that is out there. So we need to preserve the industries and the high value added work in this country that really provides so much of the middle class living standard and keeps us the kind of reasonably balanced society that we are, not just a society that is split between the super rich and everybody else sliding backward down into a very modest income circumstance.

So you cannot just hammer and pound your key industries. I mean, you can do it and sort of look the other way and say, they can do it, and so forth and so on, but that is not a fair and practical analysis in terms of what we are facing. We are facing something much tougher than that. Anybody who does not understand it, I think has not really looked at the data that is there to be seen.

There are some analyses that have been done on this. Let me give a couple of pieces of that. The Secretary of Energy has taken a look at this problem, and he sent a letter dated the 15th of June of this year. This is what the Secretary of Energy says; presumably, he knows a little something about energy and ought to have an interest in trying to preserve energy. He said,

> The Department's analysis indicates that the CAFE requirements that this bill would place on U.S. manufacturers could not be achieved without significant changes to the size, mix, and performance of their vehicles. These changes would cause significant economic losses to domestic manufacturers. Consumers would be unable to purchase the vehicles that meet their requirements and could face increased risks of injuries.

That is the Secretary of Energy. I mentioned before that there is only one car in the United States that is made in this country now that meets the 40-mile-per-gallon standard. That is the Geo Metro. It is a very small car and does not have air-conditioning. A lot of people today like air-conditioning in their cars. You can argue that it is not a necessity. Most of the cars down in the garage here have it. A lot of poeple want air-conditioning. The Geo does not have it. It is just one of the things, and you can say, well, people will have to learn to live without that. Well, you can make that decision when you go down and buy your own car. I do not know that you ought to try to make the decision for everybody else.

For those cars in that class—and there are several others that are important and I can list the names here, but I will not—they account for 2.7 percent of sales in the United States. They get terrific mileage. They are inexpensive cars, if that is your preference, and 2.7 percent of the people are buying them.

So what does that tell you about the other 97.3 percent of the people? They are not buying them. They are not buying them. They are buying something else. They are buying something that accommodates their family. They are buying something that has more room and weight in terms of safety factors or other things.

I just have a few more things to say. But this is important. So I take the time to say these things before because it is very easy to do something around here and think it is great without thinking deeply and wake up 2 or 3 years later and see it is not great, and that would be the case if this legislation should pass.

Let me tell you what the Insurance Institute for Auto Safety has had to say because they have just done a huge study on auto safety in the coun-

try. By the way, this group is no friend of the automobile industry of the United States in terms of their long history. But they just issued a report detailing the relationship between car size and safety. And this is what they said—this is the Insurance Institute for Auto Safety—I am quoting them:

> Overall, the death rate in the smallest car on the road is more than double the rate in the largest car. A relationship exists between death rates and fuel use even if it is not a precise one. On average, every 1 mile per gallon improvement in fuel economy translates into a 3.9 percent increase in death rate.

I am quoting them. These are not my words. They are their words.

What are they telling us? They examined all the crash data and are saying to us, look, you can keep squeezing the cars down to make them smaller if you want and if your only consideration is fuel economy. Squeeze them down, and so forth. Do not fool yourself about what the loss rate is going to be, the deaths, serious injuries and accidents or, for that matter, what the insurance rates are going to be.

What are insurance rates going to be on a car which has much higher fatality rates? Think about it. It does not take a lot of thought to figure out what is going to happen there. The Insurance Institute study found that down sizing, and that is reducing the size of the car to meet these other objectives, has increased the death rate on certain models of cars in their study by 23 percent since the 1970's.

So, yes, we have gotten fuel economy, but we paid a price for it. We paid a price in safety. The question is how far do we want to go that way? There are Harvard University and Brookings Institution researchers who projected there will be—and this is their number, they have a whole model they built this out to come up with this number—17,800 more deaths in model year 1989 as a result of the down sizing that has already occurred.

So we are already having that higher fatality rate because we are having cars that are smaller and lighter and less resistant in accidents and people are paying a price for it in terms of serious injury and death in automobile collisions, and they happen. You wonder how they happen. How can there be so many accidents? I have seen accidents happen as you go out on an absolutely clear road, no rain, good visibility, so forth, so on, terrible collision, five or six people killed in that accident, and so forth. These things happen. But you give yourself a chance and kids a chance to survive these things if you have a car with enough strength and enough weight to be able to take the impact of the kind of collisions that do happen. It is a tragic fact and has to be paid attention to.

So I will just finish by saying this: I am prepared to work with the sponsors of this amendment and anybody else who wants a comprehensive national energy policy because I want one too. We are all after the same thing. But in constructing a national energy policy we cannot just do it with a random set of bits and pieces. You cannot just grab a CAFE standard here and say this is the answer. Stick this on. That is silly and that will not work. It has all the other defects and I think damaging characteristics that I have described here.

But we do need a policy. We need to look at the whole range of options in terms of how we get more energy efficiency, more conservation, alternative fuel use development, and things of that kind, so we have a sensible overall plan. That means we have to put everything on the table, including, by the way, this issue. This issue has to be on the table, just like all the rest. But that is not what we have today.

What I see happening here is the advocates of this amendment are saying, no, do not put anything else on the table. We are not putting anything else on the table here. We just want to put this one item on the table. Let us put that item on the table, and let us go ahead and deal with this problem, with this one item. That is not sensible, and it is not fair, and it is not good for the country, and it does not solve our problem. So that is why we should not do it.

As I say, if we are going to have a full-blown energy debate around here, if cloture is invoked tomorrow—and I hope it is not—we are going to have a full-blown energy debate while we have a chance to vote on a lot of these things. You want to save energy tomorrow. Let us cut down on the speed limit on the interstates. Let us go back to 55. Let us go down to 50, 45. We can cut down on the miles per hour. I am not sure people are going to want to do it out in Arizona, Colorado, Nevada, Michigan, or any other place, but if that is important to save energy, let us not wait until 1995 to do it with this kind of scheme. Let us start right now.

We will have a chance to vote on those things, and I would hope the Senate would decide to put this issue aside tomorrow. This is not the time for it. This is not the context in which to take it up and it is not a way for us to get an intelligent, competitive energy strategy in place.

I yield the floor.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Colorado.

Mr. WIRTH. Mr. President, I would like to take a moment to support the legislation offered by the distinguished Senator from Nevada and the distinguished Senator from Washington, and to address some of the environmental issues involved and to take a few minutes to answer the sort of family sized, M-1 tank argument raised by the distinguished Senator from Michigan.

First of all, I would like to attempt to dispel the myth that somehow we are picking on one industry or one approach. The distinguished Senator from Nevada has attempted to bring up the CAFE standard legislation for months and months. The distinguished Senator from Pennsylvania [Mr. HEINZ] and I have had a similar piece of legislation which we have wanted to bring up for months and months and months, and have agreed, particularly the Senator from Nevada has agreed to defer, not to put it on various other pieces of legislation with the promise and agreement of everybody that it would come up separately at the appropriate time.

Now I cannot imagine a more appropriate time to bring it up than right now after the Iraqi forces moved into Kuwait. We have 100,000 troops there for one reason: oil. Let us put aside the argument that somehow we are picking on one industry and this is not appropriate.

Moving to energy policy and the overall policy framework of this bill, I think it is again important for us all to understand what it is that we are looking at in dealing with this legislation. Two nights ago, the President gave what I thought was a very good speech to a joint session of the Congress and to the country on why we are in Saudi Arabia, what commitment we have made; he evoked a great deal of national resolve, talked very appropriately about the budget crisis that we have. I agree we have a very severe budget crisis and I hope that with the discussions out at Andrews Air Force Base, if we get agreement out of that, we can really make a dent in this enormous deficit and maybe most important of all the President that night spoke of energy policy. Having had this on the back burner for a decade, this administration and the previous one not wanting to discuss or feeling it was important to discuss energy policy, we need to refocus on the fact that the Straits of Hormuz are just as narrow today as they were a decade ago or 20 years ago. Energy policy has been sorely neglected. It is time again for us to get serious. The President kind of laid that out on Tuesday night and said we are going to be serious.

The issue in the Middle East is oil, despite the fact that the President laid out four different reasons as to why we are in Saudi Arabia, why we are there. He laid out four goals: One, to get the Iraqis out of Kuwait; second, to restore the legitimate government in Kuwait; third, to bring stability to the region; and fourth, to safeguard American lives. Those are the President's four goals.

I would suggest that had this conflict occurred say in central Africa, had one country invaded another country, we would not have 100,000 troops there to get the invading country out, to restore the government of the country that had been invaded, to provide stability to the region, and to safeguard American lives, we would not do that if this were going on in central Africa. The reasons we are doing this is because of oil. There is no question about it. We are there because of oil. That is the essential reason. The variable is oil, and this is a major variable related to our national security.

Now, as we all know, we are not as dependent on Middle Eastern oil as are a great number of other countries. And there is a good deal of hostility here about the fact that our allies in Europe and our allies in Japan have been very forthcoming about their assistance in this program.

The Germans have told us they might send a couple of minesweepers to the eastern Mediterranean, absolutely extraordinary to my constituents, who are saying we have 100,000 plus troops and the Germans, who are much more dependent than we are, are sending a couple of minesweepers.

The Japanese have said they may support a billion dollars of this effort. Secretary Brady told us that it may cost the United States $15 billion. They are 60 percent dependent, the Japanese, on the oil that is there; we are 12 percent dependent at most. We are paying $15 billion at least and they are paying $1 billion. It is a little bit difficult for me to quite understand those proportions. I think it is time for us to be looking at a United Way program that those who benefit from this and those who have the most at stake pay a little greater share.

I was heartened, Mr. President, to see the Saudis say they are going to help us defray the cost. But then this morning, Henson Moore, the Deputy Secretary of Energy, was in front of the Energy Committee and we talked a little bit about this.

What have the Saudis gained in the last month? It is an interesting phenomena to talk about the variables of oil in all of this. The price of oil has gone up about $10 a barrel in the last month. You say, well, who benefits? How many barrels of oil do the Saudis produce every day? How many are lifted in Saudi Arabia.

I checked the numbers this morning with the Department of Energy. The Saudis are producing 5.2 million barrels of oil a day. The price of oil has gone up $10 a barrel since July. That means the Saudis now have a $50 million more revenue a day coming in. They lift 5 million barrels of oil a day, at $10 a barrel more, so they are making $50 million more per day. There are 365 days a year. That oil is lifted every day. You multiply that $50 million a day times 365 days, and the Saudis this year have a windfall of about $20 billion; $20 billion, so far, if you just extrapolate out a $10 a barrel.

The Saudis have said they are going to help us defray the costs. The Saudis are making $20 billion. They are helping us defray part of the cost of being there. They still have an enormous windfall.

I do not say this to knock the Saudis. I am appreciative of their assistance, but I think we also have to understand that while they are helping us, that help comes out of this huge windfall. And even if they were to pay for the whole U.S. effort over there of $15 billion, they would still have $5 billion left.

So the dollars involved in this, Mr. President, are enormous. The dollars are enormous. The issue is huge. And that is why the Bryan amendment is so extraordinarly important.

Where are we in the United States? I said earlier that we are really not as dependent on Middle Eastern oil as other countries. But we are very dependent upon imported oil. A couple of months ago, for the first time in our Nation's history, we became more than 50 percent dependent upon imported oil. Our dependence on imported oil as now greater than it was during the height of the oil crisis in the mid-1970's, greater than it has been at any time in our Nation's history.

At the height of the oil crisis, we imported 6 million barrels of oil a day. Today we are importing 8 million barrels of oil a day. Our dependence on foreign oil is growing with each passing month. And certainly the crisis in the Middle East is outlining to us not only our dependence in that area, the vulnerability of the world in that particular area, but our economic dependence overall in oil. That is why we are there.

We have in this day and age a major national security problem related to oil. That is the problem. And presumably when you have a problem in terms of national policy, you try to solve the problem and one of the solutions to solve the problem is to try to eliminate the problem. And the problem we are trying to eliminate is our dependence upon foreign oil. That is what this is all about.

This has enormous national-international security implications, economic considerations for us as a country. It is very important that we do everything we can to eliminate the problem. It is in that context that the Bryan legislation comes up. And it is in that context that the Bryan legislation, deferred generously by the Senator from Nevada month after month after month, it is in that context that it is so important that we address this legislation now and pass this legislation now.

In terms of overall energy policy, we learned this—I was fascinated this morning sitting in the Energy Committee with a lot of my colleagues in the Senate, Deputy Secretary Moore, most of us started in the House—and many people were there in the House during the mid-1970's and started our political careers in the Congress on energy issues.

The issues are much the same today as they were then, but they are not totally. The lessons learned in the 1970's were neglected in the 1980's. The price of oil dropped; OPEC was in disarray. Suddenly we had a glut of energy and the energy was cheap and we forgot all of those lessons and did not persist on energy policy.

The Reagan administration told us that their policies had worked. That had nothing to do with it; it had only to do with the disarray in OPEC and the drop in prices. We could forget all the initiatives being taken. Research in solar energy and other alternatives declines dramatically. There was a rollback and erosion of the CAFE standard. Vetoed, for example, was the appliance efficiency legislation; a campaign pledge by the Reagan people to get rid of the Department of Energy; and the event when the administration, indicating their great commitment to the energy policy, brought in the dentist from South Carolina to be the Secretary of Energy.

The current administration has been a little more enlightened than that and certainly I think the statements made the other night by President Bush were very heartening. We may have the opportunity now to turn this around and get back to our national commitment on energy policy, a centerpiece of which should be the CAFE legislation authored by the distinguished Senator from Nevada.

What we have to do is move along and build upon many of the good things that we are doing so far: the State energy assistance legislation which has passed the Senate; the Fowler solar legislation, which has been enacted; the Energy Policy Act, S. 324; the global warming bill that I offered, and was passed here in August, going after national least-cost planning; energy efficiency; building codes; a whole array of very important initiatives. We should be building upon those. We should be using SPRO, the strategic petroleum reserve, and its tremendous leverage in this marketplace. There was a good discussion of that this morning in the Energy Committee.

We should be looking at price initiatives, all the way from an oil import fee to putting the potential of a floor under the energy taxes during all of this debate on the gasoline tax that is

going on at Andrews. It might be a good idea, Mr. President, for us just to freeze the current price of gasoline when a glut appears again, if it does, on the world market. Then we would have that floor already there. We will not have to raise taxes up to that. The economy would have gotten over the shock of absorbing some higher energy prices.

We would do a lot of environmental good and pick up a good deal of revenue for the deficit at the same time by affecting energy prices. It has a great deal of potential. I suggested that to a number of the people who were in the budget conference out at Andrews.

In the area of conservation initiatives, it is very important for us to be looking, in addition to the CAFE standards, to building standards.

We are half as efficient as our German and Japanese trading competitors, we are half as efficient as they are in terms of energy use per unit of gross national product. We can do a great deal more in the industrial area on energy efficiency, a great deal more in building standards.

The President, the administration, has just responded to a request that Senator JOHNSTON and others and I made about developing an Executive order on Federal building standards. Alternative fuels is another area that must be pursued. This is a perfect time for the administration to come back, if in fact it is serious about substituting for our imported oil, to push the clean air standards, to look at alternative fuel vehicles. This is a perfect time to do so.

The President once proposed that there be the required sale of a million alternative fuel vehicles. In his opening address on clean air, delivered at the White House about a year and a half ago, President Bush made a very good statement, and offered a very good piece of legislation in which he proposed a requirement that there be a million alternative fuel vehicles. Unfortunately, we backed off of that. I suppose, given the pressure of the energy industry and the auto industry, we backed off of that very clearly.

If the administration is serious about backing us out of oil, let us go back to the President's initial proposal. It is a Bush proposal made only a year and a half ago for a million alternative fuel vehicles—a very good idea.

It is a very good idea, alternative fuels. We should have a lot of domestically produced automobiles that use natural gas. Why not move toward automobiles using a domestic source of fuel rather than oil? It is a very good idea, a step the administration could take tomorrow, and encourage the clean air conferees to push again for alternative fuels.

Moving toward a solar-powered hydrogen economy, there are great opportunities there. That is for the long term, but we ought to be working on that research, just like coal and oil shale and other alternative programs at well.

We live in a new order, Mr. President. And the President's speech the other night told us about that. The Berlin Wall is down. We are redefining our national security. Our national security is now taking on many new forms. It is no longer a confrontation between the superpowers. As was very clearly evident in the discussions yesterday at the signing of the treaty, the discussions between the United States and the Soviet Union, we are no longer in this confrontation. We are under different kinds of national security threats. One of those is energy. Another, closely related, as we are all familiar, is the environment.

We need this national energy policy in place. We need pieces of it, both for energy reasons, as clearly outlined—it is very well understood—and for environmental reasons.

The Senator from Nevada noted in his opening remarks—and I will not repeat them; we have been talking about this for years and years—global warming, greenhouse gases, the production of carbon dioxide and related variables; if we reduce the amount of driving done in the United States, if we increase the miles per gallon, we are also doing very significant environmental good as well.

Greenhouse gases are a major threat. It is familiar now. Part of the lexicon, almost of every child in the country, is global warming and the understanding that we are changing the nature of our atmosphere. And one of the major changes is in the inexorable rise in atmospheric concentrations of carbon dioxide.

Carbon dioxide comes from the burning of fossil fuels, and the greatest creation of carbon dioxide comes from the burning of fossil fuels in the automobile.

Worldwide production of carbon now is about 6.5 billion tons. The efforts of this legislation would reduce that by about 500 million tons. We say, 500 million tons of CO_2 out of 6.5 billion tons of carbon, is that enough to make a difference? Of course it is. That is a very significant step.

There is no silver bullet in the battle on greenhouse gases. It is going to take a whole lot of steps and this is one of the biggest ones we could possibly take. National energy policy, national security, national economic policy, and environmental policy—the whole package is there in the Bryan legislation, and we ought to pass it.

In looking at those positive sides of it, nobody can argue, I think, against any of those elements. They could just bring up a variety of what I would consider relatively specious arguments on the other side. And let me deal with those very briefly. I again, in summary, would call those the family-size M-1 tank arguments.

The argument is made we have to worry about the balancing of fuel efficiency, emissions, and safety. If we do not properly balance these factors, the argument goes, we are going to have a disaster in the country. Fuel efficiency is what this amendment is all about.

Let us talk about safety, and let us talk about the industry's enormous commitment to safety. When I was in the House, I chaired the subcommittee that, among other responsibilities, had the National Highway Transportation Safety Act. The administration and industry together, during the whole decade of the 1980's, with their major commitment to safety, was trying to get rid of the requirement that there be automatic crash protection—read airbags—automatic crash protection standards.

We built that into the legislation for automobiles in the 1970's. There was a timeframe. They had to have airbags built into cars, called automatic crash protection, and those had to be phased in.

The auto industry was telling us up one side and down the other that having a requirement for airbags would be an absolute disaster. Well, we saved them from themselves. We kept that in the law, and now what are they marketing like crazy? You cannot go into an automobile showroom without having a salesman immediately come up to you marketing safety. A salesman comes up and markets airbags, which the industry were resisting as late as last year and the year before.

In safety as well, we have to have much, much heavier cars some say. We cannot be safe without heavier cars, they say. Well, of course, airbags are the single safest thing we can do now, but if we follow the weight issue to its logical conclusion, we get to the M-1 tank. We are all going to be out there driving up and down the highways with these enormous tanks, protecting our children with huge amounts of steel on each side, turrets to look through so we cannot be destroyed with anything that might come through the windows, and we will all have an oil tanker following us as we drive down the road in our M-1 tanks, as we are safe because we have a heavier automobile.

Really, I do not think that any of us believes we are going to follow this to its logical conclusion. Of course, we are concerned about safety, but where do you get the greatest return for safety? You get the greatest return by doing very smart things like airbags, and not going around resisting them.

Another element that was mentioned in terms of the balance for the automobile companies was emissions control. The President again stated

some very noble goals on emissions controls. He came out with a clean air bill a year and a half ago that was very good, very enlightened, and very progressive. What happened to it? The auto industry and the oil industry came honing right in on that, and we saw it watered down and eroded, and watered down and eroded.

Now is the time, again, if there is really concern about energy policy, let us hear the automobile industry come in and talk to us about alternative fuels. Let us have the three presidents of the automobile companies go to the White House and say to the President: Let us reinstate our commitment to alternative fuel vehicles. He had that, originally. Let us support him some more.

If there is this deep concern for emissions and emissions controls, let us see the delivery of that.

Fuel efficiency, emissions, safety—that was the troika discussed earlier. They were all valid. And we are moving in the right direction in all of those, and can do very well without having to go to a very regressive M-1 tank mentality.

Fuel efficiency with the Bryan amendment, safety by moving as rapidly as possible to get airbags on both sides for every automobile being sold, and emissions control, by moving to alternative fuels. Is this going to be enormously costly and expensive? Is this going to weigh down the cost of an automobile so severely that people will not be able to buy them? Of course not.

Emissions control devices: We were told by the automobile companies in the 1970's that we could not put emissions control devices in. The whole emissions control technology costs less than the cost of a vinyl roof.

Airbags: We were told there is no way in the world we can do airbags. They are going to cost thousands and thousands of dollars apiece. The reality coming from the airbag manufacturers is they cost less than the new chrome on an automobile.

The 100,000-mile guarantee of emission controls on vehicles: We were told that is enormously expensive to do. It is less than the price of a hubcap on a new car.

And fuel economy: Those costs are offset by fuel savings.

So with this package, we are not talking about something that is going to weigh down the economy with enormous and prohibitive costs. Nor are we, Mr. President, in the business of hammering and pounding key industries of the country.

It is not, with these requirements of safety, emissions control, and fuel efficiency, that people are buying fewer automobiles. We are buying a vast number of automobiles, millions, in the United States. It is just that the American public is buying them from a different source, because that other source tends to be more enlightened and is making better automobiles.

It is not that we are not buying all these Detroit cars because of all these requirements. People are not buying Detroit cars because the products are not as good as those coming in from elsewhere, which is too bad.

I cannot think of anybody in this Chamber who does not make a major effort—and I will bet most of us do—to buy an American car. We want to have an American car. But not because we are getting this great surge of enlightened automobile making, or a great commitment to all of these other goals, from Detroit.

Finally, Mr. President, it is interesting to note that the horsepower of the average automobile sold in the United States has gone from 99 horsepower per automobile in 1980 to 119 today. In the last decade, more Americans can now go from zero to 60 miles an hour in 10 seconds than could in 1980. What was wrong with the cars we were driving in 1980?

We were told that we have to have this sort of power in order to market American automobiles. People are not going to buy them otherwise. I just do not believe that. I just do not believe that we have to have these enormous engines in there.

And if we want to do that, if we want to have all of those options for great big horsepower engines, then what we ought to do is go to the legislation which Senator HEINZ and I would offer, which would give a premium to gas-sipping automobiles, and have a penalty paid by gas-guzzling automobiles.

Let us have a tradeoff. If you have a gas guzzler, if you are going to do this sort of thing, you pay a premium for it. If you have a gas-sipping automobile, you get a bonus for that. That is a perfectly reasonable kind of approach to take if, in fact, we are serious about cutting our dependence on imported oil. And that, again, is what we ought to be doing.

To close, Mr. President, we are not in the Persian Gulf because we are getting the Iraqis out of Kuwait, because we want to restore the Government of Kuwait, because we want to provide stability to the region and save lives. Those are noble goals. But the big reason we are there is oil. We import more than 50 percent of our oil. Our transportation industry uses two-thirds of that imported oil. Our transportation industry uses two-thirds of the oil that we import. If we are serious about our role in the world, national security—and we are or we would not have 100,000 plus troops in the Persian Gulf—if we are serious about it, then we ought to start to get rid of the problem that causes us to be there in the first place, and that is our extensive dependence on imported oil.

The Bryan legislation, the CAFE standards legislation, is precisely in line with what we ought to be doing. That is a response to a very real national security concern. We need an energy policy; and it must have a good environmental impact. But by itself, on national security grounds alone, not a lot of speeches, M-1 tank arguments, but on national security grounds alone, we ought to resoundingly support the Bryan legislation.

The PRESIDING OFFICER. The Senator from Arizona.

SON OF CATASTROPHIC

Mr. MCCAIN. Mr. President, I will be brief. The Senator from Oklahoma [Mr. NICKLES] has been waiting for quite a while to speak. So I will try to make my remarks as abbreviated as possible.

I rise to express my deep concern about the information that has been conveyed concerning the likelihood of a budget summit agreement which entails a significant increase in Medicare premiums, tying them to some kind of means testing and a reduction in Medicare benefits.

Mr. President, the time to restructure the Medicare system in America is not in an aircraft hangar at Andrews Air Force Base. The time to restructure the Medicare system and, indeed, the entire health care system in America and how we pay for it is through the same kinds of procedures that we use to resolve other issues of national importance. It is through hearings, through legislation, through consultation, and the legislative process, as we know it.

The idea of laying an incredibly increased burden on 33 million senior Americans is not acceptable to this Senator, nor do I believe will it be acceptable to the overwhelming majority of Americans—both young and old. Mr. President, last year for nearly an entire year, off and on, we went through a series of divisive and painful debates about the catastrophic health care insurance bill and especially the onerous surtax that was associated with it. We finally repealed the surtax and indeed, unfortunately, the entire program.

Mr. President, this is the son of catastrophic. This will receive the same treatment from the American people if it is passed. Mr. President, I will not support a budget agreement that lays this kind of onerous burden on the senior citizens of America. I urge the conferees to seriously consider the impact of such an agreement, and I hope that it will not be part of a package to addressing the very serious problem of this Nation's deficit.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I wish to compliment my friend and colleague from Arizona for, one, the work he did last year on the catastrophic proposal and his leadership in that area and also for his statement today.

MOTOR VEHICLE FUEL EFFICIENCY ACT

Mr. NICKLES. Mr. President, I have heard a lot of comments today about the proposed CAFE standards. I have heard a lot of comments today concerning energy policy and certainly, with the events in the Middle East, the focus of the country being on our dependency on imported oil. The fact that we do have troops stationed now in Saudi Arabia and in the Middle East I think heightens everyone's concern.

I wish to compliment the President of the United States for his address a couple of nights ago in focusing not only the attention of Americans and this Congress but, really, the world leaders, including Saddam Hussein, on the strength of commitment that we have in the United States to seeing that this act of aggression will not be rewarded, will not be tolerated, will not be allowed to stand. I think the President was exactly correct.

The President also talked about doing some things to reduce our dependency on imported oil. I compliment him on that, as well. Today, in the Energy Committee, we had a hearing. We talked about energy policy. We talked about our dependency. We talked about what can we do to decrease our reliance on imported oil. Some people talked about conservation; they talked about CAFE standards.

Mr. President, I made a statement there and I will repeat part of it. I said, when we are talking about an energy policy—and this Senator, being from an energy State, would like to have an energy policy—I would like to have a forum in this country where we really do work to make good sense on energy issues because we are very dependent on energy, both domestic and imported, to meet our needs and desires, whether it be on the farms or the ranches or in our homes or industries or our automobiles. We do have a love affair with the American automobile.

Mr. President, I stated then that I hope, if we have an energy policy, we have a good one. This Senator is not interested in a bad energy policy. We have seen that. We have had it. As a matter of fact, we spent a great deal of time, a number of years, undoing bad energy policy. We had piece controls on oil and gas. It did not work. It did not help consumers.

Some people, now that some prices are going up, are talking about the need for price controls on oil. That is exactly what we do not need. It did not work in the seventies. It did not save consumers any money. It did cause shortages. It did cause real disruptions. It did mean that we had American producers receiving a lot less than Kuwaiti and Saudi and Iraqi producers. Price controls do not work.

Some people said, well, that is the solution. That is not the solution. As a matter of fact, it is kind of ironic. I just completed a swing through several Communist countries, and they are all talking now about going to a market economy. Is it not interesting, when we come back into the United States, we have a lot of people clamoring for either price controls or windfall profit tax? I heard that mentioned a couple of times by my colleagues, "Oh, we need to sock it to those oil companies who are making excess profits. We are going to sock it to them."

I did not hear those same colleagues talking when prices of oil fell from $25 to $9.25 in 1986. I did not hear them mention any type of relief when we had the number of independent producers in the United States cut in half. I did not hear them saying anything about needing to do something when the number of drilling rigs fell from 4,000 to less than 1,000 in a period of a couple of years. Oh, but now they see a problem and come running and say, "We need a Government solution. Maybe it is price controls, maybe it is windfall profit tax."

Frankly, the Carter administration passed a windfall profit tax, and it was exactly the wrong thing to do. It was probably the most antifree-enterprise piece of legislation that has ever passed the Congress. Yes, it raised a lot of money, $78 billion. It took that money from a few States and sent it to Washington, DC, and it was spent for a variety of programs. There were a lot of inequities. That tax was on domestic producers; it was not on imports. Is it not ironic that as part of that policy, we actually encouraged imports and discouraged domestic production. That was a mistake.

I am interested in a national energy policy, but I do not want a bad energy policy. I want to do things that are positive, constructive. I am not interested in price controls. I am not interested in windfall profit tax. I heard people say, we need more synthetic fuel development; we need a massive program to get fuel out of coal and out of other resources.

Again, I am for synthetic fuel development. I just do not want another massive Federal Government-owned, Government-controlled albatross like the Synthetic Fuels Corporation that wasted billions of dollars. We still have plants where the Federal Government has invested billions of dollars.

They tried to auction one off just yesterday. They did not get hardly anything. As a matter of fact, the bids were so low the Government rejected all bids. The Government lost millions and millions of dollars. So we do not need a massive Federal Government corporation to develop alternative or synthetic fuels. This would be a mistake. We repealed that as well.

Think about it. We repealed the Synfuels Corporation. We repealed price controls on oil, and we repealed price controls on natural gas. We repealed the windfall profit tax. We sustained a veto on the Standby Emergency Allocation Act that was passed in, I believe, 1981. We repealed the Fuel Use Act that said you could not burn natural gas in various industrial and utility plants—that was part of the Carter-era energy program—because we thought we were going to run out of natural gas.

So we have repealed the five major components of the Carter energy program. They needed to be repealed because they were mistakes. They were mistakes made with good intentions, I am sure. They were mistakes that were made during the shortages of 1978-79 when people were in lines and people were clamoring for action. They said, "Move, we need action. Something is not right. We have to wait in line to get gasoline."

We had factories that were being closed. And so Congress was in a hurry to act and Congress acted, but it made mistakes.

I am not faulting any Member of Congress for those past mistakes. I know they were well intentioned, but they were mistakes. Economically they did not make sense. They were all moves toward Government control. And again, the exact opposite things are happening in many of the Communist countries. They are moving away from government controls, they are moving away from the so-called government plan, central panning.

I was in the Soviet Union—and I know my friend from Nevada is somewhat of a historian—and it was so interesting to hear the leader, the President of Russia, Mr. Yeltsin, talking about markets. We even heard a little bit of that talk, although not quite as assertive, from President Gorbachev. We heard the same thing from the mayor of Moscow and the mayor of Leningrad. They talked about markets. They talked about having markets control and letting markets make decisions instead of central planning, because central planning was not working. Central planning caused shortages; lines for bread, lines for tobacco. They have lines. They have shortages. They cannot buy automo-

biles. They have all the fallacies of central planning.

So I do not want to see us make the same mistakes. I do not want to see us repeat some of the mistakes that we made not that long ago—13, 14, 15 years ago—to go back to price controls, to go back to the early 1970's. That was a mistake made under a Republican administration, of all things. It was wrong; it did not work, and it certainly distorted the marketplace. It certainly caused a lot of inequities.

So let us not make those mistakes. Let us have a national energy policy but a positive one, one that will help our country, one that will reduce our dependence on imported oil.

What can we do? There are a lot of things we can do. The President suggested a lot of things in his speech the other night. I compliment him for it. He made some good suggestions. We need incentives to increase domestic production. That would be a step in the right direction. We need to open up some drilling in ANWR, the Alaska National Wildlife Refuge. That is something we desperately need in the future.

Today, Alaska is providing about 25 percent of our domestic oil needs, and frankly Prudoe Bay, is already starting to decline. So we need to supplement that 2 million barrels we are now receiving from the North Slope. So those are a couple of positive things we could do.

I think we need nuclear power. You see a lot of our allies—Taiwan, Japan, France—a lot of other countries that are aggressive with nuclear power. We have not been. As a matter of fact, we have two plants that are sitting idle that could greatly reduce our needs for imported oil—Shoreham and Seabrook. Yet we have those tied up through courts and delays. People are making it impossible to operate those plants. Those plants are ready to go. Both of them have an investment by the ratepayers of over $5 billion each, yet they are sitting idle.

The United States has not really increased its percentage of nuclear power in recent years, but we need to. The sooner the better.

We also need drilling off our continental shores. Frankly, Congress has been saying just the opposite. Every year we expand the areas on which we impose leasing or drilling moratoria. We expand the area where we say we are going to have no drilling; no drilling off the coast of Florida, off California. That is a serious mistake.

We want our coastlines to be beautiful. Frankly, you can go to California, and they have beautiful coastlines. If you look very far, you will find a lot of offshore platforms, most of which are in State waters, within 3 miles of the coastline, and they do not cause severe environmental problems.

As a matter of fact, if you want to know where the environmental problems are coming from, they come from tankers. They come from imported oil. They do not come from offshore drilling or production rigs. You do not have that problem off of the Louisiana, Texas, and gulf coasts where we have a lot of drilling rigs.

Most of the environmental problems that we have had with oilspills, et cetera, come from tankers. The tragic accidents come from oil spilled when a tanker runs aground, like the *Exxon Valdez,* not from off shore drilling platforms. So we need OCS drilling. One of the things I hope we do not do is make further mistakes in isolating or prohibiting drilling offshore.

Mr. President, I mentioned conservation. What about conservation? Should that not be part of our national program? I say yes, I think we need more conservation. There is a big difference between mandated and/or mandatory conservation, one with very severe penalties, and encouraging conservation. I think we want to encourage conservation. We can do so.

What about the CAFE standards, the so-called corporate average fuel economy standards? Again, I have great respect for my friend and colleague from Nevada. I put CAFE in with some of the past mistakes that Congress has made. If we make an aggressive move to greatly increase the corporate average fuel economy standards by mandating them, I think we are going to make a serious mistake in many ways.

I hope we do not do it just because, yes, we have a problem in the Middle East. I hope we do not, because of this crisis-type situation, create a serious problem that is going to put thousands and thousands of people out of work, that is going to deny consumers a choice, going to deny consumers the possibility to buy a vehicle they need or would like to buy. I do not want to make a quick decision on the floor of the Senate that is going to cost thousands of lives and greatly decrease driving safety. I do not want to put thousands and thousands of people out of work, whether it be in Oklahoma, whether it be in Nevada, whether it be in California. Frankly, I think that is what the bill pending before us will do.

I think it will have a negative impact on the economy, a negative impact on consumers, a big move toward central planning by government that, frankly, will not work. I do not want us to make that mistake.

I think we need to consider the legislation, sure, and I compliment my friend and colleague, Senator BRYAN, for his tenacity. He has brought this up on several occasions, or indicated his desire to do so. He has been very persistent. I compliment him for that. He believes strongly in his position on this issue. I respect that. But I think it does not change the fact. I think this would be a serious mistake. I compliment him for that. He believes strongly in his position on this issue. I respect that. But I think it does not change the fact. I think this would be a serious mistake.

We have talked to a lot of people about what would this do. I happen to have an automobile manufacturing plant in my State. The automobiles that they manufacture there probably average about 27 miles per gallon. I hope that they will be able to average 40 miles per gallon. They tell me they cannot unless they just totally remodel it and maybe make small cars, little cars about the size of a Volkswagen. Wait a minute; they make those now. Actually, they import them. They are not made in the United States. There are at least seven models of cars made that make 40 miles per gallon right now.

I guess if we want this to become law, it can be done. I guess. I somewhat question the technology, but there are some cars that will average 40 miles per gallon. Why do we not just mandate that every American buy one of those little cars? That is not what Americans want to buy.

As a matter of fact, I think less than 3 percent of the automobiles that are sold in the United States meet that standard—less than 3 percent. That means 97 percent of the automobiles that people buy exceed that. For what reason? Does that mean Americans are greedy or they just like to see how big that gasoline bill can be? No. There are a lot of reasons. Maybe they have a larger family. Maybe they want to have air-conditioning.

I will tell you, if you traveled into Nevada or Oklahoma this month. Last month, it was over 100 degrees. We kind of like to have an air-conditioner. Is it a matter of life or death? Maybe not. But it is a convenience.

Do we want to give it up? Do we want to legislate that you cannot have air-conditioners in your car? That is what we are going to be doing by passing this CAFE standard. I do not think we can make it with air-conditioning. The automobile manufacturers say they cannot make this 40 miles per gallon. Maybe they can. Maybe they cannot. I will tell you, if the price of gasoline is $5 per gallon, they probably will be able to make it because consumers will purchase the fuel efficient cars. If the price of gasoline is still $1.50 or $2, I do not think they will.

I am not interested in doing that. I am interested in making sure my colleagues realize what kind of car and what kind of size we would be mandating to meet this 40-mile-per-gallon standard because again we are going to be denying consumers choice. You are

going to be telling a family, I happen to have a family of six, they cannot physically fit in these cars that meet this standard. So I guess I am going to have to have two cars. If I will go to take my family to a picnic or take my family to school or graduation whatever, if I take all six, I will have to drive two cars. So I did not gain a lot in the fuel economy standards there if I have to have two cars where right now my station wagon could do it. That is one thing.

The problem first and foremost is we are really inserting the Government, Big Government you might say, to be making this decision instead of allowing the consumers to decide what kind of car, what size of car they would be purchasing; what size of truck. I will tell you. You talk about the truck standards. You talk to a lot of people in your rural communities in Nebraska, and other places. They are really irate.

Members talk about cost. This is not going to be an easy thing to achieve. It is going to cost a lot of money. I do not know if you have been in the market to buy a new car lately. They are rather expensive today. A lot of people cannot afford them. Or they have a hard time affording them. Maybe with the rebates, maybe with the low interest loans, maybe they can scrape up, and buy a new car.

A whole lot of people are just buying used cars because the new cars are too expensive. Frankly, I have two teenagers that are driving. They bought used cars. They could not afford new cars. It will be some time before they can.

If you continue to increase through regulations, et cetera, making those new cars more expensive, they will never buy new cars. If they do not buy new cars, they are not eliminating that gas guzzler. Therefore, this idea of fuel efficiency is not necessarily always correct. We could pass this bill today, say that the average corporate fuel economy is going to be 40 miles per gallon, tomorrow, or by the year 2000. That may not change a thing because you drive the price of the automobile up. People will not be buying them. They are going to be driving the older ones—the ones that meet their size requirements, the ones that meet the safety requirements. So if they are driving those older automobiles, those older automobiles are less fuel efficient.

My son unfortunately has a 1969 Mustang. It is not fuel efficient. There are a lot of other cars that are out there that have been in the marketplace for a long time that are not fuel efficient. But because of their size and other things and the price tag of this bill, there is no telling how many hundreds, even thousands of dollars it might cost in the future for new automobiles. This bill is going to price a lot of people out of the market. So they are going to keep the old clunkers, the old gas guzzlers. So you will not have the fuel efficiency reductions or improvements, as a lot of people would say.

What about the question of safety? I heard my friend and colleague from Colorado talk about, well, if weight means safety, we will have to have everyone driving an M-1 tank. I could reverse the argument and say wait a minute, if fuel efficiency is what we are looking for, we can pass a law that outlaws cars. You cannot drive cars. We are going to save a whole lot of fuel. We will mandate everybody in the United States is going to have primary transportation of a bicycle. We will reduce our import needs, and we will reduce the number of lives that are lost in traffic accidents. I mean, we could do that. We will not survive politically. But we could do it.

You know, if you want to take this argument, take it to the extreme, we will have everybody driving 1 mile per gallon M-1 tanks. However, it happens to be a fact that these little light cars that meet this standard are not very safe.

I can again use a personal example. I had a daughter who owned one of these little light cars. It was totaled going 24 miles per hour. It was basically a little old tin can; very little safety, very little cushion if there is an accident.

So there will be lives lost. This bill will cost lives. There is no question about it. You just look at the studies. You look at those cars. If they are hit driving 55 miles an hour, those little cars, somebody is in serious trouble. There will be an increase in loss of life if this bill is passed. I do not think anyone can dispute that fact.

So again I think we have to be careful. We have to be prudent.

I heard one of my colleagues say, maybe if we are going to do this, maybe we should reduce the speed limit. That might save some energy. That may be debatable. But I would probably debate it. They said, well, we could reduce the speed limit to 55.

As a matter of fact, Secretary Watkins today said we will enforce the 65-mile-an-hour speed limit, and maybe we can save a little energy with that. I do not know if that means we will have a Federal highway patrol out there monitoring speed limits. I do not know how they are planning on enforcing that. But frankly, I do not see that as really the solution to the energy problem that we are facing.

But if you want to take the safety argument further, I guess we could say we will have a national speed limit of 30 miles per hour. It might save lives too. How extreme do we want to go in this Federal meddling in automobile purchases and in safety, or whatever? Do we want to mandate that cars cannot weigh more than this? That is what they will weigh, if they have to meet 40 miles per gallon. Do we want to mandate speed limits now? I hear a lot of people talking about Federal regulation. That again, I think, will exacerbate the problem, not improve the problem.

Then finally, what about the jobs? As a matter of fact I have several plants in Oklahoma that are automobile-related. We have several tire plants. We have an auto glass factory. We have an auto manufacturing plant, all of which I think would be decimated if this bill passed. I doubt that half those jobs by the year 2000, 2005, would be there if this bill became law.

I do not want that to happen. Those are good jobs. Those are productive Americans. These are Americans that have good benefits. I really do not want to see us decimate the domestic auto industry in the United States or the support industry that helps the auto industry. That is a big part of our economy.

Yes, the Americans have a love affair with the automobile. The Americans want to have that choice. You go anywhere in the United States, you drive down the main boulevards of the small, medium-sized towns, or large towns, and you will find automobiles, trucks galore, with options. You will find a variety of choices for individual consumers to make. They have all kinds of brands. They have imports, domestic, they have fast ones, they have big ones, they have little ones, and they have all those options right now. I do not want to deny to American consumers that choice.

I just returned from Communist countries where they did not have that choice, where they had to wait 8 or 9 years to purchase an automobile, and where the size of the automobile is interesting. It might make some of this standard.

My friend and colleague from Nevada, who is presiding, will remember in East Berlin some of the cars they have in that country. They are disposable cars. They are cars that we will not even consider in this country. The body looked like it was made out of fiberglass. The engines reminded me of a little lawnmower engine. They will not go very fast.

As a matter of fact, a lot of people were disposing of them because they would leave those cars at the border and seek freedom in West Germany. They did that in several of the countries. As the gates were coming down, the walls were coming down, they would drive their car with whatever possessions they could carry, they would abandon the car at the gate, and walk across the border, if that was available, or into the American Embassy or into another Embassy seeking asylum.

They had to wait in some cases 8 years for those cars. They are little. They are about the size of a Volkswagen, but not built as well. They are not very safe. I doubt that they are even very fuel efficient. Certainly they are not safe. Certainly they did not offer consumers the type of choice that they would have in this country, and any other country that operates in a market system.

Again, I encourage my colleagues. Let us think about what we are doing. Let us not pass legislation that is going to put thousands of people out of work.

Let us not pass legislation that is going to cost thousands of lives. Let us not pass legislation that is going to deny consumers a choice of the vehicles which they wish to purchase. Let us make prudent decisions.

Frankly, I am going to ask my colleagues, let us not waste our time. We do not have that many days left in this session. I can tell you that this bill will take a long time. Some of us are pretty intent to see that it does not become law. We do not have that many legislative days left.

We have a letter from the President's advisers stating they will urge veto of this bill. Everybody in this body, I think, knows it. I think we have the votes to sustain it either in the House or the Senate. Maybe I am wrong, but I do not think so. I think we have the votes to sustain the veto. I think we are wasting our time, especially when you consider the House has not even taken up the legislation, and it is more than improbable that this legislation will become law.

So we can talk all we want. Maybe people want to talk all day and maybe tomorrow and next week, whatever. I do not know. I am not running the floor. But I think we are wasting our time on this bill.

Mr. President, I ask unanimous consent that a letter signed by the Secretary of Energy and the Secretary of Transportation stating the reasons for this opposition to this bill be printed into the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 13, 1990.

Hon. GEORGE J. MITCHELL,
Majority Leader, U.S. Senate, Washington, DC.

DEAR SENATOR MITCHELL: We understand that the Senate is preparing to consider a bill sponsored by Senator Bryan and others (S. 1224) that would substantially increase the corporate average fuel economy (CAFE) requirements for cars and light trucks sold in the U.S. The bill would increase fuel economy levels for the new car fleet to almost 40 mpg by the year 2001.

We want to take this opportunity to express once again the Administration's strong opposition to this bill. If this bill were presented to the President for his signature, his senior advisors would recommend that he veto the bill. We have consistently expressed our concern about the bill's adverse effects on highway safety, American workers, and American consumers.

The fuel economy requirements of S. 1224 cannot, as claimed, be met without significantly changing the size and composition of cars that consumers would be able to purchase. Analyses prepared by DOE and DOT concur on this important finding. Therefore, our most immediate concern is that the proposed CAFE standards would cause significant weight and size reductions for both the passenger car and light truck fleets. Such downsizing would have a noticeable adverse impact on the safety of occupants. DOT's statistical analyses have demonstrated that the downsizing of the 1970s had adverse safety effects. In our view, it would be a tragic mistake to enact legislation that would undermine this country's progress in highway safety.

The CAFE increases would also curtail the choice of new vehicles available to American consumers. Manufacturers would be forced to dramatically scale back or eliminate the production of large- and mid-size cars and trucks, which would adversely affect those with large families, those in car pools, and those who desire the security of larger cars, among others.

We are also concerned that S. 1224 provides inadequate administrative flexibility. Under the terms of S. 1224, the Administration would be barred from undertaking a regulatory process to make adjustments to fuel efficiency requirements for MYs 1995–2000 and would have only very limited authority to modify the standards for and after MY 2001.

The motor vehicle industry is already facing substantial regulatory demands, including the emerging Clean Air Act amends and upgraded side-impact protection. These air quality and safety requirements need to be carefully assessed before imposing yet another, potentially conflicting, set of requirements on the automobile industry.

Approaches grounded in market incentives, rather than the rigid requirements S. 1224 would impose, would be more effective in addressing energy, environmental, and other concerns related to the level of fuel use. As part of developing the National Energy Strategy, DOE and DOT are engaged in an interagency process to develop policies to improve automobile fuel economy, as well as other policies to reduce transportation energy consumption. We do not believe that recent events in Kuwait should cause us to rush ahead with ill-considered policies such as S. 1224. There are a number of conservation and energy efficiency measures which will produce greater near-term energy savings and do not impose significant safety and economic costs on the public. We urge the Congress to consider them.

The Office of Management and Budget advises that, from the standpoint of the Administration's program, there is no objection to the submission of this report, and that enactment of S. 1224 would not be in accord with the program of the President.

Sincerely,

SAMUEL K. SKINNER,
Secretary of Transportation.
JAMES D. WATKINS,
Secretary of Energy.

Mr. NICKLES. Mr. President, I yield the floor.

MEDICARE CUTS

Mr. GRAHAM. Mr. President, today the Washington Post carried a very disturbing article headlined "Medicare To Take Big Hit under Budget Plan."

Mr. President, I ask unanimous consent that this article be printed in full at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See Exhibit 1.)

Mr. GRAHAM. The first paragraph reads:

> Roughly half of all nondefense spending cuts in the emerging budget accord will come from medicare, leading to significant changes in the program that covers hospital and doctors' costs for 33.3 million elderly and disabled Americans.

The article goes on to state that the plan would provide for $28 billion to come from cuts in payments to providers, $27.1 billion would come from linking premiums to beneficiaries' income, and $17.2 billion would result from changes that would require beneficiaries to pay higher out-of-pocket costs.

Mr. President, we all are anxious to be able to vote for a budget deficit reduction plan. Many of us, including myself, have identified that as the No. 1 domestic priority for this country. I am anxious to be able to vote for such a plan.

From that position, therefore, Mr. President, it seems incumbent upon myself, and others who share my position, to express at this point our serious reservation about a plan that would have these draconian cuts in Medicare as a principal element.

In my judgment, a deficit reduction process should have several objectives, in addition to the objective of reducing the Federal deficit as expeditiously as possible. Let me suggest what I think three of those should be. It should be a program which focuses on some long-term solutions to fundamental American priorities. Second, it should be balanced, it should be considered a fair allocation of the burden. Third, it should be acceptable to the U.S. people.

In my judgment, the proposal as outlined in this article fails in all three tests. It is not a long-term solution to America's health care; it is not a long-term solution to what, admittedly, have been the increasing costs in the Medicare Program.

I would contrast this with the debate that is ongoing in terms of the defense budget. I believe that we have had, over the past several months, a thoughtful analysis of the United States' responsibilities in the new era, and that analysis has led to some strategic redeployments of our military resources, of our military options for the future, and that those strategic choices are what are driving the changes in the defense budget.

I commend many leaders in this Chamber, particularly the chairman of the Armed Services Committee, Senator NUNN, as well as Secretary of Defense Cheney, for their provision of strategic thinking behind the new defense budget.

If you analyze the Medicare Program and ask what are its constituent problems, what is the diagnosis that we need to focus our attention upon, I think most reasonable people would say we need to be concerned about the rising cost of overall medical care. We need to think seriously about the implications of the new technologies which are contributing to that increased cost. We need to be aware of the fact that the demographics of America are changing, having more people reach the age of 65, and therefore become eligible for Medicare. And of those who reach 65, more are living to advanced ages.

In my State, Mr. President, when the final census numbers are reported for 1990, compared to 1980, I believe they will show that the fastest growing decadal group in my State of Florida were people between the ages of 80 and 90. We are experiencing an extension of life unprecedented in our or any other nation's history. Those are some of the fundamental issues.

Are any of those issues going to be dealt with by shifting the cost of the Medicare Program, as is suggested here, in a massive way toward the beneficiaries, either in terms of increasing their out-of-pocket payments, going to a needs-based Medicare for purposes of monthly premiums? The answer to that is no. Those proposals would have nothing to do with the underlying problems. They are much like, if you have a sprained ankle, giving yourself a shot of novocaine. It may temporarily remove the pain and allow you to function, but it does not deal with your real underlying needs. So this is not a long-term solution to our Nation's Medicare problems.

Second, is it balanced? There are 33 million Americans, out of approximately a quarter billion, who are Medicare eligible, who depend upon this program for a substantial part of the quality of their life and the stability of life. Does it seem reasonable that when we look at all of the domestic expenditures of the U.S. Government, that we would say that one program affecting 33 million people should carry half of the budget reduction burden? On its face, Mr. President, that seems to me to be an inequitable distribution of the burden.

Third, is it going to be a program acceptable to the U.S. people? It was just about exactly a year ago, Mr. President, that we were engaged in a firestorm debate in this Chamber having to do with catastrophic health care. We adopted the program a year earlier, and we found out in 1989 that it was not what the people of America, particularly the senior citizens of America, wanted. And we repealed it. We learned some lessons from that experience.

One of those lessons, to me, is that we need to listen to the people affected before we rush out and prescribe a solution. We failed that test with catastrophic health care.

Senator MCCAIN suggested that we now should be dealing with the "son" of catastrophic health care in these proposals, for massive changes in the medicare program. I do not know if it is the "son" or not, but at least it is the "first cousin." I personally do not want to meet every member of the family before I decide we are about to make a very serious mistake.

Mr. President, if this proposal fails to meet three objectives—not being a long-term solution, not being balanced and fair, and not being acceptable to the American people—do we not have some responsibility to suggest what is an approach that might meet those tests and could be part of resolving our Federal budget defict? I think the answer to that question is yes.

I would like to suggest what I think such a direction might be. The Senator who is currently in the Chair has had considerable experience as the chief executive of his State, and I imagine in that position he has had the same experience that I did; that is, from time to time, as Governor, he has faced the fact that additional revenues are required for education, transportation, environmental protection, for whatever important program, and you have to go to your people and legislature and convince them that that is required.

Nobody likes additional taxes. So that is a given. I think, however, there are some standards that help make that as acceptale as possible.

One of those standards is that you have to convince people—generally it does not require convincing, but rather you have to go to the people and let them express their desire that there are things which are important in their personal lives, maybe something as basic as safety, which means in some instances more law enforcement, that justify, additional taxation; second, that there is a relationship between the additional taxation and the benefits that they wish to see achieved; and that there is a support for the additional revenue in order to achieve those benefits.

I believe, Mr. President, that what we need to be moving toward—and I also believe this is supported by the large numbers of Medicare eligibles in this country—is to accept the fact that we do have a crisis in the Medicare Program. We reached that conclusion in the late 1970's as it related to Social Security, set up a select commission; it worked diligently and produced the Social Security plan of 1983 which the Congress adopted.

We need to approach Medicare with that serious, thoughful approach.

I believe that a solution somewhat similar to what happened with Social Security is going to be called for, and that is to create a trust fund, a separate funding source out of which Medicare benefits will be paid in the same way that we now have the Social Security program on a separate fund from which benefits are paid.

Currently part B of Medicare, which is the physician's payment part, is paid about 75 percent out of general revenue. I believe we ought to look for a plan that would replace that 75 percent general revenue with a dedicated revenue source.

That would give a stability to the Medicare Program. It would take it out of periodic politics of which today's news account is just the most recent example. I believe it would also facilitate our focusing on the real problems of Medicare and the broader problems of America's health care system.

I would suggest that that type of an approach could well be part of our budget summit resolution, that it would represent a long-term solution to a serious national issue; it would be balanced and fair and would be acceptable to the American people.

Mr. President, in summary, I join the vast number of Americans who want to see a serious budget deficit program enacted. I am concerned that as the mix, as the recipe for that conclusion is being prepared, that there is an element potentially to be dropped in the mixing bowl that would make the end product unacceptable, and that is the proposal that a disproportionate amount of the burden be placed on Medicaid. That is a proposal that a program which needs serious attention would be treated in the casual technology nature that is of necessity the manner of treatment when it is part of such a massive budget summit process.

I believe that such a proposal would not pass the standards of the U.S. Senate, the House of Representatives, and I am absolutely convinced it would not pass the standards of the American people.

So I hope that by bringing this concern to the attention of my colleagues at this stage, and most specifically to our colleagues who are now endeavoring to arrive at a budget summit agreement, it would cause a reconsideration of this misguided proposal and would avoid placing us in a situation in which we would have to vote against the final proposal because it contained this odious element.

Mr. President, I indicate to my colleagues that a letter is being circulated which brings these concerns to the at-

tention of those who are representing us at the budget summit urging that they not proceed with the plan as outlined in today's news accounts.

I would be most pleased to have other of our colleagues who are so inclined to join in signing that letter so that we can avoid this detour onto a very rocky and dangerous road that would keep us from the superhighway of a balanced, reasonable program that would get us to our destination of a balanced Federal budget.

EXHIBIT 1

[From the Washington Post, Sept. 13, 1990]

MEDICARE TO TAKE BIG HIT UNDER BUDGET PLAN

(By Steven Mufson and John E. Yang)

Roughly half of all non-defense spending cuts in the emerging budget accord will come from Medicare, leading to significant changes in the program that covers hospital and doctors' costs for 33.3 million elderly and disabled Americans, according to participants in the budget negotiations.

The proposals being considered would effect beneficiaries and health providers alike. And for the first time since Medicare was created in 1965, they would link the program to incomes, forcing higher-income retirees to pay more than poorer seniors.

One Democratic proposal envisions savings $72.3 billion from the program over five years. And Republicans are pressing for big Medicare savings too.

"Medicare will have some very major changes," Rep. Bill Frenzel (Minn.), the ranking Republican on the House Budget Committee, predicted yesterday.

Under the Democratic plan, $28 billion would come from cuts in payments to providers, $27.1 billion would come from linking premiums to beneficiaries' incomes and $17.2 billion would result from changes that would require beneficiaries to pay higher out-of-pocket costs.

But concessions on Medicare are likely to make Democratic lawmakers even more reluctant to accept Republican proposals such as the capital gains tax cut, which would primarily benefit wealthy Americans.

"I don't think anyone questions that some savings in the Medicare program are needed, but it is a question of balance," said Robert Greenstein, director of the Center on Budget and Policy Priorities. "I don't know how budget negotiators can ask elderly people to sacrifice while proposing a capital gains tax cut."

Eugene Glover, president of the National Council of Senior Citizens, said the proposed changes would "shred the Medicare program and destroy needed health care protection for older Americans. . . . Seniors didn't cause this deficit, they shouldn't be asked to pay more than their fair share."

Budget negotiators have focused on Medicare because its cost has ballooned to $105.4 billion a year and it is the fastest growing part of the federal budget. Without any changes, Medicare would grow at 12 percent to 13 percent during the next fiscal year.

That also means that every cut in the program in the first year is magnified into greater deficit reductions in later years of the budget agreement. Plans to save money from Medicare also address concerns about throwing the economy into recession. Even with changes in Medicare, the program spending will increase somewhat faster than inflation, one administration official noted.

Rising Medicare costs are being driven by rising medical costs, by new medical technologies for treating the elderly, and by the growing number of senior citizens. Even if the proposed savings are enacted, there will be pressure to overhaul the system.

Medicare has two parts. Plan A covers hospital costs and comes from a trust fund. Although long in surplus, that trust fund is running a deficit now and is expected to be depleted just after the turn of the century.

Plan B covers physicians' bills and participation by senior citizens is voluntary. Initially, premiums paid by beneficiaries covered half the cost of the program and general tax revenues covered half the cost. But the government subsidy now covers three-quarters of the cost and is projected to grow to 88 percent by the end of the decade.

"I consider the fundamental design of the Medicare program to be unsustainable," said Deborah Steelman, a lawyer heading a commission named by President Bush to examine Medicare reform. She noted that an increasing number of physicians and health groups are refusing to accept Medicare patients.

Meanwhile, however, the size of the program means that cuts in Medicare could affect as many senior citizens as cuts in Social Security payments—and could be just as sensitive a political issue. Families USA, a national seniors watchdog group, has called Medicare cuts "nothing more than a Social Security COLA cut in disguise."

Linking higher Medicare premiums to the ability of beneficiaries to pay would address the concerns of many senior groups about low income earners. But a similar plan last year that would have raised premiums paid by high-income senior citizens in order to provide catastrophic health insurance for all aroused such sharp criticism that lawmakers beat a hasty retreat.

"I'm glad to see they're thinking about income sensitivity, but you also need to be politically realistic * * *" said Phyllis Torda, the health policy director of Families U.S.A.

Sen. Harry Reid (D-Nev.) yesterday called the proposal to link Medicare premiums to the beneficiaries ability to pay "the Son of Catastrophic. * * * It's the same old song with new set of lyrics, but it's still off-tune and way off-base."

But Frenzel said that boosting Medicare premiums for Plan B would not provoke the same outrage because participation in the plan is voluntary. And, said Frenzel, "We're not asking for anybody to pay for anyone else's benefits."

The PRESIDING OFFICER. The Chair recognize the Senator from Vermont [Mr. JEFFORDS].

MOTOR VEHICLE FUEL EFFICIENCY ACT

Mr. JEFFORDS. Mr. President, I rise to discuss the pending legislation, in particular the Bryan bill on CAFE standards, and I rise in support of that bill.

Because motor vehicles consume about half of the petroleum product used in this country, it is imperative that our vehicle fleet be as efficient as possible. The Bryan bill would mandate incremental improvements in corporate fuel economy standards.

To their credit, auto makers have made great strides in fuel economy improvements over the past decade. But it also should be recognized that the CAFE Program has been an important force behind these efficiency gains.

And it may be more than coincidental that as the CAFE requirement has leveled off, the efficiency improvements have leveled off.

The Bryan bill would raise the CAFE standard 20 percent above the actual fuel consumption levels of 1988 model vehicles, effective model year 1995. The bill requires model year 2001 cars to be 40 percent more efficient than the 1988 vehicles. Proportional improvements in pickup and passenger vans are also required.

No one is saying that this will be easy. Although a recent report by the Office of Technology Assessment points out several techniques that are currently available to improve auto efficiencies to the 33- to 34-mile-per-gallon level, OTA's assumptions have been questioned, and its conclusion leaves little margin of error for automakers. However, it also should be remembered that OTA only considered currently available technologies, and those not being looked at will hopefully be available later.

There are plenty of car lines that already exceed the government mandated CAFE level. At issue is whether consumers will purchase sufficient volumes of cars that exceed the standard to compensate for those cars that do not meet the standard. Judging by the OTA report, car makers will need to increase their efforts to maximize the fuel economy potential of each car line.

I think we can meet the standards set by the Bryan bill. I and wish to point out a few provisions of current law that provide some margin of error.

First of all, the Bryan bill makes no change in current law that allows auto manufacturers to earn credits for exceeding the yearly CAFE requirement. Since the current standard is not modified legislatively until model year 1995—although it remains subject to modification by the Secretary of Transportation—aggressive carmakers should be able to earn some level of a cushion in model years 1992-94 that can be carried forward to 1995, when the Bryan bill becomes effective. Additionally, credits can be carried back 3 years, meaning that car makers are given 3 years to make up for years in which the standard is not met and loss ground they suffered.

Provisions of the so-called Rockefeller-Sharp law provide an additional credit for auto makers who produce vehicles that are powered by alternative fuels. While the maximum impact is capped at 1.2 miles per gallons, there seems to be healthy market growing for flexible fueled vehicles, with CAFE credits available for sales of such vehicles.

For cars with a wheel base less than 100 inches, the bill allows a credit of 10 percent if such cars are equipped with driver- and passenger-side airbags. Five percent is allowed for a driver-side only air bag.

In sum, Mr. President, many available technologies have been identified to improve fuel economy. Many promising technologies are on the horizon. The bill provides credits and incentives to allow some wiggle room if the standard is not strictly met in the first year of implementation.

But by far, the most important factor will be consumer choice of automobiles. Promotional efforts by automobile makers will have a role in influencing behavior, although this is difficult to quantify.

Directly related operating expenses, most importantly—the cost of gasoline, should continue to play a role in influencing consumer choice.

As we are so well aware, international factors and market behavior makes it difficult to predict how gasoline prices will change over the next few years. State and Federal Governments may also weigh in on the issue of gasoline taxes, with our actions indirectly affecting consumer choice in automobiles.

The Bryan bill will not make it easier for the automobile industry. But the economic ramifications of increased oil imports, and the environmental effects of burning this commodity, make it important that the Senate consider and pass a bill to mandate improvements in automobile fuel efficiency.

Mr. President, as we go into more detailed debate of the provisions of the Bryan bill, I think we should remain mindful of our underlying goals of reducing our dependance on imported oil and reducing pollution. I have no problem with encouraging greater fuel efficiency in automobiles, but we limit ourselves by just emphasizing automobiles. The Senator from Michigan has brought forth reasons why we should also look to other answers. And I certainly do not disagree with him on that aspect.

Certain provisions of the clean air bill begin to explore the potentials of looking at the fuel side of the equation. Requirements for reformulated gasoline, higher oxygen levels, lower RVP and alternative fuels programs for city buses and urban fleets are a few of the examples. But still we need to go further.

In the late seventies, reeling from oil embargoes and the like, we experimented with encouraging production of alternatives to gasoline through programs such as the Synthetic Fuels Program.

Unfortunately, this program was doomed when oil prices dropped, necessitating huge subsidies for Synfuels, Corporation products if it were to be used. Its reliance on the security of subsidies would doom it again today.

And I would agree with the Senator from Oklahoma who preceded me, who pointed out the high cost and really the waste of that program.

Another approach, which must be examined, is more along the lines of what Brazil did in the seventies and is increasing today, namely to create a demand for alternative fuels by requiring a certain percentage of fuel alternatives as a percentage of the total fuel mix. Mandating that an increasing percentage of our national gasoline inventory be supplied from renewable sources could go a long way toward encouraging a number of alternative supplies that are environmentally advantageous. Other indigenous resources, such as natural gas, shale and tar sands must also be considered to reduce our oil imports. Under this kind of a system, the market would determine what that mix would be. But we would mandate the percentage and then let the market decide what is the most efficient and effective way in order to reach that law.

This approach will not require tax subsidies; no tax subsidies at all. Of course, depending upon the price of oil, additional costs will be made, depending upon the price of the alternatives, and this would be passed on to the consumers.

I would point out that it is my understanding, from looking at the cost effective measures of costs with respect to alternatives, that present oil prices are such that little or no costs would be passed on to the consumer.

At the same time, we must also explore and emphasize more environmentally sound options such as electric cars, photovoltaics, fuel cells, and hydrogen to reduce fossil fuel consumption.

The Department of Energy is scheduled to release its recommendations for a national energy plan later this year. I expect that many Members of this body will also have their own ideas on what we ought to do for a new energy policy to get us out of the difficulties we face today. I certainly will. As we work in this direction, it is important to remain mindful of our dual goals of reducing pollution and decreasing our dependence of imported oil.

Of immediate concern is the potential for increasing the fuel efficiency of automobiles. I urge support for the Bryan bill.

The PRESIDING OFFICER (Mr. GRAHAM). Who seeks recognition?

The Senator from Connecticut.

Mr. LIEBERMAN. Thank you, Mr. President.

Mr. President, I rise to speak in favor of the bill introduced by Senator BRYAN, of which I am privileged to be one of the original cosponsors, and to urge that we do indeed proceed. The time is now. The time has been, for a long time, but it is certainly now.

I commend my colleague from Nevada, my friend, my classmate, if you will, for his leadership on this issue and for his foresight in bringing forth a very tangible response to the Nation's energy and environmental problems.

There is a lot of rhetoric around on both of these subjects. But if we are looking to do something that is real, and soon, this is the bill. This year, as we all know, Congress crafted a Clean Air Act. We debated and voted on many critical issues which affect different parts of our country, such as smog, acid rain, and the visibility of our national parks.

Many of us argued at that time that it was also important to do something about carbon dioxide emissions, emissions which affect not only regional interests, but the future environment of our entire planet. We argued that this is a subject about which the American public is most intensely concerned. And that may surprise some people, because it is easier to be aware of and bothered by local problems.

But the fact is that some public opinion polls indicate that global climate changes, the threat of a warming Earth, is the single environmental problem about which Americans are most concerned. And it is that aspect of this bill, that benefit from this proposal, that I want to dwell on. It obviously has tremendous consequences, positively, for energy conservation.

But this bill will also have tremendous positive effects on the quality of our environment, because by drastically reducing carbon dioxide emissions from automobiles, it gives us an important opportunity to quite literally save the planet from the effects of global climate change.

Prime Minister Brundtland of Norway, I think said it well when he said:

> The importance of climate change may be greater and more drastic than any challenges mankind has faced, with the exception of nuclear war.

The speed with which we humans are affecting our environment is truly frightening. Only 10 generations ago, which is three lifetimes, the industrial revolution gave us the machines and technology that forever have changed the way we not only live, but the way we relate to our natural environment.

In the vast history of our planet, this time period is clearly only an instant, and yet in that instant we have changed not only the way we relate to the environment, but we have begun to fundamentally threaten and change the environment itself.

In a handful of generations, our scientists are now telling us, we have unleashed a potentially lethal mix of pol-

lutants into our atmosphere which will literally—not just symbolically, but literally—threaten us for generations to come.

Nothing in human history provides us with precedents to deal with this kind of threat. But the bill before us allows us to act decisively and responsibly to address global climate change by significantly reducing carbon dioxide emissions.

Carbon dioxide is, everyone agrees, a dangerous greenhouse gas. It accounts for almost 50 percent of the gases that contribute to global warming. The United States, with about 5 percent of the world's population, generates about 25 percent of all worldwide manmade emissions of carbon dioxide. We are doing more than our part, unfortunately, to pollute the atmosphere.

Transportation accounts for almost one-third of all of the American carbon dioxide emissions. Remarkably, we in this country generate more CO_2 emissions from motor vehicles than most other developed countries produce from all sources. Again, I am not just talking there about undeveloped countries. I am saying that from automobiles, motor vehicles, we generate more carbon dioxide than most other developed nations from all sources.

This bill is the biggest single step that we can take to control the carbon dioxide emissions that contribute to global warming. It would reduce those emissions by 500 million tons per year by the year 2005. So, in my opinion, the importance of this piece of legislation cannot be overstated.

The testimony of scientific experts suggests that it is time for us to act on this problem. I know there has been an appearance of a lot of debate in scientific circles about CO_2 and its relation to the warming of the planet. But it is important to distinguish between levels of debate. The truth is there is little or no real debate in the scientific community about the reality of global warming. Everybody agrees it has happened. In fact, there is remarkable agreement that the threat from global warming is real. The debate is over the rate at which global warming is occurring. Some members of the scientific community believe that the recent increase in CO_2 emissions worldwide supports the conclusion that we will see significant global warming in the next 50 years. Others argue that the data is insufficient to reach that conclusion and that there is a need for more study. But those who argue for more study today are themselves out of step with the great preponderance of world scientific opinion.

Earlier this year, 49 Nobel laureates and 700 members of the National Academy of Sciences, called on Members of Congress to act as soon as possible to prevent the warming of the plant. In May of this year a panel of scientists, in a report prepared for the United Nations' Intergovernmental Panel on Climate Change, warned that unless emissions of carbon dioxide and other harmful gases are immediately cut by more than 60 percent, global temperatures will rise sharply over the next century with unforeseeable consequences to humanity.

I think it is important to state that as the debate, at least to the media, warmed up—no pun is intended—over whether there was global warming, people kept pointing to this United Nations report and said wait until that report comes out. That report came out a few months ago, and it sided conclusively with those who say there is a real threat of global warming and that threat is now. That report was adopted by delegates from 39 countries, and it said that scientists were "certain" that emissions of CO_2 were enhancing the greenhouse effect and, if nothing were done, the global mean temperature could rise 5.4 degrees Fahrenheit by the end of the next century. It says that in that case, ocean water would expand and ice at the poles would melt, raising the level of the sea by as much as 25.6 inches. That would be enough to submerge the Maldives and inundate the coastal planes of Bangladesh and The Netherlands, according to oceanographers. Those are obviously real and very, very serious consequences.

An average temperature rise of only 5 percent Fahrenheit could, in addition to causing the thermal expanding of oceans, cause the melting of land-based ice and increase sea levels by 2.5 feet, which is more than enough to flood vast unprotected coastal lands, inundate low-lying areas, erode shorelines, worsen coastal flooding, and increase the salinity of rivers, bays, and aquifers.

The cost of holding back the sea in countries such as The Netherlands and ours—where a large proportion of the population lives in coastal areas and the movement of the public towards coastal areas continues dramatically in our country—cannot even be estimated at this point.

The final point I want to make about the devastation from global warming is that it is not only an environmental issue, it is a public health issue. We have become accustomed to the descriptions of the parade of ecological horrors that climatic change could bring such as those I just mentioned—storms, rising ocean levels, drought—but a study by the Public Health Service of our Government alerted us to something more pervasive and in a way perhaps more real to each of us and that is a massive and unimaginable threat to our public health and the fact that that threat is existing now.

The findings of the Public Health Service report are startling. They point out that in 1980, 1,700 deaths in the United States alone were attributed by physicians to environmental heat. Since then, the Public Health Service notes there has been a steady increase of heat-related deaths and that these numbers "seriously underestimate the true extent of mortality and serious morbidity caused by high temperatures." In other words, unfortunately, we do not have to wait to see if our polar icecaps really will melt during the next century. The Public Health Service is telling us that we have a public health problem now from environmental heat.

Mr. President, all of this is what we have the opportunity to stop, to stall and, hopefully, to overcome, by taking an enormous step forward in the effort to control carbon dioxide emissions by adopting this bill. In addition to all that, I think the public here may well be ahead of the politicians. Though public opinion polling is an inexact science, it provides us at least with a picture of what the American people may be thinking. I was interested, at the end of last year, to read the results of a poll that was taken by a gentleman who actually is the chief pollster for President Bush. He asked voters about automobile fuel economy standards. The question was: "Would you favor or oppose an increase in Federal fuel economy standards for auto companies requiring that cars, on average, get 45 miles to a gallon by the year 2000?" That is 5 miles a gallon less than this bill would provide for.

The response was overwhelming. Fifty-one percent of the voters surveyed strongly favored the increase in fuel economy standards and another 27 percent said they favored those increases. That is 78 percent of registered voters surveyed.

I know there are questions that are always raised about these changes, about whether the public is willing to accept the increased costs that would be involved and whether there might be a political backlash to the increased costs that would result from producing more fuel-efficient cars.

Here is another question Mr. Wirthlin asked: "Would you pay $500 more for a 45-mile-per-gallon car, knowing that the added money would be recovered in 4 years through fuel savings?"

The response here again was overwhelming. Eighty-three percent of the registered voters in America who were polled said they were willing to pay that extra $500 for cars that achieved 45 miles per gallon.

Mr. President, I know, as so often happens when we in this body attempt to be instruments of change through the law, those who are being asked to change resist. That is a human impulse. It is natural. But that is why we pass laws, to bring about change that is necessary. In this case I believe the

American people truly want the change.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, I rise today in strong support of the Motor Vehicle Fuel Efficiency Act of 1990. I believe this is an extremely important piece of legislation for the future of both our environment and our national energy needs.

I would like to begin my remarks by commending my colleague, Senator BRYAN, for all of his hard work, and I am pleased to be a cosponsor of this bill. His leadership has been crucial in moving this bill to the floor. I also would like to extend my appreciation to Senator GORTON, the ranking member, who has devoted an extensive amount of time to this bill.

Our State, Washington State, is facing some very difficult transportation and pollution problems which result from tremendous population growth in our urban areas. A great deal of this is directly connected to the automobile. I am pleased that Senator GORTON is supporting this positive legislation, and he deserves our thanks.

This bill has a very familiar ring to it. Or as Yogi Berra was so fond of saying, "This is deja vu all over again." In 1974, I was serving on the House Commerce Committee when we passed the bill; and later, I was Secretary of Transportation as we started to implement it with regulations. I can testify that hell on Earth is having to administer laws that you have passed. Because we had to fight the same battles all over again that we had fought in the Congress. These are the same battles with the auto industry that we are fighting today.

To provide a little prespective on the situation, in 1975, the average car used 13 to 14 miles per gallon, and that was the best they said they could do. In 1977, 6 months after I become Secretary, we issued fuel economy standards to be reached by 1985. These new standards required that 1980 cars meet a level of 20 miles per gallon. This goal was unheard of at that time. Standards were gradually increased, at the request of the industry, to 27.5 miles per gallon by 1985.

There have been other Secretaries since then, and there has also been a continuous effort by the American auto industry to change the pattern of development set forth. This was also true with regard to automatic safety restraints. The automobile industry fought that battle too. In fact, I ended up as a defendant before the Supreme Court as Secretary of Transportation because I had put airbags and passive restraints in automobiles.

Automatic safety restraints are how you make automobiles safe; not as one of my colleagues said today by building an M-1 tank. You protect the occupant, and we knew how to do that. The first Secretary who came in after me promptly refused to implement these restraint regulations. But we did prevail, and now you do see airbags beginning to appear. I will never forget the first person who came into my office and said, "You know, I was in a car with four other people. We had a head-on collision with the other car. I am the only one left because I was the driver and I was behind an airbag."

Mr. President, in 1977, the industry fought the new standards with great vigor. They argued, and it was true to a great extent, that technology was not available in the United States to meet these standards. They complained that the standards would raise the average cost of a car by thousands of dollars, putting them out of the price range for average Americans.

After losing the battle in 1977, the auto manufacturers returned in 1979 to challenge a Department of Transportation report, a report which we ordered, indicating that manufacturers could meet the deadline. They were unsuccessful once again, but in the meantime, the German and Japanese manufacturers were going way beyond these standards and were increasing the quality and the size of their cars.

I am very proud of the strides this Nation made in the 1970's toward the production of more fuel-efficient cars. Many of my colleagues this afternoon have pointed out the environmental effects, the national security effects, the safety effects that this bill carries, so I will not repeat them but simply say that they are absolutely correct. They would have been correct in 1975, and they are absolutely correct today. I am pleased and proud that the progressive people in the U.S. auto industry rose to the challenge and have made some great strides over the years. Today we have better, more fuel-efficient cars than we had in 1977.

They did have the technology. It was the marketing department that always said we do not want to try any of these new things, but, believe me, the auto industry did have innovative technological ideas, and they still do, Mr. President. Such things as ceramic engines, other types of fuel-efficient engines have existed for many years.

So why are we in trouble? Unfortunately, in the 1980's, the Government's approach to the problem was back to business as usual. I have mentioned that there was a challenge to the airbags. When the memories of the oil crisis of the seventies faded, President Reagan extended the deadlines for complying with the fuel-efficiency standards, and that began to unravel the 1977 system. He also virtually eliminated funding for a very important element of our program—a very important element—the Department of Transportation research program, which monitored industry progress and provided information to the Government regarding the industry's ability to meet new requirements.

I had requested funding for this research because I had asked the U.S. industry, in a speech in Detroit, to reinvent the automobile. This was greeted with a barrage of cartoons, hoots, and lecturing that it could not be done. Since then that criticism has died out under the barrage of German and Japanese cars that are both inexpensive and luxury models. Competition, as well as Government regulations, made it necessary for the industry to start to change its ways.

Mr. President, today we are back again looking to the future with new fuel-efficiency requirements for the industry. And, once again, the industry is arguing that they do not have the technology and the changes would be too costly. Once again, we must send the auto manufacturers the message that fuel-efficient cars are absolutely necessary. If they just kept moving in the 1980's on their own, or even with a little Government push, the dramatic changes that are proposed in this bill would not have been necessary.

Mr. President, I would like to touch briefly on the allegation that promoting fuel economy degrades auto safety. Let me put that allegation to rest. To be blunt, it is totally wrong.

As Secretary of Transportation, I oversaw the DOT research safety vehicle program, and it was concluded in the 1970's that we could build a five-passenger, 43-mile-per-gallon car with a level of safety significantly greater than is available in any car on the road today. I want to repeat that: A five-passenger, 43-mile-per-gallon car could be built with a level of safety greater than available with any car on the road today.

I went to Germany and rode in one of the cars that they had in their wind tunnel, a turbocharged diesel that could meet the fuel and comfort standards that are being proposed today. They decided they were not going to market it right then in the United States.

Let me make it clear. Some real improvements in CAFE have come from technical and must come from technical innovation, not just shifting to small cars. When Congress set standards in 1975, the average new car got 13.8 miles-per-gallon and the death rate on the highways was 3.6 fatalities per 100 million miles traveled.

By 1989, new fuel car economy standards had more than doubled to 28 miles-per-gallon, while highway fatalities dropped by 39 percent or 2.2 per 100 million miles.

The evidence is irrefutable. Auto safety and fuel economy can, indeed, work hand in hand. Manufacturers

were saying the only way you could have safety was with crush-proof or crush-resistant type vehicles, the dropping of engines and so on. We said protect the passengers with passive restraints, and that is what was done. That is why these fatalities are going down.

There are two major reasons that we must pass this legislation now. First, we must decrease our dependence on foreign oil. The recent invasion of Kuwait by Iraq provides strong evidence of that need. In 1978, 47 percent of our oil was imported. If our consumption continues at projected rates, the United States will be relying on foreign sources not for just half of our oil as we are now, but by over 55 percent by the year 2000, and over half our oil consumption, as we have heard from other Members, is used in transportation with the automobile.

By passing the Bryan bill, we will be able to save a tremendous amount of oil. The projections are 15 billion barrels by the year 2020.

The second reason for supporting this legislation is protecting our environment.

Currently the United States, as we have heard from other Members, is the single largest contributor of carbon dioxide emissions worldwide. This is a sad statistic. As a Congress and as a nation, we are becoming increasingly concerned about the problem of global warming. We do a lot of talking about the problem. It is time to quit talking and begin taking action.

This bill is an opportunity for our Nation to start dealing with global warming problems and provide a good example to other nations. In fact, the Department of Transportation calculates this legislation will provide a 483 million ton reduction in carbon dioxide emissions. This bill and other conservation measures are also the best way to take pressure off drilling incentive areas, whether it be the Arctic National Wildlife Refuge or offshore drilling areas.

I encourage my colleagues to support this bill, to take the next step down the road to a national energy policy and to a healthier environment. I think Senator BRYAN and others have done a great service to bring this bill to the Senate. I wish we had maintained the momentum that we had in the seventies. But let us seize this opportunity to build it back up again. We can do it. If we do not, the other nations of the world will show us how to do it. So for safety, for a cleaner environment, for national security, and for the good of our industry let us pass the Byran bill. I urge my colleagues to vote for it. I yield the floor.

The PRESIDING OFFICER (Mr. LAUTENBERG). The Senator from Kentucky.

Mr. McCONNELL. Mr. President, we are in morning business.

The PRESIDING OFFICER. The Senator is correct; we are.

FCC AUDIT OF POLITICAL ADVERTISING

Mr. McCONNELL. Mr. President, shortly the Senate and House will go into conference on the campaign reform bill. I wanted to make a couple observations of recent developments which bear on this most important subject.

I have said for almost 3 years now that the single most significant thing we could do to improve the system that would not tilt the playing field in the direction of either party is to do something about the outrageous cost of broadcast advertising. There is further evidence, Mr. President, that political candidates are not getting the discount they are entitled to under existing law. Existing law, of course, is completely inadequate to provide any relief.

Mr. President, I want to share with my colleagues the results of a recent FCC audit which analyzed how television stations in five media markets are treating political candidates. During our debate on campaign reform, many may recall, as I said a few weeks ago, my frequent statements on the importance of lowering broadcast costs for candidates. In my opinion, there is no more important issue in campaign finance.

The primary reason we are under pressure to raise so much money for campaigns is the ever-escalating cost of television. In my own State of Kentucky, for example, advertising costs have doubled since I last ran in 1984, in a decade of low inflation. I challenge anyone to find another commodity or service which has doubled in price during the 6-year period, and I suspect, Mr. President, in many States the prices have much more than doubled.

Current law requires broadcasters to provide a discount for television and radio time 45 days before a primary and 60 days before a general election.

While this provision was enacted in 1972, with every good intention, the broadcasters have largely ignored the spirit, if not the letter, of this statutory requirement. Many Senators have been complaining that we have been paying too much for television advertising. They are right. But until recently no one could actually document the case. The FCC, to its credit, decided to do an audit of the charges for political advertising in several randomly selected media markets. The purpose was to assess compliance with the broadcast discount requirement I mentioned earlier.

The audit was conducted over the summer in five media markets; Cincinnati, Dallas-Fort Worth, Philadelphia, Portland, and San Francisco. In its audit the FCC examined the sales practices of 30 radio and television stations in these five media markets.

The FCC released its preliminary findings last Friday. The audit staff concluded that "certain industry practices are not in compliance with the law, and that political candidates have paid higher prices than commercial advertisers at a majority of the stations," exactly the opposite of what the law requires.

Here are the highlights, Mr. President, of the audit. At 16 of the 20 audited television stations, candidates paid more—the law requires the opposite—for broadcast time than commercial advertisers in almost every time period.

In one city, all candidates paid more than the highest rate paid by any commercial advertiser during a 1-week period. On average, Mr. President, candidates paid $6,000 for a 30-second television spot, while commercial advertisers paid an average of $2,713 for the same spot. During 1 day part, candidates paid $5,500 for a 30-second spot, while commercial advertisers were charged a maximum of $3,000.

At one television station, all candidates were charged $1,000 for a news adjacency at the same time commercial advertisers were charged between $575 and $2,550 for spots running in the same news program.

Many of the broadcasters admitted to the FCC that there is a process of negotiation between the stations and commercial advertisers which does not occur, I repeat does not occurr, in dealings between broadcasters and their political customers.

In fact, the FCC found that at least one-half of the television stations which were audited do not provide any information on the rates they charge commercial advertisers. This is significant because the broadcast discount is based on the lowest unit charge provided to commercial advertisers. Instead, Mr. President, these stations negotiate with corporate customers and follow a take-it-or-leave-it policy with political advertisers.

Mr. President, this FCC audit just confirms what many of us have been saying about the high cost of political advertising. Unless we lower these costs in an effective manner, there is no justification for claiming that we have improved the campaign finance system.

Unfortunately, the campaign finance bills which have passed the Senate and House are not likely to become law this year. In fact, it is a certainty they are not going to become law.

The President has made it clear he will veto any bill which contains taxpayer financing and spending limits.

He is absolutely correct to do that. I do not think we should adjourn this year, however, without a serious effort to reform the campaign finance laws.

Since it seems unlikely that we will be able to reach an agreement with our colleagues on the other side of the aisle on any type of comprehensive legislation, then I think we should at least try to strengthen the broadcast discount for the 1992 elections.

A meaningful broadcast discount will reduce campaign costs by as much as 25 percent for the next election cycle. We need to address this issue before the next election cycle if we fail to enact a comprehensive solution.

Because of this concern, I want to take this opportunity to inform the Senate of my intention to offer a broadcast discount amendment to the upcoming motor voter legislation.

The FCC's report demonstrates the urgency with which we must act to lower broadcast costs; 1992 is going to be a watershed election for both parties and we would be remiss if we did not try to improve at least this part of our campaign finance system.

Mr. President, I ask unanimous consent that the full text of the FCC audit of political advertising be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

FEDERAL COMMUNICATIONS COMMISSION,
Washington, DC, September 7, 1990.

POLITICAL PROGRAMMING AUDIT

The Mass Media Bureau is issuing the attached report on a political programming audit of thirty television and radio stations which began on July 16, 1990. The purpose of the audit was to assess the broadcast industry's compliance with the political programming law, particularly the obligation to charge candidates the "lowest unit charge" pursuant to Section 315(b) of the Communications Act. The audit analyzed the sales practices of stations located in: Cincinnati, OH, Dallas-Fort Worth, TX, Philadelphia, PA, Portland, OR, and San Francisco, CA.

It appears from the audit that certain industry practices are not in compliance with the law, and that political candidates have paid higher prices than commercial advertisers at a majority of the stations. For example, in one of the markets, all candidates paid in excess of the highest rate paid by any commercial advertiser during nine television dayparts or program periods in a single week. During a particular dayparts at one of these stations, candidates paid $5500 for a 30-second spot, while commercial advertisers paid no more than $300 for a 30-second spot. At a number of the stations, the Bureau found practices which appear inconsistent with other political programming rules. The report makes no final determinations with respect to any specific violations by individual stations.

Our purpose in releasing the attached audit report prior to the 1990 general election is to assist the broadcast industry in conforming its practices to the intent of Congress. The Report describes political programming requirements in several areas. Regarding the lowest unit charge requirement, the Bureau emphasizes the need for complete disclosure to candidates of all information necessary to facilitate informed decisions about the purchase of time. The Report states that no new classes of time for candidates may be established which result in higher rates. Broadcasters are also reminded of their obligation to maintain a political file which is current, complete, and self-explanatory. In addition, except for news programming, broadcasters may not establish restrictions or limitations in advance when selling or furnishing time to federal candidates.

For additional information, contact Milton O. Gross at (202) 632-7586.

MASS MEDIA BUREAU REPORT ON POLITICAL PROGRAMMING AUDIT

On July 16, 1990, the Mass Media Bureau initiated an audit of thirty television and radio stations to assess the broadcast industry's compliance with the Commission's political programming rules, especially the lowest unit charge requirement. The stations were located in: Cincinnati, OH, Dallas-Fort Worth, TX, Philadelphia, PA, Portland, OR, and San Francisco, CA. The purpose of this report is informational in nature. Our preliminary review of the information collected during the audit suggests that certain industry practices may not be in compliance with the law, particularly the "lowest unit charge" provision of Section 315(b) of the Communications Act of 1934, as amended, 47 U.S.C. Section 315(b). The report makes no final determinations with respect to any specific violations by individual stations. Our purpose in releasing this report at this time is to assist the broadcast industry in conforming its practices to mirror the intent of Congress. As will be set out more fully below, the most significant finding of the audit is that, at a majority of the stations, political candidates have paid higher prices than commercial advertisers because sales techniques encouraged them to buy higher-priced classes of time. The following is a statement of the law, a preliminary report of our audit findings, and tentative recommendations for assuring future compliance.

I. THE STATUTE AND LEGISLATIVE HISTORY

Section 315(b) directs broadcasters to charge legally qualified candidates for public office the "lowest unit charge" (LUC) of the station for the same class and amount of time for the same period during the 45 days preceding a primary election and the 60 days preceding a general or special election. When a candidate purchases time outside these specified pre-election periods, the charges "shall not exceed the charges made for comparable use of such stations for other purposes." Section 73.1940(b) of the Commission's Rules states, in part, that "[a]ll discount privileges otherwise offered by a station to commercial advertisers shall be available upon equal terms to all candidates for public office." 47 C.F.R. Section 73.1940(b).

The "comparable use" provision was enacted in 1952 in an effort to eliminate high "political rates" for the use of the electronic media. Congress added the "lowest unit charge" provision in 1972 as part of a plan "to give candidates for public office greater assess to the media and . . . to halt the spiraling cost of campaigning for public office." S. Rep. No. 96, 92d Cong., 1st Sess., (1971), reprinted in 1972 U.S. Cong. & Ad. News 1773, 1774. Congress intended the lowest unit charge provision to "place the candidate on par with a broadcast station's most favored commercial advertiser." *Id.* at 1780. Congress also thought that limiting this requirement to the specified 45 and 60-day pre-election periods would encourage shorter campaigns and further lower campaign costs. *Id.* at 1781.

II. COMMISSION AND JUDICIAL PRECEDENTS

In implementing the 1972 amendments, the Commission issued a Public Notice explaining that "class" of time refers to a station's rate categories, such as fixed, preemptible, run-of-schedule (ROS) (carried at the station's convenience, without any guarantee of placement) and special rate packages, "amount of time" refers to the length of time purchased, such as 30 seconds, 60 seconds, five minutes and one hour. "Same period" refers to classifications of time within a broadcast day established by the station, such as prime time or drive time. *Use of Broadcast and Cablecast Facilities by Candidates for Public Office,* 34 FCC 2d 510 (1972) ("1972 Public Notice"). The 1972 Public Notice also specified that a station's LUC is the lower of either the rates that appeared on its rate card or that were offered or actually charged. Rate changes that occurred as a result of "normal business practices" of the station, such as seasonal changes or changes based on audience ratings, would be valid bases for price differentials within the same class of time. *Id.* at 525.

In *Hernstadt* v. *FCC,* 677 F.2d 893, 897 (D.C. Cir. 1981), the court of appeals stated that the 1972 amendments "were viewed as providing an additional break for candidates" and ruled that the LUC provision entitles all candidates to buy ROS and preemptible spots when the station offers them to commercial advertisers. The court reasoned that these types of spots are not only classes of time, but also constitute discount privileges, which must be offered to all candidates. The court observed: "If broadcasters have total discretion to define 'class of time,' . . . they will be free to return to pre-1952 rate discrimination simply by defining a 'political' class of time, with higher rates than other classes, and then offering candidates only 'political' time." *Id.* at 900. Thus, under *Hernstadt,* broadcasters do not have complete discretion to define "classes" of time they offer to candidates, thereby excluding candidates from the discount privileges offered commercial advertisers.

In 1988, the Commission clarified the LUC provisions based on the industry's current sales practices. *Public Notice on Lowest Unit Charge,* 4 FCC Rcd 3823 (1988). The Commission recognized that commercial advertisers buy preemptible time almost exclusively. Preemptible time, less expensive than non-preemptible time, is offered at price levels that can change often, even weekly, in response to supply and demand. The Commission also noted that stations often sell commercials during a given time period on a weekly rotation basis. Under such selling practices, the LUC must be the lowest rate any advertiser has paid for preemptible time that has "cleared" the time period during a given week. LUC for television prime time may vary program to program since individual programs may be considered separate periods of time based on the variation in audience ratings. The Commission's Public Notice also recognized broadcasters' widespread use of "make goods" to replace an advertiser's preempted spot in lieu of giving a refund. The Public Notice stated that broadcasters must offer candidates make goods prior to elections if

they afford commercial advertisers make goods on a time-sensitive basis.

While the Commission has not had the opportunity to review this matter, we note a recent Mass Media Bureau action in this area. The Bureau issued a Notice of Apparent Liability (NAL) to a broadcaster whose published "political" rate card offered candidates only two rates, low-priced preemptible spots referred to on the political rate card as the "lowest unit charge" (LUC), and non-preemptible "fixed" spots available at a rate often two times higher than the LUC rate. *Outlet Communications, Inc.*, 5 FCC Rcd 2835 (M.M. Bur. 1990). The Bureau determined that the station's failure to include on the political rate card a higher, immediately preemptible rate that was available to commercial advertisers apparently constrained candidates to purchase the more expensive fixed class of time to guarantee clearance before the election. The Bureau's analysis of time purchases on the station during the pre-election period revealed that every political candidate purchased only fixed-rate spots whereas every commercial advertiser purchased only less expensive preemptible spots. The Bureau concluded that the station's failure to offer candidates the higher priced level of preemptible time, which was less likely to be preempted than the LUC spots offered political candidates, apparently forced candidates to buy at fixed rates, in apparent violation of Section 315(b) of the Act and Section 73.1940(b) of the rules. The broadcaster has filed a response to the NAL and Bureau action is pending.

III. THE AUDIT

On July 16, and 17, 1990, Commission field inspectors obtained from the thirty selected stations the political files that every broadcasting station is required to maintain and any rate cards used in selling time to political or commercial advertisers during 1990. Additionally, each station was directed to respond to specific questions regarding its LUC calculations, classes and lengths of time offered, levels of preemptibility, "make good" policies, and rate changes. The Bureau also requested program logs for the 10-day period immediately preceding each state's most recent primary and all invoices for time sold during this 10-day period. The stations' replies to our inquiries and the remaining material were furnished by August 16, 1990.

We have learned a great deal about the sales practices of the audited stations. Most significantly we found that, at sixteen of the twenty audited television stations (80%), candidates paid more for broadcast time than commercial advertisers in virtually every daypart or program time period analyzed. Indeed, candidates sometime paid more than *every* commercial advertiser aired in the same dayparts. Candidates fared better on radio, paying more than commercial advertisers at only four of the eight audited stations that sold time to candidates. It should be noted that some stations' selling practices appear designed to ensure that candidates are, in fact, on par with most favored commercial advertisers. Among our representative findings from all five markets:

At fifteen stations, commercial rate cards are not published, but listed on "internal" documents as guidelines for negotiations with commercial advertisers, whereas political rates are published and do not appear to contemplate any process of negotiation.

All candidates paid in excess of the highest rate paid by any commercial advertiser during nine television dayparts or program periods, in a single week, in one city.

During a particular television daypart, candidates paid $5500 for a 30-second spot, while commercial advertisers paid no more than $3000. During a local news program on another television station, candidates paid an average of $4000 for a 30-second spot, while commercial advertisers paid an average of $1562.

Candidates paid an average of $6000 for a 30-second television spot, while the average cost of a commercial advertiser's 30-second spot during the same daypart was $2713.

All candidates paid substantially more than the lowest rates paid by commercial advertisers during twenty dayparts on both radio and television in a single market.

Every candidate paid $4000 for a 30-second "news adjacency" on one television station, while commercial advertisers that aired 30-second spots within the same news program paid between $575 and $2550.

A political candidate paid $750 for a 30-second spot during a one-hour afternoon program, while a commercial advertiser within the same program paid only $80 because its purchase was part of an overlapping preemptible rotation.

A candidate paid $120 for a 60-second radio spot while a commercial advertiser airing during the same daypart paid only $20 for a 60-second spot. At another radio station, during "morning drive time," some candidates paid as much as $150, for a 60-second spot, while commercial advertisers cleared at rates as low as $45.

All candidates paid $675 for a 30-second spot, while commercial advertisers that aired 30-second spots within the same program paid between $70 and $350. A candidate paid $4750 for 30-second spots that aired during the late evening news at another television station, while commercial advertisers paid as low as $2475 for a 30-second spot.

The primary reason for the disparity in commercial and political rates is the fact that candidates purchased time at non-preemptible "fixed" rates while commercial advertisers purchased time at "preemptible" rates. Stations reported to us that candidates choose to buy higher-priced fixed time to be assured that their advertising would air exactly as ordered. Because candidates and commercial advertisers buy different classes of time, broadcasters contend that their time purchases cannot be compared for purposes of LUC calculations. However, it appears that the stations' sales practices actually encourage candidates to spend more for advertising time by buying the higher-priced non-preemptible class of time, and effectively segregate candidates from commercial advertisers. Such sales practices frustrate the intent of Congress as reflected in the 1972 amendment of Section 315(b).

We believe that candidates' strong motivation to buy only non-preemptible spot advertising may be attributed to a lack of disclosure about a station's commercial sales practices, particularly the realities of preemptibility, make goods, and other available specialized discount packaging options. The political rate cards typically show only two rates, a low priced preemptible, sometimes called "lowest unit charge," which has little chance of airing, and the significantly higher non-preemptible "fixed" rate. The intermediate preemptible rates known variously as "prevailing" or "effective" selling levels that carry a high degree of certainty of being broadcast are not shown. A few political rate cards disclose only a "political" fixed rate. One station even specifies a "candidate fixed" rate. Although candidates are entitled to purchase at all interim preemptible levels, and the stations claim in their responses to the inquiry that candidates are free to buy all levels of preemptible time, these political rate cards fail to specify such information. Thus, generally, candidates may be unaware of the interim preemptible levels and consequently are steered in the direction of fixed time.

Compounding the lack of published information, many broadcasters state that there is a process of negotiation between their sales representatives and commercial advertisers, which seems not to occur in dealings with candidates and their representatives. The political rate cards do not generally reflect the availability, or nuances, of the myriad of discount package combinations provided commercial advertisers resulting from negotiation. The practical outcome of these negotiations is both lower rates for, and the arrangement of special packages suitable to, individual commercial advertisers. As further indication of this apparent lack of negotiation between candidates and stations, many stations, particularly television, establish commercial rates for "internal" use only, as a guide for negotiation with commercial advertisers. These stations appear to encourage negotiation with commercial advertisers and essentially adopt a take-it-or-leave-it policy with political candidates. Because candidates are induced to buy at fixed rates, the benefits of negotiating which occur at the preemptible level are not even contemplated.

The audit also indicates widespread confusion about the proper use of make goods for candidates. As stated previously, if a station ever provides a make good to a commercial advertiser on a time-sensitive basis (prior to a sale or event or for any reason), it must accommodate all candidates similarly by arranging make goods for preempted material prior to election day. The Commission believed this would greatly enhance the value of preemptible time to candidates by alleviating some of the fear that their advertising would not be broadcast before the election. The audited stations generally appear to have misunderstood the meaning of the 1988 Public Notice. They argue that as a rule, they do not guarantee make goods to commercial advertisers. However, the LUC was intended to accord candidates the same treatment as a station's most favored advertiser. Assuming that the majority of stations, if not all, accommodate at least one favored commercial advertiser when time is of the essence, candidates must be advised that preempted material would be rescheduled prior to election day. None of the stations claimed that such information was provided, nor did any of their published materials for candidates mention make goods.

The Bureau also found other practices inconsistent with the LUC provisio. Some stations have created new classes of time for candidates, most commonly, fixed political rates for "new adjacencies". The news adjacency class appears to be the result of the Commission's policy permitting stations to prohibit sales to candidates during news programming. *Commission Policy in Enforcing Section 312(a)(7)*, 68 FCC 2d 1979, 191 (1978); *Anthony R. Martin-Trigona*, 68 FCC 2d 1551 (1977). As a result, some of the stations that exclude political ads from news programming have created a fixed position class adjacent to the news, available to political candidates only and priced it at a premium above what commercial advertis-

ers pay for spots throughout the news. Language in *Hernstadt, supra,* would indicate that such an approach contravenes Section 315(b). Stations do not have the discretion to establish special higher political rates or classes and foreclose the availability of the discount privileges available to commercial advertisers. Moreover, we believe that stations that create a non-preemptible "fixed" class of time for political candidates only, similarly run afoul of *Hernstadt.*

The audit also indicates practices inconsistent with other political programming laws. Many of the political files are either incomplete or so disorganized that it would be impossible for any candidate to ascertain requisite information for equal opportunity purposes. Section 73.1940(d) requires a complete record of all paid and free time for candidates to be placed in the political file "as soon as possible" (under normal conditions, interpreted as "immediately"). Unless a candidate can learn when an opponent's time aired and is scheduled to air in the future, informed equal opportunity requests cannot be made. It must also be clear what class of time has been furnished by an opponent and exactly what rate, if any, has been paid to the station. Finally, this information must be current, organized, and self-explanatory to permit reasonable inspection by members of the public.

Section 312(a)(7) of the Act requires "reasonable access" for federal candidates. This affirmative right of access accords federal candidates the right of access to all dayparts, including prime time. Stations are obligated to negotiate with individual federal candidates without first establishing any limitations or bans with respect to the number of or placement of spots or program time. *CBS, Inc. v. FCC* (Carter/Mondale), 453 U.S. 367 (1981). Some of the audited stations furnished materials which suggest that they have created limitations on the amount of time a federal candidate can purchase in specific time periods.

IV. CORRECTIVE ACTION

Congress has endeavored to limit the cost of campaigning for public office by emphasizing the elimination of higher so-called "political rates." This audit demonstrates that, despite the intent to eliminate higher rates designed solely for candidates, they continue to exist, as a practical matter, on a significant scale. We believe that if broadcasters follow the guidelines set out below, candidates should be able to make informed choices about broadcast rates.

(a) *Disclosure:* Based on our analysis in *Outlet Communications, Inc., supra,* broadcasters should disclose to candidates all rates and the availability of package options available to commercial advertisers. Such information should be included if a station publishes a rate card to be used by candidates. This disclosure should specify all discount privileges, including every level of preemptibility, the approximate clearance potential of time purchased at current effective selling levels, and special package plans. The disclosure should also indicate the station's policies with respect to make goods and the availability of negotiating for time if that is the practice with commercial advertisers.

(b) *Creation of Classes of Time:* Broadcasters cannot establish new classes of time for candidates only which result in higher rates to candidates.

(c) *Political Files:* Candidates and the public at large have a right to obtain specific pertinent information about a station's transactions with candidates. Broadcasters must maintain the political file to include all current requisite information (e.g., requests for time, schedules, rates, free time granted) in an organized and self-explanatory manner.

(d) *Federal candidates:* Except for the news programming policy mentioned above, broadcasters must not establish in advance any ban or limitations for the sale and furnishing of time to federal candidates. Federal candidates have the right to formulate campaign media strategies on an individualized basis and the broadcaster must negotiate the candidate's requests on an ad hoc basis. The factors the broadcaster can utilize in responding to the stated needs of the federal candidate include the amount of time the candidate has already bought or been furnished, the number of other candidates in the race, and potential programming disruption.

Mr. McCONNELL. Mr. President, I yield the floor.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

MOTOR VEHICLE FUEL EFFICIENCY ACT

Mr. LEVIN. Mr. President, I have supported reasonable automobile fuel efficiency standards in the past, and I continue to support such standards. Reasonable CAFE standards are not a substitute for conservation but they can be an important component of a comprehensive national energy policy.

Not only have I the greatest respect for our colleague, Senator BRYAN, but I happen to agree with him and others who say that Iraq's invasion of Kuwait has once again proven that we need a comprehensive energy policy. It promotes increased efficiency, conservation, and the development of alternative energy sources.

If we proceed properly and thoughtfully, we can reduce our dependence on foreign oil without economic dislocation, unemployment, reduced automobile safety, and increased highway fatalities. But the bill under discussion today is not a reasonable and balanced approach, and I cannot support it. Let me explain.

The committee report contends on the basis of testimony of the Office of Technology Assessment statements of the Department of Energy and the 1989 study conducted by energy experts Carmin Difiglio and K.G. Duleep that the standards in the bill are technically feasible; that is, that these standards set forth in this bill can be met without changing the size and performance of the vehicle fleet.

All three sources, the DOE statements, the OTA assessment, and the 1989 study of Difiglio and Duleep, all three sources according to the committee report, support CAFE levels of 32 to 33 miles per gallon by 1995 and 38 to 39 miles per gallon by 2001. Those are roughly the levels required by the bill. Those are the 20-percent increases by 1995 and the 40-percent increases by 2001 which have been referred to.

The committee report does not disclose that but the facts are that the projections of the OTA, the DOE, and the independent study are basically the same because the OTA testimony, the DOE statements were based on the results of the Difiglio-Duleep study. Those are basically the experts that this committee report relies upon.

Nor does this report indicate—I think this is a far more critical point—that the experts that they principally rely on, and that their experts in turn principally rely on, Messrs. Difiglio. and Duleep have rejected the committee interpretation of their own study.

In a May 5, 1990 presentation to the Society of Automotive Engineers, Mr. Duleep sought to discredit what he characterized as myths about the original work, firmly stating that his analysis or that the analysis simply does not support regulation requiring a 20- to 40-percent increase in fuel economy by 1995 and 2001.

Let me repeat it because it really goes to the heart of the matter. That is, whether or not the standards set forth in this bill are technically feasible without changing the size or the performance of vehicle fleet—and the principal experts relied upon in the committee report and relied upon by other experts—the committee report states simply and directly that his analysis "does not support regulation requiring a 20- to 40-percent increase in fuel economy by 1995—2001."

The report of the committee also fails to note that Mr. Difiglio and Mr. Duleep revised their initial report prior to the committee report. They revised the potential technological benefits, they incorporated new emissions and safety standards, and updated their baseline, and they concluded after the revisions that a technologically and economically feasible CAFE standard for 1995 is 5 miles per gallon less than this bill sets forth, and that for the year 2001, 6 miles per gallon less than the level required by this bill.

Both the Secretary of Transportation and the Secretary of energy have concluded that the requirements in the pending bill are not technologically or technically feasible without downsizing, without forcing consumers into smaller cars. We know that lighter and smaller cars are available right now that meet these standards. The question is and the problem is the consumers prefer the larger cars for various reasons, including safety. I will get to that in a moment.

What we are talking about here in this bill is forcing consumers into smaller cars. We are moving the choice of consumers because according to that key expert, the Duleep report, and Mr. Duleep himself, these levels

cannot be reached without downsizing the fleet.

In March 1990, in a letter regarding a virtually identical proposal then pending, the Secretary of Transportation stated that readily available techniques for improving fuel economy have already been implemented, and that only modest CAFE improvements can be made without severe downsizing of existing cars.

In a June 15, 1990, letter to members of the Commerce Committee, Energy Secretary James Watkins reiterated this point and denied that his Department had ever concluded that the CAFE standards in the bill could be achieved through technology alone.

Mr. President, there is another serious problem with this bill; that is, its impact on highway safety. Last week the Insurance Institute for Highway Safety which has been critical of the auto industry in the past, issued a report concluding that increased CAFE standards will mean significantly more deaths—significantly more deaths—on the highway because of the downsizing which is required to meet the standards in the bill.

That got my attention in a hurry. The Insurance Institute report states the following:

Car size is perhaps the most important single factor when it comes to protecting occupants in crashes. All other things being equal, people in larger cars sustain fewer injuries in crashes than people in smaller cars. Why? Because the smaller cars have less crush space to absorb energy and, therefore, higher crash forces are transmitted to their occupants. * * *

Overall, the death rate in the smallest cars on the road is more than double the rate in the largest cars. For every 10,000 registered cars 1 to 3 years old in 1989, 3.0 deaths occurred in the smallest cars on the road, compared with 1.3 in the largest cars.

The death rate is at least twice as high in small cars, compared with large cars, in both single- and multiple-vehicle crashes. The effects of car size are true without regard to the ages of the drivers. * * *

The Insurance Institute report goes on to say the following:

Insurance claims for occupant injuries are also more frequent in small cars than in large cars. Among the 29 two- and four-door cars with the highest frequencies of injury claims, 27 are small. Two are midsize. And not one of the 29 is large. Among the 9 two- and four-door cars with the lowest injury claim frequencies, on the other hand, 7 are large. The other 2 are midsize, and not one of the 9 is small. * * *

The Insurance Institute goes on to say the following:

What's true is this: A relationship exists between death rates and fuel use, even if it isn't a precise one-to-one relationship * * *. According to a regression equation estimated by Institute researchers from death rates and EPA fuel ratings of 47 four-door cars, on average every 1-mile-per-gallon improvement in fuel economy translates into a 3.9 percent increase in the death rate.

That is not the auto industry figure. Just like the Duleep figures are not the auto industry figures. Mr. Duleep is the expert who the committee has relied on, and the other experts the committee refers to has relied on, not the auto industry. This is the Insurance Institute, not the auto industry's figures.

So there is going to be a lot of rhetoric, and there already has been, about the auto industry this and the auto industry that. But just so we can try to keep this objective, these statements are made by an insurance institute which has been highly critical of the auto industry at times. And the figures that I gave before showing that this builds CAFE standards by 1995 to 2001 are not technically feasible without downsizing, those figures come from sources outside of the auto industry, independent of the auto industry, and sources which the committee's report purports to rely on.

Back to those death rates. What that means is that every 1-mile-per-gallon increase in CAFE standards leads to the death of 1,800 people per year, and this bill would require an 11-mile-per-gallon increase.

Mr. President, I do not have a crystal ball. None of us do. We cannot say with certainty how many additional deaths will result from downsizing of the fleet or as a result of the passage of this bill, and I do not purport to do so. I can only hear and quote figures which the Insurance Institute provides to us.

But one thing is clear: Whether you want to dispute or even make fun of some very serious figures about death rates—and I hope nobody will do that, because the statistics here are very, very startling—there is a connection, an indisputable connection, between smaller cars and increased traffic fatalities. The numbers will be in dispute. And nobody has that crystal ball. What cannot be disputed is the relationship between the size of the car and the likelihood of a traffic fatality.

That conclusion has been reached by the Department of Transportation, the National Highway Traffic Safety Administration, and by independent researchers from the Insurance Institute, Harvard University, and Brookings Institution, and so forth.

Over the last 20 years, huge strides have been made to increase the safety of our highways. We have now collapsible steering columns, seatbelts, and shoulder straps. We have stringent Federal requirements for bumpers, headrests, windshield mounting, side door strength, roof crush resistance, and fuel system integrity. Many States now have mandatory seatbelt use requirements, and the domestic auto companies have all announced their intention to install airbags.

Despite these improvements, we still lose thousands of lives to traffic accidents every year. Last year alone, there were more than 45,000 motor vehicle fatalities.

Finally, Mr. President, what about reducing our dependency on imported oil, and what about addressing the greenhouse effect? We do indeed need a national energy policy.

I do not doubt that we can make reasonable increases in automobile fuel efficiency without excessive downsizing and without a significant increase in highway fatalities. But the experts agree—experts, again, that this committee relies on—and state that the standards in this bill are far too stringent to be met without significant across-the-board reductions in the size and weight of new automobiles. And it is indisputable that downsizing will lead to a substantial increase in highway deaths.

That is not acceptable. I hope our colleagues will join me in opposing S. 1224 and working instead for a comprehensive and balanced national energy policy that will include increased conservation and efficiency in the transportation sector as one of its many elements.

Again, let me close by commending my friend from Nevada for his tremendous interest in trying to do something about the quantity of oil that we import. I happen to agree with that goal. I am glad he is putting so much of his great talent into that goal.

While we may disagree as to whether or not this bill and the standards in it are technically feasible without downsizing, and we will be debating that over the next few days, it is very certain in my mind that our colleague from Nevada is indeed generally moving in the right direction when he focuses the attention of this country on the need to reduce the dependency on imported oil.

I yield the floor.

Mr. BRYAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. I thank the Chair. Let me respond that my good friend and colleague, the distinguished Senator from Michigan, has been most generous in his comments about our efforts. He is correct that, with respect to the data that is available, we do reach different conclusions. Knowing his own personal integrity, I know they are honest differences of opinion, and I know he is genuinely interested in energy conservation. And when he speaks on issues of safety, I know those are issues of personal concern to him.

Our differences are with respect to the facts, as the committee, those of us who by a vote of 14 to 4 processed this through the Senate Commerce Committee this year, interpret those facts.

Central to the argument my friend makes, and others have made in oppo-

sition to this, is the premise that to accept the Bryan bill requires downsizing. I say with the greatest respect to my friend from Michigan, and others who have reached that conclusion, I disagree. I disagree most strongly.

Let me invite the attention of my colleagues to a technical report issued by the Environmental Protection Agency in May 1989. This report concludes that if we take the most fuel efficient model presently available today in each size category, big cars, large cars, luxury cars, however you want to characterize it, but the large cars, and if you take the most fuel efficient model that is available today in the midsize range and take the most fuel efficient automobile that is presently available on the American market in the smaller size automobiles, what is presently on the market, and if all of the automobiles in those respective size classes attain the best fuel economy that the best in that class can achieve today, we would achieve a 33.9-mile-per-gallon fuel fleet average. That is with the existing automobiles, but the most efficient automobile in fuel consumption in each of those classes, the large size, mid-size, and compact.

Mr. President, legislation which we have processed through the Senate Commerce Committee requires the industry to reach that standard on a fleet average not until the year 1995, when the requirement would be 34 miles per gallon or one-tenth of a gallon more than is presently available, if one chooses the most efficient, from an energy consumption point of view, automobile available in each size class presently available today.

With respect to the technology, the report of the Lawrence-Berkley Labs, that is the work that was done by Profs. Marc Ross and Mark Ledbetter of the University of Michigan, CAFE levels of 40.1 miles per gallon are feasible by the year 2000 if the size and performance are held at the 1987 levels.

That study assumes no down-sizing based upon the 1987 size choices available to the American consumer. Just back 3 years, we all had a choice of full-sized family passenger sedan; we had the choice then of the mid-sized; and we had the choice of the small automobile.

Professors Ledbetter and Ross conclude that a 40.1-mile-per-gallon fleet average is feasible by the year 2000 with those 1987 cars. Frequently it is said that those who are engaged as consultants do not know whereof they speak. They are not the ones that are making the parts that go into the automobiles; they are not the folks that are on assembly lines; they are not the people who are in the business.

I respond, Mr. President, by inviting my colleagues' attention to testimony offered by industry suppliers, individuals who supply the component parts that go into our automobiles. In a subcommittee hearing in September of last year, they concluded that CAFE levels of 33 miles per gallon in 1995 and 41 miles per gallon by the year 2000 were feasible.

My good friend makes reference to Mr. Duleep's study, and he correctly shares with all of us that Mr. Duleep did in fact modify his report from what was originally submitted. I point out, however, that Mr. Duleep's revision is a rather minor revision. Mr. Duleep says that in looking at the data, the size and the performance, if held at 1987 levels, he would reduce by 1.5 miles per gallon less than his original analysis.

Reasonable people can argue that the original analysis was more correct, or they can argue that the revision is also the one that is more correct. But I think it is important for our colleagues to understand that we recognize that in projecting to the year 2001, it is difficult to be precise. The evidence is overwhelming. It is compelling and it is persuasive that indeed these standards can be achieved. But we provide in that legislation discretionary authority for the Secretary of the Department of Transportation to grant a waiver if indeed the industry, upon its application, can make the case that it is not possible to achieve that standard.

I might also go on to point out that the Department of Energy testimony before our committee indicated in May of last year that CAFE levels of 35 to 40 miles per gallon for automobiles was indeed achievable and attainable.

The entire predicate for the Insurance Institute for Highway Safety study is premised upon the downsizing of vehicles and is premised upon the acceptance of the industry's analysis of what it can achieve.

Mr. Duleep, whose name has been mentioned frequently during the course of this debate, reviewed that Insurance Institute study and concluded in a letter dated September 5 to the Senate Commerce Committee, as follows—I will read just a paragraph in the interest of saving time. I know my good friend and colleague, the distinguished Senator from Rhode Island, will want to speak very shortly, so I will try to keep my remarks abbreviated so he can do so.

Mr. Duleep concludes:

I have reviewed the Insurance Institute for Highway Safety's status report on fuel economy.

That is the report that my good friend, the distinguished Senator from Michigan, invited to our attention. And this, I think, is the operative and the key words that he goes on to make:

The technology benefit estimates largely reflect the industry line for most of the estimates, and IIHS does not appear to have any independent analysis backing its positions.

That is, that report makes the assumption that the industry's own self-analysis is the criteria by which this report should be judged.

I ask unanimous consent to print the full text of the statement by Mr. Duleep, the Director of Engineering for the Energy and Environmental Analysis group, that is contained in the September 5, 1990, letter to the Commerce Committee.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ENERGY AND ENVIRONMENTAL ANALYSIS, INC.,
Arlington, VA, September 5, 1990.

MS. LINDA LANCE,
Senate Commerce Committee, Hart Senate Office Building, Washington, DC.

DEAR MS. LANCE: I have reviewed the Insurance Institute for Highway Safety's (IIHS) Status Report on Fuel Economy. The technology benefit estimates largely reflect the industry line for most of the estimates, and IIHS does not appear to have any independent analysis backing its positions. The following points should be noted:

Weight reduction—the IIHS claim of 5 percent benefit for 10 percent weight reduction is only true if no other changes in axle ratio or engine size are included. This would imply increasing performance; at constant performance, the benefit is over 7 percent. Moreover, the IIHS claim that a 10 percent weight reduction may not be possible is contradicted by industry (e.g., Metalworking News Conference, Dec '89) representatives and several other published estimates.

Aerodynamic Drag—IIHS appears to have no specific knowledge of C_D values (co-efficient of drag) for current cars. The most popular cars such as Taurus, Lexus, etc. have C_D values 15 to 20 percent lower than the average in 1990. Moreover, the Lexus LS400, which has the lowest C_D value of any production car (0.29) sold in the U.S., does not involve any "radical change" in styling as claimed by the IIHS.

Camshaft—the IIHS is incorrect in assuming that OHC engines are more efficient because of fewer moving parts. Most of the benefit is associated with the higher Brake Mean Effective Pressure (BMEP) possible, allowing a small OHC engine to replace an OHV engine with no loss in performance.

4-valves per cylinder—again, the IIHS analysis ignores the displacement reduction potential with 4-valves per cylinder and the increased compression ratio possible due to the central spark plug location. Detailed calculations of touque/displacement increase, axle ratio change and displacement reduction potential were utilized to compute the 5 percent benefit for 4-valve over a 2-valve OHC engine. The details of the computation were supplied by Japanese auto manufacture, who presumably knows more about this technology than anybody else.

Fuel injection—the IIHS estimate ignores the potential for declaration fuel shutoff and the use of tuned intake manifolds when considering multipoint fuel injection.

4-speed Automatic Transmission—IIHS benefit estimates for four speed transmissions are not in agreement with the benefits seen in 1988/89 cars, based on EPA's "paired" analysis of production cars which

offer both 3-speed and 4-speed transmissions as options.

CVT—the IIHS argument is difficult to follow—does it suggest the CVT will replace manual transmissions rather than automatic transmissions?

Front Wheel Drive (FWD)—the IIHS repeats industry's line, not recognizing that the only rear wheel drive (RWD) cars left in 1988 were those designed in the 1970's. The attached figure shows a comparison of 1988 RWD cars and FWD cars for what EEA calls "packaging efficiency" (weight per cubic feet of interior volume). The actual 1988 data contradicts the IIHS assertion that the a large weight reduction is not possible if interior volume is maintained constant.

We are, of course, familiar with these arguments as they are identical to those expressed by the manufacturers at the meeting held in January 1990. Independent witnesses at the January meeting will corroborate our statement that most of the criticisms are unjustified as EEA provided considerable data to backup the estimates. EEA has also provided a detailed analysis of synergistic effects, showing that there is no double counting of benefits and that there are models available today that are already close to the EEA projected value of fuel economy for the specific size class in 2001.

Separately, the IIHS makes some reference to the decreased safety associated with increased performance. In fact, many of the technology improvements are being utilized today to improve performance while maintaining near constant fuel economy. If CAFE standards reduce performance, safety could actually be enhanced!

If you have any questions, please feel free to call me.

Yours sincerely,

K.G. DULEEP,
Director of Engineering.

Mr. BRYAN. Finally, just agains%t trying to be abbreviated so others can speak, let me talk about the issue of safety. That is a legitimate issue.

My friend, the distinguished senior Senator from Michigan, earlier said, "Look, let us put safety on the table." He went on to make the argument that in effect those of us who are supporting the CAFE legislation want to hide safety, keep it in the backroom, not bring it out.

Let me say to my colleagues in response that the same subcommittee that processed CAFE legislation a year ago processed the legislation for the reauthorization of the National Highway Traffic Safety Administration.

I indicate that in that piece of legislation, which was enacted approximately a year ago, there are some safety standards that would be incorporated in that piece of legislation which the auto industry opposes. That legislation presently languishes in the other body, having been approved nearly a year ago.

So if safety is our concern, and I believe it sincerely is, by our colleagues who have spoken about this issue, let me tell you the kind of safety requirements that the industry is impeding from going forward. The rear seat lap-shoulder belts, front seat passive restraints, airbags, side impact protection, head injury protection, rollover protection, light truck head restraints, light truck roof standards, light truck crash-worthiness standards, and light truck passive restraints.

So to put this issue of safety to rest, whether you agree with CAFE or disagree with it, I think we all ought to get behind the effort and persuade our friends in the auto industry to send a letter to the committee of jurisdiction in the other body and say, look, now is the time to do something about safety, and let us enact the legislation processed by the Commerce Committee nearly a year ago. That is what we can do to improve safety.

Finally, let me indicate that with respect to the safety issue, during the period of time that the CAFE standards required by the 1975 legislation were being phased in, the record will reflect that the fatality rate on the Nation's highways in terms of the percentage of passenger miles traveled declined; it went down. It went down, Mr. President.

And further, let me point out something with which I think all would agree, that increased horsepower is an extended correlation of increased accidents and passenger fatality rates. And here is what the industry is doing and why we need to take the action that we take now.

In the past 2 years since 1988, the industry has increased the weight of the automobile fleet by an average of 6 percent; fuel economy has declined by 4 percent; and horsepower, Mr. President, has increased by 10 percent. May I say with respect to the industry, this is clearly the wrong direction, and that increase in horsepower, if safety be our operative consideration, runs directly counter to the evidence of what we need to do to make automobiles safer.

Mr. President, there is just one other point that I would like to make, and that is there has been an argument that there is cost involved. There is indeed cost involved in making these kinds of changes. The evidence that the committee received indicated that cost was rather modest and would be recoverable in a very few years of automobile ownership as a consequence of improvements in fuel economy.

And I must say that those arguments and those calculations were made long before the rapid runup in prices that we have seen since the invasion of Kuwait by Iraq. The savings would be even greater.

I daresay that a recalculation would indicate that they are practically a wash.

But let no one be misled that there are not some costs in continuing what we are doing right now. There is a cost in sending the 101st Division to the Middle East, the 24th Mechanized Division, the cost of sending a carrier task force, the *Eisenhower,* the *Independent,* the *Saratoga,* the battleship *Wisconsin,* the tens of thousands of troops that we presently have deployed in the Middle East.

I have said, and I will not speak to an extended extent on this, that I think the President has acted decisively and effectively, and I support his Middle East policy. But let no one be misled. We are in the Middle East because we have defined it as a critical issue because of our dependence on oil, and we have increased by twofold the import from that region on the world since the 1973 oil embargo.

Finally, if I may, it has been suggested by some who oppose it that there was a series of mistakes made in the 1970's with respect to energy policy. One of our colleagues said CAFE was such a mistake. What a mistake, Mr. President. As a consequence of the Congress' not yielding to the very arguments that have been made here on the floor this afternoon—the downsizing, that families will not have a choice, that safety has been compromised—Congress took the courages and responsible decision in response to that 1974 legislation and enacted it. And as a consequence, Mr. President, we reduced by 2.5 million barrels of oil per day the amount of oil that would be consumed in this country. So when we are talking about our consumption today of about 17.3 million barrels a day and how we are dependent today on 50 percent of our petroleum requirements from overseas, may I suggest that our problem would be even more compounded by some 2.5 million barrels of oil per day had the Congress not taken the steps that it took in in 1970's.

The Congress once again has an opportunity to do something that is responsible in terms of energy independence, responsible in terms of environmental concerns, responsible in easing a trade deficit that will grow in direct proportion to the increase in the price of oil in the international market by adopting the legislation passed by this committee.

I thank the Chair.

Mr. LEVIN. Will the Senator yield for a brief comment or perhaps a question?

Mr. BRYAN. I am delighted to yield.

Mr. LEVIN. Mr. President, my comment is this. There has been reference made to the Duleep study. And the factors are, as we can best determine them, that the Duleep study as originally issued does not support the CAFE standards in the committee bill. There is a significant difference between the original Duleep figures and the bill. To give you just two examples: The bill provides for 33 miles per gallon by 1995 and 38.5 miles per gallon by 2001. The Duleep original figures are 31.6 and 34.3; in other

words, from 2 to 4 miles per gallon less than the committee bill. The modified Duleep figures are even further distant from the committee's numbers. I am wondering whether or not my friend from Nevada would agree at least to that much.

Mr. BRYAN. If I may respond, Mr. President, there was an original assessment by Mr. Duleep, and I agree with my friend that it was revised. What Mr. Duleep did in June 1990, that is, after the speech and the address which the distinguished Senator from Michigan made before the Society of Automotive Engineers, is he indicated at that point, in a report entitled "An Assessment of Potential Passenger Car Fuel Economy Objectives for the Year 2010," prepared by the Energy and Environmental Analysis, Inc.—that, as the distinguished Senator knows, is the business name under which Mr. Duleep and his colleagues do business—that in his view, fleets can continue to improve to a little over 38 miles per gallon in the year 2001. That represents the 1.5 mile per gallon difference which I believe the Senator had reference to. He then goes on to say that he believed that over 45 miles per gallon could be obtained by the year 2010.

I would simply say in response to my friend that I believe he is correct in that he revised this figure downward but that it is still within the range of our bill because the Secretary of Transportation, if that proves to be the more accurate of the assessments, has the power to grant a waiver of 10 percent. So that would be within the revised range. And, indeed, I point out that he believes by the year 2010 more than 45 miles per gallon could occur without any major change.

Mr. LEVIN. So we can compare apples to apples, and I am trying as hard as I can to do that.

Mr. BRYAN. I appreciate that.

Mr. LEVIN. There are several reports, and I assure the Senator I am not trying to be difficult with him. I wonder if we could not agree that the figure, in effect, for the year 2001 in the bill was 38.5, and in the Duleep original report, he says, was 34.3, and the modified Duleep estimate was 32.4. Could we agree on those three numbers as reflecting what Mr. Duleep says is technically feasible?

Mr. BRYAN. The Senator has asked a very fair question. I assure him that before the gavel goes down this evening I will examine my figures. I do not want to make a hasty conclusion and then have him rely upon that and then tomorrow when we resume debate indicate that I have misspoken. I just share with him that the original work done by Mr. Duleep was for the domestic fleet only so that there may be some difference in the numbers the way we phrase it. But I assure my friend and colleague that, indeed, we will get back and that I will have my staff confer with his staff as we let our colleague from Rhode Island proceed, if that is the pleasure of the Chair.

Mr. LEVIN. If my friend will yield further, I think it would be very helpful for this debate if he would agree at least on these figures. The Duleep analysis is critical to the committee's report. DOE based its report on it, DOT in part upon it, and the committee in part on it. I think it is important that we have a common set of numbers for at least what he found and what his study showed. I would propose these numbers, and then perhaps the Senator's staff or the Senator could modify them.

I appreciate what the Senator has offered to do. Two sets of numbers which I would propose to you are the following: For 1995, the bill provides 33 miles per gallon, the original Duleep estimate is 31.6, the Duleep modified estimate is 28; for 2001, the bill provides 38.5, the original Duleep figure is 34.3, and the modified Duleep figure is 32.4. Those are the figures which I would appreciate the Senator's confirming as being the Duleep estimates or, if not, indicate why he might disagree.

Mr. BRYAN. I will do that. I would, however, like to make it clear to my colleague that although the Duleep numbers are, in fact, a part of the committee's deliberations and considered judgment, that was not the only information we relied upon. There were indeed other independent analyses that confirmed the data that we had, and we can discuss that at an appropriate time.

Mr. LEVINE. That will be a subject of debate. It is just how heavily you relied on Duleep figures and other agencies did. I think the report is quite clear that that is the principal outside source, but we can debate that later.

I do ask unanimous consent, Mr. President, that excerpts from two letters, one from the Secretary of Energy, dated June 15, 1990, and one from the Secretary of Transportation, dated March 7, 1990, be printed in part in the RECORD at this time, both of which read and conclude that the CAFE requirements of this bill could not be achieved without significant downsizing. I ask unanimous consent that excerpts of these two letters be printed in the RECORD.

There being no objection, the excerpts of the letters were ordered to be printed in the RECORD, as follow:

Hon. ERNEST F. HOLLINGS,
Chairman, Committee on Commerce, Science, and Transportation, U.S. Senate, Washington, DC.

* * * * *

In fact, DOE analysis indicates that the CAFE requirements that this bill would place on U.S. manufacturers could not be achieved without significant changes to the size mix and performance of their vehicles. These changes would cause significant economic losses to domestic manufacturers. Consumers would be unable to purchase the vehicles that meet their requirements and could face increased risk of injuries and fatalities due to reduced vehicle weight and size.

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Hon. QUENTIN N. BURDICK,
Chairman, Committee on Enviroment and Public Works, U.S. Senate, Washington, DC.

* * * * *

Technical feasibility. The technical feasibility of achieving CAFE standards at the levels outlined in the amendment, without significant vehicle downsizing, has simply not been demonstrated. Most readily available techniques for improving fuel economy (e.g., front-wheel drive, four-speed automatic transmissions, aerodynamics) have already been implemented in much of the U.S. fleet. The Administration believes that continuing application of those technologies will provide only modest CAFE improvements—much lower than suggested by proponents of this amendment. The proposed CAFE standards would surely require significant additional downsizing of both the passenger car and light truck fleets.

* * * * *

Mr. LEVIN. Again, I am very grateful to my always courteous friend from Nevada.

Mr. HATFIELD. Mr. President, 3 years ago, I put together a report for my constituents on U.S. oil and energy policy entitled "Running on Empty." I warned in that report that the consequences of ignoring our increasing dependence on oil generally, and imported oil specifically, could be disastrous. I warned in that report that gas lines could soon return—and worse, that lines of young American men and women would one day be formed to defend foreign oil supplies.

At the time, however, the price of a gallon of gas was hovering around a dollar—and the political will to develop a responsible national energy policy had crumbled under the weight of our own complacency.

As tens of thousands of troops converge on the deserts of Saudi Arabia and Kuwait, all that has changed.

Mr. President, another chapter in the long history of oil politics is now being written.

The United States was not always in this current position of dependency and vulnerability. In fact, 50 years ago the United States was exporting 140 million barrels of oil annually.

In 1941, Japan had been at war on the Asian mainland for 10 years and President Franklin Roosevelt demanded that the Japanese withdraw from Indochina or face an embargo of all United States oil products. When the Japanese refused, President Roosevelt carried out his threat and the United States imposed a strict embargo on that country.

Because Japan had virtually no oil of its own, the Nation's leaders were left with few options. Japanese oil reserves would supply their combat needs for less than 2 years, and they were unwilling to abandon their goal of creating the "Greater East Asia Co-Prosperity Sphere." The vast oil supplies in the Dutch East Indies became their logical target, but United States Army troops in the Philippines stood between Japan and the oil. The only source of protection for those troops was the U.S. Pacific Fleet in Pearl Harbor. Of course a number of forces contributed to the war, but the events of December 7, 1941, speak volumes about the lengths to which the need for oil can drive a nation's foreign policy.

As long as the United States was a net exporter of oil, we were not vulnerable to oil embargoes and the need for oil did not dictate the conduct of U.S. foreign policy. But today the United States is not a net exporter of oil—in fact, the United States imported fully 50 percent of its oil in the first 6 months of this year. Nowhere are the implications of American dependence on imported oil more clear than in the Persian Gulf.

Although less than 10 percent of United States oil imports are shipped through the Persian Gulf, more than 50 percent of the oil imported by some of America's major allies is transported through those waters. Under the International Energy Program created in 1974, the United States is obligated to share its oil with 17 Western European nations, Japan and Australia if their oil supply is disrupted. The strategic importance of the Persian Gulf region is underscored again by the fact that more than half the known remaining oil reserves in the world lie in Saudi Arabia, Kuwait, Iran, Iraq, and several other Gulf States.

For these reasons, the current United States military presence in Saudi Arabia and throughout the Persian Gulf is not without precedent. President Richard Nixon and later President Jimmy Carter suggested that nuclear retaliation could be considered an appropriate response to the closure of the Persian Gulf. Only 3 years ago, more than 40 United States Navy warships and more than 17,000 U.S. servicemen patrolled the gulf as part of the United States reflagging and escort of Kuwaiti tankers during the Iran-Iraq war.

I did not come to the floor today to pass judgment on current military operations in the Persian Gulf and Saudi Arabia. I came here today to offer my support for Senator BRYAN's legislation and to plead with my colleagues to seize this opportunity to begin looking at the larger issue: the urgent need for a responsible and comprehensive national energy policy.

While recent events have focused a spotlight on the need for such a policy, I must note for the record that this is not a new issue. We have, I am afraid, been down this road before. In fact, although U.S. oil imports have reached an all-time high, U.S. dependence on imported oil has been a significant problem for at least two decades. During that period, however, the political and national will to reduce that dependence has fluctuated dramatically.

Once the leading exporter of oil in the world, the United States had become dependent on other countries for 39 percent of its oil supply by 1973. When the price of oil more than doubled that year from $4 to $9 a barrel because of an OPEC oil embargo, gas lines formed and the GNP fell by 2.5 percent over the next 3 years. By 1977 the United States was importing 48 percent of its oil. A second OPEC embargo 2 years later caused prices to skyrocket and gas lines to form again. When the price of oil rose to $37 a barrel in 1981, the economy suffered and the GNP fell by 3.5 percent.

By developing alternative energy sources, increasing domestic oil production and instituting a new conservation effort, we reduced our reliance on foreign oil to 31 percent as recently as 1985. But that trend again has reversed as Americans have been lulled into complacency by low gas process. In fact, the United States now produces less oil than is needed to operate all the cars, buses and airplanes in this country. As Senator BRYAN has pointed out, the average fuel economy of cars in this country actually has begun to fall. It will come as no surprise to some of my colleagues that the United States is now 49-percent less energy efficient than Japan.

The level of Federal support for the research and development of renewable energy and alternative energy sources over the last decade reflects this trend. In 1980, the United States spent $560 million for the research and development of solar energy—in 1990, Federal support fell to $90 million. Between 1980 and 1990, Federal spending for the research and development of other renewable energy sources fell from $273 million to $48 million. Spending for the research and development of coal technologies fell from $755 million to $275 million over the same period.

Although Congress was able to prevent the Reagan administration from abolishing the Department of Energy, it was all my colleagues and I could do to prevent these research and development programs from being zeroed out. Had the administration had its way, that is exactly what would have happened.

We cannot stop the march of civilization any more than we can change the fact that energy fuels our economy and our entire lifestyle—in the Pacific Northwest, across the United States and around the world. If we are going to avoid spilling the blood of America's children in the deserts of the Middle East now and in the future, we must reduce our dependence on imported oil and indeed on all oil. We must begin by examining our options carefully and honestly.

That is what we are doing here today, and I compliment Senator BRYAN for his leadership. The transportation sector in this country consumes roughly 60 percent of the oil used in this country every year. Given that fact, investing in public transporation, encouraging people to car pool, expanding conservation efforts and demanding higher fuel efficiency all make eminent good sense. All those things should be elements—top priority elements—of a national energy policy.

As as aside, I must note that I would rather approach this issue from a different direction—I would rather we increase CAFE standards in a way that does not punish car manufacturers who have already achieved high fuel efficiency standards. But given the choice between the approach before us today and doing nothing at all, there seems to be no choice at all. We simply must act.

The situation our young people face in the Middle East today is dangerous indeed. But we are in a dangerous situation too, Mr. President. As a nation, we are flirting with social and economic disaster. The legislation we are considering today will not solve the problem. It is a first step on a very long road toward the development of a viable and responsible national energy policy. It is the first step on a long road we should have begun traveling a long time ago.

What I said in my report 3 years ago bears repeating: If we do not act now to institute a comprehensive national energy policy designed to reduce our dependence on foreign suppliers, the results may prove disastrous. I pray that it is not too late.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, the procedural situation we are in here now is this. Actually we are in morning business, but the question that is going to come before us is whether to have cloture on the motion to proceed.

Mr. President, I am going to vote for cloture because I have never believed in extended debate or filibuster on motions to proceed. I think we ought to get on and talk about the bill. Then, when cloture comes up on the bill itself, well, that is a separate matter. But I have always believed in proceeding to the consideration of legislation.

Beyond that, Mr. President, I believe that the distinguished Senator from

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Nevada is correct in the legislation he has brought before the Senate. Last spring he, the chief author of this legislation, the junior Senator from Nevada, offered S. 1224 as an amendment to the pending clean air legislation. That was last spring. He withdrew that because it tied up the clean air legislation and he received assurances from the Senate majority leader that the Senate would later debate the bill or at least attempt to bring it up.

So it seems to me, Mr. President, the time has come for that debate to take place. This is an important piece of legislation. It is important for two reasons: If passed, it will reverse our increasing dependency on foreign oil; and, second, if passed, it will reduce the buildup of greenhouse gases that are taking place throughout the world, but especially the contribution to those greenhouse gases that is occurring in the United States of America.

It seems to me pretty clear that the events in the Middle East have brought home to us once again the consequences of indulging our appetite for foreign oil. Fuel efficiency in both the domestic fleet—but more important, the imported fleet, the imported automobiles that are coming to the United States—has declined. We would think with all the warnings we received in the 1970's, that everybody would say we have to have these cars more fuel efficient. That is what we need. We ought to keep pressing toward that goal. We ought to increase the standards.

But, what actually has happened in the past several years is that the fuel efficiency has not gone up, it has gone down. In 1983 the fuel economy of the imported fleet was a little over 32 miles per gallon. In 1989 the efficiency was not 32-plus miles per gallon, but 30.6 miles per gallon; a loss of a mile and a half per gallon.

Compounding the problem of the decline in the fuel economy in the U.S. vehicle fleet is the following. This is something we learned in the clean air debate. What is happening in the United States of America is not only are there more automobiles on the road—and we might agree with that, that seems logical, we have more people so we have more cars—but the extraordinary fact is that every car is being driven more miles. That is what is called the vehicle miles traveled.

I can remember as a child, my family had a car and that car would stay in the garage except on Sundays. My father went to work on the streetcar. The rest of us all went to the local schools.

But now the mother has a car, the father has a car, they are driving the children around, jitneying them to school. The cars are used every day of the week, driven innumerable miles. Of course with the increase of suburbia that we all recognize has occurred, more and more miles and driven just to get to work. Everyone who drives to work who takes a look around, they see automobiles with one person in them. I am like everybody else. I drive my car in from McLean, VA, 15 miles each way, no passengers; and we see the same in the other cars on the road.

So what do we see in the United States? The vehicle miles traveled increases by about 100 percent every 20 years. That is what happened from 1970 to 1990. And between 1990 and the 2010, it is expected that the vehicle miles traveled will double again.

This bill presents the opportunity to make some changes as far as the amount of gasoline consumed by these vehicles that are traveling so many miles. If the fuel efficiency standards in this bill are adopted, we are going to reduce the consumption of oil. I suppose there are varying estimates that have been made; the ones I see indicate we will reduce the consumption of oil by about 3 million barrels per day by the year 2001. Those are significant reductions. The reductions that will occur if the standards imposed by this legislation are adopted will mean that we will reduce the consumption of oil by nearly 3 million barrels a day—not a week, not a month, not a year—a day; 3 million barrels a day by the year 2001.

Not only does our increasing consumption of gasoline make us, obviously, more dependent on foreign oil, it also increases emissions of carbon dioxide into the atmosphere. Carbon dioxide is the key offender in the greenhouse effect—the warming of the globe. This is a problem that is now recognized by the world community and that we are attempting to address.

The World Resources Institute estimates that if there is no improvement in new car fuel efficiency and if the current growth rate in vehicle miles continues, the carbon dioxide emissions in the United States, from U.S. cars, will grow by 35 percent between the year 1986 and the year 2005. In other words, in 20 years the carbon dioxide emissions from the United States alone, from our automobiles, will increase by 35 percent.

So, Mr. President, there are compelling reasons to reduce our dependence on foreign oil and to make progress in reducing the carbon dioxide emissions. This legislation, S. 1224, is a good step in addressing both of these vexing problems. So I urge not only a vote for cloture but for passage of this important legislation.

I thank the manager of the bill, the chief sponsor of the bill, the author of it, and wish him success in his efforts.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, I thank the distinguished Senator from Rhode Island for his support and for his very generous comments. It has been a pleasure working with him as we worked together on the clean air bill and he was so gracious to offer his support on this pending legislation.

I do not know of any other Senator who seeks recognition at this point. Seeing none, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HARKIN). Without objection, it is so ordered.

IMPOSING A CEILING ON STATE INCOME TAXES

Mr. MOYNIHAN. Mr. President, I am today releasing a study by the Congressional Research Service of the administration's proposal to place a $10,000 ceiling on the Federal tax deduction for State and local income taxes. The study, "Imposing a Ceiling on State Income Taxes: Horizontal Equity and Other Issues," outlines the income levels at which taxpayers in the 50 States and the District of Columbia would be affected by the administration's proposal. The results show a wildly disproportionate impact across the country. The proposal, designed to raise taxes on wealthy taxpayers as part of the deficit-reduction package, would do so only in the most arbitrary fashion. For example, taxpayers in Illinois would not be affected by the limit until their incomes exceeded $333,000, while taxpayers in the seven States without income taxes would be completely unaffected, regardless of income. By contrast, taxpayers in Hawaii would begin paying higher Federal taxes once income exceeded $88,625. Citizens of the hardest-hit State, North Dakota, would be hit once income exceeded $84,293.

The goal here may be to improve the progressivity of Federal taxes, but the results are mindless. A provision that raises taxes for North Dakotans at $85,000, leaving Illinois residents untouched until they are making over $330,000, and still others unaffected no matter how high their income, is absurd as tax policy and hopeless as to equity.

The eight hardest hit States with the income point at which their citizens would owe higher Federal taxes under the administration proposal are: North Dakota, $84,293; Hawaii, $88,625; Montana, $104,909; District of Columbia, $110,526; Iowa, $111,122; Oregon, $112,667; California, $121,419; and Maine, $124,000. New York State would rank 15th in adverse impact. Its residents would owe higher Federal

taxes once income exceeded $137,467. By contrast, seven States have no State income tax, and their residents would be unaffected by the $10,000 deduction limit, regardless of their income level. Among those States with income taxes, individuals in five States would experience no Federal income tax increase until their incomes exceeded $200,000—Mississippi, $203,000; Michigan, $217,391; Indiana, $294,118; New Jersey, $302,857; and Illinois, $333,333.

A study, prepared by Dennis Zimmerman, specialist in public finance, Economics Division, Congressional Research Service, describes the proposal as "a very inequitable approach for targeting revenue-raising deficit-reduction measures to higher-income individuals."

I would urge my colleagues, particularly those involved in the ongoing budget summit negotiations, to consider these findings carefully.

Mr. President, I ask unanimous consent that the text of the study be printed in the RECORD.

There being no objection the study was ordered to be printed in the RECORD, as follows:

[CRS Report for Congress, Sept. 13, 1990]

IMPOSING A CEILING ON THE DEDUCTION FOR STATE INCOME TAXES: HORIZONTAL EQUITY AND OTHER ISSUES

(By Dennis Zimmerman, Specialist in Public Finance, Economics Division)

SUMMARY

It has been proposed that a ceiling of $10,000 be imposed on the State and local income tax deductions Federal taxpayers use to reduce their Federal taxable income. This proposal reflects a desire to impose a tax increase on high-income individuals while leaving middle-and-lower-income taxpayers unaffected, a desire spurred by changes in the distribution of the Federal tax burden over the 1980s that increased the effective tax rate on lower-income classes and decreased the effective tax rate on higher-income classes.

The potential for horizontal inequity from this proposal is illustrated in two ways. First, estimates are made of the State income tax payments of single taxpayers with $125,000 of State taxable income. The average State tax payment is $7,119, with a range from zero to almost $16,000. Eight States have income tax systems that impose $10,000 or more of tax liability on single individuals earning $125,000. Second, estimates are made of the level of income at which the ceiling would become effective for a single taxpayer in each State, that is, the level at which tax liability equals exactly $10,000 in State income taxes. This threshold income averages $161,582 (among those States with income taxes). The threshold income at which the ceiling would become effective ranges from $333,000 in Illinois to $84,000 in North Dakota.

These numbers generate large interstate differences. For example, all single individuals with Hawaii taxable income in excess of $88,625 would be paying higher Federal income taxes. All New Jersey citizens with taxable income less than $302,857 would not be paying higher Federal income taxes. Of course, some of this differential is attributable to the relationship between Federal adjusted gross income and State taxable income, but the threshold incomes presented in this report are unlikely to be explained away by differences in income definition. Imposing a ceiling on State income tax deductions appears to be a very inequitable approach for targeting revenue-raising deficit-reduction to higher-income individuals. If distributional goals are a primary consideration, more direct methods are available that would include all higher-income individuals in the tax net. An obvious solution is to raise the marginal tax rate of the highest taxbracket.

The report goes on to discuss three potential effects the ceiling proposal might have on State and local fiscal choices. The discussion suggests that the effect on two of these fiscal choices, State and local spending levels and tax structure, depends upon the number of taxpayers affected by the proposal and their degree of political influence over fiscal policies. It is clear from the income levels calculated in the horizontal equity discussion that the number of taxpayers in each State that would be affected is likely to be very small; but the income and wealth of these taxpayers suggest that they are likely to have substantial political influence. Nonetheless, it is judged that the proposal would have a relatively small effect on spending levels and tax structures. However, the proposal would increase the magnitude of interstate tax differentials at the highest State marginal tax rates, thereby increasing the effects of interstate tax competition.

IMPOSING A CEILING ON THE DEDUCTION FOR STATE INCOME TAXES: HORIZONTAL EQUITY AND OTHER ISSUES

The Congressional Budget Office estimates that during the 1980s the effective Federal tax rate decreased for higher-income taxpayers and increased for lower-income taxpayers.[1] As a result of such distributional concerns, some policymakers want to structure revenue-raising contributions to deficit reduction in such a way that the 1980s' tilt of the Federal tax burden away from higher-income individuals is partially rolled back or at least not made worse. One of the revenue-raising options being considered by the budget deficit reduction negotiators is the deduction for State and local income taxes. A proposal has been made to limit an individual's deduction for State and local income taxes to $10,000, a proposal that is obviously consistent with a desire to impose a tax increase on high-income individuals while leaving middle-and-lower-income taxpayers unaffected.

The deduction for State and local taxes was discussed and analyzed in considerable detail in the years immediately preceding the passage of the Tax Reform Act of 1986.[2] Those analyses evaluated deductibility's economic effects on the State and local sector, and assessed proposals to curtail deductibility within that framework. Eventually, the deduction for general sales taxes was eliminated by the 1986 Act.

The current proposal raises two problematic issues. The most important of these issues concerns horizontal equity, the degree to which the set of all high income taxpayers would be treated equally by this proposal. A second issue concerns the economic effects on the State and local sector. Would this proposal cause some states to revamp their tax structures; to reduce taxes and spending; or to intensify interstate tax competition?

HORIZONTAL EQUITY

As a general proposition, Federal income tax policy is blind to geographical considerations. Federal distributional concerns are focused on vertical and horizontal equity of taxpayers, without regard to place of residenc. If the object of this $10,000 ceiling propsal to limit deductibility is to raise revenues from higher-income taxpayers, then horizontal equity implies that all higher-income taxpayers should be treated equally.

When the vehicle for raising revenue is State and local tax deductions, geographical considerations are important to the pursuit of horizontal equity. Substantial interstate variations exist in both the level and composition of State and local tax deductions by State. These variations can cause itemizers with equal incomes in different States to experience very different changes in tax liability, depending upon which limitation proposal is selected. The proposal to place a $10,000 ceiling on an individual's State and local income tax deductions is fraught with horizontal inequity. The person in a high income tax State whose economic income generates State and local income taxes in excess of $10,000 will contribute extra Federal income tax of either $0.28 or $0.33 per dollar of State and local tax liability in excess of $10,000. The person of equivalent economic income in other States may pay no or little additional income tax: in a State with no State and local income tax, no additional Federal income tax will be paid; and in a State with a low income tax, the person will pay considerable less additional Federal income tax. In either case, equals are not treated equally.

This is more an academic concern. Table 1 presents estimates of interstate differences in State income tax liability. It should be noted that these estimates are based upon taxable income as defined in each State, with no allowance for interstate differences between taxable income at the Federal level and each State's definition of taxable income. Thus, the taxpayers in different States with equal taxable incomes may not necessarily have identical Federal adjusted gross incomes, and are not in that sense "equals." But the differences among State taxable incomes necessary to break through the ceiling that are identified in this table are far greater than can be explained by interstate differences in taxable income definition.

An overview of the information in the table is provided, followed by a discussion of the estimates. The second column estimates the State income tax liability for a single individual (or married taxpayer filing separately) with $125,000 of taxable income as defined by each State.[3] The third column asks "how much would the individual's State taxable income have to rise or fall to generate exactly $10,000 income tax liability?" The States are ranked by the numbers in this column, from the biggest increase in taxable income to the biggest decrease in taxable income. The fourth column adds this income change to the $125,000 of income on which column 2's tax liability is calculated to provide an estimate of the taxable income required in each State for the $10,000 ceiling to become effective for a single individual (or married taxpayer filing separately).

The average tax liability in the 46 States for which estimates are made (including the District of Columbia and the 7 States with no income tax) is $7,119, and the range is $15,931. Among those States with an income

tax, Illinois citizens reporting $125,000 of taxable income had the lowest State income tax liability, $3,750; North Dakota citizens had the highest tax liability, $15,931. Only eight states have income tax systems that impose tax liability of at least $10,000 on citizens reporting $125,000 of taxable income: California, District of Columbia, Hawaii, Iowa, Maine, Montana, North Dakota, and Oregon.

These figures are interesting, but the image of the proposal's horizontal inequity can be sharpened by calculating the State taxable income level at which the ceiling would become effective. Column 3 is an intermediate step in that calculation, and presents the amount of income in excess of $125,000 that would be necessary to raise tax liability to exactly $10,000 (or, in the case of eight States, how much less income would be necessary to lower tax liability to $10,000). The largest required increase occurs in Illinois, where an individual must earn $208,333 of taxable income in excess of $125,000 to have tax liability of $10,000. In contrast, a North Dakota citizen would pay $10,000 of income tax with $40,407 less than $125,000 of taxable income.

The last column adds these required income changes to $125,000 to identify the income level at which the ceiling becomes effective. The average income level that generates $10,000 of tax is $161,582; the range is $249,000.[4] An Illinois citizen must have $333,333 of taxable income, a New Jersey citizen must have $302,857. In contrast, a North Dakota citizen with only $84,293 pays $10,000 of State income tax; a Hawaii citizen reaches the threshold with $88,625.[5]

TABLE 1.—1989 STATE INCOME TAX LIABILITY FOR SINGLE AND MARRIED FILING SEPARATELY TAXPAYERS WITH $125,000 OF STATE TAXABLE INCOME, RANKED BY INCOME CHANGE NECESSARY TO INCUR $10,000 OF TAX LIABILITY

State [1]	Tax on $125,000 State taxable income	Income change to incur $10,000 of tax liability	Income level for ceiling to apply
Illinois	$3,750	$208,333	$333,333
New Jersey	3,775	177,857	302,857
Indiana	4,250	169,118	294,118
Michigan	5,750	92,391	217,391
Mississippi	6,100	78,000	203,000
Alabama	6,210	75,800	200,800
Colorado	6,250	75,000	200,000
Louisiana	6,300	61,667	186,667
Nebraska	6,773	54,702	179,702
Virginia	6,938	53,261	178,261
Ohio	6,331	53,171	178,171
Kansas	7,039	49,769	174,769
West Virginia	7,000	46,154	171,154
Oklahoma	7,245	45,917	170,917
Missouri	7,275	45,417	170,417
Kentucky	7,300	45,000	170,000
Georgia	7,303	44,958	169,958
Arkansas	8,055	27,786	152,786
Wisconsin	8,482	21,908	146,908
South Carolina	8,470	21,857	146,857
Rhode Island	8,402	21,094	146,094
North Carolina	8,623	19,679	144,679
Utah	8,895	15,342	140,342
Delaware	8,931	13,883	138,883
New York	9,065	12,467	137,467
Arizona	9,110	11,128	136,128
Vermont	9,148	10,324	135,324
Maryland [2]	9,285	9,533	134,533
New Mexico	9,364	7,482	132,482
Minnesota	9,992	106	125,106
Idaho	9,998	30	125,030
Maine	10,085	(1,000)	124,000
California	10,333	(3,581)	121,419
Oregon	11,110	(12,333)	112,667
Iowa	11,385	(13,878)	111,122
District of Columbia	11,375	(14,474)	110,526
Montana	12,210	(20,091)	104,909
Hawaii	13,638	(36,375)	88,625
North Dakota	15,931	(40,707)	84,293
Nevada [3]	0	NA	NA
Wyoming [3]	0	NA	NA
Washington [3]	0	NA	NA
Florida [3]	0	NA	NA
Texas [3]	0	NA	NA
South Dakota [3]	0	NA	NA
Alaska [3]	0	NA	NA
Mean	7,119		161,582
Range	15,931		249,040

[1] Connecticut, Massachusetts, New Hampshire, Pennsylvania, and Tennessee are not included because their systems either tax only a small portion of income (capital gains, interest, and dividends) or apply different rates to different types of income.

[2] Includes surcharge for local governments.

[3] States with no income tax.

Notes.—Numbers in parentheses represent negative amounts; na—not applicable.

Source: CRS calculations based upon Advisory Commission on Intergovernmental Relations. "Significant Features of Fiscal Federalism; Volume 1: Budget Processes and Tax Systems." M-169, January 1990. Table 19, p. 51-56.

In practical terms, these numbers mean that, for example, all single individuals in Hawaii with Hawaii taxable income in excess of $88,625 would be paying higher Federal income taxes. All single individuals in New Jersey with New Jersey taxable income less than $302,857 would not be paying higher Federal income taxes. Hence, for taxpayers with incomes between $88,625 and $302,857, those living in Hawaii would pay higher Federal taxes under the proposal while those living in New Jersey would not. Of course, some of this differential is attributable to differences among States in taxable income definition, but differentials of the magnitude in column 4 of Table 1 are unlikely to be explained solely by taxable income differences. Imposing a ceiling on State income tax deductions appears to be a very equitable approach for targeting revenue-raising deficit-reduction measures to higher-income individuals. If distributional goals are a primary consideration, more direct methods are available that would include all higher-income individuals in the tax increase. An obvious solution is to raise the marginal tax rate of the highest tax bracket.

EFFECTS ON THE STATE AND LOCAL SECTOR

Capping State and local income tax deductions at $10,000 can affect three fiscal issues important to the State and local sector. This section discusses the economics of these fiscal issues. First is the possibility that the increased price of a State income tax dollar in excess of the ceiling (rising, for example, from $0.72 per dollar net of Federal tax deduction for taxpayers in the 28 percent Federal tax bracket to $1.00 per dollar with no Federal tax deduction) might cause a decreased willingness on the part of upper-income taxpayers to pay State and local taxes and generate a lower level of State and local spending. This effect depends upon the influence of those State and local taxpayers who lose tax deductions have upon State and local tax and spending policy. Given the income levels identified in Table 1 that would be necessary to lose tax deductions, it is clear that the number of affected taxpayers is going to be very small relative to all State and local taxpayers. Of course, these taxpayers' influence in the political process is likely to be disproportionately large due to their high level of income and, in many instances, wealth.

Although it is difficult to say with any precision how great the effect might be, the State and local tax price change introduced by the Tax Reform Act of 1986 did not seem to have a substantial effect on the level of State and local taxes and spending.[6] This proposed change is also likely to have a relatively small effect.

A second possible effect is that imposition of the ceiling might cause State and local governments to alter their tax structures because the tax price of the income tax net of Federal tax would rise relative to alternative State and local taxes such as the property and sales taxes. Recent research does suggest that substitutability between income and sales taxes is sensitive to deductibility-induced relative price differences.[7] Again, possible changes would depend upon the number of affected taxpayers and the degree of influence they exercise over the political process.

The third important issue is the likelihood that the effect of interstate tax competition might be intensified. Deductibility of State and local income taxes has the effect of reducing tax rate differences between States. For example, assuming a 25 percent Federal marginal tax rate (for ease of calculation), the differential (ignoring the Federal tax offset) between two States with top marginal tax rates of 12 and 8 percent is 4 percentage points. The tax rates net of the Federal tax offset are 9 and 6 percent, reducing the differential from 4 to 3 percentage points. This ceiling proposal would move this differential back to 4 percentage points for high-income taxpayers, the very group that tends to be most mobile and from whom corporate decision makers who make locational decisions are drawn.

FOOTNOTES

[1] Congressional Budget Office. *The Changing Distribution of Federal Taxes: 1975-1990.* October 1987; and CBO. *The Changing Distribution of Federal Taxes: A Closer Look at 1980.* July 1988.

[2] For a discussion of the major issues and economic effects, see Noto, Nonna A., and Dennis Zimmerman. Limiting State-Local Tax Deductibility: Effects among the States. *National Tax Journal.* December 1984; and Kenyon, Daphne. Federal Income Tax Deductibility of State and Local Taxes: What Are Its Effects? Should It Be Modified or Eliminated? *Strengthening the Federal Revenue System: Implications for State and Local Taxing and Borrowing.* Advisory Commission on Intergovernmental Relations, Report A-97. 1984.

[3] The choice of $125,000 is based solely on a desire to generate sufficient tax payments in some States to exceed the $10,000 threshold. The calculations in the table are based upon the description of 1989 State marginal tax rate structures in Advisory Commission on Intergovernmental Relations. *Significant Features of Fiscal Federalism, Volume 1: Budget Processes and Tax Systems, 1990.* M-169, January 1990. Table 19. Some States have since adjusted their rate structures, such as New York (reduction) and New Jersey (increase).

[4] In one sense, these figures are underestimates. The 7 states with no State income tax, if included in the calculation of average and standard deviation, would be represented by an infinitely large number. No level of income is sufficient to impose a $10,000 tax liability on the citizens of these states.

[5] These income levels are somewhat overstated for some citizens in the 11 States that allow local income taxes to be imposed, for these citizens would of course have a higher tax liability than is reported in column 2. In most of these local-tax States, the local tax is neither uniform nor universal for all citizens of the State.

[6] For a discussion of the mechanics of how the 1986 Tax Reform Act affected State and local tax prices, see Dennis Zimmerman. Federal Tax Reform and State Use of the Sales Tax, *Proceedings of the Seventy-Ninth Annual Conference, 1986, National Tax Association—Tax Institute of Amer-*

ica. 1987. For a discussion of the effect of these changes on State and local spending, see Daphne Kenyon. Implicit Aid to State and Local Governments through Federal Tax Deductibility. In *State and Local Finance in an Era of New Federalism*, Michael E. Bell, editor. JAI Press. 1988.

[3] See Mary N. Gade and Lee C. Adkins. Tax Exporting and State Revenue Structures. *National Tax Journal*. March 1990.

PROPOSED BEER TAX INCREASE IS AN OUTRAGE

Mr. BOND. Mr. President, I add my voice to the literally millions of Americans who are outraged by the rumored proposal to raise the beer tax from the current 16-cent tax on a six pack to 64 cents, and almost 400-percent tax increase. The tax on beer is already three times more than the tax on other products that they purchase, and now there is discussion of a 400-percent increase on top of that. That just does not make any sense.

The average price of a six pack already costs more in taxes than in raw material and labor combined, and State beer tax collections have risen nearly 650 percent since 1950. To me it seems that this screwball proposal will single out one class of Americans who drink beer and say, "You are more responsible for the deficit than anyone else. Therefore, we are going to single you out to lay the tax burden on you."

That is ridiculous. Why single out one class of Americans to bear the burden of this deficit? Most beer taxes are paid by households earning less than $35,000 per year.

Mr. President, my office alone has received more than 3,000 letters in opposition to this tax from constituents. And nearly 21,000 people have signed petitions opposing this new tax.

Unfortunately it now appears that contrary to stated positions—the summiteers may be pushing to quadruple the beer tax.

Everyone wants the deficit to come down. We all know that some new revenues are going to be part of an agreement. It is absolutely essential that the burden be broad, that it not unfairly single out one sector of the country, or one group of people.

I hope that this ill-fated proposal never appear again. I hope that we will see fairness in a deficit reduction package. I join those who hope that we will see proposals from both sides so that we could get about the business of bringing the deficit under control and making sure that the economy continues to grow.

Mr. President, a quadrupling of the beer tax is just not fair. It singles out one group of Americans for disproportionate responsibility for a deficit. This does nothing but divide Americans at a time when we so desperately need unity.

THE SOVIETS MUST RENOUNCE RESOLUTION 3379

Mr. MOYNIHAN. Mr. President, we have read in recent days that President Bush has decided to drop the longstanding United States opposition to a larger Soviet role in the Middle East peace process. This decision overlooks an important—indeed, insurmountable—problem which the Soviet Union faces in attempting to play a constructive role in the Middle East. Namely, the fact that the Soviet Union has already disqualified itself from the role of peacemaker by initiating and championing the obscene 1975 U.N. resolution equating zionism with racism.

Let there be no mistake. The 1975 resolution was born in a two-part article which appeared in Pravda February 18-19, 1971, titled "Anti-Sovietism—Profession of Zionists." The author was Viktorovich Bolshakov, Deputy Secretary of Pravda's editorial board in charge of the newspaper's international department. It was promptly published as a pamphlet in numerous languages and distributed around the world. The article made the incredible argument that Zionists had collaborated with the Nazi invaders of the Soviet Union. Zionists as accomplices of the Nazis. What lie could be more obscene? Perhaps only the lie embodied in Resolution 3379, namely that the State of Israel—a vigorous democracy with a range of civil liberties unprecedented for the Middle East—was founded on a racist philosophy.

What role can the Soviet Union play in promoting peace in the Middle East so long as it has not repudiated this infamous lie, a lie which was its own creation? On March 30 of this year I held a hearing entitled "Revoking the U.N. Zionism Resolution." At that hearing the State Department revealed that "the Soviets have assured us that the resolution represents a concept that is no longer acceptable according to the new political thinking of the Soviet Union." Let them say so publicly. Let them endorse the revocation of the resolution. On August 10 of this year I received a letter from Judge Jerome Hornblass on behalf of the American section of the International Association of Jewish Lawyers and Jurists. Judge Hornblass reports that Soviet acting Ambassador to the United Nations told a delegation from his organization that the Soviet Union is in favor of repudiating the statement that "zionism equals racism" as it stands alone. Again, let them tell the world that they renounce this lie. That is what new thinking requires to be credible. What immoral regimes create, moral regimes instantly repudiate. That is what President Havel of Czechoslovakia did when he came to power. He went to Jerusalem and publicly announced that he was reversing his nation's position on this issue. Let the Soviet Union do the same. Then, and only then, will it have the credibility which is essential to play a positive role in the search for peace.

REGARDING FURLOUGHING SALARIES OF MEMBERS OF CONGRESS

Mr. McCAIN. Mr. President, yet again I must come before the Senate and note in despair the perpetuation of our shameful legacy as the last American plantation. Two million, four hundred thousand employees of the Federal Government, people who have worked hard to do the business of our Nation, have received notices that beginning October 1, the start of fiscal year 1991, they will be forced to take unpaid leave.

We must cut the Federal deficit and not leave our heirs saddled with a legacy of fiscal irresponsibility. It is time to rein in this profligacy. We must now demonstrate the courage to cut spending. These draconian cuts will undoubtedly be felt by all Americans, but I do not believe that civil servants should be singled out to bear more of this burden than their fair share.

Further, I believe that if Federal employees are expected to bear this burden, then Congress must not be hypocritical and exempt itself from painful budget cuts. Federal employees are not to blame for the current deficit crisis. It is Congress and the executive branch who must shoulder the blame for the deficit, and it is they who must find solutions to this problem.

It is reprehensible that we are speaking of furloughing civil servants when the salaries of Members of Congress—the very people responsible for the dilemma in which we are mired—are safe from any cuts. I am proud to support the legislation introduced by Senator PRESSLER to include salaries of Members of Congress in any sequestration, and I urge this body to adopt the legislation should Federal workers be subjected to furloughs.

Mr. President, we are a Congress of the people, not above the people. It is time we acted as one.

I yield the floor.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations

which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 12:47 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 7) to amend the Carl D. Perkins Vocational Education Act to improve the provision of services under such act and to extend the authorities contained in such act through the fiscal year 1995, and for other purposes.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 5267. An act to amend the Communications Act of 1934 to provide increased consumer protection and to promote increased competition in the cable television and related markets, and for other purposes.

At 5:39 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2088) to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes.

ENROLLED BILLS SIGNED

At 6:05 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

H.R. 7. An act to amend the Carl D. Perkins Vocational Education Act to improve the provision of services under such act and to extend the authorities contained in such act through the fiscal year 1995, and for other purposes; and

H.R. 94. An act to amend the Federal Fire Prevention and Control Act of 1974 to allow for the development and issuance of guidelines concerning the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation affecting commerce, and for other purposes.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 5267. An act to amend the Communications Act of 1934 to provide increased consumer protection and to promote increased competition in the cable television and related markets, and for other purposes.

MEASURES ORDERED HELD AT THE DESK

The following bill was ordered held at the desk until the close of business on September 14, 1990:

H.R. 5400. An act to amend the Federal Election Campaign Act of 1971 and certain related laws to clarify such provisions with respect to Federal elections, to reduce costs in House of Representatives elections, and for other purposes.

REPORTS OF COMMITTEES

The following report was filed on September 12, 1990, and inadvertently omitted from the RECORD:

By Mr. KENNEDY, from the Committee on Labor and Human Resources, with an amendment in the nature of a substitute:

S. 2857. A bill to amend the Public Health Service Act to reauthorize certain Institutes of the National Institutes of Health, and for other purposes (Rept. No. 101-459).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. RIEGLE, from the Committee on Banking, Housing, and Urban Affairs, without amendment:

S. 3049. A bill to amend the Equal Credit Opportunity Act and the Home Mortgage Disclosure Act (Rept. No. 101-461).

By Mr. BIDEN, from the Committee on the Judiciary, with amendments:

S. 2224. A bill to authorize appropriations for the Administrative Conference of the United States for fiscal years 1991, 1992, 1993, and 1994, and for other purposes.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DIXON (for himself, Mr. SANFORD and Mr. WIRTH):

S. 3040. A bill to amend the Federal Deposit Insurance Act to provide for risk-based premiums for deposit insurance; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. SANFORD (for himself, Mr. PELL, Mr. DODD, Mr. LUGAR, Mr. KERRY, Mr. MCCONNELL, Mr. CRANSTON, Mr. MCCAIN, Mr. GRAHAM, Mr. MOYNIHAN, Mr. COHEN, Mr. DOMENICI, Mr. BINGAMAN, Mr. WIRTH, Mr. KENNEDY, Mr. KOHL and Mr. HARKIN):

S. 3041. A bill to set forth United States policy toward Central America and to assist the economic recovery and development of that region; to the Committee on Foreign Relations.

By Mr. COHEN:

S. 3042. A bill to establish a uniform minimum package and claim procedures for health benefits, provide tax incentives for health insurance purchases, encourage malpractice reform, improve health care in rural areas, establish State uninsurable pools, and for other purposes; to the Committee on Finance.

By Mr. EXON:

S. 3043. A bill for the relief of Nebraska Aluminum Castings, Inc.; to the Committee on the Judiciary.

By Mr. SHELBY:

S. 3044. A bill to amend title XVIII of the Social Security Act to repeal the requirement that all nonparticipating physicians file Medicare claims on behalf of all of their patients who are Medicare beneficiaries; to the Committee on Finance.

By Mr. RIEGLE (for himself, Mr. SHELBY, Mr. KERRY, Mr. GRAHAM, Mr. D'AMATO, Mr. DODD, Mr. CRANSTON, Mr. AKAKA, Mr. WIRTH, Mr. METZENBAUM, and Mr. SIMON):

S. 3045. A bill to authorize the Federal Deposit Insurance Corporation to increase deposit insurance premiums as necessary to protect the Bank Insurance Fund; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. MOYNIHAN:

S. 3046. A bill to redesignate the Federal building located at 1 Bowling Green in New York, NY, as the "Alexander Hamilton United States Custom House"; to the Committee on Environment and Public Works.

By Mr. DECONCINI (for himself and Mr. METZENBAUM):

S. 3047. A bill to amend the antitrust laws in order to preserve and promote wholesale and retail competition in the retail gasoline market; to the Committee on the Judiciary.

By Mr. SIMON:

S. 3048. A bill to amend the Illinois and Michigan Canal National Heritage Corridor Act of 1984 to extend the boundaries of the corridor; to the Committee on Energy and Natural Resources.

By Mr. DIXON:

S. 3049. A bill to amend the Equal Credit Opportunity Act and the Home Mortgage Disclosure Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ROTH:

S. 3050. A bill to require annual audits of all insured depository institutions and to assure the quality and to improve the usefullness of work performed by independent public accountants in auditing insured depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRESSLER (for himself and Mr. MCCAIN):

S. 3051. A bill to reduce the pay of Members of Congress corresponding to the percentage reduction of the pay of Federal employees who are furloughed or otherwise have a reduction of pay resulting from a sequestration order; to the Committee on Governmental Affairs.

By Mr. GORE (for himself and Mr. GRAHAM):

S. 3052. A bill to amend the Public Health Service Act with respect to providing financial assistance for certain trauma-care centers operating in geographic areas with a significant incidence of violence arising from the abuse of drugs; to the Committee on Labor and Human Resources.

By Mr. DURENBERGER:

S. 3053. A bill to amend the Internal Revenue Code of 1986 to increase and modify the gas guzzler tax; to the Committee on Finance.

By Mr. RIEGLE (for himself and Mr. DIXON):

S.J. Res. 363. Joint resolution to designate the week of October 22 through October 28, 1990, as the "International Parental Child Abduction Awareness Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DIXON (for himself, Mr. SANFORD and Mr. WIRTH):

S. 3040. A bill to amend the Federal Deposit Insurance Act to provide for risk-based premiums for deposit insurance; to the Committee on Banking, Housing, and Urban Affairs.

DEPOSIT INSURANCE REFORM ACT

Mr. DIXON. Mr. President, in 1933, Franklin D. Roosevelt faced the worst financial crisis in our Nation's history. During the first 3 days of March 1933, deposit withdrawals took place at the rate of 10 percent per week. The panic was so pervasive that Roosevelt was forced to close every bank in the country on March 6, 1933.

When banks reopened after the "bank holiday," they benefited from a new statute which provided, for the first time in our history, Federal deposit insurance.

As a result, banking panics became a thing of the past. Depositor confidence in our Nation's depository institutions was restored, and from the late thirties to the late seventies, an average of only seven banks a year failed. Deposit insurance looked like a spectacular success.

Now, however, deposit insurance looks like a spectacular failure. The collapse of the thrift insurance fund has given us a financial crisis that is in many ways worse than the one Roosevelt had to deal with. And while there is no doubt that deposit insurance was not the sole cause of the thrift debacle, it is clear that reforming our deposit insurance system is absolutely imperative.

The present crisis exposed at least two major flaws in the current system. First, it permitted savings and loan executives to make "heads I win; tails you lose" bets where S&L owners would get the benefit of high-risk investments if they paid off, but the Government would get the losses if they didn't. This is known as the "moral hazard" of deposit insurance. It is a fatal flaw, and it must be corrected.

Second, deposit insurance regulation did not ensure that thrifts that failed were promptly closed. Unbelievably, some thrifts were allowed to remain open for periods of up to 10 years after their capital was exhausted. Only the existence of deposit insurance allowed these insolvent institutions to keep going. The result of that mistake has been literally hundreds of billions of dollars worth of losses which the Government is now responsible for.

The structure that allowed that kind of excessive regulatory discretion must be changed, Mr. President. We cannot afford a system with so few checks and balances—one that permits the regulators to confuse the sound objective of preserving the safety and soundness of our banking and thrift system with the mistaken objective of preserving individual banks and thrifts from the consequences of their own actions.

The catastrophic failure of the Federal thrift insurance system in and of itself makes a compelling case for prompt, comprehensive reform. If further proof is needed, though, consider the chilling testimony that the Comptroller General of the United States, Charles Bowsher, delivered before the Banking Committee earlier this week. The distinguished head of the GAO told the committee that the bank insurance fund will not be able to reach its 1.25-percent target ratio in the next 5 years, that the fund is under serious stress, and that it is even possible that the fund could go bankrupt. Bank insurance premiums will be increased by over 62 percent next year, but the GAO's estimates take that fact into account. Even with the increase, therefore, the bank insurance fund is in real jeopardy.

Consider also that there have been 200 or more bank failures each year for the last 2 years, even though our economy has grown steadily since the 1982 recession. Further, consider that bank loan losses are steadily going up, both in absolute terms and as a percentage of bank assets.

Finally, it is worth noting that our deposit insurance system causes serious competitive imbalances within the banking industry. All deposits at large banks—even those well over the $100,000 insurance limit—end up being fully protected because of the way the Federal Deposit Insurance Corporation [FDIC] handles large bank failures. This is known as the "too big to fail" problem, and it gives large banks competitive advantages over small banks, where deposits over $100,000 are not protected in the same way by the FDIC.

There are a number of other problems facing our insurance fund, Mr. President. At their most basic level, however, all of these problems reflect one overriding reality—that the business of banking has changed enormously. Our deposit insurance system must be modified if it is to work in the new environment.

The banking industry, at the time most of our banking laws were enacted, resembled the railroad industry back in the 1880's, when the Interstate Commerce Act imposed a comprehensive regulatory scheme on it. Banks dominated the financial services industry like the railroads dominated transportation.

Today, however, railroads face intense competition from barges, planes, trucks, pipelines, and automobiles. Similarly, banks face ever-increasing competition from other, often less regulated, competitors. Banks are no longer protected from marketplace pressures. In fact, it is fair to say that much of the banking marketplace has been deregulated, even though banks themselves have not.

We cannot undo the technological and marketplace revolutions which have created that new, much tougher competition even if we wanted to. What we must do instead is to adjust the so-called Federal safety net.

To help accomplish that objective, I am today introducing the Deposit Insurance Reform Act—a bill designed to bring deposit insurance into line with the 1990's. I am very pleased that my distinguished Banking Committee colleagues, Senators SANFORD and WIRTH, are cosponsoring this legislation. This package of reforms preserves the best feature of the current insurance system—the high confidence it gives depositors in the stability of our banking system—while providing real marketplace discipline.

The heart of the bill involves changing the insurance premium structure. Currently, both banks and thrifts pay a flat-rate premium. Every bank, regardless of condition, pays the same rate. Every thrift, regardless of condition, pays the same rate.

Yet no insurance company would stay in business for long if it charged an 18-year old Corvette owner with three speeding tickets the same premium as a 45-year old Taurus station wagon owner with a good driving award. Insurance companies charge premiums based on risk, and so should the Federal deposit insurance system. Under my proposal, it will.

This is risk-based pricing with a difference, however. It relies on private market forces, instead of Government, to set the rates. Under the bill, the full Federal Deposit Insurance Corporation premiums for large banks and thrifts will be based on the prices charged by private insurance companies for reinsuring 10 percent of the FDIC's risks on a bank-by-bank basis. These private insurers—with their own money on the line—will guarantee that Federal deposit insurance rates reflect marketplace realities. A simplified risk-based system will set the premiums for smaller banks and thrifts.

After an appropriate transition period, each bank would pay a premium based on the riskiness of its activities and the soundness of its capital. Further, the premium could and would change as the bank itself changed.

The advantages of this approach are numerous:

It eliminates the moral hazard of deposit insurance. Banks or thrifts taking on risk in excess of the levels their capital will support would find their insurance premiums increasing dramatically. That would take the profit out of excessively risky behav-

ior, thus simultaneously encouraging prudent banking while protecting the insurance fund;

It helps insure that failed institutions are promptly closed. As a bank or thrift gets closer and closer to failure, its insurance premium would rise, and at some point it would be impossible for a problem bank to get private reinsurance at all. The regulators, therefore, would find it impossible to keep institutions open for long periods past the time when they should be closed;

It will guarantee that banks and thrifts will have the capital they need. Before deposit insurance, banks had capital ratios of well over 12 percent—and many had 20 percent or more—capital to total assets. Now, the bank capital ratio is closer to 6 percent, and the result is that banks are more fragile. The thrift industry capital situation is much, much worse. In the insurance context, capital is like a deductible. More capital means lower insurance premiums. Less capital means higher premiums. All of which means that, under the risk-based system, there will be powerful incentives for banks and thrifts to improve their capital positions;

It rewards sound banking. One economist estimates that, under the current deposit insurance system, good banks cross subsidize riskier banks by $2.5 billion a year or more. Risk-based premiums eliminate that subsidy; and

It provides real discipline without hurting small depositors. While the FDIC would be selling 10 percent of its risk to private reinsurers, from the depositors point of view, their deposits of up to $100,000 would still be fully insured by the Federal Government. Small depositors would not need to try to become sophisticated financial analysts in order to be sure their savings were safe in a bank.

The proposal uses a simpler, more mechanical risk-based system for smaller banks and thrifts. Smaller thrifts do not present the same kinds of risks to our financial system. Further, small banks and savings and loans that basically only make loans in their local communities are not really suitable candidates for private reinsurance at this point. It would be very difficult, for example, for private reinsursers to carefully review over 12,000 small banks to set premiums.

The two-step system in the bill rewards the best small banks and thrifts with low rates and creates real incentives for banks and thrifts to improve their capital positions and to act prudently. At the same time, it does not burden them with heavy new regulatory requirements. In short, for small institutions, the bill is designed to be practical and workable, taking into account the major differences between small institutions and large ones.

The bill also mandates all the regulators to conduct annual, on-site examinations of each of the banks and thrifts they regulate. This is a simple, straightforward requirement, but it is absolutely critical. Examinations help identify problems early. They help ensure that the filings banks and thrifts make each quarter to the regulators stay accurate. They are also the only real way to get a handle on how good management systems are, and how good loan documentation is.

In almost every failure, management control had either broken down or was nonexistent. In almost every failure, loan documentation records were a mess—incomplete, inaccurate, or nonexistent. Annual exams can pick these problems up early, and help ensure that they are corrected before bad procedures and the bad loans that result overwhelm the institution.

Examiners are like policemen. Requiring annual exams insures that the cops are on the beat, where they belong, and where they can do the most good.

The proposal has a number of other features designed to work with risk-based premiums to protect the taxpayer from risk of loss, while discouraging imprudent banking. For example, it changes the way the FDIC has to deal with large bank failures in order to resolve the too big to fail problem. After all, deposit insurance is intended to protect depositors, not bankers. The safety and soundness of the banking system can be protected without having to fully protect deposits of over $100,000 at large banks.

The bill also changes the way regulators decide when to close a troubled institution. As my colleagues know, the thrift regulators left insolvent institutions open for years after they had effectively become bankrupt. The banking regulators have done a better job, but even in the banking area, it is possible to close institutions more promptly. Earlier closure will save the insurance fund money. It also encourages banks and thrifts to act prudently and to maintain adequate capital, because they will know that if they don't, they will not be able to keep operating with the insurance fund's money.

What the bill does is to require the FDIC to discount the assets of banks and thrifts that do not meet capital standards. The discounts would be based on the FDIC's experience with similar assets in the past, and on other relevant factors. Once the institution's net worth had declined to zero based on this discounted approach, the institution would have to be closed.

Mr. President, before I close, I would like to briefly comment on three provisions that are not in this bill, and to discuss briefly why they are not.

First, the bill does not contain language cutting the current $100,000 deposit insurance ceiling. Increasing the ceiling from $40,000 to $100,000 is widely considered to be a major factor in the thrift crisis. I do not want to comment on the merits of that increase. It happened in 1980, before I came to the Senate. However, it is now 1990, and the issue now is not whether to raise it, but whether to cut it.

Frankly, I think there are serious risks in cutting it. We are facing a financial crisis larger than any we have seen since the 1930's. Confidence in our financial system has eroded dramatically. We must act to preserve and restore depositor confidence. Cutting the $100,000 level down to $40,000, though, would likely further erode confidence. Depositors, even those with account balances far below $40,000 would likely feel that the Federal Government was withdrawing some deposit insurance protection. That is something we simply cannot afford.

Further, it does not appear that there is much practical benefit to be gained from such a cut. It appears that perhaps only about 5 percent of all bank deposits are in accounts with balances above $40,000 but below $100,000. If that figure is accurate, we would be risking further serious erosions in customer confidence just to affect $1 in every $20. That, it seems to me, is not a risk worth taking, so that provision is not in my bill.

For similar reasons, I have not included a provision restricting multiple accounts. As my colleagues know, under current rules, it is possible to have a number of fully insured accounts in every bank and thrift in the country. I have been considering a proposal that would not limit the number of accounts a person could have, but which would limit deposit insurance to $100,000 in the aggregate. I will insert a copy of that idea at the close of my remarks.

This case is a bit closer than the case for cutting the $100,000 insured amount. It is true that deposit insurance was originally intended to protect small depositors, not large ones. It is also true that the average bank account contains only about $8,700 and that we now insure roughly 75 percent of all bank deposits, up from only 50 percent in the thirties.

However, it would be very, very expensive to implement this kind of restriction—start up costs could be in the billions of dollars. Further, it tends to present the same risks of erosion of consumer confidence. Finally, it could cause money to leave the banking system. For all these reasons, and because the other reforms in my bill, along with the restrictions on brokered deposits that were enacted last year, provide the kind of discipline that is really needed, I have not put this idea into the bill.

Finally, I have not included language raising the capital standard. The reason for this is simple. The whole thrust of the bill is to create a series of carrots and sticks to get banks and thrifts to raise their capital. What I am trying to achieve is to create a situation where most banks and thrifts have capital well in excess of the standard, so that the capital standard can be a true minimum, rather than a target to shoot for. Frankly, barely meeting the capital standard is not a sign of health, it is a sign of trouble, and should be seen that way.

Mr. President, my legislation allows both the Government and the private sector to do what each does best. It goes a long way toward privatizing deposit insurance, from the banks' point of view, because they will face private sector-based prices for deposit insurance. However, it maintains the full Federal guarantee for depositors, so that confidence in our financial system is not further eroded.

The need for this kind of reform cannot be overestimated, but restructuring our deposit insurance system will not, by itself, end the financial problems now facing so many U.S. banks and thrifts. Banks can't raise additional capital simply because Congress asks them to. Additional capital can only come from a strong, profitable banking and thrift industry. We also have to take a fundamental look at the rest of the Federal regulatory structure, to see what can be safely changed, and to eliminate what no longer fits the new economic situation.

Deposit insurance reform should be the centerpiece congressional action on banking legislation, but it must be accompanied by other major structural changes if we are to ensure a healthy, stable, internationally competitive banking industry for the future.

This proposal does not end the reform debate; that debate is just beginning. Further, this is not a final proposal. It is rough in spots, and will, I am sure, benefit greatly from the comments of my colleagues and interested outside parties. Rather, this legislation is intended to help advance the debate on this critical issue.

Mr. President, I ask unanimous consent that a copy of the bill, a one-page summary, a fuller explanation of the bill, a question and answer paper, a copy of the multiple accounts concept, and an explanation of that idea be included at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3040

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Deposit Insurance Reform Act of 1990".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.
Sec. 2. Findings and purposes.
TITLE I—BANK REINSURANCE PROGRAM
Sec. 101. Short title.
Sec. 102. Large bank deposit insurance reform.
Sec. 103. Small bank deposit insurance reform.
Sec. 104. Payments upon bank closures.
Sec. 105. Annual examinations.
Sec. 106. Prohibition against certain loans.
Sec. 107. Uninsured deposits.
TITLE II—DEPOSIT REINSURANCE CORPORATION
Sec. 201. Short title.
Sec. 202. Contingent deposit reinsurance corporation.
Sec. 203. Contingent establishment.
Sec. 204. Participating banks.
Sec. 205. Board of directors
Sec. 206. Capital structure.
Sec. 207. Applicability of State law.
Sec. 208. Restrictions.
Sec. 209. Corporate headquarters.
Sec. 210. Authorization of appropriations.
TITLE III—SAVINGS ASSOCIATION REINSURANCE PROGRAM
Sec. 301. Short title.
Sec. 302. Large savings association deposit insurance reform.
Sec. 303. Small savings association deposit insurance reform.

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) the collapse of the Federal Savings and Loan Insurance Corporation insurance fund was caused in part by fundamental flaws in Federal deposit insurance as it is currently structured;

(2) among the major contributing factors to the savings and loan crisis was the failure to close insolvent institutions in a timely manner;

(3) the Bank Insurance Fund of the Federal Deposit Insurance Corporation is under serious pressure and is well below the insurance fund to covered assets target ratio;

(4) Federal deposit insurance now covers more than 75 percent of all bank deposits, an increase from approximately 50 percent in the 1930's;

(5) bank capital ratios are presently approximately half of what they were before Federal deposit insurance protection was first extended to depositors in 1933;

(6) insured depository institutions are no longer as insulated from market forces because of fundamental economic and technological changes;

(7) United States banks and savings associations now face ever-growing competition from less-regulated and non-regulated competitors;

(8) there is a "moral hazard" in Federal deposit insurance, an incentive for depository institutions to increase risk as their capital declines;

(9) under the present system, well-capitalized, soundly-run institutions cross-subsidize poorly-run, under-capitalized competitors;

(10) because the Federal Deposit Insurance Corporation has fully protected uninsured depositors at large banks—those depositors with account balances in excess of the $100,000 insured amount—thus giving those banks, in effect, "too big to fail" status, large banks may have a competitive advantage in attracting deposits.

(b) PURPOSES.—The purposes of this Act are to—

(1) ensure that the Federal taxpayer will never again be asked to pay the price for Federal deposit insurance;

(2) ensure that insured depositors can be confident that their savings are fully protected;

(3) protect the safety and soundness of the United States banking and thrift system;

(4) end the "moral hazard" of deposit insurance by instituting a system of risk-based reinsurance for large banks and savings associations;

(5) provide soundly-run, well-capitalized small banks and savings associations with the benefits of a risk-based reinsurance system, without increasing their regulatory burden;

(6) ensure that the risk-based reinsurance system is workable, economical, and responsive to changes in markets and to conditions at covered institutions;

(7) ensure that "good" banks and savings associations will no longer have to cross-subsidize banks and savings associations that take risks beyond levels that their capital will support;

(8) use private reinsurers to help set risk-based premiums based on market forces, and to provide a mechanism to help identify problem institutions so that they are closed in a timely manner;

(9) create a system designed to help reduce Federal Deposit Insurance Corporation losses by closing institutions when the value of their assets reaches zero;

(10) end full protection for uninsured depositors;

(11) encourage banks and savings associations to increase their capital, and place partial reliance on market forces to help determine the necessity of capital increases; and

(12) provide sufficient time for banks and savings associations to raise additional capital and to make other appropriate changes needed to adjust to the new system.

TITLE I—BANK REINSURANCE PROGRAM

SEC. 101. SHORT TITLE.

This title may be cited as the "Bank Reinsurance Act".

SEC. 102. LARGE BANK DEPOSIT INSURANCE REFORM.

(a) LARGE BANK DEPOSIT INSURANCE REFORM.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is amended by inserting after section 7 (12 U.S.C. 1817) the following new section:

"SEC. 7A. RISK-BASED INSURANCE FOR LARGE BANKS.

"(a) PURPOSE.—The purpose of this section is to establish a risk-based deposit insurance assessment rate system through reinsurance coverage for 10 percent of the aggregate risk of large bank failures.

"(b) COVERED BANKS.—This section shall apply to any member of the Bank Insurance Fund that—

"(1) has total assets of more than $1,000,000,000 on December 31, 1991;

"(2) is owned by a bank holding company that has total assets of more than $1,000,000,000 on December 31, 1991; or

"(3) was engaged, directly or indirectly, on December 31, 1991, in securities, insurance, or real estate activities other than those that were permitted for national banks or bank holding companies on August 10, 1987.

"(c) INTERIM RISK-BASED REINSURANCE FORMULA.—

"(1) IN GENERAL.—The Corporation shall establish an interim formula for calculating a risk-based assessment rate for each covered bank.

"(2) FACTORS TO BE INCLUDED IN FORMULA.—In establishing the formula under paragraph (1), the Corporation shall include as factors, covered banks'—

"(A) aggregate capital;

"(B) outstanding loans that are 90 days or more past due;

"(C) renegotiated 'troubled' debt;

"(D) the number and amounts of nonaccrual loans;

"(E) net charge-offs;

"(F) off-balance sheet risk;

"(G) portfolio diversification;

"(H) interest rate risk;

"(I) the completeness of loan portfolio documentation; and

"(J) any other factors the Corporation deems appropriate.

"(d) RISK-BASED FORMULA ASSESSMENTS.—Under the interim risk-based formula, each covered bank shall pay a deposit insurance assessment that is—

"(1) determined by applying the risk-based assessment rate for that bank to the bank's average assessment base, as determined under section 7(b)(2), subject to adjustments authorized by subsection (e);

"(2) after the bank enters into a reinsurance agreement under subsection (h), but prior to the date of the determination described in paragraph (3)—

"(A) determined by adding (i) the premium established by a reinsurance agreement under subsection (i) for that part of the average assessment base that is covered by a reinsurance agreement under such subsection, and (ii) the assessment determined under paragraph (1) for that part of the bank's average assessment base that is not covered by a reinsurance agreement; or

"(B) determined by applying the premium rate established by a reinsurance agreement under subsection (i) to the bank's average assessment base,

whichever is lower, subject to adjustments authorized by subsection (e); or

"(3) after the Corporation determines that 80 percent of covered banks are covered by reinsurance agreements—

"(A) determined by applying the risk factor for that bank to the bank's total insured deposits, except where the bank fails to obtain insurance in a timely manner and is subject to subsection (l)(1)(B); or

"(B) determined by applying the premium rate established by a reinsurance agreement under subsection (i) to the bank's total insured deposits,

subject to adjustments authorized by subsection (e).

"(e) BANK INSURANCE FUND ADJUSTMENTS.—The Corporation shall make proportionate adjustments to each bank's total deposit insurance assessment upwards or downwards, as necessary, to—

"(1) ensure that all such assessments in aggregate, are sufficient to maintain the Bank Insurance Fund designated reserve ratio required by section 7(b)(1)(B); and

"(2) maintain its operating budget, except for receivership expenses, at an appropriate level.

"(f) PHASE-IN OF REINSURANCE PROGRAM.—

"(1) BANKS REQUIRED TO PARTICIPATE.—The Corporation shall assign all covered banks to deciles, based on the assessment rates applicable under the interim formula. The Corporation shall require covered banks assigned to the decile subject to the lowest assessment rates to obtain reinsurance in the first year after the interim formula takes effect. In each subsequent year, banks assigned to the decile subject to the next lowest assessment rates shall be required to obtain reinsurance, as provided in the following table:

"Number of years Since Interim Formula Became Effective	Assessment Rate Decile Under Interim Formula
1	Lowest
2	2
3	3
4	4
5	5
6	6
7	7
8	8
9	9
10	Highest.

The Corporation shall notify each covered bank at least one year before the bank will be required to obtain reinsurance.

"(2) AMOUNT OF REINSURANCE.—Under a reinsurance agreement between a bank and a reinsurer, a reinsurer shall provide reinsurance coverage of not less than the percentage of insured deposits during the specified time period as provided in the following table:

"Year of agreement	Percent of insured deposits covered
1	2
2	4
3	6
4	8
5	10.

"(3) PHASE-IN FLEXIBILITY.—The Corporation may permit variations from the phase-in schedules imposed by paragraphs (1) and (2) where—

"(A) there has been a substantial change in a bank's circumstances which would alter its decile assignment under the interim formula; or

"(B) a covered bank is unable to obtain reinsurance coverage at the specified time due to market availability.

"(g) REINSURER LIABILITY.—

"(1) IN GENERAL.—Each reinsurer shall be liable for the percentage share of the risk it assumes under its reinsurance agreement with a covered bank, not to exceed 10 percent of the Corporation's total case resolution costs for such bank.

"(2) LIMIT.—If in any year the Corporation's total case resolution costs exceed by more than 100 percent the highest total case resolution costs during any preceding year, the aggregate liability of reinsurers shall not exceed 20 percent of such preceding year's costs. Any payment made by a reinsurer which exceeds the limit set by this paragraph shall be reimbursed by the Corporation.

"(3) ADJUSTMENTS.—The Corporation may make adjustments to the limit on reinsurer liability to reflect inflation and banking industry asset growth.

"(h) ELIGIBLE REINSURERS.—

"(1) IN GENERAL.—For purposes of this section, an eligible reinsurer shall include any qualified insurance company that—

"(A) meets appropriate criteria prescribed by the Corporation, subject to the requirements of State laws, for the qualification of reinsurers to offer risk-based reinsurance to covered banks;

"(B) offers reinsurance terms that permit adjustments to the negotiated reinsurance premium not more than—

"(i) on a quarterly basis, for a covered bank that remains above regulatory capital minimums; or

"(ii) on a monthly basis, if the covered bank falls below regulatory capital minimums,

subject to an appropriate limit established by the Corporation in accordance with paragraph (2), except that a covered bank may terminate coverage from one reinsurer and obtain coverage from another after 2 consecutive maximum premium increases under clause (i) or 4 consecutive maximum premium increases under clause (ii); and

"(C) offers reinsurance terms that will remain in effect for a term of not less than 2 consecutive years, except that the Corporation shall establish guidelines covering the length of reinsurance agreements designed to—

"(i) prevent simultaneous expiration and renewal of more than one-eighth of the total number of existing agreements in any one calendar quarter; and

"(ii) ensure that such terminations and renewals will be equally distributed throughout each calendar quarter.

"(2) LIMIT ON RATE INCREASES.—Reinsurers shall not increase a covered bank's reinsurance premium more than 10 basis points in any adjustment period, as provided in paragraph (1)(B).

"(3) BANK AFFILIATION.—An eligible reinsurer may be an affiliate of a bank holding company, except that an insurance affiliate may not offer reinsurance to any affiliated bank.

"(4) MODIFICATION OF REQUIREMENTS.—The Corporation is authorized to waive or modify the conditions of reinsurer eligibility if it determines that such action is necessary to develop reinsurance capacity in the private sector.

"(i) REINSURANCE AGREEMENTS.—

"(1) NEGOTIATIONS.—Eligible reinsurers shall negotiate directly with covered banks to establish—

"(A) the reinsurance premium for that portion of the risk of failure covered by the reinsurer; and

"(B) the rights of the reinsurer to have access to bank documents for assessing risk and determining the premium rate.

"(2) INSURANCE FOR UNINSURED DEPOSITS.—An eligible reinsurer—

"(A) may offer insurance coverage for deposits that are not Federally insured to any bank, whether or not it is covered by reinsurance in accordance with this section.

"(B) shall be solely liable for deposits that are not Federally insured but are covered by insurance under this paragraph.

"(3) ACCESS TO BANK INFORMATION.—Pursuant to a negotiated reinsurance agreement, the reinsurer shall have access to all reports filed with State or Federal banking regulatory authorities, and to all reports subsequently produced by such regulatory authorities relevant to the covered bank during the term of the reinsurance contract.

"(j) PAYMENTS.—The premium negotiated between a bank and a reinsurer in accordance with subsection (i) shall be paid by the Corporation to the reinsurer on a payment schedule established by the Corporation. Assessments under this section shall be paid by the bank to the Corporation in accordance with subsections (b)(2), and (c) through (h) of section 7.

"(k) PUBLIC DISCLOSURE OF ASSESSMENTS.—The Corporation shall publish in the Federal Register the amounts of all deposit insurance assessments applicable to covered banks.

"(l) FAILURE TO OBTAIN REINSURANCE.—

"(1) FDIC REMEDIES.—Except as provided in subsection (f)(3)(B), upon failure of a covered bank to obtain reinsurance or renew a reinsurance agreement at the appropriate time, the Corporation shall—

"(A) close the bank in accordance with procedures applicable to other insured institutions that do not meet minimum capital standards; or

"(B) make a deposit insurance assessment on that bank equal to the highest assessment for any covered bank with reinsurance having the same rating under the Uniform Financial Institutions Rating System (hereafter 'CAMEL rating'), derived from an evaluation of a bank's capital adequacy, asset quality, management, earnings, and liquidity.

"(2) SPECIAL EXAMINATIONS.—For banks subject to treatment under paragraph (1)(B), the Corporation shall—

"(A) make an immediate examination of such bank;

"(B) make semiannual examinations of such bank thereafter; and

"(C) make adjustments to the bank's CAMEL rating, where appropriate.

"(3) SPECIAL ASSESSMENTS.—If, after one year, a bank subject to treatment under paragraph (1)(B) is unable to obtain reinsurance, the Corporation shall make a deposit insurance assessment at least 10 basis points above what otherwise would be assessed under this section. In no event shall the Corporation provide deposit insurance to any bank that is unable to obtain reinsurance for more than 2 consecutive years.

"(m) DISCOUNT WINDOW LENDING.—Any secured discount window lending that exceeds 1 percent of a bank's assets and that is outstanding at the time of a failure shall not be treated as insured deposits for purposes of establishing reinsurer liability. This subsection does not exclude losses that may result if the bank has remained open for a substantial period of time following the lending as a result of the lending, as determined under regulations issued by the Corporation.".

(b) EFFECTIVE DATES.—

(1) INTERIM FORMULA REGULATIONS.—As required by section 7A(c) of the Federal Deposit Insurance Act, as added by subsection (a), the Corporation shall—

(A) publish proposed regulations in the Federal Register not later than 12 months following the date of enactment of this Act establishing an interim risk-based reinsurance formula;

(B) provide for a 6-month public comment period for such proposed regulations; and

(C) publish final regulations in the Federal Register not later than 12 months following publication of the proposed regulations making such regulations effective on the first January 1 that follows the date of enactment of this Act by at least 2 full calendar years.

(2) LARGE BANK DECILE ASSIGNMENTS.—As required by section 7A(f) of the Federal Deposit Insurance Act, as added by subsection (a), the Corporation shall assign all covered banks to deciles, based on the assessment rates applicable under the interim risk-based formula, not later than 90 days after the interim formula takes effect.

SEC. 103. SMALL BANK DEPOSIT INSURANCE REFORM.

(a) SMALL BANK DEPOSIT INSURANCE REFORM.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is further amended by inserting after section 7A the following new section:

"SEC. 7B. PARTIAL RISK-BASED SYSTEM FOR SMALL BANKS.

"(a) PURPOSES.—The purposes of this section are—

"(1) to establish a standardized assessment mechanism for small banks; and

"(2) to provide a risk-based deposit insurance system option for such banks.

"(b) COVERED BANKS.—

"(1) IN GENERAL.—This section shall apply to each member bank of the Bank Insurance Fund that has assets of $1,000,000,000 or less on December 31, 1991, and that does not obtain reinsurance in accordance with section 7A. For purposes of the preceding sentence, the assets of all banking subsidiaries of a holding company shall be aggregated, and all banking subsidiaries shall be treated as one bank.

"(2) REINSURANCE OPTION.—Any bank described in paragraph (1) may elect to obtain reinsurance in accordance with section 7A instead of paying assessments under this section.

"(c) STANDARDIZED ASSESSMENTS.—

"(1) IN GENERAL.—The Corporation shall establish a formula for assigning covered banks to a low- or normal-risk of failure category for purposes of calculating deposit insurance assessments.

"(2) FACTORS TO BE INCLUDED IN FORMULA.—In the formula under paragraph (1), the Corporation shall include the ratios of—

"(A) capital plus loan loss reserves to assets;

"(B) loans that are 90 days or more past due to assets;

"(C) non-accrual loans to assets;

"(D) renegotiated 'troubled' debt to assets;

"(E) net charge-offs to assets; and

"(F) net income to assets.

"(d) STANDARDIZED ASSESSMENTS.—

"(1) SPECIAL BANK ASSESSMENTS.—The Corporation shall assess each bank that has a high CAMEL rating and that is assigned to the normal risk category in accordance with the formula provided for in subsection (c) at a rate equal to the average assessment rate charged to the 3 banks with reinsurance coverage in accordance with section 7A(d) that have the lowest assessment rates.

"(2) AVERAGE BANK ASSESSMENTS.—Any bank not assessed under paragraph (1) shall be assessed at a rate equal to the overall average assessment rate for banks having reinsurance in accordance with section 7A(d).".

(b) SMALL BANK RISK ASSESSMENT.—As required by section 7B(c) of the Federal Deposit Insurance Act, as added by subsection (a), the Corporation shall—

(1) publish proposed regulations in the Federal Register not later than 12 months following the date of enactment of this Act establishing a formula for assigning banks to the appropriate risk category;

(2) provide for a 6-month public comment period for such proposed regulations; and

(3) publish final regulations in the Federal Register not later than 12 months following the date of publication of the proposed regulations, making such regulations effective on the first January 1 that follows the date of enactment of this Act by at least 2 full calendar years.

SEC. 104. PAYMENTS UPON BANK CLOSURES.

(a) BANK CLOSURES.—Section 11(b) of the Federal Deposit Insurance Act (12 U.S.C. 1821(b)) is amended—

(1) by striking "(b)" and inserting "(2)"; and

(2) by inserting before paragraph (2), the following:

"(b) LIQUIDATION AND BANK CLOSURE.—

"(1) EARLY BANK CLOSURE.—The Corporation shall—

"(A) establish discounts on asset values, varying by asset type and maturity date, for banks that fall below minimum capital standards; and

"(B) establish procedures to declare the bank insolvent and close it under provisions of law that apply to bank liquidations due to insolvency when, measured on the basis of values established under subparagraph (A), a bank's capital is exhausted.".

(b) EFFECTIVE DATE.—In accordance with the amendment made by subsection (a)(2), the Corporation shall promulgate regulations to be published in the Federal Register—

(1) as proposed regulations, not later than 18 months; and

(2) as final regulations, not later than 2 years;

following the date of enactment of this Act.

SEC. 105. ANNUAL EXAMINATIONS.

(a) FEDERAL DEPOSIT INSURANCE CORPORATION.—Section 10(b)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1820(b)(2) is amended—

(1) by striking "have power, on behalf of the Corporation, to" and inserting ", on behalf of the Corporation,"; and

(2) by striking "whenever" and inserting "annually and whenever".

(b) COMPTROLLER OF THE CURRENCY.—The first sentence of section 5240 of the Revised Statutes (12 U.S.C. 481) is amended by striking "as often as the Comptroller of the Currency shall deem necessary" and inserting "annually and whenever the Comptroller of the Currency otherwise determines an examination is necessary".

(c) FEDERAL RESERVE SYSTEM.—The third paragraph of section 5240 of the Revised Statutes (12 U.S.C. 483) is amended by inserting after the first sentence the following: "The Board of Governors shall provide for annual examinations of all State member banks.".

SEC. 106. PROHIBITION AGAINST CERTAIN LOANS.

Section 13 of the Federal Reserve Act (12 U.S.C. 342 et seq.) is amended by adding at the end the following:

"The Board shall prohibit any secured loan or secured advance to a member bank or other depository institution that does not meet the basic capital standard prescribed by the appropriate Federal banking agency.".

SEC. 107. UNINSURED DEPOSITS.

Section 11 of the Federal Deposit Insurance Act (12 U.S.C. 1821) is amended by redesignating subsections (g) through (o) as subsections (h) through (p), and inserting a new subsection as follows:

"(g) PAYMENT OF UNINSURED BANK DEPOSITS.—

"(1) PAYMENTS SUBSEQUENT TO BANK CLOSURE.—Upon closure of an insured bank due to insolvency, a depositor—

"(A) shall be paid an amount equal to his or her insured deposits, in accordance with subsection (f); and

"(B) may elect to—

"(i) receive payment for not more than 85 percent of his or her deposit balances in

excess of the insured deposit as a final settlement of any claim against such bank, except as provided in paragraph (3); or

"(ii) have his or her claim determined under the provisions of law that apply to bank liquidations due to insolvency,

except as provided in paragraph (2).

"(2) PAYMENTS SUBSEQUENT TO BANK REOPENING.—In the case of a closed bank that—

"(A) reopens as a bridge bank on the day following closure;

"(B) has its deposits transferred to a new bank in a purchase and assumption transaction; or

"(C) is merged with another bank in an assisted merger transaction,

a depositor shall have access to 65 percent of his or her uninsured deposit balances on the first day following such transition, and to an additional 20 percent within 3 business days following closure, except as provided in paragraph (3). Any withdrawal in excess of 65 percent of uninsured account balances shall constitute acceptance of the 85 percent settlement provided for in subparagraph (B)(i) of paragraph (1).

"(3) DISPUTE RESOLUTION.—

"(A) CAUSE OF ACTION.—Not later than 3 business days following closure of a bank due to insolvency, an affected reinsurer may bring an action in the United States Court of Appeals for the District of Columbia Circuit to preclude the Corporation from making uninsured deposits that exceed $100,000 by more than 65 percent of the account balance available to depositors. A reinsurer shall prevail on a showing that such payments would place a disproportionate share of the resolution costs on the Corporation and the reinsurer. All claims of uninsured depositors shall be settled under liquidation procedures established under section 11 if the Court finds in favor of the reinsurer.

"(B) 60-DAY TIME LIMIT.—The Court of Appeals shall make a ruling on an action brought in accordance with subparagraph (A) not later than 60 days after it is brought.

"(C) LIMITED ACCESS TO UNINSURED DEPOSITS.—During the pendency of an action brought in accordance with paragraph (1), uninsured depositors shall not have access to deposits which exceed $100,000 by more than 65 percent of their account balances.

"(4) NOTIFICATION OF BANK CLOSURE.—The Corporation shall notify affected reinsurers of a bank closure not later than on the day of closure.".

TITLE II—BANK DEPOSIT REINSURANCE CORPORATION

SEC. 201. SHORT TITLE.

This title may be cited as the "Deposit Reinsurance Corporation Act".

SEC. 202. CONTINGENT DEPOSIT REINSURANCE CORPORATION.

Eight years following the effective date of the interim risk-based reinsurance formula established by section 7A(c) of the amendment made by section 203(a) of the Deposit Insurance Reform Act of 1990, the Federal Deposit Insurance Corporation (hereafter "the Corporation") shall—

(1) determine whether the insurance industry is capable of offering reinsurance to all covered banks in accordance with the phase-in schedule established for implementation of the interim risk-based formula; and

(2) if private reinsurance is available to 50 percent or less of banks required to obtain reinsurance due to capacity limitations on the insurance industry, as determined pursuant to paragraph (1), implement the incorporation of the Deposit Reinsurance Corporation as established under section 203.

SEC. 203. CONTINGENT ESTABLISHMENT.

Upon a determination of need under section 202, there shall be established the Deposit Reinsurance Corporation (hereafter "DRC"), which shall—

(1) provide reinsurance for deposits, in accordance with the requirements of sections 7A, 7B, 7C, and 7D of the Federal Deposit Insurance Act, as amended by the Deposit Insurance Reform Act of 1990;

(2) be operated as a for-profit corporation under the control and ownership of participating institutions, subject to the transfer of ownership by the Corporation pursuant to section 205(b), and repayment of the loan authorized by section 206(a); and

(3) be incorporated under the laws of the State of Delaware.

SEC. 204. PARTICIPATING BANKS.

For purposes of this Act, a participating bank is any bank that is required to obtain or voluntarily obtains reinsurance pursuant to section 7A, 7B, 7C, or 7D of the Federal Deposit Insurance Act, as amended by the Deposit Insurance Reform Act of 1990.

SEC. 205. BOARD OF DIRECTORS.

(a) IN GENERAL.—The management of the DRC shall be vested in a 9-member Board of Directors (hereafter "the Board"), which shall consist of—

(1) a Chairperson appointed by the President;

(2) 6 members selected by the Corporation; and

(3) 2 members selected by majority vote of the holders of the common stock, as specified in section 206(d).

(b) TRANSFER OF OWNERSHIP.—Of the 9 members of the Board, the holders of common stock, as specified in section 206(d), shall select by majority vote a total of—

(1) 4 members in the sixth year;

(2) 6 members in the eighth year; and

(3) 9 members in the tenth year

following the date of incorporation of the DRC. The Corporation shall select members to fill the remaining seats on the Board in each of the specified years.

(c) ELECTION OF CHAIRPERSON.—Following transfer of all 9 seats on the Board to the control of the holders of the common stock under subsection (b), the Chairperson of the Board shall be elected by majority vote of the members of the Board.

(d) VACANCIES.—Vacancies on the Board shall be filled in the same manner as the original selection was made, subject to the provisions of subsection (b).

SEC. 206. CAPITAL STRUCTURE.

(a) CAPITALIZATION LOAN.—The Corporation shall make an initial capitalization loan of $5,000,000,000 to the DRC, which shall be—

(1) withdrawn from the Bank Insurance Fund; and

(2) repaid by all participating institutions under an assessment schedule developed by the Corporation.

(b) LOAN ASSESSMENTS.—The Corporation shall establish a loan repayment assessment schedule that—

(1) applies to all participating institutions; and

(2) is designed to ensure repayment of the loan authorized by subsection (a) in full over a period of not more than 10 years following the date of incorporation of the DRC.

(c) PREFERRED STOCK.—The Corporation shall—

(1) hold all preferred stock in the DRC;

(2) establish procedures for retiring a percentage of preferred stock in each of the 10 years of the loan repayment period proportionate to the amount repaid on the loan in that year;

(3) pay interest on preferred stock in the DRC at a rate equal to the applicable 1-year T-bill interest rate.

(d) COMMON STOCK.—The Corporation shall issue shares of common stock to each participating institution in proportion to such bank's loan repayment assessment established by subsection (b), subject to the Corporation's retirement of preferred stock under subsection (c).

SEC. 207. APPLICABILITY OF STATE LAW.

Except as otherwise provided in this Act, the DRC shall be operated and administered in accordance with the laws of the State of Delaware applicable to corporations.

SEC. 208. RESTRICTIONS.

(a) REINSURANCE OFFERINGS.—The DRC shall not offer reinsurance to any bank that holds more than 5 percent of its common stock.

(b) LIMITATIONS ON STOCKHOLDERS.—Until the loan authorized by section 206(a) has been repaid in full to the Corporation, common stock in the DRC shall not be—

(1) bought, sold, or otherwise transferred by any participating bank; or

(2) listed as an asset of any participating bank or savings association or holding company.

SEC. 209. CORPORATE HEADQUARTERS.

The DRC shall maintain its corporate headquarters in the city of Chicago, Illinois.

SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this title.

TITLE III—SAVINGS ASSOCIATION REINSURANCE PROGRAM

SEC. 301. SHORT TITLE.

This title may be cited as the "Savings Association Reinsurance Act".

SEC. 302. LARGE SAVINGS ASSOCIATION DEPOSIT INSURANCE REFORM.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is further amended by inserting after section 7B the following new section:

"SEC. 7C. RISK-BASED INSURANCE FOR LARGE SAVINGS ASSOCIATIONS.

"(a) PURPOSE.—The purpose of this section is to establish a risk-based deposit insurance assessment rate system through reinsurance coverage for 10 percent of the aggregate risk of large savings association failures.

"(b) COVERED SAVINGS ASSOCIATIONS.—This section shall apply to any member of the Savings Association Insurance Fund that—

"(1) has total assets of more than $1,000,000,000 on December 31, 1991; or

"(2) is owned by a savings association holding company that has total assets of more than $1,000,000,000 on December 31, 1991.

"(c) INTERIM RISK-BASED REINSURANCE FORMULA.—

"(1) IN GENERAL.—The Corporation shall establish an interim formula for calculating a risk-based assessment rate for each covered savings association.

"(2) FACTORS TO BE INCLUDED IN FORMULA.—In establishing the formula under paragraph (1), the Corporation shall include as factors, covered savings associations'—

"(A) aggregate capital;

"(B) outstanding loans that are 90 days or more past due;

"(C) renegotiated 'troubled' debt;

"(D) the number and amounts of nonaccrual loans;

"(E) net charge-offs;

"(F) off-balance sheet risk;

"(G) portfolio diversification;

"(H) interest rate risk;

"(I) the completeness of loan portfolio documentation; and

"(J) any other factors the Corporation deems appropriate.

"(d) RISK-BASED FORMULA ASSESSMENTS.—Under the interim risk-based formula, each covered savings association shall pay a deposit insurance assessment that is—

"(1) determined by applying the risk-based assessment rate for that savings association to the savings association's average assessment base, as determined under section 7(b)(2), subject to adjustments authorized by subsection (e);

"(2) after the savings association enters into a reinsurance agreement under subsection (h), but prior to the date of the determination described in paragraph (3)—

"(A) determined by adding (i) the premium established by a reinsurance agreement under subsection (j) for that part of the average assessment base that is covered by a reinsurance agreement under such subsection, and (ii) the assessment determined under paragraph (1) for that part of the savings association's average assessment base that is not covered by a reinsurance agreement; or

"(B) determined by applying the premium rate established by a reinsurance agreement under subsection (j) to the savings association's average assessment base,

whichever is lower, subject to adjustments authorized by subsection (e); or

"(3) after the Corporation determines that 80 percent of covered savings associations are covered by reinsurance agreements—

"(A) determined by applying the risk factor for that savings association to the savings association's total insured deposits, except in the case of a savings association that has not obtained reinsurance in a timely manner and is subject to subsection (m)(1)(B); or

"(B) determined by applying the premium rate established by a reinsurance agreement under subsection (j) to the savings association's total insured deposits,

subject to adjustments authorized by subsection (e).

"(e) SAVINGS ASSOCIATION INSURANCE FUND ADJUSTMENTS.—The Corporation shall make proportionate adjustments to each savings association's total deposit insurance assessment upwards or downwards, as necessary, to—

"(1) ensure that all such assessments in aggregate, are sufficient to maintain the Savings Association Insurance Fund designated reserve ratio required by section 7(b)(1)(B);

"(2) ensure that—

"(A) the lowest assessment charged to any savings association under this subsection; and

"(B) the average assessment charged to all savings associations under this subsection, on an asset-weighted basis,

are no lower than the lowest single assessment or overall average assessment for large banks under section 7A(d); and

"(3) maintain its operating budget, except for receivership expenses, at an appropriate level.

"(f) PHASE-IN OF REINSURANCE PROGRAM.—

"(1) SAVINGS ASSOCIATIONS REQUIRED TO PARTICIPATE.—The Corporation shall assign all covered savings associations to deciles, based on the assessment rates applicable under the interim formula. The Corporation shall require covered savings associations assigned to the two deciles subject to the lowest assessment rates to obtain reinsurance in the first year after the interim formula takes effect. In each subsequent year, savings associations assigned to the deciles subject to the next lowest assessment rates shall be required to obtain reinsurance, as provided in the following table:

"Number of years Since Interim Formula Became Effective	Assessment Rate Deciles Under Interim Formula
1	Lowest
2	& 2 3 & 4
3	5 & 6
4	7 & 8
5	9 & Highest.

The Corporation shall notify each covered savings association at least one year before the savings association will be required to obtain reinsurance.

"(2) AMOUNT OF REINSURANCE.—Under a reinsurance agreement between a savings association and a reinsurer, a reinsurer shall provide reinsurance coverage of not less than the percentage of insured deposits during the specified time period as provided in the following table:

"Year of agreement	Percent of insured deposits covered
1	2
2	4
3	6
4	8
5	10.

"(3) PHASE-IN FLEXIBILITY.—The Corporation may—

"(A) permit variations from the phase-in schedules imposed by paragraphs (1) and (2) if—

"(i) there has been a substantial change in a savings association's circumstances which would alter its decile assignment under the interim formula;

"(ii) a covered savings association is unable to obtain reinsurance coverage at the specified time due to market availability; or

"(iii) the Savings Association Insurance Fund falls below the designated reserve ratio required by section 7(b)(1)(B); and

"(B) when it determines that at least 80 percent of banks covered under section 7A have obtained reinsurance, adjust each savings association's total deposit insurance assessment upwards or downwards, as necessary, to ensure that—

"(i) the lowest assessment charged to any savings association under this subsection; and

"(ii) the average assessment charged to all savings associations under this subsection, on an asset-weighted basis,

are no lower than the lowest single assessment or overall average assessment, respectively, for large banks under section 7A(d).

"(g) REINSURANCE OPTION.—Until such time as the Corporation has determined that 80 percent of covered savings associations have obtained reinsurance, each savings association shall—

"(1) obtain reinsurance in accordance with subsection (f); or

"(2) in the year during which it would otherwise be required to obtain reinsurance in accordance with subsection (f)(1), provide the Corporation with a written guarantee that, in the case of failure, the failed savings associate's affiliates will reimburse the Corporation for not less than 20 percent of the resolution costs associated with such failure.

"(h) REINSURER LIABILITY.—

"(1) IN GENERAL.—Each reinsurer shall be liable for the percentage share of the risk it assumes under its reinsurance agreement with a covered savings association, not to exceed 10 percent of the Corporation's total case resolution costs for such savings association.

"(2) LIMIT.—If in any year the Corporation's total case resolution costs for savings associations exceed by more than 100 percent the highest total case resolution costs during any preceding year, the aggregate liability of reinsurers shall not exceed 20 percent of such preceding year's costs. Any payment made by a reinsurer which exceeds the limit set by this paragraph shall be reimbursed by the Corporation.

"(3) ADJUSTMENTS.—The Corporation may make adjustments to the limit on reinsurer liability to reflect inflation and savings association industry asset growth.

"(i) ELIGIBLE REINSURERS.—

"(1) IN GENERAL.—For purposes of this section, an eligible reinsurer shall include any qualified insurance company that—

"(A) meets appropriate criteria prescribed by the Corporation, subject to the requirements of State laws, for the qualification of reinsurers to offer risk-based reinsurance to covered savings associations;

"(B) offers reinsurance terms that permit adjustments to the negotiated reinsurance premium not more than—

"(i) on a quarterly basis, for a covered savings association that remains above regulatory capital minimums; or

"(ii) on a monthly basis, if the covered savings association falls below regulatory capital minimums,

subject to an appropriate limit established by the Corporation in accordance with paragraph (2), except that a covered savings association may terminate coverage from one reinsurer and obtain coverage from another after 2 consecutive maximum premium increases under clause (i) or 4 consecutive maximum premium increases under clause (ii); and

"(C) offers reinsurance terms that will remain in effect for a term of not less than 2 consecutive years, except that the Corporation shall establish guidelines covering the length of reinsurance agreements designed to—

"(i) prevent simultaneous expiration and renewal of more than one-eighth of the total number of existing agreements in any one calendar quarter; and

"(ii) ensure that such terminations and renewals will be equally distributed throughout each calendar quarter.

"(2) LIMIT ON RATE INCREASES.—Reinsurers shall not increase a covered savings association's reinsurance premium by more than 10 basis points in any adjustment period, as provided in paragraph (1)(B).

"(3) SAVINGS ASSOCIATION AFFILIATION.—An eligible reinsurer may be an affiliate of a savings association holding company, except that an insurance affiliate may not offer reinsurance to any affiliated savings association.

"(4) MODIFICATION OF REQUIREMENTS.—The Corporation is authorized to waive or modify the conditions of reinsurer eligibility if it determines that such action is necessary to develop reinsurance capacity in the private sector.

"(j) REINSURANCE AGREEMENTS.—

"(1) NEGOTIATIONS.—Eligible reinsurers shall negotiate directly with covered savings associations to establish—

"(A) the reinsurance premium for that portion of the risk of failure covered by the reinsurer; and

"(B) the rights of the reinsurer to have access to savings association documents for assessing risk and determining the premium rate.

"(2) INSURANCE FOR UNINSURED DEPOSITS.—An eligible reinsurer—

"(A) may offer insurance coverage for deposits that are not Federally insured to any savings association, whether or not it is covered by reinsurance in accordance with this section.

"(B) shall be solely liable for deposits that are not Federally insured but are covered by insurance under this paragraph.

"(3) ACCESS TO SAVINGS ASSOCIATION INFORMATION.—Pursuant to a negotiated reinsurance agreement, the reinsurer shall have access to all reports filed with State or Federal savings association regulatory authorities, and to all reports subsequently produced by such regulatory authorities relevant to the covered savings association during the term of the reinsurance contract.

"(k) PAYMENTS.—The premium negotiated between a savings association and a reinsurer in accordance with subsection (j) shall be paid by the Corporation to the reinsurer on a payment schedule established by the Corporation. Assessments under this section shall be paid by the savings association to the Corporation in accordance with subsections (b)(2), and (c) through (h) of section 7.

"(l) PUBLIC DISCLOSURE OF ASSESSMENTS.—The Corporation shall publish in the Federal Register the amounts of all deposit insurance assessments applicable to covered savings associations.

"(m) FAILURE TO OBTAIN REINSURANCE.—

"(1) FDIC REMEDIES.—Except as provided in subsection (f)(3)(A)(ii), upon failure of a covered savings association to obtain reinsurance or renew a reinsurance agreement at the appropriate time, the Corporation shall—

"(A) close the savings association in accordance with procedures applicable to other insured institutions that do not meet minimum capital standards; or

"(B) make a deposit insurance assessment on that savings association equal to the highest assessment for any covered savings association with reinsurance having the same rating under the Uniform Financial Institutions Rating System (hereafter 'CAMEL rating'), derived from an evaluation of a savings association's capital adequacy, asset quality, management, earnings, and liquidity.

"(2) SPECIAL EXAMINATIONS.—For savings associations subject to treatment under paragraph (1)(B), the Corporation shall—

"(A) make an immediate examination of such savings association;

"(B) make semiannual examinations of such savings association thereafter; and

"(C) make adjustments to the savings association's CAMEL rating, where appropriate.

"(3) SPECIAL ASSESSMENTS.—If, after one year, a savings association subject to treatment under paragraph (1)(B) is unable to obtain reinsurance, the Corporation shall make a deposit insurance assessment at least 10 basis points above what otherwise would be assessed under this section. In no event shall the Corporation provide deposit insurance to any savings association that is unable to obtain reinsurance for more than 2 consecutive years.".

(b) EFFECTIVE DATES.—

(1) INTERIM FORMULA REGULATIONS.—Pursuant to the requirements of section 7C(c) of the amendment made by subsection (a), the Corporation shall—

(A) publish proposed regulations in the Federal Register not later than July 1, 1991, establishing an interim risk-based reinsurance formula;

(B) provide for a 6-month public comment period for such proposed regulations; and

(C) publish final regulations in the Federal Register not later than 12 months following publication of the proposed regulations, making such regulations effective not later than January 1, 1993.

(2) LARGE SAVINGS ASSOCIATION DECILE ASSIGNMENTS.—Not later than 90 days following a determination by the Corporation that 80 percent of banks covered by section 7A of the Federal Deposit Insurance Act, as added by section 102 of this Act, have obtained reinsurance, the Corporation shall assign all covered savings associations to deciles, based on the assessment rates applicable under the interim risk-based formula, as required by section 7C(f) of the Federal Deposit Insurance Act, as added by subsection (a).

SEC. 303. SMALL SAVINGS ASSOCIATION DEPOSIT INSURANCE REFORM.

(a) IN GENERAL.—The Federal Deposit Insurance Act (12 U.S.C. 1811 et seq.) is further amended by inserting after section 7C the following new section:

"SEC. 7D. PARTIAL RISK-BASED SYSTEM FOR SMALL SAVINGS ASSOCIATIONS.

"(a) PURPOSES.—The purposes of this section are—

"(1) to establish a standardized assessment mechanism for small savings associations; and

"(2) to provide a risk-based deposit insurance system option for such savings associations.

"(b) COVERED SAVINGS ASSOCIATIONS.—This section shall apply to each member savings association of the Savings Association Insurance Fund that—

"(1) has assets of $1,000,000,000 or less on December 31, 1991, and

"(2) does not obtain reinsurance in accordance with section 7C.

For purposes of the preceding sentence, the assets of all savings association subsidiaries of a holding company shall be aggregated, and all savings association subsidiaries shall be treated as one savings association.

"(c) REINSURANCE OPTION.—Any savings association described in subsection (a) may elect to obtain reinsurance in accordance with section 7C instead of paying assessments under this section.

"(d) STANDARDIZED ASSESSMENTS.—

"(1) IN GENERAL.—The Corporation shall establish a formula for assigning covered savings associations to a low- or normal-risk of failure category for purposes of calculating deposit insurance assessments.

"(2) FACTORS TO BE INCLUDED IN FORMULA.—In the formula under paragraph (1), the Corporation shall include the ratios of—

"(A) capital plus loan loss reserves to assets;

"(B) loans that are 90 days or more past due to assets;

"(C) non-accrual loans to assets;

"(D) renegotiated 'troubled' debt to assets;

"(E) net charge-offs to assets; and

"(F) net income to assets.

"(e) STANDARDIZED ASSESSMENTS.—

"(1) SPECIAL SAVINGS ASSOCIATION ASSESSMENTS.—The Corporation shall assess each savings association that has a high CAMEL rating and that is assigned to the normal risk category in accordance with the formula provided for in subsection (d) at a rate equal to the average assessment rate charged to the 3 savings associations with reinsurance coverage in accordance with section 7C(d) that have the lowest assessment rates.

"(2) AVERAGE SAVINGS ASSOCIATION ASSESSMENTS.—Any savings association not assessed under paragraph (1) shall be assessed at a rate equal to the overall average assessment rate for savings associations having reinsurance in accordance with section 7C(d).".

(b) SMALL SAVINGS ASSOCIATION RISK ASSESSMENT.—As required by section 7D(d) of the Federal Deposit Insurance Act, as added by subsection (a), the Corporation shall—

(1) publish proposed regulations in the Federal Register not later than 90 days after the date of enactment of this Act establishing a formula for assigning savings associations to the appropriate risk category;

(2) provide for a 6-month public comment period for such proposed regulations; and

(3) publish final regulations in the Federal Register not later than 12 months following the date of publication of the proposed regulations, making such regulations effective not later than the effective date of the interim risk-based formula established by section 302(b)(1) of this Act.

SHORT SUMMARY OF THE DEPOSIT INSURANCE REFORM ACT OF 1990

The bill:

Creates a risk-based premium system for large banks and thrifts. Importantly, the legislation utilizes the private insurance industry to set these premiums. The FDIC would sell, on a bank-by-bank basis, 10 per cent of its insurance risk into the private insurance markets, and would use these prices to set the overall risk-based premiums;

Mandates all the banking regulators to conduct on-site annual examinations, in order to ensure that any problems are uncovered before a bank or thrift becomes insolvent;

Requires the FDIC to value the assets of capital-inadequate banks and thrifts based on what the FDIC believes they are actually worth (instead of taking the word of these institutions as to what the assets are worth), and to close the bank or thrift when it becomes involvent on that basis. By ensuring that problem banks and thrifts are closed earlier, the costs of closing them will be substantially reduced; and

Changes the way FDIC handles large bank failures so that uninsured depositors are not fully protected in practice even though they are not technically covered by deposit insurance. The bill creates an expedited way for uninsured depositors to be partially paid (more in accordance with what the value of the insolvent institution's assets are actually worth). This also helps reduce the costs of resolving insolvencies for the insurance fund and helps deal with the so-called "too big to fail" problem.

EXPLANATION: DEPOSIT INSURANCE REFORM ACT OF 1990

RISK-BASED INSURANCE PREMIUMS FOR LARGE BANKS

Basic Concept—create a risk-sharing system, based on a reinsurance approach, under which the FDIC sells 10% of its risk that a covered bank will fail to either a for-profit reinsurance subsidiary initially capitalized and owned by the banking industry or to private reinsurers. The FDIC then scales up the price it is charged so that the entire premium assessed the covered bank is based on the risk-based price set by the reinsurer.

Covered Banks—banks part of the bank holding companies that have over $1 billion in assets, banks not part of a holding company with over $1 billion in assets, and any smaller bank that either directly or through a holding company is exercising insurance, security, real estate, or investment powers.

NOTE.—All bank affiliates of a covered multi-bank holding company would pay the same premium. All banking assets and liabilities are aggregated for purposes of obtaining reinsurance or for calculating the premium under the interim risk-based formula.

Impact on Insured Depositors—no change. The FDIC is still the 100% guarantor of insured deposits.

Eligible Reinsurers—any qualified insurance company. Bank holding companies would be permitted to establish insurance affiliates to offer this coverage. Bank insurance affiliates would not be able to offer insurance to banks they were affiliated with. The FDIC would establish financial criteria which all reinsurers would have to meet to be eligible to provide reinsurance (minimum capital requirements, etc. . . . However, there would be no premption of state insurance laws).

Bank-owned Reinsurance Corporation—would be capitalized by the banking industry as a for-profit corporation. The FDIC would trigger formation of this bank-owned reinsurer if it found that, 8 years after the interim formula risk-based system takes effect, that 50% or more of the banking industry is not able to obtain private reinsurance because of lack of capacity. The corporation would be initially capitalized through a loan from the FDIC insurance fund (and the corporation would therefore be initially owned by the FDIC, but ownership would be transferred to the banks over a 10-year period.

Establishing a Risk-Based Premium—the FDIC would not negotiate with eligible reinsurers. Instead, covered banks would conduct the negotiations. Based on the price established in the negotiation, the FDIC would pay the reinsurer, and would scale up the premium so that it also covers the 90% of the risk that the FDIC is not laying off, and assess that premium to the covered bank (the part of the premium based on the FDIC's risk would be adjusted upwards or downwards proportionately, so that the total revenue flowing to the FDIC is sufficient to maintain the insurance fund target ratio (currently 1.25% of domestic bank deposits). The premium paid by each covered bank would be the sum of: (the premium charged by the reinsurer) plus (((9) × (the premium charged by the reinsurer)) × (the adjustment factor necessary to ensure that aggregate premiums are neither far below or far above the levels needed to meet the FDIC fund target ratio)).

Risk-Based Premium Contract Terms—insurance contracts would be for a maximum period of two years. However, the reinsurer would have the ability to adjust the premium rate charged on a quarterly basis (monthly, if the covered bank was below regulatory capital minimums), subject to an appropriate cap. However, four consecutive maximum premium increases (or two quarters) would trigger an option with the covered bank to terminate coverage with one reinsurer and obtain coverage with another reinsurer. The insurance premium charge covered banks would have to be publicly disclosed by the FDIC.

Access to Bank Information—covered banks and eligible reinsurers would determine through negotiation what bank documents the reinsurer would have to have. However, once a bank has reached an agreement with a reinsurer on a price, that reinsurer would have access to call reports when filed with the appropriate banking regulator, and to all exam reports subsequently produced by the banking regulators covering that bank during the period insurance is in effect.

Cap on Private Reinsurer Liability—private reinsurers would be liable for 10% of the FDIC's case resolution costs for any bank they cover. However, if the FDIC's case resolution costs in any year after this plan goes into effect are more than 100% higher than the FDIC's highest previous year total case resolutions costs, private reinsurers liability, in aggregate would be capped, based on that 100% higher level. The cap would be adjusted in future years based on inflation and banking industry asset growth. To the extent that FDIC's costs exceed that level, reinsurers would have to pay the FDIC for their portion of case resolution costs, but they would receive rebates from the FDIC in proportion to their share of all case resolutions during the year so that their costs, in aggregate, do not exceed the cap. The cap is to help ensure that the rates charged by reinsurers do not have to reflect catastrophic systemic risks, where the entire banking system is jeopardized by macroeconomic factors.

Example: suppose that the FDIC's most expensive case resolution year is 1988, and that its resolution costs that year were $6 billion. Also assume that there has been no inflation and no deposit growth since then. The cap for the reinsurers would then be $1.2 billion (100% more than $6 billion, or $12 billion, times their percentage share of coverage. 10% of $12 billion or $1.2 billion which would then be the aggregate loss exposure to the reinsurance industry). If, in a subsequent year, FDIC's costs are $14 billion, so that the reinsurers' collective liability is $1.4 billion, $200 million would be rebated to the reinsurers by the FDIC on a pro rata basis.

Failure to obtain Insurance—if a covered bank fails to obtain reinsurance (either when the new program becomes effective or at policy renewal time), the FDIC would either have to close the bank, or charge that bank an insurance premium based on the highest premium charged any covered bank with reinsurance with the same CAMEL rating. The FDIC would be required to examine any such bank immediately, and subsequently at least twice a year, and to adjust the bank's CAMEL rating, if appropriate, at that time, or at any intervening time that the FDIC believes an adjustment is needed (the insurance premium would change any time the CAMEL rating changes, or any time the highest rate charged a bank that does have reimbursement changes). If, after one year, the bank still cannot obtain insurance, the FDIC would have to charge a premium at least 10 basis points above what it otherwise would be under this provision. In no event, however, can the FDIC provide insurance to any bank that fails to obtain reinsurance for more than two years (Note: Once 80% of eligible banks have reinsurance, a bank could not argue that it was not able to obtain insurance on the ground that the rate charged was too high).

Special Rule in Cases Where There is Discount Window Lending—In cases where an institution has secured, discount window lending amounting to more than 1% of assets when it fails, the discount window lending should be treated as uninsured deposits for purposes of establishing the liability of reinsurers. Under this rule, the FDIC effectively bears 100% of the additional risk of loss caused by a shift in bank liabilities from uninsured deposits to discount window loans (rather than the 90% of loss if would otherwise be liable for). The rule, however, does not protect reinsurers from losses that result if the bank is able to remain open for a longer period as a result of the discount window lending.

Example: Suppose a bank has assets of $100 million, insured deposits of $50 million, and uninsured deposits of $50 million. Also assume the bank has $15 million in losses (so that the assets are only worth $85 million). In this case, assuming a liquidation, the uninsured depositors loss would be $7.5 million. The reinsurere's loss would be $750,000 (10% of $7.5 million), and the FDIC's loss would be $7.5 million. The reinsurer's loss would be $750,000 (10% of $7.5 million), and the FDIC's loss would be $6.75 million (90% of $7.5 million).

Now assume that the Fed loans the bank $10 million before it fails. Insured deposits are still $50 million, but uninsured deposits fall to $40 million. In the changed circumstances, under a liquidation, the Fed gets fully repaid, and the uninsured depositor's losses fall to $6.67 million. The FDIC's loss becomes roughly $7.497 million (90% of $8.33 million) and the reinsurer's loss rises to $833,000 ($10% of $8.33 million).

Under the special rule, the reinsurer would not have to pay the additional $83,000 in losses ($833,000—$750,000). Instead, the FDIC would have to pay this loss.

Effective Date—The interim risk-based formula system would become effective two years after the date of enactment. The transition period to full participation by private reinsurers would begin three years after date of enactment. However, the initial insurance contract lengths would be adjusted so that no more than 12 and ½% (one-eighth) of the contracts come up for renewal in any calendar quarter (adjustments would also be made to ensure that renewals were spread through the quarter, in order to avoid having a large block of renewals come up on a single day).

Interim Risk-Based Formula System—within 12 months of date of enactment, the FDIC would be required to publish a draft risk-based formula, based on the factors listed below. After a 6-month period for comments and an additional 6 months to make any necessary revisions, the interim formula would take effect. The formula would be based on the following factors:

(a) capital;

(b) loans that are 90 days or more past due;

(c) non-accrual loans;

(d) renegotiated "troubled" debt;

(e) net charge-offs;

(f) net income;

(g) off-balance sheet risk;

(h) portfolio diversification;
(i) interest rate risk; and
(j) a measure of the completeness of loan portfolio documentation.

Transition Rule—10-year transition rule, beginning once the interim risk-based formula system is in place. The FDIC would have to publish rules under which 10% of covered banks would have to get insurance in year 1, an additional 10% in year 2 etc. . . ., in order to reach 100% by the end of year 10. The 10% of banks paying the lowest premiums under the interim risk-based formula would be required to obtain private reinsurance in year 1, the 10% of banks paying the next-lowest premiums in year 2, etc. . . . Reinsurers would have to cover 2% of risk in year 1, 4% in year 2, etc. . . . reaching 10% by year 5.

If the scaled up price charged by the reinsurer is less than the premium called for under the interim risk-based formula, the bank would pay its entire premium based on the price charged by the reinsurer. If the price charged by the reinsurer is equal to or greater than the price called for under the interim formula, the bank would pay a premium that is the sum of: (the premium charged for reinsurance) plus ((rate charged under interim formula) x (the base the rate applies to [the domestic deposit base minus the percentage of that base that is being covered by the private reinsurer])).

Once 80% of covered banks have reinsurance, the FDIC would anbandon the interim formula and scale up the prices charged by the reinsurers to calculate each bank's risk-based premium (adjusted proportionately upwards or downwards as necessary so that the premiums, in aggregate, are sufficient to maintain the 1.25% target ratio for the insurance fund (or whatever higher target ratio the FDIC would find is appropriate).

Banking Industry-owned Reinsurer: Some Additional Details—

The corporation would be a for-profit corporation, incorporated under the laws of Delaware.

Initial capitalization—$5 Billion (from the FDIC fund; to repaid through assessments on all banks required to obtain reinsurance over a 10 year period).

Capital Structure—

Common Stock—held by the banks in proportion to their assessments.

Preferred Stock—held by the FDIC and retired over the ten-year period as repaid by the banks ($5.0 billion face amount. The preferred stock pays interest at the one-year T-bill rate)

Board of Directors—

9-member board (8 outside directors plus CEO). Initially, 6 of the 8 directors would be selected by the holders of the preferred stock and 2 by the common stockholders. In year 6, 2 of the seats held by the preferred stockholders would be transferred to the common stockholders. In year 8, another 2 seats would be transferred, and in year 10, the final 2 seats would be transferred.

Principal Office—Chicago, Illinois

Restriction on Corporation—the corporation may not insure any bank that holds more than 5% of the corporation's common stock.

Restriction on stock transferability. Until the FDIC is fully repaid, the common stock cannot be bought, sold, or otherwise transferred by holding banks.

Balance sheet treatment—the stock cannot appear on the balance sheet of any owning banks or bank holding companies as an asset until the FDIC if fully repaid.

RISK-BASED INSURANCE PREMIUM SYSTEM FOR LARGE THRIFTS

Covered Thrifts—thrifts with over $1 billion in assets, and thrifts part of unitary or multiple S&L holding companies with over $1 billion in assets.

Risk-based Formula—the FDIC is directed to develop a risk-based formula, using the same factors as for large banks, but making any modifications the Corporation believes are necessary to take into account the unique characteristics of thrifts. The draft formula would have to be available for comment no later than January 1, 1993. After a six-month comment period, the final formula would go into place on January 1, 1994. The lowest premium charged any thrift could not be lower than the lowest premium charged any bank under the interim risk-based formula or the reinsurance premium, whichever is lower, and the average premium charged thrifts, on an asset-weighted basis, also cannot be any lower than the average premium charged large banks.

Once reinsurance for large banks goes into effect (i.e., when 80% of covered banks have obtained reinsurance), the average premium (on an asset-weighted basis), and the lowest premium, can be no lower than the lowest premium and the average premiums charged banks with reinsurance.

Reinsurance—covered thrifts would have two options:

(1) Obtain reinsurance in the same manner and under the same conditions as banks, or

(2) provide the FDIC with a guarantee that, in the case of failure of a covered thrift, the affiliates of that thrift will reimburse the FDIC for 20% of its resolution costs. In this case, the premiums would continue to be set under the formula.

Transition Rule—10 year transition rule, beginning once the formula goes into effect. Thrifts would be divided into deciles, in a manner similar to large banks, and would have to either get reinsurance or provide the 20% guarantee when their decile came up. When 80% of large thrifts have reinsurance, the remaining thrifts would lose the 20% guarantee option, and would have to either obtain reinsurance or have their premium set in the manner provided for large banks that fail to obtain reinsurance. When 80% of covered banks have reinsurance, the FDIC would have 5 years from that point to ensure that 80% of eligible thrifts obtain reinsurance. At that point, the 20% cross-guarantee option would be lost. If the SAIF fund was below its target ratio, however, the FDIC could extend the transition period (keeping the formula and the cross-guarantee option available).

Reinsurance Corporation—if the FDIC triggers formation of the reinsurance corporation, thrifts would also be members, and could be covered by the corporation.

SIMPLIFIED PARTIAL RISK-BASED SYSTEM FOR SMALLER BANKS

Basic Concept—small banks, those not required to obtain reinsurance, would utilize an alternative, more mechanical, partially risk-based system. The FDIC would set the premiums for small banks without any reinsurance mechanism. The best small banks would be charged a special, low premium. All other small banks would be charged an average premium.

Premium Setting for the Best Banks—To qualify for the special, low premium, small banks would have to show that they have:

(1) the top CAMEL rating, and

(2) are considered in the normal risk group under the risk assessment formula put forward by the FDIC staff in 1986, or a similar formula. The formula is based on six ratios:

(a) the ratio of capital plus loan loss reserves to assets;
(b) the ratio of loans that are 90 days or more past due to assets;
(c) the ratio of non-accrual loans to assets;
(d) the ratio of renegotiated "troubled" debt to assets;
(e) the ratio of net charge-offs to assets; and
(f) the ratio of net income to assets.

Qualifying banks would be charged a premium equal to the average premium charged the best three banks with reinsurance (that is, the three banks with the lowest premium rates).

Other Small Banks—would be charged the *average* premium charged banks with reinsurance (on a weighted assets basis).

Option for All Small; Banks—banks would be given the option of either using this approach, or obtaining reinsurance.

Effective Date—the new premium system would take effect for small banks when the interim risk-based formula takes effect.

Transition Rule—during the period that the interim risk-based premium formula is in effect, the best bank and average bank premium will be calculated off the interim formula.

ALTERNATIVE PARTIAL RISK-BASED SYSTEM FOR SMALLER THRIFTS

Identical to small bank program, except that the average and lowest premiums charged thrifts are the references.

Effective Date—when the large thrift risk-based formula takes effect.

OTHER PROVISIONS

Insurance for Uninsured Deposits—eligible reinsurers could also offer insurance on uninsured deposits, if they so desire. However, the FDIC would not share any of the risks in this part of the program. Small banks could seek to obtain insurance on their uninsured deposits even if they did not have reinsurance.

FDIC Pricing Adjustment—if the reinsurance pricing lowered the FDIC's income to the point where annual premium income is not sufficient to maintain the insurance fund at 1.25% of assets, the FDIC can adjust every bank's premiums proportionately, so as to maintain the 1.25% ratio. The FDIC could also raise premiums proportionately in order to cover its budget (administration, examinations, etc.). The FDIC could lower premiums proportionately, if income would otherwise be in excess of the amount needed to maintain the fund target ratio.

FDIC Insurance Premium Rebates—would not change from current law. The FDIC, when statutory conditions are met, could rebate premiums to banks.

Early Closure—for banks or thrifts that fall below their regulatory capital minimums, the FDIC would be directed to set out a set of discounts on asset values, varying by asset type and maturity date. These discounted asset values are to be based on FDIC's prior historical experience. When, measured on the basis of these discounted asset values, the bank's or thrift's capital is exhausted the FDIC (or the OCC, in the case of a national bank) is directed to declare the institution insolvent and close it. FDIC is required to publish draft regulations within 18 months of the date of enactment, and final regulations within 2 years.

Federal Reserve Discount Window Loans—the Fed would be prohibited from making secured loans to banks that are cap-

ital inadequate (below the basic capital standard). All loans to such banks would have to be on an unsecured basis.

Required Annual Exams—all federal banking regulators would be required to examine each of the banks they are the primary supervisor of annually.

Treatment of Uninsured Deposits in Insolvencies—

FDIC Mandate—continue FDIC's mandate to resolve all cases in a manner least costly to the insurance fund.

Partial Payment—when a bank is closed as insolvent, insured depositors are credited with 100% of their deposits up to the $100,000 ceiling. Uninsured depositors would be given two options:

(1) take 85% of their account balances in excess of $100,000 as a final settlement of any claim they have against the bank. If the bank reopens as a bridge bank the following day, if the bank's deposits are transferred to a new bank in a P&A transaction, or if the bank is merged with another bank in an assisted merger transaction, the uninsured depositors would have access to 65% of their balances in excess of $100,000 the first day, and the remaining 20% within 3 business days, subject to the exception noted below (note: making any withdrawal in excess of the 65% of uninsured account balances after the 3 business days would be deemed to be acceptance of the 85% settlement); or

(2) refusing the settlement and having their claim settled under normal bankruptcy procedures. In this case, the FDIC would still get to handle the case resolution in the way it thinks best, but uninsured depositors would be free to try to show that an alternative case resolution would return more value to uninsured depositors (with FDIC being liable for the difference).

Exception to the Basic Partial Payment Rule—the FDIC would have to inform reinsurers the same day they close a bank. The reinsurers would have the option, within the next 3 business days, to file a suit in the D.C. Circuit Court of Appeals forbidding the FDIC from making the final 20% of account balances available to uninsured depositors, on the ground that there is substantial reason to believe that the assets available in the bank are not sufficient to make that payment without placing a disproportionate share of the resolution costs on the FDIC and the reinsurer (as claimants for the insured depositors). The Circuit Court would then have 60 days to determine whether there was a likelihood that the reinsurer would prevail on the merits. If the Court finds in favor of the reinsurer, all claims of uninsured depositors would have to be settled under normal bankruptcy procedures. During the pendency of the case, uninsured depositors would not have access to the last 20% of their account balances.

SOME QUESTIONS AND ANSWERS ON THE DEPOSIT INSURANCE REFORM ACT OF 1990

RISK-BASED INSURANCE PREMIUMS FOR LARGE BANKS

Q. How many banks are covered:

A. Roughly 250 bank holding companies. These banking organizations account for approximately 90 per cent of U.S. banking assets.

Q. Why apply risk-based premiums only to large banks?

A. Large bank failures pose a risk to the entire banking system that small bank failures do not. Further, the bill uses a simplified risk-based system for small banks.

Q. Why use private reinsurers to set premiums?

A. Using private reinsurers means that prices will be set in a marketplace, rather than through a federal rulemaking process or in a courtroom. A private marketplace reacts more quickly, can take into account factors that are difficult to quantify (like the strength of a bank's management and the quality of its management controls), and can make finer distinctions than the FDIC can. Under the risk-based capital standard, all lending is in the same risk category. Private markets will be able to determine, for example, that some kinds of loans are riskier than others, and that having too many of one kind of loan may also increase risk. Further, it makes pricing less legalistic and political. Instead, economic considerations will be the determining factors.

Q. Will depositors know what the risk-based premiums are, and should they care?

A. The FDIC will publish the premiums paid by every bank. Depositors can continue to be confident that their accounts up to $100,000 are fully protected. A low insurance premium will simply be a further sign that their bank is safe and sound.

Q. Will private insurance companies be willing to provide reinsurance?

A. Of course, not every insurance company will do so. Some companies have had problems with officers and directors liability coverage, and so are gunshy with respect to anything involving banks. Others say they don't have the capital to devote to this exercise. I have talked to some of the largest insurance companies and insurance brokerage firms in this country, and I am confident that the insurance capacity can be created over the transition period in the bill. Further, the bill contains a number of provisions designed to ensure that the capacity is available:

(1) It establishes an interim risk-based formula approach, to get the risk-based premium system up and running;

(2) It allows for a 10-year transition period after the formula goes into effect, so that the capacity has time to develop;

(3) It allows bank holding companies to form reinsurance companies as affiliates, and we have already had bank holding companies express an interest in starting up such companies; and

(4) It allows the FDIC to create, in the unlikely event that it is necessary, a private reinsurance corporation that would be collectively owned by the participating banks.

Q. Will large banks have to pay higher insurance premiums under the risk-based system?

A. Once the system is fully phased in, well-capitalized, soundly-run large banks will likely pay lower premiums than they pay now. However, banks with capital problems, and banks that have high-risk loans not sufficiently supported by their own capital could pay higher premiums. Further, as banks add to their risk, their premiums will rise, unless the bank has its own capital to compensate for the increased risk.

Q. What is the relationship between capital and the risk-based premium a bank would pay?

A. Capital, in this context, can be thought of as an insurance deductible. Automobile collision coverage is cheaper, for example, if you take a $500 deductible, instead of a $200. Similarly, a bank that has 12 percent capital will pay lower premiums than a bank that barely makes the capital standard.

Q. What effect will the risk-based system have on banking industry capital?

A. It creates powerful incentives for banks to increase their capital. Most banks would likely have capital significantly above the current standards, because otherwise, their insurance premiums would be likely to rise. Banks will have to have enough capital to be able to weather most problems while still meeting the capital standard. The capital standard would become a true minimum acceptable level, rather than the target to shoot for, as it is now.

Q. Does allowing banks to own reinsurers present any problems?

A. Bank holding companies will be allowed to own reinsurers. However, a bank-owned reinsurer would not be allowed to insure the bank that owns it. Further, the insurance activities would have to be conducted in a fully separated and capitalized affiliate, so that deposit insurance would not be backing that activity. There would be a so-called "Chinese Wall" between the reinsurance company and its affiliated banks, so that confidential information regarding other banks that the reinsurance company has access to is not passed to the banks affiliated with the reinsurance company.

Q. Doesn't using private insurers present some new risks?

A. It is true that private reinsurers will likely act in ways that are significantly different than the way the FDIC has acted, and there are major advantages to that, which is why the bill uses private reinsurers. However, there are also risks that insurers will panic and price insurance too high, or that insurers would withdraw from the market, leaving banks without reinsurance. The bill's incentives for banks to raise capital, and the long transition period are designed to minimize the risks involved. However, any private market overreacts from time to time. These overreactions are always self-correcting, but the bill has a number of features to guard against these risks:

(1) It controls the timing and the amount of premium increases;

(2) It allows the FDIC to adjust rates if reinsurance prices would result in giving the FDIC more income than it needs to maintain an appropriate insurance fund target ratio;

(3) It caps reinsurance industry liability so that reinsurers are not attempting to reinsure systemic, catastrophic losses;

(4) It ensures that uninsured depositors share in any losses, which tends to limit reinsurer risk exposure;

(5) It makes it more difficult for the Fed to provide loans that simply keep a troubled institution open long enough for the uninsured depositors to leave; and

(6) It provides a mechanism for the FDIC to allow banks to go without reinsurance for a limited period of time under very tight supervision.

Q. Why such a long transition period?

A. The transition period is long because the changes involved are fundamental. Banks (and thrifts) need an opportunity to raise the capital they will need to operate under the new system. Further, the necessary reinsurance capacity needs time to develop.

Q. What role does the interim risk-based formula play?

A. The interim proposal is designed to ease the transition to the private market, reinsurance risk-based system. It helps provide additional protection for the insurance fund while the permanent system is developing.

RISK-BASED INSURANCE PREMIUM SYSTEM FOR LARGE THRIFTS

Q. Is the system for large thrifts identical to the one for large banks?

A. No. The thrift system is different but takes into account the differences between banks and thrifts, and the fact that thrift industry capital is not as strong as banking industry capital.

Q. What are the major differences?

A. There are four major differences:

(1) FDIC has the discretion to make appropriate modifications to the interim risk-based formula for large thrifts to take into account the structural differences between banks and thrifts and their differing financial situations. The thrift formula premiums are also tied to the bank formula, so that the best rate and the average rate are identical to the comparable bank rates;

(2) Large thrifts spend a longer time under the interim formula than large banks;

(3) Large thrifts have the option of staying under the formula (at least until 80% of large banks get reinsurance) by agreeing that their facilities will assume 20 per cent of FDIC's losses if the thrift becomes insolvent; and

(4) Large thrifts have a longer transition period than large banks. They get 5 years after the time 80 per cent of large banks obtain reinsurance to get reinsurance coverage themselves. Only then do they lose the option in #3 above.

TREATMENT OF UNINSURED DEPOSITS IN INSOLVENCIES

Q. Does this give uninsured depositors an 85 per cent guarantee?

A. No. Uninsured depositors only get the opportunity for a quick settlement of their claims (covering their account balances in excess of $100,000) if the failed institution's assets are sufficient to cover it. If the institution's reinsurer does not believe the assets are there, the uninsured depositors do not get the quick, 85 cents on the dollar, settlement.

Q. Does this provision address "too big to fail?"

A. Yes, "too big to fail" is not really about insurance premium levels. Instead, what is at issue is the treatment of uninsured depositors, and this provision prohibits the FDIC from fully protecting them if a large bank or thrift becomes insolvent. Further, under the reinsurance scheme, If reinsurers believe the FDIC is continuing to try to provide some special assistance to uninsured depositors, they will adjust their rates upward for the affected institutions, which means that those banks and thrifts will be paying for the coverage.

DISCUSSION DRAFT ON THE FEDERAL DEPOSIT INSURANCE ACT

SECTION 1. INSURED DEPOSITS.

(a) IN GENERAL.—Section 3(m) of the Federal Deposit Insurance Act (12 U.S.C. 1813(m) is amended—

(1) by redesignating paragraph (2) as paragraph (7); and

(2) by striking the first undesignated paragraph of paragraph (1) and inserting in lieu thereof the following:

"(1) IN GENERAL.—Subject to the provisions of paragraph (7), the term 'insured deposit' means the net amount of combined deposits made by a depositor (other than a depositor referred to in paragraph (6) of this subsection) at all insured depository institutions, including all accounts held by such depositor, whether held individually or jointly (after deducting offsets), less any part thereof that exceeeds a maximum of $100,000 in insured deposits, except as provided in—

"(A) section 7(i) for trust funds; and

"(B) section 11(a)(3) for pension plans or profit-sharing plans.

"(2) ADMINISTRATIVE PROVISIONS.—The Corporation shall—

"(A) establish a $100,000 deposit insurance allotment for each depositor; and

"(B) issue an account identification card to each depositor that identifies the depositor—

"(i) by social security number, in the case of an individual; and

"(ii) by taxpayer identification number, in the case of a corporation.

"(3) DEDUCTIONS.—With the approval of the Corporation, an insured depository institution shall deduct the amount of insurance coverage designated by a depositor for each of his or her accounts from the depositor's $100,000 deposit insurance allotment established under paragraph (2), upon presentation of the identification card provided for by paragraph (2)(B). The Corporation shall aggregate data pertaining to designations under this paragraph.

"(4) ANNUAL STATEMENT.—The Corporation shall send an annual written statement to each depositor indicating the distribution of, and any unused balance of, such depositor's insurance coverage allotment.

"(5) NONTRANSFERABILITY.—A deposit insurance allotment is not transferable.

"(6) GOVERNMENTAL DEPOSITS.—

(b) EFFECTIVE DATE.—

(1) ESTABLISHMENT OF LIMIT.—Not later than 4 years following the date of enactment of this Act, the Corporation shall promulgate a final regulation establishing an aggregate deposit insurance limit of $100,000, for each depositor, in accordance with the amendment made by subsection (a).

(2) TIME DEPOSITS.—The regulation under paragraph (1) shall not be construed to apply to any time deposit made on or before the date of enactment of this Act until such time as it reaches its original maturity.

DISCUSSION ITEM—NOT INCLUDED IN THE BILL

LIMITATION ON DEPOSIT INSURANCE.—Within 4 years of date of enactment, the FDIC is directed to implement a system to ensure that no one person receives more than $100,000 in deposit insurance protection. After 4 years, the current $100,000 per account limitation will expire. In its place, the new limitation would be $100,000 per person, spread over as many accounts as a person desires (aggregating, however, to no more than $100,000).

Under the new system, each person would receive a card (not unlike a credit card) that would entitle them to $100,000 in insurance coverage. They would be able to spread this coverage over as many accounts as they desired (for example, $5,000 for a checking account, $10,000 for a saving account, and $50,000 for a CD). The bank would process the card like a credit card, deducting the amount of coverage the cardholder requested (with the approval of the FDIC). The FDIC would send cardholders annual statements indicating their coverage (insurance coverage would be based on social security numbers for individuals, and taxpayer ID numbers for corporations. Insurance coverage would not be transferable (although people could allocate part of their insurance to joint or trust accounts), nor would people be entitled to additional coverage for joint accounts. Collective accounts, however, like pension funds, would still be able to pass-through deposit insurance protection to their beneficiaries, up to $100,000 apiece. These pass-through accounts would not have to have insurance coverage allocated individually by each beneficiary in order to ensure insurance protection.

Mr. SANFORD. Mr. President, I congratulate my colleague from Illinois for his diligence in his research and his preparation of a very fine piece of legislation, looking to the future soundness of the banking system and particularly the FDIC.

We have seen the era of inadequate supervision. The heart of this legislation will assure that there is proper supervision and that there is proper authority for our banking regulations to take action in sufficient time to stem greater losses.

As my distinguished colleague pointed out, there are yet other refinements that we are looking forward to and other reports that are coming shortly, and we hope to use those reports, particularly the study of deposit insurance being prepared by the Department of the Treasury, to make this an even sounder piece of legislation. But I congratulate him again. I am honored to have an opportunity to join in the sponsorship of this bill.

No one doubts that the S&L crisis is the largest financial scandal in the history of the country. In the last few years, the Banking Committee, the GAO, the administration, the Federal Reserve, academic scholars and others have spent countless hours examining the thrift crisis and how and why it occurred. While there are a variety of factors that contributed to the crisis, most would agree that lack of supervision and examination of thrifts and disincentives created by our system of deposit insurance are two of the leading causes of the scandal.

Witness after witness described to us the so-called moral hazard of deposit insurance. The availability of deposit insurance backed by the Federal Government gave thrifts and banks incentives to increase their profits by taking additional risks. As their economic plight grew worse because of interest rate fluctuations, thrifts became more willing to bet the bank. They would invest everything they had in highly risky activities—hoping that such activites would give them a high enough return to cover their losses, but knowing that if they did not, Federal deposit insurance would bail them out. It was a "heads—we win" and "tails—FSLIC pays" attitude.

This attitude—moral hazard problem—was only exacerbated by the lack of adequate supervision and examination of troubled thrifts and to some extent banks. The lack of supervision made it easy for these institutions to get away with all kinds of unsafe and in all too many instances, fraudulent, activities.

It is these two fundamental problems—the moral hazard created by our system of deposit insurance and the lack of adequate supervision—that the Deposit Insurance Reform Act of 1990 will address. In addition, it will begin the process of moving us away for the "too big to fail" doctrine that has resulted in the bailout of all of the depositors of large institutions, even those with deposits in excess of $100,000. The bill will also force the FDIC to take stronger action against failing institutions so that we do not keep failing institutions open for years and years, allowing them to further deplete the insurance fund and burden the taxpayers.

As my colleague has explained in more detail, the bill has four major provisions:

First, it creates risk-based premiums for large banks and thrifts. It requires the FDIC to sell, on a bank-by-bank basis, 10 percent of its insurance risk into the private insurance markets. The price this insurance sells for would then be used in pricing the deposit insurance for the bank. Using private reinsurers means that prices for deposit insurance will be set in the marketplace, not by the Federal Government. As such, the risk-based premium also creates powerful incentives for banks and thrifts to increase their capital;

Second, it requires on-site annual examinations for banks and thrifts. Just this week, the GAO issued its annual audit of the Bank Insurance Fund. In so doing, the GAO pointed out a number of serious problems with the current state of our deposit insurance system. Among the key recommendations made by the GAO for immediate action is that the banking and thrift regulators perform on-site full scope examinations of problem and large banks on an annual basis. The bill codifies and expands on that recommendation;

Third, it requires the FDIC to value assets of failing thrifts and banks on a more realistic basis. It further requires the FDIC to close the bank or thrift when it becomes insolvent once its assets are realistically valued. Again, the GAO's clear recommendation to the Congress is that we establish appraisal guidelines that reflect more realistic values for assets held by banks and thrifts. The bill will do just that, as well as implementing the early intervention policies strongly advocated by the Chairman of the Federal Reserve, Mr. Greenspan, and others; and

Fourth, it alters the way the FDIC handles large bank failures. In so doing, the bill begins to move us away from the too big to fail doctrine. It creates a quicker method for uninsured depositors to be partially paid. The bill thus helps reduce the costs of resolving insolvencies.

I think this is an excellent bill. It starts us down the road of truly ensuring that never again will the taxpayers be saddled with billion dollar bailouts for our deposit insurance funds. It brings the market into the process of pricing deposit insurance and creates strong incentives for banks and thrifts to be well capitalized and carefully examined. It also provides important exemptions for smaller banks so that they are not burdened by a more cumbersome process of setting insurance premiums.

I hope through the introduction of this bill we can begin in earnest the debate over the best way to restore the financial integrity of the FDIC. The bill is not perfect. It will undoubtedly need changes and revisions. Soon, the Treasury Department will issue its major study of deposit insurance reform. There will in all probability be suggestions in that report that should be included in this bill.

Moreover, the major issues of whether and how to scale back insurance coverage to $100,000 per person or some other figure, how many insured accounts per person should be permitted and related questions has not been addressed. I look forward to working with my colleague, Senator DIXON, and others to find the right approach to the issue of the proper amount of deposit insurance coverage.

In sum, I believe that the right response to the thrift crisis is and ought to be both strong efforts to catch and punish all of those involved in defrauding the deposit insurance system and comprehensive efforts to reform the deposit insurance system and our supervisory practices. The combination of the S&L amendments added to our omnibus crime bill, S. 1970, and the enactment of this bill should do just that. I urge my colleagues to consider this bill very carefully, to suggest improvements to it, and to support efforts to bring needed reforms to our deposit insurance system.

Thank you, Mr. President.

By Mr. SANFORD (for himself, Mr. PELL, Mr. DODD, Mr. LUGAR, Mr. KERRY, Mr. MCCONNELL, Mr. CRANSTON, Mr. MCCAIN, Mr. GRAHAM, Mr. MOYNIHAN, Mr. COHEN, Mr. DOMENICI, Mr. BINGAMAN, Mr. WIRTH, Mr. KENNEDY, Mr. KOHL, and Mr. HARKIN):

S. 3041. A bill to set forth United States policy toward Central America and to assist the economic recovery and development of that region; to the Committee on Foreign Relations.

CENTRAL AMERICAN DEMOCRACY AND DEVELOPMENT ACT

Mr. SANFORD. Mr. President, the tides of freedom and self-determination are swelling all across the globe, and most recently in Central America. It is time now for the United States to set a course from the shallow waters where we have been veering and hauling for 100 years. The time for charting a different bearing is at hand. We must welcome the opportunity to engage in a new, fresh, feasible policy toward Central America.

Now for the first time there are five freely elected Presidents in Central America, with unifying values, cohesive goals, and a determination to draw the region together. They understand that it is self-reliance and interdependence as a region that will bring realistic, lasting tangible political and economic benefits to Central America.

Now the United States must call itself to a daring and different policy—a policy unlike any we have ever before designated for our relationship with Central America.

Our policy toward Central America must be aligned with the following two principles: that Central Americans can find for themselves, and must implement their own solutions to Central American problems; and that the United States' assistance must address, through the newly created regional channels, the core issues of economic, political and social advancement. The role of the United States is, succinctly, to assist not to intervene, to encourage not to impose.

We must be willing to allow Central Americans to take their affairs into their own hands. This is a clear attitudinal shift for the United States. The United States should applaud and encourage the implementation and strengthening of effective democratic and development institutions, should provide access to trading opportunities and incentives through programs like the Caribbean Basin Initiative, and should in all ways possible promote economic self-sufficiency and sustainable growth in Central America.

The record of United States policy toward Central America has been paternalistic. For 100 years we have condoned the exploitation of their resources, supported their authoritarian governments, and imposed our will to satisfy our purposes, not their advantages. But that is of the past. The future can be different. We can adopt a policy that benefits both our interests and theirs. We want stability in our hemisphere. They want prosperity and peace. Our purposes and their purposes coincide and overlap. Their hopes and our needs are grounded in their sustainable economic development based on a foundation of political democracy in a climate of peace.

Today, I introduce the Central American Democracy and Development Act which sets forth just such a policy. Our distinguished colleague, Congressman DANTE FASCELL, chairman of the House Foreign Affairs

Committee, is introducing companion legislation in the House.

Their is already ample basis for a new United States policy, initiatives already in existence through the efforts of Central American leadership.

First, there is the peace plan; democracy and human rights, initiated by former President Oscar Arias and developed by the five Presidents, which set forth the framework of nonaggression and noninterference, the laying down of arms, and acceptance of freely elected governments based on respect for human rights. That plan, implemented by the Esquipulas accords and related agreements, broke new ground in the Central American peace process, most stunningly demonstrated by the recent elections and peaceful transition of power in Nicaragua.

At their most recent summit in Antigua, Guatemala, the five Central American Presidents focused their efforts on the economic recovery and development of the region. Reaffirming the Esquipulas accords, they agreed to work together to protect human rights, coordinate economic policies, and ease the social effects of economic adjustments.

Second, there is the International Commission on Central American Recovery and Development. The Commission was comprised of 47 individuals with diverse backgrounds representing 20 nations in Latin America, North America, Europe and Japan, most of whom were Central Americans. For the first time in that region's history, Central Americans have formulated an economic development plan of their own. For the first time, Central Americans have designed a blueprint for sustained and sustainable development, beginning with education and health care, with sound economic practices, creating wealth, investment and jobs.

The Commission's final report recommended a combination of meeting immediate needs, enacting medium term reforms, and projecting long term goals of infrastructure and investment incentives. Development is two-fold: the initiative and the will must come from within Central America, but assistance can and must come from the international community.

Finally, I want to congratulate the President and Secretary of State for their recent initiatives in our policy toward Central America. The Enterprise for the Americas proposal addresses trade, investment, and debt. These three issues were also emphasized by the Commission's Report, which placed a priority on the alleviation of the debt burden which has impeded development, emphasized the need for foreign investment in Central America, and advocated the expansion of Caribbean Basin Initiative type trade incentives.

I also welcome the President's invitation to other democratic nations to become partners with Central America in its economic recovery. Clearly, multilateral resources are critical, especially so at this time when U.S. funds for foreign assistance are limited. The Central American Presidents have already created a coordinating development council, as recommended by the International Commission Report, to work with the assisting countries.

This bill represents a basic turnaround in the conduct of our foreign policy toward Central America. This is not a plea for additional foreign aid. This is a plan for a reassessment of our perspective toward that region. The people of Central America need our help and our commitment. It is in our self-interest to give both. We need a stable and prosperous Central America.

In Antigua, the Central American Presidents stated that,

> We reiterate that there are Central American paths leading to peace and development. We are willing to travel along those paths with our own strength, but the task would be easier with the generous support of the international community.

Let us accept the historic opportunity to extend a hand of partnership to assist in the confrontation of poverty and turmoil. Let us stand with them in their pursuit of peace and prosperity.

By Mr. COHEN:

S. 3042. A bill to establish a uniform minimum package and claim procedures for health benefits, provide tax incentives for health insurance purchases, encourage malpractice reform, improve health care in rural areas, establish state uninsurable pools, and for other purposes; to the Committee on Finance.

COMPREHENSIVE HEALTH CARE ACT

Mr. COHEN. Mr. President, there are a number of key issues before the Senate and before the country today. We are looking at confirmation hearings being conducted by the Senate Judiciary Committee on Judge Souter. There is a budget summit underway out at Andrews Air Force Base. We are, of course, preoccupied as we should be with the Persian Gulf crisis. But equally important is the crisis in our health care system.

I am sending to the desk today a bill on which I spent considerable amount of time working on—about 78 pages long. It has taken a number of months, close to a year, to develop, working with a number of other Members, their staffs, to try to approach this issue in a very comprehensive and thoughtful way.

Earlier this summer, I outlined the basic agenda for health care reform, such as I am introducing, the Comprehensive Health Care Act of 1990. The American health care system I think is capable of providing the finest, most innovative and most technologically advanced health care in the world. Yet for all its complexity, technological expertise, and sophistication, it is critically flawed. It has failed to fulfill its primary application—to provide access to quality health care to all Americans at a price they can afford. We have as many as 37 million people, at least one in every eight are without health insurance and therefore are denied access to even basic health care.

In my own home State of Maine, there are approximately 130,000 individuals who have no insurance coverage at all. They are not old enough for Medicare, not poor enough for Medicaid, and have limited or no access to health insurance provided by their employers. Many have been denied coverage because of their preexisting medical conditions. Most have been simply priced out of the marketplace.

Rising health care costs and Government-mandated benefits have sent health insurance premiums skyrocketing, virtually precluding small businesses from providing adequate coverage to their workers and individual families of modest means from purchasing coverage on their own.

The legislation I am introducing today addresses three major problems that are currently plaguing our health care system—cost and access.

It is comprised of five major components which are designed first to make health care insurance more accessible and affordable for both individuals and small businesses; second, to make health care services more available for rural Americans; third, to reduce health care costs; fourth, to provide for medical liability reform and the development of national standards of care; and, fifth, to increase access to coverage for long-term care.

Mr. President, there is not nearly time to discuss each of these points with any detail. I will try to summarize as best I can in a few moments that remain how I hope to achieve those basic goals.

First, on making health insurance more accessible and affordable for individuals and businesses, I propose to preempt Government-mandated health benefits and develop a uniform, low-cost, no-frills benefit package to ensure universal access to affordable basic coverage to hospital, physician, and primary and preventive care services. It would also include incentives to States to develop risk pools for those who are medically insurable. It will provide for same 100-percent tax deduction for health benefits for self-employed individuals and unincorporated businesses that we currently provide to incorporated businesses.

It would have a provision which I earlier introduced this year for a refundable tax credit to help meet the cost of insurance premiums for low-

and moderate-income individuals. It would contain two demonstration projects to expand Medicaid coverage to enable poor and near poor individuals who are not currently eligible for benefits to buy into the program.

Second, with respect to making health care services more available for rural Americans, it would call upon some existing legislation that was passed earlier by the Senate but to revitalize the national health services to increase scholarships and loan repayment opportunities to help relieve critical shortages of health care practitioners in rural areas.

It would also build upon legislation that has been offered and offered by my colleague from Maine, the majority leader, dealing with incentives to help encourage those communities in rural areas to provide for funding of the medical educational part for their residents who will then return and provide medical service to that region.

In terms of reducing costs, it is clear that we are never going to have enough insurance to cover all of the costs associated with health care. We as a society eat too much, we drink too much, we smoke too much, we do not exercise enough, and then we become ill and then are faced with the high costs of getting well again.

We have to undertake a massive sustained health education program beginning at the very earliest years of our lives and maintain it. This is a wonderful machine that God has given us. It is the only machine in the world that I am aware of that will last, as Willard Scott points out every day on NBC, up to 100 years or more without significant oil changes as such. But we abuse this body. We abuse it terribly much as we abuse the planet. We have to start undertaking a health promotion and preventive care program at the worksite, and in the classroom beginning at the earliest stages. There are provisions which encourage that.

Fourth, to provide for medical liability reform in the development of national standards of care because medical malpractice costs consume a great deal of the budget to date—$5 billion annually nationwide. If we include legal costs, it goes up to about $20 billion. The estimate is that our hospitals and doctors are spending close to $121 billion in practicing defensive medicine.

So I propose that we institute what we have in Maine, prelitigation screening committees to analyze those cases, involving alleged negligence, the causal connection between that alleged negligence and the complications that have arisen; also to develop national standards for hospitals and physicians so they can rely upon those standards in order to cut down on the amount of defense medicine currently being practiced.

Fifth, to finally increase access for coverage for long-term care. There are only 12 percent of our Nation's elderly who have long-term care insurance. In order to increase access to coverage for long-term care this proposal would reclassify any loan insurance as health insurance rather than disability insurance for tax purposes which would mean that they would be able to deduct the long-term care expenses and ensure that the benefits would not be subject to income tax.

I would simply point out that the problems we are confronted with are critical. They are, however, not terminal to our system.

This legislation builds upon the existing public-private health care partnership to preserve what is best about the American system, and at the same time it takes very important steps toward resolving the problems plaguing the system toward ensuring the availability and accessibility of quality health care for all Americans at a price they can afford.

In order to help cover the cost of insurance premiums for the estimated 28.6 million uninsured Americans with family incomes under $30,000, the Comprehensive Health Care Act incorporates legislation I introduced earlier this session to provide a refundable tax credit to low- and moderate-income individuals and families not covered by employer-provided plans. A credit of 60 percent would apply to premiums of up to $1,200 for individuals and $2,400 for families. Individuals with adjusted gross incomes of less than $18,000 and families with adjusted gross incomes of less than $28,000 would be eligible for the full 60 percent credit. The credit would be phased out for individuals with incomes between $18,000 and $23,000 and families with incomes between $28,000 and $33,000.

The Comprehensive Health Care Act would also make insurance more affordable for small businesses and self-employed individuals by granting them the same 100 percent tax deduction for health benefit costs currently granted to incorporated businesses. It is estimated that 2 million of the uninsured in America ar self-employed. In addition, unincorporated small businesses are about half as likely to provide health care coverage to owners and workers as incorporated businesses of a comparable size. Enactment of the full 100 percent deduction for health benefit costs should encourage greatly expanded coverage for these individuals.

The legislation also calls for the elimination of existing barriers to expanded private health insurance coverage. A recent study estimated that as many as one-quarter of the uninsured lacked coverage because they had been priced out of the market by increases in State-mandated benefit laws. More than 640 specific State mandates now require insurers to include particular benefits in health plans such as mental health, podiatry services, chiropractic care, and alcohol and drug abuse treatment. Such services are certainly important. However, We have let the perfect become the enemy of the good in that the proliferation of these requirements has priced health insurance coverage out of reach for many individuals and small businesses. It should be noted that self-insured entities—most of which are large corporations—are already exempt from these requirements.

The Comprehensive Health Care Act of 1990 calls for the preemption of State-mandated benefits and for the development of a uniform, low-cost, minimum benefit package that would be available for purchase by individuals and businesses nationwide. This package would include basic hospital, physician, primary, and preventive care services such as pap smears and mammograms. Individuals who choose to pay more for comprehensive coverage could certainly continue to do so. However, the availability of a "no-frills" package would help ensure universal access to affordable basic health care services. In addition, the legislation calls for the development of a plan for standardizing and simplifying public and private insurance forms and procedures to facilitate comparisons between policies and to expand consumer choice.

The legislation also provides for the development of State-run risk pools for the medically uninsurable. Individuals who are uninsurable because of a pre-existing medical condition would have the option of purchasing—or having their employer purchase—health insurance from a state pool. The legislation authorizes a block grant program for States to develop programs for individuals who are uninsurable. Twenty-four States, including my home State of Maine, have already provided for the creation of such pools.

Working Americans and their families make up the great majority—80 percent—of uninsured. For the most part, the remaining uninsured are unemployed persons and their families who are near or below the federally established poverty level, but who are not covered under Medicaid. In actuality, Medicaid only covers about 40 percent of Americans who live below the poverty line. The State of Maine, with its recently implemented Maine health plan, is one of a number of States which have developed innovative plans to expand their Medicaid programs to provide access to health care services for poor and near-poor individuals and their families. Such efforts on the State level should be encouraged. My legislation authorizes two State dem-

onstration projects to study the effects of expanding Medicaid coverage to enable poor and near-poor individuals not currently eligible for benefits to "buy-in" to the program, with premiums set on a sliding scale based upon income.

The problem of access to affordable health care services is not limited to the uninsured. The problem of access is shared by the one-fourth of our Nation's population who live in rural areas. This legislation incorporates elements of bills introduced earlier in the Congress to increase scholarship and loan repayment opportunities to help relieve the critical shortage of health care practitioners in rural areas. In addition, the bill includes provision of a special tax credit for health care providers serving in rural areas.

Health insurance alone will not ensure good health. Americans must be encouraged to engage in healthy behavior and to accept more responsibility for their physical well-being. The Comprehensive Health Care Act of 1990 will reduce health care costs by encouraging health promotion and prevention programs. It provides clarification that work-based prevention and promotion efforts are considered health benefits for tax treatment, which should serve as further incentive for the development of such programs in the workplace.

The legislation will also reduce costs by encouraging neighboring hospitals to band together to share costly high-technology equipment or services for which there is limited demand to eliminate duplication of services.

Medical malpractice costs have reached an estimated $5 billion annually nationwide. When legal costs are added, the estimated annual costs climb to $20 billion. The medical malpractice crisis has also had a serious negative impact on the availability of care, particularly in rural areas. Many family physicians have given up the high-risk practice of obstetrics because they simply do not deliver enough babies annually to justify the added malpractice premium costs.

The Comprehensive Health Care Act will encourage States to institute prelitigation screening panels which are charged with determining whether an injury has occurred and whether that injury has resulted from negligence. My home State of Maine has had great success in reducing medical malpractice costs through the use of these panels. As a result, malpractice premiums for both physicians and hospitals have declined.

The legislation also provides for the development of national practice guidelines and standards of care in order to ensure appropriate and effective care. Development of such guidelines and standards will also help to reduce the practice of defensive medicine, which is costing the American public as much as $121 billion a year. The legislation also allows health care providers to use the practice guidelines as the standard of care in medical liability cases.

Only 2 percent of our Nation's elderly have long-term care insurance. In order to increase access to coverage for long-term care, the Comprehensive Health Care Act reclassifies long-term care insurance as health insurance for tax purposes. This will enable individuals to deduct long-term care expenses and will ensure that long-term care benefits are not subject to income tax. The proposal also provides for the inclusion of long-term health care coverage in cafeteria benefit plans, and will allow individuals to roll over funding held in individual retirement accounts to long-term care insurance without penalty. Finally, the bill allows individuals and families to use life insurance benefits during the final stages of terminal illness or for long-term care without incurring harsh tax consequences.

Our Nation's health care system is plagued by serious problems primarily related to cost and access to quality care. However, while these problems are critical, they are not terminal. The Comprehensive Health Care Act builds upon the existing public-private health care partnership to preserve what is good about the American system. At the same time, it takes important steps toward resolving the problems plaguing the system and toward ensuring the availability and accessibility of quality health care for all Americans at a price they can afford.

Mr. President, I ask unanimous consent that the full text of the Comprehensive Health Care Act be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3042

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Comprehensive Health Care Act of 1990".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Section 1. Short title.

TITLE I—MEDICARE REIMBURSEMENT FOR RURAL HOSPITALS

Sec. 101. Elimination of separate average standardized amounts for hospitals in different areas.

TITLE II—JOINT USE OF HIGH TECHNOLOGY EQUIPMENT AND SERVICES BY HOSPITALS

Sec. 201. Waiver of antitrust laws.

Sec. 202. Grants.

TITLE III—HEALTH CARE CLAIMS PROCEDURES AND MINIMUM BENEFITS

Sec. 301. Development of provisions to provide uniform, low cost and quality health insurance policies.

Sec. 302. Preemption of State mandated benefits.

TITLE IV—TAX INCENTIVES

Sec. 401. Increase in deductible health insurance costs for self-employed individuals.

Sec. 402. Credit for health insurance expenses.

Sec. 403. Disease prevention and health promotion programs treated as medical care.

TITLE V—MALPRACTICE REFORM

Sec. 501. Treatment practice guidelines.

Sec. 502. Prelitigation screening panel grants.

TITLE VI—PHYSICIAN ISSUES

Subtitle A—Tax Incentives for Rural Practice

Sec. 601. Short title.

Sec. 602. Refundable credit for certain primary health services providers.

Sec. 603. Studies.

Sec. 604. National Health Service Corps loan repayments excluded from gross income.

Subtitle B—Student Loan Deferment

Sec. 611. Short title.

Sec. 612. Resident physician deferments.

TITLE VII—LONG-TERM CARE INSURANCE

Sec. 701. Qualified long-term care insurance defined and treated as accident and health insurance.

Sec. 702. Qualified long-term care insurance treated as accident and health insurance for purposes of exclusion for benefits received under such insurance and for employer contributions for such insurance.

Sec. 703. Deduction of expenses relating to qualified long-term care.

Sec. 704. Cafeteria plans.

Sec. 705. Exclusion from gross income for amounts withdrawn from individual retirement plans for qualified long-term care insurance premiums.

Sec. 706. Tax treatment of accelerated death benefits under life insurance contracts.

Sec. 707. Tax treatment of companies issuing qualified terminal illness or dread disease riders.

TITLE VIII—STATE UNINSURABLE POOLS

Sec. 801. State uninsurable pools.

TITLE IX—MEDICAID COVERAGE DEMONSTRATION PROJECTS

Sec. 901. Demonstration projects to study the effect of allowing States to extend medicaid coverage to certain low-income families not otherwise qualified to receive medicaid benefits.

TITLE I—MEDICARE REIMBURSEMENT FOR RURAL HOSPITALS

SEC. 101. ELIMINATION OF SEPARATE AVERAGE STANDARDIZED AMOUNTS FOR HOSPITALS IN DIFFERENT AREAS.

Section 1886 of the Social Security Act (42 U.S.C. 1395ww) is amended by adding at the end the following new subsection:

"(j)(1) As used in this subsection:

"(A) The term 'Commission' means the Prospective Payment Assessment Commission established under subsection (e).

"(B) The term 'subsection (d) hospital' has the meaning given the term in subsection (d)(1)(B).

"(2)(A) On or before September 1, 1991, the Secretary and the Commission shall each submit to the Congress a report recommending a methodology that provides for the elimination of the system described in subsection (d)(2)(D) for determining separate average standardized amounts for subsection (d) hospitals located in large urban, other urban, or rural areas. The methodologies set forth in such reports shall provide for the complete elimination of the average standardized amounts applicable to large urban, other urban, or rural area hospitals for discharges occurring on or after January 1, 1992. Such methodologies may provide for such changes to any of the adjustments, reductions, and special payments otherwise authorized or required by this section as the Secretary or the Commission determines to be necessary and appropriate to carry out this subsection. In no case may the Secretary or the Commission recommend or provide for a methodology that will result in total payments under part A of this title to hospitals at a level less than such hospitals were receiving on October 1, 1991.

"(3) On or before October 1, 1991, the Secretary shall promulgate interim final regulations to implement the recommendations of the Secretary under paragraph (2). The regulations shall include any recommended changes in the adjustments, reductions, and special payments otherwise authorized or required by this section.

"(4) If the Congress does not enact legislation after the date of the enactment of this subsection and before December 1, 1991, with respect to the average standardized amounts applicable to large urban, other urban, or rural area hospitals, then, notwithstanding any other provision of this section, the average standardized amounts for such hospitals for discharges occurring on or after January 1, 1992, shall be determined in accordance with the interim final regulations promulgated under paragraph (3).

"(5) On or before July 1, 1992, the Secretary and the Commission shall each submit to the Congress a report specifying the manner in which the average standardized amounts that were determined under the regulations and that became effective in accordance with paragraph (4) should be adjusted appropriately to reflect differences in the operating costs of providing inpatient hospital services (as defined in subsection (a)(4)) for different categories of subsection (d) hospitals.".

TITLE II—JOINT USE OF HIGH TECHNOLOGY EQUIPMENT AND SERVICES BY HOSPITALS

SEC. 201. WAIVER OF ANTITRUST LAWS.

(a) IN GENERAL.—Notwithstanding any provision of the antitrust laws, it shall not be considered a violation of the antitrust laws for hospitals to jointly undertake, in the provision of care, the purchasing, contracting for, or sharing of high technology equipment and services.

(b) ANTITRUST LAWS DEFINED.—For purposes of this section, the term "antitrust laws" means—

(1) the Act entitled "An Act to protect trade and commerce against unlawful restraints and monopolies", approved July 2, 1890, commonly known as the "Sherman Act" (26 Stat. 209; chapter 647; 15 U.S.C. 1 et seq.);

(2) the Federal Trade Commission Act, approved September 26, 1914 (38 Stat. 717; chapter 311; 15 U.S.C. 41 et seq.);

(3) the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914, commonly known as the "Clayton Act" (38 Stat. 730; chapter 323; 15 U.S.C. 12 et seq.; 18 U.S.C. 402, 660, 3285, 3691; 29 U.S.C. 52, 53); and

(4) any State antitrust laws that would prohibit the activities described in subsection (a).

SEC. 202. GRANTS.

The Public Health Service Act is amended by inserting after section 643A (42 U.S.C. 291m-1) the following new section:

"SEC. 644. HIGH TECHNOLOGY EQUIPMENT AND SERVICES.

"(a) ESTABLISHMENT.—The Secretary shall establish and carry out demonstration projects to assist hospitals in acquiring and sharing high technology equipment and services. In carrying out the demonstration projects, the Secretary shall make grants to States for the purpose of paying the Federal share of the costs of assisting hospitals to jointly purchase, contract for, or share high technology equipment and services in order to eliminate unnecessary duplication of the equipment and services.

"(b) AWARD OF GRANTS.—The Secretary shall allocate grants under this section in accordance with criteria prescribed by the Secretary.

"(c) DURATION OF GRANTS.—Grants made under this section may be made for periods not to exceed 3 years.

"(d) APPLICATION.—To be eligible to receive a grant under this section, a State, acting through the appropriate State health authority, shall submit an application at such time, in such manner, and containing such agreements, assurances, and information as the Secretary determines necessary to carry out this section. At a minimum, the application shall include—

"(1) a State plan that describes the manner in which the State health authority will assist hospitals in undertaking the joint activities described in subsection (a);

"(2) a description of the criteria and procedures the State health authority will use to select hospitals to be assisted under this section; and

"(3) an assurance that the State will provide 50 percent of the cost of the demonstration project from non-Federal funds.

"(e) FEDERAL SHARE.—The Federal share of the cost of carrying out any State plan under this section shall be 50 percent.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the 1991 through 1994 fiscal years.".

TITLE III—HEALTH CARE CLAIMS PROCEDURES AND MINIMUM BENEFITS

SEC. 301. DEVELOPMENT OF PROVISIONS TO PROVIDE UNIFORM, LOW COST AND QUALITY HEALTH INSURANCE POLICIES.

(a) IN GENERAL.—(1) The Secretary of Health and Human Services (hereinafter referred to as the "Secretary"), shall request the National Association of Insurance Commissioners (hereinafter referred to as the "Association") in consultation with representatives of consumer groups, government agencies, public and private insurers, health care providers, business, labor, and such other groups as the Secretary deems appropriate, to develop a model set of regulations and laws to provide a uniform, low-cost, minimum insurance benefit package to include hospital, physician, primary care, preventive care and other selected services for purchase by individuals, businesses and governmental entities.

(2) The Secretary shall also request the Association working in consultation with the groups described in paragraph (1) to develop a plan for standardizing public and private insurance forms, which provides for a simplification of terminology and claims procedures in order to facilitate a comparison between various policies and to enhance access to quality policies. The Association shall also provide for a periodic examination and modification of provisions with respect to any model developed under this section. The Association shall submit a copy of such model regulations and laws to the Committees on Ways and Means and Energy and Commerce of the House of Representatives and the Committee on Finance of the Senate, not later than 9 months after the date of enactment of this subsection.

(b) DEFAULT PROVISION.—If within 12 months after the date of enactment of this section, the Association does not develop a model set of regulations and laws with respect to the uniform, low cost, minimum insurance benefit package described in subsection (a), the Secretary shall within 12 months after such date develop such a model as provided in subsection (a) and submit a report to Congress as provided under such subsection.

SEC. 302. PREEMPTION OF STATE MANDATED BENEFITS.

Section 514(b)(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1144(b)(2)) is amended—

(1) in subparagraph (A), by striking "subparagraph (B)" and inserting "subparagraphs (B) and (C)"; and

(2) by adding at the end the following new subparagraph:

"(C) Nothing in subparagraph (A) shall be construed to exempt from subsection (a) any provision of the law of any State to the extent that the provision mandates or provides any requirement relating to the type or level of benefits that are to be provided under contracts or policies of health insurance issued to or under a plan that constitutes an employee welfare benefit plan (as defined in section 3(1)).".

TITLE IV—TAX INCENTIVES

SEC. 401. INCREASE IN DEDUCTIBLE HEALTH INSURANCE COSTS FOR SELF-EMPLOYED INDIVIDUALS.

(a) IN GENERAL.—Paragraph (1) of section 162(l) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended by striking "25 percent" and inserting "100 percent".

(b) PERMANENT DEDUCTION.—Section 162(l) of such Code is amended by striking paragraph (6).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 402. CREDIT FOR HEALTH INSURANCE EXPENSES.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable personal credits) is amended by inserting after section 34 the following new section:

"SEC. 34A. HEALTH INSURANCE EXPENSES.

"(a) ALLOWANCE OF CREDIT.—

"(1) IN GENERAL.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by this subtitle for the taxable year an amount equal to the applicable percentage of the qualified health insurance expenses paid by such individual during the taxable year.

"(2) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term 'applicable percentage' means 60 percent reduced (but not below zero) by 10 percentage points for each $1,000 (or fraction thereof) by which the taxpayer's adjusted gross income for the taxable year exceeds the applicable dollar amount.

"(3) APPLICABLE DOLLAR AMOUNT.—For purposes of this subsection, the term 'applicable dollar amount' means—

"(A) in the case of a taxpayer filing a joint return, $28,000,

"(B) in the case of any other taxpayer (other than a married individual filing a separate return), $18,000, and

"(C) in the case of a married individual filing a separate return, zero.

For purposes of this subsection, the rule of section 219(g)(4) shall apply.

"(b) QUALIFIED HEALTH INSURANCE EXPENSES.—For purposes of this section—

"(1) IN GENERAL.—The term 'qualified health insurance expenses' means amounts paid during the taxable year for insurance which constitutes medical care (within the meaning of section 213(d)(1)(C)). For purposes of the preceding sentence, the rules of section 213(d)(6) shall apply.

"(2) DOLLAR LIMIT ON QUALIFIED HEALTH INSURANCE EXPENSES.—The amount of the qualified health insurance expenses paid during any taxable year which may be taken into account under subsection (a)(1) shall not exceed $1,200 ($2,400 in the case of a taxpayer filing a joint return).

"(3) ELECTION NOT TO TAKE CREDIT.—A taxpayer may elect for any taxable year to have amounts described in paragraph (1) not treated as qualified health insurance expenses.

"(c) ELIGIBLE INDIVIDUAL.—For purposes of this section, the term 'eligible individual' means, with respect to any period, an individual who is not covered during such period by a health plan maintained by an employer of such individual or such individual's spouse.

"(d) SPECIAL RULES.—For purposes of this section—

"(1) COORDINATION WITH ADVANCE PAYMENT AND MINIMUM TAX.—Rules similar to the rules of subsections (g) and (h) of section 32 shall apply to any credit to which this section applies.

"(2) MEDICARE-ELIGIBLE INDIVIDUALS.—No expense shall be treated as a qualified health insurance expense if it is an amount paid for insurance for an individual for any period with respect to which such individual is entitled (or, on application without the payment of an additional premium, would be entitled to) benefits under part A of title XVIII of the Social Security Act.

"(3) SUBSIDIZED EXPENSES.—No expense shall be treated as a qualified health insurance expense to the extent—

"(A) such expense is paid, reimbursed, or subsidized (whether by being disregarded for purposes of another program or otherwise) by the Federal Government, a State or local government, or any agency or instrumentality thereof, and

"(B) the payment, reimbursement, or subsidy of such expense is not includible in the gross income of the recipient.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.".

(b) ADVANCE PAYMENT OF CREDIT.—

(1) IN GENERAL.—Chapter 25 of the Internal Revenue Code of 1986 is amended by inserting after section 3507 the following new section:

"SEC. 3507A. ADVANCE PAYMENT OF HEALTH INSURANCE EXPENSES CREDIT.

"(a) GENERAL RULE.—Except as otherwise provided in this section, every employer making payment of wages with respect to whom a health insurance expenses eligibility certificate is in effect shall, at the time of paying such wages, make an additional payment equal to such employee's dependent care advance amount.

"(b) HEALTH INSURANCE EXPENSES ELIGIBILITY CERTIFICATE.—For purposes of this title, a health insurance expenses eligibility certificate is a statement furnished by an employee to the employer which—

"(1) certifies that the employee will be eligible to receive the credit provided by section 34A for the taxable year,

"(2) certifies that the employee does not have a health insurance expenses eligibility certificate in effect for the calendar year with respect to the payment of wages by another employer,

"(3) states whether or not the employee's spouse has a health insurance expenses eligibility certificate in effect,

"(4) estimates the amount of qualified health insurance expenses (as defined in section 34A(b)) for the calendar year.

For purposes of this section, a certificate shall be treated as being in effect with respect to a spouse if such a certificate will be in effect on the first status determination date following the date on which the employee furnishes the statement in question.

"(c) HEALTH INSURANCE EXPENSES ADVANCE AMOUNT.—

"(1) IN GENERAL.—For purposes of this title, the term 'health insurance expenses advance amount' means, with respect to any payroll period, the amount determined—

"(A) on the basis of the employee's wages from the employer for such period,

"(B) on the basis of the employee's estimated qualified health insurance expenses included in the health insurance expenses eligibility certificate, and

"(C) in accordance with tables provided by the Secretary.

"(2) ADVANCE AMOUNT TABLES.—The tables referred to in paragraph (1)(D) shall be similar in form to the tables prescribed under section 3402 and, to the maximum extent feasible, shall be coordinated with such tables and the tables prescribed under section 3507(c).

"(d) OTHER RULES.—For purposes of this section, rules similar to the rules of subsections (d) and (e) of section 3507 shall apply.

"(e) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the purposes of this section.".

(2) CONFORMING AMENDMENT.—The table of sections for chapter 25 of such Code is amended by adding after the item relating to section 3507 the following new item:

"Sec. 3507A. Advance payment of health insurance expenses credit.".

(c) COORDINATION WITH DEDUCTIONS FOR HEALTH INSURANCE EXPENSES.—

(1) SELF-EMPLOYED INDIVIDUALS.—Section 162(l) of the Internal Revenue Code of 1986, as amended by section 401, is further amended by adding after paragraph (5) the following new paragraph:

"(6) COORDINATION WITH HEALTH INSURANCE PREMIUM CREDIT.—Paragraph (1) shall not apply to any amount taken into account in computing the amount of the credit allowed under section 34A.".

(2) MEDICAL, DENTAL, ETC., EXPENSES.—Subsection (e) of section 213 of such Code is amended by inserting "or section 34A" after "section 21".

(d) CLERICAL AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 34 the following new item:

"Sec. 34A. Health insurance expenses.".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 403. DISEASE PREVENTION AND HEALTH PROMOTION PROGRAMS TREATED AS MEDICAL CARE.

(a) IN GENERAL.—For purposes of section 213(d)(1) of the Internal Revenue Code of 1986 (defining medical care), expenditures for disease prevention and health promotion programs shall be considered amounts paid for medical care.

(b) EFFECTIVE DATE.—Subsection (a) shall apply to amounts paid in taxable years beginning after December 31, 1990.

TITLE V—MALPRACTICE REFORM

SEC. 501. TREATMENT PRACTICE GUIDELINES.

(a) ESTABLISHMENT.—Title IX of the Public Health Service Act (42 U.S.C. 901) is amended by adding at the end the following new part:

PART D—MALPRACTICE REFORM

"SEC. 931. TREATMENT PRACTICE GUIDELINES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—The Assistant Secretary for Health (referred to in this part as the 'Assistant Secretary'), acting through the Agency for Health Care Policy and Research and in consultation with the National Advisory Council on Treatment Practice Guidelines, established under subsection (f), shall establish treatment practice guidelines for health care services provided to patients, taking into account available patient outcome research and other available information.

"(2) SUBJECTS.—In carrying out paragraph (1), the Assistant Secretary shall establish guidelines that specify appropriate, inappropriate, and permissive methods of evaluation and treatment. The Assistant Secretary shall give priority to establishment of guidelines for—

"(A) common procedures;

"(B) medical problems for which physicians use a wide variety of treatment practices; and

"(C) procedures involving high risk and low probability of improvement.

"(3) CONSIDERATIONS.—In establishing practice guidelines, the Assistant Secretary shall consider—

"(A) the setting of the evaluation and treatment provided to patients, including whether the evaluation and treatment are provided in an urban or rural setting;

"(B) the need to improve the quality of care; and

"(C) the need to reduce the practice of defensive medicine.

"(b) APPLICATION OF GUIDELINES AS LEGAL STANDARD.—

"(1) IN GENERAL.—Except as provided in paragraph (2) and notwithstanding any other provision of law, guidelines established under subsection (a) may not be introduced in evidence or used in any action brought in a Federal or State court arising from the provision of a health care service to an individual.

"(2) PROVISION OF HEALTH CARE UNDER GUIDELINES.—Notwithstanding any other provision of law, in any action brought in a Federal or State court arising from the provision of a health care service to an individual, if the service was provided to the individual in accordance with guidelines established under subsection (a), the guidelines—

"(A) may be introduced by a provider who is a party to the action; and

"(B) if introduced, shall establish a rebuttable presumption that the service prescribed by the guidelines is the appropriate standard of medical care.

"(c) REVIEW AND MODIFICATION.—

"(1) PERIODIC REVIEW.—The Assistant Secretary shall review each of the guidelines established under this section at least once in each 2-year period.

"(2) REVIEW FOR ESTABLISHMENT OF GUIDELINE.—If the head of a Federal agency or a private organization requests the Assistant Secretary to establish treatment practice guidelines for an area of health care services for which the guidelines have not been established, the Assistant Secretary shall—

"(A) conduct a review to determine if the establishment of the guidelines is appropriate; and

"(B) if the Assistant Secretary determines that the establishment of the guidelines is appropriate, establish the guidelines.

"(3) REVIEW FOR MODIFICATION OF GUIDELINE.—If the head of a Federal agency or a private organization requests the Assistant Secretary to review existing treatment practice guidelines, the Assistant Secretary shall—

"(A) conduct a review of the guidelines; and

"(B) if the Assistant Secretary determines that modification of the guidelines is appropriate, modify the guidelines.

"(d) CONSIDERATIONS.—In carrying out this section, the Assistant Secretary shall solicit and consider standards and views submitted by the heads of Federal agencies, physicians, and physician organizations.

"(e) AVAILABILITY.—The Assistant Secretary shall make guidelines established under this subsection available to the public.

"(f) NATIONAL ADVISORY COUNCIL ON TREATMENT PRACTICE GUIDELINES.—

"(1) ESTABLISHMENT.—There is established the National Advisory Council on Treatment Practice Guidelines (referred to in this subsection as the 'Council').

"(2) DUTIES.—

"(A) STUDY.—The Council shall study and investigate variations in physician treatment practices, in order to determine the relationship between different treatment patterns and patient outcomes. In particular, the Council shall study the overutilization, underutilization, appropriateness, and effectiveness of physician treatment practices, and the quality of care provided by the practices.

"(B) REPORT.—Not later than 2 years after the date of enactment of this part, the Council shall make a report to the Secretary and to the appropriate committees of Congress containing the findings of the study described in subparagraph (A).

"(C) RECOMMENDATIONS.—The Council shall make recommendations and provide advice to the Assistant Secretary with respect to the establishment of treatment practice guidelines under subsection (c) and the conduct of related areas of research, including recommendations and advice based on the study described in paragraph (A).

"(3) COMPOSITION.—The Council shall be composed of 12 voting members appointed by the Assistant Secretary and the following ex officio members:

"(A) The Director of the National Institutes of Health.

"(B) The Chief Medical Director of the Veterans Administration.

"(C) The Assistant Secretary for Health and Environment of the Department of Defense.

"(D) The Director the Centers for Disease Control.

"(E) The Administrator of the Health Care Financing Administration.

"(F) Such other Federal officials as the Assistant Secretary may specify.

"(4) APPOINTED MEMBERS; QUALIFICATIONS.—

"(A) INDIVIDUAL REPRESENTATION.—Of the members appointed to the Council, the Assistant Secretary shall appoint—

"(i) six individuals distinguished in the fields of medicine, engineering, and science (including social science);

"(ii) four individuals distinguished in the fields of law, ethics, economics, management, and insurance; and

"(iii) two individuals to represent the interests of consumers of health care services.

"(B) COLLECTIVE REPRESENTATION.—The Assistant Secretary shall ensure that members of the Council, as a group, are representative of professions and entities concerned with, or affected by, the treatment practice guidelines established under subsection (a).

"(5) TERM.—

"(A) VACANCIES.—The Assistant Secretary shall fill any vacancy in the membership of the Council in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Council.

"(B) INITIAL TERM.—Each appointed member of the Council shall be appointed for a term of 3 years, except that—

"(i) any member appointed to fill a vacancy shall be appointed for the remainder of the term of the predecessor of the member; and

"(ii) of the members first appointed after the date of the enactment of this subsection, four shall be appointed for a term of 3 years, four shall be appointed for a term of 2 years, and four shall be appointed for a term of 1 year, as designated by the Assistant Secretary at the time of appointment.

"(C) ADDITIONAL TERM.—Appointed members may be appointed for additional terms and may serve after the expiration of the terms until successors have taken office.

"(6) MEETINGS.—The Council shall meet at the call of the Chairman, but not less often than three times a year.

"(7) CHAIRMAN.—The Council shall annually elect one of its appointed members to serve as Chairman until the next election.

"(8) EXECUTIVE SECRETARY.—The Assistant Secretary shall designate a member of the staff of the National Center for Health Services Research and Health Care Technology Assessment to act as Executive Secretary of the Council.

"(9) DETAIL OF FEDERAL EMPLOYEES.—On the request of the Council, the Assistant Secretary of Health shall detail, without reimbursement, any of the personnel of the Public Health Service to the Council as the Council determines to be necessary to carry out the duties of the Council. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

"(10) EXPERTS AND CONSULTANTS.—

"(A) SERVICES AND COMPENSATION.—The Assistant Secretary of Health may obtain and compensate such temporary and intermittent services of experts and consultants in accordance with section 3109(b) of title 5, United States Code, as the Council determines to be necessary to carry out the duties of the Council.

"(B) LIMITATION.—The rate of compensation for each expert or consultant shall not exceed the daily equivalent of the rate specified for GS-18 of the General Schedule under section 5332 of title 5, United States Code for each day the expert or consultant is engaged in the actual performance of duties for the Council.

"(11) TECHNICAL ASSISTANCE.—On the request of the Council, the Assistant Secretary of Health shall provide, without reimbursement, such technical assistance and administrative support services to the Council as the Council determines to be necessary to carry out the duties of the Council.

"(12) OBTAINING INFORMATION.—The Assistant Secretary of Health may secure directly from any Federal agency information necessary to enable the Council to carry out the duties of the Council, if the information may be disclosed under section 552 of title 5, United States Code. Subject to the previous sentence, on the request of the Assistant Secretary of Health, the head of the agency shall furnish the information to the Council.

"(13) USE OF MAILS.—The Council may use the United States mails in the same manner and under the same conditions as Federal agencies.

"(14) TRAVEL EXPENSES.—Each member of the Council shall receive travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the 1991 and subsequent fiscal years.".

(b) APPLICATION TO PEER REVIEW UNDER SOCIAL SECURITY ACT.—Section 1154(a)(2) of the Social Security Act (42 U.S.C. 1320c-3(a)(2)) is amended by adding at the end the following new sentence: "The determinations shall be made on the basis of guidelines established under section 305 of the Public Health Service Act, if health care services were provided in accordance with the guidelines.".

SEC. 502. PRELITIGATION SCREENING PANEL GRANTS.

Part D of title IX of the Public Health Service Act (as added by section 501 of this Act) is amended by adding at the end the following new section:

"SEC. 932. PRELITIGATION SCREENING PANEL GRANTS.

"(a) ESTABLISHMENT.—The Assistant Secretary of Health, acting through the Agency for Health Care Policy and Research shall establish a program of grants to assist States in establishing prelitigation panels.

"(b) USE OF FUNDS.—A State may use a grant awarded under subsection (a) to establish prelitigation panels that—

"(1) identify claims of professional negligence that merit compensation;

"(2) encourage early resolution of meritorious claims prior to commencement of a lawsuit; and

"(3) encourage early withdrawal or dismissal of nonmeritorious claims.

"(c) AWARD OF GRANTS.—The Secretary shall allocate grants under this section in accordance with criteria issued by the Secretary.

"(d) APPLICATION.—To be eligible to receive a grant under this section, a State, acting through the appropriate State health authority, shall submit an application at such time, in such manner, and containing such agreements, assurances, and information as the Assistant Secretary of Health determines to be necessary to carry out this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the 1991 through 1994 fiscal years.".

TITLE VI—PHYSICIAN ISSUES

Subtitle A—Tax Incentives for Rural Practice

SEC. 601. SHORT TITLE.

This subtitle may be cited as the "Rural Primary Care Incentives Act of 1989".

SEC. 602. REFUNDABLE CREDIT FOR CERTAIN PRIMARY HEALTH SERVICES PROVIDERS.

(a) IN GENERAL.—Subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to refundable credits) is amended by redesignating section 35 as section 36 and by inserting after section 34 the following new section:

"SEC. 35. PRIMARY HEALTH SERVICES PROVIDERS.

"(a) ALLOWANCE OF CREDIT.—In the case of a qualified primary health services provider, there is allowed as a credit against the tax imposed by this subtitle for any taxable year in the mandatory service period an amount equal to—

"(1) the number of months of such period occurring in such year, times

"(2) $1,000.

"(b) LIMITATION.—No credit shall be allowed under subsection (a) with respect to any month in any mandatory service period in excess of 36 (reduced by the number of months in any previous mandatory service period for which a credit was allowed under subsection (a)).

"(c) QUALIFIED PRIMARY HEALTH SERVICES PROVIDER.—For purposes of this section, the term 'qualified primary health services provider' means any physician who for any month during the mandatory service period is certified by the Bureau to be a primary health services provider who—

"(1) is providing such services—

"(A) full time,

"(B) to individuals at least 80 percent of whom reside in a rural health manpower shortage area, and

"(C) in a health care practice which is—

"(i) related to a migrant health center or a community health center (as defined in sections 329(a)(1) and 330(a)(1) of the Public Health Service Act (42 U.S.C. 254b(a)(1) and 254c(a)(1)), respectively), or

"(ii) subject to the conditions described in subparagraphs (A) and (B) of section 338D(b)(1) of the Public Health Service Act (42 U.S.C. 254n(b)(1)),

"(2) is not receiving during such year a scholarship under the National Health Service Corps Scholarship Program (as established in section 338A of the Public Health Service Act (42 U.S.C. 254l) or a loan repayment under the National Health Service Corps Loan Repayment Program (as established in section 338B of the Public Health Service Act (42 U.S.C. 254l-1),

"(3) is not fulfilling service obligations under such programs, and

"(4) has not defaulted on such obligations.

"(d) MANDATORY SERVICE PERIOD.—For purposes of this section, the term 'mandatory service period' means the period of 60 consecutive calendar months beginning with the first month the taxpayer is certified by the Bureau as a qualified primary health services provider.

"(e) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

"(1) BUREAU.—The term 'Bureau' means the Bureau of Health Care Delivery and Assistance, Health Resources and Services Administration of the United States Public Health Service.

"(2) PHYSICIAN.—The term 'physician' means any doctor of medicine or osteopathy who provides direct patient care and practices principally in 1 of the 4 following primary care specialties:

"(A) General or family practice.

"(B) General internal medicine.

"(C) Pediatrics.

"(D) Obstetrics and gynecology.

The term shall not include administrators, researchers, or teachers.

"(3) PRIMARY HEALTH SERVICES PROVIDER.—The term 'primary health services provider' means a provider of primary health services (as defined in section 330(b)(1) of the Public Health Service Act (42 U.S.C. 254c(b)(1)).

"(4) RURAL HEALTH MANPOWER SHORTAGE AREA.—The term 'rural health manpower shortage area' means a class 1 or class 2 health manpower shortage area (as defined in section 332(a)(1)(A) of the Public Health Service Act (42 U.S.C. 254e(a)(1)(A)) in a rural area (as determined under section 1886(d)(2)(D) of the Social Security Act (42 U.S.C. 1395ww)).

"(f) RECAPTURE OF CREDIT.—

"(1) IN GENERAL.—If, as of the close of any taxable year, there is a recapture event, then the tax of the taxpayer under this chapter for such taxable year shall be increased by an amount equal to the product of—

"(A) the applicable percentage, and

"(B) the aggregate unrecaptured credits allowed to such taxpayer under this section for all prior taxable years.

"(2) APPLICABLE RECAPTURE PERCENTAGE.—

"(A) IN GENERAL.—For purposes of this subsection, the applicable recapture percentage shall be determined from the following table:

"If the recapture event occurs during:	The applicable recapture percentage is:
Months 1-23	100
Months 24-35	75
Months 36-47	50
Months 48-59	25
Months 60 and thereafter	0.

"(B) TIMING.—For purposes of subparagraph (A), month 1 shall begin on the first day of the mandatory service period.

"(3) RECAPTURE EVENT DEFINED.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'recapture event' means the failure of the taxpayer to be certified as a qualified primary health services provider for any month during any mandatory service period.

"(B) CESSATION OF DESIGNATION.—The cessation of the designation of any area as a rural health manpower shortage area after the beginning of the mandatory service period for any taxpayer shall not constitute a recapture event.

"(C) SECRETARIAL WAIVER.—The Secretary, after consultation with the Bureau, may waive any recapture event caused by extraordinary circumstances.

"(4) NO CREDITS AGAINST TAX.—Any increase in tax under this subsection shall not be treated as a tax imposed by this chapter for purposes of determining the amount of any credit under subpart A, B, or D of this part.".

(b) CONFORMING AMENDMENTS.—

(1) Paragraph (4)(A) of section 6211(b) of the Internal Revenue Code of 1986 (relating to rules for applying definition of deficiency) is amended by striking "sections 32 and 34" and inserting "sections 32, 34, and 35".

(2) Section 6513 of such Code (relating to time return deemed filed and tax considered paid) is amended by adding at the end the following new subsection:

"(f) TIME TAX IS CONSIDERED PAID FOR PRIMARY HEALTH SERVICES PROVIDERS CREDIT.—For purposes of section 6511, the taxpayer shall be considered as paying an amount of tax on the last day prescribed for payment of the tax (determined without regard to any extension of time and without regard to any election to pay the tax in installments) equal to so much of the credit allowed by section 35 (relating to primary health services providers credit) as is treated under section 6401(b) as an overpayment of tax.".

(3) Subsection (d) of section 6611 of such Code is amended by striking the caption and inserting the following:

"(d) ADVANCE PAYMENT OF TAX, PAYMENT OF ESTIMATED TAX, CREDIT FOR INCOME TAX WITHHOLDING, AND PRIMARY HEALTH SERVICES PROVIDERS CREDIT.—".

(c) CLERICAL AMENDMENT.—The table of sections for subpart C of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 35 and inserting the following:

"Sec. 35. Primary health services providers.

"Sec. 36. Overpayments of tax.".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 603. STUDIES.

(a) EXPANSION OF CREDIT.—

(1) STUDY.—The Secretary of Health and Human Services or the Secretary's delegate shall determine the present number of, and future need for, nonphysician primary care providers in rural health manpower shortage areas. Such determination shall form the basis for a study of the feasibility (including cost estimates) of extending the tax credit provided by the amendments made by section 602 to such providers.

(2) REPORTS.—An interim report of the study described in paragraph (1) shall be submitted by the Secretary of Health and Human Services to the Congress 1 year from the date of the enactment of this Act. A final report of such study shall be submitted to the Congress within 2 years of such date of enactment.

(b) STATUS OF CREDIT.—

(1) STUDY.—The Secretary of Health and Human Services or the Secretary's delegate shall evaluate the effect of the tax credit provided by the amendments made by section 602 in increasing the supply of primary care physicians in class 1 and class 2 rural

health manpower shortage areas and improving health care delivery access to medically underserved populations. Such evaluation shall form the basis for a study of the necessity and feasibility (including cost estimates) of extending such credit to primary care physicians in other rural health manpower shortage areas. Such study shall also include an evaluation of alternative methods of defining rural health manpower shortage areas.

(2) REPORT.—The Secretary of Health and Human Services shall submit to the Congress a report of the study described in paragraph (1) along with any recommendations for further legislative action no later than 2 years after the date of the enactment of this Act.

SEC. 604. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS EXCLUDED FROM GROSS INCOME.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 136 as section 137 and by inserting after section 135 the following new section:

"SEC. 136. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENTS.

"(a) GENERAL RULE.—Gross income shall not include any qualified loan repayment.

"(b) QUALIFIED LOAN REPAYMENT.—For purposes of this section, the term 'qualified loan repayment' means any payment made on behalf of the taxpayer by the National Health Service Corps Loan Repayment Program under section 338B(g) of the Public Health Service Act (42 U.S.C. 254l-1(g)).".

(b) CONFORMING AMENDMENT.—Section 338B(g)(3) of the Public Health Service Act (42 U.S.C. 254l-1(g)(3)) is amended by striking "Federal, State, or local" and inserting "State or local".

(c) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 136 and inserting the following:

"Sec. 136. National Health Service Corps loan repayments.

"Sec. 137. Cross references to other Acts.".

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to payments made under section 338B(g) of the Public Health Service Act (42 U.S.C. 254l-1(g)) after the date of the enactment of this section.

Subtitle B—Student Loan Deferment

SEC. 611. SHORT TITLE.

This subtitle may be cited as the "Resident Physician Student Loan Deferment Act."

SEC. 612. RESIDENT PHYSICIAN DEFERMENTS.

(a) FEDERALLY INSURED STUDENT LOANS.—Section 427(a)(2)(C)(i) of the Higher Education Act of 1965 (20 U.S.C. 1077(a)(2)(C)(i)) is amended—

(1) by striking "or" before subclause (III);

(2) by striking "except" and all that follows through "residency program"; and

(3) by inserting before the semicolon at the end the following: "or (IV) is serving in a medical internship or residency program accredited by the Accreditation Council for Graduate Medical Education or the Accrediting Committee of the American Osteopathic Association".

(b) FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS.—Section 428(b)(1)(M)(i) of the Act (20 U.S.C. 1078(b)(1)(M)(i)) is amended—

(1) by striking "or" before subclause (III);

(2) by striking "except" and all that follows through "residency program"; and

(3) by inserting before the semicolon at the end the following: "or (IV) is serving in a medical internship or residency program accredited by the Accreditation Council for Graduate Medical Education or the Accrediting Committee of the American Osteopathic Association".

(c) LOAN AGREEMENTS.—Section 464(c)(2)(A)(i) of the Act (20 U.S.C. 1087dd(c)(2)(A)(i)) is amended—

(1) by striking "except" and all that follows through "residency program"; and

(2) by inserting before the semicolon at the end the following: "or serving in a medical internship or residency program accredited by the Accreditation Council for Graduate Medical Education or the Accrediting Committee of the American Osteopathic Association".

(d) EFFECTIVE DATE.—The amendments made by this Act shall apply to any loan made, insured, or guaranteed under part B or part E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1071 et seq. and 1087kk et seq.), including a loan made before the date of enactment of this Act.

TITLE VII—LONG-TERM CARE INSURANCE

SEC. 701. QUALIFIED LONG-TERM CARE INSURANCE DEFINED AND TREATED AS ACCIDENT AND HEALTH INSURANCE.

(a) IN GENERAL.—Section 818 of the Internal Revenue Code of 1986 (relating to other definitions and special rules involving life insurance companies) is amended by adding at the end the following new subsection:

"(g) QUALIFIED LONG-TERM CARE INSURANCE TREATED AS ACCIDENT OR HEALTH INSURANCE.—

"(1) IN GENERAL.—For purposes of this subchapter, any reference to noncancellable accident or health insurance contracts shall be treated as including a reference to qualified long-term care insurance.

"(2) QUALIFIED LONG-TERM CARE INSURANCE.—

"(A) IN GENERAL.—For purposes of this subsection, the term 'qualified long-term care insurance' means insurance under a policy or rider, issued by a qualified issuer, which provides coverage—

"(i) for not less than 12 consecutive months for each covered person,

"(ii) on an expense incurred, indemnity, disability, prepaid, or other basis,

"(iii) for—

"(I) 1 or more necessary or medically necessary diagnostic services, preventive services, therapeutic services, rehabilitation services, maintenance services, or personal care services, or

"(II) cognitive impairment or the loss of functional capacity, and

"(iv) in a setting other than in an acute care unit of a hospital.

"(B) QUALIFIED ISSUER.—For purposes of subparagraph (A), the term 'qualified issuer' means any of the following if subject to the jurisdiction and regulation of at least 1 State insurance department:

"(i) Private insurance company.

"(ii) Fraternal benefit society.

"(iii) Nonprofit health corporation.

"(iv) Nonprofit hospital corporation.

"(v) Nonprofit medical service corporation.

"(vi) Prepaid health plan."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 702. QUALIFIED LONG-TERM CARE INSURANCE TREATED AS ACCIDENT AND HEALTH INSURANCE FOR PURPOSES OF EXCLUSION FOR BENEFITS RECEIVED UNDER SUCH INSURANCE AND FOR EMPLOYER CONTRIBUTIONS FOR SUCH INSURANCE.

(a) IN GENERAL.—Section 105 of the Internal Revenue Code of 1986 (relating to amounts received under accident and health plans) is amended by adding at the end the following new subsection:

"(j) SPECIAL RULES RELATING TO QUALIFIED LONG-TERM CARE INSURANCE.—For purposes of section 104, this section, and section 106—

"(1) BENEFITS TREATED AS PAYABLE FOR SICKNESS, ETC.—Any benefit received through qualified long-term care insurance (as defined in section 818(g)) shall be treated as amounts received through accident or health insurance for personal injuries or sickness.

"(2) EXPENSES FOR WHICH REIMBURSEMENT PROVIDED UNDER QUALIFIED LONG-TERM CARE INSURANCE TREATED AS INCURRED FOR MEDICAL CARE OR FUNCTIONAL LOSS.—Expenses incurred by the taxpayer, his spouse, dependent, parents, the parents of his spouse, or grandparents to the extent of benefits paid under qualified long-term care insurance (as defined in section 818 (g)) shall be treated for purposes of subsection (b) as incurred for medical care (as defined in section 213(d)) and benefits received under the qualified long-term care insurance shall be treated for purposes of subsection (c) as payment for the permanent loss or loss of use of a member or function of the body or the permanent disfigurement of the taxpayer, his spouse, dependent, his parents, the parents of his spouse, or grandparents.

"(3) REFERENCES TO ACCIDENT AND HEALTH PLANS.—Any reference to an accident or health plan shall be treated as including a reference to a plan providing qualified long-term care insurance (as defined in section 818 (g)).".

(b) CURRENT DEDUCTION FOR EMPLOYER PREMIUMS FOR LONG-TERM CARE INSURANCE.—Subparagraph (B) of section 404(b)(2) of the Internal Revenue Code of 1986 (relating to plans providing certain deferred benefits) is amended by inserting before the period at the end the following: "or any benefit provided under qualified long-term care insurance (as defined in section 818 (g)) through the payment (in whole or in part) of premiums by an employer pursuant to a plan for its active or retired employees, but only if any refund or premium is applied to reduce the future costs of the plan or increase benefits under the plan."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 703. DEDUCTION OF EXPENSES RELATING TO QUALIFIED LONG-TERM CARE.

(a) IN GENERAL.—Paragraph (1) of section 213(d) of the Internal Revenue Code of 1986 (defining medical care) is amended by striking "or" at the end of subparagraph (B), by striking the period at the end of subparagraph (C) and inserting ", or", and by adding after subparagraph (C) the following new subparagraph:

"(D) as premiums for qualified long-term care insurance (as defined in section 818(g)).".

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 704. CAFETERIA PLANS.

(a) EXCEPTION FOR CERTAIN QUALIFIED LONG-TERM CARE INSURANCE.—Section

125(d)(2) of the Internal Revenue Code of 1986 (relating to the exclusion of deferred compensation plans) is amended by adding at the end the following new subparagraph:

"(D) EXCEPTION FOR CERTAIN QUALIFIED LONG-TERM CARE INSURANCE.—Subparagraph (A) shall not apply to qualified long-term care insurance (as defined in section 818(g)) provided under a plan if—

"(i) the employee may not surrender such insurance for cash, and

"(ii) if the terms of the plan permit, the employee may elect to continue the insurance upon cessation of participation in the plan."

(b) TREATMENT AS QUALIFIED BENEFITS.—Section 125(f) of the Internal Revenue Code of 1986 (defining qualified benefits) is amended by striking "section 79 and such term includes" and inserting "section 79, qualified long-term care insurance (as defined in section 818(g), and".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 705. EXCLUSION FROM GROSS INCOME FOR AMOUNTS WITHDRAWN FROM INDIVIDUAL RETIREMENT PLANS FOR QUALIFIED LONG-TERM CARE INSURANCE PREMIUMS.

(a) IN GENERAL.—Subsection (d) of section 408 of the Internal Revenue Code of 1986 (relating to tax treatment of distributions from individual retirement plans) is amended by adding at the end the following new paragraph:

"(8) DISTRIBUTIONS FOR QUALIFIED LONG-TERM CARE INSURANCE PREMIUMS.—

"(A) IN GENERAL.—No amount (which but for this paragraph would be includible in the gross income of the payee or distributee under paragraph (1)) shall be included in gross income during the taxable year if the distribution is used during such year to pay premiums for any qualified long-term health insurance policy for the benefit of the payee or distributee or the spouse of the payee or distributee.

"(B) DEFINITION OF LONG-TERM CARE INSURANCE.—For purposes of this paragraph, the term 'long-term care insurance' has the meaning given such term by section 818(g)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 706. TAX TREATMENT OF ACCELERATED DEATH BENEFITS UNDER LIFE INSURANCE CONTRACTS.

(a) GENERAL RULE.—Section 101 of the Internal Revenue Code of 1986 (relating to certain death benefits) is amended by adding at the end the following new subsection:

"(g) TREATMENT OF CERTAIN ACCELERATED DEATH BENEFITS.—

"(1) IN GENERAL.—For purposes of this section, any amount paid to an individual under a life insurance contract on the life of an insured who is a terminally ill individual, who has a dread disease, or who has been permanently confined to a nursing home shall be treated as an amount paid by reason of the death of such insured.

"(2) TERMINALLY ILL INDIVIDUAL.—For purposes of this subsection, the term 'terminally ill individual' means an individual who has been certified by a physician, licensed under State law, as having an illness or physical condition which can reasonably be expected to result in death in 12 months or less.

"(3) DREAD DISEASE.—For purposes of this subsection, the term 'dread disease' means a medical condition which has required or requires extraordinary medical intervention without which the insured would die, or a medical condition which would, in the absence of extensive or extraordinary medical treatment, result in a drastically limited life span.

"(4) PERMANENTLY CONFINED TO A NURSING HOME.—For purposes of this subsection, an individual has been permanently confined to a nursing home if the individual is presently confined to a nursing home and has been certified by a physician, licensed under State law, as having an illness or physical condition which can reasonably be expected to result in the individual remaining in a nursing home for the rest of his life."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1990.

SEC. 707. TAX TREATMENT OF COMPANIES ISSUING QUALIFIED TERMINAL ILLNESS OR DREAD DISEASE RIDERS.

(a) QUALIFIED TERMINAL ILLNESS OR DREAD DISEASE RIDERS TREATED AS LIFE INSURANCE.—Section 818 of the Internal Revenue Code of 1986 (relating to other definitions and special rules involving life insurance companies), as amended by section 701, is further amended by adding at the end the following new subsection:

"(h) QUALIFIED TERMINAL ILLNESS OR DREAD DISEASE RIDERS TREATED AS LIFE INSURANCE.—

"(1) IN GENERAL.—For purposes of this part, any reference to life insurance shall be treated as including a reference to a qualified terminal illness or dread disease rider.

"(2) QUALIFIED TERMINAL ILLNESS OR DREAD DISEASE RIDER.—For purposes of this subsection, the term 'qualified terminal illness or dread disease rider' means any rider or addendum on, or other provision of, a life insurance contract which provides for payments to or for the benefit of an insured upon such insured becoming a terminally ill individual (as defined in section 101(g)(2)) or incurring a dread disease (as defined in section 101(g)(3))."

(b) DEFINITIONS OF LIFE INSURANCE AND MODIFIED ENDOWMENT CONTRACTS.—

(1) RIDER TREATED AS QUALIFIED ADDITIONAL BENEFIT.—Paragraph (5)(A) of section 7702(f) of the Internal Revenue Code of 1986 (defining qualified additional benefits) is amended by striking "or" at the end of clause (iv), by redesignating clause (v) as clause (vi), and by inserting after clause (iv) the following new clause:

"(v) qualified terminal illness or dread disease rider (as defined in section 818(h)(2)) or any qualified long-term care rider (as defined in section 818(g)(2)) which reduces the death benefit), or."

(2) TRANSITIONAL RULE.—For purposes of applying section 7702 or 7702A of the Internal Revenue Code of 1986 to any contract (or determining whether either such section applies to such contract), the issuance of a rider or addendum on, or other provision of, a life insurance contract permitting the acceleration of death benefits (as described in section 101(g)) or for qualified long-term care insurance (as described in section 818(g)) shall not be treated as a modification or material change of such contract.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning before, on, or after December 31, 1990.

TITLE VIII—STATE UNINSURABLE POOL PROGRAMS

SEC. 801. STATE UNINSURABLE POOL PROGRAMS.

Title XIX of the Public Health Service Act (42 U.S.C. 1901 et seq.) is amended by adding at the end the following new part:

"PART D—STATE UNINSURABLE POOLS

"SEC. 1941. DEFINITIONS.

"As used in this part:

"(1) MEDICALLY UNINSURABLE INDIVIDUAL.—The term 'medically uninsurable individual' means an individual—

"(A) who is a resident of a State;

"(B) who does not have health insurance coverage on the date on which the individual applies for health insurance coverage under a qualified uninsurable pool program in the State in which the individual is a resident;

"(C) who has received a notice from one or more insurance providers regarding coverage that is substantially similar to the coverage offered by the qualified uninsurable pool program in the State, without material underwriting restriction, and the notice is issued on the basis of a pre-existing medical condition of the individual and constitutes—

"(i) a notice of rejection;

"(ii) a notice of a reduction or limitation that substantially reduces health insurance benefits compared with benefits available to other individuals, such as a rider that excludes or modifies benefits for a condition for a period that is not less than 6 months; or

"(iii) a notice of an increase in premiums for health coverage for which the individual is applying or which the individual is receiving, that exceeds the premium rate for coverage provided by the qualified uninsurable pool program in the State; and

"(D) who is not eligible to receive benefits under title XVIII or XIX of the Social Security Act (42 U.S.C. 1395 et seq. and 1396 et seq.)

"(2) QUALIFIED UNINSURABLE POOL PROGRAM.—The term 'qualified uninsurable pool program' means a program that—

"(A) is operated by a nonprofit corporation established and regulated in accordance with State law;

"(B) has a membership that may include—

"(i) insurers writing expense-incurred health insurance;

"(ii) hospital and medical service plan corporations;

"(iii) health maintenance organizations; and

"(iv) employers;

"(C) makes available to all medically uninsurable individuals in a State, without regard to the health conditions of the individuals, levels of health insurance that are similar to the levels of coverage provided in the State by other insurers;

"(D) charges a pool premium rate that is not less than 125 percent, nor more than 150 percent, of the average premium rates for individual standard risks in the State for comparable coverage;

"(E) finances the losses of the pool program through general revenue sources; and

"(F) at the option of the State and to the extent practicable, constrains costs through the use of appropriately managed care.

"SEC. 1942. ALLOCATION OF FUNDS.

"The Secretary shall allocate funds to States, as provided in section 1944, to pay for the Federal share of the costs of establishing qualified State uninsurable pool programs. The Secretary may provide technical assistance to States in the planning and operation of activities to be carried out under this part.

"SEC. 1943. USE OF ALLOTMENTS.

"(a) QUALIFIED UNINSURABLE POOLS.—Except as provided in subsection (b), a State shall use funds allotted under this part to

support a qualified uninsurable pool program to provide health insurance for medically uninsurable individuals.

"(b) UNDERWRITING OF COSTS.—A State may use an allotment awarded to the State under this part to assist the State in underwriting the costs of a qualified uninsurable pool program for the State, in accordance with the requirements of this part.

"(c) ADMINISTRATIVE COSTS.—Not more than 10 percent of the amount paid to a State under section 1945 for a fiscal year may be used for administering the funds made available under section 1945 for the fiscal year.

"SEC. 1944. AWARD OF ALLOTMENTS.

"(a) IN GENERAL.—Except as provided in subsections (b) and (c), of the amount appropriated under section 1951 for a fiscal year, the Secretary shall allot to each State for the fiscal year an amount that bears the same ratio to the amount appropriated as the population of the State bears to the population of all States.

"(b) LIMITATIONS.—Notwithstanding subsection (a), the allotment of each State for a fiscal year—

"(1) may not be less than one-half of 1 percent of the total amount appropriated under section 1951 for the fiscal year; and

"(2) may not be more than 3 percent of the total amount appropriated under section 1951 for the fiscal year.

"(c) REVERSION OF FUNDS.—

"(1) IN GENERAL.—Funds appropriated under section 1951 for a fiscal year that are not allotted under subsection (a) because of a reason described in paragraph (2) shall be allotted as described in paragraph (3).

"(2) FUNDS NOT ALLOTTED.—Funds referred to in paragraph (1) are funds not otherwise allotted because one or more States—

"(A) have notified the Secretary that they do not intend to use the full amount of their allotment; or

"(B) have offset or repaid State allotments under section 1947(b)(2).

"(3) ALLOTMENT OF EXCESS FUNDS.—Funds not allotted for any fiscal year because of actions referred to in paragraph (2) shall be allotted among the remaining States in proportion to the amount otherwise allotted to the remaining States for the fiscal year concerned.

"SEC. 1945. PAYMENTS UNDER ALLOTMENTS TO STATES.

"(a) IN GENERAL.—

"(1) AMOUNT OF PAYMENT.—Except as otherwise provided in this part—

"(A) the Secretary shall pay to any State the Federal share of the costs of supporting State uninsurable pool programs under this part; and

"(B) no State may be paid an amount for any fiscal year in excess of the amount of the allotment for the State under section 1944 for the fiscal year.

"(2) FEDERAL SHARE.—The Federal share of the costs of supporting a State uninsurable pool program in any State under this part shall be 75 percent.

"(b) AVAILABILITY.—Any amount paid to a State for a fiscal year that remains unobligated at the end of the year shall remain available to the State for the purposes for which the payment was made for the next fiscal year.

"(c) REDUCTION OF PAYMENTS.—

"(1) REDUCTION FOR SUPPLIES OR DETAIL.—If the Secretary furnishes supplies or equipment or details an officer or employee of the Federal Government to a State for the convenience of, and at the request of, the State for the purpose of establishing a uninsurable pool program, the Secretary, at the request of a State, may reduce the amount of payments under subsection (a) by—

"(A) the fair market value of any supplies or equipment furnished to the State under this part; and

"(B) the amount of the pay, allowances, and travel expenses of any officer or employee of the Federal Government, when detailed to the State, and the amount of any other costs incurred in connection with the detail of the officer or employee.

"(2) USE OF REDUCTION.—The Secretary may use the amount by which any payment is reduced under paragraph (1) to pay the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of the payment is based. The amount shall be considered to be part of the payment and to have been paid to the State.

"SEC. 1946. APPLICATION.

"To receive an allotment for a fiscal year under this part, a State shall submit an application to the Secretary in such form, at such time, and containing such information, certifications, and assurances as the Secretary shall require. At a minimum, the application shall contain—

(1) certifications by the chief executive officer of each State that demonstrate to the satisfaction of the Secretary that—

"(A) the State will use the funds paid to the State under this part in accordance with this part;

"(B) the State will use Federal funds made available under this part for any period to supplement and increase the level of State, local, and other non-Federal funds that would be used to support State qualified uninsurable pool programs in the absence of Federal funds, and will in no event supplant the non-Federal funds; and

"(C) the State will provide from non-Federal sources the non-Federal share of the costs of supporting State qualified uninsurable pool programs; and

"(2) the amount the State intends to spend to carry out this part, including the amount of Federal funds that the State intends to use.

"SEC. 1947. REPORTS AND AUDITS.

"(a) REPORTS.—

"(1) ANNUAL REPORT BY STATE.—

"(A) IN GENERAL.—A State that receives funds under this part shall prepare and submit to the Secretary at least one report each year concerning the activities of the State under this part.

"(B) FORM AND CONTENTS.—Reports submitted under this paragraph shall be in such form and contain such information as the Secretary determines (after consultation with the States and the Comptroller General of the United States) to be necessary—

"(i) to determine whether funds provided to the State under this part are expended in accordance with this part and consistent with the insurance needs within the State;

"(ii) to inform the Secretary of the activities of the State under this part, including information regarding the insurance services provided, the entities involved in the pool program, and the individuals who receive the services; and

"(iii) to inform the Secretary of the purposes for which funds provided under this part are spent, of the recipients of the funds, and of the progress made toward achieving the purposes for which the funds were provided.

"(C) COPIES.—Copies of the report submitted under this paragraph shall be provided, on request, to any interested person, including any public agency.

"(2) PROHIBITION ON BURDENSOME REPORTING REQUIREMENTS.—In determining the information that States must include in the report required by this subsection, the Secretary shall not establish reporting requirements that are burdensome.

"(b) AUDITING PROCEDURES.—

"(1) ESTABLISHMENT OF FISCAL CONTROLS.—To receive funds under this part, a State shall—

"(A) establish fiscal control and fund accounting procedures as may be necessary to assure the proper disbursal of and accounting for Federal funds paid to the State under this part;

"(B) provide for an annual audit of expenditures from payments received under this part;

"(C) provide for the annual audit to be performed by an entity independent of any agency administering a program funded under this part and, insofar as practical, in accordance with the standards of the Comptroller General of the United States for auditing governmental organizations, programs, activities, and functions;

"(D) submit a copy of each audit to the Secretary not later than 30 days after the date the audit is completed; and

"(E) make copies of each audit available for public inspection within the State.

"(2) REPAYMENTS TO THE UNITED STATES.—If the Secretary determines that a State has not expended funds awarded under this part in accordance with the requirements of this part, after providing the State with adequate notice and an opportunity for a hearing within the State, the Secretary shall require the State to repay to the United States amounts found not to have been expended in accordance with the requirements of this part. If the repayment is not made, the Secretary shall, after providing the State with adequate notice and opportunity for a hearing within the State, offset the amounts against the amount of any allotment to which the State is or may become entitled under this part.

"(3) EVALUATION OF EXPENDITURES.—The Comptroller General of the United States shall, from time to time, evaluate expenditures made by the States of payments made to the States under this part in order to assure that expenditures are consistent with the provisions of this part.

"(4) REPORT BY SECRETARY.—Not later than October 1, 1991, the Secretary shall submit to the appropriate committees of Congress, a report concerning the activities of the States that have received funds under this part and may include in the report such recommendations for legislative action as the Secretary considers appropriate.

"(c) OMNIBUS BUDGET RECONCILIATION ACT OF 1981.—Chapter 2 of subtitle C of title XVII of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35; 95 Stat. 762 et seq.) shall not apply with respect to audits of funds allotted under this part.

"(d) DATA AND INFORMATION.—The Secretary, in consultation with appropriate national organizations, shall develop model criteria and forms for the collection of data and information with respect to services provided under this part to enable States to share uniform data and information with respect to the provision of the services.

"SEC. 1948. WITHHOLDING.

"(a) IN GENERAL.—

"(1) NOTICE AND HEARING.—The Secretary shall, after adequate notice and an opportu-

nity for a hearing conducted within the State concerned, withhold funds from any State that does not use its allotment in accordance with the requirements of this part. The Secretary shall withhold the funds until the Secretary finds that the reason for the withholding has been removed and there is reasonable assurance that it will not recur.

"(2) INVESTIGATION.—The Secretary shall not institute proceedings to withhold funds under paragraph (1) unless the Secretary has conducted an investigation concerning whether the State has used its allotment in accordance with the requirements of this part. Investigations required by this paragraph shall be conducted within the State concerned by qualified investigators.

"(3) RESPONSE TO COMPLAINTS.—The Secretary shall respond in an expeditious manner to complaints of a substantial or serious nature that a State has failed to use funds in accordance with the requirements of this part.

"(4) MINOR FAILURE.—The Secretary shall not withhold funds under paragraph (1) from a State for a minor failure to comply with the requirements of this part.

"(b) INVESTIGATIONS.—

"(1) BY SECRETARY.—The Secretary shall conduct in several States in each fiscal year investigations of the use of funds received by the States under this part in order to evaluate compliance with the requirements of this part.

"(2) BY COMPTROLLER GENERAL.—The Comptroller General of the United States may conduct investigations of the use of funds received under this part by a State in order to insure compliance with the requirements of this part.

"(c) AVAILABILITY OF RECORDS.—To receive funds under this part, a State shall agree to make appropriate books, documents, papers, and records available to the Secretary or the Comptroller General of the United States for examination, copying, or mechanical reproduction on or off the premises of the appropriate entity on a reasonable request.

"(d) UNREASONABLE REQUESTS.—

"(1) IN GENERAL.—In conducting an investigation in a State to determine compliance with this part, the Secretary or the Comptroller General of the United States shall not make a request for any information not readily available to the State or make an unreasonable request for information to be compiled, collected, or transmitted in any form not readily available.

"(2) JUDICIAL EXCEPTION.—Paragraph (1) shall not apply to the collection, compilation, or transmittal of data in the course of a judicial proceeding.

"SEC. 1949. NONDISCRIMINATION.

"(a) IN GENERAL.—

"(1) CONSTRUCTION.—Programs and activities funded in whole or in part with funds made available under this part are considered to be programs and activities receiving Federal financial assistance for the purpose of prohibitions against discrimination—

"(A) on the basis of age under the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.);

"(B) on the basis of handicap under section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794);

"(C) on the basis of sex under title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.); or

"(D) on the basis of race, color, or national origin under title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.).

"(2) GENDER OR RELIGIOUS DISCRIMINATION.—No person may be excluded from participation in, denied the benefits of, or subjected to discrimination under, any program or activity funded in whole or in part with funds made available under this part, on the basis of sex or religion.

"(b) FAILURE TO COMPLY.—If the Secretary finds that a State has failed to comply with a provision of law referred to in paragraph (1) or (2) of subsection (a), or with an applicable regulation, the Secretary shall notify the chief executive officer of the State and shall request the officer to secure compliance. If within a reasonable period of time, not to exceed 60 days following the date of the notice, the chief executive officer fails or refuses to secure compliance, the Secretary may—

"(1) refer the matter to the Attorney General of the United States with a recommendation that an appropriate civil action be instituted;

"(2) exercise the powers and functions provided by title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.), the Age Discrimination Act of 1975 (42 U.S.C. 6101 et seq.), title IX of the Education Amendments of 1972 (20 U.S.C. 1681 et seq.) or section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as may be applicable; or

"(3) take such other action as may be provided by law.

"(c) REFERENCE TO ATTORNEY GENERAL.—When a matter is referred to the Attorney General under subsection (b)(1), or whenever the Attorney General has reason to believe that a State is engaged in a pattern or practice in violation of a provision of law referred to in paragraph (1) or (2) of subsection (a), the Attorney General may bring a civil action in any appropriate district court of the United States for such relief as may be appropriate, including injunctive relief.

"SEC. 1950. CRIMINAL PENALTY FOR FALSE STATEMENTS.

"A person shall be imprisoned for not more than 5 years or fined in accordance with title 18, United States Code, or both, if the person—

"(1) knowingly and willfully makes or causes to be made any false statement or representation of a material fact in connection with the furnishing of items or services for which payment may be made by a State from funds allotted to the State under this part; or

"(2) having knowledge of the occurrence of any event affecting the initial or continued right of an individual to any such payment, conceals or fails to disclose the event with an intent to fraudulently secure the payment either in a greater amount than is due or when no such payment is authorized.

"SEC. 1951. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part $50,000,000 in fiscal year 1991, and such sums as may be necessary in each of the subsequent fiscal years.".

TITLE IX—MEDICAID COVERAGE DEMONSTRATION PROJECTS

SEC. 901. DEMONSTRATION PROJECTS TO STUDY THE EFFECT OF ALLOWING STATES TO EXTEND MEDICAID COVERAGE TO CERTAIN LOW-INCOME FAMILIES NOT OTHERWISE QUALIFIED TO RECEIVE MEDICAID BENEFITS.

(a) DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—The Secretary of Health and Human Services shall enter into agreements with two States for the purpose of conducting demonstration projects to study the effect on access to, and costs of, health care of eliminating the categorical eligibility requirement for medicaid benefits for certain low-income individuals.

(2) REQUIREMENTS.—The Secretary may not enter into an agreement with a State to conduct a project unless the Secretary determines that—

(A) the project can reasonably be expected to improve access to health insurance coverage for the uninsured;

(B) the State provides, under its plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), for eligibility for medical assistance for all individuals described in paragraph (1) of section 1902(l) of such Act (42 U.S.C. 1396a(l)(1)) (based on the election of the State of the highest income standards and, for children, highest ages permitted under such section and based on the waiver of the State of the application of any resource standard);

(C) eligibility for benefits under the project is limited to individuals in families with income below 150 percent of the income official poverty line;

(D) if the Secretary determines that it is cost-effective for the project to utilize employer coverage (as described in section 1925(b)(4)(D) of the Social Security Act (42 U.S.C. 1396r-6(b)(4)(D)), the project must require an employer contribution and benefits under the State plan under title XIX of such Act will continue to be made available to the extent they are not available under the employer coverage;

(E) the project provides for coverage of benefits consistent with subsection (b); and

(F) the project only imposes premiums, coinsurance, and other cost-sharing consistent with subsection (c).

(3) PERMISSIBLE RESTRICTIONS.—A project may limit eligibility to individuals whose assets are valued below a level specified by the State. For this purpose, any evaluation of such assets shall be made in a manner consistent with the standards for valuation of assets under the State plan under title XIX of the Social Security Act for individuals entitled to assistance under part A of title IV of such Act (42 U.S.C. 601 et seq.). Nothing in this section shall be construed as requiring a State to provide for eligibility for individuals for months before the month in which such eligibility is first established.

(4) EXTENSION OF ELIGIBILITY.—A project may provide for extension of eligibility for medical assistance for individuals covered under the project in a manner similar to that provided under section 1925 of the Social Security Act (42 U.S.C. 1396r-6) to certain families receiving aid pursuant to a plan of the State approved under part A of title IV of such Act.

(5) WAIVER OF REQUIREMENTS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary may waive such requirements of title XIX of the Social Security Act as may be required to provide for additional coverage of individuals under projects under this section.

(B) NONWAIVABLE PROVISIONS.—The Secretary may not waive, under subparagraph (A), the requirement of section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)) or the Federal medical assistance percentage specified in section 1905(b) of such Act (42 U.S.C. 1396d(b)).

(b) BENEFITS.—

(1) IN GENERAL.—Except as provided in this subsection, the amount, duration, and scope of medical assistance made available under a project shall be the same as the amount, duration, and scope of such assistance made available to individuals entitled to medical assistance under the State plan under sec-

tion 1902(a)(10)(A)(i) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)).

(2) LIMITS ON BENEFITS.—

(A) REQUIRED.—No medical assistance shall be made available under a project for nursing facility services or other long-term care services (as defined by the Secretary) or for pregnancy-related services. No medical assistance shall be made available under a project to individuals confined to a State correctional facility, county jail, local or county detention center, or other State institution.

(B) PERMISSIBLE.—A State, with the approval of the Secretary, may limit or otherwise deny medical assistance under the project for items and services, other than early and periodic screening, diagnostic, and treatment services for children under 18 years of age.

(3) USE OF UTILIZATION CONTROLS.—Nothing in this subsection shall be construed as limiting the authority of a State to impose controls over utilization of services, including preadmission requirements, managed care provisions, use of preferred providers, and use of second opinions before surgical procedures.

(c) PREMIUMS AND COST-SHARING.—

(1) NONE FOR THOSE WITH INCOME BELOW THE POVERTY LINE.—Under a project, there shall be no premiums, coinsurance, or other cost-sharing for individuals whose family income level does not exceed 100 percent of the income official poverty line (as defined in subsection (g)(1)) applicable to a family of the size involved.

(2) LIMIT FOR THOSE WITH INCOME ABOVE THE POVERTY LINE.—Under a project, for individuals whose family income level exceeds 100 percent, but is less than 150 percent, of the income official poverty line applicable to a family of the size involved, the monthly average amount of premiums, coinsurance, and other cost-sharing for covered items and services shall not exceed 3 percent of the family's average gross monthly earnings.

(3) INCOME DETERMINATION.—Each project shall provide for determinations of income in a manner consistent with the methodology used for determinations of income under title XIX of the Social Security Act for individuals entitled to benefits under part A of title IV of such Act (42 U.S.C. 601 et seq.).

(d) DURATION.—Each project under this section shall commence not later than July 1, 1991 and shall be conducted for a 3-year period; except that the Secretary may terminate such a project if the Secretary determines that the project is not in substantial compliance with the requirements of this section.

(e) LIMITS ON EXPENDITURES AND FUNDING.—

(1) IN GENERAL.—The Secretary in conducting projects shall limit the total amount of the Federal share of benefits paid and expenses incurred under title XIX of the Social Security Act to no more than $10,000,000 in each of fiscal years 1991, 1992, and 1993, and to no more than $2,000,000 in fiscal year 1994.

(2) NO FUNDING OF CURRENT BENEFICIARIES.—No funding shall be available under a project with respect to medical assistance provided to individuals who are otherwise eligible for medical assistance under the plan without regard to the project.

(3) NO INCREASE IN FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—Payments to a State under a project with respect to expenditures made for medical assistance made available under the project may not exceed the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) of such expenditures.

(f) EVALUATION AND REPORT.—

(1) EVALUATIONS.—For each project the Secretary shall provide for an evaluation to determine the effect of the project with respect to—

(A) access to, and costs of, health care,

(B) private health care insurance coverage, and

(C) premiums and cost-sharing.

(2) REPORTS.—The Secretary shall prepare and submit to Congress an interim report containing a summary of the evaluations under paragraph (1) not later than January 1, 1993, and a final report containing such summary together with such further recommendations as the Secretary may determine appropriate not later than January 1, 1995.

(g) DEFINITIONS.—In this section:

(1) The term "income official poverty line" means such line as defined by the Office of Management and Budget and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9902(2)).

(2) The term "project" refers to a demonstration project under subsection (a).

(3) The term "Secretary" means the Secretary of Health and Human Services.

By Mr. SHELBY:

S. 3044. An act to amend title XVIII of the Social Security Act to repeal the requirement that all nonparticipating physicians file Medicare claims on behalf of all of their patients who are Medicare beneficiaries; to the Committee on Finance.

REPEAL OF FILING REQUIREMENT FOR NONPARTICIPATING PHYSICIANS

● Mr. SHELBY. Mr. President, I rise today to introduce legislation that will repeal the Medicare claims filing provision contained in the 1989 budget reconciliation bill.

This provision, which took effect on September 1, mandates that physicians and medical suppliers file claims for all of their patients who are Medicare beneficiaries or be subject to penalties.

Last year, we made great strides toward bringing some relief to doctors and the medical community through much needed reforms in the Medicare physician payment system. While the need for a more equitable physician payment system was addressed, some physicians will be saddled with expensive increases in administrative costs with the enactment of the claims filing provision.

Physicians in small or solo practices, particularly in rural areas, will suffer the most. The availability of rural health care in this country is tenuous at best and increased paperwork is among the most frequently cited reasons why physicians are terminating practices. Doctors in rural areas generally do not possess the processing ability to handle additional claims and cannot afford the cost and administrative burden necessary to comply with the claims filing provision.

Furthermore, mandatory claims filing is unnecessary.

More than 46 percent of all doctors are participating physicians, accept all Medicare claims on assignment and file patients' claims;

Over 80 percent of individual claims are already submitted by physicians on assignment; and

Between 90 to 95 percent of all claims are filed voluntarily by physicians, whether taken on assignment or not.

It has been said that, "If something isn't broke, don't fix it." Clearly, mandatory claims filing is an onerous provision that puts undue burden on the medical community and further discourages physicians to treat Medicare patients.

Congressman JOE KOLTER of Pennsylvania has introduced similar legislation in the House of Representatives. I hope that my colleagues in the Senate will join me in support of this important legislation.●

By Mr. RIEGLE (for himself, Mr. SHELBY, Mr. KERRY, Mr. GRAHAM, Mr. D'AMATO, Mr. DODD, Mr. CRANSTON, Mr. AKAKA, Mr. WIRTH, Mr. METZENBAUM, and Mr. SIMON):

S. 3045. A bill to authorize the Federal Deposit Insurance Corporation to increase deposit insurance premiums as necessary to protect the bank insurance fund; to the Committee on Banking, Housing, and Urban Affairs.

INCREASE IN DEPOSIT INSURANCE PREMIUMS

● Mr. RIEGLE. Mr. President, I rise to introduce a short but important piece of legislation I have prepared to give the Federal Deposit Insurance Corporation authority to increase deposit insurance assessments on commercial banks.

At the request of the Senate Banking Committee, both the General Accounting Office and the Congressional Budget Office have recently analyzed the condition of the bank insurance fund. The results of these analyses are disturbing. Charles Bowsher, Comptroller General of the United States, told the committee on September 11 that:

> Not since its birth during the Great Depression has the federal system of deposit insurance for commercial banks faced such a period of danger and uncertainty as it does today. Issues arising from our audit of the Bank Insurance Fund's 1989 financial statements * * * cause us both apprehension and concern for the safety and soundness of the Fund in the 1990's.

The Congressional Budget Office reached much the same conclusion. Robert Reischauer, Director of the Congressional Budget Office, testified that if current economic conditions persist, bank insurance fund reserves will decline to a mere 0.4 percent of insured deposits in America's commercial banks by 1993. That is less than

one-third the 1.25 percent reserve level required by law. Mr. Reischauer's testimony clearly warned that an economic downturn could exacerbate the precarious condition of the fund:

The uncertain economic outlook, exacerbated by declines in real estate values and sharp increases in oil prices, raises concerns that spending from the fund could be greater during the next few years than we have estimated. * * *Generally, a weaker economy would increase the likelihood of bank failures by reducing the value of bank assets, increasing loan defaults, and placing additional pressure on bank earnings.

Perhaps the economic expansion will continue. Perhaps real estate prices will start rising again and oil prices will start falling. But we need to be prepared in case the worse case occurs.

Unfortunately, current law precludes the FDIC from being adequately prepared for the worst case. Under existing law, the FDIC's authority to raise deposit insurance premiums for commercial banks is limited to a maximum of 7.5 cents per hundred dollars of insured deposits per year. The FDIC has already announced plans to implement such an increase in January 1991. That increase will put the premium at 19.5 cents. No further increase will be possible until January 1992.

Maybe 19.5 cents will be enough. Maybe not. But if we can draw only one lesson from the thrift crisis, let's make it this one: We can't afford to wait and see. To protect the bank insurance fund and the taxpayers who stand behind it, current law must be amended now to enhance the FDIC's authority to raise insurance premiums for commercial banks.

This bill gives the FDIC the authority it needs to take such protective measures. It amends existing law by removing current restrictions on the FDIC's ability to raise deposit insurance premiums for commerical banks. Under this bill, the FDIC will be directed simply to set premiums at whatever rate is needed to achieve or maintain the 1.25-percent target reserve level mandated by existing law.

The bill does not require the FDIC to bring the fund up to the 1.25-percent level all at once. On the contrary, it gives the FDIC a reasonable period of time to achieve compliance with the target level. That reasonable period standard is consistent with existing law.

In fact, I should emphasize that the bill does not require the FDIC to raise premiums at all. But it gives the FDIC authority to raise premiums if an increase becomes necessary to protect the bank insurance fund. The bill preserves the requirement of existing law that, in considering whether to raise premiums, the FDIC must consider the effect such an increase would have on the earnings of commerical banks.

This is a simple, straightforward piece of legislation. It seeks to head off what could otherwise develop into a major problem. For America's taxpayers, one bailout of our deposit insurance system is one too many. This legislation could prove important in helping to prevent bailout No. 2. I urge my colleagues to join in supporting it and working toward its rapid enactment into law.

Let me also take this occasion to call on the Secretary of the Treasury and the Chairman of the Federal Deposit Insurance Corporation to give careful consideration to the adequacy of the statutory target for the bank insurance fund. Current law obliges the FDIC to seek to attain and maintain a fund balance equal to 1.25 percent of insured deposits. But in his testimony before the Banking Committee, the Comptroller General expressed strong concern about whether that target ratio makes sense. Mr. Bowsher said:

[T]here appears to be no empirical basis for the 1.25 percent minimum reserve ratio. We are concerned that even if the minimum reserve ratio could be achieved, it would not be sufficient to protect the taxpayers in the event of a recession. Over the next few years, low levels of reserves coupled with a recession could lead to a level of bank failures that would exhaust the Fund and require taxpayer assistance.

The 1.25-percent ratio in existing law has no real analytical basis. On the contrary, it simply reflects the historical level of the fund in recent decades. In light of the changes that have been taking place in the commercial banking industry, and in light of Mr. Bowsher's testimony, I believe the administration should quickly and thoroughly review the adequacy of the target reserve ratio and report to Congress on whether it should be adjusted.

Mr. President, at my request, Banking Committee staff have prepared a brief analysis of this bill. It's not really a section-by-section, since the bill only has one section. But I think it may be helpful to my colleagues, so I ask unanimous consent that the analysis be inserted in the RECORD. Let me also request unanimous consent that the text of the bill be printed in the RECORD. Finally, I ask unanimous consent that there be included in the RECORD a copy of a letter I have sent to President Bush seeking his immediate support for this bill and his long-term support for comprehensive deposit insurance reform legislation. I believe the President's support is critical to achieving success in both these areas.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3045

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FDIC AUTHORIZED TO INCREASE BANKS' DEPOSIT INSURANCE ASSESSMENTS AS NECESSARY TO PROTECT THE BANK INSURANCE FUND.

(a) IN GENERAL.—Section 7(b)(1)(C) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)(C)) is amended to read as follows:

"(C) ASSESSMENT RATE FOR BANK INSURANCE FUND MEMBERS.—

"(i) IN GENERAL.—The annual assessment rate for Bank Insurance Fund members shall be such rate as the Board of Directors, in its sole discretion, determines to be appropriate—

"(I) to maintain the reserve ratio at a level equal to the designated reserve ratio; or

"(II) if the reserve ratio is less than the designated reserve ratio, to restore the reserve ratio to the designated reserve ratio within a reasonable period of time.

"(ii) FACTORS TO BE CONSIDERED.—In making any determination under clause (i), the Board of Directors shall consider the Bank Insurance Fund's expected operating expenses, case resolution expenditures, and investment income, and the effect of the assessment rate on insured banks' earnings and capital.

"(iii) MINIMUM ASSESSMENT.—The assessment shall be not less than $1,000 for each member in each year.".

(b) AUTHORITY FOR FDIC TO MAKE MID-YEAR ADJUSTMENT IN ASSESSMENT RATES.—Section 7(b)(1)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)(A)) is amended to read as follows:

"(A) ANNUAL ASSESSMENT RATES PRESCRIBED.—

"(i) The Corporation shall, from time to time, set assessment rates for insured depository institutions.

"(ii) The Corporation shall fix the annual assessment rate of Bank Insurance Fund members independently from the annual assessment rate for Savings Association Insurance Fund members.

"(iii) The Corporation shall announce any change in the annual assessment rates—

"(I) for the semiannual period beginning on January 1 and ending on June 30, not later than the preceding November 1; and

"(II) for the semiannual period beginning on July 1 and ending on December 31, not later than the preceding May 1.

COMMITTEE ON BANKING,
HOUSING, AND URBAN AFFAIRS,
Washington, DC, September 12, 1990.

Hon. GEORGE W. BUSH,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: At the Committee's request, both the General Accounting Office and the Congressional Budget Office have recently analyzed the condition of the Bank Insurance Fund, which provides deposit insurance for America's commercial banks.

Both of these analyses concluded that the Fund's condition is precarious. In his testimony before the Committee, Comptroller General Charles Bowsher stated:

"Not since its birth during the Great Depression has the federal system of deposit insurance for commercial banks faced such a period of danger and uncertainty as it does today. Issues arising from our audit of the Bank Insurance Fund's 1989 financial statements . . . cause us both apprehension and concern for the safety and soundness of the Fund in the 1990s."

The American people have had enough of taxpayer bailouts of our deposit insurance system. I believe the Administration and

Congress must act quickly and decisively to head off potential problems with the Bank Insurance Fund before the fund becomes insolvent, before it becomes a liability to the taxpayer.

In the next few days, I will introduce legislation to give the Federal Deposit Insurance Corporation authority it may need to raise deposit insurance assessments on commercial banks. In my opinion, failure to enact such legislation before Congress adjourns in October could leave the FDIC powerless to take actions that may be necessary to protect the Bank Insurance Fund should the economy continue to slow this winter.

I urge you to lend your support to this legislation.

Although I am sure you join me in hoping the FDIC will not need to increase banks' insurance premiums, our first priority must be to protect the Bank Insurance Fund and the taxpayers who stand behind it. Giving the FDIC additional authority to raise premiums is a vital interim measure to provide such protection.

At the same time, however, we cannot ignore the need for a longer-term solution. Following closely behind the insolvency of the Federal Savings and Loan Insurance Corporation, the current condition of the Bank Insurance Fund underscores the need for comprehensive deposit insurance reform. Such comprehensive reform is needed not only to protect America's taxpayers, but also to protect its depository institutions, which cannot afford to pay ever-escalating deposit insurance premiums.

Many promising proposals for deposit insurance reform have emerged in recent months, and more are emerging on almost a daily basis. In the spirit of encouraging discussion of the issues, I intend to advance a proposal of my own shortly. I am aware, too, that the Treasury Department is preparing a proposal, and I am confident that proposal will make a significant contribution to the debate when it is complete. In the final analysis, however, I believe your personal support for comprehensive deposit insurance reform will be critical if such reform is to be enacted next year, either on its own or in combination with financial services modernization and regulatory restructuring legislation.

Accordingly, I urge you to make deposit insurance reform a top priority for your Administration. As Chairman of this Committee, I am eager to work with you and members of your Administration to put America's deposit insurance system back on a sound footing for the good of America's depository institutions and taxpayers.

Sincerely,

DONALD W. RIEGLE, Jr.,
Chairman.

EXPLANATION OF THE BILL

A. LIMITATIONS ON ASSESSMENT RATES

1. CURRENT LAW.—Current law sets premiums ("assessments") for the Bank Insurance Fund at 15 cents per $100 of deposits for 1991 and subsequent years. The FDIC can raise assessments above that level only subject to the following restrictions:

(1) The assessment rate cannot increase more than 7.5 cents per year, regardless of the condition of the fund;

(2) The assessment rate cannot, under any circumstances, exceed 32.5 cents per $100 of deposits; and

(3) The assessment rate cannot be increased before January 1, 1995, so long as the fund's ratio of reserves to insured deposits "is increasing on a calendar year basis."

The assessment rate was 12 cents per $100 of deposits for 1990. The FDIC has proposed to increase the rate to 19.5 cents—the maximum increase allowed under current law—but the increase may not be enough to prevent a major decline in the Bank Insurance Fund's reserves.

2. BILL.—The bill removes these restrictions, and permits the FDIC to set the assessment rate at the level the FDIC determines to be appropriate:

To maintain the Bank Insurance Fund's reserves at the target level (now $1.25 in reserves for each $100 in insured deposits, with the FDIC having discretion under current law to increase it to $1.50); or

If the fund's reserves are below the target level, to restore the reserves to the target level.

The FDIC would have "a reasonable period of time" to restore the fund's reserves to the target level. (This "reasonable period" standard is current law.)

When setting assessment rates, the FDIC would, as under current law, consider the fund's expected operating expenses, case resolution expenditures, and investment income, and the effect of assessment rates on banks' earnings and capital. By specifying that the FDIC would set assessment rates "in its sole discretion," the bill would discourage litigation over such rates.

The minimum assessment would be $1,000 per bank per year, as under current law.

B. MID-YEAR ADJUSTMENT

1. CURRENT LAW.—Banks pay FDIC assessments in two semiannual installments. The first is due on January 1, and the second on July 1. But current law requires the installments to be of equal size. In fact, the FDIC must set the assessment rates for a calendar year by September 30 of the preceding year. Rates cannot be increased after that date—regardless of how events may undermine the Bank Insurance Fund's reserves.

2. BILL.—The bill would authorize the FDIC to make a mid-year adjustment in the Bank Insurance Fund's assessment rate. The assessment rate for the first half of a calendar year would be set by November 1 of the preceding year, and the rate for the second half of a year by May 1 of that year. This increases the FDIC's flexibility to protect the fund, while still providing banks 60 days notice of the new rate.●

By Mr. MOYNIHAN:

S. 3046. A bill to redesignate the Federal building located at 1 Bowling Green in New York, NY, as the "Alexander Hamilton United States Custom House"; to the Committee on Environment and Public Works.

ALEXANDER HAMILTON UNITED STATES CUSTOM HOUSE

● Mr. MOYNIHAN. Mr. President, I am pleased to introduce a bill that will provide a monument and an honor to a most prominent New Yorker and one of our Nation's Founding Fathers, Alexander Hamilton. This bill would designate the U.S. Custom House at 1 Bowling Green in Manhattan, NY, the Alexander Hamilton United States Custom House.

How appropriate to name the Custom House Building for Alexander Hamilton, our Nation's first Secretary of the Treasury. Prior to the Federal income tax of 1913, customs duties were the major source of revenues for the Federal Government. And the collection of customs duties and excise taxes were the responsibility of Hamilton's Treasury Department.

As one of his first duties as Secretary, Hamilton undertook a plan to pay off debts accumulated during the Revolutionary War, including those debts accumulated by the States. He sent his "Report on the Public Credit," to the House of Representatives on January 14, 1790, just 8½ months after Washington took the oath of office. This was one of the pivotal acts in our young country's ability to establish international credit.

A strong foundation for the new Republic was laid when Hamilton's recommendations were adopted and the new national government assumed the whole of the debt contracted by the newly denominated States during the Revolutionary War.

Hamilton has been often misquoted as saying that "a national debt is a national blessing." In fact, it was Hamilton's view that "the proper funding of the debt will render it a national blessing." A proposition that our budget summiters would be wise to heed.

To Hamilton we owe more than the creditworthiness of our Nation. It is to Hamilton, as well as Jefferson and Madison, who we owe the location of our Capital here on the banks of the Potomac. A dinner at Jefferson's Maiden Lane home in June 1790, attended by Hamilton and Madison, produced the compromise that led to the South's acquiesence in Hamilton's controversial debt assumption proposal. In exchange for Southern votes, Hamilton supported moving the Capital from New York City to Washington, by way of Philadelphia for a brief 10-year period.

The Custom House offers other ties to Hamilton. He had his home and law office on the Bowling Green in lower Manhattan within a few yards of the current Custom House location. It was at the Bowling Green that Hamilton drilled his Hearts of Oak infantry company, in preparation for active duty in the Revolution. His office as the first Secretary of the Treasury was in nearby Fraunces Tavern, and he and his wife are interred in Trinity Churchyard at the head of Wall Street.

The Beaux Arts Custom House designed by Cass Gilbert in 1907 is in the heart of New York's financial center. Gilbert, of course, is best known as the architect of the Supreme Court. The Custom House facade also contains sculpture by Daniel Chester French, the sculptor of the Lincoln Memorial. Hamilton spent much of his life in this area. He played a prominent role in the city and State of New York. Serving in the State assembly and found-

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ing the city's oldest continuously published newspaper, the New York Post. As a landmark in the emergence of New York City and America as the financial center of the world, the Custom House in New York City presents an appropriate structure in both function and beauty to honor Alexander Hamilton.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3046

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDESIGNATION.

The Federal building located at 1 Bowling Green in New York, New York, and known as the United States Custom House, shall be known and designated as the "Alexander Hamilton United States Custom House".

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the "Alexander Hamilton United States Custom House".●

By Mr. DECONCINI (for himself and Mr. METZENBAUM):

S. 3047. A bill to amend the antitrust laws in order to preserve and promote wholesale and retail competition in the retail gasoline market; to the Committee on the Judiciary.

MOTOR FUEL CONSUMER PROTECTION ACT OF 1990

● Mr. DECONCINI. Mr. President, I am pleased to introduce today the Motor Fuel Consumer Protection Act of 1990. The events which have occurred in the petroleum marketplace since the Iraqi invasion of Kuwait emphasize the need for this legislation. The major oil companies, because of their control over the supply and price of gasoline, should be divorced from operating retail service stations.

Refiners are charging less for a gallon of gasoline at the stations they own and operate than the wholesale price they are charging the independently owned and operated stations, squeezing the independents out of the market. This is unfair to the independents and unfair to the consumer. The legislation I am introducing would ensure that the retail sale of gasoline remains competitive.

This is not a new idea. At least six States have adopted similar legislation known as retail divorcement, with two, Connecticut and Maryland, prohibiting all refiners from operating any retail service stations. The results in Maryland have been positive and a recent study concluded that consumers were saving $117 million a year because of divorcement.

Furthermore, my bill is similar to legislation introduced in past Congresses. The Senate Judiciary Committee has held hearings on this issue and reported a divorcement bill in 1986. In light of the current uncertainty in the Middle East and the need for a reliable and competitive market for gasoline, the time to reconsider the legislation is now.

Under this legislation, oil companies will be prohibited from requiring that independent dealers purchase more than 70 percent of their oil supplies from the companies' refiners. Dealers will be able to convert one or more pumps or add new pumps to dispense the gas purchased from other than the brand-name supplier. In order to protect the customer from any confusion about the source of the gasoline, dealers will be required to provide reasonable notice that the gas is not from the brand-name supplier.

This provision will give the independent dealers the flexibility they need to find more competitively priced gas on the open market. Currently, the dealers are required to purchase their entire supply from the refiner at a price set by the refiner. There is no flexibility and thus competitive forces are not permitted to operate.

In addition, the bill will prohibit large integrated refiners from controlling the operations of retail gas stations. Large integrated refiners are those companies which have a refining capacity of over 175,000 barrels a day and which produce more than 30 percent of the crude oil supplied to its own refiners. Restricting refiners from retailing will force them to compete for market share by offering their retailers competitive wholesale prices, to be passed on to the motorist. Major refiners could still retain ownership of their locations, lease them to dealers and supply them with product, but they will have to allow free market forces to operate.

The bill gives the Federal Trade Commission responsibility for enforcement of the act and also authorizes private rights of action by those affected by a company's failure to comply with the legislation. The bill will take effect 1 year after enactment to provide time for the refiners and dealers to comply with the new provisions.

It is clear the major oil companies intend to sharply increase the number of company operated stations and squeeze out their competition. The impact on the consumer is substantial. For example, in Phoenix, AZ, retail prices were about 10 cents below the national average when independent refiners and independent marketers controlled its market. Today, the market is almost totally controlled by major refiners and prices are above the national average.

Furthermore, these new company owned and operated stations do not provide any customer service, thus depriving consumers of needed repair shops. How many of us remember the time when you could get reliable and affordable car maintenance and repairs from your local service station dealer? These type of stations are slowly but continually declining because of the move by refiners to take over the operations of service stations. Inadequate emergency and repair facilities are resulting in a real problem for American motorists today.

This legislation is needed to prevent refiners from driving independent dealers out of business through their unfair pricing practices. Oil companies are not satisfied with the substantial profits they are making from their refining and other operations. They want the retail profits as well. Divorcement will benefit consumers by producing a more stable retail market. I urge my colleagues to stand up to the major oil companies and support this legislation.

I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3047

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Motor Fuel Consumer Protection Act of 1990".

SEC. 2. WHOLESALE PURCHASE OF GASOLINE.

(a) IN GENERAL.—Notwithstanding any other provision of law and except as provided in this section, it shall be unlawful for any producer or refiner, directly or indirectly, to require any retail motor fuel dealer to purchase more than 70 per centum of the monthly retail sales of motor fuel from such producer or refiner or to prohibit the use or conversion of storage tanks and dispensers as provided in section (c).

(b) CONTRACT, COMBINE, OR CONSPIRACY.—It shall be a violation of this Act for any producer or refiner to contract, combine, or conspire with any other producer or refiner for the purpose of violating subsection (a).

(c) WHOLESALER.—It shall be unlawful for any retail motor fuel dealer from purchasing any or all of the retail motor fuel dealers requirements of motor fuel from a wholesaler of the motor fuel produced or refined by such producer or refiner.

(d) RETAIL MOTOR FUEL DEALER.—It shall be unlawful for any retail motor fuel dealer, at a motor fuel service station displaying a trademark, a trade name, or other identifying symbol or name owned by a refiner or producer, to sell motor fuel which is not provided by or for such producer or refiner without providing reasonable notice at the point of sale that motor fuel dispensed by one or more dispensers is not refined by or for such producer or refiner, except that a dealer may convert one or more existing storage tanks and dispensers or establish new storage tanks and dispensers for sale of motor fuel supplied by other than the owner of the tradmark, trade name, or identifying symbol displayed at the station.

SEC. 3. OPERATION OF MOTOR FUEL SERVICE STATIONS.

It shall be unlawful for any large integrated refiner to operate any motor fuel service station in the United States.

SEC. 4. EXCEPTIONS.

SEC. 4. Notwithstanding section 3, it shall not be a violation of this Act for a large integrated refiner to own all or part of the assets of a motor fuel service station so long as such producer does not engage in the business of selling motor fuel at such station through any—

(1) employee;

(2) commissioned agent;

(3) person acting on behalf of the refiner or under the refiner's supervision; or

(4) person operating such station pursuant to a contract with the refiner which provides that the refiner has substantial or effective control over the motor fuel operations of the station.

SEC. 5. DEFINITIONS.

For purposes of this Act the term—

(1) "producer" means any person who is engaged, directly or indirectly, in the production of crude oil;

(2) "refiner" means any person engaged, directly or indirectly, in the refining of motor fuel or any producer who contracts with another to refine petroleum products for purposes of sale of motor fuel by the producer;

(3) "large integrated refiner" means any person who for the most recent calendar year for which data are available—

(A) produced, directly or indirectly, more than 30 per centum of the domestic and imported crude oil supplied to its refinery; and

(B) whose total refinery capacity exceeds one hundred and seventy-five thousands barrels per day;

(4) "motor fuel" means gasoline, diesel fuel, alcohol, or any mixture of them sold for use in automobiles and related vehicles;

(5) "motor fuel service station" means any facility at which motor fuel is sold at retail;

(6) "person" includes one or more individuals, partnerships, associations, corporations, legal representatives, joint-stock companies, trustees and receivers in bankruptcy and reorganization, common law trust, and any organized group, whether or not incorporated;

(7) "United States" means the several States, the District of Columbia, and any territory or possession of the United States.

SEC. 6. ENFORCEMENT AND EFFECTIVE DATE.

(a) FTC ENFORCEMENT.—The Federal Trade Commission may commence a civil action for appropriate relief, including a permanent or temporary injunction, whenever the Federal Trade Commission has reason to believe that any person has violated or is violating any provision of this Act, or any regulations promulgated thereunder. Any action under this paragraph may be brought in the district court of the United States for the district in which the defendant is located, resides, or is doing business, and such court shall have jurisdiction to restrain such violation and to require compliance, to impose monetary penalties under the same terms and conditions as provided in section 5(m)(2)(A) of the Federal Trade Commission Act, and to order such additional equitable relief as it deems appropriate.

(b) PRIVATE RIGHT OF ACTION.—

(1) If any person fails to comply with the requirements of this section, any other person affected by such failure may maintain a civil action against such person failing to comply with such requirements for damages and appropriate equitable relief, including temporary and permanent injunctive relief. If the plaintiff prevails in any action under this section, the plaintiff shall be entitled to reasonable attorney and expert witness fees to be paid by the defendant, except that in any case in which the court determines that only nominal damages are to be awarded to the plaintiff, the court may, in its discretion, determine not to direct that such fees be paid by the defendant.

(2) An action brought pursuant to this section may be brought, without regard to the amount in controversy, in the district court of the United States in any judicial district in which the plaintiff resides or is doing business or in which the defendant resides or is doing business.

(c) EFFECTIVE DATE.—Sections 2 and 3 of this Act shall take effect one year after the date of enactment of this Act.

(d) REGULATIONS.—

(1) The Federal Trade Commission shall prescribe regulations for the collection of information necessary for the determinations specified in section 3 and for the manner of complying with the requirements of section 2(d).

(2) Notwithstanding any other provision of this Act, information related to section 3 need not be provided by private persons if reliable and timely information is available from published sources.

(3) Regulations promulgated pursuant to paragraph (1) shall be promulgated, after notice and a reasonable period for comment by the public, no later than one hundred eighty days after the date of enactment of this Act.

(4) No section of this Act shall supersede any comparable State law to the extent that compliance with the State law can be accomplished consistent with this Act.●

By Mr. ROTH:

S. 3050. A bill to require annual audits of all insured depository institutions and to assure the quality and to improve the usefulness of work performed by independent public accountants in auditing insured depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

INSURED DEPOSITORY INSTITUTION DISCLOSURE, AUDITING AND REPORTING ACT

● Mr. ROTH. Mr. President, I rise to introduce a bill that will require all insured depository institutions to obtain and to provide annually to the public and the appropriate Federal banking agency high quality audits that will be performed by independent public accountants. The purpose of this requirement is to be certain that the bank regulatory agencies are getting high quality meaningful information from the insured depository institutions. This bill contains audit requirements that go beyond those found in day-to-day business practice and requires that the appropriate Federal depository agency test the quality of the auditors' reports and performances.

I have been working on this proposal for some time and have had input from the General Accounting Office and others. I am introducing this bill to begin the debate on how we should go about improving the quality of the information provided to the bank regulatory agencies. It is not a finished product but I think it can serve as a basis for discussion and as a magnet for comments and proposals for change in direction or emphasis. The proposal, if enacted, would affect three complex and interrelated communities—the banking community, the accounting community, and the Federal regulatory community. I expect others to propose solutions to assuring the high quality of information made available to the bank regulators and I look forward to working toward the best solution.

Mr. President, the Congress relies on the regulators—that is, the appropriate Federal banking agencies—to oversee the banking systems which underpin this Nation's economy. The regulators need timely, accurate information about the condition of the insured depository institutions to meet the expectations of the Congress and protect the depositors and the taxpayers.

Just as the Congress relies on the regulators, the regulators, for the most part, must rely on the insured depository institutions to provide timely, accurate information about the institutions' financial condition and the adequacy of institutional management. While the Federal banking agencies employ examiners, there never have been sufficient examiners to gather and analyze all of the information that would be needed to oversee all to the insured depository institutions.

I think that the current crisis in the savings and loan industry and in the banking industry show that this process has broken down and that there is a need to provide the regulators some way to obtain the quality and quantity of information that they need on the condition of the thousands of insured depository institutions.

I think the best way to assure that the regulators have the information they need is to rely on independent public accountants to provide the appropriate Federal banking agencies with an independent assessment of the reliability of management representations concerning the financial condition of the insured depository institution and the results of its operations. I think that if the regulators receive high quality financial information and information about how the institutions are being managed, they should be able to do their jobs better.

To obtain independent assurance, this proposal directs all insured depository institutions to obtain independent audits and requires that the institutions provide the resulting reports to the appropriate Federal banking agency and make the reports available to the public.

I am not unmindful that some failed savings and loan institutions had

audits performed by public accountants. A number of these cases were examined by the Comptroller General who reported that some of the public accountants were not in fact independent. Other public accountants according to the Comptroller General failed to meet the standards of performance required of the profession.

My proposal, Mr. President, deals with the type of situations identified by the Comptroller General. It does so by requiring that the appropriate Federal banking agencies review each annual report provided by the institutions to assure that the report is complete and meets the requirements specified by this act. Additionally, the proposal requires that the Federal agencies conduct a number of quality control reviews which include a review of the independent public accountants working papers or other evidence of the accountant's work to assure that the work was performed in accordance with professional standards.

The proposal provides sanctions for substandard performances by independent public accountants. These include the right of the Federal banking agency to refuse to accept the report on the insured institution, disqualification of the independent public accountant from auditing other insured institutions, and referral of substandard performances to State agencies with license and regulatory oversight of independent public accountants.

The proposal contains other penalties directed at the insured institutions to help enforce the requirement for high quality independent audit reports. In this regard, if an institution fails to provide a report acceptable to the banking agency, the banking agency could fine the institution up to $10,000 per day with a maximum of $1 million per year. Such a penalty should encourage institution managers to obtain the independent assessment required by this proposal.

Section 2 of my proposal requires that independent public accountants express their opinion on management reports that are not now encountered in other audit requirements. These additional reports are intended to supplement the financial information that is normally associated with an independent audit and are concerned with how well the insured depository institution is being managed. These added reports include: a report on the institutions' compliance with law and regulation; a report on the institutions' system of internal controls; and a report on related party transactions.

These added reports, and the auditors opinions about them, will serve as a check on overly optimistic regulatory reporting by the institutions. The report on compliance will be a statement by the institution that it is making a good faith effort to comply with law and regulations. The report on internal controls will provide regulators with some assurances that the management of the institution is taking care to safeguard the assets of the firm and has established checks and balances that should reduce errors and fraud. The report on related party transactions is intended to provide sunshine on the type of transactions—transactions that are at less than arms length—that have caused problems for Government regulators who must clean up the mess when institutions fail.

Mr. President, I was particularly impressed by a statement made by the Comptroller General recently in testimony before the Senate Banking Committee that bank and savings and loan failures did not occur overnight yet we have been frequently surprised by the failure of a bank or a savings and loan institution. The purpose of this proposal is to prevent such a surprise. It seeks to do so by providing a basis for the regulators to obtain the quality and type of information they need for early recognition of troubled institutions. If the information is available soon enough, it may be possible to save troubled institutions before the insured deposits are wasted, lost or stolen.

Mr. President, with introduction of this proposal, we can begin the debate and our search for a balanced and appropriate way to assure that regulators have the information they need to protect the insurance funds and the taxpayers. I ask unanimous consent that the proposed bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3050

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Insured Depository Institution Disclosure, Auditing and Reporting Act of 1990".

SEC. 2. AUDITS REQUIRED.

(a) IN GENERAL.—The appropriate federal banking agency shall require each insured depository institution to obtain annual audits by independent public accountants. The audits shall—

(1) be performed in accordance with generally accepted auditing standards except as modified by this Act;

(2) include the independent public accountant's opinion on financial statements;

(3) include the independent public accountant's opinion on the institution's compliance with laws and regulations.

(4) include the independent public accountant's opinion on the adequacy and effectiveness of the institution's system of internal controls;

(5) include the independent public accountant's opinion on the extent and effect of material related party transactions or aggregation of similar transactions.

(6) be completed in a manner that complies in all material respects with the requirements of this Act and be filed with the appropriate federal banking agency within 90 days following the close of the institution's fiscal year.

(b) The appropriate federal banking agency shall require insured depository institutions to provide the institution's independent public accountants—

(1) management's representations concerning the institution's financial condition and the results of its operations;

(2) management's representations concerning the adequacy and effectiveness of the institution's compliance with law and regulation;

(3) management representations concerning the adequacy and effectiveness of the institution's system of internal controls; and

(4) a listing of each material related party transactions or aggregration of similar transactions, and management's representations concerning the substance of each listed transaction.

(c) The independent public accountant will audit the books and records of the insured depository institution in accordance with generally accepted auditing standards and express opinions on the representations required of management in subsection (b).

(d) The insured depository institution will make the report of the independent public accountant available for public examination.

(e) If an insured depository institution fails to comply with this section, the appropriate federal banking agency may treat such failure as an unsafe and unsound practice within the meaning of the Federal Deposit Insurance Act.

SEC 3. TESTING AUDIT QUALITY.

(a) IN GENERAL.—The appropriate federal banking agency shall design and implement a system to test and evaluate the quality and acceptability of the audits performed by independent public accountants of insured depository institutions. At a minimum this system should include:

(1) Promulgating regulations which require institutions and independent public accountants to adhere to generally accepted auditing standards except as modified by this Act and which establish the qualifications required of independent public accountants who may audit insured depository institutions.

(2) A means of assuring that all audit reports due are received by the bank regulatory body and are subject to testing for quality.

(3) A review of all independent public accountants' reports to examine the quality and completeness of the reports and to identify reported findings for audit resolution.

(4) A continuing program of quality control reviews to provide reasonable assurance that audit performances are in accordance with law, regulation, and professional standards.

(5) Procedures for resolving substandard reports and performances by independent public accountants that are discovered during report reviews or quality control reviews including appropriate sanctions for substandard performances by independent public accountants.

SEC 4. DEFINITIONS.

As used in this section:

(a) "insured depository institution" means the same as the definition provided this term in Sec. 204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(b) "appropriate federal banking agency" means the same as the definition provided

this term in Sec. 204(f) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

(c) "related party transactions" has the meaning assigned by The American Institute of Certified Public Accountants' Statements on Auditing Standards in effect on the date of passage of this section.

SEC. 5. EFFECTIVE DATE.

The appropriate federal banking agencies shall promulgate regulations within 180 days of the enactment of this Act, and the provisions of this Act shall apply thereafter with respect to the fiscal years of each insured depository institution that conclude after such 180-day period.●

By Mr. PRESSLER (for himself and Mr. MCCAIN):

S. 3051. A bill to reduce the pay of Members of Congress corresponding to the percentage of reduction of the pay of Federal employees who are furloughed or otherwise have a reduction of pay resulting from a sequestration order.

CONGRESS AND SEQUESTRATION ACT

Mr. PRESSLER. Mr. President, today I am introducing legislation designed to ensure that Members of Congress will share equally in the burdens which could occur from automatic budget cuts under the Gramm-Rudman-Hollings Act of 1985 and subsequent deficit control laws. Senator MCCAIN has joined me as an original cosponsor of this legislation. These cuts will directly affect the earnings of Federal workers and the benefits and services available to the American people.

Reports released by the Office of Management and Budget, most recently on August 20, project a baseline deficit of $149.4 billion—$85.4 billion above the $64 billion maximum deficit targeted for fiscal year 1991. This deficit is estimated to be $75.4 billion above the level wich triggers the sequester of funds.

In the upcoming days and weeks, if Congress and the White House are unable to significantly reduce this projected deficit by October 1, automatic sequester will occur. The impact of sequestration cannot be emphasized enough. These cuts will impose tremendous hardship upon many excellent, hardworking Federal employees, as well as the American public, who will lose essential services and important benefits.

Congress must share in budget reductions. My bill would cut the pay of Senators and Congressmen by a percentage equal to the largest of either: The across-the-board "uniform percentage reduction" under Gramm-Rudman-Hollings—currently estimated at 32.4 percent; or the highest percentage pay cut of any civil service or other Federal employee whose salary is affected by sequestration.

Congress should take immediate action now to reduce the projected deficit, or share in the consequences if it does not. Our goal must be to restore fiscal stability to our Government and the U.S. economy.

We must achieve this goal. If, however, we are unsuccessful, like all Americans, Congress must share in the burden of automatic cuts levied by the Gramm-Rudman-Hollings Act.

Mr. President, I ask unanimous consent that the full text of the bill be inserted in the RECORD after my remarks. I also request that Senator MCCAIN's statement be included in the RECORD. I intend to offer this bill as an amendment to any budget legislation offered on the floor of the Senate. Congress will be required to share the burden of severe cuts in future years due to its failure to enact budget legislation prior to the beginning of a new fiscal year.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3051

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDUCTION OF PAY OF MEMBERS OF CONGRESS.

(a) REDUCTION IN PAY.—For each month during fiscal year 1991 in which, by reason of a furlough or other employment action necessitated by a sequestration order under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902), the total amount of the pay paid to any Federal employee is projected to be less than the monthly equivalent of the annual rate of pay established for such Federal employee pursuant to law, the rate of pay payable to a Member of Congress shall be reduced to the rate of pay established for such Member pursuant to law.

(b) COMPUTATION OF REDUCED PAY.—The rate of pay payable to a Member of Congress for any month referred to in subsection (a) shall be equal to the amount determined by multiplying the rate of pay established for such Member pursuant to law by the percentage reported to Congress for such month under subsection (c)(1)(D).

(c) DETERMINATION OF PERCENTAGE FOR COMPUTATION OF REDUCED PAY.—(1) No later than the first day of each month in fiscal year 1991, the Director of the Office of Management and Budget shall—

(A) determine whether, for a reason described in subsection (a), the total amount of the pay paid to any Federal employee in that month is projected to be less than the monthly equivalent of the annual rate of pay established for such Federal employee pursuant to law;

(B) estimate the average of the percentages that would result by dividing the monthly equivalent of the annual rate of pay established for each such Federal employee pursuant to law into the total amount projected to be paid such Federal employee for such month;

(C) aggregate the percentages determined under subparagraph (B) for Federal employees for each agency and determine the highest average percentage for any agency; and

(D) transmit to Congress a written report containing the average computed under subparagraph (C).

(2) The Office of Personnel Management may use a statistical sampling method to make the estimates and determinations under paragraph (1).

(3) For purposes of this section, the term "agency" means an Executive agency as defined under section 105 of title 5, United States Code.

(d) APPLICATION TO OTHER FEDERAL LAWS.—For the purpose of administering any provision of law, rule, or regulation which provides premium pay, retirement, life insurance, or any other employee benefit, which requires any deduction or contribution, or which imposed any requirement or limitation, on the basis of a rate of salary or basic pay, the rate of salary or basic pay payable after the application of this section shall be treated as the rate of salary or basic pay.

By Mr. GORE (for himself and Mr. GRAHAM):

S. 3052. A bill to amend the Public Health Service Act with respect to providing financial assistance for certain trauma-care centers operating in geographic areas with a significant incidence of violence arising from the abuse of drugs; to the Committee on Labor.

TRAUMA CENTER REVITALIZATION ACT OF 1990

● Mr. GORE. Mr. President, today I am introducing legislation to provide desperately needed reinforcements in the drug war to help the Nation's trauma centers. The Trauma Center Revitalization Act of 1990 would require the Secretary of Health and Human Services to make grants to assist trauma centers in high drug-crime areas.

Most Americans know too well the crime and violence that results from drug trafficking. Areas of our inner cities have become virtual war zones, complete with fire fights, and the many injured and dead that accompany such terror.

Many of our cities are under siege. Washington, our Capital, has become the Nation's murder capital and New York City, once our greatest city, landed on the cover of this week's Time as 3 out of 4 its citizen's say it's a dangerous place to live, and more than half wish they could move.

We have a national drug control strategy that is supposed to be solving this problem. But the President's strategy does not address the critical role trauma centers play in the drug war.

Trauma centers are forced to bear a large share of the cost of drug violence. But they do not share in any of the Federal programs to redistribute the assets seized from drug dealers.

Trauma centers are too important a national resource to squander. This bill takes an urgently needed step to preserve a system that in many cities is still only first being pioneered.

In the District of Columbia, we are fortunate to have one of the better trauma systems in the country. We all remember the excellent care President Reagan received at George Washing-

ton University when he was shot. But for millions of American families the future isn't so bright. At a time when we should be taking every action possible to see to it that the development of trauma systems is expanding in this country, trauma centers in the areas where they are most needed are closing their doors.

In Los Angeles, only 9 of 23 trauma centers remain in a county-wide trauma care network that was formed in 1983. In Dade County, FL, only one of eight hospitals is left in a trauma system that more than two million residents count on. Chicago, Philadelphia, and Houston have had to face similar closings. And even here in the District there is reason for concern.

Mr. President, through the lessons of Korea and Vietnam our service men and women now stationed in the Persian Gulf know they are only minutes away from the best trauma care available anywhere in the world. That is something to make all Americans proud and reassured as they see off sons and daughters, brothers and sisters, and mothers and fathers to serve in Desert Shield.

But what about the families the soldiers are leaving behind? Many of those families live at the front lines of the drug war and the casualties are mounting every day. Yet the trauma care that could save their lives will not be there unless we in government do something to preserve it. That is what this bill will do.

I'm pleased that Senator GRAHAM has joined me in introducing this bill, and I would like to also recognize my good friend in the other body, Congressman HENRY WAXMAN, who really did the work in developing this legislation and who introduced a similar bill in that body in May.

I urge support for this important legislation.●

By Mr. DURENBERGER:

S. 3053. A bill to amend the Internal Revenue Code of 1986 to increase and modify the gas guzzler tax; to the Committee on Finance.

GAS GUZZLER TAX ACT

● Mr. DURENBERGER. Mr. President, 12 years ago we embarked on a major effort to improve the fuel efficiency of the vehicles driven on our Nation's roads and highways. The corporate average fuel economy [CAFE] standards and the gas guzzler taxes adopted by Congress in the 1970's provided the major impetus for auto manufacturers to design and build vehicles that burn far less fuel for each mile driven. However, as we have learned in just the last few weeks, despite the energy efficiency strides we have made, our energy security today is far from invulnerable. Our oil-based economy remains hostage to economic, political, and military decisions made far from our shores.

For these reasons, I believe we must reevaluate the fuel economy standards that were adopted 12 years ago and should take steps to tighten the gas guzzler taxes that were designed to discourage the purchase of vehicles that are not fuel efficient.

Today I am introducing legislation that would modify the gas guzzler tax and broaden the vehicles covered by this tax. The legislation I am introducing recognizes the strides that have been made in fuel efficiency over the past 12 years and also reflects the changing driving habits of Americans.

Mr. President, if you look at the current statute, it would appear that any vehicle that does not currently meet the 22.5-mile-per-gallon standard specified in the law would be subject to the gas guzzler tax. However, that is not the way the statute is being administered. The Administrator of the Environmental Protection Agency [EPA] defines the automobile model type as a "unique combination of car line, basic engine, and transmission class." This definition allows the mileage for several different models of automobile to be averaged to arrive at the mileage for the car line. This average is then weighted according to sales within that car line to determine if the line of cars as a whole meets the fuel economy standard. For example, if one model care averages 19 miles per gallon, it can be included in a car line of more fuel efficient models with the same basic transmission and engine and not be subject to the gas guzzler tax.

Mr. President, allowing this type of averaging across car lines is just inconsistent with the basic purpose of the gas guzzler tax. If a person chooses to purchase a car that only gets 17 or 18 miles per gallon, he or she ought to pay the tax premium that was intended for such an inefficient vehicle. That person should not escape the tax simply because someone else purchases a car that gets 24.5 miles per gallon. My legislation closes this loophole. If a vehicle does not meet the 22.5-mile-per-gallon standard specified in the law, it is subject to the gas guzzler tax.

This legislation also expands the category of vehicles that are subject to the gas guzzler tax to include light trucks, utility vehicles, and vans. Mr. President, a quick walk through the Capitol garages, and a short drive around Washington or Minneapolis will demonstrate that the driving habits of Americans have significantly changed over the past 12 years. Millions of Americans are today driving small trucks and sport utility vehicles strictly for family transportation. Vehicles that barely a decade ago were primarily used for hauling and commercial work have become ordinary transportation for families.

In 1978, barely 1 in 10 new vehicles sold in America were light trucks and vans. Today, nearly one in four new vehicles sold in the United States are light trucks, sport utility vehicles, or vans. I can see no reason that such vehicles, when they are strictly used as family transportation, should not be subject to the same gas guzzler standards that are applied to automobiles. However, my legislation does carve out an exemption from the gas guzzler tax when such vehicles are registered for and used in a strictly commercial business.

In an effort to further tighten the current gas guzzler law, this legislation repeals the exemption in current law for companies that modify automobiles and make them into stretch limousines. Quite frankly, Mr. President, I cannot imagine why we ever put this exemption into the law. Of all the vehicles that ought to be subject to the gas guzzler tax, stretch limos ought to be at the top of the list.

Finally, Mr. President, starting in 1995, the standard for defining a gas guzzler would be increased from the current standard of less than 22.5 miles per gallon to less than 26.5 miles per gallon. I would hope this would encourage manufacturers and purchasers to give greater consideration to fuel economy. In recent years, we have been slipping in our commitment to conserve gasoline. Between 1975 and 1982, the fleet average fuel economies of cars and light trucks sold in the United States jumped dramatically—from 13.1 miles per gallon to 21.1 miles per gallon. But over the next 7 years, the fleet average increased only 4½ miles per gallon—to 25.4 miles per gallon. I am sure that we can do better, and for that reason this legislation gives the industry and the public 4 years in which to modestly increase their fuel efficiency.

Finally, I would note that improving the fuel efficiency of the cars and trucks on America's highways, and discouraging people from purchasing gas guzzlers will help to improve our Nation's air quality. We all know that tailpipe emissions are a major contributor to urban ozone and smog and that carbon dioxide—CO_2—emitted by gasoline-fueled vehicles is a major contributor to global warming. What is important to note is that the amount of CO_2 emitted is directly proportional to the amount of gasoline that a vehicle consumes. For each gallon of gasoline burned, about 19 pounds of CO_2 are produced. Therefore if we increase a vehicle's fuel efficiency we will proportionately reduce emissions of CO_2.

For example, the top mileage 1990 Geo Metro gets more than 50 miles per gallon and emits slightly less than one-third of a pound of CO_2 per mile, or about 2.2 tons per year for 15,000 miles of combined city and highway

driving. Then consider the worst gas guzzler on the road—the 1990 Lamborghini which gets 6 miles per gallon in the city and 10 miles per gallon on the highway. For every mile the Lamborghini is driven it emits 2 pounds of CO_2—six times the amount emitted by the Geo. Over a year, that car will emit 15 tons of CO_2 for the same 15,000 miles driven by the Geo.

Mr. President, if we are committed to improving our environment, if we are committed to improving our energy security, these modest changes in the gas guzzler law should be enacted as soon as possible. I urge my colleagues to join me in sponsoring this legislation.

Mr. President, I ask unanimous consent that the text of this legislation be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3053

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INCREASE IN AND MODIFICATIONS OF GAS GUZZLER TAX.

(a) TAX INCREASED.—Section 4064(a) of the Internal Revenue Code of 1986 (relating to imposition of tax) is amended—

(1) by striking "1986 or later" and inserting "1986 through 1994", and

(2) by adding at the end thereof the following new paragraph:

"(8) In the case of a 1995 or later model year automobile:

"If the fuel economy of the model type in which the automobile falls is:	The tax is:
At least 26.5	0
At least 25.5 but less than 26.5	$250
At least 24.5 but less than 25.5	500
At least 23.5 but less than 24.5	650
At least 22.5 but less than 23.5	850
At least 21.5 but less than 22.5	1,050
At least 20.5 but less than 21.5	1,300
At least 19.5 but less than 20.5	1,500
At least 18.5 but less than 19.5	1,850
At least 17.5 but less than 18.5	2,250
At least 16.5 but less than 17.5	2,700
At least 15.5 but less than 16.5	3,200
At least 14.5 but less than 15.5	3,850
At least 13.5 but less than 14.5	4,500
At least 12.5 but less than 13.5	5,000
Less than 12.5	5,500".

(b) AUTOMOBILE.—Subparagraph (B) of section 4064(b)(1) of such Code (defining automobile) is amended to read as follows:

"(B) EXCEPTION FOR CERTAIN VEHICLES.—The term 'automobile' does not include any light truck, utility vehicle, or van sold for use and registered as a commercial vehicle."

(c) MODEL TYPE.—Section 4064(b)(3) of such Code (defining model type) is amended to read as follows:

"(3) MODEL TYPE.—The term 'model type' means each vehicle configuration as defined in the rules which were prescribed by the EPA Administrator for the purposes of section 501 of the Motor Vehicle Information and Cost Savings Act (15 U.S.C. 12001) and which were in effect on the date of the enactment of this paragraph."

(c) MANUFACTURER.—Section 4064(b)(5) of such Code (defining manufacturer) is amended to read as follows:

"(5) MANUFACTURER.—The term 'manufacturer' includes a producer or importer."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to 1991 and later model year automobiles.●

By Mr. RIEGLE (for himself and Mr. DIXON):

S.J. Res. 363. Joint resolution to designate the week of October 22 through October 28, 1990, as the "International Parental Child Abduction Awareness Week"; to the Committee on the Judiciary.

INTERNATIONAL PARENTAL CHILD ABDUCTION AWARENESS WEEK

● Mr. RIEGLE. Mr. President, I rise to introduce a joint resolution that would initiate a week to acknowledge the horror of international parental child abduction. The victims are the over 400 children each year who are forcibly removed from their homes and abducted to foreign lands. The victims are the parents who are left behind, deprived of the children whom they have nurtured and to whom they have devoted their lives. This resolution recognizes this problem and directs public attention toward the grief and pain these victims suffer. Hopefully, this increased awareness would facilitate prevention measures and help put an end to this tragedy.

Over the last 15 years, 10,000 of our country's children have been abducted by a noncustodial parent and forced to live in a foreign land and an unfamiliar home. International parental abductions are on the rise: Over the last 7 years, their occurrence has seen a twofold increase. In my home State of Michigan, we have already seen over a 100-percent rise in international parental child abduction in the current year. This tragedy inexorably causes damage to both the child and the victimized parent. The experience of abducted children who have been returned to their custodial parants reveals that the child undergoes terrible trauma, by being torn from one of his or her parents, and separated from the love that had been so vital to their lives. The mind of the child is often turned against his or her home country and, more importantly, his or her nonabductor parent. Nonabductor parents are also injured by this painful experience. Left with a void in their lives, they are stripped of the children who gave them reason to live. This experience is certainly among the most horrific that any parent might endure.

One cannot discuss the specter of international parental child abduction without reference to the Betty Mahmoody story. Betty, trapped by the man she had trusted and held prisoner in his native Iran, lived through this nightmare. Her story is especially poignant to me, as she is a resident of my home State of Michigan. She was taken on vacation to Iran, with her husband and their daughter, Mahtob. This vacation, however, expected to last only 2 weeks, truly had no end; Betty and Mahtob became hostages to her cruel husband and his family. After a year of searching in terror and agony, Betty finally found a person: A man who would eventually guide her and Mahtob through a desert crossing that few women or children had ever made, to safety and freedom in America. Betty Mahmoody's story is heartbreaking, yet uplifting, for she was able to endure this torture and return home with her daughter. For the eight children that will be abducted this week, we can only hope for such a happy conclusion.

Mr. President, this resolution would raise awareness of this tragedy and recognize the pain and suffering its victims endure. International Parental Child Abduction Awareness Week would focus public attention of this phenomenon and the hurt it inflicts on innocent children and parents. I urge my colleagues to support the enactment of this joint resolution, in order to take a step toward the elimination of this problem.

I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 363

Whereas in the last fifteen years, ten thousand of our nation's children have been abducted by a non-custodial parent, forcibly removed from their homes to foreign and unfamiliar lands to them, and prevented from returning to the United States.

Whereas cases of international parental child abduction have nearly doubled over the last seven years, nearly doubling in occurrence;

Whereas four hundred children were victims of this anguish in 1988 alone;

Whereas the freedom of our nation's children and the rights of their custodial parents are threatened by the spectre of international child abduction;

Whereas the children of the United States are damaged, sometimes permanently, by the trauma associated with abduction and the deprivation of the familiar love of one of their parents;

Whereas the abducted child's loyalties are frequently turned against this country and, his or her non-abductor parent;

Whereas the left-behind parent is also victimized, deprived of the child they have loved and that has provided a pillar upon which to define the meaning of their existence;

Whereas current domestic and international laws are not adequate to provide for the return of these children and have no binding, international force to influence the nations that provide havens for the abductors;

Whereas the Hague convention provisions, the only currently existing international deterrents, lack binding force because of the vast number of non-signatory nations;

Whereas international parental child abduction is one of the most horrendous forms of child abuse;

Whereas the declaration of International Parental Child Abduction week will focus the nation's attention on the tragedy and pain this phenomenon inflicts upon the involved children and families: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of October 22 through October 28, 1990 is designated the "International Parental Child Abduction Awareness Week", and the President is authorized and requested to issue a proclamation calling on all public officials and the people of the United States to observe the week with appropriate programs and activities.●

● Mr. DIXON. Mr. President, I am proud to join my distinguished colleague, Senator DON RIEGLE, in introducing International Parental Child Abduction Awareness Week. This resolution will shed needed light on the plight of abducted children and left behind parents.

It will also shed light on the people throughout the country who have been through the horror of a child abduction and now work diligently to educate others about their experiences and how parents can prevent such abductions. I have worked with American Children Held Hostage, a parents support group headed by Holly Planells, of New York, herself a left-behind parent. Betty Mahmoody of Michigan had her children taken to Iran and has written two books about her story to regain possession of her daughter. Rosemary Farley Janvier in New Jersey has worked tirelessly to educate people in New Jersey about the cruelty of child abduction. I salute their efforts and the efforts of many others who share Senator RIEGLE's and my passion for progress on this issue.

Mr. President, I became involved in this issue back in 1986, when the case of Pat Roush, from my State of Illinois, and her two abducted daughters came to my attention. Her children were taken to Saudi Arabia, where they remain to this day. The abduction was illegal, the abducting parent does not intend to return to the United States, and Pat Roush has only memories of her children. Her case is one of thousands I will always work to resolve.

International parental child abduction is not a front page issue. It is not in the newspapers every day. But it is a particularly vicious crime in that it uses children as pawns in vengeful actions by one parent against another. It is a continuing nightmare for every left behind parent.

Mr. President, I have been working with Senator RIEGLE and others to relieve the suffering of left behind parents and obtain the return of abducted children for a number of years. In 1987, I led the effort to establish a desk at the State Department to coordinate the efforts of the United States in these cases and have one person in every embassy and consulate of the United Stats assigned to handle international child abduction cases in that particular country. Until that time, no one in any embassy or consulate of the United States took responsibility for following up on cases of abducted American children in that particular foreign country. Child abduction had the lowest priority of cases handled by the State Department. Parents were without any source of assistance. Child abduction is now a priority in U.S. embassies and consulates.

In 1988, I was successful in having the Congress pass language implementing the Hague Convention on International Parental Child Abduction. Under the Convention, which has now been implemented by over a dozen countries, provisions are now in place for the return of an abducted child when both countries involved are signatories to the Convention. Obviously, a dozen or so countries hardly makes a dent in the number of countries that harbor abducted children.

Much more must be done to curb this horrible crime.

International Parental Child Abduction Awareness Week is one way to focus more attention on this problem, and I urge my colleagues to support its adoption.

Second, I urge swift consideration of my own legislation, S. 185, which makes the act of international parental child abduction a Federal felony. It has passed the Judiciary Committee without opposition, and awaits full Senate action.

Finally, I hope that through efforts such as International Parental Child Abduction Awareness Week we can begin to educate the American public as to the extent of this crime, and maybe prevent some abductions from ever taking place.●

ADDITIONAL COSPONSORS

S. 15

At the request of Mr. CRANSTON, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 15, a bill to amend the Public Health Service Act to improve emergency medical services and trauma care, and for other purposes.

S. 190

At the request of Mr. GRAHAM, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 190, a bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the Armed Forces to receive compensation concurrently with retired pay without reduction in the amount of the compensation and retired pay.

S. 814

At the request of Mr. DOMENICI, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 814, a bill to provide for the minting and circulation of one dollar coins, and for other purposes.

S. 1216

At the request of Mr. SIMON, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1216, a bill to amend the National Labor Relations Act to give employers and performers in the live performing arts, rights given by section 8(e) of such act to employers and employees in similarly situated industries, to give to such employers and performers the same rights given by sections 8(f) of such act to employers and employees in the construction industry, and for other purposes.

S. 1224

At the request of Mr. BRYAN, the names of the Senator from New York [Mr. D'AMATO] and the Senator from Connecticut [Mr. DODD] were added as cosponsors of S. 1224, a bill to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes.

S. 1636

At the request of Mr. BRYAN, the name of the Senator from South Carolina [Mr. HOLLINGS] was added as a cosponsor of S. 1636, a bill to amend the Internal Revenue Code of 1986 to extend the period for issuing small issue bonds for manufacturing facilities through 1991.

S. 1651

At the request of Mr. MCCAIN, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 1651, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United States Organization.

S. 1890

At the request of Mr. THURMOND, the names of the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], and the Senator from Maine [Mr. COHEN], were added as cosponsors of S. 1890, a bill to amend title 5, United States Code, to provide relief from certain inequities remaining in the crediting of National Guard technician service in connection with civil service retirement, and for other purposes.

S. 2319

At the request of Mr. GARN, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 2319, a bill to amend the Federal Deposit Insurance Act and the Federal Credit Union Act to protect the deposit insurance funds, to limit the depository institutions, credit unions, and other mortgage lenders acquiring real property through foreclosure or similar means, or in a fiduciary capacity, and for other purposes.

S. 2637

At the request of Mr. REID, the name of the Senator from Massachu-

setts [Mr. KENNEDY] was added as a cosponsor of S. 2637, a bill to amend the Toxic Substances Act to reduce the levels of lead in the environment, and for other purposes.

S. 2796

At the request of Mr. COHEN, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 2796, a bill to amend title IV of the Higher Education Act of 1965 to allow resident physicians to defer repayment of their title IV student loans while completing a resident training program accredited by the Accreditation Council for Graduate Medical Education or the Accrediting Committee of the American Osteopathic Association.

S. 2797

At the request of Mr. HATCH, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 2797, a bill to repeal provisions of law regarding employer sanctions and unfair immigration-related employment practices, to strengthen enforcement of laws regarding illegal entry into the United States, and for other purposes.

S. 3035

At the request of Mr. LIEBERMAN, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of S. 3035, a bill to protect the national security by prohibiting profiteering of essential commodities during periods of national emergency.

SENATE JOINT RESOLUTION 263

At the request of Mr. HELMS, the names of the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Mississippi [Mr. LOTT] were added as cosponsors of Senate Joint Resolution 263, a joint resolution to designate October 11, 1990, as "National Society of the Daughters of the American Revolution Centennial Day."

SENATE JOINT RESOLUTION 337

At the request of Mr. SIMON, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of Senate Joint Resolution 337, a joint resolution designating Labor Day weekend, September 1, through 3, 1990, as "National Drive for Life Weekend."

SENATE JOINT RESOLUTION 340

At the request of Mr. WILSON, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of Senate Joint Resolution 340, a joint resolution designating the week beginning November 11, 1990, as "National Disabled Veterans Week."

SENATE JOINT RESOLUTION 352

At the request of Mr. SIMON, the names of the Senator from Arizona [Mr. DECONCINI] and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of Senate Joint Resolution 352, a joint resolution designating the month of September, 1991, as "National Growth Month."

SENATE CONCURRENT RESOLUTION 91

At the request of Mr. HATFIELD, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of Senate Concurrent Resolution 91, a concurrent resolution expressing the sense of the Congress with respect to achieving common security in the world by reducing reliance on the military and redirecting resources toward overcoming hunger and poverty and meeting basic human needs.

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. COHEN, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of Senate Concurrent Resolution 125, a concurrent resolution expressing the sense of Congress regarding adequate funding for long-term health care services provided through the Medicare and Medicaid programs.

AMENDMENT NO. 1384

At the request of Mr. DASCHLE, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of amendment No. 1384 proposed to S. 1630, a bill to amend the Clear Air Act to provide for attainment and maintenance of health protective national ambient air quality standards, and for other purposes.

AMENDMENTS SUBMITTED

EXPORT ADMINISTRATION ACT AMENDMENTS

SHELBY AMENDMENT NO. 2656

Mr. SHELBY proposed an amendment, which was subsequently modified, to the bill (S. 2927) to amend and extend the Export Administration Act, as follows:

On page 48, after line 21, insert the following new section:

SEC. 306. EMBARGO PENALTIES.

Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended by adding a new subsection as follows:

(b) in the case of Iraq and Kuwait,

(1) a civil penalty of not to exceed $250,000 may be imposed on any person who violates any license order or regulation issue under the chapter;

(2) whoever willfully violates any license order, or regulation issued under this chapter shall, upon conviction, be fined not more than $1,000,000, or if a person, may be imprisoned for not more than ten years, or both, and any officer, director, or agent of any corporation who knowingly participates in such violation may be punished by a like fine, imprisonment or both.

HEINZ AMENDMENT NO. 2657

Mr. HEINZ proposed an amendment to the bill S. 2927, supra, as follows:

On page 38, line 20, strike "and".

On page 38, at the end of line 22, add "and

"(D) inadequacies in Federal and State government and private sector export financing programs;"

On page 39, line 9, strike "and".

On page 39, after line 11, insert:

"(D) improve Federal and State government and private sector export financing programs; and".

MACK (AND OTHERS) AMENDMENT NO. 2658

Mr. HEINZ (for Mr. MACK, for himself, Mr. GRAHAM, and Mr. MCCAIN) proposed an amendment to the bill S. 2927, supra, as follows:

On page 37, after line 12, insert the following new sections—

"SEC. PROHIBITION OF CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

"The Trading with the Enemy Act is amended by adding at the end thereof the following new section:

"SEC. 44. Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989, unless a license may be issued for such transaction if such transaction were undertaken by a firm organized under the laws of any of the States of the United States."

GRAMM AMENDMENT NO. 2659

Mr. HEINZ (for Mr. GRAMM) proposed an amendment to the bill S. 2927, supra, as follows:

At the appropriate place in title I of the bill, insert the following:

"SEC. . AUTHORITY FOR PRIVATE INSPECTION SYSTEMS.

"Section 4 of the Export Administration Act of 1979 is amended by adding the following new subsection:

" "( ) AUTHORITY FOR PRIVATE INSPECTION SYSTEMS.—The Secretary is authorized to maintain a list of approved private inspection companies for the purpose of enabling exporters to submit independently verified, certified information necessary for effective and timely licensing." ".

SARBANES (AND OTHERS) AMENDMENT NO. 2660

Mr. SARBANES (for himself, Mr. HEINZ, and Mr. MCCAIN) proposed an amendment to the bill S. 2927, supra, as follows:

On page 24, after line 9, insert the following new subparagraph:

"(E) No controls under section 5 eliminated after the Coordinating Committee High Level Meeting, June 6–7, 1990, shall be extended or reinstated using any authorities other than section 6 of this Act, unless the President determines that extraordinary circumstances directly affecting the national security of the United States exist and reports such circumstances to the Congress within 10 working days of such determination."

On page 28, line 24, after "technology" insert ", including all dual use goods and technology on the Missile Technology Control Regime Annex,".

On page 30, line 3, after the word "proliferation" insert "or is a potential channel of diversion identified pursuant to paragraph (5) of this subsection."

On page 30, after line 7, insert the following:

"(5) The Secretary shall establish a procedure for information sharing with appropriate officials at the Central Intelligence Agency and the Defense Intelligence Agency that will ensure effective monitoring of flows of MTCR technology to all countries that the Secretary of State has determined are of concern to the United States regarding missile proliferation in order to ensure detection of channels of diversion."

On page 30, line 12, delete all from "(a)" through "(1)" on line 13 and insert the following: PROLIFERATION CONTROL VIOLATIONS.

"(a) VIOLATIONS BY UNITED STATES PERSONS.—(1) SANCTION.—If the President determines that a United States person has transferred or conspired to transfer or facilitated the transfer, in violation of the provision of section 38 of the Arms Export Control Act (22 U.S.C. 2778), section 5 or 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2404, 2405) or any regulations issued under any such provisions, of any item on the annex of goods and technology to the Missile Technology Control Regime, then the President shall deny to such United States person for a period of two years licenses issued pursuant to this Act for the transfer of missile equipment and technology.

"(2) DISCRETIONARY SANCTIONS.—In the case of any determination referred to in subsection (a), the Secretary may pursue any other approriate penalties available under section 11 of this Act.

"(3) WAIVER.—The President may waive, to the extent required to meet the national security needs of the United States, the imposition of sanctions under subsection (a) if the President certifies to the Congress that—

"(A) the product or service is essential to the national security of the United States; or

"(B) such person is a sole source supplier of the product or service, the product or service is not available from any alternative reliable supplier, and the need for the product or service cannot be met in a timely manner by improved manufacturing processes or technological developments.

"(b) TRANSFERS OF MISSILE EQUIPMENT AND TECHNOLOGY BY FOREIGN PERSONS.—(1) SANCTION.—"

On page 30, line 15, strike "1 year" and insert "2 years".

On page 30, line 15, after "(b)" insert "—(A)".

On page 30, line 24, after "State" inset ", or (B) the President has made a determination under section 73(a) of the Arms Export Control Act."

HELMS (AND PELL) AMENDMENT NO. 2661

Mr. HELMS (for himself and Mr. PELL) proposed an amendment to the bill S. 2927, supra, as follows:

At the end of the bill, add the following new title:

"TITLE —CHEMICAL WEAPONS

SECTION 1. SHORT TITLE.

This Act may be cited as the "Chemical and Biological Weapons Control Act of 1990".

SEC. 2. FINDINGS.

The Congress finds that—

(1) chemical weapons were employed in the recent Iran-Iraq war and by Iraq in attacks against its Kurdish minority;

(2) the use of chemical and biological weapons in violation of international law is abhorrent and requires immediate and effective sanctions;

(3) United Nations Security Council Resolution 620, adopted on August 26, 1988, states the intention of the Security Council to consider immediately "appropriate and effective" sanctions against any country using chemical or biological weapons in violation of international law;

(4) the Declaration of the Paris Conference on the Prohibition of Chemical Weapons demonstrates the resolve of most countries to reaffirm support for the 1925 protocol banning the use of chemical and bacteriological weapons and to press for attainment of a ban on the production and possession of chemical weapons;

(5) as many as 20 countries, including Iran, Iraq, Syria, and Libya have or are seeking the capability to produce chemical weapons;

(6) as many as 10 countries are working to produce biological weapons;

(7) by the year 2000, at least 15 developing countries will have the ability to produce ballistic missiles capable of carrying chemical or biological warheads;

(8) the further spread of chemical or biological weapons capabilities would pose a threat of incalculable proportions to friends and allies of the United States and undermine the national security of the United States;

(9) the United Nations should create an effective means of monitoring and reporting regularly on commerce in equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability; and

(10) every effort should be made to conclude an early agreement banning the production and stockpiling of chemical or biological weapons.

SEC. 3. PURPOSE.

It is the purpose of this Act—

(1) to mandate United States sanctions and to encourage international sanctions against countries that use chemical or biological weapons in violation of international law or use lethal chemical or biological weapons against their own nationals;

(2) to require presidential reports on efforts that threaten United States interests or regional stability by Iran, Iraq, Syria, Libya, and others to acquire the materials and technology to develop, produce, stockpile, and deliver chemical and biological weapons;

(3) to urge cooperation with other supplier nations to devise effective controls on the transfer of materials, equipment, and technology applicable to chemical or biological weapons production;

(4) to promote agreements banning the transfer of missiles suitable for armament with chemical or biological warheads;

(5) to encourage an early agreement banning the development, production, and stockpiling of chemical weapons; and

(6) to seek effective international means of monitoring and reporting regularly on commerce in equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability.

TITLE I—SANCTIONS AGAINST THE USE OF CHEMICAL AND BIOLOGICAL WEAPONS

SEC. 101. SANCTIONS FOR THE USE OF CHEMICAL WEAPONS.

(a) DETERMINATION BY THE PRESIDENT.—(1) Whenever information becomes available to the United States Government indicating the substantial possibility that, on or after the date of enactment of this Act, a foreign country has used chemical or biological weapons, the President shall, within 60 days of the receipt of such information by the United States Government, make a determination as to whether that foreign country, on or after such date, has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals.

(2) Not later than 60 days after the chairman of the Committee on Foreign Relations of the Senate, upon consultation with the ranking minority member of such Committee, or the chairman of the Committee on Foreign Affairs of the House of Representatives, upon consultation with the ranking minority member of such Committee, requests the President to make a determination as to whether or not a foreign country, on or after the date of enactment of this Act, has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals, the President shall make such determination and so report in writing to the chairmen of such Committees.

(3) In making the determination under paragraph (1) or (2), the President shall consider the following:

(A) All physical and circumstantial evidence available bearing on the possible use of such weapons.

(B) All information provided by alleged victims, witnesses, and independent observers.

(C) The extent of the availability of the weapons in question to the purported user.

(D) All official and unofficial statements bearing on the possible use of such weapons.

(E) Whether, and to what extent, the country in question is willing to honor a request from the Secretary General of the United Nations to grant timely access to a United Nations fact-finding team to investigate the possibility of chemical or biological weapons use or to grant such access to other legitimate outside parties.

(b) SANCTIONS. —In the event of a Presidential determination under subsection (a) that, on or after the date of enactment of this Act, a foreign country has used chemical or biological weapons in violation of international law or has used lethal chemical or biological weapons against its own nationals, then the President shall—

(1) terminate assistance to that country under the Foreign Assistance Act of 1961, except for urgent humanitarian assistance, or for the purpose of purchasing food or other agricultural products;

(2) terminate all foreign military sales financing under the Arms Export Control Act with respect to that country;

(3) terminate United States Government sales to that country of any defense articles or defense services;

(4) prohibit the issuance of any licenses for the export to that country of any item on the United States Munitions List;

(5) prohibit, under the authorities of section 6 of the Export Administration Act of 1979, the export to that country of any goods or technology except food or other agricultural products;

(6) oppose, in accordance with section 701 of the International Financial Institutions Act, the extension of any loan or financial or technical assistance to that country by international financial institutions;

(7) deny that country any credit or credit guarantees through the Export-Import Bank of the United States;

(8) prohibit any United States bank from making any loan or providing any credit to that country, except for loans or credits for the purpose of purchasing food or other agricultural products; and

(9) terminate, consistent with international law, the landing rights in the United States of any airline owned by the government of that country at the earliest practicable date.

SEC. 102. WAIVER.

The President may waive the applicability of some or all of the sanctions listed in section 101 with respect to a specific country for a period of not to exceed twelve months beginning on the date of the determination by the President of use by that country of chemical or biological weapons in violation of international law, or the use of lethal chemical or biological weapons against its own nationals, if he determines that such waiver is in the national interest of the United States and so certifies to the Speaker of the House of Representatives and the President of the Senate. Together with such certification, the President shall submit in writing a statement containing a detailed explanation of the national interest requiring a waiver, which may include a classified addendum if necessary.

SEC. 103. NOTIFICATION.

Not later than five days after he imposes any sanction described in section 101 against a country or waives under section 102 the applicability of any such sanction, the President shall so notify in writing the Speaker of the House of Representatives and the President of the Senate.

SEC. 104 CONTRACT SANCTITY.

(a) SANCTIONS NOT APPLIED TO EXISTING CONTRACTS.— No sanction described in paragraphs (6) through (10) of section 101(b) shall apply to any activity pursuant to any contract or international agreement entered into before the date of the appropriate presidential determination under section 101(a) unless the President determines, on a case-by-case basis, that to so apply such sanction would prevent the performance of a contract or agreement that would have the effect of assisting a country in using chemical or biological weapons in violation of international law or in using lethal chemical or biological weapons against its own nationals.

(2)(A) The same restrictions of section 6(m) of the Export Administration Act of 1979 which are applicable to exports prohibited under section 6 of that section shall apply to exports prohibited under section 101(b)(5).

(B) For purposes of subparagraph (A) of this paragraph, any contract or agreement the performance of which (as determined by the President) would have the effect of assisting a country in using chemical or biological weapons in violation of international law or in using lethal chemical or biological weapons against its own nationals shall be treated as constituting a breach of the peace that poses a serious and direct threat to the strategic interest of the United States, within the meaning of subparagraph (A) of section 6(m) of that Act.

(b) SANCTIONS APPLIED TO EXISTING CONTRACTS.—The sanctions described in paragraphs (1), (2), (3), and (4) of section 101 shall apply to contracts and agreements, without regard to the date such contracts or agreements were entered into, except that such sanctions shall not apply to any contract or agreement entered into before the date of the appropriate presidential determination under section 101(a) if the President determines that the application of such sanction would be detrimental to the national security interests of the United States.

SEC. 105. REMOVAL OF SANCTIONS.

The President may remove the sanctions imposed pursuant to section 101 of this Act if the President determines and so certifies to the Speaker of the House of Representatives and the President of the Senate that the country under sanction—

(1) has renounced any use of chemical or biological weapons in violation of international law, or any use of lethal chemical or biological weapons against its own nationals, and has provided reliable assurances to that effect; and

(2) has made satisfactory restitution to those affected in its earlier use of chemical or biological weapons in violation of international law or in its earlier use of lethal chemical or biological weapons against its own nationals.

SEC. 106. PRESIDENTIAL REPORTS.

Not later than 90 days after the date of enactment of this Act, and every 12 months thereafter, the President shall submit to the Speaker of the House of Representatives and the President of the Senate, a report—

(1) detailing efforts by countries or subnational groups that threaten United States security interests or regional stability (including efforts by Iran, Iraq, Libya, and Syria and other developing countries or subnational groups) to acquire the materials and technology to develop, produce, stockpile, and deliver chemical, biological or nuclear weapons, together with an assessment of the present and future capabilities of such countries or subnational groups to develop, produce, stockpile, and deliver chemical, biological or nuclear weapons;

(2) describing the degree to which any country or foreign person has aided or abetted the government of any country or a subnational group to engage in any activity in connection with the acquisition of any such chemical, biological or nuclear weapon; and

(3) listing all United States persons against whom administrative, civil, or criminal penalties have been applied for shipment of goods and technology controlled for chemical, biological and nuclear weapons proliferation purposes pursuant to the Export Administration Act of 1979 or the Arms Export Control Act.

To the extent practicable, reports submitted pursuant to this section should be based on unclassified information. Portions of each such report may be classified.

SEC. 107. MULTILATERAL EFFORTS.

The President is urged—

(1) to continue close cooperation with others in the Australia Group in support of its current efforts and in devising additional means to monitor and control the supply of chemicals applicable to weapons production to Iraq, Iran, Syria, and Libya—countries that currently support or have recently supported acts of international terrorism;

(2) to work closely with other countries also capable of supplying equipment, materials, and technology with particular applicability to chemical or biological weapons production to devise the most effective controls possible on the transfer of such materials, equipment, and technology;

(3) to seek agreements with countries that produce ballistic missiles suitable for carrying chemical or biological warheads that would prevent the transfer of such missiles; and

(4) to take the initiative in pressing for early conclusion of an international agreement banning the development, production, and stockpiling of chemical weapons.

SEC. 108. UNITED NATIONS INVOLVEMENT.

The President is urged to give full support to—

(1) the United Nations Security Council, in furtherance of Security Council Resolution 620, adopted August 26, 1988, in developing sanctions comparable to those enumerated in section 101 of this Act, to be imposed in the event that any country uses chemical or biological weapons in violation of international law; and

(2) the creation of an effective multilateral means of monitoring and reporting regularly on commerce in chemical equipment, materials, and technology applicable to the attainment of a chemical or biological weapons capability.

TITLE II—MEASURES TO PREVENT THE PROLIFERATION OF CHEMICAL AND BIOLOGICAL WEAPONS

SEC. 201. MULTILATERAL EFFORTS.

It is the policy of the United States to seek multilaterally coordinated efforts with other countries to control the proliferation of chemical and biological weapons.

It is also the policy of the United States to strengthen efforts to control chemical agents, precursors, and equipment by taking all appropriate multilateral diplomatic measures—

(1) to continue to seek a verifiable global ban on chemical weapons at the 40 nation Conference on Disarmament in Geneva;

(2) to undertake a diplomatic initiative to strengthen the Australia Group's objectives to support the norms and restraints against the spread and the use of chemical warfare, advance the negotiation of a comprehensive ban on chemical warfare by taking appropriate measures, and to protect the Group's domestic industries against inadvertent association with supply of feedstock chemical equipment that could be misused to produce chemical weapons;

(3) to implement paragraph (2) by introducing steps complementary to, and not mutually exclusive of, existing multilateral efforts seeking a verifiable ban on chemical weapons, such as the establishment of—

(A) a permanent secretariat,

(B) a harmonized list of export control rules and regulations to prevent relative commercial advantage and disadvantages accruing to Australia Group members.

(C) liaison officers to the secretariat from within the diplomatic missions.

(D) a close working relationship between the Group and industry.

(E) A public unclassified warning list of controlled chemical agents, precursors, and equipment,

(F) information-exchange channels of suspected proliferants,

(G) a "denial" list of firms and individuals who violate the Group's export control provisions, and

(H) broader cooperation between the Australia Group and other countries whose political commitment to stem the proliferation of chemical weapons is similar to that of the Group; and

(4) to adopt the imposition of stricter controls on the export of chemical agents, precursors, and equipment and to adopt tougher multilateral sanctions against firms and individuals who violate these controls or

against countries that use chemical weapons.

SEC. 202. PRINCIPLES GUIDING THE ADOPTION OF A MULTILATERAL EXPORT CONTROL SYSTEM.

(a) IN GENERAL.—The United States Government should propose to the Australia Group that its objectives should be guided by taking all appropriate measures—

(1) to ensure that the measures are effective in impeding the production of chemical weapons,

(2) to ensure that the measures are easy and economical to implement, and that they are practical; and

(3) to ensure that the measures do not impede the normal trade of chemicals and equipment used for legitimate purposes.

(b) DEFINITIONS.—For the purpose of section 201 and this section, the term "Australia Group" means the group of nineteen OECS nations dedicated to the control of the export of certain chemicals, including Australia, New Zealand, Austria, Belgium, Denmark, Canada, Japan, Norway, United States, United Kingdom, Federal Republic of Germany, France, Greece, Ireland, Italy, Netherlands, Portugal, Spain, Luxembourg, and Switzerland.

SEC. 202. EXPORT CONTROLS.

(a) IN GENERAL.—The President shall—

(1) use the authorities of the Arms Export Control Act to control the export of those defense articles and defense services, and

(2) use the authorities of the Export Administration Act of 1979 to control the export of those goods and technologies.

that the President determines would assist a country in acquiring the capability to develop, produce, stockpile, deliver, or use chemical or biological weapons.

(b) EXPORT ADMINISTRATION ACT.—Section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2405) is amended by adding at the end thereof the following new subsection:

"(q) CHEMICAL AND BIOLOGICAL WEAPONS.—The Secretary, in consultation with the Secretary of State and the Secretary of Defense shall establish and maintain a list of goods and technology that would directly and substantially assist a country or group in acquiring the capability to develop, produce, stockpile, or deliver chemical or biological weapons, the licensing of which would be effective in barring acquisition or enhancement of such capability;

"(2) The Secretary shall require a validated license for any export of goods or technology listed under paragraph (1) to any country except those with whose governments the United States has entered into bilateral or multilateral arrangements for the control of such goods or technology and such other countries as the President shall designate consistent with the purposes of this Act.

"(3) Notwithstanding any other provision of this Act, a determination of the Secretary to approve or deny an export license for the export of goods or technology under this subsection may be made only after consultation with the Secretary of State. If the Secretary disagrees with the Secretary of State regarding any determination under paragraph (1) or (2), the matter shall be referred to the President for resolution.".

(c) IMPROVED VERIFICATION OF EXPORT CONTROLS.—The Secretary of Commerce should, in order to supplement existing means of verification of export controls relating to chemical and biological weapons, take measures to encourage voluntary utilization of appropriate independent inspection companies to inspect and certify shipments and end-users of chemicals that could be used in the development of chemical and biological weapons."

SEC. 204. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

The Arms Export Control Act is amended by inserting after section 38 the following new section:

"SEC. 38A. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

"(a) DETERMINATION BY THE PRESIDENT.—

"(1) IMPOSITION OF SANCTIONS.—The President subject to subsection (d), shall impose on a foreign person the sanctions under subsection (b) if the President determines that the foreign person, on or after the date of the enactment of this section, has knowingly and materially contributed 'through shipment of goods or technologies that would be, if they were United States goods or technologies, subject to the jurisdiction of the United States, or through any transaction, other than of goods and technology, not subject to sanctions pursuant to the Export Administration Act, to the efforts to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons by any country that the President has determined has at any time after January 1, 1980—

"(A) use chemical or biological weapons in violation of international law;

"(B) use lethal chemical or biological weapons against its own nationals:

"(C) made substantial preparations to do the activities described in clause (A) or (B); or

"(D) been designated pursuant to section 6(j) of the Export Administration Act of 1979 as a country which supports international terrorism.

"(2) CONSULTATIONS WITH THE ACTIONS BY GOVERNMENT OF JURISDICTION.—The President may delay imposition of sanctions against a foreign person for a period of up to 90 days in order to pursue consultations with the government with primary jurisdiction over that foreign person involved in the activities cited in paragraph (1). Following these consultations, the President shall impose sanctions against the foreign person unless he has determined and certified to the Congress that such government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in such activities.

"(3) REPORT TO CONGRESS.—The President shall report to the Congress, not later than 30 days after making a determination under paragraph (1), on the status of consultations with the appropriate government under paragraph (2), and the basis for any determination under paragraph (2) that such government has taken specific corrective actions.

"(b) SANCTIONS.—The sanctions referred to in subsection (a) shall apply to the foreign person committing the violation, as well as any parent, affiliate, subsidiary, and successor entity of the foreign person, are as follows:

"(1) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the foreign person.

"(c) TERMINATION OF SANCTION.—A sanction imposed on a foreign person under this section shall apply for a period of at least 24 months and in no case shall cease to apply to that foreign person until the expiration of the 12-month period beginning on the date the President determines and certifies to the Congress that—

"(1) reliable intelligence information indicates that the foreign person has ceased to aid or abet any foreign country in its efforts to acquire chemical or biological weapons capability as described in subsection (a)(1) of this section; and

"(2) in the President's judgment, it would be in the national interest of the United States to procure or contract for the procurement of goods or services from such foreign person, or to import goods or services from such foreign person.

(d) EXCEPTIONS.—The President shall not be required under this section to apply sanctions—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

"(B) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

"(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreement;

"(2) to products or services provided under contracts entered into before the data on which the President publishes his intention to impose sanctions;

"(3) to—

"(A) spare parts,

"(B) component parts, but not finished products, essential to United States products or production, or

"(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

"(4) to information and technology not directly useful for the development, production, or stockpiling of chemical or biological weapons; or

"(5) to medical or other humanitarian items.

"(e) DEFINITION.—For the purposes of this section, the term 'foreign person' means—

"(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

"(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States.".

SEC. 205. SANCTIONS AGAINST CERTAIN FOREIGN PERSONS.

The Export Administration Act of 1979 (50 U.S.C. App. 2410) is amended by inserting after section 11A the following new section:

"CHEMICAL AND BIOLOGICAL WEAPONS PROLIFERATION

"SEC. 11B. (a) DETERMINATION BY THE PRESIDENT.—

"(1) IMPOSITION OF SANCTIONS.—The President, subject to subsection (d), shall impose on a foreign person the sanctions under subsection (b) if the President determines that the foreign person, on or after the date of the enactment of this section, has knowingly and materially contributed through shipment of goods or technologies that would

be, if they were United States goods or technologies, subject to the jurisdiction of the United States pursuant to this Act; to the efforts to use, develop, produce, stockpile, or otherwise acquire chemical or biological weapons by any country that the President has determined has at any time after January 1, 1980—

"(A) used chemical or biological weapons in violation of international law;

"(B) use lethal chemical or biological weapons against its own nationals;

"(C) made substantial preparations to do the activities described in clause (A) or (B); or

"(D) been designated pursuant to section 6(j) of this Act as a country which supports international terrorism.

"(2) CONSULTATIONS WITH AND ACTIONS BY GOVERNMENT OF JURISDICTION.—The President may delay imposition of sanctions against a foreign person for a period of up to 90 days in order to pursue consultations with the government with primary jurisdiction over that foreign person involved in the activities cited in paragraph (1). Following these consultations, the President shall impose sanctions against the foreign person unless he has determined and certified to the Congress that such government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in such activities.

"(3) REPORT TO CONGRESS.—The President shall report to the Congress, not later than 30 days after making a determination under paragraph (1), on the status of consultations with the appropriate government under paragraph (2), and the basis for any determination under paragraph (2) that such government has taken specific corrective actions.

"(b) SANCTIONS.—The sanctions referred to in subsection (a) shall apply to the foreign person committing the violation, as well as to any parent, affiliate, subsidiary, and successor entity of the foreign person, and are as follows:

"(1) PROCUREMENT SANCTION.—The United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from that foreign person.

"(c) TERMINATION OF SANCTIONS.—A sanction imposed on a foreign person under this section shall apply for a period of at least 24 months and in no case shall cease to apply to that foreign person until the expiration of the 12-month period beginning on the date the President determines and certifies to the Congress that—

"(1) reliable intelligence information indicates that the foreign person has ceased to aid or abet any foreign country in its efforts to acquire chemical or biological weapons capability as described in subsection (a)(1) of this section; and

"(2) in the President's judgment, it would be in the national interest of the United States to procure or contract for the procurement of goods or services from such foreign person or to import goods or services from such foreign person.

(d) EXCEPTIONS.—The President shall not be required under this section to apply sanctions—

"(1) in the case of procurement of defense articles or defense services—

"(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy United States operational military requirements;

"(B) if the President determines that the person or other entity to which the sanctions would otherwise be applied is a sole source supplier of the defense articles or services, that the defense articles or services are essential, and that alternative sources are not readily or reasonably available; or

"(C) if the President determines that such articles or services are essential to the national security under defense coproduction agreements;

"(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose sanctions;

"(3) to—

"(A) spare parts,

"(B) component parts, but not finished products, essential to United States products or production, or

"(C) routine servicing and maintenance of products, to the extent that alternative sources are not readily or reasonably available;

"(4) to information and technology not directly useful for the development, production, or stockpiling of chemical or biological weapons; or

"(5) to medical or other humanitarian items.

"(e) DEFINITION.—For the purposes of this section, the term 'foreign person' means—

"(1) the term 'foreign person' means—

"(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

"(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States: and

"(2) the terms 'defense article' and 'defense service' have the same meanings as are given to such terms by paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act.".

SEC. 206. DEFINITIONS.

For the purposes of this Act—

(1) the term "foreign person" means—

(A) an individual who is not a citizen of the United States or an alien admitted for permanent residence to the United States; or

(B) a corporation, partnership, or other entity, including any parent or subsidiary entity thereof, which is created or organized under the laws of a foreign country or which has its principal place of business outside the United States; and

(2) the terms "defense article" and "defense service" have the same meanings as are given to such terms by paragraphs (3) and (4), respectively, of section 47 of the Arms Export Control Act.

TITLE III—ADDITIONAL RESTRICTIONS ON TRADE WITH CUBA

SEC. 301. PROHIBITION ON CERTAIN TRANSACTIONS BETWEEN CERTAIN UNITED STATES FIRMS AND CUBA.

Notwithstanding any other provision of law, no license may be issued for any transaction described in section 515.559 of title 31, Code of Federal Regulations, as in effect on July 1, 1989.

SEC. 302. MILITARY AID TO CUBA.

(a)(1) Since totalitarian rule is giving way to democratic rule around the world:

(2) Since the people of Eastern Europe have led the way, embracing Mikhail Gorbachev's polices of Glasnost and Perestroika and replacing totalitarian regimes with elected governments that respect human rights;

(3) Since Fidel Castro's totalitarian rule stands in stark contrast to the democracy sweeping through Eastern Europe, Latin America, and other parts of the world;

(4) Since after thirty years of rule Castro still stubbornly clings to power, publicly attacking the new policies and governments of Eastern Europe, and openly criticizing the policies of Mikhail Gorbachev;

(5) Since despite these attacks the Soviet Union continued to prop up the Castro government, subsidizing the Cuban economy at an annual rate of at least $5.5 billion, $1.5 billion of it in military assistance.

(6) Since Soviet Deputy Prime Minister Leonid Abalkin has publicly stated that commercial ties between the two countries might be expanded and perhaps even substantially increased;

(7) Since the Soviet Union continues to modernize the Cuban armed forces, delivering six new advanced MIG-29 fighters earlier this year;

(8) Since this business as usual support continues at a time when Castro has launched a new wave of repression, arresting human rights activists, underground political leaders, dissidents, university students, and religious leaders;

(9) Since Castro has executed, arrested, and dismissed key members of his military high command, state security ministry, personal body guard, Cuban Comminist Party Central Committee, and diplomatic corps during the past year, in an ongoing purge to consolidate control and discourge reform;

(10) Since Castro has arrested and deported international journalists for reporting the growing human rights and pro-democracy movement in Cuba; and

(11) Since Castro has gone so far as to deport Eastern bloc reporters who "compare Cuba to Romania—the calm before the storm," take Soviet publications such as Moscow News out of circulation, and ban Perestroika by Mikhail Gorbachev.

(b) it is the sense of the Congress that—

(1) continuing Soviet support of Cuba remains a serious problem in United States-Soviet relations;

(2) the Soviet Union, in reexamining its relationship with Cuba, should cease military aid to the Castro regime and take all other possible steps to further the policies of Glasnost and Perestroika by adopting policies supporting the political, economic rights, and human rights of the Cuban people.

TITLE IV—GENERAL PROVISIONS

SEC. 401. INCURSIONS INTO ISRAEL.

(a) During the next round of talks with the PLO, should such talks occur after the date of enactment of this Act, the representatives of the United States should obtain from the Represenatives of the PLO a full accounting of the following attempted incursions into Israel which occurred after Yasser Arafat's statement of December 1, 1988:

(1) On August 7, 1989, a rocket attack on the settlement of Maoz Haim by members of the PLO-affiliated Popular Front for the Liberation of Palestine.

(2) On February 4, 1990, an unprovoked ambush by the Popular Front for the Liberation of Palestine-General Command on an Israeili tour bus in Egypt that killed 9 and wounded 15 Israelis.

(3) On September 6, 1989, a rocket attack by the PLO-affiliated Popular Front for the Liberation of Palestine aimed at Kibbutz Tel-Katzir that fell on Kibbutz Sha'ar Hagolan.

(4) On January 26, 1990, an attack on an Israeli Army patrol by at least three terrorists of the PLO-affiliated Democratic Front for the Liberation of Palestine headed for Kibbutz Misaay-Am.

(5) On May 28, 1989, an attack by the Popular Front for the Liberation of Palestine and the Palestine Liberation Front, both PLO-affiliated organizations, in which a one-year old Israeli was injured by a Katyush rocket.

(6) On October 7, 1989, an attempted raid on Kibbutz Misgav-Am by a squad of terrorists armed with machine guns and anti-tank missiles from the PLO-aligned Palestine Liberation Front.

(7) On April 13, 1990, an attempted infiltration into northern Israel by boat by four terrorists of Yasser Arafat's Al-Fatah, equipped with machine guns and grenades.

(b) In the event that talks are held with the PLO after the date of enactment of this Act, the Secretary of State, shall include in the next report provided to the Speaker of the House of Representatives and the Chairman of the Committee on Foreign Relations of the Senate under section 804 of the Foreign Relations Authorization Act for Fiscal Years 1990 and 1991 any accounting provided by the subsection (a) and the relationship between those groups responsible for these attacks and the PLO: *Provided,* That such report shall also include a list of all individuals participating in discussions held between representatives of the United States and of the Palestine Liberation Organization since January 1, 1989; and, that such report should also include any additional affiliations of such representatives of the PLO.

(c) No later than 60 days after enactment, the Commissioner of the Customs Service shall provide the President of the Senate and Speaker of the House of Representatives with a report outlining illegal activities being undertaken in the United States by the Palestine Liberation Organization or on behalf of the Palestine Liberation Organization; including such activities as illegal drug trafficking, money laundering, weapons purchases and arms shipments; estimating the amount of funds associated with such activities; and describing the extent to which members of the PLO Executive Committee, and the PLO Central Council and the Palestine National Council are aware of, or are involved in such illegal activities".

HELMS AMENDMENT NO. 2662

Mr. HELMS proposed an amendment, which was subsequently modified, to the bill S. 2927, supra, as follows:

At the end of the bill, add the following new section:

"SEC. . Section 5(b)(1) of the Export Administration Act of 1979 (50 U.S.C. App. 2404(b)(1) is amended by adding after "Foreign Assistance Act of 1961" the following: "and Iraq, Iran, Syria, and Libya, and those countries determined by the president to be transferring United States chemical, biological, nuclear or missile technology to such countries, unless the President determines that such countries are not producing, developing or stockpiling chemical, biological, or nuclear weapons or ballistic missiles. Nothing in this section shall preclude the imposition of controls on the transfer of United States chemical, biological, nuclear, or missile technology under section 6 of this Act."

STUDENT RIGHT TO KNOW AND CAMPUS SECURITY ACT

KENNEDY AMENDMENT NO. 2663

(Ordered to lie on the table.)

Mr. BRYAN (for Mr. KENNEDY) proposed an amendment to the bill (S. 580), to require institutions of higher education receiving Federal financial assistance to provide certain information with respect to graduation rates of student athletes at such institutions, as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Student Right-to-Know and Campus Security Act".

TITLE I—STUDENT AND STUDENT ATHLETE RIGHT-TO-KNOW

SEC. 101. SHORT TITLE.

This title may be cited as the "Student Right-to-Know Act".

SEC. 102. FINDINGS.

The Congress finds that—

(1) education is fundamental to the development of individual citizens and the progress of the Nation as a whole;

(2) there is increasing concern among citizens, educators, and public officials regarding the academic performance of students at institutions of higher education;

(3) a recent study by the National Institute of Independent Colleges and Universities found that just 43 percent of students attending four-year public colleges and universities and 54 percent of students entering private institutions graduated within six years of enrolling;

(4) the academic performance of student athletes, especially student athletes receiving football and basketball scholarships, has been a source of great concern in recent years;

(5) prospective students and prospective student athletes should be aware of the educational records and commitments of an institution of higher education; and

(6) knowledge of graduation rates would help prospective students and prospective student athletes make an informed judgment about the educational benefits available at a given institution of higher education.

SEC. 103. ADDITIONAL GENERAL DISCLOSURE REQUIREMENTS RELATING TO GRADUATION.

(a) DISCLOSURE OF GRADUATION RATES.—Section 485(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(a)(1)) (hereafter in this Act referred to as the "Act") is amended—

(1) by striking "and" at the end of subparagraph (J);

(2) by striking the period at the end of subparagraph (K) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(L) the graduation rate of certificate- or degree-seeking, full-time students entering such institution.".

(b) CONSTRUCTION OF DISCLOSURE REQUIREMENTS.—Section 485(a) of the Act (20 U.S.C. 1092(a)) is further amended by adding at the end the following new paragraphs:

"(3) For purposes of this section, the term 'graduation rate' means the percentage of students with no previous collegiate participation who enter the institution as certificate- or degree-seeking full-time students and, within 150 percent of the standard time for completion of the program, have completed the program, or enrolled in any program of an eligible institution for which the prior program provides substantial preparation.

"(4) The information required to be disclosed under subparagraph (L)—

"(A) shall be available beginning on October 1, 1993, and each year thereafter to current and prospective students prior to enrolling or entering into any financial obligation;

"(B) shall cover the 1-year period ending on September 30 of the preceding year; and

"(C) shall be updated not less often than biennially.

"(5) For purposes of this section, institutions may exclude from the information disclosed in accordance with subparagraph (L) the completion rates of students who leave school to serve in the armed services, on official church missions, or with a recognized foreign aid service of the Federal Government.".

SEC. 104. REPORTING REQUIREMENTS FOR INSTITUTIONS OF HIGHER EDUCATION.

(a) INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS.—Section 485 of the Act (20 U.S.C. 1092) is further amended by adding at the end thereof the following new subsection:

"(e) DISCLOSURES REQUIRED WITH RESPECT TO ATHLETICALLY RELATED STUDENT AID.—(1) Each eligible institution participating in any program under this title and that is attended by students receiving athletically related student aid shall annually submit a report to the Secretary that contains—

"(A) the number of students, broken down by race and sex, at the institution of higher education who received athletically related student aid to participate in—

"(i) basketball;

"(ii) football; and

"(iii) all other sports combined;

"(B) the number of students, broken down by race and sex, at the institution of higher education;

"(C) the graduation rate, broken down by race and sex, for students at the institution of higher education who received athletically related student aid to participate in—

"(i) basketball;

"(ii) football; and

"(iii) all other sports combined;

"(D) the graduation rate, broken down by race and sex, for students at the institution of higher education;

"(E) the average graduation rate, broken down by race and sex, for the 4 most recent graduating classes of students at the institution of higher education who received athletically related student aid to participate in—

"(i) basketball;

"(ii) football; and

"(iii) all other sports combined; and

"(F) the average graduation rate, broken down by race and sex, for the 4 most recent graduating classes of students at the institution.

"(2) When an institution described in paragraph (1) of this subsection offers a potential student athlete athletically related student aid, such institution shall provide to the student and the student's parents, guidance counselor, and coach the information contained in the report submitted by such institution pursuant to paragraph (1).

"(3) For purposes of this subsection, institutions may exclude from the reporting requirements under paragraphs (1) and (2)

the graduation rates of students and student athletes who leave school to serve in the armed services, on official church missions, or with a recognized foreign aid service of the Federal Government.

"(4) Each institution of higher education described in paragraph (1) may provide supplemental information to students and the Secretary showing the graduation rate when such graduation rate includes students transferring into and out of such institution.

"(5) The Secretary shall, using the reports submitted under this subsection, compile and publish a report containing the information required under paragraph (1), broken down by—

"(A) individual institutions of higher education; and

"(B) athletic conferences recognized by the National Collegiate Athletic Association and the National Association of Intercollegiate Athletics.

"(6) The Secretary shall waive the requirements of this subsection for any institution of higher education that is a member of an athletic association or athletic conference that has voluntarily published graduation rate data or has agreed to publish data that, in the opinion of the Secretary, is substantially comparable to the information required under this subsection.

"(7) The Secretary, in conjunction with the national Junior College Athletic Association, shall develop and obtain data on graduation rates from two-year colleges that award athletically related student aid. Such data shall, to the extent practicable, be consistent with the reporting requirements set forth in this section.

"(8) For purposes of this subsection, the term 'athletically related student aid' means any scholarship, grant, or other form of financial assistance whose terms require the recipient to participate in a program of intercollegiate athletics at an institution of higher education in order to be eligible to receive such assistance.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992, except that the first report to the Secretary of Education shall be due on October 1, 1993.

TITLE II—CRIME AWARENESS AND CAMPUS SECURITY

SEC. 201. SHORT TITLE.

This title may be cited as the "Crime Awareness and Campus Security Act of 1990".

SEC. 202. FINDINGS.

The Congress finds that—

(1) the reported incidence of crime, particularly violent crime, on some college campuses has steadily risen in recent years;

(2) although annual "National Campus Violence Surveys" indicate that roughly 80 percent of campus crimes are committed by a student upon another student and that approximately 95 percent of the campus crimes that are violent are alcohol- or drug-related, there are currently no comprehensive data on campus crimes;

(3) out of 8,000 postsecondary institutions participating in Federal student aid programs, only 352 colleges and universities voluntarily provide crime statistics directly through the Uniform Crime Report of the Federal Bureau of Investigation, and other institutions report data indirectly, through local police agencies or States, in a manner that does not permit campus statistics to be separated out;

(4) several State legislatures have adopted or are considering legislation to require reporting of campus crime statistics and dissemination of security practices and procedures, but the bills are not uniform in their requirements and standards;

(5) students and employees of institutions of higher education should be aware of the occurrence of crime on campus and policies and procedures to prevent crime or to report occurrences of crime;

(6) applicants for enrollment at a college or university, and their parents, should have access to information about crime statistics of that institution and its security policies and procedures; and

(7) while many institutions have established crime preventive measures to increase the safety of campuses, there is a clear need—

(A) to encourage the development on all campuses of security policies and procedures;

(B) for uniformity and consistency in the reporting of crimes on campus; and

(C) to encourage the development of policies and procedures to address sexual assaults and racial violence on college campuses.

SEC. 203. DISCLOSURE OF CAMPUS SECURITY POLICY AND CAMPUS CRIME STATISTICS.

(a) DISCLOSURE REQUIREMENTS.—Section 485 of the Act (20 U.S.C. 1092) is further amended by adding at the end thereof the following new subsection:

"(f) DISCLOSURE OF CAMPUS SECURITY POLICY AND CAMPUS CRIME STATISTICS.—(1) Each eligible institution participating in any program under this title shall prepare, publish, and distribute, through appropriate publications or mailings, to all current students and employees, and to any applicant for enrollment or employment upon request, beginning on October 1, 1992, and each year thereafter, an annual security report containing at least the following information with respect to the campus security policies and campus crime statistics of that institution:

"(A) A detailed description of current campus security procedures and practices, including procedures and facilities for students and employees to report to campus police and local police criminal actions or other crime related emergencies occurring on campus.

"(B) A statement of current policies concerning—

"(i) security and access to campus facilities, including campus residences, and security considerations used in the maintenance of campus facilities; and

"(ii) campus law enforcement, including a description of policies that encourage students and employees to report criminal actions promptly and accurately to the campus police and the local police and a description of the working relationship between the campus police and State and local police agencies.

"(C) A description of the type and frequency of programs designed to inform students and employees about campus security procedures and practices and to encourage students and employees to be responsible for their own security and the security of others.

"(D) A description of programs designed to inform students and employees about the prevention of crimes.

"(E) Statistics concerning the occurrence of violent crimes against students, such as murder, rape, robbery and aggravated assault, during the most recent school year as reported to campus police and local police. Such statistics shall include such crimes committed against students while in attendance at the institution, regardless of whether the crimes occurred on campus.

"(F) A statement of policy concerning local police agency monitoring and recording of criminal activity at off-campus housing of student organizations recognized by the insitution that is engaged in by students attending the institution.

"(2) Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices by institutions of higher education with respect to campus crimes or campus security.".

(b) PROGRAM PARTICIPATION AGREEMENT REQUIREMENTS.—Section 487(a) of the Act (20 U.S.C. 1094(a)) is amended by adding at the end thereof the following new paragraph:

"(12) The institution certifies that—

"(A) the institution has established a campus security policy; and

"(B) the institution has complied with the disclosure requirements of section 485(f).".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992.

SEC. 204. DISCLOSURE OF DISCIPLINARY PROCEEDING OUTCOMES TO CRIME VICTIMS.

Section 438(b) of the General Education Provisions Act (20 U.S.C. 1232g(b)) is amended by adding at the end thereof the following new paragraph:

"(6) Nothing in this section shall be construed to prohibit an institution of postsecondary education from disclosing, to an alleged victim of any crime of violence (as that term is defined in section 16 of title 18, United States Code), the results of any disciplinary proceeding conducted by such institution against the alleged perpetrator of such crime with respect to such crime.".

TITLE III—CALCULATION OF DEFAULT RATES

SEC. 301. CALCULATION OF DEFAULT RATES.

Section 435 of the Act (20 U.S.C. 1085) is amended—

(1) in subsection (l), by striking out "The term" and inserting in lieu thereof "Except as provided in subsection (m), the term"; and

(2) in subsection (m), by inserting immediately after the first sentence the following: "In determining the number of students who default before the end of such fiscal year, the Secretary shall include only loans for which the Secretary or a guaranty agency has paid claims for insurance, and, in calculating the cohort default rate, exclude any loans as to which the Secretary has reason to believe that, due to improper servicing or collection of such loans, the inclusion of such loans would not result in an accurate or complete calculation of the cohort default rate.".

NOTICES OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding the following meetings in 485 Russell Senate Office Building:

Tuesday, September 18, 1990, beginning at 10 a.m., markup on S. 2645, the Urban Indian Health Equity Act and H.R. 5063, the Fort McDowell Indian Water Settlement Act to be followed

by a hearing on S. 2895, the Seneca Nation Settlement Act of 1990.

Tuesday, September 25, 1990 beginning at 10 a.m., markup on S. 1554, the Truckee-Carson-Pyramid Lake Water Rights Settlement Act; S. 2870, the Fort Hall Indian Water Rights Act of 1990, and S. 2895, the Seneca Nation Settlement Act of 1990 to be followed by an oversight hearing on a proposal to establish Wounded Knee Memorial and Historic Site.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Thursday, September 13, 1990, at 10 a.m. to conduct a hearing on the Resolution Trust Corporation asset disposition.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on September 13, 1990, beginning at 8:30 a.m., in 366 Dirksen Senate Office Building, on S. 2870, the Fort Hall Indian Water Rights Act of 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INVESTIGATIONS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Permanent Subcommittee on Investigations of the Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Thursday, September 13, 1990, to hold hearings on abuses in Federal student aid programs (part 2).

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on September 13, 1990, at 10 a.m., to hold a hearing on the nomination of David H. Souter, to be Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 13, at 2 p.m. to hold a hearing on verification aspects of the Threshold Test Ban and Peaceful Nuclear Explosions Treaties with the U.S.S.R. together with verification protocols for each treaty; Ex. N, 94-2 and treaty Doc. 101-19.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER AND POWER

Mr. BRYAN. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 8:30 a.m., Thursday, September 13, 1990, for a joint hearing to receive testimony concerning S. 2870, the Fort Hall Indian Water Rights Act of 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. BRYAN. Mr. President, I ask unanimous consent that the Subcommittee on Mineral Resources Development and Production of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 2 p.m., Thursday, September 13, 1990, for a hearing to receive testimony concerning the royalty and free provisions of S. 1126, to provide for the disposition of hardrock minerals on Federal lands.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet in closed session on Thursday, September 13, 1990 at 3 p.m., to continue to receive testimony on the situation in the Persian Gulf region.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BRYAN. Mr. President, I ask unanimous consent that the full committee of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 9:30 a.m., Thursday, September 13, 1990, for a hearing to receive testimony concerning the implications of the Middle Eastern crisis for near-term and mid-term oil supply.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE

Mr. BRYAN. Mr. President, I ask unanimous consent that the Subcommittee on Water Resources, Transportation, and Infrastructure, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Thursday, September 13, beginning at 9:30 a.m., to conduct an oversight and reauthorization hearing on the Economic Development Administration and the Appalachian Regional Commission including consideration of H.R. 2015, to amend the Public Works and Economic Development Act and the Appalachian Regional Development Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

KEYNOTE SPEECH OF RONALD G. SHAFER, PRIDE WORLD DRUG CONFERENCE

● Mr. ROBB. Mr. President, I would like to share with my colleagues a keynote address delivered by Ronald G. Shafer to 10,000 people at the PRIDE [Parent Resources and Information on Drug Education] World Drug Conference in Orlando, FL, earlier this year.

Ron is a writer and editor for the Wall Street Journal and a resident of my hometown, McLean, VA. His son, Ryan, died in a drug-related accident in 1988, at the age of 16. Ron wrote a heart-wrenching story about his son's addiction to drugs and alcohol that appeared on the front page of the Wall Street Journal. The story has since been recounted in many other periodicals, including a March feature story in People magazine.

Ron was hesitant to write the article, but he and his family decided to tell Ryan's story in an effort to prevent their tragedy from happening to other families. He has been delivering about one speech a week on the east coast and has received hundreds of responses from around the world, including many from teens saying that his article has helped them to say no to drugs and alcohol.

Ron and his family have also helped in the creation of a new movement against substance abuse at Ryan's former school. "Take a Stand" at McLean High School has gotten more than 800 students to sign a pledge not to use drugs or alcohol. Upon signing the pledge, the students become eligible to win scholarships and other prizes. But the prizes are not the true incentive; it is the knowledge that it is alright not to use drugs and alcohol. In its first year, the innovative "Take a Stand" program has received several awards and accolades at the local, national, and even international level.

Drugs do not just affect inner-city youth. The average age for first-time use among teen drug users is age 12, proving that drugs can strike any child. Ryan's story is a perfect example. Drugs are destroying many lives and the futures of our youth, and as Ron has stated, "Our young people hold the power to save their generation from the devastation of drugs. And I believe—with our help—they will do it."

Mr. President, I ask that Ron Shafer's speech be printed in the RECORD.

The speech follows:

KEYNOTE SPEECH OF RONALD G. SHAFER, PRIDE WORLD DRUG CONFERENCE, ORLANDO, FL, APRIL 26, 1990

It is an honor to join you at the PRIDE World Drug Conference here in Orlando. I come from Washington, D.C., a city where there are lots of big shots. But to me, you and all of the young people here are the most important people in the world. This is because you are the leaders in the struggle to rescue our society from this devastating plague that we call drugs.

What is at stake in this battle is nothing less than the futures and the very lives of our young people. I am here because of my son, Ryan, whose 19th birthday was last month.

I have told Ryan's story in the pages of The Wall Street Journal and, more recently, in People Magazine. I'd like to begin by reading from my Journal article of last summer:

"McLean, Virginia: In America's nightmare of drugs, the most tragic victims are our children.

"I know. In this quite, well-to-do-suburb of Washington, D.C., my teen-age son, Ryan, became trapped by drugs at about age 12—while he still was playing Little League baseball. With his sunny smile, big brown eyes and implish wit, he could make you laugh. A voracious collector of baseball cards, he would tell me he could name every batting champion back to the 1960s, 'you know, dad, the ancient days of baseball, when you were still young.'

"Now, his laughter is gone. Because of drugs, he is dead. And every day, my heart breaks a little more."

Drugs were something we never imagined would touch our family back in 1983, when Ryan was 12 and our daughter, Katie, was 10. My wife, Barbara, was constantly involved with both our children's school activities. I coached with most of Ryan's baseball teams, Ryan was growing into a young man who charmed everyone he met with his sense of humor; in the 7th grade, his classmates voted him "Joe Cool."

But he was too cool. Swayed by peer pressure, he began using drugs partly to impress older boys. There was, too, in our community—as in many—an evil force, an older man, in his twenties, who provided drugs to young children in his home.

Young people turn to drugs, too, to deal with pain. Though Ryan was popular, he had low self esteem. He thought the drugs would help. And at first, they made him feel good. He never thought he would become addicted. But when the drugs started hurting, he couldn't stop.

We knew nothing about Ryan's drug use and little about drugs. Eventually, there were signs we missed, or that we ignored because we were in denial. There suddenly were bottles of eye drops around the house. We now know that the eye drops were to hide the red eyes from smoking marijuana. Ryan's moods became changeable and volatile. He began getting calls from new friends who we didn't know and never met.

Finally, when Ryan was 14 and starting high school, we no longer could deny that something was terribly wrong. He began missing and failing classes. We had him tested for drugs, and he turned up positive for marijuana.

At first, we were relieved. After all, it was "only" marijuana. But Ryan was spending hours every single day smoking pot. We soon learned how damaging this so-called harmless drug really is. We discovered that today's marijuana is 10 to 25 times more powerful than the pot of the 1960s. Regular use can damage the health of maturing young people; Ryan suffered short-term memory loss. And if a youngster is using marijuana, he or she is probably using something else.

In Ryan's case—as is typical of young drug users—it was almost everything else. As Ryan's worsening behavior began to tear our family apart, we knew we needed professional help. Just before his 15th birthday, we put him in a six-week, residential treatment program. There we discovered that Ryan's drug use was beyond our worst fears. In addition to marijuana and alcohol, he had tried PCP, mushrooms, peyote, ecstacy and cocaine. But his drug of choice was LSD.

Ryan responded to the treatment. He loved the program, and the counselors were crazy about him. When the program was completed, he enthusiastically went to meetings of Alcoholics Anonymous and Narcotics Anonymous. We began thinking that Ryan had been sick and now he was cured. But drug addiction is a disease. There is no cure. There is recovery, but it is one day at a time.

We put Ryan in a small school and, though he had his ups and downs, by his 16th birthday he was doing great. His funny personality was back, his drug tests were clean and his grades were the best they had ever been. Then, suddenly, the old signs began reappearing. This time we recognized them and put him into an outpatient program. But this time, Ryan didn't respond. We found out that he was seeing the older drug-provider again. And when he turned up positive for marijuana and began talking for the first time of suicide, we put him into a program that also focused on psychological problems.

Once again, he seemed to thrive with treatment. He finally seemed on the road to recovery. When the program was completed, he was accepted at a special-education school in our county. As my wife and I drove home from parents' night at the school on the evening of October 1, 1987, we thought that at last our long nightmare was over. But it was just about to begin.

When we arrived home, Katie ran out to tell us that the police had called to say they had found Ryan's car abandoned. After the most terrible night of our lives, we were able to piece together what had happened:

Ryan had driven his car off a suburban street. It was only a minor accident and he hadn't been injured. But, in a bizarre reaction, he had raced from the car in a panic. He was struck slightly by another car and a passing motorist tried to stop him. But Ryan—suddenly with the strength of 10 men despite his small size and with a wild look in his eyes—broke away. He ran onto a busy freeway and went directly into traffic. He was hit and killed by a van that never stopped. He was 16 years old.

Officially, there was no mention of drugs. But later we confirmed what we had suspected. During that day, Ryan had purchased—and no doubt used—LSD, a drug whose symptoms include an irrational sense of panic. It is also a drug that doesn't show up in most tests. We knew from the first that—one way or another—drugs had stolen our little boy from us forever.

We had a beautiful memorial service that was attended by hundreds of people. Recently, I heard of one friend of Ryan who said she didn't go. Why? Because, she said, the drug use would be covered up. It always was.

But we had decided that we would not hide the involvement of drugs in Ryan's death. In Ryan's suburban treatment programs, we had seen scores of kids with drug problems. And they were good kids from caring families. We had heard of destroyed futures, accidents and teen suicides involving drugs—but drugs were never publicly mentioned. We believe we did everything we could to save Ryan. And we felt we had an obligation to warn other parents not to believe the stereotypes about who uses drugs and where drugs are.

Based on what you read and see in the media, you would think that all drug users are in the inner cities. This is false and dangerously misleading. For one thing, it is a disservice to the majority of inner city youths who don't use drugs. Indeed, they and their families are true heroes who courageously resist drug involvement despite being surrounded by drugs and violence every day. They deserve more help than we are giving them.

The other problem is that the focus on poor people—however well intended—leads people outside the inner city to think, 'well, the drug situation is terrible, but it doesn't affect me.' That view defies logic. Are we really supposed to believe that a drug market estimated at $100 billion a year is being supported by poor people?

What I was trying to say is that drugs can strike a child no matter who they are or where they live. And the life of every child is precious, no matter whether he or she lives in the city, the suburbs or a small town.

Now, it is one thing to speak out locally and another to do it in the nation's largest newspaper and in People magazine. When I wrote my Wall Street Journal article about my son last summer, I wasn't sure if it was the right thing to do.

But the hundreds of responses literally from around the world have convinced me that it was. These continuing responses also have convinced me that it was. These continuing responses also have convinced me that the public is ready to follow your leadership in the battle against drugs.

Many parents said I had told their story. And we need to remember that drugs destroy young lives in many ways. They destroy the futures of promising young people who will never reach their once-bright potentials. And drug-abuse can be a crippling disease. One New Jersey father wrote me: "My only son was also once full of laughter, and then at the age of fourteen he got hooked on LSD and Angel Dust. Unlike Ryan Shafer, he is not dead physically. However, he resides off and on, in a mental institution, never to laugh again. And every day, my heart breaks a little more."

Among the most moving letters have been those from young people who said they were about to use drugs and stopped when they read Ryan's story. How can you not be moved when a recovering young addict writes and says: "Today I came very close to losing my sobriety. And when I read your article, man, did it help."

But most heartening of all have been the responses of young people who, in some small way, may have been influenced never to try drugs in the first place. One 14-year-old boy from Chicago—his name is Luke—wrote in an essay at school.

"After reading this article, I could believe that an average child like Ryan Shafer could be killed by drugs. I couldn't stop thinking how tragic this acutally was. It made me think that this could actually happen to my family or my friend's family.

"Most importantly, I learned how evil drugs were. I admit that I wasn't totally convinced until I read this article. So far drugs have damaged our country pretty badly. We must put a stop to this and take action now. For the sake of Ryan Shafer and the sake of this country's future, we must act fast before it's too late."

My family has come to believe that the only way we can ever win this so-called War on Drugs is through prevention—by drying up the demand for drugs. And it is in the young people of our country that we have found new strength—and in groups such as the hundreds that are represented here today.

My wife and daughter are active in one of those groups: Youth to Youth. Katie is one of those Youth to Youth members who performs in the skits that take the anti-drug message into elementary schools. This is so important because, as you know, the average age of first use among teen drug users is 12 years old, or even younger.

Many more groups are making vital contributions in spreading the message against drug use. We have thrilled to the talented and inspiring singers and dancers of the PRIDE Team of Winchester, Virginia.

My family has been part of the creation of a new movement against substance abuse at Ryan's former school. This school year, students at McLean High School in Virginia began a program called Take a Stand. More than 800 of them signed a pledge not to use drugs and alcohol—and we need to remember that alcohol, including beer, is the No. 1 drug of abuse among teens.

Students who take the pledge became eligible to win scholarships and other prizes. But we have found that this isn't the main incentive. As one young lady said, the appeal is the knowledge that she can look around and see that she isn't some sort of lonely nerd for not wanting to use drugs and alcohol.

It is positive peer pressure at work. It is changing attitudes by showing students they can have fun without drugs and alcohol. Take a Stand sponsored a drug-free New Year's party right at the high school. And it joined with eight other Northern Virginia high schools to sponsor a drug-free party called The American Dance Stand. Profits went to help the boarder babies abandoned by drug-using mothers at the Howard University Hospital in Washington, D.C., and to the Endowment for Community Leadership, a group that helps support positive role models in the inner city.

I like to think that Ryan is contributing to these efforts Indeed, after my Journal story ran last summer, President Bush mentioned it in an inciteful message to more than 30,000 boy scouts. He said: "Ask youself if you know someone like Ryan Shafter. And if so, have you done everything you can to help him or her?"

I know the answer in this group is a resounding yes. I also know that sometimes it can be a little discouraging. You wonder if the message is getting through, is anybody listening? I try to keep in mind a goal that is embodied in the name of a group in my area for at-risk young people. It is called Each One, Reach One. As the name suggests, it means that if you can reach just one person and save one future, then you have given the greatest gift of all: the gift of life.

I know you and the young people here will save many futures and many lives. I wasn't so hopeful a year ago. As I looked around my suburban community, on the issue of drugs I saw apathy, ignorance and denial. I was reminded of the old cartoon character, Pogo, whose most famous line was: "We have met the enemy, and it is us."

In the battle against drugs, I have met the hope of the future. And it is you. It is every young person at this conference. It is young people all over this country—and, indeed, around the world who have decided that they are tired of losing their friends to drugs and alcohol.

I believe our young people hold the power to save their generation from the devastation of drugs. And I believe—with our help—they will do it.●

PATRIOTIC KENTUCKIAN PAMELA MARRELLI HONORS VETERANS WITH "FREEDOM'S WREATH"

● Mr. McCONNELL. Mr. President, I would like to take a moment to draw my colleagues' attention to the patriotism of one of Kentucky's own, Ms. Pamela Marrelli. Ms. Marrelli expresses her support of America and those who have served our country in the Armed Forces through the construction of "Freedom's Wreath." Each part of the wreath has a special meaning, from the golden bows symbolizing the 13 colonies to the U.S. flags representing our Nation's long history of freedom.

According to an article in Inside the Turret, Ms. Marrelli has presented these wreaths to the Commander of Fort Knox and a number of veteran organizations. Mr. President, I think all should take notice of her comments of freedom: "As long as there is 'We the People,' who believe in our flag and 'One Nation Under God,' our freedom will never end."

In order that my colleagues may fully appreciate Ms. Marrelli's efforts, I ask that the complete article on "Freedom's Wreath" appear in the RECORD.

The article follows:

[From Inside the Turret, July 26, 1990]

CIVILIAN HONORS VETS WITH "FREEDOM WREATH"

(By Staff Sgt. Kevin Robinson)

Pamela Marrelli places a high value on patriotism.

To help show it, she created a red, white, and blue wreath that sports two small U.S. flags. She named it Freedom's Wreath. To help share it, she personally took one of her eight patriotic wreaths to Quarters No. 1 and presented it to Maj. Gen. Thomas C. Foley, the Fort Knox commander, and his wife Sandy.

"I just went up to the commanding general's house, knocked on the door, and gave the wreath to his wife," said the 35-year-old Marrelli, an Army civilian who has worked on Fort Knox for 16 years, 11 with DOL Transportation as a freight rate specialist. "I can't believe I had the guts to do that. I said, 'I just want to give Fort Knox something. This is to say thank-you for my freedom,' She was overwhelmed."

The Foleys thought so much of the wreath that it was displayed on the podium where Maj. Gen. Foley spoke from during the Fort Knox July 4th ceremonies.

Other patriotic wreaths were sent to the Veterans of Foreign Wars (VFW) in Vine Grove and to the American Legion in Elizabethtown. Truckers coming in and out of the post DOL Transportation freight section also see a wreath displayed inside the front entrance. And of course, she has the original wreath hanging on her own front door in Vine Grove.

Marrelli said she made the Freedom wreaths to honor the military veterans who have fought and sacrificed their lives for America. Her father served in the Army during WW II, and her uncle fought in the Korean Conflict.

"If it wasn't for the veterans who fought and died, we wouldn't be free. Veterns do so much for the community. I want to give it to all the Kentucky veterans, but it really belongs to all Americans.

"I don't fly the flag at my home, because being a single parent of two kids, I'm not always there to properly put the flag up or take it down. The flag should always be treated with respect and dignity," she added.

"I came up with making a wreath to put on my door so that I can display it all the time."

Each wreath takes about four hours to make, Marrelli said. Every portion of Freedom's Wreath has a special meaning.

A golden bow has 11 loops and two streamers which represent the 13 original colonies. The two U.S. flags symbolize that Americans are still free despite wars and conflicts. The red, white, and blue represent the American colors, and the gold trimming stands for the nation's prosperity through "We the People."

"The circle itself never ends," Marrelli said. "As long as there is 'We the People,' who believe in our flag and 'One Nation Under God,' our freedom will never end. It was realy an emotional experience making this wreath."

Marrelli's supervisor, Sue Saelen said that the wreath receives nothing but praise from people who see it, especially the 30 or so truckers who come through the freight section everyday.

"I think it's a shame that everybody can't be that patriotic and love their country the way she does." Saelen said. "I love that wreath."

Marrelli is uncertain about how many more of the wreaths she'll make, but there is one special wreath she would make and deliver in an instant.

"I'd like the honor of actually giving a Freedom's Wreath to the President of the United States," she said. "Wouldn't that be something?"●

DADE COUNTY PUBLIC SCHOOLS GIVE SPECIAL AWARD TO AARP

● Mr. GRAHAM. Mr. President, the value and worth of the Senior Community Service Employment Program [SCSEP]—title V of the Older Americans Act—has been demonstrated repeatedly over the years.

Title V has helped numerous low-income elderly persons become self-sufficient, while providing diversified and vital services to local communities.

The American Association of Retired Persons [AARP] has been one of the leading sponsors of senior community service employment projects throughout our Nation, especially in my home State of Florida. Currently, AARP operates SCSEP's in 33 States and Puerto Rico.

AARP's SCSEP's have won commendations throughout our Nation, particularly in the areas of unsubsidized placements and valuable services provided to the communities.

Recently, the department of community participation within the Dade County public schools gave special recognition to the AARP SCSEP outstanding contributions in providing a wide range of services to assist the school system. Title V participants provided bookkeeping services, performed clerical tasks, and discharged many other day-to-day duties to enable the school system to serve Dade County more effectively.

Mr. President, I commend AARP's SCSEP for its exceptional work in Dade County, and wish the title V participants well in the future.●

COSPONSORSHIP OF S. 2797, THE EMPLOYER SANCTIONS REPEAL ACT

● Mr. DOMENICI. Mr. President, I rise to cosponsor S. 2797, the Employer Sanctions Repeal Act. This bill would repeal the employer sanctions provisions of the 1986 Immigration Act.

Four years ago the Congress enacted the Immigration Control and Reform Act. A major component of the act was the institution of penalties for individuals who hire illegal aliens. These penalties, called "employer sanctions," made it a crime for any person knowingly to hire an alien not authorized to work in the United States.

The act imposed burdensome requirement on employers. Employers must require all new hires to provide documents demonstrating that they may legally work in the United States. Employers must scrutinize these documents and determine whether they are one of the 17 types of approved verification documents. They also must keep detailed records on the documents supplied by their employees.

The act punishes employers who fail to meet these requirements with fines of up to $10,000 per illegal worker and jail sentences of up to 6 months.

Mr. President, I did not support the Immigration Reform and Control Act of 1986. One of my main reasons for opposing the act was the employer sanctions provisions, as I was concerned that the employer sanctions provisions would lead to increased discrimination against Hispanics.

I also thought that it was improper for the Federal Government to place employers in a position where they had to enforce the immigration laws of the country.

In addition, I believed that the act would have a devastating effect on the agricultural interests in this country because it failed to assure an adequate supply of workers at harvest time.

Finally, it was clear that the act would not halt the flow of illegal immigration to the United States because it did not address the cause of illegal immigration: the lack of adequate jobs in the developing countries of the world.

I am not in the habit of saying "I told you so," but events since the bill became law have demonstrated the validity of my concerns.

A recently completed report by the General Accounting Office found that the employer sanction provisions of the Immigration Reform and Control Act of 1986 have led to a widespread and serious pattern of discrimination against Hispanics and other minorities.

The GAO found that, as a result of the act, 19 percent of employers began to discriminate against job applicants on the basis of their national origin or citizenship.

The GAO found that Hispanics have been particularly signled out for discrimination because of the act. In a test where two individuals, one a non-foreign-appearing Anglo and the other a foreign-appearing, foreign-sounding Hispanic, were sent to apply for the same job, GAO found that the Hispanic individual was 3 times more likely to encounter discrimination. The GAO believes this higher level of discrimination resulted, at least in part, from the 1986 Immigration Act.

Because of this discrimination, untold thousands of Americans of Hispanic heritage have been denied that most basic of civil rights—the right to earn a living.

In addition, the act has been unduly burdensome on American business. It is estimated that the cost to American business of complying with the 1986 Immigration Act is as much as $675 million. Much of this burden falls on small businesses.

The future of some agricultural interests are threatened by the act because the seasonal agricultural worker provisions inserted in the law to compensate for the employer sanctions fail to work for them.

For instance, despite an organized recruitment program, the chile industry in New Mexico was unable to employ an adequate number of workers to harvest the chile crop last year. Approximately half the chile growers in New Mexico suffered losses last year because of the labor shortage. The total value of these losses is estimated to be $2.4 million. Losses are expected to be even greater this year.

The act has not even accomplished its main purpose of halting the flow of illegal aliens across our borders. Even if the employer sanctions had halted illegal immigration into the United States, the cost in terms of increased discrimination against American citizens and legal residents would still have been unacceptable.

Frankly, Mr. President, the employer sanctions provisions of the Immigration Reform and Control Act of 1986 have been a failure. They have led to increased discrimination against Americans of Hispanic descent and other minorities and have imposed an incredible burden on American business, particularly agricultural enterprises.

The Congress ought to own up to the fact that the employer sanctions provisions were a mistake and repeal them.

The bill that I am cosponsoring would do just that. This effort is long overdue and I hope that Congress will act expeditiously to remove this unfair law from the books.●

LITERATE AT LAST

● Mr. SIMON. Mr. President, recently, the Atlantic Monthly magazine had an article titled "Literate at Last" about Mississippi.

It is a great tribute to Gov. Ray Mabus of Mississippi and to his predecessor, Gov. William Winter. It is also a call to a need that exists in all of our States, even though, in statistical terms, Mississippi may be a little worse than the other States.

It also suggests that we have to make a much higher priority out of education in this Nation generally.

Also, it suggests that simplistic answers, like getting enough volunteers will suddenly eliminate the illiteracy problem, are simply not realistic.

Volunteers who perform the valuable service of tutoring need to be encouraged, and we can do much better than we are with volunteers. But the article points out the fact that, "The highest illiteracy rates often occur where the fewest volunteers are available."

The final words of the article are from former Gov. William Winter:

> We cannot just isolate sections of the country like the Mississippi Delta and leave them to their own devices. We don't live in separate enclaves. Unless we have a national commitment to sustain an adequate standard of education, health care, and child welfare, the level of performance of the country as a whole ultimately suffers.

I urge my colleagues to read the article written by Jonathan Maslow. I ask to insert the article into the RECORD at this point.

The article follows:

[From the Atlantic Monthly, August 1990]

LITERATE AT LAST

In the little brick town hall in Bolton, Mississippi, a dignified elderly black man in wire-rim spectacles, denim overalls, and

bright-red basketball sneakers sat curled in concentration over a booklet of fifth-grade math problems. While the sunset reddened the horizon and the town's ancient cotton gin clattered through the twilight, Bryant Mack, Jr., age sixty-two, was finally learning to read and write and do arithmetic.

"See, my daddy didn't have no learning," he said shyly. "He didn't think it was important. I was one of the twelve children. We all had to work in the cotton fields. Only time we went to school was when it rained. There were no real schools for black kids back then, anyway. Truth is, I didn't have a childhood. I know I'm not alone in that."

Not by a long shot. By now the figures are familiar; there are said to be 20 million to 40 million adults nationwide who cannot read and write and add well enough to perform ordinary tasks like passing a driver's-license test, reading a warning label on a medicine bottle, and—Bryant Mack's goal—balancing a checkbook. What is not so well known is that a disproportionate number of America's functional illiterates, black and white, live in the South, where their economic situation is deteriorating rapidly. In Alabama, Florida, Georgia, Mississippi, and the Carolinas the average earnings of male high school dropouts aged twenty to thirty-four plummeted 35.5 percent from 1973 to 1985.

Cotton hasn't been king for several generations, and the days when southern states could attract sweatshop industries with cheap wages, strong backs, and low taxes are over. Employment in the textile and apparel-manufacturing industries has dropped because of automation and competition from low-wage labor in Third World countries. The road to economic growth nowadays is paved with a high level of reading comprehension and sophisticated technical skills.

In the era of the information economy and flexible production, the old Dixie politics of exclusion—keeping blacks uneducated and poor whites ignorant—seem as irrelevant as Stalinist dogma must now seem in the Soviet Union. Mississippi's young governor, Ray Mabus, a Democrat who is believed to have been elected with 90 percent of Mississippi's black vote, has arrived at a difficult crossroads, where the utilitarian needs of industry for skilled labor intersect the legacy of segregation: illiteracy, poverty, and despair. How well Mabus and other politicians negotiate that intersection could determine whether the Democratic Party has a chance of winning back the once solidly Democratic South—or whether the Republicans can win the black votes they seek by recognizing a human issue that has a relatively small price tag and big potential in terms of its economic multiplier effect.

Mississippi under the Mabus administration has launched the most ambitious initiative in the nation to combat adult illiteracy. Having come through in 1988 on his campaign promise to give teachers their biggest pay raise in the state's history, Governor Mabus and his wife, Julie, a former high school math teacher who tirelessly preaches the new gospel of education for economic development, have vowed that nine out of ten Mississippians will be functionally literate by the year 2000, a monumental task that amounts to a holy war on illiteracy. Mabus has staked his political future on a comprehensive education-reform program, including a proposed $13.5 million worth of new state funds to be earmarked for adult-literacy programs over the next three years.

When education fervor swept the United States after Russia's launching of Sputnik, the deep South was preoccupied with school desegregation and the civil-rights movement. The Mississippi legislature repealed legislation that made schooling compulsory, and encouraged white flight from the public schools by allowing the schools to deteriorate. By 1982, when Governor William Winter finally got an education-reform law through the Mississippi legislature, on his third try (the law made school attendance mandatory to age sixteen and established kindergartens statewide for the first time), the Mississippi school system was a wreck. Each year approximately 6,000 children didn't even start school. The state's high school students had among the lowest achievement-test scores and among the highest dropout rates in the country. But it wasn't only support for integrated education that was lacking. "The ideal of universal education was itself absent in Mississippi," Winter, now a lawyer in Jackson, the state capital, told me recently.

The anti-intellectualism of the rural South often attached more importance to football and cheerleading than to learning to read local authors like Eudora Welty and William Faulkner. Some fathers quit their jobs, and sons left school, on the first day of hunting season; a vestigial frontier mentality held that "too much book larnin' ruins your shootin' eye." And it is often said in Bible Belt churches that "Satan can quote Scripture"—even if the deacons can't. In Mississippi 714,000 adults—46 percent of the state's adult population—lack high school diplomas. Roughly 400,000 adult Mississippians have less than nine years of schooling, a level that is often used as a definition of functional illiteracy.

Certainly this definition makes for a conservative estimate of illiteracy, given that Mississippi high schools share the national tendency to graduate anyone who occupies a desk long enough. "I went through twelve years of school and two years of community college without ever learning to read, and passed with flying colors," Treaise Williams, a twenty-five-year-old woman in Jackson, told me. "I found out early that if I was always the teacher's pet, they wouldn't fail me. I always listened real good to what the teachers said. When you can't read, you figure out all kinds of ways round your handicap. A lot of times illiterates are intelligent, but they been made to feel dumb."

Williams was spunky enough to find her way to a program in "life coping skills," where she works one night a week developing the reading skills she will need to pass a cosmetology licensing exam, her hope for economic improvement. But such success stories are rare. For the vast majority of miseducated adults, made to "feel dumb" all their lives and to hide their shameful "handicap," adult-literacy programs up till now have also been failures.

In the South such programs reach only about one in thirty of the undereducated population. A recent study by the Sunbelt Institute, a think tank convened by southern congressmen and governors, concluded that the federal Adult Education Act of 1966, which makes block grants for state literacy endeavors, "has never been funded at a level sufficient to provide much more than a token response to the nation's literacy needs." New federal literacy legislation, introduced by Senator Paul Simon, of Illinois, and Representative Thomas Sawyer, of Ohio, has thus far failed to win support from the Bush Administration.

Once federal funding trickles through state bureaucracies to the local level, it usually disappears into programs that have never been made to develop standards or evaluate results. Few programs, for example, take account of what motivates illiterate adults to enroll in the first place, although countries like Brazil and Nicaragua have been most successful in cutting their illiteracy rates by relying on the educator Paulo Freire's method of teaching reading with that the nonreaders actually want to be able to understand—such as a tractor manual for a farmer. Even fewer American literacy programs address the shame, sense of failure, and everyday problems that most poor nonreaders must overcome before obtaining help. Elloris Cooper, the supervisor of adult reading programs for Mississippi's Hinds Community College, says, "There's a whole consellation of things poor people face that make potential adult learners hard to reach, hard to recruit, and even harder to keep in programs, beginning with transportation to classes and child care for young mothers."

Nationwide more than half the adults who enter literacy-training programs simply abandon the effort after a few sessions of instruction, without having improved their reading skills. In Mississippi only 10 percent of adults stay with literacy classes long enough to complete two workbooks of the standard Laubach method of reading. This brings them, at best, to a fourth-grade reading level after a hundred hours of classes, at a typical cost of $3,500 per student.

In rural areas the difficulty of reaching and keeping students is compounded by the problem of finding competent tutors. The much-publicized effort of Barbara Bush to enlist volunteer literacy teachers ignores the facts that the highest illiteracy rates often occur where the fewest volunteers are available, and that little national effort has been made either to mobilize young people in a literacy corps or to professionalize the teaching of adults to read. "In one community we service, only six percent of the population have graduated from high school," says Betty Jo Dulaney, the literacy coordinator in Tunica county. The county is Mississippi's poorest; more than half the population there lives below the poverty line. "There's no industry here, so anyone with job skills or gumption takes the first bus out. Now, where am I supposed to find reading tutors?"

Nonreaders are ineligible to enter most job-training programs. For many, then, succeeding in an adult-literacy class is the last chance to lead a productive life. Isiah Charleston is an electric-utility technician who has been active in literacy and community-development projects for the past fifteen years in the backwoods of Warren County, outside Vicksburg. Ride the dirt roads with him and you descend into a social maelstrom, where teenage pregnancies, incest, and alcoholism are common, and apathy has become a way of life. Charleston fights back tears when he assesses the lost generation of rural black youth which has followed formal desegregation. "After having dropped out of school in the eighth or ninth grade, our young people get into a pattern of quitting," he told me. "They quit school, they quit jobs, they quit literacy programs—finally they just quit trying to improve themselves altogether. They lack what my teachers used to call stick-to-itiveness. Only way Mississippi's going to get up off the bottom is if we give these kids something to stay in school for, something to work toward in their lives."

Mississippi's literacy initiative focuses on the concept of context. "First we are looking at the whole system of literacy programs and making fundamental structural changes," Julie Mabus told me in an interview at the governor's mansion. "The old way of teaching adults to read—in a vacuum, without taking into account their own immediate hopes and aims—is just no good."

To direct the program overhaul, the Mabus administration created a new Office for Literacy and chose a nationally recognized literacy expert, Karl Haigler, the head of the Adult Literacy Initiative at the U.S. Department of Education, to run it. Haigler had worked under William Bennett to cowrite the federal manual on designing effective work-force literacy programs whose curricula are based on specific job contexts and the real-life needs of workers. Haigler's arrival in Mississippi, in 1988, presaged a wholesale redirection of the state's effort. The state intends to concentrate on parents and adults needing job-related basic-skills training. It also intends to enlist the business community as the political backbone of a long-term, high-profile literacy campaign.

"We're getting rid of the 'grade-level' thinking that says a person is literate when he or she obtains a high-school-equivalency diploma," Haigler told me. "Literacy is better defined as a continuum of skills, ranging from simple decording of written matter to high levels of critical thinking and problem-solving. Programs need to be redesigned to meet a whole array of actual social needs, from the assembly-line worker who needs to read charts and manuals to the person whose greatest desire is to read her Bible."

Thus an innovative mobile unit, mounted on a tractor trailer donated by the Frito-Lay Company and outfitted with computers and educational soft-ware under various grants, was dispatched to Iuka, in the northeast corner of the state. The town had an unemployment rate of 23 percent. Construction started this spring on a NASA plant in Iuka that will manufacturer rockets for the space shuttle. The idea is to provide on-site, job-specific, walk-in reading help to those applying for the 1,800 construction jobs. The state plans to have additional mobile units available for short-term spot literacy missions in a few years. Also, the Office for Literacy has been instrumental in making available to businesses and communities "literacy audits," to assess their particular reading needs, and suggesting local resources available to meet them, such as a nearby community college or military base.

In order for literacy programs to qualify for a portion of the $2 million in federal funds that Governor Mabus set aside last year for adult literacy training, they must develop an individual education plan for every learner. The plans—an innovation in literacy work borrowed from the special-education field—are designed by students together with their tutors, and are meant to ensure a high level of student commitment by tailoring the curriculum to the student's goals. Now, for example, the teenage mother who hopes to break a generational cycle of ignorance by learning to read stories to her child won't find herself in a literacy class struggling through a ninth-grade social-studies textbook.

Such reforms make the state's literacy programs more effective and accountable, Haigler argues, without bureaucratization. "We're looking for diversity and local initiative to drive this campaign forward," he told me. "We're not going to have the bureaucrats come in and dictate literacy policy."

Another area in which Mississippi is breaking ground is in the use of computer technology to teach reading. After an initial flurry of interest from soft-ware developers when the national literacy crisis hit the headlines, the industry turned hesitant in the face of a flat, small, and penniless market for literacy programming. Nevertheless, Julie Mabus looked at the small pool of volunteer tutors available in Mississippi and decided that one-on-one volunteer tutoring alone would not solve the problem.

The emphasis on technology has helped rally the Mississippi business community behind the Mabus initiative, and a variety of high-tech literacy-training programs have been launched. In a joint venture with Peavey Electronics, one of the state's largest manufacturers, Mississippi became one of the first states to use a civilian version of the Army's computer-based Job Skills Education Program, used to train military recruits.

Although the emphasis on high technology has drawn attention from foundations and industry, and brought new outside funding to Mississippi, it has some literary activists worried. Liberals are worried that narrowly focused, business-oriented reading instruction will fail to achieve literary's primary civic mission of preparing underprivileged citizens to participate in the democratic process. Other critics simply think that the pressure to be technologically innovative is warping priorities. "You can't bring down the thunder every time you write a funding proposal," says Ronnie Blackwell, who heads the Hattiesburg Education Literacy Project. "We don't need fantastic new software, we need okay software that illiterates can actually use. With all the talk about literacy technology and the funding for it, the grass-roots programs where people actually learn to read are really suffering. Our staff—the people who do the one-on-one teaching—haven't been paid in six weeks. We need long-term funding or we're all going to sink."

In the event, Mississippi's illiteracy problem is likely to get worse in the short run. And literacy trainers admit that even with all the effort and funding the state is marshaling for its initiative they are barely scratching the surface of the problem. Children, they point out, are quitting school every day. If the state is to make progress against illiteracy, it must stem the tide of school dropouts and teenage pregnancies. Thirty percent of the babies born in the Delta are born to teenage mothers.

Perhaps the most significant initiative is Governor Mabus's attempt to prevent teenagers from dropping out. Mabus has proposed to cut the school-dropout rate in half by providing schools with funds to identify youths at risk of dropping out and to design alternative programs that will keep them in school. The governor has also called for a new "family literacy" program, modeled on the award-winning Kenan Family Literacy Project, in Kentucky, and others. In these programs young welfare mothers can obtain reading help together with their preschool offspring. Mississippi's new programs, however, are to be paid for by Governor Mabus's education-reform package, which has been threatened in the legislature for reasons related to funding, as the "read my lips, no new taxes" mentality takes hold at the state level.

The literacy initiative is bringing Mississippi unaccustomed positive national prominence. The program reforms and technological innovations will be studied as models and inspiration elsewhere. Yet the odds may be against the Mabuses in their war on illiteracy. Their commitment may not be sufficient to make up for years of purposeful educational neglect, and few states, let alone the poorest in the nation, have the resources to reverse the trends of illiteracy and underdevelopment. "There is a national interest involved here," William Winter, the former governor, told me. "We cannot just isolate sections of the country like the Mississippi Delta and leave them to their own devices. We don't live in separate enclaves. Unless we have a national commitment to sustain an adequate standard of education, health care, and child welfare, the level of performance of the country as a whole ultimately suffers."—Jonathan Maslow.●

S. 648, THE MARKET REFORM ACT

● Mr. GARN. Mr. President, our Nation's capital markets have long been considered the most stable, fair and efficient markets in the world. They have provided a haven for investor's savings and a mechanism for American business to raise vital growth capital. They are a credit to the workings of the free enterprise system. In fact, I would note that the Securities and Exchange Commission has recently established an emerging markets task force to assist the newly democraticized countries of Eastern Europe in their efforts to create securities markets modeled on our own as they strive to implement free market economies.

However, events in the marketplace during the past 3 years, particularly the October 1987 and 1989 market crashes, have led some doomsayers to suggest that our markets are seriously, if not fatally, flawed and that we must fundamentally alter the way our markets operate. I reject this notion. I believe our markets continue to be stable and sound. As I stated after the October 1987 crash, and on numerous occasions since then, sweeping reform of the basic structure of our markets is unnecessary and may in fact be counterproductive. In fact the October 1987 crash unequivocally demonstrated the amazing resiliency of our capital markets. They not only survived that turbulent period but until the recent crisis in the gulf had reached new highs.

This is not to say, however, that there are no steps we can take to improve the efficient functioning of our capital markets, especially in an environment of rapid change. In particular, I believe it is crucial that we ensure that our financial regulators have the capability to carry out their statutory mandate of providing for a safe and stable financial system.

As ranking member of the committee with jurisdiction over these issues, I am particularly pleased that the Senate was able to pass an important piece of legislation just prior to the

August recess, the Market Reform Act, which will assist in accomplishing these goals. It provides the Securities and Exchange Commission with the tools necessary to enable it to better monitor the operation of our securities markets during periods of extraordinary volatility.

This legislation was originally reported out of the Banking Committee last fall and has the strong support of the committee, the administration, and the securities industry generally.

Many Members of this body have long been paying lipservice to the need to enact legislation to help restore stability to the markets and instill investor confidence in their operation. Now, we have had the opportunity to put those words into action. I would note that the House has recently passed similar legislation so I hope that we will proceed to enacting these market reform measures before the end of the 101st Congress.

The legislation has five substantive sections which would: (1) Clarify the SEC's authority to take emergency action during periods of market crises; (2) enable the SEC to monitor the activity of large traders in the securities markets; (3) enable the SEC to assess the financial integrity of broker-dealers and major market participants; (4) facilitate the strengthening of the system for clearance and settlement of securities, options and futures; and (5) provide for greater interagency and intermarket coordination on an on-going basis. I expect that the SEC will utilize these newly authorized powers judiciously and in keeping with their traditional mandate of protecting investors, while at the same time enhancing the efficient and effective operation of the markets.

These changes will not result in a market free from risk, nor ensure that there will never again be a sharp decline in market prices. We cannot, and should not, legislate against market declines. We should, however, strive to ensure that market movements are not driven by manipulative activity, and that during periods of market volatility, our regulators have the basic information necessary to act in a prudent and responsible manner. The Market Reform Act will help us to meet these goals and restore investor confidence in the marketplace.●

LITTLE ARLINGTON, ELKINS, WV

● Mr. ROCKEFELLER. Mr. President, as a member of the Senate Committee on Veterans' Affairs, I am always grateful when our veterans are remembered with honor and respect. It especially pleases me when people work together at the community level to honor our veterans. I am proud to say that this is common in West Virginia.

Little Arlington, a veterans' cemetery near Elkins, WV, is the result of a community dedicated to honoring their veterans—a community that realizes the importance of making sure veterans' needs are met.

In 1935, Elkins florist H.L. Johnson donated 22 acres of land to establish Little Arlington after his employee, World War I veteran Charles Perkey, died. At that time there was no veterans' cemetery near Elkins. Members of American Legion Post 29 of Elkins agreed to establish and maintain the donated 22 acres. Hollis Cooper, once a post commander and member of the post's Board of Directors, helped set up a $50,000 trust fund to pay for cemetery maintenance. Thus, the Nation's first privately owned veterans' cemetery was established. Charles Perkey became the first veteran to be buried in Little Arlington.

Today, Little Arlington prospers with a groundskeeper overseeing the 600 graves. The picturesque hillside cemetery is reserved for veterans and their immediate families, and is said to be one of the most well-kept and attractive cemeteries in the area. Little Arlington not only acts as a resting place for those who so nobly served our country, it also holds important historic significance as it is the only cemetery of its sort in the United States.

Many people deserve thanks for making this veterans' cemetery possible. H.L. Johnson provided an incredible service by donating the land, and Hollis Cooper's grant also helped greatly. The Elkins legionnaires also deserve recognition for their help and support, and I thank the many others who have contributed to making the cemetery a success.

West Virginians have good reason to be active in remembering veterans. West Virginia is home to 213,600 veterans, more than 60,000 whom are 65 or older. Of these veterans, 4,000 are Purple Heart recipients, 800 are exprisoners of war, and 100 are Pearl Harbor survivors. Unfortunately, financial cutbacks have made keeping West Virginia's veterans' centers and hospitals open a struggle. It is imperative that they remain open. In these times of economic strife, it is difficult to adequately finance veterans' hospitals and centers, but we must fight to keep them alive. Our veterans have fought for us. Now it is our turn to fight for them.

Having been to Little Arlington myself, I truly admire the community dedication that has made this cemetery a beautiful burial place, and I believe that it can be an inspiration to us all. The fine people at Little Arlington help to teach us to respect and honor our veterans' hospitals and veterans' centers so that those who have served our country in war may receive the best possible care.

Little Arlington Cemetery will always be a great source of pride to West Virginia and her people.●

LIBERAL INTERNATIONALISM

● Mr. SIMON. Mr. President, Richard Gardner is a professor of law and international organization at Columbia University and was our Ambassador to Italy some years ago.

He has been a scholar who has stimulated thinking on a variety of issues.

What he has suggested in a recent article in the Washington Quarterly is that greater cooperation between nations is now possible, as it has not been for a long time.

No one can question that basic thesis.

I might have refrained from the use of the word "liberal" in this particular article but for the way he has defined it here. The article has much to say to all of us today in the world that is dramatically changing.

I urge my colleagues to read the article, and I ask to place it in the RECORD at this point.

The article follows:

[From the Washington Quarterly, Summer 1990]

THE COMEBACK OF LIBERAL INTERNATIONALISM

(By Richard N. Gardner)

The collapse of the Soviet empire in Eastern Europe and the dramatic changes now underway in the Soviet Union have opened up yet another debate on the basic philosophy that should guide U.S. foreign policy. For some, the answer will be a new isolationism—a "come home America" to focus on neglected economic and social problems. For others, it will be a new nationalism, a unilateral global exercise of U.S. power now that the Soviet Union seems too weak and self-preoccupied to stand in the way of the United States. The thesis of this essay, however, is that the extraordinary events of the last year should encourage Americans to return to the foreign policy philosophy that guided this country from the onset of World War II to the tragic involvement in Vietnam. It is the only foreign policy philosophy that will enable the United States to cope with the challenges and opportunities in the new era in which it suddenly finds itself. That philosophy is best described by a phrase that is now unfashionable and even repugnant in some quarters, but let us give it its proper name: liberal internationalism.

One should begin by defining the "L word." Liberal internationalism is the intellectual and political tradition that believes in the necessity of leadership by liberal democracies in the construction of a peaceful world order through multilateral cooperation and effective international organizations. In the period during and immediately after World War II, this meant first and foremost U.S. leadership. It still does, although now with a much greater sharing of costs and decision making with new power centers in Europe, Asia, and the developing world.

The historic point of reference for someone like myself is the era of Presidents Franklin D. Roosevelt and Harry S.

Truman, when my generation came of age politically, and when this country led in the creation of a network of international organizations to promote collective security, economic welfare, and human rights. These organizations include, to mention only the most important, the United Nations (UN), the North Atlantic Treaty Organization (NATO), the Organization of American States (OAS), the World Bank, the International Monetary Fund (IMF), and the General Agreement on Tariffs and Trade (GATT). These organizations will be even more important in the future than they were in the past and will need to be supplemented by at least one new organization—a pan-European institution built on the foundations of the Conference on Security and Cooperation in Europe (CSCE) that monitors progress under the Helsinki accords.

To someone of a centrist foreign policy persuation, such as this writer, liberal internationalism always has been based on realism as well as idealism, on balance of power politics as well as world order politics. President Roosevelt had first to lead the United Nations to victory in the war against the Axis powers before he could found a global peace organization of the same name. President Truman found it necessary to create a NATO to contain Communist aggression even as he launched the Marshall Plan and the Point Four Program.

THE L WORD MYTH

Contrary to what is often asserted by its critics, liberal internationalism has never meant utopian universalism. The early postwar presidents were willing to act regionally or unilaterally when global action was impractical. However, when acting outside the UN, they generally sought to act "inside the Charter," in Senator Arthur Vandenberg's felicitous phrase—that is, in conformity with Charter standards for regional action or individual and collective self-defense. Nor has liberal internationalism ever meant, as some have argued, an open-ended commitment to contain communism or fight for human rights in every part of the world, regardless of risks, and no such commitment was intended by the often-quoted "pay any price, bear any burden" rhetoric of the inaugural address of President John F. Kennedy. To make a commitment to the "survival and success of freedom" in the world, as Kennedy did, does not require mindless intervention everywhere. On the contrary, it requires the prudent and selective exercise of military and economic power where the benefits outweigh the costs. The Vietnam disaster was not the result of liberal ideology, but of a profound failure of judgment about Vietnamese realities and the futility, as Paul Nitze put it, of "trying to prop up a corpse."

The enemies of liberal internationalism have been those on the right who understand only balance of power politics and those on the left who understand only world order politics, when in fact both have been needed in the last 50 years in order to safeguard U.S. interests and defend freedom in the world. This will continue to be true in future years, even if, as this essay suggests will be the case, security threats from the Third World will take precedence over the threat from the Soviet Union. Still, it will be the world order side of liberal internationalism that will be required increasingly as the United States confronts the challenges and opportunities of the years ahead.

Let us be clear at the outset that a commitment to multilateralism should not be an excuse for isolationism or an abdication of U.S. responsibility. Where multilateral solutions cannot be found, other options must be considered. This is already done in trade policy, where the United States makes some agreements with all GATT members, some agreements with those members willing to undertake a higher level of obligation in new GATT codes, still other agreements in the form of free trade agreements with countries like Canada and Israel and, very exceptionally, where it uses the threat or application of unilateral trade restrictions to counter unfair trade practices, as under the "Super 301" authority of the 1988 Trade Act.

In the area of security, UN peacekeeping operations often will serve U.S. interests, but, for the foreseeable future, the United States will have to reserve the option of acting outside the UN together with its allies or even alone where UN action is impractical and freedom and security are at stake. Thus, the sending of U.S. and allied warships to the Persian Gulf was a justifiable action, as was the bombing of Tripoli in response to Libyan terrorism. When acting outside the UN, as noted earlier, the United States also should try to act "inside the Charter," conforming its behavior to internationally accepted principles interpreted in a way that the United States would be prepared to live with in future circumstances. The national foreign policy debate of the United States should not focus on the choice between balance of power politics and world order politics, but rather on how the two can be reconciled and harmonized in the complex circumstances that face policymakers in the real world.

How far the United States has strayed from this kind of discussion can be seen from the debates over two recent publishing events that have agitated the foreign policy community. Consider first Francis Fukuyama's article, "The End of History" and the debate it stimulated in the National Interest. Fukuyama began his article by equating the collapse of communism with "the universalization of Western liberal democracy as the final form of human government"—an outcome devoutly to be wished but hardly to be taken for granted in a world where repressive and authoritarian non-Communist regimes still hold sway over a large proportion of mankind. He claimed that the end of the ideological struggle between capitalism and communism would mean the "end of history" and usher in "a very sad time." The Cold War, he wrote with some nostalgia, had called forth "daring, courage, imagination and idealism." Now, with the death of communism, the United States faces only "centuries of boredom." [1]

That a senior official responsible for policy planning in the State Department could consider boring the prospect of a world of proliferating high tech weapons, smouldering ethnic and national conflicts, and population and environmental trends that call into question humanity's very capacity to survive on this planet, is, to say the least, disquieting. No less disquieting is the fact tht neither Fukuyama nor any of the distinguished persons who commented on his article in the National Interest considered that the same "daring, courage, imagination, and idealism" that went into the Cold War might be needed in equal measure for the building of an effective system of international cooperation to keep the peace, defend freedom, and assure human survival in the post-Cold War era.

Another example of how far the intellectual climate has strayed from the postwar traditions of liberal internationalism may be found in the debate over Paul Kennedy's "The Rise and Fall of the Great Powers".[2] Kennedy brilliantly described how dominant powers, such as Spain in the sixteenth century, France in the eighteenth century, and Great Britain in the nineteenth century, all lost preeminence because their political and military commitments outran their technological and economic capacities. The book can be read as a useful warning that the United States must not continue to neglect, as it clearly has in recent years, the technological and economic foundations of its national strength. Unfortunately, much of the debate on the book has centered on the supposed inevitability of the decline of the United States as a result of so-called imperial overstretch and on the question of which power—Japan, a unifying Europe, or whoever—might now replace the United States as global number one.

As Joseph Nye has pointed out, however, the prospect that the United States faces in the real world is one of power diffusion rather than hegemonic transition.[3] The United States has the resources to play a world role and at the same time deal with its domestic problems. Moreover, there is no challenger around to supplant it as a world power when one looks at military, economic, and cultural factors in combination. Yet, the United States obviously will not be the hegemonic power in the twenty-first century that it was for much of the twentieth century. Therefore, the answer to the question of "who will be in charge of the twenty-first century" will be, as Harlan Cleveland once put it, that "nobody will be in charge." It is precisely because the United States faces a world in which nobody is in charge that it needs better international institutions for shared decision making and shared responsibility.

A NEW SOVIET UNION, A NEW EUROPE

How would a foreign policy guided by liberal internationalism respond to the opportunities and challenges that this country faces in the 1990s? Let us begin with relations with the new Soviet Union and the new Europe.

Mikhail Gorbachev's radical changes in the domestic political and economic order of the Soviet Union, if they can be carried through successfully, will make that country (or what is left of it after the possible secession of the Baltic states and other republics) a better place for the Russian people to live in and a less threatening and more cooperative country for free nations to work with. Perhaps less well understood are all the implications of his new thinking *(novoe myshlenie)* in the field of foreign affairs. He has set aside the Marxist-Leninist doctrine of international class warfare and replaced it with the Western and even bourgeois concept of the promotion of common interests and common human values. He has committed his country to respect the principle of free choice of political systems and nonintervention in the internal affairs of other countries. His willingness to stand aside and permit the collapse of Communist regimes in Eastern Europe should convince even the most skeptical that these expressions of new thinking are not just propaganda to lull gullible people in the West.

There is equal reason to take Gorbachev and his senior officials seriously when they

[1] Footnotes at end of article.

call for the strengthening of the UN, the subordination of foreign policies to the international rule of law, and the entry of the Soviet Union into world economic organizations. Listening to Soviet speeches at the last two UN General Assemblies, in the words of one U.S. observer, has been like "hearing Adlai Stevenson in Russian translation." Does this mean that the concept of a cooperative world order launched by Roosevelt and embodied in the UN Charter is now, after 45 years of Soviet aggression and obstructionism, once again a realistic possibility? How should the United States respond?

To begin with, the United States should not lose the careful equilibrium between balance of power politics and world order politics that has brought it this far. Just as the Republican and Democratic Parties both can take credit for the policy of containment and the birth of NATO, so both can take credit for the modernization of the strategic deterrent, the deployment of the Pershing and cruise missiles in Europe, and the successful military aid to the Afghan resistance that forced Soviet withdrawal from Afghanistan. These three policies—courageously supported by both Presidents Jimmy Carter and Ronald Reagan—demonstrated to Gorbachev and the Soviet leadership that the West would resist Soviet aggression and intimidation and that the Soviet economy could not match Western military efforts.

As the United States fashions its policy toward the new Europe, the balance of power element in liberal internationalism will be needed in the future as it has in the past. Despite the demise of the Warsaw Pact, NATO and the presence of U.S. air, sea, and ground forces in Europe will be needed for the foreseeable future for at least three reasons. The first reason is to provide an insurance policy against a return of the Soviet Union to aggressive policies, a perhaps remote but still conceivable contingency if Gorbachev were succeeded by an orthodox Comunist or a Russian nationalist-chauvinist. The second reason is to keep the formidable military potential of a united Germany locked into NATO's integrated military structure. The third reason is to provide a military capability against security threats to the NATO nations and their Middle East allies from countries such as Libya, Syria, Iraq, and Iran. The administration of George Bush has been right to emphasize the continued importance of NATO's military as well as political role, but it will have a formidable job of education to perform on this point with both U.S. and European public opinion in the months ahead.

If balance of power politics still will be necessary, it is in the new possibilities for world order politics that liberal internationalism finally can come into its own. Both the Soviet Union and the United States now perceive a common interest in working through the UN to avert or contain conflicts in the Third World that might otherwise provide occasions for their competitive intervention. A recent report by an unofficial group cochaired by Vladimir Shustov, director of the Research Coordination Center of the Soviet Foreign Ministry, and this author confirmed that there is now an unprecedented degree of consensus between our two countries on the need to strengthen the secretary general's role in preventive diplomacy and enhance the effectiveness of UN peacekeeping operations.[4] This broad measure of agreement in a private dialogue has been reflected in the UN, where the two countries worked together through the Security Council to end the Iran-Iraq War, to authorize the UN—OAS monitoring of Nicaragua's elections and the patrolling of Central American borders, and, perhaps most impressive, to make posible the successful transition of Namibia to nationhood through free elections. Looking ahead, it is clear that both countries are prepared to support an ambitious UN role in Cambodia and Western Sahara, once the parties to those conflicts are ready to compose their differences.

The potential for U.S.-Soviet collaboration on world order issues goes well beyond peacekeeping and peacemaking. The bilateral dialogue now includes regular discussion of transnational issues, such as drugs, terrorism, and the environment, and the common ground thus identified is reflected in Soviet-U.S. cooperation on these issues at the UN. It is increasingly clear that the main obstacles now to effective UN action are not differences between the United States and the Soviet Union, but between developed and developing countries.

This is not to say that there is a complete identity of views between the United States and the Soviet Union; of course not. The differences, however, are no longer ideological. Rather, they are based on different perceptions of national interest defined in pragmatic terms, in the same way that the United States often differs in the UN from allies such as France or Japan. What is particularly striking is the new Soviet emphasis on seeking consensus in UN bodies, particularly with the United States. It has abandoned its former policy of supporting the most extreme anti-Western resolutions sponsored by radical Third World regimes. There is no doubt that these beneficial changes are due to Gorbachev's personal leadership, but it is also true that the Soviet Foreign Ministry has played a critical role in the way it has implemented the new thinking and provided fresh ideas to give it content. For this, Foreign Minister Eduard Shevardnadze, Deputy Foreign Minister Vladimir Petrovsky, Deputy Legal Adviser Sergei Ordzhonikidze, and International Organizations Department head Andrei Kozyrev deserve much credit, as does the Soviet Union's able UN Ambassador Alexander Belonogov.

There are several factors in Soviet policy, however, that should dictate caution in assessing the prospects for future Soviet-U.S. collaboration on a world order agenda. To begin with, the Soviet approach to world order politics is much too UN-centered. Soviet rhetoric about the UN playing the central role in international politics is clearly unrealistic; the bulk of security and economic issues of importance must continue to be dealt with outside the world organization. Then again, as Soviet leaders will admit in private, their country only recently has moved from seeing the UN as a place for polemics to a place where serious business can be done; it is short of people with knowledge and experience in the way that UN political and economic programs actually function and it has had little to contribute thus far on the details of UN budget and administrative reform. Moreover, its financial contributions to UN voluntary programs, such as the United Nations Development Program (UNDP) and United Nations Children's Fund (UNICEF), are exceedingly modest. Finally, the political and public opinion basis for Gorbachev's and the Foreign Ministry's policies is fragile. One easily can imagine different UN policies coming from a future Soviet leader who was a chauvinistic Russian nationalist or a traditional Communist. Even with a Gorbachev, a Supreme Soviet with real powers over foreign affairs and budget might prove as skeptical toward spending money for international organizations as the U.S. Congress. Given its economic problems and its shortage of hard currency, moreover, the Soviet capacity to match its enthusiasm for greater UN activity with proportionately greater contributions will be limited severely for the next few years.

With all these qualifications, however, the new Soviet approach to world order issues should be encouraged by a positive response from the United States. U.S. policy toward the UN and other international agencies, as will be suggested later, is sometimes shortsighted and is handicapped by failure to meet its financial obligations. The U.S. must take a more positive approach to multilateral cooperation, and not just in the areas of UN peacekeeping and peacemaking or in the transnational agenda of drugs, terrorism, and the human environment. There are at least four other promising areas which Gorbachev's new policy has opened up.

Human Rights. The first is human rights. One of the most striking contributions of liberal internationalism was to make human rights a central concern of the UN, along with collective security and economic cooperation. There was thus established the revolutionary concept that how a nation treats its own citizens is no longer its own business alone, but also the business of the international community. Under Eleanor Roosevelt's leaderhsip, the UN adopted the Universal Declaration of Human Rights, which stands to this day as the most comprehensive and widely recognized standard by which the human rights record of governments is judged. Despite initial opposition from conservatives in the United States, there is now a broad bipartisan consensus that human rights should be part of the U.S. foreign policy agenda and that this country's concern with human rights should apply to both right and left wing dictatorial regimes. Building on UN standards and benefiting from U.S. leaderhsip, the CSCE process following up the Helsinki Final Act has been increasingly effective in monitoring human rights practices and it undoubtedly contributed to the dramatic transition of the East European countries to democracy.

Until the arrival of Gorbachev, the Soviet Union was in hard-line opposition on human rights issues, insisting that international discussion of its domestic human rights practices constituted illegal intervention in its internal affairs. Now the Soviet leadership is supporting international oversight of domestic human rights practices, suggesting that Gorbachev possibly may see in strengthened UN and CSCE human rights processes a way of reinforcing the reforms he is undertaking in his own country. Certainly it was striking to see the Soviet Minister of Justice Venyamin Yakovlev in Geneva in the fall of 1989 responding constructively to probing questions from the experts on the UN Human Rights Commmittee regarding the consistency of Soviet laws and practice with the UN Covenant on Political and Civil Rights.

There are a number of ways that the United States can seize the opportunity presented by the new Soviet human rights policy. The United States can work with the Soviet Union and the new democracies of

Eastern Europe to make the UN human rights bodies more objective in examining human rights violations in every part of the world. The United States can encourage the work of the special UN rapporteurs investigating individual countries and those looking at specific problems such as torture, religious intolerance, and summary or arbitrary executions. The United States can mobilize the full resources of its government and private sector to make a success of the Human Rights conference that will be held in Moscow in 1991 as part of the CSCE process. The United States can encourage private U.S. organizations to work with counterpart groups in Western European governments in their efforts to promote democracy and the rule of law. Finally, the United States, at long last, could ratify the UN Covenant on Civil and Political Rights, thus enabling this country to participate in the Human Rights Committee's periodic reviews of compliance by the Soviets, East Europeans, and others of their obligations under that Instrument.

International Law. Another historic component of liberal internationalism has been its emphasis on the development of international law and on international adjudication and arbitration as a means of resolving international disputes. Here again, a changed Soviet approach is opening up new opportunities. For years, the Soviet Union insisted on contrasting Communist and Western approaches to international law and opposing the compulsory jurisdiction of the International Court of Justice (World Court). Now Soviet leaders are emphasizing that the foreign policies of nations should be subordinated to a common international rule of law. Moreover, they are asserting their willingness to accept the compulsory jurisdiction of the World Court in certain circumstances.

This new Soviet interest in international law and the World Court comes at an awkward time for the United States. In recent years, the executive branch and the Congress have been less than consistent, to say the least, in their commitment to international law. The unilateral reinterpretation by the United States of the Anti-ballistic Missile Treaty (ABM), the U.S. failure to pay legally binding UN assessments, the U.S. mining of Nicaragua's harbors, and the U.S. termination of its acceptance of the World Court's compulsory jurisdiction are just a few of the examples that could be cited. Yet, the observance and further development of international law is in the national interest of the United States, a democratic nation that believes in the rule of law at home, and a status quo power that seeks stability and order abroad. Those Americans who say that there is no such thing as international law really are asserting a profoundly unAmerican idea—that the United States should not honor its international commitments. The turnaround in Soviet attitudes could be the occasion to reexamine some current U.S. attitudes.

Moreover, the United States could initiate an intensive dialogue between officials and scholars in the Soviet Union and the United States on the content of international law in key areas, including controversial ones like the use of armed force. It is in the respective national interest of the two countries to provide clear limits on the use of armed forces by both large and small nations, while at the same time permitting nations to resort to force for individual and collective self-defense and in other exceptional circumstances, as in defense of their citizens overseas. A dialogue on international law may not lead to full or early agreement, but it could narrow differences and enhance mutual understanding. Of course, the United States should also begin such discussions with its allies in Europe and Asia, to try to bring order out of the present disarray between the industrialized democracies on the use of force and other sensitive international law questions.

On the question of the International Court of Justice, the United States, and the Soviet Union have begun official discussions on a common acceptance of a limited form of compulsory jurisdiction. It is not realistic to expect the two countries to accept such jurisdiction in controversies arising out of the use of armed forces, where national security interests are too great, the facts often difficult to establish, and the international rules still insufficiently developed, especially where civil wars are concerned. Still, the two countries could accept the jurisdiction of the Court for the interpretation of specific treaties to which they are parties, and perhaps also in certain carefully defined areas of international law, such as foreign investment or the law of the sea. To enhance their confidence in the Court, they could provide that cases between them would be decided by chambers of the Court, panels of 5 of the 15 judges selected by the Court after consultation with the parties. Once a Soviet-U.S. agreement is reached on a form of compulsory jurisdiction, it could be put to other UN members for consideration.

The Economy. Gorbachev's letter to the Paris economic summit of 1989 announced a new Soviet interest in participating in the management of the world economy. It is clear that the Soviet leadership sees advantages in ending the country's historic policy of autarky and in participating in the international division of labor and the transnational flow of investment, technology, and management skills. If the Soviet Union really moves toward a market economy and shifts resources from military production to consumption goods, it is in the Western interest to help reinforce these trends, not only through bilateral measures, such as trade agreements and joint ventures, but through enhanced multilateral cooperation. Observer status in GATT, the World Bank, and the IMF would be a good way to start. Full membership could be granted after a transitional period based on the achievement of specific reforms in the Soviet economy such as market pricing, enterprise autonomy, and ruble convertibility. During the transition period, teams from these international economic organizations could provide guidance and training to help the Soviet Union in its difficult transition from a command economy to a market economy. Membership in GATT, IMF, and the World Bank, however, should not give the Soviets a free ride. They should pay their full dues as a developed country by opening their market to Third World products and providing their fair share of multilateral development aid to poor nations in Asia, Africa, and Latin America.

Arms Control. The spread of advanced weaponry in the Third World represents a growing security problem and another priority for cooperation between the United States and the Soviet Union. There are now five acknowledged nuclear weapons countries: the United States, the Soviet Union, the United Kingdom, France, and China. Four other countries, India, Pakistan, Israel, and South Africa, are believed to have nuclear weapons capabilities. Iran, Iraq, Libya, and North Korea are seeking to acquire nuclear weapons. By the year 2000, there will be 40,000-50,000 kilograms of separated plutonium in international commerce as a result of peaceful nuclear activities, a target for theft by terrorists and radical governments. Many of the Third World countries that are now nuclear capable or that are seeking nuclear weapons are also busy developing medium-range and long-range missiles. There are 9 countries that have both missiles and chemical weapons, and that number could be as high as 15 or 20 by the year 2000.

Among the most important near-term goals for East-West cooperation should be the strengthening of the nonproliferation regime for nuclear weapons, the conclusion of a treaty banning chemical weapons, and a common missile control regime. With a world in prospect in which unstable Third World governments will be armed with long-range weapons of great destructiveness, U.S.-Soviet leadership in this kind of global cooperation is not utopian, it is realpolitik.

Eastern Europe. A final word in this review of East-West relations is needed on some implications for international cooperation of the emergence of independent democracies in Eastern Europe. First, UN work in peacekeeping, economic cooperation, and human rights will feel the benefit of the transformation of East European countries from satellites of the Soviet Union to truly independent actors. Second, the new European Bank for Reconstruction and Development should be supported as a vehicle to assist the transition of the East European countries to market economies. Third, the United States should begin negotiations on transforming the CSCE process into a permanent Organization for Security and Cooperation in Europe (OSCE), with a strong secretariat and four high-level councils to deal with political, economic, environmental, and human rights issues. The new OSCE could be headquartered in Berlin, if that city becomes the capital of a unified Germany. In addition to providing a more effective vehicle for pan-European cooperation, OSCE would give the new democracies of Eastern Europe a needed place for cooperation with one another and the rest of Europe, would provide an additional framework for reassurance about a unified Germany, and would reconfirm the presence of the United States as a European power. In supporting an OSCE, the United States should make very clear that it regards the proposed new organization as a supplement to NATO and the European Community, not as a substitute for them or as a means of diminishing their responsibilities.

MULTILATERALISM AND NORTH-SOUTH ISSUES

If changes in East-West relations are providing new challenges and opportunities for liberal internationalism, the same is no less true of the trends in North-South relations. For most countries of Latin America and Africa, the decade of the 1980s was one of stagnant or even declining living standards. Now, as they enter the 1990s, the developing nations in these continents and the poor countries of Asia are rightly concerned that as large Western resources are mobilized for German reunification and aid to Eastern Europe there will be diminished attention to their own needs. Such a result would be particularly unfortunate at a time when many of these countries are moving away from the statist ideology, the poor economic management, and the widespread corrup-

tion that have been at the root of their failures in development. Although the principal responsibility for economic development will continue to rest with the developing countries themselves, the present $50 billion annual negative resource transfer from these countries to the developed world will have to be reversed if growth in the Third World is to be revived.

The idea of international assistance to help the less developed countries develop their human and material resources was launched in the Roosevelt and Truman period and accepted by all subsequent administrations, whether Republican or Democratic. This element of liberal internationalism, however, although accepted in principle, has received declining real financial support in recent years, except where immediate security interests have been predominant. Neither humanitarian considerations nor the clear economic interest of the United States in Third World development have been sufficient to reverse the trend. Nevertheless, in the years ahead, liberal internationalism will find two new and powerful rationales for helping the developing countries: the threat of irreversible harm to the global environment and the peril of uncontrolled population growth coupled with massive South-North migration.

The people of the United States, like the citizens of other countries, are beginning to be concerned about global greenhouse warming, caused mainly by the burning of fossil fuels and tropical deforestation, phenomena that could cause catastrophic changes in the world's climate and sea level as early as the middle of the next century. They are also learning about the threat that the use of chlorofluorocarbons poses to the ozone layer, the global atmospheric shield against the ultraviolet radiation that causes cancer and other damage to life on earth. What has been less well understood is that these perils cannot be averted without the cooperation of developing as well as developed countries, and that for the Third World to take the necessary measures of self-restraint will require a huge amount of assistance in technology transfer, the training of people, and financial support. India may phase out the use of chlorofluorocarbons, China may moderate its burning of coal, Brazil may stop the destruction of its Amazon rainforest, but only at a price. That price will be new forms of multilateral assistance. Without it, Third World countries will have neither the economic means nor the political will to take their share of environmental responsibility. The United States and other developed countries would thus end up as environmental hostages to the Third World, as desperation born of poverty in poor countries accelerates the assault already underway on the world's fragile life support system.

Population growth could provide the second stimulus for a new interest in North-South economic cooperation. World population, which stood at only 1.5 billion at the beginning of this century and is 5 billion today, is predicted by the UN to reach 6.2 billion in the year 2000 and 8.5 billion in 2025. The world population will level off at 9 to 14 billion some time in the next century. Whether this planet's population stabilizes at the low or high end of that range will fundamentally determine the prospects for economic welfare and security, not only of developing countries, but of developed countries, including the United States. To understand the gravity of population trends, it is necessary only to consider that between now and the year 2025 Mexico is expected to grow from 85 to 150 million, Brazil from 144 to 246 million, Egypt from 51 to 94 million, Ethiopia from 45 to 112 million, Nigeria from 105 to 301 million, Bangladesh from 110 to 235 million, and India from 819 to 1,445 million. No government, no academic expert, has the faintest idea of how to provide adequate food, housing, health care, education, and gainful employment to such exploding numbers of people, particularly as they crowd into megacities such as Mexico City, Calcutta, and Cairo.

With such an explosive growth in numbers, there will be little hope of saving the rainforests, the topsoil, or the climate balance so essential to human life. Our descendants will witness human misery, political upheaval, and violence born of human desperation on a scale that one can scarcely imagine. They will also witness mass migrations from South to North on an unparalleled scale—a human tidal wave that is unlikely to be stopped by immigration laws and physical barriers. The rate of illegal immigration already being experienced in the United States and Europe is but a small augury of things to come.

There is no easy answer to the world population problem, but it surely has to begin wtih an international effort to make information and means of family planning available to all persons in the child-bearing years. Achieving this goal will require a substantial increase in the resources now devoted to family planning in developing countries. It will also require strengthened programs of health care and education and measures to enhance the rights of women in society. None of this is likely to happen without action through the UN system, and without leadership from the United States.

Although recent years have seen a growing understanding of the need for "sustainable development," there is still little appreciation of the magnitude of the investment sums that will have to be mobilized within the developing countries and from international aid in order to make this concept a reality in the Third World. A recent study by the former secretary general of the World Commission on Environment and Development, based on work done by the World Bank and the Worldwatch Institute, came up with some awesome figures for average annual financial requirements between 1990 and 2000: $19.3 billion for soil conservation, $5.3 billion for reforestation, $27 billion for population control, $30 billion for enhancing energy efficiency, $15.6 billion for renewable forms of energy, plus $27.3 billion for reducing Third World indebtedness. This adds up to an average annual total of $124.6 billion or a total for the decade of $1,371 billion.[5] Even if these estimates are two, three, or even four times too high, they suggest that there is a large gap between the rhetoric of environmental protection in both developing and developed countries and the willingness of these countries to pay the price for it.

WEST-WEST RELATIONS

Perhaps the greatest challenge to liberal internationalism will be in facing up to the economic and political adjustments needed in West-West relations. So much has been written about these issues that they need only be enumerated here: how to bring the Uruguay Round of trade negotiations to a successful conclusion, how to complete Europe's 1992 agenda in a manner that respects the interests of outsiders, how to strengthen the international monetary system, and how to achieve a fairer burden-sharing between the industrialized democracies on military and aid expenditures. All of these tasks will require greater progress in multilateral cooperation than has ever been witnessed before.

The most urgent requirement of all for the future of liberal internationalism is to get on with the reduction of the presently unsustainable West-West imbalances. In the last eight years, the United States has run cumulative current account deficts with the rest of the world of over $800 billion, transforming its position form that of a more than $100 billion net creditor to that of a more than $700 billion net debtor. Although the current account position of the United States has improved somewhat recently, the U.S. external deficit in 1990 will remain in excess of $100 billion and could start growing again as U.S. oil imports and the price of oil both rise. Meanwhile, the external surpluses of Germany and Japan are running at about $60 billion per year, with little diminution in prospect.

Unless corrected in the next few years, these large imbalances could one day trigger a financial crisis and a severe world recession. Even if such a dramatic outcome is avoided, the continuation of large U.S. deficits is likely to fuel U.S. protectionism, sour the U.S. foreign policy mood, and make it impossible for the United States to dedicate sufficient resources to the challenges and opportunities in East-West and North-South relations described earlier.

The measures needed to correct these imbalances are easy to recite and less easy to implement. From Japan, the need is for much greater efforts to open its domestic market, to increase its untied development aid, and to stimulate domestic demand. From Germany, the need is for similar actions and assurances that the understandable concentration on the economic tasks of German reunification does not come at the expense of Germany's global responsibilities. From the United States, serious action must be forthcoming in order to increase competitiveness and to reduce the U.S. budget deficit, which is still running at around $150 billion. That budget deficit would be in excess of $200 billion if the U.S. government did not employ the social security surplus for current spending, and if it included all the costs of the Savings and Loan bailout. The United States continues to pretend, through unrealistic forecasts and accounting gimmicks, that is meeting the Gramm-Rudman-Hollings target for deficit reduction, but the truth is that without bold action the deficit will remain in the $100–150 billion range in the years ahead, and could increase substantially with a major recession.

The Gramm-Rudman-Hollings process has not actually reduced the deficit, but in combination with antiinternationalist political currents it has played havoc with the expenditures needed to sustain the international leadership of the United States. The U.S. overseas diplomatic establishment, educational exchanges, and bilateral development aid all have been savaged by harmful reductions. The United States is in arrears by $700 million in its contributions to the UN and its specialized agencies, which damages valuable UN operations in peacekeeping, development, human rights, and environmental protection and diminishes U.S. influence. The United States also lags behind in its payments to multilateral financial institutions, such as the World Bank, the International Finance Corpora-

tion, and the Asian Development Fund. As long as the U.S. budget deficit is not dealt with seriously, the United States is unlikely to face up to these financial obligations of world leadership, much less assume new ones. Urgent U.S. domestic needs also will go inadequately funded. From the problems of drugs, the homeless, education, and crumbling U.S. infrastructure, on the one side, to the problems of Central America, Eastern Europe, Third World development, and global warming on the other, the United States will be facing its reponsibilities with empty pockets.

Although it has become commonplace to say it, it remains true that the problem of the United States is not a shortage of economic resources, but a shortage of political will. To reduce substantially the U.S. budget deficit and to support presently underfunded domestic and international programs of top priority would require $100 billion per year in the short run and $200 billion per year in the long run, which represents 2 percent and 4 percent respectively of the $5 trillion U.S. national income. If progress in U.S.-Soviet relations continues, the United States can fund much of this through cuts in the defense budget. Still, this country will also have to bite the bullet of finding additional revenue. The slogan of "no new taxes" is simply not compatible with the requirements of U.S. world leadership. The sooner the United States faces up to this reality, the better.

A LIBERAL INTERNATIONALIST FUTURE?

There are three provocative questions about the future of liberal internationalism that deserve attention before concluding this essay. Unfortunately, each requires more discussion than space allows, but they can at least be identified and some answers may be sketched.

First Question: Can multilateral diplomacy and multilateral institutions deal with the world order agenda in a manner that is acceptable to the United States? It is in the nature of any large organization that no single member can have its way all of the time. Reliance on international organizations does involve risks. It may lead to decisions to act over U.S. opposition, or the failure to act when the United States is prepared to do so. The deficiences of the UN and many of its agencies are well known: uneven administration in the secretariats, inadequate influence for the major contributors over budgets and programs, poor coordination of sectoral activities, and often a paralyzing lack of political consensus. The situation is better in the international financial institutions, where weighted voting applies, and in the central trade forum known as GATT. Even in these institutions, however, the United States cannot have its way all of the time. The United States must balance the disadvantages of working through international organizations against the disadvantages of acting alone. Multilateral action usually serves the U.S. national interests, enlisting needed support from other countries, sharing economic burdens and political responsibility, and accomplishing tasks that the United States could not achieve as well, or at all, by unilateral action. The United States must, of course, have the common sense to be selective—putting for example, its main emphasis for peacekeeping on the Security Council, where the United States can exercise the veto, and opposing General Assembly recommendations that work against U.S. interests.

If a policy based on greater use of multilateral institutions is to be credible, the United States will need to devote more high-level effort to making these institutions work more effectively. Multilateralism must not mean the tyranny of the small country majority or the lowest common denominator of recalcitrant members. Multilateralism should mean structured decision-making devices to provide "power steering" on budgets and programs and greater use of "coalitions of the willing" in which like-minded. countries act together under a UN umbrella, through programs financed by voluntary contributions. More attention should also be given to finding outstanding persons to lead the international agencies. For example, the United States should start right now to identify first-rate candidates to replace UN Secretary General Javiér Perez de Cuellar when his term expires at the end of 1991.

Second Question: Can liberal internationalism coexist with domestic liberalism? To put it another way, is the ambitious multilateral agenda outlined in this essay sufficiently compelling to obtain the needed commitment of U.S. leadership and resources in the face of equally compelling domestic priorities? I believe the answer can be yes, but the case for a greater commitment of U.S. resources to international affairs has yet to be made effectively to the U.S. electorate, to the Congress, or even to the U.S. foreign policy establishment.

A little over 20 years ago, in 1969, UN Secretary General U Thant warned that mankind had "perhaps 10 years left * * * to launch a global partnership to curb the arms race, to improve the human environment, to defuse the population explosion, and to supply the required momentum to world development efforts. If such a global partnership is not forged within the next decade, then I very much fear that the problems * * * will reach such staggering proportions that they will be beyond our capacity to control.[6]

I confess to having written those words for U Thant in 1969, and to having unduly foreshortened the timetable for remedial action in an effort to dramatize the issues. But looking in 1990 at those same problems—weapons proliferation, population, the environment, and the growth in the numbers of the world's desperate poor—it may no longer be an exaggeration to say that the next 10 years will be decisive. If the international community does not take effective action on these problems in the 1990s, what kind of world will today's children face in the next century? If a president were willing to put the question in this way to the people of the United States—governing as if the future mattered—liberal internationalism would have a chance of success in the face of the competing claims of domestic liberalism.

Third Question: Will the Democratic Party or the Republican Party be the best protagonist of liberal internationalism in the crucial decade that lies ahead? The answer is far from clear.

President Bush might not relish the designation, but he may wind up as one of the most liberal internationalist presidents of recent years. He has brought the United States back to the moderate Republicanism of the era of Gerald Ford. His broad experience in foreign affairs, including his brief service as U.N. ambassador, has given him a realistic appreciation of the international problems facing the country and the value of working through global organizations as well as through our alliances. Although he attacked Michael Dukakis for an excessive devotion to multilateralism during the 1988 presidential campaign and called the UN "an unreal place . . . torn by tensions," one of his first acts after inauguration was to invite Secretary General Perez de Cuellar to Washington for a private working dinner. He has pledged that his administration "will do its best to strengthen the UN and to reassert positive leadership there." [7] He has appointed as UN Ambassador one of the State Department's finest career diplomats, Thomas Pickering. He already has exercised strong leadership in NATO on East-West issues, particularly in the conventional arms negotiations. He has demonstrated a firm commitment to the multilateral trade and financial institutions and is pledged to multilateral action on the global environment.

It is too early to make an assessment of the Bush presidency in foreign affairs, but from a liberal internationalist perspective there are at least two important areas that cause concern. One is the world population issue where in deference to the "right to life" movement, the president is carrying forward the Reagan administration cutoff of aid to the UN Fund for Population Activities and to the International Planned Parenthood Federation. If the U.S. government is serious on world environment and development, it has to face up to the population question. The second area, as already suggested, is fiscal policy. The Bush administration's failure to deal realistically with the budget deficit and the need for new taxes is opening up a large gap between its proclaimed objectives and the means available for achieving them. This is as painfully obvious in international affairs as it is in domestic policy.

What of the Democrats? Many leaders of the Party still carry forward the Roosevelt-Truman legacy of liberal internationalism, but the longer the Party is locked out of the White House the harder it will be to exercise the leadership that does justice to that legacy. Congress is dominated increasingly by constituency politics, and it is difficult to reconcile constituency politics with U.S. leadership in a rule-based international system of cooperation. The temptation toward unilateralism and shortsighted nationalism is particularly evident in the negative attitudes of some congressional Democrats on trade policy and on appropriations for the State Department and the multilateral financial institutions. At the same time, some senators, such as BILL BRADLEY and ALBERT GORE, have been charting new and constructive directions on the global environment, Third World debt, and East-West relations.

This article closes as it began, with the "*L* word." If the Democrats refuse to give in to shortsighted constituency pressures, if they are not afraid to be known as liberals in foreign policy, and if they define their liberalism in a realistic way to encompass both world order politics and balance of power politics, then they may earn the chance to recapture the White House and once again direct the country's foreign policy. If they fail to do these things, it will be the Republican Party, exercising the powers of the executive in response to the new imperatives of interdependence, that will be the standard bearer of the liberal internationalist tradition of Roosevelt and Truman as the United States moves toward the twenty-first century. Still, the question of which political party carries forward the tradition of liberal internationalism is less important than the categorical imperative that one of

them must do it. The successful pursuit of all U.S. foreign policy concerns—in security, economics, environment, and human rights—hangs in the balance.

NOTES

[1] Francis Fukuyama, "The End of History?" National Interest 16 (Summer 1989), pp. 4 and 18.

[2] Paul Kennedy, "The Rise and Fall of the Great Powers (New York: Random House, 1987).

[3] Joseph Nye, "Bound to Lead: The Changing Nature of American Power" (New York: Basic Books, 1990).

[4] Joint Statement issued by the United Nations Associations of the U.S. and Soviet Union on "The U.N.'s Role in Enhancing Peace and Security," Moscow, April 1989.

[5] James MacNeill, "Strategies for Sustainable Economic Development," Scientific American, September 1989.

[6] Statement to the Seminar on the Second UN Development Decade, May 9, 1969, reprinted in Journal of the Institute on Man and Science, No. 1, 1970.

[7] Letter to United Nations Association Chairman John C. Whitehead, June 8, 1989.●

TRIBUTE TO WARTIME NURSES

● Mr. LEVIN. Mr. President, I would like to call attention to an important event occurring in Michigan this coming weekend. On September 15, 1990, nurses and representatives from over 10 veterans organizations will gather for the first annual Veterans Tribute to Wartime Nurses. This conference represents the first international event of its kind commemorating these wartime heroes and heroines.

American military nurses have volunteered their services for over a century and a half, serving in every major conflict since the Civil War. During World War I, over 21,000 nurses served in the U.S. Army and an additional 1,400 served with the U.S. Navy. Over 10,000 of these nurses served overseas in support of our U.S. forces. During World War II, the number of nurses serving overseas swelled to nearly 35,000.

Wartime nurses have provided crucial, on-site medical care to our Nation's troops with distinction. More than 1,500 nurses were decorated during World War II, receiving the Distinguished Service Medal, Silver Star, and the Purple Heart. Thousands of wartime nurses have made extreme sacrifices serving their country. Hundreds of nurses have lost their lives and many more have sustained serious injury.

So today, Mr. President, as military nurses are again in harm's way, it is especially fitting that we remember their contributions and importance to our military forces.●

BILL HELD AT THE DESK—H.R. 5400

Mr. BRYAN. Mr. President, I ask unanimous consent that H.R. 5400 be held at the desk until the close of business on Friday, September 14.

The PRESIDING OFFICER. Without objection, it is so ordered.

STRATEGIC PETROLEUM RESERVE AMENDMENTS OF 1990—CONFERENCE REPORT

Mr. BRYAN. Mr. President, I submit a report of the committee of conference on S. 2088 and ask for its immediate consideration.

The PRESIDING OFFICER. The report will be stated.

The assistant legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2088) to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses this report, signed by a majority of the conferees.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings of the RECORD of today, September 13, 1990.)

Mr. JOHNSTON. Mr. President, we have before us a vital piece of energy policy legislation: Senate bill 2088, the Energy Policy and Conservation Act Amendments of 1990. The House and Senate have just concluded their conference on this bill and I am proud to bring it to the floor.

The bill has four major provisions: First, it extends the authority for the Strategic Petroleum Reserve [SPR] for 4 years. Second, it expands the SPR to 1 billion barrels. Third, the bill authorizes the leasing of oil and facilities to lower the cost of expanding the reserve. Finally, it provides for a 3-year test of storage of refined petroleum products.

On September 15, all the authority in current law for operating and building the SPR will expire. The SPR now contains about 590 million barrels of crude oil stored in salt domes in Louisiana and Texas. It is essential that the authority be extended for the SPR, which is contained in title I of the Energy Policy and Conservation Act [EPCA], and for title II of EPCA, which authorizes our Nation's cooperation with the International Energy Agency under the 1974 International Energy Agreement. Section 2 of this bill extends this authority through September 1994.

Section 3 creates new authority which allows the President to authorize a partial drawdown of the reserve under specified circumstances involving a domestic energy supply shortage.

Section 4 bill directs the Secretary of Energy to make plans to expand the SPR to 1 billion barrels. The legislation that first created the reserve called for a size of up to 1 billion barrels. Unfortunately, no administration ever developed plans for an SPR beyond 750 million barrels. The invasion of Kuwait is a chilling reminder that we must have an ample strategic oil stockpile in order to preserve our national security and protect our economy. I have long advocated that the SPR should contain at least 90 days of U.S. oil imports. It is clear that we will need more than 750 million barrels of oil in the SPR in order to achieve that target.

Section 5 of S. 2088 contains a provision for the predrawdown diversion of SPR oil. Under current law, if the Secretary of Energy finds that an oil disruption exists or is imminent, any oil already purchased for the SPR and en route for delivery must first be placed in the SPR before being sold. It would be far preferable to allow that oil to be sold while in transit and sent directly to a refinery.

Section 6 creates a new part C in title II of EPCA authorizing the long-term leasing of crude oil and storage facilities. Leasing is a promising method of achieving the goals of the SPR program despite the severe budgetary constraints facing the Federal Government. This is the most complex part of the bill and I would like to address some leasing issues in detail.

The contracts that may result from the authority granted in part C are likely to be very new and unique. It may be very difficult for DOE to conduct its procurement activities according to the standard of "full and open" competition as required by current law. In addition, a number of foreign governments and foreign national oil companies may be able to offer very favorable contract terms to the United States, yet these entities may be very reluctant to participate in a full and open competitive procurement process. For these reasons, I encourage the Department to seek any and all available exceptions and waivers from various procurement requirements if such actions serve the interest of contracting for oil and facilities under the most favorable conditions.

Certainly, any oil acquired by contract under part C is part of the reserve for the duration of the contract. Upon the expiration, termination, or other conclusion of the contract, the oil is no longer part of the reserve and may be withdrawn from the reserve. Furthermore, under part C, the acquisition of petroleum products includes payments of amounts due upon the expiration, termination, or other conclusion of the acquisition contract.

Part C requires that DOE transmit all contract amendments to Congress for review, just as new contracts must be transmitted to Congress. DOE should enter into contracts that allow reasonable flexibility in dealing with a variety of contingencies. Assuming that DOE is successful in this effort, contract amendments typically would involve only major changes in contract

terms that significantly affect the costs or benefits of the petroleum product or facilities under contract, and thus should be subject to congressional review.

Section 7 establishes a 3-year program to test various mechanisms for storing refined petroleum products. This is an important test given the concerns of many that during a supply interruption the Nation may need product reserves as well as crude oil reserves.

Section 8 gives the Secretary of Energy authority to conduct a test drawdown and sale of crude oil from the reserve.

Section 9 assures that SPR storage or related facilities are not subject to the Interstate Commerce Act.

Section 10 gives the President authority to permit the export of SPR oil in exchange for refined petroleum product delivered to the United States. Given that we are increasingly dependent on imported products, this added flexibility could prove crucial in minimizing the damage of a supply disruption.

Section 11 permits the Secretary to expedite amendments to SPR distribution plan if a severe energy supply interruption exists or is imminent.

I strongly urge my colleagues to approve this bill. It is a critical step in forging a strong national energy policy.

Mr. McCLURE. Mr. President, on many occasions since the 1973 Arab oil embargo, I have spoken on the adequacy of the United States energy emergency preparedness. I have emphasized that the evolution of national policies in this critical area must be a dynamic, not static, process. However, for the last 10 years this has not been the case. Our energy emergency capabilities have deteriorated to such a point that on the domestic front they are limited to the strategic petroleum reserve.

The cornerstone of our energy insurance policy is the strategic petroleum reserve. Fourteen years have passed since the Congress initially authorized the strategic petroleum reserve. Successful completion of the reserve was considered a monumental task by all the affected parties. Nevertheless, due to the support and dedication of many individuals by the end of this year the SPR will contain almost 600 million of the currently authorized 750 million barrels.

On the international front there is the International Energy Agency which continues to credibly perform the information and other functions that we and our allies must rely during periods of international energy shortages. The IEA information system is critical to our understanding of international oil markets. The IEA continues to serve as an essential catalyst in this process.

Over the years their continuing tests of the IEA oil sharing program also have added significantly to its potential effectiveness. I have long believed that the IEA must continue to concentrate its efforts in the areas for which it was constituted: the emergency response system and strategic stocks. That need is clearly demonstrated by current events.

Mr. President, what energy emergency preparedness we possess as a nation relies on the Energy Policy and Conservation Act, both domestically and internationally. Without these fundamental authorities our national and international capability to respond to a severe disruption of international energy supplies would be nonexistent.

The conference agreement on S. 2088 extends these critical authorities for an additional 4 years and strengthen the strategic petroleum reserve.

Under current law, drawdown of the SPR is controlled by the President based on national energy security and economic concerns and I believe that Presidential control has been retained in the conference agreement.

In this regard, the thrust of the conference agreement disturbs me in several respects. First, under current law use of the strategic petroleum reserve is restricted to responding to shortages of international energy supplies. I seriously question the advisability of any change in this policy.

Existing statutory authority is quite clear on his point; the law does not permit SPR drawdown short of a severe interruption in international energy supplies or in order for the United States to meet its international energy obligations

I recognize, Mr. President, that there could be comparable disruptions in domestic energy supplies to those international situations envisioned under current law and the conference agreement would amend EPCA to reflect this possibility. But I must emphasize that what is envisioned is only those domestic situations where shortages of domestic energy supplies of significant scope and duration, and of an emergency nature, as to cause major adverse impact on our national economy or national safety. Use of the SPR to respond to domestic energy supply disruption without adverse national economic implications would be inconsistent with the conference agreement.

The propensity of consumers to complain about energy prices that are necessary for the maintenance of reliable energy supplies is insufficient reason for Government to intervene in the marketplace and manipulate or dampen energy prices in any manner. Any suggestion that the SPR be used for other than responding to actual shortage of energy supplies would be inconsistent with this conference agreement.

A second matter that disturbs is the efforts by some Members to transform the strategic petroleum reserve into a mechanism for responding to the needs of selected regions of our country. The reserve is a national resource that must be available for all American consumers. Yet this is the reason articulated by some Members as the reason for establishment of a refined petroleum product component for the reserve.

Nevertheless, the United States is becoming increasingly dependent on petroleum product imports. Certain regions are clearly more dependent than others, but the problem is the inadequacy of our current domestic refining capabilities and this is a national problem.

I must observe, however, that this situation in large part was created by our failure to achieve a balance between national energy and environmental policies. One of the manifestations of this failure is inadequate domestic refining capabilities to meet not only national needs but the needs of certain regions. In many instances the very regions that are concerned about petroleum product shortages are the same regions that are closing refineries under current environmental policies or have prohibited their construction over the years. Now these same regions are asking the rest of the country to pay for their failure to achieve a balance between the energy and environmental requirements of their region.

Once again this failure is being reflected in the agreements being discussed on the Clean Air Act Amendments of 1990. Rather than address this imbalance we are once again exporting our environmental pollution and importing more energy.

From this perspective, I am disturbed that the conference agreement authorizes a 3-year program to test various mechanisms for establishing a refined product component for the reserve. Unlike the provisions in the House bill which supported petroleum product reserves to meet the needs of certain regions, the conference envisions a test program that is an integral component of the strategic petroleum reserve. Therefore, it is important to state categorically that such reserves are to be located on national distribution systems which facilitate their expeditious and reliable distribution to all American consumers. While the needs of particular regions of the country are to be considered by the Secretary when locating such product reserves, this is but one of the factors that are to be considered.

There are other means for creation of product reserves besides Government ownership. Therefore, among the mechanisms that are to be considered and may be tested are industrial

petroleum reserves pursuant to section 156 of current law and State set-aside programs. Most States now maintain set-aside programs in the event of energy shortages. Those regions that face special problems, such as the Northeast and southern California, should establish their own product reserves, rather than shift the cost of such regional reserves to all American consumers. An appropriate mechanism for this purpose is expansion of existing set-aside programs, which is one of the options that is to be evaluated under the conference agreement.

On the positive side, Mr. President, the conference agreement authorizes the diversion of SPR oil in transit for storage in the SPR when the President anticipates that international oil markets will deteriorate into a severe international energy supply problem. The conference agreement also authorizes DOE to lease crude oil for storage in the SPR. In light of the present budgetary climate, this authority is particularly appropriate if we are to complete the expansion of the SPR to 1 billion barrels as authorized in 1976 and called for in the conference agreement.

Mr. President, this is a critical time and, in the aggregate, this conference agreement strengthens our national energy preparedness. I urge its adoption.

Mr. AKAKA. I would like to address a matter related to section 7 of the conference report. This section directs the Secretary of Energy to conduct a test program of storage of refined petroleum product in the reserve. I would like to clarify whether the Secretary may choose to conduct part of this program in Hawaii.

Section 7 states that the Secretary shall determine the locations in which to store refined product, taking into account the proximity of existing distribution systems, the proximity of the area or areas of the United States most dependent on imported petroleum product or likely to experience shortages of refined petroleum products, and the capability for expeditious distribution to such area or areas.

I understand that the definition of "petroleum product" in section 3 of the existing Energy Policy and Conservation Act includes crude oil. Would the Senator agree with my understanding?

Mr. JOHNSTON. Yes, section 3 defines "petroleum product" as meaning crude oil, residual fuel oil, or any refined petroleum product.

Mr. AKAKA. Hawaii is heavily dependent on imports of crude oil. Therefore, if the Secretary chose to store refined product in Hawaii under the test program, such storage would be in the proximity of an area of the United States most dependent on imported petroleum product, in this case crude oil, as described in section 7 of the conference report.

As I understand it then, section 7 would allow the Secretary to store refined product in Hawaii as part of the test program. Would the Senator agree?

Mr. JOHNSTON. Yes, nothing in section 7 precludes the Secretary from selecting Hawaii as a location.

Mr. AKAKA. As I understand it, the refined petroleum products to be stored under section 7 could include aviation fuel and gasoline; am I correct?

Mr. JOHNSTON. Yes, that is correct.

Mr. AKAKA. Thank you for your responses. In applying the criteria contained in what will become section 160(g)(3) of the act, I urge the Secretary to give special consideration to areas of the United States such as Hawaii that have a high level of oil dependence, rely upon imports for more than 50 percent of their supply, as well as rely exclusively on ocean tankers. I believe that these considerations should be given high priority in determining what is import dependence under this section.

I urge the adoption of the conference agreement, and yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The conference report was agreed to.

Mr. BRYAN. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

STUDENT RIGHT-TO-KNOW AND CAMPUS SECURITY ACT

Mr. BRYAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 580.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 580) entitled "An Act to require institutions of higher education receiving Federal financial assistance to provide certain information with respect to the graduate rates of student-athletes at such institutions", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Student Right-to-Know and Campus Security Act".

TITLE I—STUDENT ATHLETE RIGHT-TO-KNOW

SEC. 101. SHORT TITLE.

This title may be cited as the "Student Athlete Right-to-Know Act".

SEC. 102. FINDINGS.

The Congress finds that—

(1) education is fundamental to the development of individual citizens and the progress of the Nation as a whole;

(2) there is increasing concern among citizens, educators, and public officials regarding the academic performance of student-athletes at institutions of higher education;

(3) while the National Collegiate Athletic Association has instituted a new academic eligibility standard for incoming freshmen, such standard does not impact on eligible athletes in college where such athletes can remain eligible if such athletes have less than a 2.0 grade point average in the first 2 years of study;

(4) more than 10,000 athletic scholarships are provided annually by institutions of higher education;

(5) prospective students should be aware of the educational commitments of an institution to its athletes; and

(6) knowledge of the graduation rates of student-athletes would assist prospective students and their families in making an informed judgment about the educational benefits available at a given institution of higher education.

SEC. 103. REPORTING REQUIREMENTS FOR INSTITUTIONS OF HIGHER EDUCATION.

(a) AMENDMENT.—Section 485 of the Higher Education Act of 1965 (20 U.S.C. 1092) is amended by adding at the end thereof the following new subsection:

"(e) DISCLOSURES REQUIRED WITH RESPECT TO ATHLETICALLY RELATED STUDENT AID.—

"(1) REPORTS TO THE SECRETARY.—Each institution of higher education which participates in any program under this title and is attended by students receiving athletically related student aid shall annually submit a report to the Secretary which contains—

"(A) the number of students at the institution of higher education who received athletically related student aid broken down by race and sex in the following sports: basketball, football, baseball, cross country/track, ice hockey, and all other sports combined;

"(B) the number of students at the institution of higher education, broken down by race and sex;

"(C) the graduation rate for students at the institution of higher education who received athletically related student aid broken down by race and sex in the following sports: basketball and football;

"(D) the graduation rate for students at the institution of higher education, broken down by race and sex;

"(E) the average graduation rate for the 4 most recent graduating classes of students at the institution of higher education who received athletically related student aid broken down by race and sex in the following categories: baseball, cross country/track, ice hockey, and all other sports combined; and

"(F) the average graduation rate for the 4 most recent graduating classes of students at the institution of higher education broken down by race and sex.

"(2) STUDENT NOTIFICATION.—When an institution described in paragraph (1) of this subsection offers a potential student athlete athletically related student aid, such institution shall provide to the student and his parents, his guidance counselor, and coach the information contained in the report submitted by such institution pursuant to paragraph (1).

"(3) SPECIAL CIRCUMSTANCES.—If an institution of higher education described in paragraph (1) finds that the information collected pursuant to such paragraph, because of

extenuating circumstances, does not provide an accurate representation of the school's graduation rate, the school may provide additional information to the student and the Secretary.

"(4) COMPARABLE INFORMATION.—Each institution of higher education described in paragraph (1) may provide supplemental information to students and the Secretary showing the graduation rate when such graduation rate does not include students transferring into and out of such institution. The Secretary shall ensure that the data presented to the student and the data submitted to the Secretary are comparable.

"(5) REPORT BY SECRETARY.—(A) The Secretary shall, using the reports submitted under this subsection, compile and publish a report containing the information required under paragraph (1) broken down by—

"(i) individual institutions of higher education, and

"(ii) athletic conferences recognized by the National Collegiate Athletic Association and the National Association of Intercollegiate Athletics.

"(B) The Secretary shall make available copies of the report required by subparagraph (A) to any individual or secondary school requesting a copy of such report.

"(6) WAIVER.—The Secretary shall waive the requirements of this subsection for any institution of higher education which is a member of an athletic association or athletic conference that voluntarily published graduation rate data (or has agreed to publish the data) that, in the opinion of the Secretary, is substantially comparable to the information required under this subsection.

"(7) DEFINITIONS.—For the purpose of this subsection—

"(A) The term 'athletically related student aid' means any scholarship, grant, or other form of financial assistance whose terms require the recipient to participate in an institution of higher education's program of intercollegiate athletics in order to be eligible to receive such assistance.

"(B) The term 'graduation rate' means the percentage of students with no previous collegiate participation who enter an institution of higher education as full time, degree seeking students in a specific year and graduate with a bachelor's degree, or the equivalent, within 5 years.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) of this section shall take effect July 1, 1991.

SEC. 104. DISCLOSURE OF ATHLETIC ACTIVITY REVENUES AND EXPENDITURES.

(a) FINDINGS.—Congress finds that—

(1) the fiscal and operational integrity of intercollegiate athletic programs and the relationship of such programs to the educational purpose of higher education are of increasing concern to the public, students, and to Congress;

(2) there is a lack of adequate information regarding the operation and control of intercollegiate athletic programs, including the revenues and expenditures associated with such programs; and

(3) such information would be helpful in insuring that intercollegiate athletic programs are adequately controlled by and accountable to the institutions which sponsor them.

(b) DISCLOSURES.—

(1) DISCLOSURE TO STUDENTS.—Section 485(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(a)(1)) is amended—

(A) by striking "and" at the end of subparagraph (J);

(B) by striking the period at the end of subparagraph (K) and inserting a semicolon; and

(C) by adding at the end thereof the following new subparagraph:

"(L) in a form prescribed by the Secretary, with respect to any institution that offers athletically related student aid—

"(i) the total revenues, and the revenues by sport, derived by the institution's athletic departments and intercollegiate athletic activities;

"(ii) the total expenditures, and the direct expenditures by sport, derived from such departments and intercollegiate athletic activities; and

"(iii) the total revenues and expenditures of the institution for the same period; and".

(2) COLLECTION AND PUBLICATION OF INFORMATION.—Section 485(a) of such Act is amended—

(A) by redesignating paragraph (2) as paragraph (4); and

(B) by inserting after paragraph (1) the following new paragraph:

"(2) The Secretary shall—

"(A) annually collect and compile the forms required to be disclosed under paragraph (1)(L);

"(B) make such compiled forms readily available for public inspection and copying; and

"(C) publicly announce, annually, the availability of such compiled forms.".

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect on July 1, 1991, except that the first report required under such amendments shall be due on July 1, 1992.

SEC. 105. ADDITIONAL GENERAL DISCLOSURE REQUIREMENTS RELATING TO GRADUATION.

(a) DISCLOSURE OF COMPLETION RATES.—Section 485(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(a)(1)) is amended by inserting immediately after subparagraph (L) (as added by section 104 of this Act) the following new subparagraph:

"(M) the completion or graduation rate of certificate- or degree-seeking, full-time students entering such institutions.".

(b) CONSTRUCTION OF DISCLOSURE REQUIREMENTS.—Section 485(a) of such Act is further amended by inserting after paragraph (2) (as added by section 104 of this Act) the following new paragraph:

"(3) In calculating the completion rate under subparagraph (M) of this section, a student shall be counted as a completion if, within 150 percent of the normal time for completion of the program, the student has completed the program, or enrolled in any program of an eligible institution for which the prior program provides substantial preparation. The information required to be disclosed under such subparagraph—

"(A) shall be available beginning on July 1, 1992, and each year thereafter to current and prospective students prior to enrolling or entering into any financial obligation;

"(B) shall cover the one-year period ending on June 30 of the preceding year; and

"(C) shall be updated not less than biennially.".

(c) ESTABLISHMENT OF STANDARD DEFINITIONS.—In coordination with representatives of institutions of higher education, the Secretary shall, not later than 6 months after the enactment of this section, establish standard definitions and methodologies for measuring the following institutional outcomes—

(1) the graduation or completion rate of graduates at an institution broken down by program or field of study;

(2) the graduation rate of an institution reported by individual schools or academic divisions within the institution;

(3) the rate at which graduates of the institution pass applicable licensure or certification examinations required by the State for employment in a particular vocation, trade, or professional field; and

(4) the rate at which graduates of occupationally specific programs at the institution who enter the labor market following graduation or completion from such a program obtain employment in the occupation for which they are trained.

(d) REPORT.—The Secretary of Education shall, by October 1, 1991, submit a report to the appropriate committees of the Congress on the implementation of this section and the amendments made by this section.

TITLE II—CRIME AWARENESS AND CAMPUS SECURITY

SEC. 201. SHORT TITLE.

This title may be cited as the "Crime Awareness and Campus Security Act of 1990".

SEC. 202. FINDINGS.

The Congress finds that—

(1) the reported incidence of crime on some college campuses has steadily risen in recent years, particularly violent crimes;

(2) while annual "National Campus Violence Surveys" indicate that roughly 80 percent of campus crimes are committed by a student upon another student and that approximately 95 percent of the campus crimes which are violent are alcohol or drug related, there is currently no comprehensive data on campus crimes;

(3) out of 8,000 postsecondary institutions participating in Federal student aid programs, only 352 colleges and universities voluntarily provide crime statistics directly through the Federal Bureau of Investigation's Uniform Crime Report and other institutions report data indirectly, through local police agencies or States, in a manner that does not permit campus statistics to be separated out;

(4) several State legislatures have adopted or are considering legislation to require reporting of campus crime statistics and dissemination of security practices and procedures, but the bills are not uniform in their requirements and standards;

(5) students and employees of institutions of higher education should be aware of the occurrence of crime on campus and policies and procedures to prevent crime or to report occurrences of crime;

(6) applicants for enrollment at a college or university, and their parents, should have access to information about that institution's crime statistics and its security policies and procedures;

(7) while many institutions have established crime preventive measures to increase the safety of campuses, there is a clear need—

(A) to encourage the development on all campuses of security policies and procedures; and

(B) for uniformity and consistency in the reporting of crimes on campus.

SEC. 203. AMENDMENTS.

(a) PROGRAM PARTICIPATION AGREEMENT REQUIREMENTS.—Section 487(a) of the Higher Education Act of 1965 is amended by adding at the end thereof the following new paragraph:

"(11) The institution certifies that—

"(A) the institution has established a campus security policy; and

"(B) the institution has complied with the disclosure requirements of section 485(f).".

(b) DISCLOSURE REQUIREMENTS.—Section 485 of the Higher Education Act of 1965 is amended by adding at the end thereof the following new subsection:

"(f) DISCLOSURE OF CAMPUS SECURITY POLICY AND CAMPUS CRIME STATISTICS.—(1) Each eligible institution participating in any program under this title shall prepare, publish, and distribute, through appropriate publications and mailings, to all current students and employees, and to any applicant for enrollment or employment upon request, beginning on July 1 of 1992 and each year thereafter, an annually revised and updated report containing the following information with respect to its campus security policies and campus crime statistics:

"(A) a statement of current campus policies regarding procedures and facilities for students and others to report criminal actions or other emergencies occurring on campus and policies concerning the institution's response to such reports;

"(B) a statement of current policies concerning security and access to campus facilities, and security considerations used in the maintenance of campus facilities;

"(C) a statement of current policies concerning security in campus residences and access to campus residences by students and guests, including a description of the type and frequency of programs designed to inform students and student housing residents about housing security and enforcement procedures;

"(D) a statement of current policies concerning campus law enforcement, including—

"(i) the enforcement authority of security personnel, including their working relationship with State and local police agencies; and

"(ii) policies which encourage accurate and prompt reporting of all crimes to the campus police and the appropriate police agencies;

"(E) statistics concerning the occurrence on campus, during the most recent school year, and during the 2 preceding school years, of the following criminal offenses reported to campus security authorities or local police agencies—

"(i) murder;

"(ii) rape;

"(iii) robbery;

"(iv) aggravated assault;

"(v) burglary;

"(vi) larceny;

"(vii) motor vehicle theft; and

"(viii) arson;

"(F) statistics concerning the number of arrests for the following crimes occurring on campus:

"(i) liquor law violations;

"(ii) drug abuse violations;

"(iii) vandalism;

"(iv) weapons possessions; and

"(v) disorderly conduct;

"(G) a statement of policy regarding the possession, use, and sale of alcoholic beverages and enforcement of State underage drinking laws and a description of any alcohol abuse education programs provided by the institution;

"(H) a statement of policy regarding the possession, use, and sale of illegal drugs and enforcement of Federal and State drug laws and a description of any drug abuse education programs provided by the institution; and

"(I) a statement of policy concerning the monitoring through local police agencies and recording of criminal activity at off-campus fraternities and other student organizations which are recognized by the institution.

"(2) Each institution participating in any program under this title shall make timely reports to the campus community on crimes described in paragraph (1)(E) that are reported to campus security or local law police agencies. Such reports shall be distributed through appropriate publications and media to students and employees in a manner that is timely and that will aid in the prevention of similar occurrences.

"(3) Each such institution shall annually submit to the Secretary a copy of the statistics required to be made available under paragraph (1)(E) and (1)(F). The Secretary shall—

"(A) regularly review such statistics and report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate on campus crime statistics by September 1, 1995; and

"(B) in coordination with representatives of institutions of higher education, periodically survey campus security policies, procedures, and practices implemented by institutions of higher education and disseminate information concerning those policies, procedures, and practices that have proven effective in the reduction of campus crime.

"(4) Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices by institutions of higher education with respect to campus crimes or campus security.

"(5) For purposes of this subsection, the term 'campus' includes—

"(A) any building or property owned or controlled by the institution of higher education within the same reasonably contiguous geographic area and used by the institution in direct support of, or related to its educational purposes; or

"(B) any building or property owned or controlled by student organizations recognized by the institution.

"(6) The statistics required by subparagraphs (E) and (F) of paragraph (1) shall be compiled in accordance with the definitions used in the uniform crime reporting system of the Justice Department, Federal Bureau of Investigation. Such statistics shall reflect modifications in such definitions as implemented pursuant to the Hate Crime Statistics Act.".

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect on July 1, 1991, except that the requirement of section 485(f)(1) (E) and (F) of the Higher Education Act of 1965 (as amended by this Act) shall be applied to require statistics with respect to school years preceding the date of enactment of this Act only to the extent that data concerning such years is reasonably available.

SEC. 204. DISCLOSURE OF DISCIPLINARY PROCEEDING OUTCOMES TO CRIME VICTIMS.

Section 438(b) of the General Education Provisions Act (20 U.S.C. 1232g(b)) is amended by adding at the end thereof the following new paragraph:

"(6) Nothing in this section shall be construed to prohibit an institution of postsecondary education from disclosing, to an alleged victim of any crime of violence (as that term is defined in section 16 of title 18, United States Code), the results of any disciplinary proceeding conducted by such institution against the alleged perpetrator of such crime with respect to such crime.".

Mr. KENNEDY. Mr. President, today the Senate will consider S. 580, the Student Right-to-Know and Campus Security Act of 1990. This bill passed the Senate as the Student Athlete Right-to-Know Act on February 22, 1990. The House considered the bill, amended it substantially and sent it back to the Senate. In light of comments and criticisms that have been raised about the House passed bill, the Labor Committee has made a number of changes and has prepared a complete substitute that we will consider today.

The bill now has four parts. The first is the Student Athlete Right-to-Know Act. This provision requires colleges and universities that award athletic scholarships to disclose the graduation rate of the students who receive the scholarships. We have made several small changes in the language of this section as it passed the House. The modifications are designed to reduce the reporting burden on colleges and universities. We have also added a provision that lets higher education institutions exclude from the calculation students who enter the Armed Forces, serve on church missions, or participate in foreign affairs programs of the U.S. Government, such as the Peace Corps.

The Student Athlete Right-to-Know Act contains a provision allowing the Secretary of Education to waive the requirements for any college or university that is voluntarily providing information that is substantially comparable to that required by this legislation. The National Collegiate Athletic Association [NCAA] has already agreed to publish the information voluntarily and I hope that the other major athletic organizations will soon follow the NCAA's example.

The House also added a provision to the Senate passed bill that requires all colleges and universities to disclose graduation rates of full-time, degree-seeking students. This means that all college students would know, before deciding which postsecondary education institution to attend, what their chances are of graduating. The Senate amendment includes this provision.

The House bill passed includes provisions requiring the Secretary of Education to develop definitions and a methodology for collecting a much more comprehensive array of information about graduation and job placement rates. While the Labor Committee is generally sympathetic with efforts to provide students and their families with information related to educational outcomes, we believe that the proposed effort will only reveal that collecting such data will be complex, confusing and expensive. Given the extensive requirements for educa-

tion data collection and analysis that the Congress has recently imposed on the Department of Education, the Labor Committee believes that there is no purpose served by developing this methodology. As a result, we have deleted this provision.

The third part of the House bill is the Campus Awareness and Campus Security Act. These provisions would require that colleges and universities publish crime statistics every year so that students and their families may make informed judgments about campus safety. In addition, colleges are required to provide students and employees with information about campus security policies at least once a year.

Crime on college campuses has attracted a great deal of attention in the Senate. Senator SPECTER introduced the Crime Awareness and Campus Security Act of 1989 (S. 1925) and Senator GORE and I introduced the Campus Safety and Security Act of 1989 (S. 1930). The assumption behind these bills is that making this information available will help students decide which institution to attend, will encourage students to take security precautions while on campus, and will encourage higher education institutions to pay careful attention to security considerations.

The provisions included in the Senate's version of S. 580 are designed to ensure that colleges provide information on the incidence of crime and security policies to students and employees and, at the same time, create as modest a paperwork burden as possible on the institutions and the Department of Education. Thus, our legislation requires that institutions provide the information to students as an eligibility condition for Federal student assistance. However, the Senate legislation, unlike the House language, does not require that this data be reported to the U.S. Department of Education.

The Senate bill also requires that institutions provide students with information about such violent crimes as: rape, murder, and aggravated assault. The House bill requires that data be provided to the students on 14 separate categories of crime. We have taken this approach because we believe it is information about violent crime that most concerns students and their families and that is the area where institutions should concentrate their efforts.

Finally, the House bill includes a provision that would allow colleges to disclose the results of campus disciplinary proceedings to victims of violent crimes. Current Federal law prohibits colleges from making this information available to victims. The provision in the House bill—which is included in the Senate amendment—is permissive. Colleges would be allowed to make this information available, but are not required to do so.

One final change is that the Senate amendment has later effective dates than the House bill. The requirements imposed by this legislation are completely new and it is impossible for us to predict the difficulties that may emerge in implementation. As a result, we believe that colleges and universities should have a reasonable length of time to begin gathering and publishing this data. Moreover, the longer timeframe ensures that the Congress and the administration can, if necessary, revise these requirements next year when we reauthorize the Higher Education Act.

In addition to these accountability provisions, S. 580 includes a technical amendment to the Higher Education Act dealing with the calculation of student loan default rates. Every year the Secretary of Education calculates cohort default rates for each higher education institution participating in the Student Loan Program. These calculations are important—institutions with high default rates must prepare default reduction plans and schools with especially high default rates may be ineligible to participate.

The committee has recently become aware of a problem with the fiscal year 1988 default rates. Roughly $400 million in loans formerly serviced by United Education and Software [UES] were inadvertently treated as if they were in repayment. In fact, these loans are in a suspended status during a moratorium to determine which loans are eligible for reinsurance. As a result, since the loans are not technically in default, they are not included in the numerator of the default rate calculation. However, because the loans were assumed to be in repayment, they were included in the denominator of the calculation. Thus, the cohort default rates for some 200 schools are inaccurate.

The provision in this bill amends the Higher Education Act to more clearly define the loans that should be included in the cohort default rate calculation. The bill provides that, in calculating fiscal year default rates under section 435(m) of the HEA, the Department of Education shall include only loans on which a default claim has been paid. In addition, the bill allows the Secretary to exclude any loans from default rate calculations when, due to improper servicing or collection, inclusion of the loans would result in inaccurate cohort default rates.

The Department of Education has already begun the technical work to correct the problem that emerged in the 1988 default rate calculation. We expect the Department to issue the new default rates to the affected schools as soon as possible and to take steps to ensure that these new rates are made effective as soon as possible. The Department of Education has provided technical assistance in the preparation of this provision.

The Student Right-to-Know and Campus Security Act is the product of much hard work. I wish to recognize in particular the commitment of Senator BRADLEY and his legislative director Ken Apfel in shaping this bill. I also wish to commend Senator SPECTER and Senator GORE for their strong efforts on behalf of the campus security provisions. Several members of the Labor Committee should also be commended for their effort. I would like to recognize Senator PELL and Charlie Bouthot of his staff, Senator KASSEBAUM and Becky Voslow of her staff, Senator HATCH and Laurie Chivers of his staff, Senator COCHRAN and Doris Dixon of his staff, and Senator THURMOND and Craig Metz and Kent Talbert from his office. Terry Hartle and Rusty Barbour of the Labor Committee staff both spent long hours working on this bill.

Mr. President, we have considered S. 580 as passed by the House bill with great care and have revised it after consultation with the higher education community and the Department of Education. I believe that this is important legislation and I urge my colleagues to join me in supporting it.

Mr. COCHRAN. Mr. President, earlier this year, Senator BRADLEY and I worked together to reach a compromise on a bill to require the collection of data relating to graduation rates of student athletes by colleges and universities receiving Federal student financial assistance. This bill passed the Senate as part of the President's Excellence Act, S. 695, and later as a free-standing bill, S. 580. This bill requires postsecondary institutions to collect and report information regarding the graduation rates of student athletes, but the Secretary may waive this requirement for those institutions participating in an athletic association or conference that has agreed to collect comparable data.

I opposed this bill in its initial form in committee because I believed it was very intrusive and burdensome on both the reporting institutions and the Department of Education. But, I felt comfortable with the compromise agreement that Senator BRADLEY and I reached shortly after the National Collegiate Athletic Association [NCAA] held its annual meeting and adopted an amendment to its bylaws requiring division I and division II schools to disclose the graduation rates of student athletes. The bill which passed the Senate allows the Secretary to hand over responsibility for collecting these data to the NCAA for division I and II schools and allows other athletic associations and conferences to do the same for their member

institutions. I felt this was a reasonable compromise.

In June, the other body considered S. 580, the Student Right-to-Know Act. The bill they passed bears little resemblance to the bill adopted by the Senate. The House added several new provisions which had not been considered in the Senate.

The House legislation differs from the Senate version in three important aspects: First, the House bill requires institutions to report athletics-related receipts and expenditures which the Secretary of Education will publish; second, the House bill requires the reporting of student-athlete graduation rate data broken down by sport, including football, basketball, baseball, ice hockey, and cross country/track; third, the House bill moves up the effective date, which places the requirement at odds with the dates imposed by the NCAA on its members.

As to the first issue, no hearings were held in either body on the need for reporting data regarding expenditures and receipts, either in the aggregate or on a per sport basis as required by the House version of S. 580. Nor was the cost to individual institutions and to the Federal Government in developing, compiling and reporting these data examined. I believe that requiring collection and reporting of such financial information is totally inappropriate and beyond the scope of Federal authority. The fact that Federal dollars provide students with assistance to attend a postsecondary institution does not justify our prying into every aspect of an institution's day-to-day operation.

Additionally, I am told by the NCAA that this information is already available to institutional trustees and, in the case of public institutions, State legislatures. The NCAA reviews and approves the intercollegiate budgets of member institutions, and an independent audit of the athletics department is conducted annually for division I schools and every 3 years for division II schools. I see no reason for involving the Federal Government in this process, especially when any such reporting regime would require creation of uniform Federal reporting rules and expenditure of scarce Federal education dollars for Federal staffing to ensure accurate and complete reporting.

With respect to the reporting of graduation rates for individual sports, I see no need to put institutions to the expense of compiling separate data for these sports. The Senate bill required reporting of data on football, basketball, and all other sports combined. The fact that more than twice as many football and basketball scholarships are awarded as for the other three sports, suggests that reporting of graduation rate data for the first two sports is more significant than for the other three. Under the Senate legislation, prospective students will have the benefit of graduation rate data on a combined basis for all sports in addition to separate breakouts for football and basketball. Our intention is to allow students to make an informed choice regarding their education. The Senate passed bill does this without placing an unnecessary burden on post secondary institutions.

Finally, the July 1, 1991, effective date is unreasonable and unnecessary. The Senate effective date of October 1, 1992, with the first report due a year later, is consistent with the NCAA self-imposed requirement and should be retained.

Further changes in the Senate-passed bill include the addition of a costly and potentially fruitless study to be conducted by the Department of Education. This study would require the Department to develop a formula for post secondary institutions to report the graduation rates of all students, broken down by program and field of study; individual school or academic division within the institution; rate at which graduates of the institution pass applicable licensure or certification exams; and the rate at which graduates of occupationally specific programs at the institution obtain employment in the occupation for which they are trained.

I oppose the inclusion of this study. The post secondary institutions in Mississippi tell me this is information they just do not have. I am also concerned about the costs, which have not yet been determined. A study of this magnitude would undoubtedly be expensive, and the bill does not authorize a penny for it. The completion date for the study, a year from now, is totally unrealistic, and even if the Department were able to come up with a way to collect this information, I am not sure we would want them to collect it.

In addition, the House has added the Crime Awareness and Campus Security Act to the bill. The Senate has not held hearings to examine the incidence of crime on our Nation's campuses or the need for Federal action to require institutions to report crime statistics. However, I am aware that in Mississippi the eight public institutions already make this information available in a manner that is both thoughtful and reasonable. The House bill, while well-intentioned, goes beyond what is necessary to make students and their families aware of crime problems on college campuses.

The bill under consideration today is a revised version of S. 580 as passed by the Senate earlier this year. It will be returned to the other body, where I hope it will be adopted. An attempt has been made to address in a responsible way the issues raised by the House. Generally, this bill retains the original Student Right-to-Know Act as passed by the Senate, deletes the study on graduation rates for all students, and modifies the Crime Awareness and Campus Security provisions to require institutions to make information on serious crimes available to their students.

I regard this bill as a substantial improvement over the House alternative, and I urge its adoption.

Mr. GORE. Mr. President, today I am very pleased to join the distinguished chairman of the Senate Committee on Labor and Human Resources in supporting the Student Right-To-Know and Campus Security Act. This legislation will make available crucial information concerning student athlete graduation rates and campus crime and security policies and statistics to students attending post-secondary institutions in this country.

Last November, I, along with Senator KENNEDY, introduced the Campus Safety and Security Act, which addresses the urgent need to heighten student and employee awareness of what's happening where they live and work. I am pleased that the substitute bill that Senator KENNEDY offers today includes a significant portion of the Campus Safety and Security Act. As the incidence of crime on college campuses has risen in recent years, it has become apparent that action must be taken to make our campuses safer for our Nation's young people.

It is no secret that crime rates have grown at an alarming pace the last few years. Each time we open a newspaper or turn on the television, we are reminded of the figures and the reality behind them—people are being killed, lives are being destroyed, and businesses and neighborhoods are being threatened. In recent weeks, we have all been shocked and saddened by the brutal slayings of five college students in off-campus apartments in Gainsville, FL.

At first glance, college campus appears to offer students the security and comfort of home. Many students consider their college environment to be as safe as their own backyard.

Unfortunately, the fact is that the college campuses and surrounding areas are as vulnerable to crime as any other environment. The Carnegie Foundation for the Advancement of Teaching revealed in its recent report, "Campus life: In Search of a Community," that one in four student affairs officers, responding to a survey conducted by the foundation, state that crime on their campuses has risen during the last 5 years. According to the report, students are responsible for 78 percent of sexual assaults on campus. In fact, a recent Towson State study reports that much of the crime committed on college campuses is committed by students.

Many of campus crimes are petty thefts and other relatively minor acts; but some of these crimes have tragic consequences. A student named Tom Baer was fatally stabbed at a fraternity house in Tennessee. A young woman, Jeanne Cleary, in Pennsylvania was awakened in her campus dormitory room by another student who was robbing the room. He then brutally attacked, sexually assaulted and killed her.

Tragedies such as these have shaken public consciousness and caused students, parents, and other concerned citizens, on and off campus, to unite in demanding that steps be taken to prevent such brutal acts from happening again. Howard and Constance Cleary, the parents of the young woman killed in Pennsylvania, last year devoted themselves to passing a Pennsylvania law that now ensures college employees and students are aware of crimes committed on their campus and the school's security policies. Tom Baer's parents helped draft and pass a similar law in my home State of Tennessee. I have had the opportunity to meet with both families and am deeply inspired by their commitment to this issue.

Many colleges and universities are becoming more aggressive in improving security on campus. The Carnegie Foundation report chronicles many different accounts of better lighting, escort services, emergency phone systems and strengthened police forces.

The State laws and individual institutional initiatives are important steps, but we are a long way from solving the problem. There is a strong need for basic uniformity in requirements and standards because the problem still exists.

Two daughters of a friend of mine tried to get information about all types of crimes on their college campus, as part of an educational program on self-defense. They were told they could not have this information. Crimes themselves are tragic enough, especially when the victims are young people. But to deny college students information that would help them protect themselves only serves to make the situation worse.

Since introducing campus crime legislation last fall, I have heard from parents and young people from around the country whose lives have been impacted by crime on campus. Each person asks, "What can we do to make these campuses safer for our children or friends or classmates?" There is no easy answer. But, it is clear that a strong defense is knowledge of what is happening in one's environment.

As a father myself, I want my children to grow up understanding that they need to take precautions. And I want them to grow up with the right to find out what they need to know to protect themselves.

The Student Right-To-Know and Campus Security Act amends the Higher Education Act to require colleges and universities throughout the Nation to compile an annual report which provides statistics for violent crimes committed against students for the most recent academic year and campus security policies. The institution must make this information available to students, employees and applicants for enrollment.

This bill seeks to better equip students with knowledge of crime prevention through informing them of current campus security policies, procedures and practices, including information concerning security for campus facilities; campus law enforcement; a description of policies that encourage students and employees to report criminal actions promptly and accurately to campus and local police; and, a description of programs designed to inform students and employees about the frequency of crimes and crime prevention.

Central to fostering a safer environment for young people is the institution's duty to warn students about possible dangers on campus. With proper warning, an individual is more likely to take extra measures to ensure his or her personal safety. I believe that the knowledge of crime on and off campus committed against students will encourage victims to report any violation of their rights.

Many institutions and some State legislatures have taken great steps to heighten students' and employees' knowledge of crime committed on campus and taken other preventative actions to ensure campus safety. However, not all institutions are willing to provide this information, much less encourage students and employees to obtain it. This legislation will bring uniformity to campus crime statistic disclosure requirements at postsecondary institutions throughout the United States.

Upon passage of this bill, we will be one step closer to making safer the campuses of our Nation's colleges and universities. It is my hope that along with new State laws, it will encourage institutions to take assertive action to protect their students and employees.

I join Senator KENNEDY in supporting passage of this bill.

Mr. SPECTER. Mr. President, as the sponsor of S. 1925, the Crime Awareness and Campus Security Act of 1989, I am pleased to cosponsor this amendment with Senator KENNEDY as an important first step in the direction of improving campus security standards and awareness nationwide.

The amendment we are considering today to S. 580 includes provisions similar to my bill to require colleges and universities that participate in Federal student assistance programs to report campus crime statistics. The legislation would require that such reports be sent to all current students and employees as means of deterring campus crime. These reports must include a detailed description of current campus security procedures and practices and statistics concerning the occurrence of violent crimes against students, such as murder, rape, robbery and aggravated assault. Recognizing the occurrence of crimes against students while off-campus, the report must also state the school's policy concerning the monitoring through local police agencies criminal activities at off-campus housing.

My bill is based on a Pennsylvania law enacted in 1988, that requires all colleges and universities to report, for a 3-year period, campus crime statistics to the students, faculty, campus employees and the State police. It also requires a description of the type of security provided. The Pennsylvania law was due in large part to the efforts of Connie and Howard Clery, whose daughter was brutally raped and murdered by a fellow student at Lehigh University. In order to avoid the recurrence of such tragedies, the Clerys have established Security on Campus, Inc., an organization dedicated to making parents and students aware of the magnitude of criminal activity on college campuses.

Although several States, including Tennessee, Florida, and Louisiana, have followed Pennsylvania's lead in requiring colleges to report campus crime statistics, there is no comparable system on the national level.

Recent reports indicate that violence on college campuses is an increasing problem. According to a 1987 comprehensive survey of campus crime by U.S. Today, in that year, 31 students were killed on campuses throughout the country. The same year, more than 1,800 students were victims of armed robbery. Also, 653 rapes were reported in 1987, a figure which experts consider a modest estimate. Officials also estimate that rape has surpassed theft as the principal security concern at colleges and universities around the country. Overall, 80 percent of campus crimes are committed by students and 95 percent are alcohol and drug related.

I believe that until a uniform system is available, we need to recognize the scope of campus crime. More importantly, we need to inform the people who are closest to the problem—students and their parents.

Although in recent years, many institutions have established crime prevention measures to increase campus security, there also is an indication that when rapes and other violent crimes occur on campuses, campus security officers may be inclined to discourage making such information

known or available to the public or the campus community.

I believe that public awareness of campus crimes will help awaken parents and students to the reality of modern campus life. This awareness, in turn, will help students to be more careful in observing security precautions. Security is not just the responsibility of school administrators, it is everyone's responsibility. Working together, parents, students, and colleges can most effectively fight campus crime.

Recent events in Gainesville, FL, stress the need for such legislation. As we are sadly aware, four female students and one male student recently were murdered in Gainesville, setting off a call for more campus security. These murders, subsequently, occurred off-campus, and not subject to crime statistic reports by the University of Florida and Santa Fe Community College where the victims were students. The provisions of the amendment before us provides that educational institutions report all crimes committed against students regardless of whether they occur on campus.

Mr. President, it is unfortunate that this Nation needed the tragic murder of five college students in Gainesville, FL to move this important legislation forward.

Accordingly, I urge my colleagues to join me in support of preventing campus crime through enhanced awareness.

Mr. PELL. Mr. President, among the important provisions before us today is a measure requiring the Secretary of Education to work with the National Junior College Athletic Association to develop reporting requirements appropriate for athletic programs at 2-year colleges.

The academic goals of students at 2-year colleges are diverse. Many students enter junior and community colleges with the intention of terminating their studies when they receive their associate's degree. Others enter only to try their hand at postsecondary education. Still others plan to work towards a bachelor's degree.

Because of this diversity of purpose, the measures of student completion rates set forth in this bill may not be appropriate at 2-year schools. For example, in my home State of Rhode Island, it is not uncommon for students at the community college who intend to pursue a bachelor's degree to follow an academic program more suited to a bachelor's degree than an associate's degree. Therefore, although these students complete two years of academic work, they do not actually receive a degree from the community college. Such students are technically noncompleters.

A similar situation exists for transfer students. One of the primary missions of 2-year colleges is to help students try their hand at pursuing a postsecondary education. Many enroll at such schools, build confidence in themselves and an interest in a particular field, and then transfer to another school.

The bill before us recognizes the special mission of 2-year colleges by requiring the Secretary to work with the National Junior College Athletic Association to develop appropriate reporting mechanisms for their sector. This requirement should guarantee that the unique educational needs of the community college are not compromised by this legislation.

AMENDMENT NO. 2663

(Purpose: To amend the Higher Education Act of 1965 regarding the disclosure of certain institutional and financial assistance information for students, and for other purposes)

Mr. BRYAN. Mr. President, I move that the Senate concur in the amendment of the House with an amendment which I send to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Nevada [Mr. BRYAN] for Mr. KENNEDY, proposes an amendment numbered 2663.

Mr. BRYAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Student Right-to-Know and Campus Security Act".

TITLE I—STUDENT AND STUDENT ATHLETE RIGHT-TO-KNOW

SEC. 101. SHORT TITLE.

This title may be cited as the "Student Right-to-Know Act".

SEC. 102. FINDINGS.

The Congress finds that—

(1) education is fundamental to the development of individual citizens and the progress of the Nation as a whole;

(2) there is increasing concern among citizens, educators, and public officials regarding the academic performance of students at institutions of higher education;

(3) a recent study by the National Institute of Independent Colleges and Universities found that just 43 percent of students attending four-year public colleges and universities and 54 percent of students entering private institutions graduated within six years of enrolling;

(4) the academic performance of student athletes, especially student athletes receiving football and basketball scholarships, has been a source of great concern in recent years;

(5) prospective students and prospective student athletes should be aware of the educational records and commitments of an institution of higher education; and

(6) knowledge of graduation rates would help prospective students and prospective student athletes make an informed judgment about the educational benefits available at a given institution of higher education.

SEC. 103. ADDITIONAL GENERAL DISCLOSURE REQUIREMENTS RELATING TO GRADUATION.

(a) DISCLOSURE OF GRADUATION RATES.—Section 485(a)(1) of the Higher Education Act of 1965 (20 U.S.C. 1092(a)(1)) (hereafter in this Act referred to as the "Act") is amended—

(1) by striking "and" at the end of subparagraph (J);

(2) by striking the period at the end of subparagraph (K) and inserting "; and"; and

(3) by adding at the end the following new subparagraph:

"(L) the graduation rate of certificate- or degree-seeking, full-time students entering such institution.".

(b) CONSTRUCTION OF DISCLOSURE REQUIREMENTS.—Section 485(a) of the Act (20 U.S.C. 1092(a)) is further amended by adding at the end the following new paragraphs:

"(3) For purposes of this section, the term 'graduation rate' means the percentage of students with no previous collegiate participation who enter the institution as certificate- or degree-seeking full-time students and, within 150 percent of the standard time for completion of the program, have completed the program, or enrolled in any program of an eligible institution for which the prior program provides substantial preparation.

"(4) The information required to be disclosed under subparagraph (L)—

"(A) shall be available beginning on October 1, 1993, and each year thereafter to current and prospective students prior to enrolling or entering into any financial obligation;

"(B) shall cover the 1-year period ending on September 30 of the preceding year; and

"(C) shall be updated not less often than biennially.

"(5) For purposes of this section, institutions may exclude from the information disclosed in accordance with subparagraph (L) the completion rates of students who leave school to serve in the armed services, on official church missions, or with a recognized foreign aid service of the Federal Government.".

SEC. 104. REPORTING REQUIREMENTS FOR INSTITUTIONS OF HIGHER EDUCATION.

(a) INSTITUTIONAL AND FINANCIAL ASSISTANCE INFORMATION FOR STUDENTS.—Section 485 of the Act (20 U.S.C. 1092) is further amended by adding at the end thereof the following new subsection:

"(e) DISCLOSURES REQUIRED WITH RESPECT TO ATHLETICALLY RELATED STUDENT AID.—(1) Each eligible institution participating in any program under this title and that is attended by students receiving athletically related student aid shall annually submit a report to the Secretary that contains—

"(A) the number of students, broken down by race and sex, at the institution of higher education who received athletically related student aid to participate in—

"(i) basketball;

"(ii) football; and

"(iii) all other sports combined;

"(B) the number of students, broken down by race and sex, at the institution of higher education;

"(C) the graduation rate, broken down by race and sex, for students at the institution of higher education who received athletically related student aid to participate in—

"(i) basketball;
"(ii) football; and
"(iii) all other sports combined;
"(D) the graduation rate, broken down by race and sex, for students at the institution of higher education;
"(E) the average graduation rate, broken down by race and sex, for the 4 most recent graduating classes of students at the institution of higher education who received athletically related student aid to participate in—
"(i) basketball;
"(ii) football; and
"(iii) all other sports combined; and
"(F) the average graduation rate, broken down by race and sex, for the 4 most recent graduating classes of students at the institution.

"(2) When an institution described in paragraph (1) of this subsection offers a potential student athlete athletically related student aid, such institution shall provide to the student and the student's parents, guidance counselor, and coach the information contained in the report submitted by such institution pursuant to paragraph (1).

"(3) For purposes of this subsection, institutions may exclude from the reporting requirements under paragraphs (1) and (2) the graduation rates of students and student athletes who leave school to serve in the armed services, on official church missions, or with a recognized foreign aid service of the Federal Government.

"(4) Each institution of higher education described in paragraph (1) may provide supplemental information to students and the Secretary showing the graduation rate when such graduation rate includes students transferring into and out of such institution.

"(5) The Secretary shall, using the reports submitted under this subsection, compile and publish a report containing the information required under paragraph (1), broken down by—
"(A) individual institutions of higher education; and
"(B) athletic conferences recognized by the National Collegiate Athletic Association and the National Association of Intercollegiate Athletics.

"(6) The Secretary shall waive the requirements of this subsection for any institution of higher education that is a member of an athletic association or athletic conference that has voluntarily published graduation rate data or has agreed to publish data that, in the opinion of the Secretary, is substantially comparable to the information required under this subsection.

"(7) The Secretary, in conjunction with the national Junior College Athletic Association, shall develop and obtain data on graduation rates from two-year colleges that award athletically related student aid. Such data shall, to the extent practicable, be consistent with the reporting requirements set forth in this section.

"(8) For purposes of this subsection, the term 'athletically related student aid' means any scholarship, grant, or other form of financial assistance whose terms require the recipient to participate in a program of intercollegiate athletics at an institution of higher education in order to be eligible to receive such assistance.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992, except that the first report to the Secretary of Education shall be due on October 1, 1993.

TITLE II—CRIME AWARENESS AND CAMPUS SECURITY

SEC. 201. SHORT TITLE.

This title may be cited as the "Crime Awareness and Campus Security Act of 1990".

SEC. 202. FINDINGS.

The Congress finds that—
(1) the reported incidence of crime, particularly violent crime, on some college campuses has steadily risen in recent years;
(2) although annual "National Campus Violence Surveys" indicate that roughly 80 percent of campus crimes are committed by a student upon another student and that approximately 95 percent of the campus crimes that are violent are alcohol- or drug-related, there are currently no comprehensive data on campus crimes;
(3) out of 8,000 postsecondary institutions participating in Federal student aid programs, only 352 colleges and universities voluntarily provide crime statistics directly through the Uniform Crime Report of the Federal Bureau of Investigation, and other institutions report data indirectly, through local police agencies or States, in a manner that does not permit campus statistics to be separated out;
(4) several State legislatures have adopted or are considering legislation to require reporting of campus crime statistics and dissemination of security practices and procedures, but the bills are not uniform in their requirements and standards;
(5) students and employees of institutions of higher education should be aware of the occurrence of crime on campus and policies and procedures to prevent crime or to report occurrences of crime;
(6) applicants for enrollment at a college or university, and their parents, should have access to information about crime statistics of that institution and its security policies and procedures; and
(7) while many institutions have established crime preventive measures to increase the safety of campuses, there is a clear need—
(A) to encourage the development on all campuses of security policies and procedures;
(B) for uniformity and consistency in the reporting of crimes on campus; and
(C) to encourage the development of policies and procedures to address sexual assaults and racial violence on college campuses.

SEC. 203. DISCLOSURE OF CAMPUS SECURITY POLICY AND CAMPUS CRIME STATISTICS.

(a) DISCLOSURE REQUIREMENTS.—Section 485 of the Act (20 U.S.C. 1092) is further amended by adding at the end thereof the following new subsection:

"(f) DISCLOSURE OF CAMPUS SECURITY POLICY AND CAMPUS CRIME STATISTICS.—(1) Each eligible institution participating in any program under this title shall prepare, publish, and distribute, through appropriate publications or mailings, to all current students and employees, and to any applicant for enrollment or employment upon request, beginning on October 1, 1992, and each year thereafter, an annual security report containing at least the following information with respect to the campus security policies and campus crime statistics of that institution:

"(A) A detailed description of current campus security procedures and practices, including procedures and facilities for students and employees to report to campus police and local police criminal actions or other crime related emergencies occurring on campus.

"(B) A statement of current policies concerning—

"(i) security and access to campus facilities, including campus residences, and security considerations used in the maintenance of campus facilities; and

"(ii) campus law enforcement, including a description of policies that encourage students and employees to report criminal actions promptly and accurately to the campus police and the local police and a description of the working relationship between the campus police and State and local police agencies.

"(C) A description of the type and frequency of programs designed to inform students and employees about campus security procedures and practices and to encourage students and employees to be responsible for their own security and the security of others.

"(D) A description of programs designed to inform students and employees about the prevention of crimes.

"(E) Statistics concerning the occurrence of violent crimes against students, such as murder, rape, robbery and aggravated assault, during the most recent school year as reported to campus police and local police. Such statistics shall include such crimes committed against students while in attendance at the institution, regardless of whether the crimes occurred on campus.

"(F) A statement of policy concerning local police agency monitoring and recording of criminal activity at off-campus housing of student organizations recognized by the insitution that is engaged in by students attending the institution.

"(2) Nothing in this subsection shall be construed to authorize the Secretary to require particular policies, procedures, or practices by institutions of higher education with respect to campus crimes or campus security.".

(b) PROGRAM PARTICIPATION AGREEMENT REQUIREMENTS.—Section 487(a) of the Act (20 U.S.C. 1094(a)) is amended by adding at the end thereof the following new paragraph:

"(12) The institution certifies that—
"(A) the institution has established a campus security policy; and
"(B) the institution has complied with the disclosure requirements of section 485(f).".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1992.

SEC. 204. DISCLOSURE OF DISCIPLINARY PROCEEDING OUTCOMES TO CRIME VICTIMS.

Section 438(b) of the General Education Provisions Act (20 U.S.C. 1232g(b)) is amended by adding at the end thereof the following new paragraph:

"(6) Nothing in this section shall be construed to prohibit an institution of postsecondary education from disclosing, to an alleged victim of any crime of violence (as that term is defined in section 16 of title 18, United States Code), the results of any disciplinary proceeding conducted by such institution against the alleged perpetrator of such crime with respect to such crime.".

TITLE III—CALCULATION OF DEFAULT RATES

SEC. 301. CALCULATION OF DEFAULT RATES.

Section 435 of the Act (20 U.S.C. 1085) is amended—

(1) in subsection (l), by striking out "The term" and inserting in lieu thereof "Except

as provided in subsection (m), the term"; and

(2) in subsection (m), by inserting immediately after the first sentence the following: "In determining the number of students who default before the end of such fiscal year, the Secretary shall include only loans for which the Secretary or a guaranty agency has paid claims for insurance, and, in calculating the cohort default rate, exclude any loans as to which the Secretary has reason to believe that, due to improper servicing or collection of such loans, the inclusion of such loans would not result in an accurate or complete calculation of the cohort default rate.".

The PRESIDING OFFICER. The question is on agreeing to the moton.

The motion was agreed to.

Mr. BRYAN. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ROUTE 66 STUDY ACT OF 1990

Mr. BRYAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 963.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 963) entitled "An Act to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and for other purposes", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Route 66 Study Act of 1990".

SEC. 2. FINDINGS.

The Congress finds that—

(1) United States Route 66, the 2,000 mile highway from Chicago, Illinois, to Santa Monica, California, played a significant role in the 20th-century history of our Nation, including the westward migration from the Dust Bowl and the increase in tourist travel;

(2) Route 66, an early example of the 1926 National Highway System program, transverses the States of Illinois, Missouri, Kansas, Oklahoma, Texas, New Mexico, Arizona, and California;

(3) Route 66 has become a symbol of the American people's heritage of travel and their legacy of seeking a better life and has been enshrined in American popular culture;

(4) although the remnants of Route 66 are disappearing, many structures, features, and artifacts of Route 66 remain; and

(5) given the interest by organized groups and State governments in the preservation of features associated with Route 66, the route's history, and its role in American popular culture, a coordinated evaluation of preservation options should be undertaken.

SEC. 3. STUDY AND REPORT BY THE NATIONAL PARK SERVICE.

(a) STUDY.—(1) The Secretary of the Interior, acting through the Director of the National Park Service and in cooperation with the respective States, shall coordinate a comprehensive study of United States Route 66. Such study shall include an evaluation of the significance of Route 66 in American history, options for preservation and use of remaining segments of Route 66, and options for the preservation and interpretation of significant features associated with the highway. The study shall consider private sector preservation alternatives.

(2) The study shall include participation by representatives from each of the States traversed by Route 66, the State historic preservation offices, representatives of associations interested in the preservation of Route 66 and its features, and persons knowledgeable in American history, historic preservation, and popular culture.

(b) REPORT.—Not later than two years from the date that funds are made available for the study referred to in subsection (a), the Secretary shall transmit such study to the Committee on Energy and Natural Resources of the United States Senate and the Committee on Interior and Insular Affairs of the United States House of Representatives.

(c) LIMITATION.—Nothing in this Act shall be construed to authorize the National Park Service to assume responsibility for the maintenance of United States Route 66.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated $200,000 to carry out the provisions of this Act.

Mr. DOMENICI. Mr. President, I urge the Senate to approve the Route 66 Study Act, S. 963, as amended by the House of Representatives. This bill, which I introduced, will direct the National Park Service to conduct a feasibility study to determine the best ways to preserve and interpret America's Main Street, historic U.S. Route 66.

At one time, Route 66, stretching over 2,200 miles from Chicago to Santa Monica, was the most famous highway in America. Officially, designated in 1926, Route 66 became the first completely paved highway across the Western United States in 1938.

Like a modern-day Santa Fe Trail, it carried hundreds of thousands of migrating Americans to the West. It served as the main route for westward migration from the desperation of the Dust Bowl to the opportunity of California during the Depression.

After World War II, another generation of Americans trekked across America on Route 66, not to escape despair, but to embrace opportunity on the economically vibrant west coast.

Route 66 also allowed vacationers to travel to previously remote areas to experience the natural beauty and unusual culture of the Southwest and the Far West.

Route 66 began to decline in significance with the enactment of the Interstate Highway Act in 1956. The interstates replaced roads like Route 66, and Route 66 was abandoned. In 1984, the last federally designated portion of Route 66 was decommissioned when Interstate 40 was completed in Arizona.

Unfortunately, Route 66 is fast fading from the landscape of America, having been superseded by the superhighways. However, one can still see vestiges of the highway and the gas stations, curio shops, restaurants, motels, and other facilities that were situated along the highway to service travelers.

The Route 66 Study Act will direct the National Park Service to study the significance of Route 66, its history, and its place in American culture, and report on ways to preserve what remains of the highway and the facilities associated with it. The study will examine preservation not only by the Government, but by private sector as well. The study group will include representatives of each of the eight States along Route 66, State historic preservation officers, and members of associations involved in preserving Route 66.

This legislation passed the Senate last year and was approved by the House with amendments on July 31. It is now before this body for final approval. The House amendments were technical and clarifying in nature, and I urge the Senate to approve the bill as approved by the House.

Mr. President, I am very excited about the prospect of preserving Route 66. Route 66 was America's Main Street in the early days of automobile transportation. This historic highway defines an era of change and discovery that was and continues to influence our Nation. I hope that the Senate will once again endorse this effort.

Mr. BRYAN. Mr. President, I move that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

Mr. BRYAN. Mr. President, I move to reconsider the vote.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EDUCATION OF THE HANDICAPPED ACT AMENDMENTS OF 1990

Mr. BRYAN. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1824.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1824) entitled "An Act to reauthorize the Education of the Handicapped Act, and for other purposes", do pass with the following amendments:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Education of the Handicapped Act Amendments of 1990".

TITLE I—GENERAL PROVISIONS

SEC. 101. DEFINITIONS.

(a) HANDICAPPED CHILDREN.—Section 602(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1402(a)(1)) is amended to read as follows:

"(1) The term 'children with disabilities' means children—

"(A) with mental retardation, hearing impairments including deafness, speech or language impairments, visual impairments including blindness, serious emotional disturbance, orthopedic impairments, autism, traumatic brain injury, other health impairments including attention deficit disorder, or specific learning disabilities; and

"(B) who, by reason thereof, need special education and related services.".

(b) SPECIAL EDUCATION.—Section 602(a)(16) of the Education of the Handicapped Act (20 U.S.C. 1402(a)(16)) is amended by striking "including classroom instruction" and all that follows and inserting the following: "including—

"(A) instruction conducted in the classroom, in the home, in hospitals and institutions, and in other settings; and

"(B) instruction in physical education.".

(c) RELATED SERVICES.—Section 602(a)(17) of the Education of the Handicapped Act (20 U.S.C. 1402(a)(17)) is amended—

(1) by striking "recreation," and inserting "recreation including therapeutic recreation, social work services,"; and

(2) by inserting "including rehabilitation counseling," after "counseling services,".

(d) TRANSITION SERVICES.—Section 602(a) of the Education of the Handicapped Act (20 U.S.C. 1401(a)) is amended by redesignating paragraphs (19) through (23) as paragraphs (20) through (24), respectively, and by inserting after paragraph (18) the following new paragraph:

"(19) The term 'transition services' means a coordinated set of activities for a student, designed within an outcome-oriented process, which promotes movement from school to integrated employment (including supported employment), post-secondary education, vocational training, continuing and adult education, adult services, independent living, or community participation. The coordinated set of activities shall be based upon the individual student's needs, taking into account the student's preferences and interests, and shall include, but not be limited to, instruction, community experiences, the development of employment and other post-school adult living objectives, and when appropriate acquisition of daily living skills and functional vocational evaluation.".

(e) INDIVIDUALIZED EDUCATION PROGRAM.—Section 602(a)(20) of the Education of the Handicapped Act, as redesignated by subsection (d) of this section, is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

"(D) a statement of the needed transition services for students beginning no later than age 16 and annually thereafter (and when determined appropriate for the individual, beginning at age 14 or younger), including when appropriate, a statement of the interagency reponsibilities or linkages (or both) before the student leaves the school setting,".

(f) PUBLIC OR PRIVATE NONPROFIT AGENCY OR ORGANIZATION.—Section 602(a)(24)(A) of the Education of the Handicapped Act, as redesignated by subsection (d) of this section, is amended by inserting before the period the following: "and the Bureau of Indian Affairs of the Department of the Interior (when acting on behalf of schools operated by the Bureau for children and students on Indian reservations) and tribally controlled schools funded by the Department of Interior".

(g) ASSISTIVE TECHNOLOGY DEVICE.—Section 602(a) of the Education of the Handicapped Act, as amended by subsection (d) of this section, is amended by adding at the end the following new paragraph:

"(25) The term 'assistive technology device' means any item, piece of equipment, or product system, whether acquired commercially off the shelf, modified, or customized, that is used to increase, maintain, or improve functional capabilities of individuals with disabilities.".

(h) ASSISTIVE TECHNOLOGY SERVICE.—Section 602(a) of the Education of the Handicapped Act, as amended by subsection (g) of this section, is amended by adding at the end the following new paragraph:

"(26) The term 'assistive technology service' means any service that directly assists an individual with a disability in the selection, acquisition, or use of an assistive technology device. Such term includes—

"(A) the evaluation of the needs of an individual with a disability, including a functional evaluation of the individual in the individual's customary environment;

"(B) purchasing, leasing, or otherwise providing for the acquisition of assistive technology devices by individuals with disabilities;

"(C) selecting, designing, fitting, customizing, adapting, applying, maintaining, repairing, or replacing of assistive technology devices;

"(D) coordinating and using other therapies, interventions, or services with assistive technology devices, such as those associated with existing education and rehabilitation plans and programs;

"(E) training or technical assistance for an individual with disabilities, or, where appropriate, the family of an individual with disabilities; and

"(F) training or technical assistance for professionals (including individuals providing education and rehabilitation services), employers, or other individuals who provide services to, employ, or are otherwise substantially involved in the major life functions of individuals with disabilities.".

SEC. 102. ABROGATION OF STATE SOVEREIGN IMMUNITY.

Part A of the Education of the Handicapped Act (20 U.S.C. 1400 et seq.) is amended by inserting after section 603 the following new section:

"ABROGATION OF STATE SOVEREIGN IMMUNITY

"SEC. 604. (a) A State shall not be immune under the eleventh amendment to the Constitution of the United States from suit in Federal court for a violation of this Act.

"(b) In a suit against a State for a violation of this Act, remedies (including remedies both at law and in equity) are available for such a violation to the same extent as such remedies are available for such a violation in the suit against any public entity other than a State.

"(c) The provisions of subsections (a) and (b) shall take effect with respect to violations that occur in whole or part after the date of the enactment of the Education of the Handicapped Act Amendments of 1990.".

SEC. 103. REPORTS, EVALUATIONS, FINDINGS, AND OTHER PROVISIONS GENERALLY APPLICABLE TO PARTS C THROUGH G.

Part A of the Education of the Handicapped Act (20 U.S.C. 1400 et seq.) is amended by adding at the end the following new section:

"ADMINISTRATIVE PROVISIONS APPLICABLE TO PARTS C THROUGH G AND SECTION 618

"SEC. 610. (a) The Secretary shall maintain a program planning process for the implementation of each of the programs authorized under section 618 and parts C through G. The process shall include the establishment of goals, objectives, strategies, and priorities. In conducting the process, the Secretary shall involve individuals with disabilities, parents, professionals, and representatives of State and local educational agencies, private schools, institutions of higher education, and national organizations who have interest and expertise in the program.

"(b) The Secretary shall conduct directly, or by contract or cooperative agreement with appropriate entities, independent evaluations of the programs authorized under section 618 and under parts C through G, and may for such purpose use funds appropriated to carry out such provisions. The findings of the evaluators shall be utilized in the planning process under subsection (a) for the purpose of improving the programs. The evaluations shall determine the degree to which the program is being conducted consistent with the program plan and meeting its goals and objectives. The Secretary shall submit to the appropriate committees of the Congress the results of the evaluations required by this subsection.

"(c) The Secretary shall report the program plans required in subsection (a) and findings from the evaluations under subsection (b) in the annual report to the Congress required under section 618.

"(d) The Secretary shall develop effective procedures for acquiring and disseminating information derived from programs and projects funded under parts C through G, as well as information generated from studies conducted and data collected under section 618.

"(e) The Secretary shall, where appropriate, require recipients of grants, contracts, or cooperative agreements under section 618 and parts C through G to prepare reports describing their procedures, findings, and other relevant information in a form that will maximize their dissemination and use and shall require their delivery, as appropriate, to the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parents Programs (TAPP) assisted under parts C and D of this Act, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and such other networks as the Secretary may determine to be appropriate.

"(f)(1) The Secretary shall convene, in accordance with paragraph (2), panels of experts who are competent, by virtue of their training or experience, to evaluate proposals under section 618 and parts C through G.

"(2) Panels under paragraph (1) shall be composed of individuals with disabilities, parents of such individuals, individuals from the fields of special education, related services, and other relevant disciplines.

"(3) The Secretary shall convene panels under paragraph (1) for any application that includes a total funding request exceed-

ing $60,000 and may convene or otherwise appoint panels for applications that include funding requests that are less than such amount.

"(4) Panels under paragraph (1) shall include a majority of non-Federal members. Such non-Federal members shall be provided travel and per diem not to exceed the rate provided to other educational consultants used by the Department of Education and shall be provided consultant fees at such a rate.

"(5) The Secretary may use funds available under section 618 and parts C through G to pay expenses and fees of non-Federal members of the panels.

"(g) GOALS FOR MINORITIES AND UNDERSERVED PERSONS.—(1) With respect to the discretionary programs authorized by parts C through G, the Congress finds as follows:

"(A)(i) The Federal Government must be responsive to the growing needs of an increasingly more diverse society. A more equitable allocation of resources is essential for the Federal Government to meet its responsibility to provide an equal educational opportunity for all individuals.

"(ii) America's racial profile is rapidly changing. While the rate of increase for white Americans is 3.2 percent, the rate of increase for racial and ethnic minorities is much higher: 38.6 percent for Hispanics, 14.6 percent for African-Americans, and 40.1 percent for Asians and other ethnic groups.

"(iii) By the year 2000, this Nation will have 260,000,000 people, one of every three of whom will be either African-American, Hispanic, or Asian-American.

"(iv) Taken together as a group, it is a more frequent phenomenon for minorities to comprise the majority of public school students. Large city school populations are overwhelmingly minority, e.g., Miami, 71 percent; Philadelphia, 73 percent; Baltimore, 80 percent.

"(v) Recruitment efforts within special education at the level of preservice, continuing education, and practice must focus on bringing larger numbers of minorities into the profession in order to provide appropriate practitioner knowledge, role models, and sufficient manpower to address the clearly changing demography of special education.

"(vi) The limited English proficient population is the fastest growing in our Nation, and the growth is occurring in many parts of our Nation. In the Nation's 2 largest school districts limited-English students make up almost half of all students initially entering school at the kindergarten level. Studies have documented apparent discrepancies in the levels of referral and placement of limited-English proficient children in special education. The Department of Education has found that services provided to limited-English proficient students often do not respond primarily to the pupil's academic needs. These trends pose special challenges for special education in the referral, assessment, and services for our Nation's students from non-English language backgrounds.

"(B)(i) Greater efforts are needed to prevent the intensification of problems connected with mislabeling and high dropout rates among minority children with disabilities.

"(ii) More minority children continue to be served in special education that would be expected from the percentage of minority students in the general school population.

"(iii) Poor African-American children are 3.5 times more likely to be identified by their teacher as mentally retarded than their white counterpart.

"(iv) Although African-Americans represent 12 percent of elementary and secondary enrollments, they constitute 28 percent of total enrollments in special education.

"(v) The drop out rate is 68 percent higher for minorities than for whites.

"(vi) More than 50 percent of minority students in large cities drop out of school.

"(C)(i) The opportunity for full participation in awards for grants and contracts; boards of organizations receiving funds under this Act; and peer review panels; and training of professionals in the area of special education by minority individuals, organizations, and historically Black colleges and universities is essential if we are to obtain greater success in the education of minority children with disabilities.

"(ii) In 1989, of the 661,000 college and university professors, 4.6 percent were African-American and 3.1 percent were Hispanic. Of the 3,600,000 teachers, prekindergarten through high school, 9.4 percent were African-American and 3.9 percent were Hispanic.

"(iii) Students from minority groups comprise more than 50 percent of K–12 public school enrollment in seven States yet minority enrollment in teacher training programs is less than 15 percent in all but six States.

"(iv) As the number of African-American and Hispanic students in special education increases, the number of minority teachers and related service personnel produced in our colleges and universities continues to decrease.

"(v) Ten years ago, 12.5 percent of the United States teaching force in public elementary and secondary schools were members of a minority group. Minorities comprised 21.3 percent of the national population at that time and were clearly underrepresented then among employed teachers. Today, the elementary and secondary teaching force is 3 to 5 percent minority, while one-third of the students in public schools are minority children.

"(vi) As recently as 1984–85, Historically Black Colleges and Universities (HBCUs) supplied nearly half of the African-American teachers in the Nation. However, in 1988, HBCUs received only 2 percent of the discretionary funds for special education and related services personnel training.

"(vii) While African-American students constitute 28 percent of total enrollment in special education, only 11.2 percent of preservice special education teachers are African-American.

"(viii) In 1986–87, of the degrees conferred in education at the B.A., M.A., and Ph.D levels, only 6, 8, and 8 percent, respectively, were awarded to African-American or Hispanic students.

"(D) Minorities and underserved persons are socially disadvantaged because of the lack of opportunities in training and educational programs, undergirded by the discriminatory practices in the private sector that impede their full participation in the mainstream of society.

"(2) That these conditions can be greatly improved by providing opportunities for the full participation of minorities through the implementation of the following recommendations:

"(A) Implementation of a policy to mobilize the Nation's resources to prepare minorities for careers in special education and related services.

"(B) This policy should focus on—

"(i) the recruitment of minorities into teaching; and

"(ii) financially assisting HBCUs and other institutions of higher education (whose minority student enrollment is at least 25 percent) to prepare students for special education and related service careers.

"(C)(i) With respect to entities described in clause (ii), establishing the highest priority in each of the fiscal years 1991 through 1994 for awarding to such entities grants, contracts, and cooperative agreements that are authorized in any of parts C through G for purposes of research, training, technical assistance, dissemination of information, development, demonstration, or other activities.

"(ii) The entities referred to in clause (i) are applicants for grants, contracts, and cooperative agreements under any of parts C through G that—

"(I) have appropriate qualifications for conducting the activity for which the financial assistance is to be provided; and

"(II) have expertise in, and a record of, successfully recruiting, retaining, graduating, and promoting minority individuals and individuals with disabilities.

"(D)(i) The Secretary shall develop a plan for providing outreach services to the entities described in clause (ii) in order to increase the participation of such entities in competitions for grants, contracts, and cooperative agreements under any of parts C through G.

"(ii) The entities referred to in clause (i) are—

"(I) Historically Black Colleges and Universities and other institutions of higher education whose minority student enrollment is at least 25 percent;

"(II) minority institutions (as defined in the Higher Education Act of 1965);

"(III) nonprofit and for-profit agencies at least 51 percent owned or controlled by one or more minority individuals; and

"(IV) underrepresented populations.

"(iii) For the purpose of implementing the plan required in clause (i), the Secretary shall, for each of the fiscal years 1991 through 1994, expend 1 percent of the funds appropriated for the fiscal year involved for carrying out parts C through G.

"(3) The Secretary shall exercise his/her utmost authority, resourcefulness, and diligence to meet the requirements of this subsection.

"(4) Not later than January 31 of each year, starting with fiscal year 1991, the Secretary shall submit to Congress a final report on the progress toward meeting the agreements of this subsection during the preceding fiscal year. The report shall include—

"(i) a full explanation of any progress toward meeting the requirements of this subsection;

"(ii) a plan to meet the requirements, if necessary; and

"(iii) a description of the percentage of contracts, grants, and cooperative agreements, the total dollar amount, and the number of different entities relative to the requirement of this subsection.

"(5) For purposes of this Act:

"(i) The term 'minority' means—

"(I) persons who have been subjected to racial or ethnic prejudice or cultural bias because of their identity as a member of a group without regard to their individual qualities, such as African-Americans, Hispanic Americans, Native Americans, and Asian Americans, and

"(II) individuals with disabilities.

"(ii) The term 'underserved' means populations such as minorities, the poor, and the limited-English proficient.".

TITLE II—ASSISTANCE FOR EDUCATION OF ALL HANDICAPPED INDIVIDUALS

SEC. 201. SETTLEMENTS AND ALLOCATIONS.

Section 611(f) of the Education of the Handicapped Act (20 U.S.C. 1411(f)) is amended—

(1) in paragraph (1), in the first sentence, by inserting "(A)" after "reservations" and by inserting before the period the following: ", and (B) for whom services were provided through contract with an Indian tribe or organization prior to fiscal year 1989"; and

(2) by adding at the end the following new paragraph:

"(3) Before March 1, 1991, the Secretary of the Interior shall submit to the appropriate Committees of the Congress a plan for the provision of services under this Act to all handicapped children residing on reservations, whether or not such reservation is served by a B.I.A. funded school. Such plan shall provide for the coordination of services benefiting these children from whatever source, including but not limited to, Tribe(s), the State in which the child resides and entities of such State, the Indian Health Service, other B.I.A. divisions and other Federal agencies. In developing such a plan, the Secretary shall consult with all interested and involved parties. Such a plan may not be based upon a blanket assumption or interpretation which denies Federal or Interior responsibility for any group(s) or class(es) of children or settings, but shall be based upon the needs of the children and the system best suited for meeting those needs, and may involve the establishment of service agreements between the B.I.A. and other entities.".

SEC. 202. STATE PLANS.

Section 613(a)(3) of the Education of the Handicapped Act (20 U.S.C. 1413(a)(3)) is amended to read as follows:

"(3)(A) set forth, consistent with the purposes of this part, a comprehensive system of personnel development that shall include a description of the plan the State will carry out to ensure an adequate supply of qualified personnel to administer, support, and provide special education and related services to children and youth with disabilities. At a minimum, the State shall develop a plan and update it annually as part of its requirements under this section. As appropriate, the State shall describe how it intends to respond to the requirements of this paragraph for the upcoming year and report what activities it completed and information it compiled in response to the requirements of this paragraph for the year just ending. Specifically—

"(i) the State shall determine and document in the plan the number and type of personnel by area of specialization, including leadership personnel: who are employed; who are employed on an emergency, provisional, or other basis, or other form of exemption from State certification or licensure; and who are needed currently and over a 5-year time frame to adequately respond to current and projected needs of children with disabilities, taking into account projected rates of personnel attrition and other factors;

"(ii) the State shall determine and document the number of personnel being trained and the number graduating with certification or licensure in special education or related services, including leadership personnel, from institutions of higher education within the State, and the extent to which this meets or will meet State personnel needs;

"(iii) the State shall describe how it intends to recruit and retain qualified personnel in order to overcome current and projected personnel shortages, including shortages caused by use of personnel without certification or licensure, and the extent to which it was successful in overcoming personnel shortages;

"(iv) the State shall describe how it intends to identify and meet the continuing education needs of special education and related services personnel, including leadership personnel, and the extent to which it has been successful in meeting those needs;

"(v) the State shall describe how it intends to disseminate information about both research and effective practice to special education and related services personnel, including leadership personnel, and the extent to which it has done so; and

"(vi) the State shall include provisions to increase the supply of special education and related services personnel from racial and ethnic minority groups and individuals with disabilities.

"(B) States shall take steps toward compliance with this paragraph in fiscal year 1991; full compliance with this paragraph shall be required in State Plans or amendments to State Plans required for such plans submitted beginning for fiscal year 1992;".

SEC. 203. ADMINISTRATION.

Section 617 of the Education of the Handicapped Act (20 U.S.C. 1417) is amended by adding at the end the following new subsection:

"(e)(1) The Secretary shall, based on the findings and recommendations of the evaluation study conducted under paragraph (2), submit the results of the study and a detailed plan for the development and implementation of a common computerized information management system within the Office of Special Education and Rehabilitative Services (OSERS) that would allow all administrative components of OSERS to categorize, index, and abstract program information for the purpose of making this information accessible to Congress, the Department of Education, and other interested parties consistent with the requirements of paragraph (2). The Secretary may enter into any contract or cooperative agreement to implement and maintain this system.

"(2)(A) The Secretary shall conduct an evaluation study to determine the effectiveness of current planning and the feasibility for developing and implementing the system described above. In carrying out this study, the Secretary shall, before the end of the 9-month period beginning on the date of the enactment of these amendments, enter into a contract or cooperative agreement necessary to conduct the study with a nonprofit or profit organization having expertise in and knowledge of information management systems. The study shall report on the following:

"(i) timeliness for implementation,

"(ii) staff training and personnel needs,

"(iii) costs for dimensions of the system,

"(iv) design of the system,

"(v) ability to analyze program information to permit trend identification, projections, and inferences both in qualitative and quantitative terms,

"(vi) method of utilization of information of the data base,

"(vii) methodologies utilized by other Federal agencies,

"(viii) capability to assist OSERS to improve the exchange of information on programs and projects within and outside OSERS, the communication between projects, the defining of priorities, and grant management within OSERS, and

"(ix) recapture program and fiscal information from projects funded since fiscal year 1985 to current year.

"(B) Any contract or cooperative agreement entered into under subparagraph (A) shall require the study to be completed and a report concerning such study to be submitted to the Secretary and the appropriate committees of Congress before the end of the 12-month period beginning on the date of the contract or cooperative agreement.

"(3)(A) Beginning within 6 months after the submission of the report required under paragraph (2), and being completed no later than 18 months after such date, the Secretary shall establish within OSERS a detailed plan for the implementation of the computerized information management system required under this subsection. The system shall include all design capabilities stipulated in paragraph (2)(A).

"(B) For the 2 fiscal years that begin after the date of enactment of these amendments, the Secretary is authorized to use funds appropriated for the National Institute on Disability and Rehabilitation Research (NIDRR) to fund the above study.

"(4) The Secretary is directed to utilize, to the maximum extent allowable by law, the resources of the Rehabilitative Services Administration, the Office of Special Education Programs, and the National Institute on Disability and Rehabilitation Research including, but not limited to, staff, expertise, materials, and equipment, either developed, or to be developed, for the system under this subsection and all other resources available.".

SEC. 204. EVALUATION.

(a) AMENDMENTS TO SECTION HEADING.—Section 618 of the Education of the Handicapped Act (20 U.S.C. 1418) is amended in the heading for such section by inserting "AND PROGRAM INFORMATION" after " EVALUATION".

(b) AMENDMENTS TO SUBSECTION (a).—Section 618(a) of the Education of the Handicapped Act (20 U.S.C. 1418(a)) is amended—

(1) in the matter preceding paragraph (1), by inserting "analyses," after "investigations,"; and

(2) in paragraph (3)(B), by inserting "delivery" before "effectiveness".

(c) AMENDMENTS TO SUBSECTION (b).—Section 618(b) of the Education of the Handicapped Act (20 U.S.C. 1418(b)) is amended—

(1) in the matter preceding paragraph (1)—

(A) by inserting after "local educational agencies," the following: "lead agencies designated or established under part H,"; and

(B) by inserting before "including—" the following: "(except that, during fiscal year 1991, such entities may not under this subsection be required to provide data regarding traumatic brain injury or autism),";

(2) in paragraph (3)—

(A) by striking "otherwise—" and all that follows and inserting the following: "otherwise for each age 14 and above by disability category, and a sampling of data on the age group 3–13 from State agencies, including State and local educational agencies, and"; and

(B) by inserting "(A)" after the paragraph designation and by adding at the end the following new subparagraph:

"(B) the number of children with disabilities exiting preschool programs under part B who enter regular education programs at the first grade level,"; and

(C) in paragraph (5), by amending such paragraph to read as follows:

"(5)(A) information on the implementation, in each State, of the comprehensive systems of personnel development required by sections 613(a)(3) and 676(b)(8); and

"(B) by fiscal year 1992, the Secretary may require that data authorized by this paragraph be reported in the section of the State's Plan pertaining to its comprehensive system of personnel development, authorized under section 613(a)(3), and".

(d) AMENDMENTS TO SUBSECTION (c).—Section 618(c) of the Education of the Handicapped Act (20 U.S.C. 1418(c)) is amended to read as follows:

"(c) IMPLEMENTATION INQUIRIES.—(1) The Secretary shall make grants to, or enter into contracts or cooperative agreements with, State and local educational agencies, institutions of higher education, other public agencies, and private organizations for the purpose of conducting studies (including case studies), secondary data analyses, syntheses, and investigations (including program implementation inquiries), to improve the administration, management, delivery, and effectiveness of special education and related services, and early intervention services.

"(2) In providing such support, the Secretary shall give first consideration to efforts that seek to improve—

"(A) criteria and procedures used to identify, locate, and evaluate infants, toddlers, children, and youth with disabilities for the purposes of eligibility, program planning, and placement (including working with parents), especially for those from minority backgrounds;

"(B) the relationships between the placement procedures used and the outcomes of placement decisions, by disability category and severity of disability, as in the case of infants, toddlers, children, and youth with the most severe disabilities;

"(C) planning and delivery of services to infants, toddlers, children, and youth with disabilities at points of transition, especially for youth with disabilities; and

"(D) planning and developing effective early intervention services, special education, and related services to meet the complex and changing needs of infants, toddlers, children, and youth with disabilities.

"(3) In providing funds under this subsection, the Secretary shall require recipients to prepare their procedures, findings, and other relevant information in a form that will maximize their dissemination and use, especially through dissemination networks and mechanisms authorized by this Act, and in a form for inclusion in the annual report to Congress authorized under subsection (f).

"(4) The Secretary, in order to increase the benefits to infants, toddlers, children, and youth with disabilities, may support efforts to improve comprehensive systems of personnel development, to improve ways in which resources are allocated and used, to improve interagency coordination and collaboration, to improve continuity in services, and to improve parent-school communication and collaboration.

"(5) In order to facilitate understanding of and support for program improvement information, as addressed in this subsection, the Secretary shall, every 3 years beginning in fiscal year 1991, publish funding priorities in the Federal Register for review and comment. Such review and comment shall be taken into account when setting priorities for any 3-year period.".

(e) AMENDMENTS TO SUBSECTION (d).—Section 618(d)(1) of the Education of the Handicapped Act (20 U.S.C. 1418(d)(1)) is amended by inserting ", policies, and procedures" after "programs".

(f) AMENDMENTS TO SUBSECTION (e).—Section 618(e) of the Education of the Handicapped Act (20 U.S.C. 1418(e)) is amended to read as follows:

"(e) SPECIAL STUDIES.—(1) The Secretary shall by grant, contract, or cooperative agreement, provide for special studies to assess progress in the implementation of this Act, and to assess the impact and effectiveness of State and local efforts and efforts by the Secretary of the Interior to provide free appropriate public education to children and youth with disabilities, and early intervention services to infants and toddlers with disabilities. Reports from such studies shall include recommendations for improving programs and services to such individuals. The Secretary shall, not later than July 1 of each year, beginning in fiscal year 1991, submit to the appropriate committees of each House of the Congress and publish in the Federal Register proposed priorities for review and comment.

"(2) In selecting priorities for fiscal years 1991 through 1994, the Secretary may give first consideration to:

"(A) The longitudinal study of students with disabilities shall be completed.

"(B) A study that examines the factors that have contributed to the decline in the number of children classified as mentally retarded since the implementation of this Act, and examines the current disparity among States in the percentage of children so classified.

"(C) A study that examines the degree to which and the reasons why children and youth with disabilities, especially those with mental retardation, are educated in separate educational facilities.

"(D) A study that examines the status, progress, and variation in the implementation of policies, procedures, and programs affecting early intervention, special education, and related services for young children with disabilities—birth through age five.

"(E) A study of the types, number, and intensity of related services provided to children and youth with disabilities by disability category.

"(F) A study that examines the extent to which out-of-community residential programs are used for children and youth who are seriously emotionally disturbed, the factors that influence the selection of such placements, the degree to which such individuals transition back to education programs in their communities, and the factors that facilitate or impede such transition.

"(G) A study that examines (i) the factors that influence the referral and placement decisions and types of placements, by disability category and English language proficiency, of minority children relative to other children, (ii) the extent to which these children are placed in regular education environments, (iii) the extent to which the parents of these children are involved in placement decisions and the implementation of the individualized education program and the results of such participation, and (iv) the type of support provided to parents of these children that enable these parents to understand and participate in the educational process.".

(g) AMENDMENTS TO SUBSECTION (f).—Section 618(f) of the Education of the Handicapped Act (20 U.S.C. 1418(f)) is amended—

(1) by striking "(f)(1)" and inserting "(f) ANNUAL REPORT.—(1)";

(2) in paragraph (1) (as amended by paragraph (1) of this subsection), by amending such paragraph to read as follows: "(1) The Secretary, directly or through grants, contracts, or cooperative agreements, shall prepare an annual report on the progress being made toward the provision of a free appropriate public education to children and youth with disabilities and early intervention services to infants and toddlers with disabilities. Not later than 120 days after the end of each fiscal year, the Secretary shall transmit this report to the appropriate committees of each House of Congress. Copies of such report shall be produced in sufficient quantities in order to permit dissemination to the education and disability communities and other interested parties."; and

(3) in paragraph (2)—

(A) in subparagraph (A), by inserting "and under part H" before the comma; and

(B) in subparagraph (B), by amending such subparagraph to read as follows:

"(B) an index and summary of each activity, including results of evaluations and studies, related to program information authorized under subsections (c) and (e),".

(h) NEW SUBSECTION.—Section 618 of the Education of the Handicapped Act (20 U.S.C. 1418) is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

"(g) The Secretary shall make grants to, or enter into contracts or cooperative agreements with, State and local education agencies, institutions of higher education, other public agencies, and nonprofit organizations to support activities that organize, synthesize, interpret, and integrate information obtained under this section with information developed through other sources. Such activities shall include the selection and design of content, formats, and means for communicating such information effectively to specific or general audiences, in order to promote the use of such information in improving program administration and management, and service delivery and effectiveness.".

(i) FUNDING.—Section 618(h) of the Education of the Handicapped Act, as redesignated by subsection (h) of this section, is amended to read as follows:

"(h) For each of the fiscal years 1991 through 1994, of the amounts appropriated for grants under section 611(a), 1 percent shall be reserved to carry out the purposes of this section and, of the 1 percent reserved each year, not more than 25 percent may be used to carry out the purposes of subsection (e) of this section.".

TITLE III—CENTERS AND SERVICES TO MEET SPECIAL NEEDS OF HANDICAPPED INDIVIDUALS

SEC. 301. REGIONAL RESOURCE AND FEDERAL CENTERS.

(a) AMENDMENTS TO SUBSECTION (a).—Section 621(a) of the Education of the Handicapped Act (20 U.S.C. 1421(a)) is amended—

(1) in the first sentence, by striking "regional resource centers." and inserting the following: "regional resource centers that focus on special education and related services and early intervention services.";

(2) in the second sentence—

(A) by striking "training to State" and inserting "training, as requested, to State"; and

(B) by inserting after "agencies providing" the following: "special education and related services and";

(3) in the third sentence, by striking "center" the second place such term appears

and all that follows and inserting "center."; and

(4) in paragraph (3), by striking "relevant projects conducted by" and inserting "relevant programs and projects conducted under parts C through G and by".

(b) AMENDMENTS TO SUBSECTION (b).—Section 621(b) of the Education of the Handicapped Act (20 U.S.C. 1421(b)) is amended by striking "shall consider" and inserting "shall utilize criteria for setting criteria that are consistent with the needs identified by States within the region served by such center, consistent with requirements established by the Secretary under subsection (f), and, to the extent appropriate, consistent with requirements under section 610, and shall consider".

(c) AMENDMENTS TO SUBSECTION (d).—Section 621(d) of the Education of the Handicapped Act (20 U.S.C. 1421(d)) is amended by striking "the Secretary" the second place such term appears and all that follows and inserting the following: "the Secretary. The Secretary may assist the regional resource centers in the delivery of technical assistance consistent with the priority needs identifed by the States.".

(d) NEW SUBSECTION.—Section 621 of the Education of the Handicapped Act (20 U.S.C. 1421) is amended by adding at the end the following new subsection:

"(f)(1) The Secretary shall develop guidelines and criteria for the operation of Regional and Federal Resource Centers. In developing such criteria and guidelines, the Secretary shall establish a panel representing the Office of Special Education Programs staff, State special education directors, representatives of disability advocates, and, when appropriate, consult with the regional resource center directors.

"(2) Such guidelines and criteria shall include—

"(A) a description of how the Federal and Regional Resource Centers Program will be administered by the Secretary;

"(B) a description of the geographic region each Center is expected to serve;

"(C) a description of the role of a Center in terms of expected leadership and dissemination efforts;

"(D) a description of expected relationships with State agencies, research and demonstration centers, and with other entities deemed necessary;

"(E) a description of how a Center will be evaluated; and

"(F) other guidelines and criteria deemed necessary.

"(3) The Secretary shall publish in the Federal Register by July 1, 1991, for review and comment, proposed and (then following such review and comment) final guidelines developed by the panel.".

SEC. 302. SERVICES FOR DEAF-BLIND CHILDREN AND YOUTH.

(a) AMENDMENTS TO SUBSECTION (a).—Section 622(a) of the Education of the Handicapped Act (20 U.S.C. 1422(a)) is amended—

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by inserting "and local" after "State"; and

(B) in subparagraph (B), by amending such subparagraph to read as follows:

"(B) make available to deaf-blind youth (who are in the process of transitioning into adult services) programs, services, and supports to facilitate such transition, including assistance related to independent living and competitive employment.";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively, and by inserting after paragraph (1) the following new paragraph:

"(2) For purposes of this section, the term 'deaf-blind', with respect to children and youth, means having auditory and visual impairments, the combination of which creates such severe communication and other developmental and learning needs that they cannot be appropriately educated in special education programs solely for children and youth with hearing impairments, visual impairments, or severe disabilities, without supplementary assistance to address their educational needs due to these dual, concurrent disabilities.";

(3) in paragraph (3) (as redesignated by paragraph (2) of this subsection)—

(A) in the first sentence—

(i) in subparagraph (C), by striking "and" after the semicolon;

(ii) in subparagraph (D), by striking the period and inserting "; or"; and

(iii) by adding at the end the following new subparagraph: "(E) pilot projects designed to expand local school district capabilities by providing services to deaf-blind children that are supplementary to services already provided to children through State and local resources; such projects must be designed to ensure eventual assumption of funding responsibility by State and local authorities."; and

(B) in the second sentence, in clause (i), by striking "at risk of being certified" and inserting "likely to be diagnosed as";

(4) in paragraph (4) (as so redesignated)—

(A) in subparagraph (A), by striking "organizations serving, or proposing to serve," and inserting the following: "organizations that are preparing deaf-blind adolescents for adult placements, or that are preparing to receive deaf-blind young adults into adult living and work environments, and that serve, or propose to serve,"; and

(B) in subparagraph (C), by inserting "supervised," after "rehabilitative,"; and

(5) in paragraph (5) (as so redesignated), by amending such paragraph to read as follows:

"(5) In carrying out this subsection, the Secretary is authorized to enter into a number of grants or cooperative agreements to establish and support single and multi-State centers for the provision of technical assistance and pilot supplementary services, for the purposes of program development and expansion, for children and youth with deaf-blindness and their families.".

(b) AMENDMENTS TO SUBSECTION (c).—Section 622(c)(1) of the Education of the Handicapped Act (20 U.S.C. 1422(c)(1)) is amended—

(1) in subparagraph (A), by inserting "sex," after "severity,";

(2) in subparagraph (C), by inserting before the period the following: "and the setting in which the services are provided"; and

(3)(A) by striking "and" at the end of subparagraph (B);

(B) by striking the period at the end of subparagraph (C) and inserting "; and"; and

(C) by adding at the end the following new subparagraph: "(D) student outcomes, where appropriate.".

(c) AMENDMENTS TO SUBSECTION (d).—Section 622(d) of the Education of the Handicapped Act (20 U.S.C. 1422(d)) is amended to read as follows:

"(d) The Secretary shall make a grant, or enter into a contract or cooperative agreement, for a national clearinghouse for children and youth with deaf-blindness—

"(1) to identify, coordinate, and disseminate information on deaf-blindness;

"(2) to interact with educators, professional groups, and parents to identify areas for programming, materials development, training, and expansion of specific services;

"(3) to maintain a computerized data base on local, regional, and national resources; and

"(4) to respond to information requests from professionals, parents, and members of the community.".

(d) AMENDMENTS TO SUBSECTION (e).—Section 622(e) of the Education of the Handicapped Act (20 U.S.C. 1422(e)) is amended by striking "severely handicapped" and all that follows and inserting the following: "children and youth with deaf-blindness.".

(e) AMENDMENTS TO SUBSECTION (f).—Section 622(f) of the Education of the Handicapped Act (20 U.S.C. 1422(f)) is amended by striking "with," and all that follows and inserting the following: "with organizations or public or nonprofit private agencies, as determined by the Secretary to be appropriate, to address the needs of children and youth with deaf-blindness, for—

"(1) research to identify and meet the full range of special needs of such children and youth; and

"(2) the development and demonstration of new, or improvements in existing methods, approaches, or techniques that would contribute to the adjustment and education of children and youth with deaf-blindness.".

SEC. 303. EARLY EDUCATION FOR HANDICAPPED CHILDREN.

(a) AMENDMENTS TO SUBSECTION (a).—Section 623(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1423(a)(1)) is amended—

(1) in the matter preceding subparagraph (A), in the first sentence, by striking "problems of such children." and inserting "needs of these children.";

(2) in subparagraph (A), by striking "speech," and inserting "communication,";

(3) in subparagraph (B), by inserting before "encourage" the following: "provide family education and include a parent or their representative of such child, as well as";

(4) in subparagraph (C), by striking "problems" and insert "special needs";

(5) in subparagraph (D)—

(A) by inserting after "practices" the following: ", including interdisciplinary models and practices,"; and

(B) by inserting before the comma the following: "and to the parents of such children"; and

(6) in subparagraph (E), by inserting before the period the following: ", including the involvement of adult role models with disabilities at all levels of the program".

(b) AMENDMENTS TO SUBSECTION (b).—Section 623(b) of the Education of the Handicapped Act (20 U.S.C. 1423(b)) is amended by adding at the end the following: "This technical assistance development system shall provide assistance to parents of and advocates for infants, toddlers, and children with disabilities, as well as direct service and administrative personnel involved with such children. Information from the system should be aggressively disseminated through established information networks and other mechanisms to ensure both an impact and benefits at the community level. The Secretary shall ensure that the technical assistance provided under this subsection includes assistance to part H State agencies on procedures for use by primary referral sources in referring a child to the appropri-

ate agency within the system for evaluation, assessment, or service.".

(c) AMENDMENTS TO SUBSECTION (c).—Section 623(c) of the Education of the Handicapped Act (20 U.S.C. 1423(c)) is amended by adding at the end the following: "Such institutes shall disseminate this information by utilizing existing networks, such as the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parents Programs (TAPP) assisted under parts C and D, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks.".

(d) AMENDMENTS TO SUBSECTION (d).—Section 623(d) of the Education of the Handicapped Act (20 U.S.C. 1423(d)) is amended by inserting before the period the following: ", including programs to integrate children with disabilities into regular preschool programs".

(e) AMENDMENTS TO SUBSECTION (f).—Section 623(f) of the Education of the Handicapped Act (20 U.S.C. 1423(f)) is amended by inserting before the period the following: "including infants and toddlers with disabilities".

SEC. 304. PROGRAMS FOR SEVERELY HANDICAPPED CHILDREN.

(a) AMENDMENTS TO SUBSECTION (a).—Section 624(a) of the Education of the Handicapped Act (20 U.S.C. 1424(a)) is amended—

(1) in the matter preceding paragraph (1), by amending such matter to read as follows: "The Secretary may make grants to, or enter into contracts or cooperative agreements with, appropriate public agencies and nonprofit organizations to address the special education, related services, and integration needs of infants, toddlers, children, and youth with severe disabilities through—";

(2) in paragraph (1), by inserting before the comma the following: ", including transportation to and from school";

(3) in paragraph (3), by striking "youth, and" and inserting the following: "youth, including training of regular teachers, instructors, and administrators in strategies (the goal of which is to serve infants, toddlers, children, and youth with disabilities) that include integrated settings for educating such children along side their nondisabled peers,";

(4) in paragraph (4), by striking "children and youth." and inserting the following: "children and youth by utilizing existing networks, such as the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parent Programs (TAPP) assisted under parts C and D, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks, and"; and

(5) by adding at the end the following new paragraph:

"(5) statewide projects, in conjunction with the State's plan under part B, to improve the quality of special education and related services for children and youth with severe disabilities, and to change the delivery of those services from segregated to integrated environments.".

(b) NEW SUBSECTION.—Section 624 of the Education of the Handicapped Act (20 U.S.C. 1424) is amended by redesignating subsections (b) and (c) as subsections (c) and (d), respectively, and by inserting after subsection (a) the following new subsection:

"(b) The Secretary is authorized to make grants to, or enter into contracts or cooperative agreeements with, public or private nonprofit private agencies, institutions, or organizations for the development and operation of extended school year demonstration programs for infants, toddlers, children, and youth with severe disabilities. The Secretary may fund grants that include participation of nondisabled infants, toddlers, children and youth, but in such cases matching funds from a non-Federal source from the grantee would be required.".

(c) FURTHER NEW SUBSECTION.—Section 624 of the Education of the Handicapped Act, as amended by subsection (b) of this section, is amended by adding at the end the following new subsection:

"(e) In awarding such grants and contracts under this section, the Secretary shall include a priority on programs that increase the likelihood that these children and youth will be educated with their nondisabled peers.".

SEC. 305. POSTSECONDARY EDUCATION.

(a) AMENDMENTS TO SUBSECTION (a).—Section 625(a) of the Education of the Handicapped Act (20 U.S.C. 1424a(a)) is amended—

(1) in paragraph (1), by adding at the end the following new sentence: "Such model programs may include joint projects that coordinate with special education and transition services.";

(2) in paragraph (2)—

(A) in subparagraph (A), by striking "and" after the semicolon;

(B) in subparagraph (B), by striking the period at the end and inserting "; and"; and

(C) by adding at the end the following new subparagraph:

"(C) for outreach activities that include the provision of technical assistance to strengthen efforts in the development, operation, and design of model programs that are adapted to the special needs of individuals with disabilities."; and

(3) in paragraph (6), by striking "$2,000,000" and inserting "$4,000,000".

(b) AMENDMENTS TO SUBSECTION (b).—Section 625(b) of the Education of the Handicapped Act (20 U.S.C. 1424a(b)) is amended to read as follows:

"(b) For purposes of subsection (a), the term 'children with disabilities' means children—

"(1) with mental retardation, hearing impairments including deafness, speech or language impairments, visual impairments including blindness, serious emotional disturbance, orthopedic impairments, autism, traumatic brain injury, other health impairments including attention deficit disorder, or specific learning disabilities; and

"(2) who, by reason thereof, need special education and related services.".

SEC. 306. SECONDARY EDUCATION AND TRANSITIONAL SERVICES FOR HANDICAPPED YOUTH.

(a) AMENDMENTS TO SUBSECTION (a).—Section 626(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1425(a)(1)) is amended by inserting "independent and community living," after "continuing education,".

(b) AMENDMENTS TO SUBSECTION (b).—Section 626(b) of the Education of the Handicapped Act (20 U.S.C. 1425(b)) is amended—

(1) in paragraph (8), by striking "handicapped youth" and all that follows and inserting the following: "some youth with disabilities remain to complete school programs while others drop out,";

(2) in paragraph (9), by striking "developing" and all that follows through "techniques" and inserting "developing curriculum and instructional techniques in special education and related services"; and

(3) in paragraph (10)—

(A) by inserting "or adapted" after "specially designed"; and

(B) by striking " to increase" and all that follows and inserting the following: "to facilitate the full participation of youths with disabilities in community programs.".

(c) AMENDMENTS TO SUBSECTION (d).—Section 626(d)(3) of the Education of the Handicapped Act (20 U.S.C. 1425(d)(3)) is amended by striking "to the extent appropriate".

(d) NEW SUBSECTION (e).—Section 626 of the Education of the Handicapped Act (20 U.S.C. 1425) is amended by redesignating subsections (e) and (f) as subsections (f) and (g), respectively, and by inserting after subsection (d) the following new subsection:

"(e)(1) The Secretary shall make one-time, 5-year grants, on a competitive basis, to States in which the State vocational rehabilitation agency and State education agency submit a joint application to develop, implement, and improve systems to provide transition services for youth with disabilities from age 14 through the age they exit school.

"(2) In the case of a State whose vocational rehabilitation agency does not participate regarding a joint application described in paragraph (1), the Secretary may make a grant under such paragraph to the State if a joint application for the grant is submitted by the State education agency and one other State agency that provides transition services to individuals who are leaving programs under this Act.

"(3) States that receive grants shall use grant funds to:

"(A) Increase the availability, access, and quality of transition assistance through the development and improvement of policies, procedures, systems, and other mechanisms for youth with disabilities and their families as such youth prepare for and enter adult life.

"(B) Improve the ability of professionals, parents, and advocates to work with such youth in ways that promote the understanding of and the capability to successfully make the transition from 'student' to 'adult'.

"(C) Improve working relationships among education personnel, both within LEAs and in postsecondary training programs, relevant State agencies, the private sector, especially employers, rehabilitation personnel, local and State employment agencies, local Private Industry Councils (PICS) authorized by the Job Training Partnership Act (JTPA), and families of students with disabilities and their advocates to identify and achieve consensus on the general nature and specific application of transition services to meet the needs of youth with disabilities.

"(D) Create an incentive for accessing and using the expertise and resources of programs, projects, and activities related to transition funded through this section and with other sources.

"(4)(A) In order to receive funding under this subsection, a State vocational rehabilitation agency and State education agency shall describe in their application how they will use the first year, if necessary, to plan how to implement transition services, the second through fourth years to develop and implement transition services, and the fifth year to evaluate transition services. The ap-

plication shall describe how the grant funds will be used during the planning period and phased-out during the evaluation period to ensure the continuation of transition services. Such applications shall also include—

"(i) a description of the current availability, access, and quality of transition services for eligible youth and a description of how, over 5 years, the State will improve and expand the availability, access, and quality of transition services for youth with disabilities and their families as such youth prepare for and enter adult life;

"(ii) a description of how the State will improve and increase the ability of professionals, parents, and advocates to work with such youth in ways that promote the understanding of and the capability to successfully make the transition from 'student' to 'adult';

"(iii) a description of how the State will improve and increase working relationships among education personnel, both within LEAs and in postsecondary training programs, relevant State agencies, the private sector, especially employers, rehabilitation personnel, local and State employment agencies, local Private Industry Councils (PICS) authorized by the JTPA, and families of students with disabilities and their advocates to identify and achieve consensus on the general nature and specific application of transition services to meet the needs of youth with disabilities; and

"(iv) a description of how the State will use grant funds as an incentive for accessing and using the expertise and resources of programs, projects, and activities related to transition funded through this section and with other sources.

"(B) The Secretary shall give preference to those applications that, in addition to clearly addressing the requirements under subparagraph (A), describe how the State will—

"(i) target resources to school settings, such as providing access to rehabilitation counselors for students with disabilities who are in school settings;

"(ii) target a substantial amount of grant funds, received under this subsection, to case management, program evaluation and documentation of, and dissemination of information about, transition services;

"(iii) provide incentives for interagency and private sector resource pooling and otherwise investing in transition services, especially in the form of cooperative agreements, particularly with PICS authorized by the JTPA and local branches of State employment agencies;

"(iv) provide for early, ongoing information and training for those involved with or who could be involved with transition services—professionals, parents, youth with disabilities, including self-advocacy training for such youth, and advocates for such youth as well as PICS authorized by the JTPA and local branches of State employment agencies;

"(v) provide for the early and direct involvement of all relevant parties, including PICS authorized by the JTPA and local branches of State employment agencies, in operating and planning improvements in transition services, and the early and direct involvement of all relevant parties in planning and implementing transition services for individual youth;

"(vi) provide access to training for eligible youth that matches labor market needs in their communities;

"(vii) integrate transition services with relevant opportunities in communities, including those sponsored by PICS authorized by the JTPA and local employment agencies;

"(viii) use a transition services evaluation plan that is outcome oriented and that focuses on individual youth-focused benefits; and

"(ix) ensure, that when appropriate and no later than age 22, eligible youth who participate in transition services under this program would be served as appropriate in the State section 110 and/or title VI, part C program authorized under the Rehabilitation Act of 1973.".

(e) AMENDMENTS TO FORMER SUBSECTION (e).—Section 626(f) of the Education of the Handicapped Act, as redesignated by subsection (d) of this section, is amended—

(1)(A) by inserting "(1)" after the subsection designation; and

(B) by adding at the end of paragraph (1) (as so designated) the following new sentence: "Such organizations and institutions shall disseminate such materials and information by utilizing existing networks, such as the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parent Programs (TAPP) assisted under parts C and D, as well as the National Diffusion Network, the ERIC Clearinghouses on the Handicapped and Gifted and Languages and Linguistics, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks.";

(2) by adding after paragraph (1) (as so designated) the following new paragraph:

"(2) The Secretary shall fund one or more demonstration models designed to establish appropriate methods of providing, or continuing to provide, assistive technology devices and services to secondary school students as they make the transition to vocational rehabilitation, employment, postsecondary education, or adult services. Such demonstration models shall include, as appropriate—

"(A) cooperative agreements with the Rehabilitation Services Administration and/or State vocational rehabilitation agencies that ensure continuity of funding for assistive technology devices and services to such students; and

"(B) methods for dissemination of exemplary practices that can be adapted or adopted by transitional programs for secondary school students with disabilities."; and

(3) by adding at the end the following new paragraph:

"(3)(A) The Secretary shall award one, five-year cooperative agreement through a separate competition to an institution of higher education, or nonprofit public or private organization. The purpose of this agreement will be to evaluate and document the approaches and outcomes of the project funded under subsection (e). The results of this agreement shall be disseminated through the appropriate clearinghouses, networks, and through direct communication with Federal, State, and local agencies.

"(B) The evaluation carried out pursuant to subparagraph (A) of transition services under subsection (e) shall include an evaluation of—

"(i) the outcomes of the transition services provided under such subsection, including the effect of the services regarding postsecondary education, job training, employment, and other appropriate matters;

"(ii) the impact of including in the individualized education program a statement of needed transition services (as required under section 602(a)(20)(D));

"(iii) the extent to which, in the provision of the transition services, agencies are cooperating effectively, including evaluation of the extent of coordination of the staff of the agencies, of procedures regarding confidentiality, assessment of needs, and referrals, and coordination regarding data bases and training;

"(iv) the extent to which obstacles exist regarding cooperation and coordination among agencies in the provision of the transition services, and the extent to which Federal law creates disincentives to such cooperation and coordination; and

"(v) the extent to which the transition services have been provided in a cost-effective manner.

"(C) The evaluation carried out pursuant to subparagraph (A) shall include recommendations on the manner in which the program under subsection (e) can be improved.

"(D) In the annual report required under section 618(f), the Secretary shall include an annual report of the activities and results associated with the agreement under subparagraph (A).".

(f) AMENDMENTS TO FORMER SUBSECTION (f)—Section 626(g) of the Education of the Handicapped Act, as redesignated by subsection (d) of this section, is amended by inserting before the period the following: ", the Job Training Partnership Act (JTPA), and the Carl D. Perkins Vocational Education Act".

SEC. 307. PROGRAM EVALUATIONS.

Section 627 of the Education of the Handicapped Act (20 U.S.C. 1426) is amended to read as follows:

"PROGRAMS FOR CHILDREN AND YOUTH WITH SERIOUS EMOTIONAL DISTURBANCE

"SEC. 627. (a) The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, institutions of higher education, State and local educational agencies, and other appropriate public and private nonprofit institutions or agencies to establish projects for the purpose of improving special education and related services to children and youth with serious emotional disturbance. Such projects shall include—

"(1) studies regarding the present state of special education and related services to such children and their families, including information and data to enable assessments of the status of such services over time;

"(2) developing methodologies and curricula designed to improve special education and related services for these children and youth;

"(3) developing and demonstrating strategies and approaches to reduce the use of out-of-community residential programs and the increased use of school district-based programs (which may include, but are not limited to, day treatment programs, after-school programs, and summer programs); or

"(4) developing and demonstrating innovative approaches to assist children with emotional and behavioral problems from developing serious emotional disturbances that require the provision of special education and related services.

"(b)(1) The Secretary is authorized to make grants, on a competitive basis, to local educational agencies in collaboration with mental health entities to provide services for children and youth with serious emotional disturbance. Such demonstration projects shall—

"(A) increase the availability, access, and quality of community services for such children and youth and their families;

"(B) improve working relationships among education, school, and community mental health and other relevant personnel, families of such children and youth, and their advocates;

"(C) target resources to school settings, such as providing access to school and/or community mental health professionals and other community resources for students with serious emotional disturbance who are in community school settings; and

"(D) take into account the needs of minority children and youth in all phases of project activity.

"(2) Funds received under this subsection may also be used to facilitate interagency and private sector resource pooling to improve services for such children and youth and to provide information and training for those involved with, or who could be involved with, such children and youth.

"(c) Each project assisted under this section shall—

"(1) apply existing research outcomes from multi-disciplinary fields;

"(2) use a grant evaluation plan that is outcome-oriented and that focuses on the benefits to individual children and youth;

"(3) report on the effectiveness of such project; and

"(4) disseminate the findings of such project, where appropriate, to the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance Parents Program (TAPP) assisted under this part and part D, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service System Program (CASSP) under the National Institute of Mental Health and other appropriate networks.".

SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

Section 628 of the Education of the Handicapped Act (20 U.S.C. 1427) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 628. (a) There are authorized to be appropriated to carry out section 621 $8,140,000 for fiscal year 1990, $8,950,000 for fiscal year 1991, $9,850,000 for fiscal year 1992, $10,830,000 for fiscal year 1993, and $11,900,000 for fiscal year 1994.

"(b) There are authorized to be appropriated to carry out section 622 $19,900,000 for fiscal year 1990, $21,900,000 for fiscal year 1991, $24,100,000 for fiscal year 1992, $26,500,000 for fiscal year 1993, and $29,200,000 for fiscal year 1994.

"(c) There are authorized to be appropriated to carry out section 623 $30,140,000 for fiscal year 1990, $33,200,000 for fiscal year 1991, $36,500,000 for fiscal year 1992, $40,120,000 for fiscal year 1993, and $44,120,000 for fiscal year 1994.

"(d) There are authorized to be appropriated to carry out section 624 $8,700,000 for fiscal year 1990, $9,500,000 for fiscal year 1991, $10,500,000 for fiscal year 1992, $11,600,000 for fiscal year 1993, and $12,700,000 for fiscal year 1994.

"(e) There are authorized to be appropriated to carry out section 625 $7,300,000 for fiscal year 1990, $8,000,000 for fiscal year 1991, $8,780,000 for fiscal year 1992, $9,660,000 for fiscal year 1993, and $10,630,000 for fiscal year 1994.

"(f) There are authorized to be appropriated to carry out section 626 $8,900,000 for fiscal year 1990, $9,800,000 for fiscal year 1991, $10,800,000 for fiscal year 1992, $11,900,000 for fiscal year 1993, and $13,050,000 for fiscal year 1994.

"(g) There are authorized to be appropriated to carry out section 626(e) $25,000,000 for fiscal year 1990, $27,500,000 for fiscal year 1991, $30,250,000 for fiscal year 1992, $33,275,000 for fiscal year 1993, and $36,602,000 for fiscal year 1994.

"(h) There are authorized to be appropriated to carry out section 627 $5,000,000 for fiscal year 1990, $8,000,000 for fiscal year 1991, $10,000,000 for fiscal year 1992, $12,000,000 for fiscal year 1993, and $15,000,000 for fiscal year 1994.".

TITLE IV—TRAINING PERSONNEL FOR THE EDUCATION OF HANDICAPPED INDIVIDUALS

SEC. 401. GRANTS FOR PERSONNEL TRAINING.

(a) AMENDMENTS TO SUBSECTION (a)(1).—Section 631(a)(1) of the Education of the Handicapped Act (20 U.S.C. 1431(a)(1)) is amended—

(1) in the matter preceding subparagraph (A), by inserting after "to assist them in" the following: "inservice and preservice training of personnel in special education, related services, and early intervention, including";

(2) in subparagraph (A), by striking "adaptive physical evaluation" and insert "adapted physical education and instructional and assistive technology services";

(3) in subparagraphs (B) through (D), by amending such subparagraphs to read as follows:

"(B) related services to infants, toddlers, children and youth with disabilities in educational settings, and other settings,

"(C) special education and other careers in preschool and early intervention services for infants and toddlers with disabilities,

"(D) special education leadership, including supervision and administration (at the advanced graduate, doctoral and post doctoral levels), special education research, and special education personnel preparation (at the doctoral and post doctoral levels), and".

(b) FURTHER AMENDMENTS TO SUBSECTION (a).—Section 631(a) of the Education of the Handicapped Act (20 U.S.C. 1431(a)) is amended—

(1) in paragraph (2)(A), after "shortages" insert "including the need for personnel in the provision of special education to children of limited-English proficiency";

(2) in paragraph (2)(B), by inserting before the period the following: ", and that include in their applications a detailed description of strategies that will be utilized to recruit and train members of minority groups and persons with disabilities";

(3) in paragraph (3), by adding at the end the following new sentence: "Minority students will have priority for receipt of any fellowships or traineeships made available by the institution under grants under paragraph (1)."; and

(4) in paragraph (4), by amending such paragraph to read as follows:

"(4) Any person receiving a fellowship under this subsection shall agree either to repay such assistance or to work for a period equivalent to the period of time during which such person received assistance, and such work shall be in an activity related to programs and activities such as those authorized under this Act. The Secretary may waive this requirement in extraordinary circumstances.".

(c) NEW PARAGRAPHS IN SUBSECTION (a).—Section 631(a) of the Education of the Handicapped Act (20 U.S.C. 1431(a)) is amended by adding at the end the following new paragraphs:

"(5) In making grants under subsection (a)(1), the Secretary may determine that a portion of training supported through such grants be conducted on an interdisciplinary basis, and shall be designed to assist special educators in properly coordinating service provision with related services personnel. Training programs funded under subsection (a)(1)(B) and (a)(1)(E) shall require practica to demonstrate the delivery of related services in an array of regular and special education and community settings.

"(6) The Secretary in carrying out paragraph (1) shall make grants to Historically Black Colleges and Universities, and other institutions of higher education whose minority student enrollment is at least 25 percent.".

(d) AMENDMENTS TO SUBSECTION (b).—Section 631(b) of the Education of the Handicapped Act (20 U.S.C. 1431(b)) is amended by striking "nonprofit agencies" and all that follows and inserting the following: "nonprofit agencies and organizations to develop and demonstrate effective ways for preservice training programs to prepare regular educators to work with children and youth with disabilities and their families; for training teachers to work in community and school settings with secondary school students with disabilities and their families; for inservice and preservice training of personnel to work with infants, toddlers, children, and youth with disabilities and their families; for inservice and preservice training of personnel to work with minority infants, toddlers, children, and youth with disabilities and their families; for preservice and inservice training of special education and related services personnel in the use of assistive and instructional technology to benefit infants, toddlers, children, and youth with disabilities; and for the recruitment and retention of special education, related services, and early intervention personnel. Both preservice and inservice training shall include a component that addresses the coordination among all service providers, including regular educators.".

(e) AMENDMENTS TO SUBSECTION (c)(2).—Section 631(c)(2) of the Education of the Handicapped Act (20 U.S.C. 1431(c)(2)) is amended—

(1) in subparagraph (A), by amending such subparagraph to read as follows:

"(A) be governed by a board of directors of which a majority of the members are parents of infants, toddlers, children, and youth with disabilities, particularly minority parents, and that includes members who are professionals, especially minority professionals, in the field of special education, early intervention, and related services, and individuals with disabilities, or, if the nonprofit private organization does not have such a board, such organization shall have a membership that represents the interests of individuals with disabilities, and shall establish a special governing committee of which a majority of the members are parents of infants, toddlers, children, and youth with disabilities, particularly minority parents, and which includes members who are professionals, especially minority professionals, in the field of special education, early intervention, and related services, to operate the training and information program under paragraph (1), and parent and professional membership of these boards or special governing committees shall be representative of the proportion of minority individuals in the area;";

(2) in subparagraph (B)—

(A) by striking "children" and inserting "infants, toddlers, children, and youth"; and

(B) by striking "handicapping" and inserting "disabling"; and

(3) in subparagraph (C), by inserting before the period the following: ", and, for

purposes of paragraph (1), network with clearinghouses, including those established under section 633 and other organizations and agencies, and network with other established national, State, and local parent groups representing the full range of parents of infants, toddlers, children, and youth with disabilities, especially minority parent groups".

(f) AMENDMENTS TO SUBSECTION (c)(4).—Section 631(c)(4) of the Education of the Handicapped Act (20 U.S.C. 1431(c)(4)) is amended—

(1) in subparagraph (A), by striking "States" and all that follows and inserting the following: "States and give priority to the establishment of 5 new experimental parent training and information centers to serve large numbers of parents of children with disabilities located in high density areas that do not have such centers,";

(2) in subparagraph (B), by striking the period at the end and inserting a comma; and

(3) by adding at the end the following new subparagraphs:

"(C) serve parents of minority children with disabilities representative to the proportion of the minority population in the areas being served, and

"(D) be funded at a level adequate to serve the parents in the area.".

(g) NEW PARAGRAPH IN SUBSECTION (c).—Section 631(c) of the Education of the Handicapped Act (20 U.S.C. 1431(c)) is amended by adding at the end the following new paragraph:

"(9) Effective for fiscal year 1991 and every year thereafter, the Secretary shall obtain data concerning programs and centers assisted under this subsection on—

"(A) the number of parents provided information and training by disability category of their children,

"(B) the types and modes of information or training provided,

"(C) strategies used to reach and serve minority parents of infants, toddlers, children, and youth with disabilities,

"(D) the number of parents served as a result of activities described under clause (iii),

"(E) activities to network with other information clearinghouses and parent groups as required in subsection (c)(2)(C), and

"(F) the number of agencies and organizations consulted with at the national, State, regional, and local levels.

The Secretary shall include a summary of this information in the annual report to Congress as required in section 618(g).".

(h) FURTHER AMENDMENTS TO SUBSECTION (c).—Section 631(c) of the Education of the Handicapped Act (20 U.S.C. 1431(c)) is amended—

(1) in paragraph (1), in the first and second sentences, by striking "parents of handicapped children" each place such term appears and inserting "parents of infants, toddlers, children, and youth with disabilities";

(2) in paragraph (5)—

(A) in subparagraph (E), by amending such subparagraph to read as follows:

"(E) obtain appropriate information about the range of options, programs, services, and resources available at the national, State, and local levels to assist infants, toddlers, children, and youth with disabilities and their families, and"; and

(B) in subparagraph (F), by striking "handicapped" and all that follows and inserting the following: "infants, toddlers, children, and youth with disabilities under this Act."; and

(3) in paragraph (7)—

(A) by striking "with appropriate agencies which" and insert the following: "and network with appropriate national, State, regional, and local agencies and organizations, such as protection and advocacy agencies, that"; and

(B) by striking "handicapped children and youth" and inserting "infants, toddlers, children, and youth with disabilities and their families".

SEC. 402. GRANTS TO STATE EDUCATIONAL AGENCIES AND INSTITUTIONS FOR TRAINEESHIPS.

Section 632(c) of the Education of the Handicapped Act (20 U.S.C. 1432(c)) is amended by inserting before the period the following: ", and for the purpose of assisting the State to develop and maintain its comprehensive system of personnel development and conduct recruitment and retention activities".

SEC. 403. CLEARINGHOUSES.

Section 633 of the Education of the Handicapped Act (20 U.S.C. 1433) is amended to read as follows:

"CLEARINGHOUSES

"SEC. 633. (a) The Secretary is authorized to make grants to, or enter into contracts or cooperative agreements with, public agencies or private nonprofit organizations or institutions for the establishment of three national clearinghouses: on children and youth with disabilities; on postsecondary education for individuals with disabilities; and on careers in special education, to—

"(1) collect, develop, and disseminate information,

"(2) provide technical assistance,

"(3) conduct coordinated outreach activities,

"(4) provide for the coordination and networking with other relevant national, State, and local organizations and information and referral resources,

"(5) respond to individuals and organizations seeking information, and

"(6) provide for the synthesis of information for its effective utilization by parents, professionals, individuals with disabilities, and other interested parties.

"(b) The national clearinghouse for children and youth with disabilities shall:

"(1) Collect and disseminate information (including the development of materials) on characteristics of infants, toddlers, children, and youth with disabilities and on programs, legislation, and services relating to their education under this Act and other Federal laws.

"(2) Participate in programs and services related to disability issues for providing outreach, technical assistance, collection, and dissemination of information; and promoting networking of individuals with appropriate national, State, and local agencies and organizations.

"(3) Establish a coordinated network and conduct outreach activities with relevant Federal, State, and local organizations and other sources for promoting public awareness of disability issues and the availability of information, programs, and services.

"(4) Collect, disseminate, and develop information on current and future national, Federal, regional, and State needs for providing information to parents, professionals, individuals with disabilities, and other interested parties relating to the education and related services of individuals with disabilities.

"(5) Provide technical assistance to national, Federal, regional, State and local agencies and organizations seeking to establish information and referral services for individuals with disabilities and their families.

"(6) In carrying out the activities in this subsection, the clearinghouse will include strategies to disseminate information to underrepresented groups such as limited English proficiency.

"(c) The national clearinghouse on postsecondary education for individuals with disabilities shall:

"(1) Collect and disseminate information nationally on characteristics of individuals entering and participating in education and training programs after high school; legislation affecting such individuals and such programs; policies, procedures, and support services, as well as adaptations, and other resources available or recommended to facilitate the education of individuals with disabilities; available programs and services that include, or can be adapted to include, individuals with disabilities; and sources of financial aid for the education and training of individuals with disabilities.

"(2) Identify areas of need for additional information.

"(3) Develop new materials (in both print and nonprint form), especially by synthesizing information from a variety of fields affecting disability issues and the education, rehabilitation, and retraining of individuals with disabilities.

"(4) Develop a coordinated network of professionals, related organizations and associations, mass media, other clearinghouses, and governmental agencies at the Federal, regional, State, and local level for the purposes of disseminating information and promoting awareness of issues relevant to the education of individuals with disabilities after high school and referring individuals who request information to local resources.

"(5) Respond to requests from individuals with disabilities, their parents, and professionals who work with them, for information that will enable them to make appropriate decisions about postsecondary education and training.

"(d) The national clearinghouse designed to encourage students to seek careers and professional personnel to seek employment in the various fields relating to the education of children and youth with disabilities shall:

"(1) Collect and disseminate information on current and future national, regional, and State needs for special education and related services personnel.

"(2) Disseminate information to high school counselors and others concerning current career opportunities in special education, location of programs, and various forms of financial assistance (such as scholarships, stipends, and allowances).

"(3) Identify training programs available around the country.

"(4) Establish a network among local and State educational agencies and institutions of higher education concerning the supply of graduates and available openings.

"(5) Provide technical assistance to institutions seeking to meet State and professionally recognized standards.

"(e)(1) In awarding grants, contracts, and cooperative agreements under this section, the Secretary shall give priority attention to any applicant with demonstrated experience (at the national level) in performing the functions established in this section; and with the ability to conduct such projects, communicate with intended consumers of information, and maintain the necessary

communication with national, regional, State and local agencies and organizations.

"(2) In awarding grants, contracts, and cooperative agreements under this section, the Secretary shall give priority attention to any applicant with demonstrated experience (at the national level) in providing informational services to minorities and minority organizations.

"(3) The Secretary is authorized to make contracts through the clearinghouse with profit-making organizations only when necessary for materials or media access.

"(f)(1) Beginning in fiscal year 1991, and for each year thereafter, the Secretary shall obtain information on each project assisted under this section, including—

"(A) as appropriate, by disability category, the number of individuals served, including parents, professionals, students, and individuals with disabilities;

"(B) a description of responses utilized;

"(C) a listing of new products developed and disseminated; and

"(D) a description of strategies and activities utilized for outreach to urban and rural areas with populations of minorities and underrepresented and underserved groups.

"(2) A summary of the data required by this subsection shall be included in the annual report to Congress required under section 618 of this Act.".

SEC. 404. REPORTS TO SECRETARY.

Section 634(a) of the Education of the Handicapped Act (20 U.S.C. 1434(a)) is amended—

(1) in paragraph (1), by striking "and" at the end;

(2) in paragraph (2), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(3) information required under section 631(c)(9) and section 633(f)(1).".

SEC. 405. AUTHORIZATION OF APPROPRIATIONS.

Section 635(a) of the Education of the Handicapped Act (20 U.S.C. 1435(a)) is amended to read as follows:

"(a)(1) There are authorized to be appropriated to carry out this part (other than sections 631(a)(6), 631(c), and 633) $86,900,000 for fiscal year 1990, $95,600,000 for fiscal year 1991, $105,150,000 for fiscal year 1992, $115,660,000 for fiscal year 1993, and $127,200,000 for fiscal year 1994.

"(2) There are authorized to be appropriated to carry out section 631(a)(6) $17,500,000 for fiscal year 1990, $19,250,000 for fiscal year 1991, $21,175,000 for fiscal year 1992, $23,292,500 for fiscal year 1993, and $25,621,750 for fiscal year 1994.

"(3) There are authorized to be appropriated to carry out section 631(c) $10,000,000 for fiscal year 1990, $11,000,000 for fiscal year 1991, $12,100,000 for fiscal year 1992, $13,300,000 for fiscal year 1993, and $14,600,000 for fiscal year 1994.

"(4) There are authorized to be appropriated to carry out section 633 $2,200,000 for fiscal year 1990, $2,420,000 for fiscal year 1991, $2,700,000 for fiscal year 1992, $2,900,000 for fiscal year 1993, and $3,200,000 for fiscal year 1994.".

TITLE V—RESEARCH IN EDUCATION OF HANDICAPPED INDIVIDUALS

SEC. 501. RESEARCH AND DEMONSTRATION PROJECTS IN EDUCATION OF HANDICAPPED CHILDREN.

Section 641 of the Education of the Handicapped Act (20 U.S.C. 1441) is amended to read as follows:

"IMPROVEMENT OF INSTRUCTION AND LEARNING OF CHILDREN WITH DISABILITIES

"SEC. 641. (a) The Secretary may make grants to, or enter into contracts or cooperative agreements with, State and local educational agencies, institutions of higher education, other public agencies and nonprofit private organizations for the purpose of advancing and improving the knowledge base and improve the practice of professionals, parents, and others providing early intervention, special education, and related services, including professionals who work with children and youth with disabilities in regular education environments, to provide such children effective instruction and enable them to successfully learn. The activities supported under this section shall support innovation, development, exchange, and use of such advancements in knowledge and practice designed to contribute to the improvement of instruction and learning of infants, toddlers, children, and youth with disabilities. In carrying out this section, the Secretary may support a wide range of research and related activities designed to—

"(1) advance knowledge about the provision of instruction and other interventions to infants, toddlers, children, and youth with disabilities including, but not limited to—

"(A) the organization, synthesis, and interpretation of current knowledge and the identification of knowledge gaps;

"(B) the identification of knowledge and skills competency needed by personnel providing special education, related services, and early intervention services;

"(C) the improvement of knowledge regarding the developmental and learning characteristics of infants, toddlers, children, and youth with disabilities in order to improve the design and effectiveness of interventions and instruction;

"(D) the evaluation of approaches and interventions;

"(E) the development of instructional strategies, techniques, and activities;

"(F) the improvement of curricula and instructional tools such as textbooks, media, materials, and instructional technology;

"(G) the development of assessment techniques, instruments (including tests, inventories, and scales), and strategies for measurement of progress and the identification, location, and evaluation of infants, toddlers, children, and youth with disabilities for the purpose of determining eligibility, program planning and placement for special education, related services and early intervention services. Particular attention should be given to the development of alternative assessment procedures and processes for minority individuals and those with limited English proficiency;

"(H) the testing of research findings in practice settings to determine their application, usability, effectiveness, and generalizability;

"(I) the identification of environmental, organizational, resource, and other conditions necessary for effective professional practice; and

"(J) the improvement of knowledge regarding families, minorities, limited-English proficiency, and handicapping conditions; and

"(2) advance the utilization of knowledge by professionals and others providing special education, related services, and early intervention including, but not limited to—

"(A) the improvement of knowledge regarding how professionals and others providing special education, related services, and early intervention learn new knowledge and skills and strategies for effectively facilitating such learning in both preservice and in-service education;

"(B) the organization, integration, and presentation of knowledge so that it can be incorporated and imparted in personnel preparation and continuing education programs and other relevant training and communication vehicles; and

"(C) the expansion and improvement of networks that exchange knowledge and practice information, such as the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parents Programs (TAPP) assisted under parts C and D of this Act, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks.

"(b) In carrying out subsection (a), the Secretary shall consider the special education, related services, or early intervention and research experience of applicants.

"(c) The Secretary shall publish proposed priorities under this part in the Federal Register every 2 years, not later than July 1, and shall allow a period of 60 days for public comments and suggestions. After analyzing and considering the public comments, the Secretary shall publish final priorities in the Federal Register not later than 60 days after the close of the comment period.

"(d) The Secretary shall provide an index (including the title of each project and the name and address of the funded organization) of all projects conducted under this part in the prior fiscal year in the annual report described under section 618. The Secretary shall make reports of projects available to the education community at large and to other interested parties.

"(e)(1) The Secretary shall make grants, or enter into contracts or cooperative agreements, for the establishment of model demonstration programs, of which some will be school-based models, that provide the services of an ombudsman to assist in resolving problems that are barriers to appropriate educational, related services, or other services for children and youth with disabilities.

"(2) Programs under paragraph (1) shall provide or identify personnel to assist children and youth with disabilities, their parents or guardians, special and regular education teachers, State and local education administrators, and related services personnel to resolve problems in a timely manner through dispute mediation and other methods, notwithstanding due process procedures, in order to further the delivery of appropriate education and related services. Participation in this program does not preclude or delay due process under this Act.

"(3) Ombudsman services for programs under paragraph (1) shall be provided by social workers, parent advocates, psychologists, and persons with similar qualifications designated by the Secretary.".

SEC. 502. RESEARCH AND DEMONSTRATION PROJECTS IN PHYSICAL EDUCATION AND RECREATION FOR HANDICAPPED CHILDREN.

Section 642 of the Education of the Handicapped Act (20 U.S.C. 1442) is amended by striking "recreation for handicapped children" each place such term appears and inserting "recreation for children with disabilities, including therapeutic recreation".

SEC. 503. PANELS OF EXPERTS.

Part E of the Education of the Handicapped Act (20 U.S.C. 1441 et seq.) is amended by striking section 643 and by redesignating section 644 as section 643.

SEC. 504. AUTHORIZATION OF APPROPRIATIONS.

Section 643 of the Education of the Handicapped Act, as redesignated by section 503 of this Act, is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 643. For purposes of carrying out this part, there are authorized to be appropriated $22,100,000 for fiscal year 1990, $24,300,000 for fiscal year 1991, $26,800,000 for fiscal year 1992, $29,400,000 for fiscal year 1993, and $32,400,000 for fiscal year 1994.".

TITLE VI—INSTRUCTIONAL MEDIA FOR HANDICAPPED INDIVIDUALS

SEC. 601. PURPOSES.

Section 651 of the Education of the Handicapped Act (20 U.S.C. 1451) is amended—

(1) by striking the subsection designation;

(2) in paragraph (1)—

(A) in subparagraph (A), by inserting "and television programs" after "those films";

(B) in subparagraph (B), by inserting " and television programs" after "these films";

(C) by striking "and" after the semicolon at the end of subparagraph (B); and

(D) by adding at the end the following new subparagraph:

"(D) utilizing educational media to help eliminate illiteracy among individuals with disabilities;";

(3) by striking the period at the end of paragraph (2) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(3) the general welfare of visually impaired individuals by—

"(A) bringing to such individuals an understanding and appreciation of textbooks, films, television programs, video material, and other educational publications and materials that play such an important part in the general and cultural advancement of visually unimpaired individuals; and

"(B) ensuring access to television programming and other video materials.".

SEC. 602. CAPTIONED FILMS AND EDUCATIONAL MEDIA FOR HANDICAPPED INDIVIDUALS.

Section 652 of the Education of the Handicapped Act (20 U.S.C. 1452) is amended—

(1) in the heading for such section, by inserting ", TELEVISION, DESCRIPTIVE VIDEO," after "FILMS";

(2) in subsection (a), by inserting ", descriptive video" after "captioned films";

(3) in subsection (b)—

(A) in paragraph (3), by striking "captioning of films" and inserting "captioning for the hearing impaired, and video description for the visually impaired, of films, television programs, and video materials"; and

(B) in paragraph (4)—

(i) by striking "captioned films" and inserting "captioned and video-described films, video materials,"; and

(ii) inserting "or entities" after "agencies";

(4) in subsection (c)(3), by inserting ", educational, and social" after "cultural"; and

(5) by adding at the end the following new subsection:

"(d)(1) The Secretary is authorized to make a grant to, or enter into a contract with, Recording for the Blind, Inc., for the purpose of providing current, free textbooks and other educational publications and materials to blind and other print-handicapped students in elementary, secondary, postsecondary, and graduate schools and other institutions of higher education through the medium of transcribed tapes and cassettes.

"(2) For the purpose of this subsection, the term 'print-handicapped' refers to any individual who is blind or severely visually impaired, or who, by reason of a physical or perceptual disability, is unable to read printed material unassisted.".

SEC. 603. AUTHORIZATION OF APPROPRIATIONS.

Section 653 of the Education of the Handicapped Act (20 U.S.C. 1454) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 653. (a) For the purpose of carrying out section 652 (other than subsection (d)), there are authorized to be appropriated $18,200,000 for fiscal year 1990, $20,010,000 for fiscal year 1991, $22,010,000 for fiscal year 1992, $24,200,000 for fiscal year 1993, and $26,600,000 for fiscal year 1994.

"(b) For the purpose of carrying out section 652(d), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1990 through 1994.".

TITLE VII—TECHNOLOGY, EDUCATIONAL MEDIA, AND MATERIALS FOR HANDICAPPED INDIVIDUALS

SEC. 701. FINANCIAL ASSISTANCE.

Section 661 of the Education of the Handicapped Act (20 U.S.C. 1461) is amended—

(1) in the matter preceding paragraph (1), in the first sentence, by striking "provision of early intervention" and inserting "provision of related services and early intervention services";

(2) in paragraph (1)—

(A) by inserting "assistive technology," after "technology,"; and

(B) by striking "more effectively" and inserting "most effectively, efficiently, and appropriately";

(3) in paragraphs (2) through (4), by striking "new technology," each place such term appears and inserting "technology, assistive technology,";

(4) in paragraph (4), by inserting before the period at the end the following: ", where appropriate, to the Regional and Federal Resource Centers, the Clearinghouses, and the Technical Assistance to Parents Programs (TAPP) assisted under parts C and D, as well as the National Diffusion Network, the ERIC Clearinghouse on the Handicapped and Gifted, and the Child and Adolescent Service Systems Program (CASSP) under the National Institute of Mental Health, and other appropriate networks";

(5)(A) by striking "and" at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting ", and"; and

(C) by adding at the end the following new paragraph:

"(5) examining how these purposes can address the problem of illiteracy among individuals with disabilities."; and

(6) by inserting "(a)" after the section designation and by adding at the end the following new subsection:

"(b)(1) With respect to new technology, media, and materials utilized with funds under this part to improve the education of students with disabilities, the Secretary shall make efforts to ensure that such instructional materials are closed-captioned.

"(2) The Secretary may not award a grant, contract, or cooperative agreement under paragraphs (1) through (4) of subsection (a) unless the applicant for such assistance agrees that activities carried out with the assistance will be coordinated, as appropriate, with the State entity receiving funds under title I of Public Law 100-407.".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

Section 662 of the Education of the Handicapped Act (20 U.S.C. 1462) is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 662. For the purpose of carrying out this part, there are authorized to be appropriated $12,130,000 for fiscal year 1990, $13,300,000 for fiscal year 1991, $14,700,000 for fiscal year 1992, $16,140,000 for fiscal year 1993, and $17,800,000 for fiscal year 1994.".

TITLE VIII—HANDICAPPED INFANTS AND TODDLERS

SEC. 801. DEFINITIONS.

Section 672(2)(E) of the Education of the Handicapped Act (20 U.S.C. 1472(2)(E)) is amended—

(1) by striking "and" after the comma at the end of clause (ix) and inserting "and" after the comma at the end of clause (x); and

(2) by adding at the end the following new clause:

"(xi) social work services,".

SEC. 802. REQUIREMENTS FOR STATEWIDE SYSTEM.

Section 676(b) of the Education of the Handicapped Act (20 U.S.C. 1476(b)) is amended—

(1) in paragraph (6), by inserting before the comma the following: ", including the preparation and dissemination by the lead agency to all primary referral sources of information materials for families on the availability of early intervention services";

(2) in paragraph (8), by inserting before the comma the following: ", including training of primary referral sources respecting the basic components of early intervention services available in the State"; and

(3)(A) by striking "and" at the end of paragraph (13), and by striking the period at the end of paragraph (14) and inserting ", and"; and

(B) by adding at the end the following new paragraph:

"(15) procedures for determining the extent to which primary referral sources, especially hospitals and physicians, disseminate information on the availability of early intervention services as required under paragraph (6) to parents of infants with disabilities.".

TITLE IX—TECHNICAL AMENDMENTS

SEC. 901. REVISION IN TERMINOLOGY.

(a) REVISION IN SHORT TITLE.—Section 601(a) of the Education of the Handicapped Act (20 U.S.C. 1400(a)) is amended by striking "This title" and all that follows and inserting the following: "This title may be cited as the 'Individuals With Disabilities Education Act'.".

(b) CONFORMING AMENDMENTS.—The Individuals With Disabilities Education Act (as so redesignated by subsection (a)) is amended—

(1) by striking "handicapped children and youth" each place such terms appear and inserting "children and youth with disabilities";

(2) by striking "handicapped child or youth" each place such terms appear and inserting "child or youth with disabilities";

(3) by striking "handicapped children", "Handicapped children", "HANDICAPPED CHILDREN", and "HANDICAPPED CHILDREN" each place such terms appear and inserting "children with disabilities", "Children with dis-

abilities", "CHILDREN WITH DISABILITIES", and "CHILDREN WITH DISABILITIES", respectively;

(4) by striking "handicapped child" and "Handicapped child" each place such terms appear and inserting "child with disabilities" and "Child with disabilities", respectively;

(5) by striking "handicapped youth", "Handicapped youth", "HANDICAPPED YOUTH", and "HANDICAPPED YOUTH" each place such terms appear and inserting "youth with disabilities", "Youth with disabilities", "YOUTH WITH DISABILITIES" and "YOUTH WITH DISABILITIES", respectively;

(6) by striking "handicapped infants and toddlers", "Handicapped infants and toddlers", "HANDICAPPED INFANTS AND TODDLERS", and "HANDICAPPED INFANTS AND TODDLERS" each place such terms appear and inserting "infants and toddlers with disabilities", "Infants and toddlers with disabilities", "INFANTS AND TODDLERS WITH DISABILITIES", and "INFANTS AND TODDLERS WITH DISABILITIES", respectively;

(7) by striking "handicapped infant or toddler" and "Handicapped infant or toddler" each place such terms appear and inserting "infant or toddler with disabilities" and "Infant or toddler with disabilities", respectively;

(8) by striking "handicapped student", "Handicapped student", "handicapped students", "handicapped students", and "Handicapped students" each place such terms appear and inserting "student with disabilities", "Student with disabilities", "students with disabilities", "students' with disabilities", and "Students with disabilities", respectively;

(9) by striking "handicapped individuals", "Handicapped individuals", "HANDICAPPED INDIVIDUALS", and "HANDICAPPED INDIVIDUALS" each place such terms appear and inserting "individuals with disabilities", "Individuals with disabilities", "INDIVIDUALS WITH DISABILITIES", and "INDIVIDUALS WITH DISABILITIES", respectively;

(10) by striking "handicapped individual" and "Handicapped individual" each place such terms appear and inserting "individual with one or more disabilities" and "Individual with one or more disabilities", respectively;

(11) by striking "handicapped", "Handicapped" (other than where such term appears in a reference to another Act), "HANDICAPPED", and "HANDICAPPED" each place such terms appear and inserting "disabled", "Disabled", "DISABLED", and "DISABLED", respectively;

(12) by striking "handicaps" and "Handicaps" each place such terms appear and inserting "disabilities" and "Disabilities", respectively;

(13) by striking "handicap" and "Handicap" each place such terms appear and inserting "disability" and "Disability", respectively; and

(14) by striking "handicapping" and "Handicapping" each place such terms appear and inserting "disabling" and "Disabling", respectively.

TITLE X—GENERAL PROVISIONS

SEC. 1001. EFFECTIVE DATE.

The amendments made by this Act shall take effect October 1, 1990, or upon the date of the enactment of this Act, whichever occurs later.

Amend the title so as to read: "An Act to amend the Education of the Handicapped Act to revise and extend the programs established in parts C through G of such Act, and for other purposes.".

Mr. BRYAN. Mr. President, I move that the Senate disagree with the amendments of the House, request a conference with the House, and ask that the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to and the Presiding Officer (Mr. HARKIN) appointed Mr. KENNEDY, Mr. HARKIN, Mr. METZENBAUM, Mr. SIMON, Mr. HATCH, Mr. DURENBERGER, and Mr. JEFFORDS conferees on the part of the Senate.

JOINT RESOLUTION INDEFINITELY POSTPONED

Mr. BRYAN. Mr. President, I ask unanimous consent that Calendar No. 227, Senate Joint Resolution 88, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDERS FOR TOMORROW

Mr. BRYAN. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:15 a.m., Friday, September 14; that following the prayer, the Journal of Proceedings be deemed approved to date; that the time for the two leaders under the standing order be reserved for their use later in the day; that there then be a period for the transaction of morning business until 10:15 a.m. for discussion of the CAFE standards bill and with the time equally controlled between Senators BRYAN and RIEGLE, and with Senator KERRY of Massachusetts to be recognized from the time under Senator BRYAN's control for not to exceed 10 minutes at the commencement of the period for morning business.

I further ask unanimous consent that the mandatory live quorum required under rule XXII preceding the cloture vote be waived, and that the cloture vote on the motion to proceed to the consideration of S. 1224, the CAFE standards bill, occur at the hour of 10:15 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:15 A.M. TOMORROW

Mr. BRYAN. Mr. President, I know of no further Senator seeking recognition. On behalf of the majority leader, I now ask unanimous consent the Senate stand in recess under the previous order until 9:15 a.m. tomorrow.

There being no objection, the Senate, at 6:07 p.m., recessed until Friday, September 14, 1990, at 9:15 a.m.

NOMINATIONS

Executive nominations received by the Senate September 13, 1990:

DEPARTMENT OF STATE

HARMON ELWOOD KIRBY, OF OHIO, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF TOGO.

EXECUTIVE OFFICE OF THE PRESIDENT

WILLIAM A. GEOGHEGAN, OF MARYLAND, TO BE A MEMBER OF THE ADVISORY BOARD FOR CUBA BROADCASTING FOR A TERM EXPIRING OCTOBER 27, 1992, VICE MIDGE DECTER, TERM EXPIRED.

CORPORATION FOR PUBLIC BROADCASTING

SHARON PERCY ROCKEFELLER, OF WEST VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE CORPORATION FOR PUBLIC BROADCASTING FOR A TERM EXPIRING MARCH 26, 1992. (REAPPOINTMENT)

NATIONAL SCIENCE FOUNDATION

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION, FOR TERMS EXPIRING MAY 10, 1996:

PHILLIP A. GRIFFITHS, OF NORTH CAROLINA, VICE ANNELISE GRAEBNER ANDERSON, TERM EXPIRED.

JAIME OAXACA, OF CALIFORNIA, VICE RITA R. COLWELL, TERM EXPIRED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR TERMS EXPIRING JANUARY 26, 1996:

CAROL IANNONE, OF NEW YORK, VICE MARY JOSEPH CONRAD CRESIMORE, TERM EXPIRED.

JON N. MOLINE, OF MINNESOTA, VICE ROBERT LAXALT, TERM EXPIRED.

DEPARTMENT OF JUSTICE

WILLIAM C. ANDERSEN, OF CONNECTICUT, TO BE U.S. MARSHAL FOR THE DISTRICT OF CONNECTICUT FOR THE TERM OF 4 YEARS VICE P.A. MANGINI, TERM EXPIRED.

ARTHUR D. BORINSKY, OF NEW JERSEY, TO BE U.S. MARSHAL FOR THE DISTRICT OF NEW JERSEY FOR THE TERM OF 4 YEARS. (REAPPOINTMENT)

EXTENSIONS OF REMARKS

CHICAGO'S 25TH ANNUAL GENERAL VON STEUBEN PARADE

HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. ANNUNZIO. Mr. Speaker, September 17 will mark the 260th anniversary of the birth of the great soldier and patriot, Gen. Friedrich Wilhelm von Steuben.

On Saturday, September 15, I am looking forward to joining with my many friends in the United German-American Societies of Greater Chicago on the reviewing stand for Chicago's 25th Annual General von Steuben Parade, to pay homage to the numerous achievements of this great patriot in America's War of Independence, as well as recognize the contributions of Americans of German ancestry throughout the history of the United States.

The officers and members of the United German-American Societies of Greater Chicago are again working hard to make sure that the 25th anniversary celebration is a great success. I extend to them my warmest congratulations for their contributions to the quality of life in the city of Chicago. I especially extend my best wishes to Karl C. Laschet, the enthusiastic and energetic general chairman and grand marshal of the von Steuben Parade.

The ideals of freedom and self-determination displayed by General von Steuben have taken on added significance this year, because in just a few weeks, on October 3, the two Germanys will be formally reunified. It has been a little less than a year since East Germany's oppressive Communist rulers were ousted as part of a peaceful revolution that swept across Eastern Europe. This week in Moscow, France, Britain, the Soviet Union, and the United States signed the "two-plus-four agreement," which will formally recognize this reunification and withdraw foreign troops.

In recognition of the many contributions of German-Americans to our country, I was glad to join with my colleagues in the House of Representatives as a cosponsor to House Joint Resolution 469, a bill to designate October 6, 1990, as "German-American Day." This legislation was approved with my strong support by the full House of Representatives on July 31, and a copy of that resolution follows:

H.J. RES. 469

Whereas the tricentennial of the arrival of the first German immigrants to the United States was celebrated on October 6, 1983;

Whereas such day was proclaimed by the President to be German-American Day in honor of the contributions made by German immigrants to the life and culture of the United States;

Whereas such contributions should be recognized and celebrated every year; and

Whereas the German-American Friendship Garden, symbolic of friendly relations between West Germany and the United States, was dedicated in the District of Columbia on November 15, 1988: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 6, 1990, is designated as "German-American Day". The President is requested to issue a proclamation calling on the people of the United States to observe such day with appropriate ceremonies and activities.

General von Steuben won a special place among the heroes of the American Revolution because of his many talents at troop management. Recruited in Paris, von Steuben reported for duty to General Washington at Valley Forge in 1778, at a time when the colonies were suffering through very cold weather, military setbacks, and low morale.

Von Steuben worked to sustain the courage of the troops, and drilled and taught them up-to-date military practices, so that when spring came, they would be prepared to match and overwhelm the skill of British forces.

It was during this time that von Steuben wrote his monumental manual on the basics of American citizen-soldiery, "Regulations for the Order and Discipline of the Troops of the United States." This all-important work, known as the "Blue Book," served as the official Army manual until 1812.

In recognition of his achievements, Washington obtained for von Steuben the appointment of inspector general with the rank of major general. Also, the State of New York awarded General von Steuben a 16,000-acre estate, and Congress granted him a pension of $2,500 for the rest of his life.

Mr. Speaker, on the occasion of the 260th anniversary of von Steuben's birth, and the 25th anniversary of Chicago's von Steuben Parade, I extend my greetings and best wishes to German-Americans in the 11th Congressional District of Illinois, which I am honored to represent, and to all Americans of German descent throughout the Nation, who cherish the commitment to freedom and democracy and the values exemplified by General von Steuben.

HONORING SAL B. LOPEZ, CHAIRMAN, PARADE COMMITTEE, COMITE MEXICANO CIVICO PATRIOTICO

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. TORRES. Mr. Speaker, it is my privilege to rise today to honor my good friend, Mr. Sal B. Lopez, for a job well done. Mr. Lopez will be honored by the Comite Mexicano Civico Patriotico for 37 years of service to the community.

Sal B. Lopez was born on May 5, 1914, in Los Angeles, CA, to Mr. Jesus B. Lopez and Dolores Barragan. He was raised in a large family consisting of 18 brothers and sisters. He attended local East Los Angeles schools, graduating from my alma mater, Garfield High School. He recieved his A.A. from Los Angeles City College and served in the Army from 1943 to 1945.

Sal Lopez has provided the community with hundreds of hours of entertainment and enjoyment. The annual 16th of September Parade, which he produces, is a source of pride to Latino families throughout the Nation. It has grown from its humble beginnings to become one of the nation's premier televised Hispanic events.

Mr. Speaker, I therefore ask my colleagues join with me in saluting Mr. Sal B. Lopez as he retires after 37 years of hard work and dedicated service to the Comite Mexicano Civico Patriotico and to the Hispanic community.

TRIBUTE TO FRANK AND NANCY SANTAGATA

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Frank and Nancy Santagata of my 17th Congressional District of Ohio on the very special occasion of their 50th wedding anniversary.

United in wedlock on September 28, 1940, the Santagatas have maintained their commitment to one another throughout the past 50 years and can now celebrate their golden anniversary with great pride. Moreover, to celebrate this event, the Santagatas will be renewing their wedding vows to each other on September 29, 1990, at St. Rose Church in Girard. Celebrating along with Frank and Nancy will be their two children, Frank A. Santagata and Carmel M. Cross, and their four grandchildren.

Frank is a retired letter carrier with 30 years of experience with the U.S. Post Office, and Nancy has remained very active within the community, particularly within Democratic politics. Frank is enjoying his leisure years by golfing and fishing.

Again, I would like to congratulate Frank and Nancy Santagata on their 50th wedding anniversary, and I would like to wish them many more happy years together.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

THE DECADE OF THE BRAIN

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. MICHEL. Mr. Speaker, recently a resolution by our dear colleague, SILVIO CONTE, was signed into law, declaring the next 10 years as "The Decade of the Brain." Neurology and other brain-related studies are relative newcomers in the field of science, yet their impact has been overwhelming and universal. It is my hope that Representative CONTE's resolution will encourage continued research and progress in this field—ranging from the study of genetic properties of drug and substance addictions to cures for Alzheimer's and AIDS.

At this point in the RECORD, I would like to insert an eloquent article which SIL CONTE wrote for the new quarterly of the National Alliance for the Mentally Ill, "The Decade of the Brain."

The article follows:

THE DECADE OF THE BRAIN

(By Hon. Silvio O. Conte)

NEW FRONTIERS IN NEUROSCIENCE AND BRAIN RESEARCH WILL BE OPEN IN THE 1990'S

My resolution signed into Public Law 101-58 last July by President George Bush established the next 10 years as the "Decade of the Brain." This new era in brain research will be launched by the Institute of Medicine and the National Institute of Mental Health (NIMH) at the National Academy of Sciences in Washington, D.C., significantly at the same time in July that NAMI propels their families, members and supporters into the 1990's at their Chicago convention.

I am honored that the new research quarterly for NAMI will be titled "The Decade of the Brain" after my resolution and will give broad recognition to those efforts to meet the scientific and advocacy challenges posed by serious mental illness. Moreover, I feel this is an important aspect of NAMI leadership strategy in facilitating the implementation of the "Decade of the Brain." This new NAMI publication can be of invaluable assistance in making families, the American public, and its policy- and decision-makers aware of the phenomenal scientific opportunity now available in the neurosciences for elminating one of the nation's most serious economic and social burdens.

It was my firm intent, to which President Bush obviously agreed, and as outlined in my resolution, that "The Decade of the Brain" be dedicated to mounting a broad and renewed effort of the highest national priority. The objectives are to provide better understanding of mental disorders and their relationship to the human genome; to promote research leading to solutions for most, if not all, of the major disorders and diseases ravaging the brain; and to provide a fertile environment for scientific exchange, generation of collaborative efforts, and critical reviews of methods and goals.

I am very pleased to be able to report that this mandate is being taken quite seriously, and implementation has begun. NIMH and its National Advisory Mental Health Council, in anticipation of the urgent need placed upon us by increasingly rapid research advances, have completed an exhaustive report, "Approaching the 21st Century: Opportunities for NIMH Neuroscience Research." Combined with another major document recently developed by the NIMH, "The National Plan for Research on Schizophrenia," there now exists an intensive and comprehensive analysis of scientific needs and opportunities that focus exclusively on the mental illnesses. These have been combined into a plan called the "National Plan for Schizophrenia and Brain Research" which outlines basic and clinical research strategies that incorporate the newest biomedical technologies and involve basic, clinical, and behavioral research strategies.

Taken together, they represent real optimism and hope that we truly shall conquer the major mental illnesses by the year 2000.

STANLEY AWARDS ANNOUNCED

Theodore and Vada Stanley of Westport, Connecticut, in cooperation with the National Alliance for the Mentally Ill and the professional selection committee, have announced 14 international research awards. The 1990 Stanley Research Awards are part of a broad Stanley Foundation Program, a program currently totaling over $1.2 million for 1990. The research grants provide exciting opportunities to support the current technological promise to make the brain the research frontier of the 1990's. The Stanley Foundation program is designed to attract new investigators into the causes of serious mental diseases as well as to provide supplemental funding to particularly creative scientists already in the field.

Ted and Vada Stanley, while reading Dr. E. Fuller Torrey's book, "Surviving Schizophrenia: A Family Manual," were deeply moved by the pain and suffering experienced by the seriously mentally ill, as well as the agonizing stigma attached to the families. Moreover, according to Vada, "Fuller's book brought into perspective the personal and deeply moving experiences that Ted recalls from his grandmother's illness and hospitalization."

An exchange of correspondence eventually led to a personal meeting of the Stanley's with Dr. Torrey. "Fuller convinced us that so little was being done in research that we decided research advocacy for the seriously mentally ill would be the primary project of the Stanley Foundation," said Vada. "With the Foundation grants, we hope to achieve the goal of encouraging many of the brightest doctors to enter the field of mental illness research. Now we are optimistic that these researchers will compile a body of knowledge that will provide the breakthrough in brain research in this decade."

The 1990 Stanley Foundation Awards Recipients:

C.J. Bruton, M.D., Department of Neuropathology, Runwell Hospital, London, England

S.M. Castillo, M.D., Psychiatric Hospital of Havana, Havana, Cuba

L.E. DeLisi, M.D., Department of Psychiatry, State University of New York, Stony Brook, NY

P. Falkai, M.D., Department of Psychiatry, University of Dusseldorf, Dusseldorf, West Germany

L.C. Garey, Ph.D., Department of Anatomy, Charing Cross Hospital, London, England

R.W. Horton, Ph.D., Department of Pharmacology, St. George's Hospital, London, England

V. Itzhak, Ph.D., Department of Biochemistry, University of Miami School of Medicine, Miami, FL

A. Karlin, Ph.D., Department of Neurology, Columbia University College of Physicians & Surgeons, New York, NY

N. McConaghy, M.D., Prince of Wales Hospital, Sydney, Australia

E. Onaivi, Ph.D., Geriatric Psychopharmacology, National Institute of Mental Health, Rockville, MD

G.W. Roberts, Ph.D., Department of Anatomy, St. Mary's Hospital, London, England

M.C. Royston, M.D., Department of Physiological Sciences, University of Manchester, Manchester, England

M.V. Seeman, M.D., Department of Psychiatry, Mt. Sinai Hospital, Toronto, Canada

C.H. Vranckx, M.D., Faculty of Nursing and Medical Science, University of Namibia, Namibia

HUMAN GENOME PROJECT PROVIDES ANSWERS; CREATES PROBLEMS

The answer to the chemical underpinnings of human existence will be interpreted in the messages encoded in the Human Genome Project, and will give scientists increased power to predict, and cure human disease. However, it will also open the door to potential abuses.

For example, the rights of an individual to employment or objective consideration of a health insurance application could be jeopardized by the knowledge that the applicant is vulnerable to a disabling disease. Therefore, the National Center for Human Genome Research (NCHGR) will allocate at least 3 percent of its resources on solving this problem.

The NCHGR is accepting applications for conference and research grants as well as fellowships from philosophers, ethicists, lawyers, sociologists, and even economists, aimed at pinpointing the potential ethical, social, and legal problems surrounding the genome project.

Deadlines for applications for the research and conference grants are Oct. 1, 1990 and Feb. 1, 1991; the deadline for applications for post-doctoral fellowships is Sept. 10, 1990. For further information, call Bettie Graham, chief of the research grants branch at NCHGR, at (301) 496-7531.

NAMI AND THE WORLD HEALTH ORGANIZATION SEEK TO INCREASE EMPLOYMENT OF PERSONS WITH SERIOUS MENTAL ILLNESS

Until now, the major barriers to employment for people who are seriously mentally ill were ignorance, lack of ability, and lack of confidence. Now, NAMI officials and the World Health Organization (WHO) see by the end of this decade, increased involvement of families and consumers in the design, implementation, and evaluation of community services which will be personalized and customized. They will be made to order for the individual they are intended to assist.

Support and service will be seen as whatever innovations and adaptations are required to secure and retain employment. To provide immediate momentum to this concept, the WHO initiative will:

Form a special advisory panel comprised of representatives of patient and family advocacy groups and self help groups selected for their involvement in community activities in this area.

Publish guidelines about involving consumers in the design, implementation and evaluation of the service delivery system.

Encourage a multicenter network of research and service projects involving strengthened consumer input into the service delivery systems design.

Collect and analyze data from each site which will answer specific questions about

the needed next steps in rehabilitation technology for this population.

To make this first step, WHO is seeking a grant to support a meeting of potential funders and consumer and scientific representatives of the mental health community from selected developed and developing countries. The meeting would be convened in New York or Washington, D.C. to discuss the potential of a WHO initiative on cross-national demonstrations and evaluation of the consumer role in organizing, delivering and evaluating mental health care. Based upon feasibility, potential funders would be requested to provide financial support for subsequent demonstration and evaluation activities. In addition to WHO, other co-conveners of the meeting would be the World Academy of Art and Science, the New York Academy of Sciences, and the Washington Academy of Sciences. Please contact Dr. Ronald W. Manderscheid, Survey and Reports Branch, DBAS, National Institute of Mental Health, Room 18C-07, 5600 Fishers Lane, Rockville, MD 20857, Telephone (301) 443-3343.

DRS. TEPLIN AND KAUFMANN RECEIVE 1990 AWARD

"Although approaching schizophrenia from diverse disciplines, my goal has been to understand the pathogenesis and etiology of this illness, from the molecular through the physiological, to the interpersonal level," wrote Charles A. Kaufmann, M.D., in a narrative of his scientific interests. "My career has been dedicated to providing the requisite empirical evidence," said Linda A. Teplin, Ph.D., commenting on her interest in mental illness research. Teplin, Associate Professor of Psychiatry and Behavioral Sciences at the Northwestern University Medical School, and Kaufmann, Assistant Professor of Clinical Psychiatry at Columbia University, were both named recipients of the Judith Silver Young Scientist Award for 1990 by the NAMI Scientific Advisory Committee.

Dr. Richard Jed Wyatt, chairman of the advisory committee, said "I am delighted we were able to select two young investigators with such outstanding qualifications." He emphasized, "Dr. Teplin has made unique contributions to improving the care and welfare of the mentally ill while Dr. Kaufmann, in addition to his scientific accomplishments, has contributed actively to the process of educating the public through his involvement with NAMI, the APA, and other groups." The Advisory Committee, in addition to Chairman Wyatt, includes Steven Matthysee, Ph.D., Associate Professor of Psychology, Harvard University; and Samuel B. Guze, M.D., Professor of Psychiatry, Washington University.

PRES. BUSH TO OPEN "YEAR 2000" CONFERENCE

President George Bush will open the "National Health Promotion and Disease Prevention Objectives for the Year 2000" invitational conference in Washington, D.C., Sept. 6-7. The publication, "Healthy People 2000," will be released at that time and will include a report reviewing progress made in the nation's health during the 1980's and listing the objectives for the 1990's. A subsequent report will provide guidelines to implement the objectives at the state and local level and will be titled, "Healthy Communities 2000 Model Standards: Guidelines for Community Attainment of the Year 2000 Objectives for the Nation." For further details, please write to Healthy People 2000, Office of Disease Prevention & Health Promotion, Room 2132, U.S. Public Health Service, 330 C Street, S.W., Washington, D.C. 20201.

NAMI URGES RESEARCH ON SERVICES

National health expenditures in 1988 accounted for 11.1 percent of the gross national product, up from 9.1 percent in 1980. "The trends shown in this report are not cause of celebration," said Louis W. Sullivan, Secretary of the Department of Health & Human Services. "Health expenditures have been growing faster than the national economy for many years."

Health spending in 1988, totaling $539.9 billion, translates into $2,124 for each person, a 100-percent increase in per capita spending since 1980. Of that total, $23.2 billion went for mental health expenditures, but the mental health totals from NIMH include only the groups about which NIMH is allowed to collect data because of the expense involved (Source: Survey & Reports Branch). The 1988 figures are preliminary and exclude major categories such as physician's services, nursing home care, and some institutional treatment found in public schools and jails. Nevertheless, as indicated in the table below, the 1979-88 mental health per-capita spending of $40 to $95 shows a 137.5-percent increase.

But is this increase paying off for those most in need of mental health care—individuals with long-term mental illness? The NIMH is nearing completion of a new National Research Strategy to Improve Care for the Severely Mentally ill. The National Advisory Mental Health Council (NAMHC) will issue a formal report on the recommended strategy, which is eargerly awaited by the NAMI Grants Monitoring Committe. According to Committee Chairman Jim Howe, "The report is intended to stimulate expanded clinical services research, service systems research, and a variety of activities to bolster the research resources available to provide appropriate care and services to a special group of patients who have long-lasting and persistent mental-illnesses."

NAMI has asked the House Appropriations Committee to officially request receipt of the NAMHC conclusions under section 406(g) of the Public Health Services Act. The intent of the NAMI request is to expedite release of the findings and subsequent Congressional action to upgrade services research and reimbursement mechanisms.

PER CAPITA MENTAL HEALTH EXPENDITURES ACCORDING TO TYPE OF MENTAL HEALTH ORGANIZATION, SELECTED YEARS 1969-88

Organization	1969	1975	1979	1983	1988
State mental hospital	$9	$15	$17	$24	$26
Private psychiatric hospital	1	2	3	7	9
Non-Fed general hospital	2	3	3	9	15
VA medical centers	2	3	4	5	5
C.M.H.C.'s	1	4	7	NA	NA
Residential treatment centers for emotionally disturbed children	1	1	2	2	5
Psychiatric outpatient clinics	1	2	3	2	3
Partial care and multiservice centers	NA	1	1	12	19
All organizations	17	31	40	62	95

PLO PRAISES SADDAM HUSSEIN

HON. CHUCK DOUGLAS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. DOUGLAS. Mr. Speaker, the PLO news magazine, The Return, is the international voice of the Palestinian organization. The publisher and founder, Raymonda Hawa Tawil, recently wrote the following article in full praise of Saddam Hussein and also specifically the fact that the Palestinian people owe so much to him. The article also points out that Saddam Hussein has vowed to destroy half of Israel if he is attacked. With this type of rhetoric, it is obvious that the PLO and Saddam Hussein continue in their goal to destroy the nation and democracy of Israel. Mr. Speaker, I offer this for insertion so that all may see what is really going on here.

SADDAM HUSSEIN—A LEADER WHO SYMBOLIZES ARAB COURAGE AND DIGNITY

(By Raymonda Hawa Tawil)

Baghdad, the city that hosted the recent Arab summit, is a proud Arab city, a cradle of civilization, rich with history and culture. Saddam Hussein, the leader of Iraq, has made Baghdad into a monumental cultural and scientific center, filled with museums and majestic monuments to glorify past and future generations.

Saddam Hussein is a proud leader who symbolizes Arab courage and dignity. He epitomizes people who are defiant, willing to fight until they are victorious. His victory, after eight years of a gruesome war with Iran, is telling of this new breed of a leader.

Saddam Hussein stood up to those who have arrogantly declared themselves masters of the universe, to superpower bullying, and declared to George Bush and Mikhail Gorbachev, who were meeting in Washington, that he is willing to fight for the freedom of occupied and oppressed Arabs, based on the same principles for which Abraham Lincoln fought and died. Men are born free and equal, and that is what Saddam Hussein wants for the Arab people.

In response to Israeli intransigence, Saddam Hussein has vowed to destroy half of Israel if attacked. With these words, he endeared himself to millions of Arabs as the Arab leader who is willing to stand up to Israel without fear and out of deep conviction.

The Palestinian people owe much to Saddam Hussein and the great people of Iraq. Hussein and his people have shared selflessly their fortunes with the people of Palestine, providing refuge, political and financial support, and a base for training.

History will record Saddam Hussein's contributions to the newly found glory of the Arab people.

PROHIBITION ON USE OF FUNDS FOR MILITARY ASSISTANCE TO UNITA

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. DYMALLY. Mr. Speaker, the United Nations has certainly emerged as a dominant force in the current Middle East conflict involving Iraq's invasion and occupation of Kuwait and the consequent acts of cooperation between the superpowers of the United States and the Soviet Union. These events bring into sharp and dramatic focus urgent need to reevaluate and reassess the process of resolution of conficts between warring parties and

factions in other parts of the world particularly Africa.

Mr. Speaker, the United States can no longer afford to be the dominant power in the resolution of these conflicts particularly when this involves expenditures of considerable sums of money in military assistance at a time when it is experiencing huge deficits and when important and significant domestic programs cannot be funded at functional levels.

This observation is cogent and relevant to the politico-economic and military situation in Angola where huge sums of money have been expended by the United States in military assistance to the National Union for Total Independence [UNITA] without any apparent impact in bringing about anything approaching a lasting peace after more than 15 years of military conflict in that troubled land.

It is additionally ironic that these huge militaristic expenditures are taking place at a time when famine and hunger pervade this land with far reaching, horrendous effects on both warring factions in Angola.

Conservative estimates from the United Nations indicate that approximately 96,000 Angolans are in critical condition and another 685,00 are at "risk" as a result of a 4-year drought and subsequent famine in southern and central Angola. This drought has killed thousands of human beings and destroyed large amounts of livestock and crops.

This need for humanitarian assistance is much larger than the military assistance provided by the United States to UNITA.

It is significant that the complete withdrawal of the Cuban forces from Angola is progressing beyond time frame expectations. On the other hand, recent evidence seems to indicate that South Africa has not completely stopped its military aid to the UNITA forces.

The time is appropriately propitious, therefore, in the interest of meaningful cease-fire and peace, for the two superpowers—the Soviet Union and the United States—to continue and to expand the process of rapproachment and cooperation by immediately effectuating a cessation of military assistance to the Popular Movement for the Liberation of Angola [PMLA] and UNITA factions respectively and by additionally calling upon the Government of the Republic of Angola to institute an immediate cease-fire; set in motion a multiparty democracy and guarantee free and fair elections under the monitoring aegis of the United Nations.

The United States Congress should and must play an important role in this process by immediately enacting that no funds be authorized and/or appropriated to provide military assistance to the National Union for the Total Independence of Angola [UNITA].

THE "EUREKA" CENTENNIAL

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Ms. PELOSI. Mr. Speaker, San Francisco, once the ferryboat capital of the world, is celebrating the 100th birthday of the largest steam ferryboat ever built, the *Eureka.* It stands today as a monument to days gone by, an era when ferryboat travel linked the bay's cities.

A San Franciscan who traveled on the *Eureka* as a child remembers:

When I was a child, I came West from Washington with my mother. It was wonderful for a youngster, looking out the train windows day after day at the changing scenery of this vast land. Finally, the train stopped at the edge of San Francisco Bay and all the passengers boarded a ferryboat, the *Eureka.* The ferry was the most wondrous thing of all with its engine wheezing a steady thump and the paddlewheels splashing the water. Now, almost half a century later, I can still walk onboard the *Eureka* and remember that wideeyed little boy.

The *Eureka* centennial reminds us of the rich maritime heritage of San Francisco Bay and the importance of preserving this history for the benefit of others who will come after us. The ferryboat *Eureka* is the last of her kind. And, unless we join in the effort of the San Francisco Maritime National Historical Park to save the *Eureka* and other historic ships that are the last remains of a bygone era, few people will ever experience the wonderment of a steam paddle tug, a square rigger, or scow schooner.

Congress established the San Francisco Maritime National Historical Park to preserve the world's largest fleet of historic ships, located in San Francisco. The purpose of creating the maritime park was to draw attention to the ships and to enlist a greater Federal and local effort to rescue those ships in danger of extinction.

The volunteer effort to preserve these ships has been unprecedented, with thousands of hours devoted to scraping, caulking, and painting. Even with this tremendous effort, the park needs more volunteers and help to save the *Eureka.* I ask the people of San Francisco to join me in sending out an SOS to save our ships. Without our help, the *Eureka* and other historic ships in the maritime park collection could be lost forever.

As the *Eureka* faces her second century, I look forward to seeing her fully restored in a manner befitting such a magnificent national historical landmark. Please join me in celebrating the life of the *Eureka* and her many future birthdays.

HONORING JOSE MIGUEL DIAZ AND REYNALDO CARREON, SR., FOUNDER, COMITE MEXICANO CIVICO PATRIOTICO

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. TORRES. Mr. Speaker, I rise to honor two distinguished gentleman, founders of the Comite Mexicano Civico Patriotico of East Los Angeles, CA, Drs. Jose Miguel Diaz and Reynaldo Carreon, Sr. Drs. Diaz and Carreon will be honored for their many years of service to the community on Saturday, September 15, 1990.

Dr. Jose Miguel Diaz was born on October 11, 1902 in Colima, Mexico where he was raised and educated. During the Mexican Revolution in 1916, he and his parents immigrated to the United States and settle in the city of Los Angeles, CA. After earning his M.D., he practiced medicine in the field of odontology until his retirement in 1988.

Dr. Reynaldo Carreon, Sr. was born on September 10, 1895 in Indio, CA, where he was raised and educated. He served in the U.S. Army from 1920 to 1925 in Texas where he also attended the university. Dr. Carreon is married and has two children. He is retired and currently lives in Indio.

In 1931, they joined with their friends, Don Rafael De La Colina and Mr. Antonio A. Moreno to found the Comite Mexicano Civico Patriotico. This committee was formed to promote Mexican pride in culture and tradition by providing positive expression through historical events and figures to the growing Mexican immigrant community living in Los Angeles. The committee's annual event, focuses around the celebration of the 16th of September, which is the Mexican Independence Day. The celebration begins on the 15th of September with the reenactment of "El Grito" which was the famous call to arms against the Spanish occupation and culminates with the Annual 16th of September parade in East Los Angeles.

Both Dr. Diaz and Dr. Carreon have been lifetime members of the Comite. Dr. Diaz served as its Secretary in 1931 and as its President in 1936, 1937, and 1938. Dr. Carreon also served as President for several tenures.

In addition, the good doctors participated in the founding of the Los Angeles Chamber of Commerce and the "Beneficencia Mexicana" of which they were also active members.

As the grand marshall of this year's 16th of September East Los Angeles parade, it is my distinct privilege to salute two men who have worked tirelessly to instill pride in the Mexican Amerian community by helping to keep our historical heritage alive, Drs. Miguel M. Diaz and Reynaldo Carreon.

Mr. Speaker, at this time, I ask my colleagues to join me in honoring Drs. Diaz and Carreon and the officers and members of the Comite Mexicano Civico Patriotico for their continuous efforts in making the annual 16th of September celebration in Los Angels a tremendous success every year.

SENSIBLE DEFENSE AND ENERGY POLICIES

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. DORGAN of North Dakota. Mr. Speaker, the United States has again led the effort to prevent aggression and the disruption of energy supplies in the Middle East. I support the goal of that policy but it's also time for a midcourse correction.

The United States military intervention in Saudi Arabia grows out of understandable concern about Iraq's takeover of Kuwait and its aggressive posture toward Saudi Arabia. There are also legitimate fears that our nation-

al security might be threatened by a cutoff of oil from the Middle East.

However, I am troubled that the United States again initially acted alone in sending military forces to deal with a regional crisis outside of our alliance responsibilities. Only later did some allied and friendly nations commit their forces. Many of our allies still have not provided either the military or financial support commensurate with their fair share of this undertaking.

GENUINE BURDENSHARING NEEDED

While this venture costs U.S. taxpayers $1 billion per month, the Japanese have agreed to invest only $2 billion total in support of activities related to the operation—even though they import 70 percent of their oil from the Middle East. Likewise, the West Germans have not agreed to pay any expenses and have provided only limited naval and logistical support—while they, too, rely heavily on Middle Eastern oil. Most incredibly, the West German Government has just signed an $8 billion pact to retain and relocate Soviet soldiers now stationed in East Germany

It's time to blow the whistle on such nonsense. We must press nations like Japan and West Germany to provide their fair share of financial, technical, and logistical support for a common effort.

I am also perplexed that the United Nations was not used as a vehicle to impose an economic blockade on Iraq or to resolve the dispute until after the United States had already made a military commitment. We simply must do a better job of developing coordinated, diplomatic solutions and not rely so heavily on our own independent, military actions. Otherwise, U.S. soldiers and citizens are subjected to unnecessary and serious risks.

WORKABLE ENERGY POLICIES REQUIRED

The crisis also illustrates the bankruptcy of our national energy policy: a decade after prior energy crises we have not put in place a rational plan to stimulate domestic production or to conserve fuel consumption. We must use this occasion to fashion a workable energy policy which in my view includes the imposition of an oil import fee, the utilization of North Dakota ethanol, coal, oil, and natural gas, and the support of innovative synfuels technology like that of the Great Plains Coal Gassification Plant and UND's Energy and Environmental Research Center.

While we strive for energy independence, we must prevent greedy corporations from using market fears as an excuse to inflate fuel prices and to exploit consumers. I have called for an investigation by the Attorney General to put a halt to price manipulation.

In conclusion, Mr. Speaker, the Persian Gulf crisis demonstrates our resolve to stop aggression but also reveals our failure to demand genuine defense burden sharing and to devise an effective national energy policy. We must insist that our allies pay their way abroad even as we build real energy independence at home. We must do better.

TRIBUTE FOR THE ALLEN HOUSE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. TRAFICANT. Mr. Speaker, today I rise to pay tribute to the Allen House, a historical landmark in my 17th Congressional District of Ohio.

Built in 1821 for Dr. Peter Allen, the Allen House stood proudly throughout much of the 19th and 20th century, but, by 1953, had fallen into a considerable state of disrepair. This situation was rectified when the house was purchased and carefully refurbished by Alice Blaemire in 1953.

When Alice Blaemire purchased the Allen House there was no lawn, no driveway, briars and brush engulfed the outside of the house, and it had not been painted since 1918. Within a few short years the new owner successfully restored the splendor of the Allen House and decided to open the house to serve Sunday dinner and special parties. I salute the dedication of Mrs. Blaemire in restoring and opening the Allen House to the people of northeast Ohio. Currently, the Allen House is open only for special parties on any day but Sunday.

Again, I would like to pay tribute to the Allen House, particularly to Alice Blaemire for restoring the magnificance of one of the true historical landmarks of my 17th District.

ENVIRONMENTAL ASSISTANCE AMENDMENT TO THE DEFENSE AUTHORIZATION BILL

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. PORTER. Mr. Speaker, I want to draw Member's attention to an amendment I hope to include in the en bloc Defense authorization amendment. My amendment would authorize the loaning, leasing, or sale of benign military equipment and services for purposes of environmental restoration and protection in foreign countries.

The reason for this amendment is twofold. First, following the United States action in Panama, I tried to help secure the use of United States equipment which was already in Panama for work in environmental restoration by the Panamanians in cooperation with the Smithsonian Tropical Research Institute.

In what seemed to be logical request I found the United States was bound to say "no." Not by intent or desire, but by law. This amendment will change that law, and in the future allow for a more humane legacy to be left to our allies.

Finally, the amendment codifies something we are all painfully coming to understand: environmental problems are serious, worldwide problems of health and safety. Our world-class armed services have a lot to offer for environmental assistance and in the process will help spread goodwill across our boundaries.

A TRIBUTE TO MIKE CADLE

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. SCHUETTE. Mr. Speaker, I rise today to pay tribute to an outstanding citizen of Michigan, Mr. Mike Cadle, who willingly serves the community of Inkster in the position of resident manager of Thompson Towers. An appreciation luncheon will be held in Mike's honor by the residents of Thompson Towers on September 19, 1990.

Through an article written by Maureen Spariosu, I have learned that Mike began his career at Amurcon Corp. in 1981 in the position of grounds supervisor at Charring Square in Monroe, MI. One year later he was promoted to the position of resident manager of Thompson Towers in Inkster, MI. Mike's former supervisor describes him as a hard worker who always wanted to make sure tasks were properly done. Always displaying a cheerful attitude, Mike enjoyed a good rapport with his coworkers, the residents, contractors, and vendors.

Along with singing gospel songs while performing his duties, Mike also has special talents in carpentry which are evident in the closets and workbench he designed for the maintenance room at Thompson Towers. His talent for furniture design can be observed in the desk and shelves in his present office. At home Mike enjoys working with his father on home improvements projects. Recently he has been involved in building a new deck. Mike's wife, Sandra, and their son, Dae Soo are an important part of his life, and he enjoys the time he spends with them.

Mike is an enthusiastic employee who participates in various committees which focus on work projects or social events for his fellow employees at Amurcon. His creative ideas and support of the Lifestyles Club has helped this excellent service become increasingly responsive to the needs of the residents. Mike's devotion to God, most important in his life, is shown by his involved activity at his church and in the kind manner in which he regards the residents of Thompson Towers.

Mr. Speaker, and my colleagues in the House, please join me today in saluting Mike Cadle, an outstanding citizen of Michigan who through the support and friendship he extends to others, and through his work, has set a standard which all Americans should admire and attempt to emulate.

KILDEE HONORS HISPANIC SERVICE CENTER IN IMLAY CITY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. KILDEE. Mr. Speaker, as our Nation celebrates National Hispanic Heritage Month, I am pleased to recognize the day long celebration being held in Imlay City, MI, on Sunday, September 16, 1990.

Local community volunteers, business merchants, and the Hispanic Service Center sponsor the event. Festivities include a parade, entertainment, and a special food fair. The celebration will focus on Hispanic accomplishments and culture. Hispanics now represent a significant percentage of the Nation's total population and the influence of Hispanic culture and ideas will continue to grow through the next century.

In Imlay City, the Hispanic Service Center plays a major role in enhancing the quality of life for Hispanics year round. Examples of the programs provided are immigration assistance, counseling, and outreach through home visits, translations, legal aid assistance, emergency food and shelter. They provide important role models for the community and youth.

I congratulate the Imlay City area for encouraging Hispanic awareness and culture. The Imlay City community recognizes the significant role Hispanics have played in the growth of this Nation. They are to be commended for promoting the diversity of culture that enriches our country.

PROMOTING THE SUMMER 1993 WORLD UNIVERSITY GAMES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. LAFALCE. Mr. Speaker, I am introducing legislation to facilitate the promotion of the summer 1993 World University Games. The International University Sports Federation has designated the United States to host their games which are a major world amateur athletic competition.

The legislation tracks the precedent enacted for the U.S. Olympic Committee in the Amateur Sports Act of 1978. It expedites the granting of trademark protection for symbols and logos of the International University Sports Federation in connection with the World University Games exactly as was done for the symbols and logos of the International Olympic Committee. By granting this trademark protection immediately, it will enable the Greater Buffalo Athletic Corp., a not-for-profit corporation organizing and sponsoring the games, to proceed expeditiously with its promotion. Time is of the essence if preparations for the 1993 games are to be successful and this legislation will simply avoid the cumbersome procedures to accomplish trademark protection under the regular procedures for individual marks.

The legislation describes the trademarks and logos to be protected and allows for their licensing to contributors and suppliers in exactly the same way as the Olympics legislation of 1978.

The principal difference from the 1978 legislation is the provision for a sunset termination of protection for periods after 1994. The Olympics protection is ongoing because of the continuing need for protection.

Quick enactment of this legislation will enable U.S. amateur athletes to take advantage of this great opportunity to bring reknown and prestige to the United States.

CONTINUING DETERIORATION OF LARGE NAVAL DRYDOCK AVAILABILITY ON THE WEST COAST

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. ANDERSON. Mr. Speaker, section 2813 of the fiscal year 1991 House Armed Services Committee defense authorization report "requires the Secretary of the Navy to enter into a lease with the City of San Francisco for not less than 260 acres of the Hunters Point Naval Shipyard." This lease constitutes exactly half of this land and would be for a period not less than 30 years. The committee report states—

This section would permit the City of San Francisco to execute a development plan for Hunters Point to bring employment to the area. Hunters Point is bordered by the most depressed area of the city. Development on Hunters Point could bring jobs and prosperity to this community.

While this section benefits San Francisco tremendously, we also must consider its effect on naval carrier repair.

Clearly, the priority here and the committee's intent is to turn this defunct shipyard land over to the city for the purpose of economic benefit to the region. The committee correctly points out that this shipyard has no mission due to the recommendation of cancellation of strategic home port status by the 1988 Commission on Base Realignment and Closure, its subsequent deactivation, and the process of deterioration of this land that has become severe. The area is also highly polluted. There currently being no plan to resurrect this shipyard, combined with the area being so run down so that further use is nearly impossible, we can only expect Hunters Point to continue along this road to ruin.

The Armed Services plan provides the city of San Francisco with the opportunity to take this valuable piece of land and turn it into an economic asset, effectively addressing the problems of a depressed area. I support this goal and commend the committee for its ability to provide public land for the good of the local community. Yet, this action should give us pause regarding the availability of large drydock space in California, the home of 31 percent of the U.S. naval surface fleet.

Currently, both Mare Island Naval Shipyard and local private ship repair contractors have the ability to use the nuclear carrier-capable drydock at Hunters Point. But this arrangement does not work simply because the drydock is unusable right now, and in all likelihood will continue to remain in this state. Furthermore, Mare Island Naval Shipyard probably does not retain the skills necessary to perform large-scale, complex surface ship repair. Should the city of San Francisco profit from the use of this leased land, it is very probable that eventually all the land at Hunters Point will be turned over to the city for economic redevelopment. The deteriorating state of the area and city designs on the property, mean, in all likelihood, that the drydock will never be used again.

Yet, at the same time, the Department of Defense has embarked upon a course to close the Long Beach Naval Shipyard, the only other nuclear aircraft carrier-capable facility in California, and the only place south of Bremerton, WA, 1,200 miles away, that has a drydock capable of such large-scale work. For all practical purposes, Hunters Point is defunct. Following the demise of Hunters Point, a decision to close the Long Beach Naval Shipyard would be akin to shooting ourselves in the foot. Carriers are the heart and soul of the U.S. Navy. Retaining these ships means retaining the capability to repair and overhaul them. So, while we slowly but surely lose the Hunters Point drydock and watch our naval ship repair infrastructure crumble further, we have no choice but to keep open the Long Beach Naval Shipyard.

RECALLED TO LIFE

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. GREEN of New York. Mr. Speaker, it is with great pleasure that I bring the attention of my colleagues to an important community event that occurred in my district during the August recess. On August 3, 1990, Temple Beth Yitzchok of New York City, a venerable landmark synagogue, reopened its doors to the community. After a hiatus, the congregation has been "recalled to life." We welcome this happy event because we know Beth Yitzchok will cater to the spiritual and cultural needs and concerns of its community. Likewise, Temple Beth Yitzchok's devout leader, Rabbi Meshulam Rottenberg, an eminent New Yorker and prominent figure in the Jewish commuity, will continue that fine tradition.

At this time, I should like to join my colleagues in welcoming the congregation of Beth Yitzchok back into existence.

THE SMALL BUSINESS ACCESS TO SURPLUS FEDERAL PROPERTY ACT OF 1990

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. McDADE. Mr. Speaker, today I am introducing legislation to facilitate the transfer of

millions of dollars of useful surplus Federal property to small businesses to help them grow, create jobs, and generate new revenues. There are currently nearly 20 million small firms in the United States; in fact, over 99 percent of all businesses in this country are classified as small by the U.S. Small Business Administration. These firms were responsible for the economic miracle of the 1980's.

During that decade, over 18 million new jobs were created, making it the greatest peacetime economic expansion in our Nation's history. Today, America's small enterprises create 2 out of every 3 jobs, employ 6 out of every 10 workers, account for at least 700,000 new business startups each year, generate nearly 40 percent of the private sector gross national product, and contribute an estimated 57 percent of all innovations. The future promises an even greater reliance on these firms. A recent study by the SBA estimated that in the next 25 years the U.S. economy will need to create 43 million new jobs and 75 percent of these will have to come from the small business community. If these firms are to continue to be America's partner in growth, they must have access to the resources they need to produce and expand. Without them, they will be unable to create new jobs and generate revenues, putting at risk our long-term economic security.

The rapid expansion of the small business sector is due in large measure to its demonstrated ability to make the most productive use of resources. However, most fledgling and even some established small businesses find it difficult to acquire these tools which they need to develop and grow. When small firms have these resources, they are able to produce quality goods and services and offer them at competitive prices.

The Federal Government, under the aegis of the General Services Administration, controls a multimillion dollar treasure trove of surplus property. Given small firms' proven record of managing resources to create new jobs, generate new revenues, and start new ventures, a compelling argument can be made in favor of placing these surplus goods with them. Each year, the Federal Government donates millions of dollars of surplus Federal property through State agencies to public agencies and private nonprofit education or public health institutions. Therefore, this measure, the Small Business Access to Federal Surplus Property Act of 1990, amends the Federal Property and Administrative Services Act to allow State agencies to donate surplus Federal property to firms classified as small by the U.S. Small Business Administration. In addition, the Small Business Act would be amended to direct the SBA to compile a list of all eligible small businesses located in each State and provide this information to State agencies. SBA would also be required to furnish State agencies with guidelines for identifying small business concerns which are not included on the list and to update each State register and such guidelines on an annual basis. Under the current program, States undertake significant efforts to verify the eligibility of those organizations which receive property. Similar vigilance is expected and mandated under this initiative to ensure the integrity of the program. Finally, the SBA would be required to submit a report to the Congress and the President detailing the value, quantity, and types of property distributed to small concerns. The report would also include an analysis of the economic benefits attributable to these property distributions and make any necessary recommendations for administrative and legislative action to further improve the program.

Perhaps the most important comment I can make regarding this measure is that it would not require any new Federal spending. All that is needed for small businesses to receive surplus Federal property is their addition to the list of eligible donees. This simple measure, if enacted, could have a tremendous effect on the Nation's key to future prosperity—small businesses.

Mr. Speaker, I urge my colleagues to give this initiative their enthusiastic support.

HONORING THE DAUGHTERS OF WISDOM FOR 85 YEARS OF GOOD WORK

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to ask my colleagues to join me in recognizing the work of the Daughters of Wisdom at St. Charles Hospital and Rehabilitation Center in Port Jefferson, NY.

The Daughters of Wisdom is a teaching order of Catholic nuns, originally from France, who came to the United States in 1906. This month marks the 85th anniversary of their compassionate mission of caring for the people of Northern Brookhaven and Port Jefferson, NY, areas which I am privileged to represent in Congress.

St. Charles, which was Suffolk County's first health care facility, began as a hospital for the treatment of children, who previously were often without proper medical attention. The Daughters of Wisdom built a national reputation through their effective and dedicated work in the polio epidemic of the 1920's and 1930's. As the hospital's reputation grew and prospered, the Daughters of Wisdom were able to offer more comprehensive services.

St. Charles Hospital was the first facility on Long Island to offer amputee services, construct a hospital treatment pool, and open a seizure and neurology center. These are only a few of the many examples of faithful service and dedication my colleagues would find at St. Charles Hospital. The Daughters of Wisdom have been joined by other religious orders and by medical professionals in their continuing efforts to bring the most advanced, compassionate care available to Long Islanders. Eighty-five years after the Daughters of Wisdom arrived on Long Island, St. Charles Hospital continues to provide the warm touch and professional attention that has enriched thousands of people's hearts.

Mr. Speaker, I am proud to recognize the fine work at St. Charles Hospital and Rehabilitation Center and ask my colleagues to join me in wishing them another 85 years of success and good works. Thank You.

LEGISLATION THAT WOULD RESTRICT CERTAIN FIREARMS

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. CRANE. Mr. Speaker, both Houses of Congress will soon be faced with legislation that would restrict certain firearms. In preparation for the debate on this legislation, I commend to my colleagues an advertisement that appeared in the September 3, 1990, issue of Roll Call. You will find that over 100,000 police officers, those individuals who are perhaps the best qualified to make a decision on this matter, say "no" to proposals that restrict our rights to possess certain firearms, and thereby say "no" to restricting the rights bestowed upon us under the second amendment. The time has come for us, as Federal legislators, to stop addressing this issue from a skewed perspective. If we want to put a halt to needless crimes and killings, show the criminals that if they violate the law, they will have to pay the price. It is counterproductive to restrict the rights of the majority of American citizens who are law abiding and contribute to our society. If nothing else, show this Nation's police officers, who on a daily basis put their lives on the line to protect each and every one of our constitutional rights, that we appreciate and respect their insight on this matter.

MORE THAT 100,000 POLICE OFFICERS ARE WILLING TO SPEAK OUT AGAINST H.R. 4225, S. 1970, AND OTHER DECONCINI TYPE "ASSUALT RIFLE" LEGISLATION

WE'RE TIRED OF HEARING OUR VIEWS MISSTATED AND OUR OPINIONS MISREPRESENTED. SO WE INTEND TO SET THE RECORD STRAIGHT SO YOU'LL KNOW THE TRUTH FIRST-HAND.

The majority of America's police officers do not support a ban on semi-automatic rifles. The false and tiresome drone that they do has been used very successfully to bludgeon you into submission on a critically sensitive civil rights issue which has been camouflaged as a "crime control" measure. By repeating that pap ad nauseam for your benefit . . . and by constantly running instant replays of the testimonies of a few desk-bound police administrators and political aspirants who purport to represent the rank and file of America's working police officers . . . the gun control activists have actually managed to convince some of you that by supporting restrictive firearms measures you are acting in the best interest of cops everywhere. That is simply not true! We know that firearms ownership by law abiding citizens is not the problem . . . that criminals will continue to use whatever firearms they choose whether or not they're ruled illegal . . . that vast amounts of precious law enforcement resources will be wasted chasing after law abiding citizens who have owned these guns for years. We're also concerned that passage of ill-conceived laws like these will ultimately pit law enforcement against honest citizens whose prized firearms collections have suddenly been deemed "illegal".

Here's how real street cops feel about banning and restricting semi-automatic rifles:

Deputy Dennis R. Martin, Saginaw County (Michigan) Sheriff's Dept., National

President, American Federation of Police (103,000 members):

Firearms owners care deeply about their rights and are faithful, patriotic citizens. We urge Congress not to ban semi-automatic firearms, making these traditionally law abiding Americans into new offenders. Instead, Congress should aim new legislation at mandatory punishment for real criminals."

Patrolman Jonathan E. Schramm, Washington Township Police Department, Warren County, New Jersey:

All government, from the federal to the local level, owes its very existence to law abiding citizens. Unfair semi-automatic firearm legislation aimed at these law abiding citizens only serves to drive a wedge between government and the people we police are sworn to serve."

Chief William E. Osterman, Jr., Elmer, New Jersey:

"Banning the ownership of semi-automatic rifles will have NO impact on violent crime. In New Jersey, we have had twenty years of the toughest gun laws in America, and those laws have not reduced violent crime. Banning these firearms will only affect honest citizens. Criminals laugh at our laws. The only way to end their laughter is by sending them to prison, not by implementing more restrictive gun laws."

Active, working police officers are acutely aware of several important facts with which you should also become familiar:

Only a scant 2% to 3% of all firearms confiscated in association with the commission of crimes are semi-automatic rifles.

Historically, increased firearms restrictions do not curb violent crime, as evidenced in both Washington, D.C. and New York City.

Many of the semi-automatic firearms included on the various black lists are not even suitable for use by drug dealers and street gangs because they're too big, too heavy and non-concealable. Neither are most of these firearms "easily converted to fully automatic fire" as commonly misrepresented.

As the saying goes: "When only police are armed, we will live in a police state." Nobody knows the truth of that axion as well as a police officer who will one day retire from public life.

In a recent poll taken by the National Association of Chiefs of Police of more than 16,000 sheriffs and chiefs of police representing every department in the United States, 91% of the respondents said that banning firearms of any kind would not reduce the ability of criminals to obtain them . . . 88% answered that banning "military type" long guns would not reduce the ability of criminals to obtain them . . . and 88% stated that even outright banning of private ownership of firearms would not result in fewer crimes with firearms.

This ad is supported by the American Federation of Police, the National Association of Chiefs of Police, and Law Enforcement for the Preservation of the Second Amendment (LEPSA); and sponsored by the American Shooting Sports Coalition. Because we think it's time for the views of real police officers to be honestly represented.

Now . . . Perhaps Your Vote Can Really Be in Our Best Interest.

THE MEDICAID PRESCRIPTION DRUG FAIR ACCESS AND PRICING ACT OF 1990

HON. JIM COOPER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. COOPER. Mr. Speaker, sometimes an idea comes along that is so simple, so powerful, and so compelling that people wonder why it hadn't been considered years before. Our colleague in the other body, Senator PRYOR, has come up with such an idea, and my House colleague RON WYDEN, and I, are introducing legislation today in the House to implement that idea.

The idea is simple. When the U.S. Government is a large purchaser of something, it should be able to negotiate to get either the lowest possible price, or at least as good a price as other bulk purchasers are getting. The U.S. Government should be run more like a business, which almost always bargains to get the best possible deal. The converse of that is the Government should never blindly pay the highest possible prices, thus wasting precious taxpayer dollars, because it is too stupid to get a discount.

In many cases, the U.S. Government does get reduced rates. When the Federal Government purchases everything from automobiles to fountain pens, even renting hotel rooms, a substantial discount is available from the supplier.

I think most Americans would be shocked to learn that the U.S. Government, through the Medicaid Program, is the top purchaser of prescription drugs in America and yet rarely gets the discounts that smaller purchasers get. In fact, we taxpayers usually end up paying top dollar. In most cases, Government hasn't even tried to get lower prices. We've let the drug companies tell us how much they would like to be paid, and we have paid them with no questions asked.

The cost of this extravagance has been largely hidden, but it has been extraordinary. This unlegislated, unrecorded subsidy to the pharmaceutical industry has cost the Nation's Medicaid Program, and thus the Nation's taxpayers and poor, an estimated $2.5 billion over 5 years, according to the Congressional Budget Office and the Office of Management and Budget. Hundreds of million dollars every year have not reached the poor in America because the U.S. Government did not get a better deal from U.S. drug companies.

This is not to say that the U.S. pharmaceutical industry is all bad. Far from it. It leads the world in innovation and quality. Countless lives have been saved and improved as a result of the industry's research and product development. Being the world leader is not cheap. It takes money and lots of it. But the drug companies have found one way of getting lots of money from the Federal Government without the need for an appropriation or even an explanation. By simply refusing to bargain with the Federal Government, they have created a secret subsidy for themselves that is unfair to the taxpayers and poor of America.

The U.S. pharmaceutical industry gives discounts to the vast majority of hospitals in America because they are smart enough to demand them. The industry also gives lower prices to the Veterans' Administration hospitals and to health maintenance organizations. Why not to their biggest customer, the U.S. Government's Medicaid Program?

Some States have caught on to this game and have begun the bargaining process. But they have often been forced to resort to formularies, restrictive lists of drugs that Medicaid patients may be prescribed, in order to gain a bargaining advantage with the drug companies.

The Federal Government has the power and the responsibility to make sure that every State, every taxpayer, and every poor person, is protected from wasteful spending in the Medicaid Program. The Pryor bill, which we are introducing today, achieves these savings without harming the legitimate interests of either poor citizens or drug companies. This bill should be distinguished from an earlier bill, S. 2605, which Senator PRYOR introduced on the same subject but with a significantly different set of solutions.

This bill we are introducing today assures access to the best prescription drugs on the market for our Nation's poor. No one need fear the creation of a system of second-class drugs for our Nation's poor. In fact, the estimated budget savings of $1.6 billion over 5 years that this bill will produce should allow the Medicaid Program to reach out to many more people in order to serve them better.

Major companies in the U.S. pharmaceutical industry itself have shown that they can live quite well when they give discounts to their largest customer. Several leading drug manufacturers have offered voluntarily to treat the U.S. Government as they do their other large customers, instead of discriminating against it. Unfortunately, these voluntary industry initiatives, while commendable, do not go far enough and lack adequate safeguards. To be sure, the Pharmaceutical Manufacturers Association is still against the legislation, as you would expect a trade association to be. But I feel that it is losing more and more of its members on the issue. These companies expect discounts from their suppliers; the Federal Government expects discounts from its suppliers.

The leadership of the pharmaceutical industry will be tested by the manner in which it wages this fight. Will it sink to the lowest common denominator and fight to the last breath of the last company that wants to preserve this hidden and unfair subsidy? Or will it be thankful for the many years the U.S. Government has paid it top dollar, and argue for open, efficient subsidies that it is prepared to defend in public and on the merits?

To be honest with you, the first skirmishes have not been encouraging.

A very common tactic has been used: Discredit the first Pryor bill in the hopes that all subsequent legislation, such as the bill we are introducing today, will either not be noticed or discredited.

Another tactic: Don't work with the Congress to improve the legislation and discourage those companies who are willing to; make Congress figure out everything on its own.

Efforts have even been made by the pharmaceutical industry to convince our Nation's poor that they are better served with the current system, in which our Nation's Medicaid Program is hundreds of millions smaller than it could be if we did not secretly funnel that money to the pharmaceutical industry.

Efforts have also been made to hide the fact that so many of the new and expensive drugs being introduced today are so similar to existing drugs that they are little more than an excuse for a price increase. So much of our technological talent is being wasted on "me-too" drugs that cost a lot more but don't cure a lot more.

I would hope that this is an issue that businessmen in the pharmaceutical industry would treat as businessmen. Don't discriminate against your biggest customer, even if it is the Federal Government. Don't treat Uncle Sam like Uncle Sucker. Why? Because we all lose as taxpayers and as a nation when we exploit our own Government.

I am not an enemy of the pharmaceutical industry. In fact, I have generally supported their initiatives. I am open to any argument they want to make for open, targeted subsidies to help it bring needed drugs to market. I am an enemy of waste, and of secret subsidies at the taxpayers' expense. The pharmaceutical industry of America needs to treat our taxpayers with more respect and offer them, and the poor of America, at least the discounts that they offer to other groups.

I thank again my colleague, RON WYDEN, of Oregon, for joining me in this important legislation.

BAY AREA NETWORK OF LATINAS AND THE WOMEN'S HERITAGE MUSEUM

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Ms. PELOSI. Mr. Speaker, I rise today to share with my colleagues the efforts of the Bay Area Network of Latinas [BANELA] and the Women's Heritage Museum in their project to promote awareness and recognition of Juana Briones, the pioneer of North Beach, and on the occasion of the first Juana Briones Award that will be awarded to Gladys Sandlin.

BANELA provides support, networking, and community service to benefit the Bay Area Latina community and bring awareness of the contributions of the Latina to society. The Women's Heritage Museum, incorporated in 1985, promotes public knowledge and understanding of women's history. Together, BANELA and the Women's Heritage Museum have joined forces to bring recognition from the State of California and the city and county of San Francisco to Juana Briones, a pioneer settler during the Hispanic period of California history.

Historical records refer to Juana Briones as either the first or one of the first three settlers of Yerba Buena [San Francisco]. During the 1830's and 1840's she and her children raised cattle and farmed the area that is now Washington Square Park in San Francisco. Juana Briones was an energetic, resourceful person known as a humanitarian and a healer who was the preeminent woman of the region and that "[n]o other Spanish or Mexican woman in California is known to have reached her position and maintained it through life."

In 1989, BANELA and the Women's Heritage Museum obtained approval for a State historic plaque to be placed in Washington Square Park for Juana Briones' contributions in settling San Francisco. They have also established the Juana Briones Award for outstanding contemporary women who exemplify Juana Briones' qualities as a businesswoman, healer, and humanitarian.

On September 13, the first Juana Briones Award will be bestowed upon Gladys Sandlin, an extraordinary woman in San Francisco's Hispanic community. Gladys Sandlin has dedicated her time and energy to the improvement of health and mental services for San Francisco's Spanish-speaking community. As executive director of the Mission Neighborhood Center since 1982, she has been at the forefront of efforts to meet the need for accessible, affordable services for the Hispanic community.

Mr. Speaker, I salute the achievements and efforts of BANELA and the Women's Heritage Museum in honoring the contributions of Juana Briones, a unique and special woman in the history of California and San Francisco. Finally, I congratulate Gladys Sandlin, a humanitarian and a healer, who best exemplifies the spirit of Juana Briones.

HONORING LA PUENTE HIGH SCHOOL, HACIENDA LA PUENTE UNIFIED SCHOOL DISTRICT, LA PUENTE, CA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. TORRES. Mr. Speaker, today I rise to recognize La Puente High School. This educational institution, located in my congressional district, has been "Home of the Warriors" in the city of La Puente since 1915. In order to commemorate its 75-year anniversary, arrangements have been made to celebrate this occasion on October 12, 1990.

Opening its doors in September 1915, Puente Union High School became the first high school in the La Puente Valley, an agronomic region stretching from El Monte to Pomona. In 1956, when the city of La Puente was incorporated, the Puente Union High School District deemed it fitting to rename Puente Union High School, La Puente High School.

La Puente High School has a unique link with local Indian tribes of the area. Excavation for the first high school—Puente Union—uncovered an ancient campsite. Consequently, the high school has taken on Indian names for the mascot (Warriors), newspaper (Tomahawk), annual (Imagaga), and multipurpose room (Wigwam).

In its 75-year history, the high school has been witness, as well as catalyst to tremendous growth. The high school's student body has grown from 60, and 2 first-year graduates, to 1,600, with approximately 300 graduates per year. Currently, La Puente High School sits in a light industrial region, no longer the almond and walnut small farm community of 1915. The campus is one of the largest and most beautiful in the San Gabriel Valley. Its expansive lawns and abundant use of trees make it a place of beauty in the La Puente Valley.

Warrior Pride has always been a keystone of La Puente High School. This is due, in part, to the small-town atmosphere of La Puente where the La Puente grads have always held La Puente High School in special esteem.

Mr. Speaker, I ask my colleagues to join me in saluting the alumni, student body, faculty, staff, and my good friend, Stuart Reeder, principal of La Puente High School, on the occasion of their diamond jubilee.

SUPPORT OF H.R. 1461, THE TEXTILE MACHINERY MODERNIZATION ACT

HON. ELIZABETH J. PATTERSON

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mrs. PATTERSON. Mr. Speaker, today I would like to urge my colleagues to support H.R. 1461, the Textile Machinery Modernization Act, of which I am pleased to be a cosponsor. This legislation would set aside 5 percent of tariffs collected on imported textile machinery. This money would then be used to finance research and development projects related to modernization of the U.S. textile machinery industry.

Mr. Speaker, this legislation is significant for many reasons. First, the textile machinery industry is essential to our country's defense needs. Currently, out of 92 U.S. industries considered critical to the United States' defense needs and industrial base and identified by the Commerce Department as trade-injured, the textile machinery industry ranks among the top 10 suffering significant trade injury.

In addition, H.R. 1461 will help our small businesses. Almost every U.S. company producing textile machinery is considered a small business. As we attempt to reduce our global trade deficit and increase opportunities for U.S. exports, we must promote fiscally responsible policies that will facilitate all efforts. This legislation will help ensure U.S. textile machinery manufacturers equal and affordable access to research, development, and technology essential for their continued economic viability and competitiveness in world markets. If enacted, H.R. 1461 will help reduce the U.S. trade deficit, save jobs for American workers, and contribute to America's economic growth.

I urge my colleagues to support this bill.

SPECIAL TRIBUTE TO JOHN W. O'BREINE, A DISTINGUISHED AMERICAN

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. DONNELLY. Mr. Speaker, I rise today to pay tribute to a great American, the late John W. O'Breine, of Silver Spring, MD. John died at age 72 on September 5, 1990, at Holy Cross Hospital after a heart attack.

John O'Breine dedicated his life to the service of the United States. He retired as a FBI special agent after 30 years of service. Following his retirement from the FBI, in 1972, John went on to work as a special assistant to the House Committee on Small Business. He was also a special assistant for the House Public Works Committee.

John was very active in the Washington area community. He was a past chairman of the Washington chapter of the Society of Former Special Agents of the FBI. He was a member of Christ the King Catholic Church in Silver Spring. John was a member of the American Ireland Fund, Knights of Columbus, and a past exalted ruler of the Bethesda Elks.

I had the distinct privilege and honor of working with John on a number of issues. Most recently, Mr. O'Breine, in his position as the distinguished chairman of the American Foundation for Irish Heritage, proved instrumental in generating the support necessary for the passage of House Joint Resolution 482, Irish American Heritage Month. Thanks to John's efforts Irish American Heritage Month passed the House on August 4, 1990.

It gave me great personal satisfaction to have been involved with such an outstanding gentleman, and we will all miss him dearly.

MINORITY ENTERPRISE DEVELOPMENT WEEK

HON. DAN SCHAEFER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. SCHAEFER. Mr. Speaker, I rise today to bring to the Nation's attention the 8th annual Minority Enterprise Development Week, taking place September 17–21, 1990.

Minority Enterprise Development Week is celebrated locally and nationally to honor minority entrepreneurs who have succeeded in the business world through hard work and perseverance. MED Week recognizes these businessmen and women to reward their efforts in the past and to inspire others to follow their example in the future.

MED Week encourages these future entrepreneurs by paying special attention to minority youth, the future business people of America. I can think of few other ways to actively interest and encourage our children to become involved in the exciting world of business.

In my home State of Colorado, we are celebrating this week with 5 full days of activities, starting with an opening reception with the Governor and the mayor of Denver on Monday and ending with a gala awards banquet on Friday to honor outstanding minority business people.

Other exciting activities taking place during this week in Colorado are a minority art exhibit, a minority youth business fair, and an environmental procurement opportunities conference.

I forward my best wishes to the volunteers of the Minority Enterprise Development Council and the participants of MED Week for a successful and joyful celebration.

THE UNIVERSAL CHILDHOOD SECURITY ACT OF 1990

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. HALL of Ohio. Mr. Speaker, today I am introducing the Universal Childhood Security Act of 1990, legislation which will allow the United States to take a leading role in saving the lives of millions of children whose lives are lost every year. Nearly 40,000 children die every day; most die of preventable causes when simple vaccines, vitamins or basic treatment techniques could save them. More than 100 million children lack access to basic primary education. If we are, as President Bush says, on the verge of a new world order, I believe that one of the priorities of that new order must be to end this shameful and unnecessary waste of innocent life.

Mr. Speaker, the World Summit for Children will take place on September 29–30 at the U.N. in New York. More than 75 world leaders, including President Bush, plan to attend. In calling for a Summit for Children, UNICEF said that additional world expenditures of about $2.5 billion annually would save 10 million children's lives per year. I believe that the World Summit offers President Bush and the United States an opportunity to lead the world in saving children's lives, just as we've led the world in opposing Saddam Hussein's brutality in the Persian Gulf. My legislation is designed to provide the toll for that leadership. I would hope President Bush would contact other world leaders, working the phones on behalf of the world's children, as he did for the Iraqi sanctions.

The Universal Childhood Security Act provides for a phased-in increase in funding for child survival activities conducted by the U.S. Agency for International Development. It's my hope that this bill will serve as a model for the delegates to the World Summit for Children. Saving the lives of the world's children isn't just America's responsibility, it's everyone's responsibility. Our lead should be followed by the U.N.'s bilateral donors and development banks. If we are joined in this initiative by the other U.N. donor nations and multilateral organizations such as the World Bank, the Asian, African and Inter-American Development Banks, and the United Nations itself, UNICEF's goal of an additional $2.5 billion could be reached by 1996, and millions of young lives could be saved.

In addition to taking the first step toward meeting the UNICEF goal, this legislation provides for a phased-in increase in funding for basic education programs. In a world where more than 100 million children lack access to primary education, the United States must lead in attempting to avert the threat posed by illiteracy and lack of education in the developing world.

As we focus on the needs of children in the developing world, we must not ignore the needs of our own children. Mr. Speaker, the United States has one of the highest infant mortality rates in the industrialized world. We spend more than $1.5 billion per year caring for low birthweight babies. The WIC Program is our first line of defense against infant mortality and low birthweight, providing nutritious food packages to infants and children, and food and nutrition and health information to low-income pregnant or lactating mothers. The basic WIC food package, costing less than $10 per week could prevent low birthweight hospitalizations which cost about $1,500 per week. The benefits of WIC have been clearly demonstrated in study after study, yet this effective and cost efficient program receives only enough Federal funding to serve half of the eligible population. To rectify this senseless and costly situation, my legislation calls for an annual twenty percent increase in WIC caseload, reaching a level that would allow for full participation by 1995.

Mr. Speaker, for 1992 both of the international initiatives called for by this bill total less than one-half of 1 percent of the total foreign aid budget. The child survival and basic education program increases called for by this legislation need not cause any increase in overall spending. In a new world order, we should be able to reorder our priorities for the benefit of those who most need our help. Our effort to shape a new world order must go beyond a new world security order to embrace a new humanitarian order. It's my hope that President Bush will adopt the principles in this legislation, and carry them with him to the summit, and that, following his leadership, the summit will address the issue of children's suffering in a meaningful and lasting way.

For the benefit of my colleagues, the full text of the legislation follows:

H.R. 5596

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Universal Childhood Security Act".

TITLE—FOREIGN ASSISTANCE PROGRAMS

SEC. 101. FINDINGS.

The Congress finds that—

(1) the health, well-being, and normal development of children must be among the highest priorities of the foreign assistance programs of all international donaors, as it must be amoug the highest priorities of developing countries themselves;

(2) children, particularly those from poor families in the poorest countries, continue to suffer from abnormally low growth, poor health, lack of basic educational opportunities, and, too often, early death;

(3) according to UNICEF, In the 37 poorest countries in the world, spending per capita on education has declined by approximately 25 percent in the last decade while

spending per capita on health care declined in more than three quarters of the nations of Latin America and Africa;

(4) of the 14,000,000 children in developing countries who die each year, 10,000,000 could be saved from death by low-cost, easy to administer treatments for such common causes of child death as diarrhea, respiratory infections, measles, and neonatal tetanus;

(5) low-cost, effective child survival activities (such as immunizations; oral rehydration therapy; use of simple antimicrobial medicines; breastfeeding promotion; growth monitoring; child spacing; use of vitamin A, iodine, and other micronutrient interventions; and targeted efforts to reduce malnutrition) are effective and could save the lives of most of the children under 5 who now die;

(6) UNICEF estimates that a program to prevent the great majority of child deaths and child malnutrition over the next decade requires an increase of assistance from all concerned governments and agencies, and of support from developing country governments, of $2,000,000,000 to $3,000,000,000 a year;

(7) the United States Government has led in promoting efforts to improve child survival and development;

(8) in order to end the ongoing tragedy of unnecessary child death, all bilateral and multilateral donors, private agencies, and developing countries must join in an international effort;

(9) the purpose of increased United States Government contributions for child survival and development, including support of basic education activities, is to lead other donor countries, multilateral organizations, and others to adopt commensurate increases in their own child survival and development programs;

(10) without international cooperation from donor countries, multilateral organizations, private and voluntary organizations, and developing country governments, including necessary increases in financial commitments to child survival and development programs, millions of children will continue to die unnecessarily over the next decade;

(11) the World Declaration on Education for All, adopted by consensus at the World Conference on Education for All held in Thailand in March 1990, states that more than 100,000,000 children, including at least 60,000,000 girls, have no access to primary schooling;

(12) at the World Conference on Education for All, the World Bank agreed to double its commitment to education to $1,500,000,000 per year, with most of that amount supporting basic education, and UNICEF agreed to quadruple its support to basic education over the next decade;

(13) the United States is the largest bilateral donor supporting basic education, and therefore is in a leadership role;

(14) it would be desirable for the President to announce a basic education initiative similar to those already agreed to by the World Bank and UNICEF, the leading multilateral organizations;

(15) according to the World Bank's World Development Report 1990, effective and sustainable efforts to achieve rapid and politically sustainable improvements in the quality of life for the poor must include the widespread provision of basic social services, especially primary education and primary health care; and

(16) the World Bank, which provides approximately $24,000,000,000 in assistance each year to developing countries, is the largest provider of such assistance, and therefore possesses a great capacity, through its action and policies, to leverage greater sums from other multilateral organizations and bilarteral donors.

SEC. 102. UNITED STATES FUNDING FOR INTERNATIONAL CHILD SURVIVAL AND DEVELOPMENT ACTIVITIES.

(a) CHILD SURVIVAL ACTIVITIES.—Of the aggregate amounts made available for United States development and economic assistance programs—

(1) not less than $225,000,000 for fiscal year 1991,

(2) not less than $275,000,000 for fiscal year 1992,

(3) not less than $335,000,000 for fiscal year 1993,

(4) not less than $405,000,000 for fiscal year 1994,

(5) not less than $490,000,000 for fiscal year 1995, and

(6) not less than $600,000,000 for fiscal year 1996, shall be available only for child survival activities, including those authorized under section 104(c)(2)(A) of the Foreign Assistance Act of 1961.

(b) BASIC PRIMARY EDUCATION ACTIVITIES.—Of the aggregate amounts made available United States development and economic assistance programs—

(1) not less than $100,000,000 for fiscal year 1991,

(2) not less than $125,000,000 for fiscal year 1992,

(3) not less than $155,000,000 for fiscal year 1993,

(4) not less than $195,000,000 for fiscal year 1994,

(5) not less than $245,000,000 for fiscal year 1995, and

(6) not less than $300,000,000 for fiscal year 1996, shall be available only for programs in support of basic primary education, including teacher training and other necessary activities in support of basic primary education.

SEC. 103. WORLD BANK SUPPORT FOR CHILD SURVIVAL AND DEVELOPMENT.

It is the sense of the Congress that the World Bank—

(1) should give greater programmatic and budgetary priority to child survival and development, including support of basic education activities; and

(2) in particular, should commit itself to devoting 5 percent or more of the amount of the Bank's annual lending programs to primary health and 5 percent to primary education.

SEC. 104. DEFINITIONS.

As used in this title—

(1) the term "United States development and economic assistance programs" means assistance authorized by chapter 1 of part I of the Foreign Assistance Act of 1961 (relating to development assistance), including assistance made available for "SUB-SAHARAN AFRICA, DEVELOPMENT ASSISTANCE" or any subsequent, corresponding appropriations account under part I of that Act, and assistance authorized by chapter 4 of part II of that Act (relating to the economic support fund);

(2) the term "UNICEF" means the United Nations Children's Fund; and

(3) the term "World Bank" means the International Bank for Reconstruction and Development and the International Development Association.

TITLE II—DOMESTIC PROGRAMS

SEC. 201. FINDINGS AND SENSE OF CONGRESS REGARDING AUTHORIZATION OF APPROPRIATIONS FOR WIC PROGRAM.

(a) FINDINGS.—The Congress finds that—

(1) Key health indicators in the United States—the infant mortality rate, the percentage of babies born who are of low birthweight, the accessibility of prenatal care for pregnant women, the proportion of children who are properly immunized, the extent of malnutrition among children, and the percentage of children who have access to basic health care—demonstrate that the health of infants and children in the United States, compared to infants and children in most other developed countries, is not satisfactory;

(2) the child health goals for 1990, established in 1979 by the Surgeon General, have not been met, and, in fact, most recent data demonstrate that the rate of progress in the United States with respect to almost all indicators has declined in the past decade;

(3) the special supplemental food program for women, infants, and children (in this title referred to as the "WIC program"), which provides supplemental food, nutrition education, and referral to health care to low-income pregnant women, new mothers, infants, and young children at nutritional risk, is an effective preventive program which improves the health of America's infants and children;

(4) the WIC program has been shown to reduce the infant mortality rate, the percentage of infants born who are of low birthweight, the incidence of malnutrition, and the number of premature births, and to increase the number of women seeking early prenatal care, the number of infants receiving immunizations, and the likelihood of a child having a regular source of medical care;

(5) the WIC program is cost effective, as demonstrated by—

(A) the National Bureau of Economic Research, which concluded that after prenatal health care, WIC is the most cost-effective way known to reduce infant mortality;

(B) the Harvard School of Public Health, which found that each dollar spent on the prenatal component of the WIC program saved $3 in hospitalization costs associated with infants born who are of low birthweight; and

(C) the Missouri Department of Health, which found that each dollar spent on the prenatal component of the WIC program resulted in a savings of 49 cents in costs incurred by the medicaid program for infants 45 days old or younger;

(6) preventive health services available through WIC are also cost-effective, as demonstrated by—

(A) a 1985 study by the Institute of Medicine, which reported that each dollar spent on prenatal health care for certain high-risk women yielded a savings of $3.38 in the cost of medical care for low-birthweight infants;

(B) a 1984 study by the Children's Defense Fund, which reported that it costs approximately $35 per month to provide an infant with a complete nutritional package, versus a cost of about $1,400 per week to hospitalize an infant for treatment of malnutrition; and

(C) a 1986 report by the Office of Technology Assessment, which estimated that the health care system in the United States could, by strengthening investment in early prenantal care, save between $14,000 and $30,000 per infant annually in terms of hos-

pital expenses incurred by a low-birthweight infant during the first year of life;

(7) the WIC program is targeted toward low-income infants and children, who are twice as likely as higher income children to be born at low birthweight, 2 to 3 times more likely to experience postneonatal mortality, and 3 times more likely to have delayed immunizations;

(8) the WIC program is strongly supported by a wide range of organizations and individuals, such as the Committee on Economic Development, the National Commission to Prevent Infant Mortality, former Presidents Gerald R. Ford and Jimmy Carter, the Council on Competitiveness, and the Child Nutrition Forum;

(9) the Nation's future lies with its infants and children, who are among the Nation's most vulnerable citizens;

(10) the Nation's budget priorities should reflect a strong commitment to the infants and children of the Nation;

(11) the WIC program reaches only about half of the eligible population;

(12) for the benefit of the Nation's children—and thus, the Nation's future—it is necessary to increase participation in the WIC program by 20 percent in each of the next 5 years, in order to reach the goal of full participation, defined as participation by 85 percent of all eligible persons, by the end of the fiscal year 1995; and

(13) according to a September 1990 estimate by the Congressional Budget Office, in order to reach the goal of full participation by the end of the fiscal year 1995, amounts must be appropriated for the WIC program—

(A) for the fiscal year 1991, in an amount that is not less than $285,000,000 above current services;

(B) for the fiscal year 1992, in an amount that is not less than $319,000,000 above current services;

(C) for the fiscal year 1993, in an amount that is not less than $385,000,000 above current services;

(D) for the fiscal year 1994, in an amount that is not less than $400,000,000 above current services; and

(E) for the fiscal year 1995, in an amount that is not less than $446,000,000 above current services.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Congress should make a commitment to increasing participation in the WIC program by 20 percent per year in each of the years 1991, 1992, 1993, 1994, and 1995, so that the goal of full participation may be reached by the end of the fiscal year 1995.

SEC. 202. FINDINGS AND SENSE OF CONGRESS REGARDING SUPPORT FOR EARLY CHILDHOOD EDUCATION AND CHILDHOOD DEVELOPMENT THROUGH THE HEAD START PROGRAM.

(a) FINDINGS.—The Congress finds that—

(1) since its inception in 1964, the Head Start Program has established an impressive record in providing preschool-aged children from low-income families with comprehensive services to address educational, social, nutritional, and health needs, such that students who participate in Head Start programs—

(A) are less likely to be enrolled in special or remedial education classes;

(B) are more likely to be enrolled in gifted and talented programs; and

(C) are much less likely to drop out of school, become involved in crime, or receive welfare benefits; and

(2) recognizing that in the fiscal year 1989 the Head Start program served only 20 percent of eligible 3-, 4-, and 5-year-old children, in the 101st Congress legislation (H.R. 4151) was developed and passed by the House of Representatives authorizing expansion of the Head Start Program to enable all eligible 3- and 4-year-old children, and 30 percent of eligible 5-year-old children, to participate in the Head Start Program by the fiscal year 1994, thereby increasing participation rates of 3- and 4-year-old children to—

(A) 35 percent in the fiscal year 1991;

(B) 60 percent in the fiscal year 1992;

(C) 80 percent in the fiscal year 1993; and

(D) 100 percent in the fiscal year 1994.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that the Congress should follow through on its commitment to provide full funding for the Head Start program so that the goal of participation of all eligible 3- and 4-year-old children can be reached by the fiscal year 1994.

HUMAN RESOURCES' EMPLOYEE RECOGNITION BANQUET

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, the Metropolitan Dade County Department of Human Resources held its eighth annual employee recognition banquet on Saturday, September 8, 1990, at the Hyatt Regency Hotel in Miami, FL.

The department of human resources banquet is designed to honor those employees who have received outstanding work performance evaluation for the 1990 calendar year. In addition, two employees were selected as employees of the year. The selection process was based on criteria such as job-related performance, quantity and quality of work, interpersonal skill, and community service.

These selected employees come from two different categories of public service: Indirect service and direct service. Indirect service is the area that covers management and personal development. Direct service, on the other hand, covers service to the community. Both categories serve over 220,000 residents from an area that extends from the Broward County line to Homestead. These services include childcare centers, support groups for battered and sexually abused women, summer job programs for students, hot meals on wheels for the elderly, emergency assistance for the indigent, two nursing homes for AIDS patients, and an intake detox unit for substance abuse.

The finalists in the indirect services category were: Charlie Joe Hammond, Gregorie Smith, Porfirio Luna, Margaret Emmanuel, Paulina Navado, Maria Rodriquez, Lillie Hollins, Thomas Knowles, and Ellin Keeney. The finalists in the direct services category were: Robert Eberhardt, Betty Clark, Rosa Binbow, Margaret Reed, Shirley Richardson, Dorothy Dally, Margarita Aquilar, Nilda Arboley, Enrestine Styles, and Barry Lundy.

Special recognition should be given to the winners of each category: Ms. Lillie Hollis from direct services, and Mr. Barry Lundy from indirect services. These two individuals are worthy of the highest praise for their tireless efforts to serve the citizens of Dade County, FL, as shown by the their selection as employees of the year for the department of human resources.

TRIBUTE TO RAE PIENCAK

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. LIPINSKI. Mr. Speaker, I rise today to congratulate Rae Piencak, a recent graduate of the National Technical Institute for the Deaf, a college of Rochester Institute of Technology. Rae has just been awarded her bachelor's degree in social work from the world's largest technical college for deaf students.

Graduating from an institute of higher learning is a notable achievement for anyone and is worthy of praise and evident of hard work and dedication. Rae Piencak surpassed even this achievement, for she not only accepted and succeeded at the challenge of academia and college life but also triumphed over the physical challenge of deafness. Even more praiseworthy, the institute which she chose to attend is far from her home in Illinois and one whose campus is primarily designed for hearing students. In other words, Rae Piencak's goals for her college experience included not only attaining scholarship but also acquiring an understanding of the hearing society in which she will live.

It is an honor to recognize and pay tribute to Rae Piencak who personifies the dedication and perseverance every student should have as well as exemplifies the capabilities and contributions of the physically challenged. I feel certain that I speak for the entire House of Representatives in congratulating Rae and wishing her the best.

BALANCING THE BUDGET: THE RIGHT WAY

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. DORGAN of North Dakota. Mr. Speaker, many North Dakotans have been contacting me to express their concerns about the possibility of a fiscal year 1991 sequestration and potential job furloughs. They are properly concerned that deficit reduction has become an excuse to threaten essential jobs and programs and not an exercise to root out evident waste.

I certainly believe that reducing the Federal deficit must be our No. 1 priority. And we must be willing to take the medicine to do that in five doses: First, cutting out waste and unnecessary programs; second, eliminating unneeded weapons systems; third, getting our allies to pay their fair share of the defense burden; fourth, requiring the wealthy to shoulder their fair share of the tax burden, and fifth, stopping the misuse of Social Security trust funds to mask the real deficit.

Unfortunately, the President and Congress are using our Federal workers as pawns in the

budget debate. I deplore that practice. Civil servants carry out the critical services of our Government and deserve support, not manipulation.

The problem is that no real budget solution can be achieved without the active cooperation and leadership of the President. Even with the crisis in the Middle East we can afford to make selective defense cuts and to press harder for equitable burden sharing arrangements with friends and allies. Then we could meet our real defense requirements and still move toward a balanced budget.

Through it all, we need to sustain essential governmental functions in defense, agriculture, education, health, Social Security, and many other areas. So as we strive to reduce the deficit let's not play games with Federal workers.

USM STUDENT ABBY LINDSAY CHARMS CANADIANS WITH PERFORMANCES

HON. GENE TAYLOR

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 12, 1990

Mr. TAYLOR. Mr. Speaker, this summer Abby Lindsay upgraded her acting experience to the international level. Lindsay, a theater student at the University of Southern Mississippi, captured the lead role in Canadian summer theater program at the University of Victoria in British Columbia, Canada. As part of an international exchange program, Lindsay earned the title role in the Phoenix Summer Theater's production of "Peter Pan."

Lindsay was joined in Canada by fellow USM students Daryl Harris and Charles Bosworth. In return, three University of Victoria students spent a summer at USM. Though still in experimental stages, the exchange program has become quite a success. Summer audiences ranging in ages from 1 to 92 came to the theater company's production of Peter Pan.

By earning the title role in "Peter Pan," Lindsay typifies the talent found at the USM's theater department. University of Victoria theater directors and Canadian theater critics alike praised Lindsay's performances saying Lindsay gave the same life to her "Peter Pan" character as Mickey Rooney gave to his whimsical character Puck in the Shakespearean production of "A Midsummer's Night Dream." The production was so popular with audiences that plans have been made to air the play on Canadian television during the Christmas season.

Lindsay's first starring role was as "Laurey" in her senior class production of "Oklahoma." Yet, Sandy Duncan, as Peter Pan, inspired her decision to pursue an acting career. Even as Lindsay flies through the air as Peter Pan she has managed to keep her feet on the ground and her wits about her. As an exchange student, she exemplifies the attributes of a promising student from our country. During one performance, Lindsay carried an American flag as she flew over the Canadian audience. The applause she received sounded for her spectacular performance as well as the continuation of the United States-Canadian exchange program.

I commend Abby Lindsay and our Mississippi students for adjusting well to the styles preferred by the UVic directors. By charming the Canadians with their professionalism and their southern hospitality, Miss Lindsay is well on her way to a promising career in acting and our Mississippi students have ensured the continuation of future exchange programs.

THE OAK RIDGE WFO PROGRAM

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mrs. LLOYD. Mr. Speaker, the Department of Energy Operations in my district, the Third District of Tennessee, has a very successful program which I would like to share with my colleagues. The program is called Work For Others [WFO] and involves the Department and its contractor, Martin Marietta Energy Systems, Inc., doing work for other Federal agencies. This work is important because it saves the Federal Government millions and millions of dollars every year.

Recently, this program in general, and the Oak Ridge (TN) Operations Office in particular, have come under extreme criticism and scrutiny. The investigations—internal, external, and congressional—have been intense.

I am pleased to say that the Oak Ridge WFO Program, while being the most scrutinized of all DOE WFP programs, has maintained its integrity and support. Many of the customers of this program repeatedly report that they would be lost without the assistance provided by DOE, Oak Ridge National Laboratory, and Martin Marietta Energy Systems personnel. The two main research areas of this program are Data Systems Research and Development [DSRD] and Hazardous Waste Remedial Action Program [HAZWRAP].

I am providing, for the benefit of my colleagues, a brief report on the WFO Program which I believe explains quite clearly the many advantages of this very important program.

THE DOE WORK FOR OTHERS PROGRAM IS GOOD FOR THE COUNTRY

PRODUCTIVITY AND COMPETITIVENESS: A NATIONAL PROBLEM

The Federal Government faces a monumental challenge, improve productivity and efficiency in competitive markets while reducing the budget deficit. Government operations must achieve significant economies if the challenge is to be met. Federal managers realize this and seek efficiencies through automation and information sharing. More than fifty percent of the Federal budget involves the acquisition, analysis, management, and transmission of information.

Achieving expected efficiences is a historic nemesis for Federal agencies. Most agencies use second generation information technology while the industy is passing the fifth generation. Examples of Federal Government efficiency and productivity problems related to information technology include:

The Federal Government could be costing taxpayers as much as $150 billion by poor management (General Accounting Office (GAO), "Financial Integrity Act: Inadequate Controls Result in Ineffective Federal Programs and Billions in losses"). The Wall Street Journal report on November 30, 1989, that out-dated accounting systems are a particular problem. According to Mr. Charles Bowsher, Comptroller General and head of the GAO, every major Government agency has admitted to having poor accounting and management systems. A particularly ironic twist to this problem is that not only do the antiquated systems themselves waste taxpayers dollars, but individual agencies' attempts to upgrade these systems have resulted in even further wasted effort.

The GAO report cites one Navy program which was originally expected to cost $33 million but was scrapped as being too costly with a final estimated price tag of $479 million. This was after the Navy spent $230 million over nine years trying to develop the softwave via private sector contracting. This is illustrative of the National problem in information systems development.

The IRS abandoned a $1.8 billion expansion project for its Automated Examination System after spending $187 million. The system never worked. As a result, according to the GAO report, the IRS has been unable to effectively identify and collect more than $50 billion in delinquent taxes.

A major reason for problems with information systems modernization efforts is individual Federal Agencies lack the resident capability to analyze information management problems, to develop effective solutions, and to plan for the future. The most significant deficiencies are in procurement practices and personnel.

A major finding of the report of the Defense Science Board Task Force on Military Software (September, 1987):

The most common present method of formulating specifications—issuing a Request for Proposal, accepting bids, and then letting a contract for software delivery—is not in keeping with good, modern practice and accounts for much of the mismatch between user needs and delivered function cost and schedule.

The Task Force members also did "not believe DOD can solve its skilled personnel shortage [relative to systems design and development] and should plan best how to live with it, and how to ameliorate it" (Recommendation No. 34.)

A NATIONAL SOLUTION TO A NATIONAL PROBLEM

The Government must mobilize the best national resources to meet the challenge of increasing efficiency in the face of level or reduced budgets. There exists within the Federal establishment a dedicated, experienced, technically capable workforce with the ability to provide both focus and support, continuity, and management skill on agency problems. This technical capability is concentrated in the Laboratories and applied research programs of the U.S. Department of Energy (DOE).

THE DOE APPROACH TO SHARING NATIONAL RESOURCES—WORK FOR OTHER FEDERAL AGENCIES PROGRAM

DOE and its predecessor agencies have performed work for other Federal agencies since the late 1940s in various Federal Laboratories and research programs. These activities can combine public, private, and academic capabilities to create a synergy in which the whole is greater than the sum of the parts. Nuclear weapons development specifically for the Department of Defense is one of the most familiar areas of interagency support. DOE Laboratories and research programs also support biological and

medical (human genome) research, environmental science (global warming), computing and information technology (information systems), material science (superconductivity) and highly sensitive and classified efforts. These are examples of interagency cooperation and resource sharing under the DOE Work for Other Federal Agencies Program (WFO).

The interagency agreement is the basic vehicle of WFO. It is merely an agreement between a Federal agency and DOE that certain work may be performed at a Federal Laboratory or research facility. Interagency agreements are not contracts. They involve no funds and no firm commitments for effort. When the agency needs support from DOE under the interagency agreement, it is the vehicle for transferring specific funds to support specific tasks.

The legislative basis for WFO is the Economy Act of 1932. This Act permits one Government agency to purchase goods and services from another agency when the best interests of the Government will be served. The Act specifically endorses the concept of using Government personnel and facilities to solve critical Government problems as economically advantageous and strategically necessary to sustain national technological resources.

Interagency agreements can be somewhat broader and more flexible than contracts. They must comply with procurement rules and statutes and may not be used to circumvent the Competiton in Contracting Act. Agencies may require agreements to be endorsed by their legal and procurement functions.

DOE Uses Interagency Agreements:

DOE increases its pool of expertise by developing methodologies for other Federal agencies. The results of the research, development, and demonstration (RD&D) are owned by the Government and can be used or further developed by other agencies.

Other Federal agencies can benefit from DOE knowledge and experience without having to invest their resources in continuous commercial start-up costs.

The concentration of expertise and facilities available to DOE is not readily available in the private sector. Further, the budget implications of replicating these capabilities at individual agencies would be prohibitive.

Research, development, and demonstration work performed by interagency agreements at DOE Laboratories and applied research facilities can involve high risk projects that commercial and academic entities would be hesitant to undertake without significant investment and guarantees from the Government.

DOE Laboratories and research programs, when necessary, focus the efforts of several commercial and/or academic entities on single tasks. The subcontracting and teaming arrangements common in this environment are virtually impractical for agencies using multiple contracts.

Through carefully managed subcontracting to the private sector, small and medium sized companies participate in leading-edge science, which results in technology transfer. Since DOE facilities are only involved in RD&D, once technological solutions are achieved, the private sector continues the work as quickly as possible. This transfer of technology with broad application enhances the competitiveness of U.S. industry.

The Government-to-Government nature of interagency agreements permits an uninhibited and most effective sponsor-client communications flow.

UNIQUE CAPABILITIES OF THE DOE WORK FOR OTHERS PROGRAM

A major focus of the DOE WFO program is advanced information systems RD&D and analysis, which addresses problems directly affecting Government efficiency. Specific aspects include:

Objective and unbiased approaches to government systems problems. DOE has no hardware, software, or system operations and maintenance services to sell. Researchers and specialists apply the best solutions to clients' problems independently and objectively.

Multi-discipline technical capabilities. Computer science, engineering, telecommunications, computer security, artificial intelligence, and physical and social sciences are representative of the areas that can be directed to problem-solving. Multi-discipline project teams and rapid response to clients' needs are common.

The *best national technical resources* to perform any task. DOE applied research facilities procure subcontract support as necessary. This allows program flexibility and focuses the best technical expertise available on national problems. Ninety-seven (97%) percent of the 1985-1989 subcontract technical support to the DOE/Oak Ridge WFO programs was acquired competitively.

Lessons learned. Many individual agencies confront variations of the same technical problem. For example, both the Departments of Defense and State have secure world-wide computer networks. DOE uses the lessons learned in solving one agency's problems to address similar problems for the other agency. This approach is cost effective and efficient. It is particularly applicable to intra-agency problems for which consistency and future interconnectivity are considerations.

Continuity of expertise over time. Researchers gain expertise and experience in technical areas as they move from one project to another. This serves to build the Government's cumulative experience base to solve critical technological problems. It also builds a cadre of professionals with cross-agency experience.

Control of classified and sensitive information. DOE security standards are among the most stringent in the Federal Government. DOE staff and facilities can accept research projects of the highest sensitivity with special security access.

Noncompetition with the private sector. Stringent operating procedures limit the program to work involving RD&D, applied research, and analysis. A DOE research activity can develop a system through prototype demonstration, testing, and transition planning. System implementation, operation, and maintenance is the responsibility of the sponsor agency.

IMPACT OF DOE WFO ON GOVERNMENT INFORMATION SYSTEMS TECHNOLOGY

DOE WFO Program has a distinguished record of success solving key information system problems for other government agencies efficiently and economically. Specific examples include:

Solutions to the problem of inordinately high inventories of excess parts for the U.S. Army. Procedural changes recommended by the DOE team should result in savings to the Army of hundreds of millions of dollars over a 10-year period.

The DOE WFO program support the Department of the Treasury, identifying vulnerabilities in a multi-billion dollar payment system, and evaluating contingency planning and disaster recovery capabilities for Regional Finance Centers' data systems. Data systems researchers also perform security analyses on components of the Department of State Foreign Affairs Information Systems Network (FAIS).

Using DOE's WFO program to develop the U.S. Navy Civilian Personnel Data System (NCPDS) saved the Navy approximately $40 million.

Data systems research personnel applied advanced information technology to reverse engineering resulting in a 50% reduction in the unit costs of certain spare parts. The estimated potential savings cumulative for a number of projects is estimated to be more than $200 million.

The DOE WFO Program is a leading example of successful implementation of recommendations made by the Defense Science Board Task Force on Military Software.

Recommendation #12: "Use evolutionary acquisition, including simulation and prototyping, . . . to reduce risk."

Interagency agreements and the tailoring of subsequent task statements of work accommodate the evolutionary acquisition portion of this recommendation by allowing for integration of software produced for government, industry and academia. The Military Airlift Command's (MAC) Airlift Deployment Analysis System (ADANS) is a prototype system that is already making an impact on easing the MAC's command, control, and scheduling workloads.

Recommendation #23: ". . . Mandate the iterative setting of specifications, the rapid prototyping of specified systems, and incremental development."

Interagency agreements with the US Air Force led to the development of the Air Force Command and Control Systems Modernization Methodology. This software and architectural methodology emphasized requirements definition and was adopted by the Air Force Standard Systems Center. It enabled placement of a successful competitive contract for Air Force Standard Systems modernization.

A requirements-based approach was followed in developing a prototype Wing Command and Control System (WCCS) for United States Air Forces Europe (USAFE). The success of this effort let to competitive implementation of the program throughout the Air Force.

CONCLUSION

The U.S. Department of Energy's Work for Other Federal Agencies program is a superlative vehicle for economically and efficiently focusing the best technical resources available to address agency needs, and by its success, national issues of productivity and competitiveness.

CENTENNIAL OF SQUIRE SANDERS & DEMPSEY

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday September 13, 1990

Ms. OAKAR. Mr. Speaker, I wish to take this occasion to congratulate the international law firm of Squire Sanders & Dempsey of Cleveland, OH on its centennial anniversary. Squire Sanders & Dempsey opened its doors in Cleveland on January 1, 1890 and continues practicing under its original name today. The firm has grown to more than 425 lawyers

in 8 cities in the United States and Europe and very ably serves clients in virtually all parts of the world.

During its illustrious lifetime, Squire Sanders & Dempsey has participated in a rich tableau of world history including the election of Gov. William McKinley to the Presidency of the United States and his reelection in 1900, service as special counsel to the Federal Government in the Teapot Dome scandal during the Harding administration to post-war slum clearance and urban development.

Of particular note is the firm's commitment to community involvement. The lawyers of Squire Sanders & Dempsey believe strongly in community participation whether it is in Cleveland, New York or Brussels, Belgium. All of these communities are richer for this dedication to involvement.

IN HONOR OF PHILIP PERLMUTTER

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. FRANK. Mr. Speaker, on Monday, the current and past leaders of the Jewish Community Relations Council of Greater Boston will gather for an event that will be both sad and cheerful. The event, which I hope to attend if legislative business allows, is a reception in honor of Philip Perlmutter who is retiring as executive director of the Jewish Community Relations Council of Boston after many years of extraordinarily able service.

Obviously this is a sad moment for us because we will lose Phil's service in this important position. But it is a cheering one because it is an occasion in which we will celebrate Phil's work, and the values of decency, scholarship, and community which he has so brilliantly represented.

Phil Perlmutter is, happily for those of us who have had the benefit of his leadership in these past years, an unusual combination of talents. He is a scholar of considerable talent, with a particular interest in relations between and among various communities in our society. He is a forceful and brilliant advocate on behalf of a wide range of causes—antidiscrimination legislation, an American foreign policy which recognizes our strong national interest in firm ties between America and Israel, an educational system which allows everyone in this country to reach his or her fullest potential and other important matters. He also has a capacity for friendship which has meant a great deal to the many of us who have benefitted from it. In my work first in the Massachusetts Legislature and now in the U.S. House of Representatives, he is one of the people on whom I have frequently relied for advice, suggestions, and, when the occasion warranted it, the kind of helpful criticism that is an invaluable gift from a friend.

Phil has earned his right to retirement and none of us begrudge it. But our regret at this changing of the guard is strongly mitigated by knowing that he will continue to be an extraordinary asset. We are all very lucky that Phil was so willing to devote his very considerable talents to work on behalf of others.

THE 300TH ANNIVERSARY OF ST. JOHN'S CHURCH, HOLLYWOOD, MD

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. DYSON. Mr. Speaker, I rise today to pay tribute to the parishoners of St. John's Church, who are celebrating the church's 300th anniversary on September 15, 1990,

Located in Hollywood, MD, St. John's parish was established in 1690 and is among the oldest Catholic parishes in the State of Maryland. St. John's is the largest Catholic parish in St. Mary's County with a congregation of over 800 families. St. John's Church has roots deeply embedded in the historic religious culture of St. Mary's County.

Mr. Speaker, it is with great pride that I salute the history of St. John's Church, and I know that my colleagues join me in congratulating the church's parishioners and its pastor, Father Martin Harris, on this historic occasion.

TRIBUTE TO THE COMMUNITY CHURCH OF DOUGLASTON, 75TH ANNIVERSARY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. SCHEUER. Mr. Speaker, 75 years ago, 11 men gathered on a Sunday afternoon in April at the home of Charles M. Burtis with the Rev. Ulysses Grant Warren. It was 1915, and they were to make decisions that would change lives and better a community.

A week later 30 members gathered at the Douglas Manor Inn—now the Douglaston Club—to organize. A new church community was born. The infant congregation leased a former plumbing shop on Main Avenue, using only a pot-bellied stove for warmth.

In 1916 a Young People's Society and a Women's Guild were formed. The next year, a constitution, bylaws, and creed were adopted.

In 1918 the church voted to affiliate with the Reformed Church of America. The growing young church made plans for a new building.

Mr. Speaker, the congregation continued to grow by leaps, and plans for a newer, larger building were called for in 1923. Over the years, the membership grew, and the church expanded its size and ministry.

By the 50th anniversary in 1965, various additions and renovations had been made, and the church would soon enter its most vibrant period.

Mr. Speaker, in 1972 Rev. John H. Meyer was installed as pastor, and he has been there for the past 18 years. During this time, the church has become a cornerstone in community involvement, and a number of civil groups use the church buildings and Fellowship hall as a home for their meetings.

The church is the home of the Blanton-Piele Counseling Center, one of the Nation's oldest and most respected church-affiliated therapeutic services. The church is also involved in the arts, and sponsors music and theatre series. Support for culture is an ongoing priority.

The church is a haven for children, offering Sunday school, nursery school, an after-school program, and a young group.

Mr. Speaker, the Community Church of Douglaston has become a landmark in the region for its openness and warmth. Its devotion to the spiritual health of the community, as well as to culture, civil pride, and education has made all our lives better ones for the past 75 years.

KILDEE SALUTES FLINT HISPANIC AWARDS CEREMONY

HON. DALE E. KILDEE

OF MICHICAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. KILDEE. Mr. Speaker, it is with great pride that I rise today to pay tribute to the Hispanic awards ceremony that will be held in Flint, MI, on Sunday, September 16, 1990.

Every year the Hispanic community of Genesee County holds an awards ceremony in conjunction with National Hispanic Heritage Month to recognize outstanding members of the community. This year's awards ceremony, which is sponsored by local community volunteers, business merchants, the Spanish Speaking Information Center and the International Institute, will honor citizens who have contributed selflessly in the areas of service, leadership, education, and labor. With festivities that include the ceremony followed by a dance, the celebration will focus on the myriad accomplishments of the growing Hispanic population whose culture and ideas will be a positive shaping force for our great Nation throughout the next century.

The four awards presented this year will honor those individuals who have made the community a better place to live. The Pedro Mata Leadership Award which recognizes those who identify opportunities, provide encouragement, and support the local community will be given to Larry Cuevas for his outstanding contributions in these areas. The Tano Resendez Award for Service, which acknowledges those who have dedicated personal time and effort to civic and cultural activities, will be presented to Frank Barrera who has worked tirelessly to benefit his community. The Joe Benavides Education Award will be given to Margarita Calvo who has devoted extra effort to support the educational needs of Hispanics. Finally, in addition to these three awards, the United Auto Workers will honor Arturo Reyes who has advocated and promoted the rights of all American workers.

All four recipients, Larry Cuevas, Frank Barrera, Margarita Calvo, and Arturo Reyes, are outstanding role models for all youth of every background and ethnic heritage.

Mr. Speaker, I take great pride in commending the Hispanic Community of Flint for their excellent work in promoting Hispanic culture and ideas and I congratulate them all for their tremendous accomplishments.

ALICE GARRETT RECOGNIZED FOR EXCELLENCE IN TEACHING

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. PRICE. Mr. Speaker, I rise today to pay tribute to a distinguished educator in my district, Alice Garrett, who was recently recognized for her outstanding contributions to classroom education.

Mrs. Garrett, an American history and African-American studies teacher at Athens Drive High School in Raleigh, NC, was the recipient of the National Council of Negro Women's Southeastern Regional "Excellence in Teaching" award. This award was presented to teachers displaying excellence in their profession and encouraging superior achievement among African American Students. Mrs. Garrett is among the first to receive this award, which was presented as part of the National Black Family Reunion Celebration held here in Washington, DC, last week.

Mrs. Garrett's achievements have had a tremendous impact upon her students and community. In the classroom, she has incorporated an African-American studies program into her American history curriculum. Mrs. Garrett has used this program—entitled "A Great Legacy"—to provide her students greater insight into black culture and its impact upon the development of our Nation.

Mrs. Garrett has also developed and implemented an annual countywide program saluting minority educators in our area. She designed this program to address the growing teacher recruitment and retention problems in North Carolina and has used it to encourage more minority students to enter the field of education.

Mrs. Garrett is truly the kind of educator we need in today's changing society. Her ingenuity and dedication have helped her students to reach new heights culturally and educationally. I congratulate her upon the receipt of this richly deserved honor.

H.R. 5416

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. JACOBS. Mr. Speaker, the following is the text of H.R. 5416:

H.R. 5416

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. NULLIFICATION OF PAY RAISES.

(a) NULLIFICATION OF COMPARABILITY ADJUSTMENTS.—Effective as of the first day of the first applicable pay period beginning on or after the date of the enactment of this Act, and until adjusted by or under law, the rate of pay for each office or position under subparagraphs (A) through (D) of section 225(f) of the Fedreal Salary Act of 1967 (2 U.S.C. 356(A)-(D)) shall be the rate payable for such office or position as of November 1, 1989.

(b) REPEAL OF 25 PERCENT INCREASES.—Section 703 of the Ethics Reform Act of 1989 is repealed.

(c) CLARIFYING PROVISIONS.—Nothing in this section shall have the effect of reducing the pay of any individual whose compensation may not, under section 1 of article III of the Constitution of the United States, be diminished during such individual's continuance in office.

(d) CONFORMING AMENDMENTS.—The last sentence of section 603, and the last sentence of section 804(f), of the Ethics Reform Act of 1989 are repealed.

SEC. 2. CONTINUATION OF CURRENT ADJUSTMENT METHOD.

Section 704 of the Ethics Reform Act of 1989 is repealed.

TRIBUTE TO JAY DAVID WATSON

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. LAGOMARSINO. Mr. Speaker, I rise today to pay tribute to Jay David Watson of Santa Barbara, who recently retired after a long and distinguished career in public service.

Dave is a native of Santa Barbara and a 1931 graduate of Santa Barbara Teachers College. In that year, he joined the Santa Barbara County Auditor's staff as deputy auditor. He worked his way up through the ranks to become the county purchasing agent in 1950, and in 1956, he became the county's first administrative officer, retiring in 1968 after 33 years of service.

Like many of his generation, Dave saw service in World War II, serving 4 years in the Pacific Theater with the U.S. Navy. He retired from the Naval Reserve at age 60 with the rank of commander, having served 43 years.

In 1969, he was appointed president of the board of trustees of the Goleta Cemetery District, a nonpaying position. During 21 years on the board, he has been responsbile for many programs directed at making the district a professional and respected government agency, able to serve the needs of Santa Barbara residents for many years into the future.

Dave is also active in the Presbyterian Church, serving 1 year as administrator. All told, Dave's service to his community totals an astounding 109 years—a remarkable record of public service.

Mr. Speaker, on behalf of the U.S. House of Representatives, I join with Dave Watson's fellow citizens in commending and congratulating him for his services to the Santa Barbara community, and in wishing he and his wife, Marian McCandless, with whom he has just celebrated their 59th wedding anniversary, a happy and rewarding retirement.

THE ENERGY SECURITY CONNECTION: NUCLEAR ENERGY DISPLACEMENT OF FOREIGN OIL

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. DANNEMEYER. Mr. Speaker, with the price of gas going up at the pumps and with the threat of a possible oil supply interruption as a result of the serious situation in the Middle East, it would appear at first blush that not many things have changed since the first energy crisis in the early 1970's.

We still do not have a coherent national energy strategy. We are still overly reliant on imported oil. And we are still highly vulnerable to the oil politics in the Middle East.

In the midst of these hard realities, there is some good news in the energy area—that is the important role that the growth in nuclear energy has played in reducing United States and world dependence on imported oil. A recent analysis by the Science Concept, Inc., commissioned by the U.S. Council on Energy Awareness, sheds new light on nuclear energy's energy security connection and its displacement on foreign oil.

Among the findings of the report are:

Since 1973, nuclear energy has displaced a total of 4.3 billion barrels of oil in the United States;

To date, our investment in nuclear energy has saved the United States $125 billion in foreign oil payments;

Nuclear energy has played a major role in weaning our domestic reliance on oil for electrification. Use of oil for electricity has been reduced to 5.6 percent of total U.S. electrical output, down from doubled-digits in the 1970's; and

The report does note that oil use for electric generation has been increasing since 1988, a trend that should concern all of us.

This report is convincing evidence both for a national energy strategy that promotes an expanded role for our domestic energy resources and for a strong role for nuclear energy in any national energy strategy.

I commend to my colleagues the text of the Science Concept report:

THE ENERGY SECURITY CONNECTION: NUCLEAR ENERGY DISPLACEMENT OF FOREIGN OIL

(By Science Concepts, Inc.)

EXECUTIVE SUMMARY

Principal Conclusions

Nuclear energy has played a major role in reducing U.S. and world dependence on imported oil. Nuclear energy has allowed utilities to shut down or idle oil-burning power plants, and eliminated the need to build new oil-fired plants to meet the growth in electric demand.

In the U.S., this trend is now in jeopardy. Since 1988, oil use for electric generation has been increasing. If all existing oil-fired capacity were put into service to meet rising electric demand, U.S. oil imports would rise by nearly 3 million barrels per day.

For the United States:

Since the 1973 Arab oil embargo nuclear energy has directly eliminated the need to

import a cumulative total of 4.3 billion barrels of oil. Every day, U.S. nuclear plants displace 740,000 barrels of imported oil.

The investment in the nation's 112 licensed nuclear plants has, so far, saved the United States $125 billion in foreign oil payments.

For the world (including the U.S.)

Since 1973, nuclear energy has displaced a total of 15.5 billion barrels of oil, with virtually all of this representing a loss to OPEC.

The world's investment in 428 operating nuclear plants has, so far, eliminated a cumulative total of $420 billion in oil purchases.

Nearly 6 million barrels per day of oil are now displaced by nuclear energy worldwide, equal to one-third of Persian Gulf oil production. This reduction in oil demand is half again as much as the 4-million-barrel-per-day output from the North Sea.

This analysis is based on a detailed retrospective evaluation of all the fuels (coal, oil and natural gas) that would have been used to generate electricity if nuclear energy plants had not been built. The analysis removes nuclear electricity from the electric supply picture, then considers practical and available alternative fuels for electricity generation. The analysis totals the volume of all the fuels that would have been used each year since 1973, in a regional basis for the U.S. and for each nation worldwide.

I. INTRODUCTION

Until recently, lower oil prices and stability in the Middle East eroded public recognition of the hazards of growing reliance on imported oil, and the importance to national security of assured, domestic sources of energy.

With U.S. oil imports rising and reaching 50 percent of demand this year, attention will return, as it has after each oil crisis, to the question: "How can the U.S. reduce its growing reliance on oil imports?"

Because the U.S. is, for geological reasons, a mature, largely exhausted oil province, and because our appetite for oil greatly exceeds domestic oil production, the U.S. has been an importer for nearly 40 years. Thus, any actions that reduce oil use directly reduce oil imports.

There are three ways to reduce oil imports: (1) produce more domestic oil from available but limited resources: (2) improve the efficiency of oil use in situations where oil must be used; and (3) replace oil with other domestic fuels. Clearly, the U.S. needs to pursue all reasonable technologies or activities that can accomplish any of these while meeting basic economic and environmental criteria.

This analysis addresses the role of nuclear energy in replacing oil in electricity generation. In 1989, oil was used to produce only 5.6 percent of total U.S. electrical output. This low national reliance on oil for electricity generation is largely a consequence of the construction of new non-oil-fired power plants. Without nuclear energy plants, oil use for electricity generation in the U.S. would be substantially higher today.

II. SOURCES OF NEW U.S. ELECTRICITY SUPPLY SINCE 1973

From 1973 to 1989, the direct (i.e., non-electric) use of energy declined by 4 percent.[1] During the same period, however, the consumption of electricity increased by 54 percent.[2] The U.S. consumed increasing amounts of electricity and decreasing amounts of oil. (GNP rose 51 percent during the same period.[3])

The growth in electricity demand from 1973 to 1989 required the equivalent output of 175 one-thousand-megawatt generating stations.[4] At the same time, the amount of electricity produced from existing oil-burning stations declined. Replacing the electric supply from this declining oil-fired production required the equivalent of 30 more one-thousand-megawatt generating stations.[5] Altogether, the equivalent of 205 new one-thousand-megawatt generating stations were needed to meet both new demand and to reduce oil use.[6] Between 1973 and 1989, 95 percent of all new electric supply came from coal and nuclear energy (59 percent and 36 percent, respectively).

As U.S. electric demand continues to grow, and with few new nuclear and coal-fired plants being built, utilities will increasingly turn to existing oil-fired generating capacity. The data suggests this is already occurring—oil use for electric generation rose from 546,000 barrels per day in 1987, to 731,000 barrels per day last year.

As the following table shows, some regions of the country remain very dependent on oil for current electricity needs. The table also shows how much of each region's electricity needs would be oil-fired if all the existing oil-fired capability were put into service. This contrast between actual oil use and potential oil use shows that oil-fired units have, literally, been put on the "back burner" because of new non-oil capacity built since 1973. It also illustrates the potential for increased oil use by utilities. If all existing oil capacity were put into service, U.S. oil imports would rise by 3 million barrels per day.

1989 OIL-FIRED GENERATION COMPARED TO OIL-FIRED CAPACITY

Geographic region	NERC region	Actual dependence on oil for electric supply (1989%)	Oil share of total installed generating capacity (%)
East Central	ECAR	0	4
Texas	ERCOT	0.2	13
Mid-Atlantic	MAAC	8	24
Mid-America	MAIN	0.2	12
Mid-Continent	MAPP	0.4	12
Northeast	NPCC	28	46
Southeast	SERC	3	13
Southwest	SPP	0.1	25
Western	WSCC	0.4	24
Total United States	(See map next page) [1]	5.6	19

[1] Map not reproducible in the Record.

III. HOW OIL IS DISPLACED BY NUCLEAR ENERGY

In some simple and isolated cases, the construction of a nucler plant directly and completely displaces only oil. This would have been the case on Long Island, N.Y., with the Shoreham nuclear power plant. Normally, however, the absence of nuclear capacity would have been made up from a mix of fuels. The model on which this analysis is based considers the probable mix of fuels that would have been used year by year—in the U.S., region by region; in the world, country by country.

To avoid biasing the analysis towards oil use, the model treats oil as the fuel of last resort in virtually all cases.[7] To replace the electricity that would be lost without nuclear energy, the analysis assumes that energy sources would be used in the following order of priories to the maximum extent available in each region and year considered: Hydro power, coal-fired units, expanded use of existing coal-fired units, completion of cancelled coal-fired units, gas-fired steam units, expanded use of existing gas-fired units, oil-fired steam units, expanded use of existing oil-fired units, gas-fired turbines, and oil-fired turbines.

This analysis assumes the maximum reasonable utilization of coal capacity before bringing in new oil and gas capacity. The analysis also takes into account the fact that no additional gas could have been used for electrical generation prior to 1983 because the Power Plant and Industrial Fuel Use Act restricted the use of gas in utility boilers. After 1983, a deliverability surplus of natural gas could have contributed to electrical supply. These amounts are allocated to each region where required according to the maximum quantities of natural gas that could have been available in the region.

In addition to direct displacement of oil in electric generation, this anaylsis also includes oil displaced by nuclear electricity in end-use heating applications. Electricity is a competitive fuel for many residential, commercial and industrial heating needs due to the much higher efficiency with which it can be used.[8]

A conservative estimate of the amount of oil displaced by electricity in the marketplace can be derived from considering only space heating applications. About 15 percent of all electricity consumed is used for heating. Thus, in 1989, 15 percent of the nuclear electricity was (on average) used for heating purposes. One-half of this heat would typically be provided by oil if electricity were not available.[9]

IV. U.S. OIL IMPORTS DISPLACED BY NUCLEAR ENERGY

This analysis finds that the nuclear energy's contribution to national security has been substantial. Nuclear energy eliminated the need to import 270 million barrels of oil in 1989, and a cumulative total of 4.3 billion barrels of oil between 1973 and 1989. This contribution will continue to grow over the 30- to 40-year operating life of most nuclear power plants. The analysis also identifies a cumulative displacement of 1 billion tons of coal and 6.5 trillion cubic feet of natural gas since 1973.

The cumulative $140-billion investment in 112 licensed nuclear plants in the United States has already eliminated a cumulative total of more than $125 billion of foreign oil payments (constant 1989 dollars). This benefit will continue to mount since nuclear U.S. plants will operate for years to come and ultimately deliver four times as much energy as they have already supplied. The strategic and economic benefits can be continued even further if nuclear plant operating licenses are renewed.

As the following data and figure illustrate (figure not reproducible in the Record), most of the oil displaced by nucler power is in the three eastern regions of the United States: over 80 percent of the 4.3 billion barrels of oil displaced between 1973 and 1989 is in three regions: NPCC (New York and New England), MAAC (Mid-Atlantic) and SERC (Southeast).

Footnotes at end of article.

AMOUNT OF FUEL DISPLACED BY NUCLEAR ENERGY IN THE GENERATION OF ELECTRICITY

[By NERC region: 1973–89]

NERC region	Coal displaced (million tons)	Gas displaced (billion cubic feet)	Oil displaced (million barrels)
ECAR	132	37	80
ERCOT	2	71	80
MAAC	68	672	817
MAIN	256	160	342
MAPP	106	40	250
NPCC	38	910	1,073
SERC	341	1,126	1,321
SPP	22	1,455	113
WSCC	37	1,985	301
Total United States	1,000	6,450	4,320

V. WORLD PERSPECTIVE: OIL DISPLACED BY NUCLEAR ENERGY

In 1973, over one-fourth of the world's electricity was produced by burning oil. By 1989, however, despite a large increase in electric demand, oil generated less than 10 percent of the world's electricity. Nuclear energy played a major role in this turnaround. In 1989, nuclear energy directly displaced almost 6 million barrels of oil per day, as well as a yearly total of 3.3 trillion cubic feet of gas and 200 million tons of coal. From 1973 through 1989, nuclear energy displaced the burning of a cumulative total of 15.5 billion barrels of oil worldwide and avoided $420 billion in oil purchases, mostly from OPEC.

As the following figure illustrates (illustration not reproducible in the RECORD), the United States was not the only nation to reduce its use of oil for electric generation—even as overall electricity consumption grew. The data below summarize the worldwide displacement of oil by nuclear energy. (For details of the analysis and information on other fuels displaced by nuclear energy, see "The Impact of the World's Electric Generation Sector and Nuclear Power on OPEC Oil Markets," Science Concepts, Inc., July 1989.)

OIL DISPLACED AND OIL PURCHASES AVOIDED BY NUCLEAR ENERGY WORLDWIDE, CUMULATIVE 1973–89

	Oil displaced (billion barrels)	Oil purchases avoided (billion 1989 dollars)
North America	4.8	139
Western Europe	6.4	195
U.S.S.R.	1.3	45
Rest of the World	3.0	43
World	15.5	420

REFERENCES AND NOTES

[1] DOE/EIA. *Monthly Energy Review*, April 1990.

[2] Based on utility sales.

[3] DOE/EIA. *Monthly Energy Review*, April 1990: $2.74 Trillion ($1982) in 1973, increased to $4.1 trillion ($1982) in 1989.

[4] Calculation based on a difference between 1973 and 1989 electricity generation of 920 billion kwh; an average capacity factor of 60%; 5.26 billion kwhr/1000 MW.

[5] *Monthly Energy Review*, April 1990: A drop of 156 billion kwh in oil generation between 1973 and 1989.

[6] *1988 Capacity and Generation of Non-Utility Sources of Energy*, Edison Electric Institute, April 1990; Non-utility alternative sources include: biomass (primarily wood), waste, solar, and geothermal. Note that all these sources provide 27% of total non-utility generation. Total non-utility generation is 3% of total utility supply. This need for additional electricity supply could, in theory, have been met by means as varied as conventional fossil fuel capacity, wood burning, wind mills, additional hydropower, geothermal power and even solar power. The use of smaller, alternative power sources has expanded rapidly over the past decade making significant regional contributions. But even though alternative energy generation has increased dramatically, it still accounts for less than 2 percent of all electrical energy produced. Between 1973 and 1989, coal and nuclear energy provided 95%—59 percent and 36 percent respectively—of all new electrical supply. Coal and nuclear power have been the primary sources of all new electricity since 1973.

[7] Some oil-fired steam units are utilized in baseload operation before coal-fired units in the Southwest, Northeast and West.

[8] See, for example, the following Research Briefs from the Institute for Energy Analysis: *The Role of Electricity in Home Heating*, C.C. Burwell, D.L. Phung, February 1986; *The Role of Electricity in Glass Making*, C.C. Burwell, December 1985; *The Role of Electricity in American Industry: Update*, C.C. Burwell, June 1985; *Electricity and the Pulp and Paper Industry*, C.C. Burwell, May 1985; *Electric Steelmaking: Recent Trends and Future Constraints*, C.C. Burwell, May 1984.

[9] Calculation based on (529 million nuclear kwh) X (the fraction of electricity used for heat, 0.15) X (the proportion of electric heat displacing oil, 50%) X (the number of BTUs in a kwhr, 3412) X (the typical difference between the heating efficiency of electricity and burning oil, 3) divided by (the number of BTUs in a barrel of oil, 5.8 million).

KILDEE PRAISES FLINT HISPANIC COMMUNITY

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. KILDEE. Mr. Speaker, as a fitting tribute to Hispanic Heritage Month, I rise today to recognize the outstanding contributions of the Hispanic community in the city of Flint.

Continuing a rich tradition of civic participation, the Hispanic community of Flint continues to make tremendous contributions to the development of our city. Hispanic professionals have become important role models for our youth and have greatly added to the quality of life in Flint. With the diversity and wealth of their cultural heritage, the Hispanic community has woven a full and beautiful pattern into the fabric of every corner of my district.

The Hispanic community has enriched not only my district, but also the Nation as a whole. With important roles in government, the arts, education, labor, business, science, and every niche of society, the ever-growing presence of the Hispanic community is a vibrant force in America that is helping to shape the future of our great Nation.

It is truly an honor to recognize the Hispanic community and their outstanding efforts to promote cultural diversity and understanding. You are to be commended for your tremendous accomplishments.

A CONGRESSIONAL SALUTE TO CRAIG R. NEALIS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding public servant and leader in Bellflower, CA. On Friday, September 14, 1990, former Bellflower deputy city administrator Craig R. Nealis will be honored for his 6 years of service to the community. This occassion gives me the opportunity to express my deep appreciation for his many years of service to Bellflower, and the rest of the South Bay area.

In 1984, Craig first began his employment with the city of Bellflower as an administrative assistant. During his 2-year tenure in this position, he displayed his ability to accomplish challenging tasks with great efficiency. In March of 1986, he was promoted to assistant to the city administrator, and later in 1988, he was promoted to the position of deputy city administrator. His role in this position has been unsurpassed. Craig has been extremely beneficial in negotiating and administering city contract services, refuse collection, and public transportation. The numerous government and corporate entities that have had the pleasure of working with Craig, can attest to his outstanding ability and competence. It is his good-natured attitude and proficiency that Bellflower will have a difficult time replacing.

As is so often the case with qualified and competent employees, Craig's services are in great demand. He will leave the city of Bellflower to accept the position of city manager for the city of Rolling Hills. I am confident that Rolling Hills will find in Craig Nealis the same commitment to goal accomplishment and public service that he displayed in Bellflower.

On this special and most deserving occasion, my wife Lee, joins me in extending our heartfelt thanks and congratulations. We wish Craig, his wife Alice, and their new son Brian, all the best in the years to come.

WHY AREN'T WE USING THE IRAQI CRISIS TO SPEED THE DEMILITARIZATION OF EUROPE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. STARK. Mr. Speaker, the peace dividend from the end of the cold war is oozing away into the sands of Saudi Arabia.

Why didn't we use this crisis to move troops and whole divisions of prepositioned tanks from Europe to Saudi Arabia?

We could have used the crisis to work with the Soviets for a speedup in the withdrawal of weapons from NATO and the former Warsaw Pact countries.

Instead of shipping tanks from all points of the United States, we could have used the tanks in reserve in Europe along with some of the 7th Army's two tank divisions and two mechanized infantry divisions.

I have a feeling we have been flimflammed by the Pentagon. They now have a new reason for spending more money in a new theater without diminishing spending in the European theater.

The Pentagon is having its C-rations and eating it too.

Meanwhile, on the homefront budget war, the administration has proposed budget cuts that would destroy the Medicare program.

ALICE GARRETT RECOGNIZED FOR EXCELLENCE IN TEACHING

HON. DAVID E. PRICE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. PRICE. Mr. Speaker, I rise today to pay tribute to a distingushed educator in my district, Alice Garrett, who was recently recognized for her outstanding contributions to classroom education.

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Mrs. Garrett's achievements have had a tremendous impact upon her students and community. In the classroom, she has incorporated an African-American studies program into her American history curriculum. Mrs. Garrett has used this program—entitled "A Great Legacy"—to provide her students greater insight into black culture and its impact upon the development of our Nation.

Mrs. Garrett has also developed and implemented an annual countywide program saluting minority educators in our area. She designed this program to address the growing teacher recruitment and retention problems in North Carolina and has used it to encourage more minority students to enter the field of education.

Mrs. Garrett is truly the kind of educator we need in today's changing society. Her ingenuity and dedication have helped her students to reach new heights culturally and educationally. I congratulate her upon the receipt of this richly deserved honor.

IN SEARCH OF THE SILENT MINORITY

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. CLAY. Mr. Speaker, many times our efforts to overcome racism and discrimination are hindered by blindness and denial. The things we have achieved are overshadowing the things we have yet to achieve in this great struggle. Although we have made progress, we still have a long ways to go before we will be able to sit down together at the table of brotherhood and every man will be judged by the content of his character and not by his race, color, religion, or creed.

I submit the following article for the study and review of my colleagues and any one who is questioning the reality of racism:

[From the St. Louis American, Aug. 23-29, 1990]

IN SEARCH OF THE SILENT MINORITY—WHY ST. LOUIS HAS SO MUCH TROUBLE WITH VIRVUS JONES

(By Ray Hartmann)

I have this theory about how white people in St. Louis view blacks. It's not a very popular one.

White people here like their blacks quiet.

The unwritten expectation is that blacks should accept as "progress" the various gains that were achieved during the civil rights movement of the '60s. Most everyone agrees that equality is good and that discrimination is bad, that people shouldn't be judged by their color and that no one should tolerate overt, violent acts of racial intimidation or oppression.

Thus we "come together," white and black as one, all misty-eyed, in our condemnation of cross burnings and other hate crimes. We sit together on task forces, blue-ribbon committees, compendiums, coalitions and special meetings in general, to pledge our commitment to racial justice and harmony. C'mon people now, smile on your brother. We can change the world.

One thing doesn't change, though. We, the white people, however goodhearted, prefer our black friends to be quiet.

You see, when black people are quiet, tiresome racial issues don't get raised. We don't have to read or hear, ad nauseam, about allegedly racist remarks and allegedly racist hiring practices and allegedly racist this and allegedly racist that.

White people in St. Louis tire quickly of these stories. Most of them want, in their heart of hearts, not to be racist. They want to like black people, or at least get along with them without incident, but it makes them crazy to be expected to tolerate racial quotas, busing or acts of "reverse discrimination."

I hear it all the time. Life has become intolerably unfair to white people, they say. You have to walk on eggshells all the time, giving special treatment to blacks being very, very, very, careful what you say about them and how you hire them and how you fire them.

The pendulum has gone too far, these white people say. What they don't say but might as well say—is this: "please be quiet, black people. Thank you."

The last thing St. Louis needs is for black people to be quiet. No, make that the next-to-last thing. The last thing St. Louis needs is for whites or blacks to pretend that history never took place and that somehow we can wave a magic wand and make things equal, starting now. This simply can't be done.

Right here and now, in 1990, the deck remains outrageously stacked against black people. A typical black child born in St. Louis today is born into a statistically provable disadvantage relative to his or her counterpart in any area you can name: income, housing quality, transportation, educational opportunity, job opportunity, etc.

Our society may be inching toward bridging the miles of inequality that separates the races, but there is simply no denying that in the race between races, we are employing two very distinct starting lines.

If we really believe in equality between races, the only explanation for the continuing disparities between whites and blacks is that the white majority continues to oppress blacks (and other non-white minorities) in the course of business as usual.

Whites in St. Louis dominate all levels of government, all major corporations, all major civic organizations and virtually any institution of any kind that has a true power to change or influence the status quo for the white majority. And it all happens with a velvet glove, without a single mention of "the white majority."

Only shock treatment can change this. Only such dreaded medicines as affirmative action—the act of actively rectifying past injustices—can begin to help this community, or any, other approach truly equal opportunity.

And those things can happen only if blacks have the inclination to be something other than quiet.

To me, the quintessential example of this is one Virvus Jones, the city comptroller whose reputation grows ever more villainous each day as The Black Guy Who Won't Be Quiet. Now that's not what white people call Jones, mind you. They call him a loudmouth and a trouble maker and (by false insinuations) a corrupt politician:

With tenacity never before seen in the coverage of local politics, the white media (never referred to as "the white news media") pound away at Jones, trying to make a meal out of every morsel that Mayor Vince Schoemehl's heavily populated public-relations team feeds them. If Jones buys a car under the statutory provision tht his job comes with a car, it's news. The other politicians' cars are never news. If the police and Jones negotiate a deal, it's "Jones' deal" and it's big news. Other deals, the ones cut every day by other politicians, don't even get mentioned.

Jones simply won't be quiet, and worse yet—in the view of the white majority—he actually has, as comptroller, a piece of the action. The white media—even those that have always extolled civil rights causes—simply are beside themselves over Jones' newfound ability to be an "obstructionist."

An obstructionist to what? To another Gateway Mall? To another Admiral? To another Arena real estate deal? to another Miss Universe pageant?

As comptroller, Jones has had the power to stand up to Schoemehl and others in the white majority (never referred to as "the white majority") on a wide range of issues, from cutting minorities a real piece of the stadium-construction pie, to fighting shameful handouts to the city's elite for the VP Fair to calling the major's bluff about City Hall layoffs, to giving the North Side a fair shake in receiving city services.

This power, incidentally, isn't Jones' creation. By definition of the City Charter, St. Louis has always had what is termed a weak-mayor form of government. That is, the mayor, comptroller and aldermanic president vote as a tripartite body (known as the Board of Estimate and Apportionment) on matters that in other cities would be sole province of a mayor.

Guess what form of government certain white people (including some at the city's liberal daily newspaper) would like to change?

Is it because Virvus Jones is a lousy comptroller?

No. He's just not a quiet one.

H.R. 5267, CABLE TELEVISION LEGISLATION

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Ms. SNOWE. Mr. Speaker, I was very pleased that the House adopted H.R. 5267, the Cable Television Consumer Protection and Competition Act. The Nation needs this well-balanced measure, because it will address a number of problems that have surfaced in the 6 years since the Congress enacted cable TV deregulation legislation in 1984.

Before 1984, cable TV operators generally had to negotiate franchise agreements with local and municipal governments in order to be able to distribute their programming to their subscribers. The 1984 act removed these obstacles with the hope that deregulating the cable TV industry would provide for more widespread coverage at lower prices to American consumers.

Regretfully, experiences have fallen far short of expectations. That's why the 101st Congress needs to enact H.R. 5267 before its final adjournment later this year.

The problems of reduced cable TV service levels coupled with steadily rising prices have taken place against a backdrop of rapid growth for the cable industry. The number of households subscribing to cable television programming has increased from 20 million in 1980 to 53 million in 1988. This means 57.8 percent of all households in America now have cable TV service.

Yet, while the number of people subscribing to cable television has increased dramatically, prices for the industry's services have not declined. In fact, they have increased, and at a breathtakingly quick pace.

For example, although the national inflation rate in 1988 was only 4.4 percent, cable television rates increased 10.6 percent. That represents a price increase of roughly 2½ times the rate of inflation for that year.

More recently, in a 1989 report, the General Accounting Office (GAO) found average cable subscriptions had increased by almost 29 percent since 1987.

And to those who might be wondering why the Congress would consider legislation imposing new regulatory requirements on an industry that was deregulated only 6 years ago, the answer is straightforward: lack of competition.

Some 97 percent of homes have no choice in their cable TV company. Indeed, a total of four cable systems control 43 percent of the national cable TV market. Monopoly cable TV contracts are the rule, not the exception.

For quite some time, I have been getting phone calls and letters from frustrated constituents in Maine who have watched as the level of their cable service was reduced while, at the same, it got more expensive.

And while cable service may be more prevalent in urban areas, due primarily to the fact that wiring cities is cheaper than rural settings, those Maine consumers who can find cable service usually have far fewer channels to select from. Not coincidentally, these same subscribers suffer the brunt of higher prices for fewer services from cable operators.

Consequently, H.R. 5267 was drafted with an eye towards addressing may of these problems. For example, it establishes a basic level of cable TV service that cable operators can offer to subscribers, and provides the Federal Communication Commission [FCC] with the authority to regulate the maximum price that can be charged for these basic services.

Those cable systems that charge unreasonable or abusive rates for their programming services should be forewarned. H.R. 5267 gives the FCC the ability to take action against these operators.

Some cable systems suddenly stopped broadcasting a local public television station's programming. The cable system operator did this despite the fact that a significant number of their viewers enjoyed watching the public television's programs. I know, because many of those same viewers contacted my office expressing opposition to the cable system's decision. Yet, there was little recourse for these subscribers.

To prevent this from happening again in the future, H.R. 5267 requires cable systems to carry, as part of their basic service package, local commercial and public television programming. Under most circumstances, operators must also assign local public and commercial television stations to the same channel locations on cable TV systems that these programs are broadcasted on over-the-air.

For those people who spent thousands of dollars buying home satellite dishes in order to better receive television programming, H.R. 5267 requires cable TV operators to make their broadcasts directly available for private viewing. This will be of particular help to rural States, like Maine, where home satellite dishes can frequently be seen by simply driving through small towns all over the State.

And to help cable TV consumers, H.R. 5267 requires the FCC to establish Federal customer service standards for cable systems. These regulations will encompass cable system office hours, the capacity to field customer service requests and complaints, services installation and disconnection standards, and customer rebates or credits for service outages or interruptions.

For consumers who have watched their service levels suffer while their prices simply increase every year, these provisions will be especially helpful.

The broad, bi-partisan support this modest measure generated is evidenced by the fact that it was also adopted by the House Energy and Commerce Committee in a voice vote. By easily adopting H.R. 5267, Members across the country are reflecting the dissatisfaction of their constituents with current cable conditions.

Nonetheless, Mr. Speaker, its unfortunate that we found it necessary to consider legislation imposing new regulatory requirements on the cable television industry.

With the 1984 act, Congress gave the cable TV industry the regulatory structure the industry said they needed, and that would permit satisfactory and affordable service. Yet, the experiences of recent years simply proves that the cable TV industry abused the freedoms from regulation that it had been granted.

In closing, I commend all of my colleagues in the House who joined with me in supporting this much-needed measure that will bring relief to millions of American consumers who enjoy watching cable TV programming.

MARGE McDONALD: PROFILE OF AN ACTIVIST

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. LEHMAN of Florida. Mr. Speaker, in south Florida we are fortunate to have many committed and dedicated civic leaders. However, even in this talented group, Marge McDonald has always stood out.

Marge and her family have had a special relationship to North Dade, and to North Miami Beach in particular. She is a former city council member and Mayor; her late husband, Bill, preceded her as mayor. Marge is a "people person" and an innovator who constantly looks for ways to get people involved. She is a leader who has never been afraid to stand up for what she believes is right. Marge McDonald is a major reason Robert Sharp Towers, where she is resident manager, is one of south Florida's finest senior citizen housing complexes.

Mr. Speaker, I would like to share with my colleagues a profile of Marge McDonald which appeared in Senor Citizen News, the official newspaper of the National Council of Senior Citizens.

PROFILE OF A SENIOR ACTIVIST: MARGE McDONALD

When you hear a group of Florida senior citizens singing, "Margie, I'm always thinking of you, Margie"—an occurrence that undoubtedly takes place far more often in South Florida than in other parts of the country—you can be sure that Marge McDonald is on the scene. To call long-time NCSC member Marge McDonald a "Senior Activist" is kind of an understatement—like calling Nolan Ryan a baseball player, or Joe Montana a football player.

Marge McDonald is the resident manager of the Robert Sharp Towers, a showcase senior citizen housing complex operated by the NCSC Housing Management Corporation. The high-rise apartment complex, complete with spacious swimming pool, has become a showplace in North Miami Beach. And its manager has become kind of a "Mrs. Senior Citizen" for the northern part of Dade County.

When the housing project was first proposed in the 70s, there was a lot of neighborhood opposition. Many residents feared that a high-rise building for senior citizens would "ruin the neighborhood and bring down property values." Marge was then on the North Miami Beach City Council, and she led the way in making the case that the Towers would enhance the neighborhood, not deterioriate it. Her arguments prevailed and Sharp Towers was opened for occupancy in 1979.

Not long after that, violent Hurricane David hit South Florida. Due to the planning and leadership of Marge McDonald, not only did the occupants of the Towers ride out the hurricane safe and sound, but Sharp Towers provided a haven from the

winds for some of the people who had been against the project. By now, the buildings have become a proud landmark of North Miami Beach.

Marge McDonald's activism is two-pronged: (1) as a major political figure in her community; and (2) as an innovative motivator of senior citizens.

In her political life, she has been a key supporter of the late Claude Pepper and an organizer of senior voters, and she has been Mayor of North Miami Beach, as well as a member of its City Council.

As manager of Sharp Towers, she saw to it that its residents and the staff became a family. They wrote and produced plays. They organized a chorus that sang to many groups outside the Towers. They held bake sales and other events to raise funds for their swimming pool, one of the first to be constructed by residents of Section 202 housing. There were classes and crafts and hobby projects. That was just the beginning.

The staff and the residents arranged to have a dining room where residents could enjoy wholesome meals cheaper than they could cook for themselves. They could invite guests and avoid the loneliness that afflicts so many of the elderly. Observers who admire the community life at Sharp Towers say it didn't just happen: it came about because of the energy and organizing talents of Marge McDonald.

Marge McDonald is more inclined to talk about what she is going to do in the battle for national health care than to recall her life history, but, with a little patience, an interviewer can find out that she was raised in Springfield, Massachusetts, and attended Westfield Teacher's College. She married William McDonald in 1933. They had two children. He worked at Westinghouse, and when he retired in 1955, they came to Florida.

By 1962, Bill McDonald had been elected Mayor of North Miami Beach. After his term expired in 1969, they spent some time traveling and enjoying a relaxed retirement but, by 1969, the political bug had struck Marge and she ran for the City Council. She won, and a few years later she was elected Mayor. She left the post in 1987. She has managed Sharp Towers since its opening in 1979.

A widow for 12 years, she has a daughter who is an educator and a son who is an engineer. A granddaughter has just acquired her M.D. and is interning in Michigan. Grandma McDonald hasn't slowed down yet, and a lot of senior citizens in Dade County still find cause to sing, "* * * I'm always thinking of you, Margie."

PRO-LIFE CANDIDATES DO WELL IN PRIMARIES

HON. CHRISTOPHER H. SMITH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. SMITH of New Jersey. Mr. Speaker, earlier today I addressed our colleagues to discuss the results of this past Tuesday's primary elections. I believe that the following summary, prepared by the National Right to Life Committee, provides some very interesting information and am, therefore, inserting it for our colleagues' perusal.

PRO-LIFE CANDIDATES FARE WELL IN MINNESOTA, WISCONSIN, NEW HAMPSHIRE

Pro-life candidates did extremely well in the Minnesota, Wisconsin and New Hampshire primaries Tuesday, and had a mixed day in the Maryland primaries.

"Tuesday was a great day for unborn babies in Minnesota, New Hampshire and Wisconsin," said Darla St. Martin, associate executive director of the National Right to Life Committee. "Pro-life candidates won solidly in important races.

The surprise win in Minnesota is Jon Grunseth's victory over abortion advocate Arne Carlson, who had been polling more than 10 percentage points over Mr. Grunseth before volunteer pro-life efforts began a week ago. Mr. Grunseth received 50 percent of the vote to Carlson's 32 percent.

The Associated Press quotes Mr. Carlson, the pro-abortion loser, saying after his defeat: "The abortion issue played awfully big—much bigger than anyone expected."

Pro-life sentiment also prevailed in the Democratic primary. Incumbent pro-life Governor Rudy Perpich also fought off a challenge by a pro-abortion candidate—Mike Hatch.

Mr. Hatch ran full-page ads in Monday's St. Paul Pioneer Press and Minnesota Star-Tribune encouraging voters to vote for him "For a pro-choice Governor," but he only received 42 percent; Perpich received 56 percent.

Other Minnesota races in which the abortion issue played a key role:

In another surprise victory, 20-year veteran pro-abortion state Representative Mel Frederick was defeated by pro-lifer Dick Day.

Pro-abortion incumbent state Representative Nancy Bratass was nearly upset by pro-life challenger Patrick Codagelli in the 33rd District Republican primary. Ms. Bratass, who won by less than 200 votes, has been a leader of the pro-abortion forces in the Minnesota legislature.

Pro-life state Senator Gene Waldorf won his democratic primary over Tom Montgomery, who focused his campaign on abortion. Senator Waldorf received 64 percent of the vote to Mr. Montgomery's 36 percent.

State Senator Don Frank fought off a challenge by pro-abortion candidate Don Betzold in the 51st District.

In New Hamsphire, pro-life candidates also fared well. The highlights:

Pro-lifer Bob Smith soundly defeated NARAL-endorsed pro-abortion candidate Tom Christo to win the Republican nomination for U.S. Senate. Mr. Christo received 34 percent of the vote to Mr. Smith's 64 percent.

With 58 percent of the vote, pro-life U.S. Senator Gordon Humphrey defeated pro-abortion candidate Jack Sherburne for the Republican primary for a state Senate seat.

In a stunning defeat for pro-abortion forces, Republican state party chairman and pro-abortion state Senator Rhonda Charbonneau was defeated in her bid for a fourth term by pro-lifer Thomas Colantuono.

John King defeated Leona Dykstra to win the District 18 Republican nomination.

In Wisconsin, pro-life candidates did extremely well in primaries. The highlights:

Pro-life challenger Leon Vanevenhoven unseated pro-abortion incumbent Gary Schmidt in the 5th Assembly District Republican primary by a stunning 58-42 percent.

Pro-life leader and incumbent state Represenative Wayne Wood defeated NRAL-backed challenger Lew Mittness; abortion was seen as a key issue. Wood received 60 percent of the vote in the Democratic 44th Assembly District primary.

In open seats, Wisconsin Right to Life PAC-endorsed candidates defeated strong pro-abortionists in all but one race. The pro-life winners:

Pro-lifer Stephen Freese won nomination in the 51st Assembly District (A.D.) Republican primary.

Pro-lifer Eugene Hahn won the 80th A.D. Republican primary.

Pro-lifer Catherine Onsager won the 94th A.D. primary race.

Pro-lifer Stephen Nass won the 38th A.D. Republican nomination.

Pro-lifer Roger Breske won the 12th Senate District Democratic nomination.

The one pro-life defeat was Virginia Marschman, who lost an open seat bid against pro-abortion candidate Daniel Varkas, in the 31st A.D. race.

In Maryland, the results were mixed. Pro-life Congressman Roy Dyson won his democratic primary over pro-abortion candidate Barbara Kreamer by a 54-32 percent margin in the First District. The national NARAL group endorsed Ms. Kreamer in a national press conference on September 6, calling her "a solid supporter of . . . abortion."

In another pro-life win, pro-life Congressman Beverly Byron won the Democratic nomination in the 6th Congressional District over pro-abortion challenger Anthony Puca, who had made abortion a key issue and who was endorsed by NOW and NARAL.

Three pro-life state senators were defeated by pro-abortion challengers: Margaret Schweinhaut, Frank Shore and Frank Kelly. However, another who faced a stiff challenge, pro-life Democrat Leo Green, fought off pro-abortion candidate Terezie Bohrer in District 23.

Reporters note: Following is a a sampling of quotes from regional newspapers showing both the importance of the abortion issue in these races as well as the strength of pro-life voters.

QUOTES FROM REGIONAL NEWSPAPERS ON PRO-LIFE WINS IN MN, WI, NH, MD

Minnesota

If Perpich and Grunseth hold on to win, it will mark a major victory for abortion foes and an equally significant setback for abortion rights advocates. Page 1 (St. Paul) Pioneer Press, Sept. 12 AM edition (by Bill Salisbury, Pioneer Press staff writer).

Abortion foes may have swung key races. Headline, page 15A, (Minneapolis) Star-Tribune, Sept. 12.

This was supposed to be an election when abortion rights advocates proved that they had undergone a political reawakening, but it was the abortion opponents who demonstrated a newfound zeal Tuesday in supporting candidates who share their views. Lead graf of same story (by Dennis McGrath, Star-Tribune staff writer).

For example, Sen Nancy Brataas, IR—Rochester, an outspoken abortion rights advocate, squeaked to a 192-vote victory over an abortion opponent. Same story.

And in St. Paul's Senate District 66 DFL contest, where abortion rights activists and those who oppose abortion both targeted the race, Sen. Gene Waldorf, the incumbent who opposes abortion, was leading by about a 2-1 margin.

"The abortion issue played awfully, awfully big—much bigger than anyone expected," said [Arne] Carlson [pro-abortion candidate

defeated by pro-lifer Jon Grunseth]. Associated Press (Minneapolis), Sept. 12 (by Tom Kennedy, AP writer).

New Hampshire

Abortion was a key issue in the Colantuono-Charbonneau contest, as it was in several other state Senate races. Activists on both sides of the issue have targeted the 24-member Senate as the key battleground since the Senate narrowly passed abortion rights legislation. Page 1, (Manchester) Union-Leader, Sept. 12 (by Bill Talbot, staff writer).

In District 18, developer impact fees and abortion were issues voters considered in the Democratic race between state Reps. Leona Dykstra and John A King of Manchester.

King was victorious, with 1,982 votes to Dykstra's 1,636.

King, who opposed impact fees and characterized himself as "pro-life," garnered 55 percent of the vote.

Although personally opposed to abortion, Dykstra viewed it as a "personal, moral issue" in which the government should not intervene. Same story.

Early returns indicated that opponents of abortion rights were better organized. Reporter Adam Peterson, page 41, Boston Globe, Sept. 12 (by Adam Peterson, Globe staff writer).

Wisconsin

Anti-abortionists run strong in races for Assembly seats. Headline, page A5, Milwaukee Sentinel, Sept. 12.

An anti-abortion Republican Tuesday defeated a three-term pro-choice incumbent, Gary J. Schmidt (R-Kaukauna) in an upper Fox River Valley Assembly race as anti-abortion candidates ran strong in primaries. Lead graf of same story (by Neil H. Shively, Milwaukee Sentinel).

Leon J. Vanevenhoven, a Kaukauna real estate operator endorsed by Wisconsin Right to Life Inc., led Schmidt—58 percent to 42 percent—with 93 percent of the vote in. Same story.

Another anti-abortion Republican, Stephen L. Nass of Whitewater, ran up a 2-1 lead over Jacqueline J. Wood of Janesville for the GOP nod in the 38th Assembly District, where Rep. Margaret S. Lewis (R-Jefferson) is retiring. Same story.

Maryland

Kreamer's abortion rights stand has won her backing from the National Abortion Rights Action League and, more recently, EMILY's list, a national fundraising group for female candidates. Because of the abortion issue, the group broke with its policy of not endorsing challengers against Democratic incumbents. Congressional Quarterly Weekly Report, Aug. 25, 1990.

Anthony Puca, who is challenging Rep. Beverly Byron (D-6th), in the Democratic primary, said Thursday the time has come to make abortion rights a campaign issue . . . Mr. Puca has received the endorsement of the political action committee of the National Organization for Women . . . [and] the National Abortion Rights Action League. "Abortion Comes to the Forefront," Frederick (MD) Post, Aug. 17, 1990.

FEDERAL EMPLOYEE FURLOUGHS

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. OWENS of Utah. Mr. Speaker, I rise today to express my grave concerns about the budget resolution implications and impacts to Federal employees. After all the hearings and reports on the future of the Federal work force as we face significant worker shortages this next decade, I find it absolutely appalling that we are looking at a sequestration threat. This last decade has left the Federal sector in an unacceptable state of demise.

I was looking forward to this next decade where a commitment to excellence, and pride in service was going to be once again rewarded and valued in the Federal sector. I was looking forward to equity in pay and benefits. I was looking forward to attracting the best and the brightest to our technological future through Government research in the post cold war era.

I ask you how are we going to retain any type of quality in the Federal sector when their morale is toyed with every single October? Has the budget process become so burdensome, so complex, so overwhelming that the path of least resistance is to sequester over 3 million personal lives? Must we hold these employees hostage to their emotions each and every autumn?

I urge us all to get down to business. We must bring pride and service back to the Federal sector or we can expect more fiascos like the HUD and the S&L scandals. Federal employees deserve better. Taxpayers deserve better.

When it comes to a budget, I think Nike says it all. Nike is currently running an advertisement that has all of the excuses not to exercise and be active. After every excuse the ad proclaims "Just Do It." The last excuse in the ad is "I'm not strong enough" and it cuts to a wheelchair athlete going up a hill. I believe we in Congress can make up a myriad of excuses in an election year, but listen to the bottom line, "No Excuses—Just Do It."

A TRIBUTE TO THE IMLAY CITY HISPANIC SERVICE CENTER

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. KILDEE. Mr. Speaker, as our Nation celebrates National Hispanic Heritage Month, I am pleased to recognize the day long celebration being held in Imlay City, MI; on Sunday, September 16, 1990.

Local community volunteers, business merchants, and the Hispanic Service Center sponsor the event. Festivities include a parade, entertainment, and a special food fair. The celebration will focus on Hispanic accomplishments and culture. Hispanics now represent a significant percentage of the Nation's total population and the influence of Hispanic culture and ideas will continue to grow through the next century.

In Imlay City, the Hispanic Service Center plays a major role in enhancing the quality of life for Hispanics year round. Examples of the programs provided are immigration assistance, counseling, and outreach through home visits, translations, legal aid assistance, emergency food and shelter. They provide important role models for the community and youth.

I congratulate the Imlay City area for encouraging Hispanic awareness and culture. The Imlay City community recognizes the significant role Hispanics have played in the growth of this Nation. They are to be commended for promoting the diversity of culture that enriches our country.

A GOOD CABLE BILL, A GOOD FIRST START

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. STARK. Mr. Speaker, the House cable bill which passed on Monday was an example of the exemplary legislative abilities of the respective chairman overseeing this important consumer issue, Chairman JOHN DINGELL and Chairman ED MARKEY. They, along with Republican leaders NORM LENT and MATT RINALDO, deserve the lion's credit of establishing a good first step to restoring some sanity into the cable television industry. The measure had overwhelming bipartisan support, and deserves the President's approval, should the Senate pass a bill before the end of session.

I would, however, hope that when the House conferees join with the Senate conferees, they will give serious consideration of incorporating a provision which fosters the development of cable television alternatives like wireless and direct satellite broadcasting—currently included in the Senate cable bill—into the final version to be sent to the President. The Senate's cable bill includes a nondiscriminatory provision with regard to access to cable programming for cable television alternatives like wireless and direct satellite broadcast; the House Energy and Commerce bill, unfortunately, does not have a similar version.

Wireless cable and direct satellite broadcast systems are most impressive cable alternatives, and I am glad that new competition may soon be introduced to the cable industry in the East Bay Northern California area. Only with new, effective competition will cable prices be decided by the free market, rather than the politically-appointed Federal Communications Commission.

Effective competition in the cable industry will occur if and only if cable programming is available and provided at fair and reasonable prices. Since the national cable companies own the distribution rights to most cable programming—CNN, MTV, ESPN, Nickleodean, and so forth—they would be likely to prohibit the programming to wireless or direct satellite broadcast alternatives in order to kill or stall new, effective competition. Without access to fair, reasonably-priced cable programming,

cable alternatives will never progress, and millions of cable consumers will suffer.

I believe promoting effective cable competition can only be achieved at present through appropriate, constructive Federal legislation. Otherwise, new approaches may be necessary to introduce effective competition to the cable industry.

UNITED STATES POLICY IN THE PERSIAN GULF: THE STANCE AGAINST SADDAM HUSSEIN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. ANDERSON. Mr. Speaker, on August 3, after much storm and bluster, Iraqi President and dictator-for-life, Saddam Hussein, sent his armored legions streaming across the desert sands into tiny, neighboring Kuwait; crushing the small opposition standing in the way of his 1 million man army and more than 5,000 main battle tanks. This invasion has been universally condemned by the world community of nations as a violation of the conventions of international law. The United Nations has unanimously passed several resolutions declaring Mr. Hussein's action unlawful and backed that sanction up by approving an economic embargo, complete with the right to use military force to effect the embargo.

U.S. policy in the Persian Gulf region is twofold. Acting in concert with our allies and other United Nation member States, we seek to prevent further aggression on the part of Iraq and to remove Iraq from Kuwait. Toward those goals, the United States and our allies have stopped all trade with Iraq, frozen both Kuwaiti and Iraqi assets, set up a naval embargo of Iraq, and placed—at the invitation of the Saudis—significantly ground and air forces in Saudi Arabia. There are tens of thousands of U.S. troops in the Saudi desert today, mobilized by a massive airlift—the largest in history—and sealift operation. Joining the U.S. forces are toops and equipment from both Arab and European nations. Sailing just offshore, in the Persian Gulf, the Red Sea, and the Gulf of Oman, is a massive naval armada from several nations, intent on stopping any material aid from getting to Iraq and with the capability of launching crippling offensive strikes.

To support this costly, though eminently necessary, operation, the United States has sought financial assistance from Western European countries, Gulf-region States, as well as Japan and South Korea to offset both the cost of the military operation and the economic impact on poor countries around the world. The wealthy nations of the world have been forthcoming with billions of dollars in promised support. Saddam Hussein is not just an Arab concern, but a problem the whole world must solve. The U.N.-backing, and multilateral support, of this action is illustrative of this fact.

Some have been critical that the military burden has fallen most squarely on U.S. shoulders. That we carry a disproportionate military weight is not the result of America playing global policeman, but a reflection of our role as leader of the free world. Before some criticize our share of the common effort, we must ask ourselves if we would have it otherwise. The limited ability of countries like Germany and Japan to send their Armed Forces to the Persian Gulf is constitutionally imposed, a solution arranged by the United States after World War II. I do not believe we would like to see a resurgence of these countries' ability to extend their military might. Nor would we really want to see the Soviet Union enter into the fray with its tanks. The cold war is not that long past. The United States uniquely retains the capability to stop aggression and protect both our own and our allies' interests around the globe. Instead of being critical of that capability and its ensuing results, we should be appreciative. The United States has been the standard bearer of the free world since we entered World War II. The rest of the world looks to us to play this role. In the years to come, we may come to shift the weight of that responsibility to others, but in this day, the United States remains the only nation truly qualified to lead.

Clearly, this is a difficult and tense situation and one that may take a great deal of time to resolve. War is something that no man can want, yet I firmly support the President's actions in this matter. Naked and barbaric aggression cannot stand unchallenged. Yet, firm resolve does not necessitate war. The active hand of diplomacy still has much room to play. The pressure of the diplomatic embargo will work to this end.

The question then becomes; what do we do now? At this juncture, we have sufficient forces in place to repel any Iraqi aggression yet not the surety of armed might, or even the will, to forcefully remove Iraq from occupied Kuwait. The answer to the above question is that we wait, with patience and resolve, firm in our commitment and policy goals. We must reject the politics of "surrender or slaughter," politics that tell us we must fight now or just give up the task. We must also remember that a diplomatic solution, if structured correctly to meet our demands, is a victory equal to that gained by the force of arms. We have waited in the past, and our patience has been rewarded. I point to 45 years of commitment in Western Europe and 40 years of commitment in the Korean peninsula. The past has proven that peace is won through strength. Economic embargoes take a great deal of time to work. Yet, Iraq has no where else to turn. Should Saddam Hussein resort to the use of force, he will lose. In time, our position will prevail.

What, then, can we learn from this situation? While our action is not principally designed to insure the free flow of oil, it is true that we are very dependent on foreign oil to run our economy, importing 50 percent of our needs from abroad. Saddam Hussein must not be allowed to hold a knife to our economic livelihood. Moreover, this invasion should make us seriously reconsider our dependence on foreign oil and redirect our attention to the use of alternative energy sources. Right now, we simply cannot afford to ignore Hussein. Each military quirk and diplomatic statement rattles Wall Street and sends stocks, the dollar, and gold sliding along the price scales. By setting this country free of foreign energy dependency, which currently is only expected to grow, we solve this problem. We must take a hard look at all alternative energy sources, as well as strict conservation measures, in order to make ourselves energy independent.

Much as we dislike Hussein, we can examine the underpinnings of his power. Saddam Hussein is a strongman in a region and a country frustrated with its impotence. He represents strength and promise for a people infatuated with machismo and nationalism. Hemmed in by borders created by the British, defeated and bombed by Israel, hundreds of thousands of lives wasted in a war with Iran, Iraq is a country trying to assert itself against the limits of imposed borders, the West, the hated Israelis, and its own failure to succeed. Is it no wonder that Saddam Hussein wraps himself in the flag of Arab nationalism? Why should we be amazed by his support from some countries and people in the Arab world? Conversely, we should also not be surprised that Saddam Hussein has a personality cult around himself and employs a ruthlessly efficient security force that tolerates no dissent. The power of Saddam Hussein tells us that we must seek answers to the problems of regionwide peace in the Middle East. The phenomenon of Saddam Hussein tells us we must explore a peace based on mutual understanding, not the weight of military power.

Undoubtedly, this action will also force a reconsideration of the direction and depth of cuts in our defense spending. While we can still reduce the amount of money we spend defending Western Europe, the capabilities and weapon systems that give the United States the ability to defend its vital interests and deter aggression around the world are still critical, even in the post-cold war era. The aggression of Saddam Hussein should give us pause in our efforts to cut our armed services. Though we no longer have to fight the cold war, we may still have to fight smaller, hotter wars. Retaining the necessary military force to do so is critical for the long-term security interests of the United States and the free world.

In conclusion, I would like to reiterate my support for the President's actions. I applaud our fighting soldiers in the region. America stands behind them. I also extend my sympathy for those who have loved ones in the gulf, both in uniform and in the hands of Hussein. Your concern is the concern of the Nation.

THE VETERANS ENTREPRENEURSHIP PROMOTION ACT OF 1990

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. McDADE. Mr. Speaker, today as we witness the dissolution of the vast Soviet empire, today as we in Congress begin the task of reshaping our defenses, today as East-West relations move away from confrontation toward cooperation, today as we see more nations march toward democracy under the banner of newfound freedom, let us not forget for a moment those who have secured peace and our way of life for this and preceding genera-

tions. Isn't it ironic, Mr. Speaker, that when we talk about helping Americans, we seldom consider the Americans who have helped us—the men and women who have sacrificed, suffered, and bled for us. Mr. Speaker, these are the people I am here to help. Today, I am introducing, along with our colleague, Mr. MONTGOMERY, chairman of the Committee on Veterans' Affairs, legislation to help American veterans become more competitive in the world of business.

The United States has benefited immeasurably from the service of the over 27 million veterans who have made great sacrifices in the defense of freedom, the preservation of democracy, and the protection of our free enterprise system. Our country also has been enriched by nearly 3.5 million veteran-owned businesses which are contributing to the vitality and prosperity of the American economy by providing goods and services, revenues, and job opportunities. During this decade and beyond, hundreds of thousands of other veterans are expected to start small businesses. Most of these new business owners will come from among the over 8 million Vietnam-era veterans who are in that age group which generally produces the majority of new business starts. The veteran population is also expected to grow during this period as a result of global developments which will precipitate a reduction in U.S. military personnel around the world. These actions will also necessitate the closing of many domestic and overseas bases and, ultimately, result in the discharge of hundreds of military personnel. It is expected that, as these new veterans make the transition back to civilian life, many will choose the path of entrepreneurship and start small businesses. Despite this progress and a seemingly high number of veteran-owned concerns, research shows that veterans, particularly Vietnam-era veterans, have a low rate of business ownership in comparison to other groups. Ventures owned by veterans tend to be newer, smaller, and less secure financially than non-veteran-owned concerns. Although disabled veterans are nearly twice as likely to be self-employed as veterans who are not disabled, their inability to obtain capital results in low income levels and higher rates of business failure. Thus, it is in the national interest to remove all obstacles to the development and growth of veteran-owned small businesses.

Veterans have and always will merit the appreciation and special consideration of Americans. Our national policies express this. In May 1983, Supreme Court Justice William H. Rehnquist, in a decision reaffirming the special rights of veterans, said this:

> Veterans have been obligated to drop their own affairs and take up the burdens of the nation, subjecting themselves to the mental and physical hazards as well as the economic and family detriments which are peculiar to military service and which do not exist in normal civil life. Our country has a long-standing policy of compensating veterans for their past contributions by providing them with numerous advantages. This policy has always been deemed to be legitimate.

The majority of Federal programs to compensate and assist veterans have been focused primarily in the area of health care, educational benefits, and housing aid. While the Congress has acted to establish programs to assist veterans in many important areas, it has yet to provide them with something even more fundamental—economic opportunity.

Indeed, the role of government is to provide justice, preserve liberty, safeguard individual freedoms, and defend its citizens against tyranny of any kind. Yet, its duties must be viewed in a larger context. For, where possible, it should provide, not guarantee, opportunities to its citizens. Forrest P. Sherman once said this of opportunity: "No man can make his opportunity. He can only make use of such opportunities as occur." The bill I am introducing today provides an opportunity that has eluded veterans until now. Specifically, this legislation would create opportunities for veteran-owned small businesses to become suppliers of needed goods and services to the Federal Government through access to contract award opportunities in the $180 billion Federal market. The purpose of this legislation is to promote and assist the creation, development, and growth of small businesses owned by veterans, including those who are women and minorities.

Mr. Speaker, I have appended to this statement the bill and a section-by-section analysis. However, I believe it important to briefly summarize the main provisions of this legislation for my colleagues. First, it would create the Veterans Business Opportunity and Development Assistance Program, a Government-wide procurement program to assist eligible veteran-owned small businesses to receive Federal Government contracts. The bill would establish an annual Government-wide procurement goal for veteran-owned small businesses of 5 percent of the total dollar value of all prime and subcontract awards. Veterans who have been honorably discharged and who own and control on a daily basis at least 51 percent of a small business that is at least 1 year old would be eligible to participate in the procurement program. The legislation would empower the U.S. Small Business Administration to enter into contracts with other Federal agencies to perform construction work or to furnish articles or services needed by the Government. In the capacity of prime contractor, the SBA would subcontract the work to be performed to a veteran-owned small business eligible to participate in the program. A firm would participate in the program for up to 5 years, spending not more than 3 of these in a developmental stage and not more than 2 in a transitional stage. During each stage, a firm would receive various types of assistance—financial, technical, managerial, and marketing—to help it achieve its business goals and develop competitive skills. A program participant would be required to submit an annual business report detailing his firm's contract performance capabilities. This profile would be distributed to the various purchasing agencies of the Federal Government to assist in identifying contract opportunities for veteran-owned businesses. A veterans business counselor would be assigned to each program participant to aid in meeting business plan targets and goals.

Second, the legislation recognizes that the availability of adequate capital for business startup and expansion remains an obstacle to the development and growth of veteran-owned small businesses. It addresses this problem by establishing within the SBA a guaranteed loan program for these concerns. The SBA would also be directed to study methods to reduce costs incurred by veteran-owned small businesses in applying for and securing loans and report findings and recommendations to the President and the Congress.

Third, veteran-owned small concerns would be eligible to participate in all SBA programs which provide entrepreneurial training, counseling, and management assistance. Funds would be authorized for the SBA to make grants to educational institutions, private businesses, nonprofit organizations, and Federal, State, and local agencies to develop and implement outreach programs for veterans. In addition, an interagency working group would be formed to develop a comprehensive outreach program to assist current military personnel affected by manpower reductions. This program would offer business training and management assistance, employment and relocation counseling, and provide information on veterans benefits and entitlements and the new procurement program.

Fourth, the measure requires the Department of Veterans Affairs and the U.S. Small Business Administration to collect and report information on the number of veteran-owned sole proprietorships, partnerships, and corporations, and those that are first-time recipients of Federal contracts. Improving data collection on veterans will help establish a reliable statistical picture of veteran-owned businesses in America. It will also help policymakers and lawmakers pinpoint special needs of veterans and identify areas where policy changes and program improvements are required.

Fifth, the legislation would create a nine-member National Veterans Business Council made up of high-level Federal officials and private sector representatives appointed by the President. The Council would review the role of Federal, State, and local government in assisting veteran-owned small businesses as well as compile data relating to all veteran-owned businesses. The Council, based upon its review, would develop detailed multiyear plans, with specific goals and timetables, for both public and private sector actions to promote increased business development and ownership by veterans.

I believe our Government has a responsibility to help the veterans of this Nation because of the sacrifices they have made in the service of their country. Acknowledging the Nation's special debt to these individuals, Theodore Roosevelt said in 1903:

> A man who is good enough to shed his blood for the country is good enough to be given a square deal afterwards. More than that no man is entitled to, and less than that no man shall have.

We need to recognize the contributions and remember the sacrifices of our men and women in uniform with more than tributes of gratitude and praise. In doing so, let us show our gratitude by giving them something they have never had before—an economic opportunity. Mr. Speaker, this bill provides that opportunity, the square deal that they deserve. I

strongly urge my colleagues to join me in guaranteeing this opportunity to all veterans by supporting this bill.

SECTION-BY-SECTION SUMMARY OF THE VETERANS ENTREPRENEURSHIP PROMOTION ACT OF 1990

Section 1. Short Title.

This Act may be cited as the "Veterans Entrepreneurship Promotion Act of 1990."

Section 2. Findings and Purposes.

Findings: The Congress finds that the United States has benefited immeasurably from the service of over 27,000,000 veterans who have made great sacrifices in the defense of freedom, the preservation of democracy, and the protection of our free enterprise system. Nearly 3,500,000 veteran-owned businesses contribute to the vitality, strength, and prosperity of the American economy by providing goods and services, revenues, and job opportunities.

During the 1990s, hundreds of thousands of other veterans are expected to start small businesses. Many of these new business owners will come from among the over 8,000,000 Vietnam-era veterans, who are generally in the 35-45 age category, the age group producing the majority of new business starts. Despite this progress, veterans, particularly Vietnam-era veterans, have a low rate of business ownership in comparison to non-veterans. Businesses owned by veterans are newer, smaller, and less secure financially than businesses owned by non-veterans. Although disabled veterans are nearly twice as likely to be self-employed as veterans who are not disabled, their inability to obtain capital results in low income levels and higher rates of business failure.

It is in the national interest to remove all obstacles to the development and growth of businesses owned and controlled by veterans. The elimination of such obstacles would enhance the economic vitality of the Nation and would expand the number of suppliers of goods and services to the federal government.

In all likelihood, global developments during this decade will precipitate a reduction in U.S. military forces and the closing of bases, causing thousands of men and women to join the existing veteran population. It is expected that many of these veterans will pursue the path of entrepreneurship and start small businesses.

Purposes: The purposes of this Act are to foster enhanced entrepreneurship among veterans by providing increased opportunities, to vigorously promote the legitimate interests of business concerns owned and controlled by veterans, and to ensure that those concerns receive a fair share of purchases made by the federal government.

TITLE I—DEFINITIONS

Section 101. Definitions.

The term "small business concern owned and controlled by veterans" is defined as a concern that is at least 51 percent owned by one or more veterans, or in the case of a publicly owned business, at least 51 percent of the stock of which is owned by one or more veterans, and whose management and daily business operations are controlled by such veterans.

The term "veteran" means an individual who received an honorable discharge and was discharged or released (1) for a service-connected disability, (2) from active duty after having served on duty for a period of not less than 2 years, or (3) from active duty for the convenience of the federal government.

TITLE II—PROCUREMENT ASSISTANCE

Section 201. Goal Setting.

The Act requires the President to establish annually a government-wide goal that not less than five percent of the total dollar value of all federal prime and subcontract procurement be awarded to veteran-owned small businesses. The annual government-wide goal for participation by small business concerns is increased from not less than 20 percent to not less than 25 percent. The Act also requires the head of each federal agency, after consultation with the Small Business Administration (SBA), to establish annually a goal for procurement from veteran-owned small businesses and to attempt annually to increase participation by such businesses in each industry category in procurement contracts of the agency. The goals should realistically reflect the potential of veteran-owned businesses to perform federal procurement contracts and subcontracts. [Note: The Small Business Act already requires such government-wide and agency goal-setting procedures for small businesses and for small businesses owned and controlled by socially and economically disadvantaged individuals.]

Section 202. Reporting.

The bill requires the head of each federal agency to submit to the SBA annual reports on the extent of participation in procurement contracts by veteran-owned businesses and to justify failures to meet the goals. The SBA will analyze these submissions and annually prepare a report to the President detailing the extent of participation in federal procurement contracts by veteran-owned businesses. The President will include this information in each annual report to the Congress on the State of Small Business. [Note: The Small Business Act already requires the President's annual report on the State of Small Business to include data on federal procurement contracts performed by small businesses and by small businesses owned and controlled by socially and economically disadvantaged individuals.]

Section 203. Subcontracting.

The Act makes it the policy of the United States that veteran-owned small businesses shall have the maximum practicable opportunity to participate in the performance of contracts and subcontracts let by federal agency and that prime contractors establish procedures to ensure the timely payment of amounts due pursuant to the terms of their subcontracts with veteran-owned small businesses. To this end, all contracts let by any federal agency, with certain exceptions, will contain a clause requiring prime contractors to agree to carry out this policy in the awarding of subcontracts, to the fullest extent consistent with the efficient performance of the contract. Any procurement contract that exceeds $500,000 (or $1,000,000 in the case of construction contracts) must contain a subcontracting plan that provides the maximum practicable opportunity for veteran-owned businesses to participate in the performance of the contract. Each subcontracting plan must include percentage goals for the utilization of veteran-owned businesses as subcontractors and a description of the efforts the bidder will take to assure that veteran-owned businesses will have an equitable opportunity to compete for subcontracts. If a successful bidder fails to submit an acceptable subcontracting plan within the time limit prescribed in the agency regulations, the bidder will become ineligible to be awarded the contract. [Note: The Small Business Act already contains the same subcontracting requirements for small businesses and for small disadvantaged businesses.]

Section 204. Outreach.

The legislation requires the Secretary of Veterans Affairs, in consultation with the Assistant Secretary of Labor for Veterans' Employment and Training and the Administrator of the SBA, to undertake efforts each fiscal year aimed at identifying veteran-owned small businesses. The Secretary will advise these businesses that information concerning federal procurement is available from the SBA. It will be the responsibility of the SBA during each fiscal year to obtain information concerning the procurement practices and procedures of federal agencies and to disseminate upon request such information to veteran-owned small businesses.

TITLE III—FINANCING ASSISTANCE

Section 301. Loans to Veterans.

This section of the proposed legislation amends the Small Business Act by adding a new section that authorizes the SBA to enter into agreements with banks or other financial institutions to make loans to small business concerns owned and controlled by veterans—including loans to veterans under the Veterans Business Opportunity and Development Program—with SBA guaranteeing to pay part of any loss sustained by the lender.

To be eligible for program participation, the SBA must determine that the type and amount of assistance requested by the veteran-owned businesses are not otherwise available on reasonable terms from other sources. The SBA must also determine that other general eligibility requirements are satisfied.

The proposed bill increases certain loan amounts and loan-guarantee percentages in connection with SBA guaranteed loans to small businesses to finance export assistance (P.L. 96-481). Specifically, the guarantee may not be less than 95 percent for loans of $155,000 or less. For loans that exceed $155,000 but are less than $714,285, the guarantee may not be less than 80 percent nor more than 90 percent. The guarantee may not be less than 80 percent nor more than 85 percent for loans in excess of $714,285.

No loans are to be made under the 7(a) general business loan program if the total amount outstanding and committed (by participation or otherwise) to the borrower would exceed $750,000. The interest rates charged on these SBA-guaranteed loans must be legal and reasonable.

The Act permits participating lenders to retain one-half of the fee collected on loans to veterans under this section, including loans in excess of $50,000.

Section 302. Regulations on Loans to Veterans.

The legislation requires that within 90 days of the Act's enactment the Administrator of the SBA issue regulations to ensure that loans made under the Veterans Business Opportunity and Development Program are favorable to veterans in terms of maturity and assessing the borrower's collateral. More specifically, the length of the loans are to be the longest feasible commensurate with ability to repay. Subject to certain exceptions, loan maturities may not exceed 12 years.

Section 303. Study of Methods to Reduce Loan Costs Incurred by Veterans.

The Administrator of the SBA will study ways to reduce the costs to veterans of participating in the program, and will within

one year submit to the President and the Congress a report of findings together with legislative and administrative recommendations.

TITLE IV—OTHER ASSISTANCE

Section 401. Entrepreneurial Training, Counseling, and Management Assistance.

The Administrator of the SBA will facilitate access of business concerns owned and controlled by veterans to SBA's business development and assistance programs, including the Small Business Development Center, Small Business Institute, Service Corps of Retired Executives (SCORE), and Active Corps of Executives (ACE).

Section 402. Grants for Outreach Programs for Veterans.

The Act would permit the SBA to make grants to and enter into contracts and cooperative agreements with various governmental and private organizations in order to establish outreach programs for veterans.

Section 403. Outreach Program for Veterans Affected by Reductions in Armed Forces Personnel.

The Act direct the SBA Administrator, the Secretary of Veterans Affairs, and the Assistant Secretary of Labor for Veterans' Employment and Training to establish an interagency working group to develop a comprehensive outreach program to assist new veterans affected by manpower cuts.

TITLE V—INFORMATION COLLECTION

Section 501. Information Collection.

This section of the proposed legislation directs the Assistant Secretary of Labor for Veterans' Employment and Training to annually collect and make available information on firms owned and controlled by veterans. The bill requires the Secretary of Veterans Affairs to collect procurement data from federal agencies on small business owned and controlled by veterans that, beginning with fiscal year 1990, are first-time recipients of contracts.

Section 502. State of Small Business Report.

The Act amends the Small Business and Economic Policy Act of 1980 to require that information on small businesses owned and controlled by veterans—including those owned by disabled veterans—be included in the annual State of Small Business Report.

TITLE VI—VETERANS BUSINESS OPPORTUNITY AND DEVELOPMENT PROGRAM

Section 601. Associate Administrator for Veterans Programs.

The bill creates within the SBA the positions of Associate Administrator for Veterans Programs and Deputy Associate Administrator for Veterans Programs to formulate and execute policies and programs established by this bill, including the Veterans Business Opportunity and Development Program.

Section 602. Establishment of Veterans Business Opportunity and Development Program.

This section of the proposed legislation amends the Small Business Act by adding a new section that establishes within the SBA a government-wide program—the Veterans Business Opportunity and Development Program—to assist certified veteran-owned small businesses to receive federal procurement contracts.

The Act empowers the SBA to enter into contracts with other federal agencies to perform construction work for the Government or to provide articles, equipment, supplies, services or materials. (The bill sets forth procedures by which the SBA can appeal decisions by agency procurement officers not to make available to the program contracts that the SBA certifies itself competent and responsible to perform.) Acting in the capacity of prime contractor, the SBA will subcontract work to be performed to veteran-owned small businesses that have been certified for participation in the Veterans Business Opportunity and Development Program.

Certified firms will be eligible to receive specific contracts if they have been deemed capable of performing the work and if contract awards would not result in costs to the awarding agency that exceed a fair market price. Contracts will be awarded on the basis of competition restricted to certified firms if there is a reasonable expectation that at least two eligible firms will submit offers at a fair market price. The bill specifies procedures for the determination of fair market prices.

To be eligible for program participation, veteran-owned businesses must meet certification requirements contained in regulations to be issued by the SBA. Such regulations will require that firms certify annually that they are owned and controlled by veterans, that firms have been in business for a period of not less than one year before the date of application, and that firms certify that they have not received and will not assert eligibility to receive procurement contracts under the section 8(a) program of the SBA or the section 1207 program of the Department of Defense.

The SBA will issue regulations establishing a limitation on the personal net worth of program participants. Each program participant will annually submit to the SBA a personal financial statement for each owner upon whom eligibility was based. Whenever the SBA finds that owners have withdrawn excessive amounts of funds or other assets from their firms, to the detriment of the business plans of the firms, the SBA can initiate proceedings to terminate the firms from program participation or require the reinvestment of funds or other assets. The computation of personal net worth of owners will exclude the value of investments that veteran owners have in their firms and the equity they have in their primary personal residences.

Program participants must be able, with contract, financial, technical and management support, to perform contracts that they may be awarded. The SBA cannot apply its regulations and procedures in ways that would inhibit the logical business progression of firms into areas of industrial endeavor not included in their business plans but where they have potential for success.

Program participants have the right to a hearing on the record before the SBA can take certain actions such as denial of program admission or termination of program participation. The bill contains guidelines for the conduct of such hearings.

The SBA is required to develop and implement an outreach program to encourage veteran-owned small businesses to apply for program participation.

To the maximum extent practicable, construction subcontracts are to be awarded within the county or state where the work is to be performed.

The Act requires program participants annually to submit capability statements to the SBA. These statements will be used by the SBA to disseminate information about program participants to appropriate federal procurement officers, who will, in turn, notify relevant veterans business counselors of their contracting opportunities over the succeeding 12-month period.

In the case of contracts for services, program firms must expend at least 50 percent of the cost of contract performance incurred for personnel on their own employees. In the case of contracts for supplies, program firms must perform at least 50 percent of the cost of manufacturing the supplies. Exceptions may be granted under certain circumstances. The SBA will establish similar requirements for constructions contracts and contracts for other industry categories not otherwise covered.

Program firms that are primarily engaged in wholesale or retail trade, that are regular dealers of the product to be offered the government, and that agree to supply products domestically produced by small businesses, will not be denied the opportunity to submit bids for procurement contracts solely because they are not the actual manufacturer or processor of the product to be supplied.

The Act prohibits designated SBA employees from engaging in certain activities or transactions with respect to program firms. These prohibitions continue for two years after SBA employment is terminated. Penalties for violations are specified.

SBA employees involved in the program are prohibited from acting on the basis of the political activity or affiliation of any party. Disciplinary actions are spelled out for infractions of this prohibition.

Program participants must report semiannually to their assigned veterans business counselors the names of persons other than employees who have received compensation for assistance in obtaining federal contracts, the amount of compensation received, and a description of the services they provided. Reports that raise suspicions of improper activity will be reported by the Associate Administrator for Veterans Programs to the SBA Inspector General. Failure to submit these reports will be cause for termination from the program.

Contracts awarded to program firms must be performed by the firms that were initially awarded the contracts. This requirement can be waived by the SBA under certain specified circumstances, such as if it is necessary for the owners temporarily to surrender partial control in order to obtain equity financing. Firms performing contracts must notify the SBA immediately upon entering agreements to transfer all or part of ownership interests to other parties.

The Associate Administrator for Veterans Programs will manage the veterans business opportunity and development assistance program. The program will assist certified firms to develop and maintain comprehensive business plans; provide other services such as loan packaging, financial counseling, marketing assistance and management assistance; assist firms to obtain equity and debt financing; regularly monitor firms' compliance with their business plans; analyze and report the causes of success and failure of program firms; and assist firms to obtain surety bonds.

The term of participation in the program is set at five years from date of certification, unless terminated or graduated earlier.

Promptly after certification, program participants will submit business plans for review by their assigned veterans business counselors. The business plans must be approved by the counselors before firms can be awarded contracts. The business plans will analyze firms' prospects for profitable operations during the term of program participation and thereafter, and analyze firms' strengths and weaknesses with particular attention to conditions that might impede

firms from being awarded contracts from non-program sources. The business plans must also contain specific targets, objectives and goals for business development during the next and succeeding years, specific management steps to be taken to assure profitable operations after graduation, and estimates of contract awards from the program and other ources that will be required to meet the targets, objectives and goals of the plan.

Program firms will annually review their business plans with their veterans business counselors and modify their plans as necessary. Modified plans must be approved by the counselors. Firms will annually forecast their needs for contract awards under the program for the next year and the succeeding year to establish their "section 24(a) contract support levels," which will be included in the business plans. These forecasts will include the aggregate dollar value of contract support to be sought under the program, the types of contract opportunities being sought, and any other relevant information requested by the counselors.

Certified firms will be denied all program assistance if they volunatarily elect not to continue participation, if their participation exceeds the prescribed time limits, if they are terminated from the program, or if they are graduated from the program. The Act specifies actions by firms that would provide good cause for termination, and outlines steps that must be taken to terminate firms.

The terms "graduated" or "graduation" mean that firms have successfully completed the program by substantially achieving the targets, objectives and goals contained in their business plans.

The five-year period of program participation is divided into two stages: the developmental stage, which will last no more than three years, and the transitional stage, which will last no more than two years. During the developmental stage, firms will take all reasonable efforts to attain the targets contained in their business plans for the awarding of non-program contracts, referred to in the Act as their "business activity targets."

During the transitional stage, firms will be subject to SBA regulations regarding business activity targets. The Act requires that these regulations establish business activity targets expressed as a percentage of total sales for the award of non-program contracts. Program firms will be required to attain their business activity targets and to certify that they have complied with the regulations regarding business activity targets during the transitional stage of program participation. The regulations will require the SBA periodically to review each firm's performance regarding attainment of business activity targets and will authorize the SBA to take appropriate remedial measures in cases where firms have failed to attain their required business activity targets.

Any veteran who is eligible for program participation can assert eligibility for only one firm. Previous program participants cannot be readmitted to the program. Firms that undergo a transfer of ownership and control to other veterans can remain in the program for the duration of the prescribed period of five years.

A Division of Program Certification and Eligibility will be established within SBA's Office of Veterans Programs and will be responsible for receiving, reviewing and evaluating applications for certification; advising each applicant within 15 days after receipt of an application as to the completeness of the application; making recommendations on applications to the Associate Administrator for Veterans Program; reviewing and evaluating financial statements and other submissions to ascertain continued eligibility of firms to receive subcontracts; making requests for termination or graduation proceedings; deciding protests from firms denied certification; deciding protests regarding whether a firm is owned and controlled by veterans; and implementing policy directives of the Associate Administrator for Veterans Programs.

Applicants cannot be denied admission to the program solely because contract opportunities are unavailable unless the government has never bought and is unlikely to buy the types of products or services offered by the concern, or unless the purchases of such products or services by the federal government will not support all of the program applicants and participants providing the same or similar items or services.

The Director of the Division of Program Certification and Eligibility is required to conduct annual reviews of the firms admitted during the previous year to ascertain the number of entrants, their geographic distribution and industrial classifications. These annual reviews will include estimates of the expected growth of the program during the next fiscal year and the number of additional veterans business counselors required to meet this growth. Based on these reviews, the Associate Administrator will annually issue policy and program directives to solicit applications from underrepresented regions and industry categories, and to allocate program resources to meet program needs. A goal of these annual reviews will be to achieve an equitable geographic distribution of firms and a distribution of concerns across all industry categories, emphasizing areas where federal purchases have been substantial but participation by veteran-owned concerns has been limited.

Subcontracts can be awarded only to small business concerns. If the SBA receives credible information that a program participant is no longer eligible, an eligibility evaluation will be conducted. If the information is found to be true, the SBA will initiate termination proceedings.

The program is divided into two stages: a developmental stage and a transitional stage. The developmental stage is designed to assist firms to access their markets and strengthen their financial and managerial skills. The transitional stage is designed to prepare them for graduation from the program.

Firms in the developmental stage are qualified to receive the following assistance: contract support; financial assistance under the SBA's section 7(a) loan program; and training assistance to help program participants develop principles and strategies to enhance their ability to compete successfully for contracts in the marketplace.

Firms in the transitional stage of program participation are qualified to receive the following assistance: contract support; financial assistance under the SBA's section 7(a) loan program; joint ventures, leader-follow arrangements and teaming agreements between program participants or with outside firms with respect to contracting opportunities for the research, development, full-scale engineering or production of major systems; and transitional management business planning training and technical assistance.

Program firms will spend not more than three years in the developmental stage and not more than two years in the transitional stage.

The SBA will develop and implement a process for the systematic collection of data on the program. The SBA will submit an annual report to the Congress that will include, among other items specified in the legislation, a breakdown of the personal net worth of program participants, a listing by region, race or ethnicity of such participants, the costs and benefits to the economy from the program, an evaluation of firms that have exited the program during the immediately preceding three years, and a description of resources needed to operate the program over the succeeding two years.

The legislation authorizes the SBA to utilize the services and facilities of federal agencies, States and localities without reimbursement, to accept gifts and bequests for the benefit of the program, to accept voluntary services, and to hire experts and consultants in accordance with the requirements of law.

TITLE VII—NATIONAL VETERANS BUSINESS COUNCIL

Section 701. Establishment.

This title creates the National Veterans Business Council.

Section 702. Duties.

The Council will review the role of federal, state and local governments in assisting veteran-owned small businesses. It will also gather and compile data relating to veteran-owned businesses, veteran-owned small businesses, small businesses owned by disabled veterans, and veteran-owned small disadvantaged businesses. In addition, the Council will provide information on other government initiatives relating to veteran-owned businesses, including those relating to Federal procurement.

The Council, based upon its reviews, will recommend to the President and the Congress new private sector initiatives to provide management and technical assistance to veteran-owned small businesses, ways to promote greater access to public and private sector financing and procurement opportunities for such businesses, and detailed multi-year plans, with specific goals and timetables, for both public and private sector actions to promote increased business development and ownership by veterans.

Section 703. Membership.

The Council is composed of nine members, appointed by the President after consultation with the chairman and ranking minority member of each of the Committees on Veterans' Affairs and Small Business of the House of Representatives and the Senate. The Council will have the following ex-officio members: the Administrator of the Small Business Administration, the Secretary of Veterans Affairs, the Secretary of Labor, the Secretary of Commerce, the Secretary of Defense, and the Administrator of the General Services Administration.

Appointments from the private sector will be made from among individuals who are specially qualified by virtue of their education, training and experience, who are recognized authorities in the field of business and small business and who are not officers or employees of the federal government or Congress. At least two members appointed by the President must be veterans and at least two members must be small business owners. Appointees will be selected to achieve a balanced geographical representation and will serve for the life of the Council except for those that become officers or employees of the federal government or of

the Congress. A vacancy on the Council will be filled in the manner in which the original appointment was made.

Members of the Council will serve without pay, except that they will be entitled to reimbursement for travel, subsistence and other necessary expenses incurred in carrying out the functions of the Council.

Two members of the Council will constitute a quorum for the receipt of testimony and other evidence, and a majority of the Council will constitute a quorum for the approval of recommendations or reports submitted to the President and the Congress. The Chairman and Vice Chairman of the Council and their terms of office will be designated by the President. The Council will meet not less than two times a year at the call of the Chairman.

Section 704. Director and Staff.

The Council will have a Director and not more than four additional personnel appointed by the Chairman. The Director and staff of the Council can be appointed outside of the competitive service at rates of pay not to exceed the basic annual rate for GS-18 of the General Schedule. The Council can procure temporary and intermittent services at rates not to exceed the daily equivalent of the maximum annual rate payable for GS-18. The head of any federal department or agency can detail, on a reimbursable basis, personnel to assist the Council upon request of the Chairman.

Section 705. Powers.

The Council can meet, hold hearings, take testimony, receive evidence and consider information such as it considers appropriate. The Council can authorize its employees to act on its behalf. The Council is authorized to obtain information from any federal department or agency, except as otherwise prohibited by law, including technical and advisory assistance from the SBA. The Council can use the U.S. mails in the same ways as other federal departments and agencies. The General Services Administration will provide to the Council, on a reimbursable basis, administrative support services.

Section 706. Annual Report.

The Council will transmit to the President and to each House of Congress an annual report on its activities during the preceding fiscal year, its findings and conclusions, and its recommendations for legislative and administrative actions.

Section 707. Termination.

The Council will terminate not later than three years after its first meeting.

TITLE VIII—AUTHORIZATION OF APPROPRIATIONS

Section 801. Amendment to Small Business Act.

The legislation authorizes $5,000,000 for fiscal years 1991 through 1993 to carry out the Veterans Business Opportunity and Development Program. Of this amount, not more than $4,750,000 will be available for salaries and expenses incurred in the establishment of the Office of Veterans Affairs and its divisions and $250,000 for personnel training and education. For each of fiscal years 1991, 1992 and 1993, $1,000,000 per fiscal year will be available for the SBA to carry out veterans outreach.

Section 802. Intent of Congress.

The legislation makes clear the intent of Congress that appropriations authorized by this Act to carry out various programs and activities within various departments and agencies should not raise from current amounts the aggregate appropriations to such department or agency.

OPPOSITION TO H.R. 4328, THE TEXTILE BILL

HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. FRENZEL. Mr. Speaker, printed below is a floor speech I will make during debate on H.R. 4328, the textile bill. It contains many arguments against the bill which I hope my colleagues will review before the bill comes up next week. In addition to the usual reasons to oppose the bill, I strongly believe that if this bill becomes law, we will fail to reach an agreement at the Uruguay Round of trade negotiations. A satisfactory agreement here will help us continue the current trend toward fewer trade barriers abroad. If there is no agreement, we can be sure that the progress that has been made will evaporate and our rapidly-rising U.S. export will suffer the consequences.

The statement follows:

STATEMENT BY MR. FRENZEL ON H.R. 4328

Mr. Speaker, I rise to voice my strong objections to the textile quota bill. This legislation is one of the most damaging pieces of legislation brought before this body in some time. In spite of what you have heard or been told, in many ways its enactment would have more severe ramifications than previous attempts to protect the domestic textile industry. It is not a modest measure and should be rejected.

I believe it is important for my colleagues to understand what we are being asked to support. This bill would be harmful not only to consumers, retail employees, and farmers, but to the nation as a whole. I hope we will have the courage to reject this sector-specific legislation, designed to help one of our most profitable and currently most protected industries.

As my colleagues know, the policy underlying this legislation allegedly is to "relate" growth of textile and apparel imports to growth of the domestic market, as well as to maintain a viable U.S. non-rubber footwear industry. However, these legislative objectives can only be accomplished by—

Raising consumer costs in this decade to over $500 billion or more than some estimates of S&L bailout;

Freezing "non rubber footwear" imports at 1990 levels, despite a significant demand for imports, which mostly do not compete with higher-quality U.S. footwear;

Creating havoc for retailers in importing goods desired by their customers;

Causing widespread job losses in the retailing and importing industries;

Violating our international obligations; inviting retaliation against U.S. exports, principally agricultural exports; and

Eliminating any possibility that we will achieve a satisfactory conclusion to the Uruguay Round of GATT multilateral trade negotiations.

Not bad for one bill. In fact, few we consider are worse.

UNSUPPORTABLE CONGRESSIONAL FINDINGS

Before causing this damage, the Congress is being asked to make certain "findings" to justify this legislation. Let's look at some of these. First, the bill declares that the current level of textile and apparel imports represents over 1.4 million job opportunities lost to United States worker. This finding, however, cannot be credibly made. It is premised on the untenable assumption that with zero imports, the domestic industry could satisfy all consumer demand, the domestic industry could find the people to fill these jobs, price levels would not rise at unacceptable rates as imports were replaced by higher-priced domestic products, and productivity gains and increased mechanization had not eliminated any jobs.

Second, we are told import penetration in the domestic clothing and clothing fabric market has nearly doubled in the past 10 years, reaching a level of 58 percent in 1989. It seems apparent to me that the textile industry continues to overstate the level of import penetration in the U.S. market to justify protectionist legislation. According to the impartial U.S. International Trade Commission, for example, in 1989 textile imports accounted for only 12.6 percent of domestic consumption (measured in value). Apparel imports were higher, but no credible basis exists for asserting textile and apparel imports have hit nearly 60 percent.

Third, we are told imports have caused "serious damage, or the actual threat thereof," to the domestic textile industry, resulting in market disruption that only can be remedied through enactment of this legislation. The purported "finding" is based on false premises, namely, that market disruption is occurring with no existing mechanisms available to provide a remedy, that the industry can be helped by further drastic quotas, and that the quotas will act as the panacea for the perceived market disruption. This alleged injury, without an investigation and factual findings by the International Trade Commission, does not provide Congress with authority under the GATT and current U.S. law to provide this kind of "escape clause" relief. The industry seeks by legislative fiat to supplant the detailed procedures set forth in section 201 of the Trade Act of 1974—precisely the result Congress sought to avoid in 1974.

Fourth, the bill asserts that unless import growth is "related" to domestic growth, plant closings and job losses will continue to accelerate, "leaving the United States with reduced competition benefiting domestic consumers and leaving the nation in a less competitive international position." Like other policy statements in the legislation, it erroneously assumes that imports, not productivity gains and increased mechanization, are the principle source of job losses. Moreover, this finding makes the remarkable assumption that barriers to trade, causing higher prices and reduced availabiity of products, will *help* U.S. consumers or the protected domestic industry to compete over the long run. The average family of four already pays an extra $238 per year for clothing as a result of existing protection. The typical family hardly needs the further "relief" proposed by the domestic industry.

Finally, the bill states that actions taken by the U.S. Government under the Multifibre Arrangement have been insufficient to avoid the "disruptive effects" of import on the domestic market. If anything, the U.S. Government has been overly aggressive in departing from MFA principles to control imports. Under the MFA, the Administration has established over 1,000 quotas covering more than two thirds of the total textile and apparel imports. And yet the domestic industry wants more.

ADVERSE EFFECTS FOR THE NATION

To accomplish their objectives, the bills' sponsors would provide for one percent ag-

gregate annual growth in imports over total 1990 imports in each category of textile and apparel products. Moreover, they would provide for *no* growth in footwear, limiting imports to the total aggregate quantity that entered the United States in 1990.

The bill is fundamentally flawed. As I hope my colleagues appreciate, it is not a "modest" measure. We should reject it. Let's look at these damaging effects.

This legislation would impose substantially higher costs on consumers—our constituents—at a time when they already are burdened with billions of dollars in hidden textile and apparel taxes. According to a recent study by William R. Cline, enactment of this legislation will raise the total textile and apparel tax on consumers to over *$500 billion* over the period 1990-2000. After the S&L fiasco, who would have thought Congress could outdo itself in socking it to the American taxpayer? Given the hidden textile and apparel taxes ($238 per year per family) our constituents already are forced to pay, they should not be burdened with an additional tax on basic necessities.

The additional restrictions being proposed would cut trade dramatically. As a result of a substantial decrease in imports, retailers, their customers, and the country will be hurt. Many of the products retail customers currently demand simply will not be available. Domestic manufacturers either cannot or will not fill this need. The availability of children's wear and budget department items in particular will be substantially reduced, if not eliminated.

Second, as foreign manufacturers change their product mix to adjust to the new quota limits, they will concentrate on producing higher priced items to garner the higher profits on the limited number of products they can export. As a result, many lower-priced items simply will not be available and those items that will be available in retail stores will be too expensive for individuals on a limited budget. Consumption would probably decline over all which would not help the domestic industry.

Finally, reduced supply and corresponding higher prices will generate inflationary pressures. In the past few years, import prices have increased substantially as the market has felt the force of increased quota restrictions and overall growth in demand. And now we intend to add to inflation.

Presumably we are going to ask consumers to foot this staggering bill to increase employment in the textile and apparel industry. But does anyone "gain" from this legislation? According to Cline's study, the additional import restraints would "save" textile and apparel workers jobs at a total cost of $192,000 each by the year 2000 (at 1989 prices)! And, as retail sales fall due to higher prices and reduced selection, an estimated of 50,000 Americans will be forced out of work.

In 1985, Members of Congress were told by the domestic industry that "if import penetration of U.S. markets continues, hundreds of thousands or more workers will be laid off or more likely terminated because of plant closings". Imports have since risen to meet expanding domestic demand at modest levels of 2.5% from 1986 to 1989. The domestic industry, however, has not been devastated. In fact, textile worker employment has increased, while apparel jobs have decreased only marginally since 1985. Now the Congress is being asked to force thousands of retail employees out of work, simply to provide jobs to the domestic textile industry.

These job losses would be felt nationally. As one would expect, labor in three southern states (North Carolina, South Carolina, and Georgia) would benefit the most from additional quotas. Yet, these states have not suffered in recent years, having enjoyed unemployment levels generally below the national average. Since 1985, textile sector employment has been up, from 702,3000 to 726,100 in 1989. Apparel sector employment has been virtually unchanged, dropping a modest 0.1% from 1,121,300 in 1985 to 1,091,400 in 1989. Workers throughout the country should not be forced out of work simply to increase employment opportunities in textile states. All states have seen job losses caused by plant modernization and productivity improvements. Why should one industry undergoing the same changes be favored over others?

AGRICULTURE RETALIATION

Enactment of the legislation would provoke retaliation against our exports, in particular agricultural exports. High tech exports could also be effected. Do the textile states really want to perpetuate jobs in outdated plants while losing higher skilled jobs with far more opportunity for workers? As my colleagues may know, the European Community already has indicated that it will retaliate. This would be particularly devastating to farm families in the Midwest. Family farmers forced out of business as they no longer can compete will not relish a bill like this one that props up one industry at the expense of another.

Agriculture already had paid a heavy price for textile protection. In 1983, for example, the textile bilateral agreement between the United States and China lapsed as a result of our government's attempt to freeze China's share of our domestic market. China shifted its source of grain purchases, costing our farmers an estimated $500 million in lost sales.

To those of my colleagues who don't think the threat of retaliation is likely, let me quote from a recent letter signed by the American Farm Bureau Federation and eleven other agricultural groups:

[T]his bill proposes to limit imports in a manner that would cause great harm to United States trade interests, and especially those of American agriculture. . . .

The textile bill could give the EC the excuse it has been looking for to impose import restrictions against these important U.S. commodities [soybeans and meal and corn gluten feed]. . . .

[T]he erection of so-called "safeguard" import barriers through legislation . . . would establish a precedent that could be used by foreign parliaments to restrict U.S. farm products without any formal determination of injury. This is an extremely dangerous precedent to set.

Agricultural exports have always been the first to feel the sting of retaliation. It simply makes no sense to add yet another layer of protection for the domestic textile and apparel industry at the expense of U.S. farmers and other export-dependent Americans.

ADVERSE EFFECT ON RETAILERS

While often described as modest, this legislation will create havoc within the retailing community by totally disrupting the retailers' ability to follow changes in market demand. In addition to the one percent limitation on growth, the bill also provides the Secretary of Commerce with authority to prescribe regulations to enforce the Act, including rules to ensure the "reasonable spacing of imports over [each] calendar year." Like the licensing provision in previous quota bills, this requirement—if it could be administered—would unnecessarily complicate the importing process and impose additional costs.

By mandating global quotas, the legislation also would bring products from the European Community under tight control. Their exports to the United States are confined largely to yarns and fabrics purchased by U.S. textile and apparel manufacturers for further processing in the United States. The industry would be cutting its own throat, since it would suffer by its inability to obtain the fabrics required by fashion demands or to assemble some of their apparel abroad. It is difficult for me to see that the industry is that concerned about its employees, as it may be the largest importer of all.

The legislation would leave the Administration with the delicate task of allocating quota rights among our trading partners. It would be forced either to breach the terms of existing bilateral agreements with many smaller developing country suppliers by reducing annual growth to one percent—destroying the MFA in the process—or to grant newly controlled suppliers such as the European Community less than one percent growth. In the past, retailers could react to new controls on a given country's trade by seeking new sources of supply. No longer. This would become a zero-sum game. If one country is allowed to grow by more than one percent, another country's growth must be reduced by an offsetting amount.

MORE RELIEF FOR A PROFITABLE INDUSTRY

Upon introduction of the domestic industry's textile quota bill in the 99th Congress, we were told that "[i]f [Congress does] not act now to curb imports, in five years our entire industry and four million jobs that depend on it will simply cease to exist". The five years has expired and the industry is still prospering. This year's pleas for protection should be assessed in light of the industry's current economic performance.

Textile industry shipments have increased in six out of the last seven years, growing at a compound annual rate of 4.3 percent per year. Shipments reached an all-time high of $63.7 billion in 1989. Much of the decline in shipments during the first five months of 1990 can be attributed to the continuing turbulence in the U.S. apparel market resulting from the recent shake out in the retail sector.

From 1982 to 1989, total fibers consumed by U.S. mills increased 5 percent per year, and in 1989 reached a new high of 13.2 billion pounds. In addition, consumption of all fibers on cotton and woolen systems during the first quarter of 1990 was 3.4 percent above the amount consumed in the same period last year.

Although textile industry profits declined to $1.4 billion in 1989 due to weak fourth quarter performance, net sales, receipts and revenues increased to a record $57 billion. In the first quarter of 1990, the substantial increase in non-operating expenses was responsible for the sharp decline in after tax profits. These expenses were driven by a considerable rise in write-offs resulting from capital losses incurred from asset sales. Firms in the industry are suffering with the heavy financial burden of interest payments, on their excessive levels of medium and long-term debt—much of it high-cost junk bond debt. Congress should not be asked to limit imports so that textile industry executives can pay off the junk bonds

they floated in the halcyon days of the 1980s. Furthermore, operating expenses actually fell 4.3 percent in the first quarter of 1990 from the previous quarter.

It is evident to me that the textile industry remains healthy, and is operating more efficiently and generating increasing output with greater productivity. But—it's a lot easier for the industry to blame down cycles on imports than on the more complicated real causes.

The industry's Buy America ad campaign is a far more productive use of its funds than paying lobbyists to promote this kind of legislation. Americans need to think more about their purchasing patterns. We should be more like the Japanese and prefer our own goods—but we should not have other alternatives eliminated.

URUGUAY ROUND DISASTER

Finally, the domestic textile industry would have us kill the Uruguay Round of multilateral trade negotiations as they near what we hope will be a successful conclusion. Our nation stands to benefit immeasurably by a successful conclusion of the Round. We may finally achieve consensus on rules to govern trade in services, to protect intellectual property rights from piracy, and to limit restrictions nations may place on our investments abroad. Yet we risk losing it all if the domestic industry has its way. If the bill is signed into law, many of our trading partners will simply refuse to negotiate a reasonable conclusion. Few things could be more destructive to our nation's future prosperity.

CONCLUSION

Mr. Speaker, as the Members of this body analyze this legislation, I hope that we will keep some fundamental policy questions in mind. First, do you wish to sanction arbitrary and unilateral trade restraints designed to stifle growth and competition?

Second, do you wish to invite massive retaliation against those sectors of our economy so dependent on exports, especially American agriculture, simply to provide further protection to the most protected industries?

Third, do you wish to undermine the credibility of the U.S. in the Uruguay Round of GATT negotiations, destroying any hope for significant agreements that would further our nation's prosperity in the decades ahead?

Finally, do you wish to substantially raise the costs of clothing to consumers, in particular families with school children and families who have a limited clothing budget? Must they pay ever higher prices simply to provide further relief to an industry with an insatiable appetite for protection?

I cannot imagine my colleagues wanting to force this country to pay such a heavy price for further import protection. I sincerely urge you to vote no.

A PLAN FOR ACTION FROM REPRESENTATIVE GINGRICH

HON. CHUCK DOUGLAS

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. DOUGLAS. Mr. Speaker, we all receive dozens of flyers, notices, articles, reports, newsletters, et cetera, in the mail each day—and, of course, none of us have time to read or even review it all. One item you may have missed is the following speech given recently at the Heritage Foundation by one of the most incisive thinkers in the House, Representative NEWT GINGRICH. I think that Members will find his remarks well worth reading.

In his usual clear, forceful style, NEWT lays out what just where our Nation stands and what the proper role of Government is to be in our society.

As usual, he cuts through the noise and clutter of the day-to-day news and gets right to basics. In a simple, perceptive five-point plan, he underscores the urgent need for protecting the physical safety of our citizens, enacting progrowth and pro-opportunity economic and tax policies, reforming the welfare state and reestablishing the priority of the family budget over the Government budget.

In the weeks ahead all of us will be making difficult decisions on cutting the deficit and moving toward a balanced budget. NEWT'S plan provides us with a cogent, workable framework for action.

THE WASHINGTON ESTABLISHMENT VERSUS THE AMERICAN PEOPLE: A REPORT FROM THE BUDGET SUMMIT

(By Representative Newt Gingrich)

I want to thank Betsy Hart for having me here and The Third Generation for sponsoring this. The Heritage Foundation is one of the real centers of conservative vitality. I read with interest, for example, Jack Kemp's recent speech here on the nature and causes of poverty in America—and I think Heritage plays a major role in developing the governing ideas that are going to make America's success possible in the 21st Century.

I'm going to talk of controversial things; I make no apology for this—I've been talking on this subject for twelve years, obviously under the administration of both parties.

And I mention this only because it seems impossible to legitimately debate the issues of the day without being subjected to name calling and the application of labels.

Those of you who are in the conservative movement know that is the opening, with the exception of the word "ten" rather than "twelve," of Ronald Reagan's nationally televised October 27th speech, "A Time For Choosing," that was 26 years ago.

The amazing thing is how little things have changed.

As Bill Buckley noted recently in a special issue of National Review, "In the first issue of National Review, the editors included in our credenda the statement: the profound crisis of our era is, in essence, the conflict between the social engineers who seek to adjust mankind to conform with scientific utopias and the disciples of truth who defend the organic moral order."

MAJORITY NOT GOVERNING

Over the next 35 years, a political movement first was born, then grew and prevailed. The defense and the nurture of the moral order even by a governing majority is a challenge. I've been talking about a governing majority now for a couple years, and Bill liked the term—and used it. And yet, one of my conclusions in early August 1990 as I thought about the lessons of the first seventeen months of my being Whip in the House is that we are a majority, but we are not governing.

I have been in a position to observe firsthand how conservatism is faring in Washington, and it is all too clear that, in spite of a conservative revival among the people, the radical ideas that were promoted under the guise of "liberalism" still dominate the councils of our national government.

In a country where it is now generally understood and proclaimed that the people's welfare depends on individual self reliance, rather than on state paternalism, Congress annually deliberates over whether the increase in government welfarism should be large or small.

In a country where it is now generally understood and proclaimed that the federal government spends too much, Congress annually deliberates over whether to raise the federal budget by a few billion dollars—or by many billions.

And so the question arises: Why have American people been unable to translate their views into appropriate political action? Why should the nation's underlying allegiance to conservative principles have failed to produce corresponding deeds in Washington?

CONSERVATIVE FAILURE

I do not blame my brethren in government—all of whom work hard and conscientiously at their jobs—I blame conservatives ourselves, myself. Our failure as one conservative writer put it, is "the failue of the conservative demonstration."

But we conservatives are deeply persuaded that our society is ailing, we know that conservatism holds the key to national salvation, and we feel sure the country agrees with us. We seem unable to demonstrate the practical relevance of conservative principles to the needs of the day; we sit by impotently while Congress seeks to improvise solutions to problems that are not the real problems facing this country, or the government attempts to assuage imagined concerns and ignores the real concerns and real needs of the people.

Perhaps we suffer from an over sensitivity to the judgments of those who rule the mass communications media. We are daily consigned by enligthened commentators to political oblivion. Conservatism, we are told, is out of date—the charge is preposterous and we boldly say so.

That is of course the introduction of the The Conscience of a Conservative, 1960.

And I say that because it is exactly true today. What I will say this afternoon will, of course, be preposterous. My suggestions for avoiding a recession will, of course, be absurd; my analysis of the power of the Democratic party and the Congress will, of course, be outrageous.

RADICAL COMMON SENSE

My statements of facts, obvious to every American outside of Washinton, will prove how far out of touch Washinton is, because if you use common sense and tell the truth in America, you are a radical in Washington.

Thirty years after The Conscience of a Conservative it is amazing how much America has changed and how little Washington has changed.

President Bush said it well in his recent press conference, and I'm going to quote a portion of his remarks. He said, talking about the budget process:

"There are however, a number of specific realities to be noted. first, that Congress has the responsibility to pass a budget. But make no mistake, I will use that pen to veto any and every spending bill that busts the budget.

"Second, if no budget agreement is reached, that means a sequester on October

1 of about $100 billion. As painful as such deep cuts will be, I am determined to manage them the best I can, knowing I've done all in my power to avoid them. So the Democrats in Congress should know that if it comes to sequester, they will bear a heavy responsibility for the consequences.

"Third, if the Congress really wants economic growth and increased government revenues, the place to start is not with tax increases, but with incentives for growth investment—and jobs. I decided the capital gains area is one that would stimulate and be investment oriented.

"Fourth, Congress must recognize the other failure of their budget process to control spending—it must be reformed.

"Fifth, our budget must maintain a defense posture consistent with the demands of American leadership in the world and the dangers we face.

"And finally, the Democratic leadership of Congress must understand that the American people expect them to do their job to come forward with concrete proposals to cut the deficit.

"Our nation's fiscal problems are vitally important to America's future, and all of us have an obligation to address them."

First of all, I agree with all of President Bush's key positions, and so, I suspect, should virtually every conservative in the country. And yet you ought to ask yourself: How many conservatives picked up the telephone and called the White House, sent a letter, contacted a friend, reinforced an action which was, frankly, taken at a time when the first attack of the Washington Post was to point out that he should not be being partisan at a time of foreign crisis—a comment they never quite make about George Mitchell or Dick Gephardt or anybody who is a Democrat; the Republicans are perennially warned against partisan behavior.

And so my first point would be that he was right in his analysis. It took some courage to say in the middle of the current foreign policy environment, and every conservative should reinforce that tendency and that effort because it was the right step in the right direction, despite all of the pressures of the Washington Establishment.

POWER AND RESPONSIBILITY

The fact is that for too long we have had Democratic congressional power without responsibility. For too long we have had Republican presidential responsibility without power. We have Republican Presidents administering Democratic congressionally mandated micromanaged and muscled government. Do any of you doubt who the average bureaucrat fears more—a presidential staffer or John Dingell? Do any of you doubt who is more decisive in micromanaging the Pentagon—the Secretary of Defense or Les Aspin? We have to confront that reality. We have a congressional machine—and by the way, the Federalist Papers went on at length about the fact that in peacetime Congress will always muscle the Presidency; the Congressmen always have more power to micromanage.

After seventeen months as Republican Whip, I have reached some very troubling conclusions about the Washington Establishment and the Democratic controlled Congress that simply is not working. Congress is a broken system; it is increasingly a system of corruption in which money politics is defeating and driving out citizen politics. Congress is a sicker and sicker institution in an imperial capital that wallows in the American people's tax money.

Yet our job is to do more than simply deny or decry a broken Congress. I would urge every conservative in America to read two Wall Street Journal op ed pieces; one on January 15, 1976, called "The Stupid Party," and the other on May 14, 1976, called "The Republican Party: The Republican Future," both by Irving Kristol.

FATAL FLAW

They are prescient, brilliant and as accurate today as they were fourteen years ago. Kristol warned us, first, that every political party has its roots in some vision of an ideal nation, and he went on to say that the problem with Republicans is: "Republicans care more about balancing the books than about what is being balanced—and it is a fatal flaw."

And it is a flaw that, frankly, we as a party and as a movement still have too much of.

In following Irving Kristol's advice about vision, I have written a commitment to my constituents, and this is a little bit of a 19th Century phenomenon, I guess, when I actually wrote a letter to all of my supporters that explains what I believe is happening and what I would do were I rehired.

I'd like to share it with you for a minute.

DEAR FELLOW CITIZENS: The challenges we face here at home are just as real, just as difficult and in the long run possibly even more dangerous to America's survival than Saddam Hussein and the crisis in the Persian Gulf.

"Drugs and violent crime, the decay of educational standards, the destruction caused by the poor by our current welfare system, the increasing costs and problems of health care, the inefficient, rigid, red tape bound bureaucratic system that dominates government at all levels, the collapsing morality of elected officials at all levels as "money politics" corrupt and destroy "citizens' politics," and the constant tax increases required by the bureaucratic welfare state—all combine to form a threat to our survival as a prosperous, free country offering hope and opportunity to all of its citizens. The American Dream we have known is literally at stake.

"I am writing to you because I believe we face a real turning point in our country. Our young men and women in uniform are going to the Middle East to defend our country. They are volunteers risking their lives for America. We have an equal obligation to spend our time and resources improving our country. We should invest as much courage in the struggle to create a safe, prosperous, free America as we expect these young men and women to show defending America.

"I believe there are five key goals which should focus our efforts. First, we must insist on integrity in government. Second, we must demand physical safety as a vital obligation of government to its citizens. Third, we must keep the economy growing to create new jobs and higher take home pay. Fourth, we must invent and implement a replacement for the collapsing bureaucratic welfare state in education, welfare, health, litigation, the environment, and the very system of red tape which now wastes money, time and other resources. Fifth, we must re-establish the priority of the family budget over the government budget. You should have first claim to the money you earn for your family, while politicians should only seek taxes after they eliminate the waste, inefficiency and political spending which characterize so much of modern government.

"Let me expand on each of these points.

"First, honesty and integrity are at the heart of a free society. Corruption, special favors, dishonesty and deception corrode the very process of freedom, and alienate citizens from their country. From Lyndon Johnson's lies about Vietnam to Nixon's dishonesty in Watergate, the collapse of the Carter administration, the Iran-Contra scandal, the HUD scandal, the resignation of Speaker of the House Jim Wright and the Democratic House Whip Tony Coelho, the unethical behavior of Senator Durenburger and Representative Barney Frank, the savings and loan scandals, indictment of the very congressional system of fund raising and influence buying of high officials such as the Senate Democratic Whip, Alan Cranston and the Senate Banking Chairman, Don Riegle, and finally, with the trial of our national capital's mayor, Marion Barry, for cocaine use, all point to the fact that ours has been a generation of growing corruption and decay in the heart of our political system.

"We face a clear challenge to the survival of our political freedom. We cannot survive as a country in which half of our citizens are so alienated that they refuse to vote. We cannot survive in freedom if people refuse to be involved in the processes of freedom because they are sickened by hypocrisy and corruption. We must re-establish as the first principle of self government that politics must be an inherently moral business. The first duty of our generation is to re-establish integrity and a bond of honesty in the political process. We should punish wrongdoers in politics and government and pass reform laws to clean up the election and lobbying systems. We must insure that citizen politics defeats money politics. This is the only way our system can regain its integrity. Every action should be measured against that goal, and every American should be challenged to register to vote to achieve that goal.

"Second, every citizen has the right to be physically safe. National security and personal security are both foundations of a decent country. The Middle East crisis should remind us that a srong military is vital to keep us safe. Shootings in public near Underground Atlanta remind us that we need far stronger police and prison systems to help keep us safe. No dollar should be allocated to any other government activity until we have spent enough on a safe country and safe streets. No political spending should be allowed to preempt money from prisons and police forces. Even though our lives and our children's lives are at stake, we are still not doing enough to create personal security in America.

"Third, a healthy economy creating American jobs by competing successfully in the world market is a key domestic policy—and it is the only welfare program that will work. A job is the best welfare program. A job is the key to having money for our family, our charity, our neighborhoods, and our government. In the 1970s we were collapsing with rising taxes, rising inflation, rising interest rates and rising unemployment. In the 1980's we cut taxes, cut red tape, stimulated investment and created the largest peacetime expansion of jobs in American history. Now all the pressues are on from all the same old reactionary forces to turn back the clock to the failed policies of the past. We must fight for tax cuts to increase savings, investment and take home pay so we can continue the job growth

which is at the heart of a prosperous, successful America.

"Fourth, we must replace the false compassion of our bureaucratic welfare state with a truly caring humanitarian approach based on common sense. If you measure results rather than intentions, products rather than processes, the facts are painfully obvious. Our inner city school systems are collapsing, leaving an entire generation of Americans without the tools they need to care for themselves and their families. Our health care system is too expensive, too bureaucratic and too inaccessible for many Americans. Our welfare system actually sickens the poor, teaches destructive habits and values, encourages the collapse of families, and traps people in poverty. We have too much red tape and too little technology, too much bureaucracy and too little entrepreneurship in our effort to protect the environment.

"The 1990's must be a decade of invention, innovation, creativity and reform. We must decentralize power and programs away from Washington. We must liberate individuals, neighborhoods and local and state governments so they can experiment with new and better methods of getting the job done.

"The answers will be found in thousands of local experiments and thousands of local efforts. The federal government must free up the system to undertake those efforts. Bureaucratic rules cannot take the place of common sense; red tape cannot replace initiative and individual effort. Unfeeling bureaucracies are no substitute for the basic American values of helping your neighbor and contributing to your community. Instead of raising taxes to pay for more bureaucracy, we must replace the bureaucratic welfare state with a system that elevates those basic American values.

"Fifth, for two generations the government has been more important than the family in setting our national tax policy. Back in 1947 we had almost no taxes on an average worker with a wife and two children. The deduction per child as a share of average income was the equivalent of over $6,000 in today's money. The Social Security tax was so small—$30 a year—that it was not even noticed. Today taxes are so high, they force many mothers to work. Today's taxes are anti-child, anti-family and anti-work. Furthermore, our tax system is anti-savings, anti-investment and anti-jobs.

"Pressures to raise taxes are proof that special interests favor political spending over family spending. The pressure is enormous in Washington to favor the government budget at the expense of the family budget.

"We need new management, not new taxes. We need to control waste in Washington so you can decide what to do with your money here at home. We need to reshape the tax code to favor children, families, jobs, savings and investing in America's future.

"When threatened by a recession, we should oppose new taxes. Before raising taxes which will force families to control their spending, government must control its spending and earn the right to seek new sources of money.

"These five tasks—integrity, safety, jobs, new model government and pro-family tax policy—represent a very big challenge. They will not be accomplished by politicians alone. Only a citizens movement can force Washington, the state capitals, the county courthouses and City Halls to change their ways. Only a citizens movement can force a decade of creativity to launch a successful 21st Century America.

"The special interests will fight any citizens effort. They like raising taxes and spending your money. The cultural elite will scorn and ridicule the citizens movement. They like raising taxes and spending your money. The corrupt will oppose any citizens effort because they hope you won't register and won't vote. The corrupt understand fully George Bernard Shaw's warning: 'All it takes for evil men to succeed is for good men to do nothing.'

"As you watch our young men and women in Saudi Arabia, don't you believe we owe them a renewed, revitalized America? Their courage calls out to us to have courage. Their willingness to fight for America inspires us to fight for America.

"I need your help in that struggle. Your country needs your help. Your children deserve your help. Please register, work, speak, vote.

"Thank you.

"Your friend and fellow citizen,

"NEWT GINGRICH."

Now that's back home. Let me translate it into Washington and our vision of the future in Washington. The reality is that an entrenched liberal Democratic machine in Congress has no interest in the values that have carried every American Presidential election since 1964.

It's important to understand this. The last liberal to run as a liberal and win the Presidency was Lyndon Johnson, 26 years ago. Even Jimmy Carter ran as a southern Baptist populist—and defeated openly avowed liberals in the primaries. There has been no left winger in national power at the White House since 1964. And, there has been no non-left winger in power in Congress since 1964. And it's gotten steadily worse. It's important to understand that the Congress that President Bush served in the late sixties—the Congress of Rayburn, the Congress of McCormack—is a Congress that is gone.

UNDERMINING THE PRESIDENT

The Congress that said, "You have to go along to get along" has been replaced by a left-wing machine that says, "Do it our way or we'll punish you." And it's a very, very big difference. The Congress that believed you ought to cooperate with the President has been replaced by a Congress that believes you ought to stand next to the President until you can knife him at the subcommittee or bludgeon him in full committee or rig the legislative process or pass something you can force him to veto.

So you get cookies down at the White House and then you take your extra energy back up on the Hill to plot how to defeat the President.

And so, again and again what was once considered a noble partnership by the Legislative and Executive branch has become a process of bludgeoning by bitter liberal Democrats who know they are not being allowed by the American people to win the White House. I think they have turned increasingly corrupt in the process they engage in.

INSIDER STRATEGY

This is an important analytical argument because the standard Washington insider strategy is the 3 M's: "maneuver, manipulate and massage." The argument of Washington is: "Those of us who are shrewd insiders maneuver to get what we want; we manipulate those who are around us, and we massage the egos of those who have power."

Now there is a fundamental problem with the 3 M technique, and that is that the Democrats know who they are. They are reasonably smart people. They understand what massage feels like, they are as good at manipulation as the Republicans and they're as good at maneuvering—or better—than the Republicans.

And so when we get done maneuvering, manipulating, and massaging, George Mitchell says, "I'd rather have a recession and pass a capital gains tax" and he kills it. Or we get down to maneuvering, manipulating, and massaging, Senator Kennedy says, "but I like quotas," and he passes his version of the Civil Rights Act. Because they in fact actually believe in what they say. They really are liberal Democrats. They really like big city machines. They really favor the bureaucratic welfare state. They really like class warfare. This is who they are, and so they're not confused. And at the end of the maneuvering, massage, and manipulation, they pat us on the head and beat our brains out.

The most important analytical thing we have to understand is that George Mitchell is not Hosni Murbarak. Mitchell can't be. Murbarak is our ally in international relations because it is to his interest to have Egypt and America work together.

It is not in George Mitchell's interest to help dismantle Mitchell's machine. It is not in George Mitchell's interest to have conservative values become more dominant. He favors the welfare state over the family as a legitimate value. This is not an evil thing. It is legitimate and honorable to believe in socialism. It is legitimate and honorable to believe that government should have more of your money. It is legitimate and honorable to believe in class warfare.

It may be wrong, but it is a perfectly reasonable thing to do—and frankly, I admire him. He is a tough, solid fighter for the values and the interests he represents and he intends to get everything he can get. And he is never confused about who he is or what he is doing. He is the leader of the most left-wing Democratic party ever in the United States Senate and he intends to be the most effective possible leader of the most left-wing party ever.

CONSERVATIVE STRATEGY

Now confronted with the entrenched Washingon machine, our correct strategy is not the 3 M's. Because they simply will not work. Our correct strategy is the "3 C's"—to communicate with the American people, to coordinate our activists in the country, and to confront Washington politicians with the will of the American people and make the politicians choose.

If the politicians want to raise taxes, let them go home and say so. Then they can raise taxes and their labor union allies will be happy—and the American people will defeat them.

If the politicians want to prop up and defend inner city schools that are failing, let them go home and say so. And let's give the people back home a choice. Let us communicate our vision and our values and let people choose.

And over and over, every time for 30 years that we have been willing to follow the 3 C's strategy, we have succeeded. Because, it turns out that conservative values and basic American values happen to have a 64 or 70 or 75 percent majority, depending on which question you ask.

BUILDING PRESSURE

And when we're communicating, they say to their Congressman or their Senator: "Now explain to me again why you didn't give me what I believed in that you promised me before you were for." The pressure builds.

When we coordinate our activists and encourage them and get them working, they get the message across. And then on a number of occasions—and I cite, for example, the House vote on capital gains last year when liberal Democrats are confronted with enough votes from back home—they decide they're not quite that liberal.

And it's a very simple balance.

When the American people are quiet, the swing Democrat comes over and says to us, "I'd really like to vote with you, but you know, my caucus won't let me." When we arouse the American people enough, the same Democrat goes to see the Speaker and says, "You know, I'd really like to vote with the caucus, but the folks back home won't let me."

It's all a question of who "lets" them.

Now, since in a message, maneuver and manipulate strategy there is no pressure, he votes with the caucus. And guess what? The Democratic caucus is very liberal. This is not a shock to most of you—it believes in liberal values, it believes in quotas, it believes in higher taxes, it believes in disarming America, it doesn't like the death penalty. The list goes on and on and on.

So in a system where you don't communicate with the people, you don't coordinate your activists, and you don't confront the politician with a choice, the Democratic caucus will dominate. And it does so on a routine basis because "massage, maneuver, and manipulate" simply will not work against a determined opponent.

ECONOMIC DANGERS

I believe that we have to then take this analysis and look at a very real danger which can cause all of us enormous pain—and that is a recession. The world that existed at the beginning of the budget summit is over. It has been replaced by a very serious crisis in the Middle East which has disabused at least half the Democrats with the idea of unilateral disarmament (the other half being willfully ignorant).

You think I exaggerate? Notice some of the recent statements that we can still cut defense as much as we were going to. There are some people out there who deny reality in favor of ideology.

And second, we have the fact—absolute fact in my judgment—that the economy is clearly weaker today than it was a year ago.

Now I state those two as objective realities. And I want to make a point that is not made often enough in this city: a recession is the worst enemy of a balanced budget. If we have a recession and we have millions of Americans put out of work, the net effect of not paying taxes (because you don't have a job) and increasing unemployment and welfare (because you need it), will be to dramatically widen the budget deficit.

But there is a second hidden whammy now. And that is the cost of the savings and loan bailout. The government is now the largest seller of property in America. Therefore, it has a greater interest than any other person or group in keeping property values up. Because if property values crash, the cost of liquidating the properties goes up astronomically.

AVOIDING A RECESSION

Now, given those two objective realities and combining with them a caring humanitarian view that argues that a job is the best welfare program, the number one goal on September 5th when the Congress returns should be to adopt a proposal which will avoid a recession.

And for the life of me, I cannot see how any member of Congress or any member of the government could argue for anything else in terms of domestic policy.

We must be strong in the Middle East and we must be strong in the American economy. I believe we should have a tax cut package, because we know what doesn't work and we know what does work.

In the 1970s we tried raising taxes going into a recession—this was the famous Hoover-Carter policy, and it didn't work in the early Thirties, didn't work in the Seventies. Turns out when you raise taxes going into a recession, you get a depression if you're unlucky, and you get a very deep recession if you're lucky.

We also tried a different technique in the Eighties called lowering taxes. Lowering taxes seemed to have a better effect than raising taxes.

Now I am not an economist or a political scientist, so I don't have any kind of linear projection here. But as a historian, I am willing to suggest that we would rather be like the Eighties than the Seventies.

Now this is in Washington, by the way, a very radical statement. I'm serious. Large parts of Washington want to raise taxes precisely to repudiate the Eighties. This is an act of purification. And liberal Democrats want to be able to go home and say, "You see? We have finally done away with all the wicked things that Ronald Reagan did and now you'll be safe."

And they'll say this to very long unemployment lines.

So I propose that we have a tax cut package that challenges directly George Mitchell's willingness to have Americans unemployed in the name of class warfare, a package that challenges the Democrats directly to see which is the party of jobs and opportunity, and a package that is pro-savings, pro-investment, pro-housing, pro-poor people, pro-family, and pro-jobs.

We will next week announce the details of the package. But let me suggest to you a general framework.

First of all, the base of any such package has to be a 15 percent permanent capital gain plus indexing. To give you just one example, Alan Sinai, who is not what I think of as a right wing supply-side person, did an analysis of the 15 percent permanent capital gain cut and concluded that it would create two and a half million new jobs.

Now the liberal Democratic solution will be, "Let's raise taxes, deepen the recession and then we'll create a half million new jobs in a public works program." Paul Simon would love this; he's one of those who puts it in legislation every two years hoping the recession will come so he can use it. I think that's nuts. If we have a program which sound economists believe will create two and a half million jobs and we're on the verge of a recession, two and a half million jobs would be good—a simple, non ideological word.

Second, I believe that we should recognize the crisis in the housing industry and recognize that it is particularly a crisis for younger working Americans. I would suggest that we take the framework established by Bill Thomas of California and Mickey Edwards of Oklahoma, and expand it slightly and allow people to use their IRA, their 401-K, or their Keogh to buy a home without a tax penalty—or, to loan the money to their children or grandchildren so that they can buy a home, thereby strengthening the bond of family and creating housing opportunities for everyone.

In addition, I can hardly stand at a podium where Jack Kemp has stood and not say that this package has to include enterprise zones, which has been an idea that has been now ten years delayed and which would clearly be a powerful alternative to the welfare state in bringing jobs into poor areas, both rural and urban.

BREAKS FOR BUSINESS

I believe we should also adopt a proposal of Nancy Johnson's to establish expensing for the first $250,000 for business, which is a system the Japanese and Germans use, which encourages investment, and which would be extraordinarily important both to small business in general and in particular to defense subcontractors who are in the process of looking for an opportunity to retool without having to go bankrupt.

Furthermore, I believe we should adopt a proposal by Senator Bill Roth for an IRA Plus, which would allow every American to have an IRA-type savings account of $2,000 a year and to use it not only for retirement, but also for health care and for education and housing.

And I believe we should have what I'm going to call for a moment a "Harry Truman child deduction plan."

I believe that we have to find a way to offset the impact of the fighting and that we have to find a way to recognize that when workers out there have been in the process of paying $30 in total taxes a year, they are much, much better off at being able to maintain their family and take care of themselves than when they're in the process of paying well over a thousand dollars.

FOUR PERCENT SOLUTION

Lastly, I want to say that I think that Heritage has done a superb job in developing a concept they call the Four Percent Solution Budget. I have been, if this is not too strong a word, "radicalized" by the summit in watching the way Democrats look at control and spending, which is to say that they would love to have more tax money because they'd like to have more appropriations, because they have all the political spending they want to do. . . .

There was an underlying I think, destructive process in the entire budget summit in June and July because they continued to pass large appropriations bills on a regular basis—$41 billion over last year's appropriations and $12 billion over what the President himself requested. And I think that if you look at the Heritage proposal for a four percent solution, we can afford to cap spending at four percent above last year and do the same thing next year. Not even a freeze, but simply cap spending at four percent. And we get to a balanced budget.

Because the problem in the Eighties was not the lack of revenue; we more than doubled the amount of revenue the government got compared with Jimmy Carter. The problem in the Eighties was that Congress under the Democrats is prepared to spend politically 8 to 10 percent more than we give it, whatever the amount we give it.

And therefore, I think we have to insist on a spending-oriented approach to get control of the federal budget and to insure that we

get to a balanced budget without further burdening the American people, the American family, and the American economy.

Let me say just one or two last things.

ONGOING TRADITION

First of all, I started with Reagan and Buckley and Goldwater and then Kristol to make the point to the Third Generation that there is a reason it's called "The Third Generation." This is not a new struggle. We have been having this argument now for about 30 or 35 years. It is an argument between the Left and the Establishment in the city of Washington—and the rest of us. The Establishment, of course, always says the rest of us are naive, provincial kooks who don't really have a sound grasp, who are people who make movies with chimpanzees. We are department store owners from Arizona, we're random state college history professors from Carrollton, Georgia—but we're not sophisticated, urbane, effete people who understand how you can sell out the values of the American people and truly govern by having the right kind of office.

Now let me just say to you: what you have to confront is that you are part of an ongoing tradition, and we are once again at the same point of defining who stands where, what are we going to do and what kind of America do we want.

I think those of you who get a chance will understand better the distinction between citizen politics and money politics when you see Pat Choate's article in the Harvard Business Review next month and when you look at his new book which will be out in late September—which makes as a passing point that the Japanese now having learned our system, spend more money per year on politics in America than the Democratic and Republican parties combined. And when you study that, it's not the Japanese fault that we have a system that encourages people like Jim Wright and Tony Coelho. It's not the Japanese fault that we have a system that encourages people like Alan Cranston and Don Riegle—they're simply learning to play the game like everyone else.

WASHINGTON AGAINST AMERICA

And we need to look at this city as a city which is almost totally out of touch with the American people today, a city which has rejected every presidential election since 1968—in both parties. They rejected the Republicans and they rejected Jimmy Carter, and then they rejected more Republicans. This is a city which is proud that it has withstood all the screams of the American people for lower taxes, less government, and a replacement for the welfare state.

I believe that 1990-1992 will be key elections in the struggle for America's future. I'll tell you what—and I say this having worked as an insider now for seventeen months and having worked with the President and with his staff—I think that President Bush is doing brilliantly in the Middle East. I think it is an extraordinary performance. I think every one of you ought to look at it carefully as a study in what a truly master diplomat is able to do. And I think that he deserves our wholehearted support for an extraordinary improvisation that has pulled together a range of allies none of us had expected and has created an opportunity for us to turn back barbarism and brutality in a way that most of us would not have expected.

RAISING THE RIGHT BANNERS

At the same time, I think it's a bit much to then have him come to Washington and say exactly the right thing, raise exactly the right banner—and get almost no response.

I think we in the conservative movement have to bear a certain amount of burden here. If we will start the correct fights, George Bush knows who his allies are. If we would raise the correct banners, George Bush knows which battle field to repair to. But I think it's a bit much for us to say to him, "You have to lead on everything, every time." It also happens to be explicity contradictory to the conservative value structure.

We believe in a decentralized America—and yet every meeting I go to, what is the topic? "What are they doing in the White House?" What have they failed to do this week? Who did they fail to appoint? What does this latest signal mean? Look at the traditional Goldwater and Reagan. The question ought to be, "What fight did you start?" What new ally did you recruit? What new idea did you launch?" And is that a little lonely? Yeah, to be an activist conservative in an imperial capital of the Left, is a little tough.

Well, you don't get to walk around wearing the merit badges without earning them. Now the Goldwater generation paid their dues, the Reagan generation paid their dues—and I came here tonight to say to the Third Generation: This is a real fight over real power against real professionals. They are going to do everything they can in the Democratic party to win. People like George Mitchell are going to aggressively, shrewdly, intelligently, and ruthlessly represent their values, and they frankly are stunned and amazed when we fail to do the same.

WEARING OUT THE OPPOSITION

And it's your job, I think, to be as tough, to work an hour longer, to hang out an hour later in negotiation, to come up with two ideas better, to rally three allies more, and in the process to simply wear them out. And if we will do our share, I am absolutely convinced that the President will do his share.

I want to close with this statement. What finally got to me—and I just want to share this with you because I think that every one of you ought to think about it—was that a friend of mine called and cited a quote of the day from the New York Times from a five-year-old girl who said she didn't like to look out her front window because she didn't want to get shot in the face.

Now I want you to think about that. This is, by God, the United States of America and if we're going to care about hostages in Kuwait, we ought to care abut the hostages in the Bronx.

And I am sick and tired of being told that we have to put up with some modicum of decay in the bureaucratic welfare state because it's inappropriate in the city to tell the truth. This is a sick process; the Congress is a sick institution. I care about that five-year-old girl, and as far as I'm concerned, we're gong to fight to change this country, to give those kids when they get back from the Middle East a country that they deserve, that they are earning at the risk of their lives.

DEPARTMENT OF ENERGY SCIENCE EDUCATION ACT

HON. MARILYN LLOYD

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mrs. LLOYD. Mr. Speaker, Today, I am introducing the energy research and development subcommittee bill for Department of Energy Science, Engineering and Mathematics Education programs. This bill is a multiyear authorization package which also makes these education programs a part of DOE's permanent mission.

The subcommittee has held numerous hearings on this subject, and the legislation has incorporated many of the points and recommendations offered us by the many expert witnesses. I am proud that most of my colleagues on the Subcommittee on Energy Research and Development have joined me in sponsoring this bill demonstrating a strong bipartisan approach to a very important issue.

The decline of students entering the science, engineering and mathematics fields which we are experiencing today can lead to disastrous situations in the future. Both Government agencies and private sector corporations are witnessing the higher demand for scientists and engineers while feeling the shortage of supply.

The U.S. economic future depends on a strong science and technology foundation. We have lost many commercialized technological achievements to other nations. To regain our preeminence in science and technology, research and development, and the commercialization of new technologies and developments, we will have an even greater need for more scientists, engineers and mathematicians.

The Federal Government is the largest employer of scientists, mathematicians and engineers. Therefore it is proper that the Federal Government develop education programs that encourage students—all students including women and minorities—to pursue careers in those fields.

The DOE science education bill also establishes some new programs such as the volunteer program to make retired scientists and engineers available as a public school resource, and it creates a nationwide system of summer science camps for junior and senior high school students. Another important aspect of the bill is to ease the procedures by which DOE, its national laboratories, and its other facilities can transfer technical and scientific equipment to public schools and colleges and universities.

This bill will provide for DOE's federal and contractor scientists to continue their roles as leaders in science and technology. It is important that the laboratories and other DOE facilities remain in the forefront stimulating excitement and interest in science, engineering and mathematics and developing our future resources for the technological challenges ahead.

I urge my colleagues to support this legislation.

A RESOLUTION COMMENDING PRESIDENT HOSNI MUBARAK OF EGYPT

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. OWENS of Utah. Mr. Speaker, I rise to introduce a resolution commending President Hosni Mubarak, of Egypt, for his strong leadership in mobilizing the Arab world in opposition to the brutal, unprovoked Iraqi invasion of Kuwait.

From the very outset of the crisis, when more than 100,000 Iraqi troops were poised on the Border of Kuwait, President Mubarak and his Ministers criss-crossed the region, trying to defuse the problem and prevent what would become the first major Arab invasion of another Arab state. It was at President Mubarak's urging that representatives from Kuwait and Iraq met in Jiddah, Saudi Arabia for direct talks on August 1.

Immediately after these talks failed and Iraqi troops overwhelmed Kuwait, Egypt hosted an Arab League ministerial at which President Mubarak persuaded a majority of member states to condemn the invasion. Shortly afterward, at an Arab League summit, the Egyptian President proved instrumental in the majority passage of a resolution authorizing a multinational Arab force to be deployed in Saudi Arabia.

One day later, on August 11, the first contingent of 4,000 Egyptian troops arrived in Saudi Arabia, and shortly thereafter, President Mubarak announced the deployment of a 12,000-man mechanized infantry division. While the Arab League continued to dicker over how to respond to Iraq's aggression, this immediate deployment helped galvanize international support for the containment of Iraq and the protection of Saudi Arabia.

In sum, President Mubarak has been and continues to be the principal force mobilizing opposition within the Arab world to the Iraqi invasion of Kuwait. His strong leadership exemplifies a spirit of cooperation among nations allied to uphold Kuwaiti sovereignty and break Saddam Hussein's stranglehold on the thousands held captive in Iraq and Kuwait. I strongly urge your support.

TRIBUTE TO JUSTICE ANTHONY SCARIANO

HON. MARTY RUSSO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. RUSSO. Mr. Speaker, I rise today to acknowledge the achievements of Justice Anthony Scariano of the Illinois Appellate Court. It is appropriate that I speak of his accomplishments because Justice Scariano has been chosen to receive the prestigious Man of the Year Award from the Justinian Society of Lawyers.

Friends, family, and numerous civic, political, and business leaders of the city of Chicago and the State of Illinois will honor Justice Scariano at a gathering of the society at the Palmer House in Chicago this month.

On the night of September 26, Justice Scariano will become the 26th recipient of the Justinian Man of the Year Award. Upon the presentation of this award, he joins the list of distinguished recipients which includes A. Bartlett Giamatti, Commissioner of Baseball; Joseph Cardinal Bernadin, Archbishop of Chicago; Richard F. Celeste, Governor of the State of Ohio; Benjamin R. Civilette, Attorney General of the United States of America; Leonard F. Amari, Michael Coccia and Lawrence X. Pusateri, past presidents of the American Bar Association; and Congressmen FRANK ANNUNZIO, Peter W. Rodino, and myself.

During his many years of law practice, Justice Scariano has also served the public. In the Illinois House of Representatives from 1956 through 1972, he was awarded a Best Legislator Award by the Independent Voters of Illinois for six of his eight terms. In 1967, Justice Scariano was the recipient of the Clarence Darryl Humanitarian Award from the Clarence Darryl Center of Chicago, and in 1968, he was the first recipient of the Annual Freedom of Information Award from the Headline Club of Chicago. In 1970, the Illinois Trial Lawyers Association honored him for his distinguished service in the Illinois House of Representatives and in 1971, the Chicago Bar Association conferred upon him its award for service to the State of Illinois as a distinguished lawyer-legislator. In December of 1972, Governor Dan Walker named Justice Scariano as Chairman of the Illinois Racing Board, a position he held until 1977. In September 1985, the Supreme Court of Illinois appointed him a justice of the appellate court and, in November of 1986, he was elected to the same position for a 10-year term.

As a past recipient, I am aware of the rich heritage of the award and of the emotions that Justice Scariano may feel on this special night. He is an exceptional man; his accomplishments are extraordinary. It is no surprise that he would be chosen for this award.

I know my colleagues join with me in commending Justice Scariano for his many years of fine service and for the great honor of being the Justinian Man of the Year.

A TRIBUTE TO JUDGE JOHN D. WENDELL FOR 40 YEARS OF DEDICATED SERVICE TO THE RESIDENTS OF ARANSAS COUNTY, TX

HON. GREG LAUGHLIN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. LAUGHLIN. Mr. Speaker, it is with great pride that I pay tribute to Judge John D. Wendell for dedicating 40 years of his life to the progress and enrichment of Aransas County, which is in the 14th Congressional District of Texas.

Judge Wendell took office in January 1950, and efficiently met and exceeded his responsibilities as County Judge. During his tenure, Judge Wendell effectively implemented progressive developments that resulted in the construction of a new county courthouse and jail; the first county library; a juvenile hall, which was named after him; a new county tax office; an expanded courthouse, which reflects the growth of the local government; and the acquisition of additional properties surrounding the present county government complex so that expansion and additional buildings may be constructed as needed.

In addition to increasing the public resources of Aransas County residents, Judge Wendell also worked with other district, municipal, State, and national governments to ensure that Aransas County would be considered one of the best. The consequent result was the construction of the Lyndon B. Johnson Causeway over Copano Bay in Aransas County, TX; an impending State Highway 35 bypass; an expanded and enviable county airport; and the induction of the Aransas County MHMR and Family Planning Services.

Judge Wendell is also responsible for keeping the juvenile delinquency rate and the overall crime rate in Aransas County at its lowest. The House of Representatives of the State of Texas has recognized Judge Wendell as one of the longest serving county officials in the State and Aransas County.

Judge Wendell has established a standard of integrity and excellence in government that is attained by few, and his standards are exemplary to all of us who strive to serve the people of our State and Nation.

I join everyone who knows Judge Wendell and recognize his generous contributions to Aransas County and the State of Texas in wishing him the best. He will be missed in his official capacity as county judge when he retires in December 1990, but his legacy will serve as a reminder to us all that there are people who care enough about the welfare of others to dedicate their life to public service.

DON'T ADD TAX BURDEN TO OVERLOADED MIDDLE-INCOME TAXPAYER

HON. LANE EVANS

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. EVANS. Mr. Speaker, as the budget summit continues at Andrews Air Force Base, I would like to take a moment to restate my strong opposition and the opposition of many of my colleagues to any proposal to eliminate or restrict the deduction for State and local taxes. Elimination of this deduction would be a totally unacceptable tax increase for middle-income taxpayers. According to Internal Revenue Service figures for 1987, a majority of American Taxpayers in the $30,000 to $50,000 income bracket deduct State and local taxes. It is hard for me to imagine how a proposal like this could even be considered when middle-income taxpayers are already paying a higher marginal tax rate than upper-income taxpayers and when President Bush is proposing cuts in the capital gains tax rate which primarily benefits the wealthy.

In the last 10 years Federal dollars to our local communities have been reduced dramatically. Many of these communities have

had to increase local taxes to make up for these losses. To now turn around and deny our citizens a deduction for these taxes is a double whammy; in football terminology, it's piling on.

The deduction for State and local taxes was part of the original legislation which established the modern income tax in 1913. Authors of that legislation felt that taxing individuals on income that they had already paid as taxes to State and local governments was double taxation.

In addition to these problems, there is a regional bias in eliminating this deduction. Taxpayers in the Northeast-Midwest contribute about 47 percent of the tax dollars. Yet, Programs that benefit the Northeast-Midwest are being eliminated to enable the Federal Government to use these tax dollars to bailout S&L's in the Sun Belt. We are seeing a massive transfer of Federal dollars from the Northeast-Midwest region to those areas of the country with large numbers of S&L failures. Revenue realized from an elimination of the deductibility of State and local taxes will come disproportionately from Northeast-Midwest taxpayers thus exacerbating this inequity.

I urge the participants in the budget summit to preserve the deduction for State and local taxes. Don't add to the tax burden of the already overloaded middle-income taxpayer.

NEW COMPREHENSIVE INFORMATION RESOURCE ON ACADEMIC SCIENCE AND ENGINEERING

HON. DOUG WALGREN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. WALGREN. Mr. Speaker, although known mainly as the agency which supports research and educational activities in science and engineering at colleges and universities, the National Science Fondation [NSF] also has an important role in the collection of information on scientific resources and manpower. The NSF Act of 1950 specifically directs the foundation "to provide a central clearinghouse for collection, interpretation, and analysis of data on scientific and engineering resources and to provide a source of information for policy formulation."

NSF has recently published a report which offers strong evidence of the attention NSF pays to its data analysis mandate. The report, "The State of Academic Science and Engineering" (NSF 90-35), is a comprehensive source of information on trends in the relationship between the Federal Government and academic research institutions. In a series of clear charts and graphs, the report sheds light on such important issues as the changing role of different Federal agencies in support of research in academe, trends in the training of new scientists and engineers, the distribution of federally sponsored research among institutions and regions of the country, and trends in the various factors affecting the cost of performing research in academe.

The report was produced by NSF personnel in the division of policy research and analysis. It was made possible by the development over several years of a microcomputer database system containing over 300 megabytes of data from NSF, the Department of Education, the National Academy complex, and private sources. This computer-based data analysis system allows the mountain of otherwise inaccessible facts to be transformed into useful information for assessing the health and vitality of the U.S. basic research enterprise and using to form good policy.

NSF should be commended for providing a valuable reference source for anyone interested in the nature and impact of the Federal interaction with university-based science and engineering research and education. I ask that the following summary of the contents of the report be reprinted in the RECORD.

THE PLAN OF THE BOOK

In the pages that follow the salient features of the relationship between the Federal Government and research universities are defined. The text looks backward at the development of linkages, considering the present state of the systemic interactions, and indicates some future directions that seem to flow from the impact of contemporary debates on the government-university relationship.

The empirical record is framed as clearly as possible, and information is presented in graphical form for ease of interpretation.

Section One sets the context for the ensuing discussion, first by providing an overview of the research system. The order of magnitude of research and development expenditures among Federal R&D expenditures is examined and the role of the university in the total Federal R&D system is described. Some important distinctions in different categories of expenditures are developed.

Through these remarks concerning the contemporary place of Federal R&D expenditures, and the overriding issue of supply of scientists, a current state of the system is established. Once this overview is presented it is possible to "deepen" our understanding of the relationship between the Federal Government and the research university by inquiring into the historical roots of the relationship. Section One continues with an examination of the historical emergence of the relationship of the Federal Government to science from the Founding Fathers, whose concern was with exploration of the U.S. territory, to the land grant system devised to promote agricultural development, to the war efforts of the twentieth century, and on to the competitive efforts of the twenty-first.

The first section concludes with a discussion of the complexities of the Federal R&D budget process as a backdrop to the general discussion of Federal research funding. There has been an evolution to a state in which many agencies of Government provide research funding, but each have different missions, methods of distribution, and characteristic recipients. Thus, through this context development the stage is set for clear articulation of the current material condition of science and engineering and the relationship between the Federal government and the research universities.

Section Two builds on this understanding of the interrelationship that has developed over time between the Federal Government and the research universities of the United States. The fastness of this bond and its distributional nature—in terms of geographical location and fields of study are examined and the question of "fairness" is addressed. We find the identifiable concentrations which exist are natural artifacts of a competitive system based on excellence.

Costs for research are treated in terms of manpower, equipment, facilities, and indirect costs. This discussion establishes a context for the concluding chapter of this section—output from the research university.

Section Three treats the higher education system, the specific place of the research university within it, and the likely drop-off in the production of natural scientists and engineers facing the United States. Here the operating taxonomy of universities is deployed to examine trends in the system, e.g., enrollment, personnel, revenues, etc. These trends are then related to the state and condition of predominantly teaching institutions.

The actual production of degrees by the system, and the resulting pool of potential and actual scientists and engineers, is a major context setting issue, so much so that it has impelled us to delve into the "pipeline" issue in detail. Section Three devotes a chapter to this important subject, outlining the demographic roots of an estimation of shortfall.

Finally, the Epilogue offers some speculative scenarios about the research universities and their relationship to the Federal Government. Here, both discussion of general system tendencies and some of the apparently irreducible enigmas are outlined. These latter matters are not resolved; rather they are established in the hope and expectation that further research among scholars and analysts within and outside the academic community will yield plausible suggestions for their resolution.

Throughout the text there is extensive graphic presentation of the general trends under discussion. More detailed charts and graphs related to each chapter are resident in the Appendix. These more detailed charts and graphs are especially helpful to the reader who wishes to explore the complexities of the trend lines and who delights in finding the exception to the general rule. In any case, the exposition of the chapters which follow is a picture of the evolution of the university research system, especially as it relates to the Federal government.

VALIANT TURKEY HAS COME THROUGH FOR THE WEST

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. BURTON of Indiana. Mr. Speaker, the following commentary by Douglas J. Feith, which appeared in August 25 edition of the International Herald Tribune, correctly emphasizes, that of all America's allies, none deserve more credit for their stand against Iraq's invasion of Kuwait than the Republic of Turkey. For those Members of Congress who fail to understand the value of having courageous allies, like Turkey, who are willing to take immediate and dangerous actions in order to defend the interests of the West, this article is a must.

VALIANT TURKEY HAS COME THROUGH FOR THE WEST

(By Douglas J. Feith)

WASHINGTON.—The Gulf crisis highlights America's need for allies with the inclination, resolution and wherewithal to join in dangerous, high stakes actions to defend the interest of the West. It also reminds America that loyalty to its friends abroad is not only a virtue but a good investment.

Of all America's allies, none deserve more to see their stock rise as a result of this crisis more than the Turks. Turkey has come through for the United States—and the West in general—unhesitatingly and at great cost and danger to itself. It denounced Iraq's invasion of Kuwait within hours, and immediately endorsed the U.S.-led initiative of the United Nations Security Council to condemn the aggression.

The shutdown of Iraq's oil pipelines through Turkey cuts the Turks off from their major source of oil for domestic use and deprives them of fees of $300 million a year. Turkish-Iraqi commerce amounts to $2 billion a year, a substantial share of Turkey's foreign trade. Yet Ankara agreed right away to adhere to the UN-ordered economic sanctions. When asked whether he had obtained a U.S. commitment to compensate his country, President Turgut Ozal said: "I believe that the most important thing is that we should stop this aggression. This is much more important."

The rule in Turkish foreign relations is to shun provocative action and to avoid the spotlight. In international controversies, it prefers to stand squarely within an existing NATO consensus. In the current crisis, however, Turkey found leadership thrust upon it; after all, it is the only predominantly Muslim ally in NATO and the only ally that borders Iraq.

The role could not have been welcome, not least because Iraq, unlike Turkey, possess intermediate-range ballistic missiles, chemical weapons and a nuclear weapons production program. Iraq's conventional military hardware is, in general, more capable, more numerous and far more modern than that of Turkish armed forces.

Nevertheless, by promptly endorsing the embargo and undertaking general cooperation within NATO vis-a-vis Iraq, Turkey has performed its leadership function with courage and good results. It contributed invaluably to crystallizing international opposition to Saddam Hussein.

Turkey's solidarity with the West is all the more praiseworthy for the ill-treatment that it has received from its allies in matters of paramount concern to Turks. Regarding military aid, for example, Congress links the level for Turkey to the level for Greece. The linkage is offensive to Turks for its implication that Greece must be helped to defend itself against Turkey, its NATO ally.

For the Turks, the period before the Gulf crisis was rife with affronts and rebuffs.

In February, the Senate minority leader, Bob Dole of Kansas, occupied the Senate floor for days with his proposed "commemorative" resolution accusing the Ottoman Turks of "genocide" against Armenians during World War I. The Reagan administration vigorously opposed similar resolutions. This time, however, the White House barred top administration officials from lobbying against the Dole resolution. A few weeks later, in April, the White House issued its own proclamation on the subject that was nearly as offensive to the Turks as the Dole resolution.

In July, Washington concluded a new bases agreement with Greece that contained language, added at the insistence of Athens, that could be read as an unprecedented guarantee of Greece against Turkey. The semantics are arcane and the administration has, of course, denied any change in policy. But in both Greece and Turkey much was made of the issue as a dramatic sign of estrangement between Ankara and Washington.

Meanwhile, the European Community refuses to approve Turkey's application for membership. Knowledgeable West European diplomats expect that Turkey would likely win admission, if ever, only after the Community welcomes several countries from the former Warsaw Pact.

Yet when the Iraqi crisis arose, Turkey did not temporize. It did not recriminate with its allies. It did not bargain. Though the crisis again revealed Turkey's unique value as a bridge between Europe and the Middle East. Ankara made no effort to parlay its cooperation into concessions.

The West, which urgently solicited and fortunately received crucial help from Turkey, has not been assessed the wages of infidelity. While rejoicing that Turkey's friendship has been truer than our own, we should not push our luck.

(The writer, an attorney who represents Turkey, was a senior Defense Department official during the Reagan administration. He contributed this comment to the International Herald Tribune.)

DRUG TESTS AFTER EACH S&L WRECK

HON. MAJOR R. OWENS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. OWENS of New York. Mr. Speaker, earlier this week I introduced legislation to expand public surveillance and supervision of the activities of the directors and officers of failed savings and loan institutions.

H.R. 5564 would require that the officers and directors of defaulted savings and loans and banks be subjected to periodic, random testing for controlled substances. The legislation further requires that a program of random drug testing be initiated when the appropriate regulatory agency determines that a bank or S&L is in danger of default or has incurred or is likely to incur a "substantial dissipation of assets or earnings" as a result of any violation of law or regulation, unsafe or unsound practices, or imprudent management or business behavior. These tests would, of course, have to meet appropriate standards for accuracy and efficacy.

Under H.R. 5564, any savings and loan executive or director who refuses to undergo testing without good cause or who tests positive for the use of a controlled substance would have to be immediately removed from his or her position. Federal banking agencies would also have to be notified and an order barring the individual from participating in the conduct of the affairs of any insured depository institution would be issued.

Ordinarily, I view random drug testing proposals with great suspicion and do not support them except in compelling, exceptional circumstances, such as following a railroad accident. But I can think of few situations more compelling and exceptional than the S&L disaster, a financial train wreck of historic proportions for the taxpayers of the United States.

And it is hard for me to imagine what except rampant drug abuse can explain some of the strange goings-on in the savings and loan industry. Not a week passes that we do not hear of another new bizarre investment upon which S&L dollars were squandered and for which the taxpayers have been left holding the bag. Just this week, for example, we learned that the Columbia Savings & Loan of Beverly Hills spent millions of dollars to build bullet-proof "survival chamber" bathrooms with leather walls and stainless steel ceilings in its corporate headquarters. Since Columbia has since gone belly up and defaulted, these exotic toilet facilities are now owned by the taxpayers.

The humiliation and indignity of being required to urinate in a tiny glass bottle under the watchful eyes of another is not something we should impose on people without good cause. But, given the enormity of the S&L scandal and the vast public resources it will consume, I can think of few who so deserve to be humiliated as the executives and directors of bankrupt S&L institutions.

I recently wrote a rap-style poem to further explain my reasons for introducing H.R. 5564 and the importance of this legislation. I commend the text to my colleagues:

DRUG TESTS AFTER EACH S&L WRECK

Just like we treat the rest
After each bank calamity
Make the big shots take the bottle test
And watch them while they do it
Make them fill it to the top
And don't let them unscrew it.
Losing millions on each deal
They had to be on a poison pill
They just couldn't steal enouth
Probably some were sniffing stuff.
They lost control
Maybe it was cocaine
That wrecked each boardroom brain.
Watch them go to court now
And plead they were insane.
Make them take the bottle test
Treat white collar thugs
Just like we treat the rest.
Evidence from behind boardroom doors
Shows some kept a haven of whores
Stands to reason taxpayers should assume
There were also mini-illegal drug stores.
CEO's just had to be high
Everyday investing in pie-in-the-sky
Spending money by the millions
Buying intricate persian rugs
These loonies must've been doing drugs.
Clean immaculate thugs
The best and the brightest
Churchgoers camouflaged in choir robes
On the surface always the rightest
But underneath a dangerous pest-
Make them take the bottle test.
Babies and seniors will suffer
From this monstrous mega-sin
Masterminded by greed addicted men.
For their awful habits
The bills have now come due
The inept IRS will be sending them out
For payment by me and by you.
Finally the overdoses have halted
But for decades to come
The general welfare will be defaulted.

Make the big shots take the bottle test
Patriots stand over them while they do it
We gave them the privilege of the American dream
Let's remind them that they blew it.

TRIBUTE TO ST. ANASTASIA'S PARISH 75TH ANNIVERSARY

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. SCHEUER. Mr. Speaker, I would like to quote from the history of St. Anastasia's Parish in my district, which is celebrating it's 75th anniversary this year.

History is not yesterday's current events. It is that part of the ongoing story of a people that gives their present an anchor and meaning.

Mr. Speaker, these words are an appropriate tribute to the parish of St. Anastasia. Founded in 1915, St. Anastasia's first pastor was Father Francis Uleau, followed by Father John Clarke. These men established a faith community with unlimited possibilities for growth.

St. Anastasia started out as the home of a rather small Catholic community. Previously, parishioners had to walk all the way to Bayside, a considerable trek.

In 1922, the church served about 200 members. But over the next 5 years, due to a boom in local real estate, membership increased 5 times to about 1,000. Families moving out of the city for a more civilized family life had increased the size of St. Anastasia's Parish dramatically.

Mr. Speaker, St. Anastasia's Parish School opened in 1928, and classes were conducted by the Sisters of Blessed Mercy of Wilkes-Barre, PA, a noted group of educators. The school continues to teach children from inside and outside of the parish.

Mr. Speaker, St. Anastasia is a treasured member of the Douglaston/Little Neck community. They are part of a beautiful network of houses of worship throughout the Eighth District of New York. On this, the 75th anniversary, it is fitting that we place these words in tribute of St. Anastasia's longtime contribution to the community and to New York City.

A LETTER TO THE PRESIDENT

HON. PETER HOAGLAND

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. HOAGLAND. Mr. Speaker, Francis Moul, from Lincoln, NE, wrote this letter to the President as a suggestion of how to reverse the destruction to our environment that is occurring day-to-day. Although Labor Day has come and gone, I believe his sentiments and his suggestions are still apt.

JUNE 19, 1990.

DEAR PRESIDENT BUSH: The canary in the miner's cage has died.

Recent new stories that told of the mysterious disappearance of amphibians—frogs, toads and salamanders—from across the Earth is the clearest signal yet of the seriousness of our environmental crisis.

Those dying amphibians, suffering from acid rain and ultraviolet light coming from a badly damaged atmosphere, are like the canary that warned miners when there was a deadly gas in their caverns. The only problem is, we don't have an exit to rush to, to escape the danger.

It is hard to exaggerate the dangers we face from the pollution we have created on our Earth. Accelerated cutting of tropical rain forests, oil spills on our oceans and waterways every day, continued clear cutting of national forest that should be the treasures of our country—all these and much more are killing us off, at an increasingly faster rate.

The death of the frogs is the clearest evidence yet that we must make changes; drastic changes that will reverse this headlong flight to disaster.

I have a suggestion for starting that process of change that you, as our President and as a world leader, could do.

I suggest that all of America take a holiday on Labor Day, Sept. 3, 1990. This would be a true holiday, with everything but the most essential of emergency services closed down.

It would be a pause in our busy national endeavors, with stores closed, highways, freeways and roads shut down; power plants on reduced capacity or shut down completely and all nonessential services and businesses closed.

The streets would become sites for neighborhood gatherings. Highways would be open to walkers and bicycle riders. Freeways would be available for picnics.

With a little planning, people would not be terribly displaced by this total shutdown. They would simply be unable to use their cars for just one day.

It would be a magnificent gesture to our need to slow things down, find better ways of living our everyday lives and start to turn around this process of killing our planet.

Naturally, the one-time gesture would not be enough. It would, however, show that we can do such a thing and that we can do it on a regular basis.

After Labor Day, similar holidays could be planned once a month, then biweekly, and so on until we have regular days each week where activities are closed down.

Only by thus denying ourselves the use of our modern technology that we have become so dependent upon—and which is so very damaging to our Earth—can we understand that we are in fact dependent upon our national world.

Ultimately, we must realize that the canary in the miner's cage isn't singing anymore. It has died. We must heed that warning.

Mr. President, you can make this happen if you wish it so. Millions of concerned Americans stand ready to help you do it. They just need to be asked.

Sincerely

FRANCIS MOUL.

ARE DEBT-FOR-NATURE SWAPS VIABLE?

HON. MATTHEW F. McHUGH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. McHUGH. Mr. Speaker, debt-for-nature swaps have become increasingly popular with environmentalists, commercial creditor banks, and the governments of a number of debtor nations since their emergence in 1987. Indeed, President Bush's "Enterprise for the Americas" initiative proposes debt-for-nature swaps as a way to cancel a portion of the $12 billion Latin American public debt owed to the United States Government.

The environment is a valuable resource and its preservation is vital, but whether debt-for-nature swaps represent a viable, long-term solution to steadily deteriorating economic conditions, especially in Latin America, is a fundamental question that needs to be examined closely and objectively.

A recent article by Laura Caldwell, a research associate with the Washington-based Council on Hemispheric Affairs, draws attention to some of the problems that have arisen in past exchanges with the region and questions the use of debt-for-nature swaps as an all-encompassing solution to the environmental and economic problems facing Latin America.

Without endorsing its conclusions, I would like to call this article to the attention of our colleagues as they continue to consider the implications of debt-for-nature swaps.

DEBT-FOR-NATURE SWAPS: ARE THEY REALLY A VIABLE SOLUTION?

(By Laura Caldwell)

The idea of debt-for-nature swaps arose in 1984 when it was hypothetically proposed by Thomas Lovejoy, then-vice president of the World Wildlife Fund. Suggesting that "debtor nations willing to protect natural resources could be made eligible for discounts or credits against their debts," Lovejoy triggered the interest of various international conservation organizations to save fast disappearing parcels of open land with special attributes. Shortly afterward, they developed proposals to enable certain debtor nations to cancel small amounts of foreign obligations in exchange for national investments in conservation programs within their countries.

In 1987, sponsored by Conservation International, a private U.S. environmental organization, Bolivia agreed to the first debt-for-nature swap, exchanging $650,000 of its foreign debt for a government commitment to protect specified areas of biological importance within the country. Despite the many unforseen problems that arose in the Bolivian case, the popularity of the debt-for-nature swap concept has grown and many similar exchanges have occurred in the past three years.

Similar to debt-equity arrangements, debt-for-nature swaps involve the purchase by a private international conservation organization of a portion of a debtor nation's foreign debt from a commercial bank, or the forgiveness of such a debt by a foreign government. Commercial banks usually sell the debt to private buyers at a discount, often at rates as low as 10 percent to 30 percent of its face value. In exchange, an amount of money close to or equal to the actual debt relieved, rather than the discounted figure, is either granted directly or allocated through the national government in national currency to the country's conservation organizations. In this manner, a private international conservation organization is able to relieve millions of dollars of a nation's debt by purchasing a much smaller fraction of it. The money released from the foreign debt

into the domestic market is usually made available in the form of bonds to fund local environmental projects. The cooperation of the donors, the commercial banks, the debtor nation's authorities and the local conservation organizations is required to assure that all interests are taken into account.

However, problems abound. Negotiated solutions and designated plans often are not implemented and deadlines frequently not met. Programs that are mandated by international environmentalists at times do not fit the needs of local organizations or the individual country's political and economic agendas. A simple government proclamation to protect a specified area of land or allocating a certain amount of funding for environmental programs will frequently not withstand internal and sometimes external pressures for the government to focus on other domestic priorities, such as a desire for additional hydroelectric power capacity, the development of transportation systems, how to deal with the poor squatting on public lands, or the need for additional social programs. The issue of national sovereignty is often raised when governments adopt conservation programs developed by foreign organizations; although these groups do not own the land to be protected, they are integrally involved in its preservation, an issue that is frequently perceived as rightfully an internal affair.

Three years after the first debt-for-nature arrangements were implemented, results of the Bolivian, Costa Rican, and Ecuadoran swaps are beginning to be evaluated. In Bolivia, most of the problems surrounding their implementation are logistical and political. Due to government budgetary problems and the slow process of developing new bureaucratic organizational structures, most of the funding was not appropriated for almost two years. Due to this delay, $60,000 in interest was lost. Currently, legislation aiming to provide maximum legal protective status for the Beni Biosphere Reserve, the main area designated for protection in the 1987 agreement, is still on the agenda in both houses of the Bolivian legislature, but has not yet passed.

In Costa Rica and Ecuador, the swaps have been slightly more successful, but various problems continue to plague both programs. Ecuador committed itself to converting foreign debt into government bonds allocataed to one local conservation organization, Fundacion Natural, which is the sole benefactor of all the interest on these bonds. The participation of only one in-country organization limits the variety of conservation projects to be implemented and has caused some resentment among similar groups which have been left out. Inflation is also becoming a problem as the real value of the earned interest on the bonds, used to fund land management programs, is dropping. Costa Rica has the same problems with inflation as well as a steadily climbing domestic debt, which increases when external debt is converted into domestic bonds in debt-equity and debt-for-nature swaps.

Economically, the benefits for the detor nation appear slim. Only a small percentage of the nation's foreign debt is actually relieved, the maximum to date being 10 percent. Research shows that debt-for-nature swaps affecting more than 10 percent of a country's foreign debt would induce inflation to rise beyond control, and thus are not an entirely reliable method of alleviating its financial burden. Additionally, most swaps require that the amount of debt bought off by an international conservation organization or relieved by a foreign government be converted into national currency bonds to be sold to the public. While slightly reducing foreign debt, the process only adds to domestic debt.

Another problem that demands to be addressed is the failure to seek the involvement of the indigenous people who for centuries may have lived on the land involved in debt-for-nature swaps. Claiming that the swaps violate their rights to the land and citing the destruction of the Chimane Forest, part of the Beni reserve in Bolivia supposedly protected by the 1987 debt-for-nature swap, the Coordinating Body for the Indigenous Peoples' Organizations of the Amazon Basin (COICA) claims that the only true way to preserve this land is to return specified areas of the forests to the indigenous peoples' protection. Instead of debt-for-nature exchanges, COICA demands "debt for indigenous terriotory swaps".

Debt-for-nature arrangements have not yet proven themselves to be the simple solution they were touted to be, or even a viable response to the problems facing Latin America's environment, debt, and development situations. Simply demanding the preservation of specified land cannot teach the value of the environment or the importance of irrigation and crop rotation. Money spent developing collateral education and social programs will have to be necessary if any exchange arrangements are to bring long-term relief.

OPPOSITION TO TITLE DeFAZIO AMENDMENT

HON. CHARLES PASHAYAN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. PASHAYAN. Mr. Speaker, the House Rules Committee will soon report a rule that allows for the offering of an amendment to the crime bill by our colleague Mr. DeFAZIO. The amendment would strike from the bill a provision barring State-sponsored sports gambling. During committee consideration I received a letter from NFL Commissioner Paul Tagliabue opposing the DeFazio amendment. I concur with the commissioner and commend his views to the attention of my colleagues.

Commissioner Tagliabue's letter follows:

NATIONAL FOOTBALL LEAGUE,
September 13, 1990.

Hon. CHARLES PASHAYAN, Jr.,
House Committee on Rules,
Washington, DC.

DEAR REPRESENTATIVE PASHAYAN: It has come to my attention that Representative DeFazio of Oregon is seeking to have made in order an amendment to the crime bill striking a provision prohibiting the use of interstate commerce or communications to further state sports lotteries. I also understand that an effort may be made to include such language to strike in a self-executing rule.

The provision to question was approved without dissent by the House Judiciary Committee on an amendment by Mr. Bryant. The National Football League strongly supports the Bryant language and vigorously opposes any effort to strike it from the bill.

Professional football and the other major team sports are family entertainment with very broad appeal to young people throughout America. Fan interest is focused on who wins or loses, on strategy and game plans, and on the entertainment value of the action on the field or in the arena—not on point spreads and oddsmaking. We have worked very hard over the years to develop a reputation for honest games and a vigilant program to insulate our players from gambling interests.

Gambling on our games undermines public confidence in the integrity of our sports. It creates pernicious and unwanted pressures on our coaches and players. It invites cynical second-guessing about routine misplays and strategy calls. It substitutes the betting slip or the lottery tickets for the great play as the source of public interest.

State-sponsored sports lotteries inherently involve government in efforts to legitimize and promote sports gambling. Their proliferation would substantially expand the isolated government-authorized sports gambling that presently exists. Their proliferation would also send the wrong message to the young people of America—that the fast buck or the bet is more important than sportsmanship and a great athletic performance. Sports lotteries cannot be lucrative without the active use of government revenues and resources to promote them. The trade-off for relatively minor increases in government revenues would be major damage to the integrity of professional and amateur athletics. This cannot be sound policy.

Lotteries are traditionally subject to federal statutory control. Indeed, the right of states to use interstate commerce or communications in connection with lotteries is conferred in the federal statute which the House Judiciary Committee proposes to amend. The integrity of professional and amateur athletics is a national concern. It requires no stretch at all to say that while lotteries in general are permitted as games of chance, sports lotteries—which are based on the outcome of human competition—are off limits.

Our views are shared by the other professional sports leagues and by the National Collegiate Athletic Association. Our common message is that gambling is bad for sports, and that government should not be in the sports gambling business.

Efforts to strike the Bryant language will encourage the proliferation of sports gambling. I do not believe Congress wishes to send that kind of signal. If you agree, please oppose efforts to strike the Bryant language from the bill.

Your consideration of our views is deeply appreciated.

Sincerely,

PAUL TAGLIABUE,
Commissioner.

PREVENT PROFITEERING FROM THE MIDEAST CRISIS

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. KANJORSKI. Mr. Speaker, Tuesday night President Bush made a strong and impassioned statement that the United States

would not tolerate profiteering from the crisis in the Middle East.

I have written to the President to commend him for his statement, and to encourage him to support legislation I have introduced, H.R. 5551 to impose a windfall profits tax on oil to prevent profiteering.

I would like to share my letter to the President with my colleagues in the House, and invite them to cosponsor H.R. 5551.

CONGRESS OF THE UNITED STATES,
Washington, DC, September 12, 1990.

Hon. GEORGE BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I was extremely heartened to hear you tell the Congress firmly and emphatically last night during your address on the crisis in the Middle East:

"And finally, let no one even contemplate profiteering from this crisis. We will not have it."

As you are well aware the American people are deeply concerned that they are being overcharged as a result of this artificially contrived shortage. Since June of this year, the price of a barrel of oil has nearly doubled. As a result of this price increase of $15 per barrel, American consumers will pay roughly $45 billion a year more just for the 3 million barrels of oil we produce each year in the U.S.

The multinational oil companies will recieve this extra $45 billion windfall even though it is not costing them any more to extract this oil from the ground, even though the oil was discovered some time ago, and even though they were already making a profit on it when it sold for only $16 per barrel. This is clearly profiteering.

In order to mitigate this unwarranted and unearned profiteering I have introduced H.R. 5551, legislation to impose a windfall profits tax on oil company excess profits. My bill would raise roughly $15 billion a year in new revenues without imposing an additional burden on average working families. It is also carefully drafted to encourage drilling for new oil as new oil would not be taxed unless its price rose above $34.50 (and even then it would be taxed at a relatively low rate).

My bill also seeks to put these revenues to work resolving another crisis which was created in large part as a result of the last boom and bust in the oil-based economy of the Southwest. It would transfer the new revenues to the Resolution Trust Corporation for savings and loan cleanup costs, thus making further appropriations to the RTC unnecessary.

American consumers are already paying higher prices for oil. It is time we recapture some of the windfall profits from the oil companies and put them to work for the American people.

I would welcome a letter of endorsement from you for this innovative measure to reduce profiteering and save working families the cost of further contributions to the savings and loan cleanup.

Sincerely,

PAUL E. KANJORSKI,
Member of Congress.

HALL OF FAMER BUCK BUCHANAN: A HERO ON AND OFF THE FIELD

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. WHEAT. Mr. Speaker, last month, the sports world conferred one of its highest honors on legendary defensive tackle Buck Buchanan by inducting him into the Pro Football Hall of Fame.

It is indeed a pleasure to join the Hall of Fame in applauding the achievement of fellow Kansas Citian Buck Buchanan—a good friend, a great athlete, and a hero in our community. Through his outstanding accomplishments, both on and off the playing field, he has taught us much about the meaning of success.

August 4 was a proud day not only for Buck Buchanan, but for Kansas City Chiefs coach Hank Stram, who was on hand at the Hall of Fame in Canton, OH, to introduce his former star player. Buck Buchanan, the fifth member of the Chiefs to be so honored, now joins linebacker Willie Lanier and Bobby Bell, quarterback Len Dawson, and owner Lamar Hunt in the ranks of football's greatest.

Buck's career has been marked by a steady stream of firsts and bests. A 1962 graduate of Grambling University, he became the first player drafted into the new American Football League. He was the first pick for the Dallas Texans, a team that would soon move to Kansas City and get a new name—the Chiefs.

By anyone's standards, Junious "Buck" Buchanan has had a remarkable football career characterized by skill, strength, speed, and an ability to motivate his fellow players. A member of the Chiefs' two Super Bowl teams, in Super Bowls I and IV, he also played in six AFL All-Star games and two Pro Bowls and was the Chiefs' Most Valuable Player in 1965 and 1967. Always where the action was, he missed only one of 182 regular season games from 1963 to 1975.

When many professional athletes come to the end of their career in sports, they are viewed as having reached the pinnacle of success. When Buck Buchanan hung up his cleats after a distinguished career on the gridiron, he went on to tackle even bigger challenges in life.

Honored in the Hall of Fame for his legendary ability to stop the progress of opponents on the field, he is today widely recognized for advancing the progress of the citizens of Kansas City.

As head coach of the Special Olympics, Buck helped demonstrate that physical handicaps are no barrier to personal triumph. Appointed to serve as a board of elections commissioner for the State of Missouri, he worked for greater participation by the people in their government.

Buck's long list of civic and business activities have earned him the admiration and respect of a grateful community. By helping to found the Black Chamber of Commerce, he has been a powerful advocate for the development of minority businesses in the Kansas City area. He also served for 3 years on the board of the Greater Kansas City Convention and Visitors' Bureau.

Through his work with the Chiefs' college scholarship program, the local Boy's Club, and through regular speaking engagements to classes of school children, Buck continues to reach out to young people, to teach them to make the most of their talents and abilities.

A national celebrity and a local hero, Buck Buchanan is a champion in every sense of the word.

ENERGY CONSERVATION PROGRAM

HON. BILL SCHUETTE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. SCHUETTE. Mr. Speaker, today I am introducing legislation that will encourage energy conservation among farmers, ranchers, the forest industry, and utilizers of wood for energy. The legislation couldn't be more timely or appropriate. With America facing the effects of the Middle East crisis, American agriculture is in desperate need of a solution to its current energy problems. My legislation will help our farmers, while improving conservation and reducing energy consumption.

Like many other industries, agriculture is energy intensive. Farmers use nearly $5 billion worth of fuels and oils in daily farm operations annually. The delivery of energy inputs; for example, fertilizer, pesticides, fuels, oils, and so forth, at particular stages to achieve optimum crop yields is vital to the farming operation. According to a recent Doane's Agricultural Report, for every $5 per barrel increase in crude oil, farmers pay $900 million in production expenses. Unlike other businesses the increased cost to which farmers are subject can't be passed along to the end user. Thus, farmers are taking the hit: higher fuel prices than the driver pays at the gas pump.

The energy conservation program proposed in my legislation is modeled on a successful one we have in the State of Michigan. Both programs are designed to help farmers and forest producers conserve energy while protecting the soil, ground and surface waters, and other natural resources from unnecessary exposure and/or destruction due to agrichemicals. Consequently, they achieve a double impact for the taxpayer dollar—environmental protection and energy conservation.

Six areas have been targeted to achieve these results. They are: No. 1, demonstrating the advantages of conservation tillage practices; No. 2, training, pest scouting, and soil sampling in order to reduce energy consumption through optimizing the amount of fertilizer, lime, soil conditioners, and pesticide usage; No. 3, improving the efficient use of irrigation systems; No. 4, livestock management; No. 5, managing horticultural facilities; and No. 6, improving efficiency in utilization of wood, including milling of forest products and the use of wood for the production of energy.

Energy technicians play a major role in the program by working directly with farmers and forest product producers to implement energy-saving practices. The Soil Conservation Serv-

ice [SCS] is the key administering agency. The energy program objectives dove-tail with existing conservation practices. However, the emphasis placed on the energy conserving portion will provide the producer with significantly lower energy costs and more fertile soils.

For example, the Michigan Energy Conservation Program [MECP] has resulted in savings of more than $21.9 million in energy and agrichemicals to produces using the prescribed energy-saving practices. If every State could achieve such savings through energy conservation practices, U.S. farmers would experience savings of nearly $1 billion.

The forest industry in Michigan, which both uses and produces energy sources, provides another example of savings from this excellent program. A reduction of 10 percent in the industry's single largest energy consuming activity, drying wood, can save forest producing processors $5.6 million annually. Again, if extrapolated for the entire United States, savings could be in the millions of dollars.

In conclusion, the premise of this legislation is to extend a successful Michigan program, which provides the agriculture industry with needed resources to make energy efficiency improvements in their operations, facilities, and equipment nationwide. Increasing the cost of the product the consumer buys will not help the farmer of forest processor, but giving the producer an incentive to reduce their input costs and improve conservation practices is like money in the bank.

Mr. Speaker, I believe that agriculture, including the forest industry, needs immediate assistance to overcome the latest developments which have once again impaired its ability to operate. My legislation will help the industry overcome the outrageous energy costs it is now required to absorb.

TRIBUTE TO LEONA AND MARCY CHANIN—RECIPIENTS OF THE 1990 STEPHEN S. WISE AWARD

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. LANTOS. Mr. Speaker, I rise today to pay tribute to Leona and Marcy Chanin—an extraordinary couple the American Jewish Congress is honoring with its 1990 Stephen S. Wise Award. The Chanins are being honored for their lifelong commitment to human rights, religious liberty, and social justice, and their dedication to the enhancement of Jewish values, education, and culture.

The Stephen S. Wise Award was established in 1949, in honor of the distinguished rabbi who founded and served for many years as president of the American Jewish Congress. For the last 41 years this award has been presented to a distinguished group of men and women whose qualities of moral courage, love of liberty, and service to humanity have perpetuated the tradition of Dr. Wise and have exemplified the noblest teachings and ideals of the Jewish heritage. Mr. Speaker, Leona and Marcy Chanin are most deserving recipients of this great honor.

Leona Chanin, who is currently senior vice president of the American Jewish Congress, has a distinguished record of leadership and service. She is past treasurer, development chair, cochair of the governing council, and president of the National Women's Division. She was representative to the American section of the World Jewish Congress, chair of the leadership conference of the National Jewish Women's Organizations—the umbrella group for Jewish groups with over 1 million women members—a member-at-large of the New York Jewish Community Relations Council, and a member of the board of the American Jewish Joint Distribution Committee. A graduate of Hunter College and a member of its Hall of Fame, Leona currently serves on the scholarship and welfare board, and the Hunter College Foundation Board.

Marcy Chanin has a similar distinguished record of service. He is a member of the national executive committee of the American Jewish Congress and he has long been a leader in the Jewish community. For his military service during World War II, Marcy received the Bronze Star and the Croix de Guerre. After completing military service, he resumed his business career. He has served on the boards of the Cardozo Law School, Jewish Communal Fund, United Hebrew Geriatric Center, Stephen Wise Free Synagogue, and the Diaspora Museum in Tel Aviv. With his brother Paul, Marcy is spearheading the funding of a genetic engineering building at the Technion in Haifa, and he is leading the effort to establish an innovative and unique Psychiatric Service/Home Care Support program of the Memorial Sloan-Kettering Cancer Center.

Leona and Marcy Chanin recently celebrated their 50th wedding anniversary, and they have three children and six grandchildren. Individually, Leona and Marcy have outstanding records of service that more than qualify them for this award, but together they have also performed a number of exceptional acts of service and philanthropy. Their support has helped Albert Einstein College of Medicine of Yeshiva University, St. Mary's Hospital in Palm Beach, the UJA Federation, and numerous other worthy causes. The Leona and Marcy Chanin Cross-Walk connects two buildings of Hunter College, and a building of the Louise Waterman Wise Youth Hostel in Jerusalem is named for the Chanins. The Leona and Marcy Chanin Comprehensive High School and Sports Center in Kiryat Ono serve as models in Israel.

Mr. Speaker, I invite my colleagues to join me in paying tribute to my dear friends, Leona and Marcy Chanin, as highly deserving recipients of the Stephen S. Wise Award. We honor them for their past service and accomplishments, and we wish them continued success and happiness as they continue their exemplary service.

TRIBUTE TO MARGARET HOLUCZAK

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. SMITH of Florida. Mr. Speaker, I rise today to memorialize an outstanding individual who was a teacher in the 16th District and who was brutally murdered on September 5, 1990. Mrs. Margaret Holuczak, a popular economics teacher at McArthur High School in Hollywood, FL, was also an educational consultant to The Hunger Project, an organization devoted to ending world hunger through education and fund raising.

Margaret was regarded as an extremely dedicated and inspiring teacher who enjoyed a close rapport with her students and colleagues. Many former students demonstrated their appreciation for her commitment to teaching by nominating her for such honors as the University of Miami's annual recognition of gifted teachers and The Miami Herald's Silver Knight Program. Undoubtedly, those attending McArthur High School will miss her strong influence, brought about by a love for the profession to which she was dedicated.

Margaret was one of the fine people who have dedicated themselves to improving the lives of the less fortunate. Her mission was the Hunger Project, a group with which I have worked closely. When Mrs. Holuczak traveled to San Francisco to attend a national meeting of the Hunger Project, she appeared on a local radio show and spoke eloquently on the work that the organization was doing. She was astonished by the positive reaction of people toward the Hunger Project, and was thrilled by the interest she had generated. It was then that she realized that one person can make a difference.

Margaret Holuczak was only 40 years old. Her husband passed away 2 years ago, leaving her to raise their 13-year-old daughter, Tanya, on her own. Yet she still had time to not only teach and be an excellent mother but to also partake in the causes she held dear. It is no wonder that anyone and everyone who came into contact with Margaret felt privileged. For the students and teachers at McArthur High School, to those hungry the world over, to her beloved family, Margaret Holuczak made a difference. She will be sorely missed.

AN ALTERNATIVE TO SEQUESTRATION

HON. ALFRED A. (AL) McCANDLESS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. McCANDLESS. Mr. Speaker, Congress is waltzing with a 100-billion-pound gorilla. On October 1, the music will stop. Just as sure as a 100-billion-pound gorilla can sit any where it wants to, on October 1, the gorilla will manifest itself as a massive and indiscriminate $100 billion across-the-board cut in Federal

spending. That cut will mean major disruptions in our military efforts in the Persian Gulf, substantial cuts in other important programs like the war on drugs, Head Start, and veterans' health care, and threatens furloughs for thousands of Federal employees, which will mean delays in the delivery of essential Government services for millions of Americans.

Why is this happening? It's because over the past several years, the Democratic majority in Congress has failed to support efforts to control the Federal deficit. It's because year after year, the Democrat-controlled Budget Committee has reported budgets which used tricks and gimmicks to meet the Gramm-Rudman balanced budget law. And it's because the Democrats have the votes in the House of Representatives to enact those budgets. For years, claims of deficit reduction was nothing more than smoke and mirrors.

Today, the smoke has cleared and the mirrors have been lifted. Reality now threatens Congress in the form of sequestration, or across-the-board cuts, necessary to reduce the deficit to meet the Gramm-Rudman target for fiscal year 1991.

While it is important for the American people to know who is responsible for the current crisis, my purpose for taking this time is to point out that it is not too late for Congress to do the job it was elected to do, and to take the action necessary to avoid a $100 billion sequestration.

Because of past budget failures, we face large reductions in the Federal budget on October 1. At this point, there are two alternatives in deciding which programs will be reduced and the amount they will be cut. The first is for Congress to do nothing and allow indiscriminate across-the-board cuts to go into effect. Programs will be cut without regard to their importance. High priority items in the Federal budget will all be cut by the same percentage as programs of a very low priority.

Sequestration does not have to happen. The reason why sequestration was included in the Gramm-Rudman balanced budget law was that the thought of indiscriminate across-the-board cuts is so repugnant that surely Congress would take every step necessary to avoid them. Since being elected to the House of Representatives, I have repeatedly worked and voted for efforts to control Federal spending and reduce the deficit. Unfortunately, the rejection of those efforts by the majority party in Congress has brought us to the verge of a $100 billion sequestration.

The alternative to sequestration is legislation which I have introduced, House Resolution 462. That legislation establishes a procedure under which Congress will be forced to reexamine the Federal budget from top to bottom and to set a priority within the programs and expenditures of the Federal Government.

The process which I propose is not radical. It directs the Budget Committee to provide the standing committees of the House of Representatives with instructions to reconcile spending with available revenues. Each committee will then have to examine the programs under its jurisdiction and report its recommendations back to the Budget Committee. The Budget Committee will then package the recommendations of the various committees in a resolution that will be brought before the House of Representatives in an expedited procedure. The idea is to have Congress—and not some indiscriminate across-the-board formula—decide how the Federal Government should spend the taxpayers' money.

The process of setting priorities within Federal spending is long overdue. I would venture to say that nearly every family in my congressional district sets priorities within the family budget. What kind of family would reduce spending across the board? What kind of family would reduce the children's milk money by the same percentage as the "European vacation fund?" Yet, Congress is on the verge of using this flawed budget process.

It is not too late. If the Democratic leadership will allow the consideration of the legislation I have introduced, we can avoid the chaotic disruption of indiscriminate cuts on October 1. Congress has an option, and I would urge the prompt consideration of House Resolution 462.

HAPPY BIRTHDAY TO COMMODORE JOHN BARRY, FATHER OF THE U.S. NAVY

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. McGRATH. Mr. Speaker, I rise today to celebrate the birthday of the father of the U.S. Navy, Commodore John Barry.

Born on this date in 1745, Barry is the holder of the first commission in the U.S. Navy. As a naval officer, Barry commanded the brig *Lexington,* the first ship brought to battle for the Revolutionary War and became a national hero as the *Lexington* became the first ship to capture an enemy warship in actual battle. After the Revolution, Barry was placed in command of the first ships authorized under this new country's Constitution.

The Commonwealth of Massachusetts officially acknowledges every September 13 as Commodore John Barry Day. Irish-Americans throughout the Nation also observe the birth of Commodore Barry and many still consider him a genuine hero. I take great pride in wishing happy birthday to the father of our Navy and ask my colleagues to also join in the celebration.

TRIBUTE TO ZION LUTHERAN CHURCH

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to the Zion Lutheran and United Church of Christ of West Penn Township, PA. This year, the congregation celebrates the church's 200th anniversary and I would just like to take a moment to point out Zion Church as a symbol of dedication to worship through its many years of service to the community.

The early beginnings of Zion Church goes back to 1768 when its founders applied for 100 acres of land to the Commonwealth of Pennsylvania, and in 1790 construction of the first building began. For the past 200 years, Zion Church has undergone additions and renovations to accommodate the growth of its congregation allowing it to offer more space for fellowship and worship, as well as to provide better educational facilities for its younger members. As the church moves into the next century, I anticipate it will continue to offer guidance and inspiration to those of West Penn Township.

I believe my colleagues will agree that Zion Lutheran and United Church of Christ deserves our commendation on the floor of the House as it celebrates 200 years of extraordinary service. Also, I would also like to extend my warmest wishes to each and every congregation member who has helped Zion Church fulfill its mission.

WAKE-UP CALL FOR JAPAN

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. DORGAN of North Dakota. Mr. Speaker, there is a toll-free number that our friends and allies call whenever they run into trouble: 800–USA–FREE. Yes, anytime they face a threat to their economic opportunity or political security they call Uncle Sam on our nickel.

Japan, more than any other nation, has rung up the biggest tab on this toll-free line.

DESERT SHIELD AS A SCREEN

In the Middle East, the Japanese are using Operation Desert Shield not as an opportunity to share the burden of mutual defense but as a screen to hide behind. Even though it imports 70 percent of its oil from vulnerable sources in the Middle East—and almost twice as much as the United States, Japan is not willing to contribute a commensurate share to the cost of the operation. This operation is going to cost the United States taxpayers some $17 billion during the next several months, but Japan has promised only to offer only $1 to 2 billion altogether to mitigate the impact on friendly nations.

In other words, Japan reaps most of the benefits while the United States foots most of the bill.

It works the same way in Japan. The United States stations 50,000 troops and provides the protection for Japanese sealanes and airlines and guess who picks up most of the tab. Yes, the United States pays over 60 percent of these mutual defense costs. Japan, by contrast pays only about $3 billion for a $7.5 billion bill. It's a great deal for Japan. They ship us stereos, sedans, and software, while we provide safe passage. And while they open their arms to our sailors and soldiers, they close their markets to our telephones and TV's. That's why we have a $45 billion trade deficit with Japan.

It's time to blow the whistle on this nonsense.

It's time to expect the second wealthiest nation in the world to pull its weight on mutual defense. It's time to insist that a partnership should require both participants to make proportional contributions and to draw proportional benefits.

I pursued this goal with an amendment to last year's defense bill. It called for the President to negotiate an agreement in which Japan would cover two-thirds of the host nation costs instead of the one-third they were paying. The amendment cleared the House and Senate without a whimper, but the President noted his objection only to this specific provision and few others when signing the bill.

Since then, Secretary Cheney has taken a more assertive tack in pushing the Japanese to do more. However, the Pentagon just reported to me that we are still hoping for Japan to split the costs within the next 2 years. It's time for us to stop hoping and for Japan to start helping.

Now I understand that Japan's constitution limits its ability to commit its self-defense forces overseas. Many Asian nations would fear such involvement. But that does not prevent Japan from paying its fair share: A bigger chunk of Desert Shield and a large share of host nation support.

A FAIR SHARE FOR JAPAN

The Bonior amendment calls for Japan to fully absorb the $7.5 billion cost for United States forces in Japan. Failing such a contribution, the United States would begin withdrawing troops at the rate of 5,000 a year.

This amendment makes good sense. It sends Japan and the Bush administration a wake-up call that the days of cheap security are over. It does not require Japan to extend its military reach but it does require Japan to expend more on its own defense. It would not trigger a reckless reduction in U.S. forces, but it would mandate a reasonable drawdown of American troops.

The Bonior amendment is fair, but tough. It requires Japan to do no more than its constitution allows, but no less than its economy can shoulder. It takes the Dorgan amendment a step further by requiring United States troop withdrawals if Japan does not start acting like a responsible partner.

It also calls on Japan to fully pay for the full cost of United States troops in Japan. But since the Senate had no comparable provision, we need tough language to ensure that a meaningful burden sharing provision emerges from the conference.

The Bonior amendment does not deny that the United States has an interest in the security of Japan and the Pacific. However, it does argue that the burden of mutual defense should be shared according to the ability of each partner to pay and to participate. Under Bonior, the United States would still provide ships, planes, troops, and equipment. The difference would be that Japan would absorb all financial responsibility for these costs—not just one-third of them.

This is tough medicine. But the administration muffed its chance to finalize a new arrangement with Japan under the less stringent provisions of last year's Dorgan amendment. I ask my colleagues to note, however, that the amendment also permits the President to waive the Bonior amendment in an emergency.

Times have changed, Mr. Chairman. Twenty years ago, Japan's GNP was one-third of ours. Now it amounts to more than one-half of our national output. The burden of defense must shift with these changes in wealth. Both partners should expect to make such an adjustment.

If we don't pass the Bonior amendment, Japan will continue to believe that the United States should pay more than its fair share of mutual defense. If we do pass the Bonior amendment, we will put the word mutual back into the United States-Japan Mutual Defense Pact.

I urge my colleagues to take out the toll-free defense line to Japan. Japan can afford to pay for its own call. It must pay its own share of mutual defense costs. If we can risk the lives of our sailors, airmen, and soldiers, then surely Japan can invest three-tenths of 1 percent of its GNP on mutual defense.

The Bonior amendment makes good sense. It deserves our unanimous support.

HARRISON, NJ, CELEBRATES ITS 150TH ANNIVERSARY

HON. FRANK J. GUARINI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. GUARINI. Mr. Speaker, in the 14th District which I have the privilege to represent, there is the town of Harrison that was created by an act of the New Jersey State Legislature on February 22, 1840. The community is named after President William H. Harrison, and was originally settled in 1868.

This year, a series of activities is taking place commemorating the area which was once inhabited by the Unami Indians, a branch of the Leni Lenapi Tribe.

The area is part of a land grant given to Maj. William Sandford of the Barbados Islands. In 1710, the land was bought by Capt. Arent Schuyler, and legend has it that one of the slaves of Captain Schuyler found a green rock that was sent to England for testing and was found to contain 80 percent copper. With the beginning of copper mines, many settlers came to process the minerals.

During the American Revolution there were a number of skirmishes between British and American troops in the area that today is known as the Meadows, which was inhabited by pirates. In 1787, as raids became more frequent and daring, the governments of New Jersey and New York decided to eliminate the pirates.

In 1840, the town of Harrison was formed in the back room of the Lodi Hotel, and what is presently Harrison was part of the Township of Lodi, NJ. Residents joined with Secaucus, Bayonne, Jersey City, Hoboken, Weehawken, and Union City to petition for the creation of a new county. It was on February 22, 1840, that part of Bergen County was legislated into what is now Hudson County.

The first meetings of the new county of Hudson were conducted in the town of Harrison, and it quickly became a beehive of industry because of its abundant natural resources. Harrison was located by major rail facilities, across the river from Newark and within a very short distance from Jersey City, and the Hudson River going into New York. Some of the industries located in this small community included the Thomas A. Edison lamp works, Worthington Pump Machinery, the RCA Co., the Crucible Steel Co., and Otis Elevator. Since then, while some industries have moved out, others have moved in, including the Hartz Mountain Industries, Harrison Baking Co., and a large repair facility for the PATH railroad operation, which is part of the New York-New Jersey rail system.

The town of Harrison has unsurpassed access today to large seaports, railroad terminals and super highways. It is about 10 minutes to the Newark International Airport and about 15 minutes to New York City.

Mayor Frank E. Rodgers is the mayor of the town and has the distinction of being the longest serving mayor in the United States with more than 50 years of dedicated service to its citizens.

Mayor Rodgers, who first took office on January 1, 1947, along with various dedicated council members throughout the years, has developed a town government that has become a model for the rest of the country. The current members of the Harrison town council are: O. John Di Salvo, Angelo A. Cifelli, Raymond J. McDonough, Arthur P. Musialowicz, Margaret M. McGuigan, Frederick G. Confessore, Peter B. Higgins III, and Alberto D. Cifelli. Josephine M. Catrambone serves as the town clerk and Marion P. Borek as deputy town clerk.

Mayor Frank E. Rodgers and the council members are to be commended for their excellent social service delivery system for the citizens of Harrison, especially for older Americans.

At the present time, there is a drive to develop a fund for building two new wings to the public library. Also, to establish a museum for the display of memorabilia, art, and many other exhibits which are of general interest to historians, and to the public.

On September 22, 1990, the town of Harrison will celebrate its 150th anniversary with a dinner dance to be held at Harrison High School. The chairman of the 150th anniversary committee is Anthony Comprelli.

I am certain that my distinguished colleagues in the House of Representatives wish to join me in saluting Harrision, this small but vibrant community which has done its part for America both in war and peace.

IN HONOR OF "MR. RED CROSS" FROM MIDDLETOWN, OH

HON. DONALD E. "BUZ" LUKENS

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, I would like to take a moment to honor "Mr. Red Cross," Marvin R. Holliday of the Middletown, OH, Chapter of the American Red Cross. Marvin has performed 38 years of volunteer service.

Marvin has become known as Mr. Red Cross for his devoted service as a Red Cross volunteer. His service began February 16, 1952, and has included nearly 19,000 hours of voluntary assistance for the citizens of Middletown and the surrounding communities. He has been first-aid co-chairman for 7 years; first-aid chairman for 16 years; chairman of volunteers for 8 years; honorary board member for 9 years; and chairman of chapter house maintenance for 9 years.

In appreciation for his enormous service, Marvin has received the following awards: Red Cross Certificate of Merit for saving the life of a choking infant; Bill Hart Memorial Award—presented yearly to an outstanding volunteer; and honoree for outstanding and devoted service and leadership for over 500 volunteers serving the Middletown area chapter. In addition, Marvin saved the life of a drowning victim in 1938.

More Marvin Holliday's are needed in America today to shine as points of light and prove that community service is of utmost importance—just ask the individuals whose lives were saved by Marvin and volunteers like him. Because of Marvin Holliday's rare and distinguished record of volunteer service, I am submitting his name for consideration in the President's Thousand Points of Light program. Your one of a kind Marvin. May your service serve as a model to all of America.

NATIONAL NURSING HOME RESIDENTS' RIGHTS WEEK

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. ROYBAL. Mr. Speaker, yesterday, I introduced with my colleagues, the Honorable MATTHEW J. RINALDO, ranking minority member of the Select Committee on Aging; the Honorable RALPH REGULA, ranking minority member of the Subcommittee on Health and Long-Term Care; the Honorable MARILYN LLOYD and the Honorable JIM COURTER, the chairman and the ranking minority member of the Subcommittee on Housing and Consumer Interests; the Honorable THOMAS J. DOWNEY, and the Honorable OLYMPIA J. SNOWE, the chairman and the ranking minority member of the Subcommittee on Human Services; and the Honorable MARY ROSE OAKAR, the chairman of the Task Force on Social Security and Women, a joint resolution designating October 1–7, 1990 as National Nursing Home Residents' Rights Week. I am pleased to say that the distinguished Senator from Arkansas, DAVID PRYOR, will be introducing an identical measure in the other body. I would like to encourage my House colleagues to join in support of this important legislation.

October 1, 1990, marks the day that the nursing home amendments to the Omnibus Budget Reconciliation Act of 1987 [ORBA 87], which grants statutory rights and protections for nursing home residents, will be implemented. This new law directs nursing homes to care for their residents in a way that promotes the maintenance or enhancement of the quality of life of each resident and ensures that residents receive services and activities to attain or maintain the highest possible level of physical, mental and social well-being.

National Nursing Home Residents' Rights Week will be a time to celebrate the new nursing home reforms mandated by Congress and recognize the acts of courage, dignity, and self-determination by residents organized to speak on their own behalf. It will also be a time to commend the long-term care ombudsman program and citizen advocacy groups which have worked to protect and promote the rights of residents, the State and Federal surveyors who have worked so diligently to protect the health, safety, welfare, and rights of residents, and those caregivers, both family of nursing home residents, and staff of nursing homes, who have given their heart and soul to the welfare of residents.

It is essential that we recognize the need to preserve and protect their basic rights. Nursing home residents have given this Nation the gifts of their talents and wisdom throughout their lives and continue to do so in their new places of residence. Along with their advocates across the country, they have worked hard to achieve enactment of this new nursing home law and accomplish its implementation. They deserve the continued support of their community, neighbors, families, friends, and those working tirelessly to serve them in the nursing home.

Over 1.8 million of our fellow citizens live in nursing homes today, a number which will grow to 2.2 million before the end of this century. The experts also estimate that 2 in 5 of us will live in a nursing home at some time in our lives; 7 out of 10 married couples will experience having one spouse go into a nursing home. Therefore, for today's nursing home residents and for the future's, it is incumbent upon us to remember them and the resources they have to offer us all. Their wisdom, their courage in the face of difficult circumstances, their commitment to the quality of life of this generation and the next, are a testament to the magnificence of the human spirit. Today we honor them with this resolution. With this thought in mind, I am submitting for the RECORD at this time a copy of the resolution in its entirety.

FIESTAS PATRIAS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. VISCLOSKY. Mr. Speaker, I wanted to take this opportunity to remind my House colleagues that September 16, 1990, marks the 180th anniversary of Mexico's independence from Spain. Throughout the United States there will be special events to commemorate this important occasion. I am proud to note that in Northwest Indiana, both the Sociedad Mutualista Mexicana [Mutualista] and the Union Benefica Mexicana [UBM] will be sponsoring several events to celebrate this Fiestas Patrias—Mexican Independence.

Both of these organizations have dedicated themselves to preserve the rich Mexican culture and improve the quality of life for the Hispanic community and all residents in Northwest.

Founded in 1933, and headquartered in Gary, IN, the Sociedad Mutualista Mexico is the oldest Hispanic organization in Indiana. Every year, this group selects a royal court for the Fiestas Patrias festivities. Last month, Maria Anaya was selected as Queen, Diana Medellin as Princess, and Lucy Luna as Duchess.

The Sociedad Mutualista, Mexico's 57th Annual Fiestas Patrias will take place on Saturday, September 15, 1990, at St. Sava Hall in Hobart, IN. I congratulate Mutualista president John Gutierrez and the Mutualista membership on 57 years of service to the Hispanic community.

Since its formation, in 1956 by the combining of three existing organizations—Benito Juarez, Union de Trabajadores and Cuahtemoc—the UBM has also committed itself to the enrichment of culture and quality of life for Mexican-Americans and Northwests Indiana's community.

The UBM Hall, located in East Chicago, IN, will serve as the site for three events—Coronation of the Queen, La Noche Azteca, and the annual Mexican Independence Day Parade. On Friday, September 14, 1990 Sylvia Lopez, will begin her reign as Queen of the Fiestas Patrias for the UBM festivities. Sandra Rosillo will serve as Princess and the Duchess will be Gabriella Gudino.

The UBM will host La Noche Azteca and EL Grito on Saturday, September 15, 1990. Aztec Night will serve to remind Mexican-Americans of their Aztec roots and Father Hildago's "Cry for Independence," which marked the beginning of the Mexican Revolution. The culmination of the UBM festivities will be on Sunday, September 16, 1990, with a parade through East Chicago.

Under the direction of UBM President Antonio Barreda, the UBM parade has gained recognition as one of the largest parades in Northwest Indiana. I will be pleased to join the Hon. Evan Bayh, governor of Indiana, and the mayors of East Chicago, Hammond, Whiting and Gary as we participate in the parade.

In conclusion, I would like to commend the Union Benefica Mexicana, Sociedad Mutualista Mexico, and the entire Hispanic community in Northwest Indiana for their past efforts and wish them continued success in this year's events and future plans. Viva Mexico.

H.R. 5267

HON. JOE BARTON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. BARTON of Texas. Mr. Speaker, Monday, September 10, the House passed H.R. 5267 under suspension of the rules. Contained in that bill was a special rule allowing home shopping stations to qualify for must carry provisions by cable operators. I do not see the need to make special exceptions for home shopping channels. If they do not meet the requirements that apply to other broadcast stations, there is no sufficient public policy jus-

tification for a special benefit for televised home shopping.

This rule is particularly troublesome because it benefits only one televised merchandising company, the Home Shopping Network. Other cable shopping channel services exist, but have not as yet taken Home Shopping Network's approach of buying UHF television stations.

If this becomes law, Congress will have created an incentive for those other televised merchandising companies to follow Home Shopping Network's acquisition policy of buying local TV stations and converting them to outlets for satellite delivered national over the air merchandising.

The Energy and Commerce Committee, and particularly leaders on both sides of the aisle, worked long and hard to resolve difficult issues associated with this legislation. I commend them for their efforts.

However, special relief for the Home Shopping Network is one problem that remains. I hope that before this legislation is on the President's desk, this aspect is satisfactorily resolved. As it stands now, it creates bad public policy and unfair competitive advantages.

TRIBUTE TO OLGA ECOBAR NOGUERA AND REV. MOSES MERCEDES

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize Olga Ecobar Noguera and Rev. Moses Mercedes of Rhode Island. Both have been chosen as this year's recipients of the Outstanding Citizen Award from the International Institute of Rhode Island. The award is given out each year to those who have been recognized for their tireless involvement in Rhode Island's minority and refugee communities.

Ms. Noguera has been extremely active in her service to the Hispanic community. For years she has constantly put her bilingual abilities to use for the benefit of all. She has put her talents toward service to the following organizations: the Sojourn House, the International Institute, the Hispanic Social Services Association, the United Way, and on the State Advisory Committee for the U.S. Civil Rights Commission. Presently, Ms. Noguera acts as a liaison with various community groups concerned with the needs of the Hispanic community and their relationship with the Department of Human Services.

Rev. Moses Mercedes has also been extremely active in his service to their Hispanic community. For over 13 years, the reverend has served as pastor at the 4th Star of Jacob Church in Providence, also serving as a spiritual counselor and preacher. He has been very active in such organizations as the Hispanic Social Services Association, the Grand Avenue Project, and the Aids Task Force. Reverend Mercedes has also written a number of articles which have appeared in La Prensa Nueva and the Providence Journal.

It is with great pleasure that I salute the achievements of both Olga Ecobar Noguera and Rev. Moses Mercedes. I wish them both continued success in the future.

TRADEMARK PROTECTION/ WORLD UNIVERSITY GAMES

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Mr. LAFALCE. Mr. Speaker, today I am introducing legislation with Representatives HENRY J. NOWAK, FRANK HORTON, AMO HOUGTON, BILL PAXON, and LOUISE M. SLAUGHTER to facilitate the promotion of the summer 1993 World University Games. The International University Sports Federation has designated the United States to host their games which are a major world amateur athletic competition.

The legislation tracks the precedent enacted for the U.S. Olympic Committee in the Amateur Sports Act of 1978. It expedites the granting of trademark protection for symbols and logos of the International University Sports Federation in connection with the World University Games exactly as was done for the symbols and logos of the International Olympic Committee. By granting this trademark protection immediately, it will enable the Greater Buffalo Athletic Corp., a not-for-profit corporation organizing and sponsoring the games, to proceed expeditiously with its promotion. Time is of the essence if preparations for the 1993 games are to be successful and this legislation will simply avoid the cumbersome procedures to accomplish trademark protection under the regular procedures for individual marks.

The legislation describes the trademarks and logos to be protected and allows for their licensing to contributors and suppliers in exactly the same way as the Olympics legislation of 1978.

The principal difference from the 1978 legislation is the provision for a sunset termination of protection for periods after 1994. The Olympics protection is ongoing because of the continuing need for protection.

Quick enactment of this legislation will enable amateur athletes to take advantage of this great opportunity to bring reknown and prestige to the United States.

CANDY AND EDDIE DeBARTOLO, RECEIVE CYO AWARD

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Ms. PELOSI. Mr. Speaker, I rise today to pay tribute to two people who are very important to the civic life of San Francisco—Candy and Eddie DeBartolo. There is a powerful constant in the lives and work of Candy and Eddie DeBartolo: a special feeling for family. Their commitment to family values resides at the core of Candy and Eddie's activities. It extends to the business and sports world and to those less fortunate.

In an age when the family's influence and importance is often underplayed and undervalued, the DeBartolo family affair is a refreshing reminder of the importance of family values.

To the San Francisco Bay Area family, the DeBartolos are best known for the San Francisco 49'ers, an athletic team that has brought the gift of joy and pride to our community. Less well-known are the extensive gifts of charitable support that have strengthened the fiber of nonprofit organizations serving those in need. When our community has needed help, be it recovering from an earthquake or to send a child to CYO camp, the DeBartolos have been there extending a helping hand with their time and magnanimous charitable gifts.

The DeBartolo championship tradition is a tribute to their family and the American spirit of enterprise and generosity. This family affair extends from the home to the corporate boardroom, to the playing field, and to communities around the country. Tonight, the Catholic Youth Organization will recognize the help the DeBartolos have extended to children and youth served by the CYO. It is because of the DeBartolos, and others like them, that these children have a chance to become champions in their own right. I am proud to salute Candy and Eddie DeBartolo as they receive the Catholic Youth Organization Service to Youth Award.

PEPSI PLAYPARK

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, September 13, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, in a time where many dangers exist on the streets for our children, one company has taken the initiative to create a haven where the children can play and have fun in safety.

The Pepsi-Cola Co. has promised to upgrade two south Florida parks to provide fun environments that will bring together children of all ages and backgrounds. Pepsi Playparks have already been proven successful in other cities across the United States. The uniqueness of the Pepsi Playparks is that children will have a chance to draw their own dream playground in Pepsi's "Design a Playpark Contest." The winning designs will be incorporated into the overall park architecture.

Pepsi's Playpark contest has had high visibility and generated much interest, especially among Miami's children. A chance to help design the two parks, that will cost about $50,000, cannot be passed up by the eager young architects who are busy designing their dream playparks.

On Wednesday, September 19, Pepsi will

hold a press conference in Miami at the Radisson Mart Plaza Hotel to announce the locations of the two new parks, which will be built over the next few months.

I would like to commend Mr. José Marrero, Mr. Mario Gutierrez, and the executives of Pepsi-Cola for their hard work and dedication to the children. I would also like to thank Mr. Cesar Odio of the city of Miami for his cooperation with the Pepsi-Cola Co.

Mr. Speaker, I am glad to see that corporate America is taking interest in the safety, education, and welfare of our youth. The Pepsi-Cola Co.'s Pepsi Playpark is a model for others to emulate.

SENATE—*Friday, September 14, 1990*

(Legislative day of Monday, September 10, 1990)

The Senate met at 9:15 a.m., on the expiration of the recess, and was called to order by the Honorable ALAN J. DIXON, a Senator from the State of Illinois.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Thus saith the Lord, Let not the wise man glory in his wisdom, neither let the mighty man glory in his might, let not the rich man glory in his riches: But let him that glorieth glory in this, that he understandeth and knoweth me, that I am the Lord which exercise lovingkindness, judgment, and righteousness, in the earth: for in these things I delight, saith the Lord.—Jeremiah 9:23, 24.

Eternal God, no one ever sacrificed his or her greatness by glorifying the Lord. Moses, Joshua, David, Isaiah, Jeremiah, the writers of the New Testament gospels, Paul, all found their greatness, their fulfillment in their relationship with You. Help us to see, gracious Lord, that no one sacrifices his or her ultimate potential in submission to Thee. As the prophet Jeremiah exhorts, let us not glory in the gifts, talents, capacities God has given us. But let us glory in our knowledge of God the Giver, knowing then that all of our gifts and talents will be maximized.

We pray this in the name of Jesus who promised life abundant. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 14, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable ALAN J. DIXON, a Senator from the State of Illinois, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. DIXON thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10:15 a.m., for a discussion of CAFE standards, with the time to be equally divided and controlled by the Senator from Nevada [Mr. BRYAN] and the Senator from Michigan, [Mr. RIEGLE], and with the Senator from Massachusetts [Mr. KERRY] to be recognized for the first 10 minutes of Senator BRYAN's time.

Mr. McCAIN addressed the Chair.

The ACTING PRESIDENT pro tempore. For what purpose does the Senator rise?

Mr. McCAIN. I ask unanimous consent to speak for just a few minutes until the arrival of the scheduled speaker.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request of the Senator from Arizona?

Mr. RIEGLE. Reserving the right to object, is it on this topic?

Mr. McCAIN. No.

Mr. RIEGLE. Unless it is truly urgent matter, I think we need to use the hour between now and the time of the cloture vote, unless the cloture vote is moved, to deal with the topic.

Mr. McCAIN. It is my understanding from what the Chair just said that Senator KERRY will be the first speaker. I believe we are waiting.

Mr. BRYAN. If I might, Mr. President——

The ACTING PRESIDENT pro tempore. For what purpose does the Senator from Nevada rise?

Mr. BRYAN. The Senator from Nevada rises to respond to an inquiry raised by the distinguished Senator from Arizona as to the schedule of Mr. KERRY.

The ACTING PRESIDENT pro tempore. The Senator from Nevada is recognized for that purpose.

Mr. BRYAN. I thank the Chair.

Responding to my good friend from Arizona, Senator KERRY's office called us saying he would not be able to be here at this time. It was the thought of those involved in processing the bill that we would go to the debate with 30 minutes allocated to each side, and the time schedule for the vote on the cloture motion is at 10:15 a.m.

So if we yield the floor, then in effect we have invaded the time Senator RIEGLE and I have.

The ACTING PRESIDENT pro tempore. Is there objection to the unanimous-consent request?

Mr. McCAIN. I withdraw the request.

Mr. RIEGLE. Mr. President, I say to the Senator from Arizona, if we get an understanding to move the time of the cloture vote back 15 minutes, we can certainly accommodate his requirement.

The ACTING PRESIDENT pro tempore. The Senator from Michigan is recognized.

MOTOR VEHICLE FUEL EFFICIENCY ACT

Mr. RIEGLE. Mr. President, I arrived a little late in that discussion, so I do not know exactly what all was said prior to my arrival on the floor. But now that we are in the 1-hour period leading up to the time of the cloture vote at 10:15, I think it essential that we move into discussion of some of the items that have been raised yesterday that I think are inaccurate and I think need to be answered.

One of the key issues in that area has to do with the question of how much fuel economy can actually be achieved, and are the targets set forth in the Bryan bill actually realistic given what we know of technology and what outside experts are telling us.

If you start down the list of expert witnesses who have assessed that and you start with our own Secretary of Energy, Mr. Watkins, he indicates that he is in strong disagreement with those estimates. So is the Secretary of Transportation, Sam Skinner. So you have the two principal Cabinet officers in this area with the administrative authority, as well as the great army of people who work with him in that area, who dispute those assessments.

In fact, the Office of Technology Assessment has estimated that the best achievable gains, with existing technology, by 1995 would be somewhere between 6 and 10 percent. So they are acknowledging that there is some room for improvement, and I acknowledge that, but not anything close to the levels mandated in this bill.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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The Government Office of Technology Assessment says that by the year 2001 we can anticipate as much of an improvement as somewhere between 12 and 21 percent, but certainly nothing close to the 40 percent that would be mandated by this bill.

If you take some work done by researchers from Harvard and Brookings Institution, they have projected still even a lower improvement figure. They say 6 percent by 1995 and 18 percent by the year 2001. In fact, even the author of the study that is cited by the supporters of the bill later modified his own conclusions to state that only a 3 to 7 percent improvement was possible with existing technology by 1995, and a 19 to 31 percent improvement was possible by the year 2001. So even that person, who is held out as the authority for this amendment, has sharply backtracked from what he has said.

Also, some have argued that safety problems that would be caused by downsizing, shrinking the cars to make them get the higher mileage, could be dealt with by the expanded use of air bags and passive restraints. That is just not so.

The notion that the wider use of air bags can offset adverse safety effects of downsizing is plain wrong. Half of all of the auto fatalities occur in accidents involving side impact or rear impact or rollovers in which air bags are really not very helpful. They are much more designed for the kind of head-on collision, and certainly there are many of those. But at least half of the accidents cannot be properly safeguarded against, unless you have a car of sufficient structural strength and size to give you those margins of safety.

So whenever one thinks of the auto industry's historical receptivity to safety regulation, in the insurance company data, which is separate and apart, they have a view strongly adversarial to the auto companies, because they want to have the safest possible cars so they do not have a large number of injuries of customers of their insurance company; so they want to have the most accurate data. They told us, frankly, that smaller cars are more dangerous. Our common sense tells us that as well.

Another area that I think was not sufficiently dealt with yesterday has to do with the issue of what the cost of this is, just the cost of trying to do this, of the Government handing a mandate out there and then walking away and leaving it to the industry to try to come up with the money and find a way to try to meet what is really an impossible standard.

It would require, just on the capital side, if this amendment were to pass, retooling virtually all of the big three American companies, assembling engine transmission and stamping plants over the next 7 years or so. The best estimates on costs that we can get for that is a figure of about $95 billion.

I have no idea where that money is going to come from, because that major industry is short on capital like every other industry in the country is these days, and also the Government itself is. So the notion of where this $95 billion of extra capital will come from—it is just not there.

In fact, the combined annual capital expenditure budget of the entire industry right now is only $7.5 billion a year. And they are not skimping. They are putting all of the capital investment in they can. They have to do it in the face of tough foreign competition.

If the most they are able to assemble in the way of new capital investment now to meet other ongoing requirements is $7.5 billion a year, how is an additional $95 billion to be found that would have to be invested on top of that over the period of the next several years? That would mean that annual capital expenditures would have to be increased really two or three times over what they presently are for each of the next 5 to 7 years. So it is a totally unrealistic capital requirement.

We know that interest rates are higher, and we have pressure on a savings pool in the country that is too small as it is. But it is the kind of impractical thing that Government often does. We reach for a desired goal, and we put a mandate out there, and we do not provide the resources to meet it, and then we are surprised when it creates a chaotic effect that was not properly anticipated.

So the companies today have neither the cash on hand nor the earnings flow to come in to fund these kinds of enormous capital requirements that would be new and add-ons. In fact, they would have to run big operating losses in order to come up with the money to try to meet these Government-imposed requirements. That would be very difficult. In fact, the interest rates that would have to be paid, even if they get the money, would be exorbitant.

So you put the industry in a downward financial spiral, which is very difficult as it is, because of all the factors we are aware of.

On top of this, we now have, I think, an emerging pattern of evidence that we are moving in the direction of a recession. We may be in one. We are sliding down that hill, and we are not quite sure at what rate or how far it might go. You lay on those macroeconomic circumstances as well, and there is probably not a worse time for us to anticipate coming in with the Government mandating a new set of enormously expensive requirements than would be true at the present time.

One other thing, and then I will yield the floor and reserve my time for now. Yesterday, much was said about the wonderful benefits that could be achieved with these mandated increases in mileage efficiency with respect to the impact on the environment, and that we could end up having a major impact on preventing global warming, the emissions going into the environment and warming the upper atmosphere. That is just not true. That is just not true.

Some of my best friends in the body here yesterday were peddling that information, and the facts are just wrong. I want to put the facts on the record.

Carbon dioxide emissions, which is what was being talked about in global warming, from U.S. cars and trucks combined, account for only 2.3 percent of the worldwide greenhouse emissions; that is the total. So that is where we start from at the present time.

The Office of Technology Assessment has estimated that even if the 40-mile-per-gallon target were met that is in this bill, that would reduce the U.S. vehicle portion of global greenhouse gases by only four-tenths of 1 percent by the year 2010, so we would have less than half of 1 percent improvement 20 years from now.

That is how material this is from the point of view of giving us some big dividend with respect to global warming, and it is nonsense. That is a red herring issue, and it is thrown in here to shore up what is a weak set of arguments on the basic facts of this amendment. The amendment does not make sense in and of itself for the other reasons that were cited yesterday. But to come along and try, in an environmental improvement argument, to dress it up and make it look like more than it is is just a phony argument.

I want to just say it again because the data is out there to be looked at. The carbon dioxide emission from U.S. cars and trucks account for only 2.3 percent of the worldwide greenhouse emissions, and, if this 40-miles-a-gallon target is met—and this legislation is mandating it—it would mean that there would only be four-tenths of 1 percent improvement by the year 2010, which is 20 years away. So do not let anybody be under the misapprehension that, if you buy this package, you are solving the greenhouse problem, because that is just not so.

As I say, I think that is a false argument; I think it is thrown in here to try to dress up this situation and make this package look better than it is.

Now, I just finish with this: It is not my practice normally to proceed with filibusters or lengthy discussion on motions to proceed. The problem, however, is to bring this issue up with

all of its complexity this late in the session under these kinds of circumstances where it cannot be considered in the context of an overall national energy strategy or policy; it is being looked at as a single ad hoc item. On the margin, I think it is not the way to proceed and is going to do tremendous damage to the industry and to our national economy.

So I think it is very important, if this issue is going to be taken up, it has to be looked at in a broader context and there will have to be other amendments offered, and they will be offered. If we want to save energy now and not 10 or 20 years from now, there are things like reimposing the 55-miles-an-hour speed limit to immediately save energy. I do not see the advocates of the bill calling for that. They want to save energy but not today in ways that we know work.

So we have to discuss those issues, we will have to present those issues, and we will have to vote on those issues and decide, and perhaps over a period of a week or two or three we can craft some kind of ad hoc energy policy here with the series of debates and votes on those kinds of issues.

Frankly, I do not think this is the time and place to do it. I think we have other things to do. We have the budget summit coming, and there may be energy tax considerations in that package. We have no way of knowing. So I think we ought to put the entire energy package comprehensive strategy issue over until the early part of next year, put all the issues on the table, such as CAFE as one of the issues, and then decide in some intelligent fashion what constitutes a wise blend of national energy policy.

With that, Mr. President, I yield the floor and reserve the remainder of my time.

The ACTING PRESIDENT pro tempore. Who seeks time? The Senator from Michigan yields the floor.

Mr. KERRY addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts.

Mr. KERRY. Mr. President, are we operating under controlled time?

The ACTING PRESIDENT pro tempore. We are operating under controlled time. Who yields time to the Senator from Massachusetts?

Mr. BRYAN. Mr. President, I am happy to yield to the Senator from Massachusetts. I believe he indicated he needs 5 minutes.

Mr. KERRY. That will be fine.

The ACTING PRESIDENT pro tempore. The Senator from Massachusetts in recognized for 5 minutes.

Mr. KERRY. Mr. President, I thank you and I thank the distinguished Senator from Nevada.

Mr. President, I rise in support of this legislation. I listened to the distinguished Senator from Michigan. I would disagree with him that this is being approached in an ad hoc fashion. This legislation has been on the floor previously. Moreover, it was very much a part of the original Clean Air Act debate, and many of us believed very strongly it belonged in the Clean Air Act. For various reasons, we separated it from the Clean Air Act, but it is not an issue new to the deliberations either in the committees of jurisdiction or in the Congress as a whole.

By increasing the corporate average fuel economy standards the so-called CAFE standards, we as lawmakers, will be taking the biggest and most immediate step we can in conserving oil, and reducing our foreign oil dependence, eliminating air pollution, and preventing global warming.

In January 1989, I introduced my first legislative initiative of the 101st Congress—S. 57, an air pollution reduction bill which included the Motor Vehicles Fuel Conservation Act of 1989. This legislation was designed to conserve fuel and reduce carbon dioxide emissions by increasing the corporate average fuel economy standards. In the past year and a half, numerous approaches to CAFE have been introduced, all were subject to several hearings and discussions before the Commerce Committee, which I was pleased to be a part of. My colleague Senator BRYAN, the chairman of the Consumer Subcommittee ably brought together the issues embodied in the various legislative initiatives. He listened tirelessly to the concerns of the interested parties to the automobile industry, to labor, to environmentalists, and to consumer groups and successfully crafted the excellent bill which is before us today; a bill I am pleased to have cosponsored and on which I hope this body and the House will act on positively and promptly. I happen to believe that it is a very important piece of legislation, not just because of the environmental impacts, but also because we are so devoid of any energy policy in this country right now. It is very much a part of an ongoing strategy that was set previously by the Congress, in fact way back in 1975, and which has been derailed somewhat in recent days. I think it is totally appropriate for us to try to put it back on track and address now the questions of necessity.

This issue is important, and we ought to be voting for it, whether or not there is an oil crisis or whether or not there is a problem in the Middle East today. It was brought up with the intention of trying to pass it before any of that arose. So, Mr. President, I suggest that it is simply more compelling now in the fact of that.

Mr. President, in April of this year millions of people all around the world celebrated Earth Day. This overwhelming showing of solidarity to end the environmental degradation of our planet and conserve our finite resources cannot be forgotten, particularly as the world is now faced squarely with the choice of how we are going to respond to the crisis in the gulf region with the economic and environmental threats and opportunities that it raises.

As the chairman of New England Earth Day, I traveled throughout Massachusetts and our neighboring States and worked to implement in our schools an environmental curricula with energy conservation as its No. 1 priority. One of the main themes of Earth Day was that yes, citizens' can and will hold their law makers accountable. Today the outpouring of concern that we witnessed on Earth Day 1990, must be fully appreciated as we vote for the conservation measures that are the heart of the CAFE bill.

The energy situation in the Middle East has made this debate a most timely one. Our dependence on foreign oil and its consequences on consumers pocketbooks is being felt by Americans everywhere. Whether it is the direct cost of gasoline at the pump, or the passed-on cost of airline travel, food prices as trucking costs increase, or soon, as the weather chills, increased cost to heat our homes, schools, and hospitals, we are all currently experiencing the economic consequences of excessive foreign oil dependence.

The United States is the largest consumer of oil in the world, accounting for almost 25 percent of the consumption. In addition, our dependence is growing, oil imports have grown from 28-percent consumption in 1982, to what some say will be 50 percent this year. That amount exceeds our previous high of 48 percent set in 1977. In my view this excessive dependence on foreign oil reflects a decade of no national energy strategy.

Many recall that during the oil embargo of 1973, Democrats and Republicans alike got serious about conservation and renewable energy resources. In 1975 Congress through the leadership of Senator HOLLINGS and others enacted CAFE standards which increased automobile fuel efficiency from 14 miles per gallon to today's 27.5 miles per gallon. Funds poured into research and development for renewable sources. Congress passed tax credits for conservation initiatives. Today, after a decade of neglect, a decade with no energy policy, we have arrived at the economically risky and environmentally dangerous position we are in today. In the past decade funds for renewable energy sources was cut from $557 million in 1981, to $94 million this year. In the 1980's tax credits for renewables such as solar hot water heating were eliminated. And as our R&D dollars dried up for America's universities and research institutions the Japanese and the Ger-

mans passed us and became the world's leaders in exporting these technologies. It is disgraceful that complacency and the lack of an energy crisis permitted not only our competitive edge to slip away, but shelved the Nation's conservation efforts.

But, today we have the chance to renew our conservation effort and to continue to curb environmental degradation.

Mr. President, before we debate the merits of the CAFE approach, I want to address the fact that many of my colleagues have received frightening, distorted, and exaggerated assessments of the measuring impact on our automobile industry. Let me put this into perspective.

Fifteen years ago, Congress enacted legislation which adopted CAFE standards designed to improve automobile fuel efficiency by 100 percent in just a decade. Ten years later the automobile industry, to their credit, achieved that 100-percent improvement standard and in some instances went beyond.

Let us review what the automobile industry told us 15 years ago when CAFE standards first passed. In 1974, the Ford Motor Co. told us: "This proposal would require a Ford product line consisting of either all sub-Pinto-sized vehicles or some mix of vehicles ranging from a sub-subcompact to perhaps a Maverick." Chrysler stated that the provision "would outlaw a number of engine lines and car models, including most full-size sedans and station wagons."

In 1990 we are hearing the same things. General Motors said that "absent any unforeseen technological developments, CAFE targets of the magnitude of those in S. 1224 would force us to consider drastic measures, such as cutting production of our larger, family-sized cars."

Well, Mr. President, they were wrong in 1974, and they are wrong now. Because of the success of the CAFE standards, new cars rolling off the assembly line today average over 28 miles per gallon versus only 14 miles per gallon in 1975.

The fact is, CAFE is one of the things that geared them up to be able to begin to create cars that were competitive with European and Asian cars. I suggest that is the same kind of a requirement today which will help them to do that again, because if they do not, those other folks—the foreign companies—are going to do it as they watch the price of oil go up in their countries and they begin to create more fuel efficiency and demand for a worldwide standard that is increasing with respect to air pollution.

More important, in the past 15 years, these standards saved the Nation 2.5 million barrels of oil every day and, in 1989 alone, lowered carbon dioxide emissions by over 360 million tons. This means savings from the pocketbook of virtually every American family, not some abstract national oil account.

Contrary to what the auto industry says, the availability of this fuel-saving technology means that the size of vehicles need not be reduced and that there is no tradeoff of fuel economy with safety. In fact, the Center for Auto Safety, longtime watchdog of auto safety, assures us that this amendment will not compromise safety. Moreover experts tell us that our bill will offer buyers the same size and comforts as automobile models from 1987. Certainly consumers will continue to have choices in the cars they buy.

Increasing our fuel efficiency will decrease our dependence on foreign oil. This dependency not only poses the threat of supply disruptions, as we are witnessing today, but is a direct threat to our Nation's economic security since oil imports account for 40 percent of our trade deficit. The legislation before us today will reduce our Nation's oil consumption by 2.8 million barrels of oil per day by 2005. This accounts for close to four times the amount of oil we have been importing from Kuwait and Iraq combined.

Increasing our fuel efficiency also makes sense, because it will decrease the pressure to drill in environmentally sensitive areas, such as the Arctic National Wildlife Refuge in Alaska. Some predict that if we reduce our oil consumption by 2.8 million barrels per day, as set out in this legislation, by the year 2005 we will save 10 times the amount of oil they expect to produce in ANWAR. It will minimize the need for offshore oil and gas drilling in environmentally sensitive coastal areas such as Georges Bank and the California coast. And it saves consumers hundreds of dollars every year at the gas pump. It is estimated that the additional cost to produce a car achieving 40 miles per gallon may be $500. This sum would be offset by savings of more than $2,000 per year from lower gas use. And with continued rising prices of gasoline maybe even more.

In addition to saving oil, raising our CAFE standards is the single biggest step Congress can take to reduce global warming, and air pollution.

We know how many cities in this country are out of attainment. We know how many people are sick and dying each year as a consequence of lung disease and air pollution. The Lung Association of the United States says we spend $40 to $60 billion a year because of health costs attendant to the lack of clean air. And the single greatest contributor to that lack of clean air are automobiles and trucks.

I would disagree with the distinguished Senator from Michigan on the figures he just talked about with respect to global warming. The fact is that passenger cars provide 14 percent of the total carbon dioxide emission of the United States. Add trucks to that, and it equals 20 percent, and the total combined CO_2 emissions from the United States relative to the global warming problem internationally, is about 25 percent of the world's carbon dioxide, and a very significant portion of that comes from automobiles and from trucks.

There is no one panacea for addressing global warming. Of course our utilities must be made more efficient. Of course we must take action to promote industrial efficiency. Of course we must plant trees and take many other actions in our interest. But cars and light trucks are major contributors to global warming and we must move immediately to improve their efficiency.

In fact, United States transportation alone, emits more carbon dioxide than the total produced in any other country in the world, except for the Soviet Union and China.

Every single gallon of gasoline our cars and light trucks burn produces nearly 20 pounds of carbon dioxide, the primary global warming gas. According to calculations by Environmental Action Foundation, the average car on the road today produces 58 tons of CO_2 over its lifetime. In stark contrast, cars averaging 40 miles per gallon would emit only 26 tons of CO_2 over their lifetimes. That is right. Each and every car will produce 32 tons less CO_2 if this amendment is passed.

More than half of America's Nobel laureates and 700 members of the prestigious National Academy of Sciences earlier this year, called global warming "the most serious environmental threat of the 21st century." They warned that "there is broad agreement within the scientific community that the buildup of various gases introduced by human activity has the potential to produce dramatic changes in climate."

And these distinguished scientists were not extreme to express such alarm. Last spring a meeting of the United Nation's intergovernmental panel on climate change, confirmed the general consensus of the world's scientific community: The Earth's temperature is expected to rise 3 to 8 degrees by the early part of the next century.

Such a temperature rise could have devastating consequences for the Earth's fragile environment:

Sea levels would rise;

We would see more droughts, the economic implications of which are enormous; and there would be more hurricanes.

The legislation that we are offering today requires each manufacturer to increase the fuel efficiency of its fleet

by 20 percent over 1988 levels by 1995, and by 40 percent by 2000. These increases would result in an overall national new-car average of 34.4 miles per gallon in 1995, and 40 miles per gallon in 2000. The measure also sets new efficiency standards—an average of 25 miles per gallon in 1995, 30 in 2000—for light trucks. Raising the efficiency of light trucks is especially critical since they currently account for a third of all new vehicle sales, yet on average are 25 percent less efficient than cars. By 2005, these standards would help curb global warming by reducing U.S. carbon dioxide emissions by over 300 million tons per year.

And Mr. President, I would like to impress upon my colleagues the need to act now—today, on this critical measure and by doing so, add a very significant component to America's terribly deficient energy policy with profoundly positive economic and environmental results for every American.

Mr. President, I see my time is up.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. BRYAN. I yield 5 minutes to the distinguished ranking floor leader, the Senator from Washington.

The ACTING PRESIDENT pro tempore. The Senator from Washington is recognized for 5 minutes.

Mr. GORTON. Mr. President, I listened with great interest to the eloquent statement of the Senator from Michigan, which combines three elements, two of which are among the oldest arguments against any proposal on any subject which comes before the floor of the Senate. One of those arguments is that, well, this may be a good idea, at least in part, but now is not the time. We are too busy. Let us postpone it until later. Let us think about it longer.

Mr. President, this idea is an idea whose time has come. Once again, the people of the United States are faced with the tremendous implications of overlarge dependence on foreign sources for their fuel. No time can be better to consider whether or not we as Americans can do better by increasing the efficiency of our automobiles and of our small trucks.

The other argument, which is ancient vintage, set forth by the Senator from Michigan is this is not a complete answer to the question. We need a total energy policy. We should not debate it one section at a time.

Let us wait until someone comes up with a bill that deals with every single aspect of the challenge of energy.

Well, Mr. President, I submit that we have probably been waiting for that debate for a decade, for two decades, since the turn of the 20th century, since the First Congress. We, as a practical matter, are not going to get that debate. We are going to have to deal with questions as they arise. And the degree to which we can encourage an energy policy by beginning with what may very well be its most important single element is at the heart of this debate on the motion to proceed.

The Senator from Michigan also tells us that the only way in which to solve this problem is to create smaller cars. That, of course, is exactly the argument which was set forth almost 20 years ago. It was false then. It is false today. Our own Office of Technology Assessment, an office which works directly for the Congress of the United States has said that that is not the case. The Department of Energy, which on other grounds opposes this bill, says that that is not the case. The potential technology to meet the requirements of this bill within the framework of roughly the same size that cars were at least 2 or 3 years ago is clearly present.

If it is an argument that we should not even proceed to debate this bill because people do not buy their own automobiles for gas mileage reasons, then we should perhaps abandon the Clean Air Act because consumers do not buy cars on the basis of their emissions standards. They do not buy cars on the basis of their safety standards. They, nevertheless, as long as everyone is subject to the same rules, regard each of these proposals as being important. The people of the United States do want safer cars. They want cars which pollute less. And they would be perfectly delighted to have cars which get greater gas mileage.

But they recognize that the only way to do that is to mandate it because the manufacturers have argued against almost every single requirement which would enhance any one of those goals; the CAFE standards in the early 1970's, all of the safety standards and all of the emissions standards. And yet we have made immense progress in the course of the past 20 years and can make more.

Finally, the Senator from Michigan says, well, we probably can improve. We can get 6 percent or 10 percent or 20 percent more. We simply cannot get as much as this bill asks for. That is a perfectly legitimate argument. But it is a legitimate argument after the bill is before the Senate for an amendment to modify these requirements. It is not an argument to cobble up the right of the sponsors of this bill to have the bill itself discussed at all.

The issue on which we will vote in three-quarters of an hour is whether or not this issue is important enough for this Senate to debate. To state the proposition that it is not, that we should not even talk about it, that we should sweep it under the rug and go back to the District of Columbia appropriations bill seems to me to be a very, very weak argument.

I commend to my colleagues the desirability of debating an issue of vital importance to all Americans.

The ACTING PRESIDENT pro tempore. The Senator from Washington yields the floor. Who yields time?

Several Senators addressed the Chair.

Mr. RIEGLE. Mr. President, I want the Senator from Minnesota to proceed. I just want to say that I will respond after the Senator from Minnesota speaks to some of the points just made.

The ACTING PRESIDENT pro tempore. Who yields time to the Senator from Minnesota?

Mr. BRYAN. If I can inquire of my friend from Minnesota, how much time does he need?

Mr. BOSCHWITZ. Four minutes.

Mr. BRYAN. I am pleased to yield 4 minutes to the Senator from Minnesota.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota is recognized for 4 minutes.

Mr. BOSCHWITZ. Mr. President, I rise today in support of Senator BRYAN'S fuel economy bill. The legislation is crucial not only to our Nation's energy security but also to our effort to curb the threat of global warming.

I know that many have spoken about energy security and I will speak principally about global warming.

The current crisis in the Persian Gulf makes very clear that there is an obvious need to reduce our dependence on oil from that region or from other regions that might threaten us.

In recent years, our dependence on foreign oil has skyrocketed and is now around 50 percent, the highest level that it has ever been. Today 27 percent of this imported oil comes from the gulf region, double the amount that we imported from that region 15 to 17 years ago, at the time of the first oil crisis.

This measure, by increasing fuel economy 40 percent by the year 2001, would save 2.8 million barrels of oil per day, which is, nearly 20 percent of our Nation's total oil consumption. That is many times the amount of oil that can be pumped from the often discussed Alaskan National Wildlife Refuge. The resulting decrease in oil imports would not only reduce our dependence on Middle East oil, but would also go a long way toward balancing our trade deficit. That 2.8 million barrels would represent about a third of what we presently import on a daily basis.

But this is only part of the reason that I support increasing fuel economy standards. Many people are talking about the effect that this bill will have on our energy security. Its passage, however, would represent an even greater impact in our efforts to curb

the threat of global warming, otherwise known as the greenhouse effect.

Carbon dioxide is the major contributor to the greenhouse effect, trapping solar radiation before it is reflected back into space. The United States accounts for more than 25 percent of all world carbon dioxide emissions, and 30 percent of our emissions come from motor vehicle exhaust, more than from any other source. Improving vehicle fuel economy under this bill would greatly reduce those emissions and the U.S. contributions to the geenhouse effect would be greatly reduced.

This measure alone will not solve the problem of the greenhouse effect, obviously. Any effort to really stop global warming will have to be international in scope, and will require an unprecedented amount of cooperation among the nations of our world. This measure, however, would signal our commitment to other nations around the world that we are serious about global warming, which is really the overriding ecological issue of the day. This commitment has been questioned, by other world leaders on several occasions during the past year, and the passage of this measure would demonstrate to these leaders that we are ready to work with them toward an international solution. This would be a very large step forward.

I am not one who believes that coming down hard on business is the best way to solve our environmental problems. But I do not think that this bill asks too much of the auto industry, as many in the industry claim. Independent studies have shown that the standards required by this measure are achievable if currently available technologies are fully implemented.

Mr. President, the cost of not increasing fuel economy will be severe, both to our energy security and the environment. This bill represents sound energy policy and sound environmental policy. I congratulate my friend from Nevada and also the junior Senator from Washington, for bringing it forward. It will increase our Nation's energy security while reducing the threat of global warming. For these reasons, I urge my colleagues to support it.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Minnesota yields the floor. May I say to the Senator from Michigan he has 14 minutes and 46 seconds. The Senator from Nevada has 12 minutes 41 seconds.

Mr. RIEGLE. I thank the chair.

I want to say again to the sponsors of the bill, Senator BRYAN and Senator GORTON, I wish we were on the same side on this issue because I do not relish finding myself on the opposite side of such good friends and conscientious Members, as they are.

But in response to the comments of Senator GORTON, and the issue of now versus later, let me tell my colleagues what has been going on in this area of trying to develop a comprehensive national energy strategy. We do have an awful lot of key people in our Government assigned to this job, including a person who sits with the President at the Cabinet table, the Secretary of Energy.

The Secretary of Energy has initiated an effort that has been going on over this entire year, to establish what is called officially a national energy strategy. One of the key elements that is marked out in the purpose of that effort has been to highlight conservation as a key element of that national energy strategy.

Since that time, over the last year or so, the Department of Energy has held more than 15 hearings across the country with more than 375 witnesses. All of that work is leading up to a December report that they are going to issue to the Government, to the country, as to exactly what their findings are and what their recommendations are. President Bush himself has indicated that he intends to submit a national energy strategy to Congress as part of his fiscal year 1992 budget. So that means it is going to be coming right down the track based on all of this work, that is being done by the experts in the field to craft a strategy.

So, we are not saying do not deal with this problem very quickly. We are simply saying do not just take a piece of it and try to do it right here in an ad hoc fashion when we have all this comprehensive energy strategy work ready and finished to bring before us. That is why the Energy Secretary, the Transportation Secretary and President of the United States all said that this piece of legislation at this time is a bad idea. It is a bad idea because it does not fit together with anything else, because it is not part of any kind of overall assessment, overall thinking, overall strategy. It is just an ad hoc item.

With respect to bringing it up right at this particular minute, there are other reasons why this is, I think, an inappropriate time—which means we really cannot do it properly. One is that some of the most important Members of the Senate are not present now and able to be part of this discussion. They are out at Andrews Air Force Base at the initiation and invitation of the President because of the urgency and the emergency nature of the Federal budget problems and the negotiations to get a budget package and the Gramm-Rudman-Hollings sequester that is just in front of us here, about 2½ weeks away. They have been asked to leave the Chamber and go out to Andrews Air Force Base and go into a setting there where they are negotiating day and night to try to come up with a Federal budget package, so they are not here for the discussion. They cannot take part in it. Their States are involved in it. They have ideas on it.

That helps illustrate the fact this is not a timely moment in which to take one piece of the whole energy equation, bring it up and try in any meaningful way to debate it and settle it in this kind of setting. There is not the time to do it. We cannot have the participation to do it. It is just unwise in the sense we are trying to jump ahead of taking this up in a comprehensive way, bringing all of the resources and all of the effort of Government to bear to try to get the thing done in some overall way.

So it is very important we understand that, yes, this is a legitimate issue to take up. I am prepared to argue that. In fact I have provided data myself today that illustrates that point. But take it up in an orderly fashion. Take it up and put it in a context with all the other things. But what we should not do at all, when the country is under the kind of economic and financial stress that it is under, which is manifest for all to see, we should not create an artificial goal that goes twice beyond what all of the experts in the country are telling us is reasonable to try to accommodate and simply say let us do this no matter what the cost, no matter what the upheaval, no matter what the job loss or any other consequence.

We should not say we are going to set this out as a goal and we are going to say go to it and do it. We are not going to give you any money to do it, we are not going to help you raise the capital, we are not going to provide any special help to the workers who will lose their jobs as a result of this kind of a forced march, but we think it is the right thing to do and therefore we are going to just mandate it be done and we will just take the consequences.

After 24 years in the Congress, I have seen too many decisions like that. I have seen too many instances where the Government, with good intentions, has said do this, do that, put out mandates, they do not provide the money, they are not realistic in many instances, we start out down the road and we end up, usually, quite disappointed. We end up getting to a point quite different than where we started out to be.

This is not the time to settle this issue with the kind of sophisticated assessment of where it fits in with a national energy strategy.

I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time to the Senator from Oklahoma?

Mr. RIEGLE. How much time would the Senator like?

Mr. NICKLES. Five minutes.

The ACTING PRESIDENT pro tempore. The Senator from Michigan has 7 minutes, 55 seconds remaining. The Senator from Oklahoma is recognized for 5 minutes.

Mr. NICKLES. I wish to compliment my colleague for his statement and wish to make some comments concerning the debate today and yesterday.

Concerning the Bryan bill and the timing of it, I would urge my colleagues to use a little caution. Yes, we have a crisis in the Middle East but I do not think passing enormous increases in mandatory CAFE standards at this time is the right solution. And I underline the word "mandatory." I want greater fuel efficiency. Heavens, when you have a couple teenagers who drive a lot you want greater fuel efficiency because the gasoline bills are very expensive. Now we see the price of gasoline going up even more. So fuel efficiency, the cost of gasoline, how much money we are spending every month or every week when we fill up is certainly an issue on my mind and the mind of every American. We would all like to have greater fuel efficiency.

That is not the debate. The debate is whether or not we are going to mandate it and then whether or not the goals—they are not goals, they are mandates—are realistic. Can they be achieved? I hope they can. Is it possible? I would say yes. Some automobiles can average 40 miles per gallon. We may have a couple of those out in the parking lot before too long so people can see them. But mandate them at what cost?

The facts are today they are available, but 97 percent of the cars that are purchased in the United States do not meet that standard because Americans are not interested in those. Those are not the cars that Americans want to buy. Do we really want to mandate on all Americans: You have to buy cars of this size or of this nature? They may be fine cars. I have no objection to them. I would encourage Americans to buy them. I think that is fine. But I really object to mandating that Americans buy them.

I object to the idea that we are going to mandate that the cost of automobiles is going to increase, and it is going to increase dramatically, and no one knows exactly how much. But it is going to go up. The cost of automobiles is going to go up.

Not only that but we are going to lose lives, and maybe that is most important. We have not heard a lot about that but these cars are not as safe. I heard people say let us take the opposite side of the argument and mandate everyone has a M-1 tank, a heavily armored automobile. That is ridiculous. No one is saying that on this side, but we think we should realize the fact is if we are going to mandate that cars be much smaller and much lighter there is going to be an increase in fatalities. We need to think about that.

What are we doing today? We are getting ready to pass—or proceed to a bill and in all likelihood pass it because of the concerns about oil shortages, et cetera. We are going to pass a bill that I am afraid we are going to regret and that we will have to come back, in a few years, to change.

As I mentioned yesterday, during the oil shortages in the late seventies, Congress passed a lot of bills including windfall profits tax; we had the Synthetic Fuel Corporation; we had the Emergency Allocation Act; we had the Fuel Use Act, all of which we repealed, all of which were passed in the crisis mentality of the shortages, and Congress had to come back and fix them. We had to repeal them. Maybe they were good ideas at the time. Congress was caught up in the passion to do something, even if it is wrong.

Mr. President, I think if we pass this bill today, it is wrong, it will be a mistake. It will be one that we will regret. It will be the one that Americans are going to say, "What? Why are you mandating we do this? I have a family of six. We do not fit in this car." Or, "I want a car that has an air conditioner." That is important in some parts of the country. Or, "Why did you pass a bill that required a plant in Ohio or Michigan or Oklahoma or Texas or Louisiana? Why did you pass a bill that put all those people out of work? What about their jobs? What about that productivity? What about that contribution to our national economy?"

The auto industry is taking a pretty big hit in the clean air bill. It is going to cost the auto industry hundreds of millions of dollars over the next few years to comply with the clean air bill, and they may or may not be able to survive. I say "survive." I expect they will survive, but they may not survive certainly in the same size, capacity, and industrial strength that they have today. In other words, we may have a much diminished automobile industry even without this bill.

But I want to tell my colleagues if we pass this bill in this kind of form, in this kind of shape, the automobile industry will change dramatically. Maybe people want that. But there are going to be a loss of jobs, and we are talking about a loss of thousands of thousands of jobs.

Again, I urge my colleagues to vote against cloture for several reasons: One, this bill first and foremost will deny consumers choice. Right now consumers have a lot of choices. They can choose all kinds, sizes, shapes of automobiles. We are going to deny them that choice.

If this bill passes, there will be a dramatic increase in fatalities over the years.

The PRESIDING OFFICER (Mr. LIEBERMAN). The time allocated to the Senator from Oklahoma has expired.

Mr. NICKLES. Mr. President, I ask my friend and colleague for an additional 2 minutes.

Mr. RIEGLE. Yes.

Mr. NICKLES. Mr. President, there will be a dramatic increase in the loss of lives. That is unfortunate. We do not want that to happen. No one wants that to happen. It happens to be a fact. We need to consider that.

There will also be a major loss of jobs, thousands of jobs, all across the United States, not just in the automobile industry as such, but the support industry as well.

Finally, Mr. President, on this motion to proceed, we are wasting our time. The President has already stated that he will veto this bill. That is not in doubt. He will veto the bill. I am confident that we have the votes to sustain the veto. I doubt that the House is going to pass similar legislation. There happens to be people over in the House who are vigorously opposed to this legislation. So it is not going anywhere in the House.

So why should we take up a great deal of the Senate's time? And if the cloture motion prevails, it will take a great deal of time because this Senator and several other Senators have a lot of amendments. This bill needs a lot of work. It needs a lot of perfecting. It needs a lot changes. So there are going to be a significant number of amendments as we try to improve it, if we consider it, and for what?

The House is not going to take it up. It is not going to pass this session of Congress. Even if it did pass this section of Congress, the President will veto it.

I printed the letter from the President's advisers yesterday, stating their intention to veto this bill. I urge we save the Senate's time and not make a speedy, hasty decision on legislation that we will regret later.

I yield the floor.

The PRESIDING OFFICER. Who yield time?

Mr. BRYAN. May I inquire how much time each side has at this point?

The PRESIDING OFFICER. The Senator from Nevada has 12 minutes, 22 seconds remaining. The Senator from Michigan has 40 seconds remaining.

Mr. BRYAN. Thank you, Mr. President, I yield myself as much time as I may need.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. BRYAN. Mr. President, and I say to my colleagues let me respond to the tenor of the theme that has been advanced this morning that let us not

rush into this, it is too late to do something about it.

I think the Wall Street Journal, front page of this morning's edition, makes the point as to why we need to act now. The headline is: Bad Timing. Gas Price Jump Finds Car Makers Backsliding on Fuel Efficiency. Models Planned for the '90's Are Big on 'Performance' But No on Conservation."

And then it talks about some of the muscle cars that Detroit has either developed this model year or the future years. The point simply is if we do nothing now, we are going to get ourselves into a position that is going to be even more difficult to extricate ourselves from our energy dependency. Fuel economy has declined by 4 percent since 1988. The trend is in the opposite direction. Our dependency increases.

Today, as has been pointed out during the course of this debate, we import 50 percent of the petroleum we use in this country, 60 percent in the transportation sector, and that is not a stable figure. That is one that has been rapidly ascending so that next year we are going to be even more dependent, and the years thereafter, more dependent than that.

The arguments that have been crafted against this proposal on the merits suggest that the technology is not there. As a result, there will be a dramatic downsizing in the size of the vehicle, and with that occurring, it eliminates family choice as to the size of the vehicles and it increases the risk of safety.

Mr. President, those arguments were visited in the 1970's. Fortunately, the Congress in the 1970's had the courage to resist that argument. They made the tough decision, and the tough decision was to support CAFE legislation. It worked dramatically. It improved fuel economy from 14 miles per gallon to 27.5 miles per gallon. It reduced 107 million metric tons of carbon dioxide in the air. So we have a proven track record.

The evidence before the Commerce Comittee was overwhelming. The Environmental Protection Agency, the Lawrence Berkeley labs, the automobile suppliers, Mr. Duleep in his most recent report, June 1990, and the Department of Energy itself; as my friend and colleague and principal cosponsor of this legislation pointed out, testified in May of last year that the range that we are talking about in terms of these mandated improvements are technologically feasible without—and I emphasize "without"—downsizing.

Let us just assume for the sake of argument that those experts, independent experts, as opposed to those who are either in the employ of the auto industry or consultants engaged, let us just assume for the sake of argument that those estimates are off. The bill provides for the Secretary of the Department of Transportation to have the authority upon the request of the automakers and a sufficient finding to make a waiver.

What is at issue here? As we debate this issue this morning and before we vote, we have 143,000 American fighting men and women in the desert of Saudi Arabia or on the coastal shores in the Mediterranean at an estimated cost, the Secretary of Defense tells us, in this current fiscal year alone of $2.7 billion all because, as the President reminded us so eloquently earlier this week, we import too much oil. We are too dependent.

What does this legislation do? It reduces our dependency when fully implemented by 2.8 million barrels a day. It reduces dangerous CO_2 emissions in the environment by 500 million tons. Finally, it saves billions of billions of dollars in our trade deficit.

A vote against cloture is a vote against fuel economy. A vote against cloture is a vote for continued dependence upon foreign oil imports, and it is a vote against conservation. At a time when we are importing 50 percent of the oil that we use, as our dependency grows, how can we responsibly go back to our constituents at home and say, look, it is a big problem, but we just did not feel in the U.S. Senate that it was important enough even to allow the debate to go forward.

Mr. President, I respectfully submit that would not be responsible. I urge my colleagues to support it.

Mr. RIEGLE. Will the Senator yield for a question?

Mr. NICKLES. Will the Senator yield for a question?

The PRESIDING OFFICER. Will the Senator yield?

Mr. BRYAN. May I inquire as to time?

The PRESIDING OFFICER. The Senator from Nevada has 7 minutes 9 seconds.

Mr. BRYAN. I will be delighted to yield.

Mr. RIEGLE. Mr. President, the Senator's bill will change the fuel economy standards as of 1995, so we will start saving energy in 1995. I am wondering—and we talked yesterday about lowering the national speed limit to 55 miles an hour. If we did that today and we could put that into law, that will start saving gasoline today. If we are worried about gas usage being large because of troops in Saudi Arabia, why would not the Senator be offering something that has an immediate saving and not a saving 5 years down the road?

Mr. BRYAN. Because I believe it is important for us to send a message to Detroit. The distinguished Senator from Michigan has pointed out, and correctly so, that there is a lead time that is needed to build this in. Had the Congress taken this decision several years ago to move from the plateau of 1985 of 27.5 miles per gallon, we would not have what we have, if I may be permitted to respond.

"As the 1990 model year begins"—and I quote from the Wall Street Journal—"the automakers are wheeling out some of the biggest and brawniest cars in years." It goes on to describe General Motors' Buick Roadmaster wagon that gets 16 miles per gallon, describes a Ford offering, Chrysler offering. Had we done that—in response to my good friend from Michigan—the auto industry would know they have to look at fuel economy and not just look at muscle cars. I think that is the kind of savings we get, although it takes a while, no question about it. The other options for more domestic drilling takes a similar period of time would be my response.

Mr. RIEGLE. Will the Senator concede if we are using extra oil right now, today, tomorrow or the next day, that there are other initiatives, like lowering the national speed limit that could start conserving energy today, not 5 years from now, but this week?

If we are going to make the argument about what is going on in the Middle East, is there not some obligation, if that argument is going to be introduced, to be suggesting energy-saving initiatives that could start working right now?

Mr. BRYAN. In response to the inquiry of the Senator from Michigan, I do not think any of the advocates of CAFE are suggesting that it is mutually exclusive to some other options to be debated and considered on the floor.

It seems to me, when you have 60 percent of the fuel that we use in this country in the transportation sector, not to focus on that ignores a tremendous opportunity for us to make some long-term progress, and that would be my response.

Mr. RIEGLE. I thank the Senator for yielding.

Mr. NICKLES. Will the Senator from Nevada yield for a short question?

Mr. BRYAN. May I inquire of the Chair as to how much time remains?

The PRESIDING OFFICER. The Senator from Nevada now has 4 minutes and 20 seconds remaining.

Mr. BRYAN. I would be happy to yield. I presume that this is on my time, Mr. President.

The PRESIDING OFFICER. It is. The Senator is correct.

Mr. BRYAN. I ask my friend and colleague from Oklahoma to be conscious of the fact that we are talking on my time, but I would be happy to respond to a question.

Mr. NICKLES. I appreciate the courtesy of my friend and colleague. I heard the Senator mention that he thought passage of this bill would save

2.8 million barrels of oil per day. I am assuming that would be by the year 2000?

Mr. BRYAN. It is. If I might respond, the calculations we have would be the year 2005. As we know, the second tier goes into effect at 40 miles per gallon the year 2001, so 2005 would be the date.

Mr. NICKLES. By the year 2005, the Senator estimates that we would be saving 2.8 million barrels per day. The Senator is also assuming that somebody is going to be buying these cars. Are we going to pass a law which mandates that they have to buy them right now? People are not buying them.

I am kind of wondering, because I think a lot of people would have reluctance to buy the smaller car and therefore would have a tendency to keep the old gas guzzlers that were built in the 1960's or 1970's.

Mr. BRYAN. The Senator made that point yesterday. Let me just simply respond by saying that the Senator from Oklahoma and I have a difference of opinion. He assumes that if this legislation is enacted, it will require downsizing, the small vehicles which he has described as not having met great popular support on the market. The legislation that we have proposed here assumes no downsizing from the 1987 model year. That is, America's families would have a full choice: big vehicles, midsized vehicles, and small vehicles. So I would assume that the circumstances of the marketplace, such as they exist with respect to choice in 1987, would continue to function throughout the period of time that these standards would be phasing in from 1995 to 2001.

Mr. RIEGLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. RIEGLE. I have 40 seconds remaining?

The PRESIDING OFFICER. The Senator is correct.

Mr. RIEGLE. Might I say to the Senator from Mississippi, we have 40 seconds left, and I would be delighted to yield it to the Senator.

Mr. LOTT. Mr. President, today I rise in opposition to the stringency of the car and truck fuel economy requirements in S. 1224.

I think a lot of appropriate arguments have been made on this issue. First, I would like to again summarize the important points the administration brought forward yesterday in an official statement.

In the statement of administration policy on S. 1224, by the President's senior advisers yesterday, they announced their intention to recommend a veto to the President on this bill, should it be passed.

Under the proposed bill it is quite possible, if not inevitable, that the outright elimination of certain model lines will be the first step taken as manufacturers begin to adhere to these strict requirements.

Let me cite one specific example.

Since 1988 the Toyota Camry has included all the fuel economy technologies recommended by Senator BRYAN and then some.

The Camry's 1988 EPA fuel economy rating was 33 miles per gallon, an excellent rating for a compact car, but far short of miles per gallon that would be required under the current bill.

It is difficult to understand how a company gets to a CAFE requirement without significant downsizing, especially when compacts currently on the market using essentially all the recommended fuel economy technology fall short of the mark.

Fuel economy technology used on 1988 Toyota Camry: Front-wheel drive; 4-cylinder/4-valve engine; 4-speed automatic transmission; electronic transmission control; low rolling resistance tires; multipoint fuel injection; low friction rings/pistons; overhead camshafts; advanced aerodynamics.

If the goal is to reduce oil import share by reducing total fuel consumed in this country, we all must take a look at history.

Simply having higher CAFE standards is no guarantee that the level of oil imports will be permanently summarized:

Today, after improving CAFE 100%, we import a greater share (about 50%) of our oil consumption than we did in 1973 or 1974 (about 35%).

Having CAFE standards in the 1980's did not prevent the trend toward greater foreign oil market penetration. Higher CAFE standards aren't any more likely to reverse that trend in the future.

This legislation will have a massive impact on consumer costs, consumer choices, American jobs, and highway safety.

For what are these important negative considerations high on America's priority list? Very simply, for a very modest reduction in total fuel used.

All the aforementioned concerns notwithstanding, another important concern I have with the bill—I know many of my colleagues share—is the uniform percentage increase approach.

I indicated in my statement which was included in the S. 1224, Senate Report 101-329 dated June 11, 1990:

* * * If this approach is mandated in order to provide domestic manufacturers a competitive edge, I am fearful that this edge will last only so long as gasoline is readily available, and gasoline prices remain relatively low.

The arguments about this not hurting some manufacturers as much as others, or that it is more fair for some reason because all manufacturers will "be required to increase the same amount" do not apply here.

Without a doubt if consumers want more fuel efficient cars, the most fuel efficient cars—should this bill become law—will in fact be those that are already the most fuel efficient cars. Food for thought.

This bill will hurt many areas of our economy. I believe many more areas will be hurt than will be helped.

I urge my colleagues to vote against cloture on the motion to proceed to this bill.

This bill has some distinct flaws. Another one in particular I would like to mention I am concerned about is the inclusion of light trucks.

If the Senate votes to proceed to this bill, I am prepared to take valuable Senate time to offer amendments.

When casting your vote, please consider that this bill will not become law. I do not think it is prudent to waste valuable Senate time on this issue right now.

Many factors must be discussed in full before the Senate is fully prepared to make an informed decision on this legislation.

I urge Senators not to vote for cloture at this time. I do not think this legislation has been sufficiently thought out. I think it should have more consideration. Frankly, I thought so in committee, and I was one of only two that said so to the committee.

This legislation is going to cost American consumers more money. This legislation is mandating what consumers can choose; since consumers will not change what they want on their own, we are going to say you must do it. We might as well mandate a perpetual motion machine. This legislation is going to force us to move to lighter, smaller, more dangerous automobiles.

I really think that there are too many problems that have not been properly considered. I urge Senators to vote against cloture at this point.

The PRESIDING OFFICER. Who yields time? All time allocated to the Senator from Michigan has expired. The Senator from Nevada has 2 minutes and 5 seconds remaining.

Mr. BRYAN. I do not, Mr. President, see any other Senator who desires to speak. Not seeing another Senator who desires to speak, I yield back the remainder of my time.

Mr. CRANSTON. Mr. President, although I do not support S. 1224, I plan to vote in favor of cloture and I want to take this opportunity to explain briefly my reasons for doing so.

As part of the leadership, I am acutely aware of the amount of work we have before us—business that must be completed prior to adjournment. I feel compelled to do what I can to expedite matters as quickly as possible. There are a number of bills that simply must be passed this year—the

clean air bill, the housing bill, the agriculture bill, all of the appropriations bills, just to name a few. And we don't have much time.

We simply do not have days to spend on this particular bill. So in the interest of time and in recognition of the fact that we have so much yet to do, I plan to vote for cloture on S. 1224.

Mr. D'AMATO Mr. President, yesterday I joined with a growing number of my colleagues in cosponsoring the Motor Vehicle Fuel Efficiency Act, S. 1224.

The August 2 Iraqi invasion of Kuwait has served once again to highlight our dangerous reliance upon imported oil. It appears as if the lessons of the 1970's have been forgotten in the 1990's. Instead of getting better, our dependence has only gotten worse. In 1973, we imported 37 percent of our oil. In 1990, we will be importing 50 percent of our oil. It is imperative that we find ways to reduce our dependence upon foreign oil and also look to other sources of energy.

Unfortunately, New York and the entire Northeast rely very heavily upon imported oil. The New York State Energy Office reported in 1989 that foreign oil provided more than 70 percent of New York's petroleum needs. That figure is up from 60 percent from only 3 years ago. Obviously, New York is very vulnerable in the face of world oil disruptions or price escalations. For this reason, corporate average fuel economy standards are important for New York and the rest of the Northeast.

Much has been made of our lack of a comprehensive energy plan. While the Department of Energy is working on a national energy strategy which will be unveiled in December, it will be too late to be of any help in our present situation. Nonetheless, it is essential that this policy include a diversity of energy options and fuels. While we cannot immediately end our love affair with oil, we can focus our attention upon other energy sources such as natural gas, coal, nuclear, and renewables such as wind and solar.

S. 1224 presents us an opportunity to curb our reliance on foreign oil, while at the same time help to reduce carbon dioxide emissions from vehicles which contribute to global warming. This legislation proposes to increase the current corporate average fuel economy, or CAFE, requirements for new cars and light trucks sold in the United States by 40 percent in 2001, with an interim increase of 20 percent in 1995. This would save 40.1 billion gallons of fuel in just the first 6 years of its operation, between 1995 and 2001.

Since 1975 when Congress first enacted CAFE standards, the auto industry has been fighting them. The current CAFE standards have not increased since 1985, and were actually reduced between 1986 and 1989. In 1974, the year before Congress passed a fuel efficiency law that raised new car miles per gallon from 13.5 to 27.5 over 10 years, the auto industry claimed that higher gas mileage would "outlaw most full-sized sedans and station wagons" and require all cars to be "sub-Pinto sized." Obviously that prediction has proved quite false. Yet this has not prevented the industry from making the same arguments today. I am confident that they will once again be wrong in their prognostications.

There are environmental benefits to S. 1224. Vehicular emissions contribute to our global warming problem. A tank of gasoline produces up to 400 pounds of carbon dioxide, a major greenhouse gas. Although the world's motor vehicles now produce only 14 percent of all CO_2 derived from fossil fuels, the vehicular contribution in industrialized countries is higher, reaching a peak of 24 percent in the United States. Enacting S. 1224 would be the single largest step to curbing global warming by reducing CO_2 emissions by 20 percent by 2000.

S. 1224 represents just one step we can take to free ourselves from the shackles of foreign oil while at the same time addressing the global warming problem. I urge my colleagues to join with Senator BRYAN in supporting this legislation.

Thank you, Mr. President.

Mr. PELL. Mr. President, I want to commend Senator BRYAN for his work in bringing the Motor Vehicle Fuel Efficiency Act of 1990 before the Senate for debate and hopefully, a final vote.

This legislation deserves the support of every Senator and Senator BRYAN deserves credit for his work on this issue. I am also pleased to be a cosponsor of this very important bill.

It was not until just 15 years ago, in 1975, that Congress took action to impose fuel economy standards on this Nation's automobiles by passing the Motor Vehicle Information and Cost Savings Act. I was a cosponsor of that original fuel economy bill and it is somewhat ironic that we are still fighting this battle in Congress.

It is only logical that we work to update fuel economy standards so that these standards reflect the technological advances available to the foreign and domestic auto industry.

Unfortunately, this has not been done. During the previous administration, the Department of Transportation actually lowered fuel economy standards. I am happy to see that the Senate is now reasserting its control this issue and am encouraged to know that there also some movement on this issue in the House of Representatives.

The crisis in the Persian Gulf makes this legislation essential for our future security. "Energy security" is a term that has suddenly come into back into vogue after a decade of neglect. The Iraqi invasion of Kuwait has reminded us just how dependent we are on foreign oil and the need to reduce this dependence.

Equally as important, the Motor Vehicle Fuel Efficiency Act will help reduce the threat of global warming. The Department of Transportation has estimated that S. 1224 will reduce carbon dioxide emissions by 483.5 tons. Such a reduction of carbon dioxide emissions will help slow the advance of global warming and increase our chances of maintaining a livable world in the future.

It is my hope that Congress will not drag its feet and grant swift passage to the Motor Vehicle Fuel Efficiency Act and that the President will ultimately sign this timely and essential bill.

Mr. COATS. Mr. President, I would like to join my colleagues, Senator NICKLES and Senator RIEGLE, in opposing the bill before us today.

I know it must be tempting to my colleagues to quickly enact legislation which, on the surface, seems like it will reduce our dependence on foreign oil. The recent actions by the United States military in the Middle East could result our supply of foreign oil at any time. You might reason that a higher fuel economy standard is probably a good thing.

There are several reasons why a higher corporate average fuel economy [CAFE] standard is a bad idea. First, it's easy to look back and say, "Well, they did it before and so they can do it again." In fact, the economic and technological impact of the original CAFE standards was severe, and this should not be underestimated.

While we can now look back on the CAFE requirements and call them a success, let us not forget how uncertain those days were for domestic auto manufacturers. The original CAFE law passed in 1975 required manufacturers to double their fuel economy over a 10-year period. This was primarily done through downsizing, or eliminating excess weight from medium sized and compact cars. Clearly this can not be repeated without significantly sacrificing safety standards. Even then, however, it was not profitable, since domestic manufacturers sell more midsized and large automobiles.

Only through averaging were domestic manufacturers able to comply with the CAFE law. Today, Ford Motor Co. sells each of its Escorts at a net financial loss in an effort to comply with the fleet averaging requirements of the CAFE standards.

In light of some of the bills and amendments which we have seen on this floor in the past year, I believe Senators should ask themselves whether they really want a domestic auto industry. It is true that the problems of ozone and carbon monoxide

nonattainment and global warming are serious environmental threats. However, I believe it is unfair to expect one segment of our economy to shoulder more than its share of the burden time and time again. How many of us can remember the 1970's, and the state of the American auto industry at that time. As with all major industries, auto manufacturers are walking a competitive tightrope between increasing costs, government regulation, and consumer demand.

When I was first elected to office in November 1980, our country, especially the Midwest, was in the middle of a crippling recession. It was not until the mid-1980's that Indiana began to recover fully. Hoosiers worked long and hard to keep Indiana competitive, not only with other States, but internationally. A number of new operations located in Indiana, including two General Motors plants in Fort Wayne and Marion; and a state-of-the-art assembly plant located in west Lafayette and owned by Suburu-Isuzu.

But, with the resiliance characteristic of the American spirit, auto climbed out of the tough Midwestern recession of the seventies and early eighties. In the past 10 years, we have witnessed tremendous efforts by auto manufacturers to upgrade the technology at their plants while retaining employment levels.

My State of Indiana is second in the Nation in auto employment. For every Big Three worker laid off, two more workers in related industries become unemployed. These numbers do not include the overall effects of layoffs on small cities and towns in the Midwest: The grocery stores, service industries, restaurants, gas stations, and so on.

The bill before us today could result in 150,000 to 300,000 unemployed workers nationwide. This number would primarily impact the Midwest, where the bulk of the auto industry is located. When this number is added to those who will be unemployed as a result of the clean air legislation currently being debated in conference, the results are staggering.

In addition, there is much speculation that the budget agreement currently under negotiation will include an energy tax. Again, the Midwest would feel the brunt of the burden. In Indiana we have large energy-consuming industries, such as steel and auto. We also have long, cold winters when reasonable fuel prices are vital.

In the meantime, will a higher CAFE standard be reducing our dependence on foreign oil? The answer is positively no. First, the requirements of S. 1224 do not meet the technological and economic standards in the current CAFE law. In other words, S. 1224 is not a simple increase in the current CAFE standards. It represents a new criteria for whether those standards should be implemented.

If those standards could be achieved, and domestic manufacturers are required to produce cars averaging 40 miles per gallon in 2001, this will not result in a significant decrease in U.S. oil consumption. Remember that under S. 1224 auto companies would be required to sell vehicles averaging 40 miles per gallon. In fact, the industry estimates that at the end of phase I, where a 20-percent increase in miles per gallon is required, the requirements will only save about 0.4 million barrels per day. This does not seem to be much of a solution to our Nation's daily foreign oil consumption of more than 8 million barrels. And it will be many years before all vehicles on the road are averaging 40 miles per gallon.

Past experience has taught us that environmental requirements which increase the cost of automobiles significantly affect fleet turnover. Clearly the more conservation-oriented alternative is to encourage people to drive less. This theme is an important element of the clean air legislation currently making its way through Congress.

Finally, additional CAFE requirements will almost certainly result in further downsizing, though they cannot completely be met by simply reducing the weight of a vehicle. Further downsizing has dramatic safety implications which we cannot afford to lightly sweep aside in favor of ill-conceived legislation which will see only negligible results in the next 10 to 15 years.

I recently received a letter from the American Coalition for Traffic Safety citing a study by the insurance institute for highway safety. The study states that, on average, every 1-mile-per-gallon increase in fuel economy results in a 3.9-percent increase in the highway fatality rate. The coalition strongly urges rejection of the legislation before us today.

The last issue I wish to discuss is one that is near and dear to my heart, the bill's requirements for the light truck industry. In my hometown of Fort Wayne, General Motors recently built a new, modern assembly plant. Built on a square mile of land right outside of town, this plant employs nearly 5,000 people and utilizes state-of-the-art technology, including robotics and computers, to assemble custom-made light-duty trucks.

There can be no serious debate, in my view, that the bill is without any technical or policy foundation, much less a substantial basis for concluding that the trick standards are feasible and part of a least cost energy conservation strategy. Specifically, I would ask my colleagues to weigh carefully two features of the light truck standards proposed in S. 1224.

First, there is utterly no basis for predicting that average CAFE levels of 25 miles per gallon by 1995 and 30 miles per gallon by 2001, are achievable for the light truck fleet without major sacrifices in performance, size, and utility. Unlike the case of passenger cars, there has been no systematic study of the feasibility of higher fuel economy standards for light trucks.

The total absence of any foundation for the light truck standards is apparent from the report on the Commerce, Science, and Transportation Committee recommending passage of the bill. The report discusses at some length the testimony and evidence presented to the committee on the feasibility of higher passenger car standards. However, when it comes to the proposed light truck standards, the record is essentially empty. There are no systematic studies identifying currently unutilized or underutilized fuel economy improvements that are feasible for light trucks.

Evidently, the committee majority assumed, without ever saying so, that exactly the same technologies and penetration rates that are feasible for cars and also feasible for light trucks, and that the result would be exactly the same percentage increases in fleetwide fuel economy.

Mr. President, forgive me for belaboring the obvious, but everyone knows that light trucks are not the same as passenger cars. Light trucks, a vehicle classification that includes large, medium, and small pickups, full-size passenger and cargo vans, the popular minivans, and various specialty utility vehicles, are designed and engineered to perform unique functions that are well beyond the capabilities of passenger cars.

For example, light trucks must have the drivetrain and axle capacity to tow heavy loads and to provide adequate traction under adverse driving situations. They must have the enhanced reliability and durability to deliver the expected performance under extended severe duty cycles and difficult operating conditions. They also must satisfy performance expectations for off-road use. And they must have the space and power to carry much larger and heavier cargoes than passenger cars are designed to accommodate.

Faced with a barren factual record, we have many questions but no answers on how the proposed standards in S. 1224 will affect these essential features of the light truck fleet. Will the standards reduce towing capacities? Will they limit performance in adverse operating conditions or reduce the durability or useful life of the vehicles? Will they reduce off-road performance or constrain cargo capacities?

To each one of these questions, all that can be said at this point is "we don't know."

To summarize, Mr. President, the first reason to reconsider the light

truck requirements in S. 1224 is that we are legislating entirely in the dark. Unless and until such a detailed assessment of the feasibility of the light truck standards is prepared, we have no foundation for enacting the standards proposed in S. 1224.

In the present circumstances, I fear that many of us will yield to the political expediency of casting a vote to pass the bill without weighing seriously its ramifications on its merits as national policy. In the wake of the recent events in the Middle East, energy conservation is once again a popular cause.

Mr. CONRAD. Mr. President, I rise in support of S. 1224, a bill to increase the fuel efficiency standards for automobiles and light trucks. The measure is sound energy policy and good environmental policy. It is also in the long-term best interest of our economy, and it deserves the support of my colleagues. I commend the sponsor of the legislation, Senator BRYAN of Nevada, for introducing the measure, and I am pleased to be a cosponsor.

S. 1224 amends the Motor Vehicle Information and Cost Savings Act to establish new average fuel economy standards for cars and light trucks. It changes the corporate average fuel economy or CAFE standards to require that automobile manufacturers achieve a 20-percent increase in fuel efficiency by 1995 and a 40-percent increase by 2001. This translates to average fleet economies of 34.4 miles per gallon by 1995 and 40.2 miles per gallon by 2001.

America has made great strides since the Arab oil embargo of 1973 to improve automobile fuel efficiency. Unfortunately, however, the current CAFE standards, enacted by Congress in 1975, have not increased since 1985. Even more regrettably, the Reagan administration actually reduced the standards between 1986 and 1989. Thus, in recent years the fuel economy of the new vehicle fleet has declined, while size and horsepower have increased dramatically.

This is a trend that cannot continue. We must put America back on a path toward meaningful conservation for our energy security, our physical health and our economic well-being.

I am not unsympathetic to the arguments made by our friends in the automobile industry and related businesses. These industries have been a major force behind the success of the American economy, and their continued viability is important. After all of the arguments have been made, however, the most compelling ones are these:

First, we are growing too dependent on foreign oil and many regions of our country are choked with smog.

Second, motor vehicles account for two-thirds of our oil consumption and much of our urban smog. The only real way to reduce both is to reduce demand for transportation fuels.

Third, we have the ability to improve fuel efficiency and therefore reduce that demand.

Fourth, we won't make these improvements unless we set higher goals.

The arguments that we are hearing against this legislation are virtually the same arguments that we heard in 1974 when Congress debated higher CAFE standards. At that time, Ford Motor Co. said that the legislation "would require a Ford product line consisting of either all sub-Pinto-sized vehicles or some mix of vehicles ranging from a sub-subcompact to perhaps a Maverick." The other major auto manufacturers made similar claims.

We know today that these assertions were unfounded. The fuel efficiency of cars has doubled since 1974 and consumers still choose from a large selection of car sizes. There is, therefore, no reason to believe that industry claims are more legitimate today than they were nearly two decades ago. If we could achieve a 100-percent industry in fuel efficiency then, we can achieve a 40-percent increase in fuel efficiency now.

The Office of Technology Assessment has reported in testimony before a consumer subcommittee that a fleet average of 33 miles per gallon is possible by 1995 without any change in the size mix of fleets, without any loss of performance, and without any additional cost. The price of increasing fuel efficiency would be offset by savings in the price of gasoline.

Further, the Department of Energy stated in a letter to Representative DINGELL in February 1989 that fleet fuel economy can be raised to between 35 and 40 miles per gallon during the 1995 to 2000 period using conventional techniques.

Improvements in everything from aerodynamics and transmissions to tires and engines are within our grasp. We have the technological know-how to do it. The only thing that is lacking is the leadership to accomplish it.

S. 1224 is good energy policy. In recent months, the United States has imported over 50 percent of our oil consumption—up dramatically from 36 percent during the oil embargo of 1973. Twenty-seven percent of our imported oil comes from the Persian Gulf—double the amount that we imported from that region in 1973. Transportation needs account for the vast majority of our oil consumption—63 percent in 1989.

Events in the Persian Gulf have reawakened America to the fact that our energy policy remains too vulnerable to the dictates of foreign governments. To lessen our dependence upon imports, many of us have long argued that we need to take aggressive action. Part of our action plan must include greater conservation.

The Bryan bill would save 2.8 million barrels per day by the year 2005. That 2.8 million barrels of oil is almost four times the amount of oil we presently import from Kuwait and Iraq combined.

If we take possible steps to increase conservation, we will take simultaneous steps to enhance our energy security.

S. 1224 is also good environmental policy. Carbon dioxide [CO_2] constitutes one-half of the global warming problem, and the United States is the world's largest emitter of CO_2. We produce one-fourth of the world's CO_2 while comprising only 5 percent of the world's population, and 30 percent of the U.S. carbon dioxide emissions come from the transportation sector.

Estimates are that the Bryan bill would reduce CO_2 emissions by 500 million tons per year by the year 2005. While many may dispute the presence of global climate change, few dispute the need to stem the tide of greenhouse gas emissions. The Bryan bill signifies U.S. leadership in global environmental policy, and it is a step in the right direction.

Finally, S. 1224 is in our long-term economic interest. The cost of U.S. oil imports in 1989 was $49 billion, or about 45 percent of the Nation's $109 billion trade deficit last year. Recent projections indicate that we will spend nearly $75 billion on oil imports by 1995. Neither the 1989 figures nor the 1995 projections include the cost to the American economy of a large military presence in the Middle East to defend the flow of oil from the Persian Gulf.

We must reduce the massive Federal budget deficit and our large trade imbalance. With nearly half of our trade deficit attributable to imports of foreign oil, we can make significant progress on both if we enact measures like S. 1224. As noted earlier, the measure would save 2.8 million barrels of oil per day by the year 2005. In addition, consumers would save approximately $200 per year in fuel costs if we adopt this legislation.

In short, the bill before us is an opportunity to save energy, improve our environment, and strengthen our economy. The rationale supporting S. 1224 was compelling before Iraq invaded Kuwait. Having been vividly reminded that the Middle East is an unreliable source of energy, history will judge us harshly if we miss this opportunity to reduce our reliance on oil from that part of the globe.

Mr. DIXON. Mr. President, the bill before us deals with what is clearly one of the most important issues of the day. Saddam Hussein has forced us to once again face the consequences of maintaining a dangerous and growing dependence on imported oil.

For this reason, in fact, I have continually supported an increased use of clean burning, domestically produced, and renewable alternative fuels. As the chairman and founder of the Congressional Corn Caucus, I have advocated the expanded use of ethanol in an effort to help meet our Nation's clean air requirements, reduce our dependence on imported oil, and lower Federal farm program costs.

Several factors, however, make it unwise to consider the legislation of my good friend from Nevada at this time.

First, and this will come as no surprise to anyone in this Chamber, debate on this issue is certain to be long and contentious. When we have left ourselves with so little time to deal with a mountain of must-resolve issues, not the least of which includes a budget agreement, we can not afford the amount of time that will surely be necessary to dispense with this bill. This is especially true when there is virtually no chance that the House will adopt similar legislation before adjournment.

This is not to say that auto manufacturers should not be required to increase the fuel efficiency of their vehicles. On the contrary, increased fuel efficiency must be included as part of a comprehensive energy strategy which I sincerely hope could be considered at the start of the next Congress.

As you will remember, after the last oil crisis in the late 1970's, the Democratic administration responded by promoting alternative energy sources from ethanol to solar power. Most of those programs, however, were subsequently dismantled. It is, indeed, one of the great tragedies of the last decade that the alternative energy programs begun under the Carter administration were abandoned by the Reagan administration.

I sincerely hope that we will begin to develop a comprehensive national energy plan, which will involve contributions from every sector of our society, early in the next Congress. A long and heated debate at this time, which is unlikely to result in a finished product, is not how we should spend the little time left in this session.

Mr. HOLLINGS. Mr. President, today I rise to continue the work we began in the 1970's on fuel economy for the passenger vehicle fleet. I offer my strong support to my Commerce Committee colleague and good friend, Senator BRYAN, for S. 1224, a bill which I have cosponsored.

In 1975, I cosponsored legislation that established the current corporate average fuel economy, or CAFE standards. At the time that legislation was proposed, it was an untested and unprecedented plan. However, we believed we could effectively promote national energy security by mandating that the passenger vehicle fleet achieve a certain fuel economy.

At that time, we heard predictions from the automobile industry about the consequences of the legislation on the U.S. economy and on the consumer's choice of vehicles. It was suggested then that, if we adopted the standards that are now law, everyone would have to drive a vehicle the size of a Ford Pinto. Of course, the events of the last decade have proven the absurdity of those predictions, and have demonstrated the ability of the automobile industry to meet a challenge.

I am glad we were not deterred by those predictions, and that we proceeded to legislate fuel economy standards, which have made a significant contribution to energy conservation. They have resulted in a doubling of the fuel economy of the fleet without any loss of interior size or performance of the vehicles. It is estimated that these improvements in fuel economy save 2.5 million barrels of oil per day, and save the consumer at least $40 billion per year in gasoline costs.

We need to continue the work we started 15 years ago. The levels of fuel economy established by that law have not increased since 1985, and the fuel economy of some manufacturers' fleets is actually decreasing. In the meantime, the need for energy conservation has not diminished. Rather, we have been forcefully reminded that we cannot rely on unlimited imported oil. The oil is not really unlimited, and the owners of that oil are fully prepared to hold us hostage to obtain it. If we are prepared to send our troops to risk their lives in the Middle East, the least we can do is continue to use our best technology at home to reduce our reliance on imported oil.

Imported oil is often over 50 percent of consumption, and we have seen in the past few weeks what happens to gasoline prices when there is even a threat to that supply. Of equal concern to me is the fact that energy imports are major contributors to our intolerably high trade deficit, adding almost $40 billion per year.

In addition to the ongoing, and increasing, problem of national energy security, we have another reason to continue the progress in fuel efficiency—the threat of global warming. Every gallon of gasoline that is burned emits almost 20 pounds of carbon dioxide, and we know that carbon dioxide is a primary contributor to global warming. While we may not be certain of all the consequences of the warming that's predicted, we are certain that concentrations of carbon dioxide are increasing.

I am working to enhance the research necessary to know more about the effects of this warming. The Senate has passed S. 169, the National Global Change Research Act, which I introduced. This legislation provides for improved coordination of the national research efforts to understand the earth system and effects of changes in that system. This legislation also provides for a national plan to advance this research.

However, I am convinced that, while this research proceeds, we must immediately take the steps available to us to reduce carbon dioxide emissions. Since the transportation sector is responsible for about one-third of the country's carbon dioxide emissions, fuel economy is an important part of the solution to this problem.

The auto industry is saying the same things it said in 1975—that the standards will force all Americans into tiny cars. It was not true then, and it is not true now. In Commerce Committee hearings on this subject, we heard impressive testimony from a variety of experts, including the Department of Energy, that the technology exists to accomplish considerable improvements in fuel economy without noticeable size reductions.

The new voice in this year's debate is the Asian auto industry, manufacturers who in the past have concentrated on production of small cars. Those manufacturers who make mainly small cars have not been affected by the laws now in place to the same extent as manufacturers of larger cars, since they have to meet the identical standard. The current standard has provided no incentive for these manufacturers to make their small cars as fuel efficient as possible. This bill would correct the unfairness in current law, and regulate all segments of the market, including small car manufacturers. It would do this by requiring all manufacturers to improve by an equal percentage from their 1988 fuel economy level.

The bill does not treat any segment of the market unfairly. In fact, it minimizes the differences in treatment among manufacturers more than any other approach that has been suggested. It even contains maximum fuel economy requirements—40 miles per gallon for 1995 and 45 miles per gallon for 2001—in an effort to be more than fair to small car manufacturers. Five of the ten Asian manufacturers selling in the United States will get the benefit of those maximums, and will not have to achieve the full percentage increases that will be required of other, full line, manufacturers.

This bill is fair, it is practical, and it balances the needs of the national energy security, the environment, the economy and the consumer. It is the product of thoughtful work in the Commerce Committee, where we have spent years developing an expertise in the area of fuel economy. I urge my colleagues to proceed to consideration of, and to support, this important re-

sponse to the country's long-term energy needs.

AUTHORIZING STATES TO REGULATE SOLID WASTE IN INTERSTATE COMMERCE

Mr. WARNER. Mr. President, I rise today in support of the amendment offered this week by Senator COATS concerning the regulation of the interstate transportation of solid waste.

Mr. President, during hearings this year, I and the other members of the Committee on Environment and Public Works heard testimony on the inequities and environmental hazards associated with transporting solid waste across State lines for permanent treatment and disposal. Across the country, citizens are actively voicing their concerns to Federal, State, and local lawmakers to stop the dumping of imported waste. Last year, at the Kim-Stan landfill in Selma, VA, citizens waged a 20-month vigil to call attention to this national problem.

Mr. President, I share Senator COATS' desire to encourage States to provide adequate capacity for the solid wastes generated within their borders. At the present time, 38 States are dumping nearly 12 million tons of garbage in other States. To reverse this trend, we should focus on encouraging alternatives to land disposal methods, which, according to a recent EPA report, were used to dispose of 73 percent of the solid waste generated by Americans in 1988.

Under the Resource Conservation Recovery Act [RCRA], responsibility for managing solid waste lies with State and local governments. RCRA requires States to develop plans to manage and reduce waste by emphasizing programs for recycling and resource recovery. According to the National Solid Waste Management Association, since 1987, 26 States have passed comprehensive solid waste laws requiring recycling, with seven requiring curbside collection of recyclables. In addition, several cities ban polystyrene packaging in fast food restaurants, and at least 12 States are considering a ban on packaging containing toxics such as lead and cadmium.

Mr. President, while the States have made progress in this area, there is much more work to be done. In the meantime, States with approved plans should not bear the burden of disposing of wastes generated by States without approved plans. Legislation is needed to provide the necessary incentives to assure that all States provide adequate capacity for solid wastes generated within their own borders. To achieve this goal, Congress should, in my view, exercise its constitutional authority to grant States the right to ban waste imports. This action is necessary in the face of Supreme Court decisions holding that States cannot close their borders to imported waste in the absence of a congressional grant of authority.

Mr. President, I support the amendment of Senator COATS, because it provides the States with this much needed authority. If there were an opportunity to further refine this amendment, however—an opportunity that is not available at this time because of the parliamentary situation—I would give States more time to provide adequate treatment and disposal capacity for solid waste. In addition, I would impose stricter planning requirements on the States.

Mr. President, in the near future, I intend to introduce legislation that would phase in the authority for States to impose progressively higher fees on the disposal and treatment of imported solid waste. Under my proposal, States would be allowed a reasonable period of time to revise existing solid waste management plans to provide for new or expanded facilities to manage solid waste. At the end of this period, provided that an EPA-approved plan has been implemented, States may choose to refuse solid waste imports or set a different fee structure to further discourage waste imports.

Mr. President, States have a responsibility to assure their residents of adequate treatment and disposal capacity for wastes generated within the borders of their State. States acting together to solve State problems—without Federal intrusion—is the ideal arrangement. Both the Coats amendment and the legislation I intend to propose would allow all States to roll up their sleeves and get to work.

Thank you, Mr. President.

CLOTURE MOTION

The PRESIDING OFFICER. If there is no objection, the hour of 10:15 a.m. having arrived, under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to S. 1224, a bill to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes.

John F. Kerry, Kent Conrad, Fritz Hollings, Claiborne Pell, Richard Bryan, Harry Reid, Wyche Fowler, Jr., Joseph Lieberman, Frank Lautenberg, Timothy Wirth, Patrick Leahy, Quentin Burdick, Christopher Dodd, Bob Kerrey, Bill Bradley, Daniel K. Akaka, Alan Cranston, Brock Adams.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to S. 1224, a bill to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, shall be brought to a close? The yeas and nays are required. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CRANSTON. I announce that the Senator from Louisiana [Mr. JOHNSTON] is necessarily absent.

Mr. DOLE. I announce that the Senator from Utah [Mr. GARN], the Senator from Wyoming [Mr. SIMPSON], and the Senator from California [Mr. WILSON] are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming [Mr. SIMPSON] would vote "nay."

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The yeas and nays resulted—yeas 68, nays 28, as follows:

[Rollcall Vote No. 235 Leg.]

YEAS—68

Adams	Fowler	Mikulski
Akaka	Glenn	Mitchell
Baucus	Gore	Moynihan
Bentsen	Gorton	Murkowski
Biden	Graham	Nunn
Bingaman	Grassley	Packwood
Boschwitz	Harkin	Pell
Bradley	Hatfield	Pressler
Bryan	Heinz	Pryor
Bumpers	Hollings	Reid
Burdick	Humphrey	Robb
Chafee	Inouye	Rockefeller
Cohen	Jeffords	Roth
Conrad	Kassebaum	Rudman
Cranston	Kennedy	Sanford
D'Amato	Kerrey	Sarbanes
Danforth	Kerry	Sasser
Daschle	Kohl	Simon
DeConcini	Lautenberg	Specter
Dodd	Leahy	Stevens
Domenici	Lieberman	Warner
Durenberger	McCain	Wirth
Exon	Metzenbaum	

NAYS—28

Armstrong	Ford	McClure
Bond	Gramm	McConnell
Boren	Hatch	Nickles
Breaux	Heflin	Riegle
Burns	Helms	Shelby
Byrd	Kasten	Symms
Coats	Levin	Thurmond
Cochran	Lott	Wallop
Dixon	Lugar	
Dole	Mack	

NOT VOTING—4

Garn	Simpson
Johnston	Wilson

The PRESIDING OFFICER. On this vote, the yeas are 68, the nays are 28. Three-fifths of the Senators, duly chosen and sworn, having voted in the affirmative, the motion is agreed to.

Mr. BRYAN. Mr. President, I move to reconsider the vote.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, I ask unanimous consent to be recognized to address the Senate for 5 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Arizona is recognized.

Mr. McCAIN. Mr. President, I revise my unanimous consent request to ask that following my 5 minutes, my colleague from Maine be granted 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

JAPAN AND GERMANY'S BURDENSHARING EFFORTS IN THE MIDDLE EAST

Mr. McCAIN. Mr. President, I was very pleased and heartened to learn this morning that the Japanese Government has decided to make a commitment of approximately $4 billion to assist in the burdensharing of the Middle East effort. This is a good beginning. It is an important step forward, and it is an important signal. But I also hasten to add, if this involvement is drawn out for any length of time, the contribution from the Japanese Government is clearly not enough.

If Iraq does not give up its conquest within the next few months, this $4 billion pledge would be only a small fraction of the total cost that the 25 nations contributing to the economic and military effort will pay. We may be talking about total annual costs that could well be in excess of $50 billion, and much of this will have to be paid by some of the poorest developing nations.

I also report, Mr. President, that the impression, whether real or unreal, is clear that this action was taken by the Japanese Government not as an act of leadership—and indeed they are a world leader—but as a reaction to comments made by Members of this body and action taken in the other body yesterday.

I would hope that the Japanese Government and people will have learned from this experience that they must act as a world leader, and that they must accept the responsibilities of a world economic power. I hope they have learned that the best way they can act to support us is to help us share the economic burden which is an onerous and heavy one on the United States of America. I hope they will remember that it is the lives of American fighting men and women that are at risk here not of Japanese, German, or others.

So, Mr. President, I am very heartened and very grateful that this action has been taken by the Japanese Government. I trust that Japan will soon pledge more aid without further prompting. I hope it will reconize that Japan will be dependent on oil imports for at least the next quarter century. I hope it will recognize that sometimes it must spend tens of billions of dollars to secure economic stability that its worth hundreds of billions of dollars in the short run and trillions of dollars in the long run.

Let me also suggest to the Japanese Government that there is an immediate contribution they could make to the United States that would be a great benefit to the United States in supporting its forces in the gulf, and to our creating a stable foundation for our strategic partnership.

Last year the total operating and maintenance costs of United States forces in Japan were $6.9 billion. Japan now contributes some $2 billion by way of offset aid and burdensharing. The United States has already asked that Japan increase its contribution to cover all the Yen costs of United States forces in Japan, which total $4.840 billion. This would require some $2.8 billion more in aid.

I hope that Japan will understand that such additional aid is both timely and necessary. I hope that Japan will understand that I speak as a friend, as someone who believes we must negotiate in good faith and avoid confrontation, and that I believe that strong bonds of frienship between the United States and Japan are essential to Asian and world security.

Mr. President, I cannot leave this subject without addressing the aspect of our other major partner, and of course I am speaking of the Federal Republic of Germany, which announced recently that they were going to contribute $8 billion for housing, clothing, and feeding of Soviet troops and also at approximately the same time announced the commitment of two minesweepers to the eastern Mediterranean—where they can do nothing to help the military situation in the gulf.

Mr. President, the West German economy also depends on the oil supply from the Middle East. It is time that the Federal Republic of Germany, as a leader in Europe and the world, come to the table and make a far more significant contribution. If it does not, it would be difficult for me to overstate the reaction on the part of the United States of America, and the disgust and anger that will result from a failure to make the commitment when West Germany is obviously willing to commit enormous amounts of money to take care of their own back yard. We can have no patience with a government that so far displays so little interest in the rest of the world, and indeed its own economic interests, and which fails to become involved in so great and serious a crisis, and one that can so deeply affect the world economy.

Mr. President, in closing, let me again say "thank you" to the Japanese. You must, however, do more, and next time I ask that you act, not merely react. We must all share this burden, recognizing that the United States will take the military lead. We do not expect military involvement on the part of the Japanese Government or people. We will take care of that part of our mutual responsibility, but Japan must do its proper share of taking care of the nations that are involved in the area, and in taking care of the enormous financial burden of preserving freedom and the rule of law.

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. Under the previous order the Senator from Maine [Mr. COHEN] is recognized not to exceed 5 minutes.

PERSIAN GULF

Mr. COHEN. Mr. President, I will take a few moments and add my support to the words spoken by the Senator from Arizona. He has certainly been one of the leaders in raising concern about the nature and extent of participation by our allies in the effort now underway in the Persian Gulf.

There was an important article written on this subject, I believe in yesterday's Washington Post, by Jim Hoagland, who is certainly one of the finest writers on international matters. Mr. Hoagland said that we indeed ought to maintain the pressure upon our allies, Japan and West Germany in particular, without engaging in any unnecessary finger pointing.

That is precisely the spirit in which I rise today, and I know the Senator from Arizona rises today, to encourage our allies to do more—not in a spirit of vituperation, but rather one of encouragement.

The United States is in the Persian Gulf not only to liberate the people of Kuwait, although that is an objective; not only to prevent the Iraqis from intimidating the Saudi Arabian people, although that is also an objective; not only to drive Saddam Hussein out of Kuwait, although that is an objec-

tive—we are there to protect our own interest. And indeed, we have a very important interest that goes well beyond that of simply acquiring oil from the Persian Gulf, though that, too, is important. We are there to prevent an aggressor nation from engaging in the gobbling up of another country with impunity because the implications for the rest of the civilized world are so severe.

Mr. President, I think the Senator from Arizona has exercised real restraint in talking about the contribution from our German allies. Why is it that West Germany, a relatively wealthy nation, certainly by comparison with many of its European allies and those in the rest of the world, can offer $8 billion to house and perhaps clothe some Soviet soldiers and only find two minesweepers for their contribution to the effort in the Persian Gulf? That is not sufficient.

The final point I would like to make is that the issue of Soviet advisers in Iraq has been minimized. President Bush apparently made a request at Helsinki in his meeting with President Gorbachev to have the Soviets call for withdrawal of those Soviet advisers, and apparently that request was not met with any receptivity.

In consequence of that meeting, voices have been toned down, some have suggested it is "no big deal," to coin the phrase used by one House Member. I think it is a big deal. I think it is a strange notion that the Soviet Union would have economic advisers in Iraq given their own position. To the extent that they have military advisers, they are helping to make Iraqi soldiers and engineers more efficient in potentially killing American soldiers. I therefore have great difficulty with the idea that we are going to be supplying economic assistance to a country that continues to enhance the ability of the Iraqis to be more skillful in killing American soldiers.

So I think we have to continue to raise this issue as well as that of the contributions by the Germans and Japanese to the effort in the Persian Gulf, and I hope we can do it in the spirit of encouragement to our allies to raise the consciousness on the part of their people as to their own responsibility to that region.

For too many years we had this notion that NATO can only be concerned about interests within the geographical boundaries of NATO itself. That is a mistake. The NATO countries have an interest just as vital as that of the United States in the Persian Gulf. They are far more dependent upon Persian Gulf oil than we and they cannot simply turn away and say it is the United States' responsibility to protect their interest as well as our own. I hope we can continue this dialog in a spirit not of finger pointing, but of consciousness raising.

The PRESIDING OFFICER. The Chair recognizes the Senate Republican leader, Mr. DOLE.

THE BUDGET SUMMIT

Mr. DOLE. Mr. President, I guess I am one frustrated summiteer at Andrews Air Force Base the last 7 days trying to come together on a budget agreement. I must say it is a little frustrating handling it on a daily basis to turn on television or turn on radio or pick up a newspaper and pick up some of the Democratic propaganda that is being leaked to the press on a daily basis.

Today's Washington Post said "GOP's Proposal Said To Favor Wealthy." It goes into detail on the whole question about fairness. They want fairness, and we do not want fairness. Every day we complain. Every day they apologize, and then the same thing happens. Last year it was the Archer cigarette tax. The Archer bill never mentioned the cigarette tax. I had 10 calls, what are you doing to the railroad retirement, the Dole plan. I never even mentioned railroad retirement.

So there is no doubt in my mind there is a deliberate effort by some on the other side, staff, or somebody on the other side in the House or the Senate to cast this as Republicans for the rich and they are for everybody else. I am not certain we ought to continue to negotiate on this basis.

If we cannot go to Andrews Air Force Base and have candid discussions and try to resolve a very serious problem about the budget, $50 billion the first year, $500 billion over 5 years, without every day somebody on the other side saying that is a Republican idea—they want to help the rich, they want to do this—I am not certain what we are there for.

Frankly I am sick of it: Two o'clock in the morning, midnight, 1 o'clock in the morning, all day long. I do not know the answer because I do not think there is going to be any effort on the other side to do anything about it. Maybe we just have to start competing. We will dump on a couple Democrats every day and they can dump on a couple Republicans every day. We start some rumor that may not be true and they can start some rumor that may not be true.

I have not said one word since these negotiations started, and I have not talked to one press person since the negotiations started, in an effort to make certain that nobody on this side would be quoted as saying something about someone on the other side or one of the negotiators.

I do not know what my colleagues think but I know a couple here who have been up there half the night and all day long. There are not any plans. They keep saying Republican plans, Republican plans. We are not there trying to negotiate in good faith with everything on the table, everything on the table.

These negotiations have been going on since May. I talked to some real people last night. I went over and met some of the retired officers. They said, "Why don't you Members of the Congress do something? You know you have to do something. October 1 is coming. What are you waiting for?"

Well, because some people want to play games. Now, I am sick of playing games. It is going to be very difficult—I will just speak for myself—to try to sit down with my colleagues on the other side and say anything because I know it is going to probably appear in the paper the next day. If we cannot have private discussions, if we cannot talk about some of these very controversial, very sensitive, very tough issues without somebody quoting you the next day or somebody suggesting, "Oh, the Republicans are out there trying to favor the rich"—that is the old Democrat lie that has been out here for 20, 30, 40 years. I suggest we just ought to stop. Maybe that is too drastic; maybe we just have to expect this, maybe there is not any responsibility with some of these negotiators or some members of their staff who continue to fax and leak and fax stuff to reporters all day long with their point of view.

I am going to go back to Andrews Air Force Base one more time, and I am going to make my complaint for the first time. I have been silent all week long. I figure, "Oh, well, these things happen in discussions and debates and sometimes things get out and reporters have an obligation to try to get the news." But when I turned on CNN this morning and picked up the paper and somebody else tells me about it on radio, and they are all the same, Democrats want fairness—that is the message—and we do not, and we are trying to protect the rich or the wealthy, and they are trying to protect everybody else, they cannot have it both ways.

We approved a lot of little programs last night. I do not know whether poor people were benefited but they were Democratic proposals. I do not see those in the paper though. Maybe they ought to be. Maybe they will be.

But we have to have some understanding and we need the help of our colleagues here and in the other body. None of us like the responsibility we have. And my colleagues on this side have told me about a lot of provisions they do not like. I do not know that I care for many of them either. There were not too many volunteers for this job. But it is very important, it is very necessary and we have to get it done.

There is no deadline. There is no end in sight. Now they are talking about

not being there tomorrow; working 5 days, sort of like bankers' hours, going over to Sunday and come back Sunday afternoon. Who knows? Next week, maybe the following weekend. But sooner or later we have to set a deadline and we have to say to ourselves and our colleagues and the American people if we do not finish it by *x* hour, *x* day, it is over. And if we do not say it, maybe President Bush ought to say it.

Some of us are tired of dancing around and trying to be objective and nonpartisan. We pick up the morning paper and turn on the television and listen to radio and see all the propaganda being skewed out by the other side.

So we will go back to Andrews Air Force Base and we will make our complaint. And they will say "Oh, we don't know how it happened. We don't know how it gets out there. Oh, it's terrible." And then we will go to work, maybe. But we should not do anything unless we solve these issues that every day crop up in the paper. And if capital gains rates is the issue, we ought to solve it today, or nothing else happens, period. So we do not get backed into a corner on that one, where everyone blames you and they say, "Oh, well, it blew up because the Republicans were trying to protect the rich." We are not trying to protect anyone. We are trying to do a difficult job in cooperation with our Democratic colleagues. It is not going to work if this garbage keeps piling up day after day.

Mr. DOMENICI. Mr. President, I have not been on the floor very much in the last 5 days because I have been somwhere else. And I agree with the Republican leader, my leader. I am tired. I am not only tired of working hard, because I have been, but I am tired of articles like the one he just alluded to.

There are no plans. If we had a plan, we would be finished out there. We could come and tell you about it. Then we could all argue about whether the plan is any good or not. There is nothing agreed to. So why is there news about what we are talking about. Why are people being blamed? There is nothing agreed to. How can there be a plan?

The notion of progressivity versus regressivity is a debatable issue. Somebody has a formula, a piece of paper, and they are circulating it, and they are saying, "This is it."

Well, that is somebody's version. It is certainly not ours. We did not develop it. We do not know where it came from in terms of alternatives and options, and it does not have all the things that we think belong in a Tax Code evaluation. I mean there is no question. The Republican leader is right. If you talk about capital gains, it is immediately regressive under formulas that some would use. But we thought we went out there to solve the budget deficit, do something for economic growth, that is, jobs for America's future. We did not think we went out there to follow somebody's formula in advance of what the taxes ought to look like. So the Republican leader is right.

If all of this propaganda about whose plan is better for the rich or poor is built around trying to make capital gains anathema, then we ought to go out there and resolve it. If we cannot resolve it, maybe we ought to quit.

But let me repeat, it is grossly unfair to attribute issues that we are discussing to a Democrat or a Republican; and plans do not exist. We have all tried to come up with innovative ideas, new approaches.

We have to find $500 billion, Mr. President, in deficit reduction. Clearly, we are not going to do it by taxing the American people $500 billion. Clearly, we have to reduce spending. And, clearly, we are not going to do it all out of defense. So we have to make some tough choices. Occasionally, somebody puts a very tough proposition on the table, and that is courage. But there will not be much courage out there if the following day that tough proposal is all over the country.

So I think the Republican leader makes a point, not only a point with reference to leaks about things that are not true, but with philosophies and general positions about what is going on. Save those for another day. Do not burden an already difficult ship with this kind of thing, or it will sink.

The PRESIDING OFFICER. Who seeks recognition?

Mr. GRAMM. Mr. President, I want to amplify a little bit on what has been said, and I want to give an example. We are trying to come up with a plan to reduce the deficit, to move toward a balanced budget. Balancing the budget is like going to Heaven. Everybody wants to do it; they just do not want to do what you have to do to make the trip.

Leaks are going to occur. I do not understand why people want to use them, but they do. But what we are looking at here are not random leaks, but concerted, partisan effort to affix blame. Let me just give an example.

We were talking about Medicare because nobody can talk about the deficit without discussing Medicare. Medicare is the most explosive program in the Federal budget with $40 billion a year coming out of general revenues and the program going broke every second. I suggested that we look at the possibility of having very high-income individuals pay more of the actuarial cost of the part B premium; hardly a revolutionary or a subversive approach.

The next day the Democrats come back with a version of progressivity on Medicare in their plan, and guess what? One, they label it the "Gramm plan;" and, two, they leak it to every media outlet in America. Why did they do it? You know why they did it. The leakers did it because they were cowards. They did it because they wanted the savings, but they were unwilling to take equal blame. So they leaked it with my name on it, even though their proposal was not mine. Then, suggestions were made about Medicare in general. And that was leaked as the Domenici plan.

Poor Congressman BILL ARCHER never even mentioned a cigarette tax. Think about our situation and think about a tobacco tax. But yet, not only does no one want to say look at it, they want to point at somebody on the opposite side of the aisle. Poor BILL ARCHER never mentioned cigarette tax; never ever mentioned it. And yet he wakes up, and there in news, all over his district and all over the country, is the Archer cigarette tax? Why is that happening?

Now, this morning we are greeted with headlines saying "Republicans want to benefit the rich." First of all, I have not seen a proposal made, if we put the whole thing together, which would not make the tax system more progressive. But the Democrats clearly put together a set of these phony tables in which they made up the facts and shot it out all over the country. Why did they do that?

First of all, they are so preoccupied with spreading the misery, and rubbing everybody's noses in it that they have forgotten that the genius of America is in providing incentives. We will not adopt any change in the Tax Code that is not at least neutral. There is no debate about that. What we are seeing here is a raw attempt to grasp some partisan advantage.

Mr. President, doing this job is going to be very unpopular. Nobody will score political points by reducing the deficit; there aren't any points to be scored. It is going to take courage. It is going to take sacrifice. And to this point, the only person in America who has shown any courage or made any sacrifice is the President.

These kind of partisan leaks really are hurting the process. This is not a leak. This is me speaking plainly. The problem we face is spending. Congress wants desperately to spend more money, but we cannot do this job and spend more money. That is the No. 1 problem.

Second, deep in the heart of many in Congress is a desperate desire to kill Gramm-Rudman. It has been one of the biggest holdups in this debate, but Gramm-Rudman will not die in an effort to "fix the deficit problem." As

imperfect as it is, it is the only sentry at the gate.

And finally there is this deep, dark desire—I call it dark; others may see it coming from the very center of Heaven—to find some poor guy who is working for a living, and to stomp out any incentive he has to succeed. I will never, ever participate in that.

In truth, there are still many here who, if they were in the Kremlin, would be opposing Gorbachev in everything he is trying to do. That thinking is not only outdated in America—which it was at the beginning—but all over the world now, yet we still find it alive and well in Washington, DC.

Mr. President, I want to urge our colleagues to end all this partisanship and let us get on with the job of dealing with the deficit. Any agreement will be very unpopular, and very hard to pass. But if we do not pass it, we are going to have chaos and we are going to hurt America. I think it is vitally important that we get on with the job.

I yield the floor.

The PRESIDING OFFICER (Mr. WIRTH). The Chair recognizes the Senator from Minnesota [Mr. BOSCHWITZ].

Mr. BOSCHWITZ. Mr. President, before my colleague from Texas leaves, let me just take small issue with him. That is, that it is not going to be popular to do what they are doing out there at Andrews Air Force Base. I think it is going to be popular. I think that the American people are going to be prepared to make the sacrifices. Some will object, of course.

Whatever programs are in some way cut—and I will talk about what cut means; and that does not mean actually reduced, just that their increase might be reduced—but in my opinion it is going to be a very popular act in the event we bring about some fiscal responsibility in the Federal Government. I think people will be prepared to undertake the sacrifices if they are fairly apportioned.

So, my word to the negotiators is, spread them out and fairly apportion them, and I will vote for them. I, too, share the frustration of my leader and Senator DOMENICI and Senator GRAMM when I see headlines in the paper that the Republicans are allegedly in this budget conference seeking to aid the rich, and that this old shibboleth is being introduced once again.

It is a bad thing when these budget talks are politicized in that manner. We believe, even, that we know who is causing these kind of leaks. Perhaps we should ask that particular person not to participate in the summit. That would probably really blow it wide open.

But nevertheless, I think the negotiators ought to go forward and I, for one, will vote for some very difficult items in order to put together a package, a package that goes over 5 years, a package that reduces the deficit at least $500 billion, a package that has some enforcement provisions, so it is not just a bunch of smoke and mirrors, and a package that is really going to get at the business of bringing the budget into some order.

I was shocked this morning. I spoke to our leader about it. I was watching CNN, and I see, allegedly, the reporter said, out of hand, that we are supporting the rich, and that the Democrats were not. I see, even in this article that is in the Washington Post this morning, the following sentence:

> Fairness has been the keystone of the Democrats' arguments over the tax component. * * * Republicans, on the other hand, have been adamant that individual income taxes not rise.

It is a bad thing, Mr. President, that this budget negotiation that so many of us are relying on, so many of us are hopeful about, would just begin to be a partisan fight, as so many partisan fights we see here in the Senate and on Capitol Hill.

Yesterday I tried to put together a bipartisan group that would approach the press today and say that we, as a group, will be supportive of a package that shows fairness, that shows a comprehensive approach, that is a $500 billion package, that is a 5-year package, that has strong enforcement provisions.

I could not get a single person on the other side of the aisle to join me. Regretfully, therefore, we cannot have such a bipartisan press conference, but we need to do that. We are going to have to vote on a very difficult package.

Yes, I agree with the Senator from Texas, it is going to include Medicare. Medicare is the fastest growing part of the budget. They say in 12 or 14 years, it will be the biggest item in the budget. If it is not restrained now, it probably will be beyond any ability to control it.

Spending this year, despite all of our talk about the budget, continues to rise very rapidly. The appropriations bills that were passed prior to the August recess showed spending increases of 11.4 percent this year. The revenues of the Federal Government normally rise at 8.6 percent. With the slowdown in the economy that we have been experiencing, it may not be 8½ percent, as it normally is. It may be somewhat less. But the spending goes on.

The appropriations bills that we passed in the Congress or that were sent over to us by the House showed increases of 11.4 percent. The game, of course, is get your programs as high as you possibly can, so in the event there are going to be negotiations about those programs, the negotiations start at a nice, high level, and you can work down from there.

We really do not seem to be serious about the business of coming to grips with the budget deficit.

Mr. President, I, as a Senator, stand prepared to cast some hard votes in this regard. I, as a Senator, am prepared to vote for things that I might not otherwise vote for. I hope that the package that the President and the leaders of the Senate and of the House present to the Senate and to the Congress and to the Nation is a broad-based package, and I hope that package reduces the deficit over a 5-year period by at least $500 billion. I hope that package has strong enforcement provisions.

I trust that that package will not have a bunch of smoke and mirrors. I trust that that package will not just rearrange payments and put payments into the next fiscal year. You can save a lot of money doing those kinds of things. I trust that package will be very broad; that hopefully every program of the Federal Government will, in some way, be impacted. It is really the only way to go.

I might say, Mr. President, Congressman FRENZEL and I have, for some years, been introducing a bill that will compare this year's expenditures to last year's expenditures. It is not often that people understand how we go about the budget process here. We compare things to current services. In the event that we spent $100 last year on a program and this year that program will rise because of inflation or because of other things, if the law stays the same, to $106, and we only spend $105, we have cut the budget by $1. If we spent $5 more than we did last year, one would think we have raised spending by $5, but not in the jargon of the budget of the U.S. Government. We have cut the budget by $1 because we did not expend as much as we expected to.

I think that we will never really get a hold on the budget unless we compare spending this year to the year before without these rather fictional type of current service approaches. That is how everybody in the United States does it. That is how we do it in our business. That is how I did it in my business prior to coming to the U.S. Senate. And to put up an expectation, to say we expect to spend this much this year, and if we do not spend as much as we expect and we make savings, why, that is one of the real fictions of the budget.

I sometimes joke with my constituents and I say to them that we have saved hundreds of billions of dollars. We have cut the budget by hundreds of billions, but yet the deficit seems to continue to expand; the deficit seems to get cumulatively so much larger, and the reason is, of course, that the cuts are figured from what you expect

to spend, not on the basis of what you spent last year.

So I express some regret, Mr. President, that the budget summit seems to have fallen into some disrepute, has fallen into some partisan bickering, has fallen into some leaking to the press that is going to undermine our ability to go forward.

I regret, too, that a body of Senators, a large body of Senators, cannot come together and say we are going to make hard votes. What I hear is Senators coming to the floor saying if this is in it, I will vote against it; if tobacco taxes are in it, I will vote against it; if beer taxes or a liquor tax is in it, I will vote against it.

Each one of us is going to have to vote for some things that are not particularly palatable to his or her constituents. It is the only way we are going to be able to solve the budget crisis of the United States. We simply cannot allow an accumulation of debt to be foisted upon our children and our grandchildren.

So I hope that the budget summiteers do not come home at 5 this afternoon, that they do not assume bankers' hours, that they continue through the weekend, as necessary; that they drive their way to conclusion; that they make large and sweeping changes in large and sweeping programs; that they have the courage that is necessary to bring about the balance that is so desperately needed in the budget.

I say to my friend from Texas and to other Members of this body that, in my judgment, the American people will accept it. The American people are looking for us to do this. The American people will compliment us for our courage, and the American people will show disdain if we come up with yet another one of these smoke- and mirror-filled budgets.

So I, as a single Senator, as the junior Senator from Minnesota, am prepared to vote for a package that is difficult. I am prepared to vote for a package that brings about a balance. I will continue in my efforts to seek other Senators who will stand and say the same, who will stand and say that they will cast a vote for this package even though it might contain something that will be harmful even to some of their constituents, because surely it will. If it is a good package, it will contain something that some among their constituency will not like.

I urge the negotiators on. I think that their cause is a good one. I think that their cause is one that we must now bring to fruition. I think that their cause is one that I support and that the American people will support. And if the decision is difficult, the American people will support it even more.

I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I ask unanimous consent that I may proceed as if in morning business.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

FREE MAILING PRIVILEGES FOR THE U.S. ARMED SERVICES

Mr. PRYOR. Mr. President, I am about to propound a unanimous-consent request that I understand has been agreed to on both sides of the aisle.

Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be discharged from further consideration of S. 3033, a bill to permit free mail privileges for United States troops stationed in the Mideast; that the Senate proceed to its immediate consideration; that the bill be read for the third time; passed; and that the motion to reconsider be laid on the table.

Mr. President, I so ask unanimous consent.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

S. 3033

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3401(a)(1)(A) of title 39, United States Code, is amended by inserting "engaged in temporary military operations under arduous circumstances," before "or serving".

Mr. PRYOR. Mr. President, I thank the Chair.

Mr. President, I understand that this particular piece of legislation just passed will enable, immediately upon the signature by the President, our troops stationed in the Mideast to be able, from this point forward, to send free mail back to this country. This has been done before; there is a precedent. It was done in the Vietnam war, I understand in the Korean war, and it has been historically a decision made by the Congress to empower the Postmaster General to have such a situation occur.

Mr. President, a few days ago I talked to Senator ALAN CRANSTON of California. He had, in fact, just returned from the desert in Saudi Arabia visiting our troops. It was Senator ALAN CRANSTON who suggested to me as a member of the Governmental Affairs Committee and the subcommittee that has jurisdiction over the Postal Service that we together join in an effort to expedite this particular bill through the Senate at the earliest possible time.

It is also Senator CRANSTON's understanding and mine that the House of Representatives will consider this legislation immediately upon its arrival in the House Chamber after it has been passed by the Senate.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California.

Mr. CRANSTON. I thank my friend and colleague from Arkansas, Senator PRYOR, for his generous words and for his leadership, assistance, help, guidance, and effectiveness on this matter.

I was over in the gulf last week, and met with many service people: Soldiers, sailors, marines, and airmen, in various places out in the desert; on the battleship, the U.S.S. *Wisconsin,* in the middle of the gulf; at an airbase out in the desert; and elsewhere. I met many Californians and many people from other States. Their morale is very high. They know why they are there. They are prepared for whatever comes. They feel well led, well equipped, and well trained.

They know that the mission is to seek to deter war by our show of strength there with our friends and allies, to defend against any attack if it comes, and to maintain that force in order to give the embargo and the sanctions time to work, and to persuade Saddam Hussein that the wisest course for him is to abandon his aggression against Kuwait and go back to Baghdad.

The military personnel with whom I met, both men and women, under these incredible conditions, led to many conversations where they said, "What we want most of all is mail from home and the ability to communicate with our loved ones back home. We are very isolated here." They said, "Many of us did not expect to be here, and here we are. We understand the necessity, but we want to hear from home. Some of us haven't heard from home since we came here. Some of us have had only scant communication, and we have had long delays in hearing back and forth." They said, "We cannot find stamps over here. To get stamps, we ask relatives to send them. They respond. They get stuck together by the heat, and we cannot use them. It is very difficult. Please try to help us. Please tell people to write, write again, and give our address to friends and tell them to write."

I discussed this matter with General Schwartzkopf, the commanding general there. He suggested that we should enact legislation that would be analogous to what we have done under prior situations like this, and grant the right to military people over there to write home without having to have a stamp, simply by writing something in

the corner of the envelope indicating they were a service person in that part of the world.

I announced last Saturday that I would introduce that legislation. It passed the Senate on Monday. But it is attached to an appropriations bill that may not become law for some time. The House is endeavoring to past similar legislation, but they were snagged yesterday and did not manage to do so.

I therefore think it is very important, in order to bring this opportunity to communicate at once to as many service people as possible, that we enact this bill as rapidly as possible. I am delighted the Senators now have approved it. I will trust the House will now join with us. We must give this opportunity to our service people to communicate with their loved ones, and to facilitate the opportunity for their loved ones here—whether it be a spouse, a fiance, a mother or a father, or children—to communicate back and forth.

On that front, let me say that by waiving the necessity for postage, we make it much easier for people over there to communicate. The other side of that is to speed up communication from here to there.

While I was overseas, I called the head of AT&T, Mr. Robert Allen, who suggested, after I discussed this matter with General Schwartzkopf, that they see if they could organize a system where people here could fax letters instantly over to people in the armed services in the gulf.

AT&T went to work on this. They announced yesterday that they have launched a faxing program where people here, if they go to an AT&T store in their community, can fax a one-page message to the people that will go over instantaneously.

AT&T is very generously offering this opportunity without charge to the people. Normally, it would be a rather expensive matter. They are charging nothing. They have donated some fax machines that are now available in Saudi Arabia to facilitate the process. The process will begin next week on Friday.

The process will begin Friday of next week. I would like to tell those who want to find out how to do this, that there is a free number they can call to find out how they can get access next Friday to this fax operation I mentioned. It is 1-800-555-8111. They can also call my office, 202-224-3553, to get information and updates on how this is working.

I have talked also with Sprint, MCI, with Western Union, and with the post office, and other approaches are being worked out by those. I think further opportunities will be available in other communities and in other ways to get messages overseas to loved ones there that are so eager to hear from home.

I urge everyone within the sound of my voice to write, write again, and to give addresses to others to communicate. Nothing can be done at home that can be more supportive of our people overseas than to give them a feeling of closeness to their faraway home and their loved ones. I thank the Senator.

Mr. BOSCHWITZ addressed the Chair.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Minnesota.

Mr. BOSCHWITZ. Mr. President, I certainly congratulate the Senator from California for this bill that will see to it that free mail privileges will be given to United States troops stationed in the Middle East, and for the fact that it has proceeded so rapidly through this body.

My colleage and friend, Senator HELMS, from North Carolina, could not be here, so I want to say a word on his behalf, because it should be made clear that the senior Senator from North Carolina originated this idea at the beginning of the week, and that he, too, deserves a good share of the credit for the passage of this bill in such an expeditious way.

So as I hear the others speak, certainly there is much credit to be given for this. It is an important piece of legislation. It is a show by the Congress that indeed we are supportive of our troops and the young men and women there in the desert heat of the Middle East. I do, however, want to emphasize that my good friend from North Carolina, Senator HELMS, came up with this idea very early this week as an amendment to the appropriations bill then before us. I congratulate him for generating this important idea at this moment.

I yield the floor.

Mr. PRYOR. Mr. President, I want to say for the record that earlier in the week, as the Senator from Minnesota just stated, the Senator from North Carolina [Mr. HELMS] did introduce such an amendment to the Postal-Treasury appropriations bill, I believe. We sensed that that was going to be too long a process and, conceivably, a conference would have to be held ultimately between the House and the Senate; and when Senator CRANSTON and I visited earlier in the week after his return from the Mideast, he suggested that we attempt to move the bill through on a unanimous-consent arrangement.

So I, too, would like to thank Senator HELMS, of North Carolina. I concur with the remarks by the Senator from Minnesota, but I also must say that for the concept of moving this bill as rapidly as it is moving today, certainly we want to commend the Senator from California [Mr. CRANSTON].

Mr. President, through some inadvertency, it is conceivable that, because of the fast tracking of this, Senator CRANSTON's name may not have been added as an original cosponsor. If not, I ask unanimous consent at this time that Senator CRANSTON be added as an original cosponsor of the amendment, and I ask unanimous consent that Senator LAUTENBERG, Senator ADAMS, Senator CONRAD, and Senator WIRTH, be added as original cosponsors to the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CRANSTON addressed the Chair.

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. CRANSTON. I thank the Senator from Arkansas, once again, for his magnificent help in this matter. We now have an opportunity to speed communications in several different ways back and forth between people over in the gulf on their mission of peace and their loved ones at home. I again urge all who know anybody there to write to them and urge others to write and give out their addresses.

Mr. HELMS. Mr. President, I am happy to support any measure that will enable our troops in the Middle East to write home without having to worry about getting stamps in the desert.

When I visited with the troops last week, the problem of no stamps seemed to be the one thing that was getting to them—not the heat, not the thirst, not the sand. Besides that, they deserve the free mail privileges. If we are going to send our men and women half way around the world to a potential war zone, the least we can do is see that they can write home free.

So I promised them that I would do everything possible, as soon as possible, to assure the free mailing privileges. The day after we returned from the gulf, we met with the President, and I told him then that this should be a top priority, and that I would do everything I could.

Mr. President, that is why I took the opportunity of the very first piece of legislation to come up for consideration on the Senate floor when we reconvened on September 10 to fulfill my promise to the troops at the front. The measure had unanimous support, and I see no reason why it will not be retained in the conference on the Treasury-Postal appropriations bill.

The current measure proposed by the distinguished Senator therefore is perhaps superfluous, but I suppose it will do no harm to have a backup piece of legislation in the pipeline in case, through politics, the original legislation that has already passed the Senate should be delayed.

Mr. SARBANES. Mr. President, I am pleased to join my colleagues, Sen-

ator CRANSTON and Senator PRYOR, in urging passage of this legislation to provide free mailing privileges to members of the Armed Forces while engaged in temporary military operations under arduous circumstances.

On Friday, Augsut 31, I joined Senator CLAIBORNE PELL, the distinguished chairman of the Senate Foreign Relations Committee, and a bipartisan group of Senators on a fact-finding trip to the Middle East. In the course of this demanding trip, we had an opportunity to visit with the men and women of our Armed Forces serving in the area. They were coping well and had remarkably high morale despite the difficult environment in which they found themselves. Everywhere we went, the troops asked us about mail service. It was their first priority as they expressed their desire to hear from their family and friends and to be able to get their letters out to their families and friends. Many of them indicated that the requirement of postage on their letters made it very difficult or in some instances impossible to send letters because no stamps or service were available.

This legislation allows military personnel temporarily deployed overseas for military operations to mail letters and parcels free of charge. This is a modest benefit for our young men and women serving in the Middle East. It will have a tremendous effect on the morale of our Armed Forces. I can attest to that personally based on my visit to these dedicated Americans in the desert of Saudi Arabia. They are anxious to be in touch with their families, and we must respond to that understandable, indeed laudable desire.

Mr. President, I strongly urge the Senate to pass this legislation.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. I have another subject. I am in full support of what happened. I wonder if the Chair has granted the unanimous-consent request.

The PRESIDING OFFICER. The Chair has granted the unanimous-consent request.

UNANIMOUS-CONSENT AGREEMENT—H.R. 5311

Mr. ADAMS. Mr. President, I ask unanimous consent that no further amendments be in order to the D.C. appropriations bill other than the following: Nickles amendment No. 2639, Coats amendment 2640, and amendments that are relevant to the subject matter of the Coats amendment.

I further ask unanimous consent that no motions to recommit be in order and that no points of order be waived.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. ADAMS. I want to join Senator PRYOR and Senator CRANSTON and Senator BOSCHWITZ in their comments. It is a pleasure to be a cosponsor of an amendment that contains a very, very important thing for our servicemen and women.

I yield the floor.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mrs. KASSEBAUM. A parliamentary procedure question, Mr. President. Would I be in order to speak as an in morning business?

The PRESIDING OFFICER. The Senator would need to obtain unanimous consent at this point to do that.

Mrs. KASSEBAUM. I yield to the majority leader.

Mr. MITCHELL. I wonder if the distinguished Senator from Kansas might yield to permit me to propound a unanimous-consent request which has been cleared with the distinguished Republican leader. Does the Senator wish a period of time to address the Senate as in morning business?

Mrs. KASSEBAUM. Mr. President, I would very much appreciate that, and I will do so after yielding the floor at this time.

Mr. MITCHELL. We are going to proceed to the D.C. appropriations bill, but I am sure all parties would have no objection to the Senator from Kansas taking a period of time to address the Senate. How much time would the Senator like?

Mrs. KASSEBAUM. Five minutes at most, Mr. President.

UNANIMOUS-CONSENT AGREEMENT—S. 1224

Mr. MITCHELL. Mr. President, I ask unanimous consent that the majority leader, after consultation with the Republican leader, may at any time proceed to the consideration of S. 1224, the CAFE standards bill, notwithstanding the provisions of rule XXII.

I further ask unanimous consent that a cloture vote on the committee substitute, as amended, if amended, occur on the day following the day the Senate begins consideration of the bill, with the requirement for the filing of the cloture motion being waived.

I further ask unanimous consent to withdraw the motion to proceed to the CAFE bill, S. 1224.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, for the information of Senators, following the cloture vote this morning on the motion to proceed, I met with the most interested and participating Senators on both sides of that issue, and, following that, we reached agreement on this unanimous-consent request, which has now been included and is therefore in the form of an agreement.

To amplify upon it, Senators should be aware that my intention is to proceed to the CAFE standards bill after the Betts legislation has been dealt with, the age discrimination bill that will be brought up on Monday. Assuming that we are able to complete action on that matter within a couple of days, our original plan, or our intention at this time, would be, if the schedule permits, to take up the CAFE standards bill on Thursday and then have the cloture vote on it on Friday. If the Betts bill goes beyond that, obviously, we will review the matter with all of the interested parties, the distinguished Republican leader, and others, before making any change in that schedule.

Furthermore, Mr. President, as we all know, earlier this week we had previously taken up the D.C. appropriation bill, reached an impasse with respect to the amendment by the distinguished Senator from Indiana, which is opposed by the distinguished Senators from New Jersey.

We will shortly, following remarks of the Senator from Kansas, be returning to that bill for further discussion on that matter, and I would encourage Senators on both sides of that issue to attempt to resolve it, to reach an agreement if they can on how to dispose of that matter, so that we can proceed to final action on the bill.

EXECUTIVE CALENDAR

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, as in executive session, I ask unanimous consent that at 2:15 p.m., Tuesday, September 18, the Senate proceed to consideration, en bloc, of the following treaties:

Executive Calendar 13: Tax Convention with Tunisia;

Executive Calendar 14: Supplementary Protocol to the Tax Convention with Tunisia;

Executive Calendar 15: Tax Convention with the Republic of Indonesia;

Executive Calendar 16: Tax Convention with the Republic of India;

Executive Calendar 17: Council of Europe—OECD Convention on Mutual Administrative Assistance in Tax Matters;

Executive Calendar 18: Tax Convention with the Federal Republic of Germany;

Executive Calendar 19: Tax Convention with the Republic of Finland;

Executive Calendar 20: Income Tax Convention with Spain, with Protocol.

I further ask unanimous consent that there be 10 minutes overall equally divided between the chairman and ranking member of the Committee on Foreign Relations, or their designees, that the reported reservations and understandings be considered as having been agreed to, that no other amendments, reservations or understandings be in order, and that no motions to recommit be in order.

Provided further one vote count as seven votes on the eight items, that the President be immediately notified of the Senate's action and that the Senate return to legislative session following the vote.

I further ask unanimous consent that these eight treaties be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification.

The PRESIDING OFFICER (Mr. PRYOR). Is there objection of the request of the Senator from Maine?

Mr. SARBANES. Mr. President, if the majority leader will yield, would one vote count as seven or eight?

Mr. MITCHELL. One vote will count as seven. Items 13 and 14 are covered by the resolution of ratification, and thus one vote would ordinarily dispose of those items.

Mr. SARBANES. I thank the Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senator from Kansas be recognized to address the Senate for a period of 5 minutes and that upon the completion of her remarks——

Does the Senator from North Dakota wish a period of time to address the Senate?

Mr. CONRAD. I would, if I would be permitted 5 minutes after the Senator from Kansas.

Mr. MITCHELL. Mr. President, I ask unanimous consent that upon completion of the remarks of the Senator from Kansas, the Senator from North Dakota be recognized to address the Senate for 5 minutes and, that upon the completion of his remarks, the Senate resume consideration of the D.C. appropriations bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Kansas is recognized.

Mrs. KASSEBAUM. I thank the Chair.

(The remarks of Mrs. KASSEBAUM pertaining to the introduction of S. 3054 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota [Mr. CONRAD] is recognized.

Mr. CONRAD. I thank the Chair and I thank the majority leader for the time.

THE PERSIAN GULF

Mr. CONRAD. Mr. President, I rise this afternoon to discuss and raise troubling questions about our involvement in the Persian Gulf. I want to make it clear from the outset that I have supported the President in his approach in the Middle East. Clearly, we cannot allow Saddam Hussein to control 45 percent of the world's oil supply. But I also said, when I extended my support to the President's action, that we cannot allow others who have at least as much at risk as do we to get away without full participation and a full sharing of the burden.

Just for a moment, I wish to review the stakes for others because I think it is significant in terms of judging whether or not each part of the world has taken on a fair share of the overall burden.

We in the United States are getting about 24 percent of our oil supply from the Persian Gulf. Europe is receiving 47 percent of their oil from the Persian Gulf; Japan, nearly 60 percent. Yet the images that we see on our television screens night after night are of American troops, American planes, American ships. And, very frankly, when we look to see how much of the burden others have taken on, we do not see much. It is a token effort at best.

I know people will be quick to say, oh, yes, there is a multinational effort. Others have sent ships. Others have sent planes. A few have even sent troops. But, Mr. President, I think if we examine fairly the burden that is being taken on, it is overwhelmingly an American burden. We have nearly 150,000 troops in the Persian Gulf now. No other nation comes anywhere close to the commitment that we have made.

Mr. President, it seems to me that it is not just a financial question, although it is costing us $1.5 billion a month. It is a question of whose sons and daughters are waiting in the desert risking death. Certainly, it is a question of financial commitment, but only in part. It is also a question of whose young men and young women are at risk.

I was pleased to see that Japan has upped the ante a little bit. Instead of a billion dollars for our effort, they are talking about $2 billion. And the are talking about another $2 billion to help other countries that have been hurt by the embargo. That is not a fair distribution of the burden, either financially or in terms of the young men and young women who are at risk.

And our friends in Europe have made only a token effort. Italy and Spain are sending two frigates apiece. Belgium and Greece have promised to send warships. France, while doing more than some of its European neighbors, has still committed only ships and planes, no ground troops, no money. In fact, all 12 nations of the European Community have made no commitment to support the military effort with either men on the ground or money. That is not good enough. That is not a fair sharing of the burden.

Mr. President, it is even more troubling if we look to the larger picture, because there we find that the United States, since the end of the last war, has shouldered a disproportionate part of the burden. We have been spending $100 billion a year defending Europe, $50 billion a year defending Japan, and we have to borrow the money from them to do it. That makes no sense. Frankly, the United States cannot afford to any longer carry that disproportionate share of what is a common burden.

I was troubled to see the latest estimates from the Congressional Budget Office that say the deficit for this fiscal year again is going up. And in the midst of that revelation, we find that those who have even more at risk than do we in the Persian Gulf are making only a token effort, both in terms of a financial commitment and in terms of a commitment of young men and young women to stand at risk in the desert sands of Saudi Arabia.

Mr. President, it is time for the United States to move in a new direction, to have a new policy. We simply must insist that those who are well able to pay their own bills do so.

Our friends in West Germany say their Constitution prevents them from sending ground troops. Our friends in Japan say their Constitution prevents them from sending military forces.

Mr. President, nothing in their Constitution prevents them from paying for their own defense. We continue to shoulder that burden and we can no longer afford to do it in the way that we have in the past. It is time for a change and it is time for us, as leaders in this country, to insist that everyone who has something at risk in the Persian Gulf and elsewhere in the world shoulder their fair share of this common burden.

With that, Mr. President, I thank the Chair and I yield the floor.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1991

The PRESIDING OFFICER (Mr. ADAMS). The clerk will report the pending business.

The assistant legislative clerk read as follows:

A bill (H.R. 5311) making appropriations for the Government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Nickles amendment No. 2639, to the number of employees of the District of Columbia government at the same level as fiscal year 1990.

(2) Coats/McConnell amendment No. 2640 (to amendment No. 2639), to authorize States to regulate certain solid waste in interstate commerce.

AMENDMENT NO. 2640 TO AMENDMENT NO. 2639

Mr. COATS. Mr. President, just so that I and other Members are clear as to where we are, I just have a parliamentary inquiry, or at least a question. It is my understanding that we are now back on the District of Columbia appropriations bill, and that the pending business is the Coats second-degree amendment to the Nickles amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. COATS. I thank the Chair.

Mr. President, as my colleagues may recall, yesterday we were discussing an amendment that I offered relative to the transportation on an interstate basis of solid waste. My amendment seeks to give individual States the authority to impose regulations, restrictions, and take other action relative to the importation of waste into their States from other States.

I raised this amendment first last spring in May following introduction of legislation on November 18, 1989. More than a year ago, it became apparent to me, as I traveled throughout the State of Indiana and talked to constituents and others that a relatively recent practice was underway which was bringing a significant amount of solid waste from other States into Indiana for disposal. A number of my constitutents and others were expressing a significant concern about the volume of waste coming in and a significant frustration over their inability to do anything about it. Because every time they inquired as to the legality of this or what options they had, they were told that the interstate commerce clause classified waste, solid waste, as commerce, and the States were powerless to do anything about this.

It posed a significant problem from a number of respects. No. 1, Indiana, like most States, is facing a rapidly diminishing landfill capacity. Where at one time we had ample landfills in virtually every county in the State, we find ourselves facing almost a crisis situation. This is not only true of Indiana, but it is true among a whole number of States. In fact, Indiana has seen the number of landfills reduced to less than half in just the last 5 years. Projections are that will decline at least a further half in the next several years.

So, what at one point looked like an ample capacity to deal with our future waste disposal needs is now something that is giving the State great concern.

In looking at how we plan for the future, it is clear that all of us, as Americans, are becoming aware that we need to do a better job in terms of conservation; that we need to press forward with source reduction in production materials and so forth, to accumulate less waste; and we need to recycle as much waste as possible. We need to be much more environmentally conscious in terms of how we deal with materials we no longer want that need to be disposed of.

At the same time, there needs to be a recognition we are simply not going to achieve these goals overnight. We are going to continue to put out, individually, at the curb to have the local garbage service pick up, trash that is taken to a landfill for disposition. Businesses, commercial establishments, virtually every one of us have to empty the wastebasket. We fill up the garbage bag and we have to dispose of this waste.

As I said, these practices are going to have to change and all of us have to be environmentally conscious and recognize our responsibility in terms of how we are going to dispose of our wastes. But it is clear we are going to continue to use landfills. What is alarming to Hoosiers is the fact that not only are we facing a diminishing landfill situation in Indiana, but our landfills are filling up much more rapidly than we ever anticipated. While attempting to find out why, we have discovered the reason is there is a significant amount of out-of-State trash.

Whereas 2 years ago a negligible amount of out-of-State trash was being shipped into Indiana, today the Indiana Department of Environmental Management estimates that up to 30 percent of all solid waste being disposed of in Indiana landfills is waste from out of State.

Indiana only exports 2 percent of its waste. And that is basically to contiguous States under agreements whereby a metropolitan area that spills into both States, in most cases will accept and enter into an arrangement whereby we will deposit this waste at a certain landfill. Because Indiana borders the cities of Chicago, Cincinnati, Louisville, and other densely populated areas, there are agreements whereby we deposit some of our waste in other States. But it is only 2 percent.

Another practice that has arisen is the fact that out-of-State property purchasers have come into Indiana and purchased local landfills and expanded those landfills, or at least advertised to have trash deposited in those landfills from out of State.

Just one example. According to, again, Department of Environmental Management report of January 6, 1990 the Spring Valley landfill disposed of 720 tons of out-of-State trash from just 5 States. One State alone, the State of New Jersey, dumped more waste in this landfill than 65 percent of our landfills received from Hoosiers.

Last year at one landfill in Indiana, Centerpoint landfill, were dumped from 6,000 trucks, 240 million pounds of out-of-State trash. These figures were accumulated by citizens of this small town of 250 people who, on a voluntary basis, gave up their vacation time, lunch hours, time after work and before work, and so forth, to monitor every minute of every hour of every day that the landfill was operating for a 1-year period of time, recording the truck traffic in and the truck traffic out, recording the origins to the best extent they could, and monitoring the amount of trash that was dumped just at that one small town landfill.

Incidentally, just a couple of years before, they had received two truckloads a day on average of trash collected from the residents of the community. Just in that 1 year alone, that landfill which was purchased by an out-of-State investor and then advertisements were made that we now will take your east coast trash—6,000 semitruckloads dumped 240 million tons of trash in just that one landfill.

Our remaining landfill capacity in Indiana is now down to 8.3 years. Indiana has, in recognition of this, undertaken a substantial, comprehensive, long-term plan for solid waste disposal. It includes one of the Nation's most ambitious, if not the most ambitious, recycling conservation component plans that exists anywhere in the country. Our State officials are working with local officials in attempting to put in place a rational process whereby we can handle the amount of waste that we generate while we are moving to a plan of reducing the amount of waste we have to dispose of in the future. Because, clearly, good environmental policy dictates we want to stop dumping this stuff in the ground where it becomes a threat to ground water, where it creates environmental problems, and we want to move as quickly forward as we can to recycling, conservation, waste reduction, and other appropriate ways to better dispose of our trash.

But we are totally handcuffed in our effort to provide rational State planning when there is no ability on the part of the State or local governments to manage or regulate out-of-State trash flowing into Indiana.

So we have the situation where a regional landfill in Indiana, northwest Indiana, goes to its public and says we

need to create a new landfill, and they put a plan in place that is designed to handle waste for the next 40 years. They sell their constituents on this. They build the new landfill. And in an 11-year period of time, they now have to go back to their constituents and say we only have 3 years left. They say we are going to build a landfill that will take care of our needs for 40 years. Eleven years later they have to go back and announce 3 years are left. Why? Because that landfill has been used to bring out-of-State trash into that landfill, diminishing its capacity to 3 years.

Now they have to go back to the public and the public says, wait a minute, you told us 40 years. They come back and say, we told you 40 years, but what we forgot to tell you is that we have no ability to regulate, stop, or impose a differential fee on trash coming in from out of State and it has been discovered by out-of-State interests and it is filling up, and we do not know what we are going to do as a community in terms of dealing with this significant problem.

The case of Indiana is true of the situation of many, many States. Because virtually every State in the country faces this problem. And I understand that New Jersey faced the very same problem and has had to deal with this, has had to deal with importation into their State. Their landfills have filled up. They have undertaken ambitious recycling plans and conservation plans.

But my objection to the argument coming from New Jersey is that they are basically saying we do not want the stuff any more, and we put a responsible plan in to deal with it. It is going to take a number of years to get the recycling effort together, the conservation effort together, and in the meantime we want to dispose, out-of-State, of trash we cannot handle in-State.

It is a significant portion of their trash. Indiana is not going to be able to deal with its problem, Kentucky is not going to be able to deal with its problem, Pennsylvania or any other States are not going to be able to deal with their problem if other States have unlimited license for solving their problem by simply filling their trucks up every night and sending them to our State and dumping their trash.

I see the Senator from Kentucky, Senator MCCONNELL, is on the floor, and we have worked very closely together in fashioning this bill. Kentucky faces the very same situation Indiana does. I believe he will be speaking on this shortly. I really want to thank him for all his efforts and help in this regard.

The bill I introduced last November provided the State with the authority to ban the shipment of interstate trash, to set fees, and to provide a monitoring mechanism.

In response to questions that arose at the time that I offered that amendment last May, relative to the fact that it is one thing to give the State authority to ban trash but that is not very responsible long-term planning, every State, if they have the ability to ban trash, ought to at least have a plan in place to dispose of its own trash.

In response to that, we have modified this amendment to provide that before a State has the ability to ban shipment of out-of-State trash they need to adopt a management plan for their own disposal of municipal or commercial solid waste.

Our bill says that before they can ban the trash, the State has to certify that it has adopted a 20-year management plan which includes, as a minimum, four things:

One, that the plan lists the amount of municipal and commercial solid waste reasonably expected to be generated in the State for the next 20 years. You have to know what is coming before you can deal with it.

No. 2, we ask that a statement of volumes of solid waste expected to be produced by the State be given through source reduction and recycling. We want to encourage States to enter into source reduction, recycling and conservation plans.

No. 3, we ask that States' existing capacity to manage such waste meet existing environmental standards. We do not want the States to solve their problem by simply finding a deep hole somewhere and pouring the stuff in. We want them to, in an evironmentally sound way, dispose of this waste so that it does not affect ground water; so it does not impose a health or safety hazard or environmental hazard. So we are asking that States manage this waste by putting them in treatment programs or disposal programs which meet existing environmental standards.

No. 4, we ask that States detail the plans that they have to make new capacity available for the expected amount of solid waste that they are going to generate.

So we have married that proposal with the initial Coats amendment, and it is part of this particular amendment that is before us.

We also give the authority to States to impose what is called differential fees. I particularly thank Senator MCCONNELL for his contribution on this, and I know he will be talking about that. But differential fees simply say that States will now have the authority to set a fee for disposal of out-of-State trash at a different rate than what it sets for disposal of its own trash. That is a municipal like Centerpoint, IN, Spring Valley—anywhere in Indiana. They can set a fee for disposing of their own trash, but if it accepts out-of-State trash, it can set a different fee.

Clearly, what we want to do here is remove the economic incentive for a municipality or someone wishing to dispose of solid waste in another State to load it on a truck, ship it halfway across the country, and dump it because the fees there are lower in that State than the State it is coming from.

A lot of States have tried to encourage shipping and transporting to another State by setting their fees so high that it forces people collecting those fees to look for somewhere else to dump it. That is exactly what happened.

Why have we had to do this? We have had to do this because the Supreme Court in a number of cases has held, as I said, solid waste as commerce and the States under the interstate commerce clause cannot unilaterally stop the flow of interstate commerce. But in researching back a number of cases, we have found that there are cases where the Supreme Court has affirmed that when Congress specifically authorizes States to take actions to do what the Coats amendment does, then it stands the constitutional test.

I will just cite two of those briefly. In Northeast Bancorp versus Board of Governors of the Federal Reserve System, a 1975 case, the Supreme Court said:

> When the Congress so chooses, State actions which it plainly authorizes are invulnerable to constitutional attack under the commerce clause.

In White versus Massachusetts Council of Construction Employers, 1983, the Supreme Court said:

> Where State or local Government action is specifically authorized by Congress, it is not subject to the commerce clause even if it interferes with interstate commerce.

So we believe we are on sound constitutional grounds. We believe that the Coats-McConnell amendment will stand the constitutional test, will give States the authority that they not only need but they deserve and every State ought to have the right to have.

We think that this bill deals with the very difficult problem that our States are facing.

Mr. President, as I said, we are not the only State that suffers from this problem. There are many others. I hope some of those Members will want to speak on this issue. I gave a detailed position statement on this yesterday. I am not going to take a great deal of time right now because I know others want to speak. But this is a fundamental States rights issue. It is a fundamental right that States ought to have, that individuals ought to have, relative to the disposal of waste.

We should not be put in the position where we have no ability whatsoever

to stop this daily and nightly convoy of trash that comes into our State and is being dumped in our landfills. We do not know what the content of this garbage is, and we have ample evidence to indicate that it contains all kinds of medical and infectious waste that poses a health and safety hazard to the people of Indiana.

The Indiana health inspectors have documented to me that in a review last April, they found syringes filled with blood, and soiled bandages, tubes of blood, soiled medical gloves, IV tubes containing blood and liquids, soiled hospital gowns, syringes of blood, tubes and bags of blood, and even human body parts.

This is the thing that outraged the Nation when infectious medical waste washed up on the beaches of some of our east coast States, and Congress responded to this public outcry by passing a law stating that these medical wastes have to be disposed of in environmentally safe ways.

Yet, what is happening is this stuff is being thrown in the garbage bag, dumped at the landfill, and nobody worries about it in the place they are dumping it because they are going to load it on the truck at night and send it to Indiana, Kentucky, Ohio, Pennsylvania, or some other State. Let them worry about it. They are going to dump it in the hole, cover it over with dirt, and nobody will ever know.

When you have a truck loaded with thousands of pounds of sewage and garbage, a lot of it dripping down the road—I have been there; I have seen it—it is all pooled together. You say, "Hi, I am here again today," tip it, unload it, spray it off, and you are ready to go.

Speaking of spraying it off, there is a lady, Terri Moore, who documented trucks dropping off a load and picking up another load on the way back to the east coast. Who knows what they are putting in there. Who knows how clean that truck is. I have seen the trucks come in, they spray it with a hose and off they go. They have carried waste, some of it infectious waste, out to Indiana, stop somewhere and carry a load back to the east coast.

This is not just an issue that affects the people of New Jersey. I do not know what they are putting on those trucks. Maybe Indiana produce. Maybe things they are putting on their dinner table.

I think those people of those States would be upset to know the waste, some of it medically infectious waste, that they are trying to get rid of from their State; that they are getting maybe some of their foodstuffs back into their State in those very same trucks that carried the garbage and the infectious waste out of there.

Senator GORTON from Washington has a backhauling bill that I think this body ought to address. In fact, we were hoping it would come up so that we could attach this amendment to it. But it has not.

Now, Mr. President, I feel like I have been a good soldier on this one. I did my research. I did my homework. We worked several months to put a bill together that would stand constitutional muster. We searched in vain for a vehicle on which to attach this where it would be germane. Everybody knows RCRA reauthorization is due, but for one reason or another it did not come before this body this year, and the House decided not to do it either.

So what are we to do in the meantime, just sit here and take these truckloads after truckloads, hundreds of millions of pounds of garbage into our State, diminishing our capacity to the point where we do not have our own landfills, while we wait for some bill to come along here to which maybe it is germane? I think RCRA is the appropriate bill to put it on, but it is not before us.

I do not have the power to do it. If I did, I would. It is not here, and everybody knows it is not going to be here. So I introduced my bill. I searched for a germane vehicle, a relevant vehicle, an authorization which would survive the process, and none was present, none was available.

Finally, almost in desperation, in May, I attached it to another piece of legislation, and we thought we had it worked out. The Senators from New Jersey came down and entered into a filibuster, and we were at an impasse. We sat here on this floor for 6, 7, 8 hours; I do not remember how long it was. I remember being awfully hungry. But we sat here on this floor trying to resolve this problem, and we were absolutely, totally stymied.

Finally, the majority leader came down, threw up his hands, and said, "We are at an impasse." Cloture was filed and that passed, and it knocked our bill out. Since then, we have looked for vehicle after vehicle after vehicle to try to do this again. I have visited landfills in Indiana, and every time I go back, I get more angry about the problem; my constituents get more upset about the problem; and the stuff keeps flowing in in ever greater volumes.

So finally now, with Congress rushing to finish this session in the last weeks, we are faced with very few options. So when the appropriations bill came up, I decided to come down and offer this amendment to it.

I wanted to do it early. I know that the negotiators are trying to fashion budget compromise. I know we have clean air legislation and other things that have to get done before we leave. So we are sort of at a limbo point here while the negotiators work on the budget agreement. We are dealing with important legislation, but legislation that is not going to shut the country down if we take a little bit more time to discuss another issue and attach it to it. That is what I have done on this D.C. appropriations bill, and here we are.

I appreciate the majority leader's assistance in moving this along. Obviously, he has not taken sides on the issues, but he has attempted to deal and has dealt very fairly with me on this issue.

We are now back on D.C. appropriations. I appreciate that. We are working to try to bring a resolution on the amount of time we spend on it, and to set a time for a vote. We hope we can announce something on that shortly.

Mr. President, I would like to read a letter into the RECORD that I think is very interesting. I received it in my office. It is signed by—I do not have her permission to give her name. It is signed by a lady who is now a resident of Indiana, and I think she hits the point right on the head. She says:

DEAR SENATOR: I am writing this in response to the newspaper article I read this morning in the Indianapolis Star. It seems only fair the State should have the right to refuse, refuse from other States. I'm a transplanted easterner. I grew up in New Jersey, where there are many more people than here in Indiana. I never saw a stock of corn up close until I was 28 years old.

Since she moved to Indiana, she has seen plenty of stalks of corn, I can guarantee that.

I found that people move a little more slowly here.

That is not something of which we are ashamed. It is something of which we are proud. We like our pace of life in Indiana.

I watched as older women did the dishes by hand and washed out plastic bags to use again. In New Jersey, people were busier, and the concept of recycling was too much trouble for them. I grew up with the eastern mindset: If it's too much trouble, throw it away.

There are many things I miss about the east coast. But I have learned so much about really living here in Indiana. And I don't want eastern garbage dumped here in Indiana, it's that simple. We all need to learn how to clean up after ourselves; it's a basic responsibility of a civilized society. People on the east coast need to see rewards of their business. They need to find ways to clean up their own messes. They need to take some time to find answers; They need to give up some time to clean up after themselves. It is unacceptable to allow them to remain blind to this problem by, literally, dumping it on someone else's doorstep.

Many of us in Indiana are imitating the ways of the older folks: washing out, using again, "making do." We hope to leave this planet in better condition than the way we found it. We understand that until people begin to detect the stink from their waste, they will ignore its existence.

It's not that we want the east coast to be punished; we've all been at fault. We just want them to acknowledge their waste problem and find solutions other than the landfill called Indiana.

Thank you for your consideration.

I do not know how I can say it any better. In fact, I cannot say it this well.

We want to cleanup after our own mess. We take responsibility in Indiana for the waste that we generate, and we are willing to clean it up. We are so willing to clean it up that we have enacted a substantial management plan for the future disposal of our waste in Indiana, supported by the legislature. It is going to require some sacrifices. We are going to take the time to do it, and do it right.

But we think if we take the responsibility to cleanup our mess, the people from New Jersey, New York, the east coast States, ought to take the responsibility to cleanup their mess. What kind of solution is solving their problem by putting it on a truck and dumping it on our doorstep? We do not want Indiana to be a landfill for other States.

I like this line here, that we would like people to acknowledge they have a waste problem and find solutions other than the landfill called Indiana.

So we are going to do our part, and we think every State ought to do its part. But we think that we are absolutely prohibited from doing our part if we have no ability to set fees, regulate, monitor, and, yes, in some cases say,

I'm sorry; we can't accept your trash. You are going to have to find a place to put it in your State, because our State is filling up and we don't have room for it. We have a plan to deal with ours, and it is a serious plan. But we are running out of capacity, too, and we need to deal with our problem. You deal with your problem.

This does not mean that States cannot work together. My bill specifically authorizes States to form compacts so if New Jersey and Pennsylvania or New Jersey and Delaware or Indiana and Illinois or Ohio and Pennsylvania or Kentucky and Tennessee, or whatever, want to enter into an agreement to share landfill space that makes economic sense, that makes environmental sense, they are perfectly able to do this. This bill gives them the right to do it.

We provide that any trash, anything shipped interstate for the purpose of recycling is perfectly permissible. We want people to recycle. We want to encourage that. If New Jersey has a plant that recycles glass and they want Indiana glass to be shipped there, we can do that. This act does not prohibit that. If Indiana has a facility that recycles metal, we want New Jersey's metal. That makes good economic sense. It makes good environmental sense. There is nothing in this legislation that prohibits that.

So I think, Mr. President, we have something here that ought to be supported by the Members of this body. I think it addresses a very real problem that exists today in our country. I think it addresses it in a responsible way. It provides exemptions for recycling materials, hazardous waste, substances regulated under the Toxic Substance Control Act, materials recycling.

It gives EPA the authority to broaden this or narrow it as it sees fit. It puts the control in the hands where it ought to be.

So I urge my colleageus to look at the situation in their own States. I urge them to examine the bill. I think they will find it reasonable.

With that, Mr. President, for the time being, I yield the floor.

Mr. McCONNELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Kentucky.

Mr. McCONNELL. Mr. President, I want to commend my good friend from Indiana, Senator COATS, for his outstanding work in this field. What the Senator from Indiana is talking about is not a crisis that is going to develop several years from now; the crisis is now.

Take Kentucky for example. The Governor says he is going to call a special session this fall to deal with this issue. The concern I have is that he is going to be wasting his time and wasting the time of the legislators and the taxpayers of Kentucky because, under existing law, in all likelihood, anything pragmatic the State may do it going to be found to be unconstitutional, a waste of time.

The reality is that under existing law the Federal Government is going to have to grant to the States some authority. The banning of garbage has been held to be unconstitutional in the absence of some kind of Federal legislation and could well be held to be unconstitutional even with some Federal legislation.

Senator COATS and I have worked together on this. Frankly, we started from a little different place. My view then and my view now is that probably the way we will go in the end is with some kind of fee differential. It seems to this Senator that the ability of a State to distinguish between in- and out-of-State garbage in terms of setting fees is the critical point. It ought to cost the same to dump a ton of garbage from New Jersey or New York whether it is dumped in New Jersey or New York or in Kentucky. If we had the authority for fee differential or even for banning, if that were found to be constitutional, it would give the States the authority to control their own destiny in terms of out-of-State wastes.

Kentucky is moving now by raising the standards in its existing landfills. Standards are so tough, as a matter of fact, many of them are going to close. What is happening is we are becoming even more a dumping ground as a result of that. Until a few months ago we were averaging about 500,000 tons of out-of-State garbage. The State government tells us it is now up to a rate of about 1 million tons a year. So the problem is increasing dramatically because the State is attempting to create higher standards to protect its environment.

So this is a problem now, not 6 months from now or next year—now. The Federal Government ought to act. All the States ought to act responsibly to improve the manner in which they deal with this most important problem.

If we were to grant the authority for fee differentials, what I would recommend to my Governor and to my legislature is they simply establish a fee for out-of-State garbage at the level it would have been had it been dumped within the boundaries where it originated. If it cost $150 a ton to dump garbage in New Jersey or New York, it ought to cost $150 a ton to dump garbage in Kentucky—very simple. It would take the economic incentive out of shipping garbage long distances around the country in order to avoid dealing with the problem at home. We ought to all deal with this problem at home. Kentucky is beginning to do it and doing it responsibily. It ought not to be penalized for that.

This is an enormous problem. America is going to have to confront it at all levels, the Federal level, the State level, the local level. I think it is time to act. I understand the problem the Senators from New Jersey have. I understand their problem. But that is a very short-term approach to somehow hold out the hope that we could continue to export garbage. We are not going to be able to do that. People are overwhelmingly against doing that. We may be able at the close of this session to somehow avoid this legislation, but it is coming. Senator COATS and I feel it ought to come now. The crisis is here. It is in our States today. It is not fair. It simply is not fair for this to continue.

So I hope the amendment that Senator COATS and myself are offering will be approved. It is good legislation. It would make a difference for our country and for our various States that are being flooded with out-of-State garbage. I look forward to voting for it next week.

I yield the floor.

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I thank my colleague.

I want an opportunity to make an announcement with regard to the

schedule for the remainder of the day and for next week.

Mr. President, as I indicated previously, it had been my hope that we could complete action on this amendment and this measure early this week. That has proven not to be possible. I urged the participants, primarily the distinguished Senator from Indiana and the distinguished Senator from New Jersey, to attempt to resolve their differences in a way that would permit us to complete action on this bill.

I renew my request and encouragement in that regard. However, it is now nearly 1 p.m. on a Friday. Many Senators have asked about the schedule. In light of our inability to bring this to a conclusion today, I will now announce there will be no further rollcall votes today.

I repeat and reaffirm my hope that the Senators involved can reach an agreement to dispose of this matter as soon as possible. I understand that there will be further debate and discussion on the matter as some of the interested Senators wish to make their positions clear. That will continue for some period this afternoon. But there will be no other legislative activity that will require rollcall votes. So Senators may adjust their schedules accordingly.

On Monday, the Senate will take up the so-called Betts bill, the age discrimination legislation, at 2 p.m. That is, of course, a very important and in some respects controversial bill. It is my understanding that there will be amendments to it, and votes are possible on Monday. If at all possible, we hope to have an announcement with respect to that later today or, if not, on Monday.

So we will be on the Betts bill on Monday. It remains my hope that we can complete action on this bill as soon as possible. I encourage Senators to make their views known in that regard.

BUDGET SUMMIT

Mr. MITCHELL. Mr. President, if I might for a moment address an entirely unrelated matter, a short time ago I was attempting to work out a schedule on the CAFE standards bill and on this bill. I was not present on the Senate floor, but I understand the distinguished Republican leader and several of our colleagues expressed their concern about leaks that have occurred with respect to the budget summit negotiations now underway at Andrews. Although I did not hear the remarks and have not read the transcript, they have been described to me.

I merely want to say that I join in condemning any leaks that occur as a result of this process. They are not helpful. Indeed, as we have seen from remarks made earlier here, they make more difficult the achieving of a budget agreement, which in and of itself is an extremely difficult task, one to which many participants have devoted a great deal of time and effort.

I do not condone such actions. I condemn them. I have consistently and insistently urged participants in the talks to exercise self restraint and discipline, so as to permit an appropriate atmosphere to develop that will encourage progress, rather than retard it.

However, I think the record should be clear that the hearings have not been all one way. There have been leaks from both sides. There have been reports that have identified participants from both sides. In my presence, a short time ago, a discussion on this subject was held, and one of the participants, a Democratic participant, exhibited a front page story in the Boston Globe from a Republican source, which purported to quote, in what was apparently an unflattering and inaccurate way, comments made by one of the Democratic participants.

That does not justify any action of like nature in reverse. Two wrongs do not make a right. No such activity can be justified. I merely wish to make the point that his has gone on from the beginning.

Obviously, to read the papers, documents in their entirety have been released, and actions attributed to various participants and the respective sides have been quoted in great detail in newspapers, sometimes in positive, sometimes in pejorative ways.

What my hope is, what my strong intention and desire is, is that we can get together in a positive, good-faith spirit, to attempt to bridge the remaining differences and reach an agreement that I believe is very much in our Nation's interest. Whatever short-term or temporary political advantage any participant believes is gained by the leaking of such information, or the unauthorized distribution of materials to the press, in my judgment is extremely minor, and pales in comparison to the enormity of the problem confronting our Nation, our economy, and those of us responsible for dealing with this problem, and the positive benefit that can ensue from the adoption and enactment of a fair and responsible and meaningful agreement.

Mr. President, those are subjective terms. Reasonable people can and do disagree on what is fair. Reasonable people can and do disagree on what is responsible. Reasonable people can and do disagree on what our Nation's priorities are and ought to be, the manner in which we ought to move toward those priorities. That is the essence of the democratic process.

Ours is a competitive process, and there are competing political philosophies and views. But no one, of whatever political persuasion, can doubt the serious nature of the problem and the important public responsibility that each of us involved bears in attempting to deal with that problem in a responsible way.

I can assure every Member of the Senate, having been involved in some but not all of the discussions, that this is a very difficult task. It is not helped by any inflammatory actions which would cast aspersions on the Members and creates a situation which makes it more difficult to reach agreement in good faith. I hope this will come to an end, and in the relatively near future we can do what is necessary to reach a meaningful agreement.

I can assure every Member here that whatever agreement is reached will not be an agreement that I, personally, would have written, were I "king for a day." It will not be an agreement that the President would have written were he "king for a day" or any other participant or any Member of the Senate. Every single Member of this Senate will be able to find something wrong with that agreement, if there is an agreement reached, and I hope there is an agreement reached.

The important thing is, in the balance, what is the best course of action for our country? I believe that a fair, responsible agreement that provides meaningful deficit reduction, that requires sacrifice of all Americans, is what our economy needs now, and what our Nation's future demands. So we are going to resume today in good faith, hoping that we can reach this agreement.

Let me repeat in conclusion what I stated at the outset; I hope that those who have been involved in such disclosure of information will promptly cease and desist and permit the discussions to continue in a spirit of good faith and positive feeling toward reaching an agreement. That goes to participants on both sides who have been participating in such disclosures, Mr. President. It is unfortunate that it has occurred in both sides. It ought to stop.

Mr. President, I thank my colleagues for the courtesy of permitting me this interruption. I yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, we thank the majority leader for his ever obvious patience and leadership, and we understand how frustrating and difficult his many assignments are. We are very proud of the efforts he makes and the leadership that he provides and also the patience with which he deals with all of these difficult subjects. I want to compliment him, as I know do all the Members of

this body for his unique and special leadership.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1991

The Senate continued with the consideration of the bill.

Mr. LAUTENBERG. Mr. President, I am obviously in opposition to the amendment of the Senator from Indiana. Frankly, I wish the subject were not here now, because I think it is an illogical way to approach a very difficult, complicated problem. I think we ought to work together, each and every one of us. Every State in this country, one way or the other, has the same problem.

Importers of garbage today may in fact, be exporters tomorrow, as we all rush to arrive at a satisfactory resolution on how to deal with the ever-mounting problem of the growth of waste, solid waste, garbage, liquid waste, you name it.

I want to make clear, at the outset, to the distinguished Senator from Indiana that New Jersey is not a pariah. New Jersey is not the evil force that is being portrayed here now. New Jersey is a State with a problem, just like many other States. And we are dealing with it, I think, in a resolute and organized fashion.

It is almost kind of analogous to our energy situation. All of us have talked about energy problems, and the energy crisis, and energy dependence, and it looked like we were all worrying ourselves to death about it. But everyone knows we did not do a darn thing about it, and we have not even heard yet—now with the crisis that we have with all of our kids over there in the hot desert—a program design that helps us solve the problem so that we are not in the same boat 10, 20, or 50 years from now.

Suddenly the problem is upon us and it is getting attention. That is the same way it is with trash, municipal waste, garbage. But New Jersey is not pinpointing Indiana. We are looking for temporary relief as we try to solve the long-term problem.

Now, I understand that in the State of Indiana there is a campaign commercial—if I could have the attention of my friend from Indiana because I do not want to misrepresent anything here—I understand that there is a commercial being run in the State of Indiana in connection with a campaign out there that shows this fat cigar-smoking ugly guy from New Jersey who is dumping his little bag of garbage on the innocent folks in Indiana.

That is hardly the description of the New Jersey people I know, the New Jersey people who go to Notre Dame or the New Jersey people who go to Purdue or the New Jersey people who go to the University of Indiana or the New Jersey people who have relatives or friends in Indiana and do commerce and business and travel back and forth.

We do not need a reminder that we have to stick together whether it is New Jersey, Indiana, or any other State. We are in the same boat, larger boat together. We see where the enemies are. They are all over the place.

I do not think at this time it becomes the Senate or the character of the United States to be showing this fat slob from New Jersey dumping his garbage in Indiana. If my colleague would respond to a question, I would appreciate it. Would the Senator from Indiana tell me here whether the fellow portrayed in that commercial is from New Jersey or where is he from?

Mr. COATS. Mr. President, if the Senator will yield I will be happy to respond to his question. First of all, the Senator from New Jersey will be happy to know that the ad is not run in Indiana at this particular time. It is true there was an ad that ran a week or two ago for a period of about 7 days, or maybe 10 days, I am not sure how long.

Second, the gentleman who portrayed someone from New Jersey, I do not know if he is from New Jersey or not. Actually, he became quite a lovable character in Indiana. People are talking about him in a humorous way. The ad is a funny ad. Most people concede it is a funny ad. What is offensive about the ad, it states "Trash sent from New Jersey and dumped in Indiana." It is the trash that is offensive not the gentleman who portrayed that. I think if you view the ad you will chuckle along with the rest of the Hoosiers because it gets their attention and makes the point that something is happening here that should not happen and I attempted to do something about it in the U.S. Senate. But we find the character portraying the individual from New Jersey to be quite a lovable character and he has almost become a—I do like to put the right adjective on it—but he is someone that Indiana folks think is a folk hero because he is making a point that they feel is very important.

(Mr. ROBB assumed the chair.)

Mr. LAUTENBERG. I thank the Senator from Indiana, and I just wonder how many people within the sound of my voice would not love to have a nice fat slob in your house as a lovable character, especially since this Senator is the one who has written the laws initiating the ban on smoking in airplanes and places like that. It does frankly, in all good humor from my standpoint, not produce a folksy-homey response to know that this fellow is a folk hero in New Jersey. If you want to put "Made In Indiana" on his sweatshirt that is OK, but do not let him be carrying anything from New Jersey.

I think it is particularly inappropriate that the Senator would choose to offer this amendment because of events that are taking place even now.

Recently, the National Governors Association adopted a solid waste management policy. The policy addresses interstate transport of solid waste. This provision, which was negotiated by the Governors of New Jersey, Pennsylvania, and Indiana, establishes a framework for addressing the transport issue.

But the Senator from Indiana has not chosen to work with Senators BAUCUS and CHAFEE and other members of the Environment Committee on which I sit. He has not chosen to develop legislation which implements the National Governors Association policy. He has not even considered legislation based on a policy which is agreed to by all Governors including the Governor of his State.

Instead, our distinguished colleague from Indiana has chosen to bring an amendment to the floor that has everybody's hackles up, that is very divisive, and it will not help us solve the problem. This amendment is inconsistent with the National Governors Association policy, and he brings an amendment which fails to provide a fair balance to all States.

Mr. President, the Senate Environment Committee held a hearing on this issue a few weeks ago. At that hearing, the chairman of the Environmental Protection Subcommittee, Senator BAUCUS, clearly stated that he intended to develop legislation to address this issue, and staffs have been working to develop an acceptable proposal. Senator COATS, I know, is aware of these efforts.

At that hearing, we heard from the distinguished Senator and we heard from two Governors, including Gov. Jim Florio from New Jersey. These Governors left that hearing knowing that the committee intended to act, and the Governors responded by adopting a policy that would help us enact the appropriate kind of legislation.

The Senator from Indiana would have us ignore this action. It is simply impossible to understand why the Senator from Indiana will not allow the Environment Committee to do what is said it would do, and that is to develop a bill.

Mr. President, no one doubts that solid waste disposal is a national crisis. Landfills are closing around the country. Garbage is being shipped across State borders at even higher costs, until adequate management capacity is developed. Understandably, some States are restive about being on the receiving end, but this does not justify a hit-and-run effort in the U.S. Senate. It does not justify going around the committee process, par-

ticularly when that committee is making a good-faith effort to address the issue.

There are a number of problems with this amendment. First, it has nothing to do with the bill under discussion. Second, this amendment pits State against State in addressing our Nation's solid waste problem. But solid waste is a national problem. We are all literally choking on our own garbage. Americans generate 180 million tons of municipal solid waste a year. That is 4 pounds of trash for every person every day. At the same time, we are running out of landfill capacity for disposing of this waste. Nationally, 80 percent of all municipal solid waste goes to landfills. More than one-third of all landfills operating in 1979 were closed by 1986 and of this amount, EPA expects nearly half more to close by 1991.

Some areas now face a short-term crisis and more areas will soon face it, and this is a point I believe worth emphasizing. Other areas are beginning to face the same problem we now face in some Eastern States. According to the National Solid Waste Manufacturing Association, 38 States exported municipal solid waste to another State in 1989. Senators ought to be aware of this. Only 12 States in the country did not export garbage in 1989. So each Senator who is thinking about voting for this amendment should consider the effect this amendment could have on your State.

A vote for this amendment will lead to your State becoming involved in a garbage war.

Mr. President, we need to develop a national response to deal with our solid waste problem. These are questions which must be addressed. But they cannot be addressed in a piecemeal fashion. Interstate transport of solid waste is an integral component of our solid waste policy.

You cannot simply allow States to ban exports without having a comprehensive program for addressing solid waste management.

We need a comprehensive approach to solid waste. The Federal Government needs to respond—and respond responsibly.

We need to cut the waste we generate and recycle the waste we do. Only the Federal Government can regulate products that flow in interstate commerce—to promote recyclable products, and to reduce the use of materials that become an especially heavy burden at the end of the waste stream. We need to promote and disseminate information and technologies to reduce waste which will be generated.

And we need to build better and safer facilities to treat and dispose of waste that cannot be recycled. The Federal Government needs to set tough national standards for landfills and incinerators.

We will be developing this comprehensive policy during the reauthorization of RCRA which is on the calendar or contemplated for the next session. Ideally, it is in the reauthorization processs where we should be addressing this issue. And bills introduced by Senators BAUCUS and CHAFEE which I have cosponsored would require States to develop plans to manage their solid waste.

Mr. President, the amendment by the Senator from Indiana also would undercut the ongoing effort to address the waste transport problem and have a draconian effect on States like New Jersey which now export garbage but which are now working hard to become self-sufficient in garbage management.

New Jersey recognized a few years ago that it needed to develop a solid waste program to reduce its exports of solid waste. In 1987, New Jersey enacted one of the Nation's first mandatory recycling laws. Today, New Jersey is recycling 39 percent of its waste and a task force established by Governor Florio has called for a 60-percent recycling rate by 1995. And the distinguished occupant of the chair, a former Governor, knows very well that this is not an easy task and that we all have to work together on it.

New Jersey also has taken an active role with other Northeastern States in developing initiatives to reduce unnecessary and wasteful packaging practices which increase the amount of waste we must dispose of.

Mr. President, New Jerseyites want to take care of the wastes they generate. There is a high level of environmental consciousness in our State.

And there is an economic incentive to manage our wastes in State. Some garbage fees to export solid waste now exceed $100 per ton. It will cost New Jerseyites an estimated $1 billion over the next 4 years to ship its garbage out of State.

Mr. President, there is no economic incentive for New Jersey to ship its waste out of State. We simply have a short-term capacity shortfall which we are working hard to correct.

So New Jersey wants to reduce its export of solid waste and already has taken a series of actions to accomplish that goal. But it cannot happen overnight. New Jersey has little landfill capacity left. We are, by way of information, the most densely populated State in the Union. We use every inch of space that we have.

New Jersey closed its open dumps as required by RCRA. Exporting States like New Jersey need time to make the necessary adjustments to reduce their exports.

The amendment offered by the Senator from Indiana does not provide that time. It irresponsibly allows for waste exports to be eliminated without an adjustment period. That is a stranglehold. It irresponsibly allows States to impose fees at levels which can have the same effect as a ban; blackmail, if you will. It irresponsibly attempts to establish a piecemeal solid waste management policy.

Mr. President, the other day, the Senator from Indiana described his bill as reasonable. He said his amendment would give States authority to set reasonable fees and reasonable requirements to address out-of-State garbage.

Mr. President, it simply is not so. There are no limits—let me repeat that—no limits on what a State could do under his amendment. And that is one of our major objections to it.

Listen, we do not want to send garbage to Indiana or any other State. That is not a mission of joy that New Jersey has. We are stuck with this just like other States are stuck with problems. Whether it is water problems or Superfund problems, we all have to work together on these major environmental problems. Otherwise, we are going to be in chaos trying to deal with one another.

Mr. President, the amendment needlessly pits States against each other at the same time when the Governors have adopted a policy to have States work with each other.

Now the Senator from Indiana said that his amendment implements the National Governors' Association policy. Again, Mr. President, it simply ain't so.

The National Governors' Association policy asked Congress to do one and only one thing. Let me quote from the policy:

> Congress should provide for limited waiver of the Commerce Clause to enable States to adopt and adhere to a comprehensive solid waste management plan that utilizes special fees to compensate them for the costs of managing imported wastes and to reduce the economic incentives of other States to export wastes.

Mr. President, the policy could not be clearer. There is nothing in the policy which says States should be able to ban out-of-State wastes. In fact, the policy goes on to say "total bans on interstate transportation of solid wastes may not lead to the best environmental solution and may hamper movement of material for recycling."

That sounds like an obstacle, not a solution.

And the policy does not say anything about giving States authority to establish unlimited fees. The NGA policy establishes a cap for the fees which would be authorized. That is not the proposal of the distinguished Senator from Indiana.

Mr. President, the amendment assumes that there is a simple answer to the problems I have outlined. All you have to do is close the door, shut them

out. Let States keep garbage out. Let every State fend for itself.

Mr. President, that is not a solution. That is an invitation to disaster.

Rather than promote a coherent national solid waste policy, the amendment from the Senator from Indiana would balkanize environmental policy. It would undercut existing efforts to address the waste crisis.

Now I want to make clear that I am willing to consider a proposal which implements the National Governors Association policy. But that does not include bans of out-of-State waste. And it does not allow States to charge unlimited fees.

And it is interesting that the Senator from Indiana says that he thought his State's garbage regulations were reasonable. According to CRS, that law provides for fees at levels which are capped on out-of-State garbage. So what the Senator from Indiana wants is something more than his own State law would provide.

Finally, Mr. President, this amendment is terribly unfair. A State like mine, in the short term—and many States find themselves in temporary problems, sometimes through natural disasters, sometimes through problems that occurred without anticipation of what the consequence might be. We have no choice. We are jammed to the rafters with the need to find a place and a way to deal with our garbage problem.

So as we search for a solution, and we are actively doing that, we need some more time. If States like New Jersey are prohibited from transporting their trash, we would be set out to sea like the famous garbage barge of a couple of years ago, with no place to go. Garbage would pile up in the streets. The sanitary conditions that might result would be unacceptable in our kind of a civilization.

Everyone knows what happens when you have excesses of trash lying around. It invites vermin, mice, and all of those things, and presents communities with serious health problems.

Until 1988, New Jersey was an importer of garbage. We did not like to do it. We did not want to do it. Our landfills are full of out-of-State garbage. But this was brought on by a condition that existed at the time. Companies and individuals were permitted to have landfill permits. And they accepted this garbage. No one anticipated what the problems might eventually be. It was a legitimate business in those days.

Now those sites are Superfund sites and they leak and they leach and we have to pay to clean them up, and so does the rest of the country. Everyone knows that Superfund is the program that has billions of dollars of funding and is still going to be very insignificant in terms of the total objective when we start adding sites and we realize what the cost is for removal. In fact, the city of Philadelphia, our neighbor to the south, went to the Supreme Court to vindicate its right to dump in New Jersey.

Now that New Jersey landfills are closing, some would shut the door on our State without giving it time to develop solutions.

The Supreme Court held that New Jersey could not bar the importation of that garbage. That was the law. And that is obviously what the Senator from Indiana chooses to change it. We did not want it. We wanted to save the room for our own needs one day in the future. We could not, by, law stop it.

Well that is one of the things that has propelled everybody into trying to find a solution to this problem on a national, comprehensive basis. We learned the hard way. Indiana has a similar problem.

But once again we are going to have to work together to solve this problem. The Senator from Indiana may prevail in this debate with his legislation, but that will not be the end of it. If this amendment succeeds, it imposes a penalty that I see as almost crippling our State in order for it to find a solution soon enough to deal with it.

Mr. President, we have to rewrite RCRA to set the standards we expect States to meet. But before we set up those standards to help, we are interrupted in that process by this unfair hit-and-run amendment that has been proposed. Before someone tells a State to go choke on its garbage, as if that were some fate it deserved, we ought to lay out a policy in RCRA, which is the program to deal with this, and then give each of the States a chance to respond.

For years States like Indiana sent, and continues to send, its trash to New Jersey. It is defined differently. It does not come in bags, sacks, plastic bags, bottles, you name it; it comes through the air. It is called acid rain. It helps acidify our forests and lakes and kill the fish and trees and shrubs and everything else. Indiana is a major exporter.

Mr. COATS. Will the Senator yield?

Mr. LAUTENBERG. If the Senator will permit me to finish the thought, I would be happy to respond to a question.

We did not build a wall around the Midwest. We developed in this body, in the committees, in the process, in debate, in discussion, a comprehensive clean air policy.

What we did in that, Mr. President, is we gave States time to adjust to a new condition. Because we knew not only was it unfair, that it might be economically crippling to the States that were subject to these changes, we said, "I do not want any more acid rain in my State," or in New York or New England where the forests are practically barren in some cases. We do not want that. But, after all, we are all Americans and each of us has to live in this environment. No one is exempt. No one is free. Wehn we have climate change, that global warming affects every one of our families, every one of our farms and everyone in our future generations unless we do something to correct it.

But we did not say shut down your mills, shut down your factories, shut down your plants. No, we said to States like Indiana and other industrial States, we are going to give you some time, 10 to 15 years, to work on this problem. Because we know to do anything else would be irresponsible; to do anything else, in my review, would be un-American.

We should do no less for States with a short-term capacity shortfall during which time they need to export some of their wastes.

New Jersey is moving fast to deal with the problem, Mr. President. But change will not come overnight. Even with aggressive State leadership, it will take time to implement waste reduction, recycling, and waste management programs. The right kind of Federal program can make the States' jobs easier or more difficult.

Mr. President, at the Environment Committee hearing I said I am prepared to work and to work hard to find responsible ways to deal with our garbage crisis. New Jersey has already shown its commitment to that and the action of the National Governors Association points us in the right direction.

Mr. President, as perhaps you have noted, I vigorously oppose this amendment of any other amendment which would railroad through any short-term, ill-conceived proposal that would bury my State. Yes, we create the garbage, and we are working hard on reducing that creation. But we need cooperation, as other States do on other programs, as we solve the problem.

The Senator from Indiana complains about the imports of garbage from the East. I do not blame him. But, Mr. President, for a decade those of us in the East have been complaining, as I earlier said, about imports of acid rain from Midwest States like Indiana.

In 1985 Indiana facilities emitted almost 2 million tons of sulfa dioxide into the atmosphere. Indiana had the dubious distinction of ranking second in emissions of sulfur dioxide.

I think it is important that the Senate understands the effects that this pollution is having on the East. This is the committee report of the Environment Committee on S. 1630, the Clean Air Act amendments of 1990.

Mr. President, I ask unanimous consent to have printed in the RECORD an article in our State's largest paper, "New Jersey's Acid Rain Concentra-

tion Rated Highest in the Audubon Survey."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Newark Star-Ledger, Apr. 20, 1988]

JERSEY'S ACID RAIN CONCENTRATION RATED HIGHEST IN AUDUBON SURVEY

(By Gordon Bishop)

New Jersey and Massachusetts recorded the nation's highest concentration of acid rain last month during monitoring of rainfall by the National Audubon Society.

New Jersey's rainwater was 30 times more acidic than normal rainfall, based on the March samples.

When rain water is too acidic it damages trees, plants, soil, lakes, streams and marine life, according to the society.

"Aubudon's data show many states are being exposed to unacceptable levels of acidity," said Jan Beyea, the society's senior staff scientist. "Nature is sending us warning signals with these low pH readings. Acid rain is taking a toll on our trees, lakes and wildlife."

The pH scale ranges from zero to 14. The lower the pH value, the higher the acidity. Pure distilled water has a pH of 7, while cola soda has a pH of 4 and lemon juice about 2.

Normal rain is slightly acidic and has an average pH of about 5.6. Because the scale is logarithic, there is a 10-fold difference in acid concentration between one whole number and the next.

For example, rain with a pH of 4.6 is 10 times more acidic than normal rain, and rain with a pH of 3.6 is 100 times more acidic.

New Jersey's rain was below 4, which is at least 30 times more acidic than normal rain.

The acid rain is caused by the combustion of fossil fuels, particularly coal, oil and gasoline.

"There is clear evidence of environmental damage in the Adirondacks, Canada and Europe—and we shouldn't ignore these warnings," Beyea said.

During March, 17 states east of the Mississippi River continuously recorded rain with extremely high acid contents. Below levels of 5 pH, atmospheric pollution is attributed to human-generated emissions, primarily sulphur dioxide from coal-burning industrial and electric power plants, and nitrogen oxide from motor vehicle exhausts.

The acid rain problem in this country won't go away by itself," said Elizabeth Raisbeck, vice president for government relations in Audubon's Washington, D.C., office. "Our data demonstrate the need for federal action to reduce the pollutants that cause acid rain."

The data are collected by the society's Citizens Acid Rain Monitoring Network.

Legislation to strengthen the 1970 Clean Air Act is pending in the Senate and awaiting full debate. It includes provisions to curtail acid rain-causing pollutants.

The society accused Senate Majority Leader Robert Byrd (D-W.Va.) of blocking the clean air bill, S-1894, from reaching the Senate floor for a vote. West Virginia is a leading coal-producing state.

In late March, 46 senators signed a letter urging senate leaders to schedule debate on the Clean Air Act during the current session of Congress.

Last December, the House voted to shorten the Clean Air Act's deadline for urban areas to meet federal air quality health standards. The original deadline of two years was pushed back to Aug. 31, 1988, because of the urgency to protect the public health in cities seriously affected by contaminated air.

Audubon's monitoring network has 215 active collection sites in 43 states. The network began collecting samples in July 1987. To verify Aubudon's results, the University of California marine laboratory at Bodega Bay is checking 10 percent of the samples at random.

In addition to environmental damage, acid rain also corrodes buildings, statues and bridges, while acidic particles in dry weather can aggravate respiratory problems of millions of Americans, the society says.

Mr. LAUTENBERG. Acid rain is created when oxides of sulfur and nitrogen are emitted—most often from electric utilities—and then transformed in the atmosphere or on surfaces into sulfuric and nitric acids. The process is relatively straightforward.

Sulfur [S] is contained in almost all fossil fuels, but especially coal. When burned, the sulfur combines with the oxygen in the air to create sulfur dioxide [SO_2].

Sulfur dioxide [SO_2] is a colorless gas, so it cannot be seen with the naked eye. It is, nevertheless, a powerful lung irritant which can cause lung seizures in asthmatics and other sensitive groups. When SO_2 is transformed into sulfate—a process which begins almost immediately—it escapes regulation under the Clean Air Act. SO_2 emitted by powerplants and other industrial sources combines with oxygen in the atmosphere to form sulfate [SO_4].

Sulfate [SO_4] is an extremely fine particle, capable of reaching the deepest recesses of the lung. Coincidentally, the sulfate particle is also perfectly sized for reducing visibility. This is one reason that airport visibility measurements are sometimes used as a surrogate for sulfate concentrations. When sulfate settles out of the air onto leaves, buildings, or other surfaces it attracts water, which converts it into sulfuric acid [H_2SO_4]. If inhaled, the lung's own moisture supports the conversion. And, if the SO_4 is washed out by the air by fog, clouds, mist, or rain, it has become "acid" rain, as it is popularly called.

Sulfuric acid [H_2SO_4] is powerfully corrosive and can therefore directly damage tissues and materials. But it can also start a chemical reaction of its own, with effects that ripple through an ecosystem. When common dirt is washed in acid, heavy metals that were tightly bound to the soil particles—aluminum, lead, and mercury are three examples—are dissolved, entering the water runoff in massive quantities. Aluminum, for example, increases 1,000 percent for every 100 percent increase in rainfall acidity. Thus if the acidity of rain increases 10-fold—which almost all agree is a fair definition of how acid today's acid rain is—the aluminum content of rainwater runoff increases 10,000 percent.

Exactly what damages can be fairly attributed to aluminum and other heavy metals freed by acid rain has not been sorted out completely. It is well established that the aluminum is extremely toxic to fish if it reaches lakes and streams. Many scientists believe that it is aluminum which is primarily responsible for the losses of lakes throughout Scandanavia, Canada, and New England, rather than the sulfuric acid itself. It is equally clear that some of the other heavy metals—especially lead, cadmium, and mercury—can pose a serious threat to human health as drinking water contaminants. Whether they are reaching these dangerous levels because of acid rain and, if so, in how many cases, is unclear.

Nitric acid [HNO_3]. Nitrogen undergoes a fairly similar process of conversion: Nitrogen [N_2] combines with oxygen [O_2] to form several different oxides [N_2O_2, N_2O, NO_2, etc.] These, in turn, form nitrates which, when exposed to water convert to nitric acid. There are, however, some important differences.

Oxides of nitrogen [N_2O_2, N_2O, NO_2] can be created because nitrogen is found both in fuels and in the air. Roughly 80 percent of the air is nitrogen, and almost all fuels other than natural gas also contain it. But the oxides are not formed until the heat and pressure of the combustion process are brought to bear. The combustion may take place in the cylinder of a car or the furnace of a giant coal-fired powerplant. But in either case, the combustion temperature and pressure are determinants of how much nitrogen is converted to oxides of nitrogen.

These oxides, like SO_2, are irritants which are regulated under the Clean Air Act. And, again like SO_2, they escape its coverage when they combine with oxygen to form nitrates [NO_3].

Nitrates [NO_3], like sulfates, are fine particles which can reach the cellular levels of the lung. Unlike sulfates, nitrates and other nitrogen-based compounds are considered beneficial to vegetation because they are plant nutrients. For this reason, some scientists and policymakers have tended to minimize the role which oxides of nitrogen, nitrates, and nitric acid have played in the damage caused by acid rain and plans for its control.

Within the past several years, however, as scientists have searched for plausible explanations for the forest damages found throughout much of Europe and Eastern North America, they have begun to question whether one answer might be an "over fertilizing" effect of nitrogen compounds. There have also been suggestions that

nitric acid could free heavy metals before being taken up by vegetation.

Nitric acid [HNO_3] thus may or may not be the equal of sulfuric acid in terms of the damages caused by acid rain. But the bill, including this title, imposes additional controls on nitrogen for reasons in addition to concerns over acid rain; namely, the role which it plays in the formation of ozone.

Ozone [O_3], better known as an ingredient in "smog", is the indicator for a variety of chemicals which are formed when the combination of nitrogen and organic chemicals, e.g., gasoline, are exposed to sunlight. Ozone is a powerful bleach, so effective at destroying organic matter that is used by some cities to disinfect their drinking water supplies.

Although the chain of chemical reactions which leads to the formation of ozone and other oxidants is not completely understood, there is no disagreement that there are three essential ingredients. Without all three, ozone is not formed in substantial quantities. These are hydrocarbons, oxides of nitrogen, and sunlight. Historically, the Federally Government has relied on a strategy on controlling ozone by controlling hydrocarbons emissions. This has achieved mixed results, leading some States to begin implementing a strategy based on controlling oxides of nitrogen. California has been the leading advocate of this approach and, according to State officials, has enjoyed considerable success.

Both ozone and acid aerosols pervade the atmosphere of eastern North America. Any one of them may pose a potent threat standing alone. But in combination, their impacts are multiplicative. This has been estabilshed in laboratory studies, but the extent to which these experiments represent the real environment is unclear. Nitrogen and its compounds, however, play a substantial role whether the specific problem being examined is acid rain, ozone, or the synergistic effects of the two.

The transport and dispersion of gases and particles over distances from tens to thousands of kilometers has been an active area of scientific study for many years. Even before the problem of acidic deposition had been recognized, research on how materials are carried by the winds was already extensive. This earlier body of work, together with more recent studies forms the basis for present efforts to understand the transport of acid-forming substances.

According to the 1987 Interim Assessment of the National Acid Precipitation Assessment Program, the major factors controlling transport and dispersion are the character and movements of meterological systems. There are two extremes with a spectrum of variations in between:

First, strong, fast-moving cyclones that have the potential to transport large amounts of pollutants rapidly across North America. Generally occurring in winter and spring, these systems bring with them strong horizontal winds, vertical wind shear, and widespread precipitation.

Second, weak, slow-moving high pressure systems that allow sufficient time for slower-acting processes such as thorough mixing to take place. These systems occur more frequently in the summer and fall and are characterized by local convective storms, primarily near their periphery.

In the case of the storm systems, pollutants may move rapidly hundreds to thousands of kilometers downwind from their sources with limited removal. In the case of slower moving systems, pollutants are mixed vertically causing a buildup of concentrations. These paths represent the directions the predominantly winter storms would take, promoting strong flow conditions.

Whether the movement is rapid or slow, the transport of pollutants is a major determinant of local air quality. As a result, areas which ought to have quite satisfactory air quality, instead experience ambient levels of air pollution approaching, or even exceeding, those of industrialized areas. In some cases, such areas have aggressively implemented air pollution controls, risking the loss of industry to other regions or States. In others, the areas may have little or no industry and depend heavily on tourism or recreation, which may be threatened by the imported air pollution and its associated damage.

AQUATIC EFFECTS

The best known environmental effect of acid rain is the damage to aquatic ecosystems. Fish populations decline concurrently with acidification. Fish reproduction requires pH levels above 4.5. Below a pH of 5, death of adult fish begins to occur. More importantly, at pH levels near 6.0 many species which constitute key elements of the aquatic food chain disappear. Thus Schindler, et al. has demonstrated effects to the food chain causing severe damage to the ecosystem at pH levels of 5.93 to 6.13. According to EPA's critical assessment review papers: "Biological effects due to acidification occur for a few species near pH 6.0. Because the biological response to acidification is a gradual one, continuing pH declines below pH 6.0 will result in escalating biological changes with many species adversely affected in the range of pH 5.0–5.5."

Species such as frogs and salamanders breed in pools formed from spring snowmelt water. Correlations between pH and amphibian mortality and embryo deformity have been observed. Shellfish are also especially sensitive to low pH values. Molluscs are unknown in waters below pH of 6.0.

Recently, a decline has been observed in the population of the black duck in the Atlantic flyway. Between 1955 and 1973, black duck populations declined by 50 percent, mallards declined by 35 percent, ringed neck ducks have declined by 79 percent and the common goldeneye by 54 percent. This decline has not been observed in three other flyways where acid deposition is less severe. The decline also occured during the period of greatest emissions increase, 1955–73. Researchers at Patuxent Wildlife Research Center found that the mortality of young black ducks raised on experimentally acidified wetlands may be increased by as much as three times the normal rate. Gastropods, a crucial element of the ducks food chain providing protein and calcium, do not survive in acidic waters with a pH of less than 6.0. Decreased protein has been shown to have a direct correlation with egg production. Captive mallards fed 50 percent less protein laid 50 percent less eggs. Although the decline of the black duck and similar species may be due to factors other than acid deposition, acid deposition emerges as a leading candidate of concern.

In addition to the damage caused by a long-term decrease in pH, the survival of fish in acidic waters is influenced by increased concentrations of pollutant in spring snowmelt. This phenomenon is referred to as "acid shock" or "acid pulse." Mass mortalities of fish have been observed due to increased concentrations of acidity and heavy metals mobilized by spring snowmelt. Because this phenomenon occurs during a vulnerable point in many species lifecycle, the damage may be especially severe.

Disappearance of fish from natural waters has been documented in the Northeastern United States. According to a 1984 report by OTA, in the Adirondack mountains, at least 180 former brook trout ponds will no longer support populations. A survey of 214 Adirondack lakes conducted in 1975 revealed that 52 percent had surface pH levels below 5.0 and that 90 percent of these lakes were entirely devoid of fish life.

According to the 1987 National Acid Precipitation Assessment Program [NAPAP], Interim Assessment, based on the National Surface Water Survey conducted by EPA, 5 percent of the lakes in Southern New England had pH levels less than 5.0 an additional 5 percent had pH levels between 5.0 and 5.5 and 15 percent of the lakes surveyed had pH levels between 5.5 and 6.0. The results for the Adirondacks show even more damage: 10 percent of the lakes had pH levels below 5.0, 10 percent had pH levels between 5.0, and 5.5, and 27 percent had pH levels be-

tween 5.5 and 6.0. In the Upper Peninsula of Michigan, 18 percent of the lakes had pH levels below 6.0.

A recent study by the Ontario Ministry of the Environment, Dillion, Reid et al., 1987, has documented a historic change in pH in Plastic Lake, ON, during the period 1979–85. Direct observation and sampling of the lake indicated that a threefold decrease in alkalinity and a decrease of 0.2 pH units occurred during this period. Because the researchers noted a decline in organic acids of terrestrial origin, they conclude that decreased acidification and biological damage to Plastic Lake is dependent upon reductions in strong acid/SO_4 deposition. Based on chemical surveys, the study notes that Plastic Lake is typical of many thousands of lakes in Eastern North America. The study also states that: "The biota of Plastic Lake have experienced major detrimental effect in the past 8 years including fish kills, extinction or near extinction of mollusc species and amphipods, as well as proliferation of acidophilic filamentous algae."

Since aquatic population survival is clearly dependent upon acidity, the vulnerability of lake regions to acidification is used to assess and predict damage to aquatic populations. Because lakes are formed by relatively large watersheds, the largest amount of acid does not fall directly as rain into lakes and streams but passes over and through soil and bedrock before entering an aquatic resource as nitric acid and sulfuric acid pass over soils and rock they are subject to a variety of reactions. The most important of these reactions are those that buffer the acidity. Surface topography plays an important role in the rate and frequency of these reactions. Steep mountain slopes allow little chance for buffering to take place. The ability of a lake and surrounding soil to buffer acidity is frequently referred to as Acid Neutralizing Capacity or ANC. ANC is measured in microequivalents per liter of water or (ueql/1). A lake with a high capacity for acid neutralizing may have an ANC of 500 ueq/1.

Lakes with extremely low ANC (0-40 ueq/1) are considered "highly sensitive" to acid deposition, according to the Office of Technology Assessment [OTA]. Regions with numerous lakes and streams of low ANC include the Northeastern United States, Southeastern Canada, the upper Midwestern United States and mountain regions of the American West. Once the ANC of a lake is completely utilized the lake becomes incapable of further buffering and is considered "acidified."

Studies conducted by the U.S. Environmnental Protection Agency [EPA] conclude that in the Northeastern United States, 19 percent of lakes have an ANC of less than 50 ueq/1 and 60 percent of lakes have an ANC of less than 200 ueq/1. Fifteen percent of the lakes in the upper Midwest are estimated to have ANC of less than 50 ueq/1. In the Western United States, approximately 16.8 percent of lakes have an ANC of less than 50 ueq/1. Although these surveys are not complete (in fact the Western lakes survey was conducted during the fall, when pH levels are the most stable), they do suggest that further damage to aquatic resources, both in the East and West, can be expected in the absence of further control.

There have been two large scale lake surveys performed in recent years to estimate the extent of surface water acidification in the United States. The first was the National Surface Water Survey [NSWS], which can be used to predict the status of the 10,758 lakes in the Northeastern United States of greater than four hectares in size. Of these, a subset were chosen as representative, and sampling showed that 5 percent had no remaining acid neutralizing capacity.

The validity of these results was born out by the second major lake survey, performed in conjunction with the joint EPA/NAPAP Direct/Delayed Response Project [DDRP]. The majority of this project's findings are described in the paper, Future Effects of Long-Term Sulfur Deposition on Surface Water Chemistry in the Northeast and Southern Blue Ridge Province [Church and Thornton, et al., U.S. EPA, 1989]. This project involved a survey of 3,227 lakes in the Northeastern United States, once again with a surface area of four hectares or greater. Of these, 5 percent (162) had no remaining acid neutralizing capacity.

The purpose of the DDRP study was to determine whether acidification was direct (i.e. and immediate response to deposition) or delayed (because of soil and watershed characteristics). The study found that acidification and deacidification tends to be delayed. The report states that, "Northeastern watersheds are projected to respond relatively rapidly (i.e., with a lag time of 10 to 20 years) to changes in sulfur deposition." Further, the study predicts that a 30-percent reduction in acid deposition will reduce by 50 percent the number of acidified lakes in the Northeast.

The study also concluded that lakes in the Northeast are in a steady state with regard to acidification. If emissions continue at current levels, according to this theory, pH and ANC levels will remain relatively constant. However, the study found that for the Southern Blue Ridge area, constant emissions will lead to decreasing lake pH and ANC. Because soils in the Southeastern United States have a higher capacity for temporary retention of sulfur, there is a considerable lag in the response of aquatic systems. Surface water acidification in this region is delayed as a result, but damage to lakes and streams in the Southeast will also be more difficult to reverse. Data for lakes and streams in the Mid-Atlantic Appalachian region have not yet been published.

The "steady state" hypothesis has been disputed by several sources, including the Plastic Lake study cited above. Because there is no long-term data, it is impossible to say that lakes are in a steady state. Biological effects can lag for years behind the chemical steady state.

Furthermore, both DDRP and NSWS data are not representative of true conditions because lakes with a surface area of less than four hectares were not sampled. There are many such lakes in mountain regions that fall below this size cutoff, which was used by both studies to simplify the task of sampling. Furthermore, it appears that these small lakes acidify more easily than larger lakes.

Some light can be shed on the effect of this exclusion using data collected by New York States Adirondack Lake Survey Corporation [ALSC]. The ALSC was created by New York State to perform a detailed survey of lakes in the Adirondack mountains. Between 1984 and 1988, the ALSC sampled 1,469 lakes in the Adirondacks, including lakes smaller than one acre. This sample represents 53 percent of the total number of 2,772 lakes in the region.

For example, NSWS data show 11 percent of Adirondack lakes with no remaining acid neutralizing capacity. ALSC sampling for the same region found that 26 percent of lakes have no remaining acid neutralizing capacity. The ALSC survey also found no fish life whatsoever in 24 percent of the lakes sampled. The disagreement between the two data sets can be explained largely by the inclusion of smaller lakes. ALSC data for lakes larger than four hectares agrees substantially with NSWS data.

Because lakes with very low acid neutralizing capacity are especially vulnerable to acid deposition, the OTA has estimated that in the Eastern United States, approximately 3,000 lakes and 23,000 miles of streams have already become acidified or have virtually no acid neutralizing capacity left. In Canada, the Ontario Ministry of the Environment has estimated that 10,000 lakes in the eastern part of the country are currently acid altered.

Without further controls, much more extensive damage is possible. Based on the observation that 25 percent of the land in the Eastern United States is not sufficiently buffered to prevent acidity from being transported to bodies of water, OTA estimates that 117,000 lakes and 112,000 miles of streams are vulnerable to damage by acid rain.

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Recent findings suggest that coastal waters are also being damaged by acid rain. A 1988 study by scientists at the Environmental Defense Fund found that one quarter of all nitrogen contributed by human activity to the Chesapeake Bay originates as acid rain and associated dry deposition falling directly into the Bay and its watershed. The decline of coastal estuaries is attributed in large measure to increased nitrogen, causing excessive growth of algae which chokes off light and oxygen supply to other marine life. Only fertilizer runoff surpasses atmospheric nitrogen as a source category in the Chesapeake Bay.

Forest resources.—Recently, several cases of unexplained regional scale forest decline have been observed throughout the United States. Reported forest declines include white pine in the Eastern United States, red spruce in the Appalachian mountains, yellow pine in the Southeastern United States and declines in Canadian sugar maple. In the San Bernardino mountains near Los Angeles, ozone has been unambiguously identified as the primary causal agent in forest decline, according to NAPAP. Ozone has also been determined to cause visible injury to sensitive genotypes of white pine throughout the Eastern United States. Although the greatest amount of current attention centers on ozone's role in forest decline, the effects of increased acidity of rain and increased levels of sulfur dioxide are also thought to contribute to forest decline. Because many of the more prominent cases of forest decline occur in above cloudbase forests, where ozone levels are high and the rainfall is highly acidic, the combined effects of acid rain and ozone are difficult to distinguish.

According to NAPAP, red spruce, located from sea level in coastal Maine to 1,500 meters in the Appalachian mountains, have experienced a decline beginning in the 1950's. Initially, according to NAPAP, the decline was only evident at high altitudes but more recently, growth reductions and foliar symptoms have been observed at low levels as well.

According to NAPAP, studies by Siccama et al. (1982) and Scott et al. (1984) show that the decline is the most severe at areas of high elevation; on Camel's Hump and Whiteface Mountain in the northeast, there has been a 30 percent to 70 percent decrease in live spruce since the mid-1960's. Declining spruce trees typically die back from the top of the tree downward and from the outside of the tree inward. These damage patterns are reversed for lower elevations along the coast of Maine. These latter symptoms are similar to symptoms reported for Norway Spruce in Central Europe. Jagels (1986) examined spruce cores from sites off the Maine coast and found that growth reductions and foliar symptoms were the most severe for sites within thin organic soils on granite bedrock. According to NAPAP, the author argues that these effects are remarkably similar to those observed in central Europe where nutrient leaching on poor soils is strongly suspected.

Yellow Pine in the Southeastern United States has also experienced a widespread decline although no visible symptoms of damage are present. In Georgia, fully grown stands of yellow pine examined on mountain sites during 1972-82 were found to be only 25 to 50 percent as tall as yellow pine stands of similar age at similar locations had been during 1956-61. As a general matter, researchers express concern that chronic, mutually aggravating stresses from ozone and acid deposition may be responsible for the reduction. Such a situation would have extraordinary economic implications for this major wood producing region of the country.

Crown dieback symptoms have also been reported for sugar maple in Southeastern Canada and in the Northeastern United States. Sugar maple as a source of maple syrup is a major economic concern in these areas.

Although air pollution and acidic deposition are not yet fully confirmed as the primary causal agents responsible for most forest decline observed in this country, studies conducted in the laboratory have shown acute and chronic injury in deciduous and coniferous seedlings and saplings when exposed to simulated acid rain solutions of pH less than 3.0 Chappelka and Chevone (1986) found that root growth in white ash seedlings was 12 percent less for seedlings exposed to simulated acid rain of pH 3.0 than for seedlings exposed to rain at a pH of 5.6. Raynal et al. (1982) observed that germination was inhibited for red maple and yellow birch seeds upon exposure to soil of pH 3.0. Exposure to SO_2 has been found to predispose plants to disease. Sulfur dioxide is readily absorbed by plants in both dry and wet forms and is dissolved inside the plant leaf to create sulfuric and nitric acids. These acids alter cellular biochemistry causing acute injury and death.

A recent study, Zoettl and Huettl, 1986, identified acid deposition as the primary growth-limiting factor in high altitude Norway Spruce in Southwestern Germany. Forests in this region have experienced serious decline, and trees exhibit disease symptoms which are similar to those observed in North America. Together with photooxidants, acid deposition was found to cause increased leaching of easily mobilized nutrients from the soil. When these nutrients were reintroduced to the soil on several test plots, the trees recovered.

The effects of point source emissions of SO_2 on nearby forest ecosystems are well documented. Freer-Smith (1984) exposed various hardwood seedlings to sulfur dioxide concentrations of 100 parts per billion [ppb] for 104 hours per week for 60 weeks. A 20- to 50-percent reduction in total shootweight was observed. Such an exposure, a weekly average of 62 ppb, is well within the 100 to 200 ppb range which NAPAP estimates occurs near point sources and in urban areas. Ponderosa pine, after 7 months of exposure to 150 ppb sulfur dioxide, exhibited pathological changes in mesophyll cells according to Karenlampi and Houpis (1986).

Exposure of red and jack pine to sulfur dioxide levels of 100 ppb for 40 hours per week for 9 weeks resulted in a 10- to 20-percent reduction in height and growth according to Riding and Boyer (1983).

According to the Congressional Research Service, one estimate of the forest related damage by Crocker concludes that close to $1.75 billion (1978 dollars) in forest related damage occurs in the Eastern United States each year as a result of air pollution and acidic precipitation. Crocker estimates the damage that would not occur under pristine conditions and includes losses from outdoor recreation, water storage and wildlife habitat as well as timber losses. A similar study by Callaway et al. estimated that if radial growth of forests were reduced by 10 to 20 percent annual losses would be approximately $340 to $510 million for the Adirondacks alone.

MATERIALS DAMAGE

Acid rain is known to cause materials damage. Among the materials affected are building stone, rubber, zinc, steel, leather, paint, and textile. Acid rain is thought to accelerate rust by as much as 30 percent. Acid rain contributes to premature soiling of paint and other materials. Two kinds of materials damage exist. Acid rain may damage culturally significant buildings and statuary. The effect of this damage is difficult to quantify, often irreplacable artifacts may be destroyed. Massachusetts estimates that it spends $13 million per year refurbishing culturally significant buildings and statuary. A study by Callaway focusing on the maintenance costs for historical structures in 17 Eastern States estimated that between $22 million and $107 million is spent annually.

Acid rain may also damage replacable materials such as rubber and steel. Although these losses are potentially quantifiable, they too are difficult to estimate. In general, acid rain accelerates naturally occurring damage and is not the sole source of materials degra-

dation. Still estimates of the cost savings available from a major reduction in sulfur dioxide emissions range into the billions of dollars. According to the Congressional Research Service, dollar values are placed on only a few common materials which may underestimate total materials damage.

According to Salmon, based on a study of 32 construction materials, these 32 materials represent only 40 percent of construction materials exposed to air pollution, the nationwide cost for 1968 was $3.8 billion in damage due to air pollution. A 1974 paper issued by EPA estimated that the nationwide cost of air pollution damage to materials is approximately $2.2 billion annually. Ozone damage to rubber alone has been estimated to cost $395 million by Mueller and Stickney. Cleaning costs for households and for exterior paints have been estimated by Liu and Yu of EPA's Office of Research and Development to cost $36.2 billion annually. The effect of acidic deposition on materials in 17 Midwestern and Northwestern States was estimated to be close to $2 billion in 1984 dollars by Mathtech.

VISIBILITY DAMAGE

Emissions of SO_2 and NO_x contribute to visibility impairment. Sulfates and nitrates that do not fall to the Earth as acid rain remain suspended in the air scattering light and creating regional haze. Visibility impairment is frequently perceived of as a surrogate for air quality. Visibility impairment has a negative aesthetic impact, particularly in national parks, and an impact on transportation operations, especially air traffic. Visibility is generally worse in the summer than in the winter.

Extension data exists on visibility in the form of visual range estimates made by trained observers at airport weather stations. Based on this data the National Academy of Sciences has concluded that: "It is now well established that, on average, sulfates and associated water account for about 50 percent of visibility reduction in the East, slightly less in urban areas, but somewhat greater in nonurban areas." According to NAS, one study indicated that sulfates and associated water in nonurban areas accounted for approximately 75 percent of the light extinction.

According to NAS, the area of greatest light extinction—worst visibility—occurs east of the Mississippi and south of the Great Lakes. This area also corresponds to some of the worst air quality in the country.

Visibility is a major issue in the national parks. Air pollution in the Grand Canyon impairs visibility approximately 100 days per year. Studies by the National Park Service have determined that sources as distant as 300 miles contribute significantly to air quality degradation in some parks. Air quality is endangered in approximately one-half of the national parks. Visual range in the eastern United States, including in national parks, such as the Shenandoah, is frequently less than 15 miles.

Estimating the cost of decreased visibility is difficult. Latimer, et al. have estimated that the value of good visibility is approximately $2 per person per year. Based on this assumption, a 13 percent increase in visibility is worth approximately $4.2 billion.

A study funded by the Electric Power Research institute examined the value to visitors of improving visibility at the Mesa Verde National Park and the Smokey Mountain National Park. The study concluded that total annual benefits to be derived from increased visibility at the Smokey Mountain National Park ranged as high as $8.5 to $10.5 million.

LINEARITY

One important issue related to transport is the linearity of the relationship between emissions and deposition. Because of the variety of deposition methods and the effect of atmospheric chemistry and transport, suggestions have been made that there may not be a linear correlation between emissions and deposition.

This counterintuitive view remains unsupported. The National Academy of Sciences [NAS] has concluded "there is no evidence for a strong nonlinearity in the relationships between long-term average emissions and deposition." Because reactions with NO_x take place rapidly and efficiently, NAS concluded that any nonlinearity would be a function of SO_2 emissions alone and would therefore reveal itself in a difference between the regional deposition ration of NO_x and SO_2. Since the percentage of deposition for both precursors is approximately equal, locally as well as when transported, NAS concluded that, "It is therefore improvable that the oxidation of SO_2 is sufficiently hindered by a lack of oxidant to cause a disproportionately small reduction in precipitation as a result of a given reduction in SO_2 emissions."

On the contrary, evidence collected by the National Acid Precipitation Assessment Program suggests that reductions in total regional emissions will lead to comparable or nearly comparable reductions in ambient levels.

The 1987 assessment concluded that in the Eastern United States sulfate aerosol is more uniformly distributed than sulfur dioxide, and reported the following:

> High concentrations of sulfate aerosol can build up in stagnating air masses as sulfur dioxide is converted to sulfate aerosol SIC. During a sulfate episode, high sulfate aerosol concentrations may exist over large areas and persist for several days. Sulfate episode conditions on a regional scale occurred about one-fifth of the time in the Northeastern United States during the EPRI-SURE study.

The assessment did not direcly confront the validity of the findings contained in the 1986 NAS/NRC report Acid Deposition Long Term Trends cited earlier. However, the Assessment did state that NAS/NRC conclusions were consistent with the extensive work undertaken by NAPAP, as well as that of other researchers. Specifically, the NAPAP assessment said the following:

> The qualitative interpretation of tendencies given in the National Research Council report is consistent with the results of the more quantitative analyses. * * * A highly probable, but not yet verified, explanation for the decrease in sulfate concentrations is the very similar trend in sulfur dioxide emissions in the eastern United States.

It may not be possible during the foreseeable future to conclusively demonstrate whether the relation between emissions and deposition is linear or nearly so or nonlinear. However, the convergence of different lines of evidence combined with the nearly total absence of other evidence to the contrary suggest that the relationship is linear or very close to it. Given the fact that the accumulation of evidence has strengthened the crediability of the NAS/NRC conclusions, some of the most relevant of them bear repeating:

First. There is a strong association between emissions densities of SO_2 concentrations of sulfate aerosol, visibility ranges, wet precipitation concentrations of sulfate and sulfate fluxes in studied streams.

Second. Since the 1920's SO_2 in the Northeastern United States has fluctuated at or near current levels.

Third. Regional differences over time in amounts of SO_2 emissions did not appear until about 1970. Since that time, evidence of deposition indicates that greatest rates of increase have been in the Southeast, with somewhat lower increases in the Midwest and slight decreases in the Northeast.

Fourth. Changes in stream sulfate were, on a regional basis, consistent with changes in SO_2 emissions.

Fifth. Data on some lakes suggest that changes in their alkalinity have occurred during the past 50 years, but these are too great to have been caused by increases or decreases in acid deposition alone. They most likely resulted from other human or natural activities; that is, changes in land use.

In summary, there is every indication, from all available evidence, that reducing emissions on a regional scale will reduce acid deposition on a regional scale on a one-to-one basis, or something close to it.

HUMAN HEALTH

There is no disagreement among medical researchers that precursors of acid rain are a serious health threat.

Collectively, the pollutants which form acid rain pose a threat to human health so severe that one leading researcher and pediatrician from the Mt. Sinai Medical Center in New York described them as the third leading cause of lung disease in the United States, trailing only active and passive cigarette smoking. In testimony before the subcommittee in February 1987, Dr. Philip Landrigan stated:

There is a limit to what you, as Senators can do about people's desire to smoke. With regard to occupational exposure, you have good laws on the books, but you have the problem of having to enforce those laws through hundreds of thousands of workers across the country. That is obviously a mind boggling task even if OSHA were up to it.

But in the case of acid rain, there is really a finite number of major sources of acid air pollutants. They can be targeted with relative ease. In fact, they have been pretty well targetd already by the EPA. A few swift and sure legislative strokes could deal with these sources.

Several lines of converging evidence—epidemilogic studies of populations, controlled studies of human volunteers, and toxicologic studies in cell systems and animals—all indicate that current levels of acid air pollution produce substantial adverse health effects in certain segments of the American population and particularly in children. These are detailed in a February 27, 1989 CRS Report for Congress entitled "Health Benefits of Air Pollution Control: A Discussion."

Studies of animals forced to breathe a fine mist of sulfuric acid show that the subjects are less able to mobilize the lung's defenses and clear foreign matter from their respiratory systems. Because human and animal lungs react in the same way, there is serious concern that humans breathing an acid mist will also lose their ability to defend against pollution changes.

The most troubling aspect of this is that such changes are one of the signals of bronchial disease. Thus, if the suggestions of the animals studies are correct, similar reactions would be expected in humans. Specifically, researchers would expect colds, and bronchial infections and even deaths to increase when acid levels are high and decrease when they are low. This is what has been found.

The most significant human health research suggests that air pollution may play a role in increased human mortality. According to recent studies by Harvard public health researchers, between 2 to 4 percent of the excess deaths in New York City are due to air pollution. On a national level, ambient levels of sulfates and fine particles were found to have a consistent association with higher mortality, ranging from between 3.4 to 4.9 excess deaths per year per 100,000 people per part per million. This translates into approximately 5 percent of annual excess mortality being associated with sulfate and fine particle pollution.

Researchers at the National Bureau for Economic Research have estimated the impact of specific air pollutants on race specific neonatal mortality rates. According to the researchers:

The results suggest that sulfure dioxide is the dominant air pollutant in newborn survival outcomes. There is also evidence that an increase in sulfur dioxide raises the neonatal mortality by raising the percentage of low-birth weight births. Based on marginal willingness to pay computations, we estimate that the benefit of a 10 percent reduction in sulfur dioxide levels ranges between $54 million and $1.09 billion in 1977 dollars.

In 1989 dollars, this range is $102 million to $2.06 billion. The researchers note that the infant mortality rate is approximately equal to the mortality rate of 55 to 64 years olds.

Published results of the highly regarded "Harvard Six-City Study found that exposure to acid air pollution, particularly to fine particles associated with airborne sulfates, produces respiratory symptoms in children. In this study, public health researchers from Harvard University studied the relationship between ill health and air pollution in six cities representing a spectrum is severity of air pollution. Their results show a direct linear relationship between acid aerosal concentrations in these six cities and incidence of bronchitis in children. This effect is seen in both children with a prior history of wheezing, as well as in children without such history. The effect is greater, however, among chilren who wheeze. Researchers are currently expanding this study to 24 cities.

One group of individuals that is especially sensitive to the precursors of acid rain is asthmatics. Asthma is one of the leading diseases afflicting children under 18, causing more hospitalizations in this group than any other disease. According to the American Lung Association, as much as 8 to 10 percent of the population may have asthma. Approximately one third of all asthmatics are children under 18. Up to an additional 20 percent of the population has "hyperactive airways," which cause a reaction to air pollution similar to that observed in asthmatics.

Each year, asthma accounts for 48 million days spent in bed, 111 million days of restricted activity, and 9 million days lost from work. This disease accounted for 6.5 million doctor visits in 1985 and 454,000 hospital discharges in 1987. In 1985, 51 million prescriptions were filled for asthma, a 200-percent increase since 1972. The incidence of asthma appears to be increasing, and air pollution is one of the causes under study. The asthma-related death rate doubled between 1977 and 1986.

Asthmatics, without other health programs, when exposed to levels of sulfur dioxide as low as 0.25 parts per million (ppm), for exposure periods as brief as 5 minutes during exercise develop symptomatic and objective evidence of bronchial constriction, or tightening of the airways. Short-term exposure to 0.3 ppm of nitrogen dioxide increases the incidence of exercise induced bronchoaspasm and airways hyper-reactivity in such asthmatic subjects. Acid air pollution is capable of producing pulmonary dysfunction, bronchial constriction and wheezing. These effects are exacerbated by exposure to cold air.

Many studies document the coincidence of hospital admissions and exposure to acid aerosals and sulfur dioxide. In a series of studies conducted in Southwestern Ontario between 1974 and 1978, researchers found that admissions to hospitals were significantly correlated with levels of sulfate and ozone, as well as with temperature.

Pulmonary function in primary school children in the Netherlands was measured before, during, and after the January 1985 acidic pollution episode which caused elevated exposures throughout northwestern Europe. During the episode, the Dutch children were exposed to respirable particulate and SO_2 concentrations in the range of 200–500 μ/m3. Their baseline respiratory functions had been measured 4 to 6 weeks earlier, when the pollutants were below 100 μ/m3. During the episode, the children experienced a 3- to 5-percent decrease in lung function, which was still present 16 days later.

During the same episode, average concentrations of SO_2 and suspended particulates were 800 and 600 u/m3 in the Ruhr District in West Germany. As a result there were significant increases in deaths, hospital admissions, outpatient visits and ambulance deliveries to hospitals when compared to a neighboring less polluted area.

Populations at particular risk are children whose respiratory systems are much more narrow and less well developed and whose rates of ventilation are higher than adults. Thus, minor irritation caused by air pollution, which would produce only a slight response in an adult, can result in a dangerous level of swelling in the lining of the narrow airway of a child. Moreover, children's airways are small and they have markedly increased needs for oxygen for their size. They breathe more rapidly and inhale more pollutant per pound of body weight than do adults. If during the early years of life a child is highly exposed to air pollutants, the risk of long-term damage to the lungs increases.

Another factor which makes children more vulnerable than adults to air pollutants is their increased frequency of respiratory infections. The interactions of the infectious process with irritating pollutants intensify the

damage to the airways. Furthermore, the processes for repair of damaged airways are less efficient in children than in adults because of the small caliber of the airways and the resultant partial obstruction to the flow of air.

Other groups particularly at risk are the elderly and adults with preexisting chronic heart or lung disease.

Respiratory disease and symptoms represent the largest and best documented category of health effects. However, evidence suggests that there may also be indirect health effects linked to acid rain.

Increased acidity in drinking water can mobilize heavy metals. Acidified waters can dissolve such toxic metals as aluminum, copper, lead and mercury. It can also release such toxic substances as asbestos from soils and rocks in watersheds, lakes and from drinking water distribution systems. The effects of exposure to these contaminants are well known, ranging from headaches to possible death.

Of particular concern is lead and mercury. Acidification of drinking water sources significantly increases lead content. Leader water pipes become particularly hazardous as water acidity increases. The effects of lead on the brain function are increasingly reported. These effects include adverse effects on children's behavior and intelligence.

Mercury can occur as several species. Of concern here is methyl-mercury, which has a tendency to bioaccumulate in nature—a tendency dependent on acidification. These effects of methyl-mercury on the fetus are the best documented example of a metal compound that affects the development process of the central nervous system including postnatal growth retardation.

McDonald (1985) estimates that between 25,000 and 350,000 people in the rural Northeast alone may drink water exceeding the standard for lead, cadmium, or mercury. Although the influence of acid deposition on levels of these metals in drinking water is not firmly established, any increase in acidity is likely to result in increased erosion and is thus a major source of concern.

That is a pretty horrendous condition. What we find is that 92 percent of the streams in our climate, a nature preserve, is polluted with acid rain. That was found in an EPA study. New Jersey rainfalls are 30 times more acidic than normal, higher than every State. That is what Indiana is shipping to New Jersey. They do not have to stop until the next century.

Mr. President, I will soon give up the floor, but in closing I want to say to my colleagues from Indiana and other friends here from States that have problems with garbage intake that this is a problem we all have to work on together. This kind of a short-term, sudden stop to the problem will not help us solve the problem. It will only increase the animus between States; it will only make it more difficult to solve other problems. Because as everyone knows, in this body, when one Senator's State is punished by others, there is always an opportunity in the future when that retribution comes back.

We have a clean air bill that was modified because a lot of the Senators in this body felt that it would be too harsh on their economies and their States' functioning to impose the burdens that we wanted overnight, immediately. And so we worked together, and we debated it.

That is not what is happening here, Mr. President, and I hope that good judgment will prevail and we will have an opportunity to work it out quietly, reasonably, and come to a conclusion that my State can live with.

With that, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM. Mr. President, Ohio has the dubious distinction right now of competing with Pennsylvania for the title of "Dump Capital of America." More out-of-State garbage is dumped in my State and the State of Pennsylvania than anywhere else in the country.

In 1988, almost 1 in every 5 tons of waste disposed of in Ohio came from somewhere else, and those numbers are growing. Most of the trash is coming from eastern States like New York and New Jersey. My State has attempted to get its own house in order, to address its own solid waste disposal needs. Two years ago, Ohio enacted legislation which established local solid waste management districts. Throughout the State, long-range plans have been made to dispose of the trash Ohioans will generate now and in the future.

But the truth is that Ohio has not been able to slow down the influx of garbage from other States. That out-of-State waste remains an uncontrollable problem. That is an absurdity. Even though landfill disposal costs in Ohio have increased in recent years, these costs are still not high enough to discourage others from dumping their trash within our borders. It is an absurdity that other States can send their trash to our State.

Consider this: Until recently, New Jersey had the honor of being the biggest exporter of garbage to Ohio. Oh, but New Jersey is losing its role. New Jersey is slipping. Now, according to Ohio officials, New York may have seized that honor. That is because when the disposal fees at the Fresh Kills landfill in New York were more than doubled last year, it became more economical to haul New York City trash hundreds of miles away for burial in Ohio's landfills. Something is truly perverse here.

I want to just respond a moment to my colleague concerning the matter of acid rain. Acid rain is, indeed, a problem, and we have passed amendments to the Clean Air Act, an act to do something with respect to the issues, and Ohioans will be paying a heavy penalty by reason of that act. Many Ohioans could wind up losing their jobs. There will be parts of Ohio that could be seriously hurt.

But we are trying to meet the challenges as they occur. We are trying to meet the challenge of acid rain. And we want to meet and are meeting the challenge of garbage dumping in Ohio.

Cross-border dumping is one thing. Neighboring States can and do utilize each other's landfills. Some major cities are located near a State border, and the closest disposal facility may be across the line.

But Mr. President, something is dreadfully wrong when the dumping is long distance and headed in only one direction, say from New York and New Jersey to Ohio and elsewhere. We have to put a stop to this. States should look to handle their own waste before shipping it elsewhere.

This amendment addresses this issue, and it does it in a constitutional manner, in a way that meets the challenge of the interstate commerce clause. It explicitly authorizes States to impose a ban or raise fees on out-of-State waste.

States should be able to prevent the unfair flow of garbage into their States. I hope and I believe that my colleagues will vote for this amendment because what is happening to Ohio and Pennsylvania now could just as easily happen to Virginia, Montana, Illinois, Utah, or any State in the country. It is time that we put a stop to the interstate dumping of waste. This amendment will help achieve that objective.

I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

Mr. BRADLEY. Mr. President, the amendment before us is a most unfortunate amendment. It seeks to pit State against State. I think that the amendment has more problems than most people imagine. I think it could create significant havoc in many States across the country. The fact is that when you ban the importation of solid waste, you cannot realistically ban it from just one State; politically you have to ban it from all States. The fact is that there are over 30 States that now export solid waste, and they would all face the prospect of having their export of solid waste banned,

creating great problems in their own States.

This is one of those amendments that I am afraid appears to have short-term benefit for the author but could also have long-term costs. It is an amendment which, in my view, is ill-considered and which I hope will never become law.

Mr. President, I represent, along with Senator LAUTENBERG, the State of New Jersey, and we are no strangers to solid waste imports. Up until 1988, in fact, more waste came into the State of New Jersey than left it. New Jerseyites really did not appreciate out-of-State garbage that came from New York and Philadelphia, and we tried to shut it off. In particular, we tried to shut off the solid waste that came from Philadelphia. But we could not. The commerce clause of the U.S. Constitution was interpreted by the U.S. Supreme Court to prevent New Jersey from shutting its doors to other States.

Our landfills filled, many to capacity. Many closed because they were environmentally unsound. In the 1970's, New Jerseyites used over 300 landfills statewide. Some of those are now Superfund sites. This sequence of events will occur in many States across this country. Many of those landfills will no longer be able to be used, and there could be any number of circumstances where a period of transition is needed.

Today, on the other hand, over half of New Jersey's solid waste ends up in just 12 landfills. So we went from, in the 1970's, over 300 to 12.

For the last decade we in New Jersey have struggled with solid waste problems that most States have yet to face. Frankly, we are in the middle of our own crisis.

As I think many Senators know, the data on solid waste management is often sketchy and inaccurate, to say the least. However, there is one statistic that I feel confident makes the point I am trying to make. New Jersey's tipping fees verge on the incredible. A tipping fee is what you pay to someone to take your garbage. Our average tipping fee for out-of-State disposal is $110 per ton. Over the last 8 years, the cost of trash disposal in New Jersey has gone up an astounding 600 percent, which means that New Jersey residents are paying up to $110 a ton, where just a few years ago, as in many States in this country, the tipping fee was $10 or $20 a ton.

Mr. President, anyone familiar with solid waste issues knows there is no obvious solution or miracle technology. Siting presents enormous problems.

Some of my colleagues may not be able to appreciate the difficulty of creating new waste management facilities in a State where on average 1,000 people live in each square mile and in some places 40,000 people live in each square mile. In other words, all of the siting problems that are encountered in every State in the sense of not wanting to put a disposal facility in your backyard is intensified and emphasized in a State such as New Jersey where the population density is so great.

It is no secret that New Jersey now exports large quantities of solid waste. I am not proud of that fact. New Jerseyites are not proud of that fact. But we are not sitting back and counting on the wide open spaces of other States as our long-term waste solution. New Jersey is being aggressive. We are being responsible. We have enacted statewide mandatory recycling programs. We have made waste reduction by recycling a first order of priorities. We are doing something, and we are doing some outstanding technical work on plastics recycling.

Earlier this year on the urgent supplemental appropriations bill, for example, I sought and got money for the State to develop a program for 100 percent recovery and recycling of lead storage batteries, a request that is relevant to today's discussions.

Mr. President, if an absolute ban on the export of municipal solid waste were to become law today, it would create serious problems for our State. It is obvious that solid waste export, especially when it serves as a substitute for planning, is a critical issue for many States. However, I hope that we keep under consideration that waste disposal is complex and cannot and should not be considered apart from waste generation.

My State is literally leading the country in recycling. I know of no other State that currently recycles roughly 30 percent of its trash in mandatory State recycling programs. Likewise, I am unaware of any other State that is likely to pursue a recycling goal of 60 percent by 1995, as New Jersey is. These are truly uncharted waters.

Are these rates sustainable? What happens when other areas begin to recycle at these same rates? Will there be markets for these goods? These issues are completely relevant to the ability of States to plan for the future and for an effective nationwide solid waste strategy. Yet there is nothing in the amendment before us that would assist States in recycling or acknowledge a Federal role.

The Senate may eventually endorse a measure which restricts the State's option for waste disposal, but we should, likewise and simultaneously, pursue a strategy which will enhance all our options for waste management. I hope we will look beyond narrow political solutions.

VISIT TO THE SENATE BY REPRESENTATIVES OF THE REPUBLIC OF CHINA

Mr. SYMMS. Mr. President, will my colleague yield?

Mr. BRADLEY. Yes. I am happy to yield to the Senator from Idaho.

Mr. SYMMS. I appreciate my good friend from New Jersey yielding.

It is a privilege to introduce to the Senate eight members of the Republic of China (Taiwan) Inter-Parliamentary Amity Association Delegation.

With us today are Senators: Jinpyng Wang, Yu-siang Lin, Yunghsiung Wu, Shou-chung Ting, Fongchi Chu, Jih-jiag Lin, Tzumin Kao, and Kuang-ping Liu.

They are members of the "New Generation" Taiwanese Legislature that seeks to strengthen the Taiwan Government's commitment to constitutional reform and promote greater relations with the United States and the West. Their visit to the United States will allow them to discuss the role each government has in making this happen.

It is an honor to have them here, and I wish them great success during their visit to the United States and in the work ahead of them in the Taiwanese Legislature.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY addressed the Chair.

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. HUMPHREY. Mr. President, I want to join with Senator SYMMS in welcoming our colleagues from the Republic of China. I have had the privilege of visiting that country a number of times, not as often as I would like. But while they are here, I want to salute them for the very remarkable progress they have made in recent years toward a higher standard of democracy in the Republic; and to commend them, likewise for the industriousness of their people, which has given them an ever rising standard of living, and who have shown to the world the positive benefits of free enterprise as opposed to socialism, which has embraced so many parts of this world, unfortunately.

We are very pleased that they honored us with their visit today. We extend them a hearty welcome.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1991

The Senate continued with the consideration of the bill.

Mr. BRADLEY. Mr. President, as I was saying prior to the quorum call to greet the foreign visitors, the Senate may eventually endorse the measure which restricts the State's option for waste disposal, but we should likewise and simultaneously pursue a strategy which will enhance all our options for waste management. I hope we will look beyond narrow political solutions to this problem of national significance.

Today, as I said, New Jersey exports a lot of solid waste. However other States may find themselves in very similar positions and be forced to close the many facilities that operate in violation of stricter environmental standards. A broader policy which will not be developed overnight is essential if we are to create a strategy that is progressive and effective.

Mr. President, I hope that policy can be developed when the Senate and the Congress considers the Resource Recovery and Conservation Act. That, to me, is the appropriate vehicle for consideration of issues related to solid waste.

Next year will be a time when there will be a full consideration of that measure. That fact has been conveyed to me by the distinguished chairmen of the respective committees. I hope this amendment will not become law so that the committees themselves can devote full time to it.

Mr. President, the concept of a ban on solid waste transport is, in my view, a fundamentally flawed concept. We did not join together the United States so that each of our States was left to handle its own problems. The facts are, as I have described them, unflattering to New Jersey, but New Jersey has done nothing illegal or wrong. The haulers take the municipal waste where they can go most cheaply.

Now the political forces demand a change. Action must be taken, some say—like the distinguished author of this amendment—how about a ban? Let us just put up a "do not enter" sign on State borders. If it is trash today, how about tomorrow? How about electricity? Maybe States will not want to allow the export of electricity. After all, it is politically difficult to build our plants. There is a long construction lag. Why should one State give up increasingly scarce electricity to another? What about gas and oil supplies? In the 1970's we had different pricing systems in local and interstate markets. It was completely counterproductive. Why limit the waste ban to garbage? Why exempt, for instance, hazardous waste? Why exempt nuclear waste? According to EPA, every State exports some hazardous waste? And all but eight rural States also import hazardous waste. Ohio, by the way, leads in the export of hazardous waste. In general, States do not have the capacity to treat or dispose of all of the hazardous waste generated within their borders. Of course, that is just the current situation. By banning interstate transport of hazardous waste, we can certainly change that.

Mr. President, the Congressional Research Service, at the request of the Environment and Public Works Committee, examined interstate shipment of solid waste. Their conclusions are sobering. I would like to share them with the Senate.

Data on the interstate shipment of solid waste are, as I said earlier, uneven, to say the least. Some States have good data. Other States have none at all. Thus, we do not really know with any precision how much waste is crossing State lines. Even where there are reporting requirements, the measurements are likely to be imprecise, since many landfills and transfer stations measure waste in volume terms, cubic yards, whereas others measure tonnage. Converting volume data to tons requires use of an average conversion factor, which is probably inaccurate.

Nonetheless, despite the above limitations, which argue for a potentially wide margin of error, CRS estimates based upon this survey of exporters and importers that—this is an important figure for everyone to understand—more than 12 million tons of municipal solid waste, about 7 percent of estimated U.S. total crossed State lines in 1989 for disposal.

Waste generators ship across State lines for at least three reasons. In many cases, major cities are located near a State border, and the closest disposal facility may be across the line. That clearly has been the case for part of the waste for many metropolitan areas, including New York and Philadelphia, throughout the 1970's. As I pointed out, both filled up New Jersey's landfills with their solid waste. It is also true of Chicago, which has historically dumped large amounts in Gary, IN. It is true of Washington. It is true of St. Louis. It is true of Kansas City. And it is true of El Paso.

In other cases, there is a temporary shortage of disposal capacity in the generating State. Such shortages are generally tied to a strengthening of old landfill standards, closing of old dumps, the inability to site new facilities, and dramatic increases in tipping fees charged by remaining local landfills. New Jersey and New York are two examples of this set of circumstances, where we got much tougher on environmental pollution, and the result was that we ended up with a lot fewer landfills. So, Mr. President, such shortages are not expected to be permanent, but it may be several years before they are eliminated in any given State.

Finally, there is a long-term trend toward larger regional disposal capacity that is affecting both intra- and interstate shipment of waste. For example, in the Pacific Northwest, there are several large regional facilities being built which will attract long haul waste both in and out of State. In California, there are also proposals for long haul transport of waste—in this case, entirely within the State.

Mr. President, there are a lot of reasons why some States want to export the garbage. In many cases there are legitimate reasons. Many of the exporting States have received large amounts of waste in the past. New Jersey is a good example of that.

States that are currently net exporters have, in many cases, responded to the threat of imports by tightening their solid waste management planning process, much as New Jersey did in the early 1980's. This may result in their becoming net exporters themselves in the future, as they implement more stringent standards, and close older landfills, and fragment their States into planning districts responsible for maintaining their own disposal capacity.

One of the reasons that interstate shipment of waste has become such a volatile issue is a sense that the prime beneficiaries of long-haul transport are, in general, private haulers and landfill owners and operators whose windfall provides little benefit to the population of the receiving area. On the other hand, in some cases, host communities do reap benefits from accepting out-of-State or out-of-area waste, including host community fees and cheaper or free disposal. Thus, not all receiving areas support restrictions on such shipments.

Within several States I mentioned, intrastate shipment is as important a problem as interstate shipment. To the receiving community, it does not matter whether the waste comes from Chicago, or New Jersey, or a city 50 miles away. The point is that it is coming from somewhere else. Unless the community senses a benefit from receiving the waste, it is likely to be opposed.

Waste crosses State lines for recycling as well as disposal. These flows are becoming increasingly common, as the amount of household waste separated for recycling grows and the variety of potential arrangements for

processing of recyclable waste expands. No State provided separate data on exports or imports for recycling.

Proposed solutions to the problem of interstate waste shipment need to take into account a variety of existing arrangements for waste disposal and recycling and the future needs of States which may change rapidly. A complete ban on interstate waste shipment would affect about 30 exporting States and probably hundreds of local jurisdictions, many of which have difficulty finding alternative disposal capacities.

Mr. President, the fact is that disposal of municipal solid waste is a difficult and complex circumstance. No one likes to have it in their backyard. It is a national problem, and it deserves to have a national solution.

Mr. President, I hope that we will be able to look at this amendment with some degree of skepticism, and indeed that the law would allow us to consider this on another day.

I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. Senator SPECTER is recognized.

Mr. SPECTER. Before the distinguished Senator from New Jersey leaves the floor, I would be appreciative if he would be willing to engage in a very brief colloquy.

Mr. BRADLEY. Certainly.

Mr. SPECTER. Mr. President, the basic question that I have relates to the relative responsibilities of various States. The problem of waste disposal is an enormous one, nationally. It is complicated in many ways, because we have problems in moving toward recycling, which all of us would like. We have landfills, and we have incineration that poses very substantial problems. There are serious constitutional issues which prohibit regulations by one State—just a hypothetical, Pennsylvania, for example—from stopping garbage from coming in from New Jersey, to hypothetically, say Scranton, PA, as Mr. President, this is a serious problem.

The question that I have for the distinguished Senator from New Jersey is in a context where, as I understand it, in New Jersey, there has been a moratorium on landfills. What does the distinguished Senator from New Jersey consider a basic issue of fairness for New Jersey to be able to export its garbage to Scranton, PA?

Mr. BRADLEY. I will answer the distinguished Senator from Pennsylvania that the moratorium was a short-term moratorium. There was an opportunity, given the change of government, for the new Governor to try to get his own plan in place.

I point out that over the last 8 years there has been some progress but not nearly enough progress on this issue, and one of the things that has been announced by New Jersey in the last few weeks has been the very ambitious goal of 60 precent recycling by 1995. That goal is a very ambitious goal and I think that is the first step in what will be a larger plan. I cannot speak for the State at this moment. But that is my understanding, that the recycling goal will reduce the amount of solid waste and begin to reduce some of these bigger problems.

Mr. SPECTER. Mr. President, I commend the State of New Jersey for its plan for undertaking in 1995. Regrettably that is a long way away.

When you talk about moratorium, there has been a new Governor in New Jersey, and I commend him for his activity since the first of the year. But as the distinguished Senator from New Jersey refers to it, not much progress has been made, as he characterizes it, over the past 8 years. I know that the problem of New Jersey garbage coming into Scranton, PA has been going on for a very long period of time. So there is an extraordinary burden which is placed upon the recipient States.

That is why I have introduced legislation last year, along with my colleague from Pennsylvania, and why I commend my distinguished colleague from Indiana for legislation which he has put forward today.

I regret that I have not been on the floor longer, but we just broke 10 minutes ago from the confirmation hearings on Judge Souter.

I ask unanimous consent at the conclusion of my comments there be printed a text of a statement which I made on October 13, 1989, when we introduced S. 1754 the Solid Waste Disposal Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPECTER. Mr. President, I asked that that be done because to cover all those points would take some considerable period of time, and we are shortly reconvening the Souter hearing.

I understand that there are efforts being made to work out certain problems which the State officials in Pennsylvania have with the pending legislation, and we will continue to work on those. I understand the predicament of the distinguished Senator from New Jersey in defending his own State's interest, but it would be my hope that we would be able to structure some comprehensive program which would be fair, because that is what we are all looking for.

We have a terrible problem of waste disposal in this country. We would like to do it with recycling. We would like to do things which are environmentally superior than what is being undertaken at the present time. But it is an intolerable situation to have waste disposal move from one State to another, and burdensome in an unfair way, which the current system is.

We have seen the fiasco of barges hauling waste around the world. We simply have to get down to business and get the problem solved.

I thank my colleague from New Jersey for waiting, and I thank the distinguished Senator from Indiana for his constructive work on this important issue and pledge my cooperation in trying to find a satisfactory solution which is satisfactory to both sides of the Delaware River.

EXHIBIT 1

STATEMENT BY SENATOR ARLEN SPECTER TO AMEND THE SOLID WASTE DISPOSAL ACT

Mr. President, today my colleague from Pennsylvania, Senator HEINZ, and I introduce legislation to devise a fair and workable solution for the nation's solid waste disposal problems.

Across the country states are experiencing the acute impact of dwindling landfill capacity and limited means to provide adequate alternative methods of disposal. As a consequence, some states no longer possessing adequate capacity, have opted for the more economical solution of shipping large quantities of their solid waste to cheaper out-of-state landfills, instead of incurring the increased costs associated with establishing new local facilities. This has given rise to the significant legal challenge of finding equitable procedures for the regulation of interstate transportation of solid waste. If a solution is not found soon, landfill shortages very likely will begin emerging throughout entire regions of this country with dire social and environmental results.

For this reason, Mr. President, we are introducing legislation which provides incentives for states to devise realistic long-term plans for handling the disposal of solid waste.

Our bill requires states to update their present solid waste management plans and provide estimates as to the amount of municipal and commercial waste they expect to generate in the next 20 years. The new plans also must contain a comprehensive review of existing landfill capacity and methods, including export of garbage, for disposing of excess waste. Each state will have 24 months, after the date of enactment, to file an amended plan with the Environmental Protection Agency in which it will certify that based on its plan, or on agreement made with any state or states, that it has made adequate provisions to manage its solid waste disposal for the next 20 years.

The legal precedent for such an approach is clear. If a state has an approved plan for complying with minimum waste disposal requirements as set forth in the Resource Conservation and Recovery Act (RCRA), then the state has a priority obligation to ensure that it adheres to its plan. Local landfills receiving out-of-state waste jeopardizes the state's ability to operate within its plan, and in turn risks noncompliance with federal standards. Federal legislation would serve the purpose of imposing penalties on those states circumventing RCRA requirements and encourage them to find solutions which do not inhibit other states' abilities to adhere to their plans.

This bill contains what I believe to be a sensible approach to the challenge of finding penalties and incentives which are fair

to all States. Accordingly, Senator HEINZ and I advocate the imposition of a fee, to be determined by the Environmental Protection Agency, which will be imposed on each State for every ton of solid waste it exports. The fee will provide an incentive for States to find local solutions for their trash problem. Proceeds from the fee will be used to partially compensate those States receiving another State's solid waste. Another incentive called for in this legislation will be the threat of withholding highway money from those States which fail to manage their solid waste disposal in accordance with their federally certified plan.

Mr. President, we face a serious problem. Yet it is a problem which does not lack solutions. I applaud the laws and regulations already enacted by some States that are resulting in an environmentally sound and economically efficient combination of recycling, landfilling, and incineration in much the same manner as recommended by the Environmental Protection Agency as national policy.

That being the case, why do we find it necessary to propose legislation to set national standards for waste disposal? This legislation is necessary, Mr. President, because Pennsylvania and similarly situated States find that implementation of their own carefully constructed waste management plans is threatened by the burden imposed on them by disproportionate amounts of solid waste being transshipped from other States.

According to Commonwealth of Pennsylvania reports, approximately nine million tons of municipal solid waste are generated in the State per year, of which one million tons are shipped out-of-state. Pennsylvania landfills now receive approximately 5.5 million tons of solid waste per year from out-of-state sources. At this rate, Pennsylvania estimates State landfills have approximately 9.5 years of capacity remaining. These alarming statistics reflect the difficulty Pennsylvania faces in implementing the recycling legislation enacted in the State last year to provide for solid waste planning.

The State legislation mandates recycling by counties and provides State funding for municipalities to achieve their recycling goals. Under the new law, at least 25 percent of all municipal waste in the Commonwealth must be recycled by January 1, 1997. Yet, how can the State of Pennsylvania, and States in similar situations, have confidence in these plans when their goals and guidelines are being undermined by the increasing accumulation of out-of-state garbage?

Mr. President, I am personally familiar with the anxiety that the landfill crisis provokes in local communities. On August 8, I met with Lackawanna County officials, environmental group representatives, and many area residents at the Keyser Valley Community Center in Scranton, PA, to discuss the solid waste issue. At that meeting, I heard first-hand the deep concerns expressed by area residents, and we discussed possible solutions to this problem.

One approach was the creation of an interstate compact involving Pennsylvania, New York and New Jersey to address the tri-state area's trash disposal problems. At that meeting, I indicated that I would explore the regional concept as it relates to solid waste disposal.

After circulating the draft compact proposal to local interested parties, I received an analysis on August 15 from representatives of a local environmental group, Citizens Alert Regarding the Environment (CARE). CARE reported that the "compact proposal is fine and every proposal that is made is a step forward," while urging that the concept be expanded to place the responsibility for waste disposal on those states exporting solid waste. Thus, the bill we introduce today not only incorporates the original interstate compact initiative, but also includes a broader approach to better define the states' individual responsibilities in addressing the solid waste disposal problem.

Our legislation will authorize the establishment of interstate compacts that will enable states to come together and forge mutually acceptable cooperative solutions to this problem. The creation of such compacts also will address the need for states to reach agreements on the current and evolving methods for waste management. Today, approximately 76 percent of the nation's garbage is deposited in landfills while 11 percent is recycled and 13 percent is burned in waste-to-energy plants or incinerators. While these source reduction efforts are helpful, we must face the fact that landfills are and will be a necessary part of our future because not all waste can be recycled or burned. The formation of interstate compacts can help states collectively plan for the most efficient mix of source reduction methods and landfills.

One example of the use of compacts, as my colleagues are aware, was the enactment of "Low-Level Radioactive Waste Policy Act Amendments" implemented in 1985 to tackle similar problems associated with the disposal of low-level radioactive waste. The advantage of such an approach is that states ultimately would see it as more economical, and also manageable, for regional groupings of states collectively to devise solid waste disposal programs than for states to follow independent plans. Given the many differences in solid waste generation and available landfills from state to state, I believe this to be the only reasonable approach. Thus, the bill we are introducing today contains, as I mentioned earlier, incentives in the form of fees charged on waste transported out-of-state in excess of a state's adopted plan.

As my colleagues are aware, previous attempts to regulate trash disposal have not been very successful. For example, the Supreme Court in *City of Philadelphia* v. *New Jersey* (437 U.S. 617 [1978]) found that it was unconstitutional for states to adopt statutes that closed their borders to the importation of solid waste. The Court held that trash, although it has no inherent value, constitutes a commodity. Thus, it would be a violation of the Commerce Clause for states to restrict access to their landfills from out-of-state municipalities. Nevertheless, the theory behind this decision is that states should not enact laws to isolate themselves from national problems, which points to the need for federal guidelines and procedures for solid waste disposal that are monitored by a federal agency. In the bill Senator Heinz and I are introducing today, the Interstate Commerce Commission will be charged with oversight authority to monitor states' compliance with federal guidelines.

Mr. President, some of my colleagues from states less affected by trash disposal problems may question the need for a federal solution to what they see as a local problem. The facts, however, clearly reflect the rapidly worsening situation arising from insufficient landfill capacity and its threat to the environment.

The Environmental Protection Agency estimates that there were almost 6,000 municipal solid waste landfills in operation nationwide in 1988. Of those, more than 2,000, or one-third, are scheduled to be closed within four years. The U.S. Conference of Mayors also estimated that more than half of our cities will have exhausted their landfill capacity within the next ten years.

Information obtained from the National Solid Waste Management Association (NSWMA) cites three cases in densely populated Northeastern States which further highlight the problem:

By 1995, according to the New York State Legislative Commission on Solid Waste Management, all landfills currently operating within that state will reach their capacity and close. Since 1982, in fact, the number of facilities has declined from 500 to fewer than 270, while only one interim site has been opened.

Since 1976, the number of landfills in New Jersey has decreased from more than 300 to fewer than 100, 12 of which provide over 90 percent of the state's remaining capacity. Faced with what the National Solid Waste Management Association terms "an acute shortage of disposal space," 11 counties must send their garbage to out-of-state facilities. Over half the state's refuse is presently "exported" to other regions.

Officials at the Connecticut Department of Environmental Protection have calculated that most of the state's landfills can operate for only two more years. Already, 50 percent of all solid waste in the state is deposited in only nine major facilities.

This impending shortage appears even more problematic given trends in the composition of household refuse—increased use of non-biodegradable plastics and other artificial materials which take up valuable disposal space. Records indicate that Americans throw away almost 160 million tons of trash each year, or nearly 3.6 pounds per person daily. Some experts predict that this trend will increase to six pounds per day by the end of the century.

Mr. President, it would not be productive to point a finger at other states and municipalities with solid waste disposal problems. As I described earlier, Pennsylvania faces acute landfill shortages of its own. The pervasive national dimension of this impending crisis suggests that a passive response which assumes the problem will work itself out on the state level is patently insufficient. Current national capacity is so limited that one state's crisis troday will most certainly become its neighbor's tomorrow. One solution is to encourage states to coordinate their solid waste disposal plans, which is the basis of the legislation we propose today.

Accordingly, I urge my colleagues to join in support of this legislation so we can address the serious national problem of solid waste disposal.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Jersey [Mr. BRADLEY].

Mr. BRADLEY. Mr. President, I thank the distinguished Senator from Pennsylvania, with whom I have worked so well on so many issues, for his comments.

Let me just make sure the record reflects that in New Jersey, the moratorium that is referred to ended in August and it only applied to new incinerators.

Let me also say the distinguished Senator from Pennsylvania as a neighbor and friend is well aware of the efforts in the mid-1970's on the part of New Jersey to attempt unsuccessfully to prevent the city of Philadelphia from dumping garbage in New Jersey. It is one of those problems that will continue to plague us if we do not look at it in a national sense. I know the Senator appreciates that.

I would hope that we have the opportunity to do that in some way other than the present amendment. But the amendment is before us and therefore we will have to deal with it at some point.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania [Mr. SPECTER].

Mr. SPECTER. Mr. President, the last comment by the distinguished Senator from New Jersey about Philadelphia trash requires a very, very long response which is unfortunate on Friday afternoon, especially unfortunate, since I have to return to the Souter hearing. So I just want the record to show I am not letting it go unnoticed or unpassed, but we will reserve that debate to another day. I know there is a sigh of relief from the staff.

I conclude, Mr. President, by asking unanimous consent that a newspaper article from the Scranton Times from Saturday, September 8, 1990, be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPECTER. This statement illustrates the very serious impact which comes to a local community, Scranton, PA, by the problem of New Jersey garbage coming in under the current status of the record.

I thank the Chair and yield the floor.

EXHIBIT 1

[From the Scranton Times, Sept. 8, 1990]

EMPIRE LANDFILL TO TAKE JERSEY TRASH

(By Paul R. Lyon and Lynne Slack)

Empire Landfill in Taylor won a $241.5 million contract Friday to dispose of 3.5 million tons of trash from Hudson County, N.J., over the next 10 years starting in 1991.

The contract was awarded by the Hudson County Improvement Authority despite opposition by state Rep. Gaynor Cawley and Citizens Alert Regarding the Environment, who objected to more out-of-state trash being trucked into Lackawanna County.

The five-member authority voted 3-0 with one abstention to award the contract to Empire primarily because the difference in price among the final four bidders was "compelling" in favor of the Taylor facility, according to Al Fiore, the authority's executive director.

One of the authority's members was absent from the vote, he said. Although he spoke by telephone to attorney Michael Cawley, a spokesman for CARE, Fiore said he had not received a CARE facsimile opposing the contract prior to the authority's vote.

The contract will have to be approved by the Hudson County Board of Freeholders and be forwarded for review to the New Jersey Department of Environmental Protection by Sept. 30, he said.

"We're under a rather tight deadline," Fiore said. 'We don't have any options. By the first of the year, we have to start shipping."

Under the terms of the contract with Empire, he said, Hudson County will pay an average of $69 a ton for trash disposal. The authority, which plans to start sending trash to Empire on Jan. 1, expects to send 750 tons a day for the first two years; 1,700 tons a day during the third and fourth years, and 750 tons a day for the balance of the 10 years, according to Fiore.

He said the landfill will be providing transportation of the county's trash. But Fiore said the landfill will not be using Penpac Inc., of Totowa, N.J., to transport its trash. The firm was involved in an accident Jan. 8 along Keyser Avenue that killed a Dickson City woman and seriously injured her husband.

"We're going to make sure that doesn't happen again," said Fiore.

Asked for comment Friday night on the contract award and tonnage limits imposed by the state, Ed Shoener, regional director of the state Department of Environmental Resources, said, "We're going to have to review the whole matter with our attorneys. This issue is still formally in litigation with Empire Landfill."

Responding to opposition voiced by Scranton-area groups, Fiore said Hudson County's trash should not represent an additional burden on Lackawanna County because it will come in place of about 1,500 tons of trash a day that recently stopped flowing to Empire from Passaic County, N.J.

"We don't think it will be an outrage," said Fiore. "We realize it's a burden, but we have no choice. As you know, we have very serious problems in this state."

Hudson County currently takes its trash to a municipal landfill operated by the Hackensack Meadowlands Development Commission. But the commission recently was ordered by the NJDEP to close the dump by 1992, forcing Hudson County to bid out for at least part of its trash disposal.

The authority plans to send about half its daily tonnage of garbage to Empire, said Fiore.

Responding to whether Hudson County's trash would put Empire over Gov. Robert P. Casey's executive order that Pennsylvania landfills accept only 30 percent out-of-state trash, Alan W. Stephens, the landfill's operations manager, said Empire's daily tonnage limits still are being negotiated with DER.

But, he said, "We wouldn't be taking something if we knew it was going to put us over a limit we knew was going to be established. We would not be exceeding the limit we're negotiating for."

Negotiations between Empire and DER began after the landfill appealed to Commonwealth Court a DER order reducing Empire's limit from 5,000 to 3,539 tons a day.

Stephens' position is that Casey's executive order does not apply to Empire's pre-existing contracts with New Jersey counties, and therefore those amounts of daily trash cannot be figured into the landfill's daily limit ratio.

Of the 3,539-ton-a-day figure, he said, 3,109 tons come from out of state. But contracts for about 90 percent of that garbage already had been established before Casey's executive order.

"Pre-existing contracts were not included in that 70-30 average, and obviously 90 percent of our contracts were from out of state," said Stephens. "Anything we had before the governor's executive order would not be included in the 70-30 average."

Should the Hudson County contract pass the necessary reviews, he said, the county will join Morris, Somerset and Essex counties in sending out-of-state trash to Empire.

But, said Stephens, the perception that the landfill is trying only to get out-of-state trash is incorrect. Empire has bid on a number of Pennsylvania contracts, but was unsuccessful in obtaining the pacts.

"I certainly don't want people to believe we are only bidding on New Jersey garbage because that's not true," he said. "We are bidding on a lot of Pennsylvania markets. But it's a competitive situation, so you don't always win."

The PRESIDING OFFICER. The Chair recognizes the Senator from New Jersey [Mr. BRADLEY].

Mr. BRADLEY. Mr. President, I am prepared to discuss this long into the night and as long as it takes to try to convince the Senate to focus on this issue in a way that I think is worthy of the careful consideration that the Senate frequently gives matters. The fact of the matter is that when you fight for the interest of your State sometimes you have to stand alone. The fact of the matter is that both the distinguished Senator and my colleague, Senator LAUTENBERG from New Jersey, and I have on previous occasions blocked this amendment.

The distinguished Senator from Indiana offered it to another bill. It has now been offered to this bill. We can continue to block it. At the same time, the distinguished Senator from Indiana I think deserves to have a hearing, and we are attempting to accommodate him. It is within his right, of course, if we block him on this bill to come back on any other bill. At some time or other, the distinguished Senator will more than likely obtain a vote.

So, Mr. President, I would like to, on behalf of the majority leader, propose a unanimous-consent request that I think will resolve the issue.

UNANIMOUS-CONSENT AGREEMENT

Mr. President, on behalf of the majority leader, I ask unanimous consent that at 6 p.m., Monday, September 17, when the Senate resumes its consideration of H.R. 5311, the D.C. appropriations bill, there will be 1 hour of debate on the Coats amendment No. 2640, with the time equally divided and controlled in the usual form, and that upon the use or yielding back of time, the Senate vote on the Coats amendment No. 6240; that upon disposition of the Coats amendment, the Senate proceed to the disposition of the Nickles amendment No. 2639, as amended, if amended; that upon disposition of the Nickles amendment No.

2639, without any intervening action or debate, the Senate proceed to final passage of H.R. 5311.

I further ask unanimous consent that, following disposition of the amendment by the distinguished Senator from Indiana, Senator COATS, numbered 2640, it not be in order to propose any amendment nor any measure or to consider any measure during the remainder of this Congress dealing with specifically the ability of one State to prohibit or ban the import or charge fees on the importation of solid waste from another State, which is the subject matter contained in amendment No. 26.

The PRESIDING OFFICER. Is there objection?

Mr. COATS. Mr. President, reserving the right to object, and I will not object, I want to first of all state to my colleague from New Jersey, I think we both understand that we will be willing to stay here all day, all night, all weekend; that as the majority leader said, we have to pass on this.

Our discussions and negotiations with the majority leader have produced what I think is an acceptable solution to the issue that we will have 1 more hour of debate on Monday evening, September 17, a time equally divided, and move to an up-or-down vote on the Coats amendment.

That is all that I had asked for earlier, that the issue be addressed, debated, and then voted on.

I thank the Senator from New Jersey, both Senators from New Jersey, for their willingness to acknowledge what I felt to be the right of any Senator, and that is to ask for a vote on an amendment that he has proposed.

I also think it is appropriate that given the short amount of time between now and the end of the session, the very critical nature of the budget talks and the situation of the Persian Gulf and many things that the Senate needs to do before adjournment, that it is appropriate for us to dispose of this matter, to have a vote, and to agree on both sides that we will accept the will of this body, the majority vote will prevail and that neither side will come back to attempt to do or undo, attempt another shot at this.

There is plenty to do in the Senate between now and the time of the adjournment. There are many important matters. This obviously is very important to the State of Indiana and important to me. But I think this is a fair opportunity. We have had an opportunity to debate the issue. We will now have an opportunity to summarize our remarks and take a vote up or down on the matter this coming Monday.

So I again thank the Senator from New Jersey for his consideration, and Senator LAUTENBERG also. I look forward to the vote on Monday to occur as ordered under the unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the Senator from New Jersey? If not, that will be the order of the Senate.

Mr. BRADLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BRADLEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BURDICK). Without objection, it is so ordered.

MORNING BUSINESS

Mr. BRADLEY. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ICONOCLAST OF CAPITOL HILL—SENATOR WARREN RUDMAN

Mr. COHEN. Mr. President, the often blinding pace of congressional life can hinder us from acknowledging the truly unique people within this Chamber. I rise today to recognize my good friend and neighbor Senator WARREN RUDMAN.

Senator RUDMAN is a man who has brought a special quality to this Chamber. A recent Time magazine interview referred to Senator RUDMAN as "The Iconoclast of Capitol Hill." Inherent in the character of this unique Senator are the qualities of toughness, tenacity, and a fiery persistence that makes me proud to be his friend.

Mr. President, I ask unanimous consent that the August 10, Congressional Insight's laudatory words on Senator RUDMAN, as well as the Time magazine interview be inserted in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Time magazine, Sept. 3, 1990]

INTERVIEW: THE ICONOCLAST OF CAPITOL HILL

(By Hays Gorey)

Q. You were highly visible in the David Souter nomination to the Supreme Court. Was that to divert attention from Souter's ties to John Sununu?

A. It was to portray the accuracy of the fact that I have been advancing David Souter's interests, on my own, without his consent, for 20 years. I wanted my colleagues to know very accurately that he was very close to me, because I would hope to have some credibility with my colleagues.

Q. Souter comes across to much of the public as rather weird.

A. Weird? He has lots of friends. He has a very active social life. He lives on a farm a few miles from the capital of our state. I hardly think you have to come out of the Upper East Side to qualify for a seat on the Supreme Court. Or drive a Mercedes.

Q. People believe Sununu would block any Supreme Court nominee whose views on abortion he did not know.

A. I know for an absolute fact that neither I nor John Sununu, nor indeed the President of the United States, knows David Souter's views with any precision on the whole question of Roe v. Wade and Webster.

Q. Will it be fair game if Senators try to probe his thinking on Roe v. Wade at the confirmation hearings?

A. I don't think so. Two or three cases will be coming to the Supreme Court. That would make [abortion views] off-limits as far as I'm concerned.

Q. Congress is held in very low esteem. Is there a cure?

A. Yes, if we'd act with more alacrity around here in getting things done. In my opinion, that's the single most important thing we could do. We know what we have to do, we know how to do it. But there is such a terrible collective lack of political will to get things done.

Q. Is the Ethics Committee, of which you are vice chairman, in a no-win situation?

A. No. It is true that if we find someone guilty and recommend sanctions, it is very difficult because that person's a friend. This committee looks at every one of these cases individually, looks at the Keating Five individually, looks at the D'Amato case individually, and we will let the chips fall where they may. It's the institution that matters most.

Q. Why are so many members of Congress caught up in corruption? Is it the system?

A. I disagree with the premise. I've been on the Ethics Committee for six years now. There are a few bad apples around here, but in the main, people are pretty ethical. This is a far different Congress than it was even 30 years ago. That may not be the public perception, but it's a fact.

Q. Is it possible for members to serve their constituents without risking censure?

A. Certainly. We have had ample evidence in history of the tyranny of government. And when some constituent is unfairly treated by the Defene Department or by the IRS, the only people they have to turn to are their elected representatives. There is nothing wrong with members of Congress ensuring that their constituents are treated fairly. That is quite different from seeking special treatment.

Q. How responsible is Congress for the S&L scandal?

A. First, I would fault the regulators. Then I would fault Congress for not giving enough money to the regulators to do their jobs. I would certainly fault the Administration for not being quick enough to give proper guidance to the regulators. Anyone who points fingers ought to stand in a circle. There's certainly enough blame to go around.

Q. Why were you uncertain about staying in Congress, seeking a second term?

A. I had never set my sights on this job. But I came here feeling the Reagan Administration would find a way to cut government expenditures. I don't really like living here in Washington. I didn't feel I was accomplishing anything important. But when Phil Gramm and I got together on Gramm-Rudman-Hollings in 1985. I changed my

view. I thought one person could make a difference.

Q. What about a third term?

A. I'm really torn about it. There are other things I'd like to do. I like Howard Baker's wonderful remark the day he announced he was not going to run for re-election. He said, "I was a young wealthy lawyer when I arrived here 18 years ago, and I've gotten over all three.' The level of frustratin is still pretty high. I think this deficit situation shouldn't take as long as it's taking. I think we all ought to be willing to take some political risks. The worst thing that can happen to us if we do something we know is right for the country is we get defeated for re-election and probably have a much better life than we have here. I think we ought to take some risks. George Bush is doing it.

Q. Finally.

A. Well, finally. Obviously the choice he had was keeping a pledge that was absolutely unrealistic and seeing the country go down the tubes, or do something and see the economy strengthened. That's no choice at all.

Q. You've got a reputation as being pretty blunt. You characterized the Republican report on the Iran-contra affair as "pathetic," for example.

A. I also quoted Adlai Stevenson and said they separated the wheat from the chaff and left in the chaff.

Q. What was the fallout political?

A. Nothing. The Boston Globe took a poll in New Hampshire. Among Republicans I had 75% favorability.

Q. Why won't you go to black-tie functions in Washington?

A. I think they're a toal anachronism. They go back to 18th century England, when the rich all dressed in fancy black tie and gown for dinner every night while the poor were starving in the street. That's one thing Gorbachev and I agree on. He won't wear a black tie either. I don't go to functions where they wear dungarees and sweat shirts either. I just don't go.

Q. Why?

A. I don't like big crowds. I don't want to go out and sit with a bunch of strangers—you know, 2,800 of the President's "best friends."

Q. Are you invited to the White House?

A. I have been invited to a number of functions. I refused all them, except one—an informal dinner in the residence and then down to the theater to see Dick Tracy. I knew everybody there, and it was very informal.

Q. Why are you a Republican?

A. I guess because my father was. As it turns out, that was the right choice for me. That government's best that governs least. I think we believe that. So I'm very comfortable in the party.

Q. You are critical of the press for the way it has treated Quayle.

A. Critical in the sense that they make him out to be a simpleton.

Q. Did he bring any of that on himself with such statements as "I haven't lived in this century"? There are whole books devoted to Quayle's sayings.

A. There's no question Dan's said some things that probably were poorly stated. Jerry Ford holds the world's record for malapropisms. That does not lessen his worth as a human being or as a President.

Q. C'mon. Is Quayle presidential material?

A. I don't know. I truly don't. Some of the testing is yet to be done. He'll go through some crises as Vice President. Just because he was picked as one of 100 Senators to be Vice President doesn't add to his depth. He now has to establish that, and it's been very difficult for him because of the adverse attitude toward him by the press. I think it is very unfair to characterize Dan Quayle as some lightweight who is far more interested in playing golf than becoming expert on issues.

Q. You have said that before you could support a Dan Quayle candidacy for President, you would have to see the field. What if the field were James Baker, Bob Dole and Quayle?

A. I would probably go to Australia for a year.

Q. In 1988 George Bush had to win New Hampshire or he was through. You supported Bob Dole. Does the memory linger with the President?

A. Yes, it does. But I understand American politics. I put all that behind me.

[From Congressional Insight, Aug. 10, 1990]

Even if his good friend weren't about to join the Supreme Court * * * Sen. Warren Rudman (R-N.H.) could look fondly at the past year. He's been out front on big issues like campaign finance, ethics * * * and has proven his influence in Senate and at the White House.

Some try to credit John Sununu for nomination of David Souter * * * but on Hill, Rudman gets much credit for promoting his friend's name for high court. Talk may be White House's doing, to head off liberals who might attack a nominee handpicked by conservative staff chief Sununu.

Souter was Rudman's protege and successor as atty' general of New Hampshire. And Rudman helped get Souter on U.S. appeals bench this spring.

Smooth sailing is still forecast for the unknown nominee, and by shepherding the confirmation, Rudman will earn another feather in his cap.

Souter just adds to growing list of Rudman wins. Here are some:

His role in Sen. Dave Durenberger's ethics case won Rudman raves.

As vice chairman of Ethics panel, he shaped the course and character of investigation, committee deliberations, and floor vote on Durenberger.

"We shed all partisanship and, unfortunately, all friendship," he said, describing Ethics Committee's approach in closed-door deliberations.

The former prosecutor's poignant floor speech won points on both sides of the aisle, at once urging a severe penalty—denouncement—and evoking compassion for colleague falling to emotional and financial strains.

Rudman defended investigation and panel procedure, putting himself at fore of discussion of procedural changes. In '89, he chaired GOP ethics task force and co-authored bipartisan ethics bill with Carl Levin (D-Mich.).

A rare GOP stalwart for Legal Services Corp.—frequently target of administration ax—Rudman helped keep legal aid alive in Reagan era.

Bush seemed friendlier to program, until White House squeezed John Erlenborn, former Illinois rep Rudman recruited, off Legal Services board.

Rudman was furious, but it looks as if he will get his way again.

Tom Rath has inside track for Erlenborn's seat on the board. Rath, another favorite of Rudman, succeeded Souter as N.H. attorney general.

Rudman didn't win on campaign finance, but some of his ideas did.

GOP leader Bob Dole put Rudman on a panel to seek deal with Dems, but both parties stuck to hard-line positions; Rudman voted "no" on bill.

Dems did move toward his stance on banning PACs, cutting TV costs.

None of this year's success put Rudman's name in public view * * * like Gramm-Rudman deficit reduction law he co-authored in 1985.

Its fans hoped prospect of cuts would finally force tough choices this year—until Mideast war, fear of recession made that less likely.

THE 50TH ANNIVERSARY OF THE BATTLE OF BRITAIN

Mr. WALLOP. Mr. President, while our attention is riveted on the critical events unfolding in the Persian Gulf, I believe we should pause for a moment to recall another time when civilization was threatened by a brutal aggressor, and was saved by the narrowest of margins.

Tomorrow, September 15, our British cousins celebrate the 50th anniversary of the Battle of Britain. We would be remiss if we failed to take proper note of the occasion, and reflect upon its significance.

The Battle of Britain, following the catastrophic defeat of France, began in late July 1940, and continued into the fall. The climax of the battle came on September 15. On that fateful day Hermann Goering, fought to a standstill by the tenacious Royal Air Force, shifted the Luftwaffe's main effort away from the battle for control of the air and to the equally futile effort to terrify the British into surrender by bombing their cities.

It was not a particularly large battle in terms of the men and machines, engaged, generally no more than several thousand at a any one time. Yet it ranks with other turning points in history—with ancient Marathon and Salamis, with Waterloo and Midway—when freedom stopped the march of tyranny. If the Germans had succeeded in destroying the RAF and gaining command of the skies, their next step would have been the invasion of England. The Nazi scourge might well have survived to the present, and the world would be infinitely worse today.

Consequently, the entire free world, not just the British Commonwealth, owes an immeasurable debt to Air Marshals Hugh Dowding, Keith Park, and Leigh-Mallory. To the brave pilots of the RAF, men like Peter Townsend, "Sailor" Malan, and Richard Hillary. Like the incomparable Douglas Bader, who lost the lower portion of both legs in an air crash in 1931, yet rejoined the RAF, becoming a superb tactician and leader of men as well as a far better pilot than most men with two sound legs.

And we are indebted as well to the unnamed heroes—the Observer Corps, the radar operators, the RAF ground crews and to the engineers, technicians, and aircraft manufacturers at Hawker and Supermarine, to the men that built radar. They gave the RAF the narrow technical edge that compensated in part for the Luftwaffe's numerical superiority.

But Mr. President, while encomiums to the victors on the eve of this anniversary are certainly in order, I have another purpose in mind. The Battle of Britain teaches us lessons that are as fresh and valid today as they were in 1940.

If the people of Britain had listened to Prime Minister Stanley Baldwin and other apostles of air power based only on the offense, they would have invested all their resources in strategic bombers, and would have been without the means to defend their island—without the fighter-interceptors that eventually won the battle.

Baldwin said in 1932 that ". . . no power on Earth can protect us from being bombed. The bomber will always get through. The only defense is offense, which means you have to kill more women and children more quickly than the enemy if you want to save yourselves. . . ."

Mr. President, this is identical to today's rhetoric of offense-only deterrence, also known as "MAD," or Mutual Assured Destruction. Change "bomber" to "ballistic missile" and Baldwin's speech would be indistinguishable from many speeches heard in this Chamber opposing the strategic defense of the United States.

But fortunately for the free world, the British listened to Winston Churchill and others who advocated the strategic defense of their island. They built fighters as well as bombers. They had hundreds of sturdy, dependable Hurricanes. And despite the extra costs and difficult manufacturing imposed by its revolutionary design, they built R.G. Mitchell's Spitfire, an airplane that could fly faster and turn inside the German Me-109.

And even though skeptics groused that "it will never work," and "it will cost too much," the British supported the technical genius of Sir Henry Tizard and R.A. Watson-Watt, who developed radar. Radar gave decisive early warning and the direction of Luftwaffe attacks, allowing the RAF to vector and mass its fighter squadrons to meet them.

Mr. President, the right means to defend one's country are essential. To send men into battle with insufficient or inferior means is a profound moral as well as political failure. But important as they are, machines and technology do not always decide the outcome of the battle. Victory—or defeat—occurs first in the human soul. Human will and intelligence must animate the material means of war; otherwise the machines are just so much scrap metal.

The RAF won not because all their airplanes were technically better or their pilots more skilled. In fact, German fighter planes and pilots were superb. Only the Spitfires were measurably superior, and they were relatively few in number.

No, Mr. President, Britain won the battle because of the innate bravery and toughness of the English people, and their unselfish cooperation and teamwork at all levels, because of the determination and resolve of the Government, because of the inspired, monumental leadership of Winston Churchill—would that we had more like him today.

And ultimately, of course, Britain's victory was the result of the indomitable courage, faith in their cause, and unshakable fortitude of the gallant few, the pilots of the RAF who flew daily, sometimes three or four times daily, into the shadow of death.

They fought not only a brave, skillful, and more numerous enemy. They also fought the stress of unremitting aerial combat, the ordeal of long waits for the order to scramble, knowing that each time they took off might be their last. As the law of averages took its toll, they battled the imminence of their own mortality, and the pitiless lottery of war that could draw their number at any time and send them down to flaming death.

And so, Mr. President, I offer a personal tribute to the pilots of the Royal Air Force. Mostly British or from Commonwealth nations, but also among them Poles, Czechs, Free French, and even some Americans.

I salute the living veterans of the battle, those who survived to enjoy the thanks of their countrymen and the sweetness of victory. As for the 550 young men cut down in the flower of their youth in 1940, we can only remember their sacrifice with gratitude.

They shall not grow old as we who are left grow old: Age shall not weary them, nor the years condemn. And at the rising and the going down of the sun, We will remember them.

TAX POLICIES TO SPUR ECONOMIC RECOVERY

Mr. KASTEN. Mr. President, I rise today to make a few brief comments about taxes, the budget and the state of the U.S. economy.

This is a time of immense economic peril for America. We've all been following the developments in the Middle East. And we all know that the oil price shocks may well tip America into recession.

The alarm bells are ringing in the real economy:

Real GNP growth is down to 1.2 percent.

Inflation has ticked up to 5.8 percent.

The NFIB's small business optimism-index is at the lowest level recorded since 1982.

Unemployment has jumped to 5.6 percent—and for the first time in this expansion, the economy has failed to create a single new private sector job.

It's beginning to look much like the America of the late 1970's: Slow growth. High inflation. High unemployment.

But we should not blame it all on the Iraqi invasion of Kuwait and rising oil prices. I think most of the blame rests on the misguided policies that have been passed by the Congress.

We have turned away from the pro-growth policies that were responsible for America's remarkable prosperity in the last decade.

In the early 1980's, we cut tax rates. We deregulated the economy. We reduced the growth rate of spending. And we improved monetary policy.

These pro-growth policies sparked the longest peacetime recovery in history, generating over 20 million new jobs, raising family incomes and spurring a record rate of small business creation.

We based our economic recovery plan on the belief that there is no limit to what individual Americans can do to create prosperity and opportunity—if they are freed of unreasonable limits imposed on them by government.

But in recent years, we've abandoned this formula for success:

The growth rate of Federal spending has jumped from 1.4 percent in 1987 to 7.4 percent in 1989.

A new round of overregulation and unreasonable mandates have hampered the ability of small businesses to grow and prosper.

Perhaps most important of all, the dramatic hikes in capital gains and payroll taxes over the last few years have put a brake on risk investment and job creation.

It's time to turn back from the brink—to do everything we can to get the economy moving again. We can prevent the kind of economic malaise we experienced in the late 1970's by going back to the policies that created our prosperity in the 1980's.

I think an impending recession brings a new dynamic to the budget debate. Instead of a budget summit, we ought to be convening a "growth summit."

Economic growth should be our No. 1 priority—our No. 1 goal. And most economists—both Keynesian and supply-siders—would agree that the quickest and most effective way to stimulate growth is to cut taxes, not increase them.

We need to cut the capital gains tax to 15 percent as I have proposed along

with CONNIE MACK and RICHARD SHELBY.

America has lost its entrepreneurial edge. Since the capital gains tax was raised in 1989, overall investment growth has slowed and new business formation has actually declined for the first time in this expansion.

The high capital gains tax has reduced real estate values, thus increasing the cost to the S&L bailout. Also by locking in gains, it has hurt many State budgets which had previously relied on taxable capital gains for their State tax receipts.

It's just not right for us to hamper our entrepreneurs at a time when our competitors abroad have cut their own capital gains taxes—and in many cases, eliminated the tax altogether.

We ought to cut the Social Security payroll tax along the lines proposed by Senator MOYNIHAN.

This regressive tax is forcing many small businesses to lay off workers. It punishes one of America's most vibrant sectors—self-employed individuals who have to pay both portions of the tax.

It hits those at the very bottom of the economic ladder the hardest. Instead of using this money to mask the deficit, we ought to give it back to the workers and small businesses of America who earned.

This tax cut will show up immediately in the paychecks of America's working families, stimulating consumer spending and work incentives.

And contrary to popular misconception, these tax cuts would not make it harder for Congress to balance the budget. Just the opposite: If enacted, this plan will make it easier to control the red ink by encouraging rapid economic growth.

Economist Allen Sinai estimates that a 15 percent capital gains tax will stimulate investment and GNP growth to generate almost $40 billion in new tax revenues over 5 years.

While the revenue gain from a capital gains tax cut will not entirely offset the revenue loss from a payroll tax cut in the short-run, these two tax cuts combined will increase GNP in the long-run.

Any temporary loss from this package will be far less than the losses that would result from a recession.

A modest recession—negative 1 percent real growth for four quarters—would increase the deficit by $340 billion over 5 years, as compared to current economic assumptions.

A deep recession—negative 1.8 percent growth, similar to the 1974-75 recession—would increase the deficit by $415 billion over 5 years.

A severe recession on the scale of the 1981-82 could increase the deficit by $600 billion over 5 years.

Furthermore, a recession will dramatically increase the cost of the S&L bailout, raising the deficit by hundreds of billions more.

We can't fight the deficit with economic growth alone. We've got to cap the growth rate of Federal spending.

I want to commend the summiteers for making significant progress on the spending side. I think we've got to be sure that those savings are enforceable.

Otherwise, we'll end up with another deal like the 1982 TEFRA compromise which promised $3 in spending cuts for $1 in higher taxes, but instead increased spending by more than a $1 and deficits by $80 billion.

Mr. President, America is at an important economic crossroads in history: Will we go forward with the low-tax policies of the booming 1980's, or will we turn back to the dark days of high taxes and despair of the 1970's.

I am confident that we can put together a bipartisan coalition for growth and opportunity. I think we can combine pro-growth cuts in the capital gains tax and payroll tax in way that would engender wide bipartisan support.

I think we can go forward. I hope to bring this tax cut package to a vote as an amendment to the long-term debt ceiling bill. Let's put the Senate on the side of jobs, economic growth and opportunity.

I yield the floor.

SOVIET MILITARY TRAINS IRAQI TROOPS IN LATVIA

Mr. HELMS. Mr. President, yesterday the Government of the Republic of Latvia discovered that Iraqis are being trained on a Soviet military base in Riga. The Soviets have not suspended activities designed to help the Iraqi Government gain military expertise even after their condemnation of the the illegal invasion of Kuwait.

According to the Supreme Council of the Republic of Latvia, the Soviet Navy is training members of the Iraqi Armed Forces. It is unknown how many other Iraqis are trained in other Soviet military bases.

The news of Soviet duplicity is especially alarming for the Latvian people. The Baltic governments were among the first to condemn Iraq's aggression against the sovereign nation of Kuwait. The Supreme Council would like the world to know that the Republic of Latvia "protests such actions and that the Republic of Latvia has no part in the unfortunate fact that violated Latvia territory is being used to train the soldiers of an aggressor nation." The Republic of Latvia further asked that it be briefed on all activities of foreign military personnel on their territory in the future.

How serious can the Soviets be in ending Iraq's territorial aggression if they continue to train specialists in Iraq and they even bring Iraqis into military bases on foreign soil that they themselves occupied? Soviet actions in Latvia are a direct threat to world action against the invasion and an affront to American men who are putting their lives at stake in the Persian Gulf. Soviet actions directly contradict Gorbachev's assurances at the Helsinki summit and in the press that the Soviet Union stands with the United States against Saddam Hussein's military machine.

After suffering from foreign domination since 1940, the people of the Baltic States understand the injustice of a large country's territorial aggression against their smaller neighbor. They watch with joy as the world seems to unite to save the Kuwaiti nation from extinction. But they wonder why Kuwait's case is any different from their own. Fifty years after the military invasion of their countries, when the Baltic nations have finally been able to elect governments representative of the people and for independence, Western nations remain hesitant in coming to their aid.

Earlier this week in Moscow, the West suggested that the consequences of World War II have been liquidated. Mr. President, World War II has not ended until the Soviet Union ceases to occupy Lithuania, Latvia, and Estonia militarily and stops assisting countries such as Iraq. The Soviet Union should be well-advised to send the soldiers of Iraq's armed forces out of the territory of the Republic of Latvia immediately as the Latvian Government has demanded, or the United States will have serious questions about the seriousness of the Soviet commitment to the Kuwaiti people.

Mr. President, I ask unanimous consent that reports from the Associated Press and Radio Free Europe on the training of Iraqi troops in Soviet-occupied Latvia, and a resolution of the Latvian Supreme Council be printed in the RECORD in the conclusion of my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

BALTIC GULF—LATVIA PASSES RESOLUTION ON SOVIET-IRAQ CONNECTION

Moscow, September 14.—The presidium of Latvia's parliament passed a resolution Thursday protesting what it said was the training of Iraqi troops at a Soviet naval base near the republic's capital of Riga.

There was no way to independently verify the report that Iraqi troops were stationed at the Soviet navy training center in the Baltic port.

A Canadian television station reported Wednesday that Latvian foreign minister Janis Jurkans confirmed the Iraqis were being trained at the base.

Latvia, along with the neighboring Baltic republics of Lithuania and Estonia, have declared themselves sovereign republics.

The Soviet Union has condemned Iraq, a longtime ally, following its invasion of

Kuwait on Aug. 2 and has cut off arms shipments to Baghdad.

In the past, the Soviet Union has trained thousands of soldiers from socialist states and other nations to whom it has sold military weapons.

Andrejs Krastins, a vice-chairman of the Latvian parliament, told a western reporter in Riga that there were "several dozen" Iraqis studying rockets and missiles at the base, and he suggested that Latvia might cut off water, electricity and food to the base.

The resolution, endorsed by the parliament's presidium, or cabinet, expressed "a firm and categorical protest against the stationing and military training of soldiers from the armed forces of the aggressor-state Iraq, which is occurring in the territory of the Republic of Latvia and is sponsored by the military leaders of the U.S.S.R. armed forces.

The resolution demanded that parliament's defense and internal affairs commission inspect the base, that any Iraqi soldiers leave Latvian territory, and that the administration of the Soviet navy and the Baltic military district "immediately inform the supreme council of the Republic of Latvia about all foreign military personnel and their family members who are stationed in the territory of the Republic of Latvia."

IRAQI SAILORS BEING TRAINED IN LATVIA, SUPREME COUNCIL LEADER STATES

(Munich, West Germany—RFE) The American Latvian Association today received a report, by way of Radio Free Europe/Latvian Section, by Latvian Supreme Council Vice-Chairman Andrejs Krastins, which revealed that the USSR Navy is training Iraqi sailors at a naval training facility just north of the Latvian capital, Riga. A translation of that report follows:

TRAINING OF IRAQI SOLDIERS IN LATVIA BRINGS PROTEST

As Andrejs Krastins, vice-chairman of the Supreme Council of the Republic of Latvia, announced on September 12, Iraqi officers and soldiers—the complement of two warships—are being trained in Bolderaja. It is anticipated that the Presidium of the Supreme Council of Latvia will adopt on September 13 an official protest resolution, which will be distributed to the world press and delivered to the Iraqi and Kuwaiti Embassies in Moscow [see ALA Press Release "Supreme Council Condemns Training of Iraqis on Latvian Soil" for full text of adopted resolution].

In talking to Radio Free Europe A. Krastins said: "We currently have an exceedingly painful problem in Latvia, due to official information, that has appeared on television and in the press, concerning the training of Iraqi naval officers and soldiers at the Bolderaja training center, which belongs to the Soviet Navy.

We condemn this in the strongest manner, Tomorrow (Sept. 13) the Presidium of the Supreme Council will also review this matter, because we would like to turn to the entire World community with an assurance that the Republic of Latvia protests against such actions and that the Republic of Latvia has no part in the unfortunate fact that violated [Latvian] territory is being used to train the soldiers of an aggressor nation."

In response to a question on the number of such soldiers in Bolderaja, he responded, "according to preliminary information, which was shown on [Latvian] television, they consist of the complement of two small missile ships."

A. Krastins concluded: "This is a direct threat to the United Nations-sanctioned security forces in the Persian Gulf and it contradicts Gorbachev's assurances, which were presented both at the Helsinki summit and in the press." A. Krastins expected that the resolution by the Presidium of the Supreme Council would be adopted on September 13 and passed along to the press, as well as sent to the Iraqi and Kuwaiti Embassies in Moscow, "with which we express our solidarity with Kuwait."

RESOLUTION OF THE SUPREME COUNCIL PRESIDIUM OF THE REPUBLIC OF LATVIA "REGARDING THE STATIONING OF IRAQ'S MILITARY PERSONNEL IN THE TERRITORY OF THE REPUBLIC OF LATVIA"

The Supreme Council of the Republic of Latvia,

Taking into account the recent information about the military training of soldiers from Iraq's armed forces which is currently taking place at the USSR Navy Training Centre located in Riga, the capital of the Republic of Latvia;

Considering that this information has been verified by the administration of the above-mentioned training centre; and

Taking into consideration the August 3, 1990 Communique of the Supreme Council of the Republic of Latvia which condemned the aggressor-state Iraq and expressed its moral support to the people of Kuwait and to its legitimate government, resolves:

1. To express a firm and categorical protest against the stationing and military training of soliders from the armed forces of the agressor-state Iraq which is occurring in the territory of the Republic of Latvia and is sponsored by the military leaders of the USSR armed forces.

2. To demand that the soldiers of Iraq's armed forces leave the territory of the Republic of Latvia.

3. To demand that the administration of the USSR Navy and the Baltic Military District immediately inform the Supreme Council of the Republic of Latvia about all foreign military personnel and their family members who are stationed in the territory of the Republic of Latvia.

4. To request the Defense and Internal Affairs Commission of the Supreme Council of the Republic of Latvia to immediately inspect the USSR Navy Training Centre in Riga and to report back to the Supreme Council of the Republic of Latvia.

5. This resolution becomes effective at the moment of its adoption.

A. GORBUNOVS,
Chairman of the Supreme Council of the Republic of Latvia.
T. DAUDISS,
Secretary of the Supreme Council of the Republic of Latvia.

RIGA, *September 1990.*

SHOES FOR SOLDIERS

Mr. KASTEN. Mr. President, at a time when the hearts of all Americans are with our men and women in uniform in the Persian Gulf, we ought to take time to recognize the efforts of those who are making the lives of America's soldiers a little bit easier.

Freeman Shoes of Beloit, WI, deserves special praise in this regard.

Freeman Shoes—the manufacturer of a black military shoe that weighs considerably less than other military shoes—recently beat out no fewer than 18,000 other firms to win the coveted Innovative Product Award of the Army and Air Force Exchange Service.

I am proud to take this opportunity to congratulate company president Prasad Reddy and the 410 employees of Freeman Shoes on this important honor. I ask unanimous consent that the text of an article detailing the achievement of Freeman Shoes be included in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 7, 1990]

ARMY ISSUE

(By Nathan Seppa)

BELOIT.—Wisconsin doesn't hold a big niche in the military-industrial complex, but every day thousands of American military personnel slide into shoes made in Beloit.

Freeman Shoes, that is. And the footwear has become so popular with men and women in uniform that the Army and Air Force Exchange Service has awarded the firm with its "Innovative Product" award.

Freeman beat out 18,000 other firms that sell goods to the Pentagon to become only one of four to receive the prize this year.

The product: a black shoe that weighs considerably less than the old standard military dress shoe—but shines up just as well.

"Nike and the others competed for this award," Freeman President Prasad Reddy told the firm's 410 employees who gathered under a blazing sun Thursday outside the plant to view the award. "But we got it."

Reddy wouldn't divulge how much the Pentagon pays for the shoes, but he said a similar civilian model would go for about $100.

The Freeman shoes won't see combat in the Mideast, but everyone in the service needs at least one dress uniform, top to bottom. These are the bottom.

Freeman itself bottomed out a few years ago. "We've been through some rough times," Reddy told his employees, referring to the company's sale and restructuring in the past three years. "The military business has kept this business going."

Freeman makes men's and women's military shoes, in both leather and provarir, a synthetic plastic material that simulates patent leather.

Actually, lightweight shoes have been in style on the street for years. "But nothing had been done for the man in uniform," said Joseph Cikar, general manager for military sales at Freeman.

After some negotiations with military officials, prototypes were developed and a shoe was agreed upon.

The result has been millions of dollars of business for Freeman and a measure of job stability for the workers here, about 300 of whom are members of the United Food and Commercial Workers Union Local 312R.

Katherine Perry, president of the local, said the workers make about $6 an hour—mostly by cutting, sewing and other shoe

work. They are paid on an incentive plan, or piecework.

Perry, herself a 37-year veteran of the plant, said later in the afternoon that the applause for Reddy's speech was genuine. "Prasad has a good outlook. People look up to him. We're hoping for good things to come," she said.

Nonetheless, the workers make fairly high payments on such things as health insurance. For example, Perry, who has family coverage, pays about $48 a week. even though the company pays a larger portion. Also, a retirement plan hasn't yet been worked out with the company.

In any case, spirits were undeniably high Thursday at the plant—which has about as many male as female workers. Many of the machines used are cast iron Singers, some 40 or 50 years old.

"They last forever, with proper maintenance," said Daniel McGinley, vice president of operations, as he strolled among the workers. "I guess Singer didn't know about planned obsolescence."

The material moves along from one group of women to another. First the leather or provarir is cut to size. The next group trims edges and sews labels on. Another sews linings into the sides, and the next stiches the sides and back. The uppers then are put in a heating chamber called a muller to soften, making the final job possible.

Stapling the insoles is hard work and involves more men than women. Finally, soles are attached and trimmed to size.

The company makes dozens of shoes, ranging from conservative business shoes to stylish, low-cut European loafers.

Workers are putting in overtime these days. This is the busy season, Reddy said, as sales are highest in November and December.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,008th day that Terry Anderson has been held captive in Beirut.

And the fifth anniversary of a great moment. The Reverend Benjamin Weir's release. After 494 days in captivity, Reverend Weir brought a message from Islamic Jihad and welcome news of David Jacobsen, Father Martin Jenco, Thomas Sutherland, and Terry Anderson.

Mr. Jacobsen and Father Jenco were released the following year. Thomas Sutherland and Terry Anderson still wait. As we celebrate with the Weir family, let us also remember the others and pray for their freedom.

THE SENATE INTELLIGENCE COMMITTEE'S REPORT ON U.S. CAPABILITY TO MONITOR SOVIET COMPLIANCE WITH THE THRESHOLD TEST BAN TREATY [TTBT] AND THE TREATY ON PEACEFUL NUCLEAR EXPLOSIONS [PNET]

Mr. BOREN. Mr. President, the Senate will shortly take up the question of whether to give our advice and consent to the ratification of two long-unratified treaties—the Threshold Test Ban Treaty [TTBT] of 1974 and the Peaceful Nuclear Explosions Treaty [PNET] of 1976. New verification protocols to these treaties were signed by Presidents Bush and Gorbachev on June 1 of this year and submitted to the Senate on June 28.

The Select Committee on Intelligence has been closely following the progress of the nuclear testing talks since September 1988. After agreement was reached on the new protocols, we held three hearings on United States capabilities to monitor Soviet compliance with the treaties and protocols and to meet the counterintelligence and security challenges posed by the regime of onsite inspection and monitoring that the treaties and protocols will create. Those hearings were supplemented by answers for the record staff-level briefings and staff visits to sites associated with the U.S. nuclear testing and monitoring programs.

Our committee also took steps to encourage executive branch analysis of these issues. On September 19, 1988, we requested that the Director of Central Intelligence produce a formal document, approved by the National Foreign Intelligence Board, on the ability of the United States Government to monitor Soviet compliance with the two treaties. This led first to an analysis published by the Director of Central Intelligence's Joint Atomic Energy Intelligence Committee in July 1989, and eventually to a natinal intelligence estimate published in July 1990.

To maximize the usefulness of the national intelligence estimate, we asked the Chairman of the Joint Chiefs of Staff to submit to the Director of Central Intelligence his assessment of the levels of Soviet evasion that he would consider militarily significant. We also asked the Secretary of Energy to provide an assessment of the Soviet technical, logistic, and programmatic requirements necessary to conduct such evasion. As a result, the national estimate is directly relevant to the policymaker and reflects the combined expertise of many agencies in the executive branch.

Last Wednesday, September 12, the committee unanimously approved a 116-page classified report on these subjects. This report covers the vertification protocols, United States collection and analytical capabilities, cooperative verification measures, Soviet compliance, evasion scenarios, monitoring judgments, safeguards, counterintelligence issues, and implementation concerns. This report is available to all Members of this body, under the provisions of Senate Resolution 400. I encourage every Member of the Senate with an interest in these treaties to visit our committee offices and read this report.

The committee also approved a short unclassified report, which I am pleased to file with the Senate. I also ask unanimous consent that the key findings and recommendations from this report be made part of the RECORD at this time.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

KEY FINDINGS AND RECOMMENDATIONS

BASIC MONITORING JUDGMENTS

1. As a result of the cooperative monitoring and inspection measures negotiated with the Soviets and recent improvements in U.S. analytical methodologies, the overall U.S. capability to monitor Soviet compliance with the 150-kiloton limits in the Threshold Test Ban Treaty (TTBT) and the Peaceful Nuclear Explosions Treaty (PNET) has been significantly improved.

2. The Committee concludes that unilateral U.S. capabilities and the cooperative measures provided for in the verification Protocols are sufficient to monitor Soviet compliance with the 150-kiloton limits.

3. The Soviets could conduct tests slightly above the 150-kiloton limits without the U.S. Government being certain that they had done so. The Soviets could not evade the 150-kiloton limits by a significant amount, however, without a lengthy, costly and risky covert evasion effort.

4. It will be more difficult to monitor Soviet compliance with the 35-kiloton and 50-kiloton "trigger levels" for onsite inspection and hydrodynamic or in-country seismic monitoring. These trigger levels will still serve their primary purpose, however, of making any major evasion of the 150-kiloton limits a much more daunting task for the Soviets.

SOVIET INCENTIVES TO COMPLY OR TO EVADE

5. The primary motivations for Soviet evasion would be to conduct full-yield tests to validate the performance reliability or safety of old or new weapons, or to preclude U.S. knowledge of Soviet exotic weapons programs.

6. These motivations are offset by Soviet reliance on proven nuclear weapon designs; by the fact that most nuclear testing needs can be met by tests under 150 kilotons; by the high costs of covert evasion: by the uncertainty that any evasion scenarios would work as intended: and by the risk of detection by the United States or revelation by an increasingly open and anti-nuclear Soviet press and society. The cost, risk and uncertainty factors would all increase if more than one illegal test were attempted.

EVASION SCENARIOS

7. Although the motivations and risks described above did not lead any executive branch witnesses to expect the Soviet Union to attempt any evasion of the Treaties, the following evasion scenarios were presented as examples of the most feasible approaches:

a. The Soviets could attempt an unannounced 300-kiloton explosion in a large cavity to reduce the seismic signal generated by the explosion, and thus the estimated yield, to near the 35-kiloton trigger level for on-site inspection. Covert construction of such a cavity would be a major activity costing hundreds of millions of dollars, requiring years to create and still running the risk of being detected.

b. Because the TTBT Protocol does not restrict the timing or separation of any tests below 35 kilotons, the Soviets could conduct multiple tests that would degrade seismic

estimates of yield. Multiple-explosion evasion scenarios appear more feasible regarding the trigger levels than for any significant evasion of the 150-kiloton limit.

c. Testing in deep space, a violation primarily of the Limited Test Ban Treaty of 1963, is the only technically feasible method of completely concealing the occurrence of a large nuclear explosion. The Soviets would not only have to fly a nuclear payload and testing equipment deep into space and be willing to pay the cost, but would also have to develop an adequate cover story for the mission and for their retrieval of testing data at a time when they are increasingly open about their scientific space missions.

PAST SOVIET COMPLIANCE

8. Given current U.S. Government estimates of the yields of past nuclear tests, the Committee can rule out any major Soviet violations of the 150-kiloton limits of 1976. The pattern of past Soviet testing is consistent with either of two other hypotheses; Soviet compliance with the 150-kiloton limit; or a few slight violations of it. The military rationale for slight violations remains in doubt.

9. The inability of the U.S. Government to determine whether the Soviets had or had not violated the 150-kiloton limits was sufficient reason for the United States to negotiate more stringent verification protocols.

IMPLEMENTATION AND COUNTERINTELLIGENCE

10. The executive branch has made sensible decisions on organization and policy for implementing the verification Protocols, analyzing the resulting data, producing monitoring estimates and reaching verification judgments.

11. There is a threat of Soviet intelligence exploitation of the inspection process, including efforts to compromise the secrecy of U.S. nuclear weapons and defense programs and to target U.S. inspectors in the Soviet Union.

12. No comprehensive interagency risk assessment has yet been completed. The risks at the Nevada Test Site and at potential locations for housing Soviet inspectors have not been fully evaluated partly because not all relevant Executive branch elements have participated adequately in the assessments.

13. The Executive branch has not yet resolved major issues of funding for implementation and counterintelligence. While the President could postpone exchanging instruments of ratification until funds for implementation are available, the mere availability of funds will not guarantee that the several agencies involved will have the needed counterintelligence resources in place before the first inspection occurs.

PROTOCOL CHANGES

14. The TTBT Protocol contains not only the basic monitoring rights, but also other provisions affecting monitoring capabilities that are essential for effective verification. They include those that specify data to be provided by the Testing Party; assure the reliability of CORRTEX monitoring; set the criteria for "standard" nuclear tests; and list the permitted activities and equipment of inspectors and monitors.

15. The TTBT Protocol also contains provisions that are essential for effective counterintelligence. They include provisions requiring the use of anti-intrusiveness devices and giving the United States the right to escort Soviet personnel at all times; to control the travel and contacts of Soviet personnel; to examine any equipment brought to the United States; and to inspect the baggage, personal belongings and packages brought or mailed by Soviet personnel.

16. These provisions are subject to change by the Bilateral Consultative Commission established pursuant to paragraphs 2-4 of Section XI of the TTBT Protocol. Executive branch statements thus far do not provide sufficient assurance that changes in such essential provisions will be subject to the advice and consent of the Senate.

RECOMMENDATIONS

1. The Executive branch should provide firm assurances that any changes in the TTBT Protocol regarding provisions that are essential for effective U.S. monitoring counterintelligence or security—such as those listed above—will be treated as amendments to the Protocol that are subject to the advice and consent of the Senate. The Committee recommends that a condition to the instrument of ratification be enacted to buttress those assurances.

2. The Executive branch should also assure the Senate that it will provide the Senate intelligence Committee prior notice of any other proposed change in the TTBT Protocol that may have a negative impact on U.S. monitoring, counterintelligence or security capabilities, to enable the Committee to voice an objection in appropriate cases, before the issue becomes moot. The Committee recommends that a condition to the instrument of ratification be enacted to protect the interests of all relevant Committee of the Senate.

3. The Parties agree, in paragraph 3 of Article I of the TTBT, to "continue * * * negotiations with a view toward achieving a solution to the problem of the cessation of all underground nuclear tests." The Committee did not consider whether the United States should negotiate further constraints on nuclear tests, but supports further research into technologies that may contribute to verification of compliance with any new obligations the United States may undertake.

4. The Executive branch should complete a comprehensive risk assessment immediately. In conjunction with that assessment, relevant agencies should inform the Intelligence Committee of their plans for effective counterintelligence and security countermeasures.

5. The Committee recommends that a condition to the instrument of ratification be enacted requiring that the President not exchange instruments of ratification until he certifies to the Senate that sufficient resources and time are available to prepare for TTBT implementation, including counterintelligence and security countermeasures.

Mr. BOREN. Mr. President, the committee's report finds that U.S. monitoring capabilities have been significantly improved in recent years, thanks to both improved methodologies and the new verification protocols. The committee concludes that U.S. capabilities will be sufficient to monitor Soviet compliance with the 150-kiloton limits in each treaty.

There are seven other findings regarding U.S. monitoring capabilities, and I invite my colleagues to study them in the RECORD. When the treaties come before the Senate, I will make a further statement setting forth all our findings. I will also introduce into the RECORD at that time the substantive comments on the treaties and protocols that we received from outside experts whom we asked to provide written statements of their views.

For now, however, I would like to focus my colleagues' attention on two issues that prompted the committee to suggest the need for conditions to an eventual resolution of ratification—U.S. preparedness to meet the counterintelligence and security challenges posed by on-site inspection and monitoring; and the question of how to change protocol provisions.

On the issue of counterintelligence and security measures, the committee found that there is a threat of Soviet intelligence exploitation of the inspection process, that no comprehensive interagency risk assessment has yet been completed, and that the executive branch has not yet resolved major issues of funding for the needed measures. We recommended that the executive branch complete a comprehensive risk assessment immediately. We also recommended:

That a condition to the instrument of ratification be enacted requiring that the President not exchange instruments of ratification until he certifies to the Senate that sufficient resources and time are available to prepare for TTBT implementation, including counterintelligence and security countermeasures.

It will not surprise my colleagues to hear that this recommendation attracted the attention of the executive branch. Indeed, ever since they received an early draft of this recommendation, executive branch officials have been trying to come to grips with the lack of preparedness that we had found.

They also have been trying to work out assurances that they could provide to this committee that would alleviate the need for a condition to the resolution of ratification.

Subsequent to the committee's release of our unclassified report to the Senate, the vice chairman of the committee and I received parallel letters from the Assistant to the President for National Security Affairs, General Scowcroft, setting forth his understanding of the need for action in this area and the types of action that remained to be taken. I ask unanimous consent that the text of that letter be included in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, September 13, 1990.

HON. DAVID L. BOREN,
Chairman, Select Committee on Intelligence, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As the Threshold Test Ban Treaty and the Treaty on Peaceful Nuclear Explosions proceed toward the Senate's advice and consent on ratification, I want you to know that we share the Senate Intelligence Committee's concern over the need to implement effective counterintelligence and security measures to protect U.S.

personnel and programs from improper collection of information by Soviet on-site inspectors or monitors. This is a matter of high priority for the Administration.

There are several elements to these measures, all of which need to be in place before Soviet inspectors and monitors may safely be hosted. These include the selection of suitable locations for housing Soviet personnel for the Nevada Test Site and the Designated Seismic Stations. (It might prove necessary to select a temporary site, with the understanding that a permanent site will be completed promptly.)

Once these decisions are made, we can finalize the necessary security details to protect personnel or programs that might otherwise be vulnerable to compromise and also resolve any remaining funding matters. While these matters must be addressed expeditiously, we do not want to rush into decisions that could later prove harmful to the national security.

I want to assure you that the Administration will take no action under the Treaty that would endanger or compromise vulnerable U.S. programs.

I appreciate your concerned approach to these questions and look forward to our continued cooperative efforts to ensure that the interests of arms control verification and security are satisfied.

Sincerely,

BRENT SCOWCROFT.

Mr. BOREN. General Scowcroft also provided the following assurance to the committee:

I want to assure you that the administration will take no action under the treaty that would endanger or compromise vulnerable U.S. programs.

This is an important assurance, for two reasons. First, it comes from a ranking official who is in a position to bring together the several agencies that will be involved in implementing U.S. security measures. Second, it is based upon discussions between our committee and the executive branch on what actions might "endanger or compromise vulnerable U.S. programs" and how to avoid those actions.

The executive bransh has asked us not to go into detail in public regarding the steps that they can take to avoid endangering U.S. programs. I want to assure my colleagues, however, of my confidence that the administration both understands the importance of this problem, and will take the steps required to protect the national security.

As a result, it is my personal view the steps that the executive branch can take would be preferable to delaying the exchange of instruments of ratification. Any delay in the treaty's entry into force could deprive the United States of a chance to monitor a Soviet nuclear test that we would otherwise be entitled to monitor.

Given the assurances that we have received from General Scowcroft, I am, personally, satisfied that we will not need to go forward with a condition to the resolution of ratification. I stress that in this view, I am only speaking for myself and not the other members of the Intelligence Committee. I pledge to my colleagues, however, that the Intelligence Committee will also watch closely over the implementation of the TTBT to make sure that the executive branch lives up to those assuranaces.

The other issue that prompted the Intelligence Committee to recommend conditions to the resolution of ratification was how to make changes in the TTBT protocol. This is a question of institutional concern that transcends the equities of the Intelligence Committee.

Our committee recommended that the executive branch provide further assurances regarding what changes would clearly require the Senate's advice and consent, as well as an assurance of prior notice of any changes "that may have a negative impact on U.S. monitoring, counterintelligence or security capabilities." We also recommended that those assurances be formalized in conditions to the resolution of ratification.

It is my hope that at the time the treaties come to the floor for the Senate's consideration, the majority and minority leaders and the leaders of the Foreign Relations, Armed Services, and Intelligence Committees, will convene to evaluate the progress that has been made with the administration, and decided how best to proceed to preserve the equities of the Senate, as this treaty will last far beyond any one administration.

I believe our recommendations seeking conditions to the instruments of ratification are intended to identify potential problem areas, and create a vehicle for further debate. At the point in time in which we consider the treaties, more dialog with the executive branch was required. It is my hope that at the end of the process, we will reach a common agreement on how best to proceed which may or may not involve the need for formal conditions or reservations. It is quite possible that the assurances we receive from the administration will suffice.

Mr. President, these are technical issues in what is otherwise a truly fine set of treaties and protocols. The issues we have raised do not keep the Intelligence Committee from believing that Soviet compliance with the 150-kiloton limits can be effectively monitored. But they are issues of concern, nonetheless.

I believe that the raising of one issue has already resulted in a reasonable solution. The other merits continued effort, so as to do this job right.

PAKISTAN: IN THE TWILIGHT OF OBSCURANTISM

Mr. CRANSTON. Mr. President, the Persian Gulf is not the only region where the forces of obscurantism and unreason are on the march. Last month, the Democratic Government of Pakistani Prime Minister Benazir Bhutto was overthrown in a quasi-military coup.

The events of August 6 were a major setback for the U.S. policy in the Indian subcontinent. Section 513 of the foreign operations appropriations law forbids U.S. assistance if a democratically elected head of government is overthrown by military coup or decree.

It was crystal clear on the day of the coup, and even more so as time wore on, that the Pakistani military was deeply involved in the planning and execution of the Putsch against the Bhutto Government.

The degree the new government does not represent the unreasoning forces of Moslem fundamentalism, is the degree to which its supposedly democratic civilian leadership are Trojan horses for authoritarian military forces who hoped to regain prerogatives lost under Bhutto.

As I said the day of the coup, Benazir Bhutto is a symbol of liberty and moderation in Pakistan and throughout the world.

Those who overthrew here resorted to force to accomplish what they could not do by reason and persuasion. Their deeds can only be seen as an authoritarian sneak attack on democratic institutions and procedures, launched under the cover of the current Iraq-Kuwaiti crisis.

The day after the coup, I called President Ghulam Ishaq Khan—the man who with military backing had dismissed Prime Minister Bhutto's government—to express my concern for her safety and to emphasize the importance that democracy be restored in Pakistan.

He assured me that new elections—free, fair, and with international observers—would be held on schedule, and that Ms. Bhutto and top members of her cabinet would be allowed to run.

However, since that time grave concerns have arisen concerning the caretaker government in Islamabad, as well as in the four provincial capitals. In none of these can officials be considered fair and impartial. They include the most rabid opponents of Ms. Bhutto and almost all are apologists for the corrupt and brutal regime of the late dictator Zia Ul-Haq.

Not only have top-ranking officials of the Pakistani civil service been purged. Hundreds of members of the Pakistan People's Party [PPP] have been arrested under emergency powers and held without charge.

Prime Minister Bhutto and ranking members of her government have been brought before specially convened tribunals, throwbacks to the previous martial law regime, outside the constitutional courts system of Pakistan,

with the power to disqualify candidates for public office.

These tribunals, characterized by Ms. Bhutto as "kangaroo courts," are a clear attempt to check the growing political assessment in Pakistan that, if fair and free elections were held, Ms. Bhutto and the PPP would again win a convincing victory.

"The tactics of the army and the acting government are taking on an element of farce, so blatant is the attempt to destroy the doggedly determined Miss Bhutto as a political force," noted a September 6 dispatch in the Times of London. "The government, widely discredited as inept and discredited, has spent its entire time in power in vain attempts to turn opinion decisively against Miss Bhutto."

There have also been reports that major drug barons—people who were arrested during the Bhutto government, in cooperation with the U.S. Drug Enforcement Agency—have been released.

Mr. President, I have been disturbed and angered by the administration's tepid response to events in Pakistan. The threadbare constitutional justification for the coup, according to our State Department, "is an internal matter for the people of Pakistan to decide."

Even now, there is uncertainty about whether the Bush administration would consider the possibility of exclusion of the leadership of the PPP from the October election as sufficient cause for a suspension of military and economic assistance.

This is no time for faint hearts or soft voices. The generals and their civilian footmen need to know that free, fair, and internationally supervised elections are the sine qua non of good relations between our two peoples.

Mr. President, during the period of the cold war there were perhaps arguments for maintaining relations with Pakistan's autocrats. These reasons, of uncertain validity, are even more irrelevant now.

If democracy does not return to Pakistan in the clearest form next month, there can be no alternative to cutting off aid to a Pakistan mired in the dark age of dictatorship.

Mr. President, I ask unanimous consent that certain items be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

KARACHI, PAKISTAN,
August 28, 1990.

DEAR SENATOR CRANSTON: At this very difficult time for my country, my family and myself, your strong words of support for democracy in Pakistan have given us moral strength.

The coup, under the trappings of the constitution, has overthrown a democratically elected government and replaced it with elements inimical to the people's mandate, threatening any semblance of democracy in Pakistan. If free and fair elections are not held within the 90 days required by the Constitution, democracy may be crushed for another generation. Let us recall that General Zia, when he overthrew a democratically elected government in 1977, also promised elections within 90 days. They were finally held eleven years later.

We are concerned that those involved in the new regime in Islamabad and in the four provinces are not caretakers but undertakers of a democratic Pakistan. We suspect that President Ghulam Ishaq Khan, to justify his overthrow of our government, will utilize tribunals established under laws promulgated during the martial law regime to disqualify myself and the key leadership of the PPP from contesting elections. These tribunals are antithetical to the basic tenets of the judicial process—the president indicts, handpicks the judge and prosecutor and implements the sentence. The presumption of innocence is reversed and little appellate remedy exists. Even postponement to prepare a defense is not allowed. The tribunals are nothing short of kangaroo courts created to deny the people of Pakistan a meaningful choice in elections. As the New York Times so rightly opined yesterday in a lead editorial, "an election that excluded Ms. Bhutto or key members of her party could scarcely be considered democratic."

You have been a great friend of Pakistan and a great friend of democracy. We are counting on the United States Congress to once again uphold those universal human and political rights that have been central to your country for the last 200 years.

I again wish to thank you for all you have done and for all you will do to restore democracy to Pakistan.

Sincerely,

BENAZIR BHUTTO.

AUGUST 6, 1990.

(Following is a statement by Senate Majority Whip Alan Cranston, a member of the Senate Foreign Relations Committee, who in July went to Pakistan and India at the request of both governments to investigate the dispute over Kashmir:)

I am shocked and angered by last night's quasi-military coup in Pakistan. I am also gravely concerned about the personal safety of Prime Minister Benazir Bhutto, who has been a symbol of liberty and moderation in her own country and throughout the world.

Last night's events can only be termed an authoritarian sneak attack on democratic institutions and procedures in Pakistan, launched under the cover of the current Iraq-Kuwaiti crisis.

I understand the new puppet Prime Minister, Gulam Mustafa Jatoi, had only this weekend called for a parliamentary vote of no confidence in the Bhutto Government. All indications are that, when it was clear he would lose such a vote, he then conspired with the military and the president to take power in a shady parliamentary maneuver.

Opponents of Prime Minister Bhutto had tried, and failed, several times before to put an end to the experiment in democracy she headed. They tried parliamentary votes of no confidence, and lost. They also tried to get her ministers of government to desert her, and failed. And now this.

Democratic institutions cannot be played with so lightly.

The Pakistani constitution requires that new elections be held within 90 days. To be acceptable, these elections must be free, fair and impartial, with the presence of international observers. The elections must also be held without proscriptions, allowing Mrs. Bhutto and senior members of her government to participate.

If these elections are not held by October 24, 1990, as required by Pakistani law, President Bush must invoke those provisions of the Appropriations Act which cut off all aid to countries whose democratic governments have been overthrown.

[From the New York Times, Aug. 27, 1990]

PROTECTING DEMOCRACY IN PAKISTAN

Pakistan's President, Ghulam Ishaq Khan, carefully observed constitutional formalities when he ousted the elected Government of Prime Minister Benazir Bhutto earlier, this month. Ms. Bhutto was nevertheless the victim of a coup in constitutional clothing, sponsored from behind the scenes by military leaders.

Subsequent events have heightened concern that Pakistan's brief democratic interlude could now be ending, A return to military rule in this strategically located country of 100 million would be a severe setback for U.S. policies and could disrupt a relationship that currently provides Pakistan with some $600 million a year in economic and military assistance.

President Ishaq Khan cited corruption and incompetence as his reasons for removing Ms. Bhutto's Government. There's plausibility to both charges. But democratic practice calls for resolving them in less arbitrary ways. Incompetent governments can be voted out of office. Corrupt officials can be exposed and prosecuted.

Pakistan's present Constitution incorporates changes made during the rule of the military strongman Gen. Mohammad Zia ul-Hag. These subordinated the elected Prime Minister to a President presumed closer to military thinking. Pakistan has been ruled by military government for more than half its 43-year history.

President Ishaq Khan used his constitutional powers to decree a state of emergency and install an interim Government led by a minority party the military likes better than Ms. Bhutto's Pakistan Peoples Party. This new Government, led by Ghulam Mustafa Jatoi, has created special tribunals to try officials of the Bhutto regime.

New elections are still promised for Oct. 24, but such promises have been broken too many times in the recent past to inspire great confidence. An election that excluded Ms. Bhutto or key members of her party cold scarcely be considered democratic.

Because Washington winked at anti-democratic practices during the Zia years, Pakistan's generals may be wagering that the U.S. be indulgent again this time. That's a foolish bet, General Zia was treated with kid gloves because Washington valued his commitment to expelling Soviet troops from Afghanistan.

Those troops are now out. With Washington and Moscow talking compromise, a new military backed regime is Islamabad could become an obstacle to an Afghanistan settlement. A new government also increases tensions in the still dangerous confrontation with India over Kashmir. Heavy artillery fire broke out along the Kashmir frontier last week. And Washington continues to worry about Pakistan's efforts to develop nuclear weapons.

Neither the Bush Administration nor Congress is likely to wink again should Pakistan abandon its hard-won democratic rule.

[From the (London) Times, Sept. 6, 1990]

ARMY FAILS TO DETER BHUTTO

(By Christopher Thomas)

Pakistan's military-backed caretaker government, a month old today, is intensifying its witch hunt of political allies of Benazir Bhutto, the deposed prime minister, to save its floundering strategy for keeping her out of power.

The tactics of the army and the acting government are taking on an element of farce, so blatant is the attempt to destroy the doggedly determined Miss Bhutto as a political force. The government, widely regarded as inept and discredited, has spent its entire time in power in vain attempts to turn opinion decisively against Miss Bhutto.

Unless she is blocked by rigged elections or banned from standing, there seems every chance that Miss Bhutto's Pakistan People's party will emerge as the biggest single group in the poll due on October 24, although she would almost certainly fall far short of an outright majority. Attempts by the battery of feuding opposition parties to form electoral alliances are proving elusive, although efforts continue.

With less than seven weeks to election day, there is no sign that Miss Bhutto's political credibility has suffered unduly from the onslaught. She draws large and enthusiastic crowds and her party, although it has been shaken by some high-level defections, has held together surprisingly well. Her declining popularity in Sind, her home province, appears to have been restored, judging by the turn-out wherever she speaks.

There are three main contenders among opposition parties for the post of prime minister. Ghulam Mustafa Jatoi, the present acting prime minister, Nawaz Sharif, former chief minister of Punjab and head of the powerful Muslim League; and Mohammad Khan Junejo, a former prime minister ousted by the army in 1988.

The military is working to get opposition groups to present the appearance of unity for electoral purposes. The United States, aware of the army's frustration at its failure to discredit Miss Bhutto, has said its aid programme could be jeopardised if the military takes over.

[From the Far Eastern Economic Review, Sept. 13, 1990]

SCARE TACTICS

(By Salamat Ali in Islamabad)

Opponents of ousted prime minister Benazir Bhutto are putting pressure to scare her off before the polls promised for 24 October. Bhutto claims to have been offered safe exit from the country but says she will fight to the end against the efforts of the caretaker government and its military supporters to knock her out of the arena before the polls take place.

She and her close associates in the Pakistan People's Party (PPP) are to be tried separately on a range of charges from corruption and misuse of power through embezzlement and abetment of offences, to terrorism and possibly even treason. Special tribunals have been set up for the task because the trials have to finish in time to disqualify the PPP leaders from contesting the elections.

Bhutto's adversaries were installed as a caretaker government in August by the establishment—the supporters of late president Zia-ul Haq and the military. The interim government has loudly reasserted its pledge to hold impartial elections, but the efforts to ban Bhutto and her associates cast doubts on its professed commitment to democracy. In turn, the interim government charges that the PPP's objection to being made accountable to special tribunals, rather than normal court procedures, is a ruse to evade responsibility for the party's misdeeds while in power.

Caretaker Interior Minister Zahid Sarfaraz, at a press conference on 1 September, denied the PPP charge that his first act on taking office was to destroy the files alleging his involvement during the Zia era in a scandal over car imports. Instead, he asserted that the magnitude of blatant misdeeds by Bhutto would ensure her disqualification from the electoral race. Sarfaraz said three or four cases of corruption and misuse of power were ready for tribunal action and would soon be taken up. He did not say whether Bhutto would be arrested, but that would be automatic if cases are registered under the Pakistan penal code. In that situation, Bhutto would have to seek bail to participate in the election campaign and, if found guilty, would be barred from contesting the polls.

A case of misappropriation of government funds was announced by the government against the PPP's government's law minister Iftikhar Hussein Gilani on 30 August. Gilani was in charge of the various suits filed on behalf of his party challenging President Ghulam Ihaq Khan's order to dismiss the PPP federal and provincial governments.

Sarfaraz alleges that recent bombings by terrorists in Punjab province and the killings in the Sindh provincial capital of Karachi were interlinked. But the charges of the PPP resorting to terrorism are difficult to sustain; until a couple of weeks ago the erstwhile opposition alliance—which is now the government—was accusing the PPP of no more than ineptitude in dealing with terrorism which has been a continuing problem since the Zia era. The alliance says that the PPP wants to disrupt elections, though observers believe that the PPP wants nothing more than the polls being held on the promised date. The leader of the Jamaat-e Islami, a component of the ruling alliance, implied on 31 August that the government could seek to put off elections by going to the courts to justify a postponment.

Sarfaraz, under tough questioning during his press conference, lashed out verbally. Asked if his government would look also into charges of corruption of the military under Zia until Bhutto took power, he replied that this would involve going too far back, making accountability a lengthy process. He added: "Instead of looking at the military who are our brothers, one can look into the accountability of journalists."

Sarfaraz announced that investigations were under way into accusations that his predecessor—the PPP government's interior minister Aitzaz Ahsan—passed on secret files on some Sikh militants to India. Sarfaraz said that every Sikh pilgrim coming to Pakistan following a "development" he failed to explain, had mentioned to him that about 500 Sikh militants in Indian Punjab were killed by Indian security forces in an ambush. This is the first time that a responsible Pakistan Government official has hinted—even if obliquely—at a possible Pakistani role in India's continuing Sikh insurgency.

Sarfaraz said that there was no evidence so far of Bhutto's involvement in any incident of sedition. Bhutto herself refuses to comment on this charge made by the government-owned media. She says that her officials are being arrested, threatened and harassed under a victimisation plan.

Government-owned television charged that Bhutto's husband Asif Ali Zardari had been involved in illegally importing vehicles and was promptly hit with a libel notice by him. According to the pro-government media reports in Karachi, Zardari's servant was hauled up for involvement in the latest Karachi terrorist masacre. Bhutto says that several bank officials arrested last month have been tortured to force confessions to concocted crimes implicating her associates in cases of financial irregularities.

The PPP's hopefuls still believe that the establishment will fail in its attempts to keep their leaders out of the cold, but have not revealed any strategy to beat the loaded dice. Ishaq Khan, who is getting increasingly bruised in the political melee, was asked on 27 August how he reconciled his plea for high moral standards with the continuing horse-trading—the local political term for buying members of the rival camp. He replied: "Free grazing is allowed until 24 October."

Piqued by this comment, Bhutto said that Ishaq Khan himself had asked her party officials to change their loyalties and support his future plans. She alleged that while Zardari's relatives were not involved in any corruption, the president's relatives had taken advantage of their position. She failed to spell out what she meant, but added that is was no secret that a relative of the president was involved in drug trafficking.

According to some observers, the manoeuvrings of the establishment, if they succeed, can end in much graver consequences. According to a commentary in the Frontier Post, such manipulation may also lead to legalising an open political role for key institutions of the establishment and tilting the balance of power further in favour of the military.

"Ours is a military which consistently sets the country's internal and external security policy based on its own outlook, which is rarely based on ground reality," the commentary said. "Its patriotism notwithstanding, the military bases national policy on its own institutional needs and on self-serving illusions."

[From the Financial Times, Sept. 13, 1990]

BHUTTO FACES NEW CHARGES BEFORE SPECIAL TRIBUNALS

(By David Housego and Farhan Bokhari)

The Pakistan Government yesterday intensifed its campaign against Ms. Benazir Bhutto, the former Prime Minister. It accused her of involvement in a widely publicised scandal during her 20-month administration.

It said it would prosecute her before a special tribunal in Lahore on allegations that she helped business interests close to her husband, Mr. Ali Assaf Zardari, in attempts to secure planning permission and land at below market rates for a proposed five-star hotel complex near Islamabad. The Lakeview Resort Hotel would have included an 18-hole golf course and a polo field.

A second charge involved the award of contracts for the sale of liquefied petroleum gas.

The fresh charges against Ms. Bhutto come at a time when the election campaign is moving into higher gear. Yesterday was the final day for candidates nominations. Ms. Bhutto is standing for constituencies in Sindh and the Frontier province while Mr.

Zardari is contesting a seat in Sindh, the family's home province.

The conservative Islamic Democratic Alliance (IJI), a coalition of Moslem and rightist parties, will be putting up a single candidate against Ms. Bhutto's Pakistan People's Party in most constituencies. But their agreement on a common list has come after much wrangling, and rivalry over the leadership has damaged their public image.

At one point Mr. Nawaz Sharif, the president of the alliance, sought the intervention of President Ghulam Ishaq Khan to smooth differences among them. The President, who has come under increasing personal attack from Ms. Bhutto for overthrowing her government, declined to intervene.

Indicative of the divisions within the conservative alliance, the Jamaat-i-Islam—one of the more extremist members—has criticized the government for bringing itself into ridicule for failing to bring solid proof against Ms. Bhutto.

The PPP is entering the election campaign in stronger shape than either the government or the party itself had expected two weeks ago.

A special court in the Punjab provincial capital Lahore dismissed the case against Mr. Jahangir Badar, Ms. Bhutto's former Petroleum and Natural Resources Minister, for lack of evidence, Reuter adds from Lahore. Mr. Badar's case involving an alleged unlawful refund to a company, is the first dismissed by one of the 11 special courts.

[From the (London) Times, Sept. 12, 1990]

CONFIDENT BHUTTO BUILDING ALLIANCES WITH OLD ENEMIES

(By Christopher Thomas)

Benazir Bhutto, Pakistan's former prime minister, is building important new alliances with some old political foes amid growing confidence within her Pakistan People's Party that she could return to power in the general election due in six weeks.

The big question is whether the army, which was behind her dismissal by the president on August 6, will stand by and let her return to office. There is a sense of urgency in the military-backed caretaker government to devise further ways to block her, since its hostile propaganda blitz has clearly failed to turn grassroots support against her. The government may be ready to ensure that she is banned from the election, despite unease about international reaction.

Miss Bhutto undoubtedly has lost support since the 1988 election because of perceived corruption within her government, but she remains the most important and charismatic political figure in the country. The army is concerned at her continuing determination to return to power. "The military will never let her come back," a political observer said. "If necessary, they will take over. But they would rather run the country from behind a civilian façade, as they are doing at the moment. They miscalculated the extent of public disillusionment towards Bhutto. People are blaming her ministers for everything that went wrong, not her."

Government officials in Islamabad say that preparations have been completed for two more charges to be laid against Miss Bhutto. Two sets of allegations have already been filed in Karachi relating to substantial government contracts awarded while she was prime minister. The two new cases, like the earlier ones, will be heard by a special court empowered to disqualify her from the election. Cases are also being prepared against six of her former ministers.

There is no indication that charges are being prepared against any of her opponents, despite the acting government's insistence that the "process of accountability", as the prosecutions are being called, is even-handed and not a political witch-hunt. All national and provincial politicians are supposedly covered by the process, although at the moment it is patently being used exclusively to unsettle the Pakistan People's Party. The party is nominating backup candidates in some constituencies because Miss Bhutto expects many first-choice candidates for the National Assembly to be barred from the October 24 election.

The special courts are conducted by a single judge, who can adjudicate in a defendant's absence. Politicians and newspapers who criticise the tribunals face a one-year prison sentence for contempt of court, which has stifled open debate on whether there is a political motive behind the courts, and whether they are likely to be impartial. The bodies have been activated in the past few weeks under a law which was promulgated during the Zia dictatorship. Miss Bhutto has said that if the process of accountability were truly neutral, it should be pursued through the ordinary courts.

The former prime minister, who filed her nomination papers yesterday, announced the formation of alliances with two small parties and a breakaway faction of the powerful Muslim League. The new group will be known as the People's Democratic Alliance.

The army has approached the Muslim League, the most powerful anti-Bhutto group, over the past few weeks to urge it to end its worsening internal disputes and to concentrate on keeping Miss Bhutto out of power. The main clash in the league is between Nawaz Sharif, the former chief minister of Punjab, and Mohammed Khan Junejo, a former prime minister, who both want to be prime minister.

Lahore escape: Miss Bhutto escaped an assassination attempt during a public meeting in the Punjab capital, Lahore, 12 days ago, police sources said yesterday.

Peshawar police said they arrested Sabir Mehmud, aged 22, an electrician, with two grenades on August 31. According to the police he confessed on Monday that he planned to kill Miss Bhutto because she had failed to enforce Islam. (AFP)

[From the New York Times, Sept. 6, 1990]

FOES SEEN AS DESPERATE TO STOP BHUTTO

(By Barbara Crossette)

LAHORE, PAKISTAN, September 5.—A month after the abrupt dismissal of Prime Minister Benazir Bhutto, politicians, diplomats and voters here are widely agreed that her foes in the transitional Government appear willing to go to any lengths to discredit her so that she cannot be re-elected.

Western embassies say that they have made it clear to the caretaker Government that fair and free elections must be held as scheduled seven weeks from now if Islamabad expects to retain foreign economic support. But as proceedings began here today in two special courts against three of Ms. Bhutto's former federal ministers, many Pakistanis are wondering whether the pressures stacked against Ms. Bhutto will succeed in forcing her out of contention.

Still in question is whether Prime Minister Ghulam Mustafa Jatoi will attempt to bar Ms. Bhutto from the poll through a special judicial process or will try to charge her with treason, based on an unsubstantiated reports that she had shared vital information with the national enemy, India.

A treason trial could be held in camera, for national security reasons. That would almost certainly provoke fears that a repeat of the kind of trial against her father, the late Zulfikar Al Bhutto, may be in the offing.

WAIT FOR EVIDENCE AND CHARGES

Analysts in Islamabad and here in Lahore, the country's intellectual capital, say that those courses of action could be self-defeating.

"Will the ineptitude of the interim Government make Benazir Bhutto more popular?" a political analyst said.

The caretaker Government that replaced Ms. Bhutto has yet to produce the conclusive evidence of corruption and malfeasance that were cited as the reasons for the dismissal of her Government.

For two weeks, one official or another has been promising the imminent formal filing of charges against the former Prime Minister in one or both of the special tribunals drawn from the judiciary. The unexplained delays daily weaken the Government's credibility, though they heighten the possibility that the intent in raising the charges was not so much to prosecute as to initimidate the former Prime Minister into dropping out of political life.

BHUTTO DENIES REPORTS OF TALKS

Ms. Bhutto's Pakistan People's Party, now preoccupied with the difficult task of choosing candidates for national and provincial elections while attempting to hold the party together for the coming campaign, has failed to proceed with its promised court case challenging the dismissal.

The People's Party is also still discussing what approach to take to the tribunals now being put in place with jurisdiction over all members of the former national and provincial governments dismissed or dissolved in August, including those of Ms. Bhutto's opposition. The former Prime Minister says that she will not appear in such a court, but has not specifically announced that she would not field a defense.

Reports circulate that Ms. Bhutto may be negotiating a deal with President Ghulam Ishaq Khan or the military. Two versions, both denied by Ms. Bhutto, say that she will either withdraw from politics in return for immunity or send her husband, Asif Ali Zardari, into exile.

Mr. Zardari, who could face criminal charges in regular courts of law, since he was not a member of the Government, is widely believed to have amassed a fortune in unethical or criminal use of his relationship to the former Prime Minister. He has already been granted what South Asians call "anticipatory bail," paid in advance of an expected arrest.

Many Pakistanis say they believe that reports of any agreement are circulated in order to weaken Ms. Bhutto within her party. Those who know her say that it seems very unlikely that she would willingly back away from a political fight.

Pakistan is a largely open society, where the political situation is a subject of intense written and verbal debate. But it is also part of a region where politics can be fiercely pesonal.

[From the Far Eastern Economic Review, Sept. 6, 1990]

KASHMIR SIDESHOW

Kashmir has relinquished its recent position as the central issue in Pakistan's domestic politics, despite remaining the key to

Pakistan's present relations with India. Even recent artillery duels between the two countries' armies, and continuing turmoil in the Indian part of the divided state, are unlikely to drag the issue back to centre stage of Pakistan's politics while the country continues to try and deal with the repercussions of the dismissal of Benazir Bhutto's government.

Had the unusually heavy artillery exchange occurred before Bhutto's government was sacked in early August, it is doubtful Islamabad would have been able to offer as sanguine a response as its Defence Ministry did when it confirmed Indian Prime Minister V.P. Singh's statement to parliament in New Delhi about the fighting in the third week of August. Singh, blaming Pakistan, linked the shelling to the alleged arrest of two of the Kashmir underground's top leaders, the discovery of significant arms caches and as a diversionary effort to help infiltrators cross the "line of actual control"—which separates Indian and Pakistan-claimed Kashmir—before the snows set in during October.

Pakistan merely retorted by saying India's "unprovoked and indiscriminate" shelling of the Muzafarrabad-Kel road in the Neelam valley was an attempt by New Delhi to underline its claim that Pakistan was aiding turmoil in the Kashmir valley.

The two armies' military operations chiefs have since met, and as a result the artillery exchanges have diminished. But even when they were at their peak, the dismissal of Pakistan's elected government, Iraq's invasion of Kuwait—and islamabad's decision to send troops to Saudi Arabia—served to divert public attention from Kashmir. In addition, significant developments within Azad-Kashmir (AK)—Pakistan's part of the divided state—further complicated Islamabad's attitude towards the volative region.

Islamabad's unease over developments in AK stem from the defeat of the ruling Muslim Conference during elections held barely two months ago by a Pakistan People's Party (PPP) led coalition. A PPP cabinet, headed by new AK premier Mumtaz Rathore, has since taken over the state. The Muslim Conference is aligned to the Islamic Democratic Alliance Group, which is in opposition to the PPP and now dominates the interim government in Islamabad. In addition, Muslim Conference President Sardar Qayum, who remained president of AK irrespective of the election results, refused to recognize the new cabinet and it had to be sworn in by AK's chief justice.

Since a new AK president was due to be elected, the PPP cabinet ignored Qayum's snub. However, following the PPP government's dismissal on 6 August, Rathore has taken up the issue of AK-Pakistan relations and warned Islamabad against dismissing his cabinet or otherwise interfering in AK affairs. AK's own constitution is not subordinate to Pakistan's, and Rathore said he could not be removed either by the AK president or by Islamabad.

On 20 August, Rathore threatened to close all Pakistan banks operating in the region. He also said unless the interim government in Islamabad ended its interference in local affairs, AK might be forced to take control of Pakistan's radio station in Muzafiarabad, while adding "Kashmiris could reconsider the decision of accession to Pakistan."

Despite Rathore's strong defence of his party and administration, the PPP faces serious problems in AK. A major rift that followed the decision of PPP president Sardar Ibrahim to split with the party over its decision to adopt Sultan Mahmood as its presidential candidate for AK can only deepen after Ibrahim and other PPP legislators aligned themselves with Qayum, the Muslim Conference candidate, who was re-elected for another five years on 27 August. Qayum's election means the PPP-dominated AK government now faces both an opposition president and equally hostile federal government in Islamabad, with de facto control over AK's finances and bureaucracy.

A CONSISTENT POLICY TOWARD GUATEMALA

Mr. CRANSTON. Mr. President, this past week, leaders from the Guatemalan National Revolutionary Unity [URNG] met with members of the Guatemalan private sector in Ottawa, Canada. The promising dialog which developed at these talks indicates that both sides share a willingness to undertake necessary efforts to obtain peace.

Defense Minister General Juan Leonel Bolanos Chavez remarked that these talks were held "to search for a common ground which would allow for a future discussion between the government and the rebels." He added that any consensus reached by the rebels and these civil sectors would be useful, in the event that URNG participation in the political arena is accepted.

Despite this movement toward internal reconciliation, political violence continues to haunt Guatemala, the site of one of the hemisphere's ugliest "dirty wars" over the past two decades. The overall human rights situation has worsened significantly during the past year, after a brief period of improvement.

In fact, the State Department's report on human rights practices for 1989 mentions, apparently for the first time, "credible reports of security forces personnel and political extremists engaging in extrajudicial killings, disappearances, and other serious abuses."

Further, the releases, by an appeals court, of six national police officers convicted of the 1987 kidnaping and murder of two university students marks the most recent indication of a deterioration of human rights in Guatemala. The 1988 ruling against these officers represented the only conviction to date of security forces implicated in political crimes.

This overruling is the subject of an August 1990 report by Americas Watch. The statement emphasizes that the case is a sign of the government's inability to bring security forces under the law. It also highlights the fact that no other cases against members of the military have ever resulted in convictions, despite the continued and well-documented involvement of the army and the police in blatant and brutal human rights abuses.

Amnesty International reports recent cases of human rights abuses against Guatemala's street children. The violations include harassment, threats, attacks, beatings, torture, disappearances, and extrajudicial executions. These abuses were reported to have been carried out by Guatemalan city police and by agents of private security firms which operate under the auspices of the national police and the Ministry of the Interior.

Although the national police fall under civilian authorities, in reality the Guatemalan military dominates the security forces. In November 1989 the Washington Office on Latin America [WOLA] released a report entitled "The Administration of Injustice: Military Accountability in Guatemala." This paper reveals the consolidation of military control over police forces in 1988–89.

The evident impunity for political crimes enjoyed by members of the security forces is alarming and casts a dark shadow on Guatemala's future. There are only 2 months remaining until the next Presidential elections. The new administration will undoubtedly face, as has the government of President Vinicio Cerezo, with mixed results, the ongoing reality of military power.

Despite the security forces' involvement in human rights abuses, joint military exercises continue between the United States and Guatemalan forces. United States National Guard units continue to participate in civic action campaigns alongside the Guatemalan military. The United States relies on the Guatemalan intelligence [G–2], notorious for human rights abuses, for antinarcotic operations.

If the United States wants to promote change in Guatemala, and is genuinely concerned about human rights abuses, then it must be consistent in its policy.

The appropriation mark for Guatemala in 1991 is $2.88 million in nonlethal aid. This figure can and should send a clear message to the Guatemalan Government and armed forces. In addition, the United States must stop emitting contradictory signals, such as continuing joint exercises with the Guatemalan military. Finally, the United States must maintain a critical stance toward Guatemala, now and following elections this fall.

I ask unanimous consent for certain articles to be published in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times, July 5, 1990]

U.S. PINS HOPES ON GUATEMALA ARMY

(By Lindsey Gruson)

GUATEMALA.—The United States, losing faith in the civilian Government, has turned to this country's military to insure stability

and combat growing drug trafficking, Western diplomats and Guatemalan officials say.

"The U.S. is moving its chess pieces around to a more secure position," said a former member of President Vinicio Cerezo's Cabinet.

The growing dependence on the Guatemalan Army comes despite increasing evidence that it is responsible for some, if not most, of the human rights abuses that once again have come to plague this country.

That has led to strain, even direct conflict, between the two basic American policy goals—the effort to improve the armed forces' respect for human rights and the battle to stop drug traffickers. Guatemala has become a leading producer of opium poppies and, like much of Central America, a major transhipment point for Colombian cocaine.

CLOSE AMERICAN TIES

American diplomats declined to be quoted about any dissatisfaction with President Cerezo and the growing dependence on the 55,000-member Guatemalan Armed Forces. They emphasized that the United States remained committed to fighting drug trafficking, improving human rights and to civilian government.

Close American ties to the region are not new. In Guatemala in 1954, the United States, concerned by what it perceived to be a growth of Communism in Guatemala under President Jacobo Arbenz Guzman, helped build an opposition force led by Col. Carlos Castillo Armas that overthrew him.

Diplomats note that American anti-narcotics specialists have now built a close working relationship with Guatemalan Military Intgelligence, G-2. But the agency is widely suspected of involvement in the killing last year of five University of San Carlos students and the disappearance of at least five others.

Apart from human rights concerns, there has also been evidence in recent months that the army and the military intelligence unit may have been infiltrated by drug traffickers.

REVERSAL OF U.S. POLICIES

"You can't possibly fight drug smuggling without the Army," said a European diplomat. "It's the only organization with the manpower and equipment to take the heat. But that risks its corruption."

The increasing American dependence on the Guatemalan military is a reversal of United States policies. All American military aid to Guatemala ceased in 1976 in response to the slaughter of civilians by the Armed Forces, who were fighting a stubborn, Marxist-led insurgency.

The first civilian President in almost two decades, Mr. Cerezo was repeatedly cited by Washington in the late 1980's as evidence of the Reagan Administration's success in the effort to foster democracy.

But relations soured. The Reagan Administration was bitterly disappointed and, in comments to reporters, was sharply critical of President Cerezo's adamant refusal to allow Guatemala to become a mainstay in the American-backed war against the Sandinista Government in Nicaragua.

Mr. Cerezo's independent diplomacy made him a key intermediary in regional politics and gave him leverage in Washington. But the electoral triumph of Violeta Barrios de Chamorro over the Sandinistas in February reduced his diplomatic clout.

A PRESIDENTIAL CAMPAIGN

American diplomats' private criticism soon turned into barely disguised disdain and, finally, into a series of highly visible public disputes. Most were focused on Mr. Cerezo's apparent unwillingness, or inability, to crack down on drug smuggling.

While publicly committed to free elections, American diplomats have stopped just short of an open campaign against the President's childhood friend, protégé and handpicked successor, Alfonso Cabrera Hidalgo. American officials note that he is the son of an impoverished cobbler who now lives in great luxury and uses the private helicopter of a suspected Guatemalan drug trafficker on his presidential campaign.

The officials all but accuse Mr. Cabrera of personal involvement in drug trafficking and have begun to hint that they think his activities involve other Government officials. The criticism erupted into a public dispute last summer when customs officers caught two men loading 55 pounds of cocain onto a Miami-bound commercial jet owned by the Government airline. The two men turned out to be aides to Lieut. Col. Hugo Moran, the chief of the President's anti-corruption task-force, the Administrative Control Department.

In the following days, the commander of the arresting unit was attacked, an airport customs officer was killed and a baggage handler who witnessed the seizure was briefly kidnapped. Upon his release, he testified that he had been kidnapped by Colonel Moran, said Anna Maria Orozco, a judge supervising the case. But Colonel Moran denied all involvement.

U.S. DEMANDS INVESTIGATION

The United States demanded a thorough investigation. But the President responded by appointing Colonel Moran to a Washington post. That led the American Embassy to revoke his visa Under pressure, the President agreed to dismiss the colonel and remand him to a military court. It dishonorably discharged him. The President then appointed Mr. Moran, who denies the drug charges, to head the country's largest port, Santo Tomás de Castilla.

In the diplomatic equivalent of shock treatment, Ambassador Thomas F. Stroock of the United States responded by publicly naming Mr. Moran as a suspected drug dealer. But the open break between the United States and the civilian government came after the kidnapping and killing in January of Hector Oqneli Colindres, a leftist leader from El Salvador, and a friend. American officials said there was enough evidence to implicate Guatemalan officials. But President Cerezo refused to take action.

In a February speech to the Guatemalan Rotary Club, the Ambassador was sharply critical of the Government's human rights record. The President responded by accusing him of meddling in the country's internal affairs and suggested he confer with superiors. That led the State Department to recall Ambassador Stroock briefly.

Although American officials say they have made improved human rights conditions a cornerstone of their policy here, American anti-narcotics officers continue to work extremely closely with Guatemalan military intelligence. The lead agency in the drug war, it is also linked to human right abuses.

[From the Los Angeles Times, May 7, 1990]

UNITED STATES IS TAKING A NEW TACK IN GUATEMALA

(By Kenneth Freed)

GUATEMALA CITY.—The United States, said to be disillusioned because of persistent corruption in the government of President Vinicio Cerezo Arevalo, is reportedly turning to Guatemala's military to promote economic and political stability in this country.

According to diplomatic and government sources, Washington has chosen this course even though the military is blamed for human rights abuses and is believed to be involved in drug trafficking.

The goal, a U.S. official said, is to "strengthen other organs of government" to offset corruption in the Cerezo administration.

Earlier this spring, $2 million in U.S. and intended for fighting a measles epidemic disappeared, U.S. officials said. Cerezo defended the government department that controlled the money and criticized the United States when it suspended the aid program.

It was this incident, together with Cerezo's failure in his state-of-the-nation address to acknowledge Washington's $130-million economic aid program for Guatemala, that has turned the Americans to the military.

"There is no doubt that the Americans are so fed up with Cerezo and so concerned about [Cerezo colleague and possible successor Alfonso] Cabrera that they are turning to the military as the only institution capable of keeping this place from becoming another Panama," said a European diplomat with close contacts to both the United States and the Guatemala military.

He was referring to Panama's ousted strongman, Gen. Manuel A. Noriega, who has been charged with taking millions in bribes to abet the drug trade in his country. It is an apt analogy, because Cerezo is suspected of protecting drug-trafficking friends and associates, and Cabrera, who is running for president in next November's elections, is said by U.S. officials to be a major narcotics figure.

The United States is also concerned about the opposition parties. "The U.S. Embassy is backing Jorge Carpio Nicolle, the candidate of the Union of the National Center, but embassy officials say he has the potential to be even more corrupt than Cerezo and his Christian Democrats.

As in Panama, where Noriega was once a paid CIA informant, sources here say that U.S. agencies are making offices, particularly in army intelligence, known as the G-2. The payments are reportedly in exchange for information on regional as well as local matters, notably the activities of Nicaragua's Sandinistas and the leftist guerrillas operating in neighboring El Salvador.

G-2 officers are also being paid, it is said, for their cooperation in combatting drug traffickers' use of Guatemala as a transshipment point for cocaine en route to the United States, and in discouraging the growing of opium poppies in this country.

No one will say for the record how much money is involved, or name the officers receiving the payments. But the payments, reportedly in the thousands of dollars, are said to go to relatively high-ranking officers.

Drug experts deny that the money comes from the U.S. Drug Enforcement Administration. Other sources point to the CIA as the source of the money. They say the CIA has challenged the DEA for control of the war on drugs here.

"What happened is that the CIA first opposed the use of G-2 in the drug war for fear that they would be corrupted, and because the CIA would lose control," one official said, "Now the agency is trying to take over the drug war and is using the G-2 as leverage."

Whatever the source of the money and the motive for paying it out, the United States appears to be increasingly willing to overlook otherwise objectionable behavior by the military, especially the G-2, in the field of human rights.

One drug expert said he is convinced that the G-2 unit that has provided cooperation "is clean as a whistle."

"Others may be dirty," he said, "but the small elite unit that works with the United States is absolutely clean."

The question of G-2's role in alleged human rights abuses is never brought up by U.S. drug experts, he added, because the military's role is so crucial in the drug war.

The DEA "couldn't have done 5% [of what it has accomplished here] without G-2's help," he said, adding that "as long as they keep doing good work, you don't ask" about involvement in the killings and disappearances so often attributed to them.

The man the United States looks to for maintaining Guatemala's support of its anti-drug campaign is Gen. Hector Alejandro Gromajo, the armed forces chief of staff and minister of defense. Gromajo was a senior commander in the early 1980s, when the Guatemalan military was blamed for the deaths of tens of thousands of people, largely civilians, in a campaign against leftist guerrillas and their suspected supporters. But he is seen as a moderate by the U.S. Embassy.

With Cerezo a weak civilian president, Gromajo has defeated at least two officer-led coup attempts against the government.

"Gromajo, even though he really runs the country through the military, has become the Americans' strongest hope for maintaining a civilian government," a European diplomat said. "At the same time, he is heavily indebted to the Americans for their support, and you can read that any way you want."

Washington's tolerance of Gromajo, or its need for him, evidently outweighs its repugnance at Latin America's highest level of human rights violations by government security forces or their allies. So-called death squads are blamed for the killings or disappearances of more than 50 people a month.

"I don't think Gromajo is promoting all these killings," a Western diplomat said, "but whenever he senses that the left is trying to organize, he permits, if not orders, hard action against them. He certainly doesn't root out any offenders."

Since death squads became a military tool in fighting leftist rebels in the 1960s, only one officer of the armed services has been prosecuted for human rights violations.

When the State Department recently attacked Guatemala's human rights record and recalled Ambassador Thomas Stroock to protest the lack of progress in solving several prominent cases, the focus of the criticism was not on the military but on the civilian administration and Cerezo himself.

If the Americans are turning their back on human rights violations by the military as the price for cooperation in fighting drugs and maintaining as elected government, the arrangement does not always seem to be worth the price.

Gromajo said in a recent interview that he is "committee to a peaceful transfer of power to an elected government" next year, but he acknowledged that many other officers would try to overthrow a Cabrera-led government.

In any case, Gromajo will leave office in June, and he has said he intends to attend Harvard University's Kennedy School of Government in the fall.

"The general will not have any troops at his commend," a Western diplomat said. "He won't even be in the country" for the elections or any attempted coup that might follow.

Another diplomat said that if Cabrera wins "there will be a coup the day he takes office; he won't last a day."

The objection to Cabrera by military officers is on two levels.

First, it was not long ago that the army outlawed his Christian Democratic Party and considered him to be a "subversive," Second, he has allied himself with some officers outside the mainstream of the armed forces—largely in connection with the drug business, say some sources—and he has angered powerful army leaders.

The U.S. Embassy has made no secret of its effort to discredit Cabrera and has undertaken a campaign to spread word of his suspected involvement with drugs.

There are strong indications that some powerful military figures are also tainted, by the drug trade, including some in G-2.

Lt. Fernando Minera, who was arrested at the instigation of U.S. drug experts for trying to smuggle cocaine into the United States, charged that G-2 officers were engaged in the same activity. And he said the smuggling ring included the immigration service, which is controlled by the military.

A U.S. drug expert acknowledged that "90% of what Minera says is true" regarding the smuggling, but that he is trying to shift the blame from the immigration service to G-2.

Other officials concede that some military personnel, including some in G-2, have been corrupted by the enormous amounts of money involved in drugs, but insist that the armed forces are largely clean.

Besides, they say, it is all relative, what is far more worrisome is the corruption by the Cerezo administration.

SYRIA AND INTERNATIONAL LAW

Mr. MOYNIHAN. Mr. President, without a commitment to international law, American foreign policy is without compass or rudder. It swings from one extreme to another based on short-term expedience. We saw that in the gulf war between Iraq and Iran. Because Iran was seen to be the greater evil, the United States clearly tilted toward Iraq. In so doing we ignored Iraq's violations of solemn treaties, including the United Nations Charter and the 1925 Geneva protocol concerning the use of poison gas. Just 7 days before the invasion of Kuwait the administration was still opposing a bill to impose sanctions on Iraq.

Now the Secretary of State is in Syria to discuss the crisis in the Persian Gulf. Will we repeat our error or will principles of law guide our actions? To date, the administration and Secretary Baker have handled this crisis superbly. They have stayed within the framework of law set down in the charter of the United Nations. Syria has supported international action against Iraq and for this it is to be congratulated. There have been reports that Syria has played a helpful role in securing the release of Americans held in Lebanon. For this, surely it deserves thanks and encouragement. After years of the most bitter opposition to Egypt's efforts to bring peace to the region, Syria has now supported Egypt's return to the Arab League. To visit Damascus is certainly prudent. We should conduct a dialog with Syria.

Does this mean that we should wipe the slate clean and ignore Syria's previous lawless behavior? That was our policy towards Iraq. In the fog of the cold war "the enemy of our enemy" was our friend. Iraq's crimes were simply overlooked. If we invoke international law in confronting Saddam Hussein but ignore it entirely in dealing with Hafez Assad our commitment to the principles of law is surely open to question.

Syria has much to account for. The fate of the city of Hama has become a metaphor for a despot's suppression of his own people no less than Saddam Hussein's use of poison gas against the Kurds. There is Syria's unrelenting opposition to all efforts to achieve peace with the state of Israel. And there is Syria's support for terrorism, including, according to the President's own report on terrorist groups, sponsoring Ahmad Jibril's terrorist organization.

Terrorism takes many forms. The Americans being held hostage in Iraq and Kuwait are its victims, as are the hostages of many nations being held in Lebanon. Their plight is tragic indeed. One week ago Terry Anderson spent his 2,000th day in captivity. To contemplate that fact is to be reminded of how great a crime is terrorism.

Others have suffered violent deaths at the hands of terrorists. The U.S. Marines stationed in Lebanon. Leon Klinghoffer aboard the *Achille Lauro.* And, of course, the victims of the bombing of Pan Am flight 103 for which Ahmad Jibril is widely considered responsible. We cannot simply forget about this grave crime. Nearly 9 months ago the mother of one of the victims of Pan Am 103 wrote a haunting article about her lost daughter. It appeared on the first anniversary of the bombing. Although written for that specific occasion, the article is timeless in its expression of love for and grief over the loss of a very dear departed child. I ask unanimous consent that the article, which was written by Mrs. Susan Cohen and which appeared in the Times on December 21, 1989, be reprinted in the RECORD. I commend it to my colleagues and I urge the administration to remember the many victims we would be forgetting if we follow the path of expedience and ignore the strictures of law.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Dec. 21, 1989]

MY ONLY CHILD, DEAD A YEAR

(By Susan Cohen)

PORT JERVIS, NY.—Today is the first anniversary of the worst day of my life. While America celebrates the season with holiday brightness, I am in black despair. On Dec. 21, 1988, my daughter and only child, Theodora (we called her Theo), was on her way home from London, where she had spent a semester studying drama. Theo never reached home. She was murdered by Palestinian terrorists: 269 people died with her. Theo was on Pan Am Flight 103, which exploded over Lockerbie, Scotland, one year ago today.

What was she like, my Theo? On the bad days, and they are very frequent, I can't look at her photos because of the pain. But on better days, when it hurts a little less, I go through the albums, starting at the beginning. Theo as a beautiful baby. Theo in kindergarten, the shortest kid in her class; that would never change.

When she went off to Syracuse University years later, to study drama and voice, she was only five feet tall, still complaining: "Is this it? Won't I get any taller?"

I turn the pages of the album. There's Theo horseback riding at summer camp. There's Theo at Disney World. Theo in high school plays and musicals. Her father and I gave her a dozen red roses when she won the lead in "The Diary of Anne Frank." Next I look at the pictures of Theo on stage at Syracuse, smiling and confident. We gave her a dozen red roses the summer of '88 when she played Luisa in "The Fantasticks," in summer stock. It was her first lead in professional theater. A start.

Spunk and a sense of humor, that was my daughter. Long dark hair, sparkling dark eyes, a wide smile, that was my daughter. Witty, flamboyant, quick-tempered, tough to be around at times, that was my daughter. She was full of fire and adventure and joy. She was vibrant, she sang so well, she showed so much promise.

The last time I heard from Theo was Dec. 19, 1988. She said, "I miss you and I love you." The last time I was happy was the morning of Dec. 21. I couldn't wait to see her.

In a few hours I'd leave for Kennedy Airport, her plane would land, she'd arrive bursting with news about the 50 plays she'd seen in London, the people she'd met there, the places she'd been, her latest boyfriend, what she'd be doing in theater when she got back to Syracuse.

Then came the panicky phone call from a friend. I turned on the television. There was the wreckage of Pan Am 103 in Lockerbie. Theo was dead. In that one instant life broke; my husband helped me get into the car and we drove to the airport. At Kennedy, all I did was scream.

I haven't recovered. I never will. I cry much of the time. I who never before took anything stronger than an aspirin now take anti-depressants and anti-anxiety drugs every day, shored up by therapists. The loss of a loved child is the worst loss in the world. Theo was my future, and now I have no future. Theo's youth kept me young. Now I'm old.

I've got a lot of questions. Why hasn't our Government told the American people what every credible reporter knows—that high-ranking Iranian officials hired Ahmed Jibril, head of the Popular Front for the Liberation of Palestine, General Command, to place a bomb on an American plane in retaliation for the downing of an Iranian airliner by the U.S. warship Vincennes during the summer of 1988?

Why were the Reagan and Bush Administrations so callous to the victims' families, first ignoring us, then lying to us? Why were we treated so cruelly? Family members were telephoned and told their "parcel" was waiting for them at the airport. Our particular "parcel" was a coffin dropped by a forklift, containing the body of my precious Theo.

Is the Administration so eager to make a deal with Iran and Syria that it would rather forget, and have others forget, the most massive terrorist attack against American civilians in history?

Why does our government refrain from pressuring Iran, which financed the bombing, and Syria, which gives sanctuary to Jibril, into assuming their obligations in the family of nations? Without such pressure, does anyone really believe Jibril will ever be caught and tried?

Why was Pan Am's security so incredibly lax? After all, Pan Am had received advance warnings about a possible terrorist attack.

Theo deserved to live. So did the other Americans on Pan Am 103. And the passengers from other countries. And the people who were killed on the ground in Lockerbie.

For months, our Government said no public warnings about possible terrorist attacks could be issued. Yet this month it issued such a warning. If there had been such a warning in December 1988, there might have been no bombing. Certainly Theo would not have been on the plane. Was my daughter's life, and the lives of all the others on Pan Am 103, of no value to our Government?

REGARDING THE DEATH OF DR. ROBERT N. NOYCE

Mr. GRASSLEY. Mr. President, I rise today to pay my respects to a son of Iowa, Dr. Robert Noyce. This past June, the United States lost one of its greatest inventors and the father of the computer age. Dr. Noyce was a physicist and engineer whose invention, the semiconductor chip, launched America into the information age and revolutionized the American way of living.

For the last 30 years, Robert Noyce dedicated his life and genius to creating the American computer industry and keeping it competitive with Japan. He was the cofounder of two of the most influential companies in the semiconductor industry and was the president and chief executive officer of Sematech.

He was born in Denmark, IA, during the Depression, the third of four sons of a Congregationalist clergyman. As he grew up in Grinnell, IA, a small midwestern town, Robert Noyce learned the values that he admitted became "the foundation for almost everything I've done since. They were: work hard, save your money, get an education, try to get ahead."

It was there, in Grinnell, that his entrepreneurial spirit was also born. As a young boy, Noyce offered neighbors annual contracts for snow shoveling. While he prayed for little snow, he realized that if it did snow, he had an obligation he could not duck thereby learning the rewards of taking a risk can often be greater than the cost.

He attended Grinnell College where he earned his undergraduate degree in physics and mathematics. At Grinnell, he studied under Grant O. Gale, who, in 1948, was given one of the first transistors by one of its inventors, John Bardeen. Dr. Noyce's curiosity was piqued as Professor Gale taught one of the first courses in solid state physics using the principles of the transistor. Consequently, Dr. Noyce continued his education and later received a doctorate in physics from the Massachusetts Institute of Technology.

After receiving his doctorate in 1953, he joined the Philco Corp. where he performed research on transistors. Three years later, Noyce was invited to join an elite team of engineers and scientists working under William Shockley, one of the inventors of the transistor. When the offer came, Noyce did not hesitate to resign his position at Philco and travel to California. Little did he know that his move to California would herald the birth of Silicon Valley, the heart of the American semiconductor industry.

After 1 year of working with Shockley, Noyce and seven other young engineers known in Silicon Valley lore as the "Traitorous Eight," left Shockley Semiconductor Laboratories to form Fairchild Semiconductor, the "mother company" whose early employees went on to found the semiconductor giants of Silicon Valley. As a young man in his thirties, working at Fairchild Semiconductor, Noyce first conceived of the concept of building multiple transistors on a single chip of silicon.

Transistors, often described as semiconductors because they are made of materials that are part way between conductors of electricity and insulators, proved far better than the old vacuum tube, which gobbled up electricity and was fragile and short lived. The transistor, made of solid materials, could better perform the tube's functions, and without the drawbacks. Although, in theory, the potential of the transistor was limited by the difficulty of connecting one of the devices to its neighbors to form electric circuits.

The concept of an integrated circuit, Noyce admitted, came as a result of his laziness. He was tired of connecting all the wires on the cumbersome circuit boards, so he came up with the idea of forming entire circuits of a single block of solid material. First called monolithic circuits, they are now known as integrated circuits or semiconductor chips.

Obtaining a patent for the integrated chip, though, took far longer than its actual creation. About the same time, Jack Kilby, of Texas Instruments came up with a similar, though

less refined model of the integrated circuit. In 1959, afer a 10-year patent battle between Fairchild Industries and Texas Instruments, Noyce was awarded the patent for the device and Noyce and Kilby became known as coinventors.

In 1968, Robert Noyce and Gordon Moore cofounded Intel Corp. which grew to be the Nation's third largest maker of semiconductor chips. As the chips reduced in size, weight and cost, though, Dr. Noyce's work did not stop. He helped develop a process of building computer memories on the chips.

But his contributions to the American lifestyle extended beyond his technological inventions. As the head of Intel he introduced a revolutionary management concept of egalitarianism, a hallmark of the semiconductor industry. At Intel, power was based on knowledge, not positions; there were no special parking places, no limousines, and no offices, only open cubicles.

In 1988, when Sematech, a research consortium of 14 U.S. chip makers and the Federal Government, was created Dr. Noyce was presented with the chief executive position. Although he was initially reluctant, he finally accepted the position because he knew as well as his colleagues that he was the only person qualified.

As Sematech chief, Noyce pursued the goal of developing world competitive manufacturing capabilities. "We are fostering cooperation to try to raise the capability of American industry," he said in explaining Sematech's purpose. He called for Government intervention to halt foreign acquisitions of key U.S. technologies and semiconductor production equipment and materials manufacturers as well as a stronger Government role in tax, trade, and industrial policy to benefit the semiconductor industry.

But Dr. Noyce's role at Sematech placed him in the center of a political debate over the proper role of the Federal Government in supporting U.S. industry. Sematech receives half of its $200 million annual budget from the Defense Department while the remainder is paid by the 14 member companies of the consortium. However, Noyce stated, "Sematech is unique, but the idea of getting Government, industry, and academia together for a national purpose is not at all new."

In recognition of his many accomplishments, Robert Noyce was awarded the National Medal of Technology by President Reagan in 1987 and the National Medal of Science from President Carter in 1980. He was inducted into the National Inventors Hall of Fame in 1983 and elected to the U.S. Business Hall of Fame in 1989. Last February, he and Jack Kilby received the Charles Stark Draper award from President Bush.

However, despite his influence and achievements, talents and abilities and huge financial success Robert Noyce lived in relative obscurity. Noyce never sought the fame he earned but his lasser-sharp mind and gracious manner caused people to flock around him. His friends and colleagues say he did not have to brag; his intellect and gentlemanly manner drew respect.

Although Fairchild made Noyce a millionaire by increasing his original $500 investment fifty fold, he regarded his money as merely a "way to keep score" and a way to support causes that he cared about. Among the causes he supported, education was predominant. He sat on the board of regents of the University of California, he was an advisor to the Massachusetts Institute of Technology and he was a patron of his alma mater, Grinnell College.

Although Noyce may not be a household name, very few offices, factories or households have not been directly effected by his creative genius. Some have said his creation was the key invention of the 20th century because it impacts everything, from education to products and the way we deal with each other.

His invention made toasters talk, maximized the capabilities of calculators and coffeepots, enriched teenage geniuses and allowed us to use personal computers to type speeches like this one. In the end, Robert Noyce, recreated the world. Not only did he make our life easier, but he developed an industry which accounts for 2.5 million jobs in the United States alone.

Today, I offer this tribute to a great leader, a creative inventor, and a humble man, a man upon whom the future will bestow its greatest claim. I only hope, Mr. President, that Robert Noyce's life will stand as an example to us all of the entrepreneurial spirit and commitment to America that made this Nation great.

ANNUAL REPORT OF THE TOURISM POLICY COUNCIL—MESSAGE FROM THE PRESIDENT—PM 144

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Commerce, Science, and Transportation:

To the Congress of the United States:

In accordance with section 302 of the International Travel Act of 1961, as amended (22 U.S.C. 2124a), I transmit herewith the annual report of the Tourism Policy Council, which covers fiscal year 1989.

GEORGE BUSH.

THE WHITE HOUSE, *September 14, 1990.*

ENTERPRISE FOR THE AMERICAS INITIATIVE ACT—MESSAGE FROM THE PRESIDENT—PM 145

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers, which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to transmit a legislative proposal entitled the "Enterprise for the Americas Initiative Act of 1990." This proposal sets forward key measures to implement the investment, debt, and environmental components of my "Enterprise for the Americas" initiative announced on June 27, 1990. It will build more constructive relations in the Western Hemisphere and a more hopeful future.

The last 14 months have been a remarkable time for the world. Yet the rapid changes at which we have marveled in Eastern Europe are not unique. Freedom has made great gains in our hemisphere, as a resurgence of democratic rule has swept through the Americas.

Parallel to this political shift has come a realignment of policies in the economic sphere. As the people of Latin America and the Caribbean search for prosperity following a difficult decade of painful economic adjustment, their governments are focusing on economic growth and the free market policies needed to nourish it.

For the benefit of all people of this hemisphere, the United States needs to reach out to support the efforts of these countries as each undertakes its own approach to economic reform. My new Enterprise for the Americas initiative aims to build a broad-based partnership for the 1990's that will strengthen our economic ties and encourage economic growth and development throughout the western Hemisphere.

This initiative rests on three pillars—actions on trade, investment, and debt—through which we can reach out to our neighbors and support economic reform and sustained growth. First, we want to expand trade both by cooperating closely with the nations of Latin America and the Caribbean as the Uruguay Round comes to a close and by entering into free trade agreements with the ultimate goal of a hemisphere-wide free trade system. Second, we want to encourage investment and help countries compete for capital by reforming broad economic policies and specific regulatory systems. Third, we want to build on our successful efforts to ease debt burdens and to increase the incentives for countries to reform their economies by offering additional measures in the debt area. As part of our efforts on

debt, we want to support the environment by promoting sustainable natural resource management as a key element of building a strong future for the hemisphere.

The proposal I am transmitting to the Congress today focuses on the investment, debt, and environment components of the Enterprise for the Americas initiative.

The proposal provides for contributions by the United States to a multilateral investment fund to be established by the Inter-American Development Bank (IDB) to foster a climate favorable to investment in Latin American and Caribbean countries. This Enterprise for the Americas Investment Fund will provide additional support for reforms undertaken as part of the new IDB investment sector lending program. It will do so by advancing specific, market-oriented investment policy initiatives and reform and financing technical assistance.

The proposal establishes the Enterprise for the Americas Facility to support the objectives of the initiative through administration of debt reduction operations for those nations that meet the investment reform and other policy conditions. Latin American and Caribbean countries can qualify for benefits under the Facility if they:

—Have in effect International Monetary Fund/World Bank reform programs;

—Have in place major investment reforms in conjunction with an IDB loan or are otherwise implementing an open investment regime; and

—For countries that owe a substantial part of their debt to commercial banks, have negotiated a satisfactory financing program with commercial banks, including debt and debt service reduction if appropriate.

The proposal authorizes the reduction of concessional obligations extended under the Foreign Assistance Act of 1961 and credits extended pursuant to title I of the Agricultural Trade Development and Assistance Act of 1954. The agency whose loans or credits are affected will exchange—at the direction of the Facility—new obligations for obligations outstanding as of January 1, 1990. Principal on the new obligation will be paid in U.S. dollars. Interest will be at a concessional rate and paid in local currency if an eligible country has entered into a framework agreement establishing an Environmental Fund; otherwise, interest will be paid in U.S. dollars.

The Environmental Fund into which local currency interest payments are deposited will be owned by the debtor country but be subject to joint programming by the debtor country and the United States Government. An environmental framework agreement will establish joint programming requirements and will also specify the use of the Environmental Fund to support environmental projects and programs. It is envisioned that local committees in each eligible country will include strong representation of local private environmental groups, as well as the United States Government and the host government, and will initiate overall country plans and carry out a fundamental review of proposed projects. In setting up this broad framework and establishing relationships in each eligible country, we will consult closely with nongovernmental organizations with expertise in natural resource management and conservation.

The proposal also authorizes the sale, reduction, or cancellation of loans made to eligible countries under the Export-Import Bank Act of 1945, as amended, and assets acquired under export credit guarantee programs authorized pursuant to the Commodity Credit Corporation Charter Act or section 4(b) of the Food for Peace Act of 1966. These sales, reductions, or cancellations will be undertaken only when purchasers confirm that they will be used to carry out debt-for-equity or debt-for-nature swaps in eligible countries.

We believe that these investment, debt, and environment measures will provide significant support to the efforts of Latin America and the Caribbean to build strong economies.

The United States has not gone untouched by the economic crisis faced by Latin America and the Caribbean over the last decade. As countries in the region cut imports, postponed investment, and struggled to service their foreign debt, we too were affected. We lost trade, markets, and opportunities.

Latin American and Caribbean leaders have made a great deal of progress in copying with the crisis. A new generation of democratically elected leaders is turning the tide away from economic decline. Enactment of the Enterprise for the Americas Initiative Act of 1990 will permit the United States to support the efforts of these leaders, increasing the prospects for economic growth and prosperity throughout the hemisphere.

GEORGE BUSH.

THE WHITE HOUSE, *September 14, 1990.*

MESSAGES FROM THE HOUSE

At 1:58 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 3265) to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes.

The message also announced that the House has passed the following joint resolution, in which it requests the concurrence of the Senate:

H.J. Res. 568. Joint resolution designating the week beginning September 16, 1990, as "Emergency Medical Services Week."

ENROLLED BILL SIGNED

The message further announced that the Speaker has signed the following enrolled bill:

S. 2088. An act to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes.

The enrolled bill was subsequently signed by the Acting President pro tempore [Mr. DIXON].

MEASURES HELD AT THE DESK

The following bill was ordered to be held at the desk until the close of business on September 17, 1990:

H.R. 5400. An act to amend the Federal Election Campaign Act of 1971 and certain related laws to clarify such provisions with respect to Federal elections, to reduce costs in House of Representatives elections, and for other purposes.

ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore (Mr. DIXON) announced that on today, September 14, 1990, he had signed the following enrolled bills which had previously been signed by the Speaker of the House:

H.R. 7. An act to amend the Carl D. Perkins Vocational Education Act to improve the provision of services under such Act and to extend the authorities contained in such Act through the fiscal year 1995, and for other purposes; and

H.R. 94. An act to amend the Federal Fire Prevention and Control Act of 1974 to allow for the development and issuance of guidelines concerning the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation affecting commerce, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, September 14, 1990, he had presented to the President of the United States the following enrolled bill:

S. 2088. An act to extend titles I and II of the Energy Policy and Conservation Act, and for other purposes.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3561. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a comulative report on budget rescissions and deferrals

dated September 1, 1990; pursuant to the order of January 30, 1975, as modified on April 11, 1986, referred jointly to the Committee on Appropriations and the Committee on the Budget.

EC-3562. A communication from the Comptroller of the Department of Defense, transmitting, pursuant to law, notice that the Secretary of Defense has invoked authority to authorize the Military Departments to incur obligations in excess of available appropriations for the costs of any additional members of the armed forces on active duty which have been increased beyond the number for which funds were provided in appropriations for the effective conduct of military operations in and around the Arabian Peninsula; to the Committee on Appropriations.

EC-3563. A communication from the Under Secretary of Defense (Acquisition), transmitting, pursuant to law, a selected acquisition report as of June 30, 1990, for the Strategic Defense System, Phase I; to the Committee on Armed Services.

EC-3564. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's letter of offer to Korea for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3565. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Korea for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3566. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Navy's proposed letter of offer to Thailand for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3567. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Air Force's proposed letter of offer to Korea for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3568. A communication from the Director of the Defense Security Assistance Agency, transmitting, pursuant to law, a report on the Department of the Army's proposed letter of offer to the Philippines for defense articles estimated to cost in excess of $50 million; to the Committee on Armed Services.

EC-3569. A communication from the Secretary of the Navy, transmitting, pursuant to law, notice that the Department of the Navy intends to transfer the obsolete destroyer *Turner Joy* (DD 951) to the Bremerton Historic Ships Association, Bremerton, Washington; to the Committee on Armed Services.

EC-3570. A communication from the Assistant Secretary of Defense (Production and Logistics), transmitting, pursuant to law, the strategic and critical materials report for the period April-September 1989; to the Committee on Armed Services.

EC-3571. A communication from the Chairman of the Commission on Alternative Utilization of Military Facilities, transmitting, pursuant to law, the second report of the Commission; to the Committee on Armed Services.

EC-3572. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Navy Ship Defense: Concerns About the Strategy for Procuring the Rolling Airframe Missile"; to the Committee on Armed Services.

EC-3573. A communication from the Director of the Office of Dependent Schools, Department of Defense, transmitting, pursuant to law, the annual test report for school year 1989-1990 for the overseas dependents' schools administered by the Department of Defense; to the Committee on Armed Services.

EC-3574. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting, pursuant to law, the annual report on the operations of the Export-Import Bank for fiscal year 1989; to the Committee on Banking, Housing, and Urban Affairs.

EC-3575. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Bank Insurance Fund: Additional Reserves and Reforms Needed to Strengthen the Fund"; to the Committee on Banking, Housing, and Urban Affairs.

EC-3576. A communication from the Administrator of General Services, transmitting, pursuant to law, the twelfth quarterly report on Federal actions taken to assist the homeless; to the Committee on Banking, Housing, and Urban Affairs.

EC-3577. A communication from the Deputy Assistant Attorney General (Legislative Affairs), transmitting, pursuant to law, a report on Department of Justice enforcement activities under the Equal Credit Opportunity Act; to the Committee on Banking, Housing, and Urban Development.

EC-3578. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the fiscal year budget request of the Commission; to the Committee on Commerce, Science, and Transportation.

EC-3579. A communication from the Chairman of the National Transportation Safety Board, transmitting, pursuant to law, a copy of the Board's letter to the Office of Management and Budget regarding the proposed fiscal year 1991 sequester; to the Committee on Commerce, Science, and Transportation.

EC-3580. A communication from the Acting Assistant Administrator of the National Aeronautics and Space Adminstration, transmitting, pursuant to law, a report on the decision to postpone the planned reprogramming of funds for design and construction at a NASA facility; to the Committee on Commerce, Science, and Transportation.

EC-3581. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on a project entitled "Evaluation of Gas Reburning and Low NOx Burners on a Wall-Fired Boiler"; to the Committee on Energy and Natural Resources.

EC-3582. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on a project entitled "Confined Zone Dispersion Flue Gas Desulfurization Demonstration"; to the Committee on Energy and Natural Resources.

EC-3583. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report on the Oil and Gas Leasing Program for Non-North Slope Federal Lands in Alaska for fiscal year 1989; to the Committee on Energy and Natural Resources.

EC-3584. A communication from the Secretary of Energy, transmitting, pursuant to law, a report on procedures for overseeing the expenditure by States and Territories of Stripper Well and Exxon funds and the status of pending enforcement actions initiated during the second quarter of fiscal year year 1990 and previous quarters with regard to the expenditure of petroleum violation escrow funds; to the Committee on Energy and Natural Resources.

EC-3585. A communication from the Secretary of Energy, transmitting, pursuant to law, a report entitled "Confronting Climate Change: Strategies for Energy Research and Development"; to the Committee on Energy and Natural Resources.

EC-3586. A communication from the Acting Federal Inspector of the Alaska Natural Gas Transportation System, transmitting, pursuant to law, the report on the state of the System summarizing the project developments that occurred from January through June 1990; to the Committee on Energy and Natural Resources.

EC-3587. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-3588. A communication from the Secretary of Energy, transmitting pursuant to law, a report on procedures for overseeing the expenditure by States and Territories of Stripper Well and Exxon funds and the status of pending enforcement actions initiated during the first quarter of fiscal year 1990 and previous quarters with regard to the expenditure of petroleum violation escrow funds; to the Committee on Energy and Natural Resources.

EC-3589. A communication from the Assistant General Counsel of the Department of Energy, transmitting, pursuant to law, notice of a meeting related to the International Energy Program; to the Committee on Energy and Natural Resources.

EC-3590. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, Volume II of the Agency for Toxic Substances and Disease Registry's Biennial Report; to the Committee on Environment and Public Works.

EC-3591. A communication from the Acting Chairman of the United States International Trade Commission, transmitting, pursuant to law, the sixty-second quarterly report on trade between the United States and the nonmarket economy countries; to the Committee on Finance.

EC-3592. A communication from the Director of the United States Arms Control and Disarmament Agency, transmitting, pursuant to law, the annual report on Arms Control and Disarmament Studies; to the Committee on Foreign Relations.

EC-3593. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, a report concerning plans regarding major disasters and incidents abroad affecting United States citizens; to the Committee on Foreign Relations.

EC-3594. A communication from the Chairman of the Administrative Conference of the United States, transmitting, pursuant to law, the eighth annual report on agency activities under the Equal Access to Justice Act; to the Committee on the Judiciary.

EC-3595. A communication from the Director of the National Science Foundation,

transmitting, pursuant to law, a report entitled "Scientific and Engineering Research Facilities at Universities and Colleges; 1990"; to the Committee on Labor and Human Resources.

EC-3596. A communication from the Inspector General of the Railroad Retirement Board, transmitting, pursuant to law, the budget request of the Board for fiscal year 1992; to the Committee on Labor and Human Resources.

EC-3597. A communication from the Secretary of Education, transmitting, pursuant to law, the interim report on the Study of Federal Funds Distribution; to the Committee on Labor and Human Resources.

EC-3598. A communication from the Acting Commissioner of Education Statistics, Office of Educational Research and Improvement, Department of Education, transmitting, pursuant to law, a report on dropout and retention rates entitled "Dropout Rates in the United States: 1992"; to the Committee on Labor and Human Resources.

EC-3599. A communication from the Commissioner of the Rehabilitation Services Administration, Office of Special Education and Rehabilitative Services, Departemnt of Education, transmitting, pursuant to law, a report on the accomplishments of the supported employment programs under Section 311(d) of the Rehabilitation Act of 1973 for fiscal year 1989; to the Committee on Labor and Human Resources.

EC-3600. A communication from the Chairman and Members of the Railroad Retirement Board, transmitting, pursuant to law, the budget request of the Board for fiscal year 1992; to the Committee on Labor and Human Resources.

EC-3601. A communication from the Deputy Under Secretary of Defense (Acquisition), transmitting, pursuant to law, a report on Department of Defense procurement from small and other business firms for the period October 1989 through June 1990; to the Committee on Small Business.

EC-3602. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Management of VA: Implementing Strategic Management Process Would Improve Service to Veterans"; to the Committee on Veterans's Affairs.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-570. A petition from citizens of Nevada, California, and Oregon relative to grazing on public lands; to the Committee on Energy and Natural Resources.

POM-571. A resolution adopted by the House of Representatives of the State of Michigan; to the Committee on Environment and Public Works.

HOUSE RESOLUTION No. 566

"Whereas, Over the past year, our nation has witnessed many examples of the fragile nature of our ecology. The tragic oilspill in Alaskan waters has attracted international concern, while the publicity of the twentieth anniversary of the first Earth Day is certain to stir consciousness across the United States. In Michigan, many people have wondered what a major oilspill would do to the confined Great Lakes system. In addition, more warnings have been issued regarding the potential health threat of consuming fish from the Great Lakes; and

"Whereas, In the face of such events and issues, the White House has proposed major cuts in funding for Great Lakes research. Specifically, $5.4 million would be cut from the budget, including major reductions in the Great Lakes National Program Office operated by the United States Environmental Protection Agency; the Great Lakes Environmental Research Laboratory operated by the National Oceanic and Atmospheric Administration; the Sea Grant program operating through universities, the Great Lakes Fishery Commission, a joint effort of the United States and Canada; and Environmental Protection Agency laboratories conducting Great Lakes research; and

"Whereas, It is highly shortsighted and irresponsible for the administration to ignore the critical role that the Great Lakes Basin plays in life in North America. The Great Lakes are one of our nation's most important resources. The Great Lakes constitute the largest reservoir of fresh water in the world, with almost 95 percent of the surface fresh water in our entire country. The Great Lakes Basin includes approximately 15 percent of the United States population and half of Canada's population; and

"Whereas, It is appalling to think that funding extravagant increases in defense systems at a time when peace and democracy are breaking out all over the world is more important than the drinking water of 25 million Americans and the primary resource of agriculture and industry. This is hardly the approach that should be taken by a nation that seeks to maintain its leadership and quality of life into the twenty-first century; now, therefore, be it

"Resolved by the House of Representatives, That we hereby memorialize the Congress of the United States to oppose White House-proposed budget cuts to Great Lakes research, especially the critical work being done at the Great Lakes Environmental Research Laboratory; and be it further

"Resolved, That copies of this resolution be transmitted to the Speaker of the United States House of Representatives, the President of the United States Senate, and the members of the Michigan congressional delegation."

POM-572. A resolution adopted by the Senate of the State of West Virginia; to the Committee on Finance:

"SENATE RESOLUTION No. 5

"Whereas, There is presently pending in the United States Senate S-2605 which would force pharmacists to encourage physicians to allow the substitution of alternative drugs to those precribed by the attending physician; and

"Whereas, The Office of Management and Budget through its Director, Richard Darman, has presented to the budget conference a proposal, which if adopted would circumvent the normal legislative process, therefore, preventing the Congress from holding hearings and studies to further investigate whether or not such legislation is in the best interest of the Medicaid recipients and the public as a whole, and whether or not the bill would in fact save Medicaid money funding or would in fact cost taxpayers more money; and

"Whereas, The OMB proposal allows the establishment of a national formulary which each state would be required to follow; and

"Whereas, The OMB proposal requires pharmacists to make mandatory substitution of preferred drugs listed on the formulay rather than the drug prescribed by the attending physician unless said physician indicated on the prescription that the prescribed drug was "medically necessary"; and

"Whereas, The OMB proposal would require the pharmacist to make therapeutic substitution of drugs without the approval of the attending physician and furthermore would grant immunity from civil suit to the pharmacist in the event death or injury would occur as a result of the drug substitution; and

"Whereas, By adopting the OMB proposal or S-2605 the Medicaid recipients would utimately receive substandard drug treatment; and

"Whereas, Studies have shown that proper precription drug treatment has been shown to be most cost effective form of medical treatment available; and

"Whereas, Restrictive formularies deny the best treatment to the poorest members of our society, that being the Medicaid recipient; and

"Whereas, Hundreds of national health and other organizations and leaders including federal and state legislators have taken positions adverse to the passage of either or both of these proposals. Some of those organizations include:

"The American Academy of Allergy and Immunology,

"American Academy of Family Physicians,

"American Cancer Society,

"American College of Cardiology/American Heart Association,

"American Health Association, New Jersey Affiliate,

"American Legislative Exchange Council,

"American Psychiatric Assocation,

"American Society of Clinical Pharmacology and Therapeutics,

"American Society of Internal Medicine,

"Arkansas Academy of Family Physicians Incorporated,

"Chemical Industry Council of New Jersey,

"Cystic Fibrosis Foundation,

"Epilepsy Foundation of America,

"Heritage Foundation,

"League of United Latin American Citizens (LULAC),

"Mexican-American Political Association,

"National Black Caucus of State Legislators,

"National Black Nurses Association,

"National Medical Association,

"National Urban League,

"National Multiple Sclerosis Society, Michigan Chapter,

"United States Hispanic Chamber of Commerce,

"Alzheimer's Association,

"American Society of Consultant Pharmacists,

"American Society of Hospital Pharmacists,

"Arthritis Foundation,

"National Urban League; therefore, be it

Resolved by the Senate, That the United States Senate and the House of Representatives refrain from passage of any legislation which would deny Medicaid patients access to essential prescription drugs either through overt therapeutic substitution or more subtle measures and to refrain from passage of any legislation which would establish national formulary to be followed by all states in administering their Medicaid program; and, be it

"Further Resolved, That the Clerk is hereby directed to forward copies of this resolution to the President of the United States Senate and to the Speaker of the United States House of Representatives and

to send copies to each member of the Congressional delegation representing the great State of West Virginia."

POM-573. A resolution adopted by the House of Representatives of the State of North Carolina; to the Committee on Finance:

"HOUSE RESOLUTION 2411

"Whereas, the United States Congress amended the Social Security Act in 1972 (Public Law 92-603) to increase retirement benefits to reflect cost-of-living increases; and

"Whereas, a technical flaw in the amended benefit formula overcompensated people who retired after 1972; and

"Whereas, Congress corrected its error by amending the Social Security Act in 1977 (Public Law 95-216) to bring benefits back to historical levels, and phased in the reduction over five years, affecting individuals born between 1917 and 1921, called the "Notch" years; and

"Whereas, the phase-in period has not provided a smooth transition, but has resulted in "Notch Babies" receiving as much as three thousand dollars ($3,000) per year less in benefits than people who have similar work histories but were born in 1916; and

"Whereas, members of Congress have for several years tried to pass legislation that would establish a uniform benefit formula to treat those born in the "Notch" years more equitably; and

"Whereas, the House of Representatives of the State of North Carolina is committed to equitable distribution of Social Security benefits and feels that the continued equities in benefits received by persons born during the "Notch" years undermines public confidence in the Social Security system: *Now, therefore, be it resolved by the House of Representatives:*

"SECTION 1. The House of Representatives of the General Assembly urges Congress to pass legislation to ensure equitable distribution of Social Security benefits paid to those born between 1917 and 1921.

"SEC. 2. The House of Representatives further urges the President of the United States to sign this legislation so that the Social Security system will once again provide equal retirement benefits to all deserving individuals.

"SEC. 3. The Principal Clerk of the House of Representatives shall transmit a certified copy of this resolution to the President of the United States, the Secretary of the United States Senate, the Clerk of the United States House of Representatives, and to every member of the congressional delegation from North Carolina.

"SEC. 4. This resolution is effective upon adoption."

POM-574. A petition from citizens of Bozeman, Montana relative to Medicare compensation for Moh's surgery; to the Committee on Finance.

POM-575. A petition from citizens of Bozeman, Montana relative to a prospective system of reimbursement based on Diagnosis Related Groups; to the Committee on Finance.

POM-576. A petition from citizens of Bozeman, Montana related to unique physician identifiers for each physician who provides services under Medicare; to the Committee on Finance.

POM-577. A petition from citizens of Bozeman, Montana relative to mandatory resource-based relative value scale; to the Committee on Finance.

POM-578. A petition from citizens of Bozeman, Montana relative to the cataract preferred provider organization project; to the Committee on Finance.

POM-579. A petition from citizens of Bozeman, Montana relative to medicare fee freeze; to the Committee on Finance.

POM-580. A petition from citizens of Bozeman, Montana relative to mandatory ICD-9-CM coding by Medicare; to the Committee on Finance.

POM-581. A petition from citizens of Bozeman, Montana relative to evasive and deceptive practices by Medicare; to the Committee on Finance.

POM-582. A petition from citizens of Bozeman, Montana relative to administrative determination of "medically unnecessary" treatments; to the Committee on Finance.

POM-583. A petition from citizens of Bozeman, Montana relative to mandatory Medicare assignments on office laboratory studies; to the Committee on Finance.

POM-584. A petition from citizens of Bozeman, Montana expressing opposition to Public Law 100-298, the Prescription Drug Marketing Act of 1987; to the Committee on Finance.

POM-585. A petition from citizens of Ahahola, Hawaii praying for a redress of grievances; to the Select Committee on Indian Affars.

POM-586. A joint resolution adopted by the Third Olbiil Era Kelulau (Palau National Congress); to the Committee on Rules and Administration.

"SENATE JOINT RESOLUTION No. 3-74

"Whereas, the late Honorable Spark Masayuki Matsunaga, a member of the United States Senate from the State of Hawaii, United States of America, was born in Kukuiula, on the island of Kauai, Hawaii, to parents who had emigrated from Japan; and

"Whereas, the late Honorable Matsunaga graduated with honors from the University of Hawaii with a degree in education in 1941; and

"Whereas, upon the outbreak of World War II, the late Honorable Matsunaga joined the United States Army's all-Nisei 100th Battalion of the 442nd Regimental Combat Team; and

"Whereas, when the late Honorable Matsunaga served in the Army fighting in Italy, his regiment became one of the most heavily decorated and famous units in the history of the Army, and the late Honorable Matsunaga earned the Bronze Star Medal and two Purple Hearts; and

"Whereas, after the war the late Honorable Matsunaga entered Harvard University law school where he earned his law degree, and after graduation became assistant prosecutor in Honolulu from 1952 to 1954, then had a private law practice until 1963; and

"Whereas, the late Honorable Matsunaga's legislative history dates back to 1954 when he served as a member of the territorial House of Representatives, and in 1959 he served as majority leader; and

"Whereas, after 14 years in the United States House of Representatives, the late Hawaii Democrat Matsunaga ran for the Senate in 1976 to succeed Republican Hiram Fong, who was then retiring, and won the Senate seat; and

"Whereas, the late Senator has successfully won his last two Senate races with 80 percent and 76 percent, respectively, of the popular vote; and

"Whereas, when the late Honorable Matsunaga was in the House, he served on the powerful Rules Committee, and became a deputy party whip; and

"Whereas, in 1977, in his first year in the Senate, the late Senator won a highly sought seat on the powerful Finance Committee, where he immediately was named Chairman of the newly created Subcommittee on Tourism and Sugar; and

"Whereas, the late Senator devoted most of his attention to fostering the economy of his native Hawaii, but he also was a voice for free trade, the peaceful exploration space, justice for Japanese-Americans who had been interned during World War II, and the establishment of a national "peace academy"; and

"Whereas, perhaps the late Senator's greatest legislative victory was almost single-handedly gaining passage in the 100th Congress of a law redressing the injustice suffered by West Coast Japanese-Americans whose patriotism had been questioned and who were interned in camps during World War II; and

"Whereas, the law, which the late Senator spent nine years trying to enact, provided $1.25 billion to pay each surviving detainee $20,000 and offered a written, formal, and profound apology by the U.S. government; and

"Whereas, since 1963 when the late Senator was still a member of the House of Representatives, he had introduced a bill to fulfill another of his longtime goals, the establishment of an institute which became the U.S. Institute for Peace, for the study of peaceful resolution to conflict which the Congress had finally approved in 1984; and

"Whereas, in the area of space exploration, the late Senator worked for a joint U.S.-Soviet Mars exploration program and for the declaration of 1992 as International Space Year, and also sought to bring NASA funds to Hawaii and to make his state a major center for space exploration; and

"Whereas, at the time of his death, the late Senator was the number two member of the powerful Senate Finance Committee; and

"Whereas, before the Senate recessed during the last week before his death, the late Senator cast his last votes on the floor from a wheelchair; and

"Whereas, the late Honorable Spark Masayuki Matsunaga, 73, a Hawaii Democrat who had served in the Senate of the U.S. Congress since 1977 and * * *."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BOREN, from the Select Committee on Intelligence:

Special Report entitled "U.S. Capability to Monitor Soviet Compliance with the Treshhold Test Ban Treaty [TTBT] and the Treaty on Peaceful Nuclear Explosions [PNET] (Rept. No. 101-462).

By Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 2788. A bill to authorize certain programs and functions of the National Oceanic and Atmospheric Administration, and for other purposes (Rept. No. 101-463).

By Mr. GLENN, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 273. A bill to amend title 39, United States Code, to designate as nonmailable matter solicitations of donations which could reasonably be misconstrued as a bill, invoice, or statement of account due, solicitations for the purchase of products or services which are provided either free of charge or at a lower price by the Federal Government connection or endorsement, unless such matter contains an appropriate, conspicuous disclaimer, and for other purposes (Rept. No. 101-464).

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

H.R. 3897. A bill to authorize appropriations for the Administrative Conference of the United States for fiscal years 1991, 1992, 1993, and 1994, and for other purposes.

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 324. A resolution congratulating President Vassiliou, the government, and the people of Cyprus on the thirtieth anniversary of independence.

By Mr. PELL, from the Committee on Foreign Relations, without amendment:

S. 3041. A bill to set forth United States policy toward Central America and to assist the economic recovery and development of that region.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Edwin D. Williamson, of South Carolina, to be Legal Advisor of the Department of State;

Robert F. Goodwin, of Maryland, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada;

Joseph Francis Glennon, of Florida, to be a Member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 1991;

Carolyn D. Leavens, of California, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring September 17, 1990;

Carolyn D. Leavens, of California, to be a Member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1993;

James D. Watkins, of California, to be the Representative of the United States to the 34th Session of the General Conference of the International Atomic Energy Agency;

Richard T. Kennedy, of the District of Columbia, to be an Alternate Representative of the United States to the 34th Session of the General Conference of the International Atomic Energy Agency;

Michael H. Newlin, of Maryland, to be an Alternate Representative of the United States to the 34th Session of the General Conference of the International Atomic Energy Agency;

Kenneth M. Carr, of California, to be an Alternate Representative of the United States to the 34th Session of the General Conference of the International Atomic Energy Agency; and

Tom C. Korologos, of Virginia, to be a Member of the United States Advisory Commission on Public Diplomacy for a term expiring July 1, 1993.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. PELL. Mr. President, for the Committee on Foreign Relations, I also report favorably a nomination list in the Foreign Service which was printed in full in the CONGRESSIONAL RECORD of September 10, 1990, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

By Mr. PELL, from the Committee on Foreign Relations: Ex. N, 94-2 and Treaty Doc. 101-19.

Two treaties between the United States of America and the Union of Soviet Socialist Republics on (1) the Limitation of Underground Weapon Tests, signed in Moscow on July 3, 1974, and (2) Underground Nuclear Explosions for Peaceful Purposes (PNET), signed in Washington and Moscow on May 28, 1976, with an Agreed Statement relating to paragraph 2(c) of Article III of the PNET, signed on May 13, 1976, and the Protocol to the Treaty between the United States of America and the Union of Soviet Socialist Republics of the Limitation of Underground Nuclear Weapons Tests, and the Protocol to the Treaty between the United States of America and the Union of Soviet Socialist Republic on Underground Nuclear Explosions for Peaceful Purposes (the Protocols), both signed at Washington on June 1, 1990, having considered the same, reports favorably thereon with two declarations to the Treaty on the Limitation of Underground Weapons Tests and the Protocol thereto, and recommends that the Senate give its advice and consent to ratification thereof (Exec. Rept. No. 101-31).

[Senate of the United States in Executive Session]

TEXT OF RESOLUTIONS OF RATIFICATION

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to ratification of the Treaty Between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes, signed in Washington and Moscow on May 28, 1976, and the Protocol thereto, signed in Washington on June 1, 1990, and an Agreed Statement relating to paragraph 2(c) of Article III of the treaty, signed on May 13, 1976.

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to ratification of the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Underground Nuclear Weapon Tests, signed in Moscow on July 3, 1974, and the Protocol thereto, signed in Washington on June 1, 1990, subject to—

I. The declaration that to ensure the preservation of a viable deterrent there should be safeguards to protect against unexpected political or technical events affecting the military balance; that such safeguards, consistent with national interests and resources, should be an important ingredient in decisions on national security programs and allocation of available resources; and that such safeguards should be as follows:

SAFEGUARD "A"

The conduct, within the constraints of treaties on nuclear testing, of effective and continuing underground nuclear test programs designed to add to our knowledge and improve our weapons in all areas of significance to our military posture for the future.

SAFEGUARD "B"

The maintenance of modern nuclear laboratory facilities and programs in theoretical and exploratory nuclear technology which will attract, retain, and ensure the continued application of our human scientific resources to those programs on which continued progress in nuclear technology depends.

SAFEGUARD "C"

The maintenance of the basic capability to resume nuclear test activities prohibited by treaties should the United States cease to be bound to adhere to such treaties.

SAFEGUARD "D"

In conjunction with an effective verification program, the conduct of comprehensive and continuing research and development programs to improve our treaty monitoring capabilities and operations.

SAFEGUARD "E"

The continuing development of a broad range of intelligence gathering and analytical capabilities and operations to ensure accurate an comprehensive information on worldwide nuclear arsenals, nuclear weapons development programs, and related nuclear programs.

II. The declaration that, mindful of the commitment of the United States, the Soviet Union and Great Britain in the Limited Test Ban Treaty of 1963 and in the Non-Proliferation Treaty of 1968 to seek the discontinuance of all test explosions of nuclear weapons for all time and of the commitment which shall be legally binding on the Parties upon ratification of the Treaty on the Limitation of Underground Nuclear Weapons Tests to "continue their negotiations with a view toward achieving a solution to the problem of the cessation of all underground nuclear weapon tests," the United States shares a special responsibility with the Soviet Union to continue the bilateral Nuclear Testing Talks to achieve further limitations on nuclear testing, including the achievement of a verifiable comprehensive test ban.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mrs. KASSEBAUM:

S. 3054. A bill entitled the "Improved Rural Railroad and Grain Car Service Act"; to the Committee on Commerce, Science, and Transportation.

By Mr. SIMPSON:

S. 3055. A bill to amend the Immigration and Nationality Act to expedite removal of aliens, and for other purposes; to the Committee on the Judiciary.

By Mr. GRASSLEY:

S. 3056. A bill to establish the Federal Interagency Advisory Council and promote the use of senior citizens in the support of Federal agencies, and for other purposes; to the Committee on Governmental Affairs.

By Mr. GRASSLEY (for himself and Mr. BURDICK):

S. 3057. A bill to amend the Environmental Programs Assistance Act of 1984 to provide that for purposes of liability for damage, injury or death caused by the negligence or wrongful acts or omissions of individuals authorized by such Act, the United States is liable, and for purposes of access to trade secrets and confidential business information such individuals are authorized representatives of the United States Environmental Protection Agency; to the Committee on Environment and Public Works.

By Mr. MACK:

S. 3058. A bill for the relief of William L. Stuck, Glenn Jenkins, Charles L. Cavell, Alto C. Bowdoin, Jr., and Nathan J. Schnurman; to the Committee on the Judiciary.

By Mr. DECONCINI (for himself and Mr. THURMOND):

S. 3059. A bill to amend title 28, United States Code, to authorize the appointment of additional bankruptcy judges; to the Committee on the Judiciary.

By Mr. REID:

S.J. Res. 364. Joint resolution to designate the third week of February 1991, as "National Parents and Teachers Association Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. PELL, from the Committee on Foreign Relations:

S. Res. 324. Resolution congratulating President Vassiliou, the government, and the people of Cyprus on the thirtieth anniversary of independence; placed on the calendar.

By Mr. MOYNIHAN (for himself, Mr. PELL, and Mr. KERRY):

S. Con. Res. 146. Concurrent resolution expressing the sense of the Congress that the United States should pay its outstanding debt to the United Nations; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. KASSEBAUM:

S. 3054. A bill entitled the "Improved Rural Railroad and Grain Car Service Act"; to the Committee on Commerce, Science and Transportation.

IMPROVED RURAL RAILROAD AND GRAIN CAR SERVICE ACT

Mrs. KASSEBAUM. Mr. President, I rise today to introduce legislation to address the abandonment of railroad lines and the shortage of grain cars across rural America.

The bill reaffirms the congressional intent to make the Interstate Commerce Commission consider whether the proposed abandonment of discontinuance will have a serious, adverse impact on the affected rural community, its surrounding agricultural producers, and on the affected community's development.

Recently, the State of Kansas published a study entitled "Kansas Rail Lines at Risk." The report concluded that many small Kansas communities are in danger of losing their rail service. The study stated the reduced rail service will have far-reaching implications. According to the report, the most directly affected are farmers and small shippers in rural communities. In addition, the report noted rail abandonments can have adverse implications for rail workers and their families, as well as schools, local retail businesses, and real estate values. In short, the very existence of a rural community may be threatened by the loss of rail service.

A followup report from the State, entitled the "Impact of Rail Branch Line Abandonment on Rural Highways," concluded that rail abandonment resulted in substantial strain and deterioration of rural highways. Such highway strain and deterioration threatens the lives of rural travelers and translates into increased property and sales taxes for repair and upkeep.

Most recently, the Wichita Eagle reported on the adverse impact rail abandonments will have on the many small towns and wheat elevators across Kansas. The apprehension in the rural communities is significant.

The disturbing aspect of the current abandonment procedure is that it is being done in a vacuum. A major part of our transportation infrastructure is literally being dismantled, and no thoughtful consideration is being given to what effect these abandonments will have on our long-term agricultural transportation system. Our economy will ultimately pay a tremendous price for shortsighted action.

For reasons I find inexcusable, many hundreds of miles of Kansas railroad tracks have fallen into abject disrepair. On many lines there has been no substantial capital improvements or repairs for 70 years. Trains on some lines cannot operate at speeds in excess of 8 miles per hour, and on some lines the safe speed is even less. Such speeds are ridiculous—particularly for common carriers.

Ironically, our current abandonment process endorses shortsighted actions. This turns public policy on its head. Let me explain. Having laid track on land often granted them by the Federal Government for the purpose of building and maintaining a railroad, the railroads have gone decades without maintaining and keeping up their tracks. Year after year they profited from carrying grain over the tracks but ignored necessary repairs and improvements. After 70 years of wear and tear, trains can no longer run at even minimal speeds. Because of unreasonable speed restraints and spotty grain car supplies, grain elevators began shipping their loads by truck. The railroads are now pointing to the reduced grain shipments and are petitioning the ICC to abandon the track for lack of traffic. Such behavior is similar to the child who shoots both his parents and pleads for leniency because he is an orphan.

Railroads are common carriers. It is not right for the Interstate Commerce Commission to approve the abandonment of tracks which have fallen into disuse because of purposeful neglect and dereliction of reasonable repair.

The legislation I am introducing in essence prohibits the abandonment of track which has fallen into disrepair because of unreasonably neglect by the railroad. The bill also provides for a more accurate consideration of the historical amounts of grain shipped over the line. The current data is distorted because of the recent drought. It also prevents what I view as fraudulent transfers of track to essentially defunct railroad companies for the purpose of tearing up the track and selling the rails for scrap. It also gives a right of first refusal to the lessees of grain elevators if the elevator is to be sold by the railroad.

The failure of railroads to make capital imvestments in our rural transportation system is not limited to track repair. For years, there have been shortages of grain hopper cars for shipping grain. Railroads have not been anxious to purchase sufficient numbers of cars to supply adequately rural grain elevators, nor have they been anxious to carry privately owned grain cars for elevators. Just as adequate repair and capital improvements are necessary to keep tracks in order to ship grain economically, a sufficient and reliable supply of grain cars is necessary to maintain a rural agricultural system.

Many have argued the developments of short-line railroads is the best way to address the abandonment problem. If short-line railroads are to be a major component of our agricultural transportation system, the current haphazard process in which short lines are developed should be substantially revised. As a first step, the legislation requires better and more timely disclosure of information useful in determining the feasibility of a short-line system.

Mr. President, the leverage assumed by Wall Street to do its hostile takeovers, buy outs, and special dividends was in my view a serious mistake. Many people who have never seen a grain elevator made spectacular profits speculating in railroad stocks and demanding the liquidation of railroad assets. Small towns in Kansas and other farm States then are asked to pay for those profits in the form of layoffs, closed railroad shops, abandoned lines, and discontinued service. Left unchecked, such activity may cripple our rural transportation system, and result in the demise of many small communities across my State. I believe we must address this shortsighted action and take the nec-

essary steps to protect the long-term interests of our agricultural transportation system.

By Mr. SIMPSON:

S. 3055. A bill to amend the Immigration and Nationality Act to expedite removal of criminal aliens, and for other purposes; to the Committee on the Judiciary.

CRIMINAL ALIENS DEPORTATION AMENDMENTS

Mr. SIMPSON. Mr. President, today I rise to introduce legislation which would remove criminal aliens from the United States in a much more expeditious fashion.

I recently was quite surprised to learn that aliens now comprise 20 percent of our Federal prison population. In addition, while we do not have adequate figures as to the number of aliens in our State prisons, the judicial personnel in those States with high alien concentrations advise me that the number of aliens that come before their courts is very large.

The Immigration and Naturalization Service [INS] informs me that, during fiscal year 1990, it will apprehend approximately 30,000 aliens who are deportable because of their criminal records or activities. Our current detention and deportation system is simply not capable of processing and removing this frightening number of potentially dangerous aliens, and significant improvements in this system are thus essential.

Most legal immigrants are hard-working, law-abiding, and usually a very positive addition to our country. Also, most illegal immigrants are not themselves involved in criminal activity, even though their entry into the United States may unintentionally promote other serious criminal activities, such as alien smuggling, drug smuggling, and documents fraud. However, we must pay special attention to those criminal aliens who do pose a serious threat to our country.

I strongly believe that aliens who commit violent crimes, and aliens who have committed serious drug-related crimes, should be deported from our country in as swift a manner as is possible. Unfortunately, the opposite is the reality today. Because of the many opportunities for delay that exist in our current deportation system, an alien convicted of a serious crime may nonetheless remain in the United States for many years while he or she pursues the available legal remedies.

I do not propose in any way that we dramatically reduce the number of legal remedies available to deportable aliens. Aliens that have made an entry into the United States are surely entitled to due process. However, I believe that we should protect against the abuse of current legal remedies by placing time limitations and other reasonable requirements on the legal avenues that now exist. Thus, every deportable alien will still be able to raise his or her claim to stay in the United States, and that claim will be heard. However, the multiple raising of the same claim, and devious delays in making the claim, will no longer be tolerated.

In brief, my legislation would do two things: First, it would conform the procedural rules in our deportation processes to those that apply to any citizen pursuing or defending a lawsuit under the Federal rules or civil procedure; second, it would prohibit criminal aliens from seeking certain avenues of relief from deportation that are now available to all aliens—criminal or otherwise.

I believe it is most essential that we pass legislation before the end of the 101st Congress regarding this serious problem of criminal aliens. I have consulted with the Department of Justice on this legislation, and I have circulated drafts of the bill to many of the organizations involved in the issue and have reviewed their comments thoroughly. My friend, the able Congressman LAMAR SMITH, the ranking member of the House Immigration Subcommittee, has already introduced identical legislation (H.R. 5284). He and I will work diligently with all of the interested Members of the House and Senate in pursuing this important legislation to enactment.

I ask unanimous consent that a summary of the bill be printed in the RECORD and I encourage my colleagues to support the legislation.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF CRIMINAL ALIEN DEPORTATION ACT OF 1990

Section 1:
Short title.
Section 2:
Defines the classes of criminal aliens to which the legislation applies: "class 1 felon" and "class 2 felon."

Class 1 felons include aliens convicted of felonies under federal or state law for which a sentence of 5 years or more may be imposed for the following activities: crimes of violence, drug trafficking, firearm trafficking, and money laundering.

Class 2 felons include aliens convicted of crimes of violence, drug trafficking, firearm trafficking, and money laundering for which a sentence of 1 to 5 years may be imposed, except that crimes against property involving damage of less than $10,000 are not included.

Class 1 felons must appeal to the federal courts within 30 days of final administrative deportation decisions. Class 2 felons must appeal to the federal courts within 60 days of final administrative deportation decisions.

Class 1 felons are barred from re-entering the U.S. for 20 years (without special permission of the Attorney General). Class 2 felons are so barred for 10 years.

Class 1 and Class 2 felons may not count more than 60 days toward the 7-year period required for suspension of deportation while deportation proceedings are pending against them.

Section 3: Deportation Hearing Notices:

Requires aliens under deportation proceedings to: 1) provide the government with their current address, and any subsequent change of address, and 2) appear on time to scheduled deportation hearings.

If correct address not given, or if notice of deportation hearings is sent to address given and alien does not appear, then the government may conduct *in absentia* deportation hearings against that alien.

Section 4: Deportation Procedures:

Deportable aliens who have previously violated a requirement to depart voluntarily by a date certain may not be granted the privilege of voluntary departure in the future, but must be formally deported.

Aliens in deportation proceedings must raise all defenses to their deportation when they initially respond to the government's deportation order (unless a claim for political asylum arises unexpectedly at a later date).

Government must provide immediate notice to aliens of the above requirements.

Aliens in deportation proceedings must pursue their defenses and appeals diligently, within specified time limits.

Aliens in deportation proceedings may have their cases dismissed if they file frivolous motions or pleadings. Attorneys who file frivolous motions or pleadings on an alien's behalf may be sanctioned.

Aliens seeking judicial review of a final administrative deportation decision must raise all appealable issues at one time, in the same appeal.

Aliens placed in deportation proceedings may be granted a stay in the proceedings of up to 14 days in order to attempt to secure counsel.

Section 5: Political Asylum:

Aliens convicted of Class 1 or Class 2 felonies may not apply for political asylum (but withholding of deportation remains available for Class 2 felons).

Aliens convicted of Class 1 felonies may not apply for withholding of deportation (which, like political asylum, requires that an alien satisfy the international refugee definition, but imposes a higher burden of proof).

Section 6: Definition of "Good Moral Character":

Prohibits aliens convicted of a Class 1 felony from being considered to be of "good moral character" for the purpose of receiving certain benefits under immigration law.

Section 7: INS Law Enforcement Authority:

Authorizes INS officers to make arrests for non-immigration-related felonies.

Authorizes INS officers to carry firearms.

Requires INS to fingerprint and photograph each alien apprehended and ordered removed.

Section 8: State Reporting on Criminal Aliens;

Requires State governments to provide the INS with conviction records whenever an alien is convicted of violating a state criminal law.

Section 9: Reports:

Requires the Attorney General to report to Congress on: 1) INS execution of final deportation orders, and 2) deportation proceedings held in prison institutions, pursuant to the Anti-Drug Abuse Act of 1988.

Section 10: Miscellaneous Provisions:

Eliminates automatic waiver of grounds of exclusion for aliens who have resided permanently in the U.S. for at least 7 years, when such aliens have been convicted of a Class 1 or Class 2 felony.

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Grants INS the authority to decide whether or not to follow a judicial recommendation against deportation issued by a state court.

Excludes from readmission those aliens convicted of a Class 2 felony and who have departed the U.S. voluntarily in lieu of deportation (Class 1 felons are already so barred).

Clarifies that the Equal Access to Justice Act does not apply to administrative deportation or exclusion proceedings:

Section 11: Deportation Transcripts:

Provides an additional $5 million for each of FY's 1991-1993 to reduce the backlog in deportation trial transcripts at the Executive Office for Immigration Review.

Section 12: Additional Immigration Judges:

Authorizes funds to provide for 20 additional immigration judges to conduct deportation proceedings for criminal aliens who are serving time in prison.

By Mr. GRASSLEY:

S. 3056. A bill to establish the Federal Interagency Advisory Council and promote the use of senior citizens in support of Federal agencies, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL SENIOR CITIZEN PERSONNEL SUPPORT COUNCIL ACT

● Mr. GRASSLEY. Mr. President, today I am introducing legislation which would establish a Federal interagency council to promote, and coordinate the use of, older workers in the Federal Government.

The inspiration for this council is the Senior Environmental Employment Program, a program of the Environmental Protection Agency which employs older workers to carry out many of the regular activities of the agency.

This program began some years ago as a demonstration project run jointly by EPA and the Administration on Aging in the then Department of Health, Education and Welfare. The primary purpose of this original project was to demonstrate ways in which older Americans could be effectively employed in jobs relating to the prevention, abatement, and control of environmental pollution.

Several years later, in 1984, legislation was introduced by myself and Senators Stafford, HEINZ, SPECTER, and PELL to make the program permanent. The Environment and Public Works Committee agreed unanimously to report the legislation, it passed the Senate, and the President signed what became Public Law 98-313 on June 12, 1984.

This program has been a success, and has demonstrated conclusively that older workers can make a contribution to achievement of the agency's objectives. EPA seeks out older Americans with appropriate skills, training and expertise to augment its permanent headquarters staff and field staff, as well as the staff of State and local governments. These workers survey waste dumps, conduct surveys of hazardous waste products, study the extent to which migrant workers are exposed to pesticides, and undertake many other tasks related to the mission of EPA.

At the same time that the program enables EPA to more successfully carry out its duties, it creates no problems for career workers. The managers of the program and the agency personnel director must insure that employment of SEE workers does not displace currently employed individuals, interfere with the employment of any Federal employee in layoff status, or affect existing contracts for services.

While they work for EPA, and under close supervision of EPA career officials, the SEE workers are hired through contracts or cooperative agreements that EPA concludes with several of the national aging organizations. Strictly speaking, therefore, while they are supervised by EPA officials, they are employees of, and are paid by, the national aging organizations which contract with EPA.

Recently, other agencies have become interested in developing SEE-type programs. The Federal Communications Commission has a SEE-like program now, and several other Federal agencies are seriously weighing the possibility of establishing a SEE-like program.

I think it is appropriate, therefore, to consider establishment of a Government-wide council to help foster interest in such programs, and to help coordinate those programs that now exist or might be commenced.

The basic purpose of the council is to help foster use of senior citizens as support personnel for Federal programs. It would do this by developing a Government-wide plan to use such workers, and by monitoring the implementation of that plan. The plan would provide for State and local government participation. It would provide for the exchange of information between Federal agencies on such programs. And it would recommend any legislation necessary to remove obstacles preventing implementation of the council's plans.

This legislation would require each Federal agency to submit a plan to the council annually. The agencies' plans would show how the agency in question would go about implementing the council's Government-wide plan for enhancing use of senior citizens in Federal programs.

The legislation would require the council to oversee a special review by each agency to determine the extent to which senior citizens are given an opportunity to participate as support personnel in Federal programs.

Agencies are required to furnish data, reports, and other information upon request to the council. And they are authorized to provide such services to the council as the council may request and as may be agreed on by the council and the agency.

I believe that older workers can make a contribution to the work of the Federal Government, Mr. President, and I believe that in coming years there are a good many reasons why our society is going to have to enable those older workers, who want to, to remain employed.

I ask unanimous consent that a copy of the bill be included in the RECORD after my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows.

S. 3056

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Federal Senior Citizen Personnel Support Council Act of 1990".

SEC. 2. PURPOSES.

The purposes of this Act are to—

(1) advance the development of more programs which utilize the talents of older Americans;

(2) strengthen the capacity of Federal agencies to perform legislative mandates; and

(3) increase the opportunities for senior citizens to serve the Nation in highly specialized and technical areas.

SEC. 3. ESTABLISHMENT.

There is established the Federal Senior Citizen Personnel Support Council (hereafter referred to as the "Council").

SEC. 4. MEMBERSHIP OF THE COUNCIL.

(a) MEMBERSHIP.—The Council shall be composed of 7 members, including—

(1) the Administrator of the Environmental Protection Agency;

(2) the Commissioner of the Administration on Aging of the Department of Health and Human Services;

(3) the Secretary of Labor; and

(4) 4 members appointed by the President, 2 of which shall be representatives of—

(A) national aging organizations; and

(B) senior citizens at large.

(b) CHAIRMAN.—The Administrator of the Environmental Protection Agency shall serve as the Chairman of the Council for the initial 3-year term. Thereafter, the Council shall select a Chairman from among its members.

(c) QUORUM.—Four members of the Council shall constitute a quorum.

(d) TERM OF OFFICE.—Each appointed member shall be appointed for a term of 3 years. A member may serve more than 1 term.

(e) VACANCIES.—Any vacancies in the Council shall not affect its powers, but shall be filled in the same manner as the original appointment.

(f) INITIAL APPOINTMENTS.—Initial appointments to the Council shall be made within 60 days after the date of the enactment of this Act.

SEC. 5. FUNCTIONS.

(a) FEDERAL PLAN.—The Council shall develop and monitor the implementation of a Government-wide Federal plan to—

(1) increase the use of senior citizens as support personnel for federally sponsored programs;

(2) provide for State and local government participation;

(3) exchange information between Federal agencies to greater utilize the skills, training, and expertise of senior citizens in such programs; and

(4) recommend any legislation necessary to remove obstacles preventing implementation of plans under this Act.

(b) FEDERAL AGENCY PLANS.—The Council shall review the report and plan of each Federal agency submitted under section 6.

(c) REPORT.—No later than January 15 of each year, the Council shall submit a report to the President and the Congress on the status of the implementation of the Federal plan developed under subsection (a) for the preceding year.

SEC. 6. FEDERAL AGENCY PLANS AND REVIEW.

(a) FEDERAL AGENCY PLANS.—No later than January 15 of each year, each Federal agency shall submit to the Council a plan that—

(1) applies and implements the Government-wide plan developed under section 5 to the agency;

(2) sets out the objectives of the agency in implementing such plan in the upcoming year; and

(3) measures the performance of the agency in meeting the objectives of the preceding year.

(b) REVIEW OF FEDERAL AGENCY PROGRAMS.—No later than January 1, 1995 and every 5 years thereafter, the Director of the Federal Council on Aging shall oversee a special review by each Federal agency to determine the extent to which senior citizens are given an equal opportunity to participate as support personnel in Federal programs. The review shall examine unintended regulatory barriers, determine the adequacy of announcements of program support opportunities and identify ways for eliminating impediments and hindrances.

SEC. 7. COOPERATION WITH FEDERAL AGENCIES.

(a) FURNISHING INFORMATION.—Each department, agency, and instrumentality of the Federal Government is authorized and directed to furnish to the Council, upon requests made by the Chairman, such data, reports, and other information not otherwise prohibited by law as the Council determines necessary to carry out its functions.

(b) PROVISION OF SERVICES.—The head of each department or agency of the Federal Government is authorized to provide to the Council such services as the Council requests on such basis, reimbursable or otherwise, as may be agreed between the department or agency and the Chairman of the Council. All such requests shall be made by the Chairman of the Council.

(c) ENVIRONMENTAL PROTECTION AGENCY SUPPORT SERVICES.—For the initial term of the Administrator of the Environmental Protection Agency as Chairman of the Council, the head of the Office of Senior Environmental Employment of such agency shall provide support services for the Council. Thereafter the Environmental Protection Agency, the Department of Labor, and the Administration on Aging shall provide services to the Council on a rotational basis or as otherwise agreed by such agencies in the same manner as provided for under subsection (b).

SEC. 8. ADMINISTRATIVE PROVISIONS.

(a) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of service for the Council, appointed members of the Council shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703(b) of title 5 of the United States Code.

(b) PERSONNEL.—The Council may appoint and fix the compensation of personnel without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and such personnel may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates, but at a rate not to exceed the maximum rate authorized by the General Schedule. In addition, the Council may procure the services of experts and consultants in accordance with section 3109 of title 5, United States Code, but at rates for individuals not to exceed the daily equivalent of the annual rate of basic pay in effect for the maximum rate authorized by the General Schedule.

(c) CONSULTANTS.—The Council is authorized to negotiate and enter into contracts with private organizations and education institutions to carry out such studies and prepare such reports as the Council determines are necessary in order to carry out its duties.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Council such sums as may be necessary to carry out the provisions of this Act.●

By Mr. GRASSLEY (for himself and Mr. BURDICK):

S. 3057. A bill to amend the Environmental Programs Assistance Act of 1984 to provide that for purposes of liability for damage, injury, or death caused by the negligence or wrongful acts or omissions of individuals authorized by such act, the United States is liable, and for purposes of access to trade secrets and confidential business information such individuals are authorized representatives of the U.S. Environmental Protection Agency; to the Committee on Environment and Public Works.

ENVIRONMENTAL PROGRAMS ASSISTANCE ACT OF 1984 AMENDMENTS OF 1990

● Mr. GRASSLEY. Mr. President, I rise today to introduce, with my colleague Senator BURDICK, legislation which would clarify the Government's liability for the actions of individuals performing services for the Environmental Protection Agency in that Agency's Senior Environmental Employment Program [SEE]. The bill we are introducing would also provide SEE Program enrollees with the same access to information needed to do their jobs that regular EPA employees presently have.

The Senior Environmental Employment Program began some years ago as a demonstration project jointly supported by the Administration on Aging in the then Department of Health, Education, and Welfare, and the Environmental Protection Agency. The primary purpose of the project was to demonstrate ways in which older Americans could be effectively employed in jobs relating to the prevention, abatement, and control of environmental pollution.

Over several years, considerable experience was accumulated with older workers in environmental protection activities. Older workers surveyed waste dumps, conducted surveys of hazardous waste products produced by industries, studied the extent to which migrant workers were exposed to pesticides, among other activities.

Then, in 1984, Senators STAFFORD, HEINZ, SPECTER, PELL, and myself introduced legislation to make the program permanent. The Environment and Public Works Committee agreed unanimously to report the legislation, and it was passed by the Senate on March 26, 1984, and signed by the President on June 12, 1984.

The SEE Program has been supported consistently by the leadership of EPA. The legislation which made the program permanent was strongly supported by the then EPA Administrator, William Ruckelshaus. The program has also caused no problems for other, career, EPA employees, since the managers of the program and the Agency personnel office must ensure that employment of SEE workers does not displace currently employed individuals, interfere with the employment of any Federal employee in layoff status, or affect existing contracts for services.

Older workers are hired by the SEE Program through contracts or cooperative agreements that EPA concludes with several of the national aging organizations. Prominently involved have been the American Association of Retired Persons, the National Council on Aging, and the National Caucus and Center on the Black Aged.

Mr. President, this is a program which has conclusively demonstrated that older workers constitute a valuable resource whose talents we should make every effort to continue to use. In this program, the SEE workers are knowledgeable, often former EPA employees, or professionals who have worked in related fields.

I am introducing this legislation today because there is concern at the EPA that their SEE workers might be liable to lawsuit as a consequence of work they do on behalf of EPA. What the legislation would do is cover these SEE workers under the Federal Tort Claims Act. The workers in question work under the close, direct, supervision of career EPA officials, on projects specified by EPA officials, which are undertaken as part of the EPA mission.

There is also concern at EPA that the workers in question may not have the legal authority to review, in the course of their work, materials considered to contain proprietary information. This bill would make it clear that they are empowered to review such

materials. Again, it is important to stress that these workers are under the close supervision of EPA officials. Furthermore, they are mature individuals with long histories of work comparable to work they would be performing for EPA. In other words, I believe they would be able to handle such information in a responsible way.

Mr. President, I have a statement from the Environmental Protection Agency to the effect that neither the Department of Justice nor the Office of Management and Budget have any problem with this legislation. I ask unanimous consent that this letter be placed in the RECORD after my remarks. I ask also that the text of the legislation appear in the RECORD after my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. ENVIRONMENTAL PROTECTION AGENCY,
Washington, DC, May 29, 1990.

Hon. CHARLES E. GRASSLEY,
U.S. Senate,
Washington, DC.

DEAR SENATOR GRASSLEY: This letter is to inform you that the office of Management and Budget has advised the U.S. Environmental Protection Agency (EPA) that there is no objection to the presentation of EPA's proposal cited as the "Environmental Programs Assistance Act Amendments of 1990" to Congress from the standpoint of the Administration's program.

We appreciate your continued interest in this matter.

Sincerely yours,
CHRISTOPHER P. HOFF,
Acting Director,
Legislative Analysis Division.

S. 3057

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Environmental Programs Act of 1984 Amendments of 1990".

SEC. 2. AMENDMENTS TO THE ENVIRONMENTAL PROGRAMS ASSISTANCE ACT.

Section 2 of the Environmental Programs Assistance Act of 1984 (42 U.S.C. 4368a) is amended by adding at the end thereof the following new subsections:

"(d) For purposes of liability for damage, injury or death caused by the negligence or wrongful acts or omissions of an individual whose talents are authorized to be used by this section, the United States is liable for the damage, injury or death in accordance with the provisions of the Federal Tort Claims Act where the individual was acting in accordance with the directions of or under the supervision of an authorized Federal employee.

"(e) For purposes of access to trade secrets and confidential business information, any individual whose talents are authorized to be used by subsection (a) in connection with programs administered by the Administrator of the Environmental Protection Agency, including the Solid Waste Disposal Act (42 U.S.C. 6921(b)(3)(B)(ii)(II), 6927(b), and 6991d(b)); the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. 9604(e)(2) and (e)(7); the Clean Water Act (33 U.S.C. 1318(b) and 1369(a)(1)); the Clean Air Act (42 U.S.C. 7414(c), 7542(b), and 7607(a)(1)); and the Public Health Service Act (42 U.S.C. 300j-4(d)); shall be considered to be an authorized representative of the Administrator and the United States and eligible for such access. Such access shall be in accordance with United States Environmental Protection Agency regulations governing disclosure of confidential information to authorized representatives.

"(f) For purposes of access to trade secrets and confidential business information, any individual whose talents are authorized to be used by subsection (a) shall, while being utilized in connection with the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 136h(e), 136(f)(2), and 136j(a)(2)(D)); the Toxic Substances Control Act (15 U.S.C. 2613(a)(2) and (d)(2)); the Noise Control Act (42 U.S.C. 4912(b)); or under section 408(f) of the Federal Food, Drug and Cosmetic Act (21 U.S.C. 346a(f)); be considered to be authorized representative of the Administrator and the United States and eligible for such access.".●

By Mr. MACK:

S. 3058. A bill for the relief of William L. Stuck, Glenn Jenkins, Charles L. Cavell, Alto C. Bowdoin, Jr., and Nathan J. Schnurman; to the Committee on the Judiciary.

CLAIM AGAINST THE UNITED STATES FOR GAS EFFECTS

● Mr. MACK. Mr. President, I rise today to introduce this legislation that will right a wrong done by the U.S. Government long ago. Believe it or not, in World War II, this country tested the effects of vesicating agents—mustard gas—on its own military members.

The Navy, under the guise of testing personal protective measures, had "volunteers" gassed. The Navy offered one week leave to sailors who volunteered for a special project. Once the men had stepped forward and reported for the project, they were sworn to secrecy and subjected to the testing program.

One test, called the manbreak test, was conducted to determine how long one could remain in a contaminated environment. The tests measured how long a man could stand exposure at toxic levels of gases before they were overcome. Another test exposed a man for a measured period of time to gas—regardless of his reaction and pleading for release from the chamber. Still another test required a man to remain in contaminated clothing for up to 24 hours to determine the effects on the body.

Once the exposure or series of exposures to gas were complete, the Navy did not conduct follow-up examinations at all. Rather, the test victims were released, given up to two weeks to recover and assigned to a new duty location.

The test victims were henceforth forgotten.

The oath of secrecy prohibited them from even telling medical people possible reasons for reactions they suffered as a result of their exposure to mustard gas. Reactions included severe burns of the nose and throat as well as on the entire body.

It was about 1984 when news of the tests began to appear in the press. Noticing this, victims began to make their plight known. I became aware of their problem while in the House of Representatives. Since that time Congressman PORTER GOSS has done considerable work on the problem including working with the Department of Veteran's Affairs and introducing relief legislation.

The Department of Veteran's Affairs has reopened the case, and has the individual cases under review. My recent intentions were to wait for the results of the review. I have just learned, however, that the Department wants the opinion of an outside expert on the effects of mustard gas. That review will take even more time.

Mr. President, these men have waited over 45 years. I feel it is time for action. Therefore I send this bill to the desk for consideration.

The bill provides compensation for the five known remaining victims of mustard gas testing. It represents a meager attempt on the part of the Government to compensate these men for the ruined health they have suffered throughout their lives for the sake of secret research.●

By Mr. DECONCINI (for himself and Mr. THURMOND):

S. 3059. A bill to amend title 28, United States Code, to authorize the appointment of additional bankruptcy judges; to the Committee on the Judiciary.

BANKRUPTCY JUDGES

● Mr. DECONCINI. Mr. President. I rise today to introduce legislation that will authorize the appointment of thirteen new bankruptcy judges. In assessing the need for new bankruptcy judgeships, the judiciary thoroughly reviews the requests made by each district in formulating its recommendation to the Congress. Significant effort is spent assessing each request to ensure that only those judgeships which are truly needed are recommended.

Statistical data regarding the requesting court's case load is analyzed, and special conditions in the district are taken into consideration. The complexity of the case load, travel requirements, and local conditions and trends are evaluated before a determination is made. Every district in this legislation has demonstrated a compelling need for additional bankruptcy judges.

States authorized for new bankruptcy judges by this amendment include three for Florida, two for Arizona, and one for Colorado, Georgia, Maryland, Pennsylvania, Puerto Rico, Tennessee,

South Carolina and Virginia. The justifications for these new bankruptcy judges is persuasive.

In 1989, Arizona ranked ninth out of the 94 districts for the total number of bankruptcy cases filed. It ranked first in the number of business reorganizations and second in the number of chapter 11 cases. Considering that Arizona is 25th among all the States in population, these numbers are significant.

The district of Arizona continues to experience recordbreaking growth in bankruptcy filings. From January to May 1990 there has been a 21-percent increase in the number of filings over 1988 figures for the same period. If this trend continues throughout the year, Arizona would rise to fifth or sixth in the U.S. for total filings.

At the beginning of 1990, the district of Arizona had 5,245 cases pending for each of the five existing judges; this includes 390 chapter 11 cases per judge. The huge increase in judicial workload warrants the creation of two new bankruptcy judges for Arizona.

In reviewing the justifications for the other States, I have found their needs are just as compelling. Therefore, I urge my colleagues to accept my bill to ensure that the demand for new bankruptcy judges is adequately met.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3059

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL BANKRUPTCY JUDGES.

Section 152(a)(2) of title 28, United States Code, is amended—

(1) in the item relating to the district of Arizona by striking out "5" and inserting in lieu thereof "7";

(2) in the item relating to the district of Colorado by striking out "5" and inserting in lieu thereof "6";

(3) in the item relating to the middle district of Florida by striking out "4" and inserting in lieu thereof "6";

(4) in the item relating to the southern district of Florida by striking out "3" and inserting in lieu thereof "4";

(5) in the item relating to the northern district of Georgia by striking out "6" and inserting in lieu thereof "7";

(6) in the item relating to the eastern district of Maryland by striking out "3" and inserting in lieu thereof "4";

(7) in the item relating to the eastern district of Pennsylvania by striking out "3" and inserting in lieu thereof "4";

(8) in the item relating to the district of Puerto Rico by striking out "2" and inserting in lieu thereof "3";

(9) in the item relating to the district of South Carolina by striking out "2" and inserting in lieu thereof "3";

(10) in the item relating to the middle district of Tennessee by striking out "2" and inserting in lieu thereof "3"; and

(11) in the item relating to the eastern district of Virginia by striking out "4" and inserting in lieu thereof "5".●

ADDITIONAL COSPONSORS

S. 324

At the request of Mr. WIRTH, the names of the Senator from Alabama [Mr. SHELBY], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of S. 324, a bill to establish a national energy policy to reduce global warming, and for other purposes.

S. 501

At the request of Mr. D'AMATO, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 501, a bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase the amount of, the exclusion for amounts received under qualified group legal services plans.

S. 685

At the request of Mr. METZENBAUM, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 685, a bill to amend title I of the Employee Retirement Income Security Act of 1974 to clarify the applicability of rules relating to fiduciary duties in relation to plan assets of terminated pension plans and to provide for an explicit exception to such rules for employer reversions meeting certain requirements.

S. 1126

At the request of Mr. BUMPERS, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 1126, a bill to provide for the disposition of hardrock minerals on Federal lands, and for other purposes.

S. 1511

At the request of Mr. PRYOR, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1511, a bill to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes.

At the request of Mr. METZENBAUM, the name of the Senator from Oregon [Mr. PACKWOOD] was added as a cosponsor of S. 1511, supra.

S. 1651

At the request of Mr. MCCAIN, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1651, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United States Organization.

S. 2112

At the request of Mr. METZENBAUM, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2112, a bill to amend the National Labor Relations Act to prevent discrimination based on participation in labor disputes.

S. 2410

At the request of Mr. LEVIN, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 2410, a bill to amend the Internal Revenue Code of 1986 to prevent avoidance of tax by certain foreign-owned corporations and to impose a tax on dispositions of stock in domestic corporations by 10-percent foreign shareholders.

S. 2535

At the request of Mr. MCCONNELL, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 2535, a bill to provide for a comprehensive health care plan for all Americans, and for other purposes.

S. 2640

At the request of Mr. DASCHLE, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 2640, a bill to amend title XVIII of the Social Security Act to prevent fraud and abuse and encourage competition in the sale of medicare supplemental insurance.

S. 2744

At the request of Mr. KASTEN, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 2744, a bill to amend the Internal Revenue Code of 1986 to provide for a maximum long-term capital gains rate of 15 percent and indexing of certain capital assets, and for other purposes.

S. 2761

At the request of Mr. D'AMATO, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 2761, a bill to deem certain interests to be reasonably incidental to the operation of a gas utility company for the purpose of the Public Utility Holding Company Act of 1965.

S. 2954

At the request of Mr. DODD, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from California [Mr. CRANSTON], the Senator from Wisconsin [Mr. KOHL], the Senator from North Carolina [Mr. SANFORD], the Senator from Iowa [Mr. HARKIN], the Senator from Tennessee [Mr. SASSER], the Senator from Ohio [Mr. GLENN], and the Senator from New Jersey [Mr. BRADLEY] were added as cosponsors of S. 2954, a bill to place restrictions on United States assistance to El Salvador.

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 2954, supra.

S. 2983

At the request of Mr. ROTH, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 2983, a bill to amend the Internal Revenue Code of 1986 to clarify the application of the passive foreign investment company rules, to

repeal the export trade corporation rules, and for other purposes.

S. 3030

At the request of Mr. HEFLIN, the names of the Senator from Georgia [Mr. FOWLER], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Alabama [Mr. SHELBY], the Senator from South Carolina [Mr. THURMOND], the Senator from Arkansas [Mr. PRYOR], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 3030, a bill to provide disaster assistance for agricultural producers, and for other purposes.

S. 3033

At the request of Mr. PRYOR, the names of the Senator from Maryland [Mr. SARBANES], the Senator from Arizona [Mr. DECONCINI], the Senator from California [Mr. CRANSTON], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Washington [Mr. ADAMS], the Senator from North Dakota [Mr. CONRAD], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 3033, a bill to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances.

S. 3035

At the request of Mr. LEVIN, his name was added as a cosponsor of S. 3035, a bill to protect the national security by prohibiting profiteering of essential commodities during periods of national emergency

SENATE JOINT RESOLUTION 298

At the request of Mr. THURMOND, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of Senate Joint Resolution 298, a joint resolution to provide for the erection of a memorial in the Arlington National Cemetery to honor U.S. combat glider pilots of World War II.

SENATE JOINT RESOLUTION 329

At the request of Mr. KASTEN, the name of the Senator from North Carolina [Mr. HELMS] was added as a cosponsor of Senate Joint Resolution 329, a joint resolution to designate the week of June 17, 1990 through June 23, 1990, as "National Week to Commemorate the Victims of the Famine in Ukraine, 1932-1933," and to commemorate the Ukrainian famine of 1932-1933 and the policies of Russification to suppress Ukrainian identity.

SENATE JOINT RESOLUTION 340

At the request of Mr. WILSON, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of Senate Joint Resolution 340, a joint resolution designating the week beginning November 11, 1990, as "National Disabled Veterans Week."

SENATE JOINT RESOLUTION 359

At the request of Mr. D'AMATO, the name of the Senator from Arizona [Mr. DECONCINI] was added as a cosponsor of Senate Joint Resolution 359, a joint resolution designating the week beginning September 16, 1990, as "Emergency Medical Services Week."

SENATE CONCURRENT RESOLUTION 141

At the request of Mr. KENNEDY, the names of the Senator from Tennessee [Mr. GORE], the Senator from New Jersey [Mr. BRADLEY], and the Senator from Connecticut [Mr. LIEBERMAN] were added as cosponsors of Senate Concurrent Resolution 141, a concurrent resolution expressing the sense of the Congress regarding the deteriorating human rights situation in Kenya.

SENATE CONCURRENT RESOLUTION 146—RELATIVE TO PAYMENT OF OUR DEBT TO THE UNITED NATIONS

Mr. MOYNIHAN (for himself, Mr. PELL, and Mr. KERRY) submitted the following concurrent resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 146

Whereas the United Nations Security Council has acted decisively to condemn Iraq's invasion of Kuwait;

Whereas the Security Council has authorized the use of sanctions against Iraq and authorized the use of force to enforce those sanctions;

Whereas the efforts of the Security Council and the unanimity of its actions have overwhelmingly demonstrated Iraq's isolation in the world community and prevented Saddam Hussein from portraying the crisis as simply a confrontation with the United States;

Whereas the President and the Secretary of State have repeatedly expressed their strong desire for the United States to fully pay its outstanding debt to the United Nations;

Whereas the United States is nonetheless in default on over $670 million owed to the United Nations under legally binding commitments made with the full faith and credit of the United States;

Whereas the United States may spend over six billion dollars this year alone on its military forces in the Persian Gulf area;

Whereas the United States is seeking to have other nations help defray the cost of our military operations in the Persian Gulf and these efforts are hindered by the failure of the United States to pay its own legal obligations to the United Nations;

Whereas the United Nations will play a vital role in the post-Cold War era and the ability of the United States to play a leadership role within the United Nations will be significantly hindered by the existence of its unpaid debt: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the United States should promptly pay its outstanding debt to the United Nations.

● Mr. MOYNIHAN. Mr. President, I rise today to note that the United States is today relying upon the United Nations as never before. The United Nations has performed magnificently—exactly as the authors of the Charter believed that it would 45 years ago. As President Bush has repeatedly said, we are truly on the brink of a new world order. It is, therefore, a supreme irony that the United States is, in the words of the Times, "The U.S.'s Biggest Deadbeat." We owe the United Nations system more than $670 million. These are not voluntary contributions. Our debt is not something we said that we would try to pay if we could. The United States debt to the United Nations arose pursuant to solemn and legally binding commitments undertaken by the United States. The company we keep as the leading deadbeat is not inspiring. Other leading deadbeats are South Africa, Iran, and Libya.

This debt has a debilitating effect on our moral authority within the United Nations. When Security Council members leave the Council chamber they walk past the cracked walls, unwashed windows and leaking ceilings that are the tangible reminders of the U.S. default. While we cajole other members of the United Nations to help us shoulder the burden of confronting Saddam Hussein they know that we refuse to shoulder our full share of the expenses of the UN. The achievement of our diplomats in marshalling international support is all the more impressive considering this diplomatic millstone around their necks.

Mr. President, make no mistake. The world notices this hypocrisy. A headline in yesterday's Times read "As U.S. Warms to U.N., It Finds Unpaid Debts Embarrassing." A Financial Times headline on September 7, read, "Bush appeal fails to account for debts to UN." According to the Financial Times, Secretary General de Cuellar has been forced to bluntly remind members that the United Nations simply will not be able to play a constructive role in resolving conflicts around the globe if it cannot pay its bills.

On September 5, Secretary of State Baker appeared before the Committee on Foreign Relations. I asked him when, "Would you not say it is probably time we paid our dues to the U.N., because if we do not pretty soon we will lose our right to vote?" The Secretary's response was unequivocal:

Thank you. Thank you very much. We have a budget up here that asks for full funding of all our assessments to international organizations as well as all of our arrearages. . . . We really should [pay]. You are absolutely right, Senator Moynihan. It really is outrageous that the United States is the only country in the world that can take the actions that we have just taken, and we are fortunate now in having the full support of the international community for these actions.

We do have the opportunity to look at the possibility of a new world order. We are faced with the first crisis of the post-Cold War era, and we are the biggest deadbeats in paying our dues to the United Nations. . . . It is outrageous. If I may say so, we

ought to have the President's budget request funded regardless of what it takes.

I could not agree more. The time has come to pay this debt. The sum is paltry compared to the vast sums that we are committing to the military defense of Saudi Arabia, a defense which would have a completely different appearance—and would in fact be greatly different—were it not for the unanimous support our efforts haved received from the Security Council.

I am introducing today, with the support of Senators PELL and KERRY, a resolution expressing the sense of the Congress that the time has come to pay our overdue debt. I urge my colleagues to adopt this resolution. The merits of working through the United Nations has become self-evident in the past six weeks. It is in our own self-interest to see that this debt is paid.

Mr. President, I offer my resolution and ask unanimous consent, that the articles that I have mentioned be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 11, 1990]

THE UNITED NATIONS BIGGEST DEADBEAT

Nobody seriously questions that a united United Nations has performed impressively in the Persian Gulf crisis. Its unanimous resolutions have provided legal and political armor for a collective response to Iraq's aggressions. By working with the U.N. President Bush has been able to mobilize Soviet and Arab support for sanctions, and Security Council approval for use of force to seal the embargo. Yet if the U.N. has risen to the occasion, in a critical respect the U.S. has not: it is still the world's outstanding delinquent on U.N. dues.

The figures are an embarrassment. The United States currently owes $520 million in regular assessments plus $150 million for special peacekeeping costs. Other members in default on regular dues are South Africa ($40 million), Brazil ($17 million), Iran ($12 million), Argentina ($10 million) and Libya ($5 million).

This humiliating American delinquency has a political explanation. In the Reagan years, conservatives faulted the U.N., often justly, for its doublestandard tolerance of third-world abuses and its reflexive hostility to Israel. Eager to cut an unpopular expenditure, Congress followed suit by halving payment of regular dues, pending a Presidential finding that the U.N. had reformed its profigate budgetary procedures.

This pressure from the U.S. worked. The U.N. instituted fiscal reforms. As the cold war ebbed, General Assembly majorities ceased to be predictably hostile to American views. By October 1988, an outgoing President Reagan warmly praised the U.N. and promised payment of past assessments. An incoming George Bush reaffirmed the pledge. But Congress last year failed to approve his equest for full payment over five years of all past dues plus full funding of current assessments.

As the struggle in the gulf continues, so does the struggle in Congress. Mr. Bush has repeated his request; the House has creditably approved it; the Senate has negligently failed to act. Even so, a conference committee could make amends by approving the House action. Doing so would honor a moral and legal obligation at a critical moment for the U.N. Continued delinquency would shabbily reward the world organization's performance and absurdly mock American appeals for equitable burden-sharing by its members.

[From the New York Times, Sept. 13, 1990]

AS UNITED STATES WARMS TO UNITED NATIONS, IT FINDS UNPAID DEBTS EMBARRASSING

(By Elaine Sciolino)

WASHINGTON, September 12—At a time when President Bush is using the United Nations as the anchor for international sanctions against Iraq, the United States finds itself in the somewhat embarrassing position of being in substantial debt to the organization.

The President, who on Tuesday night said, "We're now in sight of a United Nations that performs as envisioned by its founders" has asked Congress, however, to approve a major contribution to the United Nations, which would reduce by more than half the substantial American debt built up over the years.

But even though the White House request has passed the House, there still is doubt that it will be approved by the Congress as a whole.

According to United Nations figures, the United States currently owes about $750 million—about $320 million for the current regular budget and individual peace-keeping accounts and about $430 million in past debts.

The Bush Administration has asked Congress to approve a $700 million package that includes full payment of Washington's 1990 dues, plus installments to cover the old debt to be paid out over five years.

The United States does not recognize the validity of about $70 million of its United Nations debt. Over more than a decade, Washington has consistently withheld what are known as "legislative and policy withholdings" arising out of such disputes as the tax liabilities of American citizens working for the United Nations and support for activities related to the Palestine Liberation Organization.

As testimony to the rising status of the United Nations in Congress, the House has already passed a bill approving the first year of the White House plan. In an initial action by a Senate subcommittee today, the Senate went along with the House decision.

SENATE PROSPECTS QUESTIONED

But passage of the bill is by no means a sure thing, according to some lawmakers. "Now there's a large question of whether it can survive on the floor of the Senate," said Senator Warren B. Rudman, Republican of New Hampshire. "That I can't answer."

If the Congress gives the President everything he asked for, the United States would turn over about $410 million to the United Nations this year, which will leave a debt of about $340 million, according to the United Nations.

That figure does not include debts to specialized United Nations agencies such as the World Health Organization or the Food and Agriculture Organization.

Some of Washington's closest allies find the American debt particularly annoying in light of the Administration's appeals for more sharing of the financial burden of the Persian Gulf crisis.

Mr. Bush and his aides have portrayed the White House as a responsible party committed to paying all its debts, and thrown the responsibility on Congress. Even the harshest critics of Washington's unwillingness to pay acknowledge that the President's plan represents the most generous proposal for the United Nations in years.

In remarks before the Senate Foreign Relations Committee last week, Secretary of State James A. Baker 3d said that as the world is faced with the first post-Cold War crisis, "We're the biggest deadbeats in paying, our dues to the United Nations." He called the situation "outrageous" and urged Congress to approve the President's budget request, "regardless of what it takes."

Payment of the past debt is by no means automatic. The White House has stated that the payments depend on whether the Administration and the United Nations agree on how the money should be used.

"You can't just talk about paying dues," said Alan Gerson, counsel to Jeane J. Kirkpatrick and Vernon A. Walters, former American chief delegates to the United Nations, and author of a forthcoming book on Washington's relationship with the United Nations. "You have to understand the monies that have been withheld and why. One category strictly financial and fiscal under Gramm-Rudman-Hollings, a second is linked to financial reform at the United Nations and a third is because we thought their expenses were illegitimate."

[From the Financial Times, Sept. 7, 1990]

BUSH APPEAL FAILS TO ACCOUNT FOR DEBTS TO UN

(By Michael Littlejohns in New York)

President George Bush's appeal to America's allies to share the financial burden of the Middle East military build-up has conveniently ignored the large sums still owed by the US for United Nations peacekeeping operations in the region. The US has also accumulated the biggest debt to the regular UN budget for day-to-day expenditures.

Notwithstanding promises by former President Ronald Reagan and Mr. Bush to pay off arrears, the latest UN status of contributions report shows that the US owes a total of $522m for the budget this year, and for previous years when it failed to meet its obligations in full. Among the assessments of the 160 member governments, that of the 25 per cent contribution of the US is the largest.

The US is supposed to provide 25 per cent of the UN budget, more than any other of the 160 UN members.

Only 60 members have paid their full dues this year, including all the west Europeans many of which made their contributions ahead of time in order to ease the financial difficulties faced by the world body. Regular budget shortfalls amounted to $661m. This compares with a 1990 budget of $827m.

Peacekeeping accounts are kept separately. Both the US and the Soviet Union are heavily in debt to the UN operation in Lebanon—$132m and $119m respectively—and Washington still owes $24m of the $30m arrears for the UN transition assistance group which brought Namiba to independence from South Africa.

As members talk blithely of an estimated $3bn-$5bn bill for future UN involvement in Cambodia, not to mention possible peacekeeping commitments in the Gulf, Western Sahara and Central America, the Secretary General, Mr. Javier Peres de Cuellar, has rung an alarm bell.

At a press conference in Geneva recently, he asked bluntly where the money would come from. How could the UN embark on

such operations with inadequate resources? An aide said later that Mr. Peres de Cuellar was warning that he would insist in future that member states contribute cash "up front" for peacekeeping.

The fabric of the UN headquarters, one of the world's most recognizable landmarks, shows the effects of years of neglect necessitated by budgetary constraints.

Near the Security Council Chamber—where five critical Gulf resolutions were approved in little more than three weeks—pails to collect water from leaky ceilings are a common sight after rainstorms.

When walls develop cracks from subsidence in the 40-storey UN edifice, they are often neither patched nor repainted.

Windows and glass doors that used to be washed regularly are grimy and fingermarked. Broken chairs and tables in the delegates' lounges await repair; lavatories often lack soap and toilet paper and water is wasted from taps with worn out washers.

Despite all the problems, morale at the UN appears to be higher than in past years, in part because many feel the organization may at last be moving in the aftermath of the Cold War to the central role in international affairs that the authors of the Charter foresaw.●

SENATE RESOLUTION 324—RELATIVE TO THE 30TH ANNIVERSARY OF THE INDEPENDENCE OF CYPRUS

Mr. PELL, from the Committee on Foreign Relations, reported the following original resolution; which was placed on the calendar:

S. RES. 324

Whereas on October 1, 1990, the Republic of Cyprus will mark the thirtieth anniversary of its independence;

Whereas the United States strongly supports the resumption of meaningful U.N.-sponsored talks aimed at reaching a just and lasting solution to the Cyprus problem in accordance with relevant U.N. resolutions and decisions: Now, therefore, be it

Resolved, That—

The Senate hereby congratulates President Vassiliou, the government, and the people of Cyprus on the thirtieth anniversary of independence; and

It is the sense of the Senate that the United States continue its strong support of the U.N. Secretary General in his efforts to resolve the Cyprus problem.

AMENDMENTS SUBMITTED

MOTOR VEHICLE FUEL EFFICIENCY ACT

SIMON AMENDMENT NO. 2664

(Ordered to lie on the table.)

Mr. SIMON submitted an amendment intended to be proposed by him to the bill (S. 1224) to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes, as follows:

On page 34, between lines 16 and 17, insert the following:

TERMINATED WORKERS

SEC. 15. (a) This section may be cited as the "Relief for Terminated Workers Act".

(b) Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall, by regulation, establish for eligible terminated employees—

(1) a program of readjustment allowances substantially similar to the trade readjustment allowance program under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2291 et seq.), and

(2) a program for job training and related services substantially similar to the program under part II of subchapter B of chapter 2 of title II of such Act (19 U.S.C. § 2295 and 2296), and

(3) a program for job search and relocation allowances substantially similar to the program under part III of subchapter B of chapter 2 of title II of such Act (19 U.S.C. § 2297 and 2298).

(c) The Secretary is authorized to enter into agreements with any State to assist in carrying out the programs under subsection (b) in the same manner as under subchapter C of chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2311 et seq.).

(d) For purposes of this section, the term "eligible terminated employees" means any individual who is a member of a group of workers engaged in the production of motor vehicles in the United States or related industries that the Secretary of Labor certifies, under the procedures described in subchapter A of chapter 2 of title II of the Trade Act of 1974, as eligible to apply for assistance under this section because the Secretary determines that—

(1) a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated;

(2) the sales or production, or both, of such firm or subdivision have decreased absolutely; and

(3) compliance with the provisions of the Motor Vehicle Fuel Efficiency Act of 1990 were the primary cause of such total or partial separation, or threat thereof, and to such decline in sales or production.

(e) There is authorized to be appropriated for fiscal year 1991, and each of the next following 4 fiscal years, such sums as may be necessary, but not in excess of $50,000,000 for any such fiscal year, to carry out the provisions of this section. Such sums shall remain available until expended.

(f) No application for benefits under this section may be filed after the expiration of the 48 month period following the date of the enactment of this Act.

On page 34, line 18, strike out "15" and insert in lieu thereof "16".

● Mr. SIMON. Mr. President, I rise for the purpose of informing my colleagues that when the Senate takes up S. 1224, the Motor Vehicle Fuel Efficiency Act, I intend to offer an amendment to assist autoworkers who may lose their jobs because of that legislation.

The invasion of Kuwait has, at long last, focused our attention on our energy needs and our extreme dependence on foreign oil. Energy independence ought to be our goal and increased automobile fuel economy is an important part of the solution. There are other components as well, including the development and use of alternative fuels like ethanol, and a greater reliance on public transportation.

Mr. President, I support efforts to make our economy more fuel efficient. The United States produces 4 percent of the world's total industrial output but consumes 30 percent of the world's oil. We ought to be more fuel efficient throughout our society for a variety of economic and environmental reasons. We need to recognize, however, that in the short run, efforts like the CAFE bill will cause some economic dislocation and job loss. S. 1224 may lead to the closing of plants that currently produce larger cars and I want to provide some assistance to workers who are laid off as a result of this legislation. I will offer an amendment to give autoworkers who are displaced by CAFE legislation benefits on a par with trade adjustment assistance for a 5-year period.

My amendment would offer displaced autoworkers an additional 6 months of unemployment compensation and up to 2 years of training. This is a limited amendment to provide transition help for autoworkers. It is not an open-ended entitlement. Spending is capped at $250 million and the program expires after 5 years.

Mr. President, thousands of autoworkers will potentially be hurt by the CAFE legislation. In my own State of Illinois, 4,000 workers are employed at the Chrysler Belvedere plant which makes the Chrysler New Yorker, a larger car with an uncertain future under stronger fuel efficiency standards, 2,980 people are employed at the the Ford assembly plant in Chicago which manufactures midsize cars. I'm not predicting that these plants will close, but there will likely be an impact. American automakers will have to adapt to the higher CAFE standard, and in the transition period jobs may be lost.

We live in an increasingly complex international economy. Autoworkers can not move into new jobs in new industries without adequate job training. We have an obligation to provide that and I hope that my colleagues understand that and will support my amendment.●

DECEPTIVE MAILINGS PROTECTION ACT

PRYOR (AND OTHERS) AMENDMENT NO. 2665

(Ordered to lie on the table.)

Mr. PRYOR (for himself, Mr. GLENN, Mr. LIEBERMAN, and Mr. KOHL) submitted an amendment intended to be proposed by them to the bill (S. 273) to amend title 39, United States Code, to designate as nonmailable

matter solicitations of donations which could reasonably be misconstrued as a bill, invoice, or statement of account due, solicitations for the purchase of products or services which are provided either free of charge or at a lower price by the Federal Government connection or endorsement, unless such matter contains an appropriate, conspicuous disclaimer, and for other purposes, as follows:

On page 8, line 17, insert "information or" before "the contribution".

On page 11, strike out lines 13 through 16 and insert in lieu thereof:

SEC. 5. STATE DEPARTMENT POST OFFICES ABROAD.

(a) POSTAL SERVICES AT DIPLOMATIC POSTS.—Chapter 4 of title 39, United States Code, is amended by adding at the end thereof the following new section:

"§ 413. Postal services at diplomatic posts

"(a) The Postal Service and the Department of State may enter into 1 or more agreements for field testing to ascertain the feasibility of providing postal services through personnel provided by the Department of State at branch post offices established by the Postal Service in United States diplomatic missions at locations abroad for which branch post offices are not established under section 406.

"(b) To the extent that the Postal Service and the Department of State conclude it to be feasible and in the public interest, the Postal Service may establish branch post offices at United States diplomatic missions in locations abroad for which branch post offices are not established under section 406, and the Department of State may enter into an agreement with the Postal Service to perform postal services at such branch post offices through personnel designated by the Department of State.

"(c) The Department of State shall reimburse the Postal Service for any amounts, determined by the Postal Service, equal to the additional costs incurred by the Postal Service, including transportation costs, incurred by the Postal Service in the performance of its obligations under any agreement entered into under this section.

"(d) Each agreement entered into under this section shall include—

"(1) provisions under which the Department of State shall make any reimbursements required under subsection (c);

"(2) provisions authorizing the Postal Service to terminate the agreement, and the services provided thereunder, in the event that the Department of State does not comply with the provisions under paragraph (1); and

"(3) any other provisions which may be necessary, including provisions relating to the closing of a post office under this section if necessary because a post office under section 406 is established in the same location.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 4 of title 39, United States Code, is amended by adding at the end thereof the following:

"413. Postal services at diplomatic posts.".

SEC. 6. EFFECTIVE DATE.

The provisions of this Act shall take effect on the date of the enactment of this Act, except the amendments made by section 2 shall apply to matter deposited for mailing and delivery on or after 180 days after the date of the enactment of this Act.

OLDER WORKERS BENEFIT PROTECTION ACT

PRYOR (AND OTHERS) AMENDMENT NO. 2666

(Ordered to lie on the table.)

Mr. PRYOR (for himself, Mr. HEINZ, Mr. METZENBAUM, and Mr. JEFFORDS) submitted an amendment intended to be proposed to the bill (S. 1511) to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Workers Benefit Protection Act".

TITLE I—OLDER WORKERS BENEFIT PROTECTION

SEC. 101. FINDING.

The Congress finds that, as a result of the decision of the Supreme Court in *Public Employees Retirement System of Ohio v. Betts*, 109 S.Ct. 256 (1989), legislative action is necessary to restore the original congressional intent in passing and amending the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), which was to prohibit discrimination against older workers in all employee benefits except when age-based reductions in employee benefit plans are justified by significant cost considerations.

SEC. 102. DEFINITION.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsection:

"(l) The term 'compensation, terms, conditions, or privileges of employment' encompasses all employee benefits, including such benefits provided pursuant to a bona fide employee benefit plan.".

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) by striking subsection (f) and inserting the following new subsection:

"(f) It shall not be unlawful for an employer, employment agency, or labor organization to take any action otherwise prohibited under subsection (a), (b), (c), or (e)—

"(1) where age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business, or where the differentiation is based on reasonable factors other than age, or where such practices involve an employee in a workplace in a foreign country, and compliance with such subsections would cause such employer, or a corporation controlled by such employer, to violate the laws of the country in which such workplace is located;

"(2)(A) to observe the terms of a bona fide seniority system that is not intended to evade the purposes of this Act, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of such individual; or

"(B) to observe the terms of a bona fide employee benefit plan—

"(i) where, for each benefit or benefit package, the actual amount of payment made or cost incurred on behalf of an older individual is no less than that made or incurred on behalf of a younger individual, as permissible under section 1625.10, title 29, Code of Federal Regulations (as in effect on June 22, 1989); or

"(ii) that is a voluntary early retirement incentive plan consistent with the purposes of this Act,

except that no such employee benefit plan or voluntary early retirement incentive plan shall excuse the failure to hire any individual, and no such employee benefit plan shall require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of such individual; and

"(3) to discharge or otherwise discipline an individual for good cause.

An employer, employment agency, or labor organization acting under paragraph (1) or (2) shall have the burden of proving that such actions are lawful in any civil enforcement proceeding brought under this Act.";

(2) by redesignating the second subsection (i) as subsection (j); and

(3) by adding at the end the following new subsections:

"(k) A seniority system or employee benefit plan shall comply with this Act regardless of the date of adoption of such system or plan.

"(l) Notwithstanding clause (i) or (ii) of subsection (f)(2)(B)—

"(1) It shall not be a violation of subsection (a), (b), (c), or (e) solely because—

"(A) an employee pension benefit plan (as defined in section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2))) provides for the attainment of a minimum age as a condition of eligibility for normal or early retirement benefits; or

"(B) a defined benefit plan (as defined in section 3(35) of such Act) provides for—

"(i) payments that constitute the subsidized portion of an early retirement benefit; or

"(ii) social security supplements for plan participants that commence before the age and terminate at the age (specified by the plan) when participants are eligible to receive reduced or unreduced old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), and that do not exceed such old-age insurance benefits.

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an individual eligible for an immediate pension; and

"(ii) in any case in which retiree health benefits as described in clause (i) are provided, the value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and that make the individual eligible for not less than an immediate and unreduced pension.

are deducted from severance pay made available as a result of the contingent event unrelated to age.

"(B) For an individual who receives immediate pension benefits that are actuarially reduced under subparagraph (A)(i), the amount of the deduction available pursuant to subparagraph (A)(i) shall be reduced by the same percentage as the reduction in the pension benefits.

"(C) For purposes of this paragraph, severance pay shall include that portion of supplemental unemployment compensation benefits (as described in section 501(c)(17)

of the Internal Revenue Code of 1986) that—

"(i) constitutes additional benefits of up to 52 weeks;

"(ii) has the primary purpose and effect of continuing benefits until an individual becomes eligible for an immediate and unreduced pension; and

"(iii) is discontinued once the individual becomes eligible for an immediate and unreduced pension.

"(D) For purposes of this paragraph, the term 'retiree health benefits' means benefits provided pursuant to a group health plan covering retirees, for which (determined as of the contingent event unrelated to age)—

"(i) the package of benefits provided by the employer for the retirees who are below age 65 is at least comparable to benefits provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(ii) the package of benefits provided by the employer for the retirees who are age 65 and above is at least comparable to that offered under a plan that provides a benefit package with one-fourth the value of benefits provided under title XVIII of such Act.

"(E)(i) If the obligation of the employer to provide retiree health benefits is of limited duration, the value for each individual shall be calculated at a rate of $3,000 per year for benefit years before age 65, and $750 per year for benefit years beginning at age 65 and above.

"(ii) If the obligation of the employer to provide retiree health benefits is of unlimited duration, the value for each individual shall be calculated at a rate of $48,000 for individuals below age 65, and $24,000 for individuals age 65 and above.

"(iii) The values described in clauses (i) and (ii) shall be calculated based on the age of the individual as of the date of the contingent event unrelated to age. The values are effective on the date of enactment of this subsection, and shall be adjusted on an annual basis, with respect to a contingent event that occurs subsequent to the first year after the date of enactment of this subsection, based on the medical component of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"(iv) If an individual is required to pay a premium for retiree health benefits, the value calculated pursuant to this subparagraph shall be reduced by whatever percentage of the overall premium the individual is required to pay.

"(F) If an employer that has implemented a deduction pursuant to subparagraph (A) fails to fulfill the obligation described in subparagraph (E), any aggrieved individual may bring an action for specific performance of the obligation described in subparagraph (E). The relief shall be in addition to any other remedies provided under Federal or State law.

"(3) It shall not be a violation of subsection (a), (b), (c), or (e) solely because an employer provides a bona fide employee benefit plan or plans under which long-term disability benefits received by an individual are reduced by any pension benefits paid to the individual that the individual voluntarily elects to receive.".

SEC. 104. RULES AND REGULATIONS.

Notwithstanding section 9 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 628), the Equal Employment Opportunity Commission may issue such rules and regulations as the Commission may consider necessary or appropriate for carrying out this title, and the amendments made by this title, only after consultation with the Secretary of the Treasury and the Secretary of Labor.

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this title and the amendments made by this title shall apply only to—

(1) any employee benefit established or modified on or after the date of enactment of this Act; and

(2) other conduct occurring more than 60 days after the date of enactment of this Act.

(b) COLLECTIVELY BARGAINED AGREEMENTS.—With respect to any employee benefits provided in accordance with a collective bargaining agreement—

(1) that is in effect as of the date of enactment of this Act;

(2) that terminates after such date of enactment;

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)); and

(4) that contains any provision that would be superseded (in whole or part) by this title and the amendments made by this title, but for the operation of this section,

this title and the amendments made by this title shall not apply until the termination of such collective bargaining agreement or June 1, 1992, whichever occurs first.

(c) STATES AND POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 23, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law,

this title and the amendments made by this title shall not apply until the date that is 2 years after the date of enactment of this Act.

(2) ELECTION OF DISABILITY COVERAGE FOR EMPLOYEES HIRED PRIOR TO EFFECTIVE DATE.—

(A) IN GENERAL.—An employer that maintains a plan described in paragraph (1)(B) may, with regard to disability benefits provided pursuant to such a plan—

(i) following reasonable notice to all employees, establish new disability benefits that satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title); and

(ii) then offer to each employee covered by a plan described in paragraph (1)(B) the option to elect such new disability benefits in lieu of the existing disability benefits, if—

(I) the offer is made and reasonable notice provided no later than the date that is 2 years after the date of enactment of this Act; and

(II) the employee is given up to 180 days after the offer in which to make the election.

(B) PREVIOUS DISABILITY BENEFITS.—If the employee does not elect to be covered by the new disability benefits, the employer may continue to cover the employee under the previous disability benefits even though such previous benefits do not otherwise satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title).

(C) ABROGATION OF RIGHT TO RECEIVE BENEFITS.—An election of coverage under the new disability benefits shall abrogate any right the electing employee may have had to receive existing disability benefits. The employee shall maintain any years of service accumulated for purposes of determining eligibility for the new benefits.

(3) STATE ASSISTANCE.—The Equal Employment Opportunity Commission, the Secretary of Labor, and the Secretary of the Treasury shall, on request, provide to States assistance in identifying and securing independent technical advice to assist in complying with this subsection.

(4) DEFINITIONS.—For purposes of this subsection:

(A) EMPLOYER AND STATE.—The terms "employer" and "State" shall have the respective meanings provided such terms under subsections (b) and (i) of section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630).

(B) DISABILITY BENEFITS.—The term 'disability benefits' means any program for employees of a State or political subdivision of a State that provides long-term disability benefits, whether on an insured basis in a separate employee benefit plan or as part of an employee pension benefit plan.

(C) REASONABLE NOTICE.—The term "reasonable notice" means, with respect to notice of new disability benefits described in paragraph (2)(A) that is given to each employee, notice that—

(i) is sufficiently accurate and comprehensive to appraise the employee of the terms and conditions of the disability benefits, including whether the employee is immediately eligible for such benefits; and

(ii) is written in a manner calculated to be understood by the average employee eligible to participate.

(d) DISCRIMINATION IN EMPLOYEE PENSION BENEFIT PLANS.—Nothing in this title, or the amendments made by this title, shall be construed as limiting the prohibitions against discrimination that are set forth in section 4(j) of the Age Discrimination and Employment Act of 1967 (as redesignated by section 103(2) of this Act).

TITLE II—WAIVER OF RIGHTS OR CLAIMS

SEC. 201. WAIVER OF RIGHTS OR CLAIMS.

Section 7 of the Age Discrimination and Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following new subsection:

"(f)(1) An individual may not waive any right or claim under this Act unless the waiver is knowing and voluntary. Except as provided in paragraph (2), a waiver may not be considered knowing and voluntary unless at a minimum—

"(A) the waiver is part of an agreement between the individual and the employer that is written in a manner calculated to be understood by such individual, or by the average individual eligible to participate;

"(B) the waiver specifically refers to rights or claims arising under this Act;

"(C) the individual does not waive rights or claims that may arise after the date the waiver is executed;

"(D) the individual waives rights or claims only in exchange for consideration in addition to anything of value to which the individual already is entitled;

"(E) the individual is advised in writing to consult with an attorney prior to executing the agreement;

"(F)(i) the individual is given a period of at least 21 days within which to consider the agreement; or

"(ii) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the individual is given a period of at least 45 days within which to consider the agreement;

"(G) the agreement provides that for a period of at least 7 days following the execution of such agreement, the individual may revoke the agreement, and the agreement shall not become effective or enforceable until the revocation period has expired;

"(H) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the employer (at the commencement of the period specified in subparagraph (F)) informs the individual in writing in a manner calculated to be understood by the average individual eligible to participate, as to—

"(i) any class, unit, or group of individuals covered by such program, any eligibility factors for such program, and any time limits applicable to such program; and

"(ii) the job titles and ages of all individuals eligible or selected for the program, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the program.

"(2) A waiver in settlement of a charge filed with the Equal Employment Opportunity Commission, or an action filed in court by the individual or the individual's representative, alleging age discrimination of a kind prohibited under section 4 or 15 may not be considered knowing and voluntary unless at a minimum—

"(A) subparagraphs (A) through (E) of paragraph (1) have been met; and

"(B) the individual is given a reasonable period of time within which to consider the settlement agreement.

"(3) In any dispute that may arise over whether any of the requirements, conditions, and circumstances set forth in paragraph (1) or (2) have been met, the party asserting the validity of a waiver shall have the burden of proving in a court of competent jurisdiction that a waiver was knowing and voluntary pursuant to paragraph (1) or (2).

"(4) No waiver agreement may affect the Commission's rights and responsibilities to enforce this Act. No waiver may be used to justify interfering with the protected right of an employee to file a charge or participate in an investigation or proceeding conducted by the Commission.".

SEC. 202. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 201 shall not apply with respect to waivers that occur before the date of enactment of this Act.

(b) RULE ON WAIVERS.—Effective on the date of enactment of this Act, the rule on waivers issued by the Equal Employment Opportunity Commission and contained in section 1627.16(c) of title 29, Code of Federal Regulations, shall have no force and effect.

TITLE III—SEVERABILITY

SEC. 301. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

Mr. PRYOR. Mr. President, I want to report to our colleagues on our hope and plan for beginning debate early next week regarding S. 1511, the Older Workers Benefit Protection Act. My colleagues and I are working with our colleague from Utah, Senator HATCH, in an attempt to get the substitute amendment voluntarily adopted as original text. That change will allow Senators to propose amendments in two degrees, which should enable us to move the bill along at a steady pace.

I also want to advise my colleagues on two minor changes which Senators METZENBAUM, HEINZ, JEFFORDS and I plan to include as part of the substitute when we begin debate. Both provisions relate to the section regarding special treatment for the States.

First, we are making a technical adjustment in the provision allowing States to offer current employees a choice in employee benefits. The States that have identified a need to make changes, such as Ohio, Maine, and others, have focused on age-based restrictions on eligibility for disability. That was the issue in the Betts case before the Supreme Court. That was the issue identified by other States in their brief to the Supreme Court and in later cost estimates. But as printed in the RECORD on Wednesday, our substitute could be read as permitting, or even inviting, States to rewrite their entire pension systems. This was not our intent. Accordingly, we have modified section 105(c)(2) of the substitute to clarify that the choice given to current employees is between the existing program of disability benefits and whatever new program of disability benefits the State decides to offer. We would add that Senators MITCHELL and COHEN, whose staffs were very interested in having us include a choice of benefits option for the States, concur fully with this change as consistent with their intent.

Our second minor change is to provide a mechansim by which states may secure independent technical advise to assist them in complying with the new law. Some States have indicated a lack of familiarity with actuarial practices that are well-established in the private sector. Accordingly, we direct the EEOC, and the Secretary of Labor and Secretary of the Treasury, to respond to individual State requests by helping to identify and secure private sector technical assistance.●

NOTICES OF HEARINGS

SUBCOMMITTEE ON MINERAL RESOURCES DEVELOPMENT AND PRODUCTION

Mr. BINGAMAN. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Mineral Resources Development and Production Subcommittee of the Committee on Energy and Natural Resources.

The hearing will take place on Friday, September 21, 1990, at 9:30 a.m. in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony concerning S. 4111, the Strategic and Critical Minerals Act of 1990.

Those wishing to submit written statements for the hearing record should deliver them to the U.S. Senate Committee on Energy and Natural Resources, 364 Dirsken Senate Office Building, Washington, DC 20510. For further information, please contact Lisa Vehmas of the subcommittee staff at (202) 224-7555.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BRADLEY. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet during the session of the Senate on Friday, September 14, 1990, at 10 a.m. to conduct a hearing on challenges to America's economic leadership and how government and industry should respond.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MEDICARE AND LONG-TERM CARE

Mr. BRADLEY. Mr. President, I ask unanimous consent that the Subcommittee on Medicare and Long-Term Care of the Committee on Finance be authorized to meet during the session of the Senate on September 14, 1990, at 2 p.m. to hold a hearing on issues relating to Medigap insurance.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. BRADLEY. Mr. President, I ask unanimous consent that the Committee on the Judiciary by authorized to meet during the session of the Senate on September 14, 1990, at 9:30 a.m., to hold a hearing on the nomination of David H. Souter, to be Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BRADLEY. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Friday, September 14, at 10 a.m. to hold a business meeting.

Agenda:

Senate Joint Resolution 206, calling for the United States to encourage negotiation of a new agreement among Antarctic treaty consultative parties for the full protection of Antarctica as a global ecological commons.

Senate Resolution 186, relating to the protection of the Antarctic system.

An original resolution, congratulating the Republic of Cyprus on the 30th anniversary of independence.

NOMINATIONS

Mr. Edwin D. Williamson, of South Carolina, to be legal adviser of the Department of State.

Mr. James D. Watkins, of California, to be the U.S. Representative to the 34th Session of the General Conference of the International Atomic Energy Agency.

U.S. alternates:

Mr. Kenneth M. Carr, of California;

Mr. Richard T. Kennedy, of the District of Columbia; and

Mr. Michael H. Newlin, of Maryland.

Mr. Tom C. Korologos, of Virginia, to be a member of the U.S. Advisory Commission on Public Diplomacy for a term expiring July 1, 1993.

Mr. Joseph Francis Glennon, of Florida, to be a member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 1991.

Mr. Robert F. Goodwin, of Maryland, to be a U.S. Commissioner on the International Joint Commission, United States and Canada.

Ms. Carolyn D. Leavens, of California, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1990, and for a term expiring December 17, 1993.

Foreign Service Officers' promotion list, Mr. Philip-Michael Gary et al., September 10, 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

THE NATIONAL EMERGENCY ANTI-PROFITEERING ACT

● Mr. LEVIN. Mr. President, I am adding my name today as a cosponsor to S. 3035, the National Emergency Anti-Profiteering Act introduced by Senator LIEBERMAN.

We all should be outraged by reports of enormous increases in the price of gasoline which are far beyond anything which could be justified by the increase in the price of oil. S. 3035 is an important vehicle for finding a means to prevent this profiteering. I am confident that some of the vague language in the bill, which gives me some concern, will be fine-tuned and that we will be able to hammer it out into a useful tool for protecting Americans from profiteering in the event of national emergencies.●

EXCELLENCE IN CHILD NUTRITION AWARD FOR 1990

● Mr. BOSCHWITZ. Mr. President, I rise today to congratulate a distinguished group of Minnesotans who were recently honored at a child care conference in Mankato, MN.

The following people received the Excellence in Child Nutrition Award for 1990.

Debra Annis, Leila Bjorklund, Kim Born, Patti Chell, Karen Dehn, Michelle Dollerschell, Elaine Ehrich, Lynnette Goodrich, Diane Hachfeld, Connie Huettl, Joleen Jensen, Mary Jimenez, Ruth Ledwein, Kathy Mielke, Colleen Miller, Mary Overmoen, Cheryl Peterson, Carol Pollei, Maria Swanson, Becky Tapper, Boni Thompson, Jeanne Veroeven, Constance Welp, and Mary Zuehlke.

While I was able to join them in the past, my duties in Washington prohibited me from being with them this year. It is with great pleasure and pride that I bring the names of these dedicated and hard-working individuals to the attention of this body.

As the senior Republican of the Senate Nutrition Subcommittee, I've been a strong supporter of the Child Care Food Program. I remain convinced that the child care home provider system should be further encouraged and expanded. Each year the Child Care Food Program provides nutritious meals and snacks to over 1.2 million children in child care centers and day care homes. Again, I want to take this opportunity to urge my colleagues to strongly support child nutrition. I firmly believe its one of the Government's most important programs.

Mr. President, I also want to recognize two additional awardees. First, is dietitian consultant, Beth Zimmer, who donates many hours and much expertise to the Child and Adult Care Food Program in an effort to maintain its positive public image. Beth also teaches full time at Mankato State University and develops all nutrition training presented by Children's Advocate Programs, Inc.

I'd also like to point out the outstanding efforts of Laurie Eccles in child care. Laurie was named outstanding provider for southern Minnesota because, among other things, she cares for severely handicapped children at no additional charge.

Mr. President, I intend to keep working hard to improve this program that provides nutritional assistance to our Nation's children.●

BOYNTON ELEMENTARY SCHOOL RECEIVES NATIONAL SCHOOL OF EXCELLENCE AWARD

● Mr. FOWLER. Mr. President, I congratulate the Boynton Elementary School of Ringgold, GA, on its well-deserved honor, the National School of Excellence Award given by the Department of Education.

Boynton Elementary School was selected through the Department of Education's Blue Ribbons Schools Program, a national school improvement strategy that identifies unusually successful schools. Boynton competed against all kinds of schools for this honor: public and private schools; inner city, suburban, and rural; consistently high acheiving and improving; and schools in both affluent and financially struggling districts.

The Blue Ribbon Schools Program has been in operation for 8 years. Since 1982, close to 2,000 schools have been identified and recognized nationally. The Georgia Department of Education nominated Boynton and in turn a review panel consisting of prestigious educators and noneducators with a strong commitment to educational excellence screened all 497 nominations.

Schools are judged on a number of research-based criteria such as visionary leadership; sense of shared purposes among faculty, students, parents, and community; and a climate that is conducive to effective teaching and teacher growth and recognition.

In light of the current status of education in America, I hope other schools will strive to emulate the high standards of excellence of Boynton Elementary School. My congratulations to Sharon Brock, the faculty and administration, and the students on achieving this distinction.●

TRIBUTE TO WILDLAND FIREFIGHTERS

● Mr. DOMENICI. Mr. President, I rise today to call your attention to a group of Americans who deserve our recognition and thanks. These are the brave men and women who serve this country as wildland firefighters.

Our national parks, forests, and the public lands that we all value so highly exist under the constant threat of destruction by wildfires. This summer's fires in Yosemite National Park and thousands of other fires throughout the Nation serve as grim reminders of the danger and destruction that wildfires pose to our public lands and the people that enjoy them.

For years we have been served well by a highly competent and efficient cadre of firefighters who are dedicated to protecting these lands. They come from many walks of life: Our Federal agencies, Indian tribes and Pueblos, and State agencies. They are college students, farmers, laborers, foresters, biologists, archaeologists, and scores of others, but all are trained and dedicated firefighters who regularly answer the call to fire duty.

These valiant men and women endure great personal hardships and sacrifices to protect our lands and properties. They must leave their homes and families, often for weeks at a time on the fire line. The work is difficult, often dangerous, and the hours

are long. How can we ever forget the tragic deaths of the 10 firefighters who have lost their lives this summer in the line of duty?

From my home State of New Mexico, 22 crews and some 7,500 people have answered the call to duty this summer. Some are the men and women who make up the overhead teams and "Hot Shot" crews from our Federal agencies. Others known as the "SWFF" crews come from the small communities, Indian tribes, and Pueblos in my great State, with names like Black Mesa, Jemez, Snoball, Santa Domingo, Mora, and Las Vegas, these crews have distinguished themselves with a long history of service and dedication to protecting our public lands. They were there when they were needed at Yosemite, in Alaska, and on the Sequoia, Tonto, and Apache-Sitgraves National Forests.

For many, the money earned fighting fires is their major source of income. It is the money that pays for college tuition, buys school clothes for their children, and goes for hundreds of other necessities.

Until recently, a glaring inequity existed that prevented our firefighters from being fully paid for their long hours of hard and hazardous work in overtime crisis situations. Many of the firefighters were not paid for their long overtime because of a limit placed on maximum pay in our Federal laws.

Mr. President, I had the pleasure of cosponsoring legislation that provided a measure of fairness to the pay of these firefighters; Public Law 100-523, The Forest Wildfire Emergency Pay Equity Act. This law lifted the cap on overtime pay for Federal firefighters in the Departments of the Interior and Agriculture. These employees can now be compensated fully for their heroic work in emergency wildfire situations.

Unfortunately, this inequity still exists for a few employees of the National Weather Service who are often called upon to help fight wildfires. I am proud to be a cosponsor of S. 1542 which would expand the Forest Wildfire Emergency Pay Equity Act to include employees of the Weather Service.

Correcting the overtime pay inequity for the firefighters of the National Weather Service is a small price to pay for their courageous efforts to protect our lands from the ravages of wildfires. Just like other Federal firefighters, we expect these people to spend long periods away from their families, enduring difficult living conditions, working in the heat and smoke, and subjecting themselves to life-threatening hazards. It simply is not fair to ask them to work for less than full compensation.●

FEDERAL EMPLOYEES AND THE BUDGET SUMMIT

● Ms. MIKULSKI. Mr. President, I rise to express my concern that, as we move in the direction of a possible budget agreement, we do not balance the budget on the backs of Federal employees or retirees.

Federal employees and retirees have already been asked to bear more than their share of Federal deficit cutting measures—more than $119 billion since 1981.

These are the men and women who fight the war on drugs; who make certain our planes land safely and our cargo ships can make it in and out of port; who staff our veterans' hospitals, and make certain that Social Security checks are mailed out on time. We all know that large-scale furloughs in the Federal work force would be disastrous for public safety, social welfare, and our Nation's economic health.

I do not want to make the budget negotiators' job more difficult. However, I want my colleagues to know that this Senator will be very concerned if furloughs, excessive benefits, or pay cuts play too large a role in any budget agreement.●

STUDENT RIGHT TO KNOW AND CAMPUS SECURITY ACT

● Mr. SIMON. Mr. President, yesterday, the Senate passed the student Right-To-Know and Campus Security Act, S. 580. I am pleased to join Senator KENNEDY as a strong supporter of this legislation, and I applaud his leadership on these issues. The decision on what college to attend is one of the most important decisions an individual makes during his or her lifetime. This bill will help make that decision a more informed one in the future for thousands of young people. Title I of the bill, student and student athlete right-to-know, would require colleges and universities that participate in Federal student financial aid programs to disclose to current and prospective students graduation rates for certificate or degree-seeking, full-time students. This title would also require the reporting of information regarding the graduation rates for student athletes as compared with other students.

Mr. President, last year, at a hearing I conducted on the subject of illiteracy, former Redskins star Dexter Manley presented an emotional and compelling story about his personal struggle to overcome illiteracy. Mr. Manley attended 4 years of college, but until he sought assistance a few years ago, he could read only at the second grade level. While Dexter's experience as an exploited student athlete is perhaps not typical, far too many student athletes are still exploited for their physical prowess, while their academic and educational needs are forgotten.

Mr. President, this bill attempts to improve the information available to not just college athletes, but all college students, regarding the success rate of postsecondary institutions in graduating students. Information about graduation rates represents just one way to evaluate a college's or university's performance, but it is a useful indicator of an institution's success, commitment, and performance. Unfortunately, a student's completion of his or her college studies cannot be taken for granted. Recently, the National Institute of Independent Colleges and Universities reported that only 43 percent of students in 4-year public colleges graduate 6 years later. That is a dismal record. We can do much better.

A beneficial result of this bill may very well be that it will encourage more colleges and universities to take a fresh look at their success and commitment to ensuring that all students have sufficient opportunities and the supportive services they need to complete their college education. The result could well be stronger academic and counseling programs.

Title II of the amendment, crime awareness and campus security, addresses the issue of college crime and campus security. This title would amend the Higher Education Act of 1965 to require colleges and universities to disclose to students and employees campus crime statistics and their policies on campus security. It takes a significant step toward improving the availability of campus crime and campus security information, without unduly burdening college administrators.

In 1988, a USA Today survey revealed that one out of every four college students is a victim of crime. And, unfortunately, recent incidents, such as the tragic and unfortunate deaths of several students at the University of Florida, provide little comfort that this situation is improving. While education remains the primary mission of postsecondary institutions, our Nation's colleges and universities also have the important responsibility of providing a safe environment for their students and helping students to take the necessary steps to ensure their personal safety.

In testimony before the House Subcommittee on Postsecondary Education, Robert Atwell, president of the American Council on Education stated that "rape [has] increasingly become a significant part of campus crime." A national survey in 1989 revealed that one out of six female students had been raped while in college. Mr. Atwell also remarked that racial violence consumes an increasingly greater percentage of campus police than in previous years—a trend reflected in the rising incidence of hate crimes throughout this country.

These disturbing statistics point to the need for a greater focus on the part of the Federal Government, colleges and universities and college students on the rising incidence of date rape and other, equally abhorrent crimes. The first step in education and greater awareness. Thus, I am especially pleased that this legislation includes provisions I authored that indicate that there is a clear need to encourage the development of policies and procedures to address sexual assaults and racial violence on college campuses. Through my efforts, the bill also requires the colleges and universities that participate in Federal student aid programs disclose to current and prospective students a description of programs to educate students and employees on the prevention of crimes, including those crimes of sexual assault and racial violence.

Mr. President, the issue of crime at our Nation's colleges and universities is a very serious one. With this legislation, I believe that we add another weapon to our arsenal for fighting campus crime and enhancing the safety and security of our Nation's college students and employees.●

FOOD AND AGRICULTURAL RESOURCES ACT

Mr. BRADLEY. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 2830, the farm bill.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2830) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes."

(The amendments of the House are printed in the RECORD of August 3, 1990, beginning at page 22301.)

Mr. BRADLEY. Mr. President, I move that the Senate disagree with the amendments of the House, and request a conference with the House, and that the Chair be authorized to appoint conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. LEAHY, Mr. PRYOR, Mr. BOREN, Mr. KERREY, Mr. LUGAR, Mr. DOLE, and Mr. COCHRAN conferees on the part of the Senate.

ORDER TO HOLD H.R. 4500 AT THE DESK

Mr. BRADLEY. Mr. President, I ask unanimous consent that H.R. 4500 remain at the desk until the close of business Monday on September 17, 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN UNTIL 3:30 P.M.

Mr. BRADLEY. Mr. President, I ask unanimous consent that committees may have until 3:30 p.m. to file reported executive or legislative calendar business, and that the RECORD remain open until 3:30 p.m. for the introduction of statements and bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRADLEY. Mr. President, I ask unanimous consent that Mr. LIEBERMAN be recognized to speak, and at the conclusion of Senator LIEBERMAN's remarks, the Senate stand in recess under the order until 1:30 p.m. Monday, September 17, 1990.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRADLEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. AKAKA). Without objection, it is so ordered.

THANK YOU, GREAT BRITAIN

Mr. LIEBERMAN. Mr. President, there has been much talk in the last couple of days throughout America and on this floor about burden sharing. There were some appropriate expressions of gratitude expressed earlier today toward the Japanese for their increase in the amount of aid that they are prepared to give to the American effort in the Persian Gulf.

But I rise today to offer my thanks in particularly strong terms to the people and the leaders of Great Britain for their consistent and steadfast support of the international effort in the Persian Gulf. I want to point out, Mr. President, that today deed has matched word as news comes that the British are committing at least 6,000 more troops to the multinational force and this time they are troops who will stand side by side on the ground, in the desert of Saudi Arabia, to protect freedom there. They will include more than 120 British tanks. This division apparently is the direct descendant of the Desert Rat Division which helped defeat Rommel in another desert in World War II. That represents a doubling of the British contribution, and it is the first time that a Western nation, besides the United States, has sent troops and military equipment to the region on the ground.

Mr. President, perhaps it is an appropriate time to cite that great architect and symbol of British-American leadership and cooperation, Winston Churchill, who once said that the price of greatness is responsibility. That has been true for America, which I believe proudly has lived up to its role as a great nation in the current hour by assuming the responsibility of leadership with a decisive commitment of forces to the Persian Gulf.

That has also been true of the land and people of Winston Churchill, where Great Britain has been meeting its responsibility to the community of nations and to the cause of peace and stability in the Middle East and throughout the world.

It would have been easy for our friends and allies in Great Britain to have sat this one out. I suppose, with its North Sea supply of oil, the British were in no immediate, harsh danger of disruption of their economy; I suppose that the British could have claimed in this time no direct interest in the troubled Middle East, letting others work perhaps for the release of British hostages that are held there. But from the start there was no doubt where the English stood, and I hope the strong and compelling words of Mrs. Thatcher and her compatriots are heard not just in Baghdad but in the other capitals of the nations of the world.

Despite the fact that a number of nations in the world are more dependent on Persian Gulf oil than America, many have failed to do their part to condemn and contain Saddam Hussein and force his withdrawal from Kuwait. While there has been nearly unanimous adherence to the embargo of Iran by most of the nations in the world, and particularly by our allies, there has been less than adequate contribution of force, material, and money from those allies.

Where England has gone, I hope other nations, friendly nations will soon follow. Symbolic efforts in this time are simply not sufficient; there is too much at stake, because symbolism alone will not defeat Saddam Hussein.

Perhaps the reasons for Great Britain's forthright conduct can be found in their own national experiences. It would not be surprising if that were so. The English, obviously, know first hand the legacy of appeasement, and that is bombs raining down from the sky. In fact, Mr. President, if my memory serves me correctly, tomorrow is the 50th anniversary of the darkest days of the Battle of Britain, when the German Air Force mercilessly attacked the people of England. The people of England stood strong, and they know first hand what a warmonger with missiles can do. They know that he will fire those missiles on civilian populations. The English know

that you cannot be a leader without demonstrating the ability to exercise that leadership.

So this Senator is proud to rise on the floor of the Senate and say, to the people and Government of Great Britain, thank you—thank you for coming to the aid of the Kuwaitis and the Saudis and for standing once again by the side of the United States of America. These are two nations with common history, common values, and, I believe, a common and overriding sense of purpose.

The English people have been good enough over the years to say that they have never forgotten and will never forget the aid that the United States brought to their side during World War II.

This is a different kind of conflict, it is true, but we are facing another aggressor, who apparently knows no limits and threatens to undo the civility and order of the world. So I want to say to the people of Britain today, in response to their commitment of forces, British soldiers on the ground in Saudi Arabia and the Persian Gulf, I hope and believe the people of America will never forget what they have done to stand by our side today.

I thank the Chair. I yield the floor.

ORDER OF PROCEDURE

Mr. PELL. Mr. President, I ask unanimous consent that I be permitted to speak for up to 5 minutes; that at the conclusion of my remarks, the Senate stand in recess under the order.

The PRESIDING OFFICER. Without objection, it is so ordered.

CYPRUS—FURTHER OPPORTUNITY FOR AMERICAN LEADERSHIP

Mr. PELL. Mr. President, as events unfold in the Persian Gulf and civilized nations around the world become increasingly sensitive to the need to pull together to assure respect for the sovereignty of peaceful nations and the stability of the world economy, we have applauded the leadership of President Bush and the unity displayed by our NATO allies in not only supporting and fully participating in the economic embargo that the President recommended, but in participating in the deployment of military forces to the region.

In the President's address to Congress 2 evenings ago, he singled out Turkey and Egypt as "stalwart frontline nations" providing generous support. Without question, Turkey's compliance with the five U.N. Security Council resolutions that condemn Iraq's aggression, its prompt shutoff of the flow of oil from Iraq after the invasion and suspension of trade of all kind with Iraq, demonstrate that Turkey can be a dependable friend of freedom and democracy in the world.

But, Mr. President, as we recognize Turkey's contribution in the Persian Gulf crisis, we cannot and must not ignore Turkey's actions in the nearby region of the eastern Mediterranean on the island of Cyprus. The parallels are striking. Sixteen years ago Turkish forces invaded the island of Cyprus. Like the Iraqi invasion of Kuwait, Turkey's invasion of Cyprus was an illegal act that has been condemned by the United Nations. Yet, in this instance, Turkey has ignored the U.N. resolutions on Cyprus and maintains an occupying force on the northern third of the island.

The President said the other night, "Recent events have surely proven that there is no substitute for American leadership." Let us use that leadership to create a just and lasting solution to the Cyprus problem. The administration has an obligation to devote the same level of hard work and determination to assisting the United Nations in its efforts to resolve the Cyprus problem as it has so ably demonstrated in the Persian Gulf crisis. Turkey has an opportunity to show the world that it is a reliable and dependable friend of freedom and democracy throughout the world, not just in selective regions.

Mr. President, although our attention is understandably focused on the Persian Gulf where the lives of so many American men and women are on the line, the tragic conflict in Cyprus is not forgotten, nor will it be, not until a peaceful and just solution is reached.

ORDERS FOR MONDAY, SEPTEMBER 17, 1990

Mr. BRADLEY. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today it stand in recess until 1:30 p.m., Monday, September 17; that following the time for the two leaders there be a period for morning business not to extend beyond 2 p.m., with Senators permitted to speak therein for up to 5 minutes each; and that at 2 p.m. the Senate proceed to the consideration of Calendar Order 504, S. 1511, the older workers bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BRADLEY. Mr. President, under the order entered previously on the D.C. appropriations bill, there will be a vote at 7 p.m. Monday relative to the Coats amendment. That vote will be the first vote of the day.

The leader asked me to announce to our colleagues that, should any amendments offered to the Betts bill require votes, those votes would occur Monday evening upon disposition of the D.C. appropriations bill.

RECESS TO MONDAY, SEPTEMBER 17, 1990

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 1:30 p.m. on Monday, September 17, 1990.

Thereupon, the Senate, at 2:48 p.m., recessed until Monday, September 17, 1990, at 1:30 p.m.

HOUSE OF REPRESENTATIVES—*Friday, September 14, 1990*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. BONIOR].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 13, 1990.

I hereby designate the Honorable DAVID E. BONIOR to act as Speaker pro tempore on Friday, September 14, 1990.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We know, O God, that our ways are not Your ways and our words not Your words, and so we confess that we too often, do not have the patience to hear Your words or follow Your ways. Remind us, gracious God, not to identify our own crusade or program with Your plan for our lives, but rather let us hear Your still small voice in the depths of our hearts, and then with humility and diligence do the words of justice and mercy. This is our earnest prayer. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from Oklahoma [Mr. EDWARDS] please come forward and lead the House in the Pledge of Allegiance?

Mr. EDWARDS of Oklahoma led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the amendment of the House to the bill (S. 963) "An Act to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and for other purposes".

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments to the bill (S. 2088) "An Act to amend the Energy Policy and Conservation Act to extend the authority for titles I and II, and for other purposes."

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 1824) "An Act to reauthorize the Education of the Handicapped Act, and for other purposes," requests, a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. HARKIN, Mr. METZENBAUM, Mr. SIMON, Mr. HATCH, Mr. DURENBERGER, and Mr. JEFFORDS, to be the conferees on the part of the Senate.

TRIBUTE TO SAM STRATTON

(Mr. McNULTY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McNULTY. Mr. Speaker, I regret to inform you and the other Members of the House today of the passing of our very dear friend and former colleague, Congressman Sam Stratton. Sam has been ill for some time, but his death was sudden and unexpected. Sam was a Member of the U.S. House of Representatives for 30 years, and back home he was known as the person who really wrote the book on constituent service. He was always close to the people.

Mr. Speaker, I recall that that was really set in stone back in the 1960's, when he was redistricted in a territory that no one thought he could win. They took his home in Amsterdam, and connected it along the New York State Thruway and ran it out to a suburb in Rochester, and I recall that as the people drew the maps and looked at their handiwork they said, "Many things will be said about this congressional district, but one thing is for sure. No Democrat can win it."

Well, Mr. Speaker, Sam went out on the New York State Thruway, visited every town and village along the way, met the people, made them familiar with his record, and, when the votes were counted that November, Sam Stratton was again victorious, and he went on, as all of my colleagues know, to win election after election by record margins.

In addition to his personal popularity, Sam Stratton was recognized by everyone in this Chamber as an expert on defense and foreign policy. He will be sorely missed.

Mr. Speaker, arrangements are incomplete, but at this time we expect that Sam will be buried with full military honors at Arlington National Cemetery on next Tuesday. I will be getting in touch with each individual office in the House so that every Member knows of those arrangements, but today I would just like to express our deepest regret to his wife, Joan, to his children and grandchildren, and I say to his wonderful wife, Joan, and to all of the members of the Stratton family, "Thank you for sharing Sam Stratton with the people for so many, many years."

Mr. EDWARDS of Oklahoma. Mr. Speaker, will the gentleman yield?

Mr. McNULTY. I yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Speaker, it was my great pleasure when I came to the House 14 years ago to have the opportunity to know Sam and work with him, and I want the gentleman from New York [Mr. MCNULTY] to know that the Republican Members of the House, as well, found Sam Stratton to be the absolute exemplar of what a Congressman should be. He was a true gentleman. He knew his material very well. We respected him, both as a person and as a legislator, and I would like to offer the condolences to Sam's family for the Republican Members of the House as well.

Mr. Speaker, he was a very, very fine gentleman. We have missed him in the House, and I am very sorry to hear of his passing.

Mr. McNULTY. Mr. Speaker, I appreciate the comments of the gentleman from Oklahoma [Mr. EDWARDS], and he is certainly right on the money when he makes those statements because I recall in later years, when there were dinners and honors, and even fundraisers for his reelections, there were almost as many Republicans there as Democrats. So, he was loved by everyone. He was respected and admired on both sides of the aisle.

Mr. Speaker, I certainly appreciate the comments of the gentleman from Oklahoma [Mr. EDWARDS].

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

SUPPORT URGED FOR DESERT SHIELD AMENDMENT

(Mr. THOMAS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Georgia. Mr. Speaker, I rise in strong support of the provision contained in Chairman ASPIN's Desert Shield amendment to the pending fiscal year 1991 DOD authorization bill. Specifically, I applaud the provision to give all members of our Armed Forces deployed in the Persian Gulf imminent danger pay and other pay benefits. This will help offset the loss in their subsistence allowance due to their deployment.

Just 2 days ago, I introduced separate legislation to provide a minimum of $150 per month in special pay per month to every member of the Army, Navy, Air Force, Marines, and Coast Guard currently deployed in the gulf.

At a time when we have spared no expense in deploying over 100,000 troops to Saudi Arabia and the Persian Gulf, I applaud the actions of the House Armed Services Committee to provide some level of monetary relief of our service men and women and their families.

There is no reason to make our personnel wait until someone shoots at them to get combat pay. They are deployed in a terribly dangerous environment, and they deserve the pay now, not later.

Let me also request that my colleagues join me in supporting legislation I have introduced to increase the amount of life insurance available to all active duty members of our Armed Forces. My bill, H.R. 5605, would increase the payment under the Servicemen's Group Life Insurance Program from the current level of $50,000 to $100,000.

It is past time for us to acknowledge that $50,000 cannot possibly provide for the needs of the surviving spouses and dependents of a service man or woman killed while on active duty.

I urge your support for both of these very important initiatives.

ONE YEAR LATER—THE LOUISVILLE SHOOTINGS

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, I would add my expression of sorrow upon the passing of our dear beloved former colleague, Congressman Sam Stratton, who indeed in my own district and in Kentucky was a hero.

Mr. Speaker, 1 year ago today, western Kentuckians along with the entire Nation were shocked and horrified when a crazed gunman named Joseph T. Wesbecker, armed with an AK-47 assault rifle, murdered seven employees of Standard Gravure Corp. at the printing plant in downtown Louisville, KY.

Wesbecker injured 13 others before killing himself. An eighth innocent victim of the shooting spree died on September 18.

Today, on the first anniversary of that tragedy, I again extend my sincere and heartfelt sympathy to the families and friends of the victims. Their lives will never be the same as the result of the senseless killings.

Following the Louisville shootings, I added my name as a cosponsor to legislation which would prevent the importation and domestic manufacture of semiautomatic assault weapons with large ammunition feeding devices, and to the Brady bill, which would impose a 7-day waiting period on firearms sales, aimed at preventing the felonious misuse of firearms.

Under the second amendment of our U.S. Constitution we the people have a right to keep and bear arms for legitimate purposes, and I strongly support that right. In fact, I own a handgun and a hunting rifle. But it is unlikely our Founding Fathers intended to guarantee crazed individuals and criminals the right to keep and bear assault weapons with large ammunition feeding devices like the AK-47 with which to kill and maim innocent people. And I honestly believe that a waiting period will not infringe on the rights of law-abiding citizens.

I urge my colleagues in the House to remember the Standard Gravure victims and to take the necessary steps to keep dangerous weapons out of the hands of mentally incompetent persons and convicted criminals. We simply must bring violence under control in our society, particularly that fostered by terrorists, drug dealers, and organized crime, and do something to prevent those in our society to whom human life means nothing from continuing to victimize innocent citizens.

Now is the time for the Congress to step in and end the senseless carnage. We must prevent such a terrible tragedy as the Louisville shootings from recurring.

□ 1010

ONLY ONE BILL PREVENTS TAXPAYER BAILOUT OF BANKS

(Mr. ANNUNZIO asked and was given permission to address the House for 1 minute.)

Mr. ANNUNZIO. Mr. Speaker, a number of bills and proposals have been written to pump up the underfunded bank insurance fund [BIF] in the Federal Deposit Insurance Corporation. While all of the bills and proposals merit our consideration, there is only one bill, H.R. 5590, that will totally protect the taxpayers from having to bail out the fund if current economic conditions continue.

I introduced H.R. 5590, the Bank Account Safety and Soundness Act, earlier this week after the General Accounting Office reported that the bank fund is in serious trouble and there is a possibility that the taxpayers may have to bail out the fund. Since the fund insures some $2 trillion in deposits, such a bailout would in itself bankrupt the American taxpayers.

But my bill shifts the costs away from the taxpayers and makes the banks pay for the cost of the bailout. Under H.R. 5590, every bank would have to make an immediate deposit of 1 percent of its total deposits in the FDIC fund. That would add $25 billion to the fund. In addition, any time the fund fell below a 1-percent level, the banks would have to make additional deposits to bring the fund back up to the 1-percent level. The taxpayers would never have to face a bailout.

As we prepare for the coming elections, and the voter concern about the cost of the taxpayers savings and loan bailout, ask yourself if you want to tell the voters in your district that you favor a taxpayers bailout of the banks. If you cosponsor and vote for H.R. 5590, you can avoid a taxpayer bailout. No other bill can make that statement.

POLITICAL WORD GAMES

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, I noticed in the newspaper this morning a story about political advice to political candidates in this country. I thought I would share this with my colleagues in the event they might have missed it.

One of the campaign organizations called GOPAC, a conservative political action committee of which Mr. GINGRICH on the other side of the aisle is chairman, has contributed a list of suggested words and phrases that can help GOP candidates shine their images and damage those of their rivals, according to the story. Republican candidates are told to mention "moral," "humane," and "hard work" when talking about themselves, and to use the words, "pathetic," "liberal," and "criminal rights" when speaking of Democrats.

They sent this to about 6,000 candidates around the country, and they said:

> These words and phrases are powerful, so read them, memorize them, and remember, like any tool, these words will not help if they are not used.

So, Mr. Speaker, it occurred to me just to advise everyone in this country, as follows: The next time they hear

someone uttering these words, building word castles in the sky, the words that seem powerful and emotional and strong and thoughtful may not be coming straight from the heart; they may come straight from NEWT.

COLLAPSE IN GRAIN PRICES DEVASTATES FAMILY FARMERS

The SPEAKER pro tempore (Mr. BONIOR). Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 5 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, something, somewhere or someone is manipulating grain prices in this country. The price of wheat has been falling like a rock. We now have the lowest real wheat prices since 1973 and the lowest in value since the 1930's and it's devastating to family farmers.

I've asked the House Agriculture Committee to launch an immediate investigation to find out why grain prices have collapsed.

I've had the GAO prepare an analysis of a couple of decades of grain prices, relating price to carryover stocks. Last year, and again this year, we find that carryover stocks are low but prices have not responded by moving higher.

The price of wheat is at least $2 a bushel below where it ought to be today, if prices had behaved the way they have historically behaved in the last two decades.

Mr. Speaker, the family farmers of this country are tired of a game whose rules are stacked against them. When there was a glut of grain, the prices dropped.

When carryover stocks are low, farmers expect prices to increase. Some place, somehow, something is wrong and it's costing farmers hundreds of millions of dollars in lost income. I want to find out what's causing it and how to fix it.

And finally, Mr. Speaker, I'd like to see the Secretary of Agriculture—who chants about free markets—try and figure out why these free markets aren't working for family farmers. I'd like to see the Secretary stand up and fight for family farmers' interests. When the big grain trader companies get a headache the Agriculture Department is rushing to offer them an economic aspirin. I wish I'd see one-half as much concern from the USDA for the family farmer. It's either time for the Secretary to stand up for family farmers or it's time to get a Secretary of Agriculture who will.

Mr. Speaker, I have taken this time, then along with my colleague, the gentleman from South Dakota [Mr. JOHNSON, to discuss just for a moment the very serious collapse of grain prices in this country. Some people who are not affected by that will wonder: How important is it?

The collapse of grain prices is devastating to rural America. Every change in the price of wheat by a dime means $30 million to wheat producers in North Dakota. That is how important grain prices are.

Normally one could expect the market system to work. We have had folks downtown at the U.S. Department of Agriculture tell us, "We want American farmers to be a part of the free-market system. They should rely on the free market." Well, the free market would suggest that when supplies are abundant, prices will drop; when supplies are short, prices will go up. That is the way the market works. I used to teach economics in college. We taught the supply-demand curve. Incidentally, I have gone on to become productive notwithstanding having taught economics.

But the supply-demand curve suggests that when supplies are abundant, prices are going to fall. We understand that. But when stocks are shorter than usual, prices should be increasing.

In 1989 and 1990 we have seen a relationship in supply and demand, as shown on this chart, that is very unusual. Let me describe this chart. This is a regression analysis of a sort. This chart shows that when the carryover stocks are ample, down to almost a full year's supply, prices are depressed. When carryover prices are short, prices normally cluster up around here. In these days carryover stocks are very short, and yet prices are at least $2 a bushel below where they ought to be for wheat.

Something is happening to cause a collapse in prices, and we do not understand it. We want to see an investigation to find out why wheat and feed grain prices are collapsing at this point. Somewhere, something is happening to change the relationship of price to carryover stocks: prices are collapsing at a time when prices ought to be strengthening. We think there ought to be an investigation.

First, I have asked the Committee on Agirculture in the House to conduct an investigation, and, second, I think the U.S. Department of Agriculture ought to conduct its own investigation.

While I am at it, let me suggest that the Department of Agriculture and the Secretary ought to start spending some time worrying about this. I know the Secretary is off trying to negotiate an abandoment of farm prices in GATT, and he is doing a whole range of other things. However, his job in my judgment ought to be putting together a farm program that works, that gives family farmers a chance to make it in this country. Farmers cannot make a living when the price collapses, where both the support price and the market price are below the cost of producing the product.

We must do better than that. What we have got to insist on this point, if we are going to save the family farmers in this country, we must provide some help through the mechanism of a farm program or we must insist that the mechanism of the market system works so that prices are somewhere at or above the cost of production. Anything less than that is devastating to family farmers.

We have had 8 years of depressed prices in agriculture. We have had a couple of years of drought in my part of the country. This is not working. The current system does not work. It is a bankrupt system that has slowly bled family farmers, with thousands upon thousands of farmers, year after year, going broke.

This country can do better than that. We need a network of family farms in this country's future. If anybody doubts that, then let us just project forward to a day when we would have only a few thousand corporations farming America's farmlands and ask ourselves, what will the price of food be to the consumer when only a few thousand producers have a choke hold on the production of what America eats?

We can do better. We must do better. What has happened in recent months with the collapse of grain prices is shocking and devastating to family farmers in this country, and we have got to do something about it.

Let us investigate and find out why it is happening and what is wrong with normal supply-demand relationships, and then let us work in the Congress with the Secretary of Agriculture to put together a program that finally works for family farmers.

When we talk about the farm program, there are some who can think about nothing but the giant agri factories. I do not have any great interest in putting together a program for people who milk 3,000 cows a day. If they want to milk 3,000 cows a day, God bless them, they can milk them on their own; they do not need the Federal Government to be their financial partner.

I do not have any great interest in somebody who wants to farm three or four counties. If they want to do that in this country, they have a right to do it, and God bless them, but the Federal Government cannot afford to be their financial partner.

I do have an interest in trying to put together a price-support system and to protect smaller producers against this kind of price collapse, people who have their families on family farms of 600, 800, 1,000, or 2,000 acres and who are trying to make a decent living.

□ 1020

These days, that system has collapsed, and does not work. The Secretary of Agriculture, while farmers are being burned at the economic stake, seems to be carrying the wood for the fire. We expect better than that.

Mr. Speaker, I yield back the balance of my time.

GOAL OF ADMINISTRATION: FREE MARKET ECONOMICS, OR LOWER GRAIN PRICES?

The SPEAKER pro tempore (Mr. BONIOR). Under a previous order of the House, the gentleman from South Dakota [Mr. JOHNSON] is recognized for 5 minutes.

Mr. JOHNSON of South Dakota. Mr. Speaker, I want to commend the gentleman from North Dakota [Mr. DORGAN] for the work that he has put into analyzing the price trends we have seen in the grain market over the last number of years.

Mr. Speaker, there is not a farmer in South Dakota, North Dakota, nor the remainder of this country, who would not rather make a decent living from a good market price for his grain than from Government price support programs. The need for a good market price for that grain is all the more imperative now that we see ourselves caught up in the current budget environment with the freeze in target price and the potential for declining target prices once the budget summit comes back.

Mr. Speaker, we find ourselves in tremendous financial stress. Our farmers want to make a living at the elevator, not at the ASCS office. But historically, when grain supplies have declined, market prices have gone up. That is what ought to be occurring now.

There is some explanation for the past 2 years why that did not occur. In 1989 and 1988 we watched the Department of Agriculture use Government grain and the farmer-owned reserve to prevent market prices from rising. But now that grain is gone. There is no rational justification, if free market economics are in fact at work, why those prices should not be significantly higher than they are today.

Mr. Speaker, we have no hope at all for a decent grain price if we have a farm program that promotes low loan rates, low target prices, and we do not have free market economics at work. There is no valid explanation of why this event ought to be taking place any longer with the grain stocks at their current status.

The decline of Government farm program spending, it is all the more imperative that we very quickly find what sort of chemistry is at work here, what sort of machinery is at work, that would lead to low stocks and low prices, which may be beneficial for a handful of grain companies but is certainly devastating for a family grain producer with his increased input costs. Thanks now, particularly to higher energy costs he is going to be facing here in this coming year, he is going to be caught in a tremendous vise.

There are some of the huge agribusiness corporations that may be able to do well regardless. But for the family producer, who is the backbone of rural America, we need to sustain, if we are going to retain the schools and the churches and the Main Streets in the small communities, if we are going to in the long run preserve moderate-priced food for every American consumer. As the gentleman from North Dakota [Mr. DORGAN] indicated, if you think food prices are high now, wait until you see what happens when corporate America takes over the production of agricultural production in this country. We are going to see many times over a rise in food prices.

What we need at this point is a sane farm policy, but we also need an analysis from the Department of Agriculture and from the Committee on Agriculture itself as to what is in fact transpiring here. We cannot wait any longer for these market prices to recover, to return to the level where they ought to be, given the current grain stocks that we have in this country.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. JOHNSON of South Dakota. I yield to the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Speaker, I appreciate the statement that the gentleman from South Dakota [Mr. JOHNSON] is making. Does the gentleman recall last year, I believe, maybe a year and a quarter ago, we had an example of the administration opening up reserve stocks. It was kind of curious. We were trying to understand why they were doing certain things.

An Assistant Secretary was brought down before the Committee on Agriculture and questioned: "Why are you doing this?"

The Assistant Secretary said:

Well, we did it because we felt prices were getting too strong. They were strengthening too much.

This, from the people who are saying we need a free market. They are down there hip deep trying to interfere with and manipulate the markets that they want to be free.

It seems to me there is a clear record here of an administration that says we want farmers to operate in the free market, and yet every single opportunity they have, they wade in to try to interrupt that market in a way detrimental to family farmers. Their goal is to drive prices down.

Mr. Speaker, I do not hear anybody crying crocodile tears downtown about the fact that prices have collapsed. They are still off working trying to see if they can negotiate with the Europeans to try to get rid of the entire farm program. Boy, the priorities are unusual, strange, and Byzantine downtown. I think we and the family farmers of this country should expect more. Why have an agriculture program at all? Why have a farm program, if it is not to try to provide some bridge over price depressions for family farmers in this country?

Mr. Speaker, if that is not what we are trying to do, why have a farm program? If that is what we are trying to do, let us make sure it works. Let us not sit around and smile at the sky while prices collapse and try to negotiate a program away with our allies. Let us find a way that makes it work for family farmers consistently, that allows them to make a decent living by getting a price somewhere above the cost of production.

Mr. Speaker, I really appreciate the comments of the gentleman from South Dakota [Mr. JOHNSON].

Mr. JOHNSON of South Dakota. Mr. Speaker, reclaiming my time, I thank the gentleman from North Dakota [Mr. DORGAN] for his excellent remarks, which are well taken. It has long been the philosophy of this administration to continue to drive down the price of grain. One has to wonder if the goal is not free market economics, but simply lower prices.

The assumption is with lower prices we will become more competitive. But if we are losing money on each bushel produced by a family producer now, it does us little good, and it holds out hope only if we can look forward to an agriculture economy where our producers will have incomes less than that of Argentine peasants.

What we need is to turn away from the philosophy that we have gone down the last 8 to 10 years, return to a point where we can create an environment where good market price does, in fact, return, and get away from the intricacies of farm programs, but to good market prices.

Mr. Speaker, I thank the gentleman from North Dakota [Mr. DORGAN] for his leading work on this issue, and I yield back the balance of my time.

BURDEN SHARING

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 10 minutes.

Mr. BONIOR. Mr. Speaker, I wanted to speak this morning on an issue that is on the minds of American people, and clearly on the minds of Members of this House.

Two days ago I took the well and offered an amendment requiring the Japanese Government to pick up the share of the cost that they are not paying for the defense of Japan and United States troops stationed there. We have 50,000 American troops in Japan defending Japan, defending American interests in that region, costing us approximately $5 billion a year. The Japanese pick up about $2.9 billion in addition to that, for a grand total cost of close to $8 billion.

Mr. Speaker, that is not enough. Their share of the burden has to increase. The amendment was offered on the House floor, and the gentleman from North Dakota [Mr. DORGAN] and the gentleman from Virginia [Mr. WOLF] spoke eloquently for it, and it passed 370 to 53. It was the strongest message we sent in this Congress on the issue of burden sharing since I have been here the past 15 years.

Lo and behold, the concerns of Americans about sharing the burden of the new world order in the gulf, we have seen some changes in the last day or so. This collective responsibility, this collective security idea that has emerged in the new world order, required collective responsibility.

Mr. Speaker, last night the Japanese Ambassador was gracious enough to call me and indicated that the Japanese now are willing to provide an additional $2 billion in aid, another billion for frontline nations, Egypt, Jordan, and others, as well as $1 billion in logistical support for our troops and others in the multinational force stationed in the Persian Gulf.

Mr. Speaker, this says something. It says that when you are tough, when you send a strong message, you get respect and you get a response. I am not going to lay claim that this amendment was the only thing that did it, but clearly the message was a strong one. The Japanese people heard it, and they understood that they have to be more a part of a solution to the problem in the Persian Gulf.

□ 1030

We had an amendment last year offered by the gentleman from North Dakota [Mr. DORGAN], that started that process to get them to pick up a larger share of the responsibilities in the world. This takes it further. I want to see their share of the burden for the defense of the Japanese nation increased when we report the conference report back on DOD, and we will be working to that end.

Clearly what has happened yesterday is helpful in reaching an amicable conclusion to that process.

I would like to turn for just a second, before I yield to my friend from North Dakota, to the question of burden sharing in Europe. The Europeans, the Europeans get much of their oil from the Persian Gulf and Middle East, 52 percent roughly, and the Japanese close to 70 percent. They have got to be more forthcoming, particularly the Germans. The Germans have given a pittance so far, and what is particularly galling to those of us in this body and those in the other body is that just this week they agreed to a $8 billion payment to the Soviets for removal of Soviet troops from East Germany.

They can do better. They can do much better in the collective security of the Persian Gulf, and we expect them to do better. Our Secretary of State is meeting with Chancellor Kohl on Saturday, and I hope that those meetings will be fruitful, and that the Germans will be more forthcoming economically in this venture that we are engaged in.

So the message I think is quite clear, Mr. Speaker. The message is you have to be tough, and if you are tough on military issues, you get respect and you get response. I wish we could have done this on trade.

One of the reasons I think the vote was so overwhelming the other day is because every sector of this country on the trade issue has been affected. It started with autos in the Midwest, and in my State, a $60 billion auto market, auto parts market in Japan, and we get 1 percent of it. They close us out for 99 percent of that market and we cannot get in. Then it spread to the Midwest, cattle, citrus fruits, wheat, grains. Then it spread to New England and the textile regions, and, of course, lumber in the Northwest, computers, semiconductors in California.

What we have is a situation where people are just fed up with us paying the cost of the burden of the world. We are willing to do our share. We are going to be out in front leading freedom everywhere in the world. But we want others to participate with us. We have needs here at home that we have to take care of, and we have been providing the economic security and umbrella for the world for 45 years. It is time for others, the Germans who are wealthy, the Japanese who are wealthy and prosperous to share in the burden, and that is what we are saying.

I am pleased that we have gotten the response that we did the other day.

Mr. DORGAN of North Dakota. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to my friend, the gentleman from North Dakota.

Mr. DORGAN of North Dakota. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, let me say that the vote on the Bonior amendment was an unmistakable message from the Members of this House representing the American people. The message is that we cannot continue to do business the way we have been doing business in the past. I want to congratulate my colleague for offering the amendment.

And it is not ally bashing. None of use here fail to understand the relationship we have with the Japanese, and the Germans and the French and others. We have important security and trade relationships with them. We understand that. They are close allies and friends and partners in lots of things that we do around the world.

But they understand as well that if the Americans are willing to continue to pay their bills, they certainly would want to let us do that. We must be willing to stand up and say to them "wait now, a friendship and a partnership operates in several different ways, and one of the responsibilities of partners and friends is to share the load, share the burden." Uncle Sam should not do it anymore. We are spending money we do not have on things we do not need, borrowing money from Japan to protect Western Europe, and the American taxpayer is asked to bear the burden and pay the bill. Uncle Sam cannot do it anymore.

It is not old fashioned for us to think that we need to invest again in America first, to ask our allies to start paying their fair share, for us to pay our fair share, and to take the resulting savings to reduce our deficit and invest in America. That is all the amendment says and it is all that the rest of us want to do.

I fail to understand why leadership has not come from downtown on this. I would like to see more leadership. I commend the folks on the other side of the aisle, the gentleman from Virginia [Mr. WOLF] and others who provided leadership we needed in this body to say here is what the American people expect, want and deserve for our future.

Mr. WOLF. Mr. Speaker, will the gentleman yield?

Mr. BONIOR. I yield to my colleague, the gentleman from Virginia.

Mr. WOLF. Mr. Speaker, I want to thank the gentleman from Michigan for the amendment. I think it was a very important amendment and really did make a difference. I was pleased.

I did not plan on speaking. I have a special order with regard to the AIDS children in the orphanages in Romania. But I wanted to also thank the gentleman for mentioning Germany, because I think the same thing has to hold true there.

As I said the other day on the floor when I spoke on behalf of the gentleman's amendment, I have never supported a protectionist bill since I have been in the Congress. I believe in free and open and fair trade. I believe the Japanese and Germans are our allies and will be good allies in the future.

But as the gentleman said, it really does not sit well with the American people when we see the West Germans

paying $8 billion to the Soviets to pay for retraining of Soviet soldiers, paying for taking the Soviet soldiers out of East Germany and back to the Soviet Union, and then paying to rebuild housing for the Soviet soldiers when they return to the Soviet Union.

I have been in West Germany, and I have seen the tough conditions that our soldiers have lived in. Many of the young married couples have had to live out on the economy when the dollar was very weak, and when our young men and women were in a very difficult situation. I think in terms of the Berlin brigade that was there as a tripwire along that Berlin Wall for so many years. I look at the price the American people gladly paid in the Berlin airlift, and the young men and women who lost their lives, and those aircraft landing and taking off every 30 seconds. I think of the times that young men and women have been separated from their families on Christmas, New Year's, Thanksgiving, and different things like that.

So I think the gentleman is exactly right. The fact is I am very pleased he got up and addressed the one-half of the amendment, and I am pleased that he mentioned that because the word should go forth if the German Government is listening that the American people, if the Bonior vote had been held and the Bonior vote also included West Germany, I honestly and sincerely and firmly believe that the vote asking the West Germans to participate the way that the Japanese have would have been exactly the same.

So I thank the gentleman for his amendment and for addressing this issue.

Mr. BONIOR. I thank the gentleman from Virginia for his comments. I would say in response the amendment was drafted before the Persian Gulf crisis. Had I had an opportunity to redraft it, certainly it would have been broadened.

I also want to mention when I met Mr. Kohl and Mr. Genscher I think perhaps 6 months ago, I raised the issue with them of the United States having made tremendous sacrifices on behalf of their country over the last 45 years. They recognize that. I emphasized at that time to both of them at that meeting the necessity for them to be more forthcoming in the future. I am hopeful, and I will be extremely disappointed, as well as other Members of this Congress, if they are not generous, and I mean generous in their pledge of support to Secretary Baker this weekend.

Mr. WOLF. I thank the gentleman, and my expectations are that I am hopeful too, and I honestly and sincerely believe the Germans will be very, very forthcoming in the meeting tomorrow with Secretary Baker, because they are allies, and they are our friends, as are the Japanese. So I am very hopeful.

But I do want to thank the gentleman for taking the leadership.

Mr. BONIOR. I thank the gentleman from Virginia and I yield back the balance of my time.

□ 1040

THE PLIGHT OF INSTITUTIONALIZED CHILDREN IN ROMANIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 60 minutes.

Mr. WOLF. Mr. Speaker, I would like to address my colleagues concerning the plight of the 60,000 to 100,000 institutionalized children in the country of Romania. This past month, I traveled to Romania and spent considerable time visiting orphanages in that country. I want to commend the dozens of groups whom I have either met or of whom I have heard, which are trying to help these children who are undoubtedly the most innocent victims of the Ceaucescu regime.

The situation in these orphanages—by which I mean all institutions which take care of either unwanted or in some way handicapped children—has clearly gotten better over the past 9 months. Since the revolution, dozens of organizations from the United States, England, France, and Scandinavian countries have done a tremendous job of alleviating some of the urgent needs of many of these institutions. From our country, people from USAID, the Peace Corps, World Vision, the Center for Disease Control, and a host of other smaller, private groups have begun sending medical and technical assistance to these orphanages. The American media also deserves credit for bringing the plight of these children to the attention of the American public.

Currently the institutions which need the most help are what have been known as homes for the irrecoverable. These institutions are places where children are sent after graduating from other institutions. The children here range in age from about 8 to 15. They are almost always poorly fed, poorly clothed—if clothed at all—and receive almost no medical care. They have essentially been written off the list by Romanian authorities who do not have the knowledge of how or the ability to care for them. Since the need is greatest in these places, all aid being given or used in conjunction with U.S. Government aid will focus upon these places first, and other institutions second.

I would like to take a few minutes to do two things: First, to give a brief overview of what some United States agencies are doing to help these children in Romania, and second, to let my colleagues know what remains to be done to help solve this problem.

Regarding what is being done, last Wednesday, Donna Givens, Deputy Assistant Secretary for Human Development Services at the Department of Health and Human Services, hosted a meeting attended by several organizations working on the orphan problem in Romania. It was exciting to hear about the work these groups are doing in that country. At this point, the two largest U.S. groups either working or planning to work there include PACT [Private Agencies Collaborating Together] and UNICEF. These two groups each received half of the $4 million allocated by the Congress this year to help these unwanted or in other ways handicapped children of Romania.

PACT, which is a consortium of 29 private organizations including Project Concern International, is currently working at four institutions and plans eventually to work at eight, helping over 7,000 children in Romania. One organization which is working closely with PACT is World Vision, whose aid effort in Romania is being headed by two doctors, Jim and Barbara Bascom.

While I was in Romania, I spent time with the Drs. Bascom and was very impressed by their work. They have been there for 3 years, and are trying to help these children in three ways:

First, they want to implement a testing program to accurately diagnose the condition of these children. After nurturing the boys and girls for a period of time, they then hope to accurately assess the needs of the children, and then care for them accordingly. Presently almost none of the Romanian personnel in the orphanages know how to adequately test children under their care. Many children who are simply malnourished or sick are grouped with children who are retarded or mentally disturbed. World Vision wants to care for and accurately diagnose these children and then give them the help they need.

Second, World Vision wants to rehabilitate these children by training both foreign and native staff workers to stimulate and educate them. In the past, the Romanians have focused upon helping the children survive, but have not known how or been able to help them develop into normal, functioning boys and girls.

Third, World Vision wants to educate Romanian doctors, nurses and other medical personnel about child health treatment and development. Right now there are almost no trained personnel working at these orphanages. Many of the nurses in the orphanages have no training other than 3 years of elementary education. Many of the orphanages have no physicians,

and the ones who are there are often ignorant about pediatric medicine.

Education is one of the major areas where PACT—along with World Vision—would like to focus its assistance. By utilizing the knowledge and expertise of various American medical schools, the American Academy of Pediatrics and the American College of Surgeons, PACT not only hopes to provide some foreign staff at these orphanages, but train native personnel who could potentially help as many as 40,000 orphans in Romania.

UNICEF appears to be in the planning stage of its program. It will be providing antibiotics to various institutions in Romania, and hopes to help the Romanian Government coordinate its efforts in tackling this problem, which ultimately must happen since foreign governments and private organizations cannot be expected to maintain these programs indefinitely. UNICEF, in conjunction with the Peace Corps, hopes to train staff at various orphanages and work toward long-term solutions to this problem.

Some of the most amazing stories I have heard, however, include not only large organizations, but small, privately funded efforts to help the orphans. Among those are the Romania Relief Team, the Romania Free Foundation, and the efforts of one private citizen who has made a difference in the lives of hundreds of children.

The Romania Relief Team is a private organization led by Mr. Neil Romano. That group has adopted seven institutions in Romania, has sent medical and technical teams to each, and is committed to supplying each of those institutions with necessary supplies and personnel for the foreseeable future. Over the next year, they hope to expand their efforts to 20 institutions, including hospice centers for long-term care. They are also delivering 100,000 AIDS-testing kits to Romania hospitals and clinics, since anywhere from 10 to 20 percent of the orphans in that country have tested positive for AIDS.

The Free Romania Foundation, which just started last December, has sent 12 tons of supplies, over 40 volunteers and is also working with universities and teaching centers in Romania to train Romanian personnel to staff their projects. They and other organizations are committed to deinstitutionalizing as many children as possible, partly by opening homes for the orphans where they can receive more personal care and be trained on how to live in a family and in a community. In addition, they will be opening a 50-bed hospital for handicapped children, adequately staffed and supplied to care for boys and girls who now receive little or no care. They are also providing adoption assistance to Americans interested in adopting Romanian orphans.

There are many, many other organizations which deserve credit. I, obviously, can't mention them all, but a few I know of include Help the Children of Romania, the Help Romania Fund, Christian Aid Ministries in Oberlin, OH, and Project Hope.

I would, however, like to mention one local citizen who I think exemplifies the fact that yes, indeed, one person can make a difference. Her name is Mary Zalar. Dr. Zalar is a local anesthesiologist, works half time, and has for years used her own time and money to help the poor and underpriviledged here in Washington, DC.

Recently Dr. Zalar and a friend in England heard about the plight of the orphans in Romania. They, along with some of their friends, quickly organized two teams of 14 people each to work with two orphanages and two hospitals in Romania.

Upon arriving they soon found two major problems—notwithstanding the obvious problems with facilities, lack of supplies and equipment. First, they found—as I mentioned earlier—that there was no set procedure for diagnosing the condition of the children. Second, they found that the records being kept at these facilities were very detailed but not very accurate.

In addition to tackling these two problems of diagnosing children and keeping accurate records, Dr. Zalar and those with her brought supplies to these orphanages, and with the help of a plumber who came with them, built restroom facilities which were, at that point, almost nonexistent. They have continued to keep in contact with these organizations, have organized overland truck routes to ship supplies to these orphanages, and established a fairly effective system of preventing their shipments from being stolen—a problem which has plagued some other aid efforts. It is true not everyone has the education and personal resources available to Dr. Zalar, but her example should serve as encouragement to any and all Americans that yes, you can make a difference in these children's lives.

Now, concerning what remains to be done, many of us have seen the reports of the material aid which has been sent to the Romanian orphanages. Obviously there is still need for that, but I must say that, now that supply lines have been opened, three large tasks remain ahead of us.

The first is coordination. With the myriad of large and small, public and private organizations going into Romania, coordination of effort is lacking. It is my hope that within the next few months we can establish a clearinghouse for assistance to the Romanian orphans to help groups avoid duplicating efforts, and to ensure that help is given where it is most needed.

Right now PACT [Private Agencies Collaborating Together] is serving as a clearinghouse for aid efforts, at least among groups working in conjunction with the Federal Government. Their Washington director, Bob McAlister, can be reached at 202-872-0933. I would encourage any group desiring to send aid to Romania to contact PACT for information about what is being done, and what remains to be done.

A second major need for future work is in the area of training and education. As I have mentioned, many of these groups do plan to help train orphanage workers and other medical personnel about child care. But even more importantly, the Romanians working with these children and the communities where these orphans live must be shown that many of these children are recoverable. Some of the children do make it from orphanages back into their original homes, but many either die of neglect or are sent to homes for the irrecoverable, where conditions, to say the least, are horrible.

In addition to showing that the children are recoverable, nurses and social workers must be taught how to run programs for child education and development. Simply training nurses how to be better nurses is not enough. We need people trained in child psychology and development to work with the children to help them become active members of society. The Drs. Bascom want to do this as part of their work with World Vision, but much, much more needs to be done.

The third area is one where we here in Congress can be of real help, and that is in the area of helping programs to detect and treat AIDS in Romania. Dr. Brad Hersh from the Center for Disease Control in Atlanta has reported that there are currently only 14 AIDS-testing machines in Romania, a country with 41 health districts and a population of 23 million people. That is compared with a city like Washington, DC, with a population one-eighth the size of Romania, which has hundreds of such machines.

As of July 31 of this year, there were 867 reported cases of AIDS in Romania. Of these, 809, or 93 percent, were children—mostly orphans—under 4 years of age. Most of their mothers do not have AIDS, so it is almost certain that they were given the disease because of injections received in the orgphanages. Improvements are being made, but there is an urgent need for additional testing machines and training for personnel to use them.

Mr. Speaker, I appreciate the concern many Members of Congress have shown about this issue, and hope that my colleagues will continue to show their support in the future.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DORGAN of North Dakota) to revise and extend their remarks and include extraneous material:)

Mr. DORGAN of North Dakota, for 5 minutes, today.

Mr. JOHNSON of South Dakota, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DORGAN of North Dakota) and to include extraneous matter:)

Mr. STARK.

Mr. BONIOR.

ADJOURNMENT

Mr. WOLF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 2 minutes a.m.), under its previous order, the House adjourned until Monday, September 17, 1990, at 12 m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Report of various committees of the U.S. House of Representatives concerning foreign currencies and U.S. dollars utilized by them during the second quarter of 1990 pursuant to Public Law 95-384, as well as reports and amended reports to the consolidated reports of official foreign travel authorized by the Speaker of the U.S. House of Representatives in the fourth quarter of 1989 and the first and second quarters of 1990, are as follows:

AMENDED REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO CANADA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN MAR. 31 AND APR. 4, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Michael R. Wessel	4/1	4/4	Canada	550.00	467.69	48.50	309.00			598.50	776.69
Letitia S. Hoadley	3/31	4/2	Canada	390.95	332.44	58.00	202.40			448.95	534.84
Committee total					800.13		511.40				1,311.53

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

MICHAEL R. WESSELL, Aug. 13, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO GENEVA, VIENNA, AND BRUSSELS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 5 AND OCT. 10, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Richard A. Gephardt	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. Esteban Torres	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. Bob Carr	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. Howard Berman	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. Jim Moody	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. Norman Dicks	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. William Broomfield	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. Robert Lagomarsino	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. Mickey Edwards	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Hon. Joe Hefley	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO GENEVA, VIENNA, AND BRUSSELS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 5 AND OCT. 10, 1989—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Porter Goss	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Robert Koch	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Sharon Donaldson	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Don Steinberg	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Ivo Spalatin	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Janey Hatcher	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Steve Berry	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Bill Inglee	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Tim Lanigan	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Keith Jewell	10/6	10/7	Switzerland		416.00						416.00
	10/8	10/9	Italy		169.00						169.00
	10/9	10/10	Brussels		166.36						166.36
U.S. Military Transportation							6,122.62				6,122.62
Committee total					15,027.20		122,452.40				137,479.60

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO GERMANY, POLAND, CZECHOSLOVAKIA, HUNGARY, ITALY, AND SWITZERLAND, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN DEC. 10 AND DEC. 21, 1989

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Richard A. Gephardt	12/11	12/13	Germany		282.00						282.00
	12/13	12/14	Poland		91.00						91.00
	12/14	12/15	Czechoslovakia		96.00						96.00
	12/15	12/15	Hungary		124.00						124.00
	12/15	12/17	Italy		129.00						129.00
	12/17	12/20	Switzerland		447.00						447.00
Commercial transportation							1,454.00				1,454.00
U.S. Military Transportation							1,472.00				1,472.00
Thomas O'Donnell	12/10	12/13	Germany		423.00						423.00
	12/13	12/14	Poland		91.00						91.00
	12/14	12/15	Czechosovakia		96.00						96.00
	12/15	12/16	Hungary		124.00						124.00
Commercial transportation							1,086.00				1,086.00
U.S. Military Transportation							1,472.61				1,472.61
Donald Steinberg	12/10	12/13	Germany		423.00						423.00
	12/13	12/14	Poland		91.00						91.00
	12/14	12/15	Czechoslovakia		96.00						96.00
	12/15	12/18	Hungary		372.00						372.00
Commercial transportation							1,086.00				1,086.00
U.S. Military Transportation							1,472.61				1,472.61
Paul Begala	12/10	12/13	Germany		423.00						423.00
	12/13	12/14	Poland		91.00						91.00
	12/14	12/15	Czechoslovakia		96.00						96.00
	12/15	12/18	Hungary		372.00						372.00
Commercial transportation							1,086.00				1,086.00
U.S. Military Transportation							1,472.61				1,472.61
Committee total					3,867.00		10,602.44				14,469.44

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO PANAMA, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 4 AND JAN. 5, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Richard A. Gephardt	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Commercial Transportation							782.00				782.00
Hon. William H. Gray	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Robert Kastenmeier	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Don Edwards	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Kika de la Garza	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Lee H. Hamilton	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Ronald D. Coleman	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Charles B. Rangel	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Gerry E. Studds	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Norman D. Dicks	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Mary Rose Oakar	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Thomas R. Carper	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Jaime B. Fuster	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Newt Gingrich	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Henry J. Hyde	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Mickey Edwards	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Bob Livingston	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Toby Roth	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Olympia J. Snowe	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Claudine Schneider	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Dan Burton	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Larry Combest	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Michael J. O'Neil	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Thomas J. O'Donnell	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Don Steinberg	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Mark Murray	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. Jim Fairchild	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Hon. R. Spencer Oliver	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Jake Dunman	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Robert J. Fitch	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Louis J. Dupart	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Cher Brooks	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
George D. Pence	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Dan Meyer	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Sheila Ward	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Keith Jewell	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Jeffrey Biggs	1/4	1/5	Panama		15.50						15.50
U.S. Military Transportation							1,478.73				1,478.73
Committee total					573.50		55,495.01				56,068.51

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO MEXICO, U.S. HOUSE OF REPRESENTATIVES, EXPANDED BETWEEN JAN. 14 AND JAN. 17, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Richard A. Gephard	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							5,086.81				5,086.81
Hon. Ronald Coleman	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							3,082.00				3,082.00
Hon. Sam Gejdenson	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, DELEGATION TO MEXICO, U.S. HOUSE OF REPRESENTATIVES, EXPANDED BETWEEN JAN. 14 AND JAN. 17, 1990—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
U.S. Military Transportation							5,086.81				5,086.81
Hon. Solomon Ortiz	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							2,625.35				2,625.35
Hon. Albert Bustamante	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							2,625.35				2,625.35
Hon. Peter Hoagland	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							5,086.81				5,086.81
Donald Steinberg	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							5,086.81				5,086.81
Robert Koch	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.40
U.S. Military Transportation							5,086.81				5,086.81
George Stephanopoulos	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							5,086.81				5,086.81
Keith Jewel	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							5,086.81				5,086.81
Hon. Larry Smith	1/14	1/15	McAllen, TX								
	1/15	1/17	Mexico		304.00						304.00
U.S. Military Transportation							5,086.81				5,086.81
Committee total					3,344.00		49,027.18				52,371.18

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HON. RICHARD A GEPHARDT, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN FEB. 22 AND FEB. 24, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Richard A. Gephardt	2/22	2/24	Belgiun		214.00						214.00
Commercial transportation							4,258.00				4,258.20
Committee totals					214.00		4,258.20				4,472.20

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON AGRICULTURE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. E de la Garza	4/8	4/10	Belgium		440.00						440.00
	4/10	4/12	Switzerland		430.00						430.00
Commercial Transportation							4,452.00				4,452.00
Marshall Livingston	4/8	4/10	Belgium		440.00						440.00
	4/10	4/12	Switzerland		430.00						430.00
Commercial Transportation							4,284.00				4,284.00
Hon. Ben N. Campbell	5/27	5/29	Korea		390.00						390.00
Military Transportation							6,023.33				6,023.33
Hon. E de la Garza	6/5	6/6	Mexico		152.00						152.00
Commercial Transportation							933.00				933.00
Marshall Livingston	6/5	6/6	Mexico		152.00						152.00
Commercial Transportation							996.00				996.00
Xavier Equihau	6/5	6/6	Mexico		152.00						152.00
Commercial Transportation							779.00				779.00
Committee totals					2,586.00		17,467.33				$20,053.33

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

E de la GARZA, Chairman, Aug. 30, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Visit to Singapore, Thailand, and Indonesia, Apr. 11–16, 1990:											
Hon. Patricia Schroeder	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Hon. David O'B. Martin	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON ARMED SERVICES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
	4/15	4/16	Indonesia		179.00						179.00
Hon. Norman Sisisky	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Hon. Jim Courter	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Hon. Larry J. Hopkins	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Hon. Ben Blaz	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Hon. James V. Hansen	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Ms. Alma B. Moore	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Mr. Peter M. Steffes	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Mr. Robert S. Rangel	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Mr. Andrew A. Feinstein	4/11	4/12	Singapore		194.00						194.00
	4/12	4/15	Thailand		528.00						528.00
	4/15	4/16	Indonesia		179.00						179.00
Delegation expenses	4/15	4/16	Indonesia				273.56		790.89		1,064.45
Visit to Spain, Germany, and Belgium, May 7–12, 1990:											
Mr. Andrew A. Feinstein	5/7	5/7	Spain		660.00						660.00
	5/9	5/11	Germany		414.00						414.00
	5/12	5/13	Belgium		220.00						220.00
Commercial transportation							2,552.30				2,552.30
Visit to Republic of Korea, May 27–29, 1990:											
Hon. Frank McCloskey	5/27	5/29	Korea		390.00						390.00
Hon. James H. Bilbray	5/27	5/29	Korea		390.00						390.00
Hon. Curt Weldon	5/27	5/29	Korea		390.00						390.00
Visit to Germany and Belgium, May 30–June 2, 1990:											
Hon. Dennis M. Hertel	5/30	5/31	Germany		155.00						155.00
	5/31	6/2	Belgium		440.00						440.00
Hon. Robert W. Davis	5/30	5/31	Germany		155.00						155.00
	5/31	6/1	Belgium		220.00						220.00
Committee totals					13,345.00		2,825.86		790.89		16,961.75

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

LES ASPIN, Chairman, July 31, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON APPROPRIATIONS, U.S HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Les AuCoin	6/22	6/26	Switzerland		675.00						675.00
Commercial transportation							4,522.00				4,522.00
Hon. Vic Fazio	4/6	4/14	Italy		1,482.00						1,482.00
Military transportation							4,751.00				4,751.00
Hon. William Lehman	5/25	5/28	Italy		663.00						663.00
	5/28	6/1	Israel		664.00						664.00
	6/1	6/4	Morocco		588.00						588.00
Commerical transportation							6,067.00				6.067.00
Hon. Bob Traxler	5/27	5/29	S. Korea		390.00						390.00
Military transportation							6,023.33				6,023.00
Hon. Bill Lowery	4/6	4/14	Italy		1,482.00						1,482.00
Military transportation							4,751.00				4,751.00
Robert V. Davis	4/7	4/10	Dominican Representative		550.00						550.00
	4/10	4/15	United States		238.00						238.00
Commerical transportation							667.00				667.00
Edward Lombard	4/6	4/14	Italy		1,482.00						1,482.00
Military transportation							4,751.00				4,751.00
William A. Marinelli	4/6	4/14	Italy		1,482.00						1,482.00
Military transportation							4,751.00				4,751.00
Mark W. Murray	4/8	4/10	Panama		546.00				10.00		556.00
	4/10	4/12	Nicaragua		364.00				25.00		389.00
	4/12	4/13	Guatemala		99.00				5.00		104.00
Commercial transportation							1,557.00				1,557.00
Terry R. Peel	4/7	4/11	Panama		728.00				27.20		755.20
	4/11	4/12	Nicaragua		364.00				25.00		389.00
	4/12	4/13	Guatemala		99.00				5.00		104.00
	4/13	4/16	United States						25.00		25.00
Commercial transportation							1,733.90				1,733.90
Terry R. Peel	5/25	5/28	Italy		663.00						663.00
	5/28	6/1	Israel		664.00						664.00

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem [1]: Foreign currency	Per diem [1]: U.S. dollar equivalent or U.S. currency [2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency [2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency [2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency [2]
	6/1	6/4	Morocco		588.00						588.00
Commercial transportation							6,067.00				6,067.00
George H. Schafer	4/7	4/10	Dominican Republic		450.00						450.00
	4/10	4/12	United States		160.00				16.00		176.00
Commercial transportation							872.00				872.00
William Schuerch	3/30	4/2	Canada		537.00						537.00
Commercial transportation							311.10		63.00		374.10
J. David Willson	5/27	6/1	Germany		790.00						790.00
	6/1	6/2	Belgium		246.00						246.00
	6/2	6/5	United Kingdom		780.00						780.00
Commercial transportation							5,046.78				5,046.78
Committee total					16,774.00		51,871.11		201.20		68,846.31
Appropriations, Surveys, and Investigations Staff:											
Ronald T. Adams	6/11	6/19	England		1,274.75		3,709.39		142.51		5,126.65
	6/19	6/21	Scotland		274.00						274.00
	6/21	6/24	Austria		444.00						444.00
Richard H. Ash	4/29	5/2	England		550.00		3,182.80		146.07		3,878.87
	5/2	5/5	Austria		444.00						444.00
	5/5	5/8	Italy		555.75						555.75
	5/8	5/12	Spain		650.00						650.00
G. Carter Baird	6/10	6/19	England		1,445.75		3,962.42		154.59		5,562.76
	6/19	6/21	Scotland		274.00						274.00
	6/21	6/24	Germany		438.75						438.75
Albert J. Boudreau	4/29	5/1	Spain		143.75		2,280.00		53.46		2,477.21
	5/2	5/4	Sicily		285.00						285.00
	5/4	5/7	Italy		450.00						450.00
	5/7	5/8	Crete		75.00						75.00
	5/8	5/11	Greece		409.50						409.50
Ronald B. Carpenter	4/29	5/5	England		874.25		3,520.00		20.00		4,414.25
	5/5	5/11	Germany		1,045.00						1,045.00
John J. Clynick	4/6	4/14	Korea		978.75		4,119.00		93.57		5,191.32
	4/14	4/20	Thailand		660.00						660.00
	6/11	6/14	Spain		456.75		3,339.00		208.91		4,004.66
	6/14	6/18	Greece		488.00						488.00
	6/18	6/21	Turkey		474.00						474.00
	6/21	6/23	Austria		333.00						333.00
Pierre F. Crosetto	4/29	5/1	Spain		172.50		2,915.00		42.08		3,129.58
	5/1	5/4	Sicily		342.00						342.00
	5/4	5/7	Italy		450.00						450.00
	5/7	5/8	Crete		75.00						75.00
	5/8	5/11	Greece		472.50						472.50
Robert C. Goffus	4/7	4/14	Japan		1,274.00		4,529.00		140.08		5,943.08
	4/14	4/20	Thailand		628.50						628.50
	5/6	5/10	Australia		726.75		6,490.50		79.44		7,296.69
	6/11	6/24	Germany		1,826.25		2,570.00		56.88		4,453.13
Carroll L. Hauver	4/29	5/2	England		550.00		3,192.00		217.14		3,959.14
	5/2	5/5	Austria		444.00						444.00
	5/5	5/8	Italy		555.75						555.75
	5/8	5/12	Spain		637.50						637.50
William P. Haynes	4/29	5/7	Turkey		1,078.75		3,784.00		64.85		4,927.60
	5/7	5/11	Pakistan		396.75						396.75
	5/11	5/12	England		207.50						207.50
Dale E. Ledman	4/29	5/2	England		512.00		3,284.00		17.34		3,813.34
	5/2	5/3	Scotland		94.00						94.00
	5/3	5/5	England		272.00						272.00
	5/5	5/11	Germany		1,167.00						1,167.00
Dennis K. Lutz	4/26	5/11	Germany		2,030.00		2,456.00		31.52		4,517.52
Frank T. Lyons	4/7	4/14	Korea		978.75		3,389.00		162.01		4,529.76
	4/14	4/20	Thailand		660.00						660.00
	6/10	6/14	Spain		456.75		3,579.00		1,485.71		5,521.46
	6/14	6/18	Greece		488.00						488.00
	6/18	6/21	Turkey		513.50						513.50
	6/21	6/28	Saudi Arabia		707.75						707.75
Henry P. McDonald	4/29	5/6	Turkey		1,078.75		3,784.00		103.28		4,996.03
	5/6	5/11	Pakistan		396.75						396.75
	5/11	5/12	England		207.50						207.50
Robert H. Pearre	4/28	5/2	England		550.00		3,192.00		194.56		3,026.56
	5/2	5/5	Austria		444.00						444.00
	5/5	5/8	Italy		555.75						555.75
	5/8	5/12	Spain		637.50						637.50
Robert L. Rebein	4/6	4/14	Japan		1,274.00		4,335.00		162.05		5,771.05
	4/14	4/20	Thailand		628.50						628.50
	5/6	5/10	Australia		726.75		6,490.50		88.85		7,306.10
	6/11	6/24	Germany		1,888.75		2,570.00		27.30		4,486.05
Robert L. Reitwiesner	4/7	4/14	Korea		978.75		4,917.00		31.87		5,927.62
	4/14	4/17	Thailand		346.50						346.50
	4/25	5/11	Germany		2,030.00		2,486.00		17.35		4,533.35
R.W. Vandergrift	4/8	4/10	Dominican Republic		256.75		878.00		181.61		1,316.36
	5/6	5/11	Australia		879.75		6,569.50		45.00		7,494.25
Committee total					43,621.50		95,523.11		3,958.03		143,102.64

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JAMIE WHITTEN, Chairman, Aug. 6, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date: Arrival	Date: Departure	Country	Per diem [1]: Foreign currency	Per diem [1]: U.S. dollar equivalent or U.S. currency [2]	Transportation: Foreign currency	Transportation: U.S. dollar equivalent or U.S. currency [2]	Other purposes: Foreign currency	Other purposes: U.S. dollar equivalent or U.S. currency [2]	Total: Foreign currency	Total: U.S. dollar equivalent or U.S. currency [2]
Sally Lovejoy	5/17	6/2	China		[3] 4,450		([3])				4,450
			Hong Kong				[4] 378.00				378.00
Hon. Augustus Hawkins	4/5	4/17	Italy		905.00		[5] 5,235.00				5,235.00
			Denmark		424.00		389.53				1,294.53

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON EDUCATION AND LABOR, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
			England				627.53				1,051.53
Hon. Charles Hayes	4/5	4/17	Italy		905.00		[6] 5,235.00				5,235.00
			Denmark		424.00		389.53				1,294.53
			England				627.53				1,051.53
Carole Stringer	4/5	4/17	Italy		905.00		[6] 5,235.00				5,235.00
			Denmark		424.00		389.53				1,294.53
			England				627.53				1,051.53
Teresita Schroeder	4/5	4/17	Italy		905.00		[6] 5,235.00				5,235.00
			Denmark		424.00		389.53				1,294.53
			England				627.53				1,051.53
Beth Buehlmann	4/5	4/17	Italy		905.00		[6] 5,235.00				5,235.00
			Denmark		424.00		389.53				1,294.53
			England				627.53				1,051.53
Fred Feinstein	4/10	4/12	Canada		374.00		490.79				$864.79
Karen Vagley	4/10	4/12	Canada		374.00		509.99				$883.99
Dorothy Strunk	4/10	4/12	Canada		374.00		509.99				$883.99
Cathleen Johnson	4/10	4/12	Canada		374.00		509.99				$883.99
Susan McGuire	6/8	6/13	Switzerland		1,800.00		4,522.00				6,322.00
Dorothy Strunk	6/8	6/13	Switzerland		1,800.00		4,522.00				6,322.00
Randel Johnson	6/15	6/27	Switzerland		2,700.00		4,522.00				7,222.00
Committee total					$18,891.00		47,225.06				66,116.06

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] $4,450 covers cost of subsistence and transportation for overseas portion of travel.
[4] Stateside travel costs.
[5] Per diem and transportation costs in England not available at this time.
[6] Roundtrip transportation costs Dulles Airport/Europe/Dulles Airport.

AUGUSTUS F. HAWKINS, Chairman, July 31, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON FOREIGN AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
P. Abbruzzese	4/5	4/8	Iceland		560.00						560.00
Military Transportation							3,600.00				3,600.00
P. Abbruzzese	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
Hon. G. Ackerman	4/11	4/11	Germany		204.00						204.00
	4/12	4/15	Ethiopia		534.00		1,400.00				1,934.00
Commercial Transportation							4,804.00				4,804.00
Hon. G. Ackerman	4/30	5/6	Israel		996.00				29.84		1,025.84
Commercial Transportation							5,068.00				5,068.00
Hon. D. Bereuter	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
Hon. Wm. Broomfield	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
J.J. Brady	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
Total					5,942.00		32,817.24		29.84		38,789.08
N. Carman	5/25	5/26	Switzerland		305.00		61.50				366.50
	5/27	6/3	Madagascar		[3] 1,947.68						947.68
	6/4	6/10	Switzerland		1,350.00						947.68
Commercial Transportation							5,861.00				5,861.00
M. Ennis	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
M. Ennis	5/25	5/26	Switzerland		215.00		61.50				366.50
	5/27	6/3	Madagascar		[3] 890.00						890.00
Commercial Transportation							6,031.00				6,031.00
Hon. D. Fascell	4/5	4/8	Iceland		560.00						560.00
Military Transportation							3,600.00				3,600.00
Hon. D. Fascell	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
Total					6,091.68		24,587.62				30,769.30
Hon. E. Feighan	4/7	4/10	Turkey		518.00						518.00
Transportation paid by IPU (Interparliamentary Union).											
D. Finn	5/25	5/26	Switzerland		265.00						265.00
	5/27	6/5	Madagascar		[3] 961.41						961.41
Commercial Transportation							6,031.00				6,031.00
B. Ford	5/11	5/13	Italy		482.00						482.00
No transportation cost to committee											
R. Hathaway	5/26	5/26	Germany		102.00						102.00
	5/27	5/30	Pakistan		388.00				194.00		582.00
	5/30	6/2	India		229.50						229.50
Commercial Transportation							5,868.00				5,868.00
R. Jenkins	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Total					3,857.91		16,385.31		194.00		20,437.22
Hon. T. Lantos	5/26	5/28	Yugoslavia		1,134.00						1,134.00
	5/28	5/31	Albania								
	5/31	6/1	United Kingdom		93.48						93.48
Commercial Transportation							2,222.00				2,222.00
Hon. D. Lukens	5/26	5/29	Czechoslovakia		730.00						730.00
Commercial Transportation							710.00				710.00
Hon. J. Meyers	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
N. Mims	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
K. Nakamura	5/31	5/31	Philippines		1,032.00						1,032.00
Commercial Transportation							3,475.00				3,475.00
S. Oliver	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
Total					5,725.48		19,865.93				25,591.41
B. Paolo	5/29	6/3	United Kingdom		1,080.00		253.51				1,333.51
Commercial Transportation							5,606.00				5,606.00
G. Pitchford	4/1	4/8	Kenya		989.00		178.17				1,167.17
	4/8	4/13	Uganda		825.00						825.00
Commercial Transportation							5,660.00				5,660.00
A. Roberts	4/5	4/8	Iceland		560.00						560.00
Military Transportation							3,600.00				3,600.00
A. Roberts	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
S. Roth	5/26	5/31	Philippines		[3] 860.00						860.00
	5/31	6/3	Korea		585.00						585.00
Commercial Transportation							3,475.00				3,475.00
R. Scheunemann	4/27	4/30	El Salvador		238.17						238.17
Commercial Transportation							611.00				611.00
Total					6,049.17		23,869.99				29,919.16
D. Schlieker	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
J. Sinclair	5/11	5/14	France		912.00						912.00
Military Transportation							4,486.31				4,486.31
M. Sletzinger	4/6	4/12	Yugoslavia		610.00		200.00				810.00
No transportation cost to committee											
Hon. S. Solarz	5/26	5/26	Germany		102.00						102.00
	5/27	5/30	Pakistan		388.00		194.00				582.00
	5/30	6/2	India		229.50						229.50
Commercial Transportation							5,853.00				5,853.00
I. Spalatin	5/6	5/9	Spain		330.00						330.00
Commercial Transportation							4,230.00				4,230.00
R. Torricelli	4/11	4/14	Japan		696.00						696.00
	4/14	4/16	Korea		390.00						390.00
Commercial Transportation							5,174.00				5,174.00
Total					4,569.50		24,623.62				29,193.12
J. Weber	5/10	5/15	France		1,140.00						1,140.00
Commercial Transportation							2,653.00				2,653.00
P. Weir	5/10	5/13	Mexico		456.00						456.00
Commercial Transportation							426.00				426.00
P. Yeo	5/12	5/14	United Kingdom		150.00						150.00
Commercial Transportation							557.00				557.00
Total					1,746.00		3,636.00				5,382.00
Grand total for 2d quarter											180,081.29

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Represents refunds of unsued per diem.

DANTE B. FASCELL, Chairman, July 31, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Donald W. Upson	4/16	4/19	Japan		471.00		95.00		80.00		646.00
Committee total					471.00		95.00		80.00		646.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN CONYERS, JR., Chairman, Aug. 17, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON MERCHANT MARINE AND FISHERIES, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Melanie Barber	4/1	4/9	United Kingdom	815.35	1,338.00		[3] 3,162.00				4,500.00
Donald J. Barry	4/7	4/11	Canada		[4] 800.00		[3] 338.20				1,138.20
Donald J. Barry	6/28	7/6	Switzerland	3,581.25	2,548.00		[3] 2,552.00				5,100.00
Hon. Helen Delich Bentley	5/9	5/10	Poland				[5] 6,562.00				6,562.00
	5/10	5/12	Yugoslavia								
	5/12	5/14	Germany								
Richard Daschbach	5/19	5/27	United Kingdom	687.08	1,162.00		[3] 3,209.00				
						27.80	[6] 47.02				4,418.02
Hon. Robert W. Davis	4/20	4/22	Portugal		[7] 352.00		[3] 3,251.45				
							[6] 79.59				3,683.04
Hon. Dennis Hertel	4/20	4/22	Portugal		[7] 352.00		[3] 3,251.45				
							[6] 79.59				3,683.04
James K. McCallum	5/6	5/10	Mexico		306.00		[3] 996.00				1,302.00
James K. McCallum	6/10	6/17	Finland	5,803.90	1,659.00		[3] 1,960.00				
						118.50	[6] 29.79				3,648.79
Thomas O. Melius	6/28	7/3	Switzerland	1,377.4	983.86		[3] 2,552.00				3,535.86
Charles O. Moore	6/4	6/10	Switzerland	1,921.75	1,350.00		[3] 2,552.00				3,902.00
E. Raymond O'Malley	4/20	4/22	Portugal		[7] 352.00		[3] 2,347.00				
							[6] 79.59				2,778.59
E. Raymond O'Malley	5/30	5/31	Germany	260.87	155.00		[3] 4,443.40				
Phillip W. Rotondi	5/31	6/2	Belgium		220.00						4,818.40
Phillip W. Rotondi	4/18	4/22	Portugal	131,120	880.00		[3]2,463.80				3,343.80
Gerald Seifert	4/24	4/25	United Kingdom		173.00		[3] 3,098.00				
	4/25	4/27	Norway		464.00						
	4/27	4/28	United Kingdom		346.00						4,081.00
Francis Patrick White	4/29	4/22	Portugal		[7] 352.00		[3] 2,347.00				
							[6] 79.59				2,778.59
Lori Williams	6/29	7/9	Netherlands	2,015.47	1,074.00		[3] 2,416.00				3,490.00
Committee total					14,866.86		47,896.47				62,763.33

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Commercial airfare.
[4] Cash advance issued by Department of State.
[5] Military Transportation.
[6] Ground transportation.
[7] Traveler authorized 3 days—$528; returned early to U.S. and returned $176 to U.S. Treasury.

WALTER B. JONES, Chairman, Aug. 3, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Peter DeFazio	5/25	5/28	Italy		663.00						663.00
	5/28	6/1	Israel		664.00						664.00
	6/1	6/4	Morocco		588.00		[3] 6,067.00				6,655.00
Committee totals					1,915.00		6,067.00				7,982.00

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military Transportation.

GLENN M. ANDERSON, Chairman, July 31, 1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON VETERANS' AFFAIRS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. G.V. Montgomery	5/27	5/29	Korea		390.00		6,023.33				6,413.33
Military (Air Force)											
Hon. Bob Stump	5/27	5/29	Korea		390.00		6,023.33				6,413.33
Military (Air Force)											
Mr. James H. Holley	5/27	5/29	Korea		390.00		6,023.33				6,413.33
Military (Air Force)											
Mr. Thomas R. Gregory	5/27	5/29	Korea		390.00		6,023.33				6,413.33
Military (Air Force)											
Committee total					1,560.00		24,093.32				25,653.32

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

G.V. MONTGOMERY, Chairman, July 27,1990.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, PERMANENT SELECT COMMITTEE ON INTELLIGENCE, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN APR. 1 AND JUNE 30, 1990

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Anthony C. Beilenson	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Hon. Dave McCurdy	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Hon. Robert A. Roe	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Hon. Matthew F. McHugh	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Hon. Charles Wilson	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Hon. Dan Glickman	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Hon. Bill Richardson	4/9	4/17	Europe	1,426.00							1,426.00
Military aircraft							3,013.79				3,013.79
Commercial aircraft							1,488.00				1,488.00
Hon. Henry J. Hyde	4/9	4/17	Europe	1,426.00							1,426.00
Commercial aircraft							1,396.00				1,396.00
Military aircraft							3,013.79				3,013.79
Hon. Bud Shuster	4/6	4/13	Europe	1,494.00							1,494.00
Commercial aircraft							1,432.82				1,432.82
Military aircraft							2,119.37				2,119.37
Hon. Doug Bereuter	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Daniel A. Childs, Jr., Staff	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Richard H. Giza, Staff	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Robert J. Fitch, Staff	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Kenneth M. Kodama, Staff	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Thomas R. Smeeton, Staff	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
Louis H. Dupart, Staff	4/6	4/17	Europe	2,098.00							2,098.00
Military aircraft							4,510.95				4,510.95
John G. Keliher, Staff	4/11	4/28	Europe	1,344.00			103.42				1,447.42
Commercial aircraft							2,530.00				2,530.00
Committee total				32,964.00			73,739.54				106,703.54

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ANTHONY C. BEILENSON, Chairman, July 31, 1990.

EXECUTIVE COMMUNICATIONS, ETC.

3883. Under clause 2 of rule XXIV, a letter from the Secretary of Housing and Urban Development, transmitting HUD's internal control review of the capital and administrative requirements of the Multifamily Coinsurance Programs, pursuant to Public Law 101-235, section 139(a) (103 Stat. 2030), was taken from the Speaker's table, referred to the Committee on Banking, Finance and Urban Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5254. A bill to authorize appropriations to carry out the Fish and Wildlife Conservation Act of 1980 for fiscal years 1991 and 1992 (Rept. 101-700). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5255. A bill to amend the National Fish and Wildlife Foundation Establishment Act to authorize appropriations for the National Fish and Wildlife Foundation for fiscal years 1991, 1992, and 1993, and for other purposes; with an amendment (Rept. No. 101-701). Referred to the Committee of the Whole House on the State of the Union.

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 188. A bill relating to the rights and interest of the United States of America under a conservation easement affecting certain land in Wood County, Texas (Rept. 101-702). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 4323. A bill to amend the Federal Water Pollution Control Act relating to water quality in the Great Lakes; with an amendment (Rept. 101-704). Referred to the Committee of the Whole House on the State of the Union.

Mr. ANDERSON: Committee on Public Works and Transportation. H.R. 5314. A bill to provide for the conservation and development of water and related resources, to authorize the United States Army Corps of Engineers civil works program to construct various projects for improvements to the Nation's infrastructure, and for other purposes; with an amendment (Rept. 101-705). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

Mr. JONES of North Carolina: Committee on Merchant Marine and Fisheries. H.R. 5264. A bill to authorize modification of the boundaries of the Alaska Maritime National Wildlife Refuge; with an amendment; referred to the Committee on Interior and Insular Affairs for a period ending not later than September 17, 1990, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(l), rule X. (Rept. 101-703, Pt. 1) Ordered to be printed.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X the following action was taken by the Speaker:

H.R. 2840. Committee on Public Works and Transportation discharged. Referral to the Committee on Banking, Finance and Urban Affairs extended for a period ending not later than September 18, 1990.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MACHTLEY:

H.R. 5624. A bill to amend title 38, United States Code, with respect to benefits for veterans who may have been exposed to ioniz-

ing radiation during military service, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RUSSO (for himself and Mr. SLATTERY):

H.R. 5625. A bill to extend for 2 years the transfer to certain railroad accounts of increases in revenue attributable to the Federal taxation of tier 2 railroad retirement benefits; to the Committee on Ways and Means.

By Mr. STARK:

H.R. 5626. A bill to amend title XVIII of the Social Security Act to reform the regulation of Medicare supplemental policies, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SAWYER:

H.R. 5627. A bill to require the Secretary of Health and Human Services to collect, at 2-year intervals, data regarding the number of children in institutions and foster care, and for other purposes; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII,

494. The SPEAKER presented a memorial of the Legislature of the State of California, relative to Federal labor laws; to the Committee on Education and Labor.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 2816: Mr. SAXTON.

H.R. 4492: Mrs. MORELLA.

H.R. 5163: Mr. LAGOMARSINO.

H.R. 5323: Mr. HUBBARD, Mr. HUGHES, Mr. MILLER of Ohio, Mrs. JOHNSON of Connecticut, Mr. DYSON, Mr. GUARINI, Mr. PAXON, Mr. JOHNSON of South Dakota, Mr. TAUKE, Mr. CRAIG, Mr. ROWLAND of Connecticut, Mr. SAXTON, Mrs. ROUKEMA, Mrs. PATTERSON, Mr. LANCASTER, Mr. HOCHBRUECKNER, and Mr. WALGREN.

H.R. 5359: Mr. WAXMAN, Mr. FUSTER, and Mr. DONNELLY.

H.R. 5505: Mr. KASTENMEIER, Mr. SABO, Mrs. SCHROEDER, Mrs. COLLINS, Mr. SIKORSKI, Mr. COLEMAN of Texas, Mr. HOUGHTON, Mr. FASCELL, Mr. SKAGGS, Mr. HOCHBRUECKNER, Mr. NOWAK, Ms. PELOSI, Ms. KAPTUR, Mr. NEAL of Massachusetts, Mr. NEAL of North Carolina, Mr. LEVINE of California, Mr. WAXMAN, Mr. MRAZEK, Mr. PANETTA, Mr. RICHARDSON, and Mr. MACHTLEY.

H.R. 5580: Mr. BRYANT and Mrs. PATTERSON.

H.R. 5587: Mr. SAXTON, Mr. STENHOLM, Mr. WOLF, and Mrs. MARTIN of Illinois.

H.R. 5610: Mr. ANNUNZIO, Mr. NEAL of North Carolina, Ms. OAKAR, Mr. VENTO, Mr. BARNARD, Mr. SCHUMER, Mr. LEHMAN of California, Mr. KANJORSKI, Mr. LEACH of Iowa, Mr. SHUMWAY, Mr. ROTH, Mr. GILLMOR, Mr. BARTLETT, Mr. PRICE, Mrs. ROUKEMA, Mr. RIDGE, and Mr. MCCOLLUM.

H.J. Res. 566: Mr. FORD of Tennessee, Mr. SAVAGE, Mr. LEWIS of Georgia, Mr. WILSON, Mr. GONZALEZ, Mr. CLEMENT, Mr. SMITH of Texas, Mr. NIELSON of Utah, Mr. PANETTA, Mr. BROWDER, Mr. SAXTON, Mr. DENNY SMITH, Mr. WALSH, Ms. PELOSI, Mrs. MARTIN of Illinois, and Mr. BURTON of Indiana.

EXTENSIONS OF REMARKS

NO NEW TAXES

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. CRANE. Mr. Speaker, today we find ourselves in the middle of a budget crisis, with an economy teetering on the edge of recession. The summiteers have been charged with a duty of awesome importance—to develop a budget plan that will fit within the constraints prescribed by the Gramm-Rudman law, and thereby avert the impending sequester. I would not ask my worst enemy to shoulder a burden such as this. These individuals are holding this Nation's economic future in the palm of their hands, while second by second the end of the fiscal year steadily comes to a close. In a situation like this, there is no doubt that compromise is useful, if not necessary, except with regard to one issue—taxes. I commend to my colleagues the August 1990 issue of the Imprimis, a publication of Hillsdale College in Hillsdale, MI. In this issue, Warren Brookes outlines in his article "Mr. President, Read Our Lips: No New Taxes," the devastating effects of a tax increase. Mr. Brookes makes it clear that if the summiteers are truly interested in both solving the immediate budget crisis and also developing a plan that will stimulate future economic growth, then increased taxes must be ruled out as an option.

MR. PRESIDENT, READ OUR LIPS: NO NEW TAXES

(By Warren Brookes)

(Editor's Preview: This is the first of a two-part series featuring prominent Americans' responses to President Bush's abandonment of his unequivocal stance against new taxes. Syndicated columnist Warren Brookes, often credited with being the real father of the "Massachusetts Miracle," explained the little known law of accounting called "tax capitalization" before an audience of over 250 Milwaukee leaders in the May 1990 Shavano Institute for National Leadership seminar, "Does America Need More Taxes?")

For years I have thought of George Roche as a kind of modern-day prophet—but today, I am a believer. How else can we explain that over a year ago he predicted that some of America's most fervent anti-taxers would now be hedging on the question of whether new taxes are necessary?

It is ironic indeed that halfway through the 8th year of the longest peacetime expansion in U.S. recorded economic history—in the 90th month to be exact, the president who is the direct political beneficiary of that recovery should even be tempted, as he now so obviously is, to answer that question in the affirmative.

There is little doubt that President Bush faces a serious fiscal challenge. The FY 1990 budget deficit now appears to be headed toward $190 billion—nearly $40 billion above FY 1989. That is because revenues are growing half as fast (four percent) as predicted (eight percent), and spending is growing much faster (seven perent) than forecast (five percent).

That implies a budget deficit for FY 1991 of $145-195 billion, depending on whose baseline economic and fiscal estimates you accept. Since the Gramm-Rudman-Hollings target is $64 billion, with a $10 billion leeway, those high forecasts could force a "sequester," or automatic cut, of $60-120 billion.

Any president might be tempted to accept a significant tax increase of $30-$50 billion as part of a "solution." Yet such a tax increase is virtually certain to make the deficit worse, not better. Not only will tax increases stimulate more spending growth, they will do far more harm economically than most politicians and even mainstream economists understand.

TAX CAPITALIZATION: WHY TAXES COST US 10 TIMES OVER

This is because of something called "tax capitalization," an accounting principle used in measuring the influence of tax assessments on the value of assets such as real estate.

Since that value is a function of the income stream the property can earn, any diversion of that stream to higher taxes or increase in that stream from lower taxes will have a multiplier effect on the value depending on the current price earnings ratio of real estate.

If that current return on property is approximately 10 percent, every dollar of income represents $10 of value. Every dollar of income diverted to taxes reduces that value by $10. Every dollar of income released by tax reduction increases the value by $10. Thus accountants know that an increase in the tax assessment of a property has an automatic 10-1 negative impact on value.

Think of the economy as a single business with both fixed and working capital on which an income stream is earned. To the degree that taxes on that business rise and fall, the income stream is lowered or raised. Thus the capital value of that business falls or rises at the nation's effective price earnings ratio, which on corporate bonds is about 10 to 1.

NEW TAXES KILL PROSPERITY

A $30 billion tax increase on the economy may not seem like much in a $5.5 trillion GNP—but its real impact is a $300 billion "tax capitalization" of the asset base of the nation. Since the nation adds less than $300 billion a year in net new investment, such a tax increase effectively destroys an entire year's capital growth.

That is why President Bush and Congressional leaders are now playing with economic dynamite. Not only will a $30 billion tax increase generate a likely $40 billion rise in spending, it will kill ALL capital expansion for at least a year and send the stock market down by at least 300-500 points.

This is why Bush was so right when he told a Republican audience in Boston in 1987, "There's no quicker way to kill prosperity than to raise taxes." In Chicago on September 13, 1988, he told a national audience of business leaders and economists, "The surest way to kill the recovery is to raise taxes. That will stifle everything from investment and personal savings to consumer spending. It will clamp down on growth. It will invite a recession."

But now Bush is equivocating. The spring 1990 budget summit was clearly intended to explore all options, including raising taxes.

A TALE OF TWO MASSACHUSETTS

No wonder Massachusetts Governor Michael Dukakis, wallowing in the slough of his own 83 percent negative performance despond, with a $2.3 billion 18-month deficit yawning before him, suddenly cheered up and flew to Washington to gloat that Bush's "no-tax" pledge had been "a fraud."

The governor is unusually well-equipped to identify such duplicity. In 1974, he ran on a similar promise that it was "a lead pipe cinch" that he would NOT have to raise taxes in 1975. But of course he did, passing the largest tax increase in state history, some $500 million. That broken pledge cost him dearly in the 1978 Democratic prinmary, when a political neophyte conservative businessman named Ed King threw him out in a shocking landslide upset—running on the explicit promise to roll back the state's highest-in-the-nation property taxes, á la Proposition 13 in California of which Dukakis had said, "the people of Massachusetts are too smart to fall for a dumb idea like that!"

It seems no accident that in the middle-and-working-class communities where property taxes were two and three times the national average. King won pluralities of 15-20 points. In the affluent communities where taxes were at or below the nation, Dukakis scored his only majorities.

Before President Bush makes any deals with the Democrats for higher taxes in return for modest budget reforms of alleged spending cuts, he would do well to study and learn from the Dukakis/Massachusetts experience. It demonstrates the direct connection between taxation and economic growth—between political capital and economic capital. Taxes, he will discover, have not merely a direct but a powerful multiplier effect on both.

During the 1970s when the Massachusetts tax burden as a percent of personal income suddenly soared by 25 percent from about the national average to fifth highest in the nation, its average real personal income growth suddenly plummeted from 91 percent of the U.S. level to 57 percent.

By contrast, during the 1980's when the Massachusetts tax burden fell over 17 percent, to five percent below the nation, its real personal income grew nearly 45 percent faster than the nation's.

To put it in another way, from 1970 to 1978, when it became "Taxachusetts," the Bay State fell from 33rd in growth rate among states to 47th, and its per capita personal income fell from 10 percent above the nation to less than two percent above—while its tax burden jumped almost 25 percent.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

By contrast from 1978 to 1983, while its tax burden fell 17 percent, it rose from third slowest growing in the nation to third fastest, and its per capita income rose from three percent above the nation to 14 percent above it—the largest and fastest turnaround in U.S. history, from the Taxachusetts Swamp to the Massachusetts Miracle in only five years.

FROM FISCAL RESTRAINT TO SPENDING BOOM * * *

Sadly, it is now all too clear that Mike Dukakis had no idea what caused this turnaround or he would not have fought it at every step and then so willingly risked squandering it the way he did.

In June 1984, a booming and fiscally flourishing Massachusetts had its bond rating raised to AA. The same month, the state manufacturing base rose to 684,000 jobs, the highest level since the late 1960s in a state whose economy was literally exploding, after surviving the worst U.S. recession in postwar history with surprising ease. State revenues were growing at a 12-14 percent annual rate, 30 percent faster than its spending level, and unemployment was dropping by the month.

Unfortunately, that huge revenue surge merely encouraged a newly re-elected and rejuvenated Dukakis to go on a spending spree, partly to pay off the special interests that had brought him back to office, and partly to build a powerful new campaign army for the 1987-88 national run.

State payrolls which had fallen by 6,000 under King re-exploded by 23,000 under Dukakis. State borrowing for housing development doubled in four years. State executive department spending, which had been going down in real terms under King, took off and rose to triple-inflation rate levels 30-40 percent faster than the nation's.

The results were neither pretty nor hard to predict. A state that had been running four percent annual surpluses through FY 1986 suddenly started running annual deficits of six percent. An FY 1986 state surplus of more than $600 million suddenly turned into a $1 billion deficit by FY 1989. A state that had been trying to fund its huge pension liability was secretly borrowing from it by the end of 1988, and running $300 million overdrafts at major Boston banks. Revenues that had been rising nearly 13 percent a year from FY 1984 through FY 1987 fell to a two percent annual rise FY 1988 through FY 1990, and are down this year one percent from 1989.

* * * TO TOTAL FISCAL DISASTER

Above all, an economy that had been booming at one of the fastest rates in the nation began to fall apart under the pressure of that government explosion. As we speak, the once proud manufacturing job level is below 560,000 jobs, a 124,000 job plunge in a 4-year period when the nation's manufacturing jobs have actually risen by nearly 100,000. The state's total employment in March was 70,000 lower than in March of 1989, and its unemployment was 61,000 higher, rising from 3.3 percent to 5.4 percent. In spite of more than $400 million in special employment and training programs for welfare mothers, the welfare case load is almost 2,000 higher than it was when that program started in 1984.

In March, the state's bond rating was lowered for the third straight time, this time to BBB by Standard and Poors and Baa by Moody's. Not only is that the lowest bond rating of the 50 states, it is only one very small step above junk bonds.

Last December, just to meet its current obligations to distribute local aid to the cities and towns, Massachusetts had to obtain a $1.2 billion line of credit from Japanese banks—a line that comes due this September. In fact, the state warned cities and towns it could not make all its June local aid distributions, even though the state Supreme Court has ordereed it to reinstate some $200 million it cut last fall.

Despite significant $300 million plus tax increases in 1988 and 1989, the state is now staring at a total fiscal disaster. State spending that was supposed to have been cut in FY 1989, instead rose by 11.5 percent. Through April, the current FY 1990 budget was in the red by a little under $800 million, headed for a fiscal year gap of over $1 billion. The state legislature is now trying to resolve the differences between a $1.3 billion tax increase passed by the House and $1.6 billion passed by the Senate. Both were rushed through as the Japanese creditors were calling in their notes. The day that latter increase was passed two of the state's oldest institutions checked out. Boston Gear decided to move to North Carolina taking all of its manufacturing jobs with it and the FDIC took over the venerable Merchant's Bank as insolvent.

Those were merely the latest evidences of the fallout from what one of the bond rating vice presidents called "the worst case of fiscal mismanagement I have ever seen. . . ."

THE DESTRUCTION OF POLITICAL CAPITAL

At the heart of that bond-rating problem was not so much an impoverished economy as the disastrous slide in political capital which made either serious budget-cutting or significant tax increases virtually impossible until immediate bankruptcy was threatened. Over 70 percent of Massachusetts voters now have "no confidence" in state government. The mobs outside the State House recently have had a curiously familiar East European flavor.

This destruction in political capital is now directly causing an equally severe destruction in economic capital. Over the past six months, regulators have forced the four major Boston banks to set aside over $2.2 billion in additional reserves against losses on real estate loans. Those losses, in turn are the direct result of a sudden collapse of the real estate market.

That market's unprecedented boom in values had been built almost entirely on the capitalization of the major property tax-cut and cap called Proposition 2-½ passed by the state in 1980, which stimulated a 22 percent annual rise in property values from 1981 to 1988.

But that growth rate collapsed in 1989, when it became clear that there was no way the state could continue to fund the Proposition 1-½ property tax cap with large local aid distributions.

That signaled the likelihood that the cap would not only begin to be over-ridden by fiscally starved communities (nearly 30 have already done so), but might eventually be amended by a desperate legislature. That in turn meant that taxes on property could once again soar and values could once again have to decline.

The results of anxiety about tax levels were almost immediately devastating to the state's real estate market which went from boom to bust within less than 12 months, forcing scores of Bay State banks onto the FDIC credit watch list because of large real estate loans gone sour.

That precipitate reversal in the state economy's fortunes is as clear proof of the direct role of taxation in economic growth and capital formation as the unexpected and rapid rise in those fortunes had been nearly a decade before.

WHAT CAUSED THE MASSACHUSETTS MIRACLE AND ITS DEMISE?

While much has been written about the reasons for Massachusetts' 1973-1983 turnaround, the high-tech boom, the MIT-Harvard Route 128 complex, state development initiatives, industrial revenue bonds, the defense budget, you name it, none of those reasons hold water when tested by economic analysis.

After all, in 1978, Massachusetts had all of those factors going for it in abundance. It has been one of the leading high tech and defense spending states since the 1950s. Harvard and MIT have been around as long as anyone can remember.

But in 1978, the one thing Massachusetts did have that it didn't want or need was not only the fifth highest tax burden in the nation but the highest property taxes, some say, in the world. At the time California passed Proposition 13, its property tax burden was about three percent of market value and over six percent of personal income.

At that same time the Massachusetts property tax burden was 4.5 percent of market value, and over nine percent of personal income. The direct affect of such a massive property tax burden was to depress artificially the value of state property assets. During the 1970s, total market-based real estate values in Massachusetts actually fell about three percent, while in the nation as a whole they rose by over 35 percent in real terms.

Small wonder that at the same time, the state's share of new capital investment fell from an already anemic two percent of the nation in 1970 to less than 1.2 percent in 1978, and its job growth rate dropped to less than half of the nation's. Little wonder also that the political capital of liberal governors, both Republican and Democrat fell with it, paving the way both for the 1978 election of Edward King and the 1980 passage of Proposition 2½.

That combination forced state spending growth to fall in real terms to less than one percent a year and the state's tax burden to fall back to 14.6 percent, a massive three-percentage point drop. By 1983 Massachusetts' personal income was back up to 13 percent above the nation and headed to its current 23 percent lead, and the state became number three in growth.

Skeptics say, but how can tax cuts explain ALL or even the major share of such an amazing turnaround? The answer is remarkably simple—and it is summed up in a single phrase that accountants and investors, especially property investors, understand all too well but economists invariably ignore—tax capitalization.

TAX CAPITALIZATION AT WORK IN MASSACHUSETTS

I've already discussed tax capitalization, but it is a lesson worth repeating: When you buy a piece of property, its value is directly the result of the net income you can expect to earn from it either as a business or as a simple home investor. That income in turn is directly affected by the amount of taxes you have to pay on this investment or this income or both. The higher the tax, the lower the income. The lower the income, the lower the value of the base investment.

What this means is that taxes are in fact "capitalized" as losses, at the average rate of return (or about 10 percent), a price earnings ratio of 10-1. Every real estate investor knows that when property taxes go up 100 dollars, value falls by $1000, and vice versa; when taxes are cut, value rises. This is neither mystic nor theoretical. It operates as accounting LAW. It is really no different from the relationship between interest rates and bond prices. Those rates are a form of tax on borrowing. The higher the rates the lower the bond is worth and vice versa.

In 1980 Massachusetts voters mandated a nominal property tax cut of $1.2 billion in discounted present value. They also set a cap that allowed no more than 2.5 percent rise in tax assessments per year. Over a period of six years this meant an implicit tax reduction of some $7 billion.

In 1981 the instant effect of the implementation of Proposition 2½ was to convert the Massachusetts real estate market from one of the nation's most depressed to one of its hottest. From 1981 to 1987, property values soared at a 22 percent annual rate, the most in the nation. The state's equalized value base shot up from $89 billion to more than $224 billion—a real increase in real estate wealth of more than $90 billion.

Now you say, what has that boom in paper real estate wealth got to do with the economy? Well, think of what the infusion of $90 billion in new capital value would mean to a state economy whose total gross domestic product was then less than $90 billion and whose net annual business capital investment was then less than $1.5 billion a year and whose total tangible worth was less than $400 billion.

To put it on a national perspective, consider that a Massachusetts-style infusion of wealth would translate into $3.6 trillion in added tangible worth to the Nation during the period of 1981-1986 when the total tangible worth grew only $4.4 trillion. Thus the Massachusetts tangible net worth growth from 1981 to 1986 from property values alone was the equivalent of nearly doubling the nation's net worth growth in the same period.

Is it really any wonder that its per capita income jumped from seven percent above the nation in 1981 to 24 percent in 1987, the greatest rise of any state in U.S. history?

Now if you understand this, you will begin to understand why tax capitalization may well explain both the surprising positive benefits of national tax reductions, and the equally astonishing negative impacts of national tax increases.

TAX CAPITALIZATION AFFECTS EVERYTHING

Understand that all taxes represent a diversion of income from the nation's basic capital structure, whether that capital is property, or plant and equipment, or merely working capital needed to keep a business going and a payroll met.

When you increase the taxes on any thing—sales, property, income, capital, payrolls—you are automatically diverting some of the income stream that goes to support the capital that in turn supports those activities. In the aggregate, you have to be reducing the nation's total capital asset base. And if the price earnings ratio of that base is roughly 10 to 1, every dollar you take away from that income to capital stream means you are reducing the value of that asset base by 10 dollars.

Thus when Congress decides to raise taxes by $30 billion, its real impact is $300 billion off the capital asset base of the economy. That may not seem like much to a country whose total capital base is now over $20 trillion—but remember, that base value is not growing all that rapidly. Consider the fact that in 1989, the nation's net rise in private domestic investment was only $225 billion after allowing for depreciation or capital consumption, and less than $100 billion of that net went to non-residential business fixed investment.

A $30 billion tax hike of any kind will cost the U.S. all of the net rise in real domestic investment and then some, killing most real economic growth in the process. Conversely, a $30 billion tax cut will have the opposite effect; it will more than double the capital expansion of the nation.

To this day, even conservatives tend to downplay the actual effect of both the Kennedy and Reagan tax cuts. Yet consider that the last time we had nearly nine years of uninterrupted expansion was during the 1960s, which were punctuated by a 29 percent cut in federal income tax rates across the board. In both cases, the immediate effect was to expand the capital asset value of the nation enormously—and the best surrogate for that was and is the stock market. From 1960 to 1968 the S & P 500 rose 44 percent in constant dollars.

But following massive tax increases on capital and income in 1969, during the 1970s the S & P 500 fell in constant dollars by 30 percent. It is significant that the total movements up and then down in equity values is almost exactly the multiplier of price-earnings ratios—10 or 15 to one—times the annualized amounts of the tax cuts and subsequent tax increases.

For example, during the 1980s, we have seen the S & P 500 rise in real terms by 84 percent. If that rise had been applied to all of the equities in the market in 1980 (many of which were removed during leveraged buyouts), it would have raised their total value by some $800 billion—or slightly more than 13 times the effective annualized Reagan tax cut of $60 billion a year. In short, the rise and fall of the tax burden has a direct multiplier effect on the nation's equity asset base.

Once you understand this, you will no longer be tempted to think that tax increases are "modest" or "necessary" especially to "reduce the deficit"! As President Bush himself has already warned in his speech to steel workers in Pittsburgh in 1988, "I've been in government a long time and I've seen what happens when government raises a dollar in revenues—Congress spends $1.50." And at the same time that higher tax dollar is killing $10 of capital assets on which employment and growth directly depend.

SOCIAL SECURITY TAXES AND THE WAGE BUST

If you still doubt this relationship I ask you to consider one more key example. Since 1972, average weekly wages have fallen dramatically in real terms by 16 percent. In prior 17 years, they rose 30 percent.

If you want to know why, consider one thing: Since 1972, the maximum combined employer/employee Social Security tax rose over 675 percent from $7,200. In that period while total wages and salaries rose by 312 percent, total Social Security contributions rose by 526 percent.

If Social Security tax rates had remained at 1972 levels, workers would now be paying $144 billion a year less than they now do. That means that the working capital that supports those wages and those jobs is $1.44 trillion less than it would be if there had not been that soaring Social Security tax increase.

The annual wage effects alone of that higher working capital base easily translate into two percent real annual wage increases instead of the nearly one percent annual wage losses we experienced.

That demonstrates the economic potential of Senator Daniel Patrick Moynihan's proposal to give back the $55 billion higher Social Security payments than are now required to pay current benefits. That reduction would translate into an immediate $550 billion rise in the real working capital of this country—a doubling of the effective capital increase per year. The Democrats were foolish not to grab this idea and run with it. President Bush and Treasury Secretary Nicholas Brady were so transfixed by the deficit they were relieved when the democrats dropped the ball.

LOW TAXES AND HIGH GROWTH: THE NEW HAMPSHIRE MODEL

By now it should be obvious to you that the so-called Massachusetts Miracle was not a miracle at all, but the simple and direct operation of an economic law that is as fixed as the law of supply and demand. Unfortunately, in the middle of that multiplier effect, the state turned from a strong fiscal policy of tight spending control that made the tax cut real to a very loose policy of spending every nickel of an incredible 12-14 percent a year revenue growth. Instead of using that growth to generate still more political and economic capital, they squandered it on their political machinery.

This was in sharp contrast to Massachusetts' neighbor to the north, New Hampshire, which has used the political capital of its commitment to low taxes to build the best performing economy in the nation over last two decades.

It has also demonstrated the ideal model for fiscal and economic policy for the nation as well. For this I commend a 1989 study by Colin and Rosemary Campbell, economists of Dartmouth College, a follow-up to their 1976-77 study. The Campbells have been keeping a close eye on New Hampshire and Vermont for the last 12 years because they provide a nearly perfect economic laboratory.

New Hampshire with the lowest overall tax burden of the nation (no state sales or income tax) is the classic "supply-side" limited government economic model, with 53 percent of its revenues collected and administered by local government and the lowest welfare-recipients-to-population ratio in the nation.

Vermont, right next door, is the quintessential liberal welfare state with one of the top 15 tax burdens, 39 percent higher than New Hampshire's and one of the most generous welfare benefit programs in the nation. Its strong centralized state government raises about 60 percent of all revenues collected in the State.

The question is, how have these two models fared in the generally strong New England high tech economy? Since 1970, New Hampshire has increased its total personal income in constant dollars by 139 percent, nearly double the nation's growth of 71 percent and New England's growth of 69 percent. Per capita income has soared by 69 percent, compared with 43 percent for the nation, from a level four percent below the nation to 13 percent above it.

By contrast, Vermont's per capita income has risen only 48 percent, some 30 percent slower than New Hampshire's, and 15 percent slower than in the New England region as a whole. Since 1970 Vermont's per capita

income has fallen from 93 percent of New Hampshire's to less than 82 percent.

The same contrast holds up in regard to employment. From 1970–1987, New Hampshire's job growth was 98 percent, half again as fast as Vermont's 65 percent and more than double the nation's 44 percent.

Thus, New Hampshire's model outperforms Vermont's on every economic indicator by 40 to 50 percent. One could argue this was because of its proximity to the Boston market. The trouble with that argument is that New Hampshire's job growth has been triple that of Massachusetts for two decades, and 66 percent faster than the nation's. Its personal income growth was nearly double that of Massachusetts in the 1970s and 70 percent faster than the nation's since 1970.

But what does the New Hampshire low-tax, "laissez-faire" model mean for the poor in limiting government services?

The Campbells' answer is: "Most public services in New Hampshire are as good as those in Vermont." There are two reasons for this: First, because New Hampshire's more rapid economic growth has since 1970 generated greater gains in revenue income (585 percent) to all government since than Vermont (397 percent).

Second, because New Hampshire's more locally controlled government administers services in a more cost effective way than Vermont's more centralized bureaucracy, requiring 11 percent fewer bureaucrats per 10,000 population than Vermont.

On education, for example, Vermont spends 39 percent per capita and 14 percent per student more than New Hampshire. But it pays it teachers identical average salaries and has about the same low teacher-to-student ratio. So all of Vermont's extra spending goes into administrative bureaucracy.

On education performance New Hampshire has the highest SAT scores in the nation, 24 points higher than Vermont's and its high school completion rate is three points higher.

On health care, New Hampshire outspends Vermont by 26 percent, and on police and fire protection 42 percent more, reflecting its somewhat more urban environment. But New Hampshire's highways, among the best surfaced and best plowed in the nation, cost taxpayers 23 percent less per capita to maintain than Vermont's.

The one area where Vermont does spend a lot more is welfare. Vermont has some of the most generous welfare benefits in the nation, eight percent above New York and 42 percent above New Hampshire. So it is no surprise that Vermont's total welfare caseload is nearly double that of New Hampshire for a state with half the population, and the share of its population on welfare is 3.3 times that of New Hampshire, with 43 percent more Medicaid recipients.

In spite of this—or perhaps because of it—Vermont's poverty rate has stayed stubbornly high at 12.1 percent for the last two decades. Meanwhile, New Hampshire has cut its welfare caseloads by nearly 60 percent since 1970 and its poverty rate by 43 percent, from 14.9 percent, a level higher than Vermont's, to 8.5 percent, the best performance against poverty of any state in the nation.

Most of all New Hampshire dispels the nation that strong economic growth and low welfare produce more income inequity. Not only does New Hampshire have the lowest income inequity (or gini coefficient) of any state in the nation (19 percent lower than the nation) but over the last seven years that index dropped 21 percent, while the national index rose nearly six percent.

At the same time, Vermont with its progressive income tax and more generous welfare programs has seen income inequity rise five percent to a level 13 percent higher than New Hampshire's.

In sum, New Hampshire has proved that the low-tax-local-government model not only produces the best economic growth for its citizens and reduces poverty the most, but it provides better, more cost-effective human services for those in need and a more equitable society in which a rising tide is lifting all of the boats as President Kennedy argued it should.

New Hampshire also serves as a clear example that when a political pledge of trust against state wide taxes is taken that pledge becomes a veritable political gold-mine that goes on year after year yielding a mother lode of economic capital for the citizens and political capital for politicians.

"NO COINS IN THE FOUNTAIN" BY SAMMY CAHN

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. CARR. Mr. Speaker, I rise today to call to the attention of my colleagues an opinion I read recently in the New York newspaper Newsday.

As both a friend to artists and an aficionado of technology, I have wrestled for a long time over the question of what restrictions, if any, should be placed upon the sales and distribution of digital tape recorders, the so-called "DAT" system.

I was fortunate enough to have come across this article by the highly respected song-writer Sammy Cahn, an individual justifiably famous for such song hits as "Love and Marriage," "High Hopes," and "Call Me Irresponsible." This last song, in fact, was just one of innumerable songs penned by Mr. Cahn and recorded by Frank Sinatra, who considers Mr. Cahn his personal songwriter.

During his many years working both in Hollywood and on Broadway, Mr. Cahn earned four Oscars and several more nominations to compliment his Gold Record for "Thoroughly Modern Millie," and his Emmy for the song "Love and Marriage," the only Emmy ever awarded for a song. Mr. Cahn has also been recognized for his immeasurable talents by his peers, who selected him to serve as president of the National Academy of Popular Music—an office he has held since 1973—and as a member of the board of directors of ASCAP.

Mr. Cahn confesses in his article that he is more comfortable writing songs than writing articles. However, as one of America's most prolific and talented popular composers, his opinion carried a great deal of weight, and I hope that upon reading the following article, his words will carry much weight with each and every one of my colleagues.

Mister Speaker, I ask that attached article be reproduced in its entirety in the RECORD immediately following my remarks:

[From Newsday, July 27, 1990]

NO COINS IN THE FOUNDATION?

(By Sammy Cahn)

Earlier this month, I found myself doing a very strange thing. Instead of sitting at a typewriter and putting my name to a new lyric, I was putting my name on a class-action suit against the Sony Corporation in an effort to prevent the sale of Sony's DAT (Digital Audio Tape) recorders and blank cassettes in this country.

In this, I speak for thousands of songwriters and music publishers who fear that the use of these machines, which make perfect copies of CDs and digital tapes, will deprive us of income we would otherwise receive from the sale of prerecorded music.

Songwriters are by nature creators, not litigators. (Rhyme?) So why are we bringing this suit? In order to be able, to continue creating words and music. The fact is that if DAT recorders become widely available, and compensation is not provided to creators, all of us who make a living from writing songs will see our income diminish. More important, those who have any hope of making a decent living from writing songs will have much less chance of doing so.

Does our class-action suit mean that the people who create and publish America's songs oppose technology? Hardly. The truth is that music and technology are like a marriage. To quote myself, "They go together like a horse and carriage." Consider the marriages that have made American songs the most significant and best-loved form of expression around the world: music and the phonograph; music and the radio; music and the jukebox; music and movies; music and television; music and cable. Each technological development has brought music to a wider audience; each has made life better for songwriters and has encouraged the creative incentive.

Present at all of these marriages, however, was a third party: copyright protection. With DAT, the music is there, the technology is there, but at this point, copyright holders haven't been invited to the ceremony.

For years, unauthorized taping has deprived songwriters and publishers of sizable royalties from the sale of records. But people continued to buy records (and, more recently, CDs) because the quality of the original is always far superior to taped copies. Now, with the emergence of digital tape and a recorder that makes perfect copies, and absent protection for copyright holders, the people who create and publish songs will be put out of business.

People say it won't happen. But think of how technology ruined the sheet-music business. Remember when sheet music was well stocked in every music store? Well, that industry has all but died. Copying machines appeared, and no effective protection for songwriters and publishers was in place.

DAT recorders pose a similar threat to prerecorded music. No one has any illusions about what DAT will be used for: It allows you, for example, to duplicate on a blank tape that favorite Frank Sinatra CD your best friend owns, with every nuance intact. And if everyone else's best friend does the same thing, you can imagine how record sales will plummet.

As songwriters and music lovers, we appreciate, and welcome, this miraculous technology. But if the songwriters are not protected, there will be no new music to copy, because no one will want to pursue a career in songwriting, knowing that he or she will

never be able to make money from their work.

I've been fortunate enough to have a successful career. And I want the new songwriters to have the same "high hopes" I had coming into the music business. That can happen only if all music lovers support music's creators and second our demand for compensation. Electronics manufacturers, record companies and the copyright owners must sit down together and work this out. Ultimately, we need legislation to assure that royalties are an integral part of the introduction of any digital technologies.

Copyright safeguards, often including a small royalty on recorders and tapes, are already in place in many European countries, as well as Australia, and are being contemplated by a number of other countries. Our lack of similar safeguards has far-reaching international repercussions. For example, Australia, which levies a royalty on blank tapes, denies Americans whose works are copied in Australia their share of those royalties because we have no similar law.

There's no reason this country should lag behind in protecting American music. I appeal for the support of everyone who has ever had a favorite song played "time after time."

INTRODUCTION OF THE MEDIGAP STANDARDS REFORM ACT OF 1990

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. STARK. Mr. Speaker, I rise today to introduce the Medigap Standards Reform Act of 1990 to improve Medigap policies sold to seniors. This bill modifies H.R. 4242—a bill I introduced earlier this year to address a number of problems in the Medigap market. This bill that I am introducing today would make major improvements in the quality of policies sold in the private Medigap market.

I introduced H.R. 4242 early in the year to give consumer groups, industry representatives and regulatory entities an opportunity to review the proposal and offer comments and suggested modifications. This bill incorporates many of these modifications suggested by consumer groups, industry representatives, insurance agents, and others.

Four out of five senior citizens today own one or more private insurance policies to supplement Medicare coverage. The majority of these policies are commonly known as Medigap. They typically cover Medicare deductibles and copayments, and often cover benefits that are not covered by the Medicare program, such as prescription drugs.

With Medigap premiums for comprehensive policies running as high as $1,200 per year, seniors are forced to make fundamental sacrifices to purchase adequate financial protection.

This Medigap Standards Reform Act has a number of important features that would provide meaningful assistance to consumers of Medigap policies.

First, the bill is designed to minimize unnecessary confusion among consumers about the benefits and value of private health insurance.

Mr. Speaker, we all know how complicated the insurance market can be—even for educated consumers. But meaningless differences and unnecessary complications can and should be eliminated.

The Medigap Standards Reform Act of 1990 would help consumers compare policies that cover identical or similar benefits. Consumers would have enough information to understand why premiums between policies differ. At long last, consumers would be given sufficient information to make informed purchasing decisions.

Under this proposal, four benefit packages would be established, ranging from standard to comprehensive. They would be described in uniform language and format. Additional benefits, if approved, could be offered as addons to the defined benefit packages—provided the benefits are not generally available in the four defined packages. Such additional benefits would be priced separately.

Each State would be permitted to design its own four-benefit package to meet the unique needs of consumers in that State. One of the four packages would be the standard benefit package defined by this act.

In the absence of a State-specific approach to the four standard package, the Secretary, in consultation with the National Association of Insurance Commissions, would define the four benefit packages. The intention would be to create uniform packages within each State, allowing senior consumers to compare the policies available to them.

All Medigap insurers would offer the standard Medigap benefit package to applicants without additional benefits.

Under the provisions of this bill, all benefits covered by a Medigap policy would be defined with uniform language and in a uniform format to help consumers compare policies.

States with alternative approaches to standardization to better promote the interests of seniors could apply to the Secretary to waive the minimum Federal requirements with respet to standardization. The Secretary would be required to respond to such a request within 60 days.

A second objective of this Medigap reform bill is to eliminate unnecessary and costly duplication of coverage. The proposal would modify and clarify existing prohibitions on duplicate coverage.

Seniors are buying more coverage for health benefits than they need. A report recently issued by the American Association of Retired Persons found that 24 percent of seniors with private insurance in addition to Medicare have two or more policies. Even the Health Insurance Association of America, in its own 1989 survey, reported 15 percent of policy owners have two or more policies.

While the NAIC, in its consumer amendments adopted in 1989, recommended changes to limit the sale of duplicate policies, the NAIC's changes are virtually impossible to enforce unless a consumer files a complaint with the State insurance commissioner. It is hard to imagine that a consumer would complain if he or she has been told that the new policy is necessary for some reason or another.

Under the provisions of this bill, if an individual reports an existing policy and does not report an intention to replace it, then sale of a new policy would be prohibited. If an individual provides false information regarding existing coverage, then the Medigap insurers would not be held responsible for duplicate coverage.

If the individual neither signs the form provided by the Medigap insurer nor answers all questions pertaining to existing coverage prior to sale, then the sale of a new policy would not be permitted.

Direct sales to Medicaid beneficiaries would not be permitted. In cases where States pay the Medigap premiums for Medicaid beneficiaries in lieu of direct payment of Medicare cost sharing, the prohibition would not apply.

In addition, the proposal would establish a data-match system which would facilitate the identification of duplicate Medigap coverage. Medigap insurers would maintain and submit to HHS a computerized list of all policyholders identified by Medicare identification number, name, and address. The lists would be matched and sorted by HHS. Instances of duplicate coverage would be reported to States to improve oversight and enforcement of anti-duplication provisions.

Employers with 100 or more employees would also submit a list of retirees aged 65 and over with employer-sponsored retiree health benefits. Although this bill does not prohibit the sale of a Medigap policy to an individual with retiree health benefits, there is increasing concern that retirees with generous employer-sponsored plans are purchasing unnecessary, redundant Medigap policies.

This proposal would begin to provide the information needed to assess the extent of duplicate coverage between employer-sponsored health plans and Medigap policies.

A third objective of this bill is to improve the value of policies by requiring uniform calculation and enforcement of loss ratios.

The loss ratio provisions of this bill assume that seniors are entitled to a reasonable return on their insurance investment.

According to a recent study by the GAO, the 1988 loss ratios for individually sold policies reported by one third of commercial companies were below the minimum standard of 60 percent.

In other words, one third of the companies were not in compliance with minimum Federal standards. They were paying out less than 60 cents in benefits for every $1 of premiums they received from their customers. Thus, in these cases, more than 40 cents per dollar are used for sales commissions, overhead, profits, you name it.

Real enforcement of the minimum loss ratio standards are essential for controlling rising Medigap premiums. Many seniors have recently expressed concern about the rising cost of their Medigap policies.

Under this proposal, all Medigap insurers would use a uniform methodology for calculating actual and projected loss ratios.

Uniform enforcement measures for minimum loss ratios would also be defined, and could include rebates, credits, or other sanctions.

As is currently the case, issuers of Medigap policies would be required to file loss ratios on an annual basis with the State. The uniform

reporting of loss ratios will enable the State and Secretary to monitor compliance with minimum loss ratio standards.

The fourth area this proposal would address involves problems of preexisting condition clauses and waiting periods.

Current restrictions on preexisting conditions clauses would be maintained. Any replacement policy, including replacements made by another company, would be prohibited from containing any new preexisting conditions clauses, waiting periods, elimination periods, and probationary periods.

An important new feature of this bill would require Medigap insurers to make policies available to all individuals, regardless of medical history, for a 6-month period after the applicant turns 65. Policies for the working aged would have to be available for a 6-month period when they first enroll in Medicare.

Fifth, this bill would establish minimum loss ratios for dread disease and hospital indemnity policies.

The proposal would establish minimum loss ratios of 55 percent for dread disease and 60 percent for hospital indemnity policies if these policies were sold to or renewed by Medicare beneficiaries.

A sixth area addressed by this bill would strengthen the current regulatory structure for Medigap policies.

Mr. Speaker, there is ample evidence that the current regulatory structure for Medigap insurance is not working adequately to protect consumers interests in most States.

For example, despite NAIC efforts to improve the enforcement of minimum loss ratio standards, a substantial number of companies have failed to meet the NAIC targets. These companies are nonetheless allowed by States to continue to sell their products to State residents.

This proposal would allow States to continue to enforce minimum standards—with Federal involvement only as a last resort.

Under this proposal, the NAIC would revise its Medigap standards within 6 months after the date of enactment. The Secretary would issue regulations 12 months after date of enactment. Such regulations would reflect the NAIC's revised standards providing the NAIC's revised standards carry out the enacted Medigap reform provisions.

States would have 1 year or until the next legislative session to adopt the revised standards.

States would continue to regulate Medigap policies provided the Secretary has certified that the revised Medigap standards have been adopted in entirety and fully enforced by States. States could apply to waive provisions of the Federal standards if they demonstrate that the proposed State plan would provide better protection to consumers.

If a State fails to adopt the revised standards, or enforce the revised standards, then policies sold in that State would have to be certified by the Secretary.

All Medigap policies must be approved by a State in which the policy is issued or by the Secretary prior to sale. Sale of a nonapproved policy would be subject to a substantial premium tax.

Mr. Speaker, there has not been a comprehensive, Federal initiative to reform the Medigap market since the Baucus amendments of 1980. While the Baucus amendments began to set standards for the market, we know all too well that problems persist.

This bill has the support of National Association of Life Underwriters, the National Association of Professional Insurance Agents, Independent Insurance Agents of America, and the National Association of Casualty and Surety Agents.

I urge my colleagues to join me in support of the Medigap Standards Reform Act, a bill that will establish and enforce meaningful standards that would protect consumers of Medigap policies.

A brief summary of the major provisions follows:

THE MEDIGAP STANDARDS REFORM ACT OF 1990

BILL SUMMARY

Standardization of benefit packages

The proposal would establish four benefit packages, ranging from standard to comprehensive, and would provide for uniform language and format.

Duplicate coverage

The proposal would modify and clarify existing prohibitions on duplicate coverage, including a signed statement from applicants prior to sale indicating current coverage.

Direct sales to Medicaid beneficiaries would not be permitted.

In addition, the proposal would establish a data-match system at HHS to facilitate the oversight of anti-duplication provisions.

Uniform calculation of loss ratios

The proposal would provide for Medigap insurers to use a uniform methodology for calculating actual and projected loss ratios.

Minimum loss ratios would remain at the current levels of 60 percent for individually sold policies and 75 percent for group policies.

Pre-existing conditions and medical underwriting

The proposal would codify existing standards with respect to pre-existing conditions and waiting periods.

In addition, the proposal would establish a six-month open enrollment period when individuals become eligible for Medicare or, in the case of the working aged when they enroll in Medicare.

Loss ratios for dread disease and hospital indemnity policies

The proposal would establish minimum loss ratios of 55 percent for dread disease and 60 percent for hospital indemnity policies if policies are sold to or renewed by Medicare beneficiaries.

Administration

The NAIC would revise its Medigap standards within 6 months after the date of enactment.

The Secretary would issue regulations 12 months after date of enactment. Such regulations would reflect the NAIC's revised standards, including uniform enforcement standards, providing the NAIC's revised standards carry out the enacted Medigap reform provisions.

States would have one year or next legislative section to adopt the revised standards.

States would continue to regulate Medigap policies provided the Secretary has certified that the revised Medigap standards have been adopted in entirety and are fully enforced by States.

If a State fails to adopt or enforce the revised standards, then policies sold in that State must be certified by the Secretary.

Medigap policies must be approved by a State or the Secretary.

CASIMIR BIELEN HONOR

HON. MARY ROSE OAKAR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Ms. OAKAR. Mr. Speaker, I am pleased today to call attention to my good friend of long standing, Casimir Bielen, president of Nationalities Newspapers & Services, Inc., in Cleveland, OH. Casey was recently honored by the Cleveland Society of Poles as the "Good Joe," and received the prestigious Cleveland Society Heritage Award. I wish to submit for inclusion in the CONGRESSIONAL RECORD an account of Casimir Bielen's many awards and accomplishments as it appeared in the community newspaper the Leader:

CASIMIR BIELEN HONORED

Dr. William B. Wladecki, President of the Cleveland Society of Poles, announced that Casimir Bielen has been selected as the "Good Joe" and will receive the prestigious "Cleveland Society Heritage Award". This is the highest honor bestowed by the Society to one of its members for fostering the culture of Poland and promoting the principles of American citizenship.

Dr. Wladecki, furthermore indicated that the "Cleveland Society Heritage Awards Banquet" will be held at Carrie Cerino's Ristorante in North Royalton, Ohio.

Casimir Bielen, Honoree, received his Bachelor of Science degree from Western Reserve University and his Master of Education from Kent State. He served as personnel director in industry prior to retiring as a school principal. While he was serving as Director of Public Affairs for the Ohio Polish American Congress, Aloysius Mazewski, national president and John A. Gronouski, former American Ambassador to Poland, hailed him as an outstanding "activist" for promoting Polonia. He is the president of the nationalities Newspaper & Services and is known as "Mr. Ethnic" for participating in major college ethnic councils. He has been a trustee of Nationalities Service Center, Citizens League, Welfare Federation, Cultural Gardens, Karlin, etc., along with being an officer or member in many other organizations.

State Auditor Joseph T. Ferguson appointed him as his executive assistant. He has held top leadership positions in national, state, county and local politics. He rose from precinct committeeman, to ward president, to ward leader, and vice chairman of the Cuyahoga County Democratic Party under Ray T. Miller. He served as a top ethnic advisor and speech writer to Governor Michael DiSalle, John J. Gilligan, Joseph T. Ferguson, and secretary-treasurer for 16 years for Congressman Charles A. Vanik. Also, the co-general chairman for Congresswoman Mary Rose Oakar during her first successful campaign for Congress.

On the national level, he was the deputy director for Ohio for the Presidential Campaign of Hubert E. Humphrey. He was appointed to the National Democratic Ethnic Committee by President Lyndon B. Johnson. He received "Distinguished Service

Awards" from the National Education Association, Ohio Education Association, Nationalities Services Center, Catholic War Veterans, Ohio Parents and Teachers Association and Polonia Foundation. He is the recipient of the "Polish Journalistic Award" presented to him at American University in Washington, DC by Perspective, Inc., a bi-monthly cultural and educational magazine.

He was the organizer and first general chairman of the "All Nations Festival" still being held annually since 1970 on the Cleveland Mall. He served as past president of the Polonia Foundation of Ohio and is presently serving as director of the Polonia Foundation which grants scholarship grants to students of Polish descent. Also served as public information officer of the Cleveland Society of Poles since 1967. He also served as Executive Vice President of the Cleveland Cultural Garden Federation consisting of 23 ethnic gardens in Rockefeller Park. The first garden was dedicated in 1916. He was a pioneer in air pollution control having served as president of the Ohio Pure Air Association. His thesis on contemporary air pollution was placed on the bibliography list of the U.S. Air Pollution Agency. For two years, he was the co-chairman of the "Annual Steer Roast" sponsored by the Cuyahoga Democratic Party. Over the past 20 years, he served as the public information officer for the Cosmopolitan Democratic League.

He is married to Valera and lives in the Slavic Village.

The Society, founded in 1923, is composed of professional and business men of Polish descent.

THE WHOLE TRUTH

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. CRANE. Mr. Speaker, as many of us observed, those in the media sometimes fail to reveal all the facts when they report on certain issues. Quite often they look only at the parts and don't see the whole picture. It is up to all of us to reveal the facts and set the record straight. In that effort to reveal all the facts, I commend to my colleagues an editorial in the June 1990 issue of Private Practice magazine written by its publisher, Dr. Francis A. Davis. Dr. Davis makes some excellent observations which I hope my colleagues will consider as they craft and review legislation.

LET'S NOT TWIST THE TRUTH

(By Francis A. Davis, M.D.)

Every chance they get, many of today's journalists and politicians criticize the United States of America. These cynics never let the facts interfere with their campaign to condemn our country. Lets look at some examples how they twist the truth.

Savings—We hear continuously that Americans save only about 5 percent of their income, a paltry sum compared with savings in other countries. However, we never are reminded that American workers must pay the Social Security tax—15.3 percent this year for employers and employees. When you take this forced savings into consideration, American families are socking away more than 20 percent of their earnings. In fact, U.S. residents are the world's best savers. If a person earning $20,000 a year placed his so-called annual savings of $4,000 in an account that earned 6-percent interest, after 40 years, he would have $637,536.93. This would give him a monthly income of $3,187.68, which would permit him to provide for himself and his family when he retired.

Pollution—Despite the impression left by many media reports, the quality of air in the United States has improved steadily during the last 10 years, according to the Environmental Protection Agency.

Infant Mortality—News reports continue to criticize our infant-mortality rate. However, these reports ignore the fact that infant-mortality rates are determind by different methods in different countries. In the United States, the best-trained physicians in the world deliver babies and care for them after birth. The U.S. infant-mortality rate would be near zero if it were left to physicians.

The U.S. Medical-Care System—The news media and other people continue to say that we have a bad medical system and that despite the failure of socialism throughout the world, we need a Canadian-type system. Our nation is better able to provide quality medical care than any other nation. Our problem is that we look to the government and other third parties to pay for that medical care. And in trying to solve this problem, we continue to ask for more government interference in medicine.

We passed the Kerr-Mills Bill in 1962 and the Medicare-Medicaid Bill in 1965; they were supposed to provide medical care for the poor and elderly and solve all our medical problems. Today, however, the government admits that there are 35 million Americans who have no way to pay for their medical care.

In this country, food is distributed almost entirely through the free-enterprise system. Why can't the same be done for medical care? Where are the great minds that will help us get medicine back on the right track?

THE 100TH ANNIVERSARY OF THE EBENEZER UNITED METHODIST CHURCH, QUAKAKE, PA

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. YATRON. Mr. Speaker, on September 23, 1990, the members of the Ebenezer United Methodist Church, in Quakake, PA, will celebrate the 100th anniversary of the founding of their church, which was founded on December 11, 1890. I would like to recognize the Ebenezer United Methodist Church, which has contributed so much to the communities of the Sixth District of Pennsylvania.

Since its founding in 1890, the Ebenezer United Methodist Church has stood as a focal point for steadfast spiritual commitment to helping meet and ministering to the needs and hopes of others. After 100 years of activity, the devotion and strength exhibited by the entire congregation stands as a model for all of us to emulate.

I am proud to take this moment to pay special tribute to the Ebenezer United Methodist Church for selflessly and continuously providing the community with guidance, support, and inspiration. I am certain that my colleagues here in the House join me in offering congratulations to the Ebenezer United Methodist Church on its centennial anniversary and in extending warmest wishes for the church's continued success in its special work.

WHITE HOUSE CONFERENCE ON SMALL BUSINESS

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. CONTE. Mr. Speaker, I rise today to voice my strong support for the White House Conference on Small Business. I have been an advocate of the White House Conference for many years and I gladly sponsored the enabling legislation for the first two conferences in 1980 and 1986. It is with equal pleasure that I act as a cosponsor to H.R. 4773.

I have served on the Small Business Committee since 1965 and I am proud to have worked on a committee so rich with history and accomplishments on behalf of small businesses. Many of our accomplishments over the past 10 years stem from the original two conferences. The White House Conferences provide a much needed focal point for the problems and needs of small businesses, issues that too often go unnoticed.

At the conferences, thousands of dedicated and energetic small businessmen and women come together to prioritize a national small business agenda and advocate its implementation. The State and regional conferences give the delegates the background to offer us concrete recommendations on ways to encourage small business. Their recommendations provide us with a valuable perspective on the effect national policy has on small business. I have worked hard with my colleagues to ensure that as many of those recommendations as possible were implemented. I only regret that we haven't implemented more.

American small business would be the world's fourth greatest economic power if it stood by itself, a resource that we must encourage. They provide the innovation and new jobs that our economy relies upon. The best way we have to foster these important businessmen and women is to listen to them. We must have the White House Conference to ensure that our actions don't impede the entrepreneurial spirit and economic energy of small business.

The future holds many challenges for small business. Rapid advances in technology are changing the way the world does business. The emergence of free-market economies in Eastern Europe offers not only new markets, but new competition. These and other issues need to be addressed from a small business point of view and our national policies shaped with their concerns in mind. Small business can meet these challenges and we should do all we can to work with them for America's future.

Mr. Speaker, I urge all my colleagues to support this continuing effort to bring small business input into the Federal forum.

TRIBUTE TO MR. SAM

HON. RALPH M. HALL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. HALL of Texas. Mr. Speaker, 50 years ago Sam Rayburn was first elected to the post of Speaker of the U.S. House of Representatives.

Today, a delegation of "Mr. Sam's" colleagues, family, friends, and admirers will honor him in his hometown of Bonham, TX, with the dedication of an 8-foot standing bronze statue and landscaped plaza at the Sam Rayburn Library.

The bronze statue which will be unveiled by Mrs. Lyndon B. Johnson depicts Sam Rayburn in 1940 when he was 58 years old and at the height of his career.

Rayburn was first elected to the U.S. House of Representatives in 1912 and served with 8 U.S. Presidents during his 49 years of service. He was first elected Speaker in September 1940 and held it for 17 years until his death in Bonham, TX in 1961.

When Rayburn was 12 years old, he knew that he wanted to be in public service. In 1906, at the age of 24, he was elected to the Texas Legislature by a margin of 163 votes and in 1911 was elected Speaker of the Texas House. In 1912, he won election to the U.S. House of Representatives. During the next 49 years, Sam Rayburn made history.

As we adjourn today, let us do so in remembrance of Speaker Rayburn.

WHAT'S WRONG WITH AN OVERBEARING GOVERNMENT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. CRANE. Mr. Speaker, it has become apparent to me over the years that the founding ideals of a small noninterventionist government have fallen by the wayside. The Federal Government has taken it upon itself to try and legislate a cure for all society's ills. Hillsdale College and its president, George Roche, have consistently warned of the inherent problems with an overbearing government. Recently Hillsdale addressed the issue during the television show "Firing Line" where the topic of debate was, "Government is not the Solution; It is the Problem." In the spirit of education, Hillsdale is also running ads in several national magazines, an example to follow, to demonstrate just how counterproductive a large Federal bureaucracy can be.

TO MAKE THIS NATION WORK, READ THE DIRECTIONS

(By Dr. George Roche)

What is happening to the United States?

We seem to have lost the boundless energy, the inventiveness, the daring that, in a few centuries, produced a nation that is still a shining light to the nations of the world.

But as many of these nations are turning to the democratic ideas long denied, an ennui has developed in America.

The majority of our citizens don't bother to vote. We are losing product leadership in many areas to countries that are demonstrating the innovative leadership we once possessed.

The time has come to look back at the directions . . . the concepts that made this nation work and prosper. Over a century and a half ago, Alexis de Tocqueville in "Democracy in America" wrote, "A man comprehends the influence which the well-being of his country has upon his own; he is aware that the laws permit him to contribute to that prosperity, and he labors to promote it, first because it benefits him, and secondly because it is part of his own work."

That feeling has been lost. It has been lost because in this century the philosophy of collectivism has dominated our political thinking. We have been told that America is a mass homogeneous society best directed by ever-increasing government controls to reach our social goals. This nation is throttled by more and more laws passed, perhaps with the best intentions, but without an understanding of how the ends would be best accomplished.

As society's problems become more and more severe, the dominant voices have only shouted louder and louder for collective solutions, and grown more and more suspicious of anyone who suggested that collective measures might actually be causing more social dislocations than correcting them.

We need a sea-change in our national philosophy. Our laws must empower individuals rather than government. We must reinspire the old moral values, the thrift and the work ethic, the concept of the responsibility of each individual.

We must re-learn that we achieve personal success from inward motivation.

In this next decade, we must read the directions from the timeless truths of the past. We must develop on our college campuses men and women of vision, creativity, vitality and yes, daring. And citizens who believe in themselves and that they can make a difference. This is a challenging goal for education. This is our mission at Hillsdale College.

PAT BUCHANAN'S SHAME

HON. EDWARD F. FEIGHAN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 14, 1990

Mr. FEIGHAN. Mr. Speaker, today's New York Times includes a column by A.M. Rosenthal about writer and former Presidential adviser, Patrick Buchanan, that deserves a wide audience. Rosenthal criticizes Buchanan for stating, on television and in print, that the reason President Bush is standing up to Saddam Hussein's aggression against Kuwait is because of Israeli or Jewish pressure. According to Buchanan, "there are only two groups that are beating the drums for war in the Middle East—the Israeli Defense Ministry and its amen corner in the United States."

That is, of course, a lie and a despicable one. The reason American troops are in Saudi Arabia is because Iraq attacked and vanquished the neighboring state of Kuwait. It is also because Iraq has threatened to attack Saudi Arabia next and establish Iraqi hegemony over much of the Middle East. That is why the President's policy is backed by the United Nations, by most Arab States, by all our allies, and by the Soviet Union. Certainly, the United States is concerned about Iraq's threats to destroy half of Israel but that is not the reason we are standing tough against Saddam Hussein now. Even Patrick Buchanan would have a difficult time arguing that the Soviets, the Syrians, and the Saudis—to name a few—are backing United States policy out of concern for Israel.

But, then, maybe he wouldn't. As A.M. Rosenthal points out, Mr. Buchanan's views are not necessarily based on a clear reading of the Middle East situation but by his venom about Jews. That is what explains his position on the Iraq situation as it explains his defense of President Reagan's visit to a German cemetery where SS men were buried, his attack on Congress as "Israeli-occupied territory," and his tender sympathy for Nazi war criminals.

I've often been amused at how Buchanan, consistently insensitive to America's minorities and the poor, becomes so worked up over perceived injustices to Nazi murderers. And, as a Catholic, I've been outraged at Buchanan's efforts to heighten tensions between Jews and Catholics at a time when the Vatican has been working to reduce them.

As Mr. Rosenthal points out, we must not be silent in the face of the kind of hatred spewed by Buchanan and others like him. This is not the 1930's. We know where this kind of hatred can lead. It is our obligation to speak out. I commend A.M. Rosenthal for doing just that.

[From the New York Times, Sept. 14, 1990]

FORGIVE THEM NOT THE CASE OF PATRICK BUCHANAN

(By A.M. Rosenthal)

"There are only two groups that are beating the drums for war in the Middle East—the Israeli Defense Ministry and its amen corner in the United States."

Patrick Buchanan delivered that message on TV. Later in the program he said: "The Israelis want this war desperately because they want the United States to destroy the Iraqi war machine. They want us to finish them off. They don't care about our relations with the Arab world."

In case an interpretation is needed for those whose ears are not attuned to anti-Semitism or do not want to understand what this man is saying, here is mine:

"The Jews are trying to drag us into war. Only Jews want war. Israeli Jews who war to save Israel's hide. American Jews who talk of military action against Iraq want war because it would suit Israeli interests. They are willing to spill American blood for Israeli interests."

All right. Let's start by removing the customarily cowardly shield—"every time somebody criticizes Israel, the Jews cry anti-Semitism."

A lie. Usually American Jews duck the subject. And everybody knows most American critics of Israel are not anti-Semites—but that some sure are. Every American, white or black, Jew, Christian or Muslim should be alert to smell the difference. If anti-Semites achieve power, political or intellectual, they also make life hell for any non-Jew they dislike—for color, religion or sexual and political tastes.

First the Jew, then you.

We are not dealing here with country-club anti-Semitism but with the blood libel that often grows out of it: Jews are not like us but are others, with alien loyalties for which they will sacrifice the lives of Americans.

Mr. Buchanan knows the importance of words. He wrote for Presidents Nixon and Reagan and now makes a fine living writing columns, making speeches, talking on TV, presenting himself as the voice of true conservatism. He is the man who told Elie Wiesel that Mr. Reagan must not surrender to "Jewish pressure" against visiting a German cemetery where SS men were buried, as if only Jews could care.

Mr. Buchanan surely understands that if the U.S. attacks Iraq, Saddam Hussein may hit Israel and kill as many Israelis as he can. We can assume Mr. Buchanan has heard that some real non-Jewish types like the leaders of a half-dozen Arab states now know that Saddam Hussein cannot be bought off by blackmail; they want his power destroyed. And he must have enough contact in the White House, National Security Council and Defense Department to know that there are people there who feel the same way—non-Jews!

It doesn't matter what he knows. What counts is his venom about Jews. In one column, he denounced five people for supporting military action against Iraq—all Jews, including me. I was silently contemptuous of him. But about his infamous statement on "The McLaughlin Report" about Jews beating the war drums for Israel—contempt yes, silence no.

I did not address the Buchanan situation before because it was so distasteful. I was sick at the thought of the Buchananian nastinesses I would have to recount: the demeaning of the Holocaust, the phony "evidence" to question a crime of the gas chambers, the smarmy defense of war criminals and the attacks on American prosecutors who dare chase them down, the crack that Congress was "Israeli-occupied" territory, the code words about the "de-Christianization" of America, the spreading of tensions between Catholics and Jews while Catholics in the Vatican are trying to lessen them.

I apologize for not confronting the ugliness sooner. The man reaches millions. Abroad he gets attention as a possible Presidential candidate. But that is not the point. I understood long ago, when I reported from Poland and first saw Auschwitz, that to be silent about anti-Semitism would be a sin with which I could not live.

In 1965 on the 25th anniversary of the creation of the Warsaw ghetto by the Germans, I wrote an article that ended this way: "I simply cannot tell myself nor my sons that it cannot happen again. I can only tell them that there was a time of madness and that some of the Jews of the ghetto fought the mad beast and died like men. And if it does happen again, even if there are faint dark signs that it might happen again, that most terrible of all prayers will rise from myself, my sons and from men in all parts of the earth:

"Forgive them not, Father, for they know what they did."

SENATE—*Monday, September 17, 1990*

(Legislative day of Monday, September 10, 1990)

The Senate met at 1:30 p.m., on the expiration of the recess, and was called to order by the Honorable RICHARD C. SHELBY, a Senator from the State of Alabama.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Search me, O God, and know my heart: try me, and know my thoughts: And see if there be any wicked way in me, and lead me in the way everlasting.—Psalm 139:23, 24.

Almighty God, infinite in wisdom and power, our Nation faces intractable domestic and international problems which, if not resolved, threaten ruin. Thy Word declares that nothing is too hard for Thee, nothing is impossible. Help the leadership of our Nation to look to Thee, to yield to Thee, to allow Thee to work through them for resolution. If they will not, who will? And if now is not the time, when? Remove from our hearts, Mighty God, any resistance to Thy wisdom, Thy will, Thy work. Grant that no individual will stand in the way of Your perfect will being done at this consummately critical time in the life of our Nation.

We pray in the name of Jesus in whom resides all power, in Heaven and on Earth. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 17, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD C. SHELBY, a Senator from the State of Alabama, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. SHELBY thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE ACTING MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The acting majority leader is recognized.

THE JOURNAL

Mr. CRANSTON. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. CRANSTON. Mr. President, following the time for the two leaders this afternoon there will be a period for morning business, not to extend beyond 2 p.m., with Senators permitted to speak therein for up to 5 minutes each.

At 2 p.m. today the Senate will begin consideration of S. 1511, the Older Workers Benefit Protection Act.

Later today, there will be an announcement of when the vote will be scheduled tomorrow on the Coats amendment and final disposition of the D.C. appropriations bill.

Mr. President, the majority leader asks that I announce for the information of Senators that there will be no rollcall votes today. The vote originally scheduled for 7 p.m. on the Coats amendment will not be held today.

RESERVATION OF LEADER TIME

Mr. CRANSTON. Mr. President, I ask unanimous consent that the time for the two leaders be reserved for their use later in the day.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 2 p.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. CRANSTON. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OIL INDUSTRY IS GOUGING AMERICAN CONSUMERS

Mr. LIEBERMAN. Mr. President, last Thursday, the Secretary of Energy, James Watkins, told a Senate hearing that the oil industry's pricing of gasoline is not unreasonable, and "is working very well, and is rather typical of the supply and demand situation."

That is a statement that I presume sent chills and feelings of anger up the backs of most Americans, as it did for me. Twenty-four hours later, Secretary Watkins' boss, the President of the United States, said:

> The speculative atmosphere of the oil market belies the reality, which is that there are sufficient petroleum products, so that the market should not be going for a higher price.

Needless to say, I agree with the President. This is a significant difference of opinion between the President and the Secretary of Energy, and I hope that it signals a growing awareness in this administration of the damage that is being caused by price gouging on the part of the oil industry.

That is a reality that grabbed the American people weeks ago, because we know in our guts what the experts are now just beginning to express: The oil industry is making a killing off the Persian Gulf crisis, and that killing is at the expense of the American consumer, but not just that; it is at the expense of the American economy, which is sinking rapidly into recession as a result of the outrageous increases in energy prices.

In fact, as the Washington Post reports this morning, the increase in oil prices has had the effect of imposing an $85 billion annual tax on Americans. Our colleagues are out there at Andrews Air Force Base now pulling their hair, arguing, pushing and pulling to try to come up with a possibility of $25 billion in tax increases to help us reduce the budget deficit.

And here in a unilateral and unjustified action, the oil industries raised taxes effectively by $85 billion on all Americans.

The oil industry claims it had no choice but to raise prices to reflect

changes in the market price of oil. But the fact is, the price of gasoline at the pump is not tracking the spot market price at all. Gas prices have gone up, and have stayed up, despite wide fluctuations in spot market prices.

I have looked at charts recently which showed the rises and falls since the invasion of Kuwait in the world spot market and the world crude oil market and the spot market for unleaded gasoline, and they go up and down. But if you look at the chart for retail price of gasoline, it goes up and it stays up. It does not reflect the rises and falls. When it comes to gas prices the laws of economics and gravity apparently do not relate. When it comes to gas and oil prices in this country what goes up apparently always stays up.

In a time of crisis like the present, the oil industry does not set prices according to the traditional laws of supply and demand, it sets prices in my opinion according to what it thinks it can get away with.

In one sense, who can blame the oil industry? After all, they are in business to make money, and since there is no law on the books against price gouging, some might say, why shouldn't they rip us off?

While the urge to profiteer might be understandable, it is not acceptable. The public will not stand for it, and those of us who represent the public should do something about it. Today, I suggest that the President take several steps to combat oil price gouging, over the short and long terms. Last week, I introduced the National Emergency Anti-Profiteering Act. I am proud to have been joined by 20 of my colleagues in this body in introducing that legislation. It would put in place the mechanism we need to put some restraint on oil industry price gouging. Simply put, if there is no law against price gouging, price gouging will inevitably result every time there is a crisis in the oil markets, from a refinery fire to an oilspill to troubles in the Middle East.

I applaud the President for recognizing that profiteering and speculation is going on and is hurting the American economy. Now, I urge him to get that message to his Secretary of Energy and to embrace our antiprice gouging legislation so he can do something about the practice that is wreaking so much havoc across our land.

Second, the President should begin to tap the strategic petroleum reserve in order to put a damper on the speculation that he recognizes exists in the oil markets. Without an anti-price gouging law, and without tapping the strategic petroleum reserve, one thing is clear: if the President finds it necessary to use force in the Middle East, oil prices will shoot up faster than a cruise missile. He should use the strategic petroleum reserve as a weapon against uncertainty and panic in the oil markets and oil company profiteering on the Persian Gulf crisis, and strip from them any excuse they would give about shortages of supplies forcing them to raise prices.

Third, the President should call on the oil industry to reduce their extraordinary exports of gasoline to foreign nations. The Wall Street Journal reports this morning that U.S. gasoline exports are rising, despite the fact that this could lead to shortages here at home. Why in the world should we be sending precious gasoline abroad when we need it right here? I know there has been a lot of talk about an oil import fee; perhaps it's time to talk about a gasoline export fee. In their search for ever-higher profits, the big oil companies have decided to ship our gas to Europe. According to the Wall Street Journal between 4.5 and 6.75 million barrels of exports have occurred within the past 45 days alone. That equals more than 30 percent of all our gasoline exports last year.

And finally, Mr. President, I would like to call my colleagues' attention to an article in Sunday's New York Times, in which it is reported that the big oil companies are looking for ways to bury their profits in order to avoid a public outcry when their third quarter earnings are reported in October. For example, ARCO has apparently suddenly decided to settle a dispute with the State of Alaska, and last week agreed to pay $287 million to the State government, apparently finding it a convenient and timely way to dispose of profits it has enjoyed during this recent wave of price gouging. And the Oryx Energy Co. actually took out loans of nearly $1 billion—loans that will eat into its reported profit margins—to buy 17 percent of its own stock.

Well, try as they might, I do not think we should let the big oil companies get away with this kind of shell game. Wherever they hide their profits, we should expose them, so that the full magnitude of their profiteering can be evident to all. The fact that they are busily squirreling away millions of dollars just goes to prove what we've been saying all along, which is they are charging us so much more for every gallon of gasoline than they had to pay for it when they bought the crude a month, 2 months, 3 months ago. The result of that is outrageous profits, and now they are embarrassed by their riches and are trying to hide them in our eyes. But it will not and cannot work.

Mr. President, for the benefit of my colleagues, I ask unanimous consent to have printed in the RECORD the two articles that I have mentioned, one, "Gasoline Exports Rise Despite Concern Over Supplies," by Allanna Sullivan, in the Wall Street Journal today, and the second titled "Fearing Outcry, Big Oil Companies Will Trim Profits," by Thomas Hayes, of the New York Times, yesterday, September 16, 1990.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Sept. 17, 1990]

GASOLINE EXPORTS RISE DESPITE CONCERN OVER SUPPLIES

(By Allanna Sullivan)

Even as experts fret over the adequacy of future U.S. petroleum supplies, the domestic oil industry has quietly stepped up exports of gasoline.

If the outflow continues, it could mean continued high pump prices for U.S. motorists and tight supplies at the wholesale level in the months ahead. That, in turn, could create public-society headaches for the government, which is asking motorists to conserve gasoline, and for the oil industry, already accused of price gouging in the current crisis.

Since the start of the Iraq-Kuwait oil embargo in early August, shipments of gasoline out of the country—mostly to Europe—have doubled or tripled from their skimpy rates of recent years, according to numerous people familiar with or involved in oil trading.

There is nothing illegal or improper about such sales—oil is one of the most widely traded world commodities. But they do represent a "very, very significant abnormally from trends of recent years," says Calvin Kent, head of the Energy Department's Energy Information Administration.

Gasoline is routinely imported into some major U.S. markets because domestic refineries can't always satisfy demand. And the small amounts of fuel exported usually to nearby countries for logistical reasons, although some regularly goes to Japan.

But now profit opportunities overseas have zoomed, with European buyers offering $4 to $8—and at one point in excess of $10—more per barrel for gasoline than the U.S. market. A $4-per-barrel differential means $1 million of additional profit on a typical tanker-load. As a result, one oil company official says his company feels "considerable pressure" to export. Like many oil industry people, he wouldn't discuss exports unless given anonymity.

No one knows yet exactly how much more U.S. gasoline is going overseas in the wake of the Middle East crisis. Government data on tanker exports lag behind by several months because of an antiquated, century-old tracking system. But industry people who attempt to measure such activities on their own put the figure at 10 to 20 cargoes since early August. "It's not an armada, but it has become a trend," says Peter Gignoux, who heads the international trading desk for Shearson Lehman Hutton in London.

Philip Verleger, senior fellow at the Institute for International Economics and a Treasury Department official under President Carter, told a gathering of 35 congressman Thursday that exports "could be as much as 100,000 to 150,000 barrels a day for August" and early September.

Such estimates suggest between 4.5 million and 6.75 million barrels of exports in the past 45 days. When compared with government statistics, that would equal more than 30% of all the gasoline exported for the full year of 1989. Gasoline exports last year, according to the Energy Department's Mr. Kent, averaged 39,000 barrels daily,

with no more than 60,000 barrels a day exported in any one month.

The increase in exports, coupled with a modest decline in imports in recent weeks, could mean lean gasoline supplies in the U.S. later this year unless demand falls significantly, some industry and government analysts think. While demand is off a bit now because of the softer economy, and inventories have risen slightly in recent days, supplies still aren't bountiful. As a result, the seasonal slump in retail pump prices that normally follows the end of the summer driving season may not occur this year, analysts say.

In fact, motorists may even have to pay still more. "We're struggling just to maintain our gasoline inventories now," says Ted Eck, chief economist for Amoco Corp. Adds Sarah Emerson, analyst for Energy Security Analysis Inc.: "As long as U.S. gasoline goes to Europe, supplies of that fuel will remain tight."

Mr. Kent of the Energy Department says he is haunted by a sense of deja vu. "The situation bears watching," he says. "Last year, good bits of propane were diverted to Europe because prices were higher there. And when the weather turned cold here, the U.S. was short that fuel."

So far this year, gasoline demand in Europe has been running 3.5 percent ahead of last year because of robust economies and increased motor travel caused by the opening of Eastern Europe. At the same time, European refiners are being squeezed by the loss of large amounts of partially refined Kuwaiti oil that was easily turned into gasoline. In part, they are substituting some Saudi crudes that yield less gasoline per barrel.

So wholesale prices are much higher than in the U.S. On some recent days, gasoline there fetched 10 cents to 20 cents a gallon more than in the U.S.; on one day, the gap was 32 cents.

COMPANIES MAKING TRANSACTIONS

The full list of refiners taking advantage of such spreads can't be determined. However, people involved with trading identify at least five involved in recent transactions: Phibro Energy, a unit of Salomon Inc.; BP North America Inc., a unit of the United Kingdom's British Petroleum Co.; Texaco Inc.; Citgo Petroleum Corp., wholly owned by Venezuela, and Kansas-based Koch Industries Inc.

In response to questions, Phibro says only that it does from "time to time export an odd cargo" of gasoline. It is understood, however, that Phibro currently has a cargo going to South America; it hasn't sent anything to Europe since hostilities in the Persian Gulf began. BP confirms that it has put together at least one cargo for Europe and that its European arm is taking into its own system any exports that it purchases. BP is also taking in U.S. gasoline in New Zealand.

Citgo says it has sent one cargo to Europe so far—230,000 barrels of super premium unleaded. A Koch official says that company sold one cargo to BP North America, but says he doesn't know how BP used it. He also says Koch has made sales to U.S. companies with refineries overseas, but doesn't know what happened to the fuel after that. Texaco confirms it sent one cargo of gasoline to supply customers of its Pembroke refinery in Wales, which is down for maintenance. It says the shipment doesn't reflect a continuing program.

While there is nothing wrong with such transactions, the timing couln't be worse for the oil industry. The Justice Department is already investigating the sharp rise in gasoline prices since the invasion of Kuwait. Now other federal agencies are chasing information on exports, including the Energy Department and, industry advisers say, the Central Intelligence Agency.

"EMBARRASSMENT" OR "FREE MARKET"

Most high-ranking oil officials are reluctant to discuss the topic. "No doubt, it's an embarrassment," concedes one. Adds another executive at a large U.S. oil company: "No refiner in his right mind should export product right now. Just one barrel, just one rowboat full—the heat we'd take from the feds would be immense."

Those willing to defend exporting say it is merely the free market at work. "We aren't taking gasoline from Americans for the net benefit of the rest of the world," insists an official of a company making exports. "Demand for gasoline is simply stronger in Europe than it has been here."

Tom Burns, manager of economics for Chevron Corp., says: "The market is allocating the gasoline to those who value it most highly. This shouldn't be looked at in a moralistic way. And if it is, well, we're just exporting to our allies who need it." Mr. Burns says Chevron isn't exporting.

The government could face an equally awkward public-relations dilemma. Among the questions pondered at last Thursday's closed-door congressional meeting was what the public might think about oil being exported for profit "while American husbands and sons go to the Saudi desert to fight," says one attendee. Also, the government is in the midst of kicking off a campaign calling on American motorists to cut back on gasoline consumption.

U.S. ENERGY POLICY

Some industry experts contend a schizophrenic U.S. energy policy has inadvertently encouraged exports by creating a two-tier global oil pricing system in which the U.S. trails. The administration preaches the free market, even as it imposes a subtle form of oil price control by having officials call industry executives to urge restraint.

And as the government struggles to set strategy, it doesn't always take into account anomalies that can arise within the market. For instance, analysts say, not all oil-fed utilities and manufacturing plants in the U.S. should be encouraged to stop using residual fuel oil in favor of natural gas. If too much of that heavy fuel oil is shunned, they argue, oil refineries will have to cut back on runs of gasoline and heating oil. That is because they would be swamped with unsold "resid" that is automatically produced at the same time.

"The government—it just doesn't know how to connect the dots," says Lawrence Goldstein, president of the Petroleum Industry Research Foundation.

FEARING OUTCRY, BIG OIL COMPANIES WILL TRIM PROFITS

(By Thomas C. Hayes)

Fearful of public and Congressional outcry over the large profits that many oil companies are likely to report for the fiscal quarter that ends in two weeks, industry executives are trying to find ways to hold down those profits.

Their strategy takes two tacks. One is to hold down the increases in the retail price of gasoline. That may be news to motorists who have seen gas prices rise an average of 23 cents a gallon since the Iraqi invasion of Kuwait last month, but oil industry executives say a 36-cent-a-gallon increase would have been needed to offset the sharp increase in crude oil prices, which have nearly doubled this summer.

The oil companies' second strategy for reducing profits is to increase the amount of money they set aside, or hold in reserve, for future environmental expenses, for refinery and chemical-plant maintenance programs and for potential legal claims. Such a step is commonplace in the industry and conforms with accounting standards.

In trying to hold down profits, the oil industry is heeding the advice of the White House and senior Republicans in Congress.

CALLS FOR RESTRAINT

In a speech on Aug. 8, President Bush urged the oil companies to show restraint in raising gasoline prices. The next day, Senator Bob Dole of Kansas, the minority leader, sent a telegram to the chief executives of 11 major oil companies, warning that if gasoline price increases were not checked, the outcry would be overwhelming.

"I can assure you that it will be very difficult to stop legislation controlling the prices of petroleum products or taxing profits resulting from these increases should not action be taken by the oil industry," he said in the telegram.

The industry is anxious to avoid a replay of the 1970's, when angry consumers and legislators pilloried Big Oil as oil prices and company profits soared. A windfall profit tax took several billion dollars away from oil companies before crude oil prices plunged below $10 after 1985. Bryan Jacoboski, an analyst at Paine Webber, said oil executives suppose now that "the best way to avoid any windfall profit tax is not to report any windfall profits."

One warning of potential backlash came Thursday, when Senator Kent Conrad, a North Dakota Democrat, told Energy Secretary James D. Watkins, "There will be universal outrage" if reports of soaring oil profits appear.

Mr. Watkins replied that antitrust officials in the Justice Department were the Administration's first line of defense against profiteering. He also said oil companies that engaged in the practice would be "hammered" by the Administration.

Senator Conrad said in an interview Friday: "If there is a significant surge in profits, we all know there will be a public reaction. I'm not engaged in oil-industry bashing. I am trying to understand what the President means when he says we will not allow profiteering. Where is the plan?"

Nonetheless, profit increases of more than 40 percent from those reported in the comparable fiscal quarter last year seem certain for at least four major oil companies, and many others are expected to show profits of close to 20 percent, Wall Street securities analysts say. In general, oil companies that will profit the most are those that produce a great deal of crude oil and thus will benefit from the near-doubling of crude oil prices.

"It's a great time to be a producer of oil, but it's a bad time to be a retail seller of gasoline," Mr. Jacoboski said.

Holding down prices at the gas pump could also help the larger oil companies in the future because smaller competitors might be squeezed out of gasoline retailing.

SMALLER COMPANY HURT

One independent company, the East Coast Oil Corporation, which is based in Richmond and has 42 gas stations in Virginia, has had its daily sales volume reduced by 20 percent in the last month because its prices

are now a few pennies a gallon higher than nearby stations operated by major oil companies like Texaco and Mobil.

East Coast's president, John M. Steele, said he would have to sell the gas at a loss of a few pennies a gallon to match the major companies' prices. As it is, at an average price of $1.20 a gallon, he said he was making two-tenths of a cent a gallon in profit, before taxes and expenses. In early July, when he sold the same gasoline for 95 cents a gallon, three cents below the competing large oil companies, his operating profit was eight cents a gallon.

The oil companies' strategy of building up reserves to pay for future expenses is not uncommon.

"It's kind of a well-established tradition in the oil industry that any time your company realizes extraordinary earnings that you try to develop some extraordinary pocket to deeply hide those earnings," said Bernard J. Picchi, an analyst at Salomon Brothers. "Environmental charges have been the favorite in the last two years. I expect we will see more of them, and a lot more settlements of long-standing legal disputes."

Staying attuned to Congress has taken on a fresh urgency for oil executives, who see in the Persian Gulf crisis an opportunity to reclaim some of the political ground lost after the disastrous Exxon Valdez oil spill in Alaska 18 months ago.

The blockade against Iraq and Kuwait crude has dramatically underscored the decline of the nation's oil production which has fallen to about seven million barrels a day. The United States, which consumes about 16 million barrels a day, has become more dependent on low-cost crude imports. Daily crude imports were nearly eight million barrels a day before the Iraqi invasion on Aug. 2.

The oil industry wants Congress to back new tax credits that would reduce drilling expenses in the United States. It also wants to explore and produce oil in the Arctic National Wildlife Refuge in Alaska and the coastal waters near Southern California, the Carolinas and Florida.

STEPS TO CUT PROFITS

In examples of how oil companies are trying to curtail profits, ARCO and Oryx Energy announced steps last week that will bite into their third-quarter earnings. ARCO settled a long-running pricing dispute over Alaskan crude oil last week, agreeing to pay $287 million to Alaska's government.

Oryx, the nation's largest independent oil producer, said it had taken out new loans of nearly $1 billion, sharply raising its interest expense, to acquire 17 percent of its stock, held by the Pew family charitable trusts, for $968 million.

The oil industry is far from monolithic, as the plight of the independent gasoline marketers suggests. Many major oil companies, including Exxon, Mobil, Amoco and Texaco, are called "integrated" because they operate in virtually all phases of the industry: exploration, production, refining, transportation, service-station retailing and petrochemical manufacturing.

The jump in oil prices this quarter will benefit exploration and production units because each barrel will bring in sharply higher revenues, while the costs to find and pump the oil have not changed. Most refineries also should show higher profits because gasoline demand was strong during the quarter, plant operations were close to capacity and wholesale gasoline prices rose sharply.

On the other hand, petrochemical and gasoline marketing operations were squeezed. Petrochemical units were hurt because demand for products slowed while costs for crude oil, the major raw material for making plastics and other products, soared. And gasoline marketing deliveries because of the major oil companies' response to the President's call to keep retail prices in check.

Mr. LIEBERMAN. Mr. President, I thank the Chair, and I yield the floor.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. METZENBAUM. Mr. President, under the regular order of business, S. 1511 is to come up at 2 o'clock. I ask unanimous consent that it come up at 2:30 p.m. under the same terms and conditions as previously entered.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. LIEBERMAN). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO JOHN HARBERT

Mr. SHELBY. Mr. President, it is with great pride that I rise today to pay tribute to John M. Harbert III, one of Alabama's most powerful and successful industrialists, who has recently retired as chief executive officer of Harbert Corp. He has made a lasting impression on the State of Alabama, and his genius as a businessman and philanthropist has touched people around the State and the world.

John founded the family owned company in 1949 after he and a crew of 12 men built a bridge near Prattville, AL. The small business struggled to eventually become a major corporation with worldwide operations and 5,000 employees, including 450 in Birmingham. He once recalled that he went broke three times, but never filed for bankruptcy. Hard work, to which he attributes his success, repaid the debts and put the company back on its feet.

John's projects have improved the quality of life in Alabama and throughout the world. Harbert Corp. has upgraded sewage and water treatment facilities in Egypt, built grain loading and silo storage facilities along the Red Sea at Safaga, built oil and gas pipeline systems through South American jungles and drilled water wells in the Sudan. Government defense installations have been built by Harbert in the South Pacific, as well as the Middle East. In the United States, Harbert had coal and limestone mining projects and barging operations along the Mississippi River in the 1970's. Harbert also helped establish the Florida Gas Co. in the 1960's. These are a few of the countless projects, along with building roads and bridges throughout the United States, that have been major contributions to our standard of living.

John earned his B.S. degree in civil engineering at Auburn University in 1946 and is a licensed professional engineer and land surveyor in the State of Alabama. In addition to the construction company, Harbert Corp. is involved in office management and leasing, real estate development, oil and gas exploration, cogeneration and recycling.

Although business has been an important focus for John, I know that it is not the central component which has shaped his life. He is extremely involved in civic activities, especially with regard to supporting educational, medical, and arts facilities in his community and State. He is a trustee for the Birmingham Museum of Art, the Eye Foundation Hospital, Junior Achievement of Alabama, the Young Women's Christian Association and the Southeastern Legal Foundation. He is also a trustee to the Alabama School of Fine Arts, Birmingham-Southern College and the American University in Cairo. He has been nationallly recognized for his work on the Birmingham Area Council of the Boy Scouts of America, which is an ongoing interest of his. In addition, he serves on the National Council of the Salk Institute in San Diego, CA, and was the first Alabamian to be elected to the National Board of the Smithsonian Associates in Washington, DC.

John has been an inspirational figure to many and has generously shared his business knowledge and experiences as executive in residence and lecturer on the campuses of the University of South Alabama, the University of Montevallo, the University of Alabama at Birmingham, Auburn University, Birmingham-Southern College, and Duke University. For his contributions to education, he was awarded the Exemplary Dedication to Higher Education Award in 1981. He

holds honorary doctorate degrees from the University of Montevallo, Auburn University, Birmingham-Southern College, and Cumberland College in Williamsburg, KY.

John's employees note that over the years he has been an eager personal participant in improving the quality of life in his community and has never failed to tackle any challenge head on when something needs to be done. He has superb timing and is willing to roll up his shirt sleeves to accomplish any task. These characteristics have contributed to his success and the success of the United States. He is no sideliner.

John has not retired per se, but he has resigned as chief executive officer. He is continuing his role as chairman of the board of Harbert Corp. and will probably be busier than ever.

Mr. President, John Harbert embodies the very characteristics that identify the American spirit—courage, determination, generosity, and the willingness to work hard. He is a great source of pride for the State of Alabama and has given Birmingham the opportunity to add yet another outstanding citizen to that city's history. I know that I join his wife, Marguerite, and his children, John, Raymond and Margie, in sharing their pride in his many accomplishments. I salute John as a man of great personal character, and I am honored to serve as one of his representatives in Washington and even prouder to call him my friend.

RECOGNIZING THE 50TH ANNIVERSARY OF THE SELECTIVE SERVICE SYSTEM

Mr. THURMOND. Mr. President, I rise today to recognize the 50th anniversary of the Selective Service System. It is a small but vital Federal agency with a very distinguished history of service. Many of us in this Chamber can personally recall those treacherous weeks leading up to World War II, and the measures taken by the Congress and President Franklin D. Roosevelt to prepare the Nation for battle. On September 16, 1940, the President signed the Selective Service and Training Act, passed by the 76th Congress, which instituted the Nation's first peacetime draft and placed it under civilian control. This was the birth of the modern Selective Service System.

We have always counted on our young men to be ready to defend America. Since 1940, and with only two brief interruptions, men have been required to register with Selective Service. Often, they have been required to serve. Over 10 million men were drafted for World War II, over 3 million more for Korea and Vietnam. It has been our good fortune that a draft has not been necessary since 1973.

Today, the Selective Service System acts as an inexpensive national defense insurance policy. For the past 10 years, only registration has been required, yet because of this ongoing program and continued mobilization planning, the System is ready to resume a draft at a moment's notice, should the Congress and the President decide that conscription is needed in an emergency.

Two years ago, I hosted a few other Senators and Congressmen to personally congratulate 18-year-old Neil Goldberg, the 20 millionth man to register with Selective Service since the program was reinstated in 1980. Today, nearly 99 percent of the Nation's draft-eligible men, ages 20 through 25, are registered. It is rare, indeed, that any Government program can claim a 99-percent success rate.

This notable achievement is a tribute to the cooperation of the young men themselves, and to the men and women of the Selective Service System who have worked so long and hard to improve compliance rates. It also reflects well on Congress. We have seen fit to pass legislation over the years which helped increase awareness of the registration requirement.

For example, a Military Selective Service Act amendment, which I sponsored in 1985, tied registration to eligibility for most Federal jobs. A man must have satisfied the Selective Service registration requirement before he can work in the executive branch of the Government or in the Postal Service. An amendment introduced by Representative GERALD SOLOMON in 1982 linked registration with eligibility for Federal student financial assistance under the Higher Education Act.

Let us hope and pray that our Nation is never again involved in a crisis of such magnitude that a draft becomes necessary. But let us be appreciative of the fact that we must maintain the capability of mobilizing America's manpower if it ever becomes necessary to do so. The Selective Service System, with the millions of names and addresses in its computers, provides that capability.

It has a small annual budget, and it is authorized only 277 full-time employees, yet System Director Samuel K. Lessey, Jr., runs a tight ship with a proven track record. To ensure that it is ready, the System depends on part-time support from more than 700 assigned National Guard and Reserve officers and it has identified and appointed over 11,000 citizen volunteers who are ready to serve on local, appeal, and review boards.

Let us express our appreciation to all the members of this Selective Service family on their agency's golden anniversary. They help keep our Nation strong in a sometimes-hostile world.

HERBERT BROWNELL AND THE EISENHOWER CIVIL RIGHTS RECORD

Mr. DOLE. Mr. President, last June, former Attorney General Herbert Brownell delivered a speech, entitled "Eisenhower and Civil Rights," during the year-long centennial birthday celebration of our 34th President, Gen. Dwight David Eisenhower.

Attorney General Brownell has done us all a great service by outlining in a clear—and yes, exciting way—President Eisenhower's record of leadership in opening up the American dream to all of our Nation's citizens. In his remarks, the Attorney General highlights:

President Eisenhower's efforts during World War II to break down racial barriers in the Army and to guarantee equality for America's black troops.

President Eisenhower's strong support for the plank in the 1952 Republican platform urging the elimination of racial segregation in Washington, DC.

President Eisenhower's leadership in enforcing the District of Columbia ordinance making racial segregation of public facilities illegal in our Nation's Capital.

President Eisenhower's support of the Justice Department's position in Brown versus Board of Education that school segregation was unconstitutional.

President Eisenhower's sponsorship of the Civil Rights Act of 1957, the first piece of civil rights legislation since the Reconstruction era.

President Eisenhower's courageous decision—after mediation efforts had failed—to send troops to Little Rock, AR, in order to enforce the court-ordered desegregation of the Little Rock Public School system.

Without a doubt, these were all difficult decisions made during difficult times in our Nation's history. But they were the right decisions, decisions borne out of courage and commitment, and bearing the imprint of one man in particular, Herbert Brownell.

Mr. President, I ask unanimous consent that the full text of Attorney General Brownell's remarks be inserted in the RECORD at this time.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

EISENHOWER AND CIVIL RIGHTS

(Speech delivered by Herbert Brownell at the Symposium "Decade in Black and White," Eisenhower Library, Abilene, KS, June 5, 1990)

The story of the Eisenhower Administration's activities in the field of civil rights and of President Eisenhower's personal participation in those activities, has never been adequately told. Accordingly it is appropriate that we have this discussion as part of the Centenary international celebration of Dwight Eisenhower's birth.

I obtained a preview of Eisenhower's opinions in the civil rights field on the occasion of my visit to him at NATO Headquarters outside of Paris in March 1952. Eisenhower had invited me to visit him while he was considering the many requests, both from Republicans and Democrats, that he run for President on the Republican ticket. At the time I was a member of a small, informal group headed by Governor Thomas E. Dewey of New York and General Lucius Clay, U.S. Army retired. This group was meeting at the old Commodore Hotel in New York City, to spearhead the various citizen groups which were urging Eisenhower to run. At that time it had no authorization or approval from General Eisenhower for its activities.

When the invitation from Eisenhower arrived, General Clay made arrangements for me to fly to Paris under an assumed name which was deemed necessary to shield General Eisenhower against media speculation about his plans.

I was Eisenhower's guest at NATO Headquarters for an entire day. His views on the importance of the NATO alliance and the relationship with the United States and its allies in western Europe were, of course, well known by that time but his views on domestic affairs were less known. Therefore, I asked him to outline these views so that I could answer his request as to whether I thought it was politically feasible for him to.

I specifically asked him about his position on civil rights. He described his actions during the War in breaking down racial barriers in the Army and supporting equality for black troops. If he decided to run and was elected, he commented that he would seek as a first order of business to eliminate discrimination against black citizens in every area under the jurisdiction of the Federal Government.

It must be remembered that at this time, *Brown* v. *Board of Education*, relating to discrimination against black children in the public schools, had not yet been decided by the Supreme Court. The previous Supreme Court rule in *Plessy* v. *Ferguson* had allowed segregation in public schools to continue and had stood as the authoritative interpretation of the Constitution in this area by the Supreme Court for several generations. Under the *Plessy* case, the problem of segregation in primary and secondary schools was not in the Federal government's domain. *Brown* v. *Board of Education* was to be the turning point.

Our discussion of the Eisenhower actions in integrating the armed forces under his command during the War led to a discussion of the conflicting views on civil rights within the Republican Party. The leading Republican Governors at the time, Governor Dewey of New York, Governor Warren of California and Governor Stassen of Minnesota, were all pro-civil rights and had advocated the passage of fair employment practices legislation in their respective states. Some Republicans in the congressional wing of the Party, however, had been satisfied to cooperate with the southern Democrats in allowing civil rights legislation to be killed year after year by Senate filibuster—the so-called "southern strategy." Eisenhower had a clear picture of this factual situation and the position of Republican party leaders on civil rights by the time that our preview conference was concluded.

As you know, shortly thereafter he decided to become a candidate. He returned to the United States to begin an active pre-convention campaign. One of his first steps was to review the proposed Republican platform and he took a position favoring a plank in that platform which pledged the Republican Party to eliminate segregation in Washington, D.C., the nation's capital.

On his inauguration day, we sometimes forget, segregation prevailed in all public accommodations in Washington. No black citizen could get a room in Washington's first class hotels nor could he or she eat at the city's public restaurants. Parks, playgrounds, bowling alleys, etc. were strictly segregated. This segregation was actually illegal under a District of Columbia ordinance passed many years before, during reconstruction days following the Civil War. But the district government was then controlled by committees of Congress which were dominated by members from the southern states. The District government claimed that since the ordinance had not been enforced for many years, it was inoperative. They called it the "lost statute."

The new President asked me for an opinion on the validity of this claim. When I advised him that the claim was invalid he directed me to take over from the District Corporation Counsel the management of litigation to test the validity of the "lost" statute. I did so, and the Court upheld enforceability of the "lost statute."

President Eisenhower then called together the civic leaders of the City. They responded to his leadership promptly and all public facilities in the District were forthwith desegregated. It should be noted that Frederick Morrow and Ambassador Maxwell Rabb, then of the White House staff, under the President's guidance, were effective in implementing the program which was completed during the first year of Eisenhower's presidency.

But all this, while historic, was soon to be overshadowed by the action of the Supreme Court in the case of *Brown* v. *Board of Education* which was a consolidation of five cases that had been brought in various states and the District of Columbia by black school children and their parents against their local Boards of Education to desegregate the schools. The Federal government was not a party to the case. It had been argued before the Court but not decided, when Ike became President.

In June 1953, near the end of the Supreme Court term, the court, instead of handing down a decision issued an order setting *Brown* for reargument in October of that year in order to hear the views of the Eisenhower administration. It requested the Attorney General to appear for oral argument as friend of the court and to respond to five specific questions. The gist of the questions was that the Court wanted a new, in-depth look from the participating attorneys into the constitutional problems that were involved. It also wanted a detailed history of the 14th Amendment to the Constitution insofar as it might apply to segregation in the schools. We all know that the 14th Amendment passed during the Civil War period had introduced the concepts of "due process" and "equal protection" to add to the other protections which citizens enjoyed under the original Bill of Rights. What would these concepts mean if applied to practices in the public schools? If they barred segregation how could this fundamental change in America's lifestyle be brought about?

I immediately informed the President of the court's action. His first reaction was that since the Federal government was not a party to the litigation we should decline the court's invitation on the ground that the decision of this momentous problem was properly one for the Judicial Branch of the government. I recommended, however, that the court's invitation be accepted and the President accepted this position. The Justice department then launched an intensive study of the history of the 14th Amendment and the preparation of our brief on the pertinent constitutional problems. We met the court's deadline for argument in October.

Since no Solicitor General had yet been appointed, I designated J. Lee Rankin, Assistant Attorney General, to represent the Justice Department. After many conferences with him and his staff, the brief was put in final form and submitted to the court along with the historical supplement. The policy group within the Department considering the constitutional questions was, in addition to Mr. Rankin, Deputy Attorney General William P. Rogers, Assistant Attorney General Warren E. Burger and Assistant Attorney General Warren Olney. For the historical study we found a gold mine of government records by Professor W. S. Jenkins of the University of North Carolina from which we concluded that the history of whether the 14th Amendment applied to desegregated schools was inconclusive. We had to face the fact, however, that the same Congress which had initiated the 14th Amendment had also appropriated funds to continue segregated schools in the District of Columbia. Arguably, therefore, Congress had not intended to ban school segregation when it submitted the Amendment to the states for ratification. The principal attorney supporting school segregation was John W. Davis, the New York attorney who had once been Solicitor General, and in 1924 had been the Democratic nominee for President. He used this fact effectively in his oral argument before the court.

Now came the big decision—what was to be the administration's stand on the constitutionality of segregated primary and secondary schools? I consulted the President whose initial reaction was that the Executive branch had more than fulfilled its obligations by preparing the answers to the five specific questions asked by the court—that the interpretation of the Constitution was the Supreme Court's duty.

I pointed out to the President that when Mr. Rankin made his oral argument before the court, he would undoubtedly be asked the flat question: Is school segregation constitutional, and I thought it would be disastrous to our argument if we were not to answer that question forthrightly. The President then asked my professional opinion and I answered that school segregation was unconstitutional. Eisenhower said that if that was my professional opinion, we should so advise the court if they asked the question. The court did ask the question in oral argument and Mr. Rankin stated our position.

The court handed down its unanimous decision outlawing segregation in public schools at the end of its 1954 term in June.

The historic opinion left open for later consideration the all important matter of how the decision would be enforced. Probably the reason it did so was to obtain a unanimous opinion from the 9 Justices on the basic constitutional problem. The enforcement of the *Brown* decision was thus in limbo for a whole year. The significance of the later *Brown II* decision on the enforcement of *Brown I* is often overlooked. We proceeded to prepare another brief and

another oral argument for *Brown II* on methods of enforcement. This time our presentation was made by Simon Soboloff, the newly appointed Solicitor General. He consulted the President who suggested that we emphasize the complexity of the administrative problems to be faced by the local school boards such as the necessity of changing school district lines, of building new school houses, of training and hiring new teachers, and a myriad of other administrative problems which made instant compliance with *Brown I* impracticable. On the other hand, if enforcement was to be indefinitely delayed, a generation of school children would not receive the benefits of desegregation.

We decided to recommend a plan to have each school district where a desegregation dispute existed, submit a desegregation plan to the local District Court for approval. We also urged a second point in our briefs, that school districts should be required to submit their plan within a period of 90 days and that all districts must comply after a period of one year.

The Supreme Court adopted our first suggestion but rejected our second suggestion when it handed down its decision, again unanimous, in *Brown II* in 1955. No timetable for a presentation of plans or completion of desegregation was included. *Brown II* created indecision among local educational and political officials. It unwittingly sowed the seeds for violence that ensued in Little Rock and during the administrations of Presidents Kennedy and Johnson.

In the Department of Justice, our efforts to enforce the Supreme Court's decree in the *Brown* case outlawing segregation in the public schools were two-pronged.

First, we responded affirmatively to calls for assistance from the Federal Courts, as at Little Rock.

Second, we drafted and succeeded in getting passed, the Civil Rights Act of 1957 which was to be the first Civil Rights Act since the Reconstruction Era. This Act, as originally presented by us to Congress, would for the first time have given to the Attorney General direct power to sue whenever there was a violation of any Civil Rights which had been declared by the Supreme Court to be a constitutional right. If thus encompassed the whole field of rights later covered by the Civil Rights Acts in the '60's, including the right to vote.

In simple language it empowered the Attorney General to enforce the Constitutional promise of "equal protection" for all citizens without further Congressional action. Its scope was broad enough to give the Attorney General the power to enforce not only voting rights but also any Federal District Court decree which approved a local plan to desegregate the public schools. It would have freed up moneys appropriated for general law enforcement purposes to be used for those specific purposes. It would have broken the 100 year impasse in Congress on Civil Rights. I trust we will have an opportunity to discuss this 1957 Civil Rights Act more fully during the course of this symposium.

Immediately, Senators Richard Russell, Sam Ervin and James Eastland from the South denounced the bill as making the Attorney General a "czar." This charge was true to the extent that Congress, through filibusters, would no longer have been able to stop the Justice Department from implementing the "equal protection" promises of the Constitution in any manner approved by the Courts.

Outside of Congress, we were met by massive resistance to enforcement of the *Brown* decision. Almost all of the Senators and Congressmen from the Deep South issued a defiant "Southern Manifesto." It stated: "We pledge ourselves to use all lawful means to bring about a reversal of this *Brown* decision which is contrary to the Constitution and to prevent the use of force in its implementation." The Southern Manifesto spawned the formation throughout the South of White Citizens Councils seeking to nullify the *Brown* decision.

Sporadically, cases of rioting began to occur when local school board officials attempted to comply with the *Brown* decisions. In one case in Tennessee a man named Kasper led the rioting that threatened to get out of hand and the local judge asked for Justice Department aid, which was granted. Kasper was sent to jail. Shortly thereafter unknown persons burned fiery crosses in the front of homes where a number of Supreme Court Justices lived in Washington. The following Sunday early in the morning I heard commotion outside my home and turned on a master light switch. I found that kerosene has been dumped on the ground under the bedrooms where my children slept, but the intruders were nowhere to be seen. The atmosphere was ugly. Over a period of months we in the Justice Department had had the growing realization that a clash of historic importance between the President, who was required by the Constitution to enforce the law of the land, and political leaders in the South, who had announced their plan to resist enforcement of *Brown* v. *Board of Education*, was inevitable.

We had engaged in "contingency planning" so we would not be caught unprepared. Thus, by the time that the groups from White Citizens Councils from various parts of the South converged on Little Rock, Arkansas, we had completed our studies of the legal precedents on the President's power to intervene in localities where rioting went beyond local ability to control a violation of the Constitution.

We were called upon for assistance by the Mayor of Little Rock and the school board which was trying to integrate the high school. They were a law-abiding and progressive group that accepted the Supreme Court decision in the *Brown* case as binding on all public officials, even though some other officials, like Governor Faubus, defied the court's interpretation of the Constitution.

A federal judge was hearing the dispute between Governor Faubus and the school board, as the crisis had spilled over into litigation. The Judge called on the Justice Department to enter the case as friend of the Court. We accepted and sent attorneys to work with the school board attorneys. We also sent a Justice Department attorney, who had previously resided in Arkansas, to discuss the situation with Governor Faubus, but to no avail. Finally we sent in FBI agents on a fact-finding mission.

At the same time, many appeals for help in Little Rock were being made directly to the White House. Sherman Adams, Chief of Staff, undertook to mediate. We, of course, kept him informed of activities on the legal front. Adams called upon an old friend of his from Congressional days, Brooks Hayes of Arkansas, who believed that a compromise was possible. Governor Faubus by that time had called out the Arkansas National Guard and ordered that the black students be prevented, by force if necessary, from entering the high school. Adams and Hayes counseled with some Southern governors, with the avowed intention of persuading Governor Faubus to withdraw his order, but this effort failed. Adams then asked the President to meet with Governor Faubus personally in a last attempt to have a peaceful settlement. The President asked my political opinion. I told him Governor Faubus was running for re-election and I thought he undoubtedly thought he could not allow the black children into the high school without being defeated at the polls, and therefore, I predicted, the President could not persuade the Governor to reverse his position.

Eisenhower decided to hold the meeting anyway. They met at Newport, R.I. At the conclusion we joined them, and the President told us they had agreed that the black children would be admitted to the high school. Everyone was relieved over the apparent agreement. I knew Eisenhower was a very persuasive person, but I was incredulous at Faubus's apparent capitulation, and the apparent abrupt end of a Constitutional crisis of such import. Governor Faubus returned to Arkansas. He kept the National Guard blockading the school doors to entry of the black children. When the President heard this, he telephoned me in Washington where I had returned. "You were right" he said. "Faubus broke his word." I could tell he was furious. His voice was tense. He was acting as a military Commander-in-Chief, dealing with Faubus as a subordinate who had let him down in the midst of battle.

In the meantime, members of the White Citizens Councils, formed throughout the South to combat enforcement of the *Brown* decision, began arriving at Little Rock from other states and the situation was getting out of hand. In the opinion of Mayor Mann of Little Rock who wired us and telephoned, lives were endangered. The FBI agents on the spot agreed. Governor Faubus was refusing at the same time to obey an order of the Federal Court. I presented our opinion to the President that in this state of affairs, where the Constitution as interpreted in the *Brown* case was being defied by the Governor and rioting was increasing, he had a Constitutional power and duty to enforce the law.

Only one effective way remained to enforce the law: Federal troops. Secretary Brucker of the Army was alerted. The President said to me. "In my career I learned that if you have to use force, use overwhelming force and save lives thereby." He ordered the 101st Airborne Division, which he knew had crowd control experience, to go to Little Rock.

Simultaneously, the President nationalized the Arkansas National Guard. The deadlock was broken and the black children entered the high school. The television screens around the country dramatized the events. These were rerun all over the world. It was as though South Africa had lifted its apartheid restrictions.

The black children, who must have been frightened, behaved magnificently then and throughout the ensuing weeks when the classroom atmosphere was electrically charged with emotion. No wonder when one considers that the white children had been brought up to believe that segregation was not only legal (under the Supreme Court's former opinion in the *Plessy* case) but justifiable and "natural." The Mayor, the School Board and especially the Superintendent and school teachers deserve great credit for

their actions. And through the ensuing years, the nation watched sympathetically and with pride, the progress of those beleaguered black school children in their mature years. The U.S. armed forces on the spot performed with restraint and common sense in carrying out their unpleasant duty. There was no loss of life.

I went over the manuscript of Eisenhower's draft of a speech with him and we made some changes to meet legal requirements. As soon as the speech was delivered Southern members of Congress reacted vehemently. Senator Russell of Georgia compared Eisenhower's tactics to Hitler's. A second Reconstruction period with "carpet bagger" government of the South was predicted by some Southern officials and newspapers, and you can be sure that I was a target in the storm. Looking back at the turbulent events, I can only conclude that Eisenhower's decisive action at Little Rock crushed the forces behind the Southern Manifesto. Eventual enforcement of the *Brown* case was assured. I was particularly happy that, when the Little Rock lawsuit reached the Supreme Court, it unanimously upheld the constitutionality of the President's actions.

Eisenhower did not comment publicly on the rightness or wrongness of the *Brown* decision during his Presidency but years later in this *Waging Peace* he stated he thought the case was rightly decided.

THE NATIONAL EMERGENCY ANTI-PROFITEERING ACT OF 1990

Mr. PRESSLER. Mr. President, last week I joined my colleague, Mr. LIEBERMAN, in introducing the National Emergency Anti-Profiteering Act of 1990.

On September 3, I returned from an official, 4-day trip to Saudi Arabia. While there, we met with King Fahd, Prince Abdallah, and Prince Faisal. Before this visit, I held several public listening meetings in South Dakota. The primary complaint at these meetings was the excessive rise in gasoline prices. The public feels they are being exploited. I agree. Price gouging must stop. That's why we are introducing this tough, new legislation to prohibit profiteering.

Under our bill, the President may declare a national economic emergency for an essential commodity such as petroleum products when an abnormal market disruption exists. A "national economic emergency" may result from extraordinary weather conditions, acts of nature, large energy failures, civil disorder, or, as is now the case; military action. The emergency stands for 180 days from the declaration date, and extensions of 90 days may be added. Sellers of that essential commodity are then prohibited from charging an excessive price; that is, one not justified by the actual costs, plus a reasonable profit.

Profiteering not only includes the charging of an excessive price, it also refers to the excessive restrictions placed upon the sale, or transportation of an essential commodity. Petroleum products, primarily crude oil and other distillates like propane, gasoline, diesel, and home heating fuels are presently threatened. In our bill, any profits earned through such profiteering will be taken, and fines of up $500,000 and up to 5 years imprisonment are penalties which can be imposed.

As with the *Exxon Valdez* disaster and last winter's cold snap, the Iraqi invasion of Kuwait has resulted in skyrocketing prices of both crude oil and propane. Consumers have been hit hard by these increasing prices. Last week, in Rapid City, SD, gasoline prices rose another 5 cents per gallon. To the east, in Sioux Falls, gasoline prices have risen by 20 cents and diesel by 30 cents since the beginning of August. Similar increases have occured across the country and consumers are outraged.

The United States needs to become more self-sufficient in the production, exploitation, and refining of crude oil. We must increase our research on other sources of energy, thereby lessening our dependency on other nations for oil.

Since Saddam Hussein's invasion of Kuwait, a major crude oil shortage has not occured. However, a crisis mentality grips the oil market. Suppliers are using Saddam Hussein's international crimes as an excuse for charging increased prices. Actual costs: that is, those of acquiring, producing, selling, transporting and delivering the product, are expected to rise in the future. Anticipation of an oil shortage has led to an increase in the price of petroleum products. Yet actual oil supplies are adequate. An oil shortage might never develop if this crisis is resolved peacefully and weather conditions are normal. In the meantime, the additional profits being reaped by someone in the oil supply chain will remain in their pockets. The consumer of oil products will be the loser.

Consumers should not be subjected to excessive oil prices based on pure speculation. Oil prices have climbed nearly 50 percent since Iraq invaded Kuwait. Consumers understandably fear further price speculation. They recall what happened in the 1973 OPEC oil embargo, and the Iranian revolution of 1978–79.

South Dakota farmers and ranchers buy more propane and diesel fuel during harvest, planting, and haying seasons. The price of these petroleum distillates tends to rise slightly each year during such key periods. The increase is higher than usual this year. Already, South Dakotans are suffering from higher petroleum prices. As one of them told me, "I don't begrudge anyone a profit, but this is unreasonable." The average consumer perceives the prices charged by oil companies as excessive and above the reasonable profit level. Similar complaints were heard last winter. At the request of Senator HEINZ and myself, the General Accounting Office began an investigation in March to look into the substantial price increases of home heating fuel and propane last December. The legislation we introduced last week is an effort to avoid a repetition of that episode and the current oil price crisis. If enacted quickly, it could even help identify any existing profiteering.

We must minimize our excessive dependency on oil as a source of energy. Alternatives such as ethanol and methanol do exist, but are in limited use. Ethanol, derived primarily from corn, usually is 10 percent of the gasohol blend. The use of these alternative automotive fuels, has several important dimensions. It directly affects our agricultural and trade policies, energy security, air quality, and global warming.

Brazil has a very successful ethanol program, one we can learn from. Much of its automotive fleet operates on pure ethanol. Our Midwestern States have the largest concentration of alcohol fuel usage, but due to the expense and the limited production of alcohol-run automobiles, utilization even there is lower than what it could be. We are now faced with the perfect opportunity to expand the use and accessibility of alternative fuels. We need to encourage, develop, and broaden the use of alternative fuels.

We need long-term solutions. In the meantime, our bill and the convening of an emergency oil price task force would help stop the unwarranted, excessive price increases. Such a task force would act as a profiteering watchdog and would help to build up economic confidence.

This act is designed to prohibit any potential profiteering that may take place during a declared national economic emergency. Commodities essential to the U.S. economy, and to the general public, would be sheltered from any excessive price hikes brought on by producers. Market prices should not be raised at a faster rate than increases in actual costs. Penalties of 5 years imprisonment, fines of $500,000, civil remedies, and the taking of all profits earned through profiteering are included in the act.

Tough new laws are needed to stop outrageous price gouging from occurring again and again. Our bill is designed to protect the consumer from money-hungry profiteers. I urge my colleagues to join us in supporting this bill.

LEAVING WELFARE BEHIND

Mr. MOYNIHAN. Mr. President, I wish to call my colleagues' attention to an article in yesterday's New York Times by Lisa W. Foderaro.

The Times reports that we have a successful welfare program operating in Westchester County, NY. The article tells the story of a 34-year-old single mother, Ester Fuller, who has spent her entire adult life on welfare. Ms. Fuller is now obtaining the basic education and skills to begin a career in radiology. In other words, Ms. Fuller has started down a road that leads away from dependency toward self-reliance.

This is precisely what we meant to have happen when we enacted into law the Family Support Act of 1988. We redefined the AFDC Program from an income maintenance program with a minor education and employment component to an education and employment program with an income maintenance component. To quote Ms. Fuller, "For so many years there was a support system. They sent you checks, and everything was fine. But now all of a sudden they're trying to get you out on your own in the world." The article continues, "Miss Fuller is proud that she is a new role model for her children, Shelton, 10 and Shadonna, 7, and that one day she will have the means to move out of public housing." Ms. Fuller personifies the notion of mutual obligation that was at the heart of the argument for the act: that individuals have the right to be supported in adversity by the State, and in return have the obligation to emerge from that adversity.

Ms. Fuller and others like her are in the process of emerging from their adversity and their dependence. Credit for making that possibility a reality should go to those who have expedited the implementation of Family Support Act programs. Specifically, credit should go to Westchester County Executive Andrew P. O'Rourke, who designed a program that effectively meets not only the educational needs of participants but also the labor force needs of the community. Mr. O'Rourke has created a model for other localities to follow.

Additionally, a great deal of credit should go to Anne B. Barnhart, the new—and first—assistant secretary for family support. The position was created in the 1988 act to provide new leadership and direction to this vital effort. Secretary Barnhart has overseen the Federal effort to provide timely information and assistance to those States and localities eager to begin programs.

I ask unanimous consent that the above mentioned New York Times article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 14, 1990]

LEAVING WELFARE BEHIND BY DEGREES

(By Lisa W. Foderaro)

VALHALLA, NY, September 13.—Every day, Esther Fuller wakes up in a Yonkers housing project crawling with crack dealers, plastered with graffiti and reeking of urine, and every night, she tucks her two children into bed there. But in between, on the rolling campus of Westchester Community College here, her life is undergoing a great, if gradual, change.

At 34 years old, her entire adulthood spent on welfare, Miss Fuller is mastering linear equations, working with additive inverses and figuring out the meaning of words like "prodigy" and "fertility" by considering their contexts. Next year, after two semesters of remedial education, she plans to begin two years of work toward an associate degree in radiology.

With a nudge and a prod from Westchester County, Ms. Fuller and dozens of other welfare mothers are going to college to turn themselves into dieticians, nurses, respiratory technicians, phlebotomists and radiologists. The county, with the help of state and Federal financing, is paying for it all; tuition, tutoring, transportation, day care, lunches, books and school supplies.

"It's a little scary," Miss Fuller said as she took a break recently between her math and writing classes. "For so many years there was a support system. They sent you checks, and everything was fine. But now all of a sudden they're trying to get you out on your own in the world."

REQUIRED PARTICIPATION

The health-care training is part of a larger county program, Moms on the Move, which reflects the changes in welfare programs nationwide. States and municipalities are going beyond menial labor to offer more substantial opportunities as a result of the 1988 Family Support Act, which required that most welfare recipients participate in government-sponsored educational and job programs.

Westchester has organized its program to try to solve two problems simultaneously by matching a pool of bright but idle single mothers, as well as a few single fathers, with the shortage of health-care professionals.

"The practical reality is that jobs are going begging in area hospitals," said Dr. Margaret Olson, director of Special Student Services at Westchester Community College, which is a sponsor of the program with the county. "And when these women were 5 years old, many of them said they wanted to be nurses or teachers, so the socialization is already there."

Although she faces four tough semesters of colleage-level courses after this one, Miss Fuller is proud that she is a "new role model" for her children, Shelton, 10, and Shadonna, 7, and that one day she will have the means to move out of public housing.

HAVING "A CAREER, NOT A JOB"

"Mainly, I look at myself differently," she said. "I'm a lot more positive. My attitude is to just go out in the world and get it and bring it back."

Shelton, who dreams of becoming a jazz drummer, sees himself in a different light, too. "I want to go to college and have a career, not a job," he said the other day after stepping off a school bus in southwest Yonkers.

New York State is requiring all counties to devise a program combining jobs and education. The state recently told Westchester that 311 of its welfare recipients must be enrolled in a program, but the county has already far surpassed that figure. Some 3,200 people out of 17,000 on public assistance are now taking part in public works projects, job training or education programs, and the county plans to test and screen thousands more.

In the last year, in return for their checks, more than 2,000 home-relief recipients performed 242,000 hours of work for towns and community organizations, while another 2,000 were placed in mandatory drug- and alcohol-treatment programs.

WORK-STUDY PROGRAMS

While 88 single parents are taking part in the health-care component of Moms on the Move, which began as a pilot project in January, another 122 are attending Westchester Community College in a work-study program in engineering and technical fields; a pre-freshman program to help new students with remedial writing, reading and math skills, and an "English as a second language" program.

The driving force behind the welfare programs in Westchester is the County Executive, Andrew P. O'Rourke, who has a personal motivation as well as the goal of saving taxpayer money. His mother was on welfare throughout his childhood in Hell's Kitchen on Manhattan's West Side, he said.

"I remember it well, and I don't remember anything nice about being on welfare," Mr. O'Rourke said. "We're giving people a real shot at a future as opposed to staying on the welfare treadmill."

Last year, the county sent letters to mothers on welfare whose youngest children were older than 6, telling them to take a five-hour basic skills test or lose their benefits. Of the 235 tested, 42 percent were considered ready for college-level work. The county will test another 750 to 1,000 this fall. Mothers whose children are older than 3 will also be notified this fall, reflecting a change in state and Federal mandates.

PRAISE FOR SOCIAL SERVICES

The county has committed $964,000 to the Moms on the Move program, with three-quarters of that to come from Federal and state sources.

In the past, the mothers who are now in Moms on the Move saw the Department of Social Services primarily as unhelpful and unfriendly. But now they are effusive with praise for the county, and seem to share its goals.

"I'm here because my mother was on welfare, and I didn't want the cycle to continue," said Joyce Torres of Yonkers, a 25-year-old mother of two who at 14 was married in Puerto Rico. She is studying to be a nurse.

"For once, the Department of Social Services is doing something for us," said Bernitha Lopez, 34, of Mount Vernon, who is studying to be a respiratory therapist. "They're giving us the opportunity of a lifetime. You can either stay home and watch soap operas or you can come to school and get a career."

"They don't want anyone to fail," Miss Fuller said. "They're always keeping an eye on you. They're behind you pushing."

Through the program, Ms. Lopez and Miss Fuller have become fast friends, helping each other juggle homework and housework, classes and cooking. "She gets on my case," Miss Fuller said. "Sometimes I need that."

TRIBUTE TO ALTHEA SIMMONS—A GIANT ON CIVIL RIGHTS

Mr. KENNEDY. Mr. President, last week America lost a great champion in the continuing struggle to fulfill the

constitutional promises of equal justice for all, when Ms. Althea T.L. Simmons, the director of the Washington Bureau of the National Association for the Advancement of Colored People, passed away.

Althea Simmons was a tireless and effective champion of civil rights. As the NAACP's chief legislative strategist on Capitol Hill, she played a key role in enacting many critically important laws, including the Voting Rights Act, the legislation establishing a national holiday to honor Dr. Martin Luther King, Jr., the Civil Rights Restoration Act, and the Fair Housing Act of 1988.

Althea Simmons was especially effective in communicating with Senators and Representatives from across the political spectrum and in educating us about the issues. In a very real sense, she was the 101st Senator on civil rights, and she made an extraordinary difference in the lives and well-being of millions of Americans seeking their birthright as citizens of this country entitled to equal justice and equal opportunity.

Every American committed to the cause of civil rights will miss the strength, the wisdom, and the presence of Althea Simmons. I extend my deepest sympathy to her family and to her colleagues.

Mr. President, I ask unanimous consent that a tribute to Althea Simmons by the leaders of the NAACP and an obituary from the Washington Post be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT OF THE NAACP

The National Association for the Advancement of Colored People profoundly regrets the death, on September 13, 1990, of this treasured member of the NAACP family for some 3½ decades. Since 1979 she had served with great distinction, as Director of our Washington Bureau and Chief Lobbyist. She was widely respected as one of Capitol Hill's most effective lobbyists. Prior to this post she served as Associate Director of Branch & Field Services, where she had responsibilities of supervising the NAACP nation-wide network of branches, field staff, membership and youth and college division. She also held the positions of NAACP National Education Director, National Training Director, and Voter Registration Projects Director. A former college teacher and a newspaper woman, she was a graduate of Louisiana's Southern University, in business; University of Illinois, in marketing and Howard University's School of Law, Washington, DC. Among many awards and honors she received, are Washburn University's Presidents Award; Howard University's Alumni Award for post graduate achievement in law and public services; National Bar Association's Gertrude E. Rush Awards; Delta Sigma Theta's Patricia Roberts Harris Award and Links, Inc. National Trends and Services Award. Miss Simmons was a widely sought speaker throughout the nation for church, education, political, business, fraternal and professional forums. She was a member of Asbury United Methodist Church, Washington, DC and chaired the committee on corporate fiduciary responsibility and committee on legal concerns of The United Methodist Church Board of Pensions. She is survived by a sister, Earldean V.S. Robbins, San Francisco, nieces, Robin Simmons Robbins, Alfreda Wall, Jaqueline Glover, Sharon Simmons; nephews Brett Simmons Robbins, Michael and Darryl Simmons. Wake will be held on Wednesday, September 19, 1990, 6-9PM, Asbury United Methodist Church, 11th and K Streets, NW., Washington, DC. Funeral, Thursday, September 20, 1990, 11AM, also at Asbury United Methodist Church. She will be greatly missed by all of us, but her contributions to our cause will be enduring. Those wishing to do so, may send memorial contributions to the NAACP, 4805 Mount Hope Dr, Baltimore, MD 21215.

WILLIAM F. GIBSON,
Chairman.
BENJAMIN L. HOOKS,
CEO, Executive Director.
HAZEL N. DUKES,
President.

[From the Washington, Post, Sept. 15, 1990]

ALTHEA SIMMONS, NAACP OFFICIAL, DIES

Althea T.L. Simmons, 66, the chief of the NAACP's Washington bureau since 1979 and the organization's chief Washington lobbyist, died of respiratory failure Sept. 13 at Howard University Hospital. She had undergone a hip operation.

Miss Simmons joined the NAACP in the mid-1950s. Before moving here, she was associate director of branch and field services in the organization's headquarters in New York. Her duties there included supervising branches and field staff around the nation, membership activities and the youth and college division.

In Washington, Miss Simmons played a role in shaping policies and legislation in civil rights. She remained active in connection with the civil rights bill recently passed by Congress, although she had been hospitalized for four months.

Much of her most valuable work, however, was keeping track of policymakers in a quiet way. She described this in a speech at an NAACP regional banquet in Northern Virginia in 1979.

"It's not enough to just listen to the politicians at election time," she said, "Start monitoring how they vote. Often they will say something on the floor of the House or Senate just to get into the Congressional Record, but they vote just the opposite."

In 1989, she said it was necessary to keep up pressure on matters of concern to blacks and other minorities "because if you don't people will think the problem is solved."

And when L. Douglas Wilder was elected in Virginia last year, becoming the first black elected govern or, Miss Simmons said. "Black [candidates] have to appeal to both blacks and whites. . . . You have to tread a very tight line. . . . I don't think this means any great healing of tensions between races, but it's a breakthrough."

A resident of Washington, Miss Simmons was born in Shreveport, La. She graduated from Southern University and received a law degree from Howard University. She also studied marketing at the University of Illinois.

Her many honors included the President's Award of Washburn University, the Howard University Alumni Award for Postgraduate Achievement in Law and Public Service, the Gertude E. Rush Award of the National Bar Association, the Patricia Roberts Harris Award of Delta Sigma Theta Sorority and the National Trends and Services Award of Links, Inc.

Miss Simmons was a member of Asbury United Methodist Church in Washington, and she served on various committees of the United Methodist Church Board of Pensions. She was a member of the Delta Sigma Theta Sorority.

Survivors include a sister, Earldean V.S. Robbins of San Francisco.

A REMARKABLE CAREER OF PUBLIC SERVICE

Mr. KENNEDY. Mr. President, it is an honor to congratulate Dr. Paul D. Parkman, who is retiring after 30 years of splendid service to public health. Those of us who have followed his accomplishments over his many years of Government service know that he exemplifies what is best about America. As an individual, and as a researcher, he has always combined intellectual brilliance with deep compassion for the afflicted. Now that he is retiring as the director of the center for biologics evaluation and research of the Food and Drug Administration, it is an appropriate time to honor this man's extraordinary accomplishments.

Paul Parkman is one of the giants of modern medicine. Through a variety of research and administrative positions at the Walter Reed Army Institute of Research, the National Institutes of Health, and the Food and Drug Administration, he has helped shaped the course of medical science. Whether as a researcher in the laboratory, or as the administrative head of one of the most influential scientific institutions in the world, Dr. Parkman has nurtured the development of new technologies that are revolutionizing medicine and the world.

Because of his modesty, Dr. Parkman has never sought the limelight. As a result, far too few people appreciate the contributions he has made to their health and welfare. Foremost among these contributions was his remarkable effort to eradicate the threat of rubella, often known as German measles. Although the rubella virus is relatively innocuous in most individuals infected by it, it has a devastating effect on children born to women who became infected while in the early stages of pregnancy. Children are born mentally retarded or deaf. Others have severe eye problems, heart disease, or a myriad of other debilitating health conditions.

Before the work of Dr. Parkman and his colleague, Dr. Harry M. Meyer, Jr., physicians were helpless in fighting the virus and the harm it brought. As a young pediatrician and virologist, Dr. Parkman dedicated himself to the eradication of rubella epidemics, and embarked on research to isolate the virus. Within a few years at Walter Reed's Institute of Research, he suc-

ceeded in isolating the rubella virus. Following this breakthrough, he joined Dr. Meyer at the National Institutes of Health in developing a rubella vaccine and the first widely used test to detect antibodies to the virus.

These brilliant advances effectively eliminated the threat that rubella posed to society. Within a few years following the development of the vaccine and test, rubella epidemics ceased. Thousands of children who otherwise would have been mentally or physically disabled as a result of rubella were spared and enabled to live healthy and productive lives. The true impact of Dr. Parkman's work has had on the lives of these children, their families and society is incalculable, as is the debt of gratitude the Nation and the world owe him.

Dr. Parkman has earned numerous awards during his illustrious career, including the most prestigious honors bestowed by the Department of Health and Human Services, the Public Health Service, and the Food and Drug Administration. In 1966, he received a letter of commendation from President Lyndon Johnson for his work.

Dr. Parkman has also received numerous awards from organization's such as United Cerebral Palsy Association, the Association of Retarded Citizens, the Food and Drug Institute, and Parent's magazine. I am proud to say that the Joseph P. Kennedy, Jr. Foundation, with which my family and I have had a long association, selected Dr. Parkman as one of its honorees in 1977.

It is interesting, but by no means surprising, to note that Mother Theresa of Calcutta was also a Kennedy Foundation's honoree that year. Although these two individuals come from dramatically different backgrounds and disciplines, Mother Theresa and Dr. Parkman share a commitment to bettering the lives of the less fortunate in the world. Both individuals, in their unique ways, have used their talents to the utmost of help humanity.

Dr. Parkman has not only used his ability as a researcher to help his fellow human beings, but has also used his considerable skill as an administrator to promote medical science and safeguard the Nation's health. As director of the Food and Drug Administration's Center for Biologics, Dr. Parkman has had primary responsibility for assuring the safety and efficacy of biological products used for the prevention, diagnosis, and treatment of disease. These include a vast number of variety of essential products such as blood components, vaccines, antibody tests for detecting infectious diseases, and genetically engineered agents for treating disease like AIDS and cancer.

Dr. Parkman has been at the cutting edge of medical science. Because of his leadership, the Food and Drug Administration is prepared to meet the unprecedented demands of biotechnology. The Government will miss him, but I am sure that he will continue to play a vital role in shaping the destiny of the Nation's health care and science policies for many years to come.

Dr. Parkman's achievements have been matched by few men or women, He created knowledge where there was only ignorance, and hope where there was hopelessness. Paul Parkman has made the world a better place, and I am proud to know him. I congratulate him on his outstanding career and service, and I wish him a long and happy and productive retirement.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

OLDER WORKERS BENEFIT PROTECTION ACT

The PRESIDING OFFICER. Under the previous order, the hour of 2:30 having arrived, the Senate will proceed to the consideration of S. 1511, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 1511) to amend the Age Discrimination in Employment Act of 1967, to clarify the protections given to older individuals in regard to employee benefit plans, and for other proposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources, with an amendment to strike out all after the enacting clause, and insert in lieu thereof the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Workers Benefit Protection Act".

TITLE I—OLDER WORKERS BENEFIT PROTECTION

SEC. 101. FINDING.

The Congress finds that, as a result of the decision of the Supreme Court in Public Employees Retirement System of Ohio v. Betts, 109 S.Ct. 256 (1989), legislative action is necessary to restore the original congressional intent in passing and amending the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), which was to prohibit discrimination against older workers in all employee benefits except when aged-based reductions in employee benefit plans are justified by significant cost considerations.

SEC. 102. DEFINITION.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsection:

"(l) The term 'compensation, terms, conditions, or privileges of employment' encompasses all employee benefits, including such benefits provided pursuant to a bona fide employee benefit plan.".

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) by striking subsection (f) and inserting the following new subsection:

"(f) It shall not be unlawful for an employer, employment agency, or labor organization to take any action otherwise prohibited under subsection (a), (b), (c), or (e)—

"(1) where age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business, or where the differentiation is based on reasonable factors other than age, or where such practices involve an employee in a workplace in a foreign country, and compliance with such subsections would cause such employer, or a corporation controlled by such employer, to violate the laws of the country in which such workplace is located;

"(2)(A) to observe the terms of a bona fide seniority system that is not intended to evade the purposes of this Act, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of such individual; or

"(B) to observe the terms of a bona fide employee benefit plan where, for each benefit or benefit package (as permissible under section 1625.10, title 29, Code of Federal Regulations, as in effect on June 22, 1989), the actual amount of payment made or cost incurred on behalf of an older worker is no less than that made or incurred on behalf of a younger worker, except that—

"(i) it shall not be unlawful to observe the terms of a bona fide voluntary early retirement incentive plan that furthers the purposes of this Act; and

"(ii) no such employee benefit plan or voluntary early retirement incentive plan shall excuse the failure to hire any individual, and no such employee benefit plan shall require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of such individual; and

"(3) to discharge or otherwise discipline an individual for good cause.

An employer, employment agency, or labor organization acting under paragraphs (1) or (2) shall have the burden of proving that such actions are lawful in any civil enforcement proceeding brought under this Act.";

(2) by redesignating the second subsection (i) as subsection (j); and

(3) by adding at the end the following new subsections:

"(k) A seniority system or employee benefit plan shall comply with this Act regardless of the date of adoption of such system or plan.

"(l)(1) In the case of a defined benefit plan (as defined in section 3(35) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(35))), it shall not be a violation of subsection (a), (b), (c), or (e) solely because the plan provides, on a permanent basis, for—

"(A) the attainment of a minimum age as a condition of eligibility for normal or early retirement benefits;

"(B) payments that constitute the subsidized portion of an early retirement benefit; or

"(C) social security supplements for plan participants that commence before the age and terminate at the age (specified by the plan) when participants are eligible to receive reduced or unreduced old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), and that

do not exceed such old-age insurance benefits.

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an employee eligible for an immediate pension; and

"(ii) in any case in which retiree health benefits as described in clause (i) are provided, the value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and that make the individual eligible for not less than an immediate and reduced pension,

are deducted from severance pay made available as a result of the contingent event unrelated to age.

"(B) For an employee who receives immediate pension benefits that are actuarially reduced under subparagraph (A)(i), the amount of the deduction available pursuant to subparagraph (A)(i) shall be reduced by the same percentage as the reduction in the pension benefits.

"(C) For purposes of this paragraph, severance pay shall include that portion of supplemental unemployment compensation benefits (as described in section 501(c)(17) of the Internal Revenue Code of 1986) that—

"(i) constitutes additional benefits of up to 52 weeks;

"(ii) has the primary purpose and effect of continuing benefits until an individual becomes eligible for an immediate and unreduced pension; and

"(iii) is discontinued once the individual becomes eligible for an immediate and unreduced pension.

"(D) For purposes of this paragraph, the term 'retiree health benefits' means benefits provided pursuant to a group health plan covering retirees, for which—

"(i) the package of benefits provided by the employer for the retirees who are below age 65 is at least comparable to benefits provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(ii) the package of benefits provided by the employer for the retirees who are age 65 and above is at least comparable to that offered under a plan that provides a benefit package with one-fourth the value of benefits provided under title XVIII of such Act.

"(E)(i) If the obligation of the employer to provide retiree health benefits is of limited duration, the value for each individual shall be calculated at a rate of $3,000 per year for benefit years before age 65, and $750 per year for benefit years beginning at age 65 and above.

"(ii) If the obligation of the employer to provide retiree health benefits is of unlimited duration, the value for each individual shall be calculated at a rate of $48,000 for individuals below age 65, and $24,000 for individuals age 65 and above.

"(iii) The values described in clauses (i) and (ii) shall be calculated based on the age of the individual as of the date of the contingent event unrelated to age. The values are effective on the date of enactment of this subsection, and shall be adjusted on an annual basis, with respect to a contingent event that occurs subsequent to the first year after the date of enactment of this subsection, based on the medical component of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"(iv) If an individual is required to pay a premium for retiree health benefits, the value calculated pursuant to this subparagraph shall be reduced by whatever percentage of the overall premium the individual is required to pay.

"(F) If an employer that has implemented a deduction pursuant to subparagraph (A) fails to fulfill the obligation described in subparagraph (E), any aggrieved individual may bring an action for specific performance of the obligation described in subparagraph (E). The relief shall be in addition to any other remedies provided under Federal or State law.".

SEC. 104. EFFECTIVE DATE.

(a) IN GENERAL.—This title and the amendments made by this title shall become effective on the date of enactment of this Act.

(b) APPLICABILITY.—Except as provided in subsection (c), this title and the amendments made by this title shall apply to—

(1) all actions or proceedings brought under the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.) after June 23, 1989; and

(2) all actions or proceedings brought under such Act prior to June 23, 1989, that were pending on June 23, 1989.

(c) COLLECTIVELY BARGAINED AGREEMENTS.— With respect to any action or proceeding brought after June 23, 1989, pertaining to a collective bargaining agreement—

(1) that is in effect as of the date of enactment of this Act;

(2) that terminates after such date of enactment;

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)); and

(4) that contains any provision that would be superseded by this title and the amendments made by this title, but for the operation of this section,

this title and the amendments made by this title shall not apply until the termination of such collective bargaining agreement or June 1, 1992, whichever occurs first.

TITLE II—WAIVER OF RIGHTS OR CLAIMS

SEC. 201. WAIVER OF RIGHTS OR CLAIMS.

Section 7 of the Age Discrimination and Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following new subsection:

"(f)(1) An individual may not waive any right or claim under this Act unless the waiver is knowing and voluntary. Except as provided in paragraph (2), a waiver may not be considered knowing and voluntary unless at a minimum—

"(A) the waiver is part of a written agreement between the individual and the employer;

"(B) the waiver specifically refers to rights or claims arising under this Act;

"(C) the individual does not waive rights or claims that may arise after the date the waiver is executed;

"(D) the individual waives rights or claims only in exchange for consideration in addition to anything of value to which the individual already is entitled;

"(E) the individual is advised in writing to consult with an attorney prior to executing the agreement;

"(F)(i) the individual is given a period of at least 21 days within which to consider the agreement; or

"(ii) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the individual is given a period of at least 45 days within which to consider the agreement;

"(G) the agreement provides that for a period of at least 7 days following the execution of such agreement, the individual may revoke the agreement, and the agreement shall not become effective or enforceable until the revocation period has expired;

"(H) if a waiver is requested in connection with an exit incentive or other employment termination progam offered to a group or class of employees, the employer informs the individual in writing, at the commencement of the period specified in subparagraph (F), as to—

"(i) any class, unit, or group of employees covered by such program, any eligibility factors for such program, and any time limits applicable to such program;

"(ii) any demotion, termination, or other adverse action that the employer either knows or should know may occur if the individual declines to participate in such program, and the approximate date when such adverse action reasonably may be anticipated to take effect;

"(iii) the job titles and ages of all individuals eligible or selected for the program; and

"(iv) the job titles and ages of all individuals in the same plant, facility, or organizational unit who are not eligible or selected for the program; and

"(I) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the employer agrees to reimburse the employee for 80 percent of the fees and costs for services provided by the employee's attorney in connection with the waiver request up to an amount equivalent to a maximum for any individual employee of 10 hours at the attorney's usual hourly rate, and the employer so informs the individual as part of the advice required under subparagraph (E).

"(2) A waiver in settlement of a charge filed with the Equal Employment Opportunity Commission, or an action filed in court by the individual or the individual's representative, alleging age discrimination of a kind prohibited under section 4 or 15 may not be considered knowing any voluntary unless at a minimum—

"(A) subparagraphs (A) through (E) of paragraph (1) have been met; and

"(B) the individual is given a reasonable period of time within which to consider the settlement agreement.

"(3) In any dispute that may arise over whether any of the requirements, conditions, and circumstances set forth in paragraph (1) or (2) have been met, the party asserting the validity of a waiver shall have the burden of proving in a court of competent jurisdiction that a waiver was knowing and voluntary pursuant to paragraph (1) or (2).

"(4) No waiver agreement may affect the Commission's rights and responsibilities to enforce this Act. No waiver may be used to justify interfering with the protected right of an employee to file a charge or participate in an investigation or proceeding conducted by the Commission.".

SEC. 202. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, the amendment made by section 201 shall become effective on the date of enactment of this Act.

(b) CONSIDERATION AND REVOCATION OF AGREEMENTS; EMPLOYMENT TERMINATION

PROGRAMS.—Subparagraphs (F) through (I) of section 7(f)(1), and all of section 7(f)(2), of the Age Discrimination and Employment Act of 1976 (as added by section 201 of this Act) shall apply only to waivers first offered or executed more than 60 days after the date of enactment of this Act.

(c) RULE ON WAIVERS.—Effective on the date of enactment of this Act, the rule on waivers issued by the Equal Employment Opportunity Commission and contained in section 1627.16(c) of title 29, Code of Federal Regulations, shall have no force and effect.

TITLE III—SEVERABILITY

SEC. 301. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

Mr. METZENBAUM. Mr. President, on behalf of the Committee on Labor and Human Resources, and with the consent of the chairman, I send to the desk a modification of the committee substitute.

I advise the Chair and my colleagues that the majority of the members of the Committee on Labor and Human Resources have authorized me to present and make this modification.

The PRESIDING OFFICER. The Senator has the right to modify the committee amendment, and the amendment is therefore so modified.

The committee amendment, as modified, is as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Workers Benefit Protection Act".

TITLE I—OLDER WORKERS BENEFIT PROTECTION

SEC. 101. FINDING.

The Congress finds that, as a result of the decision of the Supreme Court in *Public Employees Retirement System of Ohio v. Betts*, 109 S.Ct. 256 (1989), legislative action is necessary to restore the original congressional intent in passing and amending the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), which was to prohibit discrimination against older workers in all employee benefits except when age-based reductions in employee benefit plans are justified by significant cost considerations.

SEC. 102. DEFINITION.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsection:

"(l) The term 'compensation, terms, conditions, or privileges of employment' encompasses all employee benefits, including such benefits provided pursuant to a bona fide employee benefit plan.".

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) by striking subsection (f) and inserting the following new subsection:

"(f) It shall not be unlawful for an employer, employment agency, or labor organization to take any action otherwise prohibited under subsection (a), (b), (c), or (e)—

"(1) where age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business, or where the differentiation is based on reasonable factors other than age, or where such practices involve an employee in a workplace in a foreign country, and compliance with such subsections would cause such employer, or a corporation controlled by such employer, to violate the laws of the country in which such workplace is located;

"(2)(A) to observe the terms of a bona fide seniority system that is not intended to evade the purposes of this Act, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of such individual; or

"(B) to observe the terms of a bona fide employee benefit plan—

"(i) where, for each benefit or benefit package, the actual amount of payment made or cost incurred on behalf of an older individual is no less than that made or incurred on behalf of a younger individual, as permissible under section 1625.10, title 29, Code of Federal Regulations (as in effect on June 22, 1989); or

"(ii) that is a voluntary early retirement incentive plan consistent with the purposes of this Act,

except that no such employee benefit plan or voluntary early retirement incentive plan shall excuse the failure to hire any individual, and no such employee benefit plan shall require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of such individual; and

"(3) to discharge or otherwise discipline an individual for good cause.

An employer, employment agency, or labor organization acting under paragraphs (1) or (2) shall have the burden of proving that such actions are lawful in any civil enforcement proceeding brought under this Act.";

(2) by redesignating the second subsection (i) as subsection (j); and

(3) by adding at the end the following new subsections:

"(k) A seniority system or employee benefit plan shall comply with this Act regardless of the date of adoption of such system or plan.

"(l) Notwithstanding clause (i) or (ii) of subsection (f)(2)(B)—

"(1) It shall not be a violation of subsection (a), (b), (c), or (e) solely because—

"(A) an employee pension benefit plan (as defined in section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2)) provides for the attainment of a minimum age as a condition of eligibility for normal or early retirement benefits; or

"(B) a defined benefit plan (as defined in section 3(35) of such Act) provides for—

"(i) payments that constitute the subsidized portion of an early retirement benefit; or

"(ii) social security supplements for plan participants that commence before the age and terminate at the age (specified by the plan) when participants are eligible to receive reduced or unreduced old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), and that do not exceed such old-age insurance benefits.

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an individual eligible for an immediate pension; and

"(ii) in any case in which retiree health benefits as described in clause (i) are provided, the value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and that make the individual eligible for not less than an immediate and unreduced pension,

are deducted from severance pay made available as a result of the contingent event unrelated to age.

"(B) For an individual who receives immediate pension benefits that are actuarially reduced under subparagraph (A)(i), the amount of the deduction available pursuant to subparagraph (A)(i) shall be reduced by the same percentage as the reduction in the pension benefits.

"(C) For purposes of this paragraph, severance pay shall include that portion of supplemental unemployment compensation benefits (as described in section 501(c)(17) of the Internal Revenue Code of 1986) that—

"(i) constitutes additional benefits of up to 52 weeks;

"(ii) has the primary purpose and effect of continuing benefits until an individual becomes eligible for an immediate and unreduced pension; and

"(iii) is discontinued once the individual becomes eligible for an immediate and unreduced pension.

"(D) For purposes of this paragraph, the term 'retiree health benefits' means benefits provided pursuant to a group health plan covering retirees, for which (determined as of the contingent event unrelated to age)—

"(i) the package of benefits provided by the employer for the retirees who are below age 65 is at least comparable to benefits provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(ii) the package of benefits provided by the employer for the retirees who are age 65 and above is at least comparable to that offered under a plan that provides a benefit package with one-fourth the value of benefits provided under title XVIII of such Act.

"(E)(i) If the obligation of the employer to provide retiree health benefits is of limited duration, the value for each individual shall be calculated at a rate of $3,000 per year for benefit years before age 65, and $750 per year for benefit years beginning at age 65 and above.

"(ii) If the obligation of the employer to provide retiree health benefits is of unlimited duration, the value for each individual shall be calculated at a rate of $48,000 for individuals below age 65, and $24,000 for individuals age 65 and above.

"(iii) The values described in clauses (i) and (ii) shall be calculated based on the age of the individual as of the date of the contingent event unrelated to age. The values are effective on the date of enactment of this subsection, and shall be adjusted on an annual basis, with respect to a contingent event that occurs subsequent to the first year after the date of enactment of this subsection, based on the medical component of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"(iv) If an individual is required to pay a premium for retiree health benefits, the value calculated pursuant to this subparagraph shall be reduced by whatever percent-

age of the overall premium the individual is required to pay.

"(F) If an employer that has implemented a deduction pursuant to subparagraph (A) fails to fulfill the obligation described in subparagraph (E), any aggrieved individual may bring an action for specific performance of the obligation described in subparagraph (E). The relief shall be in addition to any other remedies provided under Federal or State law.

"(3) It shall not be a violation of subsection (a), (b), (c), or (e) solely because an employer provides a bona fide employee benefit plan or plans under which long-term disability benefits received by an individual are reduced by any pension benefits paid to the individual that the individual voluntarily elects to receive.".

SEC. 104. RULES AND REGULATIONS.

Notwithstanding section 9 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 628), the Equal Employment Opportunity Commission may issue such rules and regulations as the Commission may consider necessary or appropriate for carrying out this title, and the amendments made by this title, only after consultation with the Secretary of the Treasury and the Secretary of Labor.

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this title and the amendments made by this title shall apply only to—

(1) any employee benefit established or modified on or after the date of enactment of this Act; and

(2) other conduct occurring more than 60 days after the date of enactment of this Act.

(b) COLLECTIVELY BARGAINED AGREEMENTS.—With respect to any employee benefits provided in accordance with a collective bargaining agreement—

(1) that is in effect as of the date of enactment of this Act;

(2) that terminates after such date of enactment;

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)); and

(4) that contains any provision that would be superseded (in whole or part) by this title and the amendments made by this title, but for the operation of this section,

this title and the amendments made by this title shall not apply until the termination of such collective bargaining agreement or June 1, 1992, whichever occurs first.

(c) STATES AND POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 23, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law,

this title and the amendments made by this title shall not apply until the date that is 2 years after the date of enactment of this Act.

(2) ELECTION OF DISABILITY COVERAGE FOR EMPLOYEES HIRED PRIOR TO EFFECTIVE DATE.—

(A) IN GENERAL.—An employer that maintains a plan described in paragraph (1)(B) may, with regard to disability benefits provided pursuant to such a plan—

(i) following reasonable notice to all employees, establish new disability benefits that satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title); and

(ii) then offer to each employee covered by a plan described in paragraph (1)(B) the option to elect such new disability benefits in lieu of the existing disability benefits, if—

(I) the offer is made and reasonable notice provided no later than the date that is 2 years after the date of enactment of this Act; and

(II) the employee is given up to 180 days after the offer in which to make the election.

(B) PREVIOUS DISABILITY BENEFITS.—If the employee does not elect to be covered by the new disability benefits, the employer may continue to cover the employee under the previous disability benefits even though such previous benefits do not otherwise satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title).

(C) ABROGATION OF RIGHT TO RECEIVE BENEFITS.—An election of coverage under the new disability benefits shall abrogate any right the electing employee may have had to receive existing disability benefits. The employee shall maintain any years of service accumulated for purposes of determining eligibility for the new benefits.

(3) STATE ASSISTANCE.—The Equal Employment Opportunity Commission, the Secretary of Labor, and the Secretary of the Treasury shall, on request, provide to States assistance in identifying and securing independent technical advice to assist in complying with this subsection.

(4) DEFINITIONS.—For purposes of this subsection:

(A) EMPLOYER AND STATE.—The terms "employer" and "State" shall have the respective meanings provided such terms under subsections (b) and (i) of section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630).

(B) DISABILITY BENEFITS.—The term 'disability benefits' means any program for employees of a State or political subdivision of a State that provides long-term disability benefits, whether on an insured basis in a separate employee benefit plan or as part of an employee pension benefit plan.

(C) REASONABLE NOTICE.—The term "reasonable notice" means, with respect to notice of new disability benefits described in paragraph (2)(A) that is given to each employee, notice that—

(i) is sufficiently accurate and comprehensive to appraise the employee of the terms and conditions of the disability benefits, including whether the employee is immediately eligible for such benefits; and

(ii) is written in a manner calculated to be understood by the average employee eligible to participate.

(d) DISCRIMINATION IN EMPLOYEE PENSION BENEFIT PLANS.—Nothing in this title, or the amendments made by this title, shall be construed as limiting the prohibitions against discrimination that are set forth in section 4(j) of the Age Discrimination and Employment Act of 1967 (as redesignated by section 103(2) of this Act).

TITLE II—WAIVER OF RIGHTS OR CLAIMS

SEC. 201. WAIVER OF RIGHTS OR CLAIMS.

Section 7 of the Age Discrimination and Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following new subsection:

"(f)(1) An individual may not waive any right or claim under this Act unless the waiver is knowing and voluntary. Except as provided in paragraph (2), a waiver may not be considered knowing and voluntary unless at a minimum—

"(A) the waiver is part of an agreement between the individual and the employer that is written in a manner calculated to be understood by such individual, or by the average individual eligible to participate;

"(B) the waiver specifically refers to rights or claims arising under this Act;

"(C) the individual does not waive rights or claims that may arise after the date the waiver is executed;

"(D) the individual waives rights or claims only in exchange for consideration in addition to anything of value to which the individual already is entitled;

"(E) the individual is advised in writing to consult with an attorney prior to executing the agreement;

"(F)(i) the individual is given a period of at least 21 days within which to consider the agreement; or

"(ii) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the individual is given a period of at least 45 days within which to consider the agreement;

"(G) the agreement provides that for a period of at least 7 days following the execution of such agreement, the individual may revoke the agreement, and the agreement shall not become effective or enforceable until the revocation period has expired;

"(H) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the employer (at the commencement of the period specified in subparagraph (F)) informs the individual in writing in a manner calculated to be understood by the average individual eligible to participate, as to—

"(i) any class, unit, or group of individuals covered by such program, any eligibility factors for such program, and any time limits applicable to such program; and

"(ii) the job titles and ages of all individuals eligible or selected for the program, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the program.

"(2) A waiver in settlement of a charge filed with the Equal Employment Opportunity Commission, or an action filed in court by the individual or the individual's representative, alleging age discrimination of a kind prohibited under section 4 or 15 may not be considered knowing and voluntary unless at a minimum—

"(A) subparagraphs (A) through (E) of paragraph (1) have been met; and

"(B) the individual is given a reasonable period of time within which to consider the settlement agreement.

"(3) In any dispute that may arise over whether any of the requirements, conditions, and circumstances set forth in paragraph (1) or (2) have been met, the party asserting the validity of a waiver shall have the burden of proving in a court of competent jurisdiction that a waiver was knowing and voluntary pursuant to paragraph (1) or (2).

"(4) No waiver agreement may affect the Commission's rights and responsibilities to enforce this Act. No waiver may be used to justify interfering with the protected right of an employee to file a charge or partici-

pate in an investigation or proceeding conducted by the Commission.".

SEC. 202. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 201 shall not apply with respect to waivers that occur before the date of enactment of this Act.

(b) RULE ON WAIVERS.—Effective on the date of enactment of this Act, the rule on waivers issued by the Equal Employment Opportunity Commission and contained in section 1627.16(c) of title 29, Code of Federal Regulations, shall have no force and effect.

TITLE III—SEVERABILITY

SEC. 301. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

Mr. METZENBAUM. Mr. President, am I correct in stating that the committee reported substitute, as modified, is now pending before the Senate and considered original text for the purposes of further amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. METZENBAUM. I want to advise my colleagues that the modification we have made is amendment No. 2666, which appeared in the CONGRESSIONAL RECORD last Friday at page S13217.

Mr. President, I am proud to be an original cosponsor and strong supporter, along with Senators PRYOR, HEINZ, and JEFFORDS, of S. 1511, the Older Workers Benefit Protection Act. We are joined by more than 40 other Senators as sponsors, and more Senators whom I know are supportive of this critical legislation.

I want to commend Senator PRYOR for his leadership on this bill, and his commitment to protect millions of older Americans against the scourge of employment discrimination. The Age Discrimination in Employment Act [ADEA] is this Nation's fundamental law safeguarding the civil rights of older Americans in the workplace. The notion that the ADEA permits employers to discriminate intentionally against older workers by denying them basic employee benefits solely on the basis of their age seems preposterous. But in June of last year, in the now-infamous case called Public Employees Retirement System of Ohio versus Betts, the Supreme Court interpreted the ADEA to permit precisely this type of arbitrary age discrimination.

The Betts decision was profoundly wrong. The Supreme Court callously disregarded the wishes of Congress, and recklessly turned its back on the regulations enforced by six Presidential administrations over the past 20 years. The Court's decision also runs counter to the judgment of virtually every lower court that has considered the issue. Moreover, the Court flatly rejected the position taken by the Bush administration's own Justice Department.

We should have no illusions here. The discrimination we are talking about is direct, deliberate, and devastating. June Betts was a speech pathologist in Hamilton County, OH. At age 61, she became disabled with Alzheimer's disease, but she was denied disability retirement solely because she was above the age of 60. June Betts entered the work force at an advanced age, as do millions of women who raise families before taking on additional career responsibilities. Because she was not a long-term employee, her retirement benefits based on age and service were only $158.50 a month. Had she received a disability pension, as every worker who became disabled at age 60 or below received, she would have had an additional $200 per month. She is now destitute in a nursing home, about to go on Medicaid.

What happened to June Betts was a tragedy and a disgrace. A woman who worked as hard as she could for as long as she could has been made a second-class citizen solely because of her age.

But what happened to June Betts is not unique. Take the case of Harry Sousa, a rubberworker from Rhode Island, who spoke eloquently of his plight during the Senate hearings last fall. Mr. Sousa lost his job in a plant shutdown. After more than 30 years on the job, he was entitled to almost 2 years severance pay. But Sousa was denied $33,000 in severance solely because his age made him eligible for retirement. How absurd can we be? How absurd can we get?

Every day, older workers, many of whom are the most loyal, most experienced and most dedicated workers on the job, are the victims of inexcusable discrimination simply because of their age. The Older Workers Benefit Protection Act will make clear once and for all that June Betts, Harry Soura, and millions like them may not be treated as second-class citizens.

A summary of the act describes its three main features in some depth. I ask unanimous consent that the summary be included in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. METZENBAUM. Mr. President, I am pleased that the bill as reported from the Labor and Human Resources Committee has the strong support of the American Association of Retired Persons, the Older Women's League, the National Council on Senior Citizens, the Leadership Council of Aging Organizations, and numerous other senior citizen groups. Also expressing support for S. 1511 are the AFL-CIO, the United Autoworkers, the United Steelworkers, AFSCME, the Service Employees, and other labor organizations.

At the same time, Mr. President, I am sad to say that the White House currently opposes this bill. That opposition is of ominously recent vintage.

For the past 8 years, the Reagan administration supported older workers by prosecuting employers who violated the equal benefit equal cost rule. The Bush administration began on the right foot, by arguing on behalf of Mrs. Betts in the Supreme Court last year. The EEOC then worked with Members of Congress to craft a bill that would overturn the Betts decision. The EEOC testified that it would support the bill if we made one change. We made that change, exactly as the administration asked us to. We also made other changes, but every one was a change favoring employers, a concession to employer's stated desire for greater flexibility.

Then in March, the Bush White House—the White House that talks about a kinder, gentler nation—announced that it opposed the bill that was to help the senior citizens of this country. The letter was shocking because it rejected or questioned positions previously taken by the Bush Justice Department and the Bush EEOC. I want to emphasize this fact. Last year, the Bush administration argued on behalf of June Betts in the Supreme Court. The administration argued that the equal cost-equal benefit rule was precisely what Congress intented in the ADEA, and was correct as a matter of public policy. Now, the administration takes a 180-degree turn, and takes a position diametrically opposed to the position they took in the Court.

I ask unanimous consent that the Bush administration's brief to the Supreme Court in the Betts case be printed in its entirely at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. METZENBAUM. Mr. President, there has been no acknowledgment of this blatant about face. As a matter of fact, Mr. President, I am frank to say to you, I do not believe the President of the United States is aware of what has gone on. I cannot believe that this President has done a 100 percent turn around. I believe that some of those who are the men who are domestic policy leaders, and the so-called this and that, are the ones who caused the turn around. My guess is the President does not know about it, and at some point they will come a long and say you have to veto the bill. I cannot believe that the President himself has made this turn about with respect to the senior citizens of this country.

I cannot recall a situation in which an administration has walked away from its own position in the Supreme Court and then repudiated its own testimony before the House and the Senate.

This happened within the space of a few months. Now they want to pretend that there has been no change. I want the American people to know; I want millions of older workers of this country to know. This is the administration that has really been talking about making things better, making things gentler, kinder, for the people of this country. And now I cannot believe, and am not willing to believe, that this same administration wants to abandon the senior citizens of this country. Ronald Reagan was not known as a stalward protector of civil rights for the downtrodden or disadvantaged, but this White House wants to take away civil rights that even the Reagan White House fought to protect.

What has happened is clear. A few corporate lobbyists, well-heeled, well-paid lobbyists, have bent the ear of the White House staff; they have urged that American business be given the freedom to discriminate in the name of "employer flexibility." I do not believe that those lobbyists speak for the great body of American employers in this country. I do not believe that they speak for more than a handful, but they have the ear of some of the policymakers in the White House.

As a consequence, this administration seems ready to abandon civil rights, to jettison equal treatment, to sanction blatant discrimination. Somehow, because it is only age discrimination, because it involves difficult pension issues, because it is complex, these White House bureaucrats are saying no to employee benefit protection.

Make no mistake, there are complex aspects to this legislation; I recognize that. There were complex aspects to the ADEA when we first enacted the law. There were complex aspects to the recently enacted plant closing law, and to the 1990 Civil Rights Act, which we will enact in the near future. But complexity is no excuse for discrimination. Complexity should not justify inaction. Complexity must not become a cloak for hyprocrisy.

I cannot believe there is this kind of insensitivity in the Bush administration. Carolyn Betts could not believe it either. She wrote to President Bush on May 9, pleading for support on her mother's behalf. These are her words:

> Please once again support this bill, for the same reasons you supported it before: older workers, like June Betts, deserve to be treated fairly and honestly in all aspects of their employment and deserve the benefits they have earned.

I ask unanimous consent that the full text of her letter be printed at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. METZENBAUM. Carolyn Betts has received no response, regrettably. She wants to believe that the President of the United States has been given bad advice, that if he just knew what was going on, he would do the right thing and restore the civil rights of millions of older Americans.

Well, I say to you, Mr. President, now is your chance. The American people are watching. Older Americans are watching. Will you agree that workplace protection for millions of older Americans must be restored immediately? We hope so, Mr. President. We certainly hope so.

Mr. HATCH. Mr. President, in addition to my concerns about the substance of this bill and its several substitute amendments, I want to express my consternation over the process that has been employed for its consideration by the Senate.

I do not question the sincerity of my colleagues who are the sponsors of this legislation, Senators PRYOR, METZENBAUM, and HEINZ, who have worked diligently to achieve an appropriate solution in this area. I share their interest in addressing the central issue in the Betts decision.

I agree that we need to ensure that older workers are protected against arbitrary age discrimination in employee benefits. I agree with that. Senator KASSEBAUM and I have proposed legislation which closes this gap in current law. Our bill, S. 2831, would correct the Supreme Court's decision in Betts, and it would do it appropriately.

Let me make it clear to all of my colleagues at the outset that I want to have a bill.

What I am unwilling to accept, however, is a bill that discourages and disrupts bona fide employee benefit arrangements that Congress ought to be encouraging. We ought to be protecting these benefits for the sake of all workers in this country, including our older workers.

Nor am I willing to support a bill that costs State and local governments tens of millions of dollars, and some estimate as high as better than one-half billion dollars, at a time when we are all suffering from budget problems, just to have more rules and regulation from the Federal Government.

But the proponents of S. 1511 are today asking that the Senate proceed on a bill which, at least to my knowledge, the vast majority of Senators have barely had enough time to read, let alone analyze. My staff received the latest version—at least I think it is the latest—Friday afternoon at about 4 p.m.

In just the past week, we have been provided with three versions of a substitute amendment. Before last week, of course, there had been two substantially different versions of the bill.

What is before us today, unless I have lost count, is version five of S. 1511. Thus, we are being asked to accept that, having gotten it wrong on tries one, two, three, and four, the proponents finally got it right in version five. Unfortunately, that just is not the case.

I, for one, cannot blindly accept, without any time for comment and analysis by affected parties, that they have adequately corrected the flaws we have identified in the previous incarnations of this bill.

I know that the proponents will accuse me of trying to delay action on the bill first introduced 13 months ago.

Senator METZENBAUM has already criticized me in a CONGRESSIONAL RECORD statement for my unwillingness to "take risks" in the effort that he and I had undertaken to try to resolve this issue. Well, I plead guilty as charged.

As much as I would like to achieve a satisfactory resolution of this issue, Senator METZENBAUM is correct. I am reluctant to take risks with people's future. I am reluctant to take risks with senior citizens and with those who I think will be hurt by this bill. I am reluctant to take risks with all the employees who probably will be hurt by the way this present substitute is written, even though there have been some changes.

I am unwilling to risk the viability of employee disability benefits. I am unwilling to risk employee severance or early retirement payments.

I am unwilling to risk the principle of collective bargaining or the integrity of collective bargaining of benefit plans. I am unwilling to jeopardize the early retirement incentive plans that are attractive to many older working Americans and to the businesses that offer them.

I am unwilling to impose tens of millions, if not hundreds of millions, of dollars worth of compliance costs on State and local governments, whose only recourse will be to raise taxes and cut benefits. That is what it comes down to. If this bill is passed, they are going to have to raise taxes or cut benefits, because we want to change the law that will not be beneficial to begin with.

The stakes here are too high, and we need more debate on this bill, not less. This is an extraordinarily complex and technical issue. We all have an obligation to try to understand the details and the consequence of what we are doing here. This is an important set of issues. I do not think it is unreasonable to want sufficient time to review

and consider revised versions of the bill.

EXHIBIT 1

SUMMARY OF S. 1511—THREE MAIN FEATURES

There are three main aspects to this legislation. *First*, the bill restores the bipartisan pre-*Betts* understanding of the employee benefit provisions of the ADEA. It does so by reaffirming the "equal benefit or equal cost" principle, a principle that reflects common sense as well as Congressional intent. An employer must provide older workers with benefits at least equal to those provided for younger workers, unless the employer can prove that the cost of providing an equal benefit is greater for an older worker than for a younger one. Because age-related cost differences do exist for some benefits (such as life insurance or disability), employers who demonstrate such a cost differential may comply with the ADEA by expending equal amounts for the benefit per employee. This "equal benefit or equal cost" rule is fair to employees because it encourages employers to provide equal benefits for older workers. It also is fair to employers because it gives them the flexibility to provide unequal benefits if they have sufficient age-based cost justifications.

As part of restoring the bipartisan pre-*Betts* understanding of the ADEA, the bill makes clear that all benefit plans are covered by the Act, including plans that were established prior to the passage of the ADEA in 1967. We do not approve of racially discriminatory practices implemented prior to the 1964 Civil Rights Act; similarly, there is no reason to sanction age discrimination simply because it has been around for decades.

The second major theme of this bill is the flexibility given to employer practices in the area of early retirement. At the request of the Bush Administration, we have clarified that early retirement incentive practices that are truly voluntary and that are consistent with the purposes of the ADEA are lawful regardless of whether they satisfy the "equal benefit or equal cost" principle. This clarification adopts verbatim language recommended by the Bush Administration in its letter to the House this past March.

In addition, at the request of unions and employers, we have added "safe harbor" provisions protecting certain broadly used retirement practices. These practices are (1) the use of pension supplements known as "Social Security bridge payments"; and (2) the use of subsidized early retirement benefits. Moreover, we have allowed employers that offer retiree health benefits to offset severance payments by the value of the retiree health benefits. These various safe harbor provisions give employers additional flexibility in benefits planning, including some options that were not available to them under pre-Betts law.

The third and final major theme of the legislation is to assure that older workers will not be coerced or manipulated into waiving their rights as a condition of participating in an exit incentive or other group termination program. The assurance is provided through certain requirements that must be met before older workers lawfully may waive their rights under the ADEA. The most important requirements are that older workers have adequate information about the exit incentive program and that they have the option to seek legal advice as to whether they should waive their rights.

EXHIBIT 2

[In the Supreme Court of the United States, October Term, 1988—No. 88-389]

PUBLIC EMPLOYEES RETIREMENT SYSTEM OHIO, APPELLANT *v.* JUNE M. BETTS

On Appeal From the United States Court of Appeals for the Sixth Circuit

Brief for the Equal Employment Opportunity Commission as Amicus Curiae Supporting Appellee

INTEREST OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

The Age Discrimination in Employment Act (ADEA), 29 U.S.C. 621 et seq., generally proscribes discrimination against employees age 40 and older. This case involves the meaning of Section 4(f)(2) of the Act, 29 U.S.C. 623(f)(2), which authorizes employers to observe the terms of employee benefits plans in certain circumstances even though older employees are disadvantaged as a result. The Equal Employment Opportunity Commission (EEOC) enforces the ADEA (29 U.S.C. 626) and has issued regulations concerning the meaning of the exception at issue (29 C.F.R. 1625.10). Accordingly, the EEOC has a substantial interest in the resolution of the question presented.[1]

STATEMENT

Appellee June Betts was hired by the Hamilton County, Ohio, Board of Mental Retardation and Developmental Disabilities in 1978 at age 55. In 1985, when she was 61, Bett's employer determined that she could no longer perform her job for medical reasons and informed her that she could either retire or be placed on medical leave with no pay and no medical benefits. J.S. App. A23. Had she been under 60, she would have had a third option: disability retirement. That option was foreclosed to her, however, because of a provision in Ohio's pension law preventing persons over 60 from receiving disability pensions and allowing them to receive only regular age retirement pensions. Betts chose to retire and is currently receiving retirements benefits of $158.50 per month (*id.*)[2]

The district court concluded that appellant, the Public Employees Retirement System of Ohio (PERS), had impermissibly discriminated against Betts because of her age. Section 4(a)(1) of the Age Discrimination in Employment Act (ADEA), 29 U.S.C. 623(a)(1), provides that "[i]t shall be unlawful for an employer to * * * discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment, because of such individual's age." The Ohio employee benefit plan, the court stated, is contrary to Section 4(a)(1) because "[o]n its face and in its effect, the disability retirement plan denies benefits to certain employees because they are sixty years of age or older." J.S. App. A23.

The district court rejected PERS' claim that its age-based denial of disability benefits was protected under Section 4(f)(2) of the ADEA, 29 U.S.C. 623(f)(2), which provides that "[i]t shall not be unlawful for an employer * * * to observe the terms of * * * any bona fide employer benefit plan such as a retirement, pension, or insurance plan, which is not a subterfuge to evade the purposes of" the Act. The court agreed with the EEOC's interpretative regulation, which construes this provision to " 'permit age-based reductions in employee benefit plans where such reductions are justified by significant cost considerations.' " J.S. App. A28, quoting 29 C.F.R. 860.120(a)(1) (1969) (curently designated 29 C.F.R. 1625.10(a)(1)). Here, the court concluded, the discrimination "is not justified by signficant cost considerations and therefore, it is not the type of plan contemplated by the exception." J.S. App. A29.[3]

A divided court of appeals affirmed. J.S. App. A2-A19. It agreed with the Seventh Circuit that " 'where, as in the present case, the employer uses age—not cost, or years of service, or salary—as the basis for varying retirement benefits, he had better be able to prove a close correlation between age and cost if he wants to shelter in the safe harbor of' " Section 4(f)(2). J.S. App. A5, quoting *Karlen* v. *City Colleges of Chicago*, 837 F. 2d 314, 319 (7th Cir.), cert. denied, No. 87-1831 (June 6, 1988). Here, the court concluded, "[d]espite having every opportunity, the defendants declined to introduce any cost figures or other economic justification for the different treatment of employees over sixty." J.S. App. A6.

SUMMARY OF ARGUMENT

PERS discriminated against Betts on account of her age, as she would receive more than double the amount of the benefits she currently receives if she had become disabled before, rather than after, turning 60. It is undisputed that, in the absence of Section 4(f)(2), PERS would be liable under Section 4(a)(1) of the ADEA.

From the time of the enactment of the ADEA to the present, the two federal agencies that have administered the Act have consistently interpreted Section 4(f)(2) as requiring some sort of cost justification in order to permit an employer to avoid a charge of discrimination. 29 C.F.R. 860.120(b) (1969) (34 Fed. Reg. 9709 (1969)) (Department of Labor regulation); 29 C.F.R 1625.10(a)(1) (current EEOC regulation). That construction is fully consistent with the language of the provision. In enacting Section 49(f)(2), Congress meant to shield employee benefit plans that disadvantage older employees only where employers present reasonable economic justifications for doing so. This conclusion draws support from Congress' use of the phrase "such as a retirement, pension, or insurance plan." The thread common to those sorts of plans is that they entail costs that typically increase as employees age. *EEOC* v. *Westinghouse Electric Corp.*, 725 F.2d 211 (3d Cir.), cert, denied, 469 U.S. 820 (1984); *EEOC* v. *Borden's, Inc.*, 724 F.2d 1390 (9th Cir. 1984). Alternatively, the cost-justification rule can be derived from the requirement that a plan

[1] This case does not affect the Federal Government as an employer, because under 29 U.S.C. 630(b) it is not an "employer" for purposes of the statutory provision at issue. A separate self-contained section of the ADEA, 29 U.S.C. 633a, governs federal agencies *Lehman* v. *Makshian*, 453 U.S. 156, 168 (1980).

[2] The difference between ordinary retirement benefits and disability retirement benefits in Bett's case comes about because of a provision added to Ohio Rev. Code Ann. § 145.36 (Anderson 1982 & Supp. 1987) in 1976, which states that "[i]n no case shall a disability retirement benefit be less than thirty per cent * * * of [an employee's] final average salary."

[3] The district court also concluded that because Betts was disqualified from obtaining disability benefits she had been forced to retire involuntarily. The court therefore held that PERS had violated Section 4(f)(2)'s proscription against "requir[ing] or permitt[ing] the involuntary retirement of any individual * * * because of the age of such individual." J.S. App. A30-A32. The court of appeals did not address that conclusion.

not serve a "a subterfuge to evade the purposes of" the Act. One purpose of the ADEA is to abolish arbitary discrimination against older employees, i.e., discrimination that has no foundation in legitimate cost differences between older and younger employees. *EEOC* v. *City of Mt. Lebanon*, 842 F.2d 1480 (3d Cir. 1988), *Cipriano* v. *Board of Education*, 785 F.2d 51 (2d Cir. 1986).

The legislative history also supports the conclusion that employers must provide an economic justification before they may discriminate against older employees in the provision of an employee benefit. Senator Javits, who introduced the amendment that became Section 4(f)(2), explained at the time he introduced it that it was intended to allow employers to provide different benefits to older employees "because of the often extremely high cost of providing certain types of benefits to older workers." 113 Cong. Rec. 31,254-31,255 (1967), reprinted in U.S. Equal Employment Opportunity Commission, Legislative History of the Age Discrimination in Employment Act 145-146 (1981). Since the exception was intended to authorize employers to grant lesser benefits to older employees where benefits are more costly to provide to those employees, it is sensible to require employers to provide a cost justification for their discrimination in order to invoke Section 4(f)(2).

The courts below correctly concluded that PERS is not shielded by Section 4(f)(2) because it has offered no economic justification whatever to explain why persons who become disabled before age 60 are entitled to greater benefits than employees who become disabled after turning 60. PERS argues that it need not offer any justification for its discriminatory treatment because Congress intended to allow employers to discriminate in the provision of employee benefits as long as the discrimination is not a cover for forcing older employees to retire. But neither the language of the statute nor its legislative history provides support for the contention that Congress intended to grant employers the right to discriminate arbitrarily in the provision of employee benefits except in that limited circumstance. Finally, there is no merit to PERS' suggestion that its plan is protected because it was established prior to the enactment of the ADEA, since the discriminatory provision at issue was added in 1976, after the ADEA took effect.

ARGUMENT

OHIO'S PUBLIC EMPLOYEES RETIREMENT SYSTEM VIOLATED THE AGE DISCRIMINATION IN EMPLOYMENT ACT BY DISQUALIFYING BETTS FROM RECEIVING DISABILITY BENEFITS SOLELY ON ACCOUNT OF HER AGE SINCE IT PROVED NO ECONOMIC JUSTIFICATION FOR ITS DISCRIMINATORY TREATMENT

A. The Public Employees Retirement System Discriminated Against Betts By Denying Her Disability Benefits

The Ohio statute at issue, Ohio Rev. Code Ann. § 145.35 (Anderson 1982 & Supp. 1987), is discriminatory on its face, as it provides that only employees who have "not attained age sixty" may apply for disability benefits. The statute thus conflicts with Section 4(a)(1) of the ADEA, 29 U.S.C. 623(a)(1), which makes it unlawful for employers to "discriminate against any individual with respect to his compensation, terms, conditions, or privileges of employment, because of the individual's age." There is no question that the application of Section 145.35 had a discriminatory effect here, since the monthly retirement benefit that Betts initially received was less than half of the amount of the disability benefit that she would have received if she had not been barred from applying for those benefits. Indeed, under the Ohio Public Employees Retirement System a recipient of disability benefits does not cease to receive those benefits after reaching age 60; consequently, if Betts had become eligible to obtain disability benefits at age 59, she would continue to receive at least 30 percent of her salary after she turned 60 rather than the lesser retirement benefit that she receives instead. In short, an employee disabled before age 60 is treated significantly differently than an employee disabled after age 60 even if the younger and older employees have identical years of service, identical disabilities, and identical salaries. Thus, this case involves disparate treatment of an employee on account of her age.

B. The EEOC's Regulations Properly Interpret Section 4(f)(2) To Shelter Provisions In Employee Benefit Plans Reducing The Amount Of Benefits Paid To Older Employees Only Where Economic Considerations Justify Such Treatment

The dispositive question is whether the disparate treatment afforded Betts under Ohio law is protected under Section 4(f)(2), which authorizes an employer to observe the terms of "any bona fide employee benefit plan such as a retirement, pension, or insurance plan, which is not a subterfuge to evade the purposes of" the Act. The federal agencies charged with enforcement of the ADEA have long construed this provision to permit age-based differentials in employees benefits only where such differences are justified by significant cost considerations. That construction is consistent with both the language of Section 4(2)(f) and its purposes, as revealed by the legislative history. The lower courts therefore correctly ruled that PERS may not rely on Section 4(f)(2) unless it can demonstrate a significant cost justification for its refusal to extend disability retirement benefits to persons over age 60.

1. Shortly after the enactment of the ADEA in 1967, the Department of Labor, which originally administered the Act, issued an interpretation of Section 4(f)(2). That interpretation allowed employers to discriminate against older employees in the provision of employee benefits where the cost of such benefits was more expensive for older employees. It stated: "[A]n employer may provide lesser amounts of insurance coverage under a group insurance plan to older workers than he does younger workers, where the plan is not a subterfuge to evade the purposes of the Act. A retirement, pension, or insurance plan will be considered in compliance with the statute where the actual amount of payment made, or cost incurred, in behalf of an older worker is equal to that made or incurred in behalf of a younger worker, even though the older worker may thereby receive a lesser amount of pension or retirement benefits or insurance coverage." 29 C.F.R. 860.120(a) (1969); 34 Fed. Reg. 9709 (1969). Thus, as the Department understood Section 4(f)(2) shortly after its enactment, it permitted, for example, employers to contribute $100 annually towards the purchase of term life insurance for all employees, even though $100 would buy twice as much coverage for a 35-year-old employee as it would for a 55-year-old employee.

The Department also understood that Section 4(f)(2) did not authorize discrimination against older employees with respect to benefits that were not more costly to provide older employees. Noting that "[n]ot all employee benefit plans but only those similar to the kind enumerated in section 4(f)(2) of the Act come within this provision," the Department opined that in the normal case Section 4(f)(2) would not shield discrimination against older employees under the terms of profit-sharing plans. 29 C.F.R. 860.120(b) (1969); 34 Fed. Reg. 9709 (1969). Thus, in the Department's view, by the phrase "employee benefit plan such as a retirement, pension, or insurance plan" in Section 4(f)(2) Congress limited the exception to plans where the cost of providing benefits increases as employees age.

In 1979, the responsibility for enforcing the ADEA was transferred from the Department of Labor to the EEOC. Reorg. Plan No. 1 of 1978, 3 C.F.R. 321 (1978). The EEOC adopted the Department of Labor's interpretation of Section 4(f)(2). The current EEOC regulations state that "its purpose is to permit age-based reductions in employee benefit plans where such reductions are justified by significant cost consideration." 29 C.F.R. 1625.10(a)(1). Like the Department of Labor's 1969 regulations, the EEOC's regulations provide that "[a] benefit plan will be considered in compliance with the statute where the actual amount of payment made, or cost incurred, in behalf of an older worker is equal to that made or incurred in behalf of a younger worker, even though the older worker may thereby receive a lesser amount of benefits or insurance coverage" (ibid.).

Thus, the agencies responsible for administering the ADEA have consistently agreed—from the time of its enactment more than twenty years ago to the present—that Section 4(f)(2) is designed primarily to permit cost-justified discrimination against older workers in the provision of employee benefits. This Court has relied on "the consistent interpretation of the administrative agencies charged with enforcing" the ADEA. *Western Air Lines* v. *Criswell*, 472 U.S. 400, 412 (1985); see also *Skidmore* v. *Swift & Co.*, 323 U.S. 134, 139-140 (1944). "[T]he EEOC's cost justification requirement constitutes the type of longstanding and contemporaneous agency interpretation deserving recognition *EEOC* v. *City of Mt. Lebanon*, 842 F.2d 1480 (3d Cir. 1988).

2. The interpretation of Section 4(f)(2) adopted by the federal agencies charged with its enforcement is fully compatible with the statutory language. The cost-justification requirement can be derived either from the phrase "bona fide employee benefit plan such as a retirement, pension, or insurance plan," as some courts have held, or it can be viewed as implicit in the requirement that a plan not be "a subterfuge to evade the purposes of" the Act, as other courts have suggested. Whichever phrase is given primary emphasis, the courts of appeals agree that the cost-justification standard is supported by the statutory language.

When Congress adopted the "safe harbor" provision codified as Section 4(f)(2), it listed as illustrative examples of the type of benefit plans it had in mind retirement, pension, and insurance plans. A common feature of such plans is that they tend to entail costs that rise with the age of the beneficiary. To be sure, the cost of providing benefits to Older employees under retirement, pension, and insurance plans do not always increase as the age of employees increases. But they commonly do. Most obviously, it costs more to obtain term life insurance as employees age. In addition, health insurance may be

more expensive to obtain for older employees. And it might be more expensive to provide the same defined benefit under a retirement or a pension plan to an employee who began work at age 55 than to an employee who began working at a much younger age. See 113 Cong. Rec. 31,255 (1967), reprinted in U.S. Equal Employment Opportunity Commission, Legislative History of the Age Discrimination in Employment Act 146 (1981).

The Third Circuit in *EEOC* v. *Westinghouse Electric Corp.*, 725 F.2d 211, 224, cert. denied, 469 U.S. 820 (1984), agreed that Section 4(f)(2) incorporates an "age-related cost factor," and it grounded that requirement in the phrase "bona fide employee benefit plan such as a retirement, pension, or insurance plan." [4] In *Westinghouse*, the employer had refused to provide layoff benefits to employees age 55 and over because they qualified for retirement benefits (*id.* at 214-215). The court of appeals noted that it was "aware that the words 'such as a retirement, pension or insurance plan' were added in a descriptive sense" to Section 4(f)(2) (*id. at* 224). However, the court stated, "their description contains substance" (*ibid.*) As the court stated, those sorts of plans are "indicative of the types of plans in which Congress intended to allow age discrimination; they are of the type whereby the cost of benefits increases with age," since "[t]he thread common to retirement, insurance and pension plans * * * is the age-related cost factor" (*ibid.*).

Similarly, the Ninth Circuit in *EEOC* v. *Borden's, Inc.*, 724 F.2d 1390, 1396 (1984), concluded that "Borden's severance pay policy is not an 'employee benefit plan such as a retirement, pension, or insurance plan.'" The court explained that Congress "meant to encourage the hiring of older workers by relieving employers of the duty to provide them with equal benefits—where equal benefits would be more costly for older workers" (*ibid.*). Since severance benefits do not vary depending on the age of the worker, the Ninth Circuit, following the Third Circuit's approach in *Westinghouse*, held that the employer's severance pay policy was "a 'simple fringe benefit,' outside the scope of" Section 4(f)(2) (*id.* at 1397).[5]

Other courts of appeals have emphasized Section 4(f)(2)'s requirement that a plan not be "a subterfuge to evade the purposes of" the Act.[6] As in any other disparate treatment case, the question whether an employer's discriminatory treatment of older employees is a subterfuge must focus on whether the employer had a valid reason for its action or whether its stated reason is a pretext for proscribed behavior. Thus, courts must determine whether the employer's motive was nonpretextual. Cf. *Texas Department of Community Affairs* v. *Burdine*, 450 U.S. 248 (1981). In the context of Section 4(f)(2), this means the employer must demonstrate a legitimate business reason for treating older employees less generously than younger employees. As a rule, that will generally require the employer to show that it is more expensive to provide the benefit in question to older employees.

Like this case, *EEOC* v. *City of Mt. Lebanon*, 842 F.2d 1480, 1484 (3d Cir. 1988), involved a plan under which older employees were barred in some circumstances from receiving disability benefits, and had to settle for lesser retirement benefits. The court stated that the question presented was whether the employer "created the plan as a subterfuge to evade the ADEA prohibition of age discrimination" (*id.* at 1488). It concluded that Congress enacted Section 4(f)(2) because it "recognized the greater expense incurred by employers providing benefit programs for older employees," and decided that "employers should be relieved of the obligation of providing older employees with benefits equal to benefits for younger employees when it would be more costly to do so" (id. at 1489). Accordingly, the court held that "[i]n order to 'cost justify' a reduced level of benefits for older employees, and thereby disprove subterfuge, an employer must establish a connection or nexus showing how general cost savings data supports the extent of reductions in its particular plan" (id. at 1492). Similarly, the Second Circuit in *Cipriano* v. *Board of Education*, 785 F.2d 51, 57, 58 (1986), concluded that an incentive plan under which an employer gave bonuses to employees between 55 and 60 if they retired, but did not offer similar bonuses to older employees, was a " 'subterfuge to evade the purposes of the Act' " in the absence of evidence showing a legitimate business reason for discriminating against the older employees.[7]

While the courts of appeals have emphasized different language in the text of Section 4(f)(2), they have generally agreed that where "the employer uses age—not cost, or years of service, or salary—as the basis for varying retirement benefits, he had better be able to prove a close correlation between age and cost if he wants to shelter in the safe harbor of section 4(f)(2)," *Karlen*, F.2d at 319; Pet. App. A5. That conclusion is fully warranted by the language of Section 4(f)(2) which limits its coverage to certain types of employee benefit plans characterized by age-related costs ("a plan such as a retirement, pension, or insurance plan"), and by the language that proscribes plans that undermine the basic antidiscrimination rationale of the Act (a plan tthat is "a subterfuge to evade the purposes of" the Act).[8]

3. If there were any doubt about whether the EEOC's cost-justification standard is consistent with the statutory language, that doubt is resolved by the legislative history. As introduced by Senator Yarborough in 1967, Section 4(f)(2) of the bill that became the Age Discrimination in Employment Act provided only that it would not be unlawful for an employer "to separate involuntarily an employee under a retirement policy or system where such policy or system is not merely a subterfuge to evade the purposes of this Act." S. 830, § 4(f)(2), 90th Cong., 1st Sess., reprinted in U.S. Equal Employment Opportunity Commission, Legislative History of the Age Discrimination in Employment Act [hereinafter Legislative History] 68 (1981). The bill as introduced made no reference to any circumstance that might authorize employers to discriminate against older employees in the provision of benefits. The drafters of the bill, which was termed the administration bill, probably thought such a provision unnecessary because the 1965 report of the Secretary of Labor on the problems of older employees noted that "[r]elatively few employers * * * cited the costs of providing pension and insurance benefits as significant barriers to employment of older persons." Report of the Secretary of Labor to the Congress under Section 715 of the Civil Rights Act of 1964, The Older American Worker: Age Discrimination in Employment 16 (1965), reprinted in Legislative History at 33.

Senator Javits, however, thought that employers were concerned about the cost of providing some types of employee benefits to older persons. He criticized the administration bill for "not provid[ing] any flexibility in the amount of pension benefits payable to older workers depending on their age when hired." Age Discrimination in Employment: Hearings on S. 830 and S. 788 Before the Subcommittee on Labor of the Senate Committee on Labor and Public Welfare [hereinafter Senate Hearings], 90th Cong., 1st Sess. 27 (1967). In his view, "faced with the necessity of paying greatly increased premiums," employers might "look for excuses not to hire older workers" (ibid.)

Senator Smathers, a cosponsor of the administration bill, shared this concern. He

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[4] The Department of Labor similarly emphasized in 1969 that "[n]ot all employee benefit plans but only those similar to the kind enumerated in section 4(f)(2) of the Act come within this provision." It therefore concluded that Section 4(f)(2) would not shield discrimination against older employees in the provision of profit-sharing benefits because the cost of providing those benefits does not increase as employees age. 29 C.F.R. 860.120(b) (1969); 34 Fed. Reg. 9709 (1969).

[5] The discrimination here is not excused because, while denying Betts disability benefits, PERS has provided her with lesser benefits of a type listed in the statute. The employees in *Westinghouse* who were denied layoff benefits were also provided retirement benefits, but the court properly concluded that the fact that the layoff plan "is tied to Westinghouse's Pension Plan does not negate the fact that it is more analogous to a 'fringe benefit' than to the types of employee benefit plans covered under 4(f)(2)." 725 F.2d at 225. Moreover, even if a plan is of the sort enumerated in the statute, that does not mean that any discrimination against older employees under the terms of the plan, no matter how arbitrary, should be excused.

[6] The EEOC's current regulations provide that "a plan or plan provision which prescribes lower benefits for older employees on account of age is not a 'subterfuge' within the meaning of section 4(f)(2), provided that the lower level of benefits is justified by age-related cost considerations." 29 C.F.R. 1625.10(d).

[7] The Second Circuit in *Cipriano* stated that it "would not wish to be understood as endorsing every detail of the regulations." 785 F.2d at 58. However, it held that an employee benefit plan that discriminated against older employees would not be protection by Section 4(f)(2) in the absence of a showing by the employer that it had "a legitimate business reason for structuring the plan as it did" (ibid.). The Second Circuit thus plainly rejected PERS' position, which is that it may discriminate against older employees in the provision of employee benefits as long as it does not try to force them to retire. See App. Br. 26, 48.

[8] At the end of its opinion in *United Air Lines, Inc.* v. *McMann*, 434 U.S. 192, 203 (1977), this Court stated that it found nothing to indicate that Congress intended to require an employer that established a retirement plan long before the enactment of the ADEA "to show an economic or business purpose in order to satisfy the subterfuge language in the Act." Contrary to appellants (Br. 22), we do not think that that statement has binding force following Congress's enactment of the 1978 amendment to Section 4(f)(2) negating the holding in *McMann*. Pub. L. No. 95-256, § 2(a), 92 Stat. 189. In any event, the statement appears to have been tied to the situation presented in that case, where the discriminatory provision had been added to the plan at issue prior to the enactment of the ADEA. Here, in contrast, the discriminatory provision in Ohio law was added in 1976, after the ADEA was enacted and after it was amended to apply to the States. Thus, no pre-ADEA provision is involved here. See pages 25-26, infra. Furthermore, the Court in *McMann* did not focus on the language of Section 4(f)(2) referring to plans "such as a retirement, pension, or insurance plan" or the legislative history showing that Congress plainly intended to require employers to provide an economic justification where lesser benefits are provided to older employees, but instead focused on the question presented in that case. See pages 14-20, infra.

agreed with Senator Javits that "[a]s presently drafted, the bill would probably be interpreted to require that workers hired for the first time between the ages of 45 and 65 be given the same private pension rights and other fringe benefits that workers are given who began with the employer at younger ages, thus ignoring the fact that providing fringe benefits for the former can be expensive." Senate Hearings at 29-30. He therefore suggested an amendment "somewhat along the lines of the following: * * * Nothing in this Act shall be construed to make unlawful the varying of coverage under any pension, retirement, or insurance plan or any plan for providing medical or hospital benefits or benefits for work injuries, where such variance is necessary to prevent the employer's being required to pay more for coverage of an employee than would be required to provide like coverage for his other employees" (id. at 30).

The next day, Senator Javits stated on the floor of the Senate that he would seek to amend the administration bill in a way that incorporated his and Senator Smathers' concerns. The proposed amendment, which was similar to Section 4(f)(2) as ultimately enacted, provided that it would not be unlawful for an employer "to observe a seniority system or any retirement, pension, employee benefit, or insurance plan, which is not merely a subterfuge to evade the purposes of this Act." 113 Cong. Rec. 7077 (1967), reprinted in Legislative History at 72. Senator Javits explained that under his amendment "an employer will not be compelled to afford older workers exactly the same pension, retirement, or insurance benefits as younger workers and thus employers will not, because of the often extremely high cost of providing certain types of benefits to older workers, actually be discouraged from hiring older workers." 113 Cong. Rec. 31,254-31,255 (1967), reprinted in Legislative History at 145-146 (emphasis added). According to its drafter, therefore, a key purpose of Section 4(f)(2) was to allow employers to pay lesser benefits to older employees where it cost more to provide those benefits to older persons. See also 113 Cong. Rec. 34,746 (1967) (employers need not provide "special and costly benefits" to older employees) (remarks of Rep. Daniels), reprinted in Legislative History at 157).

Senator Javits' amended version of Section 4(f)(2) had another effect as well. In a colloquy with Senator Javits, Senator Yarborough asked: "Say an applicant for employment is 55, comes in and seeks employment, and the company has bargained for a plan with its labor union that provides that certain moneys will be put up for a pension plan for anyone who worked for the employer for 20 years so that a 55-year-old employees * * * will not be able to participate in that pension plan because unlike a man hired at 44, he has no chance to earn 20 years retirement." 113 Cong. Rec. 31,255 (1967), reprinted in Legislative History at 146. Senator Javits agreed that his amendment protected an employer in such a situation from a claim that it discriminated against older employees who would not be eligible to participate in the pension plan (ibid.) See also H.R. Rep. 805, 90th Cong., 1st Sess. 4 (the exception permits "employment without necessarily including such [older] workers in employee benefit plans" (1967), reprinted in Legislative History at 78; 113 Cong. Rec. 34,746 (1967) (older employees need not "be included in all employee benefit plans") (remarks of Rep. Daniels), reprinted in Legislative History at 157).[9]

Thus, in addition to allowing employers to decrease the amount of benefits paid to older employees where it costs more to provide those benefits to them, Senator Javits' version of Section 4(f)(2) was intended to allow employers to bar older employees from participating in certain plans altogether when they could not work for the employer long enough to qualify for participation in the plan. The decision to permit employers to enforce waiting periods for the vesting of pension benefits, like the decision to allow them to provide reduced benefits in some circumstances, was based on economic considerations. The amounts employers must pay into certain employee bernefit plans such as defined benefit pension plans,[10] depends on actuarial predictions of the amounts that ultimately will have to be paid in benefits. It would upset the predictions on which contributions has been based, and the actuarial soundness of some plans, if a large number of employees previously thought to be ineligible for pensions suddenly became entitled to benefits.[11]

The concern with costs that animated the original enactment of Section 4(f)(2) was confirmed in 1978, when Congress amended Section 4(f)(2) by adding a clause providing that no employee benefit plan may "require or permit the involuntary retirement of any individual * * * because of the age of such individual." Pub. L. No. 95-256, § 2(a), 92 Stat. 189.[12] The purpose of the amendment was to overturn the result in *United Air Lines, Inc.* v. *McMann*, 434 U.S. 192, 193 (1977), where this Court held that involuntary retirements were permitted by Section 4(f)(2). In so ruling, the Court stated that it had found "nothing to indicate Congress intended wholesale invalidation of retirement plans instituted in good faith before its passage, or intended to require employers to bear the burden of showing a business or economic purpose to justify bona fide preexisting plans." 434 U.S. at 203. In the course of explaining the decision to overturn this result, Senator Javits, asserted that the Court had erred by stating that an economic justification was not required to shield discrimination in the provision of employee benefits: "The meaning of the exception, as I stated in a colloquy with Senator Yarborough on the Senate floor, was that an 'employer will not be compelled under this section to afford to older workers exactly the same pension, retirement, or insurance benefits as he affords to younger workers.' " 124 Cong. Rec. 8218 (1978), reprinted in Legislative History at 539. By that statement, Senator Javits indicated, he had meant that "[w]elfare benefit levels for older workers may be reduced only to the extent necessary to achieve approximate equivalency in contributions for older and younger workers" (ibid.).

4. Finally, the EEOC's interpretation of Section 4(f)(2) not only comports with the language and legislative history of the Act, it also finds support in important policy considerations. The cost-justification standard imports an objective criterion for determining the scope of the Section 4(f)(2) exemption—whether the disparate treatment of older workers can be justified by significant differences in the costs of providing benefits to older workers. The objective nature of the standard should result in more predictable enforcement, which in turn should encourage voluntary compliance and facilitate long-range planning in the development of employee benefit plans. The cost-justification criterion also supplies a general, neutral standard for assessing all types and varieties of employee benefit plans, regardless of the particular label that may be attached to those plans. Finally, and most importantly, the EEOC's standard follows directly from the ADEA's anti-discrimination principle. When it costs the same to provide a particular benefit to an older employee and a younger employee, then there is no relevant difference between the two that would justify disparate treatment. But when it costs significantly more to provide a benefit to an older employee, it cannot fairly be said that the two employees are so similarly situated that it would be unfair to differentiate between them in the provision of benefits. The cost-justification standard therefore advances the most basic purpose

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[9] PERS notes (Br. 37) that Senator Javits believed that the ADEA was not the place to "fight[] the pension battle." See 113 Cong. Rec. 7076 (1967), reprinted in Legislative History at 71. By that remark, Senator Javits was not suggesting that any type of discrimination in the provision of employee benefits should be permissible under the ADEA. Rather, he was aware that some pension plans in existence then had very long periods before benefits vested, such as the 20-year period in the plan hypothesized by Senator Yarborough, and he thought that such requirements should be changed by comprehensive pension legislatiion rather than by an age discrimination statute. A major change made by the Employee Retirement Income Security Act of 1974 (ERISA), of which Senator Javits was a sponsor, was that entitlement to benefits paid by qualified pensions plans must vest partially after five years of service and totally after ten years of service. 29 U.S.C. 1053.

[10] Defined benefit plans are pension plans where retirees receive a fixed amount per month based on factors such as final salary and years of service. They differ from defined contribution plans, under which an employer regulary contributes a percentage of an employee's compensation to an account, and the employee is entitled to the account upon retirement. See 29 U.S.C. 1002(34) & 1002(35).

[11] PERS (Br. 33) and amicus National Public Employers Labor Relations Association (Br. 29) note that Senator Smathers' suggested amendment, which expressly authorized variation in employee benefits where it is more expensive to provide certain benefits to older employees, was not enacted. Contrary to their suggestion, however, that in no way implies that Congress rejected his concerns. Senator Smathers never actually proposed an amendment to the Senate, but instead suggested at a hearing language "somewhat along the lines of the following." *Senate Hearings* at 30. Senator Javits plainly understood his amendment, which borrowed its reference to pension, retirement, and insurance plans from Senator Smathers' suggestion, to accomplish the result Senator Smathers desired, as he stressed that where the "high cost of providing certain types of benefits to older workers" exceeded the cost of providing those benefits to younger employees, employees would "not be compelled to afford older workers *exactly the same* pension, retirement, or insurance benefits." 113 Cong. Rec. 31,225 (1967), *reprinted in Legislative History* at 146 (emphasis added).

Moreover, Senator Javtis could not have adopted Senator Smathers' suggested language exactly because it did not allow employers to bar older employees from participating in employee benefit plans altogether where they could not work for the employer long enough to qualify. Senator Smathers' language authorized "variance" only. In the case of the 55-year-old employee hypothesized by Senator Yarborough in his colloquy with Senator Javits, Senator Smathers' proposed language would have required that the 55-year-old receive a lesser pension if he worked to age 65, whereas the terms of the hypothetical plan bargained by the employer and its union required 20 years of employment for an employee to quality for a pension.

[12] The guidelines that the Department of Labor issued in 1969 provided that involuntary retirement was permitted by Section 4(f)(2). 29 C.F.R. 860.110(a) (1969); 34 Fed. Fed. 9709 (1969).

of the ADEA; ending discrimination against older employees in the workplace.

C. Because Ohio's Public Employees Retirement System Has Offered No Economic Justification For Its Refusal To Pay Disability Benefits To Employees Over Age 59, Its Discrimination Against Older Employees Is Not Shielded By Section 4(f)(2)

PERS has not demonstrated that its disability benefits plan is the sort of plan where costs increase with the age of the participant.[13] Indeed, as the court below stated, "[d]espite having every opportunity, the defendants declined to introduced any cost figures or other economic justification for the different treatment of employees over sixty." J.S. App. A6.[14] That defect is fatal, since Section 4(f)(2) is an affirmative defense on which the defendant hears both the burden of production and persuasion. *Karlen*, 837 F.2d at 318, *Cipriano*, 785 F.2d at 57-59. In any event, there is no good reason to assume without evidence that disability benefits become more costly as employees get older. While older employees may be more likely to become disabled (a point on which there is no evidence), the court of appeals correctly noted that "the employee who becomes disabled at a younger age should draw more in benefits over the course of his lifetime than the employee who becomes disabled at 60 or older." J.S. App. A6. Thus, it may be that it is actually more expensive to provide disability benefits to *younger* workers.

Nor is PERS' discrimination justified because employees like Betts, unlike younger employees who become disabled, are eligible for retirement benefits under Ohio law. The explanation does not square with the effect of the Ohio statutes, since employees who obtain disability benefits do not cease to receive them when they turn 60. Rather, they continue to receive disability benefits at the rate of at least 30 percent of their "final average salary" (Ohio Rev. Code Ann. § 145.36 (Anderson 1982 and Supp. 1987), even after they turn 60 and become eligible for retirement benefits instead of disability benefits. Thus, contrary to PERS' explanation (Br.48), the disability plan provides income to employees who have an alterative source of income.

Even if PERS disqualified all recipients from receiving disability benefits once they became eligible to receive retirement benefits, its plan would still not be shielded by Section 4(f)(2). The federal agencies administering the ADEA have concluded that employers may in certain circumstances reduce disability benefits, or replace them with lesser retirement benefits, as recipients age and become entitled to other benefits. But the circumstances in which disqualification is permitted do not include the situation presented here. In 1978, the Department of Labor noted that disability benefits are typically intended "to replace, at least partially, income which an employee would have earned but is unable to earn because of disability." 43 Fed. Reg. 43,266. Requiring disability benefits to continue without reduction until age 70 (the age at which mandatory retirement was permissible at that time), the Department continued, "rests on the unwarranted assumption that a worker who suffers from a long-term disability would in the absence of the disability, have worked until age 70" (id. at 43,267). Data that the Department's Bureau of Labor Statistics had gathered showed that "the most common age at which employees retire is 65" and that, for "individuals still employed at age 60 (or later), the average remaining worklife is about 5 years" (ibid.). Accordingly, the Department concluded, employers should be allowed to cut off disability payments "at age 65 for any employee who becomes disabled at age 60 or less" and "5 years after the disability occurred" when employees become disabled after age 60 (ibid.).

The EEOC has adopted that approach. 29 C.F.R. 1625.19(f)(1)(ii). Its regulations also note that "[c]ost data may be produced to support other patterms of reduction as well" (ibid.). Here, PERS' reduction of benefits does not fall into the safe harbor provided by the regulations, and it has produced no cost data at all to justify its approach.

D. Appellant Errs In Contending That Section 4(f)(2) Authorizes Arbitary Discrimination Against Older Employees Under Employee Benefit Plans And That Its Plan Is Exempt As A Pre-ADEA Plan

1. PERS contends (Br. 26) that, under Section 4(f)(20, "any plan designed to provide employees with benefits unrelated to salary or wages is exempt from the prohibitions of the Act, provided the plan was not conceived to avoid the statute's specified purposes of facilitating the employment of older workers." PERS' amici similarly argue that Section 4(f)(2) excuses all discrimination pursuant to an employee benefit plan that is not a sham.[15] That construction, which has no support at all in the many decisions of courts of appeals construing Section 4(f)(2), totally ignores the statutory phrase, "such as a retirement, pension, or insurance plan." Indeed, PERS states, contrary to the Third Circuit in *Westinghouse* (725 F.2d at 224), that that phrase "merely provides examples of the plans protected by the exemption; it does not purport to define or qualify it" (Br. 28). But if Congress had not meant to limit the types of plans protected by Section 4(f)(2), it would have omitted the phrase, so that the provision reached employee benefit plans without exception. PERS' construction also ignores the abundant legislative history showing that Congress was concerned, not with all employee benefit plans, but with plans with legitimate waiting periods and plans that provide benefits that cost more for older employees.

Moreover, PERS fails to comprehend that Section 4(a)(1) of the ADEA not only prohibits refusals to hire older employees, it also proscribes "discriminat[ion] against any individual with respect to his compensation, terms, conditions, or privileges or employment because of such individual's age." That prohibition follows from Section 1(b) of the Act, 29 U.S.C. 621(b), which provides that the purposes of the ADEA include "prohibit[ing] arbitrary age discrimination in employment" as well as "promot[ing] employment of older persons." As this Court has stated repeatedly, "'[a] benefit that is part and parcel of the employment relationship may not be dolled out in a discriminatory fashon, even if the employer would be free . . not to provide the benefit at all.'" *Trans World Airlines, Inc.* v. *Thurston*, 469 U.S. 111, 121 (1985) (quoting *Hishon* v. *King & Spalding*, 467 U.S. 69, 75 (1984)).

That PERS' construction of Section 4(f)(2) is faulty is made plain by consideration of its effects, since it would allow any sort of discrimination against older employees in the provision of employee benefits. As the Seventh Circuit stated in *Karlen*, if an employer told its employees that "at age 65 you lose your free parking space (or dental insurance, or any other fringe benefit), [it] would be guilty, prima facie, of age discrimination." 837 F.2d at 318. Yet PERS' proposal would authorize just such arbitrary discrimination, since presumably it would not interfere with the "employment of older workers" (Br. 26). Indeed, PERS appears to believe that the fact that it hired Betts at age 55 insulates it from liability as long as it does not arbitrarily terminate or refuse to promote her (Br. 29, 48). If it had cut off her dental insurance or eliminated her parking space, solely on account of her age, and offered no justification for doing so, such acts would be permissible under PERS' construction of Section 4(f)(2), just as it contends that it may deny her disability benefits without providing any cost justification for its discriminatory behavior. But Congress did not intend to authorize employers arbitrarily to discriminate against older persons in the provision of employee benefits.

2. PERS also argues (Br. 16-23) that its plan is exempt from liability under Section 4(f)(2) because it was established in 1933. There is no merit at all to that claim. The discriminatory provision in PERS' plan was added in 1976, two years after the ADEA was amended to apply to the States. See 29 U.S.C. 630(b)(2); Pub. L. No. 93-259, § 28(a)(2). Until that time, disability benefits (which are and were generally calculated like retirement benefits under Ohio law) were not required to be at least 30 percent of the employee's final average salary, and hence employees like Betts were not disadvantaged by the provision making them ineligible for disability benefits. Only with the enactment of the 1976 amendment were employees over 60 deprived of a significant benefit available to employees under 60. All of the courts of appeals that have concluded that pre-ADEA employee benefit plans are exempt from its requirements have noted that a different result would follow if, as here, the relevant provision had been addressed after the enactment of the ADEA *EEOC* v. *Cargill*, 855 F.2d 682, 686 n.4 (10th Cir. 1988); EEOC v. *County of Orange*, 837 F.2d 420, 423 (9th Cir. 1988); see also *EEOC* v. *Home Insurance Co.*, 672 F.2d 252, 259 (2d Cir. 1982).[16]

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[14] Because Betts had five years of service, she qualified for disability benefits under Ohio law. Ohio Rev. Code Ann. § 145.35 (Anderson 1982 & Supp. 1987). Accordingly, Congress's interest in enacting Section 4(f)(2) to authorize employers to establish legitimate waiting periods before employees are entitled to participate in employee benefit plans, which was stressed by Senator Yarborough in his colloquy with Senator Javits (113 Cong. Rec. 31,255 (1967), reprinted in Legislative History at 146), is not implicated by this case.

[15] In its court of appeals' brief, PERS conceded that "[t]here was no evidence before the court concerning the potential increased cost to PERS based on the greater frequency of incidence of disability within the excluded age group." PERS' C.A. Br. 27.

[15] The National Public Employers Labor Relations Association, for example, contends (Br. 13-14) that an employee benefit plan may discriminate against older employees except where "it is specifically designed involuntarily to deprive older workers of terms and conditions of employment that younger persons enjoy—for example, a plan that is purposefully designed and used as a cover for the involuntary retirement of older persons."

[16] Consequently, this Court need not address the question whether all pre-ADEA plans are exempt from the anti-discrimination provision of the Act under Section 4(f)(2). Although this Court in *McMann* (434 U.S. at 197-198, 203) expressed the view that a pre-1967 benefit plan could not be a "subterfuge to evade the purposes of the Act,"

CONCLUSION

The judgement of the court of appeals should be affirmed.

Respectfully submitted.

WILLIAM C. BRYSON,
Acting Solicitor General.
THOMAS W. MERRILL,
Deputy Solicitor General.
CHRISTOPHER J. WRIGHT,
Assistant to the Solicitor General.
CHARLES A. SHANOR,
General Counsel.
GWENDOLYN YOUNG REAMS,
Associate General Counsel.
HARRY F. TEPKER, JR.,
Attorney.
Equal Employment Opportunity Commission.

JANUARY 1989.

EXHIBIT 3

WASHINGTON, DC,
May 9, 1990.

President GEORGE BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I am writing to you on behalf of my mother, June Betts. She is unable to write to you herself since she suffers from Alzheimer's Disease and is bedridden in a nursing home. My mother is the plaintiff in Public Employees Retirement System of Ohio versus Betts. This is the case in which the Supreme Court said it was permissible for employers to discriminate against older workers in employee benefits.

Until recently, your Administration has been a strong and important supporter of my mother's efforts to obtain her full and fair disability benefits from the State of Ohio, after being disabled due to Alzheimer's Disease. Your strong support in the Supreme Court, not only in a brief but in oral argument, supporting my mother's case, as well as in testimony before Congress, encouraged my family to continue to fight for my mother's rights after losing our case in the Supreme Court.

Now, you have abruptly abandoned your support for my mother's cause. In a letter to Rep. William Goodling dated March 27, 1990, Mr. Roger Porter ignored your Administration's prior support for the Older Worker's Benefit Protection Act (S. 1511/H.R. 3200) and threatened a veto of this bill. This legislation was introduced to reverse the Supreme Court's ruling in my mother's case and to insure that she, and thousands of other older workers, do not lose benefits they have already earned.

Today, my mother is unable to recognize her family or to care for herself. She suffers from the final stages of Alzheimer's Disease, partial paralysis due to a stroke, and inoperable breast cancer. Before her illness my mother was the most independent and resourceful person I knew. She was committed to public service and helping other, less fortunate people. For almost 30 years, she raised her children and served sincerely and conscientiously as the wife of a parish priest. When her children left home, mother returned to school, obtained a master's degree and in 1978, at age 54, she began a career as a speech pathologist for retarded children and adults with the Hamilton County (Ohio) Board of Mental Retardation. In 1982, my parents were divorced.

About this time, mother began exhibiting signs of what doctors at first thought was an emotional breakdown. Although her condition got worse and worse, she continued working, paying her taxes and contributing to her church and community. The rapid onset of what was finally diagnosed as Alzheimer's meant that she was demoted to lower paying jobs with less responsibility. By the time she was too ill to work, she was babysitting for retarded adults. Mother was distraught, but not beaten—after losing her job, she continued to volunteer at a camp for retarded children for a short time until that, too, became impossible for her to do.

Mother was forced to leave work because of Alzheimer's at age 61, but Ohio PERS refused her a disability benefit solely because she became disabled after age 60. Frankly, Mr. President, if my mother had given up sooner, and left work when she first became ill at age 58, she would be getting a much higher benefit. But, mother didn't want to quit work and become dependent upon anyone. As a result, my mother receives only $158 per month in early retirement benefits, rather than $350 per month in disability retirement benefits that she would receive if she had left work when she was younger and first became ill.

Ohio PERS is penalizing my mother for working as long as she was physically and mentally able to work, by denying her the benefits she has earned. But, self-sufficiency and work were important to my mother; she would never have considered leaving before she had to. This summer, mother's financial assets will be exhausted and she will become a ward of the State and a recipient of Medicaid assistance. Of all these tragedies, this last one is probably the one that would most appall and embarrass her.

My mother sued Ohio PERS for age discrimination, and won in the federal district and appellate courts. When Ohio PERS appealed to the U.S. Supreme Court, your Administration not only filed a "friend of the court" brief on my mother's behalf, but orally argued before the Court, saying that for 20 years, the Age Discrimination in Employment Act (ADEA) had prohibited the type of discrimination Ohio PERS was engaged in. After we lost before the Supreme Court, the EEOC, testifying for your Administration before the U.S. Senate and House of Representatives, supported legislation introduced to reverse my mother's case and restore this long-standing interpretation of the ADEA.

Despite all this, Mr. Porter's letter stated that you might veto this legislation. My family and I were shocked and disappointed to learn of this change of heart. Mr. Porter's letter never refers to your Administration's Supreme Court brief, oral argument or Congressional testimony. Indeed, it directly, and without explanation contradicts your Administration's previous public statements on many of the issues pertinent to this bill.

My family and I cannot understand what has caused this abrupt change in your position. Certainly, no one is more deserving of your support than my mother, who spent her life helping others. She is not asking for a handout—she is asking only for the benefits she worked for and earned.

My mother is just one person among many. And, her problem is one that faces many women who, after one career raising their families, return to the labor force. How many millions of other midlife and older women workers will lose their benefits before employers are once again prohibited from discriminating against them?

It was to prevent what happened to my mother that the ADEA for 20 years prohibited employers from discriminating on the basis of age in employee benefits. Most employers complied with the law; unfortunately for my mother, Ohio did not.

I plead for your support on my mother's behalf, because she is powerless to plead for herself. Please once again support his bill, for the same reasons you supported it before: older workers, like June Betts, deserve to be treated fairly and honestly in all aspects of their employment and deserve the benefits they have earned.

Very truly yours,

CAROLYN A. BETTS.

(Mr. ROBB assumed the chair.)

Mr. HATCH. As much as I salute their efforts to work out certain problems in this bill, I, for one, am simply unwilling to accept the representations of proponents that this new version of S. 1511 resolves many or most of the flaws in this legislation.

Let me review the history of S. 1511. Let me first make this point once again. We have had, over the course of these last 2 years, dozens of Labor Committee bills come to this floor. A great number of them have been amended time after time after time on the floor. We have had versions 1, 2, 3, 4, and 5, after we get to the floor.

Plant closings was a perfect illustration. The floor manager was my dear colleague Senator METZENBAUM. But that changed almost virtually every day on the floor. You could go through a whole raft of other bills that came from the Labor Committee where we had versions 1, 2, 3, and 4. We have had a number of them this year. It makes me wonder if we need the Labor Committee. Why do we not just bring the bills to the floor and redo them right here, which is what we are doing all the time on them?

One reason is we cannot seem to resolve them in the committee; the committee is so overwhelmingly balanced to one side that the committee cannot get it right because they do not have to negotiate in committee, so they wait until we get between the committee and the floor to really sit down and try to resolve it then. Then we get to the floor and realize it is still not resolved. Maybe that is the way some people negotiate. I like to negotiate and get the thing done right.

Let me review the history of S. 1511.

On August 3, 1989, proponents introduced version 1 of the legislation. It was a four-page bill. They stated:

Our goal was to carefully and narrowly draft this provision so as to only return to pre-Betts law and interpretation, and in

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those statements should not be thought to be binding where Congress has overruled the holding of the case and has indicated its express disapproval of the Court's reasoning (see H.R. Conf. Rep. 950 at 8, reprinted in Legislative History at 519). The better view, we think, is that a provision that existed prior to 1967 can be said to be contrary to the Act's purpose of eliminating artibrary discrimination against older employees, even though it could not have been enacted to evade the ADEA itself. Moreover, Congress in 1967 made clear that the Act applied "to new and existing employee benefit plans, and to both the establishment and maintenance of such plans." H.R. Rep. 805, 90th Cong., 1st Sess. 4 (1967); S. Rep. 723, 90th Cong., 1st Sess. 4; reprinted in Legislative History at 77, 108.

doing so not settle pre-Betts debates over the EEOC's interpretation of its regulations.

Then, almost 7 months later on the eve of the Senate Labor Committee markup of that bill on February 28 of this year, we saw version 2 of the bill for the first time. It was voted out of the committee the very next day.

I tell you this is complex stuff; this is not easy to fathom. I bet there are not five Senators in the whole Senate who understand what is going on here. That is how difficult it is.

Version 2 of the bill was no longer four pages, the number of pages when the first version was filed. It was now 17 pages; a 17-page bill. Version 2 of this bill was described by proponents as "addressing major concerns raised by employers and labor organizations."

Let us look very briefly at version 2. Let us see if that version did any better than the first in achieving the stated objectives of the proponents which was a return to a pre-Betts law, Betts being a Supreme Court case that changed the law.

First, that version, version 2, like version 1, placed the burden of proof on the employer, the defendant, in other words, in these cases, to prove that its practices came within the exception for "reasonable factors other than age," set forth in section 4(f)(1) of ADEA, or the underlying act that is the focus of this bill.

Thus, notwithstanding the representation by proponents that this bill was narrowly drafted to only return to pre-Betts law, the bill turned out to go much farther. This conclusion was also reached in a Congressional Research Service report. The Congressional Research Service, for those who are watching and listening, is a nonpartisan research service that benefits and helps us, who are here in the Congress, to do a better job.

They concluded, in their Congressional Research Service report, that this provision of the ADEA, Age Discrimination Act section 4(f)(1), was never even addressed by the Supreme Court's Betts decision. Also by placing the burden on the employer, as S. 1511 does, it runs afoul of the vast majority of circuit courts that considered this issue prior to the Betts decision.

In all respects, this provision is an example of the extent to which this bill overreaches and goes beyond claims and representations made by sponsors.

Second, version 1 would have outlawed most if not all commonly accepted early retirement incentive programs in a manner inconsistent with the pre-Betts law.

Version 2 and 3 fared no better. Now we are presented with version 5, which purports to do what versions 1, 2, 3, and 4 claimed to do, but did not do. I am not sure that version 5 does the job either. In fact, I am quite sure it does not. Do we not owe it to the older workers of this country who benefit from the voluntary early retirement plans to make sure? It seems to me we do.

Third, there is the issue of the impact that this bill will have on State and local governments. Look. Our Federal Government is over $3 trillion in debt. We are facing a $300 billion deficit this year. We do not have any money to spare, nor do we need to overregulate ourselves any more than we are, because we are overregulated to death now.

And, I might add, the States are not all in that great position either. They cannot afford to have saddled them with unnecessary new regulations that probably will stifle a lot of the benefits to all employees in these areas. They cannot really stand to have that happen to them, and at the same time all the concomitant costs that come from it.

The first two versions of this bill made no special provisions for the States.

This leaves some States with no option other than to substantially cut back disability benefits for all employees and many States with no option at all but to raise taxes. That is what this bill does to them.

We are suffering, as a Federal Government, from too many deficits. Now we are going to increase the suffering of the States, letting them suffer along with us, and creating more deficits than they otherwise would have.

What are they going to do? They are going to have to raise taxes. If I were a Governor, I would be up in arms on this bill. A lot of Governors and State legislators are up in arms about this bill.

We just received a letter from one of the leading Texas Democratic State legislators saying, "My gosh, this thing is going to kill us, it is going to hurt us."

I ask unanimous consent that a letter dated September 14, 1990, to Hon. LLOYD BENTSEN from Gibson D. Lewis, Speaker of the House of Representatives of Texas, be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

TEXAS HOUSE OF REPRESENTATIVES,
Austin, TX, September 14, 1990.

Hon. LLOYD BENTSEN,
U.S. Senate, Senate Hart Office Building, Washington, DC.

DEAR LLOYD: I am writing to express to you my concern regarding the deficiencies of the Older Workers Benefit Protection Act (S. 1511) as it impacts the Teacher Retirement System.

Our review of the substitute to S. 1511 leads us to conclude that the latest revision leaves unresolved both of the major problems with the initial legislation. I will address only the more immediate threatening issues to our retirees.

TRS-Care, the group health program with 80,000 retired public school employee members, has as a key cost-containment provision an assumption that participants who qualify for Medicare Part B (i.e., those over 65 years of age) secure such coverage for themselves. S. 1511 would in our view disallow this provision and force a dramatic rise in cost in the program for the state and/or the retirees.

As you strive to bring discipline to the Federal budget I know that you can appreciate that at this juncture the last thing the state budget needs is additional costs mandated by Federal law. I urge you to consider carefully the impact of this legislation upon the already tight state budget.

Thank you for your assistance in this matter.

Sincerely,

GIBSON D. (GIB) LEWIS,
Speaker.

Mr. HATCH. Mr. President, like I say, this leaves some States with no option other than to substantially cut back disability benefits for all employees, and many States with no option at all but to raise taxes.

Some State estimates of the cost of complying with version 2 of this bill are as follows: New York State Teachers Retirement System—just the State teachers retirement system—$77 million. I wonder how Governor Cuomo likes that. Being a more liberal Governor, he probably thinks, well, we can tax the people that $77 million, but I bet he does not. I bet he is concerned about it. I bet the teachers are concerned about it.

The Texas State Teachers Retirement will be $106 million, which they are going to have to raise because of this bill and the way it is written.

The State of Maine, $50 to $100 million—how is the State going to come up with $50 to $100 million?

And all 50 States are going to be hit by this same type of problem because of this bill, the way it is written.

It is one thing to want to solve problems, and I know my distinguished friend from Ohio does want to do that, and I know he is very sincere. My friend from Arkansas is very sincere. It is one thing to want to solve problems, but it is another thing to do it this way.

At least 18 State employee or State teacher retirement systems that I am aware of have written to Congress expressing concern about this legislation. We also heard from the National Conference of State Legislatures as well.

Version 5 now purports to mitigate the costs on certain States. This is good. At least the major proponents realized that there are major compliance costs involved here.

But, since version 4 has been available for less than a week, and version 5 for less than 3 days, it is virtually impossible to know with any certainty just how this fix works, and how effective it will be, and whether it will resolve to some degree this massive li-

ability problem of the States without disrupting their employee disability benefit programs, among others.

What is more, in Friday's version of this bill, which the distinguished Senator just substituted, the provision which sponsors said would minimize the need for additional benefits in expenditures was revised again.

So, it turns out that all the rushing around that the affected parties were doing to try to evaluate this new substitute was a completely wasted effort since the Senate is considering yet a different version of this bill.

And to get my support, they are going to have to do that. I may not be important in the support of this bill, but I think it would be a good thing if they worked with us to resolve these problems. I think they will be much happier with the way the States receive this bill, much happier the way the business community will receive this bill, much happier the way the aging community will receive this bill.

I am not talking about the aging activists. They think they have the upper hand here and will get the bill through regardless.

I have to tell you the administrations indicated they will veto this bill if it comes through with these types of provisions in it, and the business community is up in arms, the State legislators are up in arms. I hope we resolve it. I hope good faith will resolve this because I would like to resolve the Betts decision and go back to pre-Betts law. This goes far beyond that.

It is quite an imposition to require constituents to hit a moving target like this one that is changing almost daily. I am glad it is, because the changes at least are movements in the right direction. They are just not far enough along. At first glance it appears this new version, designed to fix the problem of State and local compliance costs, does not take care of 100 percent of the costs.

At least preliminary concerns have been raised by affected parties regarding the workability of various procedural aspects of this so-called election process.

There are numerous complex issues raised by this legislation. I hope my colleagues share my concern that we are legislating in the dark and that, Mr. President, is a pretty rotten way to legislate.

There can be no mistake about what is at stake here. This is an extremely far-reaching piece of legislation that will have a tremendous impact on the structure and allocation of employee benefits.

Have we not learned anything from our recent experiences with catastrophic health care and section 89? In both cases, we rushed to enact laws we thought the public wanted. The fact was that we enacted legislation with nice titles and noble purposes, but gave short shrift to the mechanics of the law's implementation.

Some have characterized the debate on this particular bill as one which pits private employers against employees. Nothing could be farther from the truth.

There is an easy way for employers to get around the requirements of this bill. I might as well tell you that.

They can avoid costly litigation over early retirement programs and simply achieve necessary work force cutbacks by laying off employees. That is all they have to do. But how does that benefit anybody?

They can avoid litigation over whether disability or severance payments are properly allocated by either not providing such benefits at all or by cutting back benefits for younger and middle-age workers.

That is the way to get around it. They do not want to. They would like this to be a fair system but economically they are going to have to do that if this bill passes in its present form. How does that benefit the aging employees in this country? How does that benefit all other employees in this country?

This essence of this legislation is how benefits are allocated among various groups.

Every version of S. 1511 I have seen so far represents an unprecedented effort by Congress to micromanage benefit plan arrangements. This is a role best left to employers, unions, and State legislatures.

That is where it ought to be. They will do a good job. They will do it in the most efficient of ways. They will do it in a way that will work. There will be incentives there. The people will have their retirement and disability programs if we allow the system to work the way it should work. Let us overrule Betts, but let us do it the right way and put the obligation of things in the hands of those that know how to do it and know what to do and have to meet the burdens as a result of doing it.

As the United Auto Workers Union has explained:

> S. 1511 would prohibit the integration of employee benefit plans, such as severance or supplemental unemployment benefit plans and pension plans. The UAW has negotiated integrated benefit programs with many companies.

A lot of other unions are trying to do that. This bill will stop that stone dead.

> We believe that this type of approach represents the best method of assuring the continuation of income and health care throughout the lifetime of workers and their families. If these integrated benefit programs are made unlawful, this will simply permit a small group of workers to "double dip" at the expense of all workers and retirees.

That is not fair and that is not going to work. And that is going to hurt an awful lot of good people.

> Accordingly, we believe that S. 1511 should be amended to expressly permit integrated benefit programs.

That is what the UAW said.

This bill, however, continues to outlaw the practices advocated by the UAW which are so beneficial to employees.

The UAW now I suppose supports this version of the bill. But what they said there still applies. Let me just repeat it again because it is very important stuff. The UAW, I think, pretty well summarized the problems with this bill and they have not changed even though the UAW has said they are going to support the bill. They said:

> S. 1511 would prohibit the integration of employee benefit plans, such as severance or supplemental unemployment benefit plans and pension plans. The UAW has negotiated integrated benefit programs with many companies. We believe that this type of approach represents the best method of assuring the continuation of income and health care throughout the lifetime of workers and their families. If these integrated benefit programs are made unlawful, this will simply permit a small group of workers to "double dip" at the expense of all workers and retirees. Accordingly, we believe that S. 1511 should be amended to expressly permit integrated benefit programs.

I do not know why the UAW would now support this bill because none of those problems were resolved in the latest version of this bill, nor will they be resolved unless we can somehow work out the last few remaining but very important problems with this bill.

And they are not only important, they are going to make difference whether this bill really works or not, or whether it is vetoed or not.

This bill continues to outlaw the practices advocated by the UAW which are so beneficial to employees.

In my view, the rationale for how the proponents have chosen to draw the line between which practices are prohibited remains entirely unclear.

And, Mr. President, because this bill would force the reallocation of benefits, it is even more unclear how S. 1511 would benefit older workers.

So I really urge my colleagues to consider this legislation carefully, to not just look at the fact that there are a number of cosponsors. Virtually none of them know what is in this current version of the bill.

I think we owe that much consideration to the workers of this country. After all, it is their benefits that are at stake. We owe that much to the younger and middle-aged employees of this country. Their benefits are at stake. I think we owe that much to the business community in this country. Although they would love to have these programs and want them to

work, there are a lot of them going to be cut out because they are not going to pay the extra costs that is going to come from complying with the approaches in this bill.

If we want to overule Betts and we want to get to the point where we have pre-Betts law and we want to be able to resolve problems in a reasonable and satisfactory way, then I have to say the Hatch-Kassebaum substitute does this job. In other words, I want a change in the law. I want to overrule Betts. But to do it this way, you are going to have the same problem, to a more or less degree, that you had with section 89 with regard to the catastrophic health benefit. The people are going to be so doggone mad, within the next 5 years, of what we did here, if we pass this bill and a veto is not sustained, they are going to be so doggone mad at all of us that we are going to be back here scrambling to try to resolve it like we tried to resolve section 89.

I have to tell you it is better to do it now. I really believe that we can do it if we would just get together and not worry so much about the activists but worry about those who are subject to the Age Discrimination in Employment Act, the ADEA, which we will be talking about in the next few days.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Arkansas [Mr. PRYOR].

Mr. PRYOR. Mr. President, in a few moments I may respond briefly to the opening statement of the Senator from Utah.

But, first, as a general statement, let me just say, Mr. President—and I say this respectfully—it is very difficult for me at this point to believe that we are back on the floor of the U.S. Senate having to argue again for what most of us have believed to be a basic right. This has been rectified in the past. Most Americans, including a woman from Ohio, the constituent of Senator METZENBAUM and Senator GLENN, believed that the Age Discrimination in Employment Act protected workers from arbitrary age discrimination in the workplace. Unfortunately, as Mrs. Betts so sadly discovered, this is not the case.

In 1978, Mr. President, at the age of 55, June Betts was hired as a speech pathologist for the Hamilton County, OH, Board of Mental Retardation. She was a very enthusiastic, dedicated worker, until she began to suffer from the early effects of Alzheimer's disease.

As a public employee of the State of Ohio, Mrs. Betts was covered by Ohio's Public Employees' Retirement System, PERS. In addition to normal retirement benefits, the PERS plan offered employees who become disabled prior to normal retirement age a disability retirement benefit. Even though Mrs. Betts could have taken disability soon after she became ill, she did not at that point want to retire. She was making a positive and a very, very constructive addition to the profession of teaching the mentally retarded.

Although she began having difficulty later in performing that job, she was determined to continue working. Finally, at the age of 61, she became too disabled to work. She was forced to retire.

Mrs. Betts' disability benefit would have been $355 a month. However, when PERS was asked to begin the payment to take care of this dedicated, older worker at age 61, the plan's administrator had a different figure in mind. Under PERS, disability retirement was only available to employees who became disabled at an age prior to age 60. Although Mrs. Betts probably was disabled prior to this arbitrary age cliff, her determination to continue working despite her illness actually worked against June Betts. When June Betts was forced to give up her position because her condition had worsened, she had already reached the age of 61. She was, therefore, ineligible for disability under the existing law of the State of Ohio.

The Betts family, Mr. President, was shocked when the plan administrator told them that Mrs. Bett's only option was to take a reduced pension of $158.50 a month. In essence, PERS refused to provide her with the $355 benefit offered to other employees simply because she was over the age of 60.

Mr. President, to put this into context, I would like my colleagues to focus for a moment on the absurdity of this discriminatory benefits plan. If a minority was given a lesser benefit simply because of his race or her race, or a woman given a lesser benefit simply because of her sex, can you imagine what an outcry we would see justifiably brewing in our country?

Arbitrary age discrimination in employee benefits was against the law, so the Betts family believed. Congress had said so on two occasions—once in 1967 when it passed the Age Discrimination in Employment Act, and again the Congress spoke in 1978 when it amended that particular act. Moreover, for the past 20 years the Department of Labor, the EEOC, and every other Federal court in America to address this issue basically were in agreement. In fact, for the past 20 years the courts had used a very simple and a very fair standard contained in the Department of Labor and EEOC regulations for determining whether a benefit plan violated the law of this land as the "equal benefit or equal cost" rule which was designed to allow employers to take into account that the cost of some benefits increases with age.

The rule allowed an employer to provide lesser benefits to older employees as long as that employer could show that the cost of the benefits for older workers was at least equal to the cost of the benefits of younger employees.

Using the "equal benefit or equal cost" standard, the Betts family won their case in the Federal district court and the Circuit Court of Appeals levels. However, in June of 1989, the Supreme Court of the United States abandoned this 20-year-old test and, instead, decided that in passing the ADEA, that Congress never intended to protect older workers from discrimination in employee benefits.

Mr. President, I respectfully submit that the Supreme Court was dead wrong in this decision. The bill we are debating today makes it unmistakably clear that Congress intends to protect the employee benefits of our Nation's older workers. In doing so, S. 1511 adopts the "equal benefit or equal cost" test as the standard to be used in determining a benefit plan's compliance with the act. And, too, it places the burden of proving this affirmative defense back on the employer where it had been before. It clarifies that the ADEA applies to benefit plans established prior to 1967.

I consider myself a great advocate of the reasonable concerns of business, small and large. I believe the substitute that we have offered and accepted today goes a long way in addressing the legitimate concerns of the employers. Having said this, let me say that cost and convenience have never been valid reasons for race or sex discrimination. I hope my colleagues will follow the debate on S. 1511 and its substitute closely, and I urge them to support this very important and this very sensible piece of legislation.

I ask unanimous consent that at this point a basic three-page summary of the substitute just incorporated into the original text of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STATEMENT ON THE SUBSTITUTE

Mr. President, I want to outline the changes made by this substitute amendment, most of which have been made in response to concerns raised by business groups and by public employers.

SEC. 103

Section 4(f)(2)(B) has been rearranged to clarify that benefit practices that were permitted under the Equal Employment Opportunity Commission's regulation (29 C.F.R. section 1625.10 as it existed on June 22, 1989) will continue to be allowed. Also, section 4(f)(2)(B)(ii) has been changed to allow an employer to offer any early retirement incentive plan that is consistent with the purposes of the ADEA. This change, suggested by the White House, was made because employers suggested to us that it would be difficult for an employer to show

that an early retirement incentive plan furthers the purposes of the ADEA, as S. 1511 currently requires.

Technical changes have been made to section 4(1). In addition, this section has been rewritten to ensure that the safe harbor currently contained in S. 1511 for subsidized early retirement benefits or social security bridge payments (payments intended to bridge the gap between early retirement and eligibility for social security old age benefits) offered on a permanent basis is extended to cover those offered on a temporary basis as well.

The General Accounting Office has reported that these two types of early retirement benefits make up more than 60% of the early retirement incentive plans offered by employers. By making this change, we have given employers a level of comfort in knowing that these most common forms of early retirement incentives do not violate the ADEA.

Section 4(1)(2), which allows employers to offset severance pay with the value of retiree health benefits, has been changed to clarify that the retiree health plan of the employer must meet the "at least comparable to Medicare" test only once in order to be entitled to the offset.

At the time of the shutdown or layoff that triggers the severance pay, the employer's retiree health plan must be at least comparable to Medicare benefits for retirees who are under age 65, and at least comparable to ¼ the value of Medicare benefits for retirees age 65 or older. Business groups asked for this change so that employers will know that they do not have to continually change their retiree health plans to keep up with Medicare after they have qualified for and used the offset.

A new paragraph (3) has been added to section 4(1) to deal with the issue of coordination of long term disability benefits and pension benefits. Traditionally, employees who are on disability are considered to still be actively working and not retired. Likewise, employees who choose to retire are not considered to still be actively working. This change creates an offset of pension against disability and makes sure that an employer does not have to pay an employee both of these benefits at the same time.

SEC. 104

This section has been added to ensure that regulations issued in connection with this bill will be the result of a coordinated effort among all appropriate departments and agencies of the Administration.

SEC. 105

The retroactive application of the bill has been eliminated. Under the substitute, S. 1511 will apply only to conduct occurring more than 60 days after the date of enactment. This gives employers time to react and make any necessary changes in their benefit plans.

Two changes have been made to address the unique problems faced by states and other public employers. First, public employers will be given a delay in the delay in the effective date until 2 years following the date of enactment of this legislation. Most plans can only be changed through a change in the law, and timing is dictated by the schedules of legislatures, city counsels or other governing bodies. Public employers, therefore, require much more time to amend their benefit plans that do private employers.

Second, with respect to disability benefits, a public employer will be allowed to choose to keep its old plan and come into compliance through an election system involving a new nondiscriminatory plan. Employees covered under the old plan must be given 180 days in which to elect to move to the new plan. Those employees who do not make an election within the 180 day window will stay under the old plan.

Almost every public employer is restricted by a statute or constitutional provisions that prohibits reductions in the benefits of public employees. This election system is designed to allow public employers to avoid violating state law while coming into compliance with the bill.

WAIVER TITLE

The most significant change in the waiver provisions is the elimination of the requirement that employers reimburse employees for attorney consultation.

Mr. PRYOR. Mr. President, one of the concerns early expressed—and there was some, let us say, confusion, there was not quite clarity I think in any of the proposals—was how S. 1511 addressed retroactivity. The substitute eliminates, totally, clearly, without question, any retroactive thrust of the Betts legislation that is now on the Senate floor.

Finally, Mr. President, my friend and colleague from Utah is an eloquent spokesman on many of these issues but he has been on this floor this afternoon at an earlier time sort of complaining, or expressing reservation about the different versions that have been introduced from August 1989 up until the present point to basically rectify and to clarify the Betts decision.

I can say I have worked very closely with the Senator from Utah and his staff, with the Senator from Ohio and his staff, with all of those concerned on this particular issue. We have worked very closely with Senator HEINZ of Pennsylvania, with Senator JEFFORDS of Vermont, and with many others of our colleagues, attempting to come forward with a piece of legislation that will basically overcome and clarify the Betts decision so that there will no longer be age discrimination in this particular arena of our law.

One of the reasons that we have seen several versions of the so-called Betts bill, one of the reasons that we have seen changes to the original Betts legislation introduced August a year ago, is simply to accommodate the objections, the concerns, and the worries expressed, yes, by some of the labor unions that Senator HATCH has mentioned; yes, by some of the businesses that some of our colleagues have been concerned with; yes, by some of the particular State retirement programs, such as, for example, the State of Maine had a problem with this issue some months ago, and we attempted to accommodate not only the States but labor and business and all concerned with each version, each amendment, and now, hopefully, ultimately, the substitute that has now been incorporated to this particular piece of legislation.

We will continue, if it is productive, Mr. President, in negotiation at any level—with the White House, with Senator HATCH and his staff, or any Senators who might express concern about this bill. But the end result and the ultimate test is we must outlaw age discrimination that affected a fine person like Mrs. Betts and that could affect ultimately millions of Americans who are going to find themselves in a situation very similar to hers.

Mr. President, at this point I thank the Chair for recognizing me, and I yield the floor.

The PRESIDING OFFICER. Who seeks recognition? The Chair recognizes the Senator from Ohio, Senator METZENBAUM.

Mr. METZENBAUM. Mr. President, I ask unanimous consent to print in the RECORD letters of strong support from the AARP, the AFL-CIO, UAW, Steelworkers, Western Union, and from Union Life Insurance Co., the largest provider of disability insurance in the country.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AARP,
WASHINGTON, DC,
September 12, 1990.

DEAR SENATOR: The American Association of Retired Persons (AARP) strongly urges your support of S. 1511, the Older Workers Benefit Protection Act, when it comes to the Senate floor in the next few days. This legislation is urgently needed to protect older workers from arbitrary age discrimination in employee benefits.

S. 1511 reverses the Supreme Court's decision in *Public Employees Retirement System of Ohio* v. *Betts.* The Court held that the Age Discrimination in Employment Act (ADEA) does not cover employee benefits. This decision reversed twenty years of settled regulatory and case law, and ignored the clear legislative history of the ADEA that had required employers to either provide equal benefits to older workers as for younger workers, or at least spend as much to provide the benefit for an older worker as for a younger worker. This workable rule was accepted by business, the courts, employees and federal enforcement agenices.

The Supreme Court's ruling in *Betts* opens the door to arbitrary, unequal treatment for older workers in all types of emplyee benefits, except pensions. The benefits of millions of older workers are at risk. S. 1511 would substantially restore prior law and protect older workers from arbitrary discrimination in benefits.

At the time of floor consideration, Senator Pryor and other cosponsors will be introducing a substitute for the bill as reported by the Labor and Human Resources Committee. This substitute responds to concerns expressed by the Administration and the business community about key provisions in the bill as reported.

As with any compromise, there are provisions—such as the changes made to the effective date provision—with which AARP takes exception. Despite such misgivings, AARP believes it is essential to pass the substitute to make clear once again that em-

ployers may not arbitrarily reduce or deny older workers benefits.

We urge your support of S. 1511 and also ask for your vote if there is an objection to the motion to proceed. Further, we ask that you oppose any weakening amendments.

Passage of this legislation is critical to protect older workers from age discrimination in employee benefits. Failure to enact S. 1511 will discourage many skilled and experienced older workers from remaining in the labor force and encourage many workers to retire sooner than they might otherwise choose.

If you have any questions or need more information, please contact Michele Pollak, AARP Federal Affairs Department at 728-4729.

Sincerely,

HORACE B. DEETS.

INTERNATIONAL UNION, UNITED AUTOMOBILE, AEROSPACE & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA

Washington, DC, September 12, 1990.

DEAR SENATOR: During consideration of the proposed Older Workers Benefit Protection Act (S. 1511), we understand that Senators Pryor, Metzenbaum, Jeffords, and Heinz intend to offer a substitute for the bill reported by the Labor and Human Resources Committee. The UAW strongly supports this substitute; we urge you to vote for this substitute and if necessary for cloture.

The Pryor-Metzenbaum-Jeffords-Heinz substitute would make a number of changes in the Committee bill, including:

Expanding the safe harbors for early retirement subsidies and social security supplements to include temporary, as well as permanent programs;

Clarifying that early retirement incentive programs are lawful so long as they "are consistent with" (rather than "further") the purposes of the ADEA; and

Making the bill completely prospective, with special delayed effective dates for collectively bargained and state and local government plans.

In our judgment, these changes are all positive and should help to address concerns which have been raised about the legislation. Accordingly, the UAW urges you to give this substitute your enthusiastic support.

The UAW also understands that Senator Hatch may offer additional amendments, including a provision which would allow discrimination against older workers in employee benefit plans provided this serves a "legitimate business purpose". We believe this amendment would undermine the thrust of the legislation. In effect, it would leave intact much of the Supreme Court's decision in *Public Employees Retirement System of Ohio v. Betts*, which immunized virtually all employee benefit plans from age discrimination challenges. The UAW believes that the *Betts* decision was wrong and should be overruled. We therefore urge Senators to vote against this and any other weakening amendments which may be offered by Senator Hatch.

Your consideration of our views on this important issue will be appreciated. Thank you.

Sincerely,

DICK WARDEN,
Legislative Director.

UNITED STEELWORKERS OF AMERICA,

Washington, DC, September 12, 1990.

Hon. HOWARD METZENBAUM,
U.S. Senate, Washington, DC.

DEAR SENATOR METZENBAUM: USWA supports S. 1511 which would revise the Supreme Court's *Betts Decision* and clarify the protections given to older workers with regard to employee benefit plans.

The substitute bill assures that early retirement incentive plans, which are consistent with the purposes of the Act, are valid. Furthermore, social security bridge payments for both temporary and permanent programs are recognized as valid enhancements of subsidized early retirement plans.

We support the Pryor, Metzenbaum, Heinz bipartisan substitute which addresses a series of concerns which have arisen during the legislative process. Having reviewed these revisions, USWA remains in strong support of the bill and urges a vote for cloture, against any weakening amendments and for passage.

Sincerely,

JOHN J. SHEEHAN,
Legislative Director.

AMERICAN FEDERATION OF LABOR AND CONGRESS OF INDUSTRIAL ORGANIZATIONS,

Washington, DC, September 17, 1990.

DEAR SENATOR: It is our understanding that, during consideration of the proposed Older Workers Benefit Protection Act (S. 1511), Senators Pryor, Metzenbaum, Jeffords, and Heinz will offer a substitute for a bill reported by the Labor and Human Resources Committee. The AFL-CIO urges your support for this substitute and, if necessary, for cloture.

In our judgment, this bipartisan substitute will address concerns that have been raised about the legislation in a carefully balanced fashion. We therefore urge support for the substitute and against any weakening amendments that may be offered.

Sincerely,

ROBERT M. MCGLOTTEN,
Director, Department of Legislation.

UNUM,

Portland, ME, September 12, 1990.

Hon. HOWARD M. METZENBAUM,
U.S. Senate, Washington, DC.

DEAR SENATOR METZENBAUM: I am writing in support of the substitute amendment proposed by Senators Pryor, Heinz, Jeffords and yourself to S. 1511, the Older Workers Benefit Protection Act.

UNUM Corporation and its family of insurance companies is the nation's leading provider of group long term disability insurance. Based in Portland, Maine, UNUM provides group long term disability insurance to more employers than any other insurer in the United States. UNUM insures approximately three million workers under 28,245 long term disability policies.

We support your amendment and its reaffirmation of the "equal benefits and equal cost" rule. We believe that the "equal benefit or equal cost" regulation is the appropriate test for the section 4(f)(2) exemption because it is a clear, objective standard that has proved to be valid, reasonable and workable. This standard provides a relatively easy and uniform measurement by which employers and insurers can determine nondiscriminatory benefit reductions for older workers. Employers and insurers need a clear standard by which results can be reasonably tested. Without a clear, objective standard we risk increasing litigation and discriminatory employee benefit plans.

Your amendment, which provides for the integration of voluntary pension benefits with long term disability [LTD] benefits, is acceptable to us and is consistent with disability industry practices. LTD plans are specifically designed to cover the income replacement needs of those people working and intending to remain in the work force. This avoids the possibility of simultaneous payment of LTD and voluntarily-elected pension plan benefits. This is done to avoid both the costs of providing benefits with similar objectives (replacement of lost income) and the distribution of benefits which could add up to more than the person was paid while working; thus, making disability an economically preferable status.

We understand that the legislation would not permit integration of benefits for involuntary receipt of retirement benefits, such as when an employee is compelled to begin collecting retirement benefits at age 70½ due to Internal Revenue Service regulations. In this limited instance, we do not offset LTD benefits for the amounts received from the retirement plan. We also do not integrate with employee-pay-all retirement benefits such as IRAs, TSAs, 401(k)s and rollover plans or the employee-paid portion of defined contribution plans.

Lastly, we understand that the legislation will not impact our ability to integrate LTD benefits with those available from government sources, such as Social Security Disability and Workers' Compensation benefits. These offsets are non-age based offsets and, therefore, should not be affected by this legislation. This integration approach is standard practice for LTD plan design for the same reasons we listed above concerning integration of voluntary retirement benefits, and was permissible under ADEA prior to the Betts decision.

We appreciate having the opportunity to work with you and your staff on this very important legislation.

Sincerely,

DONNA T. MUNDY,
Vice President, External Affairs.

WESTERN UNION,

Upper Saddle River, NJ,
September 11, 1990.

Hon. HOWARD METZENBAUM,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR METZENBAUM: During the last several months we have had numerous conversations with you and your staff regarding the potential impact of S. 1511 on Western Union Corporation ("Western Union"). Our concerns have focused on the provisions of S. 1511 which basically prohibit integration of pension and severance benefits and retroactively apply this prohibition to all cases which were pending as of June 23, 1989, the date of the Supreme Court decision in *Public Employees Retirement System of Ohio v. Betts.*

Western Union and its labor unions, Communications Workers of America, AFL-CIO, and its local 1177, and United Telegraph Workers, AFL-CIO, were defendants in an age-discrimination suit brought by the Equal Employment Opportunity Commission ("EEOC") which was pending on June 23, 1989. Because S. 1511 does more than change the law to its pre-*Betts* status, we would be forced to try our case according to new legal standards which differ from the laws in effect at the time the conduct in

question occurred. We believe such a result is unfair.

On April 12, 1990, the Court dismissed the above-referenced case with prejudice pursuant to a joint stipulation of the parties. Notwithstanding this dismissal with prejudice, S. 1511 in its current form would purport to reopen the case and apply a new legal standard. The Justice Department has previously expressed serious reservations about the constitutionality of this retroactivity provision as it would apply to dismissed cases, and we have urged repeatedly that this provision be elminated or at least modified.

Western Union continues to believe that actuarially-based integrated benefit plans are desirable. As we have previously advised you, however, we recognize the need for Congress to act to close the broad loophole created in the Age Discrimination in Employment Act ("ADEA") in *Betts*. We have reviewed the recently released substitute bill (a copy of which is attached) which has been offered by certain sponsors of S. 1511. We believe that this legislation, which is *prospective only*, addresses our concerns regarding retroactivity. Accordingly, we will support this legislation and we will take whatever steps are necessary to conform our benefit plans to this legislation should it become law.

We commend you for your outstanding leadership in addressing these and other important issues in the United States Senate. We are also deeply appreciative of this time and interest of you and your staff in considering our concerns.

Sincerely,

ROBERT J. AMMAN.

Mr. METZENBAUM. Mr. President, I say to my colleague from Utah, we are ready for any amendments. We would like to move this bill along as promptly as possible. If we have the votes, we have them; if we do not, we do not. I would like to keep the matter rolling. I think we can.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I would like to move it along, too. But this Monday, since there are not going to be any votes, a number of colleagues who have expressed an interest in bringing amendments to the floor are not here. I do not know what to do other than to say I want to protect them now. Let us see if we can get an amendment up there before the day is over. Let me see what can be done. I suggest the absence of a quroum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SYMMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. SYMMS. Mr. President, I ask unanimous consent to speak as though in morning business for 2 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SAMUEL STRATTON

Mr. SYMMS. Mr. President, I take this opportunity to express my sorrow to the wife of former Congressman Sam Stratton, a Congressman from New York State, who I had the privilege of working with in the House of Representatives for 8 years when I was a Member there.

Sam Stratton was a man who had a very distinguished record in the Congress. He was a great advocate of the peace-through-strength doctrine that has proven to be so correct for our country. He was a great advocate of supporting our troops, our men and women in the armed services, and I think had a very, very successful record in Congress for not only his district in New York State but for this country.

How well I remember January of 1984 when I had the opportunity to visit Jonas Savimbi in Angola, and returned here with the idea that it was time to repeal the Clark amendment which prohibited U.S. assistance to the Angolan freedom fighters. One of the first people I contacted was Sam Stratton in the House and his colleague, then Congressman Jack Kemp. Between our efforts here in the Senate and their efforts in the House, we repealed that amendment, changed United States foreign policy toward Angola, and gave the Angolan citizens the freedom and opportunity to stand up against the Communist government.

I also remember 1972, during the spring offensive in Vietnam, when United States policy seemed to be working and the South Vietnamese Army, with the help of American air power, turned back the attacking army from North Vietnam. For all practical purposes the war had been won. Then, as time went on and Congress lost its support and enthusiasm, Sam Stratton stood on the House floor and fought diligently for the American Congress to continue the support that the Nixon and Ford administration were asking for to support the South Vietnamese army so they could continue to keep the Communists from taking over; how frustrated Sam Stratton was when Congress stopped the support. The war was lost, and millions and millions of people died in Cambodia and South Vietnam after the fact. Many more, as I recall him saying on the House floor, than had been killed in the entire war effort were killed after the United States withdrew because of our failure at that time to continue supporting the South Vietnamese Government. So many great Americans, including the distinguished Presiding Officer, served with such distinction in that war at a time when it was unpopular here at home.

But more than that, more than our losing a good Congressman and a good patriot, I feel that I lost a good friend, and I express my sympathy to his family. I know that his memory shall live on with his wife, his three daughters and two sons, and his grandchildren. For myself, I will always remember Sam Stratton as a man who was brave, honest, and a great patriot.

I ask unanimous consent that the following obituary in the Washington Post dated September 15 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SAMUEL STRATTON DIES; WAS N.Y. CONGRESSMAN

(By Richard Pearson)

Samuel S. Stratton, 73, a New York Democrat who spent 30 years in the House of Representatives where he became an informed if irascible power on the Armed Services Committee, died Sept. 13 at Shady Grove Adventist Hospital after a heart attack.

He was stricken at the Manor Care nursing home in Potomac, where he had been living since an October 1989 stroke. He also had asthma.

Mr. Stratton won election to the House from an Upstate New York district that included Schenectady in 1958. He stayed in the House until retiring for health reasons in January 1989.

Over the years, he gained a reputation as a mainstream Democrat on domestic issues. But he increasingly found himself out of step with his party on defense issues. He never gave up support for the war in Vietnam and became known as a vocal friend of the Pentagon.

When he left office, he was the fourth-ranking Democrat on Armed Services and chairman of its powerful procurement and military nuclear systems subcommittee.

He favored most proposed increases in defense spending and new weapons systems. He was a leading Democratic voice in the House for the MX missile and B-1 bomber programs. He also favored development of a neutron bomb.

He led fights to overturn the "Clark Amendment" that prohibited covert aid to rebel forces opposing Angola's communist government. He was a consistent supporter of aid to the Nicaraguan contras.

He was a leading congressional opponent of the nuclear freeze movement and maintained that he looked with great skepticism on arms control agreements with the Soviet Union. He was a strident critic of civilian budget analysts who sought to rein in defense budgets and to reform the procurement system.

His thoughts on the military budget may have led to his becoming the only northern member of the Conservative Democratic Forum, a group of Democrats that became to be popularly known as the "Boll Weevils."

Mr. Stratton's role in the House became that of the outraged advocate rather than the painstaking legislative tactician. It was a role some thought more suited to a minority party member than a senior member of a powerful standing House committee.

One measure of Mr. Stratton's isolation within his own party came in 1985 when House Democrats deposed an aging and increasingly ineffective Rep. Melvin Price (D-Ill.) as Armed Services chairman. They passed up Mr. Stratton—among others—to

pick the less senior Les Aspin (D-Wis.) as the new committee chairman.

Probably one of Mr. Stratton's most lasting accomplishments was his successful fight, against nearly the whole of Congress, to prevent the demolition of the Capitol's West Front. The struggle, which became something of a personal crusade, resulted in the Front's being beautifully refurbished and restored.

Samuel Studdiford Stratton, who lived in Bethesda, was a native of Yonkers, N.Y., and a 1937 graduate of the University of Rochester. He received master's degrees from Haverford College and Harvard University. He came to Washington in 1940, spending the next two years as secretary to Rep. Thomas H. Eliot (D-Mass.)

During World War II, he was a combat intelligence officer in the Southwest Pacific theater on the staff of Douglass McArthur. Mr. Stratton earned two Bronze Star medals. He was recalled to duty during the Korean War.

He was elected to the Schenectady City Council in 1949, where he served until 1956 and fought the Democratic machine and the Republican Party as well as gambling and corruption. He was mayor of Schenectady from 1956 until entering Congress in January 1959.

Over the years, his district was redrawn after each census. Mr. Stratton twice changed districts before Republicans gave up trying to defeat him and gave him a safely Democratic district. He became the dean of the New York delegation in January 1979.

In 1964, he unsuccessfully opposed Robert F. Kennedy for the Democratic nomination for U.S. Senator. Kennedy went on to defeat Sen. Kenneth Keating (R).

Mr. Stratton's survivors include his wife, Joan H., of Bethesda; two sons, Kevin, of Vienna, and Brian, of Clifton Park, N.Y.; three daughters, Lisa Gonzalez of San Mateo, Calif., Debra Mott of Springfield and Kim Petrie of Aspen, Colo.; and eight grandchildren.

Mr. SYMMS. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. DECONCINI). Without objection, it is so ordered.

Mrs. KASSEBAUM. Mr. President, I believe that on this issue, which has been debated to some extent this afternoon, the Older Workers Benefit Protection Act, we should all stand back for a moment and take a long, hard look at what we are doing. In the rush to complete an overwhelming legislative agenda, we are running the risk of approving hastily drafted and potentially costly legislation, simply to meet an arbitrary deadline.

I sometimes think we would be far better off doing less in these last few weeks and doing it well than doing a lot and being very uncertain about what we have done. This is especially true with the legislation at hand.

It is argued that S. 1511 is not new, that this legislation was introduced over a year ago. That is only part of the story. In fact, we are now considering what is the fifth version of exceedingly intricate and complex legislation, the latest draft of which was circulated only last Friday. I think it would be worthwhile to step back a moment and take a look at the complete history of S. 1511.

When originally introduced last year, S. 1511 was touted as a narrow reversal of the Supreme Court's decision in the Betts case. If this had in fact been the case, I would have wholeheartedly supported it. I strongly disagree with the decision in Betts and agree with supporters of S. 1511 that this case should be overruled.

Unfortunately, it became evident in the hearings that, in fact, S. 1511 went much further than merely reversing the Betts decision. For example, S. 1511, as originally drafted, would have prohibited many popular and desirable early retirement incentive programs.

These are programs which benefit the very people S. 1511 was designed to protect—the older workers. Attempting to respond to this and other deficiencies—including onerous and costly retroactivity provisions—the sponsors of S. 1511 offered a second version of the bill. We were told at the time that this version resolved the objections raised with respect to the original bill.

I add that I do think that those who have worked on this and putting forward S. 1511, Senator METZENBAUM and Senator PRYOR, and others, have done so with every effort to try and answer some of the questions that have been raised about the intent and structure of the bill.

This second version, in the view of Senator HATCH, myself, and others, did not go far enough to remedy the substantial problems presented by S. 1511. Consequently, Senator HATCH and I introduced an alternative, S. 2831, which I believe strikes an appropriate balance between protecting the rights of older workers in light of the Betts decision, while still preserving worthwhile employee benefit programs.

Perhaps in response to these unresolved issues, the sponsors of this legislation have now come forward with yet another version, what I now understand is the fifth version of the Betts bill.

Let me say at the outset that I commend those who have been working on this in their good-faith effort to reach a compromise. Each successive version has indeed been a step in the right direction.

But now we are being told once again this latest substitute accommodates all of the major concerns. Perhaps this time it is true. However, the fact remains that no one really comprehends the consequences of this legislation, either in terms of its cost, the extent to which it will eliminate age discrimination, or what its effect will be on private, voluntary employee benefits.

As to the cost of this legislation, let me give you an example just with respect to my own State of Kansas. Initially, the Kansas Public Employees Retirement System had no objections to S. 1511 other than the general complaint that it was an unwarranted Federal intrusion on the State-operated program.

After all, KPERS is, I am proud to say, a well-run State retirement system, in full compliance with all EEOC regulations at the time of the Betts decision. Since S. 1511 is intended to restore the law prior to Betts, one would think KPERS would be in compliance.

However, given the extreme complexity of this legislation, KPERS had to hire an outside consultant to determine what exposure, if any, S. 1511 would create. This was their conclusion:

> The proposed legislation is extremely vague and complex and particularly difficult to analyze because of vagueness and ambiguities. Our best estimate is that should the bill be enacted, it would increase the liability of KPERS from $160 million to $300 million and increase the annual contribution required by employers (namely, Kansas taxpayers) from $22 million to $40 million.

That is the potential cost—$300 million—to Kansas taxpayers alone, not to mention the cost to the other 49 States. I also understand the cost of S. 1511 to the Federal Government would be in the hundreds of millions of dollars, were it not exempt from this legislation. But does anyone have any idea what the cost of this legislation will have on the private sector? I think we should bear in mind that the additional costs of compliance may ultimately translate into fewer benefits for employees.

I would not be so concerned with cost if I were certain it is necessary to eliminate discriminatory practices in the workplace. I have long been an advocate for the rights of older workers and for protecting their justly earned benefits. That is why I am sympathetic to arguments against the coordination or integration of pensions with other employee benefits.

But if this practice and others are discriminatory, why should the Federal Government be exempt from S. 1511? Why should State governments be permitted, as they are under the latest version of S. 1511, to continue a so-called discriminatory benefit program for current State employees and be required to start a new system only for new employees?

Or, why should certain forms of benefit coordination be permitted under S. 1511 while others are prohibited as

discriminatory? Certainly, these distinctions have no relation to the law prior to the Betts decision. Does S. 1511 truly eliminate discriminatory practices, as it purports to do, or does it merely reflect a series of tradeoffs between special interest groups. That is the only explanation I can give for the crazy-quilt patchwork of this legislation.

However, my greatest concern is the potential effect S. 1511 will have on private employee benefit programs. Let us remember these programs are either offered voluntarily by employers or are collectively bargained. One of the ironies of S. 1511 is that it will prohibit certain programs agreed upon by private parties—by unions and employers.

We should be encouraging employers to offer benefit programs to workers, not discouraging or eliminating popular and beneficial employee benefit programs. The ultimate effect of this legislation may be just that, a reduction or elimination of employee benefits.

I hope we have the opportunity to consider the alternative legislation which Senator HATCH and I introduced. It is not perfect, but I believe it does strike an appropriate balance between protecting the rights of older workers and encouraging employers to offer benefit programs. The alternative would make absolutely clear that early retirement incentive programs are permissible.

It would also require, with respect to coordination of benefits, that certain tests be met to ensure that older and younger workers are treated in a fair manner. The alternative does not alter the burden of proof under current law, nor does it contain onerous and unjust retroactive provisions.

Mr. President, I realize this is very complicated legislation. But if even the experts have a difficult time analyzing the consequences of S. 1511, I think it is time we step back and exercise common sense. Senate bill 1511 raises more questions than it answers.

What will this legislation ultimately cost the taxpayer? Will S. 1511 actually serve to root out age discrimination in all workplaces? Or will it ultimately discourage private employers from offering worthwhile benefit programs in the future? The only thing for certain about S. 1511 is the complete unpredictability of its consequences.

Mr. President, I think there are opportunities for us to work together to achieve a bill that would provide some means of redressing the Betts decision. That certainly would be my hope because I think it is a goal that all of us desire and it is one that I think is desirable for us to achieve in this Congress, if at all possible.

I yield the floor.

Mr. HATCH. Mr. President, I ask for the yeas and nays on the Metzenbaum substitute amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. The yeas and nays are ordered?

The PRESIDING OFFICER. The yeas and nays are ordered.

Mr. METZENBAUM. Mr. President, I think that was accepted. I think it had already been accepted as part of the original text.

The PRESIDING OFFICER. The Chair will clarify. We are under the impression that the request was for the yeas and nays on the committee substitute, as amended.

Mr. HATCH. That was the request.

The PRESIDING OFFICER. The yeas and nays have been ordered.

AMENDMENT NO. 2667

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 2667.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the end of the amendment add the following new section:

"SEC. . Exemption for employee benefit practices applied to the Federal sector.

"(a) Notwithstanding any other provision of title I or the amendments to this title, no provision of any employee benefit program, plan, or arrangement operated by any department, agency, or entity of any State or local government or any nongovernmental employee shall be deemed in violation of this title or the amendments to this title if a similar program, plan or arrangement is in effect for any employee of the United States Government or any Federal employee benefit plan or program.

"(b) The Secretary of Labor, in consultation with the Equal Employment Opportunity Commission, the Office of Personnel Management, and the States, shall issue regulation specifying the provisions of this title."

Mr. HATCH. Mr. President, I am giving a copy of the amendment to the distinguished floor manager for the majority.

I do not want to have laws in this area with regard to pension disability rights, early retirement and so forth, that we impose upon State and local governments and private employers that are different from the laws in the Federal Government.

So basically what this says is:

"(a) Notwithstanding any other provision of title I or the amendments to this title, no provision of any employee benefit program, plan, or arrangement operated by any department, agency, or entity of any State or local government or any nongovernmental employer shall be deemed in violation of this title or the amendments to this title if a similar program, plan or arrangement is in effect for any employee of the United States Government or any Federal employee benefit plan or program.

"(6) The Secretary of Labor, in consultation with the Equal Employment Opportunity Commission, the Office of Personnel Management, and the States, shall issue regulations specifying the provisions of this title."

Basically, what we are saying here is that if this law passes, I do not want to set up a different set of rules and regulations for the State and local governments and private employers and employees than what we have in the Federal Government. I think it is an appropriate amendment.

Mr. President, I ask for the yeas and nays on this amendment.

The PRESIDING OFFICER. Is there a sufficient second? There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, I am prepared to agree to a time certain on this amendment so that we can have a vote in the morning. I am also prepared to allow, through unanimous consent, an opening whereby if the distinguished members on the other side desire to amend this in the second degree, they will have a right to do so with an hour debate equally divided on each amendment, assuming that any additional amendment fails first, an hour, equally divided, for each side.

Is that satisfactory to the distinguished Senator from Ohio?

Mr. METZENBAUM. Mr. President, as I understand it the Senator from Utah is saying that he is prepared to agree to a vote on this amendment tomorrow after an hour's debate, equally divided, with the understanding that managers of the bill on this side of the aisle would have the right to offer a second-degree amendment in the morning, and that in connection with that second-degree amendment, there would be an hour, equally divided, on that second-degree amendment as well.

Mr. HATCH. That is what I am prepared to agree to, if it is all right with the distinguished majority leader. But, as I understand it, he would like a vote on this bill tomorrow morning, or at least on an amendment to this bill tomorrow morning, and I am prepared to move ahead on this basis.

The PRESIDING OFFICER. The Senator from Ohio.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the

order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. METZENBAUM. Mr. President, these requests have all been cleared with the minority leader.

Mr. President, I ask unanimous consent that there now be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

A REMARKABLE CAREER OF PUBLIC SERVICE

Mr. KENNEDY. Mr. President, a few weeks ago, the Committee on Labor and Human Resources held a hearing on the State of the Food and Drug Administration's Medical Device Program. The Radiologic Health Program has been one of its strongest components. This is attributable to the leadership of the fine gentleman who leads the Center for Devices and Radiological Health, John C. Villforth.

Mr. Villforth has served as Director of the Center since 1982. For the 13 years prior to that assignment, Mr. Villforth ran the much-heralded Radiological Health Program at FDA. As as result of Mr. Villforth's hard work and high-energy leadership, Americans have been protected from radiation produced by a number of products with which they regularly come in contract, such as color TV's, microwave ovens, lassers, tanning devices, and x-ray machines. Mr. Villforth is regarded as a modern-day champion of public health by his coworkers, and associates at FDA, his peers in the radiological health and health physics communities, and his counterparts in other Federal and State agencies with responsibilities in the field of radiation protection.

Mr. Villforth has also received accolades from international radiation protection organizations for his contributions to a broader understanding of radiation science and the human health effects from this natural and manmade phenomenon, as well as to the development of safety standards to protect medical radiation and nuclear workers in this country and around the world.

He is recognized as one of the principal forces behind the establishment of a national consortium of State radiological health agencies. This organization has provided a forum in which radiation experts at the State and Federal level can debate serious issues such as radon in homes, handling and disposal of nuclear waste, nuclear emergency preparedness, and safety inspections of diagnostic x-ray installations. It has also allowed agencies such as FDA, EPA, NRC, and the Energy Department to effectively coordinate their radiation protection activities and assure effective radiation safety controls at all levels of Government.

Mr. Villforth's presence was also felt during the incident at the Three Mile Island nuclear power facility. As then-HEW's point man, he directed a wide-scale radiation monitoring program to be sure that fresh produce, raw milk, and other food products had not been contaminated by radiation effluents from the plant. He was also instrumental in arranging for the rapid manufacture and acquisition of nearly a quarter of a million bottles of a radioactive iodine blocking drug and the development of a health policy on its proper use.

Mr. Villforth demonstrated that same quality of leadership and mastery of complex scientific and policy issues in carrying out FDA's medical device authorities. Like FDA itself, which is confronted with the ever-increasing challenge to keep pace with the rapid change in medical and food technology, Mr. Villforth's organization shoulders the heavy burden of deciding the commercial fate of newly developed medical products. Advances in microelectonics, computer systems and microprocessors, and biomaterials, coupled with the proliferation of these technological developments from engineering laboratories to the medical arena, makes the task extraordinarily difficult.

Mr. Villforth has met this challenge. He has implemented very complex legislation in a highly professional and responsible manner. His device center has taken great care to block the market entry of products whose safety and effectiveness has not been adequately demonstrated. The center has also shown sensitivity to the demands of modern medicine by developing procedures to ensure that commercial marketing and clinical testing approvals of new products with significant thereapeutic and diagnostic promise are granted expeditiously, consistent with sound scientific principles.

Mr. Villforth has also had great success in constructing a national system to identify and correct malfunctioning devices that pose a health threat to consumers. This is a critical part of the FDA Program because even the best engineered and manufactured high-technology pieces of machinery will not necessarily remain defect free over their lifetimes.

In a rather simplistic way, we tend to think of the FDA as a regulatory agency that approves new products and removes those that pose a risk to health. To his credit, Mr. Villforth has resisted this stereotype by working cooperatively with States, consumers, and health professionals on a veriety of programs designed to educate them on the proper use of complex devices and alert them to the possible hazards of improper use. These efforts have been a sterling success and perhaps are the trademark of Mr. Villforth's years of Federal service.

Mr. President, it is important to take note of people like John Villforth, who have committed themselves to improving the public health of our Nation. As a 29-year veteran of the Public Health Service who has attained the rank of Assistant Surgeon General, Mr. Villforth has shown by example how Government can make a difference in people's lives. At the end of this month, Mr. Villforth will end his Federal service. The Nation owes a great debt to him for his public commitment, his superior leadership, and his outstanding record of achievement.

SAFE WATER

Mr. AKAKA. Mr. President, in 1978, Congress passed amendments to the Safe Drinking Water Act to ensure that Americans have access to clean and pure drinking water. One would expect that, as the newest Senator from the State of Hawaii, I would find it easy to boast about my State, especially her abundance of clean water. I wish I could report that every time you drink a glass of water in my home State you taste paradise. But I am sorry to say that paradise found is also paradise lost.

Last month I chaired a hearing on Federal hazardous waste sites in Hawaii. We found massive contamination at Schofield Barracks, the State's largest Army base. The aquifer beneath the base is contaminated with trichloroethylene, a known carcinogen. The aquifer has been contaminated for the last 5 years; 5 long years, Mr. President. You can understand why I get upset when I think about the 25,000 residents at Schofield Barracks who must drink this water. This aquifer is their only drinking source. No one should have to turn on their tap water and cringe in horror or hold up a glass of water at an restaurant and wonder what is swimming in there: friend or foe? Or fear that your next shower might just as well coat you with a cancerous agent.

But there is some good news. One week after my hearing, the EPA announced that it was placing Schofield Barracks on its Superfund cleanup list.

Still, the menace persists. I found out just last week that another cancer-causing pollutant has been found at another water source. This time I speak of Hawaii Volcanoes National Park on the big island of Hawaii. Beware, Mr. President, if you dare drink the water. National Park employees will not. They have demanded and been given bottled water to drink.

A notice at each fountain warns that, "This facility contains a trace of the compound tetrachloroethylene. The specific health effect of the compound is unknown at this time." In short, it says, "Drink at your own risk." And despite the fact that the sign says that the specific health effect of the compound is unknown, I did a little homework of my own and found that the health effects are, indeed, known. Drink enough of that water and you will be prone to eye irritation, dermatitis, stomach problems, damage to the central nervous system, respiratory destruction, and, for some, cancer that could lead to death.

The point I am making is that we have been dragging our feet rather than getting off to a running start to protect one of our most precious resources. I want to make it clear that I will continue to press for action from the Department of Defense, the EPA, the U.S. Public Health Service, Hawaii's Department of Health, and other agencies. I will be looking for answers, digging where some might not want me to dig, and focusing attention on areas that have been neglected for too long. I will watch and wait, prod and push, until our water is clean and safe again, until our families have one less thing to worry about, and until Hawaii's once pristine water and land are restored to their former State: paradise found.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,011th day that Terry Anderson has been held captive in Beirut.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 6 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bills, without amendment:

S. 2205. A bill to designate certain lands in the State of Maine as wilderness; and

S. 3033. An act to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances.

ENROLLED BILL SIGNED

At 6:16 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the Speaker pro tempore [Mr. HOYER] had signed the following enrolled bill:

S. 3033. An act to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances.

The enrolled bill was subsequently signed by the Acting President pro tempore [Mr. SHELBY].

MEASURES HELD AT THE DESK

The following bill was ordered held at the desk until the close of business on September 18, 1990:

H.R. 5400. A bill to amend the Federal Election Campaign Act of 1971 and certain related laws to clarify such provisions with respect to Federal elections, to reduce costs in House of Representatives elections, and for other purposes.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, September 17, 1990, he had presented to the President of the United States the following enrolled bill:

S. 3033. An act to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, without amendment and with a preamble:

S. Res. 186. A resolution relating to the protection of the Antarctic System.

By Mr. PELL, from the Committee on Foreign Relations, with amendments and with a preamble:

S.J. Res. 206. Joint resolution calling for the United States to encourage immediate negotiations toward a new agreement among Antarctic Treaty Consultative parties, for the full protection of Antarctica as a global ecological commons.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MOYNIHAN:

S. 3060. A bill entitled the "Zebra Mussel Control Act of 1990"; to the Committee on Environment and Public Works.

By Mr. ARMSTRONG (for himself and Mr. BOREN):

S. 3061. A bill to amend the Internal Revenue Code of 1986 to extend the credit for producing fuel from nonconventional sources to gas produced from oil shale, to allow taxpayers subject to the alternative minimum tax full credit for producing fuel from nonconventional sources, and for other purposes; to the Committee on Finance.

By Mr. LOTT (for himself, Mr. COCHRAN, Mr. BUMPERS, and Mr. PRYOR):

S. 3062. A bill to transfer the responsibility for operation and maintenance of Highway 82 bridge at Greenville, MS, to the States of Mississippi and Arkansas; to the Committee on Environment and Public Works.

By Mr. BAUCUS (for himself, Mr. DASCHLE, and Mr. EXON):

S. 3063. A bill to take additional measures to strengthen economic sanctions against Iraq; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PELL (by request):

S. 3064. A bill to provide for the implementation of the enterprise for the Americas Initiative, and for other purposes; to the Committee on Foreign Relations.

By Mr. HEINZ (for himself and Mr. SPECTER):

S. 3065. A bill to amend the Wild and Scenic River Act by designating a segment of the Allegheny River in the State of Pennsylvania as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

By Mr. SASSER (for himself, Mr. GORE, Mr. DIXON, Mr. FOWLER, Mr. GLENN, Mr. AKAKA, Mr. MOYNIHAN, Mr. ADAMS, Mr. BURDICK, Mr. DODD, Mr. BRYAN, Mr. SHELBY, Mr. PRYOR, Mr. KERRY, Mr. HOLLINGS, Mr. NUNN, Mr. BOREN, Mr. HEFLIN, Mr. SARBANES, Mr. WIRTH, Mr. EXON, Mr. JOHNSTON, Mr. FORD, Mr. DECONCINI, Mr. BUMPERS, Mr. ROCKEFELLER, Mr. CRANSTON, Mr. RIEGLE, Mr. COATS, Mr. DURENBERGER, Mr. DOLE, Mr. D'AMATO, Mr. SYMMS, Mr. WARNER, Mr. CONRAD, Mr. STEVENS, Mr. SPECTER, Mrs. KASSEBAUM, Mr. BURNS, Mr. THURMOND, Mr. MCCLURE, Mr. DOMENICI, Mr. COCHRAN, Mr. BOSCHWITZ, Mr. ARMSTRONG, Mr. BOND, Mr. LOTT, Mr. HELMS, Mr. WILSON, Mr. HUMPHREY, Mr. DANFORTH, and Mr. ROTH):

S.J. Res. 365. Joint resolution to designate the month of October 1990 as Country Music Month"; to the Committee on the Judiciary.

By Mr. COCHRAN (for himself, Mr. DURENBERGER, Mr. COATS, Mr. BYRD, Mr. BUMPERS, Mr. PRYOR, Mr. GRAMM, Mr. NUNN, Mr. BOND, Mr. WARNER, Mr. LOTT, Mr. GARN, Mr. HEFLIN, Mr. DANFORTH, Mr. DOLE, Mr. LUGAR, Mr. BENTSEN, Mr. SIMPSON, Mr. ROBB, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. KASTEN, Mr. THURMOND, Mr. JOHNSTON, Mr. FOWLER, Mr. BOSCHWITZ, Mr. ROCKEFELLER, Mr. SHELBY, Mr. CHAFEE, Mr. HOLLINGS, Mr. BREAUX, Mr. JEFFORDS, Mr. GORE, Mr. REID, Mr. BURDICK, Mr. WALLOP, Mr. MACK, Mr. MCCAIN, Mr. SPECTER, Mr. SYMMS, Mr. GRAHAM, Mr. SANFORD, Mr. PELL, Mr. SASSER, Mr. DIXON, Mr. HELMS, Mr. WILSON, Mr. MCCLURE, Mr. FORD, Mr. GRASSLEY, Mr. DECONCINI, and Mr. MCCONNELL):

S.J. Res. 366. Joint resolution to designate March 30, 1991, as "National Doctors Day"; to the Committee on the Judiciary.

By Mr. BOND (for himself, Mr. BRADLEY, Mr. CRANSTON, Mr. GLENN, Mr. LEVIN, Mr. KERRY, Mr. DIXON, Mr. FOWLER, Mr. BENTSEN, Mr. CONRAD, Mr. SIMON, Mr. MOYNIHAN, Mr. SARBANES, Mr. PELL, Mr. BURDICK, Mr. HOLLINGS, Mr. SHELBY, Mr. SASSER, Mr. GORE, Mr. ADAMS, Mr. SANFORD, Mr. LAUTENBERG, Mr. BAUCUS, Mr. INOUYE, Mr. BOSCHWITZ, Mr. COCHRAN, Mr. WARNER, Mr. SPECTER, Mr. COATS, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. D'AMATO, Mr. DURENBERGER, Mr. DANFORTH, Mr. GRASSLEY, Mr. HUMPHREY, Mr. BURNS, Mr. ARMSTRONG, Mr. STEVENS, Mr. CHAFEE, Mr. WILSON, Mr. JEFFORDS, Mr. HELMS, Mr. HATCH, Mr. WALLOP, Mr. DOLE, Mr. MACK, Mr. GORTON, Mr. LUGAR, and Mr. HEINZ):

S.J. Res. 367. Joint resolution to designate the week of November 11 through 17, 1990, as Gaucher's Disease Awareness Week"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ARMSTRONG (for himself and Mr. BOREN):

S. 3061. A bill to amend the Internal Revenue Code of 1986 to extend the credit for producing fuel from nonconventional sources to gas produced from oil shale, to allow taxpayers subject to the alternative minimum tax full credit for producing fuel from nonconventional sources, and for other purposes; to the Committee on Finance.

NONCONVENTIONAL FUEL SOURCE DEVELOPMENT TAX CREDIT

● Mr. ARMSTRONG. Mr. President, the recent events in the Persian Gulf, and the resulting increase in oil prices, have served to remind us of the importance of developing domestic alternatives to foreign oil. The United States has no shortage of oil or of other energy sources. The shortage lies in the technology needed to extract the energy at reasonable costs.

For example, the United States has about 600 billion barrels of recoverable high grade crude oil in the shale found in Colorado, Wyoming, and Utah. This represents about 20 times the Nation's current crude oil reserves and is about equal to OPEC's reserves. The problem, of course, is that we don't know how to extract the oil from the shale at a low enough cost to make full development of this important resource worthwhile.

At the present time, there is one commercial scale, demonstration shale oil plant in the entire country. This plant is located in Parachute, CO, and is owned and operated by Unocal. Construction on the facility was begun in 1981 and completed in 1983. The plant was designed to produce 10,000 barrels of oil per day. Today, the primary purpose of the plant is to explore the boundaries of shale oil technology.

As with any new technology, production at the Parachute plant has proceeded in fits and starts. As a result of the collapse in oil prices in the early 1980's, Unocal was forced to write the plant off entirely. Nevertheless, the management of Unocal has resisted strong pressures from shareholders and analysts to close the plant to cut costs because of the importance of exploring the technology fully.

Under continued development and study at the school at hard knocks, sustained production was achieved in 1986. By 1989, production levels had reached 1.5 million barrels, or roughly 50 percent of capacity. And though the plant has lost money in every year of its operation, ever-increasing production levels have brought the losses down from $103 million in 1987 to $20 million in 1989.

Understandably, Unocal cannot continue indefinitely to operate a plant that doesn't cover its costs. As a result, this enormously important research facility could be lost to the Nation.

Fortunately, a low-cost solution may be available. Under current law, the Unocal plant qualifies for the "credit for producing fuel from a nonconventional source," section 29 of the Internal Revenue Code. This is a $3 per barrel credit for the production of nonconventional fuels, including oil from shale. However, the credit is offset by 100 percent of any energy investment tax credits claimed under section 47 of the Internal Revenue Code, and is further reduced by the proportion of the production facility financed with tax-exempt pollution control bonds. These offsets reduce the value of the credit and so make it harder for the shale plant to cover its costs.

I am introducing a bill to allow this important research facility to remain open by placing a 3-year moratorium on the pollution control bond and energy investment offsets against the nonconventional fuels credit. In addition, my bill would correct an oversight in existing statute by extending the credit to gas produced from oil shale and would eliminate the requirement that gas produced from oil shale be sold to an unrelated party. Finally, my bill would ensure that the taxpayer would be able to take the credit regardless of whether the taxpayer is paying regular or alternative minimum tax. The Joint Tax Committee estimated in 1989 that these provisions would cost about $20 million over the period from 1990 to 1994.

To date, Unocal has invested $1.2 billion in the Parachute oil shale facility. The Federal Government has spent billions of dollars to fund energy research. Here, we have a private, billion plus dollar research facility to explore a technology to unleash an amount of oil twice that of OPEC's reserves. It seems obvious that $20 million over five years, $5 million in the first year, is a ridiculously cheap price to keep such a facility in operation. As the Persian Gulf crisis makes abundantly clear, it is a price we can ill afford not to pay.●

By Mr. LOTT (for himself, Mr. COCHRAN, Mr. BUMPERS, and Mr. PRYOR):

S. 3062. A bill to transfer the responsibility for operation and maintenance of Highway 82 Bridge at Greenville, MS, to the State of Mississippi and Arkansas; to the Committee on Environment and Public Works.

TRANSFER OF BRIDGE AUTHORITY

Mr. LOTT. Mr. President, for some time, the city of Greenville, MS, has been attempting to negotiate a transfer of the responsibility for the Greenville/Lake Village Bridge to the Mississippi State Highway Commission and the Arkansas State Highway Commission.

Mr. COCHRAN. The city of Greenville was authorized by Congress in 1938 to construct, maintain, and operate the Greenville/Lake Village Bridge—also known as the Highway 82 Bridge—across the Mississippi River.

In 1944, Greenville conveyed to Arkansas that portion of the bridge located in Arkansas, but reserved the right to operate, maintain, and manage the bridge. Now, the city of Greenville wants to transfer maintenance and operation authority to the Mississippi and Arkansas State Highway Commissions.

Mr. LOTT. In a letter dated March 20, 1990, the U.S. Department of Transportation Federal Highway Administration reiterated that special authority was granted to the city of Greenville by Federal legislation which reserved to the Congress the right to alter any part of the authority.

Mr. President, I ask unanimous consent that the text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL HIGHWAY ADMINISTRATION,
OFFICE OF THE ADMINISTRATOR,
Washington, DC, March 20, 1990.

Hon. TRENT LOTT,
U.S. Senate,
Washington, DC.

DEAR SENATOR LOTT: Thank you for your February 28 letter to Secretary of Transportation Samuel K. Skinner on behalf of your constituent, the city of Greenville, concerning the proposed transfer of the Greenville/Lake Village Bridge by the city to the Arkansas and Mississippi State Highway Commissions. The Secretary's staff has asked us to answer your letter.

You have asked whether the "franchise" for the maintenance and operation of the bridge can be transferred by the city without the express approval of the U.S. Department of Transportation or further special legislation from the U.S. Congress.

The bridge in question was authorized by special legislation of the U.S. Congress, Act of June 14, 1938, ch. 361, 52 Stat. 681. The legal authorities referred to in that Act, specifically 33 U.S.C. § 491-498 and the Act of March 23, 1906, were transferred to the Department of Transportation in 1966. However, the 1938 law does not grant this department or any other Federal agency authority to alter the responsibility for maintenance, operation, or ownwership of the bridge, which was established as a grant condition in 1938.

We believe that further special legislation from the U.S. Congress is necessary to resolve this matter with certainty. The U.S. Congress only gave special authority to the city of Greenville and Washington County under the 1938 Act. It appears the authority can not be now transferred without its authorization. See section 5 of the Act, wherein Congress reserved to itself the "right to alter, amend, or repeal * * * [the Act] * * *."

I appreciate you bringing this matter to my attention. I regret not being able to be of more assistance.

Sincerely yours,

T.D. LARSON,
Administrator.

Mr. COCHRAN. Mr. President, both the Mississippi and Arkansas State Highway Commissions want to move forward with the transfer of the authority over the Greenville/Lake Village Bridge. The bridge may be transferred to the State Highway Commissions only under a special act of Congress.

Mr. LOTT. Our colleagues from Arkansas, Mr. PRYOR and Mr. BUMPERS, are joining us today in introducing legislation for this purpose. I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3062

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) all the authorities conferred upon the city of Greenville, Mississippi, and Washington County, Mississippi, by the Act of June 14, 1938 (52 Stat. 681) to operate and maintain a bridge across the Mississippi River (known as the Greenville/Lake Village Bridge or the "Highway 82 Bridge") are transferred, upon the certification required by subsection (b), to the State Highway Commissions of Mississippi and Arkansas, acting jointly.

(b) Whenever the Secretary of Transportation determines that the States of Mississippi and Arkansas have entered into a suitable agreement for the continued operation and maintenance of the Highway 82 Bridge at Greenville, Mississippi, the Secretary shall so certify to the Committee on Environment and Public Works of the Senate and the Committee on Public Works and Transportation of the House of Representatives.

By Mr. PELL (by request):

S. 3064. A bill to provide for the implementation of the Enterprise for the Americas Initiative, and for other purposes; to the Committee on Foreign Relations.

ENTERPRISE FOR THE AMERICAS INITIATIVE ACT

● Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill to provide for the implementation of the Enterprise for the Americas Initiative, first proposed by President Bush on June 27, 1990, and for other purposes.

This proposed legislation has been requested by the executive branch, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

The stated purpose of this legislation is to encourage and support market-oriented reform and economic growth in Latin America and the Caribbean through inter-related actions that will promote investment reforms, debt reduction and environmental protection in that region. Specifically, this legislation contains provisions designed to accomplish the following:

To authorize contributions by the United States for a newly created Enterprise for the Americas Investment Fund which will be established as a special facility of the Inter-American Development Bank. The fund is designed to foster a climate favorable to investment in Latin America and the Caribbean;

To authorize the establishment of an Enterprise for the Americas facility in the Department of Treasury which would conduct debt reduction operations for eligible countries;

To authorize the President to reduce official debt obligations owed to the United States by eligible countries, subject to advance appropriations;

To authorize the use of interest payments on concessional official debts for environmental programs in eligible debtor countries; and

To provide authority for the sale, reduction or cancellation of certain debts owed by eligible countires to be used in a manner designed to facilitate debt/equity or debt-for-nature swaps.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD at this point together with the section-by-section analysis prepared by the administration.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3064

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Enterprise for the Americas Initiative Act of 1990".

TITLE I—PROVISIONS RELATING TO THE ENTERPRISE FOR THE AMERICAS INVESTMENT FUND AT THE INTER-AMERICAN DEVELOPMENT BANK

SEC. 101. UNITED STATES CONTRIBUTION.

(a) CONTRIBUTION AGREEMENT.—The Secretary of the Treasury (hereinafter the "Secretary") is hereby authorized to agree on behalf of the United States to contribute, and to make payment of, a grant of $500,000,000 to the Enterprise for the Americas Investment Fund (hereinafter the "Fund") to be administratered by the Inter-American Development Bank (hereinafter the "IDB").

(b) AUTHORIZATION OF APPROPRIATIONS.—There are hereby authorized to be appropriated to the Secretary without fiscal year limitation and for the purposes of subsection (a), $500,000,000, to be paid in five annual installment of $100,000,000 each, beginning in Fiscal Year 1992.

SEC. 102. PURPOSE OF THE FUND.

The purpose of the Fund shall be to provide program and project grants that will advance specific, market-oriented investment policy initiatives and reforms to encourage domestic and foreign investment in Latin America and the Caribbean. The Fund will also finance technical assistance for privatizing government-owned industries; business infrastructure; and worker training and education programs to develop supporting human capital.

SEC. 103. CONTRIBUTIONS FROM OTHER COUNTRIES.

The Secretary may seek contributions to the Fund from other countries.

TITLE II—ENTERPRISE FOR THE AMERICAS FACILITY

SEC. 201. ESTABLISHMENT.

There is hereby established in the Department of the Treasury the Enterprise for the Americas Facility (hereinafter the "Facility").

SEC. 202. PURPOSE.

The purpose of this initiative is to encourage and support market-oriented reform and economic growth in Latin America and the Caribbean through inter-related actions which will promote debt reduction, investment reforms, and environmental protection. The Facility will support these objectives through administration of debt reduction operations for those nations that meet the investment reform and other policy conditions.

SEC. 203. ELIGIBILITY FOR BENEFITS UNDER THE FACILITY.

(a) REQUIREMENTS.—To be eligible for benefits under the Facility, a country must—

(1) be a Latin American or Caribbean country;

(2) have in effect or have received approval for—

(A) an International Monetary Fund (hereinafter the "IMF") standby arrangement, extended Fund arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or in exceptional circumstances, an IMF-monitored program or its equivalent; and

(B) as appropriate, structural or sectoral adjustment loans from the International Bank for Reconstruction and Development (hereinafter the "World Bank") or the International Development Association (hereinafter the "IDA");

(3) have put in place major investment reforms in conjunction with an IDB loan or

otherwise be implementing an open investment regime; and

(4) if appropriate, have agreed with its commercial bank lenders on a satisfactory financing program, including, as appropriate, debt or debt service reduction.

(b) ELIGIBILITY DETERMINATIONS.—The President shall determine whether a country is an eligible country for purposes of subsection (a).

TITLE III—DEBT REDUCTION

SEC. 301. REDUCTION OF CERTAIN DEBT.

(a) AUTHORITY TO REDUCE DEBT.—

(1) Notwithstanding any other provision of law, the President may reduce the amount owed to the United States or any agency of the United States, and outstanding as of January 1, 1990, as a result of any concessional loan made by the United States pursuant to the Foreign Assistance Act of 1961, as amended, or any credits extended pursuant to title I of the Agricultural Trade Development and Assistance Act of 1954, as amended, to a county eligible for benefits under the Facilty.

(2) The authorities of this section may be exercised only to such extent as approved in advance in appropriation acts, as appropriate.

(b) LIMITATION.—Any debt reduction authorized pursuant to subsection (a) shall be accomplished at the direction of the Facility by the exchange of a new obligation for obligations outstanding as of January 1, 1990.

(c) EXCHANGE OF OBLIGATIONS.—The Facility shall notify the Agency for International Development or the Commodity Credit Corporation of the agreement with an eligible country to exchange a new obligation for outstanding obligations, pursuant to section 301(b), and, at the direction of the Facility, the old obligations shall be canceled and a new debt obigation for the country shall be established, and such agency shall make an adjustment in its accounts to reflect the debt reduction.

SEC. 302. REPAYMENT OF PRINCIPAL.

(a) CURRENCY OF PAYMENT.—The principal amount of each new obligation issued pursuant to section 301 shall be repaid in United States dollars.

(b) DEPOSIT OF PAYMENTS.—Principal repayments of obligations shall be deposited in the account(s) established for principal repayments of the obligations exchanged therefor.

SEC. 303. INTEREST ON NEW OBLIGATIONS.

(a) RATE OF INTEREST.—New obligations issued by an eligible country pursuant to section 301 shall bear interest at a concessional rate.

(b) CURRENCY OF PAYMENT; DEPOSITS.—

(1) LOCAL CURRENCY.—If the eligible country has entered into an agreement pursuant to section 403, interest shall be paid in the local currency of the eligible country and deposited in an Environmental Fund as provided in section 401. Such interest shall be the property of the eligible country, and such local currencies shall be used for the purposes, and be subject to joint programming, as specified in the agreement provided for in section 403.

(2) UNITED STATES DOLLARS.—If the eligible county has not entered into an agreement pursuant to section 403, interest shall be paid in United States dollars and deposited in the account(s) established for interest payments of the obligations exchanged therefor.

(c) INTEREST ALREADY PAID.—If an eligible country enters into an agreement pursuant to section 403 subsequent to the date on which interest first became due on the newly issued obligation, any interest already paid on such new obligation shall not be redeposited into the fund established for the eligible country pursuant to section 401(a).

TITLE IV—ENTERPRISE FOR THE AMERICAS ENVIRONMENTAL FUNDS

SEC. 401. ENTERPRISE FOR THE AMERICAS ENVIRONMENTAL FUNDS.

(a) ESTABLISHMENT.—The eligible country shall establish an Enterprise for the Americas Environmental Fund (hereinafter "Environmental Fund") to receive payments in local currency pursuant to section 303(b)(1).

(b) DEPOSITS.—Local currencies deposited in accordance with this section shall not be considered assistance for the purpose of any provision of law limiting assistance to a country.

(c) INVESTMENT.—Deposits made to an Environmental Fund shall be invested. Notwithstanding any other provision of law, any return on such investment may be retained by the Environmental Fund, without deposit in the Treasury of the United States and without further appropriation by Congress.

SEC. 402. DISBURSMENT OF ENVIRONMENTAL FUNDS.

Funds in an Environmental Fund shall be disbursed only pursuant to an agreement entered into pursuant to section 403.

SEC. 403. ENVIRONMENTAL FRAMEWORK AGREEMENTS.

The President is authorized to enter into an environmental framework agreement with each country eligible for benefits under the Facility concerning the operation and use of the Environmental Fund for that country. Such agreement should, among other things, specify the means by which point programming shall be accomplished; provide that such Environmental Fund shall be used to provide grants to support environmental projects or programs within such country which are subject to the joint approval of the country and the President; and, when appropriate, seek to maintain the value of the local currency resources of the Environmental Fund in terms of the United States dollar.

SEC. 404. ROLE OF NON-GOVERNMENT ORGANIZATIONS.

(a) FRAMEWORK AGREEMENTS AND LOCAL NON-GOVERNMENTAL ORGANIZATIONS.—In negotiating environmental framework agreements pursuant to section 403, the President should encourage the involvement of local non-governmental organizations having expertise with respect to environmental or conservation matters. In addition, the President should encourage eligible countries to involve representatives of these organizations in decisions on the use of grant funds.

(b) CONSULTATION ON FUND PROGRAM.—The President should consult with non-governmental organizations having expertise with respect to environmental or conservation matters regarding the establishment, structure, and operation of the Environmental Fund

TITLE V—SALES, REDUCTIONS, OR CANCELLATIONS OF LOANS OR ASSETS

SEC. 501. LOANS OR ASSETS ELIGIBLE FOR SALE, REDUCTION, OR CANCELLATION.

(a) Notwithstanding any other provision of law, the President may, in accordance with this title—

(1) sell to any eligible purchaser any loan or portion thereof of an eligible country (as determined pursuant to section 203) or any agency thereof, that was made pursuant to the Export-Import Bank Act of 1945, as amended;

(2) sell to any eligible purchaser any asset or portion thereof which is acquired by the Commodity Credit Corporation as a result of its status as a guarantor of credits in connection with export sales to an eligible country (as determined pursuant to section 203), in accordance with export credit guarantee programs authorized pursuant to the Commodity Credit Corporation Charter Act, as amended, or section 4(b) of the Food for Peace Act of 1966, as amended; and

(3) upon receipt of payment from an eligible purchaser, reduce or cancel any loan or the amount of any asset or portion thereof referenced in paragraphs (1) or (2) of subsection (a) of this section, provided that any such loan or asset that is sold, reduced, or canceled under this section was made or acquired prior to January 1, 1990, and such sale, reduction, or cancellation would not contravene any term or condition of any prior agreement relating to such loan or asset.

(b) Notwithstanding any other provision of law, the President shall establish the terms and conditions under which loans of assets may be sold, reduced, or canceled pursuant to this title.

(c) Any sale made pursuant to this title by the Export-Import Bank of the United States or the Commodity Credit Corporation of a loan or asset (including any interest therein) to an eligible purchaser under section 503 shall be a transaction not required to be registered pursuant to section 5 of the Securities Act of 1933. For purposes of the Securities Act of 1933, neither the Export-Import Bank of the United States nor the Commodity Credit Corporation shall be deemed to be an issuer or underwriter with respect to any subsequent sale or other disposition of such loan or asset (including any interest therein) or any security received by an eligible purchaser pursuant to any debt-for-equity or debt-for-nature swap.

(d) The Facility shall notify the Export-Import Bank of the United States or the Commodity Credit Corporation of purchasers the President has determined to be eligible under section 503, and shall direct the Export-Import Bank of the United States or the Commodity Credit Corporation to carry out the sale, reduction, or cancellation of a loan or asset pursuant to this section. Such agency shall make an adjustment in its accounts to reflect the sale, reduction, or cancellation.

SEC. 502. DEPOSIT OF PROCEEDS.

The proceeds from the sale, reduction, or cancellation of any loan or asset sold, reduced, or cancelled pursuant to this title shall be deposited in the account(s) established for the repayment of such loan or asset.

SEC. 503. ELIGIBLE PURCHASER.

A loan or asset may be sold pursuant to this title only to a purchaser who presents plans satisfactory to the President for using such loan or asset for the purpose of engaging in debt-for-equity swaps or debt-for-nature swaps. A loan or asset may be reduced or canceled pursuant to this title only for the purpose of facilitating debt-for-equity swaps or debt-for-nature swaps.

SEC. 504. DEBTOR CONSULTATION.

Prior to the sale to any eligible purchaser, or any reduction or cancellation pursuant to this title of any loan made to an eligible country, asset acquired as the result of a

credit guarantee made in connection with export sales to an eligible country, the President should consult with that country concerning, among other things, the amount of loans or assets to be sold, reduced, or canceled and their uses for debt-for-equity swaps or debt-for-nature swaps.

TITLE VI—REPORTS

SEC. 601. ANNUAL REPORT TO CONGRESS.

Not later than December 31 of each year, the President shall transmit to the Speaker of the House of Representatives and the President of the Senate an annual report on the operation of the Facility for the prior fiscal year.

SECTION-BY-SECTION ANALYSIS

TITLE I. PROVISIONS RELATING TO THE ENTERPRISE FOR THE AMERICAS INVESTMENT FUND AT THE INTER-AMERICAN DEVELOPMENT BANK

Section 101 provides for contribution by the United States to the Enterprise for the Americas Investment Fund (the "Fund"), an investment fund to be established by the Inter-American Development Bank (the "IDB").

Subsection (a) authorizes the United States to contribute $500 million to the Fund.

Subsection (b) authorizes appropriations for the contribution.

Section 102 describes the purpose of the Fund. The purpose of the Fund is to foster a climate favorable to investment in Latin American and Caribbean countries. Conditions in Latin America and the Caribbean over the last decade have led investors to look away from the region to other markets. The goal of the Fund is to support the efforts of Latin American and Caribbean nations to carry out investment reforms in order to facilitate foreign investment and the reflow of flight capital. Specifically, the Fund would:

Advance specific, market-oriented investment policy initiatives and reforms; and

Finance technical assistance for privatizing government-owned industries, business infrastructure, and worker training and education programs.

Section 103 provides that the Secretary of the Treasury may seek contributions to the Fund from other countries.

TITLE II. ENTERPRISE FOR THE AMERICAS FACILITY

Section 201 establishes the Enterprise for the Americas Facility (the "Facility") in the Department of the Treasury.

Section 202 provides that the purpose of the initiative is to encourage and support market-oriented reform and economic growth in Latin America and the Caribbean through inter-related actions which will promote debt reduction, investment reforms, and environmental protection. The purpose of the Facility is to support these objectives through administration of debt reduction operations for nations that meet certain investment reform and other policy conditions.

Section 203 governs eligibility to participate in the Facility. These criteria are designed to encourage economic reform in Latin American and Caribbean countries, including measures to liberalize investment regimes, and to reach satisfactory agreements with commercial bank creditors.

Subsection (a) provides that an eligible country is one that:

Is a Latin American or Caribbean country;

Has in effect an International Monetary Fund (IMF) standby arrangement, extended fund arrangement, or an arrangement under the structural adjustment facility, or enhanced structural adjustment facility or, in exceptional circumstances, an IMF-monitored program or its equivalent;

As appropriate, has received structural adjustment or sectoral adjustment loans under the International Bank for Reconstruction and Development (World Bank), or the International Development Association (IDA);

Has in place major investment reforms in conjunction with an IDB loan or otherwise is implementing an open investment regime; and

If appropriate, has agreed on a satisfactory financing program with commercial banks, including, if appropriate, debt and debt service reduction.

It is the Administration's intent in implementing this section that official debt reduction negotiations with a country may begin once the country and its commercial bank creditors have agreed in principle on a financing program. However, the President will not finally agree to any debt reduction until the commercial banks and the country have reached a final agreement.

Subsection (b) provides that the President shall determine whether a country is eligible to participate in the Facility pursuant to subsection (a).

TITLE III. DEBT REDUCTION

Section 301. Subsection (a) authorizes the reduction of concessional loans extended under the Foreign Assistance Act of 1961 (FAA) and credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended.

Subsection (b) provides that debt reduction will be accomplished by the exchange of a new obligation for obligations outstanding as of January 1, 1990.

Subsection (c) provides that the responsibility for executing the exchange of obligations that will result in the debt reduction agreed to by the President pursuant to subsection (a) rests with the agency whose loans or credits are affected, and such agency shall act at the direction of the Facility.

Section 302 provides that repayments or principal on new obligations issued pursuant to section 301 shall be paid in U.S. dollars and deposited into the accounts established to receive principal payments on the old debt obligations.

Section 303 provides that the rate of interest on the new obligations shall be a concessional rate and that payment of that interest shall be made in the local currency of the debtor country if that country has entered into an agreement establishing an Environmental Fund into which the interest would be deposited (see title IV); otherwise, interest shall be paid in U.S. dollars into the U.S. Treasury. Interest deposited in the Environmental Fund would be owned by the eligible country, as would any earnings on that interest; the Fund would, however, be subject to joint U.S.-eligible country programming.

Subsection (c) provides that there is no retroactive crediting of interest payments to the Environmental Fund established pursuant to section 401(a) in the event that an eligible country enters into an agreement after the date that interest payments become due on the new obligation.

TITLE IV. ENTERPRISE FOR THE AMERICAS ENVIRONMENTAL FUNDS

Section 401. Subsection (a) provides for the establishment of an Enterprise for the Americas Environmental Fund by an eligible country.

Subsection (b) provides that deposits into an Environmental Fund shall not be taken into account for purposes of other provisions of law limiting assistance to a country.

Subsection (c) provides that deposits into an Environmental Fund shall be invested, that earnings form a part of the Fund, and that deposits and any earnings thereon are available for expenditure without further need for an appropriation.

Section 402 provides that funds in a country's Environmental Fund shall be disbursed only pursuant to a broad agreement entered into by the President.

Section 403 authorizes the President to enter into an agreement with each country eligible for benefits under the Facility to determine the operation and use of the Environmental Fund. The agreement should, among other things, provide for joint programming of the Environmental Fund, and specify that the Environmental Fund shall be used to provide grants for environmental projects and programs approved by the President and the eligible country. It is contemplated that local committees, composed of U.S. Governmental representatives, country representatives, and representatives of local private environmental groups, would have a significant role in formulating programs and projects funded by grants from the Environmental Fund, consistent with U.S. foreign assistance objectives.

Section 404. Subsection (a) provides that the President should encourage the involvement of local non-governmental environmental groups in decisions on the use of grant funds and in matters pertaining to the structure and operation of the Environmental Fund programs.

Subsection (b) provides that the President should consult with non-governmental organizations having expertise with respect to environmental or conservation matters regarding the establishment, structure, and operation of the Environmental Fund program.

TITLE V. SALES, REDUCTIONS, OR CANCELLATIONS OF LOANS OR ASSETS

Section 501 authorizes the President to sell, reduce, or cancel loans made to an eligible country prior to January 1, 1990, under the Export-Import Bank Act of 1945, as amended, (including direct loans and loans acquired by the Export Import Bank of the United States pursuant to its guarantee and insurance programs) and assets acquired prior to January 1, 1990, as a result of credit guarantees made in connection with export sales to eligible countries under programs authorized pursuant to the Commodity Credit Corporation Charter Act, as amended, or section 4(b) of the Food for Peace Act of 1966, as amended. Any such sale, reduction, or cancellation may not contravene any term or condition of any prior agreement relating to such loan or asset. The President is authorized under section 503 to determine the eligibility of a purchaser; the Facility communicates this determination to the agency whose loans or assets are affected, which is in turn responsible for carying out the sale, reduction, or cancellation. It is the Administration's intent that any loan or asset sales under this section will be carried out in such a way to maximize return to the U.S. Government.

Subsection 501(c) provides that any loan or asset sale made pursuant to Title V shall be a transaction not required to be registered pursuant to the Securities Act of 1933, and, for the purposes of that Act, neither

the Export-Import Bank of the United States nor the Commodity Credit Corporation shall be deemed to be an issuer or underwriter with respect to any subsequent sale or other disposition of such loan or asset pursuant to a debt-for-equity swap or debt-for-nature swap.

Section 502 requires that proceeds of a sale, reduction, or cancellation of a loan or asset pursuant to section 501 be deposited into the account(s) established for the repayment of that loan or those assets.

Section 503 requires that the loans be sold only to purchasers who present to the President satisfactory plans for engaging in debt-for-equity or debt-for-nature swaps.

Section 504 provides that prior to a loan or asset sale, reduction, or cancellation, the President should consult with the eligible country to which the loans that will be sold, reduced, or canceled relate, specifying the amounts to be affected and their uses for debt-for-equity or debt-for-nature swaps.

TITLE VI. REPORTS

Section 601 requires the President to submit an annual report to Congress on the operation of the Facility.●

By Mr. HEINZ (for himself and Mr. SPECTER):

S. 3065. A bill to amend the Wild and Scenic River Act by designating a segment of the Allegheny River in the State of Pennsylvania as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

DESIGNATION OF SEGMENT OF ALLEGHENY RIVER AS A SEGMENT OF THE NATIONAL WILD AND SCENIC RIVERS SYSTEM.

Mr. HEINZ. Mr. President, I rise today to introduce legislation to designate 85 miles of the Allegheny River in Pennsylvania as a national recreation river under the Federal Wild and Scenic River System.

Twenty-two years ago, Congress enacted the Wild and Scenic River Act to set the policy of the United States of protecting and preserving certain rivers in the United States that possess remarkable scenic, geologic, historic, cultural, or recreational attributes.

In 1978, Congress directed the Forest Service to study 128 miles of the Allegheny River. The Allegheny River is located in northwestern Pennsylvania in the majestic Appalachian Plateau Region. It flows from its origins in Potter County, PA, northwest through a small portion of New York State, and then swings southwest through Pennsylvania, converging with the Monogahela River at Pittsburgh to form the Ohio River. The study focused on a segment of the river from Kinzua Dam to East Brady, PA. It was completed earlier this year by the Forest Service personnel of the Allegheny National Forest who concluded that 85 miles of the river contained outstandingly remarkable values.

Mr. President, this finding is no surprise to those of us familiar with this beautiful area of Pennsylvania. Approximately 30 percent of the 85-mile river segment winds through the Allegheny National Forest, which is truly one of our National treasures; the remaining portion moves through both public and private lands.

Because no section of the Allegheny River was remote enough or free enough of development to be classified as a wild river area, the 85 miles of the river will be designated as a recreational river.

To ensure that the local citizenry has maximum input into a U.S. Forest Service management plan, this legislation creates two citizen advisory groups to give advice on the establishment of final boundaries, and the management of the river. In addition, this bill authorizes the Secretary of Agriculture to implement interim protection measures to protect the river's remarkable value prior to full implementation of the management plan.

Let me take a moment and explain why protection of this river is important to the rich historical and environmental characteristics of northwestern Pennsylvania.

Various cultures and groups have used the Allegheny River for more than 12,000 years. From prehistoric times to the period of Euro-American settlement, the Allegheny River has been the principal travel route linking the Mississippi and Ohio River area with the Great Lakes. The Seneca Indians used to canoe the beautiful waters of the Allegheny 300 years ago. Among the Indian artifacts on the river is the so-called Indian God Rock, which is listed in the National Register of Historic Places. Early colonists explored and settled along this natural river corridor before the United States was formed. The region was a major stategic objective during the French and Indian wars. Needless to say, during the ebb and flow of human activity, each group of people left their mark; consequently leaving a rich lode of archaeological and cultural artifacts for modern man.

Despite its attractiveness to settlers over the years, the River corridor remains a relatively sparsely populated and naturally forested area. It is habitat for a rich diversity of animal fish, and plant life. For example, the Pennsylvania fish and wildlife database lists 394 species of mammals, birds, amphibians, reptiles, and fish that are likely to be found in the river corridor. Of these species, 34 are designated as State threatened, endangered, or of special concern. Providing additional protections to the river will also provide additional protections to the species who live there. I would mention, Mr. President, that the bald eagle is the only federally listed endangered species known to occur in the corridor. And we are hopeful to foster a resurgence of our national symbol in the Allegheny Forest region with this bill.

Mr. President, this legislation is supported by the entire Pennsylvania congressional delegation. My good friend, Bill Clinger introduced the companion bill in the House of Representatives and has been the driving force behind protecting and preserving this national treasure for the benefit of future Pennsylvanians and all Americans.

Mr. President, I urge all of my colleagues to support this important legislation, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3065

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF ALLEGHENY RIVER.

In order to preserve and protect for present and future generations the outstanding scenic, natural, recreational, scientific, historic, and ecological values of the Allegheny River in the State of Pennsylvania, and to assist in the protection, preservation, and enhancement of the fisheries resources associated with such river, section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph at the end:

"( ) ALLEGHENY, PENNSYLVANIA.—The segment from Kinzua Dam downstream approximately seven miles to the United States Route 6 Bridge, and the segment from Buckaloons Recreation Area at Irvine, Pennsylvania, downstream approximately 47 miles to the southern end of Alcorn Island at Oil City, as generally depicted on the map entitled the 'Middle Allegheny National Recreation River Boundary Map', to be administered by the Secretary of Agriculture as a recreational river through a cooperative agreement (if requested) with the State of Pennsylvania and the counties of Warren, Forest, and Venango; and the segment from the sewage treatment plant at Franklin downstream approximately 31 miles to the refinery at Emlenton, Pennsylvania, as generally depicted on such map, to be administered by the Secretary of Agriculture as a recreational river through a cooperative agreement (if requested) with the State of Pennsylvania and Venango County.".

SEC. 2. ADVISORY COUNCILS FOR THE ALLEGHENY NATIONAL RECREATIONAL RIVER.

(a) ESTABLISHMENT.—The Secretary of Agriculture (hereinafter in this Act referred to as the "Secretary") shall establish within 120 days after the date of enactment of this Act two advisory councils to advise him on the establishment of final boundaries and the management of the Allegheny National Recreation River, as follows:

(1) The Northern Advisory Council, to provide advice for the management of the segments of the Allegheny National Recreation River between Kinzua Dam and Alcorn Island; and

(2) The Southern Advisory Council, to provide advice for the management of the segment of the Allegheny National Recreation River between Franklin and Emlenton.

(b) NORTHERN ADVISORY COUNCIL.—(1) The Northern Advisory Council shall be composed of nine members appointed by the Secretary as follows:

(A) The Forest Supervisor of the Allegheny National Forest, or his delegate, who shall serve as chair of the Council and be a nonvoting member.

(B) The Secretary of the Department of Environmental Resources of the State of Pennsylvania, or his designee.

(C) 6 members, two from each county from recommendations submitted by the County Commissioners of Warren, Forest, and Venango Counties, of which no fewer than two such members shall be riparian property owners along the Allegheny National Recreation River.

(D) 1 member from a nonprofit conservation organization concerned with the protection of natural resources from recommendations submitted by the County Commissioners of Warren, Forest, and Venango Counties.

(2) Members appointed under paragraphs (1)(C) and (D) shall be appointed for terms of three years. A vacancy in the Council shall be filled in the manner in which the original appointment was made; except that the chairman may appoint a member to fill the remainder of a term of a member described in paragraphs (1)(C) and (1)(D) from recommendations submitted by the County Commissioners of Warren, Forest, and Venango Counties.

(3) Members of the Northern Advisory Council shall serve without pay as such and members who are full-time officers or employees of the United States shall receive no additional pay by reason of their service on the Commission. Each member shall be entitled to reimbursement for expenses reasonably incurred in carrying out their responsibilities under this Act.

(4) The Northern advisory Council shall cease to exist ten years after the date on which the Secretary approves the management plan for the Allegheny National Recreation River.

(c) SOUTHERN ADVISORY COUNCIL.—(1) The Southern Advisory Council shall be composed of seven members appointed by the Secretary as follows:

(A) The Forest Supervisor of the Allegheny National Forest, or his designee, who shall serve as a nonvoting member.

(B) The Secretary of the Department of Environmental Resources of the State of Pennsylvania, or his designee, who shall serve as chairman.

(C) Four members from recommendations submitted by the County Commissioners of Venango County, of which at least one shall be a riparian property owner along the Allegheny National Recreation River.

(D) One member from a nonprofit conservation organization concerned with the protection of natural resources, from recommendations submitted by the County Commissioners of Venango County.

(2) Members appointed under paragraphs (1)(C) and (1)(D) shall be appointed for terms of three years. A vacancy of the county representatives on the Council shall be filled in the manner in which the original appointment was made; except that the chairman may appoint a member to fill the remainder of a term of a member described in paragraphs (1)(C) and (1)(D) from recommendations submitted by the County Commissioners of Venango County.

(3) Members of the Southern Advisory Council shall serve without pay as such and members who are full-time officers or employees of the United States shall receive no additional pay by reason of their service on the Commission. Each member shall be entitled to reimbursement for expenses reasonably incurred in carrying out their responsibilities under this Act.

(4) The Southern Advisory Council shall cease to exist ten years after the date on which the Secretary approves the management plan for the Allegheny National Recreation River.

SEC. 3. ADMINISTRATION OF ALLEGHENY NATIONAL RECREATION RIVER.

(a) MANAGEMENT PLAN.—After consultation with the State of Pennsylvania, advisory councils, local governments, and the public, and within 18 months after the date of enactment of this Act, the Secretary shall take such action as is required under section 3(b) of the Wild and Scenic Rivers Act. The river corridor management plan shall include—

(1) a map depicting detailed final landward boundaries and the upper and lower termini of the river;

(2) a program for the management of existing and future land and water use of the river;

(3) a program providing for the coordinated implementation and administration of the plan, including responsibilities of the appropriate governmental units at the Federal, State, and local levels; and

(4) final land use guidelines for land within the river corridor.

(b) INTERIM MEASURES.—Notwithstanding any requirement to the contrary contained in section 6(c) of the Wild and Scenic Rivers Act (16 U.S.C. 1277(c)), as soon as practicable, the Secretary, shall issue interim land and water use control measures to be developed and implemented by the appropriate officials, until final guidelines are developed and approved by the Secretary. The interim land use measures shall have the objective of protecting the outstandingly remarkable values, as defined by the Secretary, of the Allegheny National Recreation River by recommending development guidelines for new commercial or industrial uses.

(c) ADMINISTRATION OF CERTAIN SEGMENTS.—(1) Land and mineral rights acquired by the Secretary for the purpose of managing the Allegheny National Recreation River segments located between Kinzua Dam and Alcorn Island shall be added to and become part of the Allegheny National Forest.

(2) Land and mineral rights acquired by the Secretary for the purpose of managing the Allegheny National Recreation River segment located between Franklin and Emlenton may be managed under a cooperative agreement with the State of Pennsylvania.

(d) ACQUISITION OF LAND AND MINERAL RIGHTS.—The authority of the Secretary to acquire lands and mineral rights outside the boundary of the Allegheny National Forest for purposes of managing the Allegheny National Recreation River is limited to acquisition by donation or with the consent of the landowner. The Secretary may acquire scenic easements for the purposes of managing the river.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out this Act.

Mr. SPECTER. Mr. President, today I am pleased to join Senator HEINZ in introducing legislation to designate certain segments of the Allegheny River of Pennsylvania as a part of the National Wild and Scenic Rivers System. Management of these portions of the Allegheny under the Wild and Scenic Rivers program will help preserve the outstanding scenic, recreational, historic, and ecological values of the Allegheny River.

In this country we continue to struggle to achieve an appropriate balance in our approach to the environment, one which will allow man to develop a long-term, productive relationship with the natural world.

The Wild and Scenic Rivers System represents a balanced approach to land management that allows for productive interaction between man and nature. This program affords the people of this country the opportunity to enjoy fully the natural values of rivers such as the Allegheny while ensuring the long-term preservation of those values so that future generations may enjoy the same benefits.

This legislation, a companion to a bill originally introduced by Representative BILL CLINGER which has the cosponsorship of the entire Pennsylvania House delegation, has been developed through extensive consultation with the Forest Service, local and county governments, and members of the public. Numerous hearings were held in communities along the Allegheny, giving citizens an opportunity for significant input into the proposed designations. One of the most important provisions of this legislation provides for the use of locally appointed committees to determine land use policy. These committees will include Forest Service officials, representatives from the Pennsylvania Department of Environmental Resources, riparian property owners from the impacted areas, and members appointed by the county commissioners of the affected counties. This will ensure that local citizens will have input into the final land management plan approved by the Secretary of Agriculture.

Mr. President, this legislation represents another small but important step in our efforts to preserve, protect, and enhance the natural heritage and beauty of our great Nation. I am proud to join my colleague from Pennsylvania in sponsoring this important legislation to make further contributions to the Wild and Scenic Rivers program which benefits not only Pennsylvanians, but also citizens all across our country. Accordingly, I urge my colleagues to join me in supporting this legislation.

By Mr. COCHRAN (for himself, Mr. DURENBERGER, Mr. COATS, Mr. BYRD, Mr. BUMPERS, Mr. PRYOR, Mr. GRAMM, Mr. NUNN, Mr. BOND, Mr. WARNER, Mr. LOTT, Mr. GARN, Mr. HEFLIN, Mr. DANFORTH, Mr. DOLE, Mr. LUGAR, Mr. BENTSEN, Mr. SIMPSON, Mr. ROBB, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. KASTEN, Mr. THURMOND, Mr. JOHNSTON, Mr. FOWLER, Mr.

BOSCHWITZ, Mr. ROCKEFELLER, Mr. SHELBY, Mr. CHAFEE, Mr. HOLLINGS, Mr. BREAUX, Mr. JEFFORDS, Mr. GORE, Mr. REID, Mr. BURDICK, Mr. WALLOP, Mr. MACK, Mr. MCCAIN, Mr. SPECTER, Mr. SYMMS, Mr. GRAHAM, Mr. SANFORD, Mr. PELL, Mr. SASSER, Mr. DIXON, Mr. HELMS, Mr. WILSON, Mr. MCCLURE, Mr. FORD, Mr. GRASSLEY, Mr. DECONCINI, and Mr. MCCONNELL):

S.J. Res. 366. Joint resolution to designate March 30, 1991, as "National Doctor's Day"; to the Committee on the Judiciary.

NATIONAL DOCTOR'S DAY

● Mr. COCHRAN. Mr. President, today I reintroduce a joint resolution designating March 30, 1991, as "National Doctor's Day." Because we were unable to get "Doctor's Day" designated in time for the March 30, 1990, celebration, I am introducing a revised joint resolution for continued recognition of the invaluable contribution physicians have made to the Nation and continue to make in our daily lives.

Physicians promote the science and art of medicine and the betterment of public health. Through their efforts—in practice, research, teaching, and medical administration—the discoveries and applications of medical science and medical knowledge become real for each of us.

Approximately 586,000 physicians in the 37 specialities practice medicine in the United States today, each playing an important role in meeting America's medical needs. We all have felt the comfort of receiving care from a trusted family doctor and the confidence of having unusual medical questions answered by competent specialists.

Doctor's Day was first observed regionally on March 30, 1935, when it was begun by the Southern Medical Association in St. Louis, MO. Since then, it has been observed yearly in many States to show appreciation for the role of physicians in caring for the sick, advancing medical knowledge, and promoting improved public health. Recognition of March 30, 1991, as "National Doctor's Day" would add significantly to this fine tradition.

I am pleased to sponsor this joint resolution, and I hope other Senators will support its passage.●

By Mr. BOND (for himself, Mr. BRADLEY, Mr. CRANSTON, Mr. GLENN, Mr. LEVIN, Mr. KERRY, Mr. DIXON, Mr. FOWLER, Mr. BENTSEN, Mr. CONRAD, Mr. SIMON, Mr. MOYNIHAN, Mr. SARBANES, Mr. PELL, Mr. BURDICK, Mr. HOLLINGS, Mr. SHELBY, Mr. SASSER, Mr. GORE, Mr. ADAMS, Mr. SANFORD, Mr. LAUTENBERG, Mr. BAUCUS, Mr. INOUYE, Mr. BOSCHWITZ, Mr. COCHRAN, Mr. WARNER, Mr. SPECTER, Mr. COATS, Mrs. KASSEBAUM, Mr. DOMENICI, Mr. D'AMATO, Mr. DURENBERGER, Mr. DANFORTH, Mr. GRASSLEY, Mr. HUMPHREY, Mr. BURNS, Mr. ARMSTRONG, Mr. STEVENS, Mr. CHAFEE, Mr. WILSON, Mr. JEFFORDS, Mr. HELMS, Mr. HATCH, Mr. WALLOP, Mr. DOLE, Mr. MACK, Mr. GORTON, Mr. LUGAR, and Mr. HEINZ):

S.J. Res. 367. Joint resolution to designate the week of November 11 through 17, 1990, as "Gaucher's Disease Awareness Week"; to the Committee on the Judiciary.

GAUCHER'S DISEASE AWARENESS WEEK

● Mr. BOND. Mr. President, today I am introducing a joint resolution to designate the week of November 11 through 17, 1990, as "Gaucher's Disease Awareness Week."

Gaucher's disease is a rare hereditary condition that attacks living cells and affects their metabolic functions. The deficiency caused by Gaucher's disease results in the enlargement of the spleen, damage to the liver, skin discoloration, pink eye, and bone lesions. The disease occurs when the body fails to produce an essential enzyme that normally breaks down or metabolizes a body chemical. It is a debilitating and chronic disease most common among those of Jewish heritage.

Fortunately, the Food and Drug Administration is approaching the final stage in granting full approval for Ceredase, the first treatment for Gaucher patients. This is encouraging news for the approximately 5,000 chronic Gaucher's disease sufferers in the United States. However, because of the difficulty and expense of producing this substance, supplies will be extremely limited.

The joint resolution I am introducing today calls for national attention to focus on Gaucher's disease the week of November 11, 1990. The resolution also recognizes the contributions made by the National Gaucher's Disease Foundation. I am hopeful that with continued research we will someday see a cure for Gaucher's disease.

Fifty Senators have already joined me in cosponsoring this resolution and I would like to thank them for their support. I highly encourage all my colleagues who have not joined me in support of this resolution to do so.●

ADDITIONAL COSPONSORS

S. 1400

At the request of Mr. KASTEN, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 1400, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 1511

At the request of Mr. PRYOR, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 1511, a bill to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes.

S. 2198

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2198, a bill to amend title XIX of the Social Security Act to reduce infant mortality through improvement of coverage of services to pregnant women and infants under the Medicaid Program.

S. 2246

At the request of Mr. BRADLEY, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2246, a bill to amend title XVIII of the Social Security Act to provide improved Medicare home health benefits, and for other purposes.

S. 2489

At the request of Mr. LEAHY, the name of the Senator from Washington [Mr. ADAMS] was added as a cosponsor of S. 2489, a bill to improve the nutritional health of needy Americans, to provide emergency food assistance, to authorize several vital nutrition programs, and for other purposes.

S. 2653

At the request of Mr. BURNS, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 2653, a bill to permit States to waive application of the Commercial Motor Vehicle Safety Act of 1986 with respect to vehicles used to transport farm supplies from retail dealers to or from a farm, and to vehicles used for custom harvesting, whether or not such vehicles are controlled and operated by a farmer.

S. 2813

At the request of Mr. GRAHAM, the names of the Senator from Maine [Mr. COHEN], the Senator from North Carolina [Mr. SANFORD], the Senator from South Carolina [Mr. HOLLINGS], the Senator from North Dakota [Mr. BURDICK], the Senator from Arizona [Mr. DECONCINI], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Georgia [Mr. FOWLER], the Senator from Nevada [Mr. REID], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of S. 2813, a bill to authorize the minting of commemorative coins to support the training of American athletes participating in the 1992 Olympic Games.

S. 2819

At the request of Mr. MOYHINAN, the names of the Senator from Nebraska [Mr. EXON] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 2819, a bill to amend

title XVIII of the Social Security Act to provide coverage of services rendered by community mental health centers as partial hospitalization services, and for other purposes.

S. 2831

At the request of Mr. HATCH, the name of the Senator from Indiana [Mr. LUGAR] was added as a cosponsor of S. 2831, a bill to amend the Age Discrimination in Employment Act of 1967 to extend the protections of such act to employee benefits in a manner that permits and encourages employee benefit arrangements that are beneficial to employees generally, including older workers, and for other purposes.

S. 2844

At the request of Mr. MITCHELL, the names of the Senator from Florida [Mr. GRAHAM], the Senator from Nebraska [Mr. EXON], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 2844, a bill to amend the Public Health Service Act to provide for the establishment, with State loan repayment programs, of demonstration programs to recruit and train physicians and other health care personnel to provide medical services in rural communities, and for other purposes.

S. 2901

At the request of Mr. PRYOR, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Iowa [Mr. HARKIN], the Senator from Washington [Mr. ADAMS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from North Dakota [Mr. BURDICK], and the Senator from Mississippi [Mr. COCHRAN], were added as cosponsors of S. 2901, a bill to amend the Internal Revenue Code of 1986 to simplify the application of the tax laws with respect to employee benefit plans, and for other purposes.

S. 2902

At the request of Mr. PRYOR, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Hawaii [Mr. INOUYE], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Michigan [Mr. LEVIN], the Senator from Oklahoma [Mr. BOREN], and the Senator from Idaho [Mr. SYMMS] were added as cosponsors of S. 2902, a bill to amend the Internal Revenue Code of 1986 to clarify portions of the Code relating to church and welfare benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 2921

At the request of Ms. MIKULSKI, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2921, a bill to remedy the serious injury to the United States shipbuilding and repair industry caused by subsidized foreign ships.

S. 3021

At the request of Mr. DOLE, the names of the Senator from Kentucky [Mr. MCCONNELL] and the Senator from Arizona [Mr. MCCAIN], were added as cosponsors of S. 3021, a bill to establish national voter registration procedures for Presidential and congressional elections, and for other purposes.

S. 3035

At the request of Mr. LIEBERMAN, the names of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 3035, a bill to protect the national security by prohibiting profiteering of essential commodities during periods of national emergency.

S. 3051

At the request of Mr. PRESSLER, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from North Carolina [Mr. HELMS], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of S. 3051, a bill to reduce the pay of Members of Congress corresponding to the percentage reduction of the pay of Federal employees who are furloughed or otherwise have a reduction of pay resulting from a sequestration order.

SENATE JOINT RESOLUTION 342

At the request of Mr. SIMON, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Michigan [Mr. LEVIN], the Senator from Tennessee [Mr. SASSER], the Senator from Alaska [Mr. MURKOWSKI], the Senator from North Dakota [Mr. CONRAD], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Vermont [Mr. JEFFORDS], the Senator from Ohio [Mr. GLENN], the Senator from California [Mr. WILSON], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Wisconsin [Mr. KOHL], the Senator from South Dakota [Mr. DASCHLE], the Senator from Florida [Mr. MACK], the Senator from Massachusetts [Mr. KENNEDY], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Connecticut [Mr. LIEBERMAN], and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of Senate Joint Resolution 342, a joint resolution designating October 1990 as "Ending Hunger Month."

SENATE JOINT RESOLUTION 346

At the request of Mr. BOSCHWITZ, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Joint Resolution 346, a joint resolution to designate October 20 through 28, 1990, as "National Red Ribbon Week for a Drug-Free America."

SENATE JOINT RESOLUTION 347

At the request of Mr. BURNS, the names of the Senator from California [Mr. CRANSTON], the Senator from Delaware [Mr. BIDEN], the Senator from Florida [Mr. GRAHAM], the Senator from Michigan [Mr. LEVIN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from South Carolina [Mr. HOLLINGS], the Senator from New York [Mr. MOYNIHAN], the Senator from Arizona [Mr. DECONCINI], the Senator from Maryland [Ms. MIKULSKI], the Senator from North Dakota [Mr. CONRAD], the Senator from Nevada [Mr. BRYAN], the Senator from Georgia [Mr. NUNN], the Senator from Pennsylvania [Mr. HEINZ], the Senator from Montana [Mr. BAUCUS], the Senator from Minnesota [Mr. DURENBERGER], the Senator from California [Mr. WILSON], the Senator from Indiana [Mr. COATS], the Senator from Florida [Mr. MACK], the Senator from South Dakota [Mr. PRESSLER], the Senator from Indiana [Mr. LUGAR], the Senator from Idaho [Mr. MCCLURE], the Senator from New Mexico [Mr. DOMENICI], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Iowa [Mr. GRASSLEY], the Senator from Wyoming [Mr. SIMPSON], the Senator from South Carolina [Mr. THURMOND], the Senator from Virginia [Mr. WARNER], the Senator from North Carolina [Mr. HELMS], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Alaska [Mr. STEVENS] were added as cosponsors of Senate Joint Resolution 347, a joint resolution designating April 7 through 13, 1991, as "National County Government Week."

SENATE RESOLUTION 296

At the request of Mr. ROTH, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from Mississippi [Mr. LOTT], the Senator from Illinois [Mr. SIMON], and the Senator from Oregon [Mr. PACKWOOD], were added as cosponsors of Senate Resolution 296, a resolution to express the sense of the Senate the support of Taiwan's membership in the General Agreement on Tariffs and Trade.

AMENDMENTS SUBMITTED

OLDER WORKERS BENEFIT PROTECTION ACT

HATCH AMENDMENT NO. 2667

Mr. HATCH proposed an amendment to the bill (S. 1511) to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes; as follows:

At the end of the amendment add the following new section:

"SEC. . Exemption for employee benefit practices applied to the federal sector.

"(a) Notwithstanding any other provision of title I or the amendments to this title, no provision of any employee benefit program,

plan, or arrangement operated by any department, agency, or entity of any State or local government or any nongovernmental employee shall be deemed in violation of this title or the amendments of this title if a similar program, plan, or arrangement is in effect for any employee of the United States Government or any Federal employee benefit plan or program.

"(6) The Secretary of Labor, in consultation with the Equal Employment Opportunity Commission, the Office of Personnel Management, and the States, shall issue regulations specifying the provisions of this title."

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES AUTHORIZATION ACT

BIDEN AMENDMENT NO. 2668

Mr. METZENBAUM (for Mr. BIDEN) proposed an amendment to the bill (H.R. 3897) to authorize appropriations for the Administrative Conference of the United States for fiscal years 1991, 1992, 1993, and 1994, and for other purposes, as follows:

On page 2, line 4, beginning with "$2,150,000" strike out all through the period on line 6, and insert in lieu thereof: "$2,100,000 for fiscal year 1991, $2,200,000 for fiscal year 1992, $2,300,000 for fiscal year 1993, and $2,400,000 for fiscal year 1994.".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet in open session during the session of the Senate on Monday, September 17, 1990 at 2 p.m. to receive testimony on the national security implications of nuclear testing agreements.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on September 17, 1990, at 10 a.m., to hold a hearing on the nomination of David H. Souter, to be Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CLEAN AIR CONFERENCE COMMITTEE

● Mr. LIEBERMAN. Mr. President, as the members of the clean air conference committee begin discussions on the provisions relating to motor vehicles, we again have received evidence of the potentially lethal effect of carbon monoxide, which is emitted primarily from cars and trucks.

In a major study reported recently in the Annals of Internal Medicine, doctors report that levels of carbon monoxide sometimes experienced by urban dwellers in the normal course of their outdoor exercise can lead to fatalities in patients with cardiac disease.

The study concludes that "environmental exposure to carbon monoxide under certain (urban) circumstances might actually precipitate sudden death." While levels of carbon monoxide in the blood required to produce those effects are "relatively high," they could be encountered under certain common city circumstances.

This means, according to the experts, that heart patients should not exercise in areas with high pollution, such as jogging trials along highways.

Nine million Americans suffer from heart disease. What is particularly disturbing is that many of these Americans have been told recently that they should exercise because it will prolong their lives. Now, we have evidence that in high-pollution areas this exercise may have exactly the opposite effect.

Mr. President, this recent news should serve as a graphic reminder as the conference on the Clean Air Act proceeds that carbon monoxide can kill. I urge the conferees to accept the tough standards established in the Senate bill for regulation of motor vehicles, which produce up to 90 percent of all carbon monoxide.●

TRIBUTE TO WILLIAM J. DUNN

● Mr. LUGAR. Mr. President, on the morning of September 2, 1945, aboard the U.S.S. *Missouri* afloat in Tokyo Bay, Gen. Douglas MacArthur accepted the unconditional surrender of the Japanese Empire. Perched upon one of the ship's massive gun turrets in order to report this formal end to World War II was William J. Dunn, a fellow Hoosier and undeniably one of the most esteemed war correspondents covering the war in the Pacific Ocean. Nearly 5 years in the field brought Bill Dunn to that climatic moment.

Born the son of a Methodist minister in the small town of Rosedale, IN, a young Bill Dunn would quit his $18 a week job at a South Bend soda fountain to become a high school sports reporter for the local newspaper. After many successful years in journalism, Dunn was named the first U.S. radio correspondent for CBS News assigned to the Far East. His assignments made him an unofficial expert in the region.

William Dunn covered the entire battle for Java and The Netherlands East Indies. And when Japanese forces overran Java, causing a pullout of American forces, Bill Dunn was one of a handful of correspondents stranded there. He was able to escape the island aboard a Dutch freighter, the MS *Janssens,* which set sail for Freemantle, Australia. Those on board endured both a broken ship's rudder and being trailed by an enemy submarine. After the ship was attacked by Japanese Zero bombers, the entire Indonesian crew elected to be put back ashore on Java. The balance of the journey had to be made with remaining Dutch naval personnel, wounded U.S. sailors from the U.S.S. *Marblehead* and passengers such as Dunn who volunteered for crew duty.

After successful docking in Australia, Dunn was assigned to cover General MacArthur's command and waded ashore beside the general during the landing at Red Beach, Leyte.

Before he finished, William Dunn would travel the world, endure extreme conditions, and log more hours covering Pacific events than any other correspondent. He interviewed hundreds of civilians, servicemen, military commanders, and government emissaries, including the likes of Douglas MacArthur, Chiang Kai-shek, and Chou En-lai.

Yet according to his loyal friends, Bill Dunn has never forgotten his Indiana roots and in his early eighties has completed his memoirs of the war in the Pacific based on nearly 1,000 broadcast scripts, the originals of which are now housed in the University of Notre Dame archives in his hometown of South Bend, IN.

It is for these reasons that I take this opportunity to honor native Hoosier, patriotic American, and one of this Nation's most respected war journalists, William J. Dunn.●

CONGRATULATIONS TO THE BOYNTON ELEMENTARY SCHOOL

● Mr. FOWLER. Mr. President, I congratulate the Boynton Elementary School of Ringgold, GA, on its well-deserved honor the National School of Excellence Award given by the Department of Education.

Boynton Elementary School was selected through the Department of Education's Blue Ribbons Schools Program, a national school improvement strategy that identifies unusually successful schools. Boynton competed against all kinds of schools for this honor: Public and private schools; inner city, suburban and rural; consistently high achieving and improving; and schools in both affluent and financially struggling districts.

The Blue Ribbon Schools Program has been in operation for 8 years. Since 1982, close to 2,000 schools have been identified and recognized nationally. The Georgia Department of Education nominated Boynton and in turn a review panel consisting of prestigious educators and noneducators with a

strong commitment to educational excellence screened all 497 nominations.

Schools are judged on a number of research-based criteria such as visionary leadership; sense of shared purpose among faculty, students, parents, and community; and a climate that is conducive to effective teaching and teacher growth and recognition.

In light of the current status of education in America, I hope other schools will strive to emulate the high standards of excellence of Boynton Elementary School. My congratulations to Sharon Brock, the faculty and administration, and the students on achieving this distinction.●

A COMMITMENT TO FIRE SAFETY

● Mr. SIMON. Mr. President, I would like to bring to the attention of my colleagues the achievements of First Alert, an Illinois based company that is the world's largest manufacturer of home fire safety products.

This year, First Alert, which is the trade name used by BRK Electronics, will celebrate its 20th anniversary in business. In addition, this fall they will manufacture their 100 millionth smoke detector.

Twenty-six years ago, BRK Electronics began developing a commercial smoke detector. Within 4 years they began designing a self-contained, battery-operated smoke detector for residential use. These residential smoke detectors were the first to pass the stringent tests of Underwriter's Laboratories.

In 1970, Pittway Corp. purchased BRK from its original owners and began an intense development program to produce a wide range of smoke detectors both for commercial and residential use. Soon after, major retail companies began to carry BRK battery-operated units.

Not only was BRK the pioneer for further market development in the smoke detector industry, they were the first, and still the only, smoke detector manufacturer to increase our fire safety awareness by advertising on national television.

BRK has become the world's largest smoke detector manufacturer by catering to over 32 countries worldwide. It is still the only significant smoke detector manufacturer based in the United States. Besides making us safer with smoke detectors they have also successfully manufactured a full line of residential fire extinguishers, rechargeable flashlights and lanterns, lighting and timing devices, passive infrared motion detectors, radon testing kits, 9-volt batteries, and industrial time switches.

First Alert has set a goal of making the 1990's a fire-free decade. Clearly this fine company has devoted itself to the prevention of fire deaths and damage. I am grateful for the work First Alert has done and proud to have them as an Illinois-based company.●

THE PLIGHT OF REFUGEES FROM KUWAIT AND IRAQ

● Mr. SIMON. Mr. President, the victims of Iraq's illegal and unconscionable invasion and occupation of Kuwait number in the millions. They include American and other Western hostages who must be freed unconditionally and immediately, the Kuwaiti people who now suffer under a foreign and, by all accounts brutal rule, and the hundreds of thousands of foreign workers now stranded on the borders of Jordan and Turkey.

These foreign workers, many of whom are Indians, Pakistanis, Sri Lankans, Bangladeshis, and Filipinos, are in particularly bad shape. We have all seen them on television, camped out in the desert in tents—or worse—deprived of the basic necessities of life, including water and food.

The home governments of these displaced persons bear the first responsibility for aiding and repatriating their citizens. It is an enormous and urgent task for governments that are already under severe fiscal strain. This strain has been made worse by the loss of financial remittances from their citizens in the Persian Gulf. These nations ought to do their utmost in this urgent humanitarian endeavor.

Their plight, however, is an international tragedy, deserving broad international assistance. Support from the United Nations is necessary and commendable. Our own Government is assisting through contributions to the International Organization for Migration. In addition, I am pleased to note that Americans originally from these countries are helping; I would like to single out the Federation of India Associations of Chicago which has established a gulf relief fund. This sort of voluntary assistance is in the great tradition of American aid to those in need.

Kuwait and Saudi Arabia have already pledged to pay a substantial portion of the Desert Shield costs and to assist nations adversely affected by the U.N.-mandated trade embargo. They and other gulf nations should also contribute funds to the governments of those nations with large numbers of guest workers to be repatriated. Such funds should be designated for the express purposes of transporting these persons back to their homelands and of assisting their resettlement. Together, the nations of the world can alleviate the plight of these refugees, and show their compassion for these victims of Saddam Hussein.●

SEVEN MINNESOTA ELEMENTARY SCHOOLS RECEIVE AWARDS

● Mr. BOSCHWITZ. Mr. President, I rise today to congratulate seven elementary schools in Minnesota as they receive a well-deserved and respected honor, the National Schools of Excellence Award given by the Department of Education. These outstanding Minnesota schools are Aquilla Primary Center in St. Louis Park, Cedar Island Elementary in Maple Grove, Dassel Elementary in Dassel, Sonnesyn Elementary in New Hope, Hayes Elementary in Fridley, Oak Park in Stillwater, and the Blake Schools in Hopkins.

These schools were selected through the Department of Education's Blue Ribbon Schools Program, a national school improvement strategy that identifies unusually successful schools. Aquilla, Cedar Island, Dassel, Sonnesyn, Hayes, Oak Park, and Blake competed against all kinds of schools for this honor: public and private schools; inner city, suburban, and rural; consistently high achieving and improving; and schools in both affluent and financially struggling districts.

The Blue Ribbon Schools Program is 8 years old. Since 1982, close to 2,000 programs have been identified and recognized nationally under this program.

Schools are judged on a number of criteria such as visionary leadership; sense of shared purposes among faculty, students, parents, and community; and a climate that is conducive to effective teaching, teacher growth, and recognition.

In light of the current status of education in America, I hope other schools will follow the high standards of excellence of these fine Minnesotan institutions. Again, Mr. President, I extend my hearty congratulations to the faculty, administration, and students of these excellent schools.●

LINGUISTIC ISOLATION

● Mr. SIMON. Mr. President, the massive foreign language deficiency we have in our educational system is a concern of the military, and it is a concern of people in the business community.

Recently, in the bulletin of the Council of State Governments was a column by their editor, Dag Ryen: "Facing the one-two punch in Europe." The article reinforces the argument for this need.

We really have to be doing much better than we are now doing.

Next year, we will reauthorize the Higher Education Act, and my hope is that we can put some stimulus into it to move in a more constructive direction.

I ask to insert the Dag Ryen piece into the RECORD.

The article follows:

FACING THE ONE-TWO PUNCH IN EUROPE

Sweeping changes are taking place in Europe, changes that are likely to set the tone for international economic affairs over the next several decades. Democratic reforms in Eastern Europe and the culmination of Western European integration in 1992 will create a new economic order, the potential consequences of which stagger the imagination.

Americans are awakening to the magnitude of these changes. Government and business leaders are eager to establish contacts with potential European partners, looking for new markets and investment ideas.

But in many ways, Americans are late entries in this race for economic opportunity. The doors to trade with Eastern Europe have been inching open for years. Bolstered in part by more than $10 billion in exports to the Soviet Union and Eastern Europe, West Germany has surpassed the United States as the world's number one exporting nation.

If the United States wants to be a player in the European game, it will take some doing. Most importantly, our business and government leaders will have to develop the skills and expertise to deal with the complex bureaucracies, diverse ethnic backgrounds and, at times, sophisticated political structures of an increasingly powerful Europe. We have a long way to go.

Let's face it. Most Americans don't know where Eastern Europe ends and Western Europe begins. Our understanding of the history, languages or culture of the European states leaves a lot to be desired. Yet that kind of understanding is exactly what is needed to develop mutually beneficial relations.

Whether the states individually or the United States as a whole can capitalize on developments in Europe depends in large part on whether we can overcome our shortcomings. The European nations have special needs, priorities and tastes. Anyone who understands the unique requirements of each nation stands a better chance of success.

Let's consider a few examples where improving our knowledge base could help our position in Europe. The most important is language. Unfortunately, foreign language instruction in the United States lags far behind other major industrialized nations. To make matters worse, second and third generation Americans have not been very good at maintaining their heritage, reducing a potential source of language and cultural expertise.

Norwegians commonly joke that there are more of them in the United States than in Norway. Yet barely 3 percent speak fluent Norwegian. Many U.S. cities boast a sizable Polish community. In fact the 1980 census identified 8.2 million Americans of Polish extraction. But less than 10 percent actually speak Polish.

Another common pitfall is the tendency to lump European countries together, ignoring individual strengths and weaknesses. Shortages of various commodities are common, but vary from country to country and from region to region. U.S. television news teams in Moscow are fond of juxtaposing empty meat shelves with the long lines outside the new McDonald's. Yet the Soviet Union's population on the whole is well fed. According to a recent UNICEF report, the Soviet people have available to them 128 percent of their daily per capita calorie requirement. The comparable figure for the United States is 140 percent.

In the UNICEF listing, Czechoslovakia ranks ahead of the United States at 143 percent. Other meat shortages notwithstanding, Czechoslovakia has the fourth largest per capita pork consumption in the world.

Finally, it is important for us to be sensitive to the history of the European continent. Considering the cataclysmic forces that enveloped Europe in 1939, it is ironic that some American grade school textbooks still give the dates of World War II as 1941-45.

In these and other ways, Americans harbor potentially damaging false impressions about the European continent and its people. In dealing with European leaders during the critical years ahead, it will be doubly important to understand their needs and their perspective on international developments.

State and national leaders are to be commended for their courage in taking on this tremendous challenge. But they better do their homework.

In keeping with the trend toward international political harmony, President Bush has called for a gentler, kinder nation. However, if we are to protect our position as an important contributor to the international economy, we must also become a wiser, more cosmopolitan nation.—DAG RYEN.●

MEASURE HELD AT DESK—H.R. 5400

Mr. METZENBAUM. Mr. President, I ask unanimous consent that H.R. 5400, the campaign finance bill, be held at the desk until the close of business Tuesday, September 18.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADMINISTRATIVE CONFERENCE OF THE UNITED STATES AUTHORIZATION ACT

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 823, H.R. 3897 reauthorizing the Administrative Conference.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 3897) to authorize appropriations for the Administrative Conference of the United States for fiscal years 1991, 1992, 1993, 1994, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 2668

(Purpose: To modify the authorization of appropriations for the Administrative Conference of the United States)

Mr. METZENBAUM. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Ohio [Mr. METZENBAUM], for Mr. BIDEN, proposes an amendment numbered 2668.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, line 4, beginning with "$2,150,000" strike out all through the period on line 6, and insert in lieu thereof: "$2,100,000 for fiscal year 1991, $2,200,000 for fiscal year 1992, $2,300,000 for fiscal year 1993, and $2,400,000 for fiscal year 1994.".

Mr. BIDEN. Mr. President, on July 12, 1990, the Committee on the Judiciary favorably reported S. 2224, a bill to authorize appropriations for the Administrative Conference of the United States for fiscal years 1991, 1992, 1993, and 1994. At that time, the committee also reported H.R. 3897, a companion bill passed by the House. I rise today to offer an amendment to this legislation and to encourage its passage.

The Administrative Conference has been in existence since 1968. For more than 20 years, the Conference has studied the fairness and efficiency of the administrative procedures used by Federal agencies and has made recommendations to Congress and the President for the improvement of those procedures.

No other entity engages in the work performed by the Administrative Conference. Its unique studies often result in recommendations that save the Federal Government significant amounts of money by eliminating or reforming wasteful procedures used by executive branch agencies. It is worth noting that the Administrative Conference has effectively performed this valuable service despite being one of our smallest Federal agencies.

Mr. President, the amendment I offer today would reduce by small amounts the annual authorization ceilings contained in the legislation as introduced. The Judiciary Committee believes that the funding levels set forth in this amendment are more in keeping with current concerns about Government spending and the Federal budget deficit.

As amended, this legislation will continue to provide the Conference with adequate funding. The $2.1 million authorized for this coming year will allow the Administrative Conference to receive the full amount of the appropriation it has requested for fiscal year 1991 and to meet its statutorily mandated salary and benefit increases without any reduction in spending on current programs. Moreover, the Conference's funding ceiling will be increased each of the 4 years of the authorization period.

In closing, I would like to mention an issue that merits the continued at-

tention of the Judiciary Committee. Congress has, in the past, enacted legislation directing the Administrative Conference to undertake special projects that could not be funded within the spending limits established by the Conference's authorization. In these instances, it has been necessary for Congress to provide a separate authorization so that the special project could be undertaken.

A question remains as to whether these independent authorizations should be replaced by higher general funding ceilings. The committee intends to revisit this issue in accordance with its oversight function.

Mr. President, I urge by colleagues to join me in supporting the reauthorization of the Administrative Conference.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2668) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote and lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall the bill pass?

So the bill (H.R. 3897), as amended, was passed.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that Calendar No. 820, the Senate companion bill, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL RED RIBBON WEEK FOR A DRUG-FREE AMERICA

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 346 designating "National Red Ribbon Week;" that the Senate then proceed to its immediate consideration; that the joint resolution be deemed read a third time and passed; that the motion to reconsider be laid upon the table and the preamble be agreed to.

The PRESIDING OFFICER. Without objection, it is so ordered.

The joint resolution (S.J. Res. 346) and its preamble are as follows:

S.J. RES. 346

Whereas alcohol and other drug abuse has reached epidemic proportions and is of major concern to all Americans;

Whereas alcohol and other drug abuse is a major public health threat and is one of the largest causes of preventable disease, disability, and death in the United States today;

Whereas alcohol and other drug abuse costs the United States nearly $100,000,000,000 each year;

Whereas illegal drug use is not limited to persons of a particular age, gender, or socioeconomic status, as evidenced by the fact that—

(1) 23,000,000 Americans age 12 and over currently use illicit drugs;

(2) a nationwide Weekly Reader survey revealed that, of the 68,000 fourth graders polled, 34 percent reported peer pressure to try wine coolers, 41 percent to smoke, and 24 percent to use crack or cocaine; and

(3) Americans age 15 to 24 have a higher rate of deaths due to accidents, homicides, and suicides, many of which are related to drug and alcohol abuse, than any other age group;

Whereas the drug problem appears to be insurmountable, but the United States has begun to lay the foundation to combat it;

Whereas the United States must continue the important strides made to combat alcohol and other drug abuse;

Whereas the most recent national polls reveal that—

(1) the United States has made progress in combating alcohol and other drug abuse;

(2) there has been a steady decline in the reported use of marijuana on a daily basis by high school seniors since 1979;

(3) marijuana use among high school seniors was at its lowest level in 11 years in 1987;

(4) there was a significant drop in the use of cocaine in 1987; and

(5) the number of high school seniors associating great risk with trying cocaine once or twice rose from 34 percent in 1986 to 48 percent in 1987;

Whereas illicit use of stimulants and sedatives continues to decline among high school seniors, college students, and young adults in general;

Whereas public opinion polls demonstrate that the American people consider drug abuse one of the most serious domestic problems facing the United States and have begun to take steps to fight it;

Whereas the National Federation of Parents for Drug-Free Youth has declared October 20 through 28, 1990, as "National Red Ribbon Week for a Drug-Free America", has organized the National Red Ribbon Campaign to coordinate the week, has established the theme "Line Up to Sign Up for a Drug-free Decade" for the week, and has called for a comprehensive public awareness, prevention, and education program involving thousands of parents and community groups across the country;

Whereas other outstanding groups and agencies, including the Parents Communication Network, the National Crime Prevention Council, the Federal Bureau of Investigation of the Department of Justice, the United States Conference of Mayors, the National Governors' Association, the Chiefs of Police Drug Task Force, Congressional Families for Drug Free Youth, the Parents' Resource Institute on Drug Education (PRIDE), the Outdoor Advertising Association of America, the National Association of State Alcohol and Drug Abuse Directors, Just Say No International, the Corporation Against Drug Abuse (CADA), the National Association of Broadcasters, the National School Boards Association, the Washington Regional Alcohol Program (WRAP), the National Prevention Network, the Office for Substance Abuse Prevention of the Department of Health and Human Services, the National Parents and Teachers Association, the General Federation of Women's Clubs, the American Council for Drug Education, Youth to Youth, the Drug Enforcement Administration of the Department of Justice, national youth organizations, and national service organizations, have demonstrated leadership, creativity, and determination in efforts to achieve a drug-free America;

Whereas the National Red Ribbon Campaign is headed by President and Mrs. George Bush as national honorary chairpersons, and by a distinguished national advisory committee, including Bill Cosby, Tom Landry, Joan Lunden, Boone Pickens, and Peter Ueberroth;

Whereas any use of an illegal drug is unacceptable, and the illegal use of a legal drug cannot be tolerated; and

Whereas alcohol and other drug abuse destroys lives, spawns rampant crime, undermines our economy, and threatens our national security: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the period of October 20 through 28, 1990, is designated as "National Red Ribbon Week for a Drug-Free America";

(2) the President is authorized and directed to issue a proclamation calling on the people of the United States—

(A) to observe the week by holding meetings, conferences, and fundraising activities to support community and alcohol education, and with other appropriate activities, events, and educational campaigns; and

(B) both during the week and thereafter, to wear and display red ribbons to present and symbolize commitment to a healthy, drug-free lifestyle, and to develop an attitude of intolerance concerning the use of drugs; and

(3) Congress recognizes and commends the hard work and dedication of concerned parents, youth, law enforcement, educators, business leaders, religious leaders, private sector organizations, and Government leaders in combatting the abuse of alcohol and other drugs.

EMERGENCY MEDICAL SERVICES WEEK

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of House Joint Resolution 568, designating "Emergency Medical Services Week," just received from the House.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A joint resolution (H.J. Res. 568) designating the week of September 16, 1990, as "Emergency Medical Services Week."

There being no objection, the joint resolution (H.J. Res. 568) was consid-

ered, ordered to a third reading, read the third time and passed.

The preamble was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote by which the joint resolution was passed.

I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 359, the Senate companion, and that the measure be then indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations:

Calendar 968. Larry Brown, Jr., to be a member of the National Council on Disability;

Calendar 969. Helen W. Walsh, to be a member of the National Council on Disability;

Calendar 971. Bernard F. Burke, to be a member of the National Science Board;

Calendar 972. Thomas B. Day, to be a member of the National Science Board;

Calendar 973. James J. Duderstadt, to be a member of the National Science Board;

Calendar 974. Edwin D. Williamson, to be legal adviser of the Department of State;

Calendar 975. Robert F. Goodwin, to be a Commissioner on the part of the United States on the International Joint Commission;

Calendar 976. Joseph F. Glennon, to be a member of the Advisory Board for Cuba Broadcasting;

Calendar 977. Carolyn D. Leavens, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1990;

Calendar 978. Carolyn D. Leavens, to be a member of the Board of Directors of the Overseas Private Investment Corporation;

Calendar 979. James D. Watkins, to be the representative of the United States of America to the 34th session of the general conference of the International Atomic Energy Agency;

Calendar 980. Richard T. Kennedy to be an alternate representative of the United States of America to the 34th session of the general conference of the International Atomic Energy Agency;

Calendar 981. Michael H. Newlin, to be an alternate representative of the United States of America to the 34th session of the general conference of the International Atomic Energy Agency;

Calendar 982. Kenneth M. Carr, to be an alternate representative of the United States to the 34th session of the general conference of the International Atomic Energy Agency;

Calendar 983. Tom C. Korologos, to be a member of the U.S. Advisory Commission on Public Diplomacy; and

All nominations placed on the Secretary's desk in the Foreign Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. I further ask unanimous consent that the nominees be confirmed en bloc, that any statements appear in the RECORD as if read, that motions to reconsider be laid upon the table en bloc, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

NATIONAL COUNCIL ON DISABILITY

Larry Brown, Jr., of Maryland, to be a member of the National Council on Disability for a term expiring September 17, 1992.

Helen Wilshire Walsh, of Connecticut, to be a member of the National Council on Disability for a term expiring September 17, 1993.

NATIONAL SCIENCE FOUNDATION

Bernard F. Burke, of Massachusetts, to be a member of the National Science Board, National Science Foundation for a term expiring May 10, 1996.

Thomas B. Day, of California, to be a member of the National Science Board, National Science Foundation for a term expiring May 10, 1996.

James Johnson Duderstadt, of Michigan, to be a member of the National Science Board, National Science Foundation for a term expiring May 10, 1996.

DEPARTMENT OF STATE

Edwin D. Williamson, of South Carolina, to be Legal Adviser of the Department of State.

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA

Robert F. Goodwin, of Maryland, to be a Commissioner on the part of the United States on the International Joint Commission, United States and Canada.

EXECUTIVE OFFICE OF THE PRESIDENT

Joseph Francis Glennon, of Florida, to be a member of the Advisory Board for Cuba Broadcasting for a term expiring October 27, 1991.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

Carolyn D. Leavens, of California, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1990.

Carolyn D. Leavens, of California, to be a member of the Board of Directors of the Overseas Private Investment Corporation for a term expiring December 17, 1993.

DEPARTMENT OF STATE

James D. Watkins, of California, to be the Representative of the United States of America to the 34th Session of the General Conference of the International Atomic Energy Agency.

Richard T. Kennedy, of the District of Columbia, to be an Alternate Representative of the United States of America to the 34th Session of the General Conference of the International Atomic Energy Agency.

Michael H. Newlin, of Maryland, to be an Alternative Representative of the United States of America to the 34th Session of the General Conference of the International Atomic Energy Agency.

Kenneth M. Carr, of California, to be an Alternate Representative of the United States of America to the 34th Session of the General Conference of the International Atomic Energy Agency.

U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

Tom C. Korologos, of Virginia, to be a Member of the U.S. Advisory Commission on Public Diplomacy for a term expiring July 1, 1993.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HEINZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER (Mr. AKAKA). The Senator from Pennsylvania.

Mr. HEINZ. Mr. President, I ask unanimous consent that I might speak as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HEINZ. I thank the Chair.

(The remarks of Mr. HEINZ pertaining to the introduction of S. 3065 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

INTERSTATE TRANSPORT OF WASTE

Mr. HEINZ. Mr. President, last week, the Senate was debating Senator COATS' legislation on the interstate transport of waste, and we will return to that subject tomorrow. I rise at this point to make some comments on that legislation because, as I understand it, the time set aside for the debate, an hour, between the hours of 4 and 5 o'clock will, in fact, unfortunately, coincide with the conference on the housing bill, to which I am a conferee. So I wanted to share with my colleagues my observations on that amendment.

I do so, in fact, Mr. President, because I think it is true that our Nation is today engaged in a new war between the States, a garbage war created in

part by a capacity shortage that is reaching a crisis level. In the next 10 years, one-third of our landfill capacity will be full. They will be closed. At the same time, waste generation has increased by some 80 percent since 1969, just 20 short years ago.

Each of us on average throws away about 3.6 pounds of garbage every day. That does not sound like a lot, but it is enough to annually fill a convoy of 10-ton trucks, 145,000 miles long, when you count all the men, women and children in the United States. Let me repeat that. When we throw away, each man, woman, and child, the average of about 3.5 pounds of garbage each day, it is enough to annually fill a convoy of 10-ton trucks, 145,000 miles long, more than 7 times the circumference of the Earth.

Disposal capacity has, in fact, reached a critical point at a time when it is nearly impossible to site new disposal facilities. Nobody wants a landfill in their back yard. My State of Pennsylvania will run out of landfill capacity within 5 years and, as I indicated, we are not unique.

This landfill capacity crisis, Mr. President, has resulted in a relatively new commercial enterprise, one which has burdened our highways and byways with hundreds of thousands of huge garbage trucks crisscrossing this Nation looking for someplace to dump their loads, and that someplace tends to be in a State other than the State where the garbage was generated.

My home State of Pennsylvania faced, as we mentioned earlier, with its own capacity problems, is according to the Congressional Research Service, the second largest importer of waste in the Nation. That is not necessarily the way we wanted it, but that is the way it is working out.

I am not here to say that Pennsylvania does not export some trash, some garbage, some waste, but we do so at much smaller volumes than we receive them, and the point which is important, is that as long as our State is forced to accept tons and tons, indeed over 3.4 million tons last year alone, my State will be that much more crippled in its efforts to find capacity for our own waste. These volumes of out-of-State garbage are unpredictable; they are uncontrollable. That makes, at this point, any planning effort by our State on what comes in from others, absolutely futile. Good, solid, long-term planning is essential to solving our Nation's waste dispsoal problem.

Late last year, this Senator, together with my colleague, Senator SPECTER, introduced legislation which would require each State to create a comprehensive management plan to reduce the growing amount of waste in their own State and to lay out a strategy for managing the waste generated by their own citizens and businesses.

There are in the bill of the Senator from Indiana [Mr. COATS] similar planning requirements, and that is particularly appreciated. Such provisions are critically, indeed, absolutely essential to resolving our near crisis, protecting our environment and bringing an end to this increasing acrimony between neighbors.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President and Members of the Senate, we are attempting to organize the Senate schedule in such a way as to permit the prompt and expeditious handling of the business before the Senate, as well as accommodate the schedules of the several Senators who are participating in the budget summit negotiations now ongoing at Andrews Air Force Base. I myself have participated in a few of those meetings, although most of them have occurred while I have been here, so I know from my own experience and also from discussing it with the Senators who are there on a full-time basis, that it is very important they be able to continue their deliberations and to minimize the time when they will have to return to vote. So I will shortly propound a unanimous-consent request, which has been cleared by the distinguished Republican leader, which is intended to change the times of several of the votes tomorrow so as to compress them into the shortest period of time to minimize the interruption for those Senators who will be at Andrews participating in those discussions on tomorrow.

Accordingly, Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 10 a.m. on Tuesday, September 18; that the time for the two leaders be reserved for their use during the day; that there then be a period of morning business not to extend beyond 10:30 a.m. with Senators permitted to speak therein for up to 5 minutes each; that at 10:30 a.m. the Senate resume consideration of S. 1511, and at that time, 10:30 a.m., either Senator PRYOR or Senator METZENBAUM be recognized to offer a second-degree amendment to the pending Hatch amendment No. 2667; that there be 2 hours for debate on both the first- and second-degree amendments; that at the conclusion, or yielding back of that time, the Senate stand in recess to accommodate the respective party conferences until 2:15 p.m.; that the votes on the second-degree amendment and on the Hatch amendment, as amended, if amended, occur without any intervening action immediately upon the conclusion of the vote ordered to occur at approximately 2:25 p.m. on the executive Calender treaties; that no other second-degree amendments, other than the one mentioned in this consent agreement request, be in order to the Hatch amendment, that the previous consent for the completion of H.R. 5311, the D.C. appropriations bill, be altered so that it commences upon disposition of the Hatch amendment No. 2667 to the age discrimination bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

PROGRAM

Mr. MITCHELL. Mr. President, I will explain the schedule for tomorrow as now agreed upon.

From 10 to 10:30 tomorrow morning, there will be a period for morning business. Between 10:30 and 12:30 p.m., there will be debate on a second-degree amendment which will be offered at 10:30 by either Senator PRYOR or Senator METZENBAUM to the pending Hatch amendment to the age discrimination bill, S. 1511.

Following completion of that debate, which is expected to be completed at about 12:30, the Senate will recess for the party conferences until 2:15 p.m.

At approximately 2:25 p.m., under a prior order, the Senate will vote on Executive Calendar treaties.

Immediatly upon the completion of that vote, the Senate will vote on the second-degree amendment to the Hatch amendment, that is, on the amendment to be offered by Senator PRYOR or METZENBAUM.

Upon the completion of that vote, the Senate will vote on the Hatch amendment, as amended, if amended. Upon the completion of the vote on the Hatch amendment, the Senate will return to consideration of the D.C. appropriations bill. Under that previous order, there will then be 1 hour of debate on the Coats amendment to that bill. Upon the completion of that debate or the yielding back of that time, there will then occur a vote on the Coats amendment to the D.C. appropriations bill, to be followed by a vote immediately thereafter on final passage of the D.C. appropriations bill.

So the sequence will involve a series of votes, first on Executive Calendar treaties, then on the Pryor-Metzenbaum amendment to the Hatch amendment to the age discrimination bill, then on the Hatch amendment to the age discrimination bill, then fol-

lowing a brief period of debate on the Coats amendment to the D.C. appropriations bill, and then on the D.C. appropriation bill itself.

Depending upon the length of time used for the Coats amendment debate, this should all be compressed into a period of approximately 2 hours tomorrow afternoon, and we will attempt tomorrow afternoon to further reduce that period of time with the cooperation of the interested Senators.

I thank all Senators for their cooperation because it is important that we organize this schedule in a way that accomplishes both of the objectives I stated at the outset.

Mr. President, for the record, I want to make one modification to my earlier statement. Under the previous order with respect to the D.C. appropriations bill, the Coats amendment is itself an amendment to a Nickles amendment to the bill. Upon the completion of the Coats amendment, the Nickles amendment would have to be disposed of. I understand that is expected to occur by a voice vote since the relevant and substantive issue involved is contained in the Coats amendment.

So there will be no misunderstanding, we will have to dispose of the Nickles amendment upon the completion of the Coats amendment prior to proceeding to the final passage of the D.C. appropriations bill, but that should be just a voice vote that will only take a few moments.

Mr. President, I want to thank again all of the Senators, several of them, whose participation in gaining this agreement and consent had to be obtained. I thank them for their consideration, as well as the distinguished Republican leader with whom we have consulted in organizing this schedule.

RECESS UNTIL 10 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess under the previous order until 10 a.m. tomorrow, Tuesday, September 18.

There being no objection, the Senate, at 7:20 p.m., recessed until Tuesday, September 18, 1990, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 17, 1990:

DEPARTMENT OF STATE

LEONARD H.O. SPEARMAN, SR., OF TEXAS, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF LESOTHO.

THE FOLLOWING-NAMED PERSONS TO BE REPRESENTATIVES AND ALTERNATE REPRESENTATIVES OF THE UNITED STATES OF AMERICA TO THE FORTY-FIFTH SESSION OF THE GENERAL ASSEMBLY OF THE UNITED NATIONS:

REPRESENTATIVES:

THOMAS R. PICKERING, OF NEW JERSEY.
ALEXANDER FLETCHER WATSON, OF MASSACHUSETTS.

ALTERNATE REPRESENTATIVES:

JONATHAN MOORE, OF MASSACHUSETTS.
JACOB STEIN, OF NEW YORK.
SHIRIN R. TAHIR-KHELI, OF PENNSYLVANIA.
MILTON JAMES WILKINSON, OF NEW HAMPSHIRE.

INTER-AMERICAN FOUNDATION

JAMES R. WHELAN, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE INTER-AMERICAN FOUNDATION FOR A TERM EXPIRING SEPTEMBER 20, 1994, VICE HAROLD K. PHILLIPS, TERM EXPIRED.

DEPARTMENT OF THE TREASURY

JOHN MICHAEL MERCANTI, OF PENNSYLVANIA, TO BE ENGRAVER IN THE MINT OF THE UNITED STATES OF PHILADELPHIA, PENNSYLVANIA, VICE ELIZABETH JONES, RESIGNED.

MARINE MAMMAL COMMISSION

PAUL K. DAYTON, OF CALIFORNIA, TO BE A MEMBER OF THE MARINE MAMMAL COMMISSION FOR THE TERM EXPIRING MAY 13, 1992, VICE WILLIAM W. FOX, JR., RESIGNED.

NATIONAL COUNCIL ON DISABILITY

MARY ANN MOBLEY-COLLINS, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1991, VICE JONI TADA, TERM EXPIRED.

IN THE AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601, AND APPOINTMENT AS SENIOR AIR FORCE MEMBER, MILITARY STAFF COMMITTEE OF THE UNITED NATIONS, UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 711:

To be lieutenant general

MAJ. GEN. CHARLES A. MAY, JR., xxx-xx-xxxx UNITED STATES AIR FORCE.

In the navy

THE FOLLOWING-NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be admiral

ADM. POWELL F. CARTER, JR., U.S. NAVY, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

VICE ADM. PAUL D. MILLER, U.S. NAVY, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

VICE ADM. ROGER F. BACON, U.S. NAVY, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. HENRY G. CHILES, JR., U.S. NAVY, xxx-x... xx...

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. WILLIAM A. DOUGHERTY, JR., U.S. NAVY, xxx-xx-xxxx

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED WHILE SERVING IN A POSITION OF IMPORTANCE AND RESPONSIBILITY DESIGNATED BY THE PRESIDENT UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 601(A), AND TO BE APPOINTED AS SENIOR NAVY MEMBER OF THE MILITARY STAFF COMMITTEE OF THE UNITED NATIONS UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 711:

To be vice admiral

REAR ADM. LEIGHTON W. SMITH, JR., U.S. NAVY, xx... xxx-x...

In the air force

THE FOLLOWING AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR PROMOTION IN THE RESERVE OF THE AIR FORCE UNDER THE PROVISIONS OF SECTIONS 593 AND 8379, TITLE 10 OF THE UNITED STATES CODE. PROMOTIONS MADE UNDER SECTION 8379 AND CONFIRMED BY THE SENATE UNDER SECTION 593 SHALL BEAR AN EFFECTIVE DATE ESTABLISHED IN ACCORDANCE WITH SECTION 8374, TITLE 10 OF THE UNITED STATES CODE. (EFFECTIVE DATE FOLLOWS SERIAL NUMBER)

LINE OF THE AIR FORCE

To be lieutenant colonel

MAJ. CHARLES O. BARRY III, xxx-xx-xxxx 6/14/90
MAJ. HUGH T. BROOMALL, xxx-xx-xxxx 6/20/90
MAJ. DONALD A. BUBB, xxx-xx-xxxx 4/23/90
MAJ. ROBERT A. CRON, xxx-xx-xxxx 6/14/90
MAJ. JUSTIN W. FISHER, xxx-xx-xxxx 6/26/90
MAJ. WILLARD G. HILL, xxx-xx-xxxx 6/1/90
MAJ. JOHN C. HOFFMAN, xxx-xx-xxxx 6/27/90
MAJ. IVAN B. KELLY, xxx-xx-xxxx 5/22/90
MAJ. LEONARD C. KESSELRING JR., xxx-xx-xxxx 6/15/90
MAJ. GARY D. LANHAM, xxx-xx-xxxx 6/2/90
MAJ. RICHARD L. MCCULLOUGH, xxx-xx-xxxx 5/15/90
MAJ. MICHAEL A. PORTELE, xxx-xx-xxxx 7/2/90
MAJ. CHARLES E. WEST, JR., xxx-xx-xxxx 6/27/90

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICERS FOR PROMOTION IN THE UNITED STATES AIR FORCE, UNDER THE APPROPRIATE PROVISIONS OF SECTION 624, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATES OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE, AND THOSE OFFICERS IDENTIFIED BY AN ASTERISK FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF SECTION 531, TITLE 10, UNITED STATES CODE, PROVIDED THAT IN NO CASE SHALL THE OFFICERS BE APPOINTED IN A. GRADE HIGHER THAN INDICATED.

LINE OF THE AIR FORCE

To be colonel

THOMAS D. ACCOLA, xxx-xx-xxxx
JAMES E. ALFORD, xxx-xx-xxxx
KIRBY E. ALLEN, xxx-xx-xxxx
GARY A. AMBROSE, xxx-xx-xxxx
RAYMOND A. AMTMANN, xxx-xx-xxxx
RICHARD G. ANNAS, xxx-xx-xxxx
BRIAN A. ARNOLD, xxx-xx-xxxx
GAIL I. ARNOTT, xxx-xx-xxxx
ROBERT M. ATKINSON, xxx-xx-xxxx
RALPH H. AUSTIN, xxx-xx-xxxx
ROBERT A. AUSTIN, xxx-xx-xxxx
LARRY D. AUTRY, xxx-xx-xxxx
JOSEPH G. AVON, xxx-xx-xxxx
HOWARD S. BAER, xxx-xx-xxxx
CHARLES E. BAILEY, xxx-xx-xxxx
DON E. BAKER, xxx-xx-xxxx
JACK T. BAKER, xxx-xx-xxxx
ROBERT W. BAKER, xxx-xx-xxxx
WILLIAM H. BAKER, xxx-xx-xxxx
JEFFREY W. BALDRIGE, xxx-xx-xxxx
MARGARET K. BALDWIN, xxx-xx-xxxx
ROBERT H. BALLARD, xxx-xx-xxxx
TERRY L. BALVEN, xxx-xx-xxxx
RAYMOND H. BARKER, JR, xxx-xx-xxxx
BARRY W. BARKSDALE, xxx-xx-xxxx
ROCKY E. BARNARD, xxx-xx-xxxx
JOHN L. BARRY, xxx-xx-xxxx
HARVEY D. BARTEL, xxx-xx-xxxx
ROBERT H. BASKETT, xxx-xx-xxxx
ROY H. BASS, JR, xxx-xx-xxxx
HAYNES M. BAUMGARDNER, JR, xxx-xx-xxxx
ALLAN K. BEAN, xxx-xx-xxxx
JOHN S. BEATTIE, xxx-xx-xxxx
EUGENE F. BEAUVAIS, xxx-xx-xxxx
ANTHONY W. BELL, JR, xxx-xx-xxxx
GERALD E. BENSON, xxx-xx-xxxx
RALPH G. BENT, II, xxx-xx-xxxx
HARRY D. BEPLAY, xxx-xx-xxxx
JOSEPH J. BERARDINO, xxx-xx-xxxx
JAMES A. BERES, xxx-xx-xxxx
EARL D. BICE, xxx-xx-xxxx
GEOFFREY T. BISHOP, xxx-xx-xxxx
ROBERT J. BITTNER, xxx-xx-xxxx
KENNETH L. BLACK, xxx-xx-xxxx
LARRY W. BLACK, xxx-xx-xxxx
ROBERT E. BLACK, xxx-xx-xxxx
THOMAS J. BLACK, III, xxx-xx-xxxx
GAY D. BLACKMORE, xxx-xx-xxxx
CHARLES R. BLAKE, xxx-xx-xxxx
JAMES P. BLANCO, xxx-xx-xxxx
JOAN W. BLANKENBEKER, xxx-xx-xxxx
THOMAS J. BLYSTAD, xxx-xx-xxxx
GERALD V. BOESCHE, xxx-xx-xxxx
RUSSELL L. BOGGESS, xxx-xx-xxxx
WAYNE R. BOLES, xxx-xx-xxxx
RUSSELL T. BOLT, xxx-xx-xxxx
JAROMIR J. BON, xxx-xx-xxxx
RAYMOND G. BONESTEELE, xxx-xx-xxxx
JAMES W. BOSWELL, xxx-xx-xxxx
TERRENCE W. BOTT, xxx-xx-xxxx
CHARLES L. BOUBOULIS, xxx-xx-xxxx
JAMES T. BOWEN, xxx-xx-xxxx
FRANK L. BOYD, JR, xxx-xx-xxxx
JOHN T. BOYD, xxx-xx-xxxx
MILTON E. BRANCH, JR, xxx-xx-xxxx

PAUL L. BRANDENBURG, xxx-xx-xxxx
LOUIS D. BRAUN, III, xxx-xx-xxxx
JAMES E. BRECHWALD, xxx-xx-xxxx
HOWARD M. BRILLIANT, xxx-xx-xxxx
FRED N. BROWN, JR, xxx-xx-xxxx
RICHARD S. BROWNELL, xxx-xx-xxxx
LAWRENCE A. BRUCK, xxx-xx-xxxx
RICHARD T. BRYAN, xxx-xx-xxxx
WALTER E. L. BUCHANAN, III, xxx-xx-xxxx
ANTHONY F. BUQUOR, xxx-xx-xxxx
ANNETTE L. BURR, xxx-xx-xxxx
RICHARD O. BURROUGHS, xxx-xx-xxxx
STANLEY L. BUSBOOM, xxx-xx-xxxx
RAY L. CADDELL, xxx-xx-xxxx
STEVEN E. CADY, xxx-xx-xxxx
STEVEN A. CAINE, xxx-xx-xxxx
PATRICK A. CALDWELL, xxx-xx-xxxx
MICHAEL R. CALLAWAY, xxx-xx-xxxx
MARION E. CALLENDER, JR, xxx-xx-xxxx
JOHN A. CAMM, JR, xxx-xx-xxxx
JOHN H. CAMPBELL, xxx-xx-xxxx
WILLIAM H. CAMPBELL, xxx-xx-xxxx
WILLIAM J. CANAVAN, xxx-xx-xxxx
TIMOTHY N. CAREY, xxx-xx-xxxx
DOUGLAS M. CARLSON, xxx-xx-xxxx
GERALD C. CARPENTER, xxx-xx-xxxx
MICHAEL F. CARPENTER, xxx-xx-xxxx
LARRY A. CARR, xxx-xx-xxxx
LARRY G. CARTER, xxx-xx-xxxx
STEPHEN P. CARTER, xxx-xx-xxxx
LOUIS J. CASAMAYOU, xxx-xx-xxxx
JOHN M. CASE, JR, xxx-xx-xxxx
THOMAS E. CEDEL, xxx-xx-xxxx
PHILIP R. CELMER, III, xxx-xx-xxxx
ROBERT R. CHAPIN, xxx-xx-xxxx
BRENT E. CHAPMAN, xxx-xx-xxxx
RAYMOND C. CHAPMAN, JR, xxx-xx-xxxx
EDDY J. CHELKOWSKI, xxx-xx-xxxx
KEVIN J. CHENEY, xxx-xx-xxxx
STONEY P. CHISOLM, xxx-xx-xxxx
MICHAEL A. CHRISTENSEN, xxx-xx-xxxx
CHARLES E. CINNAMON, xxx-xx-xxxx
DWIGHT E. CLARK, xxx-xx-xxxx
SAMUEL H. CLOVIS, JR, xxx-xx-xxxx
JAMES R. COATES, xxx-xx-xxxx
JAMES T. COBB, xxx-xx-xxxx
ROBERT D. COFFMAN, xxx-xx-xxxx
EDWIN W. COHRS, xxx-xx-xxxx
ZOLLIE D. COLE, xxx-xx-xxxx
DOUGLAS R. COLEMAN, xxx-xx-xxxx
KEVIN A. COLLINS, xxx-xx-xxxx
ELLIS K. CONOLEY, xxx-xx-xxxx
MICHAEL J. COOK, xxx-xx-xxxx
SHARLA J. COOK, xxx-xx-xxxx
BOYCE D. COOKE, xxx-xx-xxxx
CRAIG R. COONING, xxx-xx-xxxx
THOMAS R. COOPER, xxx-xx-xxxx
LARRY J. COPELAND, xxx-xx-xxxx
WILLIAM J. CORBETT, III, xxx-xx-xxxx
STEPHEN R. CORNISH, xxx-xx-xxxx
LARRY P. CORNWELL, xxx-xx-xxxx
ROBERT E. CORSI, JR, xxx-xx-xxxx
ARTHUR J. CORWIN, xxx-xx-xxxx
RONALD T. COVAIS, xxx-xx-xxxx
PHILIP A. COVELL, xxx-xx-xxxx
NEAL D. COYLE, xxx-xx-xxxx
JOHN W. CRAIG, xxx-xx-xxxx
CHARLES J. CRAWFORD, xxx-xx-xxxx
CHARLES E. CROOM, JR, xxx-xx-xxxx
DAVID P. CSINTYAN, xxx-xx-xxxx
CHARLES N. CULBERTSON, xxx-xx-xxxx
ROGER A. CUNNING, xxx-xx-xxxx
ALEXANDER B. CURRIE, xxx-xx-xxxx
THOMAS W. DALEY, xxx-xx-xxxx
JOHN W. DALTON, xxx-xx-xxxx
JAMES C. DANDO, xxx-xx-xxxx
HENRY J. DARIES, xxx-xx-xxxx
GERRY R. DAUGHERTY, xxx-xx-xxxx
JAMES N. DAVIS, xxx-xx-xxxx
ROBERT F. DEBUSK, III, xxx-xx-xxxx
ROBERT G. DEFEO, xxx-xx-xxxx
GEORGE DEFILIPPI, JR, xxx-xx-xxxx
JACK D. DELIGANS, JR, xxx-xx-xxxx
RICHARD E. DELONEY, JR, xxx-xx-xxxx
WAYNE E. DEREU, xxx-xx-xxxx
ROBERT J. DESUTTER, JR, xxx-xx-xxxx
DAVID R. DICK, xxx-xx-xxxx
JAMES G. DICKENSHEETS, xxx-xx-xxxx
ROBERT P. DICKEY, xxx-xx-xxxx
JOSEPH T. DICKMAN, xxx-xx-xxxx
ROBERT R. DIERKER, xxx-xx-xxxx
WALTER R. DILL, xxx-xx-xxxx
GARY D. DILLS, xxx-xx-xxxx
JOHN S. DOLAN, xxx-xx-xxxx
KENNETH L. DOLLAR, xxx-xx-xxxx
JAMES L. DONNELLY, xxx-xx-xxxx
PAUL R. DORDAL, xxx-xx-xxxx
JOHN W. DOROUGH, JR, xxx-xx-xxxx
LESLIE R. DRAKE, xxx-xx-xxxx
JOHNNY B. DRURY, xxx-xx-xxxx
DAVID A. DUCK, JR, xxx-xx-xxxx
GEORGE T. DUCKER, xxx-xx-xxxx
DAVID M. DUESLER, xxx-xx-xxxx
JACK E. DUGAS, JR, xxx-xx-xxxx
MICHAEL A. DUNGAN, xxx-xx-xxxx
JAMES C. DUNN, III, xxx-xx-xxxx
JACOB D. DUSTIN, xxx-xx-xxxx
CECIL L. EASON, JR, xxx-xx-xxxx
GLENN C. EASTERLY, xxx-xx-xxxx
THOMAS E. EICHHORST, xxx-xx-xxxx
ROBERT J. ELDER, JR, xxx-xx-xxxx
GERALD G. ELLMYER, xxx-xx-xxxx
ROBERT W. ELSASS, JR, xxx-xx-xxxx
ROGER E. ELSTUN, xxx-xx-xxxx
JAMES D. EMERY, JR, xxx-xx-xxxx
MICHAEL H. ENGELMEYER, xxx-xx-xxxx
JAMES M. ENGER, xxx-xx-xxxx
JAMES B. ENGLE, xxx-xx-xxxx
JAMES W. ENGLE, xxx-xx-xxxx
BRIAN A. ERICKSON, xxx-xx-xxxx
PAUL W. ESSEX, xxx-xx-xxxx
RICHARD G. EVANS, xxx-xx-xxxx
WALTER J. EVANS, xxx-xx-xxxx
WILLIAM J. EVANS, JR, xxx-xx-xxxx
MARK G. EWIG, xxx-xx-xxxx
ROBERT G. FAHL, xxx-xx-xxxx
DAVID P. FAIRCLO, xxx-xx-xxxx
STEPHEN H. FARISH, xxx-xx-xxxx
KENNETH B. FAULHABER, xxx-xx-xxxx
MICHAEL L. FAUST, xxx-xx-xxxx
RICHARD E. FAVELA, xxx-xx-xxxx
ALAN C. FELDKAMP, xxx-xx-xxxx
JAMES G. FERGUSON, xxx-xx-xxxx
GEORGE C. FERKES, xxx-xx-xxxx
WALTER L. FILIPEK, xxx-xx-xxxx
GERALD F. FLANAGAN, JR, xxx-xx-xxxx
SCHUYLER FOERSTER, xxx-xx-xxxx
DAVID A. FONTANA, xxx-xx-xxxx
ROBERT G. FORD, xxx-xx-xxxx
DAVID M. FORE, xxx-xx-xxxx
THOMAS P. FOSS, xxx-xx-xxxx
FREDERICK J. FOSTER, xxx-xx-xxxx
WILLIAM E. FRANTA, xxx-xx-xxxx
WILLIAM M. FRASER, III, xxx-xx-xxxx
JAMES G. FROMM, xxx-xx-xxxx
DANIEL T. FUCCI, xxx-xx-xxxx
RICHARD D. GADDIE, xxx-xx-xxxx
RALPH R. GAJEWSKI, xxx-xx-xxxx
ALBERT R. GALANTE, xxx-xx-xxxx
MICHAEL R. GALLAGHER, xxx-xx-xxxx
RICHARD N. GALLOWAY, xxx-xx-xxxx
DAVID P. GAMBONE, xxx-xx-xxxx
RICHARD GAMMON, xxx-xx-xxxx
FRANCIS K. GEISLER, JR, xxx-xx-xxxx
DAVID B. GEORGE, JR, xxx-xx-xxxx
SALVATORE J. GIAMMO, xxx-xx-xxxx
JOHN P. GIBEAU, xxx-xx-xxxx
ROBERT A. GIBSON, xxx-xx-xxxx
JOHN A. GILBERT, xxx-xx-xxxx
PETER M. GILL, xxx-xx-xxxx
MARK D. GILSON, xxx-xx-xxxx
STEVEN F. GLANTZ, xxx-xx-xxxx
DANIEL W. GODDARD, xxx-xx-xxxx
THOMAS J. GODFREY, xxx-xx-xxxx
WILLIAM E. GOODWIN, xxx-xx-xxxx
JOHN W. GORMAN, xxx-xx-xxxx
EDWARD H. GOSSLING, III, xxx-xx-xxxx
JAMES M. GRANT, xxx-xx-xxxx
MICHAEL L. GRAVES, xxx-xx-xxxx
JOHN R. GREEN, xxx-xx-xxxx
WILLIAM V. GREEN, IV, xxx-xx-xxxx
SAMUEL L. GRIER, JR, xxx-xx-xxxx
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RICHARD R. GROSS, xxx-xx-xxxx
ANTHONY W. GROVES, xxx-xx-xxxx
MICHAEL L. GUIDRY, xxx-xx-xxxx
PAUL M. GUTTMAN, xxx-xx-xxxx
JOHN M. HAAS, xxx-xx-xxxx
STEVEN C. HAFNER, xxx-xx-xxxx
FREDDY M. HAGGARD, xxx-xx-xxxx
ROBERT M. HAIL, xxx-xx-xxxx
LOUIS C. HALA, JR, xxx-xx-xxxx
BILLY J. HALL, JR, xxx-xx-xxxx
WILLIAM F. HALL, xxx-xx-xxxx
ROYCE J. HALSTEAD, xxx-xx-xxxx
STEPHEN O. HAMMOND, xxx-xx-xxxx
STEPHEN W. HANES, xxx-xx-xxxx
JOSEPH C. HANNIGAN, xxx-xx-xxxx
JOHN W. HARBISON, xxx-xx-xxxx
SUSAN J. HARGER, xxx-xx-xxxx
JOHN S. HARP, xxx-xx-xxxx
ELKTON E. HARRINGTON, III, xxx-xx-xxxx
JERROLD B. HARRINGTON, xxx-xx-xxxx
HAROLD J. HARRIS, xxx-xx-xxxx
JOHN H. HARRIS, JR, xxx-xx-xxxx
PHILLIP L. HARRIS, xxx-xx-xxxx
KENT E. HARRISON, xxx-xx-xxxx
THOMAS D. HATCHER, xxx-xx-xxxx
JAMES C. HAVARD, xxx-xx-xxxx
GILBERT R. HAWK, xxx-xx-xxxx
KEITH D. HAWKINS, xxx-xx-xxxx
ROBERT S. HEAPS, xxx-xx-xxxx
RICHARD S. HEFNER, xxx-xx-xxxx
JAMES B. HENDERSON, JR, xxx-xx-xxxx
JOHN F. HENLEY, xxx-xx-xxxx
PETER J. HENNESSEY, xxx-xx-xxxx
STEPHEN G. HENRICH, xxx-xx-xxxx
CHESTER G. HERBST, JR, xxx-xx-xxxx
ROBERT E. HERGENROEDER, xxx-xx-xxxx
ROBERT L. HERKLOTZ, xxx-xx-xxxx
AUBIN M. HIGGINS, xxx-xx-xxxx
DALE C. HILL, xxx-xx-xxxx
CHARLES D. HILLEBRAND, xxx-xx-xxxx
LLOYD R. HISH, xxx-xx-xxxx
DAVID L. HOFSTADTER, xxx-xx-xxxx
JACK R. HOLBEIN, JR, xxx-xx-xxxx
FRANK O. HOLDER, JR, xxx-xx-xxxx
WILLIAM J. HOLLAND, III, xxx-xx-xxxx
GERALD G. HOLLINGER, xxx-xx-xxxx
WILLIAM E. HOLTKAMP, III, xxx-xx-xxxx
DAVID R. HONEYWELL, xxx-xx-xxxx
HUNTER S. HOPSON, JR, xxx-xx-xxxx
STEPHEN M. HORN, xxx-xx-xxxx
JOHN R. HORNOR, xxx-xx-xxxx
VINCENT W. HORRIGAN, xxx-xx-xxxx
HAROLD W. HOSACK, JR, xxx-xx-xxxx
THOMAS R. HOSKINS, xxx-xx-xxxx
JAMES B. HOUSTON, JR, xxx-xx-xxxx
ROBERT M. HOWE, JR, xxx-xx-xxxx
RONALD P. HUBBARD, xxx-xx-xxxx
LAWRENCE R. HUEY, xxx-xx-xxxx
JOHN B. HUNGERFORD, JR, xxx-xx-xxxx
ROBERT D. HUNTER, xxx-xx-xxxx
SCOTT D. INGRAM, xxx-xx-xxxx
GEORGE R. JACKSON, xxx-xx-xxxx
PHILLIP L. JACKSON, xxx-xx-xxxx
VICTOR D. JAROCH, xxx-xx-xxxx
GREGORY T. JAY, xxx-xx-xxxx
RONALD W. JAYNE, xxx-xx-xxxx
OWEN E. JENSEN, xxx-xx-xxxx
ROBERT W. JENSEN, xxx-xx-xxxx
WILLIAM E. JOHNS, xxx-xx-xxxx
ERIC N. JOHNSON, xxx-xx-xxxx
FREEMAN L. JOHNSON, xxx-xx-xxxx
HUBERT O. JOHNSON, III, xxx-xx-xxxx
KATHLEEN JOHNSON, xxx-xx-xxxx
WILLIAM R. JOHNSON, JR, xxx-xx-xxxx
LAFAYETTE J. JONES, JR, xxx-xx-xxxx
PETER E. JONES, xxx-xx-xxxx
ROBERT G. JONES, xxx-xx-xxxx
ROBERT R. JONES, xxx-xx-xxxx
RODNEY P. JONES, xxx-xx-xxxx
SAMUEL M. JONES, xxx-xx-xxxx
STEVEN R. JONES, xxx-xx-xxxx
WALTER I. JONES, xxx-xx-xxxx
ROBERT A. JUDAS, xxx-xx-xxxx
JOSEPH C. JUSTICE, xxx-xx-xxxx
GORDON D. KAGE, II, xxx-xx-xxxx
PETER C. KAMINSKI, xxx-xx-xxxx
ROBERT J. KARNER, xxx-xx-xxxx
LARRY R. KEARNS, xxx-xx-xxxx
STEVEN M. KELLER, xxx-xx-xxxx
GARY M. KELLY, xxx-xx-xxxx
MICHAEL G. KING, xxx-xx-xxxx
JAMES A. KINGSLEY, xxx-xx-xxxx
THOMAS C. KLEIV, xxx-xx-xxxx
DUANE W. KNIGHT, xxx-xx-xxxx
DANIEL G. KNIOLA, xxx-xx-xxxx
WARREN I. KNOUFF, xxx-xx-xxxx
DAVID P. KNOWLES, xxx-xx-xxxx
DANIEL J. KOHN, xxx-xx-xxxx
DUNCAN G. KOLLER, xxx-xx-xxxx
DAVID C. KOLODZINSKI, xxx-xx-xxxx
CRAIG L. KOONTZ, xxx-xx-xxxx
ROBERT W. KOPP, xxx-xx-xxxx
JOSEPH N. KRUPPA, JR, xxx-xx-xxxx
DENNIS W. KULLANDER, xxx-xx-xxxx
FRANK P. LABELLE, JR, xxx-xx-xxxx
LAWRENCE N. LACEY, xxx-xx-xxxx
RICHARD F. LACH, xxx-xx-xxxx
PHILLIP E. LACOMBE, xxx-xx-xxxx
THOMAS S. LAMPLEY, xxx-xx-xxxx
GERALD M. LANE, xxx-xx-xxxx
CHARLES M. LANG, JR, xxx-xx-xxxx
RICHARD D. LARKINS, xxx-xx-xxxx
DENNIS R. LARSEN, xxx-xx-xxxx
LANNY J. LARSON, xxx-xx-xxxx
KATHY LASAUCE, xxx-xx-xxxx
THEODORE W. LAY, II, xxx-xx-xxxx
PAUL J. LEBRAS, xxx-xx-xxxx
CRAIG M. LEE, xxx-xx-xxxx
GORDON K. W. LEE, xxx-xx-xxxx
MELVIN K. F. LEE, xxx-xx-xxxx
MICHAEL G. LEE, xxx-xx-xxxx
TERRY S. H. LEE, xxx-xx-xxxx
ROBERT A. LEECH, xxx-xx-xxxx
DAYRE C. LIAS, xxx-xx-xxxx
ARTHUR J. LICHTE, xxx-xx-xxxx
RICHARD A. LIEN, xxx-xx-xxxx
CHARLES R. LINN, xxx-xx-xxxx
DAVID W. LINN, xxx-xx-xxxx
CHARLES B. LONG, xxx-xx-xxxx
LEVI D. LOWMAN, JR, xxx-xx-xxxx
LUKE L. LUCAS, xxx-xx-xxxx
MICHAEL A. LUFFRED, xxx-xx-xxxx
THOMAS P. LUTTERBIE, xxx-xx-xxxx
MICHAEL J. LYGA, xxx-xx-xxxx
STEPHEN D. MACARTHUR, xxx-xx-xxxx
DAVID F. MACGHEE, xxx-xx-xxxx
FRANK J. MACHI, xxx-xx-xxxx
GENE A. MADDING, xxx-xx-xxxx
STEPHEN B. MADDOX, xxx-xx-xxxx
MARCOS J. MADRID, xxx-xx-xxxx
THOMAS A. MAHR, xxx-xx-xxxx
SANFORD D. MANGOLD, xxx-xx-xxxx
DENNIS F. MARKISELLO, xxx-xx-xxxx
ROBERT T. MARLOW, xxx-xx-xxxx
CHARLES W. MARTIN, xxx-xx-xxxx
RICHARD P. MARTIN, xxx-xx-xxxx
STEPHEN G. MASCHUE, xxx-xx-xxxx
GEORGE M. MATTINGLEY, JR, xxx-xx-xxxx
GILBERT E. MAYEUX, II, xxx-xx-xxxx
MICHAEL P. MCCALL, xxx-xx-xxxx
BENJAMIN F. MCCARTER, xxx-xx-xxxx
JOHN A. MCCLANATHAN, JR, xxx-xx-xxxx
MICHAEL G. MCCONNELL, xxx-xx-xxxx
GUY F. MCCRACKEN, xxx-xx-xxxx
WILLIAM M. MCCRARY, xxx-xx-xxxx
ROBERT N. MCENEANY, xxx-xx-xxxx
MAURICE L. MCFANN, JR, xxx-xx-xxxx
EDWARD J. J. MCGANN, JR, xxx-xx-xxxx
STUART R. MCGHEE, xxx-xx-xxxx
CARL A. MCINTIRE, III, xxx-xx-xxxx
WILLIAM E. MCKEEVER, xxx-xx-xxxx
DOLAN M. MCKELVY, xxx-xx-xxxx
JAMES L. MCKINLEY, xxx-xx-xxxx

DANIEL J. MCMORROW, xxx-xx-xxxx
MICHAEL F. MCPHERSON, xxx-xx-xxxx
ROBERT C. MEAD, xxx-xx-xxxx
ROY D. MEADOWS, xxx-xx-xxxx
BILLY G. MEAZELL, xxx-xx-xxxx
JOHN W. MEINCKE, xxx-xx-xxxx
ROBERT L. MEINERT, xxx-xx-xxxx
HAL R. MEYER, xxx-xx-xxxx
DALE W. MEYERROSE, xxx-xx-xxxx
RICHARD P. MICHAUD, xxx-xx-xxxx
GORDON R. MIDDLETON, xxx-xx-xxxx
ALLYN K. MILLS, xxx-xx-xxxx
KING L. MILLS, III, xxx-xx-xxxx
FRANK J. MISCIASCI, JR, xxx-xx-xxxx
HENRY R. MITCHELL, xxx-xx-xxxx
JOHN C. MOLLISON, JR, xxx-xx-xxxx
RICHARD P. MOORE, xxx-xx-xxxx
ROBERT P. MOORE, xxx-xx-xxxx
JAMES W. MOREHOUSE, xxx-xx-xxxx
CHARLES R. MORRIS, xxx-xx-xxxx
ROBERT C. MORRIS, JR, xxx-xx-xxxx
JAMES E. MORRISON, xxx-xx-xxxx
DAVID J. MORROW, xxx-xx-xxxx
ROBERT A. MOYER, xxx-xx-xxxx
DANIEL J. MURAWINSKI, xxx-xx-xxxx
DANIEL L. MURPHY, xxx-xx-xxxx
DENNIS L. MURPHY, xxx-xx-xxxx
KENNETH E. MURPHY, xxx-xx-xxxx
PAUL E. MURR, xxx-xx-xxxx
TERRANCE L. MURTAUGH, xxx-xx-xxxx
ANTHONY E. NADDEO, xxx-xx-xxxx
BILLY B. NAPIER, xxx-xx-xxxx
KENT D. NELSON, xxx-xx-xxxx
LESTER N. NELSON, xxx-xx-xxxx
RONALD E. NELSON, xxx-xx-xxxx
ROBERT W. NEUMANN, xxx-xx-xxxx
FRANK L. NEWKIRK, xxx-xx-xxxx
LEE A. NEWMAN, JR, xxx-xx-xxxx
JOHN B. NIX, JR, xxx-xx-xxxx
WRIGHT A. NODINE, JR, xxx-xx-xxxx
DAVID J. NOLTING, xxx-xx-xxxx
JAMES NORTON, JR, xxx-xx-xxxx
ROBERT D. ODELL, xxx-xx-xxxx
JEAN M. OESTREICH, xxx-xx-xxxx
THOMAS W. OLMSTEAD, xxx-xx-xxxx
JAMES R. OPFER, xxx-xx-xxxx
THOMAS A. ORIORDAN, xxx-xx-xxxx
ROBERT L. OSTRANDER, JR, xxx-xx-xxxx
JAMES M. OWENDOFF, xxx-xx-xxxx
RAYMOND W. OWENS, III, xxx-xx-xxxx
RONALD E. OWENS, xxx-xx-xxxx
JEFFREY S. PACE, xxx-xx-xxxx
JOHN M. PACE, xxx-xx-xxxx
WILLIAM P. PADGETT, xxx-xx-xxxx
WILLIAM A. PAILES, xxx-xx-xxxx
ROBERT L. PAINE, xxx-xx-xxxx
ROBERT C. PAPE, xxx-xx-xxxx
JAMES S. PARKER, xxx-xx-xxxx
JAMES L. PATRICK, JR, xxx-xx-xxxx
IRA S. PAUL, III, xxx-xx-xxxx
ROBERT W. PAULI, xxx-xx-xxxx
WILBERT D. PEARSON, JR, xxx-xx-xxxx
DANIEL G. PENNY, JR, xxx-xx-xxxx
TIMOTHY A. PEPPE, xxx-xx-xxxx
JAMES M. PETEK, xxx-xx-xxxx
BRUCE E. PETERS, xxx-xx-xxxx
QUENTIN L. PETERSON, xxx-xx-xxxx
ROBERT A. PETERSON, xxx-xx-xxxx
RONALD J. PETERSON, xxx-xx-xxxx
THOMAS M. PETITMERMET, xxx-xx-xxxx
JOHN J. PETTY, xxx-xx-xxxx
CLYDE B. PHILLIPS, III, xxx-xx-xxxx
JAMES G. PHILLIPS, xxx-xx-xxxx
ROBERT D. PHILLIPS, xxx-xx-xxxx
DONALD A. PHILPITT, xxx-xx-xxxx
GARY J. PHIPPS, xxx-xx-xxxx
JOHN B. PIAZZA, xxx-xx-xxxx
RONALD L. PIERCE, xxx-xx-xxxx
HEDY C. PINKERTON, xxx-xx-xxxx
ROBERT J. PIRRIE, xxx-xx-xxxx
CHARLES W. PITTS, xxx-xx-xxxx
DAVID E. POPE, xxx-xx-xxxx
JEFFREY M. POSNER, xxx-xx-xxxx
THEODORE R. POWERS, JR, xxx-xx-xxxx
JUSTUS V. PRICE, JR, xxx-xx-xxxx
JOHN C. QUANDT, xxx-xx-xxxx
JEFFREY A. RAMELB, xxx-xx-xxxx
DAVID M. RANDERSON, xxx-xx-xxxx
CRAIG P. RASMUSSEN, xxx-xx-xxxx
DAVID C. RAUHECKER, xxx-xx-xxxx
THOMAS E. REA, xxx-xx-xxxx
JOHN A. REDDY, xxx-xx-xxxx
CLARK G. REID, xxx-xx-xxxx
DONALD R. REID, xxx-xx-xxxx
RICHARD S. REID, JR, xxx-xx-xxxx
LOREN M. RENO, xxx-xx-xxxx
JAMES R. RHOADES, xxx-xx-xxxx
REGNER C. RIDER, xxx-xx-xxxx
DAVID M. RIGSBEE, xxx-xx-xxxx
RICHARD H. RIMA, xxx-xx-xxxx
VERNON S. RITCHEY, xxx-xx-xxxx
RICHARD A. RITTER, xxx-xx-xxxx
EARNEST O. ROBBINS, II, xxx-xx-xxxx
JAMES N. ROBINSON, xxx-xx-xxxx
JOHN R. ROBINSON, II, xxx-xx-xxxx
AARON B. ROGERS, JR, xxx-xx-xxxx
ANTHONY J. ROGET, xxx-xx-xxxx
JAMES E. ROPER, xxx-xx-xxxx
JERRY L. ROSS, xxx-xx-xxxx
STEVEN J. ROSS, xxx-xx-xxxx
RICHARD S. ROSZAK, xxx-xx-xxxx
BENJAMIN S. ROTH, xxx-xx-xxxx
THOMAS G. RUNGE, xxx-xx-xxxx
WILLIAM C. RUSBY, xxx-xx-xxxx
ROBERT L. RUTH, xxx-xx-xxxx
CHARLES M. RUTLAND, xxx-xx-xxxx
WILLIAM E. RUTTER, xxx-xx-xxxx
JOSE L. SAENZ, xxx-xx-xxxx
ARTHUR J. SAITTA, xxx-xx-xxxx
THOMAS A. SAMPLES, xxx-xx-xxxx
RAMON SANDOVAL, JR, xxx-xx-xxxx
VINCENT J. SANTILLO, II, xxx-xx-xxxx
RALPH S. SAUNDERS, JR, xxx-xx-xxxx
JAMES A. SCHEIDEMAN, xxx-xx-xxxx
JAMES M. SCHLICK, xxx-xx-xxxx
MICHAEL W. SCHOENFELD, xxx-xx-xxxx
MARVIN A. SCHOTT, xxx-xx-xxxx
RICHARD W. SCHUETZ, xxx-xx-xxxx
WILLIAM L. SCHWETKE, xxx-xx-xxxx
DONALD C. SCOTT, xxx-xx-xxxx
JAMES G. SCOTT, JR, xxx-xx-xxxx
MICHAEL R. SCOTT, xxx-xx-xxxx
WILLIAM A. SCOTT, xxx-xx-xxxx
DONALD G. SEARLES, xxx-xx-xxxx
JAMES F. SHAMBO, xxx-xx-xxxx
GEORGE P. SHAMER, II, xxx-xx-xxxx
JEFFREY S. SHAVER, xxx-xx-xxxx
CHRIS W. SHAW, xxx-xx-xxxx
DAVID W. SHOEMAKER, JR, xxx-xx-xxxx
GARY L. SHOEMAKER, xxx-xx-xxxx
RANDY C. SIEPMANN, xxx-xx-xxxx
TERRY R. SILVESTER, xxx-xx-xxxx
LARRY C. SIMMONS, xxx-xx-xxxx
CHARLES N. SIMPSON, xxx-xx-xxxx
CARL D. SKAKAL, JR, xxx-xx-xxxx
ROBERT A. SKOLASKY, xxx-xx-xxxx
JAMES H. SLAGLE, xxx-xx-xxxx
JOHN T. SLANKAS, xxx-xx-xxxx
DAVID F. SLAUGHTER, xxx-xx-xxxx
JOHN T. SMALL, JR, xxx-xx-xxxx
DAN O. SMITH, xxx-xx-xxxx
GEORGE B. SMITH, xxx-xx-xxxx
JAMES B. SMITH, xxx-xx-xxxx
LARRY F. SMITH, xxx-xx-xxxx
ANDREW W. SMOAK, xxx-xx-xxxx
MICHAEL E. SOLOMON, xxx-xx-xxxx
DAVID L. SONNENBERG, xxx-xx-xxxx
DAVID W. SPICER, xxx-xx-xxxx
DAVID L. SPRACHER, xxx-xx-xxxx
LEON A. STAMM, xxx-xx-xxxx
RONNIE A. STANFILL, xxx-xx-xxxx
F. RANDALL STARBUCK, xxx-xx-xxxx
WILLIAM N. STARNES, JR, xxx-xx-xxxx
WILLIAM R. STEELE, xxx-xx-xxxx
HERBERT N. STEIMER, xxx-xx-xxxx
JOSEPH C. STEIN, xxx-xx-xxxx
JOSEPH P. STEIN, xxx-xx-xxxx
JAMES J. STERZINGER, xxx-xx-xxxx
WILLIAM E. STEVENS, xxx-xx-xxxx
BILLY K. STEWART, xxx-xx-xxxx
GARY L. STEWART, xxx-xx-xxxx
WILLIAM K. STILLWELL, xxx-xx-xxxx
RICHARD R. STIMER, JR, xxx-xx-xxxx
RICHARD L. STOCCHETTI, xxx-xx-xxxx
LARRY W. STONE, xxx-xx-xxxx
DAVID E. STOREY, xxx-xx-xxxx
JAY P. STRETCH, xxx-xx-xxxx
DAVID C. STRICK, xxx-xx-xxxx
STEVEN R. STURM, xxx-xx-xxxx
RONALD J. SULLIVAN, xxx-xx-xxxx
RAYMOND D. SUMMERS, xxx-xx-xxxx
TIMOTHY P. SUTHERLAND, xxx-xx-xxxx
CHARLES M. SWAGER, xxx-xx-xxxx
JOHN G. SWAIN, III, xxx-xx-xxxx
GEORGE H. SWEETNAM, JR, xxx-xx-xxxx
OZRO S. SWETT, JR, xxx-xx-xxxx
ELMER F. SYMSACK, xxx-xx-xxxx
ROMAN SYNYCHAK, xxx-xx-xxxx
THOMAS E. SYSTER, xxx-xx-xxxx
FRANK R. TAGUE, xxx-xx-xxxx
TERRY R. TALBOT, xxx-xx-xxxx
VICTOR J. TAMBONE, xxx-xx-xxxx
JOHN G. TAYLOR, III, xxx-xx-xxxx
LOUIS S. TAYLOR, xxx-xx-xxxx
JERRY L. THIGPEN, xxx-xx-xxxx
KENNETH L. THOMAS, xxx-xx-xxxx
JERRY J. THORIUS, xxx-xx-xxxx
FREDERICK G. THOUROT, III, xxx-xx-xxxx
THOMAS E. THURSTON, xxx-xx-xxxx
DANIEL M. TIBBETTS, xxx-xx-xxxx
TIMOTHY T. TIMMONS, xxx-xx-xxxx
ROBERT J. TOMCZAK, xxx-xx-xxxx
THOMAS A. TOOPS, xxx-xx-xxxx
OLIVER D. TOWNS, xxx-xx-xxxx
RAY E. TOWNSEND, xxx-xx-xxxx
CARY R. TRAFTON, xxx-xx-xxxx
LEONARD J. TROVERO, JR, xxx-xx-xxxx
ALAN E. M. TUCKER, xxx-xx-xxxx
GARY L. TUCKER, xxx-xx-xxxx
CHARLES F. TURK, xxx-xx-xxxx
MARC C. TURNER, xxx-xx-xxxx
RONALD F. TUTTLE, xxx-xx-xxxx
BRUCE L. ULLMAN, xxx-xx-xx...
DAVID C. UNDERWOOD, xxx-xx-xxxx
DENNIS D. UNDERWOOD, xxx-xx-xxxx
ROBERT F. UNGER, xxx-xx-xxxx
JEFFREY L. UPP, xxx-xx-xxxx
DALE M. VANDEHEY, xxx-xx-xxxx
JOHN M. VOLPE, xxx-xx-xxxx
MICHAEL G. VOSMEIER, xxx-xx-xxxx
MICHAEL VOSS, xxx-xx-xxxx
JAMES D. WALKER, xxx-xx-xxxx
RONALD R. WALL, xxx-xx-xxxx
KENNETH V. WALSH, xxx-xx-xxxx
WILLIAM L. WALTERS, xxx-xx-xxxx
GLENN C. WALTMAN, xxx-xx-xxxx
SCOTT L. WANGEN, xxx-xx-xxxx
JOSEPH B. WARREN, III, xxx-xx-xxxx
RONALD H. WASSOM, xxx-xx-xxxx
RICHARD L. WEAVER, xxx-xx-xxxx
RUSSELL L. WEAVER, JR, xxx-xx-xxxx
WILLIAM S. WEAVING, xxx-xx-xxxx
RICHARD E. WEBBER, xxx-xx-xxxx
GARY L. WEIKEL, xxx-xx-xxxx
STAN G. WEIR, xxx-xx-xxxx
MICHAEL WEITMAN, xxx-xx-xxxx
MICHAEL P. WEITZEL, xxx-xx-xxxx
J. D. WELLS, xxx-xx-xxxx
MICHAEL P. WELSH, xxx-xx-xxxx
DAYLE A. WEST, xxx-xx-xxxx
GREGG A. WHEELER, xxx-xx-xxxx
CULLEN L. WHITE, xxx-xx-xxxx
ROBERT E. WHITE, xxx-xx-xxxx
CHARLES J. WHITECHURCH, xxx-xx-xxxx
JOHN C. WHITESIDE, III, xxx-xx-xxxx
JAMES F. WHITING, xxx-xx-xxxx
CARLETON H. WHITTAKER, JR, xxx-xx-xxxx
MICHAEL P. WIEDEMER, xxx-xx-xxxx
FRANK B. WILLE, xxx-xx-xxxx
FREDERICK L. WILLIAMS, xxx-xx-xxxx
JAMES E. WILLIAMS, xxx-xx-xxxx
ROBERT O. WILLIAMS, xxx-xx-xxxx
ROBERT T. WILLIAMS, xxx-xx-xxxx
RONALD C. WILLIAMS, xxx-xx-xxxx
RONALD S. WILLKE, xxx-xx-xxxx
BARRY S. WILSON, xxx-xx-xxxx
ROBERT S. WILSON, xxx-xx-xxxx
RONALD A. WINTER, xxx-xx-xxxx
GARY A. WINTERBERGER, xxx-xx-xxxx
GARY M. WISTROM, xxx-xx-xxxx
THOMAS V. WITTMAN, xxx-xx-xxxx
JOHN D. WOLF, xxx-xx-xxxx
NEAL E. WOLFARD, JR, xxx-xx-xxxx
DAVID R. WOLFE, xxx-xx-xxxx
JAMES C. WOLFE, xxx-xx-xxxx
ROBERT E. WOLFF, xxx-xx-xxxx
ROBERT R. WOODS, xxx-xx-xxxx
MICHAEL W. WOOLEY, xxx-xx-xxxx
CHARLES K. YARD, xxx-xx-xxxx
PHILIP K. YASUHARA, xxx-xx-xxxx
HERMAN W. YOUNGBLOOD, xxx-xx-xxxx
JONATHAN E. ZALL, xxx-xx-xxxx
GLENN R. ZAUBER, xxx-xx-xxxx
ROBERT A. ZIENER, xxx-xx-xxxx
JAMES F. ZORN, xxx-xx-xxxx

CHAPLAIN CORPS

To be colonel

JACK W. ELLIOTT, xxx-xx-xxxx
RALPH A. GUETERSLOH, xxx-xx-xxxx
JAMES P. HALL, xxx-xx-xxxx
WILLIAM P. HANRAHAN, xxx-xx-xxxx
DONALD R. HUDSON, xxx-xx-xxxx
RICHARD K. KNOWLES, xxx-xx-xxxx
ROBERT S. LEEDS, xxx-xx-xxxx
BOBBY C. THORNTON, xxx-xx-xxxx
ROGER A. WITHEE, xxx-xx-xxxx

JUDGE ADVOCATE

To be colonel

JOHN M. ABBOTT, xxx-xx-xxxx
ALBERT J. CUNNINGHAM, JR, xxx-xx-xxxx
BRADLEY J. DEAUSTIN, xxx-xx-xxxx
THOMAS J. FISCUS, xxx-xx-xxxx
CRAIG L. HEAD, xxx-xx-xxxx
LAKE B. HOLT, III, xxx-xx-xxxx
MICHAEL J. HOOVER, xxx-xx-xxxx
DOUGLAS H. KOHRT, xxx-xx-xxxx
MICHAEL N. MADRID, xxx-xx-xxxx
RICHARD A. MCDONALD, xxx-xx-xxxx
SUSAN P. MCNEILL, xxx-xx-xxxx
JEFFREY R. OWENS, xxx-xx-xxxx
JOEL M. OXLEY, xxx-xx-xxxx
MARK L. SUCHER, xxx-xx-xxxx
CHARLES H. WILCOX, II, xxx-xx-xxxx

NURSE CORPS

To be colonel

MARTHA C. MARON, xxx-xx-xxxx
KATHRYN M. RAINES, xxx-xx-xxxx
NINA K. RHOTON, xxx-xx-xxxx
MYRIAM SANTIAGO, xxx-xx-xxxx
ELIZABETH A. SCANNELL, xxx-xx-xxxx
BONNIE J. SCUDDER, xxx-xx-xxxx
SUANNE SMITH, xxx-xx-xxxx
SANDRA L. STANLEY, xxx-xx-xxxx
MARY P. SULLIVAN, xxx-xx-xxxx
CAROL A. TOMS, xxx-xx-xxxx

MEDICAL SERVICE CORPS

To be colonel

ROBERT H. BRANNON, xxx-xx-xxxx
DARRELL E. EICKHOFF, xxx-xx-xxxx
TIMOTHY J. ELDER, xxx-xx-xxxx
JACK A. GUPTON, xxx-xx-xxxx
JAMES J. HOOPER, III, xxx-xx-xxxx
STEPHEN P. JONES, xxx-xx-xxxx
JOHN D. LABASH, xxx-xx-xxxx
ROBERT J. MOSS, JR, xxx-xx-xxxx
ROLAND J. ROGER, xxx-xx-xxxx
GARY J. SEITZ, xxx-xx-xxxx
JOHN R. SHEEHAN, xxx-xx-xxxx

ROBERT E. SHIELDS, xxx-xx-xxxx
JAMES T. VANDEHEY, xxx-xx-xxxx

BIOMEDICAL SCIENCES CORPS

To be colonel

THOMAS R. ADAMS, xxx-xx-xxxx
ROBERT N. BROOKS, xxx-xx-xxxx
MICHAEL H. BROWNE, xxx-xx-xxxx
ROBERT L. CRANE, xxx-xx-xxxx
RAY M. CROSBY, xxx-xx-xxxx
JAMES E. DALE, xxx-xx-xxxx
LYNN A. FRANCIS, xxx-xx-xxxx
JOHN G. GOLDEN, xxx-xx-xxxx
JAY M. HOWARD, xxx-xx-xxxx
NEIL J. LAMB, xxx-xx-xx...
JAMES M. LIVINGSTON, xxx-xx-xxxx
EDWARD F. MAHER, xxx-xx-xxxx
JOSEPH A. MARTONE, xxx-xx-xxxx
GERALD J. MERRITT, xxx-xx-xxxx
SUSAN R. OKONSKI, xxx-xx-xxxx
LINDA J. TOWNSEND, xxx-xx-xxxx
THOMAS J. WALKER, xxx-xx-xxxx
GARY A. WANDMACHER, xxx-xx-xxxx
RONALD D. WARNER, xxx-xx-xxxx

CONFIRMATIONS

Executive Nominations Confirmed by the the Senate September 17, 1990:

NATIONAL COUNCIL ON DISABILITY

LARRY BROWN, JR., OF MARYLAND, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1992.

HELEN WILSHIRE WALSH, OF CONNECTICUT, TO BE A MEMBER OF THE NATIONAL COUNCIL ON DISABILITY FOR A TERM EXPIRING SEPTEMBER 17, 1993.

NATIONAL SCIENCE FOUNDATION

BERNARD F. BURKE, OF MASSACHUSETTS, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION FOR A TERM EXPIRING MAY 10, 1996.

THOMAS B. DAY, OF CALIFORNIA, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION FOR A TERM EXPIRING MAY 10, 1996.

JAMES JOHNSON DUDERSTADT, OF MICHIGAN, TO BE A MEMBER OF THE NATIONAL SCIENCE BOARD, NATIONAL SCIENCE FOUNDATION FOR A TERM EXPIRING MAY 10, 1996.

DEPARTMENT OF STATE

EDWIN D. WILLIAMSON, OF SOUTH CAROLINA, TO BE LEGAL ADVISER OF THE DEPARTMENT OF STATE.

INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA

ROBERT F. GOODWIN, OF MARYLAND, TO BE A COMMISSIONER ON THE PART OF THE UNITED STATES ON THE INTERNATIONAL JOINT COMMISSION, UNITED STATES AND CANADA.

EXECUTIVE OFFICE OF THE PRESIDENT

JOSEPH FRANCIS GLENNON, OF FLORIDA, TO BE A MEMBER OF THE ADVISORY BOARD FOR CUBA BROADCASTING FOR A TERM EXPIRING OCTOBER 27, 1991.

U.S. INTERNATIONAL DEVELOPMENT COOPERATION AGENCY

CAROLYN D. LEAVENS, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1990.

CAROLYN D. LEAVENS, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE OVERSEAS PRIVATE INVESTMENT CORPORATION FOR A TERM EXPIRING DECEMBER 17, 1993.

DEPARTMENT OF STATE

JAMES D. WATKINS, OF CALIFORNIA, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE THIRTY-FOURTH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

RICHARD T. KENNEDY, OF THE DISTRICT OF COLUMBIA, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE THIRTY-FOURTH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

MICHAEL H. NEWLIN, OF MARYLAND, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE THIRTY-FOURTH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

KENNETH M. CARR, OF CALIFORNIA, TO BE AN ALTERNATE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE THIRTY-FOURTH SESSION OF THE GENERAL CONFERENCE OF THE INTERNATIONAL ATOMIC ENERGY AGENCY.

U.S. ADVISORY COMMISSION ON PUBLIC DIPLOMACY

TOM C. KOROLOGOS, OF VIRGINIA, TO BE A MEMBER OF THE UNITED STATES ADVISORY COMMISSON ON PUBLIC DIPLOMACY FOR A TERM EXPIRING JULY 1, 1993.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING PHILIP-MICHAEL GARY, AND ENDING BRIAN R. STICKNEY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD ON SEPTEMBER 10, 1990.

HOUSE OF REPRESENTATIVES—*Monday, September 17, 1990*

The House met at 12 noon and was called to order by the Speaker pro tempore [Mr. MAZZOLI].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 13, 1990.

I hereby designate the Honorable ROMANO L. MAZZOLI to act as Speaker pro tempore on Monday, September 17, 1990.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We give thanks, O gracious God, for this new day with all its opportunities. We pray that we may be worthy of the high calling that You have given us to be ambassadors of good will and witnesses to lives of service. Remind us to use the abilities You have given us to tell the message of understanding and to do those things that bring peace and justice to every person. In Your name, we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The gentleman from Ohio (Mr. TRAFICANT) will please come forward and lead the House in the Pledge of Allegiance.

Mr. TRAFICANT led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4, rule I, the Speaker signed the following enrolled bill on Friday, September 14, 1990.

S. 2088, to extend titles 1 and 2 of the Energy Policy and Conservation Act, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate agrees to the amendment of the House to the bill (S. 580) "An act to require institutions of higher education receiving Federal financial assistance to provide certain information with respect to the graduation rates of student-athletes at such institutions," with an amendment.

The message also announced that the Senate disagees to the amendments of the House to the bill (S. 2830) "An act to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. LEAHY, Mr. PRYOR, Mr. BOREN, Mr. KERREY, Mr. LUGAR, Mr. DOLE, and Mr. COCHRAN, to be the conferees on the part of the Senate.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 2924. An act to expand the meat inspection programs of the United States by establishing a comprehensive inspection program to ensure the quality and wholesomeness of all fish products intended for human consumption in the United States, and for other purposes; and

S. 3033. An act to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances.

AMERICA THREATENED WITH FULL-FLEDGED DEPRESSION

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, this economy is heading not for a recession but for a massive depression. With a combination of increased oil prices and bank credit virtually disappearing in the Northeast, if we add to that a repressive tax policy, placing more burden on blue collar and middle class workers, we will bring this economy to a screeching halt.

We have spent $4 trillion since World War II defending Europe and Japan. It is time to end that program. It is time to take those dollars and stimulate the American economy back to life. We need to make low interest loans available for housing, and we need to put our construction industry back to work. We need to revive this economy or all the attempts at debt reduction will only further slow this already devastated economy. In those States with the most economic activity and the most population, we are already deep into a recession.

This Congress and this administration had better recognize that Gramm-Rudman may be a law we face, but the laws of economics are catching up to us and we need to stimulate this economy back to life. We have tried supply-side economics. We have gone from a $900 billion debt to a $3 trillion debt.

Mr. Speaker, it is time to take a look at some good old-fashioned economics, putting people back to work and starting this economy back up again.

LET US TAKE ANOTHER LOOK AT EGYPTIAN DEBT FORGIVENESS

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous material.)

Mr. BROOMFIELD. Mr. Speaker, a pleasant surprise in today's crisis in the Persian Gulf is the solid support we've had from so many Arab nations. In fact, we've been so taken aback, that we may have lost our senses.

I am talking about plans to forgive $7 billion in loans to Egypt.

Egypt now has 5,000 soldiers alongside the American troops in Saudi Arabia, and they will soon be sending more. We appreciate their support, and I am sure there are ways America and other nations can help them alleviate some of the economic problems caused by this crisis.

But America can't afford outright cancellation of Egypt's debt. America has $64 billion in existing loans throughout the world. Some countries are already beginning to line up at the debt forgiveness window.

This comes at a time when our budget negotiators are figuring out ways to squeeze a few more tax dollars

out of America's sales clerks and farms and mechanics.

America has a reputation for being generous, but let's remember who's going to end up footing the bill.

Mr. Speaker, my colleagues might like to take a look at the scope of America's debt, and I include the attached list of the top 10 debtor nations to the U.S. Government for printing in the RECORD, as follows:

10 LARGEST CASES OF DEBT

[In dollars as of Dec. 31, 1989]

Country	Total debt (billions)	Arrearages
Egypt	12.3	550,000,000
Israel	4.6	764,000
Pakistan	3.3	335,000
Poland	2.9	398,000,000
India	2.8	52,000
Turkey	2.8	90,000,000
Indonesia	2.4	602,000
Brazil	2.2	851,000,000
Korea, Republic of	1.9	4,000,000
Greece	1.8	22,000,000
Total	35.2	1,900,000,000
World total	64	4,300,000,000

A PRESCRIPTION FOR ADDRESSING THE PERSIAN GULF AFFAIR

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, the Persian Gulf is really heating up. President Bush did a good job on Iraqi TV. I commend him for that.

Leona Helmsley wrote a letter to Saddam Hussein in the New York Times. That is right, the "Hostess with the mostess" has taken Hussein to task. Here is what she said:

Mr. Hussein, the people that you hold in your grasp are not guests, they are hostages.

If anybody should know the difference, believe me, it is Leona Helmsley. Very carefully, she also said this: "It is time for you, Mr. Hussein, to check out."

I have a suggestion about this letter. I recommend to the President that he send both Leona Helmsley and Judge David Souter to the gulf. After Judge David Souter completely confuses Saddam Hussein, Leona Helmsley can get close enough to maybe kick him in the crotch and end this thing.

In all fairness, Mr. Speaker, this war of words may end up in a war of body bags. I think it is unfair for Americans to keep receiving their sons and daughters and loved ones in pine boxes. It is time for the rest of the world to not only come up with the cash but to shed some blood alongside our Americans for peace as well.

JAPAN AND GERMANY RESPOND

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and to include extraneous matter.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, last week I criticized both Japan and Germany for not shouldering a proportional share of the financial burden in the Middle East. But today, Mr. Speaker, I thank these allies for their new offers of assistance to the 27-nation military force in the gulf.

Jolted by international criticism both Japanese Prime Minister Kaifu announced that his country will add $3 billion to the $1 billion already committed 2 weeks ago and in West Germany, Chancellor Kohl has also pledged another $2 billion. These much-needed and additional amounts of financial assistance go a long way to help ensure international law and order and protect the small nations in the Persian Gulf region from madman Saddam.

Mr. Speaker, although overdue, we should be grateful for this additional assistance from our allies. And I am. America did basically write their constitutions 45 years ago. And those constitutions do have some restrictions on their military and financial obligations in regard to international crises. But I am delighted that they saw their way clear to assist the cause of international law and peace with their generous financial contributions. Friends help friends in time of need. I thank our German and Japanese friends.

[From the New York Times, Sept. 14, 1990]

JAPAN DEFENDS AID TO U.S. IN MIDEAST

(By Steven R. Weisman)

TOKYO, September 14.—Jolted by mounting criticism of Japan in Washington, Government officials asserted that Japan had done more than any other country in the world outside the gulf region to aid the American buildup in the Middle East and added that another $3 billion in assistance to the region would be announced later this morning.

The officials also said that $2 billion of the amount, for economic assistance to Jordan, Egypt and Turkey, would include a fast infusion of $600 million to make up for revenues those countries lost because of the sanctions against Iraq.

In addition, the officials said another $1 billion would be used for assistance to the multinational military effort in the gulf beyond the $1 billion announced two weeks ago.

DIRECT MONEY TRANSFER FORBIDDEN

The new money would bring to $4 billion the total amount Japan has committed to the Persian Gulf since the beginning of the crisis caused by the Iraqi invasion of Kuwait on Aug. 2.

[In West Germany, Chancellor Helmut Kohl also pledged more help, apparently trying to soften the anger expressed by Congress that Bonn is not pulling its weight in the Persian Gulf. He did not offer many details.]

While Prime Minister Toshiki Kaifu announced the previous pledge of $1 billion, only one shipment of goods, consisting of 800 vehicles, has gone to the Middle East so far.

Shipments of such goods by Japan have been delayed for several reasons, partly because of the reluctance of Japan Airlines and independent shippers to send material into a combat zone.

Japanese officials also said Tokyo had to wait for the creation of a legal entity before it can in effect write a check to help pay for the American military effort.

Japanese officials said a direct transfer of money by Japan to another country, like the United States, is forbidden by law unless it is for certain specific purposes, like economic assistance or disaster relief. "As soon as we finish working out a scheme in cooperation with the United States Government, the money can be processed," a Japanese official said.

A larger obstacle to Japanese assistance has been the interpretation long applied to the Constitution written by the United States after the end of World War II. The Constitution rules out use of force by Japan in pursuit of its interests. Tokyo has cited the clause in rejecting an American appeal to send minesweepers, refueling tankers and other equipment.

VEHICLES, HOUSING, MONEY

Japanese officials said that while other nongulf countries had sent troops and ships to the Middle East, no country outside the region had come up with a sum anywhere near the $1 billion Japan had already committed.

Kuwait's exiled Emir has said he will contribute about $5 billion to the effort before the end of the year, and the Saudis have promised to contribute about $500 million a month. The United Arab Emirates has also pledged a sizeable contribution.

The Japanese assistance is to come largely in the form of vehicles, housing, air-conditioning equipment and other goods, as well as direct financial support for the multinational military effort.

In addition, officials said the $2 billion for Jordan, Egypt and Turkey would help their economic development in the years ahead.

It has not been clear, however, whether the $2 billion in economic aid is to be in addition to or part of the roughly $10 billion a year Japan has committed in recent years for economic development assistance for poor countries.

DISMAYED BY AMENDMENT

Officials said Thursday night that they were especially dismayed by the passage on Wednesday of an anti-Japanese amendment to a military spending bill in the United States House of Representatives by an overwhelming vote of 370 to 53.

"Some of those 370 congressmen may not be aware that Japan is the biggest supporter of United States forces overseas," Taizo Watanabe, the Foreign Ministry spokesman, said in an interview Thursday night. "We hope that once they know the full magnitude of what we are doing, their appreciation will increase."

Other officials warned that the part of the resolution calling for a reduction in American forces in Japan was potentially dangerous. The resolution called for a cut of 5,000 troops each year if Tokyo does not increase its support for the 50,000 American troops on Japanese soil.

"These resolutions are coming out of pure ignorance," said a Foreign Ministry official, who spoke on the condition that he not be identified. "To withdraw 5,000 troops a year for Japan is sheer nonsense. It would de-

stroy not only the national interest of Japan, but of the United States as well."

PROTECTING AMERICAN INTERESTS

He added that American troops are in Japan "not for the narrow purpose of defending Japan alone," but to protect American interests in the Pacific and Indian Oceans.

The resolution calls for Tokyo to increase support of the American troops to $4.5 billion, a year. According to the United States, Japan's present contribution is $2.8 billion a year, about 37 percent of the total cost.

Japanese officials repeated on Thursday what they have been saying in recent months, that Tokyo would try to increase the sum in the years ahead.

But the tone of the statements was one of alarm, apparently mixed with a feeling that criticism in the United States seemed to be inevitable because of what some have acknowledged to be the delays in Japanese assistance.

[From the Wall Street Journal, Sept. 14, 1990]

YEN, MARKS AND THE GULF

It probably was inevitable that as soon as someone started to talk about creating a new world order, the demagogues would come out of the woodwork. They could be heard around the U.S. Capitol this week as Congressmen, rained down denunciations on Japan and Germany for not pulling their weight in the Gulf. "History has shown that we need to be tough to get action from Japan," thundered ex-dove Rep. David Bonior of Michigan. With Saddam Hussein still fat and sassy in Baghdad, this may not be the best time for some of the West's major powers to go off into an alley for a fistfight.

There is indeed a case to be made that Japan and especially Germany should be doing more to support the Gulf intervention. It would be helpful, though, if all the engaged parties brought more sophistication to the question of the Japanese-German contribution than was on display in the House this week.

For instance, the arguments over what kind of help Japan should send, and how much, bring us closer to the day when the world must face the rebirth of Japan as a leading military power. Even with its defense budget held just under 1% of gross national product, Japan already ranks among the world's top five nations in defense spending. Still, there are people beyond the Beltway-including Asians who recall Japan's behavior in World War II—who harbor misgivings about a more military-minded Japan. Since that time, of course, the Japanese have been learning better ways of integrating themselves into the world.

Japan's awesome productivity has provided cars, stereos, televisions, watches, computers and cameras that people world-wide have flocked to buy. Japan now is opening, even if slowly, to imports, out of a belated recognition that its workers are entitled to more fruits of their labor. Far more Japanese are traveling abroad, thereby becoming more cosmopolitan in their outlook.

Moreover, the challenges these past few years to the long-ruling Liberal Democratic Party suggest that the democratic process is starting to seriously permeate Japanese society. The electorate is fed up with unresponsive LDP leaders who bulldozed through an unpopular consumption tax and whose protectionist policies have served a few special interests at the expense of consumers.

Japan, in short, has been evolving toward a society open and flexible enough to know the full value of safeguarding the democratic order. The big question is whether Japan has already reached the point at which its allies, and its own citizens, can trust it to stand strictly by the guns of democracy. Perhaps. What's clear is that Japan has for a long time been moving in the right direction.

The trick is to encourage that movement, including a greater Gulf commitment, without driving them back into a shell. For the moment, Japan's Prime Minister Kaifu has offered a Persian Gulf aid package worth some $1 billion. Yesterday Japan's Justice Minister supported a review of the country's constitution to allow sending non-combat troops to the Gulf, while another member of the Kaifu cabinet stated that, "We have a large role to play in restoring peace in the Gulf . . . and we should take up our responsibilities."

The situation with the Germans is in some ways more troublesome. Over the past several years, Germany practically developed a for-profit foreign policy; while the government was busy with other things, many German firms developed initimate relations with Saddam Hussein. The German government is investigating 60 companies suspected of making weapons-related sales to Baghdad. West German firms are said to have been in the forefront of Iraq's development of poison gas capabilities. And this came after a scandal in which German firms stood accused of supplying Libyan chemical plants.

Last weekend Helmut Kohl acknowledged that other nations could say of Germany, "If there is money to be made, they're there, but if the issue is taking responsibility, they evade it." Yesterday Mr. Kohl called it "impossible" for a newly united Germany to remain uninvolved, and tomorrow Secretary of State Baker will meet with the German President to discuss this matter.

What we are seeing here is a process of awakening. Just as Germany was able to recognize and seize the momentum of history in German reunification, the coalition arrayed against Iraq's international piracy represents another turning point in the world's accelerating transformation. With so much at stake, it is important to push back against the sort of potentially destructive demagoguery on display in Congress this week, but it also is essential for Germany and Japan to recognize that an event is occurring in which both should be important participants.

□ 1210

LOOK TO WINDFALL PROFITS AS SOURCE OF REDUCING FEDERAL DEFICIT

(Mr. McCLOSKEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCLOSKEY. Mr. Speaker, as we all know, some very difficult decisions are about to be made in the summit. It is amazing what is being left out.

Notice on the front page of the New York Times yesterday, the profits of the four largest oil companies are up 40 percent, and that is even with modification or an evasion program that has been basically endorsed by the White House and other high ranking Republican legislative sources.

At the same time, we are asking the American people to pay more taxes and talking about drastic cuts in Medicare. When are we going to wake up and stop these basic injustices from cutting against the American people?

Similarly, there is $3.8 billion that the administration is asking over the next 4 years against the Postal Service. The U.S. Postal Service operates on revenues from mailers, not from funds from the Treasury. The $6 billion which the Postal Service will be required to transfer to the Treasury over the next 4 years is nothing more than a stamp tax. The general public will be required to pay more for its stamps to mask the size of the Federal deficit.

Other proposals being discussed include increasing Medicare premiums and freezing Federal pensions. I find these proposals unconscionable, because they affect those who can least afford it.

One group that can afford some of this is the oil companies. Let us talk about them a little bit.

DEMOCRATS SEEK TO LEAD ECONOMY INTO RECESSION AND INFLATION AGAIN

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, some liberal economists have suggested that the only way to reduce the Federal deficit is to inflate our way out of it. In other words, reduce the value of everyone's dollars, so that the Federal deficit looks smaller by comparison.

The Democrats have evidently been listening to that kind of bad advice. Their proposals to raise taxes are inherently inflationary.

The Democrats propose to raise excise taxes, including energy taxes. Such tax increases are by definition inflationary because they assure higher prices and spread the harm throughout the economy.

The Democrats also propose to raise tax rates. That means money gets pulled out of the productive sector of the economy, out of productive investments, and put into shelters. Any additional money collected by the Government is also something which tends to be inflationary. Productive decline is inflationary by definition.

Just 10 years after leading the economy into recession and inflation at the same time, the Democrats are proposing to go in that direction again. It makes no economic sense.

TEXTILE BILL WOULD SAVE JOBS, PROTECT CONSUMERS

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD. Mr. Speaker, I rise today in order to let my colleagues know that a vote for the textile bill is a vote for good sound, domestic policy. H.R. 4328, the Textile, Apparel and Footwear Trade Act is a good bill for all concerned, including the consumer.

I have heard a great deal lately about how this legislation, by restricting imports, will cut out the competition for the domestic manufacturers; thereby leading to higher prices for consumer goods. These critics of the textile bill would have us sit up here in Washington and watch the textile mills and apparel factories of this country disappear one by one. Already this year, over 43,000 American workers have lost their jobs because of nearly 70 textile and apparel plants that have shut their doors.

And all of this because of a supposed threat to consumers. I say that if there is a threat to the consumer, it does not emanate from the textile industry. If you look closely, it is true that imports cost less than American made goods at the wholesale level, but to the consumer at the cash register the price is generally the same. Where is the big savings imports are supposed to carry with them? And what is going to happen when the market share for imports continues to climb from the current 60 to 85 or 90 percent? Import saturation is a very dangerous thing whether we are talking about oil or textiles. The potential price increase and threat to the consumer comes from a foreign controlled market, not a healthy domestic manufacturing industry.

CUTTING TAXES FOR RICH NOT ACCEPTABLE TO MAINSTREAM AMERICA

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, last week the national press reported that the Republicans put forth a proposal at Andrews Air Force Base in terms of the budget summit to cut taxes $11 billion for those with incomes over $50,000, and to increase taxes for those middle income Americans under $50,000 by some $4.1 billion. Hardest hit by the GOP plan are those with incomes between $20,000–$40,000 who would be levied $2.8 billion more in taxes.

The question is who leaked this information, that cast the GOP in a bad light? That was the question that was being raised on the Senate floor last Friday when this came to light and was reported by the national media.

All the media had to look at was the President's tax cut proposals on Tuesday night. The President gave us a talk about how we all have to tighten up our belts and cut spending by $500 billion over 5 years. Then he proceeded to list five tax cuts; that's right, tax cuts. The leading one, of course, is the President's pet, the capital gains tax reduction, 80 percent of which benefits go to those with over $100,000 income.

Then he added a tax break for the oil companies. That is just great! Is that what America needs today? As the oil companies are profiteering from the problem in the Persian Gulf, they need another tax break right now according to President Bush.

The fact is that these types of inequitable measures are nonstarters in terms of a budget solution, as far as our constituents and the people we represent are concerned.

The Democrats have tabled a proposal that does address the problem that we have with regard to the budget. In fact, they decrease taxes for those with less than $20,000 in income in a specific proposal. The administration and Congress must raise revenue. We should begin to reestablish a pay-as-you-go system for our Federal budget.

That has been sadly lacking during the decade of the 1980's. There was, and still exists today, an unwillingness to pay for the programs that have been put in place and are being proposed even today.

The President last Tuesday pointed out he wants to maintain the type of defense spending we have had, with all of the exotic weapons systems, such as star wars, redundant systems, nuclear weapon systems, remnants of the cold war at best useful under past circumstances. And such weapons are not helping us in terms of the type of crises that we face today, in the Persian Gulf.

We need defense dollars that make sense, that provide not for redundant weapons systems, but provide for the real needs of our sailors and soldiers on the front lines. We need a Federal budget with which we can go back to our constituents and present that has equity in terms of taxes and program changes.

Mr. Speaker, I hope that the summiteers are paying attention to their constituents and to the other Members who do not have the privilege of working in the negotiations because the rank and file will not act positively to measures that are so badly out of balance and unacceptable to the mainstream of our constituents.

Following is the full text of the Washington Post, September 14, 1990 article which reports the ongoing budget negotiation proposals.

[From the Washington Post, Sept. 14, 1990]

GOP's Tax Proposal Said To Favor Wealthy

(By John E. Yang)

Bush administration budget negotiators proposed a package of tax increases that would cut the assessments for taxpayers whose annual incomes are more than $50,000 while raising taxes for those whose incomes are lower, officials familiar with the proceedings said yesterday

A Democratic tax offer, on the other hand, would cut taxes for those with incomes lower than $20,000 a year while raising them for those with higher incomes, officials said.

It was not clear last night where the competing proposals stood as White House and congressional officials continued their budget talks at the Andrews Air Force Base Officer's Club.

The administration tax offer contains several controversial elements, including plans to limit the federal deductibility of state and local income taxes and to cut the capital gains tax rate, the officials said. It also includes such revenue-losing provisions as extending tax credits for research and development activities. Individual income tax rates would not be changed.

The Democratic offer would impose a 20 percent surtax on those with incomes of more than $500,000 a year and a 10 percent tax on the purchase of such luxury items as automobiles and boats that cost more than $30,000, jewelry with price tags higher than $5,000, electronic equipment costing more than $1,000 and furs costing more than $500, the officials said.

Both include competing provisions to raise taxes on energy and alcoholic beverages. They aslo have several items in common, including boosts in the federal tax on airline tickets and tax breaks for domestic oil and gas exploration, the officials said.

The administration plan would cut taxes for taxpayers whose incomes are more than $50,000 a year by $11 billion over five years while raising taxes by $4.1 billion for those with lower incomes, according to an analysis that Congress's nonpartisan Joint Committee on Taxation produced for the bargainers. The income figures in the analysis are for individual or joint tax returns.

Those whose annual incomes are more than $100,000 would have their taxes cut $2.9 billion over five years and those with income higher than $200,000 a year would pay $7.4 billion less in taxes.

Hardest hit would be individuals and families with incomes between $20,000 and $40,000 a year, who would pay $2.8 billion more over five years than under current law, according to the analysis. Overall, individual income tax receipt would be reduced by $7 billion over five years by the administration proposal.

The shifting tax burden would be much different under the Democratic plan, according to the Joint Committee on taxation. Those whose annual incomes are lower than $20,000 would pay $4 billion less over five years than under current law, with those taking in between $10,000 and $20,000 would benefit by $3.5 billion.

Those with incomes higher than $20,00 would have their tax bills increased by $26.8 billion under the Democratic plan. The greatest increase would fall on those with incomes of more than $200,000 who would pay $8.9 billion more in taxes. In all, individual income taxes would rise a total of $22.8 billion.

Fairness has been the keystone of the Democrats' arguments over the tax component of an hoped-for five-year, $500 billion deficit-reduction plan that would save $50 billion in the first year. Republicans, on the other hand, have been adamant that individual income taxes not rise.

Democrats have maintained that they would not accept President Bush's proposed capital gains tax cut, which they contend would disproportionately benefit the rich, without an accompanying increase in taxes on the wealthy.

The administration tax plan would place a $10,000 limit on the amount of state and local taxes that could be deducted on federal income tax returns. Strongly opposed by lawmakers from states with high income taxes, the provision would generate $35 billion in new revenue over five years, the officials said.

Among the provisions in the Democratic plan, is an extension of the 1.45 percent Medicare payroll tax to cover all taxpayers' incomes. Currently, the levy is paid only on the first $51,300 of wages.

Negotiators met yesterday at Andrews for a seventh day of sequestered bargaining that they hope will be the final phase of talks. They have vowed to keep working until the talks either produce agreement or break down irrevocably.

The negotiators recessed about 10 o'clock last night and will resume talks at 11 a.m. today.

House Speaker Thomas S. Foley (D-Wash.) said yesterday he was still optimistic that a deal could be reached by the end of the week. Grinning, he quickly added: "Sunday is the end of the week for me. . . . Whatever we think it is going to take, it is going to take longer." Bush administration officials said a conclusion of the negotiations was not likely before next week.

The pace of the talks was "glacial," an official said yesterday. "There is no single issue holding it up," Foley said. "There are a lot of tough issues in every aspect of disagreement. . . . They are all difficult."

Among the most difficult are taxes and a proposal, first made by Sen. Phil Gramm (R-Tex.), to require upper-income Medicare recipients to pay higher premiums for the voluntary coverage of most physician and hospital out-patient services, the officials said.

Bargainers appeared to be backing away from the proposal, which has been incorporated into Democratic offers, as lawmakers outside the talks expressed opposition to the proposal.

NEW ARMS TRANSFERS IN GULF REGION WOULD EXACERBATE SITUATION

(Mr. BERMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BERMAN. Mr. Speaker, I am deeply troubled by the reports we have received in the last week of arms transfers to Saudi Arabia of some of the most sophisticated munitions in the United States arsenal.

It is not because I do not appreciate the role the Saudis are playing in the current crisis. On the contrary, they are doing their utmost to uphold our common interests in the current crisis. If the presence of foreign troops in Saudi Arabia causes them inconvenience or discomfort, the Saudis tolerate them because they have made the calculation that their survival depends on it.

But we cannot let the reigning good will between us obscure the strategic military and political realities in the gulf region:

No matter what we sell to Saudi Arabia, it will never be able to defend itself against a well-armed Iraq; it simply has not got the soldiers and no demographic miracle will change that fact.

There is no guarantee that when the Saudis take delivery of the first of these weapons in 2 to 10 years that the government in power will be one with which we agree; note well that when the United States Government requested armored personnel carriers for Saudi Arabia earlier this year, it justified the sale as a useful mechanism for quelling internal disturbances.

The United States has got to consider regional arms control for the gulf region as the only sensible end game of the current crisis. Unrestrained arms sales to the region will only exacerbate the already catastrophic situation. This fix is simple and stupid. The administration will find lots of us on the Hill willing to discuss more sensible solutions if it only comes up here to consult with us.

SECRETARY YEUTTER HIGHLIGHTS FARM PROBLEMS

(Mr. ROBERTS asked and was given permission to address the House for 1 minute and to revise and extend his remarks, and to include extraneous material.)

Mr. ROBERTS. Mr. Speaker, in Chicago this past Friday, Agriculture Secretary Clayton Yeutter highlighted the dangers of short-term solutions for farm country's problems. As he so correctly pointed out, what agriculture wants and needs is consistency, predictability and flexibility.

The Food Security Act of 1985, crafted in this Chamber under the leadership of my colleagues Mr. DE LA GARZA and Mr. MADIGAN, refocused U.S. farm programs on long-term, market-oriented policies, and helped get agriculture on the road to recovery during the worst depression to hit rural America in 60 years.

Secretary Yeutter is urging us to avoid repeating the policy mistakes of the past.

We need to keep our commodity loan rates at levels that prevent USDA from getting back into the grain business.

Farmers need simple, predictable planting flexibility to: encourage the experimentation of new crops; utilize pest management options; implement crop rotation plans; and, to allow them to manage their farm in a common sense manner.

Mr. Speaker, I would like to insert the Secretary's speech into the RECORD. While I do not agree with all of his policy criticisms and while I chafe at his legitimate criticisms of the legislative process—particularly relative to the budget—in Congress that is holding farmers hostage, I believe Secretary Yeutter's remarks should be required reading for all who labor to complete the 1990 farm bill.

REMARKS BY CLAYTON YEUTTER, SECRETARY OF AGRICULTURE, TO THE CHICAGO FARMERS, SEPTEMBER 14, 1990

It's a great pleasure for me to be back in Chicago, especially when it means seeing so many friends and acquaintances. I'd like to thank The Chicago Farmers for extending to me this invitation to talk with you today about America's agricultural future.

As you know, Congress is struggling to resolve differences between their respective versions of the 1990 Farm Bill. What you may not know—and what I'd like to discuss with you today—is that in several notable instances neither version reflects what America's farmers have asked for, nor what America's farmers, as well as America's consumers, need.

At stake here is, quite literally, the future of America's farmers, and our competitiveness in the years and decades ahead.

A BLAST FROM THE PAST

To fully appreciate what is at stake in this upcoming Farm Bill, one only has to recall what America's farmers went through during what I refer to as "The Dark Ages," that period in the early 1980's when Congress argued that it could safely raise support levels without damaging competitiveness, without causing higher budget outlays, without leading to increased supply controls, and without hurting American agriculture.

The end result of this "reign of error" was a near-catastrophic failure of America's farming industry and a full-blown depression among America's farmers.

Our competitors climbed under our price umbrella, increased production and undersold us in the marketplace. Here at home, exports plummeted, farm incomes shrank while farm program costs skyrocketed and land prices fell into the pits. Most tragic of all, thousands of otherwise good, productive farmers—some of them no doubt your neighbors—simply disappeared, losing out not to better farmers from across the country, but to misguided, short-sighted farm policies enacted by non-farmer politicians in Washington, D.C.

Thankfully, enlightenment—and just plain old common sense—was there, just waiting to be used. In 1985, at the height of our farm depression, a farm bill was passed that helped put America's farmers back on the road to prosperity.

By refocusing our farm policies toward market-driven programs, American agriculture became internationally competitive once again, reclaiming lost markets and lost income. The artificially high loan rates of the 1981 bill were decreased and a host of other changes were made to reflect a market-oriented farm economy. Those changes also reflected a new international orientation, a realization that we must compete in a global marketplace. The results speak for themselves. The Food Security

Act of 1985 helped build farm exports from $26 billion up to $40 billion, reduced carryover stocks, raised net farm income to new record highs, reduced farmers' debt loads, and eventually pared Government farm support costs from $26 billion to $8 billion.

Well folks, it's election year, and guess what? Better bring in the cattle and lock the tractors in the barn, 'cause the politicians are on the prowl, and a lot of them are looking for politically expedient, short term solutions to whatever problems they think you have.

BACK TO THE FUTURE

Why else would Congress even entertain the idea of returning to the failed policies of the 1981 Farm Bill, much less write these same policies into a farm bill for the 1990's?

Why else would Congress think that, five short years after near-catastrophe, they can manipulate loan rates without affecting America's export competitiveness?

Why else would Congress, even after hearing America's farmers tell them to leave the Farm Bill alone, produce a 1,600 page document wrought with changes?

And the gall of it all, the one thing American farmers have asked for, planting flexibility, Congress refuses to grant. What's going on? Does Congress think that farmers can't remember ten, even five short years ago?

Well, farmers do remember. They have vivid memories because they pay the price for short sighted, wrong headed policies.

Do they think America's farmers will sell America's agricultural soul for an increase in loan rates? Well, they won't, unless that result is foisted on them by the Congress. Farmers know better.

A HORSE IS A HORSE * * *?

Congress is betting that the farm community will follow the adage of not looking a gift horse in the mouth. I think they're making a big mistake.

Farmers are not a bunch of country bumpkins, and this is one gift horse America's farmers will look in the mouth. When they do, they're going to see a Trojan horse in our midst, with a belly full of malodorous policy cadavers left over from the pre-'85 farm bill, cadavers which haven't seen the light of day for five years, but which Congress proposes to turn loose to run amuck in our farm sector, convinced the results will be much better, this time. I suppose that could be called optimism.

All this is a shame, because Congress and the Administration worked hard to get a very good farm bill on the books in '85, and we can do the same in 1990, regardless of the partisan shrill of some members of Congress who claim the Administration hasn't come forward with sufficient guidance for a 1990 Farm Bill.

Nothing could be further from the truth. It wasn't that the Congress had no guidance from the Administration and the Secretary of Agriculture. They simply chose to ignore much of that guidance, and to ignore much of the input they got from farmers themselves.

RED MEANS STOP, GREEN MEANS GO

After talking with America's farmers, farm organizations, commodity groups, agribusiness and industry representatives, the academic community, and members of Congress, we published a book back in February that spells out in great detail the Administration's proposals for continuing the successful course set in the 1985 legislation.

We call it our "Green Book," our "go" book, because it is filled with workable, proven policies—all of them building on the successes of the 1985 Act, while avoiding the mistakes of 1981. Though time won't allow me to review all of these proposals with you today—the Green Book consists of more than 145 pages worth of very specific policy recommendations—I would like to mention a few of the more obvious areas where important differences between the Administration and Congress still exist.

Dairy: The proposed legislation provides a rigid price floor of $10.00/cwt. and provisions which are certain to bring production quotas or other draconian supply control measures as surpluses build up at the fixed floor price. This combination is ill-conceived and self-destructive. It will clearly lead us down a path to gigantic surpluses, and is designed to place the cost burden of those surpluses on the backs of the American consumers.

Dairy farmers are already beginning to expand production, even before these provisions become law! California milk production in July was up 8 percent from a year earlier, and the whole country's was up 5 percent. Expansion is encouraged by the price floor, and even more so by the expectation that supply controls will be introduced when surpluses arise. Producers are beginning a "race for base" in anticipation of regulated quotas limiting their domestic marketing. If the legislation passes in its present form, we'll be well on our way to creating a permanent regulatory apparatus for U.S. dairy production.

These provisions are the antithesis of market principles, diametrically contrary to the progress and principle of the 1985 Farm Bill, and must be changed. Such retrogression is not acceptable. Our export oriented industries—corn, soybeans, cotton, rice, wheat, cattle, hogs, and others—should pay close attention to what the Congress does on this issue. Passage of this pending dairy legislation could demolish their opportunities for opening up additional export markets.

Loan Rates and Acreage Reduction Programs (ARPS): Though these are separate issues, the policy consequences are nearly identical, so I'll treat them together.

Whenever prices trend downward, as they have on wheat in recent weeks, there is always a temptation for Congress to raise loan rates, take land out of production, or both. The latter presumably will raise prices by reducing supplies in future years, and the former provides a price floor for products that farmers have not yet sold. These are politically expedient moves, and they provide at least some short term benefits to farmers.

But we must have a longer term view than that, or we'll discover that we've helped ourselves in the short run while shooting ourselves in the foot in the long run. That is precisely what we did in the early 1980s and we all know the results. Higher price floors led to a huge accumulation of surpluses, our export collapsed, farm incomes plummeted, land values deteriorated, and thousands of farmers went out of business. All this while government thought it was helping!

We simply must learn that higher loan rates may provide a more attractive safety net for our producers, but they also provide a similarly attractive price umbrella for our competitors. The impact of the latter often overwhelms the former, and that gets us all in trouble. Our price umbrella stimulates a production response in competitor nations, and those additional supplies come back to haunt us on the world market. We've repeated that unfortunate experience on numerous occasions over the past half century and loan rates higher than those provided for in current law should be rejected out-of-hand.

Encouraging higher ARPs, or other schemes to take land out of production, has the same effect. Why do you suppose negotiators from other countries are clamoring in the Uruguay Round for the United States to sustain or increase its set-aside acreage? Not because they're interested in our farm incomes, I assure you. It is because they are interested in their farm incomes! They know that if we'll "unilaterally disarm" by pulling additional land out of production, that makes us less competitive and gives them a golden opportunity to increase market share. We cut back our production; they increase theirs. A good deal if you can get it—for them! We did that to ourselves just a few years ago, and we've been paying for that mistake ever since. I'm going to do everything in my power to avoid that result now, and that means we're going to have to change a number of ARP provisions in the 1990 Farm Bill.

Flexibility: Every farmer I've talked to since becoming Secretary of Agriculture would like more flexibility in his operations. Every farmer I've talked to would like to see farm programs simplified. Every farmer I've talked to would like to make more of his own decisions, and have fewer decisions imposed upon him by the federal government.

So what does Congress do? It passes a 1,600-page piece of legislation that goes in precisely the opposite direction! Why would Congress do such a thing—seemingly contrary to the wishes of its own constituency? Everyone is entitled to his own analysis of that phenomenon, but my view is that Congress does not want farmers to make their own decisions. Political power comes from having those decisions centered in Washington, D.C., and Congress likes power. The same analysis applies to farm organizations. Their survivability and their staff jobs depend on political activity here in Washington. Putting decisions in farmers' hands makes Congress and farm organizations less relevant. Hence, there is a strong self-interest motivation on the part of many members of Congress and many farm organizations to make farm programs rigid and complex, rather than simple and flexible.

Who pays the price? The farmer, of course. And the environment, for rigid, inflexible farm programs clearly bring about more environmental degradation than would otherwise be the case. It is ironic that environmental groups paid little attention to the flexibility issue during the farm bill debates, even though the Administration's flexibility proposal would probably do more for environmental protection than all the rest of the bill's environmental provisions combined.

Is this situation reparable? Not entirely at this late date, but the conferees could still make a number of changes that would significantly enhance flexibility. Let's hope that farmers, environmentalists, and the Administration can, over the next two weeks, build a persuasive case of doing that.

Target Prices/Deficiency Payments: Earlier this year, some members of the Agriculture Committees criticized me for being unwilling to specify the Administration's target price objectives. They wanted those numbers as 1990 campaign fodder, of course! So there were sound political reasons for us not to provide them at that time. But I also pointed out that budget constraints would

determine the level of income supports for American agriculture, and that we did not then know what those constraints would be. As of today, we still don't know, for Congress and the Administration have not yet reached agreement at the Budget Summit. Hopefully, they will do so within the next few days.

It is possible that a summit agreement will provide the target price/payment base parameters for U.S. agricultural policy over the next five years. If not that specific, the agreement will provide a budget sum, and the task of allocating that sum will go to the farm bill conferees. We will offer our views in that proceeding.

The choice will be to adjust target prices, payment bases, or a combination of the two, crop by crop. Congress and the Administration must try to work this out in a way that will be fair and equitable, and advantageous to American agriculture as a whole.

Sugar: American sugar policy has some of the same shortcomings as our dairy regime. Somebody pays, and the policy debate is over whether that should be the taxpayer, the consumer, or a combination of the two. In recent years that burden has been entirely on the consumer, because present legislation calls for the program to operate at no cost to the taxpayer.

That foundation is now very shaky. With a price support of $0.18/lb., sugar production in the United States has expanded, and import quotas have had to be reduced in order to avoid forfeitures of sugar to the government.

Crunch time is coming, and the answer of our sugar industry has been to add to the 1990 Farm Bill provisions for a stand-by program of marketing allotments. What this means is that we're about to create another program where the government will artificially shrink supply in order to protect the taxpayer. What is not mentioned is that this will zap the consumer even more at the present.

Our view at the beginning of the farm bill debate was that Congress should simply not tamper with the sugar program in 1990, but should await changes that would be negotiated in the Uruguay Round. In other words, we and other sugar producing nations should go down the reform road together. I still believe that makes the most sense. The House, however, could not resist the temptation to change the program. In our judgment, they made it worse, and that needs to be corrected in conference. If we're going to change it, let's make it better! Movement to less market orientation via supply management is something that should not be accepted.

Marketing Loans for Oilseeds: Our soybean producers have pushed hard this year for some kind of legislation to give them a boost in the international marketplace. My personal view is that the proper way to do this would be through a target price/deficiency payment program, similar to the one that has long been in place for feed grains and wheat. But budget considerations made that impractical, so oilseed producers turned to the marketing loan framework was an alternative.

Unfortunately, there is major budget exposure in this proposed program, and that will have to be considered during the conference committee deliberations. The Congressional Budget Office does not now recognize that exposure, but that could change as this process evolves.

In addition, this program creates at least five or six new program crops—sunflowers, safflower, flaxseed, rapeseed, canola, and mustard seed. Market loans for these threaten to become an administrative nightmare. For some of these crops, a good data base on either U.S. or international prices does not now exist. It is an impossible task for the Department to administer programs for which the underlying data is not available. Such a situation is bound to generate inequities and distortions. How do we mesh U.S. and world market prices to make us competitive in an oilseed where there is no world market?

Conferees should look very closely at this entire proposal before we get ourselves in a position that might do oilseed producers more harm than good.

Studies: Whenever Congress discovers an issue for which legislation would be premature, or one that is just too hot to handle legislatively, the response is to ask someone to study it. That someone is usually the Department. The 1990 Farm Bill calls for over 100 studies, surveys and reports to be done on a variety of issues from Canadian alfalfa seed exports to composting.

We don't mind doing studies, and we believe we do them well. But over 100 of them? That takes a lot of time, money and manpower. The conferees ought to jettison the low-priority studies, or give me the privilege of doing so, and let us get on with administering our many programs.

Micromanagement: Finally, as a nation we legislate ourselves too much these days. We cannot solve all the problems of the world—or even of U.S. agriculture—in Congress. A lot of these alleged or perceived problems ought to be handled by the private sector, and legislative bodies ought to keep their hands off. And those which do demand a legislative solution can often be dealt with at lower levels of government. We seem to be returning to a trend of trying to solve problems in Washington, D.C., rather than locally, and of solving problems by regulating everything and everybody. That is a trend that was resisted ferociously, and with considerable success, by the Reagan administration, but it has now come back to challenge the Bush administration. We intend also to resist Congress' tendency to micromanage and over-regulate, but we'll need the help of the American public in doing so.

The 1990 Farm Bill has plenty of examples of Congressional micromanagement. We do not need a 1,600-page farm bill! It encompasses too much government, too much direction to farmers, too much regulation, too much infringement in people's lives.

We ought to be able to do better. And we can do better; 1985 proved that. The question today is, will we? Have we learned from the past, from the mistakes of 1981, or, as the adage goes, are we doomed to repeat them?

BACK TO THE FUTURE—AG-STYLE

The premise that made the "Back to the Future" movies so enthralling was the ability of the good guys, as well as the not-so-good guys, to jump aboard an old DeLorean time-travel machine and blast back and forth from past to future, gaining a first hand account of the cause-and-effect of seemingly insignificant individual actions.

I've often thought that if I had a time-travel tractor and could take members of Congress "back to the future," they wouldn't be as eager to resurrect some of the ill-conceived portions of their dead-and-buried farm bill of 1981 as they seem to be.

But I'm always an optimist. And I'm still confident that clearer visions will ultimately prevail in the halls of Congress, and they will listen to what America's farmers, and the Bush administration, are trying to tell them: Please, we've lived through the past, and we've seen the future. The past can indeed be a prologue for the 1990 Farm Bill, but the future of America's farmers should be based not on the tragedy of 1981, but on the triumph of 1985.

Let's build on past successes, not past mistakes. Call your representatives and tell them to build on '85, not return to '81. Or, just tell them "green means go."

We'll make sure they know what you're talking about.

□ 1220

DISPENSING WITH CALL OF CONSENT CALENDAR

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the call of the Consent Calendar be dispensed with.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

The vote on S. 3033, if postponed, will occur at the end of debate on all suspensions, but no earlier than 4 p.m. The vote on the remaining suspension bills will be postponed until tomorrow.

THE 1992 OLYMPIC COMMEMORATIVE COIN ACT

Mr. GONZALEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4962) to authorize the minting of commemorative coins to support the training of American athletes participating in the 1992 Olympic Games, as amended.

The Clerk read as follows:

H.R. 4962

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "1992 Olympic Commemorative Coin Act".

SEC. 2. COIN SPECIFICATIONS.

(a) FIVE DOLLAR GOLD COINS.—

(1) ISSUANCE.—The Secretary of the Treasury (hereinafter in this Act referred to as the "Secretary") shall issue not more than 500,000 $5 coins which shall weigh 8.359 grams, have a diameter of 0.850 inches, and shall contain 90 percent gold and 10 percent alloy.

(2) DESIGN.—The design of such $5 coins shall be emblematic of the participation of American athletes in the 1992 Olympic Games. On each such coin there shall be a designation of the value of the coin, an in-

scription of the year "1992", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(b) ONE DOLLAR SILVER COINS.—

(1) ISSUANCE.—The Secretary shall issue not more than 4,000,000 $1 coins which shall weigh 26.73 grams, have a diameter of 1.500 inches, and shall contain 90 percent silver and 10 percent copper.

(2) DESIGN.—The design of the $1 coins shall be emblematic of the participation of American athletes in the 1992 Olympic Games. On each such coin there shall be a designation of the value of the coin, an inscription of the year "1992", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(c) HALF DOLLAR CLAD COINS.—

(1) ISSUANCE.—The Secretary shall issue not more than 6,000,000 half dollar coins each of which shall—

(A) weigh 11.34 grams;

(B) have a diameter of 1.205 inches; and

(C) be minted to the specifications for half dollar coins contained in section 5112(b) of title 31, United States Code.

(2) DESIGN.—The design of the half dollar coins shall be emblematic of the participation of American athletes in the 1992 Olympic Games. Each half dollar coin shall bear a designation of the value of the coin, an inscription of the year "1992", and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(d) LEGAL TENDER.—The coins issued under this Act shall be legal tender as provided in section 5103 of title 31, United States Code.

SEC. 3. SOURCES OF BULLION.

(a) SILVER BULLION.—The Secretary shall obtain silver for the coins minted under this Act only from stockpiles established under the Strategic and Critical Materials Stock Piling Act.

(b) GOLD BULLION.—The Secretary shall obtain gold for the coins minted under this Act pursuant to the authority of the Secretary under existing law.

SEC. 4. SELECTION OF DESIGN.

The design for each coin authorized by this Act shall be selected by the Secretary after consultation with the United States Olympic Committee and the Commission of Fine Arts.

SEC. 5. SALE OF THE COINS.

(a) SALE PRICE.—Notwithstanding any other provision of law, the coins issued under this Act shall be sold by the Secretary at a price equal to the face value, plus the cost of designing and issuing such coins (including labor, materials, dies, use of machinery, and overhead expenses).

(b) BULK SALES.—The Secretary shall make bulk sales at a reasonable discount.

(c) PREPAID ORDERS AT A DISCOUNT.—The Secretary shall accept prepaid orders for the coins prior to the issuance of such coins. Sales under this subsection shall be at a reasonable discount.

(d) SURCHARGE REQUIRED.—All sales shall include a surcharge of $35 per coin for the $5 coins, $7 per coin for the $1 coins, and $1 per coin for the half dollar coins.

SEC. 6. ISSUANCE OF THE COINS.

(a) GOLD COINS.—The $5 coins authorized under this Act shall be issued in uncirculated and proof qualities and shall be struck at the United States Bullion Depository at West Point.

(b) SILVER AND HALF DOLLAR COINS.—The $1 coins and the half dollar coins authorized under this Act may be issued in uncirculated and proof qualities, except that not more than 1 facility of the Bureau of the Mint may be used to strike any particular combination of denomination and quality.

(c) SUNSET PROVISION.—No coins shall be minted under this Act after June 30, 1993.

SEC. 7. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

No provision of law governing procurement or public contracts shall be applicable to the procurement of goods or services necessary for carrying out the provisions of this Act. Nothing in this section shall relieve any person entering into a contract under the authority of this Act from complying with any law relating to equal employment opportunity.

SEC. 8. DISTRIBUTION OF SURCHARGES.

All surcharges which are received by the Secretary from the sale of coins issued under this Act shall be promptly paid by the Secretary to the United States Olympic Committee. Such amounts shall be used by the United States Olympic Committee for the objects and purposes of the committee as established in the Amateur Sports Act of 1978.

SEC. 9. AUDITS.

The Comptroller General shall have the right to examine such books, records, documents, and other data of the United States Olympic Committee as may be related to the expenditure of amounts paid under section 8.

SEC. 10. COINAGE PROFIT FUND.

Notwithstanding any other provision of law—

(1) all amounts received from the sale of coins issued under this Act shall be deposited in the coinage profit fund:

(2) the Secretary shall pay the amounts authorized under this Act from the coinage profit fund; and

(3) the Secretary shall charge the coinage profit fund with all expenditures under this Act.

SEC. 11. FINANCIAL ASSURANCES.

(a) NO NET COST TO THE GOVERNMENT.—The Secretary shall take all actions necessary to ensure that the issuance of the coins authorized by this Act shall result in no net cost to the United States Government.

(b) ADEQUATE SECURITY FOR PAYMENT REQUIRED.—No coin shall be issued under this Act unless the Secretary has received—

(1) full payment therefor;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution whose deposits are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration Board.

The SPEAKER pro tempore. Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. GONZALEZ] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the bill, H.R. 4962, authorizes the minting of gold, silver and clad coins to honor the participation of American athletes in the 1992 Olympic Games. This legislation, introduced by Mr. LEHMAN of California, and Mr. HILER, would provide much needed funds for the training of Olympic athletes—and these funds would be raised at no net cost to the Government and the American taxpayer. The first Olympic Commemorative Program, in 1984 raised over $73 million for the Olympic effort and the second program of 1988, which got off to a late start, raised almost $23 million.

The funds that these two congressionally authorized programs have provided have been critical to the success of the American Olympic effort—and I am certain that this legislation, if approved, will go a long way to help American athletes achieve their greatest potential.

I know that all of us have been inspired by the sacrifice, dedication, and discipline of the athletes who strive to participate in the Olympic games. The financial and personal sacrifices made by these individuals are almost impossible for many of us to comprehend. Today, however we have the opportunity to pass legislation which might make the financial burden of training for the Olympics a little easier to bear, or which could help support athletes who might not otherwise be able to afford to train for the Olympics.

In testimony given before the house banking subcommittee on consumer affairs and coinage, athlete after athlete told of the difference that financial aid, provided from the sales of 1988 Olympic coins, had made to their success and even their world ranking.

The Olympics has always produced heroes and positive role models for young Americans, and I think now more than ever what our country needs is more positive role models. This legislation is an opportunity to give something to those who have been an inspiration to so many—to help sponsor those who will inspire young Americans to strive for great achievement.

Mr. Speaker, the two previous Olympic coin programs were passed near unanimously by Congress, and this bill has the support of over 230 cosponsors in the House. The bill was amended in subcommittee making a few minor changes to address concerns of the mint, as well as to add a clad coin to the commemorative series. The clad coin provides an affordable alternative to the gold and silver coins and has been a component of most major coin programs.

Mr. Speaker, this is a noncontroversial bill that has bipartisan support.

The amended bill was reported by the consumer affairs and coinage subcommittee without dissent. I urge its passage.

Mr. Speaker, I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased today to rise in strong support of H.R. 4962, the 1992 Olympic Commemorative Coin Act. I want to commend the sponsors of this bill, Consumer Affairs and Coinage Committee Subcommittee Chairman LEHMAN and ranking member HILER for the fine work they have done in order to conform H.R. 4962 to subcommittee rules and to bring this legislation to the House floor and to the Chairman for his expeditious manner.

This is the third Olympic Coin program that Congress has authorized. As the Chairman mentioned, in 1984 the first Olympic Commemorative Coin program raised $73 million for our athletes and in 1988 the program raised $22 million. We must recognize that U.S. athletes are the only athletes in the world who are not supported directly by their government. This government sponsored coin program is the only device that we may use to support our athletes. I am hopeful that the 1992 program will be extremely successful in helping our athletes overcome personal financial sacrifices to represent our country in the games.

I would briefly like to summarize the key provisions of the bill. Section 2 authorizes the minting of up to 500,000 gold coins, 4 million silver coins and 6 million clad coins. The coins would commemorate the participation of the athletes in the 1992 games.

Section 4 specifies that the design of the coins shall be selected by the Secretary of the Treasury after consultation with the U.S. Olympic Committee and the U.S. Commission on Fine Arts.

Section 5 requires that the coins would be sold directly to the public and would carry a surcharge of $35 on the gold coins; $7 on the silver coins; and $1 on the clad coins.

Section 8 requires that the surcharges be promptly paid to the U.S. Olympic Committee.

Section 9 permits the GAO to audit the U.S. Olympic Committee concerning the coin program and Section 10 of the bill requires that the coins be minted at no net cost to the government.

I am optimistic that the 1992 Olympic Coin program may be as successful as our initial program in 1984. I must admit that Subcommittee members are somewhat disappointed at the results of the 1988 program which fell far short of the moneys raised in 1984. Several reasons have been offered for this shortfall. I am hopeful that by enacting this legislation two full years before the games that the Mint will have sufficient lead time to better prepare its marketing programs in 1992.

Additionally, I believe greater cooperation by the U.S. Olympic Committee with the Mint is necessary to ensure that we improve upon the 1988 program. Our subcommittee will be looking very closely at the operation of the 1992 program, particularly the level of cooperation that the U.S. Olympic Committee is giving the Mint. Greater cooperation is essential to future programs and will only benefit the athletes.

In closing, let me say that I strongly support H.R. 4962. The 1992 Olympic Commemorative Coin Act will help our athletes who desperately need funds to train in order to represent our country. I urge my colleagues to join me in supporting this measure and to promptly pass this important legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. McMILLEN. Mr. Speaker, I rise today on behalf of the U.S. Olympic Team. As our Olympians prepare for the upcoming games it is necessary for us to provide crucial financial support to aid our athletes in their quest to become the "best athletes in the world."

Mr. Speaker, the United States remains the only nation that does not provide direct funding to our Olympic athletes. In fact, through our television networks the American consumer not only is the major financial contributor to the production of the games, but financially supports the training of foreign athletes as well. Members may be interested to know that while the ABC network paid $309 million for the rights to the 1988 winter games, 95 percent of the total that the International Olympic Committee [IOC] raised from all the worldwide broadcasting rights, U.S. Athletes only received a miniscule 2.5 percent of that amount. The rest of the funds went to the IOC, the Calgary Organizing Committee, and to the Olympic committees of other nations.

In the United States our private sector plays the greatest role in providing financial assistance to our Olympians. This is how it should be. However, sometimes we need to supplement this aid. H.R. 4962, the Olympic Coin Act, will help us to do that, as it did in 1984 and 1988, but at no cost to the taxpayer.

This act will provide crucial revenues to propel our athletes further along the road to excellence. How do revenues from Olympic coins aid the performance of our athletes?

By extending grants to individual athletes to offset the high costs of training, by defraying tuition costs for athletes in degree programs, by enabling athletes who work to gain time-off for vital training, and by filling the variety of other needs that surface as individuals follow the route to the Olympic games.

The correlation between financial assistance programs and positive gains in performance by athletes is impressive; 100 percent of U.S. Athletes surveyed maintained that this assistance helps to improve performance, while 98 percent said that the U.S. Olympic Committee [USOC] programs have translated into demonstrable performance gains in this year alone.

Important as they are, financial assistance programs comprise only one target for Olympic Coin Act revenues. The others are equally noteworthy and essential for the success of the U.S. Olympic Team; grassroots programs, elimination of steroid drug-use in sports, and the replacement and improvement of training equipment and facilities at Olympic training centers.

To persevere through intensely rigorous trails and training, and indeed to become the best in the world, is a noble aspiration that the American people cannot afford to leave unfulfilled. Representing the United States in the Olympic games is an honor cherished by our athletes. By supporting this Olympic Coin Act, the U.S. Congress can help to ensure that American athletes will continue to win the highest marks in the world.

Mr. GONZALEZ. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. GONZALEZ] that the House suspend the rules and pass the bill, H.R. 4962, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous material, on H.R. 4962, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DEPOSIT INSURANCE FUNDS PROTECTION ACT OF 1990

Mr. GONZALEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5610) to amend the Federal Deposit Insurance Act to remove the caps imposed on deposit insurance premiums and annual premium increases, to allow the assessment rates to be adjusted more frequently than annually, and for other purposes.

The Clerk read as follows:

H.R. 5610

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Deposit Insurance Funds Protection Act of 1990".

SEC. 2. ELIMINATION OF CEILINGS ON INSURANCE PREMIUMS AND ANNUAL PREMIUM INCREASES.

(a) BANK INSURANCE FUND.—Clause (iv) of section 7(b)(1)(C) of the Fedreal Deposit In-

surance Act (12 U.S.C. 1817(b)(1)(C)) is amended by striking "and capitalization, except that—" and all that follows through the end of such clause and inserting "and capitalization; and".

(b) SAVINGS ASSOCIATION INSURANCE FUND.—Clause (v) of section 7(b)(1)(D) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)(D)) is amended by striking "and capitalization, except that—" and all that follows through the end of such clause and inserting "and capitalization; and".

SEC. 3. FDIC AUTHORITY TO ADJUST ASSESSMENT RATES MORE FREQUENTLY THAN ANNUALLY.

(a) BANK INSURANCE FUND.—Section 7(b)(1)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)(A)) is amended—

(1) by striking clause (i) and inserting the following new clause:

"(i) AUTHORITY TO ESTABLISH RATES.—The Corporation shall set assessment rates for insured depository institutions at such times as the Corporation, in the sole discretion of the Corporation, determines to be appropriate."; and

(2) by striking clause (iii) and inserting the following new clause:

"(iii) ANNOUNCEMENT OF RATE CHANGES.—If the Corporation changes the assessment rate, the Corporation shall provide public notice of such change on or before the beginning of the 60-day period ending on the date such change takes effect.".

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) Section 7(b)(1)(A)(ii) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)(A)(ii)) is amended by striking "annual".

(2) Section 7(b)(1) of the Federal Deposit Insurance Act (12 U.S.C. 1817(b)(1)) is amended—

(A) in subparagraph (C)(iv) (as amended by section 2(a) of this Act)—

(i) by striking "on January 1 of a calendar year" and inserting "for any period"; and

(ii) by inserting ", in the sole discretion of such board," after "rate determined by the Board of Directors"; and

(B) in subparagraph (D)(v) (as amended by section 2(b) of this Act)—

(i) by striking "on January 1 of a calendar year" and inserting "for any period"; and

(ii) by inserting ", in the sole discretion of such board," after "rate determined by the Board of Directors".

(3) Section 7(d)(1)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1817(d)(1)(A)) is amended—

(A) by striking "By September 30 of each calendar year," and inserting "Before the beginning of the 60-day period ending on the 1st day of each semiannual period,"; and

(B) by striking "the succeeding calendar year" and inserting "such semiannual period".

(4) Section 7(d)(2) of the Federal Deposit Insurance Act (12 U.S.C. 1817(d)(2)) is amended—

(A) in subparagraph (A), by striking "in the coming year" and inserting "in the coming semiannual period"; and

(B) in subparagraph (B),

(i) by striking "succeeding year" each place such term appears and inserting "succeeding semiannual period"; and

(ii) by striking "succeeding calendar year" and inserting "succeeding semiannual period".

(5) Section 7(d)(3) of the Federal Deposit Insurance Act (12 U.S.C. 1817(d)(3)) is amended—

(A) in subparagraph (A), by striking "in the coming year" and inserting "in the coming semiannual period"; and

(B) in subparagraph (B),

(i) by striking "succeeding year" each place such term appears and inserting "succeeding semiannual period"; and

(ii) by striking "succeeding calendar year" and inserting "succeeding semiannual period".

The SPEAKER pro tempore. Is a second demanded?

Mr. WYLIE. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. GONZALEZ] will be recognized for 20 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, for many years, I have been concerned about the health of the deposit insurance funds. Although the focus has most recently been on losses to the savings and loan insurance fund, I know that in my home State of Texas more banks than thrifts have failed. Information revealed in recent hearings of the Banking Committee and reports issued by the General Accounting Office and the Congressional Budget Office has confirmed and heightened my concerns. Thirty-one of my colleagues on the Banking Committee are cosponsors of the legislation I present today.

The bank insurance fund, or BIF is facing a fifth consecutive year of multibillion dollar losses. Its net worth is down to $11 billion and its reserve level is at less than half the amount required for minimum safety. The financial condition of the fund will almost certainly continue to deteriorate as the bank industry's condition declines along with the economy. The General Accounting Office now estimates that the BIF may lose up to $6.3 billion next year based on its projections that 35 large banks are likely to fail or require assistance within the next year. Even worse, the CBO estimates that the BIF's gross spending will total about $35 billion over the 1990-93 period and that cash balances will largely be depleted by 1995. In addition, the BIF is contingently liable for $8 billion of troubled assets that acquirers may put back to the FDIC under deals already done.

The bank insurance fund and the savings association insurance fund or SAIF are both required to have a reserve ratio of at least $1.25 for each $100 insured. The SAIF basically has no reserves because it will not become operative until 1992; in the meantime the Resolution Trust Corporation is responsible for resolving failures of savings associations. The bank insurance fund today stands at less than half of the required reserve. In fact, the bank insurance fund has lost money every year since 1983, and just since 1987, the reserve has fallen from $1.10 per $100 insured to 60 cents per $100 insured with recent predictions that it will fall still further, to 50 cents.

This is in spite of the fact that bank and thrift insurance premiums were increased drastically in last year's bill, the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [FIRREA]. Moreover, the FDIC has announced the maximum permissible premium increase for 1991—19.5 cents per $100 insured, an increase of 7.5 cents.

Clearly, the bank insurance fund will go the way of the FSLIC unless quick action is taken to shore up the fund. The GAO has stated that the BIF's low reserve level accompanied by a recession could lead to bank failures that would exhaust the fund and require taxpayer assistance.

The purpose of H.R. 5610 is to give first aid to the deposit insurance funds. H.R. 5610 is a simple bill that provides the FDIC with the authority it needs to effect immediate improvements in the health of the deposit isurance funds.

First, H.R. 5610 gives the FDIC discretion to raise insurance premiums for banks and thrifts to whatever level the FDIC deems appropriate to restore the insurance funds to health. In determining the appropriate level, the FDIC is instructed to consider the expected operating expenses, case resolution expenditures, and investment income of the insurance fund, and the impact of the premiums on insured bank and thrift earnings and capitalization.

Second, the bill allows the FDIC to set assessment rates at such times as it deems appropriate. Rate changes must be publicly announced at least 60 days before the change becomes effective. Under current law, changes can be made only once a year and must be announced by September 30 of each year. H.R. 5610 gives the FDIC the ability to respond more quickly to changes in the conditions of the funds and institutions.

Chairman Seidman of the FDIC supports H.R. 5610 as a way to grant the FDIC needed flexibility with respect to the timing and magnitude of increases in the assessment rate.

As you know, I am currently working on a comprehensive deposit insurance reform bill, the contents of which have been described to each of you in a "Dear Colleague" circulated last week. The provisions of what is now H.R. 5610 were a part of that plan. However, given the recent revelations

concerning the deposit insurance fund's condition, it is prudent to move this bill separately and expeditiously. Senator RIEGLE has introduced similar legislation in the Senate for prompt consideration. I believe it is critical that the Congress pass this legislation before adjournment and I have every reason to believe it can be done. I ask your support.

□ 1230

Mr. Speaker, I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 5610, the Deposit Insurance Funds Protection Act of 1990.

Mr. Speaker, last Thursday I joined Chairman GONZALEZ as the original cosponsor of this legislation. I believe that this legislation is essential for maintaining a healthy balance in the FDIC's bank insurance fund [BIF]. This bill is supported by the administration because it would provide immediately "more flexibility to the FDIC to raise assessments on commercial banks to replenish the Bank Insurance Fund."

I would not characterize this legislation as emergency legislation, but I would characterize it as necessary. There is a critical difference between what we are doing now, and the savings and loan crisis. On this occasion, we are practicing an ounce of prevention—before a pound of cure is needed.

I believe that if we are to avoid a repeat of the savings and loan disaster that we must practice aggressive oversight and when danger appears on the horizon, act accordingly to keep small problems from becoming bigger problems.

Simply put, this legislation will repeal all statutory caps on the FDIC's ability to raise insurance premiums. Last year in FIRREA, we authorized the FDIC to raise premiums, but only by as much as 7.5 cents (per $100 of insured deposits) annually. Additionally, we placed an overall cap of 32.5 cents on how high premiums could go. It is now clear to us that the FDIC needs more flexibility to structure the premiums as the need requires.

This does not necessarily mean that premiums will be raised for banks. In fact, they have just been raised to 19.5 cents by the FDIC. Chairman Seidman has indicated that he does not believe that premiums will need to go beyond this level for the time being.

Nevertheless, by raising premiums by 7.5 cents (up to 19.5) the FDIC would have to wait an entire year to raise them again. I don't want to take that chance. The FDIC needs this flexibility.

It would be irresponsible for us to allow the fund to be depleted because the restrictive cap stayed in place.

It would also be irresponsible to the taxpayers, because they stand behind the fund. The responsibility for the solvency of the fund rests primarily with the banking industry, and we should keep it that way.

The Chairman has pointed out reasons why we need this legislation.

Let me review some of the problems in the industry that have made this legislation necessary. I will caution other Members that this is not intended to be a "Chicken Little" view of the banking industry, but rather a look at the facts as they are. We don't have to scare our constituents with a negative view of the banking industry, but unlike the S&L crisis, we can't pretend that the problem does not exist by not talking about it.

The vast majority of banks are healthy and profitable, but as always a small number of troubled institutions threaten to deplete the insurance fund. In fact, the CBO estimates that one big failure could cost the fund as much as $10 billion.

BANK EARNINGS

On July 30, I asked Chairman Seidman about the condition of the fund. He replied that it was "under considerable stress."

The fund is under stress for several reasons. First, since the enactment of FIRREA, a regional recession has been growing in the New England area. Problems with real estate are now evident in New England, New York, and there are some signs it is spreading to the Southeast. The Southwest continues to struggle under problems. The downward pressure in the real estate markets has reduced bank earnings, and as a result the FDIC fund is under a strain. In 16 States banks have an average of 3 percent or more real estate loans that are not current.

In the first 6 months of this year bank earnings were down 18.5 percent compared to 1989. This is largely as a result of loan loss reserves that are needed for poor real estate loans.

BANK FAILURES

Banks are also continuing to fail at high rates. In the first half of 1990, 99 banks have failed. Last year, 101 banks had failed during the first half. The GAO estimates that the FDIC could lose $2 billion this year because of the continuing high rate of bank failures.

If the FDIC loses money this year, it will be the third year in a row that the fund has lost money. Although, the number of problem banks has been shrinking in the last few years, over 1,100 banks are still on the FDIC's problem bank list, nearly 9 percent of the industry. Additionally, I am concerned of course that the GAO has demonstrated that banks can fail without ever appearing on the problem bank list, or appearing for only a short time before failure.

THE FDIC FUND

Reduced earnings and bank failures have taken their toll on the FDIC. At the end of 1989, the FDIC fund had reserves of $13.2 billion. This put the fund at its lowest reserve-to-deposit ratio ever. At the end of 1989, the fund was holding only 70 cents for every $100 it insures. In the last 2 years, the fund has lost 28 percent of its reserves. Last year in FIRREA, we set a goal for the FDIC to have a reserve-to-deposit ratio of 1.25 percent by 1995. The prospect of the fund attaining this goal clearly is not good. In fact, under no scenario does the GAO believe the fund will reach this level without significant new premium increases.

The Congressional Budget Office has estimated that if we did not change the premiums from the 19.5-cent level, by 1995 the fund could only have $12 billion remaining, with a reserve-to-deposit ratio of only 0.50 percent. This is far too low, and frankly, unacceptable.

GAO AND CBO ESTIMATES

Finally, both the GAO and the CBO have given us ample warning that the future is not necessarily brighter. Just last week the GAO released its report on the condition of the FDIC. After an exhaustive review, they believe that 35 banks with assets of $45 billion are likely to fail in the future. Their failure will deplete the fund by $4.4 to $6.3 billion. Moreover, the GAO concludes that a significant number of other banks are in danger of failing over the next few years and that a recession would only heighten the dangers.

By CBO's estimate, the fund could have net losses of $21 billion from 1990 to 1993. This would require the FDIC to use anywhere from $35 to $40 billion during that period. Under this scenario the fund would have a balance of $12 billion, but a cash balance of only $7 billion.

All of these facts point in one direction. We must start taking corrective action now. We must prevent this from becoming another S&L debacle. We must avoid repeating the mistakes of the past. The Congress' track record during the S&L crisis was not a good one; there was too much delay in taking corrective action. As the old saying goes, those who do not learn the lessons of history are doomed to repeat them. This Congress cannot let that happen.

I would urge all my colleagues to support this legislation. The Senate is considering similar legislation. The administration is supporting our efforts. I believe that we can enact this bill before we adjourn.

Finally, let me thank Chairman GONZALEZ and Subcommittee Chairman ANNUNZIO, both of whom are strongly supportive of taking action to

insure that the FDIC fund remains strong. Let me also thank those colleagues who have cosponsored this bill.

[From the Washington Post, Sept. 11, 1990]

REFORM DEPOSIT INSURANCE?

Congress is now getting to work on reform of the deposit insurance system. The prevailing opinion is that deposit insurance was responsible for the enormous losses of taxpayers' money in the S&L bankruptcies and that the great lesson of that unhappy experience is the need to limit deposit insurance sharply. But before you accept that thought, you ought to consider another lesson of those bankruptcies.

While the United States has just been through an enormous wave of financial collapses, the unemployment rate has been untouched by it. In those collapses, S&Ls lost huge amounts of their depositors' money—probably well over $150 billion—but no one has lost a job as a result of it except the people who worked directly for those S&Ls themselves. There was no cascading effect, as there was in 1933, when banks' failures destroyed businesses that were their customers. A bank's failure could wipe out its depositors, forcing them to default on their mortgages and debts, in turn throwing other banks and businesses into jeopardy.

Americans have forgotten how financial panics used to sweep through the country, turning financial failures into depressions. It hasn't happened since deposit insurance was enacted two generations ago. For all the things that went wrong in the financial world of the 1980s, the deposit insurance system worked. It prevented the S&Ls' losses from becoming contagious and spilling over into the real economy of jobs, production, sales and investment.

The system can certainly be improved, and Congress is quite right to reconsider it. The calendar for the coming months is crowded with hearings on the subject. But any reform will be dangerously misguided if it succeeds in reducing risks to the federal government only by increasing risks to depositors.

Congress has repeatedly been told that it was the deposit insurance that accounts for the tremendous costs of the S&L fiasco. Wrong. It was deposit insurance that has thrown the losses onto the federal budget rather than onto depositors. Some economists have been arguing that less deposit insurance, or none, would make both S&L managers and their depositors more prudent. That idea is more attractive in theory than in practice.

The present insurance system can be refined to the benefit of both the public and the Treasury. But the principle of deposit insurance is entirely sound. Blaming it for the S&L bankruptcies is like blaming your insurance policy for the fire that burned your house down.

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, September 15, 1990.

STATEMENT OF ADMINISTRATION POLICY

Re: H.R. 5610—Deposit Insurance Funds Protection Act of 1990

The Administration supports legislation that would provide immediately more flexibility to the Federal Deposit Insurance Corporation (FDIC) to raise assessments on commercial banks to replenish the Bank Insurance Fund. The Administration will send a legislative proposal to Congress in the next few days.

The Administration supports passage of H.R. 5610, but will seek amendments in the Senate to conform to the Administration proposal which will provide more flexibility to the FDIC in order to strengthen the Bank Insurance Fund.

Mr. Speaker, I reserve the balance of my time.

Mr. GONZALEZ. Mr. Speaker, before yielding to the distinguished ranking majority member and chairman of the Financial Institutions Subcommittee, I do want to point out the indispensable leadership of the gentleman from Ohio [Mr. WYLIE] here as the ranking minority member on the Committee on Banking, Finance and Urban Affairs in a leadership position.

The gentleman from Ohio [Mr. WYLIE] has been most responsive, most cooperative, and we have always tried to minimize the partisanship as much as possible. I think that this is a clear revelation of how effective that type of association does become and indispensable at critical moments.

Mr. Speaker, I yield 2½ minutes to the gentleman from Illinois [Mr. ANNUNZIO], the hard-working chairman of the Subcommittee on Financial Institutions Supervision, Regulation and Insurance.

□ 1240

Mr. ANNUNZIO. Mr. Speaker, I deeply appreciate the accolades of the gentleman from Texas [Mr. GONZALEZ], and I want to again congratulate the chairman, as well as the gentleman from Pennsylvania [Mr. WYLIE] for the timely introduction of this legislation.

Mr. Speaker, I rise in support of this legislation to allow the FDIC to raise its insurance premiums as it sees fit. I am a cosponsor of the bill and strongly support its goals.

Increasing the insurance premium that banks pay for their deposit insurance only a marginal effect on the state of the fund. GAO's recent report on the bank insurance fund shows that the 62-percent increase in premiums scheduled for next year will only bring in an additional $2 billion. With GAO predicting that 35 large banks are in short-term danger of failing, the failure of even one or two could use up the entire premium increase.

Let us make no mistake about the magnitude of the problem we face. The FDIC bank insurance fund is teetering on the brink of insolvency. GAO's report last week said that the fund is too thinly capitalized to deal with potential bank failures in the event of a recession. Such an event, said the GAO, could bankrupt the fund and require a taxpayer bailout.

"Too thinly capitalized" means the fund does not have sufficient funds, now. Permitting an increase in insurance rates will not bring into the fund the billions of dollars that are needed, now. This bill will not bring the massive infusion that the fund needs, now.

And yet those who dare make the point that the fund is on the verge of bankruptcy are harshly attacked by banks and their apologists.

After I appeared on ABC's Nightline in August, I was attacked in the American Banker newspaper by former FDIC Chairman William Isaac. Mr. Isaac called me vitriolic, when I said "The FDIC is not only in bad shape, it is in horrible shape and without a massive transfusion of money, it will die very shortly and the taxpayers will have to pay for the funeral."

Now GAO has said that the fund is "too thinly capitalized" and that a recession could exhaust the fund and require a taxpayer bailout." It seems to me that GAO has said exactly what I had said.

Mr. Isaac also attacked Dr. Dan Braumbaugh, an economist hired by the Financial Institutions Subcommittee, which I chair, to study the condition of the banking system and the adequacy of the FDIC insurance fund. Mr. Isaac attacked Dr. Braumbaugh for his statement that "six large banks were very close to true insolvency." If anything, Dr. Braumbaugh was being conservative. The GAO report identified 35 large banks as likely to fail.

GAO also pointed out by name the nine money center banks that hold $43 billion in loans to developing countries. These nine banks account for 80 percent of the total U.S. commercial bank exposure on troubled foreign loans.

Of course, Mr. Isaac has reasons for playing down the troubles facing the FDIC. He is a former Chairman of the FDIC, having served from 1981 through 1985. His tenure at the FDIC was marked by a sharp upturn in bank failures. In 1981, there were 10 bank failures, the same as in the previous 2 years. By 1985, the number of failures had jumped to 120. All and all, there were 299 bank failures during the years that Mr. Isaac was Chairman of the FDIC.

One other bank could have made that list but did not. Excluded from those numbers was Continental Illinois, a bank that was nationalized by the FDIC. It was a bank for which Mr. Isaac established the now notorious "too big to fail doctrine." This doctrine required the FDIC to cover large uninsured depositors, as well as the average citizen covered under deposit insurance limits. The policy established by Mr. Isaac led the FDIC to assume billions of dollars in liability that it otherwise had no responsibility for.

Mr. Isaac was also Chairman of the FDIC during a period in which bank regulators cut back on the number and frequency of bank examinations. That policy was followed by the FDIC even in Texas, A State beset by bank failures. By 1989, partly as a legacy of Mr. Isaac's deregulatory moves, there were

banks in Texas that had not been examined by the FDIC for more than 7 years. Even problem banks were only being visited by FDIC examiners every 19 months on average. Troubled banks were being visited by examiners only once every 23 months on average.

With a record like this, it is no wonder that the FDIC had deposit insurance losses of over $6 billion during Mr. Isaac's tenure. In short, Mr. Isaac's legacy to the FDIC were the largest losses to that time, plus a cutback in bank examiners just at the time they were most needed. Finally, he left the legacy of the "too big to fail" doctrine which has put the taxpayer at risk for uninsured deposits, including foreign deposits.

And what was the consequences to Mr. Isaac of his disastrous FDIC tenure? He has become a Washington consultant for banks, and spends part of his time telling the public and press what good shape the industry is in.

Last week, Mr. Isaac notwithstanding, the GAO confirmed my long-term concern that the bank insurance fund is facing a most dire crisis. To deal with the crisis, I introduced H.R. 5590, the Bank Account Safety and Soundness Act.

This bill will protect the taxpayer from any bank bailout. The legislation would require every FDIC-insured bank to put in an amount equal to 1 percent of its deposits into the fund. This would immediately produce an inflow of $25 billion for the fund. It would immediately put the fund on a sound basis.

The GAO report points out another important reason why we must get money into the FDIC fund immediately, rather than hope that increases in insurance premiums will gradually raise enough. When the FDIC sells a bank to an acquiring bank, it often gives the acquirer a right to examine the assets of the failed bank. Any assets that the acquirer does not want, it may put back to the FDIC and receive a cash payment. These puts, the GAO points out, are "similar to the noncash transactions the Federal Savings and Loans Corporation entered into in the latter days of its existence due to the decline of its cash resources."

At the end of last year, the FDIC had approximately $8 billion in puts outstanding. These puts resulted in an interest cost to the fund of $1.6 billion. If the FDIC had the cash, it could have paid off these assets and avoided that cost. The fund could not do it, however, because it would have seriously impaired its liquidity.

In other words, the FDIC, for lack of funds, is being forced to act in the same manner that FSLIC acted in its last days. Let no one mistake the seriousness of the situation facing the FDIC. It is a situation that demands immediate attention. It is not a situation that we can hope for a long-term solution. There is no long term left.

Unless we act to get the FDIC the cash it needs now, it may run out of the funds it needs to deal with bank failures. In that case, it will have two choices.

It could act like the FSLIC and do the kind of costly and expensive deals that the Banking Committee heard about last week. It has already started to act like the FSLIC. In 1988, it hired private lobbysts to help pass certain tax breaks for acquirers of failed banks. It used those provisions to shift $700 million in costs to the taxpayers by giving the acquirers the tax breaks as part of its deals. This is exactly what the FSLIC did. Also, as I indicated earlier, its puts are similar to deals that the FSLIC did with acquirers of failed savings and loans because of its liquidity problems.

FDIC's second option is to ask the taxpayers to pay. That is what the FSLIC finally did, to the tune of $500 billion over the next 40 years.

The Bank Safety and Soundness Act is a way to avoid both alternatives.

The legislation would produce an immediate inflow of $25 billion to the bank insurance fund. If nothing more, this would provide the immediate liquidity that the FDIC will need to meet its cash demands from the outstanding puts. In addition, it will provide the FDIC with funds which would enable it to reduce the cost of carrying those puts.

The legislation would result in the FDIC having an immediate reserve ratio of 1.7 percent. This ratio would be the highest in the history of the FDIC. It would be consistent with the GAO suggestion that Congress and the FDIC consider higher reserve ratios than the currently mandated target of 1.25 percent.

The BASS Act would further require that any time the Bank Insurance Fund fell below 1 percent of reserves, there would be a call upon all banks to make additional deposits into the fund to bring the fund back into the 1-percent level. This would make certain that the taxpayers would be protected from any bailout, since the banks themselves would have to make up any shortfall in the deposit fund.

It is banks who benefit from deposit insurance. Depositors are protected, but the banks get the benefit of being able to attract depositors at lower interest rates. Therefore, it is the banks that should stand behind the deposit insurance fund. The BASS Act, by making them put an amount equal to 1 percent of their deposits into the bank insurance fund, forces them to do so.

The savings and loan crisis has shown that the taxpayers have been called on too much to bail out financial insitutions. Last year, Secretary Brady testified over and over again that "never again should we permit another financial institution crisis." I say never again should the taxpayer be called upon to bail out financial institutions.

To deal with that situation, I have scheduled hearings on the BASS Act for September 27. I hope we can pass it before Congress adjourns. We cannot risk having the FDIC go bankrupt because of one or two large bank failures while Congress is adjourned.

Mr. WYLIE. Mr. Speaker, I yield 4 minutes to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Speaker, I rise in support of H.R. 5610. I come to the House floor today to commend the chairman, the gentleman from Texas [Mr. GONZALEZ] and the ranking Republican, the gentleman from Pennsylvania [Mr. WYLIE] on their decision in leadership to bring this before Members today.

The fact is that an action to raise insurance premiums in any set of circumstances is never going to be popular in the short term. So it does take considerable courage for these two gentlemen to bring this bill to the House floor to increase insurance premiums. But the fact is that the gentleman from Pennsylvania [Mr. WYLIE] and the gentleman from Texas [Mr. GONZALEZ] understand that insurance premiums have to be set based on the size of the underwriting losses, not based on how much we wish the underwriting losses could or should be.

It is true that the Congress will and should act to reduce those losses in the future. However, so long as those losses continue, we should have the FDIC set the insurance premiums for this fund in a way designed to pay the total cost of the underwriting losses, plus provide a considerable cushion for emergencies that may happen in the future.

The banking system cannot be said to be following the same path of the Nation's thrifts in recent years, because in part of this legislation. The banking system has fallen on harder times, and more failures caused by weak real estate portfolios and a slowing overall economy, Those factors placed on the bank insurance fund in a moderate degree of jeopardy. Quick action by Congress, quick action by the Committee on Banking in this instance, and by the regulators, will forestall any further weakening of the funds.

The bill gives the FDIC the power to keep the insurance premium fund solid by removing limits on the premiums. Clearly, long-term changes are necessary. Congress will examine the role of foreign deposits, which are exempt form paying premiums, but are largely, nevertheless, "insured" by the FDIC under the old, and I think outdated, too big to fail doctrine, and

the Congress will have to examine and reform the underlying framework of deposit insurance to remove the incentives that encourage risky behavior by financial institutions. That is because simply raising premiums in the aggregate hurt innocent institutions that have managed their portfolios prudently. Innocent institutions are paying a deposit subsidy on those who took too much risk.

Those actions show courage and foresight by the Committee on Banking leadership, and I support their actions in this very significant and important legislation.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. VENTO].

(Mr. VENTO asked and was given permission to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, I rise in support of H.R. 5610, the FDIC Insurance Premium Act. As a cosponsor of the measure, I believe that it is important that Congress act on this proposal in a timely manner. I am deeply concerned about the condition of the FDIC fund and the health of our nation's banking system.

H.R. 5610 is a responsible step in meeting the growing difficulties facing banks, the FDIC, and the bank insurance fund. Clearly many banks and the bank insurance fund are currently at risk. The downturn in the economy, depressed real estate markets in the Northeast added to flat markets of the Southwest, growing business failures, questionable appraisal practices, and the debatable value of troubled bank assets being managed by caretaker institutions all add up to deep concerns. While the current situation may not be another S&L crisis, it is imperative that we keep in place the tools for the regulators before the problem gets out of control.

H.R. 5610 gives the regulators the authority to increase premiums for both the bank insurance fund and the savings association insurance fund. This authority will permit the regulators to respond to the current and future shortages in the insurance fund through additional premium increases.

While H.R. 5610 does provide some relief, it should be properly recognized as only one needed step. With the adoption of FIRREA during the first session, Congress did implement other crucial changes to strengthen the regulators' authority and the insurance funds. In addition, Congress and the administration must come to grips with comprehensive insurance reforms. I am pleased that the House Banking Committee and the Subcommittee on Financial Institutions have begun to lay the groundwork for prompt action on this issue early next year. The proposal raised by my colleague, Chairman GONZALEZ, has many positive concepts that should be incorporated into any final reforms which Congress does enact.

While most experts say that the current problems facing the bank fund do not indicate that another S&L crisis is imminent, I am deeply concerned that, like the old S&L regulators, bank regulators are on the slippery slope of explaining away the severity of the problem and suggesting that more, new bank powers are a panacea for today's weak bank health. Congressional refusal to act on new bank powers should certainly not be taken as approval of granting such powers. Regulatory actions, such as expanding activities covered by the insurance fund or permitting expanded bank roles with common trust funds, may well put the bank insurance fund at even greater risk without proper deliberations of safeguards. For the regulators to disregard existing law and to continue to grant new or expanded powers ignores the painful lessons of the administration's S&L slip shod regulation policies of the 1980's. Serious problems remain concerning how sound the FDIC's $13.2 billion fund is. Importantly, $8 billion of this fund is in assets which the GAO questions. Finally, Mr. Speaker, I am dismayed about the complaints coming from some in the financial institutions community about the burden of regulation and their suggestion that in hard times, the regulators should be more understanding and flexible. This approach is a repackaged forebearance argument that contributed mightily to the S&L debacle of this decade. Forebearance did not work for the S&L's and it will not work for banks. Neither Congress nor the administration should pay any attention to this litany of pleas. Forebearance directly contributed to the increased costs of the S&L bailout and would certainly further exacerbate the current stress on the bank insurance fund.

Ensuring the stability of the bank insurance fund and the competitive role of banks in our economy will not be accomplished overnight. I urge my colleagues to support H.R. 5610 as a step in that process.

Nearly $500 million are managed by other banks for the FDIC and may be over valued by 15 percent. One large money center bank could wipe out the FDIC fund according to the GAO and 35 money center banks have serious problems, according to GAO. In 1989 the FDIC fund has only seven-tenths of a percent reserves for each $100 deposit and with further losses in 1990 today will slip further.

Mr. WYLIE. Mr. Speaker, I yield myself such time as I may consume, to take this additional time to express my sincere thanks to the chairman of the Committee on Banking for his complimentary statement with reference to my role in his bill and this legislation. I return the compliment by saying that as the ranking majority member of the Committee on Banking over the last several years, if we had listened to the gentleman from Texas we could have avoided a lot of taxpayer liability as far as savings and loan crisis is concerned. Now, as the chairman and leader of the Committee on Banking, he has acted promptly to prevent, and I use the word "prevent" advisedly, prevent further taxpayer liability in the area of deposit insurance. We do thank the gentleman for that.

Mr. Speaker, this is an ounce of cure. This is preventive medicine. We are only acting early and decisively to deal with a problem that may come up. We have ample warnings from the FDIC and GAO and the CBO that there may be problems. We have the support of the administration, the FDIC, the chairman, and Bill Seidman says he needs this flexibility. It is a good measure that I believe we should pass before Congress adjourns this session.

□ 1240

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Georgia [Mr. BARNARD].

Mr. BARNARD. Mr. Speaker, I rise in strong support of the Deposit Insurance Funds Protection Act of 1990. When Congress passed FIRREA in August of 1989, it was intended that the bank insurance fund achieve a reserve balance of $1.25 for every $100 of deposits. From all available projections, this will not be possible. The fund's reserves have decreased by 28 percent over the past 2 years with loss projections for this year running as high as $2 billion. It is now at an all time low of 70 cents for every $100 of deposits. If the economy enters a recession for any length of time, the stress on the fund could be even more severe.

It is vital that the insurance fund have enough cash on hand in order to promptly and decisively deal with problem banks. One of the many factors that greatly increased the losses in the S&L industry was the fact that the FSLIC fund did not have enough money to promptly or properly close institutions. Institutions remained open and raised costs for other institutions by paying high rates to attract deposits. When we finally did get around to closing these institutions, costs had risen significantly or else the only alternatives for resolution were in the long run more costly to the Government.

The FDIC is presently limited under FIRREA to a maximum premium assessment of 0.15 cents per $100 of deposits. H.R. 5610 gives the FDIC the discretion to increase the premium assessment as needed although it is gen-

erally agreed that there is a practical limit on the amount of increase that banks can sustain. According to the CBO and other sources, that limit is about 19.5 cents per $100 of deposits, after which the negative impact on the profitability of insured institutions outweighs the benefits to the funds.

An increase of this magnitude will significantly benefit the fund and assist it in promptly resolving failed institutions. H.R. 5610 is an excellent first step, but more needs to be done, and quickly. Our next step must be to find a way to restructure the industry to attract more private capital so that taxpayers capital will never again be at risk. I strongly urge my colleagues to join me in taking this first step toward a healthier insurance fund.

Mr. LEACH of Iowa. Mr. Speaker, with some reluctance I rise in support of H.R. 5610, the Deposit Insurance Funds Protection Act of 1990. In the wake of the biggest taxpayer bailout in our financial history and on the eve of an increasingly likely recession, banking regulators should have maximum discretion in protecting the deposit insurance fund. Their hands should not be tied by statutorily imposed premium caps.

But it should be understood that while raising insurance premiums provides new resources to the fund, it also weakens the competitive position of financial institutions and thus increases the vulnerability of the fund to more bank failures.

A more effective approach to raising deposit insurance premiums is to stiffen the back of regulators on issues of capital adequacy. The fund's liabilities decrease in direct ratio to the strengthened capital positions of the institutions it insures.

Simply put, the most prudential guarantee of a sound deposit insurance system is the maintenance of prudential capital ratios. Invested capital not only provides a cushion between an institution's balance sheet and the taxpayer, but also keeps lending and investment decisions grounded in disciplined market principles.

Accordingly, it has been disappointing in recent weeks to hear key Federal banking regulators continue to embrace a minimalist 3 percent leveraging ratio. It is not good enough for regulators to espouse the virtues of higher capital standards, then allow weakly capitalized institutions new and risky powers and asset growth.

Ironically, in American banking the bigger the institution, the weaker it is. The institutions with the weakest loan portfolios, highest overheads, and most vulnerable regional economies are the coastal money center banks.

Fortunately, as publicly traded institutions, these are the very banks with the most sophisticated capacity to raise capital. The lacking ingredient is will. In order to insulate shareholders to the maximum extent possible from the lending mistakes of management, money center banks prefer overleveraging to stock dilution. but for the sake of fairness—that is, not to saddle healthy smaller banks with higher premiums to insure against the losses of the larger international banks—and for the sake of banking soundness, it is clear that more capital is preferable to the imposition of higher costs.

Raising money the old fashioned way—through equity markets—has the advantage of increasing individual bank stability and profitability. It also has the advantage of providing capital to still healthy institutions so that they can be better positioned to take over and manage, without excessive taxpayer risk, the unhealthy institutions and loan portfolios of the thrift industry.

Money center banks have taken impressive strides in the past 5 years to decrease their LDC debt liabilities. Nevertheless, in too many formidable instances, it is clear that as improved as major bank balance sheets are, more capital is needed.

If, on the other hand, regulators decide that higher premiums are needed, I would hope that consideration would be given to recognizing the unfair burdens that might be put on well capitalized banks. One possible approach would be to establish a category of banks—perhaps those with tangible capital in excess of 8 percent of assets—and allow such banks a discount in their premium obligations. Such an approach is the inverse of placing premiums on foreign deposits but would have an analogous effect.

Here it should be stressed that from a fairness perspective the case for placing premiums on foreign deposits is powerful. The problem is that if the premiums are more than the earnings spread, American banks could be placed at a competitive disadvantage and would almost certainly cede business apportunities to foreign competitors or develop legal loopholes using foreign subsidiaries to evade payment of American insurance fees.

My sense is its time in banking for regulators to get tough with the powerful few in order to be fair to the industry as a whole and compassionate to the individual taxpayer.

At the risk of simplicity, the insurance issue could most easily be resolved if the Chairmen of the Federal Reserve and the FDIC simply pen a modest number of "Dear John" letters—missives notifying undercapitalized institutions that if given amounts of capital aren't raised by a given date, the top three or four officers of non-complying institutions will be removed.

Such an approach might get the attention of the banks, decrease the need for higher premiums, and make it clear to the taxpayer that never again will the American public be on the line for a financial bail-out of the financial community.

Ms. OAKAR. Mr. Speaker, I rise in strong support of H.R. 5610, a bill amending the Federal Deposit Insurance Act. I want to congratulate Chairman GONZALEZ and ranking minority member, CHALMERS WYLIE, and their staffs for their diligent work in bringing this bill to the floor in such a timely manner. As we have recently become aware, this legislation is very much in need.

Mr. Speaker, last week, the Banking, Finance and Urban Affairs Committee received testimony from Chairman Greenspan of the Federal Reserve Board, as well as reports from the Congressional Budget Office and the General Accounting Office. All sources confirm that the bank insurance fund is in trouble. For example, the General Accounting Office reports that as of the first of this year, the FDIC had 35 large financial institutions on its list of troubled banks that may fail this year or require financial assistance from the bank insurance fund. GAO also stated that if these banks failed over a short period of time, the bank insurance fund would probably become insolvent. Given the very important role the Bank Insurance Fund plays as the underpinning of confidence in our financial system, this is extremely troubling news.

Similarly, the Congressional Budget Office reports that 900 banks have failed over the last 5 years. This is twice as many failures as took place during the first 45 years since the deposit insurance fund was created. CBO also believes that as many as 600 banks could fail between the start of this year and the end of 1993. These additional failures could cost the Bank Insurance Fund approximatley $21 billion. In contrast, the insurance fund contains only about $11 billion. Obviously, the fund is in great jeopardy.

Consequently, I strongly support the content of H.R. 5610. This critical legislation is arriving just in time. The bill will eliminate the 32.5 cents per every $100 insured maximum premium allowed under the Financial Institutions Reform, Recovery, and Enforcement Act passed by the Congress last year. It will also eliminate the 7.5-cent limit on annual increases allowed under current law. In addition, the bill will give authority to the FDIC to increase insurance premiums as it sees fit, so long as the banking industry is given a 60-day notice prior to the date the new rates take effect. In summary, this legislation takes the right action at the right time.

Mr. Speaker, I am hopeful that all of the questions regarding our banking system will be addressed in comprehensive legislation next year. There is clearly a need to reform the deposit insurance system, to answer the question of permissible banking powers, and to make adjustments within the FIRREA legislation to guard against further losses. However, until that time, the stability of the Nation's banking system requires that we pass this important legislation.

Mr. WYLIE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GONZALEZ. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Texas [Mr. GONZALEZ] that the House suspend the rules and pass the bill, H.R. 5610.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their re-

marks and include therein extraneous material on H.R. 5610, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ESTABLISHING A NATIONAL POLICY ON PERMANENT PAPERS

Mr. WISE. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 226) to establish a National Policy on Permanent Papers, as amended.

The Clerk read as follows:

H.J. RES. 226

Whereas it is now widely recognized and scientifically demonstrated that the acidic papers commonly used in documents, books, and other publications for more than a century are self-destructing and will continue to self destruct;

Whereas Americans are facing the prospect of continuing to lose national historical, scientific and scholarly records, including government records, faster than salvage efforts can be mounted despite the dedicated efforts of many libraries, archives, and agencies, such as the Library of Congress and the National Archives and Records Administration;

Whereas the Congress has already appropriated $50,000,000 to the National Archives and Records Administration, $32,000,000 to the Library of Congress, and $2,400,000 to the National Library of Medicine for deacidifying or micro-filming books too brittle for ordinary use, and $25,000,000 to the National Endowment for the Humanities for grants to libraries and archives for such purposes;

Whereas nationwide many hundreds of millions of dollars will have to be spent by the Federal, State, and local governments and private institutions to salvage the most essential books and other materials in the libraries and archives of academic and private institutions;

Whereas there is an urgent need to prevent the continuance of the acid paper problem into the indefinite future;

Whereas acid free permanent papers with a life of several hundred years already are being produced at prices competitive with acid papers;

Whereas the American Library Association Council in a resolution dated January 13, 1988, has urged publishers to use acid free permanent papers in books and other publications of enduring use and value, and other professional organizations have expressed similar opinions;

Whereas some publishers such as the National Historical Publications and Records Commission, the Library of Congress and many university presses are already publishing on acid free permanent papers, and the Office of Technology Assessment has estimated that only 15 to 25 percent of the books currently being published in the United States are printed on such paper;

Whereas even when books are printed on acid free permanent paper this fact is often not made known to libraries by notations in the book or by notations in standard bibliographic listings;

Whereas most Government agencies do not require the use of acid free permanent papers for appropriate Federal records and publications, and associations representing commercial publishers and book printers have thus far not recommended the use of such papers;

Whereas paper manufacturers have stated that a sufficient supply of acid free permanent papers would be produced if publishers would specify the use of such papers; and

Whereas there is currently no statistical information from public or private sources regarding the present volume of production of acid free permanent papers and the volume of production required to meet an increased demand: Now, therefore, be it

Resolved, That the resolution from the Senate (S.J. Res. 57) entitled "Joint Resolution to establish a national policy on permanent papers", do pass with the following

AMENDMENTS:

Strike out all after the resolving clause, and insert:

SECTION 1. It is the policy of the United States that Federal records, books, and publications of enduring value be produced on acid free permanent papers.

SEC. 2. The Congress of the United States urgently recommends that—

(1) Federal agencies require the use of acid free permanent papers for publications of enduring value produced by the Government Printing Office or produced by Federal grant or contract, using the specifications for such paper established by the Joint Committee on Printing;

(2) Federal agencies require the use of archival quality acid free papers for permanently valuable Federal records and confer with the National Archives and Records Administration on the requirements for paper quality;

(3) American publishers and State and local governments use acid free permanent papers for publications of enduring value, in voluntary compliance with the American National Standard;

(4) all publishers, private and governmental, prominently note the use of acid free permanent paper in books, advertisements, catalogs, and standard bibliographic listings; and

(5) the Secretary of State, Librarian of Congress, Archivist of the United States, and other Federal officials make known the national policy regarding acid free permanent papers to foreign governments and appropriate international agencies since the acid paper problem is worldwide and essential foreign materials being imported by our libraries are printed on acid papers.

SEC. 3. The Librarian of Congress, the Archivist of the United States, and the Public Printer shall jointly monitor the Federal Government's progress in implementing the national policy declared in section 1 regarding acid free permanent papers and shall report to the Congress regarding such progress on December 31, 1991, December 31, 1993, and December 31, 1995. In carrying out the monitoring and reporting functions under this section, the Librarian of Congress, the Archivist of the United States, and the Public Printer may consult with the National Endowment for the Humanities, National Agricultural Library, National Library of Medicine, other Federal and State agencies, international organizations, private publishers, paper manufacturers, and other organizations with an interest in preservation of books and historical papers.

Amend the preamble so as to read:

Whereas it is now widely recognized and scientifically demonstrated that the acidic papers commonly used for more than a century in documents, books, and other publications are self-destructing and will continue to self destruct;

Whereas Americans are facing the prospect of continuing to lose national, historical, scientific, and scholarly records, including government records, faster than salvage efforts can be mounted despite the dedicated efforts of many libraries, archives, and agencies, such as the Library of Congress and the National Archives and Records Administration;

Whereas nationwide hundreds of millions of dollars will have to be spent by the Federal, State, and local governments and private institutions to salvage the most essential books and other materials in the libraries and archives of government, academic, and private institutions;

Whereas paper manufacturers can produce a sufficient supply of acid free permanent papers with a life of several hundred years, at prices competitive with acid papers, if publishers would specify the use of such papers, and some publishers and many university presses are already publishing on acid free permanent papers;

Whereas most Government agencies do not require the use of acid free permanent papers for appropriate Federal records and publications;

Whereas librarians, publishers, and other professional groups have urged the use of acid free permanent papers;

Whereas even when books are printed on acid free permanent paper this fact is often not made known to libraries by notations in the book or by notations in standard bibliographic listings; and

Whereas there is an urgent need to prevent the continuance of the acid paper problem in the future: Now, therefore, be it

Attest:

Clerk.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from West Virginia [Mr. WISE] will be recognized for 20 minutes, and the gentleman from California [Mr. MCCANDLESS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from West Virginia [Mr. WISE].

Mr. WISE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 226 establishes a national policy on the use of acid free permanent paper for the publication of important books and records. The resolution is a response to the deterioration of books printed on paper with high acid content.

Books can have useful lives for hundreds of years. But books printed on acidic paper can become unusable in 50 to 100 years. The use of acidic paper became commonplace during the last century. Since most books have been printed on acidic paper, Federal, State, local and private libraries are spending millions of dollars to preserve them.

There is a simple and very cost effective way to prevent these problems in

the future. By printing books on acid free permanent paper, we can avoid the need for heroic and expensive measures to save documents.

That is the purpose of House Joint Resolution 226. The resolution establishes a formal policy that Federal records, books, and publications of enduring value be produced on acid free permanent papers. This is a no-cost solution because acid free paper is now widely available at the same price as acidic paper.

Let me offer an example of the consequences and expense of preserving materials printed on acidic paper. The Archivist of the United States has testified that Federal papers from the World War II period were printed on acidic paper. As the 50th anniversary of the war approaches, these papers are now becoming fragile and difficult to use. The cost of transferring the records to a more stable medium would exceed $71 million.

We can avoid future expenditures for preservation if Federal agencies use acid free paper today. That is the policy behind House Joint Resolution 226.

The substitute adopted by the Committee on Government Operations without dissent is similar to the original resolution. The preamble has been reworded and the reporting requirement has been revised so that reports will be filed every other year until 1995. I believe that all of the changes will be acceptable to the principal sponsor of a similar resolution in the other body.

Mr. McCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of House Joint Resolution 226 as amended. I would like to commend Chairman WISE and the resolution's sponsor, the gentleman from Montana [Mr. WILLIAMS], for their work in crafting this legislation.

House Joint Resolution 226 is a joint resolution which declares it the policy of the United States that all Federal records, books and publications of enduring value should be printed on acid-free permanent papers. As amended, the measure also recommends that American publishers as well as State and local governments voluntarily use acid-free papers for significant publications. It recommends that the Secretary of State make foreign governments aware of the U.S. preference for acid-free papers on documents of lasting significance. And finally, it asks the Librarian of Congress to report to the Congress on the act's progress in the years 1991, 1993 and 1995.

House Joint Resolution 226 is purely a policy statement, and contains no enforcement provisions. It is a companion bill to Senate Joint Resolution 57, which passed the Senate by voice vote in July of last year.

The need for this legislation is simple. Most of the paper we use today has been processed from wood pulp and contains a highly acidic residue. This acid causes a rapid breakdown of the paper's structure and can limit document life to 50 to 75 years. Documents printed on non-acidic papers can easily last three to five times longer.

Because recent changes in U.S. environmental laws have encouraged industry to explore new paper processing techniques, in many cases it is now more cost effective for paper processors to produce non-acidic papers than it is for them to remove acid residues from waste water. Hence, non-acidic paper production is up, and the United States is now producing more than enough alkaline paper to meet the goals established in House Joint Resolution 226.

Clearly, both the need for House Joint Resolution 226 and the means for fulfilling it exist. Today's resolution simply states our belief that given the ability, we as a Nation should seek to preserve our country's literary treasures. It is a worthy goal, and I urge the measure's passage.

Mr. WILLIAMS. Mr. Speaker, I am delighted that the House today is acting to approve House Joint Resolution 226, "Establishing a National Policy on Permanent Papers," which I had the honor to introduce on March 23, 1989. I want to thank my numerous cosponsors, the Committee on Government Operations which reported the measure favorably, the Committee on House Administration for waiving joint jurisdiction, and the numerous individuals and organizations from the library, archival, and publishing worlds that gave their support to this historic measure.

I am confident that the Senate, which has passed a similar measure (S.J. Res. 57), will accept the House language and thus avoid the need for a conference this late in the session.

This measure marks a turning point in preserving important printed work of our Nation. Section 1 states:

It is the policy of the United States that Federal records, books, and publications of enduring value be produced on acid free permanent papers." It also in Section 2 urgently recommends that: "American publishers and State and local governments use acid free permanent papers for publications of enduring value. • • •

The United States, as well as other countries, has been losing many of our basic historic, scientific, cultural and governmental records because the paper on which they were printed has deteriorated—or we have spent vast sums to preserve them by deacidification or microfilming. The root cause of the problem is the acidic process of producing printing and writing papers adopted in the mid-19th century which resulted in papers that self-destruct in a very few decades. The solution to the problem urged in the joint resolution is the substitution of alkaline papers which will last for several centuries and cost no more to produce.

The mere introduction of the joint resolutions in the House and Senate early last year attracted attention and sparked remedial action in this country and abroad among State, local, and foreign governments, and among paper producers and publishers of books and journals. The movement toward alkaline papers had already started in a small way when these resolutions were introduced little more than a year and a half ago, but there can be no doubt that they have greatly speeded up the process.

It can be fairly said that this measure will result in the preservation of priceless historic records which might otherwise be lost, and in the savings of many millions of dollars which otherwise would be spent in salvaging documents or papers or microfilming their contents.

Mr. McCANDLESS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. WISE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia [Mr. WISE] that the House suspend the rules and pass the joint resolution, House Joint Resolution 226, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1300

Mr. WISE. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations and the Committee on House Administration be discharged from further consideration of the Senate joint resolution (S.J. Res. 57) establishing a national policy on permament papers, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from West Virginia?

Mr. McCANDLESS. Mr. Speaker, reserving the right to object, I do so to yield to my colleague, the gentleman from West Virginia [Mr. WISE] to explain his request.

Mr. WISE. Mr. Speaker, I thank the gentleman from California for yielding to me.

Mr. Speaker, my purpose is simply to substitute the text and the preamble of the House joint resolution for the text and preamble of the Senate

joint resolution passed earlier by the Senate.

Mr. McCANDLESS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate joint resolution as follows:

S.J. RES. 57

Whereas it is now widely recognized and scientifically demonstrated that the acidic papers commonly used in documents, books, and other publications for more than a century are self-destructing and will continue to self destruct;

Whereas Americans are facing the prospect of continuing to lose national historical, scientific and scholarly records, including government records, faster than salvage efforts can be mounted despite the dedicated efforts of many libraries, archives, and agencies, such as the Library of Congress and the National Archives and Records Administration;

Whereas the Congress has already appropriated $50,000,000 to the National Archives and Records Administration, $32,000,000 to the Library of Congress, and $2,400,000 to the National Library of Medicine for deacidifying or microfilming books too brittle for ordinary use, and $25,000,000 to the National Endowment for the Humanities for grants to libraries and archives for such purposes;

Whereas nationwide many hundreds of millions of dollars will have to be spent by the Federal, State, and local government and private institutions to salvage the most essential books and other materials in the libraries and archives of academic and private institutions;

Whereas there is an urgent need to prevent the continuance of the acid paper problem into the indefinite future;

Whereas acid free permanent papers with a life of several hundred years already are being produced at prices competitive with acid papers;

Whereas the American Library Association Council in a resolution dated January 13, 1988, has urged publishers to use acid free permanent papers in books and other publications of enduring use and value, and other professional organizations have expressed similar opinions;

Whereas some publishers such as the National Historical Publications and Records Commission, the Library of Congress and many university presses are already publishing on acid free permanent papers, and the Office of Technololgy Assessment has estimated that only 15 to 25 percent of the books currently being published in the United States are printed on such paper;

Whereas even when books are printed on acid free permanent paper this fact is often not made known to libraries by notations in the book or by notations in standard bibliographic listings;

Whereas most Government agencies do not require the use of acid free permanant papers for appropriate Federal records and publications, and associations representing commercial publishers and book printers have thus far not recommended the use of such papers;

Whereas paper manufacturers have stated that a sufficient supply of acid free permanent papers would be produced if publishers would specify the use of such papers; and

Whereas there is currently no statistical information from public or private sources regarding the present volume of production of acid free permanent papers and the volume of production required to meet an increased demand: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. It is the policy of the United States that Federal records, books, and publications of enduring value be produced on acid free permanent papers.

SEC. 2. The Congress of the United States urgently recommends the following:

(1) Federal agencies require the use of acid free permanent papers for publications of enduring value produced by the Government Printing Office or produced by Federal grant or contract, using the specifications for such paper established by the Joint Committee on Printing.

(2) Federal agencies require the use of archival quality acid free papers for permanently valuable Federal records and confer with the National Archives and Records Administration on the requirements for paper quality.

(3) American publishers use acid free permanent papers for publications of enduring value, in voluntary compliance with the American National Standard, and note the use of such paper on books, in advertisements, in catalogs, and in standard bibliographic listings.

(4) Reliable statistics be produced by public or private institutions on the present production of acid free permanent papers and the volume of production required to meet the national policy declared in section 1.

(5) The Secretary of State make known the national policy regarding acid free permanent papers to foreign governments and appropriate international agencies since the acid paper problem is worldwide and essential foreign materials being imported by our libraries are printed on acid papers.

SEC. 3. The Librarian of Congress, the Archivist of the United States, the Director of the National Library of Medicine, and the Administrator of the National Library of Agriculture shall jointly monitor the Nation's progress in implementing the national policy declared in section 1 regarding acid free permanent papers and report annually to the Congress regarding such progress by January 1, 1991, and each succeeding year thereafter.

MOTION OFFERED BY MR. WISE

Mr. WISE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WISE moves to strike all after the resolving clause of Senate Joint Resolution 57 and to insert in lieu thereof the provisions of House Joint Resolution 226, as passed by the House.

The motion was agreed to.

MOTION OFFERED BY MR. WISE

Mr. WISE. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. WISE moves to strike the preamble of Senate Joint Resolution 57 and to insert in lieu thereof the preamble of House Joint Resolution 226, as passed by the House.

The motion was agreed to.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House joint resolution (H.J. Res. 226) was laid on the table.

GENERAL LEAVE

Mr. WISE. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days to revise and extend their remarks on House Joint Resolution 226 and Senate Joint Resolution 57, the joint resolutions just passed, and to include extraneous materials.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

CHATTAHOOCHEE NATIONAL FOREST FACILITIES

Mr. DE LA GARZA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2419) to authorize the Secretary of Agriculture to exchange certain property in the Chattahoochee National Forest for the construction of facilities in the national forest, as amended.

The Clerk read as follows:

H.R. 2419

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AUTHORITY OF SECRETARY OF AGRICULTURE TO EXCHANGE FOREST SERVICE PROPERTY FOR CONSTRUCTION OF FOREST SERVICE FACILITIES.

Subject to the provisions of this Act, the Secretary of Agriculture (in this Act referred to as the "Secretary") may convey any of the right, title, and interest of the United States in and to any of the property described in section 3(1) in exchange for the construction of the facilities described in section 3(2) or the conveyance to the Secretary of real property and construction of such facilities, as the Secretary determines appropriate.

SEC. 2. LIMITATIONS ON EXCHANGE.

(a) EXCHANGE AGREEMENT.—In conducting any exchange under section 1, the Secretary shall enter into an agreement with a non-Federal party sufficient, in the determination of the Secretary, to assure that the non-Federal party will cause to be constructed for the Federal Service the facilities described in section 3(2).

(b) EXCHANGE FOR EQUAL VALUE.—In conducting any exchange under section 1, the Secretary shall assure that the value of the property received by the Secretary is equal to the value of the property conveyed by the Secretary, as determined by the Secretary, or if they are not equal, that values are equalized by the payment of money to the non-Federal party or to the Secretary, as follows:

(1) LIMIT ON AMOUNT OF PAYMENT.—The amount of the payment may not exceed 25 percent of the total value of any property conveyed by the Secretary in the exchange. The Secretary shall, to the extent possible, minimize the amount of the payment of money involved in the exchange.

(2) DETERMINATION OF VALUE OF FACILITIES CONSTRUCTED.—The value of the facilities

constructed for the Forest Service under the exchange shall be equal to the actual costs of construction of such facilities, as determined by the Secretary to be fair and reasonable, in accordance with the specifications contained in the document referred to in section 3(2).

SEC. 3. DESCRIPTION OF PROPERTIES.

The properties referred to in this Act shall consist of the following:

(1) PROPERTY CONVEYED BY SECRETARY.—The properties conveyed by the Secretary may consist of any lands of the Forest Service within the State of Georgia that were acquired solely for administrative purposes, together with any improvements located on the lands, described in the document entitled "Chattahoochee National Forest Land Exchange—Description of Properties Conveyed", which shall be on file and available for public inspection in the Office of the Chief of the United States Forest Service of the Department of Agriculture, Washington, District of Columbia.

(2) FACILITIES CONSTRUCTED FOR FOREST SERVICE.—The facilities constructed for the National Forest Service shall consist of the facilities the location and specifications of which are described in the document entitled "Prospectus, Blairsville Ranger District Office and Facilities, Brasstown Ranger District, Chattahoochee National Forest", which shall be on file and available for public inspection in the Office of the Chief of the United States Forest Service of the Department of Agriculture, Washington, District of Columbia.

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas [Mr. DE LA GARZA].

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 2419, as amended, and move its consideration by the House.

Mr. Speaker, H.R. 2419, as amended, would authorize the Secretary of Agriculture to convey any of the right, title, and interest of the United States in certain administrative sites in the State of Georgia in exchange for the construction of a Forest Service ranger district office and visitor information center.

This bill would provide for the construction of a badly needed ranger station for the Brasstown Ranger District of the Chattahoochee National Forest, in lieu of the rental properties the Forest Service now occupies. In exchange for this facility, the Forest Service would be able to dispose of a number of administrative sites that are no longer of use and value to the government.

The Secretary, in consumating this exchange, is required to assure that the value of the property received by the Secretary is equal to the value of the property conveyed, with provision for cash equalization payments if necessary. This provision is consistent with current policy regarding Forest Service exchange authorities.

Mr. Speaker, while the committee has expressed concern in the past over certain Forest Service proposals to exchange lands for facilities, I would note that since this exchange effects administrative sites rather than forested lands, we have no objection. However, the committee intends to continue to monitor such exchanges to ensure that National Forest System lands are not used as exchange material to supplement the agency's construction and land acquisition budget.

Mr. Speaker, I commend our colleague, Mr. JENKINS, for introducing H.R. 2419 and move its adoption by the House.

Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from Georgia [Mr. JENKINS], who is the author of the legislation.

Mr. JENKINS. Mr. Speaker, I thank the gentleman for yielding time to me, and I would like to thank the distinguished chairman of the committee, Mr. DE LA GARZA and the subcommittee chairman, the distinguished gentleman from Missouri, for their outstanding work on this bill.

Mr. Speaker, this measure will provide a much-needed permanent district office in the Brasstown Ranger District, which I represent. Since the early 1950's, the ranger office has been located in various rental properties in the town of Blairsville. The Forest Service needs a visible and accessible permanent ranger office to serve as an Information Station and Visitor Center for the three hundred thousand annual visitors seeking recreational opportunities in this section of the Chattahoochee National Forest. Additionally, a permanent ranger office would be designed to meet the additional space requirements of the district range staff, who are responsible for managing and protecting the more than 108,000 acres.

The Forest Service already owns a tract of land which is ideal for this new ranger office. The tract is located near Blairsville on the recently completed Appalachian Highway, Georgia 5, which is the major access route from the population center of metropolitan Atlanta into this portion of the Chattahoochee National Forest. The location of a new office adjacent to this major highway would make the Forest Service more visible and accessible to the public and meet the need for additional space.

Six improved lots and two vacant lots will be traded for the construction of the new ranger office. These tracts were acquired in the 1950's and 1960's to serve as rental accommodations for Forest Service personnel who were frequently transferred. Today, these employees generally buy their own homes, and these rental properties are no longer needed.

These properties will be exchanged on a value-for-value basis for a new district ranger office. In essence, this measure would mke it possible to develop a much needed new ranger office facility while disposing of federally owned residential property, incurring no cost to the Federal Government. A prospectus prepared for the United States Forest Service shows the exchange to be economically feasible.

Mr. Speaker, this bill is supported by the local Forest Service, who asked me to introduce the measure, by the chairman of the Union County Commission where the new ranger office will be located, and by the Office of Management and Budget which has responsibility for the disposition of surplus property.

I again wish to express my thanks to chairman DE LA GARZA and chairman VOLKMER for their support and urge members to support it.

Mr. DE LA GARZA. Mr. Speaker, I reserve the balance of my time.

Mr. RHODES. Mr. Speaker, I yield such time as he may consume to the gentleman from Washington, [Mr. MORRISON].

Mr. MORRISON of Washington. I thank the gentleman for yielding.

Mr. Speaker, I will use only a few seconds just to say that this measure has been worked out locally, and I commend the gentleman who has just spoken to us because of his leadership in this area.

The measure was heard by our subcommittee for passage. It is appropriate that this measure be brought to the floor and passed.

Mr. RHODES. Mr. Speaker, I yield back the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas [Mr. DE LA GARZA] that the House suspend the rules and pass the bill, H.R. 2419, as amended.

The question was taken and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CRANBERRY WILDERNESS BOUNDARY

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1576) to modify the boundary of the Cranberry Wilderness, located in

the Monogahela National Forest, WV, as amended.

The Clerk read as follows:

H.R. 1576

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. BOUNDARY MODIFICATION.

The boundary of the Cranberry Wilderness located within the Monogahela National Forest, West Virginia, is modified as depicted on a map entitled "Cranberry Wilderness Area Revised" dated October 1987, on file in the Office of the Chief, Forest Service, United States Department of Agriculture, Washington, District of Columbia.

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield 10 minutes of the time on behalf of the Committee on Interior and Insular Affairs to the chairman of the Committee on Agriculture, the gentleman from Texas [Mr. DE LA GARZA].

The SPEAKER pro tempore. Without objection, the gentleman from Minnesota [Mr. VENTO] will be recognized for 10 minutes, the gentleman from Texas [Mr. DE LA GARZA] will be recognized for 10 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 10 minutes.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 1576, sponsored by my colleague from West Virginia, Mr. STAGGERS, would modify the boundary of the Cranberry Wilderness in West Virginia to allow the construction of an acid neutralization station on the north fork of the Cranberry River. Approximately 5 acres would be taken out of the wilderness for the station. The station would facilitate the restoration of a trout fishery in the Cranberry River.

The bill would add 5 acres of land to the Cranberry Wilderness to replace the acreage taken out. It also would require that the acid neutralization station be constructed in such a way as to minimize its impact on the wilderness and to conform to the landscape.

Furthermore, the bill would give study river protections to those portions of the north fork of the Cherry River, the Gauley River and the Cranberry River that flow within the Monongahela National Forest. This corrects an oversight in the West Virginia River Act of 1988. One hundred miles of river would receive interim protection.

These provisions were added by an amendment of Congressman RAHALL during Interior Committee action.

The bill has bipartisan support and I urge my colleagues to support this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. RHODES. Mr. Speaker, I yield 10 minutes of my time to the gentleman from Washington [Mr. MORRISON], on behalf of the Committee on Agriculture.

The SPEAKER pro tempore. Without objection, the gentleman from Arizona [Mr. RHODES] will be recognized for 10 minutes, and the gentleman from Washington [Mr. MORRISON] will be recognized for 10 minutes.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1576 introduced by Mr. STAGGERS of West Virginia and ably shepherded through the Interior Committee by Mr. RAHALL.

This legislation proposes a minor boundary adjustment to West Virginia's Cranberry Wilderness on the Monongahela National Forest to allow construction of a fish enhancement project on a site currently within the existing wilderness boundary.

In exchange for the 5 acres taken out of the wilderness boundary for the fish enhancement project, an equal acreage of national forest acreage outside the current wilderness boundary will be added to the Cranberry Wilderness. This will result in a no net loss of wilderness.

H.R. 1576 also corrects an oversight in the West Virginia wild rivers bill from the last Congress by giving river study protection to segments of the Cranberry, Gauley and north Cherry Rivers within the Monongahela National Forest. This provision essentially prevents development of these rivers for 3 years when the Forest Service will have completed its study of these river segments for their suitability as potential additions to the wild and scenic rivers system.

I urge my colleagues to support H.R. 1576.

Mr. Speaker, I reserve the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 1576, as amended, and urge its adoption by the House.

H.R. 1576, introduced by our colleague Mr. STAGGERS, would modify the boundary of the Cranberry Wilderness located in the Monogahela National Forest in West Virginia. The bill was introduced on March 22, 1989, and jointly referred to the Committee on Agriculture and the Committee on Interior and Insulars Affairs.

Mr. Speaker, H.R. 1576 was amended by the Committee on Agriculture to permit the deletion of a tract of 5 acres from the existing wilderness area and to offset this by the addition of another 5-acre tract elsewhere in the wilderness. This adjustment will allow the State of West Virginia to construct a facility to treat the Cranberry River to reduce its acidity and thus promote a year-round trout population in the river.

The bill also provides interim wild and scenic river protection for parts of the Cranberry, Gauley, and North Fork of the Cherry River, through their designation for study in accordance with the Wild and Scenic Rivers Act.

Mr. Speaker, I urge our House colleagues to support H.R. 1576, as amended.

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Mr. Speaker, I yield back the balance of my time.

Mr. MORRISON of Washington, Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, anytime we discuss the subject of removing land from a wilderness area, we immediately attract a lot of attention. In this particular case, though, as the Members will notice, with the two committees working together to see that this is accomplished, the rough edges have been taken off. The gentleman from West Virginia [Mr. STAGGERS] has done an excellent job. This is appropriate for the sake of preserving this particular area.

So we do send this to the full House with the recommendation that Members support the gentleman from West Virginia [Mr. STAGGERS] in this effort to modify the boundaries of the Cranberry Wilderness Area.

Mr. RAHALL. Mr. Speaker, the purpose of H.R. 1576 is to modify the boundary of the Cranberry Wilderness Area in order to accommodate the West Virginia Division of Natural Resources' proposed acid neutralization treatment station on the north fork of the Cranber-

ry River in an effort to restore the river's fishery.

When Congress passed legislation to designate the Cranberry Wilderness Area in 1982, it appears we unintentionally precluded the construction of this project. In fact, the West Virginia Department of Natural Resources began drawing up plans for the facility during the late 1970's because, as it noted back then, the Cranberry, one of the finest trout fishing streams in the State, was becoming so acidic that trout could only survive for a few months each year.

This pending legislation, introduced by my colleague from West Virginia, HARLEY STAGGERS, was reported by the Interior Committee with an amendment in the nature of a substitute that I offered during consideration of the bill by the Subcommittee on National Parks and Public Lands. It is my understanding that the Agriculture Committee subsequently reported identical bill language.

The bill before us today incorporates the agreement that has been reached between the West Virginia Division of Natural Resources, interested parties from the environmental community, Representative STAGGERS and myself on the scope of the Cranberry Wilderness boundary modification and the type of project that may be built. Under the pending legislation, 4.85 acres of land in the vicinity of the confluence of the north fork and the main stem of the Cranberry River would be withdrawn from wilderness in order to support the construction of the acid neutralization project. However, this same amount of acreage would be added to the wilderness area's southern boundary. As such, there will be no net loss of designated wilderness area.

It should be noted that the bill would also impose a number of protective stipulations on the project so as to ensure that it is compatible with the surrounding environment. For example, we are envisioning a project that would be built primarily of wood so that it will blend into the immediate surroundings. Further, this legislation was considered with our understanding that the environmental asessment and decision notice will be modified to provide measures for the mitigation of noise, vehicle traffic, and visual impacts of the project. Finally, it is also our understanding that a permit for this project would have to be issued by the State Water Resources Division as the Cranberry and its headwaters are protected under the West Virginia Natural Streams Preservation System.

One aspect of the pending legislation initiated by this gentleman from West Virginia is its provision to extend the protections afforded to study rivers under the Wild and Scenic Rivers Act to the following river segments located within the exterior boundaries of the Monongahela National Forest. The 33-mile segment of the Cranberry River from its headwaters to its confluence with the Gauley; the 52-mile segment of the Gauley River from its headwater to its confluence with the Cherry; and, the entire 15.6 miles of the north fork of the Cherry River. These protections would be in place until December 31, 1993. However, it must be stressed that the legislation clearly states that the protections afforded to study rivers shall not prohibit the construction, maintenance and use of the proposed acid neutralization treatment station on the north fork of the Cranberry River.

The 33-mile segment of the Cranberry River from its source on the south fork downstream to its confluence with the Gauley River has already been determined to be eligible under the National Wild and Scenic Rivers System under a study conducted pursuant to section 5(a)(74) of the Wild and Scenic Rivers Act. The segment of the Gauley River that lies within the exterior boundaries of the Monongahela National Forest was also part of this study and a portion of the segment was found to be eligible as well. In part, the legislation simply serves to reapply the 3-year study river protections—which expired in 1988—afforded under the Wild and Scenic Rivers Act to these segments.

It should be noted that a coalition of organizations—including Trout Unlimited, the Sierra Club, and American Rivers—has recommended that the Forest Service conduct suitability studies on 12 segments involving about 260 miles of river within the Monongahela National Forest. I not only endorse this proposal but it is my intention, at the appropriate time, to pursue wild and scenic river designations within the forest. The study river protections provided by H.R. 1576 for the Cranberry, north fork of the Cherry and the Gauley should serve as a clear signal of this intention.

Mr. STAGGERS. Mr. Speaker, I rise in support of H.R. 1576, to modify the boundary of the Cranberry Wilderness, allowing for the construction of an acid neutralization station on the north fork of the Cranberry River.

We treasure our natural resources in West Virginia, and the Cranberry Wilderness area is one of our proudest. The legislation that I offer for your consideration today is intended to make sure that it stays that way.

The Cranberry River used to be one of the finest trout streams in West Virginia. However, the river has become more and more acidic in recent years, to the point where trout can live only a few months of the year. Because the segment of the river where the acid neutralization station needs to be built falls within the Cranberry Wilderness Area, it is necessary to modify the boundary to prevent violation of the Wilderness Act.

While a wilderness area boundary modification is not something that we should ever take lightly, the cause at hand and the means of restoring the life of the river weigh heavily in favor of doing so. The use of crushed limestone as an acid neutralization process has proved very effective in other areas, and the stations are constructed so that they blend with the natural surroundings. And I believe the value of restoring the Cranberry River to its former status as one of our best trout streams is understood by everyone.

The bill removes 5 acres of land from the Cranberry Wilderness where the station needs to be built, and it adds 5 acres of national forest land to the Cranberry Wilderness, so there is no net loss to the wilderness area. And while I want to reiterate that the necessity of this boundary modification has been demonstrated to the satisfaction of every one involved, I want to state in the strongest possible terms that this is not intended to serve as a precedent for any future boundary modification. Our action today stands on its own merits.

I want to thank my colleagues on the Interior and Agriculture Committee for their help and cooperation in crafting this legislation, and I want to thank the West Virginia Department of Natural Resources and the West Virginia Sierra Club for their work in making this legislation a reality.

Mr. MORRISON of Washington. Mr. Speaker, I yield back the balance of my time.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 1576, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

MAINE WILDERNESS ACT OF 1990

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 2205) to designate certain lands in the State of Maine as wilderness.

The Clerk read as follows:

S. 2205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Maine Wilderness Act of 1990".

SEC. 2. DESIGNATION OF WILDERNESS AREAS.

In furtherance of the purposes of the Wilderness Act (16 U.S.C. 1131-1136), certain land in the White Mountain National Forest, in the State of Maine—

(1) which comprise approximately twelve thousand acres, as generally depicted on a map entitled "Caribou-Speckled Mountain Wilderness—Proposed", dated January 1987; and

(2) which shall be known as the Caribou-Speckled Mountain Wilderness,

are hereby designated wilderness, and, therefore, as components of the National Wilderness Preservation System.

SEC. 3. MAPS AND DESCRIPTIONS.

As soon as practicable after enactment of this Act, the Secretary of Agriculture shall file a map and a legal description of the wilderness area designated by this Act with the Committee on Interior and Insular Affairs and the Committee on Agriculture of the United States House of Representatives and with the Committee on Agriculture, Nutrition and Forestry of the United States Senate. The map and description shall have the same force and effect as if included in this Act, except that correction of clerical and typographical errors in such map and description may be made by the Secretary. The map and description shall be on file and available for public inspection in the

Office of the Chief of the Forest Service, Department of Agriculture.

SEC. 4. ADMINISTRATION OF WILDERNESS.

Subject to valid existing rights, the wilderness area designated by this Act shall be administered by the Secretary of Agriculture in accordance with the provisions of the Wilderness Act governing areas designated by that Act as wilderness, except that any reference in such provisions to the effective date of the Wilderness Act shall be deemed to be a reference to the date of enactment of this Act.

SEC. 5. WILDERNESS REVIEW CONCERNS.

(a) FINDINGS.—The Congress finds that—

(1) the Department of Agriculture has completed the second roadless area review and evaluation program (RARE II); and

(2) the Congress has made its own review and examination of National Forest System roadless areas in the Maine section of the White Mountain National Forest and of the environmental impacts associated with alternative allocations of such areas.

(b) DETERMINATION.—On the basis of such review, the Congress hereby determines and directs that—

(1) without passing on the question of the legal and factual sufficiency of the RARE II final environmental statement (dated January 1979) with respect to National Forest System lands in the State of Maine; such statement shall not be subject to judicial review with respect to National Forest System lands in the State of Maine;

(2) with respect to the National Forest System lands in the State of Maine which were reviewed by the Department of Agriculture in the second roadless area review and evaluation (RARE II) and those lands referred to in subsection (d), that review and evaluation or reference shall be deemed for the purposes of the initial land management plans required for such lands by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, to be an adequate consideration of the suitability of such lands for inclusion in the National Wilderness Preservation System and the Department of Agriculture shall not be required to review the wilderness option prior to the revisions of the plans, but shall review the wilderness option when the plans are revised, which revisions will ordinarily occur on a ten-year cycle, or at least every fifteen years, unless, prior to such time, the Secretary of Agriculture finds that conditions in a unit have significantly changed;

(3) areas in the State of Maine reviewed in such final environmental statement or referenced in subsection (d) and not designated wilderness upon enactment of this Act shall be managed for multiple use in accordance with land management plans pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976: *Provided*, That such areas need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of the initial land management plans;

(4) in the event that revised land management plans in the State of Maine are implemented pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law, areas not recommended for wilderness designation need not be managed for the purpose of protecting their suitability for wilderness designation prior to or during revision of such plans, and areas recommended for wilderness designation shall be managed for the purpose of protecing their suitability for wilderness designation as may be required by the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, and other applicable law; and

(5) unless expressly authorized by Congress, the Department of Agriculture shall not conduct any further statewide roadless area review and evaluation of National Forest System lands in the State of Maine for the purpose of determining their suitability for inclusion in the National Wilderness Preservation System.

(c) REVISION.—As used in this section, and as provided in section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, as amended by the National Forest Management Act of 1976, the term "revisions" shall not include an "amendment" to a plan.

(d) APPLICATION OF SECTION.—The provisions of this section shall also apply to National Forest System roadless lands in the State of Maine which are less than 5,000 acres in size.

SEC. 6. PROHIBITION ON BUFFER ZONES.

Congress does not intend that the designation of a wilderness area in the State of Maine lead to the creation of protective perimenters or buffer zones around the wilderness area. The fact that nonwilderness activities or uses can be seen or heard from within the wilderness area shall not, of itself, preclude such activities or uses up to the boundary of the wilderness area.

SEC. 7. CONTROL OF FIRE, INSECTS, AND DISEASES.

As provided in section 4(d)(1) of the Wilderness Act, such measures may be taken within wilderness areas designated by this Act as may be necessary in the control of fire, insects and diseases, subject to applicable laws and such additional reasonable conditions as the Secretary deems desirable.

SEC. 8. STATE FISH AND WILDLIFE AUTHORITY.

As provided in section 4(d)(7) of the Wilderness Act, nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Maine with respect to wildlife and fish in the National forests in Maine.

The SPEAKER pro tempore. Under the rule, a second is not required on this motion.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I ask unanimous consent that I may be allowed to yield 10 minutes of my time to be controlled by the gentleman from Texas [Mr. de la GARZA], the chairman of the Committee on Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the Senate bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 2205, the Maine Wilderness Act, would designate 12,000 acres of the White Mountain National Forest as the Caribou Speckled Mountain Wilderness. Currently, the State of Main has only one designated wilderness area, the 7,000-acre Moosehorn Wilderness in the Moosehorn National Wildlife Refuge. The Caribou-Speckled Mountain Wilderness would include Rocky Peaks with panoramic views of surrounding valleys, waterfalls, and many species of wildlife, including ruffed grouse, snowshoe hare, white-tailed deer, black bear, and moose. Brook trout are found in the lower reaches of many streams. This is a bipartisan bill, supported by all Members of Maine's congressional delegation and the administration.

I urge my colleagues to support this bill.

Mr. RHODES. Mr. Speaker, I ask unanimous consent that I may be allowed to yield 10 minutes of my time to be controlled by the gentleman from Washington [Mr. MORRISON] on behalf of the Committee on Agriculture.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation will designate 12,000 acres of forest in the White Mountain National Forest as the National Wilderness Preservation System. The proposed wilderness area will include Caribou and Speckled Mountains.

In response to concerns from forest product users and environmentalists, the Forest Service, the Maine delegation, and an ad hoc committee developed H.R. 4145 as a compromise proposal. Selective timber harvesting would be permitted in the remaining 4,000 acres of the White Mountain National Forest where such harvesting is currently prohibited.

The ad hoc committee members consisted of representatives of the wood products industry, environmental groups, multiple use proponents, and State and local officials.

The entire Maine congressional delegation supports this legislation and a companion bill, S. 2205, which was introduced by Senator MITCHELL and cosponsored by Senator COHEN.

This bill stands as a tribute of leadership to the gentlewoman OLYMPIA SNOWE from Maine.

Mr. Speaker, I reserve the balance of my time.

Mr. DE LA GARZA. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of S. 2205, the Maine Wilderness Act of 1990, and urge its adoption by the House.

S. 2205, which was introduced by the distinguished majority leader of the Senate, Mr. MITCHELL, would designate approximately 12,000 acres of land in the White Mountain National Forest in the State of Maine for inclusion in the National Wilderness Preservation System. The area, which is to be designated as the Caribou-Speckled Mountain Wilderness, is consistent with the recommendations of the U.S. Forest Service and the administration, which supports this bill.

The lands to be included in this wilderness area are diverse and unique both in their topographical and biological features. In addition, the area offers outstanding opportunities for solitude and wild recreational experiences. As such, this area is appropriate for wilderness, which will assure its protection for the benefit of future generations.

I should also note, Mr. Speaker, that S. 2205 includes the standard sufficiency and release language that has been associated with wilderness bills since 1984. This language will provide for the release and subsequent multiple use management of lands that are currently roadless and were subject to study for possible wilderness designation as a part of the Forest Service's land management planning efforts. Approximately 4,000 acres, not designated as wilderness by this bill, are affected.

Mr. Speaker, I want to commend my colleagues in the Senate, Mr. MITCHELL and Mr. COHEN, for their leadership in developing this legislation. They, along with their House colleagues, Ms. SNOWE and Mr. BRENNAN, have worked together to fashion a compromise that will benefit the residents of Maine and others who visit the White Mountain National Forest for many years to come.

I want also to commend the chairman of the Agriculture Subcommittee on Forests, Family Farms, and Energy, Mr. VOLKMER, and the chairman of the Public Lands Subcommittee of the Committee on Interior and Insular Affairs, Mr. VENTO, for moving this legislation forward.

Mr. Speaker, I urge the House to support S. 2205.

Mr. Speaker, I yield back the balance of my time.

Mr. MORRISON of Washington. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Agriculture Committee is pleased to join in the processing of this particular measure. We pay particular credit to the gentlewoman from Maine [Ms. SNOWE], who introduced the House version, but as indicated by other speakers, it is supported by the entire Maine delegation.

We add this 12,000 acres to the State of Maine in wilderness designation. They currently have a 7,000-acre wilderness designation, so this is a significant expansion for them. This meets all the criteria that both committees have established for this sort of designation.

So, Mr. Speaker, we congratulate the folks in the State of Maine, and I am pleased to support this measure adding this acreage to the wilderness area of the State of Maine.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would echo the sentiments of the gentleman from Washington [Mr. MORRISON] in paying tribute to this work of the gentlewoman from Maine [Ms. SNOWE] for crafting this compromise and bringing it before us here today. Unfortunately, she has been delayed on her return from Maine, but I know she would join us in requesting unanimous support for this measure in the House.

With that, Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I know that the entire Maine delegation, led by the majority leader of the Senate and by the gentlewoman from Maine [Ms. SNOWE] and the gentleman from Maine [Mr. BRENNAN] on the House side, supported this effort, and we appreciate their good work in bringing this measure before us.

Mr. BRENNAN. Mr. Speaker, I rise today to express my full support for S. 2205, the Maine Wilderness Act of 1990, a bill which will protect forever 12,000 acres of pristine Maine forestland.

I would like to thank Chairman VENTO for his help and support, as well as all the members of the Interior and Agriculture Committees for their efforts in bringing this bill to the floor.

The Maine Wilderness Act is the product of years of deliberation and study.

It is the final result of an ongoing process that began in 1983, when I was Governor of Maine.

I am proud to be here today, and to join with my colleague Congresswoman SNOWE in urging you to support S. 2205.

Caribou-Speckled Mountain is part of the White Mountain National Forest, and is one of the last potential wilderness areas in the State of Maine.

The U.S. Forest Service recommended wilderness designation for the area in 1985.

The Maine congressional delegation then created an ad hoc committee, representing all concerned parties, including the forest products industry, environmental groups, and State and local government, to develop a consensus use plan for the region.

The ad hoc committee recommended a wilderness designation, and a public hearing on the committee's decision was held in Bethel, ME, in 1988.

This legislation demonstrates Maine's commitment to protecting its valued timber resources.

While the bill sets aside 12,000 acres for wilderness, to be untouched by the hand of man, 4,000 adjoining acres will be released for mixed uses, including some logging.

This compromise, fully supported by both industry and environmental advocates, as well as all four Members of the Maine congressional delegation, promises both environmental protection, and continuing access to public timber.

Caribou-Speckled Mountain is one of the most scenic areas in the State of Maine—a State justifiably famous for its natural beauty, and scenic landscapes.

The Maine Wilderness Act will keep this pristine area untouched, so that future generations may truly appreciate the gift that is Maine's natural heritage.

I ask your support for this carefully drafted, conservation-minded bill.

Ms. SNOWE. Mr. Speaker, I am very happy to rise today in support of S. 2205, the Maine Wilderness Act of 1990. This legislation will designate 12,000 acres of pristine forest in the White Mountain National Forest as part of the National Wilderness Preservation System.

The proposed wilderness area will include Caribou and Speckled Mountains and is one of the most scenic and breathtaking locations in the State of Maine. I urge my colleagues to join me in support of final passage of S. 2205.

First, I would like to thank Subcommittee Chairman VENTO and ranking minority member MARLENEE as well as Committee Chairman UDALL and ranking minority member YOUNG. I also owe my appreciation to Subcommittee Chairman VOLKMER and ranking minority member MORRISON as well as Chairman DE LA GARZA and ranking minority member MADIGAN of the Agriculture Committee. Their leadership, and the assistance of the committee members and the committee staffs, was truly gratifying.

This legislation has the backing of the entire Maine delegation. We did not arrive at this introduction lightly. Several years of thorough review and study by the people of Maine, as well as the U.S. Forest Service, preceded this legislation.

Currently, there are no federally designated national forest wilderness areas in Maine—notwithstanding the fact that over 90 percent of the State is forested. Only Baxter State Park and the Moosehorn National Wildlife Refuge have preserved large tracts of land in a natural state. Forty-five thousand acres of the White Mountain National Forest are located in Maine and the 16,000 acres in the Caribou-Speckled Mountain area represent the only Federal land currently eligible for wilderness designation.

Possible creation of a Caribou-Speckled Mountain wilderness area first surfaced in Congress back in 1983. At that time, portions of the White Mountain National Forest in Maine were included in a bill to create wilderness areas in the New Hampshire portion of

the forest. However, no hearings had been conducted on the Maine lands proposal.

Since there had been no opportunity to evaluate the impact of the proposal on our State, I asked that the Maine lands be removed from the New Hampshire bill so that an evaluation by the people most affected could proceed.

From that point, the Maine congressional delegation began a comprehensive review of the land, the needs and interests of Maine people, and the options that might exist. We asked the Forest Service to study the Caribou-Speckled area and provide a list of management options.

After a study, the Forest Service recommended that 12,000 of the 16,000 acre Caribou-Speckled Mountain area be designated as wilderness. The remaining 4,000 acres would be available for timber harvesting.

This Forest Service decision was based upon extensive review of the area's recreational and commercial values. Of particular note in the study was the increased demand for wilderness-related recreational experiences on public land. The Caribou-Speckled Mountain area is particularly popular with hikers and campers who visit the White Mountain National Forest in Maine. It represents one of the last, large undeveloped tracts in that area of Maine.

According to the Forest Service study, approximately 4,000 acres of the area is suitable for commercial timber harvesting. Most of the significant timber harvest areas will be released under H.R. 4145. The Forest Service concluded that "eliminating timber harvesting from the 12,000 acre area would have no discernible effect on local wood-using industries."

As part of our efforts to include the widest possible range of viewpoints, the congressional delegation appointed an ad hoc committee to study the Forest Service proposal. This committee was composed of representatives from environmental and conservation groups, landowners, lumber mill owners, and State and local officals.

On December 20, 1984, in its final of four meetings, the ad hoc committee endorsed, by a 9-to-2 vote, a compromise proposal that would designate 12,000 acres as permanent wilderness. Selective timber harvesting would be permitted in the remaining 4,000 acres of the White Mountain National Forest where such harvesting is currently prohibited.

On November 14, 1987, the Maine delegation held an open hearing in Bethel, ME, on the 12,000 acre wilderness proposal. During this hearing, concerned citizens were able to express their views and have their questions answered regarding the wilderness proposal. Every effort has been made to address the concerns raised during, and subsequent to, the hearing. This wilderness legislation represents an optimal compromise of these interested parties.

It is important to stress the fact that the Forest Service has held 16,000 acres of the White Mountain National Forest under a de facto wilderness status. There have been no timber sales in this area in over 20 years and the majority of the Caribou-Speckled Mountain area has not been cut in over 50 years. Enactment of S. 2205 would actually release 4,000 acres of timber for harvesting that is currently prohibited under existing management procedures.

In S. 2205 we have attempted, and I believe succeeded in, accommodating local concerns. In fact, the Maine delegation has made every effort to balance the needs of the wood product industry and multiple use proponents with the environmental concerns that some land be protected for future enjoyment.

Mr. Speaker, I am proud of Maine's reputation as a leader in protecting its precious environment. The Maine Wilderness Act of 1990 reiterates our commitment to preserve portions of this environment for the enjoyment of future generations. I ask my colleagues to support the Maine Wilderness Act.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 2205.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

EXPANDING BOUNDARIES OF SAN ANTONIO MISSIONS NATIONAL HISTORIC PARK

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4811) to expand the boundaries of the San Antonio Missions National Historical Park, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4811

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. EXPANSION OF SAN ANTONIO MISSIONS NATIONAL HISTORICAL PARK.

(a) EXPANSION.—Section 201(a) of the act entitled "An Act to amend the Pennsylvania Avenue Development Corporation Act of 1972; to provide for the establishment of the San Antonio National Historical Park; and other purposes" (16 U.S.C. 410ee(a)) is amended by inserting after the first sentence the following: "The park shall also consist of the lands and interests therein within the area bounded by the line depicted as 'Proposed Boundary Extension' on the maps entitled 'San Antonio Missions National Historical Park', numbered 472-80,075, 472-80,076, 472-80,077, 472-80,078, 472-80,079, 472-80,080, and 472-80,081 and dated June 7, 1990, which shall be on file and available for public inspection in the same manner as is such drawing.".

(b) DEVELOPMENT OF ESSENTIAL PUBLIC FACILITIES.—Section 201(f)(2) of such act is amended by striking "not more than $500,000." and inserting "not more than $15,000,000.".

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the measure presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in 2 years we will celebrate the 500th anniversary of Columbus' landing in the new world. Part of that celebration is the increased recognition of our Hispanic Heritage. Part of that heritage is found in the San Antonio Missions, four missions once on the Texas frontier and now located in the center of San Antonio.

H.R. 4811, introduced by our colleague ALBERT BUSTAMANTE, expands the boundaries of the San Antonio Missions National Historical Park. This park preserves and interprets those four missions. H.R. 4811 also makes various adjustments in the boundary so that a visitor center can be constructed in time for the quincentennial in 1992. This legislation comes after a decade of the park's existence, and will provide greater protection for the park's resources.

The committee adopted an amendment that changes the dates of the map references and changes to authorization for the development ceiling to "not to exceed $15,000,000." The development ceiling is based on the park's development program and construction of a visitor center in time for the quincentennial.

Mr. Speaker, I endorse H.R. 4811 and urge its passage.

□ 1320

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume. I rise in support of this legislation to expand San Antonio Missions National Historical Park. This measure is based on a boundary study recently completed by the National Park Service and is supported by the administration.

The bill would add lands which include resources integral to the purposes for which the area was established. For example, the bill would include the San Juan Labores fields which were recently discovered during

archeological investigations. Also to be added are lands which would facilitate management of the area by consolidating park boundaries. These types of boundary changes can be clearly justified.

At the same time, the bill provides for the National Park Service to acquire every single linear foot of known irrigation ditches which are associated with these missions and the ruins of a ranch 25 miles from the park which is already protected in State ownership. Acquisitions such as these are questionable. Overall, the bill provides for a 300-percent increase in the amount of park land owned in fee simple by the Federal Government. Additionally, the bill provides a 30-fold increase in the park development ceiling.

This bill reflects a fundamental change in the management of this area from one where the Federal Government manages the area in partnership with other levels of government, to one in which the Federal Government assumes the lead in both management and fiscal obligations. The wisdom of this course of action in a time of shrinking Federal dollars is questionable.

Due to the important resource values of certain lands to be acquired I will support this bill and encourage my colleagues to join me.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. DE LA GARZA], the distinguished chairman of the Committee on Agriculture and cosponsor of this legislation who represents part of the area in which this historical park is located.

Mr. DE LA GARZA. Mr. Speaker, I thank the gentleman from Minnesota [Mr. VENTO] for yielding to me at this point.

Mr. Speaker, very briefly, I just wanted to mention that the distinguished chairman of the subcommittee mentioned that we will celebrate Hispanic Heritage Month between now, mid-September, and mid-October. What we are doing here is part of the heritage and culture and basic contribution of those that came initially from Spain, and then the settlers that came up through Mexico with eventually the mixing of the blood.

At one point in time when these missions were first established, as those of New Mexico and California, this was not a part of the United States of America, but basically it was either New Spain, or subsequently, Mexico.

Then, through an accident of history, north of the Rio Grande and extending to the Pacific, those lands became part of the United States of America. So I think it is indeed well that we incorporate into our national patrimony now some of that contribution of the original Spaniards and the mixture thereof that eventually became the Hispanic.

Mr. Speaker, this is adjacent to and a segment of it will be in my congressional district. I think it is very appropriate that especially at this point in time, during Hispanic Heritage Month, that this legislation be approved here in the House and that we look back to the contributions of all who make the mosaic of what the American people are all about. But as far as we are concerned, the contributions from all who have come to this country have been legend.

Mr. Speaker, I think the preservation of what they left us is very important. This is one of those areas that was left to us basically by the Hispanic mixture as it first came from the Spanish and then all of the mixtures thereof.

I thank the gentleman from Minnesota [Mr. VENTO] and commend him for working with the gentleman from Texas [Mr. BUSTAMANTE] and the rest of the Texas delegation to see that these lands enhance the territory where the missions are so that it may be part of our national heritage.

Mr. RHODES. Mr. Speaker, I yield such time as he may consume to the gentleman from Texas [Mr. SMITH].

Mr. SMITH of Texas. Mr. Speaker, I cannot overemphasize how invaluable the San Antonio Missions are as a part of our national historical and cultural heritage.

The San Antonio Missions are the most complete concentration of Spanish colonial structures in North America. They deserve to be preserved for all to enjoy.

For the legacy of the missions to continue, the national park containing them needs additional support.

The passage of H.R. 4811 will enable the park to protect additional archaeologically sensitive lands around the missions and develop the Park to its full tourist potential.

The San Antonio Missions National Historical Park is the 10th most popular visitor attraction in the State of Texas. However, without additional money for restoration the Park is in danger. There are eight diverse and significant cultural treasures within the park: Missions San Jose, Conception, Espada, and San Juan; the Espada Dam; the Aqueduct; and the San Juan and Espada Acequias.

Over 550,000 tourists visit the Park each year. They have contributed over $250 million in tourist dollars to the economy of San Antonio in the last 5 years. But, most of these dollars have not been spent in the surrounding economically depressed area due to the lack of adequate tourist facilities.

With adequate funding the park could develop to its full potential and tourists would stay and spend their money in the mission district. The full developed tourism industry within the expanded park would provide the area with much needed employment opportunities.

Please join me in voting for H.R. 4811. "Put a mission in your life."

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I just wanted to comment, it was indeed gratifying to have the support and voice of the gentleman from Texas [Mr. DE LA GARZA] added in recognition of this bill, not only as a sponsor, but as someone that shares hundreds of years of special heritage in his State and in America.

I do not know if Members of the House or the general public are aware of the distinguished role of the DE LA GARZA family in this Nation. When the noted novelist that wrote "Texas," Mr. Michener, was in the process of researching that acclaimed text, he actually interviewed our distinguished colleague, the gentleman from Texas [Mr. DE LA GARZA], for that purpose.

I think that Members ought to recognize we have represented in the House Members who themselves represent not just the State of Texas, very well and their constituencies, but also represent something very special in terms of our national heritage. Certainly the gentleman from Texas [Mr. DE LA GARZA] is a wonderful illustration of that fact. So I am very proud of his support and interest, and the endorsement of the San Antonio Mission National Park Service expansion proposal before the House.

Mr. BUSTAMANTE. Mr. Speaker, I would like to thank Chairman BRUCE VENTO and his staff of the Subcommittee on National Parks and Public Lands for the exemplary work they have done in bringing H.R. 4811 to the floor. Let me also express the gratitude of the city of San Antonio, the San Antonio River Authority, Bexar County, the Archdiocese of San Antonio, and Los Compadres of San Antonio Missions for the committee's fine work on this bill.

And let me thank my colleagues Chairman E (KIKA) DE LA GARZA and Congressman LAMAR SMITH for their support as original cosponsors of H.R. 4811. Their support has been invaluable in moving this legislation along.

Chairman BRUCE VENTO has guided this and many other bills like it carefully and quickly through the committee process. In so doing, he performs a great service to the country. Today, this body will help him in his mission to keep our National Park system strong by bringing some unprotected and valuable historic resources under the stewardship of the Federal Government.

H.R. 4811 is a simple, uncontroversial piece of legislation. As amended, the bill would do two things: First, expand the boundary of the San Antonio Missions National Historical Park to protect critical historic resources; and second, raise the legislative ceiling on development of the park from $500,000—set with the establishment of the park in 1978—to $15 million.

The first part of the bill results from a boundary study done by the National Park Service [NPS], with extensive local participation, to determine the extent of protection needed for the lands already within this complex park and also to determine how much additional land should appropriately be brought under the aegis of the National Park Service.

The NPS has received universal acclaim from the citizens of San Antonio, historic preservation groups, and all local authorities for its boundary study work. Their recommendations, embodied in H.R. 4811, should be adopted immediately.

The second part of the bill is needed for any substantial development to take place at the San Antonio Missions. To date, only $200,000 has been appropriated for development of essential public facilities at the park. The park has no visitors' center, and all public facilities there are woefully inadequate.

The private sector, the citizens of San Antonio, and all governmental entities in the area have been doing their part to protect, preserve, and promote the missions. It is now time for the Federal Government to do its part. We must raise the development ceiling on this park to the very reasonable level of $15 million, a sum which was worked out by the committee and the National Park Service. This should allow for all development needs of the Missions Parks for the forseeable future.

I thank the committee again for allowing me to submit these brief remarks. Finally, I strongly urge my colleagues in the House to support the fine work of the Committee on Interior and Insular Affairs, the National Park Service, and the concerned citizens of San Antonio. Vote aye on H.R. 4811.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4811, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DESIGNATING SEGMENTS OF LOWER MERCED RIVER AS COMPONENT OF WILD AND SCENIC RIVERS SYSTEM

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4687) to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System, as amended.

The Clerk read as follows:

H.R. 4687

Be in enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION OF THE LOWER MERCED RIVER.

Section 39(a)(62) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)(62)) is amended—

(1) by striking "The main stem" and inserting in lieu thereof "(A) The main stem";

(2) by striking "paragraph" wherever it appears and inserting in lieu thereof "subparagraph"; and

(3) by adding the following at the end thereof:

"(B) The main stem from a point 300 feet upstream of the confluence with Bear Creek downstream to the point of maximum flood control storage of Lake McClure (elevation 867 feet mean sea level), consisting of approximately 8 miles, as generally depicted on the map entitled 'Merced Wild and Scenic River', dated April 1990. The Secretary of the Interior shall administer the segment designated under this subparagraph as recreational, from a point 300 feet upstream of the confluence with Bear Creek downstream to a point 300 feet west of the boundary of the Mountain King Mine, and as wild, from a point 300 feet west of the boundary of the Mountain King Mine to the point of maximum flood control storage of Lake McClure. With respect to the segment designated by this subparagraph, the requirements of subsection (b) of this section shall be fulfilled by the Secretary of the Interior through appropriate revisions to the Sierra Management Framework Plan for the Sierra Planning Area of the Folsom Resource area, Bakersfield District, Bureau of Land Management. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this subparagraph.".

SEC. 2. STUDY OF THE NORTH FORK OF THE MERCED RIVER.

Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)), is amended by adding the following new paragraph at the end thereof:

"( ) NORTH FORK MERCED, CALIFORNIA.—The segment from its headwaters to its confluence with the Merced River.".

SEC. 3. WITHDRAWAL FROM MINERAL ENTRY.

In the case of those segments on the main stem of the Merced River and on the South Fork Merced River which are designated as components of the wild and scenic river system pursuant to the Wild and Scenic Rivers Act and administered under that Act as recreational or scenic, all public lands within the authorized boundaries of such segments are withdrawn, subject to valid existing rights, from all forms of appropriation under the mining laws of the United States.

SEC. 4. SAXON CREEK PROJECT.

Nothing in the designation of the river segments referred to in section 1 of this Act as components of the National Wild and Scenic River Systems shall be construed to affect the authority of the Secretary of the Interior to permit the construction and operation of such pumping facilities and associated pipelines as identified in Bureau of Land Management right of way application CACA 26084, filed by the Mariposa County Water Agency on November 7, 1989, and known as the "Saxon Creek Project" to assure an adequate supply of water from the Merced River to Mariposa County, to the extent such construction and operation are consistent with the Wild and Scenic Rivers Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4687 was introduced by Representative CONDIT, along with our colleague from California, Representative LEHMAN. The legislation, as amended, would provide for national wild and scenic river designation of 8 miles of the lower Merced River in California and a study of 15 miles of the north fork of the Merced. The lower Merced segment would join with 71 miles of the Merced River designated by Congress in 1987.

The Merced River offers excellent fishing as well as abundant and varied wildlife resources. Winding a course through a scenic canyon, the Merced draws significant public use to partake of its beauty and enjoy its high recreational values.

Public Law 100-49 designated a total of 114 miles of the main stem and south fork of the Merced as components of the National Wild and Scenic Rivers System. That act also provided for a study of the 8 miles of the Merced addressed by H.R. 4687 so that future water options could be explored.

In testimony before the committee, the administration testified that the lower Merced met wild and scenic river criteria. We also heard from local officials and conservation groups as to the river's values and the support that exists for its designation. This broad-based support was the result of considerable effort by the Bureau of Land Management, Mariposa County, and interested members of the public to fashion an acceptable proposal for the protection of the Merced's resource values.

Mr. Speaker, the legislation before us reflects the particular management

actions needed to both preserve and utilize this river in a responsible manner. The designation of these 8 miles of the Merced River will make a fine addition to the National Wild and Scenic Rivers System, and I urge its adoption by the House.

Mr. Speaker, with that, I reserve the balance of my time.

□ 1330

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4687. This bill, which Mr. CONDIT and Mr. LEHMAN have brought before this body, represents an excellent example of cooperation among diverse interest groups. It is all to often that our subcommittee is forced to make a black or white choice between development and preservation. These choices are usually forced upon our committee because one party to a dispute adopts an all or nothing strategy, and succeeds in elevating the issue to a congressional forum.

Unfortunately, the committees of Congress are often not the best place to make such decisions. Rarely do the committees have the time necessary to devote a single topic, as in the case of the lower and merced river designation where local people have been working on the issue for about 5 years. And rarely do the committees of Congress have all the necessary information or the first hand resource knowledge, such as is the case here where local persons have intimate knowledge of the resource. In this particular case, a diverse group of local interests have come together and developed a solution which meets all of their needs and I commend the bill's sponsors for providing the opportunity for this locally based initiative to succeed. This measure is also significant in that it illustrates the flexibility inherent in the Wild and Scenic Rivers Act. This act was never intended by its authors to be an absolute preservation statute, but only designed to protect certain outstandingly remarkable resource values of certain river segments.

I recognize that on some issues of national importance or intense polarization, our subcommittee will have to step in. I hope that we in Congress can learn from this measure that micromanagement of Federal lands from capitol hill should be the avenue of last resort, not the place where the issue should be first heard.

I strongly urge my colleagues to join the administration and me in supporting this measure.

Mr. CONDIT. Mr. Speaker, today we are considering legislation, H.R. 4687, which would designate the lower 8 miles of the Merced River in California as a component of the National Wild and Scenic Rivers Act.

This body will recall that legislation was introduced in 1987 by my predecessor, Tony Coelho, which proposed to designate 79 miles of the main stem of the Merced River from its origins in Yosemite National Park to the Maxium control storage of Lake McClure as a component of the National Wild and Scenic Rivers System. That legislation included the 8 miles of the lower Merced under consideration today.

Because of concerns expressed by local officials and the community in Mariposa County, that this inclusion would interfere with a potential water source, the final bill enacted by Congress in 1987 designated 71 miles, and required the Bureau of Land Management to study the designation of the lower 8 miles. I am pleased that the BLM released its study earlier this year, in which it recommended the inclusion of the lower 8 miles, with the act.

This bill is supported by the Wilderness Society, the Sierra Club and the Friends of the River. I am pleased also that, by and large, the local community supports this measure—the Mariposa County Board of Supervisors and the Merced Canyon Committee. Through negotiations with the committee, this measure address several local concerns by including a provision which authorizes the Secretary of Interior to approve the county's Saxon Creek project. This project will insure an adequate supply of water for Mariposa County and would not adversely impact the river.

I would like to thank Mr. VENTO, chairman of the Subcommittee on National Parks and Public Lands, and his staff for working with the community in my district in order to ensure that the committee report contain language which clarifies several additional matters of concern. Specifically, the report contains language which specifies that this measure is not intended to impact existing mining claims nor the ability to Merced Irrigation District to administer its reservoir, Lake McClure, the point where the designation ends, during flood periods. The report also contains language providing that Congress has the option to revisit this designation in the event that a Yosemite Valley Railroad, which may run along a portion of the river's corridor, becomes feasible.

The Merced River is very special to my constituents, as well as to over the 1 million annual Yosemite National Park visitors. The river, also known as "Yosemite Valley's River," and its corridor are home for many rare birds and wildlife as well as many varieties of plants and flowers. This river also receives substantial recreational use, including rafting, hiking, camping, and picnicking. But the main reason I am sponsoring this legislation is to insure that this portion of the river is protected and preserved for our future generations. As we all know, there are few things of primitive natural beauty left here in our country. I believe this Congress should do all it can to protect them.

Again, I would like to thank my colleague, Mr. VENTO, for his assistance on this measure, and to commend him for his persistence in moving it through the legislative process. I would also like to thank Mr. LEHMAN of California, for his support of and commitment to this measure which is another step in preserving and protecting the Merced.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4687, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

SMITH RIVER NATIONAL RECREATION AREA ACT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4309) to establish the Smith River National Recreation Area in the State of California, and for other purposes; as amended.

The Clerk read as follows:

H.R. 4309

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Smith River National Recreation Area Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) the Smith River, undammed and free-flowing from its headwaters to the Pacific Ocean, represents one of the last wholly intact vestiges of an invaluable legacy of wild and scenic rivers;

(2) the Smith River watershed, from the diverse conifer forests of the Siskiyou Mountains and unique botanical communities of the North Fork serpentine to the ancient redwoods along the river's lower reaches, exhibits a richness of ecological diversity unusual in a basin of its size;

(3) the Smith River watershed's scenic beauty, renowned anadromous fisheries, exceptional water quality, and abundant wildlife combine with its ready accessibility to offer exceptional opportunities for a wide range of recreational activities, including wilderness, water sports, fishing, hunting, camping, and sightseeing;

(4) careful development and utilization at mutually compatible levels of recreation, fisheries, and timber resources on public lands will ensure the continuation of the Smith River watershed's historic role as a significant contributor to the region's local economy; and

(5) protection of the Smith River's unique values can be enhanced by a cooperative effort by Federal, State and local governments to coordinate land-use planning, management, and development of Federal and non-Federal lands throughout the watershed.

SEC. 3. DEFINITIONS.

As used in this Act—

(1) the term "excluded area" means one of the four areas specifically excluded from the recreation area, as generally depicted on the map referred to in section 4(b);

(2) the term "forest plan" means the land and resource management plan for the Six Rivers National Forest prepared pursuant to section 6 of the Forest and Rangeland

Renewable Resources Planning Act of 1974 (16 U.S.C. 1604);

(3) the term "recreation area" means the Smith River National Recreation Area established by section 4;

(4) the term "Secretary" means the Secretary of Agriculture; and

(5) the term "inner gorge" means the inherently unstable steep slope (65 percent gradient or more) immediately adjacent to the stream or river channel, extending from the channel or recent floodplain to the first significant break in slope (usually 15 percent or more).

SEC. 4. SMITH RIVER NATIONAL RECREATION AREA.

(a) ESTABLISHMENT.—For the purpose of ensuring the preservation, protection, enhancement, and interpretation for present and future generations of the Smith River watershed's outstanding wild and scenic rivers, ecological diversity, and recreation opportunities while providing for the wise use and sustained productivity of its natural resources, there is hereby established the Smith River National Recreation Area.

(b) BOUNDARIES.—(1) The recreation area shall consist of those lands within the area generally depicted on the map entitled "Proposed Smith River National Recreation Area" and dated July 1990. The map shall be on file and available for public inspection in the Office of the Chief, Forest Service, Department of Agriculture. The Secretary may, by publication of availability of a revised map and after public comment, make corrections or minor changes to the boundary of the recreation area.

(2) The exterior boundary of the recreation area, as generally depicted on the map, shall encompass the recreation area and the four excluded areas.

(c) BOUNDARY MODIFICATION.—The boundaries of the Six Rivers National Forest are hereby modified as generally depicted on the map referred to in subsection (b). A map and legal description of the boundary of the Six Rivers National Forest as modified by this subsection shall be on file and available for public inspection in the Office of the Chief, Forest Service, and the Office of the Forest Supervisor of the Six Rivers National Forest.

(d) TRANSFER.—The federally owned lands within the recreation area administered by the Secretary of the Interior on the date of enactment of this Act, comprising approximately 20 acres, are hereby transferred to the jurisdiction of the Secretary of Agriculture and shall be managed in accordance with the laws applicable to the National Forest System and this Act.

SEC. 5. ADMINISTRATION.

(a) IN GENERAL.—The Secretary shall administer the recreation area in accordance with this Act and the laws, rules, and regulations applicable to the National Forest System in furtherance of the purposes for which the recreation area was established. In administering the recreation area, the Secretary shall, consistent with the applicable area management emphasis provided under subsection (b), undertake the following:

(1) Provide for a broad range of recreation uses and provide recreational and interpretive services and facilities (including trails and campgrounds) for the public.

(2) Provide and maintain adequate public access, including vehicular roads for general recreational activities such as camping, hiking, hunting, and fishing.

(3) Improve the anadromous fishery and water quality, including (but not limited to) stabilizing landslides, improving fish spawning and rearing habitat, and placing appropriate restrictions or limitations on soil disturbing activities.

(4) Permit the use of off-road vehicles only on designated routes.

(5) Provide for public health and safety and for the protection of the recreation area in the event of fire or infestation of insects or disease.

(6) Permit programmed and other timber harvest only in those management areas where timber harvest is specifically authorized by subsection (b). Timber management in these areas shall incorporate the use of strategies to reduce habitat fragmentation and employ silvicultural prescriptions designed to maintain or enhance biological diversity and wildlife habitats (such as retention of standing green trees, snags, and other coarse woody debris) by providing for a high level of structural and compositional diversity in managed stands.

(7) Prohibit timber harvest within streamside protection zones along those rivers and river segments specified in section 11 of this Act.

(8) Permit removal of trees in areas where timber harvest is not authorized only when necessary to maintain trails or existing roads, for human health and safety reasons, for the protection of the recreation area in the event of fire, for the development of recreation or other facilities, or to improve fish and wildlife habitat.

(9) Provide for the long-term viability and presence of Port-Orford-cedar and ensure its continued present economic and noneconomic uses through implementation of management strategies developed by the Forest Service.

(10) Protect, preserve, and increase old growth forest habitat in the recreation area.

(11) Provide for the restoration of landscapes damaged by past human activity consistent with the purposes of this Act.

(12) Develop a monitoring program to consistently gather water quality, air quality, wildlife, and fisheries data from representative Smith River subwaterbeds within each management area.

(13) Develop and implement a management plan to maintain, protect, and promote habitat for native resident trout species in the recreation area.

(14) Cooperate with other Federal, State, and local government agencies in coordinating planning efforts throughout the Smith River watershed.

(b) MANAGEMENT AREAS.—(1) The recreation area shall contain eight management areas, as generally depicted on the map referred to in section 4(b). The Secretary may, pursuant to section 4(b), make minor revisions or amendments to the boundaries of the management areas.

(2) The Secretary shall administer each management area within the recreation area in accordance with the following:

(A) The management emphasis for the North Fork management area shall be on back-country and whitewater recreation, while recognizing unique botanic communities, outstanding whitewater, and historic and scenic values.

(B) The management emphasis for the Upper Middle Fork management area shall be on providing and maintaining ecologic and biologic diversity. Timber harvest shall be permitted, consistent with subsection (a)(6), only in existing plantations.

(C) The management emphasis for the Middle Fork-Highway 199 management area shall be on maintaining wildlife values and providing for a full range of recreation uses, with particular emphasis on the scenic and recreation values associated with the Smith River, old growth redwoods, and California State Highway 199.

(D) The management emphasis for the Upper South Fork management area shall be on wild river and roadless back-country recreation.

(E) The management emphasis for the Lower South Fork management area shall be on maintaining and protecting natural scenic values in the river canyon while providing for traditional and compatible river sports, including white water rafting, angling, sightseeing, and developed and dispersed recreation. Timber harvests based on uneven-aged management with extended rotations shall be allowed where consistent with protection of the scenic values of the recreation area.

(F) The management emphasis for the Lower Hurdygurdy Creek management area shall be on maintenance of wildlife values while providing rustic family and group recreation facilities for fishing, swimming, hunting, and camping. Timber harvests based on uneven-aged management with extended rotations shall be allowed where consistent with protection of scenic and wildlife values.

(G) The management emphasis for the prescribed timber management area shall be on providing maximum sustainable yields of wood products consistent with subsection (a)(6).

(H) The management of the Siskiyou Wilderness management area shall be pursuant to the provisions of the Wilderness Act (16 U.S.C. 1131 et seq.). The Gasquet-Orleans Road corridor between the eastern edge of section 36, T. 14 N., R. 3 E, and the corridor's eastern terminus in the middle of section 26, T. 14 N., R. 4 E. shall be added to the Siskiyou Wilderness.

(c) WILD AND SCENIC RIVERS.—The river segments designated as wild and scenic rivers by the amendments made by section 8(b) of this Act shall be administered in accordance with this Act and the Wild and Scenic Rivers Act (16 U.S.C. 1271 et seq.). In case of conflict between the provisions of these Acts, the more restrictive provision shall apply.

SEC. 6. ACQUISITION AND DISPOSAL OF LANDS AND OTHER PROPERTY.

(a) ACQUISITION.—The Secretary is authorized to acquire by purchase, donation, exchange, or otherwise lands, waters, or interests therein (including scenic or other easements), and structures or other improvements thereon, within the boundaries of the recreation area as the Secretary determines appropriate for the purposes of this Act. In exercising this authority, the Secretary is directed to give prompt and careful consideration to any offer to sell, exchange, or otherwise dispose of such property made by an individual or organization. The Secretary shall not acquire any land or interest in land owned by the State of California or any of its political subdivisions within the recreation area except by donation or exchange. All lands acquired by the Secretary pursuant to this Act shall be subject to the laws and regulations pertaining to the National Forest System and this Act.

(b) TRANSFERS TO DEL NORTE COUNTY.—(1) Upon the adoption of a resolution by the Board of Supervisors of the County of Del Norte, California, accepting title to the lands described in paragraph (2) and subject to the County of Del Norte bearing the cost

of the survey of such lands, the Secretary shall transfer all right, title, and interest of the United States in and to the lands described in paragraph (2).

(2) The lands referred to in paragraph (1) are described as follows:

(A) Lands north of tract 37, T. 17 N., R. 3 E., H.M., containing 6 acres, more or less, and more particularly described as:

Commencing at the N.E. corner of tract 37, T. 17 N., R. 3 E., H.M.; thence, northerly on a line continuing the eastern boundary of said tract 37 to a point where it intersects the southern boundary of the easement for State highway conveyed to the State of California, Department of Transportation, on the 17th day of May 1977, and recorded on June 22, 1977 at book 206 of Official Records, page 256; thence, southwesterly along the southern boundary of said easement to the point where it intersects the northern boundary of said tract 37; thence, easterly along the northern boundary of said tract 37 to the point of beginning.

(B) Lands east of tract 37, T. 17 N., R. 3 E., H.M., containing 6 acres, more or less, and more particularly described as:

Commencing at a point on the eastern boundary of tract 37, T. 17 N., R. 3 E., H.M., lying 332 feet southerly of the N.E. corner of said tract 37; thence, due east to the high water line of the Middle Fork of the Smith River; thence, southwesterly along the high water line of the Middle Fork of the Smith River to its intersection with the northern boundary of tract 38, T. 17 N., R. 3 E.; thence, westerly along the northern boundary of said tract 38 to its intersection with said tract 37; thence, northerly along the eastern boundary of said tract 37 to the point of beginning.

(c) CONDITIONS OF TRANSFER.—Transfer of the lands and interests described in subsection (b)(2) of this section shall be subject to the condition that all right, title, and interest therein shall revert to the United States if the county of Del Norte, California, attempts to transfer any portion of such lands to any other entity or person or if Del Norte County permits any portion of such lands to be used for any purpose incompatible with the purposes of this Act. The Secretary shall include in any document of conveyance whereby such lands are transferred to the county of Del Norte appropriate provisions to implement this subsection.

(d) WITHDRAWAL.—Subject to valid existing rights, all public lands within the recreation area are hereby withdrawn from entry, sale, or other disposition under the public land laws of the United States. This subsection shall not affect the exchange authorities of the Secretary.

SEC. 7. FISH AND GAME.

Nothing in this Act shall be construed to affect the jurisdiction or responsibilities of the State of California with respect to fish and wildlife, including the regulation of hunting, fishing, and trapping on any lands managed by the Secretary under this Act, except that the Secretary may designate zones where, and establish periods when, no hunting, fishing, or trapping shall be permitted for reasons of protecting nongame species and their habitats, public safety, administration, or public use and enjoyment. Except in emergencies, any regulation of the Secretary pursuant to this section shall be put into effect only after consultation with the fish and wildlife agency of the State of California.

SEC. 8. MINERALS.

(a) WITHDRAWAL.—Federal lands within the exterior boundary of the recreation area are hereby withdrawn from all forms of location, entry, and patent under the United States mining laws and from disposition under the mineral leasing laws, including all laws pertaining to geothermal leasing.

(b) PATENTS.—Patents may not be issued under the mining laws of the United States after the date of enactment of this Act for locations and claims made before the date of enactment of this Act on Federal lands located within the exterior boundaries of the recreation area.

(c) ADMINISTRATION.—Except for extraction of common variety minerals such as stone, sand, and gravel for use in construction and maintenance of roads and other facilities within the recreation area and the excluded areas, all other mineral development on federally owned lands within the recreation area is prohibited.

SEC. 9. MANAGEMENT PLANNING.

The Secretary shall revise the document entitled "Smith River National Recreation Area Management Plan" dated February 1990 to conform to the provisions of this Act, and such revised plan shall guide management of the recreation area and shall be incorporated in its entirety into the forest plan for the Six Rivers National Forest. This incorporation shall not be deemed a revision or amendment to the forest plan for purposes of the section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974. The Secretary shall make such further revisions to the management plan as are necessary in order to include more specific development and use plans for the recreation areas. Such revisions shall be made no later than 5 years after the enactment of this Act. Such revisions and any other modifications of the management plan shall be made only through the processes of revisions or amendment of the forest plan pursuant to section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974, including appropriate consultation with State and local government officials and provisions for full public participation considering the views of all interested parties, organization, and individuals.

SEC. 10. WILD AND SCENIC RIVERS.

(a) PREVIOUS DESIGNATIONS.—Previous designations dated January 19, 1981, by the Secretary of the Interior (46 Fed. Reg. 7483-84) under section 2(a)(ii) of the Wild and Scenic Rivers Act (16 U.S.C. 1273) of rivers within the exterior boundary of the recreation area are superseded by this Act.

(b) DESIGNATIONS.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274) is amended by adding at the end thereof the following new paragraphs:

"( ) SMITH RIVER, CALIFORNIA.—The segment from the confluence of the Middle Fork Smith River and the South Fork Smith River to the Six Rivers Nationally Forest boundary, including the following segments of the mainstream and certain tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from the confluence of the Middle Fork Smith River and the South Fork Smith River to the National Forest boundary, as a recreational river.

"(B) Rowdy Creek from the California-Oregon State line to the National Forest boundary, as a recreational river.

"( ) MIDDLE FORK SMITH RIVER, CALIFORNIA.—The segment of the mainstem and certain tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from its headwaters about 3 miles south of Sanger Lake, as depicted on the 1956 USGS 15' Preston Peak topographic map, to the center of section 7, T. 17 N., R. 5 E., as a wild river.

"(B) The segment from the center of section 7, T. 17 N., R. 5 E., to the center of section 6, T. 17 N., R. 5 E., as a scenic river.

"(C) The segment from the center of section 6, T. 17 N., R. 5 E., to one-half mile upstream from its confluence with Knopki Creek, as a wild river.

"(D) The segment from one-half mile upstream of its confluence with Knopki Creek to its confluence with the South Fork Smith River, as a recreational river.

"(E) Myrtle Creek from its headwaters in section 9, T. 17 N., R. 1 E., as depicted on the 1952 USGS 15' Crescent City topographic map, to the middle of section 28, T., 17 N., R. 1 E., as scenic river.

"(F) Myrtle Creek from the middle of section 28, T. 17 N., R. 1 E., to its confluence with the Middle Fork Smith River, as a wild river.

"(G) Shelly Creek from its headwaters in section 1, T. 18 N., R. 3 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with Patrick Creek, as a recreational river.

"(H) Kelly Creek from its headwaters in section 32, T. 17 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the Middle Ford Smith River, as a scenic river.

"(I) Packsaddle Creek from its headwaters about 0.8 miles southwest of Broken Rib Mountain, as depicted on the 1956 USGS 15' Preston Peak topographic map, to its confluence with the Middle Fork Smith River, as a scenic river.

"(J) East Fork Patrick Creek from its headwaters in section 10, T. 18 N., R. 3 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the West Fork of Patrick Creek, as a recreational river.

"(K) West Fork Patrick Creek from its headwaters in section 18, T. 18 N., R. 3E., as depicted on the 1951 15' Gasquet topographic map to its confluence with the East Fork Patrick Creek, as a recreational river.

"(L) Little Jones Creek from its headwaters in section 34, T. 17 N., R. 3 E., as depicted on the 1951 USGS 15' Gasquet topographic map to its confluence with the Middle Fork Smith River, as a recreational river.

"(M) Griffin Creek from its headwaters about 0.2 miles southwest of Hazel View Summit, as depicted on the 1956 USGS 15' Preston Peak topographic map, to its confluence with the Middle Fork Smith River, as a recreational river.

"(N) Knopki Creek from its headwaters about 0.4 mile west of Sanger Peak, as depicted on the 1956 USGS 15' Preston Peak topographic map, to its confluence with the Middle Fork Smith River, as a recreational river.

"(O) Monkey Creek from its headwaters in the northeast quadrant of section 12, T. 18 N., R. 3 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the Middle Fork Smith River, as a recreational river.

"(P) Patrick Creek from the junction of East and West Forks of Patrick Creek to its confluence with Middle Fork Smith River, as a recreational river.

"(Q) Hardscrabble Creek from its headwaters in the northeast quarter of section 2, T. 17 N., R. 1 E., as depicted on the 1952 USGS 15' Crescent City topographic map, to its

confluence with the Middle Fork Smith River, as a recreational river.

"( ) NORTH FORK SMITH RIVER, CALIFORNIA.—The segment from the California-Oregon State line to its confluence with the Middle Fork Smith River, including the following segments of the mainstream and certain tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from the California-Oregon State line to its confluence with an unnamed tributary in the northeast quarter of section 5, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, as a wild river.

"(B) The segment from its confluence with an unnamed tributary in the northeast quarter of section 5, T. 18 N., R. 2 E., to its southern-most intersection with the eastern section line of section 5, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, as a scenic river.

"(C) The segment from its southern-most intersection with the eastern section line of section 5, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with Stony Creek, as a wild river.

"(D) The segment from its confluence with Stony Creek to its confluence with the Middle Fork Smith River, as a recreational river.

"(E) Diamond Creek from California-Oregon State line to its confluence with Bear Creek, as a recreational river.

"(F) Diamond Creek from its confluence with Bear Creek to its confluence with the North Fork Smith River, as a scenic river.

"(G) Bear Creek from its headwaters in section 24, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with Diamond Creek, as a scenic river.

"(H) Still Creek from its headwaters in section 11, T. 18 N., R. 1 E., as depicted on the 1952 USGS 15' Crescent City topographic map, to its confluence with with the North Fork Smith River, as scenic river.

"(I) North Fork Diamond Creek from the California-Oregon State line to its confluence with Diamond Creek, as a recreational river.

"(J) High Plateau Creek from its headwaters in section 26, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with Diamond Creek, as a scenic river.

"(K) Stony Creek from its headwaters in section 25, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the North Fork Smith River, as a scenic river.

"(L) Peridotite Creek from its headwaters in section 34, T. 18 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the North Fork Smith River, as a wild river.

"( ) SISKIYOU FORK SMITH RIVER, CALIFORNIA.—The segment from its headwaters to its confluence with the Middle Fork Smith River, and the following tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from its headwaters about 0.7 miles southeast of Broken Rib Mountain, as depicted on the 1956 USGS 15' Preston Peak Topographic map, to its confluence with the South Siskiyou Fork Smith River, as a wild river.

"(B) The segment from its confluence with South Siskiyou Fork Smith River to its confluence with the Middle Fork Smith River, as a recreational river.

"(C) South Sisikyou Fork Smith River from its headwaters about 0.6 miles southwest of Buck Lake, as depicted on the 1956 USGS 15' Preston Peak topographic map, to its confluence with the Siskiyou Fork Smith River, as a wild river.

"( ) SOUTH FORK SMITH RIVER, CALIFORNIA.—The segment from its headwaters to its confluence with the Middle Fork Smith River, and the following tributaries, to be administered by the Secretary of Agriculture in the following classes:

"(A) The segment from its headwaters about 0.5 miles southwest of Bear Mountain, as depicted on 1956 USGS 15' Preston Peak topographic map, to Blackhawk Bar, as a wild river.

"(B) The segment from Blackhawk Bar to its confluence with the Middle Fork Smith River, as a recreational river.

"(C) William Creek from its headwaters in section 31, T. 14 N., R. 4 E., as depicted on the 1952 USGS 15' Sip Mountain topographic map, to its confluence with Eight Mile Creek, as a wild river.

"(D) Eight Mile Creek from its headwaters in section 29, T. 14 N., R. 4 E., as depicted on the 1955 USGS 15' Dillon Mtn. topographic map, to its confluence with the South Fork Smith River, as a wild river.

"(E) Harrington Creek from its source to its confluence with the South Fork Smith River, as a wild river.

"(F) Prescott Fork of the Smith River from its headwaters about 0.5 miles southeast of Island Lake, as depicted on the 1955 USGS 15' Dillon Mtn. topographic map, to its confluence with the South Fork Smith River, as a wild river.

"(G) Quartz Creek from its headwaters in section 31, T. 16 N., R. 4 E., as depicted on the 1952 15' USGS Ship Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(H) Jones Creek from its headquarters in section 36, T. 16 N., R. 3 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(I) Hurdygurdy Creek from its headwaters about 0.4 miles southwest of Bear Basin Butte as depicted on the 1956 USGS 15' Preston Peak topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(J) Gordon Creek from its headwaters in section 18, T. 16 N., R. 3 E., as depicted on 1951 USGS 15' Gasquet topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(K) Coon Creek from the junction of its two headwaters tributaries in the southeast quadrant of section 31, T. 17 N., R. 3 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(L) Craigs Creek from its headwaters in section 36, T. 17 N., R. 2 E., as depicted on the 1951 USGS 15' Gasquet topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(M) Goose Creek from its headwaters in section 13, T. 13 N., R. 2 E., as depicted on the 1952 USGS 15' Shop Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(N) East Fork Goose Creek from its headwaters in section 18, T. 13 N., R. 3 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with Goose Creek, as a recreational river.

"(O) Buck Creek from its headwaters at Cedar Camp Spring, as depicted on the 1952 USGS 15' Ship Mountain topographic map, to the northest corner of section 8, T. 14 N., R. 3 E., as a scenic river.

"(P) Buck Creek from the northeast corner of section 8, T. 14 N., R. 3 E., to its confluence with the South Fork Smith River, as a wild river.

"(Q) Muzzleloador Creek from its headwaters in section 2, T. 15 N., R. 3 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with Jones Creek, as a recreational river.

"(R) Canthook Creek from its headwaters in section 2, T. 15 N., 2 E., as depicted in the 1952 USGS 15' Shop Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(S) Rock Creek from the national forest boundary in section 6, T. 15 N., R. 2 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.

"(T) Blackhawk Creek from its headwaters in section 21, T. 15 N., R. 2 E., as depicted on the 1952 USGS 15' Ship Mountain topographic map, to its confluence with the South Fork Smith River, as a recreational river.".

(c) MANAGEMENT.—The management plan prepared under section 9 of this Act shall be deemed to satisfy the requirement for a comprehensive management plan required under section 3(d)(1) of the Wild and Scenic Rivers Act.

SEC. 11. STREAMSIDE PROTECTION ZONES.

(a) For each of the rivers and river segments specified in this subsection, there is hereby established a streamside protection zone in which timber harvesting shall be prohibited. Such zone shall extend 300 feet from each bank of the rivers and river segments, or 100 feet from the inner gorge of said rivers and river segments, or within the limit of high and extreme landslide hazards on said rivers and river segments, whichever is greater. The provisions of this subsection shall apply to the following rivers and river segments:

(1) Rowdy Creek (from California-Oregon border to NRA boundary).

(2) Shelly Creek (from its headwaters to Patrick Creek).

(3) East Fork Patrick Creek (from its headwaters to Patrick Creek).

(4) West Fork Patrick Creek (from its headwaters to Patrick Creek).

(5) Little Jones Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(6) Patrick Creek (from the confluence of the East and West forks of Patrick Creek to the Middle Fork of the Smith River).

(7) Monkey Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(8) Hardscrabble Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(9) Quartz Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(10) Jones Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(11) Upper Hurdygurdy Creek (from its headwaters to Dry Lake).

(12) Gordon Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(13) Coon Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(14) Craigs Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(15) Goose Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(16) East Fork of Goose Creek (from its headwaters to its confluence with Goose Creek).

(17) Muzzleloader Creek (from its headwaters to its confluence with Jones Creek).

(18) Canthook Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(19) Rock Creek (from the NRA boundary to its confluence with the South Fork of the Smith River).

(20) Blackhawk Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(b) For each of the rivers and river segments specified in this subsection there is established a streamside protection zone in which timber harvesting shall be prohibited. Such zone shall extend on the average of one quarter mile on either side of said rivers and river segments, or 100 feet from the inner gorge of said rivers and river segments, or within the limit of high and extreme landslide hazards on said rivers and river segments, whichever is greater. The provisions of this subsection shall apply to the following rivers and river segments:

(1) Main stem Smith (from the South Fork to the NRA boundary).

(2) Middle Fork Smith (from its headwaters to its confluence with the Middle Fork of the Smith River).

(3) Myrtle Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(4) Kelly Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(5) Packsaddle Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(6) Griffin Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(7) Knopti Creek (from its headwaters to its confluence with the Middle Fork of the Smith River).

(8) North Fork of the Smith River (from the California/Oregon border to its confluence with the Middle Fork of the Smith River).

(9) Diamond Creek (from the California/Oregon border to its confluence with the North Fork of the Smith River).

(10) Bear Creek (from its headwaters to its confluence with Diamond Creek).

(11) Still Creek (from its headwaters to its confluence with the North Fork of the Smith River).

(12) North Fork of Diamond Creek (from the California/Oregon border to its confluence with Diamond Creek).

(13) High Plateau Creek (from its headwaters to its confluence with Diamond Creek).

(14) Stony Creek (from its headwaters to its confluence with the North Fork of the Smith River).

(15) Peridotite Creek (from its headwaters to its confluence with the North Fork of the Smith River).

(16) Siskiyou Fork, Smith River (from its headwaters to the Middle Fork of the Smith River).

(17) South Siskiyou Fork of the Smith River (from its headwaters to its confluence with the Siskiyou Fork of the Smith River).

(18) South Fork Smith River (from its headwaters to its confluence with the Middle Fork of the Smith River).

(19) Williams Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(20) Eight Mile Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(21) Harrington Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(22) Prescott Fork of the Smith River (from its headwaters to its confluence with the South Fork of the Smith River).

(23) Buck Creek (from its headwaters to its confluence with the South Fork of the Smith River).

(c) For the Lower Hurdygurdy Creek (from Dry Lake to its confluence with the South Fork of the Smith River) there is established a streamside protection zone in which timber harvesting shall be prohibited. Such zone shall extend one-eighth mile on either side of said Lower Hurdygurdy Creek.

(d) The provisions of this section shall be in addition to, and not in lieu of, any restrictions on timber harvesting or other activities applicable to the streamside protection zones established by this section under any other applicable provision of this Act.

SEC. 12. STATE AND LOCAL JURISDICTION AND ASSISTANCE.

(a) STATE AND LOCAL JURISDICTION.—Nothing in this Act shall diminish, enlarge, or modify any right of the State of California or any political subdivision thereof, to exercise civil and criminal jurisdiction or to carry out State fish and game laws, rules, and regulations within the recreation area, or to tax persons, franchise, or private property on the lands and waters included in the recreation area, or to regulate the private lands within the recreation area.

(b) COOPERATIVE AGREEMENTS.—The Secretary is authorized and encouraged to enter into cooperative agreements with the State of California or its political subdivisions for—

(1) the rendering on a reimbursable basis, of rescue, firefighting, and law enforcement services and cooperative assistance by nearby law enforcement and fire prevention agencies; and

(2) the planning for use, management, and development of non-Federal lands within the recreation area and elsehwere in the Smith River watershed in the furtherance of the purposes of this Act.

(c) TECHNICAL ASSISTANCE.—To enable the State of California and its political subdivisions to develop and implement programs compatible with the purposes of this Act, the Secretary, in consultation with the Secretaries of the Interior, Commerce, and Housing and Urban Development, shall consider upon request such technical assistance to the State and its political subdivisions as is necessary to fulfill the purposes of this section. Such assistance may include payments or grants, within existing programs, for technical aid and program development.

(d) LAND INFORMATION SYSTEM.—The Secretary of Agriculture shall assist the county of Del Norte in developing a land information system that will be compatible with the Forest Service and National Park Service systems for the Federal lands in Del Norte County and such non-Federal systems as may be appropriate and that will be made available to Federal and non-Federal entities for use in coordinating planning for the recreation area and other lands in the Smith River watershed.

SEC. 13. SAVING PROVISIONS.

(a) ACTIVITIES ON LANDS OUTSIDE OF RECREATION AREA.—Nothing in this Act shall limit, restrict, or require specific management practices on lands outside the recreation area boundary. The fact that activities or uses outside the recreation area can be seen, heard, or otherwise perceived within the recreation area shall not, of itself, limit, restrict, or preclude such activities or uses up to the boundary of the recreation area.

(b) PRIOR RIGHTS.—(1) Nothing in this Act shall limit, restrict, or preclude the implementation of valid timber sale contracts or other contracts or agreements executed by the Secretary before the date of enactment of this Act.

(2) Except as specifically provided herein nothing in this Act shall be construed as diminishing or relinquishing any right, title, or interest of the United States in any lands, waters, or interests therein within the boundaries of the recreation area designated by this Act.

(C) ROAD EASEMENTS.—Nothing in this Act shall be construed as affecting the responsibilities of the State of California or any of its political subdivisions with respect to road easements, including maintenance and improvement of State Highway 199 and County Route 427.

(d) RIGHTS OF ACESS.—Existing rights provided by Federal law for access by private landowners across National Forest System lands shall not be affected by this Act.

(e) ENTITLEMENT MONEYS.—Annually for the first five full fiscal years beginning after the date of enactment of this Act, the Secretary shall pay for use by units of local government within the recreation area an amount equal to the difference between the amounts payable for such purposes pursuant to the Act of May 23, 1908 (chapter 193; 35 Stat. 251; 16 U.S.C. 500) and the average amount paid for such purpose under such Act during the five fiscal years preceding the date of enactment of this Act. The amount payable under this subsection shall be reduced by 10 percent annually commencing the sixth fiscal year and 10 percent annually thereafter for each succeeding fiscal year until the amount payable shall be reduced 100 percent by the end of the fifteenth fiscal year after the date of enactment. This subsection shall expire 14 years after the first payment pursuant to this subsection.

SEC. 14. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such funds as may be necessary to carry out this Act and the amendments made by this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members

may have 5 legislative days in which to revise and extend their remarks on the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4309 as reported from the Committee on Interior and Insular Affairs.

This bill would provide for designation of the Smith River National Recreation Area within the Six Rivers National Forest in Del Norte County, CA. It would also statutorily designate a number of segments of the Smith River and its tributaries for inclusion in the National Wild and Scenic Rivers System.

Mr. Speaker, the area covered by this bill is in extreme northwestern California. The Smith River is the last major undammed river in the State, and is characterized by exceptionally clear water, a vigorous anadromous fishery, and steep, forested mountains. The area exhibits tremendous diversity, including lush coastal redwood forests, dense stands of mixed conifers and hardwoods, sparsely vegetated high elevation plateaus, and high mountain peaks and meadows.

The area includes one of the best salmon and steelhead fisheries on the west coast, with 176 miles of anadromous fish habitat and 114 miles available to anglers seeking quiet and solitude while fishing for native trout. The six lakes in the NRA range in size from 0.7 to 6.1 acres, and are stocked with rainbow or brook trout by the California Department of Fish and Game. In addition, 300 species of wildlife occur in the area.

The provisions of this bill designating a Smith River National Recreation Area and designating a number of river segments for inclusion in the National Wild and Scenic Rivers System generally correspond to proposals documented in a forest service management plan in February 1990.

The river segments that the bill would designate include the three main forks of the Smith River, numerous tributaries, and a short segment of the main stem. These rivers and tributaries were listed in the nationwide rivers inventory conducted by the National Park Service. These same rivers are part of the California Wild and Scenic River System.

In July 1980, the Governor of California petitioned the Secretary of the Interior to include these rivers and tributaries in the National Wild and Scenic Rivers System under section 2(A)(II) of the Wild and Scenic Rivers Act. A decision on January 19, 1981, by the Secretary of the Interior added the rivers and tributaries to the national system. The bill would give that status a statutory confirmation.

In addition, Mr. Speaker, the bill would establish streamside protection zones, where timber harvest would be prohibited, for certain specified streams within the Smith River Basin, and would adjust the boundaries of the Six Rivers National Forest so as to exclude certain private lands now within those boundaries. The bill also includes provisions dealing with the status of some Federal lands that for many years have been used by the county for public purposes, and imposes restrictions on mineral development within the national recreation area.

Finally, Mr. Speaker, the bill provides for a transitional period during which local governments in the area would be given assurance against possible reductions in payments under existing laws that tie such payments to Federal timber receipts. This provision would supplement such payments, to bring them up to an amount based on the average payment made during the last 5 years, should that be necessary.

Mr. Speaker, this is a good bill, and one that reflects great credit on the gentleman from California [Mr. Bosco], who has worked so long and hard and has exercised such leadership in putting together a proposal that enjoys such well-deserved support. I want to highly commend him for this achievement, which deserves the overwhelming approval of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the Smith River is clearly one of the crown jewels of Western rivers. In fact, it is the last major river in California that is completely free of dams and diversions. This area is rich in spectacular scenery and abounds in fish and wildlife. It has long been one of California's prime recreation attractions.

There has been considerable controversy concerning the proper approach for protecting the Smith River. Some have suggested that some sort of designation managed by the National Park Service might be most appropriate. However, because of the sharp increase in tourism promised by supporters of an expanded Redwood National Park that never materialized, local residents were not enthralled with the idea of having an additional unit of the National Park Service in their backyard.

As a result, Congressman DOUG BOSCO took it upon himself to work with a broad cross section of local people and groups to design a protection plan for the Smith River that everyone could live with comfortably. H.R. 4309 is the final product of a long and perhaps painful process at times that included the Forest Service, local government, conservationists, and the timber industry.

I know that during the relatively short time between the hearing by the Subcommittee on National Parks and Public Lands and markup by the full Interior Committee, we saw a number of different versions of the bill. As a result, I can only imagine that numerous changes took place in this bill during months Mr. Bosco and his constituents have worked on it.

H.R. 4309 would create a national recreation area of about 300,000 acres to be managed by the Forest Service. Although most of this area will be managed primarily for noncommodity uses such as recreation and fish and wildlife habitat, a significant area is dedicated for timber harvest under prudent management.

Moreover, this legislation would add several important tributaries of the Smith River as components of the National Wild and Scenic Rivers System that were not included in the original designations made nearly 10 years ago. It also upgrades the classification of several other rivers that were previously designated.

Mr. Speaker, I would note that although the administration generally supports this bill, they have three major objections.

They are the prohibition on most timber harvest within the corridors of designated wild and scenic rivers and making Federal payments to local counties totaling $10 million.

However, perhaps the greatest objection the administration has deals with prohibiting mining on valid existing claims. The statements on administration policy regarding this provision states:

> The Secretary of Agriculture would be required to compensate existing claimants for this taking of their private property rights. There are over 5,000 claims within the boundary of the proposed national recreation area. One firm alone has spent approximately $20 million just on mineral documentation. While the Department of Agriculture does not have an estimate of the value of these mining claims, such compensation would be very costly.

I am optimistic that all three of these concerns can be ironed out in the Senate during the remaining days of the 101st Congress.

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Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Bosco], the architect of this bill.

Mr. BOSCO. Mr. Speaker, I appreciate the opportunity to speak in support of H.R. 4309, my legislation that would establish a National Recreation Area encompassing the national forest

lands in the Smith River watershed in California.

H.R. 4309 will establish a 300,000-acre National Recreation Area in the heart of the Six Rivers National Forest in Del Norte County. The bill is the product of many months of painstaking work with the Forest Service, representatives of local government, environmental groups and the timber industry, to produce a proposal that will provide permanent protection for the "crown jewel" of California's wild and scenic rivers. I particularly want to thank the chairman of the Subcommittee on National Parks and Public Lands, Mr. VENTO, and his staff, for their assistance and support in developing the bill before the House today.

The Smith River and its tributaries comprise the only remaining watershed in California that is completely free of dams and diversions. Its clear waters, spectacular scenery and abundant fish and wildlife have long made it one of the California's premiere recreation attractions. Its rich forests have produced more than a billion board feet of timber over the past four decades. But the resources that make the Smith River such a uniquely valuable part of our natural heritage have also made it a magnet for controversy. Proposals that have been advanced in recent years run the gamut from large-scale strip mining and increased logging to creation of a national park. After the bitter battles over expansion of Redwood National Park in 1978 and the California Wilderness Act in 1984, I think we're all ready to end this controversy.

This legislation represents our best efforts to produce a plan that will guarantee the protection of the values that make the Smith River such a special place while enhancing its recreational potential and ensuring the sustained productivity of its renewable resources.

In many ways, the challenges we faced in developing this proposal mirror the challenges facing the national forest system as a whole. To the extent we are successful, I believe it could provide a model for responding to the conflicts confronting us in the future management of highly sensitive lands throughout the national forests.

Although the general effect and intent of this bill is to shift the overall management emphasis of Six Rivers National Forest's Gasquet Ranger District more toward recreation, the underlying land allocations and prescriptions have largely been determined by the physical character of the watershed itself and the ecological systems it supports.

The result is a comprehensive, ecologically based management strategy that will provide for a wide range of uses in the Smith River watershed with a minimum of conflicts.

The heaviest recreation use has been and will continue to be focused along the river's Middle Fork adjacent to Highway 199, along the Lower South Fork and in the lower Hurdygurdy Creek areas. The Forest Service's draft management plan calls for additional camping facilities and trails, improved boating and fishing access and expanded information and interpretive services in these areas.

More primitive recreation opportunities are available in the Siskiyou Wilderness and the truly wild rivers of the North Fork and Upper South Fork. Those areas will remain much the way they are today, with the exception of river access and trail improvements.

The primary emphasis in the Upper Middle Fork area will be on maintaining ecological diversity through preservation of remaining old growth timber and sensitive management of existing young plantations.

Future timber harvests will for the most part be limited to the Prescribed Timber Management Area, which primarily includes lands in the higher central part of the watershed where extensive logging has already occurred and road systems are in place. This area includes substantial acreage in private ownership which I believe the Forest Service should be encouraged to acquire from willing sellers either by purchase or exchange to enhance the NRA's long-term timber production potential.

The bill specifically requires the use of "new forestry" techniques and maintenance of biological diversity in areas subject to timber management. I believe this is one of the crucial challenges facing public land managers today, and I hope the Forest Service will take advantage of this opportunity to make this a model for testing and development of alternative silvicultural strategies.

Wildlife considerations, including the needs of spotted owls and other sensitive species, have been integrated into the plan throughout the NRA through the protection of large blocks of habitat and connecting corridors. I believe this plan provides a biologically sound framework for future management of the spotted owl, and I hope that consideration will be given to modifications to the boundaries of the proposed Habitat Conservation Area that would more closely reflect the land allocations contained in this bill.

The measure also adds to the National Wild and Scenic Rivers System several important tributaries that were left out of former Secretary Andrus' original designation and upgrades the classification of several other streams that are already protected.

The legislation would prohibit mining on Federal lands within the recreation area.

The bill also contains several important provisions intended to address Del Norte County's concerns about the impact of the NRA's establishment on local government finances, correct a historic survey error and ensure coordination of planning efforts throughout the watershed.

In conclusion, Mr. Speaker, there are those in the environmental community and the timber industry who will say that this bill goes too far or not far enough in protecting the Smith River. But I believe this is a responsible legislative solution that all parties can live with and one that enjoys broad support among the general public. I would appreciate my colleagues' support in helping to enact H.R. 4309 into law this year.

Mr. STARK. Mr. Speaker, the Smith River in northern California tumbles unfettered through steep canyons from the coastal mountains into the Pacific Ocean. There are magnificent stands of old growth redwood and Douglas fir trees. The legislation we are considering today will preserve much of the greatness and wildness of the Smith River.

The legislation protects more than 14,000 acres of old growth forest. The bill closes more than half of the 305,000 acres in the national recreation area to logging. The act calls for rehabilitating landscapes and watersheds damaged by past logging and mining activities.

Mr. Speaker, this is not a perfect bill. There are areas that should be included in the ban on cutting. These include the Lower South Fork Management Area, the Lower Hurdygurdy Creek Management Area, and Muslatt Mountain. However, other areas that are set aside for logging have little scenic or wildlife value. Some of these areas have already been heavily logged.

However, in spite of the problems, there is a broad coalition of support from the environmental community, local officials and the major timber companies to pass the bill. We have an opportunity to preserve a splendid area in northern California for future generations to enjoy. We should act now.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill H.R. 4309, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ESTABLISHING A MEMORIAL AT CUSTER BATTLEFIELD NATIONAL MONUMENT

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4660) to authorize the establishment of a memorial at Custer Battlefield National Monument to honor the Indians who fought in the Battle of the Little Bighorn, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4660

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

The Congress finds that—

(1) a monument was erected in 1881 at Last Stand Hill to commemorate the soldiers, scouts, and civilians attached to the 7th United States Cavalry who fell in the Battle of the Little Bighorn;

(2) while many members of the Cheyenne, Sioux, and other Indian Nations gave their lives defending their families and traditional lifestyle and livelihood, nothing stands at the battlefield to commemorate those individuals; and

(3) the public interest will best be served by establishing a memorial at the Custer Battlefield National Monument to honor the Indian participants in the battle.

SEC. 2. AUTHORIZATION FOR ESTABLISHMENT OF MEMORIAL.

In order to honor and recognize the Indians who fought to preserve their land and culture in the Battle of the Little Bighorn, to provide visitors with an improved understanding of the events leading up to and the consequences of the fateful battle, and to encourage peace and brotherhood among people of all races, the Secretary of the Interior (hereafter in this Act referred to as the "Secretary") is auhorized to design, construct, and maintain a memorial at the Custer Battlefield National Monument.

SEC. 3. SITE, DESIGN, AND PLANS FOR MEMORIAL.

(a) SITE.—The Secretary is authorized and directed to select a suitable area for the memorial authorized by section 2. Such area shall be located on the ridge in that part of the Little Bighorn Battlefield which is in the vicinity of the 7th United States Cavalry Monument, as generally depicted on a map entitled "Indian Memorial Site Alternatives, Custer Battlefield National Monument", numbered 80,050, and dated June 1989.

(b) DESIGN AND PLANS.—The Secretary is authorized to hold a competition to select the design of the memorial authorized by section 2. The design and plans for the memorial shall be subject to the approval of the Secretary.

(c) CONSULTATION.—In selecting a site and design for the memorial authorized by section 2, the Secretary shall provide for the public input from interested members of the public, including the Indian Memorial Committee, appointed by the Rocky Mountain Regional Director of the National Park Service.

SEC. 4. DONATIONS OF FUNDS, PROPERTY, AND SERVICES.

Notwithstanding any other provision of law, the Secretary may accept and expend donations of funds, property, or services from individuals, foundations, corporations, or public entities for the purpose of providing for the memorial authorized by section 2.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4660, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4660 was introduced by our colleague Representative RON MARLENEE, along with Representative CAMPBELL of Colorado, Representative UDALL, and Representative WILLIAMS. The legislation authorizes the establishment of a memorial at Custer Battlefield National Monument to commemorate the Indians who fought to preserve their land and culture at the Battle of the Little Bighorn in 1876.

While many know of Custer's last stand, far fewer know of the circumstances or events that led to this momentous encounter at Little Bighorn. For a time that story only centered on the daring and flamboyancy of Lt. Col. George Armstrong Custer who led his men into a fateful battle that proved to be the high water mark of the Plains Indians struggle. Looking back today we can see a story of sacrifice and bravery on both sides. The Indian memorial authorized by H.R. 4660 is meant to give recognition to the Indians who fought there, just as the existing Seventh Cavalry Monument recognizes U.S. Army participants.

There is significant public interest in this legislative proposal, especially from members of the Indian community, who have felt that such recognition was long overdue. This project was developed with significant public input, including the participation of an Indian memorial committee appointed by the National Park Service in 1989. The legislation provides for a continuation of this public participation process in finalizing the placement and design of an Indian memorial at the battlefield.

Mr. Speaker, there is a general consensus that H.R. 4660, as amended, is a good proposal that will provide tangible recognition of Indian involvement in the Battle of the Little Bighorn. I know of no controversy with the erection of this memorial and I urge adoption of the legislation by the House.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I am proud to bring to this august body H.R. 4660 that, at last will give recognition to the fallen Indian warriors of the most famous battle ever fought in the Indian wars—the Battle of the Little Bighorn.

Lt. Col. George Armstrong Custer has long been honored along with his forces who died in this battle at what is now known as the Custer Battlefield National Monument. In 1881, the U.S. Government erected a monument over the mass grave-site on Last Stand Hill for soldiers, scouts, and civilians attached to the 7th Cavalry who died there.

On a scorching June Sunday in 1876, hundreds of Indian warriors converged on a grassy ridge rising above the valley of Montana's Little Bighorn River. On the ridge, 5 companies of U.S. cavalry, about 225 officers and troopers, fought desperately but hopelessly against many times their number. When the guns fell silent and the smoke and dust of battle lifted, no soldier survived.

This was "The Battle of the Little Bighorn"—a spectacular triumph for the American Indian, but one that for too long has not been properly recognized.

This legislation today will begin to restore historical balance to the battle. While many members of the Cheyenne, Sioux, and other Indian nations gave their lives defending their families and their traditional lifestyle and livelihood, nothing stands at the battlefield to commemorate those individuals.

This legislation will authorize a memorial at Custer Battlefield to honor the many members of the Cheyenne, Sioux, and other Indian Nations that gave their lives defending their land, families, culture, and livelihood in the Battle of the Little Bighorn.

This legislation will do more than bring recognition to one group of courageous Indians. This year marks the 100th anniversary of the last battle fought by the Indians—the Battle of Wounded Knee. And, with the theme of "Peace Through Unity," this memorial recognizes that only through peaceful relationships among people of all races can our Nation achieve the unity that is so vital to continued strength and prosperity.

I wish to note that the entire State of Montana stands to benefit from erection of this memorial. Its establishment will further enhance the already worldwide and national significance of Custer Battlefield National Monument, increasing its drawing power as a major historical site in the United States.

Because of its significance in Indian history as the site of the last major victory by the Indians, Custer Battlefield has long deserved the recognition it has received. Now, with the establishment of this memorial, its importance will be fittingly elevated in the pages of U.S. history.

I ask my colleagues to join me in passing this important legislation.

Mr. MARLENEE. Mr. Speaker, today before the U.S. House of Representatives is a landmark piece of legislation that marks an important step toward restoring balance in the history of the Battle of the Little Bighorn in 1876.

For years, we have paid homage to Col. George A. Custer and the estimated 268 of his U.S. Cavalry forces who were killed in this famous battle. The names of these brave soldiers, scouts and civilians attached to the 7th Cavalry are remembered in a monument erected in 1881 over the mass gravesite on Last Stand Hill.

But nothing stands to remember the estimated 3,000 Indian warriors who fell in this battle in defense of their families, their traditional lifestyle and their livelihoods. Nothing stands to recognize their courageous spirit, their fierce determination to desperately hold onto the way of life as they knew it before the coming of the white man.

H.R. 4660 seeks to change that. It seeks, as it were, to "set the record straight," to tell the "rest of the story." This legislation simply authorizes the construction of a memorial at Custer Battlefield National Monument located in my Congressional District in eastern Montana. H.R. 4660 takes a simple step toward restoring historical balance, but it is no less significant.

For the Indians, I believe the establishment of a memorial means their story will begin to be heard with greater balance and with greater understanding. We will begin to hear more about these fallen warriors, about the 8,000 to 10,000 women, children and advisors who encamped near the battle site on June 25 and June 26, 1876. We will hear more about what led to their decision to stand up and fight rather than simply surrender.

Though some may view the establishment of an Indian memorial as an action that will reopen old wounds, I view it in a completely opposite light. The purpose of H.R. 4660 is not to divide, but, rather, to unite and I believe unity can only exist as we understand each other, as we seek to learn the reasons why others acted as they did. Clearly, it is only through a peaceful relationship between people of all races that our Nation can achieve the unity that is vital to continued strength and prosperity.

Passage of H.R. 4660 could come at no better time. The year 1990 marks the 100th anniversary of the last battle fought by the Indians—on December 23, 1890 at Wounded Knee, SD. One hundred years ago, these proud and noble people laid down their arms. We can do nothing better in honoring these people for their decision to achieve peace by passing this bill this year.

Mr. Speaker, I thank you for the opportunity to speak today in support of this legislation and I urge passage of the bill.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] the House suspend the rules and pass the bill, H.R. 4660, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

ESTABLISHING THE LAKE MEREDITH NATIONAL RECREATION AREA

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4878) to establish the Lake Meredith National Recreation Area in the State of Texas, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4878

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ESTABLISHMENT.

(a) ESTABLISHMENT.—In order to provide for public outdoor recreation use and enjoyment of the lands and waters associated with Lake Meredith in the State of Texas, and to protect the scenic, scientific, cultural, and other values contributing to the public enjoyment of such lands and waters, there is hereby established the Lake Meredith National Recreation Area (hereafter in this Act referred to as the "recreation area").

(b) AREA INCLUDED.—The recreation area shall consist of the lands, waters, and interests therein within the area generally depicted on the map entitled "Lake Meredith National Recreation Area Boundary Map, 'Fee-Take Line'", numbered SWRO—80,023-A, and dated September 1990. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior. The Secretary of the Interior (hereafter in this Act referred to as the "Secretary") may from time to time make minor revisions in the boundary of the recreation area.

(c) TRANSFER.—(1) Except as provided in paragraph (2), the Federal lands, waters, and interests therein within the recreation area are hereby transferred to the National Park Service.

(2) Those lands depicted on the map referred to in subsection (b) that are necessary for the continued operation, maintenance, and replacement of the Canadian River Project facilities and its purposes of providing for municipal and industrial water supply and flood control shall remain under the jurisdiction of the Bureau of Reclamation.

SEC. 2. ADMINISTRATION.

(a) IN GENERAL.—The Secretary shall administer the recreation area in accordance with this Act and the provisions of law generally applicable to units of the national park system, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), and the Act of August 7, 1946 (60 Stat. 885). In the administration of such recreation area, the Secretary may utilize such statutory authority as may be available to him for the protection of natural and cultural resources as he deems necessary to carry out the purposes of this Act.

(b) OPERATION OF CANADIAN RIVER PROJECT.—Nothing in this Act shall be construed to affect or interfere with the authority of the Secretary under the Act of December 29, 1950 (Public Law 81-898; 43 U.S.C. 600b et seq.), to operate Sanford Dam and Lake Meredith in accordance with and for the purposes set forth in that Act.

(c) LAND ACQUISITION.—Within the boundary of the recreation area, the Secretary may acquire lands and interests in lands by purchase with donated or appropriated funds, exchange, or transfer without reimbursement from any Federal agency.

(d) CULTURAL RESOURCES.—The Secretary shall conduct a survey of the cultural resources in the immediate vicinity of the recreation area. The Secretary is authorized to enter into cooperative agreements with public or private entities, including landowners, for the purpose of conducting the survey required by this subsection. Not later than three years after the date on which funds have been made available, the Secretary shall submit a report to the Committee on Interior and Insular Affairs of the House of Representatives and the Committee on Energy and Natural Resources of the Senate on the results of the survey required by this subsection.

(e) HUNTING AND FISHING.—(1) The Secretary shall permit hunting and fishing on lands and waters under the Secretary's jurisdiction within the recreation area in accordance with applicable Federal and State law. The Secretary may designate zones where, and establish time periods when, hunting or fishing will not be permitted for reasons of public safety, administration, fish and wildlife management, or public use and enjoyment.

(2) Except in emergencies any regulations issued by the Secretary under this subsection shall be put into effect only after consultation with the appropriate State agencies responsible for hunting and fishing activities.

(f) COOPERATIVE AGREEMENTS.—For purposes of administering the recreation area, the Secretary may enter into cooperative agreements with any Federal agency, the State of Texas, or any political subdivision thereof, including the Canadian River Municipal Water Authority, for the rendering, on a reimbursable basis, of rescue, firefighting, law enforcement, fire preventive assistance, and other needs. The Secretary may enter into a cooperative agreement with the city of Fritch, Texas, to develop and operate a joint venture information center. Federal funds may be expended on non-Federal lands and improvements through cooperative agreements for the purpose of this section on a 50-50 matching basis.

SEC. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

□ 1350

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 4878, the bill presently under consideration.

The SPEAKER pro tempore (Mr. MAZZOLI). Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4878 designates the Lake Meredith National Recreation Area in the State of Texas and transfers administration of most of the existing Sanford Dam-Lake Meredith Project Area to the National Park Service for administration.

Lake Meredith was constructed by the Bureau of Reclamation in the mid-1960's as the key part of the Canadian River project, primarily for the purpose of providing municipal water supply for the panhandle region of Texas. The recreation features at Lake Meredith have been administered by the National Park Service under a memorandum of understanding with the Bureau of Reclamation since project completion, almost 25 years. During that 25-year period Lake Meredith has become the second most popular facility managed by the National Park Service's Southwest Region, accommodating approximately 1½ million visitors annually.

The designation of Lake Meredith as a full-fledged unit of the National Park System will consolidate responsibility for all aspects of resource management for the area with the National Park Service and will provide much needed official recognition of the long-standing administrative arrangements for the area. Designation will also help focus management attention on the cultural resources found within the area.

During its deliberations of the bill the committee adopted an amendment in the nature of a substitute. The substitute more clearly defines the area to be transferred to the Park Service and that which is to be retained by the Bureau of Reclamation for project operation. The substitute also clarifies that it is not the intent of Congress to alter the original authorization of the Sanford Dam project contained in Public Law 81-898.

Mr. Speaker, I want to thank and acknowledge the efforts of Congressman SARPALIUS who sponsored this measure and who has been a great help to us in moving this bill. His actions have been instrumental in bringing us to this point.

Mr. Speaker, I believe that designation of Lake Meredith as a national recreation area is an important step in the management of the area and is one I am happy to support. I look forward to enactment of this legislation.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4878, a bill to establish Lake Meredith National Recreation Area in the State of Texas. This legislation would simply reaffirm in legislation the management scenario which has played out at Lake Meredith National Recreation Area over the last 25 years.

I understand that the administration opposes this legislation because it has not been established by the National Park Service as a priority and because of potential increased costs. However, this position seems to be at odds with actions taken by the National Park Service over the last 25 years. In 1965, the National Park Service entered voluntarily into an agreement to manage recreational use at the site. They have continued to maintain that operation. In fact over the last 10 years, the operational base at this park has been increased approximately $350,000. At the same time, the operational base has decreased at 5 out of 31 parks in the Service's Southwest Region. In regard to impacts of increased costs, the administration has not furnished the committee with cost information, therefore it is not possible to estimate the level of impact from this proposal.

The administration also pointed out in their testimony that this area may not meet the criteria outlined in NPS policy for establishment of a national recreation area. However, a review of these criteria reveals that they are so broadly written, that an extremely wide assortment of areas would meet the criteria, including the proposal as outlined in this bill.

Clarification of the status of this area should allow it to compete more effectively for development and other funding programs of the agency. While I could not support a proliferation of these types of sites in the national park system, where NPS manages man-made impoundments, this proposal is a reasonable addition.

I encourage my colleagues to join me in supporting this measure.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the sponsor of this bill, the genetleman from Texas [Mr. SARPALIUS].

Mr. SARPALIUS. Mr. Speaker, Lake Meredith is now celebrating its 25th anniversary. It is a real jewel to the Texas Panhandle. It provides our water supplies for 13 cities, including Amarillo and Lubbock, and as was said in the testimony earlier, it is a recreational facility that many people throughout the Texas Panhandle enjoy a great deal.

In the heart of the Lake Meredith Park that we have, there is a park that is known as the Alibates. It is the only national monument that we have in the State of Texas. It is where the Indians mined flint for 12,000 years, and tribes throughout the country would gather at the site where Lake Meredith is and exchange their goods and conduct trading there. The flint there is of tremendous value to the Indian culture.

I think this piece of legislation here, H.R. 4878, creates the Lake Meredith National Recreation Area, a recreational area which would encompass as much as 46,000 acres. It gives broad funding authority to help the lake reach national status, which it deserves.

I ask my colleagues and would encourage my colleagues to support this legislation. We feel like, for the past 25 years, the park has been neglected. This gives an opportunity for Members to put more emphasis on the park, and what it means to our area. I encourage my colleagues to support this bill, H.R. 4878.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4878, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

CERTAIN USES OF LANDS OF RICHMOND NATIONAL BATTLEFIELD PARK AND COLONIAL NATIONAL HISTORICAL PARK

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill

(H.R. 4107) to direct the Secretary of the Interior to permit certain uses of lands within Richmond National Battlefield Park and Colonial National Historical Park in the Commonwealth of Virginia, as amended.

The Clerk read as follows:

H.R. 4107

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. RIGHT-OF-WAY FOR NATURAL GAS PIPELINE.

The Secretary of the Interior is authorized, under regulations generally applicable to utility rights-of-way in the National Park System, to issue a permit to the Virginia Natural Gas Company granting an underground easement for the construction, operation, and maintenance of one natural gas transmission pipeline under and across the Colonial National Historical Park in the State of Virginia. The natural gas pipeline shall be located within the Virginia Power Company's existing electric transmission corridor located between Routes 143 and 716.

SEC. 2. RIGHTS-OF-WAY FOR EXISTING PIPELINES.

The Secretary of the Interior is authorized, under regulations generally applicable to utility rights-of-way in the National Park System, to issue permits granting underground easements for the operating and maintenance of the following existing pipeline facilities under and across the Colonial National Historical Park in the State of Virginia:

(1) Colonial Products petroleum pipeline #LOA-99-001.

(2) Virginia Natural Gas pipeline at the Glass House #LOA-90-002B.

(3) Virginia Natural Gas pipeline at Page Street #LOA-90-002C.

(4) Virginia Natural Gas pipeline at Route 143 #LOA-90-002D.

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 4107, the bill presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, construction of facilities such as natural gas pipelines in units of the National Park System is an extremely sensitive issue. It is the Interior Committee's longstanding policy that no pipeline construction will be allowed in national park units unless there is a determination that park resources will not be adversely affected and there are no prudent alternative locations for construction.

Mr. Speaker, H.R. 4107 as introduced by Mr. BLILEY of Virginia, directed the Secretary of the Interior to authorize construction of three natural gas pipelines. Two of the pipelines would be located in Colonial National Historic Park and one would be located in Richmond National Battlefield Park. Congressional authorization of pipeline construction is required since the National Park Service has no general authority to grant rights-of-way for natural gas or petroleum pipelines.

Action is necessary on only one of the new pipelines at this time. This pipeline is the Virginia natural gas transmission line proposed to cross Colonial National Historic Park. The key reason for the committee's recommendation to proceed is because the park stretches from Jamestown to Yorktown completely across the intervening peninsula and makes it difficult to locate utilities in the area without crossing the park. In the case of this pipeline, there is no feasible alternative to its proposed location.

In addition to the new line, there are four existing pipelines at Colonial that were improperly authorized by the National Park Service. Testimony offered by the National Park Service indicated that both the one new and four existing lines at Colonial are not incompatible with the park and its resources.

In its review of the legislation, the committee adopted an amendment in the nature of a substitute to H.R. 4107 which: authorizes one new pipeline at Colonial National Historic Park and deletes both the second new pipeline proposed for Colonial and the one new line proposed for Richmond National Battlefield; authorizes the four existing lines at Colonial; and authorizes, but does not mandate, the National Park Service to issue the pipeline permits.

It is the committee's understanding that the pipeline companies will be charged fair market rental for all the lines, and that any disturbance caused by placement or maintenance of the lines will be reclaimed to the National Park Service's satisfaction.

Mr. Speaker, I support enactment of this legislation as amended and recommend its passage.

□ 1400

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am pleased to rise in support of H.R. 4107, a bill to authorize construction of a pipeline in Colonial National Historical Park. This measure was introduced by my colleague, Mr. BLILEY, and reflects his extensive efforts to ensure this project is undertaken with a minimum of impact to this important National Park Service area. Due to his work on the bill, it is supported by the administration.

Mr. Speaker, Colonial National Parkway extends as a narrow ribbon of green between the York and James Rivers, just east of Williamsburg, VA. The parkway already has a moderate level of urban development on both sides; thus there are no alternatives to crossing this road for expansion of service. The proposal brought forward by Mr. BLILEY minimizes the extent of potential impact on the park by using an already developed utility corridor and using construction methods which minimize impacts to park resources.

This bill also addresses a concern which exists at a currently unknown number of National Park Service areas, by providing the authority for four existing pipelines at the park to continue. The National Park Service has no generic authority to permit petroleum product pipelines across its lands, and preliminary estimates indicate there may be as many as several hundred existing, unauthorized petroleum pipelines in various National Park Service units around the country. The National Park Service needs authority to permit these existing lines to remain where appropriate and possibly to permit new lines under certain conditions. I hope we will be able to address this situation in the future.

I would like to thank the chairman of the subcommittee, Mr. VENTO, for working with us on this measure and helping to facilitate passage of this bill which will be very important to hundreds of future customers to be served by this line.

I urge my colleagues to join me in supporting this bill.

Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. BLILEY], the sponsor of this legislation.

Mr. BLILEY. Mr. Speaker, in the summer of 1989, I was contacted by the city of Richmond requesting my help in getting authorization for the construction of a 137-mile natural gas transmission pipeline that would provide gas for residential, commercial, and industrial use. One of its major customers will be the city of Richmond.

In order to complete this pipeline, which has been approved by the State corporation commission, the builders of the pipeline must acquire underground easement rights through national historic parkland for a short segment of the pipeline. Unfortunately, the National Park Service has the authority only to grant overhead easements. For this reason, on February 23, 1990, I introduced H.R. 4107 which will give the appropriate easement

rights for the completion of the pipeline.

Since that time, as a result of discussions held between the pipeline builders, the National Park Service, and the subcommittee chaired by the honorable gentleman from Minnesota, [Mr. VENTO], the bill has been further refined and strengthened. The bill will now provide for the construction of the pipeline through the Colonial National Historical Park as well as grandfather four existing pipelines in that park.

Mr. Speaker, I want to thank Chairman VENTO and his staff for their prompt and professional consideration of this legislation. I also want to thank the ranking Republican member of the subcommittee, Mr. MARLENEE, and his staff for their response to this legislation. The completion of this pipeline will have a very positive impact, not only on my constituents but the entire Commonwealth of Virginia. It will help provide a safe, reliable, domestic, and clean burning fuel choice to the people of Virginia.

Mr. RHODES. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4107, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to authorize the Secretary of the Interior to permit certain uses of lands within the Colonial National Historical Park, in the Commonwealth of Virginia."

A motion to reconsider was laid on the table.

BLACKSTONE RIVER VALLEY HERITAGE CORRIDOR

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 830) to amend Public Law 99-647, establishing the Blackstone River Valley National Heritage Corridor Commission, to authorize the Commission to take immediate action in furtherance of its purposes, and to increase the authorization of appropriations for the Commission, as amended.

The Clerk read as follows:

S. 830

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

SECTION 1. IMPLEMENTATION OF THE PLAN.

Section 8 of the Act entitled "An Act to establish the Blackstone River Valley National Heritage Corridor in Massachusetts and Rhode Island", approved November 10, 1986 (Public Law 99-647, 16 U.S.C. 461 note) (hereinafter referred to as the "Act"), is amended by inserting the following at the end thereof:

"(c)(1) In furtherance of the purposes of this Act, the Secretary is authorized to undertake a limited experimental program of financial assistance for the purpose of providing demonstration funds for projects within the corridor which exhibit national significance or provide a wide spectrum of historic, recreational, or environmental education opportunities to the general public in a manner consistent with the purposes of this Act.

"(2) Applications for funds under this section shall be made to the Secretary through the Commission. Each application shall include the recommendation of the Commission and its findings as to how the project proposed to be funded will further the purposes of this Act.

"(3) The Secretary is authorized to provide funds for the following purposes—

"(A) preservation and restoration of properties on or eligible for inclusion on the National Register of Historic Places;

"(B) design and development of interpretive exhibits to encourage public understanding of the resources of the Blackstone Valley; and

"(C) cultural programs and environmental education programs related to environmental awareness or historic preservation;

"(4) Funds made available pursuant to this subsection shall not exceed 50 percent of the total costs of the project to be funded. In making such funds available, the Secretary shall give consideration to projects which provide a greater leverage of Federal funds. Any payment made shall be subject to an agreement that conversion, use, or disposal of the project so assisted for purposes contrary to the purposes of this Act, as determined by the Secretary, shall result in a right of the United States of compensation of all funds made available to such project or the proportion of the increased value of the project attributable to such funds as determined at the time of such conversion, use, or disposal, whichever is greater.".

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

Section 10 of the Act is amended by inserting "(a)" after "SEC. 10", striking "250,000 for the next five fiscal years" and inserting "350,000 for each year in which the Commission is in existence" and inserting at the end thereof the following—

"(b) DEMONSTRATION FUNDS.—There are authorized to be appropriated to carry out the provisions of section 8(c), $1,000,000 annually for fiscal years 1991, 1992, and 1993, to remain available until expended.".

The SPEAKER pro tempore. Is a second demanded?

Mr. RHODES. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from Arizona [Mr. RHODES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 830, which passed the Senate in July 1989, amends the act establishing the Blackstone River Valley National Heritage Corridor Commission to make grants for certain activities related to the Corridor and to increase the authorization of appropriations to the commission. The legislation is similar to H.R. 2127, introduced by Representatives MACHTLEY, EARLY, and ATKINS.

The Blackstone River Valley National Heritage Corridor was established by Public Law 99-647 in November 1986. Its purpose is to provide a cooperative management framework for the preservation and interpretation of the significant resources of the corridor associated with the American industrial revolution. To assist in this effort a 19 member commission was established to prepare a plan and help coordinate preservation and interpretation efforts.

During committee consideration of S. 830, several significant changes were made to the bill. As amended, the bill provides for a limited, targeted program of financial assistance to be administered by the Secretary of the Interior for qualified projects within the Heritage Corridor that fulfill the purposes for which the corridor was designated. This change addresses the concerns that had been raised about changing the nature of the Blackstone Commission from a planning and advisory body to a grantmaking authority. The amended bill also provides for cost sharing of funds and contains limitations on the use of these funds to avoid duplication with such programs as the Land and Water Conservation Fund and the Historic Preservation Fund.

Mr. Speaker, there has been considerable interest and enthusiasm in Massachusetts and Rhode Island for the National Heritage Corridor designation of the Blackstone River Valley. The Blackstone Commission has been active in the corridor in carrying out its responsibilities. The limited and targeted program provided for by S. 830 as amended will help focus the conservation and interpretation efforts within the corridor. I support S. 830, as amended, and recommend its adoption by the House.

Mr. RHODES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 830. This bill would provide for an increase in the authorized ceiling and funding purposes for the Blackstone River National Heritage Corridor. The amount of Federal funding authorized in this bill is relatively modest. However, in combination with matching funds to be provided from other sources, these dollars will make a sig-

nificant contribution to the success of this area.

In the last several years, Congress has enacted a number of park proposals which contain cost-sharing provisions. Such designations are appropriate for areas which are determined not to contain suitability for permanent designation as a National Park Service unit.

Several months ago, our subcommittee requested specific information from the administration regarding financial contributions from other sources for the Blackstone River project. They have informed us that over the last 2 years, State contributions for this area have exceeded federal funding by a 5-to-1 ratio.

This measure is only partially supported by the administration. Their major concern with the bill relate to the fact that by providing for site-specific granting authority in this bill we are undermining such programs as the National Historic Preservation Grant Program. I share that concern, but believe that the safeguards enacted in this bill provide some measure of insurance against that possibility.

I would like to recognize my colleague from Rhode Island [Mr. MACHTLEY], a principal cosponsor of this bipartisan bill. His cooperation in the development of this bill and his continued support of the Blackstone River project will be key to the success of this area in the future.

I urge my colleagues to join me in supporting this bill.

□ 1410

Mr. Speaker, I yield such time as he may consume to my colleague, the gentleman from Rhode Island. [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Speaker, I wish to personally thank the chairman, the gentleman from Minnesota [Mr. VENTO] and the ranking minority member, the gentleman from California [Mr. LAGOMARSINO], as well as the gentleman from Arizona [Mr. RHODES], and their staffs for the fine cooperative effort which they provided in assuring that there was an amended version of S. 830 which was acceptable.

I also wish to commend my colleague, the gentleman from Massachusetts [Mr. EARLY], for his leadership and his guidance in making sure that the reality of this bill was in fact something that could be achieved in this term.

Mr. Speaker, this river flows 47 miles through both Massachusetts and Rhode Island. It is a unique historic location. It is fortuitous that we would have this legislation before us on the expected week of the textile bill, for it was in this location that the textile industrial revolution began, now over 200 years ago.

This year, on May 29, 1790, this stamp was commissioned which shows the Slater Mill, a classic building which was built by Samuel Slater, who memorized the works of England and brought them into this region.

This area has 47 historic districts, 5,000 historic buildings. This legislation will help preserve the historic character and the historic place of the textile industrial revolution in our history.

I also wish to thank the Members from the other body, the Senators PELL and CHAFEE, for their leadership in sponsoring and passing similar legislation.

We in Massachusetts and in Rhode Island are very proud of the unique history which this river has borne as the leader and founding place of the industrial revolution.

The special historic value of this area was given recognition 4 years ago with the enactment of Public Law 99-646, which created the Blackstone Valley National Heritage Corridor.

Since that time, there has been strong bipartisan and community spirit and pride to ensure that this Historic Valley National Heritage Corridor does, in fact, become a reality.

In recent hearings on S. 830 in the House Interior Committee many have commented on the committed demonstration by the citizens of the Blackstone Valley and their local and State communities. In fact, this is not only a good program for its unique historical aspect, but for its financial package as well. As has been indicated, local communities have leveraged the Federal dollars 5 to 1.

The project and the people behind it have more than proven themselves and now the Federal Government will be given the opportunity to endorse this program with needed additional funding.

The legislation we have under consideration today will provide the Blackstone Valley Commission with the needed operating capital for 1991, 1992, and 1993, as well as the demonstration project along its banks.

These additional funds will help preserve the historic integrity of the valuable historic Blackstone River.

Not only will it retain the historic character of this area, but it will also help the economic future of the area. There are 26 communities in the two States which abut this river, and it is no secret that during this tough economic period in New England this will be an enormous help.

I am pleased that this legislation has, in fact, come to the floor.

Mr. Speaker, I respectfully urge my colleagues to support the legislation.

Ms. SCHNEIDER. Mr. Speaker, I rise in support of S. 830, the Blackstone River Valley Heritage Commission Amendments and I congratulate my colleague, Representative RON MACHTLEY, for his successful efforts on behalf of this bill in the House.

In 1790, Samuel Slater built the first models for the Arkwright Mill and 3 years later he built the first successful water-powered cotton mill in Pawtucket, Rhode Island. The textile industry celebrates its 200th anniversary in America this year and I can think of no finer recognition of that event than the passage of this bill to preserve and enhance the cradle of American industry.

In 1986, Congress passed legislation designating the Blackstone River Valley as a National Heritage Corridor in Massachusetts and Rhode Island. This served to provide an official affiliation between the region and the National Park Service, which provides it with technical assistance.

S. 830 builds on this earlier legislation to strengthen the Federal-State-local partnership that has been so successful to date. It also provides the authority to fund programs that have already been initiated with private money. Specifically, S. 830 authorizes funding for: Matching grants to preserve and restore historic structures in the area; acquisition of threatened parcels of land for open spaces; initial planning and design of exhibits at interpretive centers; and cultural and education program grants.

The preservation of the heritage of our country is one of the finest gifts we can pass on to our children. This legislation takes a step in the proper direction of guaranteeing that this important part of our past is understood and enjoyed.

Mr. Speaker, I feel that this bill recognizes the importance that innovative industrial activities played in the early days of our country, and I hope that spirit of innovation that was first felt in the Blackstone River Valley will continue to be exhibited during the centuries to come.

Mr. EARLY. Mr. Speaker, I rise in support of the pending legislation to authorize the Blackstone River Valley National Heritage Corridor Commission to take immediate action in furtherance of its purposes and to increase the authorization of appropriations for the commission.

The Blackstone River Valley has national significance as the birthplace of the American Industrial Revolution, and the Rhode Island system on manufactuing. In recognition of the nationally significant resources of the Blackstone River Valley, which runs from Worcester, MA, to Pawtucket, RI, the Blackstone River Valley National Heritage Corridor Act was enacted in November 1986 to facilitate the preservation and commemoration of the birthplace of the American Industrial Revolution.

Three factors distinguish the valley from other industrial regions. It was the first such region in the United States; the first widespread use of water power for industry occurred on the Blackstone and branch rivers; and it was where the Rhode Island system on manufacturing was developed.

The technology and organization of manufacturing pioneered in the Blackstone Valley influenced industrial development in the rest of our young country. As home of the Rhode Island system, a district tradition in manfuac-

turing, the valley in unique. The textile manufacturing centers which developed in Worcester, Hopedale, Northbridge, and Millbury, MA, and in Pawtucket and Providence, RI, constituted one of the most important machine making districts in the Nation.

The first textile mill in the United States was established on the Blackstone River by Samuel Slater in 1790 in what is now the city of Pawtucket, RI. For more than two centuries, the massive forces of the Blackstone River spun the wheels and turbines that powered the mills along its banks. So many mills exploited the river's water power in the early 19th century that all but 30 feet of the river's 430-foot drop in altitude in its 46-mile journey from Worcester to Pawtucket was harnessed in some fashion.

The Blackstone Canal, built in the 1820's was an important canal in its own right in early America, contributing to the growth and commercial prominence of Worcester and Providence, now the second and third largest cities in New England.

Since the enactment of the legislation establishing the National Heritage Corridor. Massachusetts and Rhode Island have intensified its cooperative efforts to revitalize the corridor and preserve and interpret the unique and significant contributions of the Blackstone Valley to our heritage. As required by Public Law 99–647. The Commission has prepared a cultural heritage and land management plan and, after extensive review, this plan was approved by the Secretary of the Interior. It is an excellent plan. It has received an enormous response from my consitutents. The Governors of Rhode Island and Massachusetts have reviewed it and enthusiastically agreed to help implement it. There has been a new surge of investment in plan objectives from private citizens as well as local and State government.

The legislation before us today authorizes the Secretary of Interior to provide demonstration funds for propjects within the corridor to assist in the implementation of this plan. It also authorizes additional funds to enable the commission to carry out its responsibilities under the act and in implementing the corridor plan.

The Blackstone Valley is unique in its ability to convey, through its rich social history and extensive physical remnants and ruins, the story of the textile industry in New England, the canal building era, and the diverse immigrant population that came to the valley in search of jobs. In addition to its historic importance, the river has beautiful natural stretches and scenic areas that provide green spaces and opportunities for recreation in the midst of the densely populated valley. The Blackstone River Valley National Heritage Corridor was created because the historic character of the valley's 19th century mill villages, rural landscape and open spaces have been demaged by economic decline and 20th century pollution. And, it is now being threatened by the quickening pace of suburbanization.

I am more convinced than ever of the importance of preserving the historical and cultural resources of the corridor, and of the unique opportunity we have to share with present and future generations its significant contributions to our national heritage. The mills, villages, transportation networks, and social history of the early settlers in this area tell the story of the industrialization of 18th and 19th century America. The valley offers an invaluable resource for the study and application of the community life and workplace in industrial America.

With the assistance authorized in this legislation, the Blackstone River Valley corridor takes another step closer to realizing its potential. Not only witll it benefit residents of Massachusetts and Rhode Island, but it will also help to preserve, and bring to life, a very important part of our heritage for all Americans.

I urge my colleagues support of this legislation.

Mr. RHODES. Mr. Speaker, I want to commend the leadership of the gentleman from Rhode Island [Mr. MACHTLEY], in assisting us in getting this legislation to the floor. I urge our colleagues to support it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 830, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

SUPPORT FOR BRAZILIAN CONSERVATION EFFORTS TO PROTECT THE AMAZON

Mr. YATRON. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 431) to establish that it is the policy of the United States to encourage and support conservation efforts initiated by Brazil to protect the Amazon forest, and that the United States should redouble its efforts to reduce its pollution of the global environment as amended.

The Clerk read as follows:

H.J. RES. 431

Whereas the Federal Republic of Brazil is a longstanding friend of the United States, being our most populous neighbor in the Western Hemisphere, and a trading partner with whom we have conducted over $10,000,000,000 of trade per year;

Whereas Brazil possesses within its borders over six hundred million acres of one of the greatest natural resources on Earth, the vast forest of the Amazon, comprising 30 percent of the world's tropical forests, 18 percent of the world's fresh river water, and the habitat of approximately 30 percent of all life species, including more species of primates, flowering plants, and psittacine birds than are found in any other nation;

Whereas this great resource is indisputably under the sovereign authority of Brazil, and any suggestion to subject the Amazon to international control or in any way diminish Brazil's sovereign authority over it should be condemned as inappropriate;

Whereas the conservation and preservation of its Amazon forest is ultimately the responsibility of Brazil and it is developing a body of environmental law and has included in its new constitution a strong commitment to environment protection;

Whereas the increasingly large and accurate body of scientific knowledge regarding the greenhouse effect has demonstrated that the environmental degradation of Amazonia makes a significant contribution to the greenhouse effect;

Whereas the environmental degradation of Amazonia results in a loss of genetic resources found in its rich biological diversity, degradation of soil quality, erosion, and accelerated siltation of waterways;

Whereas such environmental degradation jeopardizes the renewable nature of Amazonia natural resources;

Whereas the United States supports the sustainable economic development of all tropical nations, including Brazil, for humanitarian, political, economic, and environmental reasons, and, to a great extent, the development of these nations depends on increasing production from their potentially renewable soil, forest, and water resources in an environmental sound manner; and

Whereas the United States has historically faced, and continues to face, many environmental problems of its own, resulting in a wealth of technology and experience useful to sustainable development and environmental protection: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) it is the policy of the United States to unequivocally recognize Brazil's sovereign authority in the Amazon, rejecting any suggestion of international control or foreign domination over the area;

(2) where appropriate, the United States should adopt a policy to encourage and support conservation efforts initiated by Brazil to protect the Amazon forest and should be open and willing to respond positively, through means such as technical assistance, international financing coupled with environmental assessments, and various mechanisms to reduce unsound development of the Amazon forest which is a result of economic and social factors; and

(3) the United States should redouble its efforts to address development within its own borders in an environmentally sound and sustainable manner.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. YATRON] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. YATRON].

Mr. YATRON. Mr. Speaker, I yield myself such time as I must consume.

Mr. Speaker, I support House Joint Resolution 431, and want to acknowledge the gentleman from Virginia [Mr.

WOLF] for this outstanding and extremely relevant measure. Let me also commend the subcommittee's ranking minority member, Mr. BEREUTER, whose leadership and cooperation on environmental issues has been extremely valuable. I would also like to commend the chairman of the Foreign Affairs Committee, Congressman FASCELL, and the ranking Republican member of the Committee, Congressman BROOMFIELD, for their efforts in getting this legislation to the floor in an expeditious manner.

Mr. Speaker, Brazil's Amazon Rain Forest comprises a vast area and contains an abundance of plant and animal life. It is a natural resource of unparalleled value. The Amazon is also a major factor in global climate change.

The new President of Brazil has made environmental conservation one of his administration's highest priorities, appointing an internationally known environmentalist to oversee the environmental ministry.

Mr. Speaker, House Joint Resolution 431 calls on the United States to support and cooperate with Brazil in its efforts to protect the Amazon. By explicitly recognizing Brazilian sovereignty over the area, and calling attention to our own pollution problems, the resolution is a constructive step to respond positively to Brazil's needs, and to enhance United States-Brazilian relations.

The Foreign Affairs Committee unanimously passed the resolution after adopting some technical amendments.

Mr. Speaker, I urge our colleagues to strongly support this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this resolution to encourage and support greater efforts to preserve the Amazon rain forests.

It has become increasingly clear in recent years that the living resources of the Amazon basin have unique value. It is also clear, unfortunately, that they are under extraordinary threat from human activities.

I commend the sponsor, Mr WOLF, for crafting this resolution. Aside from its statements of concern, what is striking about this resolution is its sensitivity to the concerns of Brazil concerning its sovereignty over this area, and the recognition that Brazil is not alone in having major environmental problems.

I also wish to commend Chairman FASCELL for calling up this resolution and the primary subcommittee of jurisdiction, the Subcommittee on Human Rights and International Organizations under the able leadership of the gentleman from Pennsylvania, [Mr. YATRON] and the gentleman from Nebraska, [Mr. BEREUTER], for giving it their full consideration.

As this resolution states, the United States should develop further policies to assist Brazil to protect its precious natural heritage in the Amazon. I am sure that the Committee on Foreign Affairs as well as other committees will be considering legislation in the future that will address various aspects of this problem.

Mr. Speaker, I yield 2 minutes to the gentleman from Nebraska, [Mr. BEREUTER].

□ 1420

Mr. BEREUTER. Mr. Speaker, I would like to begin this legislation, this series of four bills or resolutions, by commending the chairman of the Subcommittee on Human Rights and International Organizations, the distinguished gentleman from Pennsylvania [Mr. YATRON] for his effort and his initiative in bringing this legislation to the floor, as well as the ranking Republican on the full committee, the distinguished gentleman from Michigan [Mr. BROOMFIELD] and the chairman of the full committee, the distinguished gentleman from Florida [Mr. FASCELL]. In all four instances, this legislation is advancing because of their effort.

On House Joint Resolution 431 I would say, first of all, that everyone in this body is aware of the critical importance of the Amazon rain forest, yet it is our colleague, the gentleman from Virginia [Mr. WOLF] who has taken the initiative to advance this legislation, and he deserves to be commended for that effort. It is one of the world's greatest natural resources containing 30 percent of the world's tropical forests and 18 percent of the world's fresh water reserves. The continued loss of this natural asset would result in the acceleration of the greenhouse effect, as well as threatening the survival of large numbers of plant and animal species that are endemic or native to the tropical forest.

Mr. Speaker, this resolution recognizes the effort made by the Government of Brazil to preserve their tropical forests and urges the United States to support those efforts whenever possible. It recognizes Brazil's sovereign authority over the Amazon and makes it clear that this is not an attempt to exert foreign control over matters that rightly belong to the Brazilian people. Nevertheless, it expresses our concern. I would note, of course, that this resolution, in the careful way it is drafted, is a very important point in Brazilian-American relations.

In short, it is a useful, balanced resolution, and, again, this Member would like to commend the distinguished gentleman from Virginia [Mr. WOLF] for bringing this issue to our attention.

As an additional note, Mr. Speaker, that while we in the United States have appropriately devoted a great deal of attention to the Brazilian rain forest, we have paid much less attention to our own very limited rain forests in Hawaii and Puerto Rico. A full 75 percent of the Hawaiian tropical forests have been destroyed and 96 percent of the Puerto Rican rain forests have been lost. While it is appropriate to encourage Brazil in every way possible, those in this body who serve on committees with environmental jurisdiction should not ignore the very scarce and precious assets remaining in the United States.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from Kansas [Mrs. MEYERS], a member of the Committee on Foreign Affairs.

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in support of House Joint Resolution 431. The Amazon River basin and forest is one of the Earth's greatest natural resources. Its 600 million acres include 30 percent of the entire planet's tropical forest, and 18 percent of its fresh river water. The Amazon is also the habitat of almost one-third of all the species fo life on Earth, including more types of primates and flowering plants than are in any other nation.

The lush plant life of the Amazon forest is responsible for removing millions of tons of carbon dioxide from the atmosphere and replacing it with oxygen. Some have called the Amazon the lungs of the planet. The further degradation of the Amazon would increase the concentration of carbon dioxide in our atmosphere and exacerbate the greenhouse effect. Protecting the Amazon from degradation in the interest of everyone.

Yet this resolution also rightfully recognizes Brazil's sovereign authority over the Amazon. The worst thing that could be done in the interest in protecting the Amazon's environmental integrity is to try to impose some sort of international or external authority over the forest and river basin. The Government and people of Brazil would never stand for that, any more than the American people would accept international jurisdiction over the Mississippi. Environmental concern over this vital global resource cannot be seen as imperialism.

The Government of Brazil recognizes the importance of the Amazon. The United States should encourage and support Brazilian conservation efforts to protect the Amazon forest with technical assistance, and international financing incentives. We should especially work to eliminate incentives for unsound and environmentally dangerous practices that may be maintained by international development banks to which the United States be-

longs. This must be a Brazilian task, but America must be willing to help.

I would like to commend the gentleman from Virginia for introducing this vital resolution, and the Foreign Affairs Committee, especially the gentlemen from Pennsylvania [Mr. YATRON], and Nebraska [Mr. BEREUTER] for bringing it to the floor of the House. I urge my colleagues to support House Joint Resolution 431.

Mr. BROOMFIELD. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], a member of the Committee on Foreign Affairs.

Mr. GILMAN. Mr. Speaker, I want to commend the sponsor of this measure, the gentleman from Virginia [Mr. WOLF] and the chairman of the House Foreign Affairs Subcommittee on Human Rights, the gentleman from Pennsylvania [Mr. YATRON] for bringing this measure to the floor at this time. I am a cosponsor along with the subcommittee's ranking minority member, the gentleman from Nebraska [Mr. BEREUTER].

Mr. Speaker, this is an important issue. The issue of rain forests and the issue of global warming are all interrelated. It is important that we recognize the sovereignty of Brazil as we consider what steps should be taken, but I would hope that the Government of Brazil would recongize the extreme importance of this measure in trying to deter the effect of eliminating our rain forests on global warming.

House Joint Resolution 431 recognizes the uniqueness of the Amazon forests' ecosystem, biological diversity and impact on the world's environment. However, perhaps even more importantly, the resolution also recognizes Brazil's sovereign authority in the Amazon and states that the United States should increase its efforts to address environmental problems within our own borders.

As William Nitze, U.S. Deputy Assistant Secretary of State, said:

> It is clear that global climate change is inherently an international issue that transcends national boundaries and can be addressed effectively only through international cooperation. Action by the United States or any country alone will not be effective.

Despite the worldwide concern for the devastating consequences of environmental degradation and the opinion of the international scientific community that a warming of the Earth's atmosphere represents a threat of the severest magnitude, the global community has only recently begun to seriously address the threat posed by the destruction of our world's forests.

In order to fully accomplish our goals, we must positively state our intent, both unilaterally and collectively, toward developing solutions to the environmental problems facing our world today.

This resolution states both our support for Brazil's initiatives with respect to the Amazon as well as reiterating the intent of the United States to continue with initiatives to protect the environment. Accordingly, I invite and urge my colleagues to support the resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield 5 minutes to the gentleman from Virginia [Mr. WOLF], the sponsor of this resolution.

Mr. WOLF. Mr. Speaker, I would first like to thank the House Foreign Affairs Committee for its consideration of this important foreign policy resolution. In particular, I would like to thank Chairman DANTE FASCELL and Vice Chairman BILL BROOMFIELD for their support and cosponsorship of House Joint Resolution 431.

I also would like to acknowledge Chairman GUS YATRON and Vice Chairman DOUG BEREUTER of the Human Rights Subcommittee for their support and for taking the lead on committee action for this resolution.

House Joint Resolution 431 is a foreign policy resolution which places the Congress firmly on record in support of conservation efforts in the Brazilian Amazon, a 2.7-million square mile river and forest area representing nearly one-third of all the world's tropical forest.

This resolution is an important first step in what should be a concerted effort by the United States Government to seek ways in which to help Brazil, and other countries with significant land areas of tropical rain forest, slow the current, very alarming rate of deforestation.

The destruction of the world's rain forest is occurring at a rate of 54 acres a minute. Every year, we lose a tropical rain forest area the size of Pennsylvania, Ohio, or Virginia. If left unchecked, the current rate of deforestation will result in the complete destruction of all the world's rain forests in the next century.

Many in Congress have long been deeply concerned about the disturbing loss of rain forest that continues to occur. Many of my colleagues already know about the importance of the Amazon region, and that the Amazon rain forest is teeming with life like no other region of the world.

Home to more types of fish than in all European rivers, more bird species than in all the forests of North America, and plant life which has produced startling advances in medical science, the Amazon rain forest has a unique and critical role in the Earth's environmental stability.

The riches of the world's rain forests have many uses. From the cup of coffee you have for breakfast, to anesthesia for medical surgery, rain forests provide many products which enhance our daily lives. The World Resources Institute estimates that about 1,400 plants in tropical forests are believed to offer cures for cancers. A drug from the rain forests' periwinkle plant is now used to treat Hodgkin's disease and childhood leukemia, and the drug we use to treat high blood pressure comes also from the Amazon.

No less an important reason to curb tropical deforestation and protect the world's rain forests, is the catastrophic impact the continued burning of rain forests may have on the Earth's weather patterns, carbon dioxide emission levels, and our oxygen supply.

We in the United States contribute much to the carbon dioxide levels through car emissions, and should look for ways by which we can reduce our own pollution of the Earth. House Joint Resolution 431 recognizes this and states that the United States should redouble our own efforts to reduce our pollution of the global environment.

Foremost, House Joint Resolution 431 is a clear statement of U.S. policy toward the Brazilian Amazon. This policy was first put forth by Senator JOHN CHAFEE of Rhode Island, who led a well-received congressional visit to Brazil and the Amazon rain forest early last year. Upon his return to the United States, Senator CHAFEE introduced Senate Joint Resolution 101, legislation which addresses the tropical deforestation problem while recognizing Brazil's autonomy over the Amazon rain forest.

I introduced House Joint Resolution 431 last November as the companion resolution to Senator CHAFEE's bill. Since then, the resolution has picked up the cosponsorship of 123 of my colleagues in the House, the support of the U.S. State Department, and has attracted the endorsement of two leading environmental groups, the World Wildlife Fund and Conservation International.

The new Government and President in Brazil seem to be more sensitive to Brazil's tropical deforestation problems, which are so closely intertwined with their economy. The United States should now look for ways to encourage support for the new government to continue positive conservation initiatives in the Amazon.

It is vitally important that we act soon. The words of Thomas Lovejoy, the Smithsonian Institution's foremost expert on the Amazon rain forest, are ominous: He warns that,

> If the rain forest destruction is allowed to run its course, the Earth will suffer the most devastating blow to life in all our history.

I urge all my colleagues to lend your support to House Joint Resolution 431 and help Brazil meet the truly global challenge of tropical deforestation.

□ 1430

Mr. Speaker, I urge support for this joint resolution, and again I want to thank the gentleman from Florida [Mr. FASCELL], chairman of the full committee, the subcommittee chairman, the gentleman from Pennsylvania [Mr. YATRON], the ranking member of the full committee, the gentleman from Michigan [Mr. BROOMFIELD], and, of course, the gentleman from Nebraska [Mr. BEREUTER] and the staff for their quick movement on this legislation. Otherwise this bill could have languished until well into the next Congress.

Mr. BROOMFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. LAGOMARSINO], a member of the Committee on Foreign Affairs.

Mr. LAGOMARSINO. Mr. Speaker, I rise in strong support of House Joint Resolution 431 encouraging support for Brazilian conservation efforts to protect the Amazon forest.

I want to commend Congressman WOLF for his initiative on this important environmental issue. There is great concern over the loss of the valuable tropical rain forests of the Amazon and for the impact of their destruction on Brazil's ecological balance and for the world's changing climate.

The President of Brazil Fernando Collor is to be commended for his strong efforts to promote conservation of the Amazon forest resources. All of us who wish to see him succeed in his goal to preserve Brazil's fragile ecosystem applaud and support his efforts. They have significance not only for Brazil but for the rest of the world as well.

I urge prompt passage of this resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

Mr. YATRON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Pennsylvania [Mr. YATRON] that the House suspend the rules and pass the joint resolution, House Joint Resolution 431, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATRON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on the joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SENSE OF CONGRESS REGARDING LINKAGE BETWEEN THE ENVIRONMENT AND NATIONAL SECURITY

Mr. YATRON. Mr. Speaker, I move to suspend the rules and agree to the concurrent resolution (H. Con. Res. 248) expressing the sense of the Congress with respect to the linkage between environment and national security, as amended.

The Clerk read as follows:

H. CON. RES. 248

Whereas accelerating loss of forests, the spreading of deserts, the degradation of rivers and streams, the ruination of farmland, the increase of pollution, spiralling population growth and a host of other environmental stresses on the natural resource base are important factors which affect national security and global stability;

Whereas some experts estimate that 35 percent of the world's farmland is headed toward an unproductive condition as a result of erosion, salinization, deforestation, pollution, waterlogging, and desertification;

Whereas 1988 world grain consumption exceeded production by 152 million tons, chronic food shortages are plaguing many countries, and entire continents have experienced declines in per capita food production;

Whereas scientific forecasts of global warming from fossil fuel combustion and deforestation warn that major food shortages may result from such climate change and may place severe hardships on many countries;

Whereas the Congress is concerned that the combination of these factors will undermine initiatives to establish healthy, sustainable economies, will contribute to increasing political instability, and will constitute a major threat to national security and global peace;

Whereas unbridled consumption—and the resulting waste—in developed nations is a chief source of environmental degradation, and Third World countries continue to damage the environment through industrial pollutants, radical deforestation, or unlimited exploitation of nonrenewable resources;

Whereas destruction of the national resource base leads to displacement of local populations formerly dependent on these resources and increases the number of environmental refugees, which can be a significant source of conflict and tension as these people desperately seek new land in other parts of their own country or in other countries;

Whereas reckless exploitation of natural resources can rapidly drain a nation's wealth and create conditions of instability; and

Whereas the geopolitical landscape can change quickly and dramatically due to the political instability resulting from hunger and deprivation brought on by environmental problems: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the Secretary of State and the Administrator of the Agency for International Development—

(1) should give increasing attention to the linkage between environment and national security; and

(2) should focus a significant portion of United States foreign assistance on environmental restoration, reforestation, pollution control, family planning improvements in the efficiency of energy use, and rehabilitation of degraded ecosystems in order to—

(A) provide the basis for healthy, sustainable economies, and

(B) reduce serious tensions and political unrest stemming from deteriorating environmental conditions.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. YATRON] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. YATRON].

Mr. YATRON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support House Concurrent Resolution 248 and want to commend my good friend from New York Mr. GILMAN, for this critical initiative. He has been one of the foremost leaders of the Foreign Affairs Committee and the House of Representatives on global environmental problems. Let me also commend Mr. BEREUTER, ranking member of the Subcommittee on Human Rights and International Organizations for all his hard work on international environmental issues. I would also like to commend the chairman of the Foreign Affairs Committee, Congressman FASCELL, and the ranking Republican member of the committee, Congressman BROOMFIELD, for the expeditious manner in which they moved this legislation to the floor.

The resolution calls on the State Department and AID to give increasing attention to the link between environment and national security and to ensure a significant portion of U.S. foreign assistance be focused on environmental problems.

The pollution of our land, waters and atmosphere, the destruction of wildlife, the expansion of deserts, and the cutting of forests have undermined sustainable economic growth, and created conditions contributing to political instability around the world. National security and global peace are seriously threatened by the continuation of environmental problems.

Mr. Speaker, House Concurrent Resolution 248 is an important step in addressing this issue. The Foreign Affairs Committee passed House Concurrent Resolution 248, as amended without dissent.

I ask my colleagues for their support.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this resolution, which is intended to highlight the linkage between the international environment and national security.

It is clear that environmental problems can cause severe social and economic dislocations. If left unchecked, these problems can actually pose threats to international peace and security.

I commend the principal sponsor, Mr. GILMAN, for putting forward this useful resolution. I also wish to thank Chairman FASCELL for considering it in committee and Congressmen YATRON and BEREUTER for working on it in subcommittee.

To me, what is important about this resolution is that it recognizes that the causes of international environmental problems are not confined to the poorer countries. Industrial and other activities everywhere create environmental problems, but the developing countries may feel them most acutely.

We must respond to the sources of environmental destruction before the point is reached where they actually threaten security and peace. Not only this, but it is also our moral duty to respond to the extent possible to pressing human needs and the destruction of the natural world. It is entirely appropriate, therefore, that the resolution calls upon the Secretary of State and the Administrator of the Agency for International Development to increase the priority accorded to these issues.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], a member of the Committee on Foreign Affairs.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding at this time to me.

Mr. Speaker, House Concurrent Resolution 248 states that the Secretary of State and the Administrator of Agency for International Development should give increasing attention to the linkage between environment and national security, and should focus a significant portion of U.S. foreign assistance to countries suffering from political unrest stemming from deteriorating environmental conditions.

The deepening and widening global hunger and environmental crises presents a threat to national security—and even survival—that may be greater than well-armed, ill disposed neighbors and unfriendly alliances. Already in parts of Eastern Europe, Latin America, Asia, the Middle East, and Africa, hunger and environmental decline is becoming a source of political unrest and international tension. The recent destruction of much of Africa's dry land agricultural production was more severe than if an invading army had pursued a scorched-earth policy.

Presently our Government tends to base its approach to security on traditional definitions. And arms production—in all parts of the world—preempts resources that might be used more productively to diminish the security threats created by hunger and environmental degradation and the resentments that are refuelled by widespread poverty.

Mr. Sepaker, for these reasons, I introduced House Concurrent Resolution 248 and I write and urge my colleagues to support the bill and I thank the distinguished chairman of our Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL] and the ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], the distinguished subcommittee chairman, the gentleman from Pennsylvania [Mr. YATRON], and the subcommittee's ranking minority member, the gentleman from Nebraska [Mr. BEREUTER] for their kind support in bringing this measure to the floor at this time.

□ 1440

Mr. BROOMFIELD. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, in recent weeks a respected Member of the other body, the senior Senator from Georgia, has attracted considerable attention by appropriately suggesting that the Department of Defense has a natural role in the preservation of the environment, and that the environment is a matter of national security. This Member would simply note that the gentleman from New York [Mr. GILMAN] reached that same conclusion some months earlier, and that House Concurrent Resolution 248 is a testament to his foresight. I'm pleased to be a cosponsor of another excellent Gilman initiative.

House Concurrent Resolution 248 is a recognition that patterns of unconstrained consumption and waste must change, and that continued destruction of natural resources can threaten the survival of nations. There is no way that any nation can maintain healthy, sustained development if their nonrenewable resources are plundered. When nations opt for the quick economic fix through indiscriminate mining or harvesting of forests, future generations must pay. Long-term political stability and sustainable growth can best be secured through careful management and utilization of a nation's natural resources.

The resolution before this body today urges the Agency for International Development to pay close attention to environmental matters, and to assist in matters such as reforestation, pollution control, and rehabilitation of degraded ecosystems. This Member would point out that this resolution is wholly consistent with AID policy. The new AID Director has reaffirmed the Agency's commitment to work with developing nations to preserve their natural resources. It is AID's policy to assist in ways that are environmentally sound, and to ensure that development programs do not undermine the natural resource base.

Mr. Speaker, the Member would only add that the State Department fully supports House Concurrent Resolution 248, and that it was approved unanimously by the Committee on Foreign Affairs. This Member would urge approval of this resolution.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. YATRON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Pennsylvania [Mr. YATRON] that the House suspend the rules and agree to the concurrent resolution, House Concurrent Resolution 248, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the concurrent resolution, as amended, was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATRON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the concurrent resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REGARDING CONVENTION ON RIGHTS OF THE CHILD

Mr. YATRON. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 312) urging the President to submit the Convention on the Rights of the Child to the Senate for its advice and consent to ratification.

The Clerk read as follows:

H. RES. 312

Whereas the future peace and prosperity of all nations depend upon the good health and well-being of the world's children;

Whereas the Congress has long recognized the vulnerability of children and has enacted numerous laws that afford them special protections in this country;

Whereas similar protections for children are either totally lacking or inadequately enforced in much of the world;

Whereas, in part as a result of this lack of protection, millions of children are threatened daily by poverty, malnutrition, homelessness, exploitation, and abuse, depriving both family and society of their productivity and potential;

Whereas the child survival and development revolution launched in 1982 to attack the root causes if infant mortality and child ill-health through low-cost means such as universal child immunization and oral rehydration therapy, is saving the lives of more than 3,000,000 children each year and has demonstrated that the number of child deaths can be reduced significantly if available resources are used appropriately;

Whereas despite these gains and an emerging international consensus about the importance of protecting children, children both in the United States and abroad will continue to face poverty, sickness, and ill-treatment;

Whereas on November 20, 1989, the United States and other members of the United Nations unanimously endorsed the Convention on the Rights of the Child and urged national governments to ratify the convention and make possible its application as international law;

Whereas the Convention, if implemented, will help establish universal legal standards for the care and protection of children against neglect, exploitation, and abuse;

Whereas the United States Government, scores of private voluntary organizations, and hundreds of American citizens were actively involved in the drafting of the Convention; and

Whereas the United States must continue playing a leading role in the implementation of the Convention to ensure that it becomes a force for improving the lot of children, both in this country and abroad: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that—

(1) the issue of children's rights and their well-being is important both to the United States and the world at large; and

(2) the President should, therefore, promptly seek the advice and consent of the Senate to ratification of the Convention on the Rights of the Child, adopted by the United Nations General Assembly with the support of the United States on November 20, 1989.

The SPEAKER pro tempore. Pursuant to the rule, a second is not required on this motion.

The gentleman from Pennsylvania [Mr. YATRON] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. YATRON].

Mr. YATRON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, in January, Congressmen BEREUTER, OWENS, SMITH of New Jersey and I introduced House Resolution 312 which urges the President to submit the Convention of the Rights of the Child to the Senate for its advice and consent. I want to commend Congressman BEREUTER for his outstanding leadership on this important initiative. I also want to commend the chairman of the Foreign Affairs Committee, Congressman FASCELL, and the ranking Republican Member on the Committee, Congressman BROOMFIELD, for the important role they played in facilitating the passage of this legislation.

After a 10-year long drafting process, the U.N. General Assembly, last November, unanimously adopted a comprehensive convention designed to promote the Human Rights and Welfare of the World's Children. This Convention requires governments to take legal steps to safeguard the rights of children, guarantee their aceess to primary education, and protect children from child labor. The Convention stresses the importance of pre and post-natal care and promotes the welfare of children in other areas such as adoptions and the treatment of orphans.

At this point, the Convention is in the interagency process and the President has not formally taken a position on submitting it to the Senate for ratification. This resolution encourages the administration to fully endorse the Convention. The resolution sends a powerful message to the international community that the American people support a comprehensive set of world standards to protect the rights of children.

At the end of September, the United Nations is convening a World Summit on Children. At this point at least 15 heads of state have indicated their desire to participate in this summit including President Bush. The passage of this resolution prior to the summit would be consistent with the leadership role the United States has traditionally taken regarding child survival.

Mr. Speaker, UNICEF is a major supporter of the Convention and the upcoming summit. That organization, which this committee has strongly supported for years, has played a crucial role in reducing the mortality rate of children worldwide. In 1982, 45,000 children died every day of preventable diseases. That figure is now 38,000 a day. While the international community's efforts have been successful, the current mortality rate suggests that we must do much more. This resolution will heighten international awareness of the plight of the world's children an I urge its passage.

Mr. Speaker, children have not been exempted from the current turmoil in the Persian Gulf and Saddam Hussein's ruthless aggression in Kuwait.

Last week I met with the President for the Citizens for a Free Kuwait, Hassan A. Al-Elberaheem, who provided me with information about the Iraqi Army's abuses against Kuwaiti children.

At this point in the RECORD, I would like to insert a statement from the Citizens for a Free Kuwait which documents violations of human rights against these children.

The enactment of the Convention of the Rights of the Child would add further to the body of international law which Saddam Hussein is violating and by highlighting the abuses against these children it will serve to further isolate the Iraqi Government in the eyes of the international community.

CITIZENS FOR A FREE KUWAIT,
September 14, 1990.

Hon. GUS YATRON,
House of Representatives,
Washington, DC.

MY DEAR MR. YATRON: I want to express my deepest gratitude for your concern for the children suffering in Kuwait as a result of the brutal aggression of Saddam Hussein. As the founder of the Arab Human Rights Organization and Chairman of the Board of the Kuwait Society for the Advancement of Arab Children, I have special interest in the treatment of these children.

Nothing points to the ruthlessness of Saddam Hussein more poignantly than his unmerciful misuse of the very young. His manipulation of political opponents through the abuse of their children is, sadly, a well documented fact.

The heartless acts of cruelty against children are simply beyond explanation or comprehension. We recently have learned that the Iraqi leader has ordered that maternity hospital incubators, used for treating premature babies, be turned off allowing these infants to die of exposure. We also have heard news accounts of Kuwaiti children suffering because of a lack of basic food necessities including infant formula. It is a virtual certainty that children in Kuwait are suffering most severely.

In addition, we have confirmed reports that children, especially girls, have been arrested and taken to Baghdad, only to show up days later in a state of severe psychological trauma refusing any attempt at communication. We can only speculate on the repulsive physical and mental abuse imposed upon these children. Reports about forced recruitment of adolescent Kuwaiti boys into the Iraqi army also are surfacing. Upon recruitment, we can be certain they are sent to Baghdad for "education."

The experiences of thousands of Kuwaiti children separated from their families, though less physically traumatic, must be devastating mentally. Tens of thousands of Kuwaiti families are now separated. The terror of these children having to face survival in a world totally foreign and unfamiliar is unimaginable.

Children of all nationalities are victims of this senseless aggression. Egyptian, Syrian, Asian, Sri Lankan, Western and other children also have been severed from family ties.

Despite the promises by Saddam Hussein that children would be allowed to return to school, no schools have opened anywhere in Kuwait.

The constant harassment of Kurdish children by Iraq is further evidence of Saddam Hussein's high disregard for a child's life. Kurdish children are routinely arrested, tortured, and executed as a method of repressing the political opposition of their parents.

The Iraqi dictator's willingness and proclivity to violate the basic rights of innocent young victims is undeniable. The world must not stand idly by as Saddam Hussein

commits such heinous crimes against children.

I urge you and the Congress to take positive steps to condemn in the strongest possible terms Saddam Hussein's ruthless acts of abuse and violations of the human rights of the key to the future of a Free Kuwait, our children.

Sincerely,

HASSAN A. AL-EBRAHEEM,
President, Citizens for a Free Kuwait.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the children of the world carry our hope for the future on their shoulders, yet they are the most vulnerable among us. Due to the lack of protection for children's rights, millions of children "are threatened daily by poverty, malnutrition, homelessness, exploitation, and abuse depriving both family and society of their productivity and potential," as the resolution before us states.

That's why the Convention on the Rights of the Children is so important. The Convention represents a notable step forward in the promotion and protection of children's rights.

Among other issues, the Convention speaks to the importance of family reunification and the need to prevent physical and mental abuse. It addresses the importance of adoption and the need to provide legal safeguards to protect children in the process. The Convention also stresses children's rights to freedom of thought, conscience, and religion, and the rights of disabled children to a full and decent life.

It took 10 years of long negotiations and hard-fought compromises to develop this Convention. It is not a perfect document, but it is a firm start that should be taken for the sake of the world's children.

I wish to commend our chairman, Congressman FASCELL, as well as Congressman YATRON and BEREUTER for their important leadership in bringing House Resolution 312 to the floor for consideration. I also wish to congratulate Congressman CHRIS SMITH of New Jersey for his hard work on behalf of this resolution. Congressman SMITH served this past year on the U.S. Alternate Representative to the U.N. General Assembly and gave the principal U.S. speech in support of the Convention.

Mr. Speaker, House Resolution 312 urges the President to promptly seek the Senate's advice and consent to the ratification of the Convention on the Rights of the Child. I fully agree with this sentiment, and I urge our colleagues to support this resolution.

□ 1450

Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. GILMAN], a member of the Foreign Affairs Committee.

Mr. GILMAN. Mr. Speaker, I thank the gentleman from Michigan for yielding time to me.

Mr. Speaker, I rise in strong support of House Resolution 312 legislation regarding the Convention on the Rights of the Child. On November 20, 1989, the Convention on the Rights of the Child was unanimously adopted by the General Assembly of the United Nations.

The World Summit on Children will take place at the United Nations in New York at the end of this month. To date, 26 countries have ratified or acceded to the Convention on the Rights of the Child. The Convention will take effect in those countries on September 2, 1990. Nations ratifying the Convention accept the document as legally binding. Regrettably, the United States is not one of them.

In considering this legislation, I ask my colleagues to consider the following selected international statistics on children:

SELECTED INTERNATIONAL STATISTICS ON CHILDREN

DEATH

40,000 children die each day from disease and preventable causes. (UNICEF), 15 million children under the age of 5 die each year. (UNICEF).

In just one day:

1,400 children die from whooping cough;
4,000 children die from the measles;
4,300 children die from tetanus;
11,000 children die from diarrhea; and
6,000 children die from pneumonia (UNICEF).

STREET CHILDREN

An estimated 100 million children live and work on the streets of the world's cities.

In the Philippines alone, 12 million children live and work on the city streets.

In Brazil, 7 million children live on the streets and another 17 million work on the streets, (statistics provided by Childhope Foundation).

EDUCATION

One-third of all children in the developing world are forced to drop out of school by age 10 to help with the family income. (UNICEF).

Nearly 100 million children of primary school age are not taking part in any education programs. (UNICEF).

EXPLOITATION

At least 100 million children are forced to work under hazardous and often fatal conditions for meager wages. (Defense for Children International).

In Thailand, there are as many as 40,000 prostitutes under the age of 14.

REFUGEES

Almost 70% of the worldwide refugee population are children (10 million). (Defense for Children International).

MALNUTRITION

Fifty percent of the children in the developing world do not have access to clean drinking water. (UNICEF).

Forty percent of children under the age of 5 suffer from malnutrition. (UNICEF).

In response to these concerns, House Resolution 312 resolves that it is the sense of the House of Representatives that:

The issue of children's rights and well-being is important to both the United States and the world; and

The President should promptly submit the Convention on Rights of the Child to the Senate for its advice and consent.

Accordingly, I invite and urge my colleagues to support the resolution and I commend the distinguished Chairman of our House Foreign Affairs, the gentleman from Florida [Mr. FASCELL], the committee's ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], the distinguished subcommittee chairman, the gentleman from Pennsylvania [Mr. YATRON], the subcommittee's ranking minority member, the gentleman from Nebraska [Mr. BEREUTER], and the gentleman from New Jersey [Mr. SMITH] for their efforts in bringing this bill to the floor at this time.

Mr. BROOMFIELD. Mr. Speaker, I yield 5½ minutes to the gentleman from Virginia [Mr. BLILEY].

Mr. BLILEY. Mr. Speaker, I thank the gentleman from Michigan for yielding time to me.

Mr. Speaker, the resolution before us calls upon the President to submit the U.N. Convention on the Rights of the Child for ratification. The preamble to the Convention, as passed by the United Nations last November, is a marvelous expression of many of our deepest held beliefs about the dignity of the child, and indeed, all humanity.

But now, we must focus on what this Convention will mean when applied to American children. Will the Convention really solve the problems our children face? Is it merely an article of good intentions to make us feel good about ourselves? Or, is it actually a potential threat to some of our most precious freedoms, civil liberties, and our form of government?

What are we saying by adopting House Resolution 312? We are saying that we agree with the entirety of the Convention and desire that it become the law to be enforced throughout the United States. I submit that few Members understand what the Convention contains. I submit that this House has not taken the time to reflect upon the implications of the Convention and will be in for a tremendous shock when judges around the country start applying the Convention as the supreme law of the land.

Have we determined the impact that this Convention will have on our system of federalism? No. Have we resolved in our minds its inherent conflicts with the U.S. Constitution? I think not. Do we realize the great new powers Congress is taking away from the sovereign States, as well as giving up itself, to the judiciary? Who can ex-

plain to me the meaning of article 24 section 3 which provides that:

States parties shall take all effective and appropriate measures with a view to abolishing traditional practices prejudicial to the health of children.

Here is a new standard for us to ponder: Something need not be hazardous or even pose a risk—it need be only prejudicial to be abolished by government. Who will define what is prejudicial as this Convention takes effect?

Compare article 15 of the Convention with the first amendment to the U.S. Constitution. Article 15, section 1 provides that "State Parties recognize the rights of the child to freedom of association and to peaceful assembly." Of course, no one objects to this because it is so close to our own first amendment. But section 2 goes on to provide that:

No restrictions may be placed on the exercise of these rights other than those * * * which are necessary in a democratic society in the interests of national security or public safety, public order, the protection of public health or morals or the protection of the rights and freedoms of others.

This article is an open invitation to discriminate against any minority group you can think of.

This raises the critical difference between our Constitution and nearly any other. Our Constitution is a limitation on government. It is designed to protect the rights of the minority. I believe, and I would argue that Jefferson, Madison, and Mason would argue that the rights mentioned by the Convention are among our children's inalienable rights. However, this Convention is based on an underlying premise that rights come from the Government. Article 15 is really saying that only Government can endow us with these rights, and that whatever Government grants, it can also take away.

How many of us understand what article 14 will mean to our citizens? Who is ready to defend to this body the ramifications of the power of the Government to restrict freedom of religion if "necessary to protect public safety, order, health, or morals or the fundamental rights and freedoms of others?" Let me tell my colleagues that there were no hearings on this resolution. So you have only a very few minutes to check with the various religious and civil liberties organizations to see how they feel about this language.

Judiciary needs to consider the vast constitutional implications of ratification. Energy and Commerce, Education and Labor, Agriculture, and Ways and Means must consider what it would mean to establish and enforce "universal legal standards for the care and protection of children against neglect, exploitation, and abuse." Is Government child care necessary to ensure that there are universal standards for the care of children? Or perhaps a judge somewhere might wish to argue that institutionalized child care is itself a form of neglect because children are exposed more frequently to illnesses.

What will it mean to enforce article 28, which makes "primary education compulsory and available free to all?" Will it mean subsidies to private or religious schools when read in conformance with article 29? Or could it mean the end to all private education?

This resolution should not be taken lightly. It was reported out of Foreign Affairs only last Thursday. As I just mentioned, there were no hearings, in the full committee. But now, as it faces possible domestic implementation, the Convention needs study and careful consideration, and I strongly urge this House to do so.

Mr. YATRON. Mr. Speaker, I yield myself such time as I may consume.

In responding to my good friend, the distinguished gentleman from Virginia [Mr. BLILEY] I would like to say that assuming the President submits the Convention to the Senate for ratification, it is important to note that the ratification process allows the Senate to attach reservations to those provisions in which there is U.S. opposition.

If the gentleman's concerns have merit, I would suspect that the ratification process will address the issues he has raised.

Mr. Speaker, also I want to point out it is important to note that successive U.S. administrations were involved from day one in the development of this Convention. President Bush's representative at the United Nations supported the passage of this convention at last year's General Assembly. I doubt very seriously that the Administration would support a Convention which undermined American interests and values.

So, Mr. Speaker, I urge the adoption of the resolution.

Mr. BROOMFIELD. Mr. Speaker, I want to compliment the gentleman from Pennsylvania for that clarification. I think it is very important.

Mr. Speaker, I yield 3 minutes to the distinguished gentleman from the great State of Nebraska [Mr. BEREUTER].

□ 1500

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding me this time and the tribute to my home State, the Cornhusker State.

Mr. Speaker, this is a serious matter before us, of course. I think the distinguished chairman of the committee has appropriately just responded to some of the concerns raised by our distinguished colleague and my personal friend, the gentleman from Virginia [Mr. BLILEY].

The United States has voted to support the convention when it was approved by the United Nations last November. House Resolution 312 merely asked the President to follow up on that initial vote of approval by sending the convention to the Senate for consideration.

This Member of Congress regards himself as strongly profamily. This resolution is endorsed by a very large number of Members of the House in one fashion or another including by significant and involved members of the Select Committee on Hunger who certainly fall in the category of being very concerned about children and very concerned as profamily.

Mr. Speaker, my colleague, the gentleman from New Jersey [Mr. SMITH], who will speak soon, certainly falls in that category of being very concerned about family matters and very profamily. We do support this resolution, because we understand that the President will express reservations and submit reservations to the Senate about our possible ratification of this convention. We always do that. Almost every convention that the United States would be asked to act upon we have to have reservations, because we have a federal system, and we may not bind the States in many cases to action. We will have that same kind of reservation, so that we are not usurping the powers of the States.

I certainly do take exception to any suggestion that this will have an impact upon the civil liberties of the people of this country or the form of government that we pursue. Those concerns will, as always is the case, be handled by reservations which are submitted by the President.

The distinguished chairman of the subcommittee has mentioned the prior involvement of a number of administrations in the crafting of the resolution that has been acted upon last November. I also think it is important to mention that the world summit on children will occur in 2 weeks. This has been a matter of particular interest to this Member and other members of the Foreign Affairs and Hunger Subcommittees.

This Member would like very much to urge the President to make every effort to submit the Convention on the Rights of the Child with reservations as appropriate before that summit. If it is impossible for some reason for those reservations to be fully spelled out, then realize it cannot be submitted to the Senate, but I believe that the administration is well prepared to identify the reservations related to our form of government, our civil liberties, and our right to practice religion, to mention only several of the items that were raised.

Mr. Speaker, I urge my colleagues to support this resolution.

Mr. Speaker, House Resolution 312 is an important and timely resolution and this Member is pleased to have worked with the distinguished chairman of the Subcommittee on Human Rights and International Organizations, the gentleman from Pennsylvania [Mr. YATRON], the gentleman from New Jersey [Mr. SMITH], and the gentleman from Utah [Mr. OWENS], as well as various members of the Hunger Committee, to bring it before the committee.

Much has been done in recent years to root out the sources of infant and child mortality. It has been both a national and an international priority. As a result of child immunization and oral rehydration therapy, as many as 3,000,000 lives are saved each year. Major international 3,000,000 lives are saved each year. Major international efforts, including the U.S. Food for Peace Program, have sought to alleviate malnutrition as a killer of the world's young.

The United States can justifiably be proud of our efforts on child survival. But global efforts fall short of protecting children against neglect, exploitation, and abuse. The Convention on the Rights of the Child seeks to fill this gap. The convention establishes a coherent body of law that sets minimum standards to ensure healthy development of children. It highlights the importance of prenatal and postnatal care, as well as the importance of at lease a primary education. The convention establishes protections against sexual exploitation and child labor exploitation. It also establishes procedures in matters of adoption and care for orphans. In short, the convention sets minimum levels of decency and humanity when dealing with the world's children.

Mr. Speaker, the United States voted to support the convention when it was approved by the United Nations last November. House Resolution 312 merely asks the President to followup that initial vote of approval by sending the convention to the Senate for consideration. And, to the extent that the administration has problems with specific provisions of the convention, it should and certainly will submit its reservations at the same time that it sends the convention to the Senate.

As a final note, the World Summit on Children will occur in 2 weeks. This has been a matter of particular interest to this member, and I have attempted to work closely with the State Department to ensure that the United States is properly represented and prepared with appropriate initiatives at this important meeting. This member is particularly pleased, therefore, that it is expected that President Bush and Secretary Baker will both be in attendance at the summit. Also, this Member would urge that the President make every effort to summit the Convention on the Rights of the Child with such reservations as appropriate, before that summit. The summit could and should provide the impetus for the ratification of the convention.

Mr. Speaker, I would urge adoption of this resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield 1 minute to the gentlewoman from Kansas [Mrs. MEYERS].

Mrs. MEYERS of Kansas. Mr. Speaker, I rise in support of this resolution.

Throughout our history, Congress and our State legislatures have recognized the special vulnerability of children and their need for protection. It is time for the United States to carefully consider this convention and to encourage the rest of the world to implement its provisions.

Implementation of the provisions of the U.N. convention will give children the most important gift possible, a childhood. Children should not be treated as miniature adults. They should not have to fight adult wars. Their special status should be protected, so that they can learn the skills and develop the talents necessary to live full adult lives and fulfill their potential. I commend Messrs. YATRON, BEREUTER, OWENS, and SMITH for drafting this resolution.

Mr. BROOMFIELD. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from New Jersey [Mr. SMITH], who will be my final speaker.

Mr. SMITH of New Jersey. Mr. Speaker, I rise in very strong support of House Resolution 312 introduced by my good friends, the gentleman from Pennsylvania [Mr. YATRON], my chairman, and the ranking member, the gentleman from Nebraska [Mr. BEREUTER], both internationally known advocates for human rights and for children, whether it be child-survival initiatives or adoption or refugees; they have always been out in front on children's issues, and I want to commend them for that.

The resolution asks the President, Mr. Speaker, to submit the Convention on the Rights of the Child to the Senate for its advice and consent to ratification. I am very proud to be an original sponsor of this measure.

Mr. Speaker, on November 20 of last year, the U.N. General Assembly adopted the Convention on the Rights of the Child, and the United States voted in favor of this international convention. On November 10, I had the privilege of presenting, as U.S. delegate to the U.S. mission to the U.N. General Assembly, the U.S. position on the convention during the debate in New York. Both before, and now subsequent to that vote, the administration has been, and I want to commend them for this, meticulously and judiciously considering the legal effects of the ratification of the convention. There are some concerns that have been raised, very thoughtful concerns that need and must be addressed in any package of reservations and understandings.

Generally speaking, questions of Federal and State sovereignty permeate most of the provisions of the convention. It is my understanding that the administration is compiling an appropriate package of reservations and understandings which will hopefully allay the fears of some of the Members including my good friend, the gentleman from Virginia [Mr. BLILEY] as he raised today. Hopefully this will speed ratification of the convention through the Senate.

Indeed, the Senate has a clear constitutional responsibility to clarify to make sure that the provisions of the convention do not in any way threaten the rights and protections enjoyed by American citizens, and in this particular case, those rights of children.

Mr. Speaker, as declared in the official United States statement on the convention, I would like to quote:

The United States fully supports the inclusion within the preamble of the convention language from the 1959 Declaration of the Rights of the Child confirming that "the child, by reason of his physical and mental immaturity, needs special safeguards and care, including appropriate legal protection, before as well as after birth."

Children—born and unborn—are precious and extremely vulnerable. Governments have a duty and sacred obligation to protect these children to the maximum extent possible.

The U.S. position goes on to say,

Birth is an event which happens to each of us. The most tender, formative 9 months prior to this great event will forecast the healthiness of the child after birth. One of the most positive protections for a healthy childhood—after life itself—is proper prenatal care.

Mr. Speaker, the statement goes on to point out and to emphasize the importance of family unification, the issue of abuse and neglect, the issue of adoption, particularly international adoptions, disabled children and the fact that so many children who are born disabled in many of the developing countries very often not only have very difficult lives but very often during the course of their teenage years lose their lives themselves.

Mr. Speaker, we all acknowledge that this convention is not a perfect document, but I would suggest to the Members that it is a solid foundation on which the entire gamut of protections can be structured within the legal framework of each country of the world.

Mr. Speaker, our children, in my view, are our greatest hope, among our generation. They deserve our protection. They deserve our loving care and the opportunity to achieve their best with their talents.

The adoption of the Convention on the Rights of the Child will serve, in my view, as a starting point, a launching pad for improving the status and the situation of all children, of all nationalities, of all creeds and of all social status.

Mr. Speaker, I ask Members to support this resolution.

Ms. SCHNEIDER. Mr. Speaker, I rise today in strong support of House Resolution 312. This resolution expresses the sense of the House of Representatives that the President should submit the United Nations Convention

the Rights of the Child for ratification by the Senate.

This is a historic document which for the first time guarantees children their basic needs, protections and freedoms in one binding instrument. I have consistently urged my colleagues and the administration to endorse this convention which establishes universal legal standards of care for children.

On November 16, I was joined by 40 of my colleagues in writing to President Bush to urge administration support for the convention. I worked closely with my friends at the foster parents plan in Rhode Island to organize this effort.

The value of the U.N. convention on children's rights cannot be underestimated. It will guard children from the dangers of illegal narcotics, child labor, and sexual exploitation while at the same time guaranteeing them access to primary health care services and education.

It has taken 10 years of careful negotiation and compromise among 42 countries and 30 nongovernmental organizations to bring the convention to fruition. It is high time we ratify this convention for the good of the children of the world.

HOUSE OF REPRESENTATIVES,
Washington, DC, November 16, 1989.
PRESIDENT GEORGE BUSH,
The White House,
Washington, DC.

DEAR PRESIDENT BUSH. On November 20, 1989 the United General Assembly is scheduled to vote on the Convention on the Rights of the Child. We are writing to express our support for this international treaty on children and to ask for your endorsement of a positive U.S. vote at the General Assembly.

The Convention on the Rights of the Child is a historic document which for the first time guarantees children their basic needs, protections and freedoms in one binding instrument. The idea of an international treaty for children was first proposed in 1979 as a contribution to the International Year of the Child. It has taken ten years of careful negotiation and compromise among 42 countries and 30 non-governmental organizations to bring the Convention to fruition. This agreement represents the next step in a progression of international children's rights declarations and statements which extend back more than 60 years.

Mr. President, we believe that the potential value of the UN Convention on children's rights—guarding children from the dangers of illegal narcotics, child labor, and sexual exploitation while at the same time guaranteeing them access to primary health care services and education—cannot be underestimated. However, we also believe that the ultimate power and strength of the Convention will depend to a large extent on the position the United States takes toward it now and in the future.

We therefore urge you to do all you can to ensure that the United Nations Convention on the Rights of the Child receives the strong endorsement of your administration when it comes before the General Assembly later this month.

Sincerely,

Donald Pease, George Miller, Claudine Schneider, John Porter, Les AuCoin, John LaFalce, Gary Ackerman, Tim Penny, Michael McNulty, Louise Slaughter, Barney Frank, Tony Hall, James Bilbray, Ben Cardin, Mo Udall, Thomas Downey, Ron Machtley, Christopher Shays, Mike Espy, Edolphus Towns, Richard Neal, James Traficant, Charles Hayes, Jim Slattery, Nancy Pelosi, Wayne Owens, Pat Schroeder, Byron Dorgan, Peter Kostmayer, Robert Matsui, Lane Evans, Richard Durbin, Eliot Engel, Mervyn Dymally, Frank Horton, Thomas Foglietta, William Hughes, Howard Wolpe, Robert Wise, Jaime Fuster, Henry Waxman.

Members of Congress.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. YATRON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Pennsylvania [Mr. YATRON] that the House suspend the rules and agree to the resolution, House Resolution 312.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended, and the resolution was agreed to.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. YATRON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on House Resolution 312, the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

REGARDING CONVENTION FOR PROTECTION OF NATURAL RESOURCES AND ENVIRONMENT OF THE SOUTH PACIFIC REGION

Mr. YATRON. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 398) urging United States ratification of the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, as amended.

The Clerk read as follows:

H. Res. 398

Whereas the Earth's fragile ecological system requires the attentive stewardship of Man;

Whereas water covers three-fourths of the Earth's surface, with the Pacific Ocean containing over half of the total volume;

Whereas the Earth's marine ecosystems are increasingly threatened due to expanding populations and industry and their accompanying residues and wastes;

Whereas Pacific governments adopted a South Pacific Regional Environment Program (hereinafter in the preamble of this resolution referred to as "SPREP") in 1982 at the Rarotonga Conference on the Human Environment, which was formed under the auspices of the United Nations Environmental Program, the United Nations Economic and Social Commission for Asia and the South Pacific, the South Pacific Bureau for Economic Cooperation, and the South Pacific Commission;

Whereas SPREP has two aspects, the Work Program and the Convention, to address Pacific Ocean environmental concerns;

Whereas the United States is supporting the SPREP Work Program budget directed toward marine pollution, pesticide control, natural resources management, environmental education, climate change, and sea level rise;

Whereas the SPREP Convention for the Protection of the Natural Resources and Environment of the South Pacific Region was opened for signature in Noumea, New Caledonia on November 24, 1986, 14 countries having signed the Convention;

Whereas the Convention has two protocols on ocean dumping and spills;

Whereas the first protocol for the Prevention of Pollution of the South Pacific Region by Dumping, regulates the deliberate disposal of wastes at sea in the Convention Area, taking into account that under Article X of the Convention the parties agree not to dump radioactive wastes or other radioactive matter;

Whereas the second protocol, the Protocol Concerning Cooperation in Combating Pollution Emergencies in the South Pacific Region, provides a regime for preventing and combating pollution incidents through the mutual sharing of information, preparation of contingency plans, and strengthening of response capabilities; and

Whereas the Convention will enter into force following the deposit of at least 10 instruments of ratification, acceptance, approval or accession, and 10 have already been deposited: Now, therefore be it *Resolved,* That it is the sense of the House of Representatives that—

(1) the President should submit the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region, and (as necessary) the related protocols, in appropriate form to Congress;

(2) upon the submission of such Convention and protocols to Congress, the Congress should without delay consider them and consent to ratification in order to permit full participation and cooperation of the United States in the South Pacific Regional Environment Program effort to protect and manage the marine and coastal environment, to combat pollution emergencies, and to prevent dumping; and

(3) the United States should commit a fair share of the resources necessary to support—

(A) the Work Program of the South Pacific Regional Environment Program, and

(B) those activities necessary to implement the provisions of the Convention and its protocols.

The SPEAKER pro tempore. Is a second demanded?

Mr. BROOMFIELD. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Pennsylvania [Mr. YATRON] will be recognized for 20 minutes, and the gentleman from Michi-

gan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Pennsylvania [Mr. YATRON].

□ 1510

Mr. YATRON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I strongly support House Resolution 398, I want to commend Congressman LAGOMARSINO for this vital initiative, and for his leadership on South Pacific environmental issues. Let me also commend Chairman SOLARZ and Congressman BEREUTER for their strong interest in preserving the environment of the Pacific area. Let me also commend Congressman BROOMFIELD, Congressman SMITH of New Jersey, and Chairman FASCELL for their efforts on this issue.

Mr. Speaker, in 1982 Pacific governments adopted the South Pacific Regional Environmental Program. It has two aspects. One is the work program. The second is the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region.

The convention has two extremely important protocols. The first regulates ocean dumping and the other provides a mechanism to address the growing problem of spills.

The deliberate disposal of wastes, including radioactive matter, and other pollution problems, are increasingly threatening the marine and coastal resources of the Pacific which are so critical to the prosperity and stability of the countries in that region. American economic and security interests are also closely tied to the environmental integrity of the Pacific.

The resolution calls on the President to submit the convention and its protocols to the Senate for its advice and consent, and for the Senate to act expeditiously toward ratification. The participation and cooperation of the United States in the convention will be a critical step in protecting the environment of the South Pacific region.

Mr. Speaker, House Resolution 398 is bipartisan, noncontroversial, and was drafted with the cooperation of the administration. It was approved by the Foreign Affairs Committee, as amended. I ask my colleagues for their support of this measure.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to commend the gentleman from California [Mr. LAGOMARSINO] for his work as the principal sponsor of this resolution in support of the South Pacific Regional Environmental Protection Convention.

As a member of the Subcommittee on Asian and Pacific Affairs and the Interior Subcommittee on Insular Affairs, he will understand the importance for the United States of entering into regional arrangements with the Pacific island states.

I also want to thank Chairman FASCELL for seeing that this matter was expeditiously considered by the Foreign Affairs Committee. In addition, I commend Mr. SOLARZ and the members of the Asia-Pacific Subcommittee for giving it their support.

The United States signed the Convention in 1982, and has cooperated on the work plan for environmental protection developed under the convention. U.S. activities in the South Pacific are also completely consistent with the provisions of the convention and its protocols. It is time the United States ratified this agreement, which will reinforce the image of our country in the South Pacific region.

I understand that the Department of State supports adoption of this resolution. I trust the administration will soon submit the convention to Congress for its approval to ratification.

Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, I would say preliminarily that this legislation is one more bit of evidence about the outstanding and irreplaceable knowledge and expertise of our colleague, the gentleman from California [Mr. LAGOMARSINO].

Mr. Speaker, given the increased awareness of the delicate nature of our environment, it is not surprising that the island nations of the South Pacific would wish to preserve their natural resources. These nations have a right to be concerned. In recent years the South Pacific has been troubled by the dumping of large amounts of hazardous waste at sea, by oilspills, and by destructive fishing practices such as the use of drift nets.

In order to better manage their environment, the South Pacific nations joined together to establish a work comprehensive program, and to draft a Convention on the Protection of Natural Resources and Environment of the South Pacific Region. This convention, adopted in 1986, establishes basic standards of behavior for waste disposal and other environmentally critical matters.

The United States strongly supports the efforts of the South Pacific nations, but has failed to act on the convention. The resolution before us today urges the Senate to provide its advice and consent, and that the United States become a party to this convention.

Mr. Speaker, House Resolution 398 expresses the view that the United States must take an active role in international environmental policy. Environmental degradation affects us all. By joining with the Pacific island nations and becoming a party to the convention, we will be playing a constructive role in the preservation of that very fragile ecosystem.

Mr. Speaker, this Member would recognize the efforts of our two colleagues from the South Pacific region, the gentleman from Guam [Mr. BLAZ] and the gentleman from American Samoa [Mr. FALEOMAVAEGA]. This gentleman would also commend the gentlewoman from Hawaii [Mrs. SAIKI], who has long been a leader in matters affecting the Pacific region. The gentleman from New York [Mr. SOLARZ] and the gentleman from Pennsylania [Mr. YATRON] deserve commendation for allowing speedy subcommittee consideration of this resolution.

Last, but most importantly, Mr. Speaker, this gentleman wishes to recognize the efforts of the gentleman from California [Mr. LAGOMARSINO], the author of this resolution. The gentleman has labored diligently, and has gained a through understanding of the policy issues affecting the South Pacific. He is to be commended for bringing this important and balanced resolution before this body. I am pleased to join as a cosponsor of House Resolution 398, and would urge its speedly adoption.

Mr. BROOMFIELD. Mr. Speaker, I yield the balance of my time to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I rise to urge my colleagues to join in supporting the passage of House Resolution 398, urging U.S. ratification of the Convention for the Protection of the Natural Resources and Environment of the South Pacific region. The resolution was unanimously approved by the Committee on Foreign Affairs, having been favorably reported by both the Subcommittee on Human Rights and International Organizations and the Subcommittee on Asian and Pacific Affairs. The Convention has two protocols dealing with the ocean dumping of wastes and pollution emergencies. The protocols should help to prevent or avert the damaging consequences of the ecological tragedies of oil spills and hazardous waste pollution in the South Pacific.

The United States has an opportunity to join in an international effort to preserve and protect one of the Earth's greatest resources, the oceans; and specifically the South Pacific ocean region, by approving and supporting the convention and related protocols. The United States should fully participate in developing and implementing the practical mechanisms provided for by the Convention which are needed to protect the marine ecosystem. This can be done most creditably by those parties which have approved the Convention and protocols.

The United States signed the Convention and related protocols in 1986 with 13 other countries. The adminis-

tration is still engaged in the internal executive branch process necessary for ratification. Ten ratifications or accessions are required to bring the convention into force. When I introduced the legislation in May, eight countries had deposited notices of ratification or accession. The total number is now 10 with the ratification by France and Western Samoa. The convention entered into force on August 23, 1990.

It is now imperative for the administration to promptly submit the convention and protocols in appropriate form to the Congress for action. The United States should be fully involved as a ratifying member in all discussions and activities which will now ensue to implement the convention.

I want to acknowledge the support of my colleagues who have joined me in sponsoring this resolution, including the chairman of the Foreign Affairs Subcommittee on Asian and Pacific Affairs, my good friend from New York, STEVE SOLARZ. Chairman SOLARZ recently issued a report of the congressional delegation to the South Pacific which he led, "Problems in Paradise: United States Interests in the South Pacific." One of the report's recommendations for U.S. policy in the region is to ratify SPREP Convention and associated protocols. The recommendation was one of several which will enhance U.S. relations in the Pacific.

I want to thank Chairman FASCELL and ranking Republican, Mr. BROOMFIELD, for their support. I also want to thank Chairman YATRON of the Human Rights and International Organizations Subcommittee for considering and supporting the resolution, and ranking Republican DOUG BEREUTER and CHRIS SMITH of the same subcommittee, as well as ranking Republican JIM LEACH of the Asian and Pacific Affairs Subcommittee, and three Members from the Pacific, BEN BLAZ, ENI FALEOMAVAEGA, and PAT SAIKI, for joining this effort to urge the administration and the Congress to take prompt action to approve the Convention and protocols to protect the fragile and invaluable marine resources and ecosystems of the Pacific.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today in strong support of House Resolution 398 which urges ratification by the United States of the Convention for the Protection of the Natural Resources and Environment of the South Pacific Region.

The United States initially signed this Convention in 1986, however, the administration has not yet taken necessary steps for ratification. When the Solarz congressional delegation went to the South Pacific, we found strong support among many South Pacific leaders for the convention. This subsequently led to the inclusion in our official codel report of a firm recommendation calling for the ratification of the SPREP Convention and Protocols.

Mr. Speaker, immediate passage of this resolution is now even more significant given the recent decision by the United States Army to destroy chemical weapons at Johnston Island, the reckless nuclear testing by the French Government at Mururoa Atoll, and the ever-increasing use of the Pacific Ocean as a dumping ground for the world's toxic wastes.

In light of these events, passage of this resolution and ultimate ratification of this convention will most certainly demonstrate the leading, international role the United States can play in protecting the South Pacific Ocean, and demonstrate its sensitivity to those issues which are of vital importance to the people of the South Pacific. After all, the United States is also a Pacific country in that five of its Western States and two of its territories border the Pacific Ocean.

Mr. Speaker, the SPREP Convention for the Protection of the Natural Resources and Environment of the South Pacific Region sets forth two key protocols on ocean dumping and oil spills. The first protocol regulates the deliberate disposal of wastes at sea. The second protocol provides a regime for preventing and combating pollution through the mutual sharing of information, preparation of contingency plans and for strengthening our capability to respond. These two key protocols should go a long way toward preventing the tragedies of oil spills and the dumping of hazardous waste in our Pacific Ocean.

As one of the original cosponsors of this piece of legislation, I want to commend and pay special tribute to my good friend and colleague, the gentleman from California [Mr. LAGOMARSINO], for his leadership and foresight as the chief sponsor and author of this bill. I also want to thank Chairman SOLARZ, Congressman DORNAN, Congressman NEAL SMITH, Congressman BEN BLAZ, and Congresswoman PAT SAIKI for their leadership on this bill.

Mr. Speaker, I urge my colleagues to support the passage of this resolution.

□ 1520

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. YATRON. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Pennsylvania [Mr. YATRON] that the House suspend the rules and agree to the resolution, House Resolution 398, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the resolution, as amended, was agreed to.

GENERAL LEAVE

Mr. YATRON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on House Resolution 398, the resolution just agreed to.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

FREE MAILING PRIVILEGES FOR MILITARY PERSONNEL

Mr. HAYES of Illinois. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 3033) to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances.

The Clerk read as follows:

S. 3033

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3401(a)(1)(A) of title 39, United States Code, is amended by inserting "engaged in temporary military operations under arduous circumstances," before "or serving".

The SPEAKER pro tempore. Is a second demanded?

Mr. MYERS of Indiana. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. HAYES] will be recognized for 20 minutes, and the gentleman from Indiana [Mr. MYERS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as chairman of the Subcommittee on Postal Personnel and Modernization, I rise in strong support of S. 3033 and urge my colleagues to unanimously approve it. This legislation allows military personnel deployed in temporary overseas military operations to mail letters to their loved ones in the United States free of charge.

Members of this body who visited the Persian Gulf during the August recess, report that our service men and women were quite disturbed because they have been unable to obtain the necessary postage that would enable them to communicate with their families.

Granting free mailing privileges is the least we should do to ensure that the morale of our Armed Forces personnel in overseas military operations remains high. Again, I urge my colleagues to support this modest benefit to our troops deployed in Operation Desert Shield and future special military operations.

If cleared by the House, S. 3033 could be on the President's desk for signature today.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is essentially the same language in the bill that the House had before it last Thursday. I do apologize to my colleagues, my chairman, the gentleman from Illinois [Mr. HAYES], for a misunderstanding from this side about what was taking place at that time. I gave the gentleman some information that to the best of my knowledge did exist over here, but I found out later that I did not have the proper information because I had not asked quite the right question.

What happened last Thursday, we had similar legislation. We had an agreement from the Postmaster General that he was already starting to accept mail from the Persian Gulf from our service people with merely a "free" put on the envelope in place of a stamp. He had to withdraw that because we were unable to deliver the legislation; so I do apologize to my colleagues for misrepresenting to them, inadvertently. I certainly did not intend to do that, I just do not do business that way, so I do apologize to my colleagues and to the Postmaster General for our promise to him, our commitment that we would put that legislation through last week so our service people could have started last week, instead of now waiting until probably tomorrow until the President gets this signed; but everyone I think who was here last Friday and knows what the issue is, our service people who are serving a cause in the Middle East and in the Persian Gulf particularly, Desert Shield, are unable in many cases to purchase the stamps for them to correspond back home.

Once they do purchase them, the stamps because of the tremendous heat in the desert, the glue on the stamps is melting and sticking together, but assuming they get the stamp apart, and I am told they affix it on the envelope and the stamp falls off because the glue has already been spent, so they have a real problem there. The least we can do is provide free postage to these young people, paid from the Defense Department.

This is a Senate bill. It is a clean bill. I hope there will not be any misunderstanding here or any commotion, as happened last week. It is very badly needed and certainly deserved by the young people who are serving in the Persian Gulf at a tremendous cost, not only to themselves, their families, but the tremendous heat and the environment they are serving in there. They are serving a cause and we owe it to them to get this passed today. It should have been done last week, so I am sorry to the service people that we did not.

Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], the ranking Republican member of the Committee on Post Office and Civil Service.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise once again to seek the support of my colleagues for passage of legislation to provide a free mailing privilege to our men and women serving us in the Saudi desert.

S. 3033 is similar to the measure we debated last Thursday, H.R. 5611 and to which a vote on a motion to recommit is pending in the House. This motion contains instructions for our committee to bring H.R. 5611 back to the floor with an amendment authorizing the payment of the postage due portion of the cost of providing this service to be extracted from our franking budget, as contained in the legislative appropriations bill. Existing statutes provide that the Department of Defense shall reimburse the U.S. Postal Service for all expenses, postage due and transportation, that are incurred by the Postal Service in providing this service.

Mr. colleagues this legislation should have been signed into law last week. The Postmaster General, Tony Frank, announced last Wednesday at our committee hearing on this subject that the Postal Service would place these provisions into effect immediately. However, the Department of Defense continues to need this amendment to begin to accept this type of mail from our military personnel in the Persian Gulf.

My colleagues, let us not quibble over how this expense is paid. Let us not delay any longer this important piece of legislation. These dedicated men and women are in that desert, far away from their loved ones and from their homes on our behalf.

We cannot guarantee them they will be back home soon, though we pray they will be. We cannot guarantee that they will not be involved in a hostile action though we pray and hope that they will not be. But we can guarantee them that their correspondence and their ability to stay in contact with their friends and family will be as unfettered as possible.

We can insure that they have the ability to stay in touch with those here in the United States as much as possible. While this will not bring them home any sooner it will, hopefully, ease the burden that both, they over there and we here at home, who care for them, must bear until this difficulty is resolved.

Accordingly, the Mr. Speaker, I urge the adoption of this measure.

I thank the gentleman from Illinois [Mr. HAYES], the distinguished chairman of our Subcommittee on Postal Personnel and Modernization; the gentleman from Indiana [Mr. MYERS], a senior member of that subcommittee; the distinguished chairman of our Post Office and Civil Service Committee, the gentleman from Michigan [Mr. FORD], and the gentleman from Indiana [Mr. MCCLOSKEY], who has been one of the leaders on this measure, along with the gentleman from New York [Mr. HORTON]. I thank them for their support of this measure.

Mr. MYERS of Indiana. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, I thank our colleague, the gentleman from New York [Mr. GILMAN] for his remarks, and our chairman.

I will add here that I hope the legislation, the action we are taking today, will be in effect necessary only temporarily. We all hope and pray that the forces can be pulled back very soon, but that depends upon action by someone else.

I do want to make one other statement here. I understand there must be brought forward a vote on the recommital yet today. That would be a moot question once this legislation passes, but should anyone wish to vote for it, I will advise you that for the last 2 years we have been running this House of Representatives from the account for franking where the recommital money would come from at a deficit. Right now we are advised the deficit is running about $34 million, maybe $35 million in the hole, in the red right at this momemt, so there would be no money to pay for this postage if that legislation prevail. So anyone who has ideas about paying it from our own account, we do not have any money to pay it from, and this money would come out of the Defense Department where it probably should be and always in the history of our country when we have had this action before has always been paid from defense funds, and that is where this would be paid from on this bill. This is the logical and correct way to do it, so I urge everyone to support this legislation. Let us not delay this any further.

Mr. MATSUI. Mr. Speaker I would like to add my complete support for this legislation.

This is among the most simple gestures we members of a legislative body can make in support of the brave young men and women who are unselfishly serving international interests in the Middle East. This legislation may seem to be a trivial to many, but I can assure my colleagues that to those who have been separated by their loved ones, free postage for our soldiers and expedited service of their letters will truly help make their uncomfortable stay in the desert a little more bearable.

I applaud my colleagues for acting so quickly on this legislation and I urge my colleagues to support its passage.

Mrs. LLOYD. Mr. Speaker, on September 12, the U.S. Postal Service announced that effective immediately troops deployed to Operation Desert Shield can mail correspondence home free of postage. The Postal Service made this important and timely announcement subsequent to the Senate adoption of lan-

guage in the Treasury-Postal Service Appropriations bill on September 11 and because House approval of similar legislation was imminent.

In making this announcement the Postmaster General said that

Now our military personnel in Operation Desert Shield can send their messages to friends and loved ones back home without postage. The Postal Service fully supports our service men and women. We'll take all the letters they give us.

The legislation before us today puts the House of Representatives firmly on record in staunch support of this action as well.

Members of a recent congressional delegation visiting the troops in Saudi Arabia found that a common complaint was that the troops were unable to purchase stamps to mail letters home, and that if they had brought stamps with them, the desert heat made them unusable.

S. 3033 authorizes members of the Armed Forces engaged in temporary military operations overseas under arduous circumstances to mail cards, letters, and audio cassettes home without postage. Thus, the bill would extend to troops currently in Saudi Arabia the same free mailing privileges that current law extends to members of the Armed Forces engaged in hostilities.

By writing the word "free" in the upper right-hand corner and by placing their name, military grade and complete military address in the upper left-hand corner, the troops can send their letters home without stamps.

I strongly support this legislation as it is entirely appropriate to accord free mailing privileges to the servicemen and women who are bravely and selflessly serving our country in the Persian Gulf. It had been suggested that it may be required to delete funds from the mailing privileges of the House of Representatives for that purpose and I am fully prepared to support such legislative action should it be necessary to defray the cost.

We all owe a tremendous debt of gratitude to the members of the U.S. Armed Forces who are serving in the gulf region and this legislation is the least we can do to assure that they keep in close and frequent contact with their loved ones by mail.

I urge its swift adoption.

Mr. FORD of Michigan. Mr. Speaker, despite our Armed Forces in the Persian Gulf being involved in the largest military buildup since the Vietnam war, they couldn't perform the simple task of mailing a letter home to their families and friends. That's because the law said they couldn't have free mailing privileges unless they were under hostile fire.

But they needed this privilege because—as they have told our congressional delegations—the sheer heat and living conditions in the Persian Gulf precluded the availability and use of stamps. The Postal Service has agreed and in anticipation of passage of S. 3033, has begun accepting free mail from the troops.

This is why I am urging quick passage of S. 3033, to confirm free mailing privileges to our men and women serving in Operation Desert Shield. We need this legislation to continue the same privilege to today's military men and women as we have given to our troops in Vietnam, Korea, and the World Wars.

Mr. Speaker, the troops are waiting for us to act today on this legislation. The U.S. Postal Service has acted. The Department of Defense is ready to act as soon as this bill becomes law. If we pass it now, it can be on the President's desk today!

Our young men and women have earned this extra benefit because of the harsh and extreme circumstances we have asked them to live and work under. We have sent them thousands of miles from their families and friends, and this free mail plan may help them come a little closer together.

Mr. MYERS of Indiana. Mr. Speaker, I yield back the balance of my time.

□ 1530

Mr. HAYES of Illinois. Mr. Speaker, I thank the gentleman from Indiana, and my colleague, and the gentleman from New York for their consistent support for this legislation, as well as the chairman of our committee, the gentleman from Michigan [Mr. FORD] and the gentleman from Indiana [Mr. MCCLOSKEY] who have a companion piece of legislation similar to this that we talked about the other day.

They are all strong supporters.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Illinois [Mr. HAYES] that the House suspend the rules and pass the Senate bill, S. 3033.

The question was taken.

Mr. HAYES of Illinois. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, and the Chair's prior announcement, further proceedings on this motion will be postponed.

GENERAL LEAVE

Mr. HAYES of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks, and include extraneous matter, on S. 3033, the Senate bill just considered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERSONAL EXPLANATION

Mr. CAMPBELL of California. Mr. Speaker, I recently had the honor to introduce Supreme Court Justice Kennedy at a function in New York City. Because of this event, I unfortunately missed two votes on the floor.

The first bill was S. 3033, a Senate bill to authorize members of the Armed Forces engaged in temporary military operations overseas under arduous circumstances to mail cards, letters, and audio cassettes home without postage. Thus, the bill extends to troops currently in Saudi Arabia the same free mailing privileges that current law extends to members of the Armed Forces engaged in hostilities. Funding for this bill would come from the defense budget.

The second bill was Representative RIDGE's motion to recommit H.R. 5611, the House version of S. 3033. An important difference from S. 3033 is that funding for H.R. 5611 would be provided from the congressional franking budget.

Mr. Speaker, I would have voted for both bills, and I would like the Record to show my positions on the bills, as well as my regret on having missed these votes.

AUTHORIZING SPEAKER TO DECLARE A RECESS TODAY

Mr. HAYES of Illinois. Mr. Speaker, I ask unanimous consent that it may be in order for the Speaker to declare a recess today, until no later than 5 p.m.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

Mr. WALKER. Mr. Speaker, reserving the right to object, and I shall not object, but I do think we need to probably tell the House what it is we are attempting to accomplish here.

Mr. Speaker, it is my understanding that the necessity for this is to give the people at the budget summit additional time to work.

What we would hope to do is cluster all votes that have been ordered as a result of suspensions, plus other items of business that may require votes, into a time period between 5 and 6 o'clock and then the House could be expected to adjourn for the day sometime shortly after 6 o'clock.

Is that a correct reading of the situation? And I yield to the gentleman from Illinois.

Mr. HAYES of Illinois. Mr. Speaker, I am advised the gentleman is correct in his assumption.

Mr. WALKER. I thank the Chair, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. It would be the intention of the Chair to call the special orders at this point.

With the understanding that the House will return to regular legislative business today, the Chair will now call the special orders.

FEDERAL EMPLOYEES EXPRESS CONCERN OVER POSSIBILITY OF A FURLOUGH

(Mr. HAYES of Illinois asked and was given permission to address the

House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Illinois. Mr. Speaker, I have been getting quite a bit of inquiries from employees in the Postal Service about some of the recent decisions that have been made that will affect their employment as a result of the efforts of the summit conference, I guess, to reach agreement on the budget.

One of the things that concerns our people is being forced to take leave, and they are concerned about the impact it would have upon their family life.

This is not only true of employees of the postal system, but it is true of all Federal employees.

To be in a position where you have to take time off and lose income amidst an effort to reduce the deficit, it is hitting where it hits the most those people who can least afford it.

I really think we ought to consider in this House speaking out and standing up for those people who are going to be impacted adversely by this kind of action. We ought to find a way to reduce the deficit, but not on the backs of those who can least afford it but on the backs of what we spend in the military and, yes, in the forgiveness of the debts of other countries who can pay, at the expense of our people who live here.

□ 1540

STOP PROTECTING THE SUPER-RICH AND GOUGING WORKING FAMILIES!

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from Wisconsin [Mr. OBEY] is recognized for 60 minutes.

Mr. OBEY. At the end of World War II, Mr. Speaker, the U.S. economy stood astride the world like a colossus. Virtually every other economy in the Western world was in collapse. America's economy drove the world economy, and the American worker was king.

For the first 25 years after World War II, the American worker knew unparalleled prosperity. During those years the family which was exactly in the middle of all income earners saw its real income doubled. Middle-class income rose more rapidly than income for the wealthy because wages went up. Eighty percent of the increased income in America in those days came from increased wages.

However, Mr. Speaker, the world economy was changing, and the energy crisis in 1973 revealed which economies were ready to handle those changes and which were not. From 1973 to 1978, a male worker at the exact middle of American earners saw the purchasing power of his wages actually decline by 2 percent because of inflation. From 1978 to 1988, average hourly earnings measured in terms of their purchasing power declined a full dollar, from $11.72 to $10.13, figuring both of those numbers in 1988 dollars. That meant that the worker in the middle lost $2,000 in real purchasing power over that decade.

Why did that happen? It happened essentially for three reasons. First, foreign countries expanded their sales for traditional products, such as cars; second, American manufacturers failed to win the competition for production and sale of new products, such as VCR's; and, third, management succeeded in pushing down wages under the pressure of international competition, even while executive compensation was skyrocketing.

Over the eighties, families on the surface appeared to be keeping up, but only because more and more women went into the work force, producing second earners for many American families. In 1978, the total income of two-parent families was $969 billion. In 1980, the total income was $1,044 billion. But fathers' earnings had dropped from $806 billion to $789 billion. Mothers' income had increased from $161 billion to $255 billion. America witnessed a 20-percent increase in the number of woman who worked full or part time and a 100-percent increase in mothers who worked full time. Mothers' income over that period added an average of about $3,400 to family income, but most of that income went to women in high-income families. For families in the exact middle of the country, in terms of income, mothers' wages increased family income by about $1,250. But expenses, such as transportation, clothing, and child care, took away 20 to 30 percent of that income, enough to still make many families net losers.

Mr. Speaker, in the early 1980's the Reagan administration argued that reducing Government involvement in the economy and cutting taxes primarily for high-income people would create a new era of generalized prosperity. But the record shows that, as regulatory enforcement has been cut, as antitrust litigation has been mothballed, public investment cut in half and tax rates on high income people cut by more than 50 percent, the purchasing power of workers paid through wages has actually fallen.

Putting two earners in the work force helped many families to be able to feel that they could afford to have children, or buy a home, or think about putting their kids through college, but economic strains on mothers are putting strains on other aspects of family life, and, unless both Government and private industry helps to adapt to those new realities, the price of that strain will fall most heavily on today's children.

Today at Andrews Air Force Base discussions are now going on between the White House and the congressional leaders to try to determine how to reduce the gargantuan deficits created by the fiscal mismanagement of the 1980's. It is about time. But any attempt to deal with those budget deficits through increased taxes should take into account the fact that many middle class families have reaped few, if any, of the benefits of the policies which caused those deficits.

Let us take a look, for just a moment, at the result of Government budget and tax policy in the 1980's. In terms of income the wealthiest 1 percent of people in our society have seen their incomes rise by about 70 percent, from $313,000 to well over $500,000 on average during the 1980's. By contrast, the income for the 20 percent of families in the middle rose by a scant 3 percent. And income for the poorest 20 percent of American families has actually declined. If we were to take the bottom 90 percent of all American families, we would see that they have had but a tiny fraction of the growth in income which has been provided for the wealthiest people in this society. The richest 1 million families saw their income go from $313,000 on average to $550,000 today. Forty percent of the total income growth in the country went to the richest 1 percent of people in this country. This is greater than the combined growth in income of 90 percent of all American families.

This year, Mr. Speaker, the richest 1 percent of the population will make $564 billion before taxes. That is more than the total income of 40 percent of all American families. The most well off, 20 percent of American families, those making more than $60,000 a year, will have more income this year than the other 80 percent of all American families combined: $2.2 trillion versus $2.1 trillion. If tax payments for the richest 1 percent of Americans had kept pace exactly with their income rise since 1980, the deficit today would be $75 billion lower than it is today, and they would still have, after taxes, the largest increase in income of any other group in our society.

On taxes, if we combined all income and all payroll taxes, 60 percent of all American families—the bottom 60 percent—have actually had a tax increase. The second highest 20 percent of American families have had a tax cut of about $45 on average. But the richest 1 percent have had an average income tax cut of $12,000.

In addition, the Federal Government has shifted $95 billion in responsibility from the Federal Government to State and local governments, about $1,000 for every family in the country. For instance, if the Federal Government today were paying the same percent-

age of education costs that it paid 10 years ago at the elementary and secondary level, local property taxes for education would be $10 billion lower. That shift also falls most heavily on low- and middle-income families because they pay a larger share of State and local taxes in comparison to the wealthy than they pay at the Federal level.

Yet in the wake of all of this the President last week asked us to support a tax package which adds $25 billion to the deficit over 5 years and gives 80 percent of the benefits of those tax cuts to the wealthiest people in our society.

Now the argument made by the Reagan revolutionaries, that the average working families would eventually benefit from the policies of the 1980's, simply has not panned out. The evidence is in. Their promises were wrong. Most workers are paying higher taxes, and they have less purchasing power for their incomes than they had before. They did not get a gold plated invitation to the party in the 1980's, and they should be the last to get the bill for that party. But the President has put them first in line to pay. He and his negotiators at Andrews Air Force Base are insisting on passage of his capital gains proposal.

□ 1550

The richest 1 percent this year will have $175,000 in capital gains. The bottom 90 percent of American households will have an average capital gain of $299. That is $175,000 versus $299. And 80 percent of the benefit of the President's new capital gains plan will go the richest 1 percent.

Now, the administration continues its adamant refusal to eliminate the gimmick in the Tax Code known as the bubble. That gimmick, shown on this chart, produces the following result: If you are a taxpayer earning less than $42,000 a year under the existing tax code which the White House is trying to protect, you pay on that income a tax rate of about 15 percent. On income which ranges between $42,000 and $75,000, you pay a marginal tax rate of 28 percent. On income between $75,000 and $155,000, as shown by this graph, you pay a marginal tax rate of 33 percent, but on all income above $155,000 the effective marginal tax rate drops back to 28 percent. This gap, this drop in income tax marginal rates for all people making more than $155,000 a year costs the Treasury $9 billion a year. That little special deal for all people making $155,000 a year or more is what the President's negotiators are principally trying to protect in the tax debate now going on at the summit.

Now, because the President is taking some heat for the injustice of that position, his negotiators are now saying, "Well, why don't we instead pay for the capital gains by limiting the tax deduction for State and local taxes?" They claim that that socks the rich. The problem is that it does so selectively. States such as Governor Sununu's State—the President's principal adviser—have no income tax. States such as Texas have no income tax. They simply charge the cost of their public services to consumers of oil and gas from other States who must buy their products in order to heat their homes and run their tractors.

If deductions for State and local taxes are limited, what appears on the surface to be limiting tax cuts for the wealthy in certain States will in fact simply create pressure for those States to lower tax rates on high-income individuals to the deductibility ceiling levels, which would simply result in those States shifting tax burdens to lower income people. I have very little doubt that that is what the President's advisers would like to do. I have a lot of doubt that what they want to do is fair and right.

To finance a capital gains tax gift for the rich everywhere by eliminating deductions for high-income people in only certain States would be unfair and would place an additional burden on States which have already done the most to deal with their own problems. States with progressive income taxes, such as New York, Minnesota, and Wisconsin, impose a heavier tax on high-income people than most other States, so we can deal with our own problems. We also receive smaller reimbursements from the Federal Government for the cost of programs such as Medicaid than do many States with little or no State income tax. That is hardly a just formula, but that is a fact.

The administration is now throwing up a smokescreen to try to cloud the public's view of the fact that what is preventing agreement at the summit on deficit reduction is the administration's insistence on protecting the very wealthy in the indefensible income tax bubble which I have just talked about. Their insistence on providing yet another tax benefit to the most high-flying citizens of this society by way of the capital gains tax break coincides with their ideological preference in preserving high-income people on the existing Income Tax Code.

That may make ideological sense, but it makes no economic sense, and it certainly is not fair. That in my view is what must change if we are to have a compromise on the budget deficit which solves the Nation's problems and once again gives the American people confidence that Government is looking for ways to help them rather than "take" them.

Now, the question is often asked: Why are people so cynical about politics and about politicians? Well, one answer to that that is often given is that they are concerned about the ethics of people in Government.

I agree with that, and I think my record shows that I have been at the center of virtually every effort to strengthen ethics codes for elected officials, especially Members of Congress, and to reform ways in which political campaigns obtain and spend money.

But I would suggest that there is an even more important reason why the public thinks that they are being had by so many politicians, and that is because Government is seen as being quite different than it was at the time of World War II.

At the end of World War II, Government was seen as being on the side of the average family. It was supporting programs which helped people buy their first home and helped to put people through school through the VA housing program and the GI bill. Government was seen as having a progressive Tax Code which taxed people on the basis of their ability to pay, not on the basis of their ability to conduct public relations campaigns to get out of paying.

Today, Government unfortunately is seen as being in cahoots with the high-rollers in this society. It is being seen accurately, I am ashamed to say, as being on the side of the wealthy. It is seen as being the instrument which puts the fix in so that the wealthy and the well-connected can do exactly what they did in the 1980's, increase their income by gargantuan amounts at the same time they are reducing their tax burden in comparison to that income, leaving middle-income taxpayers holding the bag.

That has been the sad story of the 1980's on budget and tax policies, and that is what has to change. The single most important thing that any Government official can do to restore public confidence is to put Government back on the side of average families in this country by seeing to it that our deficit is reduced quickly and fairly. That means reducing the temptation to use the Persian Gulf crisis as an excuse to resurrect spending for every "turkey" weapons system that drains our strength rather than adds to it—weapons which have absolutely nothing to do with our ability to fight in the Persian Gulf.

□ 1600

I am talking about items like the B-2 bomber, star wars, the MX missile, and the like.

The second thing we must do is to say "No!" when the President's economic team is insisting that we once again provide just one more benefit to the wealthy at the expense of the average working family in this country. The tax system simply must be made more progressive. Those at the very

top of the income tax scale ought to be paying a higher tax rate than the rest of Americans, not a lower tax rate, as they are paying today, because if they do not, then people in the middle are simply going to get stuck.

Any so-called budget compromise coming out of Andrews Air Force Base that does not make those changes fails to meet the fundamental test of fairness and should be rejected. That is the message the President must understand.

For Republican negotiators at the summit to propose a package which cuts taxes for people at the top of the ladder, while raising taxes for everyone with incomes less than $50,000, is backward.

The President indicated in his speech last Tuesday that he wanted us to stop fighting and come to an agreement on the budget deficit. I would love to see that happen. But before it can happen, people have to understand what the fighting is all about. The fighting is primarily about this gap, this gimmick, which allows the very richest people in our society to get off paying $9 billion less a year than they should be paying into the Federal Treasury, while people who are making smaller incomes are paying more.

That is what the White House must face, that is what the White House must recognize, if they are to in the end gain the support of progressives in this House, who feel that the principal job of Government in this budget compromise is to see to it that middle-income working families are treated fairly, and to see to it that people who were not invited to the party in the 1980's do not get stuck with the lion's share of the bill.

THE POLITICS OF THE TEXTILE BILL

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, the offices of the Congress have been inundated with mail, both for and against the Textile, Shoe, Apparel Act of 1990. Newspapers have run large display ads, both pro and con, and the U.S. Trade Representative's office has released statements daily threatening that passage of the legislation would destroy 4 years of GATT negotiations.

As a writer, as an editor, as a former Agency head responsible for international negotiations, I would like to make some comments upon what we are seeing and what we are hearing.

The charge that restricting the growth of imports of fabric, shoes and apparel to 1 percent a year is catastrophic is balderdash. No country is threatened with losing either quotas or market share. No country is being shut out of American markets as we have been shut out of so many foreign markets.

The charge that the passage of this bill, H.R. 4328, will destroy the GATT Agreement is ridiculous. It is well understood among every professional in the field that the passage of the recent farm bill with all of its subsidies put the skids to any demands we were making to gain access to foreign markets or to push our demand of our trading partners that they stop subsidizing their producers.

As a matter of fact, the agricultural issue has bogged the whole process down so much that on Monday of last week, in a speech in Seattle, Ambassador Carla Hills is quoted in the Journal of Commerce as saying that:

> Slashing farm subsidies that "bride the market" is a major goal of the current round of GATT talks, but it is unclear how much progress can be made before the conclusion of the talks in December.

When the American Congress decided to provide protection for the American farmer, a deserved benefit in a high risk business, Mrs. Hills—as a negotiator—was left high and dry.

So we are left in a quandry!

How can we ask foreign nations to forego that which our own people demands?

Of course these negotiations will go on into December and most likely will bear no fruit at all, unless possibly, there is something else to trade off which might make those countries open up markets long closed.

Now, what in the world could that be? Textiles? Shoes? Clothing? Is it possible that the shrillness of the attacks on the textile bill grows out of a real threat that the U.S. Trade Representative—having lost on the farm bill, also might be faced with the Congress' decision to protect 2 million American manufacturing jobs? That the textile and apparel industry will not be available to offer up to the goals of this negotiation?

I think this is the bottom line.

Now, if this indeed happens. If we trade 2 million manufacturing jobs for agricultural markets, I doubt the European Community will move 1 inch because right now, in the south of France, the sheep farmers are fighting importation from Great Britain of lamb—inside the European Community. The French farmers are being put out of business by opening up their markets to the British. The integration of markets inside the European Community is still under dispute—still unsettled.

In the matter of protecting its textiles and apparel industries, the whole of the European Community accepts only 25 percent of foreign production, even though they have a market 80 million stronger than ours. The Japanese market, half our size accepts only 6 percent. We, right now, are accepting 60 percent of world production and under this legislation would allow that to grow at 1 percent per year.

And, as to how the Japanese will respond to any new agreements, all we have to do is look at recent history of another supposedly successful agriculture negotiation with them.

Recall the fight over getting American beef and fish into Japan? How, even as we kissed off microprocessors—we gained entry to Japan on meat. A great victory of the last couple of years!

And do you know when that entry was made? That agriculture beef agreement was concluded after Japanese interests bought ranches and packing houses in the United States. Probably they allowed fish imports from United States waters after they brought canneries here. So, sure beef and fish are major U.S. export items to Japan, but it is Japanese-owned beef, Japanese-processed fish; and not one penny of the profit from these operations is kept in this country. And, at one of the ranches, even the cowboys are Japanese.

□ 1610

If we allow our textile industry, the remainder of our shoe and apparel industry to be traded off against promises of future markets—I suggest there will be a boom in the purchase of farms and paddies by foreign interests to pre-empt the profit of these agreed-upon imports.

To make my point, consider 5 of the 10 major exports to Japan from America.

Wood products and cork: And every Member of this House must be aware that little of this wood moves off milled. Value added is added in Japan, not in America.

Beef: Most of the beef going into Japan from the United States is owned by Japanese interests.

Fish: Most of the fish being exported is being sold by Japanese-owned fishing operations and processed through Japanese operated canneries.

Grain cereals: If Japan is buying grain cereals from the United States, Japanese trading houses also are operating out of the U.S. Department of Agriculture in the Export Enhancement Program receiving grain for shipments of grain—to targeted markets—through the program. So, in what is becoming "the Japanese model," if we enter one market, they in turn move in as equals making up any United States gain in another area.

The final major export is non-ferrous metals. In the last 2 years, Japan has purchased or bought into several nonferous metal operations, so how much of this export item should be

credited to the United States or to Japan is in question.

I have been attacked in an advertisement—paid for by Japanese interests—in Time magazine for suggesting that we are becoming a colony of Japan. If we look at the products Japan buys from us—the five I just listed—agriculture and raw materials—and consider that we are not only buying manufactured goods from them in exchange, but that we are considering trading off manufacturing sectors in order to sell more agricultural products, it is becoming evident that we are moving more and more toward a colonial relationship with that particular country.

We must all know what the stakes are for the domestic industries—shoes, clothing, textiles:

Eighty-two percent of the footwear market is supplied by foreign products. Only 18 percent of the U.S. market is supplied by American production.

The U.S. market accepts 60 percent of all foreign apparel and textile production. 60 percent

In the apparel industry, employment is the lowest it has been in 49 years! In textiles, the level of employment matches the record low of 1985.

Import of apparel reached 59 percent of 1989, up from only 30 percent in 1981.

Eighty-seven apparel and textile plants have closed in the first 8 months of this year.

The retailers, the wholesalers, the designer clothes groups have been up front and out front with their lobbying. I find, in all instances, while charging the American manufacturers with having made great profits, they have nimbly side-stepped any comment on the profits rolled up in their businesses!

I shop and I talk with many other people who shop. And there are some real questions that need to be asked about the so-called imported bargains we are being offered. Why is it that items made in Third World countries are as expensive as items manufactured in America?

How can it be that a dress—this season—made out of heavy gauze-like material from India costs $100? I remember 2 or 3 years ago huerachas from India were priced at $60 per pair. Remember the cut leather beach shoes of 20 years ago at $1 or $2 dollars a pair? The very same ones, Mr. Speaker. But, now at $60 a pair?

And there were the sandals—which I picked up to look at. Attractive, so flimsy that I wondered if they would stand up through a Washington rainstorm. On the sole, the price $129 per pair, marked "made in Argentina," for a popular designer.

Take any catalog. Check it out for yourself. Imported products from abroad cost as much as products made in this country, time after time!

I am going to read some examples from the latest Sears Roebuck catalog.

Here is a blazer of bright colors to accent your basic black; made in U.S.A. or imported, same identical price of $55.

Here is a skirt, straight skirt with quality dress-maker details, machine wash, made in U.S.A. or imported, same identical price of $26.

Here are some knit, polyester jogging suits, weekender jogging suits, made in U.S.A. or imported, the catalog says, same price.

Here are some ladies cotton twill pants, made in U.S.A. and imported, U.S.A. material it says, same price, for a misses it's $18.49 and for women it's $20.49 a pair.

Another item, again sports pants, made in the U.S.A. or imported of machine washable cotton and dacron polyester, misses, same price, $16.79 a pair and womens $18.79 a pair.

It goes on and on. Let me get to the suits. Here is another blazer for a woman, made in U.S.A. or imported, U.S.A. material. Sometimes they take the material overseas and sew it together and bring it back. This is the same price for misses, $34.94 and for women $39.94 and for tall women, $36.94, same, identical for domestic or for imported goods.

And so on and so on throughout the catalog. All of these markings here are on pages in this catalog which show that the same price exists for made-in-the-U.S.A. or imported material.

□ 1620

Savings on imports? For whom? Passed through or kept? Rather than talking bargains, we should be talking possibly an excess profits tax on importers who charge whatever the market will bear.

On the question of import costs, the flat retailer answer that tariffs raise the price, thereby making the import item as expensive as a domestically produced one, is absolutely absurd. Tariff rates are different for different categories, but in the shopping that most women do, blouses and dresses on average, the tariff is 10 percent. So if a blouse or a dress costs somewhere from $2 to $3 to $10 in Bangladesh, India, the American importer will be paying $0.20 to $0.30 to a dollar for each item in tariff costs. Hardly an excuse for the sometimes 300- to 400-percent markup to bring the item up to U.S. market levels.

I have in my pocket some sales slips from some blouses at a local company. All of these were made in Thailand. They are cotton. These prices run from $40 to $50 for each, and I would like to bet that in Thailand that blouse can be bought for no more than $10 each. We are talking about the kind of people who are involved in the manufacture of those blouses and those dresses over there.

Why are we not dealing with the true motives behind all of this?

Read the propaganda surrounding this legislation and you would believe that the retailers of this country are running a public service operation for America. That their major concern is the availability of cheap products.

I urge every man in this House to go shopping and tell me—knowing the economies of many of the countries these articles are coming from—that the profits are not, in many cases, unconsciencable.

And, as to the matter of conscience, the proposition put forth by some of the antitextile lobby that Americans have every right to enjoy the fruits of every exploited labor force around the world is absolutely shocking!

From the slave labor of China all the way through India where women and children work in the most appalling conditions, the idea that these poor people should be working to satisfy our jaded demands for instant gratification is sickening.

And, if any free trader tells me that our American workers should compete with this type of labor, then I think he or she marches to a very different tune from the mass of Americans.

As to competition, inside this country where the playing field is level, there are 600 American manufacturers and 25,000 apparel businesses. These companies compete for an ever decreasing market share in America, but beyond that, they are competing every day in one of the most hostile business environments this country has ever experienced. Unlike their foreign competitors, many of whom are subsidized by their governments and totally protected by their governments from imports either by tariffs, some as high as 100 percent of the value, or by quotas, American companies have to fight to even borrow money from the commercial banks at reasonable rates if they can find it, orders in hand. How dare any ivory-tower economist or bureaucrat preach to a bunch of American manufacturers about the joys of competition?

Just a monthly check of U.S. bankruptcies will explain what an economic jungle we have created for our domestic companies. They do not need to take on additional battles with the products of socialist countries or cartel-dominated foreign industries.

This vote, I predict, will be a litmus test for each one of us standing for reelection this year, because the issue is so clear cut. Two million American jobs are on the line, representing, on average, two or three times as many people considering family members. And this is the recognizable loss.

No one is addressing the multiplier effect on the communities impacting the butcher, the baker, and the candlestick maker. And, contrary to

most reports that this is a southern issue, there are more textile jobs in the State of Pennsylvania than there are steel industry jobs.

Surprising, isn't it?

My home State of Maryland once was a center of clothing manufacture. All the way from the center of Baltimore down toward the Eastern Shore and up through Hagerstown to the Pennsylvania line. These were the steady jobs in the small cities and towns. Jobs many times for the single provider, all too frequently, women.

Sadly most of these jobs have disappeared under the flood of earlier imports. And, many of the mills are shuttered, the villages quiet in the middle of the day, and the workers are carpooling 50 to 100 miles a day, if they are lucky, to jobs in the cities, and the numbers of latchkey children grow apace.

I am getting so impatient with the threats to this Congress that our trading partners will be angry, that they will retaliate. If we are in any kind of confrontation on closing market access, look at the facts. It is an empty threat. How can they close markets which have never been open? How many more empty promises will we accept?

Just last week, the Japanese announced that upon testing American rice they find it unsuitable for the Japanese market. Remember the Japanese snow which was unsuitable for American skis?

How many times are we going to be suckered by the most outrageous defenses of totally protectionist countries?

And, the threat to GATT; would our erstwhile allies, the Germans and the Japanese dare—after their timidity on the Iraq issue—dare to question the need to supply our own requirements at a time of danger? Overlooked by many in this debate is the strategic value of much of our textile capability to the defense of this country.

I am enclosing a partial list of some of the uses of textiles and textile technologies in weapons systems and the types of clothing still being produced in this country being used by our forces right now. The list reads as follows:

TEXTILE AND APPAREL USES IN DEFENSE

Chemical and Biological Protective Suits and Masks.
Hospital Supplies: Gauze, Bandages, Disposables, Organ Implants.
Duffel Bags.
Load Carrying Equipment.
Electrical Insulation.
Rope and Netting.
Cord.
Cotton Blend Combat Camouflage Fabric.
Cotton Blend Combat Camouflage Coats and Trousers.
Dress and Utility Work Trousers, Slacks, Skirts, Shirts, and Blouses.
Cotton Blend Dress Shirting Fabric.
Cotton and Cotton Blend Duck Fabric.
Coveralls and Parkas.
Dress Coats and Utility Jackets.
Woven and Knitted Hats, Caps, Berets, and Hoods.
Gloves/Mittens.
Raincoats and Ponchos.
Liners for Trousers/Coats.
Socks and Handkerchiefs.
Undershirts and Drawers.
Sheets and Blankets.
Towels.
Ticking.
Curtains/Draperies and Carpets.
Shoe Laces.
Sewing Thread.

OTHER DEFENSE/INDUSTRIAL APPLICATIONS

1. RAM—Air-Decelerator—USA (coated Kevler—200 d.) (grenade decelerators) (helicopter use).
2. Ballute—USAF (420 & 210 d. nylon) (bomb decelerators).
3. Armor Vest & Helmet—Kevler (1500 d.).
4. Nomex—38/2 Coverall—Sage Green—USAF, USN, Fliers; Olive—tank uniforma.
5. Nomex & Kevler combination—inside liner—flight jacket—all Services.
6. Ballistic nylon—helmet liner, armor vest outershell, 9MM pistol holster & belt—USA & USMC.
7. Filament Nomex twill (250 d.)—flight suit—USN.
8. 420 d. Nylon pack cloth and backpack—USA.
9. Fuel Cells—rubberized (storage, transport, crashworthy) Helicopters, airplanes, army truck transport.
10. Rayon—carbonizing—shuttle rocket motor, C-4, Trident, D-5, Pershing missiles, re-entry, and propulsion systems.
11. Cordura for duffle bags—USA & USMC.
12. Wet weather gear USN—210 d. nylon.
13. Nylon—1260/840 ammunition pouch & gun cover (150M yds./yr.)—USA.
14. 840 d. Parachute—cargo chutes, drag chutes—USA, USMC.
15. Scrim—tank camouflage netting (Brunswick)—USA.
16. Scrim—protective covers (for lamination) for general purposes (400M yds./year)—All Services.
17. 40753 Flag—(200M yds./yr.)—USN signal flags.
18. V-Belt covers—All truck transport & tanks.
19. Truck tire components—truck transport.
20. Tarpaulin waterproof fabrics—all services.
21. Textile Composite Applications (glass, carbon fiber, Kevlar).

Helicopter blades and fuselages (Army "Blackhawk" and "Cobra" helicopters.
Combat vehicle and shipboard armor (Army rough terrain combat "Hummer" and "Humvee" vehicles.
Missile casings, launch tubes, and propulsion systems (MX, Minuteman, Trident submarine missiles).
Computer/Avionic circuit boards.
Airplane brake systems and engines.
Space Shuttle (booster rocket recovery nylon parachutes and "Nomex" felt covering under "belly" ceramic tiles.

Mr. Speaker, I might point out that one thing Members did not hear me read was boots for our military, because we are buying most of our boots overseas now.

The father of a marine who has gone over there said that his son wrote to him and said, "Dad, see what you can do about getting us a better-quality boot."

I also might point out, and I think this is something that my colleagues should remember, that those people who work in the boot factories overseas, whether it is in Korea, whether it is in Taiwan, whether it is in Japan, or wherever it is, that those people working in those boot factories do not pay any taxes to help keep the Pentagon going, but those who work in the industry in the United States of America do pay taxes and help against the deficit of this country.

I also might point out that when a dollar is spent in the United States by a Federal agency that 42 cents of that dollar, of every dollar, goes into some sort of tax in the United States, whether it is local tax, State tax, unemployment, Social Security, the IRS, what have you.

□ 1630

That helps to curtail, to cut down the deficit, and helps to keep the Pentagon and other Federal agencies going. That is something that we cannot emphasize enough.

It is absolutely confounding to me that we have come to such a time in the history of this great Nation that there would be any question as to whether we would defend—yes, the proper word here is defend—American jobs, American industries, American communities.

We have spent over $1 trillion for defense in the last decade. Our troops, our men and women, are sitting in a hostile desert defending Saudi Arabia and trying to free Kuwait. What is the purpose of defense overall if it is not to defend America and our way of life?

The textile vote tomorrow will focus on what our oath of office demands that we defend. I predict, the response to this vote, can signal to the world—once and for all—just what the American people want their Government to defend—decent jobs—stable, prosperous communities—and an opportunity for Americans to aspire to a better life for them and their children.

More prosperity in Third World countries does not address any of these hopes. Happy trading partners carry not whit of responsibility for this country. Besides, they are easy to please—just one more time.

First they demanded our television industry. Then industrial fasteners and machine tools were desired. Then automobiles and, in the last 10 years, microelectronics. And they took our markets and they smiled and, every year, they demand more.

And, what have we gotten? A rising debt, falling treasury receipts, a falling dollar, a banking system at major risk, the savings and loan industry devastated, and that great hope of all the service sector economists, McDonald's,

has had a perfectly disappointing year.

Speaking of empty promises, don't you remember how our heavy industrial base was to be replaced by high technology? And then, when high technology began to falter before the impact of imports, well sir, we were just all going to work in the service economy. Banks and brokerage houses, real estate and services.

Services to whom? Doing what?

How sad it all is. How much we have all lost. But these jobs, these industries can still be saved.

Let's do it. Let us tell our allies to stop the threats. Let's demand reciprocity—fair trade. We can save a whole lot of money by dismantling all of our customs' bureaucracy and just give the officers at the ports the laws of every trading country. The officers will be free to allow whichever item into this country that is allowed to enter into the exporting country. Reciprocity. Seems fair to me.

Too simplistic, by far, I know. But, it should be the underlying principal of every trade act passed by this country.

The watershed battle for our people is not going to take place half the world away from America in the Middle East. It will take place on this floor next week. Vote yes on the Textile, Shoe, Apparel Act of 1990. Vote to defend America and American jobs.

RECESS

The SPEAKER pro tempore. Pursuant to the previous order of the House of today, the Chair declares the House in recess until 5 p.m.

Accordingly (at 4 o'clock and 35 minutes p.m.), the House stood in recess until 5 p.m.

□ 1700

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore [Mr. HOYER] at 5 p.m.

FREE MAILING PRIVILEGES FOR MILITARY PERSONNEL

The SPEAKER pro tempore. Pursuant to the provisions of clause 5, rule I, the pending business is the question of suspending the rules and passing the Senate bill, S. 3033, on which further proceedings were postponed earlier today.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois [Mr. HAYES] that the House suspend the rules and pass the Senate bill, S. 3033, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 368, nays 0, not voting 64, as follows:

[Roll No. 332]

YEAS—368

Ackerman	Edwards (CA)	Leach (IA)
Alexander	Edwards (OK)	Lehman (FL)
Andrews	Emerson	Lent
Annunzio	Engel	Levin (MI)
Anthony	English	Levine (CA)
Archer	Erdreich	Lewis (FL)
Armey	Evans	Lewis (GA)
Aspin	Fawell	Lightfoot
Atkins	Fazio	Lipinski
Baker	Feighan	Livingston
Ballenger	Fields	Lloyd
Barnard	Fish	Long
Bartlett	Flippo	Lowery (CA)
Barton	Ford (MI)	Luken, Thomas
Bateman	Ford (TN)	Lukens, Donald
Bellenson	Frank	Machtley
Bennett	Frost	Madigan
Bentley	Gallegly	Markey
Bereuter	Gallo	Marlenee
Berman	Gaydos	Martin (NY)
Bevill	Gejdenson	Martinez
Bilbray	Gekas	Mavroules
Billey	Geren	Mazzoli
Boehlert	Gibbons	McCandless
Boggs	Gillmor	McCloskey
Bonior	Gilman	McCollum
Borski	Gingrich	McCrery
Bosco	Glickman	McCurdy
Brennan	Gonzalez	McDermott
Brooks	Goodling	McEwen
Broomfield	Gordon	McGrath
Browder	Goss	McHugh
Brown (CO)	Grandy	McMillan (NC)
Bruce	Grant	McMillen (MD)
Bryant	Green	McNulty
Buechner	Guarini	Meyers
Bunning	Gunderson	Mfume
Burton	Hall (OH)	Michel
Byron	Hall (TX)	Miller (OH)
Callahan	Hamilton	Miller (WA)
Campbell (CO)	Hammerschmidt	Mineta
Cardin	Hancock	Moakley
Carper	Hansen	Molinari
Carr	Harris	Mollohan
Chandler	Hastert	Montgomery
Chapman	Hatcher	Moody
Clarke	Hawkins	Moorhead
Clay	Hayes (IL)	Morella
Clement	Hayes (LA)	Morrison (WA)
Clinger	Hefley	Mrazek
Coble	Hefner	Murphy
Coleman (MO)	Henry	Murtha
Coleman (TX)	Herger	Myers
Collins	Hertel	Nagle
Combest	Hiler	Natcher
Condit	Hoagland	Neal (NC)
Conte	Hochbrueckner	Nelson
Conyers	Holloway	Nielson
Costello	Hopkins	Nowak
Coughlin	Horton	Oakar
Courter	Hoyer	Oberstar
Craig	Hubbard	Obey
Crane	Huckaby	Olin
Dannemeyer	Hughes	Ortiz
Darden	Hunter	Owens (NY)
Davis	Hyde	Oxley
de la Garza	Inhofe	Packard
DeFazio	Ireland	Pallone
DeLay	James	Parker
Dellums	Jenkins	Parris
Derrick	Johnson (SD)	Pashayan
DeWine	Johnston	Patterson
Dickinson	Jones (GA)	Paxon
Dicks	Jones (NC)	Payne (NJ)
Dingell	Jontz	Payne (VA)
Dixon	Kanjorski	Pease
Dorgan (ND)	Kaptur	Penny
Dornan (CA)	Kasich	Perkins
Douglas	Kastenmeier	Pickett
Downey	Kennelly	Pickle
Dreier	Kildee	Porter
Duncan	Kolbe	Poshard
Durbin	Kyl	Price
Dwyer	LaFalce	Pursell
Dymally	Lagomarsino	Quillen
Dyson	Lancaster	Rahall
Early	Lantos	Rangel
Eckart	Laughlin	Ravenel
Ray	Sikorski	Synar
Regula	Sisisky	Tallon
Rhodes	Skaggs	Tauzin
Richardson	Skeen	Taylor
Ridge	Skelton	Thomas (CA)
Rinaldo	Slattery	Thomas (GA)
Ritter	Slaughter (NY)	Thomas (WY)
Roberts	Slaughter (VA)	Torres
Robinson	Smith (FL)	Torricelli
Roe	Smith (IA)	Towns
Rogers	Smith (NE)	Traficant
Rohrabacher	Smith (NJ)	Traxler
Ros-Lehtinen	Smith (TX)	Udall
Rostenkowski	Smith (VT)	Unsoeld
Roth	Smith, Denny (OR)	Upton
Roukema	Smith, Robert (NH)	Valentine
Rowland (GA)	Smith, Robert (OR)	Vander Jagt
Russo	Snowe	Vento
Saiki	Solarz	Volkmer
Sarpalius	Solomon	Vucanovich
Savage	Spence	Walgren
Sawyer	Spratt	Walker
Saxton	Staggers	Walsh
Schaefer	Stallings	Waxman
Scheuer	Stangeland	Weiss
Schiff	Stark	Weldon
Schneider	Stearns	Wheat
Schroeder	Stenholm	Whitten
Schumer	Stokes	Wise
Sensenbrenner	Studds	Wolf
Serrano	Stump	Wolpe
Sharp	Sundquist	Wyden
Shaw	Swift	Wylie
Shays		Yates
Shumway		Yatron
Shuster		

NAYS—0

NOT VOTING—64

Anderson	Gray	Pelosi
Applegate	Houghton	Petri
AuCoin	Hutto	Rose
Bates	Jacobs	Rowland (CT)
Bilirakis	Johnson (CT)	Roybal
Boucher	Kennedy	Sabo
Boxer	Kleczka	Sangmeister
Brown (CA)	Kolter	Schuette
Bustamante	Kostmayer	Schulze
Campbell (CA)	Leath (TX)	Tanner
Cooper	Lehman (CA)	Tauke
Cox	Lewis (CA)	Visclosky
Coyne	Lowey (NY)	Washington
Crockett	Manton	Watkins
Donnelly	Martin (IL)	Weber
Espy	Matsui	Whittaker
Fascell	McDade	Williams
Flake	Miller (CA)	Wilson
Foglietta	Morrison (CT)	Young (AK)
Frenzel	Neal (MA)	Young (FL)
Gephardt	Owens (UT)	
Gradison	Panetta	

□ 1732

Mr. SCHEUER changed his vote from "nay" to "yea."

Mr. OXLEY changed his vote from "present" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Ms. PELOSI. Mr. Speaker, on rollcall No. 332 on the Senate bill, S. 3033, I was unavoidably detained coming from California.

Had I been present I would have voted yea on free mail for the military serving in the Persian Gulf.

ALLOWING FREE MAILING PRIVILEGES TO MEMBERS OF THE ARMED FORCES

The SPEAKER pro tempore (Mr. HOYER). Pursuant to the order of the House of Thursday, September 13, 1990, the unfinished business is the question de novo on the motion to recommit the bill H.R. 5611 with instructions, on which further proceedings were postponed on Thursday, September 13, 1990.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion to recommit offered by the gentleman from Pennsylvania [Mr. RIDGE].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. RIDGE. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 227, noes 142, not voting 63, as follows:

[Roll No. 333]

AYES—227

Archer	Flippo	Machtley
Armey	Gallegly	Madigan
Ballenger	Gallo	Marlenee
Barnard	Gaydos	Martin (NY)
Bartlett	Gekas	McCandless
Barton	Geren	McCollum
Bateman	Gillmor	McCrery
Bentley	Gingrich	McEwen
Bereuter	Glickman	McGrath
Bevill	Goodling	McMillan (NC)
Bilbray	Goss	Meyers
Bliley	Grandy	Michel
Boehlert	Grant	Miller (OH)
Brennan	Green	Miller (WA)
Broomfield	Gunderson	Molinari
Browder	Hall (TX)	Moody
Brown (CO)	Hammerschmidt	Moorhead
Buechner	Hancock	Morella
Bunning	Hansen	Morrison (WA)
Burton	Harris	Nagle
Callahan	Hastert	Natcher
Campbell (CO)	Hayes (LA)	Neal (NC)
Chandler	Hefley	Nelson
Chapman	Hefner	Nielson
Clarke	Henry	Oxley
Clinger	Herger	Packard
Coble	Hiler	Pallone
Coleman (MO)	Holloway	Parker
Combest	Hopkins	Parris
Condit	Horton	Pashayan
Conte	Hubbard	Patterson
Costello	Huckaby	Paxon
Coughlin	Hunter	Payne (VA)
Courter	Hyde	Penny
Craig	Inhofe	Pickett
Crane	Ireland	Pickle
Dannemeyer	James	Porter
Darden	Jenkins	Poshard
Davis	Johnson (SD)	Price
de la Garza	Jones (GA)	Pursell
DeLay	Jontz	Quillen
Derrick	Kanjorski	Rahall
DeWine	Kasich	Ravenel
Dickinson	Kildee	Ray
Dornan (CA)	Kolbe	Regula
Douglas	Kyl	Rhodes
Dreier	Lagomarsino	Ridge
Duncan	Lancaster	Rinaldo
Dwyer	Laughlin	Ritter
Early	Leach (IA)	Roberts
Eckart	Lent	Robinson
Edwards (OK)	Lewis (FL)	Roe
Emerson	Lightfoot	Rogers
English	Lloyd	Rohrabacher
Erdreich	Long	Ros-Lehtinen
Fawell	Lowery (CA)	Roth
Fields	Lukens, Donald	Roukema
Rowland (GA)	Smith (NJ)	Tauzin
Saiki	Smith (TX)	Thomas (CA)
Sarpalius	Smith (VT)	Thomas (GA)
Saxton	Smith, Denny (OR)	Thomas (WY)
Schaefer	Smith, Robert (NH)	Traficant
Schiff	Smith, Robert (OR)	Upton
Schneider	Snowe	Valentine
Schroeder	Solomon	Vander Jagt
Sensenbrenner	Spence	Volkmer
Sharp	Staggers	Vucanovich
Shaw	Stallings	Walgren
Shays	Stangeland	Walker
Shumway	Stearns	Walsh
Shuster	Stenholm	Weldon
Sisisky	Stump	Wolf
Skeen	Sundquist	Wolpe
Skelton	Tallon	Wyden
Slattery		Wylie
Slaughter (VA)		Yatron
Smith (NE)		

NOES—142

Ackerman	Gibbons	Nowak
Alexander	Gilman	Oakar
Andrews	Gonzalez	Oberstar
Annunzio	Gordon	Obey
Anthony	Guarini	Olin
Aspin	Hall (OH)	Ortiz
Atkins	Hamilton	Owens (NY)
Baker	Hatcher	Payne (NJ)
Beilenson	Hawkins	Pease
Bennett	Hayes (IL)	Pelosi
Berman	Hertel	Perkins
Boggs	Hoagland	Rangel
Bonior	Hochbrueckner	Richardson
Borski	Hoyer	Rostenkowski
Bosco	Hughes	Russo
Brooks	Johnston	Savage
Bruce	Jones (NC)	Sawyer
Bryant	Kaptur	Scheuer
Byron	Kastenmeier	Schumer
Cardin	Kennelly	Serrano
Carper	LaFalce	Sikorski
Carr	Lantos	Skaggs
Clay	Lehman (FL)	Slaughter (NY)
Clement	Levin (MI)	Smith (FL)
Coleman (TX)	Levine (CA)	Smith (IA)
Collins	Lewis (GA)	Solarz
Conyers	Lipinski	Spratt
DeFazio	Livingston	Stark
Dellums	Luken, Thomas	Stokes
Dicks	Markey	Studds
Dingell	Martinez	Swift
Dixon	Mavroules	Synar
Dorgan (ND)	Mazzoli	Taylor
Downey	McCloskey	Torres
Durbin	McCurdy	Torricelli
Dymally	McDermott	Towns
Dyson	McHugh	Traxler
Edwards (CA)	McMillen (MD)	Udall
Engel	McNulty	Unsoeld
Evans	Mfume	Vento
Fazio	Mineta	Waxman
Feighan	Moakley	Weiss
Fish	Mollohan	Wheat
Ford (MI)	Montgomery	Whitten
Ford (TN)	Mrazek	Wise
Frank	Murphy	Yates
Frost	Murtha	
Gejdenson	Myers	

NOT VOTING—63

Anderson	Gradison	Owens (UT)
Applegate	Gray	Panetta
AuCoin	Houghton	Petri
Bates	Hutto	Rose
Bilirakis	Jacobs	Rowland (CT)
Boucher	Johnson (CT)	Roybal
Boxer	Kennedy	Sabo
Brown (CA)	Kleczka	Sangmeister
Bustamante	Kolter	Schuette
Campbell (CA)	Kostmayer	Schulze
Cooper	Leath (TX)	Tanner
Cox	Lehman (CA)	Tauke
Coyne	Lewis (CA)	Visclosky
Crockett	Lowey (NY)	Washington
Donnelly	Manton	Watkins
Espy	Martin (IL)	Weber
Fascell	Matsui	Whittaker
Flake	McDade	Williams
Foglietta	Miller (CA)	Wilson
Frenzel	Morrison (CT)	Young (AK)
Gephardt	Neal (MA)	Young (FL)

□ 1752

Mr. FRANK changed his vote from "yea" to "nay."

Messrs. DE LA GARZA, EDWARDS of Oklahoma, NAGLE, BEVILL, and CHAPMAN changed their vote from "nay" to "yea."

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

Mr. HAYES of Illinois. Mr. Speaker, in accordance with the instructions of the House, and on behalf of the Committee on Post Office and Civil Service, I report the bill, H.R. 5611, back to the House with an amendment.

The SPEAKER pro tempore (Mr. HOYER). The Clerk will report the amendment.

The Clerk read as follows:

Amendment: Strike all after the enacting clause and insert the following:

SECTION 1. FREE MAILING PRIVILEGES FOR MEMBERS OF THE ARMED FORCES PARTICIPATING IN TEMPORARY OVERSEAS DEPLOYMENT IN ARDUOUS CIRCUMSTANCES.

(a) MAILING PRIVILEGES.—In a case in which members of the Armed Forces are temporarily deployed overseas for an operational contingency in arduous circumstances, as determined by the Secretary of Defense, members so deployed shall be provided mailing privileges under section 3401(a)(1)(A) of title 39, United States Code, in the same manner as if the forces deployed were engaged in military operations involving armed conflict with hostile foreign force.

(b) REIMBURSEMENT OF POSTAL SERVICE FROM LEGISLATIVE BRANCH APPROPRIATIONS.—There shall be transferred to the Postal Service as postal revenues, out of appropriations made for the legislative branch for the purpose of franked mailings, as a necessary expense of the appropriations concerned, the equivalent amount for postage due, as determined by the Postal Service, for matter sent in the mails under authority of subsection (a).

(c) EXPIRATION.—The provisions of this section shall expire on June 30, 1991.

The SPEAKER pro tempore. The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. HAYES of Illinois. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on H.R. 5611, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent for rollcall No. 332 and rollcall No. 333. Had I been here, I would have cast the following votes: "aye" and "aye."

PERSONAL EXPLANATION

Mr. KOSTMAYER. Mr. Speaker, I was detained in my district during rollcall votes 332 and 333. Had I been present I would have voted "aye" on rollcall 332, and "aye" on rollcall 333.

PERSONAL EXPLANATION

Mr. NEAL of Massachusetts. Mr. Speaker, I was unavoidably detained on business in my district. If I had been present, I would have voted as follows on the listed rollcall votes:

Rollcall No. 332, "aye," Rollcall No. 333, "aye."

PERSONAL EXPLANATION

Mr. PANETTA. Mr. Speaker, I was participating in the budget summit negotiations at Andrews Air Force Base and was unable to cast my vote during House proceedings. Had I been present, I would have cast the following votes:

Rollcall No. 332—"yea," on flee mail for military personnel serving in the Persian Gulf region. Rollcall No. 333—"no," on a motion to recommit the bill H.R. 5611 with instructions.

PERSONAL EXPLANATION

Mrs. JOHNSON of Connecticut. Mr. Speaker, I was unavoidably detained in my district and was unable to vote on rollcalls 332 and 333. Had I been present, I would have voted "Aye" on both.

APPOINTMENT OF CONFEREES ON S. 580, STUDENT ATHLETE RIGHT-TO-KNOW ACT

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 580) to require institutions of higher education receiving Federal financial assistance to provide certain information with respect to the graduation rates of student-athletes at such institutions, with Senate amendments thereto, disagree to the Senate amendments, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none and, without objection, appoints the following conferees: Messrs. HAWKINS, FORD of Michigan, WILLIAMS, OWENS of New York, PERKINS, GOODLING, COLEMAN of Missouri, and HENRY.

There was no objection.

APPOINTMENT OF CONFEREES ON H.R. 2666, MILDRED AND CLAUDE PEPPER SCHOLARSHIP ACT.

Mr. HAWKINS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H.R. 2666) to establish a Mildred and Claude Pepper Scholarship Program, with a Senate amendment thereto, disagree to the Senate amendment, and request a conference with the Senate thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California? The Chair hears none, and without objection, appoints the following conferees: Messrs. HAWKINS, FORD of Michigan, WILLIAMS, GOODLING, and COLEMAN of Missouri.

There was no objection.

APPOINTMENT OF CONFEREES ON S. 2104, CIVIL RIGHTS ACT OF 1990

Mr. HAWKINS. Mr. Speaker, pursuant to House Resolution 449, I move to take from the Speaker's table the Senate bill (S. 2104) to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes with a House amendment thereto, insist on the House amendment and request a conference with the Senate thereon.

□ 1800

The SPEAKER pro tempore (Mr. HOYER). The question is on the motion offered by the gentleman from California [Mr. HAWKINS].

The motion was agreed to.

The SPEAKER pro tempore. Without objection, the Chair appoints the following conferees: From the Committee on Education and Labor: Messrs. HAWKINS, MARTINEZ, WILLIAMS, WASHINGTON, FUSTER, MFUME, GOODLING, GUNDERSON, FAWELL, and GRANDY.

From the Committee on the Judiciary: Messrs. BROOKS, EDWARDS of California, KASTENMEIER, CONYERS, Mrs. SCHROEDER, and Messrs. CROCKETT, FISH, MOORHEAD, HYDE, and SENSENBRENNER.

There was no objection.

DESIGNATION OF HON. STENY H. HOYER TO ACT AS SPEAKER PRO TEMPORE TO SIGN ENROLLED BILL ON SEPTEMBER 17, 1990

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
September 14, 1990.

I hereby designate the Honorable STENY H. HOYER to act as Speaker pro tempore to sign the enrolled bill S. 3033 on September 17, 1990.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

The SPEAKER pro tempore. Without objection, the designation is accepted.

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2798

Mr. SCHUMER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 2798.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON HUMAN RESOURCES AND INTERGOVERNMENTAL RELATIONS OF COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TOMORROW, SEPTEMBER 18, 1990, DURING 5-MINUTE RULE

Mr. WEISS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Human Resources and Intergovernmental Relations of the Committee on Government Operations be permitted to meet during the 5-minute rule tomorrow, September 18, 1990.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NATIONAL JOB SKILLS WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 333) to designate the week of September 30, 1990, through October 6, 1990, as "National Job Skills Week," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so simply to acknowledge the work of the gentleman from California [Mr. MARTINEZ] who is the chief sponsor of this joint resolution.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 333

Whereas the ability to maintain an internationally competitive and productive economy and a high standard of living depends on the development and utilization of new technologies;

Whereas new technologies require skills that are currently unavailable in the national workforce;

Whereas experts in both the public and private sectors predict that a shortage of skilled entry-level workers will exist through the remainder of the twentieth century;

Whereas young people in the United States are experiencing higher than normal unemployment rates due to the lack of skills necessary to perform entry-level jobs that are currently available;

Whereas young people in the United States will continue to experience higher than normal unemployment rates unless such young people develop the skills necessary to perform the entry-level jobs that become available;

Whereas workers in the United States, threatened by dislocation due to plant closures and industrial relocation, need special training and education to prepare for new jobs and new opportunities; and

Whereas a National Job Skills Week would serve to focus attention on present and future workforce needs, to encourage public and private cooperation in job training and educational efforts, and highlight the technological changes underway in the workplace: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the week of September 30, 1990, through October 6, 1990, is designated as "National Job Skills Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIGIOUS FREEDOM WEEK

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 331) to designate the week of September 23 through 29, 1990, as "Religious Freedom Week," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

Mr. SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so to yield to the gentlewoman from Maryland [Mrs. BENTLEY], the chief sponsor of this joint resolution.

Mrs. BENTLEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, we are a lucky Nation. Our Founding Fathers gave us one of the most precious gifts any people ever received—religious freedom.

Hopefully, today Members of this body will pass my resolution, House Joint Resolution 638 designating the week of September 23, 1990, as "Religious Freedom Week."

This year marks the 200th anniversary of George Washington's immortal words addressed to our ancestors, "To bigotry no sanction, to persecution no assistance." Written in a historic letter to the Tauro synagogue in New Port, RI.

What a wonderful promise for the future of America. These words brought hope to all citizens that they were truly free to worship without fear of tyranny of a state religion. That was the promise by the new President.

It is difficult for us as Americans today to realize just how much that ment to those people at that time.

House Joint Resolution 638 crosses political and ideological boundaries. Religious freedom is the basic American right of every citizen of every age, country of origin, religion, moral or ethical belief—whether a member of a religious institution or not. It is this right that we celebrate to honor and protect.

Half the world is denied the right to exercise religious convictions freely. For them, the gift which we take so casually is only a hope, a goal to be attained. Those who live in slave states need no reminder of the precious nature of the right to worship freely in accord with the dictates of one's conscience.

Occasionally, we need to remind ourselves and the Nation what a great blessing it is to be free of government interference in worshiping as we choose or in choosing not to do so.

Mr. Speaker, I would like to thank the Members for supporting resolution in the past 2 years, and hope they will continue their support now and in the future to preserve American religious liberty, drawing courage and strength from its heritage.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 331

Whereas the principle of religious liberty was an essential part of the founding of the Nation, and must be safeguard with internal vigilance by all men and women of goodwill;

Whereas religious liberty has been endangered throughout history by bigotry and indifference;

Whereas the first amendment to the Constitution guarantees the inalienable rights of individuals to worship freely or not be religious, as they choose, without interference from governmental or other agencies;

Whereas the Constitution ensures religious freedom to all of the people of the United States;

Whereas at Touro Synagogue in 1790, President George Washington issued his famous letter declaring "to bigotry no sanction, to persecution no assistance";

Whereas the Touro Synagogue letter advocating the doctrine of mutual respect and understanding was issued more than 1 year before the adoption of the Bill of Rights;

Whereas the letter of President Washington and the Touro Synagogue have become national symbols of the commitment of the United States to religious freedom;

Whereas throughout the history of the Nation, religion has contributed to the welfare of believers and of society generally, and has been a force for maintaining high standards for morality, ethics, and justice;

Whereas religion is most free when it is observed voluntarily at private initiative, uncontaminated by Government interference and unconstrained by majority preference; and

Whereas religious liberty can be protected only through the efforts of all persons of goodwill in a united commitment: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) the week of September 23 through 29, 1990, is designated as "Religious Freedom Week"; and

(2) the President is authorized and requested to issue a proclamation calling on the people of the United States, including members of all faiths or none, to join together in support of religious tolerance and reglious liberty for all, and to observe the week with appropriate activities

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

NATIONAL TEACHER APPRECIATION DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 313) designating October 3, 1990, as "National Teacher Appreciation Day," and ask for its immediate consideration in the House.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the rights to object, I do so to yield to my friend and colleague, the gentleman from Wisconsin [Mr. ROTH], the chief sponsor of this joint resolution.

Mr. ROTH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I am proud today to rise as the sponsor of National Teacher Appreciation Day.

My legislation designates October 3, 1990, as National Teacher Appreciation Day. Two hundred and twenty-one Members of the House, including one hundred and sixty-six original co-

sponsors, joined me in support of this day of recognition.

I'd like to express my appreciation to Chairman SAWYER and Vice Chairman RIDGE of the Subcommittee on Census and Population for their immediate attention to this measure.

Also I thank Chairman WILLIAM FORD and Vice Chairman BEN GILMAN of the full Committee on Post Office and Civil Service for expediting action of this measure.

There are over 3½ million teachers in the United States at all levels. I commend them for the job they do in the forefront of our educational system. It is in their dedication and devotion to our children's education that America places its hopes for the future.

The best advice I've ever received during my tenure in the House of Representatives came from a teacher.

He told me that a person is smart if they learn something good every day, perfect if they never make mistakes knowingly, content if they take action to make things happen and happy by choosing to be happy.

Those words, from the much-respected Jhoon Rhee, have been an inspiration to me and many of my friends and colleagues. Likewise, America's teachers provide inspiration for our children.

It's easy for some in Washington to think of education as a line-item in the budget. But the efforts of our teachers are more than that, especially in areas where hardships are most severe.

Not all children receive the attention they deserve outside of school. Not every child gets to play with friends in the park. Not every child gets a headstart on learning or an early jump on education.

And some children need the additional guidance that teachers provide in order to make the right decisions in difficult situations.

It is when conditions are at their worst and the problem difficult that America's teachers shine the brightest. Our teachers not only educate on the subjects of algebra and English, but on the broader need to become responsible and productive members of the community.

Teachers often do not receive the accolades for the important work they do. Their reward many times is knowing that they have made a great contribution to another human being. Their reward is found in seeing a student reach his or her goal.

That's why it is with great admiration for the job our teachers perform and for the responsibility they hold that I urge the passage of this legislation commemorating America's teachers.

□ 1810

Mr. RIDGE. Mr. Speaker, further reserving the right to object, I yield to the gentleman from Ohio [Mr. SAWYER], my friend and chairman of the Subcommittee on Census and Population, who, I believe, is a former teacher himself.

Mr. SAWYER. Mr. Speaker, I had not intended to speak today, but I wanted to take this opportunity to associate myself with the remarks of the gentleman from Wisconsin [Mr. ROTH], our colleague, and to thank him for his effort to bring this measure before us. I particularly want to thank him for mentioning the inspiration which teachers are to young people in classrooms today. That inspiration extends to virtually the entire panoply of professions to which they might aspire, but perhaps none is more important than that profession which we honor today.

At a time when this Nation is relying more on its teachers than perhaps any time in the last century, it is important to understand that we are not replacing those teachers who in that current cadre of profession and are leaving the profession faster than our colleges are able to produce their successors. Perhaps the single most important task that a teacher today can undertake for himself or herself, and perhaps there is no more important undertaking, than to recognize at the beginning of each day that perhaps the most important thing a teacher can do is to inspire at least one child in their classroom to aspire to replace that teacher in that profession.

Mr. Speaker, there is no higher honor, there is no more honored profession in the United States, than that of teaching, and in recognizing this very special day we give special emphasis to that, and I appreciate this effort to do so.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore (Mr. HOYER). Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 313

Whereas education of the Nation's youth is the foundation of the Nation's future;

Whereas education is a lifelong process which is beneficial to the individual and thus beneficial to the entire Nation;

Whereas teachers deserve credit for their invaluable role in providing education;

Whereas teaching not only involves traditional areas of education, but today also includes vocational education, continuing education, and education for special needs;

Whereas teachers contribute not only to the academic growth of students, but also to their ethical, social, and emotional development;

Whereas a student's respect for his or her teacher is essential to the student's ability to learn; and

Whereas the contributions of teachers should be celebrated often in order to honor the role of teachers in society and to affirm and foster respect for teachers: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That October 3, 1990, is designated as "National Teacher Appreciation Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COUNTRY MUSIC MONTH

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 603) to designate the month of October 1990 as "Country Music Month," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. RIDGE. Mr. Speaker, reserving the right to object, I do so only to acknowledge the work of the gentleman from Tennessee [Mr. CLEMENT], who is the chief sponsor of this joint resolution.

Mr. CLEMENT. Mr. Speaker, today I ask my colleagues in the U.S. House of Representatives to join me in recognizing the month of October as Country Music Month.

Country music is uniquely American and reflects our Nation's history, growth, and culture. I am indeed proud to represent Nashville, TN—Music City U.S.A., the home of country music.

This October marks the 26th annual observance of "Country Music Month." Two hundred and thirty-six of my colleagues have joined me in sponsoring House Joint Resolution 603 asking President Bush to issue a proclamation calling on the people of the United States to observe this special month.

As an industry, country music contributes $550 million annually to our Nation's economy. According to a recent Harris survey, country music is the best-liked music in America, with over 60 percent of adult Americans stating that country is their favorite music. And, country music has gained international appeal, spreading across our world.

From the Soviet Union to Australia, people love country music. No matter where I travel, people always know about my home city, Nashville, TN, because of its identification with the country music industry.

Country is a musical style born in the hills of Tennessee, Virginia, and the Carolinas. It draws its roots from religious hymns, traditional ballads, folk songs, and even the soulful strains of rhythm and blues.

There are thousands of country music songs whose lyrics I could recite today to illustrate how country music embodies the spirit of America. I chose the Country Music Association's 1985 Song of the Year, written by my friend, Lee Greenwood.

The song is called "God Bless the U.S.A." Let me explain why I chose this particular song.

For the first time in more than a decade, a vast mobilization of American troops to foreign soil is under way. Our sons, daughters, husbands, and wives are stationed in a faraway Arab desertland, poised to protect the ideals for which America stands.

Since the outbreak of the crisis in the Persian Gulf, I have thought of this song many times. It contains a stirring patriotic message that has become more appropriate than ever.

As our friends and loved ones suffer in the oppressive heat in Saudi Arabia, willing to sacrifice their lives to defend our proud Nation, the words to this song ring very true.

So, with Lee Greenwood's permission and the support of the Country Music Association and the entire country music industry, I would like to dedicate the words to "God Bless the U.S.A.," and the 26th anniversary of Country Music Month to our troops in the Middle East.

GOD BLESS THE U.S.A.

If tomorrow all the things were gone
I'd worked for all my life
And I had to start again
With just my children and my wife
I'd thank my lucky stars
To be livin' here today
'Cause the flag still stands for freedom
And they can't take that away

From the lakes of Minnesota
To the hills of Tennessee
Across the plains of Texas
From sea to shining sea
From Detroit down to Houston
And New York to LA
There's pride in every American Heart
And it's time to stand and say . . .

I'm proud to be an American
Where at least I know I'm free
And I won't forget the men who died
Who gave that right to me.

And I'd gladly stand up next to you
And defend her still today
'Cause there ain't no doubt I love this land
God bless the U.S.A.

I ask my colleagues to join me, the country music industry, and the millions of country music fans throughout the world in recognizing the 26th anniversary of Country Music Month and in dedicating this year's Country Music Month observance to our troops in the Middle East.

Mr. RIDGE. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H. J. RES. 603

Whereas country music derives its roots from the folk songs of our Nation's workers, captures the spirit of our religious hymns, reflects the sorrow and joy of our traditional ballads, and echoes the drive and soulfulness of rhythm and blues;

Whereas country music has played an integral part in our Nation's history, accompanying the growth of the Nation and reflecting the ethnic and cultural diversity of our people;

Whereas country music embodies a spirit of America and the deep and genuine feelings individuals experience throughout their lives;

Whereas the distinctively American refrains of country music have been performed for audiences throughout the world, striking a chord deep within the hearts and souls of its fans; and

Whereas October 1990 marks the twenty-sixth annual observance of Country Music Month: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the month of October 1990 is designated as "Country Music Month", and that the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such month with appropriate ceremonies and activities.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the several joint resolutions just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

CAUCUS FOR SOUND SPENDING AND TAX POLICY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. BURTON] is recognized for 60 minutes.

Mr. BURTON of Indiana. Mr. Speaker, right now the budget summiteers are continuing to meet out at Andrews Air Force Base about the budget crisis that faces this body and the Nation, and they are still talking about putting a litany of taxes, additional taxes, on the backs of the American people.

When we first found out that the President was starting to relent on his commitment that there would be no new taxes considered, a number of us became involved in a new caucus here in the Congress called the Caucus for Sound Spending and Tax Policy, and that caucus, working with the U.S. Chamber of Commerce, the Heritage Foundation and other leading think tanks, came up with a budget proposal that will meet the targets, the required targets, this year without a tax increase.

I want to repeat that, Mr. Speaker. We came up with a budget that was sent to all 535 Members of Congress and the President, plus the budget summiteers, that will meet the targets without a tax increase levied on the American people.

Mr. Speaker, if the summiteers did not like our budget proposal, in addition we gave them $31 billion in substitutes, for which they could change our budget to meet their concerns.

In other words, Mr. Speaker, if they did not like what we had in our budget, we gave them $31 billion in alternatives.

We do not need a tax increase, Mr. Speaker, and today in the Indianapolis Star there was an editorial that alluded to a program or a budget proposal from the Heritage Foundation in addition to the one that we proposed, and I would like to read that for my colleagues and for anyone else who may be paying attention. The title of the article is "Revitalize."

It says,

For the past two years, the economy has been running in lead boots. The Heritage Foundation has a multi-faceted plan to remove them.

It has proposed action to avert a recession and spur economic growth. It called for a 4 percent limit on annual federal spending increases and a Social Security tax cut that would be realized immediately in workers' paychecks.

The foundation's Economic Growth Package also recommended taking tax increases "off the table"; cutting the capital gains tax to 15 percent; clearing the tax code of barriers to savings and investment: and lightening the regulatory burden on business.

These actions, said Daniel Mitchell, John M. Olin senior fellow in political economy, "would produce a balanced federal budget by 1997 with no new taxes or cuts in any programs.

Now think about that, Mr. Speaker. We can increase spending for all these programs by 4 percent and still reach a balanced budget by 1997. The problem is my colleagues that are out there at that budget summit want to increase spending way beyond that 4-percent level. We cannot increase spending 4 percent a year for all these programs and still give in to capital gains tax cuts which would increase jobs in this country and reach the balanced budget that we all want by 1997. We do not need a tax increase.

They went on to say, "If Congress sticks to the 4-percent increase limit, the Federal budget will be balanced by the end of fiscal year 1996 and show an $11 billion surplus in 1997."

□ 1820

Contrary to its faulty "soak the poor" label, the capital gains tax cut would raise the gross national product by 0.4 of 1 percent annually through 1995, add 2½ million new jobs, and generate an additional $30 to $40 billion of new tax revenue during the next 5 years.

Cutting the Social Security payroll tax by 2.2 percent would spur GNP growth by an additional 0.3 of 1 per-

cent by 1993 and create another half a million new jobs.

In addition, they said the record economic growth that began in 1982 is no accident. It is the result of tax cuts, stabilized monetary policy, and reduced Government intervention in the economy. They went on to say the stakes are enormous. The economy is not numbers, it is people. When growth falters, people lose their jobs. When the stock market falls, millions of people's pensions lose their value. More than any group, it is the poor who suffer the most. The record job creation of the 1980's disproportionately benefited women, minorities, and the poor. The would be the ones who would bear the brunt of a recession.

Mr. Speaker, if we increase taxes now, make no mistake about it, it will precipitate a major recession in this country. We do not need a tax increase, Mr. Speaker; we need to cut spending. That, coupled with the 4 percent growth that the Heritage Foundation is talking about, 4-percent increases in spending each and every year for the next 5 years, would still reach a balanced budget by 1997.

Mr. Speaker, I hope the American people and Members are hearing what I am saying tonight. There is no question in my mind or any person's mind who has looked at this problem: we can reach a balanced budget by 1997, and still increase spending each year by 4 percent, without a tax increase. A tax increase, Mr. Speaker, would precipitate a major economic downturn and a recession.

Mr. Speaker, I include the article referred to for the RECORD.

The article in its entirety is as follows:

For the past two years, the economy has been running in lead boots. The Heritage Foundation has a multi-faceted plan to remove them.

It has proposed action to avert a recession and spur economic growth. It called for a 4 percent limit on annual federal spending increases and a Social Security tax cut that would be realized immediately in workers' paychecks.

The foundation's Economic Growth Package also recommended taking tax increases "off the table"; cutting the capital gains tax to 15 percent; clearing the tax code of barriers to savings and investment: and lightening the regulatory burden on business.

These actions, said Daniel Mitchell, John M. Olin senior fellow in political economy, "would produce a balanced federal budget by 1997 with no new taxes or cuts in any programs."

If Congress sticks to the 4 percent increase limit, said Scott Hodge, a student of federal budgetary affairs, "the federal budget will be balanced by the end of fiscal 1996 and show an $11 billion surplus the following fiscal year."

Contrary to its faulty "soak the poor" label, the capital gains tax cut "would raise the gross national product by 0.4 percent annually through 1995, add 2.5 million new jobs and generate an additional $30 billion to $40 billion of new tax revenue during the next five years," said Allen Sinai, chief economist for the Boston Company.

Cutting the Social Security payroll tax by 2.2 percent "would spur GNP growth by an additional 0.3 percent by 1993 and create 500,000 new jobs," according to Fiscal Associates Inc., a Washington-based consulting firm.

Action on the other recommendations in the package, mentioned above, would clear barriers from the economic road.

"The record economic growth that began in 1982 is no accident. It is the result of tax cuts, stabilized monetary policy and reduced government intervention in the economy," says Mitchell.

"The stakes are enormous. The economy is not numbers, it is people. When growth falters, people lose their jobs. When the stock market falls, millions of people's pensions lose their value," he pointed out. "More than any other group, it is the poor who suffer most. The record job creation of the 1980s disproportionately benefited women, minorities and the poor. They would be the ones who would bear the brunt of a recession."

The kind of economic vitamins being recommended by the Heritage Foundation worked before, as the experience of the 1980s proved. The president and Congress should revitalize the economy with them now and get the expansion going again.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCDADE (at the request of Mr. MICHEL), for today, on account of illness.

Mr. YOUNG of Florida (at the request of Mr. MICHEL), for today, on account of official business.

Mr. BILIRAKIS (at the request of Mr. MICHEL), for today and September 18 and 19, on account of a death in the family.

Mr. MATSUI (at the request of Mr. GEPHARDT), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. HAYES of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. WISE for 5 minutes, today.

Mr. ANNUNZIO for 5 minutes, today.

Mr. OBEY for 60 minutes, today.

Mr. OBEY for 5 minutes, on September 18.

Mr. OBEY for 60 minutes each day, on September 19 and 21.

Mr. MCCURDY for 60 minutes each day, on September 25, 26, 27, and October 2, 3, 4, 9, 10, 11, 16, 17, and 18.

Mr. PICKLE for 5 minutes each day, on September 19, 20, 25, 26, 27, and October 2, 3, and 4.

(The following Members (at the request of Mr. BURTON of Indiana) to revise and extend their remarks and include extraneous material:)

Mr. BURTON of Indiana for 5 minutes, today and on September 18, and for 60 minutes each day, on October 1, 2, 3, 4, 8, 9, 10, and 11.

(The following Members (at the request of Mr. SAWYER) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of California for 60 minutes, on October 1.

Mr. OWENS of New York for 60 minutes, each day on September 24, 25, 26 and 27, and on October 1, 2, 3, 4, 5, 8, 9, 10, 11, and 12.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DUNCAN) and to include extraneous matter:)

Mr. CLINGER.

Mr. LAGOMARSINO.

(The following Members (at the request of Mr. BURTON of Indiana) and to include extraneous matter:)

Ms. SCHNEIDER.

Mr. MARLENEE.

Mr. GINGRICH.

Mr. ROTH in two instances.

(The following Members (at the request of Mr. HAYES of Illinois) and to include extraneous matter:)

Mr. ANDERSON, in 10 instances.

Mr. GONZALEZ, in 10 instances.

Mr. BROWN of California, in 10 instances.

Mr. ANNUNZIO, in six instances.

Mr. BRUCE.

Mr. ROE.

Mr. FASCELL.

Mr. HERTEL, in two instances.

Mr. BUSTAMANTE, in two instances.

Mr. COLEMAN of Texas.

Mr. MCMILLEN of Maryland.

Mr. SOLARZ, in two instances.

SENATE ENROLLED BILL SIGNED

The SPEAKER pro tempore announced his signature to enrolled bills of the Senate of the following titles:

S. 2088. An act to extend titles I and II of the Energy Policy and Conservation Act, and for other purposes.

S. 3033. An act to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances.

BILLS PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills of the House of the following titles:

On September 14, 1990:

H.R. 94. An act to amend the Federal Fire Prevention and Control Act of 1974 to allow for the development and issuance of guidelines concerning the use and installation of automatic sprinkler systems and smoke detectors in places of public accommodation affecting commerce, and for other purposes.

H.R. 7. An act to amend the Carl D. Perkins Vocational Education Act to improve the provision of services under such Act and to extend the authorities contained in such Act through the fiscal year 1995, and for other purposes.

ADJOURNMENT

Mr. BURTON of Indiana. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 22 minutes p.m.) under its previous order, the House adjourned until tomorrow, Tuesday, September 18, 1990, at 10 a.m.).

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3884. A communication from the President of the United States, transmitting a request for dire emergency appropriations for fiscal year 1990 and appropriations transfer language for the Department of Defense—Military; and language that would cancel Egyptian debt for foreign military sales, pursuant to 31 U.S.C. 1107 (H. Doc. No. 101-237); to the Committee on Appropriations and ordered to be printed.

3885. A letter from the Assistant Secretary for Production and Logistics, Department of Defense, transmitting the Strategic and Critical Materials Report during the period April 1989–September 1989, pursuant to 50 U.S.C. 98-2(b); to the Committee on Armed Services.

3886. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Navy's proposed lease of defense articles to El Salvador (Transmittal No. 16-90), pursuant to 22 U.S.C. 2796a(a); to the Committee on Foreign Affairs.

3887. A letter from the Director, Defense Security Assistance Agency, transmitting the Department of the Air Force's proposed lease of defense articles to Germany (Transmittal No. 17-90), pursuant to 22 U.S.C. 2796a(a); to the Committee on Foreign Affairs.

3888. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3889. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a revised report of the inspector general for the period October 1, 1989 Through March 31, 1990, pursuant to Public Law 95-452, Section 5(b) (102 Stat. 2526); to the Committee on Government Operations.

3890. A letter from the Chairman, National Commission on Superconductivity, transmitting the final report of the Commission, pursuant to Public Law 100-418, Section 5142(e)(5) (102 Stat. 1446); to the Committee on Science, Space, and Technology.

3891. A letter from the Secretary of Energy transmitting the 11th annual report on the Use of Alcohol in Fuels, pursuant to 26 U.S.C. 4041 nt; to the Committee on Ways and Means.

3892. A letter from the Secretary, Department of Health and Human Services, transmitting the fourth report on tier III Federal agency drug-free workplace programs, pursuant to Public Law 100-71, Section 503(a)(1)(A) (101 Stat. 468); jointly to the Committees on Appropriations and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DE LA GARZA: Committee on Agriculture. H.R. 1576. A bill to modify the boundary of the Cranberry Wilderness, located in the Monongahela National Forest, WV; with an amendment (Rept. 101-458, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4107. A bill to direct the Secretary of the Interior to permit certain uses of lands within Richmond National Battlefield Park and Colonial National Historical Park in the Commonwealth of Virginia, with amendment 3 (Rept. 101-706). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4309. A bill to establish the Smith River National Recreation Area in the State of California, and for other purposes; with an amendment (Rept. 101-707). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4660. A bill to authorize the establishment of a memorial at Custer Battlefield National Monument to honor the Indians who fought in the Battle of the Little Bighorn, and for other purposes; with an amendment (Rept. 101-708). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4687. A bill to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a compound of the National Wild and Scenic Rivers System; with an amendment (Rept. 101-709). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4811. A bill to expand the boundaries of the San Antonio Missions National Historical Park, and for other purposes; with an amendment (Rept. 101-710). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4878. A bill to establish the Lake Meredith National Recreation Area in the State of Texas, and for other purposes; with an amendment (Rept. 101-711). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. S. 830. An act to amend Public Law 99-647, establishing the Blackstone River Valley National Heritage Corridor Commission, to authorize the Commission to take immediate action in furtherance of its purposes and to increase the authorization of appropriations for the Commission; with an amendment (Rept. 101-712). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. H.R. 2419. A bill to authorize the Secretary of Agriculture to exchange certain property in the Chattahoochee National Forest for the construction of facilities in the National Forest; with an amendment (Rept. 101-713). Referred to the Committee of the Whole House on the State of the Union.

Mr. DE LA GARZA: Committee on Agriculture. S. 2205. An act to designate certain lands in the State of Maine as wilderness (Rept. 101-714, Pt. 1). Ordered to be printed.

SUBSEQUENT ACTION ON BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X,

H.R. 5264. The Committee on Interior and Insular Affairs discharged from further consideration of H.R. 5264; H.R. 5264 referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BLILEY (for himself, Mr. DELLUMS, Mr. PARRIS, and Mr. FAUNTROY):

H.R. 5628. A bill to waive the period of congressional review for certain District of Columbia acts authorizing the issuance of District of Columbia revenue bonds; to the Committee on the District of Columbia.

By Mr. ALEXANDER:

H.R. 5629. A bill to provide for the conveyance without consideration of certain lands in Stone County, AR, to certain persons deprived of property as a result of a 1973 dependent resurvey by the Bureau of Land Management; to the Committee on Interior and Insular Affairs.

By Mr. BENNETT:

H.R. 5630. A bill to amend the Internal Revenue Code of 1986 to provide that the disallowance of deductions for personal interest shall not apply to interest on loans used to buy fuel-efficient highway vehicles; to the Committee on Ways and Means.

By Mr. BENNETT (for himself and Mr. SPENCE) (both by request):

H.R. 5631. A bill to authorize the disposal and acquistion of certain strategic and critical materials from the national defense stockpile and to amend the Strategic and Critical Materials Stockpile Act to remove a limitation on the disposal of materials and to expand the authority of the President to rotate materials in the stockpile; to the Committee on Armed Services.

By Mr. BRUCE (for himself, Mr. BLILEY, Mr. SLATTERY, Mr. TAUKE, Mr. RICHARDSON, Mr. TAUZIN, Mr. FIELDS, Mr. SCHAEFER, Mr. MCMILLAN of North Carolina, Mr. ROWLAND of Georgia, and Mr. BARTON of Texas:

H.R. 5632. A bill to establish a system for coding of plastic resin products and to promote recycling of plastics and use of degradable plastics; to the Committee on Energy and Commerce.

By Mr. BUSTAMANTE (for himself and Mr. LEATH of Texas):

H.R. 5633. A bill to create an interagency task force to review programs relating to the education of students in certain school districts receiving assistance under the Impact Aid Act; to the Committee on Education and Labor.

By Mr. COLEMAN of Texas:

H.R. 5634. A bill to supercede part C of the Balanced Budget and Emergency Deficit Control Act of 1985 to require a reduction of 5 percent per account under the final sequestration order for fiscal year 1991; jointly, to the Committees on Government Operations and Rules.

By Mr. HERTEL (for himself and Mr. MCNULTY):

H.R. 5635. A bill to provide a penalty for increasing oil prices within 30 days after a declaration of war, the onset of military police action, or a major oilspill; to the Committee on the Judiciary.

By Mrs. MARTIN of Illinois:

H.R. 5636. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to require as a condition of receiving formula grants that States have in effect a law requiring certain sex offenders to be tested, at the request and for the benefit of the victim, for the presence of the etiologic agent for aquired immune deficiency syndrome; to the Committee on the Judiciary.

By Mr. ROBERTS:

H.R. 5637. A bill entitled "The Improved Rural Railroad and Grain Car Service Act"; to the Committee on Energy and Commerce.

By Mr. SAWYER (for himself, Mr. CLAY, Mr. HILER, Mr. WOLPE, Mr. KASTENMEIER, and Mr. MILLER of California):

H.R. 5638. A bill to establish a Federal annuity program to compensate participants in private pension plans which terminated before September 1, 1974, for nonforfeitable pension benefits which were lost by reason of the termination, and for other purposes; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. SCHUMER (for himself, Mr. WAXMAN, and Mr. SHAYS):

H.R. 5639. A bill to amend the Communications Act of 1934 to provide immunity from damages to cable franchising authorities for cable regulatory actions, and for other purposes; to the Committee on Energy and Commerce.

By Mr. LENT:

H.J. Res. 651. Joint resolution designating April 7, 1991, as "Just Pray No Day"; to the Committee on Post Office and Civil Service.

By Mr. WEISS:

H. Con. Res. 371. Concurrent resolution expressing the sense of the Congress of the desirability of promoting energy efficiency and conservation, setting energy efficiency and conservation goals for the United States, and calling an energy summit; to the Committee on Energy and Commerce.

By Mr. BROOMFIELD (for himself and Mr. YATRON):

H. Res. 465. Resolution congratulating President Vassiliou, the government, and the people of Cyprus on the 30th anniversary of independence; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

495. By the SPEAKER: Memorial of the Assembly of the State of California, relative to savings and loan bondholders; to the Committee on Banking, Finance and Urban Affairs.

496. Also, memorial of the Assembly of the State of California, relative to Federal contractors; to the Committee on Education and Labor.

497. Also, memorial of the Assembly of the State of California, relative to the North American Waterfowl Management Plan; to the Committee on Merchant Marine and Fisheries.

498. Also, memorial of the Assembly of the State of California, relative to health insurance for retired teachers; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS. Committee on the Judiciary. H.R. 3134. A bill for the relief of Mrs. Joan R. Daronco (Rept. 101-715). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 5001. A bill for the relief of Norman R. Ricks (Rept. 101-716). Referred to the Committee of the Whole House.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 885: Mr. MCNULTY.

H.R. 913: Mr. STAGGERS, Mr. PARKER, Mr. WISE, Mr. TALLON, and Mr. HAMMERSCHMIDT.

H.R. 1582: Ms. PELOSI and Mr. SLATTERY.

H.R. 1608: Mr. ROE, Mr. SCHEUER, Mrs. LLOYD, Mr. WALGREN, Mr. WOLPE, Mr. NELSON of Florida, Mr. HALL of Texas, Mr. VALENTINE, Mr. TORRICELLI, Mr. BOUCHER, Mr. BRUCE, Mr. TRAFICANT, Mr. HAMILTON, Mr. NOWAK, Mr. PRICE, Mr. HAYES of Louisiana, Mr. SKAGGS, Mr. JOHNSTON of Florida, Mr. BOEHLERT, Mr. HENRY, Mrs. MORELLA, Mr. BILBRAY, Mrs. BOXER, Mr. COOPER, Mr. MCCLOSKEY, Mr. MCDERMOTT, Mr. MARKEY, Mr. MOAKLEY, Mr. MOODY, Mr. MURPHY, Mr. OWENS of New York, Mr. STARK, Mr. BROWN of California, Mr. PENNY, Mr. ESPY, and Mr. CAMPBELL of Colorado.

H.R. 2037: Mr. CHANDLER and Mr. SUNDQUIST.

H.R. 2531: Mr. HALL of Texas, Mr. HORTON, Mr. HUGHES, Mr. VALENTINE, Mr. ECKART, Mr. ALEXANDER, Mr. WEBER, Mr. SKELTON, and Mr. TALLON.

H.R. 3164: Mr. BARNARD and Mr. HEFLEY.

H.R. 3247: Mr. SMITH of New Hampshire and Mr. ACKERMAN.

H.R. 3292: Mr. GORDON and Mr. QUILLEN.

H.R. 3569: Mr. SHAYS, Mr. MADIGAN, Mr. PAYNE of Virginia, and Mr. ECKART.

H.R. 3700: Mr. FORD of Michigan, Mr. JONES of Georgia, Mr. MILLER of Washington, Mr. MORRISON of Washington, Mr. NEAL of North Carolina, Mr. PORTER, Mrs. ROUKEMA, Mr. SERRANO, and Mr. WASHINGTON.

H.R. 3734: Mr. HILER, Ms. KAPTUR, Mr. LEWIS of Florida, Mr. RAHALL, Mr. HYDE, Mr. MCNULTY, Mr. LAGOMARSINO, and Mr. MADIGAN.

H.R. 4249: Mr. HERTEL, Mr. BEREUTER, and Mr. CRAIG.

H.R. 4308: Mr. JONTZ.

H.R. 4309: Mr. EDWARDS of California, Mr. STARK, Mr. HAWKINS, Mr. ROYBAL, Mr. BATES, Mr. MURPHY, Mr. ACKERMAN, Mr. JONTZ, Mr. BEILENSON, Ms. PELOSI, Mrs. BOXER, Mrs. COLLINS, Mr. EVANS, Ms. SCHNEIDER, Mr. TOWNS, Mr. CLARKE, Mr. LANTOS, Mr. MILLER of California, Mr. LAGOMARSINO, Mr. DE LUGO, Mr. FRANK, Mr. LEWIS of Georgia, Mr. BERMAN, Mr. LEVINE of California, Mr. BONIOR, and Mr. TORRES.

H.R. 4369: Mr. BUECHNER.

H.R. 4389: Mr. BROWN of Colorado and Mr. ROWLAND of Connecticut.

H.R. 4392: Mr. ECKART and Mr. NOWAK.

H.R. 4433: Mr. BUSTAMANTE.

H.R. 4465: Mrs. MEYERS of Kansas and Mr. CHAPMAN.

H.R. 4516: Mr. FOGLIETTA and Mr. LOWERY of California.

H.R. 4618: Mr. NAGLE.

H.R. 4640: Mr. HUGHES.

H.R. 4672: Mr. OWENS of New York and Mr. RANGEL.

H.R. 4680: Mr. DONALD E. LUKENS, Mr. LIVINGSTON, Mr. DANNEMEYER, Mr. RHODES, and Mr. DELAY.

H.R. 4755: Mr. MCMILLAN of North Carolina, Mr. JOHNSON of South Dakota, Mr. COX, Mr. SCHIFF, and Mr. SCHNEIDER.

H.R. 4808: Mr. DELLUMS and Mrs. COLLINS.

H.R. 4850: Mr. MADIGAN, Mr. HORTON, Mrs. COLLINS, Mr. EMERSON, Mr. INHOFE, Mrs. MEYERS of Kansas, and Mrs. MARTIN of Illinois.

H.R. 5185: Mr. CROCKETT, Mr. FOGLIETTA, and Mr. WOLPE.

H.R. 5201: Mr. WATKINS and Mr. ECKART.

H.R. 5231: Mr. TRAFICANT, Mr. TOWNS, Mr. MARKEY, Mr. PALLONE, Mr. SWIFT, Mrs. SAIKI, Ms. SCHNEIDER, Mr. HUGHES, Mrs. UNSOELD, Mr. CONYERS, Mr. GEJDENSON, Mr. BROWN of California, Mr. JACOBS, Mr. WEISS, and Mr. RICHARDSON.

H.R. 5331: Mr. FRANK, Mr. KASTENMEIER, and Mr. HUGHES.

H.R. 5394: Mr. DONNELLY, Mr. FRENZEL, Mr. GUARINI, and Mr. FORD of Tennessee.

H.R. 5423: Mr. ALEXANDER, Mr. RAVENEL, Mr. GUARINI, Mr. LANCASTER, and Mr. JONES of Georgia.

H.R. 5427: Mrs. LLOYD.

H.R. 5429: Mr. OBEY.

H.R. 5443: Mr. EVANS, Mr. STAGGERS, Mr. KYL, Mr. YOUNG of Alaska, Mr. MARLENEE, Mr. CONTE, Mr. SABO, Mr. HAYES of Louisiana, Mrs. SCHROEDER, Mr. BILBRAY, and Mr. DE LUGO.

H.R. 5449: Mr. DORNAN of California.

H.R. 5455: Mr. DORGAN of North Dakota, Mr. ANDREWS, Mr. SUNDQUIST, Mrs. JOHNSON of Connecticut, Mr. RAVENEL, Ms. SCHNEIDER, Mr. WEBER, Mr. LANCASTER, Mr. THOMAS A. LUKEN, Mr. HORTON, Mr. DICKINSON, Mr. PACKARD, Mr. PARKER, Mr. ACKERMAN, Mr. FAWELL, Mr. GALLEGLY, Mr. PAYNE of Virginia, Mrs. MARTIN of Illinois, Mr. ROGERS, Mr. CONTE, Mr. BOEHLERT, Mrs. UNSOELD, Mr. JONTZ, Mr. RAY, and Mr. BURTON of Indiana.

H.R. 5475: Mr. BRYANT, Mr. VALENTINE, Mr. WOLF, Mr. BATES, Mr. MAZZOLI, Mr. MACHTLEY, Ms. PELOSI, Mr. WOLPE, Mr. PAYNE of Virginia, and Ms. KAPTUR.

H.R. 5521: Mrs. COLLINS.

H.R. 5538: Mr. BRUCE and Mr. GEPHARDT.

H.R. 5553: Mr. CHAPMAN, Mr. BUSTAMANTE, and Mr. FAWELL.

H.R. 5568: Mr. BONIOR, Mr. CARR, Mr. STOKES, Mr. SCHEUER, and Mr. BOEHLERT.

H.R. 5610: Mr. LAFALCE, Mr. KENNEDY, Ms. PELOSI, Mr. HILER, Mr. MCDERMOTT, Mr. HUBBARD, Mrs. PATTERSON, Mr. DREIER of California, Mr. PAXON, Mr. MCCANDLESS, Mrs. SAIKI, Mr. FRANK, Mr. CARPER, Mr. WEISS, Mr. BEREUTER, and Mr. SAXTON.

H.J. Res. 57: Mr. PARRIS and Ms. PELOSI.

H.J. Res. 127: Mr. CLARKE.

H.J. Res. 476: Mr. BENNETT, Mrs. BOGGS, Mr. DARDEN, Mr. FLIPPO, Mr. HAYES of Illinois, Mr. MOORHEAD, Mr. RUSSO, and Mr. STENHOLM.

H.J. Res. 513: Mr. BROWN of Colorado, Mr. PETRI, Mr. ROBINSON, Mr. DARDEN, Mr. BERMAN, Mr. FAZIO, Mrs. MORELLA, Mr. HAMMERSCHMIDT, Mr. COYNE, Mr. DENNY SMITH, Mr. BARTLETT, Mr. JOHNSON of South Dakota, Mr. STAGGERS, Mr. DORNAN of California, Mr. COOPER, Mr. JONES of Georgia, Mr. HUGHES, Mr. SMITH of New Jersey, Mr. ROWLAND of Connecticut, Ms. SLAUGHTER of New York, Mr. AUCOIN, Mr. KILDEE, and Mr. JENKINS.

H.J. Res. 543: Mr. WILSON, Mr. WYLIE, Mr. WEBER, Mr. THOMAS of Georgia, Mr. SUNDQUIST, Mr. STANGELAND, and Mr. THOMAS of Wyoming.

H.J. Res. 566: Mr. SCHEUER, Mr. NEAL of Massachusetts, Mr. LEATH of Texas, Mr. SPRATT, Mr. SMITH of Florida, Mr. APPLEGATE, Mr. MARTIN of New York, Mr. THOMAS of Georgia, Mr. KOLTER, Mr. BONIOR, and Mr. SUNDQUIST.

H.J. Res. 602: Mr. ANDERSON, Mr. BEVILL, Mr. BILIRAKIS, Mr. BRENNAN, Mr. BROWN of California, Mr. CARR, Mr. CLARKE, Mr. COOPER, Mr. COX, Mr. DARDEN, Mr. DICKS, Mr. GEKAS, Mr. GRAY, Mr. HAWKINS, Mr. HOPKINS, Mr. HOYER, Mr. LANTOS, Mr. LIVINGSTON, Mr. MCEWEN, Mr. MFUME, Mr. MOLLOHAN, Mr. MORRISON of Connecticut, Mr. PANETTA, Mr. STEARNS, Mr. WHITTEN, Mr. ROBERT F. SMITH, and Mr. RUSSO.

H.J. Res. 613: Mr. DORGAN of North Dakota, Mr. BERMAN, Mr. FASCELL, Mr. ANDERSON, Mr. LEWIS of California, Mr. LAGOMARSINO, Mr. BENNETT, Mr. GUARINI, Mr. THOMAS of Georgia, Mr. MFUME, Mr. HOYER, and Mr. TALLON.

H.J. Res. 628: Mr. SKELTON.

H.J. Res. 632: Mr. WALGREN.

H.J. Res. 638: Mr. ANNUNZIO, Mr. ARCHER, Mr. BARNARD, Mr. FASCELL, Mr. FOGLIETTA, Mr. GORDON, Mr. HUBBARD, Mr. LAUGHLIN, Mr. LEVIN of Michigan, Mr. MINETA, Mrs. MORELLA, Mr. OBEY, Mr. ROHRABACHER, Mr. SHAW, Mr. SMITH of Florida, Mr. VENTO, Mr. VOLKMER, Mr. WILSON, Mr. WOLPE, Mr. THOMAS of California, Mr. MARTINEZ, Mr. MACHTLEY, Mr. JONES of Georgia, Mr. LEHMAN of California, Mr. SKAGGS, Mr. RICHARDSON, Mr. COX, Mr. FAWELL, Mr. GRAY, Mr. HUNTER, Mr. KENNEDY, Mr. LEWIS of Florida, Mr. PICKETT, Mr. SHARP, Mr. SHUSTER, Mr. STEARNS, Mr. YATES, Mr. FEIGHAN, Mr. RUSSO, Mr. CARR, Mr. GALLO, Mr. TAUZIN, Mr. DYMALLY, Mr. SUNDQUIST, Mr. GEKAS, Mr. CONTE, Mr. TALLON, Mr. INHOFE, Mr. MCGRATH, Mr. JONES of North Carolina, Mr. HAMMERSCHMIDT, Ms. MOLINARI, Mr. YOUNG of Florida, Mrs. UNSOELD, Mr. WHITTEN, Mr. HATCHER, Mr. HYDE, Mr. LIPINSKI, Mr. SOLOMON, Mr. STUDDS, Mr. TORRES, Mr. WALSH, Mr. SCHUETTE, Mr. SOLARZ, Mr. MORRISON of Washington, Mr. WELDON, Mr. DWYER of New Jersey, Mrs. VUCANOVICH, Mr. PAXON, Mr. BAKER, Mr. GOODLING, Mr. DONNELLY, Mr. EARLY, Mr. DARDEN, Mr. MCCOLLUM, Mr. TAUKE, Mr. PRICE, Mr. ANTHONY, Mr. ATKINS, Mr. BERMAN, Mr. BILBRAY, Mr. BOSCO, Mr. CARDIN, Mr. DEWINE, Mr. DYSON, Mr. FRENZEL, Mr. HANCOCK, Ms. KAPTUR, Mr. LEWIS of California, Mr. MARTIN of New York, Mr. MATSUI, Mr. MORRISON of Connecticut, Mr. MRAZEK, Mr. MURPHY, Mr. OLIN, Mr. OWENS of New York, Mr. PACKARD, Mr. PORTER, Mr. RAHALL, Mr. RANGEL, Mr. RHODES, Mrs. SAIKI, Mr. SCHAEFER, Mr. SPRATT, Mr. STARK, Mr. STUMP, and Mr. WEISS.

H.J. Res. 639: Mr. HUGHES, Mrs. COLLINS, Mr. DICKS, Mr. PAYNE of New Jersey, Mr. HILER, Mr. CLARKE, Mr. MRAZEK, Mr. WYDEN, Mr. MCGRATH, Mr. SCHEUER, Mrs. UNSOELD, Mr. FUSTER, Mr. FROST, Mr. MCDERMOTT, Mr. MONTGOMERY, Mr. ROBERTS, Mr. APPLEGATE, and Mr. ANDERSON.

H.J. Res. 646: Mr. NEAL of North Carolina.

H. Con. Res. 264: Mr. NEAL of Massachusetts.

H. Con. Res. 314: Mr. ENGEL.

H. Con. Res. 354: Mr. JONTZ.

H. Con. Res. 356: Mr. LEWIS of Georgia.

H. Con. Res. 368: Mr. LEVINE of California and Mr. OWENS of Utah.

H. Res. 312: Mr. CLARKE and Mr. BERMAN.

H. Res. 396: Mr. ROE.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2798: Mr. SCHUMER.

EXTENSIONS OF REMARKS

A CHEMICAL WEAPONS BAN AGREEMENT NOW

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. FASCELL. Mr. Speaker, the achievement of a worldwide ban on chemical weapons must be a top arms control goal for our country. A strong, yet flexible, negotiating mandate, political leadership, and deadlines can help support and achieve that goal.

I want to recommend an authoritative and persuasive editorial written by one of our colleagues, MARTIN LANCASTER. His editorial sets out clearly the need for a multilateral agreement banning chemical weapons. He analyzes the problems which must be overcome and recommends solutions including problems caused by U.S. negotiating policies and compromises possible to free up the logjam caused by those misdirected U.S. positions. The recent U.S. positions on challenge inspections, retaliatory use of chemical weapons, a 2-percent security stockpile, and an 8-year review conference have caused problems at a time when the negotiations were awaiting solutions from the United States. This must change.

MARTIN LANCASTER is a House observer to the chemical weapons negotiations in Geneva and it was in this capacity that he traveled to Geneva in August. One of the most interesting aspects of his visit in August was that he and Congressman JIM MOODY met with three Soviet legislators to discuss their respective funding, oversight, and implementation responsibilites related to the bilateral chemical weapons destruction and nonproduction agreement.

I take our colleague's observation very seriously that our negotiators in Geneva need more negotiating flexibility, more timely instructions, and a problem-solving rather than a problem-causing approach and that new initiatives and leadership are needed to generate the necessary momentum and commitment from other nations to accomplish the important tasks of a worldwide chemical weapons ban.

The article follows:

[FROM THE CHRISTIAN SCIENCE MONITOR, SEPT 12, 1990]

UNITE AGAINST CHEMICAL WEAPONS

(By H. Martin Lancaster)

The Iraqi invasion of Kuwait and the military stand-off in Saudi Arabia have raised the specter of possible chemical-weapons use. But the solution lies in Geneva, where negotiations from 40 countries have been trying for several years to hammer out a worldwide convention to ban chemical weapons. If almost all countries join, there will be a good chance that, in the future, military aggressors will be punished by effective worldwide, sanctions, opposition, and condemnation if they choose the chemical-weapons option.

Soviet and American legislators met recently in Geneva to discuss their two nations' summit agreement to limit chemical weapons. The visit also assessed the progress in the 40-nation negotiation for a worldwide ban on chemical weapons.

The bilateral US-USSR agreement on chemical weapons is healthy, and it awaits approval and funding by the Supreme Soviet and the United States Congress. Soviet legislators were optimistic about fulfilling the terms of the chemical-weapons destruction agreement. But they realize how difficult it will be to fund their chemical-weapons destruction plans considering their other economic priorities. The Soviet legislators desire to enlist US technical support.

On the other hand, the multi-lateral chemical-weapons negotiations seem to be in trouble. Doubt and jealousy accompany most complimentary remarks from other countries about the US-Soviet bilateral achievement. Why did the US and Soviet Union need a bilateral agreement before the multilateral? How can a multilateral agreement be achieved if both the US and the Soviet Union are absorbed in the bilateral arms control process?

The US and the Soviet Union are committed to the multilateral process, but it may take some new initiative and leadership to get commitment from the other nations to accomplish a worldwide chemical-weapons ban.

Some of the remaining problems result from recent American positions on inspections, retaliatory use of chemical weapons, a 2 percent security stockpile, and an eight-year review conference. Many developing, non-aligned countries are concerned about protecting their young chemical industries under a worldwide ban that restricts trade in chemicals. They want assurance that they will receive assistance and protection in case of a chemical-weapons attack. They also want economic and technical assistance for the development of legitimate chemical industries.

The negotiators should strike a compromise to resolve these issues as quickly as possible. Such a final political compromise would probably need a ministerial meeting to bring it into being. A ministerial meeting would give the agreement a high political profile worldwide while pressuring all participating countries to be there for the photo opportunity.

From my discussions with the US and USSR delegations and 14 other ambassadors, I would envision the following compromise package. A review conference after six or eight years should assess progress toward universal adherence to the agreement. The current US position now insists on maintenance of a 2 percent security stockpile of chemical weapons that could be kept after the review conference if the US is unhappy with other nations' adherence to the agreement. A multilateral agreement would have to be drafted to allow all other nations to do the same. Any other course would create two classes of countries, something seen as discriminatory by the neutral countries.

The US will be destroying its stocks over the 10-year period agreed on with the Soviets, so it would have usable stocks up until the end. Perhaps the negotiators could eliminate the 2 percent stock retention, recognizing the reality of the continued stocks during the destruction period.

Retaliatory use of chemical weapons is guaranteed under the 1925 Geneva Protocol and would not necessarily be overridden by the non-use provision in the current draft agreement. If the US insists on a more explicit reiteration of the 1925 reservation, other nations will follow and the agreement will be weakened. The US should remain silent on the possibility of retaliatory use in the convention. Why raise a red flag that threatens the negotiations?

George Bush, as vice president, presented a draft chemical weapons treaty in 1985 and proposed challenge inspections anytime, anywhere as the center-piece of verification. The US has now backed away from that position, stating that challenge inspections should not be allowed near certain installations for security reasons. The British position of challenge inspections with "managed access" offers a compromise solution. Inspectors can be satisfied that no chemical-weapons production is taking place while sensitive areas of certain facilities can be "shrouded." The US should not go back on the Bush proposal without first conducting trial challenge inspections using the perimeter inspection idea to see if it is viable.

The chemical-weapons negotiations in Geneva need new life and new leadership to achieve the goal of a worldwide ban on chemical weapons. Diplomats of the 40 nations in the Conference on Disarmament, led by the US and the Soviet Union, must step forward with skillfully reached compromises to present a final agreement to the world that will attract universal adherence and enthusiastic implementation.

A BILL TO ESTABLISH AN INTERAGENCY TASK FORCE TO STUDY THE EDUCATION OF FEDERALLY CONNECTED DEPENDENTS

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. BUSTAMANTE. Mr. Speaker, today I am introducing legislation that would create an

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

interagency task force for the purpose of reviewing and evaluating the operation and administration of the Impact Aid Program as it relates to the education of federally-connected children, whose parents work and/or live on Federal property.

The Impact Aid Program provides important financial assistance to many school districts in my congressional district in Texas and to many other school districts througout the Nation. San Antonio, TX, has 15 independent school districts and the Impact Aid Program greatly enhances their ability to finance the education of 11,000 federally connected children.

The Impact Aid Program is authorized under Public Law 81-874. It was enacted to ensure that federally connected children and non-federally connected children in districts where the Federal Government maintained a presence are receiving an education at last equal to the national or State average, as measured by the per pupil expenditure. Many of our communities welcome investments by our Federal Government from military installations to national forests. The Federal Government provides jobs and supports the local economic base of our towns and cities. However, the beneficial aspects of Federal installations may actually retard the ability of local school districts to finance the education of federally connected children. School districts receive the bulk of their revenue from residential and commercial property taxes. Federal property is nontaxable; therefore, to the extent that the student population comes from untaxed property, there are costs placed on local school districts for which there may be insufficient revenues. In 1950, Congress enacted the Impact Aid Program to alleviate this financial burden on the school districts which serve federally connected students.

Up until 1982, the Impact Aid Program was sufficiently funded. Since 1982, however, funding for the program has dropped by about 25 percent in real terms. Appropriations have not kept pace with inflation in the education sector. Also, the Department of Education later changed payment methodolgies under the act which resulted in reduced payments to school districts in some of the most heavily impacted communities. To make up for reduced funding levels, local communities are having to underwrite the unfunded costs of educating federally connected students, and/or school districts have had to curtail educational programs. In San Antonio, three school districts have no local tax base. The reductions in impact aid payments have thrown these school districts into a fiscal crisis, and their ability to keep schools open in the near future is questionable.

The problem of underfunding in the Impact Aid Program led to efforts by some Members of Congress, including myself, to seek alternative sources of funding as a means of supplementing impact aid payments to school districts. Earlier this year, several Members joined me in urging the Defense Department to exercise its discretionary authority to provide up to $10 million in order to supplement impact aid payments to needy school districts, severely burdened by military impaction. Even though the Department of Defense is on record as supporting increased impact aid payments to militarily impacted districts, it declined to exercise this authority. According to the Department of Defense, the funding problem facing military impacted districts is a problem for the Department of Education.

For those who are familiar with the administration of the Impact Aid Program, it is well known that there is very little interagency coordination between the Department of Education and the Department of Defense in addressing the fiscal needs of local communities and school-age military dependents. Even though DOD is on record as being committed to cooperating with Department of Education, there is little evidence to suggest that such interagency cooperation is actually taking place.

The bill I am introducing today, Mr. Speaker, proposes the establishment of an interagency task force involving the Department of Education, the Department of Defense, the Department of Interior and the Department of Housing and Urban Development. These departments have key constituencies who are dependent on the Impact Aid Program. The task force would serve as a formal consultative mechanism for the purpose of reviewing the adequacy of the program. The interagency task force would be responsible for:

Reviewing the adequacy of impact aid funding to heavily impacted school districts.

Determining whether military dependents attending public schools on military installations in the United States receive educational opportunities equal to that of nonmilitary dependent students in comparable school districts;

Assessing whether children residing on Indian lands receive educational opportunities of the same quality as that of students in other school districts and those funded by the Bureau of Indian Affairs;

Examining the need for the establishment of priorities in the funding of impact aid programs affecting federally affected children; and

Making other recommendations for improvement as deemed appropriate.

Besides representation from the key executive branch departments, membership on the task force would also include representatives from other governmental and nongovernmental organizations as considered appropriate by the secretaries of the four departments.

The Impact Aid Program is scheduled for reauthorization 3 years from. The task force I propose could make a valuable contribution for making improvements in the Impact Aid Program when Congress begins consideration of reauthorizing legislation in 1993.

Too little time remains in this session of Congress for this measure to be considered. I am, however, hopeful that my colleagues will lend their support to this measure next year when a new Congress convenes and that the Committee on Education and Labor will give early consideration to the proposal in the 102d Congress.

TRIBUTE TO MAHONING COUNTY, OH

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Mahoning County of my 17th Congressional District of Ohio, which has been approved as a designated bicentennial community by the Commission on the Bicentennial of the U.S. Constitution.

Many events and activities have been scheduled for this monumental celebration. To kick off the festivities a parade will begin at 11:30 on September 17. The parade route will begin at Federal Plaza East and will end at the Mahoning County Courthouse. Participating in the parade will be a color guard, local school bands, and city, village, and township officials. The highlight of the celebration will be a swearing in ceremony for new U.S. citizens. Following the ceremony a reception sponsored by the India Association of Greater Youngstown will be held in the courthouse rotunda.

I am honored to represent a county that has been chosen as a bicentennial community. Mahoning County is a shining example of an all-American community. It is essential that we as Americans recognize the virtues of living in a free and democratic society, and celebrate our past and the traditions and beliefs that our great country is based upon.

It is with great pride that I once again congratulate Mahoning County, OH on its selection as bicentennial community. I am honored to represent these outstanding American citizens.

AN EXAMPLE TO MANKIND

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. SOLARZ. Mr. Speaker, at a time when the headlines of the day are filled with news about conflict in the Middle East, I think it is important that we pay tribute to a historical event which clearly indicates that it is possible for people of different creeds to live together peacefully under one flag.

For most Americans, the mention of the year 1492 sparks thoughts of Christopher Columbus' discovery of North America. However, few people know that at the same time Columbus sailed west, seeking riches and glory in the name of Spain, there were others who were fleeing for their lives from that country, driven by the senseless and cruel religious persecution of the Inquisition. These individuals were Sephardic Jews, who were welcomed into the overwhelming Islamic society of the Ottoman Empire by the Sultan Bayezid II and settled in its capital Istanbul.

The Sultan's actions predate by almost four centuries the American immigrant ideal, emblazoned on the Statue of Liberty, which eloquently states "give me your tired, your poor, your huddled masses yearning to breathe free." However, his actions were worthy of that high standard. Specifically, he ordered his provincial governors "not to refuse the Jews entry or cause them difficulties, but to receive them cordially," and added that "Spanish Jews are received with full sincerity and those who behave otherwise and treat the new immigrants badly are [to be] punished at once." The Sultan was later reported to have said, "The Catholic monarch Ferdinand * * * impoverished Spain by the expulsion of the Jews, and enriched Turkey."

The 500th anniversary celebration of that gracious humanitarian act, and the ensuing flowering of the Jewish community and its culture in Turkey, is now being organized by the Quincentennial Foundation and its president, Jak Kahmi. This organization has planned an ambitious 3-year program of conferences, exhibitions, symposiums, and studies designed to highlight the 500 years of harmonious cooperation between Turks and Jews.

To better put the Sultan's act of humanitarianism in its proper perspective, it should be remembered that the Spanish Jews, who were willing to sacrifice everything for the sake of their beliefs, were welcomed with open arms by a country where the population was overwhelmingly different in terms of language, religious, race, and culture. Clearly, as the Quincentennial Foundation notes, the embrace of the Spanish Jews by the Government and the people of the Ottoman Empire, and later, modern Turkey, is an ongoing demonstration of the highest ideals of human existence. Therefore, I think it is quite fitting that the Quincentennial Foundation has adopted as its slogan "An Example to Mankind."

In the five centuries which have passed since 1492, the community of Turkish Jews has grown and flourished, living peacefully side-by-side with their Moslem neighbors. Joined by their brethren fleeing oppression in other countries in Europe, the community expanded as word spread that Turkey was a safe haven for Jews fleeing all too frequent pogroms. This tradition has continued into modern times, as demonstrated in 1935 by the invitation of Kemal Ataturk, the founder of modern Turkey, to prominent German Jewish professors fleeing the scourge of Nazism. While most of the world turned its back on the Jews and condemned them to the horrors of the Nazi genocide, Turkey welcomed them much as they had in 1492. While much of the Jewish communities in neighboring European countries were being exterminated by the Nazis and their allies, the Jews of Turkey remained secure.

Jewish culture in Turkey also continues to flourish. During the years of the Ottoman Empire, Turkish Jews regularly served as physicians to the Sultan. Additionally, Ottoman diplomacy was often carried out by Jews, such as Salomon ben Nathan Eskenazi, the diplomat who negotiated the first diplomatic ties between the Ottoman Empire and the British Empire.

Moreover, in the free air of the Ottoman Empire, Jewish literature prospered. Joseph Caro compiled the "Shulhan Arouh." Shlomoha-Levi Alkabes composed the "Lekhah Dodi," a hymn which welcomes the Sabbath according to both Sephardic and Ashkenazi ritual. Jacob Culi wrote the famous "Me-am Lo'az." Rabbi Abraham ben Issac Assa became known as the father of Judeo-Espagnol literature. Throughout the centuries, a conscious effort has been made to preserve the heritage of Judeo-Espagnol, both in the spoken and written word, and today, the weekly newspaper Shalom continues to be published by and for the Jewish community in Istanbul.

Sixteen synagogues, including Ahrida in the Balat area which dates from Byzantine times, continue to serve this vibrant community. Ably led by the Chief Rabbi, Rav David Asseo, a religious council made up of a Rosh Bet Din and three Hahamim, and 35-lay counselors who handle the secular affairs of the community, the Jews of Turkey have many accomplishments for which they have the right to be proud.

I believe it is entirely appropriate that we in the United States do what we can to make sure the 500th anniversary of the pivotal offer of asylum to the Jews of Spain is successful. I hope that my colleagues and the American people will recognize the importance of this event, and do what they can to make sure that this shining example of tolerance is placed in the pantheon of noble human acts in history.

OPPORTUNITIES ABROAD

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. ROTH. Mr. Speaker, a global, marketplace is emerging in the 1990's and even the smallest companies will be affected. We have a new Europe, a Pacific Rim that is more dynamic than ever and northern and southern neighbors thirsting for trade opportunities. On Friday, September 7, 1990, I sponsored the Eighth Annual Great Lakes Conference on Exports and Business Development in Appleton, WI. There were well over 900 CEO's, small business people, international experts, and students. As evidenced by the tremendous response from business people from all over the Mildwest and even from Europe, I know Americans are ready to conquer this new world.

Export sales have increased in the United States in the last 4 years. This is a result of the strong growth of foreign markets; the changing value of the dollar, which makes American exports more competitive in price; and the improved quality of U.S. products. This growth in international trade will serve as a positive impact on the American economy.

The central economic issue for the United States is how to generate further growth. Currently, two-thirds of our gross national product is driven by domestic consumer consumption. Much of this has been fueled by consumer financing. Further growth will depend on new markets for our goods and services. And those new markets are abroad. Exports, then, are crucially important to America's future.

Recently available Government data for 1987 are instructive. By 1987, exporting had pushed the growth rate on export-related jobs higher than that of jobs related to domestic consumption. Although exports represented 6.2 percent of total U.S. civilian jobs in 1987, they accounted for 15.3 percent of employment growth. For every $45,450 worth of export sales, another American job is created. Exporting also creates jobs indirectly. Export job growth creates jobs for insurers, truckers, and dock workers for example. In fact, for each job directly generated by exports, two more are indirectly supported.

This is good news for the small businessperson. They have the most to gain from exporting. The Small Business Administration found that 88 percent of manufacturing companies that export products have fewer than 500 employees, and 3 out of 5 have less than 100 employees. However, only a fraction of those firms that could profitably offer a product or service abroad are now engaged in international marketing. Exporting means increased sales and profits, offsetting seasonal demands, building and international image, and providing small businesses with a competitive edge. In fact, small businesses have a distinct advantage over the large corporations when it comes to exporting. They are able to meet the needs of their customers much more easily and quickly and they prove to be more flexible to the requirements of their foreign client.

With participation in foreign markets, small businesses will grow. A business with 10 employees who receives a large order from an overseas business will have to hire 10 to 20 more people to fill it. They will have to hire administrative professionals, trafficking and distribution experts, lawyers, and someone just to do the export paperwork.

I was very honored to have some very special guests at the Great Lakes Conference. J. Peter Grace, cochairman of Citizens Against Government Waste and head of the Grace Commission, talked on the importance of the "twin peaks," the trade deficit, and the budget deficit, and how interest rates link the two. The Japanese are borrowing at 3 to 3½ percent while Americans are paying three times that much. These interest rates hurt trade.

Also joining me was Clyde Prestowitz. As a former ranking official in the Department of Commerce and now the head of the Economic Strategy Institute, Mr. Prestowitz, had some very good advice to offer the over 900 attendees. To remain competitive with the Japanese, we must all work together. The "cold" war is over. Today, the threat is a "trade" war.

Susan Engeleiter, head of the Small Business Administration, pointed the small business people in the right direction to begin exporting. She encouraged owners of small businesses by stating that size was not a factor in competing in the international market. Small businesses are among the Nation's most valuable, untapped resources for helping restore

the United States' balance of trade with other countries.

What made this conference the best in the country is that it gave the "how to's" to both small and large businesses. American business people are ready to challenge the new world. Given the opportunities that are out there today, our country has no choice but to succeed.

CONTINUED FUNDING FOR ASPJ

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. McMILLEN of Maryland. Mr. Speaker, today I rise to commend the Committee on Armed Services and its chairman, LES ASPIN, for its decision to continue funding for the testing of the airborne self protection jammer [ASPJ].

As many of my colleagues may know, the Air Force decided to cut funding for ASPJ despite the fact that such a decision was not justified by economic or military reasons. Having already spent $600 million on testing and production, with only $12 million needed to finish testing, the Air Force's decision to cut ASPJ from their budget was irresponsible. At the time of their decision, the Air Force maintained that less expensive alternative defense systems, such as decoys, could replace ASPJ. However, decoys cannot provide effective forward-looking defense like ASPJ. Even worse, decoys can potentially place the lives of American pilots and their billion dollar aircraft at risk by inducing the firing of missiles.

The action of the Armed Services Committee to restore authorization of the ASPJ Program was based on a recognition of the needs of the Air Force in the 1990's. I commend their efforts and congratulate them on a job well done.

HONORING CHRIST THE KING LUTHERAN CHURCH, GROSSE POINTE WOODS

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. HERTEL. Mr. Speaker, I would like my colleagues to join me in celebrating the 50th anniversary of Christ the King Lutheran Church in Grosse Pointe Woods, MI. Since its inception in 1940, this institution of God has been dedicated to serving the Grosse Point community.

In 1940, the English district of the Lutheran Church, Missouri Synod, founded a preaching station in the Grosse Pointe Woods community to bring the word of God and the teachings of the Lutheran Church to the people. Pastor Wilbert C. Burmeister guided the church in its initial years, and it is in large part his hard work that secured a position in the community for the Lutheran Church.

In 1947, the church founded its permanent residence with God in the heart of Grosse Pointe Woods. The dedication of a tudor gothic-style chapel with attached bell tower marked a new beginning for a growing church. The property and building have remained a sanctuary of beauty, peace, and serenity during a time of growth and development of the business and residential community.

Through the next 40 years, Christ the King Lutheran Church was blessed by the pastorial leadership of Rev. Walter J. Geffert and later by Revs. Joseph P. Fabry and Randy S. Boelter. These men guided the church to a leading role in the Grosse Pointe community.

The growth and leadership of Christ the King affected all facets of its existence. Membership enrollment of all ages has increased, especially for young people. The increase in young parishioners prompted Christ the King to establish a preschool in 1986. Today, with an enrollment of over 40 children, the Christian values of the church will continue to the next generation.

October 21, 1990, marks the final worship service commemorating the 50th anniversary of Christ the King Lutheran Church. My dear colleagues, I ask you to join me in congratulating the Lutheran community of Grosse Pointe in their 50 years of dedicated service to the parish of Christ the King Lutheran Church.

DIRECTOR OF THE NATIONAL INSTITUTE OF MENTAL HEALTH OPPOSES PROVISION IN THE FISCAL YEAR 1991 DEFENSE BILL PROPOSING TO CUT MENTAL HEALTH BENEFITS UNDER CHAMPUS

HON. ALBERT G. BUSTAMANTE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. BUSTAMANTE. Mr. Speaker, I wish to call my colleagues' attention to a provision contained in H.R. 4739, the National Defense Act for fiscal year 1991, which drastically restricts payments under the Civilian Health and Medical Program of the Uniformed Services [CHAMPUS] for mental health benefits.

Under current law, families under the CHAMPUS Program are allowed up to 60 days inpatient psychiatric care annually and no limit on days for treatment at psychiatric residential treatment centers. The proposal contained in H.R. 4739 would cut inpatient psychiatric care to 30 days annually, and residential treatment center coverage would be limited to 90 days annually.

Health care costs under CHAMPUS are escalating, and the Armed Services Committee is groping for ways to contain the rate of increase. Increases in mental health care have a significant impact on overall health care cost increases under CHAMPUS. The committee has looked at the issue of health care cost increases under CHAMPUS; however, I submit to my colleagues that these hearings did not specifically focus on the mental health care cost increases. The cost increases in mental health are misleading because the majority of mental health care is generally not provided on base, while other general health care is. This makes inpatient psychiatric costs under CHAMPUS look proportionately higher than other general health care costs.

The changes proposed in this bill have not been subject to any impact analysis. Additionally, the Armed Services Committee has not taken into account the major cost-control measures recently put in place for inpatient psychiatric care. The cost-control measures include:

Per diem caps on inpatient psychiatric care and regional rates; and

Precertification and concurrent review programs for all inpatient psychiatric care.

These restrictions prevent inappropriate hospitalization, limit unnecessary days of care, and hold down overall per diem rate increases. The proposal contained in H.R. 4739 ignores these efforts at health care cost containment. As I did during subcommittee and committee consideration of this bill, I object to the inclusion to reduce CHAMPUS mental health coverage.

Before the House began its deliberations on H.R. 4739, I wrote to Dr. Lewis L. Judd, Director of the National Institute of Mental Health, requesting his veiws on the proposal to cut CHAMPUS mental health benefits. Dr. Judd opposes the benefit cut proposed in this bill. His position is consistent with his belief that containing health care costs by imposing "scientifically unfounded limits on treatment for mental illness * * * " is not in the best interest to either patient psychiatric care or to controlling costs.

I commend my colleagues to read Dr. Judd's letter which follows my statement. In the meantime, I will work to reduce the severity of the CHAMPUS mental health benefit cut when the House and Senate meet in conference to forge a compromise Defense Authorization Act for Fiscal Year 1991.

DEPARTMENT OF HEALTH & HUMAN SERVICES, ALCOHOL, DRUG ABUSE, AND MENTAL HEALTH ADMINISTRATION,

Rockville, MD, September 10, 1990.

Hon. ALBERT C. BUSTAMANTE,
House of Representatives, Washington, DC.

DEAR MR. BUSTAMANTE: I am responding to your letter of August 17 requesting information regarding the recently Committee approved fiscal year 1991 Defense Authorization Bill provision calling for cuts in inpatient psychiatric hospital benefits and limits on residential treatment centers relative to the CHAMPUS program. We are, of course, quite concerned with these possible actions which I understand were not proposed by the Administration. I have spoken recently about the need to end the unfair and scientifically unfounded limits on treatment for mental illness as compared to other illnesses. I support parity between treatment for mental illnesses and treatment for other illnesses.

The National Institute of Mental Health is primarily a research institute. We have supported research on the financing of

mental health care and interpret that research to indicate that arbitrary benefit limits may not be the best approach to either psychiatric treatment or to controlling costs. It is of further interest to note that Medicare coverage for mental illness has, in fact, been expanded in recent years so that the limits on outpatient mental health care have been eliminated. This recognizes that mental illnesses are much like all other illnesses with a combined need for acute care, sometimes hospitalization, and often continual contact for chronic conditions.

Due to the short time you have to respond to this situation, I wanted to answer your letter quickly and express my opposition to the efforts to change CHAMPUS coverage in such a drastic manner. I will also ask my staff to contact your office to provide materials and information which might be helpful in your effort to support adequate mental health coverage for CHAMPUS beneficiaries. For further information, you may wish to contact Bernard S. Arons, M.D., Associate Director for Mental Health Financing in the Division of Biometry and Applied Sciences, telephone (301) 443-4233.

Sincerely yours,

LEWIS L. JUDD, M.D.,
Director,
National Institute of Mental Health.

DIPLOMATIC PROGRESS ON CAMBODIA

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. SOLARZ. Mr. Speaker, I would like to bring my colleagues up to date on the significant progress that has occurred in recent weeks towards a peaceful settlement of the conflict in Cambodia.

On August 28, the five permanent members of the United Nations Security Council—the United States, the Soviet Union, Britain, France, and China—reached agreement on a framework for peace in Cambodia. This agreement, if implemented, would end the fighting, introduce a U.N. peace-keeping force, verify the withdrawal of all Vietnamese forces, terminate the external supply of arms to the Cambodian factions and disarm their forces, and facilitate an internationally supervised free and fair election.

In and of itself, this agreement is great diplomatic achievement. It demonstrates that the Soviet Union and China want to put the Cambodian conflict behind them. Moreover, the permanent five formula meets the minimum interests of all parties to the conflict without requiring any to accept total defeat. And it is an approach that, better than any other available option, promotes the principal American objective concerning Cambodia—preventing the genocidal Khmer Rouge from returning to power. The permanent five formula is, without a doubt, the last best hope for peace in a land that for decades had known no peace.

Yet, even as the permanent five were reaching their consensus, it was obvious that unless the four Cambodian factions—the Phnom Penh regime, the Sihanoukists, the Khmer People's National Liberation Front, and the Khmer Rouge—all agreed to adopt the framework in toto as the basis of their own discussions, there would be no peace. Moreover, if the factions did not agree to form a Supreme National Council, which would be the repository of Cambodian sovereignty and a key ingredient of the U.N. plan, there would be little hope of a peace settlement, much less peace itself.

On September 10, in Jakarta, however, the four factions did agree to form a Supreme National Council. And they did agree to accept the permanent five framework as the basis for discussions.

For sure, the agreements reached do not constitute a settlement that can be put into effect tomorrow. There are issues which remain to be worked out. Yet compared to where the Cambodia issue was only a few months ago, the events of the past 2 weeks represent tremendous progress. Finally, we have turned a corner. Before, we were simply walking into a blind alley.

As President Kennedy was fond of saying, "Victory has a thousand fathers and defeat is an orphan." There are many individuals who have contributed to the success to date of this effort. Among those who deserve great credit are:

Australian Foreign Minister Gareth Evans, whose advocacy of a U.N. interim authority for Cambodia first broke the diplomatic logjam; the Foreign Ministers of France and Indonesia, the co-chairs of the Paris Conference on Cambodia, who convened this week's Jakarta meeting, and who worked tirelessly for its welcome outcome; Rafeeuddin Ahmed, the U.N. Secretary General's Representative on Cambodian Issues, who, with his staff, has played an important role in supporting the permanent five negotiations.

Yet the unsung heroes of the success of the last 2 weeks are officials of the Bush administration, who have worked quietly and persistently to broker this Cambodia compromise. Among those who deserve recognition, along with their staffs, are:

Secretary of State Baker; Under Secretary Kimmitt, today's witness; Richard Solomon, Assistant Secretary of State for East Asia; John Bolton, Assistant Secretary of State for International Organizations; Karl Jackson of the National Security Council Staff; David Lambertson, and Kenneth Quinn, the former and current Deputy Assistant Secretaries of State for East Asia with special responsibility for Indochina; and Charles Twining, head of the Office of Vietnam, Laos, Cambodian Affairs, who first revealed to me the horrors of Khmer Rouge genocide.

There may never be peace in Cambodia. All Americans hope that a settlement can be reached. But if there is no peace in Cambodia, it will not be because men and women of good will did not do their best.

MEDICARE PROGRAM CUTS

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. ROTH. Mr. Speaker, I am very concerned about reports that the budget negotiators are planning to make drastic cuts in the Medicare Program. The Democrats apparently have proposed cutting $72.3 billion from the Medicare Program over 5 years. Under this plan, half of all non-Defense spending cuts would come from the Medicare Program.

We all agree on the need to reduce the deficit. However, I strongly disagree with those who want to slash Medicare funding to balance the budget. How can anyone propose that we jeopardize the Medicare system, which is so vital to millions of seniors across the Nation? There are many other areas were Congress can cut spending, such as on our foreign aid programs.

Just last week, the President addressed a joint session of Congress. He told the Nation that the burden of reducing the deficit "should not be excessive for any one group of programs or people."

Yet by targeting the Medicare Program for 50 percent of the domestic spending cuts, the negotiators are actually trying to balance the budget on the back of senior citizens. No other group has been asked to bear this kind of burden.

We cannot allow this to happen. The health and well-being of our senior citizens is too important to sacrifice as part of a budget deal. In fact, our Government must make it a top priority to ensure that seniors have access to high quality, affordable health care.

That is why we should be concentrating on ways to improve the Medicare Program, not destroy it. I have cosponsored legislation to add new preventative health care services for Medicare patients, such as physical exams and early screening tests. This will help spare people from the suffering and expense that can accompany medical conditions that are left untreated for too long.

I have voted against past cuts in Medicare that the majority has forced through. Unfortunately, it looks like they are going to try once again to slash the Medicare Program.

Today I am calling on the negotiators to reject any plans that unfairly burden senior citizens, and instead focus on ways to cut wasteful spending. We owe the seniors of this Nation nothing less.

TRIBUTE TO ROBERT W. BARLOW

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Robert W. Barlow, a lifelong

member of the United Auto Workers [UAW] in my 17th Congressional District of Ohio.

Born in Manchester, England, Mr. Barlow began work at General Motors' Lordstown plant in 1970. Upon his transfer to the Lordstown plant, Bob joined the UAW where he immediately began his dramatic ascendency to a leading position within the hierarchy of the union. Within UAW Local 1714, Bob has served in many capacities: The first shop chairman, vice president, alternate committeeman, and chairman of the by-laws committee. By 1976, Bob was appointed first vice chairman of the Columbiana, Mahoning, and Trumbull Counties UAW Community Action Program, representing UAW Locals 1112 and 1714, a position he held until 1982 when he was appointed chairman. In 1983 he was elected to remain in that capacity and again in 1986 and 1989 by acclamation.

It is truly an honor to pay tribute to the dedication of Mr. Robert Barlow to the UAW in my 17th Congressional District of Ohio. Mr. Barlow's devotion to the labor movement, UAW, and community in which he lives is a fine example of civic-minded duty and should stand apart as an example of the greatness of the labor movement throughout Ohio.

Again, I would like to honor Mr. Barlow for his dedication to the labor movement and wish him success with all of his endeavors in the future.

TEXTILE BILL

HON. TIM VALENTINE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. VALENTINE. Mr. Speaker, I rise today to share a letter I received from Vera Farmer, a constituent of mine from Spring Hope, NC.

Like many in our country, Vera is worried about losing her job. For once, however, we in this Chamber can help Vera keep her job. Vera is a textile worker.

Mr. Speaker I would like to read a passage from Vera's letter:

I have seen my friends lose their jobs when their factory closed, and I know that my job may be next.

There are so many unemployed garment workers in my community that supermarkets, clothing stores and drugstores have closed.

My friends, who were so proud to work and be independent, now need help from government and social services. But we don't want that kind of charity—we want our jobs.

Without your help, our industry will be destroyed by imports.

Vera's last sentence is my request of all Members of this body,

Please vote for the Textile, Apparel and Footwear Trade Act of 1990 and keep Amerians working.

SPRING HOPE, NC,
September 7, 1990.

DEAR REPRESENTATIVE CONGRESSMAN TIM VALENTINE: I am a garment worker and a member of the International Ladies' Garment Workers' Union. I am writing to urge you to help save my job, and make it possible for me to support my family, by voting for the Textile, Apparel and Footwear Trade Act of 1990 (S. 2411/H.R. 4328).

I have seen my friends lose their jobs when their factories close, and I know that my job may be next. Our layoffs are getting longer and longer, and when factories close, it is harder and harder to find another job.

There are so many unemployed garment workers in my community that supermarkets, clothing stores and drugstores have closed. My friends, who were so proud to work and be independent, now need help from government and social services. But we don't want charity—we want our jobs.

Without your help, our industry will be destroyed by imports. Please vote for the Textile, Apparel and Footwear Trade Act of 1990 and keep Americans working.

Sincerely,

VERA FARMER.

TRIBUTE TO TOM BROCKWAY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. LAGOMARSINO. Mr. Speaker, I rise today to briefly advise the House that a good friend, husband, father, and civic leader has passed away. Tom Brockway was a loyal citizen who made a career of protecting our Nation from harm. A veteran of the U.S. Army Air Force in World War II, he was awarded the Distinguished Flying Cross and the Air Medal for his services with the 505th Bomb Group in the Pacific theater.

After graduating from Loyola University, he joined the Lockheed Corp., where he was employed for 37 years. In 1958, he moved to Arroyo Grande, CA, becoming one of the founding group for Lockheed at Vandenberg Air Force Base, where he worked until his retirement 2 years ago. He was actively involved in our Nation's defense and space program for over 30 years.

A long-time member of St. Patrick's Catholic Church, Tom participated in the development of St. Patrick's school, which was attended by his seven children, and chaired fundraising campaigns for Marian Medical Center in Santa Maria. He was active in the Santa Maria and Five Cities Elks Lodges, and was a senior active Rotarian. Tom also held various positions in the United Way Campaign, the Boys Club, and the Cal Poly President's Roundtable.

I know that the Members of the House join me in expressing our condolences to Tom's wife, Ruth, as well as our gratitude for the many ways that he enriched our lives here on the central coast. He will be missed but not forgotten.

RESOLUTION CALLING FOR THE PRESIDENT TO CONVENE AN ENERGY SUMMIT

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. WEISS. Mr. Speaker, I am introducing legislation today calling on the President of the United States to convene an energy summit to discuss and establish national goals for the use of renewable and nonrenewable energy resources for the year 2000.

In the weeks following the Iraqi invasion of Kuwait and the subsequent United Nations embargo of Iraq, the United States faced—and still faces—a possible shortfall in oil imports of nearly 1 million barrels a day. As President Bush admitted, the United States once again is excessively dependent on foreign oil. As threatening as the immediate impact of the U.N. embargo is on the energy needs of the U.S. economy, the Persian Gulf crisis points out the need for a clearsighted policy of energy use in the United States.

I believe an energy summit, to be held before the end of 1991, could be a useful forum in which to address the Nation's energy problems, prioritize them, and offer solutions to them.

Just as the education summit last year established national goals for the American education system, the energy summit would come forth with general policy goals regarding this Nation's energy use and how to go about creating greater energy efficiency in the United States.

One irony about the oil crises in the 1970's is that the Federal Government took strides to wean the United States of an excessive dependency on foreign oil. But the lure of cheap foreign oil in the 1980's led the Federal Government to neglect these programs that promote energy efficiency and conservation. Now, the United States imports about half the oil it consumes. It seems the lessons of the past are to be relearned.

I believe a sound policy of energy efficiency and conservation, set forth at an energy summit, could do much to set the United States on the path to developing energy resources that reduce the amount of oil the United States imports. Indeed, energy efficiency is important for the national security, U.S. economic stability, the health of U.S. citizens, and the environment.

Let's make energy efficiency and conservation a national priority—again—and this time, let's keep it that way.

The text of the resolution is as follows:

H. CON. RES. 371

Whereas the United States imported nearly half of the oil it consumed in early 1990;

Whereas the crisis in the Persian Gulf has cut off an important supply of oil to the United States and disrupted the United States' domestic economy;

Whereas the rise in oil prices in the United States resulting from the Iraqi inva-

sion of Kuwait on August 2, 1990, and the subsequent United Nations embargo against Iraq, represents the 3d significant rise in oil and fuel prices in the United States since 1989;

Whereas other significant oil price increases came after the Exxon Valdez ran aground in Alaskan waters in March 1989 and during the severe cold weather of December 1989;

Whereas the United States' dependency on foreign oil could be significantly reduced through energy efficiency and conservation measures;

Whereas energy efficiency is important in ensuring the Nation's economic stability, promoting the national security, ensuring the health and well-being of the people of the United States, and protecting the environment of the Nation and the world;

Whereas the Federal Government's energy efficiency and conservation programs received severe budget cuts throughout the 1980's;

Whereas the Federal Government is a major consumer of the Nation's energy resources;

Whereas programs to promote energy effiency within the Federal Government and programs undertaken by the Federal Government to encourage and promote energy efficiency throughout the Nation are an integral part of reducing the United States dependency on foreign oil; and

Whereas other industrialized nations have adopted policies aimed at encouraging the efficient use of energy resources: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that the legislative and executive branches share the responsibility of developing and overseeing energy efficiency and conservation policies. In furtherance of meeting that responsibility, the Congress—

(1) calls on the President to convene, before the end of 1991, a national energy summit to discuss and formulate new priorities and firm goals for the use of renewable and nonrenewable energy resources in the United States by the year 2000;

(2) urges the President, when convening the national energy summit, to include experts on energy and the environment from the Administration, the private sector, State and local governments, and the Congress;

(3) urges the President to utilize the energy summit to—

(A) explain to the people of the United States the current state of energy supplies in this Nation and the world, and the rate of energy consumption in the United States;

(B) set goals to be attained for future energy efficiency and consumption;

(C) renew the United States' commitment to a national policy of energy efficiency;

(D) provide information to the people of the United States regarding issues of energy efficiency and conservation;

(E) adopt measures to make the Federal Government among the most efficient consumers of the Nation's energy sources; and

(F) set forth energy efficiency policies and measures that, in the event of an energy crisis, would protect the United States economy from volatile swings in the world energy prices; and

(4) believes the National Energy Strategy, being developed by the Department of Energy, should be an important part of the discussion of the future of energy efficiency and consumption in the United States at the energy summit.

PROTECTION OF THE AMAZON RAIN FOREST

HON. TOBY ROTH

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. ROTH. Mr. Speaker, The Amazon rain forest region of Brazil is a natural resource of unparalleled abundance. House Joint Resolution 431 seeks to encourage and support conservation efforts initiated by Brazil to protect the Amazon rain forest.

My good friend from Virginia, Mr. WOLF, deserves our thanks for his leadership on this important issue and the introduction of this measure. All of us should commend any efforts to encourage and promote conservation in the Amazon region of Brazil.

Some 15 percent of the great Amazon rain forest has already been burned and this deforestation continues at the rate of 74,000 acres per day. As the rain forest shrinks, the Earth's ability to replenish its oxygen supply and sustain plant and animal life also diminishes. This rapid and tragic deforestation must be arrested quickly.

The remaining 600 million acres of Brazilian rain forest accounts for 30 percent of the world's tropical forests. The Amazon River contains 18 percent of the Earth's fresh river water resources. This rich environment contains plant and animal species that number in the tens of thousands.

Amazonia is also home to several indigenous South American indian tribes whose continued existence is threatened by the destruction of their native land.

We have a responsibility to cooperate with and promote efforts to preserve this international treasure. Further, we must be vigilant and judicious regarding our involvement in projects which may place additional pressure on the Amazon rain forest. It simply makes no sense to spend U.S. taxpayer money on foreign aid projects which destroy the environment.

The Inter-American Development Bank's suspension of a $58.5 million loan to Brazil for a road construction project which failed to protect the destruction of the forest and Indian lands was a prudent move to register concern about the Amazon ecosystem.

The Brazilian people are now taking some meaningful steps to help conserve Amazonia and it's appropriate for us to applaud and support those efforts. The natural abundance of the Amazon—the rain forest, the thousands of animal and plant species, the tremendous natural fresh air and water resources—must be preserved.

My colleague, FRANK WOLF, is to be commended for making the themes of this legislation—international cooperation and concern for the environment—the watchwords of our international environmental policy. Preventing the degradation of global environmental treasures will require the highest level of international cooperation. All of us living on this planet have a responsibility to each other to protect the environment for future generations.

We should all remember that we haven't inherited the Earth from our parents, we're merely borrowing it from our children.

THE QUESTIONING OF JUDGE SOUTER

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. HUBBARD. Mr. Speaker, I share with my colleagues an excellent editorial which appeared in the Saturday, September 15, 1990, edition of the Paducah Sun.

Don Gordon, the newspaper's editorial page editor, has expressed views which are similar to mine with regard to the questioning of Supreme Court nominee Judge David Souter.

Mr. Speaker, a candidate for a circuit judge's seat in McCracken County, KY, would not be allowed to campaign for the bench by promising to decide on a given issue in a presupposed manner. We should insist that these same standards be followed in selecting our next Supreme Court Justice.

The editorial follows:

GRILLING OF SOUTER ON ABORTION IMPROPER

The lawyers on the Senate Judiciary Committee probably would find it a breach of ethics, if not the law, if a candidate for judge in any of their states were to campaign on a promise to rule one way or another on a specific issue.

Yet that is precisely what they are trying to demand of Supreme Court Justice-Designate David Souter in current hearings.

Their pounding on the question of abortion is aimed at revealing to the senators whether he ultimately will provide a vote on the high court for the overturning of Roe vs. Wade.

So far, Judge Souter has deftly stonewalled the inquisitors on that point, as well he should.

The questions and answers should deal with broad judicial philosophy, his views of the Constitution, his attitude toward precedent and his professional qualifications.

If the senators can divine from that how a Justice Souter would rule on abortion, fine. But that alone should not determine his fitness to serve on the Supreme Court. There are many other important constitutional and legal issues facing the nation and, if Judge Souter is confirmed, many more will arise over his likely tenure that no one could predict today.

Special interest groups, including those watching the confirmation process closely, can be expected to be single-issue promoters. That's their nature. We should expect more out of U.S. senators.

HONORING MONTEITH ELEMENTARY SCHOOL, GROSSE POINTE WOODS, MI

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. HERTEL. Mr. Speaker, I rise today to honor Monteith Elementary School in Grosse Pointe Woods, MI. Monteith School has been recognized with a National Exemplary School Award by the U.S. Department of Education. The purpose of this award is to give recognition to schools throughout the United States which are extraordinary in their field.

The principal of Monteith School, Joan Robie, has organized a highly qualified and motivated staff of teachers and assistants. These educators are trained in subjects ranging from science to language arts and from dance to drama. Each member of the Monteith School staff is also well-versed in issues important to the students and to the education process.

Monteith School has worked diligently at providing an atmosphere conducive to positive learning for each and every student. In addition, this school has created and maintained excellence through teamwork between teachers and administrators and between the school and the school district. Since its doors opened in September 1951, Monteith School has proven itself to be an outstanding example of the fine education system in our Nation.

It is without a doubt that I can rise today to declare that the students and parents of the Monteith Elementary School community are well-served by Joan Robie and her dedicated staff. My dear colleagues, please join me in honoring Monteith Elementary School for all of its proud accomplishments over the last 40 years.

ROBERT ST. JEAN MEMORIAL FISHING TOURNAMENT FOR THE HANDICAPPED

HON. CLAUDINE SCHNEIDER

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Ms. SCHNEIDER. Mr. Speaker, on Saturday, September 22, the Jaycees of Woonsocket, RI, will sponsor the Robert St. Jean Memorial Fishing Tournament for the Handicapped. This event gives handicapped individuals in Rhode Island an opportunity to compete for prizes for catching the largest fish and the most fish. More importantly, it gives able-bodied individuals an opportunity to spend time with handicapped people and to recognize that the similarities are much more important than their differences.

The Congress has taken a giant step forward in allowing handicapped individuals to help themselves by passing the Americans With Disabilities Act. This legislation, which the President has recently signed into law, provides people with disabilities to seek the same opportunities as the rest of us, based on what we can do and not on what we cannot.

The Robert St. Jean Tournament is named for a Rhode Islander who was afflicted with hemophilia. Robert St. Jean demonstrated the true spirit of this event when he volunteered to help, even though he had recently been discharged from the hospital for hip replacement surgery. Mr. St. Jean died of AIDS after being infected from contaminated blood.

I would like to applaud Mr. Roland C. Gauvin for his work to make this tournament a success. He has worked diligently to ensure the widest possible participation in the event and I wish him and the participants the very best of luck.

HISPANIC HERITAGE MONTH

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. COLEMAN of Texas. Mr. Speaker, it is my pleasure today to rise and join my colleagues in celebration of Hispanic Heritage Month. Since 1968, our Nation has annually paid tribute to the rich and diverse history and achievements of Hispanic Americans in a week long celebration. I am especially pleased to note that this year marks the second annual month-long commemoration of Hispanic heritage.

With traditions from Spain, Central America, and the Aztec, Mayan and Incan Indians, Hispanic Americans share a culture whose influence in our country dates back 500 years. My own hometown of El Paso, TX, is a community which has forever been enriched and enlightened by the contributions made by Mexican Americans and other Hispanic Americans. Not only are we able to enjoy delicious traditional Mexican food and to listen to the unique sounds of Mariachi folksongs, we are fortunate enough to have had among our ranks internationally acclaimed artists like Rudy Montoya and Manuel Acosta. These contributions are enjoyed and appreciated today not only in selected communities like El Paso, but all over the country, as a new Latin spirit surfaces in the mainstream of American culture.

Now numbering 19 million individuals, Hispanic Americans are the fastest growing minority group in the United States. While we strive to advance recognition of Latino contributions in American society, we must also seek solutions to the high poverty and illiteracy rates afflicting our Hispanic population. Hispanics have traditionally contributed the highest number of at-risk students compared with their non-Hispanic counterparts—a fact which places the need for quality education in a position of top priority for the Hispanic community. Our commitment today to better education will not only provide improved individual opportunities, but will guarantee a brighter economic future and a skilled work force for our Nation. Toward this end, the congressional Hispanic caucus has introduced the theme of education excellence in the Hispanic community for this year's commemorative period and will host a program on this topic at the kickoff ceremony on September 17.

We all have an obligation to promote our Nation's knowledge and understanding of the Hispanic spirit and tradition which is fast becoming cemented in our own culture. I urge all my colleagues to take an active role within their own communities during this important month.

PRESIDENT REAGAN SPEAKS IN GDANSK

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. GINGRICH. Mr. Speaker, last week former President Reagan offered some good economic advice to the members of Solidarity at the Gdansk Shipyard in Poland. His suggestions to these former Communists as they transform their economy into a vibrant, free enterprise system would also be quite useful for policymakers in the United States. Therefore, I encourage my colleagues to read these excerpts from President Reagan's speech, as printed in today's Wall Street Journal.

[From the Wall Street Journal, Sept. 17, 1990]

REAGAN IN GDANSK: "MAKING THE WORLD ANEW"

(Excerpts from former President Ronald Reagan's address Saturday at the Gdansk Shipyard in Poland:)

A little over 200 year ago, two Polish patriots helped us in America make our world anew. My country had just been born. Its guiding idea was that men and women could govern themselves, free of foreign domination or influence. A skeptical world said the experiment would fail, but that did not deter these two men who had already struggled against foreign domination here in Poland.

Thus it was that a brillant engineer, Thaddeus Kosciusko, and a daring cavalry commander, Casimir Pulaski, joined the American War of Independence and performed heroic deeds. They were among those who made it possible for the fragile flower of democracy to survive and bloom in American soil.

Now, thousands of patriots have been making the world anew once again. I am speaking of all of you here, the men and women of Solidarity who, in just 10 years since the founding of your movement, have brought about the end of communism's stifling embrace.

NEVER LOST HOPE

You have restored Polish independence from outside influence. You have successfully led the struggle for free, open and democratic elections. You have paved the way for a market economy to replace the failed efforts of centralized planning and control. You have triggered vast changes in the political map of Central and Eastern Europe. One might say this is the shipyard that launched a half dozen revolutions!

Today, Solidarity leads the Polish government and the people—and it all began here 10 years ago. Those 10 years brought hardship and heartache for most of you. To some it brought death. It brought obstacles and reversals. But you never lost hope. You stand as proof of the basic human truth that when men and women thirst for freedom and democracy, their thirst will not be quenched until their goal is achieved. You of Solidarity have now achieved it.

But the goal of freedom and democracy was only the first goal to be achieved—a prelude to something even greater: the rejuvenation of your country. You began that process with a bold move on the first of January this year. You eliminated price controls and most subsidies. You replaced the old communist credit system with a monetary system. So far there are a number of positive results:

You stopped inflation in its tracks and have rolled it back.

Your stores are filled with goods today and there are no more long lines.

The black market is a memory.

Most important for your future foreign trade, you have created the first convertible currency in the former Communist Bloc of countries.

With the bold economic moves you knew there would be some pain. We have a saying, "no pain, no gain."

Still, pain is pain if your buying power has declined or you are out of work. In the U.S. we believe stronging in people helping people. This time, it is our turn to help the new Poland. Here are a few examples:

Since July, 29 containers of medical supplies from the U.S. Department of Defense stocks in Europe have been delivered to Polish hospitals, orphanages and old people's homes. The shipments were organized by a U.S. citizens' group, the Emergency Committee for Aid to Poland.

Early this year, at the request of your Ministry of Labor, the same U.S. committee arranged for American corporations to contribute 50 tons of specialized infant formula.

In June, 60 volunteers from the U.S. Peace Corps arrived to teach English.

Soon, mid-level managers of Polish business enterprises will be able to learn the latest marketing and management practices at a special exchange program at New York University, organized by the Institute for East-West Business Dynamics, a non-profit U.S. group.

In Cracow, Project Hope, the principal U.S. sponsor of the American Children's Hospital there, is nearing completion of a large ambulatory care center. In the course of its 16-year-old program here in Poland, Project Hope has sponsored visits by nearly 500 Polish medical professionals to the U.S. and visits to Poland by more than 1,600 of Hope's volunteer health-care specialists. And, for the past two years, Project Hope's health economists and policy analysts have worked closely with your Ministry of Health in developing plans for reform of the health-care delivery system.

Just as long as help is wanted, Americans will be there to provide it. In the long run, however, it is you, the people of Poland, who will solve your economic problems through self-help.

I have had a little experience in the matter of economic growth, so I hope you won't mind if I share with you some of what I've learned.

First, there are two schools of thought about how to achieve lasting economic health and growth. One believes you get it only through severe austerity and belt-tightening. The other believes you achieve it by getting government out of the way so that the people themselves can create and find opportunities. I confess that I side with that second school of thought, the one that believes in incentives for growth. We used that approach when my administration took office and it is still working under President Bush's leadership.

You have done away with price controls, for they create false shortages and inhibit growth. Wage controls thwart growth, too. Do away with wage controls and the efficient, growth-minded businesses will pay more, attract good people and keep on growing. Inefficient enterprises will either wither and die or find ways to become competitive.

Ownership is another great incentive for economic growth. If you own your own business you will work hard to make it do well. If your customers are satisfied with your goods and services, they will come back. Thus, there is the closest of connections between the effort you put into it and the rewards you get out of it.

Western banks might find it worthwhile to take a good look at including in their plans a fund for lending to small start-up businesses here in Poland. I understand that there is quite a lot of what we call "mattress money" tucked away. If you put a little credit together with a little mattress money, you could open up a great many bakeries, butcher shops, small factories and repair services all over Poland.

The privatization bill recently enacted by your government will reduce the number of state monopolies, and that is good, for they will be replaced by enterprises that must be competitive. As inefficient ones are scaled down or closed, however, the challenge is to find new jobs for workers laid off.

Your current level of unemployment, 5.2%, would not be very worrisome in the West. We have "safety nets," consisting of unemployment compensation insurance, retraining programs and employment placement services for workers who are laid off. I understand the U.S. Department of Labor is working with your Ministry of Labor to create a similar safety net for Polish workers.

EMPLOYEE OWNERSHIP

Meanwhile, what about the workers in those state monopolies that are being put up for sale? I am reminded of a technique for employment ownership that has worked well for many U.S. companies. It goes by various names, but the best known is "Employee Stock Ownership Program," or ESOP. With such a program, the employees create a trust which borrows money from a bank to buy shares of stock in the company. The loan is paid back over several years from the employees' share of the company's profits.

How can they be sure the company will be profitable? The workers, as owners, make sure by insisting that unprofitable or obsolete products be replaced by new ones; that operating costs be kept down; and that new efficiencies of operation are adopted. When a person owns assets he or she will look after them.

When people believe in something, they can make it work. Just as a pair of Polish patriots helped America make the speeds of its democracy flower, so you of Solidarity have planted those same seeds in Poland. You have nurtured them and seen them grow. Now, you have it within you to make them blossom far, far into the future and to bring renewed vigor to your nation.

THE PLASTIC RECYCLING ASSISTANCE ACT OF 1990

HON. TERRY L. BRUCE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. BRUCE. Mr. Speaker, this Nation is facing tremendous problems in dealing with solid waste disposal. Today, I am introducing legislation which will help us reduce the waste stream in an economical manner. The Plastic Recycling Assistance Act of 1990 will aid those entrepreneurs willing to invest in our environment by providing a uniform national standard for identifying plastic resins.

With 18 percent of the Nation's waste volume coming from plastics, much can be done to make sure plastic products play a more environmentally responsible role in our society. To be economically recycled, plastics items must be separated by their resin content. This process is being made easier through the voluntary efforts of some in industry who are already printing codes which specify the type of resin used in the product. The Plastics Recycling Assistance Act would require all plastic product manufacturers to code their packages using a uniform national identification system.

While assisting in recycling efforts, the bill also promotes the use of degradable plastics while addressing environmental concerns that degradable plastics interfere with some recycling efforts. By requiring that degradables be codes with a distinguishable symbol, recyclers will be able to separate degradables as quickly as they separate vinyl from high density polyethylene. Biodegradable plastics using a corn starch mix play a needed role in waste reduction efforts, including acting as a vital component of a yard waste composting program at Urbana, IL, in my district.

Degradables are not the complete answer to solid waste problems, but they do have a role to play which must not be stifled.

Finally, the Plastics Recycling Assistance Act looks to the future. It requires the Environmental Protection Agency to do a thorough study of the prospects of using advanced technologies for recycling separation of all solid waste materials. As America looks ahead in fighting the crisis which continues to develop in solid waste disposal, we must recognize that we will not maximize recycling by asking every citizen to maintain separate waste disposal bins for each recyclable commodity.

Along with helping promote recyclable product markets, a workable system of waste separation which makes recycling economical must be developed.

I would like to thank the original cosponsors of this legislation for their support and applaud them for backing a better environment. Mr. BLILEY, Mr. SLATTERY, Mr. TAUKE, Mr. RICHARDSON, Mr. TAUZIN, Mr. FIELDS, Mr. SCHAEFER, Mr. MCMILLAN of North Carolina, and Mr. ROWLAND of Georgia have all dedicated a great amount of time to writing environmental legislation and I appreciate their recognition of the importance of moving forward with this legislation.

FAIRNESS TO FEDERAL AND POSTAL WORKERS AND RETIREES

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. HAYES of Illinois. Mr. Speaker, according to sources close to the budget summit, the news for Federal and postal employees and retirees is quite gloomy. Mr. Speaker, I am cognizant that we all will have to tighten our belts in the years to come, however, the burden of budget cuts should be shared equally across the board.

Since the early 1980's, we have found it very easy to slash the wages and benefits of Federal and postal employees and retirees. Over the past 10 years, Federal workers benefits have been cut disproportionately as compared to other sectors of the Federal budget. According to a draft document circulated by the House leadership, $3.8 billion in cuts are slated for Federal employee pay and benefit programs. The aforementioned annual reductions would result in a savings of $37.3 billion over a 5-year period. According to summit negotiators, budget cuts would be made in the following areas: The lump sum payment to Federal retirees would be eliminated, cost-of-living allowances for Federal employees would be frozen in 1991 and the formula for its calculation would be restructured, cost-of-living payments for military retirees who retire before age 62 are slated to be eliminated and $400 million per year will be cut from the Federal employees health benefit program.

Again, Mr. Speaker, I call on those participating in the budget summit to give all due consideration to the plight of Federal and postal workers and retirees. Undue and unfair cuts in pay and benefits for our Federal workforce will surely bode terribly on worker morale and product quality. We need a strong and confident Federal work force to shoulder many of the challenging Federal tasks that we are due in the years to come.

HOUSE INTERIOR COMMITTEE TO CONSIDER HISTORIC BILL ON PUERTO RICO

HON. JAIME B. FUSTER

OF PUERTO RICO

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. FUSTER. Mr. Speaker, this week the full Committee on Interior and Insular Affairs will consider a historic bill that deals with the ultimate political status of Puerto Rico. As you know, I have frequently informed my colleagues about issues concerning the proposed political status plebiscite in Puerto Rico next year among the choices of statehood, independence or an enhancement of the existing commonwealth status, which I favor.

Now, the House is positioning itself to act on plebiscite legislation following more than a year of committee action in both bodies. The House Subcommittee on Insular and International Affairs marked up H.R. 4765, the Puerto Rico Self-Determination Act, on August 3, and I anticipate that the full Committee on Interior and Insular Affairs will follow suit this week.

With that in mind, I would like to share with my colleagues the opening statement I made at the subcommittee markup on August 3 as they consider legislation which is of historic importance to the 3.6 million American citizens of Puerto Rico.

OPENING STATEMENT BY HON. JAIME B. FUSTER AT MARKUP OF HOUSE INSULAR AND INTERNATIONAL AFFAIRS SUBCOMMITTEE

Mr. Chairman and my distinguished colleagues:

What we are marking up today may well become a unique milestone in the development of the Puerto Rican people. It has the potential of making this day a very historic date. It may be so important that it brings to mind an experience I had 38 years ago when I was just a boy about to enter the seventh grade. At that time I was living in a town on the south coast of Puerto Rico when my grandfather came to pick up my parents to make a long trip—in those days, a very long trip—over the steep mountains, with just two-lane roads, to the capital city of San Juan.

My grandfather was a humble man who had grown up experiencing the gloom and hopelessness that was commonplace in Puerto Rico during the first 40 years of this century. His generation had indignantly endured appalling circumstances; they had bitterly experienced the vote-buying and other social, economic and political abuses of the large absentee corporations that then exerted so powerful an influence in an impoverished American colony which was known as "the poorhouse of the Caribbean."

My grandfather had been a founder of a new political party that in 1940 had begun as a major instrument of comprehensive reform. And on that day 38 years ago when he came to pick up my parents, he was very enthusiastic. He was filled with joyous anticipation because on that day, the leader of that new party, Luis Munoz Marin, was going to raise the Puerto Rican flag for the first time ever over the historic El Morro fortress in San Juan. The date was July 25th, 1952.

The distinguished Puerto Rican diplomat and scholar, Dr. Arturo Morales Carrion, who went on to become Assistant Secretary of State for Inter-American Affairs in the Kennedy Administration, has noted that on that day Puerto Rico achieved a major breakthrough in political development. He has said that future generations would have trouble understanding the really profound psychological uplift experienced by Puerto Ricans in 1952 when they established a right to their own anthem and their own flag. It was a great, deep emotional experience when Munoz raised the Puerto Rican flag officially side by side with the American flag at the 450-year-old fortress that so impressively guards the entrance to the harbor of Old San Juan.

Mr. Chairman, the bill we are about to mark up today seeks to pave the way for another such breakthrough in Puerto Rican history. What this bill, the Puerto Rico Self-Determination Act, will do is to authorize us to hold a plebiscite with the expectation that it will put to rest the agonizing and debilitating status debate that has absorbed so many of our creative energies for decades now. The obvious intent of the bill is to get under way a self-determination process that will end once and for all any claim that any relationship between Puerto Rico and the United States is colonial in nature. As some of my colleagues know, previous Congresses have dealt with this matter, and Puerto Rico itself held its own plebiscite in 1967, but this is the first time that all major parties in Puerto Rico have joined in a common effort to obtain a federally authorized plebiscite to enable the people of Puerto Rico validly to exercise self-determination, with a Congressional commitment to implement the winning option.

Mr. Chairman, the bill in our Chamber is not all we would have liked to see. It is not drafted in the clear and compelling language that scholars or jurists might have used. But as you, Mr. Chairman, have said on so many occasions, the bill is one that has a realistic chance of becoming law. Given the many different parties involved, the difficult and contentious nature of the matters addressed in the bill, and other well known Congressional constraints, to get a bill that can be enacted, it was necessary to forego some of the precision and legislative refinements that some of us would have preferred. However, imperfect as it is, the bill does have the elements needed to set in motion a process of self-determination. It has the potential to open up a path, to muster a will that in time could bring about transcendental changes in Puerto Rico. As I said earlier, that clear intent of the bill is to provide for a valid and meaningful mechanism for the people of Puerto Rico freely and legitimately to exercise their right to self-determination.

Through a legally binding reference to the Report that accompanies the bill, it provides specific definitions of each of the three options to be presented to the people of Puerto Rico, clearly and detailed enough to allow for an intelligent vote; the options presented to the people are of equal dignity, fairly balanced and free from colonial taint.

It also contains a commitment from Congress to act on implementing the result of the plebiscite. It is important to note that at this stage that the core principles of the New Commonwealth will be treated equally with the core principles of statehood or independence. The plebiscite won't be about a

wish list nor will it be a popularity contest because the bill is binding enough to make us confident that Congress will implement whatever option is chosen by the majority of the people of Puerto Rico. Self-determination requires no less. The people of Puerto Rico deserves no less.

Thus, Mr. Chairman, the bill we are considering today is certainly a starting point for a process of self-determination.

Mr. Chairman, this bill has been the product of the tireless and relentless efforts of many persons. In the past two weeks alone, hundreds of hours of work and negotiations have gone into it, including all of Wednesday night and last night and most of this morning, when some of us were still working on it.

I want to end my remarks today by acknowledging, Mr. Chairman, your own untiring efforts in support of this bill despite your other official responsibilities and despite your recent illness. We are glad to see you back in the Chairman's chair. I also want to make a special acknowledgement to Governor Rafael Hernandez Colon, not only because he began the process leading up to this bill but also because through his remarkably strong perseverance he has obtained not only a good definition for a New Commonwealth but also the strongest Congressional commitment to honor any result of the plebiscite that is possible at this time.

OREGON SCHOOLS RECOGNIZED FOR EXCELLENCE IN EDUCATION

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. WYDEN. Mr. Speaker, it gives me great pleasure to recognize five Oregon schools for being designated 1989-90 Blue Ribbon Schools: Our Lady of the Lake in Lake Oswego; Gilbert Park Elementary School in Portland; Chapman, Elementary School in Portland; Tualatin Elementary School in Tualatin; and Walker Middle School in Salem-Keizer. President Bush is recognizing the award recipients in a Rose Garden ceremony today.

Lauro F. Cavazos, U.S. Secretary of Education, announced on May 10 that 221 public and private elementary schools were chosen for demonstrating outstanding quality in education throughout their curriculums. Also known as the School Recognition Program, the award is a national school improvement strategy. It identifies and draws attention to schools that provide an outstanding educational environment.

Schools were chosen from 45 States, the District of Columbia, Puerto Rico, and West Germany. The program looks indepth at the quality of Education—not just in the classroom but also the support the parents and community offer. The schools selected demonstrated they were able to meet the needs of both the students and their communities.

To be eligible, schools must meet student criteria in mathematics and reading. Schools are then selected through a series of nominations, interviews, and campus visitations. This year, special attention was given to geography education and the visual and performing arts. Most important, the program seeks to identify schools that will serve as models for others to emulate.

The program is currently in its eighth year. Elementary and secondary schools are honored on alternating years. To this date, almost 2,000 schools have been identified and given national recognition. The diversity of American schools is represented in the ones chosen—for example, both public and private, rural and urban, affluent and impoverished. The Department of Education administers the program and I want to take this opportunity to thank them for their contribution in making this possible.

I hope that my colleagues join in offering congratulations to the 221 1989-90 Blue Ribbon Schools. I hope these schools will serve as models for other education programs in a time when we need to focus our attention on providing quality education for our youths. We must strive for excellence in our education system and we will look to these schools for leadership.

DEFEND HUMAN RIGHTS IN KOSOVO

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

MR. BONIOR. Mr. Speaker, While freedom has swept through Eastern Europe and the Soviet Union, the people of Kosovo are still struggling for democracy.

Kosovo, whose population is 90 percent ethnic Albanian has had its constitutional autonomy greatly restricted over the past year. Peaceful demonstrations for free elections and a release of political prisoners have been answered with bullets, clubs, and tear gas. At least 60 ethnic Albanians have been killed since the crackdown on Kosovo began in March 1989. This July, the Kosovo local government and Albanian language media were suspended, effectively ending autonomy in Kosovo.

Recently 10,000 ethnic Albanians gathered to greet a Senate delegation investigating the human rights situation. They were chanting "freedom!, freedom!" and "U.S.A., U.S.A." In response, riot police forcefully dispersed the crowd with tear gas and billy clubs.

The time has come for the federal Yugoslavian authorities to become actively involved in defending the rights of its ethnic Albanian population. Furthermore, the time has come for the United States to reconsider Yugoslavia's most-favored-nation status until the principles of democracy and freedom are upheld. One member of the delegation visiting Kosovo said, 'I would not give them a penny now. This is another apartheid.'

I have cosponsored House Concurrent Resolution 352, introduced by my distinguished colleague from Michigan, Mr. BROOMFIELD. This resolution calls for a peaceful dialog to end the crises and urges the restoration of autonomy for Kosovo. I urge my colleagues to take a look at this important legislation and become cosponsors.

IN HONOR OF LILLIAN PHILLIPS McKEEL, RECIPIENT OF PRESIDENTIAL AWARD FOR TEACHING EXCELLENCE

HON. WILLIAM F. CLINGER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. CLINGER. Mr. Speaker, it is with great pride and admiration that I rise today to congratulate a teacher from Radio Park Elementary School in my 23d Congressional District in Pennsylvania. Lillian Phillips McKeel, a 25-year veteran in the State College Area School District, is the recipient of the Presidential Award for Excellence in Science and Mathematics Teaching.

This Presidential Awards Program is intended to celebrate and honor demonstrated professionalism, in order to encourage individuals of high quality to enter and remain in the teaching field. Our schools are only as good as the teachers in them, and if America is to keep pace internationally, we must ensure that our children gain the necessary tools to excel. We must strive for excellence within our educational system, and reward it whenever possible. In this way we create role models for all teachers to emulate, while returning distinction the profession so desparately deserves.

Mrs. McKeel's efforts have made her worthy of the status: "role model." She believes in hands-on experience and the necessity of enjoyment to the learning process; it shows in her students. As 9-year old Nathan Corgor will attest, "It's fun to work with scales and beakers." Mrs. McKeel inspires this inquisitiveness in her students, and that is one of the reasons she is being honored.

The Presidential Award includes a $7,500 grant which Mrs. McKeel will use to further improve Radio Park's math and science programs. She has also been invited to Washington in October, along with other recipients, to attend award ceremonies and to receive a Presidential citation.

Mr. Speaker, I commend Lillian Phillips McKeel on her excellence in the teaching profession. Many children's lives are enriched due to her care and understanding. She serves as an inspiration for us all.

CELEBRATE CITIZENSHIP DAY AND CONSTITUTION WEEK

HON. CONSTANCE A. MORELLA

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mrs. MORELLA. Mr. Speaker, each year the President issues a single proclamation desig-

nating September 17, as Citizenship Day and the period beginning September 17 and ending September 23 as Constitution Week. Constitution Week is an observance not only of our freedoms, but of our responsibilities as citizens of the United States. Constitution Week is a legacy representing not only the respect we all share for our governing document, but also our commitment to educate all citizens concerning its history and principles. I urge my colleagues to join me in recognizing Citizenship Day and Constitution Week.

SIKHS WANT OUTRIGHT INDEPENDENCE

HON. DAN BURTON

OF INDIANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. BURTON of Indiania. Mr. Speaker, under the current Indian government of Prime Minister V.P. Singh, 14,000 Sikhs languish in Indian prisons without charge, trial, or access to legal consul. Under the Singh regime, Sikh leaders are tortured, Sikh women and girls raped, and Sikh youth killed in fake encounters. In fact, Justice Ajit Singh Bains, chairman of the Punjab Human Rights Organization, reports that during the last 2 years, over 7,000 Sikh youths have disappeared and are presumed to be killed.

Until the Government of India stops their current repression of the Sikhs and allows international human rights groups, like Amnesty International, to enter the Punjab, then I believe the Sikhs are justified in their struggle for freedom and independence. And for this reason, I have attached for the RECORD an article from the August edition of the Eastern Times, in which Justice Bains describes how the Sikhs have been thoroughly alienated from Hindus. In addition, I am also including an article from India Abroad which tells of the recent call for an independent Sikh state of "Khalistan" by Akali Dal leader Simrajit Singh Mann. I hope all of my colleagues will find time to read these important articles.

SIKHS WANT OUTRIGHT INDEPENDENCE

Justice Ajit Singh Bains, Chairman of the Punjab Human Rights Organization, spoke exclusively to The Easter Times during his recent visit to Washington, where on India's violations of human rights in the Punjab.

Of medium height and turbaned with a flowing grey beard, the elderly former Justice of the Punjab-Haryana High Court spoke solftly and exuded dignity.

According to the jurist, the government of Indian has unleashed state terror on the Sikhs. He detailed that, during the last two years, over 7,000 Sikh youths have disappeared and are presumed to have been killed, some reportedly in thanas and gurdwaras. Their bodies have not been returned to their kin, except in certain cases where some thanas were encircled by furious kinfolk. Bains states that another 14,000 Sikhs are being held in Indian jails.

Most of the security forces deployed in Punjab, according to Bains are from south India and U.P. But Justice Bains said that the Punjab police are worse. They are, exclaimed the former judge, "criminals in uniforn."

Bains identified the 'Brahmia ideology' as India's bane. For too long, he said, India has been in the control of one family which espoused this ideology with "intolerance, narrow-mindedness, and caste-prejudice."

He praised Islam and said that Sikhism, like Islam, abjures caste discrimination, idolatry, and multi-gods. Bains said that Sikhs are thoroughly alienated and a "mental divide" from the Hindus has set in. If a plebiscite takes place in the Punjab, the Sikhs would, by a large majority, opt for independence. He said that, in the event of war, the Sikh nation would not oppose Pakistan.

He said India must respect the will of the Sikhs. He dismissed Indian accusations of Pakistan masterminding the Sikh insurgency.

The former Jurist said that State terrorism has been let loose by the central government. He characterized the mass killings of Sikhs following Mrs. Gandhi's assassination on October 31, 1984, as "planned genocide" with no parallel in Indian history, not even with the massacre ordered on Delhi inhabitants by the Persian conqueror Nadir Shah, in which most of the victims were Muslims. In Delhi, not even Sikh army officers in uniform were spared. Those implicated and identified with the Delhi killings of Sikhs were rewarded with cushy positions.

The Chandigarh-based human rights advocate foresees balkanizing trends in India occurring even in Assam and Tamil states.

He and his human rights group recently went to Kashmir on a fact-finding tour and said that, in the Valley, all want independence. He listed the population in the Vale of Kashmir as 35 lakh (3.5 million), out of which 34 lahk are Muslim. He said that the Sikhs identify and empathize with the Kashmiri Muslims yearning to be free from the Brahmin yoke.

MANN NOW DEMANDS 'KHALISTAN'

(By Akhil Gautam)

CHANDIGARH.—Akali Dal leader Simrajit Singh Mann this week succumbed to threats by underground militants and called for the creation of an independent Sikh state of "Khalistan" through a referendum conducted under the auspices of the United Nations.

Mann, a member of Parliament, who has so far been demanding greater autonomy for Punjab in keeping with the Anantpur Sahib resolution, was clearly under pressure to bow to the more hardline wishes of the militants who had last week criticized him for being "power-hungry." This had forced him into submitting his resignation from his seat in Parliament and presidentship of the Akali Dal (Mann).

In an interview with a national newspaper on Aug. 29, Mann said his formula for a separate Sikh nation would include Sikhs from all parts of the country, who would secede from a "Hindu state" ruled by the "Hindu bigot purbias (easterners)."

Mann, who had so far advocated early polls to the state assembly, seemed to have completely changed his tune by announcing his decision to participate in an election only if it were held under U.N. supervision and not under the supervision of the government.

Following his refusal to participate in any election conducted by the government, there was hardly any political party that wants elections to be held in the state, long being ruled directly by New Delhi.

The Congress Party, the Bhartiya Janata Party and the two communist parties have already said they do not want a poll held unless peace returns to the state.

Mann also said he would purge his part of "undesirable elements." This was a demand by the Panthic Committee that wanted Mann to "weed out undesirable elements" from his 40-member inner group.

MANN'S MOTIVE ANALYZED

Observers here said Mann had calculated that if he was disowned by the militants he would have little to fall back upon in the highly emotive Sikh politics, not to speak of political survival in an atmosphere where the bullet reigns supreme.

Mann's latest pronouncements have put him at par with the outlawed militants as far as the government is concerned.

A stern note from the Home Ministry in New Delhi on Aug. 30 said it was "unfortunate" that Mann had identified himself and his party with the militants and "justified their actions."

"The demand for the right to self-determination for Sikhs, as enunciated by Mann, is completely out of place in the constitutional set-up of the country," the note added.

CONGRATULATIONS TO EMMANUEL LUTHERAN SCHOOL ON SELECTION AS "NATIONAL EXEMPLARY SCHOOL"

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. BUECHNER. Mr. Speaker, each year the Department of Education evaluates hundreds of private schools around our Nation to determine those which merit special recognition for superior performance. Although all of these examined are impressive in their different ways, there are a few which stand out from the rest and qualify for the Department of Education's designation of "exemplary." It is my profound privilege to recognize the Emmanuel Lutheran School from my district which has been selected as a recipient of the designation.

Webster's dictionary defines exemplary as one worthy of model. As we face a truly national crisis in education, we must turn to those schools which are models of educational excellence to learn from their example. In this endeavor, the Emmanuel Lutheran School is worthy of universal emmulation, and I ask you to examine with me the reasons why.

As with any successful school, the primary focus must first be on providing quality education. The Emmanuel School is no exception to this rule. Both administrators and faculty have worked diligently to instill in their children the value of education and the desire to learn. The fulfillment of such a goal is never a singular effort; rather, it requires the concerned attention of everyone. The principal, secretaries, maintenance workers, school nurse, cafeteria

workers, and other staff all merit our sincere thanks. In addition, of particular importance, meriting special recognition, are the teachers. To shape and spur a young mind toward its full potential is seldom an easy job. Teaching is an art, as well as a science. It requires dedication, innovation, sensitivity, and above all else, tenacity. Truly the dedicated teachers at Emmanuel Lutheran School are to be commended for their outstanding efforts.

It is also important to recognize that the goals of a school are not achieved without the active support of parents and others who are active in supporting and participating in school activities. For this reason a large measure of praise must be reserved for each parent without whom the role of the school in providing quality instruction can never be fully achieved.

Lastly, I am sure that each educator would agree that their part in this process is made infinitely simpler because of student's recognition and acceptance of the gift which is being conferred to them. Nothing is more fulfilliilng in education than finding students who are curious and eager to acquire knowledge. To this end, the highest accolades must go to the students of the Emmanuel Lutheran for their hard work, attention to detail, and understanding of what it means to pursue and achieve the educational ideal. By your efforts you have played a major role in earning this award, and the admiration of a proud Nation.

A democracy is made tangible by the participation of an informed and active citizenry. Quality education is the surest way in which this can be achieved, and the continued freedom of our Nation assured. I ask each of my colleagues to join with me in congratulating all those of the Emmanuel Lutheran School who have earned this great honor.

SALUTE TO DAVID O'MALLEY, MOTHER CABRINI SOCIETY 1990 MAN OF THE YEAR

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Monday, September 17, 1990

Mr. ROE. Mr. Speaker, it is with great pride that I rise today to recognize the outstanding achievement of David O'Malley, the Mother Cabrini Society's 1990 Man of the Year. This award is keeping with the tradition of the society's recognition over the years of individuals who have demonstrated exemplary leadership and successful efforts in their personal, business, and/or political lives.

The Paterson branch of the Mother Cabrini Society was organized in 1950 by 11 members to honor the work and memories of the first U.S. citizen saint of Italian descent. The society is closely affiliated with the historical St. Michael's Church in Paterson, as well as the Italian Federation. Over the years the society has contributed to needy causes and has provided aid and assistance to foster the growth and maintenance of the famous Mother Cabrini Chapel, a New City tourist attraction. Groups such as this provide important recognition to those who are active in their community and lead by example. This year's recipient, David O'Malley, is just such an individual.

Mr. O'Malley was raised and educated in my Eighth Congressional District attending Paterson Catholic Regional High School and graduating from William Paterson College in Wayne, NJ. He majored in political science and was awarded a B.S. degree. His education continued at Fairleigh Dickinson University, where he earned a master's degree in public administration in 1982. David then spent several years working as a legislative assistant to the late assemblyman Vincent "Ozzie" Pellecchia. In 1982, he was honored as an outstanding young man of America.

In 1984, David founded Municipal Associates, Inc. [MAI], a successful small business that now employs 11 people. With offices in Clifton and Philadelphia, PA, the firm specializes in construction management and general contracting. He is also a partner in VCO Enterprises, Inc., a utility contracting firm.

Mr. Speaker, Sunday, September 23 will be a festive day in North Haledon, NJ. It is on this day that the Mother Cabrini Ladies Auxiliary will hold their 40th anniversary dinner-dance at the Tides of North Haledon. Forty years of charitable work and community service is the legacy of this fine organization. The society is to be commended for their good deeds and valuable public service.

Mr. Speaker, it is organizations such as the Mother Cabrini Society that enrich our society with their charitable contributions. They have chosen a most worthy individual to receive their highest award. I salute the Mother Cabrini Society for honoring one of our outstanding young Americans, David O'Malley, the Mother Cabrini Society 1990 Man of the Year.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, September 18, 1990, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 19

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD-366

Small Business

To hold hearings to examine the impact on small businesses of proposed legislation regarding estate tax freezes and capital gains.

SR-428A

10:00 a.m.

Banking, Housing, and Urban Affairs

Housing and Urban Affairs Subcommittee

To hold hearings to examine developments in real estate and lending communities, focusing on how they impact on the Real Estate Settlement Procedure Act's prohibition on kickbacks or fees for referrals.

SD-538

Environment and Public Works

Superfund, Ocean and Water Protection Subcommittee

To hold hearings to examine the status of the Superfund cleanup contracting program and its relationship with surety bonding issues.

SD-406

Finance

To hold hearings to examine the scope and effects of foreign influence on U.S. policy decisions on trade and other economic matters.

SD-215

Joint Economic

To hold hearings to review the economic outlook for 1990.

2359 Rayburn Building

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 2674, to provide for the reestablishment of the gray wolf in Yellowstone National Park and the Central Idaho Wilderness Areas.

SD-366

Foreign Relations

East Asian and Pacific Affairs Subcommittee

To hold open and closed hearings on prospects for peace in Cambodia, focusing on an United Nations agreement.

SD-419

SEPTEMBER 20

10:00 a.m.

Commerce, Science, and Transportation

To hold hearings on the nominations of Mary Sterling, of Virginia, to be Inspector General, Department of Transportation, and Gail C. McDonald, of Oklahoma, to be a Member of the Interstate Commerce Commission.

SR-253

10:30 a.m.

Banking, Housing, and Urban Affairs

To hold hearings to examine the deals of the Federal Savings and Loan Insurance Corporation in 1988.

SD-538

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2771, to establish the Vancouver National Historical Reserve in the State of Washington, S. 2802, to establish the Fort Totten National Historical site near Devils Lake, North Dakota, S. 2809 and H.R. 3683, to revise the National Trails System to provide for the study and designation of the Underground Railroad Historical Trail, S. 2818 and H.R. 4834, to provide for a visitor center at Salem Maritime National Historic Site in the Commonwealth of Massachusetts, and H.R. 5084, to authorize the National Park Service to acquire and manage the Mary McLeod Bethune Council House National Historic Site.
SD-366

Foreign Relations
To hold hearings on the nominations of G. Philip Hughes, of Virginia, to be Ambassador to Barbados, and to serve concurrently to the Commonwealth of Dominica, Saint Lucia, and Saint Vincent and the Grenadines, and George Fleming Jones, of Texas, to be Ambassador to the Co-operative Republic of Guyana.
SD-419

SEPTEMBER 21

9:30 a.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on H.R. 4111, to establish a Strategic Resources Mineral Technology Center to improve existing and develop new technologies on U.S. supplies of strategic and critical materials.
SD-366

10:00 a.m.
Finance
International Trade Subcommittee
To hold hearings to review the final report on the U.S.-Japan Structural Impediments Initiative (SII) talks.
SD-215

Foreign Relations
To hold open and closed hearings on the nomination of Frederick Vreeland, of New York, to be Ambassador to the Union of Burma (Myanmar).
SD-419

SEPTEMBER 25

8:30 a.m.
Office of Technology Assesment
Board meeting, to consider pending business.
EF-100, Capitol

9:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine student loan abuse.
SD-342

10:00 a.m.
Select on Indian Affairs
Business meeting, to mark up S. 2870, to approve the Fort Hall Indian Water Rights Settlement, S. 2895, to provide for the renegotiation of certain leases of the Seneca Nation, and S. 1554, to ratify and implement water settlements involving the Pyramid Lake Paiute Tribe, the States of California and Nevada and other parties regarding the waters of the Truckee and Carson Rivers and Lake Tahoe in Nevada and California; to be followed by a hearing on proposed legislation to establish Wounded Knee Memorial and Historic Site.
SR-485

2:00 p.m.
Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold hearings to review Peace Corps programs in Eastern Europe.
SD-419

SEPTEMBER 26

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.
SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine student loan abuse.
SD-342

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2474, to authorize an exchange of lands in South Dakota and Colorado, S. 2543, the Admiralty Island National Monument Land Management Act, S. 2815, to establish the Kokapelli National Outdoor Theater in the State of Utah, S. 2816, to disclaim all Federal right, title, interest in specified base lands over which the U.S. hold record title, S. 2891, to authorize and direct an exchange of lands in Colorado, H.R. 2566, to disclaim any interests of the U.S. in certain lands on San Juan Island, Washington, and H.R. 3888, to allow a certain parcel of land in Rockingham County, Virginia to be used for a child care center.
SD-366

Foreign Relations
To hold hearings on the nominations of Richard C. Brown, of Maryland, to be Ambassador to the Oriental Republic of Uruguay, Eugene L. Scassa, of Virginia, to be Ambassador to Belize, and Michael Martin Skol, of Illinois, to be Ambassador to the Republic of Venezuela.
SD-419

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings to review the United States position in GATT negotiations affecting American manufacturing jobs.
SD-342

SEPTEMBER 27

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings to examine foreign influence in the United States.
SR-253

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2882 and H.R. 3209, to modify the boundaries of the Indiana Dunes National Lakeshore.
SD-366

SEPTEMBER 28

10:00 a.m.
Finance
International Trade Subcommittee
To hold hearings to review progress made on important trade issues between the U.S. and Canada, focusing on subsidies, dispute settlement panels, and general implementation of the Free Trade Agreement and the 1986 Softwood Lumber Memorandum of Understanding.
SD-215

OCTOBER 3

9:30 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings to review the Office of Technology Assessment's report, "Neurotoxicity, Identifying and Controlling Poisons of the Nervous System," and to examine related research and regulatory issues.
SD-406

FEBRUARY 26

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review legislative recommendations of the Disabled American Veterans.
345 Cannon Building

FEBRUARY 28

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, Blinded Veterans Association, Vietnam Veterans of America, Military Order of the Purple Heart, and Non-Commissioned Officers Association.
345 Cannon Building

APRIL 17

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review legislative recommendations of AMVETS, Ex-Prisoners of War, Jewish War Veterans, and World War I Veterans.
345 Cannon Building

CANCELLATIONS

SEPTEMBER 18

9:30 a.m.
Rules and Administration
Business meeting, to mark up S. 2522, to

require Congress to purchase recycled paper and paper products to the greatest extent practicable, S. 2758, to provide additional membership on the Library of Congress Trust Fund Board, H. Con. Res. 338, authorizing printing of the proceedings of the bicentennial research conference entitled "Understanding Congress," and other pending calendar business.

SR-301

POSTPONEMENTS

SEPTEMBER 19

9:30 a.m.

Governmental Affairs

To hold hearings on S. 2840, to improve the management of the Federal government by establishing a Deputy Director for Management and a Chief Financial Officer of the United States in the Office of Management and Budget.

SD-342

SENATE—*Tuesday, September 18, 1990*

(Legislative day of Monday, September 10, 1990)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable CHARLES S. ROBB, a Senator from the State of Virginia.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

If my people, which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways; then will I hear from heaven, and will forgive their sin, and will heal their land.—II Chronicles 7:14.

God of Abraham, Isaac, and Israel, as devout Jews all over the world light the first candle tomorrow evening, beginning 10 days of penitence in preparation for Yom Kippur, we thank Thee for the divine assurance of forgiveness and healing. At this critical time in our history we recall how President Lincoln, during an explosive period in the Nation, called for a day of national humiliation, repentance, and prayer. Put upon the hearts of all people at this momentous moment the need for penitence, that all may join the Jews in a time of repentance, looking for forgiveness and the healing of our land.

We pray in Jesus' name who fulfilled the promise of the Father. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 18, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable CHARLES S. ROBB, a Senator from the State of Virginia, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. ROBB thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

Mr. MITCHELL. This morning the time for the two leaders is reserved for their use later today.

SCHEDULE

Mr. MITCHELL. Mr. President, there will be a period for morning business, to commence shortly, not to extend beyond 10:30 a.m. in which Senators may speak for up to 5 minutes each.

At 10:30 there will be 2 hours of debate on the Pryor or Metzenbaum second-degree amendment to the Hatch first-degree amendment to S. 1511, the age discrimination bill, with the time equally controlled and divided in the usual form. Once that time is used or, in other words, at about 12:30 p.m., the Senate will stand in recess until 2:15 p.m. to accommodate the respective party conferences.

When the Senate reconvenes at 2:15 p.m., there will be 10 minutes of debate on the executive calendar treaties with a rollcall vote on those treaties to occur at approximately 2:25 p.m. Upon the conclusion of that vote, the Senate will vote then on the Pryor or Metzenbaum second-degree amendment to the Hatch amendment and, following that, the Senate will vote on the Hatch amendment, as amended, if it is amended.

Once the Hatch amendment has been disposed of, the Senate will return to consideration of the D.C. appropriations bill, with 1 hour for debate on the Coats second-degree amendment to the Nickles amendment to the D.C. appropriations bill, with a vote to occur upon the use or yielding back of that 1 hour on the Coats amendment. That will then be followed by adoption of the Nickles amendment as amended, if amended, and that will be followed by a vote on final passage of the D.C. appropriations bill.

After that, the Senate will return to consideration of the age discrimination bill.

Mr. President, I see no other Senators seeking recognition at this time.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. All time for the majority leader and the Republican leader is reserved, under the previous order. There will now be a period for the transaction of morning business not to extend beyond 10:30 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. LIEBERMAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

OIL PRICES

Mr. LIEBERMAN. Mr. President, the more we learn about oil prices in the wake of Iraq's invasion of Kuwait, the more we realize how much the American public was taken advantage of by the big oil companies.

This chart clearly shows how wrong the oil companies are when they say the price of gasoline at the pump is merely tracking, or reflecting, the price of oil and gas on the spot market. Spot prices have swung up and down in the weeks since the Iraqi invasion. Retail prices went up, and stayed up. There is no relationship between the highs and lows of spot prices and the price at the pump. We, the consumers, are paying much higher prices for gasoline, period.

And at the root of the problem is the fact that there has been no real shortage of gasoline to justify any price increase at the pump. There is so much gasoline being produced in America that the big oil companies are selling millions of barrels to the Europeans. If the free market were at work, an excess of supply would lower prices, especially with demand falling as summer comes to an end. But there is not a free market for oil. The big oil companies are selling so much gas to Europe that there is a danger we will end up with real shortages of gasoline here in America later this year. That might be just fine for the oil companies, who would then take advantage of that shortage to raise prices even higher. It is clear to me that the oil companies must cut back on their ex-

ports of gasoline to Europe, lest we end up with gas shortages here at home. If the oil companies do not act to reduce gas exports, Government may have to step in to make it happen.

There is also, at present, no shortage of crude oil. In fact, as the New York Times points out this morning, "at the time of the Iraqi invasion, several weeks of oil shipments from Iraq and Kuwait are at sea, and they have yet to be delivered." So the real cutbacks in crude oil deliveries have not yet happened. That proves that the price increases felt by consumers at the pump are due to speculative fever on the oil markets, fueled by the desire of the oil companies to profiteer at the public's expense.

The budget summiteers are struggling to find ways to reduce the deficit and stimulate economic growth. But while they are out at Andrews Air Force Base debating nickel and dime tax increases and incentives for growth, the oil industry has enacted its own $85 billion gas tax on the American public. That has a severe effect on our economy, and it must be dealt with, or a deep recession is sure to come. That not only is a terrible burden on individual consumers and American businesses as they keep their vehicles going and prepare to heat their homes during the winter, it is a body blow to the American economy.

Today two economic indicators have been reported for the last month and they show how severely oil industry profiteering is hurting our economy. The Consumer Price Index went up last month by eight-tenths of 1 percentage point. That is double the rate of increase during the preceding month, and if annualized brings us close to double-digit inflation and that has the effect on our economy of bringing about higher interest rates.

The reality is that we need lower interest rates to stimulate economic growth, particularly in regions of this country such as my own where growth is lagging and we are effectively in a recession. So we have oil price increasing, raising the rate of inflation, leading to increases in interest rates which in my opinion will spin us even further and deeper into a prolonged recession.

Second, the new figures are out for the trade deficit and as would be expected the trade deficit for the preceding month went up dramatically because of increase in oil and gas prices.

So, Mr. President, oil industry profiteering makes us angry. It should, but I want to suggest to my colleagues here on floor this morning that it is not just a question of profiteering by the oil industry affecting individual consumers and businesses. This profiteering is sending our economy into a recession and it is going to hurt all of America, and it is time for Government to act to stop this from happening.

I have proposed an anti-oil price gouging law. I think that is part of the response. But I also believe it is critically important now for the President to tap into the strategic petroleum reserve. We have spent more than $15 billion of taxpayer money to store up nearly 600 million barrels of oil in that reserve. I think it is time to start using that to stabilize gas prices and home heating oil prices for this winter and thereby to get our economy back on track.

We could start by using the roughly 50,000 barrels of oil a day that we put into the strategic reserve and work up from there, adding perhaps an additional 150,000 barrels a day to the market. In concert with increased production and the use of other nations' strategic reserves, it would demonstrate an international willingness to ensure a steady oil supply and it would help ease the artificial volatility in the oil markets that has been an excuse for the oil industry to raise prices and threaten our economy.

Some in the administration are hesitant to tap the reserve because they do not see a real shortage of oil. There are two answers to that concern. One is that real shortages may be on the way, and it is better to calm the markets before those shortages drive prices even higher than they are now. The second is that speculation and profiteering have caused gas prices to act as if there were a shortage of oil. Whether or not there is a justification for gas price increases, and whether or not there is a real shortage of oil, higher prices exist at the pump, and that is having an undeniably negative impact on consumers and on our economy.

I urge the President to set in motion plans to tap the strategic petroleum reserve in concert with our allies. I urge my colleagues to join with me in encouraging the President to take that action; perhaps we can join in support of a sense of the Senate resolution to that effect. Tapping the strategic petroleum reserve will have a number of beneficial effects:

It would calm the jittery oil markets, making them stable and predictable;

It would reduce the profiteering that is going on now by removing the impact of real or imagined shortages of oil on gas prices;

It would give much-needed relief to our economy at a time when we are on the edge of recession;

It would protect against real shortages of gasoline or heating oil that could occur later this year because of oil companies selling gasoline to the Europeans or because of cold winter weather or other market disruptions;

It would give the President greater freedom to use all options available to him in confronting the Persian Gulf crisis. By tapping the strategic petroleum reserve, the President would not have to worry as much about disastrous economic consequences here in America if military force becomes necessary in the Persian Gulf; and

It would be a powerful signal to Saddam Hussein that the world community is serious, that we are in it for the long haul, and that we are prepared to draw on our resources to combat his aggression without doing damage to our own people or economies.

When the International Energy Agency meets next week in Paris, I hope our representatives will go there with the intention of working out an agreement to begin the tapping of strategic petroleum reserves around the world. Such an action could signal the beginning of the end of rising gas prices and economic instability, at home, and abroad.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Chair recognizes the Senator from Alabama [Mr. HEFLIN].

DROUGHT

Mr. HEFLIN. Mr. President, in my State and in a number of other States there have been severe drought conditions which in my judgment necessitate action on the part of the Congress and the President relative to giving some form of relief to those farmers that have suffered as a result of the drought.

There are other weather conditions that farmers are suffering from. In the planting season many areas had too much water. Senator BENTSEN introduced a bill pertaining to disaster as a result of Texas farmers having too much rain and suffering as a result of too much water.

In my State we had a similar situation in regards to the planting season with too much water and then a different situation developed, a situation development relative to the fact that we had no rainfall for many, many weeks and we had extreme heat. This caused the farmers a great deal of problems relative to their crops. It is my understanding that there were a number of States in addition to Alabama and Texas that suffered. South Carolina suffered a major disaster relative to their fruit trees, and this may be true in some of the other areas close to South Carolina.

Now the heat and the lack of rainfall has caused severe problems to exist relative to planting in regards to harvest in certain sections of Arkansas and Mississippi. I have talked with Senators from the upper Midwest, and I understand that North Dakota has had severe drought conditions. This all motivated me to introduce S. 3030,

which is the disaster assistance bill of 1990.

Since that time, I have been asked to have the following cosponsors added: Senator FOWLER, Senator MCCONNELL, Senator PRYOR, Senator SHELBY, Senator CONRAD, and Senator HOLLINGS.

I ask unanimous consent that their names be added as cosponsors to S. 3030.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. HEFLIN. Mr. President, to sort of give you a flavor of what has happened, I received a number of communications relative to the drought and the disaster that the farmers in my State are suffering; one particular one from a farmer by the name of Hood Harris, Jr., Courtland, AL. Courtland is a small town in the Tennessee Valley area of Alabama. I would like to read a portion from his letter:

Although the weather bureau records show above average rainfall for the first six months, the majority of the rain occurred in the first four months. This fact, combined with the extreme heat has taken a great toll on the crops and livestock provided in this area. I am enclosing a weather summary for our area that I obtained from the Tennessee Valley Substation in Belle Mina. This summary will show the extreme and prolonged heat and drought we have suffered. Senator, there are a lot of crops that are worse this year than they were in 1988 or 1989 when we had a disaster program.

The President speaks of helping countries whose economies have been hurt by the Middle East crisis. Well, Senator, the drought we have suffered this summer, combined with the doubling of fuel prices caused by the problems in the Middle East, will mean financial ruin for a number of farmers unless we have a disaster program like the ones Congress authorized in 1988-1989.

Mr. President, I think Congress should act in this regard. There are some provisions dealing with disasters that are in existing law. The Secretary of Agriculture has not yet seen fit to exercise his discretion and make those provisions of existing law available to the farmers. I call upon him again in regards to this to make available all disaster assistance that is presently on the statute books. However, I do not feel that that is adequate, and I feel that we must move forward and pass a disaster assistance bill for this year of 1990.

Mr. President, I ask unanimous consent that the letter of Hood Harris, Jr., that I quoted just a few minutes ago be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

HARRIS & HARRIS FARMS,
Courtland, AL, September 4, 1990.

Senator HOWELL HEFLIN,
U.S. Senate, Washington, DC.

DEAR SENATOR HEFLIN: I am writing to you about a matter that is of great concern to me. I am sure you are aware of the extreme heat and drought that has hit a good portion of Alabama the past eight weeks. Although the weather bureau records show above average rainfall for the first six months, the majority of the rain occurred in the first four months. This fact, combined with the extreme heat has taken a great toll on the crops and livestock provided in this area. I am enclosing a weather summary for our area that I obtained from the Tennessee Valley Substation in Belle Mina. This summary will show the extreme and prolonged heat and drought we have suffered. Senator, there are a lot of crops that are worse this year than they were in 1988 or 1989 when we had a disaster program.

The President speaks of helping countries whose economies have been hurt by the Middle East crisis. Well, Senator, the drought we have suffered this summer, combined with the doubling of fuel prices caused by the problems in the Middle East, will mean financial ruin for a number of farmers unless we have a disaster program like the ones Congress authorized in 1988-1989.

Senator, I am sure you will try to get a disaster program through Congress as you have always been a good friend to the farmers of Alabama and the nation. I wish you great success in your campaign.

Sincerely,

HOOD HARRIS, Jr.

MONTHLY WEATHER DATA SUMMARY

[Station: TVS, Field: HELP90. Range: July 8 to August 30]

Julian date	Calendar date	Solar radiation	Temperature			DD60		Rain		Wind
			Maximum	Minimum	Average	Daily	Cum	Daily	Cum	
July (24 days):										
189	July 8	523	[1] 100	73	86.5	26.5	26.5	0	0	33.46
190	July 9	259	89	72	80.5	20.5	47.0	.13	.13	55.77
191	July 10	450	94	71	82.5	22.5	69.5	0	.13	45.49
192	July 11	492	95	68	81.5	21.5	91.0	.85	.98	61.07
193	July 12	384	88	69	78.5	18.5	109.5	.48	1.46	84.30
194	July 13	245	76	67	71.5	11.5	121.0	.32	1.78	38.01
195	July 14	460	79	64	71.5	11.5	132.5	0	1.78	63.63
196	July 15	642	81	[2] 60	70.5	10.5	143.0	0	1.78	32.46
197	July 16	617	85	62	73.5	13.5	156.5	0	1.78	29.98
198	July 17	427	85	64	74.5	14.5	171.0	0	1.78	44.94
199	July 18	442	89	70	79.5	19.5	190.5	0	1.78	34.81
200	July 19	502	89	68	78.5	18.5	209.0	.04	1.82	46.13
201	July 20	518	89	69	79.0	19.0	228.0	0	1.82	52.07
202	July 21	477	92	70	81.0	21.0	249.0	0	1.82	68.93
203	July 22	486	89	69	79.0	19.0	268.0	0	1.82	70.80
204	July 23	421	83	70	76.5	16.5	284.5	0	1.82	67.87
205	July 24	566	87	68	77.5	17.5	302.0	0	1.82	84.50
206	July 25	621	87	65	76.0	16.0	318.0	0	1.82	72.20
207	July 26	595	91	65	78.0	18.0	336.0	0	1.82	38.73
208	July 27	560	91	68	79.5	19.5	355.5	0	1.82	29.35
209	July 28	611	92	67	79.5	19.5	375.0	0	1.82	26.04
210	July 29	619	93	65	79.0	19.0	394.0	0	1.82	24.33
211	July 30	418	94	67	80.5	20.5	414.5	0	1.82	49.37
212	July 31	456	92	67	79.5	19.5	434.0	.02	1.84	45.69
Total						434.0		1.84		
Average		491.3	88.7	67.4	78.1	18.1		.08		50.00
August (30 days):										
213	Aug. 1	544	91	71	81.0	21.0	455.0	0	1.84	76.10
214	Aug. 2	322	86	69	77.5	17.5	472.5	.03	1.87	38.15
215	Aug. 3	586	93	66	79.5	19.5	492.0	0	1.87	32.79
216	Aug. 4	460	96	70	83.0	23.0	515.0	0	1.87	53.99
217	Aug. 5	519	91	70	80.5	20.5	535.5	0	1.87	112.20
218	Aug. 6	499	89	64	76.5	16.5	552.0	0	1.87	138.10
219	Aug. 7	592	82	[2] 58	70.0	10.0	562.0	0	1.87	164.80
220	Aug. 8	555	86	62	74.0	14.0	576.0	0	1.87	75.70
221	Aug. 9	524	90	63	76.5	16.5	592.5	0	1.87	73.20
222	Aug. 10	483	89	64	76.5	16.5	609.0	0	1.87	40.90
223	Aug. 11	483	92	67	79.5	19.5	628.5	0	1.87	41.64
224	Aug. 12	543	96	65	80.5	20.5	649.0	0	1.87	57.11
225	Aug. 13	449	91	64	77.5	17.5	666.5	0	1.87	69.53
226	Aug. 14	487	94	71	82.5	22.5	689.0	0	1.87	56.66
227	Aug. 15	472	92	69	80.5	20.5	709.5	0	1.87	71.80
228	Aug. 16	515	95	66	80.5	20.5	730.0	0	1.87	41.90

MONTHLY WEATHER DATA SUMMARY—Continued

[Station: TVS, Field: HELP90. Range: July 8 to August 30]

Julian date	Calendar date	Solar radiation	Temperature			DD60		Rain		
			Maximum	Minimum	Average	Daily	Cum	Daily	Cum	Wind
229	Aug. 17	529	98	67	82.5	22.5	752.5	0	1.87	38.54
230	Aug. 18	516	99	71	85.0	25.0	777.5	0	1.87	43.01
231	Aug. 19	528	101	71	86.0	26.0	803.5	0	1.87	37.58
232	Aug. 20	416	100	72	86.0	26.0	829.5	0	1.87	37.26
233	Aug. 21	369	95	72	83.5	23.5	853.0	.01	1.88	49.53
234	Aug. 22	417	91	69	80.0	20.0	873.0	0	1.88	73.50
235	Aug. 23	420	88	67	77.5	17.5	890.5	0	1.88	57.87
236	Aug. 24	520	91	67	79.0	19.0	909.5	0	1.88	69.57
237	Aug. 25	554	98	63	80.5	20.5	930.5	0	1.88	34.47
238	Aug. 26	519	99	70	84.5	24.5	954.5	0	1.88	29.91
239	Aug. 27	504	100	70	85.0	25.0	979.5	0	1.88	28.41
240	Aug. 28	475	102	71	86.5	26.5	1006.0	0	1.88	33.04
241	Aug. 29	440	[1] 103	69	86.0	26.0	1032.0	.24	2.12	76.40
242	Aug. 30	524	92	69	80.5	20.5	1052.5	0	2.12	88.00
Total						618.5		.28		
Average		492.1	93.7	67.6	80.6	20.6		.01		61.36

[1] Highest temperature.
[2] Lowest temperature.

Mr. HEFLIN. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The absence of a quorum has been suggested. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I ask unanimous consent that I may be permitted to speak until I complete my remarks, notwithstanding the 5-minute limitation and that morning business may be accordingly extended.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD. Mr. President, I believe that my remarks will probably take no longer than 15 minutes.

DRAWING A LINE FOR DECENCY AND TASTE

Mr. BYRD. Mr. President, like most men and women of my generation, I am not too jaded to marvel still at the miracle of television.

As a young boy growing up in southern West Virginia, I can yet remember listening on an old Atwater-Kent radio to the crackling sound of a long-distant radio program broadcast and considering that in itself to be a wonder.

Never did I imagine that I would witness in my own home clear, brilliant-colored pictures that were being almost instantaneously generated thousands of miles away—pictures and words coming directly through the air from London, Moscow, Beijing, Tokyo, or Berlin.

Television is indeed a marvel, and because of television's extraordinary nature and potential, I am particularly disturbed by the mediocrity of so much of popular television's program content, by the corrupting quality of so much of television's dialog and story lines, and by the failure of television programming executives at both the major networks and local stations to consider the sensibilities of wide segments of their audience in judging the content of so many of their programs.

I am referring particularly to the omnipresent profanity of speech, sensationalized violence, and semipornographic visualization of so much that is being broadcast over the airways for public consumption.

On most given nights, with a flick of a remote-control device, the living rooms of average American families can be treated to a melange of foul-mouthed brats uttering language for which any stranger entering those same living rooms and uttering that same language would probably be immediately thrown out bodily, and the use of which in any polite company would earn its user a reputation as a boor and a lout.

Likewise, apparently to titillate viewers, action programs, dramas, comedies, and even cartoon shows aimed at preschoolers obliviously resort to gratuitous violence as a continuing staple. The scriptwriters of Hollywood seem to think that the American people are slavering to watch automobiles explode in billows of flame; to see men and women pushed to their deaths from high-rise balconies or mountain cliffs; to witness people cut down in the score by semiautomatic assault weapons; and to watch the mayhem of stabbings, muggings, rapes, assaults, gang fights, and murders.

Those who tune in daily to the soap operas will be served up a movable feast of adultery, explicit sex, white-collar crime, and the glamorization of villains, so generous as to make Mickey Spillain look like Mother Goose.

And has anybody caught the new breed of "standup comics" now so popular on much cable programming and increasingly appearing on network programs?

On the occasion of a recent public celebration of his 83d birthday, comedian Milton Berle was apparently treated to samples of contemporary comics that he found embarrassing to the point of chagrin. Berle commented, "In my day, we knew where to draw the line!"

Much of today's scourge of drug abuse can probably be laid squarely at the feet of television programming.

In the late 1970's and early 1980's popular television comedy and variety shows regularly treated drug use as an inside joke and teased their audiences with drug-touting innuendoes and thinly veiled drug-glorifying anecdotes. The result was to underscore drug abuse as the sophisticated, hip, avant-garde "thing to do." And, in part at least, the ultimate harvest of that scenario is the crop of AIDS babies being born to intravenous drug users, the addiction of thousands of men and women to crack and cocaine, the death of promising athletes like Len Bias from drug overdosing, and the virtual war that we are now conducting against drug kingpins here and abroad.

Television is probably the most powerful and effective means of influencing and swaying public opinion ever discovered and developed by the mind of man.

Through the power of television, millions upon millions of people are persuaded to buy this automobile or that automobile, this or that deodorant, or this or that political candidate.

Are we so naive, then, as to assume that millions of viewers are not being swayed by this constant diet of foul language, debased behavior, outrageous violence, and sexual promiscuity?

In fact, the television audience is like that man who would become immune to the effects of arsenic or snake venom by gradually and con-

tinuously ingesting those poisons over a long span of time. With each dose of vulgarity, profanity, pornography, promiscuity, assault, murder, and other violence, we become less and less uncomfortable with those crimes and vices, until at last our consciences lose the ability to object to them—in others or even in our own behavior.

Should we be surprised to hear 6-year-old children who can swear like the vilest Barbary pirate? Should we be astonished if teenaged boys and girls murder their own mothers and fathers in cold blood? Should we be shocked if bright and promising young men and women in our own neighborhoods wind up as drug abusers and alcoholics, if we learn that the class valedictorian overdosed on cocaine at his graduation party, or that some 16-year-old youngster took a slasher program seriously and butchered his own girl friend while high on drugs?

Again and again, night after night, week after week, models for such behavior and the possibility of these crimes are attractively and seductively presented on the commercial channels on our television dials.

And too often, these hypothetical possibilities are becoming our daily experience or the subject of the stories in our newspapers or on the 6 o'clock news.

In each case, those young people have been programmed—literally and figuratively—by a constant feeding since babyhood on such possibilities. And if the glamorous, sophisticated, polished actors and stars who have been regular visitors in their homes over the years can indulge in these vices with no negative results and no objections from society, then those vices must be acceptable and even desirable practices, right?

Here is one Senator who is today calling the television industry to account for this ongoing corruption of our Nation's cultural and social wells of value and taste.

Some may recall that a generation ago, television programmers were sensitive to the values of their viewers. At one time, criminals were not glamorized on our television screens, cursing and profanity were never uttered over the air, and four-letter-words were never "in." Such themes as drug abuse, homosexuality, and adultery were beyond the pale of family programming.

In the early sixties, Jack Paar's utterance of the letters "W.C." in an anecdote blacked out television screens nationwide in an instant.

Certainly, I am not calling for that degree of self-policing, but I do commend the sensitivity that gave rise to that preemptive action by the network.

My concern in this matter is not the promotion of prudery or the promulgation of ironclad censorship.

My concern is, however, for the future tone of public civility and tastefulness in this country. The crudeness, cursing, profanity, vice, and violence that we tolerate today on our television screens from beautiful actresses, handsome actors, and cute juveniles will be the crudeness, cursing, profanity, vice, and violence that we will be forced to endure in our real lives in the years ahead. By the current tolerance of this diminution of taste and values on television, we are teaching our children that the basest level of human behavior is the norm of life, not an aberration.

Mr. President, I am raising the alarm of disgust with this continued outpouring of trash and junk and vileness from the television industry.

If people want to pay their admission and expose themselves to trash at a movie theater, that is their privilege. If Americans want to buy filth at their neighborhood video stores, that is their prerogative. Indeed, if people want to subscribe to a cable service whose programming is full to overflowing with filth and perversion, that, too, is their privilege.

But the airwaves over which network and local television broadcasting are beamed belong to me and millions of people like me who object to being assaulted by language and depictations of behavior that I would never countenance in my home in the real world.

I appeal, therefore, to the television industry to realize that broadcasting presumes a public trust, and that the poison being regularly spewed out in so much current programming is a violation of the terms of that public trust.

I appeal to producers of television programming in Los Angeles and New York and wherever else to remember that they are shaping public taste and public distaste by their programs. I appeal to the producers of television programming to take responsibility for the society that their choices are subtlely but relentlessly nurturing.

And I appeal to the sponsors of television programming to remember that their public images and reputations are attached to the programs that they pay for, and that they, too, have a responsibility for the impact on society of the pictures and words for which they are shelling out millions of dollars annually.

Mr. President, I may be crying my message in the wilderness, but I believe that we in this Chamber have a responsibility to call attention to those matters in our country that need attention, and I hope that someone will heed my outrage before the medium of television itself is beyond self reform and self correction.

I yield the floor.

APPOINTMENT BY THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the majority leader, pursuant to Public Law 100-448, section 114(b)(1), reappoints William Cresswell, of Mississippi, to serve a 6-year term on the Board of Trustees of the John C. Stennis Center for Public Service Training and Development, effective Octobter 11, 1990.

APPOINTMENT BY THE VICE PRESIDENT

The ACTING PRESIDENT pro tempore. The Chair, on behalf of the Vice President, pursuant to 46 U.S.C. 1295(b), appoints the following Senators to the Board of Visitors of the U.S. Merchant Marine Academy: The Senator from South Carolina [Mr. HOLLINGS], from the Committee on Commerce, Science, and Transportation; the Senator from Louisiana [Mr. BREAUX], from the Committee on Commerce, Science, and Transportation; the Senator from South Dakota [Mr. PRESSLER], from the Committee on Commerce, Science, and Transportation; and the Senator from Alaska [Mr. MURKOWSKI], at large.

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 14 U.S.C. 194(a), appoints the following Senators to the board of Visitors of the U.S. Coast Guard Academy: the Senator from South Carolina [Mr. HOLLINGS], from the Committee on Commerce, Science, and Transportation; the Senator from Missouri [Mr. DANFORTH], from the Committee on Commerce, Science, and Transportation; and the Senator from North Carolina [Mr. HELMS], at large.

Mr. CONRAD addressed the Chair.

The ACTING PRESIDENT pro tempore. Is there objection to the Senate proceeding beyond the hour for morning business?

Mr. CONRAD. Mr. President, I ask unanimous consent that I be able to proceed as in morning business.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator from North Dakota is recognized for up to 5 minutes.

WHEAT CRISIS

Mr. CONRAD. Mr. President, I rise to alert my colleagues to a crisis that is developing in the wheat producing regions of this country. I direct my colleagues' attention to this chart that shows the trend in wheat prices over the last 26 years. If you fit the trend line from 1964 to 1980, there is a trend line of wheat prices rising. If you fit the trend line from 1980 to 1990, what you see is quite a different trend: straight down.

More important, Mr. President, in the last 60 days, the price of wheat is in virtual free fall. It has gone from $3.50 a bushel in my State to $2; $3.50 to $2. And so it was with amazement, Mr. President, and some anger, that I read the response of the Under Secretary of Agriculture when the wheat growers of this country went to him to ask him to do more to sell our wheat in international markets.

Mr. President, let me just read from an article entitled "Wheat Growers Grapple With USDA Top Dog." The wheat growers went to meet with Mr. Crowder, the Under Secretary of Agriculture, and they were criticizing him for failure to use our Export Enhancement Program to sell our wheat across the world.

Last year, they used only 40 percent of the funds available. This year, they are going to use only half of the funds available, and so understandably, with this backdrop of collapsing wheat prices, the wheat growers of this country were concerned. So they went to the person who directs the program, the Under Secretary of Agriculture. Listen to his explanation.

Crowder responded to the criticism by calling in the National Association of Wheat Growers executive vice president, Carl Schwensen. Among other things, Crowder informed Schwensen that the problem of slack wheat sales was not lack of the Export Enhancement Program. He said high wheat prices were to blame. High wheat prices, Mr. President. Wheat prices have collapsed, and apparently the Under Secretary of Agriculture does not know it.

Somebody over at the USDA better let the Under Secretary in on a little secret. Wheat prices are in virtual free fall, and he says the reason we are not getting sales is because wheat prices are too high; $2 a bushel for wheat, Mr. President. That is the lowest price, real price for wheat since the 1930's in this country.

What do these people want? What do they expect of those who produce wheat in this country? Are we to eliminate them from the national economy? That is what they are about. That is the road they are going down.

Mr. President, there is going to be a response and there is going to be an angry response from the heartland of this country because this is intolerable to have the Under Secretary say, "Well, the reason we're not selling any wheat has nothing to do with the fact that we're not using the tools at our disposal. The reason is wheat prices are too high."

What kind of a wheat price does the Under Secretary have in mind; $1.50? It costs $1.47 for fuel in my State today. Are we supposed to get the same for a bushel of wheat? It is an economic disaster, Mr. President, an economic disaster, and the people at USDA have no answers, no program, no solution.

Maybe they ought to look to themselves if they wonder why the price of what is so low: no sales. Maybe it is because they have not used the tools at their disposal. They did not use 60 percent of the Export Enhancement Program money we gave them last year. They have not used half of it this year.

One year ago, the Secretary of Agriculture told Senator DASCHLE and myself that he intended to expand wheat plantings to 105 percent. We told him that would be a serious mistake; do not do it. He went ahead anyway. Within days, the price of wheat had fallen 18 to 20 cents a bushel. That is one action by the Secretary that has contributed to this price weakness.

Second, he drained the food security reserve, dumped those supplies on the marketplace, and again the price of wheat went down. Do my colleagues know what he is doing now? He is filling that reserve not from the marketplace, which would help to stengthen price, but no, from the existing USDA stocks. he has done nothing about the farmer-owned reserve. That is cleaned out, too. No action.

Mr. President, Secretary Yeutter was quoted the other day as saying that he opposes taking more U.S. crop acreage out of production. He said, "Doing so would only help countries that compete with the United States for export sales."

Mr. President, that is a very interesting response. The other day on the floor of this body, Senator DOLE from Kansas proposed legislation requiring a 15-percent set-aside in this country. I said at the time if we just did that, we would, in fact, encourage our competitors to increase their production and, therefore, our producers would be hurt.

So I offered at that time a freestanding bill that said to our competitors, "If we lower our production, but you fail to lower yours, we're coming after your markets with our Export Enhancement Program." Do you know what the position of the Secretary of Agriculture was? He opposed it.

So, on the one hand, he says an increased set-aside will leave us vulnerable to competition and, on the other hand, when somebody stands on this floor and offers a measure to prevent that, he opposes it. Is this Secretary talking out of both sides of his mouth? I do not make that accusation. Let the record speak for itself.

Mr. President, I have just come from a meeting in my State. Every farm organization was called to an emergency meeting—everyone, every major farm organization, every commodity organization involved in grain sales, 22 leaders, Republicans, Democrats, the Governor of the State, the commissioner of agriculture—and we came up with an action plan. We came up with a series of points. We are asking the Secretary to take action now to do something to reverse this drastic decline.

In each and every one of these instances what is the position of USDA? No, no, veto. No, no, veto. That is their answer.

We have an economic crisis, Mr. President, and we are tired of hearing from USDA: There is nothing that will help. There is no plan. There is not one step that they have proposed to do anything about this crisis. When anyone else rises to present a suggestion of what we might do, the answer is, no, no, we will veto. That is not good enough. Frankly, people of my State are fed up, absolutely fed up with USDA and the actions they have taken to contribute to this price decline and their absolute refusal to do one thing to alter what has happened.

Mr. President, we are faced with an economic disaster. What other industry could stand to have the price of its commodity cut from $3.50 a unit to $2.60? What industries could survive? We come to Government and say, "You are in a leadership role, Mr. Secretary. You are the voice of agriculture in this country, Mr. Secretary. Mr. Under Secretary, you run the export enhancement program. You have an obligation to respond, to tell us what can be done, to do something about this crisis." What do we hear? Nothing, an absolute nothing, from this administration.

Mr. President, there are things that can be done. Meeting for 3 hours in Bismarck, ND, with the leaders of the farm organizations, Republicans and Democrats, we quickly reached agreement on a series of steps that could and should be taken by this Secretary to confront this crisis.

I ask unanimous consent to have an article entitled "Farm Leaders Outline Steps for Higher Prices" printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Bismarck (ND) Tribune, Sept. 16, 1990]

FARM LEADERS OUTLINE STEPS FOR HIGHER PRICES

(By Phyllis Mensing)

North Dakota farm leaders said Saturday the federal government must help bolster wheat prices that have plunged dangerously near $2 a bushel.

Gov. George Sinner, who also attended the meeting suggested farm-state governors ask their farmers to hold wheat off the market.

"I'm told by everyone at the meeting today that the hurt is far more widespread than just North Dakota." Sinner said, adding he will discuss his idea with congressmen and other governors.

Sinner said the governors could ask all farmers to keep their wheat until it reaches

a certain price. The embargo would not be mandatory, he said.

Twenty-two farm leaders attended Saturday's breakfast meeting called by Sen. Kent Conrad, D-N.D., to discuss the drop in wheat prices that has followed reports of bumper world harvests.

Conrad said prices have plummeted more than $1.30 per bushel; in the past few months.

Farm leaders agreed with Conrad's proposals asking Agriculture Secretary Clayton Yeutter to:

Increase the export bonus program.

Fill the federal wheat reserve with wheat being sold by farmers instead of farm government reserves.

Increase loan rates to farmers who need money to pay their bills until they can sell their crop.

Open the Farmer-Held Reserve for wheat, with a limit of 15,000 bushels per farmer.

Increase the acreage taken out of production to 20 percent of a farmer's base and pay farmers for at least half of that. The move would be tied to a warning that the U.S. would target the markets of countries, through its export bonus program, if they tried to take advantage of reduced U.S. production.

Ask President Bush for export credits to the Soviet Union. Yeutter has said that will be considered after the Soviet Union codifies its emigration reforms.

Increase grain storage rates for farmers.

Follow a three-year repayment plan for farmers who must repay advances made on their crops during the past two drought years.

Provide humanitarian relief for countries hurt by the Middle East crisis.

Conrad said those steps could increase the wheat price 60 cents to 70 cents per bushel.

North Dakota farmers who have been battling a drought for the past three years now are being offered about $2.20 a bushel for their wheat, at least $1 a bushel less than last year.

Conrad said Yeutter's actions—especially a decision to allow farmers to plant more last year—have contributed to the price decline.

"Most damaging was his decision nearly a year ago to expand base plantings to 105 percent," Conrad said. "There were many of us on Capitol Hill who told him it was a serious mistake, and would only serve to depress prices. And so it has."

In a letter to Kansas Democratic Rep. Dan Glickman last week, Yeutter said increasing the amount of idle land would encourage other countries to plant more, and the U.S. could be forfeiting its market to competitors.

"We're doing all we can to help move U.S. wheat in a sensible way," Yeutter wrote to Glickman.

Conrad and the farm leaders agreed that deeper issues remain.

"In the long run, we need to look at who's controlling the market," said Alan Bergman, president of the North Dakota Farmers Union.

"More than anything, this points out the need for unity in the farm sector," added Monty Burke, who heads the state Farm Bureau.

North Dakota expects to harvest a record 275 million bushels of spring wheat and 104 million bushels of durum, a wheat variety used in pasta, as part of a record U.S. wheat crop of 2.76 billion bushels.

The world wheat crop is projected at about 21.6 billion bushels, the state Wheat Commission said.

But the country may face more trouble if farmers can't make a profit, the governor said.

"The evidence is building very rapidly that we will probably lose more farmers this year than any year previous," Sinner said. "The long-range future is so bleak to many farmers that they are simply saying, "the hell with it."

Mr. CONRAD. Mr. President, we call upon the Secretary to take these specific steps:

Increase the use of the export bonus program. Let us go after those foreign markets. Our competitors are dong it. Are we not ready to fight? We believe America is ready to fight for markets.

Fill the food security reserve from the marketplace instead of taking it from existing stocks;

Increase loan rates to farmers who need money to pay their bills until they can sell their crop at, hopefully, a higher rate;

Open the farmer-held reserve for wheat with a limit of 15,000 bushels a farmer.

Increase the acreage taken out of production to 20 percent of a farmer's base and pay farmers for any set-aside over 10 percent, and tie that to the bill that I was able to pass in the Senate that says to our competitors, "If you try to increase your production while we are reducing ours, we will target you with our export enhancement program." No free lunch. It is time for everyone who is a producer in this world to participate in restoring a reasonable price in the marketplace. No more of the United States acting alone. No more of the United States reducing our production only to see our competitors increase theirs. That is not acceptable. In fact, the Secretary of Agriculture ought to be over in the GATT round telling our competitors that it is time for them to set aside just like we do. It is time for them to take acreage out of production to secure a reasonable price in the marketplace just as we have done.

Mr. President, the group also came to the conclusion that we should take other steps: Ask President Bush for export credits to the Soviet Union; increase grain storage rates for farmers; allow the 3-year repayment for farmers' advance deficiency payments that they owe; and, finally, provide humanitarian relief for countries hurt by the Middle East crisis.

Mr. President, those are steps that would raise the price of wheat 60 to 70 cents a bushel, perhaps even more. They are actions within the power of the Secretary of Agriculture today. No additional authority is needed for most of these actions. He could do these things today.

We are calling on the Secretary of Agriculture to come forward with an action plan. We have provided him the outline. But no response is not acceptable. Blaming the failure to make sales on high wheat prices when wheat prices have collapsed is not acceptable. Saying there is nothing we can do about increasing set-asides and targeting the markets of those who would seek to take advantage of that action is not acceptable, and allowing this collapse to continue is not acceptable.

I urge my colleagues who are from the other wheat-producing parts of this country and others who understand that we are on the brink of an economic disaster to join me in calling on the Secretary of Agriculture to respond. He is, after all, the Secretary of Agriculture. He is supposed to be a spokesman for agriculture. He is not supposed to be the one who designs farm price collapse so those who are engaged in world trade can take advantage of this situation. That is not his role.

Mr. President, we are going to be watching. We are going to be watching in the coming days to see if this Secretary of Agriculture cares about those who produce the products that we consume. Make no mistakes. This is a fundamental test of this administration and this Secretary of Agriculture, and he and this administration will be held to account because peoples' lives hang in the balance.

I thank the Chair and yield the floor.

AMENDMENTS TO VETERANS' AFFAIRS COMMITTEE RULES

Mr. CRANSTON. Mr. President, pursuant to Senate rule XXVI.2, which requires that amendments to committee rules be published in the RECORD, I am hereby submitting for publication the amendments to the rules of the Committee on Veterans' Affairs that the committee adopted on June 28, and, for the information of my colleagues and the public, the rules as so amended.

The amendments and the amended rules follow:

AMENDMENTS TO RULES OF THE COMMITTEE ON VETERANS' AFFAIRS, JUNE 28, 1990

1. Transfer paragraph (h) of Rule I, "Meetings", to the end of Rule V, "Hearings and Hearing Procedures", and redesignate it as paragraph (f) of Rule V.

2. Amend clause (A) of Rule IX, "Naming of Department of Veterans Affairs Facilities"—

(1) by amending subclause (1)—

(A) by inserting "(i)" after "who"; and

(B) by inserting before the semicolon at the end of the following: ", or (ii) was a recipient of the Medal of Honor or, as determined by the Chairman and the Ranking Minority Member, otherwise performed military service of an extraordinarily distinguished character";

(2) by striking out "or" at the end of subclause (2);

(3) by inserting "or" after the semicolon at the end of subclause (3); and

(4) by adding at the end a new subclause as follows:

"(4) an individual who, as determined by the Chairman and Ranking Minority

Member, performed outstanding service for veterans;".

U.S. SENATE

RULES OF PROCEDURE OF THE COMMITTEE ON VETERANS' AFFAIRS

(As amended June 28, 1990)

I. MEETINGS

(a) Unless otherwise ordered, the Committee shall meet on the first Wednesday of each month. The Chairman may, upon proper notice, call such additional meetings as he deems necessary.

(b) Except as provided in subparagraphs (b) and (d) of paragraph 5 of rule XXVI of the Standing Rules of the Senate, meetings of the Committee or a Subcommittee shall be open to the public.

(c) The Chairman of the Committee or of a Subcommittee, or the Vice Chairman in the absence of the Chairman, or the Ranking Majority Member present in the absence of the Vice Chairman, shall preside at all meetings.

(d) No meeting of the Committee or any Subcommittee shall be scheduled except by majority vote of the Committee or by authorization of the Chairman of the Committee.

(e) The Committee shall notify the office designated by the Committee on Rules and Administration of the time, place, and purpose of each meeting. In the event such meeting is canceled, the Committee shall immediately notify such designated office.

(f) Written notice of a Committee meeting, accompanied by an agenda enumerating the items of business to be considered, shall be sent to all Committee members at least 72 hours (not counting Saturdays, Sundays, and Federal holidays) in advance of each meeting. In the event that the giving of such 72-hour notice is prevented by unforeseen requirements or Committee business, the Committee staff shall communicate notice by the quickest appropriate means to members or appropriate staff assistants of members and an agenda shall be furnished prior to the meeting.

(g) Subject to the second sentence of this paragraph, it shall not be in order for the Committee to consider any amendment in the first degree proposed to any measure under consideration by the Committee unless a written copy of such amendment has been delivered to each member of the Committee at least 24 hours before the meeting at which the amendment is to be proposed. This paragraph may be waived by a majority vote of the members and shall apply only when 72-hours written notice has been provided in accordance with paragraph (f).

II. QUORUMS

(a) Subject to the provisions of paragraph (b), six members of the Committee and four members of a Subcommittee shall constitute a quorum for the reporting or approving of any measure or matter or recommendation. Four members of the Committee or Subcommittee shall constitute a quorum for purposes of transacting any other business.

(b) In order to transact any business at a Committee or Subcommittee meeting, at least one member of the minority shall be present. If, at any meeting, business cannot be transacted because of the absence of such a member, the matter shall lay over for a calendar day. If the presence of a minority member is not then obtained, business may be transacted by the appropriate quorum.

(c) One member shall constitute a quorum for the purpose of receiving testimony.

III. VOTING

(a) Votes may be cast by proxy. A proxy may be written or oral, and may be conditioned by personal instructions. A proxy shall be valid only for the day given except that a written proxy may be valid for the period specified therein.

(b) There shall be a complete record kept of all Committee action. Such record shall contain the vote cast by each member of the Committee on any question on which a rollcall vote is requested.

IV. SUBCOMMITTEES

(a) No member of the Committee may serve on more than two Subcommittees. No member of the Committee shall receive assignment to a second Subcommittee until all members of the Committee, in order of seniority, have chosen assignments to one Subcommittee.

(b) The Committee Chairman and the Ranking Minority Member shall be ex officio nonvoting members of each Subcommittee of the Committee.

(c) Subcommittees shall be considered de novo whenever there is a change in Committee Chairmanship and, in such event, Subcommittee seniority shall not necessarily apply.

(d) Should a Subcommittee fail to report back to the Committee on any measure within a reasonable time, the Chairman may withdraw the measure from such Subcommittee and so notify the Committee for its disposition.

V. HEARINGS AND HEARING PROCEDURES

(a) Except as specifically otherwise provided, the rules governing meetings shall govern hearings.

(b) At least 1 week in advance of the date of any hearing, the Committee or a Subcommittee shall undertake, consistent with the provisions of paragraph 4 of rule XXVI of the Standing Rules of the Senate, to make public announcement of the date, place, time, and subject matter of such hearing.

(c) The Committee or a Subcommittee shall require each witness who is scheduled to testify at any hearing to file 40 copies of such witness' testimony with the Committee not later than 48 hours prior to the witness' scheduled appearance unless the Chairman and Ranking Minority Member determine there is good cause for failure to do so.

(d) The presiding officer at any hearing is authorized to limit the time allotted to each witness appearing before the Committee or Subcommittee.

(e) The Chairman, with the concurrence of the Ranking Minority Member of the Committee, is authorized to subpoena the attendance of witnesses and the production of memoranda, documents, records, and any other materials. If the Chairman or a Committee staff member designated by the Chairman has not received from the Ranking Minority Member or a Committee staff member designated by the Ranking Minority Member notice of the Ranking Minority member's nonconcurrence in the subpoena within 48 hours (excluding Saturdays, Sundays, and Federal holidays) of being notified of the Chairman's intention to subpoena attendance or production, the Chairman is authorized following the end of the 48-hour period involved to subpoena the same without the Ranking Minority Member's concurrence. Regardless of whether a subpoena has been concurred in by the Ranking Minority Member, such subpoena may be authorized by vote of the members of the Committee. When the Committee or Chairman authorizes a subpoena, the subpoena may be issued upon the signature of the Chairman or of any other member of the Committee designated by the Chairman.

(f) Witnesses at hearings will be required to give testimony under oath whenever the Chairman or Ranking Minority member deems such to be advisable. At any hearing to confirm a Presidential nomination, the testimony of the nominee and, at the request of any member, any other witness shall be under oath.

VI. MEDIA COVERAGE

Any Committee or Subcommittee meeting or hearing which is open to the public may be covered by television, radio, and print media. Photographers, reporters, and crew members using mechanical recording, filming, or broadcasting devices shall position and use their equipment so as not to interfere with the seating, vision, or hearing of the Committee members or staff or the orderly conduct of the meeting or hearing. The presiding member of the meeting or hearing may for good cause terminate, in whole or in part, the use of such mechanical devices, or take such other action as the circumstances and the orderly conduct of the meeting or hearing may warrant.

VII. GENERAL

All applicable requirements of the Standing Rules of the Senate shall govern the Committee and its Subcommittees.

VIII. PRESIDENTIAL NOMINATIONS

Each Presidential nominee whose nomination is subject to Senate confirmation and referred to this Committee shall submit a statement of his or her background and financial interests, including the financial interests of his or her spouse and of children living in the nominee's household, on a form approved by the Committee which shall be sworn to as to its completeness and accuracy. The Committee form shall be in two parts—

(A) information concerning employment, education, and background of the nominee which generally relates to the position to which the individual is nominated, and which is to be made public; and

(B) information concerning the financial and other background of the nominee, to be made public when the Committee determines that such information bears directly on the nominee's qualifications to hold the position to which the individual is nominated.

Committee action on a nomination, including hearings or a meeting to consider a motion to recommend confirmation, shall not be initiated until at least five days after the nominee submits the form required by this rule unless the Chairman, with the concurrence of the Ranking Minority Member, waives this waiting period.

IX. NAMING OF DEPARTMENT OF VETERANS AFFAIRS FACILITIES

It is the policy of the Committee that no Department of Veterans Affairs facility shall be named after any individual unless—

(A) such individual is deceased and was—

(1) a veteran who (i) was instrumental in the construction or the operation of the facility to be named, or (ii) was a recipient of the Medal of Honor or, as determined by the Chairman and Ranking Minority Member, otherwise performed military service of an extraordinarily distinguished character;

(2) a member of the United States House of Representatives or Senate who had a direct association with such facility;

(3) an Administrator of Veterans' Affairs, a Secretary of Veterans Affairs, a Secretary of Defense or of a service branch, or a military or other Federal civilian official of comparable or higher rank; or

(4) an individual who, as determined by the Chairman and Ranking Minority Member, performed outstanding service for veterans;

(B) each member of the Congressional delegation representing the State in which the designated facility is located has indicated in writing such member's support of the proposal to name such facility after such individual; and

(C) the pertinent State department or chapter of each Congressionally chartered veterans' organization having a national membership of at least 500,000 has indicated in writing its support of such proposal.

X. AMENDMENTS TO THE RULES

The rules of the Committee may be changed, modified, amended, or suspended at any time, provided, however, that no less than a majority of the entire membership so determine at a regular meeting with due notice, or at a meeting specifically called for that purpose. The rules governing quorums for reporting legislative matters shall govern rules changes, modification, amendments, or suspension.

ANTI-WORKER LABOR BILL

Mr. THURMOND. Mr. President, today, I rise to include in the RECORD for the benefit of my colleagues an article by Mr. Robert Thompson entitled "An Anti-Worker Labor Bill." In a nutshell, this article incisively describes the problems posed by the "striker replacement" legislation, S. 2112.

A former chairman of the U.S. Chamber of Commerce and former co-chairman of the Labor Law Reform Task Force in 1977-78, Mr. Thompson is a very able and capable labor law attorney. I commend his article to my colleagues and ask unanimous consent that it be printed in the RECORD immediately following my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal Aug. 31, 1990]

AN ANTI-WORKER LABOR BILL

(By Robert T. Thompson)

When the 101st Congress draws to a close, American business may be faced with new and hostile federal laws and regulations governing the workplace, including those dealing with handicap discrimination, expansion of civil rights litigation, mandated parental leave, federal regulation of child care and Occupational Safety and Health Administration criminal penalties. Active in all of these issues are the leadership and lobbyists of organized labor—which is quietly working on an ambitious legislative agenda.

The last big union legislative push, the labor law reform effort of the late 1970s, met its end in a Senate filibuster. And in the 12 years since then, much has changed for both labor and business. American business has undergone major restructuring since the late 1970s. Labor has not. Unions today are losing members, losing strikes and losing elections. So the labor movement is reverting to the pessimistic and destructive strategy of seeking a legislative bailout as a quick fix to its problems. The labor agenda is burgeoning with initiatives. Unfortunately, many of the pending bills—bills addressing labor or social issues—promote conflict and litigation rather than resolution and conciliation of workplace disputes.

Most advanced until recently has been the anti-dual-shop legislation, which is designed to restructure the construction industry in a form more to the liking of the building and construction trades unions. This legislation would widen union contracts to include what are now open-shop contractors and automatically impose unionization on thousands of nonunion workers without a vote. This year bills that would assist unions in packing the National Labor Relations Board, certifying unions without secret ballots or ensuring "quickie elections" have been introduced in Congress. But by far the most significant piece of labor legislation in the works is the "Striker Replacement Bill," which would outlaw the hiring of permanent replacement workers during labor disputes.

THREAT TO CANDIDATES

The proposal was introduced this year by Rep. William Clay (D., Mo.) and Sen. Howard Metzenbaum (D., Ohio) amid claims that the strike weapon is currently ineffective. Unions assert that there is no meaningful right to strike when employers are permitted to replace strikers permanently. The legislation would prohibit employers from hiring permanent replacements and prevent strikers who want to return to work from receiving any form of preference after the labor dispute.

Some have argued the legislation is not likely to become law in this congress. But it retains important advocates. Teamsters President and AFL-CIO Vice-President William McCarthy, for example, has said unions will not contribute to fall candidates who oppose the legislation in this fall's election. The second House hearing of the bill—there has been one in the Senate—is scheduled for Sept. 19. If the bill fails to become law this year unions say the issue is certain to be the highest priority item for labor in the 102nd Congress.

Although an emotional grabber, the striker replacement legislation is devoid of merit, and is hostile to business, American competitiveness and the individual worker. The honest answer to the complaint about strikers losing their jobs is that workers knowingly assumed such a risk when they choose to engage in economic warfare against their employers. Since the origins of a federal labor policy, the law has recognized two parallel rights: A worker's right to strike and an employee's right to stay open during a strike by hiring permanent replacement workers.

Unions claim that President Reagan's firing of the air traffic controllers taught management that it could get away with resisting labor's demands. It is far more truthful to recognize that foreign competition and consumer demands compel management to take hard bargaining positions. American management can often no longer afford to shut down their companies' operations during strikes. It is disingenuous to point to President Reagan as the reason that the consuming public no longer has patience for union self-help tactics. Nor is it logical for labor to denounce replacement workers who are enticed by high salaries (as much as $38,000 in one case) from which the union members walk away.

The simple, underlying motivation of the Striker Replacement legislation is power—union power. The bill would take away what is frequently an employer's only defense against unreasonable union bargaining demands. If a union could strike without fear that its members might be replaced, the strike would be used as often as a Saturday Night special. This is not mere speculation; the sponsors of the bill themselves assert that it will enable unions to use the strike weapon more frequently.

Today's economic climate is perhaps the best context for understanding the deleterious effects of the legislation. Recession looms. Under current law, labor is obliged to come to the bargaining table in times like these ready to consider sacrifices. If management were forbidden to hire replacement workers during strikes, unions would be empowered to force concessions from businesses already on the ropes, and to exalt organized labor's interests above those of shareholders, creditors and customers—and workers themselves.

HINDERS RETURN TO JOBS

The striker replacement legislation's effects would be wide. The law would apply not only to strikes, but to all "labor disputes," apparently including union organizing campaigns, informational picketing and sympathy actions. Nonunion businesses are also subjected to the bill's effects. Under current law, a "labor dispute" occurs anytime two or more workers walk off a job to protest terms of conditions of employment. Such striking nonunion workers, under the proposed legislation, could not be permanently replaced; anytime the strikers decide to return to work (a day, a week, six months later), they would have to be reinstated and their replacements fired.

The Senate version of the legislation applies to airlines and railroads as well. In those industries, where secondary boycotts are still legal, Congress would be creating incentives for labor to shut down the nation's entire transportation network to enforce union demands at one carrier.

Further, the legislation would discriminate against workers who want to work and need to work during a labor dispute. It would prohibit employers from considering seniority, experience, skills and training earned by employees during work stoppages.

Employees may be forced to work during a labor dispute out of economic necessity, or may fundamentally disagree with the union over the calling of the strike. Without regard to the reason, experience confirms that nonstrikers and crossovers are frequently the targets of the most outrageous instances of physical abuse and verbal harassment. This legislation enforces union solidarity—with the imprimator of the Congress—in every labor dispute by punishing workers.

ON THE DEATH OF FATHER ALEXANDR MENN

Mr. DECONCINI. Mr. President, the people of the Soviet Union and especially people of the Russian Orthodox faith, recently suffered a great loss with the murder of Father Alexandr Menn, a brave priest and revered theologian who had devoted his life to preserving and proclaiming religious faith

and spiritual values in a hostile state that had for 70 years declared war against religion.

Early last Sunday morning, as Father Menn was making his way to his parish church between Moscow and Zagorsk, he was brutally cut down by a person or persons unknown.

Father Menn was ordained in 1961, and was well known as a theologian and church historian. He had been persecuted during the Brezhnev era for his outspoken defense of religious values. Father Menn's courage and dignity in the face of persecution, and his solicitude for all those around him endeared him to Russians from all walks of life. In the words of the New York Times, he was "an unusual combination of country priest and intellectual pastor" who rebuffed both the KGB on one side, and anti-semitic forces on the other.

Murders of priests have been rare events in the Soviet Union, even in the post-Stalin era. In the Baltics, particularly, several priests have met with mysterious and brutal deaths. Some of these cases have yet to be fully solved. It is a sign of the Soviet Union's changing times, however, that President Gorbachev noted Father Menn's death on the floor of the Soviet Parliament and has ordered a thorough investigation into the murder. Ironically, Father Menn's struggle in the past laid the groundwork for the Kremlin's change in attitude toward religion.

Mr. President, the Russian Orthodox Church and the Russian people have suffered countless physical and spiritual afflictions in this century. Yet the deep faith of so many Russian Orthodox believers will doubtless enable them to endure this most recent tragedy. Indeed, even on this sad occasion, may we remember the words of the Apostle Paul that "all things work together for good to those who love God, to those who are called according to his purpose." The fruits of Father Menn's labors, his inspiration to future generations, will surely live long after his untimely passing.

S. 3063—IRAQ SANCTIONS

Mr. BAUCUS. Mr. President, I ask unanimous consent that Senator BOREN be listed as a cosponsor of the Iraq Sanctions Act which I introduced on September 14.

Senator BOREN was of invaluable assistance in drafting this legislation. I hope that together we can quickly convince the Senate to act upon this critical legislation.

Mr. BOREN. Mr. President, I rise in support of the bill introduced by the Senator from Montana [Mr. BAUCUS]. The events in the Middle East are having an impact on all sectors of our economy. This legislation is a common sense attempt to minimize those effects.

First, this bill would authorize the President to restrict U.S. imports from any country he determines to be failing to comply with the embargo approved by the U.N. Security Council. The United States and its allies are willing to make sacrifices to keep Saddam Hussein in check. Any nation that circumvents the embargo should be punished.

Second, the bill specifically gives the President the authority to transfer title of the $600 million in frozen Iraqi assets to United States creditors. The United States and its citizens currently hold an estimated $2.6 billion in Iraqi debt. Of this amount, approximately $1.9 billion is held by banks participating in the Agriculture Department's GSM credit guarantee program. These banks will soon ask the Commodity Credit Corporation to pay the guarantees. The result, Mr. President, could be a $900 million hit to the CCC budget in fiscal 1991 alone. Under the current budget scenario, this money will have to come from vital USDA programs.

Last month, I wrote President Bush urging him to use his authority under the International Economic Emergency Powers Act to transfer title of Iraqi assets to United States creditors, including the CCC. This bill would specifically grant him such authority and would allow the CCC and other U.S. creditors to cut some of their losses.

Finally, Mr. President, this bill directs the President to use all available authority and programs to help find new markets for those products displaced by the embargo. Iraq was a large customer of United States wheat, rice, cotton, and other agricultural and industrial products. We should do our best to ensure that the entire burden caused by the embargo does not fall on specific sectors of the economy.

I congratulate the Senator from Montana on his leadership on these issues, and I urge my colleagues to support this legislation.

SAMUEL S. STRATTON (1916-90)

Mr. D'AMATO. Mr. President, it is with sadness that I rise today to ask that we observe a moment of silence in remembrance of a most distinguished American statesman—our former colleague and friend, Congressman Samuel S. Stratton of New York, who passed away late last week.

Sam Stratton, former dean of our New York congressional delegation, retired in January 1989 after nearly 50 years of exemplary public service, 30 of those years as a Member of Congress representing upstate New York.

Sam never succumbed to the trappings of office inherent to three decades in Washington. He could be seen driving his older, slightly beat-up car to Capitol Hill or back home in his district where Sam held frequent office hours, visited constituents one-on-one and attended the smallest local gathering as if he were always fighting for his political life. But the truth was that despite attempts during several reapportionments to create a district that excluded the popular incumbent, Sam managed to win each subsequent election since his first bid for Congress in 1958 by ever-increasing margins. He had only token opposition in those reelection campaigns and enjoyed an unprecedented popularity in upstate New York.

He won his first elective office as a member of the Schenectady City Council and later, as mayor, dedicated his tenure to ridding that city of corruption and gambling, and throughout his public service career, Sam set the highest ethical standards—long before public officials were expected routinely to reassure their constituents on such matters.

He released annually a detailed, personal financial statement and raised only modest amounts of money for his reelection in an era of escalating expenditures for political campaigns.

Sam Stratton was an ardent, uncompromising advocate of a strong national defense, believing that to be the surest way to realize a world where freedom and a lasting peace could best be sustained.

Though fiercely loyal to his Democratic roots, Sam never hesitated to cut his own unique path as he worked diligently to safeguard the Nation's interests. He was often left standing alone on an issue, against all odds, attempting to convince colleagues in his own Democratic Party and Republicans, too, of the certainty of his views and for which, as time passed, on so many he was eventually proven right.

Mr. President, this Congress and, indeed, this great Nation have been made a better place for Sam Stratton having been here. I join with his colleagues and many friends in expressing our heartfelt sympathies to his wonderful wife, Joan, and his five children. In conclusion, Mr. President, I ask that an article on Sam Stratton's many achievements from last Friday's—September 14, 1990—Albany Times-Union be made a part of the official record.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Albany Times-Union, Sept. 14, 1990]

FORMER CONGRESSMAN SAMUEL STRATTON DIES

Former U.S. Rep. Samuel S. Stratton, an outspoken supporter of national defense programs and feisty campaigner who stressed front porch chats and handshakes, died Thursday evening of a massive heart attack. He was 73.

Stratton had been plagued by health problems for several years. He died Thursday night at a Gaithersburg, Md., hospital after having the heart attack at a Potomac, Md., nursing home where he had been living for the last eight months since suffering a stroke.

The Schenectady Democrat made a career out of championing national defense issues and going against the grain, frequently confounding the leadership of both major political parties.

His successor, Rep. Michael McNulty, D-Green Island, called him a "tremendous friend.

"He certainly was a legend in public life in New York state, but I will miss him personally."

Said J. Leo O'Brien, chairman of the Albany County Democratic Party: "He was a great politician, a great man for the people. He was never too busy to help anybody, in any way."

Erwin Shapiro, a former Schenectady city manager and Stratton's long-time campaign manager, said he would be remembered for his concern for people. "That was a tremendous fact in his popularity," said Shapiro. "It's too bad this man didn't have one good minute in his retirement."

Stratton broke into politics as an anti-organization Democrat by winning a Schenectady City Council seat in 1949, battling both an entrenched Democratic machine and a strong Republican Party. He later was elected mayor of the city. He won his first race for Congress in 1958, becoming the first Democrat elected in the Schenectady-Amsterdam district in 42 years, even after bucking local Democratic power brokers in a primary.

Once in Congress, the former television newsman continually won re-election even though the lines of Stratton's district were redrawn several times by New York Republicans.

Stratton never stopped waging wars he was supposed to lose.

In what he and those who worked with him consider his most significant domestic legislative victory. Stratton overcame opposition from many congressional leaders in the 1970s and won approval for the right of women to attend the U.S. military academy.

Stratton also was an advocate for higher defense budgets, sticking with his hawkish views, even as his own party grew increasingly apprehensive of aggressive U.S. military policy in the aftermath of the Vietnam War.

Stratton's career in the House of Representatives was guided by an interest in military affairs that began when he worked as a congressional staffer before World War II.

Stratton became strongly identified with defense issues, especially his efforts to attract defense contracts to General Electric in Schenectady and the Watervliet Arsenal. Best known was his annual statement asuring arsenal workers that their jobs were safe as long as he was in a position to keep the cannon contracts rolling out.

"I think that a lot of the difficulties that we have today on the subject of defense (are) primarily a matter of a generation gap," he once said. "Those of us who . . . watched the rise of Hitler recognize that military power is something that is very necessary to protect a free society. Costly and dangerous, but absolutely necessary."

Lost in the glare of his support for a strong defense was a bill he wrote that changed the way the nation spends its holidays. Stratton authored the legislation that placed four holidays on Mondays, creating three-day weekends.

When he left Congress at the end of his 15th term in 1988, Stratton was the third ranking member of the House Armed Services Committee and chairman of its Procurement and Military Nuclear Systems Subcommittee.

Stratton was born Sept. 27, 1916 in Yonkers. He attended the public schools in Schenectady and Rochester and Blair Academy.

Stratton earned his bachelor of arts degree in 1937 from the University of Rochester, where he was elected to Phi Beta Kappa in his junior year. He then went on to earn master's degrees in philosophy from Haverford College, Haverford, Pa., in 1938 and Harvard University in 1940.

He later received honorary doctorates from Hartwick College in Oneonta, Otsego County, the College of Saint Rose and Union College. He was an honorary trustee of the University of Rochester.

Following graduate school, Stratton worked as an aide to Massachusetts Rep. Thomas Elliot, a backer of President Franklin D. Roosevelt's Lend-Lease plan to get military supplies to the Allies in Europe at the beginning of World War II.

After the U.S. entered the war, Stratton was commissioned as an ensign in the Naval Reserve in 1942. He served in the South Pacific as a naval combat intelligence officer on the staff of Gen. Douglas MacArthur from Australia to Tokyo. He was twice awarded the Bronze Star and was recalled to service for the Korean War.

Stratton was awarded the Bronze Star for services as a member of an elite group of officers trained as interrogators in World War II. After the war, he worked at the State Department, specializing in Far Eastern affairs.

He returned to Schenectady to teach philosophy at Union College and got involved in city politics, winning election to the City Council in 1948 and as mayor in 1955.

In the nine years before he went to Congress, Stratton won every race he ran except for one in 1950 when he tried to unseat Assembly Speaker Oswald D. Heck, a Republican.

During his years as mayor and when he served on the City Council, Stratton supplemented his income by working as an announcer and newscaster for several local radio and television stations. He also appeared on TV as the character "Sagebrush Sam," who dressed as a cowboy and played the harmonica while hosting western movies on WRGB.

Stratton built his reputation in Schenectady as a crusador against vice. He fought illegal bookmakers and their corruption of public officials, an ongoing battle leading to the resignations of police Chiefs Joseph A. Peters and William Brandt.

"There is an unholy alliance between racketeers, police and city officials," Stratton said in 1957. "The Police Department's collusion with the underworld is really incredible. These happenings only make a smelly situation even more smelly."

As a Democratic mayor working with a Republican-controlled council and GOP-appointed city manager, Stratton initiated the effort to throw out the council-manager system in 1958. When he left City Hall for Capitol Hill, this effort lagged until Republican Mayor Frank J. Duci fought for the strong mayor system and it was approved in a 1978 referendum.

"He's been my dear friend since we lived in the (veteran's) projects after we came back from World War II," said Duci, now a city councilman.

"He was a great man, an honest and dedicated person," Duci said. "He used to say he never wanted to leave the job. He loved people and wanted to stay in the job until he died."

Stratton's first congressional campaign shaped the man who was known to the public in the Capital District for 40 years.

"I always run scared," was how Stratton described his doorbell ringing, porch style of personal campaigning which has become a trademark of virtually all Schenectady politicians during the election season.

"He was a great vote-getter," said Shapiro. "He was a very capable person and Sam was headed for bigger and better things."

"He would have been a great governor or a great senator," Shapiro said. Instead, Stratton remained a representative, often running up the largest plurality of any congressman.

Stratton initiated the tactic of showing up at General Electric Co. gates the morning after an election to shake the hands and thank voters for their support.

While most victorious candidates were home sleeping after wee hour celebrating, Stratton would get out of bed to be at the gates at 7 a.m.

The congressman had good reason to continue this campaigning style. During his 30 years in the House of Representatives, he represented five different Congressional Districts beginning with the old 32nd Congressional District in 1958 and finishing with the 23rd Congressional District when he won his last election in 1986, defeating Socialist Worker candidate James J. Callahan, 140,759 to 5,279.

Remembering his first primary victory against Carroll A. "Pink" Gardner, the Democratic machine-backed Schenectady county clerk, Stratton said, "I was running against the greatest vote-getter in Schenectady County history. I had the state Democratic Party chairmen opposed to me."

Democratic Party chairmen in the five counties that made up the 32nd Congressional District in 1958—Schenectady, Otsego, Fulton, Montgomery and Hamilton counties—also fought him. But when the votes were counted, Stratton won handily with more than 68 percent of the vote.

"We brought it off with a lot of hard work, and made it clear I was better equipped to serve in Washington," Stratton said.

After emerging victorious from the fight with Gardner, Stratton defeated Republican Walter Shaw in the general election to become the first Democrat to represent the district in Washington since 1916.

During the campaign, Stratton developed techniques that became his trademark. He barnstormed through the election district, stopping at many small gatherings.

This practice became so much a part of his campaign style that a joke developed: "Who's the third person in a group of three?" The answer, "Sam Stratton."

His active style of electioneering served him in good stead as the Republican-controlled state government tried to force him out of office by gerrymandering or redistricting. The infamous "submarine district" created in 1962, stretching from Amsterdam to suburban Rochester, became legendary, winning Stratton sympathy and votes.

This specially carved district designed to defeat the Democrat was created out of densely populated Republican farm country

where voter enrollments favored the GOP by an overwhelming 5-1 ratio.

Through the next 30 years, Stratton worked at piling up the years of seniority needed to become a committee chairman. While he did this, he also unsuccessfully attempted to win the Democratic gubernatorial nomination and made a 1964 bid to grab a U.S. Senate nomination that ultimately went to Massachusetts' transplant Robert F. Kennedy.

Although Stratton traditionally beat his congressional opponents by 4-1 margins, he never had enough New York City-based Democratic party support to be nominated for U.S. Senate or governor.

Meanwhile in Congress, Stratton supported the construction of nuclear aircraft carriers and opposed reductions in military aid to U.S. allies. He was a nuclear energy proponent and an admirer and close friend of Admiral Hyman Rickover, the father of the U.S. nuclear navy.

By 1979, his congressional seniority made him the unofficial leader or dean of the New York state House delegation.

The years in Congress saw Stratton's unyielding support of the nation's military fall into disfavor, only to re-emerge as a popular stance in his final years of office when Ronald Reagan was president.

Reagan appointed him in 1982 to serve as a member of the U.S. Delegation to the 2nd Special Session of the United Nations General Assembly on Disarmament.

Stratton backed the Vietnam War and, in 1977, helped kill President Jimmy Carter's move to pull troops out of Korea. He also strongly opposed the nuclear freeze movement.

The biggest disappointment of Stratton's Washington career came in 1985 when the congressional seniority system was overturned and 46-year-old Pentagon critic Rep. Les Aspin, D-Wis., became chairman of the House Armed Services Committee, replacing 80-year-old Melvin Price, D-Ill.

Stratton, as the third ranking Democrat, was left outside as Aspin vaulted from his seventh-rank to the top spot. Stratton said at the time, that Aspin won "because there were more anti-defense liberals in the Democratic caucus than people who support an adequate defense."

Stratton considered himself a middle-of-the-road Democrat, and voted for such liberal causes as a national minimum welfare payment, against an anti-busing amendment to the Constitution and for economic sanctions against the South African government.

Plagued by ill-health, Stratton surprised most everybody when he made a last moment announcement that he would not seek re-election to a 16th term in 1988. This set the stage for the four Democratic chairmen in Albany, Montgomery, Rensselaer and Schenectady counties to select McNulty to run in his place against Republican Peter M. Bakal.

Stratton said he was retiring from office at the end of the session because of ill-health. He said his wife, Joan, and their five children convinced him not to run for another term.

His retirement dinner at the Empire State Plaza drew a mixed crowd of more than 1,500 including Democratic, Republican, Conservative and Liberal party leaders, making the event resemble a Capital District political "Who's Who."

Stratton had been spending his retirement in Bethesda, Md., making only occasional visits to his former congressional district before his stroke.

He is survived by his widow, Joan, two sons, Kevin in Vienna, Va., Brian of Clifton Park, three daughters, Deborah Mott of Annandale, Va.; Lisa Gonzalez of San Matteo, Calif.; and Kim Petrie of Basalt, Colo.; and eight grandchildren.

Funeral arrangements had not been finalized Thursday.

TAKE PRIDE IN AMERICA ACT

Mr. REID. Mr. President, I rise today with my colleagues in support of the Take Pride in America Act, an act to permanently authorize the Department of the Interior's Take Pride in America campaign—a campaign which is a partnership of public and private organizations committed to ensuring wise use of the resources found in our deserts and forests, rivers and lakes, parks and playgrounds, resources that belong to us all. I rise today in support of this bill because it is the right thing to do.

The Take Pride in America Program is based on the premise that the judicious use, conservation, and protection of our natural and cultural resources are not just the responsibility of the Government agencies that are given the mission to manage them, but is indeed the responsibility of each and every America.

The unfortunate truth is that some of our public lands and the resources therein contained have suffered from misuse—campgrounds, roadsides, and shores have been littered, signs and structures have been defaced and destroyed, wildlife have been poached, playgrounds covered with graffiti, and archeological sites have been plundered and vandalized.

The Take Pride in America initiative is a way to make a difference, a way for all of us to make a difference.

All of us young and old can show our pride in this great Nation and the wealth of resources we have been blessed with.

Take Pride in America seeks to reduce destructive behavior and encourage constructive activity on our public lands.

In hundreds of communities across the countryside people are getting involved—caring for playgrounds and parks, participating in outdoor stewardship programs, establishing archeological resource awareness and protection efforts, and setting up watch programs and hotlines to report destructive activities such as vandalism, wildlife poaching, and theft.

This is what Take Pride in America is all about. I cosponsor this legislation because it is the right thing to do.

Since 1985, the Take Pride in America Program has inspired thousands of volunteer efforts for conservation of our natural resources and environmental protection all across this country.

The people from my home State of Nevada have caught the spirit. For example, Homer Morgan was honored with a "Take Pride in America Award" in 1989 by the Secretary of the Interior for donating hundreds of hours of his time and carpentry skills in remodeling and expanding the visitor's center at Red Rock Canyon just outside of Las Vegas, others have cleaned up streams, put up trail head signs, and picked up trash along our hiking trails.

Southern Nevada Clean Communities, Friends of Red Rock Canyon, and the Bureau of Land Management held a Take Pride in America clean up on Earth Day this year at Red Rock Canyon where 500 volunteers from the Las Vegas Valley pitched in to clean up the public lands.

I wholeheartily and enthusiastically support this highly successful initiative for an improved quality of life today and for generations of Americans yet unborn.

This morning on The Mall we honored the "Take Pride in America Award" winners, recognizing excellence and achievement in their unselfish volunteer efforts. However, the thousands of individuals, groups, and communities that have participated in the Take Pride in America campaign this year and the years past did so because it was the right thing to do—not for headlines, not for awards, not for recognition—they participated and gave of themselves because they cared about this Nation and its natural and cultural resources, they gave of themselves because it was the right thing to do.

And taking up this legislation is the right thing for this distinguished body to do.

I urge the support of my colleagues from across this great Nation.

TAKE PRIDE IN AMERICA

Mr. JEFFORDS. Mr. President, I would like to share in my esteemed colleagues' support for the Take Pride in America Act. We Americans have a great deal to be proud of about our country as the successes of this program demonstrate. Today, I am particularly proud of one part of America, East Montpelier, VT.

East Montpelier has just received a Take Pride in America Award for its forward-thinking planning. The 2,200 people of this community working through 120 dedicated volunteers decided to protect the scenic beauty of their town. Rather than taking the traditional planning approach of adjusting an existing 20-year old plan, East Montpelier took the bold step of developing a new plan; a plan that asked community residents "What do you want your community to look like in the year 2030?"

Currently, residents of, and tourists to, the area can enjoy the famous Vermont scenery of farms and open

spaces as well as snowmobile and cross-country ski trails. The countryside our citizens can enjoy, however, was threatened with overdevelopment. Without action, East Montpelier could have ended up like all too many other American towns: strip malls, fast food chains, and rows of identical houses and condominiums. Wetlands, forests, and community recreation areas were threatend by growth.

Instead of loosing their valuable heritage, East Montpelier responded with steps to protect the scenic beauty of our State. A new town plan was developed. A $40,000 conservation fund was created to help preserve farm lands and nature areas. A rally day was held to promote the concept of nature preservation.

For the record, Mr. President, I want to commend all of the residents of East Montpelier, and in particular, the more than 120 residents that banded together to take pride in a very special part of America. May East Montpelier serve as an example for other communities across the Nation.

OLDER WORKERS BENEFIT PROTECTION ACT

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will resume consideration of S. 1511, which the clerk will report.

The legislative clerk read as follows:

A bill (S. 1511) to amend the Age Discrimination and Employment Act of 1967, to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes.

The Senate resumed consideration of the bill.

Pending: Hatch amendment No. 2667, to provide an exemption for employee benefit practices applied to the Federal sector.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Ohio [Mr. METZENBAUM] or the Senator from Arkansas [Mr. PRYOR] may offer an amendment to the amendment (No. 2667) of the Senator from Utah [Mr. HATCH].

Mr. PRYOR. Mr. President, I suggest the absence of a quorum and ask unanimous consent that the time be charged equally to both sides.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The absence of a quorum has been suggested. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

Mr. BOSCHWITZ. Mr. President, I ask unanimous consent that I may proceed for 5 minutes as if in morning business.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

BUDGET NEGOTIATIONS

Mr. BOSCHWITZ. Mr. President, I have not had any reports, I must say, in the last few hours from Andrews Air Force Base, which has now been termed, in a sense, the "budget negotiations." But, I hope that they are proceeding. The scuttlebutt here is that a new element of gridlock has been found, and that the leaders are now trying to overcome that. I speak to urge them on once again.

I urge them to come up with a 5-year package. I urge them to come up with a package that has firm enforcement tools so that we can really believe that whatever budget adjustments are going to be made will indeed be made. I urge them also to come up with a package of $500 billion in deficit reduction.

I say all of this knowing that it is going to hurt, that indeed it is not going to be easy to do, and that the budget negotiations are finding that out now. I read a comment by Senator PHIL GRAMM yesterday in the paper. He said that everybody wants to go to heaven but suggests that not many are willing to do the thing that it takes to make the trip.

So it is with the budget: Everybody wants to believe the budget but not everybody is willing to make the hard votes that are going to be necessary in order to achieve that.

Mr. President, I expect that there are going to be some things in this package that I do not like. I suspect that the farmers of my State, who really underpin the economy of the State of Minnesota, are not going to be happy with every provision. I suppose in the event that State income taxes are in some way constrained with respect to the deductibility from Federal income taxes, many in my State will not like that because we have a very high income tax in our State, despite the best efforts of many of us to lower it.

I suspect that there will be many elements in the package that are going to be contrary to the interests of Minnesotans as they see their own interests.

Nevertheless, I may vote for that package, and indeed I expect to do just that because I think the interests of my constituents and all Americans rest on balancing the budget and not allowing those deficits to pile up. These deficits gnaw at the very basis of our economy, prevent us from moving forward, and reduce the growth of our economy bit by bit, year after year. This simply has to stop if we are going to provide the opportunity for growth in this country for our young people, and for all Americans.

At this juncture, we have a special opportunity to balance the budget because there is no question that the budget of this Nation can be pared back over the next 5 years; that one and all agree that at least $170 billion can be taken off the expected expenditures in defense over the next 5 years; that we can still maintain our defense posture even with these reductions in proposed expenditures.

So one-third of the $500 billion deficit reduction package is already widely accepted; $170 billion in defense swings. If a package is passed, you will have another $80 billion in interest savings, and certainly nobody disagrees with saving some money on interest; $170 billion in defense plus $80 billion in interest is half the package already. We are halfway there. It should not be so difficult to get to the other steps on the way.

In the next 5 years, Mr. President, we will spend $7 trillion—$7 trillion. What we are talking about in this package, as I understand it, is a reduction of about $300 billion after you take away the interest, and after you take away the increased taxes that are going to be part of the package—$300 billion. That is a 4-percent reduction over expected expenditures.

We are going to be spending more each year than the year before. People should not think that these cuts are actual reductions or, as we use the term around here, nominal reductions. We are not going to spend less than the year before, but we are going to spend less than we expected to spend.

So, Mr. President, I am willing to make some pretty hard votes. I am willing to make votes that are politically, perhaps, unadvisable. I am willing to do a lot of things to move toward a balanced budget. I hope that my friends at Andrews Air Force Base will come to an agreement, and know that there are many of us here who urge them on. We will face a tough vote. We should expect to. There is no other way. You cannot get to Heaven, as Senator GRAMM said, unless you are willing to do a few things en route. You cannot get to a balanced budget without making some hard votes. This Senator from Minnesota is prepared to move forward in that regard.

I yield the floor.

OLDER WORKERS BENEFIT PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. PRYOR. Mr. President, I ask unanimous consent that the time between now and 12:30 p.m. be equally divided and controlled between Senator HATCH and myself, with all other provisions of the agreement remaining the same.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I further ask unanimous consent that Ed Gleiman from the staff of the Governmental Affairs Subcommittee on Federal Services, Post Office, and Civil Service be granted privileges of the floor during debate on S. 1511.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I further ask unanimous consent that Mr. Steve Williams of the Special Committee on Aging staff of the Senate be granted floor privileges during this debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 2667

Mr. PRYOR. Mr. President, today we continue the debate on the age discrimination issue. This is the so-called Betts bill.

S. 1511 is a piece of legislation which was introduced in the Senate in August 1989. Since that time, there have been many changes and many compromises in an attempt to accommodate those issues and those concerns expressed by States and local governments, by school districts, by business, and by labor. We have attempted to address those concerns brought to the attention of the sponsors relating to the so-called Betts bill.

Mr. President, yesterday, the Senator from Utah introduced a very, very fascinating amendment. I want to commend the Senator from Utah for raising a valid point about the pending bill's lack of coverage for the Federal Government. I believe that the protection given to the older workers in this legislation should also be extended to older Federal employees. But in contrast, Mr. President, Senator HATCH's amendment, introduced yesterday afternoon, may very well ensure that few, if any, older workers in our Nation will receive these very basic protections to which they are entitled.

The Senator from Utah has offered, I think, a very clever amendment. He has offered the amendment with the stated purpose of not imposing something on the States or other private employers that we are not willing to impose on the Federal Government, the Federal work force.

I would not expect many of our colleagues to disagree with that logic. I certainly would not. However, Senator HATCH's amendment fails to accomplish its stated goal. Instead, it is a back-door approach and a back-door attempt to annihilate this entire piece of legislation.

Mr. President, for a moment, if we would think about what the amendment of the Senator from Utah actually says, and what it does not say, I think it would be very constructive. What the Senator's amendment says is if this bill does not apply to the Federal Government and the Federal work force, then it does not apply to the States or the private sector. What it does not say, Mr. President, is anything to assure the bill applies to the Federal Government, or anyone else, for that matter.

My very distinguished friend and colleague from Utah has gambled that we will choose to avoid the hard issue that we face here. In fact, it is not a hard issue at all. He may think he has painted us into a corner, because he believes that we will not apply this legislation to the Federal work force.

Mr. President, if this is the case I say, respectfully, the Senator from Utah is wrong. I have a second-degree amendment, Mr. President, that I will be offering on behalf of myself, Senator GLENN, and Senator METZENBAUM, that specifically applies this bill to the Federal work force. Moreover, it accomplishes its stated goal in an upfront and straightforward manner.

I am not personally aware of any problems with our Federal benefit systems today. In very lengthy discussions with our colleagues on the House Post Office and Civil Service Committee, they have strongly indicated that the Federal Government does not discriminate in employee benefits based upon age.

On the other hand, CBO has indicated that the Federal Government's employee benefit system would not comply in some respects to this legislation. OPM has estimated that applying S. 1511 to the Federal Government will cost some $114 million dollars. CBO has estimated it will cost some $80 million. Under this legislation, Mr. President, the equal benefit or equal cost principle would apply to all Federal benefits.

Both OPM and CBO have incorrectly assumed that the Government would have to provide equal benefits to all employees, regardless of age. If they had assumed instead that the benefits provided to Government employees would have to be of equal cost, regardless of age, the estimates would have been lower.

Both estimates, I think, are overinflated, and I would like to make sure that these types of inaccurate figures are not used by those opposed to argue that this bill is too costly. I think a tried and a true method of opposing any bill on the floor of the Senate has always been to scare Members with inflated cost estimates.

As I have said, I am not aware of any problem with our Federal employee benefit systems today. What I am aware of is what June Betts and her family in the State of Ohio are painfully aware of: That the employee benefit plans of a number of States do today, in 1990, discriminate based upon age.

Make no mistake, Mr. President, there will be some costs to the States, and possibly to the Federal Government, if this bill is passed. Yesterday, the Senator from Utah, in introducing his legislation, spoke of some cost estimates from various States. He indicated that the State of Maine, for example, would be called upon to raise another $50 to $100 million in extra revenues. I do not think this is correct.

I believe the State of Maine today has a population of about 1.2 million people. The number of Federal employees, worldwide, more than doubles the population of Maine. When an overinflated estimate of the cost of applying this bill to all 3 million Federal employees across this country and throughout the world is $80 to $114 million at the most, how can the estimate for the State of Maine be anywhere close to accurate? If $50 to $100 million is correct, then every single resident of Maine, as well as every single resident of New Hampshire and Vermont, must work for the State of Maine.

Mr. President, in fact, we worked an amendment into this legislation to accommodate the State of Maine in their particular concerns.

Mr. President, we should not be afraid of applying this legislation to the Federal Government. I think that we should, however, take steps to ensure that Congress will have the information and the time it needs to take any action necessary to comply.

My amendment accomplishes these goals in very simple ways:

First, it states that this legislation will apply to the Federal Government. It will apply to the Federal work force, and there will be no age discrimination in that work force.

Second, it gives the Federal Government the same 2-year delayed effective date that is granted in S. 1511 to the States to comply.

Third, it requires OPM to study the question whether the Federal Government is in compliance with this legislation and to report to Congress within 1 year of the date of the enactment of this legislation.

Should OPM at that time find that Federal employee benefits are not in compliance, then it must submit, along with its report, a proposal for bringing the Federal Government into compliance without reducing benefits to any Federal employee or any Federal annuitant.

Mr. President, we think this is a fair approach. As I have said it is open, aboveboard, simple. It says that the Federal Government will not discriminate and that this legislation, S. 1511, will apply to the Federal work force as it does across this country.

Mr. President, I strongly urge my colleagues to adopt this second-degree amendment.

AMENDMENT NO. 2669 TO AMENDMENT NO. 2667

(Purpose: To provide a 2-year delayed effective date for application of title I to Federal employment and to require the Director of the Office of Personnel Management to study and report on the compliance of Federal agencies with title I)

Mr. PRYOR. Mr. President, I send this amendment to the desk at this time in behalf of myself, Senator GLENN, Senator METZENBAUM, and Senator STEVENS from Alaska.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

The Senator from Arkansas [Mr. PRYOR], for himself, Mr. GLENN, Mr. METZENBAUM, and Mr. STEVENS, proposes an amendment numbered 2669 to Amendment No. 2667.

Mr. PRYOR. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted, insert the following:

FEDERAL AGENCIES.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer that is a Federal agency, this title and the amendments made by this title shall apply 2 years after the date of enactment of this Act.

(2) FEDERAL AGENCY.—The term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

SEC. 106. STUDY OF COMPLIANCE BY FEDERAL AGENCIES.

(a) IN GENERAL.—The Director of the Office of Personnel Management shall conduct a study of the compliance of Federal employee benefit plans with the requirements of this title and the amendments made by this title.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director shall submit a report to Congress that describes the results of the study conducted under subsection (a). If the Director determines that Federal agencies are not complying with the requirements referred to in subsection (a), the Director shall include in the report a detailed proposal for ensuring the compliance of Federal agencies with the requirements without reducing benefits to any Federal employee or annuitant.

(c) DEFINITION OF FEDERAL AGENCY.—As used in this section, the term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

THE SOUTER NOMINATION

Mr. PRYOR. Mr. President, I see my good friend and distinguished colleagues, the Senator from Utah. I understand that he has just returned from the hearings in the Judiciary Committee on Judge Souter. I wonder, before we get into this discussion, if he has any pronouncements on the outcome of his performance.

Mr. HATCH. Mr. President, I have to say, with the Senator's indulgence, I think Judge Souter has done very well, and I happen to believe he is an excellent choice for the Supreme Court. There are naturally a lot of questions he cannot answer because they involve future decisions, and that irritates some special interest groups. But he handled himself very well and I cannot speak for all Senators on the committee, but I think most of them at least with whom I have talked think he has done quite well.

OLDER WORKERS BENEFIT PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. HATCH. Mr. President, I appreciate the comments of my good friend and colleague, the Senator from Arkansas. I know he is trying to do right. I know he wants to correct a defect that really does exist as a result of the Supreme Court decision in Public Employees Retirement System of Ohio versus Betts.

But I have to caution him that there are very few areas of legislative law that are more complex than this area. I have to say that I do not think anybody fully knows what is in the bill now, the fifth version since the bill was reported out of committee, including the bill that was reported out of committee.

No one knows what the language is, and in something this complex, if we enact this into law in this form without making at least the minimal changes that I think have to be made, I guarantee you that within 5 years we will all be back in here screaming like we were on the catastrophic health bill because I can guarantee you the States are starting to catch on what we are going to do to them now and they are very, very upset.

With the amendment of the distinguished Senator from Arkansas, we are not going to have the Federal Government very, very upset because he is going to impose this bill upon the Federal Governemnt with a transition period, as I understand it.

Let me just say the amendment, which I offered yesterday, is simple and it is very straightforward. It would, notwithstanding any other provision of S. 1521, not subject State and local governments or private employers to liability if their benefit practices correspond to those permitted by the Federal Government with respect to its own employees. I think that amendment is a good amendment.

One of several areas in which the Federal Government practices do not conform to this bill is the integration of pension and severance benefits of Federal employees. Congress has previously acted at least four times to enact such a practice. For example: 5 U.S.C. 5595(a)(2)(B)(iv) provides that retirement eligible civil service employees do not receive severance pay; 10 U.S.C. 1186 and 1171(e) provides that retirement eligible members of the Armed Forces do not receive severance pay; 14 U.S.C. 286(d) provides that severance payments received are deducted from pension payments to Coast Guard officers; and 33 U.S.C. 853(h) provides that severance payments received are deducted from pension payments to commissioned officers of the National Oceanic Atmospheric Administration.

This is not the only area, however, where Federal practices differ from what this bill requires of State and local governments and Private employers. Disability is also a major area in which it appears that S. 1511 would be imposing requirements on private employers and State and local governments that might otherwise be consistent from practices observed with respect to Federal employees.

Suddenly, this morning, the response of sponsors of this bill is to offer a second-degree amendment to the amendment which I offer which appears to bring Federal employees under S. 1511 in 2 years. Amazingly, different versions of this bill have been around for 13 months, and none of these versions have previously applied to the Federal service. And now, in response to my amendment, sponsors are now urging Federal coverage.

This last minute effort, however, misses the point. It is offered, I assume, to respond to the argument that Congress is otherwise hypocritically and inconsistently treating the Federal Government, as an employer, differently than private employers and State and local governments. And, I must acknowledge, their amendment to cover the Federal Government would achieve some consistency. We would, however, be doing the wrong thing with respect to everyone. Mr. President, it just does not work.

I made the point yesterday that we were legislating in the dark. To suddenly extend coverage of this bill to Federal employees at the 11th hour demonstrates this point more than anything else I could or would point out.

I have been extremely concerned about this legislation because of the great cost and uncertain impact it would have on private and State and local employers and employees. As I mentioned yesterday, we are now on version five of this bill, 4 times longer and about 400 times more complicated than the bill originally introduced. The only hearings on this entire issue were held last fall on a much different first version. And, of course, those hearings did not even touch on the issue of Federal coverage, since earlier versions did not apply to the Federal Government.

Thus, it is no answer to the problems posed by this legislation to say

that we will just impose it on the Federal Government as well. Doing so would impose the same or similar costs and confusion on the Federal Government as on the States and private sector. That is not the answer. It is just not good enough.

I said yesterday that the minimum it would cost the States is around a half billion dollars. I was in error. It probably is going to cost the States upward of $2 billion at a time when every State, except with one or two exceptions, is extremely strapped for money. None of them want to increase taxes and none of them want to cut social spending in order to pay for this type of change. All we are doing is adding more bureaucratic regulatory costs to them.

The Congressional Budget Office has done an estimate of what imposing this legislation on Federal employees would cost. And their answer was $515 million over 4 years. And, even that cost was based on prior figures and did not make any assumptions about additional Department of Defense employees that might be laid off in future years.

So we may be talking upward of a billion dollars extra cost on a Federal Government with a program that does not give the flexibility to the employer, the Federal Government, or the employee, the workers of the Federal Government that they have today and all because they realize it will be inconsistent to apply all of these rules and regulations to the private sector and State and local governments with all of their accompanying cost upward of probably $2 billion unless they did the same to the Federal Government.

Well, this cost estimate of $515 billion over 4 years, which is a low estimate by CBO, is not even the most troubling thing about the CBO analysis. More troubling is the fact that even CBO could not predict with any certainty how far reaching the ramifications of S. 1511 might be, and that is with the old bill. We are talking about the fifth version of it today, much more complex, much more bureaucratically oriented, much more regulatory oriented, much more costly in my opinion than the other.

I have to make a confession. We work with these things all the time. I have to say it is a real pain every time we get into ERISA or pension benefits or other problems in the Labor Committee; they are almost impossible to fathom, they are complex, they are boring, they are detailed, they are difficult. And as much as I work with these areas, as much as I work in this area, I do not know what is in this current version.

I do know the things that are not there that should be there. But I cannot tell you that I know how every word of that bill is going to apply. All I can tell you is it "ain't" going to apply well for those who are affected by it, and that will be everybody if this amendment by the distinguished Senator from Arkansas passes.

It would be far easier for us to go with the Hatch amendment which says, look, do not impose something on the private sector that is not imposed on the Federal Government. The Federal Government's programs are working quite well. They are fair. Why change them? They work. They are fair. They are proper. They make sense. Why impose a new bill, which has language that none of us have had time to understand, upon the Federal Government as well?

Of course, that makes my point. Why impose it on the private sector and State and local government unless we have many more discussions about this, and I think more hearings in the Labor and Human Resources Committee.

By the way, this is not the way to legislate. But I cannot tell you the bills we have brought to the floor with specific certainty—one, two, three, four, five, six—right on up from the time we report it out of the committee, none of which have had hearings. This bill certainly will not have had the hearings that really are essential.

As a matter of fact, the CBO could not even figure out exactly which longstanding Federal benefit practice would be out of compliance with this bill and what changes could be made to bring these programs into compliance

Thus, in addition to the cost estimates that they have come up with in the disability and severance area, their estimate concludes as follows. And this is the CBO:

Other effects: There are also some other areas where it is even less clear whether or not the Federal Government would be out of compliance with S. 1511. For one, the CSRS (the Civil Service Retirement System) maximum annuity limit of 80 percent of the high three salary affects people who have many years of service and therefore tend to be older. Because of this, some may say that the formula discriminates on the basis of age.

I do not think "some." I think a lot of people would say that.

In addition, some suggest that the actuarial reduction in the pensions of retirees who take a lump-sum withdrawal of their contributions at the start of the retirement discriminates on the basis of age because the reduction is larger for workers retiring at older ages. Because of the great uncertainty over whether any changes would need to be made in the above areas, CBO has not estimated any changes in Federal spending.

That is certainly with regard to those changes.

So you can figure it out. It is going to cost even more. It is going to be even more bureaucratic oriented, and it is going to be more regulated and its also going to cost everybody in society more to change a system that is working all right right now, a system that literally is worked out on a daily basis between management and labor, management and employees, certainly on the State and local levels, certainly on the Federal levels, and in most cases with businesses of any size on the private level as well.

Mr. President, my amendment does not disrupt longstanding benefit practices of the Federal Government. It would not cost taxpayers hundreds of millions of dollars in these times when we are here trying to control costs. And it would not expose the Government to extraordinary uncertainty and litigation.

Again, it is simply not good enough where employee benefits are at stake to consistently do the wrong thing. This bill has gotten better in some respects, but worse in a number of other respects as we have gone along. To expand the coverage to the Federal Government compounds rather than mitigates the problem.

I have expressed my concern about the lack of adequate understanding as to how this bill would affect the States and private employers. Well, this last-minute effort, without any hearings or analysis, to include the Federal sector just does not work.

Let us understand what the differences are here. We filed the underlying amendment, the Hatch amendment. That amendment says do not impose on the private sector and State and local governments that which you have not imposed on the Federal Government.

That is different from this amendment which says, well, just impose this bill that nobody understands—and I have to admit I do not understand as much as we have worked on it, and I know that nobody else fully understands here except with respect to maybe one or two staff people, and I question that they understand it. And we are going to impose that on all of the Federal employees in this country.

Let me tell you before we get through with this I am going to prove that nobody knows what is in this bill, if we go that far on it, because I can guarantee you that I do not think any of us Senators know and I suspect there is only one staff member who does and that is the person who has written this bill or written all of these changes; it is now the fifth version of it. And I am not sure that he knows what it means. And yet we are going to impose this on Federal Government employees that it is working well right now.

I hope all my colleagues are listening, because that is what is involved here. Our approach is: do not hit the private sector and the State and local governments with something more than what we are imposing on the Federal Government. In other words,

anything that is inconsistent, the Federal Government should control. Their approach is, well, we do not know what is in S. 1511, but we are going to impose it on the Federal Government so we will be consistent.

Even those at the CBO, who certainly are not partisan in anyway as far as I can see, estimate that it is going to cost a minimum of $515 billion. And they admit they do not know; nobody knows how much more costs will be involved when you get to some of these other areas. And they say that it will discriminate against aged Federal employees or those of higher ages. I do not know how you get around that.

It is nice to say we are doing this for the aged employees. We could do that very simply. The Hatch-Kassebaum approach does it simply. We do not have to get into all this rigamarole about changing the whole employment practices of the Federal Government and of State and local government.

I would like those who are proponents of this bill to talk to the leaders in California, maybe even the leaders in their own State governments, and see what they think about this type of legislation and legislative practice.

Well, that is the issue. If you vote for the Pryor-Metzenbaum amendment, you are going to impose something that nobody fully understands, even those who wrote it, in my opinion, on the Federal Government to be consistent. Plus you are going to impose all kinds of burdens on State and local governments and private employers and employees that we think are going to be very costly, that are going to take away employee benefits and rights and do more harm than what we are trying to do here, and provide another catastrophic debacle that within 5 years, and probably a lot less than that, we will be back here scurrying around saying we have to change this.

As you all know, after we tried to change the catastrophic debacle, we did not change it right. We left a lot of people out there high and dry where we could have changed it right with the McCain-Hatch amendment that would have kept many of those benefits going at a much lesser cost than what the catastrophic health bill originally was going to cost.

This is important stuff. I do not mean to demean anybody. I am just saying that I do not understand what is in this bill. I have to say it is my job to understand it, but I do not. I cannot fully tell you that this bill is going to work well at all. I know it is not going to work well, but I cannot tell you how each provision is going to work. And I do not think there is anybody else that can tell you right now because there never has been any hearings held on the current version.

Having said all that, I want to compliment my friend on the other side for trying to work it out. There is certainly an effort being made here by both the distinguished Senator from Arkansas and the distinguished Senator from Ohio and certainly by myself as the Republican leader on this matter.

We are going to continue to try to work it out because all of us agree that Betts has to be changed. All of us agree to that. But why do we not change it in the simplest, least costly way we can change it, and let us not try to rewrite the whole employment program of the country.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR—S. 1511

Mr. PRYOR. Mr. President, at the request of the Senator from Pennsylvania [Mr. HEINZ], I ask unanimous consent that during Senate consideration of S. 1511, Kathleen Swendiman of the Congressional Research Service be accorded the privilege of the Senate floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PRYOR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, I think just for a moment or two, I would like to take this opportunity to tell our colleagues basically where we are at this time on the Betts bill, S. 1511.

The Senator from Utah has proposed an amendment, a first-degree amendment, which basically says this: That S. 1511 will not apply to the States or to local governments or to business unless the Federal Government is in compliance. That is the thrust of the first-degree Hatch amendment.

The second-degree amendment offered by myself and Senator METZENBAUM, Senator GLENN, and Senator STEVENS of Alaska basically says the following in very clear, short, precise language: That S. 1511 shall apply to the Federal Government and to the Federal work force. Period. It is that simple.

What is happening here, and possibly not intentionally, is that if the amendment of the Senator from Utah is adopted without the second-degree amendment, this would have the effect basically of annihilating S. 1511. S. 1511 is, of course, the override of the Supreme Court decision which gave the right for the State of Ohio to discriminate against June Betts on the basis of age in employee benefits.

So that is where we are, Mr. President. What we have done to safeguard our bill here is to say in this second-degree amendment that, if there is discrimination in the Federal system today, 1 year from the date of enactment the Office of Personnel Management must submit to the Congress a finding of that discrimination based upon age. OPM is then mandated to propose those necessary changes so that no discrimination in the Federal work force will continue to take place.

The Senator from Utah has stated in his opening remarks—in fact, he reiterated this particular thrust of his statement on two occasions during his opening remarks—that within 5 years, we will be back trying to undo what we have done. Mr. President, I have been in this body now for some 11 years or so, and I cannot remember a piece of legislation that we have ever passed that we have not revisited. We constantly revisit legislation.

Back during the old days of the Soviet Union before the Berlin Wall came down, the Russians had what they called the 5-year plan. They would adopt a 5-year plan. It was not changed. It could not be changed. It had to wait until the expiration of that 5 years. Our system is much more flexible, and, if we do something with S. 1511 and have to undo it, we have the mechanism of doing that. But in this amendment, we are giving to the Federal Government 2 years to comply, to the local government and State government 2 years to comply, and in other situations 60 days to comply. We think, Mr. President, that we have attempted, in the second-degree amendment, to build in those necessary safeguards to certainly allow a proper and a constructive transition.

But the bottom line of what we are talking about this morning, Mr. President, is, if we fail to enact something along the lines of S. 1511, and if we fail to apply this to the Federal employees, we are saying: It is all right to discriminate because of age; it is all right for the Federal Government, the States and businesses and everyone else to go out and do exactly what the State of Ohio did to June Betts. We do not think that should be the policy of this country and, certainly, Mr. President, we strongly support the inclusion of the second-degree amendment which has now been offered and is now before the Senate.

Mr. President, I think Senator METZENBAUM is on his way to the floor. At

this point, I suggest the absence of a quorum, and I yield the floor.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator may proceed.

Mr. METZENBAUM. Mr. President, I rise to support the pending Pryor-Stevens-Metzenbaum-Glenn amendment. Frankly, without that amendment, I am very much concerned that the amendment of our colleague and friend from Utah would gut the bill. It is that simple.

Under the guise of parity, Senator HATCH creates a giant loophole that threatens to swallow up the substantive protections of this act.

An analysis of this amendment demonstrates how devastating it will be for older workers.

Under the Hatch amendment, any employee benefit plan offered by any employer—in either the public or private sector—is exempt from this act so long as it is similar to any plan in effect for Federal Government employees.

This amendment is both unwise and unworkable.

First, let me emphasize that the amendment does not do what Senator HATCH claims he wants to do.

Senator HATCH claims that he wants to cover Federal employees.

But I ask you to read the amendment.

It does not cover Federal employees.

If coverage for Federal employees is the real issue, then we should do it directly.

That is exactly the approach of our second-degree amendment.

Senator PRYOR, as chairman of the Civil Service Subcommittee, is an expert on Federal employee benefits.

The Pryor amendment is a sensible and direct way to address this issue.

The Pryor amendment clearly extends the coverage of this act to Federal Government employees.

At the same time, as an expert in this area, the distinguished Senator from Arkansas recognizes that changing established Federal employee benefit plans cannot occur overnight.

Such changes may require legislative or formal administrative action.

Given those special circumstances, Senator PRYOR's amendment allows the Federal Government 2 years to come into full compliance with the act.

That is the same treatment that the bill currently accords State and local government employees.

Moreover, because there may be some uncertainty about any adjustments in Federal employee plans, the Pryor amendment sensibly requires the Office of Personnel Management to study Federal plans and report back to Congress within 1 year on the extent to which these plans comply with the requirements of this act.

Therefore, those Senators concerned about Federal employees should vote for the Pryor second-degree amendment.

But make no mistake, the underlying Hatch amendment is not about Federal employees.

It is really a clever attempt to undermine the protections of this act.

It is not clear that the Betts decision had an impact on the Federal Government.

It is equally unclear if prior to Betts, the Federal Government had to comply fully with the "equal benefit, equal cost" principle.

Therefore, there may well be Federal employee benefit plans in effect today that do not comply fully with this act.

Senator HATCH's amendment creates a "race to the bottom."

The most arbitrary Federal Government plan in effect will then become the standard for all employers under the Hatch approach.

Millions of older Americans will be denied protection under this amendment.

Moreover, the Hatch amendment is completely unworkable.

The exemption applies if the private sector program is similar to an existing Federal program.

That is a ridiculous standard: it is subjective and unprecedented.

The Hatch amendment directs the Secretary of Labor to issue regulations on this standard.

First, the EEOC administers the Age Discrimination in Employment Act.

Senator HATCH bypasses the EEOC, which has expertise in addressing discrimination, and gives the authority to the Secretary of Labor.

Second, there is no objective basis whatsoever for the Secretary of Labor or any other agency to establish a similarity standard.

This amendment really amounts to a blanket exemption for all employee benefit programs.

A vote for the Hatch amendment is a vote to kill this bill.

Anyone who is serious about the need to protect older workers from arbitrary age discrimination will vote for the Pryor amendment and against Senator HATCH's amendment.

Anyone who wants to be constructive in this effort to help older Americans will vote for the Pryor amendment.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KERRY). Without objection, it is so ordered.

GERMAN UNIFICATION TREATY

Mr. MITCHELL. Mr. President, last week an event of historic importance occurred with the signing in Moscow of the treaty with regard to Germany. Because events elsewhere in the world have momentarily diverted our attention, the successful conclusion of the Two Plus Four talks dealing with German unification has not received the full attention it deserves. Nevertheless, the treaty will pave the way for full Germany unity in early October, and the postwar map of Europe will be permanently changed. As German unification occurs, the four Allied Powers—Britain, France, the Soviet Union, and the United States—will no longer retain special rights in Berlin and the last vestiges of World War II will disappear from Europe.

The treaty can thus truly be said to mark the end of the post-World War II era. It is a signal achievement for the United States and the West, as a united and democratic Germany takes its place in the democratic Europe emerging all across the Continent. The German people themselves, especially, those in the East who took brave and potentially enormous risks less than 1 year ago to accelerate this process, also deserve the admiration and respect of the world. And Soviet President Gorbachev, who recognized the irresistible demand for democracy in Central Europe, also deserves credit for helping create the conditions making this historic achievement possible.

German unification will occur on October 3, and it is my understanding that the Parliament of the United Germany will adopt this treaty as one of its first acts. The three other allied powers will follow their own procedures for consenting to ratification.

Mr. President, I believe it is of paramount importance that the Senate consider this treaty and offer its advice and consent to ratification prior to the adjournment of the 101st Congress in October. Therefore, I call upon the administration to submit the treaty to the Senate as soon as possible so that the Senate's consideration of the treaty can begin.

If the administration acts promptly, I am confident that the Senate will be able to fulfill its constitutional responsibilities and address this matter fully

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prior to adjourning. Indeed, it is imperative that the Senate do so, lest the German unification process be adversely affected in any way as a result of American inaction. That would be regrettable, because the unification of Germany as now proposed represents a remarkable foreign policy success for the Western Alliance. For decades we have encouraged the creation of a unified, democratic Germany. It is now at hand. We should be supportive.

Finally, I note that news reports from last week indicate that some unidentified administration officials may believe that this treaty could be ratified by the President without the advice and consent of the Senate. Such a view hardly merits serious consideration. It is an erroneous one. It is my judgment that this treaty bears on issues of historic importance, of great significance for our national security as well as for our future political relations with all of Europe, and treaties on such matters absolutely require the participation of the Senate in its treatymaking role. To believe and act otherwise would not only risk creating controversy where none need exist, but could needlesly delay action on this issue of great historic significance.

Mr. President, I yield the floor, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GLENN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

OLDER WORKERS BENEFIT PROTECTION ACT

The Senate continued with the consideration of the bill.

Mr. GLENN. Mr. President, I ask that the time for discussion on S. 1511 be extended for the duration of my remarks.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. GLENN. Mr. President, I am pleased to have this opportunity to speak in support of the amendment offered by Senator PRYOR. It is a privilege to work with him on both the Aging and the Govenmental Affairs Committees, and I commend him and my colleague from the State of Ohio, Senator METZENBAUM, for the leadership they are providing to ensure that working Americans are not discriminated against due to their age.

I am proud to be a cosponsor of S. 1511, the Older Workers Benefit Protection Act, and I rise now to cosponsor the Pryor amendment which extends the protections afforded by this legislation to Federal workers. Like other workers, Federal employees are protected against age discrimination in hiring and firing. Today we are attempting to protect them—and all workers—from discrimination when it comes to important employee benefits such as health, disability, life insurance, pensions, and severance pay.

Passage of the Older Workers Benefit Protection Act would restore the rights of millions of older workers to employee benefits, benefits that are in jeopardy due to the 1989 Supreme Court decision in the case of Public Employees Retirement System of Ohio versus Betts. Mrs. June Betts, who is a constituent of mine in Ohio, became disabled and was unable to continue her job helping mentally retarded children. She applied for a disability retirement, but because Mrs. Betts was over 60 when she retired—she was 61—she was denied this benefit which would have paid her $355 per month. Instead, all she received was a standard age-and-service pension in the amount of $158 per month. Like many women who raise families, Mrs. Betts had returned to the work force later in life and did not have enough years of service to qualify for a higher benefit amount.

June Betts filed a lawsuit alleging age discrimination, and both the district court and the circuit court of appeals ruled in her favor. However, on June 23, 1989, the Supreme Court overturned the lower courts' decisions, and overturned over 20 years of established procedures. Basically, the Supreme Court excluded protection against age discrimination in employee benefits from coverage under our age discrimination law. The Betts decision, in the words of Justice Marshall, "immunized virtually all employee benefit programs from liability under the Age Discrimination in Employment Act."

S. 1511, the Older Workers Benefit Protection Act, would overturn the Betts decision by stating in law that the Age Discrimination in Employment Act does protect against discrimination in employee benefit plans, and it reinstates the Equal Employment Opportunity Commission's equal benefit or equal cost rule that was applied for so many years before the Betts decision. Under this rule, an employee benefit plan that provides lower benefits to an older worker than to a younger worker does not violate the Age Discrimination in Employment Act, if the cost incurred on behalf of an older worker is equal to the cost incurred on behalf of a younger worker. This is fair to both employers and employees.

So, Mr. President, I support S. 1511 which has been revised to address many of the concerns addressed by some private and public employers, including Ohio's public retirement plans. And I support the pending amendment to ensure that Federal employees, like other workers, are protected against any form of age discrimination in employment.

Mr. President, I strongly urge my colleagues to join in passing the Pryor amendment and the Older Workers Benefit Protection Act.

I yield the floor.

RECESS UNTIL 2:15 P.M.

The PRESIDING OFFICER. Under the previous order the, Senate stands in recess until the hour of 2:15 p.m.

Thereupon, the Senate, at 12:30 p.m., recessed until 2:15 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. BREAUX].

THE EXECUTIVE CALENDAR

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration en bloc of the seven resolutions of the advice and consent of the ratification of the eight tax treaties on the Executive Calendar, Calendars Nos. 13 through No. 20.

EXECUTIVE SESSION

TAX CONVENTION WITH TUNISIA

SUPPLEMENTARY PROTOCOL TO THE TAX CONVENTION WITH TUNISIA

TAX CONVENTION WITH THE REPUBLIC OF INDONESIA

TAX CONVENTION WITH THE REPUBLIC OF INDIA

COUNCIL OF EUROPE—OECD CONVENTION ON MUTUAL ADMINISTRATIVE ASSISTANCE IN TAX MATTERS

TAX CONVENTION WITH THE FEDERAL REPUBLIC OF GERMANY

TAX CONVENTION WITH THE REPUBLIC OF FINLAND

INCOME TAX CONVENTION WITH SPAIN, WITH PROTOCOL

Mr. CRANSTON. Mr. President, I ask that the yeas and nays be ordered on the pending vote on the resolutions of ratification.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. FOWLER. Mr. President, I suggest the absence of a quorum and ask the time be equally divided.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE U.S. BILATERAL TAX TREATIES AND THE MULTILATERAL CONVENTION ON MUTUAL ASSISTANCE IN TAX MATTERS

Mr. PELL. Mr. President, today the Senate is being asked to give its advice and consent to the ratification of six bilateral tax treaties and a multilateral convention for mutual cooperation in tax matters. These bilateral tax treaties are with Finland, the Federal Republic of Germany, India, Indonesia, Spain, and Tunisia. The treaties with the Federal Republic of Germany and with Finland will replace outdated ones, while the treaties with India, Indonesia, Spain, and Tunisia represent new treaty relationships with the United States. Finally, the proposed OECD Multilateral Convention on Mutual Administrative Assistance in Tax Matters, represents the first multilateral effort for cooperation in that area.

As with the more than 30 U.S. bilateral tax treaties currently in effect with numerous other countries, the pending treaties seek to achieve similar objectives. Namely, they seek to eliminate double taxation of income of U.S. residents by the other treaty parties, as well as to cooperate in efforts to reduce tax evasion.

The pending treaties address the issue of double taxation by seeking the reduction or elimination of the taxation of income earned by citizens and residents of one country by the other. This objective is achieved in the pending treaties by each of the treaty parties agreeing to limit its rights to tax income earned in its territory by residents of the other party. Similarly the pending treaties attempt to facilitate efforts by tax authorities to reduce tax evasion with the inclusion of provisions designed to facilitate the exchange of tax-related information between appropriate taxing authorities.

On June 28, the Committee on Foreign Relations considered the pending treaties and recommended that the Senate give advice and consent to ratification of all of them. At that time, the committee also adopted understandings with respect to the treaties with Germany and Finland. Both of these understandings were developed in close consultation with the Department of Treasury and the Joint Tax Committee. In the case of the treaty with the Federal Republic of Germany, the understanding seeks to clarify the application of the treaty once German unification has occurred. The understanding makes it clear that the treaty would apply to states which were formerly within the territory of East Germany so long as the current tax system of the Federal Republic has been extended to those states.

The understanding that the committee has recommended with respect to the treaty with Finland would clarify an ambiguity in the proposed treaty to make clear that nothing in the proposed treaty requires the United States to allow credits against United States income tax, for payment of the Finnish capital tax.

The OECD convention breaks new ground in the area of furthering cooperation on tax matters, by seeking to establish a broad-based international framework of assistance in information exchange, tax collection efforts, and service of documents. While we have in place a network of bilateral agreements for exchanging tax-related information, the proposed convention will be the first multilateral exercise of its kind.

The administration recommended and the Foreign Relations Committee adopted three reservations with respect to the application of the convention with respect to the United States. The effect of these reservations will be to limit U.S. participation in the convention to its exchange of information components, and the service of documents by mail. The administration stated, and the Committee on Foreign Relations concurred, that it did not believe it appropriate, at this time, to participate in the other aspects of the convention, that is cooperation in tax collection efforts, or the broader range of service of document activities provided for in the convention.

Mr. President, I believe that the six bilateral tax treaties and the multilateral convention on mutual cooperation in tax matters serve U.S. interests, and therefore recommend that the Senate give its advice and consent to ratification.

Mr. HELMS. Mr. President, this afternoon the Senate is considering, en bloc, six bilateral tax treaties that were reported favorably from the Committee on Foreign Relations. The Senate is also considering U.S. participation in a multilateral convention on tax matters negotiated by the Organization for Economic Cooperation and Development [OECD].

All of these treaties have one thing in common: they address the issue of double taxation. They eliminate the risk that U.S. citizens earning income in Finland, Germany, India, Indonesia, Spain, and Tunisia, will be forced to pay taxes twice. The treaties establish agreements between the United States and each of the six countries to limit, under specific situations, the taxation of income earned by nationals of the other countries.

Obviously, these treaties do not exempt all income earned overseas from taxation in the country where the income is earned, but they set forth guidelines to avoid double taxation. In other words, an American citizen working in one of the six countries will not risk having all of his or her income taxed overseas, while at the same time paying income tax in the United States on all foreign earned income as well.

The treaties will also help U.S. officials crack down on tax evasion overseas. Each treaty contains provisions on the exchange of information between the two countries. This will help U.S. authorities ensure that all income earned by Americans residing overseas that must be reported under U.S. law is reported. It will also help to ensure that foreign nationals earning income in the United States—who are not required to pay income tax in the United States—do not conceal their earnings here, and thus avoid taxation in their respective countries.

Mr. President, two of the bilateral treaties—those with Germany and Finland—will supercede and improve upon existing tax treaties. The treaties with India, Spain, Indonesia, and Tunisia, mark the first bilateral tax treaties between the United States and those countries, intended to prevent double taxation.

These treaties were considered by the Senate Foreign Relations Committee at a hearing on June 14, 1990. At that time the committee received testimony from the administration which strongly supports the treaties. They were unanimously reported to the full Senate on July 27, 1990.

Mr. President, these treaties will help to create a climate that protects American nationals working abroad. They will also assist our Government in investigating income tax evasion by citizens earning income overseas. In a letter to me of June 19, 1990, the vice president of the U.S. Chamber of Commerce wrote:

> Prompt ratification is in the interests of both the business community and the U.S. government. Tax treaties provide the business communities of the signatory nations with stability and certainty, enabling U.S. businesses to compete more effectively in an increasingly globalized marketplace.

Mr. President, I ask unanimous consent that the full text of the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CHAMBER OF COMMERCE,
Washington, DC, June 19, 1990.

Hon. JESSE HELMS,
U.S. Senate, Washington, DC.

DEAR SENATOR HELMS: The U.S. Chamber of Commerce appreciated the opportunity to testify last week before the Committee

on Foreign Relations regarding pending tax treaties. On behalf of the broad spectrum of industries and businesses which the Chamber represents, we support all of the tax treaties pending ratification in the Senate.

The Chamber recommends that the committee act promptly on these treaties so as to bring them to the Senate floor for ratification as soon as possible. Prompt ratification is in the interests of both the business community and the U.S. government. Tax treaties provide the business communities of the signatory nations with stability and certainty, enabling U.S. businesses to compete more effectively in an increasingly globalized marketplace. The government signatories themselves likewise benefit from the intergovernmental exchange of tax information, providing for better enforcement of tax laws.

The Chamber thanks you for your interest in the tax treaty process.

Sincerely,

DONALD J. KROES.

Mr. HELMS. Mr. President, I urge the adoption of the resolutions of ratification.

THE TREATMENT OF THE CONTAINER LEASING INDUSTRY IN THE UNITED STATES-INDONESIAN AND UNITED STATES-INDIA TAX TREATIES

Mr. SIMON. Mr. President, I rise to discuss the pending tax treaties with India and Indonesia. A virtually identical provision in both of these treaties is of particular concern to me. This provision relates to the tax treatment of income from international shipping and air transport, which as I understand it, deviates from the provision which is generally incorporated into U.S. bilateral tax treaties.

Under the model treaty provision which forms the basis of the U.S. negotiating position, income earned from international shipping and air transport is only taxable in the country where the concern is resident. This would mean that a U.S. shipping company would only pay tax on its international income in the United States and not at every port it passes through. In most U.S. treaties in force, and as part of the provision of the model U.S. treaty, international income from container leasing activities is also covered by the shipping article. That is, income derived from the use and maintenance of containers, container leasing income, is subject to taxation only in the country of residence.

Mr. President, the container leasing industry, an industry headquartered principally in the United States with annual revenues of $100 million is rightfully distressed that it has been excluded from the shipping article in the case of the treaties with India and Indonesia. Rather, container leasing income is classified as rental income and therefore falls under the royalty provision of the treaties. That provision permits the Governments of India and Indonesia to impose a gross withholding tax of up to 10 percent.

Mr. CRANSTON. As my colleagues may be aware, most of the major container leasing companies which exist worldwide are headquartered in my State of California. It is obviously important to my constituents that their position not be prejudiced by U.S. treaty negotiations.

The container leasing industry has always been rightfully considered a part of the maritime transport industry. Containers, like ships, are on the high seas and in international waters much of the time as they move from one country to another. The industry should therefore be treated like other parts of the maritime industry, rather than like lessors of stationary leased equipment.

Under the India and Indonesia treaties, shipping income is exempt from source-based taxation; this is even true if a shipping company derives some of that income from leasing its own containers to others. Under both of these treaties, container leasing income is totally free of tax by those countries if earned by shipping companies. However, if this same income from container leasing is earned by container lessors, then a tax of up to 10 percent on gross income is permissible under these treaties.

The failure to treat container leasing companies like other maritime transport companies prejudices that industry in at least two ways. First it makes the operations of that industry far more expensive, subjecting it to the risk of operating at a loss, should it wish to lease to shipping lines headquartered in these two countries. Second, it clearly encourages shipping lines to own their own containers rather than to lease them. I do not believe it appropriate that tax treaties in any way encourage choices between ownership and leasing—this is contrary to the principles that taxes should be a neutral factor in economic decisionmaking.

Mr. SARBANES. Mr. President, my colleagues, Senators SIMON and CRANSTON very correctly state the situation presented by the treaties with India and Indonesia with respect to container leasing. I believe that it was only after the Secretary of Treasury, Nicholas Brady, provided certain assurances to the Committee on Foreign Relations, in response to a letter from me and Senators CRANSTON, MOYNIHAN, and BOSCHWITZ, that the committee was prepared to recommend that the Senate give its advice and consent to ratification.

The Committee on Foreign Relations expressed its views on this matter in the committee reports on the treaties—Executive Reports 101-24 and 101-25. In particular, the report states that, "(b)ased upon assurances sought and given * * * and in particular the commitment by Secretary Brady that Treasury 'will monitor the implementation of these treaties with respect to their relative impact on the relative position of American firms in these industries and will seek to reopen negotiations with these countries if we determine that the relative position of the industry has been adversely affected by the provisions of the treaties,' the committee recommends that the Senate give its advice and consent to the proposed treat(ies)."

I also think that it is important to call to the attention of our colleagues the instructions to U.S. Treasury negotiators contained in the committee reports cited above.

(The) Committee reiterates its 1983 instructions to the Treasury Department with respect to including only the U.S. model provision on this matter in all future treaties.

I hope that officials at the Department of Treasury are now fully aware of the high level of concern about this matter and will not present the Senate with this difficult problem again.

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the resolution of ratification.

The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I anounce that the Senator from California [Mr. WILSON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 99, nays 0, as follows:

[Rollcall Votes Nos. 236, 237, 238, 239, 240, 241, 242, Ex.]

YEAS—99

Adams	Ford	McCain
Akaka	Fowler	McClure
Armstrong	Garn	McConnell
Baucus	Glenn	Metzenbaum
Bentsen	Gore	Mikulski
Biden	Gorton	Mitchell
Bingaman	Graham	Moynihan
Bond	Gramm	Murkowski
Boren	Grassley	Nickles
Boschwitz	Harkin	Nunn
Bradley	Hatch	Packwood
Breaux	Hatfield	Pell
Bryan	Heflin	Pressler
Bumpers	Heinz	Pryor
Burdick	Helms	Reid
Burns	Hollings	Riegle
Byrd	Humphrey	Robb
Chafee	Inouye	Rockefeller
Coats	Jeffords	Roth
Cochran	Johnston	Rudman
Cohen	Kassebaum	Sanford
Conrad	Kasten	Sarbanes
Cranston	Kennedy	Sasser
D'Amato	Kerrey	Shelby
Danforth	Kerry	Simon
Daschle	Kohl	Simpson
DeConcini	Lautenberg	Specter
Dixon	Leahy	Stevens
Dodd	Levin	Symms
Dole	Lieberman	Thurmond
Domenici	Lott	Wallop
Durenberger	Lugar	Warner
Exon	Mack	Wirth

NOT VOTING—1

Wilson

The PRESIDING OFFICER. Two-thirds of the Senators present having voted in the affirmative, the resolutions of ratification are agreed to.

The resolutions of ratification agreed to are as follows:

TAX CONVENTION WITH THE GOVERNMENT OF THE TUNISIAN REPUBLIC

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Tunisian Republic for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income (the Convention), together with a related exchange of notes, signed at Washington on June 17, 1985 (Treaty Doc. 99-13), and to the Supplementary Protocol to the Convention, signed at Tunis on October 4, 1989 (Treaty Doc. 101-9).

TAX CONVENTION WITH THE GOVERNMENT OF THE REPUBLIC OF INDONESIA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of Republic of Indonesia for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, together with a related Protocol and exchange of notes, signed at Jakarta on July 11, 1988 (Treaty Doc. 100-22).

TAX CONVENTION WITH THE GOVERNMENT OF THE REPUBLIC OF INDIA

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Republic of India for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, together with a related protocol, signed at New Delhi on September 12, 1989 (Treaty Doc. 101-5).

CONVENTION ON TAX MATTERS WITH THE MEMBER STATES, OF THE COUNCIL OF EUROPE, AND THE OECD

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention negotiated by the Member States of the Council of Europe and the Organization for Economic Co-operation and Development (OECD), on Mutual Administrative Assistance in Tax Matters, done at Strasbourg, January 25, 1988, and signed by the United States at Paris on June 28, 1989 (Treaty Doc. 101-6), subject to the following reservations:

(1) That the United States will not provide any form of assistance in relation to the taxes of other Parties described in subparagraphs (b)(i) or (b)(iv) of paragraph I of Article 2 of the Convention (taxes imposed by or on behalf of possessions, political subdivisions, or local authorities) (as permitted by paragraph 1(a) of Article 30 of the Convention);

(2) That the United States will not provide assistance in the recovery of any tax claim, or in the recovery of an administrative fine, for any tax, pursuant to Articles 11 through 16 of the Convention (as permitted by paragraph 1(b) of Article 30 of the Convention); and

(3) That the United States will not provide assistance in the service of documents for any tax, pursuant to Article 17 of the Convention (as permitted by paragraph 1(d) of Article 30 of the Convention); this reservation does not apply to the service of documents by mail, pursuant to paragraph 3 of Article 17 of the Convention.

TAX CONVENTION WITH THE FEDERAL REPUBLIC OF GERMANY

Resolved, (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and the Federal Republic of Germany for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and Capital and to Certain Other Taxes (the Convention), together with a related protocol, signed at Bonn on August 29, 1989 (Treaty Doc. 101-10), subject to the following understanding:

That in the event that the German Democratic Republic and the Federal Republic of Germany unite under the Government of the Federal Republic of Germany, the Convention will apply, according to its terms, to residents of the area currently comprising the German Democratic Republic, and to income from sources within, and to capital situated in such area, only at such time as the laws imposing the covered national taxes in the area currently comprising the Federal Republic of Germany are identical in substance. The preceding sentence shall not affect the application of the Convention to any income or capital to which the Convention would apply absent unification.

TAX CONVENTION WITH THE GOVERNMENT OF THE REPUBLIC OF FINLAND

Resolved (two-thirds of of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the Government of the United States of America and the Government of the Republic of Finland for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income and on Capital (the Convention), signed at Helsinki on September 21, 1989 (Treaty Doc. 101-11), subject to the following understanding:

That nothing in the Convention requires the United States to allow any person, as a credit against the United States tax on income, any amount of Finnish capital tax.

TAX CONVENTION WITH THE KINGDOM OF SPAIN

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the Convention between the United States of America and the Kingdom of Spain for the Avoidance of Double Taxation and the Prevention of Fiscal Evasion with Respect to Taxes on Income, together with a related Protocol, signed at Madrid on February 22, 1990 (Treaty Doc. 101-16).

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the President will be immediately notified of the approval of the treaties by the Senate, and the Senate will now resume legislative session.

Mr. FOWLER. Mr. President, I ask unanimous consent to speak as if in morning business for a few minutes at this moment.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Hearing none, it is so ordered.

The Senator from Georgia is recognized.

ATLANTA TO HOST THE 1996 SUMMER OLYMPICS

Mr. FOWLER. Mr. President, in Atlanta, the Sun is shining and the bands are playing and the people are dancing in the streets over the decision by the Olympic Committee in Tokyo at 7:30 this morning that my hometown of Atlanta, GA, will represent the United States of America in hosting the 1996 summer Olympic games.

I am not sure whether it is the case of the little engine that could, but I must say that the selection of Atlanta is one of the most extraordinarily volunteer achievements that I have been pleased to witness in my adult lifetime. Commendations should go to former Mayor Andrew Young, who headed the effort on behalf of Atlanta, and to Billy Payne, whose organizational efforts in recruiting, challenging, and organizing over 8,000 volunteers made the case not only for Atlanta to be selected over many other American cities as the United States entry but won today in Tokyo this morning when Atlanta was selected to the host of the 1996 Olympics.

I wish to commend all those in this time when people think sometimes that enthusiasm and commitment cannot succeed in being persuasive in an effort of this magnitude. I wish to thank the thousands and thousands, as I have mentioned, of people who wanted to contribute and did contribute to this effort. And I want to take this opportunity, as one of the two Senators who are privileged to represent the State of Georgia, to say that we pledge to all the people of our counry to be the kind of hospitable city that will be exemplary in living up to the standards set by the thousand-year tradition of the Olympic games.

We are not unused to adversity in Atlanta. General Sherman burned us down one time on his way marching to the sea. We built back up, came back up, stuck out our chest and chin and rolled up our sleeves and, even capping a little Yankee ingenuity which we recruited from the hinterlands, we have put together a society in our State that has attracted people from all over our country and all over the world.

Atlanta is the home of Henry Grady, home of Martin Luther King, Jr., home if Ivan Allen, Jr., and many other people who have made great

contributions to public service. It is in that spirit that we will host these games: the spirit of voluntarism and excellence which is the heart of the original Olympics, and we think we will be able to and will make our fellow countrymen and 50 States proud of this selection by the Olympic Committee.

I thank the President.

Mr. SYMMS. Mr. President, I ask unanimous consent to speak for 5 minutes as in morning session.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? If not, the Senator is recognized.

Mr. SYMMS. I thank the Chair.

(The remarks of Mr. SYMMS pertaining to the introduction of S. 3068 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SYMMS. I yield the floor.

OLDER WORKERS BENEFIT PROTECTION ACT

The Senate continued with the consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the question now occurs on amendment No. 2669, offered by the Senator from Arkansas, to the Hatch amendment No. 2667 to the bill S. 1511.

Mr. HEINZ. Mr. President, I move to table the Hatch amendment.

The PRESIDING OFFICER. The question before the Senate is the Pryor amendment to the Hatch amendment. The yeas and nays, the Chair will observe, have not been ordered.

Mr. HEINZ. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senate will please be in order.

Mr. HEINZ. Mr. President, a parliamentary inquiry. As I have examined the unanimous-consent request, it does not preclude a motion to table.

The PRESIDING OFFICER. The Chair will state his answer to the Senator's parliamentary inquiry. Under the previous order, the interpretation of the Chair is that this will be a vote on the Pryor amendment to the Hatch amendment.

Therefore, a tabling motion to the Pryor amendment will not be in order. The Chair observes that the yeas and nays have not been ordered.

Mr. PRYOR. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Arkansas.

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The bill clerk called the roll.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent.

The PRESIDING OFFICER (Mr. AKAKA). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 80, nays 19, as follows:

[Rollcall Vote No. 243 Leg.]

YEAS—80

Adams	Ford	Metzenbaum
Akaka	Fowler	Mikulski
Armstrong	Glenn	Mitchell
Baucus	Gore	Moynihan
Bentsen	Graham	Murkowski
Biden	Gramm	Nickles
Bingaman	Grassley	Nunn
Boren	Harkin	Packwood
Boschwitz	Hatfield	Pell
Bradley	Heflin	Pressler
Breaux	Hollings	Pryor
Bryan	Humphrey	Reid
Bumpers	Inouye	Riegle
Burdick	Jeffords	Robb
Byrd	Johnston	Rockefeller
Coats	Kassebaum	Roth
Cohen	Kasten	Sanford
Conrad	Kennedy	Sarbanes
Cranston	Kerrey	Sasser
D'Amato	Kerry	Shelby
Daschle	Kohl	Simon
DeConcini	Lautenberg	Specter
Dixon	Leahy	Stevens
Dodd	Levin	Wallop
Domenici	Lieberman	Warner
Durenberger	McCain	Wirth
Exon	McConnell	

NAYS—19

Bond	Gorton	McClure
Burns	Hatch	Rudman
Chafee	Heinz	Simpson
Cochran	Helms	Symms
Danforth	Lott	Thurmond
Dole	Lugar	
Garn	Mack	

NOT VOTING—1

Wilson

So, the amendment (No. 2669) was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote.

Mr. PRYOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 2667

The PRESIDING OFFICER. The question now occurs on amendment No. 2667 offered by the Senator from Utah.

Mr. PRYOR. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. PRYOR. Were the yeas and nays previously ordered on the original first-degree amendment offered by the Senator from Utah?

The PRESIDING OFFICER. They have been.

Mr. PRYOR. Mr. President, if I could get the attention of the Senator from Utah, it is my understanding there will not be a requirement for a rollcall vote on the Senator's amendment, and if that is in agreement with the Senator I would ask to vitiate it.

Mr. HATCH. I am certainly in agreement.

Mr. PRYOR. Mr. President, I ask unanimous consent to vitiate the yeas and nays.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment of the Senator from Utah, as amended.

The amendment (No. 2667), as amended, was agreed to.

Mr. METZENBAUM. Mr. President, I move to reconsider the vote.

Mr. PRYOR. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. THURMOND. Mr. President, as reported from committee, S. 1511, the Older Workers Benefit Protection Act, threatens to have far reaching and unforeseen consequences for millions of employees currently eligible to receive a variety of employee benefits. Accordingly, I cannot support the substitute bill.

Substantively, this legislation would overturn the 1989 Supreme Court case, Public Employees Retirement System of Ohio [PERS] versus Betts. In Betts, the Court held that employee benefits such as pension plans and disability, severance pay, and health and life insurance are not subject to the Age Discrimination in Employment Act [ADEA] as long as they are not a subterfuge for discrimination in other nonbenefit aspects. The decision overruled controversial Equal Employment Opportunity Commission guidelines requiring employers to provide extensive cost justifications for age-related differences in employee benefit plan provisions.

If enacted as currently drafted, this legislation would adversely affect voluntary early retirement programs, require restructuring and cutbacks in disability benefits, jeopardize severance, and other employee benefits, and adversely affect State and local governments.

Early on, objections were raised to the original bill by representatives of certain labor organizations and State and local officials. The United Steelworkers of America, the United Auto Workers, and the executive director of the Ohio Public Employees Retirement System expressed strong concerns with this bill. Some changes have been made to address these concerns, but more changes are needed.

I understand several amendments are likely to be offered to improve the bill. I remain open to consideration of these amendments. However, I cannot support the bill as currently drafted.

Mr. GRASSLEY. Mr. President, I have been an opponent of age discrimination, and a strong supporter of the Age Discrimination in Employment Act, for many years.

In fact, I am the author of two of the small number of major changes in the law.

When the Betts decision was handed down, I felt that, whatever the Congress may have intended when it originally passed the Age Discrimination in Employment Act, it should not continue to support a policy which permits age discrimination in employee benefits.

Given my interest in the Betts decision, I was involved in the early discussions here in the Senate which led to the introduction of the original S. 1511. That bill was predicated on the notion that it would be a relatively straightforward matter to put in statute the interpretive bulletin of the Equal Employment Opportunity Commission which, it was assumed, for some years had been accepted by the employer community as authoritative guidance with respect to the application of the ADEA to employee benefit questions. In other words, Betts could be fixed without, in a sense, making new law, or at least without making any disruptive changes in what most employers were already doing.

However, I did not cosponsor S. 1511 when it was introduced. And I didn't because many people outside the Congress, in the benefits consulting and employer communities, were saying that a correction of the Betts decision would not be, indeed, could not be, simply a matter of putting the interpretive bulletin of the EEOC in law.

Subsequently, I decided that they were right, and that I had been justified in withholding cosponsorship of the legislation, although I felt then, and said so, and feel now, that the original S. 1511 was a sincere attempt to fix a problem the Court's decision had created, or perhaps revealed, depending on your attitude toward the Court's decision.

Nevertheless, it was more complicated. At least one indication that matters were not quite as straightforward as we originally thought is the fact that the Congressional Research Service, responding to Member interest, has written at least 10 publicly available analyses addressing different questions raised by the decision and by the legislation. I have no idea how many other analyses they may have written in response to specific Member requests that are not generally available.

Unfortunately, I am still not yet sure that the sponsors have presented a bill for consideration that has resolved the major potential problems evident in the earlier versions.

I do believe that they have been open to modification of the bill and to compromise. It is clear that the version before us represents substantial changes from the version as originally introduced, and also from the version as reported by the Labor Committee.

I would like to feel sure that the changes the sponsors have accepted in the bill do take care of the major concerns the bill has raised, so we can move ahead to make clear that it is not our policy to condone age discrimination in employee benefits.

I intend to enter into the RECORD at the end of my statement several of the major questions I feel the sponsors will want to address in the debate on the bill for the satisfaction of those, who, like myself, believe we should fix Betts, but who want to make sure that we are not going to create havoc in the benefits area, and possibly harm the interests of workers, including older workers, when we try to do so.

I also must say that it is distressing to consider legislation the final versions of which were still being hurriedly worked on Thursday and Friday of last week as is indicated by the fact that three different versions of the bill were circulated between Tuesday evening and Friday afternoon. There are most certainly many Senators who will begin voting on this legislation today who didn't know until today that there was a Friday version.

I suppose none of us will find such a state of affairs particularly surprising. It won't be the first time, and it won't be the last, that we will consider important and complex legislation under such circumstances. But I for one don't feel comfortable making complex law in the complex realm of employee benefit law and practice in such circumstances.

In any case, I hope the debate on the bill will clarify some of the questions that have been raised about the bill.

I would like to enter into the RECORD a list of some of those questions.

QUESTIONS ON BETTS

1. Will employers offer fewer voluntary early retirement incentive programs (ERIPs), popular with both employers and employees, if the legislation is passed in its current form, thus possibly doing harm to the interests of older workers?

It is not clear that the change from "further the purposes of the Act" to "consistent with the purposes of the Act" will be sufficient to assure employers that they can offer such programs without fear of violating the ADEA. How do we know that encouraging older workers to leave a company's work force through such ERIPs will be considered "consistent with the purposes of the Act", one of which surely is to foster continued employment of older workers? Will employers resort to layoffs with no retirement incentives if the bill in its present form becomes law?

2. Does Section 103 (1) of the bill, where it amends section (f)(2)(B), which is the cost justification safe harbor, and which cites section 1625.10 of the EEOC Interpretive Bulletin, allow a disability retirement plan, such as typically provided in the state, local and federal public sectors, to use aggregated group data to justify reduced duration of disability payments to older workers. In other words, if the cost is equal, the duration of the benefit will be shorter because older workers tend to have longer and more serious disability than younger workers. As written, the relevant section is ambiguous at best.

Such aggregated actuarial data is used by disability insurance plans, as distinguished from disability retirement plans, to cost justify, fully in keeping with Section 1625.10 of the EEOC Interpretive Bulletin, the reduced duration of payment of disability benefits to older workers. The cost justification of disability insurance plans is based on the premiums charged for such plans. It is in the computation of these premiums that insurance companies use aggregated data reflecting the increased incidence of disability among older workers.

As I read the language of the amended Section (f)(2)(B), it is unclear as to whether such group data can be used: the citation of section 1625.10 of the EEOC Interpretive Bulletin would imply that the use of such data is permitted, but the language of the amended Section (f)(2)(B) stipulates that the payment to "*an* older", compared to "*a* younger" worker in that same section, thus implying that only actual benefit amounts for individuals can be used.

3. Employers and benefit specialists have argued that the prohibition against integration of pension and severance pay benefits contained in S. 1511 will cause either a very large shift of resources from younger workers, including younger older workers, to pension eligible workers, or may also cause employers to eliminate severance benefits altogether and resort to layoffs without assistance of any kind for the laid-off employees.

Leaving aside for the moment the question of whether, as a matter of principle, integration of pensions and severance ought to be prohibited, do the sponsors agree that the effect of this provision of S. 1511 will be to shift very substantial resources from younger workers, including younger older workers, to pension eligible workers? What about the concern that some employers may not want to offer any severance benefits at all?

4. Some companies do provide health insurance coverage for retirees, but cease such insurance coverage when the retiree becomes eligible for Medicare. Thus, such companies would be spending more for their younger retirees, who are not eligible for Medicare, than for their older retirees, who are receiving Medicare.

If the bill is enacted, would such a company be in violation of the law? Is that the sponsors intention? If not, what provision in the bill protects employers in such circumstances?

5. S. 1511 does not apply to the federal government, as I understand it. Shouldn't the bill apply to federal employee benefits if it applies to state and local governments and other employers? If it did apply to the federal government, would the federal government have to readjust its benefit plans?

6. Do the sponsors agree that the bill would require the employer to bear the burden of proof in justifications offered, by employers for allegedly discriminatory behavior, on grounds of reasonable factors other than age (RFOA)?

According to an analysis by the American Law Division of the Congressional Research Service, lower courts have not been unanimous on the question to who should bear the burden of proof on this matter. Five circuits have held that the employee should bear the burden of proof, two that probably have held that the employer should, and one has held that the employer should. Is it

thus the sponsors intention to settle this issue with this legislation?

7. There may still be some uncertainty as to whether the effective date of the legislation will protect private employers from law suits when the legislation is enacted.

As I understand it, the legislation as it concerns private employers applies on enactment to any established (or modified) employee benefit. In the event that the legislation is enacted, would the many employee benefit plans that might not yet be in compliance, because of the time it takes to comply, be vulnerable to a lawsuit on the grounds of non-compliance with the law?

8. What is the "other conduct" referred to in Section 105(a)(2), the effective date section?

9. With respect to the time given to the states to comply, I believe that the bill provides two years to comply with respect to employee benefits. Is it correct that the states would only have 60 days to comply with other provisions of the Age Discrimination in Employment Act?

I believe that the states were given two years to comply with the employee benefit requirements to the legislation in order to provide sufficient time for the states' legislative process to take up and make the appropriate changes. In the event, for instance, that a state has a pre-ADEA (1967) plan the non-benefit aspects of which must be changed, why should a state be able to do in 60 days what the sponsors concede will take two years for employee benefit changes?

10. The states have also raised the question of whether the bill would affect only future benefits of active employees or whether it would also affect future benefits of current retirees or those currently receiving disability benefits. I understand that the sponsors have indicated that only the future benefits of active employees would be affected. But what assurances do we have in the language of the bill itself that this would be the case? Without such assurances in the bill itself what is to prevent courts from construing the legislation otherwise?

11. Do the waiver provisions of Title II of the bill apply to the election procedures for state and local governments found in Title I?

12. In the election procedure states may follow in adjusting their benefit programs what is meant by the term "reasonable notice"? Reasonable notice to all employees is required before a state may establish new disability benefit plans which an employee may elect. This term is defined in the bill, but not in a particularly operational fashion. This vagueness could foster litigation.

13. Under terms of the bill in its current form, may states change their benefit plans to comply with the law without offering an election?

14. In the election procedures which may be used by states in revising their benefit programs, may an employee revoke an election, and should the bill require that elections, once made, are irrevocable?

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, 1991

The PRESIDING OFFICER. Under the previous order the Senate will resume consideration of D.C. appropriations bill H.R. 5311 which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5311) making appropriations for the government of the District of Columbia and other activities chargeable in whole or in parts against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes.

The Senate resumed consideration of the bill.

Pending:

(1) Nickles amendment No. 2639, to the number of employees of the District of Columbia government at the same level as fiscal year 1990.

(2) Coats/McConnell amendment No. 2640 (to amendment No. 2639), to authorize States to regulate certain solid waste in Interstate commerce.

The PRESIDING OFFICER. The pending question is amendment numbered 2640 offered by the Senator from Indiana. Debate on the amendment is limited to 1 hour equally divided, in accordance with the usual form.

The Senator from Washington.

AMENDMENT NO. 2640

Mr. ADAMS. Mr. President, I shall review for my colleagues where we are on this bill, and then indicate who will be managing on this side and make an inquiry of the other side as who will be handling the time.

The Senate began consideration of this bill a week ago. We have adopted four amendments. In addition, Senator NICKLES has offered an amendment which we are prepared to accept. To that amendment the Senator from Indiana has attached a controversial second-degree amendment. As the chair stated and I would ask to reaffirm this, there is 1 hour of debate allocated to the amendment of the Senator from Indiana to be equally divided in the usual form.

At this point, I yield the time allocated to the opponents, the one-half hour of time, to Senator LAUTENBERG of New Jersey.

I make an inquiry of the Senator from Indiana, does he wish to control or is he going to be in control of the half-hour for the amendment on his side?

Mr. COATS. Mr. President, in response to the Senator from Washington, I am, and I will control that one-half hour time on our side.

Mr. ADAMS. Then, Mr. President, I yield the time on the basis which I stated, the half-hour on this side to Senator LAUTENBERG from New Jersey.

Mr. LAUTENBERG. Mr. President, I thank the manager of the D.C. appropriations bill for his courtesy in permitting me to manage the time to oppose the amendment by the Senator from Indiana. We debated this at length on Friday, and anyone who wants to speak on our side of the issue should notify me so we can apportion the time and make sure that those who want to be heard are heard.

Mr. President, I wonder whether my distinguished colleague from Indiana would like to lead off on his side or use any time?

Mr. COATS. Mr. President, I have a speaker on our side who wishes to speak now due to a scheduling problem.

Mr. LAUTENBERG. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, I yield 3 minutes to the Senator from Kentucky.

The PRESIDING OFFICER. The Senator from Kentucky is recognized.

Mr. McCONNELL. Mr. President, I thank my friend from Indiana and rise to commend him for the outstanding amendment.

There is no more critical environmental problem in the central part of the Nation, in particular Indiana and Kentucky, than the question of out-of-State garbage.

The distinguished Senator from Indiana has been the leader on this issue. He has advanced the cause with great persistence to the point where today we have an opportunity to express ourselves on the question of providing for States the opportunity to protect themselves against the solid waste from other States.

My involvement in this goes back as well. I have felt that the best way to go was to provide a fee differential, that is, the opportunity for States to set tipping fees at whatever level those tipping fees are at the point of origination. The amendment of the Senator from Indiana covers that option as well as others.

He has handled this very skillfully and, as I said earlier, with persistence. I am happy to be a principal cosponsor of this amendment along with the distinguished Senator from Indiana.

If this were to become law it would give the States an opportunity to protect themselves and also provide additional incentive for the States in which the garbage originates to deal with their own solid waste problems.

So, Mr. President, I thank the Senator from Indiana for his outstanding work on this most important subject. I hope that an hour from now when the roll is called this amendment will be adopted by a large margin.

Mr. COATS. Mr. President, I have other speakers that want to speak on this. Pending their arrival, I will yield myself such time as I may consume.

Mr. President, shortly, we will be voting on the Coats amendment which will give States the tools necessary to control the growing tide of trash hauled across State lines for disposal. We have engaged in considerable debate on this issue both Thursday and Friday of last week. When I offered this amendment earlier in the year, we engaged in a considerable amount of discussion and negotiation on that. I am pleased that we are bringing this to a resolution and will

be shortly determining what the will of the Senate will be on this issue.

A number of arguments have been made by several speakers on the subject. It is one that I think has caused considerable problems for a number of States in our country as they have found themselves unwilling recipients of trash brought in from other States and have not had any whatsoever to control, to regulate, to set reasonable standards relative to the disposition of this trash within a particular State's border. A number of States, States similar to Indiana and like Indiana, have taken very responsible steps in looking forward in terms of what its trash problem will be in the next 15 to 20 years.

We find ourselves facing the alarming fact that our landfills are rapidly filling up, that creation of new landfills is a very complex, environmentally difficult and particularly politically difficult situation and operation within a particular State.

In Indiana alone, the number of landfills available for waste disposal has declined by more than 50 percent in just the past 6 years and projections are that that number will decline an additional 50 percent or more within the next 2 or 3 years. So we now face the prospect of having less than 10, perhaps even less than 8, years total capacity remaining; that is, to dispose of our own waste. And yet in just the past 2 years, we have seen a dramatic increase in the flow of trash from other States coming into our State, filling up our landfills and leaving us faced with a situation where even our 7- to 8-year capacity is severely jeopardized.

We are taking responsible steps in Indiana. Our State legislature, at the request of the Governor, has adopted some of the most far-reaching and important and environmentally sensitive plans for waste disposal of any State in the Union. We have embarked upon an ambitious recycling program. We are looking at source reduction. We are looking at a number of alternative ways to deal with the waste that is generated within our State borders. And yet this plan will be rendered totally null and void if we cannot have a say in the manner in which we face the prospect of mountains of out-of-State trash coming in.

No matter how effective our own waste disposal plan is, no matter how effective our recycling plans are, we simply will not be able to carry out these ambitious proposals if we are overwhelmed by truckloads and trainloads of trash that come into our State unimpeded and have no ability to deal with this problem.

And so the Coats amendment that was offered last week and is the subject now of the Senate gives States like Indiana and gives every State the right to determine its own destiny in terms of how it disposes of trash. It does not prohibit entering into arrangements with other States, entering into regional, bi-State, multi-State compacts to dispose, in a rational way, of the waste that is generated within that particular region. It would not even prohibit the importation of trash from New Jersey into Indiana as is currently occurring at an alarming rate. But what it does is it puts our State authorities at the same table with the New Jersey State authorities in determining what should be a rational way to deal with this problem. It gives us a say in the matter.

Why do we need this legislation? We need this legislation because the Supreme Court in a number of cases has determined that garbage, waste, is classified as commerce and therefore the interstate commerce clause of the Constitution puts severe limitations on our ability to unilaterally make decisions relative to whether or not we import out-of-State trash, how we set fees on that, and so forth. Legislation is needed by Congress to authorize States to specifically determine their own destiny in this regard, and this legislation is designed to do that.

I will shortly be outlining the details of the amendment, the concerns that it addresses, and some of the concerns that have been raised.

At this particular point, Mr. President, I yield the floor reserving the remainder of my time.

Mr. LAUTENBERG. Mr. President, I yield myself as much time as I may consume.

I want to acknowledge here and now that I strongly oppose the amendment of the Senator from Indiana. We debated this at length on Friday. I just want to summarize my objections.

Let's be clear, first of all, about what this amendment says and what it does not say. The amendment would give any State the power to impose unlimited, unreasonable, and punitive fees on out-of-State garbage but for a number of years existing law has permitted the exportation of garbage from one State to another without being able to charge higher fees for out-of-State garbage.

So while we want to solve the problem—and I do not think any State ought to be advertising that it wants to export garbage—we want to have an orderly transition from a policy of waste exports to a policy of garbage self-sufficiency.

This amendment does not, as was argued on Friday, simply remove the economic incentive for States to export garbage instead of developing solutions at home. The amendment goes a whole lot farther than that. The amendment sets no limits on the fees that a State might charge.

It does not prevent blackmail, it does not prevent one State from holding up another State.

The amendment would give a State the power to ban out-of-State garbage, suddenly, immediately, capriciously, without any regard for its impact. A State need only certify that it has a plan for dealing with its own garbage. The EPA does not review the plan. A State writes its own ticket.

That is the amendment. It has two parts. Part one allows these outrageously punitive fees, fees that need not have any relation to fairness, to economic incentives, and to environmental considerations. It is simply blackmail.

Part two, sudden, immediate bans on garbage importation with no objective test that the banning State has a decent plan of its own and with no reasonable time for the exporting State to adjust.

That is the Coats amendment, Mr. President. I would like to explain why the amendment is a terrible idea and why Senators should vote against it.

First, the amendment will not help the environment; it will hurt it. My colleagues do not have to take my word for it. They can take the word of the National Governors' Association. Our Nation's Governors say bans on interstate transportation of solid waste may not lead to the best environmental result. I ask my colleagues to take the word of the Nation's leading environmental groups: the Sierra Club, NRDC, and the Public Interest Research Group. They have written indicating their opposition to the Coats amendment.

Mr. President, I ask unanimous consent that a copy of that letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SEPTEMBER 17, 1990.

URGENT—OPPOSE COATS AMENDMENT BANNING INTERSTATE SHIPMENT OF SOLID WASTE

DEAR SENATOR: We are writing to strongly urge you to oppose Senator Coats' Amendment 2640 to H.R. 5311, the District of Columbia Appropriations Bill. This measure, which is scheduled for a floor vote today, is likely to cause severe disruption to rational and environmentally responsible solid waste management, and could result in serious environmental degradation.

The amendment is intended to address the problem of interstate solid waste transport, but will cause more problems than it will solve. By authorizing states to ban or impose differential fees on the import of interstate solid wastes, the amendment could throw solid waste management into chaos in states currently shipping significant amounts of wastes out of state.

If many importing states were to ban interstate solid waste shipments, exporting states could quickly face a drastic capacity shortage. Quick-fix solutions to this shortage could cause environmental devastation, including a large-scale "rush to burn" through construction of new, sub-par incinerators; serious disruption of recycling efforts; and irresponsible dumping of solid

wastes. An abrupt ban in interstate waste transport could also force states to adopt facility siting authorities with powers to override local zoning ordinances at the expense of legitimate environmental concerns.

We believe that interstate transportation of solid waste poses serious problems which need to be addressed. However, any solution to the problem must take into account the complex nature of waste management. For example, the need to transport solid wastes across state lines is a result of inadequate recycling in the exporting states. Moreover, the importation of significant interstate wastes into some landfills reflects low disposal fees at those facilities due to inadequate requirements to protect public health and the environment. Any solution to the interstate transport issue must include more extensive recycling and effective regulation of landfills in all states.

We believe that Congress must address the interstate transport problem in the context of the upcoming reauthorization of the Resource Conservation and Recovery Act. It would be very unwise to bring about a rapid and disruptive transformation of the solid waste management system in response to only one of many concerns.

We urge you to oppose the Coats amendment.

Allen Hershkowitz, Natural Resources Defense Council, 40 West 20th Street, New York, NY; Donald S. Strait, Natural Resources Defense Council, 40 West 20th Street, New York, NY; A. Blakeman Early, Sierra Club, 408 C Street NE., Washington, DC; Gene Karpinski, U.S. Public Interest Research Group, 215 PA Avenue SE., Washington, DC.

Mr. LAUTENBERG. The Coats amendment hurts the environment because it will force locked-out States to take desperate steps to deal with its garbage, steps that may mean a rush to incinerate. It may mean more illegal dumping. It would disrupt recycling programs that take time to get up and going. It would ignore the need to set tougher standards for landfills in all States.

Second, the Coats' amendment would block the development of a comprehensive national solid waste policy. Instead, it would pit State against State in garbage wars.

Solid waste disposal is a national problem. We are literally choking on 180 million tons of garbage that is generated each year. At the same time, landfills across this Nation are closing. Some areas now face short-term crisis and more areas will soon face them.

What we should be doing is developing a national response to deal with our waste problem, to promote recycling and production of recyclable products, and to promote safe disposal of waste.

The National Governors' Association called for a national response in its recently adopted policy on solid waste management. The NGA did not call for unlimited fees like the Coats' amendment does. The NGA called for fees that were capped at reasonable levels to remove any economic incentive to ship its garbage out of state.

Mr. President, at this point I yield to my distinguished colleague from New Jersey, who asks at the moment for 5 minutes.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. BRADLEY. Mr. President, the amendment we are considering is a bad amendment. It attempts to ban the movement of solid waste across State lines; it allows a State to ban solid waste imports. Mr. President, there are real reasons why there is interstate transport of solid waste. There are a lot of places where big cities are on State lines. That is a lot of the problem we have experienced in New Jersey, with Philadelphia and New York. That is a problem in Kansas City, St. Louis, Chicago, Washington, DC. The fact of the matter is that in many places the reason there is interstate transport is because regional arrangement allows for a dump to be across State lines.

The second reason there is interstate transport is because sometimes there is a temporary shortage of available landfill space. That will be increasingly the case across this country as tough environmental standards are put into place. Indeed, in New Jersey landfills were closed because we wanted to clean up the environment.

Finally, interstate transport takes place because there is a strong argument for regional solutions such as in the Pacific Northwest. There, we hear of the development of a regional solution.

This is an amendment that would allow States to ban the importation of solid waste. That does not mean ban it from only one State. We might have to ban it from all States. We cannot say I want the garbage to come in from Arizona but I do not want the garbage to come from New Mexico. Once we pass a ban we are banning the importation of solid waste.

What does this mean, Mr. President? This is a blow to the recycling industry in this country. The movement of recyclable materials across State lines is in some cases the only basis for a recycling industry which needs access to sufficient quantities. So the industry pays for them from out of State to have a recycling industry. And this amendment is an invitation for building incinerators, Mr. President. What will happen is, if we cannot make adjustments, if we cannot get a breather across States lines, the pressure will be on to build incinerators.

I would love to have the proponents of this amendment in their State when this amendment is passed, if it is passed, tell the citizens of their States where they want to locate the incinerators. This amendment kills recycling efforts and it pushes toward incineration.

However, the real point to be made against this amendment is that this is not an amendment between the State of Indiana and the State of New Jersey or the State of New York or whatever. There are 38 States in this country that export garbage. That means that if this amendment were to pass, any State could block the importation of your garbage, if you are in one of those 38 States, into the receiving State.

I think it is important that people begin to focus on that fact. In Arkansas there are exports to Louisiana, Mississippi, Tennessee, Texas; in Illinois there are exports to Indiana, Kentucky, Michigan, Missouri, and Wisconsin; and, indeed, in Indiana there are exports to Illinois, Kentucky, Michigan, Ohio.

In Iowa there are exports to Illinois, Minnesota, Nebraska. In Kentucky there are exports to Indiana, Ohio. In Louisiana there are exports to Mississippi and Texas. In Maine there are exports to Massachusetts and New Hampshire. In Massachusetts there are exports to Connecticut and Maine, New Hampshire and Vermont. In Michigan there are exports to Illinois and Indiana and Ohio. In New Hampshire there are exports to Maine and to Massachusetts and to Vermont. In Ohio there are exports to Indiana and Kentucky and Michigan and Pennsylvania and West Virginia.

In Pennsylvania there are exports to Michigan, Ohio, Virginia, and West Virginia. In Rhode Island there are exports to Connecticut and Massachusetts and New Hampshire. In South Carolina there are exports to North Carolina. In Texas there are exports to Arkansas, Louisiana, New Mexico and Oklahoma, and so on.

Mr. President, I did not read the whole list. I read only a part of the list. The point to be made is that the transport of solid waste across State lines today is taking place on a large scale for, in some cases, acceptable reasons. To attempt to ban it wholesale is an effort which I think could very well come back in the States that are banning it into a degradation of environment in the State and to higher fees for the disposal of solid wastes.

I hope we could get beyond this amendment. I hope we would not blame our problems on other people, and next year begin to develop a national policy on solid waste in the reauthorization Resource Conservation and Recovery Act.

Mr. President, I hope that would be a reasonable way to proceed here. But we cannot do that if this amendment were to become law.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, I yield 3 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana is recognized for 3 minutes.

Mr. BURNS. I thank the, manager and sponsor of this amendment, of which I am a cosponsor. I listened with interest to the exports of the State that were put forth by the Senator from New Jersey. I suppose if you would listen to that closely, you would say that they are all border States. I would imagine that there are interlocal agreements governing that.

This is basically a State's rights issue. It does not ban anything. It just permits the State to do if the citizens of that State choose to do it. It gives the right to regulate the disposal of solid waste in that State, whether that waste comes from its own citizens or from other States. I think Montana should have a say in the dumping of out-of-State garbage in our State. The legislation will prevent Montana from being a trash can for the larger urban areas.

I do not know how many Senators when they go home visit with the citizens at home. I evolved out of local government. I was a county commissioner. I am very proud of that. If there is a heartburn in local government in these days and times, it is the landfill situation; knowing what to do with our own.

If my colleagues will go to the courthouses and visit with the commissioners or those officials who are in charge of solid waste, my colleagues will find that they are having a hard time dealing with their own solid waste let alone with out-of-State solid waste. Scores of communities around the country, including Montana, are forced to accept waste, often from hundreds of miles away, from States who do not want to take care of their own trash.

The time has come to make those responsible for creating the bulk of solid waste think about where that waste is going. If you throw out trash, you do not dump it on your neighbor's lawn without your neighbor having something to say about it. Basically, that is what this amendment does. It gives the neighbor the right to say something about how it handles foreign garbage.

Earlier this year, the Senate Commerce Committee dealt with a garbage backhauling bill. That measure is aimed at prohibiting carriers from hauling food products and goods from farm States and manufacturing States to the east and west coast, where most of these goods are consumed, and then hauling garbage back in the same vehicle. That legislation is still awaiting consideration by the full Senate. Hopefully, it will be enacted soon.

This measure will work hand in hand with that measure in control of interstate movement of solid waste. I want to commend Senator COATS and his staff for the leadership he has shown on this issue, and I urge my colleagues to support this amendment. But also, before my colleagues vote, I urge them to call their own county commissioners, those people who are involved in administering government. They are the folks where the rubber hits the road. My colleagues will find from them that their biggest heartburn right now is dealing with their own waste.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from Indiana.

Mr. COATS. Mr. President, I yield 4 minutes to the Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, some people may think this is just an Indian problem. I wonder how other Senators would feel if they came from a State that has a little county called Hidalgo County, and that entire county produces 12 tons of trash a day. It is a big ranching county.

About 16 months ago, a major American trash hauling company found itself in this State entering into a contract to buy up land so that they can bring in 20,000 tons of trash a day. Everyone in that county produces 12 tons. They were going to contract for 20,000 tons a day.

We were told that because of the interstate commerce clause, and unless we changed it in Congress—which the Coats amendment is going to do; we are going to use our commerce clause power to change that relationship on garbage—essentially, New Mexico had to run that company out by pure people pressure. We could not do anything about it.

I will tell my colleagues, I really believe that if the States that produce excess garbage want to find a way to solve their problem, if there are those who are worried about recycling, and my good friend, the senior Senator from New Jersey, alluded to that, then we ought to adopt this amendment. If we adopt this amendment, we give States the right to charge a differential between their own locally produced garbage and refuse and another State's, and we are more apt to get regional landfills agreed to than under any other proposal around because it is the dollars that will bring them to the table.

The State of Indiana says we are talking, but right now we have something to talk about because we want to charge you more than you have been paying, because we do not want your refuse in our State, but let us talk. It is more apt to bring regional agreements than any other way. What else is it apt to do? The cost of disposing by the State that produces way more than they want or can handle today is going to go up. It is going to keep going up.

While it goes up, recycling has a better chance because the costs are going up, and recycling is a cost item, a market cost item. Negotiating with other States is more apt to happen, and doing things in your own State that you will not do today is more apt to happen. I think all that is good. I think all that moves in the right direction.

We ought to unequivocally permit States to charge more to those States that are sending refuse into a host State than they charge their own residents. I do not think there is anything wrong with that. That ought to be the case. Under certain circumstances, we ought to permit them to ban it.

That is what this amendment does. I compliment the junior Senator from Indiana for offering it. I am delighted we have a chance to vote on it. I hope it is agreed to.

I yield the floor.

The PRESIDING OFFICER. Who yields time? The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, how much time do we have left?

The PRESIDING OFFICER. The Senator from New Jersey has 16 minutes, and the Senator from Indiana has 14 minutes.

Mr. LAUTENBERG. Mr. President, I yield myself 5 minutes.

I went to respond to the comments of the Senator from New Mexico to say that we tried to address this problem in a way different than the Coats amendment. We tried to discuss proposals that would remove any economic incentive for one State to send its trash to another as called for by the National Governors' Association.

Exporting garbage is not a voluntary action. It is not something we enjoy in New Jersey or in any one of the other 36 States that do export its garbage. We tried to find a reasonable way to deal with the problem short term, as we worked toward having a long-term sensible national solution.

That is what the National Governors' Association called for. It did not call for a ban on garbage, like the Coats amendment. The NGA said bans would set back efforts in solid waste management programs.

I ask unanimous consent, Mr. President, that the NGA solid waste policy be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

D-42. SOLID WASTE

42.1 PREFACE

One of the major environmental policy issues confronting our nation in the next ten years will be devising and implementing a workable strategy for safe and efficient management of solid waste. Solid waste

management remains primarily a state and local issue and presents a unique challenge to policymakers at all levels of government and within the private sector.

In order to ensure that the actions of the federal and state governments in solid waste management are coordinated and address important emerging issues of concern to the public and to states, the Governors recommend that Congress amend the legislative framework in which solid waste management planning is conducted and implemented.

The overarching goals in managing solid waste should be to reduce by almost half the amount of solid waste requiring incineration or disposal by the year 2000, and to ensure that all wastes are handled in an environmentally sound manner. Specific goals include the following:

42.2 SOURCE REDUCTION

42.2.1 The Growth in Per Capita Waste Generation Should Be Reversed and the Toxicity of Consumer Products Should Be Reduced. The nation should commit to an immediate reduction in the amount of waste each individual generates to 1986 levels, and maintain or lower this level further throughout the decade. The effort could cut future waste stream volumes by almost 10 percent. This goal also calls for the reduction or elimination of many toxic components now found in household waste. Achieving reductions in waste volumes and toxicities will require significant changes in the design and manufacture of numerous products, consumer purchasing habits, home disposal practices, and waste management in the workplace.

The U.S. Environmental Protection Agency (EPA) should facilitate and coordinate industry efforts in source reduction by helping identify specific, measurable goals and guidelines that can be adopted by industry. Industry should be encouraged to voluntarily reduce excess packaging or eliminate toxic compounds found in household waste. Voluntary bans that prohibit the sale or disposal of specified items could be used if necessary. This effort should also include the development of a uniform labeling system to identify packages and products that reflect the source reduction principles established through this voluntary program. Methods should be developed to measure industry progress in reducing waste. If the EPA-led process fails to identify voluntary goals and strategies, Congress should require EPA to develop a mandatory program to reach the goals.

Both government and industry should initiate educational programs to encourage practices in the home and workplace that promote source reduction. Both also should adopt procurement programs and management practices that reduce waste generation and the reliance on disposable goods in the workplace, such as encouraging two-sided copying.

42.3 RECYCLING

42.3.1 Over the Long Term, the Nation Should Aspire to Reach a Recycling Goal of 50 Percent. To reach this goal, the nation should recycle 30 percent of all municipal solid waste by 1995 and 40 percent by 2000, after source reduction. Because different regions and localities have different markets and consumer habits, recycling targets may not be met uniformly across the nation. Thus, this goal is intended as a national guideline, and not a requirement to be met by each state or locality. For waste that is produced, recycling should be the first option. Other waste disposal options, including incineration and landfilling, must be consistent with achievement of the recycling goals.

In order for recovered materials to be fully used again, a strong market for recycled products must be fostered through economic incentives, research and development, and education. The federal government should assist state recycling programs by providing technical assistance; supporting research and development of product design, recycling technology, and manufacturing processes; and developing safety and quality standards for recycled products. States and the federal government also should individually or cooperatively stimulate markets for recycled materials through market exchanges and transportation policies and by serving as models for collecting recyclable materials and purchasing recycled products.

A national cooperative effort should be established among industry, government, and citizen groups to develop voluntary durability, recycled content, and recyclability standards for adoption by industry. If this EPA-led effort fails to reach agreement on the voluntary standards, Congress should require EPA to establish mandatory standards to reach the goal by 2000.

Both industry and government have a responsibility to educate the public on the value of using recycled materials and the choices available. The federal government can help by instituting labeling systems to identify recycled and recyclable material, such as a nationally uniform plastic container coding system.

Barriers to the purchase of recycled products should be removed and government procurers should consider giving price advantages to products containing recycled materials. In addition, Congress should ensure that the federal tax code and other regulations do not unfairly grant advantages to virgin products over recycled ones and consider whether economic incentives are possible to promote recycling.

42.4 STATE PLANNING

42.4.1 Each State, Alone, or in Cooperation with Other States, Should Manage the Waste Produced within Its Borders in an Environmentally Sound Manner. This goal requires states to take responsibility for the treatment and disposal of solid waste created within their borders to eliminate the transportation of unwanted waste sent over state lines for treatment or disposal. Plan development should be the primary responsibility of the states, and the Governors urge EPA to assist states in the development of comprehensive and integrated planning and regulatory programs through financial and technical assistance. Each plan should include the following:

An inventory of the waste stream;

A hierarchy of management options that maximizes cost-effective source reduction, reuse, and recycling of materials;

Description of how the state plans to achieve state and local source reduction and recycling goals including public information programs;

A clear delineation of state and local solid waste management, permitting, enforcement, and oversight responsibilities; and

A monitoring process to assess progress in implementing the plan.

States should receive automatic delegation of the implementation and enforcement of Subtitle D programs upon passage of legislation reauthorizing the Resource Conservation and Recovery Act (RCRA). Regulatory programs that leave little flexibility to states regarding priorities and implementation details, as is the case under EPA's RCRA Subtitle C Program, is inappropriate. EPA should oversee and participate in state solid waste planning activities only when (1) a state becomes an egregious waste exporter due to a failure to provide sufficient disposal capacity or alternatives to disposal, or (2) when waste disposal practices within a state violate technical performance standards and the state fails to enforce these standards.

42.4.1.1 Interstate Transportation of Solid Waste. Although states should be encouraged to take steps to ensure the responsible management of their own waste, a capacity assurance process similar to that for hazardous waste in the Superfund law is not an appropriate solution. Total bans on interstate transportation of solid waste may not lead to the best environmental solution and may hamper movement of material for recycling. States should explore other long-term options including arbitration and agreements to limit imports. Congress should provide for limited waiver of the Commerce Clause to enable states to adopt and adhere to a comprehensive solid waste management plan that utilizes special fees to compensate them for the costs of managing imported wastes and to reduce the economic incentives of other states to export wastes.

States that are unable to develop waste management capacity within their borders for environmental reasons, or that have temporary capacity shortages, should be encouraged to create voluntary cooperative efforts with other states to meet disposal needs within their region. No interstate shipments should be made in the absence of mutually acceptable arrangements between states.

42.5 TECHNICAL STANDARDS

The Governors believe that the federal government should be responsible for setting enforceable standards to define the safe operation of waste disposal facilities—including limits on air emissions from incinerators and waste-to-energy facilities and groundwater protection requirements for landfills, as well as management practices for different Subtitle D waste streams.

However, the Governors believe the federal government should set performance standards, not design standards. The development of specific technical requirements and siting decisions appropriate to these standards should remain with the states.

42.5.1 Municipal Incinerator and Waste-to-Energy Plant Emissions Standards. The Governors recommend that Congress direct EPA to adopt minimum national standards for the emissions from new facilities and to provide a schedule for the upgrading of existing facilities.

42.5.2 Municipal Incinerator and Waste-to-Energy Plant Ash. In order to facilitate planning for both incineration and ash managment facilities, the Governors recommend that Congress establish a specific management classification and regulatory scheme for municipal waste combustion residues under Subtitle D; require the establishment of minimum performance standards for land disposal facilities for such wastes; and specify the testing regimes that are applicable to the wastes and facilities. Any policies addressing municipal incinerator residues should recognize the possibility of and encourage beneficial reuse of such material, consistent with protection of the environment.

42.6 INDUSTRIAL WASTES

Industrial solid waste volumes far outweight municipal waste volumes, yet relatively little is known about the composition of these waste streams. The Governors support uniform national industrial solid waste management practices that enhance reduction and recovery of industrial wastes following sufficient study of public health and environmental risks. This planning could be required through the permitting process.

42.7 SPECIAL WASTES

The Governors recognize that a number of wastes are sufficiently unique to necessitate special management practices.

42.7.1 Mining Waste. The Governors believe that EPA should undertake an expedited effort to propose and promulgate a regulatory program for any mining wastes found by the agency to warrant regulation under Subtitle D. This program should establish a state-based approach for protection of public health and the environment, taking into account site-specific, waste-specific, and waste management-specific practices that are in use. To the maximum extent feasible consistent with this objective, the Subtitle D program should permit reliance on existing state regulatory programs for mining waste.

42.7.2 Oil and Gas Waste. Currently, onshore oil and gas exploration and production wastes are exempt from classification as hazardous under the Resource Conservation and Recovery Act. Congress will consider whether this exemption should continue now that EPA has submitted its study on the disposal of these wastes.

EPA's study confirms that exploration and production wastes, when properly managed, do not endanger human health or the environment. In addition, the study confirms that existing state and federal regulations require proper management of the exploration and production wastes. Additional regulations are not necessary.

Therefore, the Governors recommend that the regulations of on-shore oil and gas exploration and production wastes remain primarily the individual state's right and responsibility under current federal laws, and that state regulation of oil and gas exploration and production wastes continue to be exempt from hazardous waste regulation.

42.7.3 Biomedical Wastes. The governors recommend that Congress establish a specific management classification, as a subset of RCRA Subtitle D, for biomedical wastes with infectious potential. This management scheme should include the establishment of a state-based system for tracking biomedical wastes, distinct from the current Subtitle C hazardous waste manifest system, but similar in that it ensures that wastes are disposed of in appropriate facilities and ensures that states receive sufficient and consistent information to ensure proper management. In addition, those who produce and handle such waste should be held strictly liable for its proper management.

42.8 ROLE OF STATE AND LOCAL GOVERNMENTS

While recognizing the need for a strong federal commitment to the sound management of solid waste, consistent with this policy, the Governors believe that the primary responsibility for planning, implementation, enforcement, siting, and the day-to-day operation of solid waste management facilities should remain with state and local government, as it is today. Nothing in this policy shall be construed as an endorsement by the Governors of an expanded federal role in areas of state responsibility.

Mr. LAUTENBERG. Mr. President, we need to rewrite the law on solid waste management; that is the Resource Conservation and Recovery Act [RCRA], as it is called. The Environment Committee plans to do that next year. The Coats amendment jumps the gun. The Coats amendment undermines that effort.

Third, Mr. President, I urge my colleagues to oppose the Coats amendment because, in the long run, it is liable to hurt each and every State of the Members of this body. It is reported by the National Solid Waste Management Association that 37 States exported municipal solid waste in 1989. The Coats amendment could create chaos in every town and county in those 37 States that shipped their waste across the borders.

Some of my colleagues may say, "We ship out very little; we take in more. We are a net importer. The Coats amendment is a good deal for my State." Do not be fooled by that, I warn my colleagues. Do not be fooled.

Landfills are closing fast. The EPA says that half the landfills in this country that were in existence in 1986 will close by 1991. When those landfills close in your State, there is going to be a lot more pressure to export. At least in the short term, as your State tries to find alternatives, they may need that outlet; they may need to export. But the Coats amendment is going to shut them down.

The tide can turn very fast, Mr. President. New Jersey was a net importer of garbage until 1988. We took garbage from New York and Pennsylvania, and almost overnight we became an exporter. The same thing can happen to other States.

So the Coats amendment may look like a good deal this year, but a real bad vote 2 or 4 years from now.

For years, Indiana has been transporting garbage. We call it acid rain. But we did not build a wall around the Midwest, and we did not say, "Shut down your plants, your factories, and your operations, and throw people out of work overnight." No.

What we did as we developed a comprehensive clean air policy that soon we hope to be conferenced and brought back to this body, and soon to be enacted into law. Why did we do it, Mr. President? Because we recognized that we could be creating economic havoc for some communities across this country, we would be depriving people of their livelihoods, and we said no. We want clean air. We want cleaner air than we have in New Jersey and in our part of the country, but we cannot shut down everybody else overnight to do that, and that is what is being asked by the Senator from Indiana, with no time for States to adjust. We should do no less for States with a short-term capacity in their landfills than those who are exporting their garbage through the air.

Last, Mr. President, there is no secret what is really involved in this vote. The Senator from Indiana is running political advertisements about this issue. It portrays an insulting portrait of my State. It portrays a fat slob with a cigar in his mouth and it calls for sudden, simplistic, and an unreasonable solution to a complex problem. We are asked to set environmental policy by this Nation with a 30-second spot, this guy handing his garbage to some poor innocent people in Indiana.

People in New Jersey resent that portrayal. I remind the Senator from Indiana that if he checks the record book at Notre Dame, he will see that Angelo Bertelli, who is a friend of mine, was a football all-American out at Notre Dame in the forties. He is a resident of Bloomfield, NJ, and Frank Tripucka and Kelly Tripucka, who now play with the Charlotte Hornets of the National Basketball Association, were stars at Notre Dame. And there are New Jersey men and women at Purdue and other universities in that State, proud to have had their education in the State of Indiana, making friendships, but New Jersey, is portrayed almost gangsterlike in character with this big, fat pig dropping his garbage in the State of Indiana. That is no way to conduct environmental policy.

I am sure, Mr. President—I yield myself another minute—the next campaign ad is already prepared to hail the vote we are about to take or criticizing it, depending upon its outcome. I hope the Senate will see through this effort for what it really is.

Mr. President, in conclusion, the Coats amendment would hurt the environment. It would set back serious efforts to set national, comprehensive solid waste policy. The Coats amendment may hurt your State, maybe not today but tomorrow. Look out; the Coats amendment is politics, raw politics.

Mr. President, in 1978, the Supreme Court overturned New Jersey's law to prohibit imports of garbage. The Court wanted to stop efforts by one State to isolate itself in the stream of interstate commerce from a problem shared by all.

Mr. President, disposal of solid waste is a problem we all share. We cannot solve this problem with shortsighted solutions which divide us from State to State rather than unite us, and we can least afford passing legislation for pure political gain; that dog runs around the tree and bites us in the back. I hope my colleagues will join me in voting against this amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. COATS. Mr. President, I wonder if I could inquire of the Senator from New Jersey if he has additional speakers or wishes additional time. If not, and he is willing to yield back his time, I will make my concluding statement and we can bring this to a vote.

Mr. LAUTENBERG. We will reserve the remainder of our time. My senior colleague apparently wants recognition, and I yield such time as he needs.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. BRADLEY. Mr. President, the Senator from Indiana has offered an amendment that fits nicely into short-term plans, he thinks, but the real question is how does it fit into the long-term interest of the State. It might suit very well short-term political plans. I do not know.

The insulting political advertisement that my colleague, Senator LAUTENBERG, referred to is an affront not only to the people of New Jersey but it is an insult to the political process that allows such a gross exaggeration and false characterization to even be used to play a role in a political campaign. But that is where we are.

Short-term political gain could result in long-term loss for the people of a particular State, even the people of Indiana. Indeed, the perverse outcome of this amendment could very well be increasing fees in Indiana for the dumping of solid waste. It could very well be increasing fees for the citizens of Indiana for dumping solid waste. It most certainly could be degradation of the environment in Indiana. It most certainly could be an increase in the number of incinerators in Indiana.

Mr. President, this amendment is ill-considered, to say the least. Let me read just a few sentences in the letter from the Sierra Club and the National Resources Defense Council opposing this amendment. It says:

> Quick fix solutions to this shortage could cause environmental devastation, including a large-scale "rush to burn" through construction of new, sub-par incinerators, serious disruption of recycling efforts; and irresponsible dumping of solid wastes. An abrupt ban in interstate waste transport could also force States to adopt facility siting authorities with powers to override local zoning ordinances at the expense of legitimate environmental concerns.

I did not say that, Mr. President; the Sierra Club said that, the National Resources Defense Council said that about the environment of Indiana and every other State. So the long-term impact of this could very well be increased fees for the citizens of Indiana and a degradation of the environment of Indiana.

Mr. President, what goes around comes around, as a great philosopher used to say.

Thirty-eight States export solid waste. If this amendment ever were to become law—and I will continue to fight throughout the process if this amendment passes here to prevent it from becoming law—those States could be adversely affected, to say the least. I have read many of the exporting States into the record. In practice you cannot ban from one State. You will end up banning from all States. Even the State of the distinguished Senator from Indiana exports solid waste. It exports solid waste to Illinois, Kentucky, Michigan, and Ohio. Ban it in those States, and it is back in your State.

If an incinerator is being built in the rush to relocate dumps, is it going to please a lot of people in Indiana? It will please about as many people in Indiana as people in the State of New Jersey when we were forced to take garbage from other places.

Mr. President, this needs a national solution, dealt with in the reauthorization of the Resource Conservation and Recovery Act. That is where it should be done, and I hope that is where it will be done.

This is the only vote on this subject in the rest of this Congress. The distinguished Senator from Indiana agreed to a unanimous-consent agreement: no amendment on this subject the rest of the Congress. This is the one shot to see if this become law. After all, we are not simply about posturing, are we, with an amendment that backs up a television commercial with phrases that are similar in each?

Mr. President, this amendment has regrettable political implications. I hope it will be rejected. If it is not rejected, we will use every legislative opportunity to prevent it from becoming law. What goes around comes around.

Mr. D'AMATO. Mr. President, I rise in strong opposition to the amendment offered by my colleague from Indiana.

There is no question that our Nation faces a solid waste crisis. Each State is trying to find solutions to its garbage problems. We are all in this together and we ought to work together.

Approximately 250 million tons of residential, commercial, and industrial waste are generated in the United States each year. Aside from industrial discards, EPA estimates that American consumers account for 160 million tons. This figure is projected to reach 193 million tons by the year 2000.

The solution offered by my colleague from Indiana does not solve the problem. In fact, it makes it worse. Quick-fix amendments like this one could cause environmental devastion. States may rush into building subpar incinerators; there would be a serious disruption of recycling efforts; and there inevitably would be irresponsible dumping of garbage.

Voting against the Coats amendment is the proenvironmental vote.

The Coats amendment is opposed by the Sierra Club, the Natural Resources Defense Council, and the U.S. Public Interest Research Group.

In July, the Environment and Public Works Committee held a hearing on the Coats proposal. At that time, Senator BAUCUS, chairman of the subcommittee, pledged to work to address this problem—through the committee process. The appropriate place to address this and other solid waste problems is the Resource Conservation and Recovery Act [RCRA]. This legislation will be taken up by the committee early next session.

In response to this hearing, the National Governors Association adopted a solid waste management policy. This policy was negotiated by the Governors of Indiana, Pennsylvania, and New Jersey. It establishes a framework for addressing this issue which is contrary to the Coats proposal. While the Governors' policy opposes a ban, it does believe that fee differentials should be part of the solution.

I fail to understand why my friend from Indiana insists on advocating an amendment which is contrary to a policy worked out in part by his own Governor; which pits one State against the other; and which will not solve the problem which it attempts to address.

This debate has been portrayed as Indiana versus New Jersey and New York. But the facts demonstrate that this is not the case at all. According to the National Solid Waste Manufacturing Association, 38 States exported waste to another State in 1989. Only 12 States did not export garbage.

In 1989, New York generated approximately 21 million tons of garbage. Ten percent of that is currently exported to other States. We do not do so with pleasure. We do not wish to dump our problems on others. But this practice has continued while the State has been implementing its solid waste management plan.

New York has made great strides in managing its solid waste problem. The State's management plan focuses on four methods: reduction; reuse and recycling; waste-to-energy; and landfilling.

Currently, about 71 percent of New York's solid waste is landfilled within State borders; 14 percent is sent to resource recovery plants for energy recovery; 4 percent is incinerated; and 10 percent is exported out of State. These figures do not include the 2 million tons of wastes reused or recycled in 1989.

The State's goal is to reuse and/or recycle 50 percent by 1997.

I am sure that everyone remembers the ill-fated voyage of the garbage barge [Mobro] in 1987. The barge car-

ried garbage which came from a community on Long Island—Islip. Since that time, Islip has become a model for other communities in the State seeking to transform their waste disposal systems. A mandatory recycling program started in late 1987 has resulted in 35 percent of the trash being recycled.

Mr. BAUCUS. Mr. President, every Senator must be sensitive to the problems posed by the interstate transportation of municipal solid waste. No Senator wants his or her State to serve as someone else's landfill.

Each of us would hope that States would adopt solid waste plans, source reduction and recycling initiatives and other programs. Such initiatives not only would reduce the amount of solid waste, but also make it possible for each State to deal with their own problem at home.

A little over a year ago, I introduced S. 1113, comprehensive amendments to the Resource Conservation and Recovery Act.

This legislation requires solid waste planning.

It requires States to develop programs to reduce municipal solid waste by as much as 50 percent.

It mandates a major recycling initiative.

It improves the markets for recycled products by increasing the procurement of recycled commodities.

And it sets minimum Federal requirements to ensure safe disposal practices.

Mr. President, comprehensive amendments to the Resource Conservation and Recovery Act are needed to deal with the Nation's solid waste problems. Interstate waste transportation should be included as part of comprehensive legislation.

I am convinced that the only way to address the garbage crisis and to stop the undesirable movement of waste is to enact comprehensive legislation. But we all know there is not enough time left in this Congress to fully debate it and understand all of the implications.

So I will support this amendment. But only because I think it is essential to send the message that the Congress intends to deal with this problem.

That we will provide the tools necessary for States to protect their environment, as we have done in other environmental statutes.

And that interstate transportation will be a priority item in the Senate in the context of RCRA reauthorization next year.

Mr. President, our Nation is on the verge of a solid waste crisis. By every account our problems are enormous. Let's look at the facts.

Fact 1, every year we generate some 160 to 180 million tons of trash. Enough to fill a convoy of trash trucks six times around the Earth. And unless we change our ways by year 2000 the convoy will be 30,000 miles longer.

Fact 2, as our waste heap grows the capacity to dispose of it diminishes. Some northeastern cities are without landfills now. Other cities will join them this year and next. And in less than 10 years, only 2 out of 10 of today's landfills will still be open.

Fact 3, as more of these older landfills close—which is desirable—intense local opposition continues to block new landfills from opening. This leaves some communities with nowhere to dump their trash. So some community officials have decided that the answer to their waste problems is to pass the trash.

The fact is more and more trash is being hauled over longer distances across more State lines.

The fact is, in my home State of Montana, we have had serious inquiries to take trash from 2,500 miles away.

Mr. President, the interstate transportation of solid waste is a problem which results from two important failures.

First, some States simply have not done what is necessary to reduce the generation of waste in the first place. Adequate resource recovery, recycling, separation, and source reduction programs do not exist. This means that the system is overburdened with trash.

Second, too many States have failed to site the facilities necessary to deal with their own municipal solid waste. But no State should be forced—by the commerce clause of the Constitution—to take another State's trash because the exporting State cannot or will not deal with its own mess.

"Not in my backyard" simply cannot be a protected right of the Constitution. People who generate waste have a responsibility to find safe ways to dispose of it—in their own backyard.

Finally, Mr. President, it is important that the Senate recognize that there is a distinction between hazardous waste and nonhazardous waste, both in this amendment and in the general policy with respect to waste disposal.

As a practical matter, it is economically impossible for every State to have hazardous waste disposal facilities.

Small States like Montana which generate minor amounts of hazardous waste simply could not afford the cost of a mandatory requirement to dispose of hazardous waste within State boundaries.

Hazardous waste sites are by definition enormously expensive if they are to be safely operated and avoid future dispersion of hazardous materials to the environment.

We cannot permit States to erect barriers so that the most economical and environmentally sound hazardous waste facilities are not available as a nation.

We cannot afford to dump these wastes in foreign countries or to build 50 different facilities simply because one State wants to build a wall to hazardous waste generated in another.

Mr. President, interstate transportation of solid waste is an issue that is very important to Congress.

It is an issue that requires a comprehensive solution—one that includes both waste reduction and recycling initiatives and the siting of new, safe landfills and incinerators.

And it is an issue that I will revisit next year, in the context of RCRA reauthorization.

Mr. BREAUX. Mr. President, I rise to support the amendment offered by the Senator from Indiana [Mr. COATS]. Although I have strong reservations about some of the specifics of the Senator's amendment I will vote for it. It is time for this body to send a clear message that we intend to give the States the authority to stop the game of Pass the Trash.

We have heard during the course of the debate on this amendment that its passage will start garbage wars. The wars have already started. That is why we find ourselves faced with this vote today. That is why State legislatures all over the country are considering and passing laws to ban out of State waste or charge higher fees.

The issue of the interstate shipment of waste is one that I have, in the past, expressed serious concerns about on this floor. Last November, the so-called Poo-poo choo-choo found its way to the Louisiana communities of Shriever, Labadieville, and Donaldsonville. This train contained a 63 train-car load of sewage sludge from Baltimore, MD, to be disposed in these communities. The citizens objected so strenously, that the sludge was sent elsewhere. Stories have been published in newspapers around the country about States receiving unwanted trash from other States. The Chicago Tribune highlighted the "garbage highway" between the Northeast to the Midwest. The Washington Post highlighted the fact of yankee garbage being sent to the Virginia mountains. These practices are occurring all over the country and citizens no longer want to bear the risks of out of State garbage. Why should they?

During the oilspill liability legislation and other environmental debates, this body has defended the right of each State to enact tougher laws than the Federal laws so each State may protect its citizens and its environment to the level it sees fit. The Senate should stick to this principle of no State law preemption and pass this amendment.

Last April I introduced legislation, S. 2468, to give States the ability to pro-

tect their citizens and environments by authorizing those States to ban out of State waste and/or to charge differential fees on out of State waste. The revenues from fees collected are to be returned to the State and local government for purposes of solid waste management. Each State would have ban and fee authority only if it has in place and is implementing an EPA approved solid waste management plan. Such plan requires the State to implement more aggressive recycling and source reduction programs as well as take concrete steps to site more solid waste management facilities. This bill serves three important environmental objectives. First, it ensures that before States are given the authority to keep out waste, the State is actually achieving important Federal environmental goals. Second, only after the State demonstrates and continues to demonstrate compliance with its plan can it ban waste or charge differential fees. Finally, it provides sufficient time for large exporting States, such as New York and New Jersey, to get a handle on their garbage problems.

The amendment by the Senator from Indiana includes a requirement that States certify they have developed solid waste management plans before they may be given the authority to ban waste. The biggest weaknesses of the plan are twofold. First, the plan is self certifying. Second, the States are not required to meet important Federal environmental goals before given the authority to ban waste or to charge differential fees. No Federal agency approval or demonstrations of compliance with concrete Federal environmental objectives is required.

The environment committee has held a hearing on the issue of the interstate shipment of waste. At that hearing, the committee heard testimony from numerous Senators concerned about that issue. I testified along with Senators BRADLEY, MCCONNELL, and COATS at that hearing.

Since the hearing, I have been working with the Senate environment committee to develop a reasonable solution to the interstate waste issue. The latest draft of the proposal would incorporate the major concepts and provisions of my bill, S. 2468.

Although I will vote for this amendment today, I believe that the type of approach embodied in S. 2468 is the best and most reasonable approach to the interstate waste problem. However, I hope the Senate will adopt this amendment today. Even if we pass this amendment and it is not adopted by the conference committee, the Senate will have sent a strong signal to the States that it intends to resolve this issue.

In the event this amendment does not survive conference, I am hopeful that when the environment committee turns to the task of reauthorizing the resource conservation and recovery act [RCRA] next year it will adopt a rational solution to the interstate garbage wars. I hope the legislation will grant the States the power they need to protect their citizens and at the same time facilitate the achievement of important Federal environmental objectives.

Mr. President, I support this amendment. It is important to protect the citizens of Louisiana and the citizens of other States who are tired of bearing the health, environment, and nuisance risks associated with managing out of State waste.

Mr. MOYNIHAN Mr. President, I rise today to join my colleagues from New Jersey, Senator BRADLEY and Senator LAUTENBERG, in opposition to the amendment proposed by the distinguished Senator from Indiana [Mr. COATS.]

As the Senators from New Jersey have indicated, this amendment would have disastrous effects upon their State. With dense population, a number of major metropolitan areas both within and immediately without their State, they are running out of places to put their garbage. The situation is similar, if not nearly so acute, in my State.

As they pertain to New Jersey and to New York, the statistics do seem clear. In a hearing before the Committee on Environment and Public Works on July 18, during which I and Senator Lautenberg were privileged to hear testimony on both sides of this issue—I might point out that we heard from both Senator COATS and Senator BRADLEY—we were bombarded with a litany of numbers showing the gravity of the situation in New Jersey and New York and in Indiana.

Senator COATS has related on the floor the apparently unceasing parade of garbage trucks bearing the trash on non-Indianians. Senator BRADLEY and Senator LAUTENBERG have shown quite convincingly what the citizens of New Jersey are paying for their trash, and what steps they are taking to reckon with the problem on their own. I could do the same for New York. I shall not burden my colleagues.

What I would posit is that, before us now, we have an amendment truly of national significance. Perhaps not of the immediacy of the Persian Gulf or the budget deficit, but one with vital implications for the entire country.

Now, I do agree and would argue that solid waste is a national problem. And that strong steps must be taken, most appropriately within the context of the reauthorization of the Resource Conservation and Recovery Act. And that this issue is a symptom of a festering illness. Used to be a town could go dig a hole and dump its trash. Problem solved. Not so anymore. Mere holes are not good enough. The metals and toxics leak out and spoil the drinking water. Citizens become aware and outraged. We impose—at least in New York we have imposed—strict standards on the design, construction, and operation of landfills. It becomes harder to find a site that is acceptable from an environmental standpoint. Harder still to find one acceptable to its neighbors. New York and New Jersey are not alone in this dilemma. We just happen to have reached this critical impasse far sooner than many of our neighbors to the West. But this problem of national import—solid waste—is not what brings me to the floor today. Trash does not set my blood to a boil. Irresponsible use of the powers delineated under the Constitution does.

Now, there is no debate that we have the power to do this. Right there in article I, section 8: the power to regulate commerce among the several States. But I do think it illuminating to consider exactly why the Congress has this power—and not the States. And why the proposal before us today is so offensive.

When the Founding Fathers crafted the Constitution, they saw fit to locate this power solely with the national government. In fact, it was an outright necessity if the fragile Nation was to succeed. For a simple reason. Left to the several States, the power to close and open their borders at will or at whim would have a disastrous effect on the stability of the Union. Insurrection. Disunion.

I do think it is illuminating as we consider this amendment. Our internal borders do not exist for this reason.

This power to regulate interstate commerce is characterized by Publius—in this case, James Madison—in Federalist No. 42 as the power to "provide for the harmony and proper intercourse among the States." The absence of this power was a weakness in the Articles of Confederation, a weakness that threatened a fragile Nation.

The problem was simple. A State which imported goods through another State might find itself subject to additional tariffs. If I might again quote No. 42:

> We may be assured by past experience that such a practice would be introduced by future contrivances; and both by that and a common knowledge of human affairs that it would nourish unceasing animosities, and not improbably terminate in serious interruptions of the public tranquility.

A New Yorker, too, contributed to this point in the Federalist. Again the immediate context is the restraint of foreign trade by the individual States—but the fears have implications for today's debate. In Federalist No. 22, Hamilton writes:

> The interfering and unneighborly regulations of some States, contrary to the true spirit of the Union, have, in difference in-

stances, given just cause of umbrage and complaint to others, and it is to be feared that examples of this nature, if not restrained by a national control, would be multiplied and extended till they became not less serious sources of animosity and discord than injurious impediments to the intercourse between the different parts of the Confederacy.

Hamilton continues, now quoting from an unnamed Encyclopedia:

"The commerce of the German empire is in continual trammels from the multiplicity of the duties which the several princes and states exact upon the merchandises passing through their territories, by means of which the fine streams and navigable rivers with which Germany is so happily watered are rendered almost useless." Though the genuis of the people of this country might never permit this discription to be strictly applicable to us, yet we may reasonably expect from the gradual conflicts of State regulations that the citizens of each would at length come to be considered and treated by the others in no better light than that of foreigners and aliens.

Little did Hamilton know that one day his words would be used to plead the case for trash. Though the commodities may change, the rationale is constant.

This amendment pits State against State. It pits American against American. When all is said and done, garbage is just another commodity. Just another product. Less desirable, perhaps, than Indiana corn or soy or steel or coal, but a commodity nonetheless. While I am certain that we will solve our garbage crisis, if there even is one, I do hope I have made clear to my colleagues the implications of our so freely granting this power. Not just in this case. In any case. With any power comes responsibility. It is not to be taken lightly.

Mr. SHELBY. Mr. President, I rise today in support of the Coats amendment on solid waste. I introduced a bill in March of this year that is quite similar to this amendment because I realized that the management of this country's solid waste is one of our most pressing environmental issues. Our Nation must find a way for States to responsibly address the solid waste problem.

Landfills across the country are filling up. States must find a way to handle their garbage. A recent Environmental Protection Agency [EPA] study indicates that there is a direct correlation between growth in population and growth in the amount of solid waste generated.

One hundred and eighty million tons of solid waste is produced annually;

Each individual in the United States produces about 4 pounds of trash daily; and

By the year 2000, it is estimated that the amount of solid waste generated will increase to more than 192 million tons a year.

Presently, the United States disposes of most of its solid waste in landfills—only about 11 percent is recycled and approximately 13 percent is incinerated. It is increasingly difficult to find new sites for landfills because of public opposition and environmental risks associated with such landfills. Due to this "not in my backyard" syndrome, the disposal of solid waste which was once thought to be only a local concern has become a national crisis.

Because of the scarcity of landfill space, many States have sought to solve their solid waste problem by shipping their waste to other States. Recent Congressional Research Service [CRS] data indicate that the following States export their garbage to other States:

New Jersey exports 5,250,000 tons;

New York exports 2,000,000 tons;

Pennsylvania exports 1,500,000 tons;

Missouri exports 1,500,000 tons;

District of Columbia exports 700,000 tons;

Massachusetts exports 600,000 tons; and

California exports 200,000 tons.

In testimony before the Senate Environment Committee in July of this year, the National Waste Management Association reported that about 15 million tons of solid waste moved in interstate commerce in 1989. Forty-three States participated in interstate commerce of solid waste.

I am sure that you remember the 3-month journey of the New York barge during the spring of 1987 that could not find a place to unload its garbage. I think that the New York garbage barge going from port to port seeking a disposal site vividly depicts the magnitude of the problem that we are addressing.

In addition to the "not in my backyard" syndrome causing problems in the disposal of solid waste, there is yet another, even greater dilemma. Pending EPA regulations on solid waste landfills will result in substantial increases in the cost of construction and operation of such facilities and could result in the closing of many existing landfills. EPA expects almost half of the Nation's landfills operating in 1986 to close by 1991. The closing of these facilities obviously will make a bad situation worse when you consider that approximately 70 percent of all solid waste is disposed in landfills.

The Coats amendment would be beneficial in solving the solid waste disposal problem. The legislation would require that States take responsibility for the solid waste generated within their borders, either individually or in regional compacts by demonstrating the capacity to handle such waste for 20 years. In addition, the amendment would allow States to impose differential fees on imports of solid waste to provide economic incentives to accept waste. Finally, when a State has developed a 20-year management plan to handle its solid waste, the State would be able to place limitations on the amount of solid waste transported into the State for disposal purposes.

This amendment focuses attention on the need for the safe and effective management of solid waste. Congress must take the initiative in resolving the Nation's waste disposal problem realistically and fairly to prevent future threats to human health and the environment.

Mr. BINGAMAN. Mr. President, I rise today to join my colleague from Indiana, Senator COATS, in sponsoring legislation to authorize States to enter interstate compacts for cooperative efforts in solid waste management. I introduced similar legislation earlier this Congress and I am pleased to see my recommendations being incorporated in today's amendment. The legislation being considered today will greatly enhance the State's ability to address substantively and responsibly our growing solid waste problem.

Americans generate over 160 million tons of solid waste each year. This is more than one-half ton per person. There are several alternatives available to communities for managing solid waste. Landfills have become the preferred method in many areas, such as New Mexico, where the costs of landfill disposal are cheaper than other options. However, many areas of the Nation are now experiencing shortfalls of permitted landfill capacity as the amount of wastes increases. The Environmental Protection Agency estimates that 80 percent of existing permitted landfills will close within 20 years. The problems associated with the disposal of solid waste are rapidly becoming evident across the country, causing local communities major difficulties.

New Mexico has not escaped this crisis. I chaired a forum in Las Cruces, NM, in April on the solid waste issue. I heard from local, county, and State officials on the tremendous challenge facing our State in dealing with the waste dilemma. The declining number of landfills has caused communities in New Mexico and throughout the United States to transport their wastes greater distances for disposal which has increased disposal costs. Siting new landfills is difficult because of the potential environmental risks involved. As siting becomes more difficult and as the volume of waste increases, solid waste disposal, once considered a local problem, has become a national concern.

I hope the development of compacts will assist States such as New Mexico by focusing needed attention on other alternatives for solid waste management, including recycling and incineration. Recycling is one area that clearly deserves increased attention and Federal support. Recycling saves

energy and conserves natural resources by reducing the use of raw materials.

I urge my colleagues to support this important legislation.

Mr. KERRY. Mr. President, I rise in opposition to the pending amendment offered by my colleagues from Indiana and Kentucky. I do so primarily because their amendment does not address the issue of solid waste management in a comprehensive manner. Although I agree in principle with the Coats amendment that States should have a say in the solid waste that crosses their State lines for disposal, this is a very important issue that need be looked at in a much more thorough way.

The United States currently has a national approach to solid waste management. We must therefore address its deficiencies in a comprehensive national way, not in a piece meal fashion and certainly not as a floor amendment to the D.C. appropriations bill. I am fearful that in passing this amendment without a broad long range plan for the whole Nation's solid waste management, we will throw our national solid waste management scheme into chaos. This amendment could severely disrupt the flow of waste. It could result in quick nonenvironmental disposal practices, some of which could threaten public health, instead of well thought out procedures and it could cause serious economics disruptions for businesses that find themselves with no notice and without a site in which to dispose of their waste.

Next year the Resource Conservation Recovery Act is up for reauthorization. That is the law that governs national solid waste management. Interstate disposal, recycling and solid waste minimization are the top issues to be addressed. My colleagues on the Senate Environment and Public Works Committee have assured me that these issues will be thoroughly reviewed. Extensive hearings will be held and an adequate record will be established. In my view that is the most appropriate place to deal with such a critical issue. That is the forum to identify the complex set of problems involved and options for solving these problems safely and wisely.

Today currently 43 States either import or export trash and 38 States do both. Not counting New Jersey and New York, the majority of the States' trash travels to neighboring States. Mr. President, in Massachusetts we do both. Although the State is a marginal importer of municipal solid waste we also export trash. For example we import approximately 1,500 tons per day from Rhode Island and we export roughly 500 tons a day to Maine, New Hampshire, Connecticut, Vermont, and New York. The reason for this system is simply for convenience and economic efficiency. It does not make sense for the city of Haverhill, MA, for example, which has been shipping its waste to New Hampshire, to suddenly have it 120 miles away to Rochester.

Five years ago Massachusetts was an exporter of municipal solid waste. Our State plan has been moving toward self sufficiency of our waste management, however if all does not go according to the plan it is possible that we will need to become an exporter again. It makes sense to retain State flexibility.

In addition, the Massachusetts plan includes closing landfills as soon as possible due to groundwater contamination problems. The State is utilizing incineration and recycling to make up for the landfill capacity shortfall. If the Coats amendment passes this will decelerate the landfill closures and increase our environmental risks.

Furthermore, Mr. President, Massachusetts exports 50 percent of its nonhazardous medical waste. It does this in order to dispose of it in the most cost efficient and safe manner. Some on-site incinerators exist, but in most cases in-State disposal is done at offsite incinerators. Under the Coats amendment hospitals would be forced to build on-site incinerators. The cost of these are prohibitive. Currently our hospitals are moving in that direction but at a reasonable pace, so as not to burden the health care cost which are already high. Furthermore, this amendment could greatly complicate the proper handling of medical waste which need specialized care.

Mr. President, bans and fees like those in the Coats amendment could increase disposal costs to our consumers. We are all aware that tipping fees have escalated considerably as landfills are reaching capacity. I fear that the Coats amendment will increase the costs to businesses and consumers in Massachusetts even more than they already are today.

The Coats amendment may also greatly impede our efforts to recycle. In Massachusetts at our Springfield facility we have mixed recyclables. The Coats amendment exempts individually source separated recyclables but not mixed recyclables such as are handled in Springfield.

Mr. President it appears to me that New Jersey and New York may not be acting in a responsible manner in disposing their solid waste. They export roughly 20,000 tons a day. But why punish all other State's like Massachusetts because New York and New Jersey choose not to develop strategies that deal with their own waste within their State boundaries. These two States should have to carry a serious economic burden for their waste disposal practices. But targeting all the other States on a D.C. appropriations bill is not the way to go.

In closing Mr. President let me again reiterate, States should have a say in the waste that enters their States. But we must develop a reasonable, environmentally safe, and economically fair approach.

Mr. KOHL. Mr. President, I am opposed to this amendment for a number of reasons. First and foremost, I believe that our solid waste problem is a national problem, which must be addressed on a national basis. We are running out of landfill space, and everyone knows that something has to be done quickly. But I don't think anybody truly believes that we are going to solve the problem by allowing States to build walls around their borders, refusing to accept waste from other States. And if we start down that road, what will come next? What other restrictions might States want to impose at their borders? The possibilities are endless.

Instead, we need to develop a comprehensive solid waste strategy for the Nation, emphasizing waste reduction, and waste recycling. It's not just the Eastern States which find themselves running out of landfill space. Increasingly, every State is finding it difficult to site new landfills, due to environmental and public health concerns. People do not want garbage dumps near their homes, or near pristine areas, or near the source of their drinking water supplies, and understandably so. That means we have to find ways to minimize the amount of waste going to landfills, and recycling is the key to our success.

But in order for recycling to work, we need to develop an integrated, interstate market for recyclables. Congress can develop incentives to encourage recycling, and even require that certain products be recycled. But no major recycling effort will work unless all the States work together. For example, if a newspaper recycling facility is located in Georgia, communities in Wisconsin must be able to ship their old newspapers across many State lines in route to the recycling plant. Likewise, if a plastic recycling plant is built in New Jersey, every State must have the ability to ship its postconsumer plastic to that plant.

Conversely, if we go ahead now and allow States to discriminate against out-of-State waste in the absence of a comprehensive solid waste strategy, the resulting interstate warfare will doom any honest and realistic attempts to deal with the problem.

Therefore, I was pleased to hear assurances from a number of my colleagues that the Environment Committee plans to hold hearings next year to thoroughly examine the Nation's solid waste crisis, and intends to move forward with legislation to address the problem in a comprehensive manner. I received a letter from several environmental groups supporting such a comprehensive approach, and

opposing this amendment. I look forward to working with environmental groups, industry, and State and local governments next year in order to develop a rational, long-term solution.

In fact, the State of Wisconsin recently adopted a comprehensive solid waste law which addresses the problem in its entirety. The new law strongly emphasizes recycling and long-range planning to help communities manage their solid waste well into the future. I am hopeful that the Wisconsin law can serve as a model for the entire country when this issue is addressed by Congress next year.

Mr. PELL. Mr. President, we are all aware that the growing problem of solid waste disposal is approaching crisis proportions. Our society, unfortunately, appears to be building solid waste monuments for posterity.

It is clear that we must find solutions—including recycling, waste reduction and alternate waste disposal methods. Passage of this measure will encourage States to enter into regional agreements for solid waste disposal.

Frankly, I view it as a warning shot across the bow of States that have yet to find responsible disposal alternatives. I also hope that this amendment will put the Congress on notice that we are serious about solid waste disposal.

Shipping wastes halfway across the country is not only poor policy, it is a flagrant waste of energy and resources.

It is for those reasons that I support the amendment, and I hope we will start to require responsible solid waste management practices.

The PRESIDING OFFICER. The Senator from Indiana is recognized.

Mr. COATS. Mr. President, could I inquire how much time is remaining on each side?

The PRESIDING OFFICER. The Senator from Indiana has 13 minutes. The Senator from New Jersey has 4 minutes.

Mr. COATS. Mr. President, I yield myself such time as I may consume.

Mr. President, I would like to ask unanimous consent that the following Senators be added as cosponsors of this Coats, McConnell amendment: Senator FORD, of Kentucky, Senator RIEGLE, Senator BINGAMAN, Senator SHELBY, Senator BOREN, Senator BURNS, Senator DOMENICI, Senator BOSCHWITZ, and Senator CHAFEE.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COATS. I note to my colleague from New Jersey that half of these Senators are Senators from their party. This is not a partisan effort. It is not a partisan political effort. It has bipartisan support. It is supported by a number of members of the Democratic Party. It is not some kind of election year ploy.

I introduced this legislation on November 18 last year after 3 months of solid study by my staff to make this constitutional, to determine what the problem was. I raised the issue with my staff because I had traveled around Indiana and talked to people who are incensed over the fact that convoys of trucks and trainloads of trash were rolling into Indiana every day and dumping New Jersey trash in our landfills, and we could not do a darned thing about it.

Three days after I introduced my legislation, I received a letter from our Democrat Governor, Evan Bayh of Indiana. I want to quote part of that. It is dated November 21, 1989.

He said:

> Evidence has been accumulating rapidly revealing the broad scope and dangers of the out-of-State waste problem. Landfills are filling at an accelerated pace jeopardizing disposal capacity for Indiana communities. Boxcars filled with trash arrive in Indiana without legal authority to off-load the waste, and put the safety and health of hoosiers at risk as they sit dormant for days. Virtual convoys of semis carrying east coast garbage clog Hoosier roads and unload their cargo into Indiana soil around the clock.
>
> We will fight against out-of-State trash with the weapons available to us at the State level and we will make progress. However, we do not have the ultimate weapon at our disposal—the ability to ban the importation of garbage into Indiana outright. For this we need the help of Congress, and the purpose of this letter is to seek your support for a Federal law to effectively protect Indiana and other States in a similar position from the burden of being a dumping ground for out-of-State waste. * * * This is a vital issue for Indiana's future. I hope we can work together to protect the health and safety of the people of Indiana by reversing the onslaught of out-of-State trash that shows no sign of letting up of its own accord.

I was happy to be able to respond to our Governor, a member of the other party, that I had introduced legislation recognizing the same need and I would agree to work together with him and my Senate colleagues in finding a solution to this problem.

It has been suggested that we wait for RCRA to come along. We have been waiting for RCRA to come along for more than 2 years. It is not here. It is not here in this session. There is some talk about bringing it up next session. I think they will know that we put the pressure on.

I would be more than happy to deal with this problem in the way that it comes through the committee. I worked with the committee chairman of the Senate Environment Committee. He has helped me with this. We almost had an agreement worked out last May. It was filibustered by the Senators from New Jersey.

To imply that the Senator from Indiana is standing up here 3 or 4 or 5 weeks before the election in a political ploy to garner support back home is to ignore the record. It is to ignore the record of this Senator who has worked long and hard to get something done but whose every effort to be the good soldier to go through the process to work through the committee has been blocked by the Senators from New Jersey.

I personally resent the implication that I am standing here for political purposes, and just because I have an ad on back there demonstrating to the people of Indiana I am trying to do something about it that that is the only reason we are on the floor today. We are on the floor today because I persisted for a year and because this bill has merits. This amendment has merits. I believe it will be supported by a majority of Senators.

We are more than happy to welcome New Jersey athletes, students, and even new residents of Indiana. They have made a great contribution to our State. Notre Dame is one of the finest institutions in the country. I have many good friends that teach there, are students there, and who coach there. They are proud of its contribution to our State. We are very proud of the New Jersey residents that come and study at that institution and participate in its athletics. We want New Jersey students. We want New Jersey residents. We want New Jersey athletes. We want everything from New Jersey except your trash. We are happy to cooperate with other States in terms of who and what they send to us. We just do not want your garbage.

It is not just Indiana. It is a whole number of States. It is a whole number of States who find themselves powerless to do anything about their own environmental problems because they cannot even sit at the table and negotiate with another State for a regional cooperative agreement in terms of dealing with trash.

All we want is the right to sit at the table. We do not want to put in place our own environmental plan, sell our own citizens about how we are going to recycle, reduce at the source trash and be responsible for our own trash, and then have that totally undermined, totally overwhelmed, by the fact that boxcar loads and truck convoy loads of trash come into our State.

The Senator from Kentucky stood on the floor and talked about the convoy of trucks that line up every day at the landfills in Kentucky. So this is not a party issue. This is not a partisan political issue. It is good policy. Sometimes people say good policy makes good politics. I think maybe that is the case in this situation.

Let me put to rest a couple of myths that have been talked about here. One myth is the bill is not responsible. States will immediately impose bans and any kind of responsible planning will go out the window. Those who

make that charge have not read the amendment.

We have worked very carefully with the Senate Environment Committee and others from other States to come up with what is a responsible amendment in that regard. We are requiring a State to put in place a 20-year plan to plan for disposal of its waste problems before it can impose any kind of a ban. States are not going to rush out to impose bans. States are going to sit down, put reasonable plans in place, are going to have to follow the requirement outlined here in terms of a responsible plan for disposal of their waste. Only then after certification that that plan is in place can they impose a ban if they find that is necessary to carry out their own plan.

We encourage specifically in this legislation cooperative efforts between States. It is written right in. We encourage recycling. We exempt transfer interstate of materials that are for recycling purposes or are covered under other acts like RCRA, hazardous waste, and so forth.

We set up an option of a differential fee policy whereby if you do not want a ban you can set differential fees to deal with the problem and use that money to bring about improvements in the environment.

These are reasonable requirements. They are consistent with the requirements of the House legislation and the Senate legislation in the RCRA reauthorization. And we grant EPA the authority to make adjustments to this as necessary.

Mr. President, may I inquire how much time is remaining under the allotted time?

The PRESIDING OFFICER. The Senator from Indiana has 4 minutes.

Mr. COATS. I yield 1 minute to the Senator from Rhode Island.

Mr. CHAFEE. Mr. President, I want to thank the Senator from Indiana, the distinguished floor manager of this bill, the proponent of the amendment. I agree with what he is attempting to do. I know it is harsh medicine to many States that have been exporters of trash. But this process has gone on for a long time. I think there clearly will be sent a message to those exporting States.

They have to get on with it and solve their own problems. As you know, in the Superfund, we had a similar provision. We said each State must plan to have, within its own borders, the capacity to dispose of its Superfund qualifying toxic waste within x years so each State would not be tempted to go into midnight dumping or continuing to ship across borders.

So I commend the Senator from Indiana for what he is doing. This is a terrible problem for the receiving States. We know that municipalities can reject it, but privately owned solid waste dumps cannot. This would permit the privately owned ones to do it. So there would be proposals submitted to EPA. It can be argued how strong those proposals have to be. But I think the measure is a good one.

Mr. COATS. I thank the Senator from Rhode Island. He has been invaluable in helping us with this legislation.

I reserve the remainder of my time.

Mr. BRADLEY. Will the distinguished Senator from Rhode Island yield for a question?

This amendment bans solid waste, not hazardous waste?

Mr. CHAFEE. Yes, that is right.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. I yield a minute to my colleague, Senator BRADLEY.

Mr. BRADLEY. I would like to address the Senator from Indiana.

Mr. COATS. Mr. President, who is controlling the time here?

The PRESIDING OFFICER. The Senator from New Jersey has yielded 1 minute to the senior Senator from New Jersey.

Mr. BRADLEY. Does the Senator from Indiana believe that the portrayal of New Jersey, as embodied in the person of his television commercial, is a proper portrayal?

Mr. COATS. I will leave that to the Senator from New Jersey to determine whether that is a proper portrayal or not.

Mr. BRADLEY. I argue that it is offensive.

Mr. President, regarding this long discussion about the trucks of garbage coming from outside into Indiana, what about the Indiana garbage going into Charleston, IL, and the garbage going to Three Rivers, MI? What about the 100,000 cubic yards of solid waste transported from Fort Wayne, IN to Ohio each year? That translates into 5,000 trucks per year, 5,000 trucks moving across and dumping.

Mr. President, I only say, let us reject this amendment. It is ill-timed; it is an insult. I hope that the Senator will understand that what goes around comes around.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator from New Jersey [Mr. LAUTENBERG] is recognized.

Mr. LAUTENBERG. Mr. President, I yield 1 minute to my colleague from the State of Washington.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, I just regret the fact that the D.C. appropriations bill is being used as the vehicle for this amendment. I would have, if I could have, objected to legislation as important as this, with many ramifications, being placed as an amendment on this bill. We are prepared to debate matters of concern to the District of Columbia. But this is a very, not only delicate, but important matter of States rights, of interstate commerce, and should have gone through the proper and appropriate committees. I wish it had.

I was not in a position to offer a point of order against it, because there is already in the bill a provision that deals with the District of Columbia landfill which is located in the State of Virginia, and we had dealt with this matter earlier because of a House provision and because of the amendment of the Senator from Virginia.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ADAMS. Mr. President, I hope we can protect these matters in the future and that they will be before the appropriate committees, where an appropriate compromise can be agreed to. That is the reason that I have left the control of time to the parties involved, since this was not a District of Columbia matter.

The PRESIDING OFFICER. Who yields time?

Mr. COATS. Mr. President, how much time do I have remaining.

The PRESIDING OFFICER. Two minutes and forty-five seconds.

Mr. COATS. I yield myself the remainder of my time.

Mr. President, I want to just address a couple of items that have been raised here.

First of all, the fact that the Sierra Club has apparently issued a statement in opposition to this amendment. I do not think the Sierra Club checked with the Sierra Club of Indiana, Kentucky, Pennsylvania, Ohio, Nevada, New Mexico, or a number of other States, relative to how it affects our environment. They may see this as being detrimental to the environment of New Jersey, because it may force them to keep some of their own trash and dispose of it in their own landfills. But it certainly is not advantageous to the environment of Indiana for us to keep receiving this trash.

Second, in terms of Indiana exporting. Indiana exports 2 percent of its waste. New Jersey exports 50 percent of its waste. The 2 percent we export is done by mutual agreement with contiguous States or other States. That is the way it should be done. And under my amendment, that is what specifically we are attempting to get at. We want States to sit down with each other—and communities—to work out mutually acceptable arrangements.

In the Coats amendment, the bill before us, it says that consent of Congress is given when two or more States negotiate or enter into agreements or compacts for cooperative efforts and mutual assistance to the management of solid waste. We want to encourage that.

What we do not want is one State saying: We do not want to sit down and work something out with you. We

are going to ship it to you whether you want it or not, and we are not going to allow any restrictions or fees or anything else on it.

Mr. President, we have tried the path of patience. We have taken the counsel of caution, and we have waited our turn, and we have bided our time. But the trucks continue to roll, and the rotting garbage mounts higher, and our patience is wearing thin.

Our environmental plans are rendered useless. Our communities fester in resentment. Our landfills are glutted with the trash of the irresponsible. A vote for this amendment is a simple plea for a say in our own destiny. It is not an attack on any State. It is in defense of our own State. It is not rooted in bitterness, but it is an urgent need. In the end, our case comes down to what we think is a very simple argument. It is echoed in communities across the State of Indiana and in communities across the Nation: "Do not dump on us."

The PRESIDING OFFICER. The Senator's time has expired.

The Senator from the New Jersey has a minute remaining.

Mr. LAUTENBERG. Mr. President, the debate has been long. It has been arduous. The one thing I think that is important, before we conclude, is to make certain about the things that were said are accurate.

I am a senior member of the Environment and Public Works Committee, and I do not recall any discussion between the distinguished Senator from Indiana and the Environment Committee. So that if there was some agreement hammered out between Senator COATS and the Environment Committee, I would like to see that entered into the record.

Second, Indiana continues to transport its acid rain and its ozone through the air over New Jersey, Rhode Island, and other States. And to respond to the junior Senator from Rhode Island, during the Environment Committee consideration of the Clear Air Act that Rhode Island be exempt from the penalty provisions of the bill because he knew the rules would impose a hardship in his State.

This issue, Mr. President, everyone knows, is pure, raw politics. All you have to do is look at the commercial. The Senator from Indiana pleads for students to come, but he did not say he wants them to come with their garbage. They have to come garbage free if they want to go to school in Indiana, according to the Senator. He does not want any of the investments from New Jersey, if they bring along any trash along with them.

I regret that this issue has come up at this time. Again, it is not the way to do business. We are faced with a decision that is political in its character, and I hope my colleagues will join us in defeat of this amendment.

The PRESIDING OFFICER (Mr. DASCHLE). The Senator's time has expired.

The question occurs on amendment No. 2640, offered by the Senator from Indiana.

Mr. COATS. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana. On this question, the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. SIMPSON. I announce that the Senator from California [Mr. WILSON] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 68, nays 31, as follows:

[Rollcall Vote No. 244 Leg.]

YEAS—68

Armstrong	Ford	McConnell
Baucus	Garn	Metzenbaum
Bingaman	Glenn	Mitchell
Bond	Gorton	Murkowski
Boren	Gramm	Nickles
Boschwitz	Grassley	Packwood
Breaux	Hatch	Pell
Bryan	Hatfield	Pressler
Bumpers	Heflin	Pryor
Burdick	Heinz	Reid
Burns	Helms	Riegle
Byrd	Hollings	Rockefeller
Chafee	Humphrey	Roth
Coats	Johnston	Rudman
Cochran	Kassebaum	Shelby
Cohen	Kasten	Simpson
Conrad	Kerrey	Specter
Daschle	Levin	Stevens
DeConcini	Lott	Symms
Dole	Lugar	Thurmond
Domenici	Mack	Wallop
Durenberger	McCain	Warner
Exon	McClure	

NAYS—31

Adams	Gore	Mikulski
Akaka	Graham	Moynihan
Bentsen	Harkin	Nunn
Biden	Inouye	Robb
Bradley	Jeffords	Sanford
Cranston	Kennedy	Sarbanes
D'Amato	Kerry	Sasser
Danforth	Kohl	Simon
Dixon	Lautenberg	Wirth
Dodd	Leahy	
Fowler	Lieberman	

NOT VOTING—1

Wilson

So the amendment (No. 2640) was agreed to.

Mr. COATS. Mr. President, I move to reconsider the vote.

Mr. CHAFEE. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senate will be in order. The question now is on agreeing to the amendment offered by the Senator from Oklahoma, as amended.

So the amendment (No. 2639), as amended, as agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of this bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. NICKLES. Mr. President, I move to reconsider the vote on the Nickles amendment.

Mr. ADAMS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

So the bill (H.R. 5311), as amended, was passed.

Mr. ADAMS. Mr. President, I move to reconsider the vote.

Mr. JOHNSTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Washington.

Mr. ADAMS. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and the Chair be authorized to appoint the conferees on the part of the Senate.

The motion was agreed to, and the Presiding Officer appointed Mr. ADAMS, Mr. FOWLER, Mr. KERREY, Mr. BYRD, Mr. GRAMM, Mr. DOMENICI, and Mr. HATFIELD conferees on the part of the Senate.

Mr. ADAMS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. JEFFORDS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Vermont is recognized.

Mr. JEFFORDS. I thank the Chair.

(The remarks of Mr. JEFFORDS pertaining to the introduction of S. 3069 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. KENNEDY. Mr. President, I ask unanimous consent that when the Senate considers Calendar No. 776, H.R. 4151, the Head Start bill, that it be considered under the following limitations: 30 minutes on the bill and all amendments, with the time equally controlled and divided between Senator DODD and Senator KASSEBAUM, or their designees; that the only amendments in order be a committee substitute and a Wilson amendment regarding Head Start; that the time for both amendments to come from the time of the bill; that no other amendments be in order; that no motion to recommit be in order; that no points of order be waived by this agreement and that when the time is used or yielded back, the Senate vote on all pending amendments and proceed to passage.

The PRESIDING OFFICER. Is there objection? Hearing none, it is so ordered.

HUMAN SERVICES REAUTHORIZATION ACT

The PRESIDING OFFICER. Under the previous order, the Senate will proceed to the consideration of H.R. 4151. The clerk will report the bill.

The assistant legislative clerk read as follows:

A bill (H.R. 4151) to authorize appropriations for fiscal years 1991 through 1994 to carry out the Head Start Act, the Follow Through Act, the Community Services Block Grant Act, and the Low-Income Home Energy Assistance Act of 1981, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Human Services Reauthorization Act of 1990".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.

TITLE I—HEAD START

Subtitle A—Amendments to the Head Start Act

Sec. 101. Short title.
Sec. 102. Statement of purpose and policy.
Sec. 103. Authorization of appropriations.
Sec. 104. Reservation of funds.
Sec. 105. Guidelines for local service delivery models; maintenance of current services.
Sec. 106. Conditions on renewed funding of grantees.
Sec. 107. Coordination with other agencies and programs.
Sec. 108. Administrative costs.
Sec. 109. Neutrality.
Sec. 110. Participation in head start programs.
Sec. 111. Notice and hearing.
Sec. 112. Staff qualifications.
Sec. 113. Requirements applicable to the Secretary.
Sec. 114. Cooperative research.
Sec. 115. Study of head start participants.
Sec. 116. Poverty line.
Sec. 117. Comparability of wages.
Sec. 118. Authority of Secretary.
Sec. 119. Technical amendments.

Subtitle B—Head Start Transition Project

Sec. 121. Short title.
Sec. 122. Definitions.
Sec. 123. Head start transition grants.
Sec. 124. Eligibility.
Sec. 125. Requirements.
Sec. 126. Application.
Sec. 127. Evaluation and report.
Sec. 128. Payments; Federal share.
Sec. 129. Coordination with follow through.
Sec. 130. Funding.
Sec. 131. Conforming amendment.

TITLE II—AMENDMENTS TO THE LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

Sec. 201. References.
Sec. 202. Forward funding of LIHEAP.
Sec. 203. Reauthorization.
Sec. 204. State allotments.
Sec. 205. Application.
Sec. 206. Authority to use funds for weatherization.
Sec. 207. Authority to carry funds over.
Sec. 208. Leveraging incentive program.

TITLE III—AMENDMENTS TO THE FOLLOW THROUGH ACT

Sec. 301. Technical amendments.
Sec. 302. Financial assistance for follow through programs.
Sec. 303. Applications and funding.
Sec. 304. Program improvement.
Sec. 305. Research and evaluation contracts.
Sec. 306. Evaluation.
Sec. 307. General and administrative provisions.
Sec. 308. Participation in other educational activities.

TITLE IV—AMENDMENTS TO THE STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

Sec. 401. Authorization of appropriations.
Sec. 402. Operation costs of after school care programs authorized.
Sec. 403. Report by grant recipients.
Sec. 404. Technical amendments.

TITLE V—AMENDMENTS TO THE COMMUNITY SERVICES BLOCK GRANT ACT

Sec. 501. Authorization of appropriations.
Sec. 502. Eligible entities.
Sec. 503. State allocations.
Sec. 504. Discretionary authority of Secretary.
Sec. 505. Community food and nutrition.
Sec. 506. Annual report.
Sec. 507. Technical amendment.

TITLE VI—AMENDMENTS TO THE CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985

Sec. 601. Adequacy of scholarships.
Sec. 602. Definitions.

TITLE VII—AMENDMENTS RELATING TO DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR

Sec. 701. Programs for special populations.
Sec. 702. Authorization of appropriations.

TITLE VIII—AMENDMENTS TO THE COMPREHENSIVE CHILD DEVELOPMENT CENTERS ACT

Sec. 801. Authorization of appropriations.

TITLE IX—COORDINATED SERVICES FOR CHILDREN, YOUTH, AND FAMILIES

Sec. 901. Short title.
Sec. 902. Findings.

Subtitle A—Establishment of Administration and Awarding of Grants for Programs

Sec. 911. Short title.
Sec. 912. Definitions.

CHAPTER 1—ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES

Sec. 915. Establishment of the administration on children, youth, and families.
Sec. 916. Functions of the Commissioner.
Sec. 917. Federal agency consultations.
Sec. 918. Federal Council on Children, Youth, and Families.
Sec. 919. Administration.

CHAPTER 2—GRANTS FOR STATE AND COMMUNITY PROGRAMS FOR CHILDREN, YOUTH, AND FAMILIES

Sec. 925. Purpose.
Sec. 926. Definitions.
Sec. 927. Cooperative arrangements.
Sec. 928. Administration.
Sec. 929. Independent State body.
Sec. 930. State plan.
Sec. 931. Planning, coordination, evaluation, and administration of State plans.
Sec. 932. Supportive services.
Sec. 933. Authorization of appropriation and allotment.

CHAPTER 3—FAMILY RESOURCE AND SUPPORT PROGRAM GRANTS

Sec. 941. Short title.
Sec. 942. Purpose.
Sec. 943. Definitions.
Sec. 944. Grants.
Sec. 945. Planning grants.
Sec. 946. Operational grants.
Sec. 947. Local program requirements.
Sec. 948. Interagency planning.
Sec. 949. Authorization of appropriations.

CHAPTER 4—NATIONAL CLEARINGHOUSE

Sec. 955. Short title.
Sec. 956. Findings and purpose.
Sec. 957. Definition.
Sec. 958. Establishment of National Center on Family Resource and Support Programs.
Sec. 959. Evaluation.
Sec. 960. Authorization of appropriations.

Subtitle B—Coordinated Health Care for Children

CHAPTER 1—PRIMARY PEDIATRIC OUTREACH AND CARE

Sec. 971. Short title.
Sec. 942. Primary pediatric care for disadvantaged children program.

CHAPTER 2—GRANTS FOR ACCESS TO HEALTH CARE

Sec. 975. Demonstration grants.

SUBTITLE C—WHITE HOUSE CONFERENCE ON YOUNG AMERICANS

Sec. 981. Short title.
Sec. 982. Findings.
Sec. 983. Authority of the President and Secretary; final report.
Sec. 984. Administration.
Sec. 985. Committee.
Sec. 986. Authorization of appropriation.

TITLE X—EFFECTIVE DATES

Sec. 1001. Effective dates.

TITLE I—HEAD START

Subtitle A—Amendments to the Head Start Act

SEC. 101. SHORT TITLE.

This subtitle may be cited as the "Head Start Expansion and Quality Improvement Act".

SEC. 102. STATEMENT OF PURPOSE AND POLICY.

Section 636(b) of the Head Start Act (42 U.S.C. 9831(b)) is amended by inserting ", non-English language background," after "migrant".

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) by striking "$1,198,000,000" and all that follows through "1989, and"; and

(2) by inserting after "1990" the following: ", $2,386,000,000 for fiscal year 1991, $4,273,000,000 for fiscal year 1992, $5,924,000,000 for fiscal year 1993, and $7,660,000,000 for fiscal year 1994".

SEC. 104. RESERVATION OF FUNDS.

(a) RESERVATION OF FUNDS.—Section 640(a) of the Head Start Act (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting "through (5)";

(2) in paragraph (2)—

(A) by striking out "children, except that there shall be made available for use by Indian" and all that follows through "1985" in subparagraph (A), and inserting in lieu thereof "and non-English language background children, except that there shall be made available for each fiscal year for use by Indian and migrant Head Start programs, on a nationwide basis, not less than the amount that was obligated for use by Indian and migrant Head Start programs for fiscal year 1990";

(B) by striking out "the Trust Territory of the Pacific Islands" and inserting in lieu thereof "the Federated States of Micronesia, the Republic of the Marshall Islands, Palau, the Commonwealth of";

(C) by striking out "the amount expended" and all that follows through "1982" in subparagraph (C), and inserting "2 percent of the amount appropriated for any such fiscal year";

(D) by striking the penultimate sentence; and

(E) by inserting "or paragraph (3)" after "this paragraph" in the last sentence;

(3) in paragraph (3) by striking "87 percent of the";

(4) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively;

(5) by inserting after paragraph (2) the following new paragraphs:

"(3)(A) For any fiscal year for which the amount appropriated under section 639(a) exceeds the adjusted appropriation, the Secretary shall reserve the quality improvement funds for such fiscal year, for one or more of the following quality improvement activities:

"(i) Subject to section 653, not less than one-half of the amount reserved under this subparagraph, to improve the compensation (including benefits) of staff of Head Start agencies and thereby enhance recruitment and retention of such staff.

"(ii) To pay transportation costs incurred by Head Start agencies to enable eligible children to participate in a Head Start program.

"(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

"(iv) To pay costs incurred by Head Start agencies to purchase insurance (other than employee benefits) and thereby maintain or expand Head Start services.

"(v) To make nonstructural and minor structural changes, and to acquire and install equipment, for the purpose of improving facilities necessary to expand the availability, or enhance the quality, of Head Start programs.

"(vi) To supplement amounts provided under section 640(a)(2)(C) to provide training necessary to improve the qualifications of the staff of the Head Start agencies, and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunctional families, children who experience chronic violence in their communities, or children who experience substance abuse in their families.

"(B) Funds reserved by the Secretary under subparagraph (A) shall be used to supplement, not to supplant, funds received under paragraphs (2), (4), and (5).

"(4)(A) Of the amounts appropriated under section 639(a), the Secretary shall reserve $30,000,000 for fiscal year 1991, $31,200,000 for fiscal year 1992, $32,448,000 for fiscal year 1993, and $33,745,920 for fiscal year 1994 to make grants to Head Start agencies to carry out early childhood intervention programs, to be known as 'Parent-Child Centers', within Head Start programs.

"(B)(i) Programs carried out under this paragraph shall be designed—

"(I) to enhance the development of children who are less than 3 years of age; and

"(II) to strengthen the family unit by providing opportunities for increasing the child development skills and knowledge of their parents.

"(ii) Programs carried out under this paragraph shall provide comprehensive services (such as social, health, and educational services) to low-income families with children who are less than 3 years of age. Such programs may provide such services to any eligible family for any duration of time and may be center-based, home-based, or a combination of both.

"(C) The Secretary shall not make a grant under this paragraph to a Head Start agency for any fiscal year unless—

"(i) such agency certifies that carrying out the early childhood intervention program for which such grant is requested will not reduce services provided by such agency to children who participate in other programs provided by such agency under this subchapter; and

"(ii) such agency certifies that to the maximum extent practicable, it will provide continuous service to children who receive services under this paragraph through compulsory school age, either through the early childhood intervention programs authorized by this paragraph or through other Head Start programs.

"(D) For purposes of this paragraph, the term 'low-income family' means a family that satisfies the eligibility requirements applicable under section 645(a)."; and

(6) in paragraph (6) (as so redesignated by paragraph (4))—

(A) by inserting "the Commonwealth of" before "the Northern Mariana"; and

(B) by striking out "the Trust Territory of the Pacific Islands" and inserting in lieu thereof "the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau".

(b) DEFINITION.—Section 637 of the Head Start Act (42 U.S.C. 9832) is amended—

(1) in paragraph (2), by striking out "the Trust Territory of the Pacific Islands" and inserting in lieu thereof "the Federated States of Micronesia, the Republic of the Marshall Islands, Palau"; and

(2) by adding at the end thereof the following new paragraphs:

"(4) The term 'adjusted appropriation' means—

"(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 110 percent of the amount appropriated under section 639(a) for the preceding fiscal year, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determination is made under section 640(a)(3)(A); and

"(B) with respect to each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, the amount appropriated under section 639(a) for the preceding fiscal year adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determination is made under section 640(a)(3)(A).

"(5) The term 'quality improvement funds' means—

"(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 10 percent of the amount appropriated under section 639(a) for such fiscal year; and

"(B) with respect to each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 25 percent of the portion of the amount appropriated under section 639(a) for such fiscal year that exceeds the adjusted appropriation for such fiscal year.".

SEC. 105. GUIDELINES FOR LOCAL SERVICE DELIVERY MODELS; MAINTENANCE OF CURRENT SERVICES.

Section 640 of the Head Start Act (42 U.S.C. 9835) is amended—

(1) in subsection (d), by striking out the last sentence; and

(2) by adding at the end the following new subsections:

"(f) The Secretary shall establish procedures to enable Head Start agencies to develop locally designed or specialized service delivery models to address local community needs.

"(g) If in any fiscal year, the amounts appropriated to carry out the program under this subchapter exceed the amount appropriated in the prior fiscal year, the Secretary shall, prior to using such additional funds to serve an increased number of children, allocate such funds in a manner that makes available the funds necessary to maintain the level of services provided during the prior year, taking into consideration the percentage change in the Consumer Price Index for all Urban Consumers, as published by the Bureau of Labor Statistics.".

SEC. 106. CONDITIONS ON RENEWED FUNDING OF GRANTEES.

(a) IN GENERAL.—Subsection (c) of section 641 of the Head Start Act (42 U.S.C. 9836(c)) is amended—

(1) by redesignating paragraph (1) as subparagraph (A);

(2) by inserting "(1)" after the subsection designation; and

(3) by striking out paragraph (2) and the matter following such paragraph and inserting in lieu thereof the following:

"(B) except that, if there is no agency of the type referred to in subparagraph (A) because of any change in the assistance furnished to programs for economically disadvantaged persons, the Secretary shall give priority in the designation of Head Start agencies to any successor agency that is operating a Head Start program in substantially the same manner as the predecessor agency that did receive funds in the fiscal year preceding the fiscal year for which the determination is made.

"(2) The Secretary shall conduct a full review of each designated Head Start agency at least once during each 3-year period, and shall determine whether each agency meets program and fiscal requirements established by the Secretary.

"(3) In carrying out a review of each Head Start agency under paragraph (2), the Secretary shall—

"(A) to the maximum extent practicable, carry out such review by using employees of the Department of Health and Human Services who are knowledgeable about Head Start programs;

"(B) ensure that an employee of the Department of Health and Human Services who is knowledgeable about Head Start programs supervises such review at the site of such agency; and

"(C) measure the compliance of the programs of such agency with the performance standards in effect under section 651(b).".

SEC. 107. COORDINATION WITH OTHER AGENCIES AND PROGRAMS.

Section 642(c) of the Head Start Act (42 U.S.C. 9837(c)) is amended by striking out "with other State" and all that follows through the end thereof and inserting in lieu thereof "with public schools, the State agency responsible for administering section 402(g) of the Social Security Act, and other programs serving the children and families served by the Head Start agency to carry out the provisions of this subtitle.".

SEC. 108. ADMINISTRATIVE COSTS.

The first sentence of section 644(b) of the Head Start Act (42 U.S.C. 9839(b)) is amended by inserting "the required" after "including".

SEC. 109. NEUTRALITY.

Section 644 of the Head Start Act (42 U.S.C. 9839) is amended by adding at the end the following new subsection:

"(e) Funds appropriated to carry out this subchapter shall not be used to assist, promote, or deter union organizing.".

SEC. 110. PARTICIPATION IN HEAD START PROGRAMS.

The last sentence of section 645(a)(2) of the Head Start Act (42 U.S.C. 9840(a)(2)) is amended by striking "1990" and inserting "1994".

SEC. 111. NOTICE AND HEARING.

Section 646 of the Head Start Act (42 U.S.C. 9841) is amended—

(1) by inserting "(a)" after "Sec. 646.";

(2) in paragraph (3) by inserting "or reduced" after "terminated"; and

(3) by adding at the end the following new subsection:

"(b) The Secretary shall not prescribe any procedure that would modify the operation of section 1303.21 or 1303.33, or any of subdivisions (a) through (f) of section 1303.35, of part 1303 of chapter XIII of the Code of Federal Regulations as in effect on April 1, 1990.".

SEC. 112. STAFF QUALIFICATIONS.

(a) IN GENERAL.—Section 648 of the Head Start Act (42 U.S.C. 9843) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following new heading:

"TECHNICAL ASSISTANCE, TRAINING, AND STAFF QUALIFICATIONS";

(2) by inserting "(a)" before "The Secretary shall";

(3) by inserting "training for personnel providing services to non-English background children," after "such personnel,"; and

(4) by adding at the end thereof the following new subsection:

"(b) The Secretary shall ensure that not later than September 30, 1994, each Head Start classroom in a center-based program is assigned one teacher who has—

"(1) a child development associate (CDA) credential that is appropriate to the age of the children being served in center-based programs;

"(2) a State awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential;

"(3) an associate, baccalaureate, or advanced degree in early childhood education; or

"(4) a degree in a field related to early childhood education with experience in teaching preschool children and a State awarded certificate to teach in a preschool program.".

(b) DEFINITION.—Section 637 of such Act (42 U.S.C. 9832) (as amended by section 104(b)), is further amended by adding at the end thereof the following new paragraph:

"(6) The term 'Head Start classroom' means a group of children supervised and taught by two paid staff members (a teacher and a teacher's aide or two teachers) and, where possible, a volunteer.".

SEC. 113. REQUIREMENTS APPLICABLE TO THE SECRETARY.

(a) IN GENERAL.—Section 649 of the Head Start Act (42 U.S.C. 9844) is amended—

(1) in the section heading by striking "AND PILOT PROJECTS" and inserting "PILOT PROJECTS, STUDIES, AND REPORTS"; and

(2) by adding at the end the following new subsections:

"(d) Subject to subsection (a) through (c), the Secretary shall conduct, through grants or contracts made or entered into with qualified persons, a study of various approaches to providing early, continuous, and comprehensive intervention to low-income or at-risk children from birth to age 3 and to the families of such children. Such study shall compare a variety of approaches to providing such services, including programs funded under the Comprehensive Child Development Act, Parent-Child Centers, home-based Head Start programs, Head Start family day care, and center-based Head Start (including migrant and nonmigrant programs). Such study shall assess such approaches based on their appropriateness for specific populations of children, including those from dysfunctional families, children of substance abusers, and children who experience chronic violence in their communities.

"(e) The Secretary shall conduct, through grants or contracts made or entered into with qualified persons, a study of Head Start family day care. Such study shall consider the effectiveness of providing Head Start services in a family day care setting and assess the program characteristics that are necessary to ensure that programs are effective.

"(f)(1) At least once during every 2-year period, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report concerning the status of children (including disabled and non-English language background children) in Head Start programs, including the number of children and the services being provided to such children. Such report shall include—

"(A) information concerning transportation, facilities, and methods for identifying and locating eligible children in both urban and rural areas, including cost, problems encountered and innovative solutions to such problems;

"(B) information concerning the distribution of funds, including the—

"(i) proportion of funds distributed to newly designated Head Start agencies;

"(ii) distribution of Head Start services relative to the distribution of children who are eligible to participate in Head Start programs;

"(iii) share of funds provided for Head Start programs by State and local sources;

"(iv) cost per child, and the variations in such cost by region; and

"(v) where available and appropriate, a description of the effect of the 1990 Decennial Census on the allotment of funds under this subchapter;

"(C) information concerning children participating in programs receiving Head Start funding, including family income, racial and ethnic background, gender, disability, and receipt of benefits under title IV of the Social Security Act;

"(D) information concerning the parents of children participating in programs receiving Head Start funding, including the—

"(i) employment status of such parents (including any change that occurred while the child was enrolled in Head Start);

"(ii) education level of such parents;

"(iii) the training or education that such parents received while their children were enrolled in Head Start programs; and

"(iv) level and nature of the participation of such parents in the Head Start program as volunteers or in other capacities;

"(E) information concerning Head Start staff, including salaries, education, training, experience, and turnover;

"(F) a description of the services provided to children and families, on-site or through referral, including health, mental health, and dental care, parenting education, and literacy training;

"(G) the use and sources of Head Start funds at the national, regional, and local levels, including the share of funds used for salaries, facilities, transportation, supportive services, insurance, and wrap-around child care services;

"(H) a description of the programs funded under this subchapter, including locally designed or specialized service delivery models, that specifies—

"(i) the extent to which such programs comply with performance standards and regulations;

"(ii) the type and condition of facilities in which such programs are located;

"(iii) the type of organizations that receive Head Start funds under such programs;

"(iv) the number of children served under each program option; and

"(v) the extent to which Head Start programs coordinate with other programs serving young children, including local educational agencies; and

"(I) summaries of evaluations and studies conducted during the period covered by the report.

"(2) Promptly after submitting each report to Congress under paragraph (1), the Secretary shall publish in the Federal Register a notice indicating that such report is available to the public and specifying how such report may be obtained.".

(b) CONFORMING AMENDMENTS.—Section 650 of such Act (42 U.S.C. 9845) is amended—

(1) by striking the section heading and inserting the following new heading:

"ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, PILOT PROJECTS, STUDIES, AND REPORT CONTRACTS";

(2) in subsection (a)(1), by striking "or pilot project" and inserting "pilot project, study, or report"; and

(3) in subsection (c), by inserting "reports," after "studies,".

SEC. 114. COOPERATIVE RESEARCH.

Section 651(c)(2) of the Head Start Act (42 U.S.C. 9846(c)(2)) is amended by adding at the end the following sentence: "The Secretary may provide funds for community-based cooperative research efforts to enable Head Start directors to conduct evaluations of their programs with the assistance of qualified researchers not directly involved in the administration of the program or project operation.".

SEC. 115. STUDY OF HEAD START PARTICIPANTS.

(a) LONGITUDINAL STUDY REQUIRED.—The Head Start Act is amended by inserting after section 651 (42 U.S.C. 9846) the following new section:

"SEC. 651A. LONGITUDINAL STUDY OF HEAD START PARTICIPANTS.

"(a) IN GENERAL.—The Secretary shall conduct, through grants or contracts made or entered into with qualified persons, a longitudinal study of the effects that the participation in Head Start programs has on the development of participants and their families and the manner in which such effects are achieved.

"(b) ADVISORY PANEL.—In carrying out the study required by subsection (a), the Secretary shall establish an advisory panel to provide advice and guidance to the Secretary, and to the individuals who carry out such study, concerning the design and execution of such study. Such panel shall be composed of—

"(1) individuals who have—

"(A) expertise in the current operation of Head Start programs;

"(B) professional backgrounds in child development and related fields; and

"(C) experience in the evaluation of Head Start programs or comparable programs; and

"(2) individuals who have expertise in designing and executing large-scale longitudinal studies.

"(c) CHILDREN TO BE STUDIED.—The study required by subsection (a) shall follow the progress of children—

"(1) who have attended Head Start programs that are in compliance with Head Start Performance Objectives;

"(2) who represent specific subpopulations, including children from dysfunctional families; and

"(3) who have attended Head Start programs that represent the various program options and that are located in both urban and rural areas.

"(d) SUBCONTRACTING.—Persons selected to conduct the study required by subsection (a) may subcontract elements of the study to other persons with the approval of the Secretary. Such study may be carried out through a series of several small studies focused on specific program options and subpopulations.

"(e) PERIOD OF STUDY.—The study required under subsection (a) shall be carried out during a period of not less than 20 years.

"(f) FOCUS.—The study required under subsection (a) shall consider the degree to which social, physical, and academic development, including grade retention, motivation to achieve, special education placement, health, secondary school graduation, delinquency, substance abuse, teenage pregnancy, literacy, college attendance, employment, and welfare participation of children and the parenting skills, employment, literacy, education level, motivation to achieve, and welfare participation of parents are affected by—

"(1) the program options selected by the Head Start program;

"(2) the number and configuration of hours, days, and years the child participates in Head Start;

"(3) the Head Start program quality, including training and experience of Head Start teachers and teacher aides, staff to child ratios, and group size;

"(4) the level of parental involvement in the Head Start program;

"(5) the supportive services provided to children and their parents through the Head Start program;

"(6) the Head Start curriculum; and

"(7) the characteristics of a subsequent schooling of the child and family characteristics and behaviors that affect social, physical, and academic development as such children move through the primary grades.

"(g) COMPARISONS.—To the maximum extent feasible, the study required under subsection (a) shall provide for comparisons with appropriate groups composed of individuals who do not participate in Head Start programs.

"(h) COORDINATION.—The study required under subsection (a) shall be coordinated with the National Longitudinal Study conducted under chapter 1 that is administered by the Department of Education.

"(i) REPORTS.—The Secretary shall prepare and submit, to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate, periodic reports concerning the design and progress of the study conducted under this section, including interim results of such study not less often than once during every 5-year period.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 639 of such Act (42 U.S.C. 9834) is amended—

(1) by inserting "(a)" after "SEC. 639.";

(2) by inserting "(other than section 651A)" after "subchapter"; and

(3) by adding at the end thereof the following new subsection:

"(b) There are authorized to be appropriated to carry out section 651A, such sums as may be necessary.".

SEC. 116. POVERTY LINE.

(a) ISSUANCE OF POVERTY LINE.—Subsection (a) of section 652 of the Head Start Act (42 U.S.C. 9847(a)) is amended to read as follows:

"(a) The Secretary shall issue annually (or at any shorter interval the Secretary considers to be feasible and desirable) a poverty line that, except as provided in section 645, shall be used as a criterion of eligibility for participation in Head Start programs.".

(b) DEFINITION.—Section 637 of such Act (42 U.S.C. 9832) (as amended by section 104(b)), is further amended by adding at the end the following new paragraph:

"(7) The term 'poverty line' means—

"(A) the official poverty line (as defined by the Office of Management and Budget) adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the 1-year period or other interval immediately preceding the date such adjustment is made; or

"(B) the poverty line (including any revision thereof) applicable to this subchapter for fiscal year 1990, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the period beginning October 1, 1989, and ending immediately before the date such adjustment is made;

whichever is greater.".

(c) TECHNICAL AMENDMENTS.—Section 652 of such Act (42 U.S.C. 9847) is amended—

(1) by striking subsection (b); and

(2) in subsection (c) by striking "(c) Revisions required by subsection (a) shall be made and issued" and inserting "(b) The poverty line shall be determined by the Secretary".

SEC. 117. COMPARABILITY OF WAGES.

Section 653 of the Head Start Act (42 U.S.C. 9848) is amended by adding at the end thereof the following new sentence: "The Secretary shall encourage Head Start agencies to provide compensation according to salary scales that are based on training and experience.".

SEC. 118. AUTHORITY OF SECRETARY.

Section 645(c) of the Head Start Act (42 U.S.C. 9840(c)) is amended by adding at the end thereof the following new sentence: "The Secretary shall not issue or enforce any rule (as defined in section 551(4) of title 5 of the United States Code) or guideline that forbids any Head Start agency to carry out a Head Start program in accordance with the authority described in the preceding sentence.".

SEC. 119. TECHNICAL AMENDMENTS.

Section 643 of the Head Start Act (42 U.S.C. 9838) is amended—

(1) by striking out "Governor" the first place it appears and inserting in lieu thereof "chief executive officer", and

(2) by striking out "the Governor" the second and third places it appears and inserting in lieu thereof "such officer".

Subtitle B—Head Start Transition Project

SEC. 121. SHORT TITLE.

This subtitle may be cited as the "Head Start Transition Project Act".

SEC. 122. DEFINITIONS.

As used in this subtitle:

(1) DEVELOPMENTALLY APPROPRIATE CURRICULUM.—The term "developmentally appropriate curriculum" means a curriculum that is appropriate for the child's age and all areas of the individual child's development, including educational, physical, emotional, social, cognitive, and communication.

(2) FAMILY SERVICES COORDINATOR.—The term "family services coordinator" means an individual who is trained to assist families in obtaining supportive services. Such individual may be an existing employee of the local educational agency or Head Start agency.

(3) HEAD START AGENCY.—The term "Head Start agency" means any agency designated as a Head Start agency under the Head Start Act.

(4) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965.

(5) SECRETARY.—The term "Secretary" means the Secretary of the Department of Health and Human Services.

(6) SUPPORTIVE SERVICE.—The term "supportive service" means service that will enhance the physical, social, emotional, and intellectual development of low-income children, including providing necessary support to the parents of such children and other family members.

SEC. 123. HEAD START TRANSITION GRANTS.

(a) IN GENERAL.—The Secretary is authorized to pay the Federal share of the costs of making demonstration grants to Head Start agencies and local educational agencies to develop and operate programs that assist low-income elementary school students ages 5 through 8 and their families in—

(1) obtaining supportive services that build on the strength of families, including health, immunization, mental health, nutrition, parenting education, literacy, and social services (including substance abuse treatment, education, and prevention services); and

(2) supporting the active involvement of parents in the education of their children.

(b) TERM OF GRANT.—Grants awarded under this subtitle shall be for a period of 3 years.

SEC. 124. ELIGIBILITY.

(a) HEAD START AGENCY.—A Head Start agency shall be eligible for a grant under this subtitle if such Head Start agency has formed a consortium with one or more local educational agencies that received funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 and that serves children who have been served by such Head Start agency.

(b) LOCAL EDUCATIONAL AGENCY.—A local educational agency shall be eligible for a grant under this subtitle if such agency receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 and has formed a consortium with one or more Head Start agencies serving children who will enroll in any elementary school located within the school district of such local educational agency.

(c) COOPERATING AGENCY.—A nonprofit agency or institution of higher education with experience in child development may participate in any consortium formed under subsection (a) or (b) in developing, operating, and evaluating programs assisted under this subtitle.

(d) FOLLOW THROUGH GRANTEES.—A local educational agency that is receiving assistance through a program under the Follow Through Act shall also be eligible for a grant under this subtitle if such agency meets the requirements of subsection (b).

SEC. 125. REQUIREMENTS.

(a) IN GENERAL.—The Secretary shall award grants under this subtitle to Head Start agencies and local educational agencies in both rural and urban areas.

(b) SPECIAL RULE.—The Secretary shall award at least one grant in every State before the Secretary may award a second grant within any one State.

(c) CONSIDERATION.—In awarding grants under this subtitle, the Secretary shall consider—

(1) the commitment of the Head Start agency and local educational agency to the program;

(2) the quality of the Head Start program operated by a Head Start agency desiring financial assistance under this subtitle, as measured by compliance with Head Start program performance standards;

(3) the number of low-income children in the area served by the Head Start agency or local educational agency compared to the number of non-low-income children in the area served by the Head Start agency or local educational agency;

(4) the ability of the proposed program to serve as a model for other programs;

(5) the quality of information and plans in the application; and

(6) the commitment of the community to the program.

(d) PRIORITY.—The Secretary shall give priority to applicants that will operate the program at a school designated for a schoolwide project under section 1015(a) of the Elementary and Secondary Education Act of 1965.

SEC. 126. APPLICATION.

(a) IN GENERAL.—Each Head Start agency or local educational agency desiring a grant under this subtitle shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the activities and services for which assistance is sought;

(2) a description of members of the consortium established in accordance with section 124, including any cooperating agency;

(3) a self-assessment of the Head Start agency's and local educational agency's programs to address the health, immunization, mental health, nutrition, parenting education, literacy, social service (including substance abuse treatment, education, and prevention), and educational needs of low-income students and their families, including the use of a developmentally appropriate curriculum such as model curriculum under the Follow Through Act;

(4) a plan for the development of a supportive services team of family service coordinators to—

(A) assist families, administrators and teachers to respond to health, immunization, mental health, nutrition, social service and educational needs of students;

(B) conduct home visits and help students and their families to obtain health, immunization, mental health, nutrition, parenting education, literacy, education (including tutoring and remedial services), and social services (including substance abuse treatment, education and prevention), for which such students and their families are eligible;

(C) coordinate a family outreach and support program, including a plan for involving parents in the management of the program, in cooperation with parental involvement efforts undertaken pursuant to chapter 1 of title I of the Elementary and Secondary Education Act of 1965, the Head Start Act, part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (Even Start), and the Education for all Handicapped Children Act of 1975;

(D) assist families, administrators, and teachers in enhancing developmental continuity between the programs assisted under the Head Start Act and elementary school classes; and

(E) prepare a plan for the transition of each child from Head Start or comparable programs to kindergarten, including—

(i) a meeting of the early childhood development program teacher with the kindergarten teacher;

(ii) the transfer of knowledge about the child including the transfer of written records from the early childhood development program teacher to the kindergarten teacher to become part of the school record of the child; and

(iii) the formulation of an individual education plan for the child with the participation of the parents, the early childhood development program teacher and the kindergarten teacher;

(5) the designation of a member of the supportive services team described in paragraph (4) who will serve as the supervisor of such supportive services team;

(6) assurances that State agencies, local agencies, and community-based organizations that provide supportive services to low-income students served by such Head Start agency or local educational agency have been consulted in the preparation of the plan described in paragraph (4);

(7) assurances that State agencies, local agencies, and community-based organizations that provide supportive services to low-income students served by such Head Start agency or local educational agency will designate an individual who will act as a liaison to the supportive services team described in paragraph (4);

(8) a description of the target population to be served by the supportive services team described in paragraph (4) including families previously served under the Head Start Act, part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (Even Start), or comparable early childhood development programs;

(9) a description of the supportive services to be provided, directly or through referral;

(10) a plan to ensure the smooth transition of children served under the Head Start Act, part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (Even Start), Education of the Handicapped Act, and comparable early childhood development programs to elementary schools;

(11) assurances that, and a plan describing how, families will be involved in the design and operation of the program;

(12) a description of the Federal and non-Federal resources that will be used to carry out the program;

(13) if the applicant has applied for or is receiving assistance through a program under the Follow Through Act—

(A) a description of the activities that will be funded under this subtitle and the activities that will be funded with assistance provided under the Follow Through Act; and

(B) a description of the manner in which activities funded under this subtitle and activities funded with assistance provided under the Follow Through Act will be coordinated within the elementary school;

(14) assurances that the supportive services team described in paragraph (4) will be equipped to assist children and families with limited English proficiency and disabilities, if appropriate;

(15) a plan describing how the program will be sustained, with chapter 1 funding or other Federal and non-Federal funding sources, after the grant has expired;

(16) program goals; and

(17) such other information as the Secretary may reasonably require.

(b) SPECIAL RULE.—Each supportive services team developed pursuant to paragraph (4) of subsection (a) shall include at least 1 family service coordinator for every 35 children to be served.

SEC. 127. EVALUATION AND REPORT.

(a) EVALUATION.—The Secretary shall, through grants, contracts or cooperative agreements, provide for the continuing evaluation of the programs assisted under this subtitle in order to determine the effectiveness of such programs in achieving stated goals, the impact of such programs on related programs, and the implications of the design and operation of such programs for the effective delivery of services.

(b) LOCAL EVALUATION AND INFORMATION.—

(1) REQUIREMENT.—Each Head Start agency or local educational agency receiving a grant under this subtitle shall carry out an evaluation of the program funded under this subtitle in order to determine the effectiveness of the program in achieving stated goals, the impact of the program on the families served and the community, the problems encountered in the design and operation of the program and ways in which such problems were addressed, and the impact of the program on the Head Start agency and local educational agency.

(2) INFORMATION.—Each Head Start agency or local educational agency receiving a grant under this subtitle shall furnish to the Secretary any information the Secretary shall request in order to carry out the evaluation described in subsection (a).

(c) REPORT.—Not later than September 30, 1993, the Secretary shall, prepare and submit, to the appropriate Committees of Congress, a report concerning evaluations conducted pursuant to subsections (a) and (b), including the strengths and weaknesses in the design and operation of programs assisted under this subtitle and the effectiveness of such programs in achieving stated goals.

SEC. 128. PAYMENTS; FEDERAL SHARE.

(a) PAYMENTS.—The Secretary shall pay to each Head Start agency or local educational agency having an application approved under section 126, the Federal share of the cost of the activities described in the application.

(b) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share shall be 80 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of payments under this subtitle may be in cash or in kind fairly evaluated, including planned equipment or services.

SEC. 129. COORDINATION WITH FOLLOW THROUGH.

The Secretary shall arrange with the Secretary of Education to coordinate the Head Start Transition Project under this subtitle with the program established under the Follow Through Act to enable local educational agencies to submit a single application for funding under both such programs, and shall, to the extent practicable, coordinate the promulgation of regulations that apply to such programs.

SEC. 130. FUNDING.

The Secretary shall use amounts reserved under section 639(a) of the Head Start Act to carry out this subtitle.

SEC. 131. CONFORMING AMENDMENT.

Section 639(a) of the Head Start Act (as amended by sections 103 and 115(b)) is further amended by adding at the end thereof the following new sentence: "Of the amounts appropriated under this subsection, the Secretary shall reserve $20,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992, 1993, and 1994, to carry out the Head Start Transition Project Act.".

TITLE II—AMENDMENTS TO THE LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

SEC. 201. REFERENCES.

Whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

SEC. 202. FORWARD FUNDING OF LIHEAP.

Section 2602 of the Act (42 U.S.C. 8621) is amended by adding at the end thereof the following new subsection:

"(c)(1) In fiscal year 1992 and each fiscal year thereafter, amounts appropriated under this section for any fiscal year for programs and activities under this Act shall be made available for obligation only on the basis of a program year. The program year shall begin on July 1 of the fiscal year for which the appropriation is made.

"(2) Amounts appropriated for fiscal year 1992 shall be available both to fund activities for the period between October 1, 1991, and July 1, 1992, and for the program year beginning July 1, 1992.

"(3) There are authorized to be appropriated such additional sums as may be necessary for the transition to carry out this subsection.".

SEC. 203. REAUTHORIZATION.

Section 2602(b) of the Act (42 U.S.C. 8621(b)) is amended—

(1) by striking out "$2,050,000,000" and all that follows through "1989, and"; and

(2) by inserting after "1990" the following: ", $2,150,000,000 for fiscal year 1991, $2,230,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994. The authorizations of appropriations contained in this subsection are subject to the program year provisions of subsection (c).".

SEC. 204. STATE ALLOTMENTS.

Section 2604(f) of the Act (42 U.S.C. 8623(f)) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by inserting "(1)" after the subsection designation;

(3) in the matter preceding subparagraph (A) (as so redesignated by paragraph (1)), by striking out "up to 10 percent" and inserting in lieu thereof "in accordance with paragraph (2) a percentage";

(4) in the matter following subparagraph (C) (as so redesignated by paragraph (1))—

(A) by striking out "any" the first place that such appears and inserting in lieu thereof "a"; and

(B) by striking out "paragraphs (1), (2), and (3)" and inserting in lieu thereof "subparagraphs (A), (B), and (C)"; and

(5) by adding at the end thereof the following new paragraph:

"(2)(A) Not to exceed 10 percent of the funds payable to a State under this section for each of the fiscal years 1991 through 1993 may be transferred under paragraph (1).

"(B) Beginning in fiscal year 1994, no funds payable to a State under this section shall be transferred under paragraph (1).".

SEC. 205. APPLICATION.

(a) CERTIFICATIONS.—Section 2605(b) of the Act (42 U.S.C. 8624(b)) is amended—

(1) in paragraph (12), by inserting "timely and meaningful" after "provide for";

(2) in paragraph (13), by striking out "and" at the end thereof;

(3) in paragraph (14), by striking out the period and inserting in lieu thereof "; and";

(4) by adding after paragraph (14), the following new paragraph:

"(15) beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging, and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer intake functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or Crisis Assistance Programs."; and

(5) in the matter following paragraph (15) (as added by paragraph (3)), by inserting before the second period the following: "and to establish a procedure for reviewing and investigating any complaint regarding State program compliance with Federal statutes and regulations, not later than 60 days after the receipt of such complaint, and making a formal written determination based on such complaint that the State plan is or is not in compliance with the requirements of this title and applicable regulations.".

(b) STATE PLAN.—Section 2605(c)(2) of the Act (42 U.S.C. 8624(c)(2)) is amended by inserting "timely and meaningful" after "will facilitate".

SEC. 206. AUTHORITY TO USE FUNDS FOR WEATHERIZATION.

Section 2605(k) of the Act (42 U.S.C. 8624(k)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B);

(2) by striking out "Not" and inserting in lieu thereof "(1) Except as provided in paragraph (2), not"; and

(3) by adding at the end thereof the following new paragraph:

"(2)(A) If a State receives a waiver granted under subparagraph (B) for a fiscal year, the State may use not more than the greater of 25 percent of—

"(i) the funds allotted to a State under this title for such fiscal year; or

"(ii) the funds available to such State under this title for such fiscal year;

for low-cost residential weatherization or other energy-related home repair for low-income households.

"(B) For purposes of subparagraph (A), the Secretary may grant a waiver to a State for a fiscal year if the State submits a written request to the Secretary after March 31 of such fiscal year and if the Secretary determines that—

"(i)(I) the number of households in the State that will receive benefits, other than weatherization and energy-related home repair, under this title in such fiscal year will not be fewer than the number of households in the State that received benefits, other than weatherization and energy-related home repair, under this title in the preceding fiscal year;

"(II) the aggregate amounts of benefits that will be received under this title by all households in the State in such fiscal year will not be less than the aggregate amount of such benefits that were received under this title by all households in the State in the preceding fiscal year; and

"(III) such weatherization activities have been demonstrated to produce measurable

savings in energy expenditures by low-income households; or

"(ii) the State has good cause for failing to satisfy the requirements specified in clause (i).".

SEC. 207. AUTHORITY TO CARRY FUNDS OVER.

Section 2607(b)(2)(B) of the Act (42 U.S.C. 8626(b)(2)(B)) is amended by striking out "15 percent" and inserting in lieu thereof "10 percent".

SEC. 208. LEVERAGING INCENTIVE PROGRAM.

(a) ESTABLISHMENT.—The Act is amended by inserting after section 2607 (42 U.S.C. 8626(b)), the following new section:

"SEC. 2607A. INCENTIVE PROGRAM FOR LEVERAGING NON-FEDERAL RESOURCES.

"(a) IN GENERAL.—Beginning in fiscal year 1992, the Secretary may allocate amounts appropriated under section 2602(d) to provide supplementary funds to States that have acquired non-Federal leveraged resources for the program established under this title.

"(b) DEFINITION.—For purposes of this section, the term 'leveraged resources' means the benefits made available to the low-income home energy assistance program of the State, and to Federally-qualified low-income households, that—

"(1) represent a net addition to the total energy resources available to State and Federally-qualified households in excess of the amount of such resources that could be acquired by such households through the purchase of energy at commonly available household rates; and

"(2) result from the acquisition by the State program of quantifiable benefits that—

"(A) are obtained from energy vendors through negotiation, regulation or competitive bid; or

"(B) are appropriated for distribution through the program by the State.

"(c) DISTRIBUTION.—

"(1) FORMULA.—Distribution of amounts made available under this section shall be based on a formula developed by the Secretary that is designed to take into account the success in leveraging existing appropriations in the preceding fiscal year as measured under section 2607(b)(2). Such formula shall take into account the size of the allocation of the State under this title and the ratio of leveraged resources to such allocation.

"(2) BY STATE.—A State may expend funds allocated under this title as are necessary, not to exceed .0008 percent of such allocation or $35,000 each fiscal year, whichever is greater, to identify, develop, and demonstrate leveraging programs. Funds allocated under this section shall only be used for increasing or maintaining benefits to households.

"(d) QUANTIFICATION.—Each State shall quantify the dollar value of leveraged resources received or acquired by such State under this section by using the best available data to calculate such leveraged resources less the sum of any costs incurred by the State to leverage such resources and any cost imposed on the Federally-eligible low-income households in such State.

"(e) REPORT.—Not later than July 31, of each year, each State shall prepare and submit, to the Secretary, a report that quantifies the leveraged resources of such State in order to qualify for assistance under this section for the following fiscal year.

"(f) STATE SHARE.—The Secretary shall determine the share of each State of the amounts made available under this section based on the formula described in subsection (c) and the State reports. The Secretary shall promulgate regulations for the calculation of the leveraged resources of the State and for the submission of supporting documentation. The Secretary may request any documentation that the Secretary determines necessary for the verification of the application of the State for assistance under this section.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 2602 of the Act (42 U.S.C. 8621) (as amended by section 202) is further amended—

(1) by inserting "(other than section 2607A)" after "title"; and

(2) by adding at the end thereof the following new subsection:

"(d) There are authorized to be appropriated to carry out section 2607A, $25,000,000 in fiscal year 1992, and $50,000,000 in each of the fiscal years 1993 and 1994.".

TITLE III—AMENDMENTS TO THE FOLLOW THROUGH ACT

SEC. 301. TECHNICAL AMENDMENTS.

The Follow Through Act (42 U.S.C. 9801 et seq.) is amended—

(1) by inserting immediately after section 661 the following:

"PART I—DIRECT SERVICES"; AND

(2) in section 668 (42 U.S.C. 9867)—

(A) by striking out "this subchapter" each place that such appears and inserting in lieu thereof "part I"; and

(B) by inserting "programs and" before "projects" in subsection (a).

SEC. 302. FINANCIAL ASSISTANCE FOR FOLLOW THROUGH PROGRAMS.

(a) PRIORITY.—Section 662(a) of the Follow Through Act (42 U.S.C. 9861(a)) is amended by adding at the end thereof the following: "For the purpose of making grants under this section, the Secretary shall give priority to any local educational agency that requests the grant for purposes of carrying out a Follow Through program in a school that—

"(1) is designated for a schoolwide project under section 1015(a) of the Elementary and Secondary Education Act of 1965; and

"(2) has a high concentration of children described in the first sentence of this subsection.".

(b) PROVISION OF ASSISTANCE.—Section 662 of the Follow Through Act (42 U.S.C. 9861) is amended—

(1) in the first sentence of subsection (a), by inserting "quality preschool" after "similar";

(2) in subsection (c)—

(A) by striking out "this section shall provide such" in the first sentence, and inserting in lieu thereof "this part shall use model Follow Through approaches for which financial assistance is provided under section 664A and shall provide, directly, through referral, or through the program established under subchapter B, the Head Start Transition Project Act";

(B) by striking out "projects" and inserting in lieu thereof "programs"; and

(C) by striking out "project" and inserting in lieu thereof "program,"; and

(3) by adding at the end thereof the following new subsections:

"(d) The Secretary shall not refuse to provide financial assistance under subsection (a) to an applicant solely because such applicant proposes to carry out a Follow Through program during a period in which school is not in regular session, at more than one site, or both.

"(e) In making grants under subsection (a), the Secretary shall provide sufficient funds to enable programs to meet the requirements of subsection (c).

"(f) Notwithstanding subsection (c), any local educational agency that receives a grant under subsection (a) for purposes of carrying out a Follow Through program in an elementary school that—

"(1) receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(2) is designated for a schoolwide project under section 1015(a) of such Act;

may use such grant to serve all children attending such school in kindergarten through grade 3.".

SEC. 303. APPLICATIONS AND FUNDING.

Section 663 of the Follow Through Act (42 U.S.C. 9862) is amended to read as follows:

"SEC. 663. CONSIDERATION OF APPLICATIONS.

"(a) IN GENERAL.—A grant under this part shall be made only to an applicant that submits an application to the Secretary that contains such information, including that required under subsection (b), as may be required by rule by the Secretary.

"(b) CONTENTS OF APPLICATION.—Each application submitted under this section shall—

"(1) provide that the program for which assistance is requested will be administered by or under the supervision of the applicant;

"(2) contain assurances that the applicant will prepare and submit to the Secretary, regular evaluations of and reports concerning such program;

"(3) estimate the number of children who are eligible for Follow Through services in the geographical area served by such program and the approximate number of such children to be served by such program;

"(4) describe which model Follow Through approach the applicant intends to use, and the manner in which the applicant will implement such approach;

"(5) provide evidence that the applicant has made a formal arrangement to receive technical assistance and training relative to the approach the applicant intends to utilize from an appropriate agency, institution, or organization that receives funds under section 664A;

"(6) provide an assurance that the instructional program, including textbooks and other materials provided by the applicant, is appropriate to the ages and developmental needs of the children to be served by such program and to the model Follow Through approach selected by the applicant;

"(7) specify the manner in which the applicant will provide comprehensive services, including through agreements with public or private entities to provide, make referrals to, or coordinate the provision of such services to children and their families through the program established under subchapter B, the Head Start Transition Project Act, or another comprehensive program;

"(8) provide for the direct participation of parents, as provided for in section 662(c), and include a certification that such application has been approved by a committee (established in accordance with rules issued by the Secretary) that represents parents of children who participate, and parents of children who are likely to participate, in such program;

"(9) describe the manner in which the applicant proposes to coordinate services provided under this part with services provided under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, the Bilingual Education Act, and the Education of the Handicapped Act;

"(10) demonstrate that—

"(A) the applicant has entered into a formal arrangement with local Head Start programs and other preschool programs for such cooperation and activities as are necessary to ensure an effective transition of eligible children entering the Follow Through program carried out by such applicant; and

"(B) the Follow Through activities to be provided by the applicant have been specifically designed to coordinate with, and build on, those activities provided to participants in local Head Start or other similar preschool programs;

"(11) describe the expected or, if possible, actual impact of such program on the regular school program of the applicant; and

"(12) contain—

"(A) a certification that the applicant has submitted such application to the State educational agency (as defined in section 1471(23) of the Elementary and Secondary Education Act of 1965) for a reasonable period of time for comment prior to submitting such application to the Secretary; and

"(B) any comments received from such agency during such period.".

SEC. 304. PROGRAM IMPROVEMENT.

(a) RESEARCH, EVALUATION, AND RELATED MATTERS.—The Follow Through Act (42 U.S.C. 9861 et seq.) is amended by striking out section 664 and inserting in lieu thereof the following:

"PART II—PROGRAM IMPROVEMENT

"SEC. 664. RESEARCH.

"The Secretary may provide financial assistance, through grants and contracts, to public and private nonprofit agencies, institutions, and organizations to conduct research—

"(1) to improve Follow Through approaches;

"(2) to develop model Follow Through approaches; and

"(3) to meet the special needs of children who are eligible to participate in Follow Through programs.

"SEC. 664A. TECHNICAL ASSISTANCE AND TRAINING.

"(a) GRANTS.—The Secretary shall make grants to public and private nonprofit agencies, institutions, and organizations—

"(1) to provide technical assistance to assist in the development, implementation, and expanded use of model Follow Through approaches; and

"(2) to provide training in conjunction with the operation of Follow Through programs or other programs that adopt such approaches.

"(b) LIMITATIONS.—

"(1) FISCAL YEAR LIMITATION.—Technical assistance with respect to a particular model Follow Through approach shall not be provided under subsection (a)(1) to a particular recipient of financial assistance under section 662(a) in more than 5 fiscal years.

"(2) PRIOR RECEIPT OF ASSISTANCE.—In the case of a recipient of financial assistance under section 662(a) that has received technical assistance prior to the date of enactment of this part, the Secretary may limit the provision of technical assistance with respect to a particular Follow Through approach under subsection (a)(1) to 3 fiscal years.

"SEC. 664B. RESOURCE AND EXPANSION.

"The Secretary may make grants to entities that operate, or that previously operated, Follow Through programs that the Secretary determined to be effective—

"(1) to act as Follow Through resources to develop and provide information on the operation of their respective programs;

"(2) to promote the adoption of similar programs by local educational agencies; and

"(3) to assist agencies, institutions, and organizations that receive funds under section 664A, in providing technical assistance and training.

"SEC. 664C. DISSEMINATION ACTIVITIES.

"(a) PROMOTION OF APPROACHES.—The Secretary shall promote the awareness and use of model Follow Through approaches by—

"(1) providing information to recipients of grants and contracts under section 1562 of the Elementary and Secondary Education Act of 1965 concerning programs and activities that receive assistance under this title; and

"(2) making information concerning such programs and activities available to such recipients without charge.

"(b) FUNDING.—From amounts appropriated for each fiscal year to carry out this part, the Secretary shall expend not less than $100,000 to pay for the costs incurred by such recipients to disseminate information relating to programs and activities funded under this part.".

(b) CONFORMING AMENDMENT.—The Follow Through Act (42 U.S.C. 9861 et seq.) is amended by repealing section 667.

SEC. 305. RESEARCH AND EVALUATION CONTRACTS.

Section 665 of the Follow Through Act (42 U.S.C. 9864) is amended—

(1) in the heading of such section, by striking out "DEMONSTRATION, AND PILOT PROJECT" and inserting in lieu thereof "AND EVALUATION"; and

(2) in subsection (a)(1), by striking out ", demonstration, or pilot project" and inserting in lieu thereof "or evaluation".

SEC. 306. EVALUATION.

Section 666(a) of the Follow Through Act (42 U.S.C. 9865(a)) is amended—

(1) by striking out the last sentence and inserting in lieu thereof "Such continuing evaluation shall measure the impact of such programs on participating parents and on entire schools and school districts in which such programs are carried out.";

(2) by inserting "(1)" after "(a)"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The evaluation required by paragraph (1) shall include evaluations of local educational agencies that receive Follow Through grants for use in a school that is designated for a schoolwide project under section 1015(a) of the Elementary and Secondary Education Act of 1965. Such evaluation shall compare children who only receive services under a grant under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 with children who receive services under such a grant and under a Follow Through grant. Such comparison shall be made to determine whether the comprehensive services provided to the children who receive services under a Follow Through grant through the model Follow Through approach had a positive effect on their educational progress and overall developmental progress. To the extent practicable, such comparison shall be made on the basis of results of evaluations conducted under such chapter and evaluations conducted under this subsection, and shall take into account the amount of funds provided to the project.".

SEC. 307. GENERAL AND ADMINISTRATIVE PROVISIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—The Follow Through Act (42 U.S.C. 9861 et seq.) is amended by inserting after section 666 the following new part:

"PART III—GENERAL AND ADMINISTRATIVE PROVISIONS

"SEC. 667. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this subchapter $20,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

"(b) USE OF AMOUNTS.—Of the amount appropriated for each fiscal year to carry out this subchapter—

"(1) 70 percent shall be made available to carry out part I; and

"(2) 30 percent shall be made available to carry out part II, of which not less than one-third of such amount shall be made available for the purposes described in section 664(2).

"(c) NON-FEDERAL CONTRIBUTIONS.—

"(1) FEDERAL SHARE.—Except as provided in paragraph (4), financial assistance provided under part I for a Follow Through program shall not exceed 80 percent of the approved cost of the program assisted, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines, in accordance with rules establishing objective criteria, that such action is required to carry out such part.

"(2) OTHER CONTRIBUTIONS.—Non-Federal contributions to a Follow Through program may be in cash or in kind, fairly evaluated, including plant, equipment, and services.

"(3) LIMITATION.—The Secretary shall not require non-Federal contributions in excess of 20 percent of the approved costs of the Follow Through program assisted.

"(4) EXCEPTION.—Financial assistance provided under part I for a Follow Through program carried out in an elementary school that—

"(A) receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(B) is designated for a schoolwide project under section 1015(a) of such Act;

may be expended to pay 100 percent of the approved costs of the program that is assisted.

"(d) REQUIREMENT FOR APPROVAL OF APPLICATION.—An application for assistance under this subchapter shall not be approved unless the Secretary determines that the services to be provided under this subchapter by such applicant will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such rules as the Secretary may issue.".

(b) CONFORMING AMENDMENT.—Section 670 of the Follow Through Act (42 U.S.C. 9861 note) is repealed.

SEC. 308. PARTICIPATION IN OTHER EDUCATIONAL ACTIVITIES.

The Follow Through Act (42 U.S.C. 9861 et seq.) is amended by inserting after section 669 the following new section:

"SEC. 669A. PARTICIPATION IN OTHER EDUCATIONAL ACTIVITIES.

"(a) IN GENERAL.—The Secretary shall facilitate the participation of entities that receive funds under sections 664A and 664B in training and technical assistance activities carried out under other Federal programs that provide assistance to children in elementary schools, including programs and activities carried out under chapter 1 of title I of the Elementary and Secondary Education Act of 1965.

"(b) COORDINATION WITH HEAD START TRANSITION PROJECT.—The Secretary shall consult

with the Secretary of Health and Human Services in the coordination of the program established under this Act with the Head Start Transition Project established under the Head Start Transition Project Act to enable local educational agencies to submit a single application for funding under both such programs and shall, to the extent practicable, coordinate the issuance of regulations governing such programs.".

TITLE IV—AMENDMENTS TO THE STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

Section 670A of the State Dependent Care Development Grants Act (42 U.S.C. 9871) is amended—

(1) by striking out "is authorized" and inserting in lieu thereof "are authorized";

(2) by striking out "1987, 1988, 1989, and"; and

(3) by inserting after "1990" the following: "and 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994".

SEC. 402. OPERATION COSTS OF AFTER SCHOOL CARE PROGRAMS AUTHORIZED.

(a) USE OF ALLOTMENTS.—

(1) IN GENERAL.—Section 670D(a)(1) of the State Dependent Care Development Grants Act (42 U.S.C. 9874(a)(1)) is amended by inserting "operation," after "establishment,".

(2) OPERATION AND SITES.—Section 670D(b)(1) of such Act (42 U.S.C. 9874(b)(1)) is amended—

(A) by inserting "operation," after "establishment,"; and

(B) by striking out "in public" and all that follows through "communities".

(3) PARTICIPATION OF CERTAIN CHILDREN.—Section 670D(b)(1) of such Act is further amended by adding at the end thereof the following new sentence: "Amounts so paid to a State and used for the operation of such child care services shall be designed to enable children, whose families lack adequate financial resources, to participate in before or after school child care programs.".

(4) RESOURCE AND REFERRAL SYSTEM.—Section 670D(f) of such Act (42 U.S.C. 9871(f)) is amended by inserting "operate," after "expand,".

(b) LIMITATIONS.—Section 670D(d) of such Act (42 U.S.C. 9874(d)) is amended—

(1) by striking out paragraph (1);

(2) by redesignating paragraph (2) as paragraph (1);

(3) by striking out paragraph (3); and

(4) by redesignating paragraphs (4) and (5) as paragraphs (2) and (3) respectively.

SEC. 403. REPORT BY GRANT RECIPIENTS.

(a) IN GENERAL.—Section 670E(c) of the State Dependent Care Development Grants Act (42 U.S.C. 9875(c)) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The chief executive officer of each State shall include in such a description of—

"(A) the number of children served in before and after school child care programs assisted under this subchapter;

"(B) the characteristics of the children so served including age levels, handicapped condition, income level of families in such programs;

"(C) the salary level and benefits paid to employees in such child care programs;

"(D) the number of clients served in resource and referral systems assisted under this subchapter; and

"(E) the characteristics of clients served in resource and referral systems assisted under this subchapter, including disability categories.".

(b) DATE OF REVISION.—Section 670E(c)(1) of such Act (as redesignated by subsection (a)) is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1991".

SEC. 404. TECHNICAL AMENDMENTS.

(a) USE OF ALLOTMENTS.—Section 670D of the State Dependent Care Development Grants Act (42 U.S.C. 9874) is amended—

(1) in the first sentence of subsection (a)(1), by striking out "for fiscal year 1985 and fiscal year 1986";

(2) in the first sentence of subsection (b)(1), by striking out "for fiscal year 1985 and fiscal year 1986";

(3) in subsection (b)(2)—

(A) by striking out "as well as handicapped school-age children" in subparagraph (D), and inserting in lieu thereof "school-age children, as well as handicapped school-age children,"; and

(B) by striking out "Governor may reasonably require to carry out the provisions of" in subparagraph (F), and inserting in lieu thereof "chief executive officer of the State may reasonably require to carry out"; and

(4) in subsection (f), by striking out ", which prior to the date of enactment of this subchapter, are provided" and inserting in lieu thereof "which are provided prior to the date of the enactment of this subchapter,"; and

(5) in subsection (g), by striking out "operating activities to be carried out" and inserting in lieu thereof "carrying out activities".

(b) APPLICATION AND DESCRIPTION OF ACTIVITIES.—The last sentence of section 670E(c) of such Act (42 U.S.C. 9875(c)) is amended by striking out "until September 30, 1987,".

(c) DEFINITIONS.—Section 670G of such Act (42 U.S.C. 9877) is amended—

(1) in paragraph (2)(C), by striking out "a person" and inserting in lieu thereof "an individual";

(2) in paragraph (7), by inserting "in" after "State" the first place that such appears; and

(3) in paragraph (10), by striking out "Trust Territory of the Pacific Islands," and inserting in lieu thereof "Federated States of Micronesia, the Republic of the Marshall Islands, Palau,".

TITLE V—AMENDMENTS TO THE COMMUNITY SERVICES BLOCK GRANT ACT

SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—Section 672(b) of the Community Services Block Grant Act (42 U.S.C. 9901(b)) is amended—

(1) by striking out "is authorized" and all that follows through "1989, and", and inserting in lieu thereof "are authorized to be appropriated";

(2) by inserting after "1990," the following: "$451,500,000 for fiscal year 1991, $460,000,000 for fiscal year 1992, $480,000,000 for fiscal year 1993, and $500,000,000 for fiscal year 1994"; and

(3) by inserting "(other than section 681A)" after "subtitle".

(b) AUTHORIZATION OF APPROPRIATIONS FOR COMMUNITY FOOD AND NUTRITION PROGRAMS.—Section 681A(c) of such Act (42 U.S.C. 9910a(c)) is amended—

(1) by striking out "each of the fiscal years 1987, 1988, 1989, and" and inserting in lieu thereof "fiscal year"; and

(2) by inserting after "1990" the following: ", $10,000,000 for fiscal year 1991, $15,000,000 for fiscal year 1992, $20,000,000 for fiscal year 1993, and $25,000,000 for fiscal year 1994".

SEC. 502. ELIGIBLE ENTITIES.

The third sentence of section 673(1) of the Community Services Block Grant Act (42 U.S.C. 9902(1)) is amended—

(1) by striking out "In" and inserting "If";

(2) by striking "not presently" and inserting "is not, or ceases to be,";

(3) by striking "Governor" and inserting "chief executive officer"; and

(4) in subparagraph (C), by striking out "The Governor's" and inserting in lieu thereof 'In making a designation under this subparagraph, such chief executive officer shall give priority to such organization. Such officer's".

SEC. 503. STATE ALLOCATIONS.

Section 674(a) of the Community Services Block Grant Act (42 U.S.C. 9903(a)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1), the following new paragraph:

"(2)(A) Subject to subparagraph (B), if the amount appropriated under section 672 for each fiscal year that remains after—

"(i) the Secretary makes the apportionment required in subsection (b)(1); and

"(ii) the Secretary determines the amount necessary for the purposes of section 681(c); exceeds $360,000,000, the Secretary shall allot to each State not less than one-half of 1 percent of such appropriated amount.

"(B) Subparagraph (A) shall not apply with respect to a fiscal year if the amount allotted under paragraph (1) to any State is less than the amount allotted under such paragraph to such State for the fiscal year preceding the fiscal year for which a determination is made under this paragraph.

"(C) Notwithstanding subparagraph (A), the amount allotted to a State shall not exceed 140 percent of the amount allotted to such State for the fiscal year preceding the fiscal year for which a determination is made under this paragraph.".

SEC. 504. DISCRETIONARY AUTHORITY OF SECRETARY.

(a) PLANNING AND DEVELOPMENT OF RURAL RENTAL HOUSING.—Section 681(a)(2)(D) of the Community Services Block Grant Act (42 U.S.C. 9910(a)(2)(D)) is amended by striking out "rural housing and community facilities development" and inserting in lieu thereof "the planning and development of rural housing (including rental housing for low-income individuals) and community facilities".

(b) ACTIVITIES FOR LOW-INCOME YOUTH.—Section 681 of such Act (42 U.S.C. 9910) is amended—

(1) in subsection (a)(2)(F) by—

(A) striking out "national or regional"; and

(B) striking out "recreational activities" and inserting in lieu thereof "instructional activities described in subsection (b)";

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(3) by inserting after subsection (a) the following new subsection:

"(b) Any instructional activity carried out under subsection (a)(2)(F) shall be carried out on the campus of an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965) and shall include—

"(1) access to the facilities and resources of such institution;

"(2) an initial medical examination and follow-up referral or treatment, without

charge, for youth during their participation in such activity;

"(3) at least one nutritious meal daily, without charge, for participating youth during each day of participation;

"(4) high quality instruction in a variety of sports, that shall include swimming, and that may include dance, provided by coaches and teachers from institutions of higher education, and from elementary and secondary schools (as defined in sections 1471(8) and 1471(21) of the Elementary and Secondary Education Act of 1965); and

"(5) enrichment instruction and information on matters relating to the well-being of youth, such as educational opportunities and study practices, the prevention of drug and alcohol abuse, health and nutrition, career opportunities, and job responsibilities.".

SEC. 505. COMMUNITY FOOD AND NUTRITION.

(a) CONFORMING AMENDMENT.—Subsection (a) of section 681A of the Community Services Block Grant Act (42 U.S.C. 9910a) is amended by striking out "local, and statewide" and inserting in lieu thereof "local, Statewide, and national".

(b) AMOUNTS OF GRANTS.—Subsection (b) of section 681A of the Community Services Block Grant Act (42 U.S.C. 9910a(b)) is amended to read as follows:

"(b)(1) The first $5,000,000 appropriated for a fiscal year to carry out this section shall be allocated as follows:

"(A) The Secretary shall utilize 60 percent of such amount to make allotments for grants under subsection (a) to eligible agencies for statewide programs in each State in an amount that bears the same ratio to 60 percent of such amount (up to $5,000,000) as the low-income and unemployed populations of such State bear to the low-income and unemployed populations of all the States. An eligible agency must demonstrate that the proposed activities are statewide in scope and represent a comprehensive and coordinated effort to alleviate hunger within the State.

"(B) The Secretary shall utilize the remaining 40 percent of such amount to award grants on a competitive basis to eligible agencies for local and statewide programs. In any fiscal year no agency shall receive funds under this subparagraph and paragraph (2)(B) in excess of $50,000.

"(2) Any amounts appropriated for a fiscal year to carry out this section in excess of $5,000,000 shall be allocated as follows:

"(A) The Secretary shall utilize 40 percent of such amount to make allotments for grants under subsection (a) to eligible agencies for statewide programs in each State in an amount that bears the same ratio to 40 percent of such amount as the low-income and unemployed populations of such State bears to the low-income and unemployed populations of all States. An eligible agency must demonstrate that the proposed activities are statewide in scope and represent a comprehensive and coordinated effort to alleviate hunger within the State.

"(B) The Secretary shall utilize 40 percent of such amount to award grants on a competitive basis to eligible agencies for local and statewide programs. In any fiscal year no agency shall receive funds under this subparagraph and paragraph (1)(B) in excess of $50,000.

"(C) The Secretary shall utilize the remaining 20 percent of such amount to award grants on a competitive basis to eligible agencies for nationwide programs, including programs benefiting Native Americans or migrant farm workers.

"(3) From the amounts allocated under paragraphs (1)(A) and (2)(A), the minimum total allotment for each State and the District of Columbia for each fiscal year shall be—

"(A) $15,000, if the total amount appropriated to carry out this section is greater than or equal to $7,000,000;

"(B) $20,000, if the total amount appropriated to carry out this section is greater than or equal to $10,000,000; or

"(C) $30,000, if the total amount appropriated to carry out this section is greater than or equal to $15,000,000.".

(c) REPORTS.—Section 681A of such Act (42 U.S.C. 9910a) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b), the following new subsection:

"(c) For each fiscal year, the Secretary shall prepare and submit, to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the grants awarded under this section. Such report shall include—

"(1) a list of grantees;

"(2) the amount of funding awarded to each grantee; and

"(3) a summary of the activities performed by grantees with funds awarded under this section and a description of the manner in which such activities meet the objectives described in subsection (a).".

SEC. 506. ANNUAL REPORT.

(a) REPORT REQUIRED.—Section 682 of the Community Services Block Grant Act (42 U.S.C. 9911) is amended to read as follows:

"SEC. 682. ANNUAL REPORT.

"(a) REQUIREMENT.—

"(1) IN GENERAL.—For each fiscal year beginning after September 30, 1991, the Secretary shall, by contract with an entity that is knowledgeable about programs and projects assisted under this subtitle, prepare a report that shall contain—

"(A) a description of the identity of each eligible entity, agency, organization, and person that receives, directly or indirectly, funds to carry out this subtitle in such fiscal year;

"(B) with respect to each particular purpose or activity referred to in section 675(c)(1), a description of the—

"(i) aggregate amount of such funds expended in such fiscal year to achieve such purpose or carry out such activity; and

"(ii) number of individuals who directly benefited from the amount so expended.

"(2) ADDITIONAL INFORMATION.—For any fiscal year beginning after September 30, 1991, the Secretary may, by contract, include in the report prepared under paragraph (1), any additional information that the Secretary considers to be appropriate to carry out this subtitle, except that the Secretary shall not require a State to provide such additional information until the expiration of the 1-year period beginning on the date the Secretary notifies such State that such additional information will be required to be provided by such State.

"(3) LIMITATION.—The Secretary shall not carry out this subsection by entering into a contract with any State, eligible entity, agency, organization, or person that receives, directly or indirectly, funds to carry out this subtitle.

"(b) SUBMISSION TO CONGRESS.—Not later than 180 days after the end of the fiscal year for which a report is required by subsection (a) to be prepared, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

"(1) such report in the form in which it was received by the Secretary; and

"(2) any comments the Secretary may have with respect to such report.

"(c) FUNDING.—Of the funds made available under section 681(d), not more than $250,000 shall be available to carry out this section.".

(b) CONFORMING AMENDMENT.—Section 681(d) of such Act (42 U.S.C. 9910), as so redesignated by section 505(b)(2), is amended by inserting ", section 682," after "this section".

SEC. 507. TECHNICAL AMENDMENT.

Section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) is amended by striking "for all Urban" and inserting "For All Urban".

TITLE VI—AMENDMENTS TO THE CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985

SEC. 601. ADEQUACY OF SCHOLARSHIPS.

(a) TRAINING ASSISTANCE.—Section 603(b)(1)(C) of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10902(b)(1)(C)) is amended by inserting "(including, at the option of the State, and training necessary for credentialing)" after "credentialing".

(b) LIMITATION.—Section 603(b) of such Act (42 U.S.C. 10902(b)) is amended—

(1) in paragraph (1)(C), by striking out "and" at the end thereof;

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph:

"(2) not more than 50 percent of the funds received under this title by a State may be used to provide scholarship assistance under paragraph (1) to cover the cost of training described in paragraph (1)(C); and".

SEC. 602. DEFINITIONS.

Section 604 of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10903) is amended in paragraph (1), by striking out "50" and inserting in lieu thereof "150".

SEC. 603. AUTHORIZATION OF APPROPRIATIONS.

Section 606 of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10904) is amended—

(1) by striking out "is authorized" and inserting in lieu thereof "are authorized";

(2) by striking out "each of the fiscal years 1987, 1988, 1989, and" and inserting in lieu thereof "fiscal year"; and

(3) by inserting after 1990 the following: ", $3,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994".

TITLE VII—AMENDMENTS RELATING TO DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR

SEC. 701. PROGRAMS FOR SPECIAL POPULATIONS.

Section 408 of the Human Services Reauthorization Act of 1986 (42 U.S.C. 9910b) is amended—

(1) by redesignating subsections (c), (d), (e), (f), and (g) as subsections (d), (e), (f), (g), and (h), respectively; and

(2) by inserting after subsection (b), the following new subsection:

"(c) PROGRAMS DIRECTED TO SPECIAL POPULATIONS.—(1) In addition to the grant programs described in subsection (a), the Secretary shall make grants to eligible entities for the purpose of demonstrating new and inno-

vative approaches to addressing the problems of, and providing opportunities for leadership development and community involvement to, disadvantaged persons between the ages of 17 and 25 from populations experiencing conditions such as a high poverty rate, high unemployment, low labor force participation, low rate of high school completion, high incidence of involvement in violence, and a high rate of incarceration. Services provided through approaches funded by such grants may include, assessment and development of employability plans, remedial education, motivational activities, life skills instruction, community service, and employment training, placement, and follow-up.

"(2) Such grants may be made only with respect to applications that—

"(A) identify and describe the population to be served, the problems to be addressed, the overall approach and methods of outreach and recruitment to be used, and the services to be provided;

"(B) describe how the approach to be used differs from other approaches used for the population to be served by the project;

"(C) describe the objectives of the project and contain a plan for measuring progress toward meeting those objectives; and

"(D) contain assurances that the grantee will report on the progress and results of the demonstration at such times and in such manner as the Secretary shall require.

"(3) Notwithstanding subsection (b), such grants shall not exceed 80 percent of the cost of such programs.

"(4) Such grants shall be made annually on such terms and conditions as the Secretary shall specify to eligible entities that serve the populations described in paragraph (1) and that are located within those areas where such populations are concentrated.".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

Section 408(h) of the Human Services Reauthorization Act of 1986 (42 U.S.C. 9910b(g)) (as amended by section 701) is further amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking out "$5,000,000" and all that follows through "1989, and";

(3) by inserting after "1990," the following: "$10,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994";

(4) by inserting "with the exception of subsection (c)" before the period; and

(5) by adding at the end thereof the following new paragraph:

"(2) There are authorized to be appropriated $10,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1994, to carry out subsection (c).".

TITLE VIII—AMENDMENTS TO THE COMPREHENSIVE CHILD DEVELOPMENT CENTERS ACT

SEC. 801. AUTHORIZATION OF APPROPRIATIONS.

Section 670T(a) of the subchapter E of chapter 8 of subtitle A of title VI of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9887) (the Comprehensive Child Development Act) is amended by striking out "appropriated" and all that follows after through the end and inserting in lieu thereof "appropriated, $50,000,000 for each of the fiscal years 1991, 1992, 1993 and 1994".

TITLE IX—COORDINATED SERVICES FOR CHILDREN, YOUTH, AND FAMILIES

SEC. 901. SHORT TITLE.

This title may be cited as the "Coordinated Services for Young Americans Act of 1990".

SEC. 902. FINDINGS.

Congress finds that—

(1) children and youth are inherently the most valuable resource of the United States;

(2) the welfare, protection, healthy development, and positive role of children and youth in society are essential to the United States;

(3) children and youth deserve love, respect, and guidance, as well as good health, shelter, food, education, productive employment opportunities, and preparation for responsible participation in community life;

(4) children and youth have increasing opportunities to participate in the decisions that affect their lives;

(5) the family is the primary caregiver and source of social learning and must be supported and strengthened;

(6) when a family is unable to ensure the satisfaction of the needs referred to in paragraph (5), it is the responsibility of society to assist such family; and

(7) it is the joint and several responsibility of the Federal Government, each State, and the political subdivisions of each State to assist children and youth to secure equal opportunity to full and free access to—

(A) the best possible physical and mental health;

(B) adequate and safe physical shelter;

(C) a high level of educational opportunity;

(D) effective training, apprenticeships, opportunities for community service, and productive employment;

(E) a wide range of civic, cultural, and recreational activities that recognize young Americans as resources and promote self-esteem and a stake in the communities of such Americans;

(F) comprehensive community services that are efficient, coordinated, readily available, and, to the extent practicable, involve families of young individuals; and

(G) genuine participation in decisions concerning the planning and managing of the lives of young Americans.

Subtitle A—Establishment of Administration and Awarding of Grants for Programs

SEC. 911. SHORT TITLE.

This subtitle may be cited as the "Young Americans Act of 1990".

SEC. 912. DEFINITIONS.

As used in this subtitle:

(1) COMMISSIONER.—The term "Commissioner" means the Commissioner of the Administration on Children, Youth, and Families, as established under section 915.

(2) COUNCIL.—The term "Council" means the Federal Council on Children, Youth, and Families, as established under section 918(a).

(3) NONPROFIT.—The term "nonprofit", as applied to any agency, institution, or organization, means an agency, institution, or organization that is, or is owned and operated by, one or more corporations or associations, no part of the net earnings of which may lawfully inure to the benefit of any private shareholder or individual.

(4) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(5) STATE.—The term "State" includes the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(6) YOUNG INDIVIDUAL.—The term "young individual" means any child or youth who has not attained 21 years of age.

CHAPTER 1—ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES

SEC. 915. ESTABLISHMENT OF THE ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES.

(a) IN GENERAL.—There is established within the Department of Health and Human Services an Administration on Children, Youth, and Families.

(b) COMMISSIONER.—

(1) ESTABLISHMENT.—The Administration on Children, Youth, and Families, as established under subsection (a), shall be headed by a Commissioner on Children, Youth, and Families.

(2) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint the Commissioner.

SEC. 916. FUNCTIONS OF THE COMMISSIONER.

(a) IN GENERAL.—The Commissioner shall—

(1) serve as the effective and visible advocate for children, youth, and families within the Department of Health and Human Services and with other departments, agencies, and instrumentalities of the Federal Government by maintaining active review and commenting responsibilities over all Federal policies affecting young individuals, and the families of young individuals;

(2) collect and disseminate information related to the problems of young individuals and the families of such individuals;

(3) assist the Secretary in all matters pertaining to young individuals, and the families of such individuals;

(4) administer the grants authorized under this subtitle;

(5) develop plans and conduct research in the field of young individuals, and the families of such individuals;

(6) assist in the establishment and implementation of programs designed to meet the needs of young individuals for supportive services including—

(A) health and mental health services;

(B) housing and shelter assistance;

(C) education and training services;

(D) protective services;

(E) foster care;

(F) teen parenting support;

(G) child care;

(H) family support and preservation;

(I) teen pregnancy prevention and counseling;

(J) counseling on the effects of violence in the communities of such individuals and their families;

(K) recreational and volunteer opportunities; and

(L) comprehensive early childhood development;

(7) provide technical assistance and consultation to States and the political subdivisions of such States with respect to programs for young individuals;

(8) prepare, publish, and disseminate educational materials concerning the welfare of young individuals;

(9) gather statistics concerning young individuals, and the families of such individuals, that other Federal agencies are not collecting;

(10) coordinate activities carried out or assisted by all departments, agencies, and instrumentalities of the Federal Government with respect to the collection, preparation, and dissemination of information rele-

vant to young individuals and the families of such individuals;

(11) stimulate more effective uses of existing resources and available services for young individuals and the families of such individuals;

(12) develop basic policies and set priorities with respect to the development and operation of programs and activities conducted under this title;

(13) coordinate and assist in the planning and development by public organizations, including Federal, State, and local agencies, and nonprofit private organizations, of programs for young individuals focusing on the establishment of a nationwide network of comprehensive, coordinated services and opportunities for such individuals;

(14) convene conferences of authorities and officials of organizations, as referred to in paragraph (13), as the Commissioner considers necessary or proper for the development and implementation of policies related to the priorities and purposes of this title;

(15) carry on a continuous evaluation of the programs and activities related to the purposes of this title; and

(16) develop, in coordination with other agencies, methods to ensure adequate training for personnel concerning children, youth and families and to ensure the adequate dissemination of such information to appropriate State and community agencies.

(b) ENCOURAGEMENT OF VOLUNTEERISM.—In executing the duties and functions of the Administration under this subtitle and in carrying out the programs and activities authorized under this title, the Commissioner, in consultation with the Director of the ACTION Agency, shall take necessary steps to coordinate with and seek the advice of voluntary agencies and organizations that provide services related to the purposes of this title.

SEC. 917. FEDERAL AGENCY CONSULTATIONS.

(a) IN GENERAL.—The Commissioner shall consult and cooperate with the head of each Federal agency or department proposing or administering programs or services that are substantially related to the purposes of this title.

(b) INTERAGENCY AGREEMENTS.—To the extent practicable, the Commissioner shall facilitate cooperation through the entering into of interagency agreements.

SEC. 918. FEDERAL COUNCIL ON CHILDREN, YOUTH, AND FAMILIES.

(a) ESTABLISHMENT.—There is established a Federal Council on Children, Youth, and Families.

(b) NUMBER OF MEMBERS.—The Council shall be composed of 15 members.

(c) TERM OF MEMBERSHIP.—Each member shall serve for a 3-year term without regard to title 5, United States Code.

(d) APPOINTMENT OF MEMBERS.—

(1) IN GENERAL.—Each appointing authority under this subsection shall appoint members to the Council who possess such skills and qualifications so as to make the Council representative of—

(A) rural and urban populations; and

(B) national organizations with an interest in young individuals, families, early childhood development, elementary and secondary education, business, labor, minorities, and the general public.

(2) AGE OF MEMBERS.—At least one of the individuals appointed to the Council by each appointing authority under this subsection shall be under the age of 21 at the time of such appointment.

(3) LIMITATION ON APPOINTMENT.—An appointing authority under this subsection shall not appoint a full-time officer or employee of the Federal Government as a member of the Council.

(4) APPOINTING AUTHORITY.—Of the members of the Council who are appointed under paragraph (1)—

(A) five members shall be appointed by the President;

(B) five members shall be appointed by the President pro tempore of the Senate on the recommendation of the Majority and Minority Leaders of the Senate; and

(C) five members shall be appointed by the Speaker of the House of Representatives on the recommendation of the Majority and Minority Leaders of the House of Representatives.

(e) VACANCY.—

(1) FILLING VACANCY.—A vacancy on the Council shall be filled in the same manner in which the original appointment was made.

(2) POWERS OF BOARD.—A vacancy on the Council shall not affect the powers of the Council.

(3) TERM OF APPOINTMENT.—A member of the Council who is appointed to fill a vacancy occurring prior to the expiration of the term for which the predecessor of such member was appointed shall be appointed only for the remainder of such term.

(f) REAPPOINTMENT.—Each member of the Council shall be eligible for reappointment to the Council.

(g) EXPIRATION OF TERM.—Each member of the Council may serve after the expiration of the term of membership until the successor of such member has taken office.

(h) COMPENSATION.—

(1) IN GENERAL.—Each member of the Council shall, while serving on business of the Council, be entitled to receive compensation at a rate not to exceed the daily rate specified for grade GS-18 in section 5332 of title 5, United States Code, including travel time.

(2) TRAVEL EXPENSES.—Each member of the Council, while serving on business of the Council away from the home or regular place of business of such member, may be allowed subsistence in the same manner as the expenses authorized by section 5703 of title 5, United States Code, for individuals in the Government service employed intermittently.

(i) CHAIRPERSON.—The President shall designate the Chairperson of the Council from among members appointed to the Council.

(j) MEETINGS.—Not less than once during each 6-month period, the Chairperson of the Council shall call a meeting of the Council.

(k) DUTIES OF THE COUNCIL.—The Council shall—

(1) advise and assist the President on matters relating to the special needs of young individuals;

(2) review and evaluate, on a continuing basis Federal policies, programs and other activities affecting young individuals that are conducted or assisted by all Federal departments and agencies for the purpose of appraising the value and the impact of such policies, programs, and activities on the lives of young individuals;

(3) make recommendations to the President, the Secretary, the Commissioner, and the appropriate Committees of Congress concerning changes in such policies and programs that can reduce duplication of services and encourage the coordination of services provided to young individuals and the families of such individuals at the State and local level;

(4) inform the public about the problems and needs of young individuals by collecting and disseminating information, conducting or commissioning studies, publishing the results of such studies, and issuing publications and reports; and

(5) provide public forums, including public hearings, conferences, workshops, and other meetings, for discussing and publicizing the problems and needs of the young individuals and obtaining information relating to such individuals.

(l) STAFF.—The Chairperson shall appoint staff personnel to assist the Chairperson in carrying out the duties required under subsection (k).

(m) INFORMATION AND ASSISTANCE.—The head of each Federal department and agency shall make available to the Chairperson such information and other assistance as the Chairperson may require to carry out the duties required under subsection (k).

(n) REPORTS.—

(1) SUBMISSION TO THE PRESIDENT.—In fiscal year 1992 and each fiscal year thereafter, the Chairperson shall prepare and submit—

(A) interim reports as the Chairperson considers to be appropriate; and

(B) an annual report of the findings and recommendations of the Council concerning any relevant information about young individuals and the Council;

to the President not later than March 31 of each year.

(2) REVIEW AND SUBMISSION TO CONGRESS.—

(A) COMMENTS AND RECOMMENDATIONS.—The President may make comments and recommendations concerning reports submitted under paragraph (1).

(B) SUBMISSION TO CONGRESS.—The President shall submit such comments, recommendations, and reports to the appropriate Committees of Congress.

(o) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated to carry out this section $200,000 for each of the fiscal years 1991 through 1994.

SEC. 919. ADMINISTRATION.

(a) DUTIES OF COMMISSIONER.—In carrying out this subtitle, the Commissioner shall—

(1) provide consultative services and technical assistance to public or nonprofit private agencies and organizations;

(2) provide short-term training and technical instruction;

(3) conduct research and demonstrations;

(4) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this subtitle;

(5) provide staff and other technical assistance to the Council;

(6) evaluate the effectiveness of all programs authorized under this subtitle and annually publish analyses of the results of such evaluations; and

(7) not later than 180 days after the end of each fiscal year, prepare and submit, to the President and the appropriate Committees of Congress, a report concerning the activities carried out under this subtitle and concerning such other activities as the Secretary determines appropriate.

(b) UTILIZATION OF SERVICES AND FACILITIES.—

(1) IN GENERAL.—Subject to agreements made between the Commissioner and the head of such agency or organization, in carrying out the duties referred to in subsection (a) the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organizations.

(2) PAYMENT.—The Commissioner may pay for such services and facilities, in advance or by way of reimbursement, as may be provided in such agreement.

(c) PUBLICATION.—Not later than 120 days after the date of the enactment of this Act, the Secretary shall issue and publish in the Federal Register proposed regulations for the administration of this subtitle.

(d) FINAL REGULATIONS.—Not later than 90 days after the publication of proposed regulations as required under subsection (c), but not prior to the expiration of a reasonable period for public comment concerning such regulations, the Secretary shall issue final regulations for the administration of this subtitle.

(e) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated $1,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1994, to carry out this section.

(f) ADVANCE FUNDING.—For the purpose of affording adequate notice of funding available under this subtitle, appropriations are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which such appropriations are available for obligation.

CHAPTER 2—GRANTS FOR STATE AND COMMUNITY PROGRAMS FOR CHILDREN, YOUTH, AND FAMILIES

SEC. 925. PURPOSE.

It is the purpose of this chapter to encourage and assist State and local agencies to coordinate resources, reduce barriers to services, and develop new capacities to ensure that State and community services designed to serve children, youth, and families are more effective and comprehensive.

SEC. 926. DEFINITIONS.

As used in this chapter, the term "independent State body" means the entity established under section 929.

SEC. 927. COOPERATIVE ARRANGEMENTS.

The Commissioner shall enter into new cooperative arrangements in each State for the planning and advocacy of services in order to ensure the availability of developmental, preventive, and remedial services to children and youth that are designed to promote—

(1) adequate and safe physical shelter;

(2) high quality physical and mental health care;

(3) the enhancement of the development of children to assure that children enter school prepared and ready to learn;

(4) highest quality educational opportunity;

(5) effective training and apprenticeships to increase the likelihood of employment;

(6) opportunities for community service and productive employment;

(7) a wide range of civic, cultural, and recreational activities that recognize young individuals as resources and promote self-esteem and a sense of community; and

(8) genuine participation in decisions concerning the planning and managing of the lives of young individuals.

SEC. 928. ADMINISTRATION.

(a) IN GENERAL.—The Commissioner shall administer programs under this chapter through the Administration on Children, Youth, and Families.

(b) TECHNICAL ASSISTANCE.—In carrying out this chapter, the Commissioner may request the technical assistance and cooperation of the Secretary of Education, the Secretary of Labor, the Attorney General, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Director of the Office of Community Services, and such other agencies and departments of the Federal Government as may be appropriate.

SEC. 929. INDEPENDENT STATE BODY.

(a) DESIGNATION.—A State shall not be eligible to receive a grant from an allotment under this chapter unless—

(1) the chief executive officer of such State, in accordance with regulations promulgated by the Commissioner, designates an independent State body that is composed of—

(A) cabinet level representatives from each agency of such State that has responsibilities for programs affecting young individuals; and

(B) individuals appointed from among—

(i) private nonprofit providers of services to young individuals;

(ii) advocacy and citizens groups concerned with young individuals;

(iii) committees of the legislature of such State that have responsibility for young individuals;

(iv) leaders who are young individuals, including such leaders who are recipients of service provided under this subtitle;

(v) representatives of the business community;

(vi) representatives of employees of providers of services to young individuals;

(vii) representatives of general purpose local government; and

(viii) such staff as shall be necessary to—

(I) develop a State plan to be submitted to the Commissioner for approval under section 930;

(II) administer and monitor the State plan within such State;

(III) be primarily responsible for the coordination of all State activities related to the purpose of the title;

(IV) serve as an effective and visible advocate for young individuals by reviewing and commenting on all State plans, budgets, and policies that affect such individuals and the families of such individuals by providing technical assistance to any agency, organization, association, or individual representing the needs of young individuals; and

(2) the independent State body designated under paragraph (1)—

(A) develops a system, in accordance with guidelines issued by the Commissioner, for the distribution within the State of funds received under this chapter;

(B) ensures that each area within a State that receives funds under such system has an equal opportunity to apply for and receive funds;

(C) submits a description of such system to the Commissioner for review and comment; and

(D) ensures that preference will be given in such distribution of funds to developing or supporting local service delivery systems that—

(i) provide a range of services organized to tailor responses to needs rather than a predetermined array of services;

(ii) are rooted in and part of the communities that such systems are designed to serve as measured by the degree to which public and private community leaders and young individuals participate in the planning of such systems; and

(iii) demonstrate systematic collaboration among all service providers on behalf of young individuals as demonstrated by joint planning, joint financing, joint service delivery, common intake and assessment, and other arrangements that promote more effective service systems for such individuals.

(b) EXISTING ENTITY.—The Commissioner may approve a State plan in which the chief executive officer of the State designates as the independent State body an existing State entity that is comprised of the parties described in subsection (a) and that is authorized to conduct the same range of interagency planning and coordination activities.

SEC. 930. STATE PLAN.

(a) SUBMISSION OF PLAN.—The chief executive officer of a State, in order to be eligible for grants from an allotment under section 933(a) for any fiscal year, shall prepare and submit to the Commissioner a State plan for a 2-year, 3-year, or 4-year period as determined by the independent State body.

(b) REVISIONS OF PLAN.—Each chief executive officer of a State may make annual revisions of the State plan referred to in subsection (a).

(c) CONTENT OF PLAN.—The chief executive officer of a State shall include within the State plan of that State assurances that—

(1) the independent State body is committed to interagency planning that results in statewide policies promoting systematic collaboration among agencies on behalf of young individuals as demonstrated by joint planning, joint financing, joint service delivery, common intake and assessment, and other arrangements that reduce barriers to services and promote more effective local service delivery systems for young individuals;

(2) such plan will be based on needs as identified through an analysis of updated "State of the Child" reports prepared by the State, including detailed information gathered by the State, to the extent practicable, on young individuals and the families of such individuals concerning—

(A) age, sex, race, and ethnicity;

(B) the residences of such individuals;

(C) the incidence of homelessness among such individuals;

(D) the composition of families of such individuals;

(E) the economic situations of such individuals;

(F) the incidence of poverty among such individuals;

(G) experiences in the care of such individuals away from home;

(H) the health of such individuals;

(I) violence in the lives of such individuals;

(J) the nature of the attachment of such individuals to school and work;

(K) drop out rates of such individuals from school; and

(L) the character of the communities in which such individuals reside;

(3) the system to be used for the distribution of funds within the State will require that—

(A) each area have an equal opportunity to apply for or receive funds under this chapter; and

(B) the public be given an opportunity to express views concerning the development and administration of such plan;

(4) the independent State body will provide an inventory of existing public and private services for young individuals and the families of such individuals, will evaluate the need for supportive services within the State to address the purposes of this title and determine the extent to which existing public and private programs meet such need;

(5) the independent State body will make such reports, in such form, and containing such information, as the Commissioner may require;

(6) such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this chapter to the chief executive officer of the State, including any such funds paid to the recipients of a grant or contract;

(7) the independent State body will conduct periodic evaluations of activities and projects carried out under the applicable State plan and will report the results and recommendations to the chief executive officer of the State and the State legislature;

(8) the chief executive officer of the State will provide in-service training opportunities for personnel of agencies and programs funded under this chapter; and

(9) the chief executive officer of each State will provide for the implementation of the requirements of section 932, relating to supportive services.

(d) APPROVAL OF PLAN.—

(1) IN GENERAL.—The Commissioner shall approve any State plan that the Commissioner determines meets the requirements of subsection (a).

(2) NOTICE AND OPPORTUNITY TO CORRECT DEFICIENCIES.—The Commissioner shall not make a final determination disapproving any State plan, modifying such plan, or declaring a State to be ineligible to receive funds under this chapter without previously affording such State reasonable notice and opportunity to correct deficiencies in its application.

SEC. 931. PLANNING, COORDINATION, EVALUATION, AND ADMINISTRATION OF STATE PLANS.

(a) FORMULA FOR GRANTS TO STATES.—Notwithstanding subsection (b), the amounts made available to each State under section 933(a) may be used to make grants to a State to enable such State to pay such percentages as the independent State body of such State determines to be appropriate, of the cost of administrating the State plan of such State including—

(1) the costs of the preparation of such plan and the provision of technical assistance to local planning and service areas;

(2) the costs of the evaluation of activities carried out under such plan;

(3) the costs of the collection of data and the carrying out of analyses related to the need for supportive services within the State;

(4) the costs of the dissemination of information obtained under paragraph (3); and

(5) the costs of the provision of short-term training to personnel of public or nonprofit private agencies and organizations engaged in the operation of programs authorized by this chapter.

(b) FEDERAL SHARE.—The Federal share of the amounts made available under subsection (a) shall not exceed 75 percent.

(c) NONFEDERAL SHARE.—Not less than 25 percent of the non-Federal share of the total expenditures under the State plan shall be met from funds provided from State or local public sources.

(d) SUPPLEMENT NOT SUPPLANT.—Amounts received by a State under this chapter shall be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the purposes for which grants are made under this chapter, except that States may use existing expenditures to satisfy the State matching requirements under subsection (c), but in no event shall such expenditures be used to satisfy the matching requirements of any other Federal program.

SEC. 932. SUPPORTIVE SERVICES.

(a) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—The Commissioner shall carry out a program for making grants to a State under a State plan approved under section 930 to demonstrate successful program approaches to fill service gaps identified through State and area planning and advocacy efforts for any of the areas specified in paragraph (2).

(2) ELIGIBLE SERVICES.—The services eligible to be provided under paragraph (1) are services—

(A) that are designed to facilitate the provision of comprehensive community based services that are efficient, coordinated, and readily available through such activities as case planning, case management, intake and assessment, and information and referral; and

(B) that serve any of the following purposes—

(i) provide adequate and safe physical shelter to young individuals and the families of such individuals, especially in emergency circumstances;

(ii) provide transitional living services to young individuals who are homeless;

(iii) enable young individuals to attain and maintain physical and mental well-being;

(iv) provide health screening to detect or prevent illnesses, or both, that occur most frequently in young individuals as well as better treatment and counseling;

(v) enhance the development of children to assure that such children enter school prepared and ready to learn;

(vi) promote the highest quality of educational opportunity, especially through dropout prevention programs, remediation for young individuals who have dropped out of school, and vocational education;

(vii) provide effective training apprenticeships and employment opportunities;

(viii) promote participation in community service and civic, cultural, and recreational activities that value young individuals as resources and promote self-esteem and a stake in the community;

(ix) promote the genuine participation of young individuals in decisions concerning planning and managing the lives of such individuals;

(x) encourage young individuals and the families of such individuals to use any community facilities and services that are available to such individuals;

(xi) ensure that young individuals who are unable to live with the biological families of such individuals have a safe place to live until such individuals can return home or move into independent adult life; and

(xii) prevent the abuse, neglect, or exploitation of young individuals.

(b) LIMITATION ON GRANT AMOUNTS.—Amounts available to each State under section 933(b) may be used to make grants for paying such percentage as each independent State body may determine to be appropriate, but not more than 85 percent, of the cost of supportive services described in this section and identified in the State plan.

SEC. 933. AUTHORIZATION OF APPROPRIATION AND ALLOTMENT.

(a) STATE PLAN.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1994 for the purpose of making grants under section 931.

(2) ALLOTMENT FORMULA.—Except as provided in paragraph (3), from the amount appropriated under paragraph (1) for each fiscal year, a State shall be allotted an amount that bears the same ratio to the amount appropriated for such fiscal year as the population of such State that is under the age of 21 bears to the population of all States that is under the age of 21.

(3) EXCEPTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B) and subject to the availability of appropriations under paragraph (1), no State shall be allotted less than $300,000 under the formula established under paragraph (2).

(B) LIMITATION ON ALLOTMENT.—Notwithstanding subparagraph (A), Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than $75,000 under the formula established under paragraph (2).

(b) SUPPORTIVE SERVICES.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1994 for the purpose of making grants under section 932.

(2) ALLOTMENT FORMULA.—Except as provided in paragraph (3), from the amount appropriated under paragraph (1) for each fiscal year, a State shall be allotted an amount that bears the same ratio to the amount appropriated for such fiscal year as the population of the State that is under the age of 21 bears to the population of all States that is under the age of 21.

(3) EXCEPTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B) and subject to the availability of appropriations under paragraph (1), no State shall be allotted less than $300,000 under the formula established under paragraph (2).

(B) LIMITATION ON ALLOTMENT.—Notwithstanding subparagraph (A), Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than $75,000 under the formula established under paragraph (2).

(c) DETERMINATION OF AGE.—The number of individuals under the age of 21 in each State shall be determined by the Commissioner on the basis of the most recent data available to the Commissioner.

(d) TRANSFER OF ALLOTTED FUNDS.—Whenever the Commissioner determines that—

(1) any amount allotted to a State for a fiscal year under this section will not be used by such State for carrying out the purpose for which such allotment was made; or

(2) a State has failed to qualify under the State plan required under section 930;

the Commissioner shall make such allotment available for carrying out such purposes to other participating States in a proportional manner based on the relative population of the State of individuals under the age of 21.

CHAPTER 3—FAMILY RESOURCE AND SUPPORT PROGRAM GRANTS

SEC. 941. SHORT TITLE.

This chapter may be cited as the "Family Resource and Support Act of 1990".

SEC. 942. PURPOSE.

It is the purpose of this chapter to establish family resource and support programs to enhance the ability of families to remain together and to thrive through the provision of community based services that—

(1) promote and build family and parenting skills;

(2) promote and assist families in the use of formal and informal resources within their communities;

(3) create a support network to strengthen and reinforce good parenting; and

(4) are closely linked with, but not duplicative of, other community resources.

SEC. 943. DEFINITIONS.

As used in this chapter:

(1) COMMISSIONER.—The term "Commissioner" shall mean the Commissioner of the Administration on Children, Youth and Families.

(2) COMMUNITY REFERRAL SERVICES.—The term "community referral services" means services to assist families in obtaining community resources, including health care, mental health care, employability development and job training, and other social services, and follow up services to ensure that the services needed are received.

(3) CORE SERVICES.—The term "core services" means—

(A) educational and support services provided to assist parents in acquiring parenting skills, learning about child development, and in coping with the behavior of their children; and

(B) the early developmental screening of children to assess any needs or deficiencies of such children and to identify specific types of support that may be provided.

(C) outreach services;

(D) community referral services; and

(E) follow up services.

(4) FOLLOW UP SERVICES.—The term "follow up services" means services provided to ensure that necessary services are received by families and are effective.

(5) LEAD AGENCY.—The term "lead agency" means an existing State agency, or other public or nonprofit private entity that can function as an intermediary agency, designated by the chief executive officer of the State as the agency responsible for the development and implementation of local family resource and support programs. Such agency shall have demonstrated ability to work with other State and community based agencies to provide training and technical assistance, and a commitment to parental participation in the design and administration of family resource and support programs.

(6) OTHER SERVICES.—The term "other services" and "other support services" includes—

(A) child care, early childhood development and intervention programs;

(B) employability development services (including motivational counseling and skill training);

(C) educational services, such as scholastic tutoring, literacy training, and graduate educational degree services;

(D) nutritional education;

(E) substance abuse counseling and treatment referral;

(F) life management skills training;

(G) referral for primary and mental health services; and

(H) peer counseling and crisis intervention, family violence counseling and referrals for such services.

(7) OUTREACH SERVICES.—The term "outreach services" means services provided to ensure (through home visits or other methods) that parents are aware of and able to participate in family resource and support program activities.

(8) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

SEC. 944. GRANTS.

The Commissioner may make grants under sections 945 and 946 to States on a competitive basis, for the purpose of developing and funding local family resource and support programs through the cooperation of existing health, mental health, education, employment and training, child welfare, and other social services agencies within the State.

SEC. 945. PLANNING GRANTS.

(a) AUTHORITY.—From amounts made available under section 949(b), the Commissioner shall award planning grants to States, on a competitive basis, to assist States in developing plans for the implementation and financial support of State and local family support and resource programs.

(b) AMOUNT OF GRANT.—A grant awarded under this section shall be for an amount that shall not exceed $150,000 (or where more than one grant is made to a State, $150,000 per year) and shall be commensurate with the scope of the family resource and support planning initiative of the State, taking into consideration existing State and local programs, the size of the target population, and other criteria as determined appropriate by the Commissioner.

(c) DURATION.—A grant awarded under this section shall be for a term of 1 year and may be renewed for an additional 1-year period.

(d) APPLICATION.—To be eligible to receive a grant under this section a State shall prepare and submit, to the Commissioner, an application at such time, in such form, and containing such information as the Commissioner shall require, including—

(1) information to enable the Commissioner to assess the criteria described in subsection (e);

(2) assurances that the State will conduct the interagency planning provided for in section 948;

(3) assurances that the grant will be used to develop a plan for a family resource and support program containing the elements described in section 946(d); and

(4) assurances that the State will provide a description of the planning process for the development of family resource and support programs, including successful methods or barriers to involving multiple agencies and parents.

(e) CRITERIA.—In determining whether to award a grant to a State under this section the Commissioner shall consider

(1) the commitment of the State to involve existing family resource and support programs in the planning process to be assisted through the grant;

(2) the current family support program capacity, available resources, and areas of need of the State;

(3) the intended scope and general purpose of the family resource and support program of the State;

(4) the projected level of financial commitment by the State to developing a family resource and support program;

(5) the plan of the State for the involvement of parents in the planning process of the family resource and support program of the State;

(6) the plan of the State for interagency involvement in the planning process; and

(7) the commitment of the State to reduce practical and regulatory barriers to the provision of comprehensive services to families, including family resource and support programs.

SEC. 946. OPERATIONAL GRANTS.

(a) AUTHORITY.—From amount appropriated under section 949(a), the Commissioner shall award operational grants to the States, on a competitive basis, to assist States in expanding and establishing local family resource and support programs.

(b) AMOUNT OF GRANT.—

(1) IN GENERAL.—A grant awarded under this section shall be for an amount that is equal to 80 percent of the estimated State cost of establishing and expanding local family support and resource programs.

(2) LIMITATION.—A grant awarded under this section shall not exceed $4,000,000 nor be less than $1,500,000 based on an assessment by the Commissioner of the State plan, the scope of proposed program, and the population to be served (as contained in the application submitted under subsection (d).

(c) DURATION.—A grant awarded under this section shall be for a term of 1 year.

(d) APPLICATION.—To be eligible to receive a grant under this section a State shall prepare and submit, to the Commissioner, an application at such time, in such form, and containing such information as the Commissioner shall require, including—

(1) an assurance that the chief executive officer of the State will designate a lead agency to assume responsibility for the development and implementation of family resource and support programs;

(2) a description of the proposed scope of the State family resource and support program, the population to be served, the manner in which the program will be operated, and the manner in which such program will relate to other community services and public agencies;

(3) an assurance that, in awarding local grants, priority will be given to programs serving low-income communities and programs serving new parents;

(4) assurances that the State program will maintain cultural diversity;

(5) a description of the interagency planning to be undertaken by the State as provided for in section 948;

(6) a description of the local interagency planning process to be utilized to develop and implement local family resource and support programs;

(7) a description of the core services, as required under this chapter, and other support services to be provided by the program and the manner in which such services will be provided;

(8) the proposed State budget detailing the sources of State contributions and the expenditure of Federal and State-matching funds for the State program;

(9) a description of the criteria that the State will utilize for awarding local grants, including the criteria to be used for establishing new programs, ensuring the adequacy of staff training and numbers, the future expansion of the program, and the manner in which such expansion would address unmet needs;

(10) a description of the guidelines for requiring parental involvement in local program development, policy design, and governance;

(11) a description of the methods to be utilized to evaluate the implementation and effectiveness of the family resource and support programs within the State;

(12) a description of the manner in which the State will demonstrate the level of parental participation in program planning, development, and implementation;

(13) a plan for assuring training, technical assistance, and other assistance to local communities in program development; and

(14) a description of proposed actions by the State that will reduce practical and reg-

ulatory barriers to the provisions of comprehensive services to families, including family resource and support programs.

(e) CRITERIA.—In determining whether to award a grant to a State under this section the Commissioner shall consider—:

(1) subject to the interagency planning provided for in section 948, the operational plan developed by the State for the implementation of the family resource and support program;

(2) the established guidelines for requiring parental involvement in local program development, policy design, and governance;

(3) the budget for the expenditure of Federal and State-matching funds and the ability of the program to secure financial commitments from a variety of sources, including public and private entities; and

(4) any other factors determined appropriate by the Commissioner.

SEC. 947. LOCAL PROGRAM REQUIREMENTS.

(a) IN GENERAL.—Subject to section 946, a State that receives a grant under such section shall use such grant to—

(1) establish local family resource and support programs, including a community planning process involving parents, local public and private non-profit agencies responsible for providing health, education, employment training, Head Start and other early childhood, child welfare, and other social services to determine local family needs, and identify appropriate community agencies to administer such programs locally; and

(2) provide core services, outreach services, community referral services, follow-up services, and other services directly or through contracts or agreements with other local agencies.

SEC. 948. INTERAGENCY PLANNING.

(a) ESTABLISHMENT.—To be eligible to receive a grant under this chapter, a State shall conduct any interagency planning that is necessary to provide policy and programming guidance for the family resource and support programs established within the State and to assist the State in developing and monitoring the plan of the State for the implementation of such programs. Such planning shall include—

(1) parents and prospective participants in family resource and support programs;

(2) representatives of State government social service, health, education, mental health, and employment and economic development agencies;

(3) representatives of the business community;

(4) other individuals with expertise in the services that the family resource and support programs of the State intend to offer;

(5) representatives of local communities in which family resource and support programs are likely to be located; and

(6) representatives of general purpose local government.

SEC. 949. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this chapter, $60,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1994.

(b) PLANNING GRANTS.—Of amounts appropriated under subsection (a) in each fiscal year, the Secretary shall make available not to exceed 20 percent of such amounts to make grants under section 945.

(c) LIMITATION.—A State shall not use in excess of 10 percent of a grant awarded under this chapter for activities at the State level.

CHAPTER 4—NATIONAL CLEARINGHOUSE

SEC. 955. SHORT TITLE.

This chapter may be cited as the "Family Resource Act".

SEC. 956. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) fundamental changes in the demographics and economics of family life in the United States over the past 20 years have had a profound effect on children and their parents;

(2) since 1966, the number of women working outside the home has increased by 92 percent and the number of two earner families has increased by over 50 percent;

(3) 61 percent of the children born today will live in a single-parent family before reaching the age of 20, with one out of every three single female heads of households living on incomes below the Federal poverty level;

(4) one out of every four children under the age of 6 in the United States currently live below the Federal poverty level;

(5) over the past 10 years, parents have increasingly come together with other parents to organize family resource and support programs that promote healthy child development and increase parental competency, particularly families at risk; and

(6) Federal investment in promoting the development of family resource and support programs will reap long-term benefits for individual families and the nation as a whole.

(b) PURPOSE.—It is the purpose of this Act to—

(1) stimulate the development and expansion of family resource and support programs that are prevention oriented;

(2) encourage early intervention of such programs with families to ameliorate problem situations before such situations become crises; and

(3) assist parents in enhancing their children's development to assure that their children enter school prepared and ready to learn.

SEC. 957. DEFINITION.

As used in this chapter, the term "family resource and support programs" means community-based services that offer sustained assistance to families at various stages in their development. Such services shall promote parental competencies and behaviors that will lead to the healthy and positive personal development of parents and children through—

(1) the provision of assistance to build family skills and assist parents in improving their capacities to be supportive and nurturing parents;

(2) the provision of assistance to families to enable such families to use other formal and informal resources and opportunities for assistance that are available within the communities of such families; and

(3) the creation of supportive networks to enhance the childrearing capacity of parents and assist in compensating for the increased social isolation and vulnerability of families.

SEC. 958. ESTABLISHMENT OF NATIONAL CENTER ON FAMILY RESOURCE AND SUPPORT PROGRAMS.

(a) ESTABLISHMENT.—The Commissioner shall establish, through grant or contract, a national center for the collection and provision of programmatic information and technical assistance that relates to all types of family resource and support programs, to be known as the "National Center on Family Resource and Support Programs".

(b) FUNCTIONS.—The national center established under subsection (a) shall serve as a national information and data clearinghouse, training, technical assistance, and material development source for family resource and support programs. Such center shall—

(1) develop and maintain a system for disseminating information on all types of family resource and support programs and on the state of family resource and support program development, including information concerning the most effective model programs;

(2) develop and sponsor a variety of training institutes and curricula for family resource and support program staff;

(3) identify several model programs representing the various types of family resource and support programs to develop technical assistance materials and activities to assist other agencies in establishing family resource and support programs; and

(4) develop State-wide networks of family resource and support programs for the purpose of sharing and disseminating information.

SEC. 959. EVALUATION.

The Commissioner shall, through grants or contracts awarded or entered into with independent auditors, conduct evaluations and related activities, of family resource and support programs, including—

(1) evaluations of on-going programs;

(2) process evaluations focusing on implementation strategies; and

(3) the development of simple evaluation models for use by local family resource and support programs.

SEC. 960. AUTHORIZATION OF APPROPRIATIONS.

(a) ESTABLISHMENT OF CENTER.—To carry out section 958, there are authorized to be appropriated $2,300,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1994.

(b) EVALUATION.—To carry out section 959, there are authorized to be appropriated $700,000 for fiscal year 1990, and such sums as may be necessary for each of the fiscal years 1991 through 1994.

Subtitle B—Coordinated Health Care for Children

CHAPTER 1—PRIMARY PEDIATRIC OUTREACH AND CARE

SEC. 971. SHORT TITLE.

This chapter may be cited as the "Primary Pediatric Outreach and Care Program".

SEC. 972. PRIMARY PEDIATRIC CARE FOR DISADVANTAGED CHILDREN PROGRAM.

Part C of title III of the Public Health Service Act (42 U.S.C. 248 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 328. PRIMARY PEDIATRIC CARE FOR DISADVANTAGED CHILDREN PROGRAM.

"(a) DEFINITIONS.—As used in this section:

"(1) PRIMARY PEDIATRIC CARE.—The term 'primary pediatric care' means—

"(A) preventive care including anticipating guidance, appropriate early treatment, immunizations, and other services designed to promote health and prevent disease, which should include a comprehensive health examination that involves services identical to those required under early and periodic screening, diagnosis and treatment programs under sections 1902(a)(43) and 1905(a)(4)(B) of the Social Security Act;

"(B) acute illness care, including diagnosis and early treatment of illnesses in order to prevent complications or the development of chronic disorders;

"(C) evaluations conducted to detect physical abuse, sexual abuse, or neglect of children; and

"(D) continuing care of individuals suffering from certain chronic diseases or disabling conditions.

"(2) OUTREACH.—The term 'outreach' means—

"(A) the intensive identification of isolated and vulnerable children; and

"(B) the undertaking of comprehensive assessments and referrals for purposes of providing immediate direct care and access to health care systems.

"(b) AUTHORITY.—The Secretary may make grants to, and enter into contracts with, public and nonprofit private organizations, agencies, and institutions, to pay part or all of the costs of establishing programs (such as the New York Children's Health Project) designed to provide high quality primary pediatric care to economically disadvantaged children under the age of 19 who, on the date of enactment of this section, do not have access to such care as a result of geographic, cultural, financial, and other barriers, for the purposes described in subsection (c), or for operating such programs, or both.

"(c) ELIGIBLE ACTIVITIES.—A recipient shall use funds available under this section for as many of the following as practicable—

"(1) child outpatient facilities or, where appropriate, mobile medical units, staffed by physicians, nurse practitioners, and other health care providers to provide primary care services;

"(2) an extensive follow up system to ensure maximum consultative and referral visits for comprehensive health needs;

"(3) prenatal care;

"(4) substance abuse detection and preventive and therapeutic counseling;

"(5) evaluation and treatment services for behavioral and emotional disorders either directly or through referrals to appropriate specialists;

"(6) a health service program for children in foster care;

"(7) a program to provide medical services and community referrals to runaway and homeless youth;

"(8) a program to provide continuous, comprehensive care for children with special medical needs, particularly children with disabilities and chronic illness;

"(9) formal linkages with facilities providing necessary referral or ancillary services, including hospital outpatient and inpatient care, community health centers, educational institutions, Head Start programs, and social welfare and child abuse programs; and

"(10) methods of data collection (through the use of computerized systems to the extent feasible), including statistics concerning children and families and the specifics of the health care needs of such children and families which should enable the tracking of families and promote a continuum of health care.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $10,000,000 for fiscal year 1991, and such sums as are necessary for each succeeding fiscal year.".

CHAPTER 2—GRANTS FOR ACCESS TO HEALTH CARE

SEC. 975. DEMONSTRATION GRANTS.

Part D of title III of the Public Health Service Act is amended by adding after section 340 (42 U.S.C. 256) the following new subpart:

"Subpart VI—Health Services for Pregnant Women and Infants

"SEC. 340J. DEMONSTRATION GRANTS FOR MEDICAID REFERRAL.

"(a) DEFINITIONS.—As used in this subpart:

"(1) COMMUNITY ORGANIZATION.—The term 'community organization' means—

"(A) a well-baby or immunization clinic or mobile van;

"(B) a neighborhood, community, or migrant health center;

"(C) a family support or family resource program;

"(D) a Head Start agency designated under section 641 of the Head Start Act (42 U.S.C. 9836), licensed day care center, or local child care resource and referral program;

"(E) a visiting public health nurse program;

"(F) a mental health clinic;

"(G) a program serving homeless women and children;

"(H) a nonprofit or public hospital;

"(I) a family planning organization;

"(J) a church, or church-related organization; or

"(K) any other local point of contact with pregnant women and children.

"(2) DIRECTOR.—The term 'Director' means the Director of the Bureau of Maternal and Child Health and Resources Development of the Health Resources and Services Administration of the Department of Health and Human Services.

"(3) IDENTIFICATION AND REFERRAL SERVICES.—The term 'identification and referral services' includes services to—

"(A) identify pregnant women and children who are potentially eligible for medicaid assistance;

"(B) encourage and assist the women and children in applying for medicaid assistance;

"(C) provide follow up assistance to help the women and children overcome barriers to obtaining medicaid assistance; and

"(D) maintain contact with and provide support to the women and children to ensure that the women and children continue to receive medicaid assistance.

"(4) MEDICAID ASSISTANCE.—The term 'medicaid assistance' means medical assistance provided under a State plan under section 1902 of the Social Security Act (42 U.S.C. 1396a).

"(5) PREGNANT WOMEN AND CHILDREN.—The term 'pregnant women and children' means pregnant women, infants, and children under age 19.

"(b) ESTABLISHMENT.—The Director shall make grants to eligible organizations for demonstration projects to assist pregnant women and children in establishing eligibility for medicaid assistance.

"(c) USE OF FUNDS.—An eligible organization shall use grants provided under subsection (b)—

"(1) to establish a program under a cooperative agreement with other relevant community-based organizations to provide identification and referral services to pregnant women and children within the community; and

"(2) to compile information on—

"(A) the number of pregnant women and children within the community contacted by the program;

"(B) the number of women and children described in subparagraph (A) who did not receive medicaid assistance at the time of initial contact with the program, analyzed by the reasons that the women and children did not receive assistance;

"(C) the number of women and children described in subparagraph (A) who received services through the program; and

"(D) the number of women and children described in subparagraph (A) who established eligibility for medicaid assistance after receiving services through the program.

"(d) APPLICATION.—To be eligible for a grant under subsection (b), the organization shall submit an application to the Director at such time, in such manner, and containing such agreements, assurances, and information, as the Secretary determines to be necessary to carry out this section. At a minimum, the application shall contain—

"(1) a description of the services to be provided by the organization;

"(2) a description of the qualifications of the organization to provide services;

"(3) information demonstrating the familiarity of the applicant with the community in which the organization will provide services, including information demonstrating the existence of community support and cooperative agreements with other relevant community-based organizations; and

"(4) assurances that the organization will emphasize personal contacts with potentially eligible pregnant women and the parents of eligible children and not rely primarily on media-based announcements about medicaid assistance and methods of obtaining medicaid assistance.

"(e) ELIGIBLE ORGANIZATIONS.—Organizations eligible to receive a grant under this section shall include private nonprofit community organizations.

"(f) STUDY AND REPORT.—

"(1) STUDY.—The Secretary shall conduct a study of the impacts of demonstration projects carried out under this section, including a review of the information compiled under subsection (c)(2), to determine how identification and referral services could increase the enrollment of pregnant women and children in the medicaid program, with a goal of enrolling every eligible pregnant woman and child in the United States.

"(2) REPORT.—Not later than March 1, 1993, the Secretary shall prepare and submit to Congress a report containing the results of the study conducted under paragraph (1), and make recommendations for legislative and administrative reforms to increase the number of pregnant women and children obtaining medicaid assistance without reducing the level of medicaid assistance received by each recipient.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for each of fiscal years 1991, 1992, and 1993, to be available without fiscal year limitation.".

Subtitle C—White House Conference on Young Americans

SEC. 981. SHORT TITLE.

This subtitle may be cited as the "White House Conference on Young Americans Act of 1990".

SEC. 982. FINDINGS.

Congress finds that—

(1) young individuals are the most valuable resource of the United States;

(2) the welfare, protection, healthy development, and positive role of young individuals in society are essential to the United States;

(3) young individuals deserve love, respect, and guidance, as well as good health, shelter, food, education, productive work, preparation for responsible participation in

community life, and an increasing opportunity to participate in the decisions that affect the lives of such individuals;

(4) the family is the primary caregiver and the source of social learning for young individuals and must be supported and strengthened;

(5) if a family is unable to ensure the satisfaction of the needs described in paragraph (4), it is the responsibility of society to assist such young individuals;

(6) at a minimum, all young individuals need and deserve access to—

(A) the best possible physical and mental health;

(B) adequate and safe physical shelter;

(C) a high quality of educational opportunity;

(D) effective training and apprenticeships to train such individuals for future employment;

(E) opportunities for community service and productive employment;

(F) a wide range of civic, cultural, and recreational activities that recognize young individuals as resources and promote self-esteem and a stake in the communities of such individuals;

(G) comprehensive community services that are efficient, coordinated, and readily available; and

(H) genuine participation in decisions concerning the planning and managing of the lives of such individuals; and

(7) there is a great need for a comprehensive national policy with respect to young individuals that is designed to engage Federal, State, and local government agencies, youth organizations, and other voluntary organizations.

(b) POLICY.—It is the policy of Congress that the Federal Government should work jointly with each State and the residents of such State to develop recommendations and plans for action to meet the challenge and needs of young individuals.

SEC. 983. AUTHORITY OF THE PRESIDENT AND SECRETARY; FINAL REPORT.

(a) ESTABLISHMENT OF CONFERENCE.—The President shall call a White House Conference on Young Americans in 1991 (hereinafter referred to in this subtitle as the "Conference") in order to examine existing programs for young individuals and to develop recommendations for further action concerning young individuals, and the families of such individuals, that will assist in fulfilling the purposes described in section 982.

(b) PLANNING OF CONFERENCE.—The Secretary of Health and Human Services (hereinafter referred to in this subtitle as the "Secretary") shall plan and conduct the Conference under the direction of the Secretary and in cooperation with the Commissioner of the Administration on Children, Youth and Families (as established under chapter 1 of subtitle A), and the heads of such other Federal departments and agencies as are appropriate. Such cooperation may include the assignment of personnel.

(c) FUNCTION OF CONFERENCE.—In order to develop recommendations concerning the use of skills, experience, energies, and the improvement of the conditions of young individuals, the Conference shall bring together—

(1) representatives of Federal, State, and local governments;

(2) professional and lay people who are working in the field of young individuals; and

(3) families and representatives of the general public including young individuals.

(d) REPORT.—

(1) IN GENERAL.—Not later than 180 days following the date on which the Conference is adjourned, the Secretary shall prepare and submit, a final report concerning the findings and recommendations derived from the Conference, to the President.

(2) CONTENT.—The Secretary shall include in such report a statement of a comprehensive coherent national policy concerning young individuals, and the families of such individuals together with recommendations for the implementation of such policy.

(3) RELEASE TO PUBLIC.—The Secretary shall make such report immediately available to the public.

(4) RECOMMENDATIONS.—Not later than 90 days after the submission of such report, the Secretary shall transmit to the President and to the appropriate Committees of Congress recommendations for administrative action and the legislation necessary to implement the recommendations contained in the report.

SEC. 984. ADMINISTRATION.

(a) DUTIES OF SECRETARY.—In carrying out this subtitle, the Secretary shall—

(1) request the cooperation and assistance of the heads of such other Federal departments and agencies as may be appropriate;

(2) furnish all reasonable assistance, including financial assistance, to State and area agencies concerning young individuals, and the families of such individuals, and to other appropriate organizations to enable such agencies and organizations to organize and conduct conferences prior to the Conference;

(3) prepare and make available background materials for the use of delegates to the Conference;

(4) prepare and distribute any report of the Conference as may be necessary and appropriate; and

(5) engage such additional personnel as may be necessary to carry out this subtitle without regard to the provisions of title 5, United States Code, governing appointments in the competitive services, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) DATA.—In carrying out the responsibilities under this subtitle, the Secretary shall ensure that appropriate statistical data and other information concerning the well-being of young individuals are readily available, in advance of the Conference, to participants in the Conference, together with such information as may be necessary to evaluate Federal programs and policies relating to such individuals.

(c) GRANTS AND CONTRACTS.—In carrying out this subsection, the Secretary may make a grant to and enter into a contract with, any public agency and nonprofit private organization.

SEC. 985. COMMITTEE.

(a) ADVISORY COMMITTEE.—The Secretary shall establish an advisory committee to the Conference that shall include representation from the Federal Council on Children, Youth, and Families, and other public agencies and private nonprofit organizations as appropriate.

(b) OTHER COMMITTEES.—The Secretary shall establish such other committees, including technical committees, as may be necessary to assist in planning, conducting, and reviewing the Conference.

(c) MEMBERSHIP OF COMMITTEES.—

(1) AUTHORITY TO APPOINT.—The Secretary shall appoint individuals to serve on each committee established under this section.

(2) COMPOSITION OF COMMITTEES.—Each committee established under this subsection shall be composed of professional and public members including individuals from low-income and minority groups. At least one-fifth of the public members of each committee shall be under the age of 21 years.

(d) COMPENSATION.—

(1) IN GENERAL.—Any appointed member of any such committee, other than any officers or employees of the Federal Government, while attending conferences or meetings of the committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate fixed by the Secretary but not to exceed the daily rate prescribed for GS-18 under section 5332 of title 5, United States Code (including traveltime).

(2) TRAVEL EXPENSE.—Such member may be allowed travel expense while away from the home or regular place of business of such member, including per diem in lieu of subsistence as authorized under section 5703 of such title for individuals in Federal Government service who are employed intermittently.

SEC. 986. AUTHORIZATION OF APPROPRIATION.

There are authorized to be appropriated such sums as may be necessary, for each of the fiscal years 1991 and 1992 to carry out this subtitle.

TITLE X—EFFECTIVE DATES

SEC. 1001. EFFECTIVE DATES.

(a) GENERAL EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1990.

(b) SPECIAL EFFECTIVE DATES.—

(1) DATE OF ENACTMENT.—The amendments made by sections 102, 401, 501, 603, and 701 shall take effect on the date of the enactment of this Act.

(2) HEAD START.—Section 646(b) of the Head Start Act, as added by section 111, shall take effect on April 1, 1990.

Mr. KENNEDY. Mr. President, I wonder if the Senator from Connecticut will yield 3 minutes.

Mr. DODD. I will be glad to yield.

Mr. KENNEDY. Mr. President, at the outset, I want to commend the Senator from Connecticut [Mr. DODD], the principal architect of this legislation, and express my appreciation to him as well as to Senator HATCH and to Senator KASSEBAUM. This legislation is truly a bipartisan effort under Senator DODD. As the chairman of the committee, I welcome the opportunity to recommend to the membership an overwhelming vote in support of this program.

There are a number of different features of the program which I know Senator DODD will address. One of the most compelling aspects of the program is the national commitment to full funding of the Head Start Program over the next 4 years. This is necessary, because, despite Head Start's terrific success over the last quarter century, only 25 percent of eligible children have actually been reached by its services. Our legislation today would expand services to reach all eligible 3- to 5-year-old children by fiscal year 1994. The increased resources will improve program quality and improve the quality of life for mil-

lions of children who otherwise would not be able to benefit from such a program. This, I think, is extremely important.

The changes that have been made in the Head Start Program will carry the early education experience from the Head Start Program though to the schools. This is a creative and imaginative concept that will undoubtably strengthen early childhood education efforts. These are only two of the many outstanding items which make this such an important piece of legislation.

I, again, congratulate my friend and colleague, the Senator from Connecticut [Mr. DODD] for this landmark legislation. The fact that this legislation is bipartisan in nature, and will hopefully be a unanimous vote, is a tribute to Senator DODD's work and to the work of Senator HATCH and Senator KASSEBAUM. I commend all of them for their efforts.

Mr. President, this year one of every six American children dropped out of school. Two million children go hungry each day, 5 million children in need of mental health services do not receive them, and one in five is medically uninsured. These children are suffering because they are poor; indeed, the 13 million children who are poor constitute the largest group of Americans in poverty.

Over the last decade, we have retreated on our efforts to ensure that children's most basic needs are met. Essential programs like Head Start and Low Income Home Energy Assistance serve less than one-fourth of eligible families. At the same time, poor families have begun to face increasingly complex problems with the increase of substance abuse and violence in their communities.

It is time to reinvest in the programs that we know work, and to look for new solutions to the age-old problem of poverty in America. The legislation we are considering in the Senate today combines these approaches. The Human Services Reauthorization Act of 1990 improves and expands Head Start, Follow Through, Low Income Home Energy Assistance, Community Service Block Grant, Comprehensive Child Development Program Act, and the Demonstration Partnership Act for the poor. It includes new initiatives to improve the transition from Head Start to elementary school and to coordinate children's services at the Federal, State, and local levels. This legislation was reported unanimously by the Labor and Human Resources Committee and should be similarly approved by the full Senate.

I am particularly pleased with the proposed provisions for our flagship program in the war on poverty, Head Start. Today, Head Start is credited with improving children's chances of becoming literate, graduating from school, going to college, and obtaining a job.

But despite its success, Head Start has failed to achieve its potential. A quarter century after the program began, only 25 percent of eligible children are actually reached by its services. In addition, more and more children face multiple problems of drug-infested and violent communities, homelessness, child abuse, and teenage parenthood. And because of low staff salaries—which average $10,000 a year—programs have had difficulty recruiting and retaining staff who are qualified to deal with the special needs of today's disadvantaged children.

This legislation would expand services to reach all eligible 3- to 5-year-old children by fiscal year 1994. It would provide increased resources to improve program quality, including higher salaries for Head Start teachers and training to meet the special needs of children affected by violence and substance abuse. It earmarks funds for parent-child centers serving children 0 to 3, because for some severely disadvantaged children, intervention at age 4 is too late. And it would fund expanded research efforts to determine how Head Start can best respond to the needs of the children it serves.

While this legislation is essential for the almost 2 million American preschool-aged children who live in poverty, it is equally important for American businesses which will depend on a skilled work force in the 21st century. A recent report by the Committee for Economic Development—a group of Fortune 500 business executives and educators—calls for full funding of Head Start as one means to address projected shortages of skilled workers. As General Electric Senior Vice President Frank Doyle told our committee, "Head Start is an investment decision and an easy one at that: It's smarter to attack the causes now than to pay for the consequences later."

The committee also included in the Head Start legislation a new program based on my proposal, S. 2363, to provide a smooth transition of children from Head Start to elementary school. Although Head Start has succeeded in achieving parental involvement and in addressing the health, mental health, nutrition, social services, and education needs of at-risk children, all too often schools have not addressed the noneducation needs of students and their families. As with all points of transition in a child's life, the child's movement from Head Start to kindergarten is a critical one. It is at this point that experts believe some of the gains of Head Start are lost as the child, and parent, moves from a supportive environment that addresses the needs of the whole child to a new setting where noneducational and family needs are often left at the schoolhouse door.

This transition point is the focus of our new program. Numerous reports and studies indicate that several elements are critical to continuing the benefits of Head Start into the elementary grades. First, it is essential that supportive services, such as health, mental health, and social services, continue to be addressed. Second, the school must foster real parental involvement that encourages and enables low-income parents to be advocates and teachers for their children. Third, there should be continuity of the educational program, which can be achieved by ensuring that both the Head Start Program and elementary school use developmentally appropriate curriculums. Finally, a strong line of communication must be established between the Head Start Program and public school.

Our proposal builds on these principles. The legislation would authorize the Administration on Children, Youth, and Families to make grants to Head Start agencies or local educational agencies working in partnership with one another. The program sponsor would employ a team of family services coordinators who would facilitate communication among low-income families and the schools, help these families obtain services, and ensure that there is developmental continuity between the early childhood and elementary school programs. Local applications would be jointly developed by the Head Start and local educational agencies after consultation with community agencies that provide supportive services. Twenty million dollars would be authorized to provide at least one demonstration program in each State. An evaluation of the program would be completed 4 years from the date of enactment.

Another key provision of this bill is the reauthorization of the Low-Income Housing Energy Assistance Program [LIHEAP]. LIHEAP serves the poorest segment of society. A typical LIHEAP-assisted household has an annual income of less than $6,000. Without LIHEAP, these households are forced to choose between heat, food, rent, and other necessities of life.

In 1985, LIHEAP funding reached a peak of $2.1 billion. Five years later, funding has declined to a shameful level of $1.4 billion. Fuel costs, on the other hand, have experienced a steady rise. The recent conflict in the Middle East may exacerbate the rise in heating oil prices in this country and increase the number of familes that will go without heat this winter. We must waste no time in restoring LIHEAP to adequate funding levels.

The provisions in this bill will increase access to the LIHEAP Program for the elderly and working poor. It will eliminate the practice of transferring funds out of the LIHEAP Pro-

gram so that more resources will be available to provide families with the energy assistance that they need. And, it will provide incentives to States that use LIHEAP funds to leverage additional resources. Massachusetts has been leveraging funds through creative methods of "doing more with less." For example, the Office of Fuel Assistance established a competitive bid for delivery of home heating oil to LIHEAP-assisted households. This led to a saving of 21 cents per gallon of heating oil. In these tight budget times, we cannot afford to let opportunities for savings pass by.

This bill also reauthorizes the Community Services Block Grant [CSBG] Program. This program provides funding for community action agencies across the Nation. These agencies, through their tireless work to serve the most vulnerable members of every community, are the frontline in the war against poverty. Community action agencies coordinate resources for programs in the areas of education, housing, health care, nutrition, and a host of other needs tailored to the community. While these programs are instrumental in helping underprivileged individuals attain self-sufficiency, over the past decade funding to these essential programs has substantially eroded. It is time to renew our commitment to these community-based public private partnerships for they represent the best and brightest of our Nation's thousand points of light.

The CSBG amendments will increase the authorization and potential effectiveness of this program. The measure will increase our ability to collect information so that we can evaluate and improve these programs. In addition, it will expand the Community Food and Nutrition Program so that States may launch effective statewide community efforts to eliminate the scourge of hunger in America.

The reauthorization bill also includes amendments to the Follow Through Program, which supports the development and implementation of elementary school curricula for disadvantaged children. The amendments, based on Senator SIMON's proposal, S. 2736, tie Follow Through more closely to chapter 1, increase the program's emphasis on parental involvement and provision of comprehensive services, and allow the program to reach a greater number of children in a greater number of schools. This program, in conjunction with the Head Start Transition Project, will enable former Head Start children and other disadvantaged elementary students to achieve their greatest educational potential.

This legislation will also double funding for the Comprehensive Child Development Centers Act, which funds multiyear projects for disadvantaged infants and children that can be summed up in three words: early, continuous, and comprehensive. By coordinating services addressing the health, mental health, educational and social needs of infants and young children, this program enables children to begin school fully equipped to flourish and succeed. Last year, only 22 applicants received funding from a pool of more than 100. The potential for this program to deliver these necessary services to more children depends upon expansion of its funds.

Finally, a new initiative included in this bill is the Coordinated Services for Children, Youth, and Families. Too often the fragmented nature of social services results in duplicative services, or worse, unmet or undetected needs. This measure will coordinate and integrate those important programs serving children, youths and their families with stronger community-based programs, better access to health care and demonstration programs. Additionally, the bill will establish a White House Conference on Young Americans in 1991 as a forum for developing a national youth policy. These important provisions, proposed by Senator DODD, will help our Federal dollars go further, and help our most needy families receive better services at the Federal, State, and local levels.

Many individuals have worked hard on the Human Services Reauthorization Act of 1990. Senator DODD and his excellent staff—Rich Tarplin, Patty Cole, Jackie Ruff, Courtney Pastorfield, Molly Guth, and Wendy Coughlin—deserve many thanks for their tireless efforts on behalf of poor children and their families. Senators COATS, HATCH, and KASSEBAUM, and their staff—Stephanie Johnson Monroe, Sue Whittaker, Ann Springer, and Liz Wehr—have spent many hours working with us to ensure broad support for the proposal. Helen Blank, Don Bolce, Jim Matlack, Joan Lombardi, Meg Power, David Bradley, Edward Zigler, and many others worked closely with us in preparing the legislation. Bill Baird did his usual excellent work in drafting the bill. Finally, I would like to thank my own staff—Shirley Sagawa, Sarah von der Lippe, Adele Robinson, Amy Lowrey, David Stark, Juliet Wurr, Rusty Barbour, and Nick Littlefield—for their efforts on behalf of this essential legislation.

I am proud to cosponsor the Human Services Reauthorization Act of 1990 and strongly urge my colleagues to give this bill their strong support.

The PRESIDING OFFICER. The Senator form Connecticut.

PRIVILEGE OF THE FLOOR

Mr. DODD. Mr. President, I ask unanimous consent that Patricia Cole of my staff be granted floor privileges during the consideration of H.R. 4151.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DODD. Mr. President, first of all, let me express my gratitude to the chairman of the full committee, without whose leadership we would not be where we are today. He has been a tireless supporter, in fact an initiator, quite candidly, going back more than two decades in this body. Much of what is incorporated in this legislation today are the ideas the chairman of the committee initiated many years ago.

What we are trying to do is strengthen some of these ideas and improve because of sound recommendations that we received over the years from people who work in the field, as well as the professionals and others who care so much about these programs. But in fact, in truth, much of what we are doing is merely extending the ideas that the senior Senator from Massachusetts initiated. So I not only want to thank him for his leadership on this particular bill but to thank him as well for what he has done over more than two decades to make it possible to be in the position we are in today.

I thank as well Senator HATCH, the ranking minority member, for his support and backing of this legislation, and, of course the Senator from Kansas [Mrs. KASSEBAUM] who has also played a very important and strong leadership role in making it possible for us to arrive, Mr. President, at a day when we can deal with something as comprehensive as this and not involved in what one might normally assume is an acrimonious debate about human services. That is not the case at all. The committee is unanimous, which is something I know our colleagues do not normally expect out of the Labor Committee, but that is where we are today. We are a unanimous committee in reporting this legislation. I think that is important to note as well.

Mr. President, the legislation we are considering today, the Human Services Reauthorization Act of 1990 is, as Senator KENNEDY of Massachusetts has already indicated, a landmark bill in combating a host of problems facing low-income children and families.

Many of the programs in this bill—Head Start, Community Services, Low-Income Home Energy Assistance—have their roots in the war on poverty. Although their structure has changed over the past quarter-century, the central principles remain the same: comprehensive services, community involvement, and the goal of self-sufficiency for low-income families.

Never have those principles seemed more valid, or those programs more needed, than today. We live in a time when poverty is deepening; a time when children are the age group most likely to be poor; a time when we increasingly see families that are multiproblem, which is simply our recogni-

tion that problems such as hunger, homelessness, substance abuse, and illiteracy are all interwoven, part of the seamless garment, if you will, Mr. President, of poverty in this country.

We seem to be constantly rediscovering these same principles. We talk of providing comprehensive services to children and parents together, but Head Start has embodied this idea for 25 years. Our President speaks of a thousand points of light, but community action agencies have been a beacon for troubled families for decades.

In developing this legislation, we have strengthened the existing programs and extended their central principles to new efforts. We have renewed the vision of Head Start, now celebrating, Mr. President, its 25th year of providing services to disadvantaged youngsters and their parents. The legislation authorizes funding to enable every eligible 3-, 4-, and 5-year-old to participate in the program by 1995. Moreover, we have earmarked funds for quality improvement so that the children will receive the best early childhood services and their teachers will not have to subsidize the program through their low salaries.

The extreme cold weather of last winter and the crisis in the Persian Gulf have highlighted the vulnerability of low-income citizens to rapid energy price increases. The Low-Income Home Energy Assistance Program is often their lifeline. The legislation extends the program's authorization, adding several improvements. For example, a leveraging incentive program provides additional funds to States that use the program's considerable purchasing power to obtain additional energy resources for low-income households.

The legislation also extends and increases the authorization of the Community Services Block Grant, which pulls together services for families that often have nowhere else to turn. It increases funding for the Community Food and Nutrition Program, which has done much to coordinate resources to address the needs of as many as 5 million children who go to bed hungry each night. The other programs being reauthorized make equally important contributions to the well-being of children and families.

The core principles of these programs are embodied in new initiatives as well. Title IX of the bill includes the Young Americans Act which will assist government at all levels in coordinating services to children. It also contains a new initiative to fund family resource and support programs, building on grassroots efforts in communities around the country. Another initiative would fund community-based efforts to provide avenues to develop leadership as well as opportunities for community service for minority youth. This group disproportionately experiences problems such as unemployment, dropping out of school, and involvement in violence, yet often is left out of antipoverty programs.

Mr. President, these are only a few of the highlights of this monumental piece of legislation. The bill as a whole is nothing less than a reaffirmation of our commitment to low-income citizens—a commitment that families will find a helping hand in their own community; a commitment that young and old alike be assured of warm homes; and above all, a commitment that all children have a chance at a bright future. So, Mr. President, it is with great pride that I bring this bill before my colleagues and urge them to support the programs and the principles within it.

Mr. President, in closing I want to recognize the significant contributions of my colleagues in putting together this massive bill. The chairman of the Labor Committee, Senator KENNEDY, as usual provided great leadership in addressing the problems of the poor, but I want to particularly note his sponsorship of the Head Start transition projects and the leveraging incentive program in LIHEAP. Senator HARKIN contributed the forward-funding provision in LIHEAP, which will help States manage the program more effectively. I also want to thank him for his hard work and help in securing appropriations for these important programs.

I also want to thank Senator HATCH, Senator COATS, and Senator KASSEBAUM for their help in crafting the coordinated services provisions of the bill. Senator MIKULSKI sponsored a provision for a clearinghouse on family resource and support programs. Senator SIMON's hard work on the Follow Through Program resulted in significant improvements over the current program. Senator RIEGLE contributed important improvements in the dependent care planning grants.

Many people worked closely with us in preparing this legislation, including Helen Blank of the Children's Defense Fund, Ed Zigler of Yale University, Nancy Spears, Don Bolce, and Jim Matlack of the National Head Start Association, Meg Power and David Bradley of the National Community Action Foundation, and Ed Cooney of the Food Research and Action Center. In addition, I want to thank Linda Greenan and Tess Scannell of the Child Welfare League, MaryLee Allen of the Children's Defense Fund, and Frank Farrow of the Center for the Study of Social Policy for their work on the coordinated services title of the bill.

I also want to recognize the staff who worked so hard on this bill. Senator KENNEDY's staff, in particular Shirley Sagawa, Sara von der Lippe, and Nick Littlefield, did excellent work in improving existing programs and finding creative ways to fill service gaps. Stephanie Johnson of Senator COATS' staff, Sue Whittaker of Senator HATCH's staff, Ann Springer and Liz Wehr of Senator KASSEBAUM's staff worked tirelessly with us to ensure broad support for the bill and, in particular, for the coordinated services portion. Bill Baird in legislative counsel did a truly heroic job in drafting—and redrafting—the bill. Finally, I want to thank my own staff—Rich Tarplin, Patty Cole, Jackie Ruff, Courtney Pastorfield, Jeff Anders, Molly Guth, Wendy Coughlin—for their hard work and commitment to improving the lives of poor children and their families.

Mrs. KASSEBAUM. Mr. President, I appreciate the thoughtfulness and efforts of Senator DODD as the chairman of the subcommittee. He worked tirelessly to put together a bill that I think addresses the expanded needs of Head Start, as well as our effort to try to improve coordinated services for children.

There were differing views within the committee, and the very fact that much time and effort was spent in addressing those differing views enabled us to come up with legislation which has the unanimous support of the committee.

I wish to speak for a moment about Head Start because the enduring success of Head Start over 25 years is the strongest possible lesson in how to provide a comprehensive coordinated program for children and families. Little did people realize 25 years ago that this particular program would have the success it has had. It has shown that it is possible to regard needy parents and children not as a collection of categorical problems but as potential successes, and I think that lies at the heart of the success of the Head Start initiative.

Mr. President, I had some problems with the expanded initiatives under the new title in this program of coordinated services to children, largely because we now have 125 Federal programs that deal with children in one way or another. My frustration is that we have not spent enough time and effort to try to sort through what works and what does not work.

I ask unanimous consent that two very important articles addressing this problem be printed in the RECORD. One is "A Failure by Fragmentation," by Sid Gardner; and the other is "New Strategies To Save Children in Trouble," by Kathleen Sylvester.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From California Tomorrow, Fall 1989]

FAILURE BY FRAGMENTATION

(By Sid Gardner)

Ricardo had problems. His teacher knew he had the ability to be a B student or better, but he had skipped classes 25 days last semester, and when he came, he sat quietly and said little. His homework was handed in only about half the time, and his grades were far below what his intelligence test scores indicated he could do.

Ricardo's homeroom teacher asked the school's guidance counselor to talk to him. After a few days, a slip came to Ricardo in first period asking him to see the counselor. He never went, and the counselor had a caseload of 175 students, so he was fully occupied with the ones who did come. The teacher also asked Ricardo if he wanted to attend an after-school tutorial program, but he said he didn't have time and the teacher wasn't able to follow up the suggestion.

Since Ricardo's mother was a welfare recipient, his family was known to the welfare agency. His older brother had a criminal record, and four years ago, a juvenile justice program had targeted younger siblings of arrested minors, so Ricardo was also in its files. The program had been cut back, however, and no one had ever seen Ricardo.

A United Way agency in Ricardo's neighborhood offered after-school recreation programs. Ricardo had dropped in several times, and the counselor there had entered his name in the records as a youth he wanted to get to know, seeing his obvious intelligence and his quietness. But outreach was difficult for the agency and the counselor had not been able to do any home visits.

Because Ricardo had worked at a summer job last year, the local job training agency had kept records on his performance at a downtown printing shop. He really liked the job and worked hard at it. Ricardo enjoyed making money that was his own for the first time. He had also been tested before the summer job began, and had attended career orientation classes as part of the summer training. But the agency had not worked out how it would get information about summer job performance back to the high schools, and Ricardo's work history was unknown to anyone in his school.

Ricardo also had a younger sister, and she had been abused by their mother's boyfriend. One of her classmates complained anonymously about this abuse. Since no life-threating circumstances existed, overworked child protective service workers opened a file, but it remained inactive. It bothered Ricardo that he knew something strange was going on, but couldn't do anything about it.

THE FRAGMENTATION DILEMMA

The problems of California's youth are large and growing. In my 25 years in children and youth services, I have seen scores of the thousands of young people like Ricardo who are at risk of not achieving their full potential—and many are even more at risk. The headlines chronicling the youth problem are familiar: high rates of school dropout, unemployment, gang membership, juvenile incarceration, drug abuse, delinquency and teen pregnancy. Ricardo's is a composite portrait, presented instead of an actual youth in an actual city, to bypass the finger-pointing and scapegoating that signifies our frustration with these trends. Unfortunately, his complex problems are typical. So are his community's offerings.

There are many programs in every community in California designed to help youth like Ricardo and their families; the county welfare agency, the county child protection agency, the juvenile courts, the youth employment programs, the health and mental health programs, the child care and early childhood development agencies, private agencies funded by the United Way and other sources, the city recreation and parks department, and dozens of programs within the public schools. Ricardo and his family are being "served" by at least nine agencies—but no one agency truly takes responsibility for helping Ricardo, and separately they fail to treat him as a whole person. They are paid to treat each of a variety of "problems"—poor grades or absenteeism or child abuse, for instance—that add up to his being at risk. And they have no way to get beyond these symptoms to who he is as a whole person, and so he moves, lost, from one agency to another.

What is the moral of a story like this? Liberals use the story to argue for more money, more programs. The fate of young people like Ricardo illustrates society's indifference, they say. Conservatives, on the other hand, point to the already substantial bureaucracy designed to "help." They cite the system's failure as evidence that such efforts are doomed—wasteful and useless.

In my own view, both morals are wrong. Liberals are wrong because they argue for more money for programs but don't feel compelled to document how these efforts are actually helping the whole child. So are conservatives who place responsibility on the family and say that society should stop wasting its money.

In fact, we are ultimately failing our children not only because we haven't invested in them, but also because as communities we have failed to work together to hold ourselves accountable for the substantial resources we do invest—and for the outcomes of our most vulnerable residents. Eventually, programs and money will be critical. But not when program fragmentation is the rule; more isolated programs only exacerbate the fragmentation.

Fortunately, at this point in California and across the nation dawns the beginning—some would call it a renaissance—of a movement that is neither blindly conservative nor liberal on these counts. It goes by a variety of bureaucratic names—"program linkages," "service integration," and "interagency coordination"—but I call it "collaboration." I am a part of that movement and have been for many years.

We are a funny lot, swimming I think upstream against the tide of human nature by trying to broaden, rather than narrow, to link, rather than divide, the causes of and solutions to children's problems in this society. The attitudes of this growing group were well captured recently by Stanford University's Michael Kirst, who heads Policy Analysis for California Education (PACE) and edited the recent ground-breaking report "Conditions of Children in California." After three years of research, Kirst concluded that tenacious collaboration alone will not make up for our societal underinvestment in children. In some areas, such as children's mental health and homelessness, collaboration takes a back seat to the greater problem of a sheer lack of resources and funding. But without collaboration, more investment would not be much help. "The system as a whole is so fundamentally flawed that hugh amounts of dollars dumped in wouldn't do much good," he says. At the root of the flaw is the mentality of isolated programs.

THE PROGRAM MENTALITY EXPLORED

Helping children is inherently good. They can't vote, often can't speak up for themselves, and don't usually command the resources—especially if they are from poor or broken families—needed to assure a productive future. To help a child is among the highest forms of human charity, and countless religious and ethical precepts reinforce that message.

But our help nearly always takes the form of isolated new programs because of some peculiarly American traits. Americans are problem-solvers. Our country's only native philosophy is pragmatism, and pragmatism dictates that when we see a problem, we form a committee, start a program that addresses the problem—and it is solved. Evidence of illiteracy leads to a new literacy program. Evidence of child abuse results in a new shelter. Evidence of delinquency leads to legislation for after-school programs. Legislators, businesspeople, foundation and agency heads narrow the symptom down and scramble for resources to help a few dozen or hundred out of a community's thousands of at-risk kids and families. We ignore the underlying causes of problems and fail to see how they are interrelated—and how solutions must be coordinated. In doing so, we also ignore options to strengthen existing programs or to develop links among programs.

There are other explanations for this "program mentality." State legislators like separate programs because they spread the credit around. Many school districts in California have dozens of separate programs for dropout, pregnant, challenged, non-English-speaking and other children, all mandated and funded by the state and federal governments. These were created as honest attempts to help young people. But each also allowed politicians to take credit for "responding" to a problem—without making someone accountable for Ricardo's success. Programs are what legislatures are all about. Few subjects bore most legislative communities more quickly than discussion of linking the programs they created. Putting together pieces of an old puzzle isn't as fun as inventing a whole new game.

Likewise, professionals on the ground level have clear incentives to promote narrow programs. Whether in social work, education, health, mental health, child development, higher education or job training, we accumulate rewards, promotions, and recognition through specialization—not by doing interagency liaison work or becoming generalists. We are trained to believe that only our specialized approach can solve the problems of the specific children who concern us. Under this solipsism, we believe it is our mission to develop and lobby for new programs organized around our speciality. Reports Lisbeth Schorr in her recent book *Within Our Reach*, "Complex intertwined problems are sliced into manageable but trivial parts." Adds Brian Cahill, president-elect of the Los Angeles Children's Roundtable: "The major barrier to a comprehensive system of children's services . . . may be tunnel vision within the field of children's services."

Finally, the "system" may seem so inflexible and the needs so urgent that we bypass the more important—and difficult—task of systemic change or of making old programs more effective. When we are moved by the discovery of a new (or renamed) target group like abused children, dropouts, teen parents, crack babies and other youth at

risk of a dim future, our desperation and intensity lead us to create new, narrowly defined programs *just for those children.* "We can't trust the regular classroom (or welfare department, or United Way, or police department, or hospital) to help *these* kids," we say. "They need a special program."

It is a powerful sentiment—and sometimes right on target. For instance, because core existing school programs have yet to be reformed to welcome and educate immigrants, California needs a strong network of new programs to ensure adequate education for newcomers—and some groups have begun to tackle this task. But beyond creating the programs, communities and educators must link them with the many other agencies that serve these youngsters and also insist that entire schools become responsive to immigrant students. Creating "needed" new programs should not allow us to avoid taking on the inertia of the status quo.

The bottom line: human nature relishes the excitement and momentum of building something uncomplicated that has comprehensible, immediate results. But we end up contributing our money, and more important, our political and spiritual energy, to building a fragmented "non-system" of well-meaning, specialized programs. A cogent sign of this lack of system:

Not a single city in California—all which routinely request more state money to combat youth problems—has any idea how much is being spent now, or where it is being spent.

COLLABORATION DEFINED

Seeing the nature of a problem sometimes suggests the outline of its solution. Fragmentation, as I and others like me view it, must be addressed through collaboration and accountability for results.

In the movement toward collaboration, different communities are pathfinding in different ways. Dayton, Ohio, (pop. 240,000) became one of the first communities in the U.S. to count accurately all the money spent combating youth problems. In California's Ventura County, many agencies came together to stabilize the lives of mentally ill youth before family breakdown and institutionalization were needed. Likewise, in San Bernardino, a carefully designed Children's Services Network has coordinated the fundraising of different agencies, breeding collaboration and increasing resources at the same time.

It is difficult to define ideal collaboration since no community has yet fully linked, counted and evaluated its youth services. But basically, genuine collaboration entails the creation of a community process to plan a service system for children, youth and families in which no new programs are started without participation by existing programs; schools and public and private agencies (reflecting current management philosophy) are linked horizontally in partnerships, rather than stacked vertically or allowed to float separately; funding is "pooled" rather than categorized to avoid turf protection, the many services needed by a child like Ricardo are "brokered" by one agency or a cross-agency "case manager"; employers are important players; and publicized annual indicators of youth "outcomes" allow citizens to hold political and agency leaders accountable for results. Many communities in California are beginning to work piecemeal toward this definition of collaboration. Solano County, northeast of San Francisco, is one.

Pat Nicodemus was a foster parent and member of the Juvenile Justice Commission in 1982 when she was asked by the Solano County welfare director to look at the county's emergency foster care system. The county had just been forced to close an emergency children's shelter, and the community was up in arms about the fate of abused, abandoned and neglected children. Nicodemus quickly became disturbed about what she was learning. She knew that foster children needed much more than what the strapped child welfare department could offer—typically doctors, mental health services, consistent schooling, job training and placement, and college readiness programs. But the more she looked, the more she realized how these children were isolated in child welfare, with little help from outside. "We had no idea where to get resources or who to contact for help for these children," says Nicodemus. "It was as bad at the lineworker level as it was at the top."

Nicodemus took up the challenge of collaboration with considerable political skill. Quickly, she gathered key agency heads—"the movers and shakers with the commitment and the energy to do something about it," she says—into one room and forced them to communicate. "During the first year, most of us were not sure why we were there," says Nicodemus, now a community resource specialist ("scrounger", she calls it laughingly) with Contra Costa County's Families First project. "We weren't hung up on turf issues, but we weren't really clear on what we could do." But in time, the discussions led to perhaps one of the earliest and broadest models of interagency collaboration in the state, the Children's Network of Solano County, Nicodemus recalls: "The Network concept came [when] we saw that foster care issues were part of a much larger set of problems facing kids."

The Network helps the county avoid program fragmentation and duplication by providing a forum in which the needs of a youth can be followed across agencies. Agencies get to know each other's strange language. Normally each uses different shorthand—"601's, JTPA, SARB, 99-457, HIV kids"—and almost no one knows what it all means or how different eligibility requirements work, or when it's OK to share information from different caseloads.

Another small step forward occurred in Santa Clara County, where two visionaries—Judge Len Edwards and staffer Ann Shine-Ring—have managed to pull county department heads together into an Interagency Council for At-Risk Youth. Edwards pushed the initiative. As the judge making decisions on child abuse and neglect cases, he became extremely frustrated. Police, child welfare, and school agencies were sending him hundreds of youth each year with little idea what other services—drug treatment, job training, day care, parent education counseling—were available or could be arranged. "Before Edwards arrived," reports John Hubner in the San Jose Mercury-News, "the leaders of the various agencies concerned with the welfare of children didn't talk to one another. Each was focused on running his own bureaucracy and was all but oblivious to the larger, systemic problems." Since its creation by the County Board of Supervisors, the Council has brought social workers from various agencies together in a pilot program to "broker" services for the stressed families and children of one East San Jose elementary school. Such teamwork is unprecedented.

LOOKING TO THE PAST

These examples are not the first time communities have experimented with collaboration. The history of community-wide service integration is long, but little has been learned from it. I have spoken with the heads of state and federal agencies who are firm believers in the "new" service integration, but have no idea that the concepts hail from the original immigrant Settlement Houses, where social workers from a host of agencies combined forces to help immigrant families. Apparently the lessons of the Settlement Houses were lost during the Depression and then the Great Society, when the program mentality hit its stride.

When I came out of graduate school at the flood tide of the Great Society in 1965 and went to work for the mayor of New York, expansion of isolated programs was the entire focus. Growing lobbies for everyone from the mentally ill and special education students to gifted children were winning categorical funding. When reformers charged that federal money was being wasted on overlapping, unaccountable programs, the battle that continues today had begun. As it remains today, the rhetoric placed "effectiveness" (only special programs can help these kids thrive in such an oppressive system) against "efficiency" (we can't even count what we're spending, much less make it fit together to help people). Almost lost in this rhetoric, then as now, was the idea that separate programs linked together could be more effective and cost-efficient.

Two notable attempts to make this linkage model real were Model Cities in the late 1960s and Elliot Richardon's services-integration efforts, which culminated in the stillborn Allied Services Act in 1974. Model Cities spread money to many cities, including Fresno, to knit together dozens of programs—at one point, as many as 50 programs from more than six different federal agencies—initiated by the Great Society. But expansion of the program from its original six cities to 150, demanded by Congress as a price of launching Model Cities, watered the program down and only a few of the cities were able to hold their tenuous local coalitions together into the 1970s. Richardson's Allied Services came out of a series of Health, Education and Welfare local demonstration grants, but eventually fell victim to White House congressional warfare in the aftermath of Watergate in 1974.

In both efforts, only a few communities met the programs' goals because most lacked the extraordinary political leadership and consensus needed to improve the entire youth system. Most cities simply created one more set of isolated agencies that lasted only as long as the federal money, then dwindled into the program landscape. Many cities learned how to appear to be coordinating without actually helping kids. An old friend of mine calls it "the coordination game"—cities set up new committees, an "Office for Children," or some other "reorganization," which placates child advocates while avoiding the hard task of working with parents and line workers to develop and link programs that really help youth.

HOOKS, GLUE AND JOINT VENTURES

What this history teaches us about collaboration is that it must involve a legitimate, community-wide planning process that is indigenously generated, strongly led, includes broad multiracial citizen and parent involvement, and focus on accountability. It must also encourage agencies to proceed step by step into collaboration. The three escalating steps are "hooks," "glue"

and "joint ventures." All help combat the program mentality by letting workers in each system know that no one agency can solve Ricardo's problems alone. Each encourages a protective services worker, for example, to make the broad diagnosis that Mom abuses Johnny partly because she is trying to be a parent without any role models and also because she wants a better job, and to call on both the employment and mental health system for help.

Hooks formally link a child's participation in one program to participation in another. Hooks can be developed only if planners ask "what other services do children in this program need?" Under federal law, for instance, foster children are "hooked" to local youth job training programs (JTPA), automatically qualifying for training and jobs. (Normally JTPA participants must meet stringent standards in income, school attendance and employability.)

Before this hook was established, foster children typically were released from county care at age 18 totally unprepared for adult life. Now there's at least a chance for job training. If the child welfare and youth employment staffs are able to work together, this hook ensures that after paying for years to shelter and raise a foster child, taxpayers make an often-critical final investment in that youth's self-sufficiency as an adult.

Glue assures that funding is conditioned on making sure kids get help under one roof, but from several sources. The lauded Teenage Pregnancy and Parenting Program (TAPP) in San Francisco is completely "glued" together. Most of the services that help TAPP's teen mothers and fathers thrive and graduate from high school at record rates are delivered by agencies other than the San Francisco Unified School District. Founder Amy Loomis cut subcontracting deals with child care, health, social service and job training agencies, thereby both limiting her agency's workload and taking advantage of other agencies' labor and expertise. In this "glue" scenario, TAPP becomes the crucial "broker" for its teenage clients—the broker Ricardo and his family lacked.

Joint ventures go a step further. Agencies create partnerships to raise funds for jointly operated programs, avoiding the common tendency for agencies to grow tentacles into other specialities. Joint ventures match strength to strength. In the Santa Clara County Interagency Project in San Jose, a local elementary school offered its strength—daily access at school to children from troubled families—to agencies employing talented counselors with many specialties. One counselor reports: "We were really training each other, and working more closely with families than we ever could back in our own offices."

The key element in these steps is the credibility of the community planning process. If spurred only by outside money or influences, local agencies will simply follow the money, not help youth. If local leaders are ineffective or don't understand program fragmentation to be a problem, they won't do anything about it. If the planning process is "top to bottom" with no involvement by parents, teachers, and the youth themselves, then the community will not "buy in"—and the proposed plan won't reflect the community's true needs.

In recent years, extraordinary leaders in Portland, Seattle, and Minneapolis have managed to pull their communities together. Now, among California cities, San Francisco (through the Mayor's Office of Children, Youth and Their Families), Santa Ana (Santa Ana 2000), San Diego (New Beginnings), and Fresno (Fresno Tomorrow) have developed processes among schools, agencies, employers, and political leaders to set goals and commit resources to a citywide strategic plan. Growing pressure from local business, which more than ever sees its future threatened by the shortage of skilled future employees, and advocates, who cannot bear to watch a third of a generation being lost, are helping to spark these new efforts. Leadership often comes from newly installed district superintendents, county welfare chiefs, county supervisors, citizen activists, and businesspeople with fewer commitments to protect old alliances in the current service system. In Santa Ana, new school superintendent Rudy Castruita has worked with Mayor Dan Young to pull the chambers of commerce and Rancho Santiago College together with the city and the schools to recommend comprehensive action to improve the conditions of children and youth. In Fresno, Mayor Karen Humphreys is working with the county, the city schools and Fresno Tomorrow, a citizen group, to develop a long-range plan for at-risk youth.

In these efforts, accountability for results will be crucial. Communities need to take inventory of their children and youth services. This is a scary thing. To agree to do it is to admit that you have no idea how funds are spent now, and on what. When Dayton did its inventory, city leaders were shocked to find out that excluding the schools, $50 million was being spent by dozens of different agencies "serving" roughly 5,000 troubled kids—an average of $10,000 per youth. But the resulting inventory is now the basis for Dayton's excellent plan for youth.

In Baltimore, when one program requested funds to double its staff of case managers from seven to 14, the local community foundation insisted on knowing how many counselors were already working in the neighborhoods. The final ally from the probation, mental health, welfare and numerous other agencies: 300, many with the same impossibly large caseloads, predominantly consisting of the same families. The foundation agreed to fund methods to begin coordinating such worker caseloads. Without such an inventory, it is impossible to determine how to commit new funds wisely—or to tell if such resources are needed at all.

A community also needs to "keep score" of what is happening to its children. Benchmarks are needed in areas like child abuse, youth in detention facilities, foster children, dropouts, youth employment, PTA attendance, youth participation in community service, or any other outcome that the community identifies as important. To use a football metaphor: without goalposts, the game doesn't mean much. In California, Children Now's 27 benchmarks for a statewide "report card" provide an excellent starting point for any community that wants to know how it is doing.

After years of striving, Californians trying to elevate children and youth issues in state policy-making are on the threshold of a breakthrough. Reports such as those by Policy Analysis for California Education (PACE) and Children Now indicate persuasively that we are failing many of our children. Polling and political commentary indicate new public commitment toward at-risk youth. We must now submit to the tendency to respond with isolated programs. We need local scorecards, collaboration and strategic planning to truly help youth like Ricardo.

LEADERS IN THE COLLABORATION MOVEMENT

Santa Clara County Interagency Council on At-Risk Youth, 100 Skyport Dr., Mail Code 22A, San Jose, CA 95115 (408) 453-6961.

San Bernardino Children's Network, 468 W. 5th St., Suite 110, San Bernardino, CA 92415 (714) 387-8966

Children's Network of Solano County, 2100 W. Texas St., Fairfield, CA 94533 (707) 427-7228.

Ventura County Children's Mental Health Services Demonstration Project, 300 Hillmont Ave., Ventura, CA 93003 (805) 652-6737.

Santa Ana 2000 c/o Superintendent, Rudy Castruita, 1405 French St., Santa Ana, CA 92701 (714) 558-5512.

Fresno Tomorrow K-6, 1900 Mariposa Mall, Suite 8301, Fresno, CA 93721 (209) 442-3342.

San Francisco Office of Children, Youth, and Their Families, City Hall, San Francisco, CA 94102 (415) 554-6139.

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NEW STRATEGIES TO SAVE CHILDREN IN TROUBLE

(By Kathleen Sylvester)

Just past lunchtime in a cluttered but neatly kept living room in Savannah, Georgia, two women—one with a note pad on her lap and the other with a baby on hers—sit chatting quietly.

There is a nice kind of rapport between the two—one young and white, the other older and black—who really have nothing in common but a teen-age boy named Willie. He is the client of the younger woman and the son of the older one.

Karrie Kay, who is visiting the home, met the family when she was assigned as Willie's case manager. When he told her one day at school that his mom was sick, Kay visited the home and discovered that Willie's mom was overweight and diabetic, feeling depressed and hopeless. Kay got a visiting nurse to the home, who diagnosed high blood pressure and sent Willie's mom to a doctor. The visit was just in time: She had a serious heart attack in the doctor's office.

Two months later, Willie's mom is back on her feet, and her recovery has had a dramatic effect on the whole family. Her husband is drinking less, her children have rallied around her and Willie's progress in school is better because his mother is able to encourage him.

On this visit, Willie's mom speaks enthusiastically about her new doctor, who talks to her like a friend and encourages her to diet and learn new ways to cook. She proudly tells Kay that she has lost 10 pounds, and that her children accompany her on long walks to help her exercise. She says she feels good now but confides to Kay that she's worried about how much time Willie spends hanging out at the mall. Kay has an idea—putting Willie in a summer job program that will have a tutoring component. And before she leaves, she also offers to help the family get the children enrolled in the federal Medicaid program and asks Willie's mom to join the parents' advisory council at school: "I want you to share your success with other parents."

Through Willie and a program designed to help him in school his entire family has been linked to a network of people who will try to help them change their lives.

What Karrie Kay has done to help Willie's family is the essence of an experiment going on all across the country. Schools and

social service agencies are collaborating to help at-risk children. They are spotting these children in schools and then reaching beyond the schools to help them by helping their families. They have recognized the basic truth that if a child comes to school hungry or hurting or frightened, that child is never going to be able to learn.

School reform—simply improving the way teachers and the way schools are structured—is not enough. Teachers now must find ways to cope with children who live in dysfunctional families, who are victims of violence, who use drugs, who do not speak English, who are pregnant, who are homeless. Teachers, even the best ones, cannot help these children by themselves. Social workers, facing the same terrible problems and huge caseloads, have become little more than clerks who approve checks.

"There is a growing sense among the folks on the front line that it ain't working for millions of children and families in serious trouble," says Janet Levy, who directs Joining Forces, a joint project of the Council of Chief State School Officers and the American Public Welfare Association. The project, says Levy, is in response to the enormous pressure on both schools and social welfare agencies, and it is aimed at fostering more collaborative efforts between the two groups. It is a growing movement. In recent times, educators and social welfare professionals have come to recognize that because they are trying to help the same people, they can also help each other.

Richard Boyd, former superintendent of the Mississippi schools, says this is an important change in thinking: "In the past, the typical behavior of the schools was to ask for more money and more personnel so we can fix the problem. Now, says Boyd, educators know that more money is not enough. As educators began to realize that the needs of the whole family had to be addressed, he adds, they asked themselves these questions: Why should services to parents be as fragmented as they are? Why not one-stop shopping? And why not through schools?

It sounds remarkably simple. It is remarkably difficult.

In order to provide what the innovators want—comprehensive and cohesive services to at-risk children and their families—the school and social service bureaucracies must overcome years of differing traditions. People who have never worked together must form teams. Schools must open their doors to outsiders, and social service agencies must relinquish control of some activities. Then, in order to make it all work on a large-scale basis, there must be fundamental institutional changes in the way programs are funded, in the way professionals are trained and in the way outcomes of education and social service programs are measured.

Across the country, there are many experiments in collaboration going on. They vary greatly. Some are limited to one school, some involve entire school systems, one is statewide. Some are targeted to at-risk students; others are open to all kids. But all are aimed at trying to identify the barriers to working together to help these children and their families, and then breaking those barriers down.

The Chatham County-Savannah Youth Futures Authority, where Karrie Kay works, is one of the more ambitious projects. Over a five-year period, it will get $10.5 million in state and local funding, about $10 million in local in-kind contributions and a $10 million match from the Annie E. Casey Foundation of Greenwich, Connecticut. With those funds, the authority is trying to create a model for rescuing at-risk children. Brenda Nelson the social worker who runs its casework component, says the emphasis on families is what makes it different. "Some people who write these programs are still under the assumption that we can treat the kid without dealing with the family. Some of us would like to do that," she admits, but "none of us can take these kids from their families and parent them."

Savannah's effort, one of five now supported by the Casey Foundation's New Futures Initiative, began in 1988. It serves 350 middle-school students identified as being at high risk of dropping out and was designed with the hope of intervening before they make that decision.

Each school participating in the project gives the "Casey kids" lots of extra help. They are in smaller classes, they go to remedial basic skills labs with individualized learning plans and they have adult mentors. Specialized support teams, including education, health and mental health professionals, are placed in each school to supplement the work of the school staff.

The heart of the program, though, is a small cadre of caseworkers like Karrie Kay who move between the school and the families. Nelson calls them "the eyes and ears of the collaborative." They find out what services the children and their families are already getting and whether they are helping. She uses the example of a girl named Tasha who is on welfare, is pregnant, has a juvenile record and has more than a half dozen different caseworkers. "The kid has all those people providing services, and everybody's doing their own thing and Tasha's not getting better. We need to have one person who says, 'Now look, let's talk about a plan of action for Tasha.'"

All of this extra attention for kids would not be possible, of course, without the Casey Foundation's $10 million. But people in the Savannah metropolitan area (population 235,000), are hopeful—because that money was matched by $2.5 million each from the city, the county, the state and the local school board, and another $500,000 from the United Way—that by the time the project ends in 1992 its success will encourage the contributors to continue their investment. They expect each agency to take over a small piece of the program; the health department could start paying for the school nurse, for example.

New Jersey officials are taking a different approach. They are operating on the assumption that all teenagers are "at risk." Ed Tetelman, an assistant commissioner of the state Department of Human Services who runs the state's School-Based Youth Services Program, says that while teen pregnancy, venereal disease, substance abuse and suicide may be worse in poor communities, they are the problems of all teen-agers.

The program was the brainchild of Drew Altman, former New Jersey human services commissioner, who had seen the success of school-based health clinics funded by the Robert Wood Johnson Foundation and wanted to see if the idea would work in an expanded form. Tetelman says putting the programs in or near schools was an obvious choice: "When Willie Sutton was asked, 'Why do you rob banks?' he said, 'That's where the money is.' It's the same for us. Schools are where the majority of the kids are."

The idea was enthusiastically supported by New Jersey's former governor, Republican Thomas H. Kean, and the state set aside $6 million in unrestricted funds for the program (out of the human services department's overall operating budget of $5.1 billion). The idea was to foster collaboration between schools and social service agencies in the most comfortable way possible: by letting local communities design their own programs. There are now 29 located in or near high schools and junior highs.

The goal is to help all the state's young people graduate from high school healthy, stable and job ready. Tetelman says New Jersey officials felt strongly that the program should not be restricted to certain categories of students. "We wanted to create a program that would be so comprehensive in nature that it wouldn't label kids who used it. . . . We serve kids with lots of problems and the best kids in the school—the athletes and the cheerleaders—as well." He adds that another goal was to avoid creating a new bureaucracy. "We didn't want the people who run these programs to spend their time figuring out who was eligible. We want them to spend their time helping kids."

Each center employs the "one-stop shopping" concept and is required by the state to offer health, employment, mental health, drug abuse and family counseling. Each center also has the option of offering such services as teen parenting education, day care, transportation, recreation, hotlines and family planning services. "We made a very, very conscious political decision not to distribute contraceptives or to pay for abortion services," says Tetelman, "although we do permit options counseling" for pregnant teens.

The results have been gratifying. In its first year and a half, the program has served more than 10,000 teen-agers, delivering over 35,000 services, mostly in the mental health, family counseling, health and employment services areas. There are many stories about kids who needed an adult to turn to and found help through the program. Tetelman tells of a high school basketball star in Atlantic City who came from a poor family in the public housing projects and rode his bike to school every day while his friends—who were dealing drugs—drove expensive sports cars. Peer pressure to sell drugs had pushed him to the verge of suicide, says Tetelman. The young man turned to the local school-based program, where he found the support he needed to resist his peers; he finished high school and went on to college.

Tetelman says an important discovery is that parents need as much help coping with their kids as the schools do. Over and over, he says, parents will say: "I was out there drowning and I didn't know how to deal with my kid at all. This program . . . has saved our relationship and developed a system by which we can communicate." The program has been so well received, in fact, that the new governor, Democrat Jim Florio, has kept its $6 million funding in his budget, with an extra $500,000 to start a pilot project at the elementary school level.

A rural county in Michigan developed a small but highly effective program sparked by one idea. Steve Murphy, who runs the county's human services department read one day that teachers in the early grades could predict with considerable accuracy which children were likely to fail and drop out of school later. With $15,000 each from the social services and community mental

health departments and $109,000 from the Kellogg Foundation, Hillsdale County started an early intervention program for such children.

Dan Gunter, who runs the program, says it is aimed at kindergarten through third grade, with the idea of reaching children who "are only a little bit off the track." A survey of county elementary school teachers indicated there are four categories of problems: aggressive behavior, such as pushing and disobedience; children suffering from a life crisis, such as a divorce or a death; children who are "untended," a category that denotes a lack of adequate parental supervision; and children who are withdrawn, a problem that often results in their being ignored while teachers respond to more demanding children.

When teachers identify pupils with these problems, they notify principals, who contact families with the message: We'd like to help you help your child. If the family agrees, a caseworker visits both the family and the child in the classroom, then helps the teacher, pupil and family write a contract covering what each will do to remedy the problem. Gunter cites the case of a withdrawn first-grade girl who would not read aloud, a handicap that was bound to limit her success in school. The caseworker proposed a "desensitization process." First the child and her mother came to the caseworker's office and the child read into a tape recorder. Gradually, she built her confidence by reading in front of more people, first with her mother prompting her, then the teacher. In just eight weeks, she was able to read before the class.

The key, says Gunter, is "short-term involvement face-to-face with the family and face-to-face with the teacher." Each school that agrees to put up $5,000 for a portion of the salary of a social worker gets one. Gunter says the teachers are "enthusiastic and thrilled" to have the social workers in the schools. "They have coffee in the teachers' lounges and are invited to the baby showers." Gunter says 80 or 90 percent of the families are receptive to the program: "Most people really want to help their kids."

In Savannah and other places, some of the obstacles to change are already apparent. Otis Johnson, who directs the Youth Futures Authority there, points out that collaboration may be the right idea, but it's never easy. "Everybody has their own ideas of how things ought to be done. They have different policy mandates, different philosophical stances on issues, and all of that has to be developed into some kind of community vision."

Beyond that, there are simply practical problems. Schools, says Savannah social worker Brenda Nelson, were closed systems for a long time, and it was not easy for caseworkers to tread on teachers' turf and interrupt school routines by calling kids out of classes for counseling. There were also confidentiality problems. The caseworkers—who were hired to be advocates for children and thus couldn't work for the school principal—were not legally permitted access to certain kinds of school records until a parental waiver system was devised. "You can't just introduce these people into the schools," says Gary Natriello, who teaches sociology of education at Columbia University's Teachers College. "People have underestimated the amount of planning it takes."

Tony Cippolone of the Casey Foundation says this is precisely why Savannah is being encouraged to find solutions to these initial problems, and he says many were solved just by bringing people together. "People who have never sat down at the same table are sitting down together. But now we have to get past that euphoria. Getting institutions to collaborate isn't the hard part. Getting them to become better is the hard part."

And that will take a basic change in the way schools think about their role. Lisbeth B. Schorr, who wrote a book called *Within Our Reach*, about programs that have succeeded in rescuing kids, says that if the schools are dramatically changed 25 years from now, "it will not have happened because some very smart people got together and said, 'Okay, this is what the schools should look like, and this is what the settlement houses should look like, and this is what health services should look like.'" Rather, it will be because the "common elements" of the successful programs have been replicated.

These common elements include a comprehensive approach to serving children and their families; a clear focus on the special needs of these children; and flexibility on the part of the professionals running the programs. In other words, as Schorr puts it, "nobody says, 'This is not my job.'" To get from here to there, says Schorr, the biggest challenge is to make the system more hospitable to those attributes.

Initially, that means loosening up on restrictions in funding. Schorr points out that in some places, there are as many as "17 sources of money from family preservation programs, which means that if you want to run one, you have to be a Mother Teresa, a Machiavelli and a CPA." New Jersey's experience is an example of the value of providing a certain amount of unrestricted funds: If money set aside for recreation isn't being used, a program director can easily move those funds to a health-care component.

Next, there must be some major changes in the way the jobs of teachers and social service professionals are defined and how they are trained. Schorr suggests that to serve a population with so many problems, they must broaden their definitions of "professionalism." She cites a social worker who was told by an exasperated client: "I don't need another social worker. I need somebody to help me clean up this kitchen." The social worker pitched in and was able to establish a rapport that helped her assist that client with her more serious problems. While many people would view that kind of behavior as unprofessional, says Schorr, professionals need to be comfortable with doing untraditional things.

Finally, there must be changes in the way outcomes are measured. Successful programs are often characterized by the fact that they do not respond to every client in the same way. That's fine until a public agency has to tell a legislative commmittee that a social worker helped get day care for one family, counseling for a second and a washing machine for a third. "It's much easier to tell them that their money is buying 200 hours of psychotherapy, and we have psychotherapists with such-and-such training," says Schorr.

Savannah's Johnson adds that the traditional way of evaluating most programs is a short-term measure of how many people they serve. But now policy makers are beginning to look for results: What was the impact on those 1,500 people? "Everybody is beginning to talk about accountability and efficiency and effectiveness. If you can't demonstrate those things, you're in serious trouble," he says.

In Savannah, Johnson says that resistance to collabortion is diminishing as public agencies discover that their success rates are up when they work through the schools. He notes that public health agencies never had direct access to the teen-age population before the Youth Futures Authority put a public health nurse in every school. The nurses' success at reaching and serving teenage clients "makes them look a lot better when they send their reports to Atlanta," he says.

Johnson hopes that this realization—in combination with mounting evidence that early intervention programs such as Head Start save money in the long run—will be enough to change public sentiment and produce a societal commitment to more collaborative efforts.

What does societal commitment mean? It means money. Ask Ed Tetelman to name the biggest obstacle to saving at-risk children in New Jersey and he has a one-word answer: "Dollars." Columbia University's Gary Natriello suggests that this kind of commitment "is less attractive and more expensive than the quick fix." But then, he adds, "we don't have a lot of choices."

People forget, he says, "that disadvantaged kids will be 'disadvantaged' all their lives," requiring a sustained effort to help them—from prenatal care to job placement—until the cycle of disadvantage is broken. Natriello is not optimistic: "People are now mouthing the words, but it's not translating into the kinds of [financial] resources necessary to make the programs work."

Back in the trenches in Savannah, Otis Johnson is more hopeful, not because he believes in the social conscience of the American public but because he believes that people operate in their own self-interest. "Sooner or later, people in this country and this state and this community will realize that doing things the same old way is going to keep us with the same old problems. . . . All of our children must become productive adults. If they don't, we will all pay and pay and pay in terms of welfare and crime and unemployment."

In places like Savannah, all of the institutions that stand to lose if there is no solution—from the schools to the social welfare agencies to the local business community—are at the table. "They have all been brought into the process," says Johnson. "They stand to win if we win; they lose if we lose."

Mrs. KASSEBAUM. Mr. President, in conclusion, I think we were able to come together to address some of these concerns, and it is my hope that through the clearinghouse for family resources and other parts of the new coordination title, we will have a greater opportunity for coordinated services, I also hope that this bill will help us to realize that we can eliminate some of the current duplication and still have exceptionally successful programs for children.

Mr. President, I am very pleased to be a part of this effort.

I think it will provide exceptional support for a focus on Head Start, and the growth and needs of that program as we have come to realize better preparation for younger children as they enter the school system.

I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). Who yields time?

Mrs. KASSEBAUM. I am happy to yield to the Senator from Mississippi.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from Kansas for yielding to me.

I want to commend both managers of this legislation for their work in bringing to the floor of the Senate this important reauthorization of the Head Start Program.

I have visited the centers in Mississippi, a number of them, that provide these services for our children and families who are eligible to participate in this important program. I can say from my experiences in our State that this has been a very worthwhile and important contribution to the early age development of the children of Mississippi.

I am very glad to observe with our teachers and with our students next month the 25th anniversary of this important program. We will be celebrating this occasion in Holly Springs, MS, on October 26. We want to on that occasion remind everybody how important it is to continue to support this important educational and health care nutrition program that has meant so much to so many over this period of time.

I am happy to be among the committee members who have recommended this legislation to the Senate. I hope that it can be supported today and passed.

I might also observe that President Bush has announced early on in addresses to the Congress, in public statements, his support of the Head Start Program. I think it is important to continue to acknowledge the leadership the administration is providing for the continuation of this program.

PARENTS AS TEACHERS PROGRAM

Mr. HEFLIN. Mr. President, as you know, the Human Services Reauthorization Act of 1990 establishes a family resource and support program. This program, through grants to States, will provide core services intended to strengthen families. I am very pleased that my colleagues on the Labor and Human Resources Committee recognized in their report the Parents as Teachers Program as a provider of these services.

The Parents as Teachers [PAT] Program provides support and information to parents through regular group meetings and home visits. Additional services generally include an outreach program and always include screening, referral, and followup services. The Parents as Teachers Program is clearly an able provider of the core services described in the Human Services Reauthorization Act of 1990, and I thank my distinguished colleagues on the Labor and Human Resources Committee for recognizing this fact.

I am convinced that this program can equal the success of the Head Start Program, and it is my hope that it will exceed it. Tax dollars committed to this program will bear much fruit, and I strongly suspect that they will save taxpayers money in the long run.

Again, I wish to thank my distinguished colleagues on the Senate Committee on Labor and Human Resources for including funds to provide the much needed core services, and for recognizing the Parents as Teachers Program. Thank you, Mr. President.

Mr. BOND. Mr. President, I would like to congratulate the great effort my distinguished colleague from Connecticut has made in the family resources and support section of the human services reauthorization bill.

I believe that this, along with the reauthorization of Head Start, is one of the best sections of the bill, as it is preventative in nature rather than reactive, and it builds upon some important concepts I have advocated throughout my career—namely, that parents are their children's first and most important teachers, and that success in parenting is crucial to virtually every outcome in our society.

Mr. President, I would like to take a moment to talk about a very successful program which fits right in with what the Senator from Connecticut is trying to do, which may in fact have been part of the inspiration for this section. My home State of Missouri knows the importance of beginning at the beginning. The foundations of later learning are laid in the first 3 years of a child's life, by his parents. It certainly makes sense to equip parents with the skills they need to help maximize their child's health and development. And that is exactly what the Missouri Parents as Teachers Program does.

The curriculum is designed to strengthen the foundations of later learning—language and intellectual development, curiosity, and social skills—as well as to provide health screening for preschool children to detect potential impairments early.

To achieve these goals, parents as teachers provides personalized home visits by trained parent educators, group meetings with other new parents, and formal screening of vision and hearing.

The strength of parents as teachers is that it is community—and family-based. The administration takes place at the State and local level which enables it to retain the local support and flexibility that has made it a success in the first place. The program is open to all children. It has worked in urban, rural, and suburban areas in Missouri; it has worked well for families in all income brackets.

Parents as Teachers is a proven success. An independent evaluation showed that children participating in Parents as Teachers were significantly more advanced in language development than other 3 year-olds, had made greater strides in problem solving and other intellectual skills, and had demonstrated competencies that are predictive of and essential to late school achievement. In addition, parents as teachers may well prevent child abuse by teaching parents how to discipline without being abusive.

Perhaps the greatest strength of the PAT Program itself is that it is a terrific preventive program which can positively affect almost every measurable social outcome, including: school readiness, parent/school partnerships, child health, teen pregnancy, and child abuse.

The word is spreading: Alabama, Kansas, Texas, Connecticut, Rhode Island, New Jersey, and many other States have begun programs modeled after the successful Missouri program. There is widespread bipartisan support for Parents as Teachers here in the Senate, and we are also working hard to bring it to the attention of our colleagues in the House.

Mr. DODD. I am aware of and supportive of the Senator's efforts to bring this program to national attention through his legislation and continued advocacy for the program. I am pleased that we have an opportunity to make parents as teachers available in, potentially, many communities.

Mr. BOND. It is my understanding that existing Parents as Teachers Programs as well as future programs would be eligible for funding under this section. Would the Senator confirm that?

Mr. DODD. As we have stated in the committee report, we are familiar with the great success of the Parents as Teachers Programs operating in several States, including Connecticut. Dr. Ed Zigler, from Yale University and a nationally recognized expert on these issues, is very supportive of this approach. I expect that these programs can provide the services to young families that we envision in this section. Existing Parents as Teachers Programs may contract with the community-based provider for the parenting skills services or offer services on their own. We also anticipate that Parents as Teachers Programs in some areas will evolve to a point where they can provide all of the services required under this section.

Mr. BOND. I believe that this type of program is exactly what the Senator from Connecticut had in mind in drafting the family resource and support section of this bill, and, I com-

mend him for his authorship of this section.

Mr. President, it is my hope that the Parents as Teachers Program in Missouri will be a model for all programs eventually funded under this section. It make sense to help young families lay a strong foundation for their children rather than to attempt to intervene later when chances for success are greatly reduced.

I thank the Chair and yield the floor.

Mr. DODD. Mr. President, let me thank the Senator from Mississippi for his comments and also for his work on behalf of this legislation. He and Senator KASSEBAUM very appropriately point out the particular success of Head Start over these last 25 years. I recommend to each and every one of our colleagues, if they have not done so—I know many have, but when the October break comes, those that may not be involved in the rough-and-tumble of day-to-day throes of reelection or election campaigns—to take time to visit a Head Start center in their State. I think they would leave with the same impression that the Senator from Mississippi had had and the Senator from Kansas, I know I have had, I know my colleague who is presently presiding in the Chamber has had as well.

It just, regardless of where you go in the country, is a moving experience to see kids who are getting an opportunity that they will not otherwise have. We note today statistically that the one benefit of 25 years' experience is now we can look back and can see in literally making comparison between children who had the opportunity in the same neighborhoods and those who did not what happened to those children who were in the Head Start Program and those who were not.

So the effort here to make this program reach 100 percent of those who should be covered is going to be a dollar well invested. If in fact the last 25 years has taught us anything, we really should be able to make a significant contribution to the problems that Head Start programs have been able to help us avoid, the kind of problems that we encounter in the juvenile justice system with teenage pregnancies, a variety of other issues that just confound or defy a solution.

We have seen the success of Head Start by making this program reach additional children. I would predict today that we are going to make a significant inroad against those problems in dealing with those issues that just have been overwhelming in terms of their magnitude and how they have confounded legislators and professionals in the field.

So I thank them profoundly for their help and support. More importantly, I know millions of families today across this country thank our colleagues. We do not always do things around here that we can be sure we are doing the right thing. Today we are. We are realy doing something that is going to make a difference for millions of kids in this country and their families at a time of growing difficulties, deepening problems.

I am proud to be a member of that committee, and to serve with people who have made such a commitment to these issues.

AMENDMENT NO. 2670

Mr. DODD. Mr. President, I send to the desk a committee substitute and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the substitute.

The assistant legislative clerk read as follows:

The Senator from Connecticut [Mr. DODD], for himself, Mr. PELL, Mr. METZENBAUM, Mr. SIMON, Mr. HARKIN, Mr. ADAMS, Ms. MIKULSKI, Mr. BINGAMAN, Mr. HATCH, Mrs. KASSEBAUM, Mr. JEFFORDS, Mr. COATS, Mr. THURMOND, Mr. DURENBERGER, and Mr. COCHRAN proposes an amendment numbered 2760.

Mr. DODD. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The text of the amendment is printed in today's RECORD under "Amendments Submitted.")

Mr. DODD. Mr. President, I ask unanimous consent that the names of the Labor Committee members, Senator PELL, Senator METZENBAUM, Senator DODD, Senator SIMON, Senator HARKIN, Senator ADAMS, Senator MIKULSKI, Senator BINGAMAN, Senator HATCH, Senator KASSEBAUM, Senator JEFFORDS, Senator COATS, Senator THURMOND, Senator DURENBERGER, and Senator COCHRAN be listed as cosponsors of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mrs. KASSEBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

AMENDMENT NO. 2671 TO AMENDMENT NO. 2670

(Purpose: To establish a Health and Social Services for Students demonstration program, and for other purposes)

Mrs. KASSEBAUM. Mr. President, I send an amendment to the desk on behalf of Senator WILSON and Senator KENNEDY and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Kansas [Mrs. KASSEBAUM], for Mr. WILSON, (for himself, and Mr. KENNEDY), proposes an amendment numbered 2671 to amendment No. 2670.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 141 between lines 20 and 21, insert the following:

TITLE X—HEALTH AND SOCIAL SERVICES FOR STUDENTS

SEC. 1001. HEALTH AND SOCIAL SERVICES FOR STUDENTS.

Chapter 8 of subtitle A of title IV of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) is amended—

(1) by redesignating subchapters C, D, and E, as subchapters D, E, and F, respectively; and

(2) by inserting after subchapter B the following new subchapter:

"Subchapter C—Health and Social Services for Students

"SEC. 658A. SHORT TITLE.

"This title may be cited as the 'Health and Social Services for Students Act of 1990'.

"SEC. 658B. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Health and Human Services, is authorized to award planning and opening grants to local educational agencies to pay the Federal share of the costs of planning and operating programs which provide supportive health, mental health, and social services to eligible students and their families at the school site of such eligible students.

"(b) SPECIAL RULE.—The Secretary shall award grants under this title to local educational agencies in both urban and rural areas.

"SEC. 658C. TERM OF GRANTS.

"(a) PLANNING GRANTS.—Planning grants awarded under this title shall be awarded for a period of not more than 1 year.

"(b) OPERATING GRANTS.—Operating grants awarded under this title shall be awarded for a period of not more than 2 years.

"SEC. 658D. PAYMENTS; FEDERAL SHARE; NON-FEDERAL SHARE.

"(a) PAYMENTS.—The Secretary shall pay to each local educational agency having an application approved pursuant to section 658H the Federal share of the cost of the activities described in the application.

"(b) FEDERAL SHARE.—(1) The Federal share of planning grants under this title shall be 100 percent.

"(2) The Federal share of operating grants under this title shall be 80 percent.

"(c) NON-FEDERAL SHARE.—The non-Federal share of payments under this title may be in cash or in kind fairly evaluated.

"SEC. 658E. ELIGIBILITY.

"A local educational agency shall be eligible for a grant under this title if such agency—

"(1) only will provide services at a school that receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(2) will give priority for services assisted under this title to eligible students from low-income families;

"(3) will assist families in responding to supportive services needs of eligible students; and

"(4) has established or designated a local advisory council described in 658F.

"SEC. 658F. LOCAL ADVISORY COUNCIL.

"(a) ESTABLISHMENT.—Each local educational agency desiring a grant under this title shall establish or designate a local advisory council.

"(b) COMPOSITION.—One-third of the members of each council described in sub-

section (a) shall be parents of eligible students. Such council may also include representatives of—

"(1) locally elected officials of general purpose units of government;

"(2) State and local coordinating bodies for children's services;

"(3) public health agencies;

"(4) mental health agencies;

"(5) private business;

"(6) labor organizations;

"(7) school board members, teachers, principals, and students;

"(8) child protection and welfare agencies;

"(9) substance abuse treatment agencies;

"(10) ethnic and cultural organizations;

"(11) juvenile justice agencies;

"(12) Head Start agencies and other community-based organizations with experience in child development;

"(13) public housing officials;

"(14) child care resource and referral organizations; and

"(15) youth-serving recreational organizations.

"(c) DUTIES.—Each local advisory council establish pursuant to subsection (a) shall—

"(1) participate in the development of the program during the planning phase;

"(2) advise the local educational agency regarding the operation of the program;

"(3) facilitate communication between the local educational agency and State, local, and community-based organizations providing supportive services to children;

"(4) make recommendations to appropriate organizations regarding ways to improve delivery of supportive services for children, including ways in which to make such service provision more cost-effective; and

"(5) participate in evaluation of the program.

"SEC. 658G. ELIGIBLE SUPPORTIVE SERVICES.

"Eligible supportive services shall include—

"(1) health care, including—

"(A) immunizations;

"(B) vision and hearing testing and services;

"(C) dental services;

"(D) family planning;

"(E) physical examinations, diagnostic and referral services; and

"(F) prenatal care;

"(2) Mental health services;

"(3) substance abuse prevention and treatment services;

"(4) family support and parenting education, including child abuse prevention;

"(5) child care and early childhood development programs;

"(6) counseling; including family counseling and suicide prevention;

"(7) services and counseling for children who experience violence in their communities;

"(8) adult education and literacy services; and

"(9) nutrition services.

"SEC. 658H. APPLICATIONS.

"(a) IN GENERAL.—Each local educational agency desiring a grant under this title shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(b) PLANNING GRANTS.—Each planning grant application submitted pursuant to subsection (a) shall include—

"(1) a description of the proposed program, including three or more supportive services expected to be provided at the school site;

"(2) documentation of need for the program;

"(3) documentation of need for planning assistance;

"(4) a list of members of the local advisory council described in section 658F;

"(5) a statement of program goals; and

"(6) a description of proposed use of planning funds.

"(c) OPERATING GRANTS.—Each operating grant application submitted pursuant to subsection (a) shall include—

"(A) a description of the proposed program, including three or more supportive services expected to be provided at the school site;

"(B) documentation of need for the program;

"(C) a list of one or more cooperating agencies and any private partner;

"(D) a list of members of the local advisory council described in section 658F and assurances that such local advisory council has participated in the development of the program;

"(E) a statement of program goals;

"(F) a proposed program budget and a description of proposed use of funds;

"(G) a plan for family involvement in the program;

"(H) a description of the population to be served; and

"(I) a plan describing how the program will be sustained after the grant has expired.

"SEC. 658I. BONUS PAYMENTS.

"(a) IN GENERAL.—The Secretary shall provide a bonus payment to each local educational agency and cooperating agency for each eligible supportive service described in section 658G that is newly established at a school site.

"(b) AMOUNT.—The amount of the bonus payment described in subsection (a) shall be determined on a uniform scale established by the Secretary that takes into account the number of students enrolled by the local educational agency.

"SEC. 658J. USE OF FUNDS.

"(a) PERMITTED USE OF FUNDS.—Operating grants awarded pursuant to section 658B may be used for salaries of staff responsible for coordinating the supportive services program and administrative support staff, equipment and supplies, training, and insurance.

"(b) PROHIBITED USE OF FUNDS.—Salaries of staff and other costs associated with providing supportive services shall not be paid with assistance provided under this title.

"SEC. 658K. REPORTS AND EVALUATIONS.

"(a) REPORT TO THE SECRETARY.—Not later than March 30, 1993, each local educational agency that receives an operating grant under this title shall submit a report to the Secretary that shall include—

"(1) an evaluation of the effectiveness of such program in achieving stated goals;

"(2) problems encountered in the design and operation of such program including identification of any Federal, State, or local regulations that impeded program implementation;

"(3) recommendations for ways to improve delivery of supportive services to eligible students;

"(4) the number of eligible students who received services who had not previously been served;

"(5) the impact of such program on the local educational agency, including increased school retention and achievement of eligible students;

"(6) an accounting of local budget savings, if any, resulting from the program or actions taken by the local advisory council; and

"(7) any other information the Secretary deems appropriate.

"(b) EVALUATION.—Not later than March 30, 1993, the Secretary shall, through grants, contracts, or cooperative agreements with independent organizations, provide for an evaluation of the programs funded under this section.

"(c) REPORT TO CONGRESS.—Not later than September 30, 1993, the Secretary shall submit a report to Congress summarizing the reports submitted under subsection (a) and describing the results of the evaluation described in subsection (b).

"SEC. 658L. DEFINITIONS.

"For the purposes of this title—

"(1) the term 'cooperating agency' means any Federal, State, or local public or private nonprofit agency providing supportive services that agrees to offer such service at a school site through a program assisted under this title;

"(2) the term 'eligible student' means a student who attends a school that receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(3) the term 'local educational agency' has the same meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

"(4) the term 'private partner' means a private business or foundation that provides financial assistance or otherwise assists a supportive services program assisted under this title;

"(5) the term 'Secretary' means the Secretary of Education; and

"(6) the term 'supportive service' means a service that will enhance the physical, social, emotional, and intellectual development of children and their families.

"SEC. 658M. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $20,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994 to carry out the provisions of this title.".

On page 141, line 21, strike "X" and insert "XI".

On page 141, line 22, strike "1001" and insert "1101".

● Mr. WILSON. Mr. President, I join Senator KENNEDY and Senator DODD in offering the Health and Social Services for Students Act to the Head Start reauthorization legislation.

By way of background, I originally had offered a very similar amendment to S. 695, the Excellence in Education Act. In a close vote, 51 to 49, the amendment was tabled.

The only true objection raised against my amendment at the time of its first consideration was that it had not had the benefit of committee hearings. Though this body often disposes of measures without the benefit of committee hearings, I introduced my amendment as a freestanding bill to allow the committee the opportunity to consider my proposal.

In the absence of committee action on my bill, I had intended to offer my legislation as an amendment to the vocational education reauthorization

bill. However, I refrained from doing so after obtaining an agreement with the distinguished chairman of the Labor and Human Resources Committee to jointly offer an amendment to the Head Start reauthorization legislation instead.

I am happy to report to my colleagues that due to the assistance and cooperation of the distinguished floor manager for the majority, Senator DODD, who has been one of this body's leading advocates for children, and the distinguished Senator from Massachusetts, [Senator KENNEDY] we have reached consensus and are about to take a very important step toward creating the optimum child development environment for some of our Nation's most vulnerable children.

Mr. President, we traditionally have been a Nation who has looked to the family and to the home for the kind of guidance that prepares children for life, for productive adulthood, and for their responsibilities as children.

But while we continue in that tradition, changing demographic trends have dramatically affected the American family as we knew it just two decades ago.

Research shows us that twenty percent of our children will spend a portion of their life in a broken home. Many will never hear their grandmothers read them a story. Many will never come home to an adult who provides them support and shares in each of their small successes.

What happens to the children who have nobody to turn to?

Consider the grim statistics.

As many as 50 percent of our urban youth drop out of school before graduation day. Teenage suicide and pregnancy rates have soared. High percentages of our youth will have experimented with alcohol and drugs before reaching age 18.

On the average, student achievement scores have risen little—American students currently score near the bottom on international academic achievement tests.

They literally are falling through the cracks.

That is not fair to our kids nor to society. We cannot afford to waste their talent and energy. If we do not assist our children in becoming productive adults, we face the high risk that their energy will be misdirected into lives of association with crime, drug gangs, or other undesirable activities.

If we are going to succeed in reversing these alarming trends in this age of broken families, of alcohol abuse, drug abuse and child abuse in the home, of neglect and worse by parents who are poor role models, we must provide the support and motivation our children so desperately need and if not from their families, it will need to come from sources outside the home.

Our Nation's schools are increasingly cast involuntarily into the role of being in loco parentis. Yet this unwanted role is of extreme importance in getting vulnerable children the help they so critically need to become confident, caring adults possessed of both social and job skills.

While I believe our families must retain the primary responsibility for childrearing, in the absence of a family structure, our schools represent our next best hope in filling the gaps. Over half a child's waking hours are spent at school.

In essence, the schools can serve as the focal point to provide the kind of assistance our children require to become the best educated and prepared to provide America with the kind of leadership she will need to solve the many challenges which the 21st century will present.

The Health and Social Services for Students Act will assist school districts in bringing the vast resources of the community to bear upon the problems afflicting those children who do not have a supportive home environment.

Specifically, the amendment would authorize $20 million to assist parents, school officials, community leaders, and service providers in developing and administering programs to create the optimum child development environment on school campuses nationwide.

Mr. President, we cannot ignore changing demographics. Instead we must make every effort to ensure that each American child is a healthy child, both in mind and body, motivated to learn, and whose successes are recognized and celebrated to build self-esteem and confidence.

I urge my colleagues to join us in the adoption of this important amendment.●

Mr. KENNEDY. Mr. President, students may do poorly in school—or drop out altogether—for many reasons. They may have disruptive home-lives or abusive parents. They may have undiagnosed illnesses, poor vision or hearing, or be malnourished. They may be drug abusers or have parents who are drug abusers. They may spend hours unsupervised after school, or have responsibility for children of their own.

Educators recognize the need to address the noneducational needs of students in order to improve the odds for their educational success. Often, resources are already available in the community to provide needed supportive services, such as health care, substance abuse treatment or child care. But due to lack of knowledge, transportation or motivation, students and their families may fail to take advantage of these existing resources. Recent reports by such diverse groups as the National Association of State Boards of Education, the American Medical Association, the Quality Education for Minorities Project, the Committee for Economic Development, the Carnegie Council of Adolescent Development, and the National Governors Association have called for increased collaboration between schools and community agencies providing health and social services to children and youth. Through such collaboration, schools can draw upon existing resources to meet the noneducational needs of at-risk elementary and secondary students.

This amendment, the Health and Social Services for Students Act, focuses on one model for coordinated service delivery. The program will provide incentives for local educational agencies to arrange for public and private nonprofit agencies to provide supportive services at the school. Expected results include increased use of available services, improved cooperation among community agencies serving children and youth, more efficient provision of services, and, importantly, improved school performance and retention. This program is based on "one-stop shopping" models in place across the Nation, including Cities-in-Schools, the Comer Process, New Jersey's School-Based Youth Services Program, Bronx Regional High School, Dr. Edward Zigler's "Schools of the 21st Century," the New York State Education Department's "Schools as Community Sites" project, New York City's "Corridor Schools Program," and the Texas "Communities in Schools."

A local educational agency seeking to participate in this innovative program may apply for a planning grant from the Federal Department of Education or finance the planning stage through another means. During the planning stage, the LEA will assemble a local advisory council consisting of appropriate representatives of local government, agencies providing supportive services to children and families, school-affiliated individuals, and other appropriate organizations. One-third of the council will be parents of children enrolled by the LEA. Through this committee, the LEA will study the noneducational needs of its students, identify existing organizations in the community that can meet these needs, and make arrangements with cooperating agencies to provide supportive services to students and their families at the school site.

Once the planning stage is complete, the LEA may apply for an operational grant to implement the program. The grant will pay for 80 percent of the cost of employing a program coordinator or coordinators and administrative staff, equipment and supplies, insurance, training, and minor renovation. The grant will not pay for the actual provision of supportive services—these

costs will be borne by the cooperating agency or financed by a private donor. The LEA will be required to donate space to the cooperating agency to enable the onsite provision of the service. The LEA and the cooperating agency, however, will receive a cash bonus for each new supportive service that is provided at the school site.

For example, an LEA may determine that many of its students need substance abuse treatment. A community-based agency may offer treatment to students at another location. The LEA and community-based agency may agree to provide the treatment at the school. Both organizations would receive incentive funds as a result. Or, an LEA might arrange with the local child care agency to locate an infant care center at a high school and to give priority for slots to children of high school students and dropouts who will reenroll. The child care agency saves on rental costs and receives a cash bonus that may be used to improve staff salaries or for any other purposes. The LEA also receives a cash bonus and improves the chances that its students who are teenage mothers will stay in school. It is not difficult to think of other examples—a literacy program offered to parents and students together in a classroom after school; a public health doctor or mental health professional with an office onsite; a prenatal health clinic located at the school for students and their mothers—many arrangements are possible.

The local advisory council would continue to oversee the operation of the program once it is implemented. This will have the added advantage of a continuous mechanism for communication among entities in the community that have an interest in the well-being of children. It is possible that organizations represented on the council might find ways to share resources or coordinate service delivery outside the school setting as well as within the school walls. Because one-third of the members of the council will be parents of children served by the LEA, parents will have a strong voice in designing and implementing the program.

In order to be eligible to receive a grant, an LEA must meet three criteria: services must be provided in a Chapter 1 school; it must give priority to providing supportive services to low-income students, although all students may be eligible to receive services at the LEA's discretion; and it must ensure the maximum involvement of families in the provision of the services. Grants will be made in both urban and rural areas.

The legislation includes a strong evaluation component at the local and Federal levels. If the program is a success, it should be replicated in other locations throughout the Nation. For the initial demonstration program, $20 million is authorized in fiscal year 1991 and such sums as may be necessary for fiscal years 1992 and 1993.

We have worked very closely with Senator WILSON to develop this proposal and I am pleased to cosponsor this amendment with him. I urge my colleagues to vote in favor of the amendment.

The PRESIDING OFFICER. Is there debate on the amendment? If not, the question is on agreeing to the amendment of the Senator from California.

The amendment (No. 2671) was agreed to.

Mr. ADAMS. Mr. President, I want to commend Senator DODD and his staff for the excellent bill we have before us. Reauthorization of the human service programs such as Head Start, Community Services Block Grant [CSBG], Low-Income Home Energy Assistance Program [LIHEAP] and Follow Through is of critical importance. These programs provide help to those in our communities who need essential services. The bill also includes a new initiative to help communities better serve children and their families. The bill authorizes $30 million for community-based family resource and support programs to help strengthen families and $20 million for States to coordinate service delivery of social, mental health, health care, and educational services to children, youth, and their families.

This bill is truly a people bill. Head Start, CSBG, LIHEAP, and Follow Through, offer a wide array of services to children, teenagers, single parents, families, and the elderly that improve the chances for a better life for many. The Senate bill expands many services that we know work, that save money and lives. I am particularly pleased to see the increase in the authorization for Head Start. By 1995, all eligible 3- and 4-year-olds and those 5-year-olds not yet in kindergarten will have the opportunity to participate.

This bill also addreses the very serious and deplorable problem of low-teacher salaries and benefits in the Head Start Program. Low teacher salary and compensation threaten the future quality of services. Forty-seven percent of Head Start teachers make less than $10,000 per year. Understandably, the staff turnover that this creates has a negative impact on Head Start participants. H.R. 4151 establishes a 10-percent set-aside for fiscal year 1991 and a 25-percent set-aside thereafter, for quality improvement activities, one-half of which must be used to improve salaries and benefits of Head Start staff. I believe this is a key component of the bill before us.

I am also pleased with the changes this reauthorization makes in the LIHEAP Program. The committee has supported a provision that responsibly eliminates States' authority to transfer LIHEAP funds into other block grant programs. The compromise we reached in committee will maintain the States' current authority to transfer 10 percent of its LIHEAP funding for each of the next 3 years. The transfer authority will sunset in 1994.

My home State uses this transfer authority and has come to rely on it for essential services for poor individuals and families provided through the Community Services Block Grant Program. Forty percent of Washington's CSBG budget comes from this transfer authority. We serve more than 210,000 with these resources. Without these funds, up to 25 percent of the agencies providing services would be forced to close their doors. The sunset provision in 1994 allows States and the Federal Government to find other resources to continue serving this population. Otherwise Washington, and the other 27 States affected, would be forced to stop providing services.

In closing, I would like to remind my colleagues that this is a bill that helps people, most of all poor children and their families, the disabled and the elderly. I urge you to support the human services reauthorization bill as it appears before you.

Mr. HARKIN. Mr. President, I rise in strong support of H.R. 4151, the Human Services Reauthorization Act. This bill reauthorizes the Head Start Program, Follow Through, the Head Start Transition Program, Low-Income Home Energy Assistance Program, the Community Services Block Grant Program, and includes the Younger Americans Act, Family Resource and Support Program, Health Care for Children, and a White House Conference on Young Americans.

The Head Start portion of this legislation has three major objectives. The first, and most critical, is to fully fund the Head Start Program to serve all eligible 3, 4 and 30 percent of the 5-year-olds by the year 1994. In addition, this reauthorization provides set-aside funds for training and technical assistance, as well as funds for staff compensation and other quality enhancing activities.

Since 1965, the Head Start Program has helped thousands of families. We know it works because it takes a comprehensive approach to the educational development of children which involves parents and the community.

Because learning begins at birth, parents are the first and most important teachers and the home is the first and most important classroom. The Head Start Program has been so successful because it provides training and support for new parents.

Darlene Wise from Linn Grove, IA, a single mother of eight children, shared with the Subcommittee on Children her experiences as a Head Start parent:

It was the first time that I had felt that I had talents that other people needed. I felt good about working and really feel I became a better parent as I felt better about myself.

Mr. President, the Head Start Program is a significant step in the right direction in the war on poverty, just as much as it was when it was created over 25 years ago. Research has found that individuals participating in high quality early intervention programs, including Head Start, are more likely to graduate from high school, less likely to be detained or arrested for delinquent or criminal activity, more likely to be enrolled in post-secondary education or training, less likely to be on welfare and more likely to be employed.

Federal spending for Head Start must be viewed as an investment that will have significant payoff to the Nation in the years to come. We must continue to focus on helping disadvantaged children get off to a good start in school by increasing funding for Head Start. As chairman of the Labor, Health and Human Services, Education and Related Agencies Appropriations Subcommittee, I am committed to that end.

I would also like to speak on the reauthorization of the Low Income Home Energy Assistance Program, otherwise known as LIHEAP. This program provides modest, but meaningful assistance to millions of American households, including those of older Americans and individuals with disabilities. In my own State, LIHEAP assisted in excess of 236,000 low-income Iowans with their heating bills last year.

Unfortunately, for the past several years, LIHEAP has fallen victim of the Federal budget ax. Four years ago, LIHEAP served 6.8 million families. Last year, it served 5.9 million families, with only 65 percent of the funding it enjoyed in 1986.

In general, LIHEAP progams begin October 1 in order to be able to pay benefits before the cold sets in. However, in those years when the States do not receive their appropriations before the program begins, they often have to wait until November or December to set LIHEAP benefit levels.

According to a report recently released by the General Accounting Office:

(F)ederal delays in providing allocation information, some state officials said, resulted in fewer households being served and programs funds being carried over the following year. For example, in anticipation of fiscal year 1988 LIHEAP funding cuts, Georgia reduced the allocation of funds to its local administering offices. When the state learned that it would receive more federal funds than expected, it was too late to reallocate these funds. As a result, in fiscal year 1988, LIHEAP provided fewer Georgia households with heating assistance and the state spent less funds that it would have, had it known earlier the level of federal funding it was to receive. The additional federal funds the states received were carried over the next fiscal year.

To address this situation, the reauthorization contains a provision, which I authored, to forward fund the LIHEAP Program. Forward funding will allow the States to determine before the program begins who will be eligible and the size of the benefits the States can pay. Forward funding also will help States more efficiently administer this program, by allowing clients to be identified, helped, and put on responsible budget payments in late summer.

Thus, forward funding will permit an orderly program planning and administration system for both more efficient program management and a program which rewards households that budget routinely based on real expectations about assistance.

Mr. President, I want to thank my colleague, Senator DODD, the chairman of the Subcommittee on Children, Family, Drugs and Alcoholism, for his leadership on this legislation. Senator DODD continues to be one of the Senate's most fierce advocates for children and I am honored to serve as a member of his subcommittee. I urge the adoption of the Human Services Reauthorization Act.

Mr. CONRAD. Mr. President, I am pleased to support the Human Services Reauthorization Act of 1990. This legislation reauthorizes several crucial programs including Head Start, Community Services Block Grants, Low-Income Heating Assistance Program, Follow Through, and State Dependent Care Development Grants.

HEAD START

This year Head Start is celebrating its 25th year. Since the program's inception, more than 11 million children have benefited from Head Start's approach of emphasizing family involvement in early childhood development. In this anniversary year, it is estimated that nearly 550,000 kids will participate in Head Start. However, the program serves only 20 percent of the eligible population. In my own State of North Dakota, over 400 children participate in 12 Head Start programs.

Studies have found that Head Start students are less likely to be placed in special education classes or to be retained in grade. In fact, for every $1 invested in high-quality preschool programs such as Head Start the Federal Government saves $6 in lowered costs for special education, grade retention, public assistance, and crime later on. Children enrolled in this program are more likely to be literate, employed, and enrolled in postsecondary education. They are less likely to be school dropouts, teen parents, dependent on welfare, or arrested for criminal or delinquent activity. Head Start is a proven winner, and I am pleased to be a cosponsor of the program's reauthorization.

This reauthorization expands the program to a greater share of the eligible 3- to 5-year-olds. It seeks to increase funding to $2.4 billion in fiscal year 1991 and to $7.66 billion by fiscal year 1994—a level that would enable the program to serve all eligible children.

I had the privilege of visiting one of the Head Start centers in my State this spring. I encountered a very dedicated group of people working with a vivacious group of kids. When you see these teachers and kids working together in such a positive environment, the success of Head Start is easy to understand.

Great things happen in Head Start. However, all too often, much of the gain is lost when the child moves on to the early elementary grades. The transition project focuses on the transition to kindergarten and builds on the principles of direct communication between Head Start programs and elementary programs, support services, parental involvement, and continuity of the education program. In this bill, $20 million is authorized to provide at least one demonstration program in each State.

CSBG

I am particularly pleased that this bill improves the fairness of the Community Services Block Grant [CSBG] formula. The allocation formula has short-changed North Dakota and a number of other small States for many years. The changes in the bill, the result of more than 2 years of work, will ensure that North Dakota receives its fair share of resources under CSBG.

I would like to express my appreciation to the Labor and Human Resources Committee for its willingness to listen to my concerns, and the concerns of many of my colleagues, regarding the equity of CSBG. At the same time, I would hope that the Senate conferees could accept the House provision regarding the level at which the new formula will be activated.

LIHEAP

The Low-Income Home Energy Assistance Program [LIHEAP] is also vital to States like North Dakota. It helps keep poor families, elderly, and other individuals warm during the winter and cool during the summer. I hope that this reauthorization, which seeks some increases in program funding, marks a re-doubling of Federal efforts to assist low-income individuals with their energy needs.

OTHER

This bill also reauthorizes the Follow Through Program, which is designed to improve services to disadvantage, elementary school children. Limited funding in the past has kept Follow Through from reaching more

than a small fraction of the children in need.

Currently the program serves only 12,500 children nationwide in a limited number of demonstration classes. This legislation extends and expands the authorization and attempts to link Follow Through's funding to what is provided for the Chapter 1 Program. It is hoped that with adequate funding Follow Through could provide more effective services to disadvantaged children in kindergarten through grade three.

Latchkey children are a continuing concern. The Census Bureau has estimated that, in 1988, over 2 million latchkey children spent some part of the day alone while their parents worked. The reauthorization of the State Dependent Care Development Grants, included in this bill, would provide funds to States to establish before and after school care as well as maintain resource and referral services.

THE HUMAN SERVICES REAUTHORIZATION ACT OF 1990

Mr. DURENBERGER. Mr. President, I am pleased to lend my support to H.R. 4151, the Human Services Reauthorization Amendments of 1990. This bill includes several important human resources programs, including Head Start, LIHEAP, Community Services Block Grant, State Dependant Care Development Grants, and others.

The largest program within this reauthorization and perhaps the most popular, is the Head Start Program. Head Start has received broad support over the years from Republicans and Democrats, from the Congress and the administration, from business and labor, and from the American people.

Because of the interest in the Head Start Program in my home State, I convened an "ad hoc working group on Head Start." The 30-member working group included several Head Start agency directors, as well as State and local elected officials, and representatives of education organizations, community groups, and major employers.

My Head Start working group issued a report based on their work that outlined a set of 10 principles that should be followed during this reauthorization.

Briefly, Mr. President, those 10 principles were as follows:

First, a substantial funding increase for Head Start is needed and justified.

Second, expansion funds for Head Start should not be used only to increase the number of currently eligible children who are served; qualitative improvements are needed as well.

Third, increased training and certification of personnel is a critical part of the qualitative improvement needed in Head Start, but need to be flexible enough, allow continued recruitment of parents into the program, and ensure continued service to rural areas.

Fourth, until funding is adequate to serve all eligible children, expansion funds should also be partly used to eliminate geographic inequities in access to Head Start services—both between and within States—for those presently eligible.

Fifth, the top priority demographic group for Head Start should continue to be low-income children and their families.

Sixth, until funding is adequate to serve currently eligible 3- to 5-year-olds throughout the country, the primary focus of Head Start on the age range of children should not be broadened to include younger children.

Seventh, the autonomous structure of Head Start should remain unchanged and efforts to establish uniform local sponsorship for early childhood programs through public schools resisted.

Eighth, Head Start should continue to be flexible enough to serve the varying needs and preferences of families through center-based and home-based programs, and through contracts and other cooperative ventures with other early childhood services.

Ninth, both Head Start and Federal and State income support programs should be flexible enough to combine funding sources to provide full-day care for children of parents who work or who are in welfare-related education or training program.

Tenth, funding for Head Start from non-Federal sources should be encouraged.

To the credit of my distinguished colleague from Connecticut, my distinguished colleague from Indiana, and the many others who contributed to the bill before us, the legislation before us today closely tracks these 10 principles.

The Minnesota working group also worked closely with me and the Senator from Connecticut on several improvements to the substitute before us. The first of these dealt with the interface between Head Start, welfare reform and child care, Minnesota was among the first States in the Nation to initiate new work and education requirements for welfare recipients with young children. Its experience makes it clear that Head Start families are facing vastly different demands than were common when Head Start was first established.

This differing time demands place pressure on traditional models for part-time, part-week, party-day, center-based programs, with large amounts of parent involvement. They argue for flexibility to mix child care and Head Start funding, for full-time, full year Head Start programs, for more home-based and outreach programs to involve working parents, for increased attention to transportation, and for stronger liaison with child care providers.

I want to thank my colleague from Connecticut for recognizing this need and adding to the biennial report an analysis of these changing needs and by adding expanded coordination between programs.

The working group strongly supported the emphasis the legislation places on qualitative improvements, especially those which increase the professional stature and compensation of Head Start personnel.

At the same time, the working group placed a high value on the tradition in Head Start of recruiting teachers from among former Head Start parents. And, it recognizes the varying abilities of Head Start agencies to recruit teachers who are previously certified, especially in low-density rural areas.

I want to thank the Senator from Connecticut for delaying full implementation of the certification requirement until 1994 to give Head Start agencies, especially those in rural areas, time to meet these new requirements, and also for language within the committee report to encourage the Department to ensure that Head Start staff in rural areas have access to training opportunities.

Finally, the working group found wide geographic disparities in access to Head Start services within Minnesota and presumes similar disparities exist elsewhere in the country.

The existence of these disparities in percentages of eligible children served was a major factor in the working group's opposition to changes in Head Start income eligibility and in its reluctance to support large scale expansion of Head Start services to younger and older children.

In Hennepin County, for example, which includes the city of Minneapolis, only 14.5 percent of the eligible children were served in 1990. That percentage in Ramsey County, St. Paul, was 17.9.

Outside the Minneapolis-St. Paul metro area, the percentage of eligible children served ranged from a low of 11.3 percent in Clay and Wilkin Counties—Moorhead and Breckenridge areas—to 60.2 percent in Wright County, just west of Minneapolis.

Access to Head Start services has also been an issue within service areas of Head Start agencies. In Hennepin County, for example, local government and school officials and other child advocates have been pressing the Head Start agency to expand home-based or other services in suburban areas which have a growing number of income-eligible children. But, the agency—which, again, has funding adequate to serve only 14.5 percent of the eligible children—has been forced to continue its traditional focus on low-income children in the inner city.

The overall disparity in funding levels—related to numbers of eligible children—stems from the manner in which Head Start funding levels were originally established and the basis for distributing expansion funds in subsequent years.

At the time Head Start was established—or as Head Start agencies were certified—potential grantees submitted requests for funding based on the number of children thought they could serve, and what they thought it would cost.

Over the years, grantees have received increases in funding based on inflation, special funds for health and safety projects and some other special increases. Yet the basic program funding remained tied to original grants, rather than to any current assessment of total or unmet need as indicated by numbers of eligible children in the agency's area who were not being served.

I am pleased that the substitute before us instructs, as part of the biennial report, the Secretary to look at these disparities.

Mr. President, there is strong consensus—both in the Congress and in the administration—about the importance of the Head Start Program. Despite this awareness we have continued to grossly underfund Head Start.

In my home State of Minnesota, for example, this past year, fewer than one eligible child in four is being served through the State's 34 Head Start agencies. Of the estimated 22,411 children ages 3 to 5 who are at or below the Federal poverty level, fewer than 6,000 were served in fiscal year 1990.

This included 5,039 children served by Head Start programs run by CAP agencies, nonprofits, and school districts during the regular school year; 300 children who were served under Head Start programs aimed at migrant children; and just under 600 were provided Head Start services on seven Minnesota Indian Reservations.

I am pleased that the Minnesota Legislature has taken steps on its own to expand Head Start services. In 1988 it began with a modest appropriation of $400,000. Today, it adds $5.5 million to its Federal appropriation.

This represents a substantial financial commitment to early childhood programs—contributing about 27 percent of the cost of funding Head Start in Minnesota.

Finally, I would like to take a moment to thank the chairman of the committee and my colleague from Connecticut for their support in allowing a 3-year phaseout of the LIHEAP transfer program. Many States, including my own, have used this money for a variety of worthwhile and necessary programs. In my own State, this program has provided necessary self-sufficient programs for 100,000 low-income households through the Community Services Block Grant Program. Twenty-seven other States have similar programs that help provide assistance to the poor and the elderly. Because of the differences in State budget processes, it is absolutely necessary that we include a 3-year hold harmless provision for States before we begin to phase out this program. This is the minimum time needed for many States to go back to their State legislatures and plan for alternatives funding at the local level.

Mr. President, a lot of time and effort has gone into this bill to provide a balanced and appropriate approach to many of our Nation's most important human services programs. I urge my colleagues support.

Mr. COATS. Mr. President, I am pleased today to join my distinguished colleagues on the Labor Committee in expressing my strong support for the Human Services package. We have worked very long and hard to be able to present to this body historic and comprehensive bipartisan legislation reauthorizing many very important programs to our youth and families—the Low-Income Home Energy Assistance Program [LIHEAP], the Community Services Block Grant, the State Dependent Care Development Grants, Child Development Associate Scholarship Assistance Grants, Child Development Programs, et cetera. These programs are, for the most part, antipoverty-self-help programs. They don't seek to give people a hand out—rather they give people a hand up. And that's what makes these programs so worthwhile. Recognizing that with State, local, community, and Federal support and encouragement, people can and do indeed break the cycle of poverty. No one program or multitude of programs can do it all. It takes an investment in human potential. But programs such as Head Start have proven their effectiveness. We know that with Head Start under their belt, a child is more likely to complete high school, less likely to become involved in juvenile crime, and more likely to pursue higher education. This is a program that works, and warrants our investment.

Head Start has been an innovator in the field of early childhood development and has been instrumental in developing new and creative ways of working with young children of differing ethnic and cultural backgrounds. Head Start works to strengthen the ability of children to cope with school and the world around them. But more than that, Head Start provides services for the entire family. And I think that's what makes this program so popular—the recognition that children are part of a family unit and that parents are the most important influence on a child's development.

The legislation we are considering today will enable all eligible 3- and 4-year-olds and those 5-year-olds not in kindergarten to be able to participate in Head Start by 1994. This is a very ambitious effort but I think this program has proven its effectiveness in regards to both the children and their families and warrants our full and enthusiastic support. Every eligible child deserves a chance to compete equally—and Head Start can give them that chance.

In addition to reauthorizing existing programs for an additional 3 or 4 years, the committee amendment creates a number of new innovative programs. I am particularly excited about a new program we have created for minority males. Youth crime, gang involvement and drug abuse are growing at alarming rates in our Nation's major cities. At the same time we are witnessing a growing decline in the role of the family, caused in part by absent fathers. A June 17 article appearing in the Indianapolis Star urges us to focus on parental absenteeism rather than social intervention. "Drug use, crime, youth suicide, dropout rates, low test scores, you name it, all rise in a linear fashion with the rate of paternal absenteeism," the author notes. This may be for some an over simplification of the problem and its solution, but I am encouraged that we have included a demonstration program for minority males that includes a variety of approaches and positive interventions.

If I have learned anything from the years I have worked on children's and family issues, it is the importance of coordinated service development and delivery. I think we are beginning to realize that in order to have the most effective mode of service delivery we must get away from fragmented, categorical programs, in favor of a more coordinated approach. In recognition of this, the committee has included a new $54 million program providing for State coordination of children and family services. These funds could be used in part to replicate the very successful Operation Beethoven of Chicago. Services such as prenatal and postnatal care, nutritional lunches, on-site nurse-practitioner services, a family drop-in center, parenting education and drug abuse prevention are among the support services located at Beethoven's Family Support Center. This idea of one-stop shopping is fairly new—but everything we have seen so far indicates it is very helpful to the families receiving support services. And may even aid in the transition from Federal assistance to self sufficiency.

Mr. President, I am very pleased with this package and want to thank my colleagues on the children's subcommittee in particular for their help

and assistance in working to put together this comprehensive package. I urge the full Senate's approval.

Mr. RIEGLE. Mr. President, I am pleased to support the Senate passage of the Human Services Reauthorization Act of 1990 and particularly the reauthorization of the State Dependent Care Development Grants Program, which I first sponsored in 1984. The State Dependent Care Development Grants Program was conceived in order to aid communities in their efforts to provide both before-and-after-school child care to school-age children and assistance to parents and guardians in their search for quality dependent care services.

In addition to the reauthorization of the program through 1994, the act would make a change in the program that would remove the prohibition, in certain circumstances, against using program funds for the ongoing operation of the programs that have been established or improved with State dependent care development grants.

As many as 7 million children are left alone each day before and after school. By 1995, over three quarters of all school-age children will have mothers in the work force. Clearly, before-and-after-school programs address, and will continue to address, a critical need for school-age child care. Children who participate in these programs are protected from potentially serious risks of physical and psychological harm associated with the absence of adult supervision.

Children who are most at risk in self-care arrangements are those whose families are least likely to be able to afford program fees for the care. There is strong evidence that existing before-and-after-school programs are inaccessible to economically disadvantaged children. Programs are rarely developed in areas where families cannot pay program fees to cover ongoing operating costs. In other communities, more affluent families may support a program developed by the State Dependent Care Development Grants Program, but lower income families are shut out because the program fees are beyond their financial means.

By removing the prohibition against the use of funds for operating costs and targeting funds used for program operation to lower income families, participation of our most vulnerable children in before-and-after-school child care programs should increase.

The removal of the same prohibition in the use of funds for resource and referral systems would improve the long-term viability of the valuable services these systems provide. The accessibility of high quality care for children, elderly, and disabled persons is greatly increased by resource and referral systems which provide technical assistance to providers and information about quality dependent care services to parents and guardians. For most families in need of dependent care, a resource and referral service means the difference between guessing at what might be an adequate care arrangement and making an informed choice.

Mr. President, I commend Senator DODD and all the members of the Committee on Labor and Human Resources for their tremendous effort on behalf of the many programs reauthorized under this act. Head Start, the Low-Income Home Energy Assistance Program, the Community Services Block Grant as well as the State Dependent Care Development Grants Program are all critical programs for children and families who are struggling to make ends meet and give them hope for the future. With reauthorization, these programs can continue to be cost-effective ways to assist children and families in need.

Mr. HATCH. Mr. President, I rise to support the Human Services Reauthorization Act of 1990. This bill strengthens important programs that have helped many low-income children and families. The central piece of this legislation is the Head Start Program. On May 18 of this year, Head Start celebrated its 25th anniversary. For 25 years, over 11 million children have benefited from the comprehensive services that this program provides.

Head Start has been a very strong program because it is based on a philosophy that includes the following principles:

First, a commitment to a comprehensive program that meets a variety of children's needs from physical and mental problems to health care and physical development. I have received many letters from Head Start parents in Utah. Although each parent has a different story to tell, there are many similarities. The overwhelming majority have reported the tremendous difference the program has made in the life of their child by increasing their self-confidence, self-discipline, and preparing them to attend school.

Second, parental involvement is a key feature of this program. The family is viewed as the principal influence on the child's development, and Head Start regulations require parental participation at all levels of the program. I received a letter from Joanne Sumbot, a Head Start parent from Utah. She writes about the impact this program has had on her family.

Head Start is the best thing that has happened to this family. Not only has it helped financially but it has improved my relationship with my children. I have learned to be more patient with my children. I have also learned better parenting skills. Through Head Start I am now back in school. I never thought I would have that opportunity and I am very excited about it. Thanks Head Start.

Third, the Head Start Program not only involves the entire family, but also involves the community as well. Local initiative is encouraged by allowing flexibility in developing creative programs as long as the basic goals, objectives, and standards of the program are met. There are also 500,000 citizens from all walks of life who volunteer their time and talents to local Head Start centers.

Head Start continues to make gains in improving children's performance in school, their health, their achievement motivation, self-esteem, and socialization. It has also made a positive impact on the attitudes of parents toward their children. Utah Head Start parents generally view Head Start as a lifeline to a better future for themselves and their children.

This bipartisan legislation to reauthorize Head Start and other programs will allow these important programs to continue as well as make several important changes in the current law—changes which I believe are vital to continued effectiveness of these programs.

President Bush has recommended an increase of $500 million for Head Start. Increased funding levels would be used to expand the program to allow more children to benefit from the services that Head Start offers.

In addition to serving more children, efforts have been made in this legislation to address quality concerns. Increased funding would go to improve salaries, staff training, hiring additional staff, transportation, and facilities improvement. This bill also authorizes an indepth review of each grantee at least every 3 years. This is another important aspect of ensuring program quality. To maximize the benefits from this review, assistance would be offered to grantees through technical assistance, training, and support.

Let me mention one thing about the Community Services Block Grant, another important program that is being reauthorized in this bill, that strengthens community efforts to address poverty. A waiver provision in this authority is particularly important to the State of Utah. I support the continuation of the current waiver language. It allows Utah to have the flexibility in determining who provides the community services block grant services in the community.

This waiver has served the State of Utah well. Without this flexibility, the continuity of services statewide would be compromised. I would hope Utah's successful program can continue without interruption.

I would urge my colleagues to support this bill that calls for the reauthorization of the Human Services Reauthorization Act of 1990. I would also

like to thank Senator COATS, Senator KASSEBAUM, Senator KENNEDY, Senator DODD, and their staffs for their hard work and diligence as they have worked to develop a nonpartisan bill that will strengthen the ability of these programs that assist low-income children and families.

Mr. SANFORD. Mr. President, each year, almost 1 million children from low income families enter schools for the first time. While their more fortunate classmates may face the new challenge with assurance, many children from low-income homes begin school with health problems and a lack of self-confidence. Without the will to move ahead, these children often fall behind in their first years of school and find their troubles compounded in later years.

That is why I am a strong supporter of H.R. 4151, the Head Start reauthorization bill. And that is why I introduced a bill in this Congress calling for full funding of the Head Start and chapter 1 programs.

According to the U.S. Census Bureau, 1 in every 5 children in America—some 12.6 million youngsters under the age of 18—is living in poverty.

Worse yet, the Bureau's survey shows that children have succeeded older Americans as the poorest age group in the Nation. Millions live in one-parent families where there is no father to contribute to their support.

As a result of 8 years of cutbacks and deferred priorities during the Reagan administration, there currently exists in the United States an early education deficit, the scope of which is comparable to a chasm, separating children with academic and financial resources from children who have neither. Breeching this chasm will require a substantial and steadily increasing investment in Head Start.

Since 1980, Federal spending for education has decreased 4.7 percent in real terms, despite a growing population of disadvantaged young people—at whom most Federal education programs are aimed.

What has this meant to children in need, our future work force in the 21st century? It means that while poverty among all children has grown to 22 percent, participation in Head Start, the proven preschool program for disadvantaged children continues to serve only 453,000 youngsters, or less than 20 percent of its eligible population.

While there is no easy answer to the problem of ingrained poverty, study after study has shown that early childhood education programs for disadvantaged children offer the best opportunity for breaking the cycle of poverty.

Study after study has shown that a $1 invested in high-quality preschool programs like Head Start saves $6 in lowered costs for special education, grade retention, public assistance, and crime later on. Children formerly enrolled in these programs are more likely than other poor children to be literate, employed, and enrolled in postsecondary education. They are less likely to be high school dropouts, teen parents, dependent on welfare, or arrested for criminal or delinquent activity.

Study after study has shown that the common characteristics of a dropout-prone student include low socioeconomic status, weak academic skills, low self-esteem, and a fatalistic outlook often observed as early as the third grade.

Clearly, the Federal Government needs to reaffirm its long standing commitment to ensuring the disadvantaged access to quality education programs such as Head Start. Because without equity—there can be no real excellence in education.

Mr. President, it is my hope that the next Head Start reauthorization legislation that this body passes will call for full-funding of the Head Start Program.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on agreeing to the amendment in the nature of a substitute, as amended.

The amendment (No. 2670) as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment of the amendment, as amended, and third reading of the bill.

The amendment, as amended, was ordered to be engrossed, and the bill to be read third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, shall the bill pass?

So the bill (H.R. 4151), as amended, was passed.

Mr. DODD. Mr. President, I move that the Senate insist on its amendment, request a conference with the House, and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Connecticut.

The motion was agreed to, and the Presiding Officer [Mr. LIEBERMAN], appointed Mr. KENNEDY, Mr. DODD, Mr. PELL, Mr. HARKIN, Mr. ADAMS, Ms. MIKULSKI, Mr. BINGAMAN, Mr. METZENBAUM, Mr. SIMON, Mr. COATS, Mr. HATCH, Mrs. KASSEBAUM, Mr. JEFFORDS, Mr. THURMOND, Mr. COCHRAN, and Mr. DURENBERGER conferees on the part of the Senate.

Mr. DODD. Mr. President, I move to reconsider the vote by which the bill as amended, was passed.

Mrs. KASSEBAUM. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DODD. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DODD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. DODD. Mr. President, I ask unanimous consent that there be a period for morning business with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

REVOKING THE U.N. RESOLUTION ON ZIONISM

Mr. MOYNIHAN. Mr. President, it is now almost 15 years since the adoption of U.N. General Assembly Resolution 3379 which found Zionism to be a form of "racism and racial discrimination."

I was the Permanent Ambassador of the United States to the United Nations at that time and I watched with increasing dismay and indignation as this obscene resolution swept through the Third Committee. I warned during the Third Committee debate that:

> What we are witnessing is not merely one of the routine degradations of the United Nations and its ideals. It is, unless we can stand in its way, the most crippling blow yet dealt in the irreversible decline of the concern with human rights as we know it.

When the General Assembly voted on November 10, 1975, the outcome was never in question. On the key Belgian motion to adjourn debate, we lost by a margin of 67 to 55 with 15 abstentions. The General Assembly having spoken in its collective wisdom I rose to announce that:

> The United States of America declares that it does not acknowledge, it will not abide by, it will never acquiesce to this infamous act.

For almost 15 years the United States has made it clear that my words that evening remained our unequivocal national policy. Both Houses of Congress have twice in recent years passed unanimous resolutions committing the United States to work for the immediate revocation of resolution 3379 and last December Vice President QUAYLE publicly declared that such action would increase the "moral authority" of the United Nations and allow it to play a constructive role in the Middle East.

The past few months have given further new hope that this ugly resolution would soon be repudiated.

On March 30 of this year I held a hearing entitled "Revoking the U.N. Zionism Resolution." At that hearing the State Department revealed that:

The Soviets have assured us that the resolution represents a concept that is no longer acceptable according to the new political thinking of the Soviet Union.

On August 10 of this year I received a letter from Judge Jerome Hornblass on behalf of the American Section of the International Association of Jewish Lawyers and Jurists. Judge Hornblass reports that the Soviet Acting Ambassador to the United Nations told a delegation from his organization that the Soviet Union is in favor of repudiating the statement that "Zionism equals racism" as it stands alone.

Commenting on these developments recently I noted that:

What immoral regimes create, moral regimes instantly repudiate. That is what President Havel of Czechoslovakia did when he came to power. He went to Jerusalem and publicly announced that he was reversing his nation's position on this issue. Let the Soviet Union do the same. Then, and only then, will it have the credibility which is essential to play a positive role in the search for peace.

I warned last week in this Chamber that—

without a commitment to international law American foreign policy is without compass or rudder. It swings from one extreme to another based on short-term expedience.

I did not expect, however, that this would apply to the administration's commitment to repeal Resolution 3379. Yet we now read the administration

is postponing plans to seek repeal of a United Nations resolution equating Zionism with racism at this year's General Assembly so as not to imperil Arab support for trade sanctions against Iraq and for America's military buildup in the Persian Gulf.

For 15 years the United States has made it clear that opposition to Resolution 3379 was a central principle of American Middle East policy. The suggestion that our commitment to work for the immediate repudiation of this odious resolution should be tempered by extraneous events—even events as serious as the situation in the Persian Gulf—is unacceptable. To the contrary, as the United Nations begins to function for the first time as the authors of the charter envisioned Resolution 3379 becomes even more an anachronism which must be repealed.

When Resolution 3379 was being considered 15 years ago most Americans were not aware of the implications of this Soviet inspired assault on the legitimacy of the democracy in the Middle East. One American who was aware and cared deeply was a beloved member of this body, former Vice President Hubert Humphrey. His body already badly weakened by the disease that would kill him, Senator Humphrey flew to New York on the night of the General Assembly vote and sat in the Assembly chamber as I later described him, "unannounced, unabashed, outraged, bearing witness."

Few Americans cherished the idea of the United Nations as much as Hubert Humphrey did. Few Americans loved this body or this country—or served either with such distinction—as Hubert Humphrey did. It might be well for the architects of the decision to suspend the efforts to repeal the "Zionism is racism" resolution to ponder what Senator Humphrey later said about Resolution 3379,

The continued efforts to repeal this resolution will tell us a lot about the United Nations and even more about the United States.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,012th day that Terry Anderson has been held captive in Beirut.

Last Monday I noted that the turmoil in the Persian Gulf has resulted in remarkable shifts. Among the extraordinary: Syria and the United States have opened renewed dialogue and are cooperating against Saddam Hussein.

There is much on which we still disagree. There are important issues which divide us. But perhaps we can now agree that the holding of hostages must cease and work together to achieve this goal. Today, the Associated Press relates the agenda of Syrian President Hafez al-Assad's impending meeting with Iranian President Ali Akbar Hashemi-Rafsanjani. According to diplomats in Damascus, the Presidents will discuss "the Gulf crisis, the plight of Western hostages in Lebanon, and Iran's poor relations with Egypt and Saudi Arabia." Remarkable, indeed.

I ask unanimous consent that the above mentioned Associated Press report be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD as follows:

NICOSIA, CYPRUS.—President Hafez Assad of Syria will make his first trip to his ally Iran next week to discuss the Persian Gulf crisis and Western hostages in Lebanon, diplomats said today.

Official announcements in Tehran and Damascus said that Assad will fly to Iran "next week" at the invitation of Iranian President Hashemi Rafsanjani.

Tehran's official Islamic Republic News Agency, monitored in Nicosia, said, "Observers attach special significance to President Assad's visit in the wake of the crisis in the Persian Gulf." It did not elaborate on the topics to be discussed nor mention the length of the visit.

Diplomats in Damascus, speaking on condition of anonymity, said a number of sensitive issues were expected to be on the Assad agenda: the gulf crisis, the plight of Western hostages in Lebanon, and Iran's poor relations with Egypt and Saudi Arabia, with whom Damascus is allied in the confrontation with Iraq.

The visit was expected to boost Assad's drive to project himself as a dependable ally of the West and clean up his country's image after years of isolation because of its implication in terrorism.

The trip follows talks in Damascus last week between Assad and Secretary of State James Baker III. That was the first major face-to-face contact between Damascus and Washington since President Bush was elected in 1988.

On his trip, Baker won a pledge from Assad to commit more troops and armor to a U.S.-led multinational force that assembled in Saudi Arabia after Iraq's Aug. 2 invasion of Kuwait.

About 4,000 Syrian troops already had been sent to the region, and diplomats said Assad promised to send 15,000 more.

Assad's stance on the gulf crisis, motivated largely by personal hatred of Iraq's Saddam Hussein and loyalty toward his Kuwaiti bankrollers, marks the first time that he has sided with the United States in a Middle East conflict.

Baker said while in Damascus that he was concerned about Iranian calls for a jihad, or holy war, against foreign forces in the gulf.

U.S. officials also have been alarmed by reports that Iran was punching holes in the embargo imposed on Iraq by the U.N. Security Council.

Many foodstuffs that had disappeared from the Iraqi market have reappeared in recent days and residents have said the goods are coming from Iran, Iraq's enemy in a 1980–88 war.

Diplomats in Damascus said the talks with Iran may produce a breakthrough on the hostages in Lebanon, although Baker said Assad did not indicate a hostage release was imminent.

Six of the 13 Western captives held in Lebanon are Americans. The others are four Britons, two Western Germans and an Italian.

American journalist Terry Anderson, 42, is the longest-held hostage. Anderson, chief Middle East correspondent for The Associated Press, was kidnapped on March 16, 1985.

Syria is the main power broker in Lebanon with 40,000 of its troops controlling two-thirds of the country.

But it has avoided a showdown with the Shiite extremists, mainly because Iran had been its only ally while the Western world rallied against Damascus.

The Syrian government was implicated in the April 1986 attempt to blow up an Israeli jetliner at London's Heathrow Airport.

The explosion of a Pan Am jumbo jet over Lockerbie, Scotland, in which 290 people were killed in December 1988, was blamed on the radical Popular Front for the Liberation of Palestine-General Command.

The United States urged Damascus to close down PFLP-GC bases in Syria and expel the group's leader, Ahmed Jibril, a former Syrian army captain. But Syria refused on the grounds the evidence implicating Jibril was not solid.

Baker said before he left Damascus that the differences over terrorism and Jibril's presence in Syria remained unresolved.

S. 3041, THE CENTRAL AMERICAN DEMOCRACY AND DEVELOPMENT ACT

Mr. BINGAMAN. Mr. President, the Senate Foreign Relations Committee held its first hearing today on S. 3041, the Central American Democracy and

Development Act. Last Week, I joined 16 of my colleagues in introducing this bill because I believe it takes us closer to something that we lacked throughout the 1980s: clear foreign-policy objectives on matters related to Central America.

It is an unfortunate fact that during the last decade, our Government repeatedly pursued military rather than diplomatic options in dealing with the countries of Central America. The Reagan administration mistakenly imbued the region's long-standing economic problems with shades of the cold war.

Now, as the excuse of the cold war becomes even less of a justification for flawed policy, it should be obvious to all that we need to focus our efforts on long-term rather than short-term interests—and that we cannot continue to neglect the major factor behind so many of Central America's problems: debilitating poverty. Clearly, S. 3041 would take us on a divergent and more constructive path.

This bill recognizes the important link between poverty and instability. It puts us in the position of proactively encouraging solutions to the region's deep-seated problems rather than reacting, in what has so often been a piecemeal fashion, to the instability resulting from those very same problems.

But S. 3041 does not do so in a paternalistic manner. It states clearly, as the Central American leaders have themselves stated, that the ultimate responsibility for solving the region's problems rests with Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica. But it does put the United States squarely behind the leaders' stated and agreed to goals of ultimately protecting human rights; supporting regional cooperation; strengthening democratic institutions; and assisting and promoting sustained economic development in Central America.

These are admirable goals, and they are goals that we should support. In the near-term, we should and must continue to speak out against the continuing disregard for human rights in some areas of the region; the Senate will debate that very matter in the coming weeks, and I hope that we will send a strong and unequivocal message. But our efforts should not stop there.

I encourage my colleagues to support S. 3041 and other efforts to promote long-term stability in Central America. This is only fair to the people of Central America, and it is only fair to the taxpayers of this Nation.

TRIBUTE TO ALTHEA SIMMONS

Mr. GLENN. Mr. President, I rise to sadly note the recent passing of Ms. Althea Simmons, a person well known to the Members of this body. Althea Simmons served with the NAACP for 28 years; it was not a career, it was a period of dedication.

Dedicated to the principle that equality should be a sacred right for all people, Althea Simmons began her service by her devotion to learning. A daughter of Shreeveport, LA, she graduated from Southern University in Baton Rouge, LA and obtained her law degree from Howard University. In the mid-1950's, Miss Simmons brought her dedication, education and training to her post at the NAACP headquarters in New York, where she served as associate director of branch and field services. She found distinction in her service while supervising the national organization of the membership, youth and college activities.

The next pivotal role for Althea Simmons came upon her relocation to the Washington bureau of the NAACP in 1979 where she served as a key legislative liaison for the NAACP during congressional deliberations and passage of landmark civil rights bills. Althea Simmons was always in the forefront of the struggle when civil or human rights were at risk. It is demonstrative of her strength of character and a testimony to her dedication that although she had been hospitalized for 4 months, she kept her eyes on the prize by continuing her active vigil in pushing for the passage of the Civil Rights Act of 1990 (S. 2104), the most recent civil rights legislation, a bill designed to aid the victims of job discrimination.

In this Chamber, we knew her well as an imposing and knowledgeable champion of civil rights legislation.

In this Chamber, we learned of her compassion and commitment to justice and equality for all Americans, irrespective of race, creed, color, gender, age or disability.

In this Chamber, each time we enact legislation designed to draw us closer to the American dream, we honor Althea Simmons.

When all is said and done, Althea T. L. Simmons leaves us with a legacy of dedication and devotion to service that shall forever be remembered.

Mr. President, I ask unanimous consent that a copy of the obituary of Miss Simmons, as taken from the Washington Post of September 15, 1990, be placed in the RECORD.

[From the Washington Post, Sept. 15, 1990]

ALTHEA SIMMONS, NAACP OFFICIAL, DIES

Althea T.L. Simmons, 66, the chief of the NAACP's Washington bureau since 1979 and the organization's chief Washington lobbyist, died of respiratory failure Sept. 13 at Howard University Hospital. She had undergone a hip operation.

Miss Simmons joined the NAACP in the mid-1950s. Before moving here, she was associate director of branch and field services in the organization's headquarters in New York. Her duties there included supervising branches and field staff around the nation, membership activities and the youth and college division.

In Washington, Miss Simmons played a role in shaping policies and legislation in civil rights. She remained active in connection with the civil rights bill recently passed by Congress, although she had been hospitalized for four months.

Much of her most valuable work, however, was keeping track of policymakers in a quiet way. She described this in a speech at an NAACP regional banquet in Northern Virginia in 1979.

"It's not enough to just listen to the politicians at election time," she said. "Start monitoring how they vote. Often they will say something on the floor of the House or Senate just to get into the Congressional Record, but they vote just the opposite."

In 1989, she said it was necessary to keep up pressure on matters of concern to blacks and other minorities "because if you don't, people will think the problem is solved."

And when L. Douglas Wilder was elected in Virginia last year, becoming the first black elected governor, Miss Simmons said, "Black [candidates] have to appeal to both blacks and whites. * * * You have to tread a very tight line. * * * I don't think this means any great healing of tensions between races, but it's a breakthrough."

A resident of Washington, Miss Simmons was born in Shreveport, LA. She graduated from Southern University and received a law degree from Howard University. She also studied marketing at the University of Illinois.

Her many honors included the President's Award of Washburn University, the Howard University Alumni Award for Postgraduate Achievement in Law and Public Service, the Gertrude E. Rush Award of the National Bar Association, the Patricia Roberts Harris Award of Delta Sigma Theta Sorority and the National Trends and Services Award of Links, Inc.

Miss Simmons was a member of Asbury United Methodist Church in Washington, and she served on various committees of the United Methodist Church Board of Pensions. She was a member of the Delta Sigma Theta Sorority.

Survivors include a sister, Earldean V.S. Robbins of San Francisco.

Mr. DODD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LAUTENBERG). Without objection, it is so ordered.

RELIGIOUS ARTICLES FOR OUR TROOPS IN SAUDIA ARABIA

Mr. HELMS. Mr. President, as in morning hour, perhaps I can offer a word of encouragement to many North Carolina citizens who have written to me or otherwise contacted me about their concerns regarding a ban on their sending Bibles and other religious material to our troops in Saudi Arabia. Their perception is, and it has been reinforced by statements attributed to the Pentagon, that Saudi Arabia has objected to sending Bibles

through the mail to our service men and service women in Saudi Arabia.

I do not know the origin of these problems. But it is a matter of great concern to me as well. After all, our troops facing the ultimate danger in what could become a war zone at any time need and deserve spiritual consolation and refreshment. Men sitting in foxholes have a way to getting down to the basic issues of what life is all about.

In any case, the good news that I would offer those who are concerned about what has appeared to be a ban on sending Bibles and other religious material to our troops in Saudi Arabia is that I had a conversation this afternoon with the Saudi Arabian Ambassador to the United States, Prince Bandar. He is a good friend. I pointed out to him that the United States recognized the sensitivity of religious issues in a country that has a different tradition but that nevertheless our troops have religious needs. The United States has no intention of sending religious materials to Saudi citizens, only to our own troops.

Prince Bandar in his response was most gratifying. He stated without any equivocation whatsoever that Saudi Arabia has no objection to the mailing of Bibles or other religious materials to American service men and women. He stated that Saudi Arabia is very happy to have the believers in the true God—I am quoting him almost verbatim—both Christian and Jew, ready to fight side by side with Muslims. He also stated that Saudi Arabia has no objection to the use of religious dress or religious symbols in services for the troops.

Moreover, Mr. President, the Ambassador said that he would contact Secretary of Defense Cheney, or Chairman of the Joint Chiefs of Staff, General Powell, this afternoon to make absolutely certain, make absolutely clear that his country's position is understood by U.S. military officials implementing and facilitating religious services.

Mr. President, I can only surmise that it may be that some overzealous United States officials were anticipating objections from Saudi Arabia that were never made and never intended to be made. Whatever the case, the Ambassador was most unequivocal in stating the policy on this important issue, and I hope that the Pentagon takes note.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. EXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

Mr. EXON. Mr. President, I ask unanimous consent that morning business be closed.

The PRESIDING OFFICER. Without objection, it is so ordered.

OLDER WORKERS BENEFIT PROTECTION ACT

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A bill (S. 1511) to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes.

The Senate continued with the consideration of the bill.

CLOTURE MOTION

Mr. EXON. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the committee substitute, as modified, for S. 1511, a bill to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes.

Howard Metzenbaum, Edward M. Kennedy, Patrick Leahy, Howell Heflin, Paul Simon, Joe Biden, Alan Cranston, Richard Shelby, Joseph Lieberman, David Pryor, Charles S. Robb, Herb Kohl, John D. Rockefeller, Timothy E. Wirth, Christopher J. Dodd, Richard H. Bryan.

MORNING BUSINESS

Mr. EXON. Mr. President, I ask that there now be a brief period for the transaction of morning business with Senators being permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE HOUSE RECEIVED DURING RECESS

Under the authority of the order of January 3, 1989, the Secretary of the Senate, on September 17, 1990, during the recess of the Senate, received a message from the House of Representatives announcing that the House has passed the following joint resolutions, without amendment:

S.J. Res. 313. Joint resolution designating October 3, 1990, as "National Teacher Appreciation Day";

S.J. Res. 331. Joint resolution to designate the week of September 23 through 29, 1990, as "Religious Freedom Week"; and

S.J. Res. 333. Joint resolution to designate the week of September 30, 1990, through October 6, 1990, as "National Job Skills Week."

The message also announced that the House disagrees to the amendment of the Senate to the amendment of the House to the bill (S. 580) to require institutions of higher education receiving Federal financial assistance to provide certain information with respect to the graduation rates of student-athletes at such institutions; it asks a conference with the Senate on this disagreeing votes of the two Houses thereon, and appoints Mr. HAWKINS, Mr. FORD of Michigan, Mr. WILLIAMS, Mr. OWENS of New York, Mr. PERKINS, Mr. GOODLING, Mr. COLEMAN of Missouri, and Mr. HENRY as managers of the conference on the part of the House.

The message further announced that the House has passed the bill (S. 2104) to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes, with an amendment; it insists upon its amendment to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Education, and Labor: Mr. HAWKINS, Mr. MARTINEZ, Mr. WILLIAMS, Mr. WASHINGTON, Mr. FUSTER, Mr. MFUME, Mr. GOODLING, Mr. GUNDERSON, Mr. FAWELL, and Mr. GRANDY.

From the Committee on the Judiciary: Mr. BROOKS, Mr. EDWARDS of California, Mr. KASTENMEIER, Mr. CONYERS, Mrs. SCHROEDER, Mr. CROCKETT, Mr. FISH, Mr. MOORHEAD, Mr. HYDE, and Mr. SENSENBRENNER.

The message also announced that the House disagrees to the amendment of the Senate to the bill (H.R. 2666) to establish a Mildred and Claude Pepper Scholarship Program; it asks a conference with the Senate on the disagreeing votes of the two Houses thereon, and appoints Mr. HAWKINS, Mr. FORD of Michigan, Mr. WILLIAMS, Mr. GOODLING, and Mr. COLEMAN of Missouri as managers of the conference on the part of the House.

MESSAGES FROM THE HOUSE

At 3:22 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the bill (S. 830) to amend Public Law 99-647, establishing the Blackstone River Valley National Heritage Corridor Commission, to authorize the Commission to take immediate action in furtherance of its purposes and to increase the authorization of appropriations for the Commission; with an

amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bills and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 1576. An act to modify the boundary of the Cranberry Wilderness, located in the Monongahela National Forest, West Virginia;

H.R. 4107. An act to authorize the Secretary of the Interior to permit certain uses of lands within the Colonial National Historical Park in the Commonwealth of Virginia;

H.R. 4660. An act to authorize the establishment of a memorial at Custer Battlefield National Monument to honor the Indians who fought in the Battle of the Little Bighorn, and for other purposes;

H.R. 4687. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System;

H.R. 4878. An act to establish the Lake Meridith National Recreation Area in the State of Texas, and for other purposes;

H.R. 4962. An act to authorize the minting of commemorative coins to support the training of American athletes participating in the 1992 Olympic Games;

H.R. 5610. An act to amend the Federal Deposit Insurance Act to remove the caps imposed on deposit insurance premiums and annual premium increases, to allow the assessment rates to be adjusted more frequently than annually, and for other purposes;

H.R. 5611. An act to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances;

H.J. Res. 431. Joint resolution to establish that it is the policy of the United States to encourage and support conservation efforts initiated by Brazil to protect the Amazon forest, and that the United States should redouble its efforts to reduce its pollution of the global environment; and

H.J. Res. 603. Joint resolution to designate the month of October 1990 as "Country Music Month."

The message further announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 248. A concurrent resolution expressing the sense of the Congress with respect to the linkage between the environment and national security.

ENROLLED BILLS AND JOINT RESOLUTIONS SIGNED

The message also announced that the Speaker has signed the following enrolled bills and joint resolutions:

S. 963. An act to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and for other purposes;

H.R. 1101. An act to extend the authorization of appropriations for the Water Resources Research Act of 1984 through the end of fiscal year 1994;

H.R. 2174. An act to provide for the establishment of the Mississippi River Corridor Study Commission, and for other purposes;

H.R. 3265. An act to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes;

H.R. 4501. An act to provide for the acquisition of the William Johnson House and its addition to the Natchez National Historical Park, and for other purposes;

S.J. Res. 331. Joint resolution to designate the week of September 23 through 29, 1990, as "Religious Freedom Week"; and

S.J. Res. 333. Joint resolution to designate the week of September 30, 1990 through October 6, 1990, as "National Job Skills Week."

The enrolled bills and joint resolutions were subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES REFERRED

The following bills and joint resolutions were read the first and second times by unanimous consent, and referred as indicated:

H.R. 4107. An act to authorize the Secretary of the Interior to permit certain uses of lands within the Colonial National Historical park in the Commonwealth of Virginia; to the Committee on Energy and Natural Resources.

H.R. 4687. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources.

H.R. 4878. An act to establish the Lake Meridith National Recreation Area in the State of Texas, and for other purposes; to the Committee on Energy and Natural Resources.

H.R. 5611. An act to amend title 39, United States Code, to allow free mailing privileges to be extended to members of the Armed Forces while engaged in temporary military operations under arduous circumstances; to the Committee on Government Affairs.

H.J. Res. 431. Joint resolution to establish that it is the policy of the United States to encourage and support conservation efforts initiated by Brazil to protect the Amazon forest, and that the United States should redouble its efforts to reduce its pollution of the global environment; to the Committee on Foreign Relations.

H.J. Res. 603. Joint resolution to designate the month of October 1990 as "Country Music Month"; to the Committee on the Judiciary.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 248. A concurrent resolution expressing the sense of the Congress with respect to the linkage between the environment and national security; to the Committee on Foreign Relations.

MEASURES PLACED ON THE CALENDAR

The following bill was read the first and second times by unanimous consent, and placed on the calendar:

H.R. 5610. An act to amend the Federal Deposit Insurance Act to remove the caps imposed on deposit insurance premiums and annual premium increases, to allow the assessment rates to be adjusted more frequently than annually, and for other purposes.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without amendment and an amendment to the title:

S. 590. A bill to prohibit injunctive relief, or an award of damages against a judicial officer for action taken in a judicial capacity (Rept. No. 101-465).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SHELBY:

S. 3066. A bill to amend the Internal Revenue Code of 1986 to provide that certain deductions of members of the National Guard or reserve units of the Armed Forces will be allowable in computing adjusted gross income; to the Committee on Finance.

By Mr. COCHRAN:

S. 3067. A bill to amend the Fair Labor Standards Act of 1938 to exempt certain model garment programs from minimum wage and maximum hour requirements, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. SYMMS (for himself, Mr. BURDICK, Mr. METZENBAUM, Mr. BURNS, Mr. SHELBY, Mr. MCCAIN, Mr. REID, Mr. JEFFORDS, Mr. DURENBERGER, Mr. LOTT, Mr. CONRAD, Mr. COHEN, Mr. WARNER, Mr. LIEBERMAN, Mr. HATCH, Mr. HELMS, Mr. GRAHAM, Mr. GRASSLEY, Mr. GARN, Mr. GRAMM, Mr. MCCLURE, Mr. SIMON, Mr. MACK, Mr. THURMOND, and Mr. CHAFEE):

S. 3068. A bill to establish the Office of Take Pride in America, and for other purposes; to the Committee on Environment and Public Works.

By Mr. JEFFORDS (for himself, Mr. WARNER, Mr. LIEBERMAN, Mr. SYMMS, Mr. DOLE, Mr. REID, and Mr. GORTON):

S. 3069. A bill to provide a method of locating private and Government research on environmental issues by geographic location; to the Committee on Environment and Public Works.

By Mr. COATS (for himself, Mr. DURENBERGER, Mr. ARMSTRONG, Mr. MCCAIN, and Mr. LOTT):

S. 3070. A bill to provide for planning grants for innovative demonstration projects and research, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 3071. A bill to amend section 1071 of the Internal Revenue Code of 1986 to extend the nonrecognition of gain to certain sales which effectuate or implement the policies of the Federal Communications Commission; to the Committee on Finance.

By Mr. GRAHAM (for himself, Mr. MCCAIN, and Mr. LEVIN):

S. 3072. A bill to amend the Public Health Service Act to establish State health service corps demonstration projects, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. GLENN:

S.J. Res. 368. Joint resolution to designate August 2, 1991, as "National Parents

Against Drug Abuse Day"; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SHELBY:

S. 3066. A bill to amend the Internal Revenue Code of 1986 to provide that certain deductions of members of the National Guard or reserve units of the Armed Forces will be allowable in computing adjusted gross income; to the Committee on Finance.

DEDUCTION OF CERTAIN EXPENSES OF THE NATIONAL GUARD AND RESERVE

● Mr. SHELBY. Mr. President, under current tax law a member of the National Guard or a member of a Reserve unit of the Armed Forces cannot deduct expenses of travel, meals, and lodging while away from home; or expenses of transportation incurred while performing services as such a member. For individuals who have volunteered to protect our personal and national security, such an outcome is questionable at best. Given the factual scenario in the Middle East and the placing on notice of thousands of National Guardsmen and reservists to come to the aid of their country the denial of a service-related deduction is difficult to comprehend.

In Alabama, Mr. President, there are approximately 24,000 National Guardsmen. We have the largest number of National Guardsmen of any State. A number of these valiant individuals have been placed on active duty and are now in Saudi Arabia. These brave and unselfish Alabamians did not join the National Guard or the Reserve units of the Armed Forces to receive favorable tax deductions. They joined because they believe in America and that for which it stands.

In the larger scheme of world events, the legislation I am introducing today may not seem extraordinarily significant. The bill simply allows the brave men and women who are members of the National Guard or Reserve units of the Armed Forces to deduct transportation expenses and expenses of travel, meals, and lodging while away from home during the performance of services as such a member. But this bill is important. It lets the 24,000 plus men and women in Alabama know, and the thousands of guardsmen and reservists throughout the country know, that the U.S. Senate supports their efforts and endeavors.

The legislation is needed and deserves the careful attention of all Senators. I urge my colleagues to support the bill.●

By Mr. COCHRAN:

S. 3067. A bill to amend the Fair Labor Standards Act of 1938 to exempt certain model garment programs from minimum wage and maximum hour requirements, and for other purposes; to the Committee on Labor and Human Resources.

MODEL GARMENT ACT

● Mr. COCHRAN. Mr. President, last November I introduced S. 1920, a bill to allow retail fabric stores to reinstate their model garment programs under the Fair Labor Standards Act.

As I pointed out at that time, the Department of Labor's definition of "model garments" as "women's apparel," under its rules that prohibit certain types of industrial homework, has effectively eliminated the model garment programs of retail fabric stores.

Prior to the Department's industrial homework rules, employees of retail fabric stores could voluntarily sew model garments at home for display in the stores. After a brief display period, the employee was allowed to keep the garment. Employees considered this practice to be an employee benefit, as the fabric, notions, and patterns used in the construction of these model garments were provided without charge to the employee.

Mr. President, during the past year, I have also attempted to find an administrative remedy to this problem through the Department of Labor's Wage and Hour Division. Given the complexity of the industrial homework regulations and the Department's reluctance to make any changes, even to correct this regulatory mistake, it appears the only solution is to exempt model garment programs by law from the Fair Labor Standards Act. The bill I am introducing today will provide that exemption and restore the benefits of model garment programs to employees of retail fabric stores.

I urge my colleagues in the Senate to support this bill.●

By Mr. SYMMS (for himself, Mr. BURDICK, Mr. METZENBAUM, Mr. BURNS, Mr. SHELBY, Mr. MCCAIN, Mr. REID, Mr. JEFFORDS, Mr. DURENBERGER, Mr. LOTT, Mr. CONRAD, Mr. COHEN, Mr. WARNER, Mr. LIEBERMAN, Mr. HATCH, Mr. HELMS, Mr. GRAHAM, Mr. GRASSLEY, Mr. GARN, Mr. GRAMM, Mr. MCCLURE, Mr. SIMON, Mr. MACK, Mr. THURMOND, and Mr. CHAFEE):

S. 3068. A bill to establish the Office of Take Pride in America, and for other purposes; to the Committee on Environment and Public Works.

TAKE PRIDE IN AMERICA ACT

Mr. SYMMS. Mr. President, what would the world be like if every person took personal responsibility for improving his or her neighborhood, for repairing damage done to our surrounding environment, and for leaving our natural resources in better condition than we found them.

Imagine the power in thousands of individuals becoming actively involved in efforts to clean up trash and prevent pollution. The strength of individual initiative and voluntarism is so great, there is no Government regulation, no prohibition or criminal sanction that could accomplish as much toward protection of our environment.

Wouldn't it be helpful, Mr. President, if we had a national public awareness campaign to encourage just this type of community volunteer involvement. A campaign that encouraged a heightened sense of awareness about the need for wise stewardship of our natural resources, and protection of the environment around us.

And then, suppose we added on top of that a coordinated effort to organize and promote grassroots activities, sponsored by local businesses and nonprofit organizations, and carried out by dedicated individuals who really care about leaving our natural resources in good condition for future generations.

And then, to top it off, consider the value of having a means to honor and recognize those activities that really stand out, that truly demonstrate personal commitment and sacrifice on the part of those who volunteered their time, energy, and efforts. Those representing "excellence in environmental action" could be highlighted as examples for other communities, and could be singled out and awarded gratitude for their efforts.

Mr. President, the activities and ideas I have just described already exist in the form of the national "Take Pride in America" campaign. Take Pride is now in its fifth year as an extremely successful public awareness, community action, and national awards and recognition program to foster a greater sense of stewardship for our land, water, and natural resources.

This morning, 89 different individuals and organizations were honored as 1989 winners of the Take Pride in America Awards, marking some of the Nation's greatest examples of people who cared. These are individuals whose desire and inner emotion for a better environment caused them to do more than just complain about surrounding pollution, graffiti, vandalism, and other problems. These people were motivated to get up out of their chairs and actually do something about their beliefs.

Mr. President, it is well known that I do not place a lot of trust in the ability of government to solve all of our problems. But there can be no denying that the kind of motivated individuals whom we honored this morning hold out great hope. They are the backbone of this Nation—the ones who really will determine what kind of world we leave to our children.

Voluntarism and community action of this type is not just a passing fancy

of the current administration. It is a critical portion of the response to our demand for a cleaner and healthier environment. That is why dozens of my colleagues and I have joined forces to introduce today a bill to ensure that Take Pride in America receives its due recognition by Congress, and is authorized to continue throughout this, and into future generations.

Mr. President, I ask that the complete text of the Take Pride in America Act be printed in the RECORD, and would encourage and invite those of my colleagues who have not yet cosponsored this initiative to do so.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3068

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Take Pride in America Act".

SEC. 2. ESTABLISHMENT OF TAKE PRIDE IN AMERICA OFFICE.

(a) IN GENERAL.—There is hereby established the Take Pride in America Office within the Department of the Interior (hereinafter referred to as the "TPIA Office").

(b) PURPOSES OF OFFICE.—The purposes of the TPIA Office shall include the following:

(1) To establish and maintain a public awareness campaign in cooperation with public and private organizations and individuals—

(A) to instill in the public the importance of the wise use of Federal, State, and local lands, facilities, and natural and cultural resources;

(B) to encourage an attitude of stewardship and responsibility toward these lands, facilities, and resources; and

(C) to promote participation by individuals, organizations, and communities in caring for these lands, facilities, and resources.

(2) To conduct a national awards program to honor those individuals and entities which, in the opinion of the TPIA Office, have distinguished themselves in the activities described in paragraph (1) of this subsection.

SEC. 3. GIFTS, BEQUESTS, AND DEVISES OF PROPERTY.

(a) AUTHORITY.—The TPIA Office may solicit, accept, hold, administer, invest, and use gifts, bequests, and devises of property, both real and personal, to aid or facilitate its purposes.

(b) USE OF PROPERTY.—Any property and the proceeds thereof shall be used as nearly as possible in accordance with the terms of the gift, bequest, or devise of such property.

(c) STATUS OF PROPERTY.—Property donated to and accepted by the TPIA Office pursuant to this section shall not be regarded as appropriated funds and shall not be subject to any requirements or restrictions applicable to appropriated funds.

(d) TREATMENT OF DONATIONS, ETC.—For purposes of Federal law, property accepted pursuant to this section shall be considered as a gift, bequest, or devise to the United States.

SEC. 4. ADMINISTRATIVE SERVICES.

The Secretary of the Interior shall provide such facilities, administrative services, personnel, and support to the TPIA Office as the Secretary determines is appropriate.

SEC. 5. VOLUNTEERS.

(a) AUTHORITY TO USE VOLUNTEERS.—The TPIA Office is authorized to recruit, train, and accept the services of individuals or entities, without compensation, as volunteers for or in aid of the purposes of the TPIA Office, without regard to the provisions of title 5, United States Code, that govern appointments in the competitive service, and the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, that relate to classification and General Schedule pay rates.

(b) INCIDENTAL EXPENSES.—The TPIA Office is authorized to provide for the incidental expenses of volunteers, such as transportation, uniforms, lodging, or subsistence.

(c) VOLUNTEERS' STATUS AS FEDERAL EMPLOYEES.—(1) Except as otherwise provided in this subsection, a volunteer shall not be deemed a Federal employee and shall not be subject to the provisions of law relating to Federal employment, including those provisions relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(2) For purposes of the Federal Tort Claims Act, a volunteer under this subsection shall be considered an employee of the government (as defined in section 2671 of title 28, United States Code).

(3) For purposes of subchapter I of chapter 81 of title 5, United States Code, relating to compensation to Federal employees for work injuries, a volunteer under this subsection shall be considered an employee (as defined in section 8101 of title 5, United States Code).

SEC. 6. AUTHORITY TO EXECUTE CONTRACTS.

The TPIA Office is authorized to enter into contracts or cooperative agreement, to execute instruments, and generally to do any and all lawful acts necessary or appropriate to further its purposes.

SEC. 7. DISTRIBUTION OF NOVELTIES.

The TPIA Office is authorized to distribute pamphlets or other novelties in order to promote its purposes.

SEC. 8. SLOGAN AND LOGO.

The "Take Pride in America" slogan and logo, which are registered by the Department of the Interior, and the goodwill associated with such slogan and logo, are hereby transferred to the TPIA Office.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

(a) DEPARTMENT OF THE INTERIOR.—There are authorized to be appropriated to the Department of the Interior such sums as may be necessary to carry out the purposes of this Act.

(b) OTHER FEDERAL AGENCIES.—There are authorized to be appropriated to other Federal agencies such sums as may be necessary to carry out the provisions of any Take Pride in America programs established by such agencies.

By Mr. JEFFORDS (for himself, Mr. WARNER, Mr. LIEBERMAN, Mr. SYMMS, Mr. DOLE, Mr. REID, and Mr. GORTON):

S. 3069. A bill to provide a method of locating private and Government research on environmental issues by geographic location; to the Committee on Environment and Public Works.

ENVIRONMENTAL RESEARCH GEOGRAPHIC LOCATION INFORMATION ACT

Mr. JEFFORDS. Mr. President, today, it is often easier for the public to learn about environmental conditions in the tropical rain forest than in their own neighborhood. Numerous scientific studies are completed every year across this Nation at taxpayers' expense, yet the results of these studies are often inaccessible to the public. The more Americans can learn about their environment, the better able they will be to make informed decisions about protecting the environment.

The bill I am introducing today with Senators WARNER, LIEBERMAN, SYMMS, DOLE, REID, and GORTON will make it easier for Americans to learn about their local environment. As a result of this bill, two annual indices of environmental research will be published and made available to the public. The first index will list environmental studies published in scientific journals by geographic location so that citizens in Barre, VT, or Spokane, WA, or other areas of the country can easily find information about the quality of their local environment.

An example of this index for 1989 has been prepared by my office and is available in limited quantities to my constituents, my fellow Senators, and environmental organizations. In this index, references to contaminated rivers, streams, lakes, and oceans can be found. Air pollution traveling thousands of miles is noted in this index. Birth defects near factories are identified. As important, areas where the environment has actually gotten cleaner as a result of industrial controls are also included. I urge my fellow Senators to review the over 2,500 citations in the index and see the wealth of information that, by passing this legislation, would be easily available to you and your constituents.

The second index would be an annual listing of Government publications related to the environment. Currently, the National Technical Information Service catalogs and indexes thousands of Government documents each year. This legislation would require Government agencies submitting environmental research to the National Technical Information Service [NTIS] to include location descriptors. NTIS's already has the computer system and support services needed to accomplish this legislation. Using their existing systems, an annual index of Government publications by geographic location could easily be prepared and distributed to Government repository libraries across the country. Thus, this bill does not represent a major effort on the part of NTIS.

Scientists, industry, environmental organizations and Government officials will benefit from this legislation. Scientists can use these indices to correlate their studies with those of their colleagues. For example, a forester may discover that trees in the Adiron-

dack Mountains appear to be stressed. By reviewing these geographical indices, the forester may find that meteorologists and soil scientists have found changes in the atmosphere and soil conditions that could account for the damage to trees.

Industry can use these indices to help select suitable locations for plant sites. Environmental organizations can use the index to identify environmentally sensitive areas, to correlate studies in a given area, and to track environmental changes over time. Government officials, including Congress, can use this information to identify environmental issues of concern in their states and to design effective legislation or policies to protect the environment. Most important, our citizens will have easier access to information about their local environment.

I am pleased to be joined today in this effort by several of my colleagues, and we urge our fellow Senators to support and pass this legislation.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3069

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Environmental Research Geographic Location Information Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) at present, there is no reliable method of locating private or Government research on environmental issues by geographic location; and

(2) a means of identifying environmental research conducted at specific geographic locations is needed for purposes such as detecting trends in environmental quality, assisting the public in learning about the quality and issues of their local environment, and providing a data base for identifying areas of critical environmental concern.

SEC. 3. PURPOSE.

The purpose of this Act is to develop a data base of environmental research articles indexed by geographic location.

SEC. 4 ENVIRONMENTAL PROTECTION AGENCY.

(a) RESEARCH JOURNALS.—Within 6 months following the date of the enactment of this Act, and from time to time thereafter, the Environmental Protection Agency shall identify not less than 35 important environmental research journals, conference proceedings or other reference sources in which scientific research or engineering studies related to air, water, or soil quality or pollution or other environmental issues are routinely published. In carrying out the requirements of this subsection, at least 50 journals or proceedings shall be reviewed.

(b) INDEX.—(1) Within 12 months following the date of the enactment of this Act, and annually thereafter, the Environmental Protection Agency shall review the journals and other materials identified in subsection (a) and compile, maintain and publish an index of the articles contained therein during the preceding calendar year by geographic location. A copy of such index shall be made available to the Service for distribution to the public, and a copy shall be submitted to the Congress not less than 30 days prior to the date on which it is made available to the Service.

(2) Beginning 12 months after the date of the enactment of this Act, the Agency shall identify not less than 20 materials identified in subsection (a) which were published during the time period from 1970 to the year preceding enactment, and shall compile and publish a series of indices of articles contained therein by geographic location. The time frame which each index contains should not exceed 5 years.

(c) PURCHASE OF INFORMATION.—The Environmental Protection Agency is authorized to enter into contracts or other arrangements for the acquisition of data and other information necessary for purposes of this Act.

(d) REVISING LIST.—The Environmental Protection Agency shall review the list of references developed under this section at least biennially and shall revise the list of sources as appropriate.

(e) SPECIFIC LOCATION OF RESEARCH PROJECTS.—Unless exempted by the Administrator of the Environmental Protection Agency, all reports resulting from research projects sponsored by the Environmental Protection Agency and initiated after the expiration of the 36-month period following the date of enactment of this Act shall indicate the specific location to which the research pertains.

SEC. 5. NATIONAL TECHNICAL INFORMATION SERVICE.

(a) KEYWORDS.—Within 12 months following the date of the enactment of this Act, all documents of the Federal Government relating to the environment or environmental quality submitted to the National Technical Information Service (hereinafter referred to as the "Service") shall contain among the abstract keywords, geographic descriptors to identify the location or locations to which the document pertains. The Service shall include such keywords in its computer data base.

(b) NATIONAL SECURITY.—The provisions of subsection (a) shall not apply to documents determined by the President to contain information sensitive to national security.

(c) BIBLIOGRAPHY.—The Service shall prepare and submit to Congress an annual bibliography of publications by geographic location. The Service shall make copies of such bibliography available to the public on request.

SEC. 6. AUTHORIZATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

SEC. 7. EXPIRATION OF ACT.

This Act shall expire 10 years after the date of its enactment.

Mr. LIEBERMAN. Mr. President, I am pleased to be a cosponsor of the Environmental Research Geographic Location Index Act of 1990. I congratulate my colleague Senator JEFFORDS for introducing legislation which seeks to give Americans easier access to scientific research and Government studies related to the environment.

Throughout this country, Americans are increasingly concerned about the quality of the natural environment in which they live. In Connecticut, my constituents frequently ask what they can do to improve this environment and to help preserve the quality of our air, lakes and streams.

Under the provisions of this bill, citizens would be able to review a report prepared by the Environmental Protection Agency which provides a list of articles and research of concern to particular communities. For example, my constituents in Windsor, Connecticut concerned about pesticides would be able to read an article entitled, "Pesticides in soil" which deals specifically with the Windsor area.

This information will assist the public in learning about the quality of their environment and will make scientific research more available to the public.

We have recently seen the powerful effect that providing information to the public can have on reducing pollution. The Superfund Right to Know Law enacted in 1986 gave the public access to information on emissions from industrial facilities. Once the public had this information, it took action to urge companies to adopt emission reduction policies. This law showed us that information is a powerful tool and I am pleased that this bill takes another step forward in our effort to inform the public about the quality of the environment in their community.

By Mr. COATS (for himself, Mr. DURENBERGER, Mr. ARMSTRONG, Mr. MCCAIN, and Mr. LOTT):

S. 3070. A bill to provide for planning grants for innovative demonstration projects and research, and for other purposes; to the Committee on Labor and Human Resources.

PLANNING GRANTS FOR INNOVATIVE DEMONSTRATION PROJECTS AND RESEARCH

● Mr. COATS. Mr. President, across our Nation, schools are taking the initiative in education reform by implementing programs to improve the quality of the education they provide.

In an attempt to assist schools in implementing and expanding innovative education reforms, I am pleased to introduce a bill which would provide grants for innovative demonstration projects which promote parental involvement in education, further business and community involvement in education, to develop or expand open enrollment programs, and advance equity in the methods used by SEA's and LEA's to support systems of public elementary and secondary education.

Priority is given throughout the bill to agencies and consortia that propose projects that have the greatest potential for improving the education of disadvantaged and minority students. The language in this bill is identical to title X of H.R. 5115, the Equity and

Excellence in Education Act, which passed the House in July 1990.

Title X, originally the Bartlett-Eckart amendment, was drawn from the Access to Education Act, S. 2121/H.R. 3697. The Access to Education Act, which I introduced in the Senate in February 1990, was first introduced by an innovative education advocate in the House of Representatives, STEVE BARTLETT.

This bill reflects what I believe the Government response to education reform should be: The Federal Government should set goals and provide support, but not control every decision. We must provide schools with the assistance and support they need to develop innovative education programs, while allowing them the flexibility necessary to improve and adapt such programs.

Innovative education programs are being developed across our Nation to improve the quality of our schools. One example of such an innovative program, one which has captured national attention, is the Milwaukee parental choice plan. This program, introduced in the Wisconsin legislature by State Representative Polly Williams, will allow up to 1,000 economically disadvantaged youngsters to attend private schools. The State will pay $2,500 per student in tuition, the amount the State would give the public school if the child stayed there.

State Representative Williams emphasized the importance of parental choice on the first day of classes in Milwaukee this year, when she said,

I never had any doubts today would come. I knew school would open and our children would be there in spite of our opponents, because there's no greater power than parent power.

While most of the innovative education programs throughout the country have not captured national attention, these programs still echo the same message—parental involvement and choice in education are instrumental in improving the quality of our schools.

Some form of parental choice among public schools exists in 45 States and the District of Columbia; 13 States permit families to select schools outside the district; and 11 States permit secondary students to enroll in postsecondary programs. Eight States—Arkansas, Colorado, Iowa, Minnesota, Nebraska, Ohio, Utah, and Washington—have enacted statewide open enrollment legislation. The trend in education reform is obvious—schools are turning to choice in education.

I urge my colleagues to support me in this effort to provide schools with the support they need to continue to develop, and expand innovative education reform programs. Mr. President, I ask unanimous consent that the full text of this bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3070

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GRANTS TO STATE AND LOCAL EDUCATIONAL AGENCIES.

(a) STATEMENT OF PURPOSE.—The Secretary is authorized to make grants to State educational agencies, local educational agencies, and consortia of such agencies to plan for the development and expansion of policies, programs, and projects that—

(1) increase opportunities of parents, particularly parents of disadvantaged children, parents of minority children, and parents of children who live in rural areas, to select the school or program attended by their children;

(2) advance equity in the methods used by States and local educational agencies to support systems of public elementary and secondary education;

(3) further the involvement of parents in the education of their children, especially parents who are economically disadvantaged; and

(4) further the involvement of businesses and communities in public education.

(b) USES OF FUNDS.—Funds provided pursuant to grants under this section may be used to plan for—

(1) the development of State of local policies and procedures for open enrollment among public schools or programs;

(2) the development of State or local policies and procedures to assist parents, particularly parents of disadvantaged children and parents of minority children, to become more involved in the education of their children;

(3) the development of improved methods for States to advance equity in the systems used by States and local educational agencies to finance public elementary and secondary education; and

(4) the development of improved methods to involve businesses and communities in public education.

(c) APPLICATIONS.—

(1) IN GENERAL.—Any agency or consortium that desires to receive a grant under this section shall submit to the Secretary an application in such form, in such manner, and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

(A) assure that the funds provided under the grant will be used for the purposes described in subsection (b);

(B) describe the need for the grant;

(C) describe the objectives of the project and how those objectives will be fulfilled;

(D) assure that any project assisted with funds under this section will not—

(i) result in segregation in schools within the State based upon race, religion, color, national origin, sex, or handicap, or impede the progress of desegregation among the schools within the State; or

(ii) in the case of a grant to a local educational agency or to a consortium that includes a local educational agency, result in such segregation or impede the progress of desegregation among the schools of the local educational agency;

(E) in the case of a grant to a State educational agency, assure that the State educational agency will provide assistance to the project, in cash or in kind, in an amount at least equal to the amount of funds awarded under the grant; and

(F) assure that outreach and dissemination activities will be conducted with assistance under the grant to inform parents of their rights, choices, and obligations with respect to activities funded under the grant as such activities relate to the education of their children.

(2) OPPORTUNITY FOR COMMENT BY STATE EDUCATIONAL AGENCY.—Each local educational agency or consortia consisting entirely of local educational agencies that submits an application to the Secretary under this subsection shall also provide a copy of such application to the appropriate State educational agency. The State educational agency may review such application and provide comments to the Secretary with respect to such application not later than the expiration of the 30-day period beginning on the date that the application is submitted to the Secretary and to the State educational agency.

(3) APPLICATIONS FOR CONTINUATION OF GRANTS.—An agency or consortium that receives assistance under this section for 1 year may not receive such assistance under this section for any later year unless such agency or consortium includes in its application for continuation of such assistance, in addition to the information and assurances required by paragraph (1), a description of the methods employed by such agency to fulfill the assurance described in paragraph (1)(D).

(d) PRIORITY.—

(1) IN GENERAL.—The Secretary shall give priority for grants under this section other than planning grants for open enrollment systems to agencies and consortia that propose projects that have the greatest potential for improving the education of disadvantaged students and minority students.

(2) OPEN ENROLLMENT GRANTS.—In making planning grants for open enrollment systems under this section, the Secretary shall give equal priority to students described in paragraph (1) and students who live in rural areas.

(e) DURATION OF AWARDS.—Grants under this section may be awarded for a period not to exceed 3 years.

(f) COOPERATION.—Any agency or consortium that receives a grant under this section shall, to the extent practicable, cooperate with research activities carried out under section 2.

(g) DISSEMINATION OF EVALUATION REQUESTS.—Each agency and consortium that receives a grant under this part shall provide a copy of results of evaluations of programs assisted under such grants to the Educational Resources Information Center.

SEC. 2. RESEARCH AND DISSEMINATION.

(a) GENERAL AUTHORITY.—The Secretary, through the Office of Educational Research and Improvement, is authorized to conduct research on open enrollment systems, parental involvement, school finance equalization, and business involvement in public education and to disseminate the results of such research. The Office of Educational Research and Improvement may conduct such research and dissemination directly or through grants, contracts, or cooperative agreements with institutions of higher education, State educational agencies, public or private nonprofit organizations, or individual researchers.

(b) PROGRAM REQUIREMENTS.—Each recipient of funds under this section for purposes of conducting research shall submit a copy

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of its final research results to the Educational Resources Information Center.

(c) FEDERAL DISSEMINATION.—To the extent possible, the Secretary shall provide information to State and local educational agencies regarding opportunities for dissemination of exemplary programs under this part through the National Diffusion Network established under section 1562 of the Elementary and Secondary Education Act of 1965. The Secretary shall coordinate the identification of exemplary projects with the National Diffusion Network.

SEC. 3. DEFINITIONS.

For purposes of this Act:

(1) The term "local educational agency" has the meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965.

(2) The term "open enrollment system" means a system adopted by a State educational agency or local educational agency under which parents may select the school or educational program in which their child will be enrolled.

(3) The term "Secretary" means the Secretary of Education.

(4) The term "State educational agency" has the meaning given such term in section 1471(23) of the Elementary and Secondary Education Act of 1965.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—For purposes of carrying out this Act, there are authorized to be appropriated $40,000,000 for each of the fiscal years 1991, 1992, and 1993.

(b) AMOUNTS FOR RESEARCH AND DISSEMINATION.—From the amounts appropriated under subsection (a) in any fiscal year, the Secretary may reserve not more than $1,000,000 for purposes of carrying out section 2.●

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 3071. A bill to amend section 1071 of the Internal Revenue Code of 1986 to extend the nonrecognition of gain to certain sales which effectuate or implement the policies of the Federal Communications Commission; to the Committee on Finance.

ENCOURAGING INVESTMENT ON COMPETITIVE INTERNATIONAL SATELLITE SYSTEMS

● Mr. DODD. Mr. President, today Senator LIEBERMAN and I are introducing legislation to encourage investment in competitive international satellite systems.

The bill would amend section 1071 of the Internal Revenue Code of 1986 to authorize specifically the deferral of taxable gains from the sale of property used in an activity licensed or regulated by the Federal Communications Commission if, within 12 months after the sale, the taxpayer acquires property that the Commission certifies to be necessary or appropriate to implement a policy of the Commission. Because the bill would only defer, not eliminate, the tax obligation, it would be revenue neutral over a 4-year period.

The effect of this legislation will be to modernize the existing policy underlying section 1071 to promote a competitive market structure in the vital area of communications. Presently, section 1071, which was originally enacted in 1943, essentially authorizes the FCC to grant a tax certificate to defer taxable gains from the sale of property when the sale effects a new or changed FCC policy regarding "radio broadcasting stations." Obviously, the last 47 years since adoption of this provision have seen dramatic and innovative technological advances in the field of communications well beyond radio broadcasting that have completely revolutionized the way the world communicates. These changes have had a profound effect on the world's economy and politics as they have enhanced the free flow of information and ideas among people and nations.

While the application of section 1071 has evolved to a certain extent to reflect the innovations in telecommunications, the problem is that all new interpretations must be stretched from the outdated term "radio broadcasting stations." This legislation would make it clear that section 1071 encompasses new communications technologies beyond radio broadcasting and the expanded interpretation of those terms by the FCC by deleting all references to "radio broadcasting stations" and replacing them with "any activity licensed or regulated by the Commission."

The bill would also apply to the reinvestment of sales proceeds within the scope of the statute. The current statute applies to a "sale or exchange of property," but has been applied in a confusing and inconsistent manner over the years. To clear up any ambiguity, the legislation recognizes that investment in qualifying communications property is an important and useful way to effectuate new or changed policy. This change will make clear that a reinvestment of sales proceeds qualifies for a tax certificate so long as the reinvestment effects a new or changed FCC policy.

Mr. President, the principal purpose of section 1071 is to promote a competitive market structure in communications. Unfortunately, present interpretations of existing law are too restrictive to foster this objective. Thus, for example, a Connecticut company, Pan American Satellite, has been the only company to date to implement the FCC's 1985 policy authorizing competitive international satellite systems. The paucity of entrants into this new market is in large part due to the difficulties in raising capital for such an expensive enterprise, as well as to the inherent difficulties in introducing competition for the first time in an historically monopoly-controlled marketplace. The trade and technological benefits that have already flowed to the United States as a result of its separate satellite policy confirm that this is exactly the sort of procompetitive policy change we should foster. Adoption of this legislation will help achieve this goal.

Mr. President, I ask unanimous consent that the full text of the legislation be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3071

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GAIN FROM SALE OR EXCHANGE TO EFFECTUATE OR IMPLEMENT FEDERAL COMMUNICATIONS COMMISSION POLICIES.

(a) EXTENSION TO CERTAIN SALES.—

(1) IN GENERAL.—The first sentence of section 1071(a) of the Internal Revenue Code of 1986 (relating to nonrecognition of gain or loss) is amended—

(A) by inserting "used in an activity licensed or regulated by the Federal Communications Commission" after "sale or exchange of property",

(B) by inserting "which conducts such activity" in the parenthetical after "corporation",

(C) by inserting "implement a policy of," after "necessary or appropriate to", and

(D) by striking "radio broadcasting stations" and inserting "any activity licensed or regulated by the Commission".

(2) CONFORMING AMENDMENTS.—Section 1071(a) of such Code is amended—

(A) by striking "operating a radio broadcasting station" in the second sentence and inserting "conducting any activity licensed or regulated by the Commission",

(B) by striking "in the same taxable year" and inserting "within 12 months of such sale or exchange" before the end period in the third sentence, and

(C) by striking the last sentence.

(b) ACQUISITION OF PROPERTY; ELECTION; JUDICIAL REVIEW.—Section 1071 of such Code is amended by redesignating subsection (b) as subsection (e) and by inserting after subsection (a) the following new subsections:

"(b) ACQUISITION OF PROPERTY CERTIFIED BY COMMISSION.—If not later than 12 months after the sale or exchange of property used in an activity licensed or regulated by the Commission (including stock in a corporation which conducts such activity)—

"(1) the taxpayer acquires property for use in such an activity, and

(2) such property is certified by the Commission as necessary or appropriate to implement a policy of, effectuate a change in policy of, or the adoption of a new policy by, the Commission with respect to any activity licensed or regulated by the Commission.

gain, if any, from such sale or exchange shall not be recognized, if the taxpayer so elects, to the extent such gain is applied to reduce the basis of the acquired property. The manner and amount of such reduction shall be determined under regulations prescribed by the Secretary.

"(c) ELECTION.—Any election made by the taxpayer under this section shall be made by a statement to that effect in his return for the taxable year in which the sale or exchange takes place, and such election shall be binding for the taxable year and all subsequent taxable years.

"(d) JUDICIAL REVIEW.—A decision by the Commission denying in whole or in part a request for certification under this section

shall be subject to judicial review in the same manner as an order issued by the Commission pursuant to section 402 of the Communications Act of 1934 (47 U.S.C. 402(a))."

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to sales and exchanges—

(A) after September 18, 1990, or

(B) on or after such date, if a request for certification under section 1071(a) of the Internal Revenue Code of 1986 with respect to such sale or exchange was pending and a final order had not been issued by the Federal Communications Commission on such date.

(2) FINAL ORDER.—For purposes of paragraph (1)(B), the term 'final order' means an order or decision issued by the Federal Communications Commission that, because of lapse of time or otherwise, is no longer subject to administrative or judicial review, reconsideration, appeal, or stay.●

By Mr. GRAHAM (for himself, Mr. MCCAIN, and Mr. LEVIN):

S. 3072. A bill to amend the Public Health Service Act to establish State health service corps demonstration projects, and for other purposes; to the Committee on Labor and Human Resources.

STATE HEALTH SERVICE CORPS DEMONSTRATION ACT

● Mr. GRAHAM. Mr. President, today, Senator MCCAIN and I are introducing the State Health Service Corps Demonstration Act. The distinguished Senator from Arizona and I have worked hard to prepare a National Health Service Corps [NHSC] demonstration bill which complements the NHSC reauthorization measure which has passed the Senate and House of Representatives.

I commend the Labor and Human Resources Committee for moving legislation through the Senate to reauthorize and revive the National Health Service Corps [NHSC] Program. This vital program for medically underserved areas was established in 1972 to remedy physician shortages in rural and urban health manpower shortage areas. Were it not for the NHSC Program, many communities would be without basic primary health care.

Since its creation, the NHSC has helped finance the health profession education and training of over 13,000 Americans. These physicians and midlevel health care providers in turn made commitments to deliver services in underserved areas. Florida has benefited from 742 NHSC scholars since the program's inception, receiving a maximum of 200 scholars in 1987.

In 1980, however, funds for scholarships began to be phased out, and, by 1987, the funding for the scholarship portion of the program was zeroed out. Subsequently, the number of NHSC scholars has decreased from 1,436 in 1985 to 241 in 1989. Due to the efforts of the Labor Committee, however, we will actually see a renewed increase in this valuable program. Were this not to have occurred, only 37 scholars would have been available in 1992 to serve in needy manpower shortage areas.

It is my feeling that the State Health Service Corps bill which we are introducing today advances the goals of the NHSC reauthorization measure. The State Health Service Corps bill would amend the Public Health Service Act to address health manpower needs through the recruitment of physician and nonphysician primary care providers from among the poor and disadvantaged living in urban and rural underserved areas.

State health service corps [SHSC] demonstrations will be developed around State and/or federally funded areas health education centers [AHEC's]. AHEC's serve as bridges between medical schools and disadvantaged communities, recruiting and training primary care providers, and providing continuing education to existing providers.

Under the bill, AHEC's will recruit future providers from high schools located in medically underserved areas. They will train a variety of providers at the undergraduate, graduate, medical school, and residency level. Upon completion of residency, physicians will work in areas comparable to those they grew up in and will serve as clinical faculty to the AHEC's.

Physicians will be placed in familiar areas because the NHSC program suffers from a lack of physician retention after the original NHSC commitment is fulfilled. Poor physician retention has been attributed, in part, to the fact that urban recruits placed in rural areas do not tend to stay. The same is true of rural recruits placed in urban settings.

The State Health Service Corps Demonstration Act would increase the supply and retention rate of NHSC personnel by training participants within their home States, and allowing them to complete their service obligations within areas similar to those from which they were recruited.

In summary, by recruiting from health manpower shortage areas, training through State medical and allied health schools and AHEC's, and placing scholars in areas akin to where they grew up, a SHSC could improve long-term physician retention.

It is my hope that this measure will provide access to care in underserved rural areas and will allow States flexibility this bill will enhance the existing NHSC and AHEC Programs by assessing whether State-based recruitment, training, and placement improves the quality, quantity, and retention of rural physicians, nurses, and other allied health providers.

Mr. President, I invite my colleagues to join Senators MCCAIN, LEVIN, and I in cosponsoring this important bill. I ask for unanimous consent that the full text of the bill be printed and included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3072

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "State Health Service Corps Demonstration Act".

SEC. 2. PURPOSE.

It is the purpose of this Act—

(1) to promote recruitment and training of physicians and other primary care providers from among the poor and from disadvantaged populations;

(2) to place physicians from health manpower shortage areas into similar areas in order to encourage retention of physicians in health manpower shortage areas; and

(3) to provide flexibility to States in filling positions in health manpower shortage areas.

SEC. 3. STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS.

(a) IN GENERAL.—The Public Health Service Act is amended by inserting after section 338J (42 U.S.C. 254s) the following new sections:

"SEC. 338K. STATE HEALTH SERVICE CORPS DEMONSTRATION PROJECTS.

"(a) DEFINITIONS.—For purposes of this section:

"(1) AREA HEALTH EDUCATION CENTER.—The term 'area health education center' means—

"(A) a cooperative program of one or more medical schools and one or more nonprofit private or public area health education centers; or

"(B) a regional or statewide network of the cooperative programs described in subparagraph (A).

"(2) HEALTH MANPOWER SHORTAGE AREA.—The term 'health manpower shortage area' has the meaning provided in section 332(a)(1).

"(3) MEDICAL SCHOOL.—The term 'medical school' means a school conferring the degree of Doctor of Medicine or Doctor of Osteopathy.

"(4) NONPHYSICIAN PROVIDER.—The term 'nonphysician provider' means an occupational therapist, physical therapist, nurse, nurse midwife, nurse practitioner, social worker, or optometrist.

"(5) NURSE.—The term 'nurse' means a registered nurse, or an individual with a baccalaureate or master's degree in nursing.

"(6) PHYSICIAN PROVIDER.—The term 'physician provider' means—

"(A) a physician specializing in general practice, family medicine, general internal medicine, pediatrics, obstetrics and gynecology, general surgery, psychiatry, preventive medicine, or physiatry; or

"(B) a dentist.

"(7) PROJECT.—The term 'Project' means a State Health Service Corps Demonstration Project established under subsection (b).

"(8) SERVICE AREA.—The term 'service area' means an area designated in subsection (d)(2)(A).

"(b) GRANTS.—The Secretary shall establish a State Health Service Corps Demonstration Project under which the Secretary shall make grants to up to three States to pay for the Federal share of the costs of conducting Projects for the training and employment of eligible participants as phy-

sician and nonphysician providers serving health manpower shortage areas.

"(c) STATE PARTICIPATION.—

"(1) REQUIREMENTS.—In order for a State to be eligible to receive a grant under this section, the State shall—

"(A) enter into an agreement with an area health education center to administer the Project in accordance with subsection (d);

"(B) provide for evaluation of the Project in accordance with subsection (e);

"(C) establish a State Health Service Corps Scholarship Program in accordance with section 338L; and

"(D) meet such other requirements as the Secretary may establish for the proper and efficient implementation of the Project.

"(2) GRANT AWARDS.—In allocating grants under subsection (b), the Secretary shall give priority to States that have demonstrated a commitment to developing and funding area health education center programs.

"(3) APPLICATION.—To be eligible to receive a grant under this section, the State shall submit an application at such time, in such manner and containing such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section. At a minimum, the application shall contain—

"(A) information specifying the actions the State will take against individuals, and the methods the State will use to recover all funds paid under section 338L(i) to individuals, who breach contracts described in section 338L(g); and

"(B) assurances that the State will reimburse the Secretary for all funds recovered from individuals who breach contracts described in section 338L(g).

"(4) DURATION.—A Project under this section shall be for a maximum duration of 8 years, plus up to 6 months for final evaluation and reporting.

"(d) STATE AGREEMENTS WITH AREA HEALTH EDUCATION CENTERS.—

"(1) IN GENERAL.—To be eligible for a grant under this section, a State shall enter into an agreement with an area health education center for the planning, development, and operation of a program to train and employ eligible participants as physician and nonphysician providers.

"(2) REQUIREMENTS.—Under an agreement entered into under paragraph (1), an area health education center shall agree to—

"(A) designate a health manpower shortage area or areas as the service area for the area health education center;

"(B) provide for or conduct training in health education services in the service area;

"(C) assess the health manpower needs of the service area and assist in the planning and development of training programs to meet the needs;

"(D) provide for or conduct a rotating internship or residency training program in the service area;

"(E) provide opportunities for continuing medical education to physician and nonphysician providers practicing within the service area;

"(F) conduct interdisciplinary training and practice involving physician and nonphysician providers in the service area

"(G) arrange and support educational opportunities for students studying to become physician or nonphysician providers at health facilities, ambulatory care centers, and health agencies throughout the service area;

"(H) provide for the active participation in the Project by individuals who are associated with the administration of the medical school and each of the departments or specialties of physician or nonphysician providers, if offered by the medical school; and

"(I) have an advisory board of which at least 75 percent of the members shall be individuals, including both health service providers and consumers, from the service area.

"(e) EVALUATION.—Not later than March 30, 1992, and March 30 of each year thereafter that the State receives a grant under this section, the State shall, through grants to or contracts with public and private entities, provide for an evaluation of Projects carried out pursuant to this section and a review of the area health education center providing services under the Project. The evaluation shall include an evaluation of the effectiveness of the Projects in increasing the recruitment and retention of physician and nonphysician providers in health manpower shortage areas.

"(f) FEDERAL SHARE.—The Federal share of the costs of any program established under this section shall be 50 percent. The State may include as a part or all of the non-Federal share of grants the value of in-kind contributions made by the State, including tuition remission and other benefits for students participating in the State Health Service Corps Scholarship Program established under section 338L.

"(g) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out subsections (a), (b), (c), (d), and (f), $9,000,000 for each of the 1991 through 1998 fiscal years, to be available without fiscal year limitation.

"(2) COST RECOVERY.—No more than 10 percent of the funds spent under paragraph (1) may be used for purposes of recovering funds or taking other action against individuals who breach the provisions of a contract entered into under section 338L(g).

"(3) EVALUATION.—There are authorized to be appropriated to carry out the evaluation required under subsection (e) $250,000 for each of the 1992 through 1999 fiscal years.

"SEC. 338L. STATE HEALTH SERVICE CORPS SCHOLARSHIP PROGRAMS.

"(a) DEFINITIONS.—For purposes of this section:

"(1) AREA HEALTH EDUCATION CENTER.—The term 'area health education center' means—

"(A) a cooperative program of one or more medical schools and one or more nonprofit private or public area health education centers; or

"(B) a regional or statewide network of the cooperative programs described in subparagraph (A).

"(2) GRADUATE EDUCATION.—The term 'graduate education' means a course of study at a medical school leading to a degree in a field practiced by a physician or nonphysician provider.

"(3) HEALTH MANPOWER SHORTAGE AREA.—The term 'health manpower shortage area' has the meaning provided in section 332(a)(1).

"(4) MEDICAL SCHOOL.—The term 'medical school' means a school conferring the degree of Doctor of Medicine or Doctor of Osteopathy.

"(5) NONPHYSICIAN PROVIDER.—The term 'nonphysician provider' means an occupational therapist, physical therapist, nurse, nurse midwife, nurse practitioner, social worker, or optometrist.

"(6) NURSE.—The term 'nurse' means a registered nurse, or an individual with a baccalaureate or master's degree in nursing.

"(7) PHYSICIAN PROVIDER.—The term 'physician provider' means—

"(A) a physician specializing in family medicine, general internal medicine, pediatrics, obstetrics and gynecology, general surgery, psychiatry, preventive medicine, or physiatry; or

"(B) a dentist.

"(8) PROGRAM.—The term 'Program' means a State Health Service Corps Scholarship Program established under subsection (b).

"(9) SERVICE AREA.—The term 'service area' means an area designated in section 338K(d)(2)(A).

"(10) STATE OFFICIAL.—The term 'State official' means an individual designated by the head of the agency designated in subsection (b)(2) to carry out the Program in the State.

"(11) UNDERGRADUATE EDUCATION.—The term 'undergraduate education' means a course of study at a 4-year college that affords an appropriate basis for professional training or graduate education to become a physician or nonphysician provider.

"(b) ESTABLISHMENT.—

"(1) IN GENERAL.—Each State carrying out a State Health Services Corps Demonstration Project established under section 338K shall establish a State Health Service Corps Scholarship Program, in accordance with this section, to ensure an adequate supply of trained physician or nonphysician providers in health manpower shortage areas in the State.

"(2) STATE AGENCY.—A State participating in the Program shall designate a State agency to administer or be responsible for the administration of the Program within the State.

"(c) ELIGIBILITY.—To be eligible to participate in the Program, an individual must—

"(1) (A) be accepted for enrollment, or be enrolled, as a full-time student in a 4-year college; or

"(B) be accepted to participate in, or be participating in, a professional internship or residency as preparation to become a physician or nonphysician provider;

"(2) reside within a health manpower shortage area;

"(3) submit an application to participate in the Program; and

"(4) sign and submit to the State, at the time of submission of the application, a written contract containing the information specified in subsection (g) to accept payment of a scholarship and, if appropriate, of loans, and to serve in the service area.

"(d) SELECTION.—Individuals described in subsection (c)(1)(B)—

"(1) shall comprise not more than 50 percent of all individuals selected to participate in the Program during fiscal year 1991;

"(2) shall comprise not more than 40 percent of all individuals selected to participate in the Program during fiscal year 1992;

"(3) shall comprise not more than 30 percent of all individuals selected to participate in the Program during fiscal year 1993;

"(4) shall comprise not more than 20 percent of all individuals selected to participate in the Program during fiscal year 1994;

"(5) shall comprise not more than 10 percent of all individuals selected to participate in the Program during fiscal year 1995; and

"(6) shall not be selected to participate in the Program during fiscal years 1996 through 1998.

"(e) INFORMATION ON SERVICE OBLIGATION.—In disseminating application forms and contract forms to individuals desiring to participate in the Program, the State official shall include with the forms—

"(1) a fair summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted)

by the State official, including in the summary a clear explanation of the remedies to which the State is entitled in the case of breach of the contract by the individual; and

"(2) such information as may be necessary for the individual to understand the prospective participation of the individual in the Program and the service obligation of the individual.

"(f) APPLICATION FORMS.—The application form, contract form, and all other information furnished by the Secretary under this section shall be written in a manner calculated to be understood by the average individual applying to participate in the Program. The State official shall make the application forms, contract forms, and other information available to individuals desiring to participate in the Program on a date sufficiently early to ensure that the individuals have adequate time to carefully review and evaluate the forms and information.

"(g) CONTRACT.—The written contract between the State official and an individual shall contain—

"(1) a statement that the State official agrees—

"(A) to provide the individual with a loan for a period of up to 4 years, during which period the individual is pursuing undergraduate education;

"(B) to provide the individual with a scholarship for a period of up to 8 years, during which period the individual is—

"(i) pursuing graduate education; or

"(ii) participating in an internship or residency program as preparation to become a physician or nonphysician provider;

"(C) to accept the individual onto the clinical staff of the medical school; and

"(D) to place the individual into obligated service, taking into account the specialization of the individual and the needs of health manpower shortage areas for service, in—

"(i) a rural health manpower shortage area, if the individual resided in a rural health manpower shortage area at the time of acceptance into the Program; or

"(ii) an urban health manpower shortage area, if the individual resided in an urban health manpower shortage area at the time of acceptance into the Program;

"(2) a statement that the individual agrees—

"(A) to accept provision of the scholarship, and if appropriate, loans, to the individual;

"(B) to maintain enrollment in a program of undergraduate or graduate education or participation in an internship or residency described in paragraph (1)(B)(ii) until the individual completes the program, internship, or residency;

"(C) while enrolled in a program of undergraduate or graduate education, to maintain an acceptable level of academic standing (as determined under regulations of the State by the educational institution offering the course of study); and

"(D) to serve in the service area or on the clinical staff of the medical school for a time period equal to the shorter of—

"(i)(I) 1 year for each year in which the individual received a scholarship under the Program; and

"(II) 1 month for each $1000 in loans that the individual received under the Program; or

"(ii) 6 years;

"(3) a statement of the damages to which the State is entitled for breach of contract by the individual; and

"(4) other statements of the rights and liabilities of the State and of the individual, not inconsistent with this section.

"(h) ACCEPTANCE.—

"(1) APPROVAL.—An individual shall become a participant in the Program only on approval by the State official of the application submitted by the individual under subsection (c)(3) and acceptance of the contract submitted by the individual under subsection (c)(4).

"(2) NOTIFICATION.—The State official shall provide written notice to an individual of participation in the Program promptly on acceptance of the individual into the Program.

"(i) SCHOLARSHIP AND LOANS.—

"(1) PAYMENT.—In providing a loan to an individual under subsection (g)(1)(A) or a scholarship to an individual under subsection (g)(1)(B), the State official shall pay—

"(A) to an individual undertaking a program of undergraduate or graduate education, or on behalf of the individual in accordance with paragraph (2)—

"(i) the amount of the tuition of the individual in the school year;

"(ii) the amount of all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the individual in the school year; and

"(iii) a stipend; and

"(B) to an individual described in subsection (c)(1)(B)—

"(i) the amount of expenses for medical equipment necessary to the practice of a physician or nonphysician provider;

"(ii) the amount of expenses for travel to and from clinical sites; and

"(iii) a stipend.

"(2) PAYMENT TO AN EDUCATIONAL INSTITUTION.—The State official may contract with an educational institution, in which a participant in the Program is enrolled, for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in clauses (i) and (ii) of paragraph (1)(A).

"(j) REPORT.—The State official shall report to the Secretary on January 1 of each year—

"(1) the number, and type of health profession training, of students receiving scholarships under the Program in the preceding year;

"(2) the educational institutions at which the students are receiving their training;

"(3) the number of applications filed under this section in the school year in the preceding year and in prior school years; and

"(4) the amount of tuition paid in the aggregate and at each educational institution for the school year in the preceding year and in prior school years.".●

● Mr. McCAIN. Mr. President, it is with great pleasure that I join my distinguished colleague and friend from Florida, Senator BOB GRAHAM, in introducing the State Health Service Corps Demonstration Act.

Senator GRAHAM and I have been working together for nearly a year now in putting this legislation together. We believe that it may provide one effective model for helping to resolve the health care provider shortage in rural and other underserved areas.

As our colleagues know, the National Health Service Corps serves a very valuable function in the fabric of our Nation's health care delivery system. It is often the only outlet for an underserved area to receive a health care provider. While the program has not been without its problems, I believe its existence is both valuable and necessary.

Unfortunately, over the past several years, this program has been severely underfunded. In fact, some had actively worked for its demise. Fortunately, their efforts were not successful. And, with the recent passage in the Senate of the National Health Service Corps reauthorization bill, the program is well on its way to being back on track.

I applaud the hard work that the members of the Labor and Human Resources Committee have put in to fashion a reauthorization bill that will strengthen the program. And, I believe the bill we are introducing today works hand in hand with the effort to strengthen this important program.

The State Health Service Corps Demonstration Act will permit, on a limited demonstration basis, a handful of States to run their National Health Service Corps Program in conjunction with their Area Health Education Center Program. The latter program is a State-based program, working largely through medical schools, to expose future health professionals to needs in underserved areas by placing them in these underserved areas during their formal training. The AHEC Program has become an effective vehicle for recruiting, training, and placing providers. I am proud to say that Arizona has an AHEC Program that has just gone statewide. I believe this program holds great promise in helping to resolve the provider shortage in underserved areas by exposing future health care professionals to the needs in underserved areas. It, therefore, seems logical to me that the creation of a link between this program and the National Health Service Corps Program—a program which works to place health care professionals in underserved areas—be linked. That is exactly what the bill we are introducing today would do.

I encourage my colleagues to examine this bill, and consider joining us as a cosponsor of this important legislation. In addition, it is my hope that the Senate conferees of the National Health Service Corps reauthorization bill will consider the possibility of including the concepts contained in the State Health Service Corps Demonstration Act into the package that ultimately comes from the conference with the House.●

By Mr. GLENN:

S.J. Res. 368. Joint resolution to designate August 2, 1991, as "National Parents Against Drug Abuse Day"; to the Committee on the Judiciary.

NATIONAL PARENTS AGAINST DRUG ABUSE DAY

● Mr. GLENN. Mr. President, today I am introducing Senate Joint Resolution 368 designating August 2, 1991, as "National Parents Against Drug Abuse Day." The creation of such a day would provide an opportunity to promote public awareness of parental involvement in fighting the drug problem facing our country.

Drug abuse often results in crime, broken homes, corruption, and unhappiness. The rising use of cocaine and crack signals the need to attack the problem by making the public aware of these realities. The death and downfall of prominent figures due to involvement with drugs has brought the struggle against drug abuse much publicity. However, formal action and support are the keys to conquering this insidious enemy.

Educating young people about the dangers of drug abuse is a responsibility shared by all Americans. Guidance in the home is a fundamental part of drug prevention, which must begin with family members, especially parents. During the past 10 years, a number of local and national groups have formed to organize parental efforts aimed at fighting the drug war. Organizations such as the National Federation of Parents for Drug-Free Youth, the Parents' Resource Institute for Drug Education [PRIDE], and the Operation Fatherhood Campaign have effectively raised public consciousness about this problem. In fact, public opinion polls show that substance abuse has become one of the country's top concerns in the last few years.

The responsibilities of parenthood have always been great; however, the threat of drugs has added a new dimension to the problem of protecting one's children. All children from elementary school through high school are potential drug abuse victims. Antidrug organizations provide support for parents, as well as programs and assistance to young people at risk.

As a sign of continuing Federal support, these anti-drug groups would welcome the establishment of a "National Parents Against Drug Abuse Day." This day would focus attention on their efforts as well as the key role parents play in this struggle. It would also provide an opportunity to stress ways all Americans can contribute to a drug-free youth. I urge my colleagues in the Senate to join me in supporting this joint resolution to recognize American parents and their vital participation in helping to combat drug abuse among our young men and women.

Mr. President, I ask unanimous consent that the text of Senate Joint Resolutation 368 be printed at this point in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 368

Whereas the abuse of illicit drugs by teenagers has reached tragic proportions in the United States;

Whereas the use of illicit drugs causes drug dependence and suffering and threatens the future of young people;

Whereas awareness and prevention of drug abuse are key elements in winning the war against drugs in the United States;

Whereas awareness and prevention of drug abuse begin in the home under parental guidance and care;

Whereas public support of programs working toward a drug-free America is essential to the success of the programs: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That—

(1) August 2, 1991, is designated as "National Parents Against Drug Abuse Day"; and

(2) the President is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.●

ADDITIONAL COSPONSORS

S. 370

At the request of Mr. CHAFEE, the name of the Senator from California [Mr. WILSON] was added as a cosponsor of S. 370, a bill to amend the Land and Water Conservation Fund Act and the National Historic Preservation Act, to establish the American Heritage Trust, for purposes of enhancing the protection of the Nation's natural, historical, cultural, and outdoor recreational heritage, and for other purposes.

S. 416

At the request of Mr. DOMENICI, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 416, a bill to provide that all Federal civilian and military retirees shall receive the full cost of living adjustment in annuities payable under Federal retirement systems for fiscal years 1990 and 1991, and for other purposes.

S. 1212

At the request of Mr. SANFORD, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1212, a bill to amend title II of the Social Security Act to provide for a more gradual period of transition—and a new alternative formula with respect to such transition—to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927—and related beneficiaries—and to provide for increases in such workers' benefits accordingly, and for other purposes.

S. 1808

At the request of Mr. BREAUX, the names of the Senator from Idaho [Mr. SYMMS] and the Senator from Colorado [Mr. ARMSTRONG] were added as cosponsors of S. 1808, a bill to amend section 468A of the Internal Revenue Code of 1986 with respect to deductions for decommissioning costs of nuclear powerplants.

S. 1876

At the request of Mr. KOHL, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 1876, a bill to amend the Internal Revenue Code of 1986 to provide a refundable tax credit for the costs of small businesses in providing accessibility for disabled individuals.

S. 1942

At the request of Mr. ROCKEFELLER, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 1942, a bill to provide for home and community care as optional statewide service, and for other purposes.

S. 1981

At the request of Mr. HOLLINGS, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 1981, a bill to permit the Bell Telephone Cos. to conduct research on, design, and manufacture telecommunications equipment and for other purposes.

S. 2256

At the request of Mr. HARKIN, the names of the Senator from Missouri [Mr. BOND], the Senator from Virginia [Mr. ROBB], and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 2256, a bill to amend title XIX of the Public Health Service Act to clarify the provisions of the allotment formula relating to urban and rural areas, and for other purposes.

S. 2384

At the request of Mr. BOREN, the names of the Senator from Connecticut [Mr. LIEBERMAN] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of S. 2384, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 2413

At the request of Mr. KERRY, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 2413, a bill to make eligibility standards for the award of the Purple Heart currently in effect applicable to members of the Armed Forces of the United States who were taken prisoner or taken captive by a hostile foreign government or its agents or a hostile force before April 15, 1962, and for other purposes.

S. 2729

At the request of Mr. CHAFFEE, the name of the Senator from Wisconsin [Mr. KASTEN] was added as a cosponsor of S. 2729, a bill to amend the Coastal Barrier Resources Act, and for other purposes.

S. 2761

At the request of Mr. D'AMATO, the name of the Senator from Pennsylvania [Mr. HEINZ] was added as a cosponsor of S. 2761, a bill to deem certain interests to be reasonably incidental to the operation of a gas utility company for the purpose of the Public Utility Holding Company Act of 1965.

S. 2796

At the request of Mr. COHEN, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of S. 2796, a bill to amend title IV of the Higher Education Act of 1965 to allow resident physicians to defer repayment of their title IV student loans while completing a resident trainng program accredited by the Accreditation Council for Graduate Medical Education or the Accrediting Committee of the American Osteopathic Association.

S. 2986

At the request of Mr. KERRY, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 2986, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for fees for sewer and water services.

S. 2989

At the request of Mr. HEINZ, the names of the Senator from Alabama [Mr. SHELBY], the Senator from Alaska [Mr. STEVENS], and the Senator from Michigan [Mr. LEVIN] were added as cosponsors of S. 2989, a bill to amend title XIX of the Social Security Act to provide for an expansion of Medicaid benefits to low-income pregnant women and children, and to raise the tax on cigarettes to fund such Medicaid expansion.

S. 3021

At the request of Mr. DOLE, the names of the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Mississippi [Mr. COCHRAN], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 3021, a bill to establish national voter registration procedures for Presidential and congressional elections, and for other purposes.

S. 3022

At the request of Mr. BRADLEY, the name of the Senator from Maryland [Mr. Sarbanes] was added as a cosponsor of S. 3022, a bill to provide for the establishment of a children's vaccine initiative, and for other purposes.

S. 3025

At the request of Mr. GLENN, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 3025, a bill to amend titles 10 and 37, United States Code, to make members of the Armed Forces involved in Operation Desert Shield or similar operations eligible for certain benefits and to make members of the Reserve components of the Armed Forces and retired members of the Armed Forces eligible for certain benefits when ordered to active duty in connection with a mobilization, and for other purposes.

S. 3029

At the request of Mr. PRYOR, the names of the Senator from North Dakota [Mr. BURDICK] and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of S. 3029, a bill to amend title XIX of the Social Security Act to provide mechanisms to control Medicaid drug prices, to assure that Medicaid beneficiaries receive quality medical care, and to protect the physician's right to prescribe.

S. 3030

At the request of Mr. HEFLIN, the name of the Senator from Kentucky [Mr. MCCONNELL] was added as a cosponsor of S. 3030, a bill to provide disaster assistance for agricultural producers, and for other purposes.

S. 3045

At the request of Mr. RIEGLE, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 3045, a bill to authorize the Federal Deposit Insurance Corporation to increase deposit insurance premiums as necessary to protect the Bank Insurance Fund.

S. 3063

At the request of Mr. BAUCUS, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 3063, a bill to take additional measures to strengthen economic sanctions against Iraq.

SENATE JOINT RESOLUTION 298

At the request of Mr. THURMOND, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of Senate Joint Resolution 298, a joint resolution to provide for the erection of a memorial in the Arlington National Cemetery to honor United States combat glider pilots of World War II.

SENATE JOINT RESOLUTION 323

At the request of Mr. BRADLEY, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Virginia [Mr. WARNER], the Senator from Indiana [Mr. LUGAR], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Idaho [Mr. SYMMS], the Senator from Mississippi [Mr. LOTT], the Senator from Minnesota [Mr. DURENBERGER], the Senator from New Mexico [Mr. DOMENICI], the Senator from Alaska [Mr. MURKOWSKI], the Senator from South Carolina [Mr. THURMOND], the Senator from South Dakota [Mr. PRESSLER], the Senator from Oregon [Mr. PACKWOOD], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Idaho [Mr. MCCLURE], the Senator from Kansas [Mr. DOLE], the Senator from Utah [Mr. HATCH], the Senator from Mississippi [Mr. COCHRAN], the Senator from California [Mr. WILSON], the Senator from Washington [Mr. GORTON], the Senator from Oregon [Mr. HATFIELD], the Senator from North Dakota [Mr. BURDICK], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Louisiana [Mr. BREAUX], the Senator from North Dakota [Mr. CONRAD], the Senator from Maryland [Mr. SARBANES], the Senator from Rhode Island [Mr. PELL], the Senator from Oklahoma [Mr. BOREN] the Senator from Massachusetts [Mr. KENNEDY], the Senator from Maryland [Ms. MIKULSKI], the Senator from Michigan [Mr. LEVIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Connecticut [Mr. DODD], the Senator from Ohio [Mr. GLENN], the Senator from Tennessee [Mr. GORE], the Senator from Illinois [Mr. DIXON], the Senator from Massachusetts [Mr. KERRY], the Senator from New York [Mr. MOYNIHAN], the Senator from California [Mr. CRANSTON], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from Alabama [Mr. SHELBY], the Senator from Georgia [Mr. FOWLER], the Senator from Illinois [Mr. SIMON], and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of Senate Joint Resolution 323, a joint resolution designating November 11 through 17, 1990, as "Geography Awareness Week."

SENATE JOINT RESOLUTION 329

At the request of Mr. KASTEN, the names of the Senator from Massachusetts [Mr. KERRY] and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of Senate Joint Resolution 329, a joint resolution to designate the week of June 17, 1990 through June 23, 1990 as "National Week to Commemorate the Victims of the Famine in Ukraine, 1932-1933," and to commemorate the Ukrainian famine of 1932-33 and the policies of russification to suppress Ukrainian identity.

SENATE JOINT RESOLUTION 353

At the request of Mr. JOHNSTON, the names of the Senator from Wyoming [Mr. WALLOP], the Senator from Delaware [Mr. BIDEN], the Senator from Maryland [Ms. MIKULSKI], and the Senator from West Virginia [Mr. ROCKEFELLER] were added as cosponsors of Senate Joint Resolution 353, a joint resolution to designate September of 1991 as "National Rice Month."

SENATE JOINT RESOLUTION 363

At the request of Mr. RIEGLE, the names of the Senator from Michigan [Mr. LEVIN], the Senator from North Dakota [Mr. BURDICK], the Senator from Indiana [Mr. COATS], the Senator

from Tennessee [Mr. SASSER], the Senator from Utah [Mr. GARN], the Senator from Alabama [Mr. SHELBY], the Senator from Hawaii [Mr. AKAKA], and the Senator from Missouri [Mr. BOND] were added as cosponsors of Senate Joint Resolution 363, a joint resolution to designate the week of October 2 through October 28, 1990, as the "International Parental Child Abduction Awareness Week."

SENATE CONCURRENT RESOLUTION 146

At the request of Mr. MOYNIHAN, the name of the Senator from Maryland [Mr. SARBANES] was added as a cosponsor of Senate Concurrent Resolution 146, a concurrent resolution expressing the sense of the Congress that the United States should pay its outstanding debt to the United Nations.

AMENDMENT NO. 2640

At the request of Mr. COATS, the names of the Senator from Kentucky [Mr. FORD], the Senator from Michigan [Mr. RIEGLE], the Senator from New Mexico [Mr. BINGAMAN], the Senator from Alabama [Mr. SHELBY], the Senator from Oklahoma [Mr. BOREN], the Senator from Montana [Mr. BURNS], the Senator from New Mexico [Mr. DOMENICI], the Senator from Minnesota [Mr. BOSCHWITZ], and the Senator from Rhode Island [Mr. CHAFEE] were added as cosponsors of amendment No. 2640 proposed to H.R. 5311, a bill making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 1991, and for other purposes.

AMENDMENTS SUBMITTED

OLDER WORKERS BENEFIT PROTECTION ACT

PRYOR (AND OTHERS) AMENDMENT NO. 2669

Mr. PRYOR (for himself, Mr. GLENN, Mr. METZENBAUM, and Mr. STEVENS) proposed an amendment to amendment No. 2669 proposed by Mr. HATCH to the bill (S. 1511) to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes, as follows:

In lieu of the matter proposed to be inserted, insert the following:

FEDERAL AGENCIES.—

(1) IN GENERAL.—With respect to any employee benefit provided by an employer that is a Federal agency, this title and the amendments made by this title shall apply 2 years after the date of enactment of this Act.

(2) FEDERAL AGENCY.—The term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

SEC. 106. STUDY OF COMPLIANCE BY FEDERAL AGENCIES.

(a) IN GENERAL.—The Director of the Office of Personnel Management shall conduct a study of the compliance of Federal employee benefit plans with the requirements of this title and the amendments made by this title.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director shall submit a report to Congress that describes the results of the study conducted under subsection (a). If the Director determines that Federal agencies are not complying with the requirements referred to in subsection (a), the Director shall include in the report a detailed proposal for ensuring the compliance of Federal agencies with the requirements without reducing benefits to any Federal employee or annuitant.

(c) DEFINITION OF FEDERAL AGENCY.—As used in this section, the term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

HUMAN SERVICES REAUTHORIZATION ACT

DODD (AND OTHERS) AMENDMENT NO. 2670

Mr. DODD (for himself, Mr. KENNEDY, Mr. PELL, Mr. METZENBAUM, Mr. SIMON, Mr. HARKIN, Mr. ADAMS, Ms. MIKULSKI, Mr. BINGAMAN, Mr. HATCH, Mrs. KASSEBAUM, Mr. JEFFORDS, Mr. COATS, Mr. THURMOND, Mr. DURENBERGER, Mr. COCHRAN, and Mr. KERRY) proposed an amendment to the bill (H.R. 4151) to authorize appropriations for fiscal years 1991 through 1994 to carry out the Head Start Act, the Follow Through Act, the Community Services Block Grant Act, and the Low-Income Home Energy Assistance Act of 1981, and for other purposes; as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Human Services Reauthorization Act of 1990".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.

TITLE I—HEAD START

Subtitle A—Amendments to the Head Start Act

Sec. 101. Short title.
Sec. 102. Statement of purpose and policy.
Sec. 103. Authorization of appropriations.
Sec. 104. Reservation of funds.
Sec. 105. Guidelines for local service delivery models; maintenance of current services.
Sec. 106. Conditions on renewed funding of grantees.
Sec. 107. Coordination with other agencies and programs.
Sec. 108. Administrative costs.
Sec. 109. Neutrality.
Sec. 110. Participation in Head Start Programs.
Sec. 111. Notice and hearing.
Sec. 112. Staff qualifications.
Sec. 113. Requirements applicable to the Secretary.
Sec. 114. Cooperative research.
Sec. 115. Study of head start participants.
Sec. 116. Poverty line.
Sec. 117. Comparability of wages.
Sec. 118. Authority of Secretary.
Sec. 119. Technical amendments.

Subtitle B—Head Start Transition Project

Sec. 121. Short title.
Sec. 122. Definitions.
Sec. 123. Head start transition grants.
Sec. 124. Eligibility.
Sec. 125. Requirements.
Sec. 126. Application.
Sec. 127. Evaluation and report.
Sec. 128. Payments; Federal share.
Sec. 129. Coordination with follow through.
Sec. 130. Funding.
Sec. 131. Conforming amendment.

TITLE II—AMENDMENTS TO THE LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

Sec. 201. References.
Sec. 202. Forward funding of LIHEAP.
Sec. 203. Reauthorization.
Sec. 204. State allotments.
Sec. 205. Application.
Sec. 206. Authority to use funds for weatherization.
Sec. 207. Authority to carry funds over.
Sec. 208. Leveraging incentive program.
Sec. 209. Withholding of funds.

TITLE III—AMENDMENTS TO THE FOLLOW THROUGH ACT

Sec. 301. Technical amendments.
Sec. 302. Financial assistance for follow through programs.
Sec. 303. Applications and funding.
Sec. 304. Program improvement.
Sec. 305. Research and evaluation contracts.
Sec. 306. Evaluation.
Sec. 307. General and administrative provisions.
Sec. 308. Participation in other educational activities.

TITLE IV—AMENDMENTS TO THE STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

Sec. 401. Authorization of appropriations.
Sec. 402. Operation costs of after school care programs authorized.
Sec. 403. Report by grant recipients.
Sec. 404. Technical amendments.

TITLE V—AMENDMENTS TO THE COMMUNITY SERVICES BLOCK GRANT ACT

Sec. 501. Authorization of appropriations.
Sec. 502. Eligible entities.
Sec. 503. State allocations.
Sec. 504. Discretionary authority of Secretary.
Sec. 505. Community food and nutrition.
Sec. 506. Annual report.
Sec. 507. Technical amendment.

TITLE VI—AMENDMENTS TO THE CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985

Sec. 601. Adequacy of scholarships.
Sec. 602. Definitions.

TITLE VII—AMENDMENTS RELATING TO DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR

Sec. 701. Programs for special populations.
Sec. 702. Authorization of appropriations.

TITLE VIII—AMENDMENTS TO THE COMPREHENSIVE CHILD DEVELOPMENT CENTERS ACT
Sec. 801. Authorization of appropriations.
TITLE IX—COORDINATED SERVICES FOR CHILDREN, YOUTH, AND FAMILIES
Sec. 901. Short title.
Sec. 902. Findings.
Subtitle A—Establishment of Administration and Awarding of Grants for Programs
Sec. 911. Short title.
Sec. 912. Definitions.
CHAPTER 1—ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES
Sec. 915. Establishment of the administration on children, youth, and families.
Sec. 916. Functions of the Commissioner.
Sec. 917. Federal agency consultations.
Sec. 918. Federal Council on Children, Youth, and Families.
Sec. 919. Administration.
CHAPTER 2—GRANTS FOR STATE AND COMMUNITY PROGRAMS FOR CHILDREN, YOUTH, AND FAMILIES
Sec. 925. Purpose.
Sec. 926. Definitions.
Sec. 927. Establishment of programs.
Sec. 928. Administration.
Sec. 929. State plan.
Sec. 930. Independent State body.
Sec. 931. State coordination of services.
Sec. 932. Supportive services.
Sec. 933. Family resource and support program grants.
Sec. 934. Authorization of appropriation and allotment.
CHAPTER 3—NATIONAL CLEARINGHOUSE
Sec. 955. Short title.
Sec. 956. Findings and purpose.
Sec. 957. Definition.
Sec. 958. Establishment of National Center on Family Resource and Support Programs.
Sec. 959. Evaluation.
Sec. 960. Authorization of appropriations.
SUBTITLE B—WHITE HOUSE CONFERENCE ON YOUNG AMERICANS
Sec. 981. Short title.
Sec. 982. Findings.
Sec. 983. Authority of the President and Secretary; final report.
Sec. 984. Administration.
Sec. 985. Committee.
Sec. 986. Authorization of appropriation.
TITLE X—EFFECTIVE DATES
Sec. 1001. Effective dates.

TITLE I—HEAD START

Subtitle A—Amendments to the Head Start Act

SEC. 101. SHORT TITLE.

This subtitle may be cited as the "Head Start Expansion and Quality Improvement Act".

SEC. 102. STATEMENT OF PURPOSE AND POLICY.

Section 636(b) of the Head Start Act (42 U.S.C. 9831(b)) is amended by inserting ", non-English language background," after "migrant".

SEC. 103. AUTHORIZATION OF APPROPRIATIONS.

Section 639 of the Head Start Act (42 U.S.C. 9834) is amended—

(1) by striking "$1,198,000,000" and all that follows through "1989, and"; and

(2) by inserting after "1990" the following: ", $2,386,000,000 for fiscal year 1991, $4,273,000,000 for fiscal year 1992, $5,924,000,000 for fiscal year 1993, and $7,660,000,000 for fiscal year 1994".

SEC. 104. RESERVATION OF FUNDS.

(a) RESERVATION OF FUNDS.—Section 640(a) of the Head Start Act (42 U.S.C. 9835(a)) is amended—

(1) in paragraph (1), by striking "and (3)" and inserting "through (5)";

(2) in paragraph (2)—

(A) by striking out "children, except that there shall be made available for use by Indian" and all that follows through "1985" in subparagraph (A), and inserting in lieu thereof "and non-English language background children, except that there shall be made available for each fiscal year for use by Indian and migrant Head Start programs, or a nationwide basis, not less than the amount that was obligated for use by Indian and migrant Head Start programs for fiscal year 1990";

(B) by striking out "the Trust Territory of the Pacific Islands" and inserting in lieu thereof "the Federated States of Micronesia, the Republic of the Marshall Islands, Palau, the Commonwealth of";

(C) by striking out "the amount expended" and all that follows through "1982" in subparagraph (C), and inserting "2 percent of the amount appropriated for any such fiscal year";

(D) by striking the penultimate sentence; and

(E) by inserting "or paragraph (3)" after "this paragraph" in the last sentence;

(3) in paragraph (3) by striking "87 percent of the";

(4) by redesignating paragraphs (3) and (4) as paragraphs (5) and (6), respectively;

(5) by inserting after paragraph (2) the following new paragraphs:

"(3)(A) For any fiscal year for which the amount appropriated under section 639(a) exceeds the adjusted appropriation, the Secretary shall reserve the quality improvement funds for such fiscal year, for one or more of the following quality improvement activities:

"(i) Subject to section 653, not less than one-half of the amount reserved under this subparagraph, to improve the compensation (including benefits) of staff of Head Start agencies and thereby enhance recruitment and retention of such staff.

"(ii) To pay transportation costs incurred by Head Start agencies to enable eligible children to participate in a Head Start program.

"(iii) To employ additional Head Start staff, including staff necessary to reduce the child-staff ratio and staff necessary to coordinate a Head Start program with other services available to children participating in such program and to their families.

"(iv) To pay costs incurred by Head Start agencies to purchase insurance (other than employee benefits) and thereby maintain or expand Head Start services.

"(v) To make nonstructural and minor structural changes, and to acquire and install equipment, for the purpose of improving facilities necessary to expand the availability, or enhance the quality, of Head Start programs.

"(vi) To supplement amounts provided under section 640(a)(2)(C) to provide training necessary to improve the qualifications of the staff of the Head Start agencies, and to support staff training, child counseling, and other services necessary to address the problems of children participating in Head Start programs, including children from dysfunctional families, children who experience chronic violence in their communities, or children who experience substance abuse in their families.

"(B) Funds reserved by the Secretary under subparagraph (A) shall be used to supplement, not to supplant, funds received under paragraphs (2), (4), and (5).

"(4)(A) Of the amounts appropriated under section 639(a), the Secretary shall reserve $30,000,000 for fiscal year 1991, $31,200,000 for fiscal year 1992, $32,448,000 for fiscal year 1993, and $33,745,920 for fiscal year 1994 to make grants to Head Start agencies to carry out early childhood intervention programs, to be known as 'Parent-Child Centers', within Head Start programs.

"(B)(i) Programs carried out under this paragraph shall be designed—

"(I) to enhance the development of children who are less than 3 years of age; and

"(II) to strengthen the family unit by providing opportunities for increasing the child development skills and knowledge of their parents.

"(ii) Programs carried out under this paragraph shall provide comprehensive services (such as social, health, and educational services) to low-income families with children who are less than 3 years of age. Such programs may provide such services to any eligible family for any duration of time and may be center-based, home-based, or a combination of both.

"(C) The Secretary shall not make a grant under this paragraph to a Head Start agency for any fiscal year unless—

"(i) such agency certifies that carrying out the early childhood intervention program for which such grant is requested will not reduce services provided by such agency to children who participate in other programs provided by such agency under this subchapter; and

"(ii) such agency certifies that to the maximum extent practicable, it will provide continuous service to children who receive services under this paragraph through compulsory school age, either through the early childhood intervention programs authorized by this paragraph or through other Head Start programs.

"(D) For purposes of this paragraph, the term 'low-income family' means a family that satisfies the eligibility requirements applicable under section 645(a).''; and

(6) in paragraph (6) (as so redesignated by paragraph (4))—

(A) by inserting "the Commonwealth of" before "the Northern Mariana"; and

(B) by striking out "the Trust Territory of the Pacific Islands" and inserting in lieu thereof "the Federated States of Micronesia, the Republic of the Marshall Islands, and Palau".

(b) DEFINITION.—Section 637 of the Head Start Act (42 U.S.C. 9832) is amended—

(1) in paragraph (2), by striking out "the Trust Territory of the Pacific Islands" and inserting in lieu thereof "the Federated States of Micronesia, the Republic of the Marshall Islands, Palau"; and

(2) by adding at the end thereof the following new paragraphs:

"(4) The term 'adjusted appropriation' means—

"(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 110 percent of the amount appropriated under section 639(a) for the preceding fiscal year, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with re-

spect to which a determination is made under section 640(a)(3)(A); and

"(B) with respect to each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, the amount appropriated under section 639(a) for the preceding fiscal year adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers (issued by the Bureau of Labor Statistics) occurring in the 1-year period ending immediately before the fiscal year with respect to which a determination is made under section 640(a)(3)(A).

"(5) The term 'quality improvement funds' means—

"(A) with respect to the first fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 10 percent of the amount appropriated under section 639(a) for such fiscal year; and

"(B) with respect to each subsequent fiscal year for which funds are required by section 640(a)(3)(A) to be reserved, 25 percent of the portion of the amount appropriated under section 639(a) for such fiscal year that exceeds the adjusted appropriation for such fiscal year.".

SEC. 105. GUIDELINES FOR LOCAL SERVICE DELIVERY MODELS; MAINTENANCE OF CURRENT SERVICES.

Section 640 of the Head Start Act (42 U.S.C. 9835) is amended—

(1) in subsection (d), by striking out the last sentence; and

(2) by adding at the end the following new subsections:

"(f) The Secretary shall establish procedures to enable Head Start agencies to develop locally designed or specialized service delivery models to address local community needs.

"(g) If in any fiscal year, the amounts appropriated to carry out the program under this subchapter exceed the amount appropriated in the prior fiscal year, the Secretary shall, prior to using such additional funds to serve an increased number of children, allocate such funds in a manner that makes available the funds necessary to maintain the level of services provided during the prior year, taking into consideration the percentage change in the Consumer Price Index for all Urban Consumers, as published by the Bureau of Labor Statistics.".

SEC. 106. CONDITIONS ON RENEWED FUNDING OF GRANTEES.

(a) IN GENERAL.—Subsection (c) of section 641 of the Head Start Act (42 U.S.C. 9836(c)) is amended—

(1) by redesignating paragraph (1) as subparagraph (A);

(2) by inserting "(1)" after the subsection designation; and

(3) by striking out paragraph (2) and the matter following such paragraph and inserting in lieu thereof the following:

"(B) except that, if there is no agency of the type referred to in subparagraph (A) because of any change in the assistance furnished to programs for economically disadvantaged persons, the Secretary shall give priority in the designation of Head Start agencies to any successor agency that is operating a Head Start program in substantially the same manner as the predecessor agency that did receive funds in the fiscal year preceding the fiscal year for which the determination is made.

"(2) The Secretary shall conduct a full review of each designated Head Start agency at least once during each 3-year period, and shall determine whether each agency meets program and fiscal requirements established by the Secretary.

"(3) In carrying out a review of each Head Start agency under paragraph (2), the Secretary shall—

"(A) to the maximum extent practicable, carry out such review by using employees of the Department of Health and Human Services who are knowledgeable about Head Start programs;

"(B) ensure that an employee of the Department of Health and Human Services who is knowledgeable about Head Start programs supervises such review at the site of such agency; and

"(C) measure the compliance of the programs of such agency with the performance standards in effect under section 651(b).".

SEC. 107. COORDINATION WITH OTHER AGENCIES AND PROGRAMS.

Section 642(c) of the Head Start Act (42 U.S.C. 9837(c)) is amended by striking out "with other State" and all that follows through the end thereof and inserting in lieu thereof "with public schools, the State agency responsible for administering section 402(g) of the Social Security Act, and other programs serving the children and families served by the Head Start agency to carry out the provisions of this subtitle.".

SEC. 108. ADMINISTRATIVE COSTS.

The first sentence of section 644(b) of the Head Start Act (42 U.S.C. 9839(b)) is amended by inserting "the required" after "including".

SEC. 109. NEUTRALITY.

Section 644 of the Head Start Act (42 U.S.C.9839) is amended by adding at the end the following new subsection:

"(e) Funds appropriated to carry out this subchapter shall not be used to assist, promote, or deter union organizing.".

SEC. 110. PARTICIPATION IN HEAD START PROGRAMS.

The last sentence of section 645(a)(2) of the Head Start Act (42 U.S.C. 9840(a)(2)) is amended by striking "1990" and inserting "1994".

SEC. 111. NOTICE AND HEARING.

Section 646 of the Head Start Act (42 U.S.C. 9841) is amended—

(1) by inserting "(a)" after "Sec. 646.";

(2) in paragraph (3) by inserting "or reduced" after "terminated"; and

(3) by adding at the end the following new subsection:

"(b) The Secretary shall not prescribe any procedure that would modify the operation of section 1303.21 or 1303.33, or any of subdivisions (a) through (f) of section 1303.35, of part 1303 of chapter XIII of the Code of Federal Regulations as in effect on April 1, 1990.".

SEC. 112. STAFF QUALIFICATIONS.

(a) IN GENERAL.—Section 648 of the Head Start Act (42 U.S.C. 9843) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following new heading:

"TECHNICAL ASSISTANCE, TRAINING, AND STAFF QUALIFICATIONS";

(2) by inserting "(a)" before "The Secretary shall";

(3) by inserting "training for personnel providing services to non-English background children," after "such personnel,"; and

(4) by adding at the end thereof the following new subsection:

"(b) The Secretary shall ensure that not later than September 30, 1994, each Head Start classroom in a center-based program is assigned one teacher who has—

"(1) a child development associate (CDA) credential that is appropriate to the age of the children being served in center-based programs;

"(2) a State awarded certificate for preschool teachers that meets or exceeds the requirements for a child development associate credential;

"(3) an associate, baccalaureate, or advanced degree in early childhood education; or

"(4) a degree in a field related to early childhood education with experience in teaching preschool children and a State awarded certificate to teach in a preschool program.".

(b) DEFINITION.—Section 637 of such Act (42 U.S.C. 9832) (as amended by section 104(b)), is further amended by adding at the end thereof the following new paragraph:

"(6) The term 'Head Start classroom' means a group of children supervised and taught by two paid staff members (a teacher and a teacher's aide or two teachers) and, where possible, a volunteer.".

SEC. 113. REQUIREMENTS APPLICABLE TO THE SECRETARY.

(a) IN GENERAL.—Section 649 of the Head Start Act (42 U.S.C. 9844) is amended—

(1) in the section heading by striking "AND PILOT PROJECTS" and inserting "PILOT PROJECTS, STUDIES, AND REPORTS"; and

(2) by adding at the end the following new subsections:

"(d) Subject to subsection (a) through (c), the Secretary shall conduct, through grants or contracts made or entered into with qualified persons, a study of various approaches to providing early, continuous, and comprehensive intervention to low-income or at-risk children from birth to age 3 and to the families of such children. Such study shall compare a variety of approaches to providing such services, including programs funded under the Comprehensive Child Development Act, Parent-Child Centers, home-based Head Start programs, Head Start family day care, and center-based Head Start (including migrant and nonmigrant programs). Such study shall assess such approaches based on their appropriateness for specific populations of children, including those from dysfunctional families, children of substance abusers, and children who experience chronic violence in their communities.

"(e) The Secretary shall conduct, through grants or contracts made or entered into with qualified persons, a study of Head Start family day care. Such study shall consider the effectiveness of providing Head Start services in a family day care setting and assess the program characteristics that are necessary to ensure that programs are effective.

"(f)(1) At least once during every 2-year period, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report concerning the status of children (including disabled and non-English language background children) in Head Start programs, including the number of children and the services being provided to such children. Such report shall include—

"(A) information concerning transportation, facilities, and methods for identifying and locating eligible children in both urban and rural areas, including cost, problems encountered and innovative solutions to such problems;

"(B) information concerning the distribution of funds, including the—

"(i) proportion of funds distributed to newly designated Head Start agencies;

"(ii) distribution of Head Start services relative to the distribution of children who are eligible to participate in Head Start programs including geographic distribution within States;

"(iii) share of funds provided for Head Start programs by State and local sources;

"(iv) cost per child, and the variations in such cost by region; and

"(v) where available and appropriate, a description of the effect of the 1990 Decennial Census on the allotment of funds under this subchapter;

"(C) information concerning children participating in programs receiving Head Start funding, including family income, racial and ethnic background, gender, disability, and receipt of benefits under title IV of the Social Security Act;

"(D) information concerning the parents of children participating in programs receiving Head Start funding, including the—

"(i) employment status of such parents (including any change that occurred while the child was enrolled in Head Start);

"(ii) education level of such parents;

"(iii) the training or education that such parents received while their children were enrolled in Head Start programs;

"(iv) level and nature of the participation of such parents in the Head Start program as volunteers or in other capacities; and

"(v) the impact of parents' schedules on their ability to access Head Start Services and participate in the program;

"(E) information concerning Head Start staff, including salaries, education, training, experience, and turnover;

"(F) a description of the services provided to children and families, on-site or through referral, including health, mental health, and dental care, parenting education, physical fitness, and literacy training;

"(G) the use and sources of Head Start funds at the national, regional, and local levels, including the share of funds used for salaries, facilities, transportation, supportive services, insurance, and wrap-around child care services;

"(H) a description of the programs funded under this subchapter, including locally designed or specialized service delivery models, that specifies—

"(i) the extent to which such programs comply with performance standards and regulations;

"(ii) the type and condition of facilities in which such programs are located;

"(iii) the type of organizations that receive Head Start funds under such programs;

"(iv) the number of children served under each program option; and

"(v) the extent to which Head Start programs coordinate with other programs serving young children, including local educational agencies; and

"(I) summaries of evaluations and studies conducted during the period covered by the report.

"(2) Promptly after submitting each report to Congress under paragraph (1), the Secretary shall publish in the Federal Register a notice indicating that such report is available to the public and specifying how such report may be obtained.".

(b) CONFORMING AMENDMENTS.—Section 650 of such Act (42 U.S.C. 9845) is amended—

(1) by striking the section heading and inserting the following new heading:

"ANNOUNCEMENT OF RESEARCH, DEMONSTRATION, PILOT PROJECTS, STUDIES, AND REPORT CONTRACTS";

(2) in subsection (a)(1), by striking "or pilot project" and inserting "pilot project, study, or report"; and

(3) in subsection (c), by inserting "reports," after "studies,".

SEC. 114. COOPERATIVE RESEARCH.

Section 651(c)(2) of the Head Start Act (42 U.S.C. 9846(c)(2)) is amended by adding at the end the following sentence: "The Secretary is encouraged to provide funds for community-based cooperative research efforts to enable Head Start directors to conduct evaluations of their programs with the assistance of qualified researchers not directly involved in the administration of the program or project operation.".

SEC. 115. STUDY OF HEAD START PARTICIPANTS.

(a) LONGITUDINAL STUDY REQUIRED.—The Head Start Act is amended by inserting after section 651 (42 U.S.C. 9846) the following new section:

"SEC. 651A. LONGITUDINAL STUDY OF HEAD START PARTICIPANTS.

"(a) IN GENERAL.—The Secretary shall conduct, through grants or contracts made or entered into with qualified persons, a longitudinal study of the effects that the participation in Head Start programs has on the development of participants and their families and the manner in which such effects are achieved.

"(b) ADVISORY PANEL.—In carrying out the study required by subsection (a), the Secretary shall establish an advisory panel to provide advice and guidance to the Secretary, and to the individuals who carry out such study, concerning the design and execution of such study. Such panel shall be composed of—

"(1) individuals who have—

"(A) expertise in the current operation of Head Start programs;

"(B) professional backgrounds in child development and related fields; and

"(C) experience in the evaluation of Head Start programs or comparable programs; and

"(2) individuals who have expertise in designing and executing large-scale longitudinal studies.

"(c) CHILDREN TO BE STUDIED.—The study required by subsection (a) shall follow the progress of children—

"(1) who have attended Head Start programs that are in compliance with Head Start Performance Objectives;

"(2) who represent specific subpopulations, including children from dysfunctional families; and

"(3) who have attended Head Start programs that represent the various program options and that are located in both urban and rural areas.

"(d) SUBCONTRACTING.—Persons selected to conduct the study required by subsection (a) may subcontract elements of the study to other persons with the approval of the Secretary. Such study may be carried out through a series of several small studies focused on specific program options and subpopulations.

"(e) PERIOD OF STUDY.—The study required under subsection (a) shall be carried out during a period of not less than 20 years.

"(f) FOCUS.—The study required under subsection (a) shall consider the degree to which social, physical, and academic development, including grade retention, motivation to achieve, special education placement, health, secondary school graduation, delinquency, substance abuse, teenage pregnancy, literacy, college attendance, employment, and welfare participation of children and the parenting skills, employment, literacy, education level, motivation to achieve, and welfare participation of parents are affected by—

"(1) the program options selected by the Head Start program;

"(2) the number and configuration of hours, days, and years the child participates in Head Start;

"(3) the Head Start program quality, including training and experience of Head Start teachers and teacher aides, staff to child ratios, and group size;

"(4) the level of parental involvement in the Head Start program;

"(5) the supportive services provided to children and their parents through the Head Start program;

"(6) the Head Start curriculum; and

"(7) the characteristics of a subsequent schooling of the child and family characteristics and behaviors that affect social, physical, and academic development as such children move through the primary grades.

"(g) COMPARISONS.—To the maximum extent feasible, the study required under subsection (a) shall provide for comparisons with appropriate groups composed of individuals who do not participate in Head Start programs.

"(h) COORDINATION.—The study required under subsection (a) shall be coordinated with the National Longitudinal Study conducted under chapter 1 that is administered by the Department of Education.

"(i) REPORTS.—The Secretary shall prepare and submit, to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate, periodic reports concerning the design and progress of the study conducted under this section, including interim results of such study not less often than once during every 5-year period.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 639 of such Act (42 U.S.C. 9834) is amended—

(1) by inserting "(a)" after "SEC. 639.";

(2) by inserting "(other than section 651A)" after "subchapter"; and

(3) by adding at the end thereof the following new subsection:

"(b) There are authorized to be appropriated to carry out section 651A, such sums as may be necessary.".

SEC. 116. POVERTY LINE.

(a) ISSUANCE OF POVERTY LINE.—Subsection (a) of section 652 of the Head Start Act (42 U.S.C. 9847(a)) is amended to read as follows:

"(a) The Secretary shall issue annually (or at any shorter interval the Secretary considers to be feasible and desirable) a poverty line that, except as provided in section 645, shall be used as a criterion of eligibility for participation in Head Start programs.".

(b) DEFINITION.—Section 637 of such Act (42 U.S.C. 9832) (as amended by section 104(b)), is further amended by adding at the end the following new paragraph:

"(7) The term 'poverty line' means—

"(A) the official poverty line (as defined by the Office of Management and Budget) adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the 1-year period or other interval immediately preceding the date such adjustment is made; or

"(B) the poverty line (including any revision thereof) applicable to this subchapter for fiscal year 1990, adjusted to reflect the percentage change in the Consumer Price Index For All Urban Consumers, issued by the Bureau of Labor Statistics, occurring in the period beginning October 1, 1989, and ending immediately before the date such adjustment is made;

whichever is greater.".

(c) TECHNICAL AMENDMENTS.—Section 652 of such Act (42 U.S.C. 9847) is amended—

(1) by striking subsection (b); and

(2) in subsection (c) by striking "(c) Revisions required by subsection (a) shall be made and issued" and inserting "(b) The poverty line shall be determined by the Secretary".

SEC. 117. COMPARABILITY OF WAGES.

Section 653 of the Head Start Act (42 U.S.C. 9848) is amended by adding at the end thereof the following new sentence: "The Secretary shall encourage Head Start agencies to provide compensation according to salary scales that are based on training and experience.".

SEC. 118. AUTHORITY OF SECRETARY.

Section 645(c) of the Head Start Act (42 U.S.C. 9840(c)) is amended by adding at the end thereof the following new sentence: "The Secretary shall not issue or enforce any rule (as defined in section 551(4) of title 5 of the United States Code) or guideline that forbids any Head Start agency to carry out a Head Start program in accordance with the authority described in the preceding sentence.".

SEC. 119. TECHNICAL AMENDMENTS.

Section 643 of the Head Start Act (42 U.S.C. 9838) is amended—

(1) by striking out "Governor" the first place it appears and inserting in lieu thereof "chief executive officer", and

(2) by striking out "the Governor" the second and third places it appears and inserting in lieu thereof "such officer".

Subtitle B—Head Start Transition Project

SEC. 121. SHORT TITLE.

This subtitle may be cited as the "Head Start Transition Project Act".

SEC. 122. DEFINITIONS.

As used in this subtitle:

(1) DEVELOPMENTALLY APPROPRIATE CURRICULUM.—The term "developmentally appropriate curriculum" means a curriculum that is appropriate for the child's age and all areas of the individual child's development, including educational, physical, emotional, social, cognitive, and communication.

(2) FAMILY SERVICES COORDINATOR.—The term "family services coordinator" means an individual who is trained to assist families in obtaining supportive services. Such individual may be an existing employee of the local educational agency or Head Start agency.

(3) HEAD START AGENCY.—The term "Head Start agency" means any agency designated as a Head Start agency under the Head Start Act.

(4) LOCAL EDUCATIONAL AGENCY.—The term "local educational agency" has the same meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965.

(5) SECRETARY.—The term "Secretary" means the Secretary of the Department of Health and Human Services.

(6) SUPPORTIVE SERVICE.—The term "supportive service" means service that will enhance the physical, social, emotional, and intellectual development of low-income children, including providing necessary support to the parents of such children and other family members.

SEC. 123. HEAD START TRANSITION GRANTS.

(a) IN GENERAL.—The Secretary is authorized to pay the Federal share of the costs of making demonstration grants to Head Start agencies and local educational agencies to develop and operate programs that assist low-income elementary school students ages 5 through 8 and their families in—

(1) obtaining supportive services that build on the strength of families, including health, immunization, mental health, nutrition, parenting education, literacy, and social services (including substance abuse treatment, education, and prevention services); and

(2) supporting the active involvement of parents in the education of their children.

(b) TERM OF GRANT.—Grants awarded under this subtitle shall be for a period of 3 years.

SEC. 124. ELIGIBILITY.

(a) HEAD START AGENCY.—A Head Start agency shall be eligible for a grant under this subtitle if such Head Start agency has formed a consortium with one or more local educational agencies that received funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 and that serves children who have been served by such Head Start agency.

(b) LOCAL EDUCATIONAL AGENCY.—A local educational agency shall be eligible for a grant under this subtitle if such agency receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 and has formed a consortium with one or more Head Start agencies serving children who will enroll in any elementary school located within the school district of such local educational agency.

(c) COOPERATING AGENCY.—A nonprofit agency or institution of higher education with experience in child development may participate in any consortium formed under subsection (a) or (b) in developing, operating, and evaluating programs assisted under this subtitle.

(d) FOLLOW THROUGH GRANTEES.—A local educational agency that is receiving assistance through a program under the Follow Through Act shall also be eligible for a grant under this subtitle if such agency meets the requirements of subsection (b).

SEC. 125. REQUIREMENTS.

(a) IN GENERAL.—The Secretary shall award grants under this subtitle to Head Start agencies and local educational agencies in both rural and urban areas.

(b) SPECIAL RULE.—The Secretary shall award at least one grant in every State that has submitted an application before the Secretary may award a second grant within any one State.

(c) CONSIDERATION.—In awarding grants under this subtitle, the Secretary shall consider—

(1) the commitment of the Head Start agency and local educational agency to the program;

(2) the quality of the Head Start program operated by a Head Start agency desiring financial assistance under this subtitle, as measured by compliance with Head Start program performance standards;

(3) the number of low-income children in the area served by the Head Start agency or local educational agency compared to the number of non-low-income children in the area served by the Head Start agency or local educational agency;

(4) the ability of the proposed program to serve as a model for other programs;

(5) the quality of information and plans in the application; and

(6) the commitment of the community to the program.

(d) PRIORITY.—The Secretary shall give priority to applicants that will operate the program at a school designated for a schoolwide project under section 1015(a) of the Elementary and Secondary Education Act of 1965.

SEC. 126. APPLICATION.

(a) IN GENERAL.—Each Head Start agency or local educational agency desiring a grant under this subtitle shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require. Each such application shall include—

(1) a description of the activities and services for which assistance is sought;

(2) a description of members of the consortium established in accordance with section 124, including any cooperating agency;

(3) a self-assessment of the Head Start agency's and local educational agency's programs to address the health, immunization, mental health, nutrition, parenting education, literacy, social service (including substance abuse treatment, education, and prevention), and educational needs of low-income students and their families, including the use of a developmentally appropriate curriculum such as model curriculum under the Follow Trough Act;

(4) a plan for the development of a supportive services team of family service coordinators to—

(A) assist families, administrators and teachers to respond to health, immunization, mental health, nutrition, social service and educational needs of students;

(B) conduct home visits and help students and their families to obtain health, immunization, mental health, nutrition, parenting education, literacy, education (including tutoring and remedial services), and social services (including substance abuse treatment, education and prevention), for which such students and their families are eligible;

(C) coordinate a family outreach and support program, including a plan for involving parents in the management of the program, in cooperation with parental involvement efforts undertaken pursuant to chapter 1 of title I of the Elementary and Secondary Education Act of 1965, the Head Start Act, part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (Even Start), and the Education for all Handicapped Children Act of 1975;

(D) assist families, administrators, and teachers in enhancing developmental continuity between the programs assisted under the Head Start Act and elementary school classes; and

(E) prepare a plan for the transition of each child from Head Start or comparable programs to kindergarten, including—

(i) a meeting of the early childhood development program teacher with the kindergarten teacher;

(ii) the transfer of knowledge about the child including the transfer of written records from the early childhood development program teacher to the kindergarten teacher to become part of the school record of the child; and

(iii) the formulation of an individual education plan for the child with the participation of the parents, the early childhood de-

velopment program teacher and the kindergarten teacher;

(5) the designation of a member of the supportive services team described in paragraph (4) who will serve as the supervisor of such supportive services team;

(6) assurances that State agencies, local agencies, and community-based organizations that provide supportive services to low-income students served by such Head Start agency or local educational agency have been consulted in the preparation of the plan described in paragraph (4);

(7) assurances that State agencies, local agencies, and community-based organizations that provide supportive services to low-income students served by such Head Start agency or local educational agency will designate an individual who will act as a liaison to the supportive services team described in paragraph (4);

(8) a description of the target population to be served by the supportive services team described in paragraph (4) including families previously served under the Head Start Act, part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (Even Start), or comparable early childhood development programs;

(9) a description of the supportive services to be provided, directly or through referral;

(10) a plan to ensure the smooth transition of children served under the Head Start Act, part B of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 (Even Start), Education of the Handicapped Act, and comparable early childhood development programs to elementary schools;

(11) assurances that, and a plan describing how, families will be involved in the design and operation of the program;

(12) a description of the Federal and non-Federal resources that will be used to carry out the program;

(13) if the applicant has applied for or is receiving assistance through a program under the Follow Through Act—

(A) a description of the activities that will be funded under this subtitle and the activities that will be funded with assistance provided under the Follow Through Act; and

(B) a description of the manner in which activities funded under this subtitle and activities funded with assistance provided under the Follow Through Act will be coordinated within the elementary school;

(14) assurances that the supportive services team described in paragraph (4) will be equipped to assist children and families with limited English proficiency and disabilities, if appropriate;

(15) a plan describing how the program will be sustained, with chapter 1 funding or other Federal and non-Federal funding sources, after the grant has expired;

(16) program goals; and

(17) such other information as the Secretary may reasonably require.

(b) SPECIAL RULE.—Each supportive services team developed pursuant to paragraph (4) of subsection (a) shall include at least 1 family service coordinator for every 35 children to be served.

SEC. 127. EVALUATION AND REPORT.

(a) EVALUATION.—The Secretary shall, through grants, contracts or cooperative agreements, provide for the continuing evaluation of the programs assisted under this subtitle in order to determine the effectiveness of such programs in achieving stated goals, the impact of such programs on related programs, and the implications of the design and operation of such programs for the effective delivery of services.

(b) LOCAL EVALUATION AND INFORMATION.—

(1) REQUIREMENT.—Each Head Start Agency or local educational agency receiving a grant under this subtitle shall carry out an evaluation of the program funded under this subtitle in order to determine the effectiveness of the program in achieving stated goals, the impact of the program on the families served and the community, the problems encountered in the design and operation of the program and ways in which such problems were addressed, and the impact of the program on the Head Start Agency and local educational agency.

(2) INFORMATION.—Each Head Start agency or local educational agency receiving a grant under this subtitle shall furnish to the Secretary any information the Secretary shall request in order to carry out the evaluation described in subsection (a).

(c) REPORT.—Not later than September 30, 1993, the Secretary shall prepare and submit, to the appropriate Committees of Congress, a report concerning evaluations conducted pursuant to subsections (a) and (b), including the strengths and weaknesses in the design and operation of programs assisted under this subtitle and the effectiveness of such programs in achieving stated goals.

SEC. 128. PAYMENTS; FEDERAL SHARE.

(a) PAYMENTS.—The Secretary shall pay to each Head Start agency or local educational agency having an application approved under section 126, the Federal share of the cost of the activities described in the application.

(b) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share shall be 80 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of payments under this subtitle may be in cash or in kind fairly evaluated, including planned equipment or services.

(c) SUPPLEMENTATION OF FUNDING.—

(1) IN GENERAL.—All Federal funds and funds paid as a part of the non-Federal share under this subtitle shall be used to supplement the level of State and local public funds expended for services assisted under this subtitle in the previous fiscal year.

(2) SATISFACTION OF REQUIREMENT.—The supplementation requirement of this subsection shall be satisfied with respect to a particular program if the aggregate expenditure in such program for the fiscal year in which services are to be provided will not be less than the aggregate expenditure in such program in the previous year, excluding Federal and non-Federal funds provided under this subtitle.

SEC. 129. COORDINATION WITH FOLLOW THROUGH.

The Secretary shall arrange with the Secretary of Education to coordinate the Head Start Transition Project under this subtitle with the program established under the Follow Through Act to enable local educational agencies to submit a single application for funding under both such programs, and shall, to the extent practicable, coordinate the promulgation of regulations that apply to such programs.

SEC. 130. FUNDING.

The Secretary shall use amounts reserved under section 639(a) of the Head Start Act to carry out this subtitle.

SEC. 131. CONFORMING AMENDMENT.

Section 639(a) of the Head Start Act (as amended by sections 103 and 115(b)) is further amended by adding at the end thereof the following new sentence: "Of the amounts appropriated under this subsection, the Secretary shall reserve $20,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992, 1993, and 1994, to carry out the Head Start Transition Project Act.".

TITLE II—AMENDMENTS TO THE LOW-INCOME HOME ENERGY ASSISTANCE ACT OF 1981

SEC. 201. REFERENCES.

Whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.).

SEC. 202. FORWARD FUNDING OF LIHEAP.

Section 2602 of the Act (42 U.S.C. 8621) is amended by adding at the end thereof the following new subsection:

"(c)(1) In fiscal year 1992 and each fiscal year thereafter, amounts appropriated under this section for any fiscal year for programs and activities under this Act shall be made available for obligation only on the basis of a program year. The program year shall begin on July 1 of the fiscal year for which the appropriation is made.

"(2) Amounts appropriated for fiscal year 1992 shall be available both to fund activities for the period between October 1, 1991, and July 1, 1992, and for the program year beginning July 1, 1992.

"(3) There are authorized to be appropriated such additional sums as may be necessary for the transition to carry out this subsection.".

SEC. 203. REAUTHORIZATION.

Section 2602(b) of the Act (42 U.S.C. 8621(b)) is amended—

(1) by striking out "$2,050,000,000" and all that follows through "1989, and"; and

(2) by inserting after "1990" the following: ", $2,150,000,000 for fiscal year 1991, $2,230,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994. The authorizations of appropriations contained in this subsection are subject to the program year provisions of subsection (c).".

SEC. 204. STATE ALLOTMENTS.

Section 2604(f) of the Act (42 U.S.C. 8623(f)) is amended—

(1) by redesignating paragraphs (1), (2), and (3) as subparagraphs (A), (B), and (C), respectively;

(2) by inserting "(1)" after the subsection designation;

(3) in the matter preceding subparagraph (A) (as so redesignated by paragraph (1)), by striking out "up to 10 percent" and inserting in lieu thereof "in accordance with paragraph (2) a percentage";

(4) in the matter following subparagraph (C) (as so redesignated by paragraph (1))—

(A) by striking out "any" the first place that such appears and inserting in lieu thereof "a"; and

(B) by striking out "paragraphs (1), (2), and (3)" and inserting in lieu thereof "subparagraphs (A), (B), and (C)"; and

(5) by adding at the end thereof the following new paragraph:

"(2)(A) Not to exceed 10 percent of the funds payable to a State under this section for each of the fiscal years 1991 through 1993 may be transferred under paragraph (1).

"(B) Beginning in fiscal year 1994, no funds payable to a State under this section shall be transferred under paragraph (1).".

SEC. 205. APPLICATION.

(a) CERTIFICATIONS.—Section 2605(b) of the Act (42 U.S.C. 8624(b)) is amended—

(1) in paragraph (12), by inserting "timely and meaningful" after "provide for";

(2) in paragraph (13), by striking out "and" at the end thereof;

(3) in paragraph (14), by striking out the period and inserting in lieu thereof "; and"; and

(4) by adding after paragraph (14), the following new paragraph:

"(15) beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging, and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer intake functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or Crisis Assistance Programs.".

(b) STATE PLAN.—Section 2605(c)(2) of the Act (42 U.S.C. 8624(c)(2)) is amended by inserting "timely and meaningful" after "will facilitate".

SEC. 206. AUTHORITY TO USE FUNDS FOR WEATHERIZATION.

Section 2605(k) of the Act (42 U.S.C. 8624(k)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B);

(2) by striking out "Not" and inserting in lieu thereof "(1) Except as provided in paragraph (2), not"; and

(3) by adding at the end thereof the following new paragraph:

"(2)(A) If a State receives a waiver granted under subparagraph (B) for a fiscal year, the State may use not more than the greater of 25 percent of—

"(i) the funds allotted to a State under this title for such fiscal year; or

"(ii) the funds available to such State under this title for such fiscal year;

for low-cost residential weatherization or other energy-related home repair for low-income households.

"(B) For purposes of subparagraph (A), the Secretary may grant a waiver to a State for a fiscal year if the State submits a written request to the Secretary after March 31 of such fiscal year and if the Secretary determines that—

"(i)(I) the number of households in the State that will receive benefits, other than weatherization and energy-related home repair, under this title in such fiscal year will not be fewer than the number of households in the State that received benefits, other than weatherization and energy-related home repair, under this title in the preceding fiscal year;

"(II) the aggregate amounts of benefits that will be received under this title by all households in the State in such fiscal year will not be less than the aggregate amount of such benefits that were received under this title by all households in the State in the preceding fiscal year; and

"(III) such weatherization activities have been demonstrated to produce measurable savings in energy expenditures by low-income households; or

"(ii) the State has good cause for failing to satisfy the requirements specified in clause (i).".

SEC. 207. AUTHORITY TO CARRY FUNDS OVER.

Section 2607(b)(2)(B) of the Act (42 U.S.C. 8626(b)(2)(B)) is amended by striking out "15 percent" and inserting in lieu thereof "10 percent".

SEC. 208. LEVERAGING INCENTIVE PROGRAM.

(a) ESTABLISHMENT.—The Act is amended by inserting after section 2607 (42 U.S.C. 8626(b)), the following new section:

"SEC. 2607A. INCENTIVE PROGRAM FOR LEVERAGING NON-FEDERAL RESOURCES.

"(a) IN GENERAL.—Beginning in fiscal year 1992, the Secretary may allocate amounts appropriated under section 2602(d) to provide supplementary funds to States that have acquired non-Federal leveraged resources for the program established under this title.

"(b) DEFINITION.—For purposes of this section, the term 'leveraged resources' means the benefits made available to the low-income home energy assistance program of the State, and to Federally-qualified low-income households, that—

"(1) represent a net addition to the total energy resources available to State and federally-qualified households in excess of the amount of such resources that could be acquired by such households through the purchase of energy at commonly available household rates; and

"(2) result from the acquisition by the State program of quantifiable benefits that—

"(A) are obtained from energy vendors through negotiation, regulation or competitive bid; or

"(B) are appropriated for distribution through the program by the State.

"(c) DISTRIBUTION.—

"(1) FORMULA.—Distribution of amounts made available under this section shall be based on a formula developed by the Secretary that is designed to take into account the success in leveraging existing appropriations in the preceding fiscal year as measured under section 2607(b)(2). Such formula shall take into account the size of the allocation of the State under this title and the ratio of leveraged resources to such allocation.

"(2) BY STATE.—A State may expend funds allocated under this title as are necessary, not to exceed .0008 percent of such allocation or $35,000 each fiscal year, whichever is greater, to identify, develop, and demonstrate leveraging programs. Funds allocated under this section shall only be used for increasing or maintaining benefits to households.

"(d) QUANTIFICATION.—Each State shall quantify the dollar value of leveraged resources received or acquired by such State under this section by using the best available data to calculate such leveraged resources less the sum of any costs incurred by the State to leverage such resources and any cost imposed on the Federally-eligible low-income households in such State.

"(e) REPORT.—Not later than July 31, of each year, each State shall prepare and submit, to the Secretary, a report that quantifies the leveraged resources of such State in order to qualify for assistance under this section for the following fiscal year.

"(f) STATE SHARE.—The Secretary shall determine the share of each State of the amounts made available under this section based on the formula described in subsection (c) and the State reports. The Secretary shall promulgate regulations for the calculation of the leveraged resources of the State and for the submission of supporting documentation. The Secretary may request any documentation that the Secretary determines necessary for the verification of the application of the State for assistance under this section.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 2602 of the Act (42 U.S.C. 8621) (as amended by section 202) is further amended—

(1) by inserting "(other than section 2607A)" after "title"; and

(2) by adding at the end thereof the following new subsection:

"(d) There are authorized to be appropriated to carry out section 2607A, $25,000,000 in fiscal year 1992, and $50,000,000 in each of the fiscal years 1993 and 1994.".

SEC. 209. WITHHOLDING OF FUNDS.

Section 2608(a)(2) of the Act (42 U.S.C. 8626(a)(2)) is amended by striking "in an expeditious and speedy manner to" and inserting in lieu thereof "in writing in no more than 60 days to matters raised in".

TITLE III—AMENDMENTS TO THE FOLLOW THROUGH ACT

SEC. 301. TECHNICAL AMENDMENTS.

The Follow Through Act (42 U.S.C. 9801 et seq.) is amended—

(1) by inserting immediately after section 661 the following:

"PART I—DIRECT SERVICES"; AND

(2) in section 668 (42 U.S.C. 9867)—

(A) by striking out "this subchapter" each place that such appears and inserting in lieu thereof "part I"; and

(B) by inserting "programs and" before "projects" in subsection (a).

SEC. 302. FINANCIAL ASSISTANCE FOR FOLLOW THROUGH PROGRAMS.

(a) PRIORITY.—Section 662(a) of the Follow Through Act (42 U.S.C. 9861(a)) is amended by adding at the end thereof the following: "For the purpose of making grants under this section, the Secretary shall give priority to any local educational agency that requests the grant for purposes of carrying out a Follow Through program in a school that—

"(1) is designated for a schoolwide project under section 1015(a) of the Elementary and Secondary Education Act of 1965; and

"(2) has a high concentration of children described in the first sentence of this subsection.".

(b) PROVISION OF ASSISTANCE.—Section 662 of the Follow Through Act (42 U.S.C. 9861) is amended—

(1) in the first sentence of subsection (a), by inserting "quality preschool" after "similar";

(2) in subsection (c)—

(A) by striking out "this section shall provide such" in the first sentence, and inserting in lieu thereof "this part shall use model Follow Through approaches for which financial assistance is provided under section 664A and shall provide, directly, through referral, or through the program established under subchapter B, the Head Start Transition Project Act";

(B) by striking out "projects" and inserting in lieu thereof "programs"; and

(C) by striking out "project" and inserting in lieu thereof "program,"; and

(3) by adding at the end thereof the following new subsections:

"(d) The Secretary shall not refuse to provide financial assistance under subsection (a) to an applicant solely because such applicant proposes to carry out a Follow Through program during a period in which school is not in regular session, at more than one site, or both.

"(e) In making grants under subsection (a), the Secretary shall provide sufficient funds to enable programs to meet the requirements of subsection (c).

"(f) Notwithstanding subsection (c), any local educational agency that receives a grant under subsection (a) for purposes of carrying out a Follow Through program in an elementary school that—

"(1) receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(2) is designated for a schoolwide project under section 1015(a) of such Act;

may use such grant to serve all children attending such school in kindergarten through grade 3.".

SEC. 303. APPLICATIONS AND FUNDING.

Section 663 of the Follow Through Act (42 U.S.C. 9862) is amended to read as follows:

"SEC. 663. CONSIDERATION OF APPLICATIONS.

"(a) IN GENERAL.—A grant under this part shall be made only to an applicant that submits an application to the Secretary that contains such information, including that required under subsection (b), as may be required by rule by the Secretary.

"(b) CONTENTS OF APPLICATION.—Each application submitted under this section shall—

"(1) provide that the program for which assistance is requested will be administered by or under the supervision of the applicant;

"(2) contain assurances that the applicant will prepare and submit to the Secretary, regular evaluations of and reports concerning such program;

"(3) estimate the number of children who are eligible for Follow Through services in the geographical area served by such program and the approximate number of such children to be served by such program;

"(4) describe which model Follow Through approach the applicant intends to use, and the manner in which the applicant will implement such approach;

"(5) provide evidence that the applicant has made a formal arrangement to receive technical assistance and training relative to the approach the applicant intends to utilize from an appropriate agency, institution, or organization that receives funds under section 664A;

"(6) provide an assurance that the instructional program, including textbooks and other materials provided by the applicant, is appropriate to the ages and developmental needs of the children to be served by such program and to the model Follow Through approach selected by the applicant;

"(7) specify the manner in which the applicant will provide comprehensive services, including through agreements with public or private entities to provide, make referrals to, or coordinate the provision of such services to children and their families through the program established under subchapter B, the Head Start Transition Project Act, or another comprehensive program;

"(8) provide for the direct participation of parents, as provided for in section 662(c), and include a certification that such application has been approved by a committee (established in accordance with rules issued by the Secretary) that represents parents of children who participate, and parents of children who are likely to participate, in such program;

"(9) describe the manner in which the applicant proposes to coordinate services provided under this part with services provided under chapter 1 of title I of the Elementary and Secondary Education Act of 1965, the Bilingual Education Act, and the Education of the Handicapped Act;

"(10) demonstrate that—

"(A) the applicant has entered into a formal arrangement with local Head Start programs and other preschool programs for such cooperation and activities as are necessary to ensure an effective transition of eligible children entering the Follow Through program carried out by such applicant; and

"(B) the Follow Through activities to be provided by the applicant have been specifically designed to coordinate with, and build on, those activities provided to participants in local Head Start or other similar preschool programs;

"(11) describe the expected or, if possible, actual impact of such program on the regular school program of the applicant; and

"(12) contain—

"(A) a certification that the applicant has submitted such application to the State educational agency (as defined in section 1471(23) of the Elementary and Secondary Education Act of 1965) for a reasonable period of time for comment prior to submitting such application to the Secretary; and

"(B) any comments received from such agency during such period.".

SEC. 304. PROGRAM IMPROVEMENT.

(a) RESEARCH, EVALUATION, AND RELATED MATTERS.—The Follow Through Act (42 U.S.C. 9861 et seq.) is amended by striking out section 664 and inserting in lieu thereof the following:

"PART II—PROGRAM IMPROVEMENT

"SEC. 664. RESEARCH.

"The Secretary may provide financial assistance, through grants and contracts, to public and private nonprofit agencies, institutions, and organizations to conduct research—

"(1) to improve Follow Through approaches;

"(2) to develop model Follow Through approaches; and

"(3) to meet the special needs of children who are eligible to participate in Follow Through programs.

"SEC. 664A. TECHNICAL ASSISTANCE AND TRAINING.

"(a) GRANTS.—The Secretary shall make grants to public and private nonprofit agencies, institutions, and organizations—

"(1) to provide technical assistance to assist in the development, implementation, and expanded use of model Follow Through approaches; and

"(2) to provide training in conjunction with the operation of Follow Through programs or other programs that adopt such approaches.

"(b) LIMITATIONS.—

"(1) FISCAL YEAR LIMITATION.—Technical assistance with respect to a particular model Follow Through approach shall not be provided under subsection (a)(1) to a particular recipient of financial assistance under section 662(a) in more than 5 fiscal years.

"(2) PRIOR RECEIPT OF ASSISTANCE.—In the case of a recipient of financial assistance under section 662(a) that has received technical assistance prior to the date of enactment of this part, the Secretary may limit the provision of technical assistance with respect to a particular Follow Through approach under subsection (a)(1) to 3 fiscal years.

"SEC. 664B. RESOURCE AND EXPANSION.

"The Secretary may make grants to entities that operate, or that previously operated, Follow Through programs that the Secretary determined to be effective—

"(1) to act as Follow Through resources to develop and provide information on the operation of their respective programs;

"(2) to promote the adoption of similar programs by local educational agencies; and

"(3) to assist agencies, institutions, and organizations that receive funds under section 664A, in providing technical assistance and training.

"SEC. 664C. DISSEMINATION ACTIVITIES.

"(a) PROMOTION OF APPROACHES.—The Secretary shall promote the awareness and use of model Follow Through approaches by—

"(1) providing information to recipients of grants and contracts under section 1562 of the Elementary and Secondary Education Act of 1965 concerning programs and activities that receive assistance under this title; and

"(2) making information concerning such programs and activities available to such recipients without charge.

"(b) FUNDING.—From amounts appropriated for each fiscal year to carry out this part, the Secretary shall expend not less than $100,000 to pay for the costs incurred by such recipients to disseminate information relating to programs and activities funded under this part.".

(b) CONFORMING AMENDMENT.—The Follow Through Act (42 U.S.C. 9861 et seq.) is amended by repealing section 667.

SEC. 305. RESEARCH AND EVALUATION CONTRACTS.

Section 665 of the Follow Through Act (42 U.S.C. 9864) is amended—

(1) in the heading of such section, by striking out "DEMONSTRATION, AND PILOT PROJECT" and inserting in lieu thereof "AND EVALUATION"; and

(2) in subsection (a)(1), by striking out ", demonstration, or pilot project" and inserting in lieu thereof "or evaluation".

SEC. 306. EVALUATION.

Section 666(a) of the Follow Through Act (42 U.S.C. 9865(a)) is amended—

(1) by striking out the last sentence and inserting in lieu thereof "Such continuing evaluation shall measure the impact of such programs on participating parents and on entire schools and school districts in which such programs are carried out.";

(2) by inserting "(1)" after "(a)"; and

(3) by adding at the end thereof the following new paragraph:

"(2) The evaluation required by paragraph (1) shall include evaluations of local educational agencies that receive Follow Through grants for use in a school that is designated for a schoolwide project under section 1015(a) of the Elementary and Secondary Education Act of 1965. Such evaluation shall compare children who only receive services under a grant under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 with children who receive services under such a grant and under a Follow Through grant. Such comparison shall be made to determine whether the comprehensive services provided to the children who receive services under a Follow Through grant through the model Follow Through approach had a positive effect on their educational progress and overall developmental progress. To the extent practicable, such comparison shall be made on the basis of results of evaluations conducted

under such chapter and evaluations conducted under this subsection, and shall take into account the amount of funds provided to the project.".

SEC. 307. GENERAL AND ADMINISTRATIVE PROVISIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—The Follow Through Act (42 U.S.C. 9861 et seq.) is amended by inserting after section 666 the following new part:

"PART III—GENERAL AND ADMINISTRATIVE PROVISIONS

"SEC. 667. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this subchapter $20,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994.

"(b) USE OF AMOUNTS.—Of the amount appropriated for each fiscal year to carry out this subchapter—

"(1) 70 percent shall be made available to carry out part I; and

"(2) 30 percent shall be made available to carry out part II, of which not less than one-third of such amount shall be made available for the purposes described in section 664(2).

"(c) NON-FEDERAL CONTRIBUTIONS.—

"(1) FEDERAL SHARE.—Except as provided in paragraph (4), financial assistance provided under part I for a Follow Through program shall not exceed 80 percent of the approved cost of the program assisted, except that the Secretary may approve assistance in excess of such percentage if the Secretary determines, in accordance with rules establishing objective criteria, that such action is required to carry out such part.

"(2) OTHER CONTRIBUTIONS.—Non-Federal contributions to a Follow Through program may be in cash or in kind, fairly evaluated, including plant, equipment, and services.

"(3) LIMITATION.—The Secretary shall not require non-Federal contributions in excess of 20 percent of the approved costs of the Follow Through program assisted.

"(4) EXCEPTION.—Financial assistance provided under part I for a Follow Through program carried out in an elementary school that—

"(A) receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(B) is designated for a schoolwide project under section 1015(a) of such Act;

may be expended to pay 100 percent of the approved costs of the program that is assisted.

"(d) REQUIREMENT FOR APPROVAL OF APPLICATION.—An application for assistance under this subchapter shall not be approved unless the Secretary determines that the services to be provided under this subchapter by such applicant will be in addition to, and not in substitution for, services previously provided without Federal assistance. The requirement imposed by the preceding sentence shall be subject to such rules as the Secretary may issue.".

(b) CONFORMING AMENDMENT.—Section 670 of the Follow Through Act (42 U.S.C. 9861 note) is repealed.

SEC. 308. PARTICIPATION IN OTHER EDUCATIONAL ACTIVITIES.

The Follow Through Act (42 U.S.C. 9861 et seq.) is amended by inserting after section 669 the following new section:

"SEC. 669A. PARTICIPATION IN OTHER EDUCATIONAL ACTIVITIES.

"(a) IN GENERAL.—The Secretary shall facilitate the participation of entities that receive funds under sections 664A and 664B in training and technical assistance activities carried out under other Federal programs that provide assistance to children in elementary schools, including programs and activities carried out under chapter 1 of title I of the Elementary and Secondary Education Act of 1965.

"(b) COORDINATION WITH HEAD START TRANSITION PROJECT.—The Secretary shall consult with the Secretary of Health and Human Services in the coordination of the program established under this Act with the Head Start Transition Project established under the Head Start Transition Project Act to enable local educational agencies to submit a single application for funding under both such programs and shall, to the extent practicable, coordinate the issuance of regulations governing such programs.".

TITLE IV—AMENDMENTS TO THE STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT

SEC. 401. AUTHORIZATION OF APPROPRIATIONS.

Section 670A of the State Dependent Care Development Grants Act (42 U.S.C. 9871) is amended—

(1) by striking out "is authorized" and inserting in lieu thereof "are authorized";

(2) by striking out "1987, 1988, 1989, and"; and

(3) by inserting after "1990" the following: "and 1991, and such sums as may be necessary for fiscal years 1992, 1993, and 1994".

SEC. 402. OPERATION COSTS OF AFTER SCHOOL CARE PROGRAMS AUTHORIZED.

(a) USE OF ALLOTMENTS.—

(1) IN GENERAL.—Section 670D(a)(1) of the State Dependent Care Development Grants Act (42 U.S.C. 9874(a)(1)) is amended by inserting "operation," after "establishment,".

(2) OPERATION AND SITES.—Section 670D(b)(1) of such Act (42 U.S.C. 9874(b)(1)) is amended—

(A) by inserting "operation," after "establishment,"; and

(B) by striking out "in public" and all that follows through "communities".

(3) PARTICIPATION OF CERTAIN CHILDREN.—Section 670D(b)(1) of such Act is further amended by adding at the end thereof the following new sentence: "Amounts so paid to a State and used for the operation of such child care services shall be designed to enable children, whose families lack adequate financial resources, to participate in before or after school child care programs.".

(4) RESOURCE AND REFERRAL SYSTEM.—Section 670D(f) of such Act (42 U.S.C. 9871(f)) is amended by inserting "operate," after "expand,".

(b) LIMITATIONS.—Section 670D(d) of such Act (42 U.S.C. 9874(d)) is amended—

(1) by striking out paragraph (1);

(2) by redesignating paragraph (2) as paragraph (1);

(3) by striking out paragraph (3); and

(4) by redesignating paragraphs (4) and (5) as paragraphs (2) and (3) respectively.

SEC. 403. REPORT BY GRANT RECIPIENTS.

(a) IN GENERAL.—Section 670E(c) of the State Dependent Care Development Grants Act (42 U.S.C. 9875(c)) is amended—

(1) by inserting "(1)" after the subsection designation; and

(2) by adding at the end thereof the following new paragraph:

"(2) The chief executive officer of each State shall include in such a description of—

"(A) the number of children served in before and after school child care programs assisted under this subchapter;

"(B) the characteristics of the children so served including age levels, handicapped condition, income level of families in such programs;

"(C) the salary level and benefits paid to employees in such child care programs;

"(D) the number of clients served in resource and referral systems assisted under this subchapter; and

"(E) the characteristics of clients served in resource and referral systems assisted under this subchapter, including disability categories.".

(b) DATE OF REVISION.—Section 670E(c)(1) of such Act (as redesignated by subsection (a)) is amended by striking out "September 30, 1987" and inserting in lieu thereof "September 30, 1991".

SEC. 404. TECHNICAL AMENDMENTS.

(a) USE OF ALLOTMENTS.—Section 670D of the State Dependent Care Development Grants Act (42 U.S.C. 9874) is amended—

(1) in the first sentence of subsection (a)(1), by striking out "for fiscal year 1985 and fiscal year 1986";

(2) in the first sentence of subsection (b)(1), by striking out "for fiscal year 1985 and fiscal year 1986";

(3) in subsection (b)(2)—

(A) by striking out "as well as handicapped school-age children" in subparagraph (D), and inserting in lieu thereof "school-age children, as well as handicapped school-age children,"; and

(B) by striking out "Governor may reasonably require to carry out the provisions of" in subparagraph (F), and inserting in lieu thereof "chief executive officer of the State may reasonably require to carry out"; and

(4) in subsection (f), by striking out ", which prior to the date of enactment of this subchapter, are provided" and inserting in lieu thereof "which are provided prior to the date of the enactment of this subchapter,"; and

(5) in subsection (g), by striking out "operating activities to be carried out" and inserting in lieu thereof "carrying out activities".

(b) APPLICATION AND DESCRIPTION OF ACTIVITIES.—The last sentence of section 670E(c) of such Act (42 U.S.C. 9875(c)) is amended by striking out "until September 30, 1987,".

(c) DEFINITIONS.—Section 670G of such Act (42 U.S.C. 9877) is amended—

(1) in paragraph (2)(C), by striking out "a person" and inserting in lieu thereof "an individual";

(2) in paragraph (7), by inserting "in" after "State" the first place that such appears; and

(3) in paragraph (10), by striking out "Trust Territory of the Pacific Islands," and inserting in lieu thereof "Federated States of Micronesia, the Republic of the Marshall Islands, Palau,".

TITLE V—AMENDMENTS TO THE COMMUNITY SERVICES BLOCK GRANT ACT

SEC. 501. AUTHORIZATION OF APPROPRIATIONS.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—Section 672(b) of the Community Services Block Grant Act (42 U.S.C. 9901(b)) is amended—

(1) by striking out "is authorized" and all that follows through "1989, and", and inserting in lieu thereof "are authorized to be appropriated";

(2) by inserting after "1990," the following: "$451,500,000 for fiscal year 1991, $460,000,000 for fiscal year 1992, $480,000,000 for fiscal year 1993, and $500,000,000 for fiscal year 1994"; and

(3) by inserting "(other than section 681A)" after "subtitle".

(b) AUTHORIZATION OF APPROPRIATIONS FOR COMMUNITY FOOD AND NUTRITION PROGRAMS.—Section 681A(c) of such Act (42 U.S.C. 9910a(c)) is amended—

(1) by striking out "each of the fiscal years 1987, 1988, 1989, and" and inserting in lieu thereof "fiscal year"; and

(2) by inserting after "1990" the following: ", $10,000,000 for fiscal year 1991, $15,000,000 for fiscal year 1992, $20,000,000 for fiscal year 1993, and $25,000,000 for fiscal year 1994".

SEC. 502. ELIGIBLE ENTITIES.

The third sentence of section 673(1) of the Community Services Block Grant Act (42 U.S.C. 9902(1)) is amended—

(1) by striking out "In" and inserting "If";

(2) by striking "not presently" and inserting "is not, or ceases to be,";

(3) by striking "Governor" and inserting "chief executive officer"; and

(4) in subparagraph (C), by striking out "The Governor's" and inserting in lieu thereof "In making a designation under this subparagraph, such chief executive officer shall give priority to such organization. Such officer's".

SEC. 503. STATE ALLOCATIONS.

Section 674(a) of the Community Services Block Grant Act (42 U.S.C. 9903(a)) is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

(2) by inserting after paragraph (1), the following new paragraph:

"(2)(A) Subject to subparagraph (B), if the amount appropriated under section 672 for each fiscal year that remains after—

"(i) the Secretary makes the apportionment required in subsection (b)(1); and

"(ii) the Secretary determines the amount necessary for the purposes of section 681(c); exceeds $360,000,000, the Secretary shall allot to each State not less than one-half of 1 percent of such appropriated amount.

"(B) Subparagraph (A) shall not apply with respect to a fiscal year if the amount allotted under paragraph (1) to any State is less than the amount allotted under such paragraph to such State for the fiscal year preceding the fiscal year for which a determination is made under this paragraph.

"(C) Notwithstanding subparagraph (A), the amount allotted to a State shall not exceed 140 percent of the amount allotted to such State for the fiscal year preceding the fiscal year for which a determination is made under this paragraph.".

SEC. 504. DISCRETIONARY AUTHORITY OF SECRETARY.

(a) PLANNING AND DEVELOPMENT OF RURAL RENTAL HOUSING.—Section 681(a)(2)(D) of the Community Services Block Grant Act (42 U.S.C. 9910(a)(2)(D)) is amended by striking out "rural housing and community facilities development" and inserting in lieu thereof "the planning and development of rural housing (including rental housing for low-income individuals) and community facilities".

(b) ACTIVITIES FOR LOW-INCOME YOUTH.—Section 681 of such Act (42 U.S.C. 9910) is amended—

(1) in subsection (a)(2)(F) by—

(A) striking out "national or regional"; and

(B) striking out "recreational activities" and inserting in lieu thereof "instructional activities described in subsection (b)";

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

(3) by inserting after subsection (a) the following new subsection:

"(b) Any instructional activity carried out under subsection (a)(2)(F) shall be carried out on the campus of an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965) and shall include—

"(1) access to the facilities and resources of such institution;

"(2) an initial medical examination and follow-up referral or treatment, without charge, for youth during their participation in such activity;

"(3) at least one nutritious meal daily, without charge, for participating youth during each day of participation;

"(4) high quality instruction in a variety of sports, that shall include swimming, and that may include dance, provided by coaches and teachers from institutions of higher education, and from elementary and secondary schools (as defined in sections 1471(8) and 1471(21) of the Elementary and Secondary Education Act of 1965); and

"(5) enrichment instruction and information on matters relating to the well-being of youth, such as educational opportunities and study practices, the prevention of drug and alcohol abuse, health and nutrition, career opportunities, and job responsibilities.".

SEC. 505. COMMUNITY FOOD AND NUTRITION.

(a) CONFORMING AMENDMENT.—Subsection (a) of section 681A of the Community Services Block Grant Act (42 U.S.C. 9910a) is amended by striking out "local, and statewide" and inserting in lieu thereof "local, Statewide, and national".

(b) AMOUNTS OF GRANTS.—Subsection (b) of section 681A of the Community Services Block Grant Act (42 U.S.C. 9910a(b)) is amended to read as follows:

"(b)(1) The first $5,000,000 appropriated for a fiscal year to carry out this section shall be allocated as follows:

"(A) The Secretary shall utilize 60 percent of such amount to make allotments for grants under subsection (a) to eligible agencies for statewide programs in each State in an amount that bears the same ratio to 60 percent of such amount (up to $5,000,000) as the low-income and unemployed populations of such State bear to the low-income and unemployed populations of all the States. An eligible agency must demonstrate that the proposed activities are statewide in scope and represent a comprehensive and coordinated effort to alleviate hunger within the State.

"(B) The Secretary shall utilize the remaining 40 percent of such amount to award grants on a competitive basis to eligible agencies for local and statewide programs. In any fiscal year no agency shall receive funds under this subparagraph and paragraph (2)(B) in excess of $50,000.

"(2) Any amounts appropriated for a fiscal year to carry out this section in excess of $5,000,000 shall be allocated as follows:

"(A) The Secretary shall utilize 40 percent of such amount to make allotments for grants under subsection (a) to eligible agencies for statewide programs in each State in an amount that bears the same ratio to 40 percent of such amount as the low-income and unemployed populations of such State bears to the low-income and unemployed populations of all States. An eligible agency must demonstrate that the proposed activities are statewide in scope and represent a comprehensive and coordinated effort to alleviate hunger within the State.

"(B) The Secretary shall utilize 40 percent of such amount to award grants on a competitive basis to eligible agencies for local and statewide programs. In any fiscal year no agency shall receive funds under this subparagraph and paragraph (1)(B) in excess of $50,000.

"(C) The Secretary shall utilize the remaining 20 percent of such amount to award grants on a competitive basis to eligible agencies for nationwide programs, including programs benefiting Native Americans or migrant farm workers.

"(3) From the amounts allocated under paragraphs (1)(A) and (2)(A), the minimum total allotment for each State and the District of Columbia for each fiscal year shall be—

"(A) $15,000, if the total amount appropriated to carry out this section is greater than or equal to $7,000,000;

"(B) $20,000, if the total amount appropriated to carry out this section is greater than or equal to $10,000,000; or

"(C) $30,000, if the total amount appropriated to carry out this section is greater than or equal to $15,000,000.".

(c) REPORTS.—Section 681A of such Act (42 U.S.C. 9910a) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b), the following new subsection:

"(c) For each fiscal year, the Secretary shall prepare and submit, to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the grants awarded under this section. Such report shall include—

"(1) a list of grantees;

"(2) the amount of funding awarded to each grantee; and

"(3) a summary of the activities performed by grantees with funds awarded under this section and a description of the manner in which such activities meet the objectives described in subsection (a).".

SEC. 506. ANNUAL REPORT.

(a) REPORT REQUIRED.—Section 682 of the Community Services Block Grant Act (42 U.S.C. 9911) is amended to read as follows:

"SEC. 682. ANNUAL REPORT.

"(a) REQUIREMENT.—

"(1) IN GENERAL.—For each fiscal year beginning after September 30, 1991, the Secretary shall, by contract with an entity that is knowledgeable about programs and projects assisted under this subtitle, prepare a report that shall contain—

"(A) a description of the identity of each eligible entity, agency, organization, and person that receives, directly or indirectly, funds to carry out this subtitle in such fiscal year;

"(B) with respect to each particular purpose or activity referred to in section 675(c)(1), a description of the—

"(i) aggregate amount of such funds expended in such fiscal year to achieve such purpose or carry out such activity; and

"(ii) number of individuals who directly benefited from the amount so expended.

"(2) ADDITIONAL INFORMATION.—For any fiscal year beginning after September 30, 1991, the Secretary may, by contract, include in the report prepared under paragraph (1), any additional information that the Secretary considers to be appropriate to carry out this subtitle, except that the Secretary shall not require a State to provide such additional information until the expiration of the 1-year period beginning on the date the Secretary notifies such State that

such additional information will be required to be provided by such State.

"(3) LIMITATION.—The Secretary shall not carry out this subsection by entering into a contract with any State, eligible entity, agency, organization, or person that receives, directly or indirectly, funds to carry out this subtitle.

"(b) SUBMISSION TO CONGRESS.—Not later than 180 days after the end of the fiscal year for which a report is required by subsection (a) to be prepared, the Secretary shall transmit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate—

"(1) such report in the form in which it was received by the Secretary; and

"(2) any comments the Secretary may have with respect to such report.

"(c) FUNDING.—Of the funds made available under section 681(d), not more than $250,000 shall be available to carry out this section.".

(b) CONFORMING AMENDMENT.—Section 681(d) of such Act (42 U.S.C. 9910), as so redesignated by section 505(b)(2), is amended by inserting ", section 682," after "this section".

SEC. 507. TECHNICAL AMENDMENT.

Section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2)) is amended by striking "for all Urban" and inserting "For All Urban".

TITLE VI—AMENDMENTS TO THE CHILD DEVELOPMENT ASSOCIATE SCHOLARSHIP ASSISTANCE ACT OF 1985

SEC. 601. ADEQUACY OF SCHOLARSHIPS.

(a) TRAINING ASSISTANCE.—Section 603(b)(1)(C) of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10902(b)(1)(C)) is amended by inserting "(including, at the option of the State, and training necessary for credentialing)" after "credentialing".

(b) LIMITATION.—Section 603(b) of such Act (42 U.S.C. 10902(b)) is amended—

(1) in paragraph (1)(C), by striking out "and" at the end thereof;

(2) by redesignating paragraph (2) as paragraph (3); and

(3) by inserting after paragraph (1) the following new paragraph:

"(2) not more than 50 percent of the funds received under this title by a State may be used to provide scholarship assistance under paragraph (1) to cover the cost of training described in paragraph (1)(C); and".

SEC. 602. DEFINITIONS.

Section 604 of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10903) is amended in paragraph (1), by striking out "50" and inserting in lieu thereof "150".

SEC. 603. AUTHORIZATION OF APPROPRIATIONS.

Section 606 of the Child Development Associate Scholarship Assistance Act of 1985 (42 U.S.C. 10904) is amended—

(1) by striking out "is authorized" and inserting in lieu thereof "are authorized";

(2) by striking out "each of the fiscal years 1987, 1988, 1989, and" and inserting in lieu thereof "fiscal year"; and

(3) by inserting after 1990 the following: ", $3,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994".

TITLE VII—AMENDMENTS RELATING TO DEMONSTRATION PARTNERSHIP AGREEMENTS ADDRESSING THE NEEDS OF THE POOR

SEC. 701. PROGRAMS FOR SPECIAL POPULATIONS.

Section 408 of the Human Services Reauthorization Act of 1986 (42 U.S.C. 9910b) is amended—

(1) by redesignating subsections (c), (d), (e), (f), and (g) as subsections (d), (e), (f), (g), and (h), respectively; and

(2) by inserting after subsection (b), the following new subsection:

"(c) PROGRAMS DIRECTED TO SPECIAL POPULATIONS.—(1) In addition to the grant programs described in subsection (a), the Secretary shall make grants to eligible entities for the purpose of demonstrating new and innovative approaches to addressing the problems of, and providing opportunities for leadership development and community involvement to, disadvantaged persons between the ages of 17 and 25 from populations experiencing conditions such as a high poverty rate, high unemployment, low labor force participation, low rate of high school completion, high incidence of involvement in violence, and a high rate of incarceration. Services provided through approaches funded by such grants may include, assessment and development of employability plans, remedial education, motivational activities, life skills instruction, community service, and employment training, placement, and follow-up.

"(2) Such grants may be made only with respect to applications that—

"(A) identify and describe the population to be served, the problems to be addressed, the overall approach and methods of outreach and recruitment to be used, and the services to be provided;

"(B) describe how the approach to be used differs from other approaches used for the population to be served by the project;

"(C) describe the objectives of the project and contain a plan for measuring progress toward meeting those objectives; and

"(D) contain assurances that the grantee will report on the progress and results of the demonstration at such times and in such manner as the Secretary shall require.

"(3) Notwithstanding subsection (b), such grants shall not exceed 80 percent of the cost of such programs.

"(4) Such grants shall be made annually on such terms and conditions as the Secretary shall specify to eligible entities that serve the populations described in paragraph (1) and that are located within those areas where such populations are concentrated.".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

Section 408(h) of the Human Services Reauthorization Act of 1986 (42 U.S.C. 9910b(g)) (as amended by section 701) is further amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking out "$5,000,000" and all that follows through "1989, and";

(3) by inserting after "1990," the following: "$10,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994";

(4) by inserting "with the exception of subsection (c)" before the period; and

(5) by adding at the end thereof the following new paragraph:

"(2) There are authorized to be appropriated $10,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1994, to carry out subsection (c).".

TITLE VIII—AMENDMENTS TO THE COMPREHENSIVE CHILD DEVELOPMENT CENTERS ACT

SEC. 801. AUTHORIZATION OF APPROPRIATIONS.

Section 670T(a) of the subchapter E of chapter 8 of subtitle A of title VI of the Omnibus Budget Reconciliation Act of 1981 (42 U.S.C. 9887) (the Comprehensive Child Development Act) is amended by striking out "appropriated" and all that follows after through the end and inserting in lieu thereof "appropriated, $50,000,000 for each of the fiscal years 1991, 1992, 1993 and 1994".

TITLE IX—COORDINATED SERVICES FOR CHILDREN, YOUTH, AND FAMILIES

SEC. 901. SHORT TITLE.

This title may be cited as the "Coordinated Services for Young Americans Act of 1990".

SEC. 902. FINDINGS.

Congress finds that—

(1) children and youth are inherently the most valuable resource of the United States;

(2) the welfare, protection, healthy development, and positive role of children and youth in society are essential to the United States;

(3) children and youth deserve love, respect, and guidance, as well as good health, shelter, food, education, productive employment opportunities, and preparation for responsible participation in community life;

(4) children and youth have increasing opportunities to participate in the decisions that affect their lives;

(5) the family is the primary caregiver and source of social learning and must be supported and strengthened;

(6) when a family is unable to ensure the satisfaction of basic needs of children and youth it is the responsibility of society to assist such family; and

(7) it is the joint and several responsibility of the Federal Government, each State, and the political subdivisions of each State to assist children and youth to secure, to the maximum extent practicable, equal opportunity to full and free access to—

(A) the best possible physical and mental health;

(B) adequate and safe physical shelter;

(C) a high level of educational opportunity;

(D) effective training, apprenticeships, opportunities for community service, and productive employment and participation in decisions affecting their lives;

(E) a wide range of civic, cultural, and recreational activities that recognize young Americans as resources and promote self-esteem and a stake in the communities of such Americans; and

(F) comprehensive community services that are efficient, coordinated, readily available, and involve families of young individuals.

Subtitle A—Establishment of Administration and Awarding of Grants for Programs

SEC. 911. SHORT TITLE.

This subtitle may be cited as the "Young Americans Act of 1990".

SEC. 912. DEFINITIONS.

As used in this subtitle:

(1) COMMISSIONER.—The term "Commissioner" means the Commissioner of the Administration on Children, Youth, and Families, as established under section 915.

(2) COUNCIL.—The term "Council" means the Federal Council on Children, Youth, and Families, as established under section 918(a).

(3) NONPROFIT.—The term "nonprofit", as applied to any agency, institution, or organization, means an agency, institution, or organization that is, or is owned and operated by, one or more corporations or associations, no part of the net earnings of which may lawfully inure to the benefit of any private shareholder or individual.

(4) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

(5) STATE.—The term "State" includes the District of Columbia, the Virgin Islands, Puerto Rico, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and the Trust Territory of the Pacific Islands.

(6) YOUNG INDIVIDUAL.—The term "young individual" means any child or youth from birth to 21 years of age.

CHAPTER 1—ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES

SEC. 915. ESTABLISHMENT OF THE ADMINISTRATION ON CHILDREN, YOUTH, AND FAMILIES.

(a) IN GENERAL.—There is established within the Department of Health and Human Services an Administration on Children, Youth, and Families.

(b) COMMISSIONER.—

(1) ESTABLISHMENT.—

(A) IN GENERAL.—The Administration on Children, Youth, and Families, as established under subsection (a), shall be headed by a Commissioner on Children, Youth, and Families.

(B) COMPENSATION.—Section 5316 of title 5, United States Code is amended by adding at the end thereof the following new item:

"Commissioner, Administration on Children, Youth, and Families.".

(2) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint the Commissioner.

SEC. 916. FUNCTIONS OF THE COMMISSIONER.

(a) IN GENERAL.—The Commissioner shall—

(1) serve as the effective and visible advocate for children, youth, and families within the Department of Health and Human Services and with other departments, agencies, and instrumentalities of the Federal Government by maintaining active review and commenting responsibilities, as appropriate, concerning Federal policies affecting young individuals, and the families of young individuals;

(2) collect and disseminate information related to the problems of young individuals and the families of such individuals;

(3) assist the Secretary in appropriate matters pertaining to young individuals, and the families of such individuals;

(4) administer the grants authorized under this subtitle;

(5) develop plans and conduct research in the field of young individuals, and the families of such individuals;

(6) assist, to the maximum extent practicable, in the establishment and implementation of programs designed to meet the needs of young individuals for supportive services including—

(A) health and mental health services;

(B) housing and shelter assistance;

(C) education and training services;

(D) protective services;

(E) foster care;

(F) teen parenting support;

(G) child care;

(H) family support and preservation;

(I) teen pregnancy prevention and counseling;

(J) counseling on the effects of violence in the communities of such individuals and their families;

(K) recreational and volunteer opportunities; and

(L) comprehensive early childhood development;

(7) provide technical assistance and consultation to States and the political subdivisions of such States with respect to programs for young individuals;

(8) prepare, publish, and disseminate educational materials concerning the welfare of young individuals;

(9) gather statistics concerning young individuals, and the families of such individuals, that other Federal agencies are not collecting;

(10) to the maximum extent practicable coordinate activities carried out or assisted by all departments, agencies, and instrumentalities of the Federal Government with respect to the collection, preparation, and dissemination of information relevant to young individuals and the families of such individuals;

(11) stimulate more effective uses of existing resources and available services for young individuals and the families of such individuals;

(12) develop basic policies and set priorities with respect to the development and operation of programs and activities conducted under this title;

(13) convene conferences of authorities and officials of organizations, including Federal, State, and local agencies, and nonprofit private organizations, of programs for children, youth and their families for the development and implementation of policies related to the priorities and purposes of this title, including topics such as the establishment of a nationwide network of comprehensive, coordinated services and opportunities for such individuals;

(14) conduct periodic evaluations of the programs and activities related to the purposes of this title; and

(15) develop, in coordination with other agencies, methods to ensure adequate training for personnel concerning children, youth and families and to ensure the adequate dissemination of such information to appropriate State and community agencies.

(b) ENCOURAGEMENT OF VOLUNTEERISM.—In executing the duties and functions of the Administration under this subtitle and in carrying out the programs and activities authorized under this title, the Commissioner, in consultation with the Director of the ACTION Agency, shall take necessary steps to coordinate with and seek the advice of voluntary agencies and organizations that provide services related to the purposes of this title.

SEC. 917. FEDERAL AGENCY CONSULTATIONS.

(a) IN GENERAL.—The Commissioner shall consult and cooperate with the heads of all appropriate Federal agencies or departments administering programs or services that are substantially related to the purposes of this title.

(b) INTERAGENCY AGREEMENTS.—To the extent practicable, the Commissioner shall facilitate cooperation through the entering into of interagency agreements.

SEC. 918. FEDERAL COUNCIL ON CHILDREN, YOUTH, AND FAMILIES.

(a) ESTABLISHMENT.—There is established a Federal Council on Children, Youth, and Families.

(b) NUMBER OF MEMBERS.—The Council shall be composed of 18 members to be appointed in accordance with subsection (d).

(c) TERM OF MEMBERSHIP.—Each member of the Council shall serve for a 3-year term without regard to title 5, United States Code.

(d) APPOINTMENT OF MEMBERS.—

(1) IN GENERAL.—The Council shall be composed of—

(A) six members who possess such skills and qualifications so as to be representative of—

(i) rural and urban populations; and

(ii) national organizations with an interest in young individuals, families, early childhood development, elementary and secondary education, business, labor, minorities, and the general public;

(B) six members who are representatives of public, State or local agencies that serve children, youth and their families and include representatives of child welfare and child mental health agencies; and

(C) six members who are cabinet-level representatives of Federal agencies that have responsibility for programs relating to children, youth and families.

(2) AGE OF MEMBERS.—At least one of the individuals appointed to the Council under paragraph (1)(A) shall be under the age of 21 at the time of such appointment.

(3) APPOINTING AUTHORITY.—Of the members of the Council who are appointed under paragraph (1)—

(A) six of the members described under subparagraphs (A) and (B) shall be appointed by the President pro tempore of the Senate on the recommendation of the Majority and Minority Leaders of the Senate;

(B) six of the members described under subparagraphs (A) and (B) shall be appointed by the Speaker of the House of Representatives on the recommendation of the Majority and Minority Leaders of the House of Representatives; and

(A) the members described under subparagraph (C) shall be appointed by the President.

(e) VACANCY.—

(1) FILLING VACANCY.—A vacancy on the Council shall be filled in the same manner in which the original appointment was made.

(2) POWERS OF BOARD.—A vacancy on the Council shall not affect the powers of the Council.

(3) TERM OF APPOINTMENT.—A member of the Council who is appointed to fill a vacancy occurring prior to the expiration of the term for which the predecessor of such member was appointed shall be appointed only for the remainder of such term.

(f) REAPPOINTMENT.—Each member of the Council shall be eligible for reappointment to the Council.

(g) EXPIRATION OF TERM.—Each member of the Council may serve after the expiration of the term of membership until the successor of such member has taken office.

(h) TRAVEL EXPENSES.—Each member of the Council, while serving on business of the Council away from the home or regular place of business of such member, may be allowed subsistence in the same manner as the expenses authorized by section 5703 of title 5, United States Code, for individuals in the Government service employed intermittently.

(i) CHAIRPERSON.—The President shall designate the Secretary of Health and Human Services to serve as the Chairperson of the Council. In the event that the Secretary chooses to designate the functions of Chairperson under this subsection, such designation may only be made to the Commissioner.

(j) MEETINGS.—Not less than once during each 6-month period, the Chairperson of the Council shall call a meeting of the Council.

(k) DUTIES OF THE COUNCIL.—The Council shall—

(1) advise and assist the President on matters relating to the special needs of young individuals;

(2) review, evaluate, and inventory on a continuing basis Federal policies, programs and other activities affecting young individuals that are conducted or assisted by all Federal departments and agencies for the purpose of appraising the value and the impact of such policies, programs, and activities on the lives of young individuals, and of identifying duplication of services for young individuals and the families of such individuals;

(3) make recommendations to the President, the Secretary, the Commissioner, and the appropriate Committees of Congress concerning changes in such policies and programs that can streamline services, reduce duplication of services and encourage the coordination of services provided to young individuals and the families of such individuals at the State and local level; and

(4) provide public forums, including public hearings, conferences, workshops, and other meetings, for discussing and publicizing the problems and needs of the young individuals and obtaining information relating to such individuals.

(l) STAFF.—The Chairperson shall appoint staff personnel to assist the Chairperson in carrying out the duties required under subsection (k).

(m) INFORMATION AND ASSISTANCE.—The head of each Federal department and agency shall make available to the Chairperson such information and other assistance as the Chairperson may require to carry out the duties required under subsection (k).

(n) REPORTS.—

(1) SUBMISSION TO THE PRESIDENT.—In fiscal year 1992 and each fiscal year thereafter, the Chairperson shall prepare and submit—

(A) interim reports as the Chairperson considers to be appropriate; and

(B) an annual report of the findings and recommendations of the Council concerning the matters described in paragraphs (2) and (3) of subsection (k);

to the President not later than March 31 of each year.

(2) REVIEW AND SUBMISSION TO CONGRESS.—

(A) COMMENTS AND RECOMMENDATIONS.—The President may make comments and recommendations concerning reports submitted under paragraph (1).

(B) SUBMISSION TO CONGRESS.—The President shall submit such comments, recommendations, and reports to the appropriate Committees of Congress.

(o) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated to carry out this section $200,000 for each of the fiscal years 1991 through 1994.

(p) TERMINATION.—The Council shall terminate on September 30, 1995.

SEC. 919. ADMINISTRATION.

(a) DUTIES OF COMMISSIONER.—In carrying out this subtitle, the Commissioner shall—

(1) provide consultative services, technical assistance, and short-term training to the independent State bodies;

(2) conduct research and demonstrations;

(3) collect, prepare, publish, and disseminate special educational or informational materials, including reports of the projects for which funds are provided under this subtitle;

(4) provide staff and other technical assistance to the Council;

(5) evaluate the effectiveness of programs authorized under this subtitle and periodically publish analyses of the results of such evaluations; and

(6) not later than 180 days after the end of each fiscal year, prepare and submit, to the President and the appropriate Committees of Congress, a report concerning the activities carried out under this subtitle and concerning such other activities as the Secretary determines appropriate.

(b) UTILIZATION OF SERVICES AND FACILITIES.—

(1) IN GENERAL.—Subject to agreements made between the Commissioner and the head of such agency or organization, in carrying out the duties referred to in subsection (a) the Commissioner may utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or organizations.

(2) PAYMENT.—The Commissioner may pay for such services and facilities, in advance or by way of reimbursement, as may be provided in such agreement.

(c) AUTHORIZATION OF APPROPRIATION.—There are authorized to be appropriated $1,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1994, to carry out this section.

CHAPTER 2—GRANTS FOR STATE AND COMMUNITY PROGRAMS FOR CHILDREN, YOUTH, AND FAMILIES

SEC. 925. PURPOSE.

It is the purpose of this chapter to encourage and assist State and local agencies to coordinate resources, reduce barriers to services, and develop new capacities to ensure that State and community services designed to serve children, youth, and families are more effective and comprehensive.

SEC. 926. DEFINITIONS.

As used in this chapter:

(1) COMMISSIONER.—The term "Commissioner" shall mean the Commissioner of the Administration on Children, Youth and Families.

(2) COMMUNITY REFERRAL SERVICES.—The term "community referral services" means services to assist families in obtaining community resources, including health care, mental health care, employability development and job training, and other social services.

(3) CORE SERVICES.—The term "core services" means—

(A) educational and support services provided to assist parents in acquiring parenting skills, learning about child development, and responding appropriately to the behavior of their children; and

(B) the early developmental screening of children to assess any needs of such children and to identify specific types of support that may be provided.

(C) outreach services;

(D) community referral services; and

(E) follow up services.

(4) FOLLOW UP SERVICES.—The term "follow up services" means services provided to ensure that necessary services are received by families and are effective in meeting their needs.

(5) INDEPENDENT STATE BODY.—The term "independent State body" means the entity established under section 930.

(6) LEAD AGENCY.—The term "lead agency" means an existing State agency, or other public or nonprofit private entity designated by the chief executive officer of the State as the agency responsible for the development and implementation of local family resource and support programs. Such agency shall have demonstrated ability to work with other State and community based agencies, to provide training and technical assistance, and shall also have a commitment to parental participation in the design and administration of family resource and support programs.

(7) OTHER SERVICES.—The term "other services" and "other support services" includes—

(A) child care, early childhood development and intervention programs;

(B) employability development services (including skill training);

(C) educational services, such as scholastic tutoring, literacy training, and General Educational Degree (GED) services;

(D) nutritional education;

(E) life management skills training;

(F) peer counseling and crisis intervention, family violence counseling and referrals for such services;

(G) referral for substance abuse counseling and treatment referral; and

(H) referral for primary health and mental health services.

(8) OUTREACH SERVICES.—The term "outreach services" means services provided to ensure (through home visits or other methods) that parents are aware of and able to participate in family resource and support program activities.

(9) SECRETARY.—The term "Secretary" means the Secretary of Health and Human Services.

SEC. 927. ESTABLISHMENT OF PROGRAMS.

The Commissioner shall make grants—

(1) in each State under section 931 to improve State planning and coordination of services, and under section 932 to expand supportive services, in order to promote the availability of developmental, preventive, and remedial services to children, youth and their families that are designed to ensure—

(A) adequate and safe physical shelter whether in their own homes or, if necessary, in out-of-home programs;

(B) high quality physical and mental health care;

(C) the enhancement of the development of children to assure that children enter school prepared and ready to learn;

(D) highest quality educational opportunity;

(E) effective training and apprenticeships to increase the likelihood of employment;

(F) opportunities for community service and productive employment, and for participation by children and youth in decisions affecting the lives of such children and youth; and

(G) a wide range of civic, cultural, and recreational activities that recognize young individuals as resources and promote self-esteem and a sense of community; and

(2) to States on a competitive basis under section 933 to establish family and resource programs (including family support centers) in order to enhance the ability of families to remain together and to thrive through the provision of community based services that—

(A) promote and build family and parenting skills;

(B) promote and assist families in the use of formal and informal family support services;

(C) create a support network to strengthen and reinforce good parenting; and

(D) are closely linked with, but not duplicative of, other community resources.

SEC. 928. ADMINISTRATION.

(a) IN GENERAL.—The Commissioner shall administer programs under this chapter through the Administration on Children, Youth, and Families.

(b) TECHNICAL ASSISTANCE.—In carrying out this chapter, the Commissioner may request the technical assistance and cooperation of the Secretary of Education, the Secretary of Labor, the Attorney General, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Director of the Office of Community Services, and such other agencies and departments of the Federal Government as may be appropriate.

SEC. 929. STATE PLAN.

(a) SUBMISSION OF PLAN.—The chief executive officer of a State, in order to be eligible for grants from an allotment under section 931, 932 or 933 for any fiscal year, shall prepare and submit to the Commissioner a State plan for a 3-year period.

(b) REVISIONS OF PLAN.—Each chief executive officer of a State may make annual revisions of the State plan referred to in subsection (a).

(c) CONTENT OF PLAN.—The chief executive officer of a State shall include within the State plan of that State assurances as required under sections 931, 932 or 933, and a description of the proposed multi-year plans of the State for program development and implementation.

(d) TYPE OF APPLICATION.—A State may apply solely for funds under section 931, 932, or 933. In such case, the State application and plan shall comply only with the requirements of the appropriate section.

(e) APPROVAL OF PLAN.—

(1) IN GENERAL.—The Commissioner shall approve any State plan under sections 931 and 932 that the Commissioner determines meets the requirements of such sections.

(2) NOTICE AND OPPORTUNITY TO CORRECT DEFICIENCIES.—The Commissioner shall not make a final determination disapproving any State plan, modifying such plan, or declaring a State to be ineligible to receive funds under sections 931 or 932 without previously affording such State reasonable notice and opportunity to correct deficiencies in its application.

SEC. 930. INDEPENDENT STATE BODY.

(a) DESIGNATION.—A State shall not be eligible to receive a grant from an allotment under section 931 or 932 unless—

(1) the chief executive officer of such State designates an independent State body that is composed of—

(A) cabinet level representatives from each agency of such State that has responsibilities for programs affecting young individuals who shall comprise a majority of the independent State body; and

(B) individuals appointed from among—

(i) private nonprofit providers of services to young individuals;

(ii) advocacy and citizens groups concerned with young individuals;

(iii) committees of the legislature of such State that have responsibility for young individuals;

(iv) leaders who are young individuals, including such leaders who are recipients of service provided under this subtitle;

(v) representatives of the business community;

(vi) representatives of employees of providers of services to young individuals;

(vii) representatives of general purpose local government; and

(viii) such staff as shall be necessary to—

(I) develop a State plan to be submitted to the Commissioner for approval under section 931;

(II) administer and monitor the State plan within such State;

(III) assist in the coordination of all State activities related to the purpose of the title;

(IV) serve as an effective and visible advocate for young individuals by reviewing and commenting on all State plans, budgets, and policies that affect such individuals and the families of such individuals by providing technical assistance to any agency, organization, association, or individual representing the needs of young individuals; and

(2) the independent State body designated under paragraph (1)—

(A) develops a system for the distribution within the State of funds received under sections 931 and 932 by the chief executive officer;

(B) submits a description of such system to the Commissioner for review and comment; and

(C) ensures that preference will be given in such distribution of funds to developing or supporting local service delivery systems that—

(i) provide a range of services organized to tailor responses to needs rather than a predetermined array of services;

(ii) are rooted in and part of the communities that such systems are designed to serve as measured by the degree to which public and private community leaders and young individuals participate in the planning of such systems; and

(iii) demonstrate an ability to develop systematic collaboration among service providers on behalf of children, youth and families, including joint planning, joint financing, joint service delivery, common intake and assessment, and other arrangements that promote more effective service systems for such individuals.

(b) EXISTING ENTITY.—The Commissioner may approve a State plan in which the chief executive officer of the State designates as the independent State body an existing State entity that is comprised of the parties described in subsection (a) and that is authorized to conduct the same range of interagency planning and coordination activities.

SEC. 931. STATE COORDINATION OF SERVICES.

(a) AUTHORITY.—The Commissioner shall make grants under this section to States on a formula basis for the purpose of improving the coordination of services provided to children, youth, and families.

(b) APPLICATION.—To be eligible to receive a grant under this section, the chief executive officer of a State shall prepare and submit to the Commissioner an application containing a plan providing assurances that—

(1) the independent State body is committed to interagency planning that results in statewide policies promoting systematic collaboration among agencies on behalf of young individuals as demonstrated by joint planning, joint financing, joint service delivery, common intake and assessment, and other arrangements that reduce barriers to services and promote more effective local service delivery systems for young individuals;

(2) such plan will be based on needs as identified through an analysis of updated reports (such as "State of the Child" reports) prepared by the State, including detailed information gathered by the State, to the extent practicable, on young individuals and the families of such individuals concerning—

(A) age, sex, race, and ethnicity;

(B) the residences of such individuals;

(C) the incidence of homelessness among such individuals;

(D) the composition of families of such individuals;

(E) the economic situations of such individuals;

(F) the incidence of poverty among such individuals;

(G) experiences in the care of such individuals away from home;

(H) the health of such individuals;

(I) violence in the homes or communities of such individuals;

(J) the nature of the attachment of such individuals to school and work;

(K) drop out rates of such individuals from school; and

(L) the character of the communities in which such individuals reside;

(3) the system to be used for the distribution of funds within the State will require that—

(A) each area have an equal opportunity to apply for or receive funds under this chapter; and

(B) the public be given an opportunity to express views concerning the development and administration of such plan;

(4) the independent State body will provide an inventory of existing public and private services for children, youth and their families and will evaluate the need for supportive services within the State to address the purposes of this title and determine the extent to which existing public and private programs meet such need;

(5) the independent State body will make such reports, in such form, and containing such information, as the Commissioner may require;

(6) such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this chapter to the chief executive officer of the State, including any such funds paid to the recipients of a grant or contract;

(7) the independent State body will conduct periodic evaluations of activities and projects carried out pursuant to sections 931 and 932 and will report the results and recommendations to the chief executive officer of the State and the State legislature;

(8) the chief executive officer of the State will provide technical assistance or in-service training opportunities for personnel responsible for carrying out the purposes of sections 931 and 932; and

(9) the chief executive officer of each State will provide for the implementation of the requirements of section 932, relating to supportive services.

(c) USE OF GRANTS TO STATES.—Notwithstanding subsection (d), the amounts made available to each State under section 934(a) may be used to make grants to a State to enable such State to pay such percentages as the independent State body of such State determines to be appropriate, of the cost of administrating the State plan of such State including—

(1) the costs of the preparation of such plan and the provision of technical assistance to local planning and service areas;

(2) the costs of the evaluation of activities carried out under such plan;

(3) the costs of the collection of data and the carrying out of analyses related to the

need for supportive services within the State;

(4) the costs of the dissemination of information obtained under paragraph (3); and

(5) the costs of the provision of short-term training to personnel of public or nonprofit private agencies and organizations engaged in the operation of programs authorized by this chapter.

(d) FEDERAL SHARE.—The Federal share of the amounts made available under subsection (c) shall not exceed 75 percent.

(e) NONFEDERAL SHARE.—Not less than 25 percent of the non-Federal share of the total expenditures under the State plan shall be met from funds provided from State or local public sources.

(f) SUPPLEMENT NOT SUPPLANT.—Amounts received by a State under sections 931 and 932 shall be used only to supplement, not to supplant, the amount of Federal, State, and local funds expended for the purposes for which grants are made under sections 931 and 932, except that States may use existing expenditures to satisfy the State matching requirements under subsection (d), but in no event shall such expenditures be used to satisfy the matching requirements of any other Federal program.

(g) RELATIONSHIP TO FAMILY RESOURCE AND SUPPORT PROGRAM GRANTS.—If a State intends to apply for a grant under section 933 to be used for the same calendar year as the grant under this section, such State shall include in the application for a grant under this section a description of plans for family resource and support programs and for the coordination of the use of all funds received under this chapter.

SEC. 932. SUPPORTIVE SERVICES.

(a) AUTHORITY.—

(1) IN GENERAL.—The Commissioner shall carry out a program for making grants to a State, that has designated an independent State body under section 930 and provided for coordinated services under section 931, for distribution by the chief executive officer under a State plan approved under section 931 to demonstrate successful program approaches to fill service gaps identified through State planning and advocacy efforts for any of the areas specified in paragraph (2).

(2) ELIGIBLE SERVICES.—The services eligible to be provided under paragraph (1) are services—

(A) that are designed to facilitate the provision of comprehensive community based services that are efficient, coordinated, and readily available through such activities as case planning, case management, intake and assessment, and information and referral; and

(B) that serve any of the following purposes—

(i) provide adequate and safe physical shelter to young individuals and the families of such individuals, especially in emergency circumstances;

(ii) provide transitional living services to young individuals who are homeless;

(iii) enable young individuals to attain and maintain physical and mental well-being;

(iv) provide health screening to detect or prevent illnesses, or both, that occur most frequently in young individuals as well as better treatment and counseling;

(v) enhance the development of children to assure that such children enter school prepared and ready to learn;

(vi) promote the highest quality of educational opportunity, especially through dropout prevention programs, remediation for young individuals who have dropped out of school, and vocational education;

(vii) provide effective training apprenticeships and employment opportunities;

(viii) promote participation in community service and civic, cultural, and recreational activities that value young individuals as resources and promote self-esteem and a stake in the community;

(ix) promote the participation of young individuals in decisions concerning planning and managing the lives of such individuals;

(x) encourage young individuals and the families of such individuals to use any community facilities and services that are available to such individuals;

(xi) ensure that young individuals who are unable to live with the biological families of such individuals have a safe place to live until such individuals can return home or move into independent adult life; and

(xii) prevent the abuse, neglect, or exploitation of young individuals.

(b) LIMITATION ON GRANT AMOUNTS.—Amounts available to each State under section 934(b) may be used to make grants for paying such percentage as each independent State body may determine to be appropriate, but not more than 85 percent, of the cost of supportive services described in this section and identified in the State plan.

SEC. 933. FAMILY RESOURCE AND SUPPORT PROGRAM GRANTS.

(a) AUTHORITY.—The Commissioner shall make grants under this section to States on a competitive basis, for the purpose of developing, expanding, and operating a network of local family resource and support programs in collaboration with existing health, mental health, education, employment and training, child welfare, and other social services agencies within the State.

(b) AMOUNT OF GRANT.—

(1) IN GENERAL.—A grant awarded under this section shall be for an amount that is not more than 80 percent of the estimated State cost of developing, expanding, and operating local family support and resource programs.

(2) LIMITATION.—The amount of a grant awarded under this section for the first year in which a program is operated or expanded under this section shall not exceed $6,000,000 nor be less than $1,500,000 based on an assessment by the Commissioner of the application submitted by the State under subsection (d), the scope of the proposed program to be operated or expanded, and the population to be served by the program.

(c) DURATION.—

(1) IN GENERAL.—A grant awarded under this section shall be for a term of 3 years.

(2) LIMITATION.—

(A) USE.—During the 12-month period immediately after the date on which the grant is awarded to a State under this section, the State may use the funds received under such grant exclusively for program development. Subsequent to such period grant funds shall be used for program implementation and operation unless the Commissioner grants a waiver from this limitation.

(B) REPORTING REQUIREMENTS.—To receive funds after the period referred to in subparagraph (A) and after the 12-month period immediately following such initial period, the State shall report to the Commissioner concerning the plans of the State for—

(i) the establishment and expansion of a network of family resource and support programs in the State;

(ii) the number of family resource and support programs that have been expanded or newly established with grant funds under this section;

(iii) the nature of those programs, including the populations served and services provided; and

(iv) the extent of local community and parental participation in the development, operation, and governance of the programs.

(d) APPLICATION.—To be eligible to receive a grant under this section a State shall prepare and submit, to the Commissioner, an application at such time, in such form, and containing such information as the Commissioner shall require, including—

(1) an assurance that the chief executive officer of the State will designate a lead agency to assume responsibility for the development and implementation of family resource and support programs;

(2) an assurance that the State has a process for effective program development that—

(A) does not duplicate current processes or programs;

(B) makes publicly available a written plan for the establishment of a network of local family resource and support programs; and

(C) involves appropriate personnel in the development process, including—

(i) parents and prospective participants in family resource and support programs;

(ii) staff of existing family resource and support programs;

(iii) representatives of State and local government social service, health, mental health, education, employment, and economic development agencies;

(iv) representatives of the business community;

(v) representatives of general purpose local government;

(vi) representatives of local communities in which family resource and support programs are likely to be located; and

(vii) other individuals with expertise in the services that the family resource and support programs of the State intend to offer;

(3) a description of the current family support programs in the State, the current unmet need for such services, and the intended scope of the State family resource and support program, the population to be served, the manner in which the program will be operated, and the manner in which such program will relate to other community services and public agencies;

(4) a description of the projected level of financial commitment by the State to developing a family resource and support program;

(5) a description of the core services, as required under this chapter, and other support services to be provided by the program and the manner in which such services will be provided;

(6) assurances that the State program will maintain cultural diversity;

(7) a description of the guidelines for requiring parental involvement in State and local program development, policy design, and governance and the process for assessing and demonstrating that parental involvement in program development, operation, and governance occurs;

(8) an assurance that, in awarding local grants, priority will be given to programs serving low-income communities and programs serving young parents;

(9) a description of the local interagency planning process to be utilized to develop

and implement local family resource and support programs;

(10) a description of the criteria that the State will utilize for awarding grants for local programs so that they meet the requirements of subsection (f);

(11) a plan for providing training, technical assistance, and other assistance to local communities in program development;

(12) a description of the methods to be utilized to evaluate the implementation and effectiveness of the family resource and support programs within the State; and

(13) a description of proposed actions by the State that will reduce practical and regulatory barriers to the provisions of comprehensive services to families, including family resource and support programs.

(e) CRITERIA.—In determining whether to award a grant to a State under this section the Commissioner shall consider—

(1) the plans for program development, expansion, and operation by the State, including the amount of training, technical assistance and other support that the State will provide to local communities in the development and operation of their programs;

(2) the established guidelines for requiring and assessing parental involvement in local program development, policy design, and governance;

(3) the budget of the State for the expenditure of Federal and State funds and the ability of the program to secure financial commitments from a variety of sources, including public and private entities; and

(4) any other factors determined appropriate by the Commissioner.

(f) LOCAL PROGRAM REQUIREMENTS.—A State that receives a grant under such section shall use such grant to establish local family resource and support programs that—

(1) implement a community planning process involving parents, local public and private non-profit agencies responsible for providing health, education, employment training, Head Start and other early childhood, child welfare, and other social services to determine local family needs, and identify appropriate community agencies to administer such programs locally;

(2) provide core services, and other services directly or through contracts or agreements with other local agencies; and

(3) involve parents in the development, operation, and governance of the program.

SEC. 934. AUTHORIZATION OF APPROPRIATION AND ALLOTMENT.

(a) STATE COORDINATION.—

(1) IN GENERAL.—There are authorized to be appropriated $20,000,000 for fiscal year 1991, and such sums as may be necessary in each of the fiscal years 1992 through 1994, for the purpose of making grants under section 931.

(2) ALLOTMENT FORMULA.—Except as provided in paragraph (3), from the amount appropriated under paragraph (1) for each fiscal year, a State shall be allotted an amount that bears the same ratio to the amount appropriated for such fiscal year as the population of such State that is under the age of 21 bears to the population of all States that is under the age of 21.

(3) EXCEPTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B) and subject to the availability of appropriations under paragraph (1), no State shall be allotted less than $300,000 under the formula established under paragraph (2).

(B) LIMITATION ON ALLOTMENT.—Notwithstanding subparagraph (A), Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than $75,000 under the formula established under paragraph (2).

(b) SUPPORTIVE SERVICES.—

(1) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1991 through 1994 for the purpose of making grants under section 932.

(2) ALLOTMENT FORMULA.—Except as provided in paragraph (3), from the amount appropriated under paragraph (1) for each fiscal year, a State shall be allotted an amount that bears the same ratio to the amount appropriated for such fiscal year as the population of the State that is under the age of 21 bears to the population of all States that is under the age of 21.

(3) EXCEPTIONS.—

(A) IN GENERAL.—Except as provided in subparagraph (B) and subject to the availability of appropriations under paragraph (1), no State shall be allotted less than $300,000 under the formula established under paragraph (2).

(B) LIMITATION ON ALLOTMENT.—Notwithstanding subparagraph (A), Guam, the Virgin Islands, the Trust Territory of the Pacific Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands shall each be allotted not less than $75,000 under the formula established under paragraph (2).

(c) DETERMINATION OF AGE.—The number of individuals under the age of 21 in each State shall be determined by the Commissioner on the basis of the most recent data available to the Commissioner.

(d) TRANSFER OF ALLOTTED FUNDS.—Whenever the Commissioner determines that—

(1) any amount allotted to a State for a fiscal year under section 931 or 932 will not be used by such State for carrying out the purpose for which such allotment was made; or

(2) a State has failed to qualify under the State plan required under section 929;

the Commissioner shall make such allotment available for carrying out such purposes to other participating States in a proportional manner based on the relative population of the State of individuals under the age of 21.

(e) FAMILY RESOURCE AND SUPPORT PROGRAMS.—There are authorized to be appropriated to carry out section 933, $30,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1994.

(f) LIMITATION.—A State shall not use in excess of 10 percent of a grant awarded under section 932 or 933 for administrative activities at the State level.

(g) GRANTS FOR INDIANS.—The Commissioner shall use 1 percent of the amount appropriated under this section for each fiscal year to make allotments to Indian tribes and tribal organizations (such terms having the same meaning given to such terms in section 4(b) and 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(b) and (c))) that submit to the Commissioner a plan that meets the criteria consistent with the provisions of this chapter and that comply with other requirements established by the Commissioner.

CHAPTER 3—NATIONAL CLEARINGHOUSE

SEC. 955. SHORT TITLE.

This chapter may be cited as the "Family Resource Act".

SEC. 956. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) fundamental changes in the demographics and economics of family life in the United States over the past 20 years have had a profound effect on children and their parents;

(2) since 1966, the number of women working outside the home has increased by 92 percent and the number of two earner families has increased by over 50 percent;

(3) 61 percent of the children born today will live in a single-parent family before reaching the age of 20, with one out of every three single female heads of households living on incomes below the Federal poverty level;

(4) one out of every four children under the age of 6 in the United States currently live below the Federal poverty level;

(5) over the past 10 years, parents have increasingly come together with other parents to organize family resource and support programs that promote healthy child development and increase parental competency, particularly families at risk; and

(6) Federal investment in promoting the development of family resource and support programs will reap long-term benefits for individual families and the nation as a whole.

(b) PURPOSE.—It is the purpose of this Act to—

(1) stimulate the development and expansion of family resource and support programs that are prevention oriented;

(2) encourage early intervention of such programs with families to ameliorate problem situations before such situations become crises; and

(3) assist parents in enhancing their children's development to assure that their children enter school prepared and ready to learn.

SEC. 957. DEFINITION.

As used in this chapter, the term "family resource and support programs" means community-based services that offer sustained assistance to families at various stages in their development. Such services shall promote parental competencies and behaviors that will lead to the healthy and positive personal development of parents and children through—

(1) the provision of assistance to build family skills and assist parents in improving their capacities to be supportive and nurturing parents;

(2) the provision of assistance to families to enable such families to use other formal and informal resources and opportunities for assistance that are available within the communities of such families; and

(3) the creation of supportive networks to enhance the childrearing capacity of parents and assist in compensating for the increased social isolation and vulnerability of families.

SEC. 958. ESTABLISHMENT OF NATIONAL CENTER ON FAMILY RESOURCE AND SUPPORT PROGRAMS.

(a) ESTABLISHMENT.—The Commissioner shall establish, through grant or contract, a national center for the collection and provision of programmatic information and technical assistance that relates to all types of family resource and support programs, to be known as the "National Center on Family Resource and Support Programs".

(b) FUNCTIONS.—The national center established under subsection (a) shall serve as a national information and data clearinghouse, training, technical assistance, and material development source for family re-

source and support programs. Such center shall—

(1) develop and maintain a system for disseminating information on all types of family resource and support programs and on the state of family resource and support program development, including information concerning the most effective model programs;

(2) develop and sponsor a variety of training institutes and curricula for family resource and support program staff;

(3) identify several model programs representing the various types of family resource and support programs to develop technical assistance materials and activities to assist other agencies in establishing family resource and support programs; and

(4) develop State-wide networks of family resource and support programs for the purpose of sharing and disseminating information.

SEC. 959. EVALUATION.

The Commissioner shall, through grants or contracts awarded or entered into with independent auditors, conduct evaluations and related activities, of family resource and support programs, including—

(1) evaluations of on-going programs;

(2) process evaluations focusing on implementation strategies; and

(3) the development of simple evaluation models for use by local family resource and support programs.

SEC. 960. AUTHORIZATION OF APPROPRIATIONS.

(a) ESTABLISHMENT OF CENTER.—To carry out section 958, there are authorized to be appropriated $2,300,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992 through 1994.

(b) EVALUATION.—To carry out section 959, there are authorized to be appropriated $700,000 for fiscal year 1990, and such sums as may be necessary for each of the fiscal years 1991 through 1994.

Subtitle B—White House Conference on Young Americans

SEC. 981. SHORT TITLE.

This subtitle may be cited as the "White House Conference on Young Americans Act of 1990".

SEC. 982. FINDINGS.

Congress finds that—

(1) young individuals are the most valuable resource of the United States;

(2) the welfare, protection, healthy development, and positive role of young individuals in society are essential to the United States;

(3) young individuals deserve love, respect, and guidance, as well as good health, shelter, food, education, productive work, preparation for responsible participation in community life, and an increasing opportunity to participate in the decisions that affect the lives of such individuals;

(4) the family is the primary caregiver and the source of social learning for young individuals and must be supported and strengthened;

(5) if a family is unable to ensure the satisfaction of the needs described in paragraph (4), it is the responsibility of society to assist such young individuals;

(6) at a minimum, all young individuals need and deserve access to—

(A) the best possible physical and mental health;

(B) adequate and safe physical shelter;

(C) a high quality of educational opportunity;

(D) effective training and apprenticeships to train such individuals for future employment;

(E) opportunities for community service and productive employment and for participation in decisions affecting the lives of such young individuals;

(F) a wide range of civic, cultural, and recreational activities that recognize young individuals as resources and promote self-esteem and a stake in the communities of such individuals; and

(G) comprehensive community services that are efficient, coordinated, and readily available; and

(7) there is a great need for a comprehensive national policy with respect to young individuals that is designed to engage Federal, State, and local government agencies, youth organizations, and other voluntary organizations.

(b) POLICY.—It is the policy of Congress that the Federal Government should work jointly with each State and the residents of such State to develop recommendations and plans for action to meet the challenge and needs of young individuals.

SEC. 983. AUTHORITY OF THE PRESIDENT AND SECRETARY; FINAL REPORT.

(a) ESTABLISHMENT OF CONFERENCE.—The President shall convene a White House Conference on Young Americans in 1992 (hereinafter referred to in this subtitle as the "Conference") in order to examine existing programs for young individuals and to develop recommendations for further action concerning young individuals, and the families of such individuals, that will assist in fulfilling the purposes described in section 982.

(b) PLANNING OF CONFERENCE.—The Secretary of Health and Human Services (hereinafter referred to in this subtitle as the "Secretary") shall plan and conduct the Conference under the direction of the Secretary and in cooperation with the Commissioner of the Administration on Children, Youth and Families (as established under chapter 1 of subtitle A), and the heads of such other Federal departments and agencies as are appropriate. Such cooperation may include the assignment of personnel.

(c) FUNCTION OF CONFERENCE.—In order to develop recommendations concerning the use of skills, experience, energies, and the improvement of the conditions of young individuals, the Conference shall bring together—

(1) representatives of Federal, State, and local governments;

(2) professional and lay people who are working in the field of young individuals; and

(3) families and representatives of the general public including young individuals.

(d) REPORT.—

(1) IN GENERAL.—Not later than 180 days following the date on which the Conference is adjourned, the Secretary shall prepare and submit, a final report concerning the findings and recommendations derived from the Conference, to the President.

(2) CONTENT.—The Secretary shall include in such report a statement of a comprehensive coherent national policy concerning young individuals, and the families of such individuals together with recommendations for the implementation of such policy.

(3) RELEASE TO PUBLIC.—The Secretary shall make such report immediately available to the public.

SEC. 984. ADMINISTRATION.

(a) DUTIES OF SECRETARY.—In carrying out this subtitle, the Secretary shall—

(1) request the cooperation and assistance of the heads of such other Federal departments and agencies as may be appropriate;

(2) furnish all reasonable assistance to State agencies concerning young individuals, and the families of such individuals, and to other appropriate organizations to enable such agencies and organizations to organize and conduct conferences prior to the Conference;

(3) prepare and make available background materials for the use of delegates to the Conference;

(4) prepare and distribute any report of the Conference as may be necessary and appropriate; and

(5) engage such additional personnel as may be necessary to carry out this subtitle without regard to the provisions of title 5, United States Code, governing appointments in the competitive services, and without regard to chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

(b) DATA.—In carrying out the responsibilities under this subtitle, the Secretary shall ensure, to the extent practicable, that appropriate statistical data and other information concerning the well-being of young individuals are readily available, in advance of the Conference, to participants in the Conference, together with such information as may be necessary to evaluate Federal programs and policies relating to such individuals.

(c) GRANTS AND CONTRACTS.—In carrying out this subsection, the Secretary may make a grant to and enter into a contract with, any public agency and nonprofit private organization.

SEC. 985. COMMITTEE.

(a) ADVISORY COMMITTEE.—The Secretary shall establish an advisory committee to the Conference that shall include representation from the Federal Council on Children, Youth, and Families, and other public agencies and private nonprofit organizations as appropriate.

(b) OTHER COMMITTEES.—The Secretary shall establish such other committees, including technical committees, as may be necessary to assist in planning, conducting, and reviewing the Conference.

(c) MEMBERSHIP OF COMMITTEES.—

(1) AUTHORITY TO APPOINT.—The Secretary shall appoint individuals to serve on each committee established under this section.

(2) COMPOSITION OF COMMITTEES.—Each committee established under this subsection shall be composed of professional and public members including individuals from low-income and minority groups. At least one-fifth of the public members of each committee shall be under the age of 21 years.

(d) COMPENSATION.—

(1) IN GENERAL.—Any appointed member of any such committee, other than any officers or employees of the Federal Government, while attending conferences or meetings of the committee or otherwise serving at the request of the Secretary, shall be entitled to receive compensation at a rate fixed by the Secretary but not to exceed the daily rate prescribed for GS-18 under section 5332 of title 5, United States Code (including traveltime).

(2) TRAVEL EXPENSE.—Such member may be allowed travel expense while away from the home or regular place of business of such member, including per diem in lieu of subsistence as authorized under section 5703 of such title for individuals in Federal Gov-

ernment service who are employed intermittently.

SEC. 986. AUTHORIZATION OF APPROPRIATION.

There are authorized to be appropriated such sums as may be necessary, for each of the fiscal years 1992 and 1993 to carry out this subtitle.

TITLE X—EFFECTIVE DATES

SEC. 1001. EFFECTIVE DATES.

GENERAL EFFECTIVE DATE.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on October 1, 1990.

(b) SPECIAL EFFECTIVE DATES.—

(1) DATE OF ENACTMENT.—The amendments made by sections 102, 401, 501, 603, and 701 shall take effect on the date of the enactment of this Act.

(2) HEAD START.—Section 646(b) of the Head Start Act, as added by section 111, shall take effect on April 1, 1990.

WILSON (AND KENNEDY) AMENDMENT NO. 2671

Mrs. KASSEBAUM (for Mr. WILSON, for himself and Mr. KENNEDY) proposed an amendment to amendment No. 2670 proposed by Mr. DODD (and others) to the bill H.R. 4151, supra; as follows:

On page 141 between lines 20 and 21, insert the following:

TITLE X—HEALTH AND SOCIAL SERVICES FOR STUDENTS

SEC. 1001. HEALTH AND SOCIAL SERVICES FOR STUDENTS.

Chapter 8 of subtitle A of title IV of the Omnibus Budget Reconciliation Act of 1981 (Public Law 97-35) is amended—

(1) by redesignating subchapters C, D, and E, as subchapters D, E, and F, respectively; and

(2) by inserting after subchapter B the following new subchapter:

"Subchapter C—Health and Social Services for Students

"SEC. 658A. SHORT TITLE.

"This title may be cited as the 'Health and Social Services for Students Act of 1990'.

"SEC. 658B. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary, in consultation with the Secretary of Health and Human Services, is authorized to award planning and operating grants to local educational agencies to pay the Federal share of the costs of planning and operating programs which provide supportive health, mental health, and social services to eligible students and their families at the school site of such eligible students.

"(b) SPECIAL RULE.—The Secretay shall award grants under this title to local educational agencies in both urban and rural areas.

"SEC. 658C. TERM OF GRANTS.

"(a) PLANNING GRANTS.—Planning grants awarded under this title shall be awarded for a period of not more than 1 year.

"(b) OPERATING GRANTS.—Operating grants awarded under this title shall be awarded for a period of not more than 2 years.

"SEC. 658D. PAYMENTS; FEDERAL SHARE; NON-FEDERAL SHARE.

"(a) PAYMENTS.—The Secretary shall pay to each local educational agency having an application approved pursuant to section 658H the Federal share of the cost of the activities described in the application.

"(b) FEDERAL SHARE.—(1) The Federal share of planning grants under this title shall be 100 percent.

"(2) The Federal share of operating grants under this title shall be 80 percent.

"(c) NON-FEDERAL SHARE.—The non-Federal share of payments under this title may be in cash or in kind fairly evaluated.

"SEC. 658E. ELIGIBILITY.

"A local educational agency shall be eligible for a grant under this title if such agency—

"(1) only will provide services at a school that receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(2) will give priority for services assisted under this title to eligible students from low-income families;

"(3) will assist families in responding to supportive services needs of eligible students; and

"(4) has established or designated a local advisory council described in 658F.

"SEC. 658F. LOCAL ADVISORY COUNCIL.

"(a) ESTABLISHMENT.—Each local educational agency desiring a grant under this title shall establish or designate a local advisory council.

"(b) COMPOSITION.—One-third of the members of each council described in subsection (a) shall be parents of eligible students. Such council may also include representatives of—

"(1) locally elected officials of general purpose units of government;

"(2) State and local coordinating bodies for children's services;

"(3) public health agencies;

"(4) mental health agencies;

"(5) private businesses;

"(6) labor organizations;

"(7) school board members, teachers, principals, and students;

"(8) child protection and welfare agencies;

"(9) substance abuse treatment agencies;

"(10) ethnic and cultural organizations;

"(11) juvenile justice agencies;

"(12) Head Start agencies and other community-based organizations with experience in child development;

"(13) public housing officials;

"(14) child care resource and referral organizations; and

"(15) youth-serving recreational organizations.

"(c) DUTIES.—Each local advisory council established pursuant to subsection (a) shall—

"(1) participate in the development of the program during the planning phase;

"(2) advise the local educational agency regarding the operation of the program;

"(3) facilitate communication between the local educational agency and State, local, and community-based organizations providing supportive services to children;

"(4) make recommendations to appropriate organizations regarding ways to improve delivery of supportive services for children, including ways in which to make such service provision more cost-effective; and

"(5) participate in evaluation of the program.

"SEC. 658G. ELIGIBLE SUPPORTIVE SERVICES.

"Eligible supportive services shall include—

"(1) health care, including—

"(A) immunizations;

"(B) vision and hearing testing and services;

"(C) dental services;

"(D) family planning;

"(E) physical examinations, diagnostic and referral services; and

"(F) prenatal care;

"(2) mental health services;

"(3) substance abuse prevention and treatment services;

"(4) family support and parenting education, including child abuse prevention;

"(5) child care and early childhood development programs;

"(6) counseling, including family counseling and suicide prevention;

"(7) services and counseling for children who experience violence in their communities;

"(8) adult education and literacy services; and

"(9) nutrition services.

"SEC. 658H. APPLICATIONS.

"(a) IN GENERAL.—Each local educational agency desiring a grant under this title shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(b) PLANNING GRANTS.—Each planning grant application submitted pursuant to subsection (a) shall include—

"(1) a description of the proposed program, including three or more supportive services expected to be provided at the school site;

"(2) documentation of need for the program;

"(3) documentation of need for planning assistance;

"(4) a list of members of the local advisory council described in section 658F;

"(5) a statement of program goals; and

"(6) a description of proposed use of planning funds.

"(c) OPERATING GRANTS.—Each operating grant application submitted pursuant to subsection (a) shall include—

"(A) a description of the proposed program, including three or more supportive services expected to be provided at the school site;

"(B) documentation of need for the program;

"(C) a list of one or more cooperating agencies and any private partner;

"(D) a list of members of the local advisory council described in section 658F and assurances that such local advisory council has participated in the development of the program;

"(E) a statement of program goals;

"(F) a proposed program budget and a description of proposed use of funds;

"(G) a plan for family involvement in the program;

"(H) a description of the population to be served; and

"(I) a plan describing how the program will be sustained after the grant has expired.

"SEC. 658I. BONUS PAYMENTS.

"(a) IN GENERAL.—The Secretary shall provide a bonus payment to each local educational agency and cooperating agency for each eligible supportive service described in section 658G that is newly established at a school site.

"(b) AMOUNT.—The amount of the bonus payment described in subsection (a) shall be determined on a uniform scale established by the Secretary that takes into account the number of students enrolled by the local educational agency.

"SEC. 658J. USE OF FUNDS.

"(a) PERMITTED USE OF FUNDS.—Operating grants awarded pursuant to section 658B

may be used for salaries of staff responsible for coordinating the supportive services program and administrative support staff, equipment and supplies, training, and insurance.

"(b) PROHIBITED USE OF FUNDS.—Salaries of staff and other costs associated with providing supportive services shall not be paid with assistance provided under this title.

"SEC. 658K. REPORTS AND EVALUATIONS.

"(a) REPORT TO THE SECRETARY.—Not later than March 30, 1993, each local educational agency that receives an operating grant under this title shall submit a report to the Secretary that shall include—

"(1) an evaluation of the effectiveness of such program in achieving stated goals;

"(2) problems encountered in the design and operation of such program including identification of any Federal, State, or local regulations that impeded program implementation;

"(3) recommendations for ways to improve delivery of supportive services to eligible students;

"(4) the number of eligible students who received services who had not previously been served;

"(5) the impact of such program on the local educational agency, including increased school retention and achievement of eligible students;

"(6) an accounting of local budget savings, if any, resulting from the program or actions taken by the local advisory council; and

"(7) any other information the Secretary deems appropriate.

"(b) EVALUATION.—Not later than March 30, 1993, the Secretary shall, through grants, contracts, or cooperative agreements with independent organizations, provide for an evaluation of the programs funded under this section.

"(c) REPORT TO CONGRESS.—Not later than September 30, 1993, the Secretary shall submit a report to Congress summarizing the reports submitted under subsection (a) and describing the results of the evaluation described in subsection (b).

"SEC. 658L. DEFINITIONS.

"For the purposes of this title—

"(1) the term 'cooperating agency' means any Federal, State, or local public or private nonprofit agency providing supportive services that agrees to offer such service at a school site through a program assisted under this title;

"(2) the term 'eligible student' means a student who attends a school that receives funds under part A of chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(3) the term 'local educational agency' has the same meaning given such term in section 1471(12) of the Elementary and Secondary Education Act of 1965;

"(4) the term 'private partner' means a private business or foundation that provides financial assistance or otherwise assists a supportive services program assisted under this title;

"(5) the term 'Secretary' means the Secretary of Education; and

"(6) the term 'supportive service' means a service that will enhance the physical, social, emotional, and intellectual development of children and their families.

"SEC. 658M. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated $20,000,000 for fiscal year 1991, and such sums as may be necessary for each of the fiscal years 1992, 1993, and 1994 to carry out the provisions of this title.".

On page 141, line 21, strike "X" and insert "XI".

On page 141, line 22, strike "1001" and insert "1101".

MOTOR VEHICLE FUEL EFFICIENCY ACT

LOTT AMENDMENT NO. 2672

(Ordered to lie on the table.)

Mr. LOTT submitted an amendment intended to be proposed by him to the bill (S. 1224) to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes, as follows:

On page 24, beginning with line 3, strike out all through the material on page 25 preceding line 1.

On page 22, line 21, strike out "or 515".

On page 23, line 1, strike out "or 515".

On page 23, line 6, strike out "or 515".

On page 23, line 11, strike out "and sections 514 and 515" and inserting in lieu thereof "and section 514".

On page 23, line 16, strike out "and sections 515 and 515" and inserting in lieu thereof "and section 514".

On page 24, in the material preceding line 3, strike out "section 516" and insert in lieu thereof "section 515".

On page 25, in the material preceding line 1, strike out "section 516" and insert in lieu thereof "section 515".

On page 25, line 2, strike out "SEC. 516" and insert in lieu thereof "SEC. 515".

On page 27, line 12, strike out "(b)(1)" and insert in lieu thereof "(b)".

On page 27, beginning with line 16, strike out all through line 22.

On page 32, beginning with line 17, strike out all through line 20.

DRUNK DRIVING VICTIMS PROTECTION ACT

BIDEN AMENDMENT NO. 2673

Mr. EXON (for Mr. BIDEN) proposed an amendment to the bill (S. 1931) to prevent the discharge in a chapter 13 bankruptcy proceeding of certain debts arising out of the debtor's operation of a motor vehicle while legally intoxicated, as follows:

On page 2, line 16, strike out "thereof "; and "; and" and insert in lieu thereof "thereof "; or"; and".

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON THE JUDICIARY

Mr. EXON. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on September 18, 1990, at 10 a.m., to hold a hearing on the nomination of David H. Souter, to be Associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. EXON. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a joint hearing with the House Veterans' Affairs Committee to hear a legislative presentation by the American Legion on Tuesday, September 18, 1990, at 9 a.m. in SD-106.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON WATER & POWER

Mr. EXON. Mr. President, I ask unanimous consent that the Subcommittee on Water and Power of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 9 a.m., Tuesday, September 18, 1990, for a hearing to receive testimony on S. 2969, to provide for completion of the central Utah project.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. EXON. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Tuesday, September 18, 1990, at 9:30 a.m. to hold a hearing on the subject: Potential Government liability on loan guarantee programs.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. EXON. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet in closed session on Tuesday, September 18, 1990, at 2:30 p.m., to meet informally with His Royal Highness Prince Bandar Bin Sultan, Ambassador of Saudi Arabia, on the situation in the Persian Gulf region.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. EXON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, September 18, at 10 a.m. to hold a hearing on bilateral investment treaties—Treaty Doc. 99-14 and Treaty Doc. 101-18.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. EXON. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, September 18, at 1:45 p.m. to hold a hearing on the Central American Democracy and Development Act—S. 3041.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON NUCLEAR REGULATION

Mr. EXON. Mr. President, I ask unanimous consent that the Subcommittee on Nuclear Regulation, Com-

mittee on Environment and Public Works, be authorized to meet during the session of the Senate on Tuesday, September 18, beginning at 9:30 a.m., to conduct a hearing on the standardization of designs and the licensing process for nuclear powerplants.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

LIEBERMAN HAILS THE BESS AND PAUL SIGEL ACADEMY OF GREATER HARTFORD

● Mr. LIEBERMAN. Mr. President, it is with great pleasure that I bring to the attention of the Senate a very special school in my home State of Connecticut. The Bess and Paul Sigel Hebrew Academy of Greater Hartford has illuminated the best of the American and Hebrew heritages for many years. Since its inception, it has won a number of educational and achievement awards and citations. The academy's success has even become a model for other Hebrew day schools throughout our Nation.

The school's dedication to nothing less than excellence for the community and its students was recently recognized nationally. As many of my colleagues may have noted, the Bess and Paul Sigel Hebrew Academy of Greater Hartford was recently selected as a 1990 recipient of the U.S. Department of Education's Elementary Recognition for Excellence in Education Award, the highest honor granted in elementary education. On September 17, 1990, representatives of the academy, including Rabbi Baruch M. Hilsenrath, principal; Alan J. Barth, president; and Gail Deutsch, curriculum coordinator, were presented this award by President Bush in a Rose Garden ceremony.

A big part of the school's success is due to the efforts and dedication of its faculty. Under the direction of Rabbi Hilsenrath, the school developed innovative and progressive approaches to education structured to support each student's strengths. Through strong leadership, determination, and an uncompromising commitment to top-notch education, the faculty of the Bess and Paul Sigel Academy has served the needs of both the students at the academy and the greater Hartford community as a whole.

Mr. President, I hope that my colleagues will join me in rising to pay tribute to this great educational institution and to pray for its continued development and preservation of the academy's outstanding all-around reputation.●

GARTH NEWELL MUSIC CENTER

● Mr. ARMSTRONG. Mr. President, the development of the United States as an industrial and military giant over the past 200 years has often overshadowed our growth as a society unmatched in cultural diversity and richness.

The astonishing variety of people who have become Americans have brought together a totally unprecedented mixture of cultures in a single nation. One of the great achievements of the governmental system invented by our Founding Fathers is its capability for accommodating wide differences and offering incentives for individual excellence. Our freedoms not only strengthen our political processes, but assure the preservation of our diverse cultural heritage as well.

The remarkable thing about our country is that its cultural development has come about through the devotion and energy of individuals who share common cultural interests. With remarkably little public funding, we have developed a nation with more citizen participation in symphonies, operas, theaters, dance companies, art classes, museums, and other cultural activities than any nation in history. The heavy reliance on private funding has assured maximum freedom of expression and protected us from centralized control and homogenization of the arts.

The Garth Newell Music Center, in southwestern Virginia, is a unique institution which illustrates the strength and resiliance of a nation that places reliance upon its citizens for the preservation and development of its culture. Like all things of greatest value in a free society, Garth Newell came from the hearts and minds of talented and dedicated individuals. It came into being because of two exceptional musicians and a private benefactor with a vision of preserving our rich heritage of chamber music. It is impossible to imagine a unique place like Garth Newell being created in the beautiful mountains of Virginia by a government agency or a congressional committee. Garth Newell attracts and develops exceptional musical talent, preserves our heritage, and enriches the cultural life of our Nation.

Mr. President, I ask to have the following article printed in the RECORD as a means of instructing all of us of the potential for the creation of cultural opportunity which resides in America's people and communities.

The article follows:

VIRGINIA'S CULTURAL JEWEL

American life is enriched by a vast cultural legacy inherited from the great Anglo-European civilisation to which we trace our roots. American philanthropy has a proud record in modern times of helping to preserve that culture, both at its source in distant realms, and in the unnumberable museums, galleries and conservatories in this country where our own citizens—students and lovers of that culture—may find spiritual strength, solace and uplift. But, for any branch of this culture to continue as a vital force for the benefit of future generations, the work of preservation must be equally matched by endeavors of education and communication. Nowhere is this truer than for the precious heritage of chamber music, that most intimate and personal expression of the most abstract of arts which, more than any other, is threatened by the noise, pace and vulgarities of modern, mass society.

One of the very few centers dedicated strictly to the study and performance of chamber music in the United States, and certainly the only one in the State of Virginia, is nestled amid the tranquil beauty of the Allegheny Mountains in historic Bath County. Garth Newell Music Center (the name is Welsh for "new hearth" or "new home") is the fulfilment of a mission envisioned by its present co-Directors, Luca and Arlene Di Cecco, and the estate's previous owner, Christine Herter Kendall, who bequeathed the property to the GNMC foundation shortly before her death in 1981. This mission has been nicely expressed by Luca Di Cecco as being "to engage all seeking individuals to the High Art of Music, in all its manifestations: as a creative act, as a medium of performance, as a conduit for teaching and learning, as a means for encountering a high level of aesthetic experience, as a philosophic probe, as communication, and as a reference to the historical development of human existence."

Mr. Di Cecco (cellist) and Mrs. Di Cecco (violinist) brought to this project a wealth of commitment and experience as nationally and internationally acclaimed musicians, and have since established Garth Newell's fame in a variety of ways. The Summer Chamber Music Festival, comprising two concerts per weekend over ten weeks, has proved a phenomenal success, consistently drawing crowds of around 200 or more per concert to this remote location to hear a feast of repertoire as ambitious as it is varied. Every corner of the chamber music heritage is fearlessly explored and sensitively presented, from Gabrielli to Gershwin, from Beethoven to Barber. Commissioned works by contemporary American composers are also performed as testimony to the continuing vitality of the genre.

At the height of the summer season a competitively selected group of fellowship award students arrives for an intensive five-week residential program of chamber music study and performance. Extra faculty musicians are also engaged at this time, allowing the Garth Newell Chamber Players to present larger scale works for chamber orchestra. Many past fellowship award holders have gone on to win prestigious prizes and recognition in their musical careers.

Another rapidly expanding activity of the Center is the Music Holiday Weekend Retreats featuring Concert-Dinners in which the Di Ceccos' skills as gourmet chefs are combined with their musical talents to allow chamber music to be presented in the kind of intimately elegant ambience for which it was classically intended. While the audiences for these events are necessarily smaller, the costs of participation are kept to nominal levels consistent with a non-profit Foundation, funded in significant measure by private benefactions and public grants from the Virginia Commission for the Arts and the National Endowment for the Arts.

The special magic that exists at Garth Newell has, over the years, brought the riches of chamber music to thousands of people who otherwise would have missed

this priceless part of our artistic heritage. As Luca Di Cecco says, "The location is so beautiful it affects the music. We try to keep our approach so that people who might not have an opportunity to hear classical music can come and like it." Little wonder, then, that a leading music critic has hailed the Di Ceccos' achievement at Garth Newell as "Virginia's cultural jewel"!●

TONY HERNANDEZ—1990 TRIO ACHIEVER

● Mr. WIRTH. Mr. President, the National Council of Educational Opportunity Associations [NCEOA] has just announced its selection of TRIO Achiever Award for 1990. I am proud to say that Tony Hernandez, a community leader in Denver, is one of the award winners this year.

As you know, the TRIO programs for students are educational opportunity programs which help low-income, disadvantaged students enter and succeed in college. The TRIO programs were established by Congress and are funded under title IV of the Higher Education Act of 1965.

While student financial aid programs are designed to help students overcome financial barriers to higher education, TRIO programs help students overcome environmental, cultural, and academic barriers to higher education. TRIO programs provide information, academic instruction, counseling, tutoring, and assistance in applying for financial aid.

Every year the National Council of Educational Opportunity Associations selects those who have overcome societal and other barriers by working through the TRIO program. The recipients of the TRIO Achievers Award are graduates from various TRIO programs who truly exemplify the high standards of academic excellence, social consciousness, and commitment expected of community leaders and outstanding citizens.

Tony Hernandez, who now works as an executive consultant with IBM and is a State Representative of the Colorado General Assembly, is a superb role model, and example of the achievements that hard work, discipline, and dedication can bring when given proper support and encouragement. Tony, through his involvement in the Upward Bound Program made his college years count for much more, and he has now carried that experience with him into public service.

Mr. President, I believe people like Tony Hernandez, and the other 1990 TRIO Achievement Award winners, deserve special recognition for their accomplishments and the service they give to their communities. As my own tribute to Tony Hernandez, I ask that the article on Tony as printed in the NCEOA award program, be printed in the CONGRESSIONAL RECORD for all to see.

The article follows:

[From the Eighth Annual Trio Achievers Award Program, Sept. 17, 1990]

TONY HERNANDEZ

Tony Hernandez began his TRIO involvement in 1968 when he was recruited into the Upward Bound Program at Metropolitan State College in Denver. During his two year enrollment, Tony worked diligently toward being the first member in his family to attain a college education.

Tony is now an Executive Consultant with IBM and State Representative of the Colorado General Assembly. There he advocates for the needs of approximately 51,000 West Denver constituents in House District 2. He was awarded Legislator of the Year honors in 1989, for making the most significant contribution to economic development in Colorado from the Economic Developers Council of Colorado; the Outstanding Service Award of 1988 from the Governor's Initiative On Teen Pregnancy; the Special Recognition Award of 1987, for Outstanding Service from the Latin American Research Agency (LARASA); and the award for Outstanding Contribution and Work for the Hispanic Community in 1986, from the Hispanic Agenda.

Tony graduated from West High School in Denver and received a Bachelor of Arts Degree in Social Work from Colorado State University in 1973. In addition, he received a graduate degree in Social Work from the University of Denver in 1975.

As he continued to strive for educational excellence, he attended the Carnegie Mellon University in Pittsburgh, Pennsylvania, and in 1981 was awarded a Master of Science Degree in Public Management and Policy. Tony is committed to reaching those that might not otherwise know the value of a good education. This is demonstrated by his current involvement in the Denver community and his statewide outreach.

Tony is a citizen's advocate. His concern for securing equity for all people distinguishes him. He is sought after by many community groups for his assistance, and currently serves on the following boards and committees: as Co-Chair of the Public Policy Committee for the Governor's Initiative on Teen Pregnancy; Governor's Job Training Coordinating Council; Inner City Parish Board; Hispanic Agenda Steering Committee; and as Chair of Hispanic Institute for Educational Opportunity and Economic Development.●

HOOKED ON FISHING—NOT ON DRUGS

● Mr. ROCKEFELLER. Mr. President, I am pleased to have the chance to inform my colleagues about a unique and promising drug prevention program taking place in West Virginia. As the author of a drug education bill that was incorporated into the antidrug package enacted in 1986, I take special pride in the school and community initiatives that have since been launched throughout my State with the help of new Federal support. Harrison County Schools' antidrug program is one such initiative.

Through the inspired leadership of Marcel Malfregeot and other school and community leaders, Harrison County is sponsoring a highly popular drug education program, called "Hooked on Fishing—Not on Drugs." The approach taken by Mr. Malfregeot has been to try to unite and involve not only students, but the community as well, in a concerted assault on drugs and the horrors of drug abuse. The Hooked on Fishing Program encourages students to spend quality time with each other and their parents. Community leaders and parents commit time after school and on the weekends to spend with kids in ways that ensure they are learning and enjoying constructive, healthy activities—instead of experiencing the boredom that so often draws them into the depths of alcohol and drug abuse.

"Hooked on Fishing—Not on Drugs" is a shining example of a community-wide effort to get kids away from drugs and educate them at the same time. Nationally known fishermen have participated in the program, local businesses have donated equipment, and community sports clubs have devoted leadership and resources to this special effort.

Mr. President, this is one of many local antidrug programs that demonstrates positive and creative ways to fight the war on drugs. My hope is that "Hooked on Fishing—Not on Drugs" will inspire local schools, community groups, parents, students, and leaders to come up with approaches that make the most sense for them. Time and effort must be invested in positive activities for our young people—and on efforts that build self-esteem and motivation—in order to steer them away from the destruction of drugs and alcohol. I know I speak for all of my colleagues in congratulating everyone in Harrison County who is part of this special effort.●

HONORING SOUTH DAKOTA'S ELLSWORTH AIR FORCE BASE

● Mr. DASCHLE. Mr. President, I am pleased to announce that the men and women at Ellsworth Air Force Base will receive yet another national honor today when the Gen. Curtis E. LeMay Award for the best overall air crew in the Strategic Air Command is given to crew E-21, the B-1B crew of the 28th Bombardment Wing, at the Air Force Association's National Convention here in Washington, DC. This award demonstrates what we in South Dakota have known all along—the men and women at Ellsworth Air Force Base are truly the best of the best.

The Gen. Curtis E. LeMay Award tops off a year that saw the B-1B crew at Ellsworth winning the three major events that make up the crew's triple crown—the operational readiness inspection, the 3909th Strategic Aircraft Evaluation Squadron and the Strategic Air Command bombing and navigation competition. In winning these

events, the crew, consisting of Maj. Paul Curtis, aircraft commander; Maj. Patrick J. Larkin, instructor pilot; Capt. Richard E. Werling, offensive systems officer; and Capt. Billy R. Shrader, defense systems officer, aced the command and control, nuclear surety, and emergency war order examinations of the operation readiness inspection; and scored 100 percent in their evaluation by the 3909th Strategic Aircraft Evaluation Squadron, earning an outstanding rating. The crew was also chosen as the lead crew in Proud Shield 1989, the 1989 Strategic Air Command bombing and navigation competition.

We in South Dakota are extremely proud of the fact that this B-1B crew is being nationally recognized for its accomplishments. We have known for quite some time that the B-1B crew's commitment to excellence is performed day-in and day-out and is shared by every man and woman who serves at Ellsworth Air Force Base. The men and women at Ellsworth Air Force Base take seriously their commitment to serve and defend our Nation and all that it stands for.

On behalf of the citizens of South Dakota, we extend our gratitude to the B-1B crew at Ellsworth and wish you continued success as you serve our country in the days ahead.●

U.S. ELECTRONICS CRISIS

● Mr. HEINZ. Mr. President, once again the Congress has received a clear and dramatic warning of the sorry state of our electronics industry and the implications that it has for our overall competitiveness. Richard Elkus, chairman of Prometrix Corp., appeared September 14 before the Banking Committee at a hearing on manufacturing competitiveness. His comments were eloquent and graphic testimony to the demise of the consumer electronics industry in the United States—once the world's leader.

More important, however, was his explanation of the relationship between the consumer electronics story and our ability to retain our overall competitiveness. Others have discussed the electronics food chain but none so clearly and thoroughly as Mr. Elkus. Our loss of television and VCR production are related directly to the difficulties of our semiconductor industry, which, in turn, are contributing directly to the next disaster—the decline of our computer industry.

The advent of high-definition television, however, provides both a challenge and an opportunity. By revolutionizing the entire sector, HDTV gives us a new opportunity to recapture our lead and regain the competitive edge we have lost. If we do not rise to this challenge, we will instead simply be writing another chapter in the history of American industrial decline. As Mr. Elkus points out, meeting the challenge will demand some new ways of thinking, particularly about the relationship between Government and industry and between companies within an industry—new thinking we have not yet given much sign of undertaking.

As always, the way to begin is to recognize the problem. For that reason, Senators should review Mr. Elkus' comments carefully. I have met with him at some length, and know him to be a knowledgeable and thoughtful student of the electronics sector with some unique first, hand experience of the costs of American shortsightedness in competing with Japan.

Mr. President, I ask that Mr. Elkus' testimony appear at this point in the RECORD.

The testimony follows:

THE STRATEGY OF LEVERAGE

(By Richard J. Elkus, Jr., Chairman, Prometrix Corp.)

SUMMARY OF TESTIMONY

The United States operates on the theory of opportunity cost: If you can make more money elsewhere, do it. Japan feels that walking away from the development of end-use products and markets based upon the strategy of opportunity cost destroys the economic infrastructure of inter-related products and markets that is fundamental to technological development. It is felt that such a strategy will only enhance the relative position of the competition.

During the 1940's and 1950's, three United States companies created industries that became the foundation for many of the strategic world markets of today. RCA was instrumental in the development of television. Shockley Transistor Company spawned the semiconductor industry. Ampex Corporation developed the field of magnetic recording. Today, television, telecommunications, computers, consumer electronics and mass media have a significant portion of their roots in the contribution of these three companies.

As of 1970, America was virtually self-sufficient as a nation. It encompassed the world's biggest market, produced more products and had the largest trade surplus of any nation on earth. America's currency was one of the most solid in the world, and America's banks were the biggest.

Today, only one U.S.-owned company produces television sets (not RCA). The television market is dominated by Japan and Europe. Today the United States is virtually a non-participant in the market for audio and video recording. Today the United States is no longer the largest producer or clear technological leader in semiconductor design and manufacture. The United States surplus balance of trade in computers is less than half of what it was in 1981. Moreover, America has a negative balance of trade in computers and related products with Japan.

In a chart entitled "U.S. Report Card: Trends", the Technology Administration branch of the U.S. Department of Commerce in their Spring of 1990 Report on twelve emerging technologies noted that in comparison with Japan, the U.S. was:

Losing Badly in Advanced Materials, Biotechnology, Digital Imaging Technology and Supercomputers.

Losing in Advanced Semiconductor Devices, High-Density Data Storage, High-Performance Computing, Medical Devices and Diagnostics, Optoelectronics, and Sensor Techology.

Holding in Artificial Intelligence, Flexible Computer-Integrated Manufacturing.

Gaining in None.

The change in balance of economic power between the United States and Japan over the last 45 years has been staggering. In the view of R. Taggart Murphy as expressed in the March/April issue of the Harvard Business Review, "Japan today sits on the largest cache of wealth ever assembled."

Why a change of this magnitude in such a short time? Imagine that products and markets are like links in a chain. If you take a product and carry its development to a logical extreme, it becomes related to other products. For example, the optical system on a 35mm camera is similar to the optical system on a video recorder. Conversely, the electronic imaging system that is common to a video recorder is now beginning to be substituted for film in a camera.

Similarly, if you develop a market to its logical extreme, it becomes related to other markets. For example, the development of the market for VCRs made possible the market for pre-recorded videotape which is now a larger market than that of film in theatres. Conversely, if manufacturers of pre-recorded videotape choose one VCR format over another for their programming, that choice tends to influence the popularity and growth of the market for VCRs. Thus, like links in a chain, products and markets become inter-related and interdependent as they are developed.

In the electronics market there is one component common to virtually all electronics products—the semiconductor. Control enough links in the chain such as the markets for video recording, cameras, audio recorders, television, and computer products, and you become predominant in semiconductors. Become predominant in the design and development of semiconductors, and your prowess as a developer of other electronic products and markets increases substantially. Electronic products are fundamental to virtually every market there is. Thus, a chain of markets linked together begins to control a technological base of such significance that competitive re-entry is very difficult and expensive.

One often hears how we must improve our technological base. Technology follows markets, not the other way around. If you own the technology, but lose the market, you will lose the technology. Ampex introduced the video tape recorder in 1956 and the VCR in 1970. As a company it had a virtual 100 percent hold on patents in the field. Ampex decided not to pursue the VCR market. That market was picked up by the Japanese. With that market went not only the majority of video recording but a major segment of the support technologies including the design and manufacture of semiconductors.

The development of high definition products (for example, HDTV) by the Japanese represents a major improvement in the processing of large amounts of audio visual information. High definition products will touch virtually every aspect of human creativity. For example, high definition television doubles the horizontal and vertical resolution of television providing five times the visual information and as a result, spectacular pictures and sound. These advancements are made possible in part by major improve-

ments in computer display and semiconductor technology.

Because of the breadth of applications and cost development, no industry, technology or company will be able by itself to meet the challenge and opportunites of high definition products and systems. As the compact disk redefined the music industry, high definition products will redefine mass media. With major advances in digital technology, high definition products will redefine computers and their applications, With alternate means of transmission, high definition products will redefine the broadcast industry, shopping, medical electronics, education and banking.

As Japan introduces a full line of high definition products, it insures itself of major advancements in: cameras and recorders, fiber optics and satellite transmission systems, VCRs computers, flat screen displays and semiconductors—all markets in which it has a major if not commanding position.

The infrastructure in electronic products and systems (now in place in Japan) will ultimately become one with that of the media and telecommunications services as the ability to process massive amounts of audio visual information increases. This is part of the reason for Sony's interest in CBS Records and Columbia Pictures.

As the Japanese position in strategic interrelated end-use markets has improved. The cost of competitive re-entry by others has often become prohibitive. This, in large part, has occurred because of the interrelated nature between products and markets. Today individual products and markets are really a combination of many interrelated technologies, components, products and markets. For example, the technology of putting pictures on tape was of supreme importance 20 years ago. But now, high levels of sophistication in digital signal processing, display technology, camera and optical know how, semiconductor technology, computer technology, high-volume fully-automated manufacturing capability and mass marketing, sales and distribution systems are required to compete in the market for video recording.

But other costs also rise. For example, the development of a semiconductor device that cost a few million dollars a few years ago may cost in excess of a billion dollars today. Similarly, the cost of a VCR facility 20 years ago would have been less than $10 million. Today that facility might cost as much as $600 million.

Hence, while the United States may be willing to drop a product or market on the basis of "opportunity cost" and reinvest in a more lucrative enterprise, Japan will often do just the opposite. Because of the concept of relationships between products and markets, the Japanese feel that to abandon a product or market means the potential loss of other related products and markets and, therefore, the loss of valuable infrastructure. It is this infrastructure—that is, strategically related end-use products and markets—that provides the basis for future economic growth and development. The concept of relationships and infrastructure is common throughout Japan and is fundamental to the acceptance of and necessity for long-term planning.

Assuming that the combination of the markets for electronics, telecommunications and media is the basis for entry into the information age, the following conclusion should be considered: Any significant loss of infrastructure of end-use products and markets within the area of electronics, telecommunications and media may substantially reduce the growth potential of an economy dependent upon that infrastructure. The Japanese feel, and statistics tend to bear this out, that the infrastructure represented by the markets for electronics, telecommunications and media are of major significance to the economic and political development of the United States, Japan and Europe. Lose control of one, and you may lose control of both.

Can the U.S. turn the tide in its favor? Absolutely. The U.S. computer industry is still dominant. America's position in mass media, software and transmission services is still solid. These markets can provide a basis for restoring America's competitive position. But such an effort must also include strategic moves back into consumer electronics, display systems, audio and video recording, computer peripherals, components, and related technologies. Otherwise, the combination of developments in high definition products and those markets America has lost will continue to encroach on remaining U.S. positions of strength.

One definition of chaos is fear without strategy. Rapid changes in the balance of economic power between nations without an appropriate strategy to address that change creates economic and political uncertainty. Uncertainty breeds fear.

Couple of modicum of fear with strategy and the United States can again be the most competitive nation in the world. On the other hand, allow fear to reign without strategy, and American leadership is up for grabs.

TOWARD A NATIONAL STRATEGY—THE STRATEGY OF LEVERAGE

(By Richard J. Elkus, Jr., Chairman, Prometrix Corporation)

One definition of chaos is fear without strategy. Rapid changes in the balance of economic power between nations without an appropriate strategy to address that change creates economic and political uncertainty. Uncertainty breeds fear.

Today I'd like to make basic points:

1. Products and markets become more and more interrelated during the course of development. The interrelationship of strategic products and markets create an infrastructure that becomes very difficult to penetrate by competitors who lack positions of strength within that infrastructure. The power of an integrated infrastructure of end-use products and markets will begin to dominate technological development, intellectual property rights, component development and the educational system itself—not the other way around.

2. The United States operates on the theory of opportunity cost. If you can make more money elsewhere, do it. But walking away from the development of end-use products and markets as a strategy literally forces the competition into a position of unparalleled economic strength. This is particularly true if that competitor understands the implications of the power of an infrastructure of interrelated end-use products and markets. Such is the position today between the U.S. and Japan.

Let us consider the above mentioned points against the following background: During the 1940's and 1950's, three United States companies created industries that became the foundation for many of the strategic world markets of today. RCA was instrumental in the development of television. Shockley Transistor Company spawned the semiconductor industry. Ampex Corporation developed the field of magnetic recording.[1] Today, television, telecommunications, computers, consumer electronics and mass media have their roots in the contribution of these three companies.

As of 1970 America was virtually self sufficient as a nation. It encompassed the world's biggest market, produced more products and had the largest trade surplus of any nation on earth.

Today only one U.S.-owned company produces television sets (not RCA). The television market is dominated by Japan and Europe. Today the United States is virtually a non-participant in the market of audio and video recording. Today the United States is no longer the largest producer or clear technological leader in semiconductor design and manufacture. The United States surplus balance of trade in computers is less than half of what it was in 1981. Moreover, America has a negative balance of trade in computers and related products with Japan. Loss of market positions in these strategic areas has begun to restrict America's control of its economic and political destiny.

These circumstances are summarized by the United States Department of Commerce International Trade Administration as it assessed the competitive status of the U.S. electronics sector from materials to systems:

The U.S. electronics sector has been historically and remains today the overall leader in the world by many measures. In terms of output, employment, innovation, and technology base, the United States is number one. However, in terms of the growth of these measures and others, such as exports, Japan and Korea are quickly reducing the U.S. advantage. In fact, if current relative growth rates continue, the Japanese will be the world's number one electronics producer and trader by the early 1990s.[2]

The Department of Commerce statement is consistent with comments made in a speech that I gave on July 9, 1988, based upon data from Cahners and Dataquest.

Electronics is now the largest durable goods manufacturing industry in the United States and is growing three times faster than other manufacturing.

The worldwide electronics market has become a mammoth business with a compounded growth rate approaching 9%. However, the projected growth rate for the electronics market in Japan is expected to be 40% greater than that of the United States.

Finally, in a chart entitled "U.S. Report Card: Trends," the Technology Administration branch of the U.S. Department of Commerce in their Spring of 1990 Report on twelve emerging technologies noted that in comparison with Japan, the U.S. was:

Losing Badly in Advanced Materials, Biotechnology, Digital Imaging Technology and Supercomputers.

Losing in Advance Semiconductor Devices, High-Density Data Storage, High-Performance Computing, Medical Devices and Diagnostics, Optoelectronics, and Sensor Technology.

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[1] Rosenbloom, Richard S., Freeze, Karen J. Ampex Corporation and Video Innovation. Division of Research Graduate School of Business Administration—Harvard University; 1985, 185.

[2] Report From the Secretary of Commerce to The Appropriations Committee, U.S. House of Representatives, U.S. Department of Commerce International Trade Administration. The Competitive Status of the U.S. Electronics Sector, From Materials to Systems, Executive Summary. 1990 April; pg. x.

Holding in Artificial Intelligence, Flexible Computer-Integrated Manufacturing.

Gaining in None.[3]

The impact of the strategic development of an infrastructure of end-use products and markets on the financial prowess of Japan has been nothing short of remarkable.

At the end of the Second World War, Japan was a defeated nation. Under the aegis of General MacArthur, the Zaibatsu (major groups of inter-related companies) was systematically disassembled. Food was in very short supply and very expensive. Living conditions were difficult at best. Industrial output was basically at a stand still. Much of the country had been razed by the ravages of war.

The United States of America, on the other hand, came out of the war virtually intact. Economically and militarily, it was the strongest nation in the world. Its military might and economic prowess had reached heights greater than any nation had achieved in history. For many years after the war much of the world was to depend upon the United States for financial support, food, and military protection. Japan was no exception. But things are different today.

Approximately forty five years later, the change in economic position between the United States and Japan has been staggering. In 1989, R. Taggart Murphy wrote:

Japan today sits on the largest cache of wealth ever assembled. It has the power to move markets anywhere in the world. Consider that: The Tokyo Stock Exchange has now surpassed New York to become the world's largest on the basis of market capitalization. Osaka has bumped London to fourth place. Of the world's ten largest banks, nine are Japanese. If deposit size is the unit of measurement, no U.S. bank makes it into the top 25. Japanese investors' appetite is the key determinant of the price of U.S. Treasury bonds. Japanese and Japanese-owned banks now supply more than 20% of all credit in the state of California. The market value of Japan, as measured by an extrapolation of real estate prices, exceeds that of the United States. The market value of the Imperial Palace grounds in central Tokyo is said to exceed that of a number of entire U.S. states.[4]

And, as David Hale noted, "Japan's top 13 banks are worth $470 billion. America's top 50 are worth $110 billion.[5]

By the end of 1989, the capitalized market value of Nippon Telephone and Telegraph Corporation (NTT) was greater than the total capitalized value of all the stocks on the West German Stock Exchange. According to Albert J. Alletzhauser, author of The House of Nomura, one company, Nomura Securities, has grown to such an extent that "on some days Nomura's share of New York Stock Exchange volume has exceeded 5% and Nomura Securities has taken up as much as one quarter of newly issued United States Treasury Bonds."

On October 19, 1987, the New York Stock Exchange experienced a major crash that affected the entire financial world. The New York Stock Market dropped 508 points or 23%. The world wondered if it could withstand such a financial blow and survive intact. On October 20, a member of the Ministry of Finance, Takashi Matsukata, indicated to the four major securities firms in Japan that they should act in concert to stem the pending collapse. The purchasing power of these firms began to reverse the tide of sellers, first in Tokyo and then in the rest of the world. The drop on the Tokyo Stock Exchange was held to 15%. By Wednesday, October 21, a full-fledged rally on the Tokyo Stock Exchange had ensued and continued through 1989.[6]

In summary, the infrastructure of end-use products and markets developed within the Japanese economy appears to be increasing Japan's technological base at a faster pace than that being achieved within the United States. In addition, improving strength in end-use products and markets appears to be having a very favorable effect on the overall economy of Japan.

Virtually all of the technologies, products and markets mentioned above will be augmented by and in turn contribute to the growth of high definition products and systems. Therefore, it is important to try to understand why there has been such a change in economic and industrial power between the United States and Japan in such a short time. The answer, in part, according to those interviewed can be found in the strategy implicit in the development of high definition products and systems.

1.3 JAPANESE ECONOMIC STRATEGY

The following comments are based upon my experience in dealing with major corporations, business and government leaders in Japan over the past twenty-two years. This experience included circumstances occurring between 1968 and 1972 that are now directly related to the current developments in high definition products and systems including: Preparation of the product plan approved by the president and board of directors of Ampex Corporation for the initial development of the VCR, and management of the program to design and develop America's first entry into the world of VCR.[7]

To the Japanese businessman, strategy is everything. Every person, every business, every industry must have a goal and a strategy to achieve it. Since resources are usually scarce, the successful Japanese plan includes the concept of leverage. Therefore, some markets are given a high priority and are considered more strategic than others. By targeting strategic markets, an infrastructure can be built which insures a solid basis for economic expansion. The leverage, however, is not based simply on the importance of one market over another, but on the assumption that over time and with development, strategic markets will become interrelated and interdependent, with the whole becoming substantially larger than the sum of its parts.

INTERRELATEDNESS OF END-USE MARKETS

In the United States we tend to approach products, markets and businesses as separate enterprises, like independent circles, with little emphasis on and few mechanisms for coordinating overall strategy and direction. These separate enterprises are often treated as profit centers. If the profit isn't adequate, the enterprise is often reorganized or disbanded in favor of a more profitable situation.

The Japanese, on the other hand, regard products, markets and businesses as interrelated and interdependent enterprises, like links in a chain; they, therefore, feel that the coordination of strategy and direction is essential. This is a point that is fundamental to the strategy of product and market development in Japan. It is based on the concept that if you push the development of a product or market to its logical extreme it becomes related to other products and markets. Thus in Japan, rather than reject a product or market on the basis of profit potential, business strategy assumes that every product becomes the basis for another; every technology becomes the stepping stone for the next, and the resulting efficiencies of scale are enormous.

There are numerous areas in which one can see this principle at work. Following are several examples:

Products: There are obvious relationships between the optical systems of a video and a 35 mm camera. Similarities also exist in the electronic packaging and circuit design of VCR camcorders, 35 mm cameras, portable audio recorders, protable CD players and television sets. The newly introduced digital audio tape recorder is a derivation of the VCR.

Markets: The development of the VCR created the market for pre-recorded tape, a market now larger than film in theaters. Similarly, the market for pre-recorded tape directly influences the potential success of a video or audio recording format (for example, Beta versus VHS).

Component Technologies: The development of a major position in a strategic end-use market (for example, the market for VCRs) provides a primary source of demand for key components and technologies related to the development of these markets. The VCR has become a huge source of demand for semiconductors. In 1987, the VCR alone represented nearly 5 percent of worldwide semiconductor demand, and almost 12 percent of semiconductor production in Japan.

The semiconductor device provides the basic computing power and information storage capacity for most modern electronic products; as such, it is probably the single most important strategic electronic component. Japan has, therefore, felt it essential to develop and maintain a large presence in the semiconductor industry, including participation in materials, equipment and devices—not, however, through random investments. The development of the semiconductor industry is driven principally from demands and funds generated by related end-use markets for products such as that of the VCR, audio recorders, video cameras, 35mm cameras, television sets, fax machines, computer products and automobiles (all markets in which the Japanese have major positions). The prevailing philosophy of Japanese industry is that significant positions in strategic interrelated end-use markets, such as those mentioned above, provide an equally significant position in the semiconductor industry. Conversely, a significant position in the semiconductor industry will lead to domination of innumerable end-use markets not necessarily limited to the field of electronics.

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[3] U.S. Report Card: Trends. Emerging Technologies, A Survey of Technical and Economic Opportunity. Technology Administration, U.S. Department of Commerce. Spring 1990. xiii.

[4] Murphy, R. Taggart. The Crisis of Japan's Global Financial Dominance. Harvard Business Review. 1989 March-April; Number 2: 71-83.

[5] Hale, David D. Global Finance and the Retreat to Managed Trade. Harvard Business Review. 1990 January-February; 150-162.

[6] Alletzhauser, Albert J. The House of Nomura: The Day Nomura Helped Save the World. New York: Arcade Publishing; 1990, pp. 1-22.

[7] Rosenbloom, Richard S. Research on Technological Innovation Management and Policy. Jai Press: Greenwich, Connecticut; Volume 2, 1985, 224. Diebold, John. The Innovators The Discoveries, Inventions and Breakthroughs of Our Time. E.P. Dutton: New York; 1990; 303.

PRODUCTS AND SYSTEMS FOR THE FUTURE

Matsushita Electric Corporation produced a book in English and Japanese entitled Human Electronics—Matsushita Electric Exhibition of Technology—Technical Report. This book outlines products and systems under development for future sale and use. The book, presented to me by Matsushita in June of 1989, includes the following sections:

1. Key Technologies for AV & CC: a. Displays; b. Semiconductors; c. Computers; and d. Communication Systems.

2. AC & CC for Living and Society: a. Home HDTV Systems; b. Home AVCC Systems; c. Information and Communication Systems for Automobile; d. Learning Systems; e. Office Systems; f. High Definition TV Studio; g. AV Studio; h. High Definition Video Theater; i. Home Auditorium; and j. Digital Audio Car.

3. Consumer Electronics Technologies: a. Video and Audio; b. Housekeeping and Cooking; and c. Air Conditioning.

4. Fundamental Technologies: a. Lighting; b. New Materials; c. Sensors; d. Memories; e. Electronic Components; f. Batteries; and g. Electronic Components in Automotive Applications.

5. Production Engineering Technologies.

6. Plant Biotechnology.

The breadth of the development programs represented in this book is indicative of how one firm in Japan (Matsushita) looks at the interrelated aspects of various products and market areas. The following pages include an overview of two sections: Information and Communication Systems for the Automobile and the High Definition TV Studio. The purpose of these exhibits is to illustrate the following points:

1. From the Japanese stand point, products and markets become interrelated as they are developed. For example it is contemplated that the communications system in the automobile will be used to control electronic products in the home including garage doors, microwave ovens, air conditioning, and alarm systems, as well as fax machines and computers.

2. High definition television is only one aspect of the market for high definition products and systems. In reality, high definition products and systems, in time, will affect most products and markets as the requirement for and ability to process tremendous amounts of information increases.

Accompanying the two sections is a copy of an ad that appeared in several magazines including a special issue of Fortune Magazine in the Fall of 1989. This ad by Matsushita Corporation is derived from the section on "Information and Communication Systems for the Automobile" included in their technical report as noted above.

The reason for its inclusion in this report is to add clarity to the concept of interrelationship between products and markets espoused by the Japanese not only within the management of their development programs but included in everyday literature as a part of their sales and marketing efforts.

STRATEGIC NATURE OF ELECTRONICS MARKETS

The Japanese feel that a strong participation in strategic interrelated end-use markets will have as important an influence on technology in general as it has on the technology of semiconductor products in particular. In other words, their view is that domination of strategic interrelated end-use markets will lead to the domination of the use and direction of technology, not the other way around. This relationship is borne out by the Japanese experience. The Japanese now dominate or have a significant position in the following markets:

1. The videotape recorder market, including professional, commercial and consumer applications.

2. The video camera market, including professional, commercial and consumer applications.

3. The 35 mm camera market.

4. The consumer television receiver and monitor markets.

5. The consumer and commercial audio recorder markets.

6. The compact disk playback system market.

7. The video disk market.

8. High speed digital fiber transmission equipment.

9. The optical disk market.

10. The market for digital watches and solar-powered calculators, radios and television sets.

11. The market for P.C.'s, workstations and lap-top computers.

Based upon its position in the above markets, Japan has gained a preeminent position in the development and production of optical systems and devices, displays, semiconductors, semiconductor equipment, semiconductor materials and various components of mass memory systems. Japan's overall market position has improved dramatically as it pushed the development of specific end-use products to their logical extremes.

COST EFFICIENCY OF RETAINING MARKETS

At the same time, the cost of competitive entry (or re-entry) into strategic markets (such as the VCR market) has escalated dramatically. For example, the development of a semiconductor device that cost a few million dollars a few years ago, may cost in excess of a billion dollars today. Similarly, the cost of a VCR facility 20 years ago would have been less than $10 million, whereas today that facility might cost as much as $600 million. Other costs also rise largely due to the interrelationships that exist today between technologies, components, products and markets. While participants in the video recording market 20 years ago could concentrate almost exclusively on the technology of putting pictures on tape, they must now possess high levels of sophistication in a host of interdependent products and fields: digital signal processing; displays, cameras and optics; semiconductors; computers; high-volume, fully-automated manufacturing, and mass marketing and distribution. Moreover, the trend is now towards convergence between the VCR and media industries, adding yet another dimension to start-up costs.

In an article entitled "Loosing Control (Auto Industry Is Sliding Relentlessly Into Japanese Hands)," Paul Ingrassia stated:

By moving from exporting cars to the U.S. to building them in the American heartland, the Japanese are steadily taking over the American car industry. It is one of history's great transfers of industrial wealth and power.[8]

A similar article appeared in *The Economist* on April 14, 1990. This article, entitled "Detroit Under Siege" noted that:

As recently as 1978 the Big Three made 82% of the cars sold in their all-important American market. Today they have just 67% of American sales, a slide which most market analysts expect to accelerate over the next four years.[9]

Why is this happening? These articles talk about Japanese knowledge in producing efficient small engines. They discuss the inefficiency of the large automobile corporations in the United States. They talk about the large investment in research and development by Japanese corporations in the automobile industry. But, something else is also happening.

In the past, approximately 5 percent of the cost of an automobile had been based upon electronic components and systems. Many technical experts now project that 30 to 35 percent of an automobile will be comprised of electronic components and systems by the mid 1990's. As is suggested in the commentary by Matsushita under the heading "Information and Communication Systems for Automobile," the infrastructure for end-use products and markets in the electronics sector of Japan is becoming a significant part of the infrastructure of the automotive industry. Technical advances in radios, sound systems, mobile telephones, fax machines, satellite communication systems, displays, video recorders, cameras and semiconductors are rapidly becoming fundamental to the automobile of the future. Over time, U.S. companies have found many of these product areas less profitable than others, and on the theory of opportunity cost have shifted their resources elsewhere. Today these products and markets are becoming increasingly dominated by the Japanese and manufacturers in other countries. Hence, American automobile firms often find it necessary to buy electronic components and systems from suppliers strategically more closely associated to their competition than to themselves. Lack of strong strategic relationships with appropriate electronic component and equipment suppliers may significantly reduce the overall competitiveness of U.S. car manufacturers by limiting their design and performance specifications let alone cost.

As products and markets evolve, the technological improvements increase the sophistication of those products and markets in startling ways. In that regard, at the conclusion of the National Science Foundation Panel on high definition products and systems trip to Japan in June of 1989, Mr. Lawrence E. Tannas, Jr., a member of the panel and then president of the Society for Information Displays, said that in his opinion the sophistication of display and electronics packaging techniques incorporated in consumer products on the store shelves in Tokyo was in many cases equal to or better than the display and electronics packaging techniques produced by the Department of Defense. In a way, Mr. Shintaro Ishihara, in his book The Japan That Can Say "No", alluded to these differences by commenting on the Soviet and U.S. dependency on the superiority of Japanese technology for certain strategic weapon systems.

Thus, while firms in the United States may be willing to drop a product or market on the basis of "opportunity cost" and reinvest in a more lucrative enterprise, Japanese firms usually will not. Because of their concept of relationships between products and markets, the Japanese feel that to abandon a product or market means the potential loss of other related products and markets and, therefore, the loss of valuable infrastructure. It is this infrastructure of strate-

[8] Ingrassia, Paul. Losing Control (Auto Industry in U.S. Is Sliding Relentlessly Into Japanese Hands. The Wall Street Journal; Friday, 1990 February 19; A1 & A6.

[9] The Economist, April 14, 1990. Pp. 13 and 14.

gically-related end-use products and markets that provides the basis for future economic growth and development. The result of the Japanese economic strategy to target and dominate certain strategic interrelated end-use markets is to significantly reduce the threat from any competitor attempting to enter a market or gain market share on the basis of a technological breakthrough or some special expertise.

LONG-RANGE PLAN FOR HIGH DEFINITION PRODUCTS AND SYSTEMS

Defined in its broadest terms, high definition technology encompasses the production, transmission, recording, processing and display of ever-increasing amounts of audio-visual information. The market for high definition products and systems can, therefore, help push the markets for electronics products, telecommunication services, and software (including mass media) to their logical extreme. The Japanese feel that in time, perhaps by the year 2000, the requirements and possibilities created by improving the technology of rapidly processing huge amounts of audio-visual information will force a confluence of these three end-use markets into a single information system market. They expect that the information systems market will, within the next ten years, represent 33 percent of all capital investment, 44 percent of all new jobs and 22 percent of all economic growth. The Japanese further anticipate that the information systems market will evolve into an information-based economy, which in turn will help bring about an advanced social order.

In a 1989 brochure entitled *Advanced Television, The Promise And The Challenge,* the Japanese Ministry of Posts and Telecommunications stated that:

We live in a society of transition. A society which is abandoning its past obsession with materials and energy to make room for a new allegiance to information and knowledge. As the advanced information society resulting from this change in emphasis matures, the uses and services connected with the products and material objects will gain precedence over their mere possession. In the process, the distortions arising from the concentration of population and industry in the large cities and our industrial society will be resolved. Tomorrow's city dwellers will share access through the media to information of all types. National and local governments and private enterprise must all work together to create this new society aimed at enabling people to lead richer lives both materially and spiritually.[10]

Thus far, advances in information processing, centering on computer and networking technologies, have been mainly in the domain of sound and symbols (data and alpha-numeric characters). From now on, however, these will be joined by advances in the visual media as the latter gradually come to form the core of social activity.

1.4 EFFECTIVENESS OF THE JAPANESE STRATEGY: A CASE STUDY

AMPEX AND SONY—HISTORY AND COMPARISON

A significant portion of the transition referred to in the Ministry of Posts and Telecommunications brochure will occur because of products and technologies initially developed, produced and marketed by two companies—Ampex Corporation of the United States and Sony Corporation of Japan. Since the late 1950's, the relationship between Ampex and Sony has been one of both cooperation and competition. Although Sony's early growth was tied to its development of the "pocket radio," it was Ampex's pursuit of magnetic recording, and in particular, its development of the videotape recorder, that became the cornerstone of growth for both firms.

At the time of its introduction in 1956, few could perceive the change that Ampex's development of the videotape recorder would bring to mankind. Ampex, Sony and other companies have derived innumerable new products and technologies from the early VTR technologies. In combination, these technologies have affected lifestyles, communications, economics and even politics throughout the world. Together, they now constitute much of the foundation for the development of high definition products and systems, the basis of what the Japanese today call the "New Media." Together they are pushing society into an "information age." And despite the fact that the initial development of these critical products and technologies occurred primarily in the United States, today they are dominated by electronics companies in Japan. It thus seems worthwhile to review a bit of Ampex and Sony history.

In 1946, Sony Corporation of Japan commenced development of products in the commercial marketplace under the leadership of Masaru Ibuka and Akio Morita. In that same year, Ampex, a small U.S. corporation led by Alexander Pontiatoff, was reviewing the possibility of magnetic recording as demonstrated in the design of a German audio tape recorder. In its early years, Sony attempted to establish a position in the design, production and marketing of transistor radios the technology of which was initially developed by Dr. Shockley of Bell Labs. Ampex meanwhile had entered the commercial marketplace with the magnetic tape recorder. At first Ampex's developments were strictly in the area of audio recording. However, in 1956, a technical group under the direction of Charles Ginsburg at Ampex completed the development of a device that was to change the course of history—the videotape recorder. With the first recorded reflections on the television screens at the convention of the National Association of Broadcasters in 1956, the world learned of the preeminence of Ampex technology.

As Ampex worked to improve its videotape recorder, it saw a need for solid state devices in place of vacuum tubes. At the same time, it wished to manufacture and market its recorders in Japan, and Japanese regulations required it to have a Japanese partner. Sony, under a license from Bell Labs for use of certain semiconductor technology, had developed a proficiency in electronics packaging techniques, and it appears to be the logical partner for Ampex in both situations. As a result, in 1960, Ampex and Sony entered into a simple partnership that effectively traded Sony's understanding of electronic packaging technology for Ampex's license to manufacture videotape recorders in Japan.

But 1960 marked the first of several major fiscal crises for Ampex. With the financial reversal of 1960, Ampex received a new management team. The leader of that team (William Roberts) felt that the technological exchange with Sony would be detrimental to Ampex's long-term growth. As a result, Ampex broke off its technical exchange and manufacturing agreement with Sony, but granted to Sony a license to build helical scan non-broadcast videotape recorders.

By 1960, Sony and Ampex, both actively involved in the field of audio and videotape recording, had embarked on different strategic paths. Sony continued to maintain a philosophical commitment to push the development of a product to its logical extreme. This process began to demonstrate obvious interrelationships between its products and markets. As product specifications improved, their size and weight declined and reliability increased, the line between consumer and commercial markets began to blur. Sony's sales expanded accordingly.

Ampex, on the other hand, tended to concentrate on a specific technological advantage in order to maintain a given market niche and related profit margins. Ampex's technology was obviously applicable to a broad range of products and markets. Yet, the implications of the interrelationship and interdependence of its products and markets was never clearly understood since there was no established strategy for pushing the development of those products and markets to their logical extreme. Consequently, Ampex was constantly faced with the decision whether to enter, remain or leave a market simply on the basis of a competitive threat and its potential effect on near term profits.

From 1960–1970 the market for video recording grew, but remained relatively small (approximately $200 million and 16,000 units in 1970). The largest dollar portion of that market represented video recorder equipment for the broadcast industry utilizing a transverse scanning recording format. A smaller but growing portion was made up of videotape recorders and accessories for closed-circuit television based on a helical scan recording format and used principally for industrial and educational applications. The bulk of the unit volume of these closed-circuit systems were reel-to-reel recorders, produced by Japanese companies under license to Ampex. However, Ampex remained the predominant producers of videotape recording equipment, representing as much as 75 percent of the total market (in terms of dollars).[11] [12] During that same decade, the market for audio recorders and 35 mm cameras grew quite rapidly. Due to their strategic planning and industrial electronic packaging expertise, the Japanese were becoming a major factor in both these markets.

Three events in 1970 set the stage for a fundamental change in parity between the industrial complexes of the United States and Japan:

1. Ampex introduced a product called Instavideo, the world's first entry into what was to become the VCR market. Through its joint venture partner, Toshiba, Ampex was participating with other Japanese firms in a continuing series of discussions aimed at establishing a VCR recording standard.

2. By the end of 1970, significant disproportional growth in inventory and receivables investment began to severely constrain Ampex's cash position.

3. NHK, the National Broadcast Network in Japan, began a significant program for development of a direct broadcast system for high defintion television (called MUSE).

[10] Advanced Television (ATV) The Promise and the Challenge. Report from the Ministry of Posts and Telecommunications Simul International Productions. Tokyo, Japan: 1989:38.

[11] Elkus, Jr., Richard J. Introducing the Instacorder. Ampex Corporation Report. 1968 November 12, (Unpublished)

[12] Rosenbloom, Richard S. Research on Technological Innovation Management and Policy. Jai Press; Greenwish, Connecticut; Volume 2, 1985, 224.

By 1972, Ampex once again underwent a major reorganization for financial reasons, and as a result, it halted further investment in the Instavideo program. Ampex executives felt at that time that they didn't belong in consumer video markets but wished to concentrate on the broadcast industry where margins and profit protential based on past performance were reasonably secure. At the same time, the market for broadcast and closed circuit video recording was beginning to be affected by the introduction of new and improved helical video recording systems from Japan, including the Sony U-Matic cassette recorder. Although the size, weight and cost of the U-Matic system precluded a mass market, it was an indication of things to come. Other systems that followed were Sony's Betamax VCR system in 1975, the VHS VCR systems produced by Matsushita and a number of other Japanese companies.[13] Note: Ironically, the introduction of the system by Sony was aided in part by Ampex engineers who had formerly been employed on the Instavideo program and were hired by Sony after the cancellation of Instavideo.

By 1985, the videtape recorder market primarily due to VCR production was worth $15 billion. VCR production in Japan had reached a rate of 2.5 million units a month. What's more, helical scan technology had become the method of choice for video recording in the broadcast industry. With the VCR came the new, potentially more far-reaching market of pre-recorded tape. For the first time, the media was able to bypass telecommunication services and reach the consumer directly through the mass distribution of pre-recorded tapes. The market for pre-recorded tapes in the United States eventually surpassed the total market for films in theaters. The world of audio/visual communications would never be the same again; perhaps more importantly, the development, manufacture and marketing of consumer electronics products like the VCR were no longer dominated by the United States of America. But 1985, Ampex sales amounted to less than 2 percent of the worldwide market for video tape recorders.

SONY TODAY

The National Science Foundation panel on high definition systems met with many Japanese companies involved in the production of high definition products; all of the products were impressive. As advanced as any group of products we saw in Japan, were the array of high definition systems produced by Sony. Sony's Chairman, Mr. Akio Morita, and various other members of the management team made it quite clear that the videotape recorder was a fundamental part of the growth and development of Sony's business. This is particularly noteworthy when one begins to get an idea of Sony's comparative size and direction, as revealed in its 1988 annual report:

1. Total sales for fiscal year 1988, not including those of recently purchased CBS Records, amounted to approximately $11.6 billion.

2. The 1988 annual report revealed that the $2 billion CBS Records acquisition " . . . was financed by short-term loans, commercial paper issued in Japan, and internal funds. This short-term debt was refinanced in April, 1988, when we issued 20 million new shares of Common Stock and Y92 billion ($736 million) of 1.4% unsecured convertible yen bonds through public offering in the Japanese market. These capital procurement activities raised a total of about Y200 billion ($1.6 billion) . . . "

3. Before the refinancing, Sony's debt to equity ratio was less than two to one.

4. Sony's reasons for purchasing CBS records were described in these terms: "As a subsidiary of Sony, CBS Records is expected to contribute significantly to the corporate growth, enhancing our audio/visual strategy by enabling us to jointly develop the hardware and software segments of the market". Note: But the purchase of CBS records by Sony probably also contributed to a change in receptiveness on the part of the United States recording industry to the importation of digital audio tape recorders from Japan. These products, based in part on the helical scan concept of the VCR, were considered a threat to the U.S. recording companies because of the potential for pirating vault-quality media available on compact disks. Sony produces digital audio tape recorders.

5. By 1988, Sony had become a major producer of computer workstations.

6. In 1989, Sony purchased Columbia Pictures for $3.4 billion, and also Materials Research Corporation, a major manufacturer of sputtering equipment for the U.S. semiconductor industry.

7. By the year 1990, Sony's annual revenues were greater than 20 billion dollars.

In comparison, Ampex's 1988 sales were $701 million. The largest single line item of income on Ampex's financial statement was that of royalty payments from Sony and other Japanese licensees of Ampex video technology. A significant proportion of Ampex's video recorder sales were Sony broadcast VCR systems repackaged under the Ampex label. By the end of 1988, Ampex, purchased on the basis of a leveraged buy-out, had a debt-to-equity ratio greater than 17 to one. Its research and development expenses was less than the interest paid on its debt.

Sony has not been the only Japanese firm to take advantage of the growth of the market for VCRs and related products. Other Japanese companies involved in producing audio and video recorders have experienced similar growth during the past 20 years. The growth of these companies and the tremendous amount of capital used to finance that growth is in large part the result of Japan's success in developing a whole series of interrelated end-use products and markets, commencing in part with the development of the videotape recorder and now aimed at integrating the markets for media telecommunication services and electronics through high definition products and systems.

1.5 THE MIDDLE EAST

The strategy of leverage resulting from inter-related end-use markets affects everything. It has a huge bearing on the position of all countries, not just the United States and Japan. Let's examine for a moment the crisis in the Middle East. Oil as an end-use product, like information systems, is connected to everything. It provides raw materials for the chemical industry, it is fundamental to the cost of transportation and manufacturing. Increasing the price of oil affects interest rates around the world and the availability of credit. It's safe to say that the availability of oil directly affects every economy on this globe.

The United States and most other industrial countries have understood this for years. It is truly a strategic inter-related end-use market. Lack of access to oil as a product creates an immediate short- and long-term problem for any industrialized country. Rapid increase in the price of oil will devastate the potential viability of a non-industrialized state that does not have reasonable access to the material. The apparent strategic nature of this product is so significant that the denial of that product to an industrialized country is significant enough to conjure up thoughts of war.

But oil is not the only strategic end-use market as I have pointed out earlier in my talk today. As time moves on and products and markets increasingly advance in their stages of development, many products and markets will in their own way become just as strategic as oil. Lack of access to these markets will quickly destroy the viability of products and technologies that support these markets and finally the industrial infrastructure of an entire economy. At the very least, the nation's control of its destiny will be negatively affected.

Loss of competitive strength in the manufacture of end-use products not only reduces the control that a nation has over its technological base but its economic base as well. In time, control will be lost over where products will be defined and manufactured and who will earn the profits. Lack of strategic positions in the manufacture of inter-related end-use products and the resulting negative effect on a nation's technological and economic base increases our dependence on other nations for critical products, components, technology and money necessary to field an army, support a navy or maintain an air force. It is these circumstances that Mr. Ishihara was referring to in his recent work, *The Japan that can Say 'No'.*

The concept of opportunity cost as practiced in the United States usually concentrates on short-term goals. More often than not, the United States has found the walking away from products and markets in order to invest in more profitable areas has ultimately created a dependence on other nations for those very same products and related technologies that in time had become essential to remaining competitive in whatever markets were left. In the industrial world of today, when you find that you are dependent upon a major competitor for key technological and product support necessary for the viability of your base business, the long-term competitiveness of your enterprise is at the very least vulnerable.

1.6 CONCLUSION

In the world of the future—that of the information age—the Japanese feel that any nation that does not have a proprietary position in, or reliable strategic access to each of the market segments comprising electronics (including consumer electronics), the media (including software and mass media) and telecommunication services will be at a significant competitive disadvantage to those that do. Therefore, the concept of withdrawing from the development of products and markets on the basis of opportunity cost is at best counterproductive.

Several top Japanese executives indicated that the end-use market infrastructure in electronics, as it exists today in Japan, is superior to that of the United States and moreover, that the interrelationships that bind this infrastructure together present a major obstacle to the possibility of competitive re-entry, let alone catch-up.

Japanese corporate management also feels that the infrastructure in electronic products now in place in their country, will

[13] Rosenbloom, Richard S. Research on Technological Innovation Management and Policy, Jai Press: Greenwich, Connecticut; Volume 2, 1985, 224.

become one with that of the media and telecommunication services linked together by the ability to process massive amounts of audio/visual information. And what concept is fundamental to the processing of this information?

Assuming that the combination of the markets for electronics, telecommunications and media is the basis for entry into the information age, the following conclusion should be considered. Any significant loss of infrastructure of proprietary end-use products and markets within the area of electronics, telecommunications and media may substantially reduce the growth potential of an economy dependent upon that infrastructure. The Japanese feel, and statistics tend to bear this out, that the infrastructure represented by the markets for electronics, telecommunications and media are of major significance to the economic and political development of the United States, Japan and Europe. Lose control of one and you may lose control of both.

Can the U.S. turn the tide in its favor? Absolutely. The U.S. computer industry is still dominant. America's position in mass media, software and transmission services is still solid. These markets can provide a basis for restoring America's competitive position. But such an effort must also include strategic moves back into consumer electronics, display systems, audio and video recording, computer peripherals, components, and related technologies. Otherwise, the combination of developments in high definition products and those markets America has lost will continue to encroach on remaining U.S. positions of strength.

But how does America turn the tide in its favor? The first thing that must happen is that there must be definitive leadership from the Executive Branch of the government of the United States. The problem as defined in my report affects everybody. Every individual in the United States has grown up with the concept that if you can't make enough money in a given product area in relationship to something else, you walk away from the unprofitable area in search of greener grass. Few people in the U.S. understand that all products and markets are inter-related, that all of us are tied together, and that the loss of any aspect of our infrastructure has an effect on the total economy. As such, we must begin to learn to assess the inter-related aspects of our resources on a national basis. The United States defines the short-term in milliseconds and the long term in periods of 5 to 10 years. In Japan, the long term means forever; and, as such, the equation has totally different parameters.

A. The President must begin to create an atmosphere in his speeches and his actions that reinforce across the nation the concept that moving away from less profitable markets in search of higher returns and investments cannot be appropriately assessed unless long-term implications to the infrastructure of America are understood. He must begin to emphasize that because of linkage, loss of end-use market infrastructure can be a critical mistake even when the markets themselves may not seem critical. The President must help each and every one of us realize that the concept of opportunity-cost as delineated in this report is not healthy for America. We need only to look at what has happened to our savings and loan industries, the junk bond industry and the concept of leveraged buyouts to get some idea of what can happen when an individual's excitement at making a deal becomes more pervasive than the long-term importance of the effect of that deal on the infrastructure and the people of the United States.

B. The Department of Commerce, in conjunction with OSTP, and the full backing of the President must help the United States focus on the fact that the competitiveness of individual companies is highly dependent upon the competitiveness of the country as a whole. Because products and markets pushed in development to their logical extreme become inter-related, linkage occurs between all segments of the economy. Based upon this linkage, what happens in one part of the economy affects all other parts. It is this premise of linkage that requires the United States of America to develop a national strategy designed to utilize the leverage of these markets to our benefit. It is exactly that leverage resulting from the linkage of products and markets now being developed within the Japanese economy that is causing so much difficulty in the competitiveness of U.S. industry. This trend must be reversed or the cost of re-entry will be overwhelming to the nation.

C. The Department of Commerce must play a central role in establishing a national strategy—the strategy of leveraging linked products and markets.

The core of this national strategy must be based upon a detailed analysis of the current U.S. position in strategic inter-related end-use markets vis a vis that of other nations. This analysis should be developed by an office within the Department of Commerce comprised of experts capable of understanding the inter-related aspects of products and markets and prognosticating what might happen if current trends within the U.S. economy regarding those products and markets were to continue. Based upon this analysis, the "Office of Strategic Analysis" should engage all pertinent segments of the private industrial sector in a dialogue designed to determine the reasonableness of the report. One of the key purposes of this dialogue is to cause individual companies within the private sector to begin thinking about products and markets not necessarily immediately pertinent to their business but ultimately important to their long-term international competitiveness. Such an exercise will help the U.S. begin to develop a priority list of which products and markets are most strategic to the competitive health of the nation viewed over time.

The outcome of this effort should be a basis for a national strategy which combines the thinking of government and the private sector about ways to revitalize development and manufacturing efforts in support of key products and markets lost during past periods.

The cost of re-entry in many product and market areas will be very large—too large for the U.S. Government to use its funding of the effort as a principal means of re-entry. In many cases, joint ventures with firms in other countries already positioned in the markets in question will be desirable. The key is to ensure that these ventures including research and development and manufacturing occur on U.S. soil with a majority of equity owned by the U.S. company. To achieve this result, close cooperation between the respective U.S. firm and the government must exist so that a proper environment can be established to ensure a successful negotiation with the off-shore partner.

The principle point in all of this is the need for recognition that the Government of the United States in cooperation with the private sector must establish an environment which can most appropriately utilize the competitive zeal, ingenuity and capital resources of the United States to re-enter into the manufacture of strategic inter-related end-use products previously lost to the philosopical malaise of opportunity cost.

Couple a modicum of fear with strategy, and the United States can again be the most competitive nation in the world. On the other hand, allow fear to reign without strategy and American leadership is up for grabs.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1990, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.3 billion in budget authority, and over the budget resolution by $4.2 billion in outlays. Current level is under the revenue floor by $5.2 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(a) of the Budget Act is $114.8 billion, $14.8 billion above the maximum deficit amount for 1990 of $100.0 billion.

The report follows:

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, September 10, 1990.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1990 and is current through August 4, 1990. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the 1990 Concurrent Resolution on the Budget (H. Con. Res. 106). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated July 30, 1990, the Congress has cleared, and the President has signed into law, the Oil Pollution Act (P.L. 101-380) and the Customs and Trade Act (P.L. 101-382). These actions changed the current level estimates of outlays and revenues.

Sincerely,

ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 101ST CONG., 2D SESS., AS OF AUG. 4, 1990

[In billions of dollars]

	Current level [1]	Budget resolution H. Con. Res. 106	Current level +/− resolution
Budget authority	1,326.1	1,329.4	−3.3
Outlays	1,169.4	1,165.2	4.2
Revenues	1,060.3	1,065.5	−5.2
Debt subject to limit	3,171.8	[2] 3,122.7	−49.1
Direct loan obligations	19.1	19.3	−.2
Guaranteed loan commitments	115.1	107.3	7.8
Deficit	114.8	[3] 100.0	[4] 14.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con. Res. 106. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions. In accordance with section 102(a) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act (101 Stat. 762) the current level deficit amount compared to the maximum deficit amount does not include asset sales.

[2] The public debt limit has been increased temporarily to $3,195 billion through October 2, 1990 by Public Law 101-350.

[3] Maximum deficit amount [MDA] in accordance with section 3(7)(E) of the Congressional Budget Act, as amended.

[4] Current level plus or minus MDA.

THE CURRENT LEVEL REPORT, 101ST CONG., 2D SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS AUG. 4, 1990

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			1,068,600
Permanent appropriations and trust funds	954,969	791,109	
Other legislation	635,362	638,737	566
Offsetting receipts	−233,985	−233,985	
Total enacted in previous sessions	1,356,347	1,195,862	1,069,166
II. Enacted this session:			
Dire emergency supplemental appropriations (P.L. 101-302)	2,293	666	
An act making technical amendments to title 5, U.S. Code (P.L. 101-303)		−1	
Amtrak Reauthorization and Improvement Act (P.L. 101-322)	−10		−10
Oil Pollution Act (P.L. 101-380)			−1
Customs and Trade Act (P.L. 101-382)		7	−4
Total enacted this session	2,283	672	−15
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution:			
Salaries of judges	−8	1	
Payment to judicial officers' retirement fund	−4	−4	
Judicial survivors' annuities fund	−3	−3	
Fees and expenses of witnesses	−5		
Justice assistance	−4		
Fisherman's guaranty fund	1	1	
Administration of territories	−1		
Firefighting adjustments	−1,057	−192	
Federal unemployment benefits [FUBA]	5		
Advances to unemployment trust fund	(48)	(48)	
Special benefits	−24		
Black Lung disability trust fund	52	31	
Vaccine improvement program trust fund	7	7	
Federal payments to railroad retirement	1	1	
Retirement pay and medical benefits	−4		
Supplemental security income program	263	263	
Special benefits, disabled coal miners	21		
Grants to States to Medicaid	−907		
Payments to health care trust funds	(325)	(325)	
Family support payments to States	84	84	
Payments to States for AFDC work programs	15	15	
Payments to States for foster care	−83		
Health professions student loan insurance fund	−25	−7	
Guaranteed student loans	−175		
College housing and academic facilities loans	−3	−3	
Rehabilitation services	−79		
Payments to widows and heirs	(1)	(1)	
Reimbursement to the rural electrification fund	111	111	
Dairy indemnity program	(1)	(1)	
Conservation reserve program	720		
Special milk program	−2		
Food stamp program	−2,000		
Child nutrition programs	−74		
Federal crop insurance corporation fund	(1)		
Agriculture credit insurance fund	342		
Rural housing insurance fund	(1)		
Rural communication development fund	(1)		
Payments to the farm credit system financial assistance corporation	−2		
Coast Guard retired pay	−17		
Payment to civil service retirement	(84)	(84)	
Government payments for annuitants	−3	−2	
Readjustment benefits	−62		
Compensation	258	208	
Pensions	−62		
Burial benefits	−4		
Loan guaranty revolving fund	−7		
Disaster relief	−1,100	−883	
Total entitlement authority	−3,834	−371	
VI. Adjustment for economic and technical assumptions	−28,685	−26,763	−8,900
Total current level as of Aug. 4, 1990	1,326,110	1,169,400	1,060,251
1990 budget resolution H. Con. Res. 106	1,329,400	1,165,200	1,065,500
Amount remaining:			
Over budget resolution		4,200	
Under budget resolution	3,290		5,249

[1] Less than $500,000.

Notes.—Numbers may not add due to rounding. Amounts shown in parenthesis are interfund transactions that do not add to totals.●

THE CHILDREN'S TELEVISION ACT OF 1990

● Mr. WIRTH. Mr. President, I have been concerned with the state of children's television in this country for many years. Television is a unique medium that offers incredible opportunities to enrich the lives of America's children. Virtually every developed country in the world devotes more resources than we do on educational television for children. In contrast, our broadcasters often ignore the child audience or offer cartoon programs that are principally designed to promote toys to children. We can do better than this. Indeed, we must do better if we expect America's youth to enjoy the same opportunities to learn from television as children from countries where television is used more wisely as an educational resource.

Senators HOLLINGS, INOUYE, and I are offering a substitute amendment to H.R. 1677—previously S. 1992—that reflects a new agreement on the National Endowment for Children's Television, the single issue on which the House- and Senate-passed bills differ. I am pleased that this agreement has been reached, allowing the legislation to move forward.

Importantly, the substitute amendment does not in any way alter the licensing provisions included in title I of the legislation passed by the Senate on July 19. Under the renewal standards included in this legislation, each television licensee must provide at least some educational programming specifically designed for children in order to qualify for license renewal. This requirement is unequivocal. Senator INOUYE and I discussed this requirement in a colloquy on July 19. The substitute amendment does not affect the substance of that colloquy which remains an accurate description of the license renewal standards.

Finally, licensees must also adhere to appropriate limits on the amount of commercial content presented during children's programming, an area in which FCC deregulation has led to abuses of the child audience. Commercial content will be limited to 10.5 minutes per hour on weekends and 12 minutes per hour on weekdays, again unchanged from the legislation approved by the Senate in July.

The amendment provides for meaningful reform and improvement in children's television. The legislation is a substantial accomplishment, and heralds a major shift in the way television will address America's children. Broadcasting in this country remains a privilege, not a right, and those who hold that privilege reap substantial economic benefits. With the enactment of this measure, we can soon expect America's broadcasters to meet the very specific obligation of serving the educational needs of America's children. Now that we have reached an agreement on the programming endowment, I hope we can swiftly send the legislation to the President. I urge my colleagues to join me in supporting this important measure.●

OCCUPATIONAL SAFETY AND HEALTH HAZARD VICTIMS' RIGHTS ACT

● Mr. HARKIN. Mr. President, I am proud to have signed on a cosponsor of Senator SIMON's bill, S. 2442, the Occupational Safety and Health Hazard Victims' Rights Act. Last week, S. 2442 was reported from the Labor and Human Resources Committee, of which I am a member. The proposed legislation would allow the families of workers killed on the job to participate in hearings and other proceedings of the Occupational Safety and Health Administration [OSHA] during the investigation of an occupational related death. Not only would this bill give

surviving family members an opportunity to air their views at OSHA proceedings, but it would also improve enforcement of OSHA regulations by opening up the now one-sided process. The bill would also require OSHA's mission and purpose, as well as the process of the investigation.

I am aware of a family in Sanborn, IA, who can attest to the need for such legislation. After the death of their son, Daryl, in an occupational accident on May 25, 1988, Glenn and Bonnie Damman were left without recourse as IOSH proceeded and concluded their investigation. I witnessed the enduring campaign the family undertook in order just to be heard by OSHA. This lack of a formal and guaranteed right to a fair hearing has caused the Dammans a great deal of pain and frustration. Today, Glenn and Bonnie have many questions about their son's death which remain unanswered. We need a bill such as S. 2442 to guarantee families like the Dammans the opportunity to participate in OSHA's investigation and thereby obtain answers to the fundamental questions surrounding any occupational death. Therefore, I will work diligently for final passage of this important legislation.●

LEARNING FROM A HERO

● Mr. RIEGLE. Mr. President, on July 3, 1990, the McGuire family of Dearborn, MI, celebrated their son Joe's fourth birthday while vacationing near Kellogg Bridge in Grayling, MI. What makes this birthday unforgettable for the McGuires is that it was almost Joe's last. Joe had wandered onto the beach at Kneff Lake and within minutes was in the water. At the same time, 16-year-old Buddy Latesky of Grayling, MI, was swimming with his friends when they noticed something white floating in the water. Thinking it was nothing more than a T-shirt, Buddy went to investigate only to find Joe face down in the water. Buddy reacted immediately. Bringing Joe out of the water, he performed the mouth-to-mouth resuscitation he had learned a few years before in a Swartz Creek Middle School health class. After a few uncertain minutes Joe began coughing up water and breathing on his own. He soon rejoined his parents and was treated and released from a local area hospital.

This story has a happy ending because Buddy Latesky, an heroic young man responded swiftly but calmly to a life-threatening situation. While reviewing this dramatic story I could not help but wonder how I would react in the same situation. Every parent, teacher, camp counselor, and concerned citizen, should ask themselves the question: Do I know the basic skills needed to save a life?

I am proud to recognize Buddy Latesky today, not only for his heroism but because his actions clearly demonstrate how critical it is that all Americans learn basic lifesaving skills.

According to 1989 National Safety Council figures, 95,277 Americans died as a result of accidents. Of these, 47,865 were motor vehicle related 11,444 were falls, 5,700 were drownings, 2,885 were poisonings, and the list goes on. These statistics are alarming. What is even more tragic is that a number of these deaths could have been prevented if someone like Buddy Latesky had been on the scene to administer emergency first aid. Becuase of his health class, Buddy knew what to do to prevent Joe McGuire from becoming a statistic.

The opportunity to learn these vital skills is available to all Americans through the American Red Cross and other national organizations. In 1988 alone, the Red Cross instructed and certified over 7 million people in thousands of classes taught nationwide. While this is a significant number, millions more need to learn these skills.

To pay proper tribute to this young hero we must be attentive to the lesson of his actions. While statistically small, a time may arrive when we are called upon to perform an emergency first-aid procedure. Whether we do as well as Buddy Latesky did is up to each of us.●

CAMPAIGN COST REDUCTION AND REFORM ACT

Mr. EXON. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of H.R. 5400, the Campaign Cost Reduction and Reform Act; that all after the enacting clause be stricken; that the text of S. 137 as it passed the Senate be substituted; that the bill be deemed read a third time and passed; that the Senate insist on its amendment; that the Senate request a conference with the House of Representatives; and that the Chair be authorized to appoint conferees.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair appoints the following conferees on the part of the Senate: Mr. FORD, Mr. BYRD, Mr. INOUYE, Mr. DECONCINI, Mr. BOREN, Mr. BREAUX, Mr. STEVENS, Mr. MCCONNELL, Mr. PACKWOOD, Mr. RUDMAN, and Mr. NICKLES; for matters within the jurisdiction of the Committee on Finance, Mr. BENTSEN and Mr. PACKWOOD.

BILL PLACED ON THE CALENDAR—H.R. 5610

Mr. EXON. Mr. President, I ask unanimous consent that H.R. 5610, the Deposit Insurance Funds Protection Act of 1990, just received from the House be placed on the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL WHITE HOUSE CONFERENCE ON SMALL BUSINESS

Mr. EXON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4773, regarding the White House Conference on Small Business just received from the House.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 4773) to authorize the President to call and conduct a National White House Conference on Small Business.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. BUMPERS. Mr. President, today the Senate takes up legislation which would authorize a new White House Conference on Small Business. The House of Representatives, under the leadership of the chairman of the House Small Business Committee, Representative JOHN LAFALCE, has recently passed the legislation which is now before us, H.R. 4773.

This measure will create a White House Conference on Small Business to be held early in 1994, following State and regional conferences beginning as early as December 1992. As with previous White House conferences, delegates would be elected by participants during the State meetings. Other delegates would also be appointed by Members of the House and Senate, and the President would have the authority to appoint an additional 100 delegates.

Mr. President, two similar conferences were held previously in 1980 and 1986, and both were huge successes. Participants at the White House Conference on Small Business in 1986 passed 60 resolutions as recommendations to Congress and the administration. The 1986 conference went on record firmly in opposition to President Reagan's repeated proposals to dismantle the Small Business Administration and made a host of other important recommendations. That conference showed a dominant interest in the Government taking an active role in enhancing the competitive ability of small business at home and abroad. National business groups such as the National Federation of Independent Business [NFIB], National Small Business United [NSBU], the U.S. Chamber of Commerce, and the National Association of Manufacturers all convened around the conference recommendations in order to keep the suggestions in the forefront of Government activity. Similarly, recommendations by the first conference delegates

in 1980 resulted in the Small Business Innovation and Research Act and the Equal Access to Justice Act.

So, Mr. President, the history of White House small business conferences proves without a doubt that current issues of great concern to this country's small business men and women can be confronted by those people who know small business best, and those suggestions often result in legislative action. The recommendations not only create a dialogue between small business firms and the Federal Government, but can also be the basis of responsible changes in public policy which ultimately benefit our economy.

Today, with the incredible changes in Eastern Europe, and the small business opportunities that are possible for firms interested in international trade, and also with public pessimism about the economy increasing daily, I believe that a new White House Conference on Small Business is timely. Women-owned businesses are continuing to grow by leaps and bounds, and that trend needs to be encouraged. Health care costs for coverage of small business employees is increasingly more burdensome and that issue needs to be addressed by delegates at the next conference as well. Entrepreneurs also need a chance to voice their opinions of the assistance available from the Small Business Administration's programs and other technology transfer programs offered by Federal and university laboratories nationwide.

Mr. President, I hope that the full Senate will pass this important legislation, and send it to the President so that planning can begin as soon as possible.

Mr. BOSCHWITZ. Mr. President, this afternoon we are considering whether to adopt the White House Conference on Small Business Authorization Act, H.R. 4773. I am an original sponsor of the Senate companion bill, S. 977, which was introduced by my good friend, Senator DOMENICI.

H.R. 4773 will authorize a National White House Conference on Small Business between January and April 1994. The 1994 White House Conference will be preceded by State and regional conferences beginning December 1, 1992. Delegates and alternates to the White House Conference will either be elected by the participants at the State and regional conferences, or appointed by a Governor, U.S. Senator, Representative, or the President.

The purpose of the White House Conference will be to: First, increase public awareness of the essential contribution of small business; second, identify the problems of small business; third, examine the status of minorities and women as small business owners; fourth, assist small business in carrying out its role as the Nation's job creator; fifth, assemble small businesses to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate for maintaining and encouraging the economic viability of small business; and sixth, review the status of recommendations adopted at the preceding White House Conference on Small Business.

The first national Conference was held in 1980; a subsequent Conference was held in 1986. Both were considered great successes. In 1986, more than 1,800 small business owners were delegates to the 1986 White House Conference on Small Business. They came here on their own time and expense to discuss mutual concerns in operating a small business, and to offer solutions to these problems.

The 1986 Conference, including the preceding State and regional conferences cost about $15 million. The Federal Government provided $4.6 million toward this cost, with the remainder contributed by the private sector. H.R. 4773 authorizes $5 million toward the 1994 White House Conference. Once again, it is expected the large majority of cost will be paid by the private sector.

As ranking minority member of the Small Business Committee, I believe we must show America's small business owners that their Government will listen to their needs and concerns. I urge my colleagues to support H.R. 4773 today.

Thank you, Mr. President. I yield the floor.

Mr. DOMENICI. Mr. President, I am very pleased that the Senate today has agreed to pass the House bill establishing a White House Conference on Small Business in 1994.

I believe my colleagues will be interested to know that the recommendation to hold another White House Conference on Small Business was made by a New Mexico delegate to the 1986 Conference, George Shaffer. In concurring with this official recommendation from the 1986 Conference, I introduced legislation in the last Congress, and in this Congress, to authorize future White House Conferences on Small Business.

The Senate, in the 100th Congress, passed my amendment based on S. 818, which was my own bill to establish such a conference. Forty Senators cosponsored this legislation. During this Congress, I introduced S. 977, the White House Conference on Small Business Authorization Act.

The major difference between this House bill and my own Senate bill is the number of national conferences. The House bill we are passing today is a one-time conference in 1994. My bill would have given the President authority to call such a conference as often as once in every 6-year period. Otherwise, these bills are very similar.

I am in accord with the House version for the next conference in 1994.

It is imperative that we get on with the next White House conference so we can address the important role small American businesses can play in the rapidly changing world economy.

Since the 1986 White House Conference, Congress has enacted tax changes, pension law changes, and there is the possibility of new civil rights legislation and a new reauthorization bill for the Small Business Administration. The national budget deficit situation today requires a Presidentially called summit. The failure and Government takeover of hundreds of savings and loan companies has affected many related small businesses.

Events in Eastern Europe, and the European Common Market, as well as new business potential in Mexico and Latin America are all additional good reasons to hold a national high level conference. We need to explore ways for American enterprise to develop its influence in the worldwide growth of free enterprise activities. We also need to ensure the vitality of small businesses in our own changing national economy.

We are all aware of the role of small business in America as the creator of new jobs. From 1980 to 1986, 10.5 million new jobs were created in this country. Two-thirds of these were created by businesses with fewer than 500 employees. As we are dependent on small business, so are other countries. And those other economies can learn from us.

In addition to summoning the National Conference to begin sometime between January 1 and April 1, 1994, H.R. 4773—like my bill—authorizes conference activities at the State and regional level prior to the White House Conference.

In addition, the purposes of H.R. 4773 are very similar to those in my bill, S. 977. They are:

Increase public awareness of the essential contribution of small business;

Identify the problems of small business;

Examine the status of minorities and women as small business owners;

Assist small business in carrying out its role as the Nation's job creator;

Assemble small business to develop such specific and comprehensive recommendations for executive and legislative action as may be appropriate; and

Review the status of recommendations from the 1986 Conference.

Most of the delegates to the National Conference will be elected at the State conferences. In addition, each Governor may appoint one delegate, each member of the House of Representatives and each member of the U.S. Senate may appoint one delegate

and the President of the United States may appoint 100 delegates.

Oversight of the National Conference will be the responsibility of the 11-member commission appointed by the President. No more than six members can be of the same political party. The Commission can hire a director and staff.

Each delegate to the National Conference will pay his or her own expenses. Registration fees cannot exceed $10.

Finally, H.R. 4773 authorizes appropriations of $5 million beginning in fiscal year 1992, or any year thereafter.

A final report will be submitted to the President and the Congress within 4 months and the Small Business Administration will report to the Congress annually for 3 years after the Conference on the status and implementation of the findings and recommendations.

As this Senator mentioned before, this House bill is very close to the intentions already passed by the Senate during the 100th Congress and pending before the Senate in my bill, S. 977.

Mr. President, I commend the House Small Business Committee and its chairman, Mr. LAFALCE, for their excellent work on this legislation. I am also greatly appreciative of the work of the Senate Small Business Committee, its chairman, Mr. BUMPERS and ranking Republican member, Mr. BOSCHWITZ, who cosponsored my bill. They are to be commended for presenting the House bill to the Senate for immediate action.

Mr. President, I also thank the other cosponsors of S. 977 for their early support of this White House Conference. They are Senators LEVIN, DIXON, COHEN, LOTT, CONRAD, DECONCINI, LUGAR, GORTON, D'AMATO, STEVENS, LIEBERMAN, and BRYAN.

Passage of H.R. 4773, like S. 977, will do much to further the cause of small business at a very exciting time for the development of new world markets.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 4773) was ordered to a third reading, was read the third time, and passed.

Mr. EXON. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

HOUSE CONCURRENT RESOLUTION 338—PRINTING OF "UNDERSTANDING CONGRESS" S. 2758—LIBRARY OF CONGRESS TRUST FUND BOARD

Mr. EXON. Mr. President, I ask unanimous consent that the Rules Committee be discharged en bloc from further consideration of House Concurrent Resolution 338 and S. 2758 and that the Senate proceed to their immediate consideration en bloc; that the bill be deemed read a third time and passed, and that the concurrent resolution be agreed to; that the motion to reconsider the action on these measures be laid on the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of S. 2758 is as follows:

S. 2758

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADDITIONAL MEMBERSHIP ON THE LIBRARY OF CONGRESS TRUST FUND BOARD.

The first sentence of the first paragraph of the first section of the Act entitled "An Act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925 (2 U.S.C. 154) is amended—

(1) by striking out "and" after "Librarian of Congress,"; and

(2) by inserting after "respectively)" the following: ", four persons appointed by the Speaker of the House of Representatives (in consultation with the minority leader of the House of Representatives) for a term of five years each (the first appointments being for two, three, four, and five years, respectively), and four persons appointed by the majority leader of the Senate (in consultation with the minority leader of the Senate) for a term of five years each (the first appointments being for two, three, four, and five years, respectively)".

SEC. 2. QUORUM PROVISION.

The second sentence of the first paragraph of the first section of the Act entitled "An Act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925 (2 U.S.C. 154) is amended by striking out "Three" and inserting in lieu thereof "Nine".

SEC. 3. TEMPORARY POSSESSION OF GIFTS.

Section 2 of the Act entitled "An Act to create a Library of Congress Trust Fund Board, and for other purposes", approved March 3, 1925 (2 U.S.C. 156, 157, and 158) is amended by adding at the end the following new paragraph:

"In the case of a gift of money or securities offered to the Library of Congress, if, because of conditions attached by the donor or similar considerations, expedited action is necessary, the Librarian of Congress may take temporary possession of the gift, subject to approval under the first paragraph of this section. The gift shall be receipted for and invested, reinvested, or retained as approved in the second paragraph of this section, except that—

"(1) a gift of securities may not be invested or reinvested; and

"(2) any investment or reinvestment of a gift of money shall be made in an interest bearing obligation of the United States or an obligation guaranteed as to principal and interest by the United States.

If the gift is not so approved within the 12-month period after the Librarian so takes possession, the principal of the gift shall be returned to the donor and any income earned during that period shall be available for use with respect to the Library of Congress as approved by law.".

DRUNK DRIVING VICTIMS' PROTECTION ACT

Mr. EXON. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 788, S. 1931, the Drunk Driving Victims' Protection Act.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1931) to prevent the discharge in a chapter 13 bankruptcy proceeding of certain debts arising out of the debtor's operation of a motor vehicle while legally intoxicated.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which was reported from the Committee on the Judiciary, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. This Act may be cited as the "Drunk Driving Victims' Protection Act".

SEC. 2. Section 1328(a) of title 11, United States Code, is amended—

(1) in paragraph (1), by striking "or";

(2) in paragraph (2), by striking the period at the end and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(3) of the kind specified in section 523(a)(9) of this title.".

SEC. 3. Paragraph (9) of section 523(a) of title 11, United States Code, is amended to read as follows:

"(9) to any entity, to the extent that such debt arises from a judgment or consent decree entered in a court of record against the debtor wherein liability was incurred by such debtor as a result of the debt's operation of a motor vehicle while legally intoxicated or impaired by use of alcohol or drugs under the laws or regulations of any jurisdiction within the United States or its territories wherein such motor vehicle was operated and within which such liability was incurred;".

SEC. 4. Section 362(b) of title 11, United States Code, is amended—

(1) in paragraph (12), by striking out "or";

(2) in paragraph (13, by striking out the period at the end and inserting in lieu thereof "; or"; and

(3) by adding the following new paragraph:

"(14) under subsection (a) of this section, of the commencement or continuation of an action on a claim of the type described at section 523(a)(9) of this title.".

SEC. 5. Section 523(a) of title 11, United States Code (as amended by section 3 of this act) is further amended—

(1) by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; or"; and

(2) by adding at the end thereof the following:

"(11) to the extent that such debt arises from a proceeding brought by a governmental unit to recover civil or criminal restitution, or to the extent that such debt arises from an agreed judgment or other agreement by the debtor to pay money or transfer property in settlement of such an action by a governmental unit.".

SEC. 6. Section 1322(a) of title 11, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(4) provide for the full payment, in deferred cash payments, of all claims which would be nondischargeable under section 523(a)(11).".

AMENDMENT NO. 2673

(Purpose: To make a technical correction)

Mr. EXON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nebraska [Mr. EXON], for Mr. BIDEN, proposes an amendment numbered 2673.

On Page 2, line 16, strike out "thereof "; and"; and" and insert in lieu thereof "thereof "; or"; and".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2673) was agreed to.

Mr. BIDEN. Mr. President, drunk driving is a major public health problem, killing and injuring tens of thousands of Americans—particularly young people—every year. Drunk driving victims suffer enough when they are injured in accidents or lose a member of their family or friends. They shouldn't be victimized a second time by the Federal Bankruptcy Code.

Under current law, a drunk driver can escape payment of a civil judgement to their victims by filing for bankruptcy under chapter 13 of the Federal bankruptcy code. Congress recognized the folly of this loophole in 1984, when we passed legislation preventing drunk drivers from escaping their obligations to their victims by filing for bankruptcy under chapter 7. The Danforth-Biden-Thurmond bill simply closes a similar loophole under chapter 13.

This bill prevents drunk driving victims from being victimized a second time under the bankruptcy laws. Closing this loophole protects the rights of drunk driving victims and corrects a gross injustice.

I want to thank Senator DANFORTH for his hard work on this legislation. I would also like to recognized the tireless efforts of Mothers Against Drunk Driving [MADD], who first proposed this legislation and has been so effective in pushing legislation to crack down on drunk and drugged drivers.

Mr. THURMOND. I am pleased that the Senate has chosen to act today on S. 1931, The Drunk Driving Victims' Protection Act. Senator DANFORTH, Senator BIDEN, and I introduced this important legislation—to prevent the discharge, in a chapter 13 bankruptcy proceeding, of certain debts arising out of the debtors operation of a motor vehicle while legally intoxicated or impaired by the use of alcohol or drugs.

In 1984, Congress passed legislation to prevent drunk drivers from avoiding the payment of civil judgments to their innocent victims by filing bankruptcy under chapter 7 of the Bankruptcy Code. Prior to enactment of this legislation, drunk drivers who killed or injured innocent people could escape civil damage judgments simply by declaring bankruptcy.

Recently, it has come to our attention that under certain provisions of chapter 13 of the Bankruptcy Code, drunk or drugged drivers are still able to discharge judgments awarded against them, thereby escaping full payment to their victims. This situation is intolerable. S. 1931 will amend the Bankruptcy Code in order to close this loophole and protect the right of victims to receive compensation for their injuries.

By forcing drunk or drugged drivers to pay on their civil judgments. S. 1931 will finally fill the gaps that previously have left victims uncompensated or undercompensated for their injuries. We will be sending a clear message to those drivers impaired by the use of alcohol or drugs that they will now be held financially accountable for their acts.

I am pleased that the Senate has chosen to pass S. 1931 today and I urge my colleagues to support it.

Mr. DANFORTH. Mr. President, a drunk driving crash in which an innocent victim is injured or killed is a tragedy. It is a double tragedy if drivers can avoid paying a civil judgment to victims by seeking protection under the bankruptcy laws. The Drunk Driving Victims' Protection Act, S. 1931, will help ensure rightful financial compensation to the victims of impaired drivers.

In the past decade, efforts to deter drunk driving have begun to pay off. According to the National Highway Traffic Safety Administration, in 1982, 25,165 Americans were killed in alcohol-related accidents. By 1988, the toll had decreased more than 7 percent to 23,352 alcohol-related fatalities. Drunk driving, however, is still responsible for nearly 50 percent of all highway fatalities. If this national average were applied to Missouri, over 550 deaths could be attributed to alcohol-related accidents in my home State in 1988 alone.

This progress has come about in part because of national initiatives, such as incentive grant programs that encourage States to enact tougher drunk driving laws and the national minimum drinking age law.

Congress also has worked to guarantee that those persons who are injured by drunk drivers will receive an appropriate level of financial compensation. In 1984, legislation was enacted to prevent drunk drivers from escaping payment of civil judgments to their victims by filing for bankruptcy under chapter 7 of the bankruptcy code. Before 1984, chapter 7 afforded an opportunity for scandalous abuse. Under this statute, drunk drivers who killed or injured innocent people could escape civil damage judgments by declaring bankruptcy.

It recently came to my attention that drunk drivers can still discharge civil judgments through a chapter 13 bankruptcy filing. Instead of the liquidation of personal assets which occurs under chapter 7, chapter 13 allows the debtor to restructure his debt payments over a 3- to 5-year period. By filing for personal bankruptcy under chapter 13, drunk drivers are still allowed to discharge judgments awarded against them, and thereby escape full payment to their victims.

One such case is that of Dorothy Mercer of Michigan. In 1982, Dorothy was hit by a drunk driver traveling over 100 miles per hour with twice the legal limit of alcohol in his blood. She filed a civil suit against the driver to compensate her for her injuries, including permanent brain damage and a compression of the spine which caused a loss of 3 inches in height. To protect himself from the lawsuit, the drunk driver filed for bankruptcy under chapter 13 in November of 1984. Because any financial judgment against the driver could be fully discharged by the bankruptcy court at a future date, Dorothy was forced to settle for a fraction of her original claim for damages.

S. 1931, as reported by the Senate Judiciary Committee, makes two additional improvements to the current law. First, the bill would make it clear that a drugged driver is not entitled to seek bankruptcy protection in either chapter 7 or chapter 13 from debts owed as a result of his drugged driving. Drugged driving is a growing problem. Just like drunk drivers, these drivers should not be able to escape liability for the death and injury they cause. Second, S. 1931 would resolve the race to the courthouse issue that has arisen from a narrow reading of the current statute. The statute says that a bankruptcy court cannot discharge a "judgment or consent decree entered in a court of record" against

the impaired driver. Some courts have read this to require that a victim must reduce his claim to judgment before the impaired driver can run into court and file bankruptcy. This narrow reading of the statute defeats its purpose. Victims should have sufficient time to make their case in court. S. 1931 halts this race to the courthouse by amending 11 U.S.C. 362(b) to add impaired driving debts to the list of debts that are not automatically stayed by the filing of a bankruptcy petition. This would keep a bankruptcy judge from staying the victim's claim until after the victim had an opportunity to reduce it to judgment.

In sum, Mr. President, this legislation builds on the effort we began in 1984 to protect the rights of drunk and drugged driving victims to compensation for their injuries. The message to impaired drivers is that they will be held financially accountable for their acts. The message to victims and their families is that Congress protects their rights.

Mr. President, this is a measure that enjoys strong bipartisan support, evidenced by the fact that it is cosponsored by the chairman and ranking Republican member of the Judiciary Committee, Senators BIDEN and THURMOND. It was reported out of the Senate Judiciary Committee on a voice vote, without opposition. Moreover, the provisions of this bill have already passed the Senate as an amendment to S. 1970, the omnibus crime bill.

Mr. President, I urge my colleagues to join in supporting this important legislation to protect the victims of impaired driving.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1931) was ordered to be engrossed for a third reading, was read the third time, and passed, as follows:

S. 1931

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. This Act may be cited as the "Drunk Driving Victims' Protection Act".

SEC. 2. Section 1328(a) of title 11, United States Code, is amended—

(1) in paragraph (1), by striking "or";

(2) in paragraph (2), by striking the period at the end and inserting in lieu thereof "; or"; and

(3) by adding at the end the following new paragraph:

"(3) of the kind specified in section 523(a)(9) of this title.".

SEC. 3. Paragraph (9) of section 523(a) of title 11, United States Code, is amended to read as follows:

"(9) to any entity, to the extent that such debt arises from a judgment or consent decree entered in a court of record against the debtor wherein liability was incurred by such debtor as a result of the debtor's operation of a motor vehicle while legally intoxicated or impaired by use of alcohol or drugs under the laws or regulations of any jurisdiction within the United States or its territories wherein such motor vehicle was operated and within which such liability was incurred;".

SEC. 4. Section 362(b) of title 11, United States Code, is amended—

(1) in paragraph (12), by striking out "or";

(2) in paragraph (13), by striking out the period at the end and inserting in lieu thereof "; or"; and

(3) by adding the following new paragraph:

"(14) under subsection (a) of this section, of the commencement or continuation of an action on a claim of the type described at section 523(a)(9) of this title.".

SEC. 5. Section 523(a) of title 11, United States Code (as amended by section 3 of this Act) is further amended—

(1) by striking out the period at the end of paragraph (10) and inserting in lieu thereof "; or"; and

(2) by adding at the end thereof the following:

"(11) to the extent that such debt arises from a proceeding brought by a governmental unit to recover civil or criminal restitution, or to the extent that such debt arises from an agreed judgment or other agreement by the debtor to pay money or transfer property in settlement of such an action by a governmental unit.".

SEC. 6. Section 1322(a) of title 11, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(4) provide for the full payment, in deferred cash payments, of all claims which would be nondischargeable under section 523(a)(11).".

Mr. EXON. Mr. President, I move to reconsider the vote.

Mr. LOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

CIVIL RIGHTS ACT OF 1990

Mr. EXON. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 2104.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the House insist upon its amendment to the bill (S. 2104) entitled "An Act to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes", and ask a conference with the Senate on the disagreeing votes of the two Houses thereon.

Ordered, That the following Members be the managers of the conference on the part of the House:

From the Committee on Education and Labor: Mr. Hawkins, Mr. Martinez, Mr. Williams, Mr. Washington, Mr. Fuster, Mr. Mfume, Mr. Goodling, Mr. Gunderson, Mr. Fawell, and Mr. Grandy.

From the Committee on the Judiciary: Mr. Brooks, Mr. Edwards of California, Mr. Kastenmeier, Mr. Conyers, Mrs. Schroeder, Mr. Crockett, Mr. Fish, Mr. Moorhead, Mr. Hyde, and Mr. Sensenbrenner.

Mr. EXON. Mr. President, I move that the Senate disagree to the House amendment, agree to the request for a conference with the House on the disagreeing votes of the two Houses, and that the chair be authorized to appoint conferees.

The motion was agreed to and the Chair appointed Mr. KENNEDY, Mr. METZENBAUM, Mr. SIMON, Ms. MIKULSKI, Mr. HATCH, Mrs. KASSEBAUM and Mr. JEFFORDS, conferees on the part of the Senate.

ORDER FOR STAR PRINT—REPORT 101-453

Mr. EXON. Mr. President, I ask unanimous consent that Report 101-453 that accompanies S. 2442 be star printed to correct an omission in the text of the report as printed by the Government Printing Office.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE INTERNAL IMPROVEMENT ACT

Mr. EXON. Mr. President, I inquire of the acting Republican leader if Calendar No. 797, known as S. 2516, the Internal Improvement Act, has been cleared on the Republican side? The measure has been cleared on the Democratic side and is a measure which I supported and introduced on behalf of the administration.

I know there are no objections on this side. We have been trying to get this matter cleared for some time and I very much would appreciate a statement for the other side of the aisle as to whether we can proceed to pass this measure tonight.

Mr. LOTT. Mr. President, I might respond that we do have objection on this side. We are working together to see if it can be worked out. At this time, in my acting position, we do not have it cleared, so I will be constrained to object.

Mr. EXON. Mr. President, I appreciate the right of the acting minority leader to object for reasons that I do not understand, but may I make inquiry? I simply reiterate, Mr. President, that this was a measure that was introduced jointly in both the House and the Senate at the request of the administration. They requested Congressman LENT of New York who presented this on the House side and asked me to present it on this side. I testified before the House on the

measure. We have had hearings on it on this side, the U.S. Senate side. The measure is identical in language to that requested by the administration. I guess what I would like to do is move this measure as quickly as I can as the administration has requested.

Could I inquire as to what the objection is, if that is known to the acting minority leader, and if there are some changes that someone over there wants to make in the bill suggested by the administration? I would be very happy to look at those changes to see whether I agree with them, and then I certainly will be glad to check with the administration to see whether they objected to any changes just in the interest of moving this bill forward.

Mr. LOTT. Mr. President, if I might respond, first of all, I think it might be Congressman LENT perhaps from New York who was the sponsor in the House.

Mr. EXON. Yes. I mentioned that.

Mr. LOTT. Yes. I do not have information about exactly what the objections are. Perhaps the administration is raising some questions they are still pursuing. I was not aware that they were going to have this come up tonight. I know the Senator has been cooperative in working on this and would like to get it completed.

Just from looking at the description, without having worked on the bills, of S. 2516, even though it is pending or came from the Committee on Commerce, Science, and Transportation, I do not see any major objections to this point. It could be something this simple, that the people most regularly involved are out of pocket and we could not get a signoff when I was called back on to the floor to fill in tonight. I know, because of the Senator's interest and questions he has raised tonight, an effort will be made to try to find a way to move it forward at some subsequent point.

Mr. EXON. I thank the Senator for his explanation, and I understand that things like this come up from time to time. If the administration had any objection to this bill, I suspect they would have been in touch with the introducer of the bill on this side of the aisle.

Mr. LOTT. Sometimes we have to clarify things through the administration. They do not necessarily always get it exactly right. Sometimes Members of the Senate have to help them out a little bit. Maybe that is what is happening this time. I am sure they will find a way to get is straightened out.

Mr. EXON. I thank the Senator very much.

Mr. President, we are ready, willing, and anxious on the Democratic side to pass this measure exactly as requested by the administration. Tomorrow I will be checking with the administration to see whether or not they are seeking any changes. Possibly we could at least get an answer to what we have been trying to find out for several days: Who is objecting to the bill and why?

Thus far, we have not been able to get that information, to which I think we are entitled and to which certainly the administration is entitled, because this was a bill that they thought was necessary to pass. It has to do with foreign investment in the United States, to give the administration more authority than they have now for a better check on foreign investment in the United States, with which I think we are all very much concerned.

So with that, and since an objection has been heard, which is the right of the acting minority leader, I will not pursue the matter further tonight. I will be checking with the administration though tomorrow to see if they have any objections to it. If there is any change that should be made, I will be glad to take a look at it.

I hope we can get this release on this bill or at least be advised on this side as to who is placing the hold on the bill and for what reason because that is the only way we can clear up these matters, to get together, lay everything out on the table and get it moving which is what the administration wants I am sure very, very much.

If this hold remains in the dark, in the closet so to speak, then the Senator from Nebraska would have the option of introducing this as an amendment on some other bill. I am confident that we have with the help of the administration the votes to pass this. I suspect that is not the way the administration would like to handle this because I think they wanted this as a freestanding bill and would have preferred to have it come up in that manner rather than an amendment to some other bill that could slow down the enactment of this piece of legislation which the administration thinks is important.

But I will take that action if that is the only option left to me, and if we can find out who is putting the hold on it, and why.

ORDERS FOR TOMORROW

Mr. EXON. Mr. President, I ask on behalf of the majority leader unanimous consent that when the Senate completes it business today it stand in recess until 9:30 a.m. on Wednesday, September 19; that following the time for the two leaders there be a period for morning business not to extend beyond 10 o'clock a.m., with Senators permitted to speak therein for up to 5 minutes each; and that at 10 a.m. the Senate resume consideration of S. 1511, the older workers bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. EXON. Mr. President, if there is no further business to come before the Senate today, I ask unanimous consent that the Senate stand in recess under the previous order until 9:30 a.m., on Wednesday, September 19.

There being no objection, the Senate, at 8:01 p.m., recessed until tomorrow, Wednesday, September 19, 1990, at 9:30 a.m.

HOUSE OF REPRESENTATIVES—*Tuesday, September 18, 1990*

The House met at 10 a.m.

The Reverend Dr. Ronald F. Christian, Office of the Bishop, Evangelical Lutheran Church in America, Washington, DC, offered the following prayer:

Our Father and our God, we offer our prayer to You as an acknowledgment of our dependence upon You and in recognition that You are the provider of this day.

You give to each of us the seconds, minutes, and hours of every day. Oh God, may we all spend our time wisely as we fill this day with both work and recreation.

Bless, we pray, the laborers of this Nation who today spend their time in sweat and toil to build our homes and our offices.

Bless teachers and students in schools and universities across this land as they use their time to challenge and test the resources of the mind.

Bless farmers who now reap what they have earlier sown and then send their products on their way for all of us to eat and enjoy.

Bless those who give their time to care for the health of body and of spirit in hospitals and places of worship.

And, bless those who serve our country in distant lands or seas and as well as those in this House.

Oh God, may we use the time of this day wisely, judiciously, and benevolently. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. The gentleman from Florida [Mr. JAMES] will please come forward and lead the House in the Pledge of Allegiance.

Mr. JAMES led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 568. Joint resolution designating the week beginning September 16, 1990, as "Emergency Medical Services Week."

DISPENSING WITH CALL OF THE PRIVATE CALENDAR ON TODAY

Mr. WISE. Mr. Speaker, I ask unanimous consent that the call of the Private Calendar be dispensed with today.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

DISAGREEMENT OVER CAPITAL GAINS TAX DELAYS BUDGET AGREEMENT

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WISE. Mr. Speaker, the budget summit is at a stalemate. If the across-the-board cuts called sequestration take effect October 1, every agency will be cut at least one-third. Why? Because the President and his party say there must be a capital gains tax cut in the agreement.

That is right, while new tax increases hit low- and middle-income persons, the richest Americans would get another tax cut.

So if on October 1 the stock markets begin wavering, thank the President and thank capital gains.

If you are an enlisted person in our armed services making less than $20,000, your taxes would go up while the wealthiest defense contractors' taxes would go down. Why? Because of capital gains.

When the planes do not fly because air controllers are furloughed, when the Federal student loan program is cut, when highway construction programs stop, or when the health clinics shut their doors, remember, it is capital gains.

Six weeks ago this administration rightfully launched Operation Desert Shield to counter a foreign threat. Today the budget threat—and it is a threat—and the budget crisis require the same effort. However, there is no corresponding Operation Fiscal Shield being launched.

Mr. Speaker, the Republicans insist on a capital gains tax cut for the wealthiest. That is going to mean capital losses for us all.

ALLEN BOREN: A GREAT COACH PREPARES TO RETIRE

(Mr. FIELDS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FIELDS. Mr. Speaker, Allen Boren—one of the all-time great Texas high school football coaches—is preparing to retire from his position as athletic director for the Klein Independent School District, and I wanted to take a moment to commend him for his years of service to young Texans and to recognize the many successes he has earned during his career.

Allen has aptly been described as "one of the good guys in high school athletics." His career spans 35 years, during which time he served as an assistant coach in Sweeny, as head coach in Bellville, Edna, and Humble; and as athletic director in the Klein ISD. In each of those positions, as in his personal life, Allen has demonstrated character, grace, and dignity. Throughout his professional life, as assistant coach, as a head coach and as athletic director, Allen has motivated young men to train and prepare; to play hard, but fair; to do their best; and to win, and lose, with class and dignity.

He built character in young Texans, instilling in them the values of decency and fair play.

And, I know because I played for Allen; he not only taught us good fundamentals in regard to football, but he was a positive influence who shaped our character. Coach, on behalf of all of your players—good luck and God bless.

And throughout his career, Allen has demonstrated a remarkable ability to handle greater and greater responsibility. During Allen's 16-year career as athletic director for the Klein ISD, the school district has grown from one class 3A school to three large class 5A schools. A fourth high school is being planned, as is a possible new stadium complex.

Twice, in 1960 and 1965, Allen's football teams reached the State championship game. Those teams ended their seasons with records of 14-1. And while the members of those teams scored fewer points than their opponents in the State finals, they enjoyed highly successful seasons and they benefited from the guidance and motivation of their coach.

Allen soon will join a Houston-based sports equipment manufacturing firm, allowing him to remain involved in

athletics. Allen Boren will be missed in the Klein ISD, as he has been missed in Sweeny, Bellville, Edna, and Humble when he left those communities. But it is a measure of the man that those of us who know and respect Allen—and that includes just about everyone—wish him continued success, continued good health, and much happiness in his new career.

And Mr. Speaker, who knows? If a vacancy opens up at Baylor University, of which I am a trustee, maybe Allen might consider moving to Waco where the Baylor Bears could benefit from a man of his experience, dedication, and hard work. Until then, though, I hope you will join with me in wishing Allen Boren well, and thanking him for all that he has done in the past.

BUSH PROPOSALS ON CAPITAL GAINS FAVOR WEALTHIEST AMERICANS

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, the American people are watching a unique spectacle. The President of the United States and the Republicans are out at Andrews Air Force Base meeting with the Democrats in Congress, trying to arrange for a deficit reduction plan.

The President of the United States is not out there protecting middle class Americans; he is not protecting the elderly, he is not protecting the sick, the infirm, the poor, the children, the disadvantaged, or the average men and women and the middle class. No, he is out there protecting the wealthy once again.

His proposals call for everybody making under $75,000 to be paying more for taxes while everybody making over $200,000 would be getting a tax break with a capital gains tax. It is that simple.

Mr. Speaker, I say to the President: Mr. President, we call upon you to consider that it is time to protect the average American, it is time to protect the poor, the sick, the elderly, the infirm, the young, and the disadvantaged. Stop trying to protect those who do not need any protection. Stop trying to skew the tax revenues in this country so that they come only from those who work the hardest, those who have the least to pay with. Mr. President, we beseech you, for once try to protect the average man and woman and child in this country.

□ 1010

BUDGET NEGOTIATORS

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES. Mr. Speaker, the budget negotiations are still going on at Andrews Air Force Base. At least that is what we are being told, because nobody here really knows what is going on. All we know for sure is that there are many rumors floating around while both Congress and the American people wait to see what happens in these talks.

Mr. Speaker, why are we here? The Congress is responsible for the budget, and yet that responsibility has been taken from the Congress and handed to a small group of men—21 men, no women, are sequestered at an air base deciding the shape of our Nation's budget. That is wrong. All of Congress should be working on this problem, so that all of the people in this country are represented in this debate. My State of Florida is not being represented in these talks. In fact, the closest group of people being represented is hundreds of miles away from my district. Where is representative democracy in this? Even if a good deficit reduction package is presented to Congress, it is impossible for us to study it well enough to ensure that the package does not have some hidden faults.

As it stands, we might as well just go home and abrogate all of our responsibilities. We all know that is not right, so let us let democracy work as it was meant to. Let the Congress do its work.

A PROUD DAY FOR GEORGIA

(Mr. BARNARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BARNARD. Mr. Speaker, this is a proud day for the United States, a proud day for Georgia, and a proud day for the capital of our State, the Peach State, Atlanta, GA. The International Olympics Committee has made its decision, and its decision is to come to the Peach State in 1996.

Mr. Speaker, can you just imagine what it is going to mean to our country and to our State, a gathering equivalent to 50 superbowls, 100 national party conventions? It will mean $3.5 billion spent in our State, 84,000 jobs, and 39 visiting countries to our world class city.

Yes, we are proud of this announcement and what it means to our State. But this morning I want to pay special tribute to Bill Payne and the other members of the Atlanta committee who have worked so hard and so long to bring this event to our State and to our Nation. So I say congratulations, and welcome all of you to make your reservations now for 1996.

CHENEY MAKES THE RIGHT DECISION

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute.)

Mr. BROOMFIELD. Mr. Speaker, it's a hard thing to fire someone you've just promoted, but Dick Cheney knew what he had to do, and he did it.

Anyone who has risen to the post of chief of staff should know the priority that the military puts on secrecy. He should also know that America's defense is managed by civilians.

Loose lips sinks ships—and the kind of comments that General Dugan was making could very well have sunk the international coalition that President Bush has so skillfully put together. This is not the United States against Iraq, but the world against Iraq.

This is a strong message to the military that they serve not to promote war, but to preserve peace.

The Bush administration should be praised for doing the right thing, and doing it quickly.

SAD DAY FOR THE DEMOCRAT PARTY

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, July's trade deficit was over $9.3 billion. It is very sad that Congress and the White House, while we joke around down here, has allowed every country all over the world to enter our markets scot-free, while in most cases nearly every one of these countries has screwed American workers, American jobs, and American products. And do you know what is really amazing? The Democrat Party is now going to allow without question, the way it is looking politically, another capital gains tax cut, a tax cut for the wealthy, while increasing taxes on middle income America.

Ladies and gentlemen, the Democrat Party is in danger of becoming the party which will be known as the puppet of the White House, not the party of the working people of America. Democrats should be ashamed of themselves here today. I think it is time to put our foot down.

They have not mentioned trade laws at this summit one time. When you buy more than you sell, you go bankrupt. We are exporting American jobs and we are getting screwed and we are screwing our workers in this country, and no one in the Democrat Party is really standing up for it. It is a sad day, and Franklin Delano Roosevelt is probably rolling over in his grave.

TEXTILE FRAUD

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, opponents of the textile bill claim that the United States has in place textile and apparel agreements established through bilateral negotiations. They point to the fact that 38 agreements are in place and are being enforced. What they fail to mention is the extent to which quotas are circumvented. This summer, Customs officials testified before the Energy and Commerce Committee about the problem.

In 1988, 953 seizures were made valued at over $57 million.

In 1989, 1,113 textile seizures were made valued at $60 million.

Here are a few examples: First, $1.6 million in ladies' apparel from China was falsely invoiced and marked as products of Lesotho and Panama; second, skirts and blouses are sewn together very cheaply and described as dresses to circumvent the quotas for skirts; third, 100 percent cotton shirts were described as 65 percent polyester to get around the cotton quota; and fourth, bibs were attached to pants and imported as overalls to circumvent the pants quota.

Customs officials devote 34 percent of its investigations effort exclusively to textiles and apparel. So do not tell me this is not a serious problem.

WHY BUDGET TALKS ARE STALEMATED

(Mr. VISCLOSKY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VISCLOSKY. Mr. Speaker, if you make $12,700, President Bush wants you to pay more taxes; if you make $1,270,000, President Bush wants you to pay less taxes. If you make $19,500, President Bush wants you to pay more taxes; if you make $195,000, President Bush wants you to pay less taxes. If you make $36,000, President Bush wants you to pay more taxes; if you make $360,000, President Bush wants you to pay less taxes. If you make $42,000, President Bush wants you to pay more taxes; if you make $420,000, President Bush wants you to pay less taxes.

Mr. Speaker, that is why the budget talks are stalemated.

TEXTILE BILL DESERVES SUPPORT

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, all of us have much at stake. Market share losses and plant closings for any given industry chip away at our industrial base. The resulting loss of high paying jobs cannot be made up with good jobs in the service sector. Two million good jobs in the textile, fiber, and apparel complex, and millions more that depend on these industries, are at risk.

Already this year, 48 U.S. textile, apparel, and footwear plants have closed or drastically reduced operations, and in the last 12 months over 70,000 workers have lost their jobs, 400,000 in the last decade.

Mr. Speaker, I urge Members to be supportive and cast a vote in favor of the textile bill when it comes before us later today.

GIVE WORKING PEOPLE A BREAK

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, in today's Hartford Current, a reporter asked the President what he would do for defense workers. The President said nothing.

Mr. Speaker, it is not a surprise, when we take a look at where the President's efforts are. We looked at a group reporting on what the benefits were of a capital gains tax cut in Connecticut. The 6,280 richest Connecticut residents will get a $32,000 tax cut next year if the President gets his way. For the 1,000 defense workers laid off at UNC, the President says he has nothing for them.

Mr. Speaker, the President is ready to forgive foreign debt and ready to subsidize the defense of Western Europe and Japan. We have already done 4 trillion dollars' worth of that over the last 45 to 50 years.

For defense workers, nothing; but for all those millionaires, a $32,000 tax cut.

Mr. President, the people of this country, the working people in this country, need a break, too; not just higher taxes on beer and cigarettes, not just making their lives more difficult. Let us give the working people a break. Let us give working people a chance to find new jobs. Let us not just write one more Republican check for the richest people in the country.

NO MORE TAX BREAKS FOR THE RICH

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Mr. Speaker, today our Federal Government will spend $800 million more than it takes in. It will do that today, tomorrow, every day this week, this month, and this year until the administration and Congress decide to end the deficits.

This $3.2 trillion debt and $300 billion yearly deficit represents a form of economic cancer that is weakening our country. So how does the President propose to deal with this?

He says let us give some more tax cuts to the rich. I don't know; is this some sort of White House new math, or is this the same goofy approach that has produced these deficits in the first place?

The summit talks to deal with the deficit are deadlocked because the President and his followers insist on a capital gains tax cut.

I want everybody to think about this just for a minute. A country that is choking on red ink is told by its leader that the wealthiest among them, those who have received tax rate reductions from 70 percent to 50 percent to 28 percent in the last decade need just one more giant tax cut.

The President tells us if we can give a $25,000 a year tax cut to those whose incomes are over $200,000 a year, then the rich, the near-rich, the super-rich will again put their money to work for America.

Well, God bless the rich and super-rich, but not with one more tax cut, not on our watch.

AMERICA'S PROBLEM IS TOO MUCH SPENDING

(Mr. HEFLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HEFLEY. Mr. Speaker, everyone I talk to is convinced we're going to raise taxes this year.

Well, if Congress does raise taxes, it's going to do it without my support. I pledged to the taxpayers in my State and the country as a whole that I would oppose a tax increase—any tax increase—and I mean it.

I do not care whether the tax is comprised of so-called sin taxes, or designed to make the Tax Code more progressive. These arguments are only fabricated to cloud the real issue.

The problem in America today is not the deficit. America's problem is out-of-control Government spending. The deficit is only a symptom of that underlying disease.

Consider the following: At a time when the President and congressional leadership are negotiating which taxes they are going to raise, Americans already pay over 40 cents of every dollar they earn to Federal, State, and local governments. This level is the all-time, peace-time high.

We do not need to raise taxes; we need to reduce spending.

Nevertheless, many people feel that any rational approach to deficit reduction must include a tax increase. This

belief ignores Congress' historic ability to always spend more money that it raises. For example, when Congress raised taxes to "get a handle on the deficit problem" in 1984, Federal spending increased by $95 billion the next year, a record increase.

This year, the Federal Government will collect an estimated $70 billion in additional revenues without raising taxes. These new revenues give Congress the opportunity to lower the deficit through spending restraints rather than tax increases.

Lots of people in Congress give lip service to making tough, courageous choices. Unfortunately, the Members talking that way are describing their decision to raise taxes, not cut them.

It has been said before but it bears repeating: It does not take courage to spend somebody else's money.

BUSH ELITIST BUDGET PHILOSOPHY

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, I am not one of those Members who have encouraged class warfare as a way of pointing out the differences between the political parties in this country, but the President's frustrating insistence on a capital gains tax cut as the key linchpin effort to reduce the Federal budget deficit will further divide the middle class from the rich in this country. We are nickel and diming people with cigarettes, beer, and gasoline taxes which disproportionately fall on the middle class who are already paying a higher tax rate because of the 7 percent payroll tax that all Americans pay on their first $51,000 of income.

Meanwhile, President Bush wants to give further tax cuts to people like Leona Helmsley, who will use hers probably to buy further full-page ads in the New York Times to advise Saddam Hussein. Leona Helmsley once stated that only the little people pay taxes. George Bush seems to have bought onto that philosophy. He should know better, and I think the American people will reward those of us who reject the economic elitism of the Bush budget philosophy.

CONSTITUENTS ARE SAYING "NO NEW TAXES"

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, in 1981 U.S. tax revenues were about $599 billion. This fiscal year they will be over $1.2 trillion. That means the amount American taxpayers pay per year has doubled since 1981.

In fact, U.S. tax revenues have been increasing in recent years by at least $80 billion per year—$80 billion—and yet many here in Congress want to raise taxes even more.

I and some of my colleagues have proposed a budget that will meet spending targets without a tax increase. In addition the Heritage Foundation has proposed a budget that will allow 4 percent growth in spending and will even produce an $11 billion surplus by 1997 without a tax increase.

Budget summiteers, listen. We can reach our spending goals without a tax increase.

We don't need to raise taxes, and we don't need the recession new taxes will cause.

Listen to your constituents; they are saying, "Read our lips: No new taxes."

WHY ARE THERE NO WOMEN ON THE BUDGET SUMMIT?

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, we heard from the other side of the aisle something that is absolutely right. Amazing. That is that there are no women in this budget summit on either side.

Let me tell my colleagues why I do not think they could find anyone on the Republican side that would agree with the President or on the Democratic side. Women know that millions of women have been forced into the workplace to keep their family in the middle class. Women know that the middle class families today feel like hampsters in a wheel, they run and run and run and never get out of the bottom of the wheel. Women know that taxes have been shifted on the middle class families as costs have been shifted to middle class families, and there has been absolutely no support for middle class families coming from this Congress, whether it is child care, where there are millions of children crying out for child care or whether it was family medical leave or whether it was any other issue.

No, women have common sense, and they would absolutely throw the proposals to give the rich even more money out. They would say it is time that the rich in this country do a little burden sharing rather than burden shifting all to the middle class.

ENDING THE DEDUCTIBILITY OF STATE AND LOCAL TAXES

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Mr. Speaker, let us call talk of eliminating the deductibility of State and local taxes what it is: Double taxation. Ending the deduction would hit American taxpayers with a double whammy. It is certainly no way to promote tax fairness.

After 8 years of the previous administration transferring programs and their costs to States and localities, my own State of New York and others have taken on those responsibilities. That has cost money and added to the State tax burdens of most Americans. Now there is talk out of the budget summit of adopting an administration plan to literally tax the taxes paid to State and local governments. That is double taxation, pure and simple.

It is unfair and inequitable, and I urge all of my colleagues to let the budget summiteers know that ending deductibility of State and local taxes in a budget package will leave it dead in the water.

BUDGET SUMMIT HELD HOSTAGE BY CAPITAL GAINS OBSESSION

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Mr. Speaker, it appears now that, like the "Peanuts" character Linus with his blanket, the Republicans will not let go of cutting the capital gains tax even if it means sinking the budget summit. It is inconceivable to the American people that the desperate need of budget summit reduction is being held hostage to such a narrow, regressive, expensive obsession.

And an obsession it is. The business community is not clamoring for capital gains. They know deficit reduction is more important than that. The middle-income people are certainly not clamoring for capital gains. They know they will not benefit a drop. In fact, the only people who seem to cling desperately to this capital gains obsession are the ideologist from the Republican Party who have to show the very wealthy that they will be on their side even if it means sending America into the economic depths of despair that we saw in the early 1980's.

Mr. Speaker, my colleagues, if we were holding up the budget summit for some noble cause like educating America, keeping us No. 1 economically, helping the children of this country, we could see it, but to give away $21 billion to the rich is out of the question, and we will not stand for it.

CAPITAL GAINS PROPOSAL FAILS THREE KEY TESTS; SHOULDN'T HOLD UP BUDGET SUMMIT

(Mr. MOODY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MOODY. Mr. Speaker, it is clear now that the capital gains is the one unshakable piece of the Republican budget summit package.

Any tax proposal should be analyzed on at least three grounds. First, what does it do to revenue? Second, is it fair? And, third, does it produce growth in the economy?

Looking just briefly at these three dimensions. First, revenue: The capital gains proposed in the budget summit does not gain revenue. It loses revenue. After a short first spurt of revenue, the subsequent years it loses revenue and loses revenue big. Over the 5-year period, revenue loss ranges from $11 billion, at a minimum up to $21 billion. This is not deficit reduction, it is deficit enhancement.

Second, is it fair? This is the most salient part of the package. In the Republican capital gains package, 1 percent of the population, the top 1 percent who earn over $200,000 a year would receive 60 percent of the benefit; 1 percent of the population would receive 60 percent of the benefit. So it obviously is not fair. This is not deficit reduction. This is income redistribution.

Finally, on growth, even optimistic projections say the capital gains cut would produce less than six-tenths of 1 percent of growth in GNP—less than the usual statistical error with such figures. And even that calculation assumes that the lost revenue is made up elsewhere, or else the deficit effect would push up interest rates, which would hurt growth. On all three grounds, the capital gains break is not a defensible part of the package. In no event should it hold up the whole agreement, as it is now doing.

INTRODUCTION OF OPERATION DESERT SHIELD RESERVE FORCES HEALTH CARE ACT OF 1990

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Mr. Speaker, today I am introducing the Operation Desert Shield Reserve Forces Health Care Act of 1990. This legislation is needed to provide benefits for members of the Selected Reserve who have responded to the call and are now serving our Nation in Operation Desert Shield.

As the ranking minority member of the Veterans' Affairs Subcommittee on Education, Training, and Employment, last week I participated in our committee's joint hearing on the Soldiers and Sailors Civil Relief Act and Veterans Reemployment Act. Testimonies revealed some inadequacies in these laws.

Mr. Speaker, my bill would help remedy some of the deficiencies and help to assure reservists that they and their families will have comprehensive and continuous medical and dental coverage during and upon release from their active duty obligation in Operation Desert Shield.

Specifically the legislation provides tax credits for employers to maintain health care coverage for reservists and their dependents during the period they are away from their civilian jobs and participating in active duty service. Though some employers have voluntarily continued health care coverage for reservists and their dependents, further incentives are needed to encourage more employers to follow suit. Continuation of an employer-paid policy would, in many cases, provide for a greater continuity of health care coverage.

Also included in the legislation are provisions to help ensure that a reservist can resume his or her health care insurance plan without penalty upon resumption of his or her civilian job. It stipulates that a guard or reservist and their dependents would not be refused health insurance upon resumption of their job following active duty due to a newly developed condition or illness. In some cases, an illness developed by a serviceperson or their dependents during active duty service might be considered a preexisting illness, thereby making one ineligible for coverage by some health insurance policies.

Additionally, the legislation provides for dental services for dependents of reservists and guardsmen and women under the uniformed services active duty dependents dental plan. Current law requires a minimum of 2 years active duty service in order for dependents to qualify.

Mr. Speaker, I believe this legislation will help to ensure that the changes created by Operation Desert Shield are reasonable and do not impose unrealistic demands on the men and women sacrificing for our country.

CITY OF ATLANTA PICKED TO HOST 1996 SUMMER OLYMPICS

(Mr. JONES of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JONES of Georgia. Mr. Speaker, this morning in Tokyo the International Olympic Committee announced that Atlanta, GA, will be host city of the 1996 summer Olympics.

This is a landmark achievement for the city of Atlanta and the great State of Georgia. It is the result of a lot of old-fashioned hard work by the Atlanta organizing committee and the vision, dedication, and perseverance of people like Billy Payne and Andrew Young who, in the great Georgia tradition, believe that dreams can become reality if you have faith and if you hang in there.

Mr. Speaker, Atlanta, the international crossroads of the 21st century, is beaming with pride today. And in 1996, Georgia will make the United States beam with pride.

A DAY OF TRIUMPH AND CELEBRATION FOR ATLANTA

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Mr. Speaker, today is a day of triumph and celebration for the people of Atlanta, which today became the official site of the 1996 summer Olympics. This is also a victory for the Nation, as the world will come to the United States for the 100th anniversary of the modern Olympic games.

When Billy Payne, president of the Atlanta organizing committee, first envisioned the Olympics in Atlanta, even the city's most enthusiastic supporters were skeptical. But that dream caught on, and the people of Atlanta and all of Georgia combined their energy and resourcefulness and worked together to bring that dream to fulfillment today.

In Tokyo for today's announcement is a contingent of Georgians to show the support Atlanta's bid has at every level. My son, George, is there as part of the "dream team," a group of young people representing the youth of Atlanta and expressing hope in the Olympic ideal. For these young people, the meaning of the Olympics will have a lasting impact as they see firsthand the significance of international cooperation and friendly, but intense competition.

Georgians are known throughout the Nation for their warm hospitality, and now the world will witness first hand the personal charm and progressive energy of Atlanta, the capital of the new South and now a city of international stature. Atlanta dared to enter the race and go for the gold, and today's Olympic victory is only the beginning. Atlanta will now go back to work to make this centennial of the Olympics the greatest ever.

THANK YOU, JAPAN AND WEST GERMANY

(Mr. DREIER of California asked and was given permission to address

the House for 1 minute and to revise and extend his remarks.)

Mr. DREIER of California. Mr. Speaker, as we consider the textile bill which is something that is being discussed here on the floor and as we look at the announcement that was just made by my friend, the gentleman from Georgia, concerning the Olympics, and as we look at the horrible increase in the trade imbalance which was announced by the Commerce Department this morning, I am going to offer some rather controversial words.

Those are very simply: Thank you, Japan, and thank you, West Germany. We got the word this past weekend that, not because of any shouting that took place from the well of this House, but because of the extraordinary negotiations which were brought about by members of the executive branch, that we have seen a fourfold increase in the contribution that the Japanese Government is making to our efforts in Saudi Arabia and a threefold increase in the package that was put together with West Germany. This is an unprecedented development.

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Twenty-seven nations now are joined with the United States in the Persian Gulf.

Mr. Speaker, I hope very much that the world and this Congress recognize that while, yes, we want more support, we should congratulate those who have joined and assisted the United States in this unprecedented and important effort.

SUPPORT THE TEXTILE, APPAREL, AND FOOTWEAR ACT

(Mrs. LLOYD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LLOYD. Mr. Speaker, the Textile, Apparel, and Footwear Act before the Congress today is good for our economy. It will help. It will not hurt, as our critics have claimed.

A report was released this week from ICF Corp. who examined the potential effects on the economy by the textile bill over a 2-year period. In this report it shows that over 81,000 new jobs would be created, and the net economic benefits produced would be nearly $1 billion.

We have heard, as I am sure Members have heard from critics of this bill that it would cause higher prices. However, if we compare, we will see that the same products produced overseas and produced in America cost the same thing at the cash register for Americans. This shirt, by a major retailer made in the United States, cost $18. The same shirt made in Taiwan, the same shirt, cost $18. What we find are exorbitant markups imposed by importers and retailers.

Critics of this bill say that by limiting the growth of imports to the growth level of a domestic market, we will drive up prices. If we do not let imports continue to flood the markets, the consumer prices will skyrocket. This is simply not so. This bill is no threat to the consumer. It is a threat to the higher profits which the importers and the retailers stand to gain from buying lower priced goods, made by underpaid labor, and then marking up the prices. So there is no difference when compared in price with domestic goods.

Support the textile bill today.

TEXTILE BILL VOTE TODAY

(Mr. HARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRIS. Mr. Speaker, I rise today to urge my colleagues to support the passage of House Resolution 4328, the Textile, Apparel, and Footwear Act of 1990. This legislation is needed to protect the 2 million jobs in the U.S. textile, apparel, and footwear industries.

According to the Congressional Research Service more than 300,000 jobs have been eliminated from our economy in the textile and apparel industries since 1981. When a factory closes, many of these employees do not have other opportunities to explore. In the Seventh District of Alabama, I have seen several textile operations close in the past 4 years. With each closure, more people are left unemployed. Many of these employees have been working in mills for their entire adult life.

I wish to point out that this legislation would not curtail the importation of foreign goods. Instead, it would place quotas on the importation of foreign-made textiles, apparel, and nonrubber footwear. Each year, these imports could increase 1 percent above their previous year's level. The measure also authorizes compensation to countries which incur economic losses due to the quotas contained within the bill. Finally, the legislation provides a special allocation for each country that increases their purchases of U.S. agricultural products. If a foreign nation buys more of our grain, they will be able to export more of their products to our market.

Textile products are currently negotiated under the Multifiber Arrangement [MFA] of the General Agreement on Tariffs and Trade [GATT]. These rules are set to expire in July 1991. Thus far, the Uruguay talks have not made progress on the textile trade issue.

I remind my colleagues that "made in America" is a statement to be proud of. This measure will guarantee that America continues to produce textiles and apparel in the future.

SAVANNAH TO HOST OLYMPIC YACHT RACING

Mr. THOMAS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Georgia. Mr. Speaker, I am always proud to be an American on any day, but this is an especially great day, when we have gotten the great word from Tokyo. I am also very specially proud to be a Georgian, and also a resident of the First District of Georgia. Atlanta will host the 1996 Olympics, and my host city of Savannah in the First District will hold the yacht racing.

Billy Payne and all the members of that committee deserve great compliments. I want to especially recognize a former staff assistant of mine here, for 6 years, who is from the First District, Nancy Newton, from Statesboro, GA, who did a great job as well. In Savannah, she rolled out the red carpet. Island Sea members were very important members, and were treated to the greatest St. Patrick's Day celebration held in the country in Savannah, in the past year, and again returned many members of the Island Sea committee, Savannah, to be hosted at a very special reception in historic Wormsloe Plantation by my personal friends, Craig and Diana Barrow.

The friends of the city of Savannah as well as the friends of the State of Georgia and this great Nation deserve compliments from all on this great day for bringing the biggest event held around the world to our own United States in 1996.

EARTH DAY IN THE OIL PATCH

(Mr. DURBIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DURBIN. Mr. Speaker, people across America should mark their calendars at this very moment. October 1 will be Earth Day in the Oil Patch. Let me explain.

This last August when the United States got involved in the crisis in the Middle East, the oil companies of the United States put their emergency preparedness teams to work. They spread out across the Nation and raised the prices of gasoline at the pump by 20 or 30 cents in response to the crisis. What was the result? Well, we hear over the weekend, Wall Street analysts suggest that the oil companies who have done this will realize a profit of up to 40 percent over a comparable fiscal quarter last year.

These obscene profits are going to create a problem. How will the oil

companies avoid the inevitable public backlash to this price gouging when quarterly earnings are announced on October 1? Well, they discovered how to do it. They will make their pockets deeper, find new ways to conceal their ill-gotten gains. They will create environmental reserve funds. They will settle longstanding environmental disputes. They will try to conceive of every popular way to squirrel away the fruits of their profiteering.

Before we declare the greening of the oil industry and Earth Day in the Oil Patch, keep in mind this accounting sleight of hand is designed to conceal the profits of greed in the oil industry. At a time when we are teetering on the edge of recession, when working families are struggling to survive, and when America is being asked to sacrifice, this shameless increase in our energy prices by the oil companies is absolutely unacceptable.

INTERNATIONAL OLYMPIC COMMITTEE SELECTS ATLANTA

(Mr. LEWIS of Georgia asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEWIS of Georgia. Mr. Speaker, like all of my good friends from Georgia, I am pleased and very delighted that the International Olympic Committee has selected the great city of Atlanta, GA, to be the home of the 1996 Olympics. I think it is very fitting and appropriate that the Olympics would be held in a capital of the new south, a city too busy to hate, home of the civil rights movement, and the capital of the 21st century.

I want to take this opportunity to extend my congratulations to Gov. Joe Frank Harris, Atlanta Mayor Maynard Jackson, and former Atlanta Mayor Andrew Young, Atlantic Olympic Committee Chairman Billy Payne, and to all of the good people of Atlanta.

When Atlanta City officials and volunteers began seeking the Olympics more than 3 years ago, it seemed the city did not have much of a chance in the Olympics competition. Through hard work and persistence, the Atlanta Olympic effort has been a success.

Atlanta's triumph is a victory for all of the people of Atlanta, for all of the people of the great State of Georgia, and all the people of the United States.

WASTE AT BOEING

(Mr. BERMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BERMAN. Mr. Speaker, as we prepare to debate the future of the B-2, I wanted to bring to the attention of my colleagues another example of the irresponsible manner in which taxpayers' money is being frittered away on the B-2 program.

Thousands of highly qualified aerospace workers have recently been laid off in southern California, a vast talent pool of some of the most experienced and skilled professionals in the industry. Yet, according to the Los Angeles Times, Boeing, a B-2 subcontractor, is spending millions of dollars to fly in workers from Seattle, WA, to Palmdale in southern California. Boeing justifies its actions by arguing that it needs workers skilled in so-called composites. But according to a range of industry experts, many of those now employed in California have more experience in this area than the individuals being brought in by Boeing.

Laid off workers from Lockheed and McDonnell Douglas are struggling to rebuild their lives after decades of service to our Nation's defense. We were told that because of a decline in defense dollars these men and women lost their jobs. Yet Boeing can find $10 million to pay per diem costs and house workers in luxury hotels and provide them with monthly flights to visit their families. Boeing could save millions by hiring a trained and available work force already in the region.

This is another example of the absurd waste and inefficiency that is driving the cost of the B-2 toward an unbelievable $1 billion per plane.

And why does Boeing prefer to waste money—instead of using this opportunity to ease the unemployment crisis in California? A spokesman for Boeing said it all: "The expense we incur building the B-2 is incurred by the taxpayers. That is a given."

Many of us have questioned the necessity of further funding for the B-2 program, beyond that committed for the aircraft currently under construction. Now, to add insult to injury, we see that the contractors are abusing the existing program and kicking taxpayers in the face. It is time to put an end to this waste and abuse.

□ 1050

IN SUPPORT OF THE TEXTILE, APPAREL AND FOOTWEAR TRADE ACT OF 1990

(Mr. BROWDER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWDER. Mr. Speaker, I rise in support of H.R. 4328, the Textile, Apparel and Footwear Trade Act of 1990.

Mr. Speaker, what happens to the American textile industry is not a regional concern, but a national concern. And therefore, the solution to the textile impact crisis should be a national goal.

While operating in the Middle East, our military is in great need of chemical protective clothes and tents. These two items are absolutely essential for our troops now in the Persian Gulf. Unfortunately, our Nation is having trouble meeting the needs of our military because of a shrinking domestic textile shoe and apparel industry.

For the past 5 years, the Armed Services Committee has reviewed reports on the serious problems DOD faces in planning for mobilization requirements with a declining textile, shoe and apparel industrial base.

The Department of Defense, in a report this April on textile and apparel mobilization, said, and I quote, " * * * Increased levels of imported ready-to-wear goods will have an adverse impact on the domestic (defense mobilization) base, making fewer sources available to meet those wartime requirements."

We have all seen the newspaper articles detailing ther massive rush order DOD is placing for chemical protective gear and desert camouflage uniforms. The U.S. textile industry is stepping foward to meet these needs to the best of its ability. Unfortunately, the continuing growth of foreign imported has eroded the capacity of the industry to meet defense needs so that in our present state, some requirements simply cannot be filled.

It is for this reason that we are strong supporters of H.R. 4328, the Textile, Apparel, and Footwear Trade Act of 1990. With over 10,000 military items made entirely or partially from textiles and 300 of these considered combat essential, the ability of our Nation to defend itself is directly tied to the viability of our textile industry.

PRESIDENT BUSH ASKS NATION TO SACRIFICE REAL EQUITY FOR MERE SLOGAN

(Mr. LEVIN of Michigan asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LEVIN of Michigan. Mr. Speaker, the summit negotiations appear to be sputtering on the shoals of taxes. The disagreement is being described as one of equity versus growth, but the issue is more complex than that.

We need both growth and fairness, but while the fact substantiate the democratic concerns about fairness, there is no evidence whatsoever to support the claim of the President that an across-the-board capital gains cut would promote economic growth.

The recent study by the nonpartisan CBO concluded:

> Cutting taxes on capital gains could not be counted on to significantly boost output and increase economic growth.

If there is a pause in the summit negotiations, hopefully it will be one that refreshes, causing the President to reassess his position. With the

President's insistence on an across-the-board capital gains tax cut, he is asking our Nation to sacrifice real equity for a mere slogan about economic growth.

ALABAMA HAS LOST HUNDREDS OF TEXTILE JOBS

(Mr. BEVILL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BEVILL. Mr. Speaker, I rise today to urge my colleagues to support the textile bill. This legislation is critical to the survival of one of our most important manufacturing industries.

The American textile industry has been hurt badly by foreign imports. More than 587,000 jobs have been lost nationwide in the textile and apparel industries since 1973.

Since 1988, we've lost 2,000 textile jobs in my district alone. These are jobs in small towns like Guin, Hamilton, and Guntersville. When these jobs are lost, it affects more than just the workers and their families. It affects the whole town.

The Textile, Apparel and Footwear Trade Act would help save American jobs by imposing stricter limits on imports.

We cannot afford to lose any more American jobs. And, even more importantly, we cannot afford to lose our ability to produce textiles. This industry is critical to our defense needs. Who do you think makes those desert fatigues our military is wearing right now in Saudi Arabia?

Many of those clothes were made in textile plants in Alabama. I want to make sure those plants can stay in business.

I urge my colleagues to support these textile trade provisions. We need to save this industry before it is too late.

WE NEED A JOBS BILL

(Mr. McEWEN asked and was given permission to address the House for 1 minute.)

Mr. McEWEN. Mr. Speaker, when a couple raises their family, when a senior citizen has raised his family or her family and they have painted the house and kept the roof up and mowed the lawn and they decide that the five bedrooms are too many and they want to move into a smaller home and down-size and sell the big house and keep half the money for a savings account; in 1986 we passed a law that put the Internal Revenue agent at the front door and if they did that, Uncle Sam would take a third of everything that they saved. For the farmer who worked night and day, getting up at 4 and milking cows and going through the difficult times of the fifties and the seventies and the eighties, and then he sells the farm, under the capital gains tax as it presently stands, the Internal Revenue agent takes a third.

Now, that is the highest in the industrialized world. In Japan, Hong Kong, Korea, and Germany they would not think of doing a thing like that. It is at zero. They like creating jobs.

George Bush has proposed, "how about if we just take one dollar in five. We will just take 20 percent." We will still be the highest capital gains Nation in the world of any of the industrialized nations, and yet the liberals say that is still not high enough; no, sir. It needs to be higher than that.

If you tax something, you get less of that thing. If you tax savings, investment and capital, you will get less, and indeed that is exactly what we have done for the last 4 years and we are getting less capital formation and diminishing job creation. If we are going to compete in the nineties, we have to get a jobs program and join with the rest of the competitor world by cutting excessive capital gains rates in America and create jobs.

IN SUPPORT OF THE BRADY BILL

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, the Brady bill is named for former Press Secretary Jim Brady who worked for President Reagan and who was disabled permanently and almost killed by a handgun nut.

Last week I attended a press conference put on by the Police Widows Association. All the Police Officers Associations throughout the United States had representatives there, and every one of them endorsed the Brady bill.

Now, if Members of Congress had the opportunity, such as I had, to listen to the widows, one from Florence, SC, another one from Arizona, and to their children tell the heartrending stories about how their husbands were wiped out by nuts carrying handguns, there would be no doubt that this bill would be on the floor, either attached to the Crime bill or to any other bill or on its own to become law.

Mr. Speaker, the Brady bill is reasonable. It just requires a nationwide 7-day waiting period to give police officers an opportunity to check the criminal and insane backgrounds of some of the people who wander around here and purchase handguns.

Pass the Brady bill and pass it fast.

OPEN LETTER TO BUDGET SUMMITEERS

(Mr. PETRI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PETRI. Mr. Speaker, this morning, I am sending the following letter to all participants in the budget summit:

As a major sticking point in the budget summit appears to be the issue of capital gains, I would like to suggest a logical compromise on that issue: adopt indexing of capital gains rather than an exclusion or a rate change.

Indexing capital gains for inflation has the following advantages:

First, it achieves precisely, rather than crudely, the single most important purpose of a capital gains break, which is to avoid taxing asset value increases that merely keep pace, in terms of purchasing power, with inflation. Put most simply, indexing is fair—it fully taxes real gains, but only real gains.

Second, on average, it achieves at least as well as an exclusion or rate change the other purposes of a capital gains break, such as stimulating entrepreneurship and investment and mitigating the double tax on corporate equity.

Third, most importantly, from the point of view of the budget summit, it gives smaller tax reductions to high income investors, and greater reductions to middle income taxpayers, than an exclusion or rate reduction, according to a recent study by the Congressional Budget Office.

Fourth, it avoids most of the incentive for reintroduction of tax shelters whose purpose is to transform ordinary income into capital gains.

Fifth, it favors long-term investing over short term speculation.

I urge you to give the most careful consideration to this alternative, which could break the logjam on capital gains while providing a better solution than either current law or an exclusion or rate change to the crucial question of how best and most fairly to tax capital gains.

I invite any of my colleagues who wish to support this compromise to call my office and I will send a follow-up letter.

□ 1100

BUSH ADMINISTRATION WOULD SHIFT THE TAX BURDEN TO THE MOST VULNERABLE AMONG US

(Mr. TORRICELLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRICELLI. Mr. Speaker, what kind of people would solve our

national budget crisis, meet the fiscal needs of a military crisis in the Middle East by shifting the tax burden to the most vulnerable among us? Dramatic reductions in Medicare and increases in fees, taxes of every measure on working people.

What kind of people would propose such things? Well, if their own words are to be believed, those people are in the Bush administration itself. Driven by a blind obsession with the reduction of captial gains, the administration indeed, in effect, would raise the taxes on our very soldiers in the Middle East in order to reduce the taxes on the stockholders who build their weapons.

There is indeed, Mr. Speaker, a stalemate in these budget negotiations. A line has been drawn on the fundamental issue of fairness, and it is a fight worth having.

Mr. Speaker, no one in this body proposes taxes that need be higher than necessary on any American, rich or poor, young or old, but to reduce taxes on the wealthy with the net result that they must be raised while everyone else draws the line is a fight worth having.

That is the issue.

DEMOCRATS FAVOR HIGHER TAXES

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, the budget summit has not produced any substantive deficit reduction proposals. The Democrats who continue to propose economically damaging tax increases have rejected proposals that would favor the family budget over the Federal budget. Are they so driven by special interests that they continue to favor policies expanding the already huge Federal Government over those that would liberate the American family from a huge tax burden? Mr. Speaker, it is a fact that today revenues, as percent of GNP, are 19.6 percent. Only two times since World War II have revenues reached the 20-percent threshold. In both of these cases, a recession followed the next year. History, unfortunately, is repeating itself.

Mr. Speaker the seriousness of our Nation's economy cannot be exaggerated. We are slipping into a recession due to a restrictive economic policy. Obviously, the answer is to liberate the American taxpayer by cutting taxes and providing tax credits which in the long run would revitalize our Nation's economy. Congressman GINGRICH has developed such a plan. The Economic Growth Package provides incentives for savings through its IRA plus account, incentives for first time home buyers, and several other tax relief proposals including increased benefits for families with young children. I support Congressman GINGRICH's stand to liberate the American taxpayer instead of strapping them with higher taxes.

PRESIDENT BUSH IS WILLING TO FORGIVE FOREIGN DEBTS WHILE WE SINK DEEPER INTO THE HOLE IN DEBT

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Mr. Speaker, well, President Bush seems to be willing to forgive Latin American debts to the tune of billions of dollars while we sink deeper into the hole in debt. He is also forgiving Egypt $7 billion. I would like for him to forgive my house mortgage because I still have payments to make.

He is making it easier to bring Mexican cheap goods into the country, he wants to bring cheap Soviet goods into the country, and yet we in the Congress of the United States are blamed for the inability to be able to balance the budget.

That is nuts.

History shows that oil depressions, deficits, have precipitated three recessions in this country in the last 20 years. Trade deficits help to cause budget deficits.

Come on, let us wake up and stop playing Charlie McCarthy to these foreigners' Edgar Bergens, and we can start today by voting for the textile bill.

IT IS TIME TO TAKE A STAND FOR EQUITY IN AMERICA

(Ms. PELOSI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. PELOSI. Mr. Speaker, it is time to take a stand for equity in America. For the last 10 years, the rich have gotten a free ride on the declining economic roller coaster of supply-side economics. At the same time, working Americans have suffered from tax increases and deteriorating Government services.

Now, average working Americans who earn less than $100,000 a year are being held hostage by an administration that would rather have a capital gains giveaway for the rich than a budget for this Nation.

Mr. Speaker, I have no quarrel with the capital gains differential for true investment in America indexed for inflation. But that is not what the President is proposing. The President's capital gains tax, he says, "would be good for the country." But let us look at the facts:

Over 83 percent of the benefits from the administration's proposal would go to people earning over $100,000 a year. The rest of the country would suffer. By 1995, the capital gains giveaway would cost American taxpayers over $11 billion.

Mr. Speaker, I call on the taxpayers of this country to speak out against the administration's blatant giveaway—to say to the President, "This country wants a responsible budget. The rich are rich enough—let's do something for the rest of America."

PERSONAL EXPLANATION

Mr. VISCLOSKY. Mr. Speaker, I rise to make a personal explanation: Due to a hearing of the Committee on Public Works and Transportation that was held in my congressional district, I was unable to be present for rollcall votes 332 and 333 on yesterday. Had I been present, I would have voted "yes" on rollcall No. 332 and "no" on rollcall No. 333.

PROVIDING FOR CONCURRING IN SENATE AMENDMENTS TO H.R. 4328, TEXTILE, APPAREL AND FOOTWEAR TRADE ACT OF 1990

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 464 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 464

Resolved, That upon adoption of this resolution it shall be in order to consider in the House a motion to concur in the Senate amendments to the bill (H.R. 4328) to authorize appropriations for fiscal years 1991 and 1992 for the customs and trade agencies, and for other purposes, and the Senate amendments shall be considered as having been read. Debate on the motion shall continue not to exceed two hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, and the previous question shall be considered as ordered on said motion without intervening motion. All points of order against and motion are hereby waived.

The SPEAKER pro tempore (Mr. BARNARD). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. QUILLEN], pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 464 is a rule making in order in the House a motion to concur in the Senate amendments to H.R. 4328, the Textile, Apparel, and Footwear Trade Act of 1990. House Resolution 464 provides for 2 hours of debate on the motion, equally divided and controlled by the

chairman and ranking minority member of the Ways and Means Committee. Finally, the rule waives all points of order against the motion.

On March 27, the House approved H.R. 4328 under suspension as a simple 2-year authorization for the customs and trade agencies. Its legislative journey after that has not been straight and narrow.

This spring, the Senate took up H.R. 1594, a House-passed two-page measure extending most-favored-nation status for Hungarian products. The Senate struck the Hungary provisions and turned the measure into an omnibus trade and customs bill, 106 pages long, including timber export restriction, customs user fees, Caribbean Basin initiative provisions and tariff changes on everything from field hockey gloves to corned beef.

The Senate Finance Committee included in its omnibus version of H.R. 1594 authorizations for trade and customs agencies. Five days after the Senate Finance Committee acted, the House passed H.R. 4328 in order to take a position on the authorization into a conference on H.R. 1594.

When the Senate Finance Committee took up H.R. 4328, 3 months later, the committee struck all after the enacting clause, inserted the text of S. 2411, the textile bill, and reported it without recommendation. When the full Senate took up the bill, they further amended it to expand certain exemptions and add sense of the Senate language concerning a United States-Mexico Free-Trade Agreement, and passed the bill as amended by a vote of 68 to 32.

Mr. Speaker, H.R. 4328 is an important bill that will bring much-needed relief to the industries that have played a key role in making our country the strong industrial competitor it is today: The textile, apparel, and footwear industries.

These industries are fighting for their market under crisis conditions. Textile and apparel imports have more than doubled since 1980, representing 12.5 percent of the Nation's entire merchandise trade deficit. Each year new record deficits are reached.

Our domestic manufacturers are making great strides in modernizing their plant and equipment, streamlining production, and making an overall improvement in productivity. Any astute businessman recognizes that there is merit in honing down to a leaner method of production, but we are cutting into the very bone of the industry now. I do not believe that we as a people will require American men and women to work for the wages that our Third World competitors earn. The average American textile employee absolutely cannot live on lower wages. If the tide of cheaply produced foreign textiles, apparel, and footwear is allowed to continue to flood our Nation, we face no other future than demise of a critical component of our national economy.

The history of textile legislation is well known to most Members of the House. During the 99th Congress the Textile and Apparel Trade Enforcement Act was overwhelmingly approved by the House, only to have it vetoed by President Reagan. The House came within eight votes of overriding the veto.

During the 100th Congress, the House overwhelmingly approved this legislation again, only to have it vetoed by President Reagan. Again we failed to muster the two-thirds necessary to override the President's veto.

Mr. Speaker, this year I believe the Textile, Apparel, and Footwear Trade Act will become law. H.R. 4328 is a reasonable compromise between the needs of our domestic manufacturers and our foreign trading partners.

Moreover, we have learned again only recently how important it is that our country always be prepared to defend itself and its interest in any region of the world. As our brave soldiers, sailors, and airmen put their lives on the line in the Persian Gulf region, we must remember that the textile and apparel industry is an absolutely crucial part of our national Defense Establishment. I urge adoption of the rule and passage of this bill.

□ 1110

Mr. QUILLEN. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, I am 100 percent in support of this textile bill, and I would particularly like to commend the chair of the textile caucus, the gentlewoman from Tennessee [Mrs. LLOYD] for her hard work in pushing this legislation through the legislative process.

The bottom line on this bill is that it is a jobs bill. In many parts of this Nation we have been watching for years while our textile and shoe factories close down. Once these local jobs are lost, thousands of the workers have a very difficult time finding other employment. A number of these plants are in smaller towns, and when the factory shuts down, there is nowhere else for willing and hard workers to get a job.

At the same time we lose the domestic jobs and the imports of foreign textiles and footwear are increasing, thus worsening our balance of trade problem.

According to testimony presented in the Rules Committee, since 1980, 1,800 textile and apparel plants in the United States have closed their doors. As a result over 400,000 jobs have been lost to foreign companies. A philosophical discussion about the virtues of free trade is all well and good, but it does not pay the rent or the mortgage or put food on the table.

Many of these jobs in the textile industry were not high paying jobs in the first place, but they were a lot better than nothing, which is what a lot of these workers have now.

The legislation before us is not some sort of extreme protectionist measure. It provides a balanced and reasonable approach to the problem. It provides quotas for imports of all textiles, textile products, and nonrubber footwear, except for products of Canada and Israel.

Import quotas for textile products would be set in 1990 for each product category at levels 1 percent greater than that in 1989. The quota would increase by 1 percent in each subsequent year.

Import quotas for nonrubber footwear would be permanently set at 1989 levels.

Mr. Speaker, our constituents who are losing their jobs in textile plants and shoe factories are hardworking taxpaying citizens, good Americans. All they want is a chance to earn a living. They are counting on us to make certain that opportunity is not taken away from them.

Mr. Speaker, in my district I have lost two large textile plants employing over 3,500 people because of textile imports. We have suffered far too long and far too much. And that goes on across this Nation of ours while we dilly-dally here in the Congress by not passing this bill.

Mr. Speaker, I read an article in the New York Times this morning, and I want to read it to the Members today. It is entitled "China's Use of Forced Labor Questioned by Import Study." We have had a law on our books that no imports would be allowed in this country from the labor of prisoners, forced labor. This article to which I have referred reads as follows:

There is "circumstantial evidence" that products made under forced-labor conditions in China have been exported to the United States in violation of American trade law, the General Accounting Office said today.

A report by the office, a Congressional investigative agency, found that convict labor was an integral part of the economic and political system of China and that "to the extent possible," Beijing used prisoners for productive labor in farming, manufacturing and mining.

The report cited State Department estimates that China has two million to five million prisoners in more than 3,000 detention centers.

The agency disclosed that the United States Customs Service was investigating allegations that "certain products of forced labor" have been imported into the United States from China.

A spokesman at the Chinese Embassy here was not immediately available to comment on the report.

LAW IS RARELY APPLIED

The United States has had laws on its books for 100 years banning import of goods made by convict labor. But because of diffi-

culties in obtaining evidence linking a specific import to a penal camp, the law has been rarely applied.

Citing a State Department report on prisons in Guangdong Province in southern China, the General Accounting Office said prisoners "routinely" did manufacturing under subcontract to local factories.

The report, requested by Senator Jesse Helms, Republican of North Carolina, was published the day before a vote is scheduled in the House on a bill to limit imports of textiles from China and other leading exporting nations.

Mr. Speaker, these products find their way into the United States against the law of this Nation. That law is not being enforced.

Mr. Speaker, I ask for the support of the Members for this rule and for the motion to agree to the Senate amendments on the Textile, Apparel, and Footwear Trade Act of 1990.

□ 1120

Mr. DERRICK. Mr. Speaker, for purposes of debates only, I yield 3 minutes to the distinguished gentlewoman from the great State of Tennessee [Mrs. LLOYD], chairman of the textile caucus.

Mrs. LLOYD. Mr. Speaker, I thank the gentleman from South Carolina [Mr. DERRICK], who has worked hard not only at the caucus, but was chair of the caucus in the previous caucus.

Mr. Speaker, we are back today with legislation to save the American textile, apparel, and footwear industries. It is very important.

Most Members are going to hear again the comments that have been made, both for and against this legislation. You are going to hear from those who say that it is a very important industry. I hope Members will listen very closely to the case we are making, and make sure you are aware of what is really at stake in this very vital legislation.

Mr. Speaker, this is a very good bill. It is not a bill to ban imports into our country. We are asking Members to approve legislation to limit the growth of textile and apparel imports to 1 percent a year, and for the shoe-wear industry, to limit it to last year's level.

Right now import penetration is at 60 percent. In the shoe industry it is devastating. We are producing less shoes right now in the United States of America than we were in the days of the Great Depression.

Mr. Speaker, under this bill now, the 60-percent penetration that is now enjoyed by imports would continue to be their right. Now, who could ask for more? Our competitors are going to keep their advantage, but we are just asking them to grow with the domestic market, not overtake it. Is this unfair? I certainly think it is not.

Working against this bill is the Secretary of State. I am sure Members have all had a letter from my good friend Secretary Baker saying that it would jeopardize our relationship with various countries in the Middle East, including Egypt and Turkey, just at the time we do need them most.

Mr. Speaker, the Secretary of State is overlooking one very major component of this legislation. The bill deals with textiles and apparel in a global manner, and gives the administration full power to allocate the country quotas any way that it wants to. It can give more quotas to both Egypt and Turkey. If the President needs to give more quotas to strategically important areas, he has every power to do that. They must, however, come from the quotas of other countries.

Personally, I would like to see some of the huge quotas taken away from the slave labor markets of some of our largest trading partners. This bill gives the President the power he needs to conduct foreign policy, while at the same time gives our textile and apparel industries a fighting chance.

Mr. Speaker, I ask Members to support this legislation. It is a good bill.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. BUECHNER].

Mr. BUECHNER. Mr. Speaker, I would like to express my frustration with the Rules Committee's handling of this issue, as the rule was passed in a 15-minute emergency session which was called on less than 24 hours' notice. I had planned to introduce an amendment in the Rules Committee which was designed to better reflect the needs of consumers. However, because of the emergency session and the hurried consideration of the Rules Committee, I was unable to do so. Accordingly, I rise in opposition to this rule.

The textile bill is, as we are all aware, among the most contentious issues the 101st Congress will address. The consequences of our decision will be far reaching—this is a 10-year program affecting every textile worker and every clothing consumer in the country. Furthermore, it has vast implications in terms of international trade negotiations as well as the domestic economy.

Like the rest of us, I have listened to innumerable arguments for both sides of the issue; I have weighed the prospect of unemployed textile workers against the potential for higher clothing prices for American consumers. I am concerned about the effects this bill will have on the GATT negotiations, as well as the future of what once was a thriving American industry. And, like most of us, I came to the conclusion that there are no easy answers.

Accordingly, I took it upon myself to see what, if any, compromise might produce the best possible results for the greatest number of Americans. Is there a means by which we can assist the textile industry without resultant price increases? Can we protect one group of Americans without penalizing others? I believe my amendment can accomplish this at least to some extent.

This amendment simply adds to the bill a provision where, if the Secretary of Labor—who is responsible for the various price indices—determines that textile, textile product, or footwear prices have increased by more than 5 percent in a 1-year period, the President has the authority to raise the import quota for that category of good. In the case of textiles, the quota would rise from 1 to 5 percent, and in the case of footwear, the quota would rise from 0 to 4 percent. If, 1 year later, the prices for these products have increased by less than 5 percent, the quotas would return to their original levels.

Thus, my amendment seeks to provide a sort of price pressure valve to protect consumers from the price increases that are often attendant to trade quotas. The textile industry has continually assured us that prices will not rise as a result of this bill. If this is the case, the amendment becomes an irrelevant part of the law. However, if prices were to rise, this amendment would give the textile industry the maximum protection possible without hurting low- and middle-income consumers.

Mr. Speaker, in the absence of such an amendment, this bill leaves open the possibility that textile prices will rise beyond the ability of the average American to pay for them. Accordingly, I ask that my colleagues join me in defeating this rule and remitting this bill to the Rules Committee so that this amendment might be made in order. I strongly believe that this amendment will separate those of us who seek to balance interests from those who simply serve them. Thus, I feel it clearly merits the attention of the full House.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the distinguished gentleman from Alabama [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, I thank the gentleman from South Carolina [Mr. DERRICK] for yielding.

Mr. Speaker, I rise today in strong support of H.R. 464, the rule making in order H.R. 4328, the Textile, Apparel, and Footwear Trade Act of 1990.

Aside from the fact that the U.S. textile industry is one of the most productive manufacturing sectors of the economy, employing over 2 million Americans in every State, textile mills across the Nation contribute to their communities' well-being in many ways.

The American textile industry conforms with safety and environmental regulations and has been ranked No. 1 in safety by the National Safety Council 3 out of the last 4 years. Some for-

eign companies' plants are so unsafe and polluting that they would be unlawful and could not operate in the United States.

Fiber, textile, apparel, and footwear companies, members of every community where there is a mill or a factory, are supporting hospitals, schools, drug abuse programs, literacy programs, Scouts, and Little League. Foreign textile manufacturers do not contribute to American communities at all.

Mr. Speaker, I urge Members once more to look closely at the current textile situation and decide if the United States can afford to lose this industry to foreign manufacturers. I do not think we can.

Mr. Speaker, I urge adoption of the rule and passage of the textile bill.

Mr. QUILLEN. Mr. Speaker, I yield 3 minutes to the gentleman from North Carolina [Mr. McMILLAN].

Mr. McMILLAN of North Carolina. Mr. Speaker, I rise today in support of the rule and the textile bill. As a member of the textile caucus which has worked to ensure that reciprocal fair trade is the norm in world textile markets, I am happy about the goundswell of support for H.R. 4328. It speaks to the merits of the bill, as well as to the fact that certain American businesses are fed up with being targets for subsidized imports.

This bill is essential to maintaining a strategically vital industry and its jobs, yet allowing growth in foreign imports. In 1987, the fiber, textile, and apparel industry contributed $50 billion to our gross national product. In less than a decade, imports of apparel and apparel fabrics to the United States have risen from 28 percent of the market to 60 percent. The trade deficit in textiles alone has grown from $4.7 billion in 1980 to $26.4 billion in 1989.

The U.S. textile and apparel industry has made great strides in modernizing its plants and reemerging as a competitive force. We are competitive on a level playing field. But the explosive growth of imports, generated by unfair trade practices, has been too great a hurdle.

Quotas are the only means to achieve order in world markets when competition is not willing to recognize a subsidy when they see it.

This bill will ensure that the commitment of the American textile and apparel industry to maintain a vitally important position in domestic and global markets is mirrored by the U.S. Government. The global quotas called for in the bill, along with the flexibility of tariffs, will position our Government to level the playing field with our global competitors.

As such, this legislation is consistent with the philosophy of negotiated fair trade.

It would be preferred that our GATT negotiators in Geneva advocate a global system that is consistent with the approach in the bill. They say they are pushing a global quota system, but our foreign competition, many of whom have their own quotas and subsidies, have not joined in a supportive way. Hopefully, this bill will encourage them.

My district is a major center for the textile industry. This bill is critical to my region. But, much more important, this bill is critical to the industrial base of America and our competitive position in global markets.

I urge your support of this bill.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the distinguished gentleman from Georgia [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I want to take this opportunity to rise in support of the rule and in support of this bill. I want to utilize these 4 minutes to talk about three or four myths that we continue to hear about every time we deal with the textile bill.

First of all, we are not attempting to save or salvage a low-technology industry. We are not attempting to say that we are carving out a niche for an industry that is a low-paying industry. We are contending that this industry, which has kept pace in the international field in technology, is paying in excess of $9 an hour in average wages and we at the same time are being asked to salvage this industry for $4 an hour jobs in the service industry. We do not believe that is a good exchange. It is not low technology; it is all high technology.

Second of all, we are told that if we pass this bill we suddenly will see an increase in the cost to the consumer of some $2,400 or $2,500 a year in clothing cost. Whoever is making up these figures undoubtedly is looking at the import of furs or something besides what the average family is buying for their family members. It simply is fictitious. It is not true, and it is made up simply to try to defeat this bill.

We are also told that if we pass this bill, argriculture is going to suffer, agriculture from the Western States. Let me say that is the same thing that they said to agriculture a few weeks ago in the Uruguay round, and yet this body passed a farm bill. Members have not heard anything more about sacrificing agriculture. This is a myth that is put together simply to try to defeat this bill.

We know that the textile deficit itself is in excess of $26 billion. The myth that is going around is that we will roll back imports of textiles. That is not true. We say to all of the world you can continue to bring in what you are now bringing in. We are simply saying that for the future there shall be an orderly increase, not the types of increases that are devastating to our employment in this Nation.

All of these are fictitious arguments that are constantly used by opponents of this bill to try to challenge a real need, which is we have to have orderly growth. Do Members believe for a moment that other nations are concerned when they talk about their industries? Do they think other nations are concerned about what people say in this country? I think not.

As we take up this bill today I would hope that each Member, regardless of where they may come from, will take a close look at what this bill really does. It does not roll back imports. It will not increase the cost of clothing. Have you been to a department store lately to buy a shirt and examined whether or not you could have bought one cheaper if it was from Hong Kong or Korea or Thailand vis-a-vis being made in this country? Same price; no reduction.

As far as these millions of jobs that are created by imports of clothing, does anyone believe for a moment that it takes more clerks in a store to sell an imported article than it does to sell a domestic article? I submit that it takes the same number of clerks to make a sale of a foreign, imported article as it does a domestic article.

All of these fictitious arguments, all of these myths are conjured up simply to try to defeat this measure.

I urge support of the rule and of the bill.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Speaker, I rise in opposition to the bill and to the rule.

No matter what the supporters say, this is a tax bill. This bill by setting up a wall against textile imports aims to levy a tax on American consumers.

The Council of Economic Advisers tells us that the cost of this bill over 5 years will be $30 billion—$30 billion. With the already-in-place protection the total cost will be $160 billion. This comes to a tax on the American consumer in this legislation of over $400 a year for every family.

And does this rule allow us to amend the bill, to at least lower this tax? No.

This bill imposes a worldwide quota. What about the nations that have not been selling us textiles? What about the democracies of Eastern Europe, Poland, Czechoslovakia, that we are trying to encourage on the path toward free markets? Under this bill they could not sell us any textiles because they have not sold them in the past. Does this rule allow us to amend this bill so that Poland and Czechoslovakia and Hungary would not get this message that we do not want to trade with them? No.

What about our international trade agreements, the agreement we made that pending the completion of Uru-

guay round trade talks no nation would take action of this sort? Does this bill allow us to at least amend the bill to delay the effect until we see what happens in the Uruguay round? No.

And what about the profits in the textile industry? We have heard that this industry needs help, and yet they have high profits. Their plant capacity is greater than other industries. Their exports went up 27 percent last year; their domestic shipments went up 27 percent. Does this rule allow us to amend the bill to tie this relief to the profits or productivity of the textile industry in America? No.

This bill should be defeated and this rule should be defeated.

□ 1140

Mr. DERRICK. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Georgia [Mr. RAY].

Mr. RAY. Mr. Speaker, I rise in support of the rule for H.R. 4329 and for the bill itself.

Mr. Speaker, our industrial textile base is so weak that we cannot fully supply the uniform and clothing needs for our soldiers in the Desert Shield operation in the Middle East. I refer in particular to chemical uniforms that are so vitally needed. Our military is also in great need of tents to sustain themselves in the Desert Shield operation. These two items are absolutely essential for our troops now in the Persian Gulf. Unfortunately, our Nation is having trouble meeting the needs of our military because of a shrinking domestic textile, shoe, and apparel industry.

The Committee on Armed Services is concerned about the loss of production capability.

Mr. Speaker, textiles are ranked by the Department of Defense second only to steel as essential to the national defense. Our free-trading advocates have advocated that we do not need any protection for steel or textiles. I take issue with that.

We all know that the steel industry has been decimated over the last several years and the textile industry is threatened. For the past 5 years, the Committee on Armed Services, in its wisdom, has mandated reports on the serious problems that the Department of Defense is facing in planning for mobilization requirements with a declining textile, shoe, and apparel industrial base. There are critical shortages in a number of areas, and many of these items are crucial to our mobilization in the Persian Gulf.

The percentage of these crtical-item requirements that can be manufactured in the United States in the first 12 months of a mobilization pertaining to chemical protective ensemble is, gloves, 7 percent, under coveralls, zero percent, and footwear covers, 19 percent.

We are only able to produce 61 percent of the black leather combat boots that we need, and only 3 percent of insulated cold-weather boots.

Tents are in great demand. Our troops in the majority are living in tents in the desert in the Middle East. We can only supply them 68 percent of their needs, and on larger all-purpose hospital and general purpose type tents, only 64 percent.

I urge, with all seriousness, the strongest consideration for the passage of this rule and for the bill, H.R. 4328.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. FRENZEL].

Mr. FRENZEL. Mr. Speaker, I rise in opposition to the rule governing the floor consideration of H.R. 4328. Of course, I also oppose the bill itself.

Mr. Speaker, the problem with the rule is, of course, that there are budget violations within the bill which are waived by the rule. It has been my consistent course to try to oppose rules which waive the budget. Yet our Committee on Rules waives them as a matter of routine, rather than a matter of emergency.

As many Members know, the CBO estimates that $2 billion of customs revenue will be lost to the Government in the 5-year period following enactment of this bill. There is a slight counterweight in an auction of import tickets. That would still leave a net loss of $1.5 billion to the taxpapers of the United States.

Since the promoters of the bill have not been reluctant to lay an extra $700 per family on the consumers of the United States in this bill in its new quotas, perhaps they would not mind paying for the $1.5 billion by reducing day care or education costs over the next couple of years, but that is what is going to have to be done.

If this bill is enacted, the summiteers will simply have to kill some other programs. I think that is unwise policy.

The bill is perverse policy, and I urge a vote against the rule and against the bill.

Mr. DERRICK. Mr. Speaker, I yield 3 minutes to the distinguished gentlewoman from Ohio [Ms. KAPTUR].

Ms. KAPTUR. Mr. Speaker, I rise to speak in support of the rule on the Textile, Apparel and Footwear Trade Act of 1990.

These industries are perfect examples of America's fight to maintain important industries and jobs here in the United States. Today, over 60 percent of our U.S. textile market as well as apparel and over three-quarters, over 80 percent, of our footwear market is already captured by imports. Capping textile and apparel imports at the 1989 level and allowing them to grow by 1 percent a year, which is the average growth rate of U.S. markets over the last 10 years in these areas, is reasonable. It will not cost the consumer.

In fact, data collected from retail sales indicate that imported goods today are more expensive than domestic products. Any potential saving from lower cost imported goods goes into the hands of the retailer anyway, not the consumer.

I think it is interesting, here are two shirts, one made in the United States being sold for $55. It is a polo shirt by Ralph Lauren, size extra large, and also this is an imported one from Hong Kong, same maker, $55. So it really does not matter where the good is made. The price is the same. So all the arguments about saving the consumer money are phony ones at best.

Two million jobs in America are worth saving, especially when we consider the fact that the average wage of a textile and apparel worker in our country is about $9.71 an hour, not outlandish, but enough of a wage to buy the goods you are making. Many of the places that these goods come from the workers earn $.40 an hour, an average of $1 worldwide, not even enough to buy the fruits of their own production.

I wanted to say also that this bill is consistent with GATT. It does provide a congressional finding of injury. There is no specific targeting of countries, and the quotas are global. The President also has broad authority under the bill in order to administer the law.

Since January of this year, 5,000 more textile workers were laid off in this country. It is time to support this rule and this bill and to recognize that America cannot relegate our workers and these industries to the scrap heap.

We know that if these industries die that the cost of imported goods will rise, because there will be no competition in this country. We saw that with the sugar industry back 10 years ago before we put the sugar beet laws on the books, and when we only had to rely on imported sugar, we saw what happened in the stores. Those prices went up.

It is important to stand up for these American workers and American companies.

Support the rule and the textile, apparel, and footwear bill of 1990.

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Speaker, I rise in support of the rule and the textile bill.

World trade in textiles and apparel is anything but dictated by market forces. Countries subsidize and dump their products into our market. The Soviet Union and Red China, as state-controlled economies, price their goods at whatever price necessary to sell them in our market. Other countries

manipulate exchange rates to promote their exports and most other low-wage supplying countries ignore worker safety requirements and environmental concerns in producing textile products.

I have here a chart showing the average hourly wages in the United States and in the four largest textile- and apparel-importing countries: China, Taiwan, Korea, and Hong Kong.

China, the No. 1 importer with 14 percent of the United States market share, pays its textile workers at a rate of 27 cents per hour. The average rate in the United States, on the other hand, is $9.31 per hour. Similarly, Taiwan pays $2.62 per hour, Hong Kong $2.49 per hour, and Korea $2.05 per hour.

Other than a decent wage for their employees, American textile and apparel firms assume other cost burdens including:

First, mandatory payments to Social Security/Medicare. Most highly competitive firms provide employees with pensions and medical insurance benefits and day care.

Second, one of the highest marginal rates of Federal income tax of all industries. In 1988, textile firms paid $740 million in taxes. In 1989, the industry paid $682 million.

Third, payment of State income, sales, occupancy, inventory, and property taxes.

Fourth, maintenance of a safe, healthy, environmentally sound workplace.

Fifth, paid holidays and vacations for all employees.

Sixth, high cost of borrowings.

Sadly, most of the overseas workers are not fortunate to have the American standard of living. In addition to low wages with little or no overtime, foreign industries often use old, inefficient, and dangerous production machinery; make no attempt at employee education, recreation, or community outreach programs; and exploit child labor.

How can American industries compete against this? There really is no such thing as being on "equal footing" or a "level playing field" with foreign competitors. For this to happen, essentially we would have to: repeal the Fair Labor Standards Act; repeal the Federal Income Continuance Act; repeal the National Labor Relations Act; abolish the Environmental Protection Agency; abolish the occupational Safety and Health Administration; abolish all national holidays; and cut the corporate income tax rate in half.

But no one would—or should—seriously consider taking the above-mentioned actions. A much better answer would be enactment of H.R. 4328.

I ask my colleagues to vote for the textile bill.

□ 1150

Mr. QUILLEN. Mr. Speaker, I yield 4 minutes to the gentleman from North Carolina [Mr. COBLE].

Mr. COBLE. Mr. Speaker, I want to speak about three different areas: domestic jobs, consumer costs, and defense of this country.

To begin with, 2 million jobs in the textile, fiber and apparel complex are at risk; 400,000 jobs in these industries have been lost during the past decade. 70,000 workers have lost their jobs in these industries in the last 12 months; 48 textile plants, apparel and footwear plants have either closed their doors, or they have dramatically and drastically reduced operations just this year, with 3 months to go.

Now, as has previously been noted, all this talk about the consumer costs, all imported goods will cost the American consumer far less than goods made in America. These charges, my friends, constitute reckless, clever deception at best. I dislike dignifying these allegations by responding to them, but I fear to ignore these charges implies its accuracy. It is distorted. The rules of common sense, it seems to me, dictate that all reasonable people can see through the illogical conclusion. This has been mentioned before. I felt obliged to at least touch on it briefly.

Finally, Mr. Speaker, during the previous debates on this textile bill I have mentioned the importance of the textile industry to the defense of this country. However, I think few of my colleagues attached any significance to those arguments simply because there was no realistic imminent threat as far as hostilities were concerned. Needless to say, this is not the case today. The crisis that presently occurs in the desert, we cannot turn on the television, we cannot pick up a newspaper, without being alarmed about what is going on over there. I suspect in view of that, my previous comments linking the textile industry with the defense of this country may well prove to have been prophetic words because they are applicable today, and clothing personnel of our armed services is vital indeed. I think the question is do we want them clothed in uniforms in clothing manufactured abroad, where there may be a delay or waiting period before these goods can be shipped here and delivery taken place, or do we want these goods made by American workers where prompt delivery will be assured?

I urge my colleagues to soberly and sincerely and seriously approach this vote today and cast a vote in favor of the textile bill.

Mr. QUILLEN. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, I thank the gentleman from Tennessee [Mr. QUILLEN] for yielding time to me. I rise in support of the rule, and I rise in support of the bill.

I want to ask my colleagues, particularly those who are still undecided on this bill, whether they have come to the conclusion as many have in this society, that manufacturing matters. That the wealth produced by a nation is first and foremost defined by this delicate web, this delicate infrastructure of manufactured products, where value is added, where we take something that grew from a seed and we end up with a carpet; where we take air and we end up with a fiber from the chemicals that come from the air; where we take sand, and we end up with semiconductors.

We cannot, cannot take out from a manufacturing economy where manufacturing provides the essence of its wealth, we cannot take out, we cannot ignore, we cannot put aside an industry as wide in its scope as textiles and apparel. Apparel, for example, which has not been mentioned yet this morning very much, is absolutely critical. We think we can import blouses and dresses and suits to the extent that we do not need to make these things here in the United States, but if then we do not do that, that base, that foundation is lost to the high technology segments of the textile industry and the chemical industry that produces the textiles, and the machinery industry that produces the wherewithal to make the textiles and the apparel.

Computers are an example; it is all interlinked. If we lost this broad base, we cannot just be a nation of niche markets. We cannot have high technology without having some medium technology, without having some low technology. Japan has proven the concept.

By the way, Japan takes only 5 percent of the total exports of developing nations. We take 60 percent of the exports, EC takes 25. Think about it and support the rule, and support the bill.

Mr. QUILLEN. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield myself such time as I may consume.

Mr. DERRICK. Mr. Speaker, for those Members who have not made up their mind how they might vote on this bill and this rule, I want to apply to your senses of justice in three particular areas. In the three particular areas, one is the consumer, one is jobs in this country, and if that does not appeal to a Member, then third, to your sense of patriotism.

I will not talk about the consumer. I have heard some patently false statements made in this House this morning about how it will affect the consumer.

□ 1200

They are blatantly false on the face. I have heard that it is going to cost each consumer in this country $2,500 more a year. I do not know anyone in my district who spends $2,500 a year on clothing, and we are talking about $2,500 a year additional. I do not spend $2,500 a year on clothing. Maybe I look like it, but the fact of the matter is that I do not. That is the most absurd, ridiculous statement that I have heard.

The consumers in this country, if they want to spend an additional $2,500 a year on consumer goods, the best thing we can do is not pass this bill because that is what is going to happen.

I do not have to make predictions about what is going to happen. Let us look at what has happened. If you will look at the textile and the apparel and the shoe industry, you will find that the way foreign governments get their goods in this country is that they subsidize back home. They go into a particular market and they decide they are going to capture that market. They subsidize. They undercut our domestic producers. They do everything they possibly can to run them out of business. When they succeed in doing that, then they have the market to themselves. That is when you find out what it is going to cost you and that is what the American consumer is going to find out in the years to come if we let the textile and apparel and shoe industry go down the tube. We are not going to have any leverage on any foreign government shipping goods into this country anymore. We are going to have to pay as American consumers what they tell us we have to pay, because there will be no alternative for us in the marketplace.

I am not suggesting to you that I have some crystal ball that says this is what is going to happen. I am telling you that this is what has already happened and will continue to happen to the American consumer. If you really want the American consumer to pay more, then the best thing for you to do is to vote against this bill and go back home and tell your people why they are going to have to pay more for goods in the future.

If that does not convince you, let us talk about jobs. I wish I could remember the quotation exactly, but it was by William Jennings Bryan. He said something to the effect that if you salt the cities of this Nation, they will come back, but if you salt the countryside, it will not come back, nor will the cities come back.

When you talk about killing your textile industry and you talk about killing your apparel industry, you are talking about killing the countryside of this country. You are talking about killing the small towns in America that will never come back. You are talking about killing the very economic base of this country and what this country is all about and has been about for the last 200 years. Once you kill those, you are going to eventually kill your cities. You are going to kill the economic viability of this country.

I am not telling you what I know is going to happen. I am telling you about what has happened. I have seen textile mills and apparel operations one after another in the small communities of South Carolina, and particularly in my district, close over the years. I have seen people come into my office who have worked in these mills all their lives. Their families have worked in these mills. They worked in them for generations, their fathers and grandfathers, and I have seen it kill towns.

I can take you and ride up and down the Third District of South Carolina and I can show you the vacant storefronts. They are there to a large degree because the textile and apparel industry is dying in this country.

I can tell you that to begin with there is less employment in the textile and apparel industry than since statistics have been kept. This is what is happening to the countryside of South Carolina, to the countryside of this Nation, and when this is through and all this is lost, then you are going to lose your cities and you are going to lose the economic viability of this Nation, not to mention the fact that these are hard-working people who have contributed to the well-being of the country, its defense, and paid their taxes to this country for generations.

Well, if you are not concerned about the consumer and you are not concerned about jobs in this country, let us talk about patriotism a little bit and what the textile and apparel industry means to this country. We have been told by successive administrations over the last decade that really we could trade the textile and apparel industry off, that all we had to do was wait for the dollar to come down relative to other currencies and everything was going to be all right. Well, we have waited and we have waited and we have waited, and the situation continues to get worse.

Let me draw a parallel for you. During the period that the textile and apparel industry has suffered its greatest losses was also during the period when this country ceased to be the greatest nation in the world financially. It became the greatest debtor nation in the world. It evolved from the greatest creditor Nation in the world to the greatest debtor nation in the world.

I am not going to tell you that all happened because of what has happened to the textile and apparel industry, but I will tell you this. There is a strong parallel of what is happening in this country as we let our basic industries go down the tube, such as the apparel industry and such as the textile industry.

What are we to do when we have situations like we have in the Persian Gulf? What are we to do when we are dependent to defend the shores of this Nation but the free world as we know it today, who is going to supply the goods?

We are not just talking about shoes. We are not talking about just clothing. We are talking about the thousands and thousands of parts that are in an M-1 tank, the thousands and thousands of parts that are in the average combat airplane. What are we to do? Where are we to get these items? Are we going to order them from Korea? Are we going to order them from Japan? Are we going to order them from China? Where are we to get them?

I hope that you will think about the matters that I have mentioned and realize that we are doing the country a great disservice.

Mr. GIBBONS. Mr. Speaker, will the gentleman yield?

Mr. DERRICK. For what purpose?

Mr. GIBBONS. Well, I would just like to enter into the debate. I have sat quietly here listening, and I would like to enter into the debate.

Mr. DERRICK. Mr. Speaker, I will say to the gentleman from Florida that, I will let him have his way.

Mr. GIBBONS. Mr. Speaker, how much time will the gentleman let me have? I just want to talk about this last point the gentleman has mentioned.

Mr. DERRICK. Mr. Speaker, I am not quite through talking yet. I will be glad when I am through, if I have some time left, to give the gentleman some time.

Mr. GIBBONS. Well, I thank the gentleman for his courtesy.

The SPEAKER pro tempore (Mr. BARNARD). The time of the gentleman from South Carolina has expired.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DERRICK. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 293, nays 121, not voting 18, as follows:

[Roll No. 334]

YEAS—293

Ackerman	Gilman	Obey
Alexander	Gingrich	Olin
Anderson	Glickman	Ortiz
Andrews	Gonzalez	Owens (NY)
Annunzio	Goodling	Owens (UT)
Anthony	Gordon	Pallone
Applegate	Grant	Panetta
Aspin	Gray	Parker
Atkins	Guarini	Parris
Ballenger	Gunderson	Pashayan
Barnard	Hall (OH)	Patterson
Bateman	Hall (TX)	Payne (NJ)
Bates	Hamilton	Payne (VA)
Beilenson	Hammerschmidt	Pelosi
Bennett	Harris	Perkins
Bentley	Hatcher	Pickett
Berman	Hawkins	Pickle
Bevill	Hayes (IL)	Poshard
Bilbray	Hayes (LA)	Price
Bliley	Hefner	Quillen
Boehlert	Henry	Rahall
Boggs	Hertel	Rangel
Bonior	Hoagland	Ravenel
Borski	Hochbrueckner	Ray
Bosco	Hopkins	Regula
Boucher	Horton	Richardson
Boxer	Houghton	Ridge
Brennan	Hoyer	Rinaldo
Brooks	Hubbard	Ritter
Browder	Hughes	Roe
Brown (CA)	Hunter	Rogers
Bruce	Hutto	Rose
Bryant	Jenkins	Rostenkowski
Byron	Johnson (SD)	Roth
Callahan	Johnston	Roukema
Campbell (CO)	Jones (GA)	Rowland (GA)
Cardin	Jones (NC)	Roybal
Carper	Jontz	Russo
Carr	Kanjorski	Sabo
Chapman	Kaptur	Sangmeister
Clarke	Kastenmeier	Sarpalius
Clay	Kennelly	Savage
Clement	Kildee	Sawyer
Clinger	Kleczka	Schaefer
Coble	Kolter	Scheuer
Coleman (TX)	Kostmayer	Schulze
Collins	LaFalce	Schumer
Condit	Lancaster	Serrano
Conte	Lantos	Sharp
Conyers	Laughlin	Shays
Cooper	Lehman (CA)	Shuster
Costello	Lehman (FL)	Sikorski
Coyne	Levin (MI)	Sisisky
Crockett	Levine (CA)	Skaggs
Darden	Lewis (GA)	Skeen
Davis	Lipinski	Skelton
de la Garza	Livingston	Slattery
DeFazio	Lloyd	Slaughter (NY)
Dellums	Long	Smith (FL)
Derrick	Lowey (NY)	Smith (IA)
Dickinson	Luken, Thomas	Smith (NJ)
Dixon	Lukens, Donald	Smith (VT)
Donnelly	Machtley	Smith, Denny (OR)
Dorgan (ND)	Manton	Snowe
Downey	Martinez	Solarz
Durbin	Matsui	Spence
Dwyer	Mavroules	Spratt
Dymally	Mazzoli	Stallings
Dyson	McCloskey	Staggers
Early	McCurdy	Stark
Eckart	McDermott	Stenholm
Edwards (CA)	McGrath	Stokes
Emerson	McHugh	Studds
Engel	McMillan (NC)	Swift
English	McMillen (MD)	Synar
Erdreich	McNulty	Tallon
Espy	Mfume	Tanner
Evans	Miller (CA)	Tauzin
Fascell	Mineta	Taylor
Fazio	Moakley	Thomas (CA)
Fish	Mollohan	Thomas (GA)
Flake	Montgomery	Torres
Flippo	Moody	Torricelli
Foglietta	Mrazek	Towns
Ford (MI)	Murphy	Traficant
Ford (TN)	Murtha	Traxler
Frank	Nagle	Udall
Frost	Natcher	Unsoeld
Gaydos	Neal (NC)	Valentine
Gejdenson	Nelson	Vento
Gephardt	Nowak	Visclosky
Geren	Oakar	Volkmer
Gibbons	Oberstar	Walgren
Wheat	Wolpe	
Washington	Whitten	Wyden
Waxman	Williams	Yates
Weiss	Wise	Yatron
Weldon	Wolf	Young (AK)

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Archer	Hastert	Penny
Armey	Hefley	Petri
Baker	Herger	Porter
Bartlett	Hiler	Pursell
Barton	Holloway	Rhodes
Bereuter	Hyde	Roberts
Broomfield	Inhofe	Robinson
Brown (CO)	Ireland	Rohrabacher
Buechner	Jacobs	Ros-Lehtinen
Bunning	James	Rowland (CT)
Burton	Johnson (CT)	Saiki
Campbell (CA)	Kasich	Schiff
Chandler	Kolbe	Schneider
Coleman (MO)	Kyl	Schroeder
Combest	Lagomarsino	Schuette
Coughlin	Leach (IA)	Sensenbrenner
Courter	Lewis (CA)	Shaw
Cox	Lewis (FL)	Shumway
Craig	Lightfoot	Slaughter (VA)
Crane	Madigan	Smith (NE)
Dannemeyer	Marlenee	Smith (TX)
DeLay	Martin (IL)	Smith, Robert (NH)
DeWine	Martin (NY)	Smith, Robert (OR)
Dicks	McCandless	Solomon
Douglas	McCollum	Stangeland
Dreier	McCrery	Stearns
Duncan	McEwen	Stump
Edwards (OK)	Meyers	Sundquist
Fawell	Michel	Tauke
Fields	Miller (OH)	Thomas (WY)
Frenzel	Miller (WA)	Upton
Gallegly	Molinari	Vander Jagt
Gallo	Moorhead	Vucanovich
Gekas	Morella	Walker
Gillmor	Morrison (WA)	Walsh
Goss	Myers	Weber
Gradison	Nielson	Whittaker
Grandy	Oxley	Wylie
Green	Packard	Young (FL)
Hancock	Paxon	
Hansen	Pease	

NOT VOTING—18

AuCoin	Huckaby	McDade
Bilirakis	Kennedy	Morrison (CT)
Bustamante	Leath (TX)	Neal (MA)
Dingell	Lent	Saxton
Dornan (CA)	Lowery (CA)	Watkins
Feighan	Markey	Wilson

□ 1230

Mr. HOUGHTON and Mr. YOUNG of Alaska changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERMISSION FOR SUBCOMMITTEE ON LEGISLATION AND NATIONAL SECURITY OF COMMITTEE ON GOVERNMENT OPERATIONS TO SIT TODAY DURING THE 5-MINUTE RULE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the Subcommittee on Legislation and National Security of the Committee on Government Operations be permitted to sit on today, September 18, 1990, during proceedings under the 5-minute rule.

The SPEAKER pro tempore (Mr. BARNARD). Is there objection to the request of the gentleman from Michigan?

There was no objection.

TEXTILE, APPAREL, AND FOOTWEAR TRADE ACT OF 1990

Mr. ROSTENKOWSKI. Mr. Speaker, pursuant to the provisions of House Resolution 464, I move to concur in the Senate amendments to the bill (H.R. 4328) to authorize appropriations for fiscal years 1991 and 1992 for the Customs and Trade Agencies, and for other purposes.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. ROSTENKOWSKI moves to concur in the Senate amendments to the bill, H.R. 4328.

The text of the Senate amendments is as follows:

Senate amendments: Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Textile, Apparel, and Footwear Trade Act of 1990".

SEC. 2. POLICY.

The policy of this Act is to—

(1) relate the growth of textile and clothing imports to the growth of the domestic market in order to prevent further disruption of the United States textiles and textile products markets, damage to United States textile and clothing manufacturers, and loss of job opportunities for United States textile and clothing workers; and

(2) maintain a viable United States nonrubber footwear industry by preventing further damage to United States nonrubber footwear manufacturers and loss of job opportunities for United States nonrubber footwear workers.

SEC. 3. FINDINGS AND DETERMINATIONS.

(a) FINDINGS.—The Congress finds that—

(1) with respect to textiles and textile products—

(A) the current level of imports of textiles and textile products from all sources, more than one hundred and sixty-five countries, reached nearly twelve billion one hundred million square meter equivalents in 1989, an increase of 13 percent over 1988 imports; this level of imports is three times the level of imports in 1980, a rate of increase that was not foreseen when the United States granted trade concessions benefiting foreign suppliers of textiles and textile products, and represents over one million four hundred thousand job opportunities lost to United States textile, apparel, and fiber workers;

(B) imported textiles and textile products contain five million bales of cotton which is equivalent to 40 percent of annual cotton production in the United States; eight out of every ten bales of cotton contained in imported textiles and clothing are foreign grown cotton; sustained massive increases in imports of cotton textile and clothing products are causing a declining market share for domestic cotton producers, depressed prices, and an average annual market revenue loss of over $1,000,000,000; another result is that a market development program voluntarily funded by United States cotton producers actually benefits foreign powers; finally, as imports of textiles and clothing increase, domestic cotton acreage is shifted to produce other agricultural products which are already in oversupply thereby adding to the problems of United States agriculture;

(C) imports of textiles and textile products made of wool have nearly doubled since 1980, creating major disruptions among domestic wool products producers of United States produced raw wool; because import penetration in the domestic wool textile and clothing market is nearly 70 percent, it is critical that action be taken to halt further erosion of the domestic industry's market share;

(D) imports of textiles and textile products made of manmade fiber and competing fibers, other than cotton or wool, have more than doubled since 1980 resulting in substantial reductions in domestic manmade fiber production capacity and job losses;

(E) the textile and clothing trade deficit of the United States exceeded $26,000,000,000 in 1989, an increase of 8 percent over 1988, and accounted for 21 percent of the Nation's overall merchandise trade deficit;

(F) import growth of clothing and clothing fabrics has averaged 10 percent annually since 1973; over the same period, the domestic market for clothing and clothing fabrics has grown only 1 percent annually; the result is that import penetration in the domestic clothing and clothing fabric market has more than doubled in the last ten years, reaching a level of 58 percent in 1989;

(G) as a result of this increased penetration and the very limited growth of the domestic market, the United States companies producing textiles and textile products competitive with those imported have been seriously damaged, many of them have been forced out of business, have closed plants or curtailed operations, workers in such companies have lost employment and have been otherwise materially and adversely affected, and serious hardship has been inflicted on hundreds of impacted communities causing a substantial reduction in economic activity and lost revenues to the Federal and local governments;

(H) the factors described above are causing serious damage, or the actual threat thereof, to domestic producers of textiles and textile products; as a result, market disruption exists in the United States requiring new measures;

(I) unless the import growth rate of textiles and textile products is slowed to the long-term rate of growth of the United States market, plant closings and job losses will continue to accelerate, leaving the United States with reduced competition benefiting domestic consumers and leaving the Nation in a less competitive international position;

(J) a strong, viable, and efficient domestic textiles and textile products industry is essential in order to avoid impairment of the national security of the United States; and

(K) actions taken by the United States under the Arrangement Regarding International Trade in Textiles of December 20, 1973, as extended (commonly referred to as the "Multi Fiber Arrangement" or "MFA") have failed to avoid disruptive effects in the textiles and textile products markets in the United States; and

(2) with respect to nonrubber footwear—

(A) nonrubber footwear imports in 1988 reached a level of eight hundred and sixty million pairs; this volume of imports is two and one-fourth times that of 1981, the year that import relief for the nonrubber footwear industry terminated, and is 2.1 percent above 1985 levels, the year in which the International Trade Commission issued its third finding that the domestic nonrubber footwear industry has been seriously injured by increased imports;

(B) since 1981, import growth of nonrubber footwear has averaged more than 11 percent per year, gaining market share at the expense of the domestic industry; in 1981, import penetration of the domestic nonrubber footwear market was 51 percent; by 1989, import penetration reached 80 percent;

(C) as a direct result of imports, domestic nonrubber footwear production has declined, reaching two hundred and twenty-six million pairs in 1989, a production level matched only during the Great Depression in the 1930's;

(D) domestic nonrubber footwear employment has declined significantly since 1981 and is down 45 percent from 1981 levels and 19.3 percent from 1985 levels; and

(E) domestic nonrubber footwear production facilities are closing at an alarming rate, with over four hundred and eight factory closings since 1981, of which twenty-one closings occurred in 1989 alone.

(b) DETERMINATIONS.—Congress determines that, for the foregoing reasons—

(1) textiles and textile products are being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of textiles and textile products in the United States, and

(2) nonrubber footwear is being imported into the United States in such increased quantities and under such conditions as to cause or threaten serious injury to producers of nonrubber footwear in the United States,

within the meaning of article XIX of the General Agreement on Tariffs and Trade.

SEC. 4. LIMITS ON IMPORTS.

(a) CALENDAR YEAR 1990.—Notwithstanding any other provision of law—

(1) the aggregate quantity of textiles and textile products, from all countries, classified under a category that is entered during calendar year 1990 shall not exceed an amount equal to 101 percent of the aggregate quantity of such products classified under such category, from all countries, that entered during calendar year 1989, and

(2) the aggregate quantity of nonrubber footwear, from all countries, classified under a nonrubber footwear category that is entered during calendar year 1990, and during each calendar year thereafter, shall not exceed an amount equal to—

(A) the aggregate quantity of nonrubber footwear classified under such category, from all countries, that entered during calendar year 1989, and

(B) in the case of high-priced nonrubber footwear, notwithstanding subparagraph (A), the aggregate quantity of high-priced nonrubber footwear classified under such category, from all countries, that entered during calendar year 1989.

(b) GROWTH ADJUSTMENT.—For calendar years after 1990, the aggregate quantity of textiles and textile products, from all countries, classified under each category that may be entered during each such calendar year shall be increased by an amount equal to 1 percent of the aggregate quantity that could be entered under such category during the preceding calendar year. If the aggregate quantity that could be entered under a category for a calendar year after 1990 is reduced under section 10(b), then in the first calendar year in which there is no such reduction, this subsection shall be applied as if there had been no reduction under section 10(b) in previous calendar years.

(c) EXCEPTIONS.—

(1) The limitations in this Act on the aggregate quantity of articles of textiles and textile products that may be entered during any calendar year do not apply to articles of that kind that are the product of any insular possession of the United States if the articles are—

(A) exempt from duty under general headnote 3(a)(iv) of the Harmonized Tariff Schedule of the United States; and

(B) manufactured or produced in such possession by individuals who are either—

(i) United States citizens;

(ii) United States nationals; or

(iii) permanent residents of such possession in accordance with its laws.

(2) Notwithstanding any other provision of law, the aggregate quantity of sweaters that are—

(A) made of cotton, wool, or manmade fibers; and

(B) assembled in Guam from otherwise completed knit-to-shape component parts; and that may be entered—

(i) during calendar year 1990, may not exceed one hundred sixty-eight thousand one hundred and sixty-two dozen; and

(ii) during any calendar year after 1990, may not exceed the aggregate quantity that is authorized to be entered under this paragraph during the preceding calendar year, increased by 1 percent.

(3) The limitations in this Act on the aggregate quantity of textiles, textile products and nonrubber footwear that may be entered during any calendar year do not apply to articles that are the products of Canada or Israel.

(4) The amount of textiles and textile products classified under each category entered during calendar year 1990, and during each calendar year thereafter, from beneficiary countries under the Caribbean Basin Initiative shall equal the quantity of such products of such countries classified under such category that entered in 1989 and any increases that the President shall negotiate or allocate within the limits of section 4(a)(1).

(d) ENFORCEMENT.—The Secretary of Commerce shall prescribe such regulations as may be necessary or appropriate for the efficient and fair administration of the provisions of this Act, including regulations governing entry, or withdrawal from warehouse, for consumption of the products covered by this Act. Such regulations shall provide for reasonable spacing of imports over the calendar year.

(e) ALLOCATIONS FOR CERTAIN COUNTRIES.—Regulations may be prescribed under subsection (d) only if such regulations ensure that—

(1) an amount of the limitation imposed by this section on the aggregate quantity of textiles and textile products classified under each category entered during calendar year 1991 and during each succeeding calendar year (hereafter in this subsection referred to as the "applicable year") is allocated to such products of each country to which the total quantity of United States agricultural products exported on commercial terms during the calendar year preceding the applicable year exceeds the total quantity of United States agricultural products exported on commercial terms to such country during the calendar year before the calendar year preceding the applicable year; and

(2) the amount of textiles and textile products classified under each category entered during the applicable year that is allocated to each country under paragraph (1) exceeds the quantity of such products of such country classified under such category that entered during the calendar year preceding the applicable year.

SEC. 5. TARIFF COMPENSATION.

(a) COMPENSATION.—

(1) The President may (A) enter into trade agreements with foreign countries or instrumentalities to grant new concessions as compensation, to the extent required under international trade agreements of the United States, for the import limits imposed under section 4 of this Act to maintain the general level of reciprocal and mutually advantageous concessions under such agreements; and (B) proclaim such modification or continuance of any existing duty on textiles and textile products and on nonrubber footwear as the President determines to be required or appropriate to carry out such agreements.

(2) No proclamation shall be made under paragraph (1) decreasing any rate of duty to a rate of duty which is less than 90 percent of the existing rate of duty.

(3) Before entering into any trade agreement under this subsection with any foreign country or instrumentality, the President shall consider whether such country or instrumentality has violated trade concessions of benefit to the United States and such violation has not been adequately offset by the action of the United States or by such country or instrumentality.

(b) STAGING REQUIREMENTS.—The aggregate reduction in the rate of duty on any article which is in effect on any date pursuant to subsection (a) shall not exceed the aggregate reduction which would have been in effect on such date if a reduction of one-fifth of the total reduction under subsection (a) had taken effect on the effective date of the first reduction proclaimed to carry out such trade agreement, and at one-year intervals after such effective date.

(c) PROHIBITION.—Except as provided in subsection (a) and notwithstanding any other provision of law, the President may not enter into trade negotiations with any foreign country or instrumentality with respect to duties on textiles and textile products and on nonrubber footwear and may not decrease, or propose a decrease, in any such duty by any means, including an implementing bill under section 151 of the Trade Act of 1974 (19 U.S.C. 2191) or a proclamation.

SEC. 6. ANNUAL REPORT.

Not later than March 15, 1991, and March 15 of each calendar year thereafter, the President shall submit to the Congress a report on the administration of this Act during the preceding calendar year. Such report shall include detailed information about the implementation and operation of the limitations established under section 4. All departments and agencies shall cooperate in preparation of this report, as requested by the President.

SEC. 7. REVIEW.

The Secretary of Commerce shall commence, ten years after the date of enactment of this Act, a review of the operation of this Act. The Secretary shall consult representatives of workers and companies in the textile and textile products and nonrubber footwear industries, the United States Trade Representative, the Secretary of Labor, and other appropriate Government officials. Within six months after the commencement of the study, the Secretary shall submit to the Congress the findings of the Secretary.

SEC. 8. AUCTION OF IMPORT LICENSES.

(a) IMPORT LICENSES.—Notwithstanding any other provision of law, the Secretary of the Treasury shall establish and implement a pilot program for the issuance and sale to United States companies at public auction of import licenses applicable to categories of textiles and categories of textile products.

(b) IDENTIFICATION OF CATEGORIES SUBJECT TO LICENSES.—The categories of textiles, and the categories of textile products, to which the import licensing program under this section applies shall be selected by the Secretary of the Treasury, in consultation with the Secretary of Commerce. Such selection shall be made so that—

(1) the number of categories of textiles so selected shall, in the aggregate, account for the volume of imports equal to no less than 20 percent of the value of textiles entered; and

(2) the total number of categories of textile products so selected shall, in the aggregate, account for the volume of imports equal to no less than 20 percent of the value of textile products entered.

(c) AUCTIONING OF IMPORT LICENSES.—

(1) Each import license to be issued and sold pursuant to this section shall be sold by the Secretary of the Treasury at a public auction held no earlier than fifteen days after the date on which notice of such auction is published in the Federal Register.

(2) By no later than the date that is sixty days after the date of enactment of this Act, the Secretary of the Treasury shall prescribe regulations under which auctions shall be conducted under paragraph (1). Such regulations shall provide for—

(A) the auctioning of quotas, on a historical basis, among retailers, importers, and manufacturers of textiles and apparel;

(B) the transfer of auctioned import licenses among importers; and

(C) a means of ensuring that no person obtains undue market power in the markets of the United States through the use of auctioned import licenses.

(3) The Secretary of the Treasury is authorized to prescribe, on an expedited basis, such regulations supplementing the regulations prescribed under paragraph (2) as are necessary to address factors involved in conducting the sale by auction of import licenses for any article that are unique to such article.

(d) DEPOSIT OF REVENUES.—Any revenues from the sale of import licenses under this section shall be paid into the general fund of the Treasury of the United States.

(e) DURATION.—The import licensing program under this section shall begin on January 1, 1991, and end at the close of December 31, 1991.

(f) REPORT.—Not later than March 31, 1992, the Secretary of the Treasury, in consultation with the Secretary of Commerce, shall report to the Congress on the administration of the import licensing program under this section and the advantages and disadvantages of auctioning import licenses demonstrated by the program.

SEC. 9. DEFINITIONS.

For purposes of this Act—

(1) The term "textiles and textile products" includes, but is not limited to, all articles covered by a category.

(2) The term "nonrubber footwear" means nonrubber footwear articles classified under items 6401.92.30, 6401.99.80, 6402.11.00, 6402.19.10, 6402.30.30, 6402.91.40, 6402.99.05, 6402.99.10, 6402.99.15, 6404.11.20, 6404.19.15, 6404.19.25, 6404.19.30, 6404.20.20, 6404.20.40, 6403, 6405, 6406.10.05, 6406.10.10, 6406.10.20, and 6406.10.45 of the Harmonized Tariff Schedule of the United States (as in effect on January 1, 1990) and includes, but is not limited to, all articles covered by a footwear category.

(3) The term "category" means each of the following:

(A) each category identified by a three-digit number in the Department of Commerce publication entitled "Correlation: Textile and Apparel Categories with Harmonized Tariff Schedule of the United States", dated 1990, and in any amendments to such publication correcting clerical errors or omissions;

(B) each subdivision of a category described in subparagraph (A) with respect to which the United States has (i) an agreement with any country on the date of enactment of this Act limiting exports of textiles and textile products to the United States that includes a specific limit on such subdivision, or (ii) taken unilateral action to limit producers from any country entered under such subdivision;

(C) a category consisting of the manmade fiber products not covered by a category described in subparagraph (A) and classified under chapters 54, 55, and 56 of the Harmonized Tariff Schedule of the United States; and

(D) a category consisting of the products not covered by a category described in subparagraph (A) and classified under items 6215.10.00.408 and 6117.20.00.405 of the Harmonized Tariff Schedule of the United States.

The Secretary of Commerce shall determine, after consultation with the United States Trade Representative and the United States International Trade Commission, whether comparable subdivisions described in subparagraph (B) are consistently defined; if the Secretary determines that such subdivisions are not consistently defined, then the Secretary shall prescribe by regulation an appropriate definition of the category covering such comparable subdivisions.

(4) The term "nonrubber footwear category" means each of the following:

(A) men's leather;
(B) men's vinyl/plastic;
(C) men's other;
(D) women's leather;
(E) women's vinyl/plastic;
(F) women's other;
(G) juvenile leather;
(H) juvenile vinyl/plastic;
(I) juvenile other;
(J) athletic leather;
(K) athletic vinyl/plastic;
(L) leather work footwear;
(M) vinyl/plastic work footwear;
(N) miscellaneous leather footwear;
(O) miscellaneous vinyl/plastic;
(P) miscellaneous other;
(Q) leather slippers;
(R) vinyl/plastic slippers; and
(S) other slippers.

(5) The term "high priced nonrubber footwear" means nonrubber footwear with a customs value of $2.50, or more, per pair.

(6) The term "country" means a foreign country, a foreign territory, an insular possession of the United States, or any territory, possession, colony, trusteeship, political entity, or foreign trade zone, whether affiliated with the United States or not, that is outside the customs territory of the United States.

(7) The term "duty" includes the rate and form of any import duty, including but not limited to tariff-rate quotas.

(8) The term "existing" means the nonpreferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) set forth in the General subcolumn of rate of duty column 1 in chapters 1 through 96 of the Harmonized Tariff Schedule of the United States existing

on the day before the date of enactment of this Act.

(9) The term "entered" means entered, or withdrawn from warehouse, for consumption in the customs territory of the United States.

SEC. 10. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this Act shall apply to textiles and textile products and nonrubber footwear entered, or withdrawn from warehouse, for consumption on and after the date of enactment of this Act.

(b) CALENDAR YEARS 1990 AND 1991.—The Secretary of Commerce shall prescribe by regulation the aggregate quantity, if any, of textiles and textile products and of nonrubber footwear that may be entered under section 4(a) under each category and each nonrubber footwear category during the period beginning on the date of enactment of this Act and ending on December 31, 1990. Notwithstanding subsection (a), to the extent that the aggregate quantity of imports of textiles and textile products or of nonrubber footwear entered under a category or nonrubber footwear category after December 31, 1989, and before the date of enactment of this Act exceeds the quantity permitted entry for such products under such category during calendar year 1990 under section 4(a), then the limit that would otherwise apply under section 4(b), in the case of textiles or textile products, or under section 4(a), in the case of nonrubber footwear, for such category for calendar year 1991 shall be reduced by the amount of such excess quantity. If such excess quantity exceeds the limit that would otherwise apply under section 4(b), or section 4(a), as appropriate, for such category for calendar year 1991, then the limit for such category for calendar years after 1991 shall be reduced until such excess is accounted for.

SEC. 11. MEXICO-UNITED STATES FREE TRADE AREA.

(a)(1) Since the Senate, on June 26, 1987, adopted legislation calling for the establishment of a North American Free Trade Area,

(2) Since President Bush and President Salinas, on June 11, 1990, endorsed the proposal to establish a "comprehensive Free Trade Agreement" between the United States and Mexico and directed United States Trade Representative Carla A. Hills and Mexican Secretary of Commerce Jaime Serra Puche to begin consultations and preparatory work to that end,

(3) Since Mexico is the third largest trading partner of the United States and the United States is the largest trading partner of Mexico,

(4) Since bilateral trade between the United States and Mexico, topped $52,000,000,000 in 1989, with the United States exports more than doubling between 1986 and 1989 from $12,400,000,000 to $25,000,000,000,

(5) Since a mere 10-percent annual increase in trade between the United States and Mexico throughout the 1990's would result in trade totaling more than $150,000,000,000 between our two countries in the first year of the twenty-first century, and trade could undoubtedly grow at higher levels,

(6) Since cooperation between the United States and Mexico on antinarcotics efforts has steadily improved since President Salinas de Gortari took office,

(7) Since increased trade between our two countries will greatly assist Mexico in its economic development, and an economically prosperous and politically stable Mexico will greatly benefit the United States,

(8) Since there has been peace among the three great nations of North America for nearly a century and a half, a longer era of peace than that enjoyed in any other region of the world,

(b) It is the Sense of the Senate that—

(1) President Bush and President Salinas are to be commended for beginning the process to achieve the goal of a comprehensive free trade agreement between the United States and Mexico and initiating the preliminary steps to that end,

(2) Close cooperation with the Congress in the preparations for and negotiations of such an agreement will facilitate the successful establishment of the agreement; and that the United States Trade Representative should, throughout the negotiating process, consult closely with Members of Congress representing any constituencies who would be affected by such agreements, and

(3) While consultations proceed for a free trade agreement between the United States and Mexico each country should consider interim steps to improve further trade relations between our two countries.

Amend the title so as to read: "An Act to provide for orderly imports of textiles, apparel, and footwear.".

The SPEAKER pro tempore. Under the rule, the gentleman from Illinois [Mr. ROSTENKOWSKI] will be recognized for 1 hour, and the gentleman from Texas [Mr. ARCHER] will be recognized for 1 hour.

The Chair recognizes the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. ROSTENKOWSKI. Mr. Speaker, I ask unanimous consent that I be authorized to yield 20 minutes to the gentleman from Georgia [Mr. JENKINS], and that he be entitled to yield any portion of that time to other Members.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong opposition to the Senate amendments to H.R. 4328, the Textile Apparel and Footwear Trade Act of 1990. This ill-conceived legislation, if enacted, would do far more harm than good for the American people. Similar legislation has been considered and rejected on two prior occasions and the legislation could not come before us at a worse time.

During the past year we have witnessed the tearing down of the Berlin Wall and the rejection of communism as people all over the globe have embraced—have demanded—American values of freedom and openness.

Cries for political freedom have been accompanied everywhere with cries for economic freedom. Countries in every hemisphere are trading in their planned economies for free market systems. Leaders in Poland, Czechoslovakia, Hungary, Brazil, Mexico, Indonesia, and, most telling of all, the Soviet Union, are publicly acknowledging the failures of State planned economies, and opening their markets to stimulate competition, growth and prosperity.

It is, therefore, with great disappointment that I must deliver these remarks today. While the rest of the world is rapidly and enthusiastically choosing the path of open markets and competition, the U.S. Congress is considering legislation to close our markets and stifle competition.

Some would ask "why are we even considering this bill?" While less wealthy nations around the globe stand ready to embrace competition, are we suggesting the United States is afraid to compete with them? Have we lost our confidence to produce superior products? Are are presuming we will always lose out to foreign goods?

The export numbers certainly don't support that view. As a result of market-opening developments over the past 4 years, U.S. exports have increased significantly around the world—more than 250 percent to Thailand, 140 percent to South Korea, 92 percent to the Philippines, even 80 percent to Japan. We need to continue this export boom if the United States cares about eliminating its trade deficit. Approval of the Textile Bill sends the wrong message to these countries. It says that we don't appreciate their market-opening efforts—we're going to limit their exports to the United States at the very time that they are increasing their imports from us.

I am certainly no apologist for the Koreans, or the Japanese, or any other foreign nation that still maintains trade barriers. But I'm also no hypocrite.

The U.S. Congress has no business complaining about others not moving fast enough to eliminate their trade barriers and not living up to their international commitments, when we are busy creating our own trade barriers and ignoring international commitments. I believe we must practice what we preach.

Two years ago the Congress succeeded in enacting a major reform of our trade laws and policies. A fundamental principle of that legislation was to take action under section 301 of the Trade Act against countries that violate trade agreements. The textile legislation we are considering today violates 40 different trade agreements. How can we reconcile this legislation with the 1988 Trade Act? How can we expect other countries to observe trade agreements when we won't observe them ourselves?

This hypocrisy is particularly embarrassing at this time of crisis in the Persian Gulf. Saddam Hussein's aggression has been checked because of the strengthening of international cooperation. The United States has succeeded in convincing other countries of the importance of multilateral com-

mitment and international cooperation. Yet we are, with this legislation, saying "when we need you, we expect international cooperation; when you need us, we'll decide unilaterally."

Finally, Mr. Speaker, this legislation is a time-bomb thrown at the Uruguay round of GATT negotiations. Over recent years, the Congress has been increasingly impatient with the shortcomings of the existing GATT system. In 1988, the Congress declared its support for the Uruguay round negotiations as an effort to expand and strengthen the GATT system. The Uruguay round has an ambitious agenda, and much remains to be negotiated by the December deadline. But progress is, in fact, being made. However, enactment of this bill, will jeopardize the successful conclusion of those negotiations, and sacrifice the interests of American agriculture, service industries, high technology and other manufacturing industries. That is simply too high a price to pay.

Let's not kid ourselves. This textile bill is protectionist, it is anticompetitive, it is regressive, and it makes the Congress appear hypocritical. It goes in the opposite direction of congressionally mandated trade policy objectives.

I urge my colleagues to stand tall and do the right thing. Vote no on this bill.

□ 1240

Mr. ARCHER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I call on my colleagues to join me in opposing H.R. 4328, the textile bill of 1990. I believe the textile lobby should not be diverting everyone's attention from the Uruguay round of multilateral trade negotiations, which is the top trade policy priority for the U.S.A. Moreover, my principal and continuing objections on trade policy grounds are furthermore bolstered by the negative effects the bill would have on U.S. revenue collections.

If enacted, this textile bill would supplement the protection we already give our textile industry to the detriment of our other interests. Textile, clothing and footwear imports would be curtailed to such an extent that profit would be assured for U.S. producers by limiting the supply source of textiles and artifically stimulating domestic production at the cost of the consumer. There is no vision in this bill for exporting interests, which is the way we should be looking as we continue to grapple with the ongoing twin deficits—trade and budget.

Instead of taking the approach of looking inward, the United States should pursue its interests within the GATT, and in that way consolidate confidence in the rules based multilateral trading system. The often misunderstood multilateral approach is comprehensive and global in coverage, applying to both import and export trade. It is a fair basis for ensuring that international business is conducted on a level playing field. Everyone knows that if we unilaterally restrict imports of textiles, we should expect reciprocal restrictions, perhaps in other important export sectors from the international community.

The Uruguay round of multilateral trade negotiations holds the potential for a consensus agreement on world textile trade. Congress should not preempt that process, which is due to conclude in December of this year. I should remind members that we mandated these negotiations through the 1988 trade legislation, and the textiles trade was always part of that negotiating mandate.

Expert U.S. negotiators are working toward an agreement in the textiles trade sector, specifically on the basis of a 10-year phaseout of the Multifiber Arrangement [MFA] to a GATT discipline which would better regulate world textile trade. We should maintain our present course until we have at least seen the draft GATT agreement texts.

My final point should be considered by all members who are seriously looking at ways to address the budget deficit. If this bill is enacted, independent economic analyses indicate that the net revenue effect will be negative. Duties levied on imports that are growing at around 7 percent annually would be capped at just 1 percent growth. Billions of dollars of prospective revenue would be redirected to producers, and the Government would be starved of another source of revenue. I am firmly opposed to this, and hope my colleagues see if for what it is.

If the textiles bill is enacted, U.S. trade policy interests will be undermined, as will the revenue base for Government. Given the eight-tenths of 1 percent increase in inflation for the month of August, indicating a significant increase in the inflation rate from the past several years, Congress should very strongly resist this type of legislation that will increase prices for textile and apparel products and exacerbate the inflationary spiral. Oppose the textiles bill and vote for consumer choice, fair trade, and market based business decisions.

Mr. Speaker, I ask unanimous consent to yield the balance of my time to the gentleman from Illinois [Mr. CRANE].

The SPEAKER pro tempore (Mr. BARNARD). Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to the gentleman from Michigan [Mr. BROOMFIELD].

Mr. BROOMFIELD. Mr. Speaker, I oppose H.R. 4328, the Textile, Apparel and Footwear Trade Act, for a variety of substantial reasons, but I must admit that I do so with a slight bit of reluctance.

My reasons for opposing the bill grow out of my responsibilities in the foreign policy area, and also my belief in the value of free trade.

First, the bill will hurt the consumer. According to the Bush administration, the bill will cost the consumer roughly $30 billion a year. The Federal Trade Commission has figured out that the current restrictions on textile imports cost the consumers an extra 58 percent on every towel, shirt, dress, and pair of underwear they buy.

I am sure there are good ways to preserve a strong American textile industry, but it shouldn't be done on the backs of American consumers.

Second, the bill will adversely affect our relations with countries like Egypt and Turkey that form the coalition of nations that are opposing Saddam Hussein in the Persian Gulf.

President Bush and Secretary Baker have worked hard and skillfully in putting this coalition together. This unfair textile bill will only serve to play into the hands of those who argue that the nations of the Middle East have nothing to gain from a coalition with the United States.

Third, the bill seems designed to torpedo the Uruguay round of the international trade negotiations. We have been told that this bill violates not only the General Agreement on Tariffs and Trade [GATT], but also the rules the United States has observed under the Multifiber Arrangement, a pact signed with 40 exporting countries.

The United States can hardly take a leadership position in moving the world toward free trade if it votes to close its own borders to other countries, particularly those countries that are struggling to develop their own infant industries.

At the same time, I believe this bill should serve as a warning to those nations that practice unfair trade policies. It says that the United States will not stand idly by while others take advantage of our good will and genuine interest in an international economy that gives every nation a chance to compete freely and fairly.

I oppose this bill because it works against the goal of free trade and also because it hurts the American consumer in the process. But my patience with those nations that employ unfair trade practices has its limits, and I suspect that is true of many of my colleagues who support free and fair trade.

Mr. JENKINS. Mr. Speaker, I yield 2 minutes to the gentlewoman from Tennessee [Mrs. LLOYD], chairman of the Textile Caucus.

Mrs. LLOYD. Mr. Speaker, we are back again today with legislation to save the American textile, apparel, and footwear industries.

This is a good bill—a bill not to ban but to limit the growth of textile and apparel imports to 1 percent a year. Under this bill, the current 60 percent market share for imports will be guaranteed. Who could ask for more? Our

competitors will keep their advantage, but we are asking them to grow within the domestic market, not overtake it. Is this unfair? I think not.

Since 1980, import penetration in the apparel market has climbed steadily from 23 percent to 60 percent of the market share. And during that same time, over 1,800 American textile and apparel plants closed their doors and over 400,000 Americans lost their jobs. And all of this because of a trade policy which assumed that these jobs are expendable, that our textile and apparel industries can be used as a negotiating tool in Geneva. This is unacceptable.

These industries provide employment for over 2.3 million men and women. It contributes over $50 billion to the U.S. gross national product, and is one of the most competitive industries around. But in spite of that, the textile and apparel portion of the U.S. merchandise trade deficit has risen steadily from 12 percent in 1980 to 27 percent today.

This industry is the largest employer in American manufacturing, accounting for 1 out of every 11 jobs. Most of these jobs are filled by women and minorities. In fact, women constitute 67 percent of this work force. Compare this to only 32 percent women in all other manufacturing jobs. Many of these workers are single parents and the sole provider for basic necessities of life for their children.

All across the country, the American textile and apparel industry provides jobs where few alternatives exist. These people work hard; they believe in competition and free trade. They just haven't seen much lately.

Traditionally, most textile mills are located in rural towns like Guin, AL. Last year over 1,100 workers in this town of 2,400 lost their jobs because the mills that supported them were forced out of business. There are few other employment opportunities in these towns, and finances and circumstances prevent these workers from moving. These people didn't lose their jobs because their industry isn't competitive; they lost their jobs because our trade negotiators would not stand up to pressure from overseas and say 60 percent of our market is enough.

The textile industry is unique in world economic development. It is labor intensive and many developing nations view it as a first step toward industrialization and, they protect their markets. Labor is cheap in these competing countries, and the working conditions are often appalling. Would you advocate similar working conditions for American workers? Of course not. But by lack of support for this legislation, many thousands of textile workers will be condemned to unemployment.

Critics of this bill say that by limiting the growth of imports to the growth level of the domestic market, we will drive up prices. That if we don't let imports continue to flood our markets unabated, that consumer prices will skyrocket.

This bill is no threat to the consumer. It is, however, a threat to the high profits which the importers and retailers stand to gain from buying lower-priced goods made by underpaid labor and then marking up the prices such that there is no difference in price when compared to domestic goods.

Furthermore, a report just released this week from ICF Inc., shows that over a 2-year period, over 81,000 new jobs would be created, and the net domestic economic benefits produced would be nearly $1 billion.

In a letter to the House leadership last week, the Secretary of State said that this bill would jeopardize our relationships with various countries in the Middle East, specifically Egypt and Turkey, just when we need them most. This just is not so. This bill deals with textiles globally and give the administration full power to allocate the country quotas any way it wants to. The allocations must come from somewhere else, however, and I'd personally like to see them taken away from the slave labor of some of our largest trading partners.

And, there are national security concerns. Before recent activities in the Persian Gulf, the Department of Defense reminded us that textile products are critical to our national security, second only to steel. Roughly 300 combat-essential items are made from textiles—everything from tents to helicopter blades to the chemical protective suit being used in Saudi Arabia.

DOD reported that our ability to supply the military with the necessary equipment has slowly eroded as our factories have shut down. As supporters of this legislation, we don't believe that those tens of thousands of American troops should be so dependent on foreign suppliers, especially when it may mean their lives. The jobs of thousands of Americans by slowing the growth of imports to 1 percent, which is the annual rate of growth of the American market. We believe trade policies can be formulated which will be fair, not only to foreign producers but to Americans as well. Other nations have done so; why can ours not?

In the final analysis, the question must be, "What is our vision of America"? Is it one in which our Government recognizes the realities of the marketplace, of international trade and the global economy, and takes firm, decisive steps to ensure fairness for American workers? Or is it one in which we continue to set idly by while other nations ensure there economic diversity? We believe the facts bear out justification for a comprehensive response. It is time for America to take the initiative.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Speaker, I rise to urge a vote in favor of the Senate amendments to H.R. 4328, the Textile, Apparel, and Footwear Trade Act of 1990. This bill will help preserve America's largest employer in the manufacturing sector, the textile and apparel industry, which employs 1.7 million men and women. Two-thirds of them are women; one-third are either black or Hispanic.

In 1981, when the Reagan-Bush administration took office, the United States imported $9.5 billion in textiles and apparel. By 1989, imports had more than tripled to $32 billion. In less than a decade, imports of apparel and textiles have increased their share of our market from 28 to 60 percent.

While the merchandise trade deficit has been improving, the textile and apparel trade deficit has continued to worsen. In 1989, our textile and apparel deficit reached $26 billion, more than one-quarter of our total trade deficit. Just this morning, the Commerce Department announced that last month's trade deficit had increased to $9.3 billion, almost double the prior month's deficit of $5.34 billion. If we want to get serious about our trade deficit, we have to get serious about the growth of foreign textiles and apparel.

The administration says that the way to deal with foreign imports is for our textile mills to modernize. Our textile mills have become the most efficient in the world, but the trade deficit continues to get worse.

The administration said that the trade deficit would improve when the dollar decreased in value. The dollar has dropped by 40 percent relative to other major currencies and is now at an historic low. Meanwhile, the textile/apparel problem grows worse. Mr. Speaker, the other side has run out of new excuses and the trade deficit is still getting worse.

Since 1980, record import levels have contributed to the loss of 350,000 jobs and 1,000 plants in the American textile and apparel industry. In my State of South Carolina, close to 50,000 jobs have been lost. The textile industry still employs 1.7 million Americans in every State in the country. Blacks and Hispanics make up more than one-third of the work force. Women constitute 67 percent of the work force. These people are hard-working, good people. Many are single mothers who are the heads of their household, and if they lose their jobs, these families will lose their only breadwinners.

Mr. Speaker, passage of this bill is critical this year because of what the administration is doing in Geneva at

the Uruguay round of GATT negotiations. The U.S. Trade Representative [USTR] has made a formal proposal to the other GATT members to eliminate the Multifiber Arrangement [MFA]. It will be replaced by a 10-year so-called global quota which is neither global nor is it a quota. And after 10 years, this global quota will also disappear. As ineffectual as the MFA has been, especially in the hands of the Reagan and Bush administrations, it is the only protection available to the U.S. textile industry against the rising flood of foreign imports. If we lose the MFA, as the administration proposes, the future of the American textile and apparel industry will be bleak, indeed.

Before filing this bill, the textile caucus met with our USTR, Carla Hills. She was unable to give us answers to the most basic questions about the administration's proposal. Would their proposed quota be truly global, covering all countries on the globe, or global in name only? Would their proposed quota be set such that it was really a quota, restraining imports, or would it be so liberal as to be a quota in name only? The USTR was not able to give us specific answers to any of these questions.

There are reports that the administration considers the textile industry a bargaining chip, which it is offering in Geneva to extract concessions from trading partners in other sectors, such as construction, insurance, and financial services. Mr. Speaker, trade should be liberalized in these sectors, without sacrificing the thousands of textile workers who live in my district and the millions of textile workers across America. They do not wish to be chips in a poker game whose result will be the loss of their jobs and the demise of the American textile industry.

Let us send a message both to the administration and to foreign governments that this Congress is no longer willing to stand by and watch our single largest manufacturing industry fade away. I urge support for this bill.

I know that those who oppose this bill wish the domestic textile-apparel industry no ill, but they are willing to see it fade away, as it surely will if some form of managed trade is not maintained. They look upon textiles and apparel as a low-technology, labor-intensive industry, an industry we can live without. Well, let me give you one current, real example of what having a robust domestic textile industry means.

One of the most fearsome dangers facing our troops in Saudi Arabia is chemical weapons. Saddam Hussein has mustard gas and nerve gas, tabun and sarin; and he has used both against Iran and against the Kurds in his own country. We should not expose our troops to these gruesome weapons without giving them every means of protection at our disposal. Unfortunately, the defensive suits we now stock are hot and cumbersome under the best of circumstances, and they will be suffocatingly hot in the Saudi desert.

Faced with the chemical threat, and realizing we needed better defensive gear, the Air Force in August rushed to the textile industry for help. They came to Hoechst Celanese in my district, and they asked them to produce in weeks a garment Celanese has been trying to sell the Air Force for years: it's a new chemical protection suit, made of a fire-resistant fiber called PBI.

Celanese Corporation of America invented this fiber, built a plant in my district dedicated to its production, and then produced it for years at substantial loss, while it tried to market this expensive, but extremely effective fire-resistant fiber. On its own, Celanese developed a special application of PBI. It is woven into three layers that are laminated into one fabric; one layer is bonded with activated carbon beads that adsorb chemical agents. The result is a fabric that is five times more chemical resistant than anything our Armed Forces now have, several times more fire resistant, much more comfortable, and launderable.

PBI is available to meet this emergency only because Celanese invented it; carried it for years, in spite of heavy losses; and developed new uses for it. The Air Force is able to give its pilots and ground crews this extra measure of protection only because there is now, at least at present, a domestic textile industry.

Can you imagine the Air Force going to Europe or Japan and begging foreign producers to set aside production, and put off other customers, to manufacture chemical suits for our troops? What incentive would a foreign firm have to produce gear like this for American soldiers? What priority could we claim to their production? Because Hoechst Celanese has this fiber available, and because mills in North Carolina, South Carolina, Georgia, and Tennessee are ready to make into suits on a priority basis, suits will be delivered to the Air Force within weeks, and within a few months, thousands of airmen will be safer from the threat of chemical weapons.

Of course, these companies will be paid for their work. But they recognize their responsibility, even duty, to manufacture the suits. If America did not have a domestic textile industry to make these suits, the Air Force would be forced to place these orders with foreign textile mills. Does anyone believe that we should rely on textile plants in Taiwan, Malaysia, or France to come through for us at a time of national emergency? That is exactly the risk we will be taking if we do not pass this bill today and keep the domestic textile industry from disappearing.

□ 1250

Mr. CRANE. Mr. Speaker, I yield 3 minutes to the gentlewoman from Hawaii [Mrs. SAIKI].

Mrs. SAIKI. Mr. Speaker, I rise in strong opposition to this bill.

Passage of this bill will result in the loss of thousands of garment industry jobs in Hawaii. Hawaii consumers and the rest of the Nation will pay billions of dollars in increased clothing prices. And passage could lead to a serious trade war with our Pacific neighbors, hurting Hawaii more than any other State in the Nation.

Hawaii is unique because its garment industry requires higher quality pigments and dyes than our domestic suppliers can provide. The fabric of this aloha shirt was made abroad, but it was assembled and sold in Hawaii. This shirt, and Hawaii's garment industry, is a case study of the new interdependence of the world marketplace.

Hawaii already has the highest cost of living in the country and the second highest tax burden. And while the budget negotiators are contemplating raising taxes, we want to impose another form of tax here—a tax on clothing.

The Federal Reserve published a study in January revealing that Hawaii is one of the four States hurt most by trade protectionism. Every new wave of protectionism passed by this Congress affects the pocket book of Hawaii's consumers.

Finally, this bill will sabotage our international trade negotiations, especially with our Pacific Rim neighbors.

This is not a question of protection from foreign dumping or government subsidizing. This is about blatant protectionism.

Our Pacific and European neighbors will naturally retaliate if this bill passes. And the GATT negotiations could collapse. Hawaii and our Nation have so much to gain if these talks are successful, and so much to lose if we lapse into our protectionist ways again.

For the sake of Hawaii and our Nation, let us defeat this bill.

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentlewoman from Maryland [Mrs. BYRON].

Mr. TALLON. Mr. Speaker, will the gentlewoman yield?

Mrs. BYRON. I yield to the gentleman from South Carolina.

Mr. TALLON. Mr. Speaker, the experts and the people speak different languages when they talk about competitiveness.

The experts are so bogged down by the terms of the trade debate that we've stopped looking for their meaning.

We face a domestic apparel market that will be over 72 percent imported by 1993. And yet we shrink from responding because the so-called experts are afraid we'll be labeled "protectionist."

If we are going to make the American people part of the competitiveness solution then they're going to want to get back to the basics—jobs.

If South Carolina, we are seeing entire towns shut down in the face of the textile deficit, leaving families jobless and hopeless. My State's manufacturing base has been gutted through the loss of 30,000 textile jobs as 135 plants closed down. What does this say about our commitment to the American dream of opportunity?

Following the 1980's, the American public has had a belly full of rhetoric. They've listened to the experts preach free trade while Japan, unencumbered by our fear of phrases, protected its workers and its competitive edge.

The people know now that we've got to assume responsibility for our own economic well-being.

The people know it's time we looked after our own before we have to ask another nation to do it for us.

Mr. Speaker, I do not see how we can afford to ignore the opportunity that the textile bill presents to strengthen America. However, it has occurred to me that part of the problem is the way we have shaped the debate.

We all talk about "competitiveness" and "protectionism" versus "free trade" as if we discovered these issues. Well, we didn't and I think it's useful to put this debate in proper perspective.

This means taking a look back at our Nation's history, over two centuries, to correspondence between the British economist David Ricardo and our colonial leader Alexander Hamilton.

Ricardo's argument was the same as that of the so-called free traders of today. The colonies, which were 96 percent agricultural, should depend on their nation's resources and hope that the comparative advantage would shift their way while the British mopped up.

Fortunately, Hamilton, the "protectionist," believed that our industrial base needed developing. And the very first measure passed by America's young Congress was a trade bill that placed a 50-percent tariff on over 70 different items.

On this foundation was built the strongest, most competitive economy the world had ever seen. An economy that went from agriculture to industrial base strong enough to defend the free world.

America today, like the America of 200 years ago, must compete in an international economy under the burden of growing international indebtedness. Yet, for the first time, it seems we are unwilling to control our own economic fate. This country's textile workers are the most productive in the world. But our Government is paralyzed from responding to foreign nations that dump textile and apparel products here and yet simply refuse to let our products through their gates.

So we face a domestic apparel market that will be over 72 percent imported by 1993. And we shrink from responding because we are afraid other governments will label us "protectionist." Where would we be now if this had been Alexander Hamilton's response?

Our competitors are not afraid of labels. As a result, the mountain of global productivity has grown but we are sliding farther and farther from the pinnacle. Lacking a strategic response, we have watched whole American manufacturing sectors falter. Seventy percent of American manufactured goods are subject to foreign competition.

Prior to efforts to open markets to American textile and apparel goods have failed. We can no longer sit idly by and watch other nations overtake American manufacturers at home and abroad.

The threat of a trade war is now a reality. Other nations have long started offensives against our manufacturing sector. The goal is simple: the elimination of U.S. competition.

The American textile and apparel industry is fighting for its life. This Congress is this great industry's last best hope.

In South Carolina, we are seeing entire towns shut down in the face of the textile deficit, leaving families jobless and hopeless. My State's manufacturing base has been gutted through the loss of 23,600 jobs as 128 plants closed down in the last 10 years. What does this say about our country's commitment to opportunity, to hope, and to a future for America's workers?

Finally, we have the opportunity to begin to change all this. I believe the textile bill will position America to take full advantage of changes in the world economy and meet the trade challenges of tomorrow. It will help us to get this trade deficit down which runs in excess of $100 billion every year. It will help us build a sound future.

Mrs. BYRON. Mr. Speaker, let me say first of all that I did not bring with me today a raincoat, I did not bring any shirts, I did not bring any shoes, I did not bring any of the products that this country has been so proud of making, because in my congressional district we have very few sewing factories left. We have very little of the shoe industry left because they have all gone overseas.

Let me say I rise today in very strong support of this legislation because for what little is left, the Sixth District of Maryland would like to be able to keep that. We are now making raincoats, and as my colleague, the gentleman from South Carolina said a little bit earlier about the importance of our defense industry and its responsibility to clothe and shoe our American troops as we try to ramp up in this country, it is important that we have an industry left to be able to ramp up.

I urge my colleagues to support this conference report.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Speaker, I rise in support of the Textile, Apparel and Footwear Act.

I have a strong business background. I have a masters in business administration from the University of Virginia. Much more importantly, I spent 15 years building a highly successful business in an industry riddled with failures and bankruptcies. I know something about what it takes to succeed in today's highly competitive international markets.

My career has involved tough and complex negotiations over peoples' futures and large amounts of money. From my position on the Textile caucus of this body, I have been very disappointed with the performance of our trade negotiators in the Office of the U.S. Trade Representative.

Since the last time we voted on this issue, the U.S. Trade Representative has assured us that textiles would receive fair treatment. But what we have seen is abandonment of the industry for goals that are not known.

Everyone remembers when the President took a personal interest in the U.S. automobile industry. With high level interest and serious negotiations, the United States successfully limited imports. As a result, we have a robust and much improved domestic industry. None of the dire effects predicted to result from those import limitations came true.

Why has the administration not placed the same priority on the textile industry? It is a larger industrial sector than automobiles. It employs directly 2.2 million Americans, disproportionately female and minority, and contributes $50 billion to the gross national product. I really do not think the administration has seriously examined the macroeconomic effects of the continued decline of this industry. Its negotiating behavior certainly indicates that it has not.

The administration's successful negotiations on international support for our Persian Gulf policy point the way for U.S. economic policy. The people want and deserve the same priority given to negotiation of our economic position in the world as the President has given to negotiation of support for our Persian Gulf policy. Really there is no difference in the two negotiations. Both will determine the character of the new world order emerging for the 1990's.

But since our present negotiations as they relate to the important Textile, Apparel and Footwear Act are not producing positive results, we must win this victory for our economic future ourselves. Please vote for this important textile bill.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our colleague, the gentleman from North Carolina [Mr. BALLENGER].

Mr. BALLENGER. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, I would like to have a colloquy with the gentlewoman from South Carolina [Mrs. PATTERSON] if I may.

During the course of this debate, much of the discussion has centered on jobs. There is one specific consideration in the jobs arena which I would

like to address to Congresswoman PATTERSON. It is my understanding that this legislation is not intended to prevent or limit the creation of jobs which would result from replacing imported product with domestically produced textiles and apparel. Specifically, is the intent of this bill's sponsors to block or limit efforts by U.S.-owned companies to take the necessary steps to replace imported textile and apparel products with domestic production?

Mrs. PATTERSON. Mr. Speaker, if the gentleman will yield, it is clearly not the intention of this legislation to block efforts by U.S.-owned companies to take the necessary steps to replace imported textile and apparel products with domestic production.

One of the major intents and purposes of the bill is to promote and create jobs by replacing imported products with textiles and apparel produced here in the United States. In fact, enactment of the legislation is expected to result in approximately 41,000 jobs for American workers.

I would assure my colleague it is our hope and intention that the administration will work within the quota limitations established by this bill to facilitate the efforts of U.S.-owned companies to ensure that their goals of domestic production of textile and apparel products which are currently imported are not thwarted and that such efforts and steps are in fact successful. Bringing new jobs, new production, and new technology back onto U.S. shores is the very thing this legislation is aimed at achieving.

Mr. BALLENGER. Mr. Speaker, I thank the gentlewoman for her response.

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I urge support for this legislation for three principal reasons: First, in order to save the 2 million jobs currently employed in the textile, apparel, and footwear industry—since 1980, over 400,000 jobs have been lost in these industries! This year alone we have had to close or layoff workers at 38 textile and apparel plants! We cannot afford to have more of our plants closed and lose more jobs for American workers to unfair foreign competition!

Second, I urge support for this legislation in order to send a message to our GATT negotiators that we support the textile industry and that it cannot be negotiated away as a concession for something else.

And, third, I urge support for this legislation in order to put us on a more even playing field with our Taiwanese and Korean competitors, who continue to dump in our markets and who continue to withhold our access to their markets. This legislation will not close our markets to foreign competition, nor will it reduce import levels—it will only slow the growth of imports at a time when a number of foreign competitors will not even allow our imports into their countries.

□ 1300

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Speaker, there are four basic reasons to oppose the textile bill.

This bill would impose severe quotas on the importation of textile products and would lock in place the very high tariffs that already exist to protect this industry. Fundamentally, that is not the kind of trade policy we in America want to establish.

The four reasons to oppose this bill are these: You first start with agriculture, one of the few areas in which the United States has a trade surplus in the world markets.

Our agricultural exports to those countries which sell textiles to the U.S. account for 65 percent of all U.S. farm exports. In short, those countries that are most heavily involved in trading textile products to us are our major agricultural trading partners.

If you take into account the entire U.S. agricultural trade surplus, 90 percent of that surplus in agricultural products alone is accounted for by the nations from whom we import textile products. We risk retaliation against our agricultural industry if we adopt this textile quota bill.

Second, we already have significant tariff protection for the textile industry. Where all other manufactured products imported to the U.S. average a tariff of about 4 percent, the average tariff level for textile products is 20 percent. Further protection, given these statistics, is clearly unwarranted.

A third reason to oppose this bill is that we have a Multifiber Agreement which does allow for quotas to protect various U.S. textile manufacturers as negotiated with our trading partners. And that is the way we should proceed on these issues; through a negotiated trading policy, not a unilateral trading policy.

Finally, the GATT talks are under way, and if we are to establish an open and fair trading system around the world, it must be done on this multilateral basis. That is what the GATT talks are designed to achieve. This textile quota bill undercuts our GATT negotiations.

For these reasons, I urge a no vote on the textile bill.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Speaker, textiles and apparel are part of an industrial and manufacturing infrastructure that reaches throughout our country, throughout our transportation, our chemical, our building industries, our household-products industries.

When I refer to textiles, for example, I am not just talking about pants and shirts. I am talking about textiles in car seats and in rugs in cars and all the different fabrics that go into the technology of our contemporary automobiles that General Motors makes, for example, or fibers made by DuPont as part of our chemical industry. I am talking about chemical dyes as well as rugs, carpets, drapes, towels, thousands of items used in our daily home and industrial lives. I am talking about computer programmers, artists, designers, engineers and so on, are part of an infrastructure here. We just cannot ignore a major and significant contributor to the manufacturing infrastructure, that infrastructure that provides the wealth and value-added of a modern industrial economy and somehow come out saying, "Well, we can still have niche markets." No, you need the base; Made in the U.S.A. has been a symbol of textile quality, and that quality has leaped ahead in the last decade.

Major investment in the plants and equipment in this industry has occurred, and our workers have been made more competitive. These investments, my colleagues, are symbolized by Milliken & Co. winning the Malcolm Baldrige National Quality Award. With companies like this showing the way, others are turning to quality. We need to keep some modicum of predictability regarding imports and economics so that more of these kind of investments in the quality revolution and in innovation can occur. If you leave this industry exposed to the ravages of a flood tide of foreign imports, that predictability is gone, that surge in innovation and quality and investment is gone.

Significant capital investment in plant and equipment are revolutionizing American manufacturing, and this, along with the human revolution that is going along with quality, can make us the most efficient and effective producers of textiles and apparel in the world. We need to keep this momentum going. We need to keep the creative juices flowing that are radically altering American manufacturing today. We cannot turn them off.

What this means is the best jobs, better jobs, for American workers, value added producing jobs. This is what has made the Japanese miracle, and we cannot deny the importance of manufacturing in the United States.

Mr. JENKINS. Mr. Speaker, I yield 2 minutes to the gentleman from South Carolina [Mr. DERRICK].

Mr. DERRICK. Mr. Speaker, for those of the Members who have not made up their mind on how to vote on this, let me suggest that they consider

three things: jobs, the consumer, and patriotism, if the first two do not do it.

I heard some figures this morning when we were talking about the rule of $2,500 going to increase the cost for the consumer. That is absolutely absurd. How many consumers do you know that spend $2,500 a year on clothing to begin with? I do not, and I am sure a lot of the Members of the House do not, and I am sure that probably 99⅑ percent of my constituents do not.

But if they really want to find out what it is going to cost, what you do is you vote against this textile bill. What will happen is what has happened in the past, that foreign interests will gain control of various segments of the textile and apparel industries, and when they do that, and they have done it in the past, and they continue to do it, then they are going to be able to control the price that they charge, and we will not be able to do anything about it. It is kind of like the oil situation, because we will not have any alternatives.

So if you want high prices, the best thing to do is to vote against this bill. If you want low prices, vote for it.

The other thing is jobs. William Jennings Bryan made the statement of something to the effect that if you salt down the cities, they will come back. If you salt down the countryside, you are going to lose the countryside and the cities. What you are doing when you vote against this textile bill is you are salting down the countryside of this great Nation of ours. What you are doing is the small communities that are so dependent on textiles, and I have seen them closed, and you can go through my district, and I can show you storefront after storefront after storefront that is vacant; it is vacant because of closed textile mills and small towns that are closing down.

Most of our textile industry is built around the small towns in America, and it is a tragic thing. I wish I could take some of you and show you a town that has had its No. 1 employer closed down.

If not, try patriotism. We cannot fight wars; we cannot defend ourselves; we cannot defend the free world unless we have a textile industry.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey [Mr. HUGHES].

Mr. HUGHES. Mr. Speaker, I rise today in strong support of H.R. 4328, the Textile, Apparel and Footwear Trade Act.

I have a very strong, personal involvement with this issue. When I was first elected to Congress in 1974, southern New Jersey had a large and important garment industry. For all intents and purposes, that industry has been destroyed.

It was not decimated because American workers were deficient in some way or because those companies were poorly managed. It was destroyed because several of our trading partners dumped textile products on our market and no effort was made to protect domestic companies from this unfair practice. Our pleas to past administrations have fallen on deaf ears, and thousands of American workers have lost their jobs as a result.

Mr. Speaker, the opponents of this bill talk about GATT and they talk about competition. Since when did China, a country that has run up a huge textile trade surplus with us, every care about GATT or free market competition? Are members of this House ready to tell unemployed textile workers that they lost their jobs because state run, subsidized industries in China should have free access to our markets? I hope not.

We have properly developed an agricultural policy that helps American farmers compete. Maintaining domestic food production is vital to our national interest—just as maintaining domestic clothing production is vital to our national interest. I urge my colleagues to act now to change our policy in this area. Otherwise, the only clothes carrying the "Made in the U.S.A." label will be "the emperor's new clothes."

□ 1310

The SPEAKER pro tempore. The Speaker will announce the gentleman from Illinois [Mr. CRANE] has 50½ minutes remaining, the gentleman from Illinois [Mr. ROSTENKOWSKI] has 26 minutes remaining, and the gentleman from Georgia [Mr. JENKINS] has 14 minutes remaining.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the gentleman from Missouri [Mr. EMERSON].

Mr. EMERSON. Mr. Speaker, I rise today in strong support of H.R. 4328, the Textile, Apparel, and Footwear Trade Act of 1990. With the trade deficit for textiles an unparalleled $26 billion and over 5,000 textile and apparel workers laid off nationally in the first 3 months of 1990, there has never been a more urgent call for help within this domestic industry. This trend of lost jobs and lost markets must stop.

Because of what I have seen in my own district, I have been working virtually since the day I first came to Congress nearly 10 years ago to gain some measure of import relief for our domestic footwear industry. Since that day, I have been constantly frustrated by the administration's failure to act, the opposition we have met here in Congress, and most of all, by the resulting loss of American jobs, American factories, and the hopes and dreams of too many American families.

We cannot leave our textiles industries and its hard-working men and women on the chopping block waiting to be traded off to foreign interests. Time has proven one thing about the textile situation facing our Nation and that is the flood of imports is taking its toll on both the industry and its workers. Today, this body can take a giant step forward in sustaining and strengthing the domestic textile industry.

Unfortunately, many thousands of footwear jobs in Missouri are also at stake and I believe deeply that these jobs must be saved. Our domestic shoe workers need relief from the onslaught of imports and this legislation will greatly assist in that goal. This measure represents jobs. Jobs that are critical to the economy of southern Missouri. Jobs that support the men, women, and children of so many small towns and communities throughout the Eighth District of Missouri. Jobs that must remain here in the United States and not be exported overseas by allowing the flood of textile imports to remain unchecked.

Opponents of this measure say it is unfair in that it limits the growth of imported textiles. However, this legislation guarantees the existing levels of foreign imports into our markets, guarantees unrestricted trade with Canada, and guarantees that Caribbean Basin imports will stay at their present levels. When we speak of unfair trade practices, there are few better examples than that of those directed at the American footwear industry. While U.S. markets have remained wide open to foreign-made shoes, virtually all other major shoe-producing nations in the world have closed their doors and placed high tariffs on imported footwear. The result is an unfair playing field on which our domestic textile and shoe workers are expected to compete.

The Textile Trade Act of 1990 represents a reasonable solution to the serious trade problem. It does not involve rollbacks in current trade levels and it provides a figure growth rate linked to the growth of U.S. domestic markets. I strongly urge my colleagues to support this legislation and give a domestic industry that employs over 2 million Americans the ability to compete in the worldwide textile marketplace.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maryland [Mrs. BENTLEY].

Mrs. BENTLEY. Mr. Speaker, this debate has been rife with threats against the passage of the Textile, Shoe, Act—it will destroy the GATT agreements, it will trigger a depression as Smoot-Hawley did in the early 1930's and so.

I dispute these charges. Every day, every week, every month and year our trading partners—each one of them, in

one way or the other—with the possible exception of Great Britain—protect their industries and their markets against our products without any retaliation from this Government and without destroying GATT.

In the most recent Uruguay Round, participating nations have refused absolutely to open up their agricultural markets to the point that the United States Ambassador to Japan, Mr. Armacost, blames agricultural issues for the lack of success of the GATT negotiations.

Mr. Speaker, I, for one, am tired of the one way street which seems to run only toward American markets. And, if anyone in this House believes that our trading partners are going to stalk away from the table because of some pure free trade ideology being breached by our side, then I suggest they do not know the market mentality.

The markets are strangely free of ideology in the presence of the possibility of cash registers ringing up sales.

As to Smoot-Hawley—how simplistic we have become in attributing the depression to one law. Economic histories of the time report that it was the tightening of the money supply by the Federal Reserve that pushed the country into depression.

As a matter of fact, the response of the Federal Reserve just 3 years ago—when in October the market selloff promised another depression—the loosening of money by the Reserve at that time was based on the economic history of how destructive tightened money was in the 1930-31 period.

The Fed has learned something, obviously. We should, also. Smoot-Hawley should be laid to rest along with Adam Smith as ancient history. No more threatening than ghosts called up to scare little children at Halloween.

The idea that we would trade away industry after industry, product after product under the threat that the nations which romp through our markets and buy up our assets at will, will stay away—balderdash.

If the free trade theorists are correct, then I ask them to answer for me why Japan, the most mercantilist nation in modern history is so successful? According to the Adam Smith theory, the invisible hand of the open market should have jerked their chain a long time ago.

And it has not. They prosper in their protected market economy leading the world in automobile production, controlling our microelectronics markets by our growing dependency upon component parts—many pirated out of joint venture agreements or wrested from hollowed out American companies.

The American industrial base is under assault not only from imported products, many of them produced in Socialist nations—supported by subsidies and cartels—but our manufacturers are suffering under the high cost of capital, if it can be found, under the increasing burden of the costs of environmental legislation and enlightened labor laws.

Circumstances not faced by many of the nations who are fighting the passage of this bill. Nations, some of which, use prison labor and women and children working in near-slavery.

Nations, whose labor and industries, pay not one penny of taxes into our treasury. This year—right now—the $50 billion our summiteers are trying to find can be accounted for in a surprising shortfall in IRS collections this year, both corporate and, for the first time, in payroll levies. There is also an additional estimated $35 to $50 billion underpayment of taxes by 39,000 foreign corporations manufacturing here.

The global village that we are encouraged to operate in has unusual rules. I don't think one of us in this House anticipated that as we accepted all of these new neighbors, we were expected to let them eat our lunch and then be billed for it.

We are about a serious business in this Congress today. It has to do not only with the future of one of the few remaining U.S.-owned industries, but it has to do with the real defense of this country. Adm. Thomas Moorer, former Chairman of the Joint Chiefs of Staff, stated "the textile bill now before the Congress is vitally important to our national security."

I suggest to this body that the battle for America is not going to take place half the world away in the Persian Gulf, but that it will take place on this floor, today. We have a unique opportunity to take a stand for American workers, for American industry, for our future as an independent nation.

The world is watching this vote today to see just how serious we are about controlling our own national destiny. The Constitution grants us this power. And, in doing that, lays the burden of this responsibility upon. We are the part of this great constitutional body which uniquely represents the people. Not the people in Sri Lanka or Thailand, but the people in America!

When you vote today, please vote yes on the textile, shoe, apparel bill—vote yes on America's interests. We will be held accountable by history and the American people.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentlewoman from Maine [Ms. SNOWE].

Ms. SNOWE. Mr. Speaker, I rise in strong support of passage of the Textile, Apparel, and Footwear Trade Act. Vital industries and thousands of jobs depend on our doing no less.

For the past decade, the footwear and textile industries have been struggling against an immense, unfettered battering ram of imports. We've fought innumerable times on this House floor for a sensible policy. But in response, we've seen a decade long, anything goes trade policy toward textile and shoe imports. What is there to show for that alleged policy?

In my own State of Maine, over 7,000 footwear jobs have been buried in that time period. Over 4,400 Maine textile jobs have been lost, 400,000 nationwide. Imports now represent over 80 percent of our domestic footwear market. Are those the hallmarks of a successful trade policy?

Even in light of this 10-year trade travesty, opponents still try gamely to come up with arguments against this bill. For example, they cite the fear that our trading partners might retaliate. Well, in case my colleagues hadn't noticed, the retaliation has already happened—to the textile, apparel, and footwear industries. Workers in these areas have already paid the steep price to our trading partners.

To those who express the timeworn fear of retaliation, I would simply ask when has our capitulation in trade ever produced reforms in other countries? Note that Taiwan, Hong Kong, and South Korea ran a $106 billion trade surplus from 1985-88—they are not likely to retaliate against their biggest market. No, retaliation is a straw man—failure to enact legislation like this in the past has given the green light to the wholesale destruction of our domestic textile and footwear industries.

After all, Japan and the European community have been able to create a supportive trade environment for their industries without incurring massive retaliation—shouldn't we, the biggest economy in the world, be able to do the same?

Apparently our Government is prepared to capitulate at all costs to continue to idolize a free trade system that only the United States maintains unilaterally.

Now, some opponents say that these industries are healthy, that imports are only growing slowly and are not devastating. That's like telling a cancer patient that he need not worry, the disease is only growing slowly. Healthy industries don't hemorrhage jobs; healthy industries don't see 87 plants close in 6 months, as happened this year in textile and apparel.

Further, the claims that this legislation will drive up consumer costs just don't hold up. Have my colleagues been into the clothing or shoe store lately? American consumers aren't faced with racks of imported bargains when they go shopping.

Mr. Chairman, when a policy has been tried and failed miserably—for a

decade no less—we change it. The textile and footwear trade policy of this Government is a decade-long abject failure, and we have an obligation and responsibility to change it.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Speaker, I rise as a conservative Republican from San Diego with no textile workers in my district. But nonetheless, I rise as a Member who strongly supports the textile bill.

Let me just tell Members why. America's market is an asset. It is an economic asset. In my estimation, we are giving this asset away, receiving nothing in return. Now, to my friends who are free traders, and call themselves free traders, the very essence of good business is quid pro quo, to get something for what we give. Giving away your markets and receiving nothing in return is not free trade. It is charity, and it is charity that this country can no longer afford to give.

I strongly support the textile bill and urge my colleagues to do likewise.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Washington [Mr. CHANDLER].

Mr. CHANDLER. Mr. Speaker, it is shortsighted folly to believe protectionism will somehow insulate and enhance the American textile industry. In fact, it will do just the opposite.

Let me cite two examples to illustrate the point: One from at home; one from abroad.

At home, we have the American auto industry, which has had to compete head-to-head with high-quality foreign imports. Has that competition made the domestic industry weaker? No.

The competition has spawned more teamwork, more modernization, more innovation and, in the end, more quality for the consumer. It has also meant lower prices. In fact, in the last 6 years, the Big Three automakers have raised their prices by half as much as their Japanese competitors.

Since 1984, big three prices have increased 17.8 percent, while the Consumer Price Index has risen 24.6 percent. Then there are Japanese car prices which, over the same period, have risen 37.2 percent.

Detroit also has made excellent strides with productivity. To use Ford as an example, productivity increased from 15 vehicles produced per employee in 1979 to 23.3 vehicles per worker in 1989.

On the flip side of this domestic success story, is the sad tale of the computer industry in Brazil.

Last week, the Brazilian Government announced it was tearing down longstanding protectionist barriers designed to insulate what it calls its informatics industry.

Why? Because more than a generation of protectionism has resulted in a computer industry whose products were inefficient, slow, high-priced, unreliable, and poorly put together.

Despite a large industry of literally hundreds of firms, only a handful are competitive on the international market. Brazil learned its lesson the hard way and finally reversed course a week ago.

Let us learn from these two examples. Let us not do to our textile industry what Brazil did to its computer industry.

The American textile industry is on the upswing. From 1982 to 1989, total fibers consumed increased 5 percent a year, reaching a new high last year of 13.2 billion pounds.

Textile industry shipments also have grown in 6 of the last 7 years.

Despite foreign competition, the American textile industry is healthy, efficient, and productive. If the apparel market is softer than we'd like, let's remember that the real cause is turmoil in the retail industry, not foreign competition.

Let us not bury our heads in the sand or look for phantom excuses why the market is not perfect. Let's focus our energies on competing even harder and selling even more.

□ 1320

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. RAY].

Mr. RAY. Mr. Speaker, I rise in support of H.R. 4328.

For the last 5 years, the House Armed Services Committee, on which I serve, has expressed concern to the Department of Defense that our domestic textile industrial base as it pertains to defense, has been deteriorating. Since 1985, the Subcommittee on Investigations has required the Department of Defense to report to the Congress on the ability of the domestic industrial base of textile and apparel manufacturers to support the Department of Defense mobilization effort. The latest report, issued in April of this year, points out three basic weaknesses in the domestic textile industrial base in the event of a military mobilization. They are: First, chemical protective clothing, second, footwear, and third, the ability to produce tents for our troops such as are needed right now in Desert Shield.

Recent events in the Persian Gulf underscore the importance of a viable domestic textile and apparel industry. In light of the possibility of Iraq engaging in chemical warfare, the inability of our domestic textile and apparel industry to meet the apparel needs of our troops becomes even more critical.

Mr. Speaker, I ask that we take this into serious consideration, and I urge passage of H.R. 4328.

Mr. Speaker, I rise in support of H.R. 4328, the Textile Apparel, and Footwear Trade Act of 1990.

Many of the opponents of this legislation will cite the effect this bill will have on the Uruguay round of trade negotiations taking place in Geneva. Others will cite the effect it might have on bilateral trade agreements.

We should be examining the effect these other countries' trade policies have on U.S. workers and the domestic industrial base. Apparel industry employment is now at 1 million workers—the lowest level in 49 years. Textile industry employment is at 700,000 workers—a record low. Employment in both sectors has fallen by 70,000 workers over the past 12 months.

We cannot allow our textile industry to decline any further. We are already having difficulty meeting the needs of our military. The Department of Defense reported to Congress in April of this year that there are a number of areas where the military's textile, apparel, and footwear needs cannot be met in the event of a military mobilization. These needs could not be met even if our domestic producers worked around the clock. The three critical shortage areas are: chemical protective ensemble, footwear, and tentage.

If our domestic textile industry is too weak—due to an unfair trading environment—to meet the needs of our military, then who will meet our needs? It is disconcerting to me to think that the United States cannot meet the basic needs of our soldiers.

Recent events in the Persian Gulf underscore the importance of a viable domestic textile and apparel industry. In view of the possibility of chemical warfare in that area, the inability of our domestic textile industry to meet the apparel needs of our troops becomes even more critical.

Mr. Speaker, it is imperative for this House to overwhelmingly pass H.R. 4328, and we should override a veto of this measure if the President vetoes it. There is indeed a great deal at stake, not the least of which is our Nation's ability to protect our soldiers.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I rise in opposition to H.R. 4328, the textile bill. There are a lot of reasons to oppose it, but let me just give about five of them.

First of all, it is bad for the economy and it is bad for business. Currently our export sector is just about the only part of the economy that is doing well. It is booming. The export sector is really carrying the rest of our economy. Given the fragile economy and the economic downturn we face, we should not be jeopardizing the one part of our economy that is doing so well, the export sector.

Furthermore, the increased prices that will result from this will surely hurt the economy; just as the oil price increase has resulted in a tax on the economy, so this would too.

Second, it is bad for consumers. I do not know anybody who can deny that

it is going to raise the price of clothing to consumers. That amounts to a regressive tax, because clothing, like food, is one of those necessary items that people must have. So, for those who can least afford this kind of increase, it is going to be a costly increase in their monthly budget.

Third, it is bad for trade policy. H.R. 4328 undermines the GATT negotiations, just as several of my colleagues who have spoken earlier have suggested. It sends the wrong signal at the wrong time, at this very crucial point in GATT negotiations.

It also sends the wrong signal at a time when other countries are turning more toward free market economies, countries such as Mexico, Brazil, all the countries of Eastern Europe, Southeast Asia, and now even the Soviet Union.

I think it would bring GATT talks to a halt. It would delay the negotiations on vitally important things to the United States, such as intellectual property rights protection, services, trade-related investments, and market access.

Fourth, Mr. Speaker, it is bad for foreign policy. It is going to jeopardize our relations with key allies in the Middle East who are adversely affected by the economic sanctions against Iraq. We are asking these countries to accept the hardships of sanctions. Are we now going to turn around and kick sand in their faces with this kind of unwarranted legislation?

Last, it is unwarranted legislation. The U.S. textile industry is not hurting. It does not need this additional protectionism. More than 80 textile plants have opened since 1987 in the United States.

Furthermore, textiles are one of the most protected industries in this country. Tariffs average more than 11 percent for raw textiles and 19 percent for apparel. That compares to an average of only 3 percent for all of the dutiable products.

Mr. Speaker, we ought to defeat this legislation.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I rise today in support of H.R. 4328, the Textile, Apparel, and Footwear Act of 1990. For too long the United States has permitted textile and footwear imports from countries that do not reciprocate our open market policies or who seek to gain an unfair advantage through government subsidies and excessively low wages.

Over 2 million Americans, mainly minorities and women, are depending on us to pass this legislation. That is why I support this bill, because above all else it would give more than 2 million workers a better chance to compete against the unlevel playing field of international textile and apparel trade.

This legislation offers one of the last opportunities to ensure that this Nation does not lose a strong, competitive textile and apparel industry to the tide of unfair foreign imports. It bothers me that the Bush administration does not seem to care about the domestic apparel industry. I believe that this legislation is needed to protect the legitimate interest of labor and business.

Recently I have heard opponents of this bill claim that it would cost American consumers billions of dollars. This assertion is just pure nonsense. There has been study after study which shows little difference at the retail level between the price of foreign and domestic goods. What this bill would do is create 41,000 jobs throughout the country and would add nearly $400 million a year to the U.S. economy.

I urge my colleagues to vote in favor of this bill before more American jobs, apparel plants, and communities are lost.

Mr. CRANE. Mr. Speaker, I yield 1 minute to the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I rise in support of H.R. 4328, and I thank the gentlewoman from Tennessee for her leadership in bringing this bill before us today.

One compelling reason that I support the bill is its importance to our national security and our servicemen and women, especially those putting their lives on the line in the Middle East. As Adm. Thomas Moorer, former Chairman of the Joint Chiefs of Staff, has stated:

> The textile bill is vitally important to our national security. It would be dangerous and foolhardy to accept the risk of depending on what could prove to be a very unreliable overseas source of supply for critical war material. It is very clear that our production base for our Armed Forces must be kept at home.

This is a man who would know.

For years, textile jobs and industry have been exported overseas, apparently without enough thought to where that would leave us in a crisis situation. Since 1980, 1,800 textile and apparel plants have locked their doors and over 400,000 jobs have been lost. Now we are stuck in a crunch where the military has placed rush orders for all sorts of textile needs. Plants have been working around the clock to fill orders for up to 446 different items. Often it is the case that the workers in these plants have sons and daughters serving in the Armed Forces, so you can be sure that they need no higher inspiration to do their very best.

To some people it may be all right to allow foreign nations to clothe this country, but when it comes to defense, the only country upon which we can truly depend is our own.

Of special concern is Saddam Hussein's fondness for using chemical weapons. The April 1990 textile industry report by the Secretary of Defense notes that there is a critical shortfall for chemical protective gear. Prophetically, the Secretary stated that, "The production of mobilization quantities of the chemical protective ensemble remains one of the most challenging potential demands." To my way of thinking, and hopefully to yours, this is cause for alarm.

In your deliberations on this bill, I urge you to consider our Nation's defense. I hope that you will agree with me and Admiral Moorer and vote for this bill to protect our national security and American servicemen and women. They deserve it and America deserves nothing less.

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. NEAL].

Mr. NEAL of North Carolina. Mr. Speaker, we need to give a strong vote of approval today for H.R. 4328, the Textile, Apparel, and Footwear Trade Act, as amended by the Senate.

At stake in this vote is nothing less than the future of our American textile, apparel, and shoe industries, which provide more than 2 million jobs in this country.

These industries are being devastated by unfair imports. Our own Office of Technology Assessment predicts that the United States will lose two-thirds of its textile market and all its apparel industry by the year 2000 if imports continue to increase at the 1980's pace.

Mr. Speaker, we were assured for many years that trade agreements under the multifiber arrangement would limit imports to increases of about 6 percent a year, but in the 1980's imports grew by roughly 17 percent a year. Imports now hold more than half of our clothing market. Our administrations either can't or won't enforce the trade agreements.

Mr. Speaker, we lost 400,000 textile-related jobs in this country during the 1980's, including 45,000 in my home State of North Carolina. So far in 1990, several thousand more North Carolina jobs have gone down the drain, and there have been plant closings and layoffs.

I can assure my colleagues that this is not just some dry economic statistics. We are talking about real people and their families, real human suffering and shattered dreams.

This is not a free trade issue. No free market exists in the items covered by this bill. Textile and apparel trade is managed worldwide. Our competitors protect and subsidize their textile industries. In some countries workers earn as little as 16 cents an hour, toil in sweatshops, and are little more than slave labor.

Yet the Reagan and Bush administrations have insisted that our textile and apparel workers compete on equal terms with the People's Republic of China and a host of third World countries. Either the administration believes the mythical free market exists or it is willing to sacrifice our textile and apparel jobs for foreign policy reasons, trying to pacify allies and developing nations.

Mr. Speaker, if we try to maintain the world's only wide-open textile market, we will surely lose most of the 2 million jobs these industries now provide. If we let that happen, we are just plain dumb.

It will not be as easy to replace these jobs as the theorists think—at least not in my State. They say that displaced workers can be trained for jobs in other industries in which the United States is more competitive. When I ask what those jobs are and where they are, I never get an answer. Theory is one thing; reality is another. We all favor fair and open trade. But we do not want to be the suckers of the world market.

The crisis in the Middle East reminds us that the textile industry is important to our national defense. When our country is sending young people overseas to risk their lives, we can't depend on Taiwan for combat fatigues, Korea for socks, China for protective gear, and Sri Lanka for parachutes. More than 10,000 items important to our defense are produced by the textile industry.

Mr. Speaker, we've got to have a U.S. industry that can produce quality equipment in huge quantities on short notice. But if our own industries keep shrinking because of import competition, we may not have enough companies to meet our defense needs in time of war. Think about that.

Mr. Speaker, H.R. 4328 is a good bill. By establishing fair global quotas in these products, it treats all countries alike. It is consistent with our obligations in the world. There will be no rollback of trade. Our competitors will be allowed annual increases of up to 1 percent, consistent with our market's growth.

This bill will create American jobs—more than 40,000, by one estimate. It will give our workers a fair chance to compete—the chance that other countries guarantee for their workers. The hard-working people in our textile, clothing, and shoe industries deserve that chance. If we give them a level playing field, they can compete with anyone.

Mr. CRANE. Mr. Speaker, I yield 3 minutes to our distinguished economics professor, the gentleman from Texas [Mr. ARMEY].

□ 1330

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, with the possible exception of a vote on a deficit reduction agreement, I believe this could be the most important economic vote that Members cast this year. It is vitally important that we all understand that much more is involved here than the interests of the textile industry and textile consumers. In fact, the future of expanded free trade—a future on which the economy of our commercial Nation absolutely depends—is at stake.

As we debate this bill, our negotiators in Geneva are struggling to reach a new GATT agreement with our trading partners around the world. Such an agreement is long overdue. Even though the GATT process has been successful in allowing world trade to grow from only $60 billion in 1950 to over $4 trillion today, huge areas of trade are still not covered by international agreement. Agriculture, which accounts for the largest share of our exports, is hardly regulated at all. Intellectual property is inadequately covered, as are the services and investment industries. All of these are areas in which America has, or should have, a comparative advantage.

If our negotiators are successful, the new agreement could lower trade barriers for goods and services by a third. It would require foreign governments to cut subsidies to their producers and allow our firms to compete on a level playing field. It would lead to comprehensive rules governing trade in new areas of services, investment and intellectual property.

The resulting growth in world trade would immensely benefit our economy. It will likely add an additional $200 billion annually to our domestic output.

This bill, if enacted, would destroy any chance of that.

If we remove textiles from the trade talks, we will look like hypocrites. We will be asking other nations to lower their trade barriers at exactly the moment that we are raising ours. They will simply laugh us out of Geneva. The GATT talks will collapse, there will be no agreement. And we will lose all of its benefits.

Mr. Speaker, this legislation is nothing less than a torpedo aimed at the future of world trade. If we want world trade to expand—if we want new benefits to come to our agriculture, computer, high technology, service and investment industries—if we want our economy to grow by an additional $200 billion a year—we must defeat this bill.

I voluntarily buy American.

I urge my colleagues to vote "No."

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 4 minutes to the gentleman from Iowa [Mr. PEASE].

Mr. PEASE. Mr. Speaker, I plead with my colleagues to weigh carefully, very carefully, the vote they cast today.

Sixty years ago, Congress passed the Smoot-Hawley tariff bill. That bill is widely credited with leading to a worldwide depression which caused untold suffering in this country and around the world.

Ever since that time, historians have been trying to figure our how Congress could have been so stupid as to have passed the Smoot-Hawley tariff bill.

I too have wondered that many times over the years.

In the past few days, I have begun to understand how that happened 60 years ago, as I have talked with my colleagues about this bill.

I have heard my colleagues say, "Well, I have a small garment shop in my district, and I want to show some solidarity with them." Or they will say, "I have a small shoe factory in my district. It is rather small, but I want to vote for the bill." Or they will say, "Organized labor supports this bill, and I always try to vote the way organized labor would like me to vote." Or Members will say, "Textile state Members supported me on issues of importance to me, so I am going to try to support them."

Or, finally, as one Member told me just an hour ago, "On this one I am going to let President Bush be the statesman."

I can imagine that the situation was the same 60 years ago when Smoot-Hawley was before the Congress. Each Member said to himself and maybe to others, "My little vote won't make that much difference. I can vote for this bill."

But those one little votes, Mr. Speaker, added up and did make a difference. Smoot-Hawley did pass, the world economy did slow down; a deep, deep depression did occur.

Now, I am not saying that passage of this bill will automatically lead to a depression, but I am saying that the world trading system is at a crossroads.

After 4 years, we are within the final 3 months of concluding negotiations in Geneva of the Uruguay round of the GATT talk. Vital U.S. interests are at stake, interests that are vital to several areas of American exports over the next few years.

We should not be fooling around with our own national interests.

I ask each and every Member to consider the broad U.S. national interest as he or she casts the vote today. Certainly, President Bush will veto this bill, but proponents, let us be clear about this, are pushing today for a veto-proof majority.

If Members who know better vote for this bill today, what will they say 2 weeks from now? Will they say, "I would like to sustain the President's veto, but I can't, because I locked

myself in with a vote for the bill on initial consideration."

Mr. Speaker and my fellow Members, if in your heart and in your mind you believe this is the wrong step to take, I plead with you to vote against this bill now, today, for the sake of the U.S. national interest, for in interest of the world trading system.

So, Mr. Speaker, I urge opposition to H.R. 4328, the Textile, Apparel, and Footwear Act of 1990.

If this legislation becomes law, it will hurt consumers, retailers, and importers. More importantly, what is also at stake is the Uruguay round of negotiations under the General Agreement on Tariffs and Trade, or GATT.

Since its inception in 1947, the GATT has proved to be a vehicle for growth for developing and developed countries alike. Through successive series of tariff reductions on foreign goods and the reduction of nontariff trade barriers, GATT negotiations have worked well to stimulate international trade, which soared to an unprecedented $3 trillion in 1990.

In the current GATT negotiations called the Uruguay round, many issues crucial to our Nation's well being are on the negotiating table. If negotiations prove to be successful, multiple sectors of our economy will benefit. On the other hand, if the talks fail, we may witness a movement away from the international trading system that has served us so well.

By passing the textile bill—a bill which completely ignores our international trade agreements—Congress places the Uruguay round talks in jeopardy. The textile quota bill would place new GATT illegal restrictions on nearly $30 billion in imports. This would be the largest single departure from international obligations by any country in the history of the GATT.

Specifically, GATT article 19 requires a clear finding of injury before trade restrictions like the textile bill could be implemented. Since the textile industry has recently shown dramatic improvements in production, exports, profits and employment overall, this finding could not be made.

The clear violation of existing world trade rules would brand us as a hypocrite and an outlaw in world trade talks. Numerous countries, including the Europeans, Latin America, and the ASEAN nations would almost certainly be authorized by GATT to retaliate against us. Given the volume of trade involved, the retaliation would be massive, and probably would cover agriculture, capital goods, high technology products, and consumer goods.

The textile bill is especially ill-times, because we're at a crossroad in world affairs. Country after country is moving away from trade restrictions and central planning and toward market-oriented policies. Look at Mexico, Brazil, Argentina, Eastern Europe, the Soviet Union, Indonesia, Thailand, even Korea. The result of these openings has been a clear increase in U.S. exports.

Success in the Uruguay round of GATT negotiations can ultimately create a foundation for world trade, offering steady growth and open markets for our industries. On the other hand, failure in the Uruguay round could fatally injure the GATT. Without a strong GATT, we will lose our momentum, backsliding to protected regional trade blocs and limited trade opportunities.

A vote against the textile bill is a vote for the international trading system that offers the greatest hope for us and our trading partners.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our colleague, the gentleman from South Carolina [Mr. RAVENEL].

Mr. RAVENEL. Mr. Speaker, I have very, very little textiles in my district. But I live at the Port of Charleston, and I can see it every day. I live on the main ship channel.

Ten years ago—we were the second largest container port on the east coast. Ten years ago, if you go to Charleston's docks, you would see docks just loaded with textiles from our mills upstate in Georgia, of Augusta, where the Speaker in the chair comes from, from the Charlotte area over in North Carolina, going out.

Today, you go onto the docks at Charleston, and the situation is reversed. You see those big ships from the Far East coming in day after day after day after day, loaded down to the gunnels with textiles coming in from the Orient. Then when the ships turn around and go out, they are only half loaded.

You go up into the textile country, you see those little mills closed down, some of them being made into museums. You talk to the people up in our upcountry, your upcountry of Georgia and the upcountry of North Carolina and Tennessee, and they cannot understand, they just cannot understand why their country does not protect them.

So I am all out for this bill, Mr. Speaker.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Speaker, it is difficult to imagine a more reprehensible signal to send to our negotiators at the Uruguay round of the General Agreement on Tariff and Trade talks than to pass this legislation.

It is clear to me that we have moved throughout the decade of the 1980's into a global economy. John Nesbitt, in his book "Megatrends 2000," has talked about the elimination of barriers and how it is taking place worldwide. Again, evidence of that is going on today at the Uruguay round.

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Mr. Speaker, I can tell my colleagues that it, to me, would be a horrible signal for us to pass legislation which, as the gentleman from Ohio mentioned, is reminiscent of the Smoot-Hawley Tariff Act.

Mr. Speaker, I am one who chooses to buy America whenever I can, just like the gentleman from Texas [Mr. ARMEY], and I know the gentleman from Michigan [Mr. BROOMFIELD] does, and I know we have the right to buy whatever we choose in a global economy.

Now, Mr. Speaker, there are many of our very distinguished colleagues whose pictures I saw recently, and most Members of this House like to have their portraits hanging in different spots, not necessarily in the post office, but in most other places Members like to have their pictures hanging. So, where did I see the greatest array of photographs of Members of Congress most recently? In the Far East, in those tailor shops, and I say, without mentioning any names, Mr. Speaker, there are Members on both sides of this issue who are very proud to have their suits made in the E Tae Won section of Seoul, Korea.

I simply believe, Mr. Speaker, that the American consumer should have the exact same right that all these Members of Congress have, because I do not believe for a moment that we can say to the American consumer, "You can't buy the best quality product at the lowest possible price without our, as the U.S. Congress, imposing a penalty on you."

Mr. Speaker, I urge opposition to this bill.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from Ohio [Mr. OXLEY].

Mr. OXLEY. Mr. Speaker, I oppose this legislation, as I did 2 years ago and 4 years ago, and I guess I have lost track of how many times we really debated this textile bill. Apparently those who have supported it will not take no for an answer. So, here we go again.

Mr. Speaker, this is not just old wine in new bottles. It is old wine in old bottles. It is the same antifree trade, antijobs and basically anticonsumer bill that we have been faced with lo these many years, and it is rather frustrating, I guess, to those of us who believe, as the gentleman from California [Mr. DREIER], my friend, said we are into a world market where countries trade back and forth and everyone benefits, and to take a step backward today, in my estimation, would be the wrong signal to send.

Mr. Speaker, we simply have to recognize that this will cost American consumers over the years billions of dollars.

Who is speaking for the consumer today? As my colleagues know, we have testimony in our Committee on Energy and Commerce where the groups come in that profess to represent the consumer. The Consumer Federation of America has been in, for example, on many occasions, and we wrote to them and asked the Consumer Federation of America, "Where do you stand on the most virulent and anticonsumer bill in this session of the Congress?" Well, we did not receive an answer, we did not receive an answer. Finally got a phone call that they are on the fence. So, the Consumer Federation of America, which may be very well ill-named; maybe it should be the Protectionist Federation of America, has taken a pass, gone in the tank, on this very important piece of legislation. That is true with almost every one of the so-called consumer groups, Mr. Speaker.

So, I say to my colleagues, "The next time they come into your committee, and testify and profess to say that they're speaking on behalf of the American consumer, you might ask them where they were on this most important textile bill."

Mr. Speaker, my State of Ohio has experienced high unemployment for quite some time. We have never had unemployment lower than the three major textile States, and yet time, after time, after time we have those people from those States come in and profess to support jobs.

Let us recognize this for what it is, anticonsumer legislation. I urge a no vote.

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky [Mr. BUNNING].

Mr. BUNNING. Mr. Speaker, I rise in opposition to this bill.

I can sympathize with employees of the Nation's textile mills. Our textile industry faces stiff competition on the world markets.

And I certainly believe that we should insure that our industries are allowed to compete on a level playing field with other countries. We should continue to forcefully negotiate agreements to lower trade barriers and unfair trade practices that discriminate against our goods and products.

I simply cannot believe that raising trade barriers of our own is the appropriate response to the challenge of increased competition.

The textile industry is already one of the most protected industries in the world. And the U.S. consumer already pays a heavy price to protect the textile, apparel and footwear industries every time they purchase an article of clothing.

According to an article in today's USA Today, current laws protecting the textile industry from foreign competition add $2,100 to a family of four's clothing bill every 5 years. These already existing protections reduce the standard of living of families earning less than $15,000 by 3 to 5 percent annually.

This new textile bill would add $500 more to that tab.

We need to strengthen American industry's competitive position—including the textile industry—but protectionism is not the answer.

Mr. JENKINS. Mr. Speaker, I yield 2 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Speaker, I am in favor of this bill, but I do want to concede that the opponents have persuaded me of one thing. If Smoot-Hawley comes up, I am voting against it.

Now I hope we can turn to this particular legislation.

Mr. Speaker, we are lacking one thing around here, bad history police. I think we probably ought to establish a bad history police corps. But it is not now available.

This is not Smoot-Hawley, this is not 1929, and this is not a world in which there is complete free trade, by everybody, in everything, except for America and textiles.

The gentlewoman from Maryland [Mrs. BENTLEY] was quite correct when she suggested that among the hyperbole with which we have been assaulted in this bill is the suggestion that, if we limit the rate of increase in American textile imports; that is what this is a bill to do; it is a bill to limit the rate of increase in an area where we already have a large number of imports, and it assumes more will come; that somehow that by itself will derail all trade negotiations. It will be a factor in negotiations. Others will have to take this into account.

People talk about agriculture. If our major trading partners took in as large a percentage of their agriculture in imports as this bill would allow in textiles and garmets, our agriculture would be a lot better off. We are not in a situation in which there is complete and total free trade, and, if the American negotiators are insufficiently skilled so they cannot take this assertion of concern on our part and negotiate, then let us get some new ones.

Yes, there will be, I believe, a small rise in some areas of prices. Let us not believe that the retailers are willfully holding down prices now in deference to this, but they are going to raise them if we pass the bill. There may be some small increase, but there will be, if we do not pass the bill, a very devastating impact on low wage workers. The people who work in the affected industries here are among the hardest working and lowest paid in America.

This bill does not end imports, it does not end growth in imports. It puts a reasonable limit on the rate of growth in imports.

Mr. Speaker, it is a reasonable bill.

Mr. GIBBONS. Mr. Speaker, I yield 3 minutes to the gentleman from Washington [Mr. MCDERMOTT].

Mr. MCDERMOTT. Mr. Speaker, I rise in opposition to this bill.

It is not often that I agree with President Bush, but I have learned that even a stopped clock is right twice a day.

I oppose this bill first of all because it is not necessary now. The textile industry is not on the verge of collapse as some of my colleagues would have you believe. For the companies that are in trouble, restrictions on imports are not the solution.

Second, American consumers are entitled to some protection too. One estimate suggests this legislation could wind up costing American families up to $2600 per year. The working families in my district certainly cannot afford that kind of expense.

Finally, the law of unintended consequences will surely be in force if we pass this bill. I do not want to do anything that will tie the hands of our GATT negotiators. And other countries will surely retaliate against us if we pass this bill. Other industries will inevitably be affected.

Although my district includes the port of Seattle, that is not the principal reason I oppose this. Despite what many of you think, agriculture is the No. 1 industry of Washington State. One of the areas likely to be hurt is agricultural exports—and in my State of Washington that would have disastrous consequences. I believe what this bill does is simply to rob Peter to pay Paul and I do not believe the farmers of Washington State should pay the price of bailing out the textile industry.

Mr. Speaker, this bill is not the answer we need and I urge my colleagues to oppose it.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to our distinguished colleague, the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I do not think that there is anyone who doubts that the economy is becoming more and more global as time goes on, and that the economics of the world of the future are going to be global in nature, and the United States is going to have to learn to compete in that kind of a world. The question before us today is whether or not we are winning in our efforts to compete in that kind of world.

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To hear the proponents of this bill talk, it sounds as though the United States is a loser, that all over the world we are coming up losers, and that American workers cannot compete with workers in the world, that somehow we are finishing at the bottom of the heap each time we try

to compete in this global economy. Nothing could be further from the truth.

The IMF within the last few days has given a report on what happened in 1989. It turns out that in 1989 the United States regained its place as the No. 1 exporter in the world. Not only did we regain our place but we increased our exports by 10½ percent in just 1 year. In other words, we are doing awfully well.

There is something awfully strange, to my way of thinking, when we would step in with legislation at a time when we are improving our position relative to world trade and suggest that we do not want to play by the rules any more, that we want to change the rules and we want to go to new rules that probably will be detrimental to us.

It is hard when you are No. 1 to stay No. 1. The last thing you want to do when you are No. 1 is to change the rules that got you there and maybe move down to No. 2 or No. 3. Yet that is what we are proposing to do with legislation we are bringing to the floor today. We are proposing to do the very things that could knock us out of the top slot. If we want jobs for the future, if we want textile jobs for the future, if we want automobile jobs for the future, all of the things Americans want to have, then what we have to have is the kind of global trade environment that helps U.S. exports. This bill does not do that.

Mr. Speaker, we are proving right now that U.S. exports are doing very well, and we ought to continue with where we are going.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague, the gentleman from New York [Mr. HOUGHTON].

Mr. HOUGHTON. Mr. Speaker, I have just five quick points to make in support of this bill.

First of all, the American consumer is not going to consume unless the people around him have jobs. That is No. 1.

Second, any company in this world that has 60 or 80 percent of a market has a lock on it, and that is what foreign manufacturers of textiles have here.

Third, I do not know why it is right to allow people to move textiles into this country who refuse our own fibers to make these same textiles.

Fourth, trade is like peace. It is only good if you can enforce it. I agree with the GATT negotiations. However, we must maintain our own position there strongly.

Fifth, if there is great retaliation, so be it. This is the greatest market in the world, and people are going to think twice about retaliating against it.

Mr. CRANE. Mr. Speaker, I yield 4 minutes to our distinguished colleague, the gentleman from Texas [Mr. DELAY].

Mr. DELAY. Mr. Speaker, well, here we are again. You have heard the saying, "The more things change the more they remain the same." That cannot be more applicable than when we find ourselves caught up in the clamor for textile protection.

I can't help but feel a sense of deja vu during this debate, like I am watching one of this summer's sequel movies, again.

This sequel "Textile Avenger, Part III," would be along the lines of a horror movie.

Horror because we're on the verge of stepping, voluntarily, into a disaster that may cost U.S. consumers as much as the savings and loan disaster.

Horror because this is the bill that just won't die. Its been defeated, vetoed, killed and here it is again, back at our throats—the bill from hell.

And horror, more than anything else, because of the eerie changes this bill brings to the population of Congress. It's a sort of protectionist "body snatcher" bill.

Look around. We have little piddly efforts at protectionism every session, and every session there are stalwart free traders standing here on the floor defeating those piddly efforts.

Where are those free traders now? In the face of the big grandpappy of protectionism, where are the stalwarts?

I'll tell you, they're walking around the Halls of Congress, with their eyeballs swirling, their knees locked, and their arms out, like this.

They're a new breed—zupies—zombies under protectionist influence. And I have to say, so far these zupies, many of my good friends and conservative colleagues, have not swerved in the face of any logic employed against them.

Discuss the horrible effects of the bill with them and their eyes glaze over—they pretend not to hear when you talk of regressive taxation, of costs to consumers, of the impact on retail workers or of effects on U.S. trade relations.

So, I know they're not listening, and if they are, they feel powerless to oppose the protectionist body snatchers, but I would like to issue one last appeal—a wake up call—to my friends who normally stand with me on issues of free trade and economic justice.

Look for God's sake, at the cost of this bill—we are talking about levying $160 billion of unneeded cost on the American consumer—$160 billion.

By the year 2000, American consumers will be paying $85 billion each year from existing and new protectionism, that comes to an average of $1,000 per family, per year.

Yet, some of the same members who have recently criticized President Bush for even broaching the subject of raising taxes in any form are actually cosponsors of this bill which will cost American taxpayers roughly the same amount as Social Security pays out in benefits in a single year.

Many of my colleagues have come up with elaborate rationalizations for supportng this parcel of protectionism.

Recently I have heard the rationalization that tops them all. Some criminals in China, don't you know, are laboring involuntarily in prisons there and manufacturing textiles. And that is why we need permanent, radical, protectionist legislation that encompasses not only China but Bangladesh, Italy, Germany, the Philippines, Brazil, Mexico, Korea, Turkey, Egypt, Hong Kong, the Caribbean, and so on.

Now I have to say, I find it very difficult to take this argument seriously enough to warrant a detailed rebuttle; but I have seen some very slick and expensive handouts asking me to take this issue very seriously indeed, and to vote for the textile bill on the basis of this argument alone. So let me take another minute here to debunk it.

First of all, there is no evidence that industries in the United States import goods produced by prisoner slave labor in China. What there is evidence of is that when United States importers find the exceptionally rare batch of Chinese slave-produced textiles they reject that batch and report it in accordance with Federal statute. Laws banning the American importation of products produced with slave labor are rock solid and have been for almost a century.

But let's say, just for the sake of argument, that something is going wrong and that some amount of slave-produced imports are in fact getting into the American market. In that case, which do you think makes more sense? (a), updating and tightening the slave labor import restriction and its enforcement mechanism or (b), enacting permanent global protectionist quotas that target, on the one hand, only textile products and on the other, producers in every country of the world. I think most high school freshmen would be able to pick (a) as the correct answer. Why do so many Members of Congress seem to have trouble with this?

If a Member of Congress tells me he is voting for this textile bill because of slave labor in Chinese prisons, I say there hasn't been such a good trick of self-delusion since Eve argued that she was only trying to give Adam some vitamin C, and that's why she handed him the apple.

But proponents of the textile bill are forced to use this sort of misleading red button rhetoric because even the standard protectionist tripe doesn't further the case of the textile industry.

The FTC estimates that current textile import restrictions protect 22,390 jobs. Sounds pretty good, doesn't it? Do we need more of the same? There's only one problem: American consumers paid $550,916 each year for each job protected. Are we really willing to force the American consumer to shoulder an even heavier unbearable burden with the passage of this textile bill?

Why aren't my fiscally conservative colleagues fighting this insanity?

We're going to lose more jobs in the retail industry than we're going to save in the textile mills.

I know, I know, I am whistling into the wind but bear with me, there is more. This is the good part; we're about to protect an industry that doesn't need it.

There are people who are sitting watching this debate on their office television sets who have stood up for their antiprotectionist principles when lobbied by industries that really were hurting from foreign competition, not industries that have increased domestic sales, not industries that have increased exports, not industries that have recently retooled and modernized, the better to compete in the world marketplace.

In those cases, when there truly was an equation, protect the industry or allow it to be overwhelmed by its foreign competitors, I stood here on the floor shoulder to shoulder with some of the finest Members of this institution, who saw clearly that it is not in America's interest to protect industry by denying our consumers competitive choices. These people claim to understand how America's long-term interests are best served by a market which is open and free and where consumers, not producers, have the final say so, even if preserving that system means losing a few jobs or a few thousand jobs. Because, in the long run, it is America's commitment to economic freedom and to consumer choices that makes American jobs plentiful and keeps our economy growing.

So where are you now, my colleagues who understand the importance of free trade? Where are you when we are asked to enact the most sweeping protectionist reforms of our country's history by an industry which is not only not suffering but which is in an expansion mode?

You've heard it before but I'll say it again, the textile industry States—Georgia, North Carolina, South Carolina, Virginia, and Alabama—have lower unemployment rates than the national average of 5.3 percent yet we are being asked to protect the textile industry.

The average American family already pays $250 more every year than it would in the free market for clothing. This textile bill would triple that burden by the year 2000. And make no mistake, if this bill becomes law, it would still be dogging us by the year 2000. This is a permanent bill, this is no quick fix, no response to GATT, or Chinese prison systems or Brazil's lack of environmental sensitivity. This bill seeks to permanently prevent American mothers and fathers from having truly competitive access to the clothing they buy for their children.

In other words, the clothes Johnny wears to school next year will be poorer quality and more expensive if the bill we're looking at today becomes law.

The bottom line, my friends, is we cannot justify this disaster. We cannot say that we have adequate reason to triple the already outrageous surcharge on clothes in this country. We cannot say that the American textile industry is more deserving of radical Government intrusion in the market than dozens of other industries we have refused to help.

That is why the textile bill did not become law in 1985, that is why it did not become law in 1987 and that is why it should not become law in 1990.

Many of my colleagues whom I addressed today will have to decide whether they are going to wake up, look themselves in the mirror, and face reality or whether they're going to give in to the urge to roll over, go back to sleep and pretend there's nothing they can do about a bill which compromises more of their values than possibly any other they have had to face.

When I joked earlier about zupies, about how colleagues I admire have become zombies as they approach this bill, I was not joking completely. I really have seen eyes I thought to be compassionate glaze over when I discuss the impact this bill would have on the American family and especially the poor American family.

It is amazing to me that many of my colleagues are not stammeringly, blushingly ashamed of themselves for their complicity in this horror. For me, this debate over the textile bill is like a horror movie. It is shocking, depressing, filled with heroes turned villain, and it seems to be gathering momentum toward a chilling climax. I wish my colleagues would join me in standing up leaving the theater and asking for our money back.

The SPEAKER pro tempore (Mr. BARNARD). The Chair wishes to announce that the gentleman from Illinois [Mr. CRANE] has 24½ minutes remaining, the gentleman from Illinois [Mr. ROSTENKOWSKI] has 17 minutes remaining, and the gentleman from Georgia [Mr. JENKINS] has 10 minutes remaining.

The Chair recognizes the gentleman from Illinois [Mr. CRANE].

Mr. CRANE. Mr. Speaker, I yield such time as he may consume to our distinguished colleague, the gentleman from Minnesota [Mr. FRENZEL], a member of the Committee on Ways and Means.

Mr. FRENZEL. Mr. Speaker, I noted in my comments on the rule that this rule waives the Budget Act and provides an increase in the deficit over the next 5 years of net $1.5 billion. That will have to come out of someone's favorite program, be it child care or farm subsidies or something else.

Those who are promoting the bill probably do not mind loading extra burdens on American families. They don't mind laying the burden of this terrible textile bill on the consumers of the United States who are already groaning under a multibillion-dollar load of paying huge textile subsidies. The new, increased burden will be approximately $150 billion in new textile subsidies in the coming 5 years. The subsidies, of course, go to a relatively healthy industry.

Members have heard the outrageous cost of every job this bill protects. The consumers' cost per job is somewhere between $70,000 and $128,000 a year. This is to protect perhaps not a minimum-wage job but certainly not a very fancy-wage job.

Another flaw is that this bill violates our international agreements, just 38 bilateral and our GATT agreement. Those who promote the bill have been telling us it does not violate GATT. That is because they do not understand the GATT. When we promise to pay retaliation in terms of a tiny, limited tariff increase which is clearly insufficient to cover our transgressions, we are flaunting the GATT.

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Worse than that, if this bill is enacted it will cripple the current multinational negotiations, the Uruguay round of the GATT. That will ensure that we can have less growth in the United States, and in the world for the next decade. This will be done in the name of an industry that is a good, strong industry.

The only thing that is wrong with the industry, of course, is that it has no confidence in itself, and, of course, it has not confidence in us, because it expects us to believe the stories that it has told us about its need for a crutch, or a wheelchair, or an iron lung.

If you want to load large extra costs on the consumers of the United States to no good purpose, and if you want to shift money from States where unemployment is high into States where unemployment is below the national average, vote for this bill.

The States of North Carolina, South Carolina, Georgia, Alabama, and Virginia, had an average 4.9 percent unemployment in 1989, as against 5.3 percent in the whole United States. Yet representatives from those States are coming to us and saying, "Shift

the money to our people who are working, from your people who are not." Transferring as assets from have-nots to haves provides a very mean-spirited base for this proposal.

So if you want to break our international obligations; if you want to limit the future growth of our country, and the rest of the world, and if you want to burden the families of America with extra costs, particularly the families who are less well off, then vote for this bill.

If you have any good common sense, if you believe in growth, vote against the bill. It richly deserves defeat.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. LAFALCE].

Mr. LAFALCE . Mr. Speaker, I rise in opposition to H.R. 4328 and I do so for one very compelling reason: the rule of law. Some today will cast this debate as a classic contest of free trade versus protectionism. It is not. America's textile industry already enjoys significant protection under the Multifiber Arrangement, which has been in operation since 1974, which has been extended on three separate occasions, and which is not due to expire July 1991.

Some say that the Multifiber Arrangement has not done enough for the textile industry and that more protection is needed. That may be true. But whether it is true or not, this is not the time to grant additional protection. If the textile industry requires more protection, let's debate that proposition next July when the current Multifiber Arrangement expires.

For unilateral adoption of this legislation would abrogate bilateral agreements that we have reached with 38 countries. It would send a signal that the United States does not stand by its international commitments. It breaks its contracts.

Such a message could not be sent at a less desirable time. The Uruguay round of the GATT negotiations is entering a critical phase. The round is scheduled to conclude in less than 4 months. Much remains to be done if there is to be a successful conclusion to these GATT negotiations. But if this legislation is passed and signed into law, I fear nothing will be done, and that the negotiations will flounder in a sea of recrimination and retaliation.

Passage of this bill, at this time, would also undermine our foreign policy. For the past several weeks the United States has been seeking to gain international cooperation and agreement in opposing Iraq's invasion of Kuwait. We have prevailed upon our allies and trading partners to help us enforce the rule of international law. What kind of message will we send to those same nations if we now—by the adoption of this legislation—repudiate 38 international agreements?

I urge a "no" vote on the bill before us. If the textile industry needs additional protection, let us return next year and debate it then without violating the existing Multifiber Arrangements.

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from Pennsylvania [Mr. GAYDOS].

Mr. GAYDOS. Mr. Speaker, I rise in strong support of H.R. 4496, the Textile, Apparel, and Footwear Trade Act of 1990.

I fervently believe that unless we begin today to set strict and enforceable limits on all kinds of goods coming into this country with virtually no restrictions, we soon will see the modest manufacturing base we still have go down the proverbial drain.

I don't know how to say it more simply. If we fail to pass this bill today and then fail again to override the President's certain veto, then we are again risking the future of our Nation.

Just 1 year ago, the United States International Trade Commission [ITC] unanimously determined that fiber sweaters from Korea, Taiwan, and Hong Kong were being dumped in this country in violation of our trade law.

This past April, some 6 months after the ITC finding, the Department of Commerce finally established preliminary dumping margins on all three countries, and now, the Department has officially determined and agreed with the textile industry analysis, that dumping did occur.

How long can we endure these clear and convincing violations of American trade laws? Do we have to stand here and watch another segment of the American manufacturing industry sink under the weight of such slogans as free trade and open markets?

Are we prepared to watch the textile and apparel industry go the same route as the bicycle tire manufacturing business or the consumer electronics industry? Haven't we already seen the damage done to American shipbuilding companies and our steel industry?

The numbers speak for themselves, and, unfortunately they are all negative.

Just 10 years ago, foreign manufacturers had a 28-percent share of the American textile and clothing market. Today, those same manufacturers in Hong Kong, Taiwan, and Korea, own—yes, I said, own—a 60-percent share of our market.

During those same 10 years, some 1,500 textile and clothing mills have been closed. During those same 10 years, employment in the textile and clothing industry in the United States has dropped by more than 25 percent. In fact, in just a 1-year period—from March 1989 to March 1990—66,000 American textile and clothing workers lost their jobs, with industry employment falling to its lowest level in the 50 years that such records have been kept.

I fear that we are again too late; that we will never be able to recapture our own market from these foreign manufacturers who deliberately flaunt our laws.

If we catch an embezzler or a thief or a murderer, we try them before a jury and, if they are convicted, we send them to jail.

In the international trading market, we do all the right things except punish the wrongdoers.

When are we, as a nation, going to realize that we have both a right and a solemn duty to protect ourselves from people, whether domestic or foreign, who violate our laws? After all, if we in the Congress felt strongly enough to pass the laws in the first place, then isn't it our responsibility to see that they are properly implemented and enforced?

Of course it is.

We worry about whether our actions will affect the availability of foreign markets. We fear that foreign nations will retaliate by closing their markets to American goods and services.

Let me tell you, my colleagues, that the American market is the coveted one. We absorb more goods and services than any market in the world and, if we continue to give away larger and larger chunks of our market to foreign manufacturers, then we will not have the manufacturing industries that seek to enter into those foreign markets because they will have been forced to close their doors here at home.

The retail industry complains that this bill will force them to charge higher costs for these goods to consumers. They are right, but not for the right reason. They will have to charge higher prices because too many of their prospective consumers will be out of work and won't be able to buy those sweaters, shirts, and other garments made in the Pacific Rim nations.

Have we forgotten that American workers are the consumers? Is it that hard to understand that if we lose manufacturing jobs, we are undermining the base on which this country has achieved and can maintain its world status?

Mr. Speaker, as chairman of steel caucus over the last 12 years, I have seen first-hand what the ravages of unchecked imports can do. I have seen the American steel industry shrink to a shadow of its former self. I have had to go back to my district and look into the faces of those former steel workers. And it has not been pleasant.

Mr. Speaker, I believe that we must pass this bill again this year and I believe with all my heart that we must override the expected veto from the

President. If we do not, my colleagues, we will lose another American industry—and we cannot afford it.

Please, I say to my colleagues, vote for the passage of H.R. 4496. It may be our last chance, not only for the textile industry but many other industries including the steel industry.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. GAYDOS. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I rise in strong support of H.R. 4328 because I think the legislation is necessary to slow the flow of textile and apparel imports coming into the country. These imports are having a tremendous impact on the industry throughout the United States and the State of Mississippi.

Jobs have been lost and plants have been closed in my State over the past several years because of the growth in the level of these imports. That level has increased from 28 percent of the U.S. market to 60 percent in the past 10 years.

The payroll of a textile plant, in many cases, is a big part of the economy of communities in Mississippi and in other parts of the South. When a plant is closed or workers are laid off, it is a big blow to the entire community.

But we are not asking for special favors here. The bill does not close off the U.S. market to foreign countries. It allows for growth in imports each year. We are only asking for a chance to compete on a more equal footing with countries that subsidize their industries and then dump those products into the U.S. Market.

Another concern I have relates to national defense. We are having trouble meeting the needs of our military because of this shrinking domestic industry.

This loss of production capability is important when you realize that behind steel, textiles are ranked by the Department of Defense as a prime essential to our national defense. In our Middle East operation, for example, we are in great need of chemical protective clothing and tents.

An April 1990, Department of Defense report states, "Increased levels of imported ready-to-wear goods will have an adverse impact on the domestic base, making fewer sources available to meet our wartime needs." We must get a handle on this problem. I think H.R. 4328 will help us do that.

I urge my colleagues to cast a vote to save jobs in the United States and to strengthen our defense capabilities by voting for H.R. 4328.

Mr. CRANE. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Speaker, let me say right away that I have a very particular regional interest in this bill. This bill would be terrible for the Northwest, for the Seattle area. It would devastate a textile-apparel assembly industry that has been built up. It would hurt our port. While we save at a cost of $70,000 per job, a textile job, in another area, a dock worker in my district could be thrown out of work.

But beyond the local interests, this is a bad bill for two reasons: First, it is a tax bill. No matter what the proponents tell you, this bill, by raising walls against textiles and increasing protection to help the American textile industry, levies a total tax on the American consumer at the rate of over $400 per family per year.

The Council of Economic Advisers estimates that the impact could be $160 billion over 5 years. That is a greater cost to Americans than the present estimated cost of the savings and loan cleanup.

Mr. Speaker, this is a tax to help an industry that is profitable, that had 172 new textile companies opening up this past year, in areas that have lower unemployment than most of the rest of the Nation—an industry that increased its domestic shipments 7 percent last year, increased its exports 27 percent.

Second, this is a bad bill because of the message it sends abroad. We have been encouraging democracy, free markets, in Poland and Czechoslovakia. Those countries have never exported textiles to us. Under this bill they would not be allowed to. What sort of a message is that to send to them?

What about the countries that we have got textile agreements with, countries such as Egypt and Turkey? We are supposed to be working with them. They are our friends and our allies in the Middle East right now. But we are going to sock it to them with this bill.

Mr. Speaker, let us not turn inward as a Nation. Let us not move toward economic isolationism. And let us not tax the American consumer. Defeat this bill.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. MATSUI].

Mr. MATSUI. Mr. Speaker, I thank the chairman.

Mr. Speaker, Members of the House, I heard the gentleman from Ohio [Mr. PEASE] speak earlier this afternoon on this particular bill. He mentioned that a number of Members that he has spoken with have basically said:

I am voting for this bill because, after all, labor supports it, or it is going to be vetoed by the President. It is not a good bill, but nevertheless it would never become law anyway.

Mr. Speaker, the gentleman from Ohio [Mr. PEASE] is absolutely correct. In talking with many Members, I found that most of them agree that this bill this year will not become law.

□ 1410

What is also very interesting is the fact that many of the retailers, many of the textile importers have made the same argument. They are not working this bill on Capitol Hill at this particular time. Many who are large department storeowners are not working this bill because they are relying upon the President to veto it. So everybody acknowledges, except those principal sponsors of the legislation, that this is bad legislation.

But we are going to vote for it anyway, or we are going to duck it because, after all, the President is going to veto it, and that is real Presidential leadership and that is congressional leadership, and I hope the American people really understand this.

This is the worst time that we could be bringing up this bill. We are lucky that the President is going to veto this bill. We are in the middle of GATT negotiations at this time. We have an agreement coming up hopefully in December. We have the continental unification of the Europeans. They are going to take this as a signal that they can become somewhat protectionist.

At the same time, as all of us know, while we are in the middle of this budget summit, and we are talking about how we do not want to increase taxes on low-income people and middle-class people, we are going to put a $43-billion burden on the middle-income and lower class people through increases in products such as clothing, shirts, shoes, and those kinds of things. Does that make a lot of sense? Is that really talking about good principles and principles of progressivity? No, of course not.

What is very interesting, Mr. Speaker, is the fact that in the first 6 months of this year textile imports in this country have increased only at a rate of 1.8 percent. At the same time, textile exports have increased over a rate of 27 percent. We are exporting a greater proportion than we are bringing in now in terms of what it was last year.

Let me just make a concluding comment. Most economists are saying we are going to see a recession over the next 12 months, and I think that is probably accurate, whether we have a budget summit agreement or not. I think the real problem that we face is if this bill ever becomes law, and we all acknowledge it probably will not, we would probably see a major trade war between the Europeans and many Third World countries and between the United States which would only make a recession worse.

I urge Members to vote against this legislation.

Mr. CRANE. Mr. Speaker, may I have a breakdown of the time remaining?

The SPEAKER pro tempore (Mr. BARNARD). The gentleman from Illinois [Mr. CRANE] has 19 minutes remaining, the gentleman from Illinois [Mr. ROSTENKOWSKI] has 11 minutes remaining, and the gentleman from Georgia [Mr. JENKINS] has 9 minutes remaining.

Mr. CRANE. Mr. Speaker, I yield 3 minutes to our distinguished colleague, the gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I am rising again to oppose the textile bill. I have been told by those who are proponents of this bill that this is a new bill. I have been told that by people in Washington and people in my district, garment manufacturers who say, "Congressman, you can support it this time. It does not hurt agriculture because we have new provisions in it."

What they are talking about is the Daschle amendment. This is the amendment that was placed in by the other body that would in a sense create an allocation that would create supposedly an opportunity for countries who bought more of our agricultural exports to get a reduction in their quotas. In other words, we would be having a tradeoff.

The problem with this, Mr. Speaker, is that any special allocation still must come within that 1-percent cap of growth. So we have a zero sum gain. What one nation gains another one loses, and there are no conditions on who those nations are, except for the fact that they increase their imports of agricultural goods from the United States. It does not matter how big they are, it does not matter what kind of trading partner they are, and regardless of whether they have manipulated their trade any other way for U.S. agricultural goods in order to gain a greater quota. So this is a bone, but it is a bone with no meat on it.

Basically what this says is if we wanted to give Turkey some kind of a boost in its textile imports for its support of our position in the Persian Gulf crisis, its United States agricultural imports, which were $238 million in 1989, may have to go down because of their expenses incurred in the gulf. We could not do that, and yet if Uruguay may have purchased just an additional $100,000 of United States agricultural commodities, because they spent only $4 million in 1989 we would have to give them preference over a much more powerful ally and a much better trading partner. That is unworkable.

It is also somewhat naive and unworkable and even hypocritical to say that we are going to basically reward and provide opportunities to centrally planned economies. We spend most of our time expanding trade opportunities and even encouraging countries to move to more market-oriented economics, principally the Eastern European nations and the Soviet Union. What basically we are doing with this particular amendment is we are saying those countries completely controlled by their governments, however, will get a break.

Finally, much has been said in this particular debate about what this does or does not do to GATT, and all of us I think have mixed feelings about GATT. But clearly the timing is wrong. Clearly we should wait until after whatever conclusion of the Uruguay round brings to discuss any kind of global quota, because basically what we are doing right now with this amendment is to bring our own rebalancing trade proposal to the European Community. They, when they rebalance their trade, when they say we will offset one duty with another, we rise up and say that is wrong, that is inappropriate. What we are doing with this bill is saying it is so wrong that we are going to do it ourselves.

This is not a way to do business. It does hurt agriculture and it does not profit the U.S. economy.

Vote "no."

Mr. CRANE. Mr. Speaker, I yield 4 minutes to our distinguished minority whip, the gentleman from Georgia [Mr. GINGRICH].

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Maine [Mr. BRENNAN].

Mr. BRENNAN. Mr. Speaker, I rise in strong support of the textile bill.

It is time to say that "enough is enough" to countries that dump their textiles and shoes in our markets, without giving us a real chance to compete in theirs.

The American textile industry and shoe industry face a bleak future, if countries such as Taiwan, Japan, South Korea, and Brazil, continue to export their products while blocking American imports.

I know that many Americans, and many people in my State of Maine, are sick and tired of unfair competition from abroad.

Mr. Speaker, we have acted in the past to save the American motorcycle industry, the American electronics industry, and the American shipbuilding industry. I say it is time that we act to save the American clothing and shoe industries, before it's too late.

Enough is enough.

I urge my colleagues to vote "yes" on the textile bill, to save American companies, and American jobs.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 1 minute to the gentleman from Alabama [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, I rise in support of H.R. 4328.

The 1986 National Defense Authorization Act requires the Secretary of Defense to monitor the capability of the domestic textile and apparel industrial base to support defense mobilization requirements and to report on the status of the industrial base for a period of 5 years.

The 1990 version of this report found that although 85 percent of mobilization requirements could be satisfied, critical shortfalls existed for some footwear, tentage, and chemical protective apparel.

In submitting comments to this report, the American Apparel Manufacturers Association [AAMA] stated that "Basic mobilization demands can be met * * * but only with great difficulty and probably not as quickly as one would hope." They also reiterated that "the greatest challenge to the domestic apparel industry remains the rapidly increasing pace of imported apparel."

The American Textile Manufacturers Institute said, in the same report, "the textile industry's ability to supply textile end-items and fabrics for the Department of Defense continues to erode due to recordbreaking imports. The textile industrial base supplies 446 separate items during a military mobilization."

Mr. Speaker, a vote for the textile bill is a vote for defense.

Mr. CRANE. Mr. Speaker, I yield 3 minutes to our distinguished colleague, the gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, how much should an American family have to pay for its shoes and clothing? Trade restrictions now in place mean that the American consumer pays an average of an extra 58 percent for every towel, shirt, dress, and piece of underwear purchased. If the Textile, Apparel and Footwear Act of 1990 (H.R. 4328) becomes law, it is reported that American families will pay an additional $100 per year for essential clothes and shoes. Thus in total, in the next 5 years each American family would pay a total added amount of $2,600 for clothes because of protectionist laws.

Protectionist textile legislation and more than 1,000 quotas are costing U.S. consumers $22 billion a year. If H.R. 4328 is passed, it is estimated that the cost will have increased by an additional $43 billion per year by the year 2000. And, this proposed protection is for an American industry that is actually thriving. Textile industry profits were $1.4 billion on sales of $57.2 billion in 1989. Some private analysts estimate that return on equity for the textile industry was 10.9 percent in 1988. A great many of Nebraska's small business families and farmers would be delighted to receive a return on equity of even one-half that amount.

Generally it is clear that the U.S. textile industry is not hurting. Textile output of American mills has increased by an annual conpounded rate of 4.3 percent since 1982. Capacity utilization in the textile industry has been hovering at about 90 percent, near all time highs, since 1987. Eighty-four percent utilization is the average for all manufacturing. The U.S. textile industry exported $8.9 billion in tex-

tile and apparel products in 1989, up 38 percent over 1988. In the past 3½ years, the volume of U.S. textile exports has expanded by nearly 70 percent, over five times faster than our GNP growth. Clearly the U.S. textile industry is competitive in the international market place.

The U.S. textile industry claims that textile and apparel plants are closing. It is true that old and inefficient plants are closing, but new and modern plants are opening. Seventy new textile plants opened in Georgia and in North and South Carolina in 1988 and 1989. These plants created 5,500 new jobs. Dunn & Bradstreet has listed 172 new textile plants and 457 new apparel plants in its files since March 1990. Total productive capacity for the industry increased by 3 percent in 1988 and by another 3 percent in 1989, according to the Federal Reserve Board.

Employment in the textile industry has increased by more than 22,700 jobs since 1985. A study completed by Massachusetts Institute of Technology, and often quoted by the textile industry, shows that the labor cost per unit produced in the United States is near that of Pakistan and Portugal—hardly an uncompetitive rate. I was pleased and proud to learn that our textile workers produce 23 percent more than German workers, 39 percent more than the Japanese, and 153 percent more than South Koreans. Much of this productive advantage is a result of the technological edge enjoyed by the U.S. industry.

A competitive export-oriented textile and apparel sector can expand and increase employment. H.R. 4328 is not a market opening measure; it is a market closing measure. It could seriously harm a variety of our exports, including agricultural exports, if other countries retaliate against the United States. By restricting the import of textiles needed by U.S. apparel plants to produce finished consumer goods, we can actually make U.S. manufacturers less competitive, reduce the amount of clothing on the market in this country and raise prices.

The deplorable actions of Iraq's President Saddam Hussein will hit all Americans in the pocketbook even more acutely this winter as the price of energy to heat our homes increases. By lowering our thermostats, winterizing our homes, and wearing thick socks and sweaters, we can keep down the costs of fuel. But, if H.R. 4328 becomes law, we had better buy the sweaters and socks and blankets now. They too will be more expensive in the future than they need to be.

This Member wants to be responsive to the concerns raised by apparel workers who live or work in the district I represent in Nebraska, but has to conclude after careful examination of this legislation, that the concerns raised by the American textile industry or individual firms are not well-taken. The major apparel producer located in the First District of Nebraska, for example, an excellent corporate citizen of the State, fabricates such an exceptionally renowned and fine quality line of products that their workers in particular should not feel threatened by the failure to pass this anti-consumer legislation. Furthermore, the clear public and national interest demands a "no" vote on this legislation and if nevertheless passed by the Congress, a veto by President George Bush.

This Member expects to be in a minority in voting against this anticonsumer and antitrade legislation, but cannot do otherwise in light of the facts, circumstances, and expected negative impact on our country and the American public if H.R. 4328 is enacted. This Member urges his colleagues to defeat this legislation.

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from Georgia [Mr. ROWLAND].

Mr. ROWLAND of Georgia. Mr. Speaker, this is an issue that is most often discussed in statistical terms—the rate of plant closings; the number of jobs lost; the increased impact of textile imports on the country's trade deficit. The apparel trade deficit today stands at 24 percent of the entire U.S. trade deficit—a record high. Already this year, at least 57 major textile and apparel plants have closed, or experienced massive layoffs, around the country. This has cost some 11,000 workers their jobs, including nearly 2,000 in Georgia.

These statistics help tell the story. But to me, it is an issue that should be expressed in human terms. The suffering that individuals and their families have experienced is extensive, and the purpose of this legislation is to protect against even more suffering in the future.

I have visited with families in Georgia who have been affected by these plant closings and layoffs. I have seen the suffering this sudden loss of employment causes. These are mostly rural communities where other job opportunities are often in short supply. Many are thrown into poverty. Some are forced to pull up stakes and leave the communities where they were born and raised.

It is a fact that some countries that export textiles and apparel to the United States allow unsafe and inhuman conditions to exist in their factories; many condone slave wages to workers; and many do not impose any environmental costs on their textile and apparel producers.

Unless we take the kind of action that is proposed in this legislation, the U.S. textile and apparel industry will never be able to compete against this unfair competition.

Some farmers have expressed concerns because they believe it may be inconsistent with GATT and would jeopardize negotiations over farm products such as soybeans. However, let me assure them that this bill is consistent with GATT article XIX, since it includes a congressional finding of injury to the domestic industry, allows global quotas and authorization to negotiate compensation.

We need this legislation because the administration is proposing in Geneva to scrap the multifiber arrangement without ever having used its full potential. We could be left without any effective tool to limit textile and apparel imports.

Mr. Speaker, it is time that we stand up to protect our people and our jobs. They've suffered enough. We must support this legislation.

□ 1430

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. HEFNER].

Mr. HEFNER. Mr. Speaker, if Members believe all the ads that we read in the paper, and all those speeches, Memers would think that nobody would be able to go out and buy an imported shirt, and all the consumers are, all of a sudden, going to have to be paying higher prices for everything they buy. That is a ridiculous argument.

Some Members raised the argument about this being a tax bill. Somebody made a statement about Turkey and Egypt. Let me point out a couple of things about Turkey and Egypt. In the Middle East and Saudi Arabia we have, I think we have to, the troops' involvement and the money we have involved there, if we compare it to the rest of the world, we are picking up the majority of the cost. Who is going to benefit from this? It is going to be the rest of the world, even some of them will be compensated for their economies that will be affected by this threatened war. Who is going to pick up the cost? The American taxpayer.

Also, textile workers have their sons and daughters in harm's way in Saudi Arabia.

This is a bill that is needed to protect the jobs and the livelihood of America. It is fair. I think we should pass it, and the President should sign it.

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. EVANS].

Mr. EVANS. Mr. Speaker, as a Member representing a midwestern farm district, I rise in strong support of the textile bill. In the 1980's, in Illinois and throughout the farm belt, we saw a disturbing decline of family farms. Many of those who did hold on, did so only because off-the-farm income gave them the money to do so.

In small and medium size cities in my district like Kewanee, Canton, Galesburg, and Rock Island, many members of family farms work in textile plants to keep their farms.

If we do not pass this legislation, it could leave them facing the double whammy of losing their jobs and thus their farms.

Beyond this, the bill would give special allocations of higher textile quotas to those countries that increase their importation of American agricultural products.

The economic health of all American communities are tied together working together to help our domestic textile industry is important in protecting American jobs from unfair foreign competition and preserving a basic industry essential to our economic and national security.

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Speaker, I rise in strong support of the textile bill which is crucial to the protection of millions of American jobs in the textile, apparel, and footwear industries.

Since 1980, the U.S. trade deficit in textiles and apparel has increased sixfold to $26.5 billion. In 1989, this accounted for over 21 percent of the total trade deficit. In the past decade, more than 1,800 textile and apparel plants have closed and 400,000 textile workers have lost their jobs were lost. This is in spite for the fact that over the past 10 years the industry has invested $18 billion to modernize its facilities.

Indeed, I could continue to cite statistics about the fragile condition of our textile industry. However, to illuminate the dire situation which faces all textile and apparel workers in this country, I would like to tell you about a company in Indiana's First Congressional District which would benefit from this bill.

In business since 1916, the Jaymar Ruby Group is a manufacturer of men's slacks, suits, sports, and ladies' wear with $180 million in annual sales. Employing nearly 1,000 workers in production facilities in Michigan City and East Chicago, IN, Jaymar Ruby operates 35 production facilities and retail stores across the country.

How can I explain to these honest, hard-working people and their families in northwest Indiana that they should lose their jobs in the name of free trade? For all the rhetoric about the economic ills which would be caused by textile bill, I have yet to hear one concrete proposal about job retraining or other programs which would aid those who would lose from allowing a flood of textile imports into this country.

Furthermore, the failure of Jaymar Ruby would extend beyond its employees and their families. The economic ripple effect would damage the entire community. As the Representative of a district that is still reeling from the devastating job loss in the steel industry during the 1980's, I understand all too well the stakes involved here.

This legislation is designed to send a clear message to our U.S. Trade Representative, Carla Hills, not to make concessions on textiles and apparel in the current Uruguay round of multilateral trade talks. I am worried that Ambassador Hills and the Bush administration intend to use textiles and apparel as a bargaining chip to obtain other American trade goals.

The textile industry in this country is in a tenuous position. This vital legislation is a way of preserving American jobs in an extremely import-sensitive industry. Further, American textile and apparel jobs are among the few work opportunities for minorities, immigrants, and many other individuals who are prevented by language, cultural, and educational barriers from securing other viable employment.

In closing, I urge you and my colleagues to take a stand in support of American jobs—including those at Jaymar Ruby in northwest Indiana—and vote in favor of the Textile, Apparel, and Footwear Trade Act.

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Speaker, I will not read what I have written on this paper in total. I want to mention, in the brief time allotted to me, that his business about what this will cost the consumers, I suggest to Members, is very likely a myth.

Here is text from one of the most popular family catalogs, of a large national advertiser: Mickey Mouse and Snoopy pajamas made in the U.S.A. or imported, same price.

The protections, passage of this bill, and the protection of the textile industry to that extent is, today, a parochial or regional problem. It concerns my people in the State of North Carolina. However, I suggest to Members that if we do not pass this legislation, and the textile industry in this Nation disappears, it will be a national problem. It will be a national tragedy. That is exactly where we are headed unless we pass this legislation.

Mr. Speaker, I would like to thank the Congresswoman from Tennessee for giving me a chance to speak on this most important bill.

I rise today in strong support of the Textile, Apparel, and Footwear Trade Act.

I support this bill because it will help to strengthen a vital American industry and help the consumer at the same time. The textile industry has lost over 66,000 jobs in the last year alone.

In an Office of Technology Assessment report, each textile job loss results in the loss of a second job. This can be devastating for small American towns and cities that are centered around textile mills.

We have let imports flow in over the last decade at the cost of more and more American jobs. Opponents claim that this bill would increase prices of retail goods because it would limit imports. But have prices fallen or even remained stable without the limits in this bill?

The National Consumers League, a leading consumer organization, has pointed out that major retailers do not discriminate between imported and domestic prices for the same product.

Here is text from one of the most popular family catalogs of a large national advertiser: "Mickey Mouse and Snoopy pajamas Made in the USA or imported." Same price.

Opponents say that farmers will lose. There is a provision in the bill which would allow countries that import more American agricultural goods to increase their textile exports.

A vote against the textile bill is a vote against American industry. In the long run, we will all lose if there is no textile industry in the United States.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 3 minutes to the gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Speaker, I rise in strong opposition to the textile bill. This legislation blatantly disregards free trade practices. It is clearly protectionist, and anticonsumer legislation.

We are all concerned about the loss of jobs in the domestic textile industry. However, in trying to address this problem with this legislation, we will destroy thousands of other jobs in other sectors of our economy, especially the domestic shoe import business.

Let me give Members a specific example. The Volume Shoe Corp. is a major importer of shoes. A shoe import quota would force the Volume Shoe Corp. to a screeching halt. The Volume Shoe Corp. employs 15,000 people in its Payless Shoe Store outlets around the country. Forty percent of those jobs are held by blacks and Hispanics. Left alone, the import shoe industry will continue to create thousands of new jobs each year. Volume Shoe has been opening a new store every day, and with the opening of each of these new stores, construction jobs are created, retail jobs are created, accounting jobs, management jobs, and transportation jobs.

Mr. Speaker, the people who buy these imported shoes at the Payless Shoe Store outlets around the country are primarily young families with children, with an annual income of less than $28,000 per year. This legislation will clearly increase the cost of living for these families with young children at home, trying to make ends meet. In fact, according to most studies, this legislation will increase consumer costs on a family of 4 by $2,600 over the next 5 years.

To consider doing this, at this time, is just absolutely dead wrong.

In addition to these very practical concerns, I hope that my colleagues will keep some of these basic points in mind. This legislation violates 38 bilateral textile agreements, and this legislation would clearly endanger the Uruguay round of GATT negotiations. If that is not

enough, roughly 35 percent of U.S. wheat exports would be threatened by the passage of this legislation and would certainly invite retaliation from China and the Pacific Rim countries.

Mr. Speaker, this is bad legislation. It will increase consumer costs on the most vulnerable families in America at a time when they are overtaxed, and at a time when they are struggling to make ends meet. It will cost American jobs, thousands of jobs in other sectors of the American economy, and it will invite retaliation against agricultural exports and other exports in the international economy.

Mr. Speaker, I urge my colleagues to join me in voting against the textile bill.

Mr. CRANE. Mr. Speaker, I yield 1 minute to our distinguished colleague from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Speaker, I rise in support of the textile bill. I join my colleagues in support of this bill because I believe the American workers, the labor force in the textile industry, can meet the challenge, given a level playing field.

We cannot permit our country to create a foreign workplace that does not have the same health and labor standards, which does not have child labor laws, and which pays less than a dollar, to create textile products. If those foreign countries are willing to have the same conditions that our labor force has fought for and won, then of course we do not need to have restrictions, but that is not the case.

The reality is that we are permitting Third World nations to force upon their workers inadequate health and sanitary conditions, and inadequate labor laws. If we are truly concerned about workers, we must be truly concerned about workers throughout the world.

For that reason, we must support a bill which will ensure a level playing field. I ask that my colleagues join me in support of this bill.

□ 1440

Mr. JENKINS. Mr. Speaker, I yield 1 minute to the gentlewoman from South Carolina [Mrs. PATTERSON].

Mrs. PATTERSON. Mr. Speaker, very quickly, just three points. Today in the United States, 60 percent of all apparel and apparel fabric is imported, 60 percent. That means something to the people in my district who are out of work, who saw their plants closed.

No. 2, you have heard today, our national defense depends on a strong domestic textile and apparel industry.

Three. I am a consumer. I shop for a family of five. I am a consumer, and I will tell you today, American goods are made better and will last longer and in the long run American consumers will save by buying American goods. I urge support for this bill today for the good of our country and the American workers.

Mr. CRANE. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong opposition to H.R. 4328, the Textile, Apparel and Footwear Act of 1990. On July 4, 1789, the U.S. Congress, in one of its very first acts, passed what was to be the beginning of a long series of protectionist textile legislation. Currently, the U.S. textile industry enjoys the greatest protection of any industry in the country. Despite the fact that tariffs on textile, apparel and footwear products average nearly five times higher than for other manufactured products, industry representatives have mustered up enough audacity to come to Washington begging for more protection. If the industry were to concentrate its resources on improving its competitiveness rather than on lobbying Washington, the U.S. Congress could concentrate on what is really important, eliminating our enormous budget deficit.

While the U.S. taxpayers are awaiting the outcome of the budget summit to find out just how much they will have to pay for Congress' fiscal irresponsibility, they will learn today how much more they will have to spend to clothe their families. Currently a family of four pays $425 a year for textile protection. If this legislation is passed, that amount will increase by $100. You don't have to be a mathematician to figure out that lower income families will be the hardest hit by this outrageously unnecessary bill.

For the life of me, I cannot understand why any of my colleagues who do not represent one of the textile States would support this bill. The only explanation I can arrive at is that you are unaware of how this bill will impact your own districts. Do not believe it when they tell you that this bill will save jobs. Rather it will simply redistribute them from your district to one of the districts of our colleagues representing North Carolina, South Carolina, Georgia, Virginia, or Alabama. And the fact of the matter is, the unemployment rate of these five States is, and has been for the past five years, below the national average.

It is estimated that the textile bill will eliminate 50,000 jobs in the retail industry alone. Related employment in the transportation and shipping industry will also decrease dramatically. Additionally, the agricultural, aerospace, and other high technology industries, will unquestionably experience a large drop in employment as our trading partners understandably retaliate against U.S. textile protection.

Furthermore, the textile bill will imperil the Uruguay round. By cutting off access to our textile market, we are in essence tying the hands of our trade negotiators in Geneva. Since the Third World would have little to gain from further talks, the Uruguay round would fall flat on its face. As a result, not only will free trade be stymied, we can expect to see major regression in the entire trading system if the United States is perceived as no longer having any regard for international trading rules.

Mr. Speaker, we have heard reference from an earlier colleague in the well about defending agriculture, and I would like to quote, Mr. Speaker, from a letter that Clayton Yeutter, our Secretary of Agriculture, sent to our distinguished chairman of the Agriculture Committee here in the House. He said:

If we constrain textile imports, someone will pay the price. The burden will be borne principally by consumers, of course, as they absorb higher prices for clothing. But it will also be borne by exporters, and it is here that agriculture has the most to lose.

The countries that will be adversely affected by this legislation are obviously those who export textiles to the United States. It just so happens that those same countries annually buy $26 billion worth of agricultural products from us. That amounts to 65 percent of our global agricultural exports.

In trade surplus terms, the impact is even more startling. The "textile agreement countries" account for 90 percent of our surplus in agricultural trade.

And he concluded, Mr. Speaker, by saying:

It would be ironic indeed if the United States were to establish its own Berlin Wall of industrial and agricultural protectionism just as so many other nations are demonstrating the courage to abandon their own self-defeating economic barriers.

One other quote I would like to pass on to my colleagues comes from our distinguished President and it is in a letter to our distinguished minority leader, dated yesterday:

H.R. 4328 is a threat to the stability of the world trading system and is completely contrary to the economic, commercial and political interests of the United States. If the bill passes, I will veto it.

In addition to the negative economic implications for the United States, H.R 4328, has the potential to undermine our efforts in the Persian Gulf. Let me share with you a portion of a letter recently received by the Speaker of the House from Secretary of State, James Baker:

This legislation would compound the problems being faced by a number of countries which have stood with us in the Gulf crisis despite the economic losses they are incurring. The United States can never ignore its international obligations, and particularly not at a time when we are engaged in forging an historic international alliance to confront Iraqi aggression. Passage of H.R. 4328 would directly violate 38 of our outstanding agreements, including our agreements with Turkey and Egypt, countries that are indispensable to our efforts to solidify crucial international collaboration.

Passage of this bill will send a clear signal to our troops in the Persian Gulf that the U.S. Congress cares more about the pocketbooks of the al-

ready rich and powerful textile owners, than for them.

In summary, not only is this bill unnecessary, it is dangerous. In exchange for protecting a viable industry, this bill will harm U.S. consumers, redistribute jobs from your district to one of the textile States, derail our efforts in Geneva to improve the international trading system, and possibly cause a dropoff in support for our efforts in the Persian Gulf. If you can justify these exchanges, then vote for this bill. Otherwise, I urge my colleagues to join me in defeating this outrageous legislation.

Mr. Speaker, I yield back any remaining time I may have.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield 4 minutes to my very good friend, the gentleman from Georgia [Mr. JENKINS].

Mr. JENKINS. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I rise in support of the textile bill and urge all my colleagues to do likewise.

As a proponent of the bill, I do not have the closing. My good friend, my subcommittee chairman, the gentleman from Florida [Mr. GIBBONS] will be closing, so I cannot answer anything the gentleman may say, but let me try to preempt some of the things he may say and cover some of the things I want to say in 3 or 4 minutes.

One of the great disappointing aspects of today's legislative bodies is our total inability to make any kind of tough decision. When we cannot deal with a budget problem or a Social Security problem, we form summit groups to make the decision for us, and if they cannot make a decision, we spend most of our time posturing for the weekend talk shows, and waiting for a lame duck session to show our toughness. We are simply afraid to make any difficult decisions. We are afraid that we will make someone angry.

The same is true with trade legislation. We are always afraid of a little bit of retaliation, so we run for cover. Somebody may retaliate against us. We are always afraid that some other nation will not like what we do.

Because of that fear, we are giving away, little by little, our entire manufacturing base. We are exchanging $10 and $12 an hour jobs for $4 an hour jobs every day.

□ 1450

No wonder we have revenue problems in this country. We are pushing more and more people into lower wage industries as we sacrifice our entire manufacturing base.

Are we so fearful of criticism from importers and foreign countries that we cannot stand up for our own people? Do we believe for a moment that the governments of other nations that have legislative bodies would have these concerns for America?

Every nation except us stands up for its people, and we have, unfortunately, come to the point that we cannot do that.

Today, as we send our young men and young women into the deserts of Saudi Arabia to defend the interests of the free world, we have to talk about forgiving the debts of some countries to get them to help us, to help us defend their own interests. We have to send our Secretary of State, our Secretary of the Treasury and, yes, our own President around the world with hat in hand asking people to contribute financially to this country so that we can defend their interests.

The only thing we are sending there is our young men and young women. And you tell this body, you tell the American people that you do not have the guts and the courage to stand up for our own people? I cannot believe that.

I cannot believe it. Yet time and time again we have hidden behind excuses to make tough decisions. Well, this textile industry is no different than the wheat industry, no different than the lumber from the West. It is all manufactured or produced by Americans.

We are not protectionists. We forgot to be protectionists several years ago. And if we have been doing so good without the textile industry protectionism that Mr. GIBBONS will talk about in a few moments, why is it that we continue to close doors every day? Why is it that we continue to lose the manufacturing base of this great Nation?

Vote "aye" today. Vote for the American people.

Mr. ROSTENKOWSKI. Mr. Speaker, I yield the balance of my time to my very capable colleague, the gentleman from Florida [Mr. GIBBONS], the chairman of the Subcommittee on Trade of the Committee on Ways and Means.

The SPEAKER pro tempore (Mr. BARNARD). The gentleman from Florida [Mr. GIBBONS] is recognized for 5 minutes.

Mr. GIBBONS. I thank the gentleman from Illinois [Mr. ROSTENKOWSKI].

Mr. Speaker, it is obvious Mr. JENKINS has not been hearing me, because I do not think I make the arguments that he makes. I stand for America; I know the gentleman stands proudly for the textile industry, and I do not blame him.

Let us talk about the costs. Mr. DERRICK invented a cost of $2,500 per person for the textile industry protection and then blamed it on us.

Mr. Speaker, the actual figure right now is $238 per person per year, and it is predicted to rise to $500 per year. And the price that the gentleman was talking about was for a family of four for 5 years. So let us get that straight.

Now let us destroy the other myths, some of the myths that this whole debate is built around.

The level playing field: Every other industry in America plays on the same playing field, but not the textile industry. Twenty-seven years ago, when I came here, the textile industry already had the highest tariffs in the United States. They exempted themselves from all tariff negotiations, and they instituted a fiber arrangement and then a multifiber arrangement and then this arrangement. Yet, every other industry in America plays on the same playing field, but the textile industry chooses, chooses, yes, they exempted themselves from all the laws that we have to level the playing field.

So they cannot make that argument.

Now let us talk about plant closings. Yes, plants have closed in Georgia, South Carolina, in North Carolina, in Virginia and lots of other places. They ought to have closed. They were old. They were obsolete. And not only was the machinery obsolete, but the whole building that contained the plant was obsolete. In the meantime, the States of Georgia, North Carolina, and South Carolina report 70 new textile facilities have opened during 1988 and 1989, creating 5,500 new, additional jobs in that industry.

Those are Georgia, North Carolina, and South Carolina figures, not GIBBONS' figures, and according to Dun & Bradstreet, 172 new textile establishments or plants have been established since March 1990, 170 new textile manufacturing facilities have been created since March 1990. Those are not GIBBONS' figures, those are Dun & Bradstreet figures.

Dun & Bradstreet also reports that there have been 457 new apparel plants established in the United States since March 1990. The textile industry, the last time I checked, was alive and healthy and, thank God, paying taxes, a lot of taxes.

You know, you do not pay taxes in the United States if you are a corporation unless you make a profit. They are doing real well in that area.

Now let us talk about unemployment. The textile garment industry 25 or 30 years ago was so old and so obsolete that it was pitiful; some of it still is. But the textile and garment industry has modernized out of their profits, profits built up by their very high tariff and their protective, most protective devices in the whole country.

So they are doing real well. Now, their employment, despite the fact that they have increased their productivity, is about the same as it was 27 years ago when I came to Congress.

Now, that is because they are doing all right.

Now import penetration: We have had some startling and erroneous figures on import penetration in this industry. Let me repeat to you the Department of Commerce figures. The Department of Commerce figures right now, the penetration on apparel is 37.2 percent, not 60 percent as one of the previous speakers said here. I do not really know what that speaker was referring to, because there are no figures except those from the textile lobby that come out with anything like that:

In household goods and industrial products, the penetration rate is 14.4 percent.

In the woven and knit fabrics, it is 11.4 percent. In the yarn area it is 4.2 percent.

Nobody, no place on Earth, can defend some of the figures that have been given on this floor by some well-intentioned speakers.

Now let us go to the existing textile protection. There are over 1,000 quotas that they have heaped upon themselves and our trading partners. Nobody else in the country has that kind of protection.

There are 38 treaties that they have negotiated with other people, trying to prohibit goods from coming into this country.

The Nation does not deserve this kind of treatment from one of its component industries.

I urge you to vote "no" on this.

Mr. OXLEY. Mr. Speaker, I rise in opposition to H.R. 4328, the domestic textile and apparel industry's latest quota bill. This is the third time in 5 years that we have considered textile quota legislation. Let there be no mistake, this bill is not just "old wine in a new bottle" it is "old wine in an old bottle".

We all have heard that unless this bill is passed, the domestic textile industry will shrivel up and die. This is the same thing the industry said in 1988, 1985, 1970, 1961, 1955, and so on. The truth is that the textile industry is more competitive, more productive, and more profitable now than in the past few years. In fact, domestic shipments of textile and apparel products were up 7 percent and exports were up 27 percent in 1989. Moreover, textile mills were operating at almost 90 percent of capacity, compared to about 84 percent for other industries last year.

Has the textile industry lost jobs in recent years? Of course it has. But unemployment in the three leading textile States—North Carolina, South Carolina, and Georgia—is lower than the national average, and it is almost always lower than the unemployment rate in my State of Ohio. Additionally, the past 2 years has seen 70 new textile plants opened in these 3 States, creating 5,500 jobs. Nonagricultural jobs have increased by 1.8 million during the 1980's in these States. Many former textile employees now work in better jobs.

The irony of this issue is that the domestic textile industry is already protected more than any other American industry. There are more than 1,000 import quotas on textiles, and almost 75 percent of all textile imports are controlled by tariffs. Textile tariffs average 18.2 percent while all other manufacturing tariffs average 4 percent.

Mr. Speaker, proponents of the textile quota bill say that the industry has a difficult time competing against foreign companies in nations where regulatory and labor costs are much less. But this is true in most competitive industries. What the proponents do not want you to know is that American workers compete successfully in the world marketplace because they are the most productive in the world. United States workers are 39 percent more productive than the Japanese counterparts, 23 percent more productive than Germans, and 153 percent more productive than Korean workers.

H.R. 4328 is a consumer rip-off of immense proportions. By some estimates. existing textile and apparel quotas and tariffs cost American consumers some $13.5 billion per year. And while few consumers realize it, existing textile and apparel protection costs each family $250 per year. If this bill becomes law, the direct costs to consumers for textile and apparel products would increase from an already onerous $2,100 to $2,600 for a family of four over the next 5 years.

American families with incomes in the lowest 20 percent of the population spend 15 percent of their income on clothing, while those in the highest 20 percent spend 4 percent of their income of clothing. The textile bill is a direct tax on those people who can ill afford new taxes. Some believe that this bill would reduce disposable income of families earning under $15,000 by as much as 1 percent, and place an overall cost to consumers of $160 billion over the next 5 years.

This textile quota bill would violate our international arrangements under GATT, the Multifiber Arrangement, and 38 bilateral agreements. Those 38 countries buy $27.8 billion worth of U.S. agriculture products. If this bill is passed, we are simply asking for agriculture-related retaliation. Moreover, if this bill becomes law, the Uruguay round could collapse, leaving world trading to the rules of the jungle. Other areas of vital importance to the United States, such as intellectual property rights, market access for U.S. manufactured goods and services, would be jeopardized.

Proponents of this bill say that it will prohibit our Uruguay round negotiators from giving away the United States textile industry. But Congress will have the final say as to whether the textile agreement is good for America. If we are not happy after the Uruguay round is over, let's act then—not now. If, in fact, the goal of this bill is to "level the playing field", then our trade negotiators already have the tools to do so. We have the GATT and section 301 to make the playing field level.

Mr. Speaker, the textile quota bill is bad for consumers, the retail business, exporters, and in the long-run, bad for the textile industry itself. This legislation would cost consumers billions of dollars per year, reduce the choices available in the marketplace, and set a dangerous precedent of protectionism at a time when the United States seeks greater cooperation with its allies.

I urge my colleagues to vote no on H.R. 4328.

Mr. GEPHARDT. Mr. Speaker, I would like to express my support for H.R. 4328, the Textile, Apparel and Footwear Trade Act, legislation that is key to keeping another U.S. industry afloat.

This bill offers real solutions to the problems facing our workers in these industries, who have suffered enough from increased textile and apparel imports. And, it helps us deal forcefully with those who have failed to live up to the Multifiber Arrangements [MFA] negotiated by the U.S. Trade Representative.

This legislation does not cut off imports in these areas. Rather, it fairly allows imports of these products to grow at 1 percent per year. This is a reasonable rate of growth which will allow market opportunities for our trading partners while providing needed stability to U.S. workers and communities.

Despite MFA bilateral agreements with China, Hong Kong, and India to maintain annual import growth of textile and apparel at 1 percent, respective import growth from these countries during the past year has been 14, 7.6, and 7 percent. This noncompliance by our trading partners is unacceptable.

Lack of enforcement of existing MFA has made these agreements ineffective. As a result, we haven't done everything possible under these agreements to preserve jobs for U.S. workers. Failure to enforce U.S. workers' rights under MFA, leaves us no option but to pass legislation to control this problem.

The administration claims that this bill will undo the agreements it has negotiated in the past under the MFA. This fear is unfounded. Most studies on the effects of this bill have shown that import levels established under MFA bilateral agreements will not be unraveled if this legislation is enacted. However, we hope that current enforcement activity by relevant government entities will be improved.

As for those countries like Thailand and Pakistan, with whom the administration has failed to reach an agreement over the past year, import growth for textile and apparel products between 1988 and 1989 has been 36.6 and 20 percent. These levels of import increases are unacceptable, and must be dealt with.

The administration also warns that this legislation will wreck havoc on the current GATT round. This too, is not the case. H.R. 4328 is well within article 19 of the GATT. As such, it is our right as a legislative body to devise a solution, within these guidelines, to deal with the evident and growing injury from imports.

Finally in response to the critics' charges that the bill will burden consumers, I would argue that the social cost to the consumer would be greater if the majority of these industry workers became unemployed as a result of maintaining the status quo.

The fact that import apparel prices have risen 40 percent over the last 10 years relative to a 30 percent increase in U.S. prices for these same products, has already affected the consumer.

I urge my colleagues to set aside the threats of a veto from the administration, and the prophesies of retaliation from our trading partners, and not be deterred from acting in the interest of the U.S. manufacturing base and its workers.

Mr. MICHEL. Mr. Speaker, I rise in opposition to the textile quota bill.

The bill would have us violate 38 bilateral and 2 multilateral agreements, thus totally undermining our position in the current GATT talks, which are reaching a critical stage.

We can hardly ask, with any credibility, other nations to lower their barriers when we impose additional barriers of our own.

In the GATT talks, we are seeking to knock down foreign barriers which impede the export of many American products, such as agricultural goods, manufactured products, high-technology items and the like. We will get nowhere in this effort if we enact this protectionist bill. In fact, foreign negotiators are currently delaying any movement in our direction until we dispose of the textile bill. It is clear that if we enact the bill, we will get very little of what we are seeking.

In an effort to protect one industry, we will be socking it to our farmers, our industrial workers, and many others who rely on exports for their livelihood.

The Farm Bureau and most other farm organizations oppose this bill. The phony provision in the bill that ties increased farm purchases to textile quotas is, according to the president of the Farm Bureau, Dean Kleckner, "a bone that was tossed to farmers that has no meat on it." He goes on to say: "There is not even a remote possibility that foreign countries will be encouraged by the textile bill to buy more farm products from the United States."

No one here who represents any kind of an agriculture district should be voting for this bill.

The textile industry already receives more protection than virtually any other American industry. There are currently some 38 bilateral agreements involving more than 1,000 import quotas for textile products. The tariffs on these products are already five times higher than for other manufactured products.

At a time when inflation is rising due to the Mideast crisis, this bill will simply add further fuel to the fire.

Many of the jobs lost in the textile industry are due to the structuring of the industry to better compete. This is happening with most of our industries. It has happened with Caterpillar, where thousands lost their jobs due primarily to a streamlining of operations. It is most regrettable when any jobs are lost, but streamlining and modernization are a fact of life in the modern world. We cannot become competitive through protectionism.

The textile industry had its highest level of sales ever in 1989, so it cannot be said that the industry as a whole is significantly hurting. There is certainly no basis for protectionist quotas. For all those reasons, therefore, I urge opposition to the bill.

Mr. Speaker, I would like to include at this point in the RECORD a copy of a letter from the President in opposition to the bill:

THE WHITE HOUSE,
Washington, DC, September 17, 1990.

HON. ROBERT H. MICHEL,
Republican Leader,
House of Representatives,
Washington, DC.

DEAR BOB: I am writing to express my strong opposition to the textile, apparel, and footwear quota bill (H.R. 4328) which the House is scheduled to consider tomorrow. The bill is a threat to the stability of the world trading system and is completely contrary to the economic, commercial, and political interests of the United States. If the bill passes, I will veto it.

This legislation would seriously restrict textile and footwear imports and violate international trade rules. It represents the worst form of economic policy for America, one based upon the mistaken belief that less trade throughout the world will somehow save American jobs and enhance our prosperity. In reality, the bill would cause slower growth, result in fewer jobs, and create far higher costs for all American consumers. We are enjoying the greatest export boom in our history. This bill will place at risk our $400 billion in exports and the millions of American jobs that depend on world trade.

Ironically, this vote comes at a time when the world is adopting the American model of free enterprise, open markets, and greater competition. It would send the wrong message to retreat now from the world economy and build protectionist walls just when the reform governments of Eastern Europe, Latin America, and Asia need our leadership in forging a more open international economy.

Furthermore, this legislation would close the U.S. market to countries that, despite economic hardship for them, have stood firm with us against Saddam Hussein's brutal aggression. Passage of the textile and footwear quota bill would violate 38 agreements, including agreements with Turkey and Egypt, countries indispensable to our efforts to forge an historic alliance to resist Saddam's aggression against Kuwait.

A vote in the House tomorrow approving the textile and footwear quota bill would be a negative statement about Congress's vision for our economic future and about the value of America's word in international relations.

I urge your support in defeating this damaging piece of legislation.

Sincerely,

GEORGE BUSH.

Mr. GRADISON. Mr. Speaker, I rise in strong opposition to the Textile, Apparel, Footwear Trade Act, H.R. 4328. This bill is both dangerous and unnecessary. Passage of H.R. 4328 would seriously harm American interests.

This bill would significantly harm our efforts to expand and liberalize the world trading system. The Uruguay round of the GATT negotiations is entering a critical phase now. There is no chance of achieving a beneficial GATT agreement if we enact legislation which imposes dramatic new restrictions on imports, ruptures over 30 bilateral agreements, and adversely affects the interests of other nations.

Enacting this bill will cause our trading partners to retaliate against us. This could significantly reduce our exports, the one bright spot in our economy today. Over one-quarter of the growth in the economy during the first half of 1990 came from the export sector. Enactment of H.R. 4328 would slow economic growth.

In addition to posing a danger to our trade negotiations and economic growth, H.R. 4328 would impose a regressive, hidden tax on American consumers. The current quota and tariff regime costs American consumers almost $20 billion per year. That's $240 per family. The bill before us would raise this cost to over $70 billion per year—$800 per family. Many families struggling to make ends meet simply cannot afford to pad the pockets of the textile industry.

This bill is an exercise in greed. It is unnecessary. The textile industry is already one of the most protected industries in this country. The textile industry is profitable. Last year it recorded a strong pretax profit.

Is the industry threatening layoffs? No, the industry, in fact, has one of the Nation's highest capacity utilization rates. Employment in the textile industry has increased in the past few years. In 1989, it increased by almost 24,000 jobs to 726,000, but the higher clothing prices caused by this bill may cause up to 50,000 retail workers to lose theirs.

This bill must not be enacted. It will do serious harm to our national interests. It will undermine our economic world leadership, impose a regressive, antifamily tax on the American consumer, and adversely affect our economic growth.

Mr. FRENZEL. Mr. Speaker, I rise to voice my strong objections to the textile quota bill. This legislation is one of the most damaging pieces of legislation brought before this body in some time. In spite of what you have heard or been told, in many ways its enactment would have more severe ramifications than previous attempts to protect the domestic textile industry. It is not a modest measure and should be rejected.

I believe it is important for my colleagues to understand what we are being asked to support. This bill would be harmful not only to consumers, retail employees, and farmers, but to the Nation as a whole. I hope we will have the courage to reject this sector-specific legislation, designed to help one of our most profitable and currently most protected industries.

As my colleagues know, the policy underlying this legislation allegedly is to relate growth of textile and apparel imports to growth of the domestic market, as well as to maintain a viable U.S. nonrubber footwear industry. However, these legislative objectives can only be accomplished by:

Raising consumer costs in this decade to over $500 billion or more than some estimates of S&L bailout;

Freezing nonrubber footwear imports at 1990 levels, despite a significant demand for imports which mostly do not compete with higher quality U.S. footwear;

Creating havoc for retailers in importing goods desired by their customers;

Causing widespread job losses in the retailing and importing industries;

Violating our international obligations;

Inviting retaliating against U.S. exports, principally Agricultural exports; and

Eliminating any possibility that we will achieve a satisfactory conclusion to the Uruguay Round of GATT multilateral trade negotiations.

Not bad for one bill. In fact, few we consider are worse.

UNSUPPORTABLE CONGRESSIONAL FINDINGS

Before causing this damage, the Congress is being asked to make certain findings to justify this legislation. Let's look at some of these. First, the bill declares that the current level of textile and apparel imports represents over 1.4 million job opportunities lost to U.S.

workers. This finding, however, cannot be credibly made. It is premised on the untenable assumption that with zero imports, the domestic industry could satisfy all consumer demand, the domestic industry could find the people to fill these jobs, price levels would not rise at unacceptable rates as imports were replaced by higher priced domestic products, and productivity gains and increased mechanization had not eliminated any jobs.

Second, we are told import penetration in the domestic clothing and clothing fabric market has nearly doubled in the past 10 years, reaching a level of 58 percent in 1989. It seems apparent to me that the textile industry continues to overstate the level of import penetration in the U.S. market to justify protectionist legislation. According to the impartial U.S. International Trade Commission, for example, in 1989 textile imports accounted for only 12.6 percent of domestic consumption, measured in value. Apparel imports were higher, but no credible basis exists for asserting textile and apparel imports have hit nearly 60 percent.

Third, we are told imports have caused serious damage, or the actual threat thereof, to the domestic textile industry, resulting in market disruption that only can be remedied through enactment of this legislation. The purported finding is based on false premises, namely, that market disruption is occurring with no existing mechanisms available to provide a remedy, that the industry can be helped by further drastic quotas, and that the quotas will act as the panacea for the perceived market disruption. This alleged injury, without an investigation and factual findings by the International Trade Commission, does not provide Congress with authority under the GATT and current U.S. law to provide this kind of escape clause relief. The industry seeks by legislative fiat to supplant the detailed procedures set forth in section 201 of the Trade Act of 1974—precisely the result Congress sought to avoid in 1974.

Fourth, the bill asserts that unless import growth is related to domestic growth, plant closings and job losses will continue to accelerate, leaving the United States with reduced competition benefiting domestic consumers and leaving the nation in a less competitive international position. Like other policy statements in the legislation, it erroneously assumes that imports, not productivity gains and increased mechanization, are the principle source of job losses. Moreover, this finding makes the remarkable assumption that barriers to trade, causing higher prices and reduced availability of products, will help U.S. consumers or the protected domestic industry to compete over the long run. The average family of four already pays an extra $238 per year for clothing as a result of existing protection. The typical family hardly needs the further relief proposed by the domestic industry.

Finally, the bill states that actions taken by the U.S. Government under the Multifiber Arrangement have been insufficient to avoid the disruptive effects of imports on the domestic market. If anything, the U.S. Government has been overly aggressive in departing from MFA principles to control imports. Under the MFA, the administration has established over 1,000 quotas covering more than two-thirds of the total textile and apparel imports. And yet the domestic industry wants more.

ADVERSE EFFECTS FOR THE NATION

To accomplish their objectives, the bill's sponsors would provide for 1 percent aggregate annual growth in imports over total 1990 imports in each category of textile and apparel products. Moreover, they would provide for no growth in footwear, limiting imports to the total aggregate quantity that entered the United States in 1990.

The bill is fundamentally flawed. As I hope my colleagues appreciate, it is not a modest measure. We should reject it. Let's look at these damaging effects.

This legislation would impose substantially higher costs on consumers—our constituents—at a time when they already are burdened with billions of dollars in hidden textile and apparel taxes. According to a recent study by William R. Cline, enactment of this legislation will raise the total textile and apparel tax on consumers to over $500 billion over the period 1990–2000. After the S&L fiasco, who would have thought Congress could outdo itself in socking it to the American taxpayer? Given the hidden textile and apparel taxes—$238 per year per family—our constituents already are forced to pay, they should not be burdened with an additional tax on basic necessities.

The additional restrictions being proposed would cut trade dramatically. As a result of a substantial decrease in imports, retailers, their customers, and the country will be hurt. Many of the products retail customers currently demand simply will not be available. Domestic manufacturers either cannot or will not fill this need. The availability of children's wear and budget department items in particular will be substantially reduced, if not eliminated.

Second, as foreign manufacturers change their product mix to adjust to the new quota limits, they will concentrate on producing higher priced items to garner the higher profits on the limited number of products they can export. As a result, many lower priced items simply will not be available and those items that will be available in retail stores will be too expensive for individuals on a limited budget. Consumption would probably decline over all which would not help the domestic industry.

Finally, reduced supply and corresponding higher prices will generate inflationary pressures. In the past few years, import prices have increased substantially as the market has felt the force of increased quota restictions and overall growth in demand. And now we intend to add to inflation.

Presumably we are going to ask consumers to foot this staggering bill to increase employment in the textile and apparel industry. But does anyone gain from this legislation? According to Cline's study, the additional import restraints would save textile and apparel workers jobs at a total cost of $192,000 each by the year 2000—at 1989 prices. And, as retail sales fall due to higher prices and reduced selection, an estimate of 50,000 Americans will be forced out of work.

In 1985, Members of Congress were told by the domestic industry that "if import penetration of U.S. markets continues, hundreds of thousands or more workers will be laid off or more likely terminated because of plant closings". Imports have since risen to meet expanding domestic demand at modest levels of 2.5 percent from 1986 to 1989. The domestic industry, however, has not been devastated. In fact, textile worker employment has increased, while apparel jobs have decreased only marginally since 1985. Now the Congress is being asked to force thousands of retail employees out of work, simply to provide jobs to the domestic textile industry.

These jobs losses would be felt nationally. As one would expect, labor in three Southern States—North Carolina, South Carolina, and Georgia—would benefit the most from additional quotas. Yet, these States have not suffered in recent years, having enjoyed unemployment levels generally below the national average. Since 1985, textile sector employment has been up, from 702,300 to 726,100 in 1989. Apparel sector employment has been virtually unchanged, dropping a modest 0.1 percent from 1,121,300 in 1985 to 1,091,400 in 1989. Workers throughout the country should not be forced out of work simply to increase employment opportunities in textile States. All States have seen job losses caused by plant modernization and productivity improvements. Why should one industry undergoing the same changes be favored over others?

AGRICULTURE RETALIATION

Enactment of the legislation would provoke retaliation against our exports, in particular agricultural exports. High-technology exports could also be effected. Do the textile States really want to perpetuate jobs in outdated plants while losing higher skilled jobs with far more opportunity for workers? As my colleagues may know, the European Community already has indicated that it will retaliate. This would be particularly devatating to farm families in the Midwest. Family farmers forced out of business as they no longer can compete will not relish a bill like this one that props up one industry at the expense of another.

Agriculture already had paid a heavy price for textile protection. In 1983, for example, the textile bilateral agreement between the United States and China lapsed as a result of our Government's attempt to freeze China's share of our domestic market. China shifted its source of grain purchases, costing our farmers an estimated $500 million in lost sales.

To those of my colleagues who don't think the threat of retaliation is likely, let me quote from a recent letter signed by the American Farm Bureau Federation and 11 other agricultural groups:

[T]his bill proposes to limit imports in a manner that would cause great harm to United States trade interests, and especially those of American agriculture.* * *

The textile bill could give the EC the excuse it has been looking for to impose import restrictions against these important U.S. commodities [soybeans and meal and corn gluten feed].* * *

[T]he erection of so-called "safeguard" import barriers through legislation . . . would establish a precedent that could be used by foreign parliaments to restrict U.S. farm products without any formal determination of injury. This is an extremely dangerous precedent to set.

Agricultural exports have always been the first to feel the sting of retaliation. It simply makes no sense to add yet another layer of protection for the domestic textile and apparel industry at the expense of U.S. farmers and other export-dependent Americans.

ADVERSE EFFECT ON RETAILERS

While often described as modest, this legislation will create havoc within the retailing community by totally disrupting the retailers' ability to follow changes in market demand. In addition to the 1 percent limitation on growth, the bill also provides the Secretary of Commerce with authority to prescribe regulations to enforce the act, including rules to ensure the "reasonable spacing of imports over [each] calendar year." Like the licensing provision in previous quota bills, this requirement—if it could be administered—would unnecessarily complicate the importing process and impose additional costs.

By mandating global quotas, the legislation also would bring products from the European Community under tight control. Their exports to the United States are confined largely to years and fabrics purchased by U.S. textile and apparel manufacturers for further processing in the United States. The industry would be cutting its own throat, since it would suffer by its inability to obtain the fabrics required by fashion demands or to assemble some of their apparel abroad. It is difficult for me to see that the industry is that concerned about its employees, as it may be the largest importer of all.

The legislation would leave the administration with the delicate task of allocating quota rights among our trading partners. It would be forced either to breach the terms of existing bilateral agreements with many smaller developing country suppliers by reducing annual growth to 1 percent—destroying the MFA in the process—or grant newly controlled suppliers such as the European Community less than 1 percent growth. In the past, retailers could react to new controls on a given country's trade by seeking new sources of supply. No longer. This would become a zero-sum game. If one country is allowed to grow by more than 1 percent, another country's growth must be reduced by an offsetting amount.

MORE RELIEF FOR A PROFITABLE INDUSTRY

Upon introduction of the domestic industry's textile quota bill in the 99th Congress, we were told that "[i]f [Congress does] not act now to curb imports, in 5 years our entire industry and 4 million jobs that depend on it will simply cease to exist". The 5 years has expired and the industry is still prospering. This year's pleas for protection should be assessed in light of the industry's current economic performance.

Textile industry shipments have increased in 6 out of the last 7 years, growing at a compound annual rate of 4.3 percent per year. Shipments reached an all-time high of $63.7 billion in 1989. Much of the decline in shipments during the first 5 months of 1990 can be attributed to the continuing turbulence in the U.S. apparel market resulting from the recent shake out in the retail sector.

From 1982 to 1989, total fibers consumed by U.S. mills increased 5 percent per year, and in 1989 reached a new high of 13.2 billion pounds. In addition, consumption of all fibers on cotton and woolen systems during the first quarter of 1990 was 3.4 percent above the amount consumed in the same period last year.

Although textile industry profits declined to $1.4 billion in 1989 due to weak fourth quarter performance, net sales, receipts and revenues increased to a record $57 billion. In the first quarter of 1990, the substantial increase in nonoperating expenses was responsible for the sharp decline in after tax profits. These expenses were driven by a considerable rise in writeoffs resulting from capital losses incurred from asset sales. Firms in the industry are suffering with the heavy financial burden of interest payments on their excessive levels of medium- and long-term debt—much of it high-cost junk bond debt. Congress should not be asked to limit imports so that textile industry executives can pay off the junk bonds they floated in the halcyon days of the 1980's. Furthermore, operating expenses actually fell 4.3 percent in the first quarter of 1990 from the previous quarter.

It is evident to me that the textile industry remains healthy, and is operating more efficiently and generating increasing output with greater productivity. But—it's a lot easier for the industry to blame down cycles on imports than on the more complicated real causes.

The industry's Buy America ad campaign is a far more productive use of its funds than paying lobbyists to promote this kind of legislaiton. Americans need to think more about their purchasing patterns. We should be more like the Japanese and prefer our own goods—but we should not have other alternatives eliminated.

URUGUAY ROUND DISASTER

Finally, the domestic textile industry would have us kill the Uruguay round of multilateral trade negotiations as they near what we hope will be a successful conclusion. Our Nation stands to benefit immeasurably by a successful conclusion of the round. We may finally achieve consensus on rules to govern trade in services, to protect intellectual property rights from piracy, and to limit restrictions nations may place on our investments abroad. Yet we risk losing it all if the domestic industry has its way. If this bill is signed into law, many of our trading partners will simply refuse to negotiate a reasonable conclusion. Few things could be more destructive to our Nation's future prosperity.

CONCLUSION

Mr. Speaker, as the Members of this body analyze this legislation, I hope that we will keep some fundamental policy questions in mind. First, do you wish to sanction arbitrary and unilateral trade restraints designed to stifle growth and competition?

Second, do you wish to invite massive retaliation against those sectors of our economy so dependent on exports, especially American agriculture, simply to provide further protection to the most protected industries?

Third, do you wish to undermine the credibility of the United States in the Uruguay round of GATT negotiations, destroying any hope for significant agreements that would further our Nation's prosperity in the decades ahead?

Finally, do you wish to substantially raise the costs of clothing to consumers, in particular families with schoolchildren and families who have a limited clothing budget? Must they pay ever higher prices simply to provide further relief to an industry with an insatiable appetite for protection?

I cannot imagine my colleagues wanting to force this country to pay such a heavy price for further import protection. I sincerely urge you to vote no.

Mr. LAGOMARSINO. Mr. Speaker, I rise in opposition to this textile protectionism bill because it is unnecessary and could be very, very damaging to other important American industries, especially to those with which we hold an export competitive advantage.

H.R. 4328 as brought before the House today is deterimental to both national and local economies. Above all, it hits the American consumer the worst. Average Americans are asked to pay for this bill twice. First, at the market where the prices of clothing and shoes rise—though family income does not thereby unjustly hurting the poorest in our society, many of whom are minorities—solely to protect the already most protected American industry. The estimated cost to consumers? Over $160 billion. That translates into taxing every family of four about $2,600 per year.

Then, Americans pay again at tax time. According to the Congressional Budget Office enactment of this legislation would result in losses of revenue of $220 million in 1992 all the way up to $560 million in 1995. To make for this lost revenue from decreased customs duties—this bill replaces tariffs with quotas—the American taxpayer either faces reduced Government services or increased taxes. Furthermore, I am troubled by reports that most of the increased revenues of the textile industry go to the owners and managers, not the worker at the loom.

According to the California State World Trade Commission, H.R. 4328 would harm California's economy. I know it would adversely impact on my district, Ventura and Santa Barbara Counties. California is America's No. 1 trading State. Last year, California ports handled goods worth $157 billion—equal to 20 percent of our total output. But, fewer textile imports coupled with likely retaliation against U.S. exports, could devastate California's ports, retail, transportation and distribution industries.

It is important to examine the real status of the textile industry and the real affect this bill could have on other American Industries.

The textile industry is not in trouble. Automation and modernization, not imports, are the real reason behind layoffs. Some old plants have closed but many more new ones have opened—over 70 in the past 2 years creating 5,500 new jobs. In the three big textile States unemployment has been below the national average. Those textile workers who have lost their jobs have found more jobs in other growth industries. The United States is a growing market. While imports have risen modestly, so has domestic production. Capacity utilization at American textile mills is at an alltime high, higher, in fact, than for the entire U.S. manufacturing sector.

The textile industry has cried "wolf' for over 30 years. In reality, it has continued to enjoy modest, but steady growth throughout the

years—continuously subsidized by the most generous protection around. Textiles and apparel already have the highest import tariffs in the United States at an average of 18.2 percent compared to the 4 percent for other manufacturing.

H.R. 4328 really strikes at America's other industries. By prohibiting U.S. negotiators from making concessions on textiles—or even putting the textile issue on the table—it would sink the Uruguay round of the General Agreement on Tariffs and Trade [GATT]. A successful round at GATT is critical for our creating fair and equitable rules for agriculture, services, investment, heavy industry, high technology trade, and intellectual property protection. These are key areas in which the United States has a competitive advantage. They are our No. 1 industries domestically and abroad. It's no wonder the agriculture, high-technology, investment, services, and other industries are strongly opposed to this shortsighted, special interest measure. If we are concerned about Japan's, Korea's, and the European Community's unfair trade advantages, H.R. 4328 only serves to strengthen them!

H.R. 4328 is an open invitation for retaliation against U.S. exports, including many from my district. For years, I have worked very hard with other Government officials and American industry to gain access to Far Eastern and European markets for American technology, agriculture—especially wine, citrus, kiwi fruit, avocados, other produce, flowers, and beef among others. We have overcome many unfair tariffs and quotas, There are still many more barriers to penetrate. We must continue forward, not backward.

These trading partners, some of which have large textile export industries, would have every right to counter the textile bill with new restrictions of their own—restrictions which hit our export industries and roll back all the progress we have made. The loss of jobs, including many in American textile States and among minorities, would be far greater than any job losses in the textile industry. H.R. 4328 violates the GATT, of which we are a key member, and 38 bilateral accords. Remember, we've reached these accords because they benefit the United States. The U.S. Government is required by law to retaliate against nations that violate trade agreements with us. But, we can hardly expect other nations to honor their commitments if we hypocritically fail to do the same.

Success at the Uruguay round of GATT is extremely important for American trade. While I've noted a couple of provisions, I believe the American people ought to know all the reasons why and just what is being gambled. Through GATT, we are seeking to expand access for American trade and have agreed to reduce world trade barriers by a third. That opening in global markets benefits all American manufacturers and exporters. The projected growth alone will generate $200 billion a year in domestic output. GATT is also establishing comprehensive rules for fair play America is competitive if the playing field is level. GATT also seeks to rein in the hundreds of billions of dollars of subsidies with which foreign governments bribe the market and rob American entrepreneurs of sales. Our goals at GATT also seek to ensure that all new rules are applied to developing countries. Integration of these markets into our trade system could increase U.S. exports by as much as 50 percent, or $200 billion, between now and the year 2000. We also aim to create swift and effective trade dispute resolution means through GATT to foster increased international cooperation helping both American national security and American business. Success at GATT is also necessary for fundamental reform of agriculture, an industry where America excels and is hit hardest by the most unfair anti-American agriculture trade barriers.

H.R. 4328 jeopardizes all of this. Simply put, H.R. 4328 is anti-international trade. H.R. 4328 risks so much for so little.

It's not just our very important export industries that get hurt. H.R. 4328 also directly hits American retail industries. These industries are responsible for many jobs throughout America, especially in California. In my district, Patagonia—know to many of us for quality outdoor and sporting clothing—will be seriously impaired in its ability to import products and will be forced to increase costs, as I've noted, to consumers. The same is true for others like Bugle Boy, Generra, Brittania, and so many more. It also adversely affects the "big" name retailers like J.C. Penney's, Sears, and the Limited. Because nonrubber footwear is also included, despite the fact that the American leather footwear industry is competitive and in some areas is extremely competitive by Government trading standards, companies like L.A. Gear and Nike are hit. For every textile job H.R. 4328 claims to save, American consumers would pay upwards of $100,000. Many other Americans in retail and other industries could face unemployment.

In the 1930's, Congress passed a series of protectionist trade measures exemplified best by the Hawley-Smoot tariff. The retaliations, decreased exports and unemployment that following far outweighed the so-called benefits of the measure. Similar arguments can be made today against the textile and footwear quota bill. As the saying goes, we ought to learn from history, otherwise we're doomed to repeat it.

H.R. 4328 is a special interest protectionist bill that serves the few at great cost to the rest of the Nation. The President has threatened to veto this measure based on very sound reasons. For more detail on the problems generated by H.R. 4328 and the myths associated with its purported need, I recommend the following Dear Colleague piece titled "The Textile Lobby Arguments and Responses" put together by our colleague on the Ways and Means Committee BILL FRENZEL.

Like millions of Americans, I am strongly opposed to this unjustified clothing and shoe tax. I urge my colleagues to defeat H.R. 4328.

TEXTILE LOBBY ARGUMENTS AND RESPONSES

IMPORTS HAVE LONG CREATED UNEMPLOYMENT IN THE TEXTILE/APPAREL INDUSTRY

When textile legislation first surfaced in the mid 80's we were told the industry would fold in 1990. It still exists and is far more healthy than several other U.S. industries. Imports have been increasing, but modestly. The average from 1986 to 1989 was 2.5%, in an expanding U.S. market.

Plant modernization and productivity improvements are responsible for the employment losses in the industry over the past 10 years. Imports have had a minimal impact. Mostly, imports have forced the industry to become more competitive, which is positive and necessary.

Some obsolete plants, which could not compete with modern U.S. facilities, have closed. New plants are also opening. In North and South Carolina and Georgia, 70 new plants opened in the last two years, creating 5,500 new jobs. Dun & Bradstreet has listed 172 new textile and 457 new apparel companies since March, 1990. In the same 3 textile states, textile jobs decreased by 101,200 jobs, but non-agricultural jobs increased by 1,839,100 during the 1980's. Many former textile employees now work in better jobs for higher growth companies.

The big 3 textile states have, during this period, always been below the national average in unemployment. They are today. The Textile Lobby seeks to have consumers in the higher unemployment states subsidize employment in lower unemployment states.

ALL INDICATORS SHOW THE INDUSTRY IS SUFFERING

Textile industry shipments have grown 4.3% annually since 1982. Productive capacity increased 3% in '88 and '89. In 1989 revenues increased by $57.2 billion. Declines in early 1990 are due more to the mergers, highly leveraged buyouts, and bankruptcies in the retail sector than to imports. Profit declines in the textile industry were caused by capital losses due to asset sales and increased debt service payments on their junk bond debt. At the same time, operating expenses were down 4.3%, a positive sign. Also, some companies have been shut down for environmental and safety reasons.

Even industry leaders note that obsolete plants may be closed, but no modern ones will be. That is how a free market system works. As industries strive to become more competitive, there will be some casualties. This has occurred in many industries which are not crying to the government for assistance. But the textile industry prefers to take the easy way out and blame imports. That has been much easier than explaining the above to its employees.

THE BILL WILL HELP ENFORCE OUR TEXTILE AGREEMENTS AND QUOTAS

The bill does not address this issue at all. Efforts to curtail textile quota fraud have been stepped up within the Administration over the past five years, and our laws are currently adequate to deal with this issue. Quotas are hard and expensive to enforce. With over 1,000 in force, they will always be a high cost item.

THE EC HAS MORE PROTECTION OF ITS INDUSTRY

The EC imports more textiles than we do ($38 billion vs. $28.6). And it exports far more than we do ($27 billion vs. $9 billion). Their policy is not more restrictive than ours. They just do a better job looking beyond their own market.

WE MUST PASS THIS BILL TO WARD OFF AN URUGUAY ROUND TEXTILE AGREEMENT THAT WILL FAVOR THE MAJOR SUPPLIERS

The Administration has been, in my judgment, overly protective of the domestic industry in the Uruguay Round. Consideration of this bill has alienated our Allies and will now make it more difficult to obtain a reasonable agreement at the Uruguay Round. Consideration of this bill has alienated our Allies and will now make it more difficult to obtain a reasonable agreement at the Uruguay Round.

If textiles is taken out of the negotiations, there will be no agreement. This will pit the textile/apparel industry against many other U.S. industries which expect progress in the agriculture, services, investment, and intellectual property areas. If the Textile Lobby kills the Uruguay Round, expect slower growth for all U.S. and world industries in the 1990's.

WE NEED GREATER PROTECTION OF THE INDUSTRY AS IT IS VITAL TO OUR NATIONAL DEFENSE

This industry already receives far more protection than any other. Textile and apparel tariffs average 18.2% vs. 4% for all manufacturing. We have 1,000 individual restrictive quotas and 38 restrictive bilateral agreements under the Multifiber Arrangement. It is much more protected than petroleum, a more strategic need, or rare metals.

The industry is important, and it will continue to be. But there has been no evidence that we could not obtain textiles for defense needs.

RETALIATION WILL NOT OCCUR

Many of our allies have promised and threatened retaliation if this bill passes. U.S. agriculture products would be the first target of retaliation, with U.S. textiles/apparel and high tech products likely prospects as well.

Suggestions that our trading partners will be afraid to retaliate ignore both history and logic. Competitive industries will suffer retaliation for the sins of a non-competitive industry.

THE BILL RELATES IMPORTS TO GROWTH IN THE U.S. MARKET

It does not. It has a strict 1% annual growth rate from 1989 levels. Average growth rate from 1980-89 was 4% for apparel and 2% for textiles. All the Textile Lobby wants is a nice uneven playing field.

RETAILERS ARE THE PROBLEM—THEY SELL IMPORTS FOR THE SAME PRICE AS DOMESTIC GOODS—RETAILERS ARE REAPING THE BENEFITS OF LOWER PRICED IMPORTS

Retailers sell their products, domestic and imported, for the best price possible. On any given day, all kinds of price variations can be found on retailer shelves.

Nevertheless, import competition has enabled retailers to bring down the price of similar domestically produced products through cost averaging. This has helped to expand the market of domestic apparel. Selling domestic goods at heigher prices would not help the domestic industry. It would only reduce demand.

CBI TEXTILES ARE EXEMPTED IN THIS BILL

Not true—imports are frozen at '89 levels with bill language alleging the possibility of increases, but there are no guarantees. Domestic apparel companies are increasingly assembling apparel in the CBI and Mexico from U.S. formed and cut fabric. Growth in apparel imports, as a result, has increased far more than the 1% growth permitted in the bill. Much of this growth has replaced imports from the Far East. These are very poor nations of enormous strategic value to the U.S., and which have little to send to us other than apparel.

THE BILL COMPENSATES THOSE COUNTRIES NEGATIVELY AFFECTED BY THE BILL

Compensation of a maximum 10% tariff reduction over 5 years would never meet the compensation that would be required if we pass this bill. Because the compensation does not equal the damages, retaliation is inevitable. Again, the retaliation will hurt our most competitive industries.

THE TEXTILE BILL WILL HELP REDUCE THE TRADE DEFICIT

Reductions in product quality will be more than offset by price increases caused by limiting supply. Retaliation will reduce exports. The failure of the Uruguay Round will reduce world trade. The history of trade restrictions proves that deficits can only increase.

OUR INDUSTRY CANNOT COMPETE WITH LOW WAGES AND LACK OF ENVIRONMENTAL, HEALTH, AND SAFETY STANDARD IN OTHER COUNTRIES

U.S. workers are the most productive in the world—39% more than a Japanese worker and 153% more than a Korean worker. The only reason the industry is not competitive is its attitude. It would rather be protected than competitive.

The Administration is encouraging higher standards in the environmental, health, and safety areas by other countries. We are not the only country in the world that seeks a clean environment. Some countries have stricter standards than our own. We should not pass laws that compensate our industries for differences unless we expect mirror legislation. We could suffer as a result.

THE FOOTWEAR INDUSTRY NEEDS IMPORT RELIEF

Our industry is competitive in the higher quality footwear. Exports were up 53% by value in the first quarter of 1990. Sales are up 179% since 1986.

CONSUMERS WON'T MIND PAYING A LITTLE MORE JUST TO MAINTAIN TEXTILE JOBS

Current cost per American family for textile/apparel/footwear protection is $2,100 over 5 years. This bill would increase that to $2,600. It would mean a total of $160 billion consumer cost over 5 years—more than the cost of the S&L bailout, by some estimates. Government studies also indicate that consumers will pay a cost of $70,000 per job. A private sector study in 1987 indicated a $82,000 cost per employee for apparel and $135,000 for textiles. This is unacceptable. The problem is that you won't hear from those who are injured most of all, the American family. American families do mind the extra costs, the hidden taxes, of Textile protection.

Mr. RAY. Mr. Speaker, I rise in support of the textile bill.

The textile bill is known to every Member of this body. Every Member knows there are jobs at stake—there are factories which may close—and there are oftentimes entire cities which may be drained of their economic life without the passage of the textile bill.

Members also need to know there are serious military implications if this bill is not passed. Our domestic textile industry is in a precarious situation. If we go to war, the industry cannot meet our military needs in a number of areas including tents, footwear, and chemical protective gear. These are the products we now need to protect our troops in the Middle East.

The passage of the textile bill will give our domestic textile producers some help to allow this industry to rebuild. Our Nation's military needs a strong textile industrial base, and it is time for this House to support the textile industry by passing this much-needed and long overdue legislation.

Mr. Speaker, I strongly urge support of the bill.

Mr. OWENS of New York. Mr. Speaker, I rise to urge all of my colleagues to vote to support H.R. 4328, the Textile, Apparel and Footwear Trade Act.

The opponents of this legislation would have us defeat it in the name of free trade. But there's nothing free about it; the so-called free trade they are talking about means penury for workers here at home and slavery for workers abroad. Free trade, as it is articulated by the opponents of H.R. 4328, means, quite simply, that the United States will establish no barriers to goods which are subsidized by the exporting countries; the United States will establish no barriers to goods which are produced by countries which utilize large amounts of semi-slave labor, and the United States will establish no barriers to goods which are produced utilizing American capital which has fled this country to Third World nations where the return is greater because the industries are subsidized and the wages and working conditions are indecent and exploitative.

The United States is a major actor on the world stage. What we do, the policies that we set, create a positive or negative influence on the rest of the world. The very fact that we trade with countries which treat workers as disposable fodder to be tossed back when used up makes a statement to the rest of the world that we accept these practices and that we, as a matter of policy, allow the jobs of American workers to be exported for the profits to be gained by the multinational corporations involved who engage in these practices.

I believe that all Americans and all Members of this body would support free trade if it was indeed free. We should be able to trade freely with those nations which see to it that their workers are paid wages comparable to American wages and which also see to it that their workers work under conditions which are not shocking to contemporary standards of decency. These basic standards are clear to all Americans. They include the outlawing of child labor, the establishment of a minimum wage which provides for the basic necessities of food, housing, and health care and the establishment of working conditions such as maximum hours of work and protection from known hazards. Beyond that, workers should be free to organize to improve their own lot without interference by the corporations involved or the Government. The practical reality is that this is not what is happening with our many trading partners today—particularly those who are the largest textile exporters to the United States—and there is no reason to believe that it will happen tomorrow as long as we bring no pressure to bear on these issues.

I urge my colleagues to support H.R. 4328. In just the last year, 66,000 jobs in the textile and apparel industry have been destroyed; over 400,000 jobs have been lost since 1980. We can tolerate no more. The bogus notion of free trade espoused by the opponents of this bill is nothing more than the freedom to exploit workers abroad. A vote against this urgently needed, job-saving legislation would effectively sanction the theft of jobs of American workers by those who are unscrupulous enough to take their capital abroad and use it

to exploit unprotected workers elsewhere. That must not be allowed to happen. Vote to pass H.R. 4328.

Mr. DICKINSON. Mr. Speaker, the textile industry is vital to the mobilization needs of the United States.

The legislation we are considering today is aimed at preserving the textile and apparel industrial base in the United States for both civilian and military purposes.

As ranking Republican on the Armed Services Committee, I am concerned with findings of the House Armed Services Subcommittee on Investigations which predict significant future shortfalls in America's mobilization requirements unless some action is taken to reverse the decline of the textile industry.

Our former colleague who chaired that committee, Congressman Bill Nichols, continually warned us of the serious shortages the Department of Defense would incur due to the declining textile, shoe, and apparel industries.

In peacetime, shortages may not seem important, but the current mobilization in the Middle East points out that any shortage is critical.

The Department of Defense has also made it clear that the production capability of the textile industry is second only to steel, and must be viewed as an essential component of our national defense.

Mr. POSHARD. Mr. Speaker, I rise in strong support of H.R. 4328, the Textile, Apparel and Footwear Trade Act.

My reasons are twofold.

On one hand, I support the bill in protest of the economic ravages my district has experienced. The honor roll of southern Illinois communities who've lost jobs—jobs that used to pay well and have a measure of security—is far too long.

Carbondale, Murphysboro, Centralia, Herrin, Cahokia, Mount Vernon, and perhaps several others have been severely punished by manufacturing losses in these industries. And in my area these are not the kind of jobs you can afford to lose or easily replace. Southern Illinois has contributed more than its fair share to the 587,000 jobs lost in these industries since 1973.

On the other hand, I support the bill because it's good legislation and makes sense for America.

I am not taking this "pro-American" or "buy-American" stance just because it's popular, although in my district it is. I'm taking this stance because it's right.

You will hear the statistics that support arguments in favor of the bill from other speakers, so I will not dwell on them at length. But at some point, and I say the time is now, we have to stand up for American workers and their jobs.

I do not suggest that we ignore treaties, trade agreements, or contracts with other countries, despite the fact that we could follow their lead in this regard. I do suggest that we insist that others play fair with us.

Quotas on the import of foreign-made textiles, apparel, and nonrubber footwear will protect American jobs.

And I can't believe the alleged costs to consumers. People who come up here and tell you this bill will hurt lower income Americans ignore one important fact. Many of those lower income Americans are in that situation because they can't find a job. And when you allow foreign imports to ruin our manufacturing base in this country then you just invite more people to become part of lower income America.

The central question is really this. At what point do we put American workers first? I think the time is now.

Mr. MILLER of Washington. Mr. Speaker, I rise in opposition to H.R. 4328, the textile bill. Earlier I pointed out to the House that the textile industry is the most protected industry in America. It does not need more protection. I explained to the House that this bill will hurt consumers. Single mothers, working families, families with growing children are all losers if this bill becomes law. And, I explained that this bill will undermine four decades of international cooperation and threatens the GATT talks. Our efforts to make America a strong exporter will suffer if we pass this law.

Today, Mr. Speaker, I want to focus on two sides of this bill. Sides the bill's supporters will ignore. One is international, the other, domestic. Whether you worry about international relations or domestic policy, this textile bill is not good for the United States.

Half way around the world, a cooperative, international force opposed to aggression has gathered in Saudi Arabia and the Persian Gulf. As President Bush told the Congress and the world, this is not the United States versus Iraq, it is Saddam Hussein versus the world order. Nations from around the world are participating in economic sanctions against Iraq. Troops and ships from many countries stand guard to protect international law and order.

We say to other countries, let's work together for something which will make our planet more peaceful and more prosperous. We are right to ask for burden sharing. We are right to ask for international cooperation. That is an exciting vision of a new post cold war world order.

But, here today, we say, let's throw out the established world trading order. Let's establish a new protectionist regime to add new layers of protection onto the most protected industry in America. Our allies must be laughing at us. Is our textile industry the most important industry in America? No.

Mr. Speaker, the U.S. output of textile products has grown every year since 1985. U.S. textile mills in 1989 produced at almost 90 percent of capacity compared to about 84 percent for other industries. Unemployment in the five major textile producing States—North Carolina, South Carolina, Alabama, Georgia, and Virginia—is below the national average at about 5 percent. This is not an industry which needs extra help.

We are now in a new era where Eastern European countries move toward democracy and free markets. Yet this bill would not allow a single shirt stitched in Eastern Europe into the United States. The bill would make it less likely that these new democracies could earn foreign capital to purchase sophisticated U.S. technologies.

Developing countries from Asia and Africa using textiles to help their economies grow would lose. This bill says don't try to compete in the international marketplace. No. Just ask for more foreign aid. We should be working with these countries to help them earn their way into prosperity. After all, that's what these countries want to do. We should not forbid them to participate in the international trade available to them.

The spouses and children of those soldiers look at this bill from a different perspective. They worry about getting the best buy they can. They, like tens of thousands of other families, worry about making ends meet. They've seen the cost of gasoline rise. And if you vote for this bill, according to the Council of Economic Advisors, you are voting a $6 billion a year tax increase on every family in America.

That $6 billion would not go to provide food for low-income families or education to our children or better roads or health care. No. That $6 billion would be just an extra layer of subsidy we'll be providing the most protected industry in America.

That $6 billion will hit lower income families the hardest. They are the people who rely on imports to give them the choice of quality products at affordable prices.

Mr. Speaker, I am sad that as our men and women in Saudi Arabia join men and women of other nations, we are imposing a special interest tax that hurts American families and threatens our efforts at international cooperation.

This is a bad bill. It threatens the goal of international cooperation and it hurts our citizens. We should do the right thing. Join me in voting "no" on H.R. 4328.

Mr. FORD of Michigan. Mr. Speaker, I rise in strong support of H.R. 4328, the Textile, Apparel, and Footwear Act of 1990. H.R. 4328 will impose global quotas on textile and apparel imports. This bill does not halt or roll back trade, rather it merely limits its continued growth. H.R. 4328 also sets a global quota on shoe imports at the 1989 level.

Critics of this bill proclaim that the textile industry is crying wolf. In reality, they say, it is a vibrant industry operating virtually at full capacity. Mr. Speaker, I wish to remind my colleagues of another industry that some people claimed was crying wolf. The auto industry was once the backbone of our economy—generating sales and jobs benefiting millions of Americans. The past two decades, however, witnessed an unparalleled flood of imports of foreign autos and auto parts that decimated the economy of my home State of Michigan and seriously undermined the U.S. economy as a whole. Today, Mr. Speaker, Japanese auto imports alone constitute $35 billion of our $109 billion national trade deficit.

In similar fashion, the U.S. electronics industry once enjoyed world fame and economic strength. Today, after decades of unrestrained imports of foreign-made products, it is difficult to find, for example, an American-made VCR. In fact, it could be argued that there no longer exists an American consumer electronics industry.

Mr. Speaker, today, after 10 years of steady decline, almost 40 percent of the clothes and 80 percent of the shoes sold in the United States are foreign made. Moreover, since 1980, 400,000 Americans have lost their jobs due to textile and apparel plant shutdowns. Shouldn't we take a cue from our recent past?

Isn't it time we put an end to Mr. Reagan's free trade nonsense?

The Textile, Apparel, and Trade Act of 1990 seeks modest limits on imports of foreign-made textiles, textile products, and footwear. This bill will not close U.S. markets to foreign-made goods. On the contrary, it accepts an annual growth rate for textile and apparel imports of 1 percent per year, the historic growth rate of domestic apparel consumption.

There can be no doubt that these are modest provisions. Perhaps, if we had taken such a step in regard to our auto and electronics industries, we would not find ourselves in such dire straits as we find ourselves today.

Finally, Mr. Speaker, H.R. 4328 doesn't sacrifice, as some argue, the welfare of the consumer at the expense of the textile industry. Predictions of dramatic price increases in clothing would seem to indicate a great disparity in the price of foreign and American-made clothing. A trip to any department store does not back up such claims. A pair of Lee jeans "Made in the USA" and an imported pair have the same price. It is obvious, as the Office of Technology Assessment recently concluded, that it is retailers and importers who profit from imported apparel, not the consumer.

I fully support H.R. 4328 and urge my colleagues to heed the past and vote for this vital piece of legislation.

Mr. COUGHLIN. Mr. Speaker, I rise today to voice my opposition to H.R. 4328, the Textile, Apparel, and Footwear Trade Act.

Mr. Speaker, my decision to oppose this legislation did not come easily. I am most interested in ensuring that our textile, apparel, and footwear industries remain viable in the face of imported goods. The bill before us today would certainly provide these industries with more security than they now enjoy.

But a searching and thorough analysis of the issue at hand has led me to conclude that this is the wrong time to be considering this measure.

Mr. Speaker, quite frankly, the timing of the debate today is horrible. We all know that the U.S. Trade Representative is currently engaged in high stakes negotiations to conclude the Uruguay round of global trade talks, under the auspices of the General Agreement on Tariffs and Trade, or GATT. These talks have focused on the gamut of products and services, including those that are the subject of the bill before us now. Previous agreements under the GATT have helped reduce world tariff rates by over 75 percent, an action that has led to an expansion of world trade from some $60 billion in 1950 to almost $4 trillion today. Obtaining a new agreement at the Uruguay round will help further reduce the incidence of protectionism in world markets, will enhance America's opportunities for growth in international trade, and will provide myriad new benefits to workers and consumers in the United States.

The Uruguay round is due to be concluded in December. But we threaten today to jeopardize the whole package of world trade reforms when we seek passage of H.R. 4328. We cannot simply take textiles, apparel, and footwear off the table, imposing our own unilateral protections, and still hope to get an agreement that encourages the free trade that will most benefit our Nation. Ambassador Carla Hills, the U.S. Trade Representative, has warned in no uncertain terms that if we pass H.R. 4328 today, we will "virtually destroy any chance of a successful conclusion of the Uruguay round of multilateral trade negotiations."

Beyond compromising the future of GATT, passage of H.R. 4328 will violate current international agreements to which the United States is a party. It should put the United States in contravention of its obligations under the Multifiber Arrangement [MFA], which has regulated textile and related trade for nearly 30 years, and would contradict U.S. commitments made at the most recent session on the MFA in 1986 to bring textiles back under the GATT. This bill would also abrogate or violate 38 bilateral textile agreements with other nations.

Mr. Speaker, the Congress will be called upon to approve or reject any agreement that the administration negotiates at the Uruguay round. Just a few months from now, the administration is supposed to come before us with the text of a new agreement—unless, of course, a new agreement cannot be reached. In either case, if we are dissatisfied with the arrangement, that will be the time to consider legislation such as this. In the meantime, we should provide our negotiators with flexibility and avoid measures that will only make the conclusion of the Uruguay round more difficult.

Mr. JONTZ. Mr. Speaker, the Secretary of Agriculture yesterday released a statement expressing his opposition to this legislation based on a belief that it would "torpedo" the Uruguay round of GATT negotiations and make our agriculture sector subject to retaliation.

As a member of the House Agriculture Committee, I have been a strong supporter of leveling the international playing field regarding agricultural trade. However, I don't feel that we can unilaterally disarm our agricultural producers and hope that our international trading partners will voluntarily open their borders to our ag products. It hasn't happened in the past and it won't happen in the future.

Will this legislation hurt ag trade? I say no. This legislation freezes textile imports at current levels plus allows for 1 percent growth per year—it does not cut the amount that can by imported into the U.S.

Retaliation? I don't think so. Why would countries such as Japan, which has a $40 billion trade surplus with this country, or Korea and Taiwan, which have $9 billion trade surpluses with the United States, want to retaliate against their best customer when they can continue to import their textile products into the United States at current levels?

Mr. Speaker, passage of this legislation will not torpedo the current GATT talks. Passage will simply send a message to our international trading partners that the U.S. Government is not going to give them open access to our markets when they refuse to do the same for us.

Secretary Yeutter says that this is bad legislation for farmers. However, the National Farmers Union, the National Farmers Organization, the American Agricultural Movement, National Cotton Council, the National Wool Growers Association, and the National Family Farm Coalition all support H.R. 4328.

I also urge your support for this legislation.

The SPEAKER pro tempore. All time has expired.

Pursuant to the rule, the previous question is ordered on the motion.

The question is on the motion offered by the gentleman from Illinois [Mr. ROSTENKOWSKI].

The question was taken, and the Speaker pro tempore announced that the noes appeared to have it.

Mr. JENKINS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and made the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 271, nays 149, not voting 12, as follows:

[Roll No. 335]

YEAS—271

Ackerman	Dixon	Jacobs
Alexander	Donnelly	Jenkins
Andrews	Douglas	Johnson (SD)
Annunzio	Durbin	Johnston
Anthony	Dwyer	Jones (GA)
Applegate	Dymally	Jones (NC)
Aspin	Dyson	Jontz
Atkins	Early	Kanjorski
Baker	Eckart	Kaptur
Ballenger	Edwards (CA)	Kastenmeier
Barnard	Emerson	Kildee
Bateman	Engel	Kolter
Bates	Erdreich	Kostmayer
Bentley	Espy	Lancaster
Bevill	Evans	Lantos
Bilbray	Fascell	Laughlin
Bliley	Fazio	Lehman (CA)
Boehlert	Fish	Lehman (FL)
Boggs	Flake	Levin (MI)
Bonior	Flippo	Lewis (GA)
Borski	Foglietta	Lipinski
Bosco	Ford (MI)	Livingston
Boucher	Frank	Lloyd
Brennan	Frost	Long
Brooks	Gaydos	Lowey (NY)
Browder	Gejdenson	Luken, Thomas
Brown (CA)	Gekas	Lukens, Donald
Bruce	Gephardt	Machtley
Bryant	Gilman	Manton
Burton	Gingrich	Markey
Bustamante	Gonzalez	Martin (NY)
Byron	Goodling	Martinez
Callahan	Gordon	Mavroules
Campbell (CO)	Grant	McCloskey
Cardin	Gray	McCrery
Carper	Guarini	McGrath
Carr	Gunderson	McMillan (NC)
Chapman	Hall (OH)	McMillen (MD)
Clarke	Hall (TX)	McNulty
Clay	Hammerschmidt	Mfume
Clement	Harris	Miller (OH)
Clinger	Hatcher	Mineta
Coble	Hawkins	Moakley
Coleman (MO)	Hayes (IL)	Mollohan
Coleman (TX)	Hayes (LA)	Montgomery
Collins	Hefner	Morrison (CT)
Combest	Henry	Mrazek
Condit	Hertel	Murphy
Conte	Hoagland	Murtha
Conyers	Hochbrueckner	Nagle
Cooper	Holloway	Natcher
Costello	Hopkins	Neal (NC)
Coyne	Horton	Nowak
Darden	Houghton	Oakar
Davis	Hoyer	Oberstar
de la Garza	Hubbard	Obey
Dellums	Huckaby	Olin
Derrick	Hughes	Ortiz
Dickinson	Hunter	Owens (NY)
Dingell	Hutto	Pallone

Parker	Savage	Stokes
Parris	Sawyer	Studds
Pashayan	Schaefer	Tallon
Patterson	Scheuer	Tanner
Payne (NJ)	Schiff	Tauzin
Payne (VA)	Schneider	Taylor
Perkins	Schulze	Thomas (CA)
Pickett	Serrano	Thomas (GA)
Poshard	Sharp	Torres
Price	Shays	Torricelli
Quillen	Shuster	Towns
Rahall	Sikorski	Traficant
Rangel	Sisisky	Traxler
Ravenel	Skeen	Valentine
Ray	Skelton	Vento
Regula	Slaughter (NY)	Visclosky
Richardson	Slaughter (VA)	Volkmer
Ridge	Smith (FL)	Vucanovich
Rinaldo	Smith (NJ)	Walgren
Ritter	Smith (TX)	Washington
Robinson	Smith (VT)	Weiss
Roe	Smith, Denny (OR)	Weldon
Rogers	Smith, Robert (NH)	Wheat
Rose	Snowe	Whitten
Roth	Solomon	Williams
Roukema	Spence	Wilson
Rowland (GA)	Spratt	Wise
Roybal	Staggers	Wolpe
Russo	Stenholm	Yates
Sabo	Studds	Yatron
Sarpalius	Tallon	Young (AK)

NAYS—149

Anderson	Herger	Pelosi
Archer	Hiler	Penny
Armey	Hyde	Petri
Bartlett	Inhofe	Pickle
Barton	Ireland	Porter
Beilenson	James	Pursell
Bennett	Johnson (CT)	Rhodes
Bereuter	Kasich	Roberts
Berman	Kennelly	Rohrabacher
Boxer	Kleczka	Ros-Lehtinen
Broomfield	Kolbe	Rostenkowski
Brown (CO)	Kyl	Rowland (CT)
Buechner	LaFalce	Saiki
Bunning	Lagomarsino	Sangmeister
Campbell (CA)	Leach (IA)	Saxton
Chandler	Lent	Schroeder
Coughlin	Levine (CA)	Schuette
Courter	Lewis (CA)	Schumer
Cox	Lewis (FL)	Sensenbrenner
Craig	Lightfoot	Shaw
Crane	Lowery (CA)	Shumway
Crockett	Madigan	Skaggs
Dannemeyer	Marlenee	Slattery
DeFazio	Martin (IL)	Smith (IA)
DeLay	Matsui	Smith (NE)
DeWine	Mazzoli	Smith, Robert (OR)
Dicks	McCandless	Solarz
Dorgan (ND)	McCollum	Stallings
Downey	McCurdy	Stangeland
Dreier	McDermott	Stearns
Duncan	McEwen	Stump
Edwards (OK)	McHugh	Sundquist
English	Meyers	Swift
Fawell	Michel	Synar
Fields	Miller (CA)	Tauke
Frenzel	Miller (WA)	Thomas (WY)
Gallegly	Molinari	Udall
Gallo	Moody	Unsoeld
Geren	Moorhead	Upton
Gibbons	Morella	Vander Jagt
Gillmor	Morrison (WA)	Walker
Glickman	Myers	Walsh
Goss	Nelson	Waxman
Gradison	Nielson	Weber
Grandy	Owens (UT)	Whittaker
Green	Oxley	Wolf
Hamilton	Packard	Wyden
Hancock	Panetta	Wylie
Hansen	Paxon	Young (FL)
Hefley	Pease	

NOT VOTING—12

AuCoin	Ford (TN)	McDade
Bilirakis	Hastert	Neal (MA)
Dornan (CA)	Kennedy	Stark
Feighan	Leath (TX)	Watkins

□ 1519

The Clerk announced the following pair:

On this vote:

Mr. FORD of Tennessee for, with Mr. AUCOIN against.

Mr. BERMAN changed his vote from "yea" to "nay."

So the motion was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. HASTERT. Mr. Speaker, I was unavoidably detained today and was unable to vote on H.R. 4328, the Textile, Apparel, Footwear Trade Act. If I had been able to vote, I would have voted "nay" on roll call vote No. 335, thereby expressing my opposition to this bill.

PERSONAL EXPLANATION

Mr. MORRISON of Connecticut. Mr. Speaker, I was unavoidably absent for roll call No. 334, the rule for consideration of the Textile, Apparel, and Footwear Act. Had I been here, I would have voted "aye."

Mr. LOWERY of California. Mr. Speaker, I want to express my disappointment in the decision of the House to approve H.R. 4328, the Textile, Apparel and Footwear Trade Act. This legislation is clearly protectionist, it would damage the U.S. economy and undermine our efforts to promote free trade among all nations. The President will certainly veto this legislation and the House should sustain the veto.

This bill would establish import quotas that would increase the costs to the American consumer while providing protection to a textile industry which does not need it. If enacted into law, it could cost consumers $5 billion in 1992 and $48 billion by the year 2000.

While driving up the price of textiles and apparel for the American consumer, this legislation would severely hamper our ability to effectively negotiate at the Uruguay Round of the GATT negotiations. Secretary of State Baker has stated the bill would violate 38 existing trade agreements. In response to new U.S. restrictions on textile imports, our farmers will almost certainly face retaliatory restrictions on the exports of their crops. Passage of H.R. 4328 will damage the farm and retail sectors of the U.S. economy.

It is ironic that the Senate attached this bill to the fiscal year 1991 authorization bill for the U.S. Customs Service which produces so much revenue for our Government. The CBO estimates that the Textile and Apparel Act would result in the loss of over $1.5 billion in import fees collected by the Customs Service through the end of fiscal year 1995. The price for increased protection for the textile industry will be paid by the American consumer, retailer, farmer, and the Federal Government through a loss of revenue. This is too high a price to pay for protection that is simply not needed.

It is also interesting to note that the Senate added a provision to the bill expressing support for negotiations to produce a free trade agreement with Mexico. How can we hope to open the markets of our neighbors to U.S. products when Congress is trying to remove apparel and textile products from the negotiating table? A free trade agreement with Mexico is a goal we should work toward. This legislation would make that goal almost impossible to reach.

It is unconscionable to expect our trading partners to open their markets and buy our products while this body legislates the closure of the U.S. marketplace. We cannot call for international free trade while attempting to give preferential treatment to select U.S. industries.

It is encouraging to see the House and Senate have approved this misguided legislation by relatively narrow margins. H.R. 4328 will be vetoed by President Bush and I ask my colleagues to support this wise decision.

PERSONAL EXPLANATION

Mr. STARK. Mr. Speaker, I missed the vote on H.R. 4328 the textile quota bill. I was in a room in the Longworth Building that did not have working bells. Had I been present, I would have voted "nay."

□ 1520

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO SIT TODAY, TUESDAY, SEPTEMBER 18, 1990, AND TOMORROW, WEDNESDAY, SEPTEMBER 19, 1990, DURING 5-MINUTE RULE

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may be permitted to sit while the House is proceeding under the 5-minute rule on today, Tuesday, September 18, 1990, and tomorrow, Wednesday, September 19, 1990.

The SPEAKER pro tempore. (Mr. BARNARD). Is there objection to the request of the gentleman from Texas?

Mr. COX. Mr. Speaker, reserving the right to object, would the gentleman from Texas [Mr. BROOKS] agree to withhold his request to allow the minority time to check on the legislation?

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. COX. I yield to the gentleman from Texas.

Mr. BROOKS. Mr. Speaker, I talked with the ranking Republican member of the committee and he agreed to this. We are now considering H.R. 5111, and tomorrow we will have House Concurrent Resolution 172 on child custody and spousal approval, some private bills, and possibly a few other bills.

Mr. COX. Mr. Speaker, I thank the gentleman from Texas [Mr. BROOKS], and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

The SPEAKER pro tempore. Pursuant to House Resolution 457 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4739.

□ 1523

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense, and to prescribe military personnel levels for fiscal year 1991, and for other purposes, with Mr. DURBIN, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore (Mr. DURBIN). When the Committee of the Whole rose on Wednesday, September 12, 1990, it had completed general debate on all subject areas listed in House Resolutions 457 and 461, except for the subject of the B-2 bomber, and had completed consideration of amendments in the following subject areas: First, acquisition work force; second, defense burdensharing; and third, base closure.

Pursuant to House Resolutions 457 and 461, the orders of the House of September 11 and 12, 1990, and the requisite notice given by the chairman of the Committee on Armed Services on September 12 and earlier today, the Committee will proceed as follows: First, general debate on the B-2 bomber; second, amendments relating to funding levels for strategic defense initiative; third, amendments relating to strategic defense initiative; fourth, amendments relating to economic adjustment; fifth, en bloc amendments printed in part 1 of House Report 101-693 offered by Representative DICKINSON; sixth, general amendments printed in part 2 of House Report 101-693; seventh, en bloc amendments printed in part 2 of House Report 101-693 offered by Representative ASPIN; and eighth, en bloc amendments offered by Representative ASPIN under section 2(a)(1) of House Resolution 457.

It is now in order to debate the subject of the B-2 bomber. The gentleman from Wisconsin [Mr. ASPIN], or his designee, will be recognized for 10 minutes and the gentleman from Alabama [Mr. DICKINSON] or his designee will be recognized for 10 minutes.

The Chair would inquire if the gentleman from California [Mr. DELLUMS] is the designee of the gentleman from Wisconsin [Mr. ASPIN] for this debate?

Mr. ASPIN. Mr. Chairman, the gentleman from California [Mr. DELLUMS] has been the designee on this side for the opposition's amendments.

The CHAIRMAN pro tempore. Will the gentleman from Alabama be controlling the 10 minutes on his side, or will he designate another Member?

Mr. DICKINSON. Mr. Chairman, I will control the time.

The CHAIRMAN pro tempore. The Chair recognizes the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, I ask unanimous consent that of the 10 minutes that have been yielded to this gentleman, 4 minutes be controlled by the distinguished gentleman from Ohio [Mr. KASICH].

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

PARLIAMENTARY INQUIRY

Mr. DELLUMS. Mr. Chairman, may I propound a parliamentary inquiry?

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. DELLUMS. Mr. Chairman, under the rules that govern the proceedings at this moment, who begins the debate on the B-2 and who has the prerogative of closing the debate?

The CHAIRMAN pro tempore. The gentleman from California [Mr. DELLUMS] who is the designee of the gentleman from Wisconsin [Mr. ASPIN], the manager of the bill, has the right to both open and close this debate.

Mr. DICKINSON. Mr. Chairman, I would like to proceed out of order to inquire of the gentleman from Wisconsin [Mr. ASPIN] the sequence of events about to occur.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, I thank the gentleman from Alabama for yielding the time to have a colloquy about the program.

As the gentleman from Alabama [Mr. DICKINSON] knows, nothing is ever definite, but we will try one more time to lay out the program here for Members so they may make their plans about what is going to happen for the rest of the day and tomorrow.

Mr. Chairman, as I understand it, we are to be given the rest of the day to consider the Defense authorization bill, and up until about noon tomorrow. That being the case, the program that we need to talk about here as a possibility would be the following things in the following order this afternoon.

First of all is the debate about the B-2 bomber. That, as has already been designated, is a debate that will take 20 minutes, with the time equally divided between the gentleman from Alabama [Mr. DICKINSON] controlling 10 minutes, and the gentleman from California [Mr. DELLUMS] controlling 10 minutes.

□ 1530

There is anticipated no amendment connected with that debate, at which point we would then move to the voting on the SDI issues which were debated when we last considered the bill.

There are four amendments in order, and it would be anticipated that we would have a 5 and 5 debate, 5 minutes on a side on each of the amendments followed by a 15-minute vote. We have a Dornan amendment, a Dellums amendment, a Kyl amendment, and a Bennett amendment to be voted in that order, king of the hill. If none of those amendments carry we are back to the position of the committee which is in the bill. If one of the amendments carries, the last one to carry is the one that will then be the determining factor.

Following that we would have to vote on an SDI policy. That is the Spratt amendment. There is some possibility that will be worked out and we will not in fact have a vote on that issue. But if we do have a vote on it, that also will be 5 minutes for, 5 minutes against and a 15-minute vote.

We follow that with two votes on economic conversion. These were all issues that were debated when we last considered the bill. Again that will be 5 and 5 and a 15-minute vote on two economic conversion amendments, one by the gentleman from Kentucky [Mr. HOPKINS] and one by the gentleman from Massachusetts [Mr. MAVROULES].

At that point we will have completed the voting on the issues we have already debated. We will then move, according to our planned schedule, to the Dickinson alternative. The gentleman from Alabama has the right to offer an alternative at this point in the program. If he offers his amendment, there is a 20-minute debate, 10 minutes on each side and a 15-minute vote there.

After that, it would be the intention of, I think, the chairman and the ranking Member to bring up at that point some general amendments. There are a series of general amendments listed in the rule. I see 11 of them listed in the rule. Under the rule each of those are allowed 5 minutes for and 5 minutes against. The rule allows us to cluster those votes, and it would be the intention of the Chair, if the gentleman from Alabama will concur, that what we ought to do is probably vote those amendments. We ought to debate those amendments, vote them, see which ones are voice voted, and any that are not voice voted we could roll them together and vote them at the end of the process.

At the end of that process there will be the first vote which would be a 15-minute vote and then subsequent votes would be 5-minute votes.

It is the anticipation of the Chair that that is all we would do tonight. So what we would try and do is vote on all of the issues that we have already debated in the previous meetings. Then we would turn to the Dickinson alternative, then to the general amendments.

If it gets to the point in the evening of about 6 or 7 o'clock where we get to the general amendments, we will try and make some kind of an anticipation to tell the Members how much time the general amendments might take, and what time we would need to come back and do the voting on the block amendments, so if the Members wanted to go and have dinner someplace off the Hill we would try and give them some guidance on that point tonight.

It would be anticipated that at the point we get to the general amendments we may be able to say that we will not come to the voting on the block amendments for an hour and a half or something and that would give Members an opportunity to go and have dinner somewhere other than here.

Then if we come back in tomorrow, we would have in essence not very much. We have an en bloc amendment which covers a lot of territory but does not take a lot of time. We have a budget amendment which may or may not be interesting, depending upon whether we get a summit agreement. Then we have the gentleman from Alabama's motion to recommit and final passage.

Mr. DICKINSON. Reclaiming my time, the amendment the gentleman refers to as the budget amendment, that would be the amendment made allowable in his name?

Mr. ASPIN. That is correct.

Mr. DICKINSON. And it would be fashioned as a result of whatever results from the budget summit, if anything?

Mr. ASPIN. If anything.

Let me explain to the gentleman from Alabama there will be a budget amendment regardless, if there is no white smoke coming out of the budget talks, because there will be some anticipated, maybe, some budget adjustments depending upon the SDI votes go, et cetera. There are a few other things that are important, I think, language amendments, there is the matter of clearing up some of the problems of the personnel that we have discovered in Desert Shield, the inequities of the pay that needs to be cleaned up, and all of that will be done in this budget amendment coming tomorrow.

Mr. DICKINSON. If I might restate what I understood my chairman to say, we will work until sometime close to the dinner hour this evening, sometime around 7 o'clock. It is anticipated that we should have reached a point by then that we can get into the general amendments, but we will postpone the vote on those to accommodate a dinner off the Hill that a number of people have an interest in attending. We will then be able to announce at that time how much time remains. Then they would be expected to come back and vote on a series of votes based on general amendments. And it would be the chairman's intention, at this time at least, to run through late this evening?

Mr. ASPIN. No longer than it takes them to complete the vote on those remaining amendments. So Members would come back from dinner and there would be a series of votes, the first one 15 minutes and all of the others after that 5 minutes. At that point we would adjourn for the night.

Mr. DICKINSON. Does the gentleman think it is likely we would come in at 10 in the morning? Is that his understanding?

Mr. ASPIN. As I understand it, we are due back at 10 tomorrow morning. That would mean that there would be the en bloc amendments, which is 20 minutes of debate, and then a vote on that. Then we have the budget adjustment amendment. That is 40 minutes of debate and a vote on that, and the motion to recommit. The gentleman from Alabama has that, and that is 60 minutes of debate if he wants to use it and a vote on that. Then final passage.

Mr. DICKINSON. So we can expect to hopefully conclude the defense bill at least between 12 and 1 o'clock tomorrow afternoon?

Mr. ASPIN. That is the intention.

Mr. DICKINSON. Mr. Chairman, I believe that Mr. ASPIN's clarification of the committee's position on the Army's LH Program—pages H7298-99 of the CONGRESSIONAL RECORD, September 11, 1990—is an inaccurate representation of the committee's action on this important Army program.

The committee's position on the LH, contrary to Chairman ASPIN's unfounded statements is exactly as stated on pages 144-45 of the committee report—House Report 101-665. This report language is included for the RECORD.

ARMY SCOUT/ATTACK HELICOPTER

The fiscal year 1991 budget request contained $411.4 million for the Army's Light Helicopter (LH) program. This included funds that the Army intends to use to enter into full-scale development after a winning contractor team is selected during the fiscal year.

The committee agrees with the Army's requirement for a new scout/attack helicopter. The Army's current fleet of light/scout helicopters is old, technologically obsolete, increasingly combat ineffective, and costly to maintain. The committee also supports the continued development of LH as a new scout/attack helicopter and as an eventual replacement for the Army's aging scout attack fleet consistent with sound acquisition practices, including prototype testing.

Accordingly, the committee believes that the Army should restructure its acquisition strategy for LH to include a technology demonstration of prototype aircraft prior to entering into full scale development (FSD). The committee urges the Army to down-select to one contractor team as currently scheduled before initiating this prototype technology demonstration.

The prototype technology demonstration should demonstrate all of the LH's essential systems including propulsion, avionics, combat mission elements, and composite manufacturing technologies. To maximize its ability to eventually baseline a LH design that takes advantage of technologies currently being developed by both contractor teams, the Army should incorporate technology from the losing contractor into the winning design where appropriate.

Recognizing that the above direction will alter the Army's acquisition strategy for LH, the committee notes that it is sensitive to the industrial base risks associated with extending LH development through a prototype technology demonstration. Therefore, the committee directs that the Secretary of the Army submit a revised LH acquisition plan, including an assessment of that risk, to the Committees on Armed Services of the Senate and House of Representatives by February 1, 1991.

The committee recommends authorization of $300 million requested for the LH, noting, however, that it is unable to assess the cost of the revised program for fiscal year 1991. The committee also denies the Army's request to initiate FSD in fiscal year 1991. Moreover, the Secretary of Defense has not yet announced his recommendations for the LH based on the department's major review of the program. Therefore, the committee's recommendation to fully fund the LH program in fiscal year 1991 is with the understanding that any adjustments consistent with the department's review will be made as necessary in the House-Senate conference.

Chairman ASPIN's comments in the September 11, 1990, CONGRESSIONAL RECORD reflect nothing more than his personal view of how the Army should proceed with the LH Program. They certainly do not represent the view of the committee. I was the principal author of the LH language that is currently in the committee report and was involved in the committee's LH debate from beginning to end. As committee transcripts demonstrate, the existing report language is the only LH language that either the R&D subcommittee or the full committee formally considered and/or voted on.

During the R&D subcommittee's markup on July 31, my proposed language was formally offered and was adopted unanimously on a voice vote. The full committee never considered or voted on LH report language that was different from that approved by the R&D subcommittee. The transcripts do not lie. Moreover, the bill language on LH approved by the committee and currently in section 212 of H.R. 4739 is entirely consistent with the existing LH report language. Therefore, the LH language approved by the R&D subcommittee was not changed by the the full committee. Consequently, it remains the operative language, contrary to Chairman ASPIN's attempt to unilaterally re-interprete after the fact.

In support of his reinterpretation of the committee's existing LH language, Chairman ASPIN argues that this existing language was, by simple oversight, not revised to conform with the policy objectives of the amendment offered by Mr. HOPKINS in the full committee. In fact, as transcripts of the full committee's markup session indicate, Mr. HOPKINS' amendment proposed nothing more than cutting $75 million from the LH Program. Mr. HOPKINS did not offer any new LH report language, nor did any other member of the full committee. Therefore, the sole objective of the Hopkins amendment, as indicated by its brief text, was to reduce funding for the program. The complete text of the Hopkins' amendment as offered in full committee is submitted for the RECORD; at the end of my remarks.

In summary, none of the subcommittee or full committee transcripts of this year's markup or the published committee report support Mr. ASPIN's clarification of the LH language. As a result, his interpretation under the guise of clarification only muddles the legislative history. I am more than willing to let the record speak for itself on this matter because it is unequivocal.

As the committee report states quite clearly, "the committee * * * supports the continued development of LH as a new scout/attack helicopter and as an eventual replacement for the Army's aging scout attack fleet * * *.

In the section in title II (as recommended by the Research and Development Subcommittee) relating to the Army Combat Helicopter program, reduce the funding level from $375,000,000 to $300,000,000.

The CHAIRMAN pro tempore. (Mr. DURBIN). The committee will resume the debate.

The Chair will note that the gentleman from California [Mr. DELLUMS] will be recognized for 10 minutes, and he has designated the gentleman from Ohio [Mr. KASICH] to control 4 of those minutes, and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 10 minutes.

The Chair recognizes the gentleman from California [Mr. DELLUMS].

Mr. DELLUMS. Mr. Chairman, it is my pleasure to yield 1 minute to the distinguished gentleman from Oklahoma [Mr. SYNAR].

Mr. SYNAR. Mr. Chairman, in the last year we have witnessed amazing changes in our national strategic environment. In this new era decisions on major weapon systems must continue to be evaluated on the basis of three criteria. First, does the weapon system have a mission; second, does the weapon system work; and finally, does the weapon system cost too much.

The B-2 Bomber Program fails on all three counts. The B-2 does not have a role in conventional war situations. The B-2 consistently has not met specific testing and performance requirements, and at a cost of close to $1 billion a copy our country can not longer afford a fleet of B-2's.

Termination of the B-2 Program will free up tremendous resources so that we can modernize and restructure our defense complex to meet future needs, threats and conflicts.

I want to commend the gentleman from Wisconsin [Chairman ASPIN], the gentleman from California [Mr. DELLUMS], and the gentleman from Ohio [Mr. KASICH], for their outstanding service, and I urge my colleagues to support the committee position.

Mr. Chairman, given the declining Soviet threat and lack of evidence that the plane is capable of accomplishing its essential mission, I have concluded that the B-2 is a bottomless pit that we can no longer afford.

It has been a long journey, and only after several years of trying to get this program straightened out have I arrived at this position. Staggering cost overruns, inadequate testing, and lack of a direct, applicable mission are among the major problems with the B-2 Program. In addition, the information provided by the Air Force has been largely inadequate and of questionable reliability. They have not made a convincing argument why our country needs this bomber.

On the other hand, there is plenty of evidence why further production of the B-2 can be safely terminated, and should be. Continuing to spend billions of dollars before we know the B-2 will work is clearly not permissible. Tests on the Stealth capability and defense avionics of the B-2 remain unproven. These are the two fundamental technologies enabling the plane to penetrate Soviet air defenses. Even if current schedules are met, it will be at least 3 years before critical performance testing is completed.

In terms of mission, one of the original purposes of the B-2 was to hit relocatable targets in the Soviet Union, but the Air Force has acknowledged that the B-2 is not presently capable of doing this. Another justification for the B-2 was that it was needed to penetrate future improvements in Soviet air defenses. However, recent testimony from the CIA about the weakened Soviet economy has rendered this mission equally dubious. The Soviets cannot afford to improve their future air defenses. Even so, the fact is our B-52's and B-1B's will serve the bomber leg of our defense triad well into the future.

The current threat in the Middle East emphasizes the importance of changing our defense priorities to meet existing security problems. The new strategic environment we face places less emphasis on deterring Soviet nuclear attack and more emphasis on conventional war and Third World conflicts. The B-2 is not necessary for these types of conflicts. There are many other types of aircraft available for conventional bombing. Both our B-52's and B-1B's have the capability to perform conventional missions if needed. However, even the Pentagon has expressed reservations about flying strategic bombers in conventional combat situations.

Finally, we cannot afford the price tag of the B-2, especially given the questions surrounding its capability and purpose. It is the most expensive weapon system ever developed. At close to $1 billion a copy, our country cannot afford to build a fleet of B-2's. Furthermore, termination of the B-2 Program will free up tremendous resources so that we can modernize and restructure our defense complex to meet future threats and conflicts.

For these reasons, I urge my colleagues to support the Committee position to terminate the B-2 Program. I commend Chairman ASPIN for his critical support in calling for the termination of this program. I am hopeful this position will prevail in the House/Senate Conference.

Mr. DICKINSON. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, I am glad that there is time for a brief debate on the B-2. What is fortunate is that there is no way to have a clean vote on this issue at this time. First, identifying a $2.7 billion offset to restore two aircraft and the necessary advance procurement funds is an impossible task. It is simply too hard to find that amount of money in a bill that has already been cut $24 billion from the requested level. Second, many of my colleagues who are undecided on the B-2, and even many moderate proponents of the program, could probably be convinced to vote against restoring the B-2 on the grounds that the Senate has already fully funded the program so they should simply vote "no" on the Skelton amendment and let it be a conference issue. Thus, politics will once again preclude us from really knowing what the House thinks on B-2.

Like SDI, the B-2 debate is no longer about technology. We know the B-2 flies, and even if calculations of its low observability are off slightly, the ability of the aircraft to penetrate Soviet airspace will not be impacted. Contrary to a lot of the rhetoric we all hear, the B-2 debate is also not about the aircraft's mission. The mission of the B-2 is the same as that of the B-1, the B-52, and its predecessors. In fact, the mission of all three elements of our nuclear triad is deterrence—pure and simple. The B-2 debate is about cost, and cost alone.

It is interesting to note how big-dollar strategic programs have been addressed by the House since the Reagan defense buildup began its decline five years ago. At first, SDI became the "cash cow" that helped to pay for add-backs and Member interest items—it still is. Now that the House's proposed defense cuts are growing, Members have found a second cash cow—the B-2. It is coincidence that the committee cut approximately $2.8 billion in B-2 procurement funding, and then added basically the same amount—$2.9 billion—in unrequested programs back into the procurement accounts? I don't think so. Is it coincidence that of the $5.6 billion of the unrequested programs the committee stuffed back into the bill, that $4.6 billion—or 82 percent—of them were funded exclusively from the SDI and B-2 cash-cows? Again, I don't think so. As our committee has so viv-

idly demonstrated, in the end, terminating the B-2 isn't going to save any money. It will simply maintain some steady state of parochial add-backs at a time when defense dollars are declining.

The B-2 is the linch-pin of the START framework already agreed to by the United States and Soviets, as well as the centerpiece of the United States' post-START strategic force structure. As such, I believe it is a must-have program for the President. In his letter to Chairman NUNN during the Senate debate, the President warned that, "it is vital that the Congress sustain our commitment to produce stealth technology and deploy the B-2." Before this debate is over, I imagine the House's treatment of the B-2 will become grist for the President's veto mill.

The revised B-2 Program of 75 aircraft is the right way to go. As I said in my remarks during the SDI debate, "we need it; it is justified; it is doable." I strongly support the President on this one and will work hard in conference to see that the program is robustly funded.

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Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Kansas [Mr. SLATTERY].

Mr. SLATTERY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I would first like to express my gratitude to him and to the gentleman from Ohio [Mr. KASICH], and the gentleman from Oklahoma [Mr. SYNAR], and all of you for the leadership you have demonstrated on this issue. I have enjoyed working with you.

It is clear that a huge majority of this body supports the position taken by the committee in terminating the further production of the B-2 bomber. Otherwise, there would be a vote to change the language of the committee bill on the floor of the House this evening. I hope that is kept in mind as we move forward in the process.

The other point I would like to make is that nothing has happened in the Middle East that should justify changing our position on the B-2. The fact of the matter is that there is an enormous air-power capability that is already available for action in the Middle East. Look at the F-111's, the B-52's, the B-1's, if we wanted to use them the F-16's, the F-18's, the A-6's, the A-7's, and the list goes on.

Mr. Chairman, I have heard no one from the Pentagon suggest that they need additional air power in the Middle East. What they are concerned about is ground-force capability. Mr. Chairman, it is clear that we have the air-power capability to deal with the Saddam Husseins of the world.

I urge my colleagues to support the committee position. This, ladies and gentlemen, is the most significant single deficit-reduction vote that we will take in this Congress. We are talking about saving the American taxpayers in the neighborhood of $40 to $50 billion at least.

I challenge my colleagues to find any other single vote in this session of the Congress that enables us to put that kind of taxpayer money in the bank.

Ladies and gentlemen, I certainly hope that we will defend our committee position at this point in the process, and when this measure comes back from conference committee, I hope that we are prepared to dig in our heels and make sure that the Senate of the United States follows the commonsense lead that we have set in this body.

Mr. DICKINSON. Mr. Chairman, I yield such time as he may consume to the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Chairman, I rise today to voice my support for preservation of the B-2 Stealth bomber production base.

How many B-2's do we need? The Strategic Air Command says that 75 B-2s is the minimum we need in today's post-START environment. This number, which was reduced from 132, is driven by a reduction in the target base due to the INF agreement and changes taking place in Eastern Europe.

The B-2 is pioneering many new technologies. Its Stealth qualities can be applied to other weapons systems. Moreover, most of the research and development cost on this program has already been expended. Almost one half of the estimated total program cost has already been invested in the B-2. Under the plan to acquire a total of 75 B-2's, the additional 60 aircraft would require an incremental investment of $25.7 billion.

The cost of the B-2 must also take into consideration its value to U.S. national security objectives. We must consider the B-2s' capability to provide deterrence and enhance stability of the nuclear balance both in peacetime and in crisis. This system is well worth the remaining investment in U.S. national security.

I would point out that cancellation of this program will have a significant economic impact in California, particularly in Palmdale, and in the city of Pico Rivera, which is located in my district. There are thousands of workers who depend on this program and whose jobs will be jeopardized should it face termination. Furthermore, the economic well-being of the entire community of Pico Rivera is threatened by impending cutbacks in the B-2.

Again, I support the continuation of our commitment to the B-2 program. Futhermore, it is absolutely imperative that we include in this DOD bill, provisions that will assist communities such as Pico Rivera that will be so adversely affected by program cuts. We must ensure that there is a program of economic adjustment assistance for the cities, individuals and businesses that will suffer economic dislocation.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the very distinguished gentleman from Missouri [Mr. SKELTON], who is a strong advocate and proponent of the B-2.

Mr. SKELTON. Mr. Chairman, this issue which, of course, will be decided at a later date, is one we wish to discuss and should be fully aired at this moment for the Members of this body as well as for the American people.

The B-2, the Stealth bomber, is the most advanced technology this country has. It would be a shame not to proceed with it, because it is the wave of the future. Every future airplane that is involved with combat, whether it be fighter or attack or bomber, will be of the Stealth variety.

Mr. Chairman, a number of years ago the submarine was invented. As a result of that, ships became invisible in warfare. This makes airplanes invisible to radar. This is the technology of the day.

Mr. Chairman, we have already spent 80 percent of the research and development money on this issue, and I think we should proceed to deploy the Stealth bomber as we have suggested before.

Mr. KASICH. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut [Mr. ROWLAND].

Mr. ROWLAND of Connecticut. Mr. Chairman, I stand as a member of the Committee on Armed Services and the Intelligence Committee, a strong supporter of defense and a strong opponent of the B-2 bomber.

It has taken us 2 years to build a coalition to defeat the B-2 bomber, and it is for two simple reasons, cost and lack of mission.

The military mindset that has developed over the years is what I refer to as the Noah's-ark theory, the thought that we need to develop two of everything, two land-based missile systems like the MX and the Midgetman, two air-based missile systems like the B-1 and the B-2, and we simply cannot afford both.

The budget summit is going on right now. Our colleagues are working diligently to find and save money. We can save $75 billion by keeping the B-2 bomber out of our budget.

I would encourage all of our colleagues to make this very tough and historic decision not to support $1 billion per plane for a mission that we will never pursue.

I want to take this moment to thank the wonderful coalition of liberals, conservatives, Republicans, and Democrats for working so hard to make this come true.

Mr. KASICH. Mr. Chairman, I yield 1½ minutes to the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Chairman, I want to join my colleagues in applauding the Committee on Armed Services for

finally slamming the door shut on the B-2 Program. That is what this general debate is about, and I hope what transpires after the debate on the defense bill is that our conferees from the House of Representatives representing the broadest possible political spectrum in the coalition opposed to the B-2 bomber are steadfast and relentless in assuring that the B-2 program is terminated, not only out of the mark coming out of the House of Representatives but completely terminated after their deliberations with the Senate.

The speakers before me have indicated there are really three reasons why we ought to be able to consistently support this position, and that is to do with mission, technology, and cost. The mission has been dubious from the start and changing ever since the first opponent to the B-2 came to the floor, came to the Committee on Armed Services. Whenever we questioned a mission, there was always another mission.

The technology is questionable. The price tag is unconscionable. If you add those three together, it is no wonder the House of Representatives wants to close the door on the B-2.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Michigan [Mr. DAVIS].

Mr. DAVIS. Mr. Chairman, B-2, to be or not to be. That decision is going to be made in conference committee.

I think that if we had not already started the program and had not spent $26.7 billion on the program, we would all take a different position.

Let us take a look at how much money we are going to spend for 15 airplanes, because that is what the Dellums-Kasich amendment says. We want you to stop tests, do all the testing, end up with 15 airplanes. We have spent $26.7 billion so far, and it will take another $8.7 billion for a total of $35.4 billion. What do we get for $35.4 billion? Fifteen airplanes. What is the total cost of the program to build 75? Approximately $62 billion to $64 billion. So for another less than $30 billion we get another 60 airplanes. It makes absolutely no sense to stop building that airplane right now. We need it. We know we need it. For $30 billion we get 60 airplanes.

With the Dellums-Kasich amendment, we get 15.

Mr. DICKS. Mr. Chairman, will the gentleman yield?

Mr. DAVIS. I am happy to yield to the gentleman from Washington.

Mr. DICKS. Mr. Chairman, as a House observer to the START negotiations in Geneva since 1985 I feel that it is important to remember that the decisions we make on strategic modernization during the debate on the Defense authorization bill will have a significant impact on the U.S. negotiating strategy in START. Failure to proceed with modernization could jeopardize a successful treaty outcome. As Ambassador Richard Burt, our chief START negotiator, noted in a briefing for the congressional observers,

Obviously there is a relationship between START and the defense budget debate that has consequences beyond the question of "sticker shock."

Secretary of Defense Richard Cheney enunciated this fact during his testimony before the House Armed Services Committee on July 13, 1989. He said:

The fact of the matter is the whole theory of strategy behind the START accord has been the notion that we wanted to move both the United States and Soviet Union away from big land-based, multiple warhead, highly accurate ICBMs because they are fast flyers, first-strike weapons, and because they possess the potential to be destabilizing in a crisis.

Therefore, you have seen us develop and negotiate—and this view has been reinforced by the recent strategic review of the President—the move away from fast flying ICBMs in the direction of more stabilizing, if you will, more flexible—but nonetheless survivable air breathing systems. In addition, the small ICBM promotes strategic stability.

This strategy is reflected in the counting rules which we proposed, and the Soviets have accepted in principle, for manned penetrating bombers, and the shift in focus from limiting ballistic missiles as delivery vehicles to missile warheads.

Yet we may have developed an arms control regime which instead of working in our interests, works in favor of the Soviets if we are unwilling to proceed with the modernization effort on which it was predicated. As Ambassador Burt stated:

If the United States does not exercise its options under the agreement as drafted then crisis stability will not be assisted.

In fact, it could well be undermined. Certainly the Soviets continue to proceed on a strategic modernization program that would exercise their full rights under a START agreement.

We are all hopeful that we can achieve the dramatic reductions in strategic arsenals that START would produce. But that will never happen if we abandon the very shift in our deterrent force structure upon which the treaty is predicated. That is why I hope that ultimately the Congress will follow through on our prior investment and produce a militarily useful B-2 Program.

It is also important to remember the inherent flexibility that a long range, low observable, heavy manned bomber can provide in a wide range of conventional contingencies. This is particularly true in situations where the potential enemy has sophisticated modern air defenses that could limit the effectiveness and survivability of aircraft that do not have Stealth characteristics.

There are a number of such scenarios in the current situation in Operation Desert Shield, where an aircraft such as the B-2 could provide such options. These include attacks on a wide range of critical targets, including command and control facilities, chemical weapons production and storage facilities, nuclear facilities, long range missile launchers, and massed armor. Since many of these critical targets have considerable air defense protection the Stealth characteristics of the B-2 would not only better assure mission success, but would reduce casualties as well. Of even greater importance, its capabilities could act as a deterrent to would be aggressors.

Finally, completion of the B-2 Program will allow us to fully take advantage of the revolutionary technical advances that stealth provides. It is no overstatement to say that Stealth has just as much impact on the air warfare equation as the invention of radar by the British in the 1940's. This technological edge was the key to victory against the Luftwaffe. It would be foolish not to follow through on the edge we have developed with the B-2.

I know this House well enough to recognize that at this time there is not sufficient support to alter the recommendation of the Armed Services Committee on this issue. As a result I expect that the gentleman from Missouri will not offer his amendment. But as this issue is considered in the conference committee, I hope that the compelling arguments for the B-2 will convince our conferees that it deserves continued support.

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the very, very distinguished gentleman from Ohio [Mr. MCEWEN].

Mr. MCEWEN. Mr. Chairman, I thank the gentleman for yielding me this time.

B-52 bomber, Boeing, 1952: This eight-engine aircraft rolls out on the tarmac for the first time. Opponents say three things: That it is outmoded. We are never going to fly bombers any more. We are going to use missiles from now on. It is too expensive, because it costs 3½ times more than any bomber in the history of the United States. No. 3, technologically unsound. 1952.

By 1961, when John Kennedy takes office, there are 2,300 of these. He impounds the remaining funds. They built no more since. We go from a 2,300 strategic bomber force down to 264 B-52's today. We augmented these with 100 B-1's. Now we are about to decapitate, to remove, this arm of our strategic triad.

□ 1530

Now the question before the Members, very simply is this: Will the United States of America have a bombing leg of the triad? That is the question.

Members just heard about this coalition that has joined together to do in the bomber leg of the triad. The bomber, they say, has no mission.

Ladies and gentleman, that B-52 that was unsound in 1952 when the liberals said we should not have built it, it is still standing. It has been rewinged three times; reengined four times. We have now invested in a new technology called the B-2. Are we going to have that leg of the triad? That coalition, if Members look back

through the RECORD over the last 6 to 8 years, Members will find the very same words, the very same verbiage used against the M-1 tank. They say it is outmoded, too expensive, it is technically unsound. Besides, we are not going to fight tank battles any more. And the same thing about the aircraft carrier. The aircraft carrier is unsound, too expensive. We will not use it.

Ladies and gentlemen, it is 1990. If we had not overridden that coalition, we would not have the aircraft carriers we are using at this moment. We would not have the M-1 tank we are using at this moment.

If we do not override this coalition now, we will not have the strategic bomber in the next 5 to 8 years, and when the B-52's move out of inventory watch everyone come to the floor and say, "Who's been minding the store?" Why was the triad abandoned by not building a replacement strategic bomber?

Mr. Chairman, I yield to the gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, the major thinking is succeeding our technological superiority in aviation, if we give up on this new technology.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the very distinguished gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. Mr. Chairman, let me say I have several talking points, but I would like to concentrate on just one talking point. The B-2 is a cost-effective deterrent, flexible enough to adopt to a changing world.

I began to study the B-2 when I began to realize that domestic and international politics makes our concept of forward deployment premised on overseas bases obsolete. We will not sustain it diplomatically in the future. How can we replace that? We can replace it with the B-2, and its power to penetrate, combined with the capability to cover large distances, with its ability to use a diversity of payload, and complete a diversity of missions, it makes possible cost offsets that are unforeseen.

This aircraft will more than pay for itself over its lifetime in cost offsets, and I would say it is the most cost-effective new innovation in aerodynamics that any Members will ever see in our lifetime. Be farsighted, vote for the B-2.

Mr. KASICH. Mr. Chairman, I yield such time as he may consume to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I rise in support of the amendment.

Mr. KASICH. Mr. Chairman, I yield myself the remaining 1½ minutes.

For the first time in the history of the House of Representatives we are going to kill a major weapons system. That is going to happen because Republicans and Democrats, conservatives and liberals have come together to say that we should not build systems that cannot meet the challenge of the future.

The plane costs a billion dollars apiece. By the time it is over, God only knows how much it will cost; its mission changes virtually every week. I have always been a strong supporter of defense, as the gentleman from Connecticut [Mr. ROWLAND] and a number of people on our side know.

Members say we will not buy a bill of goods. We cannot accept that fact that every week the mission for this plane changes. We also recognize that we have a new world, and the illustrations of the Middle East right now means that we cannot practice the politics of the last 40 years, but we have to practice the politics of the next 40 years, so that we can meet the threat. Those people who want to keep taking Members backward, taking Members back to the last 40 years, and meeting a threat that we can meet with what we presently have, and the alternatives to our system, do Members a disservice in providing for a strong national defense in this country.

We are going to take this fight to the conference committee, and we are going to argue that we ought to get in a real world, and that we ought to equip our military with the kind of systems that provide them the opportunity to be effective against a new world threat, not the ghosts and goblins of the last 40 years, because if we do that, we do our people a disservice and we do the national security of this country a disservice. That is why this House, in an unprecedented move, is going to kill the B-2 bomber.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the distinguished gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Chairman, I agree with most of what my friend from Ohio just said. It seems for the first time in the history of the U.S. House of Representatives we are on the brink of killing a weapons system.

Mr. Chairman, as we look toward this technology, it is very difficult for me to imagine a worse thing for this Congress to do. Clearly, the triad has been the key deterrent of the decade of the 1980's and before. I happen to believe very strongly that as we look ahead, the arguments which were given by my friend from Ohio were almost identical to those who were critics of the B-1, who said we should move ahead with the B-2. How are we supposed to move to some sort of new technology—the B-3?

Mr. Chairman, it seems to me that we have an obligation to move ahead with this technology which we have today because taking the first retrograde step on a weapons system is the wrong signal to send in what clearly is a very dangerous world.

Mr. Chairman, a number of other Members have addressed the critical issues surrounding the decision of whether or not to actually build the B-2 Stealth bomber.

One major criticism of the B-2, however, has been relatively overlooked. That question is critical: Would cruise missiles be as effective as a major new bomber?

Some Members support canceling the B-2 and building a "B-3." Representative LES AUCOIN argues that we could use modified 747's to carry cruise missiles and achieve the same result as the B-2. This is remarkably similar to the argument liberals used against the B-1.

I believe that this argument is fatally flawed. Relying on 747's would allow the U.S.S.R. to concentrate all of their air defenses on shooting down these sitting ducks; 747's are certainly not stealthy, they are not supersonic, and they have a relatively limited altitude. The agrument also ignores the fact that once airborne, cruise missiles cannot be retargeted to take recent events into account. For instance, if a major Soviet military installation were destroyed by an earlier bomber, or by a U.S. ICBM, the B-2 could be redirected to an alternative target, thereby eliminating overkill and improving deterrence.

The use of cruise missiles mounted on 747's would also be expensive. Supporters of the B-3 estimate that the cost of a modified 747 would be $369 million per copy, but say that we could get by with only 20 of them, at $9.9 billion. Imagine 3,000 Soviet intercepters going after 20 subsonic 747's. That's 150 fighters per 747. I would argue that such a system would be a monumental failure.

The most important point, however, is that the clever B-3 argument is really a ploy to eliminate all future U.S. bombers. They are using the B-3 as a red herring, giving Members an excuse to vote against the B-2. They know full well that under the START agreement, modifying commercial aircraft to carry cruise missiles is illegal and could never be pursued. The Soviets and the United States have both agreed to this part of the treaty, and it precludes the building of a B-3.

Therefore, it is impossible to conclude that cruise missiles could replace the B-2. By the year 2000, only 200 bombers will be available unless we build the B-2. Over half of these will be 40 plus years old. That's like racing a 1957 Chevy against a Ferrari F-40, or sending a P-51 Mustang against an F-16 fighter. In my opinion, we must move ahead with production of this critical program, and I urge my colleagues to support the B-2.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Washington [Mr. DICKS].

Mr. DICKS. Mr. Chairman, I rise in strong support of the B-2 bomber. I do it for a variety of reasons.

First of all, I think my colleagues have forgotten that this is a principle of our START treaty negotiating strategy. Under the START rules, the B-2 will only count as one weapon. We

have designed our START agreement around it.

For those people who say they care about arms control, I say that doing this will have the effect of undermining our position in the START talks.

Mr. SKELTON. Mr. Chairman, will the gentleman yield on that point?

Mr. DICKS. I yield to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I appreciate the gentleman raising that as an issue. That is extremely important for Members to proceed with a Stealth B-2 bomber because we put ourselves out of business on the arms control negotiations.

Mr. DICKS. Mr. Chairman, reclaiming my time, in the Middle East, the 117 light bomber is there because it has Stealth characteristics. It can avoid enemy radars. Being able to avoid enemy radars is crucial to the future. Kids in B-52's will be killed. Kids in B-1's will be killed because they do not have the radar-evading capability of the B-2.

I think this is a serious matter and one that deserves more consideration. I hope the conference committee saves Members from making a crucial mistake.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. RITTER].

Mr. RITTER. Mr. Chairman, I have heard the almost unprecedented abuse of numbers here on the floor today. Savings to the defense budget have been bandied about up to $75 billion. Hogwash. The fact is that by killing the B-2 we absorb a cost per bomber of $2.3 billion per unit. We still pay $35 billion for very little return. What a scandalous waste of resources and effort. By going forward and building some more of these planes, we would reduce the cost of each one by more than 50 percent. Contrary to that, each time the program is reduced in number of planes the cost goes up for each plane and then people get out on the floor and demagog the soaring cost of each plane, bemoaning the cost going up so sharply. If opponents to B-2 kill the program dead, the cost per bomber becomes the very highest, Indeed, zero bombers means that we would spend some $35 billion for no bomber at all. That means the cost per individual plane would be infinite.

Opponents of the B-2 can't have it both ways. They can't logically wind the program down to a handful of planes and then decry the incredible cost.

In talking about the history of technology and defense, we are looking at an evolution of radar, then jet engines, and then nuclear weapons and then transistors, and now Stealth. Some here in Congress would abandon the latest and best defense technology we have. But that's our ace. That's our advantage over those who can attain the best standard, conventional weapons money can buy. But B-2 they won't have.

Who here honestly thinks that Saddam Hussein and others like him would not fear a fleet of B-2's able to strike without warning on top of their important military bases, indeed their own homes. Of course they would fear B-2. It is a marvelous deterrent to would-be aggressors.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman who can say the most on our side in 1 minute, the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, and any person within the sound of our voices of whoever tracks the CONGRESSIONAL RECORD of this distinguished legislative body, whenever we get to discussing a major technological breakthrough, that gives the forces of freedom an advantage over the forces of darkness, the words come back to me of a Greek philosopher who has been championed in the Islamic world for centuries. That is, Plato. Plato said, to the gentleman from California [Mr. DELLUMS], and this is not BOB DORNAN saying this, but Plato, that "Only the dead have seen the ends of war."

□ 1600

What a tragic observation upon humankind, but I think it is as true now as when he said it over 23½ centuries ago, "Only the dead have seen the end of war."

What we think we do a little differently in the free world and in the United States with our defense budget is build up a deterrent force. The last speaker said this is a magnificent tool of deterrence, and it is.

The gentleman from California [Mr. DREIER] said we are hearing all the B-1 arguments all over again, and we are, but the facts are that at four bases down the center of the United States from North Dakota to Texas there are B-1 aircraft standing alert, defending peace, bringing us that sound of freedom and deterring war, and the B-2 is such a great technological advance over the B-1 or anything that has happened in strategic warfare that to kill it now, or limit it to 15 airplanes, which the Air Force will not use, is an absurdity.

Please vote for the B-2.

Mr. DELLUMS. Mr. Chairman, to close the debate, let me first say to my distinguished colleague, the gentleman from California, that that statement that the gentleman quoted is an extraordinarily cynical statement. It would be my hope that our children and our children's children can hope to realize a world without the madness of war.

Second, I would like to respond to another comment that one of my colleagues made who spoke in the well just before the gentleman from California, who raised a rather disingenuous argument, that is to suggest that if we could spend $30 billion to $40 billion additional in order to bring down the unit cost. It you accept that logic, then we ought to buy a million planes, and then you could bring it down to make it a penny a copy. That is an absurd argument. We would spend America into oblivion. Our obligation here is to set priorities.

I would like to suggest to my distinguished colleague from the Northwest—I will not yield—when the gentleman raised the argument with respect to the START talks, I would suggest that this gentleman is an arms controller and that the American position ought to be one for one weapons that we should not be arguing serious arms controllers that we should go forward with more bombers in order to put more missiles, in order to sidestep reducing our total nuclear arsenal.

Finally, Mr. Chairman, I would like to make several statements with respect to our position of terminating the B-2 program. I am extremely pleased that a coalition of Republicans and Democrats came together. Why did we come to the same answer? Because finally we started asking the same questions with respect to the B-2 bomber.

We said, "Do you need it? Can we afford it? And are there alternatives?"

We came to the same conclusion. No, you do not need it. No, you cannot afford it, and yes, there are significant alternatives.

This gentleman's opposition to the B-2 bomber, Mr. Chairman, continues to be based on the mission of the bomber. Yes, the Berlin Wall has fallen. Yes, there are changes in Europe. They are indeed welcome, but this weapons system was wrong before these changes took place. This weapons system is in fact a plane designed to fight and win a nuclear war. A nuclear war should never be fought and it can never be won.

Second, it will only be used, Mr. Chairman, after nuclear annihilation. A member of the House Armed Services Committee asked General Walsh, would it be after a nuclear annihilation when a B-2 bomber came to the scene? The answer from General Walsh was, "I would think so."

Mr. Chairman, when pressed into service, it would already be too late. The day of the manned penetrating bomber is over. Anyone who would argue that you can use this strategic weapon as a conventional weapon is engaging in folly.

Let me respond specifically to the present gulf crisis. If the United States would need a B-2 in Iraq, why has the Air Force only sent B-52's? There has been no sighting of a B-1 bomber on any radar screen during the debate on

the military budget. The President of the United States said he would only send the best equipment into this crisis. The Air Force best equipment in this crisis was the B-2, not a B-1 that at this moment is our only stealthy bomber.

Someone has already spoken of the exorbitant cost. I have tried to speak briefly to it as well.

Mr. Chairman, I do not believe that the Congress of the United States, given our other budget priorities and the deficits that are mounting in this country, will sustain the necessary money to continue to build the B-2 bomber.

Next to last, Mr. Chairman, the B-2 program is an example of waste that is involved in concurrency. When the American people found out about the B-2 bomber, we have already spent $23 billion as they did not even know if it could roll down the runway. We have to end that kind of madness, programs cloaked in secrecy.

Finally, Mr. Chairman, there is great concern with respect to the technology.

To summarize: I thank my colleagues on both sides of the aisle, across philosophies and political perspectives, who have come to realize this program has no mission. It is extremely expensive. It is unnecessary. It is wasteful and it is dangerous.

For all those reasons, I applaud the committee's responsible position of accepting the Dellums-Synar-Kasich amendment to terminate this program at 15.

The CHAIRMAN. All time for general debate on the B-2 bomber has expired.

It is now in order to consider the amendments relating to the appropriate levels of funding for the strategic defense initiative printed in House Report 101-668, which shall be debatable for 10 minutes each, equally divided and controlled by the proponent of the amendment and a Member opposed thereto, and shall be considered in the following order: By Representative DORNAN, by Representative DELLUMS, by Representative KYL, and by Representative BENNETT.

If more than one of said amendments is adopted, only the last amendment which is adopted shall be considered as finally adopted and reported back to the House.

AMENDMENT OFFERED BY MR. DORNAN OF CALIFORINA

Mr. DORNAN of California. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DORNAN of California: At the end of part C of title II, add the following new section:

SEC. 227. INCREASED FUNDING FOR SDI.

(a) SDI FUNDING.—The amounts provided in section 221 for the Strategic Defense Initiative, and in section 201 for the Defense Agencies, are each hereby increased by $1,295,000,000.

(b) OFFSETS.—Each program for which funds are authorized to be appropriated in this Act (other than the Strategic Defense Initiative) is hereby reduced by a uniform percentage in such amount as necessary so that the total reduction is $1,295,000,000.

The CHAIRMAN. Under the rule, the gentleman from California [Mr. DORNAN] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Mr. DELLUMS. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] will be recognized for 5 minutes, and the gentleman from California [Mr. DORNAN] will be recognized for 5 minutes.

The Chair recognizes the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, it is a far more desirable prospect to come to the well of this distinguished legislative body when an amendment that you have before the Chamber has a chance of passing.

What we have been doing with major defense systems, systems of deterrent to war over the past several years, has been what our distinguished chairman of the Armed Services Committee has called, the Christmas tree approach. You have a highball figure and a lowball and one just under the administration's figure and then one just above, and then the chairman would usually try to position himself in the middle, hoping that people would vote against the two high figures, the two low figures, and the chairman would look good, like he had organized through his Armed Services Committee the winning figure that would then go to conference with the Senate, and because we have a Senate that sees a more dangerous world than the majority of this House, the figure would usually get kicked up among the conferees of the Senate.

Well, the Christmas tree is not the five figure, it is four. The gentleman from California [Mr. DELLUMS] has the lowball figure, and it encourages some of us when we see someone of the gentleman's long career standing of controlling arms by generally just cancelling them outright, to have a figure way over a billion dollars to do research and development on what the gentleman and some of his colleagues in this Chamber and the other Chamber cynically call star wars, when it has nothing to do with the outer galaxies and nothing to do with war, but a system for merely fulfulling the fourth line in the Preamble to our Constitution, to provide for the common defense, to defend the homeland of the United States from nuclear attack, a massive attack by our former major adversary, the Union of Soviet Socialist Republics, which seems to be unwinding, and now we have other threats around the world, terrorists threats of one or a handful of nuclear devices from any one of between 15 and 20 countries that will be nuclear capable and nuclear missile capable by the turn of the century, to defend ourselves even from a single missile, which we are still not able to do at this moment, and except for people who follow the debates in this Chamber, the last figure that I saw is 86 percent of our fellow American citizens, and those are people who qualify for polling by asking them, "Are you awake? Do you follow your history? Do you know if you are an American? Do you vote? Have you ever voted?"

Eighty-six percent of those alert Americans said they do not know that the United States of America is totally, wholly, completely incapable of stopping one missile. If Saddam Hussein decided to do that in revenge, as his empire collapses around him and he is forced to give up Kuwait and he is being thrown from office, if he had one weapon carrying in its nose cone nerve gases, biological, or a nuclear device, and he launched it at our major economic city, New York, or our Capital City, Washington, DC, we would be unable to stop one single missile coming at this country, because we have not implemented fully over the last three or four defense cycles what the administrations of Ronald Reagan or George Bush has asked us to put up for strategic defense.

□ 1610

Now I am carrying the high figure, over $4 billion. It is the figure that the administration wants. It is a figure that the Senate came closest to when they debated in their esteemed Chamber. It is a figure that, if we do not follow this high figure—and I hope that the ones of us who vote for it will never have to say to our colleagues who are going to lowball this down to Mr. DELLUMS's figure, I hope we never have to say, "I told you so," when the city of New York is eliminated from the planet or fighting some diabolical germ of biological warfare set loose in that city by one missile with one evil cone in that missile head sent from somewhere in the Middle East.

I hope that we never say, "We told you so." But the administration high figure is the one way to find out if it is possible, under our preamble to our Constitution, to really provide a common defense to this country, to really defend our homeland. And if we do not go with that high figure, if we certainly do not go with a figure of $3.5 billion or less than that that Mr. KYL is proposing, we are going to have to close down basic research and devel-

opment, start firing people who are working on the strategic defense initiative and limit Mr. Bush's dream as President that he will come to a decision point sometime at the end of this term or the first year of his next term.

Please, if you understand the power of defense and your constitutional obligation to defend this country, vote for this high administration figure, which if you look at what we planned on doing even 4, 5, 6 years ago, is a modest figure and it is a tiny, infinitesimal percentage of the overall defense budget and even tinier figure of what we put up for strategic defense.

Vote for George Bush's administration figure under this Dornan amendment and reject the three subsequent following amendments.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I find it fascinating that my distinguished colleague from California [Mr. DORNAN] who offers this amendment that reduces the President's original request to a figure of $4.195 billion, chose to argue the Dellums/Boxer amendment rather than to argue his own.

I think that augurs well for the fact that the gentleman from California may not be serious about his amendment, but this gentleman from California is very serious about ours.

So since my distinguished colleague, Mr. DORNAN, chose not to debate his amendment, I will not debate his amendment; since he chose to debate mine, I will debate mine as well.

Yes, Mr. Chairman, we indeed do offer an amendment that would provide for not $4.195 billion but $1.5 billion. I find it fascinating and interesting, Mr. Chairman and members of the committee, that the Bush administration, in fashioning its SDI request, asked for $1.5 billion in basic research. The gentlewoman from California [Mrs. BOXER] and this gentleman have suggested that $1.5 billion in basic research is all we need because to begin tests, to begin bending metal, to begin to talk about putting a program in space would, No. 1, threaten our ABM treaty. And I have said that on numerous occasions.

The people who are proponents, in their moments of candor, will state clearly and unequivocally, yes, if you go forward with the strategic defense initiative, the American people will have to engage in the activity of setting aside a significant treaty.

I think the ABM treaty has served us well. The United States and the Soviet Union understood when they signed the ABM treaty that, without it, we would encourage a massive increase in both offensive and defensive weapons.

I have said on numerous occasions, Mr. Chairman and members of the committee, that SDI and the ABM treaty fly in the face of each other; the logic of one challenges the logic of the other.

You cannot be for ABM treaty and simultaneously be for the strategic defense initiative. They are in direct conflict.

Now, whenever my colleagues in the Congress, who are representatives of the American people, have had this question put before them, "What is your interpretation of the ABM treaty?", they have come together to support the traditional analysis of the ABM treaty. When asked, "Do you support the ABM treaty?", the overwhelming majority of my colleagues on both sides of the aisle support the ABM treaty.

So it flies in the face of logic and rationality that you would argue that we go forward with $4.1 billion on a program that ultimately would cast the ABM treaty into a shambles.

I think we ought to walk very carefully and very cautiously when we start talking about action that moves us beyond these significant treaties.

Mr. Chairman, the ABM Treaty is the centerpiece of our ongoing arms control negotiations. We should not set it aside. SDI is not a bargaining chip. The Soviet negotiators have continued to insist that United States violations or withdrawal from the ABM treaty, as traditionally interpreted, would mean an end to Soviet offensive reductions in START, and we do not want to retard the Soviets' willingness to engage in reductions of offensive missile systems.

One can understand that because an SDI program can be overwhelmed by offensive systems. If we insist on building it, we retard any motivation on the part of the Soviet Union to withdraw, to reduce their offensive missiles, since that is one way to defeat the system.

In the few remaining moments I would have, Mr. Chairman, I would like to focus on the fact that all the briefings that just this gentleman has received, that Soviet strategic modernization is START-compliant. I would point out that if the Soviet Union wanted to violate the spirit of START, they would expand their Blackjack program because we all know that one bomber counts as one weapon, no matter how many missiles are targeted upon it, which is the argument that I was trying to raise with my distinguished colleague from Washington, that as true arms controllers we ought to be one for one, not expanding bomber capability in order to put numerous warheads on it.

If the Soviet Union wanted to violate the spirit of START, they would expand their Blackjack bomber program. There is no reason to believe, from any of the briefings that I received, that that is the case.

Finally, I point out this program started off to save the American population with an Astrodome concept. We moved from that to a point defense, our assets. Now we are talking about a Third World scenario.

I would point out, in conclusion, that we are only spending, of the $4.4 billion request of the administration, only $143 million for missile intercept that would deal with the gulf scenario.

So even if that is what we want, SDI is not the place for us to develop that capacity unless we are willing to expand beyond the $143 million.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. DORNAN].

The question was taken, and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DREIER of California. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 83, noes 338, not voting 11, as follows:

[Roll No. 336]

AYES—83

Archer	Goss	Moorhead
Armey	Hall (TX)	Myers
Barnard	Hammerschmidt	Packard
Bartlett	Hancock	Quillen
Barton	Hansen	Richardson
Bevill	Harris	Robinson
Bliley	Hefley	Rohrabacher
Browder	Herger	Schiff
Burton	Hiler	Shumway
Callahan	Holloway	Shuster
Combest	Hunter	Skeen
Courter	Hyde	Slaughter (VA)
Cox	Inhofe	Smith (TX)
Crane	Ireland	Smith, Robert (NH)
Dannemeyer	Kasich	Solomon
Davis	Kyl	Spence
DeLay	Lagomarsino	Stangeland
DeWine	Lewis (CA)	Stump
Dickinson	Lewis (FL)	Vander Jagt
Dornan (CA)	Livingston	Vucanovich
Douglas	Lowery (CA)	Walker
Dreier	Lukens, Donald	Walsh
Erdreich	Martin (NY)	Weber
Fields	McCollum	Whittaker
Flippo	McCrery	Wilson
Gallegly	McEwen	Young (AK)
Gekas	Michel	Young (FL)
Gingrich	Miller (OH)	

NOES—338

Ackerman	Boxer	Coleman (TX)
Alexander	Brennan	Collins
Anderson	Brooks	Condit
Andrews	Broomfield	Conte
Annunzio	Brown (CA)	Conyers
Anthony	Brown (CO)	Cooper
Applegate	Bruce	Costello
Aspin	Bryant	Coughlin
Atkins	Buechner	Coyne
Baker	Bunning	Craig
Ballenger	Bustamante	Crockett
Bateman	Byron	Darden
Bates	Campbell (CA)	de la Garza
Beilenson	Campbell (CO)	DeFazio
Bennett	Cardin	Dellums
Bentley	Carper	Derrick
Bereuter	Carr	Dicks
Berman	Chandler	Dingell
Bilbray	Chapman	Dixon
Boehlert	Clarke	Donnelly
Boggs	Clay	Dorgan (ND)
Bonior	Clement	Downey
Borski	Clinger	Duncan
Bosco	Coble	Durbin
Boucher	Coleman (MO)	Dwyer

Dymally	Lewis (GA)	Rostenkowski
Dyson	Lightfoot	Roth
Early	Lipinski	Roukema
Eckart	Lloyd	Rowland (CT)
Edwards (CA)	Long	Rowland (GA)
Edwards (OK)	Lowey (NY)	Roybal
Emerson	Luken, Thomas	Russo
Engel	Machtley	Sabo
English	Manton	Saiki
Espy	Markey	Sangmeister
Evans	Marlenee	Sarpalius
Fascell	Martin (IL)	Savage
Fawell	Martinez	Sawyer
Fazio	Matsui	Saxton
Fish	Mavroules	Schaefer
Flake	Mazzoli	Scheuer
Foglietta	McCandless	Schneider
Ford (MI)	McCloskey	Schroeder
Ford (TN)	McCurdy	Schuette
Frank	McDermott	Schulze
Frenzel	McGrath	Schumer
Frost	McHugh	Sensenbrenner
Gallo	McMillan (NC)	Serrano
Gaydos	McMillen (MD)	Sharp
Gejdenson	McNulty	Shaw
Gephardt	Meyers	Shays
Geren	Mfume	Sikorski
Gibbons	Miller (CA)	Sisisky
Gillmor	Miller (WA)	Skaggs
Gilman	Mineta	Skelton
Glickman	Moakley	Slattery
Gonzalez	Molinari	Slaughter (NY)
Goodling	Mollohan	Smith (FL)
Gordon	Montgomery	Smith (IA)
Gradison	Moody	Smith (NE)
Grandy	Morella	Smith (NJ)
Grant	Morrison (CT)	Smith (VT)
Gray	Morrison (WA)	Smith, Denny (OR)
Green	Mrazek	Smith, Robert (OR)
Guarini	Murphy	Snowe
Gunderson	Murtha	Solarz
Hall (OH)	Nagle	Spratt
Hamilton	Natcher	Staggers
Hastert	Neal (NC)	Stallings
Hatcher	Nelson	Stark
Hawkins	Nielson	Stearns
Hayes (IL)	Nowak	Stenholm
Hayes (LA)	Oakar	Stokes
Hefner	Oberstar	Studds
Henry	Obey	Sundquist
Hertel	Olin	Swift
Hoagland	Ortiz	Synar
Hochbrueckner	Owens (NY)	Tallon
Hopkins	Owens (UT)	Tanner
Horton	Oxley	Tauke
Houghton	Pallone	Tauzin
Hoyer	Panetta	Taylor
Hubbard	Parker	Thomas (CA)
Huckaby	Parris	Thomas (GA)
Hughes	Pashayan	Thomas (WY)
Hutto	Patterson	Torres
Jacobs	Paxon	Towns
James	Payne (NJ)	Traficant
Jenkins	Payne (VA)	Traxler
Johnson (CT)	Pease	Udall
Johnson (SD)	Pelosi	Upton
Johnston	Penny	Valentine
Jones (GA)	Perkins	Vento
Jones (NC)	Petri	Visclosky
Jontz	Pickett	Volkmer
Kanjorski	Pickle	Walgren
Kaptur	Porter	Washington
Kastenmeier	Poshard	Waxman
Kennelly	Price	Weiss
Kildee	Pursell	Weldon
Kleczka	Rahall	Wheat
Kolbe	Rangel	Whitten
Kolter	Ravenel	Williams
Kostmayer	Ray	Wise
LaFalce	Regula	Wolf
Lancaster	Rhodes	Wolpe
Lantos	Ridge	Wyden
Laughlin	Rinaldo	Wylie
Leach (IA)	Ritter	Yates
Lehman (CA)	Roberts	Yatron
Lehman (FL)	Roe	
Lent	Rogers	
Levin (MI)	Ros-Lehtinen	
Levine (CA)	Rose	

NOT VOTING—11

AuCoin	Leath (TX)	Torricelli
Bilirakis	Madigan	Unsoeld
Feighan	McDade	Watkins
Kennedy	Neal (MA)	

□ 1638

Mr. PAXON changed his vote from "aye" to "no."

Mr. LIVINGSTON changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. DELLUMS

Mr. DELLUMS. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. DURBIN). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DELLUMS: Strike out section 221 and insert in lieu thereof the following:

SEC. 221. STRATEGIC DEFENSE INITIATIVE LIMITATIONS

(a) TERMINATION OF SDIO.—The Secretary of Defense shall terminate the organization within the Department of Defense known as the Strategic Defense Initiative Organization and shall reassign the functions of that organization to the military departments and the Defense Agencies as the Secretary considers appropriate.

(b) LIMITATION OF FUNCTIONS TO BASIC RESEARCH.—Funds appropriated or otherwise made available for the Strategic Defense Initiative for fiscal year 1991 may only be obligated for basic research programs.

(c) FISCAL YEAR 1991 FUNDING.—Of the amounts appropriated pursuant to section 201 or otherwise made available to the Department of Defense for fiscal year 1991 for research, development, test, and evaluation, not more than $1,500,000,000 may be obligated for the Strategic Defense Initiative. The amount provided in section 201 for the Defense Agencies is hereby reduced by $1,400,000,000.

The CHAIRMAN pro tempore. Under the rule, the gentleman from California [Mr. DELLUMS] will be recognized for 5 minutes, and a Member opposed to the amendment, the gentleman from California [Mr. DORNAN], will be recognized for 5 minutes.

The Chair recognizes the gentleman from California [Mr. DELLUMS].

□ 1640

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to the distinguished gentlewoman from California [Mrs. BOXER], coauthor of the amendment.

Mrs. BOXER. Mr. Chairman, I thank the gentleman for yielding. This Dellums-Boxer amendment is the only amendment out of all the star wars amendments that fits the reality of our times. We allow $1.5 billion for basic missile defense research. Mr. Chairman, we need to get back to basics here.

What is the new reality? The new reality is that the end of the cold war is here, and that the preparations for nuclear war with the Soviet Union are now over.

Mr. Chairman, our President has stated that there is a new world order, and surely that means that this major weapons system we have been preparing for all these years must change, and that is what the Dellums-Boxer amendment does. We take this program back to the basics.

In a debate with the gentleman from Arizona [Mr. KYL] some years ago, he chastised us for not spending as much on star wars as the women of America spend on pantyhose. I said then what I believe now, that the women of America are smart, because unlike star wars, pantyhose are affordable, they work, and, most important, they do not change their mission every day.

Mr. Chairman, we have seen star wars. It has been called the strategic defense initiative, it has been called brilliant pebbles, it has been called smart rocks. Who knows what they will call it in the future. They keep changing the mission and changing the name. Mr. Chairman, I call it a boondoggle, and I would say to Members on both sides of the aisle, do not get caught between a smart rock and a brilliant pebble. Vote for the Dellums-Boxer amendment. It is very important. It still allows enough money for basic missile defense, and we can use what we save to invest in our people and to prepare for the new war that we are engaged in, the economic war.

Mr. DORNAN of California. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. MCEWEN].

Mr. MCEWEN. Mr. Chairman, the makers of this amendment are asking us to enter into a death pact with our adversaries of continuing the mutually assured destruction, that if anyone would dare shoot a missile at us, that we would then destroy them, and thereby somehow or another we would be safe. That idea, once entered into with the Soviet Union, is now very, very risky, because we know that nations around the world are going to have the capacity to target our cities over the next decade. The only question is whether or not we will be able to protect ourselves.

Mr. Chairman, Mr. Qadhafi said 3 years ago that when we bombed Libya, and he had had two missiles, he would have hit New York and Washington. Mr. Hussein said 5 months ago, "If I had one missile, I would hit New York."

What the makers of this amendment are asking us to do is to guarantee that over the next decade, there will not be a single adversary that will get control of one missile and be able to use the technology that they already possess of chemical warfare against the United States of America.

I submit that you walk out these doors and stop any cab driver, go into any restaurant and ask any waitress, is it wise to spend $300 billion for defense and not use at least 1 percent of it to protect ourselves against incoming missiles?

The makers of this amendment say absolutely not. Keep us 100 percent vulnerable. And if Qadhafi, or if Hussein, or if Kim Il-song, or if anyone else over the next decade gets the capacity to hit any of our cities, then let them do it.

Mr. Chairman, that in my mind is irresponsible. I believe we should enter into a pact of mutually assured survival, and that is that we will have the capacity to protect ourselves.

They are going to say they put a little money in for research. Let me tell Members why. The makers of this amendment have put in 0.3 of 1 percent of the defense budget in this amendment. Now, why? Because under their amendment, the contracts that are already entered into would have to be canceled at an expense to the taxpayer.

The very simple understanding is that we have to follow what makes common sense. The coauthor has told us that we should have frozen in the cold war over the last 3 to 4 years by keeping all the strategic missiles of the Soviet Union, rather than moving ahead and reducing our arms on both sides. They wanted us to cancel the aircraft carriers. They wanted us to cancel the M-1's. They want us now to leave ourselves vulnerable to nuclear attack from missiles.

Mr. Chairman, it is unwise. This amendment is a killer amendment. It should be defeated, and I urge the House to do so.

Mr. DORNAN of California. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, let us talk briefly about the effects of the Dellums-Boxer amendment. It would return funding for U.S. ballistic missile defense research to a level less than that which existed prior to the establishment of the whole SDI organization. It would require termination of programs, firing people, dismantling of the SDI Program infrastructure. Obviously, this is going to be very costly, and it is going to result in an enormous loss of prior investment.

The arms control leverage would be lost entirely. At this funding level the SDI Program could not meet the President's guidance, including his direction to lay the basis for an informed decision on the deployment of strategic defenses by mid-1993.

□ 1650

Mr. Chairman, there was a delegation of Congressmen, most of them liberal Democrats, sitting, visiting the Prime Minister of Israel in the spring.

The CHAIRMAN pro tempore (Mr. DURBIN). The time of the gentleman from California [Mr. DORNAN] has expired.

The gentleman from California has 1 minute remaining and he is entitled to close the debate.

Mr. DORNAN of California. Mr. Chairman, I will reserve that 1 minute.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DELLUMS] is recognized for 3 minutes.

Mr. DELLUMS. Mr. Chairman, first to focus this debate let me tell Members what the Dellums-Boxer amendment does. It does two things. It No. 1, abolishes the strategic defense initiative office, abolishes it. No. 2, it takes the President's original request and reduces it down to $1.5 billion for basic research.

To review the history, prior to the Reagan administration we were doing basic research in this area. The President of the United States decided to aggregate these resources and called this program the strategic defense initiative, and established a bureaucracy that began to grow like Topsy. They initially sold the American people on the notion that we would build a nuclear astrodome over America that would take us back to the naive days when there were no nuclear weapons. Then our children could sleep because we would have this astrodome that would render these missiles impotent, but that was a fraud upon the American people.

We then changed that mission and came to the real mission, which was never to protect the American population, but to protect military assets, other military assets. We then called it point defense. And now, because of the Persian Gulf situation, we are attempting to sell the American people on a third scenario, and that is that we could in some way protect the American people from a Third World attack.

In that regard I would like to focus very specifically on that issue: The danger of Third World missile proliferation requires SDI to protect us from an attack. I find it fascinating and interesting, Mr. Chairman, that of all of the money the administration has requested, $4.4 billion, only $143 million has gone toward research, such as the Arrow missile and others that would knock down or intercept missiles. This amendment provides more than 10 times the amount of money to engage in the kind of research that Members walked into the well suggesting we ought to engage in.

Listen to this: How would a Third World leader deliver such a weapon? Consider the testimony of General Jones, former Chairman of the Joint Chiefs of Staff before the Senate Armed Services Committee on March 30, 1987:

> It has been said that SDI would protect us from a fanatic or an insane Third World dictator, but that argument does not hold up under close scrutiny * * * terrorist or Third World delivery of a nuclear weapon is more likely to be done by an aircraft or a ship sailing into one of our harbors or other such simple ways (than a ballistic missile).

Clearly, if it were to be a missile, if it were a missile, consider Secretary Cheney's testimony. Cheney says Brilliant Pebbles and all of the technology proposed for phase I deployment have nothing to do with this threat, claims made on the floor notwithstanding; 96.8 percent of the dollars in SDI do not go to protect us from Third World adventurism.

Face the reality. Face the reality, Mr. Chairman, and vote to support the Dellums-Boxer amendment to bring this absurd figure to $1.5 billion to engage in the research that is necessary, but not the proliferation of weapons in space and termination of our ABM Treaty.

Mr. DORNAN of California. Mr. Chairman, I yield myself my final 1 minute.

Mr. Chairman, to finish my story related to me by an eyewitness that took place in Israel in the Knesset, a meeting with eight Members of this body with the Prime Minister of Israel, he stated, and it was either late winter or early spring this year, he said,

> Is there anyone here who doubts that the collapse in Eastern Europe, the Berlin Wall coming down and the Soviet Union reordering its whole structure, is there anyone here that doubts that this was because of the Reagan defense buildup and SDI?

And there was a deadly silence in the room, the eyewitness told me, because all of the Members but one was a liberal Democrat.

I told this to a French diplomat in France and he said, "Francois Mitterand, our President, also believes that SDI and the Reagan defense buildup is what precipitated the collapse of communism as centralized in the Soviet Union and throughout its satellites."

Now let us understand the hidden agenda here. Is there anybody in this Chamber who doubts for a minute if Mr. DELLUMS or Mrs. BOXER were sitting in the White House with line item veto that there would be no $1.5 billion for basic research? They would zero the whole thing out. They would transfer it all to Health and Human Services, which would be a nice gesture, but it would have nothing to do with saving this program. This is to destroy the strategic defense initiative.

Mr. DELLUMS. Mr. Chairman, I move that the gentleman's words be taken down. The gentleman has impugned the integrity of a Member of Congress, and that is a violation of rules of the House of Representatives.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DELLUMS] has asked that the gentleman from California's words be taken down.

Mr. DELLUMS. Because, Mr. Chairman, if I might speak, if that was the purpose of the gentleman from California, I would have said that on the

floor of Congress. This gentleman has integrity. If we wanted to zero it out we would have said that.

I fear no one on the floor or in these Chambers, and certainly do not fear any constituency, and I resent the gentleman from California challenging the gentleman's integrity.

□ 1700

I am not a frightened Member of Congress, Mr. Chairman. I do not dance on the winds of political expediency.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman must suspend.

The gentleman has raised a point of order and has asked that the words of the gentleman from California be taken down.

The Clerk will report the objectionable words.

Mr. DELLUMS. Mr. Chairman, in the spirit of moving the debate forward, I have consulted in the spirit of peace with the distinguished gentleman from California [Mr. DORNAN] and expressed what the gentlewoman from California [Mrs. BOXER] and I were concerned about. I am not interested in paralyzing these proceedings any longer. The point has been made. I am fine, I think the gentleman is fine, the gentlewoman from California is fine, everybody in California is fine, and I withdraw my objection.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DELLUMS] withdraws his demand.

All time has expired for debate on this amendment offered by the gentleman from California [Mr. DELLUMS] and the gentlewoman from California [Mrs. BOXER].

The question is on the amendment offered by the gentleman from California [Mr. DELLUMS].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DELLUMS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 135, noes 286, not voting 11, as follows:

[Roll No. 337]

AYES—135

Ackerman	Conyers	Foglietta
Anderson	Coyne	Ford (MI)
Atkins	de la Garza	Ford (TN)
Bates	DeFazio	Frank
Beilenson	Dellums	Gejdenson
Berman	Dingell	Gephardt
Bonior	Dixon	Gibbons
Boucher	Dorgan (ND)	Glickman
Boxer	Downey	Gonzalez
Brennan	Durbin	Gray
Bruce	Dymally	Hall (OH)
Bryant	Early	Hawkins
Campbell (CA)	Eckart	Hayes (IL)
Carper	Edwards (CA)	Hertel
Carr	Engel	Jacobs
Clay	Espy	Johnson (SD)
Collins	Evans	Johnston
Conte	Flake	Jones (NC)
Jontz	Nagle	Shays
Kanjorski	Nowak	Sikorski
Kastenmeier	Oakar	Skaggs
Kennedy	Oberstar	Slaughter (NY)
Kennelly	Obey	Smith (FL)
Kildee	Owens (NY)	Solarz
Kostmayer	Owens (UT)	Staggers
LaFalce	Panetta	Stark
Leach (IA)	Payne (NJ)	Stokes
Lehman (CA)	Pease	Studds
Lehman (FL)	Pelosi	Swift
Levin (MI)	Penny	Synar
Levine (CA)	Perkins	Torres
Lewis (GA)	Poshard	Towns
Lowey (NY)	Rahall	Traficant
Markey	Rangel	Traxler
Matsui	Rose	Udall
Mavroules	Roybal	Vento
McDermott	Russo	Walgren
McHugh	Sabo	Washington
Mfume	Savage	Waxman
Miller (CA)	Sawyer	Weiss
Mineta	Scheuer	Wheat
Moakley	Schneider	Williams
Moody	Schroeder	Wolpe
Morrison (CT)	Schumer	Wyden
Mrazek	Serrano	Yates

NOES—286

Alexander	Duncan	Kasich
Andrews	Dwyer	Kleczka
Annunzio	Dyson	Kolbe
Anthony	Edwards (OK)	Kolter
Applegate	Emerson	Kyl
Archer	English	Lagomarsino
Armey	Erdreich	Lancaster
Aspin	Fascell	Lantos
Baker	Fawell	Laughlin
Ballenger	Fazio	Lent
Barnard	Fields	Lewis (CA)
Bartlett	Fish	Lewis (FL)
Barton	Flippo	Lightfoot
Bateman	Frenzel	Lipinski
Bennett	Frost	Livingston
Bentley	Gallegly	Lloyd
Bereuter	Gallo	Long
Bevill	Gaydos	Lowery (CA)
Bilbray	Gekas	Luken, Thomas
Billey	Geren	Lukens, Donald
Boehlert	Gillmor	Machtley
Boggs	Gilman	Madigan
Borski	Gingrich	Manton
Bosco	Goodling	Marlenee
Brooks	Gordon	Martin (IL)
Broomfield	Goss	Martin (NY)
Browder	Gradison	Martinez
Brown (CA)	Grandy	Mazzoli
Brown (CO)	Grant	McCandless
Buechner	Green	McCloskey
Bunning	Guarini	McCollum
Burton	Gunderson	McCrery
Bustamante	Hall (TX)	McCurdy
Byron	Hamilton	McEwen
Callahan	Hammerschmidt	McGrath
Campbell (CO)	Hancock	McMillan (NC)
Cardin	Hansen	McMillen (MD)
Chandler	Harris	McNulty
Chapman	Hastert	Meyers
Clarke	Hatcher	Michel
Clement	Hayes (LA)	Miller (OH)
Clinger	Hefley	Miller (WA)
Coble	Hefner	Molinari
Coleman (MO)	Henry	Mollohan
Coleman (TX)	Herger	Montgomery
Combest	Hiler	Moorhead
Condit	Hoagland	Morella
Cooper	Hochbrueckner	Morrison (WA)
Costello	Holloway	Murphy
Coughlin	Hopkins	Murtha
Courter	Horton	Myers
Cox	Houghton	Natcher
Craig	Hoyer	Neal (NC)
Crane	Hubbard	Nelson
Dannemeyer	Huckaby	Nielson
Darden	Hughes	Olin
Davis	Hunter	Ortiz
DeLay	Hutto	Oxley
Derrick	Hyde	Packard
DeWine	Inhofe	Pallone
Dickinson	Ireland	Parker
Dicks	James	Parris
Donnelly	Jenkins	Pashayan
Dornan (CA)	Johnson (CT)	Patterson
Douglas	Jones (GA)	Paxon
Dreier	Kaptur	Payne (VA)
Petri	Schiff	Stump
Pickett	Schuette	Sundquist
Pickle	Schulze	Tallon
Porter	Sensenbrenner	Tanner
Price	Sharp	Tauke
Pursell	Shaw	Tauzin
Quillen	Shumway	Taylor
Ravenel	Sisisky	Thomas (CA)
Ray	Skeen	Thomas (GA)
Regula	Skelton	Thomas (WY)
Rhodes	Slattery	Upton
Richardson	Slaughter (VA)	Valentine
Ridge	Smith (IA)	Vander Jagt
Rinaldo	Smith (NE)	Visclosky
Ritter	Smith (NJ)	Volkmer
Roberts	Smith (TX)	Vucanovich
Robinson	Smith (VT)	Walker
Roe	Smith, Denny (OR)	Walsh
Rogers	Smith, Robert (NH)	Weber
Rohrabacher	Smith, Robert (OR)	Weldon
Ros-Lehtinen	Snowe	Whittaker
Rostenkowski	Solomon	Whitten
Roth	Spence	Wilson
Roukema	Spratt	Wise
Rowland (CT)	Stallings	Wolf
Rowland (GA)	Stangeland	Wylie
Saiki	Stearns	Yatron
Sangmeister	Stenholm	Young (AK)
Sarpalius		Young (FL)
Saxton		
Schaefer		

NOT VOTING—11

AuCoin	Leath (TX)	Torricelli
Bilirakis	McDade	Unsoeld
Crockett	Neal (MA)	Watkins
Feighan	Shuster	

□ 1722

Mr. CARPER changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. KYL

Mr. KYL. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. BRUCE). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. KYL: At the end of part C of title II, add the following new section:

SEC. 227. INCREASED FUNDING FOR SDI.

(a) SDI FUNDING.—The amounts provided in section 221 for the Strategic Defense Initiative, and in section 201 for the Defense Agencies, are each hereby increased by $670,000,000.

(b) OFFSETS.—(1) The amount provided in section 101(b) for procurement of missiles for the Army is hereby reduced by $150,000,000, to be derived from amounts for the Multiple-Launch Rocket System (MLRS) program.

(2) The amount provided in section 103(a) for procurement of aircraft for the Air Force is hereby reduced by $520,000,000, to be derived from amounts for the F-16 aircraft program.

The CHAIRMAN pro tempore. Under the rule, the gentleman from Arizona [Mr. KYL] will be recognized for 5 minutes, and a Member opposed will be recognized for 5 minutes.

Mr. BENNETT. Mr. Chairman, I am opposed to the amendment.

The CHAIRMAN pro tempore. The gentleman from Florida [Mr. BENNETT] will be recognized for 5 minutes.

The Chair recognizes the gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, I rise today in strong support of the Kyl amendment which would restore funding the original requested level for SDI to $3.47 billion.

As many of my colleagues know, it is not a question whether or not we have the technology and capabilities to deploy SDI. The true question is, if and when should it be deployed? It has been proven that we do have the technology and that we are capable of deploying a system in this decade. The decision must be made whether or not Congress is going to limit SDI just with R&D funding or commit enough funds to allow the President to make a fully informed decision as to whether or not SDI should go into full scale development.

I strongly believe SDI is our Nation's No. 1 defense priority. The cold war may be over, and relations with the Soviets have not been better, however, the Soviet Union is continuing to modernize its ICBM forces at full pace. As you know, they have two mobile systems; we are not even close to that. They continue to modernize their SS-24's and SS-25's, and they even have a deployed ground based system to knock out incoming missiles. We killed our ground-based system years ago.

In regard to attacks from terrorist or Third World nations, I strongly believe this is one of the most important reasons for SDI. By the year 2000, it is estimated 20 countries will have the capabilities to launch ICBM's with chemical, biological, or nuclear warheads. I do not know about you, but this is a frightening thought to me.

After, the United States bombing of Libya, Mu'ammar Qadhafi stated that if he had nuclear capabilities at that time, he would have launched missiles at New York City. For me, this is one of the best reasons to protect our Nation and deploy SDI as soon as possible.

The Bennett amendment would gut SDI amd make it impossible for us to make a prudent decision as to which direction SDI should take in the future. The Kyl amendment allows Congress to make the prudent and informed decision. I strongly urge my colleagues to vote no on Bennett and vote yes on the Kyl SDI amendment.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from Illinois [Mr. HYDE].

Mr. HYDE. Mr. Chairman, I have always been envious of those who are able to call themselves progressive. I think it is with some irony that this debate proceeds as it does, because the forces that preempt the word progressive are really regressive. They are obstructing a frontier of science, the strategic defense initiative, which indeed is the future. They want to keep us back in the days of the crossbow and the flintlock.

We have an opportunity to arrange a new world order based on mutual assured survival, as distinguished from mutual assured destruction, which is the philosophy that undergirds the sainted ABM treaty, but the notion that weakness is strength and there is safety in vulnerability is anachronistic. It is gone. We ought to forget it.

Safety lies in being able to defend yourself from a ballistic missile shot by accident or by intention from anywhere in the world; so it seems to me that not supporting the Kyl amendment is regressive and not progressive.

I would like to point out that from this technology there are some amazing spinoffs: lasar technology and medicine, to operate on kidney stones, heart disease and cancer; optical supercomputers; blood bank purification, and may other technologies.

Please support the Kyl amendment. It is reasonable and, yes, it is progressive.

Mr. BENNETT. Mr. Chairman, I rise in opposition to the Kyl amendment.

A lot has been said here that would indicate that some of the people who are taking very generous looks at the SDI Program feel like the people who are trying to be conservative about it somehow or other do not want to protect our country against missiles and things of that sort. Nothing could be further from the truth.

I am chairman of the Seapower Subcommittee. We have the 51, the cruiser, and we have the other things, and the AEGIS system, which are certainly very defensive and it is very important that we have these defensive items.

The position that I take, and most of the people who take my position, is that this program, like all other programs, should have some limits to it. The $3 billion was the figure that was set by those who testified before the committee that was held on this matter to arrive at a figure. We are trying to keep a stable figure, a figure which like that for everybody else in the Defense Department, we have to work with; not an open-ended thing, but something that has some restraint upon it so it can not be out of hand. It cannot be "industrial complexed" to death.

So this amendment of the gentleman from Arizona [Mr. KYL] seems to me to be entirely too generous a program. It we took the $2.35 billion and averaged it with the figure on the other side, in the Senate, we would come up with $3 billion, which is about the figure that most of the former chairmen and the Joint Chiefs of Staff and other people testified was a good figure for this program.

Mr. Chairman, I yield 3 minutes to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. MCCURDY. Mr. Chairman, I want to commend the gentleman from Florida for his amendment. The gentleman from Florida has consistently been a strong supporter of conventional forces in the Armed Services Committee, whether it is in the area of seapower or in ground forces. I commend the gentleman for his efforts, his farsightedness in trying to develop alternatives to the SDI Program.

Mr. Chairman, I rise in opposition to the Kyl amendment and in support of the Bennett amendment to secure an additionial $600 million for conventional programs.

Mr. Chairman, I voted against the House budget resolution because I believe the pace of the decline in the defense budget is too rapid and that it would not be manageable. It is clear that because of the Iraqi invasion of Kuwait that we are not going to be able to achieve the savings that many have predicted.

□ 1730

I believe that one area where we can achieve greater savings is in the area of SDI spending. We are going to go to conference, and we will come back with a higher level.

But a more pressing need for our country and for deterrence in this world is in the area of conventional forces. With the moneys saved from this program we will be able to buy, procure additional fast sealift vessels in order to get troops and equipment to the Persian Gulf.

We will procure additional minesweepers. We are, a great technical country, but when it comes to the fundamentals we do not have minesweeps that can do the job.

Much of this money will go to providing hazardous duty pay for our men and women, airmen, soldiers, sailors, currently serving in the Persian Gulf.

It will also purchase chemical and biological protective equipment, which obviously is essential. In the past, Mr. Chairman, I have supported SDI. I have even supported it at levels higher than the committee request.

However, I think it is clear that, because of the changing environment and the changing threat in Europe, there are other areas that should receive a higher priority than this leap of faith that many have made for deployment of Brilliant Pebbles or phase I of SDI.

Mr. Chairman, I am one in the Committee on Armed Services who serves on the Subcommittee on Research and Development. I am a technologist; I believe in technology, I believe in a robust research and development effort. But I think a rush to deployment is mistimed.

I believe it would be a waste of resources. I commend the gentleman from Florida [Mr. BENNETT] and urge the House to support the Bennett amendment,

Mr. BENNETT. Mr. Chairman, I yield the balance of thie time to the gentleman from California [Mr. FAZIO].

The CHAIRMAN pro tempore (Mr. BRUCE). The gentleman from Califor-

nia [Mr. FAZIO] is recognized for 1 minute.

Mr. FAZIO. Mr. Chairman, I rise today in strong support of the Bennett-Ridge amendment to the Department of Defense authorization bill for fiscal year 1991 and in opposition to the Kyl amendment. The Bennett-Ridge amendment provides $2.3 billion for the strategic defense initiative [SDI]. This represents a reduction of $600 million from the funding level reported by the Armed Services Committee and $2.3 billion from the administration's request. This bipartisan amendment will allow for a generous research and development program without sacrificing modernization of our conventional forces. Scientists associated with the SDI Program testified that $2 billion to $3 billion per year is adequate for research in advanced weapon technology. In addition, last year, the Joint Chiefs of Staff recommended a much lower level of appropriations for the SDI Program than was advocated by civilian Defense Department officials.

Our amendment today to reduce SDI to $2.3 billion represents a commitment to research which will allow us to maintain our Nation's qualitative advantage in this area, while simultaneously maintaining our commitments to other vital defense programs.

I urge my colleagues to support the Bennett-Ridge amendment.

Mr. KYL. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN pro tempore. The gentleman from Arizona [Mr. KYL] is recognized for 4 minutes.

Mr. KYL. I thank the chairman.

Mr. Chairman, the amount of funding for SDI this year really matters.

My amendment is for $3.57 billion, which is the level which was recommended by the Senate Armed Services Committee, chaired by Senator NUNN. It is the level adopted by the other body, the Senate, and it also corresponds to last year's level of funding for SDI.

Why is this the necessary level of authorization? The President, in a letter to Senator WARNER on August 3, said, "A vote to cut SDI below the Senate Armed Services Committee mark will force us to delay critical tests and cancel contracts and, therefore, is essentially a vote against strategic defense for America."

I might point out to my colleagues that the Joint Chiefs have been alluded to here, and I can assure you they support the President's level of funding.

Now, why do I say that time is of the essence? Mr. Chairman, we cannot afford to delay strategic defenses.

As CIA Director Webster has said, by the end of this decade over 15 more Third World countries are going to possess ballistic missile capability and at least 6 of them, nuclear capability.

By the way, these are countries like Iraq, Syria, Iran, and Libya.

In 5 or 6 or 7 years or so these countries will have ICBM capability, and some of them will have nuclear capability.

They have ballistic missiles now with ranges from approximately 250 to 1,000 miles, enough for the Iraqis to threaten our forces deployed in the Persian Gulf.

We can only hope to get through this crisis without seeing our young men incinerated or blown up or gassed in this crisis; we have no effective defense against Iraqi missiles.

That is why we must act now.

Even at the levels of funding requested by the President, it will take us 6 or 7 years to deploy the first strategic defenses.

What happens, my colleagues, when the next Saddam Hussein creates a crisis like the current one? Would we be able to stand up to him? Would we be able to conduct a foreign policy on our terms? Or would we be hesitant or frozen because he possessed missiles that could reach the United States, not to mention our forces deployed around the world?

Would we be able to stand up to the next Hussein who, instead of holding a few hostages in a Baghdad hotel, would hold 20 million or 30 million or 50 million Americans in this country hostage? Would we be able to stand up to the next Saddam Hussein who would threaten Washington or the citizens of New York or Los Angeles or Chicago?

To prevent that future catastrophe, we must act now, today. We must fund the strategic defense initiative at a level today which will enable us in 5 years or so to be at the point where we can defend ourselves so we can conduct our foreign policy in a way that we need to, not being held hostage by some tin-horn dictator with a bunch of missiles which could reach the continental United States as well as our forces deployed abroad.

Our colleague, Mr. MCCURDY says, "Well, let us save money, let us defeat the Kyl amendment and apply that to the sealift and airlift." But the committee has already spent that money. Defeating my amendment is not going to provide us any additional funds which could be used for funding sealift or airlift.

The fact of the matter is, my colleagues, missiles are with us, and they will be with us until we have somehow, made them obsolete.

Nuclear and chemical warheads are with us.

Yesterday they might have been used by the Soviet Union. Today they might be used by Iraq. Tomorrow, who knows who might use them? But we do know that 20 or more countries are going to possess these weapons, and every time a dictator who wants to use them threatens the United States, we cannot conduct our foreign policy.

As a result, I urge you to support the level of funding requested by the President of the United States to move this program forward so that we will be able to have a defense to conduct our foreign policy, to protect the United States and to protect our forces.

The CHAIRMAN pro tempore. All time has expired.

The question is on the amendment offered by the gentleman from Arizona [Mr. KYL].

The question was taken, and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. KYL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 141, noes 273, not voting 18, as follows:

[Roll No. 338]

AYES—141

Archer	Harris	Ravenel
Baker	Hastert	Rhodes
Ballenger	Hefley	Richardson
Barnard	Henry	Rinaldo
Bateman	Herger	Ritter
Bevill	Hiler	Roberts
Bliley	Holloway	Robinson
Boehlert	Houghton	Rogers
Broomfield	Hubbard	Rohrabacher
Browder	Huckaby	Ros-Lehtinen
Brown (CO)	Hunter	Rowland (CT)
Buechner	Hutto	Schaefer
Bunning	Hyde	Schiff
Burton	Inhofe	Schuette
Callahan	Ireland	Shaw
Clinger	James	Shumway
Coleman (MO)	Kasich	Skeen
Combest	Kolbe	Slaughter (VA)
Courter	Kyl	Smith (NE)
Cox	Lagomarsino	Smith (NJ)
Craig	Lent	Smith (TX)
Crane	Lewis (CA)	Smith, Denny (OR)
Dannemeyer	Lightfoot	Smith, Robert (NH)
DeLay	Livingston	Smith, Robert (OR)
DeWine	Lowery (CA)	Solomon
Dickinson	Lukens, Donald	Spence
Dornan (CA)	Madigan	Stangeland
Douglas	Martin (NY)	Stearns
Dreier	McCandless	Stump
Duncan	McCollum	Sundquist
Edwards (OK)	McCrery	Tauzin
Emerson	McEwen	Thomas (CA)
Erdreich	McMillan (NC)	Thomas (WY)
Fawell	Michel	Upton
Fields	Miller (OH)	Vander Jagt
Flippo	Miller (WA)	Vucanovich
Gallegly	Molinari	Walker
Gallo	Moorhead	Walsh
Gekas	Morrison (WA)	Weber
Gillmor	Myers	Weldon
Gilman	Nielson	Whittaker
Gingrich	Oxley	Wilson
Goss	Packard	Wolf
Gradison	Parris	Wylie
Hall (TX)	Pashayan	Young (AK)
Hammerschmidt	Paxon	
Hancock	Pickle	
Hansen	Quillen	

NOES—273

Ackerman	Bartlett	Bonior
Alexander	Barton	Borski
Anderson	Bates	Bosco
Andrews	Beilenson	Boucher
Annunzio	Bennett	Boxer
Anthony	Bentley	Brennan
Applegate	Bereuter	Brooks
Armey	Berman	Brown (CA)
Aspin	Bilbray	Bruce
Atkins	Boggs	Bryant

Bustamante	Hoyer	Penny
Byron	Hughes	Perkins
Campbell (CA)	Jacobs	Petri
Campbell (CO)	Jenkins	Pickett
Cardin	Johnson (SD)	Porter
Carper	Johnston	Poshard
Carr	Jones (GA)	Price
Chandler	Jones (NC)	Pursell
Chapman	Jontz	Rahall
Clarke	Kanjorski	Rangel
Clay	Kaptur	Ray
Clement	Kastenmeier	Regula
Coble	Kennedy	Ridge
Coleman (TX)	Kennelly	Roe
Collins	Kildee	Rose
Condit	Kleczka	Rostenkowski
Conte	Kolter	Roth
Conyers	Kostmayer	Roukema
Cooper	LaFalce	Rowland (GA)
Costello	Lancaster	Roybal
Coughlin	Lantos	Russo
Coyne	Laughlin	Sabo
Darden	Leach (IA)	Saiki
Davis	Lehman (CA)	Sangmeister
de la Garza	Lehman (FL)	Sarpalius
DeFazio	Levin (MI)	Savage
Dellums	Levine (CA)	Sawyer
Derrick	Lewis (FL)	Saxton
Dicks	Lewis (GA)	Scheuer
Dingell	Lipinski	Schneider
Dixon	Lloyd	Schroeder
Donnelly	Long	Schulze
Dorgan (ND)	Lowey (NY)	Schumer
Downey	Luken, Thomas	Sensenbrenner
Durbin	Machtley	Serrano
Dwyer	Manton	Shays
Dyson	Markey	Sikorski
Early	Marlenee	Sisisky
Eckart	Martin (IL)	Skaggs
Edwards (CA)	Martinez	Skelton
Engel	Matsui	Slattery
English	Mavroules	Slaughter (NY)
Espy	Mazzoli	Smith (FL)
Evans	McCloskey	Smith (IA)
Fascell	McCurdy	Smith (VT)
Fazio	McDermott	Snowe
Fish	McGrath	Solarz
Flake	McHugh	Spratt
Foglietta	McMillen (MD)	Staggers
Ford (MI)	McNulty	Stallings
Ford (TN)	Meyers	Stark
Frank	Mfume	Stenholm
Frenzel	Miller (CA)	Stokes
Frost	Mineta	Studds
Gaydos	Moakley	Swift
Gejdenson	Montgomery	Synar
Gephardt	Moody	Tallon
Geren	Morella	Tanner
Gibbons	Morrison (CT)	Tauke
Glickman	Mrazek	Taylor
Gonzalez	Murphy	Thomas (GA)
Goodling	Nagle	Torres
Gordon	Natcher	Towns
Grandy	Neal (NC)	Traficant
Grant	Nelson	Traxler
Gray	Nowak	Udall
Green	Oakar	Valentine
Guarini	Oberstar	Vento
Gunderson	Obey	Visclosky
Hall (OH)	Olin	Volkmer
Hamilton	Ortiz	Walgren
Hatcher	Owens (NY)	Weiss
Hawkins	Owens (UT)	Wheat
Hayes (IL)	Pallone	Whitten
Hayes (LA)	Panetta	Williams
Hefner	Parker	Wise
Hertel	Patterson	Wolpe
Hoagland	Payne (NJ)	Wyden
Hochbrueckner	Payne (VA)	Yates
Hopkins	Pease	Yatron
Horton	Pelosi	Young (FL)

NOT VOTING—18

AuCoin	Leath (TX)	Shuster
Bilirakis	McDade	Torricelli
Crockett	Mollohan	Unsoeld
Dymally	Murtha	Washington
Feighan	Neal (MA)	Watkins
Johnson (CT)	Sharp	Waxman

□ 1756

Mr. SMITH of Iowa changed his vote from "aye" to "no."

So the amendment was rejected.

The result of the vote was announced as above recorded.

AMENDMENT OFFERED BY MR. BENNETT

Mr. BENNETT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore (Mr. DURBIN). The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. BENNETT: Strike out section 221(a) and insert in lieu thereof the following:

(a) FISCAL YEAR 1991.—Of the amounts appropriated pursuant to section 201 or otherwise made available to the Department of Defense for research, development, test, and evaluation for fiscal year 1991, not more than $2,300,000,000 may be obligated for the Strategic Defense Initiative. The amount provided in section 201 for Defense Agencies is hereby reduced by $600,000,000.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Florida [Mr. BENNETT] will be recognized for 5 minutes, and the gentleman from Arizona [Mr. KYL] will be recognized for 5 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I yield 2 minutes to the gentleman from Delaware [Mr. CARPER].

Mr. CARPER. Mr. Chairman, I want to share with my colleagues today some hard truths. Today's newspaper says: "Shuttle Launch Scrubbed Again." Some months ago we read how our multimillion, billion-dollar Hubble telescope malfunctioned. Months before that we read about satellites not being launched, satellites not being in the correct position, and satellites not working.

I want us to make a couple of bold assumptions. One is that I want us to assume that we have the ability to launch into space thousands of small satellites, that we have the ability to link them in a far-flung command control system. Let us assume that we can do that.

Let us assume that we have the money to pay for it. Let us assume that we have the technology to make it work, and let us assume the willingness on our part to spend the money.

What do we get for the $15 billion we have already spent and the tens of billions of dollars we are prepared to spend?

□ 1800

What do we get with that money? We get a system that provides us with no protection against ground-launched cruise missiles, no protection against air-launched cruise missiles, no protection against bombers or fighter bombers, dubious protection against submarine-launched ballistic missiles.

The gentleman from Florida [Mr. BENNETT] and the gentleman from Pennsylvania [Mr. RIDGE] have a better idea. Their proposal is to continue to generously fund SDI technology to see just how promising this technology may be, but to also take $600 million and to say we are going to put that money to some better use.

Some Members know I fly as a naval flight officer in the Reserves. I am a P-3 mission commander, ocean surveillance aircraft. We need radios and radar that work. We need the ability to drop listening devices that penetrate the polar ice so we can track submarines beneath that ice. We need the ability to launch torpedoes that can outrun the submarines, and not just the opposite way around.

Mr. Chairman, those are not pie-in-the-sky ideas. Those are not wild ideas. Those are realistic ideas of systems we can afford and that will add to our Nation's security.

If we have not learned our lesson from Grenada, if we have not learned our lesson from Panama, if we have not learned our lesson from the threat that we face in the Middle East, when will we learn it?

Mr. Chairman, Bennett-Ridge provide us with the kind of tools that we need to meet the challenges in those places, this year, this time, and in the years to come. Real threats, real technology, to pay for those real threats.

Mr. Chairman, I urge support of the adoption of the Bennett-Ridge amendment.

Mr. Chairman, the level of funding for SDI before us today begs the question: "What should America's priorities be, given the changes that have taken place in our world in recent years?" The President is asking us to spend more on star wars than we spend to run every single Head Start Program in this country. A program that, sadly, only 1 out of every 5 eligible kids can enroll in now.

With the adoption of the Bennett amendment, we'll still be spending four times more on SDI than on operating America's entire national passenger rail system.

With the adoption of the Bennett amendment, we'll still be spending more on SDI than on energy conservation, clean coal technology, coal gasification, and solar and photovoltaic energy research combined.

And, even with the adoption of the Bennett amendment today, we'll still be spending more on SDI than on drug and alcohol rehabilitation, on Alzheimer's research, and on all other mental health research combined.

And what will we buy with the more than $15 billion we've already spent on SDI and the hundreds of billions of dollars we may yet spend? A system that offers us absolutely no protection against air-launched cruise missiles, no protection against ground-launched cruise missiles, no protection against sea-launched cruise missiles, no protection against attack by bomber or fighter-bomber aircraft incorporating stealth technology, as well as dubious protection against submarine-launched ballistic missiles.

I would like to believe that we possess the ability in this country to place in orbit the thou-

sands of small satelllites that are part of the proposed Brilliant Pebbles system. I would like to believe that we have the ability to flawlessly and instantaneously link these thousands of satellites with a far-flung command and control system.

A series of accidents, mishaps and missteps in our space program in recent years suggest that any such beliefs on our part may represent the triumph of hope over experience. We struggled to launch missions successfully. We struggle to position accurately in orbit a relative few satellites, and we struggle to repair a malfunctioning telescope that's now launced into space.

Given those experiences, how can any of us blithely assume that a country, sometimes unable to perform the basics these days, will suddenly master the most complex, demanding challenge in space that we've even contemplated.

Does all of this suggest that we drop funding of SDI altogether? No, the Bennett amendment does not do that, but it does suggest to me that we reassess the priority that should be assigned to SDI in our overall budget, and in our defense budget in particular.

In conclusion, let me remove my congressional hat for a moment and replace it with another I've worn throughout much of my adult life—that of a Reserve naval flight officer and mission commander of the Navy's P-3 ocean surveillance aircraft.

The adoption of Representative BENNETT'S amendment, while still making $2.3 billion available to the SDI program next year, will make available $600 million for strengthening our conventional forces in fiscal year 1991. Can that money be put to good use? Without a doubt.

Let me cite a few examples from my own experience in the Reserve P-3 Command FYI. I would like to have on our aircraft, highly reliable radios and radars. I'd like to be able to record, quickly analyze the radar transmissions of potentially hostile submarines, and determine what direction the transmissions emanated from. I'd like for our aircraft to be equipped with listening devices to drop that would enable us to track submarines beneath the polar ice. And, I'd like to have torpedoes to carry in wartime that outrun the fastest submarines, instead of the opposite being true.

Those are just a few examples of the real needs of one small component of our Nation's conventional forces. They aren't pie in the sky ideas. They are basic, down to earth needs which, if met, would add appreciably to our Nation's national security and military readiness. As we trim our military budget in the years ahead, those unmet needs of our conventional forces will grow even more. This will be especially true if we neglect those needs in order to pay for an incredibly expensive new technology like SDI that may not ever work as advertised to meet a massive nuclear attack threat from our old nemesis—the Soviet Union—that diminishes almost daily.

I urge the adoption of the Bennett amendment.

Mr. KYE. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I want to thank the gentleman from Delaware [Mr. CARPER], who did in fact lay out a number of requirements that we have in national security. But we also need, besides all of the things that the gentleman mentioned, we need to learn to stop missiles. I think that has been the lesson of the last 4 or 5 years.

The most shocking event that took place in the last 4 or 5 years was, No. 1, the downing of the British ship, the *Sheffield*, in the Falkland Islands incident by a single Exocet missile.

The second most devastating event with respect to our senses, our national senses as a country that prides ourselves on our strong national security, was the Exocet missile that hit the *Stark*, damaging the *Stark* very severely and taking a large number of lives.

The point is that almost 20 nations will have ICBM capability. Mr. Hussein is developing about nine different varieties of missiles. He has used one in the war of the cities with Iran with devastating effect. He has chemical capability, and he will be joined in the coming years with a coterie of other terrorist-minded leaders who will have this new technology.

Mr. Chairman, we are entering the era of terrorists with high technology. If we do not learn to stop missiles, this Nation is not going to be a player in national security matters.

Mr. Chairman, that is why the Israelis, with their realistic sense of national survival, are developing the Arrow missile. They are developing SDI, because they know that they cannot now stop missiles.

Mr. BENNETT. Mr. Chairman, I yield 30 seconds to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Chairman, I urge the House to vote in favor of the Bennett-Ridge amendment to the defense authorizations bill. This amendment would fund SDI at $2.3 billion. The Congressional Budget Office has estimated that the United States would only need to fund SDI at between $1.9 billion and $2.6 billion in order to maintain a technology base for an SDI system which could be developed but not deployed at this time.

What we need today is a defense policy which really reflects the post-cold war era. SDI may not be a part of that equation. Let us keep SDI at a development stage for now. Support the Bennett-Ridge amendment.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DREIER].

Mr. DREIER of California. Mr. Chairman, on March 23, 1983, when President Reagan delivered that speech which has been harshly criticized by a lot of people in this country, many scientists have criticized it, I have continued to vote in support of the program, but I have felt all the criticism that has consistently been leveled against SDI.

In January of this year, the gentleman from New York [Mr. LAFALCE] led a delegation on which my friend, the gentlewoman from Ohio [Ms. OAKAR], went to Eastern Europe, where we met with a wide range of people.

I shuddered, but then was pleased, when I heard the former mayor of Berlin say to us following dinner in Berlin, "Ronald Reagan's Strategic Defense Initiative brought down the Berlin Wall."

I thought maybe that was just a little bit of an exaggeration, but then I got to thinking about. When I talked to him after the dinner, he said clearly this signal was sent, and it is one which cannot change. He believed very strongly that we should continue down this road, and I believe that backing off now sends a horrible signal, especially when we have 14 to 15 nations on the face of the Earth which pose a nuclear threat to a free world.

Mr. KYL. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, let us summarize again the effects of Bennett. From 12,000 to 16,000 jobs would be lost if this amendment is adopted. It would require the SDI organization to sharply reduce most of their advanced technology programs, again what many Members on both sides of the aisle have said about a weakening arms control leverage, and it will frustrate allied participation in the program.

When these stories are told from Europe and around the world of people thinking that SDI broke the resolve and will of the Soviet Union, what does it do, go through one ear and out the other of a lot of Members in this Chamber?

This history we are talking about here. Members act like they just don't give a flying-for-holy. I cannot believe this. The whole purpose of the Bennett amendment is to prevent the SDI Program from performing technical experiments designed to support any decisions that will move toward deployment. Why do we have to keep promising Members that if New York disappears off the face of the map with some Saddam Hussein bomb, we are not supposed to say to you, "We told you so"?

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from Arizona [Mr. KYL] has 1½ minutes remaining, and the gentleman from Florida [Mr. BENNETT] has 2½ minutes remaining.

Mr. KYL. Mr. Chairman, I yield myself 1½ minutes.

Mr. Chairman, I think this debate has been well framed. As the gentleman from Minnesota [Mr. PENNY] said, we could, with the level of funding suggested by the gentleman from

Florida [Mr. BENNETT], fund a tech base only and keep the program at a development level. That is the choice between us. Do we move forward with a level of funding which will permit us to deploy a system by the time we are going to need it in 5 or 6 years when all of these countries like Iran, Iraq, Syria, and Libya have the capability to launch missiles, both against the continental United States and our forces deployed abroad, or are we going to keep the program at merely a research and development level and not be able to have the defense in place at the time we are going to need it?

Mr. Chairman, we are going to be held accountable at that time, and our vote today is going to be brought back and put before us. If we are simply voting to fund at a level so we can compromise with the Senate, then I would not want to try to be able to explain that.

The fact of the matter is we have got to vote for a level of spending that we can justify to our constituents as adequate to protect the lives of Americans here in the United States, as well as our deployed forces abroad. If we do not support a level of funding of at least the committee level of $2.9 billion by defeating the Bennett amendment, we will not be able to say that we supported the strategic defense initiative.

Therefore, I urge my colleagues to vote against the amendment, and at least support the committee funding level of $2.9 billion.

Mr. BENNETT. Mr. Chairman, I yield 2½ minutes to my good friend, the gentleman from Pennsylvania [Mr. RIDGE].

Mr. RIDGE. Mr. Chairman, I rise today in support of the Bennett-Ridge amendment offered by my good friend and distinguished colleague from Florida. We have collaborated on a similar amendment during the debate on the last four Defense authorization bills. I have said in the past, and I will add today that CHARLIE BENNETT remains, in my view, one of the most thoughtful Members to serve in Congress in recent decades.

The amendment we offer today reflects a consensus we believe exists to continue a robust strategic defense initiative program without spending funds that can be more wisely spent elsewhere. Although the crisis in the Middle East will be brought up repeatedly during this defense debate as justification for supporting or opposing particular weapons systems, it is likely we agree that the current crisis has illustrated our need for improvements in our conventional forces. While this amendment does not transfer funds to such programs, it would free up moneys to be used for conventional forces, while simultaneously funding a robust research program.

SDI is a critical and necessary part of an overall program to improve our strategic defenses. It should not be crippled at this time by amendments that would inadequately support even the research portion of this program, such as the one offered earlier by my colleague from California. Nor should we simply commit the American taxpayer to spending vast sums of money to deploy a system that could be achieved with considerably less funds. The SDI mission continues to evolve—the leak-proof shield is history and now we are only discussing enhanced deterrence. Enhanced deterrence is absolutely essential but it takes many different forms and comes with a variety of price tags and trade-offs.

The figure that we offer today differs from the amount we have offered during previous debates. In the past, we have offered amendments at approximately $3 billion—a level that we are assured can support a robust research program. This year we intend to come out of conference at $3 billion. The Senate has approved a funding level of $3.67 billion. If the House approves our amendment, after conference the final amount for SDI should be $3 billion. This is the level that the House has voted for 3 out of the past 4 years, and it is the level that the House Armed Services Committee recently approved. Chairman NUNN has expressed his willingness to reach a consensus on this funding level, and I have no reservations regarding the level that we offer today.

The ultimate figure that we trust will be approved for SDI next year is not a reduction for reduction's sake. It is a figure that many scientists within and outside the SDIO organization believe is enough to maintain a robust SDI research program.

Nor does this amendment attempt to dictate the terms of spending such funds. I personally believe that such micromanagement—often political and not based on technological findings—should not be in our hands but in those better suited for such complex decisions.

Rather, this amendment attempts to bring SDI spending to a level that accurately reflects the changing mission and evolving definition of strategic defense. It is a sensible level of spending because it does not put all of our eggs in the SDI basket.

Several months ago, retired former chairman of the Joint Chiefs, Adm. William Crowe, recommended that the program be cut back to no more than $3 billion a year. Terminating SDI at $3 billion a year would save us $17 billion over fiscal years 1991 to 1994. Including the B–2 program termination brings the total savings to $42 billion for those years. This represents a great portion of the savings that we need to identify in the budget. In addition, these cuts can protect many of the conventional programs and various other programs that I believe our defense dollars would be better spent on at this time.

Congressman BENNETT and I share a concern for the need to adequately fund our conventional forces. Our concern has been reinforced by recent Middle East events. After this vote on SDI funding, you will have the opportunity to consider an amendment offered by my distinguished colleague, Chairman ASPIN, that would transfer money from the SDI budget to fund conventional forces in the Middle East. I commend my colleague for offering this strategically important amendment and for recognizing our defense needs at this crucial time, and I would urge my colleagues to support Chairman ASPIN's amendment.

The point remains that, without this amendment, our defense spending is out of balance and that balance must be restored. We cannot afford to waste critical defense dollars on a program of unproven technologies when we have other programs that are more deserving. Many of our conventional programs are being starved to death by this need to find some system that can be deployed. My colleagues, we must pursue the SDI, but keep in mind that the country's broader and therefore, best interest, is served with a balance approached toward defense spending and defense system in the balance between strategies and conventional defense must be corrected and this is the first step.

I ask for your support for the Bennett-Ridge amendment. It offers solid, credible support for a most important strategic defense program at a level consistent with our other immediate national security needs.

The CHAIRMAN pro tempore (Mr. DURBIN). The question is on the amendment offered by the gentleman from Florida [Mr. BENNETT].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. BENNETT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 225, noes 189, not voting 18, as follows:

[Roll No. 339]

AYES—225

Ackerman	Borski	Chandler
Alexander	Bosco	Chapman
Anderson	Boucher	Clarke
Andrews	Boxer	Clay
Annunzio	Brennan	Clement
Anthony	Brooks	Coble
Applegate	Brown (CA)	Collins
Aspin	Bruce	Condit
Atkins	Bryant	Conte
Bates	Bustamante	Conyers
Beilenson	Campbell (CA)	Cooper
Bennett	Campbell (CO)	Costello
Berman	Cardin	Coughlin
Bilbray	Carper	Coyne
Bonior	Carr	de la Garza

DeFazio	Kennedy	Pursell
Dellums	Kennelly	Rahall
Derrick	Kildee	Rangel
Dicks	Kleczka	Ray
Dingell	Kolter	Ridge
Dixon	Kostmayer	Roe
Donnelly	LaFalce	Rose
Dorgan (ND)	Lantos	Rostenkowski
Downey	Laughlin	Roukema
Durbin	Leach (IA)	Rowland (GA)
Dwyer	Lehman (CA)	Roybal
Dymally	Lehman (FL)	Russo
Early	Levin (MI)	Sabo
Eckart	Levine (CA)	Sangmeister
Edwards (CA)	Lewis (GA)	Savage
Engel	Long	Sawyer
Espy	Lowey (NY)	Saxton
Evans	Luken, Thomas	Scheuer
Fascell	Machtley	Schneider
Fazio	Manton	Schroeder
Flake	Markey	Schumer
Foglietta	Martinez	Serrano
Ford (MI)	Matsui	Shays
Ford (TN)	Mavroules	Sikorski
Frank	Mazzoli	Skaggs
Frost	McCloskey	Slattery
Gaydos	McCurdy	Slaughter (NY)
Gejdenson	McDermott	Smith (FL)
Gephardt	McHugh	Smith (VT)
Gibbons	McMillen (MD)	Snowe
Glickman	Mfume	Solarz
Gonzalez	Miller (CA)	Staggers
Gordon	Mineta	Stallings
Grandy	Moakley	Stark
Grant	Mollohan	Stokes
Gray	Moody	Studds
Green	Morella	Swift
Guarini	Morrison (CT)	Synar
Hall (OH)	Mrazek	Tanner
Hamilton	Murphy	Thomas (GA)
Hatcher	Nagle	Torres
Hayes (IL)	Natcher	Towns
Hefner	Neal (NC)	Traficant
Hertel	Nowak	Traxler
Hoagland	Oakar	Udall
Hochbrueckner	Oberstar	Valentine
Horton	Obey	Vento
Hoyer	Olin	Visclosky
Hubbard	Ortiz	Volkmer
Hughes	Owens (NY)	Walgren
Jacobs	Owens (UT)	Washington
Jenkins	Pallone	Waxman
Johnson (SD)	Panetta	Weiss
Johnston	Payne (NJ)	Wheat
Jones (GA)	Pease	Williams
Jones (NC)	Pelosi	Wise
Jontz	Penny	Wolpe
Kanjorski	Perkins	Wyden
Kaptur	Poshard	Yates
Kastenmeier	Price	Yatron

NOES—189

Archer	Dickinson	Henry
Armey	Dornan (CA)	Hiler
Baker	Douglas	Holloway
Ballenger	Dreier	Hopkins
Bartlett	Duncan	Houghton
Barton	Dyson	Huckaby
Bateman	Edwards (OK)	Hunter
Bentley	Emerson	Hutto
Bereuter	English	Hyde
Bevill	Erdreich	Inhofe
Bliley	Fawell	Ireland
Boehlert	Fields	James
Boggs	Fish	Johnson (CT)
Broomfield	Flippo	Kasich
Browder	Frenzel	Kolbe
Brown (CO)	Gallegly	Kyl
Buechner	Gallo	Lagomarsino
Bunning	Geren	Lancaster
Burton	Gillmor	Lent
Byron	Gilman	Lewis (CA)
Callahan	Gingrich	Lewis (FL)
Clinger	Goodling	Lightfoot
Coleman (MO)	Goss	Lipinski
Coleman (TX)	Gradison	Livingston
Combest	Gunderson	Lloyd
Courter	Hall (TX)	Lowery (CA)
Cox	Hammerschmidt	Lukens, Donald
Craig	Hancock	Madigan
Crane	Hansen	Marlenee
Dannemeyer	Harris	Martin (IL)
Darden	Hastert	Martin (NY)
DeLay	Hayes (LA)	McCandless
DeWine	Hefley	McCollum
McCrery	Richardson	Smith, Robert (OR)
McEwen	Rinaldo	Solomon
McGrath	Ritter	Spence
McMillan (NC)	Roberts	Spratt
McNulty	Robinson	Stangeland
Meyers	Rogers	Stearns
Michel	Rohrabacher	Stenholm
Miller (WA)	Ros-Lehtinen	Stump
Molinari	Roth	Sundquist
Montgomery	Rowland (CT)	Tallon
Moorhead	Saiki	Tauke
Morrison (WA)	Sarpalius	Tauzin
Myers	Schaefer	Taylor
Nelson	Schiff	Thomas (CA)
Nielson	Schuette	Thomas (WY)
Oxley	Schulze	Upton
Packard	Sensenbrenner	Vander Jagt
Parker	Shaw	Vucanovich
Parris	Shumway	Walker
Pashayan	Shuster	Walsh
Patterson	Sisisky	Weber
Paxon	Skeen	Weldon
Payne (VA)	Skelton	Whittaker
Petri	Slaughter (VA)	Whitten
Pickett	Smith (IA)	Wilson
Pickle	Smith (NE)	Wolf
Porter	Smith (NJ)	Wylie
Quillen	Smith (TX)	Young (AK)
Ravenel	Smith, Denny (OR)	Young (FL)
Regula	Smith, Robert (NH)	
Rhodes		

NOT VOTING—18

AuCoin	Gekas	Murtha
Barnard	Hawkins	Neal (MA)
Bilirakis	Herger	Sharp
Crockett	Leath (TX)	Torricelli
Davis	McDade	Unsoeld
Feighan	Miller (OH)	Watkins

□ 1830

Mr. APPLEGATE changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. LAGOMARSINO. Mr. Chairman, I rise in support of the strategic defense initiative and the amendments offered by Mr. KYL of Arizona and Mr. DORNAN of California to restore funding for the SDI to a reasonable and responsible level—though not to the level requested by the Defense Department, the agency that ought to know best. I am strongly opposed to the Dellums amendment which, in reality, kills the SDI Program and to the Bennett amendment which further reduces critical SDI funding from the already slashed level of the committee.

It should be recognized that the Armed Services Committee has already slashed SDI funding by 36 percent authorizing only $2.9 billion of the administration's requested $4.5 billion. If we are to provide America with the strategic defense shield it needs, which I strongly believe we should, we must provide realistic, sufficient funding for the program. The Kyl and Dornan amendments do just that.

The concept of pursuing defenses is not new. In fact, it is wholly consistent with deterrence. It was actually being pursued during the Carter administration, but not in a very comprehensive or cohesive way. The reasoning behind the SDI is very logical and responsible. The policy of mutually assured destruction [MAD] has worked so far, but the costs of a potential breakdown are too great. I believe it is far safer and certainly less threatening to protect America with a shield rather than rely on the sword of nuclear holocaust as we presently do. In addition, an effective strategic defense can enhance deterrence by greatly complicating the war plans of the attacking nation. If greater uncertainty about the outcome of initiating such an attack can be achieved, defenses will have contributed to deterrence and stability.

Many of my colleagues believe the answer to strategic security lies not with the SDI but only in reaching further arms control agreements. Unfortunately, history has proven that arms control agreements alone do not provide security and safety. Recent Soviet violations of arms control agreements—accords we unilaterally uphold—dictate that we back up arms control with some sort of insurance. The SDI provides that. Examining the track record of soviet compliance—or lack thereof—with arms control agreements dictates that realism, not blind trust, will lead to successful, effective arms control measures equally beneficial to both sides.

Critics assert that the SDI cripples arms control. This is not true. Obviously the Soviets believe that the two, arms control and strategic defense, go together. They are pursuing both. In fact, they have been concentrating on a more intensive strategic defense system. Within the last decade the CIA estimates that the Kremlin has spent over $150 billion on its version of the SDI. During an interview with NBC news General Secretary Gorbachev admitted that the Soviets are working on their own SDI. According to respected Soviet dissident scientists, including some we in Congress helped emigrate, the Soviets devote much more of its efforts and resources into its SDI Program than we do into ours. They also warned that the Soviet Union would likely continue to proceed with its SDI even if it signed an agreement not to. They recommend that we not yield on development of the strategic defense peace shield.

In addition, the Soviets continue to strengthen their anti-ballistic missile capability, often in violation of the ABM Treaty. The saga of the Krasnoyarsk radar clearly proves that. The development of a two-layer ABM system, modernization of the Galosh ABM system, and advances in laser technology also indicate that regardless of the ABM Treaty, the Soviets are moving along rapidly toward deploying their SDI while we debate about funding research and development of our system. In fact, Soviet ballistic missile defense activities are so extensive that Moscow now has the potential to break out of the ABM Treaty much more rapidly than the United States can respond. Incidentally, our SDI Program remains, by law, within the confines of the ABM Treaty.

SDI has enhanced arms control. As Zbigniew Brzezinski, President Carter's national security advisor, said, the Soviets would not even be at the negotiating table with us had it not been for President Reagan's commitment to the SDI. The SDI is a very promising arms control mechanism. By providing a defensive shield, it reduces the need for nuclear missiles making reduction agreements—like the ongoing START talks to cut our strategic nuclear arsenals in half—more attractive and obtainable. The SDI coupled with arms reductions makes the argument that the Soviets can overwhelm our defenses moot. Even at partial effectiveness, the SDI denies any power the ability to carry out a successful first strike,

thereby even further enhancing deterrence and making arms reduction proposals more acceptable. To those who still disagree I point out that over the past few years we have made real progress in arms reduction—the INF Treaty and new progress on START and conventional arms cuts. All this has happened while we have been pursuing the SDI.

In fact, during my recent visits with our arms control negotiators and with citizens on the streets in Bulgaria, Hungary, and Czechoslovakia I have been told many times that our "peace through strength" policy—especially the SDI—was a key catalyst behind the historic changes in Eastern Europe and the Soviet Union. This coming from people who were previously bombarded only with Communist rhetoric about America's so-called dangerous star wars system. Ironically, the Communists and their captive nations realized the promise of the SDI. I am encouraged that some of us in Congress had the foresight to follow the Reagan/Bush SDI Program and help foster the "democratic revolution" in the Eastern bloc. These actions speak much louder than the SDI's opponents rhetoric and misleading arguments.

Clearly the SDI has helped, not hurt arms control. And, that is only natural because SDI works best with arms control and vice versa. However, if we were to damage the SDI Program by further cuts, as advocated by the Bennett amendment or the Dellums killer amendment, we are weakening the position of our negotiators in Geneva and lessening the chances for real progress on START and other agreements. The SDI gives us—and the Soviets, and others—a safe, stable, and secure defensive foundation upon which to eliminate thousands of offensive nuclear weapons. This is most certainly a goal we must pursue.

With Gorbachev's new policies of glasnost and peristroika, and with the incredible events in Eastern Europe—some of which I have experienced first hand—the Soviets and their nuclear missiles appear to be less of a threat. Unfortunately, the Soviets continue to modernize and expand their war machine—including their strategic nuclear weapons systems. The Soviets continue to modernize their heavy SS–18 ICBM's—a system for which we have no counterpart, develop and deploy new mobile ICBM's, and produce more submarines and SLBM's. I have to ask why? It is certainly not to counter any new U.S. systems. This defense bill deletes MX rail-garrison, and we've capped MX deployments at 50 for years now, defers the small ICBM-Midgetman funding, reduces Trident II missiles and kills the B–2 bomber. In other words, we continue to reduce, yet the Soviets continue to modernize and expand. Why? It makes no sense and providing the United States with an effective defense—just in case—makes a lot of sense.

While I believe that Mikhail Gorbachev will continue to guide the Soviet Union down a more peaceful path of economic and political reforms, there is no guarantee that we will always remain in charge in the Soviet Union. There are still hardliners in the Soviet military opposed to these changes. I am particularly concerned about the increased ethnic strife in the Soviet Union. If the Soviet empire continues to break apart, who gets these missiles—many of which are in Soviet Central Asia, an area of rising fundamentalism? What if they do not ascribe to our theory of MAD? Some in this world are willing to be martyrs, regardless of the cost. We have already witnessed that with conventional and chemical weapons. The SDI provides a defense against this dangerous trend.

While the traditional focus of the SDI has been on the threat from the Soviets—a threat which appears to be diminishing—the threat from others has not. In some cases, the ballistic missile threat continues to increase in a very dangerous way. This is particularly true with Iraq. Saddam Hussein, the butcher of Baghdad, continues to pursue both a ballistic missile and a nuclear weapons program. It is just a matter of time before the two are married. While Iraq, thus far, has only developed intermediate or theater range ballistic missiles, the United States now has—and may again in the future have—our own forces deployed in this region. The SDI would provide a defense against Saddam's, or anyone else's ballistic missiles whether armed conventionally or with nuclear warheads. We also need to work now to provide a secure defense against longer range ballistic missiles capable of reaching the United States that may be deployed in the future. Iraq is working on longer range missiles.

I want to stress that the SDI is a defense against ballistic missiles, not just strategic range missiles. We are entering a new world order, a post cold war era. Yet, as events in the Persian Gulf have shown, many threats and challenges still exist. One SCUD missile landing in the middle of Dharan Airbase can kill many Americans. Do not they deserve protection? One ballistic missile fired against Tel Aviv can kill many innocent people sparking a new Arab-Israeli war. A war which could endanger our oil supplies and therefore our economy and could include the use of chemical and nuclear weapons. The SDI would help prevent such a calamity. That is why Israel has been actively involved in the SDI Program.

In fact, the collapse of the iron curtain and the new Soviet-American relationship has made the world, in a way, a less stable place. No longer can we count on the U.S.–U.S.S.R. rivalry to keep situations from getting too hot. Today's crisis in the Middle East is a prime example. The SDI would provide an important form of defense, deterrence, and therefore stability—at least against the growing ballistic missile threat.

Iraq is not alone in developing ballistic missiles. The list of others include Libya, India, Iran, Syria, and South Africa. The threat from Communist China—which is not moving toward reform as tragically witnessed by the massacre in Tianamen Square—still remains. The same leaders who ordered the massacre in Tiananmen Square also control China's strategic nuclear arsenal. Of even greater concern is the control, or possible lack thereof, over China's nuclear weapons should some future political turmoil factionalize the military and top Communist leadership. While the power struggles and factionalization apparently have been kept to a manageable level during the last round in 1989, the history of chaos and violence associated with governing Communist China and the real potential for future anarchy provide very valid and serious reasons for the SDI.

Today the United States has absolutely no protection against ballistic missiles. None. Not even against accidental launches. For safety sake its silly not to have this type of shield. There have been some close calls in the past. I recall a couple of years ago when a Soviet Yankee class ballistic missile submarine caught fire off of Bermuda. The risk of an accidental missile launch was high. What happens in the future if that occurs again? What do we tell the survivors of the American city that was accidentally destroyed in a nuclear holocaust? Sorry, we were too cheap or too interested in making a political point to provide for our defense? That's ridiculous. Yet, we have no defense against this sort of thing. Obviously, we have no way to protect against any of the threats I have mentioned.

Some critics claim the SDI will not work. However, Great strides have been made in our ability to track and intercept missiles before they reach their targets in many different stages of flight. In this debate, opponents of the SDI will cite Nobel laureats and other distinguished physicists in arguing that the SDI is neither feasible nor safe. I urge my colleagues to carefully examine the details of the reports they are quoting. Unfortunately, many are flawed in important respects and include misleading information. In the past debates on the SDI, I provided members with an article detailing these flaws. I stand ready to share it again this year.

Throughout history there have been expert nay-sayers who argued we could never fly, make a steam engine, or reach the moon. They were wrong. I submit that many of today's critics fall into that same category.

Since President Reagan proposed the SDI, we have continued to make outstanding progress. Now is not the time to stop. It is important for us to continue to show the world that we are committed to peace and security based on full armor—a shield and a small sword, not just the sword. We also need to be prepared for accidents. As our the global situation around us continues to evolve, we must be prepared for all contingencies. I strongly urge my colleagues to join me in supporting the Dornan amendment and if that's unsuccessful, the Kyl amendment and oppose the Dellums and Bennett amendments.

Mr. SCHUETTE. Mr. Chairman, I would like to take this opportunity to state my views on funding for the strategic defense initiative [SDI] under the 1991 defense authorization. I firmly believe that SDI offers the only real defense for our country against nuclear annihilation and we simply cannot afford to inadequately fund this most important project.

The current situation in the Middle East is raising new questions about how much to cut defense spending and how to apportion limited resources. Obviously, the situation in the gulf means defense spending will not be cut as deeply as indicated in earlier discussions on the 1991 defense authorization.

Unlike other military programs, SDI could provide important protection for U.S. military installations and even portions of the U.S. population. It would also enable the United

States to make cruical decisions about early deployment.

Critics of SDI who argue that it will never be 100 percent effective are ignoring the most important aspects of the system, which include the ever-increasing technological advances. Despite what the critics say, the program has been making significant technological progess and needs to be funded at significant levels in order to continue.

A new and upcoming technological advance known as Brilliant Pebbles is particularly promising. the concept is to send into orbit 4,600 interceptors small enough to hold in your hand that will be activated on signal from Earth to destroy enemy missiles by force of impact. There have been no fundamental flaws found in the engineering of Brilliant Pebbles and the costs are quite reasonable.

In the past, SDI, succeeded in moving the superpowers away from the unacceptable theory of mutual assured destruction [MAD] and was a valuable bargaining chip in arms negotiations. Recent events in the Persian Gulf have demonstrated that the United States needs protection against missile attacks from Iraq and other unstable Third World nations which are reported to be developing nuclear capabilities. Although the threat from the Soviet Union appears to have faded, world leaders, like Saddam Hussein illustrate the clear and present need for a defensive shield for our country.

While I recognize the need for budgetary constraints, I do not believe that we should target such a vital part of our Nation's defense to achieve budget cuts. This does not mean that there should be an unlimited budget for SDI, but rather adequate funding to proceed at the current pace. By cutting SDI now, the result would be lost technology, lost jobs, and ultimately increased costs.

Mr. Chairman, I urge my colleagues in the House to join me in supporting funding for SDI. I cannot think of one thing more significant then the state of our Nation's defense. We must remember that the greatest consideration of any defense system is deterrence. By providing the highest level of deterrence while consistently achieving technological advances, we will not only protect our country in the short run, but provide crucial technology for future genrations. With SDI, the Unitted States has the power to change the global atmosphere and ultimately alter world conduct.

Mr. FAZIO Mr. Chairman; I rise today in strong support of the Bennett-Ridge amendment to the Department of Defense authorization bill for fiscal year 1991.

The Bennett-Ride amendment provides $2.3 billion for the strategic defense initiative [SDI]. This represents a reduction of $600 million from the funding level reported by the Armed Services Committee and $2.3 billion from the administration's request. This bipartisan amendment will allow for a generous research and development program without sacrificing modernization of our conventional forces. Scientists associated with the SDI Program testified that $2 billion per year is adequate for research in advanced weapon technology. In addition, last year, the Joint Chiefs of Staff recommended a much lower level of appropriations for the SDI Program than was advocated by civilian Defense Department officials.

Our amendment today to reduce SDI to $2.3 billion represents a commitment to research which will allow us to maintain our nation's qualitative advantage in this critical area, while simultaneously maintaining our commitments to other vital defense programs.

I urge my colleagues to support the Bennett-Ridge amendment.

Mr. MARKEY. Mr. Chairman, I rise in support of the Dellums-Boxer amendment to cut star wars funding from $2.5 to $1.5 billion.

Back in 1984, Edward Teller told President Reagan's top advisors that we were just 3 years away from having a desk-sized x-ray laser that would destroy the entire Soviet and land-based missile force all by itself.

In 1989, when asked whatever happened to the x-ray laser, the Director of the Lawrence Livermore Lab admitted that Labs where no where near to delivering on this promise. He said:

The history of this program is that nature wants its secrets unlocked slowly.

The history of the entire SDI program has been that we spend billions of dollars only to learn that nature wants its secrets unlocked slowly.

Over the last several years, we've been treated to a whole series of schemes to bill the American taxpayer; Electro-magnetic Railguns; neutral particle beams; Free electron lasers. Smart Rock; and now, "Brilliant Pebbles.

Brilliant Pebbles is the latest pet Rock of star wars proponents. Like all of its predecessors. it will be ground down into dumb dust as soon as it's hit by the reality of high cost and Soviet countermeasures.

When that day comes, the same snake-oil salesman in white lab coats who promised us desk-sized x-ray lasers and Brilliant Pebbles will be right back up there with another cockamamie missile defense. They'll have color viewgraphs about "genius dust," and "Magnificent microbes," and they'll testify that for just a few billion dollars more America can be defended against the threat of nuclear war.

I say it's time we stopped listening to snake-oil salesmen in white lab coats. There's only one defense against nuclear attack and that's an arms control treaty that forces the Soviets to tear apart their missiles. Vote on the Dellums-Boxer amendment and put an end to the star wars nonsense.

Mr. KOLBE. Mr. Chairman, I rise in opposition to the Skelton amendment to add more money for the B-2. There are many reasons to oppose continuing this program—too many to enumerate in the short time available today. Instead, I will submit for the RECORD a recent editorial I wrote explaining my opposition to this program which appeared in the Phoenix Gazette on Thursday, September 13, 1990:

STEALTH BOMBER DOESN'T MERIT FUNDING

(By Jim Kolbe)

The brutal occupation of Kuwait and the resulting instability in the Middle East has reinvigorated the defense budget debate—and rightly so. Some proponents of the $865 million per copy B-2 "Stealth" Bomber have seized on the renewed interest in defense needs to argue that the B-2 can play a vital role in a Mideast conflict. Don't be fooled by that rhetoric. The B-2 is designed to fight a nuclear war against the Soviets, not a conventional war against madmen in the Middle East.

Changes in Europe and the Soviet Union notwithstanding, I believe that a strong defense must remain a national priority, not because of a nostalgic attachment to the Cold War, but because we face other threats in the world. Saddam Hussein and the Iraqi invasion of Kuwait ought to be the "wake-up call" for anyone who thought the world slept peacefully. Consequenlty, cost alone is not reason enough to terminate a defense program. Rather, a weapons system must be weighed in the hard light of global threats and the resources required to defend against those threats.

How does the B-2 bomber fare in this new environment? There are three missions envisioned by the Air Force for the B-2 during a nuclear war. First, the Air Force wants a manned aircraft that can penetrate Soviet airspace and search for targets not destroyed by an initial barrage of land- and sea-based ballistic missiles (ICBMs and SLBMs respectively). Second, according to General John T. Chain Jr., Commander of the Strategic Air Command, the B-2 is our "best hope" for finding and destroying Soviet mobile missiles. Finally, in the aftermath of a START Treaty, the B-2 would be called on to destroy targests not covered by our reduced ICBM and SLBM force.

To accomplish the first mission, the Air Force admits that the pilot of the B-2 will have to determine the status of the target. Radiation, dust, smoke and fire likely to be encountered by the pilots could make this prohibitive. The Air Force claims that the B-2 will have on-board radars that can determine how close a bomb exploded near its target, thus aiding the pilots in making these determinations, however, this claim seems dubious at best. We've never fielded radars in a situation similar to nuclear war. And, even if the radars did perform as advertised, the pilots would still have to fly close enough to the targets for the radar to make the determination.

The second mission for the B-2, locating Soviet mobile missiles, seems even more difficult. We may have a general idea where Soviet mobile ICBMs are located, but if the Soviets initiate nuclear war, we can be reasonably sure they won't keep their *mobile* missiles stationary! The former Secretary of the Air Force, General Larry Welch, admitted as much in testimony before Congress when he said the B-2 was unlikely to perform well in this mission.

These first two missions also jeopardize the stealth aspects of the bomber. If the crew is forced to make visual contact with targets before releasing ordnance, then it will be vulnerable to being spotted, either from the ground or by Soviet aircraft. Soviet fighters could then be vectored to the area of the sighting. If spotted by Soviet fighter pilots the subsonic B-2 could easily be shot down. The same is true if B-2 pilots use on-board radar to locate targets. The Soviets will be able to detect these radar emissions, trace them to their source, and shoot the bombers down.

I do not pretend that this would happen to every B-2 able to penetrate Soviet airspace. I merely make the point that Soviet airspace would be a very hostile place indeed during nuclear war, and that it would be a mistake to believe that B-2s could roam "helter skelter" across the vast expanse of the Soviet Union looking for targets at will.

The third mission for the B-2 grows out of the post-START environment. General

Chain has said that the 4,900 warheads carried on ballistic missiles after a START Treaty would not be enough for target coverage, especially since a significant number of these might be destroyed in an initial Soviet strike. Today, there are roughly 3,000 Soviet strategic targets, a number that would decline significantly when START is implemented.

Nuclear weapon targeting is based on the Single Integrated Operating Plan (SIOP) which prioritizes targets based on their value, and on the urgency to destroy them. Obviously the highest priorities on the SIOP would be targets for our ICBMs and SLBMs. Lower priority targets would be on the list for the B-2. But why risk B-2s if air-launched cruised missiles could be launched by existing B-52s and B-1s from outside of Soviet airspace. True, the cruise missile can't be recalled, or stopped, once launched, while the B-2 bomber could be recalled up until the moment it launched its ordnance. It's a compromise, but not a bad one when you start to contemplate the $865 million B-2 price tag.

So, if the strategic rationale for the B-2 looks shaky, how about other missions? The Air Force has scrambled to develop a rationale for conventional missions.

It is extremely difficult to envision a Third World scenario, including our current situation in the Middle East, that could effectively make use of the B-2, especially given the other capable aircraft in our inventory. The B-2 could not have halted the lightning Iraqi invasion of Kuwait. Nor could it be called on to provide the close-air support necessary to help tanks and infantry in a battle against the Iraqi army.

Could the B-2 be used to bomb Baghdad? Perhaps, but remember, to maintain "stealthiness," the bombers could not be escorted by U.S. fighter aircraft. Once the Iraqis realized they were being bombed, their fighters would scramble to find our bombers. Once found, they would be sitting ducks for supersonic Soviet-made fighters.

Ironically, one type of aircraft that has been sent to the Middle East is the A-10, the ground attack "tank-buster" aircraft stationed at Davis Monthan Air Force Base. More than 100 A-10s have been deployed to the Middle East to deter and, if needed, to halt Iraqi tanks and ground forces. Yet, while the Air Force continues to expound on the virtues of the B-2, it is beginning to phase out the A-10—even before a follow-on ground attack aircraft is in the pipeline.

For thirty years of the Cold War, the nuclear strategy of both the U.S. and USSR were similar and deceptively simple: to maintain sufficient numbers and variety of nuclear weapons that if one nation attacked the other with nuclear weapons, the attacker could expect swift and certain retaliation. Even without the B-2, the U.S. will have the capability of maintaining this level of deterrence. We are modernizing our ICBM force to make it mobile, upgrading our missiles aboard our Trident submarines to make them more accurate, and developing better cruise missiles for our B-52s and B-1 strategic bombers. All that is needed is the congressional will to see these projects through. These steps will add to the stability of our strategic nuclear forces, and deter an increasingly modernized Soviet strategic threat.

The B-2 bomber *is* a technical marvel that will almost certainly be critical in the development of future systems. However, we cannot afford to build a very expensive system that will have a questionable or marginal benefit for national security. This is increasingly evident in light of the changing threats to our security abroad and the economic threat which looms ever larger at home.

AMENDMENT OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. SPRATT: At the end of part C of title II, insert the following new sections:

SEC. 227. RESTRUCTURING OF SDI PROGRAM.

Of amounts appropriated for fiscal year 1991 for the Strategic Defense Initiative program—

(1) not less than $130,000,000 shall be obligated and expended for the free electron laser (FEL) program;

(2) not less than $142,000,000 shall be obligated and expended for the ground-based interceptor (GBI) program;

(3) not less than $95,000,000 shall be obligated and expended for the High Endoatmospheric Defense Interceptor (HEDI) program;

(4) not more than $129,000,000 may be obligated or expended for the Brilliant Pebbles program; and

(5) not more than 30 percent may be obligated or expended for "Initial Systems", as defined in the SDI program funding table in the 1990 report to Congress on the Strategic Defense Initiative, submitted by the Strategic Defense Initiative Organization in May 1990.

SEC. 228. ALTERNATIVE SDI BUDGETS FOR FISCAL YEAR 1992.

(a) IN GENERAL.—The President shall include in the budget submitted to Congress for fiscal year 1992 two budget plans for the Strategic Defense Initiative (SDI). Each such budget plan shall use the functional funding summary prescribed for SDI.

(b) PRESIDENT'S BUDGET PLAN.—The first SDI budget plan submitted pursuant to subsection (a) shall be the President's request for SDI funding for fiscal year 1992. The President shall include as part of such request the planned funding stream associated with that request for the six-year fiscal planning period beginning with fiscal year 1992.

(c) ALTERNATIVE SDI BUDGET PLAN.—The second SDI budget plan submitted pursuant to subsection (a) shall be an alternative SDI budget plan which shall be based on the level of budget authority provided for fiscal year 1991 and constant dollar funding at the same level for each of the next five fiscal years. The alternative program shall be structured so that the SDI program—

(1) is funded each year at a maximum of $3,000,000,000 (in fiscal year 1991 dollars) through the fiscal planning period 1992 through 1997;

(2) does not pursue near-term deployment in space of directed-energy weapons or kinetic energy interceptors;

(3) is consistent with the traditional interpretation of the 1972 Anti-Ballistic Missile Treaty;

(4) pursues a treaty-compliant system of ground-based interceptors as an option for development and deployment;

(5) pursues research into directed-energy systems that are promising, particularly those capable of ground based deployment; and

(6) continues support for antitactical ballistic missile interceptors to counter the threat arising from proliferation of ballistic missiles.

The CHAIRMAN pro tempore. Under the rule, the gentleman from South Carolina [Mr. SPRATT] will be recognized for 5 minutes, and a Member in opposition, the gentleman from Arizona [Mr. KYL] will be recognized for 5 minutes.

MODIFICATION OF AMENDMENT OFFERED BY MR. SPRATT

Mr. SPRATT. Mr. Chairman, I ask unanimous consent to amend or modify the amendment, and I offer an amendment for that purpose.

The CHAIRMAN pro tempore. The Clerk will report the amendment, as modified.

The Clerk read the amendment, as modified, as follows:

Amendment offered by Mr. SPRATT, modified: At the end of part C of title II (page 38, after line 22), insert the following new section:

SEC. 227. ALTERNATIVE SDI BUDGETS FOR FISCAL YEAR 1992.

(a) IN GENERAL.—The President shall include in the budget submitted to Congress for fiscal year 1992 two budget plans for the Stategic Defense Initiative (SDI). Each such budget plan shall use the functional funding summary prescribed for SDI.

(b) PRESIDENT'S BUDGET PLAN.—The first SDI budget plan submitted pursuant to subsection (a) shall be the President's request for SDI funding for fiscal year 1992. The President shall include as part of such request the planned funding stream associated with that request for the six-year fiscal planning period beginning with fiscal year 1992.

(c) ALTERNATIVE SDI BUDGET PLAN.—The second SDI budget plan submitted pursuant to subsection (a) shall be an alternative SDI budget plan which shall be based on the level of budget authority provided for fiscal year 1991 and constant dollar funding at the same level for each of the next six fiscal years. The alternative program shall be structured so that the SDI program—

(1) does not pursue near-term deployment in space of directed-energy weapons or kinetic energy interceptors;

(2) is consistent with the traditional interpretation of the 1972 Anti-ballistic Missile Treaty;

(3) pursues a treaty-compliant system of ground-based interceptors as an option for development and deployment;

(4) pursues research into directed-energy systems that are promising, particularly those capable of ground-based deployment; and

(5) continues support for antitactical ballistic missile interceptors to counter the threat arising from proliferation of ballistic missiles.

Mr. SPRATT (during the reading). Mr. Chairman, I ask unanimous consent that the amendment, as modifed, be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN pro tempore. Is there objection to the modification of the amendment as offered by the gentleman from South Carolina [Mr. SPRATT]?

There was no objection.

The CHAIRMAN pro tempore. Under the rule, the gentleman from South Carolina [Mr. SPRATT] is recognized for 5 minutes.

Mr. SPRATT. Mr. Chairman, I originally submitted an amendment to impose floors and ceilings of funding restrictions on certain elements of the SDI Program. As I discussed the general debate on this issue, I reached agreement with opponents to modify that amendment and expedite today's proceedings by dropping, for the time being, those restrictions. These issues will be decided in conference, and I think they can best be decided in conference.

I do not have a change of heart. I think there should be floors and ceilings for specific line element restrictions on certain aspects of spending on SDI, but I think that can best be determined when we finally settle on the overall level of spending for the strategic defense initiative. The section of my amendment that remains would require SDI or the Strategic Defense Organization to submit next year two budget requests. The SDIO consistently submitted unrealistic budgets that have been significantly cut by Congress. We have just seen evidence of that in the last vote. Over the life of the SDI Program, this administration has requested $7.4 billion more in funding authority than Congress had granted. Last year the SDI budget request was for $5.6 billion. Congress approved $3.6 billion. This year the request is for $4.5 billion. We just cut that to $2.3 billion. SDI will be lucky to get $3 billion this year.

My amendment will require an alternative plan, an alternative budget, to be submitted by the President, based on budget authority that is provided this year, the actual level of budget funding for fiscal year 1991, and would require that this plan be carried forth for 5 or 6 fiscal years with constant fiscal year dollar funding at this level.

This amendment would mandate that the alternative plan follow three priorities for SDI. No. 1, that the SDI Program and the alternative plan not pursue near-term deployment in space of directed energy weapons or kinetic energy weapons; No. 2, that in the near term, at least the SDI be consistent with traditional interpretation of ABM treaties; No. 3, that at least as a first-phase deployment option, SDI be geared to pursue as a preference ground-based interceptors such as the ERIS and HEDI, for development and deployment; No. 4, we continue research into directed energy systems that are promising, particularly those capable of ground-based deployment; and No. 5, that we continue support for antitactical interceptors, to address the threat that rises from proliferation of tactical ballistic missiles.

In this form, I submit my amendment.

The CHAIRMAN pro tempore. The gentleman from South Carolina [Mr. SPRATT] has 2 minutes remaining, and the gentleman from Arizona [Mr. KYL] will be recognized for 5 minutes.

Mr. KYL. Mr. Chairman, I would like to ask the gentleman from South Carolina [Mr. SPRATT] a question.

The gentleman's amendment would require that in addition to the budget that the President wants to submit that he send up a budget at this year's funding level, and that budget would be broken down however the administration wanted to do it, is that correct?

Mr. SPRATT. If the gentleman will yield, but that it be structured so that it follows these priorities that I just mentioned in my statement.

Mr. KYL. So if I could further inquire, then in addition to putting a funding level on the second budget that the President would submit, this amendment that we will be voting on now would specify precise categories that would have to be funded, and would, I gather, allow the President to put any amount of money into any of those categories, is that correct?

Mr. SPRATT. If the gentleman will continue to yield, no, it would specify precise categories, but it would state priorities for the program. The thrust, the direction of the program. In other words, it would state that this budget would prefer the ground-based interceptors as a first-phase deployment in lieu of the space-based interceptors. That kind of priority statement, which I would not call precise, but simply have that statement of policy preference built into the budget.

Mr. KYL. Mr. Chairman, I thank the gentleman for responding to my question.

Mr. Chairman, I commend the gentleman for amending his amendment, and certainly will not object to his request because this is preferable to the amendment that was originally proffered to the Committee on Rules. That amendment would have limited the President's authority and ability to manage the SDI Program to an extent that is unacceptable. The amendment that is offered by the gentleman is also unacceptable, however, in that it requires the President to move the SDI Program forward in ways that are inconsistent with his goals.

Now, we elected this President, for better or for worse. The Secretary of Defense and his Joint Chiefs and SDI Director have determined a program over the years that they think will get the United States a defense within the time that we need to protect against all the countries that will have missiles, that we will need to be defending against. By setting forth the priorities as the gentleman from South Carolina has done, we are going to micromanage this program to an extent that it no longer resembles what the President wants to accomplish.

In that spirit, therefore, I think it is an unwise amendment. As I said, I will not object to the gentleman offering to amend his original amendment because this is better than that. However, it is still an amendment which I believe is dangerous, and overly micromanages the program, does not allow the flexibility that the President requires, and therefore, I think is not, on balance, a good idea.

Mr. Chairman, I yield back the balance of my time.

Mr. SPRATT. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore. The question is on the amendment, as modified, offered by the gentleman from South Carolina [Mr. SPRATT].

The amendment, as modified, was agreed to.

□ 1840

Mr. ASPIN. Mr. Chairman, in order to ascertain whether we have a deal on the next votes on the economic conversion, will the gentleman from Massachusetts and the gentleman from Kentucky please take the microphone.

It has been proposed by the gentleman from Maryland [Mr. HOYER], as I understand what he is proposing here, that what we would do would be to postpone the votes on the economic conversion which are to follow next.

In other words, what we would have according to the procedure that we had laid out at the beginning would be a 5 and 5 debate on the Hopkins amendment, followed by a vote, and a 5 and 5 on the Mavroules amendment, followed by a vote.

As I understand what the gentleman from Maryland is suggesting because of the need for various Members to attend some functions around town is that we would put those as part of the general amendments that we are now going to discuss, so that we would have the 5 and 5 vote on the Hopkins amendment, but then we would postpone the vote and put it with the block. We would then have the debate, the 5 and 5 on the Mavroules amendment, and put that also with the block.

Then we would go down the amendments that we are considering under the general amendments, do 5 and 5, have a voice vote. Some of those will not require a recorded vote. Those that do we would lump with the en bloc.

Is that the understanding of all the participants here?

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, if I understand what the gentleman is saying, we are going to have the debate now, is that correct, and then postpone the votes until after dinner.

Mr. ASPIN. Excuse me. Would the gentleman repeat that?

Mr. HOPKINS. The gentleman is suggesting that we have the debate now on the issue.

Mr. ASPIN. Yes.

Mr. HOPKINS. Postpone both votes until after dinner.

Mr. ASPIN. That is correct.

Mr. HOPKINS. Not splitting the votes.

Mr. ASPIN. No, sir.

Mr. HOPKINS. The votes will come in tandem, but after dinner, is that correct?

Mr. ASPIN. Yes.

Mr. HOPKINS. We would be delighted to accommodate the gentleman.

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, if I may——

Mr. ASPIN. Mr. Chairman, could we get the attention of all the participants here to make sure we understand the request?

The CHAIRMAN. The Chair would advise the members of the Committee that there is no request before the Committee, but if the Chair understands the statement of the gentleman from Wisconsin, we would have to return to the whole House to accomplish what the gentleman is trying to set up.

Mr. ASPIN. Mr. Chairman, I understand, and I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I thank the gentleman for yielding to me.

Let me offer another alternative, if I may, Mr. Chairman, at this point. It is a very important piece of legislation that we are taking up, with the amendment to be offered by the gentleman from Kentucky [Mr. HOPKINS].

Would it be in order perhaps to postpone all of it at the present time, and not even get into the debate. Then come back and take this up when we come back?

Mr. ASPIN. Let me give the gentleman my version of that. That would really delay us here quite a bit this evening. I do not think that is what a majority of the Members want to do.

I think we could either do it the way we laid it out, or we could do it the way I think the gentleman from Maryland wanted to do it, which is to have the debate and postpone the vote.

Mr. WALKER. Mr. Chairman, will the gentleman yield to me?

Mr. ASPIN. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, are we talking about 15-minute votes or 5-minute votes when we are talking about adding additional legislation?

Mr. ASPIN. Mr. Chairman, to respond to the gentleman, if we put it into the general amendments en bloc that would mean a 15-minute vote, followed by a 5-minute vote.

This would come on the first vote, so the Hopkins amendment would get a 15-minute vote.

The Mavroules amendment would get a 5-minute vote.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further. I have a concern when we start rolling substantive amendments into some of those general en bloc amendments if we are going to do 5-minute votes. It is hard enough when people are coming back from dinner to get the word on the floor what we are voting on. If we start that as part of a series of 5-minute votes, I am afraid that we will lose the substance of some of them.

Could we at least assure that where we have very substantive amendments that were originally going to be a part of the process, that we have 15-minute votes on those? That probably includes both the Hopkins and Mavroules amendments, and then we go to the 5-minute votes on the general amendments?

Mr. ASPIN. Mr. Chairman, let me then amend the proposal. I see no objection to that.

When we come back after the debate on all the general amendments, we would now be putting both the Hopkins and the Mavroules amendment in the package for the general amendments, but we would have a 15-minute vote first on the Hopkins amendment, followed by a 15-minute vote on the Mavroules amendment, then followed by a 5-minute vote as the rule says on the other amendments.

Mr. WALKER. Mr. Chairman, if the gentleman will yield further, it seems to my by that time we would have time to inform the Members about all the votes that are coming up and there would be a better general pattern about what it is we are about to vote on.

Mr. ASPIN. Mr. Chairman, let me make sure that is satisfactory to everybody. Is that all right?

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, the gentleman for some reason has assumed that my amendment is not going to be offered. I have not said that it will not be offered, and I have not even discussed it with the gentleman. The gentleman jumped over the amendment between the Hopkins amendment and the Mavroules amendment en bloc and we have not had a discussion about anything being said about my amendment, which I have the right to offer. I have not decided whether I am going to offer it or not.

Mr. ASPIN. No, we have not jumped over the gentleman's alternative, nor have we jumped over my en bloc amendments, which are listed here. Those are both still on the program.

Mr. DICKINSON. Well, Mr. Chairman, if the gentleman will yield further, it is not in the sequence of events that the gentleman mentioned. It is dead in the center of them. I did not want to get lost in the shuffle here.

Mr. ASPIN. We would never lose the gentleman from Alabama.

Mr. DICKINSON. Well, I can assure the gentleman that I have not yet decided that I would not offer the amendment. It will be offered, I assume, following the economic conversion.

Mr. ASPIN. We are waiting with bated breath for the gentleman's amendment.

Mr. WALKER. Mr. Chairman, will the gentleman yield further?

Mr. ASPIN. I yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Chairman, is one of the amendments the gentleman is planning to put the question to separate from the debate, the amendment with regard to abortion in military hospitals?

I think there would be some Members who would regard that as being a debate where they feel as though the debate and the vote should occur within a similar timeframe, and not have the debate go to an empty House.

Mr. ASPIN. I would say to the gentleman from Pennsylvania, that is beyond the scope of our ability to change it. That was in the rule along with the other amendments.

Mr. WALKER. That is one of the general amendments?

Mr. ASPIN. Yes.

Mr. WALKER. Let me ask the gentleman from Alabama if he offers his amendment and the en bloc amendments, which I assume are the add back amendment, would those be subject to 5-minute votes as well?

Mr. ASPIN. No.

Mr. WALKER. Those would both be 15-minute votes?

Mr. ASPIN. Those would both be 15-minute votes.

Mr. WALKER. Mr. Chairman, I thank the gentleman.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Kentucky.

Mr. ASPIN. Mr. Chairman, is it the intent of the gentleman from Wisconsin to finish the Mavroules amendment and my substitute and then take the break?

Mr. ASPIN. Yes.

Mr. HOPKINS. Or will there be further business?

Mr. ASPIN. There is no official break. The debate is during the break. The debate will occur in the sense that people who are not involved in the debate, we will go from the debate on the gentleman's amendment into the debate on the general amendments, yes, but we will have the debate now on the gentleman's amendment. Then we will have the 5 and 5 on the gentleman's amendment. We will have the debate on the Mavroules amendment, 5 and 5. Then we will have the break. Then we will come back later and vote on them.

Mr. HOPKINS. Mr. Chairman, I thank the gentleman.

Mr. ASPIN. Mr. Chairman, we need to do this, as the Chair recognizes, in the Committee of the Whole.

So Mr. Chairman, I move that the Committee do now rise in order to get the unanimous consent request.

The CHAIRMAN. The question is on the motion offered by the gentleman from Wisconsin [Mr. ASPIN].

The motion was agreed to.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. SMITH of Florida) having assumed the chair, Mr. DURBIN, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes had come to no resolution thereon.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 4739, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that during further consideration of the bill, H.R. 4739, the Chairman of the Committee of the Whole House on the State of the Union may at his discretion postpone recorded votes on the economic conversion amendments until a later time on the same legislative day, to occur as 15-minute votes, preceding postponed votes on part two amendments, all of which may be conducted as 5 minutes each.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. HOPKINS. Reserving the right to object, Mr. Speaker, and I shall not object, I would just like to clarify this if I may.

□ 1850

Mr. Speaker, could the gentleman give us some idea clockwise as to what he is talking about here, when we will get back to this vote? I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Speaker, I appreciate the gentleman yielding to me. I think what we want to do here is to give members some assurance about what time the votes will occur when they are put en bloc and when others will occur.

We can assure everybody here that from now on, if this unanimous consent request is accepted, there will be no votes until 8 o'clock tonight.

Mr. HOPKINS. Mr. Speaker, continuing under my reservation of objection, I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Speaker, I once again want to make sure what the sequence is. We will deal with the Hopkins-Mavroules amendments next in debate only. If I decide to offer the Dickinson good government amendment, at what point would it be in order? Would it be next?

Mr. ASPIN. After the general debate on the general amendments.

Mr. DICKINSON. That is not what was said. That is putting it out of sequence as it is listed here. It is listed as coming ahead of—it is No. 3; general amendments will be No. 5. That is the reason I was inquiring.

Mr. ASPIN. That is true, but the potential en bloc amendments are also not listed at that point. That is listed for later in the day too.

Mr. DICKINSON. Then I am asking at what point my amendment, which is listed, would be offered? Following Hopkins and Mavroules?

Mr. ASPIN. No.

Mr. DICKINSON. After the en bloc?

Mr. ASPIN. No. After the general amendments, which would come and be voted on beginning at 8 o'clock.

Mr. DICKINSON. It would follow that line?

Mr. ASPIN. Yes.

Mr. DICKINSON. The general amendments?

Mr. ASPIN. What we would have is, beginning at 8 o'clock we would have a series of votes on the Hopkins and the Mavroules amendment for sure and other votes that would occur depending upon how the debate goes on the general amendments. We will have a block of votes at about 8 o'clock, which would run for about 1 hour. At that point we need to decide whether we want to rise and whether the gentleman wants to offer it at that point. He can offer it at that point; if he wants to offer it tomorrow morning, he could offer it tomorrow morning.

Mr. DICKINSON. I am having serious negotiation with several Members as to the wisdom of offering it or the desirability of offering it.

Mr. ASPIN. Yes. We are awaiting that, anxiously awaiting that.

Mr. DICKINSON. So I would like to know, would mine be in order before, then, the Aspin budget-conforming amendment?

Mr. ASPIN. Yes. The gentleman can be assured he will have the time before that.

Mr. HOPKINS. I wonder if the chairman would consider this: We have had some Members at least suggest this, and in further accommodation to Mr. HOYER, would the gentleman consider postponing votes until 8:30?

Mr. ASPIN. Well, if the gentleman will yield, I am getting conflicting views. I get the word from the Members in the leadership on this side that we have got Members who would like to get out a little earlier tonight. Of course, we can postpone it as long as everybody wants, but of course we have to do the votes on top of that. It depends on how long Members want to be around.

I think it is safe to say, let us just come back by 8 and we will not have votes before 8 o'clock.

The SPEAKER pro tempore (Mr. SMITH of Florida). Does the gentleman insist on his reservation?

Mr. HOPKINS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4793, SMALL BUSINESS REAUTHORIZATION AND AMENDMENTS ACT OF 1990

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-717) on the resolution (H. Res. 466) providing for the consideration of the bill (H.R. 4793) to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes, which was referred to the House calendar and ordered to be printed.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

The SPEAKER pro tempore. Pursuant to House Resolution 457 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4739.

□ 1855

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the

Union for the further consideration of the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, with Mr. DURBIN (Chairman pro tempore) in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose earlier today, it had adopted the amendment offered by the gentleman from South Carolina [Mr. SPRATT].

It is now in order to consider the amendments relating to economic adjustment printed in part 1 of House Report 101-693 as follows: First, Representative MAVROULES; and second, a substitute by Representative HOPKINS.

Said amendments are not subject to further amendment or to a demand for a division of the question, are considered as read, may be offered only by the Members designated or their designees, and are debatable for 10 minutes each, equally divided and controlled by the proponent of the amendment and a Member opposed thereto.

Under the order of the House earlier today, the Chair will postpone any recorded votes ordered on said amendments to later this legislative day.

AMENDMENT OFFERED BY MR. MAVROULES

Mr. MAVROULES. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment

The text of the amendment is as follows:

Amendment offered by Mr. MAVROULES: At the end of the bill, insert the following new division:

DIVISION D—ECONOMIC ADJUSTMENT, DIVERSIFICATION, CONVERSION, AND STABILIZATION

SEC. 4001. SHORT TITLE.

This division may be cited as the "Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990".

SEC. 4002. DEFINITIONS.

For purposes of this division—

(1) MAJOR DEFENSE CONTRACT OR SUBCONTRACT.—The term "major defense contract or subcontract" means—

(A) any defense contract which involves not less than $10,000,000 (without regard to the effective date of such contract); and

(B) any subcontract which—

(i) is entered into in connection with any contract or other arrangement described in paragraph (1) (without regard to the effective date of the subcontract or the contract or other arrangement described in paragraph (1)); and

(ii) involves not less than $500,000.

(2) COUNCIL.—The term "Council" means the President's Economic Stabilization and Adjustment Council.

(3) DEFENSE FACILITY.—The term "defense facility" means any private or government facility producing goods or services pursuant to a defense contract.

(4) MILITARY INSTALLATION.—The term "military installation" means a base, camp, post, station, yard, center, or homeport facility for any ship in the United States, or any other facility under the jurisdiction of a military department located in the United States.

(5) SUBSTANTIALLY AND SERIOUSLY AFFECTED.—The term "substantially and seriously affected" means—

(A) when such term is used in conjunction with the term "community", means any community—

(i) which has, within its administrative and political jurisdiction, 1 or more military bases, defense contractor facilities, or defense service facilities;

(ii) in which the actual or threatened curtailment, completion, elimination, or realignment of a defense-related contract or program or the realignment or closure of any military installation results in a workforce reduction of—

(I) not less than 100 individuals (including part-time workers) who in the aggregate work at least 4,000 hours per week, exclusive of hours of overtime; or

(II) not less than ⅓ of the total workforce employed within the community; and

(iii) which establishes, by evidence, that any workforce reduction referred to in clause (ii) occurred as a direct result of a reduction in the defense budget;

(B) when such term is used in conjunction with the term "businesses" means any business which—

(i) holds a major defense contract or subcontract (or held such contract or subcontract before any reduction in the defense budget);

(ii) experiences a reduction, or the threat of a reduction, of—

(I) 25 percent or more in sales or production; or

(II) 80 percent or more of such business's workforce in any division of such company or at any plant or other facility of such business; and

(iii) establishes, by evidence, that the reductions referred to in clause (ii) occurred as a direct result of any reduction in the defense budget; and

(C) when such term is used in conjunction with the term "worker" or "group of workers", means any worker who is (or who is threatened to be), or any group of 100 or more workers who are (or who are threatened to be), eligible to participate in the defense conversion adjustment program under section 325 of the Job Training Partnership Act (as added by section 4405 of this division).

TITLE XLI—THE PRESIDENT'S ECONOMIC STABILIZATION AND ADJUSTMENT COUNCIL

SEC. 4101. ESTABLISHMENT.

(a) IN GENERAL.—There is hereby established the President's Economic Stabilization and Adjustment Council in the Executive Office of the President.

(b) COMPOSITION.—The Council shall be composed of the following members:

(1) The Secretary of Labor.

(2) The Secretary of Defense.

(3) The Secretary of Commerce.

(4) The Administrator of the Small Business Administration.

(5) The Assistant to the President for Economic and Domestic Policy (or any successor to such position).

(6) 1 representative of businesses which have been affected by defense budget reductions who shall—

(A) be appointed (after consultation with the Speaker of the House of Representatives and the majority leader of the Senate) by the President, by and with the advice and consent of the Senate; and

(B) serve at the pleasure of the President.

(7) 1 representative from a national labor union organization who shall—

(A) be appointed (after consultation with the Speaker of the House of Representatives and the majority leader of the Senate) by the President, by and with the advice and consent of the Senate; and

(B) serve at the pleasure of the President.

(c) AD HOC MEMBERS FOR CERTAIN PURPOSES.—The following officers and employees of the United States shall be invited by the Chairperson of the Council to attend (as a nonvoting member) any meeting of the Council at which any matter within the jurisdiction of the agency in which such officer or employee serves is scheduled to be discussed:

(1) The Secretary of the Treasury.

(2) The Secretary of Education.

(3) The Secretary of Energy.

(4) The Chairman of the Council of Economic Advisors.

(5) The Administrator of the Environmental Protection Agency.

(6) The President of the Export-Import Bank of the United States.

(7) The Administrator of the National Aeronautics and Space Administration.

(8) The Director of the National Science Foundation.

(d) CHAIRPERSON.—

(1) IN GENERAL.—The Chairperson of the Council shall be appointed by the President from among the Secretary of Labor, the Secretary of Defense, and the Secretary of Commerce.

(2) TERM.—Each Chairperson of the Council shall be appointed for a term of 1 year.

(3) EQUAL REPRESENTATION OF DEPARTMENTS.—No Secretary of a department referred to in paragraph (1) may be appointed to serve an additional term as Chairperson until such time as each of the Secretaries of the other departments referred to in such paragraph have served as many terms as Chairperson as such Secretary (before the appointment of the Secretary to such additional term).

(e) VICE CHAIRPERSON.—Each Secretary of a department referred to in subsection (d)(1) shall serve as Vice Chairperson of the Council during any period in which such Secretary is not serving as Chairperson.

(f) DESIGNEES OF MEMBERS.—Except for purposes of the 1st meeting of the Council described in subsection (i), any member of the Council described in any paragraph of subsection (a) other than paragraph (6) or (7) may designate any officer or employee of the agency or department referred to in such paragraph to serve on the Council as the designee of such member.

(g) VACANCY.—If any member of the Council described in any paragraph of subsection (a) other than paragraph (6) or (7) leaves the position or office described in such paragraph—

(1) such member's service on the Council (including service as Chairperson) shall terminate on the date the member leaves such position or office; and

(2) the successor to the position or office shall serve as a member of the Council (and, if the departing member was serving as Chairperson, shall serve the remainder of the term as Chairperson).

(h) NO ADDITIONAL COMPENSATION FOR COUNCIL MEMBERS.—No member of the Council, including any designee under subsection (f), shall receive any compensation by virtue of membership or service on the Council.

(i) PROMPT ORGANIZATION OF COUNCIL REQUIRED.—The President shall take such action as may be necessary to ensure that the first meeting of the Council with a majority of the members present is held before the end of the 30-day period beginning on the date of the enactment of this division.

SEC. 4102. DUTIES AND FUNCTIONS OF THE COUNCIL.

(a) ESTABLISHMENT OF ECONOMIC ADJUSTMENT PROGRAM.—The Chairperson of the Council, acting through the Council, shall design and establish an economic adjustment program to—

(1) assist in the alleviation of adverse economic and social effects of defense realignments; and

(2) facilitate the transition of military facilities and defense-related businesses and workforces to profitable nondefense uses and activities.

(b) DUTIES OF THE COUNCIL UNDER THE ECONOMIC ADJUSTMENT PROGRAM.—The duties of the Council in carrying out the economic adjustment program are as follows:

(1) Develop "early warning" criteria to—

(A) anticipate economic adjustment problems that are likely to arise as a result of defense budget reductions and any consequent curtailments or terminations of defense contracts and base closings; and

(B) identify the impact of defense budget reductions on States, metropolitan areas, communities, businesses and groups of workers that may require assistance in adjusting to such reductions.

(2) Establish procedures to ensure the prompt provision of notice by the appropriate Federal agencies under section 4201 of the availability of economic assistance planning and economic adjustment assistance, and the standards of eligibility for such assistance, to—

(A) the Governor of any State affected by any defense budget reduction;

(B) the mayor of any city, and the executive or other appropriate representative of any local government of a nonurban area (or such other political subdivision as the Council may determine to be appropriate), affected by such reductions; and

(C) the head of any national or international labor organization—

(i) the headquarters of which is located in the United States; and

(ii) which represents groups of workers affected by such reductions.

(3) Establish standards and procedures for the consideration by the appropriate Federal agencies of applications for assistance pursuant to this division from communities, businesses, and groups of workers.

(4) Establish procedures which—

(A) require the appropriate Federal agencies to—

(i) promptly review any application for assistance pursuant to this division; and

(ii) inform the applicant in writing, before the end of the 60-day period beginning on the date the application is received by the agency, of any reason why the applicant may not be entitled to any assistance pursuant to this division; and

(B) provide for administrative and judicial review of any determination by the appropriate Federal agency with respect to any such application at the request of any person adversely affected by the determination.

(5) Encourage the preparation of concrete plans for civilian-related private enterprise and public projects which address vital areas of national concern and create and preserve well-paying long-term jobs.

(6) Continuously coordinate Federal strategies and policies for, and the implementation of, projects, programs, funding, loans, and loan guarantees (including, in the area of international trade, export promotion and marketing assistance, commercial and economic information, and export financing) pertaining to economic adjustment, diversification, conversion, and stabilization resulting from defense budget reductions and the transition to sustainable nondefense activities.

(7) Establish priorities for the distribution of funds available for economic dislocation, adjustment, diversification, conversion, and stabilization resulting from defense budget reductions on the basis of—

(A) the Council's assessments of the needs of substantially and seriously affected communities, businesses, and groups of workers; and

(B) the Council's determination of vital areas of national concern,

and coordinate the application of such priorities by Federal and other agencies which are providing any financial, technical, managerial, or other assistance pursuant to this division.

(8) Establish procedures to coordinate, facilitate, and encourage, whenever feasible—

(A) applications by any eligible community, business, worker, or group of workers to more than 1 appropriate Federal agency;

(B) joint funding programs by more than 1 appropriate Federal agency; and

(C) other activities of appropriate Federal agencies which involve the provision of assistance by, or the approval of programs or projects which involve, more than 1 such agency.

(9) Develop innovative techniques for facilitating the reuse of defense facilities and the transition of businesses and workforces to sustainable nondefense activities in a manner consistent with the purposes of this division (and the amendments made by this division to other provisions of law).

(10) Establish and maintain a clearinghouse to facilitate the exchange of information among Federal, State, and local officials involved in the resolution of defense adjustment, diversification, conversion, and stabilization problems, including technical information, the results of studies, and sources of public and private financing and, to the maximum extent practicable, provide such officials with access to such information through computers and other electronic media.

(11) Consult with appropriate Federal agencies, representatives of State and local governments, labor organizations, trade associations, and private industry councils (established under section 102 of the Job Training Partnership Act) on methods for obtaining accurate statistics on the number and distribution of civilian and military employees affected by defense budget reductions and establish procedures for ensuring the prompt and accurate collection of such information.

(12) Collect data which is sufficiently detailed to permit—

(A) the determination of the number of—

(i) jobs created or preserved through assistance provided pursuant to this division;

(ii) workers who have been successfully trained, retrained, or reeducated through assistance provided pursuant to this division and who, as a result of such training or education, have subsequently been reemployed in well-paying long-term jobs with opportunity for advancement;

(iii) businesses which have received financial assistance pursuant to this division;

(iv) communities which have received financial assistance pursuant to this division; and

(v) businesses which have received assistance in identifying, developing, or financing the sales of export goods or services pursuant to this division and the amount of any such financing; and

(B) an evaluation of the cost-effectiveness of providing such assistance,

from State, local, and community officials, businesses, and groups of workers receiving assistance under this division and include such information and analyses in the Council's annual report pursuant to section 4106.

(13) Establish a requirement that, as a condition for any assistance pursuant to this division, the data described in paragraph (12) should be reported to the Council by the State, local, and community officials, the businesses, and the groups of workers which are receiving assistance under this division through the Federal agency which is providing such assistance.

(c) ANALYSIS OF POTENTIAL ADVERSE IMPACT OF ANY BUDGET PROPOSAL OF THE SECRETARY OF DEFENSE.—Upon publication of the annual budget proposals and the longer-range guidance documents of the Secretary of Defense, the Council shall—

(1) prepare an analysis of the potential adverse economic effects of such proposals; and

(2) notify the parties identified by the Council in accordance with subsection (b)(1) in connection with such proposals of the likely adverse impact of defense budget reductions within the areas served or represented by such parties.

(d) STUDY OF POSSIBLE CONVERSION OF DEFENSE FACILITIES TO CIVILIAN USES.—

(1) IN GENERAL.—In conjunction with the Commission on Base Closure and Realignment, the Council shall—

(A) study and prepare, after consulting with representatives of State and local governments and appropriate private organizations, a report highlighting principles and techniques for, and examples of—

(i) the successful conversion of defense facilities, military installations, and other industrial facilities engaged in defense production to, and the successful reuse of facilities and installations for, alternative civilian activities; and

(ii) the successful training, retraining, reeducation of workers employed in defense facilities, military installations, and other industrial facilities engaged in defense production for employment in the private sector; and

(B) make such report available to any parties identified by the Council in accordance with section 4101(b)(1) of this division.

(2) ENCOURAGEMENT OF PRIVATE SECTOR AND STATE AND LOCAL GOVERNMENT PARTICIPATION.—The Council shall encourage, to the maximum extent practicable, the private sector and local and State governments to develop concrete plans for economic adjustment, diversification, conversion, and stabilization.

(3) PRIORITIES FOR ADDRESSING AREAS OF NATIONAL CONCERN.—In encouraging the development of plans pursuant to paragraph (2), the Council shall provide priorities for addressing vital areas of national concern, including—

(A) the maintenance and creation of viable businesses and well-paying long-term jobs with opportunities for advancement;

(B) the improvement and modernization of transportation;

(C) the development and improvement of housing for low- and middle-income families;

(D) the improvement of the quality of education and the expansion of the availability of educational resources; and

(E) the modernization of the industrial base.

(e) DELEGATION TO CHAIRPERSON OR DIRECTOR.—Any duty or function of the Council under this division may be delegated (by the Council) to the Chairperson of the Council or the Director of the Office of Economic Stabilization and Adjustment.

SEC. 4103. OFFICE OF ECONOMIC STABILIZATION AND ADJUSTMENT.

(a) ESTABLISHMENT REQUIRED.—Before the end of the 60-day period beginning on the date the Council first meets, the Council shall establish an Office of Economic Stabilization and Adjustment within the Executive Office of the President to provide necessary staff support for the Council.

(b) DIRECTOR.—

(1) POSITION ESTABLISHED.—The Office shall be under the management of a Director who shall be appointed by, and serve at the pleasure of, the President.

(2) DUTIES.—The Director shall perform such duties as the Council may establish, including any duties of the Council which the Council delegates to the Director pursuant to section 4102(e).

(3) COMPENSATION.—Section 5314 of title 5, United States Code, is amended by adding at the end the following new item:

"Director, Office of Economic Stabilization and Adjustment.".

(c) OTHER STAFF.—Under the guidance of the Council, the Director shall employ such staff and obtain the services of such special government employees, personnel on detail from other Federal or State agency, consultants, and contractors as the Director may determine to be appropriate for providing sufficient staff support for the Council and the Director.

(d) BUDGET.—The Council shall recommend, in the Council's annual report pursuant to section 4106, a budget adequate to support the administrative expenses of the Council, the Office of Economic Stabilization and Adjustment, and the Director and staff and such other expenses as the Council may determine to be appropriate.

SEC. 4104. COORDINATION AND OVERSIGHT OF DELIVERY SYSTEMS; DEVELOPMENT OF INNOVATIVE RESPONSES TO BOTTLENECKS.

(a) DUTY TO FACILITATE EFFICIENT APPLICATION, SCREENING, AND DELIVERY PROCESSES.—The Council shall—

(1) establish procedures which provide for the coordination and continuous review of the application, screening, and delivery procedures for providing any assistance pursuant to this division by any Federal agency; and

(2) recommend to any such agency any changes in any such procedure which the Council determines to be appropriate to facilitate the provision of such assistance.

(b) DEVELOPMENT OF INNOVATIVE PROCEDURES TO REMOVE BOTTLENECKS IN DELIVERY SYSTEMS.—If the Council determines that any procedure referred to in subsection (a)(1) by any Federal agency for the provision of any assistance pursuant to this division is unnecessarily delaying the delivery of any such assistance, the Council shall develop innovative methods for improving the delivery of such assistance.

SEC. 4105. COORDINATING COUNCIL FOR ECONOMIC STABILIZATION AND ADJUSTMENT.

(a) ESTABLISHMENT.—There is hereby established the Coordinating Council for Economic Stabilization and Adjustment (hereafter in this section referred to as the "Coordinating Council") as an advisory committee to the Council.

(b) COMPOSITION.—The Coordinating Council shall be composed of the following members:

(1) The Secretary of the Treasury.

(2) The Secretary of Education.

(3) The Secretary of Energy.

(4) The Chairman of the Council of Economic Advisors.

(5) The Administrator of the Environmental Protection Agency.

(6) The President of the Export-Import Bank of the United States.

(7) The Administrator of the National Aeronautics and Space Administration.

(8) The Director of the National Science Foundation.

(9) 2 representatives of Governors and 2 representatives of mayors who shall be appointed by, and serve at the pleasure of, the President.

(10) 4 representatives of the business-management community, 2 of whom shall be appointed from defense businesses which have been affected by defense budget reductions and 2 from nondefense businesses and trade associations, who shall be appointed by (after consultation with the Speaker of the House of Representatives and the majority leader of the Senate), and serve at the pleasure of, the President.

(11) 4 representatives of national labor union organizations who shall be appointed by (after consultation with the Speaker of the House of Representatives and the majority leader of the Senate), and serve at the pleasure of, the President.

(c) FUNCTIONS OF THE COORDINATING COUNCIL.—The Coordinating Council shall—

(1) advise the Council on problems which arise or exist with respect to, and suggestions for improvements in, the coordination and implementation of projects, programs, funding, loans, and loan guarantees (including export financing) pertaining to economic dislocation, adjustment, diversification, conversion, and stabilization resulting from defense budget reductions and the transition to sustainable nondefense activities;

(2) Advise the Council on priorities for the distribution of funds available for economic dislocation, adjustment, diversification, conversion, and stabilization resulting from defense budget reductions.

(3) Suggest innovative techniques for facilitating the reuse of defense facilities and the transition of businesses and workforces to sustainable nondefense activities.

(4) Provide the Council with any information or suggestions which may be—

(A) requested by the Council; or

(B) determined to be appropriate by the Coordinating Council.

(5) Perform any other service which is requested by the Council (and is appropriate for an advisory committee).

(d) NO ADDITIONAL COMPENSATION FOR COORDINATING COUNCIL MEMBERS.—No member of the Coordinating Council shall receive any compensation by virtue of membership and service on the Coordinating Council.

(e) INAPPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act shall not apply to the Coordinating Council.

SEC. 4106. THE PRESIDENT'S ANNUAL ECONOMIC STABILIZATION AND ADJUSTMENT REPORT.

(a) REPORT REQUIRED.—The Council shall prepare and distribute an annual report that shall include the following:

(1) A description of currently available Federal programs that promote economic adjustment, diversification, conversion, and stabilization and help to minimize the dislocation and economic instability of communities, businesses, and workers affected by defense budget reductions.

(2) A treatment of the basic issues involved in the training, retraining, or reeducation of workers affected by defense budget reductions and the reorientation and reorganization of the workforces of businesses affected by such reductions and an explanation of the manner in which such issues are addressed by the programs established pursuant to this division or amendments made by this division.

(3) A description of available programs within the Export-Import Bank of the United States and the Department of Commerce concerning the international marketplace, export opportunities, and financing packages.

(4) An analysis, on a State-by-State basis, of the extent to which State and local economies are dependent on defense spending, including an analysis of the following factors:

(A) Defense payrolls compared with total payrolls.

(B) The number of defense-related jobs compared with the total number of jobs.

(C) The rate of any growth or decline in the number of jobs.

(D) The number of new businesses formed and the rate of business formations.

(5) The information and analyses required to be included under section 4102(b)(12).

(6) The budget information described in section 4103(d).

(7) A discussion of the activities conducted by the Council for the year covered by the report in carrying the duties and functions of the Council under section 4102.

(8) Any recommendation for administrative or legislative action which the Council may determine to be appropriate to improve—

(A) any application, screening, or delivery procedure for providing any financial, technical, managerial, or other assistance authorized under this division by any Federal agency; and

(B) coordination among the appropriate Federal agencies involved.

(b) SUBMISSION OF REPORT TO CONGRESS.—The Council shall submit to the Congress the annual report required under subsection (a) together with a report describing the assistance provided to communities, businesses, and groups of workers which have been substantially and seriously affected by defense budget reductions.

TITLE XLII—ECONOMIC ADJUSTMENT PLANNING

SEC. 4201. NOTIFICATION.

(a) IN GENERAL.—The President's Economic Stabilization and Adjustment Council shall establish procedures to ensure that, upon—

(1) the public release of the President's annual budget proposal and any longer-term guidance document of the Secretary of Defense;

(2) the public announcement of any realignment or closure of any military installation or defense facility; or

(3) the cancellation or curtailment of any major defense contract or subcontract,

the appropriate Federal agencies promptly notify any official or other person or party described in section 4102(b)(2) of this division with respect to any community, business, or group of workers which may be substantially and seriously affected.

(b) BENEFIT INFORMATION REQUIRED TO ACCOMPANY NOTICE.—Each notice under subsection (a) shall include a complete description of available programs which provide any planning assistance, financial, technical, or managerial assistance (including, in the case of assistance to businesses, assistance provided on an industrywide basis and assistance provided to individual businesses), worker benefits or assistance, or other assistance authorized under this division.

(c) NOTIFICATION OF COMMUNITIES AFFECTED BY DEFENSE REALIGNMENT BEFORE DATE OF ENACTMENT.—In addition to the requirement of subsection (a), the Secretary of Defense shall provide notice pursuant to such subsection to any community, business, or group of workers likely to be affected by any action described in such subsection which was—

(1) proposed in any budget of the President which was released during the period beginning on January 1, 1990, and ending on the date of the enactment of this division; or

(2) otherwise announced during such period.

SEC. 4202. ELIGIBILITY FOR ECONOMIC ADJUSTMENT PLANNING ASSISTANCE.

(a) IN GENERAL.—Any community, business, or group of workers which—

(1) is likely to be substantially and seriously affected by the implementation of any action described in section 4201(a) (including any action for which notice was provided pursuant to section 4201(b)); and

(2) complies with the requirements of subsection (b),

shall be eligible for economic adjustment planning assistance under section 4301.

(b) ANALYSES AND FORECASTS.—

(1) IN GENERAL.—Any community, business, or group of workers which seeks to become eligible for economic adjustment planning assistance shall prepare—

(A) an analysis and forecast of the effect any action described in section 4201(a) will have on the local economy, businesses, and workforce; and

(B) a proposal for an economic adjustment plan that addresses the economic adjustments appropriate to reduce the adverse effect of any such action on the community, business, or group of workers.

(2) DATES FOR SUBMISSION.—Analyses, forecasts, and proposals for economic adjustment plans prepared pursuant to paragraph (1) may be submitted to the appropriate Federal agency for review, comment, and decision—

(A) at any time after notification is received by the community, business, or group of workers pursuant to section 4201; or

(B) in the absence of any notification pursuant to such section to any community, business, or group of workers which has been or is likely to be substantially and seriously affected by defense budget reductions the impact of which occurs after January 1, 1990, at any time after the occurrence of the announcement or implementation of any such reduction if such submission is accompanied by evidence that such community, business, or group has been or is likely to be substantially and seriously affected by such reductions.

(3) CONTENTS OF APPLICATION.—

(A) INFORMATION.—Any application under this section shall contain such information as the Council may prescribe, including—

(i) the identification of the community, business, or group of workers which has been or is likely to be substantially and seriously affected by defense budget reductions;

(ii) evidence of how, and the extent to which, the applicant will be substantially and seriously affected by defense budget reductions;

(iii) a description of the types of benefits for which the applicant is applying or seeking eligibility to apply; and

(iv) a description of the manner in which the applicant's project would—

(I) meet vital national needs such as the areas of national concern referred to in section 4102(d)(3) of this division; and

(II) would maintain or create employment and otherwise facilitate the purposes of this division.

(B) UNEMPLOYMENT PROJECTIONS.—Any analysis and forecast prepared pursuant to this subsection may include an estimate of the increase in unemployment projected as a result of any defense budget reductions, in accordance with a standard formula which the Council shall develop.

(c) DETERMINATION OF ELIGIBILITY.—

(1) IN GENERAL.—The Council shall—

(A) establish standards and procedures under which each appropriate Federal agency shall be required to—

(i) review the material submitted under subsection (b)(2) by any community, business, or group of workers; and

(ii) determine whether such community, business, or group meets the requirement of subsection (a) for eligibility for economic adjustment planning assistance; and

(B) include a list of the communities, businesses, and groups of workers receiving such economic adjustment planning assistance under this title in the Council's annual report pursuant to section 4106.

(2) REVIEW OF DETERMINATION.—If, under the standards and procedures established by the Council pursuant to paragraph (1)(A), any appropriate Federal agency determines that any community, business, or group of workers is not eligible for economic adjustment planning assistance under this title, the community, business, or group of workers may petition the agency for review of such determination under procedures to be established by the Council.

(3) PROMPT REVIEW; EXTENSION OF REVIEW PERIOD.—The procedures established by the Council under paragraph (2) shall provide that the review by any agency of any determination which is the subject of any petition filed under such paragraph shall be completed before the end of the 60-day period beginning on the date such petition is filed, except that such period may be extended for not to exceed 60 days for good cause and upon written notice to the petitioner.

TITLE XLIII—ECONOMIC PLANNING AND ADJUSTMENT ASSISTANCE

SEC. 4301. AUTHORIZATION FOR ECONOMIC ADJUSTMENT PLANNING ASSISTANCE THROUGH DOD.

(a) IN GENERAL.—Any community, business, or group of workers which has been determined by any appropriate Federal agency, in accordance with the standards and procedures established by the President's Economic Stabilization and Adjustment Council under section 4202(c), to be a substantially and seriously affected community, business, or group of workers shall be eligible for economic adjustment planning assistance under subsection (b) of section 2391 of title 10, United States Code, subject to subsection (e) of such section and in accordance with the standards, procedures, and priorities established by the Council pursuant this division.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 2391(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(6) Not more than $6,000,000 in assistance may be provided under this subsection in any fiscal year. Amounts made available to the Secretary of Defense to carry out this subsection shall remain available until expended.".

SEC. 4302. AUTHORIZATION FOR COMMUNITY ECONOMIC ADJUSTMENT ASSISTANCE THROUGH EDA.

(a) IN GENERAL.—Any community that has been determined by the Economic Development Administration of the Department of Commerce or the Office of Economic Adjustment in the Department of Defense, in accordance with the standards and procedures established by the President's Economic Stabilization and Adjustment Council under section 4202(c), to be a substantially and seriously affected community shall be eligible for economic adjustment assistance authorized under title IX of the Public Works and Economic Development Act of 1965, subject to the availability of appropriations for such purpose and subject to meeting the eligibility requirements of such title.

(b) Authorization of Appropriations.—In addition to amounts authorized to be appropriated under the Public Works and Economic Development Act of 1965 for purposes of title IX of such Act, there are authorized to be appropriated to the Secretary of Commerce for fiscal year 1991 the sum of $96,000,000 for purposes of subsection (a) of this section, and any amount appropriated shall remain available until expended.

TITLE IV—ADJUSTMENT ASSISTANCE FOR EMPLOYEES

PART A—SECRETARY OF DEFENSE NOTICE

SEC. 4401. NOTICE REQUIREMENT.

The Secretary of Defense shall—

(1) provide timely information to the Secretary of Labor on—

(A) any proposed closure of, or substantial reduction in, military facilities, and

(B) any proposed cancellation of, or reduction in, any contract for products or services for defense,

if the proposed closure, cancellation, or reduction will have a substantial impact on employment,

(2) where feasible, identify the location of the employment which will be affected by any such closure, cancellation, or reduction, and

(3) provide to the Secretary of Labor information with respect to such proposed closure, cancellation, or reduction.

If the Secretary of Labor receives information under paragraph (3), the Secretary shall notify the Governor of each State in which such proposed closure, cancellation, or reduction will occur.

PART B—DEFENSE CONVERSION ADJUSTMENT PROGRAM

SEC. 4405. JOB TRAINING PARTNERSHIP ACT.

Part B of title III of the Job Training Partnership Act (29 U.S.C. 1662-1662c) is

amended by adding at the end the following:

"DEFENSE CONVERSION ADJUSTMENT PROGRAM

"SEC. 325. (a) IN GENERAL.—From the amount appropriated pursuant to section 4406 of the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990, the Secretary may make grants to States, service delivery areas, units of general local government, employers, employer associations, and representatives of employees to provide training, adjustment assistance, and employment to eligible employees adversely affected by reductions in expenditures by the United States for defense or by closures of United States military facilities. For purposes of this section, an eligible employee is an eligible dislocated worker as defined in section 301(a) who has been terminated or laid off, or has received a notice of termination or lay off, as a consequence of reductions in expenditures by the United States for defense or by closures of United States military facilities as determined in accordance with regulations of the Secretary.

"(b) APPLICATION.—In reviewing applications for grants under subsection (a), the Secretary shall give priority to applications from areas which have the greatest number of eligible employees.

"(c) USE OF FUNDS.—Grants under subsection (a) may be used for any purpose for which funds may be used under section 314 or this part.

"(d) ADJUSTMENT ASSISTANCE.—

"(1) JOB SEARCH ALLOWANCE.—

"(A) IN GENERAL.—Grants under subsection (a) for adjustment assistance may be used to provide job search allowances to eligible employees. Such allowance, if granted, shall provide reimbursement to the worker of not more than 90 percent of the cost of necessary job search expenses as prescribed by regulations of the Secretary but may not exceed $800 unless the need for a greater amount is justified in the application and approved by the Secretary.

"(B) CRITERIA FOR GRANTING JOB SEARCH ALLOWANCES.—A job search allowance may be granted only—

"(i) to assist an eligible employee who has been totally separated in securing a job within the United States; and

"(ii) where the Secretary determines that such employee cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides.

"(2) RELOCATION ALLOWANCE.—

"(A) IN GENERAL.—Grants under subsection (a) for adjustment assistance may be used to provide relocation allowances to eligible employees. Such an allowance may only be granted to assist an eligible employee in relocating within the United States and only if the Secretary determines that—

"(i) such employee cannot reasonably be expected to secure suitable employment in the commuting area in which the employee resides; and

"(ii) such employee—

"(I) has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which the employee wishes to relocate, or has obtained a bona fide offer of such employment, and

"(II) is totally separated from employment at the time relocation commences.

"(B) AMOUNT OF RELOCATION ALLOWANCE.—The amount of any relocation allowance for any eligible employee may not exceed the amount which is equal to the sum of—

"(i) 90 percent of the reasonable and necessary expenses, specified in regulations prescribed by the Secretary, incurred in transporting an employee and the employee's family, if any, and household effects, and

"(ii) a lump sum equivalent to 3 times the employee's average weekly wage, up to a maximum payment of $800 unless the need for a greater amount is justified in the application and approved by the Secretary.

"(e) DEMONSTRATION PROJECTS.—In carrying out the grant program established under subsection (a), the Secretary may make grants to entities referred to in that subsection for the purpose of developing demonstration projects to facilitate the placement of eligible employees in occupations experiencing skill shortages that will make use of the skills acquired by the eligible employees during their employment.

"(f) ADMINISTRATION.—Not more than 5 percent of the funds obligated to carry out this section may be used for the administration of this section.".

SEC. 4406. AUTHORIZATION OF APPROPRIATIONS.

From amounts authorized to be appropriated to the Secretary of Defense, there is authorized to be appropriated $100,000,000 for fiscal year 1991 to carry out section 4401 and the amendment made by section 4405. Amounts appropriated pursuant to the authorization of appropriations contained in this section shall remain available until expended.

TITLE XLV—EXPANSION OF BUSINESS CAPITAL ASSISTANCE PROGRAMS

SEC. 4501. EXPANSION OF SMALL BUSINESS LOAN PROGRAM.

Not later than 180 days after the date of the enactment of this Act, the President, acting with the assistance of the Council and after consulting experts in government and the private sector, shall transmit to the Congress recommendations regarding ways that assistance provided pursuant to the business loan program under section 7(a) of the Small Business Act of 1958 may be used to respond to the consequences of defense budget reductions.

SEC. 4502. ECONOMIC PLANNING ASSISTANCE FOR EXCEPTIONAL PROJECTS.

Upon the recommendation of the Office of Economic Adjustment, Diversification, Conversion, and Stabilization, any individual business or group of businesses may be awarded a reasonable amount of economic planning assistance under section 2391(b) of title 10, United States Code or title IX of the Public Works and Economic Development Act of 1965 by the appropriate agency under any such title, subject to the availability of amounts appropriated for such purpose and in accordance with any other applicable provision of law, if such planning funds are determined by the agency to be necessary and appropriate as a catalyst for projects which the agency determines, on a case-by-case basis, have exceptional promise for achieving the objectives of this division.

SEC. 4503. EXPANSION OF EXPORT FINANCING FOR GOODS AND SERVICES PRODUCED BY FIRMS AND EMPLOYEES FORMERLY ENGAGED IN DEFENSE PRODUCTION.

(a) EXPORT-IMPORT BANK.—

(1) SENSE OF CONGRESS ON PLAN FOR EXPANSION.—It is the sense of Congress that the United States businesses undergoing transition from defense production to nondefense production will need assistance in seizing export markets overseas. Therefore, in order to provide financial support for such businesses, as well as meeting other normal demands on its resources, the annual direct lending authority of the Export-Import Bank of the United States should be increased by at least 150 percent from the fiscal year 1990 level over the 5-year period beginning October 1, 1990.

(2) REPORT OF FEASIBILITY.—Before September 30, 1990, the President, acting with the assistance of the Council and after consulting the Board of Directors of the Export-Import Bank of the United States and other experts in government and the private sector, shall transmit to the Congress a report assessing the feasibility and desirability of a program for increasing the amount of direct loan authority in the manner described in paragraph (1) and the factors considered in making such assessment.

(3) TRANSITION TO NONDEFENSE PRODUCTION REQUIRED TO BE CONSIDERED.—In determining whether to provide financial support for an export transaction, the Export-Import Bank of the United States shall take into account, to the extent feasible and in accordance with applicable standards and procedures established by the bank in consultation with the Council, the fact that such product or service is produced or provided by any business or group of workers which—

(A) was substantially and seriously affected by defense budget reductions; and

(B) is in transition from defense to nondefense production.

(b) SBA USE OF AUTHORITY FOR EXPORT FINANCING ASSISTANCE.—In determining whether to provide financial or other assistance under the Small Business Act, title VIII of the Omnibus Trade and Competitiveness Act of 1988, or any program referred to in section 4501 of this title to any small business involved in, or attempting to become involved in, the export of any product or service, the Administrator of the Small Business Administration shall take into account the fact that such product or service is produced or provided by any business or group of workers which—

(1) was substantially and seriously affected by defense budget reductions; and

(2) is in transition from defense to nondefense production.

(c) COORDINATION AND INTEGRATION OF ACTIVITIES AND ASSISTANCE WITH OTHER AGENCIES.—In providing additional financial assistance pursuant to any increase in loan authority under this division—

(1) Federal agencies concerned with international trade shall participate in the process of coordination conducted by the Council pursuant to section 4102(b)(6) of this division; and

(2) such Federal agencies shall attempt, to the maximum extent practicable, to coordinate and integrate the activities and assistance of the agencies in support of exports, including financial assistance in the form of direct loans, loan guarantees, and insurance, general trade promotion, marketing assistance, and marketing and commercial information, in a manner consistent with the purposes of this division (and the amendments made by this division to other provisions of law).

(d) REPORTING.—The annual reports made by the Export-Import Bank of the United States and the Administrator of the Small Business Administration and the annual economic stabilization and adjustment report under section 4106 of this division shall include a description of the extent to which the bank and the Administrator are—

(A) providing financing described in subsections (a)(2) and (b), respectively, to businesses or groups of workers which were sub-

stantially and seriously affected by defense budget reductions; and

(B) coordinating and integrating export support and financing activities with other Federal agencies.

SEC. 4504. BENEFIT INFORMATION FOR BUSINESSES.

(a) INFORMATION REQUIRED TO BE PROVIDED.—The Secretary of Commerce and the Administrator of the Small Business Administration shall provide any business affected by defense budget reductions with a complete description of available programs which provide any business, whether on an industrywide or an individual basis, with any planning assistance, financial, technical, or managerial assistance, worker retraining assistance, or other assistance authorized under this division.

(b) EFFECTIVE NOTIFICATION SYSTEM.—The Secretary of Commerce and the Administrator of the Small Business Administration shall take such action as may be appropriate to ensure, to the maximum extent practicable, that each business affected by defense budget reductions receives the information required to be provided under subsection (a) on a timely basis.

TITLE XLVI—FUNDING

SEC. 4601. REDUCTION IN OPERATION AND MAINTENANCE FUNDING.

The amounts authorized under section 301(a) for operation and maintenance for the Army, Navy, and Air Force are each reduced by $60,000,000 and the amount authorized under that section for operation and maintenance for the Defense Agencies is reduced by $20,000,000. Such reductions are to be derived from amounts authorized for general purpose automated data processing systems.

The CHAIRMAN pro tempore. Pursuant to the rule, the gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes, and a Member opposed thereto will be recognized for 5 minutes.

The Chair inquires is there a Member opposed?

Mr. HOPKINS. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN pro tempore. The gentleman from Kentucky [Mr. HOPKINS] will be recognized for 5 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise today to offer the leadership endorsed economic adjustment package. A package aimed at assisting adversely impacted workers, businesses, and communities hard hit by the downturn in defense spending. This amendment was crafted by Representatives OAKAR, GEJDENSON, WEISS, and myself under the guidance of the majority leader RICHARD GEPHARDT. Each committee of jurisdiction was consulted and their recommendations incorporated into the amendment I am offering today.

During general debate on economic adjustment, opponents of the measure attempted to leave the impression that consideration of my amendment was opposed by the Ways and Means Committee. Nothing could be further from the truth.

I want to share with you a letter provided to me from the House Ways and Means Committee from Chairman ROSTENKOWSKI to Congressman GERRY SOLOMON stating that the Ways and Means Committee did not find my amendment objectionable.

I quote Chairman ROSTENKOWSKI's August 3 letter:

When I spoke with you * * * earlier today, I was not aware that Representative Mavroules had redrafted his economic adjustment amendment. Given the changes that have been made I have no objection to it being made in order.

Furthermore, I would like to point out the inconsistencies of my colleague from Kentucky's position. On the one hand, Mr. HOPKINS concedes that the problem of large-scale economic dislocation for workers, businesses, and communities is very real. But, on the other hand, my friend's substitute proposes to do practically nothing for the problem.

In my judgment, we simply cannot afford to do nothing in the face of layoffs of tens of thousands of skilled American defense workers across the country.

We simply cannot afford to wait until it is too late to retrain the work force that has been the backbone of our defense industrial base.

We simply cannot afford to delay economic assistance to communities devastated by defense cuts.

And we simply cannot afford to sit idly by as small businesses who have serviced the Federal Government go out of business.

My opponents also argue that we should not fund adjustment efforts from the DOD general automated information systems account. However, as recently as last April GAO issued a report chronicling over $1 billion in cost overruns in these very accounts. Moreover, the $200 million cut in this area will still leave DOD with more money for general automated information systems than it had last year.

Finally, in adopting my amendment, we are not creating a special class of workers in establishing an economic adjustment program for defense workers. What we are doing is recognizing the special contribution defense workers have made to our national security and the unique and vital role they will play in our future economic competitiveness as a nation.

I urge my colleagues to keep one thing in mind. You cannot beat something with nothing. That is the bottom line in choosing between the two amendments on economic adjustment. My amendment—the leadership package—offers a modest beginning. But a real and responsible beginning nonetheless. The Hopkins amendment does not.

I urge my colleagues to reject the substitute and support the Mavroules-Gephardt-Oakar amendment on economic adjustment.

□ 1900

Mr. HOPKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, most of the important points on this question were covered during last week's general debate, so I will try not to be repetitive.

Let me just briefly highlight some of the important points:

The amendment offered by my friend, the gentleman from Massachusetts, is certainly well intentioned, but it simply misses the mark.

It grants special status and benefits to a limited category of our work force—without regard to the millions of other civilian employees who perform similar work.

It sets up a new bureaucracy, with its own staff, director and budget—which we all know will take on a life of its own;

It carves $200 million out of the defense budget and gives it to the Departments of Commerce and Labor;

And finally, it simply throws money at a problem which has yet to be defined or properly identified. This is exactly why we can't balance the budget.

Mr. Chairman, I hope that in this day and age Congress will realize that we simply cannot afford to jump in and create a new benefit program every time an election rolls around or a perceived problem surfaces.

All I am saying with this substitute is: let us look before we leap.

I urge my colleagues to vote against the Mavroules amendment and support the Hopkins substitute.

Mr. Chairman, I reserve the balance of my time.

Mr. HOPKINS. Mr. Chairman, I reserve the balance of my time.

Mr. MAVROULES. Mr. Chairman, I yield such time as he may consume to the gentleman from Colorado [Mr. SKAGGS] for purposes of a colloquy.

Mr. SKAGGS. Mr. Chairman, I appreciate the gentleman from Massachusetts [Mr. MAVROULES] yielding this time to me.

I would like to engage in a short colloquy to clarify one point in the gentleman's amendment. While the amendment does not specifically mention workers employed by the Department of Energy or its contractors at nuclear weapons facilities, is it the intent of this amendment that those workers and the communities near such facilities would be covered by the provisions of the amendment and that, in implementing it, the executive departments and agencies should interpret the word "defense" in this amendment to include defense activities of the Department of Energy?

Mr. MAVROULES. Mr. Chairman, will the gentleman yield?

Mr. SKAGGS. I yield to the gentleman from Massachusetts.

Mr. MAVROULES. Mr. Chairman, I will answer the gentleman from Colorado [Mr. SKAGGS] in the affirmative, that that is the intent of the amendment.

Mr. SKAGGS. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. MAVROULES]. This is especially important to workers in my district at the Rocky Flats plant and other such facilities around the country.

Mr. Chairman, I strongly support the amendment being offered today by Representative NICHOLAS MAVROULES to provide economic assistance to workers and communities affected by defense cutbacks. I am particularly glad that this legislation would also cover workers at Department of Energy [DOE] defense sites, such as the Rocky Flats plant in the district I represent.

The fundamental principles of the legislation are that local workers and communities should not just be left on their own in dealing with the economic consequences of changes in defense policy, and that the Nation will be stronger if we help out affected communities and workers. I agree with these principles, and I believe Representative MAVROULES, along with Representatives RICHARD GEPHARDT, MARY ROSE OAKAR, TED WEISS, SAM GEJDENSON, and others have done an excellent job in putting this proposal together. It is timely and effective, and it will help to ease the economic pain some parts of the country will feel as we leave the cold war behind. I support the amendment enthusiastically.

I do not expect layoffs at Rocky Flats. This year, in fact, the labor force at Rocky Flats has been increased substantially as the plant works to improve health and safety conditions and begins important cleanup tasks. New hiring continues. And while DOE has stated its intent to relocate Rocky Flats, no proposal has yet been made to do so, and it will take many years once an actual relocation decision is made.

Despite the fact, rumors of layoffs are common at Rocky Flats. This amendment provides solid and needed assurances for the workers at Rocky Flats and elsewhere that they will not be abandoned—no matter what happens, or when it happens, in reducing any of our defense programs.

The amendment provides for extensions in unemployment compensation for affected workers; it provides funds for retraining and education programs; and it beefs up job placement programs to help workers shift into other good paying work. In addition, the amendment would make funds available to local communities so that they can plan ahead and make adjustments. Put together, this is a solid package that will greatly assist workers and communities affected by defense cutbacks.

At the same time, I want to point out two concerns that I hope we will address in future legislation—concerns that are particularly important to DOE and other defense workers whose jobs involve radioactive materials and toxic chemicals. These concerns have been brought to my attention by workers at the Rocky Flats plant and their union representatives, but they are relevant to thousands of other workers nationwide.

First, some workers at Rocky Flats seeking new jobs have found that they are subject to discrimination because prospective employers say it's difficult to obtain reasonable priced medical insurance for former defense nuclear employees. These employers believe they will have to pay the costs of additional insurance liability.

Second, employees who leave jobs at Rocky Flats—or other defense nuclear plants—run a high risk of falling out of the recently upgraded medical surveillance programs that DOE is putting into place. Unlike most occupational diseases, medical problems caused by exposure to radioactive substances may not show up for years. These medical surveillance programs help workers monitor key body functions that might be affected, and, by discovering any health problems early on, greatly increase the probability that a worker will recover.

It's important that we figure out a workable and cost-effective way to resolve these two problems.

Again, I do not think Rocky Flats is anywhere near the point at which major employee adjustment assistance will be needed. But the principle should be established—and we should do so now, well in advance—that workers in DOE's defense nuclear plants, who have dedicated their working lives to an important national security mission, must receive fair and proper consideration as part of any DOE plan that affects the livelihood of its workers.

I want to thank the sponsors of this amendment again for their hard work. This legislation is important nationally, and it means a lot to the people in the district I represent. I also look forward to working with the sponsors to cover the areas I've mentioned that still need to be addressed.

Mr. MAVROULES. Mr. Chairman, I yield one-half minute to the gentleman from California [Mr. ANDERSON], the chairman of the Committee on Public Works and Transportation.

Mr. ANDERSON. Mr. Chairman, I rise to engage in a colloquy with the distinguished chairman of the Armed Forces Subcommittee on Investigations, the gentleman from Massachusetts [Mr. MAVROULES] and to address provisions in the amendment offered and currently under consideration.

Mr. Chairman, I say to the gentleman from Massachusetts, "Mr. MAVROULES, section 4302 of the amendment would amend title IX of the Public Works and Economic Development Act administered by the Economic Development Administration in the Department of Commerce. The Committee on Public Works and Transportation has long had jurisdiction over this act and the Economic Development Administration which in more recent years has been shared with the Banking Committee. In order to facilitate the offering of this amendment to the Defense authorization bill, our committee cooperated by helping to develop satisfactory language for this section. It is my understanding that you support this amendment and that the Armed Services Committee acknowledges the jurisdiction of the Public Works Committee in regard to this section of the pending amendment. Is this correct?"

Mr. MAVROULES. The gentleman from California [Mr. ANDERSON] is absolutely correct.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. MAVROULES] has expired.

Mr. MAVROULES. Mr. Chairman, may I request that the gentleman from Kentucky [Mr. HOPKINS], through his kindness, yield 1 minute so that we can finish the colloquy and get it on the record?

Mr. HOPKINS. Mr. Chairman, through my kindness, I yield 1 minute to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. Anderson. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield 1 minute to the gentleman from California [Mr. ANDERSON].

Mr. ANDERSON. If this amendment is adopted, it is my intention to request that the Public Works Committee be appointed conferees on this legislation in order to adequately and properly address our concerns.

I congratulate the leadership and Mr. MAVROULES for developing and offering this amendment to the Defense authorization bill. California will be especially impacted by base closings and loss of defense contracts. The additional funding authorized by the amendment will be needed to assist communities in their economic transition to minimize job loss by planning and creating new job opportunities in these areas.

The economic adjustment program in EDA has proven to be very effective and has been assisting communities since the adjustment program was authorized in 1974. The funds will be managed and targeted under existing policies and procedures. This will assure the effective and efficient use of Federal funds in assisting communities in their economic transition.

Again, Mr. Chairman, this is a needed and important amendment that will begin to direct a peace dividend toward workers, facilities and communities most impacted by defense reductions. In the future, as other suitable cuts in our Defense budget can be identified, I would hope that they will be used to offset needed increases in domestic programs, and also to reduce our deficit. I would also hope, though, that these programs are funded directly, through the normal authorizing process and not through amendments to the DOD bill.

Mr. Chairman, let me conclude by again commending Congressman MAVROULES, Chairman ASPIN and our majority leader and Congresswoman MARY ROSE OAKAR, for their leadership on this critical issue.

I urge the adoption of this amendment.

Mr. PACKARD. Mr. Chairman, will the gentleman yield?

The CHAIRMAN pro tempore. The time of the gentleman from Massachusetts [Mr. MAVROULES] has expired.

Mr. MAVROULES. Mr. Chairman, would the gentleman from Kentucky [Mr. HOPKINS] perhaps yield another minute?

Mr. HOPKINS. Mr. Chairman, I am in a kind mood. I yield 1 minute to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. PACKARD. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield, 1 minute to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, I rise to support the Mavroules amendment and in opposition to the Hopkins amendment.

As chair of the Subcommittee on Economic Stabilization, I can verify that this amendment is the culmination of 3 years of hearings, research, consultations, drafting and redrafting as the core provisions of amendment, as parts of H.R. 3999, were the subject of markup in my subcommittee reported out on full committee on September 11, before being ordered reported by a vote of 30 to 19.

Those claiming that these provisions have not been considered have not been paying attention.

However, the Russian Government has been deeply interested in the possibilities for economic adjustment. It hosted an international conference on the subject during the summer, and has studied the various proposals pending before this Congress on the subject.

Approval of this amendment, among other things, is a loud, clear signal to the U.S.S.R. that practical politicians in this country believe that transitioning from defense to non-defense production is a popular idea.

There is no Member of Congress who feels more strongly that the United States must be prepared for war. My Defense Production Act Amendments of 1990, testify to that. But, I also believe that America should be prepared for peace.

In 1988, the world spent $1 trillion on armaments in a single year. Isn't it worth a modest effort to plan for the reinvestment of some of the budget reductions predicted by Chairman ASPIN? This planning would help communities, Defense contractors and subcontractors, production workers, engineers, and technicians transition to a more peace-oriented economy. The amendment is not perfect, but it proposes an orderly start in that direction.

Every State and city that has military facilities or Defense contracts or subcontracts has an immmediate interest in this effort.

The sum of $200 million that is envisioned, is less than one-tenth of 1 percent of the Defense budget. Is what I call modest. I believe this investment will reap huge dividends in economic competitiveness, self-respect, and economic stability for individuals, families and communities across this country.

For all of these reasons, I hope and urge that the Mavroules amendment be overwhelmingly approved and the Hopkins amendment be rejected.

I wish to point out that titles I, II, III, and part of title V of H.R. 3999, as reported from the Banking Committee on September 11 and made part of the Mavroules amendment are within the jurisdiction of the Banking Committee, and the Banking Committee should properly be among the conferees—to assure that the funds we are voting today will be properly and effectively targeted to defense economic projects.

Mr. HOPKINS. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore. There is no further time to be allotted under this particular amendment. The gentleman from Kentucky [Mr. HOPKINS] has a substitute which can be offered at this moment, or the gentleman from Kentucky [Mr. HOPKINS] can use his time.

Mr. HOPKINS. Mr. Chairman, I yield back the balance of my time.

AMENDMENT OFFERED BY MR. HOPKINS AS A SUBSTITUTE FOR THE AMENDMENT OFFERED BY MR. MAVROULES

Mr. HOPKINS. Mr. Chairman, I offer an amendment as a substitute for the amendment.

The Clerk read as follows:

Amendment offered by Mr. HOPKINS as a substitute for the amendment offered by Mr. MAVROULES: Page 61 after line 13, insert the following new section (and redesignate subsequent sections accordingly):

SEC. 325. NATIONAL DEFENSE ECONOMIC ADJUSTMENT.

(a) FINDINGS.—Congress makes the following findings:

(1) The prospect of reduced global tensions make it likely that there will be a continued reduction in the programs and activities of the Department of Defense during the next several years.

(2) Such reductions in defense programs will adversely affect the economies of many communities in the United States and small businesses and civilian workers throughout the United States.

(b) POLICY.—In view of the findings expressed in subsection (a), it is the policy of the United States that—

(1) assistance should be provided under existing planning assistance programs and economic adjustment assistance programs of the Federal Government to communities, small businesses, and workers adversely affected by reductions in defense programs to the extent necessary to faciliate an orderly transition for such communities, small businesses, and workers to other sources of business, employment and revenue; and

(2) existing programs designed to assist those communities, small businesses, and workers, such as community adjustment assistance under title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.), and retraining, job placement, the relocation assistance pursuant to the Job Training and Partnership Act (29 U.S.C. 1501 et seq.), should be funded in a manner which provides adequate resources to address the needs of those communities, small businesses, and workers without reducing the funding for these programs that would otherwise be available.

(c) ACTIONS OF THE PRESIDENT.—The President should direct the interagency committee known as the President's Economic Adjustment Committee to carry out coordinating and oversight activities with respect to the development of budget requests for, and the furnishing of assistance under, the programs referred to in subsection (b)(2) and to keep the President informed regarding the effectiveness of those programs.

(d) ACTIONS OF THE SECRETARY OF DEFENSE.—(1) Not later than the date on which the President submits the budget to Congress under section 1105 of title 31, United States Code, for a fiscal year, the Secretary of Defense, acting through the Office of Economic Adjustment of the Department of Defense, shall—

(A) identify each community in the United States likely to experience significant economic dislocation as a result of any significant reductions in defense spending proposed in that budget; and

(B) transmit to the governments of each such community (and to the Governor of the State in which such community is located) advance notification of the planned reductions that are likely to adversely affect such community, including an estimate of the number of jobs that could be lost in the community as a result of the proposed reductions.

(2) As soon as possible after the date of the enactment of an appropriations Act providing funds for programs, projects, and activities of the Department of Defense for a fiscal year, the Secretary of Defense, acting through the Office of Economic Adjustment of the Department of Defense, shall modify the identifications and notifications provided under paragraph (1) for that fiscal year, and transmit any additional notifications required, as a result of the funding levels contained in that Act.

(3) This subsection shall apply to fiscal years after fiscal year 1991.

(e) COMMUNITY PLANNING ASSISTANCE GRANTS.—Any community or political jurisdiction which experiences significant economic dislocation shall be eligible for community planning assistance grants to assist such community or jurisdiction in planning for economic diversification, to minimize the adverse economic effects of significant reductions in defense spending, and to facilitate economic recovery from any such adverse effects.

(f) SIGNIFICANT ECONOMIC DISLOCATION DEFINED.—For, purposes of this section, the term "significant economic delocation" means a loss of a number of full-time defense contractor personnel in a labor market area equal to—

(1) in the case of a Metropolitan Statistical Area (as defined by the Office of Management and Budget)—

(A) 2,500 or more employee positions; or

(B) one percent of the total number of civilian jobs in that area; and

(2) in the case of a labor market area outside of a Metropolitan Statistical Area—

(A) 1,000 or more employee positions; or

(B) two percent of the total number of civilian jobs in that area.

(g) EXPANSION OF SMALL BUSINESS LOAN PROGRAM.—Not later than 180 days after the date of the enactment of this Act, the President, acting with the assistance of the President's Economic Adjustment Committee and after consulting experts in government and the private section, shall transmit to the Congress recommendations regarding ways that assistance provided pursuant to the business loan program under section 7(a) of the Small Business Act of 1958 may be used to respond to the consequences of defense budget reductions.

Page 60, lines 21 and 22, amend subsection (b) to read as follows:

(b) AUTHORIZATION FOR ECONOMIC ADJUSTMENT PLANNING ASSISTANCE.—(1) Section 2391(b)(6) of title 10, United States Code, is amended to read as follows:

"(6) There are authorized to be appropriated $6,000,000 to carry out this subsection for a fiscal year. Amounts appropriated pursuant to this paragraph shall remain available until expended.".

(2) The amounts authorized under section 301(a) for operation and maintenance for the Army, Navy and Air Force are each reduced by $2,000,000. Such reductions are to be derived from the amount authorized for general purpose automated data processing systems.

The CHAIRMAN pro tempore. Under the rule, the gentleman from Kentucky [Mr. HOPKINS] will be recognized for 5 minutes in support of his amendment, and the gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes in opposition.

The Chair recognizes the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. PACKARD], a member of the Committee on Public Works and Transportation.

Mr. PACKARD. Mr. Chairman, I rise in support of the Hopkins substitute to the Mavroules amendment. I do so as the ranking Republican member of the Subcommittee on Economic Development, which is primarily responsibile—along with the Subcommittee on Economic Stabilization—for the Economic Development Administration and its authorizations.

In the past I have supported funding for the EDA, yet I must question a $96 million authorization for EDA as well as the overall $200 million authorization contained in this legislation for a number of reasons. First, in discussions my staff has had with EDA, the administration has stated that $96 million cannot be effectively spent by EDA in fiscal year 1991 under the Title IX Program.

My district in Southern California is heavily immersed in the defense industry and will be severly impacted by defense cuts. As a matter of fact, some 2,500 civilian jobs will be lost at Camp Pendleton Marine Corps Base. So, in theory the Mavroules amendment could offer assistance to my region. We must ask ourselves, however, can the Department of Defense more wisely spend $200 million in the coming year? Is there a greater need? Should Congress drastically slash the defense authorization in light of the Persian Gulf crisis? These questions should be asked, and the answers seem clear.

In summary, I ask each Member to look at these facts, examine the alternatives, and determine for themselves if we cannot find a more deserving need for $200 million.

Mr. MAVROULES. Mr. Chairman, I yield 1 minute to the gentleman from Connecticut [Mr. GEJDENSON].

Mr. GEJDENSON. Mr. Chairman, I would just say to the Members that our friend, the gentleman from Kentucky [Mr. HOPKINS] has a noble intent, but he does not do the job. The gentleman from Massachusetts [Mr. MAVROULES] has put together, with several of us in the Congress, a proposal to give defense workers a chance as we restructure the defense budget.

We are ready to waive for Egypt $7 billion, and we are ready to give a $32,000 tax cut to the wealthiest people in this country, and what we are saying is that instead of paying unemployment, instead of paying welfare, let us provide a little incentive spark for the economy in these defense communities. Let us give the defense workers a chance. Let us not shove them off the cliff.

There is only one real choice for us to give defense workers a little bit back for all they have done for America, and that is to support the amendment offered by our colleague, the gentleman from Massachusetts [Mr. MAVROULES].

Mr. Chairman, I think the amendment offered by the gentleman from Kentucky [Mr. HOPKINS] is well intentioned, but it just cannot deal with the job. We give pennies for defense workers and billions for Egypt. That is just wrong.

Mr. MAVROULES. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Chairman, what a supreme irony this is. The very Members on the other side of the aisle who have found no request by the Defense Department for the most exotic, most expensive defense system to be out of order now begrudge a few cents literally, compared to this overall budget, to allow those Defense employees whose very economic lives are dependent on us and the Federal Government to be retrained and to be given a chance for some job opportunities.

This is not an election year plug, but let me say that I have been putting legislation in since 1977, and I just do not understand how the gentleman thinks that $6 million can do the job. I would say that $200 million is no where near enough, but at least it is a modest beginning.

Mr. HOPKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me suggest to the previous speaker that this is not the labor bill. If he wants $200 million in labor, then it ought to be the Labor Department that comes down here. This is the defense bill.

Mr. Chairman, to wrap us the debate on this issue, I want to emphasize that no one on either side of the aisle is saying that we should not pay closer attention to the economic consequences of defense cuts. The Hopkins substitute just does that. It beefs up the DOD's Office of Economic Adjustment so they can continue to help affected communities.

It sets up an early warning system to notify potentially affected communities, and it sends a clear signal that both the administration and Congress should pay closer attention to the needs of existing Federal retraining and adjustment programs to ensure they have enough resources to meet any additional demand.

Mr. Chairman, I urge my colleagues to support the Hopkins substitute and vote down the Mavroules amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from Massachusetts [Mr. MAVROULES] has 3 minutes remaining.

Mr. MAVROULES. Mr. Chairman, I yield 30 seconds to the gentlewoman from Ohio [Ms. OAKAR].

Ms. OAKAR. Mr. Chairman, the Mavroules amendment is an amendment whose time has come, and it is a modest approach. It is about time our country looked futuristically at what we do in terms of our industrial base to keep our jobs in the United States of America.

What do we do for our businesses that want to make the transition once they have lost defense contracts to a civilian industrial base, and, more importantly, what do we do for the workers in terms of planning and retraining?

Mr. Chairman, let us adopt the Mavroules amendment and rejected the Hopkins substitute.

Mr. MAVROULES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me just respond briefly to the argument offered by my

friend, the gentleman from Kentucky [Mr. HOPKINS] on his amendment.

The bottom line, Mr. Chairman, is that within the next 5 years defense spending will be cut by 10 to 25 percent. As a matter of fact, 1 million American defense workers are going to hit the bricks, they are going to hit the streets. Although my friend, the gentleman from Kentucky, has good intentions, let me say that when we are talking of $6 million when $200 million will not do the job, we can see the differences in the thinking of how this should be handled.

Actually I think the Pentagon and the administration should be grateful that we have the foresight to put forth a good economic conversion bill that will take care not only of those loyal and dedicated employees who worked in the Defense Department over the years but also the small businesses. In our bill it does include education, education of the workers in retraining, and a plan to assist small business.

What can we do with $6 million? You could not even operate two companies with $6 million.

Mr. Chairman, we are here to try to get a program in effect to take care of every part of this country. If anyone in this body truly believes that they are going to be immune from defense cutbacks and base closures, they are mistaken.

The time to act, Mr. Chairman, is now. We have a very good program, and we put it into effect. The funds have been found. They are available. For $6 million one could not handle three small businesses. We are trying to handle this on a national level.

Mr. Chairman, I certainly urge that we defeat the amendment offered by the gentleman from Kentucky [Mr. HOPKINS] and support the original amendment offered by myself on behalf of the committee.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in support of the amendment of the gentleman from Massachusetts [Mr. MAVROULES].

Over the coming months, many communities across the Nation will feel the economic pinch as painful, yet necessary, reductions in defense spending result in the closing of military bases and major slowdowns in the defense industry. It is only fair that as we make those cuts we be prepared to assist affected communities as they strive to cope and adjust their economies. The Mavroules amendment will allow us to do just that.

The Mavroules amendment provides for different types of financial planning and adjustment assistance through a variety of agency mechanisms. Of special significance is the additional $96 million provided to the Economic Development Administration [EDA] for planning and implementation grants under title 9 of the Public Works and Economic Development Act of 1965.

This particular provision is the result of compromise between the various committees of jurisdiction, including the Public Works and Transportation Committee, and it is an effective one. The experience of the EDA in dealing with economically distressed communities, and the distribution of the funds according to the criteria contained in title 9, will help to assure that essential financial assistance reaches those communities most in need.

This amendment will provide welcome relief to communities experiencing major economic upheaval, and I hope my colleagues will support it.

Ms. SNOWE. Mr. Chairman, I rise in support of the amendment by the gentleman from Massachusetts [Mr. MAVROULES].

The combination of extremely high budget deficits for the Federal Government, the large proportion of the national budget now spent on defense, and the dramatic improvements in East-West relations has created an unusual opportunity to achieve cuts in U.S. defense spending over the next several years.

But I believe that it is also important to focus attention on the real distress that is felt by many people and communities due to defense budget cutbacks in their areas. The Congress must also consider ways in which the negative impact of future defense spending reductions may be alleviated for thousands of American workers, and it is for this reason that I welcome the initiatives contained in the MAVROULES amendment.

This amendment makes an important start in the process of encouraging the adjustment of defense-oriented industries and communities to other economic bases. It transfers $200 million in funding to create a Defense Economic Adjustment Program, to provide assistance to communities, workers, and businesses that suffer economic dislocation as a result of defense spending reductions. It also requires the Defense Department to provide prompt notice to communities that are likely to be affected by base closings or defense contract terminations, thus making them eligible for the economic adjustment planning, implementation and worker retraining programs that are funded by this amendment.

I am also pleased that the Mavroules amendment mandates a joint effort by the Defense, Commerce, and Labor Departments and the Small Business Administration to provide the most comprehensive and effective response possible on the part of the Federal Government to the inevitable trauma and uncertainty incurred by defense budget cutbacks at the local level.

Mr. Chairman, as Representatives of the people it is always incumbent upon us to consider the impact of our national budget or strategy decisions on the grassroots, on the men and women of America who will be directly affected by this bill and by future defense budget decisions. This amendment does so and adds an important measure to the fiscal year 1991 defense authorization, and I urge my colleagues to join me in supporting it.

Mr. GEPHARDT. Mr. Chairman, I urge my colleagues to support the Mavroules amendment today. This legislation establishes a sensible policy for assisting the thousands of defense workers as they adjust to a post-cold-war economy.

I'd like to express my thanks to MARY ROSE OAKAR, TED WEISS, NICK MAVROULES, SAM GEJEDENSON, and the chairman of the armed Armed Services Committee, LEE ASPIN, all of whom have given their steadfast support to this effort. Notwithstanding our commitments in Saudi Arabia, the changes in Europe promise to bring irreversible changes to our defense industry communities.

The dramatic changes now sweeping the world, coupled with the prospects for conventional and strategic arms control agreements in the future, have changed our Nation's defense requirements in fundamental ways. And while there are no ticker-tape parades on Independence Avenue and no peace treaties being signed, the end of the cold war is bringing with it a welcome demobilization of our defense establishment.

Defense cuts come at a critical time, given our need to address the Federal budget deficit and make vital investments in our economic and social strength. In this era, true national security depends as much on enhancing our economy as on confronting missiles. An effective adjustment program will speed this process of creating new jobs and building a robust, diversified economy.

Defense cuts will cause dislocation in many parts of the country. Democrats recognize that these defense workers are the real heroes of the cold war and that they should not become the victims of their own success. We cannot deny responsibility for assisting these potential victims, as some would have us do, or leave them to their own devices.

This legislation, as the first step in the process, will go a long way toward enhancing our economic strength, easing the transition for our workers and communities, and ensuring that our Nation is the beneficiary of change, not its victim.

Mr. KANJORSKI. Mr. Chairman, I rise in strong support of the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES].

This amendment provides vitally important assistance to individuals and communities who will be hurt as a result of defense spending cuts and the closing or realignment of military bases in the United States.

During the debate, a number of the critical needs which this amendment addresses have already been discussed. As a member of the core group, headed by the majority leader, which has been working to develop responsible and fair solutions to the many dislocation problems which will inevitably occur as we move into the post-cold war era, as the chairman of the House Post Office and Civil Service Subcommittee on Human Resources which has jurisdiction over Federal civilian employees, and as the author of legislation to help those Federal workers who will lose their jobs as a result of military base closings and realignments, I want to focus for just a moment of this aspect of th amendment.

As a result of the implementation of the earlier Base Closing Commission report, tens of thousands of people, most of whom have devoted years of their lives to Government service, will be losing their jobs.

Even if Secretary Cheney never goes forward with his plan for closing or downgrading the numerous additional military facilities he identified at the beginning of the year, and

even if he never releases his more current list of yet additional bases to close or realign, the fact remains that the wheels have already been set in motion to kill the jobs of thousands of civilian employees of the Defense Department.

Many of these people have devoted years to Government service. For most, they do not work for the Government for the big paychecks. They do so primarily because they believe in this Nation and its Government and because they want to serve and to contribute.

Now after years of service to all of us in the Nation, they face the prospect of being out on the street looking for a new job, while trying to meet mortgage payments, trying to provide for basic family needs, trying to educate their children, or just trying to cope with a very difficult time.

We have an obligation to help these people land on their feet. That is what this amendment does. It provides modest assistance to these dedicated Federal civilian employees, as well as to the others who will lose their jobs and their livelihoods as a result of cuts in the defense budget as we adjust to the new world order.

The worker retraining, placement, and relocation assistance provided under this amendment is only fair, and our Nation will unquestionably benefit over the long run from this modest investment in some of our most dedicated people.

This assistance does not represent some special or extraordinary benefit that is unavailable to people in other sectors of our economy when their jobs are eliminated. It simply provides the resources and makes them eligible for Job Training Partnership assistance.

Frankly, this assistance is much more modest than what I proposed in the legislation I introduced earlier this year, H.R. 4977, the Federal Employee Placement and Retraining Act. Nevertheless, it represents an important step forward in meeting the critical needs of the thousands of people who are going to lose their jobs and be hurt through no fault of their own.

As I noted at the outset, this retraining assistance is just one of the many reasons the Mavroules amendment should be adopted. No matter what we finally agree upon on the issue of additional base closings, hard-working people and communities across this country are going to suffer serious dislocations and hardships from actions which have already been taken and from future cuts in defense spending.

It would be irresponsible for us not to recognize this simple fact or to fail to enact the basic Defense Economic Adjustment Program provisions contained in this amendment.

While I do not oppose requiring the Secretary of Defense to study this problem and to submit proposals to the Congress as part of next year's defense budget request, we should not hide behind yet another request for a study and pretend that we are doing something to address these problems.

These are problems that we already understand. These are problems that we can begin solving right now. Maybe a study will offer suggestions for further improvements in how we meet these needs and our obligations; however, in this instance a study is not an excuse for failing to act now and begin meeting the problems head-on.

Mr. Chairman, I commend the gentleman from Massachusetts, as well as the majority leader and our other colleagues whom I have had the pleasure of working with over these many months in developing a responsible Defense Economic Adjustment Program, and I urge the adoption of the amendment.

Mr. BERMAN. Mr. Chairman, I rise today in strong support of this amendment and to commend Congressman MAVROULES' whose leadership on economic conversion has been outstanding. NICK, I applaud your concern for the welfare of our laidoff defense workers and in particular for drawing attention to the plight of those at Lockheed, CA. The irresponsible actions of Lockheed management provide a perfect example of why this legislation is so badly needed.

Much of Lockheed's success in southern California has come from the ingenuity, dedication, and loyalty of the women and men who have worked for the company, some for 20, 30, or even 40 years, and who have stood by it in times of trouble. In 1971, when Lockheed faced bankruptcy over the L-1011 program, its workers were instrumental in persuading Congress to vote for a $250 million bailout loan. They also contributed $45,000 out of their own pockets. And just last March, workers supported the current management against a proxy bid by Harold C. Simmons. Ironically, management has asserted that only they could protect benefits and job security. For their loyalty, Lockheed showed workers the back of its hand.

On May 9, barely 2 months after the Simmons affairs, Lockheed announced a move of its defense manufacturing base from Burbank and Palmdale, CA, to Marietta, GA. Two thousand workers were laid off and up to 4,000 more will likely lose their jobs.

Also of concern is Lockheed's gross mishandling of the now canceled P-7 airplane. Lockheed contracted with the Navy to build a new generation of antisubmarine aircraft. They lowballed the contract, convincing the Navy that the so-called commonality between the P-7 and its predecessor, the P-3, would allow the plane to be built at a much reduced cost. But Lockheed's own engineers reported that there would in fact be almost no commonality between the two planes. Lockheed management chose to ignore this finding. As a result, the cost of each plane almost doubled as the company moved into the first phases of production. Lockheed took a $3 billion writeoff in losses on the P-7 and declared that it was unable to continue the project without additional funds. Two months ago, an angry Navy canceled the contract, refusing to accede to Lockheed's requests for a taxpayer financed bandaid for self-inflicted wounds.

To add insult to injury, Lockheed has refused to negotiate fair separation terms with its laidoff workers. Lockheed insists that the union accept its unfair and insufficient proposals. This is unacceptable and together with Chairman MAVROULES and other members of the California delegation, we have made clear our determination to ensure that Lockheed fulfills its responsibility to its workers.

We must recognize that our country owes a debt to these men and women who have worked on behalf of our national defense for decades. That is why I strongly support this amendment. Under its provisions, we will provide direct assistance to laidoff workers, including extended unemployment compensation and increased funding under the Job Training Partnership Act. In addition, under this amendment, both employers and the government will share the responsibility for preparing for the future, by aiding workers and their communities with the difficulties of adjustment and by looking actively into conversion options in nondefense industries.

I hope the bitter experience of Lockheed workers will not occur again elsewhere. To ensure that it does not, we must be emphatic in our support of the rights of defense workers, and vigilant in our watch over the companies which control their jobs. I urge my colleagues to vote for this amendment.

Mr. FRENZEL. Mr. Chairman, I rise in opposition to the Mavroules amendment which seeks to create, under the pretentious title of "Economic adjustment, diversification, conversion, and stabilization," a jobs and government money bureaucracy within the Department of Defense. This piece of legislation could not come at worse time and could not be saddled to a less appropriate horse, or cash cow.

This amendment would force the Defense Department to devote excessive resources to nondefense uses when Congress is trying to trim the defense budget. Congress should reevaluate how much it spends for defense, but it should spend defense money only for defense.

The Budget Committee earlier this year, invited various experts from the Department of Defense, private think tanks, and academia to discuss the issue of ecomonic realignment within the Defense sector. Not one witness before the committee saw a need to create a new bureaucracy to oversee this transition.

If Congress decides it wants a jobs program, a community economic assistance program, and an industrial policy program, it should pursue those policies at the appropriate time and place. This is neither the time nor the place to create and fund a new Federal bureaucracy.

And create bureaucracy it would. In addition to entitling communities, businesses, and individuals to Federal assistance, this amendment would create a Presidential Economic Stabilization and Adjustment Council, an Office of Economic Stabilization and Adjustment in the Executive Office of the President. And it would create separate Coordinating Council for Economic Stabilization as an advisory committee to the council it would like to create.

The Mavroules amendment would be funded by robbing the operation and maintenance [O&M] accounts of the Army, Navy, Air Force, and Defense agencies of at least $1.4 billion in budget authority in fiscal yeqr 1991. I might add, it will do so on the heels of a fiscal year 1990 administration request for supplemental appropriations of $1.9 billion to cover legitimate O&M, presonnel, and debt forgiveness costs associated with Operation Desert Shield.

While the anticipated budget summit agreement hopes to force deep cuts in military

spending, the costs of Operation Desert Shield are likely to outweigh any real deficit reduction we might hope to realize. The Mavroules amendment would further reduce overall savings.

Common sense suggests that we can reduce our military spending and infrastructure. The Mavroules amendment seeks to create costly new programs and bureaucracies at the expense of legitimate military programs. I shall vote against the Mavroules amendment and vote for the Hopkins substitute which works within existing entities, at considerably less cost, to provide increased levels of assistance on an as-needed basis.

Mr. HAMMERSCHMIDT. Mr. Chairman, I rise in support of the Hopkins substitute to the Mavroules amendment.

As we strive to make the cuts in defense spending necessitated by our current fiscal crisis and events in Eastern Europe, it is only fair that we be prepared to assist those communities adversely impacted by projected base closings and defense industry slowdowns.

However, due to the ongoing crisis in the Persian Gulf, the extent of defense downsizing is as yet unclear. For that reason, we must allocate limited defense dollars in the most effective manner. The Hopkins substitute amendment will allow us to do just that.

Under the provisions of this amendment, communities that are determined to be adversely impacted by cuts in defense funding will be eligible for $6 million in community adjustment planning assistance grants administered by the Department of Defense's Office of Economic Adjustment. In addition, it will be U.S. policy that existing economic adjustment programs, such as those administered by the Economic Development Administration, be adequately funded, through the normal authorization and appropriations process, to provide aid to communities in need.

The Hopkins substitute provides for relief to communities facing economic hardship while remaining fiscally responsible. I support this amendment and hope my colleagues will as well.

The CHAIRMAN pro tempore. The gentleman from Kentucky [Mr. HOPKINS] has yielded back the balance of his time, and all time has expired.

The question is on the amendment offered by the gentleman from Kentucky [Mr. HOPKINS] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

Mr. HOPKINS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the order of the House, the recorded vote will be delayed until later in the legislative day.

Mr. MAVROULES. Mr. Chairman, is it now proper for me to ask for a recorded vote so I can protect my amendment?

The CHAIRMAN pro tempore. The Chair will not put that question until the Committee has decided the question on the adoption of the substitute amendment.

Mr. MAVROULES. So we will decide that when we come back?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. MAVROULES. I thank the Chair.

The CHAIRMAN pro tempore. Depending on the outcome of that amendment, the rights of the gentleman from Massachusetts [Mr. MAVROULES] are protected on his own amendment.

It is now in order to consider amendments printed in part 2 of House Report 101-693 in the manner specified in the report.

The chairman of the Committee on Armed Services may offer one amendment en bloc, consisting of any said amendments, with germane modifications thereto, which shall be considered as having been read and shall not be subject to amendment or to a demand for a division of the question.

The original proponents of the amendment offerd en bloc have permission to insert statements in the CONGRESSIONAL RECORD immediately before the disposition of the amendment en bloc.

The Chairman of the Committee of the Whole will postpone any recorded votes on part 2 amendments until later this evening. The Chair will also reduce to 5 minutes any recorded vote, after the first vote in the series.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I would like to inquire of the Chair, we are now doing the general amendments, is that correct?

The CHAIRMAN pro tempore. The gentleman is correct.

Mr. ASPIN. Mr. Chairman, if I may be recognized further, I take this time to make sure that all the Members understand the process that we are about to enter into now.

We are now going to do the general amendments. Under that provision, there is 10 minutes for and 10 minutes against each of these amendments. So I am just letting Members know what we are doing, and any Members who are back in their offices watching the proceedings on the television ought to know that we are now going to go into these amendments. As I understand it, according to the rule, they will be called up in the order in which they are printed in the RECORD, and if they are called up and the Member designated to offer the amendment is not here, we will pass over the amendment and in effect that is the end of it.

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Is that the understanding of the Chair?

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from Wisconsin [Mr. ASPIN] is correct. The amendments will be called in the order they were printed in the committee report. There will be allotted 5 minutes in support of the amendment and 5 minutes in opposition.

Mr. ASPIN. Mr. Chairman, let me just say, for Members to understand which amendments we have and the order of amendments, the first is an amendment by me; the second is an AuCoin-Machtley amendment; the third is an AuCoin-Hochbrueckner amendment; the fourth is a Bosco amendment; then there are two Boxer amendments; then there is a Courter amendment; than a Frank amendment; then a Hopkins amendment; then a Kennedy amendment; then a Lagomarsino amendment; then a Moody amendment; and a Traficant amendment.

Mr. Chairman, I would like to announce that I am not offering my amendment, so we will start with the AuCoin-Machtley amendment.

The CHAIRMAN pro tempore. It is the understanding of the Chair that those Members who are not present when their amendments are called will not have an opportunity to offer them at another time.

Mr. ASPIN. Mr. Chairman, that is as I understand it, and Members ought to understand that is the way the rule works. There is no chance to ask for them to be considered out of order or no chance to reconsider them if the time goes by and they were not here when the amendment was called.

The CHAIRMAN pro tempore. The gentleman is correct. Does any other Member wish to speak to the announcement made by the gentleman from Wisconsin [Mr. ASPIN]?

The Chair will now proceed on the amendments as printed in the committee report. The gentleman from Wisconsin [Mr. ASPIN] is not going to offer his amendment. Amendment No. 2 is to be offered by the gentleman from Oregon [Mr. AUCOIN] or his designee.

AMENDMENT OFFERED BY MR. FAZIO

Mr. FAZIO. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. FAZIO] will serve as designee for the gentleman from Oregon [Mr. AUCOIN].

The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FAZIO: At the end of part A of title VII (page 172, after line 18), insert the following section:

SEC. 704. REPRODUCTIVE HEALTH SERVICES IN MEDICAL FACILITIES OF THE UNIFORMED SERVICES OUTSIDE THE UNITED STATES

(a) IN GENERAL.—(1) Chapter 55 of title 10, United States Code, is amended by inserting

after section 1074b the following new section:

"§ 1074c. Reproductive health services in medical facilities of the uniformed services outside the United States

"(a) PROVISION OF SERVICES.—A member of the uniformed services who is on duty at a station outside the United States (and any dependent of such a member who is accompanying the member at such duty station) is entitled to the provision of any reproductive health service in a facility of the uniformed services outside the United States in the same manner as any other type of medical care.

"(b) PAYMENT FOR SERVICES.—In the case of any reproductive health service for which appropriated funds may not be used, the administering Secretary shall require the member to pay the full cost (including indirect costs) of the service. Appropriated funds shall not be considered to have been used to provide the service if such payment is made. Any amount received as such a payment shall be credited to the accounts of the facility at which the service was provided.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074b the following new item:

"1074c. Reproductive health services in medical facilities of the uniformed services outside the United States.".

The CHAIRMAN pro tempore. Under the rule, the gentleman from California [Mr. FAZIO] will be recognized for 5 minutes in support of the amendment printed in the RECORD as amendment No. 2 by the gentleman from Oregon [Mr. AUCOIN], and the gentleman from California [Mr. DORNAN] will be recognized for 5 minutes in opposition to the amendment.

The Chair recognizes the gentleman from California [Mr. FAZIO].

Mr. FAZIO. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am offering this amendment on behalf of the gentleman from Oregon [Mr. AUCOIN] who is ill and unable to be here, and the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. Chairman, this amendment will ensure that women in the military or female dependents of servicemen and servicewomen stationed overseas, have access to complete reproductive health services.

Since mid-1988, the Department of Defense has prohibited military personnel and their dependents from privately paying for abortions in overseas DOD facilities, even if there are no clinically safe private facilities available in the country in which they are stationed.

This policy, which was not debated prior to its implementation by DOD, places in grave danger the life, health, and welfare of millions of American women who are dependent on the military health care system, which was expressly established for the purposes of meeting all the health care needs of DOD personnel overseas.

Today, more than ever, with thousands of military women and reservists in the Persian Gulf, where access to the full range of safe reproductive health care is unavailable, it is essential that we change this policy.

These women, stationed in the Persian Gulf and elsewhere throughout the world, are American citizens who have devoted their lives and careers to upholding the freedoms we all hold so dearly. Yet in these cases, we force these women, who for very personal reasons may choose to terminate a pregnancy, to choose between unsafe, illegal abortions, or traveling at great cost to a medical center in another country. This insensitive policy makes an already agonizing decision even more painful.

While this amendment provides access to medical care, it does not in any way require the Federal Government to pay for abortions, and in no way affects the so-called Hyde amendment, which prohibits the use of DOD funds to pay for abortions except where the life of the mother would be endangered.

Mr. Chairman, this is merely a matter of fairness for those who serve our country overseas and rely on the Federal Government for their health care. I urge members to support this amendment.

Mrs. SCHROEDER. Mr. Chairman, will the gentleman yield?

Mr. FAZIO. I yield to the gentlewoman from Colorado.

Mrs. SCHROEDER. Mr. Chairman, I just want to thank the gentleman from California [Mr. FAZIO] for offering this amendment. I think it is important to point out, too, that as of a week ago, the Department of Defense released a 2-year study on the study of sexual harassment of women in the military, and found in this very comprehensive study that 64 percent of the women said they had been subject to sexual harassment, and 80 percent said they had been subject to sexual teasing. I think that really tells you there is real job risk in all of this, too.

Mr. Chairman, I thank the gentleman from California [Mr. FAZIO] for his very distinguished presentation.

Mr. FAZIO. Mr. Chairman, I reserve the balance of my time.

Mr. DORNAN of California. Mr. Chairman, I yield 1 minute to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Chairman, let me say first of all as the chairman of the Subcommittee on Military Personnel and Compensation that I rise in opposition to this amendment. The AuCoin-Machtley amendment would permit active duty service members to have an abortion performed in military hospitals overseas.

Current law prohibits use of Government funds for abortion, other than to save the life of the mother. In imposing the restrictions, Congress clearly did not intend that any other type of abortion be performed in military hospitals. I think abortions performed on a reimbursable basis circumvent that intent.

Mr. Chairman, this amendment at this time I think is ill-advised. Current law prohibits the use of appropriated funds. Prior to June 1988, a few abortions were performed at military hospitals overseas with full reimbursement of the cost. Since June 1988, prepaid or reimbursable abortions have been barred by DOD directive.

Mr. Chairman, it is my intent to urge Members to vote against this amendment.

Mr. FAZIO. Mr. Chairman, I yield 2 minutes to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, I rise in support of this amendment and congratulate the gentleman from Oregon [Mr. AUCOIN] and the gentleman from California [Mr. FAZIO] and others for bringing what I really consider to be a fairness doctrine to the floor.

Mr. Chairman, there will be those who will view this as strictly a matter of pro choice or pro life, but I really view it as equal access to quality medical care for the people who have signed a document to defend this country. Not only people who are on active duty, but their dependents, who fortuitously, because their spouse or parent has been ordered to a foreign country, often find themselves in that foreign country not because they made a choice, but because their father in most cases has been ordered there as a result of being in the Armed Services.

Mr. Chairman, this amendment will ensure that women, both dependent and active duty, both here and abroad, will receive equal access based on types of services, and equal access based on quality of services, for all reproductive services.

Mr. Chairman, there may be a shroud of misunderstanding. There may be those who say this is an attempt to obviate and circumvent Federal funding. This is not a Federal funding question. These dependents will pay out of their pockets for the services.

Mr. Chairman, we find that there are other countries who prohibit all reproductive services that people in this country are often assuming will be available to them. If a dependent or a military active person finds themselves in one of these countries, they must pay out of their pocket to go to another country or to go home in order to have the same access to quality health care. This is discrimination against our military.

When we are asking women to be in the military and when we are asking

dependents to go with their spouses in other countries, we must at least treat them as equals. Therefore, I hope the Members would join in supporting this amendment.

The CHAIRMAN pro tempore. The gentleman from California [Mr. FAZIO] has one-half minute remaining, and the gentleman from California [Mr. DORNAN] has 4 minutes remaining.

Mr. DORNAN of California. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, the Fazio-AuCoin amendment reverses current pro life policy and permits DOD health facilities to perform abortions at 3 months, 4, 5, 6, 7 months and beyond, for any reason whatsoever.

Mr. Chairman, the issue before us is clear. Will the U.S. Government provide the facilities to destroy unborn children at will? Under the Fazio-AuCoin amendment, the DOD hospitals will provide abortions as a means of birth control, abortions for economic reasons, in a phrase, abortion on demand.

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The issue, Mr. Chairman, is whether we provide the means, the operating rooms, the personnel, the surgical instruments, the suction machines to cut and dismember unborn children like tumors and warts.

The issue is whether Congress wants to authorize use of deadly poisons to be employed in the killing of the innocent baby.

Mr. Chairman, during this decade I believe it will become increasingly apparent that abortion stops a beating heart. Mr. Chairman, abortion on demand is child abuse, and it is the antithesis of prenatal care, of respecting life.

So I urge members of the House to reject this extremist position of turning our military hospitals from places of healing and refuge. Do not turn them into abortion mills.

PARLIAMENTARY INQUIRY

Mr. DORNAN of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman will state it.

Mr. DORNAN of California. Mr. Chairman, does the side against the amendment have the right to close?

The CHAIRMAN pro tempore. The question before the committee is, which side represents the committee position? Does the gentleman from California [Mr. DORNAN] represent the committee position?

Mr. DORNAN of California. Yes, I do, Mr. Chairman. The committee position, I believe, is current law.

The CHAIRMAN pro tempore. The gentleman from California [Mr. DORNAN] has the right to close debate.

Mr. DORNAN of California. Mr. Chairman, I yield 1 minute to the distinguished gentlewoman from Nevada [Mrs. VUCANOVICH].

Mrs. VUCANOVICH. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, the Fazio amendment would allow abortions for any reason at any time, including abortions in the 9th month of pregnancy, abortions for reasons of sex selection, abortions for convenience sake, abortions as a form of birth control, and for other purposes. The Fazio amendment proposes once again to involve the Government in an issue that strongly divides the American people. The key word in this debate is not money; it is not payment—as proponents would have us believe—instead, it is involvement. Proponents of the amendment argue that a woman overseas desiring an abortion cannot have this procedure performed anywhere else but in a military hospital. This is false for two reasons. First, there are hospitals in many foreign countries with facilities that match Western standards. And second, all branches of the military allow leave for both emotional and physical reasons which would enable military personnel or their dependents to travel to the United States for abortions if the overseas facilities do not meet their personal standards. If this amendment were to pass, the Government would be required to facilitate a policy of abortion-on-demand at any overseas installation. Finally, the amendment is inconsistent with the 1980 Supreme Court decision that affirmed the constitutionality of the Hyde amendment—Harris versus McRae. The Court ruled that Government could distinguish between abortion and other medical procedures without violating equal protection guarantees. The issue when Congress annually attaches Hyde language to various bills is neither reimbursement nor even fiscal cost, it is the involvement of the Federal Government in providing and facilitating abortion.

Mr. Chairman, I urge my colleagues to vote "no" on the Fazio amendment.

Mr. FAZIO. Mr. Chairman, I will yield myself the final 30 seconds to close debate.

Mr. Chairman, I think it is very important to reiterate one, we are not talking about Federal funds. We are not talking about reaching the Hyde amendment.

Second, we are not talking about any kind of abortion other than the sort of abortion that all of us in this society live with under Roe versus Wade, the current law that affects all Americans.

What we are talking about are real human beings with problems. I would like to recite a situation that brought us to this point.

A couple living in Japan was forced to spend $2,400 of their own savings in order to have access in a private hospital, over a lengthy period of time, to have an abortion because a woman discovered in the early phases of her pregnancy that her child would have had multiple types of disabilities. They were urged by military doctors to seek this remedy. It was a tough and a difficult decision for them, made far more difficult because they were forced to use all of their meager savings, as military families can understand, to have what would be available to almost anyone else anywhere else in this country.

This is not to support some law that is out of touch with where the American people are today. It is simply to give our military personnel the same rights that the rest of us have as long as they are willing to pay for it. We are not using physicians who in their good conscience choose not to provide abortions. We are simply using facilities that are safe, that are clean and healthy so that Americans do not have to endanger their lives while exercising their rights under the Constitution if they are willing to serve their country overseas.

I would hope that Members could understand the humanity that is involved in this amendment and please support it.

Mr. DORNAN of California. Mr. Chairman, I yield myself the remainder of our time.

Mr. Chairman, I am going to ask for a vote on this in a minute and a half, and at the door we will be passing out, when the vote comes up later this evening, two pieces of paper. One says vote "no" on AuCoin-Machtley. It mandates the sweeping policy of abortion on demand in military hospitals. If passed, it will allow U.S. taxpayer supported military hospitals to be used for abortion on demand during all 9 months of pregnancy for any reason.

That is why this never would have passed in subcommittee or the full Armed Services Committee and why it is brought to the floor.

We are also going to pass out here a Dear Colleague letter signed by, in addition to dozens of Republicans, Mr. BORSKI, Mr. KOLTER, Mr. GAYDOS, Mr. MURPHY, Mr. RAHALL, Mr. HALL, Mr. LEATH of Texas, Mr. HUTTO, Mr. OBERSTAR, Mr. MAVROULES, Mr. APPLEGATE, Mr. RAY, Mr. MOLLOHAN, and the chairwoman of the Armed Services Subcommittee on Combat Readiness who has already spoken, the gentlewoman from Maryland [Mrs. BYRON].

I just want to point out that any woman or dependent who gets pregnant does have air travel available to them at Government expense to go

home, or go to Europe or any hospital to have an abortion. But to ask us to reverse my amendment from 12 years ago, September 1978, stopping us from using defense dollars to kill unborn children is wrong.

Mr. FAZIO. If the gentleman will yield, we are not reversing his law. We are reversing DOD policy made just 2 years ago.

Mr. DORNAN of California. I would also reverse the spirit of the law of 12 years ago about not paying for abortions.

Mr. FAZIO. The spirit, but not the letter.

Mr. DORNAN of California. Mr. Chairman, how much time do I have remaining, 45 seconds?

The CHAIRMAN pro tempore. The time of the gentleman from California [Mr. DORNAN] has expired.

The question is on the amendment offered by the gentleman from California [Mr. FAZIO] on behalf of the gentleman from Oregon [Mr. AUCOIN].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. FAZIO. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the Chair's earlier announcement, the vote on the AuCoin-Machtley amendment will be taken at a later time in the legislative day.

AMENDMENT OFFERED BY MR. MAVROULES

The CHAIRMAN pro tempore. The committee will not consider the third amendment offered by the gentleman from Oregon, [Mr. AUCOIN], and the gentleman from New York [Mr. HOCKBRUECKNER], or their designee.

Mr. MAVROULES. Mr. Chairman, I am acting as designee, and I offer an amendment on behalf of the gentleman from Oregon, [Mr. AUCOIN], the gentleman from New York [Mr. HOCKBRUECKNER], and myself.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. MAVROULES:

At the end of part C of title I (page 24, after line 6), insert the following new section (and conform the table of contents accordingly):

SEC. 125. TRANSFER OF UNOBLIGATED FISCAL YEAR 1990 FUNDS FOR MX RAIL GARRISON PROGRAM TO ENVIRONMENTAL ACTIVITIES.

Funds appropriated for fiscal year 1990 for procurement for the Air Force that, as of September 12, 1990, are available for the MX Rail Garrison program and have not been obligated or approved by Congress for reprogramming into other activities may be used only for environmental restoration, Defense.

At the end of part D of title III (page 83, after line 3), add the following new section (and conform the table of contents accordingly):

SEC. 344. PROVISIONS RELATING TO ENVIRONMENTAL ACTIVITIES OF THE DEPARTMENT OF DEFENSE.

(a) MAJOR FORCE PROGRAM CATEGORY FOR ENVIRONMENTAL ACTIVITIES OF DOD.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2708. Major force program category for environmental activities

"(a) MAJOR FORCE PROGRAM CATEGORY.—The Secretary of Defense shall create a major force program category for environmental activities carried out by the Department of Defense for the five-year defense progra of the Department. In implementing such major force program category, the Secretary shall set forth in a separate statement the funding levels requested for such activities in the Department of Defense budget justification documents submitted in support of the President's budget submitted to Congress under section 1105 of title 31. Such statement shall include a detailed description of the amounts for such activities contained in the individual appropriation accounts for the military departments and the Defense Agencies.

"(b) ENVIRONMENTAL ACTIVITIES DEFINED.—In this section, the term 'environmental activities' means activities carried out by the Department of Defense for purposes of complying with any environmental law.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new time:

"2708. Major force program category for environmental activities.".

(3)(A) The major force program category for environmental activities required to be created pursuant to section 1708 of title 10, United States Code (as added by paragraph (1)), shall be created not later than 60 days after the date of the enactment of this Act. The Secretary of Defense shall include such major force program category in the budget justification documents submitted in support of the fiscal year 1992 budget and each fiscal year thereafter.

(B) On the date that such major force program category is created, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives—

(i) a certification that all program recommendations and budget proposals for environmental activities are included in such category; and

(ii) a report explaining the program recommendations and budget proposals that have been included in such category.

(b) REPORT ON ENVIRONMENTAL PERSONNEL MANAGEMENT.—(1) Not later than June 1, 1991, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the Department of Defense's management of personnel carrying out environmental activities of the Department.

(2) The report shall include the following:

(A) A description of the number and duties of current personnel, both civilian and military, who carry out environmental activities (including research) for the Department of Defense, including a description of the organizational structure of such personnel from the Secretary of Defense down to the military installation level.

(B) A description, and an evaluation of the effectiveness, of current practices of the Department of Defense with respect to recruitment, training, and career paths of such personnel.

(C) A general description of the amount of environmental activities carried out for the Department of Defense by contractors.

(D) A determination of the personnel that will be needed over the next 10 years to effectively carry out the Department's environmental activities.

(E) Recommendations by the Secretary for changes in personnel management structure to more effectively carry out the Department's environmental activities.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes in support of the amendment, and the gentleman from California [Mr. DORNAN] will be recognized for 5 minutes in opposition to the amendment.

The Chair recognizes the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I yield 2 minutes to the gentleman from New York [Mr. HOCHBRUECKNER].

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Mr. HOCHBRUECKNER. Mr. Chairman, I join today with my colleagues Congressman LES AUCOIN and Congressman NICK MAVROULES in offering this amendment to increase environmental restoration work at over 1,500 military installations in the United States. This amendment transfers $46.3 million in unobligated fiscal year 1990 dollars, authorized last year for putting MX missiles on rails, to the defense environmental restoration account [DERA].

DERA is the Pentagon account which pays for investigating sites of potential contamination at defense facilities and cleaning up all current and former Department of Defense [DOD] properties. In addition, DERA funds some projects to minimize DOD hazardous waste generation.

This amendment is completely consistent with the provisions for ICBM modernization in H.R. 4739, the National Defense Authorization Act for fiscal year 1991—fiscal year 1991—as approved by the House Armed Services Committee. With ICBM modernization plans on hold, the Air Force is not in a position to commence deployment of the MX Missile on rail. The Air Force has already reprogrammed millions of dollars out of the fiscal year 1990 MX procurement account for higher priorities. For fiscal year 1991, the committee did not approve any procurement funds for rail garrison MX, but $610 million is provided for ICBM modernization research and development. I firmly believe that cleaning up the military's environmental hazards is a better use for these funds than leaving them in an account for rebasing MX missiles in a mode that does not increase U.S. security. This money will go a lot further if it is spent on decreasing the threat to human health and safety at hundreds of military installations.

My colleagues, the scope of the Department of Defense's environmental problems is huge. As a member of the Environmental Restoration Panel of the House Armed Services Committee, I have heard the testimony on the program and the thousands of sites that need work. One thing is clear: the Pentagon is moving too slowly. It must commit more resources to do the job.

Let us take a look at the situation. The sheer quantity of sites with environmental hazards is enormous. In its fiscal year 1989 annual report on the Defense Environmental Restoration Program, the Pentagon identified 14,401 sites at 1,579 domestic military facilities with potential environmental problems. These facilities are in every State in the Union and nearly every congressional district. Another 7,100 formerly used properties have also been identified by the Pentagon as requiring environmental assessments. In addition, the Pentagon may be responsible for clean-ups at Superfund sites where it is named as a potentially responsible party.

The Pentagon has found that about 70 percent of the sites assessed for problems are found to need hazardous waste clean up. In other words, roughly 10,000 of the 14,400-plus sites will need restoration.

Few sites, however, have been cleaned up. Getting beyond identifying the potential problems is a massive job. Of the over 14,400 sites, for example, only 287 have completed restoration work. That's less than 2 percent of the sites. Hundreds of sites are in line for cleanup actions, and thousands still await the more remedial investigations and feasibility studies, which can take years.

Many States have waited years for even one completed cleanup. This is the case in 19 States, including 6 with over 200 individual sites—Georgia, Indiana, Kansas, Kentucky, New Jersey, and Wisconsin—with no cleanups reported done. In those States with some work completed, hundreds of other sites still have not moved beyond preliminary assessments. In 31 States, for example, eight or less sites have completed restoration—remedial design/remedial action. Only six States have received more than eight completed cleanups.

Like the private sector and other branches of government, the military has found that its past practices have resulted in a wide range of environmental problems. Contaminants at sites range from solvents, cleaners, and organics compounds, to PCB's, metals, asbestos, radioactive waste and unexploded ordnance. While the kinds of problems at most DOD sites are less severe than the worst of the Department of Energy's facilities, for example, the number of sites affected is much greater. Restoration efforts include water treatment, decontamination, waste removal, ground water treatment, long-term monitoring, to name a few.

Current cost estimates for the total restoration program by the Department of Defense are outdated. While DOD estimates that their clean-up program will require about $14 billion, that figure is based on 1986 data and is now being revised by the DOD. Outside estimates range from $20 to $100 billion. These estimates are separate from the expense of complying with environmental laws and regulations, which will also be very high. In May 1990, for example, the Congressional Budget Office reported that the full cost of DOD's investigation and clean-up under CERCLA—Superfund—requirements alone range between $10 billion and $17 billion.

The DOD must budget enough funds, contribute adequate resources, and provide sufficient guidance to its people to get the job done. I fear that they have not done this. I know some Members have been told that a project in their district is too far down on the scale of worst sites to merit funding. I hope this amendment will help move a few more sites up the list toward action.

Earlier this year I introduced H.R. 5202, the Defense Environmental Activities Act, with bipartisan support. This bill increases DOD's funding for environmental restoration activities, compliance with environmental laws, and long-term research and development into pollution prevention and waste abatement techniques. In addition, H.R. 5202 establishes a budget category for environmental activities and provides for a report on management of the personnel carrying out the Pentagon's environmental program. Both of these provisions are incorporated in this amendment as well. Not only does DOD need more funding for this area, but Congress needs to know how DOD runs its program and if there are ways in which it can be improved.

This amendment builds on work done by the House Armed Services Committee and its environmental restoration panel. In fiscal year 1991, the committee has urged the DOD to make the environment a higher priority by increasing funding for DERA to $1 billion in fiscal year 1991, an increase of $183 million over the President's request of $817 million. The DOD, however, needs at least $1.15 billion in fiscal year 1991 to do its job. I originally planned to offer an amendment to raise the DERA account to this level, but sufficient funds were not available; $46.3 million is a minimal increase, but one which will be well-spent.

H.R. 5202 has gained 38 cosponsors, including many who are members of the House Armed Services Committee. We recognize that environmental restoration is just one part of the work needed to bring the military's activities into line with environmentally sound practices. In addition, a great deal of work has been done by the chairman of the Environmental Restoration Panel of the House Armed Services Committee, Congressman RICHARD RAY, in educating us about the Pentagon's environmental needs. Congressman RAY has worked tirelessly to increase awareness of and provide remedies for problems at military facilities. Many citizens groups, including Friends of the Earth, Sierra Club, the National Toxic Campaign Fund and the Natural Resources Defense Council, have also contributed to bringing attention to the environmental issues facing U.S. citizens near or on military installations.

The Pentagon says it is committed to complying with environmental laws, to assessing and cleaning up its facilities, to being the lead Government agency in its in-house environmental activities. Let's help them accomplish this task by transferring additional funding to the Defense Environmental Restoration Account and giving the Pentagon more money to commit to this vital effort.

Mr. DORNAN of California. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the service principally affected by this is the U.S. Air Force. We have spoken to them and to their bosses in the overall civilian structure of our Defense Department. They are strongly opposed to this amendment.

What it will do is stop the expenditure of all funds for the MX Rail Garrison Program. We cannot get into the classified material of what the Soviets are doing. There are all sorts of rumors that they are reaching the end of their program, but it is the numbers involved, the trains they will have out in the field, what they have already allocated, what they are spending for their program that makes this one a poorly conceived proposition at this time.

In short, the effect of the amendment will take 12 fiscal year 1990 Peacekeeper missiles, the support, the test, surveillance program for 50 Peacekeepers currently deployed in silos, stop it, and since this missile force must be supported, the Department of Defense would not transfer funds from the Peacekeeper to purchase equipment for the Rail Garrison Program.

Additionally, existing law already precludes such a transfer of funds. The amendment is, therefore, superfluous.

I believe it is fair to say that it would not have passed in subcommittee or the committee if it had been before either of those Armed Forces-germane committees. I think that is why it has

come to the floor, and they are taking a wild shot here.

Mr. Chairman, I yield back the balance of my time.

Mr. MAVROULES. Mr. Chairman, I yield myself 15 seconds to inform my dear friend, the gentleman from California [Mr. DORNAN], that this does not stop all moneys for the MX missile. This is just procurement. Actually this is just for fiscal year 1990. It does not touch R&D at all.

I wanted to make that very clear.

Mr. Chairman, I yield 1 minute to the gentleman from Georgia [Mr. RAY].

Mr. RAY. Mr. Chairman, I want to commend the gentlemen Mr. MAVROULES, Mr. HOCHBRUECKNER, and Mr. AUCOIN for their amendment to authorize additional funding for the Defense Environmental Restoration Account.

Mr. HOCHBRUECKNER has been an active and valued member of the Environmental Restoration Panel of the Armed Services Committee, which I chair, and has shared my concerns about the Department of Defense's failure to adequately budget for the assessment and cleanup of over 15,000 hazardous waste sites on over 1,400 military installations. He has also actively supported my efforts to secure committee approval to increase DERA funding by over $250 million in the past 2 years. Working with the committee, we have been able to double DOD funding for hazardous waste cleanup funding, and significantly increase the visibility and DOD emphasis on environmental activities.

I believe the Mavroules-AuCoin-Hochbrueckner amendment deserves our support for three reasons.

The amendment will significantly reduce the unfunded backlog of DOD environmental cleanup requirements.

Since the amendment does not draw upon O&M funds, it will increase DERA cleanup funding without impairing the readiness of U.S. forces at home or abroad.

The Hochbrueckner amendment will also increase the visibility of DOD environmental expenditures and improve the Department's ability to effectively manage the cleanup program.

I urge my colleagues to support the amendment.

Mr. MAVROULES. Mr. Chairman, I yield 1 minute to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. McCURDY. Mr. Chairman. I rise in support of the Hochbrueckner-Mavroules amendment transferring $46 million from fiscal year 1990 unobligated funds from the MX rail garrison procurement to the environmental restoration account.

The gentleman who just left the well, the gentleman from Georgia [Mr. RAY], chairs the Environmental Restoration Panel for the Committee on Armed Services. I chaired it prior to his appointment, and I concur totally with his remarks.

There are numerous sites not only within the Air Force but throughout the Department of Defense that are in drastic need of environmental restoration. There are not enough funds in order to complete those restoration efforts, and I believe that this would be a modest step in the right direction to address one of the most serious causes of pollution in the country today, the Department of Defense.

So I rise in strong support of this amendment.

Mr. MAVROULES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the bottom line is we are taking out $46 million. Those funds are not going to be used. There is plenty of money in there for research and development. This is all being taken out of precurement. It will go to a very good fund with relation to the restoration of the environment, and still we are short millions and millions of dollars in that account.

I think it is a very modest amendment, quite frankly. I do not think the Air Force is going to be using it, and also in the committee bill, you want to remember we have some $500 million or $600 million in there for research and development, and perhaps alternate sources on this program.

PARLIAMENTARY INQUIRY

Mr. DORNAN of California. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman will state his parliamentary inquiry.

Mr. DORNAN of California. Mr. Chairman, did the Chair misunderstand me that I was yielding back all of my time? I meant to yield to the other side.

The CHAIRMAN pro tempore. The Chair did misunderstand. The gentleman will protect his time. He now has 2 minutes remaining.

Mr. DORNAN of California. Mr. Chairman, I will not use all of that time. I have the right to close.

Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I understand what my good friend from Massachusetts, a very distinguished and active member of the Committee on Armed Services, is trying to do. He is supported by other Members whom I respect like the gentleman from Oklahoma.

But there already is over $1 billion in a very robust environmental fund, and there is not an environmental fund in the country that could not use more money, but to take it from the Peacemaker Program where there is already existing law, as I said before, precluding any transfer of funding, I believe that adds that superfluous aspect, plus if not to rattle the gulf crisis, but there is going to be a lot of restructuring of moneys in the defense budget to support Desert Shield in the gulf to stop this wholesale terrorism there.

I think this is one of those areas that would have a first claim on this money anyway, so I ask for a no vote on this thoughtful amendment that is ill-timed.

Mr. Chairman, I yield back the balance of my time.

Mr. MACHTLEY. Mr. Chairman, I would like to congratulate the gentleman from Georgia [Mr. RAY], for his ongoing commitment to an effective environmental cleanup effort at our military facilities. As a member of the Armed Services Committee's Environmental Restoration Panel, I have worked alongside Mr. RAY in ensuring that the Defense Department makes good on Secretary Cheney's pledge to establish the Pentagon as the leader in the environmental arena.

Mr. Chairman, my congressional district in Rhode Island includes the Naval Education and Training Center [NETC]. At this base is a Superfund-listed site composed of five separate sites containing wastes such as acids, paints, and oils. Much progress has been made on analyzing these sites to determine the proper method of cleanup. As with any site listed on EPA's national priorities list, it will take much time to restore NETC to an environmentally sound condition.

Because of my deep concern for ensuring that NETC is cleaned up in a timely manner, I would like to make it clear that the approximately $1 billion in environmental restoration funds in this bill should be interpreted as including adequate funds for timely cleanup of superfund sites such as NETC.

My constituents in Rhode Island have always been supportive of the Navy's presence in Newport, and of its positive contribution to the community. A quick and effective cleanup of the NETC sites is needed to continue this successful relationship. Again, I would like to commend the gentleman from Georgia for his leadership in this area.

Ms. PELOSI. Mr. Chairman, I rise in support of the AuCoin-Hochbrueckner-Mavroules amendment which would add $46.3 million to the Defense environmental restoration program by transferring unused funds from the MX rail system

When the Base Closure Commission reviewed the Presidio closure in San Francisco, one of the estimates used to determine their low closure costs was $2 million for environmental cleanup. Later, after Congress approved the closure, the Department of Defense raised that estimate by more than 41 times—to $83 million. It wasn't until after the closure move that DOD took the time to survey the contamination and, when they did, the number of sites increased from 2 to 66.

No one truly knows what the cost of cleanup will be because no one truly knows how much contamination is at the Presidio. The draft environmental impact statement for the Presidio, by the U.S. Army Corps of Engineers, recommends an increased effort to identify hazardous waste contamination because many of the contaminated sites are still undocumented.

The statement also reports that there are potentially significant adverse effects which would impact the security and resources of the Presidio if the cleanup delays the property transfer to the Golden Gate National Recreation Area [GGNRA]. As many of you know, the Presidio will become part of the GGNRA, making it necessary to restore the base to unrestricted use in keeping with the open-space, public-use policy of national parks.

The Presidio is not alone. The 1990 annual report for the Department of Defense confirms that only 2 percent of the military's hazardous waste sites have been cleaned up. Every State in the Union is affected by DOD's neglect. It has been said that "we have to turn the wastes of war into a war on wastes." Years of neglect are no longer haunting us, but staring us squarely in the face.

I urge my colleagues to support the AuCoin-Hochbrueckner-Mavroules amendment. Let us not give our military bases dishonorable discharge; let us do the right thing and clean them up.

Mrs. LOWEY of New York. Mr. Chairman, I rise in support of the amendment.

Women currently comprise 10 percent of the United States' Armed Forces. These brave women, working at home, abroad, and now on dangerous and life-threatening assignments in Saudi Arabia, have all taken an oath to uphold and protect our Constitution. This oath includes upholding one of our most cherished rights, the right to choose.

At the same time that the Bush administration is asking American servicewomen to answer the call to duty, it is seeking to prevent these women from having access to their constitutionally protected right to abortion services.

Since 1988, a regulation has been in place which prevents women in the military and female military dependents stationed abroad from obtaining abortion services in overseas military facilities even if the woman pays for the abortion herself. Currently, women who are stationed in countries where safe abortion services are not available are forced either to travel to a country where safe abortions are available or to risk their lives seeking illegal abortions. The harsh reality of this situation is highlighted by the fact that 10,000 women are now serving in Saudi Arabia, where abortion is illegal.

The AuCoin-Machtley-Fazio amendment would reverse the current policy without changing the current prohibition on Department of Defense funding of abortions except when the woman's life is endangered. This amendment is not about funding. It is about allowing women, who are working to safeguard our national security, our values and our principles, to obtain the same range of health care services at overseas military facilities that they can obtain at home. I urge my colleagues, in the intent of fairness and justice, to support the AuCoin-Machtley-Fazio amendment.

The CHAIRMAN pro tempore. All time has expired under the rule on this amendment.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES.]

The amendment was agreed to.

The CHAIRMAN pro tempore. The next amendment is No. 6 to be offered by the gentleman from California [Mr. Bosco].

AMENDMENT OFFERED BY MR. BOSCO

Mr. BOSCO. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. Bosco: At the end of part C of title XXXI (page 462, after line 5), add the following new section:

SEC. 3133. SENSE OF CONGRESS ON NEGOTIATING AGREEMENTS TO ACHIEVE EARLY PROHIBITION OF NUCLEAR EXPLOSIONS.

(a) FINDINGS.—Congress finds the following:

(1) The United States, the Soviet Union, and Great Britain as signatory nations of the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water (Done at Moscow in 1963, commonly known as the Limited Test Ban Treaty) and the Treaty on the Non-Proliferation of Nuclear Weapons (Done July 1, 1968, commonly known as the Non-Proliferation Treaty) are committed to seek the permanent termination of all test explosions of nuclear weapons.

(2) The United States and the Soviet Union are engaged in nuclear testing talks in Geneva, Switzerland, and have signed an agreement on verification protocols to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes (Done in Washington and Moscow May 28, 1976, commonly known as the Peaceful Nuclear Explosions Treaty) and the Treaty on the Limitation of Underground Nuclear Weapon Tests (Done in Moscow July 3, 1974, commonly known as the Threshold Test Ban Treaty).

(3) In 1988, a quarter century after the signing of the Limited Test Ban Treaty, a number of states which are signatory nations to that treaty formally proposed an amendment to the treaty that would broaden its prohibition on testing in the atmosphere, in outer space, and under water to include underground testing.

(4) The formal request by more than one-third of the parties to the Limited Test Ban Treaty mandates the convening of a conference to consider the proposal for such an amendment.

(5) The prohibition of underground nuclear explosions would constrain the development and deployment of new generations of nuclear arms, reduce reliance upon nuclear arsenals, reinvigorate efforts to prevent nuclear proliferation, and substantially reduce the risk of future radioactive contamination of the environment.

(6) Nuclear weapons production and testing over the past 45 years has created an environmental crisis in the nuclear weapons industry that the Secretary of Energy estimates will cost more than $100 billion to rectify.

(7) The existing nuclear arsenal does not necessarily require modernization to ensure its reliability as a deterrent.

(8) Decisions to build and continue operating facilities in the nuclear weapons industry must be weighed against the further environmental degradation and threats to the public health that such activities may engender.

(9) Recent advances in verification techniques and recent agreements and understandings between the United States and the Soviet Union regarding in-country monitoring and on-site inspection have helped open the way to effective verification of a comprehensive ban.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, at the earliest possible date, the President of the United States should—

(1) reorder the priorities of the United States concerning nuclear weapons to take into account the reduced necessity for nuclear testing and the urgent need for environmental cleanup;

(2) convey to the Soviet Union the desire of the United States to resume immediately bilateral nuclear testing talks leading to the early achievement of a verifiable comprehensive test ban; and

(3) express to the signatory nations of the Limited Test Ban Treaty the willingness of the United States to prepare for and pursue negotiations in good faith in the conference called to amend the Limited Test Ban Treaty and provide for a verifiable comprehensive test ban.

The CHAIRMAN pro tempore. The gentleman from California [Mr. Bosco] will be recognized for 5 minutes in support of the amendment, and the gentleman from Arizona [Mr. KYL] will be recognized for 5 minutes in opposition.

The Chair recognizes the gentleman from California [Mr. Bosco].

Mr. BOSCO. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, the amendment I am presenting expresses a sense of Congress that the United States should convey to the Soviet Union the desire of our country to resume immediately the bilateral nuclear-testing talks leading to the early achievement of a verifiable comprehensive test ban.

I want to thank the chairman of the full committee for his help on this important endeavor and for the many Members of Congress who have joined me and over the many years have fought for this test ban treaty.

□ 1950

The idea of a comprehensive nuclear test ban treaty was first enunciated by President Eisenhower who felt very strongly that a test ban treaty was the key to prevent proliferation of nuclear weapons. It has been enunciated by every President since then, but yet the signing of such a treaty has proven to be very elusive.

Last week President Bush spoke eloquently about a new world order, and he pointed out that the crisis that our country is now facing in Iraq should spur our efforts to prevent nuclear proliferation. Terrorist countries like Iraq are capable of developing nuclear weapons in 3 to 5 years, and there is no move that we could make that would be more important in nonproliferation of nuclear weapons than nontesting of such weapons.

Just last week the international conference called to review the nonprolif-

eration treaty, broke down over the single issue of the U.S. refusal to negotiate the early achievement of the comprehensive test ban treaty. All Members realize there are important issues remaining in this debate, but our country should at least be at the negotiating table. Because of the environmental hazards of testing, because of the opportunity for a breakout now in proliferation in terrorist nations, and because the only way we have of preventing bigger and newer nuclear weapons is to prevent the testing of them. I ask that the Congress go along with this expression to the President that reflects our sentiment that the United States should be at the negotiating table.

Mr. KYL. Mr. Chairman, I would just take a full 5 minutes, and if the gentleman has a response after me, that is fine.

Mr. Chairman, since I have been on the Committee on Armed Services, the committee has never adopted a sense-of-the-Congress resolution such as this. As a matter of fact, this amendment was not heard by the Committee on Armed Services, and it is the kind of important position that should be the subject of hearings, and certainly the deliberations of the Committee on Armed Services. The amendment would express the sense of Congress that the United States should immediately engage in negotiations to reach a test ban treaty, a treaty that would ban the further testing of nuclear weapons. It does so on some fallacious grounds.

Among other things, it requires the United States to reorder its priorities to take into account what it says is the reduced need for nuclear testing. That is incorrect. The United States has increased the need for testing beyond that which is currently being done. Not because we are trying to develop bigger and more explosive, and more nuclear weapons, but precisely the opposite: Because we are trying to develop weapons that are smaller, are more precise, and have a smaller yield, and the kind of yield that is tailored to meet the specific requirements we have. Weapons which are very safe, which are very reliable, and if anything, the recent problems that we have had with a couple of our weapons demonstrate the need for testing to ensure the safety of our weapon.

As long as we rely upon nuclear weapons, we must test. No other weapon has testing limitations. No other weapons are as complex as nuclear weapons, and no other weapons present the need for safety and reliability as nuclear weapons do.

I would like to just briefly read from a letter that was submitted to James Watkins, Admiral Watkins, the Secretary of Energy, from the Laboratory Directors of Los Alamos and Lawrence Livermore, John Nicholls S.S. Hecker. What they said, among other things,

> The two of us are sufficiently concerned about the nuclear testing issues to write to you directly. Nuclear testing continues to be crucial to meeting nuclear weapons requirement. This fact has been dramatically underscored in the past two years with the events surrounding the W-79 artillery shell and the questions raised about the V-88 Trident II warhead.

The gentleman from South Carolina [Mr. SPRATT] and I are the chairman and the ranking member, respectively, of a special panel of the Committee on Armed Services, looking into the safety issues of these two particular weapons. We have talked to the experts. A special panel has been appointed to examine the issues. It may well be that testing is going to be required to determine some of these safety issues, and specifically determine whether possible replacements or modifications meet the safety requirements of the United States. That is why it is important that we not limit our own ability to test.

Now, I might add, in the same letter from Dr. Nicholls and Dr. Hecker they presented to the Secretary of Energy, they point out, as a matter of fact, their problem was that they really needed to increase by about double the amount of testing currently conducted in order to meet the safety reliability and credibility requirements for our nuclear stockpile. The point I am making, and I hope that my colleagues is, that this is not something to play around with by passing high-sounding, very dangerous senses of Congress resolutions. The committee ought to have considered this issue. It is very, very important. The experts involved, who have no particular axe to grind, are telling Members that testing is crucial to our requirements, particularly the safety issue. Therefore, we should not bind ourselves through the instigation of negotiations, which would place Members on record, at the very outset, as calling for a ban. Not just a limitation, but an outright ban, on nuclear testing.

Mr. Chairman, let me just conclude with this point: It seems to me that our colleagues have spoken a little bit earlier today on the question of the defense initiative question, and saying we are not ready to begin deployment of strategic defense for the United States. What that means, at least in the strategic sense, we continue to rely upon nuclear weapons for our deterrent. As long as we are relying upon nuclear weapons for our deterrent, we cannot take a chance that those weapons are unreliable or that they are not safe. That is something that would be jeopardized as a result of the adoption of this amendment.

Therefore, I implore my colleagues to reject this amendment. If it is an idea whose time has come to debate, then it can be presented to the Committee on Armed Services. We can debate it. We can have a full and thorough airing of it. If there are problems, we can correct the problems and bring them back to this body. There is no hurry, since the other two treaties before Members have not even been ratified or presented to the U.S. Senate for ratification, and the administration has already taken a position that these two treaties which provide some limitations, the 150 kiloton limitation specifically, until those two treaties have been in operation for some time, it is important for Members not to go forward with any other negotiations. We have time. We ought to do this right. We ought to reject this amendment.

Mr. BOSCO. Mr. Chairman, I yield 1 minute to the chairman of the Committee on Foreign Affairs, the gentleman from Florida [Mr. FASCELL].

Mr. FASCELL. Mr. Chairman, it has long been my view that the United States and the Soviet Union should not only seek quantitative constraints on our respective nuclear arsenals, but that we should seek qualitative constraints as well.

Qualitative constraints on nuclear testing would enhance the strategic stability between the two superpowers and complement strategic arms reductions by establishing limits on the future development of destabilizing nuclear weapons.

The amendment before you today offered by my distinguished colleagues on the Committee on Foreign Affairs, Representatives Bosco and LEACH, is an attempt to keep the pressure on both the United States and the Soviet Union to resume negotiations on nuclear testing leading to the early achievement of a comprehensive test ban.

The prohibition of underground nuclear testing would not only constrain the development and deployment of new generations of nuclear arms, but would aid in curbing the proliferation of this nuclear weapons technology.

The United States and the Soviet Union have recently made progress in the verification of nuclear testing limitation agreements that could aid in the verification of a United States-Soviet negotiated comprehensive test ban.

It is imperative that we build off the momentum of warming relations between the United States and the Soviet Union. We have tremedous opportunities before us to work together in this post cold war era—in the Persian Gulf, strategic and conventional negotiations, and in the area of nuclear testing.

Moreover, the United States and the Soviet Union are committed as signatories to the Limited Test Ban Treaty and the Treaty on the Non-Proliferation of Nuclear Weapons to seek an

end "to all test explosions of nuclear weapons for all time and to continue negotiations to this end."

It is time to get back on track and meet our international commitments in the area of arms control.

It is time to resume negotiations with the Soviets on an end to nuclear testing at the earliest possible date.

I strongly urge my colleagues to support the Bosco amendment.

SUPPORT A NEGOTIATED END TO NUCLEAR TESTING, VOTE YES ON THE BOSCO AMENDMENT

HOUSE OF REPRESENTATIVES,
Washington, DC, September 12, 1990.

DEAR COLLEAGUE: Today you will have an opportunity to help bring American nuclear weapons research, development, and testing into the post-Cold War era.

In spite of Reagan Administration pledges, the Bush Administration has announced that it will pause for an indefinite "period of implementation" before continuing negotiations on nuclear testing. We are disappointed that the Bush Administration has failed to take up the Soviet Union's offer to immediately resume bilateral nuclear testing talks leading to the early achievement of a comprehensive test ban (CTB).

Continued negotiations toward a CTB are consistent with Armed Services Committee efforts to shape a U.S. military capable of meeting the new challenges of a post-Cold War world. Specifically, we are convinced that further restrictions on underground nuclear explosions would constrain the development and deployment of new generations of nuclear arms, reduce reliance upon nuclear arsenals, reinvigorate efforts to prevent nuclear proliferation, and reduce the risk of future radioactive contamination of the environment.

Furthermore, we believe a CTB agreement could be verifiable. Recent advanced in verification techniques and recent agreements and understandings between the United States and the Soviet Union regarding in-country monitoring and on-site inspection have helped open the way to effective verification of further restrictions on nuclear testing or a comprehensive ban.

In the context of the dramatically changing East-West relationship, continued negotiations towards a mutually verifiable CTB represent a step towards eliminating the threat of nuclear war and the proliferation of nuclear weapons. We urge your support for the Bosco amendment to the FY91 Defense Authorization bill.

For further information please call David Saybolt at 5x3311.

Cordially,

DANTE B. FASCELL,
JOHN M. SPRATT, JR.
DOUGLAS H. BOSCO.
LES ASPIN.

DON'T LET THE NON-PROLIFERATION TREATY FALTER, SUPPORT THE BOSCO TEST BAN AMENDMENT

HOUSE OF REPRESENTATIVES,
Washington, DC, September 11, 1990.

DEAR COLLEAGUES: In the 22 years since the signing of the Non-Proliferation Treaty in 1968, the NPT has served as a bulwark against the spread of nuclear weapons throughout the third world. Now when we need its protections more than ever, we cannot allow the NPT to falter.

It is estimated that Iraq has the potential to gain nuclear weapons capabilities within three to five years. This would mark the first time a Non-Weapons State party to the NPT had violated that treaty's strict prohibition against producing nuclear weapons, thereby setting a dangerous precedent. Like the first crack in the dike, an Iraqi bomb could lead to a flood-tide of nuclear weapons development in the third world.

As Secretary Baker told the Foreign Affairs Committee last week, "Resolution of today's [Iraq] crisis should also become a springboard for a sustained international effort to curb the proliferation of chemical, biological, and nuclear weapons and ballistic missiles in the region and elsewhere."

We believe a key way to shore up the international consensus against nuclear proliferation is to move quickly to negotiate a Comprehensive Test Ban (CTB) on the testing of nuclear weapons. The NPT itself commits signatory states to seek the permanent termination of all test explosions of nuclear weapons. Non-Weapons States have made abundantly clear that they expect to hold us to our end of the NPT bargain: non-nuclear states don't go nuclear and nuclear states work towards a CTB.

The Bosco amendment to the FY 91 Defense Authorization bill urges the President to pursue a mutally-verifiable Comprehensive Test Ban in negotiations with the Soviets and at the Limited Test Ban Treaty review conference in January. The text of the amendment appears on the reverse.

For further information please call David Saybolt at 5x3311.

DANTE B. FASCELL,
BILL GREEN.
DOUGLAS H. BOSCO,
JIM LEACH.

TEXT OF BOSCO AMENDMENT TO H.R. 4739

SEC. 3133. SENSE OF CONGRESS ON NEGOTIATING AGREEMENTS TO ACHIEVE EARLY PROHIBITION OF NUCLEAR EXPLOSIONS.

(a) FINDINGS.—Congress finds the following:

(1) The United States, the Soviet Union, and Great Britain as signatory nations of the Treaty Banning Nuclear Weapon Tests in the Atmosphere, in Outer Space and Under Water (Done at Moscow in 1963, commonly known as the Limited Test Ban Treaty) and the Treaty on the Non-Proliferation of Nuclear Weapons (Done July 1, 1968, commonly known as the Non-Proliferation Treaty) are committed to seek the permanent termination of all test explosions of nuclear weapons.

(2) The United States and the Soviet Union are engaged in talks in Geneva Switzerland, and have signed an agreement on verification protocols to the Treaty Between the United States of America and the Union of Soviet Socialist Republics on Underground Nuclear Explosions for Peaceful Purposes (Done in Washington and Moscow May 28, 1976 commonly known as the Peaceful Nuclear Explosions Treaty) and the Treaty on the Limitation of Underground Nuclear Weapons Tests (Done in Moscow July 3, 1974, commonly known as the Threshold Test Ban Treaty).

(3) In 1988, a quarter century after the signing of the Limited Test Ban Treaty, a number of states which are signatory nations to that treaty formally proposed an amendment to the treaty that would broaden its prohibition on testing in the atmosphere, in outer space, and under water to include underground testing.

(4) The formal request by more than one-third of the parties to the Limited Test Ban Treaty mandates the convening of a conference to consider the proposal for such an amendment.

(5) The prohibition of underground nuclear explosions would constrain the development and deployment of new generations of nuclear arms, reduce reliance upon nuclear arsenals, reinvigorate efforts to prevent nuclear proliferation, and substantially reduce the risk of future radioactive contamination of the environment.

(6) Nuclear weapons production and testing over the past 45 years has created an environmental crisis in the nuclear weapons industry that the Secretary of Energy estimates will cost more than 100 billion dollars to rectify.

(7) Recent advances in verification techniques and recent agreements and understandings between the United States and the Soviet Union regarding in-country monitoring and on-site inspection have helped open the way to effective verification of a comprehensive ban.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, at the earliest possible date, the President of the United States should—

(1) reorder the priorities of the United States concerning nuclear weapons to take into account the reduced necessity for nuclear weapons and the urgent need for environmental cleanup;

(2) convey to the Soviet Union the desire of the United States to resume immediately bilateral nuclear testing talks leading to the early achievement of a verifiable comprehensive test ban; and

(3) express to the signatory nations of the Limited Test Ban Treaty the willingness of the United States to prepare for and pursue negotiations in good faith in the conference called to amend the Limited Test Ban Treaty and provide for a verifiable comprehensive test ban.

Mr. BOSCO. Mr. Chairman, I yield 1 minute to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Chairman, I support the amendment, but I also agree with what the gentleman from Arizona [Mr. KYL] said. We need to continue some testing for safety purposes. We also have an obligation under article 6 of the Nuclear Nonproliferation Agreement as a signator, which possesses nuclear weapons in order to strengthen and sustain a nonproliferation regime, to negotiate with the other super powers for a cessation of testing.

Frankly, I think we should have a phaseout and not a complete cessation of testing. I think we should step down the annual numbers, step down the yield, and work away from testing, while we can use testing practically for safety purposes. The gentleman from Arizona [Mr. KYL] is right. We have weapons now which could be safer than they actually are in our arsenal. If we are to replace the pits in the weapon with fire-resistant pits or put modern electrical safety devices or intensive high explosives into the existing warheads, we need to test the warheads in order to determine that they are operative and viable. So testing serves a purpose. But we have solemn obligation we have undertaken, and

that is the reason the gentleman's amendment is here.

Mr. Chairman, I rise to support the Bosco amendment.

At the Moscow summit in 1988, the United States and the Soviet Union pledged to negotiate limits on nuclear testing, leading ultimately to complete cessation of testing. These negotiations were to start after agreement on verification measures for the Threshold Test Ban [TTB] Treaty and the Peaceful Nuclear Explosion [PNE] Treaty. In spite of this pledge, the Bush administration announced last January that after verification measures for the TTB and the PNE are agreed upon, the United States will not resume negotiations with the Soviet Union leading to a comprehensive test ban [CTB]. The Bush administration broke with President Reagan's pledge because it could not identify further limits on nuclear testing that serve the national security interests of the United States.

If our national interests were not evident then, they should be now, because the confrontation with Iraq shows just how testing limits might serve our security interests. Two years ago, just before our reflagging of the Kuwaiti tankers, I went to Baghdad with an Aspin Codel, and met there with Tariq Aziz, Foreign Minister of Iraq. I asked Tariq Aziz how his country, a signatory to the Geneva Convention, defended its use of chemical weapons. He said that his Iraq's policy was officially to deny that it used such weapons, but that the evidence was too plain for him to fall back on official denial. Tariq Aziz said that the Iran-Iraq war may have begun as a border war, but that it had become a war for survival of his country and its religion and way of life. "Yes, we are using chemical weapons," he said, "and if we had nuclear weapons, we would use them too."

His candor was a chilling reminder of why the world needs a Nuclear Nonproliferation Treaty. Probably the most important reason for continuing negotiations toward a test ban is that these negotiations can add strength and support to a nonproliferation regime. The preamble of the Nonproliferation Treaty, signed on July 1, 1968, cites the determination of the signatories to the 1963 Partial Test Ban Treaty "to seek to achieve the discontinuance of all test explosions of nuclear weapons for all time and to continue negotiations to this end." Article VI of the Nonproliferation Treaty goes on to state that:

Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a treaty on general and complete disarmament under strict and effective international control.

I know agreement on CTB will not come easily. For my part, I am not at all convinced that we should cease testing completely. But if we abandon negotiations, we will send a message to the world that we are abandoning one of our responsibilities under the Nuclear Nonproliferation Treaty.

I think we should take up negotiations aimed at achieving phased reductions in the threshold, or explosive power, of nuclear weapons testing, and the overall number of tests each year. Reductions in both levels would allow us to refine verification techniques and would slow down the race to nuclear weapons modernization. Phased reductions would allow the Nation's nuclear weapons labs to work on the reliability and safety of the nuclear weapons arsenal, and prepare to certify the safety and reliability of the arsenal in the event of a comprehensive test ban treaty.

So, while I think phased reductions would be in our national security interest, I question the advisability of concluding a comprehensive test ban at this time. I chair the Armed Services Committee's panel on defense nuclear facilities, and over the last year, we have undertaken a close study of our nuclear arsenal. Only about one-quarter of the weapons in the U.S. arsenal contain insensitive high explosive, which is used to fire the primary, and only about half contain nuclear detonation devices with enhanced safety features. Insensitive high explosive or IHE is much less likely to detonate than conventional explosive in the case of an accident involving a nuclear weapon, such as being dropped from an airplane or a crane, or damaged in a truck crash, or engulfed in fire. The newest nuclear detonation devices genuinely enhance safety. They reduce the risk that a weapon might be electronically detonated by accident in a fire or by a bolt of lightning.

If we were to replace the conventional high explosive in weapons such as the SRAM-A and the W-88 Trident/D-5 warheads with insensitive high explosive [IHE], in order to reduce the risk of plutonium scatter as a result of an accident, we would require nuclear explosive testing. Testing would also be required if we were to incorporate fire-resistant pits in warheads that do not now use fire-resistant pits, and if we were to insert advanced electronic detonation and control systems in warheads built before such devices became available.

In the late 1980's, the national labs identified some troubling safety problems through experimental nuclear explosive testing. Computer modeling of nuclear explosions is in its infancy and was consistently wrong when used to model the problems recently uncovered by the labs. Nuclear explosive testing remains the only way reliably to certify a weapon as "one-point safe" against a nuclear yield in the case of an accident. Over the past few years, over half of all U.S. nuclear tests were performed to evaluate safety issues.

Because of the safety issues identified by the national labs, the leadership of the House and Senate Armed Services Committees asked three eminent physicians, Dr. Sidney Drell of Stanford, Dr. John Foster, chairman of the Defense Science Board, and Dr. Charles Townes of the University of California at Berkeley, to evaluate nuclear weapons safety concerns. The panel will shortly report its findings; and I anticipate that the panel will recommend new standards and a new emphasis on nuclear weapons safety, and implementing these recommendations may require testing.

In summary, Mr. Chairman, I support this amendment, because I think nuclear nonproliferation should be a strong priority; and if we are to keep the NPT, we need to keep faith with its provisions. I do think, however, that we should move away from testing in phases, lowering first the maximum yield and annual number of tests, and continuing those nuclear tests that prove the viability of safety features.

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Mr. BOSCO. Mr. Chairman, I yield my remaining 1 minute to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK. Mr. Chairman, I congratulate the gentleman from California. We have been focusing on Saddam Hussein. He had been invoked in inappropriate context in this debate. This is the appropriate context in which to worry about a Saddam Hussein.

As the tension between the United States and Russia subsides, thanks to our resolve and our victory in that particular struggle, the more serious danger becomes that of proliferation.

The town drunks will not do a good job of preaching temperance. Neither we nor the Russians are going to become nonnuclear. We should not pretend that is a desirable goal, but if we continue to test our moral ability to persuade the rest of the world to follow a nonproliferation regime, it is substantially eroded.

Passage of this resolution is the way to deal with the real danger that is presented to our security from the Saddam Husseins and others in the world. We must set an example of being willing to cease testing, and now that our tension with the Soviets has in fact subsided we have a chance to do that.

Mr. GREEN of New York. Mr. Chairman, for years I have stood before this body and argued that the biggest threat of nuclear catastrophe comes not from problems between the Soviets and us, but because of the problem that a Libya, Iraq, or some country of that sort is going to develop nuclear weapons. Today I think few would contest the truth of that thesis.

Halting the spread of nuclear weapons must be a top priority for the international community if, in the years to come, we are to avoid the kind of high stakes conflict we currently face in the Persian Gulf. One clear step we can take is to enact further restrictions on underground nuclear explosions so as to constrain the development and deployment of a new generation of nuclear arms.

The administration is showing keen awareness of the link between our present crisis and the larger issue of nonproliferation. Secretary of State Baker recently said:

Resolution of today's crisis (with Iraq) should also become a springboard for a sustained international effort to curb the proliferation of chemical, biological, and nuclear weapons and ballistic missiles in the region and elsewhere.

Negotiations toward a comprehensive test ban [CTB] are critical to developing the international effort envisioned by Secretary Baker. Progress toward a CTB is regarded by the nonnuclear weapons states to be an absolute minimum condition for superpower compliance with article VI of the Nuclear Nonproliferation Treaty [NPT], which encourages weapons

states to agree to negotiate good faith reductions of nuclear arsenals. If the Soviets and we will not comply with article VI, we cannot expect the nonnuclear powers to comply with the other parts of the NPT which require those nonnuclear states not to become nuclear states. The longer the superpowers stall on a CTB, the greater the prospects are that some nonnuclear weapons states will resist efforts to extend the NPT, which is up for renewal in 1995.

In addition, the willingness of the non-superpower nuclear weapons nations such as France, the United Kingdom, and the People's Republic of China to cooperate with the United States and the Soviet Union in a more restrictive nuclear test ban is essential to the long term success of global efforts to limit nuclear warhead development. Those three nations, however, currently resist further restrictions on nuclear testing, believing that the two superpowers must lead the way by first achieving significant cuts in their nuclear and conventional forces before expecting other nuclear weapons states to accept further testing restrictions.

Thus, at this historic juncture, the superpowers have an immense responsibility to lead on the issue of a CTB. The nonnuclear states will continue to pressure the United States and the Soviets to develop specific steps toward eliminating nuclear testing. Last month I participated in a forum in Geneva in connection with the Fourth NPT Review Conference. At that forum, I was told by Victor Slipchenko, Adviser to the Soviet Foreign Ministry, that for the Soviets the CTB is a major objective. According to Mr. Slipchenko, the U.S.S.R. is not currently testing. Cheynobyl has had a significant impact on the nuclear weapons program, and a unilateral halt to weapons development is being considered. I have checked with the administration, and they have confirmed that to their knowledge, the Soviets have not tested since October 1989.

The Fourth NPT Review Conference ended a few days ago in deadlock because the United States continues to oppose firmly committing our Nation to negotiations toward a CTB. Congress has long pushed the administration on this urgent issue, and today we must continue that course. I strongly urge my colleagues to support the Bosco amendment, so that the Soviets and we can resume talks to achieve a verifiable CTB.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. Bosco].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. KYL. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. The vote will be postponed until later in the legislative day, pursuant to the earlier notification to the Members.

The next amendment in order under the committee report is to be offered by the gentlewoman from California [Mrs. BOXER].

AMENDMENT OFFERED BY MRS. BOXER

Mrs. BOXER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. BOXER:

At the end of part C of title VIII (page 210, after line 24), insert the following new sections:

SEC. 823. PROHIBITION OF CERTAIN RETALIATORY ACTION AGAINST WHISTLEBLOWERS.

(a) PROHIBITION ON CERTAIN UNFAVORABLE PERSONNEL ACTIONS.—(1) Section 1034(b) of title 10, United States Code, is amended—

(A) by inserting "(1)" before "No person may take"; and

(B) by adding at the end the following new paragraph:

"(2) For purposes of paragraph (1), An unfavorable personnel action includes the inappropriate use of a mental health evaluation or involuntary psychiatric hospitalization. In the case of any such unfavorable personnel action, the communication described in the first sentence of such paragraph shall be read as including a communication to any appropriate authority in the chain of command of a member of the armed forces (in addition to a communication to a Member of Congress, or an Inspector General). For purposes of this paragraph, the term 'mental health evaluation' includes a psychiatric evaluation, an examination for psychological fitness for duty, and any other means of assessing a member's psychological state or mental health.".

(2) Section 1034(c)(2) of such title is amended by inserting after "Inspector General" the following: "(or, in the case of an unfavorable personnel action described in subsection (b)(2), any appropriate authority in the chain of command of the member)".

(b) ADDITIONAL PROVISIONS RELATING TO REFERRALS FOR MENTAL HEALTH EVALUATION OR INVOLUNTARY HOSPITALIZATION.—Section 1034 of such title is further amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection:

"(h) ADDITIONAL PROVISIONS RELATING TO REFERRALS FOR MENTAL HEALTH EVALUATION OR INVOLUNTARY HOSPITALIZATION.—(1) Any person who knowingly, willfully, and without reasonable cause attempts to cause any member of the armed forces to be committed to a facility for treatment of a mental health disorder is subject to a fine of not more than $25,000 or, in the case of a person who is a member of the armed forces, punished as a court-martial may direct.

"(2) Nothing in this section is intended to discourage the use of referrals for appropriate mental health evaluations of members of the armed forces.".

SEC. 824. ADVISORY COMMITTEE ON MENTAL HEALTH EVALUATION PROTECTIONS.

(a) REQUIREMENT.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall establish an advisory committee to carry out the functions described in subsection (d).

(b) MEMBERSHIP.—The advisory committee shall include not fewer than 11 members, including the following:

(1) Three board-certified psychiatrists who are officers of the Armed Forces, one of whom shall be an officer in the Medical Corps of the Army, one of whom shall be an officer in the Medical Corps of the Navy, and one of whom shall be designated as a medical officer in the Air Force.

(2) One board-certified psychiatrist who is a civilian not employed by the Department of Defense, with expertise in procedures for the psychiatric commitment of civilian adults.

(3) Three clinical psychologists who are officers of the Armed Forces and who have been awarded a diploma as a Diplomate in Psychology by the American Board of Professional Psychology. One of the psychologists shall be an officer in the Medical Corps of the Army, one shall be an officer in the Medical Service Corps of the Navy, and one shall be a biomedical sciences officer in the Air Force.

(4) One clinical psychologist who is a civilian not employed by the Department of Defense and who has been awarded a diploma as a Diplomate in Psychology by the American Board of Professional Psychology.

(5) Three judge advocates, one each from the Army, the Navy, and the Air Force, with expertise in pretrial restraint and other procedures associated with the mental health evaluation of individuals subject to the Uniform Code of Military Justice.

(6) An attorney who is a civilian not employed by the Department of Defense, with expertise in legal procedures associated with the psychiatric commitment of civilian adults.

(7) Such other civilian officials (employed by the Department of Defense or otherwise employed) and members of the Armed Forces as the Secretary considers appropriate.

(c) CHAIRMAN.—The Secretary of Defense shall appoint a chairman of the advisory committee from among the members of the committee.

(d) FUNCTIONS.—(1) The advisory committee shall develop regulations to recommend to the Secretary on uniform procedural protections that should be afforded to any member of the Armed Forces who is referred by a commanding officer for a mental health evaluation by a mental health professional. The recommended regulations shall include appropriate procedural protections according to whether the evaluations are to be carried out on an outpatient or inpatient basis and whether, based on the results of the evaluation, the member is involuntarily hospitalized in a mental health treatment facility. In developing the regulations with respect to procedural protections for evaluations conducted on an inpatient basis, the committee shall take into account any guidelines regarding psychiatric hospitalization of adults prepared by professional civilian mental health organizations.

(2) The advisory committee shall identify any special or additional procedural protections that should be afforded to any member who is referred for a mental health evaluation following communication with a member of Congress or an Inspector General as described in section 1034 of title 10, United States Code.

(e) REPORT.—(1) Not later than six months after the date of the enactment of this Act, the advisory committee shall submit to the Secretary of Defense a report containing the recommended regulations and such other information as the committee considers appropriate.

(2) Not later than 30 days after receipt of the report under paragraph (1), the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives the report of the advisory committee, along with such addi-

tional comments and recommendations by the Secretary as the Secretary considers appropriate.

(f) REGULATIONS.—Not later than 180 days after receipt by the committees described in subsection (e)(2) of the report, comments, and recommendations described in that subsection, the Secretary of Defense shall promulgate regulations based on the recommendations developed by the advisory committee.

The CHAIRMAN pro tempore. The gentlewoman from California [Mrs. BOXER] will be recognized for 5 minutes, and a Member in opposition will be recognized for 5 minutes.

Mr. ASPIN. Mr. Chairman, the gentleman in opposition is the gentleman from Massachusetts [Mr. MAVROULES].

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes in opposition.

The Chair recognizes the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. Mr. Chairman, I yield 2 minutes to the gentleman from Washington [Mr. MCDERMOTT]. Not only is the gentleman a Member of Congress, he is the only psychiatrist in the House of Representatives and I think he is eminently qualified to talk about my amendment, which would ban the psychological harassment of whistleblowers.

Mr. MCDERMOTT. Mr. Chairman, I want to commend my colleague, Congresswoman BOXER, for offering this important amendment.

The purpose of this amendment is to prevent the military from forcing whistleblowers to undergo unnecessary psychiatric evaluations or treatment. Too often, whistleblowers have been put through psychological tests, psychiatric interviews, and even involuntary commitment to institutions, not because they were sick, but because they tried to tell the truth.

The committee language calls for a commission to study the problem—and that is a step forward. But I believe we already know what we need to know—that the abuse of psychiatry is wrong and must be stopped. The Boxer amendment would forbid this kind of harassment and punish those who engage in it.

The use of psychiatry to suppress and punish dissent was among the worst features of Soviet tyranny in the Brezhnev era. The World Psychiatric Association condemned Soviet psychiatry. Today, Soviet psychiatrists are trying to rejoin the civilized medical community. We cannot allow our armed forces to do what we rightly condemned the Soviets for doing.

I cannot stress enough how much damage the misuse of psychiatric evaluations and forced hospitalization can do to an individual. Military whistleblowers already face a wrenching conflict between loyalty to their employer and their fundamental sense of right and wrong. They should be encouraged to perform their duty—not harassed and stigmatized by the country they serve for trying to do the right thing.

Like other institutions, the military often protects its own ranks. So it is up to us to protect those who put the truth first. Both the American Psychiatric Association and the American Psychological Association agree and endorse the Boxer amendment. I urge my colleagues to support it as well.

Mr. MAVROULES. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Chairman, I have a long policy over 14 years here of supporting whistle blowers in the Defense Department, going way back to the most famous case of all I guess, Ernie Fitzgerald, who I guess I supported for years, but I believe again this is an amendment that should have gone through the subcommittee and committee process.

I rise in the name of the gentleman from Alabama [Mr. DICKINSON] to call attention to the Members of this House that this amendment is opposed by both Chairman ASPIN and the distinguished gentleman from Massachusetts and the ranking Republican also on the Investigations Subcommittee.

The subcommittee has looked at this, has already included a provision in the bill that addresses whistle blower protections. They believe that the Advisory Committee established by the bill is the best way to explore whether changes in the law are necessary on this point; so does the gentleman from Alabama [Mr. DICKINSON] and so do I.

Mr. MAVROULES. Mr. Chairman, I yield 2½ minutes to the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. Mr. Chairman, I rise in opposition to the Boxer amendment. This amendment would modify the committee bill provision that was adopted after a hearing and full consideration of the issue. The gentlewoman's provision, while well intentioned, is flawed and unworkable.

The committee position establishes an advisory committee composed of military and civilian experts to make recommendations on what protections are necessary for military whistleblowers. The changes that would be made by the Boxer amendment would preempt the work of the advisory committee by directing changes to the law and regulations in advance of the advisory committee's recommendations.

The Boxer amendment would mandate that inappropriate use of a mental health evaluation or involuntary psychiatric hospitalization is an unfavorable personnel action, but it does not define what is inappropriate use. The danger is that individuals may avoid seeking help because of the perception that it will jeopardize their career. In addition, officials may not refer people for help for fear of hurting someone's career or for fear of violating this provision.

The amendment would provide criminal penalties, before the advisory committee ever decides whether criminal penalties are needed. This provision would also punish someone who tried to have a person committed, even though the person might have agreed to the hospitalization. Officials may simply not refer mentally ill people for fear of being held criminally liable.

Before we go changing the law radically, we need to study what changes are necessary and in the best interests of individuals and the military. The committee bill follows this measured approach, and the Boxer amendment does not. I strongly urge my colleagues to vote against it.

Mrs. BOXER. Mr. Chairman, I reserve the right to close the discussion, if I might, since it is my amendment, if that is all right with the gentleman from Massachusetts.

The CHAIRMAN pro tempore. The Chair would note that the gentleman from Massachusetts, as a member of the committee and supporting the committee position, may close the debate.

Mrs. BOXER. Mr. Chairman, I would ask the gentleman if he would allow me to close the debate.

Mr. MAVROULES. Mr. Chairman, I do not have any problem with that. Must we get permission from the Chair?

The CHAIRMAN pro tempore. The gentleman from Massachusetts can yield time for that purpose. The gentleman may use his remaining time in debate at this moment.

Mr. MAVROULES. Mr. Chairman, I reluctantly rise in opposition to the amendment offered by the gentlewoman from California.

Let me begin by noting that the Subcommittee on Investigations held a hearing on military whistleblower protections this year, and held two hearings on this subject in the last Congress. As a result of those hearings, and in a spirit of cooperation with the gentlelady from California, we have included a provision in this year's authorization bill. I believe that provision is more than adequate to achieve the end of protecting military whistleblowers. The subcommittee reviewed Mrs. BOXER's amendment when we marked up this bill. We agreed that she had put her finger on a legitimate problem, but we didn't agree with her proposed solution.

The solution the committee adopted would establish an advisory committee composed of expert military and civilian psychiatrists, psychologists, and attorneys. This advisory committee would develop regulations on procedural protections, such as the opportunity for a hearing, for whistleblowers

referred for mental health examinations. The recommendations of the advisory committee would then be reviewed by Congress before any regulations are adopted.

Mrs. BOXER's amendment goes too far too fast. It would classify all involuntary hospitalizations for mental health evaluations as unfavorable personnel actions, regardless of whether or not the individual needs help. The amendment would provide criminal penalties, including a $25,000 fine, for seeking the improper commitment of a military member. But the amendment does not define what is improper. It does not take into account situations where the individual commits himself voluntarily. Finally, the amendment would require the Secretary of Defense to adopt regulations after submission of an advisory committee's report without an opportunity for congressional review.

The current bill language, adopted after careful consideration by the Subcommittee on Investigations and ratified by the full Committee on Armed Services, directs the advisory committee to examine these matters and report to the Secretary of Defense and to the Congress. Under the bill, Congress would review the advisory committee's findings and would initiate discussions on how best to implement them.

In short, the bill provision directs the advisory committee to consider those items about which Mrs. BOXER is concerned, while Mrs. BOXER's amendment tells the advisory committee what conclusions to reach. I thank Mrs. BOXER for pinpointing a real problem. But her amendment is not the proper solution. The Department of Defense opposes Mrs. BOXER's legislation. As the subcommittee chairman I oppose it, and I urge my colleagues to do the same.

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Mrs. BOXER. Mr. Chairman, I yield 1 minute to the gentleman from Iowa [Mr. GRANDY].

Mr. GRANDY. I thank the gentlewoman for yielding.

Mr. Chairman, I rise in strong support of this amendment. I do so because I have spent the better part of the last 3½ years that I have served here trying to resolve one of these whistle-blower cases. It is a long, difficult procedure, and if justice is at the end of the tunnel, then I think that is surely justice delayed.

I have finally gotten, through the Board of Corrections of Military Review, medical records that have stricken the psychological evaluations of this service person in question. What has not been restored are any of his back pay, any of his position, or any of his rights under due process.

Now, you can argue that the gentlewoman's amendment goes too far too fast. I would argue that the present process does too little for too long a time.

I urge support of the amendment.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentlewoman from California is recognized for 2 minutes.

Mrs. BOXER. Mr. Chairman, I have been working for 3 years on this issue, but I am going to try to tell it all in 2 minutes.

I want to say to my dear friend, the gentleman from Massachusetts [Mr. MAVROULES] that when I went to him with these horror stories, he was very open. He said to me, "Barbara, I can see that you have a point here. I am willing to hold hearings on this issue." He issued me a challenge. He said, "You show me the cases, you bring the people forward, and you get the support of the American Psychiatric Association and the American Psychological Association, and if you do that I think we are going to be able to move forward."

I did that. As a matter of fact, I had to work very hard with these associations. At first they were not supportive. We reworked the bill and gained their support.

What does the bill do? It makes it illegal to use psychological examinations or psychiatric hospitalization to punish military whistleblowers.

Who could object to that? This is America. People are being harassed; they are being harmed for life; they are being driven out of the military. Why? Because they tell the truth about fraud, waste, abuse.

Maybe they blow the whistle on a superior. Sure, the Pentagon does not like it. They want to shut up the people who know something, who will come forward, who will tell the taxpayers the truth, who will tell the truth about abuses in the military.

And we do not spell out everything in the bill. I think we are very good on that. We allow time for the Pentagon to come back with regulations on how to treat this issue.

I do not have much time, but I want to tell you about one gentleman who is in the Green Berets. You are going to learn a lot more about this gentleman.

He blew the whistle on a gun-running operation that he was witnessing in Thailand, he and a buddy.

The fact of the matter is he went to his superiors, he did his duty as a good American, he told the truth about people that were profiting by selling ammunition and guns—and maybe they were even selling them to the Khmer Rouge. We are not sure. The Inspector General is going to find out.

What happened to this gentleman, this hero who came forward? They put him in for psychiatric evaluation to stop him in his tracks. And do you know what the psychiatrist said in this particular case? "This is baloney. This man is perfectly fine. He is telling the truth. This is being used as a harassment technique." That is what the psychiatrist said.

I say this is America, let us vote for the Boxer/McDermott amendment and end this horrible, despicable practice.

The CHAIRMAN. All time on this amendment has expired.

The question is on the amendment offered by the gentlewoman from California [Mrs. BOXER].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mrs. BOXER. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the earlier notification to Members, that recorded vote will be delayed until later in the legislative day.

Pursuant to the rule, the next amendment in order is amendment No. 8, to be offered by the gentlewoman from California [Mrs. BOXER].

AMENDMENT OFFERED BY MRS. BOXER

Mrs. BOXER. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mrs. BOXER: At the end of part B of title VIII (page 197, after line 21), insert the following new section:

SEC. 816. AUTHORITY TO SUSPEND PAYMENTS.

(a) AUTHORITY.—Section 2307 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f)(1) In any case in which the remedy coordination official or organization (as defined in paragraph (4)) within an agency determines that there is substantial evidence that the request of a contractor for advance, partial, progress, or other payment under a defense contract awarded by that agency is fraudulent, the head of the agency concerned shall suspend the payment being requested and all further payments under the contract unless the agency head determines and justifies in writing that the suspension (A) would unduly interfere with or jeopardize a law enforcement investigation, or (B) would be inconsistent with the national security objectives of the United States. Each written document containing such a determination and the justification for the determination shall be maintained in the files of the agency concerned.

"(2) The suspension of payments under this subsection may not be terminated unless the head of the agency concerned determines and justifies in writing (A) that the evidence upon which the suspension was based is erroneous, or (B) that there are other compelling reasons to terminate the suspension. Each written document containing such a determination and the justification for the determination shall be maintained in the files of the agency concerned.

"(3) Not later than one year after a suspension of payments is made under this subsection, the remedy coordination official or organization of the agency concerned shall

review the evidence of fraud that triggered the suspension for purposes of determining whether the suspension should continue or be terminated.

"(4) For purposes of this subsection, the term 'remedy coordination official or organization' means the person or entity who coordinates, within an agency to which this chapter applies, criminal, civil, administrative, and contractual remedies stemming from investigation of fraud or corruption related to procurement activities.".

(b) INFORMATION FROM CONTRACTOR.—Subsection (e) of section 2307 is amended by adding at the end the following: "The contractor shall provide information and quantifiable evidence sufficient to allow the Secretary of Defense to carry out the preceding sentence.".

(c) EFFECTIVE DATE.—Section 2307(f) of title 10, United States Code, and the second sentence of section 2307(e)(1) of such title, as added by subsections (a) and (b), shall apply with respect to contracts entered into after the expiration of the 180-day period beginning on the date of the enactment of this Act.

The CHAIRMAN pro tempore. The gentlewoman from California [Mrs. BOXER] will be recognized for 5 minutes, in support of the amendment.

The Chair inquires, is there a Member in opposition to this amendment?

If not, the Chair recognizes the gentlewoman from California [Mrs. BOXER].

Mrs. BOXER. I yield myself such time as I may consume.

Mr. Chairman, I will only take a very brief amount of time.

Mr. Chairman, I thank my colleagues in this particular case for standing with me. This is a very simple amendment. It is a wonderfully simple amendment.

It says that if there is evidence that a contractor is involved in fraud in a particular defense contract, then the progress payments to that contractor will be suspended. I think this is a good move forward.

At the present time it is not the law. This would stop progress payments, taxpayer money, from going to the contractors who are involved or are suspected of being involved in fraud.

Mr. Chairman, I yield to my good colleague, the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, on this side we have reviewed this amendment very carefully, and we certainly have no objection to the amendment being offered. We are willing to accept the amendment.

Mrs. BOXER. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. Mr. Chairman, I thank the gentlewoman for yielding.

Mr. Chairman, we have looked at the amendment on this side and have no strong objections. But I understand that the industry has raised some concerns which I intend to look at closely when we get to conference.

I thank the gentlewoman for yielding.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentlewoman from California [Mrs. BOXER].

The amendment was agreed to.

The CHAIRMAN pro tempore. Pursuant to the rule, the next amendment to be considered is amendment No. 9, to be offered by the gentleman from Texas [Mr. BRYANT] or his designee.

Mr. ASPIN. Mr. Chairman, I would like to inform the Members that that amendment is going to be in the en bloc amendments.

The CHAIRMAN pro tempore. The next amendment, pursuant to the rule, to be offered is amendment No. 10, to be offered by the gentleman from California [Mr. CAMPBELL].

Mr. ASPIN. Mr. Chairman, that is in the en bloc amendments as well.

The CHAIRMAN pro tempore. Pursuant to the agreement, the next amendment in the report is amendment No. 11, to be offered by the gentleman from New Jersey [Mr. COURTER].

Mr. ASPIN. Mr. Chairman, I think there is a chance that the gentleman from New Jersey is not going to offer that amendment.

If he is not here on the floor, I would say he is not going to offer it.

The CHAIRMAN pro tempore. The Chair inquires: Is there any Member who has been designated to offer that amendment in place of the gentleman from New Jersey?

Mr. ASPIN. Mr. Chairman, I think he did tell us that he was not going to offer the amendment.

The CHAIRMAN pro tempore. In that event, the next amendment in order is No. 12, to be offered by the gentleman from Washington [Mr. DICKS].

Mr. ASPIN. Mr. Chairman, all the rest of the amendments are en bloc. The next amendment to be discussed here is No. 17, the amendment of the gentleman from Massachusetts [Mr. FRANK].

The CHAIRMAN pro tempore. Is it the Chair's understanding that amendments 12 through 16 are going to be offered en bloc?

Mr. ASPIN. That is correct, Mr. Chairman.

The CHAIRMAN pro tempore. It is now in order to consider amendment No. 17, to be offered by the gentleman from Massachusetts [Mr. FRANK].

AMENDMENT OFFERED BY MR. FRANK

Mr. FRANK. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. FRANK: At the end of part D of title II (page 40, after line 23), insert the following new section:

SEC. 233. REDUCTION IN FUNDING FOR ICBM MODERNIZATION PROGRAM.

The amount provided in section 201 for the Air Force is hereby reduced by $200,000,000, to be derived from the ICBM modernization program.

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. FRANK] will be recognized for 5 minutes in support of his amendment.

The Chair inquires: Is there a Member in opposition to the gentleman's amendment?

Mr. HOPKINS. Yes, Mr. Chairman.

The CHAIRMAN pro tempore. The gentleman from Kentucky [Mr. HOPKINS] will be recognized for 5 minutes in opposition.

The Chair recognizes the gentleman from Massachusetts [Mr. FRANK].

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Mr. FRANK. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, this amendment would reduce the pile of money in this bill for research on mobile land missiles by $200 million. It would save us $200 million. It designates the MX rail garrison as the area to save it.

Mr. Chairman, we have been talking for a couple of years about having two more missiles. The bill says that it is the sense of Congress that we cannot afford two mobile missiles. Now previously we voted, and there was no objection, so the voice vote carried. We just voted to rescind money for the production of the MX rail garrison.

Mr. Chairman, if the amendment I am now offering is defeated, we will be in the following posture. We will have voted to rescind money to produce the rail garrison, and we will now proceed to spend a couple of hundred million dollars to do research on the weapon, the production of which we have just rescinded. What that assumes, I guess, is that next year we will be able to look forward to rescinding the $200 million on which we were going to do research.

I know there are unusual procurement procedures. The one, however, that says, "Let's first vote to produce something, then let's vote to rescind the money to produce it, then let's do research on the mode," seems to me to be the least rational of all that I have encountered.

What the amendment says is this: "Let's take $400 million and do research on mobile missiles." Midgetman is one possibility. The House has already voted, with no call for a rollcall, to stop money already voted for the MX rail garrison.

I say to my colleagues, "Defeat this amendment, and you'll be in the position in the House of spending money to do research on a weapon, the production of which we have already halted."

Mr. Chairman, in a normal year that might be an amusing diversion. At a

time when we are talking about cutting Medicare, raising taxes, cutting environmental funds, cutting troop strength to spend $200 million on research on a weapon which we have already decided to rescind seems to me to be not a good idea.

The CHAIRMAN. Will the gentleman from Alabama [Mr. DICKINSON] be controlling the time in opposition?

Mr. DICKINSON. I will, Mr. Chairman.

Mr. Chairman, I yield 2 minutes to the gentleman from Oklahoma [Mr. MCCURDY].

Mr. MCCURDY. Mr. Chairman, I thank the gentleman from Alabama [Mr. DICKINSON] for yielding, and I do not think I will take the full 2 minutes.

However, Mr. Chairman, I want to, in response to the gentleman from Massachusetts [Mr. FRANK], say that in the Committee on Armed Services this year it was a different debate than what we have seen over the past decade. Obviously there was not the rancorous debate that we had previously had, those of us who were Midgetman supporters versus those of us who supported the rail mobile garrison of the MX.

I think it is clear that we are at a juncture with the strong possibility of reaching an agreement on both the MX rail garrison and the SS-24's and see a major, either a ban or a reduction, in those numbers. The administration has used that as one of their primary arguments in seeking funding for this year.

There was, and again this was different than in the past, there was a strong agreement between the gentleman from Alabama [Mr. DICKINSON] and the gentleman from California [Mr. DELLUMS] in our subcommittee to agree at this level in order to go to conference and to give the administration opportunity to work to get an agreement with the Soviets. Obviously there is not the enthusiasm; I do not think there is going to be the fight that there has been in the past.

Mr. Chairman, we are at a point that we can reach an agreement. I am hopeful that this money will not be spent, that there will not be a full obligation of the research and development funds on the rail mobile. I personally support a single warhead ICBM, but that, I think, will be left to the administration and the Department of Defense to work out within this area.

I also want to commend the gentleman from Alabama [Mr. DICKINSON] for his willingness to work with our subcommittee and to try to reach an agreement and, again, to reduce the levels of rhetoric in this debate.

Mr. FRANK. Mr. Chairman, I yield 2 minutes to the gentleman from Wisconsin [Mr. MOODY] to respond to that rousing defense of the MX.

Mr. MOODY. Mr. Chairman, I think it is interesting that the opponents of this amendment hope the money will not be spent. I think that is an interesting point of view to take.

What this amendment does, my colleagues, is to ask the House to be consistent.

Just a short while ago, the House decided to kill the money for garrison, rail garrison, construction. Now, if we kill the money for construction, there is not a lot of point in spending $200 million to study how to go ahead and construct. It seems to me, if we are going to kill construction, we have killed the bargaining chip already which has been used, not that I am sure we will need that bargaining chip, given this posture that the Soviets are now in, but, even if we did, we have just decided not to use the bargaining chip. Do we want to now spend $200 million extra to study whether or not we could build the bargaining chip since we have decided not to do so?

Two hundred million dollars is a lot of money, and it is a lot of money particularly in the days of fiscal stringencies, but the main point about this whole system is this, and I agree with the gentleman from Oklahoma [Mr. MCCURDY], that a single-warhead system would be better for it.

It seems the main important point to remember about the rail garrison is that it is not survivable.

In the Soviet Union they have a rail system. They move it around on trains. It is probably somewhat survivable. Ours is not going to be because, by consensus, we are not going to move it around on trains. We are going to keep it in sheds that are one-tenth as hard as the silos we keep the MX's in. So, they are totally soft. They can be burned in 30 minutes. It takes 5 hours, it will take 5 hours if it ever is constructed, to deploy them.

If they are not survivable, why build this, and that is why this House is moving away from rail garrison, and, as it moves away from rail garrison, it does not make any real sense to go ahead and spend an extra $200 million to R&D rail garrison which we are not going to build.

Mr. DICKINSON. Mr. Chairman, I yield 1 minute to the gentleman from Wyoming [Mr. THOMAS].

Mr. THOMAS of Wyoming. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman deleting $200 million from the funds approved by the Armed Services Committee for research and development of ICBM modernization.

I support the committee's decision to require the President to decide between funding the MX rail garrison or the Midgetman missile system. However, as this debate over mobile strategic missiles continues, we must ensure that we adequately support research and development of our strategic nuclear forces.

Although there have been extraordinary political developments in the world over the last year, we must maintain a strong defense. We cannot be blind to threats to our security, for there are still many nations who are hostile to the United States and they continue to build and enhance their strategic nuclear forces at an alarming rate. It would be a mistake to make further reductions in funding of our Nation's land-based portion of the strategic nuclear triad.

I am especially interested in the MX rail garrison program since it gives the United States an affordable, cost-effective mobile ICBM. Unlike the Midgetman missile system, which would require the United States to spend billions of dollars on an open ended missile program, the MX could be deployed on rail cars by 1992 at a total of $6.9 billion. This is significantly lower than the Midgetman program.

Mobile nuclear missile systems will provide our Nation with much improved ICBM survivability. These missiles could be deployed on relatively short notice and would be a significant deterrence against any surprise attack by hostile nuclear forces.

Mr. Chairman, our land-based strategic nuclear missiles have always been an integral part of our nuclear triad and have provided our Nation with outstanding security and protection. We cannot allow our land-based missiles to become vulnerable. We must continue modernization.

I urge my colleagues to oppose this amendment and support the committee's decision to provide $610 million for continued research and development for ICBM modernization.

Mr. FRANK. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, the gentleman from Wyoming [Mr. THOMAS], my friend, said that this amendment is not good because we ask the administration to decide. If I would have known that, we could have taken the day off. I was under the impression that the Constitution kind of gave us the right to make some decision about this.

Mr. Chairman, what the gentleman says is, "Let's vote the extra money and let the administration decide."

What some of us are saying is, "No, let's recognize the fact that the House has already decided. We have already decided not to spend the money; in fact, to rescind the money already voted."

Having voted to rescind the money that we voted to build it, we are now being asked to let the administration decide on whether to do research on what? On how to rescind it? I mean do they really need to do research to know how to save the $200 million or the $200 billion and redo it?

We are in a crisis. We are going to be asked to do some very painful things. This amendment says:

The likelihood that the Russians are now going to insist on building four mobile missiles, given their problems, is small. Let's save $200 million and decide ourselves.

Mr. DICKINSON. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I think everybody in the room will acknowledge the fact that the Soviets have two mobile ICBM systems, the SS-24 and the SS-25. One is a rail garrison type, and one is on truck. We have also been going down the track of a two-missile system, the ICBM rail garrison and the so-called Midgetman.

We have had this debate almost yearly now for 5 years, maybe more. This year, in an effort to reach some sort of agreement, I agreed, and others did in the R&D Subcommittee, that there is no need for us to continue down the dual track if we are only going to build one system.

START talks are still ongoing, they are still negotiating. Let us not take away the capability of the United States to negotiate. Let us take a reduced amount of money, R&D money, take out the procurement, put both systems in one pot and say, "All right; there's $610 million here. Now we're going to allow the administration, which ultimately will decide, which of the two systems they want to opt for and go ahead and build."

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I cannot imagine more misinformation thrown around than this. It is ludicrous to say it takes 5 hours to flush out the rail garrison. They could fire it from within their own boundary if they wanted to. They do not have to move an inch. They can deploy it in an hour, 2 hours, or 3 hours. Each hour it is deployed gives it a greater safety factor. But to say that it takes 5 hours to deploy, and the missiles in a silo can be fired more quickly are two separate arguments. The final objective being that whether you go rail garrison or whether you go Midgetman, they both have to be deployed, they both have to be flushed in times of crisis.

Mr. Chairman, we have, in an effort to settle the problem, said we will have the research and development money after the procurement is taken out. After a while you begin to wonder why even bother to deal in good faith, if after we reach an agreement, this happens.

The CHAIRMAN pro tempore (Mr. DURBIN). All time for debate has expired. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. FRANK. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. The recorded vote on this amendment will be delayed until later in the legislative day, pursuant to the earlier announcement.

AMENDMENT OFFERED BY MR. HOPKINS

Mr. HOPKINS. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. HOPKINS: Strike section 1343 (page 355, line 12, through page 356, line 19).

The CHAIRMAN pro tempore. Under the rule, the gentleman from Kentucky [Mr. HOPKINS] will be recognized for 5 minutes in support of his amendment, and the gentleman from Massachusetts [Mr. MAVROULES] will be recognized for 5 minutes in opposition.

The Chair recognizes the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment is very direct and to the point.

It strikes from the bill section 1343, which asks the American taxpayer to reimburse only one of many private American companies for damages incurred during Operation Just Cause in Panama.

Let me emphasize that point:

This provison singles out for special, preferential and extraordinary treatment 1 out of the over 977 claimants who are seeking combat-related damages associated with Operation Just Cause.

That is not just discriminatory, it is also a terrible precedent.

This private relief provision tramples on over 200 years of established law and policy for the benefit of a single company.

This country has operated for over two centuries on the principle that it is not liable for private claims arising from combat operations.

Section 1343 clearly is inappropriate and unwise, and could have profoundly adverse implications on future U.S. combat operations.

I ask my colleagues to strike section 1343 and preserve the integrity of the combat exclusion policy which has served us well for over 200 years.

Mr. Chairman, I reserve the balance of my time.

Mr. MAVROULES. Mr. Chairman, I yield 1 minute to the gentlewoman from Indiana [Ms. LONG].

Ms. LONG. Mr. Chairman, I rise in strong opposition to the Hopkins amendment.

I became aware of the need for the provision in the bill by representatives of North American Van Lines, which is headquartered in my district. North American owns a subsidiary in Panama, NAVPAN, which is an authorized U.S. Government contractor. Approximately 95 percent of the business activity of NAVPAN relates to moving services for the Department of Defense, the U.S. Embassy in Panama, and the Panama Canal Commission. As a U.S. Government contractor, NAVPAN was encouraged to locate its facilities within the perimeter of Albrook Air Force Base, in the Panama Canal Zone. The company has leased an old hangar from the Secretary of the Army since 1963.

This hangar was occupied by members of Manuel Noriega's "Dignity Battalion" on December 22, 1989. After unsuccessful efforts to neutralize the enemy with smaller weapons, U.S. forces decided to employ missiles, which destroyed both the hangar and the NAVPAN facilities located within the hangar.

North American promptly filed an insurance claim, but was denied due to an "Act of War" clause in their insurance policy. Such provisions are common in Central American countries.

At the same time, North American promptly initiated reimbursement proceedings for the estimated damages which resulted from the military action. Unfortunately, the Department of the Army was compelled to deny North American's request, stating that the legislative authority does not exist to reimburse contractors for damages sustained during combat activity.

The language incorporated into this bill would resolve this situation fairly and responsibly.

Mr. Chairman, it is a great injustice that the United States is sending millions of dollars to Panama to help rebuild the country after the invasion of Panama, while a United States-owned firm which has faithfully served our Government in Panama for 27 years cannot even get reimbursement for damages which resulted from U.S. military action on a U.S. military installation.

In addition, if NAVPAN is forced to rebuild its facilities without reimbursement funds, it will be less likely for the company to continue operations. This will be a great inconvenience for the U.S. Government agencies which have come to rely on NAVPAN for transportation needs.

While $357,000 may not sound like a lot on Capitol Hill anymore, it does represent a significant amount to North American. Recovery of these funds is expected to determine whether the company will be in the red or in the black this year.

Finally, similar language to assist North American has been incorporat-

ed, and let me note that the language was written by a member of the minority, into the bill that was passed by the other body.

Mr. Chairman, when the United States invaded Panama last December, we as a nation assumed a great responsibility. This provision is a small step toward more completely fulfilling that responsibility.

I strongly urge my colleagues to oppose the Hopkins amendment.

Mr. MAVROULES. Mr. Chairman, under the rule, who would have the right to close?

The CHAIRMAN pro tempore. The gentleman from Massachusetts [Mr. MAVROULES], as a member of the committee representing the committee position, would have the right to close the debate.

PARLIAMENTARY INQUIRY

Mr. HOPKINS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore. The gentleman will state it.

Mr. HOPKINS. Mr. Chairman, let me make sure I am clear on this. This is my amendment. Do I not have the right to close?

The CHAIRMAN pro tempore. Because the gentleman from Massachusetts [Mr. MAVROULES] is representing the committee position on the bill, he has the right to close. Since both the gentleman from Massachusetts [Mr. MAVROULES] and the gentleman from Kentucky [Mr. HOPKINS] are members of the committee, they are on equal status from that perspective.

Mr. HOPKINS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, let me respond to some of the points that have been raised.

Yes, there have been exceptions made to the combat exclusion policy made in the past.

But, these exceptions have always been as a result of a conscious foreign policy decision.

Not as a result of arbitrary favors done by the Congress for a home district constituent.

So, the comparison the gentleman makes is inappropriate.

Second, the provision in the committee bill fails to explain why this particular claimant is somehow special and deserving of private relief.

Why is this claim any more worthy than any of the other 60 or so claims filed by Americans?

Before this body adopts this provision granting special relief to one company over others, it is only proper that its supporters explain to the House why this particular claim is any more deserving than the claims filed by the Xerox Corp., or Coca-Cola, or Texaco, or Eastern Airlines, or Sherwin-Williams, or Kodak, or any of the other 60 American businesses or individuals who suffered losses in Panama.

Mr. Chairman, I will let my colleagues try to answer this basic question, but I expect that there is no good answer.

This provision is not supportable and should be stricken.

Support the Hopkins amendment.

I would like to touch briefly on a couple of points to wrap up the debate:

Equity dictates that we not just deal with the problem of one company who happened to knock on Congress' door; equity dictates that we address this issue in a manner which treats all eligible claimants in an equitable manner; and equity demands we spend a little more time looking into the specific merits of these claims before adopting special narrow legislation which drastically deviates from existing policy.

My research has found no evidence to support the contention that North American Van Lines is somehow more deserving because they were required to locate their business on U.S. property. In fact, I found that: First, North American does not and never owned the warehouse in question, it was under lease from the U.S. Government; second, there is and never was any clause in their contract requiring that they operate from a U.S. facility; and third, it was a conscious business decision which led them to operate out of a Government-owned facility due to the obvious benefits of having to pay minimal costs for storage and lease space.

Mr. Chairman, this provision sets a dangerous legal precedent, is unfair, is arbitrary in scope, and clearly requires more careful study by the appropriate committees of jurisdiction. I urge my colleagues to support the Hopkins amendment and not let this ill-advised provision proceed any further.

Mr. Chairman, I yield such time as he may consume to the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Chairman, I want to expand briefly on the point raised earlier.

The provision in question, section 1343, singles out North American Van Lines for an exclusive, one-time waiver from long-held U.S. policy and law.

Nine hundred-seventy seven claims have been filed against the U.S. Government for combat-damages resulting from the Panama operation. Sixty-two of these claims are from Americans—both businesses and individuals.

All of these claims, including the North American claim, are in the same boat. They cannot be paid because of the U.S. combat exclusion policy.

Now along comes section 1343, and effectively says that we in Congress have decided that North American Van Lines is somehow more deserving than any of these other claims, more deserving than Xerox, or Kodak, or Texaco, or Avis, or any of the other 61 claims, and we are therefore going to grant one company a special waiver.

I would advise my colleagues, that if they are interested in checking whether any of their constituent companies are being left out of this claims bonanza, we have a list here that they can consult.

Mr. Chairman, this has to be one of the most flagrant examples of congressional favoritism and special interest legislation in a long, long time.

I urge my colleagues to support the Hopkins amendment to delete this outrageous provision from the bill.

Mr. MAVROULES. Mr. Chairman, I yield 30 seconds to the gentleman from Indiana [Mr. MCCLOSKEY].

Mr. MCCLOSKEY. Mr. Chairman, I rise in strong opposition to the Hopkins amendment.

Mr. Chairman, there is a small provision contained in this bill to provide authority for the Secretary of the Army to reimburse North American Van Lines up to $357,000 for damages incurred during Operation Just Cause in Panama. The damage was caused by U.S. military operations at Albrook Air Force Base in Panama. Mr. HOPKINS opposed this provision in subcommittee, and we voted to keep the language in the bill. Mr. HOPKINS opposed the provision in full committee, and again we kept the language in the bill. Let me briefly explain for the membership why I believe the Hopkins amendment was opposed by the subcommittee and the full committee and why it should be opposed on the floor today.

North American Van Lines owns a moving company subsidiary which has been located on Albrook Air Force Base in Panama for 27 years. The U.S. Government and the moving company have had a good relationship, it is my understanding, from which both parties have benefitted.

When the U.S. military invaded Panama, our forces encountered General Noriega's armed forces holed up in the hangar which housed the moving company. The hangar was subsequently destroyed as a result of combat activities.

The moving company was located on the U.S. air base, because the U.S. Government wanted them there in order to have a safe warehousing facility.

Ironically, not only was this facility not safe in this instance, but the insurance policy held by the moving company contains an act of war clause which prohibits North American from receiving compensation for these damages. Thus, there is no existing mechanism for North American to be reimbursed for these damages.

In order to compensate North American, the bill authorizes the Secretary of the Army to reimburse the company up to $357,000. We are simply al-

lowing the Federal Government to pay for damages caused by the U.S. military to an American company. Mr. HOPKINS' amendment would disallow this reimbursement. His amendment should be rejected.

Finally, the membership should be aware that the authorizing legislation passed by the other body contains language similar to the language in this bill to compensate North American. Incidentally, the provision, as passed by the other body, was incorporated into the bill by a member of the minority party.

Mr. Chairman, the provision in the bill is a fair and responsible action for the U.S. Government to take in the regard. I strongly urge a "no" vote on the Hopkins amendment.

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Mr. MAVROULES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in opposition to the amendment offered by my colleague. Mr. HOPKINS would strike a provision in the bill to reimburse a Pentagon contractor for losses suffered when our troops—our own troops—fired into the contractor's warehouse during the invasion of Panama last December.

There is a simple question of equity here. The firm was under contract to the U.S. Government to move the household goods of military and embassy personnel.

The firm had its equipment—and the household goods of many Government employees—stored in a warehouse. A battle broke out. Shooting from our troops caused a major blaze.

Now, my colleague says we should not reimburse this firm for the damage we did because of 200 years of legal history—200 years in which we have imposed a combat exclusion that says: we're terribly sorry if you suffer a loss in war, but we are not going to make you whole again.

My colleague is right. And he is wrong.

Yes, it is true that there is a standard combat exclusion in our claims laws. It's been around for centuries. And it has some logic behind it. Given the massive damage incurred in conflicts like the War of 1812 and the Civil War, there was no way the U.S. Government could reimburse everyone from Shiloh to Gettysburg for their property losses—let alone their personal injury losses. That's the basis of the combat exclusion to which Mr. HOPKINS refers.

But let me illuminate some other facts.

Ever since the combat exclusion was created, we have been very busy filling it with holes. For example, right after the War of 1812 we decided to change the law and allow soldiers to be paid for property they took off to war—like their muskets and their horses—and which they lost as a direct result of the war. Every decade or so, we add some more exemptions to the combat exclusion.

Let us look at that Panama warehouse again. Dozens of U.S. Government employees lost many of their household goods in that fire. Does the combat exclusion apply to them? No. Have they been reimbursed? Yes; 142 families have already been paid more than $1.2 million for war damage. But this firm has received nothing because it is not a U.S. Government employee, although it is a U.S. Government contractor.

Mr. Chairman, my colleague also objects to this provision because there are other claims pending against the United States from the Panama invasion. According to the committee tabulation, a total of 977 tort claims have been filed. Mr. HOPKINS objects that the provision in this bill sets a precedent for paying them.

I agree with him. Of course, I would have to say that when President Reagan agreed to pay combat claims on Grenada in 1984 he set a precedent, too. And when he offered to compensate the victims of that Iranian airbus shot down by the cruiser *Vincennes*, that was yet another precedent for payment. I do not know when we reach a critical mass of precedents. But I suggest we have made so many exemptions to the combat exclusion clause over the decades that a critical mass was probably reached some time ago.

It was probably reached before 1968 when we passed legislation dropping the combat exclusion if a plane taking off or landing after combat crashes into your property. It is curious that if the Air Force had accidentally destroyed that warehouse in Panama, we would not be arguing here today. We are only here because it was the Army that did the trick.

The provision in the bill is purely and simply a matter of equity. It solves the problem for only one victim. But next year my subcommittee will look at the broader questions and try to fashion a fairer national policy.

In the meantime, I urge my colleagues on both sides of the aisle to vote down the Hopkins amendment. I ask that in the name of equity.

Mr. LAGOMARSINO. Mr. Chairman, I want to start out by expressing my appreciation to the gentleman from Tennessee [Mr. QUILLEN], the ranking member on the Rules Committee, and to the gentleman from Alabama [Mr. DICKINSON], the ranking member of the Committee on Armed Services, for helping me to get this amendment made in order.

Mr. HOPKINS. Mr. Chairman, will the gentleman yield?

Mr. MAVROULES. I yield to the gentleman from Kentucky.

Mr. HOPKINS. Mr. Chairman, I thank my colleague for yielding.

In the name of equity, since we have now established ourselves as insurance adjusters, would my colleague think that maybe the other 60-odd companies ought to also be treated equitably?

Mr. MAVROULES. If they are deserving, they should be treated equitably.

The CHAIRMAN pro tempore (Mr. DURBIN). The question is on the amendment offered by the gentleman from Kentucky [Mr. HOPKINS].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. HOPKINS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. Pursuant to the earlier announcement of today, the vote will be delayed until later in the legislative day.

In the committee report, the next amendment in order is No. 19.

Mr. ASPIN. Mr. Chairman, I would say to the Chair that the next amendment that we should discuss in this part of the program is amendment No. 22 by the gentleman from California [Mr. LAGOMARSINO].

The CHAIRMAN pro tempore. Is it the Chair's understanding that amendments 19, 20, and 21 are now going to be considered en bloc?

Mr. ASPIN. The Chair is correct.

The CHAIRMAN pro tempore. The Committee will now consider amendment No. 22 to be offered by the gentleman from California [Mr. LAGOMARSINO] or his designee.

AMENDMENT OFFERED BY MR. LAGOMARSINO

Mr. LAGOMARSINO. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. LAGOMARSINO: Page 18, line 21, strike out the period after "aircraft" and insert the following:

and of which an additional $125,900,000 is available for modification of aircraft for procurement of the ALQ-184 electronic counter-measure (ECM) pod, to be available for obligation only upon satisfactory completion of operational testing of the auxiliary receiver.

The CHAIRMAN pro tempore. The gentleman from California [Mr. LAGOMARSINO] will be recognized for 5 minutes and the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 5 minutes in opposition.

The Chair recognizes the gentleman from California [Mr. LAGOMARSINO].

I would like to engage the chairman of the Armed Services Committee in a brief colloquy focusing on this important issue after which I would ask unanimous consent to withdraw it.

I am concerned about the recommended deletion of $125.9 million requested in the "Aircraft Procurement, Air Force" account. These funds were requested for the procurement of 125 kits to modify ALQ-119 electronics countermeasures—ECM—PODS to the more capable ALQ-184 configuration. These PODS provide protection for our first-line fighter aircraft, like those deployed to the Persian Gulf.

The committee expressed concern that operational testing has not been completed and stated that no further procurement should take place until operational tests are concluded.

The $125.9 million is included in the bill passed by the Senate.

I ask that the chairman agree to inclusion of the requested funds in the House/Senate conference with a proviso that the funds could not be obligated until testing of the auxiliary receiver is satisfactorily completed.

I am confident that the tests will be successful. This system is needed in the Middle East and some have already been sent there. The inclusion of the requested funding with such a proviso would achieve the objectives of the committee and prevent unnecessary delay in obtaining this needed system.

I hope the chairman can agree to this approach.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. LAGOMARSINO. I yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, the gentleman from California has come up I think with a very sensible solution to the conference issue where we do not fund it, and the gentleman from California is correct, the Senate does fund this thing. On our side we do not fund it because we are worried that it did not complete the operational testing.

What the gentleman from California is suggesting is in effect to fence the money, to approve the money, but fence it pending the outcome of the operational tests. I think the gentleman has a very valid suggestion, and I will certainly pursue it with the Senate when we get into conference.

Mr. LAGOMARSINO. Mr. Chairman, I thank the gentleman from Wisconsin.

Mr. Chairman, I ask unanimous consent to withdraw the amendment.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN pro tempore. The amendment is withdrawn.

The next amendment in the committee report is amendment No. 23.

Mr. ASPIN. Mr. Chairman, the next amendment is the amendment to be offered by the gentleman from Oregon [Mr. DENNY SMITH], amendment No. 29. The remaining amendments between 22 and 29 have been put into the en bloc amendment.

The CHAIRMAN pro tempore. Amendment No. 29 is now in order to be offered by the gentleman from Oregon [Mr. DENNY SMITH].

AMENDMENT OFFERED BY MR. DENNY SMITH

Mr. DENNY SMITH. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. DENNY SMITH: At the end of part B of title II (page 34, after line 25), insert the following new section:

SEC. 217. COMPETITIVE PROTOTYPE AND CONCEPT EVALUATION PROGRAM FOR NEW GROUND-SUPPORT AGILE FIXED-WING AIRCRAFT.

(a) PROGRAM.—The Secretary of Defense shall direct the Secretary of the Navy to carry out a demonstration program to evaluate the combat effectiveness of a low-cost, fixed-wing, close air support aircraft. The evaluation shall be made by operational pilots of the Army, Navy, Air Force, and Marine Corps, from both active and reserve components.

(b) STAGES.—The demonstration program shall have two stages, as follows:

(1) Demonstration of the basic flight qualities of candidate aircraft.

(2) Operational evaluation (which shall be as realistic as possible) between the candidate aircraft determined from the flight qualities demonstration to be the most promising for the close air support mission.

(c) FUNDING.—The amount expended for the demonstration program may not exceed $20,000,000. Funding for the demonstration program shall be provided by the Secretary of Defense from funds available for the Army Light Helicopter (LH) program.

(d) DURATION OF PROGRAM.—The demonstration program shall be completed not later than three years after the date of the enactment of this Act.

The CHAIRMAN pro tempore. Under the rule, the gentleman from Oregon [Mr. DENNY SMITH] will be recognized for 5 minutes in support of his amendment, and a Member opposed will be recognized for 5 minutes.

MODIFICATION TO AMENDMENT OFFERED BY MR. DENNY SMITH

The CHAIRMAN pro tempore. It is the Chair's understanding that the gentleman from Oregon wishes to modify his amendment.

Mr. DENNY SMITH. That is correct, Mr. Chairman, I offer a modification to the amendment.

The CHAIRMAN pro tempore. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment offered by Mr. DENNY SMITH: At the end of part B of title II (page 34, after line 25), insert the following new section:

SEC. 217. COMPETITIVE PROTOTYPE AND CONCEPT EVALUATION PROGRAM FOR NEW GROUND SUPPORT AGILE FIXED-WING AIRCRAFT.

(a) PROGRAM.—The Secretary of Defense shall direct the Secretary of the Navy to act as executive agent to plan and carry out a competitive prototype and concept evaluation program to evaluate the combat utility of a mission-dedicated force of small agile fixed-wing aircraft that are significantly less expensive than existing fixed- or rotary-wing alternatives. The evaluation should be conducted by a joint Army and Marine Corps evaluation group. The program should be carried out using the development resources of the Marine Corps and should make maximum use of instrumented facilities at the National Training Center.

(b) PHASES.—The program shall be carried out in two phases, as follows:

(1) Design competition to select the two best designs.

(2) Construction and live fire fly off of prototypes of the two best designs.

(c) PROGRAM PERIOD.—The evaluation program shall be designed so as to be completed by the end of fiscal year 1994.

(d) ANNUAL REPORTS.—The Secretary of Defense shall, during March of each year following a fiscal year during which the program is carried out, submit to the congressional defense committees a progress report on the program under this section. Each such report shall include estimates for out year funding for the program, as well as an assessment of future program risks.

(e) FUNDING.—The amount spent for the first phase of the program (including program management and the design competition) may not exceed $20,000,000 and shall be provided from within available appropriations of the Department of Defense in accordance with established reprogramming procedures.

Mr. DENNY SMITH (during the reading). Mr. Chairman, I ask unanimous consent that the amendment as modified, be considered as read and printed in the RECORD.

The CHAIRMAN pro tempore. Is there objection to the request of the gentleman from Oregon?

□ 2050

PARLIAMENTARY INQUIRY

Mr. HOPKINS. Mr. Chairman, I have a parliamentary inquiry.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman will state his parliamentary inquiry.

Mr. HOPKINS. Would a reservation of objection be in order at this time?

The CHAIRMAN pro tempore. The gentleman from Oregon has asked unanimous consent to waive reading of the amendment as offered. If the gentleman from Kentucky is at this point reserving his right to object, we will proceed with that understanding.

Mr. HOPKINS. Mr. Chairman, I reserve the right to object.

The CHAIRMAN pro tempore. Does the gentleman from Kentucky object to the modification?

Mr. HOPKINS. Mr. Chairman, reserving the right to object, I would like to ask my colleague a couple of questions if I may.

Mr. Chairman, do I have time for that? Is that correct?

The CHAIRMAN pro tempore. The gentleman may proceed.

Mr. HOPKINS. The gentleman who is offering the amendment, it was my understanding that the original amendment that he offered was to

take money from the LH helicopter to go toward his program? Is that correct?

Mr. DENNY SMITH. Mr. Chairman, will the gentleman yield?

Mr. HOPKINS. Further reserving the right to object, I am happy to yield to the gentleman from Oregon.

Mr. DENNY SMITH. Mr. Chairman, originally the way the amendment was filed, the gentleman is correct, but I really care not where the money comes from. I think that this is a system that needs to be checked out in some kind of a competitive effort to be sure that we can buy low-cost ground support, close-air-support airplanes without going through the present situation of just converting an air-to-air airplane into an air-ground airplane, so I care not whether it comes from the LHX Program, or it is just from another program. I think this is something that needs to be done for the troops in the field, and from the standpoint of the aviators who are going to fly these airplanes.

Mr. HOPKINS. Further reserving the right to object, Mr. Chairman, some people here might care where that money comes from. I wonder if the gentleman might be more specific as to where, since he is changing his amendment from the LH, where the gentleman proposes to get the $20 million?

Mr. DENNY SMITH. If the gentleman will yield further, again, I think it is important that we do this test, and whether it comes from any program. I think this is something that the services should be doing. We are not going to throw $20 million airplanes at $50 bridges or anything else. We need to be in the position of having a flying-Jeep concept where we are going to lose some of those Jeeps in a combat situation. The LHX has turned into a very expensive airplane. I think it is important that we have that airplane, but not necessarily for this role. So I am not trying to vote against or talk against the LHX, but I am more interested in having this study done to try and have a live-fire flyoff of the two best low-cost designs.

Mr. HOPKINS. Mr. Chairman, if I might ask the Chair, does the rule allow an amendment that does not specify where the funds are going to come from, or does the gentleman have to be specific, under the rule?

The CHAIRMAN pro tempore. The amendment is printed in the report. It can be modified by unanimous consent. The gentleman from Oregon [Mr. DENNY SMITH] has asked for unanimous consent. At this point the gentleman from Kentucky has reserved his right to object. The Chair will now inquire so we can move forward as to whether the gentleman from Kentucky is going to object.

Mr. DENNY SMITH. Mr. Chairman, I wonder if I might request unanimous consent to modify my amendment so that it is not specific as to where the funding is coming from?

The CHAIRMAN pro tempore. The gentleman may do that.

Mr. DENNY SMITH. Mr. Chairman, I so request that the funding be changed and the modification to the amendment be requested by unanimous consent.

The CHAIRMAN pro tempore. So that the record is clear, the gentleman from Oregon should submit this request for an additional modification in writing.

Mr. DICKINSON. Mr. Chairman, reserving the right to object, if I may, I have in front of me a piece of paper which I understand is a proposed amendment of the gentleman, that the gentleman is now offering, dealing with funding. That reads as follows:

> The amounts spent for the first phase of the program include program management and design, may not exceed $20 million, and shall be provided from within available appropriations of the Department of Defense in accordance with the established reprogramming procedures.

Is that what the gentleman is proposing?

Mr. DENNY SMITH. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. Further reserving the right to object, I am happy to yield to the gentleman from Oregon.

Mr. DENNY SMITH. That is correct, Mr. Chairman. The gentleman is correct.

Mr. DICKINSON. Further reserving the right to object, I find no fault with that, not that I would necessarily vote for the amendment, but the funding part offers me no problem.

Mr. HOPKINS. Mr. Chairman, the gentleman knows that I have never been a fan of the LH, so it would suit me fine if he took the $20 million from there. But on the basis of the informaton from my colleagues——

The CHAIRMAN pro tempore. The gentleman will please suspend.

The Chair is in doubt as to the nature of the amendment which the gentleman is seeking to offer to this Committee. The gentleman had a modification of the amendment he originally offered. If the gentleman will allow the Chair, the gentleman had a modification which he origially offered. The gentleman from Kentucky reserved the right to object. The gentleman from Oregon then agreed to modify his modification. The Chair suggested that the modification be put in writing. The gentleman from Alabama has now made a statement.

The Chair would say at this moment that the Chair is in doubt as to what the gentleman is offering.

Mr. DENNY SMITH. Mr. Chairman, I think the easiest way to clear this up is that the gentleman from Oregon offers the modification to the amendment as published in the RECORD and would request that the funding not be specified as to where it is going to come from the appropriations, as stated in section E, line 15, page 2 of our modification.

Mr. Chairman, I ask unanimous consent that that amendment be offered as printed at the desk.

The CHAIRMAN pro tempore. The Chair will ask the gentleman from Oregon if he is prepard to ask the Chair to modify his modification by deleting the section relative to funding? Is that what the Chair understands?

Mr. DENNY SMITH. Negative. I am offering the modification to the amendment as printed in the RECORD which would state that the funding is nonspecific, that it shall be provided from within the available appropriations of the Department of Defense in accordance with established reprogramming procedures.

The CHAIRMAN pro tempore. Is the gentleman offering that language in place of the language for funding in this modification?

Mr. DENNY SMITH. No. That is offered as the modification as printed and not to be confused with what we had printed in the RECORD. It is to change from specific to nonspecific.

The CHAIRMAN pro tempore. The Chair will still ask the gentleman to please put it in writing and submit it to the Clerk so that we can proceed.

At this point, is there objection to dispensing with the reading of the gentleman's modification of the amendment?

Mr. HOPKINS. Mr. Chairman, I withdraw my reservation of objection.

The CHAIRMAN pro tempore. Did any Member object?

Mr. HOPKINS. I have not objected. No, Mr. Chairman.

The CHAIRMAN pro tempore. There is no objection. The gentleman's modification amendment is considered as read, and now the question, again, arises as to the modified form of the amendment.

The gentleman has asked for unanimous consent for the modification. Is there objection to that?

Mr. HOPKINS. Mr. Chairman, I withdraw my reservation of objection.

Mr. GEREN of Texas. Mr. Chairman, reserving the right to object, as I understand it, this is a modification of the modification?

Mr. DENNY SMITH. Mr. Chairman, will the gentleman yield?

Mr. GEREN of Texas. Further reserving the right to object, I am happy to yield to the gentleman from Oregon.

Mr. DENNY SMITH. Negative. This is a modification of the original amendment printed in the RECORD.

Mr. GEREN of Texas. Further reserving the right to object, Mr. Chair-

man, is there just the one modification?

Mr. DENNY SMITH. If the gentleman will yield further, that is correct. What I have done is tried to remove the request that the funds come from the LHX Program. This is it.

The CHAIRMAN pro tempore. Is there objection to the modification as modified?

There was no objection.

The CHAIRMAN pro tempore. The Chair hears none. The amendment is modified.

Under the rule, the gentleman from Oregon [Mr. DENNY SMITH] is recognized for 5 minutes in support of the amendment, as modified, and the gentleman from Oklahoma [Mr. MCCURDY] is recognized for 5 minutes in opposition.

The Chair recognizes the gentleman from Oregon [Mr. DENNY SMITH].

Mr. DENNY SMITH. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I am offering this amendment because I feel it is very important that we test a low-cost air-ground battle vehicle. We have many vehicles which have this potential, and we need to compare them to the $20 million air-to-ground vehicle preferred by the Air Force, the A-16.

We cannot sprinkle a little holy water on an airplane and think that it is going to do something different. Airplanes have significant characteristics based on their design and their capabilities. When those design capabilities are put into an airplane, they do not automatically change just because you put a different title on the airplane. The important thing, from my experience as a combat pilot in Vietnam and from my study of airplanes over the years, is that airplanes that are designed for a specific battle role must maintain that role.

The A-10 is a good example. It has the one weapon that will make the difference in a close battle, and that is a 30 millimeter GAU 8 gun in the nose. As long as you can see the target, you can hit the target, and as long as you have bullets, you will kill the target.

I think that the Air Force and the Army need to have the capability to see and shoot and kill, and hopefully in the next months we will not have to test that capability in Iraq. In a dangerous world, we need to know that our air-ground capability is well served, and we need to do that with an airplane that is matched to the problem that we have.

□ 2100

I, personally, think that it is important that we test the capability of a low-cost vehicle in the air-ground role. I use as an example the ARES, which has been developed by Burt Rutan in Mojave, CA. I have seen the airplane. I have seen it fly. I think it is a very good piece of machinery, and we need to test this concept.

The military has a not-invested-here approach to weapons. When we build airplanes through the military system, the largest Socialist economy in the world, we need to be able to develop an airplane that is going to be the best, and used by the people that are going to be in the air-ground battle. The ARES is a good start, a good opportunity to test what would be a low-cost, effective systems.

I would like to see the committee go forward and test the ARES concept, and anything else that can be developed that would be low cost. Something for around a few million dollars would be a very fine vehicle. It would do a good job. If we lost one, we would be in no trouble.

I would just look back on the F-20 project, which would have been about a $5 million airplane, versus a $20 million F-16 or a $50 million F-15. If we were able to buy a $5 to $10 million F-20, we would have had five of those airplanes for each F-15. The F-15, if it had a flat tire, would not get off the ground. If we had one flat tire with the other, we would have four airborne. We need this kind of concept, and I think it is important that we put into law the requirement for the Air Force and the Navy to test these kinds of vehicles.

I urge the committee to vote yes on this opportunity for the services to test a low-cost fixed wing close air support vehicle.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from Oklahoma [Mr. MCCURDY] is recognized for 5 minutes in opposition to the amendment.

Mr. MCCURDY. Mr. Chairman, I yield 1½ minutes to the distinguished gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Oregon. The amendment would require an evaluation of, as it is worded, "a low-cost, fixed-wing, close air support aircraft." My objections are twofold: First, it is premature to mandate a test because the concept of fixed-wing aircraft support of troops in contact—which is the definition of close air support—is in question. Second, if the mission is validated, then a test of a variety of weapon systems will be necessary, not just the small, agile fixed-wing aircraft envisioned by the amendment.

My subcommittee has been examining the close air support issue for some time. As a matter of fact, we have a hearing scheduled for next week—September 27—on close air support. One of the things we have found is that there may no longer be a valid close air support mission because aircraft may be too vulnerable to weapons such as handheld Stinger missiles. The introduction of Stingers into Afghanistan forced the Soviet Union to change its entire concept of air operations and permanently degraded the effectiveness of Soviet airpower in that conflict. So my subcommittee needs more time to study the validity of close air support as a mission on the modern battlefield before calling for a test. Although the gentleman's amendment holds out the attraction of a low-cost aircraft, I would note that the lowest cost is attained when no aircraft are bought for close air support—and that is precisely what the subcommittee and committee have proposed—and will continue to propose—until we are convinced that it is appropriate to proceed to testing.

When we proceed to testing, the test should evaluate close support, not just close air support. I certainly support the gentleman if his contention is that we have a test before we buy. But it should be a test of a variety of weapon systems that could provide close support of ground forces. Such a test would have to include a variety of aircraft—fixed wing, rotary wing, possibly unmanned as well as manned—and perhaps artillery and multiple launch rockets. It would include the type of aircraft specified in the gentleman's amendment, but it would not be limited to that type only. A test of only the one type of aircraft included in the gentleman's amendment would prove little because it would leave open the question of how that aircraft compared with other alternatives.

In closing, Mr. Chairman, I would like to point out that the gentleman's amendment was not submitted to the Rules Committee in time to be considered by the Committee on Armed Services. Had it been, I believe that the gentleman and I could have discussed his concerns and that I could have convinced him that the committee's stewardship on the issue of close air support has been, and will continue to be, satisfactory.

Mr. MCCURDY. Mr. Chairman, I yield 1 minute to the distinguished gentleman from Texas [Mr. GEREN].

Mr. GEREN of Texas. Mr. Chairman, I appreciate the gentleman yielding time to me, and I rise in opposition to the amendment.

I have two objections to this. One, is $20 million. Where is it going to come from? Which program? Do we want to give this to the Secretary to take from whatever program he chooses?

Second, Congress and DOD have already established a comprehensive test and evaluation plan of the proposal that my colleague from Oregon has just offered, before Members now, would ask Members to consider the abilities of numerous airplanes, including two which are totally experimental. This is certainly not the time to

consider new programs in a time of fiscal constraint.

Certainly, Congress will not support the development of a new weapons system at this time, and it is irresponsible to suggest it. I ask that Members defeat this program offered by our distinguished colleague form Oregon.

Mr. McCURDY. Mr. Chairman, I yield 1 minute to the gentleman from Texas [Mr. BARTLETT].

Mr. BARTLETT. Mr. Chairman, I rise in strong opposition to the gentleman's amendment, although I have a high regard for the gentleman from Oregon. I want to suggest that this amendment should be defeated.

The fact is that our ground troops need, and desperately need a high quality, fast, long-range, close air support aircraft. We have one that is essentially ready to go on line by modifying the F-16, a proven fast and long-range aircraft. The Air Force is ready and believes that what it ought to do is take the proven F-16 and modify it to use it for close air support. If we were to pass this amendment, we would delay the process rather dramatically, and add new costs that are unnecessary to the costs, by requiring a set of testing on five different aircraft, two of which are not in the floor structure at all.

So what we ought to do is go with the committee report as it now is, defeat the amendment for additional years and the millions of dollars of testing, and modify the F-16.

Mr. McCURDY. Mr. Chairman, I yield myself such time as I many consume, and I rise in opposition to the amendment offered by Mr. DENNY SMITH.

On its face this amendment seems reasonable. It mandates that DOD evaluate a low-cost agile aircraft to perform the Air Force's close air support mission.

But, as you further explore the amendment, it's clear that, as drafted, this does not represent good public policy. First, what is the objective of the amendment? The amendment merely requires an operational evaluation of a low-cost, fixed-wing aircraft for close air support. But, the Congress and DOD have spent years establishing a comprehensive test and evaluation plan to objectively determine the best way to meet the close air support mission. This amendment is not based on objective analysis and is inconsistent with these efforts.

Second, the amendment requires this evaluation to be completed by fiscal year 1995. But, under current plans, the Air Force will start buying A-16 aircraft for the close air support mission in fiscal year 1992. It makes no sense to complete a test 2 years after DOD has chosen its preferred close air support aircraft, and entered production.

Finally, the amendment proposes a general reduction of $20 million to fund this test. This is unacceptable. The committee has worked very hard to craft a defense bill for fiscal year 1991. This amendment would undermine the committee's important efforts.

Therefore, I urge my colleagues to defeat this amendment.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). The question is on the amendment, as modified, offered by the gentleman from Oregon [Mr. DENNY SMITH].

The amendment, as modifed, was rejected.

The CHAIRMAN pro tempore. Under the rule, the next amendment in order in the committee report is amendment No. 30.

Mr. ASPIN. Mr. Chairman, all other amendments are en bloc, except that the remaining amendment is the Traficant amendment, No. 31.

AMENDMENT OFFERED BY MR. TRAFICANT

Mr. TRAFICANT. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment offered by Mr. TRAFICANT: At the end of title XIII (page 359, after line 2), insert the following new section:

SEC. . REDUCTION IN OVERALL AUTHORIZATION LEVEL.

Notwithstanding the specific authorizations of appropriations in this Act, the aggregate amount that is authorized to be appropriated for fiscal year 1991 pursuant to those authorizations is the amount equal to the sum of the authorizations of appropriations provided in this Act for fiscal year 1991 reduced by two percent.

The CHAIRMAN pro tempore. The gentleman from Ohio [Mr. TRAFICANT] will be recognized for 5 minutes in support of his amendment and a Member opposed will be recognized for 5 minutes.

The Chair recognizes the gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Chairman, this is a 2-percent across-the-board cut. The summiteers are discussing raising the premiums on Medicare. They are discussing freezing COLA's on retirees. Even conservative economic analysts say that it will be impossible for America to reconcile its budget deficit problems with military expenditures in excess of $250 billion.

This amendment will cut $5.7 billion of the $283 billion bill. The bottom line is basically this: There are Democrats that go home and talk about reducing the great buildup that has been perpretrated by conservative Republican Presidents.

□ 2110

I am saying here tonight that the buildup of the so-called conservative Republican Presidents evidently was with the support of the Democratic Party.

We are going to be taxing middle America in every possible code there is.

I believe this is a modest approach. It would set the defense budget at $277 billion, and to be quite honest, if anybody is listening, this bill will be written in conference and Congress will at least set a ceiling and a level from which those conferees can debate the issue.

Everybody here knows it will not be $277 billion, but it can at least start in conference at $277 billion versus $288 billion.

The CHAIRMAN pro tempore. Is there a Member in opposition to the amendment?

Mr. DICKINSON. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Alabama will be recognized for 5 minutes in opposition to the amendment.

Mr. DICKINSON. Mr. Chairman, at the beginning of this budget cycle, the administration, Secretary Cheney, asked for $306.9 billion.

Now, the Senate Budget Committee, Senator NUNN, cut the $306 billion down to 290 billion.

The Senate Budget Committee, by the figures I have, cut it to $285 billion.

The House then cut it to $283 billion.

We are looking at Gramm-Rudman which will cut it down to $275 billion or below.

The gentleman's amendment, if my arithmetic is correct, offers some $6 billion in additional cuts. We are already facing over 129,000 military personnel being put out of the military in the bill we are presently working on and some 60,000 civilians.

We have already cut much too far in this one budget cycle on military spending. I think an additional cut of $6 billion is unwise and unwarranted, and I would certainly oppose it.

Mr. TRAFICANT. Mr. Chairman, No. 1, the distinguished minority ranking member said that I would cut it even further than $275 billion and it would be out of Gramm-Rudman. That is not true.

The Traficant amendment would cut it to $277-plus billion. Gramm-Rudman would be $275 billion.

Let me further say this, Mr. Chairman. The Berlin Wall has become a speed bump. Let us tell it like it is. The Iron Curtain is a screen door.

We do have a great problem in the Persian Gulf, but the world has a great problem and the world should be helping to pay for that, not the taxpayers of America.

One other thing, if this President can consider at some point bringing to

this Congress and having us even fathom the concept of forgiving a $7 billion loan to Egypt, then how in God's name can we continue to let that go foward. Why not give the $5.7 billion rollback to the American people and let the Egyptians pay their $7 billion debt.

Let me say this. What the ranking Member said is that Gramm-Rudman would be $275 billion. The Traficant amendment would not take it $6 billion more. The Traficant amendment would take it approximately $5.7 billion from the $283 billion as it is right now.

Mr. DICKINSON. Mr. Chairman, let me say, I stand corrected by the gentleman's figures. Either figure is much too low.

I would urge the House to vote against the amendment.

Mr. TRAFICANT. Mr. Chairman, I know it is late. We probably will not pass this amendment.

When it comes down to cutting education and housing, that will happen. We will raise taxes on middle-income Americans. We will freeze COLA's for retirees.

Make no mistake about it, there will be drastic changes in Social Security. There will be premium raises in Social Security, and you are going to go home and you are all going to have to face it. If you want to stop that, the Traficant amendment is a modest 2 percent across the board.

We have a Pentagon with a bookkeeping system that in the private sector would be referred to as multiple choice. The legends of abuse cannot be denied.

This is a very modest cut. Economic conservative analysts are saying we should not have more than a $250 billion defense budget, and believe me, the $27 billion additional they are getting is petty change over there.

I am recommending that you give it your consideration. I know the leadership is going to want to hold fast to the figures, but if you want to make a cut and you do not want to go home and start talking about all this Social Security business, here is an opportunity for you to save some of those bucks for middle-income America.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT].

The question was taken; and the Chairman pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. TRAFICANT. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The CHAIRMAN pro tempore. The recorded vote will be taken later in the legislative day, pursuant to the earlier announcement.

POSTPONED VOTES ON AMENDMENTS

Pursuant to House Resolution 461 and the order of the House of today, the Chair will first put the question on the two amendments on economic conversion and then on the question of adoption of each amendment printed in part 2 of House Report 101-693 on which recorded votes were ordered and further proceedings were postponed in the order in which the amendments were considered, as follows:

The Hopkins substitute amendment for the Mavroules amendment on economic conversion.

If ordered, the Mavroules amendment on economic conversion, as affected by the Hopkins substitute.

Fazio amendment No. 2, which originally was offered by the gentleman from Oregon [Mr. AUCOIN].

The Bosco amendment, No. 6 in the committee report.

The Boxer amendment, No. 7.

The Frank amendment, No. 17.

The Hopkins amendment, No. 18.

The Traficant amendment, No. 31.

The first two votes on amendments will be 15-minute votes.

The pending business is the vote on the amendment offered by the gentleman from Kentucky [Mr. HOPKINS] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES], on which a recorded vote is ordered.

The question is on the amendment offered by the gentleman from Kentucky [Mr. HOPKINS] as a substitute for the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES] on economic conversion.

This will be a 15-minute rollcall vote. The next amendment will be a 15-minute rollcall, and then the Chair will reduce to 5 minutes the time for electronic votes on any amendments after that vote.

The vote was taken by electronic device and there were—ayes 161, noes 253, not voting 18, as follows:

[Roll No. 340]

AYES—161

Archer	Dannemeyer	Hancock
Armey	Davis	Hansen
Baker	DeLay	Hastert
Ballenger	DeWine	Hefley
Bartlett	Dickinson	Henry
Barton	Dornan (CA)	Herger
Bateman	Dreier	Hiler
Bentley	Duncan	Holloway
Bereuter	Edwards (OK)	Hopkins
Bliley	Fawell	Houghton
Broomfield	Fields	Hubbard
Brown (CO)	Fish	Huckaby
Buechner	Frenzel	Hunter
Bunning	Gallegly	Hyde
Burton	Gallo	Inhofe
Callahan	Gekas	Ireland
Chandler	Gingrich	James
Clinger	Goodling	Johnson (CT)
Coble	Goss	Kasich
Coleman (MO)	Gradison	Kolbe
Combest	Grandy	Kyl
Cooper	Grant	Lagomarsino
Coughlin	Green	Lent
Courter	Gunderson	Lewis (CA)
Cox	Hall (OH)	Lewis (FL)
Craig	Hall (TX)	Lightfoot
Crane	Hammerschmidt	Livingston
Lloyd	Regula	Smith, Robert (NH)
Lowery (CA)	Rhodes	Smith, Robert (OR)
Madigan	Rinaldo	Spence
Marlenee	Roberts	Stangeland
Martin (IL)	Robinson	Stearns
McCandless	Rogers	Stenholm
McCollum	Rohrabacher	Stump
McCrery	Ros-Lehtinen	Sundquist
McEwen	Roth	Tauke
McGrath	Roukema	Tauzin
McMillan (NC)	Rowland (CT)	Thomas (CA)
Michel	Sarpalius	Thomas (WY)
Miller (OH)	Saxton	Upton
Molinari	Schaefer	Vander Jagt
Moorhead	Schiff	Vucanovich
Myers	Schuette	Walker
Nielson	Schulze	Walsh
Oxley	Sensenbrenner	Weber
Packard	Shumway	Weldon
Parker	Shuster	Whittaker
Parris	Skeen	Wilson
Pashayan	Slaughter (VA)	Wolf
Paxon	Smith (IA)	Wylie
Petri	Smith (NE)	Young (AK)
Porter	Smith (NJ)	Young (FL)
Pursell	Smith (VT)	
Quillen	Smith, Denny (OR)	
Ravenel		

NOES—253

Ackerman	Engel	Lowey (NY)
Anderson	English	Luken, Thomas
Andrews	Erdreich	Lukens, Donald
Annunzio	Espy	Machtley
Anthony	Evans	Manton
Applegate	Fascell	Markey
Aspin	Fazio	Martinez
Atkins	Flake	Matsui
Barnard	Flippo	Mavroules
Bates	Foglietta	Mazzoli
Beilenson	Ford (TN)	McCloskey
Bennett	Frank	McCurdy
Berman	Frost	McDermott
Bevill	Gaydos	McHugh
Bilbray	Gejdenson	McMillen (MD)
Boehlert	Geren	McNulty
Bonior	Gibbons	Meyers
Borski	Gillmor	Mfume
Bosco	Gilman	Miller (CA)
Boucher	Glickman	Miller (WA)
Boxer	Gonzalez	Mineta
Brennan	Gordon	Moakley
Brooks	Gray	Mollohan
Browder	Guarini	Montgomery
Brown (CA)	Hamilton	Morella
Bruce	Harris	Morrison (CT)
Bryant	Hatcher	Mrazek
Bustamante	Hayes (IL)	Murphy
Byron	Hayes (LA)	Murtha
Campbell (CA)	Hefner	Nagle
Campbell (CO)	Hertel	Natcher
Cardin	Hoagland	Neal (NC)
Carper	Hochbrueckner	Nelson
Carr	Horton	Nowak
Chapman	Hoyer	Oakar
Clarke	Hughes	Oberstar
Clay	Hutto	Obey
Clement	Jacobs	Olin
Coleman (TX)	Jenkins	Ortiz
Collins	Johnson (SD)	Owens (NY)
Condit	Johnston	Owens (UT)
Conte	Jones (GA)	Pallone
Conyers	Jones (NC)	Panetta
Costello	Jontz	Patterson
Coyne	Kanjorski	Payne (NJ)
Darden	Kaptur	Payne (VA)
de la Garza	Kastenmeier	Pease
DeFazio	Kennedy	Pelosi
Dellums	Kennelly	Penny
Derrick	Kildee	Perkins
Dicks	Kleczka	Pickett
Dingell	Kolter	Pickle
Dixon	Kostmayer	Poshard
Donnelly	LaFalce	Price
Dorgan (ND)	Lancaster	Rahall
Douglas	Lantos	Rangel
Downey	Laughlin	Ray
Durbin	Leach (IA)	Richardson
Dwyer	Lehman (CA)	Ridge
Dymally	Lehman (FL)	Ritter
Dyson	Levin (MI)	Roe
Early	Levine (CA)	Rose
Eckart	Lewis (GA)	Rostenkowski
Edwards (CA)	Lipinski	Rowland (GA)
Emerson	Long	Roybal

Russo
Sabo
Saiki
Sangmeister
Savage
Sawyer
Scheuer
Schneider
Schroeder
Schumer
Serrano
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (TX)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stark
Stokes
Studds
Swift
Synar
Tallon
Tanner
Taylor
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Valentine
Vento
Visclosky
Volkmer
Walgren
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—18

Alexander
AuCoin
Bilirakis
Boggs
Crockett
Feighan
Ford (MI)
Gephardt
Hawkins
Leath (TX)
Martin (NY)
McDade
Moody
Morrison (WA)
Neal (MA)
Torricelli
Unsoeld
Watkins

□ 2137

Messrs. CARR, RIDGE, MILLER of Washington, DORGAN of North Dakota, and APPLEGATE changed their vote from "aye" to "no."

Messrs. CRAIG, GREEN of New York, WILSON, and ROTH changed their vote from "no" to "aye."

So the amendment offered as a substitute for the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. MAVROULES].

The question was taken; and the Chairman announced that the ayes appeared to have it.

RECORDED VOTE

Mr. MAVROULES. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 288, noes 128, not voting 16, as follows:

[Roll No. 341]

AYES—288

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Aspin
Atkins
Barnard
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Boehlert
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Browder
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Byron
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clarke
Clay
Clement
Coleman (TX)
Collins
Condit
Conte
Conyers
Costello
Coughlin
Coyne
Craig
Darden
Davis
de la Garza
DeFazio
Dellums
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Douglas
Downey
Durbin
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Flake
Flippo
Foglietta
Ford (TN)
Frank
Frost
Gallo
Gaydos
Gejdenson
Geren
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gray
Guarini
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horton
Hoyer
Huckaby
Hughes
Hutto
Inhofe
Jacobs
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
LaFalce
Lancaster
Lantos
Laughlin
Leach (IA)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (GA)
Lloyd
Long
Lowey (NY)
Luken, Thomas
Machtley
Madigan
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (NC)
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Parris
Pashayan
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Poshard
Price
Quillen
Rahall
Rangel
Ravenel
Ray
Richardson
Ridge
Rinaldo
Ritter
Roe
Rose
Rostenkowski
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Sarpalius
Savage
Sawyer
Saxton
Scheuer
Schiff
Schneider
Schroeder
Schumer
Serrano
Sharp
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter (NY)
Smith (FL)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Robert (NH)
Snowe
Solarz
Solomon
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swift
Synar
Tallon
Tanner
Tauzin
Taylor
Thomas (GA)
Torres
Towns
Traficant
Traxler
Udall
Vento
Visclosky
Volkmer
Walgren
Walsh
Washington
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Yates
Yatron

NOES—128

Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bereuter
Bliley
Broomfield
Brown (CO)
Bunning
Burton
Callahan
Chandler
Clinger
Coble
Coleman (MO)
Combest
Cooper
Courter
Cox
Crane
Dannemeyer
DeLay
Derrick
Dickinson
Dornan (CA)
Dreier
Duncan
Fawell
Fields
Fish
Frenzel
Gallegly
Gekas
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hall (OH)
Hall (TX)
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Hunter
Hyde
Ireland
James
Kasich
Kolbe
Kyl
Lagomarsino
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lowery (CA)
Lukens, Donald
Marlenee
Martin (IL)
Martin (NY)
McCandless
McCollum
McEwen
McMillan (NC)
Michel
Moorhead
Myers
Nielson
Oxley
Packard
Parker
Patterson
Paxon
Petri
Porter
Pursell
Regula
Rhodes
Roberts
Robinson
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Schaefer
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Skeen
Slaughter (VA)
Smith (IA)
Smith (NE)
Smith, Denny (OR)
Smith, Robert (OR)
Spence
Stangeland
Stearns
Stump
Tauke
Thomas (CA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Whittaker
Wilson
Wylie
Young (AK)
Young (FL)

NOT VOTING—16

AuCoin
Bilirakis
Boggs
Crockett
Dwyer
Feighan
Ford (MI)
Gephardt
Hawkins
Leath (TX)
McDade
Neal (MA)
Torricelli
Unsoeld
Watkins

□ 2154

Mr. SARPALIUS and Mrs. ROUKEMA changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). The pending business is the vote on the amendment offered by the gentleman from California [Mr. FAZIO] on which a recorded vote is ordered.

The Clerk will designate the amendment.

The Clerk designated the amendment.

Mr. DICKINSON. Mr. Chairman, I would ask to proceed for the purpose of asking the Chairman the schedule for the rest of the evening. I am glad to yield to the gentleman from Wisconsin. I think we have six votes remaining and I wonder if the gentleman might enlighten the House as to what we expect in terms of votes and when we might expect to rise.

Mr. ASPIN. If the gentleman will yield, I would like to just say that we have, as the gentleman says and the Chair announced, six remaining votes. Each are 5-minute votes.

It is the intention then of the Chair, with the concurrence of the ranking Republican member of the committee, that that be all of the legislative business that we do for tonight. We would like to ask, there are a few Members that have colloquies that they would like to conduct either with the chairman of the committee or various subcommittees, and we would like to try and do that. But at least after the next block of votes, there will be no more votes for tonight.

I would like to say to the gentleman though, that we are expected to come in at 10 o'clock in the morning. It is the intention of the leadership to finish votes and finish this bill sometime around 12 or 12:30 tomorrow. We

will have a very busy time tomorrow morning, but if we do it right, we ought to be able to finish by 12 or 12:30.

Mr. DICKINSON. I thank the gentleman.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from California [Mr. FAZIO].

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 200, noes 216, not voting 16, as follows:

[Roll No. 342]

AYES—200

Ackerman	Glickman	Pallone
Alexander	Gonzalez	Panetta
Anderson	Gordon	Patterson
Andrews	Gray	Payne (NJ)
Anthony	Green	Payne (VA)
Aspin	Guarini	Pease
Atkins	Hamilton	Pelosi
Bates	Hatcher	Pickett
Beilenson	Hayes (IL)	Pickle
Bennett	Hefner	Porter
Berman	Hoagland	Price
Boehlert	Horton	Rangel
Bosco	Houghton	Ridge
Boucher	Hoyer	Rose
Boxer	Hubbard	Roukema
Brennan	Hughes	Rowland (CT)
Brooks	Jacobs	Rowland (GA)
Brown (CA)	Johnson (CT)	Roybal
Brown (CO)	Johnson (SD)	Sabo
Bryant	Johnston	Saiki
Campbell (CA)	Jones (GA)	Savage
Campbell (CO)	Jones (NC)	Sawyer
Cardin	Jontz	Scheuer
Carper	Kastenmeier	Schiff
Carr	Kennedy	Schneider
Chandler	Kennelly	Schroeder
Chapman	Kolbe	Schumer
Clarke	Kostmayer	Serrano
Clay	Lancaster	Sharp
Clement	Lantos	Shays
Coleman (TX)	Leach (IA)	Sisisky
Collins	Lehman (CA)	Skaggs
Condit	Lehman (FL)	Slattery
Conyers	Levin (MI)	Slaughter (NY)
Cooper	Levine (CA)	Smith (FL)
Coughlin	Lewis (GA)	Smith (IA)
Courter	Long	Smith (VT)
Coyne	Lowey (NY)	Snowe
Darden	Machtley	Solarz
DeFazio	Markey	Spratt
Dellums	Martin (IL)	Stark
Derrick	Martinez	Stokes
Dicks	Matsui	Studds
Dingell	McCandless	Swift
Dixon	McCloskey	Synar
Downey	McCurdy	Tanner
Dwyer	McDermott	Thomas (CA)
Dymally	McHugh	Thomas (GA)
Eckart	McMillen (MD)	Torres
Edwards (CA)	Meyers	Towns
Engel	Mfume	Traficant
Erdreich	Miller (CA)	Udall
Espy	Miller (WA)	Valentine
Evans	Mineta	Vento
Fascell	Molinari	Visclosky
Fawell	Moody	Walgren
Fazio	Morella	Washington
Flake	Morrison (CT)	Waxman
Ford (TN)	Morrison (WA)	Weiss
Frank	Mrazek	Wheat
Frenzel	Nagle	Williams
Frost	Neal (NC)	Wilson
Gallo	Nelson	Wise
Gejdenson	Obey	Wolpe
Geren	Olin	Wyden
Gibbons	Owens (NY)	Yates
Gilman	Owens (UT)	

NOES—216

Annunzio	Ballenger	Bentley
Applegate	Barnard	Bereuter
Archer	Bartlett	Bevill
Armey	Barton	Bilbray
Baker	Bateman	Bliley
Bonior	Huckaby	Ravenel
Borski	Hunter	Ray
Broomfield	Hutto	Regula
Browder	Hyde	Rhodes
Bruce	Inhofe	Rinaldo
Buechner	Ireland	Ritter
Bunning	James	Roberts
Burton	Jenkins	Robinson
Byron	Kanjorski	Roe
Callahan	Kaptur	Rogers
Clinger	Kasich	Rohrabacher
Coble	Kildee	Ros-Lehtinen
Coleman (MO)	Kleczka	Rostenkowski
Combest	Kolter	Roth
Conte	Kyl	Russo
Costello	LaFalce	Sangmeister
Cox	Lagomarsino	Sarpalius
Craig	Laughlin	Saxton
Crane	Lent	Schaefer
Dannemeyer	Lewis (CA)	Schuette
Davis	Lewis (FL)	Schulze
de la Garza	Lightfoot	Sensenbrenner
DeLay	Lipinski	Shaw
DeWine	Livingston	Shumway
Dickinson	Lloyd	Shuster
Donnelly	Lowery (CA)	Sikorski
Dorgan (ND)	Luken, Thomas	Skeen
Dornan (CA)	Lukens, Donald	Skelton
Douglas	Madigan	Slaughter (VA)
Dreier	Manton	Smith (NE)
Duncan	Marlenee	Smith (NJ)
Durbin	Martin (NY)	Smith (TX)
Dyson	Mavroules	Smith, Denny (OR)
Early	Mazzoli	
Edwards (OK)	McCollum	Smith, Robert (NH)
Emerson	McCrery	
English	McEwen	Smith, Robert (OR)
Fields	McGrath	
Fish	McMillan (NC)	Solomon
Flippo	McNulty	Spence
Foglietta	Michel	Staggers
Gallegly	Miller (OH)	Stallings
Gaydos	Moakley	Stangeland
Gekas	Mollohan	Stearns
Gillmor	Montgomery	Stenholm
Gingrich	Moorhead	Stump
Goodling	Murphy	Sundquist
Goss	Murtha	Tallon
Gradison	Myers	Tauke
Grandy	Natcher	Tauzin
Grant	Nielson	Taylor
Gunderson	Nowak	Thomas (WY)
Hall (OH)	Oakar	Traxler
Hall (TX)	Oberstar	Upton
Hammerschmidt	Ortiz	Vander Jagt
Hancock	Oxley	Volkmer
Hansen	Packard	Vucanovich
Harris	Parker	Walker
Hastert	Parris	Walsh
Hayes (LA)	Pashayan	Weber
Hefley	Paxon	Weldon
Henry	Penny	Whittaker
Herger	Perkins	Whitten
Hertel	Petri	Wolf
Hiler	Poshard	Wylie
Hochbrueckner	Pursell	Yatron
Holloway	Quillen	Young (AK)
Hopkins	Rahall	Young (FL)

NOT VOTING—16

AuCoin	Ford (MI)	Richardson
Bilirakis	Gephardt	Torricelli
Boggs	Hawkins	Unsoeld
Bustamante	Leath (TX)	Watkins
Crockett	McDade	
Feighan	Neal (MA)	

□ 2205

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). The pending business is the vote on the amendment offered by the gentleman from California [Mr. Bosco], on which a recorded vote was ordered.

The Clerk will designate the amendment.

The Clerk designated the amendment.

The CHAIRMAN pro tempore. This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 234, noes 182, not voting 16, as follows:

[Roll No. 343]

AYES—234

Ackerman	Guarini	Panetta
Alexander	Gunderson	Payne (NJ)
Anderson	Hall (OH)	Pease
Andrews	Hamilton	Pelosi
Annunzio	Hayes (IL)	Penny
Anthony	Hefley	Perkins
Aspin	Hefner	Pickle
Atkins	Henry	Porter
Bates	Hertel	Poshard
Beilenson	Hoagland	Price
Bennett	Hochbrueckner	Pursell
Berman	Horton	Rahall
Boehlert	Hoyer	Rangel
Bonior	Hughes	Rinaldo
Borski	Jacobs	Roe
Bosco	Johnson (CT)	Rose
Boucher	Johnson (SD)	Rostenkowski
Boxer	Johnston	Roukema
Brennan	Jones (GA)	Rowland (CT)
Brooks	Jones (NC)	Roybal
Brown (CA)	Jontz	Russo
Brown (CO)	Kanjorski	Sabo
Bruce	Kaptur	Saiki
Bryant	Kastenmeier	Sangmeister
Campbell (CA)	Kennedy	Savage
Campbell (CO)	Kennelly	Sawyer
Cardin	Kildee	Schaefer
Carper	Kleczka	Scheuer
Carr	Kolter	Schneider
Chapman	Kostmayer	Schroeder
Clarke	LaFalce	Schumer
Clay	Lantos	Serrano
Clement	Leach (IA)	Sharp
Coleman (TX)	Lehman (CA)	Shays
Collins	Lehman (FL)	Sikorski
Condit	Levin (MI)	Skaggs
Conte	Levine (CA)	Slattery
Conyers	Lewis (GA)	Slaughter (NY)
Cooper	Long	Smith (FL)
Coyne	Lowey (NY)	Smith (IA)
de la Garza	Luken, Thomas	Smith (NE)
DeFazio	Machtley	Smith (NJ)
Dellums	Manton	Smith (VT)
Derrick	Markey	Snowe
Dicks	Martin (IL)	Solarz
Dingell	Martinez	Spratt
Dixon	Matsui	Staggers
Donnelly	Mavroules	Stallings
Dorgan (ND)	Mazzoli	Stark
Downey	McCloskey	Stearns
Durbin	McDermott	Stokes
Dwyer	McGrath	Studds
Dymally	McHugh	Swift
Dyson	McMillen (MD)	Synar
Early	McNulty	Tanner
Eckart	Meyers	Tauke
Edwards (CA)	Mfume	Torres
Engel	Miller (CA)	Towns
Espy	Mineta	Traficant
Evans	Moakley	Traxler
Fascell	Moody	Udall
Fawell	Morella	Upton
Fazio	Morrison (CT)	Vento
Fish	Mrazek	Visclosky
Flake	Murphy	Volkmer
Foglietta	Nagle	Walgren
Ford (TN)	Natcher	Walsh
Frank	Neal (NC)	Washington
Frost	Nelson	Waxman
Gaydos	Nowak	Weiss
Gejdenson	Oakar	Wheat
Gibbons	Oberstar	Whitten
Gilman	Obey	Williams
Glickman	Olin	Wise
Gonzalez	Ortiz	Wolpe
Gordon	Owens (NY)	Wyden
Gray	Owens (UT)	Yates
Green	Pallone	Yatron

NOES—182

Applegate	Bartlett	Bilbray
Archer	Barton	Bliley
Armey	Bateman	Broomfield
Baker	Bentley	Browder
Ballenger	Bereuter	Buechner
Barnard	Bevill	Bunning

Burton
Byron
Callahan
Chandler
Clinger
Coble
Coleman (MO)
Combest
Costello
Coughlin
Courter
Cox
Craig
Crane
Dannemeyer
Darden
Davis
DeLay
DeWine
Dickinson
Dornan (CA)
Douglas
Dreier
Duncan
Edwards (OK)
Emerson
English
Erdreich
Fields
Flippo
Frenzel
Gallegly
Gallo
Gekas
Geren
Gillmor
Gingrich
Goodling
Goss
Gradison
Grandy
Grant
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (LA)
Herger
Hiler
Holloway
Hopkins
Houghton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jenkins
Kasich
Kolbe
Kyl
Lagomarsino
Lancaster
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Lowery (CA)
Lukens, Donald
Madigan
Marlenee
Martin (NY)
McCandless
McCollum
McCrery
McCurdy
McEwen
McMillan (NC)
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moorhead
Morrison (WA)
Murtha
Myers
Nielson
Oxley
Packard
Parker
Parris
Pashayan
Patterson
Paxon
Payne (VA)
Petri
Pickett
Quillen
Ravenel
Ray
Regula
Rhodes
Ridge
Ritter
Roberts
Robinson
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Rowland (GA)
Sarpalius
Saxton
Schiff
Schuette
Schulze
Sensenbrenner
Shaw
Shumway
Shuster
Sisisky
Skeen
Skelton
Slaughter (VA)
Smith (TX)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solomon
Spence
Stangeland
Stenholm
Stump
Sundquist
Tallon
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Thomas (WY)
Valentine
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Whittaker
Wilson
Wolf
Wylie
Young (AK)
Young (FL)

NOT VOTING—16

AuCoin
Bilirakis
Boggs
Bustamante
Crockett
Feighan
Ford (MI)
Gephardt
Hawkins
Leath (TX)
McDade
Neal (MA)
Richardson
Torricelli
Unsoeld
Watkins

□ 2212

Mr. STEARNS changed his vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). The pending business is the vote on the amendment offered by the gentlewoman from California [Mrs. BOXER] on which a recorded vote is ordered.

This is a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 334, noes 83, not voting 15, as follows:

[Roll No. 344]

AYES—334

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Applegate
Atkins
Baker
Ballenger
Barnard
Bates
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Bliley
Boehlert
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Broomfield
Brown (CA)
Brown (CO)
Bruce
Bryant
Buechner
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clarke
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins
Condit
Conte
Conyers
Cooper
Costello
Coughlin
Cox
Coyne
Craig
Darden
Davis
de la Garza
DeFazio
Dellums
Derrick
DeWine
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Dornan (CA)
Douglas
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Dyson
Early
Eckart
Edwards (CA)
Edwards (OK)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fawell
Fazio
Fish
Flake
Flippo
Foglietta
Ford (TN)
Frank
Frost
Gallegly
Gaydos
Gejdenson
Gibbons
Gillmor
Gilman
Glickman
Gonzalez
Goodling
Gordon
Gradison
Grandy
Grant
Gray
Green
Guarini
Gunderson
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hiler
Hochbrueckner
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hyde
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kastenmeier
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Lagomarsino
Lancaster
Lantos
Leach (IA)
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Levine (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Long
Lowery (CA)
Lowey (NY)
Luken, Thomas
Lukens, Donald
Machtley
Manton
Markey
Martin (IL)
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCrery
McCurdy
McDermott
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Moakley
Molinari
Mollohan
Moody
Moorhead
Morella
Morrison (CT)
Morrison (WA)
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (NC)
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Parris
Pashayan
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Pickett
Pickle
Porter
Poshard
Price
Pursell
Rahall
Rangel
Ravenel
Regula
Richardson
Ridge
Rinaldo
Ritter
Roberts
Roe
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Roukema
Rowland (CT)
Rowland (GA)
Roybal
Russo
Sabo
Saiki
Sangmeister
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schneider
Schroeder
Schuette
Schulze
Schumer
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Skaggs
Slattery
Slaughter (NY)
Smith (FL)
Smith (IA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Robert (NH)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Swift
Synar
Tallon
Tanner
Tauke
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Towns
Traficant
Traxler
Udall
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walgren
Walsh
Washington
Waxman
Weiss
Weldon
Wheat
Whitten
Williams
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (FL)

NOES—83

Archer
Armey
Aspin
Bartlett
Barton
Bateman
Browder
Bunning
Burton
Byron
Callahan
Combest
Courter
Crane
Dannemeyer
DeLay
Dickinson
Fields
Frenzel
Gallo
Gekas
Geren
Gingrich
Goss
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hoagland
Holloway
Hopkins
Hutto
Inhofe
Ireland
Kolbe
Kyl
LaFalce
Laughlin
Lewis (CA)
Livingston
Lloyd
Madigan
Marlenee
Martin (NY)
Mavroules
McCandless
McEwen
McGrath
Montgomery
Myers
Nielson
Oxley
Packard
Parker
Paxon
Petri
Quillen
Ray
Rhodes
Robinson
Rogers
Rose
Sarpalius
Sensenbrenner
Shumway
Sisisky
Skeen
Skelton
Slaughter (VA)
Smith, Denny (OR)
Smith, Robert (OR)
Stangeland
Stenholm
Stump
Sundquist
Tauzin
Taylor
Walker
Weber
Whittaker
Wilson
Young (AK)

NOT VOTING—15

AuCoin
Bilirakis
Boggs
Bustamante
Crockett
Feighan
Ford (MI)
Gephardt
Hawkins
Leath (TX)
McDade
Neal (MA)
Torricelli
Unsoeld
Watkins

□ 2219

Messrs. COX, LOWERY of California, and SMITH of New Hampshire changed their vote from "no" to "aye."

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 2220

The CHAIRMAN pro tempore. The pending business is the vote on the amendment offered by the gentleman from Massachusetts [Mr. FRANK].

The Clerk will designate the amendment.

The Clerk designated the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Massachusetts [Mr. FRANK], on which a recorded vote is ordered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 153, noes 264, not voting 15, as follows:

[Roll No. 345]

AYES—153

Ackerman
Anderson
Annunzio
Applegate
Atkins
Bates
Beilenson
Berman
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Bruce
Bryant
Campbell (CA)
Cardin
Carr
Clay
Clement
Collins
Conte
Conyers

Coyne
DeFazio
Dellums
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dymally
Early
Eckart
Edwards (CA)
Engel
Evans
Flake
Ford (TN)
Frank
Frenzel
Gejdenson
Gibbons
Gonzalez
Goodling
Gray
Green
Hall (OH)
Hastert
Hayes (IL)
Henry
Hertel
Horton
Hubbard
Jacobs
Johnson (CT)
Johnson (SD)
Jontz
Kanjorski
Kastenmeier
Kennedy
Kennelly
Kildee
Kostmayer
LaFalce
Leach (IA)
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lowey (NY)
Machtley
Markey
Martinez
Matsui
Mavroules
McDermott
McHugh
Meyers
Mfume
Miller (CA)
Mineta
Moakley
Moody
Morella
Morrison (CT)
Mrazek
Nowak
Oakar
Oberstar
Obey
Owens (NY)
Owens (UT)
Panetta
Payne (NJ)
Pelosi
Perkins
Pursell
Rahall
Rangel
Ritter
Roe
Rohrabacher
Rose
Roukema
Rowland (CT)
Roybal
Russo
Sabo
Saiki
Savage
Scheuer
Schneider
Schroeder
Schumer
Sensenbrenner
Serrano
Sharp
Shays
Sikorski
Slaughter (NY)
Smith (FL)
Smith (NE)
Smith (NJ)
Solarz
Staggers
Stallings
Stark
Stokes
Studds
Swift
Synar
Tauke
Torres
Towns
Traficant
Traxler
Udall
Upton
Vento
Visclosky
Walgren
Walsh
Washington
Waxman
Weiss
Wheat
Wolpe
Wyden
Yates

NOES—264

Alexander
Andrews
Anthony
Archer
Armey
Aspin
Baker
Ballenger
Barnard
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bevill
Bilbray
Bliley
Boehlert
Brooks
Broomfield
Browder
Brown (CA)
Brown (CO)
Buechner
Bunning
Burton
Byron
Callahan
Campbell (CO)
Carper
Chandler
Chapman
Clarke
Clinger
Coble
Coleman (MO)
Coleman (TX)
Combest
Condit
Cooper
Costello
Coughlin
Courter
Cox
Craig
Crane
Dannemeyer
Darden
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dornan (CA)
Douglas
Dreier
Duncan
Dwyer
Dyson
Edwards (OK)
Emerson
English
Erdreich
Espy
Fascell
Fawell
Fazio
Fields
Fish
Flippo
Foglietta
Frost
Gallegly
Gallo
Gaydos
Gekas
Geren
Gillmor
Gilman
Gingrich
Glickman
Gordon
Goss
Gradison
Grandy
Grant
Guarini
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hatcher
Hayes (LA)
Hefley
Hefner
Herger
Hiler
Hoagland
Hochbrueckner
Holloway
Hopkins
Houghton
Hoyer
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jenkins
Johnston
Jones (GA)
Jones (NC)
Kaptur
Kasich
Kleczka
Kolbe
Kolter
Kyl
Lagomarsino
Lancaster
Lantos
Laughlin
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Luken, Thomas
Lukens, Donald
Madigan
Manton
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McEwen
McGrath
McMillan (NC)
McMillen (MD)
McNulty
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moorhead
Morrison (WA)
Murphy
Murtha
Myers
Nagle
Natcher
Neal (NC)
Nelson
Nielson
Olin
Ortiz
Oxley
Packard
Pallone
Parker
Parris
Pashayan
Patterson
Paxon
Payne (VA)
Pease
Penny
Petri
Pickett
Pickle
Porter
Poshard
Price
Quillen
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Rinaldo
Roberts
Robinson
Rogers
Ros-Lehtinen
Rostenkowski
Roth
Rowland (GA)
Sangmeister
Sarpalius
Sawyer
Saxton
Schaefer
Schiff
Schuette
Schulze
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (IA)
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Spratt
Stangeland
Stearns
Stenholm
Stump
Sundquist
Tallon
Tanner
Tauzin
Taylor
Thomas (CA)
Thomas (GA)
Thomas (WY)
Valentine
Vander Jagt
Volkmer
Vucanovich
Walker
Weber
Weldon
Whittaker
Whitten
Williams
Wilson
Wise
Wolf
Wylie
Yatron
Young (AK)
Young (FL)

NOT VOTING—15

AuCoin
Bilirakis
Boggs
Bustamante
Crockett
Feighan
Ford (MI)
Gephardt
Hawkins
Leath (TX)
McDade
Neal (MA)
Torricelli
Unsoeld
Watkins

□ 2227

Messrs. NAGLE, FAZIO, and SKAGGS changed their vote from "aye" to "no."

Mr. STAGGERS changed his vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore. The pending business is the vote on the amendment offered by the gentleman from Kentucky [Mr. HOPKINS].

The Clerk will designate the amendment.

The Clerk designated the amendment.

The CHAIRMAN pro tempore. The question is on the amendment offered by the gentleman from Kentucky [Mr. HOPKINS], on which a recorded vote is offered.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 189, noes 228, answered "present" 1, not voting 14, as follows:

[Roll No. 346]

AYES—189

Applegate
Archer
Armey
Baker
Ballenger
Bartlett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilbray
Bliley
Boehlert
Broomfield
Brown (CO)
Bunning
Burton
Byron
Campbell (CA)
Campbell (CO)
Cardin
Chandler
Clarke
Clinger
Coble
Coleman (MO)
Combest
Conte
Coughlin
Courter
Cox
Craig
Crane
Dannemeyer
Davis
DeLay
DeWine
Dickinson
Dornan (CA)
Douglas
Dreier
Duncan
Eckart
Edwards (OK)
Fawell
Fields
Frenzel
Gallegly
Gallo
Gekas
Gillmor
Gilman
Gingrich
Glickman
Goodling
Goss
Gradison
Grandy
Grant
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hiler
Holloway
Hopkins
Horton
Houghton
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnston
Jones (NC)
Kasich
Kastenmeier
Kolbe
Kyl
LaFalce
Lagomarsino
Laughlin
Leach (IA)
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Lukens, Donald
Machtley
Marlenee
Martin (IL)
Martin (NY)
Mazzoli
McCandless
McCollum
McEwen
McGrath
McMillan (NC)
Meyers
Mfume
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison (WA)
Natcher
Nielson
Oxley
Packard
Pashayan
Paxon
Pease
Perkins
Petri
Porter
Pursell
Quillen
Rahall
Ravenel
Ray
Regula
Rhodes
Ridge
Rinaldo
Ritter
Roberts
Robinson
Rogers
Rohrabacher
Ros-Lehtinen
Roukema
Rowland (CT)
Saiki
Saxton
Schaefer
Schiff
Schneider
Schuette
Schulze
Sensenbrenner
Shaw
Shays
Shumway
Skeen
Slattery
Slaughter (VA)
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Snowe
Solomon
Spence
Stangeland
Stearns
Stump
Sundquist
Tauke
Thomas (CA)
Thomas (WY)
Udall
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Whittaker
Wolf
Wylie
Yatron
Young (AK)
Young (FL)

NOES—228

Ackerman
Alexander
Anderson
Andrews
Annunzio
Anthony
Aspin
Atkins
Barnard
Bates
Beilenson
Berman
Bevill
Bonior
Borski
Bosco
Boucher
Boxer
Brennan
Brooks
Browder
Brown (CA)
Bruce
Bryant
Buechner
Bustamante
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins
Condit
Conyers
Cooper
Costello
Coyne
Darden
de la Garza
DeFazio
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Dyson
Early
Edwards (CA)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Fish
Flake
Flippo
Foglietta
Ford (TN)
Frank
Frost
Gaydos
Gejdenson
Geren
Gibbons
Gonzalez
Gordon
Gray
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Hoyer
Hubbard
Huckaby
Hughes
Jacobs
Jenkins
Johnson (SD)
Jones (GA)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kostmayer
Lancaster
Lantos
Lehman (CA)
Lehman (FL)
Levin (MI)
Levine (CA)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)

Luken, Thomas
Madigan
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McCrery
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Moody
Morrison (CT)
Mrazek
Murphy
Murtha
Myers
Nagle
Neal (NC)
Nelson
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Parris
Patterson
Payne (NJ)
Payne (VA)
Pelosi
Penny
Pickett
Pickle
Poshard
Price
Rangel
Richardson
Roe
Rose
Rostenkowski
Roth
Rowland (GA)
Roybal
Russo
Sabo
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Shuster
Sikorski
Sisisky
Skaggs
Skelton
Slaughter (NY)
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Tauzin
Taylor
Thomas (GA)
Torres
Towns
Traficant
Traxler
Valentine
Vento
Visclosky
Volkmer
Walgren
Washington
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates

ANSWERED "PRESENT"—1

Callahan

NOT VOTING—14

AuCoin
Bilirakis
Boggs
Crockett
Feighan
Ford (MI)
Gephardt
Hawkins
Leath (TX)
McDade
Neal (MA)
Torricelli
Unsoeld
Watkins

□ 2233

Mr. ROSE and Mr. ENGLISH changed their vote from "aye" to "no."

Messrs. CRAIG, GUNDERSON, PEASE, MARLENEE, HOUGHTON, SMITH of New Hampshire, DOUGLAS, SLAUGHTER of Virginia, BAKER, LOWERY of California, and Mrs. ROUKEMA changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). The pending business is the vote on the amendment offered by the gentleman from Ohio [Mr. TRAFICANT], on which a recorded vote was ordered.

The Clerk will designate the amendment.

The Clerk designated the amendment.

The CHAIRMAN pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 133, noes 284, not voting 15, as follows:

[Roll No. 347]

AYES—133

Ackerman
Anderson
Applegate
Atkins
Baker
Bereuter
Bonior
Borski
Bosco
Boxer
Broomfield
Bryant
Campbell (CA)
Chandler
Clay
Coble
Collins
Condit
Conyers
Coyne
Dannemeyer
DeFazio
Dellums
Donnelly
Dorgan (ND)
Douglas
Downey
Duncan
Durbin
Dymally
Eckart
Edwards (CA)
Fawell
Flake
Ford (TN)
Frank
Frenzel
Glickman
Grandy
Hamilton
Hancock
Hastert
Hayes (IL)
Herger
Hughes
Jacobs
Johnson (SD)
Jones (NC)
Jontz
Kanjorski
Kastenmeier
Kildee
Kleczka
Kolter
Leach (IA)
Lehman (CA)
Lehman (FL)
Lewis (GA)
Lowey (NY)
Markey
Martinez
Matsui
McDermott
McMillan (NC)
Meyers
Mfume
Miller (CA)
Mineta
Moody
Morella
Mrazek
Murphy
Nagle
Nielson
Nowak
Oakar
Oberstar
Obey
Owens (NY)
Owens (UT)
Payne (NJ)
Pelosi
Penny
Petri
Porter
Rahall
Rangel
Regula
Ridge
Ritter
Roberts
Rohrabacher
Roth
Roukema
Roybal
Russo
Savage
Schaefer
Scheuer
Schneider
Schroeder
Schulze
Schumer
Sensenbrenner
Serrano
Sharp
Shays
Sikorski
Slaughter (NY)
Smith (NE)
Snowe
Staggers
Stark
Stokes
Swift
Tauke
Thomas (CA)
Thomas (WY)
Torres
Towns
Traficant
Traxler
Vento
Walgren
Walker
Walsh
Washington
Weiss
Wheat
Whittaker
Williams
Wise
Wylie

NOES—284

Alexander
Andrews
Annunzio
Anthony
Archer
Armey
Aspin
Ballenger
Barnard
Bartlett
Barton
Bateman
Bates
Beilenson
Bennett
Bentley
Berman
Bevill
Bilbray
Bliley
Boehlert
Boucher
Brennan
Brooks
Browder
Brown (CA)
Brown (CO)
Bruce
Buechner
Bunning
Burton
Bustamante
Byron
Callahan
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clarke
Clement
Clinger
Coleman (MO)
Coleman (TX)
Combest
Conte
Cooper
Costello
Coughlin
Courter
Cox
Craig
Crane
Darden
Davis
de la Garza
DeLay
Derrick
DeWine
Dickinson
Dicks
Dingell
Dixon
Dornan (CA)
Dreier
Dwyer
Dyson
Early
Edwards (OK)
Emerson
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Fields
Fish
Flippo
Foglietta
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Geren
Gibbons
Gillmor
Gilman
Gingrich
Gonzalez
Goodling
Gordon
Goss
Gradison
Grant
Gray
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hammerschmidt
Hansen
Harris
Hatcher
Hayes (LA)
Hefley
Hefner
Henry
Hertel
Hiler
Hoagland
Hochbrueckner
Holloway
Hopkins
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jenkins
Johnson (CT)
Johnston
Jones (GA)
Kaptur
Kasich
Kennedy
Kennelly
Kolbe
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
Laughlin
Lent
Levin (MI)
Levine (CA)
Lewis (CA)
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Luken, Thomas
Lukens, Donald
Machtley
Madigan
Manton
Marlenee
Martin (IL)
Martin (NY)
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McEwen
McGrath
McHugh
McMillen (MD)
McNulty
Michel
Miller (OH)
Miller (WA)
Molinari
Mollohan
Montgomery
Moorhead
Morrison (CT)
Morrison (WA)
Murtha
Myers
Natcher
Neal (NC)
Nelson
Olin
Ortiz
Oxley
Packard
Pallone
Panetta
Parker
Parris
Pashayan
Patterson
Paxon
Payne (VA)
Pease
Perkins
Pickett
Pickle
Poshard
Price
Pursell
Quillen
Ravenel
Ray
Rhodes
Richardson
Rinaldo
Robinson
Roe
Rogers
Ros-Lehtinen
Rose
Rostenkowski
Rowland (CT)
Rowland (GA)
Sabo
Saiki
Sangmeister
Sarpalius
Sawyer
Saxton
Schiff
Schuette
Shaw
Shumway
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter (VA)
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Smith (VT)
Smith, Denny (OR)
Smith, Robert (NH)
Smith, Robert (OR)
Solarz
Solomon
Spence
Spratt
Stallings
Stangeland
Stearns
Stenholm
Studds
Stump
Sundquist
Synar
Tallon
Tanner
Tauzin
Taylor
Thomas (GA)
Udall
Upton
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Waxman
Weber
Weldon
Whitten
Wilson
Wolf
Wolpe
Wyden
Yates
Yatron
Young (AK)
Young (FL)

NOT VOTING—15

AuCoin
Bilirakis
Boggs
Crockett
Feighan
Ford (MI)
Gephardt
Hawkins
Leath (TX)
McDade
Moakley
Neal (MA)
Torricelli
Unsoeld
Watkins

□ 2244

Mr. TAUKE and Mr. BEREUTER changed their vote from "no" to "aye."

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. STARK. Mr. Chairman, over the last decade, the work force at Lawrence Livermore National Laboratory has steadily grown. As traffic and congestion have increased in the area the city of Livermore has had to spend millions improving roads around the lab.

I am pleased to see that the Defense authorization bill (H.R. 4739) we have before us approves $1.15 million to help pay for some transportation intersection improvements at the lab. This is a good first step.

The bill also urges the Department of Energy to do the right thing and next year budget money for paying for the lab's fair share of the total cost. This would run about $10 million. It's the right thing to do, and I deeply thank the House Armed Services Committee for being supportive of this effort.

Mr. ASPIN. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise to enter in to a colloquy with a couple of Members here on a couple of the issues having to do with the bill, and them I know some of the other subcommittee chairmen would like to enter into colloquies.

Mr. Chairman, we are doing it tonight because we are trying to save time before the schedule for tomorrow.

Mr. Chairman, the first Member will be the gentleman from Maine [Mr. BRENNAN].

Mr. BRENNAN. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Maine.

Mr. BRENNAN. Mr. Chairman, I would like to engage the chairman of the Armed Services Committee in a colloquy. The Secretary of Defense recently decided to reduce the annual production of DDG-51 AEGIS guided missile destroyers from five per year to four per year and the budget adjustment amendment of the chairman will make that change in the bill before us. My concern is what effect a reduction in the annual production might have on the shipyards and related industrial base that build the ships and ship components.

I think the record shows that five ships per year allowed vigorous competition and efficient production with two shipbuilders. With a construction rate of four ships per year it is still possible, and I believe desirable, to maintain two shipbuilders and efficient production. However that can only be done if special care is exercised by the Navy in executing the program. In the absence of near-term alternative work, I believe that a four-ship competition resulting in either yard receiving less than two ships would effectively foreclose competition after the first year, because the losing yard would be unable to compete in the next year, and that would not be in the best interest of our country.

What is called for is enlightened program management by the Navy that achieves cost-effective performance and high quality in the production of these ships without introducing cutthroat competition. Even at the reduced level of four ships per year, a stable well managed program would allow the two AEGIS shipbuilders to continue investment in facility upgrades and training, and to achieve cost efficient production of these ships. Competition for competition's sake would likely lead to a very different result: only one surviving shipbuilder with the Government at the mercy of the one producer in a sole-source procurement.

I would like to ask the chairman of the committee, Mr. ASPIN, two questions:

First, whether he shares the view that retaining two AEGIS shipbuilders is an important objective and that the Navy should seek to assure that two yards remain in the program; and

Second, do existing statutes allow the exercise of judgment by the Navy to maintain two shipbuilders?

Mr. ASPIN. Mr. Chairman, I agree with my colleague, the gentleman from Maine, that retention of two shipbuilders for AEGIS class ships appears to provide great benefit to the national defense and the alternative of having only one supplier would be undesirable. I would note that the committee has already spoken on this issue with respect to submarine construction and I believe that the committee is similarly supportive of maintaining two AEGIS shipbuilders. I would note that current law allows the Navy to take industrial base considerations into account in the award of contracts for the construction of ships. I believe that there is no question that the Navy has the authority and responsibility to manage shipbuilding programs so as to foster a strong shipbuilding base. In this case I believe that that means two shipyards.

Mr. BRENNAN. Mr. Chairman, I thank the chairman of the committee.

Mr. ASPIN. Mr. Chairman, I thank the gentleman from Maine [Mr. BRENNAN].

Mr. HOCHBRUECKNER. Mr. Chair-man, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from New York, also for a colloquy.

□ 2250

Mr. HOCHBRUECKNER. Mr. Chairman, I share the gentleman's belief that we must support the soldiers involved in Desert Shield. In particular, I am concerned with the dangerous effects of heat and other environmental factors on the troops in the Middle East. Our soldiers, for instance, need garments and protective clothing that will not cripple them in extreme temperatures. I am aware of novel approaches that may help the military deal with this problem. Is it true, Mr. Chairman, that this amendment includes $20 million for desert stress testing and military equipment that can operate in extreme environments, including heat resistant garments?

Mr. ASPIN. The gentleman from New York is correct. Included in this amendment is $20 million for the testing and evaluation of equipment under desert conditions. Clearly there are many lessons we need to learn about the impact of environmental factors on our military readiness and individual soldiers. I believe this amendment will provide us important capabilities and knowledge about the impact of those factors, including heat.

Mr. HOCHBRUECKNER. I appreciate the committee chairman's statement and firmly support his efforts to put this package together in response to the very real needs of our soldiers abroad.

Mr. RAHALL. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from West Virginia.

Mr. RAHALL. Mr. Chairman, in these times of budgetary constraint, I think you will agree with me that it is important that we provide the taxpayers with the full value of their tax dollars. As you know, billions of dollars of America's property has been declared surplus by the Department of Defense and sent to foreign countries, without our States first having the opportunity to secure it for the use of America's needs. This situation will become more acute as billions of dollars worth of additional property becomes surplus over the next 5 years.

Mr. ASPIN. The gentleman is correct. Generally speaking, and I know that he has a bill pending which has been referred to my committee and two others that would give the 50 States the right of first refusal on heavy equipment that is surplus or excess to the needs of the Department of Defense; such items as backhoes, wreckers, tractors, scrapers, power generators, graders, bulldozers, trucks, vans, even helicopters, which cities and regions within the States desperately need. We will place this matter on our hearing agenda for next year.

Mr. RAHALL. Mr. Chairman, opponents to my bill are fond of pointing out that States already receive 90-some percent of surplus property, while the Department of Defense has only received about 6 percent. Mr. Chairman, our States will tell you that 94 percent of surplus needles and pins, when tractors are in demand; is 94 percent of nothing, if you have access to only leftovers instead of what you really need.

For example, last year the value of property received by all 50 States amounted to $600 million, while the 6 percent kept by the Defense Department is valued in the billions. Shipments to Israel and Egypt alone amounted to $3.4 billion last year. Not only that, in fiscal year 1989, 40 pieces of valuable heavy equipment were shipped to Uruguay from surplus stocks in the Continental United States, instead of from stockpiles overseas. That is why it is so important to have a hearing on the matter, and I hope you would agree, Mr. Chairman, that these two issues will be explored during next year's hearing on my bill.

Mr. ASPIN. I thank the gentleman for bringing this matter to our attention. A number of special interests are laying claim to Department of Defense assets and priorities must be addressed. We look forward to working with you to achieve balance and fairness on the disposition of these assets.

Mr. DELLUMS. Mr. Chairman, I move to strike the last word.

The CHAIRMAN pro tempore (Mr. DURBIN.). Without objection the gentleman from California is recognized for 5 minutes.

There was no objection.

Mr. HUNTER. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the distinguished gentleman from California.

Mr. HUNTER. Mr. Chairman, I would like to engage in a colloquy with the distinguished chairman of the Research and Development Subcommittee.

Mr. DELLUMS. I would be pleased to enter into a colloquy with Mr. HUNTER.

Mr. HUNTER. The Research and Development Subcommittee recommended authorization of $15 million for the DP-2 Vectored Thrust research project. Is that correct?

Mr. DELLUMS. That is correct.

Mr. HUNTER. Is it not true that this authorization was provided to the Defense Advanced Research Project Agency specifically intended for research, development, test and evaluation of the DP-2 system for the special operations forces. Is that correct?

Mr. DELLUMS. That is correct.

Mr. HUNTER. I thank the committee chairman. It will be most helpful since this committee has previously authorized funds for this purpose to DARPA with the authorization not being carried out for that purpose.

Mr. DAVIS. Mr. Chairman, will the gentleman yield?

Mr. DELLUMS. I yield to the gentleman from Michigan.

Mr. DAVIS. I would like to engage in a colloquy with the distinguished chairman of the Research and Development Subcommittee.

Mr. DELLUMS. I would be pleased to enter into a colloquy with the gentleman from Michigan.

Mr. DAVIS. It is true that the Research and Development Subcommittee is supporting critical technology development at the Defense Advanced Research Projects Agency [DARPA]?

Mr. DELLUMS. Yes, it is true.

Mr. DAVIS. As many of my colleagues know, DARPA maintains a critical role in advancing state of the art capabilities through its smart weapons and sensors program. I strongly support the research DARPA is doing in this area. Continuing the progress in the areas of sensors, signal and image processing, automatic target recognition, and simulation are critical to the development of many types of military systems. I understand DARPA concurs that this area of research is especially important. I would hope that in the future DARPA could increase this type of research by adjusting their budget accordingly.

Mr. DELLUMS. I thank the gentleman from Michigan for his comments.

Mrs. SCHROEDER. Mr. Chairman, I move to strike the last word.

The CHAIRMAN pro tempore. Without objection the gentlewoman from Colorado [Mrs. SCHROEDER] is recognized for 5 minutes.

There was no objection.

Mr. WOLPE. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from Michigan.

Mr. WOLPE. Mr. Chairman, I understand that some funds in this bill are available for U.S. military exercises, and exercise-related construction. Such exercises have occurred in the past few years in Zaire. These exercises have been jointly conducted with Zairian military forces, including the 31st Paratroop Brigade, whose basic mission is suppression of internal political opposition. According to the State Department's Country Reports on Human Rights Practices for 1989, Zairian military personnel and police frequently, arbitrarily arrested, detained and extorted money from civilians, beatings and other physical mistreatment of prisoners and detainees continued. And in the last few months, Zairian security forces have attacked opposition party meetings, killing some participants, and participated in a massacre of at least 50 university students in the city of Lubumbashi. This body has reacted to the worsening repression and corruption in Zaire by eliminating all foreign military financing for Zaire in the fiscal year 1991 appropriations bill and channeling economic aid through nongovernmental organizations.

Given these developments, do you agree that the Congress should maintain its position, expressed in the armed services committee report last year, that joint military exercises in Zaire should not support counterinsurgency forces in Zaire that have been accused of human rights violations?

Mrs. SCHROEDER. I fully share the gentleman's concerns which, as he points out, are also those of the committee. I was pleased to join him in writing to the Secretary of Defense on this issue earlier this year. While the response to our letter showed a broad agreement on the principle of avoiding support of counterinsurgency forces accused of human rights violations, the response trivialized the very serious charges which have been raised about the actual mission and performance of the Zairian troops involved. The recent developments Mr. WOLPE discussed argue against the continuation of any joint exercises with Zairian military forces. I am wondering whether the gentlemen would be willing to join me in another letter to Secretary Cheney along these lines.

Mr. WOLPE. I thank the gentlewoman for her suggestion, and will be very pleased to work with her on this matter. This Congress needs to do all that it can to support the growing democratization movement in Zaire, and indeed in Africa as a whole. Disassociating ourselves from corrupt and oppressive security forces and regimes is one of the least costly ways I know to support this process.

Mr. TORRES. Mr. Chairman, will the gentlewoman yield?

Mrs. SCHROEDER. I yield to the gentleman from California.

Mr. TORRES. Mr. Chairman, I thank the gentlewoman for yielding. As the gentlewoman knows there is a defense facility in my district called the Defense Fuel Supply Point in Norwalk. We call it a tank farm because it consists of 12 huge petroleum storage tanks—half a football field wide, 6 stories high, right in the middle of a residential neighborhood.

The purpose of the so-called tank farm is to store jet fuel that is piped from San Pedro harbor to various military air bases throughout southern California, Nevada, and Arizona.

The problem with a tank farm is its incompatibility with the surrounding residential neighborhood. The tanks at the facility have the capacity to store 4,704,000 gallons of jet fuel. The 94,000 residents of Norwalk do not want this facility in their midst.

According to a recent Department of Defense study, the tank farm needs nearly $2 million of improvements to safely sustain a major earthquake. Soil and ground water contamination has recently been discovered on the site and there is reason to believe that the contamination has migrated offsite.

Mrs. SCHROEDER. I appreciate the gentleman bringing this matter to the attention of the House. At the very least, given the circumstances, I think it only proper to request the Secretary of Defense to prepare for the Congress a master plan analysis of the entire fuel supply system for southern California, including possible alternatives to the Defense Fuel Supply Point at Norwalk. It would seem to me that an analysis of alternatives of storage and surge capacity requirements could include adjacent, established refinery facilities, existing or newly constructed storage capacity at San Pedro or Colton, and the possibility of utilizing fuel storage facilities adjacent to the intended air bases such as Edwards, Nellis, and March Air Force Bases. In my capacity as Chairwoman of the Subcommittee on Military Installations and Facilities, I intend to make a formal request of the Secretary that the master plan analysis commence as soon as possible.

Mr. TORRES. I thank the gentlewoman for her leadership. This is a matter that is critical to the people of Norwalk. We will await the results of the Secretary's master plan analysis.

□ 2300

Mr. HUTTO. Mr. Chairman, I move to strike the last word.

The CHAIRMAN pro tempore (Mr. DURBIN). Without objection, the gentleman from Florida is recognized for 5 minutes.

There was no objection.

Mr. HUTTO. Mr. Chairman, I yield to the distinguished gentleman from California [Mr. PANETTA].

Mr. PANETTA. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to engage the gentleman from Florida [Mr. HUTTO] in a colloquy to clarify the intent of the Committee on Armed Services with respect to naval school training funds.

Mr. Chairman, it is my understanding that the Committee on Armed Services, at the behest of the Subcommittee on Readiness, has recommended reducing the administration's request for naval school training funds by $63 million. While I strongly support the subcommittee's dedication to a rational reduction of defense expenditures in light of rapidly changing national security requirements, I am concerned that this reduction may unduly and inadvertently affect the very naval educational programs we should be trying to enhance.

One naval installation focusing on interdepartmental research and study in both defense and civilian areas is the Naval Postgraduate School in Monterey, CA. The school, an institution well known for its contributions to civilian and defense research as well as a fertile training ground for civil and defense engineers, has been undertaking a steady program of growth in its operating budget and student population, as directed by the Secretary of the Navy. The student population rose from 1,673 to 1,851 between fiscal year 1989 and fiscal year 1990 and is due to rise from this size to 1,960 by fiscal year 1992. Meanwhile, the school's operating budget has risen with the student load and will require a commensurate increase over the next 2 years to keep pace with the rise in student population.

Mr. HUTTO. Mr. Chairman, the gentleman from California is quite right about the Naval Postgraduate School's fiscal needs in the coming years, and I share his concern. The Subcommittee on Readiness does not intend the reduction of $63 million in naval school training to affect the Naval Postgraduate School's request for operating funds. The reduction is intended to take into account a 92-percent average execution rate in Department of Defense educational institutions and should not affect the Naval Postgraduate School's operating funds.

Mr. PANETTA. Mr. Chairman, I want the chairman to know that I greatly appreciate his clarification of the recommended reduction in naval school training funds as well as his support for the Naval Postgraduate School. I commend the chairman for his dedication to the improvement of the Nation's military readiness, and I thank the gentleman.

Mr. HUTTO. I thank the gentleman from California for sharing his concerns with me and for the opportunity to clarify the subcommittee's intent.

Mr. SKELTON. Mr. Chairman, will the gentleman from Florida yield?

Mr. HUTTO. I yield to the distinguished gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I wish to engage the gentleman in a colloquy concerning this very same issue, the $63 million cut from the Naval Training School fund. As you know, I am chairman of the panel on military education and have been for some 3 years, and I am concerned that this cut will have an effect on the two schools at Newport known as the Intermediate War College and the Senior Naval War College there. They are doing such a superb job. During our initial series of hearings and report they received outstanding reviews and marks from our panel, the Armed Services Panel on Education, and they are still doing a superb job, and actually if anything getting better.

I would ask the gentleman if the cut would affect those two schools, the Senior War College and the Intermediate War College?

Mr. HUTTO. I am well aware of the gentleman's distinguished record of service with this panel on education for our miitary, and I commend him on that. I do not believe that this would affect the institutions the gentleman has indicated.

This is over a period of time where we have had low enrollment, so to speak, and the provisions that we have are if the enrollment is above 92 percent then they would not be affected. In this budgetary time, a time of constraints on our budget, we felt that we could cut in this area since a lot of the schools did not have full enrollment.

Mr. SKELTON. If the gentleman will yield further, I appreciate his answer on that. The two Navy War Colleges, the Intermediate and the Senior War College at Newport do not fall and will not fall below that figure mentioned of 92 percent enrollment because they are working at capacity and will be in the days and years ahead. So in other words, they will not be affected, is that correct?

Mr. HUTTO. That is my understanding. If they go above the 92-percent level in enrollment they will not be affected.

Mr. SKELTON. Mr. Chairman, I thank the gentleman and appreciate his entering into this colloquy.

Mr. HUTTO. Mr. Chairman, I thank the gentleman for his interest.

Mr. WELDON. Mr. Chairman, will the gentleman yield?

Mr. HUTTO. I yield to the distinguished gentleman from Pennsylvania.

Mr. WELDON. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I would like to commend my colleague from Florida [Mr. HUTTO], for his significant contributions to the bill before us today. I would particularly like to praise the chairman of the Readiness Subcommittee for establishing a system to dispose of DOD surplus items. It is time we clear out some of our overstuffed warehouses and get what return we can on these articles. I think this bill moves in the right direction on that issue.

As we move ahead with the surplus disposal plan, however, I would like to bring to the Chairman's attention some recent findings presented to me by constituents who have actively followed DOD surplus sales. According to these professionals, DOD now is getting a very limited return on investment through the sale of defense surplus items. For example, these people calculated that $4.5 billion in surplus items were disposed in 1988, but that the rate of return on these items was about 2 percent overall. Items ranged from track shoe sets, to cameras, to cylinders and other mechanical parts. Items that might have practical value to a greater portion of the population than is now aware of these sales, and in some cases, items which actually could have been commanded more money if sold as scrap than they actually got in bids. We're searching for innovative ways to save money and get more for our defense dollars, and it appears we may have a real opportunity here to do that. I think we ought to look seriously at a pilot project, perhaps even in a select region, to increase the return on DOD surplus sales.

Mr. HUTTO. Mr. Chairman, I have had the opportunity to review some of the materials forwarded to me by the gentleman from Pennsylvania, and agree that we should take a close look at options for improving our return on surplus sales. A brief review of the situation suggests that public awareness about the surplus sales is very low, and that paperwork requirements for bidding may limit interest in the sales. I think we need a more thorough review of this issue, though, to determine what is workable, what has already been tried, and limitations on the system. I would like to have at least one hearing on this matter, time permitting, this year or early next year, to address this whole issue in depth.

Mr. WELDON. Mr. Chairman, I thank the gentleman. I agree with his suggestion, and look forward to working with him on this matter, and participating in relevant hearings.

Mr. HUTTO. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mrs. BOXER] having assumed the chair, Mr.

DURBIN, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, had come to no resolution thereon.

□ 2310

PERMISSION FOR COMMITTEE ON PUBLIC WORKS AND TRANSPORTATION TO SIT DURING 5-MINUTE RULE ON TOMORROW

Mr. ANDERSON. Madam Speaker, I ask unanimous consent that the Committee on Public Works and Transportation be permitted to meet on Wednesday, September 19, 1990, during the consideration of the bill, H.R. 4739, under the 5-minute rule.

The SPEAKER pro tempore (Mrs. BOXER). Is there objection to the request of the gentleman from California?

There was no objection.

PERSONAL EXPLANATION

Mrs. UNSOELD. Mr. Speaker, due to the primary vote in Washington State, I was unable to vote on a number of amendments offered to H.R. 4739. If I had been present, I would have voted: "nay" on the Dornan amendment, "aye" on the Dellums amendment, "nay" on the Kyl amendment, "aye" on the Bennett amendment, "nay" on the Hopkins amendment, "aye" on the Mavroules amendment, "aye" on the Fazio amendment, "aye" on the Bosco amendment, "aye" on the Boxer amendment, "aye" on the Frank amendment, "nay" on the Hopkins amendment, "aye" on the Traficant amendment, "aye" on the Aspin en bloc amendment, and "aye" on the Aspin budget amendment.

In addition, I was paired as "nay" on the motion to recommit and "aye" on final passage.

PERSONAL EXPLANATION

Mr. NEAL of Massachusetts. Mr. Speaker, I was unavoidably detained on business in my district. If I had been present, I would have voted as follows on the listed rollcall votes:

Rollcall No. 334, "aye," Rollcall No. 335, "aye," Rollcall No. 336, "no," Rollcall No. 337, "aye," Rollcall No. 338, "no," Rollcall No. 339, "aye," Rollcall No. 340, "no," Rollcall No. 341, "aye," Rollcall No. 342, "aye," Rollcall No. 343, "aye," Rollcall No. 344, "aye," Rollcall No. 345, "aye," Rollcall No. 346, "no," and Rollcall No. 347, "no."

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

September 14, 1990.

Hon. THOMAS S. FOLEY,
The Speaker, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit sealed envelopes received from the White House at 11:59 a.m. on Friday, September 14, and said to contain a message from the President whereby he transmits a legislative proposal entitled, "Enterprise for the Americas Initiative Act of 1990" and said to contain a message from the President whereby he transmits the annual report of the Tourism Policy Council, which covers fiscal year 1989.

With great respect, I am,
Sincerely yours,
DONNALD K. ANDERSON,
Clerk, House of Representatives.

ANNUAL REPORT OF THE TOURISM POLICY COUNCIL—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore. Laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Energy and Commerce:

(For message, see proceedings of the Senate of Friday, September 14, 1990, page S. 3203.)

ENTERPRISE FOR THE AMERICAS INITIATIVE ACT OF 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 101-239)

The SPEAKER pro tempore. Laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance and Urban Affairs, the Committee on Foreign Affairs, the Committee on Agriculture, and the Committee on Energy and Commerce and ordered to be printed:

(For message, see proceedings of the Senate of Friday, September 14, 1990 page S. 3203.)

SANDINISTA KILLING FIELDS

(Mr. DONALD E. "BUZ" LUKENS asked and was given permission to address the House for 1 minute and to reivse and extend his remarks and include extraneous matter.)

Mr. DONALD E. "BUZ" LUKENS. Mr. Speaker, earlier this year, violent abuses by the Nicaraguan Sandinista troops and their security forces were discovered. They included killings, disappearances, and torture. Daniel Ortega and his Sandinista thugs kept the massacres quiet from the international community.

Mr. Speaker, the statistics will shock you. Already 11 skeletons have been unearthed in the village of Wiwill, the Communist Sandinistas had over 2,000 troops operating since 1983. Two victims were forcibly taken by the chief Sandinista delegate who is now a member of the town council! Seven other killing fields including whole villages that have been unearthed in the Jinotega Province alone. Rugged terrain and fear of retaliation by the Sandinistas still in the area, are stalling a full investigation. But even now, frightened peasants are coming forward in spite of threats from the Sandinistas. As more and more information and accounts of death become aware to the world, maybe then, the world will finally discover death, torture, and human rights abuses by our pal Daniel Ortega and his Communist thugs.

[From The New York Times, Aug. 5, 1990]

SANDINISTAS ACCUSED AS BURIAL SITES ARE UNEARTHED

(By Mark A. Uhlig)

WIWILL, NICARAGUA.—For years, Justina Cárdenas Gomez has known what happened to her brothers when they disappeared here in 1983. But she guarded the secret for fear of meeting the same fate.

Now, on a rugged mountaintop an hour's climb from her family's wooden shack, she uncovers the shallow grave where, she says, the two men were tortured and killed by the Sandinista security police.

In an oblong depression, covered with weeds, the decaying skulls are unearthed side by side. The men's hands are found tied with knotted cord. A plastic belt juts from the rain-softened dirt. The sleeves of a red shirt are still rolled up, as they were when the men were arrested at gunpoint on that distant, vividly remembered night.

"They told my brothers to bring a shovel," said Miss Cárdenas, who added that the grave was found by dogs eight days later. "When we asked why, they said they were taking them along on a military operation."

BREAKING A SILENCE

Along with thousands of other Nicaraguans caught in the middle of this country's political conflicts, Miss Cárdenas endured her sorrow in silence for years, afraid that even the act of reburying her brothers, 42-year-old Reymundo and 32-year-old Lacario, would place her family in new danger. Among the three armed Sandinista officials who took her brothers away, she said, she recognized the town's chief Sandinista delegate, a man who still holds that post and is a member of the town council.

But with the February defeat of Sandinista leaders in national elections, and the apparent end of the eight-year rebel war, Miss Cárdenas and other Nicaraguans have cautiously begun to speak about their experiences. And the Cárdenas brothers' secret grave has joined a growing list of similar sites that give grim testimony to crimes and abuses suffered at the height of the civil war.

But in a country where access to combat zones was often controlled by the Sandinista Government, the emerging testimony and physical evidence give new weight to allegations of Sandinista brutality against

suspected opponents in the countryside. They suggest that the rural families whose homes were the battlefield of the civil war were safe from neither side.

DISCOVERY OF 11 SKELETONS

Across a river from the steep mountaintop where Miss Cárdenas found her brothers' grave and two blood-spattered trees where the two men were apparently tortured before being killed, a farmer noticed another set of human bones protruding from a muddy ravine near a former Sandinista army outpost. The site, known as Mokorón, has since yielded parts of 11 skeletons, including 8 identified by dental remains and clothing as a group of young draft evaders last seen being arrested by security officials in October 1983.

The regional coroner assigned to the case, Dr. Andrés Altamirano, said medical tests and physical evidence indicated that the year of the victims' deaths coincided with that of the young men's disappearance. Among, the bound shoeless victims were at least one woman and two children, and the victims' throats appeared to have been cut.

* * *

The Mokorón remains were discovered nearly two years ago, after a hurricane turned mountainsides in to cascades of mud and water, washing away the thin topsoil. But the farmer who found them said nothing until this June.

At least seven other sites have been discovered since June in the surrounding area of Jinotega Province alone. But a full accounting is hindered by rugged terrain and lingering fears of retribution.

A LOT OF PEOPLE KILLED

The senior Sandinista official in Wiwil, Carlos Aguilar Arriola, a 31-year-old former Sandinista guerrilla, described the discoveries as the legacy of a savage war that made this proverty-stricken region one of the most dangerous in the country for most of the last decade.

"There were a lot of people killed on both sides," said Mr. Aguilar, sitting beside the symbols of his prominence, a Soviet-made military jeep and a white Toyota pickup truck, at his home on Wiwil's rough main road. "At this point, you can't say when you find bodies that it was this person or that person who did it."

Mr. Aguilar, who Miss Cárdenas says led the men who abducted her brothers, said that like all Sandinista officials in the countryside, he regularly carried arms during the war, and that he knew the Cárdenas brothers. But he said his duties were limited to political persuasion. And he asserted that he visited the Cárdenas family only "to explain to them what the war meant, what its consequences were." He said he supposed that the brothers left home to join the contra army.

Mr. Aguilar suggested that the victims discovered at Mokorón may have been kidnapped and killed by the contras, who in late 1983 had as many as 2,000 guerrillas operating near Wiwill, about 100 miles northeast of Managua and 15 miles from the Honduran border. Forced recruitment and kidnapping was a well-known tactic of contra units in the field, and Sandinista officials have cited it for many years to explain virtually all disappearances in the countryside.

But witnesses and relatives say that most of the victims found at Mokorón were part of a group of young draft evaders arrested by the Sandinista police and soldiers in the town of San José de Bocay and never seen again.

Relatives of the dead men describe in detail how their sons and husbands set out for San José de Bocay from the provincial capital of Jinotega on Oct. 22, 1983, to seek work until army recruiters left the city. Witnesses include survivors of the group who were traveling in a separate truck and fled after learning that their friends had been arrested. Another witness was Maria Nieves Centeno de Centero, from whose house the men were taken by Sandinista soldiers.

"The army said they were contras and took them away to the village of San Jose," Mrs. Nieves said, adding that she recognized the soldiers' leader as the local Sandinista security chief. "Then they came back and took away my husband the same day."

When Mrs. Nieves and families of the other missing men petitioned Sandinista officials to learn where the men were being held, they were given various instructions to look for them in other prisons, or were told that the men were not being held at all. Mrs. Nieves, who saw the bound prisioners loaded on an army truck as she waited outside the local military post, said army officials told her that the men had been held, and then released, at Wiwill, a day's drive away. She was later told that the men had never been arrested.

THE TELLTALE SIGNS

Mrs. Nieves next saw her husband in June of this year, when she recognized his handmade pants and gold-filled teeth at Mokorón. One by one, relatives of the other men who had disappeared heard of the Mokorón site, and they too, recognized the singular markings of a poor man's life—a homemade button, a thrice-sewn patch—that identified their loved ones.

The bodies of the woman and two children found at Mokorón have not been identified.

In most cases word of hidden burial sites has filtered out slowly and evidence can be tracked down only through long interviews with dozens of wary small-town residents, but larger discoveries like the Mokorón site are now being actively pursued by anti-Sandinista human rights groups, which have begun to catalogue evidence and to try to identify victims.

Such efforts have received only luke-warm support from the Government of President Violeta Barrios de Chamorro, who has repeatedly called on Nicaraguans to put old hatreds behind them. The legal effect of such investigations has also been placed in doubt by laws, passed after the recent election, that grant amnesty for virtually all crimes committed during the war.

But for people like Justina Cárdenas, the first taste of justice has been the simple act of breaking years of silence.

"It has been such a long time for us," said Miss Cárdenas, holding her children to her skirts as she looked at her brothers' grave. "But we knew. We always knew the truth."

[From the Wall Street Journal Aug. 24, 1990]

UNCOVERING THE AWFUL TRUTH OF NICARAGUA'S KILLING FIELDS

(By Nina H. Shea president of the Pueblo Institute, a lay Catholic human rights group based in Washington, D.C.)

In early 1987 in a remote UN refugee camp in rural Costa Rica. Jose Aguirre * * *.

"The Sandinista army started killing civilians. My close friend was killed in it. He read a Catholic Bible and liked to tell people about it. He was kind of a preacher. One day the Sandinistas surrounded his house while he was eating dinner. The Sandinistas threw a grenade at the house and started shooting at it. They shot my friend in the arm and all the children in the house ran out. The Sandinistas said they would take my friend to the hospital to get treatment for the gunshot wound and led him away. Instead they killed him. His mutilated body was found later. His name was Rufino Laguna. We didn't tell the authorities because we were afraid. The Sandinista soldiers started killing other people in the town.

On that visit to two refugee camps for Nicaraguans in Costa Rica, historian Ronald Radosh and I interviewed 50 refugees who told of similar experiences of fleeing lethal Sandinista army attacks on remote villages where the Contras had passed through but were not present during the assaults. They said scores of women, children and other civilians were murdered in cold blood. We concluded that the Sandinistas had a counterinsurgency policy of "draining the sea," that is, killing or driving out the "sea" of rural peasants who could lend support to the guerrillas.

Other evidence of political massacres by the Sandinistas emerged as well. Shortly after our report was publicized, Gary Moore, an investigator with the Washington-based National Forum Foundation, went on muleback to remote areas inside Nicaragua. There, he taped villagers attesting to political murders by Sandinista security officials (an effort that landed him in prison and resulted in the confiscation of some of his documentation).

What was the reaction of the international human rights community to these and other shocking reports? Most ignored the few who spoke up, following the lead of Americas Watch, the most prominent human rights group concentrating on Latin America. Americas Watch retraced our steps in the refugee camps, but cast doubts on the refugee reports by criticizing us for not collecting corroborating evidence of massacres inside Nicaragua—in war zones closed to foreign investigators but where, they claimed, they had free access.

Americas Watch went even further stating, in a report issued the same month as my organization's refugee report: "The government of Nicaragua does not engage in a pattern of violations of the laws of war. Nor does it engage in systematic violations of the right to life or to physical integrity of detainees. . . . Nor does it engage in a deliberate pattern of forced disappearances of persons."

In 1989, when Americas Watch acknowledged that Nicaraguan armed forces "engaged in a pattern of killings" in northern Nicaragua, it stated that it believed the killings were "a new phenomenon." In other words, any prior killings by Sandinistas were acts of individuals and did not reflect official policy.

But now evidence of the awful truth has become irrefutable, thanks in large part to the courageous work of Marta Patricia Baltodano, Nicaraguan human rights lawyer and director of the Nicaraguan Association Pro Human Rights—established by the U.S. State Department to investigate and prosecute Contra human rights violations. Since the Sandinistas' electoral defeat, she has been able to uncover eight secret mass graves in remote northern Nicaragua that corroborate the earliest reports of systematic killings of civilians by Sandinista soldiers and militants.

Working with four lawyers, a forensic doctor and local witnesses no longer afraid to testify, Ms. Baltodano has already established that three of the graves contain the remains of civilians murdered by Sandinista military and State Security personnel (Nicaragua's secret police, who were trained and assisted until February by their East German counterparts, the dread Stasi). The five others still are under investigation. In the excavation of each gravesite, the new, freely elected mayors have been eager to help. Ms. Baltodano told me that local campesinos, who have been too afraid to speak openly about the murders before, have now enthusiastically volunteered to shovel out the sites and air the truth.

In the most recent discovery, on Aug. 15 in Murra, a town close to the Honduran border, Ms. Baltodano's group, with a large local crowd looking on, found 17 skeletons. Fourteen of the bodies have been identified as evangelicals who were rounded up by a Sandinista battalion, forced to dig their own grave and then shot or stabbed to death on April 10, 1982—when the Contra war was still in its infancy. Family members identified the victims through gold fillings in their teeth, remnants of clothes, and in one case an agrarian reform ID number linking him to a local farming cooperative.

In June, the Nicaraguan Association found another shallow grave in Mokoron, 220 yards from a Sandinista military battalion near Wiwill in northern Jinotega. This site yielded parts of 11 skeletons. One by one the relatives of eight of the victims have come forward to identify them. They were caught by the State Security while trying to escape being dragooned into the Sandinista army in October 1983. The remains of two adults and a seven-year-old child have not been identified. Cords used to bind the victims were found, and the forensic examiner concluded the victims' throats had been cut.

There is every indication that Ms. Baltodano's findings are only the tip of the iceberg. Every week campensinos cautiously come to her with new leads. Her office, already overwhelmed, has not yet investigated in Nueva Guinea, Punta Gorda and the villages of southern Zelaya, where the refugees I interviewed came from. Nor has she checked the area along the Atlantic coast, where many Nicaraguan Indians, targeted by Sandinista authorities as civilian dissidents, disappeared.

That the Sandinistas were able to get away with the summary execution of noncombatants is in no small part due to the failure of some of the main human rights groups that deal with Latin America. The Sandinistas even cited Americas Watch reports to deflect too-close scrutiny on rights abuse charges. At the same time, reports [such as ours] that documented Sandinista abuse were attacked and dismissed as having been trumped up by or linked to the CIA.

The Organization of American States' Human Rights Commission recently met with Ms. Baltodano to discuss her findings. But so far none of the private human rights groups that concentrate on Latin America have shown much interest in her work. As they did in Chile and Argentina, these groups should be insisting on a full accounting. Even through an amnesty law in Nicaragua may bar the prosecution of war criminals and rights violators, a full investigation should be supported out of humanitarian concern for the victims' families and in the interest of justice.

MURDER AS POLICY IN NICARAGUA

My colleagues and I are accustomed to seeing attacks by Nina Shea on Americas Watch. Accordingly, her Aug. 24 Americas column, "Uncovering the Awful Truth of Nicaragua's Killing Fields," came as no surprise. Nevertheless, because it distorts the record it requires a response.

Americas Watch was founded in 1981 and published its first report on Nicaragua in May 1982. In that report, we discussed a massacre by Sandinista troops of Miskito Indians at Leimus. So far as I know, that was the first time that episode, which took place five months earlier, was reported internationally. In subsequent reports we chronicled many additional violent abuses by Sandinista troops and security forces: killings, disappearances, torture. At the same time, we distinguished between abuses that we found to be a matter of policy by the Sandinistas, such as forced relocations and abusive interrogation practices, and more violent abuses, which were more sporadic.

Ms. Shea says we ignored abuses reported by refugees, but then, contradictorily, notes that we retraced the steps taken by her group to interview them. What she leaves out is that, in May 1987, after we also conducted on-site investigations in Nicaragua, I sent a public letter to President Daniel Ortega providing far more detailed information on Sandinista abuses than Ms. Shea's group had reported. In just one of the episodes discussed in my 17-page letter, we reported up to 50 killings by Sandinista troops and provided 23 names. That letter was reproduced in a report we published in May 1987. Thereafter, we published several additional reports in 1988 and 1989 in which we said that killings of Contra supporters that we had uncovered during those years amounted to a pattern, or a policy of such killings.

ARYEH NEIER,
Executive Director,
Human Righs Watch.

NEW YORK

THE IMPORTANCE OF THE TEXTILE BILL

(Mr. RAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. RAY. Mr. Speaker, today the House will consider one of the most important pieces of legislation we will consider all year—the textile bill. America is losing its textile industrial base as it pertains to supplying our Armed Forces.

According to a recent report by the Department of Defense, our military is not able to rely only on "Made in the U.S.A." textile goods and is having to rely on foreign manufacturers. If the military was forced to fully mobilize, only 7 percent of the gloves we would need could be manufactured in the United States—and this assumes our domestic textile factories work around the clock. We could only provide 19 percent of footware covers needed, 61 percent of black leather combat boots, 68 percent of medium general purpose tents, and 64 percent of large tents.

We are fortunate to have trading partners to help us meet these needs. However, the past few years have shown us that trading friends can quickly become our adversaries.

Textiles are ranked by the Department of Defense as second only to steel as essential to national defense. There is no excuse for allowing our textile industrial base to deteriorate like other industries have—including steel, automobiles, and electronics.

Mr. Speaker, I believe it is time we stand up for America and protect our textile industrial base before it is too late. I strongly urge my colleagues to vote for H.R. 4328, the textile bill.

Mr. Speaker, I am including in the RECORD a "Dear Colleague" letter dated September 14, 1990, as follows:

TEXTILE BILL IMPORTANT TO MILITARY

HOUSE OF REPRESENTATIVES,
Washington, DC, September 14, 1990.

DEAR COLLEAGUE: While operating in the Middle East, our military is in great need of chemical protective clothes and tents. These two items are absolutely essential for our troops now in the Persian Gulf. Unfortunately, our nation is having trouble meeting the needs of our military because of a shrinking domestic textile, shoe and apparel industry.

As members of the House Armed Services Committee, we are concerned about this loss of production capability. Textiles are ranked by the Department of Defense second only to steel as essential to national defense.

For the past five years, the Armed Services Committee has reviewed reports on the serious problems DoD faces in planning for mobilization requirements with a declining textile, shoe, and apparel industrial base. There are critical shortages in a number of areas, and many of these items are crucial to our mobilization in the Persian Gulf. The chart below indicates the percentage of three critical item requirements that can be made in the United States in the first 12 months of a mobilization, if the companies go to round-the-clock production:

	Percent
Chemical protective ensemble:	
Gloves	7
Undercoveralls	0
Footwear covers	19
Footwear:	
Black leather combat boots	61
Insulated cold weather boots	3
Tents:	
Medium general purpose tents	68
Large general purpose tents	64

Attached is a paper providing more detail from the April, 1990 report on each of these items. However, the conclusion of the report clearly states the danger facing us: "The concern for this industry's ability to support a mobilization is that increased levels of imported ready to wear goods will have an adverse impact on the domestic base, making fewer sources available to meet those wartime requirements."

We have all seen the newspaper articles detailing the massive "rush" orders DoD is placing for chemical protective gear and desert camouflage uniforms. The U.S. textile industry is stepping forward to meet these needs to the best of its ability. Unfortunately, the continuing growth of foreign imports has eroded the capacity of the in-

dustry to meet defense needs so that in our present state, some requirements simply cannot be filled.

It is for this reason that we are strong supporters of H.R. 4328, the Textile, Apparel, and Footwear Trade Act of 1990. With over 10,000 military items made entirely or partially from textiles and 300 of these considered combat essential, the ability of our nation to defend itself is directly tied to the viability of our textile industry.

We urge you to join us in supporting H.R. 4328.

William Dickinson, Richard Ray, Duncan Hunter, Ike Skelton, Floyd Spence, Beverly Byron, Frank McCloskey, James Bilbray, Owen Pickett, John Spratt, Roy Dyson, Michael McNulty, G.V. (Sonny) Montgomery, Ronald Machtley, Glen Browder, Thomas Foglietta, Curt Weldon, Bob Davis, Nicholas Mavroules, George (Buddy) Darden, Gene Taylor, Marilyn Lloyd, Albert Bustamante, H. Martin Lancaster, Lane Evans, Arthur Ravenel, George Hochbrueckner.

[Excerpts From the April, 1990 Report by the Department of Defense]

ABILITY OF THE DOMESTIC INDUSTRIAL BASE OF TEXTILE AND APPAREL MANUFACTURERS TO SUPPORT MOBILIZATION OF THE DEPARTMENT OF DEFENSE

"The specific critical items * * * that currently cannot be fully produced by the domestic clothing and textile industrial base, fall into three categories: components of the Chemical Protective Ensemble, footwear and tentage".

Chemical Protective Gloves: "Extensive screening of domestic glove manufacturers failed to disclose any manufacturing capability for these gloves beyond the base of current manufacturers * * * Even at (round-the-clock production) they can produce less than 10 percent of the overall mobilization requirement."

Chemical Protective Undercoveralls: "* * * are fabricated from a material which is protected by a British Crown Copyright. To date, the British Government has been unwilling to license production beyond two firms operating in the United Kingdom."

Chemical Protective Footwear: "Since our previous report, one year ago, the last producing firm had ceased operations and there were no manufacturers with production experience for this item. A new Multi-Purpose Overboot is being developed to replace the footwear covers, but it is not yet ready for production. In the interim, * * * the Green Vinyl Overboot has been designated."

Black Leather Upper Combat Boots: "* * * planning was increased to 61 percent of the mobilization requirement for the leather combat boot * * * Although this is an increase over previously reported figures, it is also indicative that insufficient capability exists to meet mobilization needs for combat boots."

Insulated Cold Weather Rubber Boots: "Historically there were two firms that maintained lines for these boots. The FY90 report indicated that one of these companies had declared bankruptcy and a sole source situation existed. At this item a new firm has subscribed as a planned producer * * * FY90 planning was * * * at 9 percent of the requirement."

Tentage: "The tent configurations involved are cumbersome, heavy and difficult to produce * * * materials and specification(s) * * * lag the state-of-the-art * * * The continued movement away from military style tents in the commercial and recreational markets has resulted in a diminished planning base."

TECHNICAL FAILURES BEDEVIL STAR WARS

(Mr. DELLUMS asked and was given permission to address the House for 1 minute, to revise and extend his remarks, and to include extraneous material.)

Mr. DELLUMS. Mr. Speaker, the question of continuing support for the strategic defense initiative should not hinge on the success of SDI tests, but rather it should be a decision based, among other things, on whether or not the United States is willing to abandon, to abrogate the ABM treaty and the progress made toward reducing strategic weapons under the START negotiations; but a number of my colleagues who are the proponents of the program we euphemistically refer to as star wars do so in asserting the success of SDI.

In that regard, Mr. Speaker, I call to the attention of my colleagues in preparation for the debate on the military budget that will occur later today an article appearing in today's New York Times, page C-1 in the section entitled "Science Times" an article entitled "Technical Failures Bedevil Star Wars."

In that article they lay out in very clear unequivocal terms a number of failures of the strategic defense initiative program testing. Some of them are the Tiny Interceptor, the Power Pack, the Space Mirror, the Beam Brightener, the Large Interceptor, and I would suggest that all my colleagues read this article in preparation for the debate that will occur later today in the hope that it will engender greater support for the Dellums-Boxer amendment that would significantly reduce our commitment to that program.

The article is as follows:

[From The New York Times, Sept. 18, 1990]

TECHNICAL FAILURES BEDEVIL STAR WARS

(By William J. Broad)

The Pentagon's Star Wars plan to develop arms to destroy enemy missiles has suffered a series of technical failures this year that threaten to further erode support for the disputed program.

Experts say the troubles for Star Wars, officially named the Strategic Defense Initiative, come at a particularly inopportune time, since this is a crucial period for Star Wars on Capitol Hill.

For the first time, after years of level financing at around $4 billion, opponents are on the verge of pushing through deep budget cuts in the program, which so far has cost $20 billion. The House leadership is moving to slice in half the Bush Administration's request of $4.7 billion for Star Wars for the fiscal year 1991, to $2.3 billion. The Senate voted to set aside $3.7 billion.

A compromise is to be worked out by a conference committee of the two houses or by Congressional and White House budget negotiators.

Risk and failure are widely understood to be regular parts of the research process, especially when it involves exotic aspects of military armament. But the recent setbacks have deprived Star Wars supporters of a crucial lobbying tool that had previously proved quite potent: technical success stories.

In a dozen or so major tests conducted this year, half have experienced problems, ranging from runaway rockets to warhead explosions to satellite malfunctions. The failures have marred the most ambitious and costly agenda in the program's history, intended to be the first broad demonstration of anti-missile technologies that have been incubating in laboratories, often amid great secrecy, for more than seven years since President Ronald Reagan started the program in March 1983.

"The year has not been kind to S.D.I. testing," said the S.D.I. Monitor, an industry newsletter in Arlington, Va., that is generally supportive of the anti-missile effort.

Representative Ronald V. Dellums, a California Democrat who is a critic of Star Wars, noted the failures during a debate last week on the House floor. "Anyone who attempts to assert that Star Wars technology is ready to be put into space is taking a flight into fancy," he said.

In an interview, Henry F. Cooper, the newly appointed director of the Pentagon's Strategic Defense Initiative Organization, said failures were to be expected in fledgling test programs at the cutting edge of military technology. He predicted that the program's record, which already has some successes, would improve as participants gained more experience.

"Sometimes it takes a while to wring things out," he said, adding that the pace of testing would soon accelerate. "I think we'll have our success stories."

Other advocates say problems have been exaggerated.

"You have to nitpick the program pretty close to say they've had failures of any importance," said Lieut. Gen. Daniel O. Graham, a retired Army officer who is the founder and president of High Frontier, a nonprofit Washington group that promotes Star Wars.

YEAR OF FAILURES

Experts disagree, saying that the year's successes have often been relatively minor, whereas the failures have involved major Star Wars programs. Among the troubles were these:

Tiny Interceptor. On Aug. 25, troubles struck the current centerpiece of Star Wars, a plan to send into orbit thousands of small rockets, or "Brilliant Pebbles," that are designed to track and destroy attacking missiles by smashing into them.

The first of a dozen space tests of this concept started when a rocket blasted off from Wallops Island, Va., for a suborbital flight. The aim of the $20 million experiment was to see how well ultraviolet and infrared sensors, intended ultimately to guide the Brilliant Pebbles to their targets, could track a bright, small, fast-moving rocket. But contact with the sensor payload was lost in midflight, before the critical part of the experiment could be performed.

"Only a partial set of objectives was achieved," the Pentagon said in a brief statement that gave no technical details.

Small Interceptor. On Aug. 9, an Arrow interceptor missile fired from near Tel Aviv had to be destroyed when contact was lost after 15 seconds of a planned 50-second

flight. It was the first launching of the Arrow, a potential Star Wars weapon, which is being jointly developed by Israel and the United States under a three-year, $158 million contract with Israeli Aircraft Industries.

"About the best you could say was that it got off the ground," an American official was quoted as saying by Aviation Week & Space Technology, an industry journal. But the Israeli Defense Ministry said the test achieved most of its objectives.

Power Pack. On July 25, the $20 million Space Power Experiment Aboard Rocket, or Spear, was 35 seconds into a 13-minute flight from the White Sands Missile Range in New Mexico when it veered off course and had to be blown up. Spear was to have gathered data on a high-voltage system producing one million watts of electricity for powering space weapons. It was also to have tested the world's first rail gun in space, firing small projectiles at speeds of up to 1,640 feet a second. The experiments could not be carried out.

Space Mirror. For months, problems have plagued the Relay Mirror Experiment, a 1.15-ton satellite launched into a 280-mile-high orbit from Cape Canaveral, Fla., on Feb. 14. The device is designed to demonstrate that a laser beam can be generated from the ground, sent to a mirror in space and then bounced back to earth with great accuracy. If perfected, the technique might allow laser weapons on earth to fire ricochet shots off the mirrors at rising enemy missiles that could not be hit directly because of the curvature of the earth.

However, scientists repeatedly failed to bounce a beam off the satellite's two-foot mirror from a laser atop Mount Haleakala on the Hawaiian island of Maui. Finally, on June 25, more than four months after the launching, they succeeded in hitting the mirror but were unable to repeat it. After months of frustration, they again succeeded last week.

Beam Brightener. Similar troubles have bedeviled the Low-Power Atmospheric Compensation Experiment, or LACE, another satellite launched from Cape Canaveral on Feb. 14. It was to test the feasibility of removing the distorting effects of the earth's turbulent atmosphere on laser beams. But here, too, scientists have been frustrated by the satellite's inability to reliably track a laser beam. S.D.I. Monitor recently reported that the experiment "has thus far failed to complete its primary mission." together, Relay Mirror and LACE cost $250 million.

Large Interceptor. On Jan. 26, the year's first major experiment, testing the High Endoatmospheric Defense Interceptor, or HEDI, ended prematurely when a warhead detonated too soon in what was to have been a 15-second flight. The rocket interceptor, built by the McDonnell Douglas Corporation in a $330 million program, had been launched from White Sands. Despite the problem and the resulting embarrassment, program officials said the flight had achieved 9 of its 10 objectives. The main one was to cool down a window for an infrared sensor meant to track super-hot enemy warheads streaking through the atmosphere.

SPACE-BASED PROBLEMS

Many of this year's failures involved space systems rather those meant to operate on or near the ground, a fact not overlooked by the Army, which manages much of the ground-based part of the research.

"Our testing program has been quite successful," said William M. Congo, a spokesman for the Army Strategic Defense Command.

An example of an experiment with no significant hitches was the Airborne Optical Adjunct, which made its first flight in May. The Boeing 767 aircraft has a 5.5-ton sensor, packed with 38,400 dectectors, meant to track warheads in space. On a shakedown cruise, it succeeded in tracking stars and is now preparing to track mock warheads.

Another success occurred in March when a ground-based laser was able to track a complex space target in a test of whether sensors could distinguish warheads from decoys.

Another accomplishment was an earthbound hovering test of a 40-pound prototype space interceptor, somewhat similar to a Brilliant Pebble, developed by the Rocketdyne division of Rockwell International. In July, it lifted itself a few feet off the ground and tracked a target for 15 seconds.

"That came off extraordinarily well," said General Graham. "Compared to that, the little glitches are unimportant."

NEED TO MEET THREATS

While Star Wars officials concede that there have been some problems, they insist that the program needs to forge ahead to meet potential threats such as those posed by President Saddam Hussein of Iraq or some other third-world aggressor armed with long-range rockets and nuclear arms. Iraq has an aggressive program to obtain such weapons. Blunting this threat with an anti-missile system is seen as relatively easy since only one or two nuclear missiles would have to be stopped.

"Lest anyone think that Iraq would never actually launch ballistic missiles, we would do real well to remember that during its war with Iran, it launched hundred of missiles into Iranian population centers," Mr. Cooper of the Strategic Defense Initiative Organization said recently.

But he also noted that Star Wars was at the point where it needed "to go demonstrate that the hardware works," particularly with a Congress that is increasingly recalcitrant on the Star Wars budget.

Mr. KLECZKA. Mr. Speaker, today the House again considers legislation which the textile and apparel industries say is critical to their survival.

The textile debate has shown the difficulties faced by these industries in the face of foreign competition over the past decade. This has prompted the House to consider legislation to restrict the level of textile imports in 1985, 1987, and again this year. While the 1-percent import growth quota in this bill could provide relief to these industries, there are serious ramifications to enactment of such legislation which preclude me from supporting it.

First, the potential for retliation from our trading partners is real and would have widespread effects. This bill would abrogate 38 bilateral textile trade agreements the United States had negotiated with other countries.

Even more importantly, this bill is ill-timed. It would throw a wrench into the ongoing global trade negotiations known as the Uruguay round, which is scheduled to conclude in December. Sacrificing 4 years of sensitive trade talks would be a blow to those whose jobs depend on manufacturing exports, services, agriculture and high technology goods. We just cannot afford a trade war.

Mr. Speaker, I am a strong supporter of the 1988 Omnibus Trade and Competitiveness Act, which passed in the House by a vote of 376 to 45. This comprehensive trade law provides a mechanism to address unfair trading practices and promote trade competitiveness. I believe this textile bill strays from the intent of the Trade Act.

In addition, the Secretary of the Treasury estimates the increased cost to American consumers from this bill could be $30 billion in the first 5 years after enactment. This is certain to affect low- and middle-income Americans to a greater degree than others.

While I support elimination of unfair trading practices and other trade barriers which adversely affect American jobs, I am not convinced that H.R. 4328 has enough benefits to outweigh the consequences it would impose on the U.S. economy.

KILDEE SALUTES 50 YEARS OF WORSHIP AT HOLY REDEEMER CATHOLIC CHURCH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. KILDEE] is recognized for 5 minutes.

Mr. KILDEE. Mr. Speaker, I want to urge my colleagues in the House of Representatives to join me in commemorating the 50th anniversary of the Holy Redeemer Roman Catholic Church serving the community in and around Flint and Burton, MI. The parishioners of Holy Redeemer Church will celebrate the golden jubilee of their church with a Mass and dinner this Sunday, September 23d.

Holy Redeemer Catholic Church, established on September 7, 1940, has been a bedrock of faith and spiritual support for the members of the parish over the last five decades. The priests and sisters of Holy Redeemer parish have helped the parishioners through many hard times and the parishioners have given generously of their time, talents, and love to make this parish the close and supportive community it remains today.

Since September 22, 1940, when Father Louis P. Gauthier first celebrated Mass for the parish, Holy Redeemer Church has been the heart of a vibrant Catholic community on the south side of Flint. Mr. Speaker, I had the privilege of knowing Father Gauthier from even before I entered the first grade at St. Mary's Flint, where he had been assistant pastor before becoming the first pastor for Holy Redeemer. I was the beneficiary of his positive influence until his death in 1957.

Father Gauthier also had a strong unifying influence on his new parish. Work on constructing the new church building, Sunday night chicken dinners, annual parish carnivals and, of course, the weekly bingo games, helped form the young parish into a cohesive community. A driving force behind the establishment of Holy Redeemer was the parishioners' desire for the education for their children. World War II delayed he opening of the elementary school until 1946, and 10 years later Holy Redeemer High School graduated its first class of seniors. Thousands of children have since received the benefits of a solid Catholic education at Holy Redeemer's Schools.

Through the years and changes within the parish, the people of Holy Redeemer Catholic Church have continued to expand their worship and parish acivities. The range of activities supported by the church include an Early Learning Center for preschoolers and afterschool day care; the elementary school; participation in Flint Powers Catholic High School; Catholic education classes for students and adults; home visitation for the sick, disabled, and home-bound; and an active senior citizens program.

Mr. Speaker, without a doubt, our community is a much better place in which to live because of the 50 years of service, love, and spiritual support from the parish of Holy Redeemer. I urge my House colleagues to join me in congratulating the people of Holy Redeemer Catholic Church on a fulfilling 50 years, and in wishing them even greater success in the years ahead.

HIGH HOLIDAYS 5751

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ANNUNZIO] is recognized for 5 minutes.

Mr. ANNUNZIO. Mr. Speaker, for Jews all over the world, the new year will begin with the celebration of Rosh Hashanah, the Day of Judgment, on the evening of Wednesday, September 19, the first day in the autumn month of Tishri, 5751, under the Jewish calendar.

According to Jewish tradition, on Rosh Hashanah, God remembers all of his creatures and judges humankind. Their destinies are inscribed in the Book of Life, the Sefer Hayim. Rosh Hashanah is a joyous, but solemn time for prayer, self-reflection, and penitence. It begins a 10-day period of penitence, the Days of Awe, culminating with Yom Kippur, the Day of Atonement, the holiest day of the year.

The highlight of the Rosh Hashanah service in the synagogue is the blowing of the shofar, or ram's horn. Its shattering sound is meant to awaken man's conscience, to renew his faith, to return him to God, and to summon all Jews to self-examination and repentance. During the evening celebration in the home, festival candles are lit, and a holiday meal is served, including a round loaf of bread and apples dipped in honey to symbolize the hope for a sweet new year. Reform Jews celebrate Rosh Hashanah for 1 day from sundown to sundown, while orthodox and conservative Jews observe this holiday for 2 days.

During the 10-day period of penitence between Rosh Hashanah and Yom Kippur, all Jews make a concentrated effort at introspection and reconciliation. They search their souls and repent for their sins, and ask forgiveness. Their deeds and fate are then weighed in the balance by God on the last day. This final day, the 10th of Tishri, Yom Kippur, is the culmination of the entire holiday period.

Yom Kippur is marked by fasting and all other physical abstinence. Most of the day is spent by Jews in the synagogue, devoted to prayer, repenting and asking pardon from God, and from their fellow men. In turn, they freely forgive their neighbors. The day ends with the loud and long shofar blast which marks the final sealing of the heavenly gates, the renewal of spirits, and a final cleansing of the heart. Jews return to their homes for a large and festive break-the-fast meal.

During these holiest of days, as Congressman for the 11th Congressional District in Illinois, which I am honored to represent, I extend my greetings and best wishes for a happy new year to my many constituents and friends of the Jewish faith, as well as all Jews throughout the world.

"May you be inscribed in the Book of Life for a good year, L'Shannah Tovah Tikatevu." As we reflect on recent events in the Middle East, as well as the transformation of the Eastern Europe and Soviet governments, let us hope and pray that this new year will bring a favorable resolution of the current crisis which threatens the security of the State of Israel, and that the hundreds of thousands of Soviet Jews who are now being allowed to emigrate from the Soviet Union will have a new and joyous life next year in Jerusalem.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. COX) to revise and extend their remarks and include extraneous material:)

Mr. DELAY for 5 minutes, today.
Mr. DOUGLAS for 5 minutes, today.
Mr. WALKER for 5 minutes, today.
Mr. LEWIS of California for 60 minutes, each day, on September 24, 25, 26, 27, and 28.
Mr. PORTER for 5 minutes, today.

(The following Members (at the request of Mr. MCNULTY) to revise and extend their remarks and include extraneous material:)

Mr. KLECZKA for 5 minutes, today.
Mr. KILDEE for 5 minutes, today.
Mr. ANNUNZIO for 5 minutes, today.
Mr. MARTINEZ for 5 minutes, on September 19.
Mr. GAYDOS for 5 minutes, each day, on September 25 and 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. COX) and to include extraneous matter:)

Mr. COX.
Mr. GOODLING.
Ms. ROS-LEHTINEN.
Mr. LEWIS of California.
Mr. SOLOMON, in two instances.
Mr. HYDE.
Mr. LAGOMARSINO.
Mr. SCHIFF.
Mr. WALKER.
Mr. MACHTLEY, in two instances.
Mr. GILMAN, in two instances.
Mr. GALLEGLY.
Mr. MILLER of Washington.
Mr. HORTON.
Mr. SHUSTER.

(The following Members (at the request of Mr. MCNULTY) and to include extraneous matter:)

Mr. MANTON, in two instances.
Mr. WAXMAN.
Mr. HUBBARD.
Mr. TALLON, in two instances.
Mr. SWIFT, in two instances.
Mr. FASCELL, in two instances.
Mrs. BOXER.
Mr. SKAGGS.
Mr. APPLEGATE.
Mr. BERMAN.
Mr. MAZZOLI.
Mr. ROE.
Mrs. KENNELLY.
Mr. MORRISON of Connecticut.
Mr. MARKEY, in two instances.
Mr. STOKES.
Mr. TRAFICANT, in two instances.
Mr. BOUCHER.
Mr. STARK.
Mr. RANGEL.
Mr. ROE.
Mrs. KAPTUR, in two instances.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 1101. An act to extend the authorization of appropriations for the Water Resources Research Act of 1984 through the end of fiscal year 1994;

H.R. 2174. An act to provide for the establishment of the Mississippi River Corridor Study Commission, and for other purposes; and

H.R. 4501. An act to provide for the acquisition of the William Johnson House and its addition to the Natchez National Historical Park, and for other purposes.

SENATE ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolutions of the Senate of the following titles:

S. 963. An act to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and for other purposes;

S.J. Res. 331. Joint resolution to designate the week of September 23 through 29, 1990, as "Religious Freedom Week"; and

S.J. Res. 333. Joint resolution to designate the week of September 30, 1990 through October 6, 1990, as "National Job Skills Week."

ADJOURNMENT

Mr. MCNULTY. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 19 minutes p.m., the House adjourned until tomorrow, Wednesday, September 19, 1990, at 10 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3893. A letter from the Principal Deputy Comptroller, Department of Defense, transmitting the Department of the Air Force supplemental contract award report for the period September 1, 1990 to October 31, 1990, pursuant to 10 U.S.C. 2431; to the Committee on Armed Services.

3894. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Agency's proposed Letter(s) of Offer to Israel for Defense Articles estimated to cost $50 million or more (Transmittal No. 90-63), pursuant to 10 U.S.C. 118; to the Committee on Armed Services.

3895. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 90-64), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3896. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Navy's proposed Letter(s) of Offer and Acceptance (LOA) to the United Kingdom for defense articles and services (Transmittal No. 90-75), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3897. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Agency's proposed Letter(s) of Offer and Acceptance (LOA) to Israel for defense articles and services (Transmittal No. 90-63), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3898. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Harmon Elwood Kirby, of Ohio, a Career Member of the Senior Foreign Service, Class of Minister-Counselor, to be Ambassador to the Republic of Togo, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3899. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Leonard H.O. Spearman, Sr., of Texas, to be Ambassador to the Kingdom of Lesotho, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3900. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3901. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3902. A letter from the Director, Office of National Drug Control Policy, transmitting information regarding the administration's implementation of section 5301 of the Anti-Drug Abuse Act of 1988, relating to denial of Federal benefits to drug traffickers and possessors; to the Committee on the Judiciary.

3903. A letter from the Major, Corps of Engineers, Acting District Engineer, Department of the Army, transmitting a copy of the Walla Walla District, U.S. Army Corps of Engineers extract from the Chief of Engineers Annual Report on Civil Works Activities for Fiscal Year 1989; to the Committee on Public Works and Transportation.

3904. A letter from the Administrator, General Services Administration, transmitting a Building Project Survey Report which evaluates the Federal space situation in Elberton, GA, pursuant to 40 U.S.C. 610(b); to the Committee on Public Works and Transportation.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALL of Ohio: Committee on Rules. House Resolution 466. Resolution providing for the consideration of H.R. 4793, a bill to amend the Small Business Act and the Small Business Investment Act of 1958, and for other purposes (Rept. 101-717). Referred to the House Calendar.

SUBSEQUENT ACTION ON A REPORTED BILL SEQUENTIALLY REFERRED

Under clause 5 of rule X:

H.R. 2840. Referral to the Committee on Banking, Finance and Urban Affairs extended for a period ending not later than September 19, 1990.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BROOKS:

H.R. 5640. A bill to amend title 28, United States Code, to provide Federal debt collection civil procedures; to the Committee on the Judiciary.

By Ms. OAKAR (for herself, Mr. ACKERMAN, Mr. ANNUNZIO, and Mr. ROBERTS):

A bill to amend title 5, United States Code, with respect to retirement of members of the Capitol Police; jointly, to the Committees on Post Office and Civil Service and House Administration.

By Mr. BROWN of California:

H.R. 5642. A bill to require the U.S. Postal Service to take measures to eliminate unnecessary delays in the processing and delivery of mail within certain areas of Riverside County, CA; to the Committee on Post Office and Civil Service.

By Mr. SIKORSKI (for himself and Mrs. MORELLA):

H.R. 5643. A bill to grant a temporary extension on the authority under which the Government may accept the voluntary services of private-sector executives; to clarify the status of Federal employees assigned to private-sector positions while participating in an executive exchange program; and for other purposes; jointly, to the Committee on Post Office and Civil Service and the Judiciary.

By Mr. CARR:

H.R. 5644. A bill to amend the Internal Revenue Code of 1986 to provide that estimated tax payments shall not be required from individuals whose tax liability, reduced by withholding, is less than $2,000; to the Committee on Ways and Means.

By Mr. CONYERS:

H.R. 5645. A bill to amend title 31, United States Code, to reform procedures for closing appropriation accounts, and for other purposes; jointly, to the Committees on Government Operations and Appropriations.

By Mr. GAYDOS:

H.R. 5646. A bill to require the Secretary of Veterans Affairs to complete the study required by law of the long-term adverse health effects in humans of exposure to Agent Orange; to the Committee on Veterans' Affairs.

By Mr. GIBBONS:

H.R. 5647. A bill to amend the Internal Revenue Code of 1986 to ensure that charitable beneficiaries of charitable remainder trusts are aware of their interests in such trusts; to the Committee on Ways and Means.

By Mr. MACHTLEY:

H.R. 5648. A bill regarding the tariff classification of brassieres; to the Committee on Ways and Means.

By Mr. ROE (for himself, Mr. BROWN of California, Mr. SCHEUER, Mrs. LLOYD, Mr. WALGREN, Mr. VOLKMER, Mr. NELSON of Florida, Mr. HALL of Texas, Mr. MCCURDY, Mr. MINETA, Mr. VALENTINE, Mr. BUECHNER, Mr. TORRICELLI, Mr. BOUCHER, Mr. BRUCE, Mr. STALLINGS, Mr. SCHIFF, Mr. TRAFICANT, Mr. HAMILTON, Mr. NOWAK, Mr. PERKINS, Mr. MCMILLEN of Maryland, Mr. PRICE, Mr. HAYES of Louisiana, Mr. SKAGGS, Mr. COSTELLO, Mr. TANNER, and Mr. BROWDER):

H.R. 5649. A bill entitled, "National Aeronautics and Space Administration Multiyear Authorization Act of 1990"; to the Committee on Science, Space, and Technology.

By Mrs. BOGGS:

H.R. 5650. A bill to authorize and direct the Secretary of the Interior to conduct a study of the feasibility of establishing a unit of the National Park System to interpret and commemorate the origins, development, and progression of jazz in the United States, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. DEFAZIO:

H.R. 5651. A bill to amend the Export Administration Act of 1979 to prohibit the export of unprocessed logs harvested from lands west of the 100th meridian; to the Committee on Foreign Affairs.

By Mr. FRANK:

H.R. 5652. A bill to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; to the Committee on the Judiciary.

By Mr. GREEN of New York:

H.R. 5653. A bill regarding certain entries of N-Acetylsufanilyl chloride; to the Committee on Ways and Means.

By Mr. KENNEDY (for himself, Mr. KILDEE, Mrs. UNSOELD, Mr. SAWYER, Mr. POSHARD, Mr. BONIOR, Mr. GORDON, Mr. FORD of Tennessee, Mr. FAUNTROY, Mr. DE LUGO, Mr. CROCKETT, Mr. FLAKE, Mr. BRUCE, Mr. TRAFICANT, Mr. SMITH of Florida, Mr. MCDERMOTT, Mr. DEFAZIO, Mr.

OWENS of New York, Mr. JONES of North Carolina, Mr. FAZIO, Mr. TOWNS, Mr. HERTEL, Mr. MAVROULES, Mrs. COLLINS, Mr. DELLUMS, Mr. FALEOMAVAEGA, Ms. OAKAR, Mr. BORSKI, Mr. LEVIN of Michigan, Mr. HAYES of Illinois, Mr. RICHARDSON, Mr. WHEAT, Mr. FUSTER, Mr. FISH, Mr. DWYER of New Jersey, Mr. JONTZ, and Mr. BILBRAY):

H.R. 5654. A bill to provide assistance in the development of new or improved programs to help children, youth, and their families through grants to the States for community planning, services, and training, to establish within the Department of Health and Human Services an operating agency to be designated as the Administration on Children, Youth, and Families, and to provide for a White House Conference on Young Americans; to the Committee on Education and Labor.

By Mr. McEWEN:

H.R. 5655. A bill to amend the Motor Vehicle Information and Cost Savings Act to repeal the fuel standards provisions of that act; to the Committee on Energy and Commerce.

H.R. 5656. A bill to amend title 5, United States Code, to require agencies to report to Congress on the cost of providing written notice to employees in connection with major furloughs; to the Committee on Post Office and Civil Service.

By Mr. MONTGOMERY (for himself and Mr. STUMP):

H,R. 5657. A bill to make technical amendments to the Veterans' Judicial Review Act; to the Committee on Veterans' Affairs.

By Mr. PARKER:

H.R. 5658. A bill to extend the period for credit or refund of certain overpayments of the windfall profit tax on domestic crude oil; to the Committee on Ways and Means.

By Mr. SMITH of New Jersey:

H.R. 5659. A bill to provide transitional health benefits for Reserve members who are called or ordered to active duty in connection with Operation Desert Shield, and their dependents, upon the termination of their service on active duty, and for other purposes; jointly, to the Committees on Armed Services and Ways and Means.

By Mr. VISCLOSKY (for himself and Mr. JONTZ):

H.R. 5660. A bill to temporarily prevent the discontinuance by Amtrak of commuter rail service between Valparaiso, IN, and Chicago, IL; to the Committee on Energy and Commerce.

By Mr. WAXMAN:

H.R. 5661. A bill to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself, Mr. BATES, Mr. SCHEUER, Mrs. COLLINS, Mr. TOWNS, and Mr. SIKORSKI):

H.R. 5662. A bill to amend the Public Health Service Act to revise and extend the programs of model projects for reducing the incidence of the abuse of alcohol and drugs among pregnant and postpartum women; to the Committee on Energy and Commerce.

By Mr. BOUCHER:

H.R 5664. A bill to amend title 35, United States Code, with respect to patents on certain processes; to the Committee on the Judiciary.

By Mrs. KENNELLY (for herself, Mr. DIXON, Mr. HOCHBREUECKNER, Mr. BROWN of California, Mr. DURBIN, Mr. HYDE, Mr. BILBRAY, and Mr. HERTEL):

H. Res. 467. Resolution expressing the sense of the House of Representatives that the United States should become a party to appropriate international conventions providing for the recognition and enforcement across national boundaries of decisions concerning maintenance obligations; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII,

499. The SPEAKER presented a memorial of the Legislature of the State of California, relative to utility ratepayer refunds; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. LaFALCE introduced a bill (H.R. 5663) for the relief of Alice Koshian; to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 41: Mr. STOKES.

H.R. 446: Mr. PAYNE of Virginia, Mr. SARPALIUS, Mr. HALL of Texas, Mr. GUNDERSON, and Mr. GEREN.

H.R. 659: Mr. ROGERS.

H.R. 1136: Mr. MINETA.

H.R. 1406: Mr. MADIGAN.

H.R. 1565: Mr. BOSCO.

H.R. 1730: Mr. WILSON, Mr. LEHMAN of California, Mrs. VUCANOVICH, Mr. GOSS, and Mr. BROWN of California.

H.R. 2037: Mr. LEVIN of Michigan and Mr. STANGELAND.

H.R. 2121: Mr. IRELAND and Mr. DELAY.

H.R. 2269: Mr. NOWAK.

H.R. 2270: Mr. FISH.

H.R. 2353: Mr. SOLOMON and Mr. BLILEY.

H.R. 2395: Mr. MORRISON of Washington.

H.R. 2418: Mr. GEJDENSON.

H.R. 2460: Mr. KILDEE.

H.R. 2531: Mr. MCDADE, Mrs. UNSOELD, Mr. CAMPBELL of Colorado, and Mr. LIGHTFOOT.

H.R. 2589: Mr. SUNDQUIST.

H.R. 2816: Mr. GOODLING.

H.R. 3004: Mr. HALL of Ohio.

H.R. 3020: Mr. CLINGER.

H.R. 3355: Mr. WILSON.

H.R. 3389: Mr. MCDERMOTT, Mr. KENNEDY, Mr. FISH, and Mr. PORTER.

H.R. 3401: Mrs. KENNELLY.

H.R. 3488: Mr. FISH.

H.R. 3526: Mr. MCMILLAN of North Carolina.

H.R. 3639: Mr. HAYES of Louisiana.

H.R. 3643: Mr. FISH, and Mr. ROE.

H.R. 3690: Mr. DICKINSON.

H.R. 3813: Mr. HENRY.

H.R. 3818: Mr. PALLONE, Mr. BEILENSON, and Mr. WILSON.

H.R. 3858: Mr. FISH.

H.R. 3970: Mr. GUNDERSON, and Mr. FISH.

H.R. 4025: Mr. FISH.

H.R. 4075: Mr. DE LUGO.

H.R. 4100: Mr. ROE.

H.R. 4168: Mr. PALLONE, Mr. BEILENSON, Mr. WILSON, and Ms. PELOSI.

H.R. 4231: Mr. ROE.

H.R. 4300: Mr. AUCOIN.

H.R. 4424: Mr. DUNCAN, and Mr. DENNY SMITH.

H.R. 4486: Mr. GEJDENSON, and Mr. WEBER.

H.R. 4494: Mr. HEFLEY, Mr. COBLE, Mr. HENRY, and Mrs. BYRON.

H.R. 4563: Mr. OWENS of Utah, and Mr. FISH.

H.R. 4578: Mr. LAFALCE.

H.R. 4601: Mr. FISH.

H.R. 4652: Mr. LEVINE of California, and Mr. LEWIS of Georgia.

H.R. 4659: Mr. SERRANO.

H.R. 4669: Mr. FISH, Mr. JONTZ, and Mr. PALLONE.

H.R. 4741: Mr. RAHALL.

H.R. 4763: Mr. FISH.

H.R. 4840: Mr. GOODLING, and Mr. THOMAS A. LUKEN.

H.R. 4868: Mr. FISH.

H.R. 4888: Mr. HAYES of Louisiana, and Mr. LAUGHLIN.

H.R. 4899: Mr. YATES.

H.R. 4948: Ms. SCHNEIDER.

H.R. 4958: Mr. KASTENMEIER.

H.R. 4997: Mr. LIGHTFOOT, Mr. BROWN of Colorado, Mr. RAY, and Mr. COSTELLO.

H.R. 5007: Mr. DEWINE, Mr. BLAZ, and Mr. GEREN.

H.R. 5094: Mr. BAKER, Mr. MARLENEE, and Mr. CRAIG.

H.R. 5103: Mr. RAHALL, Mr. HYDE, and Mr. HORTON.

H.R. 5104: Mr. RAHALL, Mr. HORTON, and Mr. HYDE.

H.R. 5105: Mr. RAHALL, Mr. HYDE, Mr. HORTON, and Mr. LAGOMARSINO.

H.R. 5194: Mr. BUSTAMANTE.

H.R. 5200: Mr. ANDERSON, Mrs. ROUKEMA, and Mr. SAXTON.

H.R. 5259: Mr. EMERSON and Mr. FISH.

H.R. 5262: Mr. CRANE, Mr. BORSKI, Mr. FAWELL, and Mr. ROE.

H.R. 5306: Mr. BORSKI, Mr. BOUCHER, Mr. BRYANT, Mr. DURBIN, Mr. ECKART, Mr. LEWIS of Georgia, Mrs. SAIKI, and Ms. SNOWE.

H.R. 5338: Mr. BLAZ and Mr. DE LA GARZA.

H.R. 5351: Mr. BUSTAMANTE and Mr. COX.

H.R. 5362: Mr. GUARINI and Mr. PARRIS.

H.R. 5363: Mr. RICHARDSON, Mr. FUSTER, Mr. WASHINGTON, Mr. RANGEL, Mr. SMITH of Texas, Mr. BRYANT, Mr. ANDREWS, Mr. GONZALEZ, and Mr. ROYBAL.

H.R. 5367: Mr. MCHUGH, Mr. PAXON, Mr. NOWAK, Mr. CLARKE, Mr. DEFAZIO, Mr. MANTON, Mr. HORTON, Mr. YOUNG of Alaska, Ms. MOLINARI, Mr. SCHEUER, Mr. ACKERMAN, Mr. HOCHBRUECKNER, Mr. MARTIN of New York, Mr. MCNULTY, Mr. LAFALCE, Mr. BOEHLERT, Mr. BLAZ, Ms. SLAUGHTER of New York, Mr. OWENS of New York, Mr. FISH, and Mr. RHODES.

H.R. 5379: Mr. SHAYS and Mr. STUMP.

H.R. 5392: Ms. SCHNEIDER, Mr. LEWIS of Georgia, Mr. BONIOR, and Mr. PAYNE of New Jersey.

H.R. 5393: Ms. SCHNEIDER, Mr. LEWIS of Georgia, Mr. BONIOR, and Mr. PAYNE of New Jersey.

H.R. 5416: Mr. STALLINGS and Mr. JAMES.

H.R. 5426: Mr. DELAY, Mr. FISH, Mr. BUSTAMANTE, and Mr. BLAZ.

H.R. 5429: Mr. BUSTAMANTE.

H.R. 5475: Mr. BONIOR, Mrs. MORELLA, Mr. FISH, and Ms. LONG.

H.R. 5492: Mr. MCCANDLESS, Mr. DONALD E. LUKENS, Mr. FAWELL, Mr. MRAZEK, and Mr. PACKARD.

H.R. 5493: Mr. MADIGAN, Mr. RHODES, Mr. SHARP, Mr. HYDE, and Mr. KYL.

H.R. 5509: Mr. MARKEY.

H.R. 5551: Mr. HUGHES, Mr. OWENS of New York, Mr. KENNEDY, and Mr. LIPINSKI.

H.R. 5580: Mr. ECKART and Mr. LIPINSKI.

H.R. 5587: Mr. BALLENGER, Mr. GOODLING, Mr. RAVENEL, Mr. SMITH of New Jersey, Mr. SOLOMON, and Mr. PARRIS.

H.R. 5589: Mr. SLATTERY, Mr. KLECZKA, Mr. RAHALL, Mr. STARK, Mrs. COLLINS, and Mr. GORDON.

H.R. 5592: Mr. MCEWEN, Mr. HYDE, and Mr. STENHOLM.

H.R. 5596: Mr. BEREUTER and Mr. MORRISON of Washington.

H.R. 5599: Mr. MOODY and Mr. KASTENMEIER.

H.J. Res. 369: Mr. MONTGOMERY.

H.J. Res. 476: Mr. FORD of Tennessee, Mr. MCHUGH, Mr. MINETA, Mr. STOKES, Mr. TORRICELLI, and Mr. DEFAZIO.

H.J. Res. 492: Mr. CLEMENT, Mr. FORD of Tennessee, Mr. PAYNE of Virginia, Mr. LEWIS of Georgia, Mr. TANNER, Mr. SMITH of Florida, and Mr. ROE.

H.J. Res. 580: Mr. LIPINSKI, Mr. SOLARZ, Mr. MCGRATH, Mr. DEFAZIO, Mr. HAYES of Louisiana, and Mr. MANTON.

H.J. Res. 583: Mr. CLEMENT, Mr. SANGMEISTER, Mr. BARNARD, Mr. SPRATT, Mr. LEVINE of California, Mr. MORRISON of Connecticut, Mr. CARPER, Mr. MCNULTY, Mr. RUSSO, Mr. BOSCO, Ms. MOLINARI, Mr. TANNER, Mr. PARKER, Mr. COURTER, and Mr. PAXON.

H.J. Res. 595: Mr. LIPINSKI, Mr. MORRISON of Connecticut, and Mr. CONYERS.

H.J. Res. 610: Mr. ATKINS, Mr. BAKER, Mr. BARNARD, Mrs. BENTLEY, Mr. BLAZ, Mr. BRENNAN, Mr. BROWN of California, Mr. COOPER, Mr. COUGLIN, Mr. COX, Mr. DAVIS, Mr. DEFAZIO, Mr. DICKS, Mr. DYMALLY, Mr. ERDREICH, Mr. FLIPPO, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. GALLEGLY, Mr. GONZALEZ, Mr. GRAY, Mr. HAMILTON, Mr. HASTERT, Mr. HATCHER, Mr. HAYES of Louisiana, Mr. HENRY, Mr. HOCHBRUECKNER, Mr. HUNTER, Mr. HUTTO, Mr. JACOBS, Mr. JONES of North Carolina, Mr. KASICH, Mr. KENNEDY, Mr. LEWIS of Georgia, Mr. LEWIS of Florida, Mr. THOMAS A. LUKEN, Mr. DONALD E. LUKENS, Mr. LOWERY of California, Mr. MCCOLLUM, Mr. MCHUGH, Mr. MCMILLEN of Maryland, Mr. MARKEY, Mr. MATSUI, Mr. MAVROULES, Mr. MFUME, Mr. MILLER of California, Mr. MILLER of Washington, Mr. MOAKLEY, Mr. MOODY, Mr. MORRISON of Connecticut, Mr. NAGLE, Mr. NEAL of Massachusetts, Mr. NOWAK, Mr. PARRIS, Mr. PAXON, Mr. PAYNE of Virginia, Mr. PERKINS, Mr. PICKETT, Mr. PICKLE, Mr. PORTER, Mr. RAHALL, Mr. ROBERTS, Mr. ROE, Mr. ROSE, Mr. ROYBAL, Mr. RUSSO, Mr. SABO, Mrs. SAIKI, Mr. SANGMEISTER, Mr. SARPALIUS, Mr. SCHUMER, Ms. SNOWE, Mr. SPRATT, Mr. STUDDS, Mr. TANNER, Mr. TRAXLER, Mr. UDALL, Mr. WOLF, Mr. YOUNG of Alaska, Mrs. UNSOELD, Mr. ROBINSON, Mr. KANJORSKI, Mrs. KENNELLY, Ms. KAPTUR, Mr. ANDERSON, Mr. RAVENEL, Mr. SAVAGE, Mr. FISH, Mr. SAXTON, Mr. WYDEN, Mr. HILER, Mr. UPTON, Mrs. MARTIN of Illinois, Mr. BROWDER, Mr. GILMAN, Mr. PARKER, Mr. DOWNEY, Mr. STAGGERS, Mr. BLILEY, Mr. LIPINSKI, Mr. OWENS of New York, Mr. KOSTMAYER, Mr. QUILLEN, Mr. JOHNSON of South Dakota, Mr. FUSTER, and Mr. COBLE.

H.J. Res. 612: Mr. JONTZ, Mr. FORD of Tennessee, Mrs. BOGGS, Mr. FLIPPO, and Mr. TAUZIN.

H.J. Res. 644: Mr. BRENNAN, Mr. PAYNE of New Jersey, Mr. SKELTON, Mrs. ROUKEMA, Mr. GALLO, Mr. SERRANO, Mr. HORTON, Mr. WOLF, Mr. MCNULTY, Mr. TOWNS, Mr. MANTON, Mr. SAVAGE, Mr. HUGHES, Mr. FORD of Tennessee, Mr. KOLTER, Mr. BONIOR, Mr. GREEN, Mr. MCGRATH, Mr. SCHEUER, Mr. SOLARZ, Mr. FAZIO, Mr. GUARINI, Mr. MCDERMOTT, Mr. LEWIS of Georgia, Mrs. COLLINS, and Mr. WHITTAKER.

H. Con. Res. 62: Mr. HERTEL, Mr. FRANK, Mr. DOUGLAS, Mr. STARK, Mr. BROWN of California, and Mr. DONALD E. LUKENS.

H. Con. Res. 293: Mr. LEWIS of Georgia.

H. Con. Res. 358: Mr. ALEXANDER, Mr. BAKER, Mr. BARTLETT, Mr. BATEMAN, Mr. BEILENSON, Mrs. BENTLEY, Mr. BEREUTER, Mr. BILIRAKIS, Mr. BLILEY, Mr. BOEHLERT, Mrs. BOGGS, Mr. BUNNING, Mr. BURTON of Indiana, Mr. CALLAHAN, Mr. COBLE, Mr. CRAIG, Mr. CRANE, Mr. DELAY, Mr. DEWINE, Mr. DICKINSON, Mr. DORNAN of California, Mr. DOUGLAS, Mr. DREIER of California, Mr. DUNCAN, Mr. DWYER of New Jersey, Mr. EDWARDS of California, Mr. EMERSON, Mr. FISH, Mr. GALLEGLY, Mr. GEKAS, Mr. GILLMOR, Mr. GOODLING, Mr. GOSS, Mr. GUNDERSON, Mr. HAMMERSCHMIDT, Mr. HARRIS, Mr. HEFNER, Mr. HENRY, Mr. HERGER, Mr. HOLLOWAY, Mr. HORTON, Mr. HOUGHTON, Mr. HUCKABY, Mr. HUNTER, Mr. HYDE, Mr. JACOBS, Mr. KASICH, Mr. LAFALCE, Mr. LANCASTER, Mr. LEACH of Iowa, Mr. LENT, Mr. LEWIS of Florida, Mr. LIGHTFOOT, Mr. LOWERY of California, Mr. MCCOLLUM, Mr. MCCRERY, Mr. MCDADE, Mr. MCEWEN, Mr. MCGRATH, Mr. MACHTLEY, Mrs. MARTIN of Illinois, Mr. MILLER of Washington, Ms. MOLINARI, Mr. MOLLOHAN, Mr. MONTGOMERY, Mr. MORRISON of Washington, Mr. NEAL of North Carolina, Mr. PACKARD, Mr. PARRIS, Mr. PORTER, Mr. PURSELL, Mr. RAVENEL, Mr. RICHARDSON, Mr. RIDGE, Mr. ROTH, Mr. ROWLAND of Connecticut, Mr. SAXTON, Mr. SCHAEFER, Mr. SHAW, Mr. SHUSTER, Mr. SKEEN, Mr. SMITH of New Jersey, Mr. ROBERT F. SMITH, Mrs. SMITH of Nebraska, Ms. SNOWE, Mr. SOLOMON, Mr. SPENCE, Mr. STUMP, Mr. TAUKE, Mr. TAUZIN, Mr. THOMAS of California, Mr. VANDER JAGT, Mrs. VUCANOVICH, Mr. WALKER, Mr. WALSH, Mr. WEBER, Mr. WOLF, and Mr. YOUNG of Alaska.

H. Res. 390: Mr. ROE.

H. Res. 396: Mr. FISH.

EXTENSIONS OF REMARKS

OF OWLS AND PEOPLE

HON. AL SWIFT
OF WASHINGTON
IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SWIFT. Mr. Speaker, I would like to enter the article "Tearing America Up by the Roots" by Jim Petersen into the CONGRESSIONAL RECORD. Mr. Petersen's article appeared in Evergreen, a publication of the Evergreen Foundation. The subject of the article is an interview Mr. Petersen had with Dr. Robert Lee, a sociologist, forester and professor with the University of Washington. I encourage my colleagues to study this article because it is the most articulate description I have read to date of the plight of the timber workers in the Pacific Northwest. While remaining sensitive to the environmental concerns, we must also recognize the entire economies of certain areas in the Pacific Northwest are at risk. In towns like Forks on the Olympia Peninsula and Darrington in the Cassades Mountains, local drug stores, grocers, and the gas stations are entirely dependent on the forest economy. What happens to the loggers and millworkers ripples through the entire community and leaves no family untouched.

TEARING AMERICA UP BY THE ROOTS
(By Jim Petersen)

It is safe to say the name Dr. Robert G. Lee will never become a household word. It is also safe to say the protagonists in the spotted owl-old growth debate are going to get to know the good doctor very well in the months ahead.

There was a time in the not-too-distant past, when the mere mention of his name among timber executives elicited the same sort of reaction you would expect if you held up a mirror at a vampire convention. Dr. Robert G. Lee was one of "them"—an environmentalist who, heaven forbid, worked in "the industry" before moving on to the University of Washington, where he is now a professor in the College of Forest Resources.

But what's this? The good doctor is also a sociologist? AAARRRGGG!

Yes, Dr. Robert G. Lee is a sociologist having earned his PhD in wildland resource science, with emphasis on sociology, anthropology and ecology, at the University of California at Berkeley in 1973.

Lee also holds an undergraduate degree in forestry from Cal Berkeley. "Real" foresters who graduated from "real" forestry schools, like Oregon State and the University of Idaho, know it as Cal Berserkley.

Bob Lee is somewhat amused by all of this, especially the part about mirrors and vampire conventions.

Nevertheless, he is dead serious about his work, especially the work he has been quietly involved in for the past several months. He has been trying to figure out what is going to happen in communities like Forks, Washington, and Roseburg, Oregon, where massive job losses are expected to occur now that the U.S. Fish & Wildlife Service has decided to list the northern spotted owl as threatened.

Lee's research has been concentrated in two areas: An extensive review of existing studies involving resource dependent communities, plus a considerable number of in-depth interviews with displaced woods-workers.

The news is not good.

In testimony, June 14, before the Washington House of Representatives, Committee on Commerce and Labor, Lee warned that policy makers have seriously over-estimated the capacity of timber communities to recover from the kind of economic chaos that is expected to erupt in the months ahead.

Although Lee went to extraordinary lengths not to take sides in the list-no list wood products industry. People are also affected by a loss of trust in assured wood supplies, political conflict over fundamental social values, and the dehumanization that accompanies attempts to degrade logging and other wood products occupations.

"Loss of a job is by itself often experienced as a life-threatening event, and can be followed by personal trauma and permanent psychological harm," Lee continued. "Instability in the wood products industry has been so prevalent that people have learned how to cope with losing and regaining jobs. Job security was sought by developing a personal reputation as a good sawmill employee or logger. A sound reputation helped people cope with a cyclical industry by reducing the trauma of periodic job loss, but it leaves people especially helpless when there is massive, permanent occupational displacement. As a result, substantial individual and collective trauma can be expected to harm employees displaced by sudden departures from anticipated harvest schedules."

Lee believes the emotional upheavel will be especially hard on families who have invested their life savings in businesses that serve small, out of the way timber communities.

"People who have invested all their savings and life's work in building a business, experience a tremendous loss of self when they are forced to close," he testified. "Loss of a personal business is experienced as a life-threatening event, and can be expected to result in substantial stress."

Lee lays the blame for the coming upheaval on conflicting federal policies which he believes are sending mixed messages to timber communities.

"The federal government deliberately encouraged the development of local wood products industries throughout the west, and stimulated the formation of timber-dependent communities to provide a permanent home for these industries," Lee told committee members.

"People bought homes, invested capital and formed attachments to town communities on the basis of the government's promise of sustained wood production. People in timber-dependent communities trusted the government to maintain its commitment to providing continuous wood supplies. A sudden departure from anticipated harvest schedules will force the government to break this debate, his testimony shocked a lot of people who have been going around saying, "Gee, all timber workers need is just some job retraining; then they'll be able to get on with life."

Not so says Lee.

"The capacity and willingness of people to adjust has been seriously over-estimated," Lee told committee members. "There is a far more complex problem for which conventional dislocation adjustment assistance is only a partial remedy. While job losses are an important cause for disruption in people's lives, the unique character of timber-dependent communities, loss of trust in assured wood supplies, lifestyle conflicts and vilification of the logger combine to complicate the adjustment process."

Lee told committee members he believes the impact of the spotted owl listing decision has been viewed in terms which are far too simplistic.

"Policy makers and the popular press have oversimplified the impact of implementing the ISC (interagency Scientific Committee) recommendations by focusing on the issue of job losses," he testified.

"Job loss is only one of four major factors affecting people who depend on the trust. Investments in jobs, homes, and attachments to places will all be disrupted. Since people have been dependent on the parental good will of their government, they will experience a sense of abandonment, violation and helplessness that will contribute to the already heavy burden of stress."

What disturbs Lee the most is the loss of what he describes as "traditional American values," and he is concerned about the role he believes the press and preservationist groups are playing in this loss of cultural values.

"The popular press, and some environmental protection groups, have characterized loggers as primitive, overweight, beer-drinking, not-so-intelligent laborers with little regard for the future," Lee testified. "This has been most prevalent in Earth First! literature, newspaper columns, political cartoons, advertisement, and serial cartoons such as *The Far Side*, although letters to the editor of various newspapers reveal similar negative stereotypes are widespread among members of the general public. Most importantly, loggers and other woodworkers have come to see themselves as being categorized as 'heathen tree-killers' or 'rural bumpkins.'"

Lee continues, "Other stereotypes characterize old growth logging as an obsolete occupation referring to loggers as 'horse-shoers' or 'the last of the buffalo hunters.' The latter metaphor is especially effective at dehumanizing the logger because it connotes greedy disregard for the future, and creates a negative emotional association with logging that extends to logging in all forests. Such stereotyping is a classic form of blaming the victim . . . attributing to individuals' pathological character traits that explain why they are suffering."

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Lee finds parallels between the negative stereotyping of loggers and the nation's historic treatment of blacks.

"Our history of race relations has taught us that negative stereotyping serves the political function of dehumanizing people so that they can be exploited or treated unfairly; in this case removed from the land," he testifed.

"We have also learned it has predictable human consequences for the victims. Self-blame, loss of self-esteem, and personal disempowerment undermine the ability of people to take pride in themselves and their capabilities, fight back, and demand respect and equal treatment. Such stereotyping can attribute to learned helplessness, depression, cynicism and passivity . . . a self-fulfilling prophesy for continued disempowerment."

In Lee's opinion, the emotional and economic collapse of timber communities also threatens traditional American values which are deeply rooted in the nation's cultural heritage.

"Loggers, sawmill owners, local business people and the independent contractors embody traditional American values of independence, hard work, risk-taking and inventiveness," he told committee members.

"As a result, a sudden departure from anticipated harvest schedules to be caused by implementation of the ISC strategy, is viewed as an attack on the true 'American way of life.'"

In a subsequent *Evergreen* interview, Lee expanded on his concern for the sociological implications of the loss of traditional American values which he says are deeply rooted in timber communities.

"Preserving and maintaining this nation's cultural diversity is as important to the survival of America as is maintaining biological diversity," he said. "What we are preserving in rural farming and timber communities is people, not abstractions or symbols, but real people who embody basic values which are fundamental to our nation's history and its traditions. It is very difficult to preserve these values in an urban environment."

Of these values, Lee believes the most important is the rural conviction that hard work is still honorable work.

"Hard work is an increasingly rare value in our society," Lee explains. "That's not surprising given the fact that only about two percent of the nation's population is still involved in work that centers on the harvest or extraction of natural resources from the earth. The rest of the nation's working population has little or no connection to the fact that lumber comes from forests or milk comes from cows. People simply don't realize where the conveniences of everyday life come from, and they have no appreciation for the hard work that goes into delivering products to the marketplace. Moreover, they do not realize that loggers put their lives on the line every day, and that this act is the embodiment of an entrepreneurial spirit which has played a major role in the formation and development of our nation."

Lee believes the process of recovery will be long, difficult and limited. Some communities, those which are geographically isolated, simply will not recover. They will be overtaken by a kind of poverty not unlike that which grips Appalachia. It will not be a pretty picture.

"Dislocated people will experience levels of stress that will inhibit rational thinking necessary for these planned adjustments." Lee said, referring to the implementation of spotted owl management plans and resulting declines in harvest levels.

"Personal and family problems, ranging from substance abuse and divorce to suicide, will be widespread. Those in remote locations will also experience extreme difficulty in selling their homes, and many will be forced to declare bankruptcy and will lose their life's savings. Increasing social service needs of dislocated people will stress the budgets of rural counties at a time when county revenues will decline as a result of reduced payments from federal timber sales."

Lee does not believe urbanites in Oregon and Washington understand how the collapse of rural timber communities will impact their lives or future growth prospects for their states.

"It is going to be a very expensive proposition," he said. "Extended unemployment benefits, retraining, education, temporary mortgage supplements, and relocation assistance will be necessary, but even these programs will be insufficient. Years of additional social services, including personal and family counseling, health benefits, and community development will also be necessary. This cost will fall most heavily on urban taxpayers because the effected rural communities will no longer possess the ability to pay their fair share of the cost."

"Furthermore," Lee continued, "the collapse of rural financial structures is going to make it very difficult for communities to maintain roads, schools, and other social and cultural services which make communities attractive to new business and industry. People are not going to want to go to these communities, even on their vacations."

Press reaction to Lee's testimony was nil. In fact, not one newspaper, or television station or magazine has called for an interview, though copies of his 15-page statement were a matter of public record.

"I don't think the press knows what to do with me," he lamented. "They're not accustomed to hearing a sociologist say things like this. What do you do with a sociologist who talks about how environmental preservationists are trampling on basic cultural values?"

Lee says the Forest Service didn't contact him either, though their 32-page assessment of the impacts of listing does include a paragraph describing the predicted sociological upheaval:

"In severe cases of community dysfunction, increased rates of domestic disputes, divorce, acts of violence, delinquency, vandalism, suicide, alcoholism, and other social problems are to be expected."

Bob Lee sees all of this in a slightly different light.

"The threat is not that we will lose a species or two," he concludes. "The threat is that we will lose the human spirit."

H. CROSWELL TUTTLE: CONTINUING A GREAT FAMILY TRADITION

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SOLOMON. Mr. Speaker, we are going to be celebrating "Living American History Days" in the 24th New York District soon as part of the renowned Adirondack Hot Air Balloon Festival.

Our district is rich in history going back to earlier colonial days. That is why it's fitting today that I bring to your attention an outstanding citizen whose roots in New York and in our district are nearly as old as this great Nation itself.

H. Croswell Tuttle can boast of ties to Lake George that go back four generations. His great-grandfather, Rev. Isaac Tuttle, brought his family to the lake in 1848 and became a permanent settler in 1856. Dr. Tuttle was already well-known in New York City, where he was rector of St. Luke's Episcopal Church for 46 years, during which time he purchased the Alexander Hamilton home for his rectory. While there he established the first homes in the city for the elderly. He bought property on Lake George's west shore which is still enjoyed by the families of his three great-granddaughters. In addition, he helped establish St. James Episcopal Church in the village of Lake George.

Mr. Tuttle's father, Charles H. Tuttle, was a lifelong summer resident and served the Lake George Association as both president and counsel. He also established the well known Top O' The World resort on the top of French Mountain, which gives a commanding view of the lake. Charles Tuttle served as U.S. attorney for the Southern District of New York from 1927 to 1930, when he resigned to run for Governor of New York on the Republican ticket against Gov. Franklin D. Roosevelt. He also served on the Board of Higher Education of New York City and its predecessor board for more than 50 years. For many years he was counsel to the National Council of Churches, the Protestant Council of the city of New York, and the United Brotherhood of Carpenters and Joiners. He was a member and counsel to the National and State Commissions Against Discrimination.

H. Croswell Tuttle has carried on that family tradition.

His World War II service in Alaska was also noteworthy for giving him the chance to meet the former Doris Erickson, who was stationed in Seattle and who later became his bride.

After the war, he settled in my hometown of Glenns Falls, and managed Top O' The World. It was Mr. Tuttle who, while managing Top O' The World, began the annual observance of Ancestor's Day, in which the various battles of the American Revolution were enacted. The tradition began as a tribute to his ancestor, Capt. Jeremiah Parmalee, who was wounded at the Battle of Brandywine in 1777.

Each September, military units from New England, New York, New Jersey, and even Canada and South Carolina would participate in the event, which drew the public in increasing numbers.

Ancestor Days takes place at no cost to the local government or to the participants. It has always been a labor of love by a man who loves his country and is justifiably proud of the role his ancestors have played in its history.

H. Croswell Tuttle is presently active as a real estate broker in upstate New York. He is a member of the St. Sacrement Masonic Lodge; Sons of the American Revolution, Fraunces Tavern, New York City; member of the Lake George Association; and a lifelong

member of St. James Episcopal Church, serving on that church's vestry.

He and Doris have a son, Charles H. Tuttle II, and a daughter, Juliette Tuttle Currie. They are grandparents to Thomas Francis and William Dana Currie.

Mr. Speaker, organizers of Living American History Days will be honoring Mr. Tuttle as part of the ceremonies. Let us today add our own tribute to a very special man from a very distinguished family. Please rise to join me in saluting H. Croswell Tuttle, a true son of the American Revolution, an outstanding businessman and civil leader, a great patriot, and one of my best friends.

TRIBUTE TO ANNIE BETANCOURT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, every now and then there is a story of personal triumph in the face of adversity, which inspires others when there seems to be no hope for their own problems. Today, I would like to acknowledge a person with such a story, Ms. Annie Betancourt.

Possessing such energy and zest for life, few would ever imagine that just 6 years ago, in 1984, Ms. Betancourt faced the great tragedy of losing her husband to a brain tumor. To add to this already grievous event, she experienced the added trauma of discovering she had breast cancer that same year, and underwent a full mastectomy. Taking full advantage of her community activities and professional responsibilities as a source of stability, Ms. Betancourt was able to cope with her problems more effectively, and without despairing. Her work became a haven of peace in a storm of adversity.

Today, this 42-year-old Cuban-American is one of the most successful Hispanic women in Miami, FL. A professional woman with countless social contacts and a schedule of daily activities that never quits, Ms. Betancourt manages to conduct her professional and personal responsibilities in perfect harmony, never neglecting one for the other.

More remarkably, Ms. Betancourt finds the time to participate in civic initiatives; namely, the League of Women Voters of Dade County, over which she presides. Another one of her important undertakings is that of executive director of the legislative delegation of Dade County. As such, she works with the 28 legislators of Dade County before the State legislature.

Even with such a busy schedule, Ms. Betancourt manages her home life with the same commitment and dedication as her professional life. Rolando, her husband's son from a previous marriage, is 26 years old, and Ryanne, 14 years old, complete the Betancourt family. They are a closely knit family which has become all the more united as a result of the trials and tribulations of the past. Rolando and Ryanne are hard working, and the source of great pride for their mother, for whom they share this same sentiment.

My deepest respect and admiration goes to Ms. Betancourt for showing us all that we can overcome all obstacles in life with perseverance and the love of family and friends. To her, I extend my sincere hope and desire for her continued success.

MS. ALTHEA T.L. SIMMONS

HON. MERVYN M. DYMALLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. DYMALLY. Mr. Speaker, The Civil Rights Community mourns the loss of Ms. Althea T.L. Simmons. This beloved woman will be missed by many. She has touched the lives of thousands through her leadership and her commitment to the advancement of civil rights. Several organizational affiliations attest to her community involvement and dedication.

Ms. Simmons served as director of the Washington Bureau of the National Association for the Advancement of Colored People, and she was widely respected as one of the most effective lobbyists on Capitol Hill. She has held the positions of national education director, national training director, and voter registration projects director for the NAACP.

She has also served as associate director of branch and field services, where she had responsibilities of supervising the NAACP nationwide network of branches, field staff, membership, youth, and college division.

She is a graduate of Southern University of Baton Rouge, LA; the University of Illinois, and the Howard University School of Law.

For her works, she has received numerous awards and honors. To name a few, she received the Washburn University President's Award; the Howard University Alumni Award; the National Bar Association's Gertrude E. Rush Award; the Delta Sigma Theta Patricia Roberts Harris Award, and the Links' National Trends and Services Award.

So often Ms. Simmons shared her wisdom by serving as speaker for special occasions throughout the Nation.

She made Asbury United Methodist Church of Washington, DC, her spiritual home. She chaired the committee on corporate fiduciary responsibility and the committee on legal concerns of the United Methodist Church Board of Pensions.

We will miss the powerful voice of Althea Simmons, but the fruits of her work will live on forever.

H.R. 4328, THE TEXTILE BILL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. ANDERSON. Mr. Speaker, this week the House debates H.R. 4328, the Textile, Apparel and Footwear Trade Act of 1990. It is my intention to vote against this protectionist legislation. I urge my colleagues to do likewise.

The bill's primary provision is to limit import growth in each textile and apparel product category to 1 percent, based on 1989 levels, and to create an entirely new category of product protection by freezing imports of non-rubber footwear at 1989 levels. As such, the legislation violates not only General Agreement on Tariffs and Trade [GATT] conventions and the conditions of the Multifiber Arrangement, but also numerous bilateral trade arrangements. As if to implicitly acknowledge that this bill is overly protectionist, the legislation contains a provision to compensate—through tariff reductions—those countries upon which we impose quotas.

The claims of a dying textile industry are open to question. Since 1948, the textile industry has been predicting its own imminent demise unless strict protectionist measures are implemented. The validity of claims of job loss and deterioration need to be studied. Since 1985 domestic employment in textile and apparel manufacturing increased from 702,000 to 726,000; a net gain of 24,000 jobs. It is true that some textile-producing areas have experienced net job loss and plant consolidations, yet studies show that the job loss has been largely due to productivity increases, not import penetration. But even in those States hardest hit with job losses—Georgia, North Carolina, and South Carolina, with 101,200 textile jobs lost—total nonagricultural job increases have overwhelmed any job loss. These three States gained 1,819,100 jobs to replace the 101,200 lost. The average unemployment rate in these States is already well below the national average. Through the trade protections of this bill the textile industry avoids the adjustment to competition and a global market, using the fears of job loss as rationale.

It is common knowledge that the textile industry is already one of the most protected industries in this country. Americans pay an average import duty of 18.5 percent on apparel, versus 3.5 percent on other manufactured goods. The Multifiber Arrangement imposes over 1,000 quotas of imports to this country. More than two-thirds of all textile and apparel imports are currently subject to a tariff and quota system. These existing quotas and high tariffs already carry a $20 billion price tag to the American consumer. That figure will rise to $22 billion in 1992 and reach $31 billion in the year 2000.

H.R. 4328 would dramatically increase the already high costs of textiles, apparel, and footwear to the American consumer by $5 billion in 1992, a figure which increases yearly to reach $43 billion in 2000. The total cost to the American consumer would be $74 billion over this time period. U.S. Trade Representative Carla Hills has estimated that total cost of this legislation could rise to $160 billion over the next 5 years alone. That cost averages between $2,100 and $2,600 per year to each American family. This impact is particularly staggering to poorer American families that have to devote a greater percentage of their disposable income to the basic necessities like clothes. Meanwhile, each job saved by this legislation, which supporters of this bill estimate to be about 40,000, would cost the American consumers between $100,000 and $200,000. I do not believe we should put the burden of protecting jobs from the dubious

impact of imports on the rest of Americans and especially not on those who can least afford the added burden. Furthermore, if we look at the number of jobs that would be lost if this bill were enacted, we have all the more reason to oppose its passage. The retailing, transportation, and shipping industries are forecast to lose 52,000 should we allow passage. Many of these jobs would be from my district, as we are dependent on retailing and our fine port system for our economic livelihood.

Not only would this bill be anticonsumer and antijob, but it would cost the U.S. Treasury hundreds of millions. The Congressional Budget Office estimates the net revenue loss of this bill through fiscal year 1995 would be $1.192 billion.

The bill would also endanger the GATT talks and subject American exports to retaliation. The administration has been fighting for agreement within GATT on protection for intellectual property rights, foreign investment, and financial and related services. In exchange, less-developed countries want agreements on textiles. By imposing higher quotas and a prohibition on the President negotiating tariff reduction on textiles, textile products, and nonrubber footwear under any other authority in U.S. trade law except as provided under H.R. 4328, this bill effectively kills the GATT talks. Just when our long efforts to move toward freer trade seem to be coming to fruition, we must not move to take a step that is directly contrary to the long-term interests of the United States. By passing H.R. 4328 we also invite trade retaliation against all U.S. exporters, including 30 billion dollars' worth of agricultural exports.

Moreover, the textile industry is supporting legislation that seem contrary to its own long-term interests. By imposing quotas against Japanese cars, we learned that we only provide an incentive for foreign manufacturers to make more expensive, high-quality goods that further erode our domestic manufacturer's market, especially in the high-value added area we most want to preserve. The same will happen with shoes and more expensive, high-quality clothes. And finally, basic trade theory teaches us that a quota system is the least efficient tool of import restriction we could possible use. Quotas raise the price of retail goods without free market dictation, while putting the entire increase into the pockets of foreigners. We should look to keeping money in American hands, not giving it to foreigners.

In an age when we are battling high deficits and creeping inflation, we simply cannot afford this bill. H.R. 4328 is bad for my district, bad for California, and worse for the Nation. Supporters of this legislation speak of "leveling the trade playing field," but in reality what H.R. 4328 does is shut the trade door, raise inflation, hurt other segments of our economy, increase the budget deficit, and lead to the loss of productive American jobs. While I consider myself a strong supporter of labor and protecting American jobs, I do not believe that this bill is in the long-term interests of either of those goals. I would note, that H.R. 4328 is not uniformly supported by labor groups. For instance, the International Longshoremen's and Warehousemen's Union and the National Association of Stevedore's are opposed to its passage. I urge my colleagues to oppose H.R. 4328. America cannot afford it.

TRIBUTE TO F.W. WHITSON

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. TANNER. Mr. Speaker, when the newly elected Dyer County Commission settled in for its first session 2 weeks ago, it was missing the Honorable F.W. Whitson for the first time since 1954. Mr. Whitson decided earlier this year that he would retire from the county's legislative body after 36 years of continuous service. It is believed that he has served on the commission, and its predecessor bodies, longer than any other person in the county's history.

Obviously, he has seen a great deal of change in those many years of dedicated service. The commission has been revised in the number of its members. Its functions have expanded and its work load increased. No longer does it meet only quarterly. The list can go on and on.

Throughout all of these changes as well as the major changes that have occurred in Dyer County, Mr. Whitson has served faithfully, courageously confronting the issues of the day and attempting to resolve them in the best interests of the people of the county.

His leadership, exercised in conjunction with his colleagues on the commission and his contemporaries on other local governing bodies, has contributed significantly to a better quality of life for the people of Dyer County.

The construction of a new hospital, a 2-year community college, and development of the county have all contributed to it being a thriving, prosperous place in which to live and work. Mr. Whitson can take great pride in his contribution to these achievements and the many others that have occurred during his service.

His presence and experience on the commission will be greatly missed, but I want to extend to him and his wife Pauline my best wishes for a happy and fulfilling retirement.

I insert the following article from the Dyersburg State Gazette into the RECORD.

COMMISSION'S 'DEAN' RETIRING

(By Bill Hiles)

When the newly-elected members of the Dyer County Commission take their oaths of office for the next four years next week, for the first time since 1954 Finley Wynne Whitson of Trimble will not be among them.

"I'm hoping I don't miss it much, but I think I will," Whitson, 78, said while relaxing in his den recently. "I decided I'd been on there long enough and was in bad health, too, so I just might as well quit and let someone else serve on the court."

Whitson did not run for reelection in the Aug. 2 county election. He had heart bypass surgery in May. With 36 years of service he is believed to have served longer on the county commission than anyone else in its history. Complete records of the commission are not available but he certainly qualified as the dean of Dyer County commissioners, with 16 more years of service than the next most senior member.

"I only missed one meeting in 36 years," he said proudly. "I had a tractor accident and was in bed with a bad back or I wouldn't have missed that one."

Whitson said it hasn't always been easy to make his way from his 109-year-old home near Trimble to Dyersburg for commission meetings.

"I thought I was going to miss one time because of a snow and ice storm," he said. "But my grandson had a jeep and he came around looking for some gas and I told him I would fill up his tank if he would take me to Dyersburg for the meeting and he did."

Whitson grew up in Finley and was named for the two families from which he came—Finley and Wynne.

He moved to the 19th century farm house in which he and his wife Pauline live today in 1946. The home is beautifully and tastefuly decorated with furniture of the same style and heritage as the house.

The Whitsons have been working on the house from the time they moved in until more-or-less completing its restoration recently.

"There's always something to do about a house, especially one this old," Mrs. Whitson said. "But we've been very happy and comfortable here."

Asked to recall the most important things the county commission has done during his tenure on it, Whitson listed three.

"The most important things. I would say, were the sale of the hospital, the establishment of the (Dyersburg State Community) college and the remodeling of the courthouse." he said. "The hospital was built in 1955 and we sold it just at the right time."

The Dyer County Commission sold the then Parkview Hospital for a total of $22,350,000 in May 1983 to Methodist Health Systems, which renamed it Methodist Hospital of Dyersburg. The commission set aside $4 million to endow indigent health care for county residents and $2,615,000 to guarantee bonds on an addition to the hospital. When the bonds are paid off early next century the county will have a total of $19,740,000 on which to draw interest for its general fund.

"I think selling the hospital and investing the money to give us a sort of endowment is one of the best things we've ever done," Whitson said. "We have money for roads and schools from that interest that otherwise would have to come from property tax or we'd have to do without."

At the time of the sale, Whitson said, county taxpayers were deeply split over whether to sell to Methodist Health Systems or Baptist Hospitals.

"If we'd sold to Baptist they would have had a monopoly on hospitals from Memphis to Union City," he said. "But the most important factor to me was that Methodist offered us $3 million more than Baptist.

"We just got it sold in time," Whitson continued. "About three months after that happened hospital systems fell on hard times and they quit expanding."

He said the county's contribution to situating Dyersburg State here was $100,000.

"Dale Glover from Union City was on the State Board of Education and he wanted a college in his home county but they told him they wouldn't build one in Obion County because it was too closer to Martin," Whitson said. "So he called our county chairman and told him he thought he could get it for Dyersburg, but that he needed a pledge of $100,000 immediately.

"So some of us on the court—we didn't really have a meeting—met at the courthouse and pledged the $100,000 and with Dyersburg's pledge of the land on Lake Road at Parkview we got the college."

"I think one of the best things he's done is to remodel the courthouse," Mrs. Whitson said.

"The county court was going to sell the courthouse to the city of Dyersburg which was going to tear it down and build a parking lot on the site," Whitson said. "They offered us $400,000, but we checked the deed and discovered that if the property was used for any purpose than for a courthouse it would revert to the family which gave it to the county so three of us were appointed to a committee and we got the courthouse remodeled for $325,000."

Whitson said the incident in the 1960s nearly resulted in the county seat being moved to Newbern.

"The city of Newbern said 'If you'll let us have the county seat we'll build a courthouse and give it to the county at no cost to the county,'" he said. "But the plans were to keep the county seat in Dyersburg and build a new courthouse on the property the county owns out on Everett Avenue where the county complex is now."

Whitson was a member of the county commission in 1970 when it was reconstituted from its previous 40 members to its current 20.

"Seven of us were returned to the commission and joined 13 new members," he said. "When I was first elected I represented the old District 15 but that district and several others were combined into District C which I have represented since 1970," he said. "Before the restructuring we were called magistrates, we served six-year terms and the court was called the quarterly court because it met once a quarter.

"We'd start our meetings at 9 a.m. and were usually through by noon but sometimes we'd go way up into the evening until 4 or 5 in the afternoon."

Whitson sees serious crises ahead of the county commission and recommends consolidation of schools as a partial solution to one of them.

"The next three or four years are going to be rough times for the court and for the city boards, too," he said. "They need to go together but I guess they won't do it until they have to."

"There's no way for (county) schools to keep up as long as they are separate."

Whitson still is involved in farming, but to a much more limited extent than formerly.

"I'm still farming but most of my land is sowed down in a 10-year federal conservation program," he said. "And I've got a neighbor near here who rents most of my bottomland."

After 57 years of marriage Mrs. Whitson says she knows her husband pretty well.

"He's stubborn," she said. "He was absolutely determined to come to the June commission meeting about two weeks after his heart surgery."

"He was tired, of course, but he was there."

A TRIBUTE TO PAUL VIRGIN

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the work of Paul Virgin who is being honored by the Chino Valley Chamber of Commerce as the recipient of the 1990 Contribution to Industry Award. Such recognition is appropriate for a man whose name is synonymous with the dairy industry and Alta Dena Dairy in southern California.

Paul Virgin was born and raised on a farm in Idaho. Shortly after his father's death, Paul moved in with a family and got his first taste of dairy experience, milking 16 cows twice a day by hand. In 1945, while visting his mother in California, Paul rode his bike past Alta Dena and returned to ask for a job. The Stueve brothers, who had just bought the dairy, needed a handyman and Paul jumped at the opportunity. After returning to Idaho for a short time, he moved to California permanently and, while attending high school, picked up where he left off with Alta Dena. As he learned the many facets of the dairy, Paul studied hard and received his pasteurizer's license.

After serving in Okinawa during the Korean war, Paul returned to Alta Dena where he ran a milk route until 1953 when he became a salesman. His efforts resulted in a stronger customer base and market share for Alta Dena and he became the company's public relations director.

Paul has received numerous awards as a result of his work in the dairy industry. Among those he cherishes most are honorary memberships in the Norco, Bloomington, and La Puente ROP chapters of Future Farmers of America. Over the years, he has also shared his expertise with the Young Farmers of Mount SAC, the Dairy Advisory Board of Mount SAC, the Dairy Committee of the Los Angeles City School District, the Chino Valley Chamber of Commerce Committee, and the California Dairy Industry Association.

Paul Virgin has also made a difference to many thousands of people through his involvement in the L.A. County Fair. He first became involved in the fair 24 years ago and has played a significant role in educating the public about milk production through what is considered to be one of the finest dairy displays in the country. In addition, he has also coordinated and run contests for the Orange County Fair, Del Mar Fair, Victorville Fair, Orange Show, Hemet Fair, and Chino Dairy Tour.

Paul's involvement in the dairy industry is indeed international. Visitors from around the world have traveled to California to see the Alta Dena operation. Products have been shipped as far away as Kuwait and visitors from Saudi Arabia have sought advice on establishing a similar dairy in their own country.

Mr. Speaker, please join me today in recognizing the contributions of Paul Virgin to our dairy industry and to the public. His many contributions are certainly worthy of the gratitude and respect of the House of Representatives.

CONGRATULATIONS TO THE MONOCLE

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SWIFT. Mr. Speaker, the Monocle is an institution on Capitol Hill. When it celebrated its 30th birthday last week, it demonstrated why.

The restaurant that Connie and Helen Valanos started during the Kennedy-Nixon campaign in 1960 is a favorite for so many of us who work in Congress because it's comfortable, friendly, and steadfast—like an old friend. From the time you walk in and either John Valanos or Nick Selimos greets you at the door, the waiters and bartenders and even the bus people make you feel as though you're at your favorite restaurant back home.

But then—for so many people connected with the Hill—the Monocle truly is the favorite restaurant of our Capitol Hill neighborhood. It proved that years ago.

What the Monocle demonstrated last week was that it really is a neighbor. During its weeklong celebration the Monocle contributed 20 percent of every tab—you had to fill out a form to keep the accounting straight—to either the House or Senate Day Care Centers' scholarship funds. Those scholarships help pay the tuition for children whose parents work on Capitol Hill, but whose salaries may not be able to cover the full cost.

The Valanos family made that gesture as part of their birthday celebration, and a lot of the children of Hill people are going to benefit.

GLENN H. HARRIS: SET STANDARDS FOR NEW YORK LEGISLATURE

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SOLOMON. Mr. Speaker, probably you and every other Member of this Congress can list an unofficial mentor, a political father figure who inspired you and was influential in shaping your outlook and career.

I would like to say a few words about the person who fills that role for me.

His name is Glenn Harris, who has been in the New York State Assembly since 1964.

When I entered the New York State Assembly in 1973, Glenn Harris took me under his wing. How lucky I was, because as a model for integrity and courage in public life, Glenn Harris has no peer.

Glenn Harris knows the New York Assembly inside and out, because he has served, and served well, on nearly every legislative committee.

He was the assembly's Republican whip for many years, and also chaired such committees as Joint Legislative Committee on Environmental Conservation, and the Special Joint Committee on Petroleum Distribution during the 1974 energy crisis.

He is stepping down as ranking Republican on the Assembly Committee on Banks, and more recently has served on the Transportation, Rules, and Cities Committees, along with the Administrative Regulations Review Commission.

Glenn Harris also has been appointed to numerous State and national commissions and conferences. And that is because he has the deep respect and admiration of his peers.

He certainly has mine. In addition to everything else, he is a veteran and a former volunteer firemen, and you all know how special that makes him to me. Like all outstanding citizens, Glenn Harris has found the time to be active in his community and on the boards of many organizations.

On November 9, Glenn Harris will be honored at a retirement dinner at the Hall of Springs in Saratoga State Park. The hall is sure to be packed, because in 26 years of public life, Glenn Harris has made many friends.

Mr. Speaker, I ask you and other Members of this House to join me today in paying our own tribute to Glenn H. Harris, an outstanding legislator, a great American, and one of my closest friends.

MDCC SPONSORS EDUCATION—A CAUSE FOR CELEBRATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, Miami-Dade Community College will be sponsoring a gala event, "Education—A Cause for Celebration," at Dadeland mall in Miami on Sunday, October 7. The goal of this event is to raise $250,000 for college scholarships for Dade County high school students.

The Miami-Dade Community College Foundation has agreed to match every dollar that is raised for this worthwhile cause. Contributions to the scholarship fund will help to fulfill the dreams of thousands of Dade County youngsters, well into the next century. Anyone contributing to the fund will be demonstrating their deep commitment to excellence in Dade County education. I would like to take this opportunity to encourage everyone to contribute to this valuable endeavor.

I extend my heartfelt gratitude as an ardent supporter of higher quality education to the following organizers of this event: Executive committee members: Dr. Bill Stokes, cochairman/vice president/CEO; Zoila E. de Zayas, cochairman/dean, community and business relations; Robert Zoeller, regional manager Florida South; Julie Goldman, regional marketing manager Florida South; Mel Mendelson, general manager; and, Yamila Sanchez, marketing director; committee chairpersons: Marcoss Avila; Steve Brodie; Glenn Browne; Bob Farnes; Donna Fye; Alexandria Holloway; Gail Jordan; Julie Kartrude; Leah Kinnard; Merill I. Lamb; Kay Little; Martin Maldoff; Carol Patterson-Ramsey; Scott Rosenbaum; Amy Schaecter; Lee Schrager; Barbara B. Stein; Harold Sternberg; and, Maximiliano Valencia; and, committee staff members: Pam Alexander; Toni Caicedo; Jim Cox; Barbara Deegan; Ileana Galbe; Marta Junco-Ivern; Jane Kane; Maggie Rubbio; Susan Timmy; Minnie Vasquez; and, Lin Welch.

It is my sincere hope that contributions to this worthwhile undertaking far exceed the goal amount.

A CONGRESSIONAL SALUTE TO MSGR. JOHN SHERIDAN

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. ANDERSON. Mr. Speaker, on Saturday, September 29, a solemn Mass of Thanksgiving will be offered in Malibu, CA, by Msgr. John V. Sheridan, pastor emeritus of Our Lady of Malibu Parish. Monsignor Sheridan will be celebrating the Mass on the occasion of his retirement from the active ministry after a long and distinguished career. I rise today to pay tribute to that ministry and that career.

To a legion of admirers the name John Sheridan is revered beyond measure. A native of Ireland, this gentleman of Malibu has served his church and his fellow man for almost 50 years having been ordained to the Catholic priesthood in April 1943. He has plied his gentle personality practices in several greater Los Angeles parishes commencing his Malibu pastorate in 1965. For 25 years he has expended a labor of love amongst the people of his seaside community.

John Sheridan is Catholic to the core but his ecumenical outreach has touched people of all faiths. Long before it was considered proper by others, he was regularly appearing in pulpits of other religions. For 10 years he was a regular speaker on the national radio programs "Hour of Faith" and the "Catholic Hour." His message of peace and universal brotherhood literally reached millions and he coupled this mission with 14 years of direction of the Catholic Information Center in downtown Los Angeles. To several generations of mid-city office workers, shoppers, and passersby, the name of John Sheridan is synonymous with warmth, gentility, generosity, charm, and great spirituality.

The time and locations of Monsignor's pastoral service are a matter of record. The problem is to adequately describe John Sheridan the man. He is a born conversationalist. No day nor hour is inconvenient for him to counsel, guide, console, beguile, and occasionally bedevil his pastoral flock or even the casual acquaintance. An evening spent in the Monsignor's "chambers" is a moment held always in one's memory. The talk can range from theology to politics from Gaelic to the Dodgers. He is the universal man. He is unique.

I could go on but the Monsignor himself would be the first to say, "halt." He has throughout his lifetime sought no greater reward than the satisfaction of being able to grasp the hand of a friend, longtime or new. Devoted to his loved ones, to those siblings and nieces and nephews he so enjoys, he is above all in love with is God, with his community, and with his world. He will retire in Malibu and be in residence at Our Lady's. Wherever he resides, however, John Sheridan will forever dwell in the hearts of all those who have ever met him and come to know him. He in turn I know, will continue to urge us, his friends, to "come live in my heart, and pay no rent."

My wife, Lee, joins me in wishing Monsignor a happy and a blessed retirement.

A TRIBUTE TO LEWIS AUKEMAN, 1990 OUTSTANDING DAIRYMAN OF THE YEAR

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention today the fine work of Lewis Aukeman of Chino, CA. Lewis is appropriately being honored by the Chino Valley Chamber of Commerce as the 1990 Outstanding Dairyman of the Year.

Lewis and Carol Aukeman began their life together in 1948 dairying and farming in Michigan. Working side by side, these one-time high school sweethearts began farming 500 acres and milking between 100 and 150 cows. A visit to California in 1957 changed their lives. Tired of the long, cold Michigan winters, Lewis and Carol packed up and moved to the Chino Valley in 1958. With three children and one more on the way, they set their sights on dairying in the Golden State.

With the help of Lewis' uncle and father, they began what would become a very successful dairy operation. The first year of their new adventure proved challenging. Though they made little money, they began milking between 120 and 150 cows. The second year, they were up to 160 cows and gradually the herd grew to 200 cows. By 1977, Lewis and Carol's dairy operation had grown to 450 cows. Today, with the help of their family, they are milking 1,250 cows and raising 600 replacement heifers on their 85-acre dairy farm.

Lewis Aukeman has been deeply involved in community affairs. Lewis has served as chairman of the San Bernardino County Farm Bureau and secretary of central milk sales. He also helped organize the League of California Milk Producers, was appointed to the San Bernardino County Planning Commission, and served as chairman of the Southern California Milk Producers PAC Committee. In addition, he has served as director of the San Bernardino County Fair Board, Water Conservation District Board, and Ontario Christian School Board.

Mr. Speaker, I ask that you join me and my colleagues in recognizing the tremendous achievements of Lewis Aukeman. Together, he and his wife Carol have demonstrated the true spirit of entrepreneurship through their successful dairy farm in Chino. It is appropriate that the House of Representatives recognize him as he is honored as 1990 Outstanding Dairyman of the Year.

CONGRATULATIONS TO JUDGE ARDELL COLE

HON. JOHN S. TANNER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. TANNER. Mr. Speaker, on September 1, the Honorable Ardell Cole, of Paris, TN, retired from his position as Henry County's general sessions court judge after 14 years on the bench. Prior to his service in the State judiciary, Judge Cole served as the county's circuit court clerk for 14 years.

Throughout his service in Henry County, Judge Cole brought stately demeanor and high integrity to the court. He understands completely the integral role the judiciary plays in our society. He understands the need for public support for the judicial system, and the need for the courts to retain the confidence of the people it serves. He says today that the court system needs three key ingredients: public interest, good law enforcement, and a good bar association.

Judge Cole was the last nonlawyer to serve as a judge in Tennessee, but his lack of formal legal credentials did not hinder his ability. He dedicated himself to the independent study of law to ensure that those whose who appeared in his court received fair and impartial treatment. Throughout his judicial career, he has quietly carried out his duties with dignity, applying common sense to legal procedure.

Judge Cole's devotion to the administration of justice has bestowed upon him a place of honor among his peers. There is no one who does not have the highest regard for him—both as a judge and as an individual.

I have had the pleasure of knowing Judge Cole in both capacities. I practiced law in his court, and over the years came to count him as a personal friend. He set high standards in court and was a valued friend out of court.

Those of us in the legal profession will miss his presence in court, but will always remember the high standards of example he set for us.

I wish for his and his wife Dorothy a happy and fulfilling retirement, and I look forward to his continued counsel and advice in the years ahead.

I ask unanimous consent that the following newspaper article from the Paris Post Intelligencer be printed into the RECORD.

RETIRING JUDGE: "YOU, GO TO COURT"

(By Kathy Krone)

Retiring General Sessions Judge Ardelle Cole believes more people ought to go to court—not as defendants, but as observers.

People used to go to the courthouse to watch court hearings; they knew what was going on and how cases were being handled. But, he said, attendance has dropped off in the last 10 years, with only a few major cases drawing spectators.

Public interest is one of three key ingredients to a good court system, Cole said. Every court needs public interest, good law enforcement and a good bar association.

Cole praised law enforcement officers here. He said that during his 14 years on the bench he has called police a time or two. In each case, officers responded in just a couple minutes. "Law enforcement people in this area are very responsive," he said.

Lawyers who know their jobs also helps.

"Where you have a strong bar (association), you can learn a lot sitting in court because they (the lawyers) raise the questions," the judge said. "If they don't get into a fuss, you can let the case try itself. . . . They see to it the facts are put out."

Sitting through court and listening to lawyers' arguments gave Cole the background he needed to become a judge. He started his career in the court system as Circuit Court Clerk in 1962. The 14 years he served as clerk, he lisened to cases every day; "You can't keep from learning something," he said. After Gov. Ray Blanton appointed him to the judgeship he spent many nights the first two years poring over law books. Stacks of books noting updated laws cover his desktop now; these he's leaving for Hansel McCadams, whose term as judge officially begins Saturday.

Cole will be the last non-lawyer to serve as judge. State law now requires new judges to be lawyers. While Cole agrees that judges do need to be learned in the law, he believes there's more than one way to do it.

"People ought to be trained to be judges," he said. "There's considerable difference between being a judge and being an adversary or counsel."

He feels the same about juvenile court judges, saying they should be trained in educating, directing and correcting children.

During his time on the bench, Cole has seen several changes and has seen things he would like to change.

One of the biggest changes is the cost of using the court system. "The cost is ridiculous," he said, noting that the court costs for a minimum traffic ticket have gone from about $20 in 1976 to $96 now. One criminal warrants, state and county litigation taxes total $62, add to that clerk fees and fines, for a bill that nears or exceeds $100.

Courts now operate in a more sophisticated manner and keep more records, he said. Now, there's more litigation at the General Sessions level which Cole attributes to an "influx of people who don't live here." People come from afar to enjoy the lake and the area's only liquor stores.

On the weekends, he said, the county functions as if it had a population of 45,000–50,000. "We have considerably more law enforcement than the areas around us and more efficient law enforcement than any county this size that I know of," he said.

Much of the violent crimes happen between spouses, a crime that's easier to prosecute since the law was changed in 1989. "That's gotten to be a common thing—too common," Cole said.

"There's entirely too much domestic violence . . . and the sad thing about it is most (cases) are (committed) by beer drinkers. Seldom do you see a whiskey drinker abuse his wife.

"Beer drinkers maybe don't realize they are impaired, but some do have impaired attitudes."

Alcoholic beverages—rather than illegal drugs—are at the core of many of the cases heard in General Sessions, he said.

"You know they keep talking about 'it's (drug use) worse,' but I don't see it in the court system," he said. "The use of adult narcotics is down, but more people are using alcohol than ever before.

"Most of the people I see have an alcohol problem—regardless of what they were arrested for," the judge said. "Alcohol is a real big problem and it's growing."

Education may be the key.

"If someone could just figure out a way to educate people some, I think we could solve our problems," he said. "There wouldn't be so many people in court."

Rehabilitation programs at Carey Counseling Center, area hospitals or the Jackson Area Council on Alcoholism are generally effective, he said. About 60 percent of those in treatment respond over an extended period of time; 25 percent are very responsive with a complete attitude change; and 15 percent who never seem to make progress.

The statistics may be improved if the General Sessions Court had probation officers to follow cases, he said. A planned pilot program to employ probation officers in Henry County was withdrawn by the state when it began having fiscal problems.

Another change Cole has noticed is that the recividism (repeating crimes) rate for persons convicted of driving while intoxicated has increased since the law was made tougher. He can't explain it.

Before DWI sentences included mandatory jail terms, persons whose cases did not involve an aggravating circumstances or damage were placed on diversion for a year. If they attended counseling and kept out of trouble, their charges were reduced to public drunkenness. The recividism rate was low, Cole said.

When the law was changed, requiring at least 48 hours of jail time for DWIs, the recividism rate rose, "Now, there are so many you can't count 'em," he said.

When he realized 48 hours in jail was having no effect, he raised the sentence to 10 days, giving them the option of spending that time in jail or serve eight days in public service work. Most opt for public service work and that seems to do more good than 48 hours in jail, he said.

Changes needed include more courtrooms (the courthouse has more courts than courtrooms) and a new jail, Cole said.

For now, changes for the retiring judge include regular rounds on the golf course (to stay fit). His wife, Dorothy, also has a few plans "not altogether divulged yet."

Cole has three daughters: Christy Cole, a third-year law student at Vanderbilt University who will begin working at Boult, Cummings, Conners and Berry law office in Nashville in May; Dr. Cathy Cole, associate director at the state Department of Higher Education in Nashville; and Caren Cole Adams, wife of Lloyd Adams III and mother of Anne Cole Adams, 16, and Catherine Blair Adams, 13, all of Germantown.

TRIBUTE TO CONCEPT HOUSE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, it is my pleasure to announce the opening of the new outpatient and administrative offices of Concept House this past August 24. An old firehouse, located on 4850 NE 2d Avenue in Miami, was converted into the community service center, which houses the headquarters for Concept House, Inc.'s administrative and outpatient offices. This was accomplished with the help of funds granted by Health Rehabilitative Services, as well as from Concept House, Inc.'s own budget.

Special notice should be given to the following individuals who will be running the administrative wing: executive director, Polly Jones, administrative director, Jose Corredera, and his staff, executive secretary, Alba Guedes, systems manager, Naomi Riley, and receptionist, Denise Tarpley, as well as those who will be operating the outpatient office: admission director, Clement Ramsey, outpatient director, Bill Barnola, and his staff, counselors George Nesbitt, Delores Lambert, Cheryl Vesschemoet, and William Higgs.

The primary service Concept House has provided since its inception in 1970 is the rehabilitation and recovery of those who suffer from chemical dependency. Concept House's program is unique because of its experience and approach to recovery. They deal with addiction as a disease and the individual aspects are taken into account in order to achieve a complete and lasting recovery. Psychotherapy, behavior modification, and support systems are all day-to-day methods of Concept House, and are accomplished through personalized individual and group activities.

Psychotherapy includes individual and group therapy. Behavior modification encourages self-management and realistic problem solving which builds self-esteem and provides skills to cope with life's stresses. There are other programs like support systems which urges participation in self-help groups such as Narcotics Anonymous, Alcoholics Anonymous, and Family Therapy. In addition, there are also other methods based on encouraging personal growth through learning experiences and instilling a value system of responsibility in preparation for participation in society. Concept House's programs are geared to assist individuals over 18 years of age.

Concept House's staff is made up of professionals with experience in the treatment of chemical addiction and with graduate degrees in psychology, counseling, and related fields. Many of the staff are themselves recovering addicts and graduates of Concept House's rehabilitation and recovery program.

I congratulate Concept House for their 20 years of dedication in this worthwile endeavor, and extend my deepest wishes for their continued success.

A CONGRESSIONAL SALUTE TO M. JEFFREY KING

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding individual who has devoted many years of his life to the Long Beach community. M. Jeffrey King will be honored on September 18, 1990, by receiving the 1990 Long Beach Distinguished Community Service Award for over 30 years of service to the restaurant industry. This occasion gives me the opportunity to express my sincere appreciation for his many years of hard work and unending commitment.

Jeff King oversees the long-term financial planning of University Restaurant Group, which owns the restaurants 555 East Pine Avenue Fish House, Ocean Avenue Seafood, and I Cugini. In addition, he is also responsible for sales and employee relations for these restaurants. For many years he developed and supervised the operation of more than 10 restaurants owned by his family's company, King's Restaurants. From 1973–82, he was the president and majority stockholder. He then opened a restaurant consulting business and later became director of food service for the Los Angeles Olympic Organizing Committee and the 1984 Olympic Games.

Jeff King, a UCLA alumnus, is director of the California Restaurant Association and a member of the research advisory panel for Restaurant Business magazine. As my previous remarks have indicated, Jeff is truly a remarkable businessman. Through his career he has contributed immensely to the economic growth of the Long Beach area, but he does not stop here. He continues to teach others how to contribute to the community by speaking before college and civic groups. No one will disagree that the people of Long Beach have benefited immeasurably from his unselfish dedication.

My wife, Lee, joins me in extending our congratulations to this caring and giving individual. Jeff King is truly a remarkable individual who has devoted his talents and energies to enriching the lives of so many others. We wish Jeff and his children, Janna, Stephanie, and Danny, all the best in the years to come.

A GREENER LATIN AMERICA

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. LEWIS of California. Mr. Speaker, over the past year we have seen dramatic changes occurring in Eastern Europe and the Soviet Union, and now we face a serious military threat in the Middle East. These events justly claim such of our national attention. However, there are events taking place in our hemisphere which are just as important and far-reaching.

Specifically I am referriing to the pending negotiations with Mexico on a free-trade agreement and President Bush's enterprise for the America's initiative. Both of these efforts hold the promise of advancing the dramatic economic shifts that are taking place throughout Latin America.

Today I am inserting into the CONGRESSIONAL RECORD two documents that address private and public investment in Latin America.

The first is a brief article entitled "A Greener Latin America" and the second is a White House statement released on Friday, September 14 that describes in detail the President's initiative. Due to the dynamic nature of other foreign and domestic events, this enterprise for the Americas initiative has not received adequate attention. To shed more light on exactly what it could do, I commend both of these documents to my colleagues. We will be hearing more about the growing movement of democratic capitalism in our hemisphere in the near future.

[From the Washington Post, Sept. 16, 1990]

A GREENER LATIN AMERICA

(By Jane Bryant Quinn)

Not only is grass always greener on the other side of the fence, but so apparently is money.

During the 1980s, while America's jet-set investors focused first on the profits in Japan and then in Europe, one of the decade's strongest stock markets was Mexico's.

And while entrepreneurs go tumbling after opportunities in Eastern Europe, the leading countries of Latin America are years ahead in understanding private investment.

Until fairly recently, Central and South America had been written off the investment map. Dictatorship, class grievances, corrupt state-owned enterprises, regulated markets and hostility to outside capital, especially America's, has been holding most of these countries in thrall.

But in recent years, a few home-grown examples are making it clear that Latin America needn't be synonymous with expatriate wealth, huddled poverty and hyper inflation.

Chile and Mexico led the way toward stronger private enterprise and more-balanced economies. Brazil, Argentina and Venezuela are taking steps in that direction. As these countries open their securities markets, investors follow—chiefly through closed-end mutual funds.

With a closed-end mutual fund, money is raised just once, for investment in an ever changing portfolio of securities. The fund trades like a stock. You buy shares through a stockbroker, not from the fund itself. Closed-end funds are attractively priced when you can buy at a considerable discount (10 percent or more) from the value of the securities in their portfolios.

The latest closed-end entry is the Latin America Investment Fund, brought out in July by Salomon Brothers Inc. It will normally put 65 percent of its assets (or more) into Mexico, Chile and Brazil, and the rest into other Latin countries.

The three-year-old Templeton Emerging Markets Fund, which invests in Third World markets everywhere, recently raised its commitment to Latin America by about 5 percent, reports its president, Mark Mobius, to a current total of 23 percent of assets. Mexico is Mobius's favorite country, followed by Turkey and Hong Kong.

The astonishing Mexico Fund is up 30 percent so far this year, reports Thomas J. Herzfeld Advisors, and not just on its oil advantage. Last year, the fund gained 111.6 percent thanks in part to the freer-market views of Mexican President Carlos Salinas de Gortari.

In Chile, democratically elected President Patricio Aylwin is presiding over what the U.S. Department of Commerce calls "the most open market in Latin America." The Chile Fund had a great run earlier this year. But Chile depends heavily on imported oil. Due in part to the standoff with Iraq, the fund is now down 8 percent for the year.

The Brazil Fund, run by the Boston mutual-fund group, Scudder, Stevens & Clark, has had the wildest ride—down 31 percent since January, compared with a 37.5 percent drop (in U.S. dollars) for the small Brazilian market as a whole.

Latin America won't clean up its act overnight. Many companies remain off-limits to private investors, including Pemex, Mexico's inefficient oil company. Furthermore, the growth economies depend heavily on the health of the United States. The risk of a

U.S. recession helped knock down the Mexican market by 15 percent in a week, says Javier Artigas, vice president of OBSA International, which manages the Mexico Fund.

Still, a lot of good assets south of the border are going cheap. A long-term investor should think about climbing aboard.

THE ENTERPRISE FOR THE AMERICAS INITIATIVE ACT OF 1990

The President will transmit to the Congress a legislative proposal to implement the investment, debt, and environmental elements of his Enterprise for the Americas Initiative. The purpose of this legislation is to encourage and support market-oriented reform and economic growth in Latin America and the Caribbean through inter-related actions that will promote investment reforms, debt reduction and environmental protection.

In the investment area, the proposed legislation will provide for contribution by the United States to the Enterprise for the Americas Investment Fund, a multilateral investment fund to be established at the Inter-American Development Bank.

Authorization for contributions of $500 million to the Fund and authorization of appropriations for the contributions will be sought. The President will seek $100 million a year over five years for the Fund. The Fund is designed to foster a climate favorable to investment in Latin American and Caribbean countries and would support efforts in these countries to facilitate investment and the reflow of flight capital. It would advance specific, market-oriented investment policy initiatives and reforms and finance technical assistance for privatization efforts, business infrastructure, and worker-training and education programs. The Secretary of the Treasury will seek contributions from other countries to the Fund.

The proposed legislation will also establish the Enterprise for the Americas Facility in the Department of the Treasury to support the objectives through administration of debt reduction operations for nations that meet certain investment reform and other policy conditions.

The legislation would establish criteria to govern eligibility to participate in the debt reduction operations under the Facility. These criteria will aim to encourage economic reform, including measures to liberalize investment regimes. An eligible country should:

Have in effect an International Monetary Fund (IMF) stand-by arrangement, extended fund arrangement, or an arrangement under the structural adjustment facility or enhanced structural adjustment facility, or, in exceptional circumstances, an IMF-monitored program or its equivalent;

As appropriate, have received structural or sectoral adjustment loans under the International Bank for Reconstruction and Development (World Bank) or the International Development Association (IDA);

Have in place major investment reforms in conjunction with an IDB loan or otherwise be implementing open investment regimes; and

As appropriate, have agreed on a satisfactory financing program with commercial banks including, if appropriate, debt and debt service reduction.

Clear authority will be necessary to undertake the actions proposed in the debt element of the Initiative. The Administration will seek authority to reduce concessional loans extended under the Foreign Assistance Act of 1961 (FAA) and credits extended under title I of the Agricultural Trade Development and Assistance Act of 1954, as amended (P.L. 480). This reduction would be accomplished through an exchange of new obligations for obligations outstanding as of January 1, 1990. Once agreed by the President, the responsibility for executing an exchange of obligations that will result in the debt reduction rests with the agency that holds loans or credits to be affected. Such agency will act at the direction of the Facility.

Once an exchange is undertaken, principal payments on new obligations will be paid in U.S. dollars and credited to the accounts established to receive principal payments on the old debt obligations. Interest payments will be at a concessional rate and will be made in local currency if the debtor country has reached an envionmental agreement with the United states establishing an Environmental Fund. Under such an agreement, interest payments would be deposited in an Environmental Fund and jointly programmed by the U.S. and debtor country government. In the absence of such an environmenal agreement, interest would be paid in U.S. dollars into the account established for interest payments of the obligations exchanged therefor.

The President would be authorized to enter into agreements with countries receiving debt reduction under the Initiative which, in addition to establishing Environmental Funds and providing for joint programming, could specify the uses of monies in the funds. The President intends to encourage the involvement of local private environmental groups in decisions on the use of grant funds and to consult with non-governmental organizations in the United States and abroad regarding the establishment, structure, and operation of the Environmental Fund program.

In addition to the authority to reduce concesional debts, the President would be authorized to sell, reduce, or cancel loans made to an eligible country under the Export-Import Bank Act of 1945, as amended, and assets acquired as a result of credit guarantees made in connection with export sales to eligible countries under programs authorized pursuant to the Commodity Credit Corporation (CCC) Charter Act, as amended, or section 4(b) of the Food for Peace Act of 1966, as amended. Such sale, reduction, or cancellation would only be undertaken for those loans made or assets acquired prior to January 1, 1990 and would be consistent with terms or conditions of prior agreements relating to the loans or assets.

Eligible purchasers for Eximbank loans and CCC assets would depend on the presentation of satisfactory plans for engaging in debt-for-equity or debt-for-nature swaps. Once an eligible purchaser is identified, the Facility will notify the agency that holds the loans or assets to be affected, and that agency will carry out the sale, reduction, or cancellation. Prior to such a transaction, consultations would be undertaken with the eligible country regarding the amounts to be affected and their uses for debt-for-equity or debt-for-nature swaps. The proceeds of any sale, reduction, or cancellation of a loan or asset would be credited to the account established for the repayment of that loan or those assets.

Such sales, reductions, or cancellations of loans or assets would be carried out in a way to maximize return to the U.S. Government. These transactions would not be required to be registered pursuant to the Securities Act of 1933 and, for the purpose of that Act, neither Eximbank nor CCC would be deemed an issuer or underwriter with respect to any subsequent sale or other disposition of such loan or asset pursuant to a debt-for-equity or debt-for-nature swap.

The President would transmit an annual report to Congress on the operation of the Facility.

IMPLEMENTATION OF THE INITIATIVE

The key investment, debt, and environment components of the "Enterprise for the Americas" initiative are as follows:

(1) Contributions to the Enterprise for the Americas Investment Fund to be administered by the Inter-American Development Bank (IDB).

(2) Development of an investment sector lending program in the IDB to provide loans in support of investment reforms.

(3) Creation of the Enterprise for the Americas Facility within the Treasury Department to support the Objectives of the Initiative through debt reduction operations for eligible nations.

(4) Reduction of concessional (AID and PL 480) debts owed by eligible countries.

(5) Use of interest payments on reduced concessional obligations to support environmental programs in the debtor country.

(6) The sale, reduction, or cancellation of Eximbank loans and CCC assets to facilitate debt/equity or debt-for-nature swaps.

The following provides further detail on the expected operation of these elements.

Enterprise for the Americas Investment Fund

This fund is expected to be multilateral in nature although it could commence operations based initially on U.S. contributions if other contributions are not available. The Administration will be seeking authority to contribute (as grants) $100 million annually to this Fund over five years beginning in FY 1992.

The Fund is expected to provide support for investment policy initiatives and reforms and to finance technical assistance for privatization, development of business infrastructure, and worker training and education programs.

The Administration discussed this proposal with other G-7 industrial countries at the Houston Economic Summit and will continue to seek contributions from European countries, Japan, and Canada.

Although the IDB would manage the Fund, contributing countries would be expected to provide guidelines for disbursement of grants to eligible countries.

IDB Investment Sector Loan Program

The President has proposed the establishment of an IDB sector lending program to provide fundamental support for investment reforms. Liberalization of investment regimes is particularly important as a means of attracting the scarce capital critical to sustained growth. The objective for Latin America and the Caribbean must be to compete effectively for investment in a world of limited resources and to attract the capital of their nationals back home.

The U.S. Government will work with the Inter-American Development Bank to develop an investment sector lending program consistent with these goals.

Enterprise for the Americas facility

The Enterprise for the Americas facility will support the objectives of market-oriented reform and economic growth, investment reform, and environmental protection

through the administration of debt reduction operations for eligible countries.

To be eligible for debt reduction, Latin American and Caribbean countries must:

Have in effect International Monetary Fund/World Bank economic reform programs;

Have in place major investment reforms in conjunction with an IDB loan, or otherwise be implementing an open investment regime; and

For countries that owe a substantial part of their debt to commercial banks, have negotiated a satisfactory financing program with commercial banks, including debt and debt service reduction if appropriate.

Decisions on country eligibility, based on these criteria, will be made through an interagency process chaired by the Secretary of the Treasury. The Enterprise for the Americas facility will issue instructions to the appropriate Federal agencies to effect the debt reduction, sale, or cancellation which has been negotiated with eligible countries (see below). It will also provide technical support for an interagency team, to include relevant agencies, which will negotiate the terms of debt reduction with individual countries.

Reduction of concessional debts

Decisions on the extent of debt reduction on Agency for International Development and P.L. 480 obligations of individual eligible countries will be made through an interagency process chaired by the Secretary of the Treasury.

Debt reduction will be effected through the exchange of outstanding obligations for new, reduced AID and P.L. 480 obligations bearing concessional interest rates.

Reduction, sale, or cancellation of Eximbank and CCC obligations

Decisions on the amount of Eximbank loans (and loans acquired pursuant to its guarantee and insurance programs) and the amount of CCC assets acquired as a result of its export sales guarantees which will be available for reduction, sale or cancellation for eligible countries will be made through an interagency process chaired by the Secretary of the Treasury.

Such reductions, sales, or cancellations will be made solely to facilitate debt/equity swaps or debt-for-nature swaps. Specific mechanisms will be developed to assure that this objective is realized.

Enterprise for the Americas environmental funds

The Administration will seek to negotiate an environmental agreement with each country determined eligible for debt reduction. Conclusion of such an agreement would allow the eligible country to make interest payments on new obligations resulting from debt reduction in local currency. The agreement would establish an Environmental Fund to receive interest payments and would determine the operation of the Fund and the use of its resources to provide grants for environmental projects and programs.

The local currency interest payments would be deposited in an eligible country's Environmental Fund and would be jointly-programmed by the United States and that country. It is contemplated that local committees—composed of U.S. Government representatives, eligible country representatives, and representatives of local private environmental groups—would have a significant role in formulating programs and projects funded by each country's Environmental Fund.

The Administration is committed to encouraging the involvement of local non-governmental environmental groups in the decision-making process. We have heard preliminary views from non-governmental organizations in Washington and believe it will be important to consult with these groups regarding the establishment, structure, and operation of the Environmental Fund program.

We anticipate that annual programs for individual countries would be formulated at the local committee level, as would proposals for specific projects to be funded. Annual programs would be subject to the joint approval of the USG and the debtor government.

EULOGY TO SAM STRATTON

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. HORTON. Mr. Speaker, funeral services were held today for one of our former colleagues, Sam Stratton. For 30 years Sam Stratton was a force in Congress, a powerful force, especially when it came to issues of national defense. He was one of New York's great leaders. He was one of my closest personal friends. While I mourn with his family that his time with us has passed, I rejoice at the many years and countless memories I shared with this great American. We miss you, Sam. May you rest in peace.

Sam was laid to rest in Arlington National Cemetery, near the Tomb of the Unknown Soldier. Memorial services for Sam were held at the Memorial Services Chapel at Fort Myers. Sam's son, Kevin Stratton, gave the family greeting; U.S. House of Representatives Chaplain James Ford gave the Prayer of Thanksgiving. Our colleagues, and Sam's longtime friends, Congressmen SONNY MONTGOMERY and GERALD SOLOMON offered eulogies, which I would like to enter into the RECORD at this time:

EULOGY TO SAM STRATTON

(By Hon. Gerald B. Solomon)

In all my years in local, State, and national politics, Sam Stratton was the man I most deeply admired and respected.

He was known by Members of Congress from both parties—in fact throughout the military community and throughout the world—for his expertise in national defense issues. To that end, he had no peers.

But even that's not what made Sam Stratton the special man that he was.

It was his keen instinct for doing what was right and what was good for America.

That instinct never failed him.

And even more than that, it was his human touch that endeared Sam Stratton to us all.

That never failed him either, despite his many one-sided victories at the polls.

Sam Stratton was the kind of guy who, when others were asleep with exhaustion after election day, would be at the General Electric plant at 7 in the morning to thank the voters.

He was an old-fashioned Congressman, whose campaign style consisted of ringing doorbells and talking to people on their front porches.

Sam Stratton was a man whose wisdom and compassion were etched into his face—and when it came to serving constituents, Sam Stratton was a master.

The people he represented knew he cared about them, and they showed it at the polls every election, especially the last one where he received over 90 percent of the vote.

Indeed, the term "gentleman and scholar" must have been invented for him.

Some of you may not know this, but, among other things, he was a philosophy professor before he entered politics.

He was a deep thinker whose ability to reason things out was his trademark.

But not that Sam Stratton couldn't be tough when he had to be, as we all know.

When it came to protecting America's national defense, Sam was second to no man.

When it came to the security of the United States, there was no such word as compromise in his vocabulary.

That's pretty much what we'd expect from someone who was a top intelligence officer on General MacArthur's staff in World War II. And, Oh, the stories he could tell about those historic times.

Yes, Sam Stratton was a contributor, and he was a patriot who could always be counted on to stand up for America, and that's one of the reasons America is the greatest and freest nation on earth—because men like Sam Stratton have given their entire lives in service to their country.

And oldtimers in Schenectady remember how he cleaned up that city as a crusader against illegal gambling and other vices.

But here's the example I wanted to give you about Sam Stratton's legacy.

Just the other day, when we were organizing the debate on the Defense authorization bill, Sam Stratton's name must have come up about a dozen times.

This was before we knew we had lost him.

At one point we were debating an amendment to reduce the U.S. troop strength in South Korea. Someone said, "Boy, if Sam Stratton were here, he'd have a fit! And he'd beat that amendment."

And that's how Sam Stratton's spirit still inspires this Congress. And yes, Sam, we beat that amendment for you, old friend.

On so many issues, we all find ourselves thinking: "What would Sam do? How would Sam handle this? How would Sam react?

My fellow Americans, it's an understatement to say it's not going to be the same without Sam Stratton around here.

We all respected Sam. We all loved him.

I know I speak for tens of thousands of people when I say that.

That love and respect are things we share with his wonderful wife, Joan, and their children, and eight grandchildren who had the privilege of being even closer to him, because it was a privilege to know this giant of a man.

It was a larger privilege to have had the opportunity to work side by side with him—and for me personally, it was a privilege to have served with him in the fraternal order of Masonry.

He was a great Congressman, a great American, and my best friend in Congress.

I miss him more than I can say.

God bless him.

REMARKS BY HON. G.V. MONTGOMERY

I want to thank Joan and the family, Kevin, Brian, Lisa, Debra, and Kim and their families for giving me this privilege to talk about my buddy, Sam Stratton. Also, MIKE MCNULTY was so helpful in keeping

Sam's friends in Congress updated on his illness.

Sam had a demanding personality that you just had to pay attention to, and a commanding voice that all of us in Congress wish we had. I don't know if his voice was natural or if he developed it from his experiences as a broadcaster. He was at one time a TV personality known as "Sagebrush Sam."

He also had a quick wit and it served him well in the Congress. Because of his strong convictions and his forceful personality, most Members of Congress would steer clear of him when he handled an issue on the House floor.

I never saw him duck a floor fight or back away from what he thought was best for the military. During his 30 years in the House, Sam never wavered from the belief that we must deal from a position of military strength.

He was one of the most knowledgeable men on military matters to serve in the Congress. Besides his position on the Armed Services Committee, Sam knew the military first-hand. He won two bronze stars during World War II, where he served with General MacArthur in the Pacific theatre, and he was called to duty again during the Korean war. It is only proper that Sam Stratton be buried at Arlington Cemetery with full military honors. He belongs at this famous site with other patriots and soldiers and sailors.

Some people used to tease Sam about his strong support for the military by saying he never met a weapons system he didn't like. That was not true, but no one could ever doubt his commitment to keeping our military strong. Actually, he was more moderate in other areas of government.

Sam will always be remembered for being the leader in opening up the military service academies to women. And as chairman of the Procurement Subcommittee, he was the first person in 200 years to earmark money for the Reserve components to give the National Guard and Reserve units across the country the chance to train on new equipment, such as tanks and planes.

One fight he led that wasn't related to the military had to do with the proposed restoration of the west front of the U.S. Capitol. The plan was to tear down the west front as part of the process, but Sam almost by himself said "no." He fought to save the west front and he was successful.

For me personally, Sam's passing marks the end of an era. He was from the old school. He didn't rely on staff to do his homework. He was always well prepared and knew more about the subject at hand than the experts.

I will always like to remember Sam; jumping into his volkswagen; putting down the top; and away he went.

TAMIAMI YOUTH BASKETBALL LEAGUE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, the Tamiami Youth Basketball Association, otherwise known as the Tamiami Basketball League, provides the means by which area children can develop positive qualities. This nonprofit institution has taught young people the value of responsibility, good sportsmanship, teamwork ability, among others, as well as assisting them to develop their athletic skills to the fullest extent.

Already in existence for 18 years, the Tamiami Basketball League's goal is to provide Dade County's youngsters with a positive and productive outlet for their energies. The League extends all children the opportunity to play basketball regardless of his or her ability. They believe that everyone deserves the chance to play the sport in a structured environment.

Having had countless auspicious individuals as leaders of the league, it is currently under the able leadership of Leonard Fernandez, who oversees the approximately 850 young athletes, ages 8 to 18. Since its beginning, the league went from playing outdoor basketball games to playing games indoors as a result of its association with the youth fair. But it was not until 1986, and after careful study and negotiations, that they eventually acquired their own playing facilities at Tamiami Park.

The Tamiami Basketball League has turned out some of today's more distinguished high school and college basketball players, as well as in the NBA. Some of these include, Ricky Blanton from LSU, and now playing professional basketball in the NBA; Chris Corchiani of North Carolina State University; Cesar Odio, Jr., formerly assistant basketball coach at the University of Miami and now head basketball coach at Miami-Dade Community College, South Campus; George Lancho of St. Albans College; Gus De Ribeaux at the Florida International University; Jose Ramos of the University of Florida; Gimel Martinez at the University of Kentucky; and others.

The board of directors, who are elected from its members, should be very proud to be a part of an institution which has accomplished so much. My special thanks to the following board members for their dedication and hard work in this noble endeavor: Jose L. Toledo, Mario Verdeja, David Donet, Esq., Leonard Fernandez, Frank Hoyos, Jorge Quijano, Alfonso Fernandez, Jorge Hoyos, Waldo Rodriguez, Rafael Azan, CPA, Jose Enchausti, Jorge Ortega and John Goble.

A CONGRESSIONAL SALUTE TO A. SAMUEL KING

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to an outstanding individual who has devoted many years of his life to the Long Beach community. A. Samuel King will be honored on September 18, 1990, by receiving the Long Beach Distinguished Community Service Award for his years of service to the restaurant industry. This occasion gives me the opportunity to express my sincere appreciation for his many years of hard work and unending commitment.

Sam King serves as president, chief executive officer, and cofounder of University Restaurant Group. Not only has he created a successful business, but also is dedicated to improving the quality of life for the citizens of Long Beach.

Even before receiving his business degree from USC in 1975, Sam had already been named vice president and director of operations of the King's Restaurants, Inc. In 1982, he supervised the sale of King's chain to Tiny Naylor's Inc.; which then made him a regional manager. Two years later, Sam invited his cousin, Jeff King, to go into partnership, and the two formed University Restaurant Group, and 555 East was born. Sam is a member of the California Restaurant Association, Young President's Organization, and Food Service Executives of Los Angeles County.

Sam King's accomplishments extend well beyond his line of business. He is currently a member of Downtown Long Beach Association, the Long Beach Convention and Visitors Council, New Life Beginnings, and the Children's Development Committee of Long Beach. It is clearly evident that Sam has given the community of Long Beach not only business, but himself.

My wife, Lee, joins me in extending our heartfelt congratulations to this intensely dedicated man. His continuing dedication to the needs of the community make him a worthy recipient of this distinguished honor. We wish Sam and his wife Janet all the best in the years to come.

JIM MOLLOY: 1990 CONGRESSIONAL STAFFER OF THE YEAR

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. MANTON. Mr. Speaker, I would like to call to the attention of my colleagues an article appearing in yesterday's Roll Call regarding House Doorkeeper Jim Molloy being named "1990 Congressional Staffer of the Year." As anyone who has worked with Jim knows, Jim Molloy is the ultimate public servant. No job is too small for him, and he does every task well. The House is indeed fortunate to have Jim as one of its officers. Roll Call simply is recognizing what those of us in this body have known for many years: Jim Molloy is someone you can count on to get the job done!

Mr. Speaker, I ask unanimous consent that the article appearing in yesterday's Roll Call be reprinted in the RECORD at his point.

JIM MOLLOY IS NAMED 1990 STAFFER OF THE YEAR

(By Amy R. Barrett)

House Doorkeeper Jim Molloy has been named the 1990 Roll Call Sid Yudain Congressional Staffer of the Year. The award will be presented to the 21-year Hill veteran at the annual Senate Staff Club dinner on Sept. 22.

Molloy was chosen from a pool of eight nominees selected by a committee of five longtime Senate and House staffers. Three still work on the Hill; two are retired.

Senate Secretary Joe Stewart, chairman of the selection committee and winer of last year's award, told Roll Call, "[Molloy's] name just gravitated to the top."

Molloy, whose first job on the Hill was Finance Officer to the House of Representa-

tives, was elected in 1974 to serve as Doorkeeper, and has been re-elected unanimously to serve in each succeeding Congress.

Involved in a wide range of activities both inside and outside the institutions, Molloy has devoted himself to the Wright Patman Congressional Federal Credit Union.

During his tenure as chairman, the credit union has grown from $4 million in assets to its present total of nearly $90 million, serving more than 23,000 members.

As Doorkeeper, Molloy has found his involvement with the page school to be particularly satisfying. But he is hard pressed to choose one activity or achievement that has meant the most to him, claiming he has "thoroughly enjoyed" most aspects of his job as Doorkeeper.

"I have found the perfect job," he said. "You're not the policeman giving a ticket. You're the fireman putting out the fire. It's a very positive thing."

The Roll Call Sid Yudain Congressional staffer award is a 30-year tradition, according to Hyde Murray, former minority counsel and chairman of the permanent committee in charge of the award. The first winner in 1960 was Jane Bittner, then a secretary to Sen. Tom Martin (R-Iowa). Yudain is the founding editor of Roll Call.

Tracked down by the committee at her home in Louisa, Va., Bittner, now in her eighties, will be a guest of honor at this year's dinner dance.

Tickets for the event are available from the Senate Staff Club. The cost is $37.50. Call 224-4440 for information.

WE SHOULD LEARN FROM OUR MISTAKES IN CENTRAL AMERICA AND NOT REPEAT THEM IN THE ANDES

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. KOSTMAYER. Mr. Speaker, I would like to call my colleagues' attention to a recent article by Kenneth E. Sharpe in Newsday entitled, "Bush's New Central American Strategy: Repeat the Past."

The article warns that a renewed effort to revive the Central American common market will fail if significant social and land reforms do not follow. Sharpe says that the result of the previous attempt at a common market in the 1960's that was not accompanied by such reforms was predictable, "the benefits of growth went to the established elites and created a very small middle class, but the poor majority was worse off. Expanding large scale commercial export agriculture—cotton, cattle, sugar, et cetera—resulted in throwing tens of thousands of peasants off the land."

We should not repeat the same mistakes yet again in Central America. Neither should we export those same failed policies to the Andean countries. For, although the countries in the Andes are very different in history and culture from those in Central America, they share the problems of inequitable land distribution and lack of social justice.

Under the Bush administration's Andean initiative the countries in the Andes will receive $208.9 million in fiscal year 1991 in muchneeded economic aid. But all that aid and the new trade incentives planned for the region will not reach the coca growing peasants at the bottom of the social ladder unless serious reforms in land ownership and income distribution come from the top.

Otherwise, we are likely to see in the Andes what Sharpe predicts for Central America, "* * * any rising tide of growth will only raise the middle and upper class 'ships' that are already floating, and thus exacerbate exactly the problems that generated instability and civil was during the last decade."

Its time we learned from the past, at least enough to know when not to repeat it.

The article by Kenneth Sharpe follows:

BUSH'S NEW CENTRAL AMERICAN STRATEGY: REPEAT THE PAST

(By Kenneth E. Sharpe)

The Bush administration has designed a politically brilliant but practically flawed strategy for putting the explosive issues in Central America on the back burner and for cutting U.S. spending. Its ruinous assumption is that Central America can grow its way out of poverty, instability and revolution through private sector growth financed by the United States, Europe and Japan.

Secretary of State James Baker presented his vaguely outlined plan to the willing ears of the five Central American presidents who met 13 days ago in Guatemala for their ninth summit. Gone from this summit's agenda were the earlier issues of repression and civil war still wracking Guatemala and El Salvador, or the human rights violations that Hondurans still suffer, or the need for major social reforms to combat inequality and poverty in the region.

This is not surprising. Most of the presidents are new, all are moderates to far rightists, all are interested in market-oriented policies that will encourage the private sector (often quite reactionary oligarchs). And with the Sandinistas no longer in office, the need to give lip service to democracy, human rights and reform to justify policies aimed against these revolutionaries is gone.

What the five president's would like is to revive some form of the Central American Common Market that brought a modicum of growth through regional integration in the 1960s and 1970s. That plan was based on a simple set of premises that held in every country except Costa Rica:

First, capitalism couldn't generate growth because internal markets were too small, Second, the small markets were the result of a class structure in which the majority were too poor—landless, unemployed—to be consumers. Third, redistribution, meaning land reform, progressive tax structure, broad-based education and higher wages, was politically impossible; the landed and military elites were too reactionary and powerful.

The solution: Combine the small markets into an integrated regional market that might be large enough to sustain light industrialization, and finance it with foreign loans and agricultural exports.

So there it was: private sector-led growth, no politically messy reforms, and trickledown for the masses. And along came the United States in the early 1960s with the Alliance for Progress to help finance such growth. The Alliance, under President John Kennedy, first insisted that land reform and redistribution were necessary conditions for aid: Without reform from above there would be revolution from below. But local elites resisted serious reform while they gladly took U.S. dollars, and under President Lyndon Johnson the insistence on reform took less precedence.

The result was predictable: The benefits of growth went to the established elites and created a very small middle class, but the poor majority was worse off. Expanding large scale commercial export agriculture (cotton, cattle, sugar, etc.) resulted in throwing tens of thousands of peasants off the land, swelling the ranks of under- and unemployed. New middle class groups of lawyers, teachers, doctors, students and civil servants began to demand political and human rights. In Guatemala, El Salvador and Nicaragua, protesting peasants, workers and middle class democrats were met with repression, generating instability and revolution.

What the Bush administration is offering today is marginally better than before: It wants the aid program to be multilateral, but, to the dismay of the five presidents, run by Washington. A truly multilateral development program would be a step in the right direction. If the United States were not in charge, development criteria might replace Washington's current shortsighted policy goals.

But the fundamental flaws of earlier efforts are still there.

Serious reforms in land ownership and income distribution are off the agenda. That means that any "rising tide" of growth will only raise the middle and upper class "ships" that are already floating, and thus exacerbate exactly the problems that generated instability and civil war during the last decade.

Human rights and repression are off the agenda. That means that efforts by citizens to organize unions or peasant organizations to demand higher wages, land redistribution and better education and health services will continue to be brutally put down in Guatemala, El Salvador and to some extent in Honduras.

And peace is off the agenda. That means that money flowing into El Salvador and Guatemala is likely to be absorbed by the costs of war or to hemorrhage out to Miami as capital flight.

In short, without social reform, the protection of human rights and peace, this economic aid and regional integration will exacerbate the problems in Guatemala. El Salvador and Honduras. Costa Rica, with no army and a social democracy, is well positioned to use such aid. Ironically, so too is Nicaragua, exactly because it had a revolution with far-reaching land and social reforms. It has a professional military with relatively little corruption and a fairly good human rights record. And it is now at peace.

So what's in this flawed strategy for the United States? It could get some short-term political gains.

If Baker gets the Japanese and Europeans on board he can lower the U.S. aid bill—and Congress is balking at current expenses. Second, he might divert attention in Washington from the failures of U.S. policy in El Salvador and Guatemala—where the end of the Cold War is making it increasingly difficult to package the continued repression and civil war as "democracy" just because the presidents were elected.

Third, he can go to Congress with a bipartisan package—a multilateral Marshall Plan for Central America—and sidestep current efforts by moderates to slash U.S. aid to El Salvador in the wake of the military's murder of the Jesuits. Within weeks, the House could do that and Baker is looking for a way to cut critics off at the pass.

Baker is no fool when it comes to sweet-talking Congress. But no careful student of Central American history would be so foolish as to repeat the failed policies that created the current morass in the first place.

TRIBUTE TO RAYMOND D. DENIS

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute to an outstanding and dedicated public servant who had retired after 24 years of service to his community and fellow citizens. Mr. Raymond D. Denis, of Woonsocket, RI, recently retired from his position as senior housing inspector for the city of Woonsocket. His hard work and achievements stand as a shining example for other citizens.

Mr. Denis began working for the city, of Woonsocket in 1961 and in 1966 joined the housing inspector's department. During the next 24 years, Ray performed with great professionalism and achievement. As an original member of the Rhode Island Minimum Housing Inspectors Association, Ray has been recognized by his peers for his outstanding work by being selected for every executive position including secretary, treasurer, and president.

Ray has also been active in Woonsocket through many civic and charitable activities. Ray is an alumnus of Mount St. Charles Academy and is a strong supporter of his alma mater. He, Mr. Denis, is also an avid musician. As a member of the musicians union for 46 years, Ray is still playing in several bands and groups throughout Rhode Island.

Ray has also shared his success and good fortune with his wife of 37 years, Johanne, their three children, and their two grandchildren.

I commend Mr. Denis for all of his accomplishments. I wish him all the best for a happy, healthy, and enjoyable retirement.

TRIBUTE TO FRANCIS A. LAMPHEAR

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the late Francis A. Lamphear, Jr., of my 17th Congressional District in Ohio.

On September 15, 1990, the Pittsburgh District of the U.S. Army Corps of Engineers formally dedicated the Francis A. Lamphear, Jr., Amphitheater and "Connie" Nature Trail at Shenango Lake. Both of these recreational facilities were dedicated to Francis, also known as "Connie," because of his tremendous love and respect for nature. As a park ranger for the U.S. Army Corps of Engineers at Shenango Lake in Sharpsville, PA, Francis was involved in many recreational and environmental programs, including assisting the Ohio Division of Natural Resources, Division of Wildlife and the Pennsylvania Fish and Pennsylvania Game Commissions. Francis honorably served as a park ranger until his death on July 30, 1978.

Francis Lamphear's dedication to the environment was exemplary. Thus, it is with great honor that I rise today to pay tribute to such a dedicated environmentalist and park ranger. Mr. Lamphear realized long before the protection of the environment became the popular rage that the survival of the human species was completely dependent on the well being of the environment. It is this awareness this gives me the greatest pleasure in honoring Francis Lamphear.

Again, it is with great pride that I pay tribute to the late Francis A. Lamphear of my 17th Congressional District in Ohio.

THE THEODORE R. GIBSON MEMORIAL FUND, INC.

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, the Theodore R. Gibson Memorial Fund, Inc., will hold a thanksgiving service in memory of Theodore R. Gibson on September 23, 1990, at Christ Episcopal Church in Coconut Grove, FL.

The Theodore R. Gibson Memorial Fund, Inc., was founded on March 4, 1973 as a nonprofit organization committed to foster unity and harmony among Dade County's multiethnic community, and to the establishment of charitable, educational, religious, health, scientific and cultural programs that will benefit all people regardless of their ethnic background. The Gibson Memorial Fund, Inc., has actively worked on causes such as caring for the needy, early childhood development, cultural improvements, educational enhancement, employment opportunities, health care for the underprivilege, networking with other community based organizations, neighborhood improvements, and preserving civil rights and political integrity.

The members of the Memorial Fund's Board of Directors are: Wilfredo "Willy" Gort, chairman; Thelma Gibson, president; Frank J. Cobo, 1st vice president; Verneko Silva, 2d vice president; Commissioner J.L. Plummer, city of Miami, treasurer; Sondra Wallace, secretary; Rabbi Herbert Baumgard, T. Willard Fair, David T. Kennedy, former mayor of Miami; Esterlene Lewis, Gene Marks, Vernon Philip, Carmetta Russell, Harry Russell, Gonzalo "Guy" Sanchez, Robert Wilder, and Commissioner Sherman S. Winn, Dade County.

The accomplishments of the Theodore R. Gibson Memorial Fund, Inc., include the Theodore R. Gibson Unity and Communication Center, which houses the Gibson Library on Civil Rights, and where music lessons for children and adults are held. Other accomplishments include the recent purchase and subsequent of an organ for the Christ Episcopal Church, and the annual endowed scholarship fund, designed to assist the educational needs of deserving students at St. Augustine's College in Raleigh, NC. In addition, the fund made charitable contributions to community-based agencies, such as the St. Albans' Day Nursery. The memorial fund also sponsored a free public blood pressure screening to inform the local citizenry of the warning signs, and to keep individuals abreast of their own blood pressure.

The Theodore R. Gibson Memorial Fund, Inc., deserves the highest praise for its tireless efforts to serve the citizens of Dade County, FL.

THE SS-23 ISSUE: SPIDERS IN THE WEB

HON. HENRY J. HYDE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. HYDE. Mr. Speaker, as the ranking Republican on the House Permanent Select Committee on Intelligence, I have been warning for some time that high-confidence verification of most future arms control treaties will be difficult or impossible. The problem evolves from two distinct trends. One is technical advances in modern weaponry: smaller and more mobile systems are far more difficult to monitor. The other is advancing Soviet ability to deny us intelligence information and to mount deception operations. Onsite inspection provisions will compensate only to a small degree for information losses due to these two factors.

Deployment of SS-23's in Eastern Europe, despite the ban on them within the INF Treaty, provides a good illustration of these dual trends and of their potential effect on United States monitoring capability. Just before recess, a Senate vote on August 2 required the administration to provide unclassified and classified reports on the SS-23 issue, with the intent that these be delivered well before START is signed. I therefore would like to share with my colleagues my thoughts on the serious implications of these missile deployments for U.S. intelligence and verification policies.

Belated discovery in Eastern Europe of SS-23 Spider missiles, thought to have been banned under the Agreement on Intermediate Nuclear Forces [INF], vividly illustrates the verification problems endemic to future arms control. It also brings an uneasiness to our dealings with President Gorbachev.

The Soviets declared in October 1989 that they had fulfilled their treaty obligation to destroy SS-23 launchers and missiles, capable of carrying nuclear, chemical or conventional warheads 300 miles. In March 1990, however, the East Germans announced that they were destroying some combat ready SS-23's. Upon inquiry, we were told that still-existing missiles had been transferred not only to East Germany, but also to Czechoslovakia and Bulgaria. Surprise.

The incident reveals some major U.S. intelligence shortfalls. Available information on Soviet production and field distribution of the SS-23 is clearly deficient. The Pentagon's "Soviet Military Power 1988" said there were over 75 SS-23's in the inventory. Not surprisingly, we were quite willing to accept the Soviet declaration, upon treaty signing in De-

cember 1987, that there were 200 missiles. When the treaty entered into force, however, they revealed there were 39 more. When we first discovered the systems in East Europe, the statements of local officials indicated that there might be as many as 100 there, for a total of 339 missiles, or 40 percent more than the initiatlly accepted figure of 200. Now they say the European count is less than 50.

Whatever the final number, we must depend on their word and the evidence they offer. Obviously, we previously had little idea where the SS-23's had been deployed, and when. We had no inkling that a sizable percentage of the force survived until the East Germans, and later the Czechs and Bulgarians, gave us the data. Since we have had insufficient information even to raise the suspicion of East European possession, it is unlikely that we can now definitively verify the date of transfer or other facts by reviewing prior intelligence. Absent the amazing transformation of Eastern Europe into freer and more open and cooperative societies, we would have been totally in the dark. If the issue had surfaced, doubtless it would have been added to the already high stack of unresolved—and soon forgotten—compliance concerns accumulated under past arms treaties.

This incident also illustrates the limitations and biases of U.S. intelligence analysis. As frequently is the case, agencies quickly opted for the least pejorative interpretation of status and motive, using tortured logic that ignored more plausible alternatives. The evidence required for a judgment on arms control compliance issues, especially for a conclusion pointing to a treaty violation or unfavorable politico-military implications, automatically escalates far beyond the normal requirements, and well above a level that might be justified by political sensitivities. In these matters, we sometimes approach paralysis, not to mention intellectual dishonesty.

Perhaps most painful of all will be the need to face the political implications of the East European Spiders on what Henry Kissinger used to term the web of United States-Soviet relations. We have pinned our hopes, fashioned our dreams, on the person of Gorbachev. Yet he was in power when the Spiders were transferred to East Europeans. If, as sometimes alleged, these actions were taken without the knowledge or approval of Gorbachev and his arms negotiators, then we have an even bigger problem: we will be negotiating treaties with a leader who, even when his domestic authority and popularity were far greater than today, did not control all relevant Soviet military policies. Numerous indicators and anomalies also point to the possibility of an intentionally covert deployment.

Perhaps worse than the deception, however, is the hypocrisy and duplicity of this operation. The West Germans possessed some Pershing 1A missiles which the United States refused to ban under the treaty, to avoid eroding the principle of the British and French right to an independent nuclear deterrent. The West Germans, however, unilaterally declared that they would eliminate these Pershing missiles over several years. Even as the Soviets waxed eloquent over the injustice of our refusal to include the openly acknowledged West German Pershings, they were planning, effecting and hiding the transfer of missile systems to their own allies.

It is still uncertain whether the Soviets ever flatly denied that they were transferring SS-23's to East Europeans. But at minimum, there were numerous discussions to which this information was pertinent and in which they avoided revealing it. If there were no falsehoods, there were deceits. When the Soviets revised SS-23 inventory numbers from 200 to 239 before the treaty entered into force, they surely made a conscious decision to exclude East European missiles. Assuming that the transfers occurred before the INF Treaty was signed in December 1987, and thus technically do not violate it since the East Europeans were not party to INF, the United States seems nontheless to have a legitimate complaint that it was denied all the facts pertaining to a decision whether to sign and ratify this treaty. Once the East German missiles were discovered, the Soviets provided just minimal confirmation, in response to United States inquiries. And their claim that the missiles would use only conventional warheads has since been called into question.

After this experience, it becomes increasingly difficult to rely on trust and good faith during negotiations between the superpowers. The INF Treaty negotiations were meticulous, exacting and lengthy, as is the treaty text. The object was to avoid all the loopholes exploited by the Soviets under previous treaties. Yet if, still again, the Soviets escaped by violating the spirit but not the letter of the treaty, once more we failed in our strenuous attempts to keep them honest and protect our own interests.

As intelligence officials repeatedly have warned us, monitoring compliance with the INF Treaty is a piece of cake compared to the far more numerous and serious difficulties inherent in monitoring START, CFE and chemical warfare treaties. We are moving rapidly toward pacts which are impossible to monitor comprehensively, whatever the intelligence resources we might deploy. Despite the very recent accumulation of proven or possible violations and experience with Soviet salami tactics under past arms control regimes, including under Gorbachev, United States intelligence officials again have convinced themselves that the Soviets would not violate treaties for marginal gain, because it would not be worth the political price. It is further assumed that we would be able to detect violations, because they would be on a large scale. Moreover, the Reagan Administration leapfrogged the obvious difficulties of verifying proposed individual limitations by once again redefining adequate or effective verification. We are now content that a violation or violations threatening to overturn the overall military balance of power would be discovered in time to prevent that major shift in the balance if we were to act expeditiously.

With the surprise revelation that Spiders infest much of Eastern Europe, it seems prudent to take a closer look at these assumptions and standards. More critical scrutiny of Mr. Gorbachev himself also is in order. In Mrs. Thatcher's memorable words, he may be a man with whom we can do business. But, as Emerson famously said, "The louder he talked of his honor, the faster we counted our spoons." And given the trends discussed above and exemplified in the SS-23 case, arms control has become at least partly an exercise in trust, despite our most valiant verification efforts. Meanwhile, if Eastern Europeans keep some of those SS-23's, let us hope they point them East rather than West. It would be poetic justice.

TRIBUTE TO IMMANUEL EVANGELICAL LUTHERAN CHURCH

HON. GEORGE E. SANGMEISTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SANGMEISTER. Mr. Speaker, it is with great pride that I rise today to recognize and pay tribute to Immanuel Lutheran Church located in Mokena, IL. This congregation has a long and distinguished history.

The German Evangelical Lutheran Immanuel's Congregation was organized on November 4, 1840. There are 15 pioneer families who formed this congregation. In October 1915, the cornerstone for a new church building located in Mokena was laid. A Ladies Aid Society was organized in 1919 and in September of 1919 a day school was opened.

A tradition of service and community involvement flourished over the years. By 1965 the congregation had outgrown its building and a new church was built. The public dedication services were held in May 1966. The 1916 church building today serves as the Mokena Civic Center.

Immanuel has sponsored many events to serve the community in the areas of health care, accident prevention, fire protection, first aid training, substance abuse, and youth programs. Members of Immanuel also contribute generously to the Personalized Missionary Support Program and to emergency food distribution programs.

The congregation was formed in 1850 by 15 families and today descendants of 2 of those families are still represented in the congregation. Immanuel exemplifies the traditional values of family and community spirit. These are values that made and kept our communities and our Nation strong.

Mr. Speaker, it is my pleasure to honor this fine congregation and I ask that you join me in extending our congratulations to Rev. Norbert Kleiden and the congregation of Immanuel Evangelical Lutheran Church.

TRIBUTE TO FRANCESCA M. STRASCINA, NEW MEXICO'S VOICE OF DEMOCRACY WINNER

HON. STEVEN SCHIFF

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SCHIFF. Mr. Speaker, it gives me great pleasure to recognize the achievement of a fellow New Mexican and a fine American, Francesca M. Strascina. Francesca is a student at La Cueva High School in Albuquerque,

and recently participated in the Voice of Democracy broadcast scriptwriting contest, which is sponsored by the Veterans of Foreign Wars of the United States and its ladies auxiliary. This year more than 137,000 secondary school students took part in the contest.

The winning contestant from each State was given the great opportunity to come to the Nation's capital to compete for 12 national scholarships. The contest theme this year was "Why I Am Proud of America." Francesca M. Strascina was chosen from a highly competitive field of New Mexico students and represented the State and my congressional district in fine fashion. It gives me great pleasure to submit Francesca's speech for inclusion in the RECORD.

WHY I AM PROUD OF AMERICA

(By Francesca M. Strascina, New Mexico winner, 1989/90 VFW Voice of Democracy Scholarship Program)

During the spring of 1989, my family went on an excursion to New York City. We were overwhelmed with all of the culture, and theatre, and sights to see. Our eight days in the "Big Apple" were packed with excitement and adventure. Among numerous Broadway plays and musicals, the Empire State Building, exquisite cuisine and glamorous shopping sprees, we paid a visit to the Statue of Liberty. With my camera round my neck, green foam Statue of Liberty hat, and backpack complete with maps and various other paraphernalia, I represented the ultimate American tourist.

My family waited for over two hours to board the Staten Island Ferry, and I began to grow quite impatient. Thoughts spun in my mind of more productive things I could be doing, like shopping or sight-seeing in a less time consuming area. Well, I handed my ticket to the ticket agent and clamored up the stairs onto the top level of the ferry.

As if preparing for a tedious journey, I breathed a weary sigh and plogged down in the bench. The many hundreds of other tourists carried on their conversations leisurely . . . until suddenly the entire ferry grew silent. In an instant, every head was turned toward Miss Liberty. As she stood there in stately green glory, cameras snapped and fingers pointed and excited children whispered to their parents. But I . . . I simply stood there against the worn wooden railing and stared. A lump grew in my throat and a solitary tear trickled down my cheek. The Statue of Liberty was more breathtaking and beautiful than I had ever imagined. Of course, I had seen her on TV and in magazines, but there was something about being in her presence that made me burst inside.

I felt so proud of America! Even in this day and age where society is so jaded and callous, a person would practically have to be made of stone not to get a lump in his throat or a tear in his eye when seeing before him the universal symbol of Liberty, Hope and individual Freedom. No other country can boast the Liberty that America can. Nowhere else in the world offers the impartiality and equality that America does. how often we forget that this country was built upon the phrase "Liberty and Justice for all." It is such a blessing to me to live under a free form of government. My heart cries out to the millions of people who are prisoners in their own countries. But, my heart is also proud. Proud that my country gave an incentive to the citizens of Hungary to speak out against their government. Proud that my country aided in stimulating the authorities of East Germany to allow their people to migrate to a free land. And proud that my country inspired the students of China to strive for democracy.

Those same students actually built their own Statue of Liberty which proves that our Statue sparks a gleam of hope in citizens of other countries. However, she not only gives hope to non-Americans but to Americans as well. For I saw in her the hope of succeeding. As American citizens, we have great potential. I am able to become better than my parents, my children will be able to become better than me. It is a hope that grows with generations, and expands as time carries on. Finally I saw individual freedom. A freedom from ignorance. It feels so good knowing that every American is offered a quality education. We all have the opportunity to grow in intellect and to expand our knowledge.

As I walked up to the pedestal of Miss Liberty, I saw a poem inscribed on a tablet in the wall. It was entitled "The New Colossus" by Emma Lazarus. And I believe that this poem perfectly summarizes what the Statue of Liberty stands for. Also, it magnificently expresses the liberty, hope, and pride which she symbolizes. A portion of "The New Colossus," by Emma Lazarus: "From her beacon-hand glows world-wide welcome; her mild eyes command . . . the air-bridged harbor that twin cities frame . . . keep ancient lands, your storied pomp! . . . cries she . . . with silent lips. Give me your tired, your poor, your huddled masses yearning to breathe free, the wretched refuse of your teeming shore. Send these, the homeless, tempest-tost to me, I lift my lamp beside the golden door!"

I would not think twice about visiting the Statue of Liberty again. For she caused me to realize how proud I am of America.

TRIBUTE TO SCOTT HARDY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Scott Hardy of my 17th Congressional District of Ohio, who, without regard to his own personal safety, successfully evacuated the restaurant in which he worked prior to it being completely engulfed in flames.

On the evening of April 23, 1990, Scott was performing his evening duties as a cook at the Perkins Restaurant on Elm Road NE. in Warren, OH, when he noticed smoke billowing out of the rear kitchen wall of the restaurant. He immediately rushed to the attic of the building to see if he could put the fire out. Armed only with a fire extinguisher, Scott began to battle the blaze but soon realized that his efforts at containing the inferno were in vain. Scott then calmly informed the other members of the staff to quickly evacuate the building of its loyal patrons. Considering that the fire eventually gutted the building, Scott's fearless actions saved the lives of many of the people in the restaurant that evening.

Following the events of the evening, many of the patrons and staff, including Cortland Mayor Sandra Roscoe, as well as numerous public officials throughout the area have singled Scott out for his heroic deeds that early spring evening. I would like to join in with those saluting Scott by saying such fearless behavior and concern for those around him deserves the highest of praise and that his selfless behavior should stand as a model to us all.

Again, I would like to pay tribute to Scott Hardy of my 17th Congressional District for his effort in saving so many from a possible hellish demise.

MULTILATERAL ENFORCEMENT OF CHILD SUPPORT OBLIGATIONS

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mrs. KENNELLY. Mr. Speaker, I rise today to introduce a resolution to encourage the review of international child support treaties. There are at least four treaties which establish frameworks to ensure the multilateral enforcement of child support obligations. Forty-five nations have already ratified at least one treaty and another dozen nations have signed them. The United States has neither signed nor ratified any of these.

We are all well-aware of the difficulties faced, predominately by women, in securing support for their children. Years ago we embarked upon the difficult task of reforming the Nation's interstate child support enforcement system. Today, there is the new problem of trying to secure child support when parents and children live in different countries. Differences in languages, legal systems, family relations, and economic conditions make child support across national boundaries almost impossible.

My resolution calls on the State Department to carefully examine all international child support enforcement treaties and recommend to the President any treaties that the United States should ratify to address this issue.

The time is now for the United States to build on our success in helping women to secure child support across State lines. We must now enter into frameworks for international child support enforcement. We must join other nations to ensure that regardless of where in the world their parents live, children receive the support they need.

CALL FOR SENSIBLE FIREARMS LEGISLATION

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. MAZZOLI. Mr. Speaker, as a member of the Judiciary Committee and its Subcommittee on Crime, I have had the opportunity to promote at both levels two important public safety measures. One is H.R. 4225, a bill banning the domestic manufacture of assault weapons and the other is H.R. 467, the Brady bill, which calls for a 7-day delay before a handgun can be purchased or transferred.

These two measures are now before the Rules Committee. Before the 101st Congress adjourns, I hope the House will be permitted to consider these two pieces of public safety, firearms legislation. If adopted, these bills can keep firearms out of the wrong hands and protect our law enforcement officials in the discharge of their public safety duties.

I commend to the attention of my colleagues the following two editorials from the September 12 Washington Post and the September 13 New York Times. Both urge House action on this sensible legislation.

[From the Washington Post, Sept. 12, 1990]

THE HOUSE AND GUNS

Before members of the House go home to seek new leases on their political lives, there is some important business they should want to transact before talking too much about drugs, drug-related crimes and murders. Given just a bit of time on the House floor, they could—and should—strike a blow for their police and for all Americans who worry more than a little bit about the free-and-easy flow of firearms to criminals and drug cartels. Nobody is talking here about any elaborate proposal that would threaten law-abiding owners of weapons for sporting or collection or even self-defense purposes. What police officers nationwide are seeking is 1) a ban on military-style assault weapons and 2) approval of the Brady bill, which would require a national, seven-day cooling off period for purchase of handguns.

Any argument that Congress is "too busy" to schedule these two votes pales when you consider that both proposals have undergone full consideration not just during this Congress but in earlier years. All that would be needed for a vote on the Brady bill, for example, would be for the House leadership to set aside an hour of debate. The alternative—letting things slide until next year—leaves a record of 60 people killed each day, or 23,000 a year. Isn't it worth trying to save even a few lives by approving these proposals? Police chiefs believe so, as does the vast majority of their rank-and-file officers who are threatened daily by the traffic of high-powered firearms and the quickie sales of handguns to those who might be stopped by a routine check between purchase and pickup of weapons.

No, these measures won't save all the lives or even keep determined criminals and high-powered drug-cartel leaders from arming themselves. But why make it so easy, why deny law enforcement authorities the protection they have been pleading for? This is not a partisan matter, nor should it be an issue dividing gun owners and those who aren't. Leaders of the National Rifle Association like to portray it this way, but more and more gun owners are realizing that life with legitimately purchased guns is safer when criminals can't walk in and whisk up a handgun from a store along the highway or when they can't blow away innocent bystanders with assault-style weapons spraying into a crowd.

The House should be given an opportunity to go on record on both proposals.

[From the New York Times, Sept. 13, 1990]

THE BRADY BILL AND NEW YORK GUNS

In New York City the number of illegal guns in public hands appears to have reached a critical mass as stray bullets fired by feuding neighbors, drug gangsters and others kill or injure luckless bystanders. Fatalities range from children at play to an Assistant District Attorney shopping for doughnuts. City officials call for stronger Federal gun laws. As it happens, one that could make a difference is pending before the House.

The Brady bill, introduced by Representative Edward Feighan of Ohio, would require a customer to wait seven days between purchase and delivery of a handgun, permitting local police to check the customer's background. It is named for President Reagan's press secretary James Brady, injured by a handgun bullet intended for the President.

The bill's supporters—it has 150 sponsors in the House—point to its most obvious benefit: denying guns to the criminals, mental patients and drug addicts now banned from owning them under existing Federal law. States with similar waiting-period laws report that they prevent thousands of prohibited gun sales each year.

But the Brady bill would also have a less obvious benefit for cities like New York, with its strict local gun licensing law. While licensing works to limit proliferation of guns, it also has a counterproductive side effect: It creates a powerful incentive for interstate gun-running. Entrepreneurs earn handsome profits by traveling to states with lax laws, purchasing guns and reselling them in the city. The business has flourished as drug dealing inflated incomes of gun-toting criminals.

The Brady bill, imposed nationwide, would do much to deter such traffic. New York gun-runners typically use faked or borrowed identification to make gun purchases in other states. Such ID—a driver's license or other document—is now easy to acquire and use; it would not be if all parties knew details of the purchase would be routinely forwarded to the police for verification.

Every major law enforcement organization in America formally endorses the Brady bill, and national polls find overwhelming public support. Yet the National Rifle Association continues to denounce it as an intolerable inconvenience to gun buyers. The price of their convenience may be measured in stray bullets that now strike almost daily in New York, inflicting injury and death without discrimination.

TRIBUTE TO BETTYE RUTH KAY

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Ms. KAPTUR. Mr. Speaker, I rise today to honor an amazing woman whose initiative, determination, and zeal have supplied the motivating force to dedicate her life to the high ideals of education, civil rights, world peace, nuclear disarmament, holistic care for children, in fact, our democratic way of life. Currently, she is the director of a special community in Whitehouse, OH, for autistic adults, which she helped found in 1983. Bettye Ruth Kay was instrumental in the purchase of 80 acres of fields, gardens, and woods in northwest Ohio for the specific purpose of constructing a community to provide a productive life for autistic adults with special needs.

Bettye Ruth Kay began her career of dedication to others in 1951 when she took her first job as a field worker for the Institute for International Education. The purpose of this organization was to assist foreign students in their pursuit of an education. When she and her husband, Mike, moved to Minnesota, Bettye worked as a secretary in the college of education and then as a graduate assistant in the political science department. After her children, Michael, Mandy, and Jonathan were born, she helped maintain two cooperatives, one involving a nursery for children and the second for the purchase of inexpensive groceries. Bettye has also been active in peace organizations, the Democratic Farm Labor Party, and was an instrumental member of the Quakers and the International League of Peace and Freedom, two organizations dedicated to world peace.

In 1958, Bettye involved herself with desegregation and civil rights issues in Minnesota, at Tuskegee Institute, and in the surrounding community as she spoke to black churches and organizations and helped implement an economic boycott of Tuskegee stores that had been unfair in their treatment of blacks. In 1959, Bettye and Mike moved to San Jose, CA, where Bettye began a nursing school cooperative, while remaining active in the civil rights movement by being an integral part of the Congress of Racial Equality, the Women's International League of Peace and Freedom, and the Campaign for Nuclear Disarmament.

Later, Bettye gave birth to her fourth son, Daniel and to twins, Andrew and Nathaniel. However, the twins were born with birth complications and shortly after, Andrew died. Nathaniel was permanently scarred and would require Bettye's constant care for the rest of his life. It was then that Bettye began a profitable business selling nonviolent and educational children's toys.

In 1966, Nathaniel died after the Kays had moved to New York, where Bettye taught at Andover High School while staying active in the peace and civil rights movements. After moving to Pennsylvania, the Kays adopted their daughter, Ceri, and Bettye taught learning disabled children at Vanguard School.

In 1971, the Kays moved to Toledo where Bettye helped develop the Nathan Hale Community School. It was at this time that Bettye was selected to develop a program to serve autistic children. Bettye pursued a holistic approach providing macrame crafts, yoga, carpentry, horticulture, vigorous physical exercise, and other programs for these special individuals. Later, Bettye secured the funding necessary to build Bittersweet Farms which houses 15 men and women with autism and provides a program for day students. The days at Bittersweet Farms are filled with gardening, caring for farm animals, constructing fences and buildings, making furniture, landscaping the grounds, cleaning the house, preparing meals, weaving baskets, and making wreaths. It also provides individualized programs to nurture the special talents and abilities of the autistic persons to the fullest extent possible.

Mr. Speaker, I am honored to be able to recognize Bettye Ruth Kay today. Her contribution has been for all the people of our community and our Nation. All the children in the world she has educated, and all the people everywhere that she has touched, have made our world a better place to live. It gives me great pleasure to give my colleagues in the U.S. House of Representatives an opportunity

to see Bettye Ruth Kay, for whom I hold deep respect and admiration. She understands well the words of Carl Schurz, an American general, politician, and editor,

Ideals are like stars; you will not succeed in touching them with your hands. But like the seafaring man on the desert of waters, you choose them as your guides, and following them you will reach your destiny.

IN MEMORIAM: SAMUEL S. STRATTON

HON. THOMAS J. MANTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. MANTON. Mr. Speaker, I rise today to mark the sad occasion of the passing of our former colleague, Sam Stratton, on September 13. I know I am joined in mourning Sam by the people of the 23d District of New York, who he served so well, and my colleagues in the House, who came to know him well during his 30 years of service in this body.

Sam began his long and distinguished career in the House in 1958, when he became the first Democrat elected to represent the Schenectady area in Congress in more than 40 years. Later, he successfully overcame the challenge of a Republican redistricting effort by moving to a neighboring district and winning a seat that had not been held by a Democrat since the 1800s. Sam again successfully thwarted a redistricting attempt in 1970, by winning election from the 23d Congressional District, the seat he held until his retirement in 1989.

Sam's political friends and foes alike will remember him as a man of integrity. He was never afraid to speak out and stand up for his beliefs even if they were at odds with the prevailing political climate. During his 15 terms in the House, Sam earned a reputation as a tireless advocate for the principles he held most dear, a strong national defense, a competent and compassionate government and an economic policy that protects the working family.

When he retired, Sam was the dean of the New York State delegation, and chairman of the Armed Services Committee's Subcommittee on Procurement. He used these two positions to protect jobs, defense contracts, and military installations in New York. In particular, he fought to save the contract for the T–46 airforce training aircraft produced on Long Island and worked tirelessly in support of the revitalization of Fort Drum in upstate New York. Sam also was an early strong supporter of the establishment of a Navy homeport on Staten Island.

Perhaps the most lasting of Sam's achievements is one that the people of Washington and visitors from around the world enjoy every day: The restored west front of the U.S. Capitol. Although most of his colleagues opposed his efforts, Sam Stratton worked singlemindedly to block the demolition of the deteriorating west front of the Capitol. His tireless work paid off and resulted in the refurbishment and restoration of the west front. His work on this important American landmark will serve as fitting legacy to this man. For years to come, when Americans travel to Washington and enjoy the splendor and beauty of our Capitol building, they will be admiring the capstone of one man's life in public service.

Mr. Speaker, Sam Stratton's success was the result of a life devoted to service and principle. His insight and his commitment will be missed by his friends and colleagues alike. I know my colleagues join me in expressing condolences to Sam's widow, Joan, his children, Kevin, Brian, Lisa, Debra, and Kim, and his eight grandchildren. I know I speak for all of my colleagues when I say that our thoughts and prayers are with them at this time.

TRIBUTE TO THE LANDMARK MEDICAL CENTER—FOGARTY REHABILITATION UNIT STAFF

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to pay tribute to the Landmark Medical Center—Fogarty Rehabilitation Unit staff which has performed outstanding services for the citizens of Rhode Island and neighboring communities in the field of rehabilitative therapy.

The Landmark Medical Center, which now operates facilities in North Smithfield and Woonsocket, RI, has made great strides in its services and reputation throughout the State in only its second year of operation. From the time it first opened its doors in June of 1988, the Fogarty Unit and its staff has developed highly skilled teams of medical professionals all dedicated to providing the highest quality of patient care available. Every member of the Landmark team, from administrative directors to therapist, is committed to rehabilitating each patient to the highest level of physical functioning possible.

Perhaps even more telling of the Fogarty Unit's remarkable accomplishments are some outstanding numbers the center has achieved during the past 2 years. Its discharge to home rate is 6 percent higher than the national average, its length of stay is lower than the national average, and this has been achieved in light of the fact that the Fogarty Unit handles patients who are older and more severely injured than national levels. These tremendous results are simply the result of the hard and dedicated efforts of every member of the Landmark team.

It is with great pleasure that I salute and thank the men and women of the Landmark Medical Center—Fogarty Rehabilitation Unit. Your dedication and commitment to your fellow citizens is a shining example of us all. I wish the members of the Fogarty Unit all the best and continued success in the future.

TRIBUTE TO FIRST ALERT

HON. GEORGE E. SANGMEISTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SANGMEISTER. Mr. Speaker, it is with great pride that I rise today to honor First Alert, an Aurora, IL, based company. In 1964 First Alert developed the first commercial smoke detector. It has established itself as a company millions trust to protect their homes and families from fires.

More First Alert brand smoke detectors have been sold than all of its competitors combined. The company has become the world's largest smoke detector manufacturer by catering to over 32 countries worldwide. First Alert expects to ship their 100 millionth smoke detector this year. It has made a commitment to promoting fire safety both at home and abroad.

Besides manufacturing its smoke detectors, First Alert has made great strides in working with other companies to promote fire safety. The company has furthered itself by becoming a dominant force in the prevention of fire deaths and damage. It is efforts like this that help make our world a safer one.

Mr. Speaker, it is my pleasure to honor this fine company for its commitment to excellence and fire safety, and I ask that you join me in extending our congratulations to First Alert.

TRIBUTE TO THE BLACK UNITED FUND OF NEW JERSEY ON THEIR 10TH ANNIVERSARY

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. PAYNE of New Jersey. Mr. Speaker, I would like my colleagues here in the U.S. House of Representatives to join me in commemorating a very special occasion, the 10th anniversary of the Black United Fund of New Jersey.

Chartered in 1980, the organization strives to promote the virtues of self-reliance and self-help within the black community. BUF/NJ achieves its goals through a program of fundraising, volunteerism and financial support of grassroots, community-based groups which deliver an array of human services.

Nearly $1 million has been reinvested over the past 10 years to address needs in the areas of substance abuse, homelessness, education and economic development.

The Black United Fund of New Jersey is following in the best tradition of neighborhood helping neighbor within the African-American community. The organization is part of a proud contiuum, from the mutual aid societies and fraternal organization of the 18 century to the civil rights movement in more recent years.

Many success stories have come about as a result of the organizations fine work. Young people who were once totally discouraged about their future have now blossomed into productive, contributing members of their communities.

The organization recognizes the importance of developing the potential of children as they grow into adulthood and of expanding their knowledge of thier heritage. During Black History Month, children read biographies of noted African-Americans to supplement their reading

skills and to help them learn about their ancestors.

In addition to promoting academic achievement and job training skills, the Black United Fund of New Jersey also supports the arts and encourages cultural awarness among people of all ages. The Afro-One Dance, Drama and Drum Theatre offers a performance repertoire of jazz and Afro dance, ballet, drum and other instruments to reflect African-American experiences.

Mr. Speaker, as an honorary cochairperson of the 10th Anniversary/Annual Awards Ceremony of the Black United Fund of New Jersey, I am very proud of the accomplishments of this outstanding black philanthropic organization. I know my colleagues join me in offering congratulations on a job well done and best wishes for continued success.

LEAH HORVATH ESSAY CONTEST WINNER

HON. HARRIS W. FAWELL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. FAWELL. Mr. Speaker, today I would like to recognize an outstanding student from my congressional district. Leah Horvath is this year's winner in my Heritage Essay Contest. Over 350 eight graders submitted essays for this competition.

The test of Leah's essay, "Why Does the Concept of Freedom Survive?" follows:

WHY DOES THE CONCEPT OF FREEDOM SURVIVE?

When we were created, instilled into each one of us was a right, a desire, a need to be free. To quote Thomas Jefferson, "The God who gave us life, gave us liberty at the same time."

This need for freedom is so great, that nothing will stand in its way. From the very beginning, people have resisted attempts to take their freedom. Moses and the Israelites would rather be in exile, in the desert, than live as slaves in Egypt. Patrick Henry went so far as to exclaim, "Given me liberty or give me death."

Our own country was founded because of our forefathers need to be free from the British rule. Yet we cannot think of freedom as something "owned" by Americans. While in Frankfurt, Germany, John F. Kennedy quoted Hungarian patriot Kossuth, "You should not say 'American liberty.' You should say 'liberty in America' Liberty should not be either American or European—it should just be liberty!"

If we read the paper or watch T.V. we can see that Americans are not the only people who wish to be free. Before the Berlin Wall came down, thousands of people risked their lives trying to get across the Wall to freedom in the West. Chinese students stood unarmed against military tanks and showed the world what freedom meant to them. Rather than be prisoners in their own lands, the "boat people" of Southeast Asia faced death in their search for freedom.

All through history men and women have gambled their fortunes, their reputations, their very lives because without their God-given right to freedom nothng else was important.

When you realize that freedom is a part of all of us, you will know that the concept of freedom will not die until every man, woman, and child has also perished.

CONGRATULATIONS TO IMMANUEL LUTHERAN SCHOOL ON SELECTION AS "NATIONAL EXEMPLARY SCHOOL"

HON. JACK BUECHNER

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. BUECHNER. Mr. Speaker, each year the Department of Education evaluates hundreds of private schools around our Nation to determine those which merit special recognition for superior performance. Although all of those examined are impressive in their different ways, there are a few which stand out from the rest and qualify for the Department of Education's designation of "exemplary." It is my profound privilege to recognize the Immanuel Lutheran School from my district which has been selected as a recipient of the designation.

Webster's dictionary defines exemplary as one worthy of model. As we face a truly national crisis in education, we must turn to those schools which are models of educational excellence to learn from their example. In this endeavor the Immanuel Lutheran School is worthy of universal emmulation and I ask you to examine with me the reasons why.

The spiritual foundations of a young person are the bedrock on which all other growth will come, and without which no individual can ever be truly complete. The Immanuel Lutheran School is a continuation of the long tradition of the Lutheran Church's involvement in education in our Nation which has for more than a century helped young people realize that the lessons of morality are not conflictual but complementary in everyday affairs.

Yet, as with any successful school the primary focus must first be on providing quality education. The Immanuel School is no exception to this rule. Both administrators and faculty have worked diligently to instill in their children the value of education and the desire to learn. The fulfillment of such a goal is never a singular effort; rather, it requires the concerned attention of everyone. The principal, secretaries, maintenance workers, school nurse, cafeteria workers, and other staff all merit our sincere thanks. In addition, of particular importance meriting special recognition, are the teachers. To shape and spur a young mind toward its full potential is seldom an easy job. Teaching is an art as well as a science. It requires dedication, innovation, sensitivity, and above all else, tenacity. Truly the dedicated teachers at Immanuel Lutheran School are to be commended for their outstanding efforts.

It is also important to recognize that the goals of a school are not achieved without the active support of parents and others who are active in supporting and participating in school activities. For this reason a large measure of praise must be reserved for each parent without whom the role of the school in providing quality instruction can never be fully achieved.

Lastly, I am sure that each educator would agree that their part in this process is made infinitely simpler because of student's recognition and acceptance of the gift which is being conferred to them. Nothing is more fulfilling in education than finding students who are curious and eager to acquire knowledge. To this end the highest accolades must go to the students of Immanuel Lutheran for their hard work, attention to detail, and understanding of what it means to pursue and achieve the educational ideal. By your efforts you have played the major role in earning this award, and the admiration of a proud Nation.

A democracy is made tangible by the participation of an informed and active citizenry. Quality education is the surest way in which this can be achieved, and the continued freedom of our Nation assured. I ask each of my colleagues to join with me in congratulating all those of the Immanuel Lutheran School who have earned this great honor.

PRESIDENT BUSH'S SUCCESS IN THE PERSIAN GULF CRISIS

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. LAGOMARSINO. Mr. Speaker, despite the tension and dangers posed by the Persian Gulf situation, one issue the American people appear to agree on in an overwhelming way is their support for President Bush's handling of the crisis. I admire the President's skill and deftness in successfully dealing with this very complex problem. Further detailing the President's actions is the following commentary that appeared in the Los Angeles Times. I urge my colleagues to review these insightful comments:

AN AWE-INSPIRING PRESIDENT DAZZLES IRAQ LIKE A ZORRO

(By Harry G. Sumers, Jr.)

George Bush's actions so far in the Persian Gulf crisis have been closer to those of Franklin Roosevelt in World War II than to Lyndon Johnson's in Vietnam. This time we seem to be doing it right.

For one thing, Bush understands the basics. War is a political act, not just military, and as such has diplomatic, economic, social and psychological dimensions that may be even more important than the military dimension. The confrontation with Iraq is a case in point, for in this instance America's most potent war-winning weapons are not bombers, warships or tanks. They are instead the twin swords of diplomacy and economics.

In this arena Bush has emerged as a virtual Zorro, wielding the diplomatic blade with amazing skill to swiftly isolate Hussein and render him vulnerable to an economic *coup de grace*. It has been an awe-inspiring performance. NATO and Japanese support could have been expected, but no one anticipated the cooperation and support Bush has elicited from such unlikely allies as the Soviet Union and China, Iraq's principal arms suppliers, as well as from most of the Arab world. And who would have believed that the "Great Satan" could enlist even the Iranians in this crusade as well.

His diplomatic successes, including the unprecedented backing received from the United Nations, allowed Bush to unsheath

what may prove to be the war-winning economic sword. With Iraq's oil pipelines through Turkey and Saudi Arabia cut off and its sea lanes through the Persian Gulf interdicted by allied warships operating under the authority of the United Nations, Iraq is already beginning to feel the pain.

If rigidly enforced, this economic weapon can prove to be decisive, for Iraq, not self-sufficient in foodstuffs, depends on trade with the outside world for its very survival. The importance of economic sanctions cannot be overemphasized, for as British Prime Minister Margaret Thatcher has made clear, they are the principal alternative to armed conflict.

Hussein's immediate counter has been to use psychological pressure, a dimension of warfare that proved especially potent for the enemy in the Vietnam War and in the Iran hostage crisis. But so far his sinister parading of Western hostages on TV and his staged children's march for milk have fallen on deaf ears.

Instead of the craven yellow ribbons of the Iranian hostage days, Bush seems to have run up the Revolutionary War's "don't tread on me" rattlesnake flag and refused to be hemmed in by Hussein's threats to use Western captives as human shields. Instead of the Carter era Iranian hostage paradigm, he has evoked the World War II example in which the bombing and strafing of the French railway stem to incapacitate the Nazis before the D-Day invasion was carried out even though it would kill thousands of French civilians.

In the deployment of the military, Bush seems to be following the World War II example as well. Instead of Harvard Prof. John McNaughton's infamous Vietnam War "slow squeeze" gradualism strategy, Bush has returned to the common-sense proposition that if force is needed, it should be overwhelming. The best way to keep from fighting, and to minimize casualties if fighting does occur, is to overawe the enemy with a massive display of force. If a squad is needed send a battalion.

That's exactly what he has done, first with air and naval power, then with rapidly deployable light airborne and Marine units to show the flag, and then with heavy infantry and armor combat units capable of defending against an Iraqi attack. Among those units are the 24th Infantry Division, which fought the first battles of World War II and the Korean War, and the 1st Calvary Division, whose 1965 victory in the Ia Drang valley was the first major U.S. clash in the Vietnam War. More military forces are on the way.

Unlike Vietnam, these forces have a clean and unambigouous objective: Defend Saudi Arabia against an Iraqi attack and assist (primarily by enforcing the economic blockade) in restoring the *status quo ante bellum* in Kuwait. Although there are those who would wish it otherwise, invading Iraq and deposing Saddam Hussein are not among their assigned missions.

Unlike Johnson's duplicity during the Vietnam War, Bush is playing it straight with the American people. The forces he has deployed are sufficient to deter and defend, but they are far short of the overwhelming forces necessary to launch a ground attack against the million men and 5,000 tanks of the Iraqi army.

Is a shooting war inevitable? Not if the sanctions work, and making them work is precisely why our Army, Navy, Air Force and Marines have been dispatched to the area. With every passing day, Hussein must see that abandoning aggression and withdrawing to within his own borders is his only viable course of action.

SALUTING MAJ. JOSEPH CRAPAROTTA FOR 30 YEARS OF SERVICE WITH THE NEW JERSEY STATE POLICE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. ROE. Mr. Speaker, it is with distinct pleasure that I rise today to pay tribute to a man who, since 1960, has been in the service of the State of New Jersey, protecting its citizens and defending the law. Maj. Joseph J. Craparotta will retire from the New Jersey State Police with 30 years of meritorious service. To commemorate this long and outstanding career, Major Craparotta's family and friends will host a dinner in Jamesburg, NJ, on Friday, September 21, 1990.

Very few men dedicate their lives to the cause of justice and fewer still lay their lives on the line as police officers. Those who do deserve our unending gratitude and deep respect. Joseph Craparotta is such a man. He did not just show up for work, he strived to improve not only himself but those around him and the system which they served.

Joseph moved as a young officer on general patrol duty into the dangerous battle against drugs. He served as an undercover narcotics detective and later became an instructor at the drug training school, where he helped institute a revolutionary program exploring the psychological behavior of drug abusers. Joseph continued in the war on drugs, rising through the ranks until as a captain he was place in charge of all narcotic bureau efforts for the State of New Jersey.

After being promoted to major, Joseph was designated by Gov. Thomas Kean as deputy State director of the New Jersey Office of Emergency Management. In this vital and demanding post, Major Craparotta dealt with a wide range of issues which impact tremendously on the daily lives of thousands of New Jersey citizens. From the oversight of the 9-1-1 system to the Superfund and hazardous materials programs, Joseph focused his many talents and personal resources toward developing a safer and healthier New Jersey.

These are only highlights of a distinguished and productive public career and can in no way reflect the true significance of Maj. Joseph Craparotta' contribution to the State of New Jersey and its many grateful citizens. The life of one man touches so many others that it is often impossible to estimate the wealth of good which is created in the span of a mere 30 years. Service as a police officer holds a special responsibility and it deserves a special expression of respect to reflect the service and sacrifice which the profession demands.

The police are the front line of defense against the unpleasant realities of our society. They defend not so much our country as they do our neighborhoods, our schools, and our persons.

Mr. Speaker, for this very personal service and the strong leadership which made him stand out from the many proud officers in New Jersey's finest, I salute Maj. Joseph Craparotta for 30 years of dedicated service and selfless sacrifice in the line of duty.

At this point, Mr. Speaker, I would like to insert for the RECORD a more detailed biography of Major Craparotta's career, so that you and my colleagues can share in my pride and join me in this salute to a true example of what is best in public service:

JOSEPH J. CRAPAROTTA

Joseph James Craparotta was born in St. Peter's General Hospital in New Brunswick, New Jersey on February 26, 1938 at 9:29 P.M. to Anna (nee Ippolito) and James Craparotta of Jamesburg, New Jersey. He resided in Jamesburg, attended Jamesburg Elementary School and graduated from Jamesburg High School in June, 1956.

He was married in September 1957 to Leah Beth Slobisky and three children were borne of this marriage—James, Joseph and Lisa. He was divorced in 1980.

He enlisted in the State Police in 1960 and served on general patrol duty at stations in Central Jersey prior to assignment with the Narcotic Bureau in 1964 was an undercover narcotic Detective. After five years of field investigations, he was promoted to Detective Sergeant and assigned to the Drug Training School at Sea Grit as an Instructor.

While teaching at the Academy, he was involved in instituting the only advanced drug course in the nation which dealt with the psychological behavior of the drug abuser.

He was promoted to Detective Sergeant First Class in 1972, and was Assistant Unit Supervisor of the Narcotic Bureau South Unit in Berlin. He was promoted to Lieutenant in 1978 and assigned as the Bureau North Unit Supervisor in Hackensack. In 1981, he was promoted to Captain, as the Narcotic Bureau Supervisor responsible for management and administration of all Narcotic Bureau efforts in the detection, prevention and investigation of organized controlled dangerous substance trafficking on a statewide basis, with a complement of 70 personnel.

He was promoted to the rank of Major in 1986 and was assigned as Supervisor of the Emergency Management Section, and designated by Governor Thomas Kean as the Deputy State Director of the New Jersey Office of Emergency Management. He was responsible for the development and coordination of statewide emergency preparedness plans and programs to include organization, administration, policies, procedures and operations concepts which in the event of natural or unnatural disaster, emergency, actual of threatened military attack would result in saving maximum number of lives and assuring minimum damage to property.

By law, the Deputy State Director of the Office of Emergency Management is a member of the State Enhanced 9-1-1 Commission. He also co-chaired the State Emergency Response Commission (SERC), a body established by the Federal Superfund Amendments and Reauthorization Act of 1986 (SARA), responsible for Hazardous Materials planning and training in each State.

In addition to his duties with the State Police, he served as Regional Vice-President of the National Emergency Managers' Association, chairing the Science and Technolo-

gy Committee, as well as the Hazardous Materials Committee. He testified before the Subcommittee on Surface Transportation of the United States House of Representatives on July 13, 1989.

He holds an Associate Degree in Criminal Justice from Mercer County Community College and was presented with a Certificate of Commendation from the Humanities Division for maintaining a 4.0 cumulative average and also holds the designation of Certified Public Manager from Rutgers University.

During his career, Major Craparotta has received numerous commendations and awards from local, county, state and federal authorities. He served as President of the New Jersey Narcotic Enforcement Officers' Association and is a Life Member.

Major Craparotta married Anne Soden in October, 1981 and they currently reside in East Windsor, New Jersey.

SMALL BUSINESS KEY TO EUROPEAN RENEWAL

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. WALKER. Mr. Speaker, the National Federation of Independent Business [NFIB] represents more than 500,000 small business owners across the country. In a recent column, John Sloan, president and CEO of NFIB, discusses the European economic renaissance in light of the American economy.

In his column, John Sloan says that some economists and journalists are already anticipating the decline of the American free-enterprise system in the wake of the resurgence taking place in Europe.

"But before we Americans sell our homes and enroll in foreign language classes," Sloan advises, "we should closely study the political, social and economic foundations of several major European nations, especially their labor policies."

Sloan says small businesses, the engines of economic growth in the United States, have been stifled by Government mandated labor policies from high minimum wages to extraordinary family leave policies. He urges policymakers abroad to concentrate on creating an environment in which enterprise can thrive.

I would like to share with the House of Representatives the remainder of Mr. Sloan's column:

SMALL BUSINESS COULD BE KEY TO EUROPEAN RENEWAL

"Bigger" . . . "extraordinarily large" . . . "unexpectedly strong" . . . "new generation."

Is this advertising for a new brand of detergent? The latest model automobile? A fashion rage? No, these are typical words and phrases found in today's headlines, reporting the unusual changes occurring in Europe.

Ever since the Berlin Wall toppled, we have been bombarded by an unending stream of hyperbole. Not only are some economists and journalists predicting a European renaissance, but they are already anticipating the decline of the American free enterprise system in its wake. One noted Washington-based economics columnist has suggested that the U.S. is rapidly headed for third place, behind Japan and Europe.

While it is fascinating to ponder the possibilities of a re-united Europe, there are a few things that should not be overlooked in the excitement. Not only are there differences in cultures and languages, but social policies and political ideologies will present major obstacles. As with any story, there is always at least one other side.

This is not to say that Europe lacks the potential to achieve greatness through unity. One only has to look at the resources of the many nations involved to realize that once harnessed, vast economic power could be wielded.

But before we Americans sell our homes and enroll in foreign language classes, we should closely study the political, social and economic foundations of several major European nations, especially their labor policies.

Over the years, the Europeans, under heavy pressure from pro-labor forces, have saddled their business sectors with wage and benefit mandates. The liberal vacation policies, high minimum wages, unusually long periods of parental leave and government-run health systems just didn't work. Productivity remains low. Business growth is stagnant.

Small businesses in particular, which in the U.S. are generators of jobs and economic opportunities, have been stifled in Europe because of the mandates. Since 1980, there has been virtually no entrepreneurial growth overseas.

National Federation of Independent Business economist William J. Dennis, in a recent report written for Eastern Europe, says that new small businesses are essential for growth and are the most important source of experiments through which an economy tests change. Just as scientists experiment in a laboratory, he says, entrepreneurs experiment in the marketplace.

But mandated benefits, Dennis notes, are destructive labor policies. "Through minimum wages and mandated benefits are well-intentioned, the practical effects of them are to close job opportunities, eliminate an employee's opportunity to grow with a new business and reduce the total number of economic experiments," he said.

Small-business activity, properly guided but not unencumbered by government mandates and regulations could be the key to the economic transformation of Europe. We should urge our friends overseas to concentrate on creating an environment in which entrepreneurism can thrive, rather than being distracted by all the ballyhoo.

DEATH IN ESTONIA

HON. C. CHRISTOPHER COX

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. COX. Mr. Speaker, I would like to share with my colleagues some deeply disturbing information I have received from the Honorable Tunne Kelam, chairman of the Council of Estonia and a leader and founder of the Estonian National Independence Party. Mr. Kelam believes that, now that opposition to Communist rule in Estonia is resulting in investigations into the activities and corruption of the Soviet bureaucracy and KGB "mafia," a critical point had been reached.

DEATHS OF THREE ESTONIAN ACTIVISTS SUSPICIOUS; KGB INVOLVEMENT SEEN

The third annual convention of the Estonian National Independence Party (ERSP) held in Tallinn August 25-26 was tragically marred by the deaths of three young Estonian political activists when an automobile crashed into a group of 13 people walking to a bus stop late Saturday night. They had attended an ERSP convention banquet at a Pirita restaurant in Tallinn. Tiina Hallik, Alge Sulla and Ilmar Palias were killed. Several others were treated and released.

According to the latest reports from Estonia, the group was struck by a car leaving the same restaurant, where known KGB surveillance personnel had been seen that evening. Although witnesses estimated that the vehicle was traveling at least 100 km per hour, there were no skid marks nor signs of braking. The vehicle apparently stopped several hundred meters away only because Ms. Hallik's body was thrown up onto the hood and remained against the windshield. Witnesses also reported that the driver and his female companion did not seem to be intoxicated.

Curiously, the investigator assigned to the case is the same one who looked into a break-in and theft of computers and data from the Congress of Estonia in March, another case which has not been satisfactorily resolved. The investigator has not contracted any of the witnesses to the accident or even spoken to those injured.

In a further coincidence, Jevgeni Kuuskmae, a member of the Estonian Council's Committee to Fight Corruption, reported that three attempts were made August 26 to run him down in Tallinn. Kuuskmae, a journalist who has been investigating corruption and KGB "mafia-type" operations in the Parnu area for several years, is convinced that the three deaths can be attributed to the KGB.

PROCESS PATENT AMENDMENTS OF 1990

HON. RICK BOUCHER

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. BOUCHER. Mr. Speaker, today I am pleased to introduce with my distinguished colleague from California, Mr. MOORHEAD, the Process Patent Amendments of 1990. This bill will further the public interest by rewarding the creative genius of American inventors with patent protection commensurate with their contribution.

Earlier this year, I introduced a measure, H.R. 3957, designed to address the emerging problems of the biotechnology industry, including protection from unfair foreign competition. (See CONGRESSIONAL RECORD, February 7, 1990, page E-213.) I was pleased that a large number of my colleagues on the Committee on the Judiciary, and in the whole House, joined with me by cosponsoring that measure. I was also glad to have been able to work with my distinguished colleague in the Senate, Senator DENNIS DECONCINI, in securing the introduction of a companion measure in the Senate. These earlier bills generated a great deal of support from the biotechnology industry and the university community. The high

profile achieved by that legislation also has produced a number of useful comments. The most significant assessment of the earlier bill, H.R. 3957, came from the administration.

In a letter from the General Counsel of the Department of Commerce of July 5, 1990, the administration's views are set forth. The administration concluded that:

American industry needs to be encouraged to expand its research and development efforts that are so necessary to keep this country on the cutting edge of technology . . . [thus] the United States can ill afford to let any leading, technically oriented, industry fall victim to unfair competition . . . H.R. 3957 would provide an effective means of protecting technology patented in the United States from unfair foreign competition.

The views of the administration, as well as a number of other commentators, suggest, however, that the formulation in the original legislation could be improved. In place of the original bill, the Department of Commerce urged the adoption of language—first suggested by my letter of March 2, 1990, to the Patent Office—that would accomplish virtually the same result as the original bill, but without some of the controversy that attended the initial measure.

Let me briefly describe how the Process Patent Amendments of 1990 differs from its predecessor measure. First, H.R. 3957 amended both domestic patent law and the border enforcement structure found in section 337 of the Tariff Act of 1930. This measure, which I am introducing today, only amends domestic patent law. The change accommodates concerns raised by some, including the administration, about the wisdom of amending section 337 at the same time that remedy is the subject of extensive negotiations within the General Agreement on Tariff and Trade [GATT]. Second, because the Process Patent Amendments of 1990 amends domestic patent law with respect to all types of inventive processes, the bill is not subject to criticism as being industry specific. The new measure also eliminates some unnecessary ambiguity found in the language of the initial bill. Third, the new proposal more clearly addresses all of the problems associated with obtaining process patents.

Like H.R. 3957, the new measure overrules the case, In re Durden, which is the source of problems that inventors have in obtaining appropriate patent protection. As I explained to the House in February, that case had the net effect of leaving U.S. patent holders worse off than inventors in other nations. The Durden case also encouraged the Patent Office to inappropriately segment a patent application into very small parts. The legislation being offered today would, as pointed out by the administration, incorporate the concept of the "unity of the invention" in process patents:

The inclusion in a patent of claims covering the use or manufacture of material that is also claimed in that patent, can properly be viewed as merely a different expression of the inventor's contribution to the particular field of technology, involving a single inventive concept. To permit the inclusion of such process claims in a patent containing product claims would not enlarge the limited exclusive rights that the patent owner already enjoys by virtue of the product claims. It would, however, place the patent owner in a better position to enforce his rights against those who use the patented technology and import the resulting product [into the United States] without authorization.

As recent cases from the Patent Office and the Court of Appeals for the Federal circuit clearly illustrate, the need for a legislative solution to the existing jumble of judicially created set of rules is pressing.

It is a commonplace concern that sound investment decisions require a degree of economic certainty. The biggest problem facing U.S. industry, especially the biotechnology industry, is the lack of clarity in the rules for obtaining patents. As the administration has pointed out:

Under present law an inventor is helpless to prevent the importation of a product that was made abroad with the use of a material patented in the United States, if the inventor was unable to obtain patent protection for the process of using such material.

This concrete problem under current law can be easily remedied by providing a set of sensible rules for inventors to obtain process patent protection. When the Congress enacted the Process Patent Amendments of 1988—authored by my colleagues BOB KASTENMEIER and CARLOS MOORHEAD—the remedies available to the holders of process patents were enhanced. What this legislation will do is make the promise of that earlier law a reality by providing a clear and fair set of rules for obtaining the process patent in the first place.

I urge my colleagues to join with me in supporting this bill to enhance the industrial competitiveness of the United States.

HONORING VAL EIGENMANN, A COMPLETE PROFESSIONAL WHO SERVED THE PHARMACEUTICAL INDUSTRY FOR 43 YEARS

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. RANGEL. Mr. Speaker, on Saturday evening, September 22, 1990, friends and business colleagues of Val Eigenmann and his wonderful wife Maggie will gather in San Juan, PR, to honor Val upon his retirement from the Bristol-Myers Squibb Co. Val is retiring after 30 years in the Squibb organization and a total of 43 years in the pharmaceutical industry.

It has been my pleasure to know Val Eigenmann and his wife, Margarita Blondet Eigenmann for over 10 years. During that period I have come to rely on their counsel and marvel at their boundless enthusiam for Val's work as vice president of public affairs for the Squibb Corp. of Puerto Rico.

When Val decided to retire in July, Richard M. Furlaud, president of Bristol-Myers Squibb sent a warm reflection on Val's career to his colleagues in the company. I am pleased to include the text of that communication for the RECORD:

BRISTOL-MYERS SQUIBB CO.,
New York, NY, July 27, 1990.

DEAR FELLOW EMPLOYEES: After 30 years of dedicated service to Squibb Corporation, and a total of 43 years in the pharmaceutical industry, Val A. Eigenmann is retiring from his present position as Vice President of Public Affairs from Squibb Corporation of Puerto Rico. Val's decision to retire brings to a close one of the most diverse and effective careers in our industry.

Val joined Squibb Corporation in 1960, while it was still a division of Olin Mathieson Chemical Corporation, as Assistant Director of Western Hemisphere Operations. He was rapidly promoted to a series of critical positions of increasing responsibility. Among the positions Val filled were: General Manager of Squibb Uruguay, Regional Director of the Southern Latin American Division, and General Manager of Venezuela.

In 1969, Val began a new chapter in his career by conducting a feasibility study for a pharmaceutical plant in Dacca, East Pakistan, (today it is known as Bangladesh). After successfully completing this assignment, Val was named General Manager of the pharmaceutical manufacturing compound for Squibb's Humacao facility. This project included obtaining government approval of the site, as well as the construction of four manufacturing operations.

After bringing this facility into very efficient operations, Val was assigned to direct the construction and start-up for the Life Savers, Inc. facility, which at the time was a subsidiary of Squibb Corporation. Because of his thoroughness and efficiency, the plant was built, employees were trained, and production began in November of 1977, ahead of schedule.

With our growing presence in Puerto Rico, Val agreed in 1978 to assume yet another new assignment: Vice President of Public Affairs for Squibb Corporation of Puerto Rico. Since that appointment, Val has established a relationship of trust and confidence with public officials in the Commonwealth and on the mainland second to none. He is called upon for advice and assistance by Members of the Commonwealth government of all political persuasions, and counts among his personal friends numerous Members of the United States House of Representatives and Senate.

Val has also established an extremely effective working relationship with the business community serving in key capacities with the Puerto Rico Chamber of Commerce, as well as other organizations. He has played a pivotal role with the Section 936 education program of the Puerto Rico-USA Foundation since it was founded in 1984. Since our merger, Val has worked diligently to further strengthen the voice of Bristol-Myers Squibb in matters of concern to the Company.

Val Eigenmann's unique international perspective and broad experience will be greatly missed by the countless friends and associates he has met in his four decades in the industry. He and his wife, Margarita Blondet Eigenmann, have been outstanding representatives of the Company whenever they have been asked to serve. To them, their eight children and fourteen grandchildren, we extend our sincere appreciation for all they have done and our warmest best wishes for many years of health and happiness

RICHARD M FURLAUD.

P.S. Val: Personal thanks to you and Maggie for a really fabulous job over many, many years.—Dick.

A RETIREMENT SALUTE TO JOHN M. NEGRI, OF ALTOONA, PA

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SHUSTER. Mr. Speaker, it is with great pride that I recognize and honor a gentleman from my Ninth Congressional District, Mr. John M. Negri. He has recently retired after 40 years of service with Conrail, without sustaining any accidents on the job. He was first employed by the Pennsylvania Railroad on September 8, 1950, which later became Conrail.

Mr. Negri is a lifelong resident of Altoona. He was born on September 27, 1928. He graduated from Altoona Area High and later attended Altoona School of Commerce. Mr. Negri served in the Army during the Korean war.

Mr. Negri is a loving husband and caring father. He has been married to his wife Darlene for 34 years and has three children; John M. Jr.—who is currently deployed in Saudi Arabia with the 82d Airborne—Michelle and Theresa, as well as three grandchildren, Andrew, Alexandra, and Victoria.

He is an active member of the St. Rose Lima Parish where he serves as an usher. He has coached the Jewish Memorial Teener League baseball, and became one of the first to umpire the original girls softball league in Altoona. He has contributed much to community involvement and service.

Mr. Speaker, I ask that his colleagues and community join me in saluting this fine citizen on his retirement from Conrail.

KEEP COMMUTER RAIL ON TRACK

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. VISCLOSKY. Mr. Speaker, today, I have introduced legislation that directs Amtrak to continue service of the Valparaiso-Chicago Calumet commuter line until July 1, 1991. I would like to take this opportunity to explain why I am taking this action.

When I first was elected to serve in the Congress in 1985, northwest Indiana was experiencing severe economic distress. The repercussions of the recession of the early 1980's were still very strong and felt by every family in the region. As a result of the recession and the dramatic restructuring of the steel industry, the area's primary employer, unemployment rates were the highest in the State and thousands were forced to move to seek other opportunities.

However, as we enter the new decade, all indications are that we have turned the corner. It has not been easy and there is still much to be done. The citizens of the region, working with their elected officials and community leaders, have united to work together to enhance economic development opportunities. With a national park that borders Lake Michigan, a skilled and able labor pool, and a close proximity to the city of Chicago, Northwest Indiana has a tremendous amount to offer those who wish to live and work in the region.

Many of our Illinois neighbors have recognized the appeal of Northwest Indiana and have relocated. Indeed, approximately one of every two new home buyers in the First District is from Illinois. One of the factors that appeals to these new Hoosiers is easy accessibility to Chicago, where many commute to their place of employment.

Regretfully, Amtrak has announced that due to the rerouting of two long-haul passenger trains, they will discontinue service of the Calumet commuter line on December 31, 1990. I, along with other local, State, and Federal officials have been working with Amtrak to seek an alternative to this termination due to the importance of this line to the riders who use it every day and its overall impact on our region's economy.

Almost all the riders of the Calumet use it to get to and from work in downtown Chicago. On an annual basis, approximately 132,000 riders board the Calumet and return $8 to $10 million in income back to Northwest Indiana.

I recently convened a meeting that included representatives of Amtrak, State legislators, and the commissioner of the Indiana Department of Transportation to discuss possible alternatives. I am optimistic that a solution can be found. However, the Indiana General Assembly, which may need to approve a legislative directive, will not reconvene before the Amtrak announced discontinuance date of December 31, 1990. Therefore, I have introduced my bill to allow for an appropriate amount of time to transpire so that the State government can respond.

The Calumet line is just one element of the transportation infrastructure that is vital to Northwest Indiana's continued resurgence. It is vital that every effort be made to ensure its continuation. My legislation will facilitate a positive resolution of this situation.

SALUTING THE 45TH ANNIVERSARY OF THE GREAT BOOKS GROUP

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. STOKES. Mr. Speaker, I am pleased to rise today to pay tribute to the Great Books group. This week marks the 45th consecutive year that members of this organization have gathered in my Congressional District of Cleveland Heights, OH, to discuss the classics in literature. I want to take this opportunity to share with my colleagues the history of the Great Books group.

Mr. Speaker, people have been reading the Great Books for many centuries. In modern times, it was thought that the formation of discussion groups for the purpose of discussing the Great Books was started after the First World War by John Erskine. In 1927, Mortimer Adler helped launch 15 adult education courses in New York City to discuss the Great Books. In 1930, Robert Hutchins joined Mr. Adler in introducing Great Books seminars into the undergraduate curriculum at the University of Chicago. Soon, across the United States, ordinary layman with a love for literature began to form and lead Great Books seminars in their local communities.

In Cleveland, the first Great Books group met on October 8, 1946 at the east Cleveland public library. The first opening session involved a discussion of the Declaration of Independence. The original members from that first night who are still participating today include Ruth Helmuth, Betty and Allen Gaetjens, and Lois Cunningham. In 1972, the group moved their discussions to the present day location of the Cleveland Heights Noble Road Library. However, the practice of meeting twice monthly for 9 months to discuss Great Books would remain the same. During the summer recess, members would read books to be discussed at the first meeting in the fall.

The Great Books readings over the years have included the classics—the philosophers from Plato through Locke, and Mill to Whitehead; epics from both the prose of the Iliad and the verse of Milton; drama from Greek tragedy through Shakespeare to O'Neill—and biography, history, and fiction. These works live on because their message is ever relevant to life's questions, problems, and experiences.

Mr. Speaker, later today members of the Great Books group of Cleveland Heights will mark the beginning of their 45th year with a discussion of Charles Dickens' "Our Mutual Friend." The current membership includes: Sylvia Bloomfield, Linda Jones Carlson, Kathleen Colacarro, Lois Cunningham, Allen Gaetjens, Betty Gaetjens, Ray Habian, Ruth Helmuth, Leah Hochhauser, Michael LaRiccia, Sally Farenholz-Mann, Pauline Moore, Renee Paolino, Margaret Sopko, and Meg Yancich.

I am pleased to take this opportunity to salute the Great Books group on this important occasion. I am certain that as they begin their 45th year, members look forward to exchanging ideas with the same enthusiasm as the first meeting in 1946. I ask that my colleagues join me in saluting the Great Books group and commending the distinguished organization on this special occasion.

CUT IN MEDICARE SPENDING

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. MARKEY. Mr. Speaker, I rise today to express my outrage that budget negotiations appear to be leading to yet another cut in Medicare spending. Why should our Nation's elderly sacrifice while the rich once again get a tax break? Most of our senior citizens rely heavily on Medicare to provide them with basic health care benefits. Medicare is vitally important to the health and well-being of our elderly and cuts will undoubtedly reduce access and quality of services.

Apparently, when President Bush pledged "no new taxes," he meant "no new taxes for

the wealthy". The Reagan/Bush legacy created the enormous budget deficit and now Mr. Bush is trying to balance it on the backs of the country's vulnerable elderly citizens. Medicare is fundamental to the health of our parents, our grandparents, and eventually all of us. It has worked well since 1965 and with proper funding, will continue to serve millions of elderly Americans.

In the past 10 years, the wealthiest 1 percent in this country have seen a 14.4-percent decrease in their Federal income taxes while in that same 10 years, the Nation's elderly have seen a 214-percent increase in their monthly Medicare premiums. My question, Mr. Speaker, is this: How can the budget summiteers justify forcing the elderly to take a cut in their Medicare programs, when they are also proposing giving the Nation's richest citizens a cut in their capital gains tax? To the elderly in the Seventh District of Massachusetts, this is voodoo economics all over again, and they resent being stuck by this administration's deficit pins.

U.S. DEFENDS A NOBLE PRINCIPLE—AND A FEW RICH ARAB NOBLES

HON. MARCY KAPTUR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Ms. KAPTUR. Mr. Speaker, I commend this September 7, 1990, article by Lars-Erik Nelson from the Orlando Florida Sentinel to the attention of my colleagues. It is a point of view worth considering as events in the Middle East unfold.

U.S. DEFENDS A NOBLE PRINCIPLE—AND A FEW RICH ARAB NOBLES

WASHINGTON.—Sultan Qabus of Oman is one of the more enlightened of the Persian Gulf rulers whom we have now taken under our protective shield. In 1970, he freed the slaves. He encourages children to go to school. Torture has been curtailed. May he and his offspring rule forever.

Which they certainly will, guarded for the foreseeable future by the U.S. F-15s that have been suddenly based in Qabus' pleasant little kingdom to deter the threat from Iraq. Take a look at it:

"Oman has no formal democratic institutions," the State Department tells us. "its citizens do not, therefore, have the ability to change peacefully their leaders or the political system. Oman is a monarchy in which the Sultan retains the final word on all government decisions."

Oman is much like Kuwait, whose "legitimate government" we are now pledged to restore. Until Iraq invaded Kuwait last month, the legitimate government consisted of rule by the Emir's decree. The Emir, who must be a descendant of Mubarak the Great, is chosen by members of the al-Sabah family.

"Kuwait has no formal democratic institutions," says the State Department. "Consequently, most of its citizens do not have a say in the choice of leaders or in changing the political system."

Even "Major Sammy," the young Kuwaiti resistance leader now making the rounds of Washington, has doubts about whether the al-Sabah family is worth fighting for. "I must tell you the truth, I have grave reservations regarding the role of the ruling family," he told a press conference Tuesday, "but I will always stand for the right of the Kuwaitis to self-determine their future." This however, is more than the al-Sabah family will stand for.

American soldiers are going to the Persian Gulf to defend a noble principle, Secretary of State James Baker told the House Foreign Affairs Committee on Tuesday. We are prepared to make the world safe from future aggression by stopping Saddam Hussein's aggression cold. Inevitably, that puts us on the side of the al-Sabah family.

So we find ourselves fighting on two levels: One, the noble struggle against Saddam Hussein and two, the somewhat less noble struggle of defending the Gulf sheikdoms. It wouldn't be the first time we have fought with mixed goals, one lofty and one grubby.

In World War I, our doughboys helped to defeat the Kaiser's Germany to make the world safe for democracy. The victory, coincidentally, gave a breathing spell to the British empire and allowed it to create little subservient, oil-producing protectorates like those in the Gulf.

In World War II, GI's helped liberate North Africa—and then saw it turned back over to its French colonial rulers. Americans died to recover Burma for the British empire, Indonesia for the Dutch, and Guadalcanal for Lever Brothers. They fought to defend South Korea from communist totalitarianism and ended up staying there for the past 40 years, protecting an authoritarian police state that prospers from its goon-enforced cheap labor. They fought to defend South Vietnam from communist aggression—and to protect the property rights of corrupt South Vietnamese officials.

Baker makes a good case that only the United States can mobilize the world to stop Saddam Hussein in his tracks and to reinforce the notion that in this new, post-Cold War epoch, the world is too small to tolerate aggression.

But the risk is that in addition to making the world safe from aggression, we also find ourselves serving indefinitely as the palace guard for the handful of wealthy families that rule the Gulf: the al-Sabahs, the Sauds of Saudi Arabia, the al-Khalifas of Bahrain, the al-Saids of Oman, the al-Thanis of Qatar, the al-Nuhayyans of Abu Dhabi, the al Bu Falasas of Dubai and the Qawasim of Sharja.

When will they ever feel safe enough to let us go home?

SUPPORT GROWS FOR H.R. 5448, THE MEDICARE-MEDICAID REIMBURSEMENT ACT OF 1990

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. STARK. Mr. Speaker, individual and organizational support has been prompt and forceful in recognizing the need and appropriateness for legislation that places the responsibility for smoking induced health costs on the tobacco industry itself.

PRIDE, America's oldest and largest organization devoted to drug abuse prevention through education said:

The requirement that the tobacco industry be responsible for the health care costs of smoking-related illnesses is long overdue.

The Oncology Nursing Society stated:

Statistics cannot begin to describe the human suffering that we, as oncology nurses see every day as a consequence of tobacco use. We commend you (Congressman Stark) for restoring moneys to health care programs such as Medicare and Medicaid.

And American Speech- Language-Hearing Association added:

We applaud your legislative efforts to require the tobacco industry to assume a portion of the Medicare and Medicaid costs expended for smoking-induced diseases such as cancer, cardiovascular disorders, and lung diseases.

Other groups have mentioned the health and economic benefits to the nonsmoker. The Minnesota Coalition for a Smoke-Free Society 2000 representing 50 organization and 510,000 Minnesotans offered its full support. In just their one state the health care costs of smoking related diseases for a year were nearly $300 million. Dr. Edward Rosenow, president of the American College of Chest Physicians and chairman of the largest pulmonary division in the country at Mayo Clinic said:

Every nonsmoker, through his or her insurance, is paying for the smoker's health care costs.

The chest physicians strongly support H.R. 5448.

There is strong public support for this type of innovative taxation which places the costly health care burden on the tobacco industry where it rightfully belongs. The best deterrent to children and youth becoming addicted to tobacco is making the cost prohibitive. This important piece of legislation accomplishes both.

LEGISLATION TO EXTEND THE ACCEPTANCE OF VOLUNTARY SERVICES OF PRIVATE SECTOR EXECUTIVES WITHIN THE EXECUTIVE EXCHANGE PROGRAM

HON. GERRY SIKORSKI

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SIKORSKI. Mr. Speaker, today I introduce legislation which would extend by 90 days a program under which the Government is allowed to accept the voluntary services of private-sector executives. The President's Commission on Executive Exchange, portions of which are altered by this legislation, was created by Executive Order 12493 in 1984 to enable outstanding private and public executives to work in the other sector. The goal of the Executive Exchange Program is to foster cooperation and understanding between top executives in the public and private sectors.

In 1986, Representative FRANK HORTON, a member of the Committee on Post Office and Civil Service, introduced H.R. 3002, legislation that encouraged private executives to participate in the program by allowing the top paid

executives in the program to receive salaries above and beyond the General Schedule cap. As a result of this legislation, the agency pays the salary of these top individuals but is reimbursed by the private-sector company. These slots are limited to 10 individuals. The authorization for this experimental program expired on September 30, 1989, and H.R. 2847, passed in 1989, extended the program for 1 year. The legislation I am introducing today will extend the program an additional 90 days in order to allow the executives currently participating in the program to complete their term.

In addition, a March 1989, GAO study indicated that the civil servants that participate in the program under the Executive order are not receiving full benefits while they are at the private-sector company. The following legislation will, in addition to extending 10 salaries for 90 days, correct the deficiencies in the program created by the Executive order by allowing civil servants to receive full benefits. This is done by changing the status of the Federal employee while at the company from "leave-without-pay" to "detail".

Section (d) amends title 18 of the United States Code to allow Federal employees who incur expenses while on detail to be reimbursed by the private-sector company by exempting them from the criminal sanctions in section 209 of title 18, U.S.C. This language has been agreed to by the Judiciary Committee.

Mr. Speaker, I introduce this legislation because the benefits of the exchange that occur between the public and private sectors as a result of this program, go far beyond the monetary value of the salaries involved. The exchange of ideas and methods promotes professional development and is both stimulating and satisfying to all concerned. Extension of this program will continue such positive results.

KEEPING THE ELDERLY YOUNG

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. GOODLING. Mr. Speaker, recently, I had the opportunity to visit the residents of the Brethren Retirement Home located in New Oxford, PA. I was impressed not only by this church-run organization but also by the residents of the home.

Currently, there are several residents who have formed a writing group led by Dominic C. Jollie. The members range in age from their sixties to their nineties. The sessions are held monthly. During this meeting the members write about a variety of different topics. The papers range from fiction to poetry. In a letter that I received from Mr. Jollie, it conveyed the enthusiasm of the members that I would like to share with my colleagues:

They love what we do, and they look forward to our meetings. Some of the folks say it is wonderful therapy for them; some say it gives them a raison d'etre; some say that every retirement home ought to have a writer group and that it would be a wonderful and important thing to do.

The sessions are supposed to last only an hour, but we seem always to be going lively and strong at half past nine. But they love it, and I love them, so we stay and write. Mostly what we write is for their children.

When we Americans look at the pictures of people on the wall or in our faded albums, we are bound to find a picture of Grandmother, Grandfather, and even Great Grandparents. But who cares? The pictures mean nothing.

But something in writing by parents and grandparents means something. A story of their legacy written by them is worth ten thousand pictures. Something about the things they did and their philosophy upon which they built their lives and lived them—well, now, that's something, and that's what the writing group does and will leave to their generations to come—a story of their own heritage.

And one more thing, each collection of writings contains at least a one-page message from our writer to his or her offspring. We all treasure a letter or handwritten note from our parents. You do, and I do, and we all do.

A hundred years from now, his offspring indeed will know, for example, how Grandfather Peterson wrote and how he lived his life in America.

Some people might suspect that the elderly have no interest in national affairs, but they do. Recently, they wrote papers on the environment. You'd be surprised how they think and what they write.

I have received papers on the environment. One paper written by Sarah Scalise presents an interesting view on pollution. Titled "A View of Pollution in Our Environment," she says:

Just like the scars of the holocaust of human beings that seems never to be forgotten, so nature's scars are not forgotten—not by nature anyway—and the consequences for our carelessness will be paid for dearly by the people now living and the generations to come. All of us stand in the "blame circle" to a certain extent. It's called looking at truth. We can rid ourselves of the destruction that pollution can bring only by changing our way of living.

The Brethren Home offers a wide range of care for those who are self-sufficient to those who are in need of full-time assistance. Personal care is designed for those who are independent but no longer choose to live alone. The staff along with residents promotes an inner community which creates a socialand supportive environment. However, if the resident is unable to live in the private rooms or cottages there is a modern nursing facility which offers both Medicare and Medicaid.

As I walked around this beautiful facility situated among the rolling hills of south-central Pennsylvania, it is obvious as to why people choose to reside here.

The home offers a wide range of activities for the residents. There is not only recreational activities but the residents can also participate in crafts and pursue their personal hobbies. As the majority of Americans grow older, it would be comforting to know that there will be establishments like Brethren Home to create a social community while providing medical needs to those who have spent their lives working to make this country better. This special writing program, may be worth duplication in communities around the Nation. Mr. Jollie, the leader and developer of the writing program would be happy to assist anyone who may wish to duplicate this tremendously thereaputic effort. Mr. Jollie is to be commended for being one of those "thousand points of light" as he volunteers his time and expertise.

IMPROVING THE POSTAL SERVICE FOR JURUPA, CA

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. BROWN of California. Mr. Speaker, today I am introducing legislation to require the U.S. Postal Service to provide the community known as Jurupa in Riverside County, CA, with more timely postal service by serving the Jurupa community with a single management sectional center.

Jurupa is an unincorporated community of western Riverside County. It includes the towns of Glen Avon, Mira Loma, Pedley, and Rubidoux. The Postal Service has assigned two ZIP codes to Jurupa: 91752 and 92509. Each of these ZIP codes to belongs to two different postal service management sectional centers, one in nearby San Bernardino (15 miles away) and one in Alhambra (50 miles away). As a result of having two different management sectional centers serve one community, mail that only needs to travel, at most, a few miles within the community may instead travel up to 100 miles to and from a distant management sectional center and may take up to 1 week to be delivered first class and up to 21 weeks to be delivered as bulk mail.

Mr. Speaker, the practical result for the people of Jurupa is that community mail is unreasonably slow, thereby creating a multitude of problems. These practical problems include delayed school grades or letters for parent/teacher conferences; late arriving water bills from the local utility district, causing customers to pay late fees; and bulk mail announcements that are so slow to arrive that sales are frequently over by the time the announcement is delivered.

I have tried repeatedly over 1½ years to work with Postal Service officials to address our problems in Jurupa; however, the Postal Service has offered no solutions to the problem and my requests for assistance are usually met with cold, haughty replies. While the Postal Service is staffed by thousands of dedicated public employees, this is not the kind of organizational behavior Congress envisioned when it granted independence to the Postal Service 19 years ago.

That independence, however, is not absolute. Congress still maintains oversight of the Postal Service and maintains the right to legislatively direct the Postal Service to take actions if that agency is not acting in the public interest. In the case of Jurupa, the Postal Service is not acting in the public interest, and I believe Congress should intervene to ensure that the poeple of Jurupa receive the decent postal service they pay for.

Mr. Speaker, my legislation would require that the Postal Service begin serving all parts

of Jurupa—defined as the areas served by ZIP codes 91752 and 92509—with the management sectional center in San Bernardino, CA. In this way, all mail coming from Jurupa will pass through one nearby facility, and the mail going from one part of Jurupa to the other will be delivered in a much more timely fashion.

250TH ANNIVERSARY OF THE BIRTH OF COL. NATHAN DENISON, PENNSYLVANIA SETTLER, STATESMAN

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. KANJORSKI. Mr. Speaker, on September 22, 1990, the residents of Forty Fort, PA will be celebrating the 250th anniversary of the birth of one of its founders, Colonel Nathan Denison, Jr. The festivities will take place at Denison House, the home the Colonel built 200 years ago.

The Denison family came to America in 1631 during the migration of the Puritans to the Massachusetts Bay Colony. Nathan Jr. was born in 1740 in Connecticut. At the age of 29 he was one of 40 settlers to pick up and move to new territory called Kingston Township and later was to become Forty Fort, PA.

A natural leader, in 1774 Nathan Denison was elected director of Kingston Township and was appointed as Justice of the Peace. His duties included establishing law and order, confirming land titles and securing a militia. When the militia was formed, Denison was elected Colonel.

During the War for American Independence, Colonel Denison proved his love of country and secured his place in history as second in command during the Battle of Wyoming on July 3, 1778.

After the Revolutionary War, Denison returned to Forty Fort where he devoted the rest of his life to public service. He was a successful businessman and later served as Justice of the Peace, county judge, and finally State Representative.

In 1790 he built the home that stills stands in Forty Fort today. It was there he raised his seven children who, like their father, served their community with much pride and dedication. Nathan's son, George, was a member of the Pennsylvania Legislature and was later elected to Congress. Two of his grandsons also served in Congress, thereby continuing the Denison commitment to public service long after Nathan Denison's death in 1809.

Colonel Nathan Denison, Jr., was a true patriot and an inspiration to all—then and now. It seems only fitting that we honor him on the 250th anniversary of his birth.

A SALUTE TO LOUISE ALLMOND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. GILMAN. Mr. Speaker, the town of Ramapo, NY, has proclaimed September 21, 1990, to be "Louise Allmond Day." Permit me to share with our colleagues a little bit about this remarkable woman and why she has warranted such recognition.

Louise Allmond was born on September 21, 1900, and has dedicated the rest of her life to making other peoples lives more pleasant. She has served as a volunteer in various capacities with a number of different organizations for over 68 years.

Louise was one of the founding members of the Ramapo Senior Citizens Club, the Town of Ramapo Senior Citizen Council, the Rockland County Council for Senior Citizens, the ladies auxiliary of the American Legion, and many other organizations.

For over 30 years, Louise Allmond has been an articulate spokesperson for the needs of our senior citizens. As their advocate, she has spearheaded the drive for senior citizen housing in the Ramapo community, and transportation for the elderly, and the disabled. She championed the establishment of the Rockland County Office of the Aging and the senior nutrition programs for which Rockland County has become noted. Louise also takes the time to lobby for those legislative issues which are of benefit to our seniors.

Louise Allmond is so highly respected by the Ramapo Senior Citizen Club that she has asked to serve as an adviser to their organization's executive board. It is appropriate that Louise receive these honors, for she has dedicated herself to helping others for over 68 years.

Mr. Speaker, perhaps the most incredible facet of Louise Allmond's life is the fact that she still works every day, as an assistant to Dr. Lawrence Bryman, a local chiropractor. Dr. Bryman's patients look forward to being greeted by her smiling, pleasant face and manner. They also look forward to the fashions she wears, all of which she makes herself.

Mr. Speaker, I invite all of our colleagues to join with me in saluting this outstanding lady, who this week will be 90 years young, and also to join with us in wishing her many years of health and happiness to come.

MRS. BUSH'S STORY TIME AND THE CHILDREN'S LITERACY INSTITUTE

HON. LAMAR S. SMITH

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SMITH of Texas. Mr. Speaker, I would like to pay tribute to a wonderful new literacy program—Mrs. Bush's Story Time. It is the first program of its kind to hit America's airwaves.

For 10 weeks, First Lady Barbara Bush will read a well-known children's book of a cartoon character, such as Bugs Bunny. The story will be followed by read-aloud suggestions for parents and an interview with a celebrity, such as Oprah Winfrey.

The 25-minute show is designed to encourage parents to read aloud to their children. It also is expected to encourage young children to ask their parents to read to them.

Co-directors of the Children's Literacy Initiative, Marcia Moon and Linda Katz, should be highly commended for such a wonderful idea and seeing it through to its successful completion. They rightfully contend that reading aloud has been shown to improve the comprehension skills and vocabulary.

The project is a joint production of the nonprofit organization of Children's Literacy Initiative, ABC Radio Networks, and Capital Cities/ABC's Project Literacy U.S. [PLUS]. Chase Manhatten Bank is the founding sponsor, and J. Walter Thompson is providing free marketing services.

A recent U.S. Department of Education study said, "reading aloud is the single most important activity for building the knowledge required for eventual success in reading."

TRIBUTE TO THE BRAILLE INSTITUTE OF SOUTHERN CALIFORNIA

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. WAXMAN. Mr. Speaker, on September 26 the Braille Institute in my congressional district in Los Angeles will dedicate the Braille Institute Center, a new major library and conference center. It is with great pride that I bring this important event to the attention of my colleagues.

The Braille Institute has served the Southern California blind community for 71 years. It is a unique center of educational training services and programs for the more than 165,000 blind and visually impaired individuals living in Southern California. Last year alone more than 26,000 persons received services from the Braille Institute.

Expansion of the Braille Institute's library facilities will allow for the consolidation of 600,000 braille and recorded-format books and other reading materials in one location. This additional capacity promises faster, more efficient service to the institute's 23,000 library patrons, who are blind or reading-disabled. The new conference center will allow the Braille Institute to expand its important public education and outreach program and provide the latest information about blindness.

I extend my congratulations and sincere thanks to the Braille Institute for its continuing commitment to the visually impaired in Southern California. I ask all of my colleagues to join with me in saluting the dedication of the Braille Institute's Library and Conference Center.

SALUTE TO MARTIN MARIETTA CORP.

HON. DAVID E. SKAGGS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. SKAGGS. Mr. Speaker, too often we hear about Federal contracts with hugh cost overruns. And it is important that we learn from these mistakes. But let us not forget to learn from our successes, as well. I would like to bring to the attention of the House a success story that involves an aerospace company with a major facility in my State.

I want to salute the Martin Marietta Corp.: Through hard work, quality management, and a commitment by Martin Marietta employees, the company transformed a $200 million Federal contract with a projected $19 million cost overrun into a program with a $33 million cost savings.

Martin Marietta was awarded an Air Force contract in 1986 to deliver 108 instrumentation and flight safety systems [IFSS] for MX missiles. The three critical functions of the IFFS during missile flight tests are to gather more than 20 million pieces of information on more than 300 performance measurements, to continuously track the missile's position during flight, and to provide the capability for range safety personnel to destroy the missile should it veer off its intended flight path at any time during its journey.

Because the IFFS was on the leading edge of electronic technology, it was fraught with the potential for large cost overruns. The program had an overrun projected at $19 million even before someone picked up the first soldering iron. However, because of superb guidance by the Air Force and highly motivated work teams at Martin Marietta, the company was able to reduce direct labor costs by over 40 percent and program costs by 22 percent over 3 years.

Moreover, the company was able to reduce manufacturing defects by 75 percent, attain a perfect final inspection record, and improve delivery dates by 2 years. On 19 missile flight tests approximately 1,300 IFFS boxes monitored and recorded 13,000 flight measurements without a single failure.

This remarkable achievement is a tribute to the people who work at Martin Marietta. It demonstrates that with the right kind of leadership, workmanship of unparalleled quality can be the hallmark of American industry.

THE "PALMER METHOD"

HON. SIDNEY R. YATES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. YATES. Mr. Speaker, in these days of the computer, word processor, and fax machine, I would like to remind the House of a more personal and graceful form of communication. I refer, of course, to handwriting or penmanship. It is a part of our literacy that is not being enhanced by the computer and it is regrettable.

For generations of Americans, handwriting was a source of personal pride and accomplishment. In Chicago and all across the country, we were taught the "Palmer Method" during our elementary school years, and it was an important and useful experience. We learned to make our r's and t's with a certain height and to end our letters and words with proper upswing. It required practice, diligence and good posture, but I think that most of us who were trained in the Palmer method have very good memories of our penmanship classes and we also have handwriting that is clear and legible.

The techniques and standards were developed by a dedicated American educator, Austin N. Palmer, who lived from 1859 to 1927. His contributions to our literacy are real and continue to this day. Austin Palmer deserves our thanks and he deserves to be remembered, and I can think of no better tribute to him than a renewed emphasis on good penmanship by our educational systems. All of us need to be able to write so that others can recognize and understand easily what we have written.

NATIONAL ALOPECIA AREATA AWARENESS WEEK

HON. BARBARA BOXER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mrs. BOXER. Mr. Speaker, last week, September 10–16, 1990, was National Alopecia Areata Awareness Week.

Alopecia areata is a condition which results in the loss of hair on the scalp and elsewhere on the body. While some individuals develop only a few bare patches and regrow them within a year, others loose all hair on their entire body. Two million people in the United States live and cope with mild to severe hair loss due to alopecia areata.

The National Alopecia Areata Foundation, established in 1981, has 30 support groups throughout the United States. These groups planned numerous activities last week to increase public awareness of the disease and raise funds for research.

Further attention to alopecia areata will take place this year when the National Institute of Arthritis, Musculoskeletal and Skin Diseases and the National Alopecia Areata Foundation consponsor "A Research Workshop on Alopecia Areata" at the National Institutes of Health campus on October 25 and 26, 1990. This 2-day workshop will bring experts together for an open exchange of information.

Please join me in recognizing Alopecia Areata Awareness Week. More information on alopecia areata, the foundation, or the research workshop is available from the National Alopecia Areata Foundation, headquartered in San Rafael, CA at 714 C Street, No. 216, San Rafael, CA 94901, 415–456–4644.

THE GENERAL MOTORS CORP.

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. WOLPE. Mr. Speaker, I rise to extend my congratulations to the General Motors Corp. on the occasion of the first General Motors Appreciation Day hosted by the city of Lansing.

In 1897, automobile entrepreneur Ransom Eli Olds built the first Oldsmobile in the city of Lansing. Since that date, Oldsmobile and General Motors have expressed their continuing confidence in the Lansing community and its skilled and industrious workforce by always producing at least one high-volume car in our city. Lansing's 20,000 GM employees in fact boast the highest car production rate in the country with an annual rate of 424,000 vehicles.

In addition, Lansing is also home to General Motor's Lansing Automotive Division. This administrative headquarters oversees locations in seven cities that collectively produce more than 1.1 million vehicles annually. And GM's recent announcement that it will build its remodelled 1992 automobiles in Lansing means that the city will continue to be a critical element of GM's future.

For all of this, the city of Lansing is deeply appreciative. The GM Division's 2,000 headquarter's employees and 18,000 production employees have made their presence felt in every aspect of Lansing affairs. From key involvement on numerous citizen boards and committees to sponsorship of important civic events, General Motors employees have continually reached out to the community in which they live and work. Additionally, with a payroll of $815 million and payments to area suppliers of $1.7 billion, General Motors provides the cornerstone of Lansing's economy.

Mr. Speaker, I know my colleagues will want to join with me and the city of Lansing in paying tribute to the General Motors corporate community for all that it has contributed to Michigan's capital city over so many years.

A TRIBUTE TO OTTO WHITEHILL

HON. RICHARD J. DURBIN

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. DURBIN. Mr. Speaker, I would like to take this opportunity to recognize the remarkable achievements of Otto Whitehill who for the past 24 years has served the developmentally disabled through his position at the Chicago Association for Retarded Citizens. On September 27, 1990, he will be honored on the occasion of his retirement.

Otto is highly respected throughout Illinois for his leadership and dedication to improving the lives of the developmentally disabled. He is well-known for his efforts to improve services for the developmentally disabled, and for the leadership he has provided to State and

community agencies and the legislature in the development of innovative programs and services for the State's developmentally disabled. His expert testimony before committees in the U.S. Senate and House of Representatives, as well as the State legislature, has resulted in passage of key legislation affecting the lives of persons with disabilities.

Otto has been a mentor to many human service professionals who realize the value of his advice and encouragement. His fine example of dedication and commitment has benefited many. Otto will be sorely missed, but he will remain in the minds of many.

CONGRATULATIONS TO THE UNION COUNTY DISTRIBUTIVE EDUCATION CLUB OF AMERICA

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. HUBBARD. Mr. Speaker, I would like to take this opportunity to recognize and congratulate Union County High School's Distributive Education Club of America Chapter of Morganfield, KY, which is located in my congressional district.

In April of this year, the Union County High School DECA chapter traveled to San Jose, CA, for the DECA National Career Development Conference.

After a long year of hard work and competition their 7Up/Muscular Dystrophy Association Civic Consciousness project placed in the top 10 finalists in the nation.

The Union County High School DECA chapter hopes to raise $4,000 again this year in support of the Muscular Dystrophy Association by sponsoring various fundraising events and community activities. I wish the club continued success in their most worthwhile efforts to raise funds for the Muscular Dystrophy Association.

Again, I extend my congratulations to the members of this club in my congressional district for their hard work and success in placing in the top 10 in the Nation with their 7Up/MDA project.

TRIBUTE TO THE CHRISTIAN CHURCH OF NEW SOMERSET, OH

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. APPLEGATE. Mr. Speaker, I rise today to pay tribute to the Christian Church of New Somerset, OH, on the celebration of its sesquicentennial anniversary. The anniversary is being recognized during the weekend of October 5–7, 1990.

The New Somerset Christian Church can trace its beginning, in 1840, to Elder John Jackman and several charter members. Services were held outdoors or in private homes until the summer of 1841, when a new red brick building was erected on ground donated by Mr. John Marshall of New Somerset. This same summer, Peter Householder was elected deacon, and the first regular minister, Charles E. Van Vorhis, was employed.

By 1890, the red brick building had to be abandoned, and was replaced with the present structure in 1897. Through the years, there have been many additions and improvements, including new classrooms, a new baptistry, the donation of a grand piano, and the purchase of church hymnals and pew Bibles.

The New Somerset Church has a present membership of 140, loyally led by Minister John D. Byard. The annual anniversary celebrations, observed for the past 70 years, have been a source of joy and inspiration to the members and all who have worshipped with the New Somerset Church.

Mr. Speaker, it is my distinct privilege and honor to ask my colleagues to join with me in honoring the congregation of the New Somerset Christian Church on the celebration of their 150th anniversary. I would also like to congratulate the church for the outstanding services it has provided to the community.

SALUTE TO SIMI VALLEY ADVENTIST HOSPITAL

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, September 18, 1990

Mr. GALLEGLY. Mr. Speaker, on Monday, September 24, my hometown hospital, Simi Valley Adventist Hospital, will hold a rededication ceremony to mark the facility's 25th anniversary of serving the community. And like the city itself, the hospital has grown and flourished during the past quarter-century.

In January 1964, when a hospital was first proposed for Simi Valley, fewer than 40,000 people lived in the community, and the nearest hospitals were in Oxnard, Thousand Oaks, and the San Fernando Valley. The need was obvious, and the planning went quickly. On August 15, 1965, Simi Valley Community Hospital, as it was then known, opened. The $1 million facility featured 8 maternity beds, 38 medical/surgical beds and 4 pediatric beds, along with a nursery with 10 bassinets and an incubator. The 33,000-square-foot hospital was the first phase of a projected 150-bed hospital.

Those growth projections proved to be substantially understated. Today, Simi Valley Adventist Hospital has grown to 3 floors and 215 beds, with 3 other facilities offering specialized in-and-out patient services such as mental health, transitional care and magnetic resonance imaging. The medical staff has grown by nearly 50 percent in the past 5 years alone, and the 237 physicians now on staff represent more than 30 specialty areas, with a high percentage being board certified.

Besides its commitment to quality medical care, Simi Valley Adventist Hospital is also committed to the community, as shown by its involvement in many community projects including the March of Dimes Walk-a-Thon, the Health Fair Expo and 5- and 10-K runs cosponsored with the Rotary Club for Simi Valley Days.

Mr. Speaker, I'm sure my colleagues join with me in saluting Simi Valley Adventist Hospital for 25 years of serving the health needs of its community, and that they look forward with me to many more years of even better medical care as the hospital continues to expand and grow.

SENATE—*Wednesday, September 19, 1990*

(Legislative day of Monday, September 10, 1990)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the Honorable JOSEPH LIEBERMAN, a Senator from the State of Connecticut.

Mr. LIEBERMAN. The prayer will be offered by a guest chaplain, the Reverend George N. Gray, Jr.

PRAYER

The Reverend George N. Gray, Jr., Episcopal Church of the Epiphany, 303 West Main Street, New Iberia, LA, offered the following prayer:

Let us pray:

Dear God, we pray that You bless the United States of America and those in governmental institutions who serve its people, especially this U.S. Senate.

Almighty God, You are the fountain of love, whose will is good and gracious, and whose law is truth. Grant to our U.S. Senators the wisdom to seek and the courage to carry out Your will in truth. Grant to all who serve in administrative authority in this Senate vigor and grace in the exercise of their duties.

We pray that the laws enacted by this legislative body may safeguard human rights, serve justice and promote peace. We humbly ask You to guide these Your servants of the U.S. Senate in establishing laws that provide for the needs of all our people, preserve our heritage, and fulfill our obligations in the community of nations.

We ask that You keep the citizens of the United States in Your holy protection, especially those Americans in the Middle East. We pray they may feel the comfort of Your abiding presence while we seek reconciliation.

May all Americans receive Your grace through faith and serve as instruments of Your love. May we be blessed with the prudence to be more faithful stewards of Your bounty for the benefit and blessing of all who are naked, hungry, or homeless. Incline our hearts to show affection and love for one another and our fellow citizens of the world at large, remembering especially the words of the psalmist, "How good, how delightful it is for all to live together like brothers." Help us, O Lord, to follow Your truth, so that in learning to be faithful citizens here, we may be faithful in Your everlasting kingdom. In Christ's name we pray. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 19, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable JOSEPH I. LIEBERMAN, a Senator from the State of Connecticut, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. LIEBERMAN thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning following the time for the two leaders, there will be a period for morning business, not to extend beyond 10 a.m., with Senators permitted to speak therein for up to 5 minutes each.

At 10 a.m. the Senate will resume consideration of S. 1511, the older workers bill. Rollcall votes are possible today relative to this bill.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and all of the leader time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business, not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Mr. SANFORD addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from North Carolina.

THE MIDDLE EAST

Mr. SANFORD. Mr. President, events of the last couple of days cause me to want to make, again, a statement that I have previously made concerning the Middle East. I support the President in what he has done in the Middle East. He has done it well, and he has contained Iraq.

I am opposed to those who are clamoring for war. This would not be a war worth fighting. I remember an assignment of the Infantry Officers Training School at Fort Benning when I was there during World War II. We were required to write on the subject: Why is the United States fighting this war? There were many very good answers, but not one of them would approximate a justification for a war in the Middle East today. War in the Middle East cannot be justified.

I take special pride in the fact that the fighting men and women based in North Carolina were so quickly ready to go to the Middle East to show the military might of the United States. I have a personal feeling for the spouses and the children and the families who saw their loved ones go to do their duty, to do their jobs. They have braced themselves for the worst. That is the grim reality of military service.

The tried and true troopers of the 82d Airborne and 18th Airborne Corps, the tough Marines at Camp Lejeune, and the most modern air fighter squadrons in the world at Seymour Johnson, and the air transport experts from Pope Air Force Base, were first to go to protect the national interests of the United States. It was they who stopped Saddam Hussein even before he approached the Saudi Arabian border and ended his aggression.

As one with a special pride and a deep concern for these young fighting men and women and their families, and as one with some part of the responsibility for America's military and

diplomatic actions, I have earnestly considered what my position should be. These fighting forces did their duty without firing a shot. Now the questions are: Should they fire a shot? Should they take the offensive? Should they be committed to fight a war? Is this the way that it must be done?

I am flatly opposed to committing our Marines and paratroopers and other military men and women to fight a war that does not need to be fought. I cannot be a party to bringing untold sorrow and loss into their families. Our objectives are clear, but clearly not worth the human costs to be paid by fighting a war.

My position is simple and clear. I support President Bush so far. But I will part company and vote against sending our young people to fight a war that we do not need to fight. This is the same message I am getting from the military families in North Carolina who say, "We are always prepared for the sacrifice by our loved ones to protect the Nation, but we do not want to see them fight a war that does not need to be fought."

Our national interests in the Middle East can best be protected without a military incursion. Our national interests endangered by the invasion of Kuwait by Iraq are the same as the interests of the other nations of the world. We must punish and stop aggression, and must stop the accumulation of military power by an avowed dictatorial aggressor. Our question is, how is that best accomplished? An attack by us—war—would be bloody and costly, would be difficult to bring to an end, and would have detrimental repercussions in the Arab world for generations. There is a far better way to get the job done.

The United States has already arrayed adequate military forces to halt the aggression, and now we should take a lesser role and turn deliberately and visibly to the United Nations to bring Saddam Hussein's adventure to a close by economic strangulation. The economic embargo should have at a minimum four goals:

First, we should require Iraq to retreat from Kuwait. It is not our responsibility to restore the Omir to his throne. It is our purpose to deny Saddam Hussein the fruits of his aggression.

Second, we should insist on a release of all hostages.

Third, we must use the power of the United Nations to assure that no member nation will provide Iraq with the weapons or means to produce any weapons of war, including poison gas, biological, and nuclear devices.

Finally, we must insist that the United Nations take an additional action that it has not yet taken and assert its authority to require Iraq to destroy all illegal weapons, gas, nuclear, biological, and insist on the permanent right to U.N. onsite verification.

To achieve these four goals, an economic strangulation is by far preferable to war. Relentless economic strangulation can be achieved by the United Nations' embargo on oil exports and many imports. Economic strangulation will bring Iraq to the U.N. terms. The world, and the United Nations can wait longer than can Iraq, and the embargo will succeed. A military attack would start us down an endless road.

These U.N. goals will serve all of the national interests of the United States that were jeopardized by the Iraqi invasion of Kuwait, as well as the interests of all the world, in clipping the wings of a ruthless dictator and a proven aggressor.

In achieving this kind of solution, based on the moral power of the United Nations, with the powerful help of the United States, we will have set a precedent that would-be aggressors in any part of the world will surely note.

The United States cannot be the policemen for all the world. The United Nations was designed to do this job. We can use this emergency to strengthen the United Nations with this kind of job in the years to come.

Thank you, Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Who seeks recognition?

Mr. SANFORD. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PRESSLER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

BUDGET SEQUESTER AND FURLOUGHS OF FEDERAL EMPLOYEES

Mr. PRESSLER. Mr. President, I would like to speak to the Senate today on my legislation that would apply the budget sequestration rules to Senators and Congressmen. For a sophisticated country, the budget of the Government of the United States is in a very strange position. We are deadlocked in a budget negotiations crisis. We are attempting to reach a fiscal year 1991 budget agreement under the Gramm-Rudman-Hollings deficit reduction law.

Our new budget year begins October 1, and an agreement between the administration and the House and Senate must be reached by that date or a sequester goes into effect.

Many of our Federal civil servants have received a letter notifying them that they will be put on furlough. They will be required to go on furlough if the deficit reduction targets are not met.

I would like to read to the Senate a letter that some of these civil servants have received. This letter is significant because it is a reminder that many good-faith employees who work for the Federal Government have received furlough notices, after years of good service.

One person provided me with this letter confidentially, and I shall not mention the person's name, but it is a letter that person received after 20 years of hard work in an agency. I know that it is easy to use Federal employees as whipping posts. I have never done that. Most of them serve the public very loyally, faithfully and effectively.

I have said that, at times such as Watergate and other national crises, our Federal civil servants carry us through. They perform important functions. For example, if we do have a sequester, we will find that our airports will not be run correctly; we will find that meat will not be inspected properly during the sequester, and many other special services will be cut. In any event, perhaps the most important result is the demoralizing effect a Federal employee who receives a letter such as this.

I shall read a letter that some of our Federal employees received recently:

This memorandum notifies you that I propose to furlough you no earlier than thirty (30) calendar days from receipt of this notice. I am the Proposing Official and the Deciding Official for this action.

The furlough is being proposed under the authority of the Subparts C and D of 5 CFR Part 752 because the Department * * * is under a sequestration order pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177) (commonly known as the Gramm-Rudman-Hollings Act), as amended. The initial sequester order of August 25, 1990, results in a level of funding significantly less than the current level for the period of October 1 through October 15, 1990. A final sequester order on October 15 or an appropriation could also result in funding reductions beyond October 15. The Gramm-Rudman-Hollings Act limited the amount of budget reduction to program (which is the Service Units) to 2 percent while administration (which is Headquarters and Area Offices) must be reduced by the full sequester percentage which is significantly higher. Accordingly, maintaining the present rate of spending will result in an expenditure of funds in excess of expected budgetary resources. Although many actions are being taken within the Department to curtail spending, this furlough is proposed to promote the efficiency of the service by assistance in meeting the Fiscal Year 1991 deficit reduction targets.

The following procedures and conditions are planned relating to the furlough:

1. The furlough will be on discontinuous days, beginning no sooner than October 1, 1990. Full-time employees will be furloughed no more than twenty-two (22) workdays or 176 hours. If you are a part-

time employee, your furlough time will be prorated, based on your work schedule.

Mr. President, I am going through the laborious task of reading this letter because I think each Senator should put himself or herself in the shoes of the hard-working Federal employees who need money to support their families, who have made a career decision to work for the Federal Government and have done a loyal and competent job. To be told that they are going to be furloughed, for no reason based on their performance, to receive a letter such as this has to be very demoralizing to employees in the Federal establishment.

The letter continues on:

2. Due to the uncertain and potential fluctuating amount of funding which may be available to this agency, the number of hours per pay period required for the furlough may vary. Accordingly, if the decision is made to furlough, you will be advised at or before the beginning of each week of the number of furlough hours required to allow this agency to meet its financial obligations.

3. You may request a specific schedule for furlough time subject to management approval based upon mission and workload considerations.

4. Annual, sick, court or military leave (or the use of compensatory time or credit hours) that has been approved a day designated as a furlough day will be cancelled. However, when you receive the notice of your furlough dates, you may request that the furlough time be rescheduled, as provided in paragraph 3 above, if you wish to use the leave, compensatory time, or credit hours as approved.

Mr. President, I continue to read this letter because, according to all the principles of management, personnel furloughs are the worst thing Congress could possibly do to Federal employees. If such a letter were circulated in a private business or company, it would probably be cited by all of our business schools as a classic example of what not to do to inspire loyal employees.

The letter concludes:

I recognize the difficult personal financial implications of any furlough, no matter how limited its length. Every effort will be made to keep you informed as additional information regarding the agency funding level becomes available.

Unless you are a noncareer or limited term SES employee, a Schedule C employee, or a temporary employee on an appointment limited to one (1) year or less, you will be allowed seven (7) calendar days after the date of receipt of this memorandum to respond in writing and/or orally, to review the supporting material, and to furnish any affidavits or other supporting documentary evidence in your answer. You have the right to be represented in this matter by an attorney or other person you may choose. If you are in active duty status, you and/or your representative, if * * * employee, will be allowed a reasonable amount of official time to review the supporting material, seek assistance, prepare your reply, secure affidavits and statements, consider appropriate courses of action, and make a response. Contact your supervisor to arrange for official time. As the Deciding Official for this proposed action, I have designated representatives to hear an oral reply. To arrange for an oral reply or to review the supporting materials, please contact one of the appropriate individuals listed below:

So, Mr. President, this is a letter that has been received by some of our Federal employees. I have met with our Federal employees in my home State of South Dakota. We think of Federal employees as being mostly in Washington, but, in fact, they are mostly outside of Washington. We have people who work with our agriculture programs, and we have FBI agents, IRS agents, Forest Service personnel, unemployment counselors, and many others who work for the Federal Government in a number of capacities.

Also, I might say that in my State of South Dakota the State budget is about 47 percent Federal funds, and the impact of a sequester on some of our State offices remains to be seen.

Mr. President, in conclusion, the reason I am sponsoring legislation—and I hope to offer it here on the floor; I hope to attach it to something in the next few days or weeks—that would make Members of Congress feel the effects of a furlough as much as furloughed civil servants. I think the public does not want Congress exempted from budget sequestration. I think the public wants Congress treated just like we treat everybody else.

There are seven cosponsors of my legislation. I am prepared to offer it, to attach it to other legislation, so that Members of Congress would have their salaries reduced to the same extent as furloughed Federal employees' salaries are cut. This would make Members of the House and Senate subject to the sequester in the same way as other Federal employees and indeed as other Americans. Our farm programs would be substantially cut, and our Federal and State employees would suffer lost income.

I think it is time for Members of Congress to be subject to the same rules as everybody else. That is the reason for my legislation. I urge my colleagues to cosponsor it. I have sent a letter to each senatorial office seeking cosponsors. We have received seven cosponsors.

Mr. President, I ask unanimous consent that the text of the letter I have read to be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FURLOUGH NOTICE LETTER TO FEDERAL EMPLOYEES

This memorandum notifies you that I propose to furlough you no earlier than thirty (30) calendar days from receipt of this notice. I am the Proposing Official and the Deciding Official for this action.

The furlough is being proposed under the authority of the Subparts C and D of 5 CFR Part 752 because the Department * * * is under a sequestration order pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (P.L. 99-177) (commonly known as the Gramm-Rudman-Hollings Act), as amended. The initial sequester order of August 25, 1990, results in a level of funding significantly less than the current level for the period of October 1 through October 15, 1990. A final sequester order on October 15 or an appropriation could also result in funding reductions beyond October 15. The Gramm-Rudman-Hollings Act limited the amount of budget reduction to program (which is the Service Units) to 2 percent while administration (which is Headquarters and Area Offices) must be reduced by the full sequester percentage which is significantly higher. Accordingly, maintaining the present rate of spending will result in an expenditure of funds in excess of expected budgetary resources. Although many actions are being taken within the Department to curtail spending, this furlough is proposed to promote the efficiency of the service by assistance in meeting the Fiscal Year 1991 deficit reduction targets.

The following procedures and conditions are planned relating to the furlough:

1. The furlough will be on discontinuous days, beginning no sooner than October 1, 1990. Full-time employees will be furloughed no more than twenty-two (22) workdays or 176 hours. If you are a part-time employee, your furlough time will be prorated, based on your work schedule.

2. Due to the uncertain and potential fluctuating amount of funding which may be available to this agency, the number of hours per pay period required for the furlough may vary. Accordingly, if the decision is made to furlough, you will be advised at or before the beginning of each week of the number of furlough hours required to allow this agency to meet its financial obligations.

3. You may request a specific schedule for furlough time subject to management approval based upon mission and workload considerations.

4. Annual, sick, court or military leave (or the use of compensatory time or credit hours) that has been approved a day designated as a furlough day will be canceled. However, when you receive the notice of your furlough dates, you may request that the furlough time be rescheduled, as provided in paragraph 3 above, if you wish to use the leave, compensatory time, or credit hours as approved.

I recognize the difficult personal financial implications of any furlough, no matter how limited its length. Every effort will be made to keep you informed as additional information regarding the agency funding level becomes available.

Unless you are a noncareer or limited term SES employee, a Schedule C employee, or a temporary employee on an appointment limited to one (1) year or less, you will be allowed seven (7) calendar days after the date or receipt of this memorandum to respond in writing and/or orally, to review the supporting material, and to furnish any affidavits or other supporting documentary evidence in your answer. You have the right to be represented in this matter by an attorney or other person you may choose. If you are in active duty status, you and/or your representative, if * * * employee, will be allowed a reasonable amount of official time to review the supporting material, seek assistance, prepare your reply, secure affidavits and statements, consider appropriate courses of action, and make a response. Contact your supervisor to arrange for official time. As the Deciding Official for this proposed action, I have designated representa-

tives to hear an oral reply. To arrange for an oral reply or to review the supporting materials, please contact one of the appropriate individuals listed below:

Mr. PRESSLER. Mr. President, I yield the floor, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

Mr. DIXON. Mr. President, I ask unanimous consent to proceed for a brief period of time as in morning business to make a statement and to introduce an important piece of legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized.

Mr. DIXON. I thank the Chair.

(The remarks of Mr. DIXON pertaining to the introduction of S. 3073 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

"MOTOR VOTER" LEGISLATION

Mr. DOLE. Mr. President, I want to share with my colleagues letters that I recently received from two groups whose opinions I happen to respect—the National Association of Counties and the Justice Department. Both letters point out the pitfalls of S. 874, the "motor voter" bill reported out of the Rules Committee last March. Both letters also endorse S. 3021, an alternative voter registration bill introduced last week by myself and by my distinguished colleague from Alaska, Senator STEVENS.

Mr. President, I ask unanimous consent that the full text of the letters be inserted at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

NATIONAL ASSOCIATION OF COUNTIES,
Washington, DC, September 14, 1990.

Hon. BOB DOLE,
Senate Minority Leader, S-230 Capitol Building, Washington, DC.

DEAR SENATOR DOLE: On behalf of the National Association of Counties (NACo) I want to take this opportunity to offer our support for your bill S. 3021, the National Voter Registration Enhancement Act.

This bill addresses the real problem of providing additional resources to state and local governments which want to make voter registration easier and more accessible to their citizens. Many counties and states have already done so by adopting various procedures, including mail-in, motor-voter, and agency registration, which meet the needs of their populations within the availability of their financial resources. By providing $25 billion over 3 years your bill would make it possible for those county and state governments that would like to do more in voter registration to do so.

As you know, NACo has been very concerned about the unfunded mandates imposed on counties by the federal government. The bill approved by the Rules Committee, S. 874, would require state, county, and other units of local government to absorb the costs of a federally mandated voter registration program. No consideration is given to whether state and local governments are doing a good job in registering people to vote or whether they have the resources to fund such requirements. The truth is that most county governments do an excellent job in voter registration and do not have the extra resources to fund federally mandated voter registration efforts. If S. 874 is adopted it will be another cost for county governments to bear. Such federal mandates mean higher taxes and/or reduction of those services which county residents and their elected officials would like to have available.

Your bill also addresses the problem of those officials who would deny or interfere with the person's right to register by creating criminal penalties for such actions. Strict enforcement of this section of S. 3021 will quickly rid our nation of those individuals who would deny someone the right to register to vote.

Once again, thank you for introducing S. 3021 and for your support on this issue.

Sincerely,

JOHN P. THOMAS,
Executive Director.

U.S. DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, September 13, 1990.

Hon. DAN QUAYLE,
President of the Senate, Washington, DC.

DEAR MR. PRESIDENT: Enclosed is an alternative to S. 874, the National Voter Registration Act of 1989. We have grave concerns about the pending bill and urge you to support the alternative, which has been introduced by Senators Dole and Stevens as S. 3121.

We support efforts to increase voter turnout, but we strongly believe that the present record does not support the mandatory imposition of registration techniques, with their attendant costs to the states, as a necessary or appropriate means of achieving that goal. Moreover, we are convinced that the impositions set forth in S. 874 will result in significant fraud in voter registration and elections. That bill, in its current form, lacks any meaningful methods for addressing public corruption resulting from the newly mandated registration procedures.

S. 3121 would foster increased voter participation while simultaneously protecting the integrity of the electoral process. It would encourage the states to adopt registration procedures that will be most effective in their own differing circumstances. We hope that the Senate will adopt S. 3121 and thereby avoid the important shortcomings of S. 874.

The Office of Management and Budget has advised this Department that there is no objection to this report.

Sincerely,

BRUCE C. NAVARRO,
Deputy Assistant Attorney General.

TRIBUTE TO GEN. LEMUEL C. SHEPHERD

Mr. HEFLIN. Mr. President, I rise with great sadness, today, to inform my colleagues of the death of a great American—U.S. Marine Corps Gen. Lemuel Cornick Shepherd, Jr., on August 6, 1990, at the age of 94. General Shepherd was an incredible man with many diverse talents and abilities, who gave more than 42 years of distinguished service to his country.

Lem Shepherd was the first Commandant to serve on the Joint Chiefs of Staff and one of the few marines who served in three major wars—World War I, World War II, and the Korean conflict.

My great respect for General Shepherd started when I joined the 9th Regiment, which he commanded as my colonel in December 1942. No one that I have ever known had more of the spirit of the Marine Corps than General Shepherd. He instilled this spirit into each marine that he commanded. He gave this remarkable regiment the name of the "Fighting 9th." When reveille was sounded in the morning it was followed by a chant of "rise and shine with the striking 9." He demanded excellence in every aspect of military life. The pride and excellence that he instilled into every one of his 9th Marines soon became evident and was confirmed in combat. He was a fearless leader, and the men of his command followed him with complete dedication regardless of the feared consequences.

General Shepherd was born February 10, 1896, in Norfolk, VA. Upon graduation from the Virginia Military Institute, he was commissioned a second lieutenant on April 11, 1917. Lieutenant Shepherd was a member of the 5th Marine Regiment with the first elements of the American expeditionary forces. After being wounded twice in action at Belleau Wood in June 1918, he returned to the front in August, where he was wounded a third time in the Meuse Argonne offensive.

Captain Shepherd returned to the United States in December 1920 and was assigned as aide-de-camp to the Commandant and aide at the White House. He subsequently had tours of duty with the marine detachment aboard the U.S.S. *Idaho*, with marine barracks, Norfolk, VA, with the 3d Marine Brigade in Tientsin and Shanghai, China, and with the Garde D'Haiti. In 1936 he was promoted to lieutenant colonel, and then commanded the 2d battalion, 5th Marine Regiment. After serving on the staff of the Marine Corps School, Colonel Shepherd took command of the 9th Marine Regiment, where I had the honor and privilege to serve under him, as he organized, trained, and took our unit overseas as part of the 3d Marine division.

Achieving the rank of brigadier general in July 1943 while serving on Guadalcanal, Shepherd was assigned as assistant division commander of the 1st

Marine division. He then assumed the 1st Provisional Marine Brigade in May 1944 and led it in the invasion and recapture of Guam. Promoted to major general, he organized the 6th Marine Division and led it throughout the Okinawa operation. He also took the division to Tsingtao, China, where, on October 25, 1945, he received the surrender of the Japanese forces in that area.

When the Korean war erupted, General Shepherd had just assumed command of the Fleet Marine Force, Pacific. In this capacity, he participated in the landing at Inchon and the evacuation of our forces from Hungnam following the withdrawal from the Chosin Reservoir in North Korea in December 1950.

On January 1, 1952, General Shepherd was appointed Commandant of the Marine Corps by President Harry S. Truman. General Shepherd was the first Commandant to become a member of the Joint Chiefs of Staff. After initially trying to retire from active duty in 1956, General Shepherd was called back to serve as Chairman of the Inter-American Defense Board. On September 15, 1959, General Shepherd relinquished his duties.

Among the numerous awards General Shepherd received during his career were the Navy Cross, the Army Distinguished Service Cross, the French Croix De Guerre, the Distinguished Service Medal with two gold stars, and the Legion of Merit with oak leaf clusters.

During General Shepherd's 42 years of service, he had the opportunity to influence thousands of young men that had the privilege to serve with him. He epitomized the virtues that every leader should strive to attain, and it is hoped that the new marine officers and all people could emulate the leadership qualities of Gen. Lemuel Cornick Shepherd, Jr.

TIME FOR ACTION ON SEED II

Mr. LIEBERMAN. Mr. President, as we come to the end of the 101st Congress, we have little time to reflect on the incredible changes that have taken place in Eastern Europe during the last 2 years.

Those changes have been nothing short of monumental. The Berlin Wall, symbol of the separation of East and West, is now a memory. But also gone is the first blush of enthusiasm for helping Eastern Europe. Understandably, we are preoccupied with events in the Middle East and problems with the economy.

Nonetheless, we should not forget our commitment to the nations of Eastern Europe, a commitment that spans four decades. We began the process of helping these nations by extending aid to Hungary and Poland last fall with the passage of SEED I. We should continue the process of helping the other nations of Eastern Europe by passing SEED II.

SEED II is a thoughtful, cost effective plan for aiding the emerging democracies of Eastern Europe. Its passage is crucial for maintaining American credibility in Eastern Europe and for helping American businesses capture a share of the vast potential of emerging Eastern European markets. SEED II not only offers direct aid to these nations, it also establishes programs that will help American firms investing in Eastern Europe.

Senator PELL recently sent a "Dear Colleague" that forcefully outlines the need to act on SEED II before we finish business for the year. The "Dear Colleague" also contains an excellent analysis of the legislation, including funding levels. I am inserting in the RECORD a copy of Senator PELL's "Dear Colleague" for those of my colleagues who may have missed it and for those many people following our actions with regard to aiding Eastern Europe.

In addition to commending Senator PELL for his leadership on this issue, I want to also commend Senators BIDEN and SIMON and their fine staffs for their hard work and effort in putting together SEED II and its predecessor SEED I.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
Washington, DC, September 17, 1990.

Subject: SEED II (East European Aid) Legislation.

DEAR COLLEAGUE: I wanted to provide you the summary of a major piece of legislation, the Support for East European Democracy Act of 1990 (SEED II), which was recently reported by the Foreign Relations Committee and which should be before the Senate in the near future.

SEED II is the principal element in the International Affairs Authorization Act (S. 2944). It represents a comprehensive revision of the Support for East European Democracy Act of 1989 (SEED I) enacted last November, and is among the most important pieces of foreign policy legislation reported by the Foreign Relations Committee during my three decades in the Senate.

You will recall that last fall, having received a rather modest Administration request for aid to Poland and Hungary, the Foreign Relations Committee began from scratch and drafted comprehensive SEED legislation to set the stage for a new American initiative in Eastern Europe.

The SEED Program created by that legislation, and as expanded by SEED II, is directed toward an unprecedented goal: that of helping new and evolving governments in Eastern Europe build successful free-market democracies on the rubble of failed communism. It does so not through a monetary giveaway, but predominantly through targeted technical assistance aimed at building institutions of democracy and institutions needed in free-market economies.

Two points about the SEED II legislation bear emphasis:

First, this bill is totally congruent with Administration policy as regards the kind of aid it envisages. It permits technical economic assistance and democracy-building assistance in all European countries that have been communist, including the Soviet Union. But aside from authority to participate in multilateral financial efforts (for example, stabilization back-up loans for countries such as Poland), all of the focus is on advisory how-to-do-it aid—not on loans or grants to governments. Indeed, in the case of the Soviet Union, such financial assistance is explicitly prohibited.

Second, while providing a sound framework for action, the bill contains no country-by-country earmarks and no provisions that require the President to take any particular action he does not regard as advancing the cause of building free-market democracies in Eastern Europe. The bill does mandate the President to implement two new programs, but ones Administration officials have agreed are sound and well worth undertaking in the context of this legislation's purpose. These programs are:

The Books-for-Eastern-Europe program, which will assist in the publication of a whole new political and economic textbook literature; and

American Business Centers, two of which will be built as models (probably in Warsaw and Prague) to support the start-up activities of U.S. firms on a user-fee basis. These activities would eventually, like the entire SEED Program, be phased out as the free market, based on free political institutions, gained strength.

A third program mandated in the bill—the Parliamentary Partnership—is congressionally-run and will simply formalize, and expand to other countries, the Gift-of-Democracy program already in operation to provide material aid to the new parliament in Poland.

I believe that SEED II does what good legislation should do, by setting out: broad goals and authorities, actions recommended for presidential consideration, certain actions required, funds adequate to do the job, the Executive flexibility to allocate that money under changing circumstances, and reporting requirements to facilitate congressional oversight.

As shown in the accompanying table, SEED II authorizes an FY 91 appropriation of $535 million substantially higher than the $300 million requested by the Administration. A majority on the Foreign Relations Committee was convinced that the larger effort was warranted and could be cost-effective in serving two fundamental U.S. interests:

(1) Consolidating the transformation of the communist world; and

(2) Ensuring a major political and economic role for the United States in the new Europe that will emerge.

Otherwise, I believe the bill contains no provisions that are at odds with Administration policy. Indeed, as the first order of business during floor action, I intend to propose a "Committee amendment" containing a variety of minor adjustments based upon Administration comments and additional Administration requests, which the Committee expects to receive shortly.

Because of the importance of this legislation and the considerable efforts within the Foreign Relations Committee to shape a bill that provides a broad mandate and wide flexibility to the President in meeting the challenge in Eastern Europe, I hope you will support prompt enactment of SEED II.

With every good wish.
Ever sincerely,

CLAIBORNE PELL.
Chairman.

SEED FUNDING LEVELS

	SEED I Authorizations 3 yr [1]	SEED I appropriations	SEED II House appropriations [2]	SEED II SFRC
Large scale loans/grants and food aid:				
Food aid	125	125		
Multilateral action	200	200		
Enterprise funds	300	50	214	225
AID/E.F.-type activities				
Private sector development:				
Labor transition	5	1.5		
Technical training	10	3		
Scholarships	10	2	80	100
Trade/develop program	6	2		
Peace Corps	6	2		
(American business centers)				([3])
Dem. Inst./Exchanges:				
Dem. institutions/ exchanges	12	4		
Exchanges/ed. & cul.	12	3	20	40
Science/technology	8	3		
(Parliamentary partnership)				[4] (12)
(Books for Eastern Europe)				([3])
Environment/housing/health:				
Environment	40	13.5		
Housing			105	100
Medical	4	2		
EBRD			70	70
Total	738	411	489	535
Supp. for missions/personnel				50

[1] SEED I authorizations unused during FY 90 will be repealed by SEED II, and the process shifted onto an annual basis.
[2] The House Appropriations bill has already passed the House.
[3] Activity is mandatory, but with no specific amount earmarked.
[4] $12 million to be transferred to support the Parliamentary Partnership program of material and advisory assistance to new parliaments, overseen by the Joint Task Force on East European Parliamentary Development.

SECTION-BY-SECTION SUMMARY OF THE SUPPORT FOR EAST EUROPEAN DEMOCRACY ACT (AS AMENDED BY SEED II)

Sec. 1. Title and table of contents:

Sec. 2. United States policy regarding Eastern Europe:

This section provides an overall statement of United States policy, which is to promote the transition of communist countries of Europe to free-market democracy and full membership in the family of democratic nations.

Sec. 3. Legislative authority for Presidential action:

This key section describes the essence of the SEED legislation, which is to provide technical assistance for environmentally-sound development of private sector economic institutions and democratic political institutions.

The definition of an "eligible" country is set forth such that the President is authorized to use any particular authority in the SEED Act if he determines that the use of that authority would assist a particular European country in the emergence or transition from communist rule "through the development or strengthening of democratic institutions and the practices of a free-market economy."

While this authority would enable the President to extend technical assistance (primarily in the nature of instruction and advice) into the Soviet Union or any of its republics for purposes of strengthening the private sector or building institutions needed for democracy, loans or grants to the Soviet Government, or any instrumentality thereof, are explicitly prohibited in Title XII.

Sec. 4. Support for East European democracy (SEED) Program:

This existing, but now expanded section, identifies all of the activities of the U.S. Government—some authorized in this bill, some authorized and funded elsewhere—that comprise the overall SEED effort.

TITLE I—STRUCTURAL ADJUSTMENT AND U.S. SUPPORT FOR MULTILATERAL ACTION

Sec. 101. Policy and authority on structural adjustment:

This section encourages and authorizes the President to join in a multilateral debt write-down in Eastern Europe. This action would be highly cost-effective inasmuch as the U.S. would sacrifice an almost worthless "asset" (debt unlikely to be repaid) for the enormous financial improvement in the condition of countries such as Poland that would result from an across-the-board lifting of debt by all Paris Club lenders.

Sec. 102. Agricultural assistance:

This section encourages appropriate P.L. 480 assistance as part of a multilateral program of agricultural aid for Poland and other eligible countries.

Sec. 103. Debt-for-equity swaps and other special techniques:

This section advocates innovative techniques for accomplishing multiple goals, such as debt reduction combined with environmental improvement.

Sec. 104. IMF membership:

This section urges U.S. efforts to promote International Monetary Fund membership for East European countries at the appropriate time.

Sec. 105. OECD East-West Center:

This section urges United States participation in this new institution.

Sec. 106. European bank for reconstruction and development:

This section sets forth relevant findings, followed by authorization of U.S. participation in the EBRD.

TITLE II—PRIVATE SECTOR DEVELOPMENT

Sec. 201. Enterprise funds for Poland and Hungary:

This section, enacted in SEED I, provides basic authority for the Polish-American and Hungarian-American Enterprise Funds.

Sec. 202. A.I.D. authority to support private sector development:

This section provides broad authority to AID to conduct Enterprise-Fund type activities.

Sec. 203. Labor market transition:

This section, enacted in SEED I, provides basic Dept. of Labor authority for SEED activities.

Sec. 204. Technical training for private sector development:

This section authorizes a variety of AID programmatic goals in many fields. The activities described in 208–216 would be specific ways to accomplish a number of these goals.

Sec. 205. Free enterprise corps:

This section defines the concept of a Free Enterprise Corps to promote private sector development and encourages AID to aggregate a number of programs under this heading.

Sec. 206. Peace Corps programs:

This section encourages Peace Corps activities supportive of the SEED Program and consistent with the Peace Corps Act.

Sec. 207. Use of local currency generated by agricultural assistance:

This section authorizes certain uses for local East European currency produced by the sale of U.S. agricultural aid.

Sec. 208. International Executive Service Corps (IESC):

This section encourages effective utilization of the IESC.

Sec. 209. Practical Business Training Program:

This section describes and encourages establishment of a program to support practical business training for East European business managers and executives.

Sec. 210. Worker retraining assistance:

This section encourages U.S. support for worker retraining and job placement in eligible East European countries and use of the AFL-CIO Free Trade Union Institute as a key agency for such assistance.

Sec. 211. Travel tourism training for early hard currency earnings:

This section encourages U.S. assistance for training in the skills needed to realize the hard-currency earnings potential of the travel/tourism industry in East European countries.

Sec. 212. SEED Foundation:

This section authorizes and encourages the establishment of a new foundation, modeled on the highly successful Inter-American Foundation, to operate at the grass roots level to assist the start-up of small businesses in Eastern Europe. (Sec. 101 encourages arrangements whereby East European governmental debt not forgiven is repaid in local currencies which are then channeled into SEED Foundation activities.)

Sec. 213. Business and management education initiative:

This section encourages the President to provide financial support for a comprehensive program under which American universities with strong business schools would assist East European institutions of higher education in developing curricula in business and management skills.

Sec. 214. Support for family farm and agribusiness development:

This section sets forth policy goals for U.S. assistance for family farm and agribusiness development in eligible East European countries.

Sec. 215. United States policy of private financial support for credit unions:

This section sets forth a policy regarding U.S. encouragement of the development of credit unions in Eastern Europe.

Sec. 216. Small Business Administration programs:

This section encourages SBA programs in Eastern Europe where those activities would augment and not duplicate other U.S. private sector development initiatives.

TITLE III—TRADE AND INVESTMENT

Sec. 301. Use of generalized system of preferences:

This section notes that Poland was granted eligibility for GSP trade treatment by SEED I, and encourages the President to use such authority as appropriate to promote private sector development in that country.

Sec. 302. Overseas Private Investment Corporation Programs:

This section (in conjunction with amendments elsewhere in the SEED II bill) urges and authorizes the President to expand OPIC programs in Eastern Europe in accord with the eligibility criteria set forth in section 3.

Sec. 303. Export-Import Bank Programs:

This section urges and authorizes the President to expand EXIM Bank activities in Eastern Europe in accord with the eligibility criteria set forth in section 3 (while noting that EXIM Bank activities in any country can begin only after trade normal-

ization has occurred under the criteria and procedures of the Jackson-Vanik amendment).

Sec. 304. Trade Credit Insurance Program for Poland:

This section notes that SEED I authorized the President to provide back-up guarantees to the EXIM Bank for the short-term financing of exports to Poland; notes further that elsewhere in SEED II the President is authorized to guarantee medium-term financing as well; and encourages the President to use such authorities as appropriate to promote Polish private sector development.

Sec. 305. Trade and development program activities:

This section authorizes Trade and Development Program activities in eligible East European countries.

Sec. 306. Bilateral investment treaties:

This section urges the President to seek bilateral investment treaties with eligible East European countries.

Sec. 307. Reduction of Cocom restrictions:

This section encourages further reduction in Cocom export controls consistent with the need to protect militarily sensitive technology.

Sec. 308. Conference on expanded technological cooperation:

This section "urges the President to act, in cooperation with its allies and eligible East European countries, to support the convening of a non-governmental international conference, involving key leaders in science and industry, that would yield analysis and recommendations of means by which valuable advanced technologies might be incorporated safely, with rigid and effective safeguards against diversion and military use, in expanded East-West economic activity."

Sec. 309. Port access:

This section promotes a policy of granting greater access to U.S. ports for the vessels of eligible East European countries by mandating that access of such vessels shall not be denied except for reasons of "safety, protection of the national security, and the need to rectify unfair foreign trade and shipping practices."

TITLE IV—EDUCATIONAL, CULTURAL, AND SCIENTIFIC ACTIVITIES

Sec. 401. Educational and cultural exchanges and sister institutions programs:

This section urges the expansion of various government-funded and privately-funded exchange activities, and governmental support for the establishment of "sister institution" relationships between American and East European cities, universities, and other organizations.

Sec. 402. Scholarship partnership:

This section authorizes AID to establish and administer a program of scholarship aid to enable East European students to study in the United States, with an emphasis on business and economics.

Sec. 403. Science and technology exchange:

This section authorizes funding for implementation of existing science and technology exchange agreements with Hungary and Poland, and urges negotiation of similar agreements with other eligible East European countries.

Sec. 404. Clearinghouse to promote cooperation in higher education:

This section urges USIA and the Department of Education to cooperate in providing a clearinghouse to facilitate creation of "sister institution" relationships between American and East European colleges and universities.

Sec. 405. Soviet debt repayment and United States-Soviet exchange:

This section expresses congressional approval of the concept of Soviet repayment of outstanding Lend-Lease debts in the context of a bilateral agreement under which the United States would agree to use proceeds from such repayment to support educational exchange and SEED Foundation activities that would strengthen free-market democracy in the Soviet Union.

Sec. 406. Books for Eastern Europe Program:

This section requires implementation of a Books-for-Eastern-European program designed to enhance the printing and publication capabilities of eligible East European countries in order to meet their urgent need for new political, historical, and economic literature.

Sec. 207. Library exchange:

This section urges financial support for efforts by U.S. libraries with relevant resources to assist East European libraries in reconstituting themselves as repositories of national culture and heritage.

Sec. 408. Andrei Sakharov educational exchanges:

This section, in combination with another, authorizes and urges implementation of an Andrei Sakharov exchange program to facilitate study by graduate students in the United States and eligible East European countries in the fields of environmental protection and the health sciences.

TITLE V—DEMOCRATIC INSTITUTION-BUILDING

Sec. 501. Sustained support for transition to democracy:

This section authorizes the President to use AID, USIA, the National Endowment for Democracy, and other agencies in a "comprehensive and sustained effort to facilitate the transition in Eastern Europe from totalitarian communist rule to a system of political democracy" through assistance in the building of judicial, economic, journalistic, trade union, and political institutions.

Sec. 502. Association of Former Members of Congress:

This section urges appropriate utilization of the Association of Former Members of Congress in "a constructive role in advertising government and organizations in Eastern Europe on electoral and legislative procedures of constitutional democracy."

Sec. 503. Civic education exchanges:

This section urges implementation of a USIA program to familiarize educators in East European countries with American curricula concerning the principles and practice of constitutional democracy.

Sec. 504. Institutionalizing civilian control of security forces:

This section urges U.S. leadership in a multilateral effort to promote instruction designed to assist East European nations in establishing civilian oversight and management of defense and internal security forces.

Sec. 505. Strengthening institutions of free broadcasting:

This section urges U.S. leadership in a multilateral effort to assist eligible East European governments in establishing institutions of governance and operation for editorially independent radio and television broadcasting.

Sec. 506. Rule-of-law initiative:

This section urges utilization of the American Bar Association in a program that would mobilize the Association's resources to provide technical assistance and training in the areas of constitutional law, criminal justice, judicial reform, and other legal areas of interest to eligible East European countries.

TITLE VI—FOSTERING PARTNERSHIP

Sec. 601. Parliamentary Partnership Program:

This section establishes a Parliamentary Partnership Program, funded at $12 million, to provide material assistance and advisory support to newly established East European parliaments. This effort, to be overseen by a joint congressional task force, will be supplemented by exchange activities administered by USIA.

602. Multilateral interparliamentary cooperation:

This section expresses congressional support for the establishment of a 35-nation (CSCE member) interparliamentary assembly modeled (and perhaps built) on the North Atlantic Assembly, in which Congress has participated actively since 1955. The provision mandates appointment of a small congressional delegation to explore and participate in current European efforts to form such an institution.

Sec. 603. Joint Commission on Economic Conversion and Constructive Partnership:

This section urges U.S. participation in a joint U.S.-Soviet commission mandated to identify potential joint economic ventures of mutual benefit; means by which defense resources could simultaneously be reallocated to non-military purposes; and ways in which the two powers could exercise joint leadership in improving the global environment, world health care, and human welfare.

Sec. 604. Role of the States:

This section encourages participation by governors and State agencies in SEED Program-related activities, and mandates the Executive branch to provide necessary information to assist governors in preparing proposals for SEED Program participation.

TITLE VII—SUPPORT FOR AMERICAN BUSINESS INITIATIVE

Sec. 701. Director for American business initiative in Eastern Europe:

This section mandates the President to designate a Director for American business initiative in Eastern Europe to be responsible for operations of the East European Business Information Center system (and related job bank and market research activities); to assist in the establishment and operation of American Business Centers in Eastern Europe; and to coordinate the White Conference and Presidential Advisory Board mandated by this title.

Sec. 702. East European business information center system:

This section mandates the President to establish an information system to serve as a clearinghouse for information needed by Americans engaged in business and voluntary activities in Eastern Europe.

Sec. 703. Creation of American business centers to promote technical assistance and trade opportunity:

This section urges the creation of a network of American Business Centers to support, on a user-fee basis, the start-up business activities of U.S. firms in Eastern Europe. The provision mandates creation of two such Centers at locations to be determined by the President.

Sec. 704. Market research and job banks:

This section mandates the Director of American business initiative in Eastern Europe to undertake an intensified program

of market research in that region to identify the full range of business opportunities for American firms, and urges the establishment of a job bank system to catalog the names and skills of American and East European applicants.

Sec. 705. White House Conference and Presidential Advisory Board to Promote American business initiative in Eastern Europe:

This section urges the President to convene a White House conference and assemble a Presidential Advisory Board in order to develop effective means of supporting American business activity in Eastern Europe.

TITLE VIII—ENVIRONMENTAL PROGRAMS

Sec. 801. Environmental initiatives:

This section authorizes a range of assistance activities in Eastern Europe to be conducted by the Environmental Protection Agency and the Department of Energy, to include U.S. support for the establishment of a Regional Environmental Center in Budapest.

Sec. 802. Technical assistance to prepare for environmentally sound infrastructure modernization:

This section urges emphasis on technical assistance that serves to assist eligible East European countries in planning for environmentally-sound infrastructure modernization and, in the process, orients decisionmakers in such countries to the merits of American-produced environmental technologies.

Sec. 803. Conference on the environment:

This section urges U.S. support for an international environmental conference under the auspices of the Regional Environmental Center in Budapest.

Sec. 804. Energy and Environmental institutes:

This section urges U.S. support for the creation of national energy and environmental institutes in eligible East European countries to promote sound national decision-making and the successful functioning of the Regional Environmental Center.

Sec. 805. Cooperation on conservation:

This section urges U.S. support for the development of sound conservation policies in Eastern Europe, with emphasis on protection of water resources, fish, and wildlife, and authorizes participation by the U.S. Fish and Wildlife Service.

Sec. 806. Agenda for regional environmental center:

This section urges the President to advocate certain goals in the context of negotiations aimed at creating an agenda for the Regional Environmental Center in Budapest.

Sec. 807. Safer nuclear power:

This section urges the President to promote the attainment of a multilaterally-supported, independent and objective examination of nuclear facilities in Eastern Europe, leading to recommendations regarding the future of such facilities.

TITLE IX—HEALTH, HOUSING, AND HUMANITARIAN PROGRAMS

Sec. 901. Medical assistance:

This section authorizes assistance to eligible East European countries for medical training and health care planning.

Sec. 902. Assistance for housing:

This section authorizes technical assistance to eligible East European countries to improve housing and associated infrastructure, and authorizes guaranties under the housing guarantee provisions of the Foreign Assistance Act of 1961.

Sec. 903. Aid for victims of Communist regimes:

This section urges the Administration to act with allies and multilateral humanitarian agencies, to assist persons traumatized by brutal treatment under the old order in Eastern Europe, and specifically calls for the President to act to ameliorate the plight of Romanian orphans.

TITLE X—SEED PROGRAM MANAGEMENT

Sec. 1001. Policy coordination of SEED Program:

This section, enacted in SEED I, directs the President to designate a SEED Program Coordinator within the Department of State.

Sec. 1002. Encouragement and support of volunteerism:

This section urges the Director of American business initiatives in Eastern Europe, under the direction of the President, to use the East European Business Information System, the job banks under section 704, periodic mailings to American civic organizations, and other means to encourage and support voluntary assistance to eligible countries.

Sec. 1003. Adequate staffing at United States Embassies and missions:

This section directs the Secretary of State to study the personnel needs of U.S. missions and trade centers in Eastern Europe, and directs that the $50 million in additional funds authorized to be appropriated by section 1201(a)(3) be used so as to meet increased personnel needs in Eastern Europe while sustaining U.S. representation levels in Western Europe during a time of sweeping economic change throughout Europe.

Sec. 1004. Soviet-Eastern European Research and Training Act Program:

This section urges allocation of some of the funds authorized by section 1201(a)(3) to this program that supports training of U.S. experts on Eastern Europe.

Sec. 1005. Cost-effective use of surplus equipment:

This section mandates the General Services Administration and the Department of Defense to survey existing U.S.-Government-owned surplus equipment for possible cost-effective use in the SEED Program, and authorizes such assistance with certain limitations.

TITLE XI—REPORTS TO CONGRESS

Sec. 1101. Report on initial steps taken by United States and on Poland's requirement for agricultural assistance:

This section, enacted in SEED I, required a report on early actions and needs under the SEED Program.

Sec. 1102. Report on confidence-building measures by Poland and Hungary:

This section, enacted in SEED I, required a report concerning certain measures that could be taken by Poland and Hungary.

Sec. 1103. Report on environmental problems:

This section, enacted in SEED I and modified by SEED II, elaborates on the environmental reporting required to be included in the annual reports submitted under section 1104.

Sec. 1104. Annual SEED Program report:

This section requires and describes an annual SEED Program report to be submitted beginning not later than January 31, 1991.

Sec. 1105. Reports on certain activities:

This section requires a simultaneous classified report on any espionage activities against the U.S. and its allies by any country receiving assistance under this Act.

Sec. 1106. Notifications to Congress regarding assistance:

This section requires notifications concerning reprogramming of funds in accord with established procedures under the Foreign Assistance Act of 1961.

TITLE XII—SEED PROGRAM FUNDING

Sec. 1201. Authorization of appropriations:

This section authorizes: $465 million in FY91 funding for various kinds of bilateral SEED Program assistance to eligible countries; a $70 million FY 91 contribution to the European Bank for Reconstruction and Development as the first of five equal annual contributions; and $50 million in additional FY 91 funding for the Department of State and other foreign affairs agencies.

The $465 million for bilateral aid is further allocated (without specific earmarks) among various titles of the SEED Act, and three activities are established as mandatory: the Parliamentary Partnership program (required by Sec. 601); the Books-for-Eastern-Europe program (required by sec. 406); and two model American Business Centers (required by sec. 703).

Sec. 1202. Technical provisions:

This section contains certain technical provisions relating to the use of funds authorized by section 1201.

EULOGY FOR ALTHEA SIMMONS

Mr. BIDEN. Mr. President, I speak with a heavy heart in memory of a close, good friend. Yet as I speak in memory of Althea Simmons, while I mourn her recent death, I cannot speak mournfully of her life, nor of the long personal friendship I enjoyed with her during her 13 years as the director of the NAACP's Washington office.

Althea Simmons was an extraordinary person, an extraordinary woman, a highly skilled black lawyer from Shreveport, LA, who brought to her Washington duties a wisdom untainted by the bitterness of 26 years as an NAACP field organizer in the troubled South of the fifties and sixties might understandably have engendered in her. It was not, by any means, that she had been unaffected by those long, frustrating, often dangerous years. You had only to meet her once to see clearly in her eyes the record of the costly successes and costlier disappointments of those years, and to see in that same direct, unwavering gaze the inner strength and the utter fearlessness that had carried her though them.

Although she left behind a South that had begun to free itself from the shadows of the past and today struggles side by side with the rest of the nation toward a fuller, freer future for all Americans, she came to Washington knowing that her task was far from finished, knowing that she would not live to see it concluded—and absolutely undaunted and unembittered by that realization. She had the capacity to draw strength and courage both from the adversity of the past and

from the promise of the future, and she never burdened herself either with regrets for causes lost nor with illusions about victories yet unwon. She was that rarest and most invaluable of personalities—an idealist who never abandoned her vision and a pragmatist who never scorned the hard, plain work it takes to make a dream come true.

As anyone who knew her will testify, being lobbied by Althea Simmons was a unique experience. It was as though she had somehow absorbed both the smiling, persistent, don't-take-no-for-an-answer political persuasion of a Lyndon Johnson and the gentle-but-oh-so-tough moral muscle of a Martin Luther King, Jr. If you found yourself alone in a room with Althea on a mission, you came out on her side—or wishing you were. You couldn't ignore her and she left you no place to hide. When you talked with her, you knew you were hearing the unvanquished, unvarnished voice of a truth she had lived and meant to be heard; a voice that made her case with care and precision—and a directed passion that was never off target; a voice that was by turns quietly persuasive and eloquently forceful; a voice that blended moral strategies and practical tactics into irresistible argument.

She was canny and she was cagey, but she never allowed you to lose sight of her objective. She was never threatening, but she never allowed you to be confused about the probable consequences of your actions or inactions. She knew when to push and when not to push—and when she applied the pressure, it was always framed in compelling moral terms that conveyed an unmistakable political message. And she resolutely refused to look back. Her approach was never, "What have you done for me lately?", but "What can we do next?"

No one who knew her will ever forget Althea Simmons. I grew to know her well over the years. I learned to admire her ability as a advocate. I learned to respect her intergrity in a cause, even when I could not always go as far as she wished—although I will admit with no apology that more often than not I took her advice, because she urged me in directions my conscience knew I should take and my judgment told me the country should take.

I was first introduced to Althea Simmons by my good friend and her predecessor, Clarence Mitchell, and I learned quickly to value her, too, as a friend, my friend. No matter how keenly she felt her cause in a given instance, I knew she would not ask me to do anything I found personnally disagreeable or damaging—not simply to make it easier for her to come back and fight another day, but even more to make it possible for me to do better on another day. And no matter how much I might fall short of her standard on a given occasion, she would not convert her disappointment with me into a personal grievance—not simply to avoid offending me, but even more to avoid offending her own sense of values and her own definition of friendship.

She was a friend in need who struck the right note with no overtones of quid pro quo—when I was deciding whether to withdrew from the campaign for the presidential nomination, she wrote to argue, touchingly, that I should not; and when I had a brush with death a few months later, she wrote, warmly, of her alarm, her sympathy for my family and her relief at my recovery. And she wrote not as Althea the lobbyist, dashing off some practiced boilerplate, but as Althea, my friend, sharing her own matchless strength and unalloyed courage—not because I was a Senator, not because I chaired the Judiciary Committee that was the avenue to most of her goals, but because she was Althea, she was my friend, and she cared. I will miss her more than I can say, but I will never forget her.

None of us—in the Senate, in the House, among her fellow toilers in the vineyard of civil rights, and most of all among her friends—will ever forget Althea Simmons, and she will not lack for monuments, for she built her own in a lifetime of dedication to the welfare of those for whom and among whom she worked for many years in the field, to the civil rights which are the most precious possession of all Americans, and to the even greater future of the great Nation she loved and labored for.

We will never say goodbye to the memory of Althea Simmons, but we can offer her an epitaph in action, and I believe there is no better place to find the prescription for it than in the words of her good friend, our good friend—the affectionately titled "101st Senator"—Clarence Mitchell, who could not have spoken better for Althea Simmons than when he said, "What is important is building a democracy that is a shield for the humble and the weak as well as a sword for the strong and the just." And that is how we will best remember her. Each day we move closer to providing America with the shield and sword of that demoracy, each day we act in this place to preserve and extend the civil rights and civil liberties to which she dedicated her life, we bring Althea Simmons' dream closer to the reality she was sure it would one day achieve, and we hold her closer to our hearts.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,013th day that Terry Anderson has been held captive in Beirut.

Since the August 2 invasion of Kuwait, two significant questions have gone unanswered. What has become of the da'wa prisoners? And how will their fate affect the hostages in Lebanon held by Islamic Jihad?

Last week we heard reports that these prisoners had been "turned over" to Iran. That Imad Mughniyeh's brother-in-law is in the hands of a longtime ally. Yesterday, the Associated Press reported that Iran's Ambassador to Pakistan, Javad Mansoori, "refused to elaborate but said Teheran has received 'promises' from pro-Iranian groups holding the hostages in Lebanon."

In a thorough special to the New York Times, Elaine Sciolino notes these developments as well as the administration's acknowledgment that "the invasion may have indirectly improved the chances of freeing American hostages long held in Lebanon." Mr. President, I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Sept. 19, 1990]

IRAN, HOLDING KEY, HINTS AT HOSTAGE RELEASE

(By Elaine Sciolino)

WASHINGTON, September 18.—Iraq's invasion of Kuwait may have indirectly improved the chances of freeing American hostages long held in Lebanon, Administration officials said today.

In the confusion of the invasion, a group of prisoners whose fate is tied to that of the hostages were freed and are now in the hands of the Iranian authorities, the officials said. Iran has considerable influence over the Shiite Muslim factions linked to the fundamentalist Party of God, which holds most of the 12 Western hostages in Lebanon.

In 1983, 17 men were imprisoned in Kuwait for conducting a terrorist campaign against the American and French embassies and public buildings and oil installations. The primary condition for the release of some of the Western hostages was freedom for these prisoners, Iraqis who belong to Al Dawa, or The Call, a radical Shiite Muslim group outlawed by President Saddam Hussein of Iraq that was dedicated to exporting Iran's revolution.

ASSAD TO VISIT TEHERAN

The first official hint of a possible hostage release came in statements today by Javad Mansoori, Iran's Ambassador to Pakistan, who said that some hostages may be freed in the next few days. "The number and when is not known," Mr. Mansoori said at a news conference in Islamabad, The Associated Press reported. The Ambassador added that Iran had received "promises" from pro-Iranian groups holding the hostages in Lebanon.

In Damascus, President Hafez al-Assad of Syria announced that he will visit Teheran next week, where the fate of the hostages is expected to be one of the main topics. Syria, Iran's main Arab ally and the primary

power broker in Lebanon, has helped bring about earlier hostage releases.

Islamic Holy War, a pro-Iranian group, has repeatedy demanded the release of the prisoners as a condition for freeing its hostages, Terry A. Anderson, the chief Middle East correspondent of The Associated Press, and Thomas Sutherland, dean of agriculture at the American University of Beirut, who have both been held since 1985. The leader of Islamic Holy War, Imad Mugniyah, is the brother-in-law of one of the prisoners.

"Iran has always had some ability to influence the hostage takers, but now their influence is greatly enhanced," said Zalmay Khalizad, a senior analyst at the RAND Corporation and a former State Department official who followed Iran and Iraq.

The Kuwait Government, with strong United States support, consistently refused to bargain the prisoners for the hostages. But Iran has varying degrees of leverage over the loosely knit terrorist groups known collectively as the Party of God that hold six Americans, three Britons, two West Germans and an Italian.

The Teheran Government has occasionally used its influence to win the release of Western hostages, and President Hashemi Rafsanjani hostages in Lebanon should be freed.

When Kuwait was invaded, 15 of the Dawa prisoners were still being held and 2 had been released after serving five-year sentences.

Administration officials do not agree on how the prisoners fell into Iranian hands. Some say that during the invasion the 15 prisoners escaped from the high-security Salibeyeh Prison. Most made their way to Iran, although some are believed to have fled elsewhere, probably to Lebanon, these officials said. Other officials believe that the prisoners were seized by Iraqi troops, taken to Baghdad and handed over to Iran to win concessions from Teheran. Baghdad has reportedly been trying to induce Teheran to help break the economic embargo imposed on Iraq after the invasion of Kuwait.

"They were scooped up within 24 to 36 hours of the invasion and taken to Baghdad to be bargained," said an Administration official who closely follows Iran. "They were turned over to Iran as a conscious act of policy."

The release of the American hostages is of deep concern in the Bush Administration. Secretary of State James A. Baker 3d told reporters that he discussed the issue in his meeting last week with President Assad of Syria.

Mr. Baker said he stressed the importance of the hostages' release and thanked Mr. Assad for his past efforts to win freedom for some of those held. Mr. Assad did not indicate that he thought the hostages would be freed soon Mr. Baker said.

Since the invasion of Kuwait, the Bush Administration has begun a concerted public and private diplomacy campaign to send Iran three basic messages that Washington wants to improve relations with Teheran, that it is in Iran's interest to comply with the global embargo of Iraq and that American forces in Saudi Arabia are not a threat to the Teheran Government.

Days after the invasion, there were unconfirmed reports that the Dawa prisoners had been rounded up and taken to Baghdad for execution. Kuwait's chargé d'affaires in Jordan, Faisal al-Mukhaizem, was quoted as having said that the prisoners were taken to Baghdad and that the Iraqis planned "to use them as bargaining counters."

Two weeks after the invasion, a Lebanese man who fled from the Kuwait prison said the Dawa prisoners were at large in Kuwait and waiting to flee to Iran, United Press International reported from Tyre, Lebanon, on Aug. 18. The agency quoted the Lebanese, Abdel Aziz Krayem, a 40-year-old Shiite Muslim who was serving a 15-year term for masterminding bombings in Kuwait, as having said the prisoners fled after some family members of Kuwaiti prisoners "just disappeared into the streets of Kuwait," U.P.I. quoted Mr. Krayam as having said.

TRIBUTE TO ALTHEA T.L. SIMMONS, ESQ.

Mr. HEFLIN. Mr. President, in March of this year, I gave a floor speech entitled, "National Bar Association Honors Mayor David Dinkins and Attorney Althea Simmons." I wish to reiterate excerpts from that floor speech at this time.

Mr. President, I have known Attorney Althea T.L. Simmons ever since she succeeded the late Clarence Mitchell as Chief Congressional Lobbyist for the Washington, D.C., Bureau of the NAACP. Although he was a very tough act to follow on Capitol Hill, Althea has met the challenge of becoming a good lobbyist by walking quietly in her own footsteps.

One of my colleagues and friends on the Senate Judiciary Committee, Orrin Hatch, has said of Althea, "She's one of the most effective, intelligent lobbyist on the Hill today. * * * She knows the issues and pushes them with a great deal of aplomb. * * * She's had a great influence on me."

She has worked quietly behind the scenes with other civil rights groups to help win such legislative victories as the extension of The Voting Rights Act, The MLK, Jr., Birthday National Holiday Bill, and a bill imposing sanctions against South Africa.

Mr. President, I regret very much to say that Althea will be unable to accept her Gertrude E. Rush Award in person on Saturday, March 24th. It is my understanding that she has been an inpatient at the Howard University Hospital since around the first of November, 1989. Her discharge date is still uncertain. Nevertheless, I still wish to congratulate her and wish for her speedy return to her job and to Capitol Hill!

Mr President, last week the national civil rights community lost one of its most dynamic advocates—Althea T.L. Simmons. She will be eulogized tomorrow at the Asbury United Methodist Church here in Washington, DC.

As I understand it, tomorrow's funeral services will celebrate her life. In fact, the obituary has been designated euphemistically, "Reflections on a Life."

Mr. President, I ask unanimous consent that these reflections be printed in the RECORD.

There being no objection, the obituary was ordered to be sprinted in the RECORD, as follows:

REFLECTIONS ON A LIFE, ALTHEA T.L. SIMMONS-APRIL 17, 1924-SEPTEMBER 13, 1990

Universally, the oak tree symbolizes all that is good on earth. Early in the night of September 13, 1990, a mighty oak tree fell! Like a giant, towering, majestic oak, Althea, too, had expansive roots, branches, and leaves. Her great life was enduring, endeavoring, endearing, and energizing. The acorns from her tree have been scattered far and wide; while many have reached maturity, others are only now taking root.

Althea's strong roots touched the lives of many people. As Associate Director of Branch and Field Services of the NAACP, she had the responsibility of supervising its nationwide network of branches, field staff and the Membership and Youth and College Division. During her 28 years of service with the NAACP, she also held posts of National Education Director, National Training Director, Special Voter Registration Projects Director, and Director of the NAACP's 1964 voter registration drive.

Althea's true greatness was tried, tested, measured, and proven when she was tapped to be the successor to then retiring Clarence Mitchell as Chief Congressional Lobbyist for the Washington D.C. Bureau of the NAACP. She earned the reputation of being "one of the most effective, intelligent lobbyist on the Hill * * *"—strong, sturdy, reliable, renewing.

Althea's branches spread far and wide. She served:

As Chair of the Judicial Selection Committee of the National Bar Association;

On the editorial board of Integrated Education;

On the Board of the National Council on the Aging;

On the Executive Board of Delta Sigma Theta Sorority, Inc., as Co-Chair of the Commission of Social Action;

As former Chair of the Administrative Board of the Asbury United Methodist Church;

As a member of the General Board of Pensions of the United Methodist Church, where she was a member of the Committees on Corporate Fiduciary Responsibility, and Appeals; and chaired the Committee on Legal Concerns; and

As Committee Chair for a number of other national organizations.

Althea had strong educational roots—Southern University (LA); the University of Illinois; Howard University School of Law; and others. She received numerous awards and recognitions professionally, as well as for community services and civil and human rights.

Althea is survived by a sister, Earldean V.S. Robbins, of San Francisco; four nieces—Robin Simmons Robins, Alfreda Wall, Jacqueline Glover, and Sharon Simmons; and three nephews—Brett Simmons Robins, Michael and Darryl Simmons.

Compassionate, dedicated, and with a deep sense of justice, this generous life appeared as a mighty oak; and "* * * only God can make a tree."

Mr. DIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KERRY). Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. DIXON. Mr. President, I ask unanimous consent that I be able to

proceed under morning business for a very brief period of time.

The PRESIDING OFFICER. Without objection, it is so ordered.

ACID RAIN

Mr. DIXON. Mr. President, I rise today to call the attention of my distinguished colleagues to the recently released findings of the National Acid Precipitation Program. After a 10-year, $537 million study of acid rain, the report concludes that acid rain is in fact a long-term problem, but not the crisis we have been led to believe.

My purpose is not to deny our responsibility to mitigate the effects of acid rain. It is simply to make the case, once again, that it is absurdly unfair to ask just 9 States to account for 90 percent of acid rain reductions in the first phase, when those 9 States account for only 51 percent of total sulfur dioxide emissions. This is especially onerous when, at the same time, 18 other States will actually be allowed to increase their sulfur dioxide utility emissions. Acid rain is a national problem whose burden should rightfully be shared nationally.

To paraphrase an editorial from yesterday's Chicago Sun-Times, the acid rain title of the Clean Air Act will shaft the Midwest. Mr. President, I ask unanimous consent that the article referred to, written by Mr. Dennis Byrne, be reproduced in the RECORD at the conclusion of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. DIXON. Mr. Byrne points out, as I have many times, that the acid rain restrictions imposed by the Clean Air Act will increase some Midwest consumer's electric bills by as much as 25 percent and cost thousands of Illinois coal miners their jobs.

Interestingly enough, we are now hearing reports that while acid rain is certainly not benign, the emissions that are responsible for acid rain may actually help slow the advance of global warming.

Those of us from the industrial Midwest who were not represented on the committee that reported the acid rain title, offered proposals to share the cost of the clean up through generation fees, excess emission fees, industrial emission fees, and through tax credits for those that were required to make disproportionate reductions. Any of those proposals would have restored a little bit of equity to the acid rain reduction plan. Regretably, all were defeated.

Mr. President, at a time when our future energy costs remain uncertain, and additional energy taxes are being considered as a means of reducing our budget deficit, the findings of the national acid rain precipitation program report provides further support for the Clean Air Act conferees to restore some sort of equity to the acid rain provisions. We are not asking for a handout, Mr. President. We are asking for simple equity.

Mr. President, I ask unanimous consent that an editorial that appeared in the Chicago Sun Times September 10, be printed in the RECORD, and I yield the floor.

There being no objection, the article was ordered to be printed in the RECORD, AS FOLLOWS:

[From the Chicago Sun-Times, Sept. 10, 1990]

EASE ACID-RAIN PROVISIONS IN BILL

After 10 years, it's official: Acid rain is a long-term problem, but not an environmental emergency or crisis, as feared when the government began its $537 million study of acid rain in 1980.

The scientific report by the National Acid Disposition Program appears to support the judgment of Illinois' two senators, Democrats Alan J. Dixon and Paul Simon. They voted against the Clear Air Act last spring because, they said, its acid-rain provisions imposed unnecessarily harsh financial burdens on Illinois industry and would cost the state 18,000 jobs.

The report should encourage lawmakers to remove or soften those provisions in the Senate-House conference committee now wrangling over differences in the legislation.

The federal study should set the framework for further discussion on acid rain, which has generated more emotion than light in debate within the scientific, political and environmental communities. Two points in the study should be kept in mind:

Acid rain (emissions of sulfur dioxide and nitrogen oxides, mainly from coal-fired power plants) indeed damages the environment, threatening aquatic life in about 10 percent of streams in the East, possibly affecting sugar-maple forests in eastern Canada, reducing visibility in urban areas of the West, and helping to cause erosion and corrosion of stone and metal structures.

The degree of damage and potential damage in any of these areas is considerable less than estimated by alarmists.

These findings are particularly important to the Midwest, which has the country's largest concentration of coal-dependent utilities. Control measures that would be made necessary by the Clean Air Act, as now written, would run into the billions of dollars.

With fewer scientific uncertainties about acid-rain damage, government now can take the guesswork out of proposed regulations and work on the problem without costly disruption of heartland industry.

EXHIBIT 1

[From the Chicago Sun-Times, Sept. 18, 1990]

ACID RAIN RULES WILL SHAFT MIDWEST

(By Dennis Byrne)

Midwesterners are about to get shafted by Congress, and few people seem to care.

Thousands are going to lose their jobs and millions will have to cough up a ton of money to satisfy some East and West coast ideologues. But, so what? We're only Midwesterners.

The shafting is about to be applied by a congressional conference committee that, unless the sky falls in, will impose acid rain restrictions that will jack up some Midwest consumers' electric bills by as much as 25 percent and cost thousands of Illinois miners of high-sulfur coal their jobs.

All because it is an article of faith that emissions from Midwest power plants are destroying East Coast life forms. An article of faith, but not an article of science.

The latest scientific evidence to question the acid rain crisis-mongers comes from one of the most thorough, most expensive scientific studies ever conducted in this nation—the 10-year, $500 million National Acid Precipitation Program. It has tentatively concluded that acid rain is a problem, but not the crisis we're required to believe.

Yes, acid rain is helping to corrode stone and metal, and yes, it is reducing the ability of some high mountain trees to withstand the cold. But the program found that acid damage to eastern lakes is much less than the worst fears; that some tree damage may be more due to local soil conditions than to Midwest pollutants; that the evidence is lacking that acid rain in the United States harms crops. And on and on.

This isn't news. Scientists long have questioned the popular widom on acid rain. They have pointed out, for example, that the worst acid lake problems are in Florida, which does not receive high concentrations of acid rain. Other scientists are uncharacteristically passionate, calling the issue the "great acid rain flimflam."

All Congress had to do to discover that this is not a settled issue was consult the scientific literature. Instead, Congress consulted the likes of Rep. Henry A. Waxman (D-Calif.), who considers himself to be some kind of environmental czar whose word is law. Or Denis Hayes, the Earth Day 1990 chairman. A few months ago, when I asked Hayes for his opinion on the coming acid precipitation study results, he didn't have a clue to what I was talking about.

Most disappointing is the silence of the people in this state who strut around, claiming to represent the little guy against the ravages of high utility rates and big business greed. Not a word have we heard from them, because they would rather see rates go up or the little guy get fired than find themselves on the same side as a big, ugly utility in seeking to moderate the proposed acid rain restrictions. They would rather let some people join the unemployment line than find themselves on the same side as—ugh—Ronald Reagan who, albeit possibly in ignorance, questioned the seriousness of the acid rain problem.

I'm an environmentalist; some environmentalists think I am, too. But I am because that's where the scientific evidence leads me, not because of some feel-good, emotional high I get from being on the side of good, clean earth, sky and water. There's no better way to destroy the environmental movement than to base it on the emotional smog that energizes acid rain legislation.

Mr. DIXON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, for the information of Members of the Senate, Senators HATCH, METZENBAUM, PRYOR, HEINZ, and others who are principally involved in managing this legislation have been meeting throughout the day in an effort to resolve their differences and possibly reach an agreement that might enable the Senate to promptly dispose of this legislation.

Those discussions continue and, in order to permit them to go forward without inconvenience, I am momentarily going to suggest that the Senate stand in recess until 2 p.m. at which time we will be in a position to report to Senators on progress that has been made. I hope that we will be able to complete action on the bill today either by virtue of that agreement or even absent that. If we are unable to do so, then of course a cloture vote will occur tomorrow, cloture having been filed on the bill last evening.

So as to permit them to proceed and, hopefully, to reach agreement, Mr. President, I now ask unanimous consent that Senator GRAHAM of Florida be recognized to address the Senate, and that upon the completion of his remarks, the Senate stand in recess until 2 p.m.

I further ask unanimous consent that Senators still be permitted to file amendments until the hour of 1 p.m., under the cloture rule, as would be the case were the Senate in session during the time between now and 1 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I thank my colleagues and I thank the Senator from Florida for his patience.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Florida is recognized.

Mr. GRAHAM. I thank the Chair.

(The remarks of Mr. GRAHAM pertaining to the introduction of S. 2075 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. KERREY. Mr. President, I ask unanimous consent to be permitted to speak as if in morning business and, as under the previous order, the Senate go into recess at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE GULF CRISIS

Mr. KERREY. Mr. President, since Iraq's invasion of Kuwait last month and our response, the United States and the world's response to this brutal and illegal action, I have been personally and greatly troubled. Something in all of the rationale and all the explanations seems to be missing.

At first the missing piece was what the President did not tell the American people. Speaking to a nation that knew very little about Saddam Hussein, he filled in the blank with a picture of Adolf Hitler. This was more than a comparison. It was the rationale; the call to arms; it would become the motivator of the troops, the explanation for domestic sacrifice, and the answer given when a mother and father stood sadly together before a photograph of their son in uniform to ask: Why?

Missing was the story of years of American support for this modern Hitler—support from Commerce Department, support from our Ambassador to Iraq, support which continued in the face of direct evidence that Iraq might be only hours away from invading Kuwait. Missing was an explanation of why this modern Hitler's territorial designs on oil-rich Kuwait threatened America's vital interests, if his designs on Iran had not. Missing was a discussion of whether an internationally coordinated economic embargo, which would have been inadequate to the threat of Adolf Hitler, will enable us to accomplish our goals in the gulf, as I believe it will.

The President's address to Congress last week suggests his rhetoric has cooled. The references to Hitler are gone.

Still, in the early days of our response Saddam Hussein had become Adolf Hitler in the minds of man—and I believe probably a majority—of Americans. The threat of Iraq had eclipsed all others including the Soviet Union, against whose extinguished threat we nonetheless continue to deploy the lion's share of our defense structure.

The President's invocation of Hitler brought a public response that gave him permission to do whatever he had to do, to use whatever force was necessary to stop Saddam Hussein because "if you didn't stop him here, the next thing you know he would be in control of the world." That was, and is, our cause.

Why does it matter, Mr. President, that the threat was originally overdrawn or drawn at least in very fuzzy lines? Was not Saudi Arabia at risk? Yes, it was. And if, as the President says, intelligence indicated an invasion of Saudi Arabia was imminent, was he not justified in deploying American troops? Yes, he was.

However, I continue to feel strong personal reservations about the nature and extent of our commitment, because the scope of the threat invoked by the President does not seem to be reflected in the attitude of many of the the soldiers in Saudi Arabia who were shouting at Gen. Colin Powell last week: When do we get to go home and why did you take away our basic allowance for quarters?

And it did not seem to be on the minds of many in Congress last Tuesday evening as they shouted their most enthusiastic response to the Commander in Chief when he proposed to reopen the capital gains tax loophole.

Missing is the grim-faced attitude of people who really believe that the United States or at least an important strategic asset, is at risk. Missing is the conviction that we must fight with out lives because we are fighting for our lives. In short, when the President says this is the first cold war test of our mettle, it simply, honestly does not feel like it.

The war which influences George Bush began because of Adolf Hitler. The allied effort was successful because the evil of Hitler and his plan became clearer to Americans as the war, and the sacrifice required to wage it, progressed. At the moment of victory we rejoiced and wept and were thankful to be alive and free. This sense of gratitude was fundamental for a generation of Americans who knew what they had accomplished but could not possibly brag about it.

The war which influences me began because of a need to contain communism. We failed in that war because our enemy was not complaining about the lack of a housing allowance or asking when they were going to be rotated home. We failed because in the end our leaders had not adequately convinced the American people that the Communist Ho Chi Minh was a threat requiring our prolonged sacrifice.

I had begun to believe that we in this Nation could act differently this time. Now, I am not so sure. I am profoundly uneasy about the instant deployment of over 100,000 American troops, sold to the American people on false assertions that Saddam Hussein is Adolf Hitler, that our way of life is at clear and present danger, that we have as much at stake as we did in World War II. I am personally angry at Colin Powell for not recognizing that his own troops—professional, loyal, capable—do not possess the clear and essential understanding of why they have been called to battle.

At this moment I believe our military action was improperly rationalized, incompletely thought out, and dangerous. It is dangerous because it could provoke the war we seek to prevent. It is dangerous because it could create the instability we seek to avoid. It is dangerous because the countries with the most to lose—Kuwait and Saudi Arabia—did the least to prepare for this invasion.

One of the most disturbing assumptions in all of this is the one that declares: If we do not defang Hussein now, he will just be back in a few years to do the same thing. The assumption here is that we should remove with force what we have never in earnest

attempted to remove through other means. Recall that not long ago our Commerce Department was cabling "Hooray for you!" to American entrepreneurs seeking to export nuclear weapons technology to Iraq. The assumption here is also that we—the United States and the world—will go to sleep in the down-filled bed of moral relativism again. This will not happen. Indeed, once this crisis has cleared, we may find that Saddam Hussein is the 20th century's greatest gift to the urgent cause of controlling the spread of chemical and nuclear weapons and technology.

One of the best ways to evaluate and to see how the missing elements have distorted our own thinking is the near universal appeal of the burden sharing argument. It is everyone's favorite theme. It is bad enough that we are so fiscally overextended that we must import capital to pay for current consumption. It is bad enough that we are already borrowing 25 cents of each dollar in every soldier's paycheck because of the deficit. It is bad enough that we are asking young men and women to fight for our economic health abroad while we refuse to join their courage with our own by dealing with the deficit at home. What makes it worse is that we turn good news into bad. The outrage expressed over Germany's agreement to pay the Soviet Union $8 billion to withdraw their troops is a case in point. Would we prefer to have that $8 billion go to the Middle East if it meant leaving 360,000 Soviet soldiers in Germany? What nonsense we can preach when our soap box is flimsily built.

I repeat: Something seems to be missing. But it is not hope. We can still accomplish the good goals that the President has laid before the American people. We can build on the international accomplishments of the President in bringing almost all the nations of the world to focus their attention to develop pressure to bear on this blunt insult to international standards of behavior and decency.

What is needed, above all, is honesty. Our actions in the gulf cannot go beyond the confines of informed public consent and informed public support as well. Americans, neither ignorant nor gullible, are aware that our official policy until recently backed Iraq; that America's "way of life" was not threatened when Iraq, with out encouragement, sought to conquer Iran. The President owes our troops and our people a clear discussion of our interests—one which squares our past policies with our current goals. The memory of the American people is strong enough to understand when recent history has been sacrificed to the cause of persuasion. Our understanding is subtle enough to know that not all alarms are broadcast with the same piercing volume. Our men and women in uniform are dear enough that we owe them our last full measure of candor before we ask them for their last full measure of devotion.

Just imagine what it would have been like if the President had addressed the American people in early August with such candor. Imagine if he had informed us of Iraq's brutality against Kuwait, but also the extent of our previous complacency with the growing threat of Iraq's growing military force. Imagine if he had drawn the line in the Saudi sand, but also contrasted that line to the messages we had been sending Saddam Hussein prior to that invasion—messages which now appear foolishly tolerant and dangerously compliant. Imagine if he had told us of his willingness to comply with a Saudi request for armed support, but also shown us the intelligence photographs which made Saudi fears credible. Imagine if he had told us of the need to take arms to defend a new world order, but also explained exactly what that new world order is, and why we must be willing to fight for it. Mr. President, I believe that such a straightforward discussion of the crisis would have generated public support with a difference, and that is the difference between the silent assent of public opinion polls and the active support of an informed people.

Candor is not always comforting, of course. We were reminded of that truth in the past week by the candid interview and firing of Air Force Chief of Staff Michael Dugan. He deserved the demotion, but he also deserves some appreciation for giving the American people a few things they will need to make judgments—critical since we may be about to send American youth to die for us—about our policy in the Middle East.

Before I look at the cutting questions raised by General Dugan I would like to raise some objections to a Presidential suggestion which may fall into the category of background noise unless a protest is voiced: His announced decision to sell Saudi Arabia $20 billion worth of arms.

Like the President's idea of forgiving $7 dollars' worth of Egyptian debt this one appears to make sense on the surface. Unlike the Egyptian proposal—which would presumably reduce revenues in our Treasury—this one has more appeal because an arms sale will bring money into our economy. The United States finished the decade of the 1980's with its arms manufacturing superiority intact; and Saudi Arabia—its coffers bulging with $40 billion a year new money since the world's economic embargo of Iraq—is an arms salesman's notion of heaven: A customer who hates credit.

Allow me to weigh in with a few reasons this arms sale should be voided by a congressional veto:

First, it is simply wrong. The new world order described vaguely by the President surely does not mean a continuation of this old practice of selling weapons to the enemy of our enemy. Saudi Arabia's King Fahd is opposed to Saddam Hussein just as Saddam Hussein was opposed to Khomeni. Thus, King Fahd qualifies for the largest arms sale in the history of man's conduct in such activities. More commendable, I believe, as an example of national behavior in President Bush's new world order is that taken by Czechoslovakian Foreign Minister Jiri Dientsbier who withdrew his country from the international arms bazaar offering this as his justification: It is wrong. Mr. Dientsbier is right.

Developing a domestic economic strategy which will enable us to manufacture alternative goods will not be easy but it clearly is not impossible. Ours is not an absolute choice between jobs at home and moral principle abroad.

The third objective of the President is also the second reason I object: stability in the Middle East. It is upset with this sale. Already Israel has requested assistance in maintaining their edge and Israel—already hard pressed to handle the inflow of Soviet refugees—will not be so adverse to credit as the Saudis.

Third, the possession of weapons does not elaborate to the will to fight.

There is nothing in the current crisis which testifies to Saudi Arabia's willingness to fight, even in self-defense. More arms and more sophisticated arms will only make Saudi Arabia a more attractive target, Mr. President. We should recall that many of the arms we sold to the Shah quickly became the property of the Ayatollah Khomeini.

Fourth, when Saddam Hussein's Iraq no longer looms as the world's greatest threat to peace and stability, as it is today, who will Saudi Arabia's enemy be? Will they pick another of our enemies, or will they pick a friend like Israel? The condition which requires this question necessitates a polite and respectful no to the President's request.

Twenty billion dollars is a lot of money, Mr. President, for an economy struggling to keep its head above the recessionary waters swirling around us. However, we should be careful—very careful—not to let our foreign policy be completely dominated by the concerns of those who sell oil and weapons. Money stuck in our eye blinded us to the moral danger of Saddam Hussein in the first place, and we should not let it blind us to other dangers now.

Some who are arguing for the selection of the military option in the Middle East are unable to see any

other possibility. At one level, I agree: Saddam Hussein will not respond to kind words and obsequious agreement such as he has enjoyed from the United States prior to his invasion of Kuwait. He will not yield to our moral objectives—withdrawal from Kuwait, domestic human rights, demilitarization and democracy—unless he hears the foot steps of our military force.

Policymakers in the United States, on the other hand, dare not delude themselves into thinking that we do not need to debate what we are doing and to state our disagreements where they exist. A failure to do this—a simple and blind acceptance of everything the President as Commander in Chief does—will lead to bad policy and the potential loss of clear public support for what we are doing.

For this is the first post cold war use of force. If the American people discover that we have not taken appropriate care, then our mettle will have been tested and found wanting.

A good example of this is the incident involving General Dugan. Some of what General Dugan said did jeopardize our strategy in the gulf, but some of his candid remarks, I believe, could be helpful today.

In his interview he said: "Whether raining destruction would effect the withdrawal from Kuwait or Saddam's ouster is a political decision the President and others must make." We in the Congress are included in the "others," and we need to be asking ourselves that question. For my part, I answer the question negatively.

The fact of destruction raining from the skies may not get Saddam Hussein to withdraw from Kuwait, but the thought of it could get him to do the right thing. Mr. President, I believe the anticipation of pain is always worse than the pain itself. And thus we should use that fact, I believe, to force Saddam Hussein to do what he and all of us understand that eventually he must do.

That is why I believe United States policy should include, at the earliest moment, a joint high level visit to Baghdad by the United States and the Soviet Union, not just representing these two nations, but the entire world community. These two former adversaries, now united in purpose to oppose Saddam Hussein's invasion and occupation of Kuwait, I believe, could represent a substantial message to Baghdad and Saddam Hussein.

I believe our Secretary of State, and the Soviet Foreign Minister, should personally state our insistence to Iraq's leaders that our economic embargo will tighten, and our sword will hang over their heads, as long as Iraq holds Kuwait under its subjugation. Mr. Baker and Mr. Shevardnadze should use the weight of their own presence to emphasize the need for Iraqi satisfaction with the principles expressed in the U.N. resolutions.

Another statement illustrates how the presence of the American military forces changes both the political and the military dynamic. This one was not made by General Dugan, but by Lt. Gen. Thomas Ferguson, Commander of Aeronautical Systems Division, which is responsible for new Air Force technology. General Ferguson said this:

> If an F-117 (Stealth fighter) was shot down or crashed in Iraq, we'd go to considerable lengths—if we knew where the plane crashed—to bomb the wreckage to prevent the wreckage from reaching Baghdad.

His legitimate concern, Mr. President, for the loss of top secret technology apparently will override other considerations. This is implied in the phrase "go to considerable lengths." My colleagues may believe this is quibbling with the detail of our policy, but I assure my colleagues, it could have long-term repercussions if great civilian casualties were more acceptable than losing technology to a government which would probably not survive in the end.

Then there is General Dugan's honest evaluation that "we've already started to see the bloom come off the rose about the excitement of it all." I submit, Mr. President, this is a crucial piece of information that we dare not ignore. In our enthusiasm to support the President and to oppose Saddam Hussein, we dare not ignore this crucial piece of information.

Those of us who have little at stake but for political careers should listen to the intuitive feel from our soldiers who have a great deal more at stake.

Fortunately, there is still time for us to continue to act wisely in the gulf crisis and to benefit from the many unexpected opportunities this crisis has borne; to continue the great unity that this Nation and this world have shown in opposing Saddam Hussein.

The potential is still there for us to recognize the importance of candor; the folly of sending ever more arms to this volatile region; the inherent power of the internationally coordinated response we have helped impose; and the real possibility of building a new world order as the President describes. In short, the potential is still there to pursue a successful settlement to this conflict without the nagging sense that something is missing.

Mr. President, finally, I want to stress that this effort in the Middle East—as important as it is—cannot and should not distract us from the work here at home. Instead, we should be inspired to act even more courageously to address our growing domestic agenda. We should heed the advice of the former Chairman of the Joint Chiefs of staff, Adm. William Crowe, who strongly supports what the United States is doing in the Middle East, who answered a question about the need for defense spending cuts as follows:

> Of course. There are domestic problems plaguing the United States that must be addressed, and that means defense spending is going to have to suffer. But the health of the country demands it. Our future demands it. One of the terrible things about the Gulf crisis is that it focuses our attention on foreign affairs. but right now the most pressing problems facing this country are domestic—our infrastructure, our economy, our ability to lead the world in technology, the environment, drugs and, more important and basic than any of them, our education problems. In this sense, the reduction in military threat has come at a very good time, because as a nation we've got to turn our energy to domestic issues.

Mr. President, those are my sentiments exactly. I yield the floor.

RECESS

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 2 p.m.

Thereupon, at 12:37 p.m., the Senate recessed until 2 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. BURDICK].

The PRESIDING OFFICER. In my capacity as a Senator from North Dakota, I suggest the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NUNN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NUNN. Mr. President, I ask unanimous consent to be able to proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 1996 SUMMER OLYMPICS IN ATLANTA, GA

Mr. NUNN. Mr. President, I rise today in celebration of the decision announced yesterday from Tokyo by the International Olympic Committee that it had named Atlanta as the host of the 1996 summer Olympics.

In Atlanta, Georgia people are quite literally dancing in the streets, last night and even today. It is an excitement that is a genuine reflection of the "can do" spirit which has marked Georgia's effort to attract the Olympics. This effort has been going on for about 3 years now. The odds were heavily against Atlanta and Georgia. It was Atlanta's bid for an Olympics and Greece, the host to the first Olympiad, was a sentimental favorite. But in typical Atlanta, GA, fashion, a small group of leaders began to think the unthinkable, and to plan the im-

possible back in 1987. And then they confidently and deliberately built a winning case for Atlanta.

Indeed, because some other communities in Georgia are also involved, including in particular, Savannah, GA—they will host some events—this can be best described as a statewise victory.

Hard work and unity were clearly the key factors in securing this Olympic bid. Atlanta was by no stretch of the imagination a likely, much less an inevitable choice. In countless presentations, meetings, and communications the members of the IOC were slowly but thoroughly, in the final analysis, convinced mainly because the energy and enthusiasm that Atlanta displayed during the bid was proof to them that these same qualities would be brought to bear on actual preparations for the games.

Mr. President, thousands of Georgians contributed to this successful culmination from government, business, labor, and community organizations and volunteers from every walk of life.

I think we ought to focus a moment today, and I would like to point out in my remarks a few people who deserved particular thanks for their efforts:

Billy Payne, president of the Atlanta Olympic Committee, has been the driving force from the very beginning. Billy has personally persuaded hundreds of leaders from the public and private sector to adopt his faith and his confidence in the possibility of an Olympiad in Atlanta beginning with perhaps his most important recruit, former Mayor Andrew Young.

Andy Young placed his considerable international prestige at the full disposal of the Atlanta Olympic Committee, and he did more than anyone else to infect the entire community with a spirit of optimism about hosting the games. Mayor Young did not even let his historic campaign for Governor of Georgia this year interfere with his truly Olympian efforts. Just 2 days after his defeat in the Democratic gubernatorial primary runoff in August, undoubtedly exhausted and understandably disappointed since he did not emerge victorious, Andy Young went right back out on the campaign trail; went to countries all over Asia and Africa to help line up votes on the International Olympic Committee—a truly remarkable and successful effort.

Andy Young's predecessor, successor also, as mayor of Atlanta, Maynard Jackson, has been another key figure in this successful drive for the 1996 Olympics here in America. The summer games will virtually remake the face of Atlanta, GA. And Mayor Jackson's constant involvement in this overall bid process has helped assure the IOC that the facilities and support necessary for a successful Olympiad will be in place when the world comes to Atlanta in 1996.

Finally, Gov. Joe Frank Harris and the State of Georgia made it plain that the bid was a statewide project that extended a commitment of true southern hospitality from all 6 million Georgians. This morning's announcement represented an appropriate benediction on Gov. Joe Frank Harris' 8 years of work toward preparing Georgia to assume a leading role in the global economy and society of the future.

I would also add a word about Gov. George Busbee, who had preceded Governor Harris as Governor of Georgia, and who also played a key role both in the preparation of our State for this great honor and in soliciting the bid itself.

Mr. President, this is an historic day for Atlanta and for Georgia. We know full well that the Olympic bid could not have succeeded without the constant assistance of other Americans who became part of the Atlanta 1996 team the moment the U.S. Olympic Committee chose our city to represent the entire country in the selection process.

I also want to add my thanks to President Bush and to Vice President Quayle for personally contacting the IOC with timely expressions of support. Secretary of State Jim Baker also took considerable time and effort from an already overburdened schedule to contact key members of the IOC, and at my request he wrote the U.S. Ambassadors several months ago and urged them to do everything possible—once we had only one city competing—to push the American city, the city of Atlanta.

The U.S. Ambassadors to nations represented on the IOC made additional entreaties and assurances that Atlanta would hold an outstanding Olympiad.

Mr. President, Atlanta and Geogria will celebrate for probably the next 2 or 3 days, but beginning next week, at least by next week, we will all begin in earnest the enormous and painstaking task of preparing for the 1996 summer games.

We ask for continued support from our fellow citizens in the difficult work ahead, and certainly we are going to need some help from the House and the Senate, and the administration.

On behalf of the people of Georgia, I thank the International Olympic Committee for the honor and the privilege it has bestowed upon our State. We are ready to become part of the Olympic tradition. Georgia will do the games proud, for when the Olympic torch arrives in Atlanta in the summer of 1996 it will illuminate a community committed to our country's proud faith in the Olympic spirit of world peace and understanding.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GRAHAM). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. CHAFEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUPPORTING THE NOMINATION OF JUDGE DAVID H. SOUTER

Mr. CHAFEE. Mr. President, as have most Americans over the past few days, I have been watching closely the hearings on the nomination of Judge David Souter to be an Associate Justice of the U.S. Supreme Court. I have watched these hearings closely in order to find out more about David Souter, the jurist, and also David Souter the individual. It has been a fascinating and illuminating process, one that has helped me to arrive at a decision. I have come to the conclusion that I will support the Souter nomination, and I will vote for his confirmation when it comes before the U.S. Senate.

More than any other Supreme Court nominee in recent years, David Souter, by virtue of his quite possibly being the "fifth vote," the swing vote between liberals and conservatives, has been under intense scrutiny. It may not be fair, but it is a fact, and that fact is on everyone's mind.

In that context, I would like to take note that, given the weight of this nomination and the issues at stake for both sides, I think the President has done an extremely good job in being fair. By his own account and by that of the judge himself, no "litmus testing" took place during the judicial selection process. We have become accustomed to the charge, true or not, that judicial nominees are ideologically vetted before they are announced. Of course, that means that nominees they are greeted with a hearty dose of skepticism, which is very human and very understandable.

However, no one grilled Judge Souter or took him through a battery of philosophical tests before his selection was announced. Indeed, according to the judge, since the President's announcement last July, administration officials have helped pull together the material requested by Judge Souter, but have been scrupulously careful to avoid briefing him. That kind of process is exactly what we asked for, and I strongly commend the President and his administration for its conduct.

Judge Souter's nomination set off a whirlwind of speculation about who he is, and more importantly, what his judicial philosophy is. Despite his years on the bench and a record of 200-plus

opinions, very little was known about his philosophy on the Constitution and the rights and freedoms guaranteed therein. Thus, he began his testimony last Thursday with what might truly be called a blank slate.

I listened very carefully when Judge Souter began testifying last week. Without a doubt, his intellect and his ability to reason are outstanding. I do not think anybody will argue with those qualifications. He is clearly a legal scholar who has a phenomenal understanding and command of legal terms, concepts, and cases. His exchanges with various committee members were fascinating to watch, and educational as well. He is, I think I can say without qualification or challenge, superbly qualified to be a Supreme Court Justice.

But I think we all agree—and certainly I believe—there is more to being a Justice than having the intellectual capacity for the workings of the law. I believe there are other virtues we look for in a judge, particularly when we consider a nominee to the highest court of appeal in our land.

Yes, to a certain extent the interpretation of statutes, regulations, the Constitution, or the Bill of Rights, must be objective. But clearly the law is also open to interpretation. The Founding Fathers did not include everything in the Constitution, a brief document, briefer even than the constitution of my State. And thus, clearly the law is open to interpretation. It is made for human beings. It affects human beings. Thus, special qualities are necessary for that aspect of excelling as a Justice.

I believe the hearing process that we have watched over the past several days has revealed a man capable of carrying out that interpretative aspect of being a Supreme Court Justice, and carrying it out well. He has demonstrated the thoughtfulness and the compassion needed to understand not only the situations of those people who appear before him, but the impact that his decisions will have upon countless others whom he will never see, the millions of Americans who would be affected by the votes that he would cast as a member of that nine-person Court. He has shown himself to be a person of scrupulous fairness, a man who will extend great efforts to ensure he approaches a case with an open mind, rather than with a preordained tilt.

An open mind linked with the ability to understand people, yet with a promise of objectivity and without a personal agenda to advance, is an important part of what we seek in an outstanding jurist.

Now, clearly, there are some constitutional issues that I am deeply concerned about. At the top of this list is the constitutional right of a woman to make her own decisions about reproduction. I belive in that. In addition, I care deeply about constitutional safeguards such as the wall of separation between church and State, and also our right to freedom of speech.

Judge Souter touched on many of the subjects that are important to me. Quite clearly, he refused to elaborate on some of those subjects; most notably, abortion. He was not going to answer any questions that would lead him into a discussion of the underpinnings of Roe versus Wade. It is not possible to predict how he will come down on a woman's right to choose. But I do take hope in some of the signs that he left us with along the way.

On the personal level, he spoke from the heart about the human impact of his rulings, saying that as a judge, he knew, and I quote, for I think these are rather moving words, "Whatever we are doing, at the end of our task some human will be affected, some life will be changed by what we do."

He went on to note that in that case, "We'd better use every power in our minds and beings to get these rulings right."

At the same time, he emphasized his dedication to being fair, to the fact that he has "not got an agenda" on abortion, and will not let personal moral views either way influence him.

On a legal level, Judge Souter repeatedly endorsed the notion that there are unenumerated rights protected by the Constitution; that the constitutional reference to liberty includes nonenumerated liberties; that a fair reading shows that there are values that were intended to be protected but were not set forth in detail by the framers; and that there is a judicial mandate in discerning and defining these values and these rights. He also concurred that there is a fundamental right to privacy.

Another element he mentioned that I believe is of importance is stare decisis, where a precedent has been set. In determining the value of those prior decisions, the judge includes as a factor for consideration the impact and the costs of overturning a prior ruling: Whether it has become the basis for later decisions, whether many have relied on it to a considerable degree, and whether to change it would constitute extreme hardship in many ways.

These points expressed by Judge Souter give me heart, not only because perhaps the judge may see things as I do, but also because they seem to me to be part of a fair and careful approach to judging. There is no promise inherent in any of the statements that the judge made, and that fact is worth repeating. But if we want to take a leap of faith, Judge Souter is the best candidate, in my judgment, to take that leap with. We cannot ask for a jurist with an agenda only in the areas we care about. I think that may be impossible.

None of the points that I have discussed are clear indications of how Judge Souter might cast a vote on cases related to Roe versus Wade. Yes, he said a lot, but he made no commitments. This is very worrisome to many women and men, and, as a Senator who is strongly pro-choice, I do not take that fear lightly.

I listened carefully during the testimony of the women's groups who testified. Yesterday afternoon, just 24 hours ago, I met with Kate Michelman, of the National Abortion Rights Action League, NARAL, and Faye Wattleton, of the Planned Parenthood Federation of America. Both women explained exactly where they saw the flaws to Judge Souter's testimony, and I do not disagree with them in many ways. Yet, I do not know if anybody really knows what his words boded for the right to choose.

So what I come back to again is his absolute promise to look at each case with an open mind, tinged with considerable humanity, yet with the promise of impartiality.

I would like to take a moment to pay tribute to the Judiciary Committee, its chairman, Senator BIDEN, its ranking member, Senator THURMOND, and the other members of the committee. I think the proceedings have been extremely fair, and I think they have reflected great credit on the U.S. Senate.

David Souter, in my judgment, is a superb scholar whose intellect and integrity is beyond question. He is a thoughtful, compassionate man who promises to be a caring and a fair jurist. So, Mr. President, I will give my support to his nomination with pride and enthusiasm.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia.

SUPREME COURT NOMINEE JUDGE SOUTER

Mr. WARNER. Mr. President, I am pleased to have the opportunity to join my distinguished friend of many years, Senator CHAFEE. We have served together in public office almost continuously since 1969, and I think this is a particularly significant occasion that today we join again.

I wish to express my views with respect to the President's nominee for the Supreme Court, Judge Souter, at this point, which I view as the midpoint in the Senate confirmation process.

I share with Senator CHAFEE his views that the Senate Judiciary Committee has done a very able, a very fair and thorough hearing. That procedure, as we speak this afternoon, is nearing completion. I want to state

that I will participate in the debate that follows.

I said the midway point. The Senate Judiciary Committee has conducted its hearings. It will then provide each of us with a report and record which we will study, and then, take part in the floor debate of the full Senate. Each of these steps is equally important as we reach this important decision. During the floor debate, I will join those who will speak out strongly, unhesitatingly in favor of Judge Souter. I will do so for these reasons.

Since the nomination on July 23, 1990, the press, in a very responsible way on the whole, in my opinion, has provided America with an abundance of analysis and a widespread reporting of the views of citizens and groups across this Nation, pro and con this nomination.

Most important, however, we viewed Judge Souter himself, as we say in judicial parlance, "in the box" being interrogated by the Members of the Senate, withstanding thorough, fair, and wide-ranging cross-examination without limitation. He has withstood that test admirably, and I think that he has gained the respect and admiration of the members of those on the committee, certainly with the majority.

This testimony was followed by other citizens coming forward supporting his nomination and, indeed, equally important, some who did not support his nomination, for reasons which I respect, but with which I disagree.

The Senate, now at its midway point, will soon begin its floor deliberation. My support will be predicated on the following facts which I have learned from the testimony, from the widespread reporting of the press, and from private conversations with many jurists and friends whose views I respect. Most significant, I have had the opportunity to discuss my thoughts with Judge Souter personally.

Judge Souter has impeccable academic credentials and he has been a sitting judge for 12 years, 7 of which have been spent on the supreme court of his State. He is articulate, he is intelligent and thoroughly knowledgeable of the law. He has that intangible quality that all of us search for as we recommend to Presidents, under the special responsibility that we as Senators have under the Constitution, persons for the Federal bench. That quality is known as judicial temperament. It does not lend itself to clear definition, but it is one's ability to judge another that that individual will be fair and impartial as he, in turn, takes up his role on the bench and sits in judgment of others.

His testimony before the committee demonstrated a clear, logical thought process that shows a very deep respect and reverence for the Constitution and our form of government and the role of the Federal judiciary. He is a strong believer that our Constitution, which represents 2 centuries of continuous government, longer, I am told, than any other democratic form of government existing today since its adoption in the year 1776 and following. It is the oldest continuing written constitution in the world, and Judge Souter recognizes that document embodies the very principles on which this country was founded. I am heartened by his understanding of and respect for this document and his commitment to his fellow citizens to preserve and uphold our Constitution and Bill of Rights.

Equally important, Judge Souter aptly displayed his understanding of the roles courts have had in protecting civil liberties. He showed compassion, another intangible but very important characteristic of one who is about to ascend to the highest judicial post, compassion, empathy, and a sincere caring for our society in general.

This 51-year-old jurist, who celebrated his birthday during the hearings, touched us all as he impressed upon us his ability to be compassionate when he related a counseling session some 24 years ago that he had with a young woman who was pregnant and unmarried.

While he would not—and should not—reveal how he would in the future vote on any case involving human life or any other case that came before the Court, he did show, in my judgment, that he has the compassion, the sensitivity, and the understanding that we would want in a person who will sit in judgment of such issues.

For those who question whether he is in tune with society or detached therefrom, I believe that his response to this case and to others should allay their fears. His community involvement is to be admired and emulated. He was a trustee for Concord Hospital for over 12 years and served as president of the board. He is an avid hiker and a member of the Appalachian Mountain chapter, an outdoorsman, one who shares and loves our environment. As a trial judge—and this is more important, having spent a number of years myself as a trial attorney—he was exposed to the full extent of life in cases that were brought before him, life in its best and, yes, in its worst forms. He also opened the door to women in the State attorney general's office by hiring the first two female attorneys, one of whom later served as the deputy attorney general for the State of New Hampshire.

I would like to close by reading a poem that has always meant a great deal to me, just a part of it, written by a fellow Yankee many, many years ago—Henry Wadsworth Longfellow. It is that passage with which all of us are familiar:

Thou, too, sail on, O Ship of State!
Sail on, O Union, strong and great!
Humanity with all its fears,
With all the hopes of future years,
Is hanging breathless on thy fate.

I dare say that when we complete the debate on this outstanding American, we, too, will remain somewhat breathless in this Chamber. But I am confident that this man, as we say in the Navy, I say to my friend, the former secretary whom I succeeded, this man has a keel that goes very deep in life. He has a center of gravity that will give him that balance not to be buffeted by the strongest of the storms of life which he will most certainly experience on this Court.

The Supreme Court is a part of that Ship of State. This man will take his position on that Court. I am optimistic that this Chamber will approve him, and he will sail on and provide us with that fairness, that equanimity which each American deserves.

I thank the Chair.

The PRESIDING OFFICER (Ms. MIKULSKI). The Senator from Rhode Island is recongized.

THE SOUTER NOMINATION

Mr. CHAFEE. Madam President, I commend the very moving statement of my friend for so many years, the distinguished Senator from Virginia. I think he has laid out the case extremely well for Judge Souter. I look forward, as does he, to that nomination coming soon on this floor.

I hope that that committee—and I suspect it will—will bring up the nomination fairly soon so it can come before us, because I hope we can get on with the filling of this vacancy on the Court. I think we will all look back and say we have done a good job for the United States with the confirmation of Judge Souter. So I again congratulate my distinguished friend.

Mr. WARNER. Madam President, I wish to extend my appreciation to my almost lifelong friend, the distinguished Senator from Rhode Island, JOHN CHAFEE.

THE NOMINATION OF JUDGE SOUTER

Mr. EXON. Madam President, I have listened with great interest to the very informative remarks of the Senator from Rhode Island and the Senator from Virginia. I wish to add my voice in support of the President's nominee to the Supreme Court.

I had an opportunity to read a great deal of the testimony. Not being a member of the committee, I took it upon myself to watch as much of the televised portions of that hearing as I could. I believe I had a chance to hear every member of the Judiciary Com-

mittee pose questions to the nominee and his generally excellent responses thereto.

I add my voice to what has been said and associate myself with the remarks made by the Senator from Rhode Island and my friend from Virginia, both of whom it has been my pleasure to serve with in this body for a considerable number of years. They have laid out the credentials of this individual very well. They have laid out his very exemplary record as a student and a student of the law, his distinguished career as a member of the court. I, too, feel this is an excellent nominee who should receive approval, and I will vote for the approval of Judge Souter when that nomination comes to the floor of the Senate, which I hope will be very soon.

I was asked by the press did I not think it was proper for the members of the committee to inquire in some detail about some of the views that the nominee held. My answer, Madam President, was that I certainly do think it is their responsibility to inquire. In those 3 days of testimony they inquired into about everything that one could imagine would be asked of a nominee to the Supreme Court. I was equally impressed with the excellent responses that were given by the nominee.

We do a lot of important things in the Senate, and the advise and consent process, in my view, is one of the most important, certainly with regard to the appointment of members of the Supreme Court, because members of the Supreme Court by and large are likely, by their decisions, to have a great deal to do with what laws are ruled upon, what laws and constitutional mandates are considered in the whole barrage of cases that are referred to the Supreme Court. Therefore, the Supreme Court and all of our courts of the land thereunder have a grave responsibility, the Court as a whole and individual members of that Court. There is little that we do in the advise and consent process that I take more seriously than the confirmation of members of the Supreme Court.

There was some disappointment in some circles that Judge Souter was not forthcoming, as some have phrased it, with the answers to many complicated, some of them controversial, issues that he was asked about. Some felt he should have spelled out his feelings more clearly than he did.

I concur with the general statements that have been made previously about this excellent nominee. That is, with his responses as guarded as they were, he showed above everything else a judicial temperament that I feel is critically necessary for a man in such a high, high place as a member of the Supreme Court.

I wish he had been more forthcoming on some issues. I personally would like to have seen it. But I think he was wise in making many of the statements that he did. And above everything else he showed his judicial temperament, that he would be fair in all that came before that Court for redress.

Madam President, I suggest that is all that we can ask. That is all we should expect from a member of the Supreme Court.

I was particularly impressed though with his candor, with his intellect, and emphasizing once again his judicial temperament.

Madam President, I said there is probably no more important role that we play in the U.S. Senate than the advise and consent and confirmation process of judicial appointees, most importantly the Supreme Court. As Governor of Nebraska for 8 years, I appointed more judges to the courts in Nebraska than any Governor before or that any Governor has since. I left the State of Nebraska after two terms and came here to serve Nebraska in the U.S. Senate. I judged my votes pro or con on nominees to all of the courts based on a set of guidelines that I used in appointing all of those judges in the State of Nebraska, most of whom are going to be around for a very long time dispensing justice.

I would just explain that as far as I was concerned the critical question that I asked myself as a Governor in charge of appointments was whether or not the individual—and there were men and women that I appointed, and there were members of various ethnic groups, but that was not the critically important thing. The critically important thing in my view was to have that individual as best I could judge pass the test. And the test, I said, was: If I as an individual who were appearing before this judge, would I be comfortable that this judge would fairly listen to the case presented to that judge that affected me, and would that judge be in my judgment fair and considerate in making his or her determination as the case may be?

Therefore, I have applied the same test to every vote that I have cast here, Madam President, on a member of the Federal courts. I believe that Judge Souter passes that test with flying colors. Yes. I am convinced that should I ever come before his Court I could be treated fairly and above everything else that seems to be the main criterion because if he would treat me fairly then I think it logically follows that he would very likely treat others fairly as well.

BARTER AND COUNTER TRADE WITH THE U.S.S.R.

Mr. EXON. Madam President, last week I wrote to President Bush congratulating him on the successful summit with the President of the Soviet Union and an excellent address to the Nation last week. I fully support the President's call for bipartisan cooperation, and in that spirit I offered the President a suggestion which I would like now to briefly discuss.

There is one area of potential cooperation between the United States and the Soviet Union which should be immediately pursued. Madam President, the Soviet Union sits atop of one of the world's largest supplies of oil. The United States, the breadbasket of the world, will soon harvest a bumper crop. The Soviet Union needs food, and the United States needs oil. Therefore, the simple equation of mutual benefit is good for both food producers and oil producers.

Trade with the Soviet Union and Eastern Europe and the Third World has been difficult for the United States because of the lack of hard currency in many of these markets. However, barter transactions like food for oil is a strategy which I recommend and one which I think could prove very helpful and be done with very little difficulty right now. Indeed, barter and counter trade and other similar nontraditional means of trade and finance present ideal opportunities for the United States and the Soviet Union to expand trade and development.

Not too long ago a Soviet food processing expert bound for a food conference in Nebraska said that if the United States waits for a convertible ruble, there will be no trade left. For quite some time official U.S. trade policy frowned upon barter and counter trade transactions while other trading partners in Europe and Asia used barter and counter trade to capture new and expanding markets.

Fortunately, a provision in the 1988 Omnibus Trade and Competitiveness Act, which I authored, fundamentally changed U.S. policy. U.S. trade law now encourages and supports the use of barter and counter trade to expand U.S. exports.

That legislation created an Office of Barter within the U.S. Department of Commerce and an interagency group on barter and counter trade to coordinate policy throughout several Federal agencies with trade and development responsibilities.

The Commerce Department office is now operational. And the interagency group is scheduled to have its first meeting early in October. In my letter I urged the President to instruct the Barter Office and the interagency group to immediately pursue the possibility of bartering or trading American food products for Soviet oil.

With expectations of a price depressing bumper crop of farm products, a food-for-oil strategy would be welcome news for the American farmer. Expanding the available supply of oil in

the United States would put downward pressure on oil prices.

For the Soviet Union, with its chronic food difficulties, such a transaction would prevent another winter of discontent which could cripple the process of perestroika. Certainly over the long term the United States must reduce its overall dependence on imported oil.

Like my food-for-oil strategy, the American farmer is a central force in meeting America's energy needs through the further development of ethanol fuels. However, food for oil is an option which should be pursued right now to replace oil formerly flowing from Iraq and Kuwait.

Madam President, an exchange of food for oil can help the Soviet Union reduce its bread lines and help the United States prevent future gas lines.

Madam President, I ask unanimous consent that a copy of my letter to the President be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, September 12, 1990.

The PRESIDENT,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: I congratulate you on your successful summit with President Gorbachev and your inspiring speech last night. I applaud your call for bi-partisan cooperation and in that spirit offer you a suggestion.

There is one area of mutual benefit to the United States and the Soviet Union which I encourage your Administration to immediately pursue. The Soviet Union sits atop the world's largest supply of oil and the United States is truly the bread basket to the world. The Soviet Union needs food and the United States need oil. The simple equation is for the United States to exchange food for oil.

Given the Soviet Union's lact of hard currency, barter, countertrade and other similar non-traditional means of trade finance present ideal opportunities to conduct commerce. Not too long ago, a Soviet food processing expert said that if the United States waits for a convertible ruble, there will be no trade left.

The Omnibus Trade and Competitiveness Act included legislation which I authored to encourage the use of barter and countertrade to expand U.S. exports. The Trade bill created an Office of Barter within the U.S. Department of Commerce and an Interagency Group on Barter and Countertrade to coordinate policy throughout several the federal agencies.

The Commerce Department Office is now operational and the Interagency Group is scheduled to have its first meeting early in October. I urge you to instruct the Barter Office and the Interagency Group to immediately pursue the possibility of bartering American products, especially food or American oil drilling technology for Soviet oil.

An exchange of food for oil can help the Soviet Union reduce its bread lines and help the United States prevent gas lines. By expanding the available supply of oil in the United States, there should also be downward pressure on oil prices as well.

Best wishes.

Respectfully,

JIM EXON,
U.S. Senator.

JUDGE DAVID SOUTER

Mr. SPECTER. Madam President, earlier this afternoon we concluded the nomination hearings for Judge David Souter to be Associate Justice of the Supreme Court of the United States. We had long days of hearings, and some extended into the evening. I attended, as a member of the Judiciary Committee, virtually all of those hearings.

I think it is timely to state a position on Judge Souter's nomination, in the hope that we may move the process along as expeditiously as possible. I think we should not rush to judgment, but after having studied Judge Souter's record extensively, read several dozen of his opinions, and having heard the testimony of Judge Souter for almost 3 days, and the testimony of other witnesses for 2 more days, I feel in a position to come to a conclusion. I do not think we ought to rush to judgment, as I say, but if it is possible for the Senate to conclude its work on the Souter nomination in time for the first Monday in October, I think it would be a good thing.

We are not able, on many occasions, to meet deadlines because of the complexity of what we have to do. If we can meet that deadline, I think we should, and I want to pursue that to the extent that I can cooperate in that process.

During these hearings, Judge Souter really had to run between the raindrops and through a veritable hurricane. When he articulated the position of judicial activism, there were some Senators satisfied that he was not close to the original intent or original meaning; when he went to interpretivism, which is a strict constructionist doctrine, he had another situation, according to the judicial activists. When he would not state his ultimate position on the abortion issue, when it comes to Roe versus Wade, he antagonized both sides.

So in our hearings, we had people who were in favor of choice opposing his nomination, in the absence of assurances that Judge Souter would vote to support abortion. We had those who oppose abortion who were opposing his nomination on the ground that he was not giving appropriate assurances that he would support their position.

In my judgment, Judge Souter is qualified to be an Associate Justice of the Supreme Court of the United States. He has an excellent academic background—Harvard College, Harvard Law, Rhodes scholar, extensive practice as a lawyer, Attorney General of the State of New Hampshire. He has been a trial judge and a judge on the Supreme Court of the State of New Hampshire. He has written many opinions, opinions of some depth and some power.

Judge Souter displayed a powerful intellect in his testimony before the Judiciary Committee, and he combined that with a sense of humor and balance. There remains an issue as to how extensive his experience is, and in an ideal world, it might be highly desirable for him to know about what happens in the inner city of Philadelphia or Baltimore. It might be desirable for him to understand in greater detail the problems of America or America's States.

He does not have the kind of experience that perhaps Senators get when attending town meetings and visiting all the settings that are possible within our own States and beyond. He is a man of great ability. It would be this Senator's hope that he might establish on the court, with his powerful intellect, a perspective which would add a dimension to the work of the Court, not saying which way he would necessarily rule, but would provide alternatives and ideas and stimulate discussion, as the Court has to tackle the toughest problems in our society. And the Court functions on 5-to-4 decisions on all of the tough issues—not only on the question of abortion—where he could be the decisive vote one way or the other: The right to die case was decided on a 5-to-4 decision; major decisions on civil rights such as Wards Cove, 5-to-4, and Metro Broadcasting, 5-to-4; death penalty cases, 5-to-4; freedom of religion cases, 5-to-4; taxation, directing local governments to impose taxes, 5-to-4; contempt citation of the council in the city of Yonkers, 5-to-4. It is desirable, at any rate, to advance the work of the Supreme Court.

In arriving at my conclusion and judgment, Madam President, on Judge Souter, I have relied more on his written opinions than I did on his testimony. As I said, in my questioning of Judge Souter, I found a variance between his written opinions, a significant difference, and in what he testified to. I think there is a license for a nominee as there is license for a poet. I think whether you take Judge Souter's opinions or whether you take Judge Souter's testimony, he is well within the continuum of constitutional jurisprudence. I do not like the word "mainstream." But I think "continuum" is a more appropriate description of our constitutional process than "mainstream."

In his opinions, most of them had a more restrictive view of the law. But some had an expansive view. In the Richardson case, he talked about a liberty interest. That was therefore not a new concept in his testimony before the Judiciary Committee, but his view of liberty was much more expansive

when he testified than had been expressed in a variety of his opinions on the New Hampshire State Supreme Court.

He said that the incorporation doctrine, the doctrine which says that the Bill of Rights is incorporated into the due process clause of the 14th Amendment and is applicable to the States, that that panoply of rights was not the end of it, that it was just the beginning.

When he took up Justice Cardozo's articulation in Palko versus Connecticut, of conduct "essential to the concept of ordered liberty," he said that was only a beginning point. He had written in the Dionne case, which received considerable analysis, about his own judicial philosophy, going back to what he said was original meaning; that it was not quite original intent, not only what the framers intended at the time they wrote the document, but what the meaning of the words they used and the principle at that time.

But that is a substantial variance from what interpretivism means, generally, as he articulated the broad expanse of a liberty concept. But regardless of where he is pegged on the spectrum of judicial philosophy, I do believe he is well within the continuum of constitutional jurisprudence.

His opinions on criminal law issues were balanced. Some were very strong on law enforcement, but he showed a keen appreciation of constitutional rights in the context of waiver of the right to a jury trial, and the context of a nolo contendere plea being entered. There was real balance there.

In my opinion, he gave significant insight into his judicial philosophy. Frankly, I would like to have seen him answer more questions, but he had his own view on what he wanted to testify to.

On the critical question of freedom of religion, the free exercise clause in the Smith case, I thought he gave a very significant answer, where he disagreed with the majority opinion and, instead, sided with Justice O'Connor, looking for a compelling governmental purpose, narrowly tailored result to satisfy a compelling governmental interest, which this Senator thinks is very important as a cornerstone of the free exercise clause of the freedom of religion.

His response on affirmative action could have been more expansive, but he did say that race was a factor to be considered in the decisions on affirmative action, picking up on a concept of Bakke, a concept of Metro Broadcasting Co., as opposed to the narrow view of City of Richmond versus Croson.

I would have liked to have seen him be more definitive on the establishment clause, when he testified that he would not endorse Thomas Jefferson's view of a wall between church and state, would not endorse Justice Black's articulation in Everson of Jefferson's view, but instead that he found, perhaps, some limitations on that principle; but in general his support of the establishment clause and the separation of church and state did pass at least a minimal test.

I would like to have seen him testify in more definite terms about the supremacy of the Supreme Court as the final arbiter of constitutional issues. He said he did support Marbury versus Madison. You would think that in 1990, or in 1986 for that matter, when we had other Supreme Court confirmation hearings, that there would have been unequivocal support for the 1803 decision of Marbury versus Madison that the Supreme Court had the final word on the Constitution, but some of the nominees who have come to the Judiciary Committee during my 10 years in the Senate have refused to answer that question.

There is a corollary question about the authority of Congress to take away the jurisdiction of the Supreme Court on constitutional issues. And Judge Souter did not answer that question to my satisfaction, would not go as far as Chief Justice Rehnquist went in 1986 in saying that the Congress could not take away the powers of the Court on first amendment issues. Chief Justice Rehnquist would not go beyond that on other issues inexplicably, but Judge Souter would not even go as far as Judge Rehnquist did.

I pressed Judge Souter on an issue of relative power of the President as Commander in Chief under the Constitution contrasted with the authority of the Congress to declare war. I asked him the historical question: Was the Korean war constitutional and legal in the absence of a declaration of war by the Congress of the United States? He declined to answer on the ground that it might implicate a decision under the War Powers Resolution and of course I had prefaced my question noting the presence of U.S. forces in the Mideast today and how there was a delicate question that might have to be answered concerning the War Powers Resolution.

But it seemed to this Senator that asking about the Korean war was sufficiently historical. The War Powers Resolution had not been passed at that time; it did not implicate that issue. So I asked him to think it over. He thought it over long enough from Friday to Monday to tell me that he did not know. I thought that was a pretty good answer. I said so. I think that more answers ought to be "I do not know."

I notice, Madam President, the smile on your face. But very frequently we do not know. I would have liked a little more on that, but I learned a great deal from the questions Judge Souter would not answer and the non-answers which he gave, which I think he was entitled to give.

The most contentious point of all, of course, was the question of abortion. I think it is fair to say that no issue has divided this country more in its history with the exception of slavery, and, as I travel through Pennsylvania's 67 counties and beyond, that is always the tough issue. Every year on January 22, the anniversary date of Roe, many Pennsylvanians come to Washington, DC, to seek to overturn the Roe decision. And Judge Souter could not satisfy everybody. He could not really satisfy anybody. But I thought he went as far as he could.

I think there you really come down to the nub of what a nominee really can answer. But it is inappropriate for a nominee or a Justice or a judge to state what his decision would be on a case which is not yet before the Court. The process requires a case in controversy, specific facts, briefing, oral argument, deliberation among Justices, and then in that context a decision.

He did discuss the privacy issue of Griswold versus Connecticut and he did say that he recognized the privacy interest for married couples on the contraception issue. He recognized the privacy interest or liberty interest beyond but would not be any more specific; and in that context he was criticized by those who wanted a flat commitment. And not all of those who opposed his nomination asked for a flat commitment that he would uphold Roe versus Wade, but asked that he at least recognize the privacy interest requiring high scrutiny and a compelling State interest. But many who opposed said they really wanted a commitment as to where he stood on the ultimate question of sustaining or reversing Roe versus Wade. And there were those who testified exactly on the opposite side.

I believe, Madam President, that Judge Souter showed a sensitivity to the issue. He had served on a hospital board and when Roe versus Wade came down he voted in favor of making the facilities of the hospital available for abortion in the context that it was the law of the land and adequate medical care required that decision. He was severely criticized in an opinion where he reached a question that was not squarely before the Court, when in another opinion he had stated the general rule that you do not reach such a question. In that opinion, he said that doctors need not necessarily counsel on the abortion alternative on a case which involved wrongful life and wrongful death.

We had a fascinating development of the law where there used to be a claim for wrongful death if somebody was killed in a tort action. Now there is a claim for wrongful birth if the mother or father could have been advised on

abortion rights. Someone was born where there should have been abortion, and there is a fascinating development of the law in the course of the past few years.

But in the case involving the issue of wrongful birth and wrongful life, Judge Souter went beyond the parameters of the case to say that a doctor who had conscientious scruples against abortion did not have to counsel for abortion but only had to make a referral, and for that he was criticized.

We had a contention that Judge Souter was insensitive to women's rights and had an exchange with two witnesses on this subject which I think is illustrative of the kind of criticism which Judge Souter received.

There was an extensive discussion both yesterday with a witness and today with another witness in a controversial case captioned State of New Hampshire versus Richard Colbath. It involved a fascinating issue where the rape shield law came into conflict with the constitutional right of a defendant in a criminal case to confront his witnesses and cross examination.

The rape shield law provides that the defendant has no standing to testify about a woman's prior sexual conduct on the principle that it is irrelevant, whatever the women's prior sexual conduct may have been, whether a defendant in a given case committed a rape, because a woman has an unquestionable right to say no to any man at any time. So that whatever may have happened as a generalization before should not come up.

But in this Colbath case we had a very strong contention raised of judicial insensitivity on the part of Judge Souter in describing the conduct of the complaining woman and the defendant. I shall not be explicit as I was yesterday and today in questioning the witnesses. The record is there about touching and contact with very private parts of the anatomy. This was characterized by one witness as flirtation at worse and did not justify submitting questions to the jury as relevant on the issue of consent, whether there was an appropriate consideration for prejudice to the woman as opposed to the defendant's rights.

Today there was a question of insensitivity in certain language used as to the "undignified predicament of the woman." I speak at some greater length about that because I think it is illustrative of the intensity of opposition. Careful analysis and context of what a judge may properly decide as to what goes to the jury shows that Judge Souter was well within the ambit of propriety in what he had done in conduct which was totally within bounds; not his statement, as to characterizing the woman, stereotyping the woman, but analysis of evidence which was appropriate for a jury to consider on the critical question of consent.

So, Madam President, at some greater length than I would ordinarily, because on this afternoon at 3:40, there is no other Senator on the floor—we have been in a quorum call a good bit of the day; efforts are being made to work out the pending legislation which is on the floor. I have spoken at somewhat greater length than I would have under other circumstances.

Madam President, I add an addendum as to the procedure that is being undertaken. I believe that the Senate is on the right track in pursuing the issue of judicial philosophy as we exercise our constitutional responsibility to consent or not to nominations by the President.

It was only 3 years ago that an issue was present as to whether we could make an inquiry at all. And that I think has been resolved appropriately. In Judge Scalia's case in 1986, now Justice Scalia, he answered virtually none of the questions, leading a number of us on the Judiciary Committee to formulate a resolution to try to establish a minimum standard of what a nominee had to answer.

That did not have to be pursued because the intervening nomination proceedings as to Judge Bork came down, and in the context of Judge Bork's extensive writings Judge Bork answered many questions and judicial philosophy was appropriately inquired into, as it was in the confirmation proceedings as to Justice Kennedy and again now as to Judge Souter.

There is a concern, Madam President, that we may go too far in pressing nominees, as many now are insisting on answers to the ultimate question as to how the nominee will decide the next case which comes before the Court. And for reasons which I have already given, I think that is not an appropriate range of inquiry.

But there may be justification to push that boundary if the Supreme Court of the United States is to operate as a super-legislature. And we have seen the case involving the Civil Rights Act where for 18 years, from 1971 until last year, 1989, the decision of the Court in Griggs withstood the finding of business necessity and the burden of proof as to who had to show what business necessity was in a case under the Civil Rights Act, without going into great detail.

And then last year, in the decision in Wards Cove, four Justices who appeared before the Judiciary Committee in the past decade, during my tenure in the Senate, who put their hands on the Bible and swore to be restrained and not judicial activists, overturned a decision where it was clear from the 18 years of congressional inaction that the Civil Rights Act was appropriately and accurately interpreted in the Griggs case.

If the Supreme Court is to operate as a super-legislature, then it may be that the pressures will mount for nominees to give the ultimate positions on where they will be on cases that come before the Court.

Or where you have Garcia versus San Antonio contrasted with the decision of National League of Cities versus Usury where in dissenting opinions in Garcia, Chief Justice Rehnquist and Justice O'Connor stated that Garcia would be overrruled when another Justice joined the Court disposed to their position.

So that if it is a matter of personality, then I think we may see the nominees pushed for that ultimate question. But I think that is highly undesirable, Madam President, because the court nominees ought not to have to answer questions as to specific issues because the judicial process requires arguments and deliberations in a case or controversy.

Madam President, there is another consideration which is worth a brief comment, and that is on the line that there is an effort to thwart the elective balance which has been created in our society. It has been noted that the American electorate, perhaps intuitively, has chosen a Republican President and a Democratic Congress. If there is to be an agenda with which the Court will thwart the will of the elective components, then there may be a necessity to go further in the Senate asserting a greater role in the selection process.

Many would be surprised to know that, in an original draft of the Constitution, the Senate was to select the Supreme Court nominess, a function which is difficult to fathom, given our problems in deciding even lesser questions where agreement is necessary. In an early case involving John Rutledge, the Senate rejected the nominee based solely on the political ground that he had voted against the Jay Treaty.

But in Judge Souter's nomination, Madam President, there has not been an effort by the President to carry out an agenda. There was no litmus test applied Judge Souter flatly stated, as did President Bush. There was no question asked about where Judge Souter stood on the abortion question.

So, Madam President, in sum, we have a nominee who comes to the Senate, through the Judiciary Committee hearings, with an extraordinary academic background, able experience as a practicing lawyer and as a jurist, who has given a view of his judicial philosophy both in his extensive writings, some 200 opinions, and his testimony, and, notwithstanding the variance, well within the continuum of constitutional jurisprudence. I intend to support him in the committee and on the floor.

It would be my hope, in conclusion, that we will find it possible in normal processes, without rushing to judgment, to complete our action on Judge Souter in time for the first Monday in October, so that he could take a seat on the Court, which has such very important work to do.

I thank the Chair and I yield the floor.

Noting the absence of any other Senator on the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. BYRD. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

PAYING FOR DESERT SHIELD

Mr. BYRD. Madam President, I support the actions that the President has taken thus far in response to the unprovoked and totally unjustifiable Iraqi invasion of Kuwait. He has acted forcefully, and, at the same time, he has helped to increase the stature of the United Nations by helping to build strong coalitions around resolutions to enforce an effective embargo against Iraq. In addition, the President and his Cabinet have engaged in a productive campaign to enlist the support of our allies and friends around the world to provide the necessary resources on the ground and in the waterways in the Middle East to deter further Iraqi aggression.

One can only speculate, but, without such expeditious and forceful actions by the President, the chances of further aggression by Iraq into Saudi Arabia may very well have already taken place.

The Department of Defense has incurred additional costs in fiscal year 1990 due to the extensive deployment of American men and equipment that has been made in the region of the Persian Gulf. I believe that we should support the request that has been submitted to the Congress for supplemental appropriations of $1.89 billion in funds to offset those heretofore unexpected expenditures at the end of the fiscal year.

The administration has made a strenuous effort to enlist financial commitments by many countries for the Desert Shield operation, and operation that very well may endure for many, many months in the next fiscal year. Reports vary on the size of the commitments to date, but they are fairly substantial, certainly running well over $10 billion. One report of Secretaries Baker and Brady's recent worldwide solicitation efforts to secure commitments of men, equipment, and financial resources indicated that the administration has set a goal of some $23 billion in such financial commitments. Other indications are that the administration expects Desert Shield to cost $15 billion in fiscal year 1991, and expects to offset that with at least $7 billion in foreign contributions. These are very large sums of money.

Madam President, I believe it is appropriate for all nations to shoulder as much of the burden, in men and money, as they can. Some countries have indicated, as have Saudi Arabia, Kuwait, the United Arab Emirates, Japan, Germany, France, and Great Britain, that they are prepared to commit large amounts of financial resources and in some cases very sizable numbers of men and equipment. I am gratified to hear of the commitments that have been made to date. These dollars will make the load on the American taxpayer easier to bear over the duration of this expensive enterprise.

However, Madam President, the existence of this emergency and the financial contributions that will be made do not provide any rationale for the President to circumvent the constitutional powers of the Congress to exercise its responsibilities over the purse. There is no legitimate reason for the administration to ask, as it has in the supplemental appropriation request, that the contributions be given directly to the Secretary of Defense so that he can dispense it pretty much as he likes without its first being appropriated out of the Treasury by the Congress.

The administration appears to be relying on the precedent of a little known statute enacted in 1954, the Defense Gift Act, chapter 26, 50 U.S.C. 1153, which was apparently enacted to allow patriotic citizens to donate small gifts into a special fund to be used for defense purposes. These small donations are supposed to go to the Treasury, which then disburses them to the Pentagon to be used in accordance with the wishes of the donating American citizens.

The statute certainly never contemplated that such a petty cash fund would be used to accept donations of billions of dollars from foreign countries, international organizations, or foreign citizens outside the normal process set up by the Constitution for the appropriation and accounting of funds.

The use of the Gift Act is completely inappropriate for this purpose. Even more inappropriate is the statutory language submitted by the administration, in its supplemental request, which would give sweeping new authority for the Secretary of Defense to accept property, services, or money from anyone and everyone to be used in the wide exercise of discretionary authority—in effect, to establish a military spending slush fund.

The Constitution, in article I, vests the power of the purse in the legislative branch. Article I, section 9, clause 7 contains a key foundation of our system of government, and it states, "no money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law." The administration has abided by this provision in submitting a request for $1.89 billion in supplemental appropriations to offset the increased defense expenditures associated with Desert Shield. I certainly support the request for appropriations contained in the supplemental.

In addition, as I have said, I support the financial commitments to help offset this operation by those countries and international organization that can afford it, as well as substantial commitments of forces and equipment by as many members of the international community as possible. Certainly, the Congress will want to take into account the contributions that are made to the U.S. Treasury for these purposes and will want to know about them, will want to know the amounts involved, and will want to expend them through the legislative process set forth in the Constitution.

The American people do not feel that they should foot the entire bill, so we should offset that bill as much as possible with the funds contributed from abroad. When it becomes clear how long the operation will last—and there is no way of knowing that—and how much it is costing, the administration will certainly get expeditious consideration of additional supplemental appropriations requests as we go down the road. All requests will be very carefully examined by the appropriations committees of the Congress, and the Congress will respond appropriately, I am sure.

All this, however, has nothing to do with altering the basic balance of powers of the respective branches in the Constitution. No amount of Desert Shield requirements can justify eroding the power of the legislative branch under the Constitution to appropriate money by setting aside that constitutional authority.

Madam President, I ask unanimous consent that an editorial on this subject from today's Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

END RUN BY THE PENTAGON

Who should control the billions of dollars that foreign governments are contributing toward the cost of operation Desert Shield? The Pentagon has come up with the bright idea that it should. True, the Constitution says "no money shall be drawn from the Treasury, but in consequence of appropriations made by law." But this is a special circumstance, the national interest is involved,

and what if the money never reaches the Treasury in the first place?

The administration's proposal is that a special gift fund be created, on which it could draw to finance the operation in the Saudi desert without having to go to Congress for step-by-step approval. Of course it would keep Congress informed and not violate congressional strictures, but . . .

Nice try, but no cigar. The face-off with Saddam Hussein should not be the pretext or precedent for a detour around the Constitution. A Congress still smarting over the extralegal funding, also from foreign sources, of the Iran-contra affair is hardly likely to authorize such a fund, nor should it, nor should a prudent administration ask.

The Pentagon is presumably anxious to make sure that as little as possible of the cost of Desert Shield is taken out of its regular budget. Defense officials may think that by paying part of the cost from a separate fund, they would reduce their exposure; there would be less left to argue about. No doubt they covet the flexibility that separate funding would provide as well.

But the foreign contributions ought to go to the Treasury, then become a resource for Congress to take into account like any other in allocating funds. The contributions are meant to reduce the burden on the U.S. government generally, not just the burden on the Pentagon. Congress has the power of the purse, and not just part of the purse, but all of it.

Mr. BYRD. I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GORE). The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

FORMER AMBASSADOR ED REISCHAUER

Mr. SIMON. Mr. President, over the August recess, I learned that a distinguished former Ambassador from the United States to Japan, Ambassador Ed Reischauer, died.

He was a teacher at Harvard, he was a scholar, he was an author. In addition to all of these things, he was a marvelous, gracious, generous human being.

He contributed to this Nation in just an infinite variety of ways but perhaps in no area was his contribution as significant as helping the United States to understand Japan a little better and helping Japan to understand the United States a little better. He spoke Japanese.

I became acquainted with him. I knew him slightly before, but President Carter appointed a commission to look at the whole question of the foreign language studies and international studies. I had the privilege of serving on that special commission, and one of the other members was Ambassador Ed Reischauer. I came to have just an immense respect for him. He was not in good health in recent years. So his death did not come as a complete shock. But what a tremendous contribution he made.

We use the term "public servant" a little too easily once in awhile. Ed Reischauer was a public servant in the finest tradition of that term. I might add that that tradition is being followed. His son, Bob Reischauer, now heads the budgetary arm for Congress. So there is a family tradition.

But Ambassador Reischauer was an absolutely superb public servant and a great human being. I wanted to take just a minute or two to pay tribute to him.

Mr. President, I request the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BINGAMAN). Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that on Tuesday, September 25, at 2:30 p.m., the Senate proceed into executive session for the consideration of Executive Calendar items numbered 21 and 22; that there be 2 hours for debate on the two treaties, en bloc, to be equally divided and controlled between the chairman and ranking member of the Committee on Foreign Relations, or their designees; that the reported declarations to the resolutions be considered as having been agreed to; that no other amendments, reservations, declarations, or understandings be in order; that no motions to recommit be in order; and that at the conclusion or yielding back of time for debate of the two treaties, the Senate proceed to vote on each treaty, back to back, with no intervening action or debate.

I further ask unanimous consent that the two treaties be considered as having passed through their various parliamentary stages up to and including the presentation of the resolutions of ratification.

The PRESIDING OFFICER. Is there objection?

Mr. GORTON. Reserving the right to object. No objection.

The PRESIDING OFFICER. Is there objection? Hearing no objection, it is so ordered.

Mr. MITCHELL. Mr. President, for the information of Senators, we have been attempting for the past several hours to get agreement on a number of pending matters to organize the Senate's proceedings over the next several days, in a manner most consistent with the objective of accommodating schedules of Senators. I expect shortly to be propounding unanimous-consent requests on a number of other measures, including the measure now pending before the Senate, and at the conclusion of which I hope to be able to announce a full schedule for the Senate carrying forward from today through a week from today.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT REQUEST

Mr. MITCHELL. Mr. President, I ask unanimous consent that if over this coming weekend, September 21 through September 23, Senators METZENBAUM and HATCH, the managers of S. 1511, the older workers bill, reach an agreement on a compromise substitute amendment, that that amendment be the only amendment in order to the bill, and that on Monday, September 24, at 5 p.m., the Senate resume consideration of S. 1511; that there then be 2 hours for debate on the agreed-upon amendment, with the time to be equally divided and controlled in the usual form; that at 7 p.m. on Monday, September 24, the Senate proceed to vote on the amendment, and then, without any intervening action or debate, adopt the committee substitute as amended and proceed to vote on final passage of the bill.

I further ask unanimous consent that if no such agreement is reached, then when the Senate resumes consideration of the bill at 5 p.m. on Monday, September 24, it be in order for Senator HATCH to offer amendment No. 2704, which was filed on Wednesday, September 19; that it be the only amendment in order, and that there be 1 hour for debate on the Hatch amendment, equally divided and controlled in the usual form; that when the time is used or yielded back on the amendment, there then be 1 hour for debate on the committee substitute, as modified and amended, equally divided and controlled in the usual form; that at 7 p.m. on Monday, September 24, the Senate proceed to vote on the Hatch amendment No. 2704; that upon disposition of the Hatch amendment No. 2704, the Senate, without any intervening action or debate, proceed to vote to adopt the committee substitute, as modified, and then proceed to vote on final passage of S. 1511, and that no motion to recommit be in order and no

points of order be waived by this agreement.

The PRESIDING OFFICER. Is there objection?

Mr. MITCHELL. I understand a clarification is requested. Accordingly, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I renew my request.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, I repeat for the benefit of my colleagues what I stated earlier and indeed expand on what I stated earlier.

We are now attempting to organize a schedule in such a way that the Senate will not be voting during the upcoming 2 days of religious holiday. The House of Representatives will not be in session during that period and we are attempting to organize the Senate's schedule so that we can reach agreement on when matters will be coming up early next week in such a fashion as to permit those Senators who observe the religious holidays to do so, as they should be able to do so, and other Senators not to have their presence required during this 2-day period. That is the purpose which we have been seeking to move toward.

We have now gotten agreement with respect to two measures. We are presently working on three remaining measures and I hope very much to propound requests with respect to those other three measures shortly. In that fashion the Senate will be able to do in an organized and relatively concise timeframe business which would otherwise require us to remain in session over this period to get to, and I think that is the best way to accommodate both the public interest in moving forward on this important legislation and the convenience of as many Senators as possible.

So we will be continuing our efforts here. I hope very shortly to propound additional requests as I have just indicated and will have announcements appropriately when we do so. I thank the distinguished Republican leader and all of our colleagues on both sides for their cooperation in attempting to organize this schedule in this fashion.

Mr. President, I yield the floor.

APPOINTMENT OF CONFEREES—H.R. 4653

The PRESIDING OFFICER. Under the authority provided on September 13, 1990, with regard to H.R. 4653, the Export Administration Act, the Chair appoints Mr. RIEGLE, Mr. CRANSTON, Mr. SARBANES, Mr. GARN, and Mr. HEINZ; from the Committee on Foreign Relations solely for consideration of title I, section 117 of the Senate amendment and the specific disagreeing provision of title I, section 109 as regards the Arms Export Control Act, section 120(a), title III, and title IV of the Senate amendment: Mr. PELL, Mr. HELMS, and Mr. SARBANES; and from the Committee on Finance solely for consideration of title IV of the Senate amendment relative to sanctions on imports: Mr. BENTSEN, Mr. MOYNIHAN, and Mr. PACKWOOD, conferees on the part of the Senate.

The PRESIDING OFFICER. The Republican leader is recognized.

HONORING SENATOR STROM THURMOND FOR HIS ACHIEVEMENTS AND LIFETIME OF PUBLIC SERVICE

Mr. DOLE. Mr. President, this evening, the Non Commissioned Officers Association of the United States of America, will present its highest award to the senior Senator from South Carolina, STROM THURMOND.

It seems to me that this is an appropriate time for the full Senate to acknowledge our distinguished colleague's outstanding support for and commitment to our Nation's armed services and its veterans.

I doubt if there has ever been a more deserving choice for the Non Commissioned Officers Association's "Lifetime Legislative Achievement Award" than Senator THURMOND. His contributions to the military and veterans for more than 30 years is legendary. He continues to be one of the uniformed service member's strongest supporters, whether they serve on active duty, or in a veteran's status. Senator THURMOND has always stood tall for a strong national defense, even when support for our service men and women was under political attack.

Senator THURMOND was also instrumental in elevating the Veterans' Administration to Cabinet level status, while his work for veterans through his position on the Senate Veterans' Affairs Committee has paid off for all veterans.

Mr. President, I, too, offer my congratulations to Senator THURMOND for the Non Commissioned Officers Association "Lifetime Legislative Achievement Award."

Senator THURMOND has served his country in many ways: As an Army officer; as a circuit judge; as Governor of South Carolina; and since 1956, as the distinguished Senator from South Carolina. Senator THURMOND's record of achievement is one we can all admire and is in highest traditions of American public service.

As a proud Senate colleague, and as a World War II veteran, I say thanks.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROCKEFELLER). Without objection, it is so ordered.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 10:00 a.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following joint resolution, with amendments, in which it requests the concurrence of the Senate:

S.J. Res. 57. Joint resolution to establish a national policy on permanent papers.

The message also announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 4811. An act to expand the boundaries of the San Antonio Missions National Historical Park, and for other purposes.

ENROLLED BILL AND JOINT RESOLUTIONS SIGNED

At 10:33 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the Speaker has signed the following enrolled bill and joint resolutions:

S. 2205. An Act to designate certain lands in the State of Maine as wilderness;

S.J. Res. 313. Joint resolution deignating October 3, 1990, as "National Teacher Appreciation Day"; and

H.J. Res. 568. Joint resolution designating the week beginning September 16, 1990, as "Emergency Medical Services Week."

The enrolled bill and joint resolutions were subsequently signed by the Acting President pro tempore [Mr. LIEBERMAN].

MEASURES REFERRED

The following bill was read the first and second times by unanimous consent, and referred as indicated:

H.R. 4811. An act to expand the boundaries of the San Antonio Missions National Historical Park, and for other purposes; to the Committee on Eenrgy and Natural Resources.

ENROLLED BILL AND JOINT RESOLUTIONS PRESENTED

The Secretary of the Senate reported that on today, September 19, 1990, he had presented to the President of the United States the following enrolled bill and joint resolutions:

S. 963. An act to authorize a study on methods to commemorate the nationally significant highway known as Route 66, and for other purposes;

S. 2205. An act to designate certain lands in the State of Maine as wilderness.

Presented to the President of the United States, September 19, 1990;

S.J. Res. 313. Joint resolution designating October 3, 1990, as "National Teacher Appreciation Day",

S.J. Res. 331. Joint resolution to designate the week of September 23 through 29, 1990, as "Religious Freedom Week"; and

S.J. Res. 333. Joint resolution to designate the week of September 30, 1990 through October 6, 1990, as "National Job Skills Week".

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

S.J. Res. 14. Joint resolution proposing an amendment to the Constitution of the United States to allow the President to veto items of appropriation (Rept. No. 101-466).

S.J. Res. 23. Joint resolution proposing an amendment to the Constitution authorizing the President to disapprove or reduce an item of appropriations (Rept. No. 101-466).

By Mr. BIDEN, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 594. A bill to establish a specialized corps of judges necessary for certain Federal proceedings required to be conducted, and for other purposes (Rept. No. 101-467).

By Mr. BURDICK, from the Committee on Appropriations, with amendments:

H.R. 5268. A bill making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1991, and for other purposes (Rept. No. 101-468).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DIXON (for himself, Mr. GRAHAM, and Mr. GARN):

S. 3073. A bill to reserve the income on depository institution reserves at the Federal Reserve Banks to protect and enhance the deposit insurance system; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ROTH:

S. 3074. A bill to amend title XVIII of the Social Security Act to provide for collection and dissemination of information on Medicare secondary payer situations from entities insuring, underwriting or administering employee group health plans, and to establish a data bank; to the Committee on Finance.

By Mr. GRAHAM:

S. 3075. A bill to amend the Federal Deposit Insurance Act; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. PRYOR (for himself, Mr. HEINZ, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. WARNER, Mr. HOLLINGS, Mr. CONRAD, Mr. GLENN, Mr. RIEGLE, and Mr. LEVIN):

S. 3076. A bill to provide for permanent extensions of expiring health related waiver of liability provisions; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 3077. A bill to amend the Federal Triangle Development Act relating to the financing, planning, construction, and operation of the international and cultural trade center, and for other purposes; to the Committee on Environment and Public Works.

By Mr. WIRTH:

S. 3078. A bill to protect the wilderness qualities of certain lands in the State of Colorado pending enactment of legislation designating those lands as components of the National Wilderness Preservation System or releasing those lands for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCAIN:

S. 3079. A bill to authorize the expansion of the Saguaro National Monument; to the Committee on Energy and Natural Resources.

By Mr. HELMS:

S. 3080. A bill to provide to the Federal Government and States the opportunity to acquire old military facilities for use as prisons to ensure that prisoners are not unnecessarily released early; to the Committee on Armed Services.

By Mr. ROCKEFELLER (for himself, Mr. HATCH, Mr. KENNEDY, Mr. RIEGLE, Mr. DODD, Mr. BRADLEY, Mr. JEFFORDS, Ms. MIKULSKI, Mr. SIMON, Mr. ADAMS, and Mr. PELL):

S. 3081. A bill to amend title XIX of the Social Security Act to provide better health protection for mothers and children, and for other purposes; to the Committee on Finance.

By Mr. INOUYE (for himself and Mr. McCAIN):

S. 3082. A bill to expand the authority of the Secretary of the Interior in connection with the investment of Indian trust funds, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. DASCHLE (for himself, Mr. BAUCUS, Mr. BURDICK, Mr. CONRAD, Mr. INOUYE, and Mr. McCAIN):

S. 3083. A bill to establish a tribal cattle herd pilot project, and for other purposes; to the Select Committee on Indian Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. MOYNIHAN (for himself, Mr. DOLE, and Mr. D'AMATO):

S. Res. 325. A resolution to recognize and commend the establishment of the Eisenhower Center for the Conservation of Human Resources at Columbia University; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DIXON (for himself, Mr. GRAHAM, and Mr. GARN):

S. 3073. A bill to use the income on depository institution reserves at the Federal Reserve Banks to protect and enhance the deposit insurance system; to the Committee on Banking, Housing, and Urban Affairs.

RESERVES TRANSFER LEGISLATION

● Mr. DIXON. Mr. President, I am today introducing, for myself and my distinguished Banking Committee colleague, Senator GRAHAM, legislation designed to further strengthen the Federal Deposit Insurance Corporation.

There is no question that the bank insurance fund of the FDIC is under stress and that the deposit insurance system would greatly benefit from an additional revenue source. Last week, the distinguished Comptroller General, Charles A. Bowsher, testified before the Banking Committee on the General Accounting Office's audit of the bank insurance fund. The testimony contains a lot of bad news. We need to keep in mind, however, that this is not the thrift situation. We are not already facing an inevitable large-scale taxpayer liability. There is time to act.

I think the GAO's testimony was, in effect, a call to action. The FDIC has acted responsibly by increasing the insurance premium the banking industry pays by over 62 percent. That change means that the bank insurance fund will have over $5 billion in premium income next year. In order to avoid the risk of future problems, though, further action is needed. Congress also needs to act promptly and decisively.

As the GAO's testimony clearly demonstrates, the bank insurance fund will likely not be able to achieve its 1.25 percent target ratio in the next 5 years. This estimate includes the premium increase the FDIC has ordered. In order to ensure that the FDIC always has enough cash on hand to close institutions that need to be closed, therefore, additional steps must be taken. We cannot afford to let

the insurance fund decline to levels that will create incentives for the FDIC to wait to close money-losing, insolvent institutions. We know where that leads.

We need comprehensive reform of the deposit insurance system. Last week, I introduced a bill to accomplish that objective. Overhauling deposit insurance, however, is very controversial and will take a lot of time. We also need to take a few quick actions—actions that will help now.

The distinguished chairman of the Banking Committee, Senator RIEGLE, has introduced legislation to eliminate restrictions on the FDIC's ability to raise premiums by the amount it believes is required to protect the fund. I congratulate him for his leadership on this issue, and for his willingness to take this tough step.

The legislation I am proposing today is another step we should take now. As my colleagues may know, banks, thrifts, and credit unions currently have close to $34 billion on deposit at the Federal Reserve. The great bulk of this money represents banking industry money. The Fed does not pay the depository institutions interest on these funds. However, the Fed does earn interest, which it returns to the Treasury.

My bill simply transfers this interest—paid at the Federal funds rate—to the banking, thrift, and credit union insurance accounts. This forgone interest represents a kind of depository institution industry payment to the Federal Government. Transferring the interest to the bank insurance fund and the other relevant insurance funds, instead of the Treasury, means that the funds will receive more than $2 billion in additional income each year. Importantly, this fund transfer can be accomplished without increasing the Federal deficit. While the Fed's payment to Treasury would decrease, FDIC's income would increase, offsetting Treasury's loss.

The benefits of this kind of plan are considerable. It will help ensure that the FDIC has the resources it needs to close insolvent banks promptly. It will help reduce the stress on the bank fund, and help reduce the possibility that the bank insurance fund will need Federal general revenue assistance.

Importantly, it accomplishes these objectives without adding to the risk of further bank failures. Over the last 4 years, the banking industry has added over $62 billion in capital. Banks need to do more to increase their capital, and we need to ensure that they will do more.

We must not forget, though, that industry earnings are down, that loan losses are steadily up, and that bank Federal taxes have doubled in the last 4 years even though earnings last year were over $2 billion less than they were at the beginning of that period. My bill adds to the insurance fund's resources in a way that does not add to the risk of additional failures. It does not take the place of needed premium increases. It does make it more likely that the insurance fund's revenue needs will not hurt bank capital growth, which, after will, is the first line of defense against losses.

The funds my bill transfers are, in a very strong sense, already banking industry funds. It makes sense to put them into the bank insurance fund now. It may be one of the best investments we could ever make.

I offer this suggestion as one the Senate should consider carefully. It is something we can do quickly, without adding to the deficit, which would really help. It is an action that would make a real difference. I urge prompt enactment of this legislation.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. Section 19(b) of the Federal Reserve Act, as amended, shall be amended by adding at the end thereof the following new paragraph:

"(12) EARNINGS ON RESERVES—For each calendar quarter beginning on January 1, 1991, the Board shall assess the Federal Reserve Banks, and the Reserve Banks shall pay to the Board, an amount equal to the imputed earnings on reserves.

Upon receipt of such assessment, the Board shall promptly pay to the Bank Insurance Fund, the Savings Association Insurance Fund and the Credit Union Insurance Fund that portion of the assessment that is attributable to reserves held at Federal Reserve Banks for the quarter by the members of each fund as calculated by the Board. For the purposes of this paragraph, imputed earnings on reserves means the average required reserve balances held with the Federal Reserve Banks pursuant to this section during the applicable calendar quarter by depository institutions that are members of such insurance funds multiplied by the average federal funds rate during that quarter, as determined by the Board.".●

By Mr. ROTH:

S. 3074. A bill to amend title XVIII of the Social Security Act to provide for collection and dissemination of information on Medicare secondary payer situations from entities insuring, underwriting or administering employee group health plans, and to establish a data bank; to the Committee on Finance.

COLLECTION OF INFORMATION ON MEDICARE SECONDARY PAYER SITUATIONS AND DATA BANK

● Mr. ROTH. Mr. President, the Permanent Subcommittee on Investigations [PSI], on which I serve as ranking minority member, recently held hearings on problems and abuses in one part of the Medicare program, the Medicare Secondary Payer or MSP Program. This program involves primarily the working elderly, people who are over 65 but who are still employed and have private health insurance through their employer. The Medicare Secondary Payer, or MSP Program is designed, as its name implies, to ensure that an individual's private insurance pays the primary cost of medical bills, while Medicare pays secondary. Unfortunately, implementation of the MSP Program has been erratic at best.

The MSP program involves a complex legislative scheme that requires several different entities, including health care providers, patients, insurance companies and Medicare administrators to perform certain functions. Unfortunately, performance under the MSP Program has not measured up. Failure to follow the MSP law is costing the taxpayer billions of dollars. Various government sources estimate that losses to the Federal Government as a result of the MSP Program range from $400 million to $1 billion per year. Studies by the General Accounting Office and the inspector general of the Department of Health and Human Services have repeatedly identified the MSP program as gushing with leaks of Federal tax dollars. Today, I am introducing legislation aimed at stemming this flow of Federal tax dollars by requiring accurate reporting of private insurance information.

Why are we confronted with these staggering losses a decade after the first MSP provisions were enacted by Congress? PSI's investigation has uncovered some answers to this question which I hope lead to improvements in implementing the MSP Program. For several years the Federal Government has been relying on the honor system to ensure compliance with MSP. This must stop. PSI's investigation shows, I am afraid, that medical care providers such as hospitals, Medicare contractors which administer Medicare benefits, private insurance companies, the health care financing administration and yes, the Congress, each share some responsibility for the failure of the MSP Program.

While MSP is only a small part of the overall Medicare Program, I find the waste of up to a billion dollars a year in this one program absolutely astounding. In my view, these wasteful and abusive practices belie the claims that the Federal Government needs to raise taxes to make its budgetary ends meet. Until we get our house in order on the waste, fraud, and abuse that cost the taxpayers so dearly, we have no right to ask these same taxpayers to shell out even more in taxes.

It is clear that we need a means to accurately identify primary sources of payment for private insurance so that Medicare pays properly as a secondary payer. This legislation would take us a

long way toward reducing the erroneous payments made by Medicare. Our bill would require any entity insuring, underwriting, or administering a group health plan, as well as certain employers, to notify the Secretary of Health and Human Services of individuals who would be subject to the provisions of the MSP Program. Employers, together with those who administer, underwrite, and insure private group health plans are in the best position to identify employees who have private health coverage through the workplace. Medicare administrators as well as other appropriate State agencies would have access to the information as a check to ensure that the proper private insurance, if applicable, has paid primary to Medicare. Collection and dissemination of accurate insurance information is a vital step toward turning this program around and making it work for the intended beneficiaries rather than lining the pocket of unscrupulous insurance companies who have been ducking their obligations under the law.

I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3074

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. COLLECTION OF INFORMATION ON MEDICARE SECONDARY PAYER SITUATIONS AND ESTABLISHMENT OF DATA BANK.

(a) IN GENERAL.—Section 1862(b) of the Social Security Act (42 U.S.C. 1395y(b)) is amended by adding at the end thereof the following new paragraph:

"(6) COLLECTION OF INFORMATION ON SECONDARY PAYER SITUATIONS AND DATA BANK.—

"(A) REQUIRING SUBMISSION OF INFORMATION.—

"(i) FROM GROUP HEALTH PLANS.—The Secretary shall require employers and any entity insuring underwriting or administering a group health plan (as described in paragraph (1)) to notify the Secretary (in such frequency, form and manner as the Secretary may by regulation provide) with respect to individuals entitled to benefits under this title under section 226(a), 226(b), or 226A who are enrolled under such health plans.

"(ii) FROM OTHER INSURERS OR PLANS.—The Secretary shall require entities (including any State or local government) operating, insuring, or administering a workmen's compensation law or plan, an automobile or liability insurance policy or plan (including a self-insured plan) or no fault insurance plan to notify the Secretary (in such frequency, form and manner as the Secretary may by regulation provide) with respect to individuals entitled to benefits under this title under section 226(a), 226(b), or 226A who are enrolled under such health plans.

"(B) PENALTY FOR FAILURE TO PROVIDE INFORMATION.—Any entity described in subparagraph (A) (other than a Federal or other governmental entity) which knew or had reason to know of the requirements of this paragraph with respect to providing notification to the Secretary and which fails to provide timely and accurate notice in accordance with the requirements of this paragraph shall be subject to a civil money penalty of not to exceed $10,000 for each such failure incident. The provision of section 1128A (other than subsections (a) and (b)) shall apply to a civil money penalty under the previous sentence in the same manner as such provisions apply to a penalty or proceeding under section 1128A(a).

"(C) MEDICARE SECONDARY PAYER DATA BANK.—

"(i) IN GENERAL.—The Secretary shall collect and store in a data bank established for purposes of this subsection the information provided to the Secretary by entities as described in this paragraph along with such further information on medicare secondary payer situations as the Secretary deems appropriate no later than 6 months after the date of enactment of this act.

"(ii) DISSEMINATION.—In addition to any other information provided under this title the Secretary shall make the information contained in the data bank established in clause (i) available to fiscal intermediaries and carriers for the purposes of carrying out this subsection.".●

By Mr. GRAHAM:

S. 3075. A bill to amend the Federal Deposit Insurance Act; to the Committee on Banking, Housing, and Urban Affairs.

BANK DEPOSIT INSURANCE AUTHORITY

Mr. GRAHAM. Mr. President, there are some eerie similarities to what is happening in the fall of 1990, to that which occurred in the fall of 1988. Almost exactly a year ago, September 8, 1988, in testimony before the House Banking Committee, the then chairman of the Federal Home Loan Bank Board, the agency with responsibility for savings and loan institutions, made this statement:

I believe that in the past year the FSLIC has made significant strides in resolving FSLIC cases and, though subject to the vagaries of future economic conditions, realistic projections today indicate that FSLIC possesses adequate resources in the near term to deal effectively with the immediate problems of troubled institutions.

At that time, Mr. Wall estimated that the total cost of resolving problems would be around $30 billion. Mr. President, as we now know, that $30 billion number was woefully inadequate. We also know from as recently as headlines in today's press that the consequence of the underfunding of the savings and loan insurance fund in the fall of 1988 was to propel Mr. Wall and his colleagues into a series of negotiations which led to transactions such as the "Blue Bonnet" deal, the Southwest Texas plan, and others which are now going to cost the Federal taxpayers in the range of $65 to $70 billion.

What is eerie about recalling those statements in September 1988 is that we are hearing some similar statements, Mr. President, in the fall of 1990 relative to the health of the Federal Deposit Insurance Corporation fund, the fund which supports our commercial banks' deposit insurance.

Mr. President, we are getting statements that essentially say the funds, yes it is in trouble, most of those statements coming from independent observers such as the General Accounting Office and the Congressional Budget Office. But from the regulations we are getting statements that there is no sense of alarm, no need for precipitate action.

Mr. President, I am not reassured by those statements. The history of the savings and loan industry should have taught us a lesson of legislative responsibility. The history of the savings and loan legislation should have taught us the need to move effectively where it is clear that such action is called for. The recent reports by the GAO and the CBO have underscored the vulnerability of the FDIC insurance fund.

Thus, Mr. President, I hope that this Congress, before we adjourn this year, will take a series of actions designed to solidify, to strengthen, to make less vulnerable the FDIC fund so that in the fall of 1992 we will not be bemoaning the fact that twice we had missed the clear clarion call for action.

I believe there are a number of things that need to occur. Some of that legislation is already advanced, such as a proposal to lift the current restrictions on the premiums that can be paid into the FDIC fund. If we are going to make the Federal Deposit Insurance Fund truly an insurance fund and not a disguised subsidy, then the premiums paid in this fund must meet some actuarial standards of adequacy in proportion of the risk assumed.

Second, Mr. President, we ought to be moving forward with a proposal to make the insurance premiums risk based; that is, to relate the degree of risk for individual institutions to the amount of premiums that those institutions pay.

With the current Presiding Officer, other Members and myself have been urging this for some time and have introduced legislation to do so. I hope that that concept will be incorporated in legislation that will pass before we adjourn this year.

A third area is adequate staff for the regulatory agencies. If there was one lesson we have learned through the savings and loan industry is that there is a difference between deregulation and desupervision. Deregulation speaks to letting the marketplace function more effectively. But we know that as long as there are important trust responsibilities to the safety and soundness of our basic financial system that there will be the necessity for effective supervision. And we need to be assured, Mr. President, that there will be that effective personnel,

both in number and in competence, to provide us with effective oversight.

That effective supervision will then allow us to get data, information, somewhat like the thermometer of our financial institutions, so that we in the Congress, the executive branch, and the American people will have reliable data upon which to assess the health of the insurance fund and the industry.

This afternoon, Mr. President, I am introducing another concept which I think should be part of this emergency process and that is to carry out a recommendation that has been made by the current chairman of FDIC, Mr. William Seidman. Mr. Seidman, on July 31 of this year, speaking before the Senate Banking Committee, said that he believes "that as a basic principle the insurer should decide which institutions it insures and that that is the ultimate protection that ought to be afforded to the taxpayer. So we have that now with the savings and loan. We don't have that with the banks." "As a matter of principle, the insurer should determine what institutions qualify for insurance.* * *"

Well, what Mr. Seidman was alluding to is the anomaly that currently exists, and that is that the Federal Deposit Insurance Corporation is required to provide insurance coverage to federally chartered banks or those that are members of the Federal Reserve System. As a result of action taken in 1989, FDIC is no longer obligated to give insurance to thrifts; that is, a judgment can be made to the effect that that particular institution given its standards of conduct does not warrent the extension of Federal deposit insurance. The FDIC has similar authority to withhold insurance coverage from State chartered nonmember financial institutions.

The legislation which I am going to file would eliminate this anomaly and, as Chairman Seidman has requested, would give to FDIC the authority to deny insurance on an individual institution basis where it is determined that that institution represents too great a risk to the insurance fund.

Mr. President, I have alluded to some of the lessons that we have learned in the saving and loan debacle. Clearly, a core lesson is the fact that we cannot allow the deposit insurance fund to remove from the management of institutions their sense of personal responsibility and financial accountability for their actions. The way the insurance fund has operated in the past has been characterized as privatizing profits and socializing losses; that is, the institution, if things went well, would reap the benefit of the profit; if things went badly, that was the taxpayers' responsibility. That is an unacceptable allocation of risk and reward.

Mr. President, the legislation I will file today will fill one piece of that anomaly by providing to the Federal Deposit Insurance Fund the capacity to deny coverage where it feels that a federally chartered institution does not warrant that degree of Federal assumption of financial responsibility.

Mr. President, the Sunday, July 15, 1990, "Face the Nation" television program featured the Chairman of the Federal Deposit Insurance Corporation [FDIC], Mr. William Seidman, who commented that he felt the insurance fund was adequate to handle a mild recession, but that if economic conditions should deteriorate beyond that, that he had some serious concerns. His statements were quoted in the Washington Post on Monday, July 16. Mr. Seidman stated that the insurance fund that protects the deposits of U.S. banks is "under considerable stress" and "would be in trouble" were the Nation to suffer a serious recession. The article went on to quote Mr. Seidman as saying "we can handle anything we can foresee right now," Mr. Seidman said, "But if things come along, major failures that we are not able to foresee at this time, that would be another story. The system is under stress."

Mr. President, as I read that article, I had a sense of recall of similar statements being made back in 1988 relative to the Federal Savings and Loan Insurance Coporation [FSLIC].

At that time Chairman Wall of the Federal Home Loan Bank Board said on May 26, 1988, to the Senate Banking Committee:

> The board projects the FSLIC possesses adequate resources in the near term to deal effectively with problem institutions in the thrift industry. This projection depends upon other segments of the thrift industry remaining stable and assumes no significant increase in interest rates or dramatic downturn in other sectors of the economy.

At that time Mr. Wall was projecting a cost to the fund of somewhere around $22.7 billion.

Meanwhile, Under Secretary George Gould of the Treasury Department in a question and answer period with me on August 2, 1988, said when I asked him "assuming the problem is a $30 billion problem. What do you believe Congress should do between now and our adjournment in October? Mr. Gould replied: "Well, in my opinion, Senator, if you believe that is the size of the problem, and as I do, that the bank board is moving as expeditiously as it is organized to do, then I think it is not necessary to do anything between now and November." He continued, "if you proceed into next year at the rate of two resolutions a week you're going to learn something about the costs. Then if you want to review the situation again next year, I would suggest and really ask very strongly that you do it in the context of looking broadly at the whole public policy issue of the role of deposit insurance."

In Mr. Wall's September 8, 1988, testimony before the House Banking Committee he said again, "I believe that in the past year the FSLIC has made significant strides in resolving FSLIC cases and, though subject to the vagaries of future economic conditions, realistic projections today indicate that FSLIC possesses adequate resources in the near term to deal effectively with the immediate problems of troubled institutions." The problem was then estimated to be around the $30 billion level.

I was troubled with that pattern of representations in 1988 by Mr. Wall and Mr. Gould that showed the situation to be so distant from the reality. Today, I am troubled by the similar statements we are hearing from Chairman Greenspan and Treasury Secretary Brady.

During a questions and answer period with me during a Senate Banking Committee hearing on July 18, 1990, I asked Chairman Greenspan if he had any recommendations he would make to Congress regarding the Federal deposit insurance fund. Chairman Greenspan said:

> I would assume if there were any recommendations, they will evolve in the context of the firrea-mandated study which the Treasury is involved with and which we at the Fed are acting in concert with them.

I also asked Chairman Greenspan:

> It was almost exactly 23 months ago that the then Vice President of the United States, made a statement that his economic assessment of the future was such that he felt we could achieve our Nation's economic and fiscal goals solely within spending reduction strategies. That position was reasserted in January 1990 in the State of the Union Address. During the week of July 18 we had a report from the President's budget advisers that if we were to follow that strategy, that very serious negative occurrences would be the result. What do you think happened in the 23 months since August 1988, and the 7 months since January 1990, that have caused the assessments of some of the most knowledgeable and best informed people in the Federal Government to now be so widely out of touch with what current economic circumstances are?

Chairman Greenspan replied:

> Well, there are a lot of technical differences that have emerged with respect to estimating the budget deficit and specifically, receipts. The effects of the Tax Reform Act of 1986 were not clearly evident until fairly recently * * * that was certainly one element. There were clearly other elements involved. I mean, there were estimates of the rate of economic activity in nominal, taxable income terms which are higher than has turned out to be the case. Their interest rate assumptions turned out to be lower than turned out to be the case, which is one additional relevant issue. Finally, the way in which the budget is forecast by the administration is to assume that the requests of the President are fully implemented by the Congress. And depending on what those requests are, you can get a very significant,

different budget forecast than from what we've called baseline or used to call current services. I think that the numbers we're looking at today are more baseline current services, whereas, those that refer to the two cases in which you were referring were, I believe, administration forecasts with full policy implementation.

On July 25, 1990, I asked Treasury Secretary Brady, when he came before the Senate Banking Committee, "Do you share Chairman Seidman's appraisal of the Federal deposit insurance fund being under stress?" Secretary Brady responded:

I do not know what assumptions went into the calculation of "severe recession." You certainly could have a severe recession that would threaten a lot of things, and we cannot base our estimates of how we are going to conduct business on a severe recession, although they ought to be taken into account. If you did, how about a severe-severe recession, which would produce probably the requirement for deposit insurance charges to the banks that they put forward to pay and place this country at an even greater comparative disadvantage with international competitors like Japan and Germany. * * * "severe recession" is going to mean trouble in a lot of areas. The point is to stay out of a severe recession, which I think we will do.

Then I asked Secretary Brady if there were any actions he would recommend that Congress should initiate relative to the Federal deposit insurance fund. Secretary Brady said:

Not at this time, although we are studying the matter. I have asked Bill Seidman to give us any conclusions he might have so we can look at them.

I also asked Secretary Brady about the economic assumptions made by the President in his State of the Union Address in January 1990 indicating my concern that if circumstances could change so dramatically in just this 6-month period, what does that say about the State of the American economy? And what are the reasons that he thought accounted for this dramatic shift between January 1990 and the 25th of July? Secretary Brady said:

There are a number of things that have changed since the President put forth his budget. First of all, we have had a slowdown in the economy which has contributed substantially to the increase in the deficit. Second, there has been more spending than we thought there should be. That is a question of whether that spending should continue at the rate that is now going on. The obvious conclusion is that it cannot continue.

As one who has functioned in both the legislative and executive branches of Government, I know how important it is for one who represents the executive branches' responsibilities to the legislative branch to accurately assess the condition and needs of that agency and assist the legislative branch in carrying out its independent legislative responsibilities. Executives should be aware of the consequences of their actions and therefore not discourage any sense of urgency or provide unfounded optimism as we get on with the job of working out the problems. We do not want to create an atmosphere of passivity while one of the most serious crises of the financial industry continues or another one starts to unfold.

As a fundamental goal to trying to avoid a repetition of the savings and loan crisis with the banking insurance fund, I will be introducing a bill to give the FDIC the authority to withhold Federal deposit insurance to federally chartered banks or those that are Federal Reserve members. This mirrors the authority we gave the FDIC for federally chartered thrifts in FIRREA. The FDIC already has the authority to withhold Federal deposit insurance from State chartered nonmember financial institutions. Currently the FDIC gives automatic insurance coverage to federally chartered banks or those that are members of the Federal Reserve System.

Chairman Seidman of the FDIC is in support of my bill. During the Banking Committee hearing July 31, 1990, he said:

Well I think that as a basic principle the insurer should decide which institutions it insures and that that is the ultimate protection that ought to be afforded the taxpayer. So we have that now with the S&L's. We don't have that with the banks. As a matter of principle, the insurer should decide what institutions qualify for insurance.* * *

My bill would give Chairman Seidman that authority. My bill is not inconsistent with our review of the deposit insurance reform study. It is obvious that this bill should be introduced and moved. I encourage all my colleagues to cosponsor this bill.

By Mr. PRYOR (for himself, Mr. HEINZ, Mr. MITCHELL, Mr. ROCKEFELLER, Mr. WARNER, Mr. HOLLINGS, Mr. CONRAD, Mr. GLENN, Mr. RIEGLE, Mr. BRADLEY, Mr. COCHRAN, Mr. BURDICK, and Mr. LEVIN):

S. 3076. A bill to provide for permanent extensions of expiring health related waiver of liability provisions; to the Committee on Finance.

EXTENSION OF EXPIRING HEALTH RELEATED WAIVER OF LIABILITY PROVISIONS

● Mr. PRYOR. Mr. President, I am introducing a bill today that would make permanent the Medicare waiver of liability for home health agencies, hospices and skilled nursing facilities [SNF's]. I am pleased to be joined by Senators HEINZ, MITCHELL, ROCKEFELLER, WARNER, HOLLINGS, CONRAD, GLENN, RIEGLE, BRADLEY, COCHRAN, BURDICK, and LEVIN.

In essence, the waiver of liability acts as a form of insurance for health care providers in good standing who accept Medicare patients, but later find that these patients are ineligible or the services are not covered. In 1972, the Health Care Financing Administration [HCFA] created this presumptive status for providers whereby they were presumed to have acted in good faith if they demonstrated reasonable knowledge of coverage standards in their submission of claims.

The waiver of liability does not give providers a blank check. In order for them to be compensated under the waiver of liability presumption, their overall denial rate of claims must be less than 2.5 percent of Medicare claims for home health agencies and hospices, and 5 percent for SNF's. Any provider that exceeds these limits is not reimbursed under the waiver.

Congress responded to HCFA's attempt to eliminate the waiver in 1986 by including a 1-year extension in COBRA. Subsequent to COBRA, the Medicare Catastrophic Care Act extended it until November 1, 1990; this provision was not repealed. The House reconciliation bill includes an extension of the waiver for SNF's, hospices, and home health agencies until December 31, 1995. There was no cost associated with this provision.

Because of the inherent uncertainty in the various fiscal intermediaries' interpretations of constantly changing guidelines, directives and regulations, the protection that the waiver of liability offers is crucial to home health agencies, hospices and SNF's. Without it, some providers might well be hesitant to cover Medicare patients—an outcome we all would want to avoid. Because of the importance of the waiver to providers and beneficiaries, and because it has been in place for nearly 20 years, it makes sense to make it permanent. I urge my colleagues to join me in cosponsoring this legislation.●

By Mr. WIRTH:

S. 3078. A bill to protect the wilderness qualities of certain lands in the State of Colorado pending enactment of legislation designating those lands as components of the National Wilderness Preservation System or releasing those lands for other purposes; to the Committee on Energy and Natural Resources.

INTERIM COLORADO WILDERNESS PROTECTION ACT

● Mr. WIRTH. Mr. President, over the last few years the Colorado delegation has discussed repeatedly the need for a Colorado wilderness bill. Unfortunately, despite agreement on the need to complete this task, progress on a Colorado wilderness bill has been stalled by the debate over protection on streamflows in wilderness areas.

While the debate over wilderness water rights has dragged on, many proposed wilderness areas are being threatened by logging, off-road vehicle use, and commercial development. Unless action is taken soon, some of Colorado's premier potential wilderness areas will be irreversibly damaged, and we will have lost the oppor-

tunity to preserve these areas for future generations.

Therefore, today I am introducing legislation to provide interim protection for all of the areas that have been proposed for wilderness by members of our delegation. This legislation has one simple goal: To protect these areas' wilderness values until the congressional delegation can devise a compromise solution to the water rights controversy. Then we can move on to making final decisions on which lands should be permanently designated as wilderness and which lands should be released for other purposes.

Mr. President, I ask unanimous consent that the text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3078

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.—This Act may be cited as the "Interim Colorado Wilderness Protection Act of 1990."

TITLE I—INTERIM PROTECTION

SEC. 101. FINDINGS.—The Congress finds and declares that—

(1) There is broad support among the people of Colorado and the nation for legislation to protect the natural values of wilderness candidate lands in the State of Colorado;

(2) Wilderness candidate lands in Colorado provide valuable habitat for a wide variety of fish and wildlife species;

(3) Wilderness candidate lands are used by families from across the country for hiking, camping, hunting, fishing, skiing, and other recreational activities, and are also used for grazing domestic livestock, all of which contribute to the state's economy;

(4) However, many of these wilderness candidate lands are threatened by activities that are incompatible with protection of their wilderness values and pristine environmental quality and which could irrevocably impair those areas' suitability for wilderness designation; and

(5) It is essential to preserve and protect the wilderness values of these lands until the Congress enacts legislation that either designates these lands as components of the National Wilderness Preservation System, or releases these lands for other purposes.

SEC. 102. (a) INTERIM PROTECTION.—For a period of five years, beginning on the date of the enactment of this Act, the Secretary of Agriculture and the Secretary of the Interior shall manage those federal lands in the State of Colorado that were proposed to be designated as wilderness or wilderness study areas by the provisions of S. 1343 (The Colorado Wilderness Act of 1989) as introduced in the United States Senate on July 18, 1989; S.2001 (The Colorado Heritage Preservation Act) as introduced in the United States Senate on January 23, 1990; and the legislative proposal identified as "Discussion Draft" dated 2-8-90 and carrying Office of the Legislative Council, U.S. House of Representatives identification number CAMPC0001 that accompanied a letter dated February 10, 1990, from the Honorable Ben Nighthorse Campbell, so as to protect their wilderness qualities and to preserve unimpaired their suitability for designation as wilderness.

(b) The lands encompassed by this Act are closed to all forms of timber removal.

(c) Subject to valid existing rights, the minerals in lands designated by this Act are withdrawn from all forms of appropriation under the mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto.

(d) The appropriate Secretary shall limit motorized access to the lands encompassed by this Act to those purposes and uses that would otherwise be permitted if these lands were designated as components of the National Wilderness Preservation System, subject to the provisions of paragraph (e).

(e) The grazing of livestock, where established prior to the effective date of this Act, shall be permitted to continue subject to such reasonable regulations as are applicable to grazing on federal lands generally. The use of motorized vehicles or motorized equipment for the management of livestock, where established prior to the enactment of this act, shall not be subject to the provisions of paragraph (d).

(f) This Act shall not be construed to interfere with the terms and conditions of special use permits that have been issued by the Secretary of Agriculture for winter recreation sites. In those cases where lands encompassed by this Act are also subject to approved special use permits for winter recreation sites at the Berthoud Pass Ski Area and the Winter Park Ski Area in the State of Colorado, the terms and conditions of the special use permits shall control.

TITLE II—WATER RIGHTS

SEC. 201. This Act shall not be construed to effect an express or implied reservation of water.

TITLE III—ADMINISTRATIVE PROVISIONS

SEC. 301. As soon as practicable after this Act takes effect, the Secretary of Agriculture and the Secretary of the Interior, as appropriate, shall file maps and legal descriptions of each candidate wilderness or wilderness study area identified by this Act with the Committee on Energy and Natural Resources, United States Senate, and the Committee on Interior and Insular Affairs, House of Representatives, and such maps and legal descriptions shall have the same force and effect as if included in this Act: *Provided, however,* That correction of clerical and typographical errors in such legal descriptions and maps may be made. Each such map and legal description shall be on file and available for public inspection in the office of the Chief of the Forest Service, Department of Agriculture.●

By Mr. McCAIN:

S. 3079. A bill to authorize the expansion of the Saguaro National Monument; to the Committee on Energy and Natural Resources.

EXPANSION OF SAGUARO NATIONAL MONUMENT

● Mr. McCAIN. Mr. President, today I am introducing legislation which will authorize the expansion of the Saguaro National Monument in Tucson, AZ.

The Saguaro National Monument was established in 1933 to preserve and protect "the exceptional growth thereon of various species of cactic including the majestic saguaro cactus." The monument is a favorite visiting spot for many Arizonans and visitors to our State.

The legislation I am introducing today will authorize the addition of 3,540 acres to the Rincon Unit of the monument an area of 63,000 acres. The areas designated for inclusion contain outstanding features, which deserve protection and would be an excellent addition to the monument. Located immediately adjacent to the present monument lands, the proposed area is an exceptional example of the Saguaro Cactus-Palo Verde uplands Sonoran desert habitat. The land's healthy multiaged saguaro stands add ecological diversity to the present area, and is prime habitat for desert tortoise, gila monster, javelina, and numerous other species of reptiles, mammals, and birds typical of the ecologically rich Sonoran desert area. Additionally, the area contains important archaelogical and cultural sites.

The bill authorizes the Secretary of the Interior to acquire the land and all interest in it through donation, exchange or purchase with donated or appropriated funds. The acquisition will only go forward with the willing participation of the present landowners.

Legislation to effect the expansion of the monument has received wide support including that of the Pima County Board of Supervisors, the city of Tucson, the Sierra Club, the Pima Trails Association, the Conservation Foundation, the Wilderness Society, and the National Parks, and Conservation Association. I would like to ask unanimous consent that letters from the Pima County Board of Supervisors and the city of Tucson be inserted in the RECORD. I would also like to thank and congratulate the Tucson-based Saguaro National Monument boundary review working group which has labored so diligently on the expansion plan, particularly Luther Propst, William Lienesch, and Steven Whitney.

Arizona has been blessed with a bountiful natural heritage. This legislation will play an important role in ensuring our heritage is protected and preserved for the benefit of this and future generations of Arizonans. I look forward to a hearing on this legislation at the earliest possible time so that the Senate can examine it in detail.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CITY OF TUCSON,
OFFICE OF THE MAYOR,
Tucson, AZ, July 16, 1990.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR JOHN: Thank you for asking for the City of Tucson's comments on the proposed expansion of the Rincon Mountain unit of Saguaro National Monument. Our comments are as follows:

The proposal to expand the boundaries of the Rincon Mountain Unit of Saguaro National Monument, as delineated in the May 15 memo from the Boundary Review Working Group, is consistent with City plans and policies promoting open space and resource preservation. This coalition, comprised of representatives from National Parks and Conservation Association, The Wilderness Society, Sierra Club, The Conservation Foundation, Pima Trails Association and Doug Shakel, has proposed an "Enhanced Monument Boundary" and plans to pursue Congressional authorization to include this new addition.

The City's comprehensive General Plan, adopted in 1979, encourages the preservation of significant natural areas and promotes the establishment of federal managed wildlife preserves. Mayor and Council is currently considering an update to the Recreation Element of the General Plan which will include additional goals and policies promoting the preservation of natural resources and the expansion of the public preserves. Specifically, Open Space Policies under consideration in the Recreation Element which appear to have Mayor and Council support include the following:

II.A.: Encourage cooperation between local governments, state and federal agencies, private organizations and citizens to acquire, manage, conserve and protect natural open space resources.

II.C.: Generate public interest and support for open space preservation by emphasizing environmental, recreational and aesthetic values, including wildlife habitat, water conservation and flood control, visual relief and opportunity for contact with natural elements.

Mayor and Council have also recently demonstrated concern and appreciation for preservation of the resources by their adoption of the Environmental Resource Zone Ordinance on July 2, 1990. The purpose of this ordinance is to protect the remaining riparian areas along selected watercourses at the edges of the City which provide habitat for wildlife and buffer the preserves.

The coalition has drafted a proposal which is based on identification and scientific analysis of the botanical/ecological and archaeological attributes of the land area adjacent to the Monument. Consultation with pertinent property owners provided information regarding willingness to support the expansion and bring these resources under the protection of the National Park Service. This appears to be a commendable effort matching a resource inventory with acquisition potential.

Given the City's position of support for open space and natural resource preservation and the apparent soundness of the coalition's methodology, the City's support for the expansion of the Rincon Mountain Unit of Saguaro National Monument would be consistent with adopted plans.

Again, thank you for requesting comments from us. If you have any questions regarding the above information, please feel free to contact our office. Thank you.

Sincerely,

THOMAS J. VOLGY,
Mayor.

PIMA COUNTY BOARD OF SUPERVISORS,
Tucson, AZ, August 1, 1990.

Hon. JOHN MCCAIN,
U.S. Senate, Senate Office Building, Washington, DC.

DEAR JOHN: Please find enclosed a copy of the Pima County Board of Supervisors Resolution # 1990-118 endorsing the expansion of the Saguaro National Monument.

The Pima County Board of Supervisors wholeheartedly supports the expansion of the boundaries of the Saguaro National Monument to include this beautiful area which contains the richest stand of Saguaros I have ever seen in Arizona and John, you understand, Republicans will not lie. We would certainly love to have your support to accomplish the extra addition to the Saguaro National Monument.

In spite of what you read in the newspaper, our Board has been very active in obtaining pristine land and creeks which are so scarce in Arizona. We have added in the past week 25,820 total acres in the Cienega Creek area. Only 880 acres were purchased by the County, but BLM and Pima County have worked hand in hand in taking 75,000 acres of the Cienega and Empire Ranches out of the hands of developers and back into a natural preserve or conservation area, with a trail head and trails area going all the way to Sonoita. This purchase preserves riparian environment of the whole area and stopped the sand and gravel operation.

John, I hope you will give careful consideration to supporting the proposed expansion of the Saguaro National Monument efforts. Thank you for all your efforts on behalf of Southern Arizona.

Best regards,

REG T. MORRISON,
Chairman.

RESOLUTION 1990-118

A RESOLUTION OF PIMA COUNTY BOARD OF SUPERVISORS ENDORSING A PROPOSAL TO EXPAND THE BOUNDARIES OF THE SAGUARO NATIONAL MONUMENT

Whereas, a coalition of local and national environmental organizations has recommended the enlargement of the boundaries of the eastern unit of the Saguaro National Monument; and

Whereas, the Saguaro/Palo Verde habitat of the foothills of the Rincon Mountains bordering the southern side of the Monument is an exceptionally rich area of Sonoran Desert uplands; and

Whereas, the stand of saguaros inhabiting these foothills comprises a particularly excellent, healthy, and multi-aged stand that is not only one of the finest in the region, but rivals or even exceeds the quality of stands presently featured within the Monument; and

Whereas, on June 5, 1990, the recommendation of the Sierra Club, the Pima Trails Association, the Conservation Foundation, the Wilderness Society, the National Parks and Conservation Association, and local environmental activists to expand the Saguaro National Monument was transmitted to Arizona's Congressional delegation; and

Whereas, a number of Arizona's Congressional delegates have sought the views of the National Park Service concerning the propriety and wisdom of expanding the eastern unit of the Saguaro National Monument; and now, therefore, be it

Resolved, That the Board of Supervisors of Pima County, State of Arizona, hereby recommends the inclusion of the lands within the Enhanced Monument Boundary into the eastern unit of the Saguaro National Monument.

Be it further resolved, That the Clerk of the Board of Supervisors of Pima County be directed to immediately transmit this Resolution to the Director of the National Park Service and to Arizona's Congressional delegation.

Passed and adopted this 17th day of July, 1990, by the Pima County Board of Supervisors.●

By Mr. HELMS:

S. 3080. A bill to provide to the Federal Government and States the opportunity to acquire old military facilities for use as prisons to ensure that prisoners are not unnecessarily released early; to the Committee on Armed Services.

ACT TO ELIMINATE REVOLVING-DOOR PRISON TERMS FOR DRUG DEALERS AND OTHER CONVICTED CRIMINALS

Mr. HELMS. Mr. President, I am introducing today legislation to help in dealing with a crisis in the prison systems of America.

At both the Federal and State levels, prisons are bursting at the seams—Federal prisons are operating at 163 percent of capacity and State prisons are as high as 127 percent of capacity.

Because of prison overcrowding, and court orders, many States are releasing inmates who have served only a fraction of their sentences. This is like giving convicted criminals a "Get out of Jail Free Card" to go back to robbing, raping, and killing innocent Americans. The bottom line is that prison overcrowding is putting criminals back on the street, thereby increasing crime.

Mr. President, there is a desperate need to increase prison capacity. Ways must be found to deal with the prison crisis. It is imperative that there be a return to a policy of protecting society and innocent Americans. In order to protect society, we desperately need to increase prison capacity both at the Federal and State levels.

My bill will help the Federal Government and the States increase prison capacity by giving them the first shot at some of the bases that are scheduled to be closed under the Base Closure Act.

My bill also will make available to the States 20 pieces of surplus Federal property for use as prisons. Furthermore, the bill authorizes the use of tent camps at these former military bases and other prison facilities, on a temporary basis. If tents are good enough for our soldiers, then surely they are adequate for criminals. I think it is time to stop pampering criminals.

Lastly, Mr. President, the bill requires the Director of the Bureau of Prisons to cut costs by eliminating luxuries such as color television, pool tables, and cable television.

Using former military bases, surplus Federal property, and tent camps provides three cost-efficient ways to increase prison capacity and keep criminals in jail—where they belong—instead of back out on the streets robbing and killing people.

Mr. President, if Senators doubt that there is a crisis, they need only to

look at the facts relating to prisons and the cost of crime to society. First, let's look at the status of prison overcrowding. Just a few weeks ago, the Department of Justice reported that the Federal prison population reached 52,984, whereas the capacity of Federal prisons is only 32,494. As I stated earlier, this is 163 percent of their capacity. The State prison population hit 650,703 last June, which is 126 percent of their capacity.

Furthermore, the prison overcrowding problem will only get worse as we crack down on drug dealers and drug users. The Bureau of Prisons projects the Federal prison population will exceed 95,000 by 1995. This past year Congress recognized the need for more prisons and we appropriated $1.5 billion for prison construction. This will help increase capacity by 36,000 beds. But the Federal system—under the most optimistic projections—will still be 130 percent over capacity.

Mr. President, the States also are having a difficult time keeping up with the explosion in the number of prisoners they must incarcerate. The State prison population has increased by over 113 percent since 1980. As a result, in 41 States, the entire prison system or a portion thereof is under court order to reduce overcrowding.

One way States deal with overcrowding is to release prisoners before they have served their full sentence. Nationwide, the average murderer is sentenced to 17 years in jail, but he is out within 5 years and 9 months. In my home State of North Carolina, the typical criminal serves only 29 percent of a sentence for a serious crime and 14 percent for a misdemeanor.

The North Carolina Parole Commission paroled 19,000 prisoners in 1989, which is a 250-percent increase over 1985. Just this past January, the State paroled and released 17 murderers, 23 armed robbers, 23 child molesters, 126 burglars, and 128 drug offenders. And the story is the same in dozens of other States across the country. This is outrageous, we are putting living time bombs back out on the street.

Mr. President, what is the effect of releasing prisoners early? In addition to contradicting justice, it also violates the principle that prison is a deterrent to future crime. The National Institute of Justice found that 62.5 percent of released prisoners were rearrested within 3 years. The thought of going back to prison does not stop 62.5 percent of criminals from committing more crimes once they get out, because they assume they will gain early release again.

A North Carolina official, Secretary Joe Dean, recently gave a good example of how jail time appears to have lost its deterrent effect. He stated that prisoners now refuse even to consider alternatives to jail time, such as electronic monitoring or supervised probation, because they know that if they go to prison, they will be on the street again in a few months.

The Secretary of Corrections in North Carolina, Aaron Johnson explained that because of the cap on prison population, every time a new prisoner comes in the front door, they must let another prisoner out the back door. As Secretary Johnson says "The public demands more * * * than revolving door justice."

Mr. President, this brings us to the second aspect of the prison crisis: the cost to society. The National Institute of Justice and the Rand Corp., conducted a study of crimes committed by prisoners in three States. The study found that the average criminal committed between 187 and 287 crimes per year at an annual cost of $430,000.

This figure dwarfs the average cost of $50,000 to build one new prison bed space. Thus, according to this study, keeping a criminal in jail saves society $380,000 per year. Even if you cut the Rand study's cost estimate in half, $215,000 per year in cost to society is still four times the cost of building one prison bed space.

One final point: A Bureau of Justice statistics study found that 28 percent of crimes committed would have been avoided if prisoners had served the full length of their sentences. That adds up to hundreds of lives and millions of dollars that could have been saved by keeping criminals in jail.

Mr. President, the bill I am introducing will help increase prison capacity at the Federal and State levels in several ways. First, it gives the Attorney General and the States priority to obtain some of the military bases that are being closed. Under current law, the Attorney General must wait in line with all other Federal agencies. The States are even lower on the totem pole.

In 1988, Congress set up a Commission on Alternative Utilization of Military Facilities to determine which bases could be converted into prisons. However, the Commission cannot ensure that the Attorney General or the States will get the first shot at any of the former bases. The Attorney General could still be preempted by other agencies, including the Defense Department. And under current law, the States have no input into the Commission process. My bill will ensure that the States have a fair chance to gain access to former military bases.

Mr. President, lest anyone be concerned that this amendment would force any State to put a prison on the old bases being closed in that State, the bill merely gives the states the first shot at the former bases if the State determines that it wants to put a prison in that facility. Furthermore, before the base is transferred to a State, the Secretary of Defense must review and consider any alternative plan that the local government may have for the property. This ensures the local governments will have input into the process.

Second, the bill requires the General Services Administration [GSA] to compile a list of 20 pieces of surplus Federal property that could be used by the States as prisons. This will be particulary useful to those States where there are no military bases being closed.

It is just common sense to convert at least some former military bases, and some surplus Federal property into prisons. It will cost a lot less than building new prisons. The cost could be as low as $4,000 per bed compared to the per bed cost of $40,000 to $100,000 for new prisons. The Federal Bureau of Prisons states in its 1988 report that using former military bases is the most cost efficient method to obtain more space to house minimum security offenders.

President Bush endorsed the idea of using former military bases as prisons in his first drug strategy proposal.

Mr. President, the third aspect of the bill authorizes the Federal Bureau of Prisons and the States to set up tent camps, on a temporary basis, at these former military bases or any other prison facility. It seems logical that we should do everything possible to avoid the early release of prisoners because of prison overcrowding.

If tent camps are needed to keep prisoners locked up, thereby protecting society, we should do so.

Mr. President, we can no longer tolerate a prison system that gives prisoners "Get out of Jail Free" cards merely because of prison overcrowding. The facts show that releasing prisoners early is more costly to society than building more prison space.

It is abundantly clear that we must expand prison capacity. The use of former military bases, Federal surplus property, and tent housing is a cost-efficient method of dealing with the prison crisis and thereby protecting society to a far greater extent than is now the case.

By Mr. ROCKEFELLER (for himself, Mr. HATCH, Mr. KENNEDY, Mr. RIEGLE, Mr. DODD, Mr. BRADLEY, Mr. JEFFORDS, Ms. MIKULSKI, Mr. SIMON, Mr. ADAMS, and Mr. PELL):

S. 3081. An act to amend title XIX of the Social Security Act to provide better health protection for mothers and children, and for other purposes; to the Committee on Finance.

BETTER HEALTH PROTECTION FOR MOTHERS AND CHILDREN ACT

Mr. ROCKEFELLER. Mr. President, today I am introducing a bill to respond to the urgent health care needs of millions of America's pregnant

women and children. I am especially proud to be joined by Senator HATCH, Senator KENNEDY, and Senator RIEGLE as the other prime sponsors of this legislation, and to have the active support and cosponsorship of Senators DODD, BRADLEY, JEFFORDS, MIKULSKI, SIMON, ADAMS, and PELL.

Our bill, the Better Health Protection for Mothers and Children Act of 1990, will both expand and improve health care coverage for close to 1½ million low-income children and adolescents. We are also proposing other crucial steps to sustain health care protection for the more than 12 million children currently eligible for Medicaid and to promote accessible, cost-efficient, and effective health care for low-income pregnant women.

Mr. President, we are making a loud and strong plea with this legislation. We believe that immediate action is absolutely essential to secure the future of our youngest generation. America has a moral and economic imperative to ensure that its children are born healthy and grow up with access to basic, decent medical care.

I fully recognize the skepticism that pervades the Halls of Congress and the administration when it comes to initiatives like ours that call for additional Federal spending. But we must realize that the cost of inaction is far greater. For every dollar we spend on prenatal care, three or more times that is saved by avoiding the trauma and financial costs of premature births and other debilitating and lifelong consequences.

My optimism about the potential for passing this bill is based on the nature and level of support for our proposal. In letter after letter of support from major business, health care, and childrens' organizations, a common message is abundantly loud and clear. The consensus is that today—right now—we must act to guarantee health care coverage for every pregnant woman and child in America. I will submit all of these statements for the RECORD to demonstrate this support. Our allies include the National Association of Manufacturers, the Chamber of Commerce, Children's Defense Fund, the American Academy of Pediatrics, and the American Hospital Association.

It is time for America to be a nation that cares for its children. We once had the third-lowest infant mortality rate in the world. We now rank 22d, behind countries such as Singapore and Spain. Every week in America, close to 5,000 babies are born with low birthweights. These are the babies likely to face lives of serious illness, developmental disorders, and lifelong handicapping conditions. The point is that we can prevent most of these tragedies, and the financial costs that follow, through prenatal care and proper medical care for children once they are born.

When it comes to health care spending, America puts children at the end of the line. More than 15 percent of America's young—that is, over 12 million children under the age of 18—have no health insurance, either public or private. In my State of West Virginia, close to 100,000 children are uninsured. My State is doing everything it can to respond to this crisis, but we simply don't have the resources to fill in all the gaps. This is a national crisis. Medicaid covers less than half of the Nation's poor. Eligibility for school aged children remains tied to AFDC eligibility, which is set by the States and is as low as 16 percent of the Federal poverty level. That is a disgrace that must end.

We know that in addition to the pain and suffering that lack of health care causes, the cost to the country immediately and in the long term of not providing these services is higher than the cost of preventing them. We know that for every $1 spent on quality prenatal care, more than $3 can be saved by reducing the number of low birthweight babies. We know that children who receive comprehensive primary and preventative health care under Medicaid have annual health costs 7 percent less than children who do not. They are also hospitalized less frequently. In the last 12 years, the United States spent about $2.5 billion in first-year costs alone to care for 330,000 low birthweight babies—that same amount of money could have paid for 10 times as many women to get prenatal care or 12 times as many children to get comprehensive care.

In addition to not covering millions of poor people, Medicaid fails people by not adequately reimbursing providers. Payments to hospitals and doctors are so woefully inadequate that access to decent care is compromised. The result is that even when eligibility to Medicaid is assured, access to the doctor is not. Few available providers means that patients must wait weeks before getting an appointment, often delaying receipt of prenatal care until the second or third trimester, if at all. They must often travel long distances to clinics and wait for hours in crowded conditions to see a doctor or nurse. High-risk patients must go to several locations in order to receive the complex array of services they needed.

We must fill in the gaps and build a decent health care system for poor pregnant women and children. That is the purpose of our bill, the Better Health Protection for Mothers and Children Act. We address cost, quality, and access. Our bill would guarantee Medicaid coverage for all children in families with income below 100 percent of the poverty level. For example, over 3,000 of West Virginia's uninsured children would gain immediate health care coverage and protection.

Our bill would extend coverage to 1.4 million children in the first year. We also ensure enrollment in Medicaid for at least 1 year so that children can get continuous care and are not subject to arbitrary cutoffs triggered by the rules of other assistance programs.

Through our bill, Medicaid payments to doctors and hospitals would be, over time, shifted to a consistent, national standard, first for services to pregnant women, then for children. This will make sure that pregnant women and children are receiving first tier health care and reduce cost shifting.

Costs and quality would be addressed by initiating special demonstration projects to promote cost-effective care. And the Agency for Health Care Policy and Research is directed to develop clinical practice gudelines for services for high-risk pregnant women.

Because of the severity of the health care emergency facing mothers and children, these reforms would be financed by the Federal Government initially, with the States gradually contributing their share of the costs by 1997. To offset any deficit impact, the Federal excise tax on cigarettes would be raised from 16 to 32 cents.

There are sound health policy reasons for raising the cigarette tax. Higher excise taxes on cigarettes have been shown to be an effective deterrent in the purchase of tobacco products, particularly on children and youth. Virtually all people who smoke today started doing so before the age of 20. Today 6 million teenagers and another 100,000 children under the age of 13 smoke.

Also, as Secretary Sullivan recently testified, the "danger of smoking is real—smoking doubles the risk that a baby will die—and it is pervasive—there are around 900,000 infants born each year to smoking mothers * * * one-quarter of all low birthweight babies are attributable to smoking during pregnancy. * * *"

We know the tragic and costly effects of the gaps in today's health care system on millions of America's pregnant women and children. We also know how to prevent many of these problems and give a decent start and real hope to our children through proper prenatal and health care. Again, I say let us do what is right and what is vital to the Nation's future.

The status quo is unacceptable. It is not acceptable to Senators HATCH and KENNEDY and the other Senators who are cosponsoring this legislation—nor is it to the many distinguished organizations supporting the bill. The American people want their President and elected officials to provide leadership that responds to our country's health care crisis. I believe they would want us to make our first and foremost pri-

ority the health care needs of pregnant women and children. My hope is that this bill will gain the strong support from the President and the Congress that it deserves. I urge all of my colleagues to join us in taking this action immediately to assure basic minimum protection for those who need it the most.

Mr. President, I ask unanimous consent that my statement appear in the RECORD in its entirely, along with the other statements being submitted by the bill's cosponsors. I further ask unanimous consent that a summary of the bill, the bill itself, and letters of support be printed in a place immediately following my statement and the other Senators' statements.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3081

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Better Health Protection for Mothers and Children Act of 1990".

SEC. 2. NATIONAL STANDARDS FOR MEDICAID ELIGIBLITY FOR CHILDREN.

(a) COVERAGE OF ALL CHILDREN THROUGH AGE 18 WITH FAMILY INCOMES BELOW THE POVERTY LINE.—

(1) IN GENERAL.—Section 1902(1) of the Social Security Act (42 U.S.C. 1396a(1)) is amended—

(A) in paragraph (1)—

(i) by adding "and" at the end of subparagraph (B),

(ii) by amending subparagraph (C) of paragraph (1) to read as follows:

"(C)(i) children who have attained one year of age but have not attained 6 years of age, and (ii) children who have attained 6 years of age and have not attained 19 years of age,", and

(iii) by striking subparagraph (D);

(B) in paragraph (2)—

(i) in subparagraph (B), by inserting "clause (i) or (ii) or" before "subparagraph (C)",

(ii) in subparagraph (B), by inserting "or 100 percent, respectively," after "133 percent", and

(iii) by striking subparagraph (C); and

(C) in paragraph (3), by striking ", (a)(10)(A)(i)(VI), or (a)(10)(A)(ii)(IX)" and inserting "or (a)(10)(A)(i)(VI)".

(2) CONFORMING AMENDMENTS.—

(A) Section 1902(a)(10)(A)(ii) of such Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended by striking subclause (IX).

(B) Section 1902(a)(10) of such Act is further amended, in the subdivision (VII) following subparagraph (E), by striking "or (A)(ii)(IX)".

(C) Section 1903 of such Act (42 U.S.C. 1396b) is amended—

(i) in subsection (f)(4), by striking "1902(a)(10)(A)(ii)(IX),", and

(ii) in subsection (i)(9), by striking "and children described in section 1902(a)(10)(A)(ii)(IX)".

(D) Section 1916(c)(1) of such Act (42 U.S.C. 1396o(c)(1)) is amended by striking "1902(a)(10)(A)(ii)(IX)" and inserting "1902(a)(10)(A)(i)(IV)".

(E) Section 1925 of such Act (42 U.S.C. 1396r-6) is amended, in subsection (a)(3)(C) and (b)(3)(C)(i), by striking "(i)(VI), or (ii)(IX)" and inserting "or (i)(VI)".

(b) ELIMINATION OF RESOURCE TEST.—Section 1902(1)(3) of such Act is amended—

(1) by amending subparagraph (A) to read as follows:

"(A) no resource standard or methodology shall be applied;",

(2) by striking subparagraphs (B) and (C), and

(3) by redesignating subparagraphs (D) and (E) as subparagraphs (B) and (C), respectively.

(b) ASSURING CONTINUITY OF SERVICES.—Section 1902(e)(7) of such Act (42 U.S.C. 1396a(e)(7)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii), respectively,

(2) by inserting "(A)" after "(7)", and

(3) by adding at the end the following new subparagraph:

"(B) In the case of an infant or child described in subparagraph (B) or (C) of subsection (l)(1) or paragraph (2) of section 1905(n) who is eligible for, and has applied for, and has received medical assistance under the plan, but who, because of a change in the income of the family of which the infant or child is a member, would not otherwise continue to be described in such respective subparagraph, the State plan shall nonetheless treat the infant or child as continuing to be described in such subparagraph without regard to the change of income at least through the end of the 12th consecutive month beginning with the first month (in a continuous period of months) in which the infant or child met the requirements of the respective section.".

(c) EFFECTIVE DATE.—The amendments made by this section apply to payments under title XIX of the Social Security Act for calendar quarters beginning on or after January 1, 1991, without regard to whether or not final regulations to carry out such amendments have been promulgated by such date.

SEC. 3. NATIONAL STANDARDS FOR PAYMENT RATES FOR OBSTETRICAL AND PEDIATRIC SERVICES.

(a) IN GENERAL.—Section 1926 of the Social Security Act (42 U.S.C. 1396r-7) is amended—

(1) In subsection (a)—

(A) in paragraphs (1) and (2), by inserting "(which payment rates are not less than the minimum payment rates specified under subsection(c))" after "in the succeeding period" each place in appears,

(B) in paragraph (4)(A), by striking "and does not include inpatient or" and inserting "or provided as inpatient hospital services and does not include",

(C) in paragraph (4)(B), by striking "and does not include inpatient or" and inserting "and includes inpatient hospital services for such children and does not include", and

(D) in paragraph (4)(B), by striking "18 years of age" and inserting "19 years of age";

(2) in subsection (b), by inserting "(1)" after "(b)";

(3) by redesignating subsections (c) and (d) as paragraphs (2) and (3), respectively;

(4) by adding at the end the following:

"(c)(1)(A) The Secretary shall develop a payment methodology for payment for obstetrical and pediatric inpatient hospital services of subsection (d) hospitals and children's hospitals under this title, based on the methodology used for computing payment under title XVIII for inpatient hospital services of subsection (d) hospitals (including payment for costs other than operating costs of inpatient hospital services).

"(B) In this subsection:

"(i) The term 'subsection (d) hospital' has the meaning given such term in section 1886(d)(1)(B).

"(ii) The term 'children's hospital' means a hospital described in section 1886(d)(1)(B)(iii).

"(iii) The terms 'obsterical inpatient hospital services' and 'pediatric inpatient hospital services' means inpatient hospital services that relate to treatment of pregnancy or children under 19 years of age, respectively.

"(2)(A) Such methodology shall be developed in consultation with the Prospective Payment Assessment Commission and shall be based on data on the costs of inpatient hospital services of subsection (d) hospitals and of children's hospitals under this title as the basis for the computation of weighting factors for diagnosis-related groups of hospital discharges and for the parameters to be used in establishing outlier payments described in section 1886(d)(5)(A).

"(B) Such methodology shall use the average standardized amounts computed under section 1886(d).

"(3) In applying this methodology, the Secretary shall adjust payment of the disproportionate share amounts (described in section 1886(d)(5)(F)) to reflect the special rules described in section 1923 and the Secretary shall not take into account deductibles or coinsurance or limitations on amount, duration, or scope of services that may be imposed under this title or title XVIII.

"(4)(A) Subject to subsection (e), each State plan under this title shall provide for payment for inpatient hospital services of subsection (d) hospitals and of children's hospitals relating to obstetrical services, for discharges occurring on or after October 1, 1991, at rates that are not less than the rates of payment established under the methodology developed under this subsection.

"(B) Subject to subsection (e), each State plan under this title shall provide for payment for inpatient hospital services for infants under 1 year of age, for discharges occurring on or after October 1, 1992, at rates that are not less than the rates of payment established under the methodology developed under this subsection.

"(d)(1) The Secretary shall develop a payment methodology for payment for obstetrical services and pediatric services based on the methodology used for payment for physicians' services under section 1848.

"(2) Such methodology shall be developed in consultation with the Physician Payment Review Commission, shall be based on conversion factors established under section 1848(d), and shall consider providing for establishment of a global fee for pre-natal, delivery, and post-natal care associated with routine pregnancies.

"(3)(A) Subject to subsection (e), each State plan under this title shall provide for payment, for obstetrical services furnished on or after October 1, 1991, at rates that are not less than the rates of payment established under the methodology developed under this subsection.

"(B) Subject to subsection (e), each State plan under this title shall provide for payment for pediatric services for infants under 1 year of age furnished on or after October 1, 1992, at rates that are not less than the rates of payment established under the methodology developed under this subsection.

"(e)(1) The Secretary shall estimate, in June of each year (beginning with 1991) and in consultation with the Secretary of the Treasury—

"(A) the additional Federal revenues (as defined in paragraph (3)(A)) in the next fiscal year,

"(B) the other additional projected Federal expenditures (as defined in paragraph (3)(B)) in the next fiscal year,

"(C) the additional obstetrical expenditures (as defined in paragraph (3)(C)) in the next fiscal year, and

"(D) the additional pediatric expenditures 4 (as defined in paragraph (3)(D)) in the next fiscal year.

The Secretary, by not later than July 1 of each year (beginning with 1991), shall submit to Congress a report on such estimates and on the effect of such estimates, under paragraph (2), on the application of subsections (c) and (d) in the following fiscal year.

"(2) If the Secretary estimates, under paragraph (1) for a fiscal year, that—

"(A) the additional Federal revenues is less than the other additional projected Federal expenditures, subsections (c) and (d) shall not apply in the fiscal year;

"(B) the additional Federal revenues exceeds the other additional projected Federal expenditures, but does not exceed the sum of such other expenditures and the additional obstetrical expenditures—

"(i) subsections (c)(4)(B) and (d)(3)(B) shall not apply in the fiscal year, and

"(ii) in applying subsections (c)(4)(A) and (d)(3)(A), the minimum payment amount required shall be reduced pro rata by such proportion as the Secretary determines to be necessary so that the sum of the other additional projected Federal expenditures and the additional obstetrical expenditures (taking into account such proration) equals the additional Federal revenues;

"(C) the additional Federal revenues exceeds the sum of the other additional projected Federal expenditures and the additional obstetrical expenditures, but does not exceed the sum of such expenditures and the additional pediatric expenditures—

"(i) this subsection shall not reduce the minimum payment amounts required under subsections (c)(4)(A) or (d)(3)(A), and

"(ii) in applying subsections (c)(4)(B) and (d)(3)(B), the minimum payment amount required shall be reduced pro rata by such proportion as the Secretary determines to be necessary so that the sum of the other additional projected Federal expenditures, the additional obstetrical expenditures, and the additional pediatric expenditures (taking into account such proration) equals the additional Federal revenues; or

"(D) the additional Federal revenues exceeds the sum of the other additional projected Federal expenditures, the additional obstetrical expenditures, and the additional pediatric expenditures, this subsection shall not reduce the minimum payment amounts required under subsections (c)(4) or (d)(3).

"(3) In this subsection:

"(A) The term 'additional Federal revenues' means, with respect to a fiscal year, the net amount of revenues likely to be received in the Treasury in the fiscal year as a result of the amendments made by section 5 of the Better Health Protection for Mothers and Children Act of 1990, increased by the amounts by which the additional Federal revenues for any previous fiscal year exceeded the sum of the total amount of additional Federal expenditures made under this title in that previous fiscal year as a result of the amendments made by such Act and decreased by the amounts by which such revenues for any previous fiscal year was less than such sum in that previous fiscal year.

"(B) The term 'other additional projected Federal expenditures' means, with respect to a fiscal year, the total amount of the additional Federal expenditures to be made under this title in the next fiscal year as a result of the amendments made by the Better Health Protection for Mothers and Children Act of 1990, if subsections (c) and (d) did not apply.

"(C) The term 'additional obstetrical expenditures' means, with respect to a fiscal year, the amount by which the total Federal expenditures to be made under this title is increased is increased solely as a result of the application of subsections (c)(4)(A) and (d)(3)(A) (without regard to this subsection).

"(D) The term 'additional pediatric expenditures' means, with respect to a fiscal year, the amount by which the total Federal expenditures to be made under this title is increased is increased solely as a result of the application of subsections (c)(4)(B) and (d)(3)(B) (without regard to this subsection).

"(4) Subsections (c) and (d) shall not apply to States other than the 50 States and the District of Columbia.".

SEC. 4. INCREASE IN FEDERAL MEDICAL ASSISTANCE PERCENTAGE.

(a) TEMPORARY INCREASE IN FEDERAL MEDICAL ASSISTANCE PERCENTAGE.—Section 1905(b) of the Social Security Act (42 U.S.C. 1395d(b)) is amended—

(1) by redesignating clauses (1) and (2) as clauses (A) and (B), respectively, and

(2) by striking "The term" and inserting "Subject to paragraph (2), the term", and

(3) by adding at the end the following new paragraph:

"(2)(A) In the case of medical assistance described in subparagraph (B) or (C), for purposes of section 1903(a)(1) the Federal medical assistance percentage for one of the 50 States or the District of Columbia—

"(i) for calendar quarters in 1991, 1992, and 1993, shall be 100 percent,

"(ii) for calendar quarters in 1994, shall be 75 percent plus ¼ of the Federal medical assistance percentage otherwise determined under paragraph (1),

"(iii) for calendar quarters in 1995, shall be 50 percent plus ½ of the Federal medical assistance percentage otherwise determined under paragraph (1),

"(iv) for calendar quarters in 1996, shall be 25 percent plus ¾ of the Federal medical assistance percentage otherwise determined under paragraph (1), and

"(v) for calendar quarters after 1996, shall be the Federal medical assistance percentage otherwise determined under paragraph (1).

"(B)(i) Subject to clause (ii), medical assistance described in this subparagraph is medical assistance furnished to individuals described in section 1902(l) who are eligible for such assistance only because of the amendments made by the Better Health Protection for Mothers and Children Act of 1990, and including medical assistance for individuals—

"(I) who are older than 7 years of age,

"(II) who are eligible because of the repeal of the application of any resource standard, or

"(III) who continue eligibility for such assistance under section 1902(e)(7)(B) (as so amended).

(ii) Clause (i) shall not apply to medical assistance furnished to a child who was described in section 1902(l)(1)(D) (as such section was in effect before the date enactment of the Better Health Protection for Mothers and Children Act of 1990) to the extent the child would have been eligible for such medical assistance under the State plan (as such plan was in effect as of such date, taking into account any legislation enacted as of such date to authorize or appropriate funds to provide for such eligibility as of some future date).

"(C)(i) Subject to clause (ii), medical assistance described in this subparagraph is the sum of—

"(I) the difference between the amount of medical assistance made available under the plan for services described in subdivision (VII) of section 1902(a)(10) and the amount of such medical assistance that would have been made available under the State plan as in effect as of the date of the enactment of this paragraph, and

"(II) the difference between the amount of medical assistance made available under the plan for services described in subdivision (VII) of section 1902(a)(10) and the amount of such medical assistance that would have been made available under the State plan as in effect as of the date of the enactment of this paragraph.

"(ii) Clause (i) shall not include any medical assistance described in subparagraph (B).".

SEC. 5. FINANCING THROUGH INCREASE IN EXCISE TAX ON CIGARETTES.

(a) IN GENERAL.—Subsection (b) of section 5701 of the Internal Revenue Code of 1986 (relating to rate of tax on cigarettes) is amended—

(1) by striking "$8" in paragraph (1) and inserting "$16", and

(2) by striking "$16.80" in paragraph (2) and inserting "$33.60".

(b) FLOOR STOCKS.—

(1) IMPOSITION OF TAX.—On cigarettes manufactured in or imported into the United States which are removed before January 1, 1991, and held on such date for sale by any person, there shall be imposed the following taxes:

(A) SMALL CIGARETTES.—On cigarettes, weighing not more than 3 pounds per thousand, $8 per thousand.

(B) LARGE CIGARETTES.—On cigarettes weighing more than 3 pounds per thousand, $16.80 per thousand; except that, if more than 6½ inches in length, they shall be taxable at the rate prescribed for cigarettes weighing not more than 3 pounds per thousand, counting each 2¾ inches, or fraction thereof, of the length of each as one cigarette.

(2) LIABILITY FOR TAX AND METHOD OF PAYMENT.—

(A) LIABILITY FOR TAX.—A person holding cigarettes on January 1, 1991, to which any tax imposed by paragraph (1) applies shall be liable for such tax.

(B) METHOD OF PAYMENT.—The tax imposed by paragraph (1) shall be treated as a tax imposed by section 5701 of the Internal Revenue Code of 1986 and shall be due and payable on February 14, 1991, in the same manner as the tax imposed by such section is payable with respect to cigarettes removed on or after January 1, 1991.

(C) TREATMENT OF CIGARETTES IN FOREIGN TRADE ZONES.—Notwithstanding the Act of June 18, 1934 (48 Stat. 998, 19 U.S.C. 81a) or any other provision of law, cigarettes which are located in a foreign trade zone on Janu-

ary 1, 1991, shall be subject to the tax imposed by paragraph (1) and shall be treated for purposes of this subsection as held on such date for sale if—

(i) internal revenue taxes have been determined, or customs duties liquidated, with respect to such cigarettes before such date pursuant to a request made under the first proviso of section 3(a) of such Act, or (ii) such cigarettes are held on such date under the supervision of a customs officer pursuant to the second proviso of such section 3(a).

Under regulations prescribed by the Secretary of the Treasury or his delegate, provisions similar to sections 5706 and 5708 of such Code shall apply to cigarettes with respect to which tax is imposed by paragraph (1) by reason of this subparagraph.

(3) CIGARETTE.—For purposes of this subsection, the term "cigarette" shall have the meaning given to such term by subsection (b) of section 5702 of such Code.

(4) EXCEPTION FOR RETAILERS.—The taxes imposed by paragraph (1) shall not apply to cigarettes in retail stocks held on January 1, 1991, at the place where intended to be sold at retail.

(5) OTHER LAWS APPLICABLE.—All provisions of law, including penalties, applicable with respect to the taxes imposed by section 5701 of such Code shall, insofar as applicable and not inconsistent with the provisions of this subsection, apply in respect of the taxes imposed by paragraph (1) to the same extent as if such taxes were imposed by such section 5701.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to cigarettes removed after December 31, 1990.

SEC. 6. DEMONSTRATION PROJECTS.

(a) IN GENERAL.—In order to allow States to develop and carry out innovative programs to test initiatives to promote cost-effective delivery of quality services to pregnant women and children under 19 years of age, the Secretary of Health and Human Services shall enter into agreements with several States for the purpose of conducting demonstration projects to study the effect of alternative strategies may include (1) developing programs for selective contracting with providers in a community, with financial incentives for the delivery of high quality, cost-effective, managed care, (2) using nonphysician providers in delivery care and complementary services (such as education and support services), and (3) using case management techniques to coordinate the provision of medical, social, and support services for pregnant women.

(b) WAIVER OF REQUIREMENTS.—The Secretary where he deems appropriate may waive the requirements of—

(1) section 1902(a)(1) of the Social Security Act (relating to statewideness), and

(2) section 1902(a)(23) of such Act (relating to freedom of choice), but only if there are assurances, satisfactory to the Secretary, that any restrictions on the provider from whom an individual may obtain medicare care shall not apply in emergency circumstances and does not substantially impair access to such services of adequate quality where medically necessary.

(c) APPLICATION.—No agreement shall be entered into under this section with a State unless the State submits an application to the Secretary. Such application shall be in such form and contain such information as the Secretary may specify.

(d) DURATION.—Each demonstration project under this section shall be conducted for a period of not to exceed 3 years.

(e) LIMIT ON EXPENDITURES.—The Secretary in conducting demonstration projects under this section shall limit the amount of the Federal share of benefits paid and expenses incurred under title XIX of the Social Security Act to $10,000,000 in each of fiscal years 1991, 1992, and 1993.

(f) EVALUATION AND REPORT.—

(1) For each demonstration project conducted under this section, the Secretary shall assure that an evaluation is conducted on the effect of the project with respect to—

(A) access to health care,

(B) costs of health care, and

(C) the quality and comprehensiveness of the care delivered.

(2) The Secretary shall submit to Congress an interim report containing a summary of the evaluations conducted under paragraph (1) not later than January 1, 1993, and a final report containing such summary together with such further recommendations as the Secretary may determine appropriate not later than January 1, 1995.

BETTER HEALTH PROTECTION FOR MOTHERS AND CHILDREN ACT OF 1990, SENATORS ROCKEFELLER, HATCH, KENNEDY, AND RIEGLE

I. SETTING NATIONAL MEDICAID ELIGIBILITY STANDARDS FOR CHILDREN

All children through age 18 with family incomes below 100% of the Federal poverty level shall be eligible for health insurance coverage through the Medicaid program.

Assets tests shall be eliminated for pregnant women and children.

Enrollment for children shall be for a period of a minimum of one year.

Effective date: January 1, 1991.

II. SETTING NATIONAL STANDARDS FOR MEDICAID PAYMENTS TO PROVIDERS

National standards for payments for obstetric and pediatric services that will assure access, promote quality, reduce incentives for cost shifting and slow inflationary trends will be developed and implemented to the extent funds allow.

Improvements in Physician and Alternative provider payments: The Secretary shall in consultation with the Physician Payment Review Commission develop a methodology for payments to providers of obstetric and pediatric services consistent with Medicare principles and shall consider establishing a global fee for prenatal and delivery services.

Improvements in Hospital Payments: The Secretary shall in consultation with the Prospective Payment Assessment Commission develop DRG's for obstetric and pediatric care.

The improved reimbursement rates for obstetric services shall be implemented by October 1, 1991.

The improved reimbursement rates for pediatric services for children under one year of age shall be implemented by October 1, 1992.

The Secretary shall determine each July 1 (beginning in 1991) if the revenues collected allows the implementation of the above improvements. If the revenues collected by the provisions of this Act are insufficient to cover all the rate improvements the Secretary shall make improvements in the following order:

Partial implementation of improved rates for obstetric services

Full implementation of improved rates for obstetric services

Partial implementation of improved rates for pediatric services for children under one.

Full implementation of improved rates for pediatric services for children under one.

III. IMPROVING THE QUALITY AND COST EFFECTIVENESS OF CARE

In developing the Medicaid payment standards for services to pregnant women and children, the Secretary is directed to conduct demonstrations (in addition to those authorized in OBRA 1989) that promote quality and cost effective use of services. Specifically, the Secretary shall approve demonstrations that:

Develop programs for contracting with providers in a community, tying financial incentives to the delivery of high quality, cost effective managed care,

Use non-physician providers in delivering care and family planning and parenting education to pregnant women and children (i.e. mid-wives, nurse practitioners, physician assistants, etc.)

Use case management techniques to coordinate the provision of medical, social, and support services for pregnant women.

The Agency for Health Care Policy and Research is directed to develop outcomes measures and practice parameters for services for pregnant women. The AHCPR also is directed to advise the Secretary on incorporation of such guidelines and outcomes measures in Medicaid utilization review.

IV. FINANCING OF EXPANDED ELIGIBILITY AND PAYMENT REFORMS

Due to the urgent need for these improvements, State matching payments will be suspended for a period of time and the initial cost of the provisions in this Act shall be fully federally financed.

After 1994, the additional esxpense attributable to these expansions and improvements shall be shared by Federal and State governments in gradually increasing amounts. By 1997, the existing Federal/State Medicaid matching rate shall be restored.

V. DEFICIT OFFSET

The Federal excise tax on cigarettes shall be increased from 16 cents to 32 cents per pack. Improvements under this Act shall be tailored so that the cost does not exceed the revenue from this source ($2.8 billion in fiscal 1991, $13.5 billion over 5 years).

Note: A deficit offset does not imply a dedicated revenue source or establishment of a new trust fund. Medicaid remains a general revenue-financed program.

AMERICAN ACADEMY OF PEDIATRICS,
Washington, DC, September 18, 1990.

Hon. JAY ROCKEFELLER,
Hart Senate Office Building, Washington, DC.

DEAR JAY: Your actions serve to underscore the old adage that where there's a will, there's a way! Your bill, "Better Health Promotion for Mothers and Children Act of 1990," with its bipartisan co-sponsorship, clearly asserts a prominent place for children in the competition for scarce budget allocations.

As a necessary short-term approach to assuring better health care for mothers and children, this legislation makes long overdue modifications to the medicaid program. For the medicaid program to live up to its promise, there must be participation by competent physicians, and particularly by pediatricians, since half of all recipients are children.

We look forward to working with you on this initiative and others as we continue our quest to assure that all children and pregnant women have access to quality, comprehensive health care.

Sincerely yours,

BIRT HARVEY, M.D.,
President.

THE AMERICAN COLLEGE OF OBSTETRICIANS AND GYNECOLOGISTS,
September 18, 1990.

Hon. JAY ROCKEFELLER,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROCKEFELLER: On behalf of the American College of Obstetricians and Gynecologists, an organization representing more than 29,000 physicians specializing in the delivery of health care to women, I would like to commend you and your Senate colleagues for introducing the Better Health Protection for Mothers and Children Act of 1990.

We are pleased to see strong interest in expanding eligibility, eliminating resource tests, assuring continuity of services, and increasing reimbursement rates for obstetric services. These are issues that the College has long had an interest in addressing as a means of assuring greater access to needed health care services. We would also like to voice our strong support for raising the excise tax on cigarettes with a corresponding dedication of revenue to expanding care for pregnant women, infants, and children.

While we support the general direction of the legislation, ACOG has many concerns about use of the resource-based relative value scale (RBRVS) to set Medicaid obstetric fees. In determining whether this system would work for Medicaid, we must look at the Medicare RBRVS for a model. Although we have not been able to analyze the fee schedule for obstetric services since information on vaginal deliveries was not included, we have identified the method for incorporating professional liability costs as being inadequate. If this method is not modified significantly prior to Medicare implementation, it will encourage more obstetrician-gynecologists to give up their obstetric practices. And if such a system were adopted for Medicaid, it would discourage obstetrician-gynecologists from accepting Medicaid patients. We are not rejecting the possibility that a resource-based relative value scale could be developed for obstetric care, but only that one cannot fine tune the Medicare RBRVS for use in Medicaid and expect the result to be increased access to obstetric care.

In sum, we are greatly encouraged to see interest in increasing access to obstetric and pediatric care services, but we must also make clear our concerns about development of the payment system. We stand ready to assist you in any way we can.

Sincerely,

HAROLD A. KAMINETZKY, M.D.,
Director—Practice Activities.

AMERICAN HOSPITAL ASSOCIATION,
Washington, DC, September 17, 1990.

Hon. JOHN D. ROCKEFELLER IV,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROCKEFELLER: Thank you for sharing with us a description of the proposal that you and Senators Hatch, Kennedy and Riegle are drafting to address the problem of access to health care for children and pregnant women through the Medicaid program. We are interested in your proposal and look forward to working with you on it.

As you know, the American Hospital Association is a strong advocate of Medicaid reform, and has been working hard at the federal and state levels to improve eligibility, coverage, and reimbursement levels, particularly for the poorest and most vulnerable populations. Like many other organizations, we currently are engaged in an industry-wide effort to look at overall national reform in the health care system. But we realize the need for incremental changes to address the continuing needs of children and pregnant women.

We particularly applaud three aspects of your proposal:

Children in families with income up to 100 percent of the federal poverty level would be covered up to focused, for good and obvious reasons, on younger children and pregnant women. As a result, however, they have neglected the critical needs of adolescents.

The minimum enrollment period would be one year. This new provision would assure continuity of coverage for children who move back and forth in and out of poverty over the course of a year. It would also provide a transitional period of coverage for children in families with more permanent increases in income. Finally, this provision is necessary to achieve the initiative's overall goal of increasing managed care.

The federal government would assume responsibility for funding expanded eligibility and payment reform until 1994, when the Federal/State matching program would be reinstated over a period of three years. We believe the Federal government should assume greater financial responsibility for financing health care for the poor, and this proposal would provide very necessary relief for states. States are stretched to the limit to fund the existing program, and many are attempting to balance the Medicaid budget by further cutting provider reimbursement—a strategy that yields reduced access for beneficiaries, growing financial shortfalls for hospitals, and increasing lawsuits for states.

In terms of financing, we believe that a cigarette tax is an appropriate source of financing health care, although we are concerned that such a funding source may not be broad or stable enough to support the extensive reforms envisioned in the proposal. This is particularly worrisome in light of your statement that "improvements . . . shall be tailored so that the cost does not exceed the revenue." We would urge you to find additional sources of revenue to implement these provisions, and to be more explicit about how the improvements would be tailored if the anticipated funding does not materialize.

We also sympathize with the proposal's stated objectives of assuring access, promoting quality, reducing incentives for cost shifting and slowing inflationary trends. We were particularly pleased to see an explicit statement that first priority should be given to improved reimbursement for inpatient and outpatient services for pregnant women and children. As you know, however, achieving all of these goals simultaneously can be extremely difficult, and some goals—such as increasing reimbursement and slowing inflationary trends—seem to be inherently contradictory. As the proposal correctly notes, the only hope for balancing these goals is to use available funds more wisely, and managed care provides one of the few effective tools for achieving this objective. But it should be kept in mind that a responsible managed care program takes a long-term approach to the health of enrollees, and therefore often identifies new health care needs. For the population in question here—children and pregnant women who have lacked coverage and therefore may have gone without care for many years—managed care therefore may not yield immediate cost savings, and could even increase short-term costs.

Finally, we support the proposal's call for development of outcomes measures and practice parameters. These steps can help call attention to the problems of underservice as well as excess service. When appropriately implemented, as guidelines rather than absolutes, practice parameters can be effective vehicles for educating consumers, providers, Medicaid programs and others.

We are very encouraged by and supportive of your interest in expanding health insurance coverage for children and pregnant women, and look forward to working with you further.

Sincerely,

PAUL C. RETTIG,
Executive Vice President.

AMERICAN INFORMATION TECHNOLOGIES,
Washington, DC, September 10, 1990.

Ms. KAREN POLITZ,
Legislative Assistant to Hon. Jay Rockefeller,
U.S. Senate, Washington, DC

DEAR KAREN: Thank you for sending me Senator Rockefeller's new proposal for expanding Medicaid to cover all pregnant women and children under age six who fall below the poverty level. We are generally supportive of the Senator's approach to offer some relief to a key segment of the uninsured population. We believe Medicaid expansion programs should be• paid for through general revenues.

We are pleased that his proposal includes important provisions to address cost management and quality of care, including provider contracting, case management, and incentives for appropriate patient actions. Ameritech participated in the meetings between the Washington Business Group on Health and the Senator that focused on including these quality-related elements in any health legislation introduced. We also support the Senator's emphasis on giving flexibility to the states to design payment systems with a priority placed on patient services.

An effective Medicaid expansion program can be viewed as a positive investment for the future. Good prenatal care has been shown to have a significant financial payback. A healthy baby, given quality medical care throughout its chidlhood, is more likely to become a productive member of the work force than a child with acute or chronic medical problems resulting from inadequate prenatal or pediatric care.

We will be happy to review additional proposals and comment on legislative initiatives as the health care policy debate unfolds.

Sincerely,

DOROTHY A. WALSH.

BLUE CROSS AND BLUE SHIELD ASSOCIATION,
Washington, DC, August 15, 1990.

Hon. JOHN D. ROCKEFELLER IV,
Hart Senate Office Bldg.,
Washington, DC

DEAR SENATOR ROCKEFELLER: Thank you for giving us the opportunity to comment on an outline of your proposal to expand

coverage and improve payment levels under the Medicaid program. We applaud your continuing efforts concerning the health coverage of low-income families.

Your proposal would:

Extend Medicaid coverage to all children through age 18 with family income below 100 percent of the federal poverty level;

Set a national standard for Medicaid payment to providers, with priority given to improving reimbursement for services provided to pregnant women and children;

Incorporate cost management initiatives to promote effective use of services provided to pregnant women and develop outcome measures and practice parameters for services provided to high-risk pregnant women; and

Suspend state matching payments for a period of time for the expansions in this Act and finance these expansions through an increase in the federal excise tax on cigarettes.

The Blue Cross and Blue Shield Association (BCBSA) strongly supports the outline of your proposal to extend coverage to children whose family income is less than the federal poverty level. We support this extension as part of our overall recommendation to expand Medicaid coverage for all individuals and families with incomes below the federal poverty level.

Given the tight budget situation at both the federal and state levels, we certainly agree that it makes sense to continue the effort to provide expanded coverage for high-risk populations such as pregnant women and children. However, as the budget permits, we also believe it is important to make progress on improving coverage of those individuals with incomes significantly below the poverty level who currently cannot qualify for Medicaid coverage.

We also support your proposed improvements in Medicaid provider payments. We too have become increasingly concerned about low Medicaid reimbursement rates for providers in many states. Not only does this problem result in access to care problems for Medicaid patients—especially on the physician side—but it also causes significant hardship for providers who leave their doors wide open for Medicaid and other low-income patients. This is becoming an increasing problem and we support increased provider payment levels in the Medicaid program, where appropriate.

Likewise, we support your proposal to build in cost management initiatives for services provided to pregnant women and to develop outcome measures and practice parameters for services provided to this population.

While we do not have any views on changing the financing of the Medicaid program, BCBSA supports your recognition of the fiscal problems faced by the states in your proposal to suspend state matching payment for these expansions for a period of time, while maintaining states' traditional responsibility for the Medicaid program.

We would appreciate an opportunity to review and comment further on your proposal, once it is in legislative form. Thank you again for the opportunity to present our views.

Sincerely,

MARY NELL LEHNHARD.

CHILDREN'S DEFENSE FUND,
Washington, DC, August 13, 1990.

Hon. JOHN ROCKEFELLER,
Senate Finance Committee, U.S. Senate, Washington, DC.

DEAR SENATOR ROCKEFELLER: I want to express our strong support for your efforts to improve the health of America's children through expansion of Medicaid. The "Building Better Health Protection for Mothers and Children" Act would extend crucial health benefits to more than a million uninsured low-income children and adolescents and guarantee continuity of coverage for more than 12 million children eligible for assistance. As you know, CDF's health agenda has long proposed that Medicaid be extended to all pregnant women and children with family incomes below 200 percent of the federal poverty level. Your bill represents an important "down payment" toward fulfilling the vision of universal access to health care for children.

The legislation could not come at a more critical time. According to the Bush Administration's own White House Task Force on Infant Mortality, this nation could, through modest steps easily within its reach, save 10,000 babies a year, eliminate long-term disabilities in another 100,000 infants, and achieve long-term savings of $2 billion. Your legislation would provide essential health care coverage to reduce infant mortality, increase immunization levels, provide checkups, and ensure necessary remedial care for children with disabilities and chronic health problems. Study after study has demonstrated clearly the value of preventive investment. For every $1 the nation invests in prenatal care we can save $3, and for every $1 used for immunizations we save $10 and more in preventable disease costs.

We look forward to working with you to enact this vital legislation. Improvements in health care coverage are urgently needed for America's 12 million uninsured children. Another generation of low-income children should not be left to grow up without access to care.

Sincerely,

MARIAN WRIGHT EDELMAN.

NATIONAL ASSOCIATION OF CHILDREN'S HOSPITALS AND RELATED INSTITUTIONS, INC.,
Alexandria, VA, September 18, 1990.

Hon. JOHN D. ROCKEFELLER IV,
U.S. Senate, Washington, DC.

DEAR SENATOR ROCKEFELLER: On behalf of the National Association of Children's Hospitals and Related Institutions may I express our support for your efforts to address the need for expanded Medicaid assistance for millions of children whose families have incomes below the federal poverty level and are unable to obtain private insurance.

Children's hospitals are major providers of health care to children of low income families who rely on either public aid or charity to pay for their health care. In 1989 NACHRI issued a comprehensive set of recommendations to remove the obstacles that stand in the way of children's access to care under Medicaid.

The proposals you have listed in your two page outline have great potential to address significant problems with eligibility, enrollment, and reimbursement affecting children's access to care under Medicaid as well as important issues of financing, quality assurance, and cost effectiveness that are critical to the long-term viability of Medicaid. We look forward to reviewing the details of the bill you plan to introduce.

We are particularly encouraged by the fact that your proposals would expand upon S. 2459, the "Medicaid Child Health Act," which you have co-sponsored and NACHRI has endorsed. This bill pursues the bipartisan agenda of Medicaid reform for children initiated by the Finance Committee in 1989.

We believe that Medicaid reform for children is one of the most cost-effective investments we can make in the future health of our children and economic productivity of our nation. It should be an integral part of our deficit reduction strategy.

Sincerely,

ROBERT H. SWEENEY,
President.

NATIONAL ASSOCIATION OF MANUFACTURERS,
September 13, 1990.

Hon. JAY ROCKEFELLER,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR JAY: The National Association of Manufacturers is pleased to support your efforts to expand Medical services for poor children on a phased basis and make related improvements to the Medicaid program. We understand the proposal, "Building Better Health Protection for Mothers and Children," is slated for introduction in mid-September.

Setting national standards for payment to hospitals and physicians under Medicaid (targeted to children and pregnant women) to assure access and quality and help reduce current practices of cost-shifting of private-paying patients is an important step in trying to bring overall health care costs under control. In response to yearly 15 to 20 percent health care inflation, employers, who sponsor health care coverage for over 139 million Americans, engage in numerous cost containment efforts from managed care to increased employee cost-sharing; however, health care providers continue to raise their fees. This occurs partially as a result of inadequate government reimbursement and providers attempting to offset unpaid bills (uncompensated care) of those persons who lack health care coverage. Expanding eligibility for children through age 18 should help to reduce the amount of uncompensated care delivered by hospitals and physicians.

The proposal would also direct the U.S. Agency for Health Care Policy and Research to develop specific programs for contracting with providers, tying financial incentives to the delivery of cost-effective managed care programs and to developing outcome measures and practice parameters for high-risk pregnant women. While only applying to Medicaid-eligible pregnant women, such research and program development measures can have applications for other Medicaid eligibles and federal health programs as well as for the private sector.

Financing these expansions presents some real challenges, given budget deficits and a worsening economy. Rather than a single source of revenue such as the proposed increased cigarette tax, we urge you to consider a combination of options and also reallocating certain funds from the current budget to finance the proposed expansions.

The NAM commends your leadership on seeking to improve Medicaid services for poor children who are America's future citizens and workers. We are pleased to work with you on this important issue.

Sincerely,

JERRY J. JASINOWSKI.

NATIONAL SMALL BUSINESS UNITED,
August 31, 1990.

Hon. JOHN D. ROCKEFELLER IV,
Hart Senate Office Building, U.S. Senate, Washington, DC.

DEAR SENATOR ROCKEFELLER: At National Small Business United (NSBU), we are very pleased that you are about to introduce Building Better Health Protection for Mothers and Children, a Medicaid expansion bill. We believe that broadened Medicaid eligibility, especially for children and pregnant women, is necessary in today's plagued health care climate, and we will support your bill.

As you know, NSBU has taken an active role in helping to develop workable solutions to the country's crippling health care crisis. We are pleased to have been able to work with you in your role as Chair of the Pepper Commission, and we know that you understand the unique problems facing small businesses in the health care market.

NSBU believes that your bill will actually reduce aggregate health care costs by alleviating problems in the earliest stages and by preventing many expensive health problems later in life through proper prenatal care. This judicious Medicaid expansion will also help prevent the costs of many individuals without insurance from being shifted to the private sector. Thereby, your bill should help to stem rapidly increasing health insurance premiums and help small employers to better afford health insurance for their employees.

Thanks for your continuing leadership in trying to find pragmatic solutions to our profound health care problems.

Sincerely yours,

JOHN PAUL GALLES,
Executive Vice President.

U.S. CHAMBER OF COMMERCE,
September 13, 1990.

Hon. JOHN D. ROCKEFELLER IV,
U.S. Senate,
Washington, DC.

DEAR SENATOR ROCKEFELLER: I am pleased to offer the views of the U.S. Chamber of Commerce concerning your proposal to improve access to health services for poor mothers and children through the Medicaid system.

The Chamber supports your goal of protecting low-income mothers and children. We believe that the Medicaid system should be reformed so that all Americans with incomes below the federal poverty level are assured coverage. In recognition of state and federal budget constraints, our health policy specifically supports phasing in expanded coverage, with mothers and children as a priority. Enclosed is the Chamber's Statement of Access to Health Care.

Currently, the Chamber is working with a coalition which comprises representatives of business, insurers, health-care providers and children's advocates in support of expanded Medicaid eligibility for poor children. We were signatory to the enclosed ad, which appeared in the September 5, 1990 edition of the Washington Post, urging Congress to make Medicaid reform for children a priority.

The broad support these Medicaid reforms have garnered is encouraging. The nation must move forward in those areas where consensus exists. Given the strong and broad support for Medicaid expansion, this is a logical starting point.

In addition to expanding Medicaid eligibility for poor children, your proposal contains several innovations designed to improve the quality and cost-effectiveness of care delivered within the system. We believe that health cost management is critical in both the public and private sectors. And the Chamber strongly supports the development of outcomes measures and practice guidelines to assure appropriate and effective care. The Chamber has not taken a policy position on national standards for Medicaid payments to health-care providers.

However, the Chamber does not support the financing mechanism in your proposal which would double the federal excise tax on cigarettes. Such a tax would neither significantly reduce smoking nor tend to diminish the demand for Medicaid services.

The National Cancer Foundation (NCF), the research affiliate of the U.S. Chamber, recently summarized the major research findings on the economic effects of excise tax increases. Among these findings is that such taxes fail to achieve their commonly stated ends—discouragement of consumption of potentially harmful products—and render attainment of tax equity goals more difficult. The NCF findings have been published, and a summary was presented to the Senate Finance Committee for inclusion in its May 24, 1990 hearing record on the health costs of smoking. I have enclosed a copy of both documents.

If you have any questions regarding the Chamber's position, please feel free to have your staff contact Karen Berg Brigham, manager of health care policy, at 463-5514.

We commend you for your leadership in the health care area and offer our assistance as you continue to work on these issues.

Sincerely,

DONALD J. KROES.

WASHINGTON BUSINESS
GROUP ON HEALTH,
September 6, 1990.

Hon. JOHN D. ROCKEFELLER IV,
724 Hart Senate Office Building, Washington, DC.

DEAR SENATOR ROCKEFELLER: We are pleased to offer our support for expansion of Medicaid to cover all children (under age 18) under the federal poverty level, improvement of Medicaid payments to providers, and improvement of the quality and cost effectiveness of Medicaid care delivered.

WBGH and its members are struggling with many of the same issues regarding our health care system that you in the Congress are facing. We believe that broad system reform is essential. Exactly how to achieve this reform is a complex question which we are tackling within our Board of Directors and Health System Reform Committee.

In the meantime, we believe that the rate of poverty and lack of health care coverage for poor American children is unacceptable and must be corrected in the near term. While the country debates health system reform holding America's poor children hostage would be unconscionable. Therefore, our Board has endorsed the immediate expansion of Medicaid for children under the federal poverty level.

We believe that a healthy economy is based on healthy workers and consumers. These children are our future and it is in our mutual interest to give them a healthy start.

At the same time, we must underscore our concern for expanding access to what we feel is a flawed health care delivery and financing system. We believe that it is in all our interests to more efficiently use our health care dollars. Therefore, we base our support on the understanding that this expansion will include aggressive cost management tools to stretch limited resources. There are many in the business community that firmly believe that expansion of access only be to competing systems of managed care which are responsible for the quality and efficiency of the care rendered.

We are pleased to see that you have incorporated quality and cost effectiveness initiatives into your proposal. Attached is a Medicaid cost management proposal designed by a subcommittee of our Board. We believe it offers strategies for more effective health care purchasing.

Finally, we have examined our members' willingness to use cigarette excise taxes to fund Medicaid expansion. In general, business has an aversion to industry-specific taxes. However, there is a recognition that cigarette smoking causes health problems which increase our health spending. An informal survey or our members (the health policy experts within companies) found a general acceptance of the cigarette excise tax for the purpose of our members (the findings of which are yet to be released), when given a list of options for financing health care expenditures, sin taxes (including alcohol and cigarettes) were the third most popular choice.

It is important to note, however, that there is concern among our Board about the use of sin taxes due to the implicit assumption that the taxes will lead to reduce consumption and therefore a shrinking tax base. Thus, we do not view sin taxes as a stable long term financing solution.

Thank you for the opportunity to comment on this very worthy initiative. if you have any questions regarding our position or the enclosures—please contact Cathy Certner.

Sincerely,

WILLIS B. GOLDBECK,
President.

Mr. HATCH. Mr. President, today I am pleased to join Senators ROCKEFELLER, KENNEDY, and others in the introduction of the Better Health Protection for Mothers and Children Act of 1990.

Mr. President, there are two things that I have learned about our current health care system. First, America provides the best health care in the world; and second, there are those in our society who do not have access to this excellent care. If we want to continue to think of our health care system as the best in the world, we have to find a way to ensure that all Americans have access to it. The bill being introduced today is one step toward achieving this goal.

The Medicaid program must be returned to its original purpose—to provide access to health care for the economically disadvantaged. Medicaid needs to be expanded to cover all individuals and families with incomes below the Federal poverty level. However, at the same time, we must be realistic about the budget situation. It makes good sense to focus our efforts at this time on expanding coverage for those most at risk—pregnant women, infants, and children.

Many of our Nation's children and pregnant women face inadequate access to good quality, affordable health care. Strict Medicaid eligibility rules leave millions of poor children uninsured. In many States, low Medicaid reimbursement rates for providers have exacerbated the problem of access to health care.

This bill begins to address the problem of health care availability for low-income families. The bill would guarantee Medicaid coverage for all children in families with incomes below 100 percent of the Federal poverty level and provide enrollment for a minimum period of 1 year so that children can count on continuous Medicaid coverage.

The bill provides for the setting of national standards for improved payments to hospitals, physicians, and alternative providers for obstetric services and for pediatric services for children under one. The bill also supports demonstration programs that promote quality and cost-effective use of services to pregnant women and children and that provide for the development of outcome measures and practice guidelines for services for pregnant women.

The initial costs of these reforms will be fully financed at the Federal level with State matching payments suspended through 1994. After 1994, the States will gradually contribute their share of the additional costs of the expansions and improvements in coverage. With regard to financing these changes, as an offset to the costs of the reforms, the bill proposes that the Federal excise tax on cigarettes be doubled.

Mr. President, this bill will provide health care to this country's most vulnerable citizens, low-income pregnant women and children. This bill is an investment in the future of this country. I urge my colleagues to join me in cosponsoring this bill to build better health protection for mothers and children.

Mr. KENNEDY. Mr. President, Today we face a crisis in the health care system that threatens the well-being of every American family. The challenge is more serious than at any time since the enactment of Medicare in 1965, and no one is immune—young or old, rich or poor, business or labor, city or farm, insured or uninsured.

In my view, health care should be a basic right for all, not just an expensive privilege for the few. My family has been fortunate in being able to obtain the best in health care, and it ought to be available to every family.

Yet, there are 37 million Americans who have no health insurance at all, either public or private. There are 60 million more with inadequate insurance. Fifteen million American families annually go without health care because they cannot afford it, and one-half of all the people hounded by collection agencies are in debt because they have medical bills they cannot pay.

The crisis is not confined to the 100 million Americans who are uninsured or underinsured. Key health care institutions on which millions of Americans depend are on the verge of collapse.

In New York City, the average wait in emergency rooms is 3 days before a patient can be admitted to the hospital. In Los Angeles, more than half the private hospitals have dropped out of the Los Angeles trauma care network that provides emergency services for the most seriously injured because they can no longer afford to care for uninsured patients.

Virtually every State in the country is reporting that patients are piled up in emergency rooms because of a lack of hospital beds. Forty percent of the Nation's hospitals fail to meet health and safety standards.

Whether a patient is rich or poor, insured or uninsured, these conditions have the potential to put life at risk. And even Americans that are fully insured today are just one paycheck, one job change, one management decision to drop insurance coverage from being out of luck tomorrow.

One of the most troubling aspects of the current crisis is the devastating impact on children. Every child in America deserves a healthy start in life. But too many fail to get it because their parents can't afford it and society won't provide it. One in every five children in America today—12 million children in all—have no health insurance coverage. Two out of every three pregnant women who are uninsured do not get the low-cost, effective prenatal care that their babies need. It is no wonder that 18 other industrial nations have a better record in keeping babies alive than the United States. Forty percent of our children do not even receive basic childhood vaccines.

American children are the innocent victims of the health care crisis and that means that America is the victim, too—because our children are our future.

The crisis in health care is not only a health issue, it is an economic issue as well. The United States spends more than any other country on health care. We spend 40 percent more per capita than Canada, 90 percent more per capita than West Germany, and more than twice as much as Japan. No wonder that American firms are struggling to compete in world markets, that health care has become a flash point in labor negotiations, and that business and labor alike are demanding a comprehensive health policy.

I believe that the time has come when universal health care and tough cost control measures can and must be enacted. I believe the American people are demanding action, and when the people lead, the politicians will follow.

The legislation we are introducing today represents as downpayment on the comprehensive reform that must be enacted. It targets one of the most critical health problems in our current system—inadequate coverage under Medicaid for poor pregnant women and children, and I urge the Senate to enact it.

By Mr. INOUYE (for himself and Mr. MCCAIN):

S. 3082. A bill to expand the authority of the Secretary of the Interior on connection with the investment of Indian trust funds, and for other purposes; to the Select Committee on Indian Affairs.

INVESTMENT OF INDIAN TRUST FUNDS

● Mr. INOUYE. Mr. President, I am pleased to be introducing legislation which will allow Indian tribes and individuals the right to exercise some choice in the management of their own funds which are held in trust by the Bureau of Indian Affairs of the Department of the Interior. Currently the BIA manages approximately $1.9 billion on behalf of more than 300,000 individual Indians and 200 tribes. Most of the individual accounts are relatively small and comprise about one-fourth of the total while the tribal accounts, earnings from the sale of lease of trust assets, constitute about one-third with the remainder consisting of judgment funds resulting from successful legal claims of Indians against the Federal Government. The statute directing the BIA to manage these moneys was last amended in 1938 and has been interpreted by the Interior Solicitor as not allowing the investment of these funds in private management companies. My proposed amendment, developed in response to requests from a number of tribes, would provide such authority to be exercised at the option of the tribe or individual. Specifically, the option would be use contract for the management services of a mutual fund provided that the pool of securities managed contains only federally issued or guaranteed securities which is the restriction under current law. The Secretary of the Interior must examine the proposed management arrangement to ensure that the principal of the trust funds will not be at risk and the Indian tribe or individual exercising this option is required to waive any liability of the Secretary regarding the yield or net interest income generated by such management arrangements. I believe this amendment is consistent with the important Federal Indian policy of self-determination while providing sufficient safeguards as is appropriate for Indian trust funds.

This bill also amends the 1974 Indian Financing Act by authorizing the Secretary of the Interior flexibility in the disposition of funds appropriated under the revolving loan program. Current law restricts the making of direct loans to eligible Indians or tribes only after the applicant has demonstrated that he or she cannot get a loan from a private bank or other financial institution. My amendment allows the Secretary to also use these funds in conjunction with a loan by a bank, to contribute to the loan guaranty fund, or to make interest subsidy payments authorized by other provisions of the Indian Financing Act. A recent report by the Interior Department severely criticized the BIA for its management of the revolving loan fund. By comparison, the loan guaranty and business grant programs were performing quite well primarily because these funds supported the commitment of the private lender. This amendment will allow the Secretary to reallocate revolving loan funds, at his discretion, to these other, more successful programs.

I anticipate that the minor changes in existing law and current programs contemplated under this bill will be considered expeditiously in the time remaining in this session of the Congress. Although minor these changes are important and will demonstrate the ability of Congress to respond to the needs of Indian people.●

By Mr. DASCHLE (for himself, Mr. BAUCUS, Mr. BURDICK, Mr. CONRAD, Mr. INOUYE, and Mr. MCCAIN):

S. 3083. A bill to establish a tribal cattle herd pilot project, and for other purposes; to the Select Committee on Indian Affairs.

TRIBAL CATTLE HERD PILOT PROJECT ACT

● Mr. DASCHLE. Mr. President, on behalf of Indian tribes in my State that asked that I sponsor this proposal, I am introducing legislation today to create a Tribal Cattle Herd Pilot Project [TRICAPP]. The following Senators asked to be listed as cosponsors: BAUCUS, BURDICK, CONRAD, INOUYE, and MCCAIN.

The proposal would establish a loan program in the Bureau of Indian Affairs to help Indian tribes establish cattle herds. The cattle would be maintained by the tribes and offered to tribal members who meet certain guildelines to start their own cattle operations.

The program's goal is to offer members of Indian tribes an opportunity to become self-sufficient through ranching enterprises. The program draws on two of the principle natural resources on most reservations: grasslands and people. TRICAPP is designated to help tribes put these resources to their best use.

According to Wayne Ducheneaux, chairman of the Cheyenne River Sioux Tribe, in testimony before the House Interior Committee, TRICAPP could provide 257 families with the opportunity to start up or expand cattle operations. The reservation includes more than 1.2 million acres of rangeland, with surplus acreage for 6,775 head of cattle. Another reservation in my State wants to start a dairy herd that would be a source of animals for 4-H projects. The idea is to give young people an alternative to drugs and alcohol.

The biggest hurdle Indians face in starting a livestock operation is credit. To help tribes scale this hurdle, the interest rate on the loans would be 5 percent, the rate applied by the Department of Agriculture in loan programs for persons who are members of so-called socially disadvantaged groups. TRICAPP could offer loan guarantees and direct loans. The program is based on an earlier BIA program that is no longer in operation.

The program would be open to all tribes, but BIA may give preference to the five Northern Great Plains Indian tribes that developed the proposal—Cheyenne River Sioux, Crow Creek Sioux, Oglala Sioux, Fort Belknap and the Northern Cheyenne.

The project includes research and technical assistance to be provided by South Dakota State University and Montana State University to help the tribes and their members improve management and marketing skills.

Mr. President, we must find creative ways to encourage economic development on the reservations if we are ever to break the cycle of dependence, and the related problems of crime, unemployment, disease, and drug and alcohol abuse. This is a proposal developed by the tribes.

They are the best judge of what will work on their reservations. They believe that TRICAPP is one means to improve the way of life for many Indians.●

ADDITIONAL COSPONSORS

S. 190

At the request of Mr. CRANSTON, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 190, a bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the Armed Forces to receive compensation concurrently with retired pay without reduction in the amount of the compensation and retired pay.

S. 1651

At the request of Mr. MCCAIN, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 1651, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United States Organization.

S. 1676

At the request of Mr. PELL, the name of the Senator from Delaware [Mr. BIDEN] was added as a cosponsor of S. 1676, a bill to strengthen the teaching profession, and for other purposes.

S. 1813

At the request of Mr. GORTON, the names of the Senator from Mississippi [Mr. LOTT] and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1813, a bill to ensure that funds provided under section 4213 of the Indian Alcohol and Substances Abuse Prevention and Treatment Act of 1986 may be used to acquire land for emergency shelters.

S. 1981

At the request of Mr. HOLLINGS, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of S. 1981, a bill to permit the Bell Telephone Companies to conduct research on, design, and manufacture telecommunications equipment, and for other purposes.

S. 2415

At the request of Mr. DOMENICI, the name of the Senator from Minnesota [Mr. BOSCHWITZ] was added as a cosponsor of S. 2415, a bill to encourage solar and geothermal power production by removing the size limitations contained in the Public Utility Regulatory Act of 1978.

S. 2535

At the request of Mr. MCCONNELL, the names of the Senator from Utah [Mr. HATCH] and the Senator from Washington [Mr. GORTON] were added as cosponsors of S. 2535, a bill to provide for a comprehensive health care plan for all Americans, and for other purposes.

S. 2640

At the request of Mr. DASCHLE, the name of the Senator from Nevada [Mr. BRYAN] was added as a cosponsor of S. 2640, a bill to amend title XVIII of the Social Security Act to prevent fraud and abuse and encourage competition in the sale of Medicare supplemental insurance.

S. 2725

At the request of Mr. ARMSTRONG, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 2725, a bill to amend the Employee Retirement Income Security Act of 1974 with respect to the preemption of the Hawaii Prepaid Health Care Act.

S. 2813

At the request of Mr. GRAHAM, the name of the Senator from West Virginia [Mr. ROCKEFELLER] was added as a cosponsor of S. 2813, a bill to authorize the minting of commemorative coins to support the training of Ameri-

can athletes participating in the 1992 Olympic games.

S. 2819

At the request of Mr. MOYNIHAN, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2819, a bill to amend title XVIII of the Social Security Act to provide coverage of services rendered by community mental health centers as partial hospitalization services, and for other purposes.

S. 2822

At the request of Mr. LAUTENBERG, the name of the Senator from Michigan [Mr. RIEGLE] was added as a cosponsor of S. 2822, a bill to promote and strengthen aviation security, and for other purposes.

S. 2860

At the request of Mr. DASCHLE, the name of the Senator from South Dakota [Mr. PRESSLER] was added as a cosponsor of S. 2860, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for travel expenses of certain loggers.

S. 3035

At the request of Mr. LIEBERMAN, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 3035, a bill to protect the national security by prohibiting profiteering of essential commodities during periods of national emergency.

S. 3051

At the request of Mr. PRESSLER, the names of the Senator from Kansas [Mr. DOLE] and the Senator from Illinois [Mr. SIMON] were added as cosponsors of S. 3051, a bill to reduce the pay of Members of Congress corresponding to the percentage reduction of the pay of Federal employees who are furloughed or otherwise have a reduction of pay resulting from a sequestration order.

S. 3059

At the request of Mr. DECONCINI, the names of the Senator from Florida [Mr. GRAHAM], the Senator from Florida [Mr. MACK], and the Senator from South Carolina [Mr. HOLLINGS] were added as cosponsors of S. 3059, a bill to amend title 28, United States Code, to authorize the appointment of additional bankruptcy judges.

S.J. RESOLUTION 283

At the request of Mr. CRANSTON, the name of the Senator from Tennessee [Mr. SASSER] was added as a cosponsor of Senate Joint Resolution 283, a joint resolution to commemorate the centennial of the creation by Congress of Yosemite National Park.

S.J. RESOLUTION 346

At the request of Mr. BOSCHWITZ, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of Senate Joint Resolution 346, a joint resolution to designate October 20 through 28, 1990, as "National Red Ribbon Week for a Drug-Free America."

SENATE JOINT RESOLUTION 349

At the request of Mr. DECONCINI, the names of the Senator from Tennessee [Mr. GORE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Connecticut [Mr. DODD], the Senator from Ohio [Mr. GLENN], the Senator from Indiana [Mr. COATS], and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 349, a joint resolution designating October 1990, as "Italian-American Heritage and Culture Month."

SENATE JOINT RESOLUTION 364

At the request of Mr. REID, the names of the Senator from Nevada [Mr. BRYAN], the Senator from Alabama [Mr. SHELBY], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of Senate Joint Resolution 364, a joint resolution to designate the third week of February 1991 as "National Parents and Teachers Association Week."

SENATE CONCURRENT RESOLUTION 125

At the request of Mr. COHEN, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of Senate Concurrent Resolution 125, a concurrent resolution expressing the sense of Congress regarding adequate funding for long-term health care services provided through the Medicare and Medicaid Programs.

SENATE RESOLUTION 325—COMMENDING THE ESTABLISHMENT OF THE EISENHOWER CENTER FOR THE CONSERVATION OF HUMAN RESOURCES AT COLUMBIA UNIVERSITY

Mr. MOYNIHAN (for himself, Mr. DOLE, and Mr. D'AMATO) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 325

Whereas the Conservation of Human Resources Project at Columbia University is now in its fifth decade;

Whereas General Dwight David Eisenhower, as president of Columbia University from 1948 to 1950, invigorated the Conservation Project with energy and direction;

Whereas the Conservation Project was established to both examine economic transformations from the viewpoint of human resources and analyze the response of educational, training, and employer institutions to such transformations;

Whereas the Conservation Project has published some 250 books and reports on human resources; and

Whereas in recognition of Dwight David Eisenhower's service to his country and to Columbia University, the Conservation of Human Resources Project has been renamed the Eisenhower Center for the Conservation of Human Resources: Now, therefore, be it

Resolved, That, in this centennial year of Dwight David Eisenhower's birth, the newly rechristened Eisenhower Center for the Conservation of Human Resources at Columbia University has the full and enthusiastic support of the United States Senate.

● Mr. MOYNIHAN. Mr. President, I rise to introduce legislation to add the support of the Senate to the newly rechristened Eisenhower Center for the Conservation of Human Resources at New York University.

The Center was first known as the Conservation of Human Resources Project. When Gen. Dwight Eisenhower became president of Columbia in 1948 he invigorated the Conservation Project, as it was known, and set it on the course that resulted in the publication of over 250 books and reports. The Conservation Project has studied the effect of economic transformations on human resources, particularly the responses of educational, training, and employer institutions to these transformations, and made valuable contributions.

In the centennial of President Eisenhower's birth, Columbia has renamed the Conservation Project in honor of his contributions to it. Known from now on as the Eisenhower Center for the Conservation of Human Resources, it will continue this strong record of working to improve the Nation's human resources, as President Eisenhower saw that it could and should do.

This resolution expresses the support of the Senate for the newly changed name and the good work the Eisenhower Center will continue to do as it enters this new phase in its development.●

AMENDMENTS SUBMITTED

OLDER WORKERS BENEFIT PROTECTION ACT

DOLE AMENDMENT NOS. 2674 THROUGH 2676

(Ordered to lie on the table.)

Mr. DOLE submitted three amendments intended to be proposed by him to the reported amendment, as modified, to the bill (S. 1511) to amend the Age Discrimination in Employment Act of 1967 to clarify the protections given to older individuals in regard to employee benefit plans, and for other purposes, as follows:

AMENDMENT No. 2674

At the end of the amendment, add the following new title:

TITLE IV—SMALL EMPLOYERS

SEC. 401. SMALL EMPLOYERS.

Notwithstanding any other provision of law, this Act and the amendments made by this Act shall not apply to an employer with fewer than 100 employees.

AMENDMENT NO. 2675

Beginning on page 9 of the amendment, strike line 17 and all that follows through page 11, line 9, and insert the following new section:

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—This title and the amendments made by this title shall become effective on the date that is 2 years after the date of enactment of this Act.

(b) STATES AND POLITICAL SUBDIVISIONS.—

(1) APPLICATION.—This subsection shall apply to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 23, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law.

AMENDMENT NO. 2676

On page 14 of the committee amendment, between lines 8 and 9, insert the following:

"SPECIAL PROVISION FOR STATES AND LOCAL SUBDIVISIONS REQUIRED TO RAISE TAXES TO COMPLY.

"(1) IN GENERAL.—Nothwithstanding any other provision of this Act or any other provision of law, if any State government or political subdivision of a State must raise taxes to bring one or more of its employee benefit programs into compliance with this Act, this title and the amendments made by this title shall not apply to that program until the date that is four years after the date of enactment of this Act.

"(2) CERTIFICATION BY GOVERNOR OF AFFECTED STATE.—Paragraph (1) shall apply to any employee benefit program there, within six months of the date of enactment of this Act, the Governor of the State having jurisdiction over such program has certified to the Equal Employment Opportunity Commission that the only feasible means for bringing the program into compliance with this Act is through some type of tax increase.

"(3) STUDY OF FISCAL IMPACT ON STATE AND LOCAL GOVERNMENTS.—One year from the date of enactment of this Act the Equal Employment Opportunity Commission shall transmit a report to Congress analyzing the fiscal impact of this Act on State and local governments. This study shall identify the type and amount of any tax increase any State or subdivision of a State is required to impose to comply with this Act as well as any other effects of the Act on State and local governments.".

JEFFORDS AMENDMENTS NOS. 2677 THROUGH 2679

(Ordered to lie on the table.)

Mr. JEFFORDS submitted three amendments intended to be proposed by him to the reported amendment, as modified, to the bill S. 1511, supra, as follows:

AMENDMENT NO. 2677

At page 16, line 22—

Delete the period at the end of the line and insert the following: ", except that where all individuals in the same job classification or organizational unit are eligible or selected for the program, the employer need not compile or inform the individual of the information specified herein [i.e., in (f)(1)(H)(ii)].".

AMENDMENT NO. 2678

At page 17, line 13—

Delete all after the word "that" through the end of the sentence on line 18. Thereafter, insert the following: "the requirements set forth in paragraph (1) or (2) have been satisfied.".

AMENDMENT NO. 2679

At page 6, strike all section (2)(A) and insert the following:

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an individual eligible for an immediate pension are deducted from severance pay made available as a result of the contingent event unrelated to age; or

"(ii) the value of any additional pension benefits that are made available, to an individual eligible for an immediate pension, solely as a result of the contingent event unrelated to age are deducted from severance pay made available as a result of the contingent event unrelated to age, provided that the individual may elect to receive either the additional pension benefits or the severance pay.".

PURPOSE

To allow the offset against severance of any pension sweeteners which provide employees with additional benefits beyond those to which they otherwise are entitled under the plan (i.e., eliminating the requirement that the sweetener provide an unreduced pension) and which benefits are available solely as the result of the contingent event unrelated to age, regardless of presence of retiree health benefits. A necessary precondition to the offset is that the employee is provided with the choice between the additional pension benefits or the severance pay.

METZENBAUM AMENDMENT NOS. 2680 THROUGH 2682

(Ordered to lie on the table.)

Mr. METZENBAUM submitted three amendments intended to be proposed by him to the reported amendment, as modified, to the bill S. 1511, supra, as follows:

AMENDMENT NO. 2680

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Workers Benefit Protection Act".

TITLE I—OLDER WORKERS BENEFIT PROTECTION

SEC. 101. FINDING.

The Congress finds that, as a result of the decision of the Supreme Court in *Public Employees Retirement System of Ohio v. Betts*, 109 S.Ct. 256 (1989), legislative action is necessary to restore the original congressional intent in passing and amending the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), which was to prohibit discrimination against older workers in all employee benefits except when age-based reductions in employee benefit plans are justified by significant cost considerations.

SEC. 102. DEFINITION.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsection:

"(l) The term 'compensation, terms, conditions, or privileges of employment' encompasses all employee benefits, including such benefits provided pursuant to a bona fide employee benefit plan.".

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) by striking subsection (f) and inserting the following new subsection:

"(f) It shall not be unlawful for an employer, employment agency, or labor organization to take any action otherwise prohibited under subsection (a), (b), (c), or (e)—

"(1) where age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business, or where the differentiation is based on reasonable factors other than age, or where such practices involve an employee in a workplace in a foreign country, and compliance with such subsections would cause such employer, or a corporation controlled by such employer, to violate the laws of the country in which such workplace is located;

"(2)(A) to observe the terms of a bona fide seniority system that is not intended to evade the purposes of this Act, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of such individual; or

"(B) to observe the terms of a bona fide employee benefit plan—

"(i) where, for each benefit or benefit package, the actual amount of payment made or cost incurred on behalf of an older individual is no less than that made or incurred on behalf of a younger individual, as permissible under section 1625.10, title 29, Code of Federal Regulations (as in effect on June 22, 1989); or

"(ii) that is a voluntary early retirement incentive plan consistent with the purposes of this Act,

except that no such employee benefit plan or voluntary early retirement incentive plan shall excuse the failure to hire any individual, and no such employee benefit plan shall require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of such individual; and

"(3) to discharge or otherwise discipline an individual for good cause.

An employer, employment agency, or labor organization acting under paragraphs (1) or (2) shall have the burden of proving that such actions are lawful in any civil enforcement proceeding brought under this Act.";

(2) by redesignating the second subsection (i) as subsection (j); and

(3) by adding at the end the following new subsections:

"(k) A seniority system or employee benefit plan shall comply with this Act regardless of the date of adoption of such system or plan.

"(l) Notwithstanding clause (i) or (ii) of subsection (f)(2)(B)—

"(1) It shall not be a violation of subsection (a), (b), (c), or (e) solely because—

"(A) an employee pension benefit plan (as defined in section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2))) provides for the attainment of a minimum age as a condition of eligibil-

ity for normal or early retirement benefits; or

"(B) a defined benefit plan (as defined in section 3(35) of such Act) provides for—

"(i) payments that constitute the subsidized portion of an early retirement benefit; or

"(ii) social security supplements for plan participants that commence before the age and terminate at the age (specified by the plan) when participants are eligible to receive reduced or unreduced old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), and that do not exceed such old-age insurance benefits.

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an individual eligible for an immediate pension; and

"(ii) in any case in which retiree health benefits as described in clause (i) are provided, the value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and that make the individual eligible for not less than an immediate and unreduced pension,

are deducted from severance pay made available as a result of the contingent event unrelated to age.

"(B) For an individual who receives immediate pension benefits that are actuarially reduced under subparagraph (A)(i), the amount of the deduction available pursuant to subparagraph (A)(i) shall be reduced by the same percentage as the reduction in the pension benefits.

"(C) For purposes of this paragraph, severance pay shall include that portion of supplemental unemployment compensation benefits (as described in section 501(c)(17) of the Internal Revenue Code of 1986) that—

"(i) constitutes additional benefits of up to 52 weeks;

"(ii) has the primary purpose and effect of continuing benefits until an individual becomes eligible for an immediate and unreduced pension; and

"(iii) is discontinued once the individual becomes eligible for an immediate and unreduced pension.

"(D) For purposes of this paragraph, the term 'retiree health benefits' means benefits provided pursuant to a group health plan covering retirees, for which (determined as of the contingent event unrelated to age)—

"(i) the package of benefits provided by the employer for the retirees who are below age 65 is at least comparable to benefits provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(ii) the package of benefits provided by the employer for the retirees who are age 65 and above is at least comparable to that offered under a plan that provides a benefit package with one-fourth the value of benefits provided under title XVIII of such Act.

"(E)(i) If the obligation of the employer to provide retiree health benefits is of limited duration, the value for each individual shall be calculated at a rate of $3,000 per year for benefit years before age 65, and $750 per year for benefit years beginning at age 65 and above.

"(ii) If the obligation of the employer to provide retiree health benefits is of unlimited duration, the value for each individual shall be calculated at a rate of $48,000 for individuals below age 65, and $24,000 for individuals age 65 and above.

"(iii) The values described in clauses (i) and (ii) shall be calculated based on the age of the individual as of the date of the contingent event unrelated to age. The values are effective on the date of enactment of this subsection, and shall be adjusted on an annual basis, with respect to a contingent event that occurs subsequent to the first year after the date of enactment of this subsection, based on the medical component of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"(iv) If an individual is required to pay a premium for retiree health benefits, the value calculated pursuant to this subparagraph shall be reduced by whatever percentage of the overall premium the individual is required to pay.

"(F) If an employer that has implemented a deduction pursuant to subparagraph (A) fails to fulfill the obligation described in subparagraph (E), any aggrieved individual may bring an action for specific performance of the obligation described in subparagraph (E). The relief shall be in addition to any other remedies provided under Federal or State law.

"(3) It shall not be a violation of subsection (a), (b), (c), or (e) solely because an employer provides a bona fide employee benefit plan or plans under which long-term disability benefits received by an individual are reduced by any pension benefits paid to the individual that the individual voluntarily elects to receive.".

SEC. 104. RULES AND REGULATIONS.

Notwithstanding section 9 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 628), the Equal Employment Opportunity Commission may issue such rules and regulations as the Commission may consider necessary or appropriate for carrying out this title, and the amendments made by this title, only after consultation with the Secretary of the Treasury and the Secretary of Labor.

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this title and the amendments made by this title shall apply only to—

(1) any employee benefit established or modified on or after the date of enactment of this Act; and

(2) other conduct occurring more than 60 days after the date of enactment of this Act.

(b) COLLECTIVELY BARGAINED AGREEMENTS.—With respect to any employee benefits provided in accordance with a collective bargaining agreement—

(1) that is in effect as of the date of enactment of this Act;

(2) that terminates after such date of enactment;

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)); and

(4) that contains any provision that would be superseded (in whole or part) by this title and the amendments made by this title, but for the operation of this section,

this title and the amendments made by this title shall not apply until the termination of such collective bargaining agreement or June 2, 1992, whichever occurs first.

(c) STATES AND POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 23, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law,

this title and the amendments made by this title shall not apply until the date that is 2 years after the date of enactment of this Act.

(2) ELECTION OF DISABILITY COVERAGE FOR EMPLOYEES HIRED PRIOR TO EFFECTIVE DATE.—

(A) IN GENERAL.—An employer that maintains a plan described in paragraph (1)(B) may, with regard to disability benefits provided pursuant to such a plan—

(i) following reasonable notice to all employees, establish new disability benefits that satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title); and

(ii) then offer to each employee covered by a plan described in paragraph (1)(B) the option to elect such new disability benefits in lieu of the existing disability benefits, if—

(I) the offer is made and reasonable notice provided no later than the date that is 2 years after the date of enactment of this Act; and

(II) the employee is given up to 180 days after the offer in which to make the election.

(B) PREVIOUS DISABILITY BENEFITS.—If the employee does not elect to be covered by the new disability benefits, the employer may continue to cover the employee under the previous disability benefits even though such previous benefits do not otherwise satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title).

(C) ABROGATION OF RIGHT TO RECEIVE BENEFITS.—An election of coverage under the new disability benefits shall abrogate any right the electing employee may have had to receive existing disability benefits. The employee shall maintain any years of service accumulated for purposes of determining eligibility for the new benefits.

(3) STATE ASSISTANCE.—The Equal Employment Opportunity Commission, the Secretary of Labor, and the Secretary of the Treasury shall, on request, provide to States assistance in identifying and securing independent technical advice to assist in complying with this subsection.

(4) DEFINITIONS.—For purposes of this subsection:

(A) EMPLOYER AND STATE.—The terms "employer" and "State" shall have the respective meanings provided such terms under subsections (b) and (i) of section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630).

(B) DISABILITY BENEFITS.—The term 'disability benefits' means any program for employees of a State or political subdivision of a State that provides long-term disability benefits, whether on an insured basis in a separate employee benefit plan or as part of an employee pension benefit plan.

(C) REASONABLE NOTICE.—The term "reasonable notice" means, with respect to notice of new disability benefits described in paragraph (2)(A) that is given to each employee, notice that—

(i) is sufficiently accurate and comprehensive to appraise the employee of the terms

and conditions of the disability benefits, including whether the employee is immediately eligible for such benefits; and

(ii) is written in a manner calculated to be understood by the average employee eligible to participate.

(d) DISCRIMINATION IN EMPLOYEE PENSION BENEFIT PLANS.—Nothing in this title, or the amendments made by this title, shall be construed as limiting the prohibitions against discrimination that are set forth in section 4(j) of the Age Discrimination and Employment Act of 1967 (as redesignated by section 103(2) of this Act).

TITLE II—WAIVER OF RIGHTS OR CLAIMS

SEC. 201. WAIVER OF RIGHTS OR CLAIMS.

Section 7 of the Age Discrimination and Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following new subsection:

"(f)(1) An individual may not waive any right or claim under this Act unless the waiver is knowing and voluntary. Except as provided in paragraph (2), a waiver may not be considered knowing and voluntary unless at a minimum—

"(A) the waiver is part of an agreement between the individual and the employer that is written in a manner calculated to be understood by such individual, or by the average individual eligible to participate;

"(B) the waiver specifically refers to rights or claims arising under this Act;

"(C) the individual does not waive rights or claims that may arise after the date the waiver is executed;

"(D) the individual waives rights or claims only in exchange for consideration in addition to anything of value to which the individual already is entitled;

"(E) the individual is advised in writing to consult with an attorney prior to executing the agreement;

"(F)(i) the individual is given a period of at least 21 days within which to consider the agreement; or

"(ii) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the individual is given a period of at least 45 days within which to consider the agreement;

"(G) the agreement provides that for a period of at least 7 days following the execution of such agreement, the individual may revoke the agreement, and the agreement shall not become effective or enforceable until the revocation period has expired;

"(H) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the employer (at the commencement of the period specified in subparagraph (F)) informs the individual in writing in a manner calculated to be understood by the average individual eligible to participate, as to—

"(i) any class, unit, or group of individuals covered by such program, any eligibility factors for such program, and any time limits applicable to such program; and

"(ii) the job titles and ages of all individuals eligible or selected for the program, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the program.

"(2) A waiver in settlement of a charge filed with the Equal Employment Opportunity Commission, or an action filed in court by the individual or the individual's representative, alleging age discrimination of a kind prohibited under section 4 or 15 may not be considered knowing and voluntary unless at a minimum—

"(A) subparagraphs (A) through (E) of paragraph (1) have been met; and

"(B) the individual is given a reasonable period of time within which to consider the settlement agreement.

"(3) In any dispute that may arise over whether any of the requirements, conditions, and circumstances set forth in paragraph (1) or (2) have been met, the party asserting the validity of a waiver shall have the burden of proving in a court of competent jurisdiction that a waiver was knowing and voluntary pursuant to paragraph (1) or (2).

"(4) No waiver agreement may affect the Commission's rights and responsibilities to enforce this Act. No waiver may be used to justify interfering with the protected right of an employee to file a charge or participate in an investigation or proceeding conducted by the Commission.".

SEC. 202. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 201 shall not apply with respect to waivers that occur before the date of enactment of this Act.

(b) RULE ON WAIVERS.—Effective on the date of enactment of this Act, the rule on waivers issued by the Equal Employment Opportunity Commission and contained in section 1627.16(c) of title 29, Code of Federal Regulations, shall have no force and effect.

TITLE III—SEVERABILITY

SEC. 301. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

FEDERAL AGENCIES.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer that is a Federal agency, this title and the amendments made by this title shall apply 2 years after the date of enactment of this Act.

(2) FEDERAL AGENCY.—The term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

SEC. 104. STUDY OF COMPLIANCE BY FEDERAL AGENCIES.

(a) IN GENERAL.—The Director of the Office of Personnel Management shall conduct a study of the compliance of Federal employee benefit plans with the requirements of this title and the amendments made by this title.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director shall submit a report to Congress that describes the results of the study conducted under subsection (a). If the Director determines that Federal agencies are not complying with the requirements referred to in subsection (a), the Director shall include in the report a detailed proposal for ensuring the compliance of Federal agencies with the requirements without reducing benefits to any Federal employee or annuitant.

(c) DEFINITION OF FEDERAL AGENCY.—As used in this section, the term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

AMENDMENT No. 2681

Strike all after the first word and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Workers Benefit Protection Act".

TITLE I—OLDER WORKERS BENEFIT PROTECTION

SEC. 101. FINDING.

The Congress finds that, as a result of the decision of the Supreme Court in *Public Employees Retirement System of Ohio v. Betts*, 109 S.Ct. 256 (1989), legislative action is necessary to restore the original congressional intent in passing and amending the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), which was to prohibit discrimination against older workers in all employee benefits except when age-based reductions in employee benefit plans are justified by significant cost considerations.

SEC. 102. DEFINITION.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsection:

"(l) The term 'compensation, terms, conditions, or privileges of employment' encompasses all employee benefits, including such benefits provided pursuant to a bona fide employee benefit plan.".

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) by striking subsection (f) and inserting the following new subsection:

"(f) It shall not be unlawful for an employer, employment agency, or labor organization to take any action otherwise prohibited under subsection (a), (b), (c), or (e)—

"(1) where age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business, or where the differentiation is based on reasonable factors other than age, or where such practices involve an employee in a workplace in a foreign country, and compliance with such subsections would cause such employer, or a corporation controlled by such employer, to violate the laws of the country in which such workplace is located;

"(2)(A) to observe the terms of a bona fide seniority system that is not intended to evade the purposes of this Act, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of such individual; or

"(B) to observe the terms of a bona fide employee benefit plan—

"(i) where, for each benefit or benefit package, the actual amount of payment made or cost incurred on behalf of an older individual is no less than that made or incurred on behalf of a younger individual, as permissible under section 1625.10, title 29, Code of Federal Regulations (as in effect on June 22, 1989); or

"(ii) that is a voluntary early retirement incentive plan consistent with the purposes of this Act,

except that no such employee benefit plan or voluntary early retirement incentive plan shall excuse the failure to hire any individual, and no such employee benefit plan shall require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of such individual; and

"(3) to discharge or otherwise discipline an individual for good cause.

An employer, employment agency, or labor organization acting under paragraphs (1) or (2) shall have the burden of proving that such actions are lawful in any civil enforcement proceeding brought under this Act.";

(2) by redesignating the second subsection (i) as subsection (j); and

(3) by adding at the end the following new subsections:

"(k) A seniority system or employee benefit plan shall comply with this Act regardless of the date of adoption of such system or plan.

"(l) Notwithstanding clause (i) or (ii) of subsection (f)(2)(B)—

"(1) It shall not be a violation of subsection (a), (b), (c), or (e) solely because—

"(A) an employee pension benefit plan (as defined in section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2))) provides for the attainment of a minimum age as a condition of eligibility for normal or early retirement benefits; or

"(B) a defined benefit plan (as defined in section 3(35) of such Act) provides for—

"(i) payments that constitute the subsidized portion of an early retirement benefit; or

"(ii) social security supplements for plan participants that commence before the age and terminate at the age (specified by the plan) when participants are eligible to receive reduced or unreduced old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), and that do not exceed such old-age insurance benefits.

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an individual eligible for an immediate pension; and

"(ii) in any case in which retiree health benefits as described in clause (i) are provided, the value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and that make the individual eligible for not less than an immediate and unreduced pension,

are deducted from severance pay made available as a result of the contingent event unrelated to age.

"(B) For an individual who receives immediate pension benefits that are actuarially reduced under subparagraph (A)(i), the amount of the deduction available pursuant to subparagraph (A)(i) shall be reduced by the same percentage as the reduction in the pension benefits.

"(C) For purposes of this paragraph, severance pay shall include that portion of supplemental unemployment compensation benefits (as described in section 501(c)(17) of the Internal Revenue Code of 1986) that—

"(i) constitutes additional benefits of up to 52 weeks;

"(ii) has the primary purpose and effect of continuing benefits until an individual becomes eligible for an immediate and unreduced pension; and

"(iii) is discontinued once the individual becomes eligible for an immediate and unreduced pension.

"(D) For purposes of this paragraph, the term 'retiree health benefits' means benefits provided pursuant to a group health plan covering retirees, for which (determined as of the contingent event unrelated to age)—

"(i) the package of benefits provided by the employer for the retirees who are below age 65 is at least comparable to benefits provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(ii) the package of benefits provided by the employer for the retirees who are age 65 and above is at least comparable to that offered under a plan that provides a benefit package with one-fourth the value of benefits provided under title XVIII of such Act.

"(E)(i) If the obligation of the employer to provide retiree health benefits is of limited duration, the value for each individual shall be calculated at a rate of $3,000 per year for benefit years before age 65, and $750 per year for benefit years beginning at age 65 and above.

"(ii) If the obligation of the employer to provide retiree health benefits is of unlimited duration, the value for each individual shall be calculated at a rate of $48,000 for individuals below age 65, and $24,000 for individuals age 65 and above.

"(iii) The values described in clauses (i) and (ii) shall be calculated based on the age of the individual as of the date of the contingent event unrelated to age. The values are effective on the date of enactment of this subsection, and shall be adjusted on an annual basis, with respect to a contingent event that occurs subsequent to the first year after the date of enactment of this subsection, based on the medical component of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"(iv) If an individual is required to pay a premium for retiree health benefits, the value calculated pursuant to this subparagraph shall be reduced by whatever percentage of the overall premium the individual is required to pay.

"(F) If an employer that has implemented a deduction pursuant to subparagraph (A) fails to fulfill the obligation described in subparagraph (E), any aggrieved individual may bring an action for specific performance of the obligation described in subparagraph (E). The relief shall be in addition to any other remedies provided under Federal or State law.

"(3) It shall not be a violation of subsection (a), (b), (c), or (e) solely because an employer provides a bona fide employee benefit plan or plans under which long-term disability benefits received by an individual are reduced by any pension benefits paid to the individual that the individual voluntarily elects to receive.".

SEC. 104. RULES AND REGULATIONS.

Notwithstanding section 9 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 628), the Equal Employment Opportunity Commission may issue such rules and regulations as the Commission may consider necessary or appropriate for carrying out this title, and the amendments made by this title, only after consultation with the Secretary of the Treasury and the Secretary of Labor.

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this title and the amendments made by this title shall apply only to—

(1) any employee benefit established or modified on or after the date of enactment of this Act; and

(2) other conduct occurring more than 60 days after the date of enactment of this Act.

(b) COLLECTIVELY BARGAINED AGREEMENTS.—With respect to any employee benefits provided in accordance with a collective bargaining agreement—

(1) that is in effect as of the date of enactment of this Act;

(2) that terminates after such date of enactment;

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)); and

(4) that contains any provision that would be superseded (in whole or part) by this title and the amendments made by this title, but for the operation of this section,

this title and the amendments made by this title shall not apply until the termination of such collective bargaining agreement or June 2, 1992, whichever occurs first.

(c) STATES AND POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 23, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law,

this title and the amendments made by this title shall not apply until the date that is 2 years after the date of enactment of this Act.

(2) ELECTION OF DISABILITY COVERAGE FOR EMPLOYEES HIRED PRIOR TO EFFECTIVE DATE.—

(A) IN GENERAL.—An employer that maintains a plan described in paragraph (1)(B) may, with regard to disability benefits provided pursuant to such a plan—

(i) following reasonable notice to all employees, establish new disability benefits that satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title); and

(ii) then offer to each employee covered by a plan described in paragraph (1)(B) the option to elect such new disability benefits in lieu of the existing disability benefits, if—

(I) the offer is made and reasonable notice provided no later than the date that is 2 years after the date of enactment of this Act; and

(II) the employee is given up to 180 days after the offer in which to make the election.

(B) PREVIOUS DISABILITY BENEFITS.—If the employee does not elect to be covered by the new disability benefits, the employer may continue to cover the employee under the previous disability benefits even though such previous benefits do not otherwise satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title).

(C) ABROGATION OF RIGHT TO RECEIVE BENEFITS.—An election of coverage under the new disability benefits shall abrogate any right the electing employee may have had to receive existing disability benefits. The employee shall maintain any years of service accumulated for purposes of determining eligibility for the new benefits.

(3) STATE ASSISTANCE.—The Equal Employment Opportunity Commission, the Secretary of Labor, and the Secretary of the Treasury shall, on request, provide to States assistance in identifying and securing inde-

pendent technical advice to assist in complying with this subsection.

(4) DEFINITIONS.—For purposes of this subsection:

(A) EMPLOYER AND STATE.—The terms "employer" and "State" shall have the respective meanings provided such terms under subsections (b) and (i) of section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630).

(B) DISABILITY BENEFITS.—The term 'disability benefits' means any program for employees of a State or political subdivision of a State that provides long-term disability benefits, whether on an insured basis in a separate employee benefit plan or as part of an employee pension benefit plan.

(C) REASONABLE NOTICE.—The term "reasonable notice" means, with respect to notice of new disability benefits described in paragraph (2)(A) that is given to each employee, notice that—

(i) is sufficiently accurate and comprehensive to appraise the employee of the terms and conditions of the disability benefits, including whether the employee is immediately eligible for such benefits; and

(ii) is written in a manner calculated to be understood by the average employee eligible to participate.

(d) DISCRIMINATION IN EMPLOYEE PENSION BENEFIT PLANS.—Nothing in this title, or the amendments made by this title, shall be construed as limiting the prohibitions against discrimination that are set forth in section 4(j) of the Age Discrimination and Employment Act of 1967 (as redesignated by section 103(2) of this Act).

TITLE II—WAIVER OF RIGHTS OR CLAIMS

SEC. 201. WAIVER OF RIGHTS OR CLAIMS.

Section 7 of the Age Discrimination and Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following new subsection:

"(f)(1) An individual may not waive any right or claim under this Act unless the waiver is knowing and voluntary. Except as provided in paragraph (2), a waiver may not be considered knowing and voluntary unless at a minimum—

"(A) the waiver is part of an agreement between the individual and the employer that is written in a manner calculated to be understood by such individual, or by the average individual eligible to participate;

"(B) the waiver specifically refers to rights or claims arising under this Act;

"(C) the individual does not waive rights or claims that may arise after the date the waiver is executed;

"(D) the individual waives rights or claims only in exchange for consideration in addition to anything of value to which the individual already is entitled;

"(E) the individual is advised in writing to consult with an attorney prior to executing the agreement;

"(F)(i) the individual is given a period of at least 21 days within which to consider the agreement; or

"(ii) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the individual is given a period of at least 45 days within which to consider the agreement;

"(G) the agreement provides that for a period of at least 7 days following the execution of such agreement, the individual may revoke the agreement, and the agreement shall not become effective or enforceable until the revocation period has expired;

"(H) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the employer (at the commencement of the period specified in subparagraph (F)) informs the individual in writing in a manner calculated to be understood by the average individual eligible to participate, as to—

"(i) any class, unit, or group of individuals covered by such program, any eligibility factors for such program, and any time limits applicable to such program; and

"(ii) the job titles and ages of all individuals eligible or selected for the program, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the program.

"(2) A waiver in settlement of a charge filed with the Equal Employment Opportunity Commission, or an action filed in court by the individual or the individual's representative, alleging age discrimination of a kind prohibited under section 4 or 15 may not be considered knowing and voluntary unless at a minimum—

"(A) subparagraphs (A) through (E) of paragraph (1) have been met; and

"(B) the individual is given a reasonable period of time within which to consider the settlement agreement.

"(3) In any dispute that may arise over whether any of the requirements, conditions, and circumstances set forth in paragraph (1) or (2) have been met, the party asserting the validity of a waiver shall have the burden of proving in a court of competent jurisdiction that a waiver was knowing and voluntary pursuant to paragraph (1) or (2).

"(4) No waiver agreement may affect the Commission's rights and responsibilities to enforce this Act. No waiver may be used to justify interfering with the protected right of an employee to file a charge or participate in an investigation or proceeding conducted by the Commission.".

SEC. 202. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 201 shall not apply with respect to waivers that occur before the date of enactment of this Act.

(b) RULE ON WAIVERS.—Effective on the date of enactment of this Act, the rule on waivers issued by the Equal Employment Opportunity Commission and contained in section 1627.16(c) of title 29, Code of Federal Regulations, shall have no force and effect.

TITLE III—SEVERABILITY

SEC. 301. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

AMENDMENT No. 2682

Strike all after the first word in the text proposed to be striken and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Workers Benefit Protection Act".

TITLE I—OLDER WORKERS BENEFIT PROTECTION

SEC. 101. FINDING.

The Congress finds that, as a result of the decision of the Supreme Court in *Public Employees Retirement System of Ohio v. Betts*, 109 S.Ct. 256 (1989), legislative action is necessary to restore the original congressional intent in passing and amending the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), which was to prohibit discrimination against older workers in all employee benefits except when age-based reductions in employee benefit plans are justified by significant cost considerations.

SEC. 102. DEFINITION.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsection:

"(l) The term 'compensation, terms, conditions, or privileges of employment' encompasses all employee benefits, including such benefits provided pursuant to a bona fide employee benefit plan.".

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) by striking subsection (f) and inserting the following new subsection:

"(f) It shall not be unlawful for an employer, employment agency, or labor organization to take any action otherwise prohibited under subsection (a), (b), (c), or (e)—

"(1) where age is a bona fide occupational qualification reasonably necessary to the normal operation of the particular business, or where the differentiation is based on reasonable factors other than age, or where such practices involve an employee in a workplace in a foreign country, and compliance with such subsections would cause such employer, or a corporation controlled by such employer, to violate the laws of the country in which such workplace is located;

"(2)(A) to observe the terms of a bona fide seniority system that is not intended to evade the purposes of this Act, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of such individual; or

"(B) to observe the terms of a bona fide employee benefit plan—

"(i) where, for each benefit or benefit package, the actual amount of payment made or cost incurred on behalf of an older individual is no less than that made or incurred on behalf of a younger individual, as permissible under section 1625.10, title 29, Code of Federal Regulations (as in effect on June 22, 1989); or

"(ii) that is a voluntary early retirement incentive plan consistent with the purposes of this Act,

except that no such employee benefit plan or voluntary early retirement incentive plan shall excuse the failure to hire any individual, and no such employee benefit plan shall require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of such individual; and

"(3) to discharge or otherwise discipline an individual for good cause.

An employer, employment agency, or labor organization acting under paragraphs (1) or (2) shall have the burden of proving that such actions are lawful in any civil enforcement proceeding brought under this Act.";

(2) by redesignating the second subsection (i) as subsection (j); and

(3) by adding at the end the following new subsections:

"(k) A seniority system or employee benefit plan shall comply with this Act regardless of the date of adoption of such system or plan.

"(1) Notwithstanding clause (i) or (ii) of subsection (f)(2)(B)—

"(1) It shall not be a violation of subsection (a), (b), (c), or (e) solely because—

"(A) an employee pension benefit plan (as defined in section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2))) provides for the attainment of a minimum age as a condition of eligibility for normal or early retirement benefits; or

"(B) a defined benefit plan (as defined in section 3(35) of such Act) provides for—

"(i) payments that constitute the subsidized portion of an early retirement benefit; or

"(ii) social security supplements for plan participants that commence before the age and terminate at the age (specified by the plan) when participants are eligible to receive reduced or unreduced old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), and that do not exceed such old-age insurance benefits.

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an individual eligible for an immediate pension; and

"(ii) in any case in which retiree health benefits as described in clause (i) are provided, the value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and that make the individual eligible for not less than an immediate and unreduced pension,

are deducted from severance pay made available as a result of the contingent event unrelated to age.

"(B) For an individual who receives immediate pension benefits that are actuarially reduced under subparagraph (A)(i), the amount of the deduction available pursuant to subparagraph (A)(i) shall be reduced by the same percentage as the reduction in the pension benefits.

"(C) For purposes of this paragraph, severance pay shall include that portion of supplemental unemployment compensation benefits (as described in section 501(c)(17) of the Internal Revenue Code of 1986) that—

"(i) constitutes additional benefits of up to 52 weeks;

"(ii) has the primary purpose and effect of continuing benefits until an individual becomes eligible for an immediate and unreduced pension; and

"(iii) is discontinued once the individual becomes eligible for an immediate and unreduced pension.

"(D) For purposes of this paragraph, the term 'retiree health benefits' means benefits provided pursuant to a group health plan covering retirees, for which (determined as of the contingent event unrelated to age)—

"(i) the package of benefits provided by the employer for the retirees who are below age 65 is at least comparable to benefits provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(ii) the package of benefits provided by the employer for the retirees who are age 65 and above is at least comparable to that offered under a plan that provides a benefit package with one-fourth the value of benefits provided under title XVIII of such Act.

"(E)(i) If the obligation of the employer to provide retiree health benefits is of limited duration, the value for each individual shall be calculated at a rate of $3,000 per year for benefit years before age 65, and $750 per year for benefit years beginning at age 65 and above.

"(ii) If the obligation of the employer to provide retiree health benefits is of unlimited duration, the value for each individual shall be calculated at a rate of $48,000 for individuals below age 65, and $24,000 for individuals age 65 and above.

"(iii) The values described in clauses (i) and (ii) shall be calculated based on the age of the individual as of the date of the contingent event unrelated to age. The values are effective on the date of enactment of this subsection, and shall be adjusted on an annual basis, with respect to a contingent event that occurs subsequent to the first year after the date of enactment of this subsection, based on the medical component of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"(iv) If an individual is required to pay a premium for retiree health benefits, the value calculated pursuant to this subparagraph shall be reduced by whatever percentage of the overall premium the individual is required to pay.

"(F) If an employer that has implemented a deduction pursuant to subparagraph (A) fails to fulfill the obligation described in subparagraph (E), any aggrieved individual may bring an action for specific performance of the obligation described in subparagraph (E). The relief shall be in addition to any other remedies provided under Federal or State law.

"(3) It shall not be a violation of subsection (a), (b), (c), or (e) solely because an employer provides a bona fide employee benefit plan or plans under which long-term disability benefits received by an individual are reduced by any pension benefits paid to the individual that the individual voluntarily elects to receive.".

SEC. 104. RULES AND REGULATIONS.

Notwithstanding section 9 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 628), the Equal Employment Opportunity Commission may issue such rules and regulations as the Commission may consider necessary or appropriate for carrying out this title, and the amendments made by this title, only after consultation with the Secretary of the Treasury and the Secretary of Labor.

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this title and the amendments made by this title shall apply only to—

(1) any employee benefit established or modified on or after the date of enactment of this Act; and

(2) other conduct occurring more than 60 days after the date of enactment of this Act.

(b) COLLECTIVELY BARGAINED AGREEMENTS.—With respect to any employee benefits provided in accordance with a collective bargaining agreement—

(1) that is in effect as of the date of enactment of this Act;

(2) that terminates after such date of enactment;

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)); and

(4) that contains any provision that would be superseded (in whole or part) by this title and the amendments made by this title, but for the operation of this section,

this title and the amendments made by this title shall not apply until the termination of such collective bargaining agreement or June 2, 1992, whichever occurs first.

(c) STATES AND POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 23, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law,

this title and the amendments made by this title shall not apply until the date that is 2 years after the date of enactment of this Act.

(2) ELECTION OF DISABILITY COVERAGE FOR EMPLOYEES HIRED PRIOR TO EFFECTIVE DATE.—

(A) IN GENERAL.—An employer that maintains a plan described in paragraph (1)(B) may, with regard to disability benefits provided pursuant to such a plan—

(i) following reasonable notice to all employees, establish new disability benefits that satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title); and

(ii) then offer to each employee covered by a plan described in paragraph (1)(B) the option to elect such new disability benefits in lieu of the existing disability benefits, if—

(I) the offer is made and reasonable notice provided no later than the date that is 2 years after the date of enactment of this Act; and

(II) the employee is given up to 180 days after the offer in which to make the election.

(B) PREVIOUS DISABILITY BENEFITS.—If the employee does not elect to be covered by the new disability benefits, the employer may continue to cover the employee under the previous disability benefits even though such previous benefits do not otherwise satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title).

(C) ABROGATION OF RIGHT TO RECEIVE BENEFITS.—An election of coverage under the new disability benefits shall abrogate any right the electing employee may have had to receive existing disability benefits. The employee shall maintain any years of service accumulated for purposes of determining eligibility for the new benefits.

(3) STATE ASSISTANCE.—The Equal Employment Opportunity Commission, the Secretary of Labor, and the Secretary of the Treasury shall, on request, provide to States assistance in identifying and securing independent technical advice to assist in complying with this subsection.

(4) DEFINITIONS.—For purposes of this subsection:

(A) EMPLOYER AND STATE.—The terms "employer" and "State" shall have the respective meanings provided such terms under subsections (b) and (i) of section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630).

(B) DISABILITY BENEFITS.—The term 'disability benefits' means any program for employees of a State or political subdivision of a State that provides long-term disability benefits, whether on an insured basis in a

separate employee benefit plan or as part of an employee pension benefit plan.

(C) REASONABLE NOTICE.—The term "reasonable notice" means, with respect to notice of new disability benefits described in paragraph (2)(A) that is given to each employee, notice that—

(i) is sufficiently accurate and comprehensive to appraise the employee of the terms and conditions of the disability benefits, including whether the employee is immediately eligible for such benefits; and

(ii) is written in a manner calculated to be understood by the average employee eligible to participate.

(d) DISCRIMINATION IN EMPLOYEE PENSION BENEFIT PLANS.—Nothing in this title, or the amendments made by this title, shall be construed as limiting the prohibitions against discrimination that are set forth in section 4(j) of the Age Discrimination and Employment Act of 1967 (as redesignated by section 103(2) of this Act).

TITLE II—WAIVER OF RIGHTS OR CLAIMS

SEC. 201. WAIVER OF RIGHTS OR CLAIMS.

Section 7 of the Age Discrimination and Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following new subsection:

"(f)(1) An individual may not waive any right or claim under this Act unless the waiver is knowing and voluntary. Except as provided in paragraph (2), a waiver may not be considered knowing and voluntary unless at a minimum—

"(A) the waiver is part of an agreement between the individual and the employer that is written in a manner calculated to be understood by such individual, or by the average individual eligible to participate;

"(B) the waiver specifically refers to rights or claims arising under this Act;

"(C) the individual does not waive rights or claims that may arise after the date the waiver is executed;

"(D) the individual waives rights or claims only in exchange for consideration in addition to anything of value to which the individual already is entitled;

"(E) the individual is advised in writing to consult with an attorney prior to executing the agreement;

"(F)(i) the individual is given a period of at least 21 days within which to consider the agreement; or

"(ii) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the individual is given a period of at least 45 days within which to consider the agreement;

"(G) the agreement provides that for a period of at least 7 days following the execution of such agreement, the individual may revoke the agreement, and the agreement shall not become effective or enforceable until the revocation period has expired;

"(H) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the employer (at the commencement of the period specified in subparagraph (F)) informs the individual in writing in a manner calculated to be understood by the average individual eligible to participate, as to—

"(i) any class, unit, or group of individuals covered by such program, any eligibility factors for such program, and any time limits applicable to such program; and

"(ii) the job titles and ages of all individuals eligible or selected for the program, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the program.

"(2) A waiver in settlement of a charge filed with the Equal Employment Opportunity Commission, or an action filed in court by the individual or the individual's representative, alleging age discrimination of a kind prohibited under section 4 or 15 may not be considered knowing and voluntary unless at a minimum—

"(A) subparagraphs (A) through (E) of paragraph (1) have been met; and

"(B) the individual is given a reasonable period of time within which to consider the settlement agreement.

"(3) In any dispute that may arise over whether any of the requirements, conditions, and circumstances set forth in paragraph (1) or (2) have been met, the party asserting the validity of a waiver shall have the burden of proving in a court of competent jurisdiction that a waiver was knowing and voluntary pursuant to paragraph (1) or (2).

"(4) No waiver agreement may affect the Commission's rights and responsibilities to enforce this Act. No waiver may be used to justify interfering with the protected right of an employee to file a charge or participate in an investigation or proceeding conducted by the Commission.".

SEC. 202. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 201 shall not apply with respect to waivers that occur before the date of enactment of this Act.

(b) RULE ON WAIVERS.—Effective on the date of enactment of this Act, the rule on waivers issued by the Equal Employment Opportunity Commission and contained in section 1627.16(c) of title 29, Code of Federal Regulations, shall have no force and effect.

TITLE III—SEVERABILITY

SEC. 301. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

FEDERAL AGENCIES.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer that is a Federal agency, this title and the amendments made by this title shall apply 2 years after the date of enactment of this Act.

(2) FEDERAL AGENCY.—The term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

SEC. 106. STUDY OF COMPLIANCE BY FEDERAL AGENCIES.

(a) IN GENERAL.—The Director of the Office of Personnel Management shall conduct a study of the compliance of Federal employee benefit plans with the requirements of this title and the amendments made by this title.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director shall submit a report to Congress that describes the results of the study conducted under subsection (a). If the Director determines that Federal agencies are not complying with the requirements referred to in subsection (a), the Director shall include in the report a detailed proposal for ensuring the compliance of Federal agencies with the requirements without reducing benefits to any Federal employee or annuitant.

(c) DEFINITION OF FEDERAL AGENCY.—As used in this section, the term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

FEDERAL AGENCIES.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer that is a Federal agency, this title and the amendments made by this title shall apply 2 years after the date of enactment of this Act.

(2) FEDERAL AGENCY.—The term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

SEC. 104. STUDY OF COMPLIANCE BY FEDERAL AGENCIES.

(a) IN GENERAL.—The Director of the Office of Personnel Management shall conduct a study of the compliance of Federal employee benefit plans with the requirements of this title and the amendments made by this title.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the Director shall submit a report to Congress that describes the results of the study conducted under subsection (a). If the Director determines that Federal agencies are not complying with the requirements referred to in subsection (a), the Director shall include in the report a detailed proposal for ensuring the compliance of Federal agencies with the requirements without reducing benefits to any Federal employee or annuitant.

(c) DEFINITION OF FEDERAL AGENCY.—As used in this section, the term "Federal agency" means a Federal department, agency, or unit that is described in section 15(a) of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 633a(a)).

ROTH AMENDMENT NOS. 2683 AND 2684

(Ordered to lie on the table.)

Mr. ROTH submitted two amendments intended to be proposed by him to the reported amendment, as modified, to the bill S. 1511, supra, as follows:

AMENDMENT No. 2683

SEC. 105. EFFECTIVE DATE.

Title I, section 105(a)(2) would be amended at the end to add:

"'Conduct' does not include payments made after the date of enactment of this Act where such payments are continuations of a payment schedule established for an individual prior to that date."

AMENDEMENT No. 2684

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Title I, section 103 is amended by striking subsection (l)(3) and inserting the following new subsection:

"(3) It shall not be a violation of subsection (a), (b), (c), or (e) to observe the terms of an arrangement—

"(A) under which long-term disability benefits are reduced by—

"(i) any pension benefits for which an employee is eligible and that are not reduced on account of the age of the employee.".

HATCH AMENDMENT NOS. 2685 THROUGH 2704

(Ordered to lie on the table.)

Mr. HATCH submitted 20 amendments intended to be proposed by him to the reported amendment, as modified, to the bill S. 1511, supra, as follows:

AMENDMENT No. 2685

On page 6 of the amendment, strike lines 7 through 12 and insert in lieu thereof the following:

"The value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and following which the individual eligible for not less than an immediate and unreduced pension,".

AMENDMENT No. 2686

Beginning on page 9 of the amendment, strike line 17 and all that follows through page 11, line 9, and insert the following new section:

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—This title and the amendments made by this title shall become effective on the date that is 2 years and one day after the date of enactment of this Act.

(b) STATES AND POLITICAL SUBDIVISIONS.—

(1) APPLICATION.—This subsection shall apply to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 22, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law.

AMENDMENT No. 2687

Beginning on page 9 of the amendment, strike line 17 and all that follows through page 11, line 9, and insert the following new section:

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—This title and the amendments made by this title shall become effective on the date that is 2 years and one day after the date of enactment of this Act.

(b) STATES AND POLITICAL SUBDIVISIONS.—

(1) APPLICATION.—This subsection shall apply to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 22, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law.

AMENDMENT No. 2688

On page 8 of the amendment, line 2, before the period, insert the following: ", or at any greater or lesser rate equal to the cost that an employer can demonstrate it has incurred in providing retiree health benefits to any individual".

At page 7, delete subparagraph (D) and redesignate subparagraphs (E) and (F) as (D) and (E) respectively.

AMENDMENT No. 2689

In section 105 of the amendment:

Redesignate subsection (d) as subsection (e).

Insert immediately following subsection (c) the following new subsection (d):

"(d) CONTINUED BENEFIT PAYMENTS.—Notwithstanding any provision of this section, on and after the effective date of this title and the amendments made by this title (as determined in accordance with subsections (a), (b), and (c)), this title and the amendments made by this title shall not apply to a series of or any benefit payments that began prior to the effective date and that continue after the effective date pursuant to an arrangement that was in effect on the date of enactment of this Act.".

AMENDMENT No. 2690

On page 14 of the amendment, between lines 8 and 9, insert the following new subsection:

(d) APPLICATION OF STATE AND LOCAL GOVERNMENT PROVISIONS TO PRIVATE EMPLOYERS.—Any special provision applicable to State and local governments under this section may also apply to a private employer, at the discretion of the employer.

Redesignate subsection (d) on page 14 as subsection (e).

AMENDMENT No. 2691

On page 10 of the amendment, line 17, strike "or June 1, 1992, whichever occurs first".

AMENDMENT No. 2692

On page 10 of the amendment, between lines 17 and 18, insert the following:

( ) BENEFITS PROVIDED TO MEMBERS AND NON-MEMBERS.—For the purposes of _____, employee benefits provided pursuant to a plan that covers both employees who are members of a collective bargaining unit and employees who are not members of a collective bargaining unit shall be considered to be maintained pursuant to a collective bargaining agreement it at least 25 percent of the plan participants are members of one or more collective bargaining units to which an applicable collective bargaining agreement applies.

AMENDMENT No. 2693

On page 4 of the amendment, lines 7 and 8, strike "Consistent with the purposes of this Act," and insert "which is not a subterfuge to evade the purpose of this Act,".

AMENDMENT No. 2694

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Employee Benefits Equity Act of 1990".

SEC. 2. FINDINGS.

Congress finds that—

(1) in *Public Employees Retirement System of Ohio v. Betts,* 109 S. Ct. 2854 (1989), the Supreme Court held that the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.) has limited application to age discrimination in employee benefits;

(2) prior to the *Betts* decision, the courts and administrative agencies charged with enforcement of such Act had adopted inconsistent and conflicting positions concerning the application of such Act to employee benefits;

(3) these inconsistencies and conflicts led to litigation and uncertainty over the lawfulness of numerous long-standing features of employee benefits arrangements that are designed to meet, in a cost effective manner, the needs of employees at various stages of their lives, including—

(A) arrangements that integrate or coordinate benefits available under one program (such as severance, supplemental unemployment, or disability benefits) with benefits available from other programs (such as pension benefits);

(B) arrangements that integrate or coordinate benefits available from an employer (such as pension benefits) with benefits available from government sources (such as benefits available under title II or XVIII of the Social Security Act (42 U.S.C. 401 et seq.) or workers' compensation);

(C) arrangements that provide enhancements to voluntary early retirement benefits; and

(D) arrangements that calculate benefit levels with reference to age by using present value concepts and generally accepted actuarial practices; and

(4) for these reasons, it is necessary to amend such Act to ensure that—

(A) older workers are protected against arbitrary age discrimination in employee benefits;

(B) bona fide employee benefits arrangements are not discouraged or disrupted; and

(C) the effect of such Act on employee benefits is clarified, and consistent application in the future ensured.

SEC. 3. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) in subsection (a)—

(A) by striking "or" at the end of paragraph (2);

(B) by striking the period at the end of paragraph (3) and inserting "; or"; and

(C) by adding at the end the following new paragraph:

"(4) to discriminate against any individual with respect to the employee benefits of the individual, because of the age of the individual: *Provided,* That for income replacement benefits or other welfare benefits, an employer shall not be considered to have discriminated against an individual within each of these two categories of benefits if—

"(A) the amount or cost of the benefits available to the individual for the year is no less than the amount or cost of the benefit or benefits available for the year to similarly situated younger individuals;

"(B) the present value of the benefits available to the individual is no less than the present value of the benefits available to similarly situated younger individuals; or

"(C) the individual has the option of receiving the same benefits as similarly situated younger individuals,

Provided further, That, an employer shall not be considered to have discriminated against an individual with respect to employee benefits by offering supplemental or subsidized early retirement benefits to subgroups of employees through either an ongoing plan or a temporary arrangement, but, in the case of such a plan or arrangement that offers a supplemental benefit (other than an early retirement subsidy or a social security supplement), only if the supplemental benefit does not arbitrarily dis-

criminate based on age or provides, or has provided in the past, a supplemental benefit to each older employee that is at least equal in amount to the supplemental benefit that such plan or arrangement offers to a similarly situated younger employee."; and

(2) in subsection (f)—

(A) by redesignating paragraph (3) as paragraph (4); and

(B) by striking paragraph (2) and inserting the following new paragraphs:

"(2) to observe the terms of a bona fide seniority system, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of the individual;

"(3) to make an age-based variance in employee benefits through the following arrangements—

"(A) an employee benefit arrangement that was permissible under section 1625.10 of title 29, Code of Federal Regulations (as in effect on June 22, 1989);

"(B) an arrangement under which long-term disability benefits are reduced by—

"(i) any person benefits for which an employee is eligible and that are not reduced on account of the age of the employee; or

"(ii) any pension benefits that an employee actually receives;

"(C) an arrangement under which long-term disability benefits are reduced by any pension benefits that the employee is eligible to receive and under which long-term disability benefits are payable for life (or, if earlier, until the termination of the disability); or

"(D) supplemental unemployment benefits that cease not later than when an individual becomes eligible to receive a pension that is not reduced on account of the age of an employee, except that no such age-based variance in employee benefits shall excuse the failure to hire any individual, or require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of the individual; or".

SEC. 4. DEFINITIONS.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsections:

"(l) The term 'cost of the employee benefit or benefits' means the cost attributable to the benefit or benefits as determined in accordance with professionally recognized actuarial principles.

"(m) The term 'employee benefit' or 'employee benefits' includes the total remuneration provided pursuant to—

"(1) one or more pension, severance, supplemental unemployment benefit, disability, or health insurance plans or programs, or other employee benefit plan or plans (as defined in section 3(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(3));

"(2) special layoff, disability, or plant closure arrangements, such as severance payments and early retirement enhancements; or

"(3) one or more government-sponsored benefit programs, such as programs established under the Social Security Act (42 U.S.C. 301 et seq.), workers' compensation, or State or local government retirement programs.

"(n) The term 'government' means the government the United States or a State or political subdivision thereof, or any agency or instrumentality thereof.

"(o) The term 'income replacement benefits' means employee benefits that take the place of wages, such as pension, disability, severance, supplemental unemployment, or social security benefits, social security supplements, and workers compensation.

"(p) The term 'other welfare benefits' means benefits provided pursuant to a welfare plan (as defined in section 3(1) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(1)) and similar government-sponsored benefits, other than income replacement benefits.

"(q) The term 'present value' means the current equivalent value of any stream of current or future payments or receipts, discounted on the basis of assumptions consistent with generally accepted practice in the actuarial profession.

"(r) The term 'similarly situated individuals' means individuals similar in all other relevant aspects of the employment relationship.".

SEC. 5. RULES AND REGULATIONS.

Notwithstanding section 9 of the Age Discrimination Act of 1967 (29 U.S.C. 628), the Equal Employment Opportunity Commission may issue such rules and regulations as it may consider necessary or appropriate for carrying out this Act, and the amendments made by this Act, only after coordination with the Secretary of the Treasury and the Secretary of Labor.

SEC. 6. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this Act and the amendments made by this Act shall apply only to conduct occurring more than 180 days after the date of enactment of this Act.

(b) COLLECTIVE BARGAINING AGREEMENTS.—

(1) IN GENERAL.—In the case of employee benefits that are provided pursuant to one or more collective bargaining agreements, this Act and the amendments made by this Act shall not apply to conduct occurring before the earlier of—

(A) the date of expiration of the last to expire of the collective bargaining agreements pursuant to which the benefits are provided and that are in effect on the date of enactment of this Act; or

(B) the date that is 24 months after the date of enactment of this Act.

(2) BENEFITS PROVIDED TO MEMBERS AND NON-MEMBERS.—For the purposes of this subsection, employee benefits provided pursuant to a plan that covers both employees who are members of a collective bargaining unit and employees who are not members of a collective bargaining unit shall be considered to be maintained pursuant to a collective bargaining agreement if at least 25 percent of the plan participants are members of one or more collective bargaining units to which an applicable collective bargaining agreement applies.

(c) STATE EMPLOYEE BENEFIT ARRANGEMENTS.—

(1) IN GENERAL.—In case of employee benefit arrangements in effect under State law on the date of enactment of this Act, except as provided in paragraph (2), this Act and the amendments made by this Act shall apply beginning on the earlier of—

(A) the adjournment sine die of second subsequent session of the appropriate State legislature; or

(B) the date that is 2 years after the date of enactment of this Act.

(2) DISABILITY BENEFITS.—In the case of any change required by this Act or an amendment made by this Act in a State or local government plan that provides disability or disability benefits, the change shall apply only to an individual hired after the change becomes effective.

(d) CONTINUED BENEFIT PAYMENTS.—Notwithstanding any provision of this section, on and after the effective date of this Act and the amendments made by this Act (as determined in accordance with subsections (a), (b), and (c)), this Act and the amendments made by this Act shall not apply to a series of benefit payments that began prior to the effective date and that continue after the effective date pursuant to an arrangement that was in effect on the effective date.

AMENDMENT NO. 2695

At the appropriate place in the amendment, insert the following: "Nothing herein shall be construed as requiring that Medicare-eligible retirees are entitled to the same benefits as non-Medicare eligible retirees.".

AMENDMENT NO. 2696

On page 4 of the amendment, lines one and 3, strike the word "individual" and insert the word "worker" in lieu thereof.

AMENDMENT NO. 2697

At the appropriate place insert the following:

( ) SPECIAL PROVISION FOR STATES AND LOCAL SUBDIVISIONS REQUIRED TO RAISE TAXES TO COMPLY.

(1) IN GENERAL.—Notwithstanding any other provision of this Act or any other provision of law, if any State government or political subdivision of a State must raise taxes to bring one or more of its employee benefit programs into compliance with this Act, this title and the amendments made by this title shall not apply to that program until the date that is four years after the date of enactment of this Act.

(2) CERTIFICATION BY GOVERNOR OF AFFECTED STATE.—Paragraph (1) shall apply to any employee benefit program where, within six months of the date of enactment of this Act, the Governor of the State having jurisdiction over such program has certified to the Equal Employment Opportunity Commission that the only feasible means for bringing the program into compliance with this Act is through some type of tax increase.

(3) STUDY OF FISCAL IMPACT ON STATE AND LOCAL GOVERNMENTS.—One year from the date of enactment of this Act the Equal Employment Opportunity Commission shall transmit a report to Congress analyzing the fiscal impact of this Act on state and local governments. This study shall identify the type and amount of any tax increase any state or subdivision of a state is required to impose to comply with this Act as well as any other effects of the Act on State and local governments.

AMENDMENT NO. 2698

On page , add the following text to section 4(f) of the amendment:

"(2)(C) to observe the terms of a bona fide employee benefit plan where death benefits payable on behalf of a deceased retired employee are less than the death benefits of a deceased employee who has not retired;

"(4) to provide benefit improvements to current employees without extending them on an equal or cost equivalent basis to previously retired employees;

"(5) to observe the terms of a retiree health benefits plan which assumes that its eligible retirees have enrolled in Medicare, Part B and does not pay for benefits that would be paid under the Part B coverage,

provided that the plan must provide for the payment of the eligible retirees' premiums for part B coverage."

AMENDMENT No. 2699

On page 5, add the following between lines 13 and 14: "the attainment of a minimum age as a condition of eligibility for normal or early retirement benefits, including a retirement age that may vary with service credit; or".

AMENDMENT No. 2700

On page 12, line 23, after the period, add the following sentence: "The election of coverage under the new disability benefits shall be irrevocable.".

AMENDMENT No. 2701

On page 5, strike paragraph (k).

AMENDMENT No. 2702

On page 9, line 15; strike the word "consultation" and substitute in lieu thereof the word "coordination".

AMENDMENT No. 2703

On page 14, add the following new subparagraph before paragraph (d):

(D) EMPLOYEE.—The term "employee" means, with respect to the election provided in paragraph (2), only employees in active service as of the

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AMENDMENT No. 2704

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Older Workers Benefit Protection Act".

TITLE I—OLDER WORKERS BENEFIT PROTECTION

SEC. 101. FINDING.

The Congress finds that, as a result of the decision of the Supreme Court in *Public Employees Retirement System of Ohio v. Betts*, 109 S.Ct. 256 (1989), legislative action is necessary to restore the original congressional intent in passing and amending the Age Discrimination in Employment Act of 1967 (29 U.S.C. 621 et seq.), which was to prohibit discrimination against older workers in all employee benefits except when age-based reductions in employee benefit plans are justified by significant cost considerations.

SEC. 102. DEFINITION.

Section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630) is amended by adding at the end the following new subsection:

"(l) The term 'compensation, terms, conditions, or privileges of employment' encompasses all employee benefits, including such benefits provided pursuant to a bona fide employee benefit plan.".

SEC. 103. LAWFUL EMPLOYMENT PRACTICES.

Section 4 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 623) is amended—

(1) by striking subsection (f) and inserting the following new subsection:

"(f) It shall not be unlawful for an employer, employment agency, or labor organization to take any action otherwise prohibited under subsection (a), (b), (c), or (e)—

"(1)(A) to observe the terms of a bona fide seniority system that is not intended to evade the purposes of this Act, except that no such seniority system shall require or permit the involuntary retirement of any individual specified by section 12(a) because of the age of such individual; or

"(B) to observe the terms of a bona fide employee benefit plan—

"(i) where, for each benefit or benefit package, the actual amount of payment made or cost incurred on behalf of an older worker is no less than that made or incurred on behalf of a younger worker, as permissible under section 1625.10, title 29, Code of Federal Regulations (as in effect on June 22, 1989); or

"(ii) that is a voluntary early retirement incentive plan consistent with the purpose of prohibiting arbitrary age discrimination in employment,

except that no such employee benefit plan or voluntary early retirement incentive plan shall excuse the failure to hire any individual, and no such employee benefit plan shall require or permit the involuntary retirement of any individual specified by section 12(a), because of the age of such individual; and except that nothing in this bill shall be construed as requiring that Medicare-eligible retirees are entitled to the same benefits, after taking into account Medicare benefits, as non-Medicare eligible retirees;

An employer, employment agency, or labor organization acting under paragraph (1) shall have the burden of proving that such actions are lawful in any civil enforcement proceeding brought under this Act.";

(2) by redesignating the second subsection (i) as subsection (j); and

(3) by adding at the end the following new subsections:

"(k) A seniority system or employee benefit plan shall comply with this Act regardless of the date of adoption of such system or plan.

"(l) Notwithstanding clause (i) or (ii) of subsection (f)(2)(B)—

"(1) It shall not be a violation of subsection (a), (b), (c), or (e) solely because—

"(A) an employee pension benefit plan (as defined in section 3(2) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002(2))) provides for the attainment of a minimum age as a condition of eligibility for normal or early retirement benefits; or

"(B) a defined benefit plan (as defined in section 3(35) of such Act) provides for—

"(i) payments that constitute the subsidized portion of an early retirement benefit; or

"(ii) social security supplements for plan participants that commence before the age and terminate at the age (specified by the plan) when participants are eligible to receive reduced or unreduced old-age insurance benefits under title II of the Social Security Act (42 U.S.C. 401 et seq.), and that do not exceed such old-age insurance benefits.

"(2)(A) It shall not be a violation of subsection (a), (b), (c), or (e) solely because following a contingent event unrelated to age—

"(i) the value of any retiree health benefits received by an individual eligible for an immediate pension; and

"(ii) the value of any additional pension benefits that are made available solely as a result of the contingent event unrelated to age and that make the individual eligible for not less than an immediate pension,

are deducted from severance pay made available as a result of the contingent event unrelated to age.

"(B) For an individual who receives immediate pension benefits that are actuarially reduced under subparagraph (A)(i), the amount of the deduction available pursuant to subparagraph (A)(i) shall be reduced by the same percentage as the reduction in the pension benefits.

"(C) For purposes of this paragraph, severance pay shall include that portion of supplemental unemployment compensation benefits (as described in section 501(c)(17) of the Internal Revenue Code of 1986) that—

"(i) constitutes additional benefits of up to 52 weeks;

"(ii) has the primary purpose and effect of continuing benefits until an individual becomes eligible for an immediate and unreduced pension; and

"(iii) is discontinued once the individual becomes eligible for an immediate and unreduced pension.

"(D) For purposes of this paragraph, the term 'retiree health benefits' means benefits provided pursuant to a group health plan covering retirees, for which (determined as of the contingent event unrelated to age)—

"(i) the package of benefits provided by the employer for the retirees who are below age 65 is at least comparable to benefits provided under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

"(ii) the package of benefits provided by the employer for the retirees who are age 65 and above is at least comparable to that offered under a plan that provides a benefit package with one-fourth the value of benefits provided under title XVIII of such Act.

"(E)(i) If the obligation of the employer to provide retiree health benefits is of limited duration, the value for each individual shall be calculated at a rate of $3,000 per year for benefit years before age 65, and $750 per year for benefit years beginning at age 65 and above.

"(ii) If the obligation of the employer to provide retiree health benefits is of unlimited duration, the value for each individual shall be calculated at a rate of $48,000 for individuals below age 65, and $24,000 for individuals age 65 and above.

"(iii) The values described in clauses (i) and (ii) shall be calculated based on the age of the individual as of the date of the contingent event unrelated to age. The values are effective on the date of enactment of this subsection, and shall be adjusted on an annual basis, with respect to a contingent event that occurs subsequent to the first year after the date of enactment of this subsection, based on the medical component of the Consumer Price Index for all-urban consumers published by the Department of Labor.

"(iv) If an individual is required to pay a premium for retiree health benefits, the value calculated pursuant to this subparagraph shall be reduced by whatever percentage of the overall premium the individual is required to pay.

"(F) If an employer that has implemented a deduction pursuant to subparagraph (A) fails to fulfill the obligation described in subparagraph (E), any aggrieved individual may bring an action for specific performance of the obligation described in subparagraph (E). The relief shall be in addition to any other remedies provided under Federal or State law.

"(3) It shall not be a violation of subsection (a), (b), (c), or (e) solely because an employer provides a bona fide employee benefit plan or plans under which long-term disability benefits received by an individual are reduced by any pension benefits (A) paid to

the individual that the individual voluntarily elects to receive;

(B) for which an employee is eligible and that are not reduced on account of the age of the employee; or (C) that are paid pursuant to Internal Revenue Code Section 401(a)(9).

SEC. 104. RULES AND REGULATIONS.

Notwithstanding section 9 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 628), the Equal Employment Opportunity Commission may issue such rules and regulations as the Commission may consider necessary or appropriate for carrying out this title, and the amendments made by this title, only after consultation with the Secretary of the Treasury and the Secretary of Labor.

SEC. 105. EFFECTIVE DATE.

(a) IN GENERAL.—Except as otherwise provided in this section, this title and the amendments made by this title shall apply only to—

(1) any employee benefit established or modified on or after the date of enactment of this Act; and

(2) other conduct occurring more than 180 days after the date of enactment of this Act.

(b) COLLECTIVELY BARGAINED AGREEMENTS.—With respect to any employee benefits provided in accordance with a collective bargaining agreement—

(1) that is in effect as of the date of enactment of this Act;

(2) that terminates after such date of enactment;

(3) any provision of which was entered into by a labor organization (as defined by section 6(d)(4) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(d)(4)); and

(4) that contains any provision that would be superseded (in whole or part) by this title and the amendments made by this title, but for the operation of this section,

this title and the amendments made by this title shall not apply until the termination of such collective bargaining agreement or June 1, 1992, whichever occurs first.

(c) STATES AND POLITICAL SUBDIVISIONS.—

(1) IN GENERAL.—With respect to any employee benefits provided by an employer—

(A) that is a State or political subdivision of a State or any agency or instrumentality of a State or political subdivision of a State; and

(B) that maintained an employee benefit plan at any time between June 23, 1989, and the date of enactment of this Act that would be superseded (in whole or part) by this title and the amendments made by this title but for the operation of this subsection, and which plan may be modified only through a change in applicable State or local law,

this title and the amendments made by this title shall not apply until the date that is 2 years after the date of enactment of this Act.

(2) ELECTION OF DISABILITY COVERAGE FOR EMPLOYEES HIRED PRIOR TO EFFECTIVE DATE.—

(A) IN GENERAL.—An employer that maintains a plan described in paragraph (1)(B) may, with regard to disability benefits provided pursuant to such a plan—

(i) following reasonable notice to all employees, establish new disability benefits that satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title); and

(ii) then offer to each employee covered by a plan described in paragraph (1)(B) the option to elect such new disability benefits in lieu of the existing disability benefits, if—

(I) the offer is made and reasonable notice provided no later than the date that is 2 years after the date of enactment of this Act; and

(II) the employee is given up to 180 days after the offer in which to make the election.

(B) PREVIOUS DISABILITY BENEFITS.—If the employee does not elect to be covered by the new disability benefits, the employer may continue to cover the employee under the previous disability benefits even though such previous benefits do not otherwise satisfy the requirements of the Age Discrimination in Employment Act of 1967 (as amended by this title).

(C) ABROGATION OF RIGHT TO RECEIVE BENEFITS.—An election of coverage under the new disability benefits shall abrogate any right the electing employee may have had to receive existing disability benefits. The employee shall maintain any years of service accumulated for purposes of determining eligibility for the new benefits.

(3) STATE ASSISTANCE.—The Equal Employment Opportunity Commission, the Secretary of Labor, and the Secretary of the Treasury shall, on request, provide to States assistance in identifying and securing independent technical advice to assist in complying with this subsection.

(4) DEFINITIONS.—For purposes of this subsection:

(A) EMPLOYER AND STATE.—The terms "employer" and "State" shall have the respective meanings provided such terms under subsections (b) and (i) of section 11 of the Age Discrimination in Employment Act of 1967 (29 U.S.C. 630).

(B) DISABILITY BENEFITS.—The term 'disability benefits' means any program for employees of a State or political subdivision of a State that provides long-term disability benefits, whether on an insured basis in a separate employee benefit plan or as part of an employee pension benefit plan.

(C) REASONABLE NOTICE.—The term "reasonable notice" means, with respect to notice of new disability benefits described in paragraph (2)(A) that is given to each employee, notice that—

(i) is sufficiently accurate and comprehensive to appraise the employee of the terms and conditions of the disability benefits, including whether the employee is immediately eligible for such benefits; and

(ii) is written in a manner calculated to be understood by the average employee eligible to participate.

"(d) CONTINUED BENEFIT PAYMENTS.—Notwithstanding any provision of this section, on and after the effective date of this title (as determined in accordance with subsections (a), (b), and (c) this title and the amendments made by this title shall not apply to any benefit payments that began prior to the effective date and that continue after the effective date pursuant to an arrangement that was in effect on the effective date.

(e) DISCRIMINATION IN EMPLOYEE PENSION BENEFIT PLANS.—Nothing in this title, or the amendments made by this title, shall be construed as limiting the prohibitions against discrimination that are set forth in section 4(j) of the Age Discrimination and Employment Act of 1967 (as redesignated by section 103(2) of this Act).

TITLE II—WAIVER OF RIGHTS OR CLAIMS

SEC. 201. WAIVER OF RIGHTS OR CLAIMS.

Section 7 of the Age Discrimination and Employment Act of 1967 (29 U.S.C. 626) is amended by adding at the end the following new subsection:

"(f)(1) An individual may not waive any right or claim under this Act unless the waiver is knowing and voluntary. Except as provided in paragraph (2), a waiver may not be considered knowing and voluntary unless at a minimum—

"(A) the waiver is part of an agreement between the individual and the employer that is written in a manner calculated to be understood by such individual, or by the average individual eligible to participate;

"(B) the waiver specifically refers to rights or claims arising under this Act;

"(C) the individual does not waive rights or claims that may arise after the date the waiver is executed;

"(D) the individual waives rights or claims only in exchange for consideration in addition to anything of value to which the individual already is entitled;

"(E) the individual is advised in writing to consult with an attorney prior to executing the agreement;

"(F)(i) the individual is given a period of at least 21 days within which to consider the agreement; or

"(ii) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the individual is given a period of at least 45 days within which to consider the agreement;

"(G) the agreement provides that for a period of at least 7 days following the execution of such agreement, the individual may revoke the agreement, and the agreement shall not become effective or enforceable until the revocation period has expired;

"(H) if a waiver is requested in connection with an exit incentive or other employment termination program offered to a group or class of employees, the employer (at the commencement of the period specified in subparagraph (F)) informs the individual in writing in a manner calculated to be understood by the average individual eligible to participate, as to—

"(i) any class, unit, or group of individuals covered by such program, any eligibility factors for such program, and any time limits applicable to such program; and

"(ii) the job titles and ages of all individuals eligible or selected for the program, and the ages of all individuals in the same job classification or organizational unit who are not eligible or selected for the program.

"(2) A waiver in settlement of a charge filed with the Equal Employment Opportunity Commission, or an action filed in court by the individual or the individual's representative, alleging age discrimination of a kind prohibited under section 4 or 15 may not be considered knowing and voluntary unless at a minimum—

"(A) subparagraphs (A) through (E) of paragraph (1) have been met; and

"(B) the individual is given a reasonable period of time within which to consider the settlement agreement.

"(3) In any dispute that may arise over whether any of the requirements, conditions, and circumstances set forth in paragraph (1)(a-b) or (2)(a-e) have been met, the party asserting the validity of a waiver shall have the burden of proving in a court of competent jurisdiction that a waiver was knowing and voluntary pursuant to paragraph (1) or (2).

"(4) No waiver agreement may affect the Commission's rights and responsibilities to enforce this Act. No waiver may be used to justify interfering with the protected right

of an employee to file a charge or participate in an investigation or proceeding conducted by the Commission.".

SEC. 202. EFFECTIVE DATE.

(a) IN GENERAL.—The amendment made by section 201 shall not apply with respect to waivers that occur before the date of enactment of this Act.

(b) RULE ON WAIVERS.—Effective on the date of enactment of this Act, the rule on waivers issued by the Equal Employment Opportunity Commission and contained in section 1627.16(c) of title 29, Code of Federal Regulations, shall have no force and effect.

TITLE III—SEVERABILITY

SEC. 301. SEVERABILITY.

If any provision of this Act, or an amendment made by this Act, or the application of such provision to any person or circumstances is held to be invalid, the remainder of this Act and the amendments made by this Act, and the application of such provision to other persons and circumstances, shall not be affected thereby.

MOTOR VEHICLE FUEL EFFICIENCY ACT

LEVIN AMENDMENT NOS. 2705 THROUGH 2709

(Ordered to lie on the table.)

Mr. LEVIN submitted four amendments intended to be proposed by him to the bill (S. 1224) to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes, as follows:

AMENDMENT No. 2705

On page 27, line 11, strike out the quotation marks and the last period.

On page 27, between lines 11 and 12, insert the following:

"AUTOMOBILE SAFETY

"SEC. 517. (a) Within 30 days after the date of enactment of this section, the Secretary, in consultation with the Administrator of the National Highway Traffic Safety Administration, shall commence a comprehensive study of the effects of implementing the average fuel economy standards in sections 514 and 515 on automobile safety. The study required by this section shall be completed by no later than January 1, 1992.

"(b) If the Secretary determines that implementation of the average fuel economy standards in sections 514 and 515 is likely to have a negative impact on automobile safety, he shall modify such standards to reflect the maximum average fuel economy levels that the Secretary determines can be achieved without a negative impact on automobile safety.".

AMENDMENT No. 2706

On page 27, line 11, strike out the quotation marks and the last period.

On page 27, between lines 11 and 12, insert the following:

"IMPACT ON VEHICLE SIZE AND WEIGHT

"SEC. 517. (a) Within 30 days after the date of enactment of this section, the Secretary, in consultation with the Administrator of the National Highway Traffic Safety Administration and the Administrator of the Environmental Protection Agency, shall commence a comprehensive study of the effects of implementing the average fuel economy standards in sections 514 and 515 on the average size and weight of covered vehicles. The study required by this section shall be completed by no later than January 1, 1992.

"(b) If the Secretary determines that implementation of the average fuel economy standards in sections 514 and 515 cannot be met without reductions to the average size and weight of covered vehicles, he shall modify such standards to reflect the maximum average fuel economy levels that the Secretary determines can be achieved without such reductions in vehicle size and weight.".

AMENDMENT No. 1707

On page 25, line 2, strike out "Any time after the beginning of fiscal year 1995, the" and insert "The".

AMENDMENT No. 2708

On page 25, lines 4 and 5, strike out "for model year 2001 and thereafter".

AMENDMENT No. 2709

On page 26, line 1, beginning with the comma, strike out all through "1988" on line 5.

NOTICES OF HEARINGS

SPECIAL COMMITTEE ON AGING

Mr. PRYOR. Mr. President, I would like to announce for the public that the Senate Special Committee on Aging has scheduled a hearing entitled "Profiles in Aging America: Meeting the Health Care Needs of the Nation's Black Elderly."

The hearing will take place on Friday, September 28, 1990, beginning at 9:30 a.m. in Room 216 of the Hart Senate Office Building.

For further information, please contact Portia Mittelman, Staff Director at (202) 224-5364.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce that in addition to the other measures scheduled to be considered at the previously announced September 27 hearing of the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources, the subcommittee will receive testimony on S. 3048, a bill to amend the Illinois and Michigan Canal National Heritage Corridor Act of 1984 to extend the boundaries of the corridor. The hearing will begin at 2 p.m. in room 366 of the Dirksen Senate Office Building.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, September 19, at 2 p.m. to hold a closed hearing (which will open) regarding the Post-United Nations Agreement: Prospects for Peace in Cambodia.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on September 19, 1990, at 10 a.m. to hold a hearing on the scope and effects of foreign influence on U.S. policy decisions.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON HOUSING AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Housing and Urban Affairs of the Committee on Banking, Housing and Urban Affairs be allowed to meet during the session of the Senate on Wednesday, September 19, 1990, at 9 a.m. to conduct a hearing on the condition of housing in Hawaii and at 10 a.m. to conduct a roundtable hearing on the Real Estate Settlement Procedures Act [RESPA].

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on September 19, 1990, at 10 a.m. to hold a hearing on the nomination of David H. Souter, to be associate Justice of the Supreme Court of the United States.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 2 p.m. Wednesday, September 19, 1990, for a hearing to receive testimony concerning S. 2674, to provide for the reestablishment of the gray wolf in Yellowstone National Park and the Central Idaho Wilderness Areas.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON SMALL BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Small Business Committee be authorized to meet during the session of the Senate on Wednesday, September 19, 1990, at 9:30 a.m. The committee will hold a hearing to examine various tax issues and their impact on small business.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SUPERFUND, OCEAN AND WATER PROTECTION

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on Superfund, Ocean and Water Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, September 19, beginning at 10 a.m., to conduct a hearing on the status of the Superfund Cleanup Contracting Program and its relationship to surety bonding issues.

The PRESIDING OFFICER. Without objection, it is so ordered.

DISTRICT OF COLUMBIA APPROPRIATIONS ACT, FISCAL YEAR 1991

The text of H.R. 5311, making appropriations for the District of Columbia, and for other purposes, as passed by the Senate on September 18, 1990, is as follows:

H.R. 5311

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the District of Columbia for the fiscal year ending September 30, 1991, and for other purposes, namely:

FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

For payment to the District of Columbia for the fiscal year ending September 30, 1991, $430,500,000: *Provided,* That none of these funds shall be made available to the District of Columbia until the number of full-time uniformed officers in permanent positions in the Metropolitan Police Department is at least 4,430, excluding any such officer appointed after August 19, 1982, under qualification standards other than those in effect on such date.

FEDERAL CONTRIBUTION TO RETIREMENT FUNDS

For the Federal contribution to the Police Officers and Fire Fighters', Teachers', and Judges' Retirement Funds, as authorized by the District of Columbia Retirement Reform Act, approved November 17, 1979 (93 Stat. 866; Public Law 96-122), $52,070,000.

TRANSITIONAL PAYMENT FOR SAINT ELIZABETHS HOSPITAL

For a Federal contribution to the District of Columbia, as authorized by the Saint Elizabeths Hospital and District of Columbia Mental Hospital Services Act, approved November 8, 1984 (98 Stat. 3369; Public Law 98-621), $10,000,000.

CRIMINAL JUSTICE INITIATIVE

The $70,300,000 previously appropriated under "Criminal Justice Initiative" for the fiscal years ending September 30, 1986, September 30, 1987, September 30, 1989, and September 30, 1991, for the design and construction of a prison within the District of Columbia shall remain in the United States Treasury and shall be transferred to the District of Columbia government only to the extent that outstanding obligations are due and payable to entities other than agencies and organizations of the District of Columbia government, and payments to such agencies and organizations may be made only in reimbursement for amounts actually expended in furtherance of the design and construction of the prison: *Provided,* That construction may not commence unless access and parking for construction vehicles are provided solely at a location other than city streets: *Provided further,* That District officials meet monthly with neighborhood representatives to inform them of current plans and discuss problems: *Provided further,* That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding the new prison, can promptly obtain information from District officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further,* That the District of Columbia shall also take steps to publicize the availability of that service among the residents of the area surrounding the new prison.

DRUG EMERGENCY

For a Federal contribution to the District of Columbia, $26,708,000, to remain available until expended, to close open air drug markets, increase police visibility, and provide for speedier court processing of drug-related violent cases.

COMMISSION ON BUDGET AND FINANCIAL PRIORITIES

For payment to the District of Columbia for expenses incurred in fiscal year 1990 and fiscal year 1991 by the Commission on Budget and Financial Priorities, up to $1,000,000: *Provided,* That such funds shall become available only when equally matched with District funds.

DEPARTMENT OF ADMINISTRATIVE SERVICES

For a Federal contribution to the District of Columbia for the Department of Administrative Services, $1,000,000.

BOARD OF EDUCATION

For a Federal contribution to the District of Columbia, $15,080,000, of which $10,000,000 shall be for maintenance improvements and emergency repairs to public school facilities, $1,000,000 shall be for renovations to public school athletic and recreational grounds and facilities, $80,000 shall be for the D.C. Schools Project for immigrant children, $1,000,000 shall be for expansion of the early childhood program, and $3,000,000 shall be for teacher pay raises.

SUPERIOR COURT OF THE DISTRICT OF COLUMBIA

For a Federal contribution to the District of Columbia for the After School Kids Program, $160,000; for the Social Services Division, $860,000; and, for counsel for Child Abuse and Neglect Program fees, $400,000.

DISTRICT OF COLUMBIA GENERAL HOSPITAL

For a Federal contribution to the District of Columbia General Hospital, $5,000,000.

DEPARTMENT OF HUMAN SERVICES

For a Federal contribution to the District of Columbia, $2,850,000, of which $350,000 shall be to develop a program for boarder babies and children of substance abusers, $500,000 shall be to develop a residential aftercare program for pregnant substance abusers, $1,500,000 shall be for outpatient aftercare for pregnant and the general recovering addict population, and $500,000 shall be for a program for early detection of breast and cervical cancer to be conducted by a independent organization or institution of national prominence.

CHILDREN'S NATIONAL MEDICAL CENTER

For a Federal contribution to the District of Columbia for payment to the Children's National Medical Center for a cost-shared National Child Protection Center, $4,000,000.

DIVISION OF EXPENSES

The following amounts are appropriated for the District of Columbia for the current fiscal year out of the general fund of the District of Columbia, except as otherwise specifically provided.

GOVERNMENTAL DIRECTION AND SUPPORT

Governmental direction and support, $113,879,000: *Provided,* That not to exceed $2,500 for the Mayor, $2,500 for the Chairman of the Council of the District of Columbia, and $2,500 for the City Administrator shall be available from this appropriation for expenditures for official purposes: *Provided further,* That any program fees collected from the issuance of debt shall be available for the payment of expenses of the debt management program of the District of Columbia: *Provided further,* That notwithstanding any other provision of law, there is hereby appropriated $9,077,000 to pay legal, management, investment, and other fees and administrative expenses of the District of Columbia Retirement Board, of which $818,000 shall be derived from the general fund and not to exceed $8,259,000 shall be derived from the earnings of the applicable retirement funds: *Provided further,* That the District of Columbia Retirement Board shall provide to the Congress and to the Council of the District of Columbia a quarterly report of the allocations of charges by fund and of expenditures of all funds: *Provided further,* That the District of Columbia Retirement Board shall provide the Mayor, for transmittal to the Council of the District of Columbia, an item accounting of the planned use of appropriated funds in time for each annual budget submission and the actual use of such funds in time for each annual audited financial report: *Provided further,* That of the Indirect Cost Allocation distributed by the District government, no less than $500,000 shall be provided to the Department of Administrative Services and no less than $500,000 shall be provided to the Office of Personnel.

ECONOMIC DEVELOPMENT AND REGULATION

Economic development and regulation, $135,541,000: *Provided,* That the District of Columbia Housing Finance Agency, established by section 201 of the District of Columbia Housing Finance Agency Act, effective March 3, 1979 (D.C. Law 2-135; D.C. Code, sec. 45-2111), based upon its capability of repayments as determined each year by the Council of the District of Columbia from the Finance Agency's annual audited financial statements to the Council of the District of Columbia, shall repay to the general fund an amount equal to the appropriated administrative costs plus interest at a rate of four percent per annum for a term of 15 years, with a deferral of payments for the first three years: *Provided further,* That notwithstanding the foregoing provision, the obligation to repay all or part of the amounts due shall be subject to the rights of the owners of any bonds or notes issued by the Finance Agency and shall be repaid to the District of Columbia government only from available operating revenues of the Finance Agency that are in excess of the amounts required for debt service, re-

serve funds, and operating expenses: *Provided further,* That upon commencement of the debt service payments, such payments shall be deposited into the general fund of the District of Columbia: *Provided further,* That up to $275,000 within the 15 percent set-aside for special programs within the Tenant Assistance Program shall be targeted for the single-room occupancy initiative.

PUBLIC SAFETY AND JUSTICE

Public safety and justice, including purchase of 135 passenger-carrying vehicles for replacement only, including 130 for police-type use and five for fire-type use, without regard to the general purchase price limitation for the current fiscal year, $920,583,000: *Provided,* That the Metropolitan Police Department is authorized to replace not to exceed 25 passenger-carrying vehicles and the Fire Department of the District of Columbia is authorized to replace not to exceed five passenger-carrying vehicles annually whenever the cost of repair to any damaged vehicle exceeds three-fourths of the cost of the replacement: *Provided further,* That not to exceed $500,000 shall be available from this appropriation for the Chief of Police for the prevention and detection of crime: *Provided further,* That the Metropolitan Police Department shall provide quarterly reports to the Committees on Appropriations of the House and Senate on efforts to increase efficiency and improve the professionalism in the department: *Provided further,* That notwithstanding any other provision of law, or Mayor's order 86-45, issued March 18, 1986, the Metropolitan Police Department's delegated small purchase authority shall be $500,000: *Provided further,* That funds appropriated for expenses under the District of Columbia Criminal Justice Act, approved September 3, 1974 (88 Stat. 1090; Public Law 93-412; D.C. Code, sec. 11-2601 et seq.), for the fiscal year ending September 30, 1991, shall be available for obligations incurred under that Act in each fiscal year since inception in the fiscal year ending September 30, 1975: *Provided further,* That funds appropriated for expenses under the District of Columbia Neglect Representation Equity Act of 1984, effective March 13, 1985 (D.C. Law 5-129; D.C. Code, sec. 16-2304), for the fiscal year ending September 30, 1991, shall be available for obligations incurred under that Act in each fiscal year since inception in the fiscal year ending September 30, 1985: *Provided further,* That funds appropriated for expenses under the District of Columbia Guardianship, Protective Proceedings, and Durable Power of Attorney Act of 1986, effective September 30, 1989 (D.C. Law 6-204; D.C. Code, sec. 21-2060), for the fiscal year ending September 30, 1991, shall be available for obligations incurred under the Act in each fiscal year since inception in fiscal year 1989: *Provided further,* That $50,000 of any appropriation available to the District of Columbia may be used to match financial contributions from the United States Department of Defense to the District of Columbia Office of Emergency Preparedness for the purchase of civil defense equipment and supplies approved by the Department of Defense, when authorized by the Mayor: *Provided further,* That not to exceed $1,500 for the Chief Judge of the District of Columbia Court of Appeals, $1,500 for the Chief Judge of the Superior Court of the District of Columbia, and $1,500 for the Executive Officer of the District of Columbia Courts shall be available from this appropriation for official purposes: *Provided further,* That the District of Columbia shall operate and maintain a free, 24-hour telephone information service whereby residents of the area surrounding Lorton prison in Fairfax County, Virginia, can promptly obtain information from District of Columbia government officials on all disturbances at the prison, including escapes, fires, riots, and similar incidents: *Provided further,* That the District of Columbia government shall also take steps to publicize the availability of the 24-hour telephone information service among the residents of the area surrounding the Lorton prison: *Provided further,* That not to exceed $100,000 of this appropriation shall be used to reimburse Fairfax County, Virginia, and Prince William County, Virginia, for expenses incurred by the counties during the fiscal year ending September 30, 1991, in relation to the Lorton prison complex: *Provided further,* That such reimbursements shall be paid in all instances in which the District requests the counties to provide police, fire, rescue, and related services to help deal with escapes, riots, and similar disturbances involving the prison: *Provided further,* That none of the funds appropriated by this Act may be used to implement any plan that includes the closing of Engine Company 3, located at 439 New Jersey Avenue, Northwest: *Provided further,* That at least 21 ambulances shall be maintained on duty 24 hours per day, 365 days a year: *Provided further,* That the staffing levels of each two-piece engine company within the Fire Department shall be maintained in accordance with the provisions of article III, section 18 of the Fire Department Rules and Regulations as then in effect: *Provided further,* That none of the funds provided in this Act may be used to implement any staffing plan for the District of Columbia Fire Department that includes the elimination of any positions for Administrative Assistants to the Battalion Fire Chiefs of the Firefighting Division of the Department: *Provided further,* That none of the funds provided in this Act may be used to implement District of Columbia Board of Parole notice of emergency and proposed rulemaking as published in the District of Columbia Register for July 25, 1986 (33 DCR 4453a): *Provided further,* That the Mayor shall reimburse the District of Columbia National Guard for expenses incurred in connection with services that are performed in emergencies by the National Guard in a militia status and are requested by the Mayor, in amounts that shall be jointly determined and certified as due and payable for these services by the Mayor and the Commanding General of the District of Columbia National Guard: *Provided further,* That such sums as may be necessary for reimbursement to the District of Columbia National Guard under the preceding proviso shall be available from this appropriation, and the availability of the sums shall be deemed as constituting payment in advance for the emergency services involved: *Provided further,* That $17,630,000 for the Metropolitan Police Department and $2,600,000 for the District of Columbia Superior Court shall remain available until expended.

PUBLIC EDUCATION SYSTEM

Public education system, including the development of national defense education programs, $738,240,000, to be allocated as follows: $530,764,000 for the public schools of the District of Columbia; $21,000,000 for pay-as-you-go capital projects for public schools; $81,200,000 for the District of Columbia Teachers' Retirement Fund; $76,913,000 for the University of the District of Columbia; $20,378,000 for the Public Library; $3,527,000 for the Commission on the Arts and Humanities; $3,940,000 for the District of Columbia School of Law; and $518,000 for the Education Licensure Commission: *Provided,* That the public schools of the District of Columbia are authorized to accept not to exceed 31 motor vehicles for exclusive use in the driver education program: *Provided further,* That the amount allocated under this title for the public schools shall be increased, dollar for dollar up to $36,400,000, by the amount the annual Federal payment for fiscal year 1991 is increased above the current $430,500,000 Federal payment in fiscal year 1990: *Provided further,* That not to exceed $2,500 for the Superintendent of Schools, $2,500 for the President of the University of the District of Columbia, and $2,000 for the Public Librarian shall be available from this appropriation for expenditures for official purposes: *Provided further,* That this appropriation shall not be available to subsidize the education of nonresidents of the District of Columbia at the University of the District of Columbia, unless the Board of Trustees of the University of the District of Columbia adopts, for the fiscal year ending September 30, 1991, a tuition rate schedule that will establish the tuition rate for nonresident students at a level no lower than the nonresident tuition rate charged at comparable public institutions of higher education in the metropolitan area: *Provided further,* That under this heading for the fiscal year ending September 30, 1991, the Public Library shall be considered a statutorily independent agency and thus shall be exempted from any and all across-the-board rescissions that may be applied to agencies under the control of the Mayor.

HUMAN SUPPORT SERVICES

Human support services, $876,240,000: *Provided,* That $20,848,000 of this appropriation, to remain available until expended, shall be available solely for District of Columbia employees' disability compensation: *Provided further,* That of the funds provided for the D.C. General Hospital subsidy, $646,000 shall be used to provide health care to homeless persons: *Provided further,* That of the funds provided for the provision of emergency shelter services in the Department of Human Services, three-fourths of the funds shall be available solely for allocation to a legally constituted private nonprofit organization in the District as defined in section 411(5) of the Stewart B. McKinney Homeless Act, approved July 22, 1987 (101 Stat. 495; 42 U.S.C. 11371(5)): *Provided further,* That the District shall not provide free government services such as water, sewer, solid waste disposal or collection, utilities, maintenance, repairs, or similar services, if the District would not be qualified to receive reimbursement pursuant to the McKinney Act (42 U.S.C. 11301 et. seq.).

PUBLIC WORKS

Public works, including rental of one passenger-carrying vehicle for use by the Mayor and three passenger-carrying vehicles for use by the Council of the District of Columbia and purchase of passenger-carrying vehicles for replacement only, $229,482,000: *Provided,* That this appropriation shall not be available for collecting ashes or miscellaneous refuse from hotels and places of business: *Provided further,* That any unobligated funds from the school transit subsidy shall be applied solely to the repayment of the general fund accumulated deficit.

WASHINGTON CONVENTION CENTER FUND

For the Washington Convention Center Fund, $8,383,000: *Provided,* That the Convention Center Board of Directors, established by section 3 of the Washington Convention Center Management Act of 1979, effective November 3, 1979 (D.C. Law 3-36; D.C. Code, sec. 9-602), shall reimburse the Auditor of the District of Columbia for all reasonable costs for performance of the annual Convention Center audit.

REPAYMENT OF LOANS AND INTEREST

For reimbursement to the United States of funds loaned in compliance with An Act to provide for the establishment of a modern, adequate, and efficient hospital center in the District of Columbia, approved August 7, 1946 (60 Stat. 896; Public Law 79-648); section 1 of An Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, sec. 9-219); section 4 of An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system, approved June 12, 1960 (74 Stat. 211; Public Law 86-515); section 723 of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 821; Public Law 93-198; D.C. Code, sec. 47-321, space note); and section 743(f) of the District of Columbia Self-Government and Governmental Reorganization Act Amendments, approved October 13, 1977 (91 Stat. 1156; Public Law 95-131; D.C. Code, sec. 9-219, note), including interest as required thereby, $252,740,000.

REPAYMENT OF GENERAL FUND DEFICIT

For the purpose of reducing the $213,403,000 general fund accumulated deficit as of September 30, 1989, $20,000,000, of which not less than $18,287,000 shall be funded and apportioned by the Mayor from amounts otherwise available to the District of Columbia government (including amounts appropriated by this Act or revenues otherwise available, or both): *Provided,* That if the Federal payment to the District of Columbia for fiscal year 1991 is reduced pursuant to an order issued by the President under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 (Public Law 99-177, approved December 12, 1985), as amended, the percentage (if any) by which the $20,000,000 set aside for repayment of the general fund accumulated deficit under this appropriation title is reduced as a consequence shall not exceed the percentage by which the Federal payment is reduced pursuant to such order: *Provided further,* That all net revenue the District of Columbia government may collect as a result of the District of Columbia government's pending appeal in the consolidated case of U.S. Sprint Communications, et al. v. District of Columbia et al., CA 10080-87 (court order filed November 14, 1988), shall be applied solely to the repayment of the general fund accumulated deficit.

SHORT-TERM BORROWINGS

For the purpose of funding interest related to borrowing funds for short-term cash needs, $13,028,000.

OPTICAL AND DENTAL BENEFITS

For optical and dental costs for nonunion employees, $3,112,000.

SUPPLY, ENERGY, AND EQUIPMENT ADJUSTMENT

The Mayor shall reduce authorized supply, energy, and equipment appropriations and expenditures within object class 20 (supplies), 30a (energy), and 70 (equipment) in the amount of $10,000,000, within one or several of the various appropriation headings in this Act.

PERSONAL SERVICES ADJUSTMENT

The Mayor shall reduce appropriations and expenditures for personal services within object classes 11, 12, 13, and 14 in the amount of $10,000,000, within one or several of the various appropriation headings in this Act.

CAPITAL OUTLAY

For construction projects, $323,322,000, as authorized by an Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 Stat. 244; Public Law 58-140; D.C. Code, secs. 43-1512 through 43-1519); the District of Columbia Public Works Act of 1954, approved May 18, 1954 (68 Stat. 101; Public Law 83-364); an Act to authorize the Commissioners of the District of Columbia to borrow funds for capital improvement programs and to amend provisions of law relating to Federal Government participation in meeting costs of maintaining the Nation's Capital City, approved June 6, 1958 (72 Stat. 183; Public Law 85-451; D.C. Code, secs. 9-219 and 47-3402); section 3(g) of the District of Columbia Motor Vehicle Parking Facility Act of 1942, approved August 20, 1958 (72 Stat. 686; Public Law 85-692; D.C. Code, sec. 40-805(7)); and the National Capital Transportation Act of 1969, approved December 9, 1969 (83 Stat. 320; Public Law 91-143; D.C. Code, secs. 1-2451, 1-2452, 1-2454, 1-2456, and 1-2457); including acquisition of sites, preparation of plans and specifications, conducting preliminary surveys, erection of structures, including building improvement and alteration and treatment of grounds, to remain available until expended: *Provided,* That $15,962,000 shall be available for project management and $17,521,000 for design by the Director of the Department of Public Works or by contract for architectural engineering services, as may be determined by the Mayor: *Provided further,* That funds for use by each capital project implementing agency shall be managed and controlled in accordance with all procedures and limitations established under the Financial Management System: *Provided further,* That $21,000,000 for the public school system, $392,000 for the Department of Recreation and Parks, and $2,208,000 for the Department of Public Works for pay-as-you-go capital projects shall be financed from general fund operating revenues: *Provided further,* That all funds provided by this appropriation title shall be available only for the specific projects and purposes intended: *Provided further,* That notwithstanding the foregoing, all authorizations for capital outlay projects, except those projects covered by the first sentence of section 23(a) of the Federal-Aid Highway Act of 1968, approved August 23, 1968 (82 Stat. 827; Public Law 90-495; D.C. Code, sec. 7-134, note), for which funds are provided by this appropriation title, shall expire on September 30, 1992, except authorizations for projects as to which funds have been obligated in whole or in part prior to September 30, 1992: *Provided further,* That upon expiration of any such project authorization the funds provided herein for the project shall lapse.

WATER AND SEWER ENTERPRISE FUND

For the Water and Sewer Enterprise Fund, $226,209,000, of which $36,608,000 shall be apportioned and payable to the debt service fund for repayment of loans and interest incurred for capital improvement projects.

For construction projects, $28,730,000, as authorized by An Act authorizing the laying of water mains and service sewers in the District of Columbia, the levying of assessments therefor, and for other purposes, approved April 22, 1904 (33 stat. 244; Public Law 58-140; D.C. Code, sec. 43-1512 et seq.): *Provided,* That the requirements and restrictions that are applicable to general fund capital improvement projects and set forth in this Act under the Capital Outlay appropriation title shall apply to projects approved under this appropriation title: *Provided further,* That $39,609,000 in water and sewer enterprise fund operating revenues shall be available for pay-as-you-go capital projects.

LOTTERY AND CHARITABLE GAMES ENTERPRISE FUND

For the Lottery and Charitable Games Enterprise Fund, established by the District of Columbia Appropriations Act for the fiscal year ending September 30, 1982, approved December 4, 1981 (95 Stat. 1174, 1175; Public Law 97-91), as amended, for the purpose of implementing the Law to Legalize Lotteries, Daily Numbers Games, and Bingo and Raffles for Charitable Purposes in the District of Columbia, effective March 10, 1981 (D.C. Law 3-172; D.C. Code, secs. 2-2501 et seq. and 22-1516 et seq.), $8,600,000, to be derived from non-Federal District of Columbia revenues: *Provided,* That the District of Columbia shall identify the sources of funding for this appropriation title from the District's own locally-generated revenues: *Provided further,* That no revenues from Federal sources shall be used to support the operations or activities of the Lottery and Charitable Games Control Board.

CABLE TELEVISION ENTERPRISE FUND

For the Cable Television Enterprise Fund, established by the Cable Television Communications Act of 1981, effective October 22, 1983 (D.C. Law 5-36; D.C. Code, sec. 43-1801 et seq.), $1,700,000.

GENERAL PROVISIONS

SEC. 101. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 102. Except as otherwise provided in this Act, all vouchers covering expenditures of appropriations contained in this Act shall be audited before payment by the designated certifying official and the vouchers as approved shall be paid by checks issued by the designated disbursing official.

SEC. 103. Whenever in this Act, an amount is specified within an appropriation for particular purposes or objects of expenditure, such amount, unless otherwise specified, shall be considered as the maximum amount that may be expended for said pur-

pose or object rather than an amount set apart exclusively therefor, except for those funds and programs for the Metropolitan Police Department under the heading "Public Safety and Justice" which shall be considered as the amounts set apart exclusively for and shall be expended solely by that Department; and the appropriation under the heading "Repayment of General Fund Deficit" which shall be considered as the amount set apart exclusively for and shall be expended solely for that purpose.

SEC. 104. Appropriations in this Act shall be available, when authorized by the Mayor, for allowances for privately owned automobiles and motorcycles used for the performance of official duties at rates established by the Mayor: *Provided,* That such rates shall not exceed the maximum prevailing rates for such vehicles as prescribed in the Federal Property Management Regulations 101-7 (Federal Travel Regulations).

SEC. 105. Appropriations in this Act shall be available for expenses of travel and for the payment of dues of organizations concerned with the work of the District of Columbia government, when authorized by the Mayor: *Provided,* That the Council of the District of Columbia and the District of Columbia Courts may expend such funds without authorization by the Mayor.

SEC. 106. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making refunds and for the payment of judgments that have been entered against the District of Columbia government: *Provided,* That nothing contained in this section shall be construed as modifying or affecting the provisions of section 11(c)(3) of title XII of the District of Columbia Income and Franchise Tax Act of 1947, approved March 31, 1956 (70 Stat. 78; Public Law 84-460; D.C. Code, sec. 47-1812.11(c)(3)).

SEC. 107. Appropriations in this Act shall be available for the payment of public assistance without reference to the requirement of section 544 of the District of Columbia Public Assistance Act of 1982, effective April 6, 1982 (D.C. Law 4-101; D.C. Code, sec. 3-205.44), and for the non-Federal share of funds necessary to qualify for Federal assistance under the Juvenile Delinquency Prevention and Control Act of 1968, approved July 31, 1968 (82 Stat. 462; Public Law 90-445; 42 U.S.C. 3801 et seq.).

SEC. 108. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 109. Not to exceed 4½ per centum of the total of all funds appropriated by this Act for personnel compensation may be used to pay the cost of overtime or temporary positions.

SEC. 110. Appropriations in this Act shall not be available, during the fiscal year ending September 30, 1991, for the compensation of any person appointed to a permanent position in the District of Columbia government during any month in which the number of employees exceeds 39,262.

SEC. 111. SOLID WASTE DISPOSAL.

The Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) is amended by adding at the end of subtitle D the following:

"SEC. 4011. (a) AUTHORIZATION OF STATES TO REGULATE SOLID WASTE IN INTERSTATE COMMERCE.—(1) Each State is authorized to enact and enforce laws imposing and collecting fees or other charges in connection with the treatment and disposal within such State of solid waste generated in another State. Any State imposing and collecting any such fee or charge may, in connection therewith, differentiate between two or more States in which solid waste is generated, and may differentiate between any such State of origin and the fees or charges which it enforces and collects, if any, in connection with the treatment and disposal of waste generated within its geographical boundaries.

"(2) On and after the submission to the Administrator of the Environmental Protection Agency of a certification in accordance with paragraphs (3) and (4), each State is authorized to enact and enforce laws regulating the treatment and disposal of solid waste within such State, including laws imposing a ban on the importing into such State or any part thereof, of solid waste for its treatment or disposal, or laws otherwise regulating the importing into such State of solid waste for its treatment or disposal.

"(3) Any State, either directly or through regional or local planning units as may be established under section 4002(a)(1) of this Act, which has adopted a 20-year solid waste management plan may submit a statement to the administrator certifying the solid waste treatment and disposal capacity of such State pursuant to paragraph (4). The solid waste management plan shall include, at a minimum the following:

"(A) the amount of municipal and commercial solid waste by waste type, and waste residuals, which are reasonably expected to be generated within the State or accepted for treatment or disposal from another State during the ensuing 20-year period;

"(B) a statement of the volumes of solid waste expected to be reduced by the State submitting such plan through source reduction and recycling;

"(C) the State's existing capacity to manage such amount of waste by treatment or disposal facilities which meet existing environmental standards; and

"(D) the methods by which the State plans to have new capacity available by its planning dates.

"(4) The Governor of each State which has adopted a 20-year management plan pursuant to paragraph (3) of this section, may certify to the Administrator that such State, based on its plan, or on agreements made with any State or States, has identified adequate capacity to manage all solid waste generated in that State with the plan, and received pursuant to any such agreement, for the next following 60-month period.

"(b) LIMITATION.—Nothing in this section shall apply to—

"(1) any waste identified or listed as hazardous waste by the Administrator pursuant to section 3001 of this Act (42 U.S.C. 6921);

"(2) any solid waste, hazardous waste, hazardous substance, including contaminated soil and debris, resulting from a response action taken under section 104 or 106 of the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. 9604 and 9606, respectively) or a corrective action taken under this Act;

"(3) any hazardous chemical substance or mixture regulated under section 6(e) of the Toxic Substance Control Act (15 U.S.C. 2605(e));

"(4) any metal, pipe, glass, plastic, paper, textile, or other material that has been separated or otherwise diverted from solid waste, and that has been transported into such State for the purposes of recycling or reclamation;

"(5) any nonhazardous solid waste produced by an industry that is transported for the purpose of treatment, storage, or disposal to a facility owned or operated by the original generator of the waste.

"(c) INTERSTATE COMPACTS.—The consent of Congress is given to 2 or more States to negotiate and enter into agreements or compacts, not in conflict with any law or treaty of the United States, for cooperative efforts and mutual assistance for the management of solid waste, and the approval of Congress is given to any such agreement or compact so entered into.

"(d) EPA AUTHORITY.—The Administrator of the Environmental Protection Agency shall have the authority to propose and promulgate regulations exempting waste types or recycling practices from the authority granted in this section, if the Administrator determines that such action promotes the development of an interstate market for recyclable materials or is necessary to promote environmentally sound waste disposal practices. Any person may petition the Administrator to propose such regulations and the Administrator shall solicit and consider public comments before making any final determination under this subsection.".

SEC. 112. No funds appropriated in this Act for the District of Columbia government for the operation of educational institutions, the compensation of personnel, or for other educational purposes may be used to permit, encourage, facilitate, or further partisan political activities. Nothing herein is intended to prohibit the availability of school buildings for the use of any community or partisan political group during non-school hours.

SEC. 113. The annual budget for the District of Columbia government for the fiscal year ending September 30, 1992, shall be transmitted to the Congress no later than April 15, 1991.

SEC. 114. None of the funds appropriated in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name, title, grade, salary, past work experience, and salary history are not available for inspection by the House and Senate Committees on Appropriations, the House Committee on the District of Columbia, the Subcommittee on General Services, Federalism, and the District of Columbia of the Senate Committee on Governmental Affairs, and the Council of the District of Columbia, or their duly authorized representative.

SEC. 115. There are appropriated from the applicable funds of the District of Columbia such sums as may be necessary for making payments authorized by the District of Columbia Revenue Recovery Act of 1977, effective September 23, 1977 (D.C. Law 2-20; D.C. Code, sec. 47-421 et seq.).

SEC. 116. None of the funds contained in this Act shall be made available to pay the salary of any employee of the District of Columbia government whose name and salary are not available for public inspection.

SEC. 117. No part of this appropriation shall be used for publicity or propaganda purposes or implementation of any policy including boycott designed to support or defeat legislation pending before Congress or any State legislature.

SEC. 118. None of the Federal funds provided in this Act shall be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term; or except for such medical procedures necessary for the victims of rape or incest, when such rape or incest has been reported promptly to a law enforcement agency or public health serv-

ice. Nor are payments prohibited for drugs or devices to prevent implantation of the fertilized ovum, or for medical procedures necessary for the termination of an ectopic pregnancy.

SEC. 119. At the start of the fiscal year, the Mayor shall develop an annual plan, by quarter and by project, for capital outlay borrowings: *Provided,* That within a reasonable time after the close of each quarter, the Mayor shall report to the Council of the District of Columbia and the Congress the actual borrowing and spending progress compared with projections.

SEC. 120. The Mayor shall not borrow any funds for capital projects unless he has obtained prior approval from the Council of the District of Columbia, by resolution, identifying the projects and amounts to be financed with such borrowings.

SEC. 121. The Mayor shall not expend any moneys borrowed for capital projects for the operating expenses of the District of Columbia government.

SEC. 122. None of the funds appropriated in this Act may be used for the implementation of a personnel lottery with respect to the hiring of fire fighters or police officers.

SEC. 123. None of the funds appropriated by this Act may be obligated or expended by reprogramming except pursuant to advance approval of the reprogramming granted according to the procedure set forth in the Joint Explanatory Statement of the Committee of Conference (House Report No. 96-443), which accompanied the District of Columbia Appropriation Act, 1980, approved October 30, 1979 (93 Stat. 713; Public Law 96-93), as modified in House Report No. 98-265, and in accordance with the Reprogramming Policy Act of 1980, effective September 16, 1980 (D.C. Law 3-100; D.C. Code, sec. 47-361 et seq.).

SEC. 124. None of the Federal funds provided in this Act shall be obligated or expended to provide a personal cook, chauffeur, or other personal servants to any officer or employee of the District of Columbia.

SEC. 125. None of the Federal funds provided in this Act shall be obligated or expended to procure passenger automobiles as defined in the Automobile Fuel Efficiency Act of 1980, approved October 10, 1980 (94 Stat. 1824; Public Law 96-425; 15 U.S.C. 2001(2)), with an Environmental Protection Agency estimated miles per gallon average of less than 22 miles per gallon: *Provided,* That this section shall not apply to security, emergency rescue, or armored vehicles.

SEC. 126. (a) Notwithstanding section 422(7) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(7)), the City Administrator shall be paid, during any fiscal year, a salary at a rate established by the Mayor, not to exceed the rate established for level IV of the Executive Schedule under 5 U.S.C. 5315.

(b) For purposes of applying any provision of law limiting the availability of funds for payment of salary or pay in any fiscal year, the highest rate of pay established by the Mayor under subsection (a) of this section for any position for any period during the last quarter of calendar year 1990 shall be deemed to be the rate of pay payable for that position for September 30, 1990.

(c) Notwithstanding section 4(a) of the District of Columbia Redevelopment Act of 1945, approved August 2, 1946 (60 Stat. 793; Public Law 79-592; D.C. Code, sec. 5-803(a)), the Board of Directors of the District of Columbia Redevelopment Land Agency shall be paid, during any fiscal year, a per diem compensation at a rate established by the Mayor.

SEC. 127. Notwithstanding any other provisions of law, the provisions of the District of Columbia Government Comprehensive Merit Personnel Act of 1978, effective March 3, 1979 (D.C. Law 2-139; D.C. Code, sec. 1-601.1 et seq.), enacted pursuant to section 422(3) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 790; Public Law 93-198; D.C. Code, sec. 1-242(3)), shall apply with respect to the compensation of District of Columbia employees: *Provided,* That for pay purposes, employees of the District of Columbia government shall not be subject to the provisions of title 5 of the United States Code.

SEC. 128. The Director of the Department of Administrative Services may pay rentals and repair, alter, and improve rented premises, without regard to the provisions of section 322 of the Economy Act of 1932 (Public Law 72-212; 40 U.S.C. 278a), upon a determination by the Director, that by reason of circumstances set forth in such determination, the payment of these rents and the execution of this work, without reference to the limitations of section 322, is advantageous to the District in terms of economy, efficiency, and the District's best interest.

SEC. 129. No later than 30 days after the end of the first quarter of the fiscal year ending September 30, 1991, the Mayor of the District of Columbia shall submit to the Council of the District of Columbia the new fiscal year 1991 revenue estimates as of the end of the first quarter of fiscal year 1991. These estimates shall be used in the budget request for the fiscal year ending September 30, 1992. The officially revised estimates at midyear shall be used for the midyear report.

SEC. 130. Section 466(b) of the District of Columbia Self-Government and Governmental Reorganization Act of 1973, approved December 24, 1973 (87 Stat. 806; Public Law 93-198; D.C. Code, sec. 47-326), as amended, is amended by striking out "sold before October 1, 1990" and inserting in lieu thereof "sold before October 1, 1991".

SEC. 131. No sole source contract with the District of Columbia government or any agency thereof may be renewed or extended without opening that contract to the competitive bidding process as set forth in section 303 of the District of Columbia Procurement Practices Act of 1985, effective February 21, 1986 (D.C. Law 6-85; D.C. Code, sec. 1-1183.3), except that the District of Columbia Public Schools may renew or extend sole source contracts for which competition is not feasible or practical, provided that the determination as to whether to invoke the competitive bidding process has been made in accordance with duly promulgated Board of Education rules and procedures.

SEC. 132. For purposes of the Balanced Budget and Emergency Deficit Control Act of 1985, approved December 12, 1985 (99 Stat. 1037; Public Law 99-177), as amended, the term "program, project, and activity" shall be synonymous with and refer specifically to each account appropriating Federal funds in this Act, and any sequestration order shall be applied to each of the accounts rather than to the aggregate total of those accounts: *Provided,* That sequestration orders shall not be applied to any account that is specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 133. In the event a sequestration order is issued pursuant to the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended, after the amounts appropriated to the District of Columbia for the fiscal year involved have been paid to the District of Columbia, the Mayor of the District of Columbia shall pay to the Secretary of the Treasury, within 15 days after receipt of a request therefor from the Secretary of the Treasury, such amounts as are sequestered by the order: *Provided,* That the sequestration percentage specified in the order shall be applied proportionately to each of the Federal appropriation accounts in this Act that are not specifically exempted from sequestration by the Balanced Budget and Emergency Deficit Control Act of 1985 (99 Stat. 1037; Public Law 99-177), as amended.

SEC. 134. Section 133(e) of the District of Columbia Appropriations Act, 1990 is amended by striking "December 31, 1990" and inserting "December 31, 1991".

SEC. 135. Such sums as may be necessary for fiscal year 1991 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. 136. For the fiscal year ending September 30, 1991, the District of Columbia shall pay interest on its quarterly payments to the United States that are made more than 60 days from the date of receipt of an itemized statement from the Federal Bureau of Prisons of amounts due for housing District of Columbia convicts in Federal penitentiaries for the preceding quarter.

SEC. 137. The proviso under the heading "Public Works" in the Dire Emergency Supplemental Appropriation for Disaster Assistance, Food Stamps, Unemployment Compensation Administration, and Other Urgent Needs, and Transfers, and Reducing Funds Budgeted for Military Spending Act of 1990, approved May 25, 1990 (Public Law 101-302; 104 Stat. 241), shall remain in effect until September 30, 1991.

SEC. 138. None of the funds appropriated in this or any other Act be used for lobbying expenses related to District of Columbia Statehood or for "shadow representation."

SEC. 139. (a) Enhanced Penalties for Use of a Firearm During Commission of a Crime of Violence or Drug Trafficking Crime.—The Act of July 8, 1932 (47 Stat. 650, chapter 465) is amended by inserting after section 2 the following new section:

"SEC. 2a. (a) Whoever, during and in relation to any crime of violence or drug trafficking crime (including a crime of violence or drug trafficking crime which provides for an enhanced punishment if committed by the use of a deadly or dangerous weapon or device)—

"(1) possesses a firearm, shall, in addition to the punishment provided for such crime of violence or drug trafficking crime, be sentenced to imprisonment for not less than 10 years without release;

"(2) discharges a firearm with intent to injure another person, shall, in addition to the punishment provided for such crime of violence or drug trafficking crime, be sentenced to imprisonment for not less than 20 years without release; or

"(3) possesses a firearm that is a machinegun, or is equipped with a firearm silencer or firearm muffler shall, in addition to the punishment provided for such crime of violence or drug trafficking crime, be sentenced to imprisonment for 30 years without release.

"(b) In the case of a second conviction under this section, a person shall be sentenced to imprisonment for not less than 20 years without release for possession or not less than 30 years without release for discharge of a firearm, and if the firearm is a machinegun, or is equipped with a firearm silencer or firearm muffler, to life imprisonment without release.

"(c) In the case of a third or subsequent conviction under this section, a person shall be sentenced to life imprisonment without release. If the death of a person results from the discharge of a firearm, with intent to kill another person, by a person during the commission of such a crime, the person who discharged the firearm shall be sentenced to life imprisonment without release.

"(d) Notwithstanding any other law, a court shall not place on probation or suspend the sentence of any person convicted of a violation of this section, nor shall the term of imprisonment imposed under this section run concurrently with any other term of imprisonment including that imposed for the crime of violence or drug trafficking crime in which the firearm was used. No person sentenced under this section shall be eligible for parole, nor shall such person be released for any reason whatsoever, during a term of imprisonment imposed under this section.

"(e) For the purposes of this section, a person shall be considered to be in possession of a firearm if—

"(1) in the case of a crime of violence, the person touches a firearm at the scene of the crime at any time during the commission of the crime; and

"(2) in the case of a drug trafficking crime, the person has a firearm readily available at the scene of the crime during the commission of the crime.

"(f) This section has no application to a person who may be found to have committed a criminal act while acting in defense of person or property during the course of a crime being committed by another person (including the arrest or attempted arrest of the offender during or immediately after the commission of the crime).

"(g) In a case in which an offender may be sentenced under either this section or any other provision of law, the offender shall be sentenced to a term of imprisonment under the provision that authorizes imposition of the longer term of imprisonment.".

(b) MANDATORY MINIMUM PENALTIES FOR DISTRIBUTION OF ILLEGAL DRUGS TO MINORS AND EMPLOYMENT OF MINORS IN DRUG TRAFFICKING.—Section 408 of the District of Columbia Uniform Controlled Substances Act of 1981 (D.C. Code 33-546) is amended by adding at the end thereof the following new subsection:

"(d) Notwithstanding subsection (a), and except to the extent a greater minimum sentence is otherwise provided by law, a term of imprisonment under section 406 or 407 for a first offense shall be not less than 10 years without release, and for a second offense shall be a mandatory term of life imprisonment without release. Notwithstanding any other provision of law, the court shall not place on probation or suspend the sentence of any person sentenced under the preceding sentence and such person shall not be placed on parole or released for any reason whatsoever during the term of such sentence.". This subsection shall not apply in the circumstances described in section 401(b)4 of the Controlled Substances Act (21 U.S.C. 841(b)4).

(c) MANDATORY LIFE IMPRISONMENT FOR THREE-TIME OFFENDERS.—Section 401 of the District of Columbia Uniform Controlled Substances Act of 1981 (D.C. Code 33-541) is amended by adding at the end thereof the following new subsection:

"(g) Notwithstanding any other provision of this section, section 408, or any other law, a person who commits a violation of this section involving a controlled substance of a kind and in an amount described in section 401(b)(1)(A) of the Controlled Substances Act (21 U.S.C. 841) or commits a violation of section 406 or 407 or commits a crime of violence after two or more prior convictions for a felony drug offense or crime of violence or for any combination thereof have become final, such person shall be sentenced to a mandatory term of life imprisonment without release and fined in accordance with this section. For purposes of this subsection, the term 'crime of violence' means an offense that is a felony and has as an element the use, attempted use, or threatened use of physical force against the person or property of another, or by its nature involves a substantial risk that physical force against the person or property of another may be used in the course of committing the offense.".

SEC. 140. The Perinatal Abstinence Project located at 3551 Sixteenth Street, Northwest shall not require a certificate of occupancy, pursuant to Public Law 100-430, 100 Stat. 1619.

SEC. 141. None of the funds appropriated by this Act may be used for expansion of the "I-95 Sanitary Landfill" until (1) completion of an environmental impact statement which shall be contracted for by March 31, 1991, and (2) the parties to the December 7, 1987 I-95 Landfill Memorandum of Understanding agree to share the cost of the study proportionate with their projected usage of the Landfill expansion through its estimated life: *Provided further,* That none of the funds appropriated by this Act may be used to transport any output of the municipal waste system of the District of Columbia for disposal in any State until the appropriate State agencies have issued the required permits.

SEC. 142. Section 1-2503 of the District of Columbia Code (1981 edition) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c)(1) Nothing in this Act shall be constructed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation in any program or activity that educates, coaches, or trains any juvenile, or holds out any adult as a role model, mentor, or companion to any juvenile, of any adult homosexual, bisexual, or heterosexual person who has been convicted of or is charged with a sexual offense with a juvenile, or who otherwise poses a threat of engaging in sex with a juvenile or otherwise sexually abusing a juvenile; and

"(2) Nothing in this Act shall be constructed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation or any adult homosexual, bisexual, or heterosexual person in any voluntary program or activity that educates, coaches, or trains any juvenile or holds out an adult as a mentor, or companion to a juvenile, if the parent or guardian of said juvenile objects to the participation of such person based on the person's sexual orientation."

SEC. 143. (a) Up to 75 officers or members of the Metropolitan Police Department who were hired before February 14, 1980, and who retire on disability before the end of calendar year 1991 shall be excluded from the computation of the rate of disability retirement under subsection 145(a) of the District of Columbia Retirement Reform Act, as amended, approved September 30, 1983 (97 Stat. 727; D.C. Code, sec. 1-725(a)), for purposes of reducing the authorized Federal payment to the District of Columbia Police Officers and Fire Fighters' Retirement Fund pursuant to subsection 145(c) of the District of Columbia Retirement Reform Act.

(b) The Mayor, within 30 days after the enactment of this Act, shall engage an enrolled actuary, to be paid by the District of Columbia Retirement Board, and shall comply with the requirements of section 142(d) and section 144(d) of the District of Columbia Retirement Reform Act of 1979 (Public Law 96-122, D.C. Code, secs. 1-722(d) and 1-724(d)).

(c) If any of the 75 light duty positions that may become vacant under subsection (a) are filled, a civilian employee shall be hired to fill that position or shall be filled by an officer or member of the Metropolitan Police Department for a temporary period of time.

(d) The limited duty policy of the Metropolitan Police Department shall be that in effect prior to July 8, 1990, unless ordered by the relevant court.

SEC. 144. Notwithstanding any other provision of law, the Task Force on Substance Abusing Pregnant Women and Infants Exposed to Maternal Substance Abuse During Pregnancy shall report no later than March 29, 1990.

SEC. 145. Section 103 of the District of Columbia Human Rights Act, effective Dec. 13, 1977 (D.C. Law 2-38; D.C. Code, sec. 1-2503 (1981 edition)) is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following new subsection:

"(c)(1) Nothing in this chapter shall be construed to bar any organization or entity from denying, restricting, abridging, or conditioning the participation of any adult homosexual person or adult bisexual person in any program or activity that—

"(A) educates, coaches, or trains any juvenile, or

"(B) holds out the adult as a role model, mentor, or companion to any juvenile.

"(2) for purposes of this subsection, the word 'juvenile' means a person who has not attained the age of 18 years.".

This Act may be cited as the "District of Columbia Appropriations Act, 1991".

ADDITIONAL STATEMENTS

HUMAN SERVICES REAUTHORIZATION ACT

● Mr. SIMON. Mr. President, I commend the Senate for its action yesterday in approving the Human Services Reauthorization Act, H.R. 4151. The programs continued and expanded by this bill are central to the Federal Government's commitment to meeting basic human needs, and helping to eliminate poverty and illiteracy through education. I would like to briefly discuss a few of these programs.

HEAD START

I am pleased with the 4-year extension of the Head Start Program. This has clearly been one of our most effective initiatives, and one that we should continue to expand. Under the Senate bill, by the end of the fourth year, if fully funded, Head Start will be reaching 100 percent of all eligible the 3- and 4-year-olds and 30 percent of all eligible 5-year-olds. This will be a remarkable achievement for America's youngest students and for America's education system. There is no question that investment in Head Start is one of the smartest and most cost-effective investments we can make in our children.

I continue to be concerned about the generations of "crack babies" that are just starting to enter a number of programs, including Head Start. I am now hearing from Head Start teachers and administrators in Illinois who feel helpless, without the funds and without the understanding of the unique problems these children may be facing. We need to be sure that those providing services to these children and their families understand well the emotional and learning disabilities these children battle. Teachers tell me that these children are exhibiting problems and behaviors that are different from those they have seen in children exposed to alcohol or other substances during pregnancy.

The Head Start reauthorization allows for a quality improvement fund. These moneys are to be used for salary enhancement, efforts to reduce the student/teacher ratio, structural and technical changes in facilities and/or instruction. But the money can also be used to train Haed Start personnel to identify and address problems of kids from dysfunctional families, children who have experienced chronic violence or children from families with histories of substance abuse. We need to give both Head Start personnel and Head Start families our best effort to address these problems as early as possible and help channel families to other avenues of support.

I applaud the work that has gone into extending and expanding the Head Start Program and feel confident that it will continue to be a highly successful and cost-effective program in the coming years.

FOLLOW THROUGH

Mr. President, when I introduced the bill to reauthorize and expand the follow through Program—S. 2736, incorporated into this measure—I pledged to work with the members of the committee to address a number of concerns about the way the program currently operates. I am pleased that we were able to accomplish that goal and the program was included in the Senate version of H.R. 4151 without opposition.

Follow Through is a unique, model program. It takes disadvantaged children, most of whom were involved in Head Start before they entered elementary school, and works to ensure that they continue to make developmental gains. Its unique design, pairing educational researchers with schools, allows a variety of approaches to be tested and improved. The Department of Education says that the models currently in operation are proven effective.

Despite its effectiveness, however, the Federal Government has not always been kind to Follow Through. Originally conceived as a direct services program, tight budgets forced cuts in appropriations, basically turning it into a demonstration program. Limited funding has also stopped the creation of new models. H.R. 4151 makes a number of changes to address these and other issues:

Dissemination.—Additional funding is authorized, and schools must take over the program from the sponsors after 5 years, freeing up funds for new schools. In addition, the Secretary of Education must ensure that schools can receive, free of charge, information about the Follow Through approaches from the National Diffusion Network.

Parent participation.—The local parent committee must approve the application for funding, and the program must provide for the direct participation of parents.

Comprehensive services.—Grants must be of a sufficient size to provide the comprehensive services contemplated by the Follow Through Act, and the schools must coordinate with the local Head Start providers.

Chapter 1 coordination.—Schools with a high concentration of disadvantaged and former Head Start students would have a priority in receiving Follow Through funding. In those schools, all childen could be served by the Follow Through Program, not just former Head Start participants.

New programs.—At least 10 percent of the funds would be available for the development of new model approaches for continuing the gains of Head Start.

Accountability.—Applicants must describe the expected or, if possible, the actual impact of the Follow Through services on the school program.

Past partisan squabbles over the Follow Through Program severly stunted its growth, but where it still operates, it is a program full of life and hope. I am hopeful that this first bipartisan agreement on Follow Through in more than a decade will bring about some new growth, spreading that life and hope to more schools.

In developing this agreement, I have had considerable assistance from a number of members of the Committee on Labor and Human Resources, and I would like to especially thank my colleague from Kansas, Mrs. KASSEBAUM, for her helpful suggestions and her support.

LOW-INCOME HOUSING ENERGY ASSISTANCE PROGRAM

Mr. President, as the crisis in the Middle East continues through the fall and winter months, the need for the Low-Income Energy Housing Assistance Program [LIHEAP] increases. Unfortunately, we don't hear about the importance of this program until the news covers a story about children who were trapped and killed in their home due to a fire that was started by a space heater. The family was using the space heater as their sole source of heat because they couldn't afford heating costs. Last year's record-breaking cold forced many elderly and poor, in Illinois and around the country, to decide between eating and heating their homes. In our great Nation, how can we let this continue?

LIHEAP helps millions of low-income households around the country to keep from freezing in the winter and boiling in the summer, but currently serves only one-fourth of eligible households. In Illinois, more than 84 percent of families that receive energy assistance have annual incomes of $6,000. As a percentage of income, these families spend four times as much as average families do for heat. In addition, LIHEAP funding has been on the decline since 1985, and the administration's proposed budget would have cut funding and additional 25 percent.

Mr. President, there is some light to this story, and that is the 4-year extension of LIHEAP. I commend my colleague, Senator DODD, for his hard and diligent work on this issue. The reauthorization makes some needed and important changes that will benefit the communities and families receiving energy assistance. The reauthorization provides for increased outreach and intake, phases out the authority to transfer funds from LIHEAP to other programs, and establishes an incentive fund to promote the leveraging of additional energy resources for qualified low-income households. The reauthorization also includes a modest funding increase.●

THE 300TH ANNIVERSARY FOR CHELTENHAM, PA

● Mr. HEINZ. Mr. President, I rise to pay tribute to the town of Cheltenham, PA, which celebrates its 300th anniversary this year.

I would also like to congratulate the Cheltenham 300th Anniversary Celebration committee members, who have volunteered their time and energy to prepare for this special occasion, and without whom, such a grand event could have never succeeded.

From its inception, Cheltenham and its people have epitomized American community values, thought, and dreams. Cheltenham was first settled in 1681 on a 250-acre land grant purchased by Nehemiah Mitchell from William Penn. Only 9 years later, in 1690, Richard Dungworth purchased 6.5 acres along a stream and built a gristmill. Over the years, many mills followed and the town that sprung up appropriately came to be known as Milltown, PA. Not long after this early industrial success, the residents of Milltown requested a post office. However, because Pennsylvania already had a town named Milltown, the request was denied. This minor setback did not halt progress by resourceful residents who, in 1855, changed the name of their town to Cheltenham, a name derived from a city in England from where two of the town's residents hailed.

With a permanent identity established, Cheltenham continued to develop and grow through the balance of the 19th century and up to the present day. The community has seen great change: The advent of electric power at the turn of the century outmoded certain of its industries that were dependent on local creek flow for power, and other industries waxed and waned, as well. But for all of these changes, Cheltenham remained a people dedicated to each others' welfares and the nurturing of the best of American life and values in its children.

Mr. President, Cheltenham still remains a beautiful and exciting town, and the citizens' civic pride is evidenced by their commitment to preserving the town in all its historic splendor. As the community of Cheltenham celebrates its 300th anniversary, I ask my colleagues to join me in extending my best wishes to them for a happy celebration and a very prosperous future.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. HEFLIN. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee has received a request for a determination under rule 35 for Mr. Timothy Trenkle, a member of the staff of Senator NANCY KASSEBAUM, to participate in a program in Korea, sponsored by the Ministry of Foreign Affairs [MOFA], from August 18–25, 1990.

The committee has determined that participation by Mr. Trenkle in the program in Korea, at the expense of the Ministry of Foreign Affairs (MOFA], is in the interest of the Senate and the United States.●

SALUTE TO JOHN C. VILLFORTH

● Mr. SARBANES. Mr. President, on September 1, John C. Villforth, an outstanding public servant, retired from the Food and Drug Administration where he served our country with distinction for nearly three decades. In that time, Assistant Surgeon General John C. Villforth has given tirelessly of himself as the leader of FDA's radiological health and medical device organizations.

In the radiological health field, Mr. Villforth is a legendary figure. His career began in 1954 with the U.S. Air Force as a sanitary and industrial engineer and commander of the USAF radiological health laboratory. After 7 years of service in the Armed Forces, Mr. Villforth was commissioned in the U.S. Public Health Service, where his career in public health took root. He worked his way up the ranks in what was the National Center for Radiological Health. In 1969, he was named director of the successor organization—the Bureau of Radiological Health, which had been made part of the FDA and whose mission was reshaped by landmark radiation protection legislation passed by the Congress the year before. As a result of the technological revolution of the 1970's and 1980's, we have all become increasingly aware of the potential radiation hazard from a variety of products, including microwave ovens, color TV's medical and dental x-ray machines, video display terminals, lasers used in entertainment and medical treatment, artificial tanning devices, CT scanners, magnetic resonance imagers, to name just a few. These marvels of technology have profoundly altered the quality and conduct of Americans' daily lives. But like most things in life, these pioneering advances are not totally risk-free. Consequently, we have relied on Government institutions to keep these risks in check and to regulate consumer products in a way that ensures the benefits of their use outweigh public health risks.

Mr. Villforth has carried out this task in outstanding fashion. As the radiological health program matured, Mr. Villforth gained the reputation for being more than just a regulator of products. he was a motivator of people. His efforts to increase public awareness of medical radiation risks and to stimulate the medical community to reevaluate the necessity for routine and high-dose x-ray examination were highly successful.

Mr. Villforth's record of achievement in the radiological health area earned him recognition and respect at the highest levels of the Department of Health and Human Services. In 1976, he was promoted to the rank of Assistant Surgeon General by then-Surgeon General Ehrlich and was appointed as the PHS Chief Engineer from 1985 to 1989 by former Surgeon General Koop. In 1979, former Secretary Califano called on him to serve as the coordinator of the Department's emergency response to the Three Mile Island accident. And in 1982, former Secretary Schweiker looked to Mr. Villforth to head FDA's newly established Center for Devices and Radiological Health.

In taking on these assignments, Mr. Villforth spearheaded the Department's involvement in off-site environmental monitoring and the FDA's testing of food and commodities and raw milk samples to assure they had not been adversely affected by the incident. These surveillance efforts provided the basis for important public health advisories by the Federal Government and officials in Pennsylvania and neighboring States.

In the area of medical devices, Mr. Villforth has demonstrated far sightedness in his management approach. He has effectively blended the talents of his radiation and medical device scientists and regulatory professionals to form a cohesive program with a common mission. He recognized that because of resource limitations, priorities had to be set. He streamlined administrative procedures without compromising the integrity of the premarket review process or sacrificing the quality of new devices entering the marketplace. He strengthened the science base of the new Center and increased the utility of its scientists in the premarket review of new devices and in varoius risk assessment initiatives.

Mr. Villforth also drew upon his successes in the radiation area to launch a wide-ranging educational program to enhance clinical practices in anesthesiology and hemodialysis. He established an alert system to warn health care workers of defective devices and set up a national surveillance system to facilitate the identification and quick correction of malfunctioning equipment. Mr. Villforth extended his educational approach to individuals using these products for homeuse.

Mr. President, it is with sincere gratitude and respect that I recognize this fine gentleman, whose magnificent career has well served the national interest and set a standard of public service that is second to none.●

BANK INSURANCE FUND

● Mr. D'AMATO. Mr. President, I rise today as an original cosponsor of legislation offered by Mr. RIEGLE, chairman of the Senate Banking Committee, to authorize the Federal Deposit Insurance Corporation to increase deposit insurance premiums as necessary to protect the Bank Insurance Fund and the American taxpayer.

Action is required now to ensure that a taxpayer bailout of the banking system will not be the encore to the S&L bailout. The taxpayers of the United States will not tolerate paying for another multibillion-dollar bailout of moribund financial institutions.

In the last 6 months alone, Standard and Poor's has lowered its ratings of 36 U.S. bank holding companies, some more than once, and upgraded only four. This is an unprecedented number of downgrades for S&P. The problems facing the Nation's banks will only worsen in a weakening economy.

Meanwhile, a recently released General Accounting Office audit of the Bank Insurance Fund, reported that the fund is "too thinly capitalized to deal with the potential for bank failures in the event of a recession." The Bank Insurance Fund ended 1989 with a net loss of $852 million, reducing its balance to $13.2 billion. According to GAO, "not since the Great Depression has the Federal system of deposit insurance faced such a period of danger as it does today."

As the banking situation grows more severe, any number of worthwhile solutions will be presented by the administration and Congress. The Banking Committee has recently completed a series of useful hearings examining the condition of the banking industry and the health of the Banking Insurance Fund.

The legislation I cosponsor today is an excellent first step toward bolstering the BIF and safeguarding the industry as a whole. It will allow Federal regulators the flexibility to use their best judgment in responding to conditions in the banking system.

Under current law, premiums or assessments for the Bank Insurance Fund are set at 15 cents per $100 of deposits for 1991, and subsequent years. The FDIC can raise assessments above that level subject to several restrictions. First, the assessment rate cannot rise more than 7.5 cents per year, regardless of the condition of the fund. Second, the assessment rate cannot, under any circumstances, exceed 32.5 cents per $100 of deposits. Third, the assessment rate cannot be increased before January 1, 1995, so long as the fund's ratio of reserves to insured deposits is increasing on a calendar year basis.

This bill removes these restrictions, and it permits the FDIC to set the assessment rate at the level it determines to be appropriate to restore and maintain the BIF's reserves at their target level, now $1.25 in reserves for each $100 in insured deposits, with the FDIC having discretion under current law to raise it to $1.50.

When setting assessment rates, the FDIC would, as under current law, consider the fund's expected operating expenses, case resolution expenditures, and investment income, and the effect of assessment rates on banks' earnings and capital. The minimum assessment would be $1,000 per bank per year, the same as under current law.

Restoring the soundness of the Bank Insurance Fund now is the best course for protecting banks, depositors, and taxpayers.

Yet even as we permit new authority to ask all thrifts to contribute to the general pool of insurance funds in times of genuine difficulty, so we must be determined in seeking restitution from those thrifts and managers who profited unjustly from sham financial practices and abuse of depositors' trust.

If we learn nothing else from the savings and loan crisis, we must learn the principle of institutional responsibility when insolvency looms ahead. If there are risky portfolios, overexposure in risky classes of assets, or frivolous management, individual institutions and their leadership must be held accountable.

Second, the industry as a whole must accept responsibility—through the insurance mechanism—for those institutions that fail. It is not proper, however, to kill an industry by making it accountable for its poorest performers.

The American taxpayer must be last in line when it comes time to rescue insolvent institutions. Only in the most dire of circumstances should taxpayers' resources be used to correct the deficiencies of U.S. financial enterprise.

This legislation upholds the principle of institutional and industry accountability, and I urge that we take this important first step in restoring integrity and stability to the Nation's banks. I encourage my colleagues to support this important measure.●

BUDGET SCOREKEEPING REPORT

● Mr. SASSER. Mr. President, I hereby submit to the Senate the latest budget scorekeeping report for fiscal year 1990, prepared by the Congressional Budget Office in response to section 308(b) of the Congressional Budget Act of 1974, as amended. This report was prepared consistent with standard scorekeeping conventions. This report also serves as the scorekeeping report for the purposes of section 311 of the Budget Act.

This report shows that current level spending is under the budget resolution by $3.3 billion in budget authority, and over the budget resolution by $4.2 billion in outlays. Current level is under the revenue floor by $5.2 billion.

The current estimate of the deficit for purposes of calculating the maximum deficit amount under section 311(a) of the Budget Act is $114.8 billion, $14.8 billion above the maximum deficit amount for 1990 of $100 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, September 17, 1990.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1990 and is current through September 14, 1990. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the 1990 Concurrent Resolution on the Budget (H. Con. Res. 106). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated September 10, 1990, there has been no action that affects the current level of spending or revenues.

Sincerely,

ROBERT F. HALE,
(for Robert D. Reischauer, Director).

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 101ST CONG. 2D SESS. AS OF SEPT. 14, 1990

[In billions of dollars]

	Current level [1]	Budget resolution H. Con. Res. 106	Current level +/− resolution
Budget authority	1,326.1	1,329.4	−3.3
Outlays	1,169.4	1,165.2	4.2
Revenues	1,060.3	1,065.5	−5.2
Debt subject to limit	3,163.0	[2] 3,122.7	−40.3
Direct loan obligations	19.1	19.3	−.2
Guaranteed loan commitments	115.1	107.3	7.8
Deficit	114.8	[3] 100.0	14.8

[1] The current level represents the estimated revenue and direct spending effects (budget authority and outlays) of all legislation that Congress has enacted in this or previous sessions or sent to the President for his approval and is consistent with the technical and economic assumptions of H. Con. Res. 106. In addition, estimates are included of the direct spending effects for all entitlement or other mandatory programs requiring annual appropriations under current law even though the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions. In accordance with sec. 102(a) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act (101 Stat. 762) the current level deficit amount compared to the maximum deficit amount does not include asset sales.

[2] The public debt limit has been increased temporarily to $3,195,000,000,000 through Oct. 2, 1990 by Public Law 101–350.

[3] Maximum deficit amount [MDA] in accordance with sec. 3(7)(E) of the Congressional Budget Act, as amended.

THE CURRENT LEVEL REPORT, 101ST CONG., 2D SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS SEPT. 14, 1990

[In millions of dollars]

	Budget authority	Outlays	Revenues
I. Enacted in previous sessions:			
Revenues			1,068,600
Permanent appropriations and trust funds	954,969	791,109	
Other legislation	635,362	638,737	566

THE CURRENT LEVEL REPORT, 101ST CONG., 2D SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS SEPT. 14, 1990—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Offsetting receipts	−233,985	−233,985	
Total enacted in previous sessions	1,356,347	1,195,862	1,069,166
II. Enacted this session:			
Dire emergency supplemental appropriations (P.L. 101–302)	2,293	666	
An act making technical amendments to title 5, U.S. Code (P.L. 101–303)		−1	
Amtrak Reauthorization and Improvement Act (P.L. 101–322)	−10		−10
Oil Pollution Act (P.L. 101–380)			−1
Customs and Trade Act (P.L. 101–382)		7	−4
Total enacted this session	2,283	672	−15
III. Continuing resolution authority			
IV. Conference agreements ratified by both Houses			
V. Entitlement authority and other mandatory adjustments required to conform with current law estimates in budget resolution:			
Salaries of judges	−8	1	
Payment to judicial officers' retirement fund	−4	−4	
Judicial survivors' annuities fund	−3	−3	
Fees and expenses of witnesses	−5		
Justice assistance	−4		
Fisherman's guaranty fund	1	1	
Administration of territories	−1		
Firefighting adjustments	−1,057	−192	
Federal unemployment benefits [FUBA]	5		
Advances to unemployment trust fund	(48)	(48)	
Special benefits	−24		
Black Lung disability trust fund	52	31	
Vaccine improvement program trust fund	7	7	
Federal payments to railroad retirement	1	1	
Retirement pay and medical benefits	−4		
Supplemental security income program	263	263	
Special benefits, disabled coal miners	21		
Grants to States for Medicaid	−907		
Payments to health care trust funds	(325)	(325)	
Family support payments to States	84	84	
Payments to States for AFDC work programs	15	15	
Payments to States for foster care	−83		
Health professions student loan insurance fund	−25	−7	
Guaranteed student loans	−175		
College housing and academic facilities loans	−3	−3	
Rehabilitation services	−79		
Payments to widows and heirs	(1)	(1)	
Reimbursement to the rural electrification fund	111	111	
Dairy indemnity program	(1)	(1)	
Conservation reserve program	720		
Special milk program	−2		
Food stamp program	−2,000		
Child nutrition programs	−74		
Federal crop insurance corporation fund	(1)		
Agriculture credit insurance fund	342		
Rural housing insurance fund	(1)		
Rural communication development fund	(1)		
Payments to the farm credit system financial assistance corporation	−2		
Coast Guard retired pay	−17		
Payment to civil service retirement	(84)	(84)	
Government payments for annuitants	−3	−2	
Readjustment benefits	−62		
Compensation	258	208	
Pensions	−62		
Burial benefits	−4		
Loan guaranty revolving fund	−7		
Disaster relief	−1,100	−883	
Total entitlement authority	−3,834	−371	
VI. Adjustment for economic and technical assumptions	−28,685	−26,763	−8,900

THE CURRENT LEVEL REPORT, 101ST CONG., 2D SESS., SENATE SUPPORTING DETAIL, FISCAL YEAR 1990 AS OF CLOSE OF BUSINESS SEPT. 14, 1990—Continued

[In millions of dollars]

	Budget authority	Outlays	Revenues
Total current level as of Sept. 14, 1990	1,326,110	1,169,400	1,060,251
1990 budget resolution H. Con. Res. 106	1,329,400	1,165,200	1,065,500
Amount remaining:			
Over budget resolution		4,200	
Under budget resolution	3,290		5,249

[1] Less than $500,000.

Notes.—Numbers may not add due to rounding. Amounts shown in parenthesis are interfund transactions that do not add to totals.●

TRIBUTE TO DR. PAUL PARKMAN

● Mr. SARBANES. Mr. President, it is with great pride that I note that Dr. Paul Parkman of Kensington, MD, has completed over 30 years of distinguished Government service. During his career, Paul Parkman has played a key role in defeating a dreaded disease that had preyed upon children and has helped facilitate the development of new therapies for some of the worst diseases that are devastating the world today.

Paul Parkman's contributions to the elimination of rubella, or German measles, are legendary. He and a handful of dedicated researchers laboriously tried time and again to isolate the rubella virus. Despite repeated failures, they persevered, and ultimately succeeded. Collaborating with other researchers at the National Institutes of Health, Paul Parkman followed up this momentous discovery with the means for detecting infection with the virus and with a vaccine that could effectively block its spread.

The world changed as a result of these efforts. Rubella epidemics no longer menaced pregnant women and their unborn children. Children who would have been born mentally or physically damaged instead grew up to lead healthy and productive lives.

Very few of us can ever hope to save one life, or to improve the quality of life for a few people. Paul Parkman was responsible for saving and improving countless lives.

Paul Parkman's work has not gone unnoticed by those who have been directly affected by his work. He has received some of the Government's highest civilian honors, including a letter of commendation from President Lyndon Johnson. Moreover, many philanthropic and health professional organizations such as the American Academy of Pediatrics, the United Cerebral Palsy Association, the Food and Drug Law Institute, and the Association for Retarded Citizens have honored Dr. Parkman for his work.

In the years which followed his remarkable achievements against rubella, Dr. Parkman continued to promote scientific progress as a researcher and as a senior administrator. As the Director of the FDA's Center for Biologics Evaluation and Review, Dr. Parkman was at the forefront of many of the most important advances in medicine. During his tenure there, biologic treatments for cancers, AIDS-related diseases, and other life-threatening or serious conditions were approved as quickly as possible.

Paul Parkman's commitment to the health needs of his fellow man has been the enduring theme of his career as a public servant. I am confident that in one way or another, this commitment will continue to manifest itself now that he is leaving the Government. I wish him continued success in all his endeavors and the time and energy to enjoy the happiness he so richly deserves.●

CHARLESTON'S ASHLEY RIVER SCHOOL: USING THE CREATIVE ARTS TO TEACH THE THREE R'S

● Mr. HOLLINGS. Mr. President, South Carolinians take a lot of pride in the role they have played in stimulating public education reform in recent years. What began as a top-down campaign to revitalize public education in our State has taken on a life of its own, inspiring a remarkable range and variety of locally initiated efforts. A superb case in point is Ashley River School in Charleston under the leadership of Principal Rose Maree Myers.

On the outside, Ashley River is no eye-catcher. This public elementary school is housed in cinder-block buildings, with several trailers to accommodate extra classrooms. What's exciting about Ashley River is its flair for combining a commitment to the basics of reading, writing, and arithmetic, with a schoolwide emphasis on the creative arts. In other words, the arts are a medium for the traditional academic message, serving to motivate the students and provide a creative context for the daily lessons. The formula works magnificently thanks to Ashley River's can-do principal and its extremely dedicated corps of teachers.

Mr. President, the Ashley River creative arts program is in its seventh year. Already it has won numerous State and national awards. In short, it works, and educators are coming from around the country to observe Ashley River in action.

Mr. President, I salute Rose Maree Myers and all the teachers at Ashley River Creative Arts Elementary School for the fine job they are doing. To better acquaint our Senate colleagues with this remarkable school, I ask that a recent article from the Sandlapper magazine titled "Who

Says Education Can't Be Fun" be reprinted in the RECORD at this point.

The article follows:

[From the Sandlapper magazine, September-October 1990]

WHO SAYS EDUCATION CAN'T BE FUN?

(By Don McKinney)

Actors do not normally write their own play, let alone compose its music and lyrics and then direct it themselves. But those responsible for "Happy in the Forest," a romantic folk tale complete with duels, dragons and a love story, were no ordinary actors. They were the members of a first grade class.

This was no hand-picked cast, either; this project was the work of a regular class at the Ashley River Creative Arts Elementary School in Charleston, a place where the extraordinary is routine.

First, it is important to make clear that Ashley River is not a school for the performing arts, like the one in New York that inspired the movie and TV series, Fame. Instead of simply teaching music, art, writing or drama, this school uses the creative arts to teach basic skills. "Creativity has been surgically removed from the teaching in most schools," says Rose Maree Myers, the school principal. "We think the creative arts are essential to learning because they make it fun for the children. And who says education can't be fun?"

This might serve as the motto of the unique school, where absences are rare and achievements are high. Now beginning its seventh year, Ashley River has won numerous state and national awards and has drawn educators from as far as Oregon to study the school's methods. At a time when SATs and other test scores are dropping all over the country, when schools are accused of failing to teach children even the basic skills and Time magazine charges that "an appalling number of America's schools are atrocious," Ashley River stands as a model of what can be done with imagination, dedication and a lot of very hard work.

While only a few schools in the country employ Ashley River's approach, Myers hopes "we won't always be unique." If she has her way, they won't be. She lectures frequently to parent and teacher groups around the state, including a number of prestigious private schools, and invites anyone to come watch her and her staff at work. Last spring she spoke to educators in Ohio and Tennessee and was the keynote speaker at one conference at which she held 45 Ph.D. directors of teacher training programs spellbound for almost five hours. Myers is convinced their methods can be adopted anywhere and, if enough people understand what they are doing and how they do it, a revolution can be launched in the way America teaches its children.

The school is not impressive to look at. Located in a relatively poor section of west Charleston, it consists of several cement block buildings and a handful of trailers that, in the days before integration, housed a black middle school and later a high school. (It was even less impressive last spring, after Hurricane Hugo caused a TV tower to fall and smash into one wing. They were scheduled to rebuild this past summer, if the money could be found.) The buildings had been condemned and were to be torn down when county Superintendent of Schools Dr. Ron McWert had an idea. He had heard of an inner city school in Milwaukee, WI, the Elm Street Elementary School, that had achieved wonders with a new approach to teaching. Charleston needed another elementary school, and instead of spending some $6 million on a new facility, McWert wondered if the old high school couldn't be adapted for that purpose.

The first thing he needed was a principal, and he found her in Myers, a former art teacher and assistant school principal who believes strongly in the importance of the creative arts in education. A slim, attractive South Carolinian of 54, she looks like the actress she started out to be before she quit to get married. "I was a fair actress," she says, "but I didn't care for living out of a suitcase." She and her husband soon had two children, and she began teaching elementary school. She left to teach art in Charleston and get her masters degree from the College of Charleston. "I began to see how you could teach math and social science through art, how the whole ball of wax comes together." She was ready to put her ideas into action.

Being a public school, Ashley River from the beginning was open on a first-come, first-served basis to any child in the district who applied; there has never been any screening to determine intelligence or creativity.

"I believe all children are creative," she says. The only selectivity was in the teachers; Myers demanded—and got—the right to hand-pick her staff.

The school has maintained a 60/40 white/black ratio, in keeping with the population breakdown of the school district, and never has lacked for pupils. Parents were skeptical at first, particularly white parents concerned about the neighborhood. But there were enough applicants to fill the quota, which is now 477 students. Keeping it full has been no problem; there is a waiting list of approximately 1,300 children, including several unborn babies.

Because Ashley River offers more than most schools in the form of materials, trips, guest speakers and other special projects, it's necessary to pay for this through private fundraising. The parents are very supportive, and there are also monies from the state and the South Carolina Arts Commission. But among their most innovative sources of support are partnerships with local businesses. Business representatives are part of the school improvement team, along with parents and teachers, and they meet regularly to plan the school's future needs; Bojangles, Coca-Cola and Piggly Wiggly have been partners for the past several years.

They also have cultural partnerships with the Charleston Symphony, The Charleston Ballet and the local Gibbes Art Gallery, and they work closely with the College of Charleston, The Citadel and Baptist College.

By every measure, the school has been an unqualified success. The student test scores are not only considerably higher than both city and state averages, but have risen steadily each year. The only problem is that students graduating from Ashley River find themselves so far ahead of students coming in from other area schools that special programs have to be prepared for them. There is considerable support from parents and administrators for a middle and high school that uses the techniques developed at Ashley River, but so far this has not happened. While they have won recognition around the country, Charleston schools have been slow to come around. "Let's face it; we are a thorn in the sides of most other schools," Myers admits.

What is it that makes Ashley River so unique? To begin with, all subjects are taught on an inter-disciplinary basis, meaning a child does not simply study math, for instance, but learns it in conjunction with all the other basic skills. In Angela Block's first grade class, when children study the human body, they practice math by learning to count and classify the bones, eventually forming a skeleton. To hone their writing skills, they write a story predicting what their bodies might be like without bones, and are encouraged to make up words that describe this boneless state. For science, they construct and label a model of the heart, and for social studies they select and draw a picture of someone in the community such as a doctor, who helps keep their bodies healthy. They learn about balanced diets and health by cutting out pictures of the four food groups. And to relate it all to the world of music, they use the spiritual "Dem Bones" to show the importance of a steady beat. Thus, in examining the parts and structure of their bodies, they practice all the learning skills and see how they relate.

"Children used to ask, 'Why do I have to learn this?'" Myers says. "By relating each part of the educational process to the whole, the teaching itself gives them the answer."

To teach fractions, a particularly difficult concept for young minds to grasp, a third grade teacher begins by having each child simply draw a line around a pie plate to form a circle. The circle is cut out and folded in half. "Well, what is this?" the teacher asks. Seeing that each part is half of the whole, the child folds the circle again and again until he or she has formed quarters and eighths.

One the children have grasped the concept of what a fraction of something is, they are asked to draw designs on the different sections of the circle and color them in, creating a kind of kaleidoscope. The gaily colored circles then are hung around the room. The child not only sees that he or she has created something new and beautiful, but in doing so has been introduced to a new concept—without ever quite realizing that a teaching process has been going on.

In a music class, Anne Cheek introduces the subject of English country dancing as it was practiced in colonial America. In addition to showing her students how the dances are done, she brings in history by telling how these dances fit into the social life of early days. Students are given books about the period, thus polishing their reading skills, and write stories imagining the lives of the people. And they get lessons on the autoharp and the recorder to see how the music was made.

In the Learning Center, a special room set aside for all children to visit each day, the subject for last spring was communications. Children learn how everyone from the most primitive societies to the most sophisticated sends messages to one another. A group of third graders were making a TV commercial, which would be shown on a local station. Other children did a talk show, and one group put on a newscast complete with a serious anchor and a jolly weatherman. On the wall, a huge, circular Aztec sun calendar showed how one early society dealt with the same problems.

In a Spanish class, second graders were dancing and singing to a Spanish tune. "Otra pied," the teacher pointed out, and a small child began a dance step with the other foot. "Muy bien," she said with a

smile. No one seemed to notice that visitors had entered the room.

In an acting class, the children were playing a kind of charades designed to show how to express themselves with their bodies. A group of three or four were given an idea to act out—rocking chair, vacuum cleaner, toll booth—and the others cried out their guesses. Given the word "bacon," one group went into paroxysms of rolling and leaping about on the floor. "Popcorn!" "River!" "Snakes!" "An earthquake!" The teacher carefully praised all, their guesses, saving her special praise for the student who got it right.

In an art class, a young girl lay on a table while two students covered her body with a sheet. An attendant put a drinking straw in her mouth and began covering her face with layers of wet, plaster-soaked gauze pads. "Can you breathe through the straw?" an attendant asked. The straw wiggled back and forth, indicating she could. More and more plaster was applied until the small face was covered completely.

The students were learning history through art. They were studying the Middle Ages, and this exercise was showing them how to make the death masks found on caskets in Gothic cathedrals. "I like it when it turns out, because it looks so cool," one student said.

On a recent visit, children were studying Africa. They all made African tribal masks and learned to make elaborate pottery. They had studied the music, plus its geography and cultural history.

In addition to using creative techniques to learn the Three Rs, the students have time set aside each day to learn music, dance, drama and art. They are clearly enthusiastic about what they are doing; on one classroom door was the legend "Our Future Is So Bright We've Got To Wear. . . ." Below it was a smiling face complete with sunglasses. They write their own plays, often adapting short stories or children's books. Even first graders learn the violin, using the Suzuki method, and others are trained in gymnastics and ballet. They buy and prepare food in a test kitchen, use computers in the Computer Lab and do scientific experiments in the Science Lab.

A Resource Center offers help for children who are not working up to their potential, and even here, the emphasis is on having fun while you learn. Several girls and boys were getting remedial work in math by means of a numbered chart on the floor, on which they leaped about, playing a kind of hopscotch.

No stigma is attached to the Resource Center, and students look forward to going there.

One of the most unusual innovations at Ashley River is a costume closet, to which any child can go on Wednesday or Friday mornings and select an outfit to be worn all day. "They can be whoever they want to be," Myers says, "and they need not tell anyone who they are." One day she saw two little girls in long, flowing gowns sashaying down the hall. One was wearing a white wig and the other giggled, "She's my grandmother." Neither seemed to notice one was white, the other black.

Little attention is paid to visitors, either by students or teachers. In fact, given her desire to expose the school to as many visitors as possible, Myers tells applicants that if they are going to be disturbed by anyone coming in the classroom, they had better go to another school.

As for the students, they are so involved in what they are doing it's hard for an outsider to distract them.

In a second grade classroom, Patty Thompson tells her visitors how their musical play had been created the year before. In the classroom behind her some students are writing, some are trying on different costumes, one little girl is dancing to unheard music; it is the end of the day, but they are all perfectly under control, each doing his or her own thing.

"We were studying fairy and folk tales," Thompson explains, "and I decided to teach the dramatic form by having them turn a west African folk tale into a play." They then decided to create their own fairy tale, calling out suggestions which Thompson wrote down. "If they'd get stuck, I'd tell them to think about it overnight and we'd continue the next day." They finished in a week, then set out to write the songs. After the poems were complete, they began composing tunes, singing them into a tape recorder. One parent scored the music, and a member of the Charleston Ballet helped the young performers choreograph their dances. When they finished, it was put on for parents and staff and then, on request, performed at the famous Piccolo Spoleto festival.

Their creative training does not stop with writing and performing. Third grade students also learn sign language and sign songs for the deaf. In addition to performing, they make videotapes which are sent to schools for children with hearing problems.

Creative writing is recognized, as well. All written assignments are bound into books, designed by the students and published for them to take home. They produce a yearbook, The Unicorn, filled with art, stories and poems. ("Spring is a time to sprout . . . and be born . . . and to see a unicorn," wrote one first grader.)

The unicorn was chosen as the school mascot in an election, and images of unicorns appear throughout the school; there are six in Myers' office alone. The plot of "Happy in the Forest" involved a wounded unicorn; the school singing group is the Unichorus and the newsletter is the Unichronicle. When Myers was selected by the Kennedy Center in Washington to be one of two school administrators from the entire country to go on a cultural exchange trip to China last fall, the students decided she had to have a special name. "She is our chief," one said. "A grand chief!" another chimed in. "We'll call her our Grand Chief Unicorn!"

They made a trip to a local Chinese restaurant to get someone to translate the name into Chinese, and discovered the Chinese have no name for "unicorn." The best they could come up with was "dragon horse." So on her office door is a sign in Chinese with Tie Tawel Lone Ma written underneath—"Grand Chief Dragon Horse." Before she left, the students built a Chinese dragon in her honor and wore it to the airport when she returned.

Also in her office is a color photograph that shows her smiling broadly with a huge red bow tied around her head. My wife asked her about it, and she laughed and said, "You have passed one of my tests. If an applicant can sit through an interview without asking about that picture, I become suspicious that they may be too timid, too uncertain of themselves, to teach in this environment. I want teachers who are comfortable with themselves and have enough self-confidence to ask me why in the world I would act in such a foolish way."

The PTA had given the school a microwave oven, she explains, and it came in a box tied with the ribbon. When the box was opened, "my silly side came out, and I just tied the ribbon around my head." She didn't know someone had snapped a picture until her teachers presented it to her the following Christmas. "Remember, we're professionals" is something she constantly tells her staff. And under the beribboned face are inscribed the words, "Remember, we're professionals."

While her hand-picked teachers are an important reason for the school's success, the relationship they have with parents is equally important. "It's tough to be a parent today," Myers says, "and our job is to help all we can."

She holds regular meetings with them to explain what the school is doing and how they can play a part. "Parents have to be partners. When a parent is there to support what the teacher is doing, it maximizes the learning for their child."

Some of these learning problems are not easy. In addition to the regular students, Ashley River has several dozen children who fall into a category known as "trainable mentally handicapped." These children are severely retarded and would face a life of total dependency, probably in an institution, without help. I watched one teacher using a computer to teach them words and numbers, and their excitement as they grasped these new ideas was obvious.

They are taught as much reading and simple arithmetic as they can absorb and are given practical training in caring for themselves, in shopping at a grocery store and in doing simple jobs. Believing "every living being deserves an opportunity," Myers hopes to teach them enough that they can function on their own.

She described one child who came from a single-parent home where the mother worked two jobs. The child could not speak when he entered kindergarten. He would not raise his head or respond to questions. A few months into his first grade year, the school began planning its annual Christmas play. One of the characters was a cardboard snowman, and the boy was asked to get inside and move about as the snowman "came to life." He not only did his part, but in the process began to come out of his shell and relate to other children. His progress has been remarkable; he's in middle school and has never repeated a grade.

One girl arrived in a wheelchair; she could not use her hands or feet, could not talk, never smiled. She still cannot speak but has learned to walk, and her smiling face shows how happy she is in this loving environment.

Does she ever think there is a child she can't help? "You can never give up on a child," she answers softly.

The school itself is proof of this. There are few problems in attendance (it runs at 97 percent), and unlike most other schools, almost none with discipline. Myers says there are no discipline problems at all with children who begin at Ashley River, but they sometimes have difficulties with children who have transferred from private schools. "These are kids who have bombed out everywhere they've been and it takes awhile to get them straightened out."

The system is simple. When a child misbehaves, the parent is telephoned or a note is sent home. "Parents have a leverage at home we don't have," Myers says, "such as TV or play privileges." Similarly, if a child is absent, the parents are called and told, "We missed your child today." This usually

uncovers the reason and leads to a prompt return.

Problem children are sent to her office, where she tries to find the reason for their behavior. There is a drawing on her wall, done by a child who had been difficult. She hopes seeing his picture on display will show him she values him and wants to be his friend. "It's hard to be tough and still let them know that you care," she says.

The evidence of her caring is shown not by the long waiting list of children whose parents want them admitted to Ashley River and by the repeated hugs she gets from children as she walks down the corridors, but by the awards the school and its teachers have won. These are not only city and state awards; Myers was chosen in 1988 by the Kennedy Center as one of nine outstanding elementary school administrators in the nation.

One of her most loyal supporters is Board of Education member Coleman Glaze, who is deeply concerned about the decline of education in the country and feels her approach is an important part of the solution. "We have lost more ground in the past 50 years than we care to admit," he says. "Businesses in the state have been complaining that they can't find enough qualified people to fill the available jobs. During the 1960s and '70s we didn't demand much of our children, and we didn't get much." He decided it was time to reverse this trend, which is why he backed Ashley River from the start.

"Education is a business," he says, echoing something Myers had told us earlier, "the most important business we have. We used to hire principals and teachers if they could maintain order—the old football coach mentality. Now we know they have to be instructional leaders, and she is one of the best.

"We may have had words, but Rose Maree has never lost sight of the mission."

What can parents do who aren't lucky enough to have a Rose Maree Myers as their child's principal?

"The first thing parents have to understand," she says, "is that they are the strongest force a school system has to bring about change and make quality education possible. Parents have to become involved, to learn what their role in the education of their children has to be. But before they can bring about change, they have to find out what their expectations ought to be. Then they can form support groups, bang on administration doors, keep agitating until they get what they want. They have to recognize that their children deserve a quality education, and that they are the only ones who can make it happen.

"We're teaching children not only to read and write, but to think. The methods we've been using in our schools have been outmoded for a long time. Now we have to start preparing our children for the world we live in today."

(Don McKinney is a former magazine editor who teaches magazine writing and editing at the University of South Carolina.)●

SIX AWARD-WINNING CONNECTICUT SCHOOLS

● Mr. DODD. Mr. President, I would like to salute the important work and continuing contribution of a group of fine schools across the country dedicated to excellence in education. In particular, I rise today to commend six Connecticut winners of this year's U.S. Department of Education's Elementary Recognition Program: The Bess and Paul Sigel Hebrew Academy of Greater Hartford, the Columbus-Magnet School in Norwalk, the Naubuc School in Glastonbury, the St. Brendan School in New Haven, the Tashua School in Trumbull, and the West Hill School in Rocky Hill.

It is no surprise that these six schools were recognized Monday at a White House ceremony for excellence in education; they have long exemplified what is best about education in America.

These schools were recognized for their excellence in academic achievement through responsible behavior on the part of the students, visionary leadership, a high degree of parental involvement, exhibiting a sense of shared purpose among faculty, students, parents, and the community and by providing an environment that challenges all students to learn.

These days we often hear about failing test scores and the decline of education in the United States. It's refreshing—indeed uplifting—to see examples of what can be accomplished when parents, teachers, and students join together to make the most of educational opportunities.

Mr. President, I firmly believe that the one of the greatest gifts we can give our children is the gift of knowledge. It's clear that these six schools consistently give that gift every day, and I applaud their commitment and dedication to excellence in education.●

ELLIS ISLAND REDEDICATION

● Mr. BOSCHWITZ. Mr. President, the recent rededication of Ellis Island is a vivid reminder of the rich immigrant heritage of our great Nation.

As the only immigrant serving in the U.S. Senate, I am proud of this tradition. I strongly believe that immigrants enrich our country—both culturally and intellectually.

If there is one thing that distinguishes us from other nations, it is the fact that virtually all U.S. citizens are immigrants themselves or descendants of immigrants—sons and daughters of immigrants or grandsons and granddaughters of immigrants.

Indeed, more than 100 million Americans—about 40 percent of our Nation's population—can trace their roots through someone who entered Ellis Island in the years 1892 through 1954.

Vice President QUAYLE spoke at the rededication ceremony. His remarks about the journey of millions of immigrants which took them through Ellis Island were moving.

He said:

Look out there now, to that beautiful harbor, and you can picture them—those travelers of an earlier time who spent weeks of loneliness and privation in dark, dank steerage. Picture the steamers drawing near—and suddenly hundreds of people pouring onto the decks. You can almost see how those tired eyes strained for their first glimpse of the world's symbol of freedom.

Picture them searching for the Statue of Liberty through early morning fog—or through the dazzling reflection of sunlight on this water—or through the fading glow of dusk. Lady Liberty was their personal symbol of deliverance from darkness to light, their personal welcome to the promised land where all things were possible, and all sacrifices would be redeemed.

This red-brick world of Ellis Island was their gateway—a place of almost mythic transformation. For through that door to the right surged Russians, Germans, Italians, Slavs, Greeks. But through the door to the left emerged * * * Americans.

The rededication of Ellis Island was well-covered by the media. I have seen numerous stories and pictures of the dedication ceremony and about the history of this great entry point for millions.

While I did not pass through Ellis Island on my entrance to the United States. I have heard the stories of many who did take that route. Most passed through the island in a matter of hours. While it was a bit of a complex process, they still felt comfort by finally setting foot in this land of opportunity.

Covering some 27 acres in New York within view of the Statue of Liberty, 12 million immigrants passed through this facility in a span of 32 years; 1907 was the peak year for immigration, and that is when the record was set at Ellis Island for processing over 11,000 immigrants in a single day.

The newly constructed museum on Ellis Island will serve as an important reminder of the lengthy journeys of millions seeking to settle in a new land—a land of refuge and endless opportunity. It will indeed honor all immigrants and all Americans.

Let me turn briefly to immigration legislation pending before Congress. A thoughtful article written by economist Julian Simon recently appeared in the Washington Post. He calls for more liberal immigration policies and cites the many contributions of immigrants to our Nation. I encourage my colleagues to read this article and ask that it be printed in the RECORD.

The article follows:

[From the Washington Post, Sept. 1, 1990]

IMMIGRATION FOR A STRONGER AMERICA

(By Julian L. Simon)

High on Congress's agenda in September is immigration. The Morrison bill in the House could do more to advance all the goals of the United States during the next decade or two than any other pending legislation. Yet the Bush administration and organized labor—an unlikely couple—seek to gut the bill because of economic ignorance and nativism.

Worldwide, barriers to freedom have been collapsing. Messages and ideas now penetrate everywhere electronically, cheaply. And financial capital speeds from country

to country and, like Mercury, eludes governmental control.

Mobility of goods and people has increased from a walker's pace to jet speed. And political barriers to trade have diminished, despite newspaper stories about trade hassles. All these changes mean more liberty.

Yet there remain barriers to the movement of the most important of "goods"—human beings. Against the economic and cultural welfare of individual nations, and against the interests of all civilization, countries still prevent people from going where they want to go. True, people are no longer penned up in the country in which they are born, except for in the Soviet Union, China, Albania, Vietnam and a few other countries. But without the freedom to enter where they want to go, freedom to leave is of diminished value. We still tell almost all people of talent and energy who wish to join our society, "You may not enter unless you have relatives in the United States."

What foolishness. An unassailable body of recent economic research proves that we are made richer by allowing people to enter freely. We also know from a body of indubitable historical and sociological research that migrants carry valuable ideas with them and create new ideas as a result of having lived in two cultures.

What cheats us of these benefits? Age-old "common sense," economic misunderstanding cum racism (or "nativism," in polite lingo). But sometimes there is an opportunity to drive back the forces of darkness. Now, Rep. Bruce Morrison's (D-Conn.) immigration bill, just voted out of the House Judiciary Committee, promises a bright morning for human liberty.

The main thrust of the Morrison bill is an increase in the number of persons who will be allowed to enter the United States. Keep your eyes focused upon the crucial overall number, and the attempt of the anti-immigration lobby and Sen. Alan Simpson (R-Wyo.) to put a "cap" on immigration. The total matters more than how the overall number will be divided among family reconstitution, skill-based immigration, a point system, this country or that one, etc.

Here are the key demographic and economic facts:

Immigrants do not cause native unemployment, even among low-paid and minority groups. Recent studies all agree that the bogey of "displacement" of natives does not exist. New entrants not only take jobs, they make jobs with their purchasing power and with the new businesses they start.

Immigrants do not rip off natives by overusing welfare services. Immigrants typically arrive when they are young and healthy. Hence new immigrant families use less welfare services than do native families, because immigrants do not receive expensive Social Security and other aid to the aged. And immigrant families pay more taxes than do native families. Therefore, an average immigrant family puts about $2,500 into the public coffers every year—enabling a native breadwinner to retire two years earlier than otherwise.

Immigrants bring high-tech skills that the economy needs badly. Immigrants are not "huddled masses." The proportion of new arrivals with post-graduate education is far higher than the average of the native labor force.

Immigration is low rather than high relative to historical rates of immigration in the peak years at the turn of the century. Immigration as a proportion of population is less than a fourth of what it was earlier. Even in absolute numbers, total immigration is nowhere near its volume a century ago.

The foreign-born population is only about 6 percent now—less than the proportion in such countries as Great Britain, France and Germany, vastly lower than in Australia and Canada and less than half of what it used to be here.

Natural resources and the environment are not at risk from immigration. The long-term trends reveal that our air and water are getting cleaner rather than dirtier, and our supplies of natural resources are becoming more available rather than exhausted, contrary to common belief. Immigration increases the technical knowledge that speeds these benign trends.

Immigration reduces the social costs of the elderly, which can't be cut. More and more of the U.S. population is retired, with a smaller proportion of adults in the labor force. New immigrants typically are just entering the prime of their work lives and taxpaying years. Immigration is the only feasible way to lighten the Social Security burden of the aging U.S. population. It also reduces the federal deficit, which would not exist if people still lived the short lives and had the large numbers of children that they did early in this century.●

PUEBLO ADOPTS U.S.S. "REID"

● Mr. ARMSTRONG. Mr. President, Pueblo Elks Lodge No. 90 has taken a bold step in support of our Armed Forces serving in the Persian Gulf—they're the first Elks Lodge in the Nation to adopt a military unit officially. Lodge No. 90 has adopted the U.S.S. *Reid*, a guided missile frigate serving in the gulf. This action demonstrates again Pueblo's commitment to our men and women serving to defend America's interests around the world.

Chapter No. 90 of the Benevolent and Protective Order of Elks in Pueblo was founded in 1888, and has always been a strong supporter of our service men and women. They recognize that democracy thrives not on privileges accepted complacently, but on obligations met courageously; that sacrifice, eternal vigilance, and preparedness are the price of liberty. It is within this framework Pueblo Lodge No. 90 recognizes the need to support those who are placing their lives in jeopardy defending our country's interests in the Persian Gulf. Therefore, they have chosen to adopt the U.S.S. *Reid* to demonstrate that support.

The U.S.S. *Reid* is the guided missile frigate that fired the first shots in the current naval blockade in an attempt to stop a blockade-running Iraqi ship. The frigate bears the name borne by three former destroyers who were named after sailing master Samuel Chester Reid. Samuel Reid served in the U.S. Navy from 1783 to 1861, was a hero of the War of 1812 and a designer of the U.S.-flag in its present form. The first destroyer named *Reid* attacked enemy submarines while on escort and patrol during World War I. The third U.S. naval ship named for Samuel Reid was one of the outstanding destroyers in Pacific combat operations in World War II until her loss in December 1944, while fighting off massive suicide plane attacks during the liberation of the Philippines. Thus the current frigate carries, along with her name, a long tradition of valiant efforts in the service and defense of our country.

The Pueblo Elks Lodge hopes, as the first Benevolent and Protective Chapter of the Order of the Elks to adopt a military unit, that it will set an example of support for our service men and women for other lodges and other organizations throughout the country. The patriotic citizens of Pueblo deserve our notice and commendation.●

THE CENTENNIAL CELEBRATION OF INDIAN HEAD NAVAL ORDNANCE STATION

● Mr. SARBANES. Mr. President, on September 25 the Naval Ordnance Station at Indian Head, MD, will mark its centennial of service to our Nation.

On the occasion of the station's 100th birthday, I rise to pay tribute to this facility and to the men and women whose dedication and service have given it the excellent national reputation that it so richly deserves. Last year I had the opportunity to spend a day at Indian Head visiting with its able commanding officer, Capt. Edwin P. Nicholson. Before I left, I told him how fortunate he is that his own commitment to public service is matched by that of his 2,900 employees. In my view, Mr. President, those dedicated military personnel and civilian employees are national assets.

Mr. President, the station has been an important part of Charles County and the State of Maryland since its founding in 1890. During its first 10 years of operation, the facility concentrated on testing gun powder. The station, then known as the Naval Proving Ground, was the first military facility to produce smokeless powder.

The facility grew during World War I and was redesignated as the Naval Powder Factory in 1932. During World War II, the factory concentrated on the development of flashless powder and research on rockets and antitank weapons. By the end of that war, there had been substantial new construction on the property and propellant research had been added to the station's mission. by 1943, Route 210 had been completed, connecting Indian Head with the Nation's Capital.

Four new production plants were added during the Korean war and in 1958 the facility was renamed the Naval Propellant Plant. Two years later, a total of 23 buildings were added for the manufacture of Polaris missile propellant.

In 1966, the facility was redesignated the Naval Ordnance Station and,

throughout the war in Vietnam, its production lines operated close to full capacity. Since then, the station has concentrated on highly technical engineering support.

Today, the Indian Head facility proudly provides ordnance and weapons support to the Navy and the Armed Forces of the United States and our allies. It includes a number of engineering centers of excellence and plays a critical role in solid propulsion ordnance technology. The station also continues its long tradition as a manufacturer of ordnance.

It is with great pride that I will participate in the Naval Ordnance Station's celebration of a century of excellence and I urge my colleagues to join me in saluting the station's men and women for their service to our great Nation.●

BETTER HEALTH PROTECTION FOR MOTHERS AND CHILDREN ACT OF 1990

● Mr. BRADLEY, Mr. President, I rise to cosponsor the Medicaid Better Health Protection for Mothers and Children Act of 1990. This legislation would significantly expand coverage and benefits for a significant portion of our most at-risk population in America, poor children. The legislation would expand coverage to all children below the age of 19 up to the Federal poverty level. In addition, the bill will set national standards for Medicaid payments to providers of obstetric and pediatric services. These changes, properly implemented, can assure access to care and a high quality of care for all poor pregnant women and children.

Our record on how we treat children in America today is less than exemplary. It is unacceptable that in America today, infant mortality is higher than in all other industrialized nations. It is unacceptable that the country that pioneered the development of vaccines should have childhood immunization rates among minority Americans that rank behind 48 other countries including Albania and Botswana. A country that can put men on the Moon and can dream of sending men to Mars can surely find ways to add ounces to the birthweight of an infant or to get children to the doctor for preventive health care.

This bill will greatly expand health care coverage to the 12 million children who are currently uninsured. Our greatness as a nation is diminished by our reluctance to provide basic health care to our children. This bill helps us to begin to redress this glaring omission. It provides full Federal funding for these expansions in the next 3 years with a gradual phasing in of State matching dollars over the ensuing 3 years. This will ensure their timely implementation. The program expansion will be funded through a cigarette excise tax increase.

I urge my colleagues to support this important legislation.●

UNANIMOUS-CONSENT AGREEMENT

ORDERS

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate recesses today it stand in recess until 10 a.m., tomorrow, Thursday, September 20; that following the prayer, the Journal of proceedings be deemed approved to date; that following the time for the two leaders under the standing order there be a period of time for the transaction of routine morning business, not to extend beyond 11 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each; that when the Senate recesses at the close of business tomorrow, Thursday, September 20, it stand in adjournment or recess until Monday, September 24, at 9:30 a.m.; that following the prayer the Journal of proceedings be deemed approved to date; that following the time reserved for the two leaders there be a period for the transaction of routine morning business not to extend beyond 10 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each; that at 10 a.m. on Monday the Senate resume consideration of S. 1224, the CAFE standards bill, for debate on amendments to the bill and to the committee substitute; that any votes ordered with respect to this measure on which agreement can be reached occur upon the disposition of S. 1511; that when the Senate recesses at the close of business on Monday, September 24, it stand in recess or adjournment until Tuesday, September 25, at 8:45 a.m; that following the prayer the Journal of proceedings be deemed approved to date, that the time for the two leaders be reserved for their use later in the day, and that there then be a period for the transaction of routine morning business not to extend beyond 9 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each; that at 9 a.m. the Senate proceed to the consideration of Calendar No. 182, S. 110, the title X bill, and that at 11:30 a.m. the Senate resume consideration of S. 1224, the CAFE standards bill, for debate only for 1 hour with the time to be equally divided and controlled between Senators BRYAN and RIEGLE or their designees; that at the conclusion or yielding back of that time, the Senate stand in recess until 2:15 p.m. for the two party conferences; and that at 2:15 p.m., the Senate proceed to vote to invoke cloture on the committee substitute as amended, if amended, to S. 1224; and that immediately following the completion of that vote, regardless of the outcome, the Senate proceed to the Executive Calendar under the consent agreement that has previously been entered; that following the disposition of the Executive Calendar treaties and upon the resumption of legislative session, the Senate resume consideration of S. 110, the title X bill, regardless of the outcome of the earlier cloture vote on S. 1224, the CAFE standards bill; that on Wednesday morning, September 26, immediately following the conclusion of morning business, there be a vote on a motion to invoke cloture on the committee substitute, as modified, to S. 110, the title X bill, to be followed immediately, regardless of the outcome of that cloture vote, by a cloture vote on the motion to proceed to the consideration of Calendar No. 260, S. 874, the motor-voter bill; and that the filing of the petition and the live quorum as required under rule XXII be waived with respect to each of the three cloture votes that I have listed; and that the Senate consider and dispose of the above measures in the order in which cloture was invoked in relation thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

SCHEDULE

Mr. MITCHELL. Mr. President, I want to clarify for the record that if we invoke cloture on any of the committee substitutes, the Senate will remain on that measure until final disposition of that measure, prior to the next measure on which cloture has been invoked being brought before the Senate.

Mr. President, let me now attempt to recapitulate in chronological order the various measures that the Senate will be considering on next Monday through Wednesday, because what we have been able to do through these various agreements is to organize the schedule in a compact manner, which would ordinarily have required several days of Senate action, and which will permit us to proceed and not to require any votes during the 2 days of religious holiday upcoming on tomorrow and Friday.

At 10 a.m. on Monday morning, the Senate will return to consideration of the CAFE standards bill. That will be debated during the day. At 5 p.m. on Monday, the Senate will return to consideration of the older workers bill under the agreement previously obtained with respect to that measure. At 7 p.m. on Monday, votes will occur with respect to the older workers bill as set forth under the previous agreement.

If during consideration of the CAFE standards bill during the day on Monday, there has been agreement to order a vote on any amendments to that bill, votes on those amendments

will occur after the votes on the amendments to the Older Workers Act, as previously described.

So votes on Monday will occur, beginning at 7 p.m., first with respect to the older workers bill, as described in that agreement, and immediately following that with respect to the CAFE standards bill, if there have been any votes ordered with respect to that bill.

On Tuesday morning at 9 o'clock, the Senate will take up the title X bill. There will be a period for amendment and debate to that bill until 11:30 Tuesday morning when, for 1 hour, there will be debate only on the CAFE standards bill prior to the cloture vote on that bill. That cloture vote will occur at 2:15 p.m. immediately following the party conferences.

Immediately thereafter, at 2:30 on Tuesday, the Senate will take up the two executive treaties now pending on the calendar, with 2 hours of debate and then votes on those two treaties, which should occur at about 4:30 p.m. on Tuesday.

Immediately following those votes and, therefore, at about 5 p.m. on Tuesday, the Senate will return to consideration of the title X bill, and will continue on that bill for the remainder of that legislative day.

On Wednesday, the first matter will be a cloture vote on the title X bill, and that will be immediately followed by a cloture vote on the motion to proceed to the motor-voter bill.

As I indicated in my earlier remarks, if cloture is invoked on any of the three measures with respect to which cloture votes will occur on Tuesday or Wednesday, those measures will be taken up in the order in which cloture has been invoked, and if a committee substitute is involved, the Senate will remain on that particular measure until final disposition of the measure occurs before the next measure is brought before the Senate.

This means, Mr. President, that there will be a substantial number of votes, and the disposition of a substantial number of measures early next week, all of which has been made possible by the cooperation of the many Senators involved in these various bills. And although there have been lengthly periods of delay today, I believe ultimately they have proven to be productive as we now are able to assure Senators that there will be no recorded votes on tomorrow or Friday, and the next recorded votes will occur not earlier than 7 p.m. on Monday.

Mr. President, again, I thank all of my colleagues for their cooperation in these matters, and I think fairness dictates thanks to the staff on both sides, who are responsible for putting this complicated but I think very productive agreement in order.

CORRECTION IN THE ENGROSSMENT OF H.R. 5241

Mr. MITCHELL. Mr. President, I ask unanimous consent that in the engrossment of H.R. 5241, the Treasury appropriations bill, amendment No. 2614, that the following be inserted which I send to the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 10 A.M. TOMORROW

Mr. MITCHELL. Mr. President, if no other Senator is seeking recognition, I now ask unanimous consent that the Senate stand in recess, as under the previous order, until 10 a.m. tomorrow.

There being no objection, at 6:28 p.m., the Senate recessed until Thursday, September 20, 1990, at 10 a.m.

NOMINATIONS

Executive nominations received by the Senate September 19, 1990:

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

MARY SHANNON BRUNETTE, OF VIRGINIA, TO BE AN ASSISTANT SECRETARY OF HOUSING AND URBAN DEVELOPMENT, VICE SHERRIE SANDY ROLLINS.

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

VICE ADM. ROBERT J. KELLY, U.S. NAVY, [redacted]

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

ADM. CHARLES R. LARSON, U.S. NAVY, [redacted]

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be admiral

VICE ADM. WILLIAM D. SMITH, U.S. NAVY, [redacted]

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES AS ASSISTANT SURGEON GENERAL OF THE ARMY/CHIEF DENTAL CORPS AND APPOINTED TO THE GRADE OF MAJOR GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 3036 AND 3039:

To be permanent major general

To be assistant surgeon general/chief, Dental Corps.

BRIG. GEN. THOMAS R. TEMPEL, [redacted] U.S. ARMY.

THE FOLLOWING-NAMED ARMY MEDICAL CORPS OFFICERS FOR APPOINTMENT IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTIONS 611(A) AND 624(C):

To be permanent major general

BRIG. GEN. MICHAEL J. SCOTTI, [redacted] U.S. ARMY

To be permanent brigadier general

COL. RONALD R. BLANCK, [redacted] U.S. ARMY.

HOUSE OF REPRESENTATIVES—*Wednesday, September 19, 1990*

The House met at 10 a.m.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We give thanks, O God, that so many people know the security of homes and families and experience the warmth and presence of those they love. On this day remember, gracious God, those women and men who do not live as free people or share in the liberties that protect us each day. May Your good grace, that is not bound by time or place, that is Your free gift to every person whatever their circumstance, be with all those who yearn for peace and hope for reunion with those they love. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. HEFLEY. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HEFLEY. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 278, nays 115, not voting 39, as follows:

[Roll No. 348]

YEAS—278

Ackerman	Bonior	Clement
Alexander	Borski	Coleman (MO)
Anderson	Bosco	Coleman (TX)
Andrews	Boucher	Collins
Annunzio	Boxer	Combest
Anthony	Brennan	Condit
Applegate	Brooks	Conte
Archer	Browder	Cooper
Aspin	Brown (CA)	Costello
Atkins	Bruce	Coyne
Barnard	Bryant	Darden
Bartlett	Bustamante	de la Garza
Bateman	Byron	Dellums
Bates	Callahan	Derrick
Beilenson	Campbell (CO)	Dicks
Bennett	Cardin	Dingell
Berman	Carper	Donnelly
Bevill	Carr	Dorgan (ND)
Bilbray	Chapman	Downey
Boggs	Clarke	Durbin
Dwyer	LaFalce	Richardson
Dymally	Lancaster	Rinaldo
Early	Lantos	Ritter
Eckart	Laughlin	Robinson
Edwards (CA)	Lehman (CA)	Roe
Emerson	Lehman (FL)	Rose
Engel	Lent	Rostenkowski
English	Levin (MI)	Roth
Erdreich	Lewis (GA)	Rowland (CT)
Espy	Lipinski	Rowland (GA)
Evans	Long	Roybal
Fascell	Lowey (NY)	Russo
Fazio	Luken, Thomas	Sabo
Feighan	Manton	Saiki
Fish	Markey	Sangmeister
Flippo	Martinez	Sawyer
Foglietta	Matsui	Saxton
Frank	Mazzoli	Scheuer
Frost	McCloskey	Schiff
Gaydos	McCollum	Schneider
Gejdenson	McCurdy	Schulze
Gephardt	McDermott	Schumer
Geren	McEwen	Serrano
Gibbons	McHugh	Sharp
Gillmor	McMillen (MD)	Shaw
Gilman	McNulty	Shuster
Gingrich	Mfume	Sisisky
Glickman	Michel	Skaggs
Gonzalez	Miller (CA)	Skeen
Gordon	Mineta	Skelton
Gradison	Moakley	Slattery
Grant	Mollohan	Slaughter (NY)
Gray	Montgomery	Smith (IA)
Green	Moody	Smith (NE)
Guarini	Morella	Smith (NJ)
Gunderson	Morrison (CT)	Snowe
Hall (OH)	Morrison (WA)	Solarz
Hall (TX)	Mrazek	Spence
Hamilton	Murtha	Spratt
Hammerschmidt	Myers	Staggers
Harris	Natcher	Stallings
Hatcher	Neal (MA)	Stark
Hawkins	Nelson	Stenholm
Hayes (IL)	Nowak	Studds
Hayes (LA)	Oakar	Swift
Hefner	Oberstar	Synar
Hertel	Obey	Tallon
Hoagland	Olin	Tanner
Hochbrueckner	Ortiz	Tauzin
Horton	Owens (NY)	Taylor
Houghton	Owens (UT)	Thomas (GA)
Hoyer	Packard	Torres
Hubbard	Pallone	Torricelli
Huckaby	Panetta	Traficant
Hughes	Parker	Traxler
Hutto	Patterson	Valentine
Jenkins	Payne (NJ)	Vander Jagt
Johnson (CT)	Payne (VA)	Vento
Johnson (SD)	Pease	Visclosky
Johnston	Pelosi	Volkmer
Jones (GA)	Penny	Walgren
Jones (NC)	Perkins	Walsh
Jontz	Petri	Waxman
Kanjorski	Pickett	Weiss
Kaptur	Pickle	Wheat
Kasich	Porter	Whitten
Kastenmeier	Poshard	Wilson
Kennedy	Price	Wolpe
Kennelly	Pursell	Wyden
Kildee	Quillen	Wylie
Kleczka	Rangel	Yates
Kolter	Ravenel	Yatron
Kostmayer	Ray	

NAYS—115

Armey	Bunning	Dannemeyer
Baker	Burton	Davis
Ballenger	Campbell (CA)	DeLay
Barton	Chandler	DeWine
Bentley	Clinger	Dickinson
Bereuter	Coble	Dornan (CA)
Billey	Coughlin	Douglas
Boehlert	Courter	Dreier
Brown (CO)	Cox	Duncan
Buechner	Craig	Edwards (OK)
Fawell	Livingston	Sensenbrenner
Fields	Lukens, Donald	Shays
Frenzel	Machtley	Sikorski
Gallegly	Madigan	Slaughter (VA)
Gallo	Marlenee	Smith (TX)
Gekas	Martin (IL)	Smith (VT)
Goss	Martin (NY)	Smith, Denny (OR)
Grandy	McCrery	Smith, Robert (NH)
Hancock	McGrath	Smith, Robert (OR)
Hansen	McMillan (NC)	Solomon
Hastert	Meyers	Stearns
Hefley	Miller (OH)	Stump
Henry	Miller (WA)	Sundquist
Herger	Molinari	Tauke
Hiler	Moorhead	Thomas (CA)
Holloway	Nielson	Thomas (WY)
Hopkins	Oxley	Upton
Hunter	Parris	Vucanovich
Hyde	Pashayan	Walker
Inhofe	Regula	Weber
Ireland	Rhodes	Weldon
Jacobs	Ridge	Whittaker
James	Roberts	Wolf
Kolbe	Rogers	Young (AK)
Kyl	Rohrabacher	Young (FL)
Lagomarsino	Ros-Lehtinen	
Leach (IA)	Roukema	
Lewis (CA)	Schaefer	
Lewis (FL)	Schroeder	
Lightfoot	Schuette	

NOT VOTING—39

AuCoin	Goodling	Sarpalius
Bilirakis	Leath (TX)	Savage
Broomfield	Levine (CA)	Shumway
Clay	Lloyd	Smith (FL)
Conyers	Lowery (CA)	Stangeland
Crane	Mavroules	Stokes
Crockett	McCandless	Towns
DeFazio	McDade	Udall
Dixon	Murphy	Unsoeld
Dyson	Nagle	Washington
Flake	Neal (NC)	Watkins
Ford (MI)	Paxon	Williams
Ford (TN)	Rahall	Wise

□ 1024

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentlewoman from Ohio [Ms. KAPTUR] please come forward and lead the House in the Pledge of Allegiance?

Ms. KAPTUR led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a bill and concurrent resolution of the House of the following titles:

H.R. 4473. An act to authorize the President to call and conduct a National White House Conference on Small Business, and

H. Con. Res. 338. Concurrent resolution authorizing the printing of the proceedings of the bicentennial research conference entitled "Understanding Congress."

The message also announced that the Senate had passed with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 3897. An act to authorize appropriations for the Administrative Conference of the United States for fiscal years 1991, 1992, 1993, and 1994, and for other purposes, and

H.R. 5400. An act to amend the Federal Election Campaign Act of 1971 and certain related laws to clarify such provisions with respect to Federal elections, to reduce costs in House of Representatives elections, and for other purposes.

The message also announced that the Senate insists upon its amendment to the bill (H.R. 5400) "An act to amend the Federal Election Campaign Act of 1971 and certain related laws to clarify such provisions with respect to Federal elections, to reduce costs in House of Representatives elections, and for other purposes," requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. FORD, Mr. BYRD, Mr. INOUYE, Mr. DECONCINI, Mr. BOREN, Mr. BREAUX, Mr. STEVENS, Mr. MCCONNELL, Mr. PACKWOOD, Mr. RUDMAN, and Mr. NICKLES; for matters within the jurisdiction of the Committee on Finance: Mr. BENTSEN and Mr. PACKWOOD; to be the conferees on the part of the Senate.

The message also announced that the Senate disagrees to the amendment of the House to the bill (S. 2104) entitled "An act to amend the Civil Rights Act of 1964 to restore and strengthen civil rights laws that ban discrimination in employment, and for other purposes," agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KENNEDY, Mr. METZENBAUM, Mr. SIMON, Ms. MIKULSKI, Mr. HATCH, Mrs. KASSEBAUM, and Mr. JEFFORDS, to be the conferees on the part of the Senate.

The message also announced that, pursuant to section 1295(b), title 46, of the United States Code, the Chair on behalf of the Vice President, appoints Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation; Mr. BREAUX, from the Committee on Commerce, Science, and Transportation; Mr. PRESSLER, from the Committee on Commerce, Science, and Transportation; and Mr. MURKOWSKI, at large; to the Board of Visitors of the U.S. Merchant Marine Academy.

The message also announced that, pursuant to section 114(b)(1) of Public Law 100-458, the Chair on behalf of the majority leader, reappoints William Cresswell, of Mississippi, to serve a 6-year term on the Board of Trustees of the John C. Stennis Center for Public Service Training and Development, effective October 11, 1990.

The message also announced that, pursuant to section 194(a), title 14, of the United States Code, the Chair on behalf of the Vice President, appoints Mr. HOLLINGS, from the Committee on Commerce, Science, and Transportation; Mr. DANFORTH, from the Committee on Commerce, Science, and Transportation; and Mr. HELMS, at large; to the Board of Visitors of the U.S. Coast Guard Academy.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

The SPEAKER. Pursuant to House Resolution 457 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 4739.

□ 1028

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, with Mr. DURBIN [Chairman pro tempore] in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Tuesday, September 18, 1990, it had completed all amendments printed in part 2 of House Report 101-693, except for those amendments that will be included in the en bloc amendment offered by the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I would like to proceed at this time to engage in a discussion with the gentleman from Alabama [Mr. DICKINSON] about the schedule. We are hoping to finish this bill close to the noon hour. We just want Members to understand what is remaining on the program to deal with this bill and what the order is.

According to my sheet, and having worked this out previously with the gentleman from Alabama, this is the schedule as I see it, and I wanted to check with the gentleman from Alabama to make sure that we are on the same wavelength on this.

The first order of business is the en bloc amendment which I will offer as soon as we begin consideration of the legislative schedule here. That is 20 minutes of debate, 10 minutes for and 10 minutes against, followed, of course, by a vote.

The next amendment that is in order is the Dickinson alternative. Again that is 20 minutes of debate, 10 minutes for and 10 minutes against, if the gentleman from Alabama offers his amendment, and then a vote on that.

Following that is a budget adjustment amendment that I will be offering, which is the amendment that would adjust for some of the changes that have taken place and there are some important things that we are doing there for the troops that are in the gulf and other things that a lot of Members would like to have a chance to talk on.

□ 1030

That is 40 minutes of debate, 20 minutes for and 20 minutes against, followed by a vote.

Then the other issues that remain are a motion to recommit and final passage.

The gentleman from Alabama [Mr. DICKINSON], of course, has a motion to recommit.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I am happy to yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Chairman, let me say that I agree with the gentleman's understanding of the sequence of events. As to an amendment made in order, the Dickinson good-government amendment, this was fashioned and requested prior to the events of the Persian Gulf. It has been my intent to have certain add-backs deleted and transfer some of the funds of add-ons for other things that I felt were more necessary.

In view of what has happened in the Persian Gulf and the consequence of the transfer of these funds, it is not my intention to offer that amendment; so that is about 40 minutes of savings there.

The Aspin budget adjustments, of course, which I recognize has been coming, but actually we did not see the particulars until about 9 o'clock last night. We are still studying those. I do not know that there would be anything in there objectionable, but there will be some debate on it.

I do intend to offer a motion to recommit that is being fashioned now. As soon as we get it in final shape, I will furnish the gentleman a copy. I think that the gentleman has properly explained the sequence of events, and I think that he is probably right as to the time we might get out of here.

Mr. ASPIN. Mr. Chairman, I thank the gentleman from Alabama.

The CHAIRMAN pro tempore (Mr. DURBIN). It is now in order to consider the amendments en bloc consisting of amendments printed in part 2 of House Report 101-693 offered by the gentleman from Wisconsin.

AMENDMENTS EN BLOC OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer amendments en bloc.

The CHAIRMAN pro tempore. The Clerk will designate the amendments en bloc.

The text of the amendments en bloc is as follows:

Amendments en bloc offered by Mr. ASPIN: Pursuant to House Resolution 461 Mr. ASPIN of Wisconsin offers the following amendments en bloc. Numbers refer to the amendments as printed in part II of the report of the Committee on Rules providing for the further consideration of H.R. 4739 (H. Rept. 101-693).

Amendment number	Sponsor	Modified?
1	Mr. Aspin	No.
4	Mr. Bennett	No.
5	Mr. Berman	Yes.
9	Mr. Bryant	Yes.
10	Mr. Campbell of California.	No.
12	Mr. Dicks	No.
14	Mr. Fascell	Yes.
15	Mr. Fazio	No.
16	Mr. Fazio	No.
19	Mr. Jones of North Carolina.	Yes.
20	Mr. Kennedy	Yes.
21	Mr. Kyl	No.
23	Mr. Leath	No.
24	Mr. Leath	No.
25	Mr. Levine	No.
26	Mr. Martin of New York.	No.
27	Mr. Moody	Yes.
28	Mr. Porter	Yes.
30	Mr. Spratt	No.
32	Mr. Wyden	No.
33	Mr. Wyden	Yes.

(Amendment offered by Mr. ASPIN of Wisconsin, Mr. MACHTLEY of Rhode Island, Mr. SHARP of Indiana, and Mr. MARKEY of Massachusetts) (Amdt. No. 1 in part II of the report of the Committee on Rules)

Insert the following new part at the end of title XXVIII (page 442, after line 2) (and make corresponding changes in the table of contents):

PART 4—DEPARTMENT OF DEFENSE ENERGY SAVINGS

SEC. 2851. DEPARTMENT OF DEFENSE ENERGY SAVINGS PROGRAM.

"(a) IN GENERAL.—Subchapter III of chapter 169 of title 10, United States Code, is amended by adding the following at the end:

"§ 2865. Energy savings at military installations

"(a)(1) The Secretary of Defense shall designate an energy performance goal for the Department of Defense for the years 1991 through 2000.

"(2) To achieve the goal designated under paragraph (1), the Secretary shall develop a comprehensive plan to identify and accomplish energy conservation measures to achieve maximum cost-effective energy savings.

"(3) For the purpose of implementing any energy performance plan, the Secretary shall provide that the selection of energy conservation measures under such plan shall be limited to those with a positive net present value over a period of 10 years or less.

"(b)(1) The Secretary shall provide that two-thirds of the portion of the funds appropriated to the Department of Defense for a fiscal year that is equal to the amount of energy cost savings realized by the Department, including financial benefits resulting from shared energy savings contracts and financial incentives described in paragraph (3)(B), for any fiscal year beginning after fiscal year 1990 shall remain available for obligation under paragraph (2) through the end of the fiscal year following the fiscal year for which the funds were appropriated, without additional authorization or appropriation.

"(2) The amount that remains available for obligation under paragraph (1) shall be utilized as follows:

"(A) One-half of the amount shall be used for the implementation of additional energy conservation measures at such buildings, facilities, or installations of the Department of Defense as the head of the department, agency, or instrumentality that realized the savings may designate in accordance with regulations prescribed by the Secretary of Defense.

"(B) One-half of the amount shall be used at the installation at which the savings were realized, as determined by the commanding officer of such installation consistent with applicable law and regulations, for—

"(i) Improvements to existing military family housing units;

"(ii) any unspecified minor construction project that will enhance the quality of life of personnel; or

"(iii) any morale, welfare, or recreation facility or service.

"(3) The Secretary—

"(A) shall permit and encourage each military department, defense agency, and other instrumentality of the Department of Defense to participate in programs conducted by any gas or electric utility for the management of electricity demand or for energy conservation; and

"(B) may authorize any military installation to accept any financial incentive, generally available from any such utility, to adopt technologies and practices that the Secretary determines are cost-effective for the Federal Government.

"(c)(1) The Secretary of Defense shall develop a simplified method of contracting for shared energy savings contract services that will accelerate the use of these contracts with respect to military installations and will reduce the administrative effort and cost on the part of the Department as well as the private sector.

"(2)(A) In carrying out paragraph (1), the Secretary of Defense may—

"(i) request statements of qualifications (as prescribed by the Secretary of Defense), including financial and performance information, from firms engaged in providing shared energy savings contracting;

"(ii) designate from the statements received, with an update at least annually, those firms that are presumptively qualified to provide shared energy savings services;

"(iii) select at least three firms from the qualifying list to conduct discussions concerning a particular proposed project, including requesting a technical and price proposal from such selected firms for such project; and

"(iv) select from such firms the most qualified firm to provide shared energy savings services pursuant to a contractual arrangement that the Secretary determines is fair and reasonable, taking into account the estimated value of the services to be rendered and the scope and nature of the project.

"(B) In carrying out paragraph (1), the Secretary may also provide for the direct negotiation, by departments, agencies, and instrumentalities of the Department of Defense, of contracts with shared energy savings contractors that have been selected competitively and approved by any gas or electric utility serving the department, agency, or instrumentality concerned."

(b) The table of contents for such subchapter is amended by adding at the end the following:

"Sec. 2865. Energy savings at military installations.".

SEC. 2852. TECHNICAL AMENDMENTS.

(a) Section 2394a(c) of title 10, United States Code, is amended by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) A determination under paragraph (1) concerning whether a cost-differential can be recovered over the expected life of a system shall be made using the life-cycle cost methods and procedures established pursuant to section 544(a) of the National Energy Conservation Policy Act.".

(b) Section 2857(c)(1) of title 10, United States Code, is amended by striking out paragraphs (2) and (3) and inserting in lieu thereof the following:

"(2) A determination under paragraph (1) concerning whether a cost-differential can be recovered over the expected life of a facility shall be made using the life-cycle cost methods and procedures established pursuant to section 544(a) of the National Energy Conservation Policy Act.".

(Amendment offered by Mr. BENNETT of Florida) (Amdt. No. 4 in part II of the report of the Committee on Rules)

At the end of part E of title I (page 26, line 14), insert the following new section:

SEC. 153. 5-INCH GUN AMMUNITION.

None of the funds authorized to be appropriated in section 102 for Weapons Procurement, Navy, shall be available for procurement of 16-inch gun ammunition. Of the funds appropriated for fiscal year 1991 for Weapons Procurement, Navy, $49,333,000 shall be available only for procurement of 5-inch gun ammunition.

(Amendment offered by Mr. BERMAN) (Amdt. No. 5 in part II of the report of the Committee on Rules)

Add the following after title XIII (page 359, after line 2):

TITLE XIV—TECHNOLOGY CONTROL REGIME

SEC. 1401. SHORT TITLE.

This title may be cited as the "Missile Technology Control Act of 1990".

SEC. 1402. POLICY.

(a) IN GENERAL.—It should be the policy of the United States to take all appropriate measures—

(1) to discourage the proliferation, development, and production of the weapons, material, and technology necessary and intended to produce or acquire missiles that can deliver weapons of mass destruction;

(2) to discourage countries from aiding and abetting any states from acquiring such weapons, material, and technology;

(3) to strengthen United States and multilateral export controls to prohibit the flow of materials, equipment, and technology that woud assist countries in acquiring the ability to produce or acquire missiles that can deliver weapons of mass destruction, including missiles, warheads and weaponization technology, targeting technology, test and evaluation technology, and range and weapons effect measurement technology;

(4) to discourage private persons in other countries from assisting any states in acquiring such material and technology; and

(5) to monitor closely the development, sale, acquisition, and deployment of missiles, destabilizing offensive aircraft, and other weapons delivery systems which can be used to deliver weapons of mass destruction, and to make every effort to discourage such activity when such delivery systems seem likely to be used for such purposes.

(b) MULTILATERAL DIPLOMACY.—The United States should seek to pursue the policy described in subsection (a) to the fullest extent practicable and effective through bilateral and multilateral diplomacy.

SEC. 1403. ENFORCEMENT OF INTERNATIONAL CONTROLS ON MISSILE TECHNOLOGY.

(a) DETERMINATION BY THE PRESIDENT.—Subject to subsections (c), (d), and (e), the President shall impose not less than one of the applicable sanctions described in subsection (b) whenever there is reliable evidence, as determined by the President, of any of the following:

(1) That a United States person—

(A) exports, transfers, or otherwise engages in the trade of any internationally controlled missile technology in violation of the provisions of section 38 of the Arms Export Control Act (22 U.S.C. 2778) or section 5 or 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2404 or 2405), or any regulations issued under any such provisions,

(B) conspires to or attempts to engage in such export, transfer, or trade, or

(C) knowingly facilitates such export, transfer, or trade by any other person.

(2) That a foreign person—

(A) exports, transfers, or otherwise engages in the trade of any internationally controlled missile technology for which an export license would be denied if such export, transfer, or trade were subject to those provisions of law and regulations referred to in paragraph (1)(A),

(B) conspires to or attempts to engage in such export, transfer, or trade, or

(C) knowingly facilitates such export, transfer, or trade by any other person.

(b) SANCTIONS.—

(1) The sanctions which apply to a United States person under subsection (a) are the following:

(A) Denying such United States person all export licenses under section 38 of the Arms Export Control Act (22 U.S.C. 2778) and sections 5 and 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2404 and 2405).

(B) Prohibiting all contracting with, or procurement of any products and/or services from, such United States person by any department, agency, or instrumentality of the United States Government.

(C) In a case in which the President determines that the acts by the United States person under subsection (a) are not destabilizing and that the person has not committed acts under subsection (a) previously, the sanctions described in subparagraphs (A) and (B), but only with respect to internationally controlled missile technology.

(2) The sanctions which apply to a foreign person under subsection (a) are the following:

(A) Denying the issuance of any export license under section 38 of the Arms Export Control Act (22 U.S.C. 2778) or section 5 or section 6 of the Export Administration Act of 1979 (50 U.S.C. App. 2404, 2405) if such foreign person, or an agent of such foreign person, is the designated consignee or end-user in the application for such export license.

(B) Prohibiting all contracting with, or procurement of any products or services from, such foreign person by any department, agency, or instrumentality of the United States Government.

(C) In a case in which the President determines that the acts by the foreign person under subsection (a) are not destabilizing and that the person has not committed acts under subsection (a) previously, the sanctions described in subparagraphs (A) and (B), but only with respect to internationally controlled missile technology.

(3) Paragraphs (1)(B) and (2)(B) do not apply with respect to any contract which would supply products or services valued at—

(A) $20,000 or less of the value of a finished good for which the contract is entered into, or

(B) 3 percent or less of the average unit cost of such finished good.

(4) Sanctions under this section shall be imposed for a period of not less than 2 years and not more than 5 years.

(c) WAIVER.—The President may waive the imposition of sanctions on a person under subsection (a) with respect to a product or service if the President submits to Congress a certification that—

(1) the product or service is essential to the national security of the United States;

(2) such person is a sole source supplier of the product or service, the product or service is not available from any alternative reliable supplier, and the need for the product or service cannot be met in a timely manner by improved manufacturing processes or technological developments; and

(3) the end-user of such product or service is the United States Government, or the product or service is supplied under a defense coproduction agreement or a NATO Program of Cooperation.

(d) INAPPLICABILITY TO PERSONS COMPLYING WITH FOREIGN LAWS.—Subsection (a) does not apply with respect to any exporting, transferring, or other trading activity authorized by the laws of a country that controls the export of internationally controlled missile technology pursuant to an international understanding to which the United States is a party, if such authorization is not obtained by misrepresentation or fraud.

(e) EFFECT OF ENFORCEMENT ACTIONS BY OTHER COUNTRIES.—Sanctions set forth in subsection (b) may not be imposed under this section on a person with respect to acts described in subsection (a) or, if such sanctions are in effect against a person on account of such acts, such sanctions shall be terminated, if a country described in subsection (d) is taking judicial or other enforcement action against that person with respect to such acts, or that person has been found by the government of such country to be innocent of wrongdoing with respect to such acts.

SEC. 1404. SEMIANNUAL REPORTS ON THE PROLIFERATION OF LONG-RANGE MISSILE AND DESTABILIZING OFFENSIVE AIRCRAFT.

(a) CONTENTS OF REPORT.—Not later than 90 days after the date of the enactment of this Act, and every 180 days thereafter, the Secretary of State shall submit to the Congress a report on international transfers of aircraft which the Secretary has reason to believe may be intended to be used for the delivery of nuclear, biological, or chemical weapons (hereinafter in this section referred to as "NBC capable aircraft") and international transfers of internationally controlled missile technology to any country seeking to acquire such technology in violation of the MTCR, other than those countries excluded in subsection (b). Each such report shall include—

(1) the status of missile and aircraft development programs in any such country, including efforts by such country to acquire internationally controlled missile technology and NBC capable aircraft and an assessment of the present and future capability of such country to produce and utilize such weapons;

(2) a description of assistance provided to any such country by persons and other countries, after the date of enactment of this Act, specifying those persons and other countries which continue to provide internationally controlled missile technology to such country as of the date of the report;

(3) a description of diplomatic measures that the United States has taken or that other MTCR members have made to the United States with respect to activities of private persons and countries suspected of violating the MTCR;

(4) an analysis of the effectiveness of the regulatory and enforcement regimes of the United States and other MTCR members to control the export of internationally controlled missile technology; and

(5) a determination of whether transfers of internationally controlled missile technology by any country pose a signficant threat to the national security of the United States.

(b) EXCLUSIONS.—The countries excluded under subsection (a) are Australia, Belgium, Canada, Denmark, the Federal Republic of Germany, France, Greece, Iceland, Israel, Italy, Japan, Luxembourg, Netherlands, Norway, Portugal, Spain, Turkey, and the United Kingdom.

(c) PROTECTION OF CLASSIFIED AND INTELLIGENCE INFORMATION.—Classified portions of any report prepared under this section may be issued in a separate annex to the report. In addition, the President may, with respect to the matters addressed in any such report, limit the transmission of intelligence information to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives if the President determines that such information could disclose intelligence sources and methods.

(d) EXCLUDED INFORMATION.—If the President, consistent with subsection (c), decides not to list any person or country in that part of the report required under this section which would have been listed otherwise, the President shall include that fact in that report, and his reasons therefor.

SEC. 1405. ADVISORY OPINIONS.

The Secretary of State or the Secretary of Commerce, as appropriate, may, upon the request of any person, issue an advisory opinion to that person of whether a proposed activity by that person would subject that person to sanctions under section 1403. Any person who relies in good faith on such an advisory opinion which states that the proposed activity would not subject a person to such sanctions, and any person who thereafter engages in such activity, may not be made subject to such sanctions on account of such activity.

SEC. 1406. DEFINITIONS

For purposes of this title—

(1) the term "United States person" has the meaning given that term in section 16(2)

of the Export Administration Act of 1979 (50 U.S.C. App. 2415(2));

(2) the term "foreign person" means any person other than a United States person;

(3)(A) the term "person" means a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise, and any successor of any such entity; and

(B) in the case of countries where it may be impossible to identify a specific governmental entity, the term "person" means—

(i) all activities of that government relating to the development or production of any internationally controlled missile technology; and

(ii) all activities of that government affecting the development or production of aircraft, electronics, and space systems or equipment;

(4) the term "otherwise engaged in the trade of" means, with respect to a particular export or transfer, to be a freight forwarder or designated exporting agent, or a consignee or end user of the item to be exported or transferred;

(5) the term "internationally controlled missile technology" means any item listed in the Equipment and Technology Annex (together with any subsequent amendments thereto) of the Missile Technology Control Regime which was adopted by the governments of Canada, France, the Federal Republic of Germany, Italy, Japan, the United Kingdom, and the United States on April 7, 1987, and in accordance with which the United States Government agreed to act beginning on April 16, 1987; and

(6) the term "MTCR" means the understanding between the United States, the United Kingdom, the Federal Republic of Germany, France, Italy, Canada, and Japan, announced on April 16, 1987, to restrict internationally controlled missile technology.

SEC. 1407. REGULATORY AUTHORITY.

The President shall, not later than 6 months after the date of the enactment of this Act, issue such regulations, licenses, and orders as are necessary to carry out this title.

SEC. 1408. EFFECTIVE DATE.

Section 1403(a) shall take effect at the end of the 6-month period beginning on the date of the enactment of this Act.

(Modification to the amendment offered by Mr. BRYANT of Texas) (Amdt No. 9 in part II of the report of the Committee on Rules)

The amendment as modified follows:

At the end of part D of title XIII (page 359, after line 2), add the following new section:

SEC. 1346. TERMINATION OF UNITED STATES PAYMENTS FOR CERTAIN FOREIGN NATIONALS EMPLOYED AT BASES OUTSIDE THE UNITED STATES.

The total amount of funds expended by the United States during a fiscal year for the purpose of paying salaries and other remuneration for foreign-nationals who are employed pursuant to an indirect-hire civilian personnel agreement at a United States military installation located outside the United States shall be reduced as follows:

(1) During fiscal year 1991, the total amount of funds expended for that purpose shall be reduced to an amount equal to not more than 75 percent of the total amount of funds expended for that purpose during fiscal year 1990.

(2) During fiscal year 1992, the total amount of funds expended for that purpose shall be reduced to an amount equal to not more than 50 percent of the total amount of funds expended for that purpose during fiscal year 1990.

(3) During fiscal years after 1994, the total amount of funds expended for that purpose shall be reduced to an amount equal to not more than 25 percent of the total amount of funds expended for that purpose during fiscal year 1990.

(4) During fiscal years after 1995, the President shall achieve such additional reductions in such expenditures as may be possible through negotiations with the governments of countries in which United States military installations are located.

(Amendment offered by Mr. CAMPBELL of California) (Amdt No. 10 in part II of the report of the Committee on Rules)

At the end of part C of title III (page 76, after line 24), insert the following new section:

SEC. 335. EXPANSION TO NATIONAL GUARD FACILITIES OF AUTHORITY TO PROVIDE SHELTER FOR HOMELESS.

Section 2546 of title 10, United States Code, is amended by adding at the end the following:

"(f) The Governor of a State may make National Guard facilities under the jurisdiction of that State available for furnishing of shelter to persons without adequate shelter in the same manner and to the same extent as the Secretary of a military department under this section.".

(Amendment offered by Mr. DICKS of Washington) (Amdt No. 12 in part II of the report of the Committee on Rules)

At the end of part C of title XXXI (page 462, after line 5), add the following new section (and conform the table of contents accordingly):

SEC. 3133. DOE MANAGEMENT PLAN FOR ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT ACTIVITIES.

(a) PLAN.—The Secretary of Energy shall develop a comprehensive five-year plan for the management of environmental restoration and waste management activities at facilities under the jurisdiction of the Department of Energy.

(b) REPORT.—Not later than April 1, 1991, the Secretary of Energy shall submit to Congress a report on the management plan developed under subsection (a). The report shall include the following:

(1) A descripiton of management capabilities necessary to carry out environmental programs covered by the management plan for the next five years.

(2) A description of current Department of Energy management capabilities and inadequacies.

(3) A description of the technical resources, including staff and management information systems, needed to carry out the management plan.

(4) A description of assistance from other Federal agencies and private contractors included in the management plan.

(5) A description of the cost verification and quality control elements included in the management plan.

(Modification to the amendment Offered by Mr. FASCELL of Florida) (Amdt No. 14 in part II of the report of the Committee on Rules)

The amendment as modified is as follows:

Strike out section 242 (page 45, line 19 through page 46, line 21) and insert in lieu thereof the following:

SEC. 242. FUNDING FOR FACILITY FOR COLLABORATIVE RESERACH AND TRAINING FOR MILITARY MEDICAL PERSONNEL.

(a) FUNDING.—Of the amounts appropriated pursuant to section 201 for fiscal year 1991, $18,000,000 shall be used, subject to subsection (b)(3), by the Secretary of Defense as a contribution toward the construction of a facility as part of a complex to enable collaborative research and training for Department of Defense military medical personnel in the folowing fields:

(1) Trauma care.

(2) Head, neck, and spinal injury.

(3) Paralysis.

(4) Neurosciences and neurodegenerative diseases.

(b) REQUIREMENTS.—(1) Such a contribution may be made only for a facility that will—

(A) support education, training, treatment, and rehabilitative services related to the fields described in subsection (a); and

(B) support neuroscience research with relevance for the medical mission of the Department of Defense.

(2) Such a contribution may be made only for a facility to be located at an institutional setting that—

(A) has received national recognition for its work in the fields listed in subsection (a); and

(B) can best facilitate interagency collaborative research, education, and training activities.

(3) The amount of a contribution under subsection (a) may not exceed 33 percent of the total cost of such complex.

(Amendment offered by Mr. FAZIO (Amdt No. 15 in part II of the report of the Committee on Rules)

Add the following new subsection at the end of section 2834 (relating to funding for environmental restoration at military installations scheduled for closure):

(c) TASK FORCE REPORT.—(1) Not later than 12 months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing the findings and recommendations of the task force established under paragraph (2) concerning—

(A) ways to improve interagency coordination, within existing laws, regulations, and administrative policies, of environmental response actions at military installations (or portions of installations) that are being closed, or are scheduled to be closed, pursuant to title II of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526); and

(B) ways to consolidate and streamline, within existing laws and regulations, the practices, policies, and administrative procedures of relevant Federal and State agencies with respect to such environmental response actions so as to enable those actions to be carried out more expeditiously.

(2) There is hereby established an environmental response task force to make the findings and recommendations, and to prepare the report, required by paragraph (1). The task force shall consist of the following (or their designees):

(A) The Secretary of Defense, who shall be chairman of the task force.

(B) The Attorney General.

(C) The Administrator of the General Services Administration.

(D) The Administrator of the Environmental Protection Agency.

(E) The Chief of Engineers, Department of the Army.

(F) A representative of a State environmental protection agency, appointed by the head of the National Governors Association.

(G) A representative of a State attorney general's office, appointed by the head of the National Association of Attorney Generals.

(H) A representative of a public-interest environmental organization, appointed by the Speaker of the House of Representatives.

(Amendment offered by Mr. FAZIO of California) (Amdt No. 16 in part II of the report of the Committee on Rules)

At the end of part D of title III (page 83, after line 3), add the following new section (and conform the table of contents accordingly):

SEC. 344. CONTRACTS FOR CERTAIN ENVIRONMENTAL RESTORATION ACTIVITIES.

(a) ESTABLISHMENT OF MODEL PROGRAM.—Not later than 90 days after the date of enactment of this Act, the Secretary of Defense shall establish a model program to improve the efficiency and effectiveness of the base closure environmental restoration program.

(b) ADMINISTRATOR OF PROGRAM.—The Secretary shall designate the Deputy Assistant Secretary of Defense for Environment as the Administrator of the model program referred to in subsection (a). The Deputy Assistant Secretary shall report to the Secretary of Defense through the Under Secretary of Defense for Acquisition.

(c) APPLICABILITY.—This section shall apply to environmental restoration activities at installations selected by the Secretary pursuant to the provisions of subsection (d)(1).

(d) PROGRAM REQUIREMENTS.—In carrying out the model program, the Secretary of Defense shall:

(1) Designate for the model program two installations under his jurisdiction that have been designated for closure pursuant to the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526) and for which preliminary assessments, site inspections, and Environmental Impact Statements required by law or regulation have been completed. The Secretary shall designate only those installations which have satisfied the requirements of section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100-526).

(2) Compile a prequalification list of prospective contractors for solicitation and negotiation in accordance with the procedures set forth in title IX of the Federal Property and Administrative Services Act (Public Law 92-582; 40 U.S.C. 541 et seq., as amended). Such contractors shall satisfy all applicable statutory and regulatory requirements and, in addition, shall indemnify the Federal Government against all liabilities, claims, penalties, costs, and damages caused by (A) the contractor's breach of any term or provision of the contract; and (B) any negligent or willful act or omission of the contractor, its employees, or its subcontractors in the performance of the contract.

(3) Within 180 days after the date of enactment of this Act, solicit proposals from qualified contractors for response action (as defined under section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601)) at the installations designated under paragraph (1). Such solicitations and proposals shall include the following:

(A) Proposals to perform response action. Such proposals shall include provisions for receiving the necessary authorizations or approvals of the response action by appropriate Federal, State, or local agencies.

(B) To the maximum extent possible, provisions offered by single prime contractors to perform all phases of the response action, using performance specifications supplied by the Secretary of Defense and including any safeguards the Secretary deems essential to avoid conflict of interest.

(4) Evaluate bids on the basis of price and other evaluation criteria, including use of private funds for facilities and equipment where appropriate.

(5) Subject to the availability of authorized and appropriated funds to the Department of Defense, make contract awards for response action within 120 days after the solicitation of proposals pursuant to paragraph (3) for the response action, or within 120 days after receipt of the necessary authorizations or approvals of the response action by appropriate Federal, State, or local agencies, whichever is later.

(e) APPLICATION OF SECTION 120 OF CERCLA.—Activities of the model program shall be carried out subject to, and in a manner consistent with, section 120 (relating to Federal facilities) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620).

(f) EXPEDITED AGREEMENTS.—The Secretary shall, with the concurrence of the Administrator of the Environmental Protection Agency, assure compliance with all applicable Federal statutes and regulations and, in addition, take all reasonable and appropriate measures to expedite all necessary administrative decisions, agreements, and concurrences.

(g) REPORT.—The Secretary of Defense shall include a description of the progress made during the preceding fiscal year in implementing and accomplishing the goals of this section within the annual report to Congress required by section 2706 of title 10, United States Code.

(h) APPLICABILITY OF EXISTING LAW.—Nothing in this section affects or modifies, in any way, the obligations or liability of any person under other Federal or State law, including common law, with respect to the disposal or release of hazardous substances or pollutants or contaminants as defined under section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601).

(Modification to the amendment offered by Mr. JONES of North Carolina and Mr. LENT of New York) (Amdt No. 19 in part II of the report of the Committee on Rules)

The amendment as modified is as follows:

Page 328, strike out lines 10 through 19 and insert in lieu thereof the following:

(c) CHARTER OF VESSELS CONSTRUCTED.—(1) The Secretary, in consultation with the Administrator of the Maritime Administration, shall charter each vessel constructed under the program for commercial operation. Any such charter—

(A) shall not permit the operation of the vessel other than in the foreign commerce of the United States;

(B) may be made only with an individual or entity that is a citizen of the United States (which, in the case of a corporation, partnership, or assocation, shall be determined in the manner specified in section 2 of the Shipping Act, 1916 (46 U.S.C. App. 802)); and

(C) shall require that the vessel be documented (and remain documented) under the laws of the United States.

(2) The Secretary may enter into a charter under paragraph (1) only through the use of competitive bidding procedures that ensure that the highest charter rates are obtained by the United States consistent with good business practice, except that the Secretary may operate the vessel (or contract to have the vessel operated) in direct support of United States military forces during a time of war or national emergency and at other times when the Administrator of the Maritime Administration determines that the operation would not unfairly compete with another United States-flag vessel.

(3) If the Secretary determines that a vessel constructed under the program no longer has commercial utility, the Secretary may transfer the vessel to the Administrator of the Maritime Administration for retention in the National Defense Reserve Fleet.

(4) A contract for the charter of a vessel under paragraph (1) shall include a provision that the charter may be terminated for national security reasons without cost to the United States.

Page 328, line 20, strike out "(c)" and insert in lieu thereof "(d)".

(Modification to the amendment offered by Mr. KENNEDY of Massachusetts) (Amdt No. 20 in part II of the report of the Committee on Rules)

The amendment as modified is as follows:

In section 831(b) (page 211, beginning on line 12), insert after "commitment" the following: "regarding recruitment and subcontracting agreements".

(Amendment offered by Mr. KYL of Arizona) (Amdt No. 21 in part II of the report of the Committee on Rules)

In section 224 (page 37, beginning on line 6)—

(1) insert "(a) PROHIBITION.—" before "Funds"; and

(2) add at the end the following:

(b) RULE OF CONSTRUCTION.—Nothing in subsection (a) is intended or may be construed to preclude planning activities (including studies, design activities, and computer simulations) related to testing of SDI systems or elements.

(Amendment offered by Mr. LEATH of Texas) (Amdt No. 23 in part II of the report of the Committee on Rules)

At the end of title XXXIII (page 470, after line 14), insert the following new section:

SEC. 3302. CONVERSION OF INTERMEDIATE ORES OR COMPOUNDS OF ALUMINUM IN THE NATIONAL DEFENSE STOCKPILE.

(a) CONVERSION REQUIRED.—Pursuant to section 6(a)(3) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(a)(3)), the President shall provide during each of the fiscal years 1991 through 1997 for the refining, processing, or upgrading of intermediate ores or compounds of aluminum stockpiled under that Act in order to increase the quantities of aluminum as follows:

(1) Yearly Increase, 15,000 short tons.

(2) Seven-Year Minimum, 105,000 short tons.

(b) METHOD FOR CONVERSION.—To achieve the increased quantities specified in subsection (a), the President shall—

(1) obtain bids from domestic producers of aluminum; and

(2) award contracts for the conversion of intermediate ores or compounds held in the National Defense Stockpile established by section 3 of that Act (50 U.S.C. 98b) into aluminum.

(c) FAILURE TO ACHIEVE INCREASE.—If, during any fiscal year referred to in subsection (a), the yearly increase required to be achieved under paragraph (1) of that subsection is not met, the quantity of aluminum to be added to the National Defense Stockpile in the next fiscal year shall be increased by the amount of the deficiency.

(Amendment offered by Mr. LEATH of Texas) (Amdt No. 24 in part II of the report of the Committee on Rules)

At the end of section 352 (page 84, after line 23), add the following new paragraph:

(8) Establishment of a command, control, communications, and computers network which supports a base of operations in the North American continent for National Guard and law enforcement agency cooperation.

(Amendment offered by Mr. LEVINE of California)

At the end of title II (page 47, after line 25), insert the following new section:

SEC. 244. SUPPORT FOR ADVANCED RESEARCH PROJECTS.

If an agreement between the Secretary of the Navy and the contractor of the P-7 antisubmarine warfare aircraft is not reached before the end of the 30-day period beginning on the date of the enactment of this Act, $100,000,000 of the amount authorized for such aircraft shall be available for the support (through the Defense Advanced Research Projects Agency) of advanced precompetitive research provided for in cooperative agreements and other transactions authorized by section 2371 of title 10, United Stated Code.

(Amendment offered by Mr. MARTIN of New York) (Amdt No. 26 in part II of the report of the Committee on Rules)

At the end of part C of title III (page 76, after line 24), insert the following section:

SEC. 335. ASSISTANCE PROGRAM FOR EMPLOYEES OF A NONAPPROPRIATED FUND INSTRUMENTALITY ADVERSELY AFFECTED BY BASE CLOSURES.

Section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) is amended—

(1) in subsection (a)(1), by inserting after "time limitation)" the following: ", a nonappropriated fund instrumentality employee employed at a nonappropriated fund instrumentality operated in connection with such base or installion,";

(2) in subsection (b)(1), by adding at the end the following: "or employed by a nonappropriated fund instrumentality operated in connection with such base or installation,";

(3) in subsection (k), by striking "and (n) of this section" and inserting "(n), and (o)"; and

(4) by adding at the end the following new subsection:

"(o)(1) Assistance under this section shall be provided by the Secretary of Defense with respect to nonappropriated fund instrumentality employees adversely affected by the closure of a base or installation ordered to be closed, in whole or in part, after December 31, 1988.

"(2) All payments to a nonappropriated fund instrumentality employee under this section shall be made from the funds available to the Secretary of Defense under subsection (d).

"(3) For purposes of this section:

"(A) The term 'nonappropriated fund instrumentality employee' means a civilian employee who—

"(i) is a citizen of the United States; and

"(ii) is paid from nonappropriated funds of Army and Air Force Exchange Service, Navy Resale and Services Support Office, Marine Corps exchanges, or any other instrumentality of the United States under the jurisdiction of the Armed Forces which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the Armed Forces.

"(B) The term 'civilian employee' has the meaning given the term 'employee' in section 2105(a) of title 5, United States Code.".

(Amendment offered by Mr. MOODY of Wisconsin) (Amdt No. 17 in part II of the report of the Committee on rules)

At the end of part C of title I (page 24, line 6), insert the following new section:

SEC. 125. REPORT ON ALTERNATIVE MX MISSILE TEST PLANS.

(a) REPORT.—The Secretary of Defense shall submit to Congress a report on alternative MX missile test plans. The report shall be submitted, in both classified and unclassified forms, by August 1, 1991.

(b) CONTENT OF REPORT.—The report required by subsection (a) shall address the following matters:

(1) A description of the guidelines by the Joint Chiefs of Staff for assessing the reliability of the MX missile during Phase II Operational Testing.

(2) A description of the currently planned Phase II Operational Test program for the MX missile.

(3) A quantitative assessment of the extent to which the guidelines described in paragraph (1) will be met under the MX missile Phase II Operational Test program described in paragraph (2).

(4) A quantitative assessment of the extent to which the guidelines described in paragraph (1) could be met under the MX missile Phase II Operational Test program if the total number of MX missiles procured were reduced from the planned 173 missiles to (A) 126 missiles, and (B) 150 missiles.

(5) A description of any other significant effects of reducing the number of MX test missiles as described in paragraph (4), including (A) an estimate of the associated cost savings, and (B) a description of the effect on existing contractual obligations and how the associated costs could be minimized.

(6) A full description of how information from sources other than missile flight testing, including inspection of missile silos, aging and surveillance programs, production quality control, experience with previously deployed missile systems, and simulation, is factored into the assessment of missile reliability.

(Modification of the amendment offered by Mr. PORTER of Illinois) (Amdt No. 28 in part II of the report of the Commodities on Rules)

The amendment as modified is as follows:

At the end of title X (page 271, after line 3) insert the following new section.

SEC. . ASSISTANCE FOR FOREIGN ENVIRONMENTAL PROJECTS AND RESTORATION.

(a) ASSISTANCE AUTHORIZED.—(1) Chapter 151 of title 10, United States Code, is amended by adding at the end of the following new section:

"§ 2549. Equipment, supplies, and services: foreign environmental projects

"(a) AUTHORITY.—The Secretary of Defense may provide equipment, supplies, and services in connection with foreign environmental projects, including environmental restoration.

"(b) CHARGES.—Equipment, supplies, and services may be provided under this section with or without charge or for a nominal fee.

"(c) CONDITIONS.—Equipment, supplies, and services may be provided under this section only when—

"(1) the environmental project is under the management of a nongovernmental institution and is conducted in cooperation with the environmental officials of the country in which the project is carried out;

"(2) the equipment, supplies, and services can be provided with existing funds of the Department of Defense; and

"(3) the Secretary consults with the Secretary of State.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end of the following new item:

"2549. Equipment, supplies, and services: foreign environmental projects.".

(b) EFFECTIVE DATE.—Section 2549 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1990.

(Modification of the amendment offered by Mr. DENNY SMITH of Oregon) (Amdt. No. 29 in part II of the report of the Committee on Rules)

The amendment as modified is as follows:

At the end of part B of title II (pate 34, after line 25) insert the following new section:

SEC. 217. POLICY CONCERNING NEW CLOSE AIR SUPPORT AIRCRAFT.

(a) CONGRESSIONAL POLICY.—No funds may be appropriated for any fiscal year after fiscal year 1991 for procurement of any close air support aircraft for the Armed Forces unless—

(1) the Secretary of Defense has completed a test that evaluates all feasible alternatives for future airland fire support for ground combat forces in accordance with the test plan approved by the Director of Operational Test and Evaluation pursuant to section 166(b)(1)(A) of the National Defense Authorization Act for Fiscal Year 1990 (Public Law 101-189), which shall include an evaluation of the combat utility of a small, agile fixed-wing aircraft that is sufficiently less expensive than existing fixed- or rotary-wing aircraft alternatives;

(2) the Secretary of Defense has completed a test that evaluates the upgrade programs proposed for the A-16, the A-10, and the AV-8B aircraft for close air support, to include night time operations pursuant to section 166(b)(1)(B) of such Act; and

(3) the Secretary of Defense has completed revisions in Department of Defense documents in order to comply with those recommendations of the studies of close support required by section 1102 of such act.

(b) CONDUCT OF TESTS.—The tests referred to in paragraphs (1) and (2) of subsection (a) may be completed separately or combined into a single test regimen. All such testing should be conducted by a joint Army and Marine Corps evaluation group under the direction of the Secretary of the Navy, who shall act as executive agent for the testing (except that the Director of Operational Test and Evaluation shall perform all responsibilities assigned to the Director by law). Testing shall make maximum use of instrumented facilities at the National Training Center.

(c) FUNDING.—Funding for the tests referred to in paragraphs (1) and (2) of subsection (a) shall be provided from within available appropriations of the Department of Defense in accordance with established reprogramming procedures.

(Amendment offered by Mr. SPRATT of South Carolina) (Amdt No. 30 in part II of the report of the Committee on Rules)

At the end of part A of title XXXI (page 455, after line 19), insert the following new section:

SEC. 3105. FUNDING REDUCTIONS AND ADDITIONS.

(a) FUNDING REDUCTIONS.—(1) The amount provided in section 3102(1) for Project 90-D-102, nuclear weapons research, development, and testing facilities revitalization, Phase III, various locations, is hereby reduced by $10,000,000.

(2) The amount provided in section 3103(3) for Project 89-D-142, reactor effluent cooling water thermal mitigation, Savannah River Site, South Carolina, is hereby reduced by $16,600,000.

(b) FUNDING ADDITIONS.—(1) The amount provided in section 3101(1)(C) for weapons safety is hereby increased by $10,000,000.

(2) The amount provided in section 3101(1)(D) for production and surveillance is hereby increased by $2,000,000.

(3) The amount provided in section 3101(3) for waste transportation and site management is hereby increased by $870,000.

(4) The amount provided in section 3103(1) for operating expenses is hereby increased by $16,600,000.

In section 3102(2), strike out the authorization for Project 91-D-148, reactor charge/discharge training simulator, Savannah River, South Carolina (page 447, lines 7 through 9).

In section 3102(3) strike out the authorization for Project 91-D-170, INEL transportation complex, Idaho National Engineering Laboratory, Idaho (page 449, lines 3 through 5).

(Amendment offered by Mr. WYDEN of Oregon) (Amdt No. 32 in part II of the report of the Committee on Rules)

In the last sentence of paragraph (6) of section 3142 (page 464, beginning on line 5) (international fissile material and warhead control), strike out "plutonium reprocessing facilities" and insert in lieu thereof the following: "facilities for reclaiming plutonium from retired weapons and scrap".

(Amendment offered by Mr. WYDEN of Oregon)

At the end of title C of title XXXI (page 462, after line 5), add the following new section (and conform the table of contents accordingly):

SEC. 3133. SAFETY MEASURES FOR WASTE TANKS AT HANFORD RESERVATION.

(a) IDENTIFICATION AND MONITORING OF TANKS.—Within 90 days after the date of the enactment of this Act, the Secretary of Energy shall identify which single-shelled or double-shelled high-level nuclear waste tanks at the Hanford Reservation, Richland, Washington, may have a serious potential for release of high-level waste due to uncontrolled increases in temperature or pressure. After completing such identification, the Secretary shall determine whether continuous monitoring is being carried out to detect a release or excessive temperature or pressure at each tank so identified. If such monitoring is not being carried out, as soon as practicable the Secretary shall install such monitoring, but only if a type of monitoring that does not itself increase the danger of a release can be installed.

(b) ACTION PLANS.—Within 120 days after the date of the enactment of this Act, the Secretary of Energy shall develop action plans to respond to excessive temperature or pressure or a release from any tank identified under subsection (a).

(c) PROHIBITION.—Beginning 120 days after the date of the enactment of this Act, no additional high-level nuclear waste (except for small amounts removed and returned to a tank for analysis) may be added to a tank identified under subsection (a) unless the Secretary determines that no safer alternative to adding such waste to the tank currently exists or that the tank does not pose a serious potential for release of high-level nuclear waste.

(d) REPORT.—Within six months after the date of the enactment of this Act, the Secretary of Energy shall submit to Congress a report on actions taken to promote tank safety, including actions taken pursuant to this section, and the Secretary's timetable for resolving outstanding issues on how to handle the waste in such tanks.

The CHAIRMAN pro tempore. Under the rule, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 10 minutes and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 10 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendments en bloc that I offer here contain a number of relatively noncontroversial items.

The amendments have been worked out in consultation with the gentleman from Alabama [Mr. DICKINSON], the ranking Republican on the Republican side, and we have a number of amendments. Rather than discuss them, I would like to give some of the authors of some of the amendments a chance to be heard.

Mr. Chairman, I rise in support of my amendment establishing an energy conservation program in the Department of Defense. I am especially pleased to have as cosponsors Mr. MACHTLEY of Rhode Island, Mr. MARKEY of Massachusetts, and Mr. SHARP of Indiana.

Mr. Chairman, the Department of Defense is the largest consumer of energy within the Federal Government, responsible for 81 percent of energy consumption. The total energy bill is about $3 billion per year, with about 30 percent expended overseas.

Implementation of a comprehensive energy conservation program by the Department of Defense would save almost $1 billion per year.

As the largest consumer of energy in the Federal Government, the Department should set an example of sound energy management for all other Government agencies. Just the reverse is true. Energy conservation efforts have been essentially stalled since the early eighties. This has resulted in increased energy use and escalating costs. There seems to have been resistance to spending money to save money.

It is unfortunate the Department has not taken the lead on the issue of energy management and conservation. Last year the Armed Services Committee directed the Department to spend $20 million in energy management and conservation measures. None of the money was spent despite a long list of eligible projects with paybacks of less than 3 years.

Whether the lack of action was due to a lack of interest or other priorities, the Department's performance is unacceptable.

To correct this appalling situation, H.R. 4739, the national defense authorization bill, includes $50 million to implement a comprehensive energy conservation program.

My amendment, cosponsored by Mr. MACHTLEY, Mr. MARKEY, and Mr. SHARP directs the establishment of a program for reducing energy in defense facilities. The Secretary of Defense would be required to set an energy performance goal for the years 1991 through 2000 and to develop a comprehensive plan to accomplish energy conservation measures to achieve the goal. In addition, incentives would be provided to installation commanders to encourage additional savings.

Mr. Chairman, energy conservation makes sense. It reduces environmental damage, saves money, and decreases our energy dependence. I urge my colleagues to support this important energy conservative initiative by voting for the Aspin-Machtley-Markey-Sharp amendment.

Mr. Chairman, I yield 3 minutes to the gentleman from Oregon [Mr. WYDEN].

Mr. WYDEN. Mr. Chairman, I thank the gentleman for yielding me this time and for his assistance.

Mr. Chairman, included in the committee en bloc amendment is an important safety provision for our Nation's defense complex.

One of the most serious safety problems at our Nation's nuclear weapons plants does not involve the weapons themselves or the machines used to build them. It involves the waste from over 45 years of bombmaking.

At the Hanford Reservation, near the Columbia River, over 50 million gallons of deadly high-level waste rest for the moment in underground tanks. At least four times in Hanford's history a waste tank has gotten so hot that it has uncontrollably shot off clouds of radioactive steam.

And now scientists and engineers have public acknowledged the possibility that the chemicals in some of these tanks could actually explode, scattering deadly contamination, posing a serious threat to the workers at Hanford and perhaps also to the surrounding population.

The resulting mess—well, let's put it this way: We aren't sure now how to clean up an intact tank. Who knows what to do with a ruptured one? A waste tank explosion allegedly occurred in a Soviet nuclear facility in 1957 that wiped whole villages off the map permanently.

The Secretary of Energy's Advisory Committee on Nuclear Facility Safety, in a letter to the Secretary last July, stated flatly:

The waste tanks are a serious problem. The possibility of an explosion of an unstable chemical—such as ferrocyanide—or a flammable gas must be taken seriously * * *.

Further, the committee observed that, "The operating staff appears to be unconcerned about the hazard." A separate departmental report issued this summer confirmed that the operators had recognized the potential for explosion for years but not adequately respond-

ed to it. The operators had systematically failed to follow departmental procedures on reporting unusual events that could have been symptoms of serious danger. Also the Department admitted it had released "incomplete, inaccurate, and misleading" information to the public about some of the tank problems.

The Secretary's Advisory Committee recommended that the Department continuously monitor the suspect tanks for signs of trouble, and develop action plans in case signs appear or an explosion happens. The committee also recommended accelerated research on the contents of these tanks and the explosive reactions they may undergo. We know far too little about the contents of these tanks and their chemistry.

The provision in the en bloc amendment, worked out in cooperation with the Department, embodies some of those recommendations. It outlines some basic safety steps that the Department has agreed to take—identifying problem tanks, monitoring them, drawing up contingency plans, and restricting tank use. The Department also promises to come back to Congress in 6 months to report on how it will resolve outstanding tank safety and disposal issues.

This provision must be the first, not the last word on the tank problems. We know too little today about the degree on hazard or how to reduce it. But we do know that the potential consequences of an explosion in the tanks are unthinkably great. We must begin to address this issue.

The Department has asked me to explain the intent of this provision concerning the Department's plans to restart the Purex facility at Hanford. It is not the intent of this amendment to prejudice the decision of whether to restart Purex. The Department can continue to use tanks not identified as safety concerns for waste from operations like Purex.

The Department faces a steep challenge: It has committed to deal with the complex environmental problems of the Hanford site under the deadlines of the site cleanup agreement. Those deadlines represent a promise—a promise the Department must keep if it wants credibility with the Congress and the people. Short-term safety and long-term cleanup must not be an either/or choice. I urge the Secretary, in the report called for in this amendment, to state what the Department needs to deal with the tank problem while meeting its cleanup milestones.

Mr. Chairman, I want to thank the chairman of the committee, the gentleman from Wisconsin [Mr. ASPIN], for his assistance, his cooperation; the minority and the Department have assisted as well.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have arrived at that point in our deliberations where we have agreed to lump a number of amendments together, and I would like to speak to the procedure more than to the individual elements of the en bloc amendments.

In looking them over, I have no particular heartburn with any one of them. By agreement, if they were controversial on this side, they would not be in the en bloc.

However, there is some unhappiness on this side of the aisle that I would like to discuss. As I said, they are in the main, uncontroversial, but I believe the chairman and I will need to have a discussion on this process before we run into similar kinds of problems in the future.

The problem I have is very evident when you look at the evolution of the package; 132 amendments were filed with the Committee on Rules. After the big debate was structured, 114 amendments remained for consideration. The ratio of Democrat to Republican amendments requested at this point was approximately two to one. With the ratio of the House, the makeup of the House, that is not too surprising. When the second rule was reported by the Committee on Rules, 34 general amendments were made in order. Suddenly the ratio of Democrat to Republican amendments eligible for en bloc jumped to three to one. Now, today, the en bloc package before the House consists of 21 amendments, only 4 of which are Republican, and suddenly the ratio of Democrat to Republican amendments for en bloc has jumped again. This time it is 5 to 1.

While I do not oppose the en bloc package, I do not feel in good conscience that I can urge my Republicans colleagues to support it willy-nilly just on the grounds that it is uncontroversial. There were some amendments that had been attempted by Members on my side that were denied to them, some denied for no apparent reason, and so the disproportionate allowance of amendments and the disproportionate numbers requested by Republicans and Democrats has sort of grown out of kilter. I am not faulting anyone, the chairman or anyone else, for the way we have arrived at this, but in the past, really, we have had more of an input from the inception. It was not until about a week ago that the two staffs got together and started working out the en blocs when, in fact, many of them had already been decided before the staffs even got together.

I am just expressing this caveat for future negotiations and the future handling of the bill. I do not think this is a fair apportionment. Some of our Members feel aggrieved, and they want a vote.

There is no particular amendment in here that I am going to oppose, but I am just expressing this as a reason for the unhappiness on this side, and I hope that it can be obviated in the future.

Mr. Chairman, I reserve the balance of my time.

Mr. ASPIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Florida [Mr. FASCELL].

(Mr. FASCELL asked and was given permission to revise and extend his remarks.)

Mr. FASCELL. Mr. Chairman, in today's action on the Defense authorization bill for fiscal year 1991, the U.S. House of Representatives has wisely acted to promote arms control in an area which has not received much attention for some time. The Congress acted on an idea first proposed by Bernard Baruch in 1946, expanded upon by President Eisenhower in 1953, and most recently adopted by the House of Representatives in 1989 in the Fascell-Wyden amendment to the fiscal year 1990 Defense authorization bill: The control and elimination of fissile material—plutonium and highly enriched uranium [HEU]—for weapons purposes.

Congressional action this year reflects a concerted attempt by the Congress to raise the profile of this issue on the superpower agenda. In this regard, the House of Representatives voted to urge the President to enter into negotiations with the Soviet Union to ban the production of plutonium and HEU for weapons purposes.

Progress in United States-Soviet and multilateral arms control negotiations, a changed security environment, a changing Soviet-Warsaw Pact relationship, as well as significant changes underway in the Soviet Union, have contributed to a resurgence of support for the concept of fissile material control in the Congress as well as in the arms control community. As we move into the 1990's and as the United States and the Soviet Union agree to deeper cuts in their strategic nuclear arsenals, a negotiated ban on the production of fissile material for weapons purposes becomes even more meaningful, highlighting the associated need for methods of warhead dismantlement, including storage and monitoring of fissile material from such dismantled warheads.

Not only would a negotiated United States-Soviet ban on the production of fissile material for weapons purposes lay the groundwork for future verifiable arms control agreements that seek to destroy warheads, but it would increase the political pressure on nuclear weapon states to halt their own production and put their facilities under safeguards. Moreover, a United States-Soviet ban could result in other nonweapon states foregoing a move toward the production of fissile material for weapons purposes.

In his testimony before the House Foreign Affairs Committee last year, Dr. Wolfgang K.H. Panofsky, director emeritus and professor of the Stanford Linear Accelerator Center, Stanford, University, described several reasons why a negotiated and verifiable ban on the production of fissile material for weapons purposes is timely. Namely, he explained that the requirements for fissile material are likely to decrease as a result of past and future arms control negotiations and unilateral decisions to decrease weapon deployments and therefore a ban on production is a commonsense response to these developments. Moreover, efforts to extend the Treaty on the Nonproliferation of Nuclear Weapons [NPT] in 1995 would be greatly enhanced if the United States and the Soviet Union acted to constrain their pro-

duction of fissile material for weapons purposes by placing full-scope safeguards on their civilian facilities. This would remove one of the inequities between the nonnuclear and nuclear weapons states frequently cited as a criticism of the NPT, Dr. Panofsky points out.

A ban on the production of fissile material for weapons purposes would also contribute to the efficacy of warhead dismantlement and destruction procedures. Such procedures will more than likely be part of future arms control agreements, perhaps even a START I agreement. Moreover, the development of new technologies for enriching uranium and upgrading plutonium from reactor to weapons grade could be a dangerous development that could be averted by banning the production of fissile material for weapons purposes. As Dr. Panofsky explained, it would be an easier task to control these technologies now, rather than after they are widely used.

It is time for both the United States and the Soviet Union to abandon their plans for continuing the production of plutonium for weapons purposes. With a half life of 24,000 years and 100,000 kilograms of plutonium in each of the United States and Soviet stockpiles of nuclear weapons, there is no need to continue production of this material.

The United States and the Soviet Union have been producing plutonium and HEU for weapons purposes—the ingredients for our nuclear bombs—since the 1940's. The United States ceased plutonium production for weapons purposes in 1988, primarily because of environmental concerns at our nuclear sites. As for HEU, the United States stopped production for weapons purposes in 1964. The Soviets announced in April 1989 that they planned to stop HEU production, they had already shut down one plutonium reactor, and they would shut down two more plutonium reactors, reducing the number of reactors remaining open from 14 to 11. Since that time, the Soviets indicated that they would shut down another five reactors and at the U.N. General Assembly in 1989, Soviet Foreign Minister Shevardnadze announced that all military reactors would be shut down by the year 2000. As both sides have roughly 100,000 kilograms of plutonium and roughly 500,000 kilograms of HEU In their stockpile of nuclear weapons, both sides have an adequate deterrent stockpile of plutonium and HEU. HEU has a half-life of about 500 million years.

In other testimony before the House Foreign Affairs Committee, it was explained that there are a number of ways to manage the existing inventory of plutonium without producing additional plutonium. As David Albright, senior staff scientist at the Federation of American Scientists explains, these methods include: Continuing to develop more realistic projections of the number of nuclear weapons that are necessary to build; more closely matching the retirement of obsolete weapons with the deployment of new weapons; reclaiming the backlog of some 10 metric tons of plutonium in manufacturing scrap; and more efficiently processing plutonium in the warhead fabrication and dismantlement system. Therefore, by recycling the plutonium in the pipeline, a steady supply of plutonium is maintained to meet our needs.

By negotiating a bilateral ban on the production of fissile material for weapons purposes, the United States could take advantage of its unilateral halt to plutonium production for weapons purposes by engaging the Soviets in a ban on their production as well.

In an environment of increasing budget cuts, such a ban could also make available needed funds for cleaning up our military reactor sites where tons of radioactive and chemical waste have poisoned our ground water, air, and soil for much of the last 40 years of warhead production. Estimates of the cost savings from such a ban reveal an over $10 billion savings over the next 20 years.

Perhaps one of the most compelling reasons for addressing this issue now relates to the radically different relationship emerging between the United States and the Soviet Union. The Soviet Union is changing, the countries of Eastern Europe are changing and with those changes the overall threat has been significantly reduced. A new era of cooperation with our former adversaries should result in new arms control agreements that reflect the significantly reduced threat and impede the return to the arms races of the cold war era.

Following, or along with a ban on the production of fissile material for weapons purposes, the United States and the Soviet Union should discuss the technical details of warhead dismantlement. As in past agreements, the START agreement on the table in Geneva does not call for the dismantlement of a single warhead—that is the fissile material. Under the INF Treaty, and as currently envisioned by the proposed START agreement, the nuclear warhead is removed and returned to the inventory of the respective country of ownership—the United States or the Soviet Union.

In other words, if the warheads affected by the INF Treaty were to be dismantled, then the fissile material would go back into the United States and Soviet nuclear pipeline and could potentially be used on a 1-for-1 up to a 3-for-1 basis. This means that for every INF missile destroyed, the fissile material in the warhead could be used to make about three fission bombs. As there are no restrictions on warheads under the INF Treaty, the United States and the Soviet Union could store those weapons and their fissile material for future use on other delivery vehicles or for remanufacture into other warheads.

Reductions in the missiles and launchers are without question, important and necessary, but we could derive a further arms control benefit if we also dismantled the warheads and ensured that the fissile material is not used to make more warheads. Moreover, if the United States and the Soviet Union conclude a START agreement that calls for reductions only in delivery vehicles, we will potentially be freeing up significant numbers of warheads that will be available for use on other delivery vehicles or for remanufacture into other warheads. This becomes an even larger problem as we conclude deeper reduction agreements that could highlight a greater risk of breakout. For example, warheads could be stockpiled or remanufactured into other warheads over time and then used to breakout of an arms control agreement. If the warheads are dismantled and the remaining fissile material is stored under safeguards in an unusable form, the chances of a successful breakout are greatly reduced.

Furthermore, coupling START reductions with the withdrawal of nuclear artillery and tactical nuclear weapons from Europe and future negotiations on short-range nuclear forces, increases the amount of fissile material that will become available and therefore increases the need to manage it. Again, an agreed upon United States-Soviet method of storage and monitoring of warheads and fissile material would greatly reduce the chances of fissile material from old weapons being used in new weapons.

Verification of such a ban on the production of fissile material for weapons purposes is feasible through a combination of national technical means and onsite inspection. In fact, the example of the International Atomic Energy Agency [IAEA] reveals a workable and credible system of safeguards.

The IAEA represents some 30 years of experience in safeguarding nuclear facilities. The United States and the Soviet Union have voluntarily opened up many of their nuclear facilities to inspection by the IAEA as a step to ease concerns by nonweapons states party to the NPT about unfair discrimination between nonweapons states and weapons states under the treaty. Both superpowers have submitted to the IAEA lists of facilities available for inspection.

A negotiated agreement to ban the production of fissile material for weapons purposes must verify that civilian use of fissile material is not diverted to weapons use and that militarily significant clandestine production of fissile material for weapons can be detected. As David Albright explained in testimony before the committee: The IAEA has an established system of surveillance, seals, and onsite inspection known as safeguards in nuclear facilities in over 50 nonnuclear weapon states in order to verify that these countries are not using these facilities for the acquisition of nuclear explosives. A United States-Soviet bilateral inspection regime would therefore consist of methods developed by the two countries and the International Atomic Energy Agency.

The administration is missing an opportunity to take the high ground and enter into negotiations with the Soviet Union to ban the production of fissile material for weapons purposes, especially now, in the wake of our own current unilateral halt in plutonium production.

The administration's opposition to such a cutoff is a departure from its policy of embracing and encouraging changes underway in the Soviet Union and Eastern Europe in other areas. It is unfortunate and ironic that at a time when the United States is negotiating with the Soviet Union to reduce both side's strategic nuclear arsenals, reduce the conventional imbalance in Europe, destroy and eliminate both side's chemical weapons stocks, and verify nuclear tests, the United States remains intransigent in the area of a fissile material production ban for weapons purposes. Why does the Bush administration take a different approach on this issue? Why the insistence on isolating this issue, especially when the benefits in terms of arms control, the environment, cost and cooperation, are so clear?

Much progress in this area, however, has been made in this year's Defense authorization bill for fiscal year 1991 in which the House of Representatives:

First, urges the President to begin negotiations with the Soviet Union to achieve agreements on the dismantlement of nuclear warheads and to end United States and Soviet Union production of plutonium and highly enriched uranium for nuclear weapons;

Second, urges the President to establish with the Soviet Union a mutual technical working group to examine and demonstrate cooperative technical monitoring and inspection arrangements that could be applied to nuclear arms reductions agreements that would include provisions requiring the verifiable dismantlement of nuclear warheads and arms reduction agreements between the United States and the Soviet Union that would ban the production of fissile material for weapons purposes;

Third, requires the President to submit a report to the Congress by April 30, 1991, on the onsite monitoring techniques, inspection arrangements, and national technical means that could be used by the United States to verify dismantlement of nuclear warheads of the Soviet Union under an agreement between the United States and the Soviet Union requiring such dismantlement and that could be used to verify a mutual ban on the production of fissile material for nuclear weapons;

Fourth, requires the President to establish a technical working group not later than December 31, 1990, to advise the President on issues relating to nuclear material monitoring and nuclear warhead dismantlement and to prepare the report described in the section above; and

Fifth, requires the Secretary of Energy to use funds available to the Secretary for national security programs to carry out a program to develop and demonstrate a means for verifiable dismantlement of nuclear warheads.

While the Baruch and Eisenhower plans were radical proposals for their time, the vision of fostering the beneficial uses of atomic energy and eliminating the production of fissile material for weapons purposes through an international system of control over civilian and military atomic activities, is even more important today. If such a system had been implemented 40 years ago, the problems of proliferation and the environment would be greatly alleviated today. But we cannot go back. The most we can do is to take responsibility for our excesses and attempt to rectify the situation as best we can.

As a result of our efforts last year to reorder our priorities to reflect arms control and environmental concerns, the House last year voted to adopt the Wyden-Fascell amendment to urge United States-Soviet negotiations to ban the production of fissile material for weapons and to eliminate funding for the strategic isotope separation [SIS] plant in Idaho, which would have wasted at least a billion dollars for producing weapons grade plutonium that we do not need. As a continuation of this effort this year, in the fiscal year 1991 Defense authorization bill, the House voted to keep a bilateral ban on the production of plutonium for weapons purposes on the superpower agenda and to decrease our nuclear weapons budget by $242 million. The United States is not now producing fissile material for weapons purposes. The next step is for the administration to initiate the process of negotiation with the Soviet Union to ban such production on their part.

Mr. ASPIN. Mr. Chairman, I yield 1 minute to the gentleman from Wisconsin [Mr. MOODY].

Mr. MOODY. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I particularly want to thank the chairman and his staff for cooperating with us to produce one of the en bloc amendments.

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Mr. Chairman, my amendment deals with an issue that has received little attention to date: Procurement of the optimum number of MX test missiles. Every missile system requires procurement of additional missiles in order to conduct operational testing and to have spares on hand. Phase II operational testing is conducted throughout the deployment period to maintain system reliability and the Aging and Surveillance Program monitors how missile components age and provides spares. Test missiles are rotated into silos so that those in silos can be used in flight tests.

Currently, the Air Force plans to procure 71 missiles over the next 6 years—12 missiles per year through fiscal year 1995 and 11 missiles in fiscal year 1996—for a total buy of 173 missiles. Congress has already authorized 102 missiles. Under current plans, Congress will be asked to provide $4.1 billion for this program over the next 6 years. The cost for fiscal year 1991 is $673.7 million.

Uniquely in the case of the MX missile, our investment in test missiles and spares will far outweigh the cost of the missiles to be actually deployed. In order to deploy 50 MX missiles, we are asked by the Air Force to build 123 testing missiles and spares. Three-quarters of the MX missiles we plan to build are for testing and spares yet few questions have been aked about our testing program.

These questions arise: First, do we need 15 spares for only 50 deployed missiles? Second, do we actually need 107 test missiles? Third, what is the most efficient rate of production for the missiles we procure?

Most important, Congress needs to clearly understand the relationship between cost and reliability. Operational testing will provide a marginally higher level of confidence that the MX missile will work when and if fired. How much does that margin increase our actual security? What if any impact does it have on deterrence? How much does Congress have to pay to achieve a marginal increase in confidence?

My amendment seeks to address these questions by asking the Secretary of Defense to provide several pieces of information. First, it asks for a description of the guidelines the Joint Chiefs of Staff have established for assessing the reliability of the MX missile during phase II operational testing. Second, it asks for a full description of the currently planned test program and the extent to which this program will meet the guidelines of the Joint Chiefs of Staff. Third, it asks the Secretary of Defense to describe the levels of reliability that would be reached if the test program were modified downward. Finally, it asks the Secretary of Defense to describe how information from sources other than operational testing itself—and there are many other sources of information—is factored into the assessment of missile reliability.

Mr. Chairman, it is my hope that the report we have requested will give us the answers we need to make intelligent decisions about the MX Test Missile Program. Given the tremendous demands on limited defense resources, we have an obligation to ensure that each million dollars spent contributes a justifiable amount to our security. This amendment will help us to evaluate whether expenditures on the MX phase II operational testing and aging and surveillance programs meet that crucial test.

I appreciate the cooperation and assistance of the Armed Services Committee and I would like to thank Chairman ASPIN for including my amendment in his en bloc measure.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. BERMAN].

Mr. BERMAN. Mr. Chairman, I appreciate the opportunity to offer my amendment to the DOD bill today. I want to commend the chairmen of the Armed Services Committee and the Foreign Affairs Committee for their commitment to controlling the proliferation of ballistic missiles.

My amendment concerns the dangerous problem of ballistic missile technology proliferation. This amendment is very similar to legislation we passed nearly unanimously on the House floor on this bill last year. The amendment mandates the denial of certain privileges of doing business with the United States to companies which irresponsibly transfer dangerous missile equipment and technology to other countries.

Missiles, because of their speed, their ability to carry weapons of mass destruction, and because they are unrecallable, pose a unique threat to world stabillity.

Their existence in Iraq constitutes probably the single most destabilizing factor in the ongoing gulf crisis.

Two years ago, the United States and six of its allies decided to adhere to a set of export guidelines, incorporated in the missile technology control regime, which forbid the export of goods and technology to ballistic missile programs in other countries.

Yet, practically every day we see an example of how—usually Western—companies evade the principles embodied in the MTCR—so far without punishment in the several instances with which I am familiar.

Some of these companies continue to do serious defense business with the United States. The company most responsible for helping the Iraqi missile program does millions of dollars of business with the United States.

This kind of behavior is simply unacceptable. I understand that some member countries are trying to toughen up their laws to crack down on the violating companies, but I think we can effect the desired halt in this kind of activity with tools readily at our disposal.

My amendment would require the President to make a determination as to whether a company was exporting MTCR items in a way which be prohibited in the United States. If he so determined, he would be required to impose at least one sanction on that company. The sanctions include denial of U.S. Government contracts and denial of advanced technology which requires a U.S. Government export license.

I urge my colleagues to join me, along with my cosponsors, Messrs. GEJDENSON, KASICH, and SOLOMON, to support this amendment. This is a moderate approach, but one which I am certain can have real effect.

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, I would like to thank and commend the committee chairman, the gentleman from Wisconsin [Mr. ASPIN] for his efforts in putting together what I view as a very comprehensive and very timely piece of legislation on energy conservation in the military. I would also like to thank the chairman for incorporating some of the ideas and the thoughts which my distinguished colleague, the gentleman from Massachusetts [Mr. MARKEY], and I worked on in an earlier piece of legislation.

This amendment, sponsored by Chairman ASPIN, myself, and Representatives MARKEY and SHARP, authorizes $50 million for a unique program of incentives to promote savings through energy conservation and greater energy efficiency in the Defense Department. I appreciate the chairman's incorporation of some of the ideas from the legislation.

Mr. Speaker, recently we have spoken a great deal about the cost of the military situation in the Middle East. However, the real cost to Americans began long before the sudden crisis as we steadily put our energy dollars into unreliable fuel imports.

This lack of a long-term, responsible energy policy has cost us. Putting so many of our energy dollars into the hands of Saddam Hussein is like depositing all of our money in Vernon Savings & Loan. It's questionable investing at best.

The recent military crisis in the Middle East has forced us to recognize the gaps in our energy policy. Now, it is time to put our house in order.

Now is the time to reverse the national policy of waste our voracious and uncontrolled appetite for energy has helped create causing havoc with our balance of payments and placing great demands on our fragile environment.

At over two-thirds of the Federal Government's energy costs for buildings and facilities, the Defense Department is the largest single energy consumer in the Federal Government. Moreover, according to a recent report by the House Armed Services Committee, a comprehensive Defense Department energy conservation program could save $540 million a year.

The Defense Department energy program considered today initiates a logical, responsible effort to reward conservation and more efficient use of our resources and to encourage a more independent energy policy in the national interest. I urge your support.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts [Mr. MARKEY].

Mr. MARKEY. Mr. Chairman, today, as 100,000 U.S. troops protect oil fields in the gulf, we have the opportunity to recommit our domestic forces to lessening our overreliance on imported oil.

In June, Representative MACHTLEY and I introduced H.R. 5163, the Military Energy Conservation Act—the bill from which this amendment evolved. I commend Chairman ASPIN and Chairman SHARP for their willingness to move forward so quickly on H.R. 5163 and for their guidance and support in bringing this amendment before the House.

Between 1975 and 1985, the Department of Defense, among all Government agencies and branches, was the most successful in achieving energy savings. Yet there are significant savings still available—and more than just small change. Federal spending on energy last year approached $9 billion, and the Defense Department's energy budget—for heating and cooling buildings alone—exceeds $2.5 billion a year. This represents over 80 percent of the total Federal energy budget for facilities. In 1989, the Armed Services Committee estimated that as much as $540 million a year could be saved by a comprehensive energy conservation program in the Defense Department.

This amendment gives the DOD both the will and the way to further pursue conservation. It will provide the DOD with the money—and the base commanders with the incentive—to continue their good work.

At present, there is little reason for a military base commander to begin a program of investment in energy conservation or renewable energy technologies. In pursuing conservation, base commanders must divert the precious resources of money and staff time to new plans and strategies. These strategies will, in the end, save the Government a considerable amount of money. Yet those stationed at a base currently see no benefits from their efforts. These individuals are on the frontline of the war against waste, and they should be compensated for their role.

This amendment rewards conservation by allowing the base to retain one third of accomplished savings for military housing, minor military construction, and morale and recreation programs. Another third will go to the Treasury for deficit reduction, and the remaining one third will be targeted for further energy investments at the base.

Eventually, our soldiers in the Middle East will return home following their critical mission. It is my hope that the bases—and the country—to which they return will soon, through conservation and the use of renewable energy, be less reliant on foreign oil. This will save our Nation money in energy expenditures, slow the deterioration of our environment, and, importantly, lessen the chance of a return to the desert to protect foreign energy supplies.

Mr. DICKS. Mr. Chairman, I rise in support of the en bloc amendment to H.R. 4739, which includes a critical amendment that I introduced to better ensure that we proceed in a responsible manner in addressing the cleanup of dangerous wastes that have accumulated at defense production sites and assembly plants under the Department of Energy's jurisdiction.

Due to over 40 years of materials production activities that were paralleled by the inadequate treatment and storage of both high-level and low-level wastes at Department of Energy sites, the Nation has inherited a dangerous legacy that threatens both human health and the integrity of the environment. Some of these wastes will remain radioactive for thousands of years and cannot simply sit idly and poorly stored. The threat of contamination to ground water reserves and to river systems is of particular concern in areas like the Pacific Northwest, where a large number of communities live close to the water supply that is in close proximity to the DOE site.

The issue of defense waste cleanup is one that both the Congress and the American taxpayer will be facing for many years to come, with costs expected in the range of $150 bil-

lion. In order to expedite cleanup, the Department of Energy now estimates that it needs $29 billion during the next 5 fiscal years, including $4.4 billion in fiscal year 1991, and $5.9 billion in fiscal year 1992. I believe that the public and the Congress should have access to all information necessary to make a determination as to whether these cost projections are accurate, and that there is a complete accounting for how funds are specifically spent. This amendment helps to address concerns for cost accountability.

We are beginning to see progress in both the management and the funding of this problem, as well as the development of promising techniques such as virtrification. However, we must remain vigilant in ensuring that the Department of Energy takes seriously its responsibility to clean up wastes at defense sites. Given that it is projected to take a minimum of 30 years to meet to obligations for cleanup, it is imperative that at this front end stage of addressing the problem, that we do everything possible to structure the waste program correctly, and set up a system of accountability.

My amendment is a step forward in moving the Department toward proper accountability and implementation. Under this provision, the Department of Energy is required to submit to Congress by next April, a report that details how it will implement a management plan for environmental restoration and waste cleanup during the next 5 years. The report calls for the Department of Energy to provide a detailed description of its plans in several key areas, including: management capabilities necessary to carry out environmental programs, current Department management capabilities and inadequacies, technical resources including staff and management information systems, an explanation of assistance needed by other Federal agencies and private contractors, and cost verification and quality control elements.

This amendment has the support of the various committees of jurisdiction in the House, and the administration has indicated that it will comply with the elements of the provision.

I urge my colleagues' support for the en bloc amendment which includes this provision.

Mr. JONES of North Carolina. Mr. Chairman, section 1324 of the bill contains an authorization for a program of construction and commercial operation of cargo ships that incorporate features essential for military use. This is commonly referred to as the fast sealift program.

There remain $375 million from the fiscal 1990 Defense appropriation for a fast sealift program. Section 1324 provides the necessary authorization and is intended by its proponents to provide the impetus for the obligation of the available funds.

I wholeheartedly support the concept of construction of fast sealift ships. The Merchant Marine and Fisheries Committee is reviewing the sealift involved in supporting Operation Desert Shield. Our investigation is still underway, but there is no doubt but that we will conclude that the United States needs more modern cargo ships for military support and supply.

Mr. LENT and I were concerned that section 1324 as approved by the Committee on Armed Services was not specific enough regarding the operation of the vessels constructed under the program. We proposed an amendment to section 1324 and testified before the Rules Committee. The rule preserved our right to offer an amendment during House consideration of H.R. 4739.

Negotiations with the Committee on Armed Services resulted in a compromise amendment which is incorporated into the en bloc amendment now offered by Chairman ASPIN.

The amendment makes clear that Congress expects that the Secretary of the Navy, in consultation with the Maritime Administrator, shall charter each vessel constructed under the fast sealift program for commercial operation. Commercial operation is the preferred use of the vessels. A vessel in use is kept in a better state of readiness than one held in reserve. Also, commercial operation means that seafarers are actually working, and this strengthens our pool of trained mariners.

The amendment relies on the competitive bidding process to determine the appropriate charter rate. The competitive bidding procedures will ensure that the United States obtains the highest charter rates consistent with good business practice.

There are certain restrictions on the commercial charter of the vessels. First, the charter must require that the vessel be documented under the U.S. flag. Next, the charter can only permit operation of the vessel in the foreign commerce of the United States; operation in the coastwise trade is not allowed. Also, the charter can be made only with one who is a citizen of the United States, as defined in section 2 of the Shipping Act, 1916; this means that for a corporation, partnership, or association, the controlling interest therein must be owned by citizens of the United States, and also, for a corporation, its president or chief executive officer and the chairman of its board of directors must be citizens of the United States, and no more of its directors than a minority of the number necessary to constitute a quorum can be noncitizens. Also, the corporation must be organized under the laws of the United States or of a State, territory, district, or possession thereof.

The amendment permits the Secretary of the Navy to operate the vessel—or contract to have it operated—in direct support of U.S. military forces during a time of war or national emergency and at other times when the Maritime Administrator determines that the operation would not unfairly compete with another U.S.-flag vessel.

If the Secretary determines that a vessel constructed under the program no longer has commercial utility, he may transfer it to the Maritime Administration for retention in the National Reserve Fleet.

The modified Jones-Lent amendment, as incorporated in the Aspin en bloc amendment, makes clear that the normal mode of operation for these fast sealift vessels is commercial charter. It prevents charters for coastwise operation; this protects existing coastwise operators who are not subsidized and who acquire their vessels in U.S. shipyards at commercial prices. It allows direct operation of the vessels by the Secretary of the Navy in very limited circumstances and protects against unfair competition for commercial operators in those cases.

Mr. BENNETT has worked tirelessly to promote fast sealift. Events in the Persian Gulf demonstrate how correct he is in his call for the acquisition of fast sealift ships. I thank him for his willingness to work with Mr. LENT and me to modify section 1324 in a way acceptable to all of us.

Mr. KENNEDY. Mr. Chairman, I rise today to urge my colleagues to support the Kennedy amendment to the national defense authorization bill of 1991. The language has been included within the en bloc amendment offered by the distinguished chairman of the Armed Services Committee, Mr. ASPIN, and it is language that has received broad support.

The Kennedy amendment would require the primary contractor to submit an annual statistical report to the Secretary of the Army regarding its subcontracting and recruitment practices in Northern Ireland.

The report would reflect the recruitment statistics, subcontracting practices and employee composition data of the firm's C–23 Sherpa aircraft project. It is meant to seek accountability and is subject to congressional review by April 1, 1991.

As taxpayers, we should insist that companies contracting under the Federal Government set examples in their hiring practices.

History has attest to the fact that discrimination exists in Northern Ireland and the depth of this discrimination has affected every sector of that nation's society.

Until 1989, the unemployment rate for Roman Catholics in Northern Ireland was 2.5 times the unemployment rate for Protestants. The Catholic population is currently 40 percent, yet some firms still have a Catholic work force that is not representative of the population.

I am encouraged by the effort made to balance employment and contractual opportunities, and I believe that the annual report would serve as testimony to the contractor's resolve to adhere to congressional intent.

Mr. Chairman, today's vote is a chance to further worker's rights.

It is an opportunity to encourage equal employment, as well as an avenue to support accountability in government procurement. Therefore, I would urge my colleagues to support each of these important ideals by voting "yes" for the Aspin en bloc amendment.

Mr. MORRISON of Washington. Mr. Chairman, I agree with the intent of Mr. WYDEN's amendment, which is to promote the safe management of single and double-shelled tanks used for the storage of high-level radioactive waste at the Hanford Reservation in the State of Washington. It should be noted that the amendment is intended to allow the continued use of double-shelled tanks that do not present a safety concern, as identified by the Secretary of Energy under section 1313(a) of the amendment, for the receipt of waste resulting from future Hanford operations; such waste can include the waste produced from evaporators, decontamination and decommissioning activities, and the operation of the Purex plant. Mr. WYDEN's floor statement also clarifies this intent.

Mr. MARTIN of New York. Mr. Chairman, my amendment changes 42 U.S.C. 3374 to include nonappropriated fund [NAF] employees

in the Homeowner's Assistance Program and further directs that any payments made to NAF employees under this program shall be made from appropriated funds. The amendment would provide assistance to nonappropriated funds to Federal employees who are required to relocate due to base closure or realignment actions. The assistance provided would be the same as that which is provided to all other Federal employees under section 1013 of the Demonstration Cities and Metropolitan Development Act of 1966—42 U.S.C. 3374—commonly known as the Homeowner's Assistance Program [HAP]. The HAP, as currently written, does not provide for nonappropriated fund [NAF] Federal employees. When a base is closed or realigned to the extent that NAF facilities are closed, these employees will be required to relocate. As Federal employees, they should have the same protection from declining property values that other Federal employees have.

Nonappropriated fund employees should be treated the same as any other Federal employee under the HAP. This amendment is an improved version of H.R. 4430, which I introduced earlier this year. H.R. 4430 was jointly referred to the Armed Services Committee and the Committee on Banking, Finance and Urban Affairs, which is the primary committee of jurisdiction for the HAP. I have discussed this amendment with the chairwoman and the ranking minority member of the Subcommittee on Economic Stabilization of the Banking Committee and they support this amendment. It is only due to an oversight that NAF employees were not included in the original act.

The Departments of Defense and the Army, who is executive agent for the HAP agrees and supports this amendment. The Departments of the Army and Air Force Exchange Service also supports the amendments.

I would like to thank the chairman of the committee, Mr. ASPIN for his support in including this amendment in the 1991 Defense authorization bill. I would also like to thank the chairwoman of the Subcommittee on Military Installations and Facilities, Mrs. SCHROEDER, and the chairman of the moral, welfare, and recreation panel, Mr. LEATH for their support on this needed correction to an unintentional oversight in the Homeowner's Assistance Program.

Mr. LAGOMARSINO. Mr. Chairman, I rise to go on the record as opposed to the Moody amendment as originally proposed, to delete funding for the procurement of 12 MX Peacekeeper test missiles. I am encouraged that this amendment has been modified to more responsibly require an examination of our test missile procurement.

The procurement of test missiles does not increase the number of MX Peacekeeper missiles in our strategic arsenal. That number remains capped at 50. As it has consistently done in the past, the Armed Services Committee has authorized test missiles so that we can run tests to ensure that the missiles and their launch mechanisms work and are safe.

Our test missiles carry dummy, not nuclear warheads. They are launched from a test site—Vandenberg AFB in my district—out to a test range. While some items can be checked through simulation, nothing replaces an actual launch. We just don't know if it will follow the simulated program. To eliminate this critical type of testing is irresponsible and directly undermines our strategic triad and therefore directly undermines our national security.

Our nuclear deterrent has helped protect our freedom and interests, has helped foster the democratic changes we're seeing all over the globe today and has kept the peace for the past 45 years because it is credible. The only way we, our allies and any potential adversaries know it is credible is through testing—launching a rocket and making sure it works. Proposals like the original Moody amendment would effectively kill testing of one of the most important parts of our strategic triad for nothing.

Ballistic rockets are complex mechanisms. In addition to ensuring their reliability, test launches are critical for ensuring safety. The MX missile is a nuclear weapon with immense destructive power. Congress rightly insists on the most stringent testing requirements for safety and effectiveness of other weapons. It makes no sense—in fact it's downright dangerous—to have lesser standards for our ICBM's. But, that's what eliminating testing missiles really does. The service men and women handling these weapons, the people living near them and the public as a whole demand better. We must ensure these missiles are safe.

The original Moody amendment is a very poor and dangerous way of eliminating MX Peacekeepr production. Again, I emphasize these test missiles do not increase the number of deployed MX's. We all recognize the changing strategic situation and the positive environment for reducing nuclear arsenals. However, these cuts must come through negotiation and be accompanied by acceptable verification, not unilateral disarmament. Such cuts will only be made if we know we can rely on the weapons we have left. Adequate testing programs ensure that. By attacking our noncontroversial testing program, we actually lessen the incentives for arms reductions setting arms control way back.

The only alternative to halting our testing program, is to reduce the number of deployed MX missiles by using some of them as test missiles without replacement. In other words, the United States would be forced to eliminate a cornerstone of our national defense and eliminate a potentially key negotiating chip unilaterally for absolutely nothing. That's dangerous and foolish.

I am not opposed to examining our testing program in light of recent and possible future strategic arms reductions. The strategic environment has and continues to change in a positive way and, therefore, it may make sense to similarly look into modifying our testing programs and reexamining our testing needs.

Mr. FAZIO. Mr. Chairman, I rise in support of the Aspin en bloc amendment.

Mr. Chairman, this en bloc amendment contains many important provisions including two amendments which I authored that are designed to improve and expedite environmental restoration activities at bases that are closing pursuant to the Base Closure and Realignment Act of 1988.

The first provision would create an interagency task force to report to Congress on ways to improve coordination and cooperation among relevant agencies with respect to cleanup activities. The task force would also make recommendations on ways to streamline administrative procedures in order to expedite the cleanup of these facilities.

The task force would be headed by the Secretary of Defense and would include representatives from the Environmental Protection Agency, the General Services Administration, the Army Corps of Engineers, the U.S. Attorney General's Office, a State attorney general, a State environmental protection agency, and a national public interest environmental group.

The second provision would establish a model program at two base closure sites to be chosen by the Secretary of Defense. Unlike current practice, the model program calls on the Department of Defense [DOD] to select one contractor to be responsible for all phases of cleanup activities at the site. In addition, the contractor would have to indemnify the Federal Government for all liabilities, claims, penalties, costs, or damages stemming from any breach of contract, or any negligent or willful act or omission in performance of the contract.

The model program is a new and innovative approach to environmental response actions which will eliminate many duplicative actions, streamline cleanup efforts, and establish clear and definite responsibility for the response actions undertaken at the base. The program will provide us with good data and a better understanding of what can be done to expedite environmental restoration at these bases.

With 86 base closures currently underway, and the prospect of even more base closures in the future, we must begin to develop a clear policy on how we are going to deal with environmental cleanup activities. We cannot leave these facilities lying fallow for years before the cleanup and transfer of the property is completed.

Just look at the situation with Hamilton Air Force Base in Novato, CA. This installation closed in the mid-1970's. Yet, more than 15 years later, cleanup has still not been completed, the base has not been sold, and the community has had absolutely no opportunity to develop the base and recover some of the economic losses associated with the base's deactivation. We cannot afford to let the 86 bases currently being closed wind up like Hamilton Air Force Base.

My two amendments compliment provisions relating to funding for cleanup activities that were included in the committee's bill as reported to the House. These provisions, which I also authored, establish a pool of funds dedicated solely for environmental restoration activities at base closure sites. In addition, the Armed Services Committee increased funding for these activities by $19 million over the President's request.

Mr. Chairman, at this time, I must acknowledge the support that Chairman ASPIN and Congresswoman PAT SCHROEDER, who is Chair of the Military Installations Subcommittee, have given to these proposals. They fully recognize the importance of giving base closure cleanup activities priority in the budget process. I commend them for their foresight

and thank them for their outstanding leadership on this important issue.

In conclusion, Mr. Chairman, we owe it to the communities who are depending on converting these 86 bases to civilian applications to ensure that they are given the opportunity to do just that. The base closure cleanup provisions contained in this authorization bill as well as the provisions contained in this amendment are necessary to ensure that the 86 base closures proceed in a timely fashion, that the facilities are cleaned up, and that the affected communities can begin the recovery process as soon as possible.

I urge my colleagues to support the amendment.

Mr. DICKINSON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. ASPIN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). The question is on the en bloc amendments offered by the gentleman from Wisconsin [Mr. ASPIN].

The question was taken; the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. DICKINSON. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 373, noes 45, not voting 14, as follows:

[Roll No. 349]

AYES—373

Ackerman	Clarke	Espy
Alexander	Clay	Evans
Anderson	Clement	Fascell
Andrews	Clinger	Fawell
Annunzio	Coble	Fazio
Anthony	Coleman (MO)	Feighan
Applegate	Coleman (TX)	Fish
Archer	Collins	Flake
Aspin	Condit	Flippo
Atkins	Conte	Foglietta
Baker	Conyers	Ford (TN)
Ballenger	Cooper	Frank
Barnard	Costello	Frenzel
Bartlett	Coughlin	Frost
Bates	Courter	Gallegly
Beilenson	Cox	Gallo
Bennett	Coyne	Gaydos
Berman	Craig	Gejdenson
Bevill	Crockett	Gekas
Bilbray	Darden	Gephardt
Billey	Davis	Geren
Boehlert	de la Garza	Gibbons
Bonior	DeFazio	Gillmor
Borski	Dellums	Gilman
Bosco	Derrick	Gingrich
Boucher	DeWine	Glickman
Boxer	Dicks	Gonzalez
Brennan	Dingell	Goodling
Brooks	Dixon	Gordon
Broomfield	Donnelly	Gradison
Browder	Dorgan (ND)	Grant
Brown (CA)	Douglas	Gray
Brown (CO)	Downey	Green
Bruce	Dreier	Guarini
Bryant	Durbin	Gunderson
Buechner	Dwyer	Hall (OH)
Bunning	Dymally	Hall (TX)
Bustamante	Dyson	Hamilton
Byron	Early	Hammerschmidt
Campbell (CA)	Eckart	Harris
Campbell (CO)	Edwards (CA)	Hastert
Cardin	Edwards (OK)	Hatcher
Carper	Emerson	Hawkins
Carr	Engel	Hayes (IL)
Chandler	English	Hayes (LA)
Chapman	Erdreich	Hefner
Henry	McNulty	Scheuer
Herger	Mfume	Schiff
Hertel	Miller (CA)	Schneider
Hiler	Miller (OH)	Schroeder
Hoagland	Miller (WA)	Schuette
Hochbrueckner	Mineta	Schumer
Holloway	Moakley	Serrano
Hopkins	Molinari	Sharp
Horton	Mollohan	Shaw
Houghton	Montgomery	Shays
Hoyer	Moody	Shumway
Hubbard	Moorhead	Shuster
Huckaby	Morella	Sikorski
Hughes	Morrison (CT)	Sisisky
Hunter	Morrison (WA)	Skaggs
Hutto	Mrazek	Skeen
Hyde	Murphy	Skelton
Inhofe	Murtha	Slattery
Ireland	Myers	Slaughter (NY)
Jacobs	Nagle	Slaughter (VA)
James	Natcher	Smith (FL)
Jenkins	Neal (MA)	Smith (IA)
Johnson (CT)	Nelson	Smith (NE)
Johnson (SD)	Nowak	Smith (NJ)
Johnston	Oakar	Smith (TX)
Jones (GA)	Oberstar	Smith (VT)
Jones (NC)	Obey	Smith, Robert (OR)
Jontz	Olin	Snowe
Kanjorski	Ortiz	Solarz
Kaptur	Owens (NY)	Spence
Kasich	Owens (UT)	Spratt
Kastenmeier	Oxley	Staggers
Kennedy	Packard	Stallings
Kennelly	Pallone	Stangeland
Kildee	Panetta	Stark
Kleczka	Parker	Stenholm
Kolbe	Parris	Stokes
Kolter	Pashayan	Studds
Kostmayer	Patterson	Swift
Kyl	Payne (NJ)	Synar
LaFalce	Payne (VA)	Tallon
Lagomarsino	Pease	Tanner
Lancaster	Pelosi	Tauke
Lantos	Penny	Tauzin
Laughlin	Perkins	Taylor
Leach (IA)	Pickett	Thomas (CA)
Lehman (FL)	Pickle	Thomas (GA)
Lent	Porter	Thomas (WY)
Levin (MI)	Poshard	Torres
Levine (CA)	Price	Torricelli
Lewis (CA)	Pursell	Traficant
Lewis (FL)	Quillen	Traxler
Lewis (GA)	Rahall	Udall
Lightfoot	Rangel	Upton
Lipinski	Ravenel	Valentine
Lloyd	Ray	Vander Jagt
Long	Regula	Vento
Lowery (CA)	Rhodes	Visclosky
Lowey (NY)	Richardson	Volkmer
Luken, Thomas	Rinaldo	Walgren
Lukens, Donald	Ritter	Walsh
Machtley	Robinson	Washington
Madigan	Roe	Waxman
Manton	Rogers	Weiss
Markey	Ros-Lehtinen	Weldon
Martin (IL)	Rose	Wheat
Martin (NY)	Rostenkowski	Whitten
Martinez	Roukema	Williams
Matsui	Rowland (CT)	Wilson
Mavroules	Rowland (GA)	Wise
Mazzoli	Roybal	Wolf
McCandless	Russo	Wolpe
McCloskey	Sabo	Wyden
McCollum	Saiki	Wylie
McCurdy	Sangmeister	Yates
McDermott	Sarpalius	Yatron
McHugh	Savage	Young (AK)
McMillan (NC)	Sawyer	
McMillen (MD)	Saxton	

NOES—45

Armey	Hancock	Schulze
Barton	Hansen	Sensenbrenner
Bateman	Hefley	Smith, Denny (OR)
Bentley	Livingston	
Bereuter	Marlenee	Smith, Robert (NH)
Burton	McCrery	Solomon
Callahan	McEwen	Stearns
Combest	McGrath	Stump
Crane	Meyers	Sundquist
Dannemeyer	Nielson	Vucanovich
Dickinson	Petri	Walker
Dornan (CA)	Ridge	Weber
Duncan	Roberts	Whittaker
Fields	Rohrabacher	Young (FL)
Goss	Roth	
Grandy	Schaefer	

NOT VOTING—14

AuCoin	Leath (TX)	Paxon
Bilirakis	Lehman (CA)	Towns
Boggs	McDade	Unsoeld
DeLay	Michel	Watkins
Ford (MI)	Neal (NC)	

□ 1110

Mr. NIELSON of Utah changed his vote from "aye" to "no."

Mr. SAXTON changed his vote from "no" to "aye."

So the en bloc amendments were agreed to.

The result of the vote was announced as above recorded.

The CHAIRMAN pro tempore (Mr. DURBIN). It is now in order to consider the amendment en bloc offered by the gentleman from Wisconsin [Mr. ASPIN].

AMENDMENT EN BLOC OFFERED BY MR. ASPIN

Mr. ASPIN. Mr. Chairman, I offer an amendment.

The CHAIRMAN pro tempore. The Clerk will designate the amendment en bloc.

The text of the amendment en bloc is as follows:

Amendment en bloc offered by Mr. ASPIN: At the end of division A (page 359, after line 2), insert the following new title:

TITLE XIV—BUDGET ADJUSTMENTS

SEC. 1401. APPLICABILITY OF PROVISIONS TO OPERATION DESERT SHIELD.

In view of the information already obtained from Operation Desert Shield, Congress considers that the following program adjustments and authorizations are appropriate.

SEC. 1402. ADDITIONAL AUTHORIZATIONS.

(a) PROCUREMENT.—In addition to amounts otherwise authorized to be appropriated for fiscal year 1991, amounts are hereby authorized to be appropriated for fiscal year 1991 for procurement for the Armed Forces as follows:

(1) For Shipbuilding and Conversion, Navy, $540,000,000, of which—

(A) $250,000,000, shall be available only for the strategic sealift program; and

(B) $290,000,000, shall be available only for the MHC coastal minehunter program.

(2) For Aircraft Procurement, Navy, $10,800,000.

(3) For Other Procurement, Navy, $5,000,000, for communications and electronics.

(4) For Aircraft Procurement, Air Force, $50,200,000, of which $36,000,000, shall be available only for modifications for the C-141 aircraft.

(5) For Other Procurement, Air Force, $27,000,000, to be available only for chemical/biological defense equipment.

(b) R,D,T,&E.—In addition to amounts otherwise authorized to be appropriated for fiscal year 1991, amounts are hereby authorized to be appropriated for fiscal year 1991 for research, development, test, and evaluation for the Armed Forces as follows:

(1) For Research, Development, Test, and Evaluation, Army, $20,000,000, to be available only for chemical/biological defense equipment.

(2) For Research, Development, Test, and Evaluation, Defense Agencies, $20,000,000, to be available only for enhanced testing of developmental material and equipment under desert and hot weather conditions.

(c) OPERATION AND MAINTENANCE, ARMY.—In addition to amounts otherwise authorized to be appropriated for fiscal year 1991, there is hereby authorized to be appropriated for fiscal year 1991 for Operation and Maintenance, Army, the sum of $120,000,000, to be available only for chemical/biological personal defense supplies, equipment, and training.

(d) OFFSETTING ADJUSTMENTS.—(1) The amount provided for the DDG-51 destroyer program in section 102(c) is hereby reduced by $348,000,000 (and the total amount provided in that section for Shipbuilding and Conversion, Navy, is hereby reduced by the same amount).

(2) The amount provided in section 103 for Other Procurement, Air Force, is hereby reduced by $30,000,000.

SEC. 1403. MILITARY PAY AND ALLOWANCES.

(a) IMMINENT DANGER PAY.—The Secretary of Defense shall provide for the payment of imminent danger pay under section 310 of title 37, United States Code, to members of the Armed Forces assigned to duty in the Persian Gulf area in connection with Operation Desert Shield. Such pay shall be paid for periods of duty served from the beginning of Operation Desert Shield.

(b) VARIABLE HOUSING ALLOWANCE.—(1) In the case of Reserve members called or ordered to active duty (other than for training) in connection with Operation Desert Shield, the variable housing allowance under section 403a of title 37, United States Code, shall be paid to such Reserve members without regard to the limitation in subsection (b)(3) of that section.

(2) The limitation in subsection (d) of that section on the total amount of variable housing allowance that may be paid for a fiscal year shall not apply for fiscal year 1991.

(c) SPECIAL PAY FOR RESERVE MEDICAL AND DENTAL OFFICERS.—(1) A reserve medical or dental officer described in paragraph (2) shall be eligible for special pay under section 302 or 302b of title 37, United States Code (whichever applies), in the same manner as a regular medical or dental officer, notwithstanding the requirement in those sections that the call or order to active duty be for a period of not less than one year.

(2) A reserve medical or dental officer referred to in paragraph (1) is a reserve officer who—

(A) is an officer of the Medical or Dental Corps of the Army or the Navy or an officer of the Air Force designated as a medical or dental officer; and

(B) is on active duty (other than for training) under a call or order to active duty for a period of less than one year in connection with Operation Desert Shield.

(3) Payment of special pay under section 302 or 302b of title 37, United States Code, pursuant to this subsection may be made on a monthly basis. If the service on active duty of a reserve medical or dental officer referred to in paragraph (1) is terminated before the end of the period for which a payment is made under those sections to the officer, the officer is entitled to special pay under those sections only for the portion of that period that the officer actually served on active duty. The officer shall refund any amount received in excess of the amount that corresponds to the period of active duty of the officer.

(4) While a reserve medical officer referred to in paragraph (1) receives special pay under section 302 of title 37, United States Code, by operation of that paragraph, the officer shall not be entitled to special pay under subsection (h) of that section.

(d) FUNDING.—In addition to amounts otherwise authorized to be appropriated for military personnel for fiscal year 1991, there is hereby authorized to be appropriated for fiscal year 1991 $174,000,000 for military personnel accounts of the Department of Defense. Amounts appropriated pursuant to such authorization shall be available only for—

(1) payments to members of the Armed Forces assigned to duty in the Persian Gulf region in connection with Operation Desert Shield for—

(A) special pay pursuant to section 305 of title 37, United States Code (relating to pay while on duty at specified hazardous locations);

(B) special pay pursuant to section 310 of title 37, United States Code (relating to pay while subject to hostile fire or while in imminent danger); and

(C) family separation allowance pursuant to section 427 of title 37, United States Code; and

(2) payments to Reserve members of the Armed Forces called or ordered to active duty in connection with Operation Desert Shield for—

(A) variable housing allowance pursuant to section 403a of title 37, United States Code; and

(B) special pay to Reserve physicians and dentists pursuant to subsection (c).

SEC. 1404. SENSE OF CONGRESS CONCERNING ACTIVATION OF NATIONAL GUARD COMBAT BRIGADE.

It is the sense of Congress that the President should order to active Federal service at least one Army National Guard combat brigade for deployment in the Persian Gulf region in connection with Operation Desert Shield and that the order of such brigade to active Federal service should be issued under provisions of law that would allow that brigade to remain in such service for the duration of Operation Desert Shield.

SEC. 1405. FUNDING FOR MAILING PRIVILEGES FOR MEMBERS OF THE ARMED FORCES PARTICIPATING IN OPERATION DESERT SHIELD.

In addition to any amounts otherwise authorized to be appropriated to the Department of Defense for fiscal year 1991, there is hereby authorized to be appropriated to the Department of Defense for fiscal year 1991 the sum of $11,000,000, to be available for reimbursement of the Postal Service under section 3401(d) of title 39, United States Code, for free mailing privileges accorded members of the Armed Forces assigned as part of Operation Desert Shield to duty in the Persian Gulf region.

SEC. 1406. PROCUREMENT FLEXIBILITY FOR SMALL PURCHASES.

(a) INCREASED FLEXIBILITY FOR OPERATION DESERT SHIELD.—The small purchase procurement threshold in the case of any contract to be awarded and performed, or purchase to be made, outside the United States in support of Operation Desert Shield or any other operation to deal with the threat caused by the invasion of Kuwait by Iraq shall be $100,000 (rather than the amount specified in section 2304(g)(2) of title 10, United States Code).

(b) SMALL PURCHASE PROCUREMENT THRESHOLD DEFINED.—For purposes of this section, the term "small purchase procurement threshold" means the maximum amount of a purchase or contract for which the special simplified procurement procedures established pursuant to section 2304(g)(1) of title 10, United States Code, may be used.

SEC. 1407. ACCOUNTING FOR COSTS OF OPERATION DESERT SHIELD.

The Secretary of Defense shall maintain separate financial and cost records for Operation Desert Shield. Those records shall include records showing the amount and use of any contributions made by other nations.

SEC. 1408. USE OF FUNDS RECEIVED FOR OPERATION DESERT SHIELD.

Notwithstanding section 4 of the Act entitled "An Act to authorize the acceptance of conditional gifts to further the defense effort", approved July 27, 1954 (50 U.S.C. 1154), or any other provision of law, funds received by the United States to assist in defraying the cost to the United States of Operation Desert Shield may not be obligated or expended except as specifically authorized by law after the date of the enactment of this Act in a law other than an appropriations Act (or a joint resolution making continuing appropriations).

SEC. 1409. REPORT ON PREPOSITIONING LOCATIONS OF FAST SEALIFT SHIPS.

(a) STUDY.—The Secretary of Defense shall examine the present criteria used for choosing the locations for the prepositioning of fast sealift ships and shall consider making the decision for such location based upon the most likely port of embarkation of such ships for use in a deployment. In addition, the Secretary shall examine the feasibility of expanding the use of prepositioned stocks, including stocks prepositioned aboard ships, for future contingencies.

(b) REPORT.—The Secretary shall submit to the congressional defense committees a report on the matters examined pursuant to subsection (a). The report shall be submitted in conjunction with the submission of the budget justification materials of the Department of Defense in support of the President's budget for fiscal year 1992.

At the end of title II (page 47, after line 25), insert the following new section:

SEC. 244. COMPETITION IN CONTRACTING FOR COMPUTERS AND SOFTWARE.

(a) CONGRESSIONAL CONCERNS REGARDING DEFENSE COMPUTER PROCUREMENT.—The Congress notes the concern regarding the manner in which solicitations are performed for computer procurement for components of the Department of Defense.

(b) GAO REVIEW.—The Comptroller General of the United States shall conduct a review of a selected number of planned and recently completed computer procurements for components of the Department of Defense to determine if those solicitations provide any barriers to full and open competition for United States computer suppliers. The procurements reviewed shall include the Air Force procurement for Tactical Air Force Workstations under solicitation F19630-90-R-0014 and the Army procurement for Light Weight Computer Unit under solicitation DAAB07-90-R-L100.

(c) MATTERS TO BE INCLUDED IN REVIEW.—The review shall determine in the case of each solicitation reviewed—

(1) whether unnecessary or non-germane specifications, evaluation factors, unwarranted performance requirements, packaging requirements, or other limiting bias factors are present;

(2) whether the solicitation contains restrictive requirements in excess of minimum Government needs;

(3) whether Government developed applications software is favored over commercial

"off the shelf" software solutions and the sufficiency of the rationale to support Government development;

(4) the need for components of the Department of Defense to agree upon a standard prescribed architecture and operating system; and

(5) the cost effectiveness of computer procurements based on the realism of specifications as compared to intended use.

Statements regarding the degree of assessment supporting the specification development and rigidity as they limit or tend to limit offerers or contract awards are to be included.

(d) REPORT TO CONGRESS.—The Comptroller General shall complete the study and submit a report on the results of the study to the Committees on Armed Services of the Senate and House of Representatives not later than three months after the date of the enactment of this Act.

(e) SUSPENSION OF CERTAIN COMPUTER PROCUREMENT ACTIONS PENDING REPORT.—Until the end of the 15-day period beginning on the date on which the report under subsection (d) is submitted—

(1) no further action may be taken with respect to awarding a contract under the two solicitations specified in subsection (b); and

(2) all submissions and receipt of vendor proposals for computer contracts with a component of the Department of Defense shall be suspended.

(f) WAIVER OF SUSPENSION.—The Secretary of Defense may waive the provisions of subsection (e) in the case of any procurement action that the Secretary considers to be mission critical.

At the end of part F of title III (page 89, after line 2), insert the following new section:

SEC. 365. PROVISION OF EMERGENCY MEDICAL SERVICES TO CIVILIAN SECTOR.

(a) IN GENERAL.—In a case in which an emergency medical unit of the Armed Forces described in subsection (c) is deployed for reasons of military necessity, the Secretary of the military department concerned shall ensure that any emergency medical units remaining at the installation or facility following the deployment retain sufficient capability to perform auxiliary medical emergency assistance for local civilian communities in the same manner as was performed by the unit deployed or, in the event that the emergency medical units remaining are nonexistent or are incapable of performing auxiliary medical emergency assistance for local civilian communities, the Secretary concerned shall make every reasonable effort to replace the service concurrent in time with the loss of the unit deployed and may use the reserves for those purposes.

(b) CONDITIONS.—Emergency medical assistance for local civilian communities may be provided by military personnel following a deployment only if (1) sufficient capability otherwise exists in units of the Armed Forces in that locality following the deployment, and (2) such assistance has historically been provided by units of the Armed Forces before the deployment.

(c) COVERED EMERGENCY MEDICAL UNITS.—An emergency medical unit of the Armed Forces referred to in subsection (a) is such a unit that (1) is stationed at a military installation or facility in the United States in a remote or isolated area where an adequate emergency aeromedical evacuation capability does not exist in the adjacent civilian sector, and (2) has historically performed emergency medical assistance for local civilian communities.

(d) WAIVER AUTHORITY.—The Secretary concerned may waive the provisions of subsection (a) in any case if the Secretary determines that the waiver is necessary for reasons of national security.

At the end of part B of title XIII (page 330, after line 2), insert the following new section:

SEC. 1326. NAMING OF GUIDED MISSILE DESTROYER THE U.S.S. SAMUEL S. STRATTON.

(a) FINDINGS.—The Congress finds that—

(1) the late Honorable Samuel S. Stratton served the people of the United States and the 23d District of New York as a Member of the House of Representatives for 30 consecutive years with loyalty, dedication, and warm personal friendship until his retirement at the conclusion of the 100th Congress;

(2) Samuel S. Stratton served as a member of the Committee on Armed Services of the House of Representatives for 30 years and did so with total dedication to the goal of maintaining a strong national defense;

(3) as a member of the Committee on Armed Services, Samuel S. Stratton served as chairman of 3 permanent subcommittees (the Military Personnel and Compensation Subcommittee, the Investigations Subcommittee, and the Procurement and Military Nuclear Systems Subcommittee) and as chairman of no fewer than 5 special subcommittees and panels having a major effect on every aspect of our country's defense establishment;

(4) Samuel S. Stratton played a major legislative and intellectual role in such diverse areas as strengthening the NATO alliance, modernization of Guard and Reserve forces, pursuit of verifiable arms control agreements, protection of the defense industrial base, development of missile and aviation programs, and improvement in the military medical care and military justice systems;

(5) through his singular and distinctive efforts, Samuel S. Stratton was successful in seeing enacted into law the requirement that women be admitted to the Nation's service academies; and

(6) Samuel S. Stratton's service to the Nation (including his wartime and reserve service as a naval officer and service as a Member of Congress) left an indelible mark on the history of the Nation and his unswerving goal of maintenance of a strong national defense knows no peer.

(b) SENSE OF CONGRESS.—In light of the findings expressed in subsection (a), it is the sense of Congress that the Secretary of the Navy should name the next guided missile destroyer (DDG-51) to be named after enactment of this Act the U.S.S. Samuel S. Stratton.

Page 20, line 2, strike out "$255,000,000" and insert in lieu thereof "$250,500,000".

Page 22, strike out lines 18 through 20 and insert in lieu thereof the following:

From funds appropriated for fiscal year 1991 pursuant to this Act, not more than $600,000,000 may be obligated for the D-5 missile program until each of the following has occurred:

Page 31, line 12, strike out "$12,813,082,000" and insert in lieu thereof "$12,940,082,000".

Page 31, line 13, strike out "$8,263,135,000" and insert in lieu thereof "$8,277,335,000".

Page 31, line 15, strike out "$216,100,000" and insert in lieu thereof "$289,100,000".

Page 31, line 18, strike out "$90,800,000" and insert in lieu thereof "$17,000,000".

Page 415, line 11, strike out "Subject to" and insert in lieu thereof "(1) Subject to paragraph (2) and".

Page 415, after line 16, insert the following:

(2) The Secertary may not make the conveyance authorized by paragraph (1) before December 1, 1990, unless the City of Columbus, Georgia, the Secretary, the Mead Corporation, and Chattahoochee County, Georgia, agree to the conveyance before such date.

Page 442, line 21, strike out "$931,564,000" and insert in lieu thereof "$944,564,000".

Page 442, line 22, strike out "$442,268,000" and insert in lieu thereof "$429,268,000".

Page 454, line 12, strike out "Project 88-D-159" and insert in lieu thereof "Project 87-D-159".

The CHAIRMAN pro tempore. Under the rule, the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 20 minutes, and the gentleman from Alabama [Mr. DICKINSON] will be recognized for 20 minutes in opposition.

The Chair recognizes the gentleman from Wisconsin [Mr. ASPIN].

Mr. ASPIN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, the amendment that I am offering here is a budget adjustment amendment. In the light of having some money freed up through previous amendments and previous actions by the Secretary of Defense, this amendment proposes to spend that money in ways that are related to the Desert Shield operation.

Mr. Chairman, the amount that we are dealing with here in this amendment is just under a billion dollars. Let me describe where it comes from. Yesterday the House passed the Bennett amendment, which cut SDI funding from $2.9 billion to $2.3 billion, thereby making available $600 million.

A second source of funding here is the Secretary of Defense's recent recommendation that we fund only four instead of five DDG-51 destroyers, thereby freeing up $348 million. So the total is $948 million.

This amendment proposes to spend that amount essentially in a couple of major categories. One category, probably the more important category but the less expensive category, is to correct pay inequities. We have discovered that the soldiers, the men and women in the Armed Forces now serving in the Persian Gulf, due to the ways the pays have been allocated and the way the law is written, face this situation: There are certain pay inequities. Some people are out of pocket because they lose some benefits when they leave home, and they do not get enough benefits added to their employment. The first thing this amendment does is to correct those inequities. I think the gentlewoman from Maryland [Mrs. BYRON] will be talking about that here in just a moment.

The second thing we spend the money on is some military programs. We do not yet know the full lessons learned from the Desert Shield deployment. There clearly will be some postmortems. The Committee on Armed Services in particular will be involved in postmortems on the Desert Shield deployment.

What are the lessons learned? What have we learned about this deployment, about what kind of equipment we are short of or what kind of equipment we need to have more of? We do not fully know the lessons, but we know there are some lessons to be learned.

We know, for example, that lift is very, very important. We know, for example, that sealift is very important. We know, for example, that chemical decontamination units are very, very important.

So the second thing this amendment does is to add money for some programs that we have discovered through the Desert Shield experience we really need to have. So we will have some more money to spend on these.

This also has some legislative provisions, and I think some of them will be important. The gentleman from New York [Mr. MCNULTY] will be mentioning one.

We will include in this some language to the effect that it is the sense of the Congress that the Pentagon call up combat reserve brigades. They are calling up reserve units but not combat units. The gentleman from Mississippi [Mr. MONTGOMERY] is very interested in that issue, and he will say a word about it here.

There is one other issue we are covering in this amendment that is very, very important. Speculation has been raised partly because of a proposal that the Pentagon has sent over as part of its supplemental appropriation package, and this is speculation in the press as to how we in Congress are going to handle the money that comes to the United States Government from countries that are donating funds to help pay for Desert Shield. This is an unprecedented thing that is occurring here, people giving the United States money to help pay for a military operation.

There is a possibility that gifts will be handled in such a way that Congress does not get a chance to authorize the money. In fact, it is the Pentagon's proposal that gifts be accepted by the Pentagon under a 1954 act which allows the Pentagon then to spend it on anything they so desire, consistent with the wishes of the donor. That 1954 act was made on the presumption that some patriotic citizens might give some money to the Pentagon to help on defense matters.

But we are anticipating billions of dollars from the Saudi Arabian Government and billions of dollars from the Kuwaiti Government in exile.

There is another thing that this amendment does. This amendment that we have before us here would mandate that all money collected as a part of Desert Shield be authorized.

Mr. Chairman, basically that is the outline of the amendment. A lot of people had a hand in drafting this amendment. A lot of people put in a lot of time on this. Some people traveled to Saudi Arabia to learn some of the things that are important in this amendment. I would like to compliment all my colleagues for assisting in the drafting of this amendment.

Mr. Chairman, I rise to speak on behalf of my defense budget amendment. This amendment was undertaken in wake of Operation Desert Shield and is designed to provide an appropriate support package for military personnel deployed for that operation and to revise slightly the authorization of appropriations for the Department of Defense for the next fiscal year based on information gleaned from Operation Desert Shield. Before discussing the text of the amendment Mr. Chairman, there are some technical corrections to the report of the Committee on Armed Services to accompany H.R. 4739.

This amendment is consistent with the committee reported bill. It represents a $1 billion Desert Shield package that supports personnel pay and allowances, chemical and biological warfare defense, and enhanced strategic air and sealift. The amendment would also clarify emergency contracting authority and would establish cost and burdensharing reporting requirements for the Department of Defense. In addition, DOD would be required to study the greater use of prepositioned stocks aboard sealift ships. This part of the bill would be financed by a reduction in the DDG-51 destroyer program and the SDI program.

CORRECTING PAY INEQUITIES

Let me explain the amendment in a little more detail. The amendment would provide three important personnel benefits. First, it would authorize funding for the direct payment of "imminent danger pay." Each soldier, sailor, or airman deployed to the Persian Gulf would receive $110 per month as long as he or she remains deployed in that region. In addition, the amendment would ensure full funding of the family separation allowance for military members who have left their families behind for this operation. The amendment would also authorize the payment of special pay for serving in a hazardous location.

With respect to reserve forces deployed for Desert Shield, the amendment would provide a housing allowance and special pay for reserve physicians who are activated for the operation. In total, full funding for the active and reserve compensation package requires an authorization of an additional $185 million for the military personnel account. Finally, this part of the amendment would provide funding for free mail privileges for those assigned in the Persian Gulf for fiscal year 1991.

IMPROVED CHEMICAL DEFENSE AND LIFT PROGRAMS

It is also apparent that chemical and biological defense equipment will be critically important if U.S. forces engage in combat operations against Iraq. The amendment would authorize a total of $187 million for various programs related to the testing and acquisition of this equipment.

Another major component of the amendment focuses on strategic mobility. Desert Shield has taught us that strategic sealift ships are vital to the timely transportation of equipment and cargo in support of deployed military forces. Historically, this mission has been supported by the merchant marine, but the continuing decline of the American flag fleet leaves insufficient ships available for military requirements. This amendment would authorize $250 million toward the purchase of three strategic sealift ships.

Operation Desert Shield has also demonstrated the need for improved airlift capability. My amendment proposes a $36 million add for modifications to the existing C-141 fleet. In addition, $290 million would be authorized to bolster our minehunting capabilities.

To offset the cost of these benefits, the amendment would reduce funding for the DDG-51 destroyer by $348 million and SDI by $600 million. The decision to cut funds from the DDG-51 is based on the results of Secretary Cheney's major ship review, and the reduction from SDI is consistent with action already taken by the House.

LEGISLATIVE PROVISIONS

The amendment also contains legislative provisions. First, the amendment would permit DOD to use simplified small purchase procedures when procuring supplies and services in the Middle East for use in Desert Shield, if the contract is for less than $100,000. Second, the amendment would require the Secretary of Defense to maintain financial and cost records for Operation Desert Shield, including records of amounts contributed by other nations and the use to which those monies are put. This section woulds further require the Secretary of Defense to study the feasibility of expanding the use of prepositioned stocks aboard fast sealift ships.The question of malpositioned ships and the need to berth sealift ships at their likely ports of embarkation would also be studied.

CONGRESSIONAL AUTHORIZATION FOR OTHER SUPPORT FOR DESERT SHIELD

A second major part of the amendment deals with the question of what becomes of money that is contributed to support Operation Desert Shield the amendment would establish an authorization requirement before funds received from other nations in support of Desert Shield are used by the Department of Defense. In other words, before money contributed from any source could be spent for Desert Shield, Congress would have to authorize how that money would be spent. This provision recognizes that the Committee on Armed Services and the Congress have a special interest in ensuring that the administration makes a complete disclosure of the costs of the on-going crisis in the Middle East, including who is paying for what.

We have a responsibility to the American people to oversee the administration's use of such funds that are contributed in support of our defense policy toward Iraq. Current law allows the administration to spend monetary

gifts for defense purposes without proper congressional oversight, and this provision merely remedies that situation.

TECHNICAL CORRECTIONS

The third part of this amendment is just a compilation of technical corrections to the committee reported bill.

IN HONOR OF SAM STRATTON

A final point I want to make concerns our late colleague, the Honorable Sam Stratton, of New York. In recognition of his outstanding contribution to this country over the course of his 30-year congressional career, my amendment expresses the sense of Congress that the Secretary of the Navy should name the next guided missile destroyer [DDG-51] the U.S.S. *Samuel S. Stratton.*

SUMMARY

Mr. Chairman, this amendment is a necessary adjunct to the bill as passed by the Armed Services Committee. It is consistent with the philosophy of the bill in the sense that it recognizes the importance of treating our military members well so that they know that the American people support their actions in supporting our policies in distant and dangerous regions of the globe, and in the sense that it looks ahead, recognizing that in the future our forces will need to be more mobile and rapidly deployable than they are today. This amendment responds to the lessons we are learning from Desert Shield, and I would urge my colleagues to support its passage.

CORRECTIONS TO THE COMMITTEE REPORT ON H.R. 4739 DOD AUTHORIZATION BILL FOR FISCAL YEAR 1991 (REPORT NO. 101-665)

(1) Substitute the attached tables for the tables on pages 126, 149, 162, 165, 177, and 179.

(2) On page 182 of the report under the heading "Long Range Conventional Stand-off Weapon"—"reduction of authorization by $36 million," should read "reduction of authorization to $36 million."

(3) On page 189 of the report under Section 231-ICBM Modernization Programs—"authorization of $610,208,000 million" should read "$610,208,000."

(4) On page 340, under "Division B, Military Construction Authorizations, the number "$8,473,167,000" should read "$8,488,167,000".

(5) On pages 341, 350, and 351 the label "Subcommittee Recommendation" should read "Committee Recommendation."

(6) On page 364 under "overseas construction projects requested by the Navy", the final column of the table should read "Committee Recommendation".

(7) On page 366 under overseas projects requested by the Air Force, the final column should read "Committee Recommendation".

DEPARTMENT OF DEFENSE FY 1991 RDT&E PROGRAM

[In thousands of dollars]

Program title	Fiscal years— 1990 amount	1991 authorization request	Change from request	Committee recommendation
Summary of appropriation:				
Department of Army RDT&E	5,418,729	6,025,900	(370,073)	5,655,827
Department of Navy RDT&E	9,465,840	9,017,127	342,850	9,359,977
Department of Air Force RDT&E	13,496,884	13,276,300	(336,218)	12,940,082
Defense Agencies RDT&E	8,153,493	9,249,300	(1,278,065)	7,971,235
Director of Test & Evaluation Defense	178,221	348,100	(59,000)	289,100
Director of Operational Test and Evaluation	12,725	90,800	(73,000)	17,000
Milestone authorization enacted		85,273	(85,273)	0
Total RDT&E	36,725,892	38,092,800	(1,859,579)	36,233,221
Research development and evaluation Navy:				
In-house independent laboratory research	24,346	26,801	0	26,801
Defense research sciences	342,584	374,357	0	374,357
Anti-air warfare/ anti-surface warfare	61,751	63,105	0	63,105
Surface ship technology	13,753	15,982	10,000	25,982
Aircraft technology	21,282	24,403	0	24,403
Marine Corps landing force technology	16,373	18,132	0	18,132
Command, control, and communication	15,508	18,393	0	18,393
Mission support technogy	31,702	34,493	0	34,493
Materials			5,000	5,000
Systems support technology	62,843	69,152	0	69,152
EW technology	0	12,872	0	12,872
ASW technology	129,332	114,677	15,000	129,677
Tachical oceanography technology			5,000	5,000
Mine and special warfare technology	15,921	17,926	8,000	25,926
Submarine technology	15,025	16,701	5,000	21,701
Nuclear propulsion	14,036	14,575	0	14,575
Ocean and atmospheric support technology	29,449	32,099	0	32,099
Independent exploratory development	12,000	13,825	0	13,825
Total, technology base	804,906	867,493	48,000	915,493
Aircraft propulsion	7,162	10,134	0	10,134
Advanced aircraft subsystems	5,744	5,966	0	5,966
EW technology	12,486	0	0	0
Electromagnetic radiation source EL	973	5,734	0	5,734
Ship propulsion system	0	0	0	0
Electric drive	31,204	43,799	0	43,799
Unmanned undersea vehicle technology			0	
Marine Corps advanced technology DE	0	15,254	0	15,254
Human Factors engineering	2,472	2,883	0	2,883
Medical development	17,066	16,966	2,000	18,966
Manpower and personnel systems	3,029	3,200	0	3,200
Generic logistics R&D technology DE	17,201	14,040	0	14,040
Education and Training	5,222	5,983	0	5,983
Marine Corps advanced manpower/ training	3,969	3,110	0	3,110
Simulation and training devices	973	5,042	0	5,042
Navy logistic productivity	0	0	0	0
Advanced anti-submarine warfare technology	37,276	16,351	10,000	26,351
Advanced technology transition	67,550	51,143	0	51,143
Advanced special operations research	1,557	0	0	0
Total, advanced technology development	213,884	199,605	12,000	211,605
Tactical space operations	3,742	3,591	0	3,591
SSBN survivability	11,598	15,649	0	15,649
WWMCCS architecture support	6,881	0	0	0
Satellite laser communications	0	0	0	0
Trident II	213,937	21,152	70,670	91,822
Research development test and evaluation—Air Force:				
In-house laboratory independent research	7,450	8,318	0	8,318
Defense research sciences	182,714	193,158	10,300	203,458
Geophysics	36,868	36,457	0	36,457
Materials	57,689	60,847	5,000	65,847
Aerospace flight dynamics	65,911	67,378	0	67,378
Human systems technology	48,928	51,142	5,000	56,142
Aerospace propulsion	66,128	62,583	3,000	65,583
Aerospace avionics	64,428	68,614	0	68,614
Personnel, training and simulation	28,154	30,488	5,000	35,488
Civil engineering and environmental	5,860	5,615	5,000	10,615
Rocket propulsion	36,590	37,873	0	37,873
Advanced weapons	31,637	36,193	0	36,193
Conventional munitions	43,043	43,512	0	43,512
Command control and communications	80,496	79,409	0	79,409
Total technology base	755,356	781,587	33,300	814,887
Logistics systems technology	9,114	11,758	0	11,758
INEWS/ICNIA	36,364	29,572	0	29,572
Advanced materials for weapon systems	8,639	15,042	0	15,042
Aerospace propulsion subsystems integrations	20,527	28,404	0	28,404
Advanced avionics for aerospace vehicles	24,431	32,308	0	32,308
Aerospace vehicle technology	18,149	21,338	0	21,338
Aerospace structures	17,143	19,135	0	19,135
Aerospace propulsion and power technology	31,778	40,154	0	40,154
Personnel, training and simulation	7,420	8,198	0	8,198
Crew systems and personnel protection	19,530	18,319	0	18,319

Advanced fighter technology integration	21,585	23,803	0	23,803
Lincoln Laboratory	23,073	27,609	0	27,609
Advanced avionics integration	13,963	15,079	0	15,079
National aerospace plane technology	192,483	158,000	0	158,000
EW technology	32,200	36,939	0	36,939
Space and missile rocket propulsion	10,988	12,568	0	12,568
Armament technology integration	1,937	1,219	0	1,219
Advanced spacecraft technology	16,676	13,023	0	13,023
Space systems environmental interaction	3,840	4,252	0	4,252
Very high speed integrated circuits	0	0	0	0
Conventional weapons	24,188	29,497	0	29,497
Advanced weapons technology	66,105	55,904	0	55,904
Weather systems, advanced development	5,494	5,622	0	5,622
Civil and environmental engineering	7,668	10,170	0	10,170
C-31 subsystem integration	7,465	9,446	0	9,446
Advanced computer technology	7,607	9,073	0	9,073
Training systems technology	0	0	0	0
C-3 advanced development	8,527	9,628	0	9,628
Advanced special operations research	2,285	0	0	0
Total, advanced technology base	639,179	646,060	0	646,060
Constant help			0	0
F-117A squadrons			0	0
Tactical AGM missiles	2,485	509	0	509
Advanced medium range air-to-air missiles	14,929	25,516	0	25,516
F-111 self protection systems	4,560	0	0	0
Seek clock			(−5,000)	0
TR-1 squadron	110,710	54,764	(53,201)	1,563
Follow-on tactical reconnaissance systems	64,850	47,248	0	47,248
AF tencap	335	346	0	346
Tacit rainbow	20,997	9,759	27,000	36,759
Overseas air weapon control system	1,387	2,311	0	2,311
Tactical air control systems	17,212	17,075	0	17,075
Airborne warning and control systems	114,900	133,810	0	133,810
Advanced communications systems	11,228	6,385	0	6,385
Copper coast			0	0
Tactical air intelligence system AC	462	484	0	484
Tactical improvement program			0	0
Tactical reconnaissance imagery and advanced systems improvements	0	0	0	0
Seek Spinner	0	0	0	0
Seek Eagle	16,497	14,549	0	14,549
Omega			(147,900)	0
Mission planning systems	2,485	18,146	0	18,146
Joint tactical communications program	3,514	4,833	0	4,833
Electronic combat support	2,490	2,770	0	2,770
Have flag			0	0
Satellite communications terminals	5,915	6,071	0	6,071
National Airspace System [NAS] plan	0	35,000	0	35,000
Centennial			0	0
Constant source	0	6,714	0	6,714
Electronic combat intelligence support	1,744	1,841	0	1,841
Senior citizen			0	0
MAC command and control system	10,919	11,626	0	11,626
A-7 squadrons [ANG]	19,945	0	0	0
Force enhancements—active	38,443	0	0	0
AIM-9 improvements			0	
C-130J			10,000	10,000
Classified programs	615,362	750,901	137,900	888,801
Total, tactical programs	3,884,590	3,777,193	(327,489)	3,449,704
Intelligence production activities			0	0
Foreign technology division			(−775)	0
Infrared/electro-optical/dir. energy			0	0
Missile and space technical collect			(−12,136)	0
Senior year operations			(−1,563)	0
Forest gren			(−9,527)	0
Nudet detection system			0	0
Defense satellite communications system	25,105	16,484	0	16,484
Long-haul communications [DCS]	3,215	3,570	0	3,570
Force enhancements—active	11,093	0	0	0
Advanced special operations research	0	24,784	0	24,784
Advanced special operations research	9,104	0	0	0
Total, advanced technology development	4,490,572	5,250,856	(1,380,000)	3,870,856
Verification technology demonstration	19,000	76,000	0	76,000
Island Sun support	0	84,624	0	84,624
Island Sun	57,995	0	0	0
Air defense initiative	149,909	246,920	(50,000)	196,920
National military command system—WI	12,885	12,088	0	12,088
WWMCCS systems engineer	16,674	16,952	0	16,952
Minimum essential emergency communication	7,990	8,240	0	8,240
WWMCCS ADP modernization	47,474	55,115	0	55,115
Total, strategic programs	311,927	499,939	(50,000)	449,949
Physical security equipment	32,782	34,022	0	34,022
Joint robotics program	21,586	22,000	0	22,000
Classified program—C-31	36,116	0	0	0
Nonacoustic ASW	29,982	0	0	0
Joint standoff weapons program	18,825	55,448	(20,000)	35,448
Joint tactical information distribution	70,657	66,232	0	66,232
Cinc C-2 initiatives	1,913	1,974	0	1,974
C-3 interoperability (joint tactical)	54,297	46,682	0	46,682
Management headquarters (joint tactical)	6,459	6,589	0	6,589
Joint remotely piloted vehicles pro	82,254	82,099	51,000	133,099
Logistics/weight reduction study			0	
General support for SO/LIC			0	
Technical support working group			0	
Force enhancements—active	0	182,368	(10,000)	172,368
Total, tactical programs	354,871	497,414	21,000	518,414
Mapping, charting, geodesy investigation	0	0	0	0
Mapping, charting, and geodesy engineer	0	0	0	0
Cryptologic activities			(−102,700)	0
General defense intelligence programs			(−14,557)	0
Long-haul communications [DCS]	20,768	20,516	0	20,516
Support of the national communication	3,763	3,426	0	3,426
Communications security [Comsec]			0	0
DMA mapping, charting, and geodesy	260,962	224,725	0	224,725
Airborne reconnaissance support program	87,000	179,900	(50,500)	129,400
Defense reconnaissance support activities	4,524	7,375	0	7,375
Defense reconnaissance support activities			0	0
Defense reconnaissance support activities	36,247	45,821	(15,000)	30,821
Computer security			0	0
Intelligence planning and review activities			(−9,100)	0
Tactical cryptologic activities			(−14,500)	0
Total, classified programs	1,281,039	1,241,499	(140,865)	1,100,634
Director of test and evaluation defense:				
Test instrumentation development	81,930	185,899	(59,000)	126,899
Space system test capabilities	0	0	0	0
Foreign weapons evaluation	0	0	0	0
Foreign comparative testing	27,295	42,591	0	42,591
Live fire testing	10,710	0	17,974	17,974
Joint technical coordinating group	7,778	0	0	0
Development test and evaluation	50,508	119,610	(17,974)	101,636
Total, defensewide mission support	178,221	348,100	(59,000)	289,100
Total, director of test and evaluation defense	178,221	348,100	(59,000)	289,100
Director of operational test and evaluation:				
OT&E capability improvement	0	73,800	(73,800)	0
Operational test and evaluation	12,725	17,000	0	17,000

Total, defensewide mission support	12,725	90,800	(73,800)	17,000
Total, director of test and evaluation defense	12,725	90,800	(73,800)	17,000

Mr. Chairman, I yield to the gentleman from New York [Mr. MCNULTY] to explain the provision of the amendment to which I have just referred.

Mr. MCNULTY. Mr. Chairman, I thank the chairman of the committee, the gentleman from Wisconsin [Mr. ASPIN], for yielding to me to offer this proposal to name a future DDG class Navy destroyer after my predecessor, Samuel S. Stratton, who was laid to rest yesterday in Arlington National Cemetery with full military honors.

Sam served the people of New York in Congress and as a member of the Committee on Armed Services of the House for 30 years. His passing is a loss not only to his wife Joan, his children, and his grandchildren, as well as his many, many friends, but also the Congress and to the entire Nation.

I find it fitting that we would seek to name a ship from the next generation of destroyers after Sam. Sam was a Navy man, and he earnestly believed that our freedom was won and will only be preserved by a strong national defense.

The future destroyer U.S.S. *Samuel S. Stratton* may one day be called to go forth in defense of our liberty and our way of life, for throughout our history we have been and will continue to be a maritime Nation. While we certainly welcome many of the changes that have led us to reorder some aspects of our national defense, our responsibilities abroad have not diminished.

Sam's vigilance guided our Nation when he was with us, and I for one find it comforting to know that he will always be remembered by virtue of this action.

Mr. Chairman, I would like to thank the committee chairman, the gentleman from Wisconsin [Mr. ASPIN], the members of the committee, and all of my colleagues for their support for this truly fitting, living memorial to a great American and a great patriot, Sam Stratton.

Mr. ASPIN. Mr. Chairman, I thank the gentleman from New York [Mr. MCNULTY] for his comments, and I would say to the Members and to the gentleman from New York that it is a great pleasure for us to include the McNulty amendment naming this ship in honor of Sam Stratton.

Mr. SKELTON. Mr. Chairman, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Chairman, I just wish to make inquiry of the gentleman and to counternance him on this amendment in particular, especially on the amendment that corrects the pay inequities.

□ 1120

No. 1, we have seen the reservists used to some extent properly, although I think that they have not been used as the total force concept has been planned, but there are a good number of reservists. We see here in the amendment that it is designed to compensate the reservists called to active duty with the same benefits that their active duty counterparts receive. I think it is also very important, because we have had some complaints from those who are on active duty and being sent over to the Persian Gulf area that they would be receiving less money.

Mr. Chairman, what the gentleman from Wisconsin [Mr. ASPIN] does in three areas—endangered pay, family separation allowance, and the hazardous location pay—is to correct the loss of compensation and I think this is so terribly important. I know the men and women who are in the Persian Gulf on the sands of Saudi Arabia will appreciate this, and I compliment the gentleman from Wisconsin [Mr. ASPIN] for this.

Mr. ASPIN. Mr. Chairman, I thank the gentleman from Missouri for his kind comments.

Let me call on the gentlewoman from Maryland [Mrs. BYRON], to whom those comments ought to have been directed. The gentlewoman has been the real author of this part of the amendment, the chairwoman of the Subcommittee on Military Personnel and Compensation, the gentlewoman from Maryland [Mrs. BYRON].

Mr. Chairman, at this time I yield 4 minutes to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Chairman, as chairman of the Subcommittee on Military Personnel and Compensation, I rise in support of the Aspin budget amendment. The amendment addresses the specific concerns raised by servicemen and women serving in the Persian Gulf region. On the leadership trip over Labor Day weekend, we had an opportunity to talk with a number of soldiers, sailors, airmen, and marines deployed throughout the region. I can report that morale is extraordinarily high despite the very real hardships that many of our young people are enduring. We did find some people-related problems, however, such as difficulty in sending and receiving mail and problems related to pay. Both of these are addressed in the Aspin amendment.

On the question of pay, the issue relates to basic allowance for subsistence, or BAS. Enlisted personnel not receiving Government-provided meals are entitled to basic allowance for subsistence of $177.30 per month to pay for the cost of those meals. Since deployed personnel are serving under field conditions, all meals are provided by the military; enlisted personnel, therefore, forfeit their basic allowance for subsistence.

For many young families, however, BAS is an important element of monthly income. Navy families generally understand the way the subsistence allowance works because of the frequency of deployments where sailors eat aboard ship. The loss of BAQ because the service member is now eating in a Government mess has come as a surprise to many Army and Air Force personnel, however.

That loss is partially offset by several additional allowances paid to deployed personnel. First, service members with dependents are entitled to family separation allowance of $60 per month. Second, enlisted personnel assigned to austere overseas duty are eligible to receive certain places special pay of $8 to $22.50 per month.

The missing piece of the pay puzzle is imminent danger pay of $110 per month. I want to make clear to my colleagues that I do not advocate the payment of imminent danger pay simply to fix a pay problem. In my view, imminent danger pay for the young men and women serving in the Persian Gulf region is justified on its own merits.

Imminent danger pay is currently authorized for U.S. military personnel in the Philippines, Bolivia, Peru, and Greece, to name a few locations. There is no question that our troops in Saudi Arabia—gas masks in hand—are similarly in imminent danger. Unfortunately, the Secretary of Defense is often reluctant to approve payment of imminent danger pay for political reasons.

In fact, we faced this same situation just a few years ago with the Kuwaiti tanker reflagging. It took a hearing by my subcommittee and the Secretary of Defense in my office and the threat of legislative action before the Secretary reconsidered the extent of the danger to our personnel there and approved payment of danger pay.

Conditions in the gulf region today are clearly as dangerous as they were in the reflagging deployment. I wrote to Secretary Cheney more than a week ago urging him to authorize imminent danger pay. I would prefer to see the Secretary act on his own, but since he hasn't I believe that action by the Congress, as included in this amendment, is appropriate.

Hopefully when the Chairman of the Joint Chiefs, Colin Powell, returned, he would remedy this.

Several pay problems affecting reservists have also come to our attention. There are two elements of compensation for which recently activated reservists are ineligible unless they are under an extended call to active duty:

variable housing allowance and physician and dental officer special pays. The disparity in payment of these allowances is a source of dissatisfaction to recalled reservists who often work side-by-side with active duty personnel, who are authorized to receive these benefits.

The Aspin budget amendment provides the necessary fix for all of these problems:

First, by directing the Secretary of Defense to pay imminent danger pay to service members assigned to the Persian Gulf area in connection with Operation Desert Shield, retroactive to the beginning of the deployment;

Second, by authorizing the payment of variable housing allowance and physician/dental officer special pays for reservists called to active duty in connection with Operation Desert Shield; and

Third, by ensuring full funding of the added costs of imminent danger pay and the two Reserve compensation initiatives by authorizing an additional $174 million for the military personnel account.

On the trip to the Persian Gulf, the other problem we heard—over and over again—was the difficulty in receiving and sending mail. I want to congratulate my colleagues for passing legislation on Monday to provide free mail service. Believe me, that action will provide a substantial shot in the arm to our service personnel in Saudi Arabia. The Aspin budget amendment completes the circle by authorizing the additional funding necessary to pay the cost of that free mail service.

Taking care of people must be our first priority. Chairman ASPIN and I outlined our findings from the Persian Gulf trip in a recent "Dear Colleague" letter to all House Members. This amendment provides the follow-through on that letter, and I urge my colleagues' favorable consideration.

Mr. DICKINSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, in looking over the proposed amendment offered by the gentleman from Wisconsin [Mr. ASPIN], on a scale of 1 to 10, with 10 being the best, I think I would give this about a 6 in my book.

Its principal asset is that it is directed at some shortcomings identified during our deployment to the Persian Gulf. The amendment helps with fast sealift and airlift, and improves our mine hunting capability.

Mr. Chairman, I accompanied the gentleman from Wisconsin [Mr. ASPIN] to Saudi Arabia just 2 weeks ago, as did the gentlewoman from Maryland [Mrs. BYRON], and we were concerned that there were many inequities and hardships that were being endured by our men and women there, some of which were unnecessary.

The amendment also takes care of some special needs of our soldiers. It authorizes free postage and provides imminent danger pay in recognition that the Nation has placed them in harm's way, all of which is good.

What troubles me greatly, however, is that the amendment does not go far enough. It does not really address itself to crucial national defense issues that have been exacerbated by the Persian Gulf.

The inadequacy of the amendment comes from two aspects:

A continuing, politically motivated adherence to the House budget resolution which, as I've said many times before, cuts defense too far, too deep, too fast, and a failure to recognize that Saddam Hussein's August invasion of Kuwait shattered the HASC's carefully crafted image of a world without threats to the United States.

For these reasons, the amendment leaves standing major shortcomings uncovered.

I would cite but one of those shortcomings that must still be addressed.

We will still cut military personnel strength by over 129,000 at a time when we have deployed nearly that many men and women in harm's way.

The committee persuaded itself that such a deep cut was necessary because cuts were inevitable, and, consequently, forcing more people from the services, faster than required would shorten the agony of the thousands of volunteers who were waiting for their pink slips.

As a result, the Department of Defense now finds itself in the schizophrenic position of melting down its military force while simultaneously conducting the largest deployment of U.S. forces in nearly 20 years.

My regret, then, with the Aspin amendment is that it adheres blindly to the House budget resolution—a partisan political product—and avoids making the complete and correct decisions mandated by a truly changed world situation.

Mr. Chairman, I would like to have a short colloquy with the gentleman from Wisconsin [Mr. ASPIN] to clarify a couple of points.

Mr. Chairman, your amendment establishes an authorization requirement for the funds contributed by other nations to help support Desert Shield. I applaud the concept, but I have two concerns, and would appreciate your comments.

The gentleman from Wisconsin [Mr. ASPIN] is well aware of the time it takes to get anything done around here, as witnessed by how long we have struggled with this bill. Does the gentleman have in mind a series of supplemental authorizations for use of these funds on an as-required basis, and, if so, does he have in mind any kind of expedited process to ensure that these funds can be authorized in a timely fashion?

Mr. Chairman, to paraphrase, if we are to receive financial assistance, whether it be from Kuwait, from Saudi Arabia, or from any other country, is it the intention of the gentleman from Wisconsin [Mr. ASPIN] that the funds received by this country, if they are to be spent by the Department of Defense, that they be authorized as any other defense expenditures, and authorized by our committee?

□ 1130

I would like for the gentleman to discuss with me, and for the record, how he would envision this to happen.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. DICKINSON. I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, it would happen during the normal legislative process which would mean either essentially an authorization bill, an annual defense bill, or a supplemental.

Mr. DICKINSON. So you would anticipate that there might be a series of supplementals or supplementals as required?

Mr. ASPIN. No; I would anticipate probably there would be one supplemental. As I understand it, the way we are going to pay for Desert Shield is through a supplemental, that the budget negotiators have in fact decided that the defense budget number that is going to come out of this conference and be given to us not just for this year but for the future years is essentially to the baseline defense number, and that any cost of Desert Shield essentially, any costs would be dealt with in a supplemental. That is not final, but that is where the negotiators have been heading.

If that is the case, what I would anticipate is that at the point that the supplemental was sent up, wrapped into that supplemental would be the notification of where the funding comes from. A certain amount of it we know would be coming from abroad, but probably is unlikely to cover all of the expenses. Some of it would come out of the Treasury. Essentially we would vote on the money that would come both by donations and by the Treasury in the same bill.

Mr. DICKINSON. What happens if we do not authorize supplementals?

Mr. ASPIN. That is the point. We would like to get into the authorization of supplementals.

Mr. DICKINSON. What you are saying is that your amendment would require the authorization of supplementals or funds given by third countries in support of Desert Shield, is that correct?

Mr. ASPIN. That is correct.

Mr. DICKINSON. Do you anticipate, or have you provided for, any expedited procedure, because we cannot do this on a once-a-year basis?

Mr. ASPIN. No; we do supplementals, the gentleman from Alabama knows, and the Congress does deal with supplementals on a regular basis. We had one last spring.

Mr. DICKINSON. That is true. It is a rather tedious process, and quite often, as I say, we do not always authorize supplementals, but we deal with them.

As the gentleman is aware, the tendency around here is to load up must-do legislation with Member gold watches, so to speak. We should avoid the add-on pet rocks and so forth at all costs, should we ultimately authorize these funds.

How would you propose that we establish any procedure so that we can deal with this subject directly, and deal with it as needed without the extraneous things being added on like a Christmas tree?

Mr. ASPIN. I think the example is the amendment we have here before us. We are dealing here with $1 billion that we have, that was made available through amendments and through the actions of the Secretary of Defense. We are proposing here I think a very wise spend-out of that $1 billion. I listened to the early part of the gentleman from Alabama's speech, and he seemed to agree that we ought to spend money on these items. There were a lot of competing forces for this money. Some people wanted to put in it a lot of foolish programs like the B-2 and the SDI, which of course had nothing to do with Desert Shield. So if the gentleman from Alabama will stand firm, I am sure on our side we will stand firm and make sure we do not spend the money on things that are not related to Desert Shield, not things that people like, or some people like here in the administration want to spend the money on, things that have nothing to do with Desert Shield like the B-2.

But I think the gentleman is right. But I think that is the reason that we can show that we are doing it, is we have done it with this amendment.

Mr. DICKINSON. I hope the gentleman is right. It is certainly something that should be done and addressed, and we should retain control of it, so to speak, to make sure that extraneous things that have nothing to do with Desert Shield are not funded from the money that we are receiving from countries to help pay for Desert Shield.

Mr. ASPIN. If the gentleman will yield further, I think we have a good chance if we were to authorize that, and I know the gentleman shares my suspicion of the appropriators, and I think that the gentleman would agree that the appropriators are often a problem in the area that the gentleman from Alabama is talking about. So if we do have a process here where we authorize and appropriate the money coming to us from Kuwait and Saudi Arabia, I think we have a better chance that we would have a bill here that does not add a lot of pork. I do not trust the appropriators very much to keep the pork out.

Mr. DICKINSON. I am surprised to hear the gentleman say that. They only appropriated $13 billion of unauthorized expenditures and unappropriated $8 billion that had not been authorized, so I cannot understand the gentleman from Wisconsin being suspicious of them.

Mr. ASPIN. Maybe it is just a natural suspicion of the group.

Mr. DICKINSON. Your amendment contains a sense-of-Congress provision concerning the activation and deployment to the Persian Gulf of at least one Army National Guard combat brigade. You state specifically that:

> The order of such brigade to active Federal service should be issued under provisions of law that would allow that brigade to remain in such service for the duration of Operation Desert Shield.

I recognized the need for this when we were in the Persian Gulf and we talked to General Schwarzkopf and others. There was a strong urge on the part of the Members to say, if we are going to need the Guard and the Reserve, and if they are going to prove their mettle and prove the total force concept, it is a terribly expensive thing to have if we are not going to use them when we need them. Call up the active duty and combat types. The answer was that under the 180 days you can only use them for about 2 months, and then they have to rotate, creating a morale factor as well as a terrible expense for what we are getting out of them.

So you have a sense of Congress that we should extend the time. Does this provision in any way require the President to invoke the War Powers Act; was that what the gentleman was proposing?

Mr. ASPIN. No, I did not anticipate that it would include the War Powers Act.

Mr. DICKINSON. I am going to vote for the amendment, but let me say, we all agree that 180 days is insufficient and we are cutting too deeply into the end strength, the total manpower. I am going to offer, at the proper time, in my motion to recommit the authority, to extend the time from 180 days to 360 days, and cut back on the terrible end strength cuts to approximately the Senate figure of 101,000.

Mr. ASPIN. If the gentleman will yield, I think that the question of how do we deal with the 180-day problem is still open to debate and, therefore, I am going to oppose the gentleman's motion to recommit on the grounds that I think we need to work this out in conference.

What you have, if the gentleman will yield further, is several ways under which the Secretary of Defense and the President can call up the Reserves, and one provision is that one that goes for 90 days and then an extra 90 days. We may need some legislation if that is the vehicle he is going to use. We do not know that yet. But there are other methods under which he can call them up, and it is the opinion of our legal counsel here, and we do not know whether the Pentagon agrees, that he has in effect already signed the necessary paperwork calling for a national emergency in order to call up the Reserves.

So I think this needs to be worked out. The reason we did not put that provision in this bill was I think we need to work the problem out with the Pentagon a little further as to exactly what we have to do to make sure that we do not, as I think the gentleman from Alabama pointed to, we do not just want to send them over there only to have them there for a month or two and then run out of time.

Mr. DICKINSON. I will discuss that in more detail, the extension of the time from 180 days to 360 days, which to me is clearly the most preferable way that we can deal with it, and then we do not have to wait until we go to conference.

I thank the gentleman and will support his amendment.

Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). The gentleman from Alabama [Mr. DICKINSON] has 12 minutes remaining and the gentleman from Wisconsin [Mr. ASPIN] has 6½ minutes remaining.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

□ 1140

Mr. MONTGOMERY. Mr. Chairman, in the Aspin budget-adjustment amendment which we are talking about now, there is a sense-of-the-Congress resolution that says the Secretary of Defense should call up at least one combat National Guard brigade, and that it be deployed to the Persian Gulf.

I certainly support this resolution. The reason for the resolution is that the Defense Department, Mr. Chairman, has not called up one combat unit of the National Guard and Reserve except the airlift capabilities of the Reserves, and they are doing a good job.

For years, now, the Congress and the Defense Department have been working together to get the total force. Now, what is the total force? The total force is you take Reserves

and you take the Active Forces, you train them side by side. When you have an emergency, they move out together, they fight together.

The Defense Department, for what reason I do not know, has not called up one combat unit of the Reserves or the National Guard. Fifty percent of all of our combat missions of the Army now, are in the National Guard and the Reserves. Thirty percent of the Air Force missions are in the Air Reserve and the Air Guard.

The important point is this is the proper time to test the mobilization of the National Guard and Reserve, to see if they can mobilize, to see if they can move properly to Saudi Arabia, that they have had the proper training and can do the job. I say when we do not have body bags coming back from the Persian Gulf, this is a wonderful opportunity to test the National Guard and Reserve.

Mr. Chairman, in the last 10 years, the Congress mainly has been giving incentives to the National Guard personnel; we have been giving them new equipment; we have been giving them better training.

Certainly, I urge that this resolution be adopted. It is simply a sense-of-the-Congress that says "Get on the stick over there in the Defense Department and call up these reservists, call up combat units."

Mr. DICKINSON. Mr. Chairman, I am delighted to hear that the gentleman from Mississippi is agreeing with what I propose to do with the National Guard and Reserve in my motion to recommit.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania [Mr. GEKAS].

Mr. GEKAS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I now yield to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I rise in support of this amendment to name a destroyer after our late colleague, Sam Stratton.

I could think of nothing more appropriate. Sam Stratton was a great American patriot. How fitting that his memory be preserved by naming a naval vessel after him, this man who did so much to restore our military vigor.

Mr. Chairman, Sam Stratton was a learned man who not only read deeply in history, but witnessed it first-hand as an intelligence aide to Gen. Douglas MacArthur in World War II. From that experience he knew that the cost of military weakness was paid by the blood of millions of people, and he knew that America must never again strip her defenses. So much of Sam Stratton's congressional career was guided by that goal, and he never wavered.

The spirit of Sam Stratton pervaded our deliberations as we organized the debate over the Defense authorization bill. On this, and on so many other issues, we often find ourselves asking: "What would Sam do? How would Sam handle this? How would Sam react to this?"

We shall not see his equal again soon. But we can build a durable monument to this great American patriot by supporting and passing this amendment. Knowing that a U.S.S. *Samuel S. Stratton* is patrolling the vast oceans, helping to preserve our freedoms, and to protect American interests, is the best tribute to a colleague we all loved and respected.

Mr. Chairman, I urge support for this amendment.

Mr. GEKAS. As we all do, I am sure. I thank the gentleman.

Mr. Chairman, when we first learned about the callup of the 90-day reservists, we became alarmed at the complaints we were receiving about the absence of the variable housing allowance obtained only because they were called up for such a short period of time; that, indeed, the Pentagon regulation called for those types of benefits to be payable only if the callup were for 140 days or more.

I now assume after we introduced legislation and implored the Secretary of Defense and talked to important people on the various important committees that now this amendment carries the answer to that problem that we have been posed.

But let me ask the gentleman this: Does this really include the 90-day people even if they do not go overseas? I would like the chairman to answer that first, and then to pose another question.

Mr. ASPIN. Mr. Chairman, will the gentleman yield?

Mr. GEKAS. I am happy to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Chairman, the gentleman is correct. It covers all of them.

Mr. GEKAS. So now there is no distinction between 140 days, 100, or 90 or whatever. That is a giant step forward for which I thank the chairman and all of those who made this particular amendment possible, because as all of us know, the gentleman from Mississippi has been in the forefront of all of this, that when a 90-day reservist goes, just like a 140-day individual, the bills at home pile up, even if it is only for 90 days. That does put our reservists who have been called up just for that short period of time at an unbearable, sometimes, financial burden, and we ought to be treating them all alike.

For that, I thank the visionary members of the committee who were able to fashion this amendment, and I will support it.

Mr. DICKINSON. Mr. Chairman, I yield 4 minutes to the distinguished gentleman from Virginia [Mr. BATEMAN], the ranking member of our Subcommittee on Military Personnel and Compensation.

Mr. BATEMAN. Mr. Chairman, I thank the distinguished gentleman from Alabama [Mr. DICKINSON] for yielding me this time.

Mr. Chairman, I rise to say that I, too, will support the Aspin budget adjustment amendment. It is a positive step.

I must add, however, that it would be much improved and is deficient in my opinion by its failure to address one of the major shortcomings of the Defense authorization bill that came to the floor, and that is the unmanageable excessive reductions in end strength for our uniformed soldiers, and most especially the U.S. Army.

When our subcommittee acted upon this bill, I did not oppose it, but reserved the right to seek to address this question of reduction in end strength at a later point in the deliberations on the bill. Certainly, it not being addressed in this amendment, I am pleased that it is addressed in the motion to recommit offered by the gentleman from Alabama which I shall support.

Failing that, I will certainly be supporting adding back some of the end strength that we are taking from the U.S. Army when we get to the committee on conference.

This bill, as we have it on the floor, reduces Army end strength by 68,500 people. I am not one of those who believe that we cannot reduce the size and cost of our military operations, our Defense Department budget and activities. I agree with the Secretary of Defense and the President that over time we can, indeed, make reductions even in light of Operation Desert Shield, but it is critically important that we make those reductions in an intelligent, programmatic way, not in a willy-nilly, haphazard way that does not comport with the ability of our military personnel managers to deal with a drawdown of an all-volunteer force, the first time in the history of this Nation that we have ever been called upon to draw down in substantial numbers a military force that served totally as volunteers.

We all fall all over ourselves lauding the quality, the caliber, the dedication, the effectiveness of our people in military uniform, and we have every reason to do that and to be very, very proud of them. It also tells us something that whatever you may think the Department of Defense does in procurement or in other activities, it has done a superb job of personnel management training to get and to retain the quality of force that we have.

To insist that the Army in fiscal year 1991 reduce its size by 10 percent, by 68,500, in the teeth of their indicating to us that they could not with equity bring about that size a reduction that fast without creating enormous turbulence, without great risk of not ending up with a proper mix of

forces that would serve the Nation's national security into the future, for these reasons, I think the budget adjustment amendment has a shortcoming where it should have had at the advance, at the first of the list, an adjustment in military end strength. For those reasons, I will support, among others, the motion to recommit, but do join in support for the Aspin budget adjustment amendment.

I especially commend the fact that we are dealing with the necessity of making up the loss of income to our people who are forward deployed.

Mr. DICKINSON. Mr. Chairman, I yield 2 minutes, the balance of my time, to the distinguished gentleman from California [Mr. DORNAN], a member of the Committee on Armed Services.

Mr. DORNAN of California. Mr. Chairman, one note on naming a ship after our distinguished colleague, who can truly be described as beloved, for his decades of service in the House—Sam Stratton. If anything is going to be unanimous in this body during these turbulent closing days, it is going to be that wonderful suggestion.

However, I would ask my Democratic colleagues, how is it that one of their colleagues who was a Navy commander, a doctor, served on the Committee on Armed Services for 10 years and was shot down by a Russian fighter on the same day that a distinguished Senator died of natural causes, that Henry Jackson ended up with a nuclear carrier named after him, quite fittingly, within hours, and yet Lawrence Patton McDonald of your party has not had a landing barge named after him since he died on September 1, August 31 our time, 1983.

Mr. Chairman, I get up to support the gentleman from Mississippi [Mr. MONTGOMERY, whom I admire greatly and is the leading force in this House for the Guard and the Reserve, but I want to support the gentleman through the instrument of the motion to recommit and what the gentleman from Alabama [Mr. DICKINSON], our Republican leader, is trying to do.

□ 1150

In the motion to recommit, besides not drawing down the Army by an additional 28,500 men—and I subscribe to all the excellent remarks of my distinguished colleague, the gentleman from Virginia [Mr. BATEMAN], about doing this to a volunteer service, and in this rush to draw down our military forces, particularly the Army, too quickly—being wrong, let me point out that what the gentleman from Alabama [Mr. DICKINSON] is trying to do is extend the President's power from 180 days to double that, so that the people at the Pentagon cannot say, "We only operate in 90- or 180-day periods, and that's too short a time to call up the Guard and Reserve."

There are a few in this Chamber who served on active duty and in National Guard units and in the Reserve. I am one. In all three categories I served as a combat ready fighter pilot, or as a rescue pilot in the Reserve. When I was a fighter pilot in the Guard after 6 years active duty, 5½ years, I was a better pilot, getting better gunnery scores. We should call up the Reserve and the Guard combat units and rotate them, because we all hope we are in this for the long haul with nobody killed. The long haul, to wear down the Thief of Baghdad, Saddam Hussein. But let Members vote for the motion to recommit. That is the proper instrument to do it.

Mr. ASPIN. Mr. Chairman, the amendment that we are dealing with here is to spend a billion dollars.

Part of it came from the SDI cut yesterday, part of it from the DDG Program that the Secretary of Defense has recommended. The other part of it comes from the cut we passed here, the Bennett amendment. Therefore, the Bennett amendment of yesterday has freed up the bulk of the money that we are spending here today.

Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. BENNETT].

Mr. BENNETT. Mr. Chairman, I want to congratulate the leadership of the committee on bringing forth this amendment. I want to thank all Members of Congress who are making available the money through SDI and other sources to do these things that need to be done.

Earlier on this year, the honorable Chairman of the Chiefs of Staff Colin Powell, said the most needed thing was to provide for adequate sealift. Admiral Crowe said that same thing just a year before. Unfortunately, neither the budgets coming from the Department of Defense included any money for it. As a matter of fact, the gentleman from Pennsylvania [Mr. MURTHA] and I, and the chairman of the committee, and the gentleman from Pennsylvania [Mr. RIDGE] and others, were insistent we do something about this. So we did get $600 million last year from Congress for sealift.

Unfortunately, the Department of Defense did not spend any of that money for sealift, even though they said it was our most needy field. Actually, they took about half of it out for something else. So that was really kind of a bitter thing to swallow.

I want to congratulate the chairman also for bringing in many of the things like the adequate pay for those in hazardous conditions, the defending against chemical warfare and biological weapons and for the other defense needs which are in the field of conventional weaponry. I am glad this amendment has been offered, because it is the best symbol of the fact we are now correcting some things that are now long overdue to be corrected, and I am very grateful to the leadership of the committee making that possible.

Mr. ASPIN. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. HUTTO].

Mr. HUTTO. Mr. Chairman, as the chairman of the subcommittee, the gentleman knows we are concerned about OMB, and we had to cut $6.8 million under OMB. I want to commend the chairman. It is vital for the forces in the Middle East. We had discussion on burden sharing, and I think the other countries ought to pay a good share of what it is costing the United States there, and we discussed how this is going to be done. If Saudi Arabia contributed $5 billion, some others different amounts, we would still authorize, would we not, and will they not go into the Treasury, and then we would authorize and appropriate like any other?

I yield to the gentleman from Wisconsin.

Mr. ASPIN. The gentleman is correct.

Mr. HUTTO. It is very important we do support our forces in the Middle East, and I think it is very necessary. I commend the gentleman.

Mr. ASPIN. Mr. Chairman, I yield such time as he may consume to the gentleman from Rhode Island [Mr. MACHTLEY].

Mr. MACHTLEY. Mr. Chairman, I rise in support of this budget amendment.

Mr. Chairman, I rise to express my strong support for the Aspin budget adjustment amendment which includes $290 million for authorization of 3 coastal minehunters [MHC's] in fiscal year 1991. I am convinced that these vessels are needed for maintaining our national security.

In a hearing last year before the Armed Services Committee's Seapower Subcommittee, the Associate Director of Navy Issues at the General Accounting Office testified that most of the Navy's mine countermeasure ships and related equipment were nearing the end of their service lives.

Although the Navy had been in the process of replacing these assets and did not request any MHC's in fiscal 1990, Congress, with leadership from Congressman CHARLES BENNETT's Seapower Subcommittee of the House Armed Services Committee, took what I believe to be the wise step of authorizing and appropriating two coastal minehunters in fiscal year 1990.

As report language in last year's House Defense authorization bill stated, "deficiencies—in U.S. mine countermeasure capability—can be remedied, in part, by timely acquisition of new mine countermeasure assets."

I feel strongly that we must act to improve U.S. mine countermeasure capabilities by acquisition of additional coastal minehunters.

The increasing instability in the Middle East, in addition to the advancing age of our current mine countermeasure fleet, are good reasons

to approve the Navy's fiscal year 1991 request for three coastal minehunters.

New MHC's will provide our military with an irreplaceable capability to detect, locate, classify and neutralize or sweep a number of different types of mines in coastal and harbor environments.

Additionally, I am concerned that absent authorization of MHC's in fiscal 1991, the cost of each of these ships will increase significantly. Indeed, the Navy maintains that if zero or one ship were authorized, there would be a detrimental impact on the shipyards which are building these vessels.

For these reasons, I urge all of my colleagues to support the Aspin budget adjustment amendment, which includes $290 million for three MHC's.

Mr. McCLOSKEY. Mr. Chairman, I rise in strong support of Chairman ASPIN'S amendment which includes provisions recommended by Chairwoman BYRON to provide for hazardous duty pay to American soldiers stationed in Saudi Arabia.

The tens of thousands of American men and women stationed in Saudi Arabia are the embodiment of our policy to contain Saddam Hussein and to restore the sovereignty of Kuwait. They are working in a hostile environment and are facing a potentially belligerent adversary with significant military capabilities.

Many of the American military personnel stationed in Saudi Arabia have families and other responsibilities in the United States. However, since those deployed no longer receive the basic allowance for subsistence [BAS], enlisted personnel and officers stationed in Saudi Arabia are now attempting to meet these same responsibilities while essentially drawing lower pay.

BAS for enlisted personnel is approximately $177.30 per month, while officers receive $123.92. While officers technically keep receiving BAS, an equivalent is deducted from their pay for food costs. Enlisted personnel receive foreign duty pay, which varies by pay grade but never exceeds $22.50 a month. Officers and enlisted personnel are eligible for family separation pay of $60 per month after the first 30 days.

The aggregate result is that American service personnel participating in Operation Desert Shield are making less now than before they were deployed. Many individual servicemen and women and their families are adversely affected by this substantial cut in pay.

The Secretary of Defense has the authority, under 37 U.S.C. section 310, to authorize hazardous duty pay at a level of $110 per month. Specifically, 37 U.S.C. section 310 (a)4 grants the authority to authorize hazardous pay when an individual is on duty "in a foreign area in which he was the subject of the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions." On September 10, my good friend and colleague, Mr. BUSTAMANTE, also a member of the Armed Services Committee, joined me in writing to Secretary Cheney to urge to authorize hazardous duty pay.

Although military personnel and their families stationed in the Persian Gulf would still receive less compensation than before they were deployed, the $110 per month hazardous pay would represent a substantial portion of the BAS that military personnel no longer receive.

Unfortunately, the Secretary has not exercised this authority and a legislative response is required. The Aspin amendment provides $815 million for pay and other personnel benefits for military personnel stationed in the Persian Gulf. In addition to much-needed hazardous duty, or eminent danger, pay, the amendment provides for additional benefits for reservists, and increased medical pay for reserve physicians and dentists on active duty.

This amendment is greatly needed, and I urge my colleagues to support it.

Mr. ASPIN. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. DICKINSON. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

The CHAIRMAN pro tempore (Mr. DURBIN). The question is on the en bloc amendment offered by the gentleman from Wisconsin [Mr. ASPIN].

The question was taken; the Chairman pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. ASPIN. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 413, noes 10, not voting 9, as follows:

[Roll No. 350]

AYES—413

Ackerman	Campbell (CA)	Durbin
Alexander	Campbell (CO)	Dwyer
Anderson	Cardin	Dymally
Andrews	Carper	Dyson
Annunzio	Carr	Early
Anthony	Chandler	Eckart
Applegate	Chapman	Edwards (CA)
Archer	Clarke	Edwards (OK)
Armey	Clay	Emerson
Aspin	Clement	Engel
Atkins	Clinger	English
Baker	Coble	Erdreich
Ballenger	Coleman (MO)	Espy
Barnard	Coleman (TX)	Evans
Bartlett	Collins	Fascell
Barton	Combest	Fawell
Bateman	Condit	Fazio
Bates	Conte	Feighan
Bellenson	Conyers	Fields
Bennett	Cooper	Fish
Bentley	Costello	Flake
Bereuter	Coughlin	Flippo
Berman	Courter	Foglietta
Bevill	Cox	Ford (MI)
Bilbray	Coyne	Ford (TN)
Billey	Craig	Frank
Boehlert	Crane	Frenzel
Boggs	Crockett	Frost
Bonior	Dannemeyer	Gallegly
Borski	Darden	Gallo
Bosco	Davis	Gaydos
Boucher	de la Garza	Gejdenson
Boxer	DeFazio	Gekas
Brennan	DeLay	Gephardt
Brooks	Dellums	Geren
Broomfield	Derrick	Gibbons
Browder	DeWine	Gillmor
Brown (CA)	Dickinson	Gilman
Brown (CO)	Dicks	Gingrich
Bruce	Dingell	Glickman
Bryant	Dixon	Goodling
Buechner	Donnelly	Gordon
Bunning	Dorgan (ND)	Goss
Burton	Douglas	Gradison
Bustamante	Downey	Grandy
Byron	Dreier	Grant
Callahan	Duncan	Gray
Green	McCurdy	Saxton
Guarini	McDermott	Schaefer
Gunderson	McGrath	Scheuer
Hall (OH)	McHugh	Schiff
Hall (TX)	McMillan (NC)	Schneider
Hamilton	McMillen (MD)	Schroeder
Hammerschmidt	McNulty	Schuette
Hancock	Meyers	Schumer
Hansen	Mfume	Sensenbrenner
Harris	Michel	Serrano
Hastert	Miller (CA)	Sharp
Hatcher	Miller (OH)	Shaw
Hawkins	Miller (WA)	Shays
Hayes (IL)	Mineta	Shumway
Hayes (LA)	Moakley	Shuster
Hefley	Molinari	Sikorski
Hefner	Mollohan	Sisisky
Henry	Montgomery	Skaggs
Herger	Moody	Skeen
Hertel	Moorhead	Skelton
Hiler	Morella	Slattery
Hoagland	Morrison (CT)	Slaughter (NY)
Hochbrueckner	Morrison (WA)	Slaughter (VA)
Holloway	Mrazek	Smith (FL)
Hopkins	Murphy	Smith (IA)
Horton	Murtha	Smith (NE)
Houghton	Myers	Smith (NJ)
Hoyer	Nagle	Smith (TX)
Hubbard	Natcher	Smith (VT)
Huckaby	Neal (MA)	Smith, Denny (OR)
Hughes	Neal (NC)	Smith, Robert (NH)
Hunter	Nelson	Smith, Robert (OR)
Hutto	Nielson	Snowe
Hyde	Nowak	Solarz
Inhofe	Oakar	Solomon
Ireland	Oberstar	Spence
Jacobs	Obey	Spratt
James	Olin	Staggers
Jenkins	Ortiz	Stallings
Johnson (CT)	Owens (NY)	Stangeland
Johnson (SD)	Owens (UT)	Stark
Johnston	Oxley	Stearns
Jones (GA)	Packard	Stenholm
Jones (NC)	Pallone	Stokes
Jontz	Panetta	Studds
Kanjorski	Parker	Sundquist
Kaptur	Parris	Swift
Kasich	Pashayan	Synar
Kastenmeier	Patterson	Tallon
Kennedy	Payne (NJ)	Tanner
Kennelly	Payne (VA)	Tauke
Kildee	Pease	Tauzin
Kleczka	Pelosi	Taylor
Kolbe	Penny	Thomas (CA)
Kolter	Perkins	Thomas (GA)
Kostmayer	Petri	Thomas (WY)
LaFalce	Pickett	Torres
Lagomarsino	Pickle	Torricelli
Lancaster	Porter	Traficant
Lantos	Poshard	Udall
Laughlin	Price	Upton
Leach (IA)	Pursell	Valentine
Lehman (CA)	Quillen	Vander Jagt
Lehman (FL)	Rahall	Vento
Lent	Rangel	Visclosky
Levin (MI)	Ravenel	Volkmer
Levine (CA)	Ray	Vucanovich
Lewis (CA)	Regula	Walgren
Lewis (FL)	Rhodes	Walsh
Lewis (GA)	Richardson	Washington
Lightfoot	Ridge	Waxman
Lipinski	Rinaldo	Weber
Lloyd	Ritter	Weiss
Long	Roberts	Weldon
Lowery (CA)	Robinson	Wheat
Lowey (NY)	Roe	Whittaker
Luken, Thomas	Rogers	Whitten
Lukens, Donald	Rohrabacher	Williams
Machtley	Ros-Lehtinen	Wilson
Madigan	Rose	Wise
Manton	Rostenkowski	Wolf
Markey	Roth	Wolpe
Martin (IL)	Roukema	Wyden
Martin (NY)	Rowland (CT)	Wylie
Martinez	Rowland (GA)	Yates
Matsui	Roybal	Yatron
Mavroules	Russo	Young (AK)
Mazzoli	Sabo	Young (FL)
McCandless	Saiki	
McCloskey	Sangmeister	
McCollum	Sarpalius	
McCrery	Sawyer	

NOES—10

Dornan (CA)	Marlenee	Stump
Gonzalez	McEwen	Walker
Kyl	Savage	
Livingston	Schulze	

NOT VOTING—9

AuCoin	McDade	Traxler
Billirakis	Paxon	Unsoeld
Leath (TX)	Towns	Watkins

□ 1216

So the en bloc amendment was agreed to.

The result of the vote was announced as above recorded.

Mr. WEISS. Mr. Chairman, I rise in support of final passage of the Department of Defense authorization bill. Although we could make steeper reductions in defense spending without jeopardizing our national security, this bill takes important first steps toward meeting the new realities of the post cold war world.

In these times of change, uncertainty, and fiscal austerity, our country's security is not best protected by symbolic purchases of big-ticket items developed for a bygone era. This year's bill reflects this fact by making significant reductions in strategic weapons systems. Provisions of the bill delete almost half the research and development and procurement funds—over $7 billion—for six cold war relics: the B–2 Stealth bomber, the strategic defense initiative, rail garrison MX missiles, Midgetman missiles, Trident submarines, and Trident II missiles.

In fact, the measure completely terminates production of the B–2 and the MX, as well as several other missile systems such as SRAM–T, AMRAAM, and Follow-on-to-Lance, and ATACM.

Recognizing the reduced military threat from the Warsaw Pact nations, the bill reduces military personnel ceilings by 129,000 from the current level. It lowers the ceiling on the number of United States troops stationed in Europe from 311,855 to 261,855, a cut of 50,000.

While the bill reduces or eliminates many outdated programs, it also reorients our defense priorities to programs that address new vulnerabilities and dangers, like the threat of terrorism, weapons of mass destruction in the Third World, and regional conflicts.

For example, the bill authorizes the first fast sealift ships in a decade, endorses the C–17 airlift program, beefs-up national guard and reserve forces, and reorients our intelligence and communications systems away from the potential confrontation with the Soviet Union and toward the more unpredictable regional contingencies.

The bill also recognizes that the U.S. Government must put in place a defense economic adjustment program to deal with massive layoffs and community dislocation that will result from cuts in defense spending. Although this program is a modest one, it will help workers and communities adjust. The bill establishes a President's Economic Stabilization and Adjustment Council to coordinate and implement national defense economic adjustment and provide information to localities on relevant loan, grant and job training programs.

It also authorized $100 million for special retraining for dislocated defense workers and $100 million for community planning grants. Although this assistance is modest and I advocate a more comprehensive economic conversion policy, this will help workers adjust to dislocation related to defense cuts.

Although I support larger cuts, I will support this authorization because it takes the first steps toward reducing defense spending and reorienting our defense priorities away from the fading confrontation with the Soviet Union in Europe and toward new vulnerabilities and dangers. This reduction and reorientation demonstrates the wisdom, courage, and flexibility of this body and will serve as a starting point for cuts and modifications to come.

I would like to add one final point. Although I will support this bill, I will not support a conference report that sacrifices the reductions the bill makes in defense spending. I strongly hope that the House conferees defend them effectively.

Mr. SLATTERY. Mr. Chairman, I rise in support of title V of H.R. 4739, which provides separation pay and transition benefits for involuntarily released service members.

Earlier this year, I introduced two major pieces of legislation to assist U.S. military personnel.

H.R. 4003 would extend separation pay benefits to noncommissioned officers [NCO's] and regular enlisted members of the U.S. Armed Forces.

H.R. 5166 would establish a comprehensive transition program for involuntarily released personnel, including extended health care for members and their families, relocation assistance, and educational opportunities.

I was very happy to see many of the provisions in these bills included in the fiscal year 1991 Defense Authorization Act. I commend Chairwoman BYRON for her hard work and careful attention to this matter.

Over the next 5 years, the defense buildups and stockpiling of the past decade will inevitably be downsized. As a part of this defense drawdown, thousands of military personnel may be discharged ahead of schedule. According to recent Defense Department figures, at least 91,000 servicemembers will be released by the end of fiscal year 1991.

Many of these involuntarily discharged soldiers joined the Armed Forces with the goal of making military service a career. Some will have more than 15 years of service. For others, service to our country has been their only job experience. But today, because of circumstances beyond their control, these dedicated men and women face an uncertain future.

In California, these defense cuts are expected to result in troop reductions of 100,000 annually. State officials anticipate that between 60,000 and 80,000 of these servicemembers will stay in California to look for civilian employment.

Many other States, including my home State of Kansas, can expect similar consequences as a result of the defense down-sizing. State and local governments will face new challenges as they attempt to absorb thousands of recently released service members and their families into their local economies.

Despite discussions over the past decade about improving support services for separated personnel, the current network remains woefully inadequate, because of inequities in the separation pay system, and lack of a transition plan.

First, separation pay is inequitable. Only officers are currently eligible to receive separation payments when they are involuntarily released from duty.

H.R. 4003 would finally end this injustice by extending the separation benefit to all eligible service members with 5 or more years of active duty service. The formula used for officers would be applied to determine the separation benefits for NCO's and enlisted members.

H.R. 4739 includes this provision, with the caveat that benefits would be extended to servicemembers with 6 or more years of active service.

Second, there is currently no comprehensive system of transition services for involuntarily separated personnel.

H.R. 5166 would provide relocation services, outplacement services, extension of the Montgomery GI bill, health care benefits, and service briefings for involuntarily separated personnel.

I am pleased to see that H.R. 4739 includes all of these provisions in one form or another.

Once again, I want to recognize Chairwoman BYRON's tremendous efforts in bringing this legislation to the floor. The passage of H.R. 4739 will ensure that all eligible servicemembers receive adequate separation compensation if they are involuntarily discharged from duty.

Mr. SKAGGS. Mr. Chairman, I would like to point out to other Members of Congress some language in the committee's report on the defense bill that is of particular importance to me and to the people of the district I represent.

The language, which I sponsored, would authorize the Secretary of Energy to reimburse cities downstream of Rocky Flats for actions they take to protect their municipal drinking water supplies from any possible contamination from that plant. These downstream cities include Broomfield, Federal Heights, Northglenn, Thornton, and Westminster.

Rocky Flats is located immediately west of Great Western Reservoir and just northwest of Standley Lake. Together, these reservoirs provide drinking water for nearly a quarter of a million people. Historically, runoff from 51 percent of the plant site area drains into Walnut Creek, and from there, directly into Great Western Reservoir—35 percent of the site area drains into Woman Creek, which flows into Standley Lake.

Both of these drinking water reservoirs have been contaminated in the past by the Rocky Flats plant. And both are vulnerable to additional contamination in the future. At the most basic level, it should be clear that process water from a nuclear weapons plant, or runoff from contaminated areas on a nuclear weapons plant site, should not be allowed to drain into public drinking water supplies. It's long past time we did something to ensure absolutely the safety of these drinking water supplies. This committee language, which supports projects to impose physical barriers between Rocky Flats and municipal water supplies downstream, is a significant step toward accomplishing that.

Due to dozens of past accidents and other problems, both hazardous and radioactive materials have made their way into these water supplies. For example, both Great Western

Reservoir and Standley Lake have plutonium contamination in the sediment at the bottom of the reservoirs and on the surface soils surrounding the reservoirs. Scientific surveys have established that the bulk of this plutonium is from Rocky Flats, rather than from fallout from past nuclear weapons testing.

In 1973, a tritium spill at the plant went undetected, and the tritium was mixed with normal waste waters and released downstream. The radioactive tritium mixed with water and through Great Western Reservoir and the water treatment plant of the city of Broomfield, and was consumed by residents before the incident was even reported to city officials.

Other surface water contaminants from the plant that have entered these reservoirs over the years have included other radionuclides, heavy metals, nitrates, and fecal coliform bacteria.

This impact of Rocky Flats on local water supplies has been of great concern to these cities for a long time. In the last 2 years, however, a series of reports and incidents has driven public concern about risk to these drinking water supplies to extraordinary levels.

In December 1988, DOE released a report on environmental problems at all of its nuclear weapons sites. The report declared VOC [volatile organic compounds] contamination at Rocky Flats as the No. 1 potential hazard to public health of all DOE sites, because the VOC's were slowly migrating toward streams feeding into local drinking supplies.

In February 1989, a tankful of toxic chromic acid spilled out during the night, overflowed past several containment barriers, and reached a series of retention ponds above Great Western Reservoir. After the spill was detected, DOE told the public that it wasn't sure the ponds, which were nearing capacity, would hold, given the structural limits of the ponds' dams. While the tainted water was ultimately diverted away from the reservoir, hundreds of panicked citizens flooded city governments with calls to ask if their water was safe. The whole incident left residents with the fear that this kind of incident could happen again at any time. And, as we shall see, it has.

In June 1989, the FBI and EPA made a highly publicized raid on the plant, to look for evidence of criminal violations of environmental laws. The search warrant alleged, among other things, that the plant was illegally dumping hazardous and radioactive wastes into the streams leading to these local reservoirs. Again, hundreds of citizens called their municipal water departments to ask if it was safe to drink their water. While the grand jury investigation is still continuing a year later, and there is some evidence that the charges about illegal dumping may be incorrect, the impact on local citizens has been substantial. Citizens shouldn't have to live with these kinds of fears about their own drinking water.

In August 1989, levels of an herbicide, atrazine, and two chemical solvents in excess of State health standards were detected in the retention ponds. Again, questions were raised in the new media—and by dozens of concerned citizens—as to whether this contaminated pond water would be released downstream into drinking supplies. Fortunately, it was not.

In August 1990, DOE reported that samples of retention pond waters being released downstream at that time were apparently contaminated with plutonium at levels 30 times higher than State health standards and americium at 3 times health standards. Although DOE now believes these readings are false and caused by lab error, once again, local residents have had to live with questions about the safety of their drinking water.

Following last year's raid by the FBI, the city of Broomfield built a temporary diversion ditch to channel water from the plant around Great Western Reservoir, Broomfield's water supply. This spring, the Department of Energy built a temporary pipeline to channel water that would otherwise flow down Woman Creek into this diversion ditch, thus providing temporary protection to Standley Lake, the other local reservoir. But these are only temporary measures that protect these reservoirs from planned water releases. They cannot protect against accidents or against runoff from major storms.

The cities near Rocky Flats have been trying to find a permanent solution to this problem for several years now. Earlier this year, I asked them to join with representatives of the Governor of Colorado, the Colorado Department of Health, DOE's Rocky Flats Office, EG&G, Inc.—which operates Rocky Flats for DOE—the U.S. Environmental Protection Agency, and members of Colorado's congressional delegation, to see if we couldn't work out a solution that was practical and affordable. I'm proud to report that this working group, after several months of detailed discussions and negotiations, reached a remarkably strong consensus on a plan to resolve this problem.

The plan's long-term goal is to achieve a zero-discharge condition at the plant, while permanently barring the physical connection between Rocky Flats and city drinking water supplies. When the plan is completed, Great Western Reservoir would no longer be used as a drinking water supply, and Standley Lake would be protected against any contaminated runoff from the plant.

The cities involved are ready to embark on the first steps of this plan. These first steps allow for an interim solution that is consistent with the long-term solution, but that will not require lengthy reviews. The anticipated costs for these first steps, which can be done immediately, are $34.7 million, abut half the estimated cost of completing the long-term plan. This includes $21.5 million for replacement of water rights from Great Western Reservoir, and $13.2 million for structural barriers to protect Standley Lake. These projects provide interim protection of the region's municipal water supplies and avoid the possibility of accidental contamination from current activities or past pollution at the Rocky Flats plant.

To complete the plan will require further funds for additional structures to fully protect Standley Lake against a 100-year storm event, and for construction of a pipeline, reservoir, and treatment plant to fully replace the Great Western Reservoir water supply system.

Under the committee's language, the Secretary of Energy is authorized to use funds in DOE's Environmental Remediation and Waste Management account to reimburse the cities for costs borne in implementing this plan. The plan's first steps do not involve DOE land, property, or facilities, and does not require DOE to play more than an administrative role. For that reason, the cities anticipate that no NEPA [National Environmental Protection Act] review will be required. This means that these first steps can be taken immediately to correct the water problem of the northern metro-Denver cities.

In addition to these steps, the working group agreed that a water management plan should be implemented to achieve zero discharge of water-borne contaminants from the Rocky Flats plant. This water management plan is estimated by DOE's Rocky Flats office to cost $49 million. However, DOE found that when this zero discharge plan was combined with the off-site projects listed above, there was a $9 million savings. The total combined onsite/offsite cost for this water management and protection plan comes to about $110 million, which is believed by the working group to be the most cost-effective solution to the plant's water management needs.

Forty years ago, when Rocky Flats was sited near Denver, the planners probably just didn't know that the materials at Rocky Flats could be so hazardous to human health, or that the plant would soon be surrounded on all sides by small towns and suburban communities. But we know this today, and the Federal Government has to play with the hand it was dealt. It is a Federal responsibility to ensure that these municipal water supplies are adequately protected from any hazard from this Federal plant, and it is only reasonable to ask that the Federal Government assist in funding the projects essential to this protection. That is all we in Colorado are asking for, and that is the intent of this language in the defense bill.

Mr. LAGOMARSINO. Mr. Chairman, I rise in opposition to H.R. 4739, especially as it has been amended by the House and in support of the motion to recommit this authorization bill back to the Armed Services Committee for improvement. I agree that we need to build-down. However, I strongly believe that this needs to be done in a more responsible, reasonable, and careful way.

I am concerned about this bill for a number of reasons. While I certainly recognize that we have entered a new post-cold-war era, we are not out of the woods yet. There are still many real and dangerous threats—both strategic and conventional—to American national security and American interests around the globe. I strongly believe that President Reagan's and Bush's peace through strength policy directly shares a sizeable amount of the credit for fostering the incredible changes we have seen and continue to witness around the world, especially in Eastern Europe and to a lesser extent in the Soviet Union. I have been told personally on the streets of Bulgaria, Czechoslovakia, and Hungary that strong Western resolve was key to making the democratic revolution happen. But it's not over yet. It is said that the Soviets may have lost the cold war, but we have not yet won it. Now, with us in the final quarter of the game and leading, it is not the time to strike our defenses and throw in the third string. This bill actually cuts more

than $29 billion from the President's budget request, which itself represents a reduction in real dollars from last year. Already over the past 6 years in a row, we've cut, in real dollars, the defense budget by over 12 percent.

With Gorbachev's new policies of glasnost and peristroika, and with the incredible events in Eastern Europe—some of which I have experienced first hand—the Soviets and their nuclear missiles appear to be less of a threat. Unfortunately, the Soviets continue to modernize and expand their war machine—including their strategic nuclear weapons systems. The Soviets continue to modernize their heavy SS-18 ICBM's—a system for which we have no counterpart, develop and deploy new mobile ICBM's, and produce more submarines and SLBM's. I have to ask why? It is certainly not to counter any new U.S. systems. This defense bill deletes MX rail garrison, and we've capped MX deployments at 50 for years now, defers the small ICBM-Midgetman funding, reduces Trident II missiles, and kills the B-2 bomber. In other words, we continue to reduce, yet the Soviets continue to modernize and expand. Why? It makes no sense and providing the United States with an effective defense—just in case—makes a lot of sense.

While I believe that Mikhail Gorbachev will continue to guide the Soviet Union down a more peaceful path of economic and political reforms, there is no guarantee that he will always remain in charge in the Soviet Union. There are still hardliners in the Soviet military opposed to these changes. I am particularly concerned about the increased ethnic strife in the Soviet Union. If the Soviet empire continues to break apart, who gets these missiles and the rest of the Soviet war machine—much of which is in Soviet central Asia, an area of rising fundamentalism?

I am very concerned about the very deep cuts in SDI funding. Already during debate on the SDI provisions in the bill I have explained at length my concern about the SDI Program and the funding level passed by the House. The inadequate SDI provisions are a major weakness of this Defense authorization bill.

There are other threats as we are experiencing in the Persian Gulf. As we move into this new era, new challenges arise—like Saddam Hussein and a continued nuclear armed, radical Chinese leadership unconcerned about murdering hundreds of peaceful citizens in Tiananmen Square. We must have the capabilities and quality forces needed to meet these new challenges. Unfortunately, I believe that this authorization bill as crafted and amended does not adequately meet these needs. Important conventional systems, like the B-2 bomber and C-17 transport aircraft are left unfunded or underfunded.

President Bush and Secretary Cheney are shaping our defense forces, while reducing them, to meet the needs of new times and new challenges. Unfortunately, many provisions in this bill do not enhance this change but, instead, make it more difficult and less efficient. I am concerned about the many parochial add backs in the bill. Additional aircraft, tanks, and helicopters unwanted and unneeded by the military are thrust upon them by Congress. The many micromanagement provisions could prove to be quite onerous.

Despite these serious flaws, there are many good provisions in H.R. 4739. I'm very encouraged that Congress is addressing the economic conversion issue. As we builddown we need to reincorporate defense industry workers and military personnel into the civilian economy. This is particularly important in my district where the military itself and defense contractors are a significant part of the local economy.

I am also very appreciative of Chairman ASPIN and Vice Chairman DICKINSON for working with me to support the ALQ-184 airborne electronic jamming pod. This is an important conventional system which provides our combat aircraft with reliable self-defense capabilities. It has already been deployed in the Persian Gulf and that fact alone warrants its continuation. I am encouraged by Chairman ASPIN's willingness to pursue this issue in the House-Senate conference on the defense bill and again thank him for the colloquy we had on the House floor. I look forward to continuing to work together on this special program.

There are other responsible provisions in this bill including the add-back of resources needed for Operation Desert Shield. Our forces deployed in a tense, dangerous situation like this one should have everything they need. I believe the Aspin add-back tries to address the needs that have arisen.

H.R. 4739 also includes additional environmental and energy conservation provisions. The military is not exempt from these critical areas and I believe there are positive, worthy initiatives that can help both improve our environment and reduce our demand for precious energy in this legislation.

After very carefully weighing the benefits and problems of this bill, I believe that further, significant improvements need to be made. As I have pointed out, we certainly have some good provisions upon which to build. Now that Saddam Hussein, the thief of Baghdad has stolen our peace dividend, I believe we need to more carefully and more responsibly re-examine how we plan to continue our builddown. I do not believe this bill lays down these plans satisfactorily enough.

Mr. GEREN of Texas. Mr. Chairman, as we prepare to decide what our defense priorities for the coming year will be, I rise today to remind my colleagues of a key part of our 1991 Defense bill—the V-22 Osprey.

Mr. Speaker, the decisions we make as we debate the 1991 defense authorization bill could be among the most critical decisions we have made in years. Unlike years past, we are now moving into a world turned upside down, a period in which our friends are now our enemies and our enemies now act as our friends. Unlike years past, we now live in a world where our greatest threat may lie, not from an evil empire, but from unstable Third World regimes.

It is an era, Mr. Chairman, in which we can little afford to make foolish and short-sighted choices. But this is precisely the kind of choice we will make for ourselves and our children if we choose to scuttle the V-22 Osprey Program.

The V-22 has the strongest and most bipartisan support of any military program in recent memory, and with good reason. It can fly 1,250 miles without refueling and at twice the speed of existing helicopters, allowing carrier ships to stay at a safe distance from a hostile coast. It is especially suited to the limited conflict that many believe will be the battle of the future—the kind of battle we will face if the stand-off in the Persian Gulf erupts into a shooting war.

The V-22 is the vehicle of choice for the marines and special forces for short-haul, rapid deployment since it can move more troops, more quickly, and more safely. And in a recent battle simulation staged by Lawrence Livermore Laboratories, the V-22 made the difference between winning and losing a war in the Middle East.

Just what could the V-22 mean to our military performance if shooting were to break out in the Persian Gulf? A great deal. Unlike helicopters with their very limited flight range, the V-22 would be able to reach that part of the world from the United States or any other part of the globe within 36 hours. And unlike the helicopters on which our troops must now rely, the V-22 needs no reassembly when it reaches its destination; it's ready to go on arrival.

The V-22 is also the only tactical aircraft in the world that is protected against nuclear, biological, and chemical warfare, and because of its unique design, it is much less vulnerable to being shot down by small arms fire than its competitors. Its components are especially suited to withstand the intense heat our forces would have to endure in a Middle East war.

But if the V-22 is the vehicle of choice for the military, it is also the technology of choice for the Japanese and Europeans. Both are hard at work developing their own versions of the tiltrotor technology of the V-22. They understand as well as we do the ground-breaking cost- and space-saving capabilities of the tiltrotor design, and they each plan to make their dreams a reality before the turn of the century. Will we be left behind to rely on others for our national security needs?

It is clear that the military applications offered by the V-22 Osprey are only one part of the revolutionary capability the aircraft affords us. The tiltrotor design could mean the difference between winning the war on drugs and fighting a losing battle. It could be the answer to the ever-increasing congestion consuming the Nation's crowded airways. It could make a significant difference in our ability to reach disaster victims in this country and elsewhere. It could pave the way for oil containment teams to reach oilspills in a fraction of the time it takes them to do so now. But if the V-22 loses its place in the Pentagon budget, we may be forced to depend on others to show us what the tiltrotor holds in store.

In such a changing world, the direction in which our military resources must aim still remains unresolved. Can we afford to face the future without the Osprey? No, we cannot.

And in these times of budgetary belt-tightening, we must take special care to spend every penny wisely. This fact is precisely why we must continue to fund the V-22. The Pentagon's own study proved that the V-22 gives us more "bang for the buck" than its closest competitors. The Osprey is not only the strategic choice—it is the prudent choice.

Mr. Chairman, the world took an evil turn when Saddam Hussein's forces stormed on Kuwait, raising the stakes for this defense budget much higher than most of us expected just a few months ago. Mr. Chairman, we would be better prepared to counter the aggression of the Iraq's of the world if we had the V-22 right now.

Let's make this conflict the last one we face without this revolutionary aircraft. Let's keep funding for the V-22 fully intact—for today and for the future.

The CHAIRMAN pro tempore (Mr. DURBIN). Pursuant to the rule, no further amendments are in order.

The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. DONNELLY) having assumed the chair, Mr. DURBIN, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, pursuant to House Resolution 461, reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment to the amendment in the nature of a substitute adopted by the Committee of the Whole? If not, the question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. DICKINSON

Mr. DICKINSON. Mr. Speaker, I offer a motion to recommit with instructions.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. DICKINSON. I am, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. DICKINSON moves to recommit the bill H.R. 4739 to the Committee on Armed Services with instructions to report the same back to the House forthwith with the following amendments:

1. At the end of part A of title IV (page 92, after line 19), insert the following new section:

SEC. 403. ARMY END STRENGTH ADJUSTMENT.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the deployment of a large contingent of United States military forces to the Persian Gulf region for an indefinite period requires an adjustment in the amount by which the end strength for the active Army is reduced in fiscal year 1991;

(2) while elements of all the military services are currently deployed in the Persian Gulf region, the Army, first and foremost, is threatened by the inherent conflict between the largest ground force deployment since the Korean War, on the one hand, and the largest one-year manpower reduction in the All-Volunteer Force, on the other;

(3) adjusting the size of the reduction in the fiscal year 1991 Army end strength from 68,500 to 40,000 will help to ensure that Army units worldwide, and particularly those deployed in the Persian gulf region, remain manned by a full complement of skilled, professional volunteers; and

(4) even with such an adjustment in Army end strength, a dramatic reduction in the overall fiscal year 1991 end strength for the Armed Forces will still be achieved as more than 100,000 active-duty positions will be cut.

(b) INCREASE IN FISCAL YEAR 1991 AUTHORIZED END STRENGTH.—The end strength authorized in section 401 for the Army for fiscal year 1991 is hereby increased by 28,500.

(c) FUNDING.—(1) The amount provided in section 301 for Operation and Maintenance, Army, is hereby increased by $57,000,000, to be available for expenses relating to the increased personnel authorized by subsection (a).

(2) The amount provided in section 431 for military personnel accounts is hereby increased by $370,500,000, to be available for personnel expenses for the additional personnel authorized by subsection (a).

(d) OFFSETTING ADJUSTMENT.—The amount provided in section 102(a) for Aircraft Procurement, Navy, is hereby reduced by $427,500,000, to be derived from amounts for the F/A-18 aircraft program.

2. At the end of title V (page 166, after line 5), insert the following new section:

SEC. 557. PERIOD FOR WHICH SELECTED RESERVE MAY BE ORDERED TO ACTIVE DUTY.

(a) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) expanding the authority of the President to call up Selected Reserve units reflects Congress's belief that the Total Force Policy makes the active, National Guard, and Reserve forces of the United States equal partners in providing for the defense of the Nation;

(2) at present, 36 percent of the Army's combat divisions, 45 percent of its armored battalions, 49 percent of its mechanized infantry battalions, 50 percent of its infantry battalions, and 61 percent of its field artillery battalions are in the reserve forces and one-third of all active duty Army divisions, the core of the Nation's immediate ground combat reserve, are rounded out by a reserve combat brigade;

(3) as active duty forces are reduced due to budget constraints, the Nation's reliance on the reserves for a range of capabilities, including combat power, is likely to increase;

(4) reserve forces must be readily employable in a range of contingencies short of national emergency or war in a post-Cold War world;

(5) in order to fully test the Total Force Policy concept, as well as the effectiveness of the Army's Roundout concept, the Secretary of Defense should activate and deploy the roundout reserve combat brigades of the active-duty divisions now deployed, or planned for deployment, in support of Operation Desert Shield; and

(6) a serious impediment to the full participation of Selected Reserve combat units in current and future contingency operations is the present 180-day active-duty limitation imposed by law in section 673b of title 10, United States Code.

(b) EXTENSION OF PERIOD OF CALL-UP AUTHORITY.—Section 673b of title 10, United States Code, is amended—

(1) by striking out "90 days" in subsection (a) and inserting in lieu thereof "180 days"; and

(2) by striking out "90 additional days" in subsection (i) and inserting in lieu thereof "180 additional days".

(c) APPLICABILITY.—The amendments made by subsection (b) may be applied by the President with respect to any exercise of authority by the President under subsection (a) of section 673b of title 10, United States Code, that is in effect on the date of the enactment of this Act to extend that exercise of authority under such section to a total of not more than 360 days.

Mr. DICKINSON (during the reading). Mr. Speaker, I ask unanimous consent that the motion to recommit be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER pro tempore. The gentleman from Alabama [Mr. DICKINSON] will be recognized for 30 minutes, and the gentleman from Wisconsin [Mr. ASPIN] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Alabama [Mr. DICKINSON].

Mr. DICKINSON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, last year I offered a controversial motion to recommit involving the Midgetman missile. This year I've tried to avoid controversy and to offer a motion that every Member of the House should be able to support because it involves people, not weapons. The people who serve in our military—activie duty, National Guard, and Reserve—should be our No. 1 priority as we begin the extensive restructuring of our military forces in the years ahead.

This past spring, many of us were involved in the contentious battle with Chairman ASPIN over the infamous personnel reprogramming request. One of Chairman ASPIN's objectives was to have Dick Cheney demonstrate loud and clear that people were more important than weapon systems. I'm sure, therefore, that we were all glad to receive Mr. Darman's letter last month announcing the President's decision to exempt military personnel from Gramm-Rudman sequestration

this year. The executive branch has demonstrated the priority it places on our military personnel; my motion to recommit now gives the House of Representatives an opportunity to do the same.

There appears to be a growing bipartisan consensus among the members of the Armed Services Committee that the budget numbers we were compelled to mark a bill to force us to cut our military personnel too deeply. The committee cut almost 130,000 active duty personnel and 65,000 civilians in fiscal year 1991. This number is three times the figure proposed in the President's budget, and four times larger than the largest 1-year personnel cut we've ever imposed on the services since the end of the Vietnam war.

Clearly, we are going to cut personnel more deeply than the President proposed because Congress is going to cut the defense budget. But 130,000 troops out of an All-Volunteer Force in just 1 year will cripple the Department's ability to manage the build-down we are all anticipating, as well as to manage the current crisis in the Persian Gulf.

I have a copy of a letter that Secretary Cheney sent to Speaker FOLEY yesterday. I would like the entire text of the letter submitted for the RECORD, but wouild like to draw the Members attention to the following:

> The bills's cut of 92,000 people from the armed forces in a single fiscal year—on top of the 38,000 reduction already included in the Administration's budget submission—is inconsistent with effective management of the reshaping of the armed forces. Moreover, the cut of 130,000 military personnel may create unforeseen risks during a period in which the United States has been forced to undertake substantial new overseas deployments to defend vital American interests in and around the Arabian Peninsula.

The committee cut Army personnel so dramatically—68,500 in fiscal year 1991—that Secretary Stone will be unable to maintain any sensible or effective personnel rotation policy in the Persian Gulf while simultaneously confronting a congressionally imposed reduction of 10 percent of his total end-strength. Therefore, my motion to recommit will buy-back 28,500 Army personnel in fiscal year 1991 from the committee's cut of 68,500. In case any of my colleagues believe that I propose to let the Department off the hook, if my motion is adopted, we will still be cutting more than 100,000 personnel out of the total force in fiscal year 1991, including 40,000 from the Army. A cut of 100,000 is 2½ times Secretary Cheney's proposed cut, and 40,000 is twice as deep as his fiscal year 1991 recommendation for the Army.

This motion, therefore, is consistent with the objective of reducing our overall defense force by 25 percent in 5 years. It simply slows the rate of reduction slightly in the first year and allows the Army a little more management flexibility in view of the Persian Gulf deployments. For example, if the Army is forced to absorb a 10-percent personnel cut in fiscal year 1991, such a reduction will lead to the undermanning of its Conus and European based units—the same units that may be rotated into Saudi Arabia later in the fiscal year. Consequently, the Army needs the personnel relief my motion to recommit offers.

This motion will also address some of my colleagues' concerns about the Department's hesitancy to activate and deploy Reserve combat units. Those of us who recently returned from the Persian Gulf agreed, I believe unanimously, that the combat Reserves should be used in Operation Desert Shield. Although select support Reserve units have been activated, combat Reserve units have not. General Schwarzkopf, the commander of Central Command, explained to us when we were in the Persian Gulf that the current 180-day limitation on Reserve call-up made it impractical and expensive to use combat Reserve units in operations like Desert Shield. By the time the units have been activated, organized, and transported, they would only be in theater for 2 to 3 months before bumping up against the current 180-day limit and requiring replacements.

I believe that if we are going to follow a total force policy in peacetime, we should not hesitate to employ it during crises. Therefore, in order to remove the practical, logistical, and operational obstacles that currently impede sending combat Reserve units to Saudi Arabia, the second component of my motion to recommit extends the current 180-day limit on Reserve callup by an additional 180 days. This proposal was supported by both Republican and Democrat leadership only 2 weeks ago, so I don't believe it is controversial.

Although extending the Reserve callup period to 1 year doesn't require a dollar offset, easing the Army end-strength cut does. Although I don't often find myself in agreement with Chairman ASPIN, I do want to echo his words of recent months that people are more important than weapons. As such, I have offset the cost of my motion with a reduction of 18 FA-18 Navy aircraft that the committee added—repeat, added—to the President's request of 66 aircraft. I propose this offset without prejudice toward either the program or the Navy.

With carrier air wings slated to decline in the future, it's not clear that the direction in which Navy aviation force structure is headed justifies 18 additional FA-18's in fiscal year 1991. For those who feel that my motion will somehow irreparably damage the FA-18 program, let me remind you that if it is adopted, FA-18 funding will still be left at the requested level of over $2 billion—I repeat, $2 billion. By way of comparison, of the 25 biggest weapons programs in the President's budget that the committee acted upon, the FA-18 was the only program that was plussed-up. If my motion is adopted and the FA-18 is cut back to the requested level, it will still be only 1 of 7 of these 25 major acquisition programs left untouched by the committee. Thus, I can't believe my motion can be misconstrued in any fashion as irreparably harming the program.

As I stated at the outset, this is not intended to be a controversial motion. It simply proposes two personnel-related actions that the committee itself would probably have taken if we had marked up our bill after, instead of before, the Iraqi invasion of Kuwait. I urge all my colleagues to support this important motion. By doing so, you will be demonstrating your support for our men and women in uniform at a time when such support is critical. This is an easy vote for demonstrating the importance of people over weapons systems.

THE SECRETARY OF DEFENSE,
Washington, DC, September 18, 1990.

Hon. THOMAS S. FOLEY,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER. I am writing to express in the strongest possible terms the importance of providing sufficient active duty troop levels for the United States Armed Forces in the fiscal year 1991 defense authorization bill (H.R. 4739). The bill as reported by the Committee on Armed Services imposes sharp, precipitous cuts in the size of the armed forces.

The Administration plans to reshape the armed forces carefully over time in light of reduced defense budgets. However, the bill's cut of 92,000 people from the armed forces in a single fiscal year—on top of the 38,000 reduction already included in the Administration's budget submission—is inconsistent with effective management of the reshaping of the armed forces. Moreover, the cut of 130,000 military personnel may create unforeseen risks during a period in which the United States has been forced to undertake substantial new overseas deployments to defend vital American interests in and around the Arabian Peninsula.

The reduction of the size of the armed forces in a manner that does not compromise our military capabilities will take time. It is a complicated, time-consuming and resource intensive action to plan and execute the logistical and other arrangements required to return or deactivate units in Europe or the United States. Also, the Department requires a substantial base of forces to permit deployment of units into and out of forward deployment areas such as the Middle East on a rotational basis. Even without Operation Desert Shield, end-strength reductions of the magnitude contemplated by the Committee bill could not be executed without a loss of needed military capabilities.

I urge the House of Representatives to increase the end-strength levels for active duty military personnel in the FY 1991 de-

fense authorization bill, to maintain America's military strength.

Sincerely,

DICK CHENEY.

□ 1230

Mr. ASPIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, before we actually begin to engage the gentleman from Alabama [Mr. DICKINSON] in debate on his motion to recommit, I would like to take a moment here on this subject, and perhaps the gentleman from Alabama and I may agree on this part of it.

Mr. Speaker, I rise now in recognition of five of my Armed Services Committee colleagues who will be leaving the Congress at the conclusion of this session.

One of the Armed Services Committee's newest members, Mr. SMITH from New Hampshire, is pursuing a seat in the other body. The gentleman from New Hampshire has strongly supported a measure in the fiscal 1991 defense bill that earmarked $100 million from the base closure account for environmental restoration at bases slated for closure. I congratulate the gentleman on his victory yesterday in New Hampshire's Republican primary, even if the general election is another matter.

The gentleman from Connecticut [Mr. ROWLAND] came to Washington as the House's youngest Member in 1984 and is leaving in hopes of becoming his State's youngest chief executive. While the gentleman has always supported a strong national defense, he has shown no hesitancy in taking a firm position against weapon systems he believed were not necessary or effective. This is demonstrated most strongly by his longstanding opposition to the B-2 bomber, which he has repeatedly stated to be too costly and unnecessary.

Also leaving the Congress in pursuit of the Governorship is the gentleman from Maine [Mr. BRENNAN]. As a member of the committee's Seapower and Strategic and Critical Materials Subcommittee, he has been a strong supporter of the U.S. Navy. He was one of several Armed Services members who visited the Middle East following the Iraqi missile attack on the U.S.S. *Stark*. We all wish the gentleman from Maine good luck in his campaign to return to Augusta's Blaine House, where he served the people of his State well in two earlier terms as Governor.

The gentleman from New Jersey [Mr. COURTER] will be retiring from Congress at the end of this session after 12 years of distinguished service. As an active member of the Armed Services Committee, the gentleman from New Jersey will be remembered by his colleagues in this Chamber for his investment in the rebuilding of our Nation's defense. He has been a strong proponent of a robust and modern strategic deterrent force as the ranking minority member of the Committee's Procurement and Military Nuclear Systems Subcommittee. As a past chairman of the military reform caucus, he worked to improve the Pentagon's acquisition system to make the Defense Department more cost effective.

Finally, our colleague, the gentleman from Texas [Mr. LEATH] will be giving up his seat after 12 years as an active and influential supporter of a strong national defense. He will be sorely missed by our committee and by the Congress.

The gentleman took over the Armed Services Committee's Panel on Morale, Welfare and Recreation at a difficult time. He was challenged with preserving benefits vital to the morale and well-being of our men and women in uniform and their dependents in a deficit-driven budget environment. He succeeded.

He is a strong supporter of the committee's philosophy of putting our military personnel and their families before weapon systems. With the support of the committee, he acted to strengthen the commissary and PX system. He has championed moral, welfare, and recreation issues in general, repeatedly underscoring the day-today needs of our military personnel worldwide.

His retirement at the end of this Congress will leave a void we will not be able to fill, either on the Armed Services Committee or on the Budget Committee.

He has worked hard and accomplished a great deal and he will be missed.

Indeed, Mr. Speaker, all of these Members I have mentioned and who will be leaving the Congess at this time will be greatly missed. I believe the gentleman from Alabama [Mr. DICKINSON] will join with me today in paying tribute to these Members. They are Members who were part of the Committee on Armed Services at a very, very important time. I am sure all of them will be missed by the gentleman from Alabama and by myself.

Mr. DICKINSON. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I yield to the gentleman from Alabama.

Mr. DICKINSON. Mr. Speaker, I would like to thank the gentleman from Wisconsin [Mr. ASPIN] for bringing this matter to the attention of the House. I agree with everything the gentleman has said. These Members have all been very, very important contributors to our national defense in the actions and the workings of our committee, as well as in the deliberations and actions on the floor of the House.

This is really going to be a different place without them. I mean it is going to be different in a detrimental sense. It is not going to be nearly as good, and we are going to miss them. They will be hard to replace, and I thank the gentleman for calling this to our attention at this time.

Mr. ASPIN. Mr. Speaker, I thank the gentleman from Alabama [Mr. DICKINSON] for his comments.

Mr. Speaker, there are several Members who are seeking recognition. First, I yield 4 minutes to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in opposition to the motion to recommit, and in my portion of our presentation I want to address the issue of the FA-18.

In my judgment, the committee's recommendation on the FA-18 strike fighter program is the correct action to take, given the current situation in the Persian Gulf.

Today the Navy operates a declining A-6 medium attack aircraft fleet, now at about 70 percent of projected requirements. More than half of these aircraft are grounded or flight-restricted due to age. The F-14 fighter fleet is also declining and will soon fall behind projected requirements.

Both of these aircraft are out of production as a result of past congressional actions. And the successor programs, the A-12 and the ATF, are experiencing significant delays.

Future budget likely will not permit buying these aircraft at high rates when they become available. The committee believes the risks to carrier aviation from these shortfalls and old aircraft have increased to unacceptable levels, especially in view of the Persian Gulf situation.

The FA-18 is the only aircraft in the world that can mitigate our A-6 and F-14 shortfalls and is the only aircraft carrier-based combat aircraft in production. We cannot afford not to buy our requirements at the efficient and historic rate of 84 per year. We must be prepared to replace not only FA-18 combat losses but A-6 and F-14 losses as well, should hostilities break out from Desert Shield. This is the only aircraft that can do that.

Mr. Speaker, I would just remind our colleagues that in the mark of the other body they have only 42 FA-18 aircraft. What we have done here is not unprecedented. We have plused up in many, many areas when in our own judgment we believe in the conventional sense that those areas had to be plused up.

Mr. Speaker, I think this is a responsible action on the part of the committee, and I urge all Members who are here today and those who will be voting to vote against the motion to recommit.

□ 1240

Mr. DICKINSON. Mr. Speaker, I yield 3 minutes to the very distinguished gentleman from Arizona [Mr. KYL].

Mr. KYL. Mr. Speaker, I rise in support of this motion to recommit. As the gentleman from Wisconsin [Mr. ASPIN] said just a moment ago and has said on repeated occasions, our military people are more important than our military weapons. As a matter of fact, we all know that that represents, if all else fails, the difference in any kind of confrontation, because of the quality of our people, and our actions we hope contribute to that quality.

Mr. Speaker, this motion to recommit offers us the opportunities literally to put our money where our mouth is, to reduce the personnel cuts that have been proposed in this legislation prior to the Persian Gulf difficulties, to reduce these cuts by 28,500 Army personnel. That is what this motion to recommit is primarily about. The committee, again prior to the Persian Gulf problem, cut almost 130,000 active duty personnel, plus 65,000 civilians. That is three times what the President proposed, and it is too much all at once.

The gentleman from Alabama [Mr. DICKINSON] alluded to a recent DOD study warning that cuts of over 80,000 personnel will require that the personnel actually be "riffed" in other words, to be blunt about it, to be fired, and that is also very costly. It is also at the same time we are calling up Reserves. So at the same time we are removing people on the one hand, we are adding them with another, and it does not make any sense from a management point of view. It certainly is an expensive way to run the operation.

Even with this motion to recommit, we will be 20,000 over that 80,000 limit that the Defense Department has warned us about. We would still be cutting over 100,000 personnel in just 1 year.

Mr. Speaker, if we really mean what we say about putting our people first, then we cannot fail to pass this motion to recommit.

The second aspect of the motion is to change the 180-day limit on the length of time that Reserve units serve. By the time they are activated, outfitted, transported, and set up, they have only a short time of service remaining. That is expensive, and that is poor management. Again, it is something that we all agree upon.

The only question is the method for resolving the difference. As the gentleman from Alabama [Mr. DICKINSON] pointed out, the time to do that is now, while we can have an impact upon the situation in the Persian Gulf. Every day that we allow this situation to exist as it currently is is another day of poor management and additional expense.

Finally, the motion expresses our sense that we should be sending combat Reserves to round out the active duty forces in the gulf. Again, this is something I think all Members agree to. It is important, therefore, that we put this agreement, our sense of the Congress, into a formalized resolution such as this motion to recommit.

As the gentleman from Alabama [Mr. DICKINSON] said, this is not a partisan motion. This is a motion that can be supported by all. There is no reason for Democrats to oppose the motion simply because it is offered by the gentleman from Alabama [Mr. DICKINSON].

Mr. Speaker, this does begin to solve these problems now, rather than to allow them to fester. So I urge Members on both sides of the aisle to support the motion to recommit as a positive solution to some problems we have both identified.

Mr. ASPIN. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. MONTGOMERY].

Mr. MONTGOMERY. Mr. Speaker, I rise in opposition to the recommittal motion. I like very much what the gentleman from Alabama [Mr. DICKINSON] is doing about extending the time of a call-up for a reservist from 6 months to a year. It takes away one of the arguments of the Defense Department for not using combat Reserves.

Mr. Speaker, I did ask the gentleman from Alabama [Mr. DICKINSON] to introduce a clean recommittal bill with just the 6-month extension. I understand the problems the gentleman was having with that.

I really believe that by another method we can come up with some way to figure out how to extend the 6 months. I have talked to the gentleman from Wisconsin [Mr. ASPIN] about this, and maybe something can be worked out for this extension in the conference committee.

Mr. Speaker, I also serve on the Subcommittee on Military Personnel and Compensation as the ranking majority member. Mr. Speaker, we agreed in our caucus and in the subcommittee meeting to oppose any strength level changes that might be offered as an amendment to the bill. Basically that is what the gentleman from Alabama [Mr. DICKINSON] is doing, changing the strength levels.

Mr. Speaker, the gentleman from Wisconsin [Mr. ASPIN], the gentlewoman from Maryland [Mrs. BYRON], and myself, have assured the gentleman from Alabama [Mr. DICKINSON] that we would totally review the strength levels in conference and work with the Senate. Actually the basic disagreement is in the Army strength level. If you amend the bill today on end strengths, you really take away our negotiation position with the Senate in this area.

Another problem with the end strength recommittal bill that we are talking about now is we have added 21,000 reservists in our committee bill that is before the House today, 21,000 increase in numbers for reservists. The 21,000 was reduced back in 1990. It should be added back.

Mr. Speaker, as the gentleman from Massachusetts [Mr. MAVROULES] said, on this recommittal, this funding will be taken away from F-18 procurement and add for the Army end strength increase. What could happen in conference, they might get complicated and the Senate might want to reduce and find other places to get this money, other than from the F-18, and they might say, "Let us reduce the number of reservists that we now have in the bill by 21,000."

Mr. Speaker, the best thing to do is leave the end strength alone and if necessary work it in conference as well as the 6-month extension in conference.

Mr. Speaker, I ask that the recommittal motion be defeated.

Mr. DICKINSON. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, if the gentleman from Mississippi [Mr. MONTGOMERY] would engage in a colloquy with me, I agree with the gentleman on what he said, and he is agreeing with me. The gentleman said if you get into conference with the Senate, they might not take the money out of the F-18; they might take it out of the Reserves, they might take it out of the Guard, or they might take it out of someplace else.

Mr. Speaker, I have designated where the money should come from, that is the add-ons of the F-18. We have got 66 in here. That is all that was asked for. These are additional add-ons that were put back by our committee that were not needed and not asked for. I have identified where the money is coming from.

Mr. Speaker, the gentleman from Mississippi [Mr. MONTGOMERY] knows if he supports this, this is not coming out of the Guard, this is not coming out of the Reserves, this is not coming out of some undesirable place. We identified it.

Mr. Speaker, the gentleman said we need to extend the time in which they can be called up. That is what my bill does. What does it do? It cuts down on the number of Army cuts, which we agree needs to be done. I have identified how to pay for it, which is an amendment that was not asked for. It is the best of all worlds, and I would hope Members would support it.

Mr. ASPIN. Mr. Speaker, I yield 2 minutes to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I speak today against the recommittal motion. What we have before us at this moment is a budgetary problem. It is

one that we can do nothing about insofar as this bill is concerned.

Mr. Speaker, we came before this House with a certain figure, and we did the very, very best we could in committee. I think the committee has done a superb job in crafting a good bill from a budget that frankly in my opinion does not cover the full amount that we need. But that is where we are. We cannot rewrite the budget resolution.

Mr. Speaker, in this recommittal motion the gentleman from Alabama [Mr. DICKINSON] attempts to restore some personnel figures. Quite honestly, with a cut in procurement of 18 percent, with a cut in seapower of 18 percent, both of these figures from last year, I think we have done a pretty good job.

We did favor the personnel as very best we could. On top of it, the money would be taken from the F-18, which, Mr. Speaker, is the only U.S. Navy airplane in production today. I think that would be an unwise move.

Mr. Speaker, I think we should look forward to conference, hopefully with additional funds. It would be my first priority to look at the personnel aspect in conference, and hopefully we could correct any problem. But we have a budgetary problem today that we just cannot fix as a result of the figures that were given to us, lo, those many months ago in the budget resolution.

□ 1250

Mr. ASPIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just thank the gentleman from Missouri for his comments and also the gentleman from Mississippi for his comments.

The problem with the motion of the gentleman from Alabama is that it is not an honest Injun budget neutral amendment.

The gentleman from Alabama said why did we not add, and the gentleman from Virginia [Mr. BATEMAN] said why did we not add the personnel strength back when we had the money from the SDI and from the DDG-51. The problem is that the outlays from those cuts are very, very small. The outlay addition from the add-back of the troops is very, very high. Personnel is high outlays; procurement and R&D is lower outlays. SDI, the outlay numbers are very low. We have saved very little outlays from a $600 billion cut in SDI. We have saved almost no outlays from a $348 million cut in the shipbuilding program.

The gentleman wanted to know why we did not add the troops back in. We could not add the troops back in. The troops are high outlay, and the only way we can deal with the troop issue is to do it in conference.

I would also point out that the gentleman's amendment is not outlay neutral. The gentleman has cut procurement in the F-16 or F-18 account. That gets the BA, but it does not get the outlays. He added back the troops, which is the same BA number, but not the same outlay number.

In other words, if the gentleman really wants to do something with the troop levels, and I suspect we are going to do something with the troop levels when we get into conference, but we need to go and find some outlays somewhere to do something about the troop levels. Maybe we will get some outlays when this economic summit gets us a different number, or maybe we will get the outlays when we get to a budget compromise on the numbers, when we get to the Senate numbers. But if we are going to deal with the personnel issue, we have to deal with outlays, and we ain't got outlays. We did not get outlays from the Bennett cut, we did not get outlays from the Cheney decision to do without one of those DDG's. We did not get outlays from cutting the F-18's.

We have to get outlays from somewhere if we are going to honestly add back those troops. I think that was the decision that forced us to this decision to cut these troops. We would like to add back some of those troops, and I suspect we will do it in conference, but we are not doing it with this amendment.

This is not an honest amendment in budgetary terms.

Let me also point out that the issue of the callup and the extension of the Reserves is an important issue. The gentleman from Mississippi has raised that issue long before today, and I think we need to get into a discussion with the administration of how best to do that.

There are two ways in which we can have Reserves called up for a long enough time to deploy them to the gulf. One is to have the Congress approve an extension of the callup period, as the gentleman from Alabama has in his amendment, and if that turns out to be the best thing, we may end up coming back from conference with that. But there is another way to do it, and that is to sign an Executive order declaring a national emergency, and the calling up of the troops under that provision. In that case he has the authority to call up the Reserves for 24 months. He does not need any further extension from Congress.

It is the opinion of the legal people, the legal department of the Armed Services Committee that, in fact, he has already signed that legislation when he signed legislation to seize the Kuwaiti assets and he had to declare a national emergency. The President has already signed that. We believe, or at least the members of the Armed Services Committee staff believe he may have already signed the requisite legislation to have the Reserves on duty for more than just 180 days.

Anyway, this all needs to be worked out, and the chance of going into this in conference with the Senate gives us the opportunity to enter into a dialog with the administration, because whenever we are in conference we are also discussing things with the administration, on how to do this.

So I think the gentleman from Alabama has some ideas here. One of them I think we are better off dealing with in the conference, which is the callup of the Reserves. The other one he flatly does not deal with, which is he does not get enough outlays in order to get the money for the troop callup that he wants to have.

Mr. Speaker, I yield 3 minutes to the gentlewoman from Maryland [Mrs. BYRON].

Mrs. BYRON. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, let me say to my colleague from Alabama [Mr. DICKINSON], that I have to rise in opposition to his motion to recommit. I know the gentleman's concern about the end strength reductions contained in the committee reported bill, but I do not believe we ought to allow the Pentagon to use Operation Desert Shield as an excuse to backslide on the active duty end strength cuts approved by the committee with some difficulty. I have not heard that Mr. Cheney has any objection to a 25 percent force reduction by 1995. That is about half a million troops.

My Subcommittee on Personnel will be the one who will benefit from the gentleman's amendment. But we simply cannot get there from here in any sort of orderly fashion without taking a decisive first step in 1991.

As the gentleman knows, we have language in this bill that states that no voluntary separations of career enlisted will occur in 1991. Some are looking to Operation Desert Shield as justification for business as usual, and the initial feedback from that deployment in fact validates the committee's original decision to reduce the size of our forces in Europe and to place increased emphasis on the Guard and Reserve.

I think it is interesting to note that with over 300,000 Army and Air Force personnel in Europe, the overwhelming majority of Army and Air Force units deployed to Saudi Arabia have come from the United States, not from Europe. If we have not used these forces for an operation the size and scope of Desert Shield, then clearly can we not begin to draw some of them down?

At this point in time I do not think any of us knows the size or the length of our commitment in the Persian Gulf. I fully recognize the stress that

an extended deployment could place on the personnel system, and as the gentleman knows, we are going to closely monitor that situation for further adjustments that may be required, in conference, in a supplemental or next year in our authorization cycle.

Let me simply say that the extraordinary budget pressures we face for the foreseeable future, the difficulties that the budget summiteers are having makes it so evident to all of us that we need to begin to ramp down toward a smaller but very capable force by 1995. I urge my colleagues to support the committee's bill and defeat the motion to recommit of the gentleman from Alabama.

Mr. DICKINSON. Mr. Speaker, I yield myself 1 minute just in order to reply in part to my chairman.

The chairman gets up and he makes the statement that this is not revenue neutral, as if his add-backs were revenue neutral. The chairman has added back three MHC mine hunters at $290 million and fast sealift ships at $250 million.

These spend-outs are only 4 percent for the first year. So it does not make any sense. We can swap figures all we want to.

First off, we are not bound by the outlay figure. We normally deal with the budget authority. We try to comply, but you are adding back ships, you added back in slow spenders. Just the F-18 program that I am using is only one account, which were all add-ons by our committee. It affects nothing else.

Mr. ASPIN. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I am glad to yield to the gentleman from Wisconsin.

Mr. ASPIN. Mr. Speaker, the gentleman is not correct about the amendment I offered previously that the Congress voted for.

Mr. DICKINSON. Mr. Speaker, I yield 4 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Speaker, I thank the distinguished gentleman for yielding time to me.

Mr. Speaker, it seems a little strange to me that we would be entering into this kind of a serious debate, and that there would be opposition to a motion to recommit that almost all of which seems to be agreeable, and yes, we are going to try and deal with it and get that done in conference.

The conference that is upcoming on this bill will be a difficult enough conference without us making it more difficult by the failure to engraft into the bill the things which the motion to recommit would do.

□ 1300

I do not believe you can make a cogent argument that it is undersirable to add back some of the decrease in the Army end strength; 68,500 is too large. It was too large when we were forced to use that figure when we originally marked up the bill. It is certainly clearly much too large in light of Operation Desert Shield.

I hear the comment on the floor about the number of troops deployed in Europe and that we can bring them back and that we can reduce the size of the Army. I do not disagree with any of that. But you are not going to reduce the Army and decide which ones to kick out by simply looking at those who are presently assigned in Europe or presently assigned in Korea or Japan or elsewhere. You cannot manage the Army's force structure by looking at where the components of that force happen to be physically assigned at a given point in time.

If we do this, we are going to force the Army to kick out of the Army people who went into it voluntarily, serving admirably and with the intent to have served for a full career. We have very fine provisions that I am proud to have been associated with to lighten the blow to these people, but certainly in the interests of our national security, in the interests of being able to manage an orderly drawdown of our forces, we should not require a drawdown this significant in fiscal year 1991.

It does not impress me one iota to say let us address this in conference. We will have to address many things in conference. Why add that to it? Why should we, because one set of lawyers says A and one set of lawyers says B, not go ahead in this body today and put into this bill the policy with respect to the 180-day extension that no one has murmured a word of disagreement with.

If we are in total agreement on that, let us get it done. I know of no dissent from doing it. So why not take this uncontentious, nonpartisan motion to recommit that improves the bill, makes the conference easier and get about doing what the Nation's security should require of us.

Mr. ASPIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just respond to the gentleman from Virginia, because a lot of the things that the gentleman from Virginia is saying I do not quarrel with.

The problem is he has not proposed a solution. The difficulty we have and the reason the committee ended up with a rather large cut in the military personnel account was because we had an outlay squeeze.

How are we now going to fix that? Well, we could, No. 1, which is what we were hoping for, is to get an economic summit agreement which comes up with some more money. If we had had an economic summit agreement which came up with some more money, say on the order of $1 billion or $2 billion in outlays, we could have done that when my amendment reconciled the new budget numbers with our bill. That never happened.

The other way we could do it is, of course, through cuts on the floor that would give enough money to add some more money to the personnel account, to add more troops. We have not had those amendments. The amendments which passed, the cut in the SDI and the cut in the one ship, do not give you the outlays to add to the troops.

I would point out that the amendment offered by the gentleman from Alabama to cut the F-18's does not give you the amount of outlays in order to add to the troops.

The gentleman from Alabama is just flat wrong when he says that the amendment that I offered was not consistent. It was consistent in both budget authority and outlays and checked by CBO. The decreases were $600 million in SDI budget authority and $348 million in DDG-51 budget authority. The cuts in outlays, however, were only $334 million, because SDI, and especially shipbuilding, do not have very high outlay rates. The adds that we made exactly equaled the cuts both in terms of budget authority and in terms of outlays. It is the integrity of the process that you have to do that. I would have liked to, as the gentleman said in his earlier statement, one of the things we might have done was to add to personnel. That was the first thing I looked at. The problem is we do not have enough outlays. If you get the outlays, you can do something on the personnel. Without the outlays, you cannot do something on the personnel.

The amendment offered by the gentleman from Alabama does not get any more outlays than the cut in the SDI and the DDG-51 gets you, so there is the problem. We did not get a budget summit which gave us more outlays. We did not get any cuts in the process which give us more outlays.

There is one more possibility, and that is that the conference with the Senate, when the two numbers are far apart, that some kind of a number will come up, something in between, that would settle the issue, because we will get more outlays by a conference with the Senate.

So the gentleman does not like doing a conference. I do not like doing it with a conference either. I would have preferred and, frankly, when we began the bill on the floor, I expected that before we finished the bill on the floor we would have had an economic summit that would have determined what our number was for defense, both budget authority and outlays, not just for 1991, but for the next few years ahead. I though that at some point we would have a nice add-on amendment that would make our

numbers consistent with those. That has not happened.

Unfortunately, we are in no position to deal with the issue that the gentleman from Virginia raises.

Mr. BATEMAN. Mr. Speaker, will the gentleman yield?

Mr. ASPIN. I am happy to yield to the gentleman from Virginia.

Mr. BATEMAN. Mr. Speaker, I thank the gentleman, the chairman, for yielding.

Mr. Speaker, I simply would like to point out, and I think the chairman would agree with me on this, that there are differences between the budget authority and outlay figures in the Senate-passed bill and our bill. We inevitably, in the conference, are going to have to address those differences and to make adjustments.

Why is it so wrong for this House to do the paramount thing and add back some of the Army end strength that is lost in view of the fact that we inevitably have to adjust outlay and budget authority figures? Why do we not go to the Senate with a paramount position of the House on the basis of paramount priorities if we really believe that people the priority?

Mr. ASPIN. The problem is that we would be going beyond the budget resolution in terms of defense. We have never been able to do that in this House.

The gentleman from Alabama is correct. There is no reason why the House authorizing committees have to abide by the budget resolution, and that was put into the Budget Act as it was originally passed back in 1974 or 1975, or whenever it happened.

The fact of the matter is, as a political necessity, we have to abide, because the House will not vote for a budget resolution or a House authorization bill greater than the budget resolution.

Mr. BATEMAN. The House has not been put to that test.

Mr. DICKINSON. Mr. Speaker, I yield 4 minutes to the distinguished minority whip, the gentleman from Georgia [Mr. GINGRICH].

Mr. GINGRICH. Mr. Speaker, I thank the gentleman from Alabama for yielding me this time.

Mr. Speaker, I must say, as a member of the summit, I agree with the chairman, the gentleman from Wisconsin [Mr. ASPIN], that I wish we had an economic summit agreement, but we do not, and we are where we are.

I watch with admiration and awe as the chairman, the gentleman from Wisconsin [Mr. ASPIN], dances a little bit like a whirling dervish in correctly laying out where he finds himself. On the one hand, as a member of the Democratic caucus, he has supported a budget which creates an absurdly low defense number. Then, as the chairman, created thus by the Democratic caucus, he must bring to the floor a bill which is clearly untenable, but which he can point out with the right hand he really wishes his left hand had not voted for in the budget caucus, but since his left hand did vote for it in the budget caucus, he must now offer it even though he agrees and knows full well intellectually that it is absurd.

I do not object to that. That is just politics as usual. What I find fascinating are two things: the first is that despite Saddam Hussein, despite all of the visible proof that the world is dangerous, the House Democrats are rushing back to the weakness of the 1970's.

Mr. Speaker, this package and the 5-year projection of the Committee on the Budget Democrats on defense are clearly levels of weakness that even Jimmy Carter by 1980 had discovered were not sustainable. That is my first observation.

My second observation is much more immediate and much more human. They are young men and women sitting in Saudi Arabia trying to defend their country, working in 145-degree temperatures on runways, working in 128-degree temperatures in the desert, willing, if necessary, to die for their country.

What message is the House going to send them today? It is going to send them the message that pork barrel in the form of F-18's is more important than human beings. It is going to send them the message that partisan ideology is more important than human beings. It is going to send them the message that at a time that the Army is the primary provider of troop strength in Saudi Arabia, we are going to cut the Army by 10 percent.

I think that at a purely human level that is an extraordinarily bad message.

Mr. Speaker, I want to commend the gentleman from Alabama [Mr. DICKINSON] for offering a motion to recommit that puts it where it ought to be.

□ 1310

This is a chance to vote yes for Dickinson and say that human beings, and especially human beings in uniform serving their country in the Middle East deserve a vote by the House; or to vote no, and say once again on behalf of political pork barrel we will do the things to make sure that some politicians are taken care of. But we are not, in fact, going to take care of the men and women who are serving their country.

So I simply want to take this moment to say that I think it is extraordinary that we would send a message to Saddam Hussein and other future aggressors, that there is no threat large enough to get the House Democrats to rethink their defense posture and to say to the young men and women in uniform that some Members understand the risks they are taking, and some Members want to vote to give them a stable service to work, and some Members want to reassure them that, in fact, we care about them as human beings.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. GINGRICH. I yield to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Speaker, I, like the gentleman, voted against the budget resolution. However, the budget resolution passed, and this is the best that we could do under the constraints that we had of the budget resolution. I think we did our best. As it was, in an attempt to favor the President as much as we could, we had to cut the two procurements.

Mr. GINGRICH. Let me say to my friend in all seriousness, the fact is that this was domestic pork barrel, the Committee on Rules would waive the budget resolution because they waived the Budget Act all the time when they wanted to. The fact is that the House, the House Democrats could bring a different resolution to the floor. We are not trapped to voting today on the spending cut in defense.

The SPEAKER pro tempore (Mr. DONNELLY). The gentleman from Alabama [Mr. DICKINSON] has 5 minutes remaining and the gentleman from Wisconsin [Mr. ASPIN] has 1½ minutes remaining.

Mr. DICKINSON. Mr. Speaker, I yield 2 minutes to the very distinguished and capable gentleman from California [Mr. DORNAN].

Mr. DORNAN of California. Mr. Speaker, let Members bring the focus back, please, very specifically, to the motion to recommit, and why I rise in support of the motion.

Now, just a quick story. It is hard to do within 2 minutes, but I remember a gentleman from up in your part of the woods next door, the gentleman from Minnesota [Mr. VENTO], getting in this well in 1980 and saying that FA could not fly and never would fly. That is a fact, Jack. I had to come in the well, not to embarrass him, afterward, and say, "Gee, that's funny. I just flew in it the day before yesterday, and so has Jim Lloyd," gone since 1980. So, the FA has come a long way. It was designed in the gentleman from California, Mr. ANDERSON's district at Hawthorne as the F-17, and lost to the F-16, and the Swiss know how good it is because they competed against the 16, and the French Mirage 2000, and it won. I know what is made in Massachusetts. I know what a great State Missouri is, but let Members face it. To add on the $437 million over and above the 66 FA teams, we were already getting about $2 billion, that is something the military did not ask for. That is micromanagement.

To shut down 68,500 men in the U.S. Army is the greatest plant closing

since the Great Depression. This is too big a chunk of people. I love FA teams. I hope we buy the numbers in the end strength that we are talking about here. I hope we all reach the end strength that Mr. Cheney wants in 5 years, but this is a savage cut of the U.S. Army.

Now, as far as the Reserves are concerned, I want to quote a great Alabamian, Earl Dove, a supporter of Mr. DICKINSON's, referring to something else, but it applies to our Reserves, our Reserves and Guards are "springloaded in the haul-ass position." That is like a donkey. They are springloaded to go, and they should go. But in this recommit motion of the gentleman from Alabama [Mr. DICKINSON] we have the instrument to give the President the time to utilize our combat units, with one footnote. The Air Guard units and the Air Reserve units do not need 180 days. They need 10 hours, because they already go over there on regular mobility moves.

So let Members vote for the motion to recommit.

Mr. DICKINSON. Mr. Speaker, I yield 2 minutes to a very distinguished ranking member on the Subcommittee on Military Installations and Facilities, the gentleman from New York [Mr. MARTIN].

Mr. MARTIN of New York. Mr. Speaker, I will have to concede that this motion to recommit is probably imperfect, which certainly does not make it unique when considered with our Department of Defense bill which is certainly imperfect.

A couple of things I would like to reflect on. The gentleman from Massachusetts [Mr. MAVROULES] made some good points about the FA team, but I would like to disabuse Members of the idea that somehow if this passes, the FA team flight line is going to shut down. It just will not. I am in high hopes, along with the gentleman, that sooner or later, between this body, the other body, and the Pentagon, they will understand that naval aviation has to be a priority. I think that is going to happen. I have to believe it is going to happen. It is not going to shut down the FA team line.

For some Members in the Chamber who have had a few phone calls from mothers and fathers and people who thought they were going to be lieutenants, or people who thought they were going to be inducted into the Army or the Air Force or the Marine Corps, those Members have not seen anything yet. For them to try to absorb 130,000 end strength cuts in one year is just too much. This motion to recommit is the right thing to do. When we lose those people, we are not going to get another generation that is going to do anything other than say, "Tell me the one, again, about how you said you respected people. Tell me the one again about how were going to live up to your commitment in the contract."

Please, we have heard the chairman and everyone else speak that it is the right thing to do. Let Members do it. Let Members be responsible. We cannot take this cut in end strength at this time. It is not going to shut down the FA team line, which we are going to need as this administration and this Congress continues to cut back on naval aviation.

Mr. DICKINSON. Mr. Speaker, I yield the balance of my time to the distinguished gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Speaker, I rise in support of the motion to recommit. In my 20 years in this body, I have seen many authorization bills come and go. But I have never felt compelled, as strongly as I do today, to vote against one.

This bill is not the beginning of the responsible build down of our Armed Forces which our country needs, but a reckless tearing down of our national defense, from which we will not recover for many years to come. And it is not a visionary response to changing realities, as some would have you believe, but a very shortsighted response to our hopes of what the world will someday be.

No one can deny the changes we have seen in the Soviet Union and Eastern Europe. I do not, and I thank God for them, and the great hope they represent for our country and the world. But we must not tip the balance too far, too soon, in favor of hopes and intentions, and away from realities and capabilities. And what are those realities and capabilities? The Department of Defense has acknowledged that without further modernization, nearly 40 percent of our total strategic forces, our minuteman ICBM's and B-52 bombers, will be between 20 and 40 years old by the year 2000. By contrast, most of the Soviet strategic forces, their land and sea-based ICBM's and bombers, will have been deployed during the 1990's. And the outrageous acts of aggression by Saddam Hussein serve as a most unpleasant reminder of two other realities. First, that the conventional threats to our vital interests and to our allies are still very real. And, second, that, as much as we would like to believe we can, we cannot legislate away, or otherwise prevent, the proliferation of advanced technology weapons into the Third World.

But despite these realities, this bill underfunds or terminates many of programs needed to modernize our strategic and conventional systems. I cannot, in good conscience, vote for such a bill. I cannot, in good conscience, tell our Armed Forces that they must face tomorrow's threats with yesterday's weapons.

Mr. ASPIN. Mr. Speaker, I yield 30 seconds to the gentleman from Massachusetts [Mr. MAVROULES].

Mr. MAVROULES. Mr. Speaker, I would like this opportunity to clear the air. There was a quote attributed to the minority whip this morning, referring to the budget summit. He referred to it as "baloney."

While his reference on the FA team as being a pork barrel project, to him I say, "Baloney," because it is totally untrue. The one thing that we have to keep in mind here, it is the only combat aircraft in production today within our system. All others are shut down or delayed. Keep that in mind.

Mr. ASPIN. Mr. Speaker, I yield myself the balance of my time, and let me just finish by saying that I am sorry the minority whip is not here, the gentleman from Georgia [Mr. GINGRICH] because I wanted to thank him for getting more votes on our side on the motion to recommit than any speaker we could offer up.

I would like to say that this bill is a very good bill, and I think the proof of that is the rather desultory performance by the other side in offering amendments to this bill that they could have offered, and did not offer. I think that a lot of shouting and screaming here at the end does not change the fact that they had nothing to offer during most of this bill on how to change it and how to improve it.

□ 1320

I would say finally that the motion to recommit of the gentleman from Alabama does not cut it. You have to get outlays if you are going to add personnel. The amendment by the gentleman from Alabama [Mr. DICKINSON] does not get the outlays and he cannot add the personnel.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. DICKINSON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 156, nays 254, not voting 22, as follows:

[Roll No. 351]

YEAS—156

Archer	Hancock	Rhodes
Armey	Hansen	Ridge
Baker	Hastert	Rinaldo
Ballenger	Hefley	Ritter
Bartlett	Henry	Roberts
Barton	Herger	Rogers
Bateman	Hiler	Rohrabacher
Bentley	Holloway	Ros-Lehtinen
Bereuter	Hopkins	Roukema
Bliley	Houghton	Rowland (CT)
Boehlert	Hunter	Saiki
Broomfield	Hyde	Saxton
Brown (CO)	Inhofe	Schaefer
Bunning	James	Schiff
Burton	Johnson (CT)	Schneider
Callahan	Kasich	Schuette
Campbell (CA)	Kolbe	Schulze
Clinger	Kyl	Shaw
Coble	Lagomarsino	Shays
Coleman (MO)	Lent	Shumway
Combest	Lewis (FL)	Shuster
Conte	Lightfoot	Skeen
Coughlin	Livingston	Slaughter (VA)
Courter	Lowery (CA)	Smith (NE)
Cox	Lukens, Donald	Smith (NJ)
Craig	Machtley	Smith (TX)
Crane	Madigan	Smith, Denny (OR)
Dannemeyer	Marlenee	Smith, Robert (NH)
Davis	Martin (IL)	Smith, Robert (OR)
DeLay	Martin (NY)	Snowe
DeWine	McCandless	Solomon
Dickinson	McCollum	Spence
Dornan (CA)	McCrery	Stangeland
Douglas	McEwen	Stearns
Dreier	McGrath	Stump
Duncan	McMillan (NC)	Sundquist
Edwards (OK)	Meyers	Thomas (CA)
Fawell	Michel	Thomas (WY)
Fields	Miller (OH)	Upton
Fish	Miller (WA)	Vander Jagt
Frenzel	Molinari	Vucanovich
Gallegly	Moorhead	Walker
Gallo	Morrison (WA)	Walsh
Gekas	Myers	Weber
Gillmor	Nielson	Weldon
Gilman	Oxley	Whittaker
Gingrich	Packard	Wolf
Goodling	Parris	Wylie
Goss	Pashayan	Young (AK)
Gradison	Paxon	Young (FL)
Grant	Porter	
Gunderson	Ravenel	
Hammerschmidt	Regula	

NAYS—254

Ackerman	Clay	Foglietta
Alexander	Clement	Ford (MI)
Anderson	Coleman (TX)	Ford (TN)
Andrews	Collins	Frost
Annunzio	Condit	Gaydos
Anthony	Conyers	Gejdenson
Applegate	Cooper	Gephardt
Aspin	Costello	Geren
Atkins	Coyne	Gibbons
Barnard	Crockett	Glickman
Bates	Darden	Gonzalez
Beilenson	de la Garza	Grandy
Bennett	Dellums	Gray
Berman	Derrick	Green
Bevill	Dicks	Guarini
Bilbray	Dingell	Hall (OH)
Boggs	Dixon	Hall (TX)
Bonior	Donnelly	Hamilton
Borski	Dorgan (ND)	Harris
Bosco	Downey	Hatcher
Boucher	Durbin	Hawkins
Brennan	Dwyer	Hayes (IL)
Brooks	Dymally	Hayes (LA)
Browder	Dyson	Hefner
Brown (CA)	Early	Hertel
Bruce	Eckart	Hoagland
Bryant	Edwards (CA)	Hochbrueckner
Buechner	Emerson	Hoyer
Bustamante	Engel	Hubbard
Byron	English	Huckaby
Campbell (CO)	Erdreich	Hughes
Cardin	Espy	Hutto
Carper	Evans	Jacobs
Carr	Fascell	Jenkins
Chandler	Fazio	Johnson (SD)
Chapman	Flake	Johnston
Clarke	Flippo	Jones (GA)
Jones (NC)	Murtha	Serrano
Jontz	Nagle	Sharp
Kanjorski	Natcher	Sikorski
Kaptur	Neal (MA)	Sisisky
Kastenmeier	Neal (NC)	Skaggs
Kennedy	Nelson	Skelton
Kennelly	Nowak	Slattery
Kildee	Oakar	Slaughter (NY)
Kleczka	Oberstar	Smith (IA)
Kolter	Obey	Smith (VT)
Kostmayer	Olin	Solarz
LaFalce	Ortiz	Spratt
Lancaster	Owens (NY)	Staggers
Lantos	Owens (UT)	Stallings
Laughlin	Pallone	Stark
Leach (IA)	Panetta	Stenholm
Lehman (CA)	Parker	Stokes
Lehman (FL)	Patterson	Studds
Levin (MI)	Payne (NJ)	Swift
Levine (CA)	Payne (VA)	Synar
Lewis (GA)	Pease	Tallon
Lipinski	Pelosi	Tanner
Lloyd	Penny	Tauke
Long	Perkins	Tauzin
Lowey (NY)	Petri	Taylor
Luken, Thomas	Pickett	Thomas (GA)
Manton	Pickle	Torres
Markey	Poshard	Torricelli
Martinez	Price	Traficant
Mavroules	Rahall	Udall
Mazzoli	Rangel	Valentine
McCloskey	Ray	Vento
McCurdy	Richardson	Visclosky
McDermott	Roe	Volkmer
McHugh	Rose	Walgren
McMillen (MD)	Rostenkowski	Washington
McNulty	Roth	Waxman
Mfume	Rowland (GA)	Weiss
Miller (CA)	Roybal	Wheat
Mineta	Russo	Whitten
Moakley	Sabo	Williams
Mollohan	Sangmeister	Wilson
Montgomery	Sarpalius	Wise
Moody	Savage	Wolpe
Morella	Sawyer	Wyden
Morrison (CT)	Scheuer	Yates
Mrazek	Schroeder	Yatron
Murphy	Sensenbrenner	

NOT VOTING—22

AuCoin	Ireland	Schumer
Bilirakis	Leath (TX)	Smith (FL)
Boxer	Lewis (CA)	Towns
DeFazio	Matsui	Traxler
Feighan	McDade	Unsoeld
Frank	Pursell	Watkins
Gordon	Quillen	
Horton	Robinson	

□ 1339

The Clerk announced the following pairs:

On this vote:

Mr. Quillen for, with Mr. AuCoin against.

Mr. Robinson for, with Mrs. Unsoeld against.

Mr. Ireland for, with Mr. Frank against.

Mr. Pursell for, with Mr. Horton against.

Messrs. SENSENBRENNER, PETRI, DICKS, and SAVAGE changed their vote from "yea" to "nay."

Mr. DANNEMEYER changed his vote from "nay" to "yea."

Mr. SCHULZE changed his vote from "present" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. SCHUMER. Mr. Speaker, the House voted on final passage of H.R. 4739, the Defense authorization bill.

Because of the upcoming religious holiday, I was required to leave the floor early and was unable to vote. Had I been present, I would have voted for the passage of this important legislation and against the motion to recommit.

□ 1340

THE PRESIDENT IS GOING TO VETO IT

(Mr. DICKINSON asked and was given permission to address the House for 1 minute.)

Mr. DICKINSON. Mr. Speaker, I said, at the beginning of this debate, that I did not think it was a very good bill and that I hope we would improve it.

I would like to say that I am going to vote against the bill on final passage. Secretary Cheney said he would recommend a veto for the following reasons:

Strategic deterrence has been undermined even though the Soviet nuclear threat has in no way abated. We have terminated the B-2, we have terminated rail garrison procurement, we have cut SDI in half. Manpower has been cut by 129,000; this we cannot live with because it is unexecutable. At the same time we are calling up the Guard and Reserve.

The conventional modernization program has been scaled back in the AMRAAM, the A-12, the ATF, the LH programs. Unrequested procurement has been added, such as the FA-18 add-ons, the F-15, V-22, the C-20. Delays on base closure recommendations make it unable for us to carry forward our base realignment requirements. Dual basing restrictions put America on a path toward isolationism. This is a bad bill. Mr. Speaker, I am telling my colleagues it should be voted down. I am going to vote it down, and I would ask all my colleagues to vote "no" on it, because the President is going to veto the bill.

The SPEAKER pro tempore (Mr. BEILENSON). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. DICKINSON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Members are reminded that they have 5 minutes in which to vote.

The vote was taken by electronic device, and there were—ayes 256, noes 155, not voting 21, as follows:

[Roll No. 352]

AYES—256

Ackerman	Barnard	Boggs
Alexander	Bateman	Bonior
Anderson	Bates	Borski
Andrews	Beilenson	Bosco
Annunzio	Bennett	Boucher
Anthony	Berman	Brennan
Applegate	Bevill	Brooks
Aspin	Bilbray	Browder
Atkins	Boehlert	Brown (CA)

Bruce	Hughes	Penny
Bryant	Hutto	Perkins
Buechner	Jacobs	Pickett
Bustamante	James	Pickle
Byron	Jenkins	Porter
Campbell (CO)	Johnson (SD)	Poshard
Cardin	Johnston	Price
Carper	Jones (GA)	Rahall
Carr	Jones (NC)	Ravenel
Chapman	Jontz	Ray
Clarke	Kanjorski	Regula
Clement	Kaptur	Richardson
Coleman (TX)	Kasich	Ridge
Condit	Kennedy	Roe
Conte	Kennelly	Rose
Cooper	Kildee	Rostenkowski
Costello	Kleczka	Roth
Coughlin	Kolter	Roukema
Coyne	Kostmayer	Rowland (CT)
Darden	LaFalce	Rowland (GA)
de la Garza	Lancaster	Russo
Derrick	Lantos	Sabo
Dicks	Laughlin	Saiki
Dingell	Leach (IA)	Sangmeister
Dixon	Lehman (CA)	Sarpalius
Donnelly	Lehman (FL)	Sawyer
Dorgan (ND)	Levin (MI)	Scheuer
Downey	Levine (CA)	Schneider
Durbin	Lipinski	Schroeder
Dwyer	Lloyd	Sharp
Dymally	Long	Shays
Dyson	Lowey (NY)	Sikorski
Early	Luken, Thomas	Sisisky
Eckart	Machtley	Skaggs
Emerson	Manton	Skelton
Engel	Markey	Slattery
English	Martinez	Slaughter (NY)
Erdreich	Mavroules	Smith (IA)
Espy	Mazzoli	Smith (NJ)
Evans	McCloskey	Smith (VT)
Fascell	McCurdy	Snowe
Fazio	McDermott	Solarz
Feighan	McGrath	Solomon
Flippo	McHugh	Spratt
Foglietta	McMillen (MD)	Staggers
Ford (MI)	McNulty	Stallings
Ford (TN)	Mfume	Stark
Frost	Miller (CA)	Stenholm
Gaydos	Mineta	Studds
Gejdenson	Moakley	Swift
Gekas	Mollohan	Synar
Gephardt	Montgomery	Tallon
Geren	Moody	Tanner
Gibbons	Morella	Tauzin
Gilman	Morrison (CT)	Taylor
Glickman	Mrazek	Thomas (GA)
Gonzalez	Murphy	Thomas (WY)
Gordon	Murtha	Torres
Gray	Nagle	Torricelli
Green	Natcher	Udall
Guarini	Neal (MA)	Valentine
Hall (OH)	Neal (NC)	Vento
Hall (TX)	Nelson	Visclosky
Hamilton	Nowak	Volkmer
Harris	Oakar	Walgren
Hatcher	Oberstar	Waxman
Hawkins	Obey	Weiss
Hayes (LA)	Olin	Weldon
Hefner	Ortiz	Wheat
Hertel	Owens (UT)	Whitten
Hoagland	Pallone	Wilson
Hochbrueckner	Panetta	Wise
Hopkins	Parker	Wolpe
Houghton	Patterson	Wyden
Hoyer	Payne (VA)	Yatron
Hubbard	Pease	
Huckaby	Pelosi	

NOES—155

Archer	Clay	DeWine
Armey	Clinger	Dickinson
Baker	Coble	Dornan (CA)
Ballenger	Coleman (MO)	Douglas
Bartlett	Collins	Dreier
Barton	Combest	Duncan
Bentley	Conyers	Edwards (CA)
Bereuter	Courter	Edwards (OK)
Billey	Cox	Fawell
Broomfield	Craig	Fields
Brown (CO)	Crane	Fish
Bunning	Crockett	Flake
Burton	Dannemeyer	Frenzel
Callahan	Davis	Gallegly
Campbell (CA)	DeLay	Gallo
Chandler	Dellums	Gillmor
Gingrich	McCandless	Serrano
Goodling	McCollum	Shaw
Goss	McCrery	Shumway
Gradison	McEwen	Shuster
Grandy	McMillan (NC)	Skeen
Grant	Meyers	Slaughter (VA)
Gunderson	Michel	Smith (NE)
Hammerschmidt	Miller (OH)	Smith (TX)
Hancock	Miller (WA)	Smith, Denny (OR)
Hansen	Molinari	
Hastert	Moorhead	Smith, Robert (NH)
Hayes (IL)	Morrison (WA)	
Hefley	Myers	Smith, Robert (OR)
Henry	Nielson	
Herger	Owens (NY)	Spence
Hiler	Oxley	Stangeland
Holloway	Packard	Stearns
Hunter	Parris	Stokes
Hyde	Pashayan	Stump
Inhofe	Paxon	Sundquist
Johnson (CT)	Payne (NJ)	Tauke
Kastenmeier	Petri	Thomas (CA)
Kolbe	Rangel	Traficant
Kyl	Rhodes	Upton
Lagomarsino	Rinaldo	Vander Jagt
Lent	Roberts	Vucanovich
Lewis (CA)	Rogers	Walker
Lewis (FL)	Rohrabacher	Walsh
Lewis (GA)	Ros-Lehtinen	Washington
Lightfoot	Roybal	Weber
Livingston	Savage	Whittaker
Lowery (CA)	Saxton	Williams
Lukens, Donald	Schaefer	Wolf
Madigan	Schiff	Wylie
Marlenee	Schuette	Young (AK)
Martin (IL)	Schulze	Young (FL)
Martin (NY)	Sensenbrenner	

NOT VOTING—21

AuCoin	Leath (TX)	Schumer
Bilirakis	Matsui	Smith (FL)
Boxer	McDade	Towns
DeFazio	Pursell	Traxler
Frank	Quillen	Unsoeld
Horton	Ritter	Watkins
Ireland	Robinson	Yates

□ 1351

The Clerk announced the following pairs:

On this vote:

Mr. AuCoin for, with Mr. Quillen against.

Mrs. Unsoeld for, with Mr. Robinson against.

Mr. Horton for, with Mr. Pursell against.

Mr. Ireland for, with Mr. McDade against.

Mr. GUNDERSON changed his vote from "aye" to "no."

So the bill was passed.

The result of the vote was announced as above recorded.

The title of the bill was amended so as to read: "A bill to authorize appropriations for fiscal year 1991 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 4739, the bill just passed.

The SPEAKER pro tempore (Mr. Beilenson). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4739, NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1991

Mr. ASPIN. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill (H.R. 4739) to authorize appropriations for fiscal year 1991 for military functions of the Department of Defense and to prescribe military personnel levels for fiscal year 1991, and for other purposes, the Clerk be authorized to make such clerical and technical corrections, including corrections in the table of contents, title and section numbers and cross-references, as may be necessary.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PERSONAL EXPLANATION

Mr. FAZIO. Mr. Speaker, during the vote on final passage of the Defense authorization for 1991, I was required to remain in the chair of the Interior Committee. Had I been present, I would have voted "aye."

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 4532 AND H.R. 5560

Mr. ROSE. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of two bills, H.R. 4532 and H.R. 5560.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 4450, COASTAL ZONE ACT REAUTHORIZATION AMENDMENTS OF 1990

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-718) on the resolution (H. Res. 468) providing for the consideration of the bill (H.R. 4450) to improve management of the coastal zone and enhance environment protection of coastal zone resources, by reauthorizing and amending the Coastal Zone Management Act of 1972, and for other purposes, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 5314, WATER RESOURCES DEVELOPMENT ACT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 101-719) on the resolution (H. Res. 469) providing for the consideration of the bill (H.R. 5314) to provide for the conservation and development of water and related resources, to authorize the U.S. Army Corps of Engineers civil works program to construct various projects for improvements to the Nation's infrastructure, and for other purposes, which was referred to the House Calendar and ordered to be printed.

APPOINTMENT OF CONFEREES ON S. 2830, FOOD AND AGRICULTURAL RESOURCES ACT OF 1990

Mr. DE LA GARZA. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 2830) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to ensure to consumers an abundance of food and fiber at reasonable prices, and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

PREFERENTIAL MOTION OFFERED BY MR. DREIER OF CALIFORNIA

Mr. DREIER of California. Mr. Speaker, I offer a preferential motion.

The SPEAKER pro tempore. The Clerk will report the motion.

The Clerk read as follows:

Mr. DREIER of California moves that managers on the part of the House at the conference on the disagreeing votes of the two sides on the House amendments to the bill S. 2830 be instructed to agree to that section of the Senate bill that was added by amendment No. 2389, relating to restrictions on extensions of credit by United States financial institutions to the Soviet Union.

Mr. DREIER of California (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

The SPEAKER pro tempore. The gentleman from California (Mr. DREIER] is recognized for 30 minutes.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this motion is to instruct our conferees on the farm bill to accept the language included in the Senate bill, S. 2830, regarding loans by federally insured financial institutions to the U.S.S.R.

The CONGRESSIONAL RECORD for Friday, July 27, 1990, reports that the Senate voted to prohibit United States financial institutions, whose deposits are insured by the United States taxpayer, from extending credit to the Soviet Union at interest rates below those offered to American farmers.

A bipartisan majority of the Senate voted to include this provision, 64-32.

My motion today simply instructs the House conferees to accept the provision during the conference on the farm bill.

I want to hasten to add that this provision would not stop the U.S.S.R. from buying American agricultural products with below market financing, and it would not in any way affect the food programs to the U.S.S.R. currently contained in the House bill. It would not adversely affect the American farmers' ability to sell their agricultural products to the U.S.S.R.

This provision would simply prevent banks and other federally insured financial institutions from giving Ivan Ivanov a better deal than Joe U.S. farmer.

For instance, in 1987, First Chicago Bank arranged a $200 million loan to the U.S.S.R. at only a small percentage above the cost of the loan with no principal payments for 6 years.

Our farmers currently pay an average of 11-11.5 percent on loans secured by a farm or ranch. Soviets, however, often get loans at as low as 6 percent. I submit that hard-working Americans are far better credit risks than the bankrupt Soviet economy.

I commend to my colleagues' attention just one of several recent articles on the imminent collapse of the Soviet economy. The July 27 edition of the Wall Street Journal contains an article by Marshall Goldman of the Harvard University Russian Research Center titled "Soviet Economy Heads for a Crash." Anyone reading this article would have to conclude that now is not the time for United States banks to be giving cut rate loans to the Soviets, while preventing United States citizens from having the same opportunity.

The Soviets are already $4.3 billion in arrears in debt payments to the West. We now have the opportunity to protect our taxpayers from the liability of another huge bailout of our financial system.

Some estimate that the savings and loan crisis will require a $500 billion taxpayer-funded bailout. In the future, it is possible that United States taxpayers could be asked to do the same for Soviet lending gone bad.

Let us not gamble with taxpayer-insured deposits again.

Let us show the American people that the House and Senate acted together to protect the taxpayer, and ensure fairness for our American farmers.

Mr. SCHUETTE. Mr. Speaker, I strongly support the Roth-Dreier motion to instruct conferees to recede to the Senate provision regarding preferential lending to the Soviet Union. Giving such special treatment to our competitors is an insult to our U.S. farmers.

American agriculture has only recently regained some of the export market it lost in the early 1980's because of similar ludicruous, anti-American policies. The market our producers must compete in is not rosy. For them to succeed, our assistance is needed.

Some United States banks have loaned money to the Soviets at as little as 6.4 percent. The best interest rate our producers can get is 11 percent for loans. Soviets shouldn't receive loans at a better rate than United States farmers receive. The Roth-Dreier amendment does achieve an equitable loan rate between Soviet and United States agriculture producers by prohibiting United States financial institutions, whose deposits are insured by the taxpayers, from extending credit to the U.S.S.R. at rates lower than those available to United States farmers.

Mr. Speaker, I strongly support this motion. The Soviets should not be helped at the expense of our own producers.

The SPEAKER pro tempore. The gentleman from Texas [Mr. DE LA GARZA] is recognized for 30 minutes.

Mr. DE LA GARZA. Mr. Speaker, I yield back the time allotted to me.

Mr. DREIER of California. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the preferential motion offered by the gentleman from California [Mr. DREIER].

The preferential motion was agreed to.

The SPEAKER pro tempore. The Chair will appoint conferees when the Speaker returns.

APPOINTMENT OF CONFEREES ON S. 566, HOUSING AND COMMUNITY DEVELOPMENT ACT OF 1990

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate bill (S. 566) to authorize a new Housing Opportunities Partnership Program to support State and local strategies for achieving more affordable housing; to increase homeownership; and for other purposes, with House amendments thereto, insist on the House amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. BARNARD. Mr. Speaker, reserving the right to object, I take this time for the purpose of asking the chairman of the committee, if I may, some particular questions with reference to the conferees.

Mr. Chairman, I notice that the conferees include some who did not support some of the more important provisions that were passed, and my question is this: Does the gentleman intend to insist on the Carper-Price amendment which was passed by approximately 409 votes on the House floor?

Mr. GONZALEZ. Mr. Speaker, as I have said before, when we have handled a committee-approved bill on the House floor, I look upon the task as the chairman of the committee to be to safeguard the integrity of the actions of the committee on the House floor, and it would be my intention to do the same thing to the utmost with respect to the committee and House-approved version of the bill when we go to conference. Of course, the gentleman recognizes that this is a reconciliation process.

Mr. BARNARD. Mr. Speaker, I recognize that, I say to the committee chairman, but it was noticeable that some of the conferees were very much opposed to some of it and were not supportive of some of the sections of the bill.

Mr. GONZALEZ. Mr. Chairman, if the gentleman will yield further to me, every one of the conferees was opposed to some part of it or some action of the majority either in the committee or on the House floor, and the conferees were not designated on that basis. We followed the rules.

Mr. BARNARD. Mr. Speaker, can the gentleman tell us how the conferees were selected?

□ 1400

Mr. GONZALEZ. Mr. Speaker, in accordance with the rules, we tried to keep the top-level senior members, so far as possible, and then to those members that had substantial imput in the structure of the bill during the committee and on the House floor, but mostly committee. For instance, every one of the members we suggested that the Speaker name has either a title of the bill or has a substantial portion of the bill that their amendment added to.

Mr. BARNARD. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Texas? The Chair hears none and appoints the following conferees:

From the Committee on Banking, Finance and Urban Affairs: Mr. GONZALEZ, Ms. OAKAR, Messrs. VENTO, SCHUMER, FRANK, TORRES, KENNEDY, MCDERMOTT, and WYLIE, Mrs. ROUKEMA, and Messrs. HILER, RIDGE, and BARTLETT.

From the Committee on Ways and Means, for consideration of section 110 of the Senate bill and modifications committed to conference: Messrs. ROSTENKOWSKI, GIBBONS, PICKLE, STARK, JACOBS, FORD of Tenneseee, JENKINS, DOWNEY, ARCHER, VANDER JAGT, CRANE, FRENZEL, and SCHULZE.

From the Committee on Education and Labor, for consideration of sections 1006 and 1008 and subtitles D through G of title XIII of the Senate bill and section 768 of the House amendment and modifications committed to conference: Messrs. HAWKINS, FORD of Michigan, MURPHY, KILDEE, WILLIAMS, MARTINEZ, OWENS of New York, SAWYER, GOODLING, PETRI, GUNDERSON, TAUKE, and SMITH of Vermont.

From the Committee on Energy and Commerce, for consideration of title XIV of the Senate bill and modifications committed to conference: Messrs. DINGELL, MARKEY, and SWIFT, Mrs. COLLINS, and Messrs. SYNAR, TAUZIN, HALL of Texas, ECKART, LENT, RINALDO, MOORHEAD, RITTER, and BLILEY.

PERMISSION FOR COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS TO FILE REPORT ON H.R. 2840, COASTAL BARRIER IMPROVEMENT ACT OF 1989

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that the Committee on Banking, Finance and Urban Affairs have until 6 p.m. tonight to file a report on H.R. 2840, Coastal Barrier Improvement Act.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR PERMANENT SELECT COMMITTEE ON INTELLIGENCE TO FILE REPORT ON H.R. 5422, INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1991

Mr. BEILENSON. Mr. Speaker, I ask unanimous consent that the Permanent Select Committee on Intelligence be given until 6 p.m. tonight, September 19, 1990, to file the report to accompany H.R. 5422, the Intelligence Authorization Act for fiscal year 1991.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

APPOINTMENT OF CONFEREES ON S. 2830, FOOD AND AGRICULTURAL RESOURCES ACT OF 1990

The SPEAKER. Under a previous order of the House, the Chair appoints the following conferees and, without objection, the Chair reserves the right to appoint additional conferees:

Assignment of Committee on Agriculture Conferees on S. 2830: Messrs. Mr. DE LA GARZA, BROWN of California, ROSE, ENGLISH, HUCKABY, GLICKMAN, STENHOLM, VOLKMER, and HATCHER.

Mr. PANETTA for subtitle G of title XII, title XIV (except § 1414 and subtitles C and D), and title XVII of the House amendment, and title XVII (except section 1730), subtitle I of title XIX, section 1973, subtitle G of title XXI, and title XXIV of the Senate bill.

Mr. STALLINGS in lieu of Mr. PANETTA, for titles II, XXVIII, and XXIX of the House amendment and title IX, title XIII (except section 1303), and subtitle B of title XX of the Senate bill.

Mr. OLIN in lieu of Mr. PANETTA, for title IV, title XIII (except for subtitle H), subtitle D of title XIV, and section 1843 of the House amendment and title I, section 1283, title XIV (except section 1496), and title XVI of the Senate bill.

Mr. JOHNSON of South Dakota in lieu of Mr. PANETTA for title V (except section 502) and subtitle A of title VI of the House amendment and title II and subtitle C of title X of the Senate bill.

Ms. LONG in lieu of Mr. PANETTA, for title X, title XI (except section 1109), section 1215, and subtitle A of title VII of the House amendment, and for title IV, title VIII, title X (except subtitle C), section 301 (insofar as it adds a new section 107A(e)(4)(E) to the Agricultural Act of 1949), section 501 (insofar as it adds a new section 103A(e)(4)(D) to the Agricultural Act of 1949), and section 601 (insofar as it adds a new section 101A(e)(4)(D) to the Agricultural Act of 1949).

Mr. DYSON in lieu of Mr. PANETTA for section 502, subtitle 5 of title VI, subtitle B of title VII, section 1414, subtitle C of title XIV, and section 1730 of the Senate bill.

Mr. LANCASTER in lieu of Mr. PANETTA for title VIII of the House amendment and title VII of the Senate bill.

Mr. JONTZ in lieu of Mr. PANETTA for subtitle A of title XVIII, and section 1508 of the House amendment, and subtitle B of title XIX and title XVIII of the Senate Bill.

Mr. CONDIT in lieu of Mr. PANETTA for section 1109, title XII (except section 1215 and subtitle G), and section 1833 of the House amendment and title XI (except subtitle E), section 1551, and title XXIII of the Senate bill.

Mr. HARRIS in lieu of Mr. PANETTA for title XV (except for section 1508) and title XXVII of the House amendment and title XV (except section 1551) of the Senate bill.

Mr. ESPY in lieu of Mr. PANETTA for title III of the House amendment, and title VI (except new section

101A(e)(4)(D) of the Agricultural Act of 1949, as added by section 601), and subtitle K of title XIX of the Senate bill.

Mr. SARPALIUS in lieu of Mr. PANETTA for titles I, IX, and XXX of the House amendment and title III (except new section 107A(e)(4)(E) of the Agricultural Act of 1949, as added by section 301), title V (except new section 103A(e)(4)(D) of the Agricultural Act of 1949, as added by section 501), and subtitle E of title XI of the Senate bill.

Mr. PENNY in lieu of Mr. PANETTA for title XVI, section 1844, and subtitle H of title XIII of the House amendment, and title XII (except section 1283), section 1303, and subtitle A of title XIX of the Senate bill.

Mr. TALLON in lieu of Mr. PANETTA for titles XIX, XXII, XXIII, XXIV, and XXVI, and section 1857 of the House amendment, and title XX (except subtitles A, B, and F), and title XXII of the Senate bill.

Mr. STAGGERS in lieu of Mr. PANETTA for title XVIII (except subtitle A, sections 1833, 1841, 1843, 1844, and 1857), title XX, and title XXI of the House amendment and section 1496, subtitles H and J (except section 1973) of title XIX, and subtitles A and F of title XX of the Senate bill.

Mr. WISE in lieu of Mr. PANETTA for title XXV of the House amendment.

Assignment of Committee on Agriculture conferees on S. 2830: Messrs. MADIGAN, COLEMAN of Missouri, MARLENEE, STANGELAND, HOPKINS, and ROBERTS.

Mr. EMERSON in lieu of Mr. MARLENEE on section 502, title XIV, title XVII and section 1841 in lieu of Mr. HOPKINS for subtitle B of title VII and subtitle B of title VI of the House amendment and subtitles A and B of title XVII, section 1730, subtitle I of title XIX, section 1973, subtitle G of title XXI and title XXIV of the Senate bill.

Mr. MORRISON of Washington in lieu of Mr. HOPKINS on titles XV and XXVII of the House amendment and title XV (except section 1551) and subtitle B of title XIX of the Senate bill.

Mr. GUNDERSON in lieu of Mr. MARLENEE on titles IV, V (except section 502), title VI (except subtitle B) of the House amendment and titles I and II and subtitle C of title X of the Senate bill.

Mr. ROBERT F. (BOB) SMITH in lieu of Mr. HOPKINS on title IX and title XI (except section 1109) of the House amendment and title III, title X (except subtitle C) and section 301 (insofar as it adds a new section 107A(e)(4)(E) to the Agricultural Act of 1949), section 501 (insofar as it adds a new section 103A(e)(4)(D) to the Agricultural Act of 1949), and section 601 (insofar as it adds a new section 101A(e)(4)(D) to the Agricultural Act of 1949) of the Senate bill.

Mr. LEWIS of Florida in lieu of Mr. MARLENEE on title II of the House amendment and title IX of the Senate bill.

Mr. COMBEST in lieu of Mr. MARLENEE on title I of the House amendment and title V (except new section 103A(e)(4)(D) of the Agricultural Act of 1949, as added by section 501) of the Senate bill.

Mr. SCHUETTE in lieu of Mr. HOPKINS on subtitle A of title XVIII of the House amendment and title XVIII of the Senate bill.

Mr. GRANDY in lieu of Mr. HOPKINS on title X and in lieu of Mr. MARLENEE on titles XVI and XXIX and section 1857 of the House bill and title IV, title XII and title XIII of the Senate bill.

Mr. HERGER in lieu of Mr. MARLENEE on section 1109 of title XII except for subtitle G of the House amendment and title XI (except subtitle E), title XIII and section 1551 of the Senate bill.

Mr. HOLLOWAY in lieu of Mr. HOPKINS on title II of the House amendment and title VI except section 601 (insofar as it adds a new section 101A(e)(4)(D) to the Agricultural Act of 1949) of the Senate bill.

Mr. WALSH in lieu of Mr. HOPKINS on title XVIII except subtitle A of the House amendment and subtitle H (except section 1962), Subtitle J (except section 1973), and subtitle K of title XIX of the Senate bill.

Mr. GRANT in lieu of Mr. MARLENEE on title VIII of the House amendment and title VII of the Senate bill.

There was no objection.

□ 1410

LEGISLATIVE PROGRAM

(Mr. MICHEL asked and was given permission to address the House for 1 minute.)

Mr. MICHEL. Mr. Speaker, I ask to proceed for 1 minute that I might ask the distinguished majority leader the program for the balance of this week and next week.

Mr. GEPHARDT. If the gentleman will yield, at the end of this business that is left today, in which there will be no votes, we will next meet on Monday, September 24.

On that day we will meet at noon. There will be 32 bills under suspension. I will not take the time today to read each one of those bills, but they will be entered into the RECORD and any Member who would like to see the exact identity of those bills can consult the RECORD.

The list of suspensions for Monday, September 24, 1990, is as follows:

H.R. 4131, foreign contracting audit equity.

H.R. 4279, intergovernment cash management improvement.

S. 535, Federal civil penalties.

H.R. 5316, Federal Judgeship Act of 1990.

H.R. 5640, Debt Collection Procedures Act of 1990.

H.R. 5498, Copyright Amendment Act of 1990.

H.R. 5381, implementing Federal courts study commission proposals.

H.R. 3898, Civil Justice Reform Act.

H. Con. Res. 172, child custody and spousal abuse.

H.R. 2372, radiation exposure, concurring in Senate amendments.

H.R. 2006, Indian arts and crafts.

H.R. 5178, California oil and gas.

S. 1413, regarding the Maine Indian Claims Settlement Act of 1980.

H.R. 5204, to establish a tribal pilot project.

S. 2075, concerning Indian tribal governments and environment quality.

H.R. 4559, Red Rock Canyon National Conservation Area.

S. 2437, Vicksburg National Military Park.

S. 2059, Weir Farm National Historic Site.

S. 1738, conveying lands to the Rogue Community College District.

H.R. 5144, Vancouver National Historical Reserve.

H.R. 3533, Earthquake Hazards Reduction Act of 1977.

H.R. 1243, Metal Casting Competitiveness Research Act, concurring in Senate amendments.

H. Con. Res. 362, sense of Congress regarding the need for a national policy to rebuild the infrastructure of the United States.

H.R. 4323, Great Lakes Water Quality Improvement Act of 1990.

H.R. 2840, Coastal Barriers Improvement Act.

H.R. 5254, reauthorization of the Fish and Wildlife Conservation Act of 1990.

H.R. 5255, National Fish and Wildlife Foundation Establishment Act amendments of 1990.

H.R. 5264, Alaska Maritime Wildlife Refuge.

H.R. 4491, to amend the Vessel Bridge-To-Bridge Radiotelephone Act.

H.R. 5628, regarding the authorizations of issuance of District of Columbia revenue boards.

H.R. 2754, Columbus Commemorative Coin and Fellowship Act.

H.R. 3684, National Environmental Education Act.

I will say that recorded votes will be postponed on those suspensions until after consideration of all of the suspensions, and therefore Members can assume that there will not be recorded votes before 3 o'clock. It may even be later than that, but I think 3 o'clock is a safe guess for when votes might begin.

In addition we will consider the small business authorization, open rule, 1 hour of debate; the Coastal Zone Act reauthorization, open rule, 1

hour of debate; and the water projects authorization, open rule, 1 hour of debate. All three of those we will attempt to deal with on Monday.

On Tuesday, September 25, the House will meet at 10 a.m. and consider H.R. 5269, the Comprehensive Crime Control Act of 1990, subject to a rule. On that day again we will meet at 10 a.m.

On Wednesday, September 26 and Thursday, September 27, the House will meet at 10 a.m. to complete consideration of the Comprehensive Crime Control Act of 1990. We will also consider H.R. 4225, Restricted Weapons Act of 1990, subject to a rule. Then we will attempt but may not reach H.R. 4825, Arts, Humanities, and Museum Amendments of 1990 and H.R. 4300, Family Unity and Employment Opportunity Immigration Act of 1990, subject to a rule.

On Friday, September 28, the House will not be in session in observance of Yom Kippur.

Members should also be advised of possible action on a continuing resolution for fiscal year 1991 prior to the end of the fiscal year, as well as action on the debt limit which expires on Tuesday, October 2, 1990.

Obviously, the continuing resolution will undoubtedly be for a shorter time period. We are still hopeful that we will be able to reach agreement on a budget package, and that obviously will determine in large part what that continuing resolution looks like.

Conference reports may be brought up at any time.

Mr. MICHEL. I thank the gentleman. I do not recall his having mentioned that day after tomorrow will be a pro forma session for us here, will it not, in keeping with our rules?

Mr. GEPHARDT. The gentleman is correct.

Mr. MICHEL. So on Friday there will just be a pro forma session in keeping with what we normally have to do under House rules.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Georgia.

Mr. GINGRICH. Mr. Speaker, I appreciate our leader yielding. I would like to ask the distinguished majority leader about two aspects of the schedule for next week.

First, on the crime bill, it is my understanding from our side and from Republicans on the Judiciary Committee that that is a very weak bill which in current form is opposed by virtually all district attorneys around the country. I would just hope that we might have an open rule, and I wonder if the gentleman has any information yet on what the rule is likely to be like, since there seems to be a great deal of controversy about that bill?

Mr. GEPHARDT. Mr. Speaker, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Missouri.

Mr. GEPHARDT. Mr. Speaker, I do not know the complete answer. I do know that it is likely to be a rule that is not completely open. But I also understand and would believe that the Committee on Rules would attempt to fashion a rule that would allow exposition of all of the positions that will be presented on the Republican side to try to accommodate those.

Mr. MICHEL. If I might underscore that, it is very important on our side because particularly in the areas of the exclusionary rule, habeas corpus, and the death penalty, at a minimum, three significant amendments, and it is my information that obviously they would like to have quadruple that number. That may be a bit unreasonable unless we went to a straight open rule, but there are these significant areas that just ought to be fully aired and debated, and I want to underscore the whip's point of view on that with respect to the feelings on our side on the crime bill.

Mr. GINGRICH. The other thing I want to raise is I notice that the addendum by the gentleman from Pennsylvania [Mr. GRAY], and his notice says that Members are advised of a possible action on a continuing resolution. And I also note that there are 32 suspensions.

I guess the question I would raise is that those of us who very much want to avoid furloughing any Federal workers, who think that it is very, very important that we in the Congress do our job because it would be clearly unfair and inappropriate to ask civil servants to take a cut in pay because Congress could not get its work done, are we, if necessary, prepared to come back next Sunday, on September 30, in order to pass a budget agreement? I would just think on our side there would be a very great opposition to a continuing resolution that avoids resolving this budget problem, and that we would encourage somehow, after 4 months of negotiations, getting to an agreement. I think if necessary we may have to be prepared to work on next Sunday, September 30, rather than start furloughing Federal workers.

I would be curious if the majority leader has any advice on that.

Mr. GEPHARDT. As the gentleman knows, we both have been engaged in this summit with the minority leader as well as others. We still very much want to reach an agreement. We are working on that now, and we hope that that can be accomplished before the end of the month, before the start of the new fiscal year, and that that budget package could be brought onto the floor in a timely manner to avoid sequestration.

Obviously, if it takes a Sunday session, or whatever it takes, we would entertain that thought.

Mr. GINGRICH. I thank both gentlemen.

Mr. MICHEL. I thank the gentleman.

ADJOURNMENT FROM FRIDAY, SEPTEMBER 21, 1990 TO MONDAY, SEPTEMBER 24, 1990

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, September 21, 1990, it adjourn to meet at noon on Monday, September 24, 1990.

The SPEAKER pro tempore (Mr. PICKETT). Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

HOUR OF MEETING ON TUESDAY, SEPTEMBER 25, 1990

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, September 24, 1990, it adjourn to meet at 10 a.m. on Tuesday, September 25, 1990.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

ADJOURNMENT TO FRIDAY, SEPTEMBER 21, 1990

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 10 a.m. on Friday, September 21, 1990.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

□ 1420

WHAT KIND OF ECONOMIC REVITALIZATION IS THIS?

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GLICKMAN. Mr. Speaker, in 12 days, hamburgers could be burger-less Chicken McNuggets could be chicken-less, and the air traffic control system

could be control-less. Why? Apparently so that the highest income of the President's buddies can pay less taxes on capital gains, and do so as a result of a package that ironically calls for deficit reduction.

In 12 days, the ax of sequestration will fall. Because of the very large across-the-board cuts our food processing system could come to a halt, our transportation network might be crippled, but the tax shelter industry will come to life. What kind of plan for economic revitalization is this?

Now is not the time to be passing out more goodies at the expense of the average, working American. Mr. President, burden sharing means more than just getting our allies to help with our resistance to Saddam Hussein. Burden sharing also means making sure the weight of controlling the deficit falls fairly on all Americans. All of us understand that and the American people will support sacrifice if it is fair.

But the Federal worker who is trying to support a family and staring in the face at a 30-percent cut in pay in 12 days cannot and should not be asked to support a budget deal that will give Leona Helmsley, Donald Trump, and Charles Keating a big tax break when they unload their portfolios of junk bonds.

Mr. Speaker, a lot of Americans are frustrated at the budget process. It would be a shame if across-the-board cuts of massive significance would be caused by President Bush's insistence on tax cuts for the rich.

INTRODUCTION OF LEGISLATION TO INCLUDE MEMBERS OF CONGRESS UNDER SEQUESTER PROVISIONS

(Mrs. MARTIN of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MARTIN of Illinois. Mr. Speaker, some people say Congress lives by the motto of "Do as we say, not as we do." As the specter of sequestration looms large, once again we discover that we have exempted ourselves from the provisions of Gramm-Rudman-Hollings. Look, we in Congress have failed. I do not care who did what on capital gains, who is pushing for more spending, who leaked what at Andrews, or even who has the better press conference. It is clear Congress has failed and now working men and women will pay. The farmer who needs paperwork processed by the ASCS, the secretary at the Department of Labor, and the motorist on an unrepaired highway will feel the effects, but you and I will continue to receive our full pay next month.

I have introduced legislation, H.R. 5585, to at least include Members of Congress under the sequester provisions, but you and I know there is not enough time. So instead of hiding behind that excuse, I will return to the Treasury the amount of my pay equal to the average number of days' pay lost by Federal employees in my district due to the furloughs they will experience.

It is not a big deal. I can not know your circumstances; you can make a choice but our Federal employees do not have that luxury. I urge you to show solidarity with the real people who endure real cuts. Is that not the least we can and should do?

PROSECUTION AND RESTITUTION IN THE S&L CASES

(Mr. HARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HARRIS. Mr. Speaker, like so many of my colleagues and like virtually all of my constitutents, I am outraged by the Attorney General's failure to vigorously prosecute those whose fraudulent and criminal behavior has lead our once stable savings and loan industry to the brink of financial ruin. As a former prosecutor I can see no legitimate excuse for the delays and inaction which characterize the way this Justice Department is dealing with what has become the largest financial scandal in American history.

Not only should those responsible be made to face the full legal consequences of the actions, but every effort must be made to trace and recover the assets which they looted while supposedly responsible regulators turned a blind eye. How difficult can it be for those with all the resources available to Federal authorities to follow the paper trail of transactions and recover what is, after all, stolen property? If they would do it for a hot car or stereo, why can they not be motivated to find the literally billions now said to be missing?

Mr. Speaker, if the American people are being asked to pay the tab for this fiasco, they have every right to demand prosecution and restitution. If this is not done, the reaction will be one of disgust, growing cynicism, and a conviction that if you can just steal enough the Justice Department will take a walk.

SHARING THE BURDEN WITH FEDERAL EMPLOYEES

(Mr. HANSEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANSEN. Mr. Speaker, Federal employees in virtually every agency are facing the possibility of furloughs if sequestration goes into effect.

While I have every confidence the budget summiteers will reach an agreement to avoid such an occurrence, several Federal agencies have had to fulfill the legal requirement by notifying employees of possible furloughs. Needless to say, this has caused a lot of anger and a lot of fear among those receiving notices.

One group of Federal employees not affected by sequestration are Members of Congress. Mr. Speaker, that's just not right. I have notified members of my staff that they will take the same cuts as every other Federal employee in Utah's First District. Additionally, I myself will return to the Treasury the same percentage of my pay as that lost by furloughed employees in my district, if sequestration goes into effect, and I call on every Member of Congress to do the same. If we are to furlough our constituents we should furlough Congress as well.

Mr. Speaker, I urge those charged with reaching a budget agreement to set aside party differences and come to a resolution of this issue before we find this nightmare has become a reality.

INTRODUCTION OF LEGISLATION URGING PRESIDENT TO CONSULT CONGRESS ON ANY AGGRESSIVE ACTION IN PERSIAN GULF

(Mr. BENNETT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BENNETT. Mr. Speaker, we have just voted on a defense authorization bill. I remember the Bay of Tonkin resolution, and I voted for it. At the time I voted for it, I really did not have in mind all of the consequences it eventually had. It amounted to a declaration of war.

Mr. Speaker, I have introduced a concurrent resolution today which urges the President to consult Congress and ask Congress to decide whether or not we will take any aggressive action in the Persian Gulf situation. I think that is the way the constitutional fathers felt about it, and I think that is the way we ought to feel about it today.

I am hopeful that many will join me in seeing to it that we do not drift into a war.

CONGRESS SHOULD SHARE THE BURDEN

(Mr. PARRIS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PARRIS. Mr. Speaker, as has become an annual tradition, Congress is once again playing budget "chicken." The Democrats want tax in-

creases, the Republicans want spending reduction. As a result, no discernable progress is being made at the budget summit.

While Congress fiddles, Federal employees are being held hostage by the intolerable threats of furloughs and sequestration.

I believe that Congress is being unfair and irresponsible to the people who make this Government function. If the furloughs go into effect, Members of Congress should be required to reduce their own pay by a percentage equal to the cuts in Federal employees' paychecks.

Therefore, along with my colleagues Mrs. MARTIN, Mr. WOLF, Mr. HANSEN, and Mrs. MORELLA, I pledge here and now to voluntarily return to the Treasury from my paycheck as a Member of Congress the same percentage that will be cut from the paychecks of furloughed Federal employees if a budget agreement is not reached. I invite all of the Members of this body to do the same. If you do, I suspect the Congress will rapidly conclude a reasonable and responsible budget agreement.

WE HAVE AN OPPORTUNITY TO LEAD

(Mr. SMITH of Vermont asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of Vermont. Mr. Speaker, we have heard a lot today again in these 1-minute speeches about the budget summit, but I still do not think we get it.

The people of this country, and I tell you, the people of the State of Vermont, do not care whether the solution that we come up with has a Republican label on it or a Democratic label on it. They want a solution to the problem which has beset this Government for so many years: An orderly retirement to the budget deficit.

Mr. Speaker, they do not want any gimmicks. They do not want any smoke. They do not want any mirrors. They want a solution, and that will be when they know that their Government is at work for them again.

There are three things that any budget summit agreement ought to achieve. First, it ought to be fair. We all need to be in the barrel together, whoever we are, wherever we live, however much we make. It ought to be active toward balancing the budget. And, third, it ought to be enforceable, pay as you go, no smoke, no mirrors.

If our budget summiteers can bring us that kind of an agreement within the next week, we have an opportunity to do what the people of this country want the Congress to do: lead.

FEDERAL EMPLOYEE FURLOUGH

(Mr. WOLF asked and was given permission to address the House for 1 minute and to revise and extend his remarks)

Mr. WOLF. Mr. Speaker, we are approaching one of the most critical moments in the very survival of our Federal Government as the 11th hour in the Gramm-Rudman-Hollings sequestration process unfolds and the Federal Government is faced with massive furloughs of its civil service.

We have all looked with optimism toward Andrews Air Force Base these past few days, hoping that a bipartisan agreement will be forthcoming to reduce the Federal deficit and keep our Government operating as the American people expect and deserve.

As a Member of Congress who represents one of the largest constituencies of Federal employees in the Nation, I am extremely concerned about the prospect of widespread Federal employee furloughs.

I am concerned first for the employees and their families and what loss of pay will mean for them. And I am also concerned about what furloughs will mean for the American taxpayers who will find their Government in turmoil if a budget agreement is not reached and the ax falls on the Federal employees who are responsible for carrying out the vital missions of Government.

But I am here today because I feel an obligation to pledge that if furloughs do occur, I will withhold from my congressional salary the same proportion of pay that the dedicated Federal employees in my congressional district will lose. I feel a responsibility to these civil servants which I represent to share in what would be one of the most tragic times in the history of this Nation.

It is, therefore, incumbent upon us all to work together to prevent such a tragedy, to fashion a bipartisan plan to reduce the deficit in a responsible and fair way, and to keep our Government employees on the job and working for the American people.

□ 1430

FEDERAL EMPLOYEES BEAR FURLOUGH BURDEN

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Mr. Speaker, Federal workers are angry and frustrated. They are anxious and they are suspicious. I do not blame them. Again, they are being held hostage to our budget crisis. Federal civilian employees have received notices from their agencies that unless there is a budget resolution, they could face a possible furlough. For many, this could mean a 20-percent pay cut. Although 22 days furlough is an average for most Federal employees, there are some in even smaller agencies that may suffer longer furloughs.

I am adamantly opposed to Government furloughs as a quick fix deficit reduction maneuver. They would be unsound and certainly counterproductive. Not only would Federal employees suffer financial losses as a result of a furlough, but the morale of the public work force would suffer. Certainly the delivery of services, and all Members and our constituents would suffer. From air traffic controllers to food inspectors, to those who send out the Social Security checks. Let Members stop this Federal employee bashing.

Mr. Speaker, if all Federal employees are to bear the burden of furloughing and face economic hardship, I will, with my colleagues, voluntarily return my salary for a comparable period, to the U.S. Treasury in protest.

THE FOOD AND AGRICULTURAL RESOURCES ACT OF 1990

(Mr. EMERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EMERSON. Mr. Speaker, I am honored to be participating in the 1990 farm bill House-Senate conference as a conferee. The 1990 farm bill will shape the future of agriculture for not only the next 5 years, but for the rest of the decade and beyond. This year's farm bill is an extremely sound piece of legislation for both the American farmer and the consumers of this Nation. As the 1990 farm bill conferees begin discussions, I fully intend to see that this conference continues new Federal farm policy on the market-oriented course of the 1985 Food Security Act and remains a budget responsible measure.

The American farmer is the envy of all—and we all benefit from the productivity and efficiency of the farmers in our country. We cannot afford to take this valuable resource for granted and must provide a basis and climate in which the farmer can prosper and continue to supply both this country and the rest of the world with the most plentiful supply of food and fiber available anywhere on the globe.

Nearly all segments of American society are affected by this legislation that the House-Senate farm bill conference will soon address. Food production, conservation of our national resources, nutrition, research, export promotion, and foreign food aid all fall under the umbrella of Federal farm policy. I am committed to continuing the means by which the income of the American farmer is stabilized so that the American people

can continue to be well fed, at reasonable prices.

Besides ensuring the plentiful supply of food and fiber for the world, American agriculture also plays a key role in the conservation and maintenance of our natural resources. As our Nation becomes more aware of our environmental needs, Federal farm policy continues to promote responsible and sound conservation and wildlife promotion practices. Folks in rural America are well aware that farmers are the original stewards of the land and have survived throughout the ages by caring for these highly precious natural resources. As a conferee, I will work to see that responsible, environmental measures remain a focal point of American agriculture.

American agricultural policy is working and the 1990 farm bill will provide the framework to continue on this path for the next 5 years. Over the last several years, farm income has increased significantly, farmland prices have increased, and agricultural export sales are soaring. Maintaining the environment for this rural prosperity must be the focus of this farm bill conference. I look forward to working with my colleagues to return a conference report to the floor that speaks for both farmers and consumers.

HAPPY NEW YEAR

(Mr. DORNAN of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORNAN of California. Mr. Speaker, as we wrap it up here for a long weekend, I wanted to take this opportunity to say Happy New Year to all of my Jewish colleagues and friends across this country. The year, I believe, is 5751. That is the historical age of what a lot of people call the Holy Land. The oldest known city in the world, Jericho, over the hills from Jerusalem, the oldest continuously lived-in city in the world, at the Damascus Gate of Jerusalem, north to that city Damascus.

The Tigris and the Euphrates, Mesopotamian area, Ur, where Abraham was from. Babylon I first visited, outside of Baghdad. I was not interested in Baghdad. It was Babylon I wanted to see.

What an area of the world, and now we worry about a war. Mr. Speaker, I am proud of George Bush, and I know what he wants. It is not to see the blood shed of a single American, young man or woman in that area, which means we will have to hunker down here for a long haul and see if the world will truly make a blockade work against the Thief of Bagdhad, Saddam Hussein. Pray for peace during this break.

INTRODUCTION OF CONCURRENT RESOLUTION ON AMERICAN HOSTAGES

(Mr. WELDON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WELDON. Mr. Speaker, Saddam Hussein must get one thing clear. He will not be allowed to use foreign citizens as hostages to prevent the United States and the rest of the world from freeing Kuwait. President Bush has stated that the Iraqi aggression against Kuwait will not stand.

Saddam Hussein has turned to defenseless foreign civilians to ensure his safety. Now it is time for Congress to let Hussein know that it will not tolerate such a cowardly and insidious act.

Today, I am introducing a concurrent resolution that hopefully will make Hussein think twice about holding Americans in harm's way. The resolution states that the United States will pursue Hussein as a war criminal if hostilities erupt and the hostages are harmed.

By a vote of 97 to 2, similar language sponsored by Senators HEINZ and BOND already has passed the Senate. It is time for the House to show equal resolve.

I urge all my colleagues to join me in sending a clear message to Mr. Hussein: "The taking of hostages, whether it be women, children, or grown men, will not be tolerated and will not stand."

SUMMIT NEEDS SWIFT MOVEMENT

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, we have seen a parade of heroes come to this podium and lament the potential sequester, and indicate that they will forego some of their salary to equate their misfortune to those of public employees who are caught in the sequester. I do not think it is necessary that either has to sacrifice, and I hope that this does not take place.

However, we have to move the budget summit along better than it has been moving. So far, we have no agreement on deficit reductions in the basic Senate categories. We have no agreement from the Democrats to reduce domestic discretionary spending. We have no agreement on scorekeeping of user fees. No agreement at all on the enforcement process where the Democrats say, "Trust us," notwithstanding a dismal record of nonperformance on expense cuts in past years. We also have no agreement on taxes.

The summit has not broken down. It needs to move forward more swiftly. Perhaps it takes the cliff of a sequester to make the summiteers really get down to business. I think we ought to be encouraging them, but I think we ought not to let go of sequester as the hammer to make the budget summit work.

LET US GET SERIOUS AT THE SUMMIT

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, my constitutents are concerned over recession. They are asking me why the Democrat budget negotiators are not serious about creating new jobs and avoiding recession.

I cannot answer them, Mr. Speaker. Can you?

Even a modest recession would increase the Federal deficit by approximately $340 billion over 5 years. A deeper recession would increase the deficit by approximately $415 billion over 5 years. The recession of 1981–82, if repeated, would increase the deficit by $600 billion.

If economic indicators are pointed toward recession, and recession means severe economic dislocation—lost jobs to our constituents—then why are we not following the lead of our Republican budget negotiators who are pushing progrowth, projobs proposal? The only answer I have received is that Democrat negotiators want "business as usual."

But Americans need to know what that means:

Spending increases: Democrats want $30 billion more to spend over the next 5 years.

Phony accounting: Democrats want to disguise user fees as entitlement cuts.

No enforcement: Democrats not only want to avoid new enforcement provisions for deficit reduction, but also want to do away with the only discipline we have—Gramm-Rudman.

Let Members get serious. Americans do not want any more excuses.

END BUDGET SUMMITS

(Mr. COX asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX. Mr. Speaker, the clock is ticking on the budget summit. With only a few days left before the whole process flies into the mountain, we have to reflect on the 4 months that have gone by without any productive purpose whatsoever in this budget summit.

Let Members ask ourselves how it is we got here. We got here because the Congress of the United States has violated the law. The highest law, the law

that governs its spending of $1.2 trillion of the taxpayers' money annually. The law requires that by April 15, we complete action on a budget. The law requires that by June 30 we complete the entire process, including the reconciliation.

This Congress violated those laws and did not do so. The budget summit, ongoing right now, is a totally extra legal process. It is time that we end budget summits, this year and forever. No more budget summits, no more last-minute, 11th hour, slapdash, mammoth spending bill and hidden tax increases. No more congressional law breaking.

□ 1440

LIMITATION OF TERMS

(Mr. JAMES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. JAMES. Mr. Speaker, the citizens of the State of Oklahoma spoke last night with a clear and strong voice about the type of government that they want. By a margin of 2 to 1, the voters in that great State passed a referendum that will limit the amount of time that elected public officials can serve to 12 years. It is a great victory for the people of that State, and for the American people.

Mr. Speaker, the people of this country are fed up. They are fed up with politics as usual, they are fed up with professional politicians that lose touch with the voters. They know that elected office was never meant to be a profession, but instead was meant to reflect the society which it represents. They want a return to a government of the people, by the people, for the people, and not a government of the politician, by the politician, for the politician.

When I was elected to Congress, the voters told me to reject the status quo and bring back honor and ethics to Congress. I have introduced legislation to limit congressional terms, and it is time that we give serious attention to these proposals. The people of Oklahoma have spoken, and the people of America are crying out for change. Let us move to give the Government back to the people.

TIME TO JUNK THE BUDGET SUMMIT

(Mr. DOUGLAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DOUGLAS. Mr. Speaker, it is time to junk the budget summit. I do not care if they are making progress or not, because the progress they are making is going to result in a chain saw massacre of the taxpayers. That is the bottom line. They are hung up over how to increase taxes, which taxes to increase. They are not discussing where to cut.

We have had 22 chances on the floor of this House in the last 4 months on rollcall votes to make cuts and the majority party, 22 out of 22 times, voted every single cut down. They have no interest in balancing the budget. They have no interest in bringing down spending. They want to increase taxes.

The recession Democrats now control the summit. Senator GRAMM has walked out. The gentleman from Georgia [Mr. GINGRICH] has walked out, and it is time for everybody else to walk out.

Let us do the job. Let us not go home until we get that budget under control. That is what we were elected to do. That is what they paid us to do.

Junk that summit and let us save the chain saw massacre of our taxpayers.

NO LAMEDUCK SESSION

(Mr. HANCOCK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HANCOCK. Mr. Speaker, as a charter member of Ducks Unlimited, we should file a libel suit against Congress for sullying the name of Ducks Unlimited and the reputation of ducks everywhere. Congress has ducked the Federal deficit far too long and now wants to duck the voters in November by putting off any tough choices until a lameduck session.

The American people simply cannot afford another lameduck session.

I do not know how many of you know this, but former U.S. Senator and Democratic Vice-Presidential nominee Tom Eagleton said recently that his party would be "reinvigorated by a recession." With the Democrats wanting to bring on a recession to embarrass George Bush, a lameduck session this year would be disastrous.

Our Nation can no longer tolerate politicians who put their party before our people and getting reelected before getting their jobs done.

"Don't duck the voters, no lameduck."

FURLOUGHS, A CRUEL THREAT

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, the budget summit has broken down and according to the law, at this time, nonpaid furloughs of Government workers could begin sometime after the 1st of October. The necessary furlough time to reach the demanded cuts is projected to be 22 days for every worker in Government service.

Do you believe that, Mr. Speaker? Do you believe that for 22 days the air traffic controllers will be off and the IRS auditors, and the people who send out all of the government checks? What about the staffs in the various Government hospitals around the Nation?

It is a cruel threat. And, if indeed, these servants of the people are to take a forced cut—of any duration—then why not us and the other Government entities—the appointive personnel? Certainly we, in the House, bear a large part of the responsibility for this condition going back over years of not reigning in the proclivity to spend and spend.

What naturally follows spend and spend? Why, tax and tax.

The people of this country are telling us to just stop it. They are demanding that we get a handle on this—that the responsibility is ours. And, if we decide to lay it all on the plate of the government worker, I think we will be judged as shirkers—as greedy, irresponsible leaders. And, I also think, they will be making a date with us at the polls in November to tell us so.

TRAGEDY OF CONGRESSIONAL INABILITY TO PRODUCE A REAL BUDGET

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Mr. Speaker, it is hard to watch the budget summit process without coming to some disturbing conclusions.

First, the level of incompetency on Capitol Hill is growing. We seem unable to deal with even the most basic national problems, including the present problem of an economy drifting toward recession.

Second, the Democrats have decided to deal with deficit problems by reinflating the economy. Their proposals in the budget summit have been typical tax and spend policies, the same kind of tax and spend policies that have caused economic disaster before.

Third, the Democrats are unwilling to consider economic proposals designed to create jobs. Instead of a policy of job creation, they have decided to play the politics of class warfare.

Fourth, there is a real chance this combination of incompetence and economic backtracking could lead us into a real recession.

The tragedy of the congressional inability to produce a real budget could dramatically affect the budgets of every American family.

THE TRUTH ABOUT CAPITAL GAINS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker, I am absolutely amazed. Some of our colleagues will say anything, stretch any statistic, in order to try to obtain a partisan advantage.

We are not interested in class warfare, but we are interested in economic growth. Those ought to be the goals of every Member of this Congress, Republican and Democrat alike, and yet more and more of my colleagues on the other side of the aisle are coming here to the well and suggesting that in the name class warfare they need to stop economic growth.

Now, if there is one fallacy that we have been hearing here over the last couple days, it is that somehow capital gains is a tax for the rich. I wish they would go back to their rural districts and I wish they would talk to their farmers, their small town businessmen and women, and suggest to them, those who traditionally have a $30,000, $40,000, and $50,000 income, with a 1-year glitch when they sell the farm, when they sell the feed mill, when they sell the grocery store, when they sell the drugstore in small town America. That is who benefits from capital gains, Mr. Speaker. It is not a class issue at all.

□ 1450

VACATING SPECIAL ORDER

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent to vacate the 5-minute special orders of the gentleman from Pennsylvania [Mr. GAYDOS] on September 25 and 26, 1990.

The SPEAKER pro tempore (Mr. PICKETT). Is there objection to the request of the gentleman from New York?

There was no objection.

BUDGET SUMMITEERS DIVIDED BY MORE THAN JUST CAPITAL GAINS ISSUE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania [Mr. WALKER] is recognized for 5 minutes.

Mr. WALKER. Mr. Speaker, during the past 48 to 72 hours, we have heard members of the majority party come to the floor in large numbers claiming that the only thing that divides the budget summiteers is the issue of capital gains taxation or, in our parlance, the Jobs Creation Act of 1990.

Their claim is that the Republicans are holding out for this tax policy against everything else.

Most of us who have a little bit of knowledge about the summit find that quite interesting because that must mean that the Democratic negotiators have agreed to everything else, that the only thing there is disagreement on is capital gains. Well, if that is the case, then they must have agreed to discipline within the budget process; namely, the line-item veto or enhanced revision powers for the President.

Mr. Speaker, I am not aware that that agreement has been made, but if the people who have come to the floor are telling the truth, then that agreement must have been made and I would like to see something in writing from the Democratic negotiators who tell us flatly that they have agreed to their kind of budget discipline.

They must have agreed to $125 billion in domestic discretionary and entitlement cuts because that is where the spending cuts have to be made. They must have agreed to that; if the only item of disagreement is capital gains, that must have been agreed to.

I would like to see in writing the Democratic leadership tell us that that agreement has been made. They must have agreed to $170 billion of defense cuts. But if the capital gains is the only issue outstanding, then that has to be a part of the budget agreement already arrived at.

I have not heard that. I would like to see from the Democratic leadership in writing that they have made that agreement. I would like to see all of these things that have been agreed to other than capital gains.

But I do not think anybody is willing to come forward and tell me that, because I know that in the budget negotiations the Democrats agreed to none of that. They agreed to none of that.

In fact, the only thing they did agree to were massive cuts in defense that would strip this country of its basic military strength even in the light of the Middle East conflict; they have asked for massive tax increases.

One Democratic negotiator even proposed at one point a 60-cents-a-gallon gasoline tax. Imagine what that would do to the American family.

Now, they have proposed in those negotiations $70 billion of additional domestic discretionary spending. Those are the proposals that they have laid on the table. They have not agreed to anything that I suggested here previously. And they are claiming that it is hung up on the capital gains taxation issue. It is not. There are massive disagreements, and those disagreements go to the heart of what adequate budgeting is going to be in the United States.

So for all of those folks who have heard our Democratic colleagues making claims on the House floor over the past 72 hours or so about the nature of the budget summit, they have not given you the whole story, and you ought to know it.

Mr. Speaker, I yield to the gentleman from Wisconsin.

Mr. GUNDERSON. I thank the gentleman for yielding, and I appreciate what the gentleman is saying. I think, if we understand the process around here, the President submits a budget in late January, first week of February.

Mr. WALKER. Yes. Remember, they always hold him to that, that he has got to have his budget in here on time. The President has to meet the schedule.

Mr. GUNDERSON. We were supposed to have the conference between the House and the Senate on the budget on June 15, I believe, so that the appropriate——

Mr. WALKER. Yes. By the end of June we were supposed to have completed everything, including reconciliation.

Mr. GUNDERSON. So we have done, in essence—we have not met one of our target deadlines, not a one.

Mr. WALKER. Not a one.

In fact, we are in violation of the law because the law requires that and the House could not do its work. So we deemed the budget to be passed rather than actually passing one.

Mr. GUNDERSON. So we are in violation of all that, and yet we stand here and say that the only issue separating us from an agreement with the White House is capital gains and we are opposed to that even though the White House has agreed to have revenues on the table, the White House has agreed to scoring capital gains the way the Democrats would like to see it to be; and yet despite all of that, we still would rather have the recession than have a capital gains tax cut which passed this House in a bipartisan manner just last year.

Mr. WALKER. Well, I think that the gentleman has characterized it right. The disturbing thing is the lack of ability to deal meaningfully with the budget means that we are plunging this Nation into a recession and that you really are creating a situation where the recession Democrats will have devastated the Nation's economy.

LEGISLATION TO CORRECT HUMAN RIGHTS VIOLATION COMMITTED BY OUR OWN GOVERNMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. MARTINEZ] is recognized for 5 minutes.

Mr. MARTINEZ. Mr. Speaker, today I am introducing a piece of legislation to correct, I believe, the human rights

violation that was committed by our own Government. As hard as that may seem for some to believe, it is documented and has been determined by the highest Court in our land. Where I believe there is much to be proud of as Americans, there are also some injustices of the past committed by Congresses of the past that are still unresolved and that must be addressed.

The legal confiscation of the Black Hills was accomplished through the enactment of a bill that was entitled the 1877 Sell or Starve bill. The bill was called Sell or Starve because the U.S. Government sought to starve the Sioux into submission in an attempt to get the Sioux to agree to cede their sacred lands.

This extreme action was taken by the Government because the 1868 Fort Laramie Treaty had required that no land could be taken from the Sioux unless three-fouths of the adult male Sioux population would agree to the secession of land.

Even though the Sioux were starved, they refused to relinquish their sacred land and the Government then enacted the 1877 Sell or Starve bill anyway and stole the land from the Sioux.

The Supreme Court, in 1980, after the longest Supreme Court case in history, 103 years and over 5 generations of Sioux, condemned the seizure as unconstitutional. The Court found that, and I quote, "A more ripe and rank case of dishonorable dealing will never, in all probability, be found in our history." The Court declared that the Sioux people were entitled to receive "fair and just compensation."

This legislation that I have introduced returns only about 18 percent of the confiscated land to the rightful owners and orders just compensation, no more no less, be given to the Sioux Indian.

Despite the Court's ruling over 10 years ago, not 1 square foot of sacred land nor $1 has been returned to the Sioux people.

The Sioux Nation Reconstruction Trust Fund Act of 1990 illustrates that this body recognizes that the history of the United States contains certain instances of past injustices done to the native Americans and it also recognized the obligation to fairly resolve past treaty violations.

□ 1500

Mr. Speaker, the case of the Black Hills is an extreme case of disregard for Native American human rights and legal rights. The Sioux Nation was granted legal title to the Black Hills in the 1868 Fort Laramie Treaty, but the Government caved in to mining and non-Indian concerns and took the land from the rightful owners anyway.

In 1877, after attempts to purchase that land had failed, the land was forceably confiscated with the authorization, which I want to underscore, with the authorization of Congress. Consequently, the people of the Sioux Nation were relegated to a condition of abject poverty, the highest unemployment rate anywhere in the Nation, higher than 80 percent, a mortality rate that is shorter than anybody else's in the United States, an infant mortality rate that is higher than any of the poor nations of the world, and, through this all, due to their strong beliefs and their feelings toward that sacred land, the Sioux have refused to accept monetary compensation and, instead, insist upon return of their land, but only that which is federally controlled and not used, only a small fraction of what was taken.

Mr. Speaker, it is now clear that a political solution is the only way to enact a fair solution. This legislation would return all unoccupied, and I want to underline the word "unoccupied," federally held land in the Black Hills which actually belongs to the Sioux. My legislation directs the payment of fair and just compensation to the Sioux Nation for damages inflicted upon a people as a result of the illegal confiscation and the subsequent plundering of the land's natural resources. As well, my legislation calls for return, as I said, of that unoccupied land, which is only about 18 percent, of which 80 percent of that will be turned into a national park for all Americans to enjoy.

It is important to note the Sioux are not seeking return of any occupied Federal lands, only lands that have been unoccupied for the last 113 years and that rightfully belong to them.

The removal of land from the Federal Government is not an act that is taken lightly by me or anyone else; however, the need for corrective legislation has probably never been greater than in the case of the Sioux Indians. Only the internment of the Japanese-Americans during the Second World War falls into the same category of domestic injustice, and I strongly urge my colleagues to support my legislation and bring about a final justice to an injustice.

ABRAHAM S. VENABLE: RETIREMENT OF A PIONEER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. CROCKETT] is recognized for 5 minutes.

Mr. CROCKETT. Mr. Speaker, I rise today to bring to the attention of my colleagues the retirement of a remarkable man and an outstanding citizen of Detroit, Mr. Abraham S. Venable. On September 1, 1990, Abe Venable stepped down from his position as director of urban affairs for the General Motors Corp., after almost two decades of unflinching service. We in Detroit, and his many friends and admirers around the country, pay tribute to Abe Venable and his many contributions to our community and our Nation.

Mr. Venable, a native of Washington, DC, has been a constituent in my district since he came to Detroit in 1971. He was graduated from Howard University with a B.A. in economics in 1951, and an M.A. degree in economics in 1953. He was also a Woodrow Wilson Fellow in the School of Public and International Affairs at Princeton University from 1968 to 1969.

In 1972 Abe completed several overseas activities for the United States Government, including traveling throughout Germany in an effort to improve race relations at United States military installations in West Germany, and as a trade representative on a Presidential goodwill mission to promote commercial exchange between the United States and the African countries of Ethiopia, Kenya, Nigeria, and Liberia.

Abe Venable was appointed to the U.S. Department of Commerce in September 1973—during the Nixon administration—and served in numerous assignments, including Director of the Office of Minority Business Enterprise; Director of Affirmative Action Program Staff; and conciliation specialist with the Community Relations Service.

Abe was recruited within the private sector by the General Motors Corp. in an effort to address the unique issues that the turbulent years of 1968–70 brought forth. General Motors recognized that in order to continue to operate as the most successful manufacturing corporation in the world, the issues that uniquely apply to minorities must be proactively addressed. They also recognized that an outstanding, assertive, and innovative force was needed to lead the corporation in the effort. That force was Abraham Venable.

Abe is one of the pioneers of corporate America's—and, especially General Motors'—affirmative action programs. In 1970, General Motors formed an urban affairs activity to provide leadership and counsel in addressing the concerns of minorities in corporate programs. Abe became the first director and served as such until he went on leave status in March 1990. During his tenure, Abe dedicated himself to measurably improving the position of minorities in all facets of GM's operations, from employment opportunities to minority suppliers and dealers, and to have the corporation more effectively address social and economic issues affecting minorities.

He has also been actively involved in the affairs of Detroit during these years, unselfishly giving his time to several causes and activities including the Detroit-Wayne County Port Authority and the Greater Detroit Foreign Trade Zone. Abe currently serves as the chairman for the Institute for American Business.

Among his many honors are the National Business League J.P. Napier Award as Government Man of the Year in 1970. In the same year he received the Atlanta Business League's Distinguished Service Award, and in 1973 Shaw College of Detroit honored him with an honorary doctorate degree for his achievements in business leadership and minority affairs. In June 1978, he received an honorary doctorate of laws degree from the

Grand Valley State College for his outstanding community service and in April 1981, he was inducted as an honorable member of Beta Gamma Sigma. And in June of this year the Opportunities Industrialization Centers of America, Inc., presented Abe its Humanitarian Award for his years of dedicated service to that outstanding organization.

During his illustrious career, Abe somehow found time to pursue literary interests. Proceeds from his published text, "Building Black Business—An Analysis and a Plan," are donated to yearly scholarships, in his name, for Howard University School of Business and Public Administration students.

Abe has been married to Anna G. Venable for 37 years, and is the father of three children: Karen, who resides in Newark, NJ, and works for the Newark Department of Recreation; Douglas, a real estate broker and proprietor of the Donut Factory in Detroit; and Stephen, who recently completed law school at the University of California at Berkeley and is presently employed with the law firm of Dorsey & Whitney in Minneapolis, MN.

Mr. Speaker, the career of Abe Venable has been one that stands as an outstanding example to our young people. Through his hard work, compassion, and insight, he has become one of the most respected members of our community. I know General Motors will miss his tireless efforts; and I hope that my colleagues here in the House will join with the community of Detroit in wishing Abe Venable a retirement filled with as much satisfaction as his long career has given him—and us.

A RISING TIDE OF ANTI-SEMITISM ON EVE OF HIGH HOLY DAYS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, I rise today to express my deep concern about a rising tide of anti-Semitism. I speak not of the Soviet Union, not of Eastern Europe, but instead of our own United States. Rock throwing, graffiti, vandalism cast an ugly shadow over celebrations as the Jewish high holy days begin. Even in areas of our Nation renowned for their tolerance and openmindedness, tragic acts of violence threaten the free exercise of religious beliefs. Some of these outrageous actions also threaten public safety. In one horrible instance, brakelines of a Jewish day camp bus were severed putting dozens of young lives at needless risk.

I reach out to all of my colleagues in this institution and to all Americans to begin the year 5751 by committing ourselves to work together to build bridges bringing all of us closer to one another and to strengthen understanding. These acts of anti-Semitism are nothing short of terrorism within our own Nation. We must join hands to bring an end to this mindless behavior rooted in bigotry.

THE CONGESTION AT OUR COUNTRY'S AIRPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. INHOFE] is recognized for 60 minutes.

Mr. INHOFE. Mr. Speaker, it was my intention some time ago to have a 1-hour special order on a critical problem facing the Nation. Unfortunately, as is often unforeseen, we adjourned early today, and all of the participants who wanted to participate in this special order and who had statements that they wanted to make are not here. They are on their way back to their districts.

For that reason, Mr. Speaker, this special order that I was going to do today I am going to delay until next week. However, I would like to make a few comments and at least frame the problem so that people will know that we are trying to address this. At least a few of us in Congress are sensitive to this and are trying to address this problem that does face our Nation.

So often problems that we face have a lot more glamour than the particular one that we are addressing today. There is a lot more emotional concern. Certainly today the strife and the conflict in the Middle East, certainly today the impasse that seems to have been reached by our summiteers in resolving the budget problem and the crisis that our Nation will face as a result of that have a lot more general appeal. But there are many problems that face this Nation for which there are solutions, and the solutions are not costly solutions. They are political solutions that we have to stand up and say, "If it's logical, we'll do it."

Now granted, I am from Oklahoma, and many times we do things there that are perfectly logical, and we resolve our own problems. I am from the city of Tulsa. I used to be the mayor of the city of Tulsa. In the city of Tulsa we have become very self-supporting. We have actually rejected grants that have come from the Federal Government because we want to take care of our own problems.

Mr. Speaker, the problem that I am referring to is a problem of congestion of our airways and congestion of our airports in this great country.

In 1985, the FAA came out with a report that we had 16 airports, major airports, that were congested in our country. They are projecting that by the year 2000 that we are going to have 58 airports that will reach that congestion stage. It happens that my major airport in my city, Tulsa, OK, the Tulsa International Airport, is one of those airports.

Mr. Speaker, this affects two large groups in this country. The smaller group is that of the general aviation group, an overlooked group in this country, a group that is disappearing with the problems that are facing general aviation. We are finding fewer and fewer trainers that are made in this country. Most of them are made in Italy, West Germany, and France due to a number of problems. But when they have people who are participating in general aviation, such as myself, such as my colleague I see here from Iowa [Mr. LIGHTFOOT], and we come down here to land an airplane in this general area, we find that the options are limited.

From the air, Mr. Speaker, as we come in, we look and we see that only 4 years ago we had many options that are not there today. Woodbridge has been closed. It is now being developed into houses. And we have, I think it was called, Deep Rock, another one that was there for the use of general aviation. It is no longer there because the land has become too valuable for airport use. Yet, as we come in and are forced into going into National Airport that is already overcrowded, we look below us, and we see field, after field, after field that our military bases are operating at perhaps 15- or 20-percent capacity.

So, the logical question is: Why not have a joint use policy, Mr. Speaker, so that we can use those fields for civilian aviation as well as military aviation?

I think that there are very few people who are aware of the seriousness of this problem. For example, the ground congestion adversely affects 80 percent of the flights today. For example, most of the people who are interested in this subject with us right now will occasionally fly on an airline, and four out of five times there will be some type of a delay, what they normally refer to as a ground delay. Now they will be told, or the particular airline will come in and say, that it is due to air traffic control and all this, and everybody passes it on to somebody else. The bottom line is: It is congestion, and we all feel that.

Mr. Speaker, the cost of congestion exceeds $4 billion a year, and this is a cost that we all must bear in one form or another. Here we are talking about trying to come up with $1 billion for one program or another when there is something to reduce the deficit in order to try to meet certain targets, and yet we have $4 billion a year that is being wasted due to the airline and airport congestion.

Mr. Speaker, the gentleman from Iowa [Mr. LIGHTFOOT] has been very sensitive to this and may have comments addressing this problem.

Mr. LIGHTFOOT. Mr. Speaker, I thank the gentleman from Oklahoma [Mr. INHOFE], and I appreciate him taking this special order to discuss this particular issue. I think one of the things that we have to point out, which the gentleman from Oklahoma [Mr. INHOFE] has done very well, but a

lot of people do not realize is that, as we see this expansion in commercial aviation, most of it was spurred on by deregulation. We have more and more people flying on commercial airplanes than we ever had in this country. Someone made the comment that now the people who used to ride the bus are traveling by air. That is basically true. Because of reduced rates and the competition between airlines and so on, we have reached virtual gridlock in terms of where can we go with more commercial aviation.

□ 1510

Being from farm country, maybe this is not a real good analogy. So instead of saying a grain elevator, I will use a water pipe, which anybody should be familiar with.

Mr. INHOFE. You can use a grain elevator. I am from Oklahoma.

Mr. LIGHTFOOT. If you take a grain elevator or a water pipe, it is so big around, it has a certain amount of capacity. You can only get so much product through it in a given time. Once that sucker is full, that is it. You are done. Any other water that you try to push through that pipe, or grain up that elevator, spills on the ground.

This is basically what is happening with commercial aviation. The system is totally loaded down to the point that we just cannot handle any more operations.

If you look at what the alternatives are, particularly in view of budget constraints and budgetary problems, you take your major population centers where most of the traffic is centered from, and then you ask yourself the question where do you build an airport. The answer is, there is no place to build an airport.

As the gentleman mentioned, here in Washington, Woodbridge and some of the other airports have been turned into housing because it was worth more money. If you look at New York, and of the major cities, Los Angeles on the west coast, you find the same situation.

Then you are faced with the situation of what do we do then if we cannot build a new airport. The only logical thing then left to do I think is to look at what airports exist, and suddenly we find a map that is covered with all these military airports, with many of them at 20 percent or less of their capacity.

Then you start analyzing where they are located. For example, in Los Angeles there are four active military fields within 50 miles of LAX. Up in New York, you have got four airports there that are within 64 miles of JFK.

Just to cite a quick example, in New Jersey you have a major heavy airlift wing that operates from long runways, a good military field, that is running at about 20 percent of capacity. Right across the fense from it is Fort Dix, NJ, in the process of being closed down.

We already own the land. You do not have all of this environmental impact to go back through. You could construct another runway parallel and put the civilian on one side and the military on the other. They are outside of the New York air corridor, and you could make some great strides.

Mr. INHOFE. The gentleman is talking about McGuire Air Force Base that is in conjunction with Fort Dix. Now, you mentioned New York. That is 50 miles from the Holland Tunnel. It is 18 miles from Trenton, NJ. It is 30 miles from Philadelphia, PA, right in a congested area. It is an underutilized base as it is, and there will be, with these cutbacks that we have been talking about, we are not only going to have cutbacks from the use of that base, but also Fort Dix.

The interesting thing about that is if you look, which we will do next week, we will have some charts to show how this works, if you look at a diagram of McGuire Air Force Base and then look at the diagram of Charleston, SC, which has been a successful joint operation since 1973, they are almost exactly the same. They have the segregation that lets the general aviation use that one portion without any disturbance of the military operation on the other side of the field.

Mr. LIGHTFOOT. That is a good point. The other thing, too, I think that needs to be brought into the discussion is the politics that are at play, both within the communities in which the airports are located, and the politics within the governmental agencies, within the airport authorities, and within the military.

There has also in the past been a very strong, shall we say, protective attitude amongst the military, in that if you wanted to get promoted to general, you did not have anything go wrong on your air base. The way you did not have anything go wrong on your air base was you kept civilians off of it, and kept strict control over everything that happened.

I think that attitude now is probably going to change, particularly with the emphasis being put on closing bases. Some of those base commanders may get the message that hey, look, if you do not let the civilians on, you may not have a base to command, period. Maybe it is time we overcome that political aspect.

Mr. INHOFE. I think it is interesting that the gentleman brings up that point, because there are two political problems you have when you talk about joint use. One is the political problem in the community, and the other is the political problem in the military.

On the community side, if many of these military bases, as they have, become more economic bases than they are participating in the defense of our country, and I hasten to say that I am very pro-military. I have a 100-percent American security rating, so I do not want this misinterpreted as being antimilitary in any way. But if we are going to be cutting back, as we have done too much of already, and I think most people in this country agree with that, but if we are going to be doing that by mandate of this body, then that local community, that has looked upon that base as an economic base, has a new alternative.

It may have been they are going to have to cut back and make them lose employees that are military employees, they will not be buying in our stores, but at least we are going to be filling up that vacuum by using it for a functional military base.

I think on the other political problem we have, we are reaching some kind of a resolution, because Secretary Cheney is very supportive of this idea. We are seeing a new cooperation among the generals who are holding onto their bases with white knuckles to keep civilian aviation out. They are now saying wait a minute, now I think we can be more cooperative in a recognition that this is all public funds. It is not just the Navy or the Air Force or some other public entity. These are taxpayer dollars.

You also have Admiral Busey running the FAA, who has a deep understanding of general aviation, being a pilot himself, as well as Sam Skinner, Secretary of Transportation.

So I think those political problems that you brought out look like the time is right to overcome those. Would you not agree with that?

Mr. LIGHTFOOT. Absolutely. There is an old proverb that says a successful rain dance is the result of good timing. I think this is probably where we are in this particular process.

One point that I hope does not get lost, which you made very plain in this discussion over joint use, is that the intention here is to make the military, as well as the civilian side of it, as efficient and effective as we possibly can. In essence, we are trying to help both, or let them help each other, as the case may be.

I think that I am very strong believer that the people of this country who are paying roughly 40 percent of their income in State, Federal, and local taxes, have had enough with taxes. They do not want any more taxes. Yet they see a legitimate role that Government has in providing this type of an infrastructure system. So let us be efficient and use what we have and do it effectively.

It is almost like having three cars in the garage, but we are not going to use them because they belong to the second cousin or something, so we

have to go out and buy a new one. That is kind of the way the Government thinks. I think it is time we started borrowing the cousin's car, and maybe buying him a new radio or something for it is the process.

Mr. INHOFE. You are right. You brought up the point of the congestion. Just since 1978, deregulation, we have almost twice as many people peddling around in that stuff that you and I fly in, yet we have the same number of controllers, roughly. With the exception of what is happening out in Denver, that is the first new major regional airport that is being designed and committed to since DFW, I believe, in 1972. For a while there we were having several each decade. We were growing by leaps and bounds, and taking care of this capacity problem. Now all of a sudden, we go for almost 20 years, in fact, it will be 20 years, without any new major regional airports.

It is something where we are going to have to do something. We have reached capacity in many of these, and there is a great deal of cost, the $4 billion a year it is costing the American people.

I talked to the gentleman from Colorado [Mr. HEFLEY] a few moments ago, and he told me Patterson Air Force Base is also a joint project with Colorado Springs, and is working beautifully. What used to be Charleston, it is still Charleston Air Force Base, with Charleston, SC, is probably one of the models in the Nation. It is working very well. The people like it, the military like it.

One thing about this political arena that those of us who have been around for a little while know, any time you get into something that is a change, there is a lot of resistance. Then all of a sudden people decide hey, that was not bad at all. This is the change we want to see, in the military, in the public.

□ 1520

Mr. LIGHTFOOT. I think it is just unfortunate. I guess maybe it violates one of the laws that prevail in this city, which is that logic and common sense are prohibited within the beltway, because really what we are talking about is taking a commonsense approach to the situation, evaluating the facilities that are currently in place, that are up, that are running, that are available and that could be used, and then moving forward with some kind of a plan that can utilize what we already have.

The other answer or a portion of the answer on congestion I think, once we get beyond the airports, is we have to look at some new kinds of technology. I do not necessarily want to get off onto this, but there is the V-22, for example, the tilt rotor aircraft which offers I think a type of technology that could be utilized in particular areas along this Eastern corridor that are so congested that there is absolutely nowhere to go for a new airport. That is another answer.

The problem is we may end up giving that one to the Japanese again.

Mr. INHOFE. It looks like we are going to do that. That opens up a whole new area, because once you start talking about tilt rotor technology, then you talk about STOL technology, which we are getting to, and then we have not just Air Force bases, and not just Navy air stations, but Army bases that traditionally have much shorter runways and are going to be able to be used.

I think all too often we plan for the future with just today's technology instead of looking at what is going to happen in the future, and you and I both know, having been supporters of the V-22, the tilt rotor technology, that if we do not do it, someone else is going to do it, and that is going to be entered into our system. It is still going to be flying out of the airport we are talking about today. The only difference is it is going to be made by the Japanese instead of by us here in this country. Nonetheless, we will still be buying them and still be transporting people around.

That then brings up a whole new area, and that is the Army bases that were traditionally made for helicopter types of operations.

Mr. LIGHTFOOT. I have some figures here off the top of my head, and they may be off a few percentage points, but they are very much in the ballpark of a study in the New York area. Of aircraft leaving out of New York approximately 80 percent of the passenger load is carried on about 20 percent of the takeoffs and landings. Those are the big jumbo jets that are going overseas. The other 80 percent of the operations of takeoffs and landings account for the other 20 percent of the passenger load, and most of those people are traveling a distance of 300 miles or less. There was a survey that indicated that using tilt rotor technology, for about $12 million a 4½-acre tilt rotor facility could be constructed on some existing piers that are in New York Harbor, and could handle somewhere in the neighborhood of 6,500 passengers a day. This would take about 25 percent of the load off of the major airports in New York, would cut their delays down somewhere in the neighborhood of 40 or 50 percent. We can do the same thing in Chicago at O'Hare. If we can move some of the general aviation off of the O'Hare field and maybe onto the Glenn View Air Station, if we could use the tilt rotors in there for those same kinds of flights, we could get a few of those operations off of those big airports, and it makes a lot of difference in the amount of delays for the bigger aircraft. It just seems to me we have reached the point where something has to give, and this to me looks like an economically feasible way to approach it, tilt rotor, and joint use.

Mr. INHOFE. I think the gentleman from Iowa is guilty of using common sense, and of course that comes from the time that he lived in Oklahoma, I am sure.

Mr. LIGHTFOOT. I thank the gentleman.

Mr. INHOFE. Having been born in Iowa, I can understand where you are coming from. You look at all the objections that are there for airport expansion and lack of space, and there is never enough space to use because in Woodbridge or other places there is a higher and better use for that land, and in this country of private property rights, and I endorse them and encourage them to use it for that purpose, and when we have budgetary constraints. Right now in Tulsa, at the Tulsa International, on our second longest runway we are spending $2.5 million just to strengthen and surface it, not to build it. With budgetary constraints, if we look and see what our future needs are, if we have to go out and build for that without retarding the economic growth in this country, then we cannot afford that. That is not one of our options that is an affordable option.

We also have opposition of all kinds, community opposition to anything new that goes in. However, when we have a military base that is already accustomed to it, and they would prefer and in most cases would endorse the joint use to get more civilian-type space, and if there is going to be some noise or some inconvenience, at least they want the convenience of using it themselves.

We have environmental considerations. Most of those are already overcome. One exception to this I understand is at Scott Air Force Base, and in their transition toward a joint use of that facility they are now saying that there are some roadblocks thrown in the way because of environmental problems that have surfaced. But generally that is not the case.

So I really do not see any other alternative that we have that is viable right now. I think we can also say to that small segment of the population we refer to as the general aviation population, they know this problem, and if we ever had time, sometime it would be kind of interesting to do a special order just on the contributions to our technolog and to aerospace that are made by general aviation, and to wake up and let them know, and let Members of this body know the contribution that is being made, and then they would be more sympathetic toward keeping a viable general aviation community in this country. It is

dying, and right now, as I say, we are not making small training aircraft anymore. So it is one of the few things that comes along where everybody benefits and nobody loses.

Now there is good news. I had a meeting in my office with the FAA and some of the military people that will be involved in these joint use decisions. There is more cooperation now and more communication going, as the gentleman well knows, and there is a joint committee of the military and the FAA and other interested people who are looking, all branches, and we are talking about Marine, Navy, Air Force, and Army all sitting down at one table with the FAA and looking to see how we can do this. It is a very positive environment with the coopertion of both the Secretary of Defense and the Secretary of Transportation. I feel good about it now.

Mr. LIGHTFOOT. If the gentleman will yield, I think we are on the right track. We are headed the right way with it.

One of my pet peeves with the whole governmental process in aviation, as a prime example, and we are starting to see it in health care, is the headlong rush toward giving all of our powers to the all-wonderful, all-encompassing Government. We are basically regulating this country out of business. We do not have, as the gentleman mentioned, anyone other than Piper now I guess that is trying to make a training plane in this country, and the bottom line is they cannot afford to do it because of regulations and because of product liability. On an average, for a general aviation aircraft, there is over $100,000 per unit just in product liability insurance, and for a plane that used to cost $20,000, this is ridiculous.

Mr. INHOFE. We do have that problem, and that is why are are buying so many of these overseas.

On trade, if we would take that element along with oil that we are buying from the Middle East, we could correct 50 percent of the imbalance in trade that we have right now. They are operating without being encumbered with problems, and what the gentleman from Iowa is referring to is something that was testified to in our aviation subcommittee.

I believe the gentleman from Iowa and I are the only two active commercial pilots in the Aviation Committee, so maybe we are more sensitive to these things when they come up. But it was Beechcraft that testified to the figure that it cost to offset the exposure of product liability. So we are buying now from France, Italy, West Germany. They do not have that problem.

Mr. LIGHTFOOT. It just seems to ironic that a lot of the people in this body who are always screaming about unfair trade from foreign companies and unfair trade practices, and tout the protectionist role, are the very same ones who are supportive of this kind of legislation that just adds more and more layers of bureaucracy and paperwork. It is all done under the prospect of protecting us from ourselves.

□ 1530

In the health care industry, I have been talking to nurses in my district, and the average nurse now is spending 6½ hours of an 8-hour shift doing absolutely nothing but fill out unproductive Government paperwork that does not increase the quality of health care. It drives the cost of it up, but all of that paperwork was put in place supposedly to make health care better. The nurse went to school to learn to take care of people. That is what they want to do, and I just use that as one small example.

Talking about a new airport, and I would suggest to anybody who is in any of the major areas, Chicago, Dallas, New York, Los Angeles, who is concerned about this air traffic situation, ask them the simple question: "Where do you build a new airport, and what is it going to cost?" By the time you do the environmental impact studies, by the time you do all of those thousands of things that have to be done to satisfy the Federal Government, the thing is probably going to be obsolete before you ever break ground on it, even if you can find a plot of land to build it on to start with.

We have military fields in place, as the gentleman mentioned, and they have already satisfied the environmental concerns. We should utilize them.

Mr. INHOFE. I know the gentleman has a lot of townhall meetings, and I do, too. I think I have set a record on the number of townhall meetings a person has in a term. I am approaching 150 of them.

The one thing that always comes up, and it might be from a dentist, a doctor, anyone in business, the paperwork that they have and the amount of money that they spend and the resources that they attribute to the paperwork that Government imposes upon them. Then we go through and we find out we will have five or six different regulators with one individual or one profession. They are all doing the same thing five times. They will not use the same paperwork.

We do have an overregulated society. There was an attempt back in the early 1980's under the Reagan administration, and I think he actually cut the number of pages in the Federal Register down by about two-thirds, but they are back up in excess of that right now, I can assure the gentleman. That is one of the problems that goes far beyond the purpose of this special order. But it does show how it affects the construction of new airports.

The results speak for themselves. We have not built one since 1972, and yet the need is far greater.

When the gentleman mentioned a minute ago that so many people now are flying who used to be riding the buses, and this is progress and we are very pleased people are able to better utilize their time, those indviduals who are doing that are still spending 80 percent of their time or their flights, in flights that, due to the congestion problem that we are trying to address, are using up their time, too.

For the overall productivity of America, I think it is necessary that we use these national resources that we have that we call military bases for everyone's benefit.

As much as I was offended and depressed by this mood of Congress to disarm this country and particularly with some of the things that we passed just today in with the attitude that since the Berlin Wall is down there is no longer a threat out there and then all of a sudden there is a threat in the Middle East, no one really was aware of, still that has not affected the behavior of this body.

We are going to be making cutbacks, and I cannot help but think that there is another hidden value to this, and that is that if we are able to use these military bases for civilian operations and we get in the position where we all of a sudden have to gear back up and make America strong again and get in a defense posture that maybe we are doing away with today, by virtue of Executive order, those bases that are being used partially for civilian purposes can be put back into the military system, and we will not find ourselves with an atrophied system in this country and find ourselves more defenseless.

Mr. LIGHTFOOT. We spend several billion dollars a year out of the farm bill, the farm budget, to subsidize the merchant marine which I find is appalling. It ought to come out of the Department of Defense where it really should come from.

I have no problem with subsidizing the merchant marine. I think the purpose supposedly is so we have a standing merchant marine fleet that is ready in time of war, and I support that concept. I just think it should come from the defense budget rather than the ag budget, because it is not related, but we cannot get the votes to change it.

But, be that as it may, with this whole thing of readiness, the emphasis, I think, now needs to be increased again on building up in the Reserve and the National Guard. I think it is economically a very feasible way to keep a ready force for us. It also combats the problem we have in the military with the high level of technology that we have in the military hardware

today. We spend thousands, and in some cases millions, of dollars training people, and then they immediately leave at their first opportunity, because they can make a lot more money in the private sector than they can as an airman or a sailor or a soldier or a marine. The Reserve system and the National Guard system is one way to retain those very valuable trained people in the military and, at the same time, let them utilize those skills in the civilian world to enhance their income and enhance their communities. That, I think, also lends itself to this whole concept of joint use between civilian and military facilities and people, as far as that is concerned.

Mr. INHOFE. It addresses a problem very few people are aware of, and that is that our airlines are having a hard time finding anyone. There are no more trained pilots with military cutbacks. We do not have as many in the military.

With the demise of general aviation, which used to be the major training area for airline pilots, they are not there, and this could revive that industry. It could make it a more viable supply of pilots for the future.

When the gentleman talks about using and joint use, it really falls in two categories. There is not a lot of debate along the lines of the closed bases. Once they are closed, there is not much opposition, except the military generally will then say, "Well, wait a minute, this is our asset. We own it. What are you going to give us for it?" I think this is something that all of Congress should start addressing, and that is it is all taxpayers' money, and whether it is in the military or in the Navy as opposed to the Air Force and Air Force as opposed to the Army, still it is a national resource, and we need to emphasize that so that we do not get in this thing where we say, "Well, fine, I am for joint use. It is going to overcome all of the obstacles. The problems we have. It is going to expand the capacity we have in this country to grow," and at the same time say, "Well, I do not want to do it, because we are not going to get compensated for this even though we cannot use it. You cannot have it, because it is mine." It is not mine, it is not the military's, it is not the civilians'. It is all taxpayers' money.

When you stop and think of the overall picture we have not even talked about, we talked about the budget problem we are having right now, and very few people realize that for every 1 percent in economic growth in this country, it creates new revenues of $24 billion.

How better could we increase the economic growth in this country than to open up more airways, more airports for civilian aviation and get America moving again.

Mr. LIGHTFOOT. I think the gentleman has touched on a very important issue, and as we listen to the debate in this Chamber on programs virtually from the womb to the tomb that are supposed to do all of these wonderful things for people, the bottom line is the best program that we can have in the United States of America for people, be they young, old, rich, poor, man or woman, is a growing, robust economy that is moving ahead, that is providing jobs, that is providing the revenues for people to buy homes and automobiles and clothes for their children and educations for their children, pay their medical bills and, of course, from that income comes a certain percentage of taxes which we do need for such things as roads and highways and airports and the FBI and the military, and the meat inspection and all of those things that we take for granted.

The only way that you get that kind of a robust growth situation is to get Uncle Sam and the State governments as well, as far out of your personal lives as they possibly can, keep regulation at a bare minimum and do not continually penalize people who succeed.

□ 1540

If we look at the whole process, it is a disincentive, because the harder we work, the more we do, the more Uncle Sam takes away. We are rewarded if we do not work. We make a conscious decision not to work.

To me, that is all wrong. I think it is a basic problem which has nothing to do with joint use directly, but indirectly. We would not be facing the problems with joint use if we did not have these other problems.

Mr. INHOFE. That is true. Unfortunately, this very body in which we are serving does not help that situation. If they could grasp but one concept in Washington, that is that we do not have employees until we have employers, and employers are trying to go out there, venture their capital, take their risks, and to make a living. When we, as a government, come in and make it more difficult to do it, out in Oklahoma we have undergone a recession here that is unprecedented since the 1930's.

Yet, with the number of bankruptcies we have had there and the number of companies that have gone under, it is still the political system. The people do not understand that. They seem to think it is better politics since there are more employees than employers to cater to them. So the paperwork, the problems imposed on businesses, by Congress, by this body, are something that really needs to be addressed.

I think this subject is a product of that because this is one of the few things we can do that is going to avoid all that. If we went out today, and they will be doing it, and anyone who questions this, go up to Denver and watch what is going on, and we go into a new area to build a massive new regional airport, and we go into all the environmental impact statements and studies and meetings, and all this has to take place, all the paperwork, they probably equal all the construction costs.

We recently, with our chairman, and we are both on the Committee on Public Works, and I applaud the chairman, the gentleman from California [Mr. ANDERSON], for going around and having these infrastructure meetings. They had three out in my area. Our chairman called to our attention that the infrastructure needs of this country are really incredible. The little country of Japan, just last year they spent five times as much in the small country of Japan on the infrastructure needs as we spent in the entire country of the United States of America. So this is one of the few things we can do where we can expand that infrastructure. It is out there. It is just a matter of figuring out a way to make it work. I am very optimistic that this is the first time, probably in the last two decades, that I feel very optimistic that we will be able to resolve the problem. We will get a new level of cooperation, and I applaud the military for coming to the table, and the FAA and all who want to see this become a reality.

Mr. LIGHTFOOT. Mr. Speaker, if the gentleman will yield, one of the points on one of the hearings that we both attended, I think points out one of the problems that we face, and that was up in northwestern Arkansas.

Here is an area with three entrepreneurs who have set all kinds of records. Wal-Mart now is the largest retailer in the world, and J.B. Hunt is the largest truck line, or close, and Tyson Foods, the largest chicken handler in the world. Mr. Walton made the comment that his company will pay $900 million in personal corporate income tax this year. Next year they will be paying right at a billion dollars in personal, corporate income tax, which is roughly one man is paying one one-thousandths of the total revenue this Federal Government takes in, in a year's time. He cannot get a 4-lane road into his community, which has something in the neighborhood of 1,500 trucks a day moving in and out.

Mr. INHOFE. Remember what he said, though? That was Sam Walton, in addition to, after his coming up with the projection of a billion dollars in taxes, that they are going to be paying, he said, "I don't mind doing it." He is willing to do it. Yet, while he is willing to do it, he is wanting something that is relatively small to help the economy so that he can increase

that $1 billion, probably, to $2 billion in a few years, and he is not able to get that.

Of course, I have a selfish interest in that particular road, representing Tulsa, and the road that would open Oklahoma up to northwest Arkansas.

Mr. LIGHTFOOT. The point I was trying to get to, I guess, if we turn people lose with ideas and with dreams, that is one thing we still can do in this country that we cannot do anywhere else in the world. At the same time, there is an obligation, I think, on Government's part, to let people do that, rather than try to stifle it.

Unfortunately, we tend to be moving more and more toward the stifling aspect, and it just seems to me there is some basic economics that are not understood here, that without companies, without employees, without people working and generating revenue, there are no taxes. With no taxes, there is no money to do all these wonderful Government projects.

I think the gentleman and I agree, we as legislators and elected Members of this body have a responsibility to the people, paying those taxes to see that that money is spent in the wisest fashion. Quite frankly, it is not, in my opinion, but this is one small way that we could help that. Become more efficient, and at the same time solve some very serious congestion problems in the system.

Mr. INHOFE. I cannot think of a better note to end this on, since we are coming close to the end of our time. When the gentleman and I were over there in northwest Arkansas, and those three individuals that the gentleman mentioned, Don Tyson, Sam Walton, and J.B. Hunt, the largest in America, the largest in the world in their field, their respective fields, and we talk, about the American dream, they were all dreamers at one time. They started, they did it the hard way, they did it in the hills of northwest Arkansas. Of course, that spills over into my district, and perhaps I am a little more sensitive to this. When we look at the beautiful American dream that has come true with a few people to that extent, and we think of what small things we can do to help them, and yet they are treated like villains, many times, by the type of legislation that is cranked out of our political system, I think it is a disgrace. I think that perhaps these people can help others realize the same dream they had. They just need a little help.

One way to do that, without the expenditure of massive amounts of Federal money and taxpayer money is to do it through a cooperative joint use program between the military and civilian.

Mr. LIGHTFOOT. Mr. Speaker, I appreciate the gentleman's leadership on this issue, and I will do everything I can to help.

Mr. INHOFE. I thank the gentleman for participating.

MISSED OPPORTUNITIES WITH IRAQ

The SPEAKER pro tempore (Mr. PICKETT). Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, since we returned from the August recess on September 10, we have had sort of a crippled session. The overshadowing concern has been the budget summit negotiations that were taking place, and that, of course, is very important. Next to the Mideast war, nothing has dominated the headlines as much as the budget summit and the concerns there.

I think the budget summit is the most important activity, regardless of the kind of headlines it gets. It is the overriding activity that relates to everything and certainly interrelated with the Middle East war. The Mideast war has an impact on the budget summit negotiations.

One problem is we have an administration which is preoccupied with the Middle East war at the time when these very important budget negotiations are going on. We also have an administration which is receiving very high ratings from the American people for its performance in the Mideast war situation. I would also give the administration very high marks for their reaction to the invasion of Kuwait by Saddam Hussein. Saddam Hussein has behaved like a modern-day Hitler, a 1990 Hitler, and we have no choice but to move or to contain that activity. I think the President was wise in calling upon the United Nations, and that the whole world has gotten involved, the Soviet Union in partnership with the United States, and all this bodes well for the future. I hope we are on the way to a new international order where no large country will invade small countries because of their respect for international order, and they know that the entire international community will react and condemn them and try to contain them. I hope Saddam Hussein and Iraq are contained.

The President gets very high marks for the way he reacted to the crisis in the Middle East. I think the President should get low marks, and the more the American people should understand that very expensive containment process now going on with more than 100,000 United States troops, and also tremendous amounts of materials and warships and planes, and et cetera, that would not have been necessary if they had not blundered so in the first place in diplomacy. The messages that were sent to Saddam Hussein from the time we armed Iraq, we participated in the armament of Iraq, along with the Soviet Union. The reason they have so many tanks and so many planes and such a tremendous machine is that we participated in that.

Even more recently, as our diplomats reported on the mood and the activities in the Iraqi capital and the behavior of Saddam Hussein, we missed, on several occasions, the opportunity to discourage that dictator from invading Kuwait.

□ 1550

We sent the wrong signals. If we had more professional diplomats, fewer amateurs and more professional diplomats, if we had more experts, we would have told Saddam Hussein very early in the game before he invaded Kuwait that we would not stand for it and history might be very different at this moment. History might be very much less expensive. The burdens on the American people might be fewer if our diplomacy operation had been handled in a much better way, but we did not do that, so we have the Mideast war. We have the Mideast war now being used in the budget summit negotiations as an excuse for maintaining military expenditures that are not necessary. We have a situation with the budget summit where we are holding on to military expenditures which do not have anything to do with the Mideast war.

The bases that are in Japan and the bases that are in Germany have nothing to do with maintaining troops in the Mideast, but we insist on holding on to them and not including them as part of this budget negotiation process.

We have a budget emergency. We have a very serious situation where even without Gramm-Rudman there is a serious situation of a deficit. We are spending so much more than we are taking in. We need to have some cuts, but instead of proposing to cut Medicare, instead of proposing to cut domestic programs over the next 5 years, all those extreme hardships being placed on the American people, why do the budget summiteers not recognize the emergency and say let us close down the bases in Japan tomorrow. Let us start the process of closing them down. It may take 4 or 5 years, but if you start tomorrow, this year we could probably save $25 billion closing down bases in Japan and Germany.

It was always a stupid policy to continue to maintain bases in Japan and Germany after they had become such prosperous nations and they were able to pay for their own defense. Why have we insisted on continuing to maintain such large bases, which absorb expenditures of more than $100 billion, those overseas bases? So

let us close them down as part of the emergency process.

We have a war in the Middle East. Concentrate on what has to be done in the Middle East and close down the bases in Germany and Japan.

During the budget negotiations, have they considered the CIA and the fact that we do not need such a big CIA? How much we need we can always debate later, but probably tomorrow you could cut the CIA, the Central Intelligence Agency, in half. They expend between $8 billion and $10 billion for what? Why do we need them?

The Russians who have severe economic problems have recognized that, so people in the streets of Russia are calling for the KGB to be dismantled. They are calling for the KGB expenditures to be decreased greatly. Why do we not decrease the KGB expenditures? In Russia, they are calling for that. Why do we not call for the decrease of expenditures for the CIA, which is becoming less and less needed? We need to spy on Iraq. We need to spy on some other nations, but still we do not need that apparatus that we had when the Soviet Union was our primary enemy and we needed very much to get information, although most of the information that is most significant about the Soviet Union has been gathered by satellite, not by the usual traditional sources. The cloak and dagger operations which cost so much money never have been worth what we paid for them.

We should recognize the emergency and overnight reduce the CIA by one-half. With base closings and the CIA, we could generate close to $30 billion or $40 billion if we were to do that, just a few examples of what could happen, but because we have the present crisis in the Mideast, the budget summiteers are paralyzed in their thinking. They are thinking in very traditional ways. They do not want to touch the military. They do not want to touch the CIA, and therefore they are going to go after Medicare. They are going to go after domestic programs.

Not a single child in this Nation who is a part of the WIC Program, the Women, Infants and Children Program, where we provide nutrition programs, milk, cereal, orange juice, not a single baby should have to suffer and get less orange juice or less milk or less cereal because of the Mideast war.

First of all, the sheiks and the kings who are very rich can afford to pay the cost of the war. They cannot pay the cost that the American people have to pay in terms of families being separated, in terms of the hardship and the inconvenience, there are a number of things they can never pay for; but at least with all their billions of dollars they could pay for the cost of the war, and we should not have to reduce any programs for people who are poor in this Nation in order to pay for that war.

We also should ask the sheiks and the kings of Saudi Arabia and Kuwait to give us some kind of rebate on the high fuel costs that we are going to be forced to pay, or are being forced to pay. When the war started, the fuel costs went up. That was price gouging by our own local and national companies and merchants, but we have more to come. People are going to freeze this winter because they cannot afford to pay the high oil costs. Those high fuels costs do not need to be. The Saudi Arabians and the Kuwaitis are profiting from the rise in the price of crude oil. Let them give back that money that they are getting, the difference between the price before the war and the price after the war started, let them give back to the United States to give to poor people, to give to people who cannot afford the cost of these terrific increases in fuel for this winter.

The budget summit relates to the Mideast war. The budget summit relates to everything.

You know, there is a problem in Washington that some things are not talked about at all during that process of the budget summit, but they very much are a part of it. One phantom, one invisible issue on the table at the budget summit which is not being discussed is the savings and loan crisis. The bailout of the savings and loan associations is very much a part of the thinking of the people at the budget summit.

What the administration is trying to do and will not admit it is to make the budget and make the economy safe for the absorption of the tremendous savings and loan bailout cost. We do not talk about it now, but in a few weeks we are going to see a stampede attempted. They are going to attempt to stampede us into approving something related to the bailout, without knowing the full facts, the full ramifications of the impact. Either in a few weeks or in a lameduck session after the November elections, we are going to have to deal with the savings and loan associations as the single biggest domestic expenditure, and yet the budget summit now goes forward. They are talking about cutting domestic expenditures, and yet never mentioning the single biggest domestic expenditure, which is the bailout of the savings and loan associations. The taxpayers' money is being used to make up for the money that the crooks have walked off with already. That is going to cost us over the next 10 years, the most conservative estimate now is $500 billion over the next 10 years. That is the most conservative estimate over the next 10 years.

Also related to the budget summit and the S&L's is the fact that next week we are going to be discussing a crime bill, a bill to deal with crime, mostly crime in the streets. We are giving far too little attention to crime in the bank boardrooms. White collar crime is not given nearly enough attention in the crime bill.

The conservatives on the other side who jump up and down all the time, yelling for the death penalty, have not called for the death penalty on people who are guilty of economic crimes on a massive scale. There are people guilty of economic crimes who have ruined the lives of thousands of people.

Thank God for the prosecutors in California. Charles Keating has finally been treated like the criminal that he is. Charles Keating has finally been arrested. Charles Keating has finally been put in jail. Charles Keating, probably the No. 1 criminal in America at this point, Charles Keating has ruined the lives of far more people than any other criminal in the country. Charles Keating is probably the most obscene man in America, if you define obscenity the way Webster's Dictionary defines obscenity. Obscenity is anything that is morally repugnant. I mention this because Mr. Keating is known as a crusader against pornography. Well, he is the most obscene man in America in that he has been guilty of a moral repugnance on a magnitude far greater than any other American. There are more than 21,000 people, most of them widows, most of them senior citizens, who invested in junk bonds that Mr. Keating sold in the lobbies of his banks.

□ 1600

He deliberately pretended that those junk bonds were secured by Government deposits, Federal deposits secured those junk bonds. That is deliberate fraud. The people, the 21,000 people or more who bought those securities have lost everything. There is no taxpayer guarantee behind those bonds to bail them out; 21,000 people, more than $210 million.

This is an obscene action, just that one act.

But Mr. Keating is guilty of a whole series of activities similar to that, including paying his family millions of dollars for work that his sons-in-law, daughters, wife were supposed to have done.

So thank God for the California prosecutors. They had the integrity, they had the guts to arrest Mr. Keating and call Mr. Keating a criminal. However rich he might have once been, and may still be with his deposits in Swiss banks, Mr. Keating is a criminal. The Justice Department here in Washington cannot bring themselves to deal with the savings and loan association thieves as true criminals.

All they have done is bring civil suits against Mr. Keating. They have civil suits outstanding. That is the best they can do. Mr. Keating has been responsible for the loss of more dollars, millions, billions of dollars, than slick Willie Sutton ever could have gotten away with.

Some of us may remember slick Willie Sutton, the great bank robber. Mr. Sutton was a great bank robber, he has been romanticized as being a very smart man. But slick Willie Sutton never stole in his life—if you add up all the money he stole or tried to steal and got caught—he never reached $1 million in all of his long career.

Incidentally, in all of Willie Sutton's long career, he spent more time in jail in his adult life than he spent out of jail.

He was famous for being able to escape. He failed on more attempts than he succeeded. He has been a romanticized criminal.

He robbed banks and used to tell the prosecutors and tell people in the bank, "Don't worry, the Government insures the money, your money is going to be safe." He was the forerunner of Charles Keating. He knew if the Government is insuring the money, individuals do not have to worry about it, including people in charge of the bank.

That has been the philosophy of the chief executive officers of too many savings and loan associations; because the Government insures the money, the Government is the taxpayer, nobody really cares, they spent and spent and spent. So this is the issue not being discussed.

In the quiet madness that takes place in Washington, and there is sometimes a madness when you have a major issue like the savings and loan associations and the expense that it is going to cost us, $500 billion in the next 10 years, nobody even wants to discuss it at the budget summit. Then there is something radically wrong.

But it is the undiscussed issue, the phantom issue, it is there at the budget table. I am sure the administration has in mind how they are going to maneuver and save as much money as possible off the Medicare recipients and other deserving recipients in order to be able to have more money to put into the savings and loan bailout. They will hit us with that at a later date.

Legislation for the savings and loan bill is being saved for the last-minute stampede, as I said before.

But regardless of whether it is discussed, no matter how much we engage here in Washington in the sin of omission—and the sins of omission are as great as the sins of commission—sins of omission, especially when legislators and public officials and people who have the public trust, when they engage in sins of omission, they certainly take on a devastating, deadly, disastrous character.

We are omitting to deal with it, with this major problem, but it is there, it will not go away.

We have an ongoing problem. The Resolution Trust Corporation is still moving. The Resolution Trust Corporation has told us already that they are broke or they will be out of money by the end of this month.

Remember, we appropriated $50 billion, and they said it was going to be enough; $50 billion was appropriated. That $50 billion, along with the expense of running the Resolution Trust Corporation and all the interest it would absorb is going to come to about $156 billion before it is over.

The $50 billion has run out now, and we are going to be asked for more, and, with the high interest cost, also having an impact on the overall economy.

So the Resolution Trust Corporation is running out of money, and the issue is going on right now no matter how much we ignore it.

The Resolution Trust Corporation is recycling the corruption that was involved in the first place. Many of the same people, the same people who are the cause of the problem, who created this problem, who stole money at the banks in the first place, many of those same executives, those same staff people have been rehired by the Resolution Trust Corporation to solve the problem.

The Resolution Trust Corporation has turned to some of the old boys in the thieves network, resold banks to people whose records—who violated the laws, did not fill out the forms properly, billions of dollars.

We know how closely the IRS checks our tax records. We know how it is to deal with the Government bureaucracy on any matter. You go in for Social Security, and other transaction that involves some small thing with the Government, there is plenty of redtape, lots of forms to fill out. But they just casually gave away 14 savings and loan associations to a man named James Fail, F-a-i-l. That name fits very well with what has been happening in the savings and loan associations.

Mr. Fail, who had a criminal record for an indictment which would have disqualified him from participating in the transaction at all, just did not bother to fill out the form on that matter, and it was overlooked by people all the way to the very top in Washington.

So we have not only the old crooks, we have new crooks being brought into the process of bailing out the savings and loan associations, new kinds of crime being committed every day.

Just last week, it was revealed that the bailout for the savings and loan associations, the transactions which were completed at the end of 1989—remember, there was a great rush by the FSLIC to finish the bailout process, to sell off certain failing banks and do it before December 31, 1989, in order to take advantage of the tax relief that they could get—in that rush they told us they gave away $40 billion in terms of tax writeoffs and Government sweeteners, various things the Government would do for them, those people who bought those banks.

They said $40 billion. We said that is too much.

Now we have discovered it was twice as much, more like $80 billion was given away, $80 billion of the taxpayers' money given away to cover up and take care of a situation which thieves and crooks created in the first place.

The RTC now is following that same pattern. They are recycling the corruption. If you are an old boy and you have been in that network, you can get employed, you will get immediate action. They have no system for hiring which is based on merit. There is no objective system for hiring. Probably there is a lot of partisan activity going on in terms of hiring.

In Texas, where most of the problem has been created, Texas has 70 percent of the banks that failed. Texas has 70 percent of the thievery. Texas is benefiting greatly because the bailout process is bringing all the billions that were stolen back in, to bail out the situation and hiring large numbers of people.

The best job creation program in Texas right now is the Resolution Trust Corporation. They are hiring the same people who made the mess.

The RTC is continuing to give away the taxpayers' money in deals that are not as bad as the deals that took place before December 1989, but the deals that they are continuing to participate in are almost as bad and are very flagrant in terms of the use of taxpayers' money in a careless way.

The RTC is continuing to give away money to people who are not insured. The American people should clearly understand that we have an obligation, we have an obligation to return the money, guarantee that the money will be there for all the depositors who deposited in banks that were part of the Federal system, either the FDIC or the FSLIC system. We have an obligation, and without a doubt we should fulfill that obligation, pay the people, make certain they get their money.

But the RTC is giving away money to people who are not insured, following precedents set by the FDIC. There are some banks that we think are too big to let fail and some depositors, foreign depositors in particular, do not want to lose their money. I do not know where they get the authority for it. I do not understand. I am not on

the Banking Committee. I am not a banker. There are a lot of things I do not understand.

But I want to know where they get the authority to give money to people who do not—whose deposits are not insured.

If you deposited more than $100,000, then anything above $100,000 is not insured. Nevertheless, they are giving the people who deposited above $100,000, they are returning their money too.

The taxpayers are being very generous. The taxpayers are also being generous to foreign investors like the Japanese company which bought a huge golf course in Texas. The golf course was always a little overpriced. They spent $340 million to build the golf course, add swimming pools, riding stables and all of the very best, but it was not a sound investment in the first place.

So when the bank that financed all of that went under, the RTC had jurisdiction over it.

□ 1610

They sold it to a Japanese concern, and the amount they paid for it, the difference between the amount they paid for it and the amount that the taxpayers have to cover, was something like $200 million; $200 million was a gift to this Japanese firm that bought this state of the art golf course, country club, swimming pool complex in Texas.

The RTC, on the other hand, is minimizing prosecutions. The FBI, the Justice Department, the Attorney General; they are all cooperating in a conspiracy. I call it a conspiracy because I think it is deliberate. I think political decisions have been made that there would be a minimum amount of prosecutions of people who are involved in the savings and loan swindle. There would be a minimum prosecution because so many of them belong to the old boys' network, so many of them are political contributors, so many of them are upstanding, upright citizens in their communities, and instead they are stealing the taxpayers blind.

All of these reasons go into looking at crooks who walked off with millions of dollars and saying, "We will not spend the money it takes to track down these people, to pressure them to prosecute them. It is too complicated. We are going to just take these losses."

Nobody has asked the taxpayers if they are willing to take such losses. In fact, the taxpayers have demonstrated that they have far more sense than our Government policymakers. They have far more integrity, far more credibility, in their decisionmaking than the present administration. The taxpayers are quite angry, whereas commentators and politicians want to place the blame on the President for this savings and loan swindle, and they want to place it on Congress. The taxpayers, the people who are the general public, and several polls have shown, that they placed a primary blame on the executives in the savings and loan associations, that nobody made anybody steal money. Nobody made anybody be incompetent. Nobody made anybody dishonest.

Sure, the President, President Reagan deserves a whole lot of responsibility for his deregulation drive, for the removal of constraints. He set up a situation where the maximum opportunities for stealing were created. Congress did not stop it. Congress is guilty partially also.

But the public, the general public, the voters out there, say at least 80 percent of the blame goes to the executives who stole the money, the executives who did not manage the money properly, the banks themselves, and that is the way it should be.

If a hungry child on the streets of my distirct steals a loaf of bread, or a piece of ham or some canned goods, nobody says we blame the system for the child's hunger. The child will be tracked down, caught, and there will be some kind of prosecution. Small amounts. Anybody bothers to rob a grocery store, nobody is going to say he was hungry, and the grocery store set that cash register too close to the street, or they should have locked up at 8 o'clock when the sun was still shining instead of waiting until 9 o'clock so that the crook could come in under cover of darkness. The blame is not placed on the victims. The blame is not placed on the regulators. The blame is not placed on the owner of the store. The blame is placed on the person who went in and said he wanted the money out of the cash register.

Nobody makes a person a thief. No political situation creates an automatic thief. The opportunities are created.

Mr. Keating did not have to behave the way he has behaved. Mr. Keating had a drive to become an empire builder. He has numerous fancy hotels and numerous private villas, all kinds of things that he could have done without. Nobody said he had to do that and, in the process of doing that, steal from the Govenment; in the process of doing that, sell securities in the lobbies of his banks and pretend that those securities were guaranteed. So, the final blame lies on the people who committed the crimes.

Prosecution should not be a secondary concern. Prosecution should be our first concern. If we prosecute vigorously, then we will recover more of the taxpayers' money than we have been able to do so far. So far, small amounts have been able to be recovered because the Attorney General, and I think this is part of administration policy, has minimized prosecution.

The FBI is living a lie when they say they go after bank robbers if they do not go after these white collar bank robbers. The FBI says these cases are very complicated, and they say they cannot do it, they do not have the manpower, so they pick and choose, and, for every one that they investigate, they let a hundred or so others go away.

Look at the record so far in terms of prosecutions. We have a situation which is atrocious. Today we have 21,000 cases referred for investigation to the FBI; 21,000 cases, only 403 defendants have been charged. Of the 403 defendants charged, 316 have been convicted. Out of 316 convicted, 77 percent have been sentenced to prison, but the prison terms have been fairly short.

As my colleagues know, we have a situation where crime does pay. We are demonstrating that, if someone is a white collar criminal, if someone is within the banking system, crime does pay.

The best avenue toward opening up new ways to recover money is to prosecute these criminals and prosecute them vigorously. If we prosecute, and prosecute vigorously, they will turn. Some will give us information on others. If we prosecute, and prosecute vigorously, these white collar criminals will find they know where some of the money is kept. They will get it out of the Swiss banks. They will get it out of the vaults. We would recover far more money if we treat white collar criminals like we treat all other criminals.

Why not treat them like we treat all other criminals? Why is there a double standard?

As my colleagues know, they have actually stolen so much more. They have actually tampered with the moral foundation of the Nation. They are much worse criminals.

When the crime bill comes before us next week and we hear the calls for the death penalty, my colleagues know I will be voting against the death penalty. I am not in favor of the death penalty. I do not think it does any good at all for society. It just dehumanizes society. I will not get into all of that at this point, but I want to know why the same people who yell for the death penalty in so many cases will not also yell for the death penalty for a person who has stolen billions of dollars and ruined the lives of thousands of people. I will certainly insist that we call for life in prison.

Mr. Speaker, I want to applaud the Members of the other body because, when they passed their crime bill, they insisted that kingpins in the S&L swindle, those people who were in po-

sitions where they control a lot of decisionmaking and oversaw situations where billions of dollars were lost, those people should get life in prison. Life in prison should be at the top of the sentencing structure. I am 100 percent for that provision. We should treat the S&L criminals on the magnitude of their crimes. They are not just sins. They are crimes.

Last week I introduced a bill, an amendment, a bill which amends the bill, our S&L bailout bill, which calls for drug tests to be administered to all the executives of failed savings and loan associations. What I told some of my colleagues was that I wanted to introduce such a bill, and they were horrified. They asked, "Why do you need that?"

Mr. Speaker, we need that because we have criminals routinely subjected to drug tests. Well, when an S&L fails, the board members, the chief executive, the chief staff, they are not automatically criminals. There may be a situation where it failed because of other reasons, but I think that, just as we require when a plane is wrecked and there is a plane crash, or when there is a crash of a train, we require that the engineer and the people who are involved must take drug tests, and we require that the pilots involved in a crash, if they live, they must take drug tests; so, I am saying, "When a failed savings and loan association, when that occurs, then we have good reason to act for a drug test."

□ 1620

In fact, I wrote a little poem, which I will not quote all of, but some of it goes as follows:

Just like we treat the rest
After each bank calamity
Make the big shots take the bottle test . . .
Losing millions on each deal
They had to be on a poison pill . . .
CEO's just had to be high
Everyday investing in pie-in-the-sky
Spending money by the millions
Buying intricate Persian rugs
These loonies must've been doing drugs. . . .
Babies and seniors will suffer
From this monstrous mega-sin
Masterminded by greed addicted men.
For their awful habits
The bills have now come due
The inept IRS will be sending them out
For payment by me and by you.
Finally the overdoses have halted
But for decades to come
The general welfare will be defaulted. . . .

This is as a result of what these people have done. Therefore, let them take drug tests, just like the rest. Let us find out whether or not their activities, which were so bizarre, the kinds of ways in which they spent money on objects, on yachts, on expensive paintings, on the very finest silver, on golden faucets and bathroom fixtures, it makes me think that they must have been on something. We could probably search the records of those who were convicted and find that there is quite a bit of evidence supporting my suspicion. Let us just talk about one case.

Duayne D. Christensen, a founder and chairman of North American Savings and Loan Association of Santa Ana, CA, both Duayne D. Christensen and his chief assistant and mistress, Janet McKinzie, stole approximately $40 million from that thrift, that savings and loan, between 1983 and 1987.

These are not conjectures: This is the case that has been handled, it has been prosecuted.

In 1987, the FSLIC assumed control of the thrift because things were going so badly. Mr. Christensen was a dentist. He and McKinzie, according to North America employees, consumed paper bags full of prescription drugs every week, and were often visibly high. Everybody understood they were on drugs during office hours. They had trouble just walking about.

Mr. Christensen killed himself, or he was killed, I will not say he killed himself, when he drove his Jaguar into a bridge support on the day that the bank authorities took over his savings and loan association. Ms. McKinzie is now on trial for racketeering. Her defense is that she was too high on drugs to know what she was doing. That is what her defense is.

This is a small operation. Liquidating the Northern America Savings and Loan Association which Christensen and McKinzie headed only cost the taxpayers $120 million.

This is not a $1 billion operation like Mr. Keating's. Charles Keating's operation eventually will cost the taxpayers at least $2 billion. At least $2 billion. I think Mr. Keating should be given a drug test. I think that everybody else involved in the savings and loan situation should be given a drug test. I think we should lay aside our scruples about white-collar professionals and treat them like we treat any other thugs, street criminals, and we would get a different result.

It is not that I want to be vindictive. It is not that I want to make these educated men from Harvard and Yale and the best schools in the Nation, our best and our brightest minds, MBA's, accountants, lawyers, it is not that I want to make life difficult for them. I am not engaged in class warfare. But I think if you treat them like criminals and you send that message to the whole lot, you send that message to the American people, we will get a different result. We will start to have more prosecutions, start to have more confessions, start to have more recoveries.

The ultimate aim is to recover some of the billions that have been stolen.

It is not farfetched to assume that some of them were drug addicts, or were on drugs. Many of them were criminals. Clearly many of them were criminals and consorting with criminals.

Read the following books. "The Inside Story of the S&L Mess" by Paul Zane Pilzer with Robert Deitz, published by Simon & Schuster. Read "The Looting of America's Savings and Loans" by Stephan Pizzo, Mary Fricker, and Paul Muolo.

This clearly focuses on the involvement of organized crime, the intricate involvement of organized crime.

In my own State of New York a recent failed savings and loan association clearly was associated with organized crime. There is a whistleblower from the Federal Government who was working for the FSLIC who called attention to this 2 years before the bank failed. She was fired. We are trying to get her a job in the ROTC, and she is being told, your record shows that you are not the kind of person we want.

The third book to read is, "How Did It Happen?" by Edward J. Kane. Of course, there are numerous other papers that have been written, and many of them will show that there were not shady practices by reputable people, or not just malfeasance or mismanagement, although that happened on a large scale, but also organized crime saw the weakness. Organized crime had chains and networks of operations roaming back and forth to each other, raising the price of worthless land and worthless buildings. They probably increased their capital assets by $1 trillion during the last 10 years.

Organized crime that perpetrates the drugs, that perpetrates the prostitution, that perpetrates all kinds of activities which eat away at the moral fiber of our Nation, that organized crime was given a big boost by the looseness of the savings and loan association situation. But Mr. Thornburgh, our Attorney General, wants to go slow. He wants to take it easy on prosecution. He wants to make a minimum amount of prosecutions.

Conservatives on the other side of the aisle and conservatives in general have not been very vocal in their denunciation of the kinds of activities that took place in the savings and loan associations. There is too much unstated protection, too much silence which protects the "old boys network" which walked off with billions and billions of dollars, which are guilty of the greatest obscenities, that committed morally repugnant acts on a major scale. They just plain stole money. They are thieves, white collar professional thieves. They may go to church, they may wear the best of suits, they may drive the nicest cars, they may live in the best neighborhoods, but they are thieves, and we should treat them like thieves in order to get to the bottom of the greatest scandal this

Nation ever faced, a scandal which will have an impact on everything we do in Washington for the next 10 to 20 years.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MCDADE (at the request of Mr. MICHEL), for today, on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special order heretofore entered, was granted to:

(The following Members (at the request of Mr. INHOFE) to revise and extend their remarks and include extraneous material:)

Mr. GINGRICH, for 60 minutes each day, on October 1, 2, 3, 4, 5, 8, 9, 10, 11, and 12.

Mr. BURTON of Indiana, for 60 minutes, today.

Mr. CRANE, for 60 minutes, on October 2.

Mr. WALKER, for 5 minutes, today.

Mr. INHOFE, for 60 minutes each day, on September 24, 25, 26, 27, and 28.

(The following Members (at the request of Mr. OWENS of New York) to revise and extend their remarks and include extraneous material:)

Mr. ALEXANDER, for 5 minutes, today.

Mr. HOAGLAND, for 5 minutes, today.

Mr. CROCKETT, for 5 minutes, today.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. DURBIN, for 60 minutes, today.

Ms. PELOSI, for 60 minutes each day, on September 25, 26, and 27.

Mr. GAYDOS, for 60 minutes each day, on September 25 and 26.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mrs. LOWEY of New York to revise and extend on Aucoin/Machtley/Fazio amendment to H.R. 4739.

(The following Members (at the request of Mr. INHOFE) and to include extraneous matter:)

Mrs. ROUKEMA in two instances.

Mr. BROOMFIELD.

Mr. LOWERY of California.

Mr. MOORHEAD.

Mr. MCDADE.

Mr. MICHEL.

Mr. HASTERT.

Mr. BLAZ.

Mr. MACHTLEY.

(The following Members (at the request of Mr. OWENS of New York) and to include extraneous matter:)

Mrs. KENNELLY.

Mr. MCMILLEN of Maryland.

Mr. VENTO.

Mr. JACOBS.

Mr. MURTHA.

Mr. HAMILTON.

Mr. YATRON.

Mr. NEAL of Massachusetts.

Mr. DONNELLY.

Mr. DYSON.

Mr. BILBRAY.

Mr. UDALL.

Mr. RICHARDSON.

Mr. SOLARZ.

Mr. DORGAN of North Dakota.

Mrs. UNSOELD.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 568. Joint resolution designating the week beginning September 16, 1990, as "Emergency Medical Services Week."

SENATE ENROLLED BILL AND JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled bill and joint resolution of the Senate of the following titles:

S. 2205. An act to designate certain lands in the State of Maine as wilderness; and

S.J. Res. 313. Joint resolution designating October 3, 1990, as "National Teacher Appreciation Day."

ADJOURNMENT

Mr. OWENS of New York. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 29 minutes p.m.) under its previous order, the House adjourned until Friday, September 21, 1990, at 10 o'clock a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3905. A letter from the Secretary of the Navy, transmitting notification of the proposed transfer of the obsolete destroyer *Turner Joy* (DD 951) to the Bremerton Historic Ships Association, Bremerton, WA, pursuant to 10 U.S.C. 7308; to the Committee on Armed Services.

3906. A letter from the Under Secretary for Policy, Department of Defense, transmitting on behalf of the President, the U.S. Government data base on NATO and Warsaw Pact forces and equipment; to the Committee on Armed Services.

3907. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting corrections in the materials submitted to the Senate Foreign Affairs Committee by G. Philip Hughes, Ambassador-designate to Barbados; to the Committee on Foreign Affairs.

3908. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3909. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3910. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3911. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notification of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3912. A letter from the Secretary of Interior, transmitting a copy of the Onshore Oil and Gas Leasing Report, fiscal year 1989, pursuant to 30 U.S.C. 226 nt.; to the Committee on Interior and Insular Affairs.

3913. A letter from the Secretary of Commerce, transmitting the Department's Status Report of the Clearinghouse for State and Local Initiatives on Productivity, Technology and Innovation, pursuant to section 5122(d) of the Omnibus Trade and Competitiveness Act of 1988; to the Committee on Science, Space, and Technology.

3914. A letter from the Secretary of Energy, transmitting a report entitled, "Alternative Energy Research and Development Strategies in the Context of Global Climate Change"; to the Committee on Science, Space, and Technology.

3915. A letter from the Chairman, Federal Deposit Insurance Corporation, transmitting the review of the 1988 insolvent institution cases resolved by the FSLIC, including structuring any agreements, pursuant to Public Law 101-73, section 501(a) (103 Stat. 387); jointly to the Committees on Banking, Finance and Urban Affairs and Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GONZALEZ: Committee on Banking, Finance and Urban Affairs. H.R. 2840. A bill to reauthorize the Coastal Barrier Resources Act, and for other purposes; with amendments (Rept. 101-657, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 468. Resolution providing for the consideration of H.R. 4450. A bill to improve management of the coastal zone and enhance environmental protection of coastal zone resources, by reauthorizing and amending the Coastal Zone Management

Act of 1972, and for other purposes (Rept. 101-718). Referred to the House Calendar.

Mrs. SLAUGHTER of New York: Committee on Rules. House Resolution 469. A resolution providing for the consideration of H.R. 5314. A bill to provide for the conservation and development of water and related resources, to authorize the United States Army Corps of Engineers civil works program to construct various projects for improvements to the Nation's infrastructure, and for other purposes (Rept. 101-719). Referred to the House Calendar.

Mr. GONZALEZ: Committee on Banking, Finance and Urban Affairs. H.R. 486. A bill to amend the Defense Production Act of 1950 to revitalize the defense industrial base of the United States, and for other purposes, with an amendment (Rept. 101-724). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on the Judiciary. H.R. 2937. A bill for the relief of Rodney E. Hoover (Rept. 101-720). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 4356. A bill for the relief of John Barren (Rept. 101-721). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. House Resolution 308. A resolution referring the bill (H.R. 3893) for the relief of Banfi Products Corp. to the chief judge of the U.S. Claims Court, with amendments (Rept. 101-722). Referred to the Committee of the Whole House.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing and bills referred as follows:

Mr. BROOKS: Committee on the Judiciary. H.R. 4300. A bill to amend the Immigration and Nationality Act to revise the system of admission of aliens on the basis of family reunification and to meet identified labor shortages, and for other purposes, with an amendment; referred to the Committee on Ways and Means for a period ending not later than September 25, 1990, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(v), rule X (Rept. 101-723, Pt. 1). Ordered to be printed.

Mr. BEILENSON: Permanent Select Committee on Intelligence. H.R. 5422. A bill to authorize appropriations for fiscal year 1991 for intelligence and intelligence-related activities of the U.S. Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and, for other purposes, with amendments; referred to the Committee on Armed Services for a period ending not later than September 28, 1990, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of that committee pursuant to clause 1(c), Rule X (Rept. 101-725, Pt. 2). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JONES of North Carolina:

H.R. 5665. A bill to reauthorize and amend the Coastal Zone Management Act of 1972, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. MILLER of California:

H.R. 5666. A bill to authorize grants and contracts for projects providing primary pediatric care to disadvantaged and homeless children, and for other purposes; to the Committee on Energy and Commerce.

By Mr. COOPER (for himself and Mr. ROGERS):

H.R. 5667. A bill to amend the Water Resources Development Act of 1974 to establish a deadline for the transfer of jurisdiction of the Big South Fork National River and Recreation Area from the Secretary of the Army to the Secretary of the Interior, and for other purposes; jointly, to the Committees on Public Works and Transportation and Interior and Insular Affairs.

By Mr. DONNELLY:

H.R. 5668. A bill to amend the Internal Revenue Code of 1986 to treat options held by certain tax-exempt organizations to acquire low-income housing in the same manner as such options held by tenants of the housing; to the Committee on Ways and Means.

By Mr. DORGAN of North Dakota:

H.R. 5669. A bill to authorize the establishment of the Fort Totten National Historic Site; to the Committee on Interior and Insular Affairs.

By Mr. FEIGHAN (for himself, Mr. HYDE, Mr. YATRON, Mr. DOUGLAS, Mr. KOSTMAYER, Mrs. MEYERS of Kansas, Mr. GALLEGLY, Mr. FRANK, Mr. MCCOLLUM, Mr. SENSENBRENNER, Mr. SMITH of New Jersey, Mr. GILMAN, Mr. BERMAN, Mr. SMITH of Florida, and Mr. LEVINE of California):

H.R. 5670. A bill to provide a new civil cause of action in Federal law for international terrorism that provides extraterritorial jurisdiction over terrorist acts abroad against U.S. nationals; to the Committee on the Judiciary.

By Mr. GORDON (for himself and Mr. SLATTERY):

H.R. 5671. A bill to protect the public interest by providing for regulation and oversight of the development and application of the technology known as audiotext, and for other purposes; to the Committee on Energy and Commerce.

By Mr. HASTERT:

H.R. 5672. A bill to amend title 10, United States Code, to provide that members of the Armed Forces who are Sikhs shall be allowed to wear turbans, and to have beards and hair lengths, in accordance with the dictates of the Sikh faith; to the Committee on Armed Services.

By Mrs. KENNELLY:

H.R. 5673. A bill to amend the Internal Revenue Code of 1986 to disallow losses from certain exchanges of debt pools, and for other purposes; to the Committee on Ways and Means.

By Mr. KOLBE:

H.R. 5674. A bill to provide for the appointment of two additional bankruptcy judges for the judicial district of Arizona; to the Committee on the Judiciary.

By Mr. KOLBE (for himself and Mr. UDALL):

H.R. 5675. A bill to authorize expansion of the Saguaro National Monument; to the Committee on Interior and Insular Affairs.

By Mr. LAFALCE (for himself, Mr. NOWAK, Mr. HORTON, Mr. HOUGHTON, Mr. PAXON, and Ms. SLAUGHTER of New York):

H.R. 5676. A bill to authorize the use of the symbols and emblems of the 1993 Summer World University Games; to the Committee on the Judiciary.

By Mr. McDADE:

H.R. 5677. A bill to establish the National Commission on Entrepreneurial Education; to the Committee on Education and Labor.

By Mr. MACHTLEY:

H.R. 5678. A bill to direct the Secretary of State, together with the Attorney General, to enter into negotiations with other countries to provide for the incarceration in those countries of illegal aliens in the United States imprisoned for Federal offenses; jointly, to the Committees on Foreign Affairs and the Judiciary.

By Mr. MADIGAN (for himself, Mr. WAXMAN, Mr. LENT, Mr. TAUKE, and Mr. NIELSON of Utah):

H.R. 5679. A bill to revise and extend the Developmental Disabilities Assistance and Bill of Rights Act; to the Committee on Energy and Commerce.

By Mr. MARTINEZ:

H.R. 5680. A bill to settle the Black Hills claim with the Sioux Nation of Indians; to the Committee on Interior and Insular Affairs.

By Mrs. MEYERS of Kansas (for herself, Mr. SMITH of Vermont, and Mrs. SCHROEDER):

H.R. 5681. A bill to provide a method of locating private and Government research on environmental issues by geographic location; to the Committee on Science, Space, and Technology.

By Mr. MOORHEAD:

H.R. 5682. A bill to clarify the authority of the Commissioner of Patents and Trademarks to conduct educational assistance programs at the Patent and Trademark Office in the Department of Commerce, and to exclude the benefits under these programs from the gross income of employees of the Patent and Trademark Office, and for other purposes; jointly, to the Committees on the Judiciary and Ways and Means.

By Mr. MORRISON of Connecticut:

H.R. 5683. A bill to amend the Internal Revenue Code of 1986 to reinstate the windfall profit tax on domestic crude oil; to the Committee on Ways and Means.

By Mr. RINALDO:

H.R. 5684. A bill to amend the Internal Revenue Code of 1986 to provide that certain expenses of travel, meals, and lodging of members of the National Guard or Reserve units of the Armed Forces will be allowable as deductions in computing adjusted gross income; to the Committee on Ways and Means.

By Mr. BENNETT:

H. Con. Res. 372. Concurrent resolution to express the sense of Congress that operations of the Armed Forces in the Persian Gulf should be conducted under the jurisdiction of a United Nations command, and that Congress must approve any offensive military action against Iraq; to the Committee on Foreign Affairs.

By Mr. DORGAN of North Dakota:

H. Con. Res. 373. Concurrent resolution in opposition to the President's proposal to forgive the military assistance debt owed to

the United States by the Government of Egypt; to the Committee on Foreign Affairs.

By Mr. WELDON:

H. Con. Res. 374. Concurrent resolution expressing the sense of the Congress with respect to Saddam Hussein and other Iraqi leaders; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

500. By the SPEAKER: Memorial of the legislature of the State of California, relative to earthquake programs; to the Committee on Banking, Finance and Urban Affairs.

501. Also, memorial of the legislature of the State of California, to the Committee on Merchant Marine and Fisheries.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. SCHUMER introduced a bill (H.R. 5685) to waive the foreign residency requirement for the granting of a visa to Amanda Vasquez Walker, which was referred to the Committee on the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 201: Mr. LIPINSKI and Mr. PERKINS.
H.R. 211: Mr. MADIGAN.
H.R. 214: Mr. TRAXLER.
H.R. 1132: Mr. PARRIS.
H.R. 1400: Mr. NOWAK, Mr. SMITH of Vermont, Mr. SOLARZ, Mr. SCHEUER, Mr. TOWNS, and Mr. LENT.
H.R. 1515: Mr. SCHUMER.
H.R. 1784: Mr. EMERSON and Ms. SNOWE.
H.R. 2816: Mr. GORDON.
H.R. 2840: Mr. FISH.
H.R. 3251: Mr. FISH.
H.R. 3267: Mr. PORTER.
H.R. 3289: Mr. JAMES.
H.R. 3776: Mr. WAXMAN.
H.R. 3864: Mr. FISH.
H.R. 3906: Mr. JOHNSTON of Florida, Mr. LIPINSKI, Mr. MCEWEN, and Mr. FAUNTROY.
H.R. 3914: Mr. WAXMAN.
H.R. 3924: Mr. HERGER.
H.R. 4184: Mr. GUARINI and Mr. FASCELL.
H.R. 4224: Mr. KASTENMEIER.
H.R. 4264: Mr. DYSON, Mr. WEISS, Mr. COURTER, Mr. TRAFICANT, Mrs. LOWEY of New York, Mr. WOLPE, and Mr. FISH.
H.R. 4297: Mr. ECKART.
H.R. 4424: Mr. SOLOMON and Mr. INHOFE.
H.R. 4475: Mr. SIKORSKI, Mr. HUCKABY, Mrs. BOXER, Mr. NELSON of Florida, Mr. HUNTER, Mr. HOPKINS, Mr. EMERSON, Mr. BOEHLERT, Mr. DORNAN of California, Ms. LONG, Mr. MCMILLAN of North Carolina, Mr. FOGLIETTA, Mrs. LOWEY of New York, Mr. MFUME, Mrs. BENTLEY, Mr. BENNETT, Mr. SISISKY, Mr. ROGERS, Mr. CARDIN, Mr. RHODES, Mr. SAXTON, Mr. STANGELAND, Mr. GOODLING, Mr. WATKINS, Mr. KOLBE, Mr. WOLF, and Mr. WILSON.
H.R. 4506: Mr. CROCKETT, Mr. SOLARZ, Mr. LEWIS of Georgia, Mr. FOGLIETTA, Mrs. BOXER, and Mr. DWYER of New Jersey.
H.R. 4690: Mr. LEATH of Texas, Mr. OLIN, and Mr. LIPINSKI.
H.R. 4752: Mr. DAVIS.
H.R. 4830: Mr. CLAY and Mr. SHAW.
H.R. 4873: Mr. JOHNSON of South Dakota.
H.R. 4972: Mr. FISH and Mr. CLINGER.
H.R. 4975: Mr. MADIGAN.
H.R. 4994: Mr. FISH and Mr. PALLONE.
H.R. 5007: Mrs. BYRON.
H.R. 5011: Mr. SUNDQUIST and Mr. FISH.
H.R. 5041: Mr. GOSS.
H.R. 5097: Mr. PAYNE of Virginia.
H.R. 5217: Mr. LANCASTER and Mr. FISH.
H.R. 5226: Mr. BONIOR, Mr. RANGEL, Mr. LIPINSKI, and Mr. EVANS.
H.R. 5231: Mr. MILLER of California, Mr. STOKES, Mrs. KENNELLY, Mr. HAWKINS, Mr. MILLER of Washington, and Mr. LEHMAN of Florida.
H.R. 5288: Mr. MOODY.
H.R. 5297: Mr. MCGRATH.
H.R. 5302: Mr. BLAZ.
H.R. 5340: Mr. CLINGER.
H.R. 5364: Mr. MADIGAN.
H.R. 5428: Mr. BRUCE, Mr. BUSTAMANTE, Mr. HASTERT, Mr. HAYES of Illinois, Mr. HYDE, Mr. PORTER, Mr. RICHARDSON, Mr. ROSTENKOWSKI, Mr. RUSSO, and Mr. SAVAGE.
H.R. 5434: Mr. OWENS of New York, Mrs. COLLINS, Mr. EVANS, Mr. FOGLIETTA, Mr. LEWIS of Georgia, Mr. ECKART, Mr. MCNULTY, and Mr. DEFAZIO.
H.R. 5468: Mr. RAVENEL, Mr. HOCHBRUECKNER, Mr. ECKART, Mr. JONTZ, Mr. KOLTER, Mr. KILDEE, and Mr. JOHNSON of South Dakota.
H.R. 5480: Mr. PELOSI, Mr. LEWIS of Georgia, Mr. WALSH, Mrs. UNSOELD, Mr. JAMES, and Mr. FRANK.
H.R. 5481: Ms. ROS-LEHTINEN, Mr. GALLEGLY, Mr. LEWIS of Florida, and Mr. ROE.
H.R. 5489: Mr. HEFLEY.
H.R. 5580: Mr. WALGREN and Mr. ROE.
H.R. 5585: Mr. PETRI, Mr. BARTON of Texas, Mr. HOUGHTON, Mr. GALLO, Mr. DERRICK, Mrs. JOHNSON of Connecticut, Mr. WELDON, Mrs. MEYERS of Kansas, Mr. DREIER of California, Mr. SCHUETTE, Mr. HEFLEY, Mr. GALLEGLY, Mr. SKEEN, Mr. KYL, Mr. CRANE, Mr. SOLOMON, Mr. GOODLING, Mr. KOSTMAYER, Mr. BILIRAKIS, Mr. BALLENGER, Mr. MCCANDLESS, Mr. BROWN of Colorado, Mr. FISH, Mr. INHOFE, Mr. HANSEN, Mr. JACOBS, Mr. BUNNING, and Mr. RAVENEL.
H.R. 5603: Mrs. MORELLA.
H.R. 5625: Mr. RAHALL.
H.J. Res. 439: Mr. FISH.
H.J. Res. 509: Mr. BOEHLERT, Mr. BUECHNER, Mr. BARTLETT, Mr. FISH, Mr. CONTE, and Mrs. LOWEY of New York.
H.J. Res. 543: Mr. RITTER, Mr. YOUNG of Florida, and Mr. BRUCE.
H.J. Res. 566: Mr. SMITH of New Jersey, Mr. PAXON, Mr. DEFAZIO, Mr. TAUZIN, Mr. PALLONE, Mr. MCGRATH, Mr. STANGELAND, Mrs. PATTERSON, Mr. CLINGER, Mr. PASHAYAN, Mr. MCDADE, Mr. COLEMAN of Texas, Mr. MRAZEK, Mr. HANSEN, Mr. BOEHLERT, Mr. QUILLEN, and Mr. WISE.
H.J. Res. 570: Mr. COURTER, Mr. CARPER, Mr. STARK, Mr. MILLER of Washington, Mr. WHEAT, Mr. MORRISON of Connecticut, Mr. MILLER of California, Mr. MURTHA, Mr. SAVAGE, Mr. KOLBE, Mr. STEARNS, Mr. PAXON, Mr. IRELAND, Mr. BOEHLERT, Mr. BONIOR, Mr. JENKINS, Mr. CLINGER, Mr. SCHEUER, Mr. HILER, Mr. MCCANDLESS, Mr. BROWN of California, Mr. LEHMAN of California, Mr. SYNAR, Mr. WALSH, Mr. NOWAK, Mr. LEACH of Iowa, Mr. JOHNSON of South Dakota, Mr. GOODLING, Mr. DEFAZIO, Mr. KENNEDY, Mr. DYSON, Ms. LONG, Mr. OBERSTAR, Mr. LIGHTFOOT, Mr. HASTERT, and Mr. ROWLAND of Connecticut.
H.J. Res. 579: Mr. FISH, Mrs. LOWEY of New York, Mr. BOEHLERT, Mr. ENGEL, Mr. PAYNE of New Jersey, Mr. CLINGER, Mr. HOUGHTON, Mr. OWENS of New York, Mr. HOCHBRUECKNER, Mr. LIPINSKI, Mr. MCGRATH, Mr. MCHUGH, Mr. NOWAK, Mr. SOLARZ, Mr. SERRANO, Mr. FLAKE, and Mr. MRAZEK.
H.J. Res. 584: Mr. SMITH of Texas, Mr. MCDERMOTT, Mr. FISH, Mrs. BOGGS, Mr. PAYNE of New Jersey, Mr. FRENZEL, Mr. LEATH of Texas, Mr. DEWINE, Mr. MADIGAN, Mr. MCDADE, Mr. DAVIS, Mrs. MARTIN of Illinois, Mr. HUGHES, Mr. HARRIS, Ms. SNOWE, Mr. BUECHNER, Mr. ACKERMAN, and Mrs. BYRON.
H.J. Res. 602: Mr. MARKEY and Mr. WHEAT.
H.J. Res. 613: Mr. FISH, Mr. SPRATT, Mr. MORRISON of Washington, Mr. JENKINS, Mr. CLINGER, Mr. APPLEGATE, Mr. MCEWEN, Ms. PELOSI, Mr. KASICH, Mr. DARDEN, Mr. CARPER, Mr. FOGLIETTA, Mr. DICKS, Mr. SUNDQUIST, Mr. LENT, Mr. MCHUGH, Mr. WEISS, Mr. MOODY, Mr. DICKINSON, Mr. GUNDERSON, Mr. NATCHER, Mr. QUILLEN, Mr. HUTTO, Mr. ASPIN, Mr. TAUKE, Mr. MCCLOSKEY, Mr. SISISKY, Mr. GOODLING, and Mr. PETRI.
H.J. Res. 640: Mr. PARRIS.
H. Con. Res. 246: Mr. DURBIN.
H. Con. Res. 336: Mr. DEFAZIO, Mr. MILLER of California, Mr. SIKORSKI, Mr. EVANS, Mr. BATES, Mr. BROWN of California, and Mr. JACOBS.
H. Con. Res. 357: Mr. FISH and Mr. KOLTER.
H. Con. Res. 366: Mr. RHODES, Mr. BALLENGER, Mr. SHAW, Mr. WALGREN, Mrs. COLLINS, Mr. FAWELL, Mr. SPENCE, Mrs. BOXER, Mr. GALLEGLY, Mr. MILLER of Ohio, Mr. RAHALL, and Mr. DEFAZIO.
H. Res. 314: Ms. MOLINARI.
H. Res. 451: Mr. BUNNING, Mr. BALLENGER, Mr. DOUGLAS, Mr. GOSS, Mr. HANCOCK, Mr. ROHRABACHER, and Mr. STEARNS.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 4532: Mr. ROSE.
H.R. 5560: Mr. ROSE.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

231. The SPEAKER presented a petition of the City Council of the City of Compton, CA, relative to the council's opposition to the elimination of State and local tax deductibility; which was referred to the Committee on Ways and Means.

EXTENSIONS OF REMARKS

FORT TOTTEN NATIONAL HISTORIC SITE

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. DORGAN of North Dakota. Mr. Speaker, I rise today to introduce legislation which would authorize the designation of the Fort Totten State Historic Site, on the shores of Devils Lake, be declared a national historic site.

Fort Totten is one of the best preserved frontier military posts in the trans-Mississippi West. It stands as a monument to the long-standing relationship between the U.S. Government and the American Indians. Fort Totten's history reflects the Federal responses to the Indian question.

In 1862, a combination of white harassment, broken treaties, and an absence of military troops due to the Civil War caused the great Sioux uprising. Congress then abrogated all existing treaties and sent Gen. Harry Hastings Sibley to quash the rebellion. As a result of this action many Sioux bands migrated to the Devils Lake area for security. The Sioux then proceeded to attack trade, supply, and travel routes. The War Department saw this as a major threat to the security of the white people in the Devils Lake area and to the expanding agricultural frontier. In 1867, under the direction of Capt. Samuel A. Wainwright, the 31st Infantry built Fort Totten about 900 feet from the shore of Devils Lake.

In 1890, because of the relative calm of the region, the fort was closed and placed under the jurisdiction of the U.S. Government to be used as a mission school. The establishment of this mission school shortly preceded the initiation of a national policy that the Federal Government take responsibility to furnish primary and secondary education for all Indian children of school age residing on the reservation. This policy was set at an annual meeting at the posh Catskills resort called Lake Mohonk, and was called the Mohonk Conference. The conference called for a comprehensive plan for Indian education.

Fort Totten continued as a combination day and boarding school during 1934 to 1935 after which its function was expanded to include a preventorium for children with tuberculosis. Teachers as well as nurses and a doctor were staff members for the new institution. The preventorium was implemented by the National Government out of their concern for Indian health and to control the spread of tuberculosis. The day school then officially closed in 1937 in order to devote more time to health care. After the 5-year trial period for the preventorium was over in 1940, Fort Totten was reverted back to a day and boarding school.

On March 6, 1959, a concurrent resolution was passed by the North Dakota Senate to accept the Fort Totten site from the U.S. Department of the Interior. The North Dakota State Historical Society was then charged with its oversight and maintenance.

The Fort Totten State Historic Site consists of approximately 9.81 acres and is located within the boundaries of the Fort Totten Indian Reservation. The area owned by the State of North Dakota was originally the drill and parade area and is enclosed by a square of buildings. Except for one company barracks the square proper described above is exactly as it was when the post was closed in 1890.

The existing structures that comprise the Fort Totten Historic Site are of great historical value. The adjutant's office retains much of its original character and depicts 19th century army administration. The hospital is one of the few surviving examples of 19th century army hospitals.

The North Dakota State Historical Society since becoming trustee in 1960 has maintained the 16 remaining buildings while publicizing the site and its history. The society has restored much of the site and developed an interpretive center that includes exhibits and concessions. Although the site has been recognized for its State and regional history, it should not be overlooked for the contribution it has made in the history of the United States and its governmental policies in regards to the American Indian.

The bill I am introducing today would authorize the acquisition, by donation, of the Fort Totten Historic Site and establish it as a National Historic Site. Fort Totten has significant historical importance and I urge any colleagues to support this bill.

THE A-10 AIRCRAFT

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. UDALL. Mr. Speaker, our Nation has witnessed the largest military deployment since the Vietnam war. The Department of Defense has performed admirably in marshaling a force capable of defending our troops and allies in the region. The front line of that defense will be the sturdy, capable A-10 Thunderbolt II aircraft.

The A-10 aircraft is an integral part of our defense posture in the Middle East because of its ability to stop a modern tank in its tracks. With the power of a high speed 7-barrel Gatling-type gun capable of firing 3,900 armor piercing rounds per minute, the A-10 is well-equipped for the desert warfare our military leaders anticipate. The A-10, known lovingly to its pilots and crew as the Warthog, is the first Air Force plane which was specifically designed for close air support for ground forces. Its deployment in Saudi Arabia allows our military strategists to ensure the air cover of United States troops, should Iraq attack our troops. With the short takeoff and landing capability of the A-10, it has proved useful in an area where other aircraft might not so easily be accommodated.

My home town, Tucson, AZ, is proud to be the site for the training of pilots on A-10 aircraft. Hundreds of pilots each year arrive at the Davis-Monthan Air Force Base to become qualified Warthog pilots. The temperate climate of Tucson allows for year-round training. Open skies and nearby firing ranges provide excellent conditions for A-10 desert training.

Mr. Speaker, the mission of the A-10 was thought to be to repel an attack by Warsaw Pact tanks. When that threat diminished, there was talk of eliminating the A-10 from our inventory. There has also been examination by the Air Force of closing down the Davis-Monthan Air Force Base. The recent crisis in the Middle East, I believe, illustrates the folly of those actions. I believe that American troops are more secure with the Warthog above their heads.

CONGRATULATIONS CHRISTINA

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. MICHEL. Mr. Speaker, tomorrow, Christina Ramata Newberg, a 3½-year-old girl from Bamako, Mali, joins the fabric of America by becoming an American citizen. Congratulations Christina.

When her citizenship papers were approved, her mom cried and said a prayer of thanksgiving. Now a bright eyed, curly haired girl of limitless energy, Christina can say the Pledge of Allegiance by heart.

Christina, your freedoms in America are by right, your opportunities are by choice. Make us all proud of who you are and what you do. We welcome you now as a fellow American. God bless you.

IN RECOGNITION OF ALEX STANTON

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. FOGLIETTA. Mr. Speaker, I rise today to pay a special tribute to an outstanding individual whose dedication to charitable causes has had a profound effect on the city of Philadelphia. His efforts have paved the way for a better world.

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. Stanton has dedicated his life to serving charitable causes. He has been a key force in the philanthropic movement in Pennsylvania, New Jersey, and New York.

Beginning with his involvement in 1929 with the Jules E. Mastbaum lodge of the Brith Shalom Society, he has continued to support and create philanthropies. These efforts include the recent completion of Brith Shalom Beit Halochem, a $15-million rehabilitation and recreation center for permanently disabled soldiers in Haifa.

He has served in various charitable organizations including Israel's Red Cross, Aid to Britain, the American Jewish Conference, the World Jewish Congress, the Allied Jewish Appeal, the Federation of Jewish Agencies, and has been national chairman of Brith Shalom Foundation since it was founded in 1962.

Mr. Stanton's fundraising efforts can be seen in Philadelphia with the erection of the Brith Shalom House which provides housing for more than 500 senior citizens.

With all these accomplishments, it is no surprise that Mr. Stanton was the recipient of the Jabotinsky Medal, an honor limited to just 100 Americans of all faiths who have served the State of Israel.

It is fitting that Mr. Stanton will be saluted on Saturday, October 13, as "the Man of the 1990's" by the Adath Israel Synagogue in Philadelphia. The positive results of Mr. Stanton's efforts will be seen well into the next century.

STOP THE BUSH DEBT WRITE-OFF FOR EGYPT

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. DORGAN of North Dakota. Mr. Speaker, today I am introducing a resolution which declares that Congress opposes the President's plan to forgive $7.1 billion in military assistance loans to the Government of Egypt.

I was distressed that the President made this proposal and immediately wrote him to express my profound objections. I have since learned that many colleagues share my opposition to this untimely debt forgiveness plan. Thus, I decided to introduce a vehicle to reflect our collective intention to stop the Bush plan in its tracks.

We simply disagree with the notion that we ought to be wiping off the debts of foreign nations while we are drowning in deficits at home. It borders on the ridiculous to forgive a $7 billion obligation when the real Federal deficit is $300 billion—if the Social Security trust fund surplus is not used as an offset against the deficit. It also perplexes me that we can find room to write off foreign obligations when we can't find the money for an effective farm program, rural health care, and student aid. I strongly believe that it's not old-fashioned to invest in America first.

The debt write-down for Egypt also opens the flood gates for other requests to forgive military aid loans. In effect, we may soon be asked to forgive another $7 billion in outstanding obligations. This would mean that we might have to excuse a total of $14 billion in military aid loans in order to treat debtor nations equitably. We cannot afford to do that during a time of choking deficits and soaring public debt.

Egypt certainly deserves credit for providing troops to help us block further Iraqi aggression in the Persian Gulf. President Mubarak has also exercised admirable leadership in the Arab world. And although I understand the need to help poor allies adversely affected by the Persian Gulf crisis, I think we can find better ways to do this.

A BETTER APPROACH TO DEBT RELIEF

For one thing, we could provide Egypt more targeted food aid in projects like Food for Work and Food for Health that promote development and simultaneously reduce its overall debt burden. Or, even if we decided that Egypt needed some debt relief, we could get some wealthy allies like Japan and West Germany to effectively pay off the Egyptian debt. Under this arrangment, the allied nations would provide direct grants to Egypt to cover the $7 billion obligation to the U.S. Egypt would then pay off the loan, thereby leaving both the U.S. and Egypt in a stronger position and enabling allied nations to make a useful contribution to the multinational effort to contain Iraq.

Consequently, my resolution urges President Bush to withdraw his plan to forgive Egypt's $7 billion debt. It calls upon him to consult with Congress in order to fashion a comprehensive plan in which other nations would share with us, the costs and responsibilities of checking Iraq's aggression. Failing that, the resolution would have Congress reject the Bush package.

In conclusion, I understand that the President has a tough job in handling the many facets of the Persian Gulf crisis. However, we must find a better way to deal with Middle East crisis—a way that helps to check Iraqi aggression, but that also enables us to tackle the deficit at home. We must craft a policy that meets both tests if we are to build real national security.

The text of my resolution follows:

H. Con Res. —

Whereas the United States faces the daunting task of reducing annual Federal budget deficits of well over $200,000,000,000;

Whereas the growing national debt of over $3,000,000,000,000 levies an unacceptable burden on future generations;

Whereas the forgiveness of military assistance debts owed to the United States by foreign nations would exacerbate our difficulties in reducing the Federal deficit and the public debt, and would open the door for other requests to write off billions of dollars more in outstanding debt obligations of foreign nations;

Whereas the United States has made a massive commitment of troops, weapons, and money to check Iraq's aggression in the Middle East, while many wealthy nations, including Japan and the Federal Republic of Germany, have not yet made timely and adequate contributions to the effort;

Whereas the United States expects all of our allies and other nations to provide appropriate support to the multinational effort to contain Iraq, including proportional contributions of funds, military forces, and other resources; and

Whereas the United States should seek more appropriate ways to ease the impact of the Persian Gulf crisis on the poorer nations that are directly affected by it, including the prompt delivery of the assistance to Egypt that has been pledged by our allies in this multinational effort: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That—

(1) the President should withdraw his request for authority to forgive the military assistance debts owed to the United States by the Government of Egypt;

(2) if the President fails to withdraw that request, the Congress should reject it; and

(3) the President should develop, in consultation with the relevant committees of the Congress, a comprehensive plan for the sharing by other nations of the costs and responsibilities of checking Iraq's aggression.

NEED FOR A NATIONAL ENERGY POLICY

HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. UDALL. Mr. Speaker, the current turmoil in the Persian Gulf and the recent surge in the price of gasoline has, once again, pointed out the critical gap in our energy policies. I commend to the attention of my colleagues a recent Ellen Goodman column sent to me by one of my constituents, Mr. Lloyd Clark. Ms. Goodman correctly points out our reliance on automobiles and, consequently, our failure to adopt a sane energy policy that would reduce our dependence on foreign oil.

The text of the article follows:

[From the Arizona Republic, Sept. 3, 1990]

Car Ads Are Mired in Time Lag

(By Ellen Goodman)

Boston.—As I first turn the pages of the newsmagazines, I barely notice the ads. The cover stories are what I'm after, sober accounts of the near-war in the Middle East, grim details about the buildup to protect "our way of life," uneasy projections about oil and the economic future.

But gradually the subliminal message in the ads comes into focus as an odd and unsettling counterpoint to the news. They are selling cars: the symbols of "our way of life." Cars are a central character in this conflict that threatens that other American freedom: the freedom to drive.

This is what one carmaker promises in the tense summer of 1990: "That last-day-of-school feeling of exhilaration and independence you may have been missing for quite some time."

This is what another boasts while we send 50,000 soldiers to protect our supply line: "It not only looks like fun, it is fun. The undisputed king of the pleasure cruise.".

This is what a third sells as we ship protective gear to guard against Iraq's chemical weapons: "In some ancient cultures, an eclipse called for a sacrifice. Today it only calls for $10,919."

These messages already seem as anachronistic as the ads that once showed doctors

recommending Camels. There is not a single mention of gas mileage. The words used are comfort and performance, power and luxury. There are no warnings that cars may be hazardous to our health.

If the ad-makers are caught in a time lag, what do we make of our leaders? In these same weeks, the president has issued no statement about our four-wheeled dependence. He has uttered only the most casual words about conservation as he races his boat off Kennebunkport. Not one of his men has asked Americans to car-pool or even change our road map for Labor Day. The only concerted action in the nation's capital has been anger at the rising gas prices.

Mr. Bush is more at home in the uniform of a commander in chief than in the sweater Jimmy Carter donned in the oil crisis of the '70s. This oilman may not want to remind us that he was part of the problem during the deregulated decade, when the country was allowed to forget about energy and put our pedal to the metal.

Now, an environmentalist Barry Commoner puts it, "We have a military policy instead of an energy policy." America has driven itself into this desert conflict. We may make war over what we waste.

The ads before me are emblems of the era in which the all-American movie ends in a car chase and the all-American rite of passage is registering to drive, not to vote. They are emblems of an era in which we still believe what we were once told: What's good for General Motors is good for the country.

Today the United States uses 40 percent of the oil being produced in the world. Over 60 percent of that is for transportation. Our cars travel some 1,250 billion miles a year, almost as far as all the cars in the world put together. Half of the trips are made by a driver alone.

We built our suburbs for cars, deserted our cities by car, paved some 2 percent of our land for them and polluted the air for them. As the ad puts it: "Some cars make a statement. This one makes an exclamation." When Americans are also being asked to die for oil, that is indeed an exclamation point.

In the days since the troops landed in Saudi Arabia, some have called for more driling off our own shores, and others for nuclear energy. One would have us choose the pollution of our shores over conservation; another is sure we would prefer the dangers of nuclear waste to sacrifice—

It seems that Washington is still stuck in the stagnant, feel-good '80s, when we wasted time as well as energy—human and fossil. We knew the importance of cars that use less gas, cars that use renewable resources from crops to sun, cars that run on entirely different engines. We knew the value of mass transit. But our government behaved as if the oil would run forever.

The bugle from the Mideast sounds an unhappy wake-up call. Half a world away on desert sands, our men and women are expected to fight for access to inexpensive oil. But at home, our leaders still remain reluctant to ask Americans what they can do and do without for their country.

So, "heartbeat of America" has a very different meaning these days. It's beginning to sound like cardiac arrest.

DESSIE SAWYER

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. RICHARDSON. Mr. Speaker, a remarkable New Mexico woman who was a personal friend of Presidents from Harry Truman to Gerald Ford died last month at her ranch in Tatum. Dessie Sawyer was a legend among Democrats in our State and an inspiration to politically minded women of all party affiliations.

Born and raised in Texas, Mrs. Sawyer arrived in southeastern New Mexico as a young bride. With her husband, U.D., she settled on the Crossroads Ranch near Tatum in 1924.

A Democratic committeewoman for the first time in 1948, Mrs. Sawyer was a close political ally and friend of Truman. She accompanied John F. Kennedy to New Mexico in 1960 and in 1968 was 1 of 14 people who escorted nominee Hubert H. Humphrey to the podium for his acceptance speech.

Dessie Sawyer's friendships often crossed party lines, and she was fond of Republican President Gerald Ford. Inducted into the Democratic Hall of Fame last November, she has set a high standard of commitment and service for us and for the generations to come.

Mr. Speaker, I know my colleagues will join me in honoring Dessie Sawyer, whose example I commend to everyone who values the political process.

A SALUTE TO LOUISE ALLMOND

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. GILMAN. Mr. Speaker, the town of Ramapo, NY, has proclaimed September 21, 1990, to be "Louise Allmond Day." Permit me to share with our colleagues a little bit about this remarkable woman and why she has warranted such recognition.

Louise Allmond was born on September 21, 1890, and has dedicated the rest of her life to making other peoples lives more pleasant. She has served as a volunteer in various capacities in a number of different organizations for over 68 years.

Louise was one of the founding members of the Ramapo Senior Citizens Club, the town of Ramapo Senior Citizen Council, the Rockland County Council for Senior Citizens, the Ladies Auxiliary of the American Legion, and many other organizations.

For over 30 years, Louise Allmond has been an articulate spokesperson for the needs of our senior citizens. As their advocate, she has spearheaded the drive for senior citizen housing in the Ramapo community, and transportation for the elderly and the disabled. She helped spearhead the establishment of the Rockland County Office of the Aging and the senior nutrition programs for which Rockland County has been noted. Louise also takes the time to lobby for those legislative issues which are of benefit to our seniors.

Louise Allmond is so highly respected by the Ramapo Senior Citizen Club that she has been asked to serve as an adviser to their organization's executive board. It is appropriate that Louise receive these honors, for she has dedicated herself to helping others for more than 68 years.

Mr. Speaker, perhaps the most incredible facet of Louise Allmond's life is the fact that she still works every day, as an assistant to Dr. Lawrence Bryman, a local chiropractor. Dr. Bryman's patients look forward to being greeted by her smiling, pleasant face and manner. They also look forward to the fashions she wears, all of which she makes herself.

Mr. Speaker, I invite all of our colleagues to join me in saluting this outstanding lady, who this week will be 100 years young, and to join with us in wishing her many years of health and happiness to come.

PRIMARY PEDIATRIC OUTREACH AND CARE FOR DISADVANTAGED CHILDREN

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. MILLER of California. Mr. Speaker, today I am introducing the Primary Pediatric Outreach and Care for Disadvantaged Children Act of 1990. My colleagues, Senator DODD and others, introduced a companion bill in the Senate. The purpose of the legislation is to fund innovative demonstration projects that provide basic health care services to poor and homeless children. There may be no group more medically neglected or underserved by the Nation's patchwork system of health care than poor and homeless children—and no group for whom comprehensive preventive health care is more urgent.

This act will direct the Secretary of the Department of Health and Human Services to make grants to public or nonprofit local agencies and institutions to provide primary pediatric outreach, acute care, and preventive health care, including immunizations, health screening and growth assessments to disadvantaged and homeless children. The success of the grant program will derive from its flexibility, its emphasis on supporting a range of effective local initiatives, and its support of a broad range of needed health services within those initiatives.

The legislation is modeled after a triumphantly successful program in New York—"The Children's Health Project"—cofounded and directed by Dr. Irwin Redlener. The project utilizes mobile medical vans to bring health care to homeless children and youth in family shelters and welfare hotels in New York City.

Mr. Speaker, if 7 years as chairman of the Select Committee on Children, Youth, and Families have any lesson to teach, it is that poor children and families in this country face dramatic, continually unmet, service needs. Over the years, we have heard about these needs, we have learned how we might meet

them, and yet we have barely begun to do the job.

In 1988, 33 million nonelderly Americans went without health insurance of any kind. Of these, more than 9 million were children. These are the people who have fallen between the cracks, covered neither by public insurance nor by an often capricious, hit-or-miss system of private health provision.

Such serious financial barriers keep too many children from receiving the preventive health care they need. The National Association of Children's Hospitals and Related Institutions estimate 7 million U.S. children do not receive routine medical care. Childhood immunizations promise declines in incidence of serious childhood illnesses, but in 1985, less than 60 percent of children under age 4 had received the complete basic series of immunizations against these diseases.

And despite the demonstrated cost-savings—every $1 spent on childhood immunization can save $10 in later health care costs—immunization rates for preschool children against diphtheria, tetanus, and pertussis [DPT] average 41 percent lower in the United States than in many Western European countries; our polio immunization rates are 67 percent lower than those in Europe.

As a result of our neglect, low-income children in the United States are about twice as likely as higher income children to be born at low birthweight, two to three times more likely to experience postneonatal mortality, and three times more likely to have delayed immunizations and lead poisoning. Children in poverty are almost 50 percent more likely to have a disability than children from higher income families.

All of the problems that we see among low-income children are even more urgent among homeless children. On any given night, as many as 500,000 children are homeless, and there are more than a million runaway or homeless youth in emergency shelters or on the street.

As the Select Committee documented in its hearings on the effects of homelessness on children, their health risks are multiplied, and the opportunity to receive adequate services diminished dramatically. Homeless children frequently receive their health care in more costly emergency rooms, receive little, if any preventive health care, and have far fewer dental visits compared to the general pediatric population. Substandard living conditions, a preoccupation with survival, and serious barriers to care—lack of child care, transportation, and above all, financial resources—make seeking or keeping a medical appointment virtually impossible.

As a result, upper respiratory infections are twice as common among homeless children as among children seen in regular ambulatory settings, skin disorders about 4 times as common, GI disorders about 3 or 4 times as common, ear infections nearly twice as common and poor dentition more than 10 times as common. Rates of anemia and chronic health conditions are also twice as high among homeless children as among children in general. Homeless children are also at great risk for malnutrition, emotional stress and poor school performance. Less than one-third of the 1- to 2-year olds seen by Dr. Redlener were immunized.

Compared to adolescents living at home, the health status of homeless youth is seriously impaired. Sexually transmitted diseases, malnutrition, alcohol and drug use, pregnancy, assault, and high-risk for HIV exposure are among the most serious problems. In a survey of homeless teens in Hollywood, CA, almost half the females reported one or more pregnancies and almost half of the survey sample had attempted suicide sometime in their lives.

As James Wright, the principal investigator of a national evaluation of health care for the homeless, testified at the Select Committee hearing, "any disorder you choose to pick turns out to be very much more common among homeless children than among children in general. * * *" He concluded: "[P]ersons who are denied adequate shelter not only lose the roof over their heads; they also thereby become exposed to a range of risk factors that are strongly deleterious to their physical well-being."

The Primary Pediatric Outreach and Care for Disadvantaged Children Act is only a beginning to solving the drastic health problems of homeless and disadvantaged children in this country. But it is a beginning long overdue. I urge my colleagues to join me in support of the bill.

SPECIAL TRIBUTE TO RICHARD LYON HORWITZ

HON. J. DENNIS HASTERT

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. HASTERT. Mr. Speaker, on August 9, 1990, the people of Aurora and the State of Illinois suffered the loss of one of their finest citizens when Richard Lyon Horwitz passed away at the age of 42.

Rich's life was always focused on helping others. He believed passionately in citizens taking personal responsibility for their government and the quality of life in their communities. He sought to give of his talents, never seeking anything in return but the joy of accomplishment.

The Illinois Mathematics and Science Academy was one of the dreams Rich shared with so many of us. The academy is a unique public residential high school that serves some of the best and brightest science and math students in Illinois. Its success is in no small measure the result of Rich's skill as its legal adviser and his dedication as its enthusiastic champion. Through the brilliant young lives he has helped to shape at the institution, he has left a legacy that will never pass from us.

While the scores of men and women who knew and worked with Rich mourn his loss, they also rejoice in the way rich lived his life. He knew that true happiness comes from service and he leaves us with that example, richer for having known him.

HONORING ALDERMAN RED VILLA OF ST. LOUIS

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. GEPHARDT. Mr. Speaker, I rise today to pay tribute to a great American, a great St. Louisan, and a great human being, Alderman Albert "Red" Villa of St. Louis.

Red is an institution in the city of St. Louis—in fact, he is affectionately known as "Mr. St. Louis." His career in city government spans 37 years. He began his days in politics when he was first elected to the board of aldermen in April 1953. On Saturday, September 8, 1990, he was honored by the citizens of St. Louis for his many years of service. The Red Villa statue will stand in a park in his beloved 11th ward.

Red, perhaps better than anyone I have ever met, exemplifies the philosophy that you must be responsive to the needs of the people you serve. To be effective, Red believes you have to listen. His door is always open, and his heart is large enough to include everyone who walks through that door. No problem is too small or too large for Red to offer assistance or guidance. He is willing to go the extra mile.

In addition to his work for his constituents, Red is a devoted husband, father, and grandfather. His public service has been the inspiration for many of the leaders in the business community as well as in government.

Red Villa has achieved many successes; but most importantly, I want to recognize and thank the man we have come to know as "Mr. St. Louis" for the example he has given us. He has set a high standard for dedication, integrity, and leadership—a standard we all should strive to achieve.

THE CENTENNIAL OF THE SECOND BAPTIST CHURCH OF RIVERSIDE

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. BROWN of California. Mr. Speaker, I rise today to acknowledge the centennial of the Second Baptist Church of Riverside, CA. This church began at 3 p.m. on Sunday, September 21, 1890, with 13 charter members under the leadership and guidance of The Reverend Charles Wingbigular, Pastor of Riverside's First Baptist Church.

From this small but committed group came a strong new evangelical force, carried on by a current membership of many hundreds. The early members endured a series of moves until 1924, when the land for the present structure was purchased for $5,000. This fifth and final location has grown to serve an expanding membership, through the efforts of many devoted volunteers.

Throughout the history of our Nation, churches have always provided a foundation

of faith and hope, and been a pillar of sustenance for our society. In our communities, the church has sought out the underprivileged and needy, given strength to the weak, and extended its unifying spirit of love to every member.

The Second Baptist Church continues in this great tradition. Over the years it has been a shining light to those in the community of Riverside. Through its ministry and outreach projects, it has helped to create a more harmonious and caring environment.

The original founders would hardly recognize their church today. From a small location on Eighth and Main, with a mere 13 chartered members, the current church has a seating capacity of over 600 in its sanctuary, and 14 classrooms in its education center. It has a library which can hold more than 5,000 volumes, and a kitchen and dining facility which can accommodate more than 200 people.

The Reverend Dr. William Thomas passed away in 1988 and will miss this centennial celebration. The Reverend Will Edmond, adviser to the board of deacons for the church, has that privilege. I am pleased to have the opportunity to acknowledge this church and its congregation, who have given so much to the Riverside community. I am sure that the next 100 years will see a continuance and growth in the faith and stewardship which the Second Baptist Church has always provided to our community.

TRIBUTE TO THE HONORABLE TOMAS SANTOS TANAKA

HON. BEN GARRIDO BLAZ

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. BLAZ. Mr. Speaker, there is a saying that in every society there are 12 apostles, to put it in biblical terms. Usually, these ladies and gentlemen are seen in every event, in every function, and in every PTA meeting. Around them revolves the community in which they live.

Last Saturday, on the 15th of this month, one of Guam's apostles passed away quietly at age 75. To the end he was true to form. He was always doing what had to be done without frills, without fanfare.

I defer to others to cite the litany of his accomplishments as a legislator. And in that arena, he was outstanding. I reserve my comments to my recollection of the impact he had on me as a young boy and a young man.

I remember a gentle person, never shouting, always smiling softly;

I remember a courageous person taking chances beyond expectations during the enemy occupations of World War II at great risk to himself and his family;

I remember a religious person, always believing that if he did his share, God would do the rest;

I remember a giving person, so generous when there was little to share;

I remember a friend—older than I, younger than my father, friend to both of us;

I remember his encouraging words as I struggled early in life to find my own place in society; and

Finally, I remember my grandfather's favorite saying in vignette—that the most noble tribute that one could receive in life was to hear someone say, "I am a better person for having known you."

With the deepest feeling of admiration, affection, and respect, I say, as I bid adieu, that I am a better person for having known throughout my life this great son of Guam: Tomas Santos Tanaka.

I shall always remember him.

BRIGHTWATER TOWERS: CELEBRATING 25 YEARS OF COMMUNITY SPIRIT

HON. STEPHEN J. SOLARZ

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. SOLARZ. Mr. Speaker, I rise today to honor several hundred friends and neighbors of mine who live in West Brighton along the shorefront of Brooklyn.

These men and women all have one thing in common: They have lived together in two buildings called Brightwater Towers for 25 years.

In paying tribute to Brightwater we are honoring more than a quarter century of neighborliness and togetherness. Brightwater Towers is a Mitchell-Lama development, one of several in my congressional district.

Mitchell-Lama came about in the late 1950's and 1960's as a New York State program of subsidized housing directed toward hardworking middle class families. New York City and other urban centers were experiencing a "flight to the suburbs" during that period, and this program was created to stem that tide.

In large measure, this program was a success. Thirty years ago, much of West Brighton was a large congregation of run-down housing and summer cottages. There are three large Mitchell-Lama developments there now. The community is thriving. And there is no better example of the program's success than Brightwater Towers.

I salute Brightwater Towers because of the good people who live there and who have made its name synonymous with community activism and unity. Theirs a true example of the spirit of all for one and one for all.

My friends in Brightwater Towers have revitalized a neighborhood by anchoring it during a period of transition. Scores of Brightwater Towers residents can always be counted on to pitch in when help is needed.

It is uplifting to note that a good neighbor policy is alive and well in Brightwater Towers, and I celebrate 25 years of people from all walks of life living together, helping each other out, supporting good causes, and improving the neighborhood. Happy anniversary.

H.R. 4739, THE FISCAL YEAR 1991 DEFENSE AUTHORIZATION BILL

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. ANDERSON. Mr. Speaker, this week we conclude consideration of the fiscal year 1991 Defense authorization bill. The last year has brought tremendous changes to the world; changes that have seen the fall of communism in Eastern Europe, a gradual reshaping of the Soviet Union, and the prospect of deep-cutting arms reduction agreements. The cold war, a constant for 45 years, has ended. As a nation we have spent trillions defending ourselves against the menace of the Soviet threat. That threat has now withered. While the Soviet arsenal remains significant, especially their strategic forces, no longer do we face armored and mechanized legions poised to invade Western Europe. No longer are Soviet troops in Afghanistan. Soviet aid to Angola, to Cuba, to Nicaragua has been cut or drastically slashed.

Yet, as we have seen in places like Panama and now the Persian Gulf, the diminished competition with the Soviet Union does not make the world secure and safe. The United States has far-flung vital interests and concerns. The overriding lesson of World War I and World War II is that the United States cannot afford to turn its back upon the world, cozy in its isolationism. To defend our security interests, to defend our economic livelihood, and to deter the forces of aggression, this Nation must play an active role in world affairs. The lesson of the cold war is that peace is won through strength, resolve, and commitment.

How then do we construct a defense budget that balances the end of the cold war with the need to retain a strong, viable military? With the notable exception of the lack of B–2 funding, which I consider absolutely necessary, I believe this bill goes a long way in striking that necessary balance.

First, this bill places people above hardware. The morale and the quality of life of our men and women in uniform will determine the quality of our armed services. By providing a pay raise in this bill, we ensure that quality people are attracted to and, even more importantly, stay in our military. A weapon system is useless if it doesn't have motivated and trained people operating it. I also applaud the extension of separation pay to enlisted men, and the creation of programs designed to ease transfer of military men and women to civilian life. As we cut our military, we cannot forget the men and women who faithfully served.

With regard to personnel cuts, I think the committee is taking the right steps in reducing those forces committed to a conflict in Europe, primarily Army and Air Force personnel, while also lowering the troop ceiling on our forces in Europe. As we have seen in our deployment of forces to the Middle East, the Reserves are a critical component of our Armed Forces. The committee has recognized this by strengthening our part-time forces with

more modern equipment and justifiable troop strengths.

In terms of military equipment, this bill shifts United States defense priorities away from the forces designed to counter the Soviets, both on a strategic and conventional level, and instead places an emphasis on the equipment we will need to fight a war in a place like the Persian Gulf.

Strategically, the bill anticipates a Strategic Arms Reduction Talks [START] agreement by cutting funds for the 19th and 20th Trident ballistic missile submarines, by forcing the administration to make a choice between the rail-mobile MX or the road-mobile Midgetman, and by keeping the Strategic Defense Initiative [SDI] on a robust research budget while postponing any deployment date. However, I am strongly opposed to cutting the B-2 bomber program to only 15 planes. Hopefully, the Senate position on this critical system will prevail.

With regard to conventional systems, I applaud the committee's decision to support the C-17 aircraft and the fast sealift program. As demonstrated by the events in the Persian Gulf, the ability of forces to fight is entirely dependent on our ability to get those forces where they need to go. The best tank in the world is useless sitting in the United States. Airlift and sealift will be especially important as we move to reduce our overseas base infrastructure. Currently, the deployment schedule to Saudi Arabia has been delayed by as much as 2 months due to broken-down ships and aging C-141's. We must move forward now with the C-17 and fast sealift to overcome these inadequacies.

I also strongly support the committee's foresight in continuing those programs we are most likely to use in future conflicts, those same weapons we see on the front-line in the Persian Gulf. I speak to the committee's plans to extend and upgrade carrier-based aircraft (both F-14's and F/A-18's), to upgrade our tank force, and continue critical fighter programs like the F-15 and F-16. I think it is an especially wise move that the committee has proceeded with a strong procurement plan for the Navy. Today, and in the future, the Navy will be the service branch most called upon to protect America's security and economic interests around the world. The retention of 14 carrier battlegroups is essential to this task. I applaud the committee's support of maintaining our carrier strength.

Finally, this bill speaks to the future with regard to research and development [R&D] and America's high-technology base. With no overwhelming and immediate threat coming from the Soviets this country can afford a true R&D Program instead of the current develop and buy strategy. We can afford to wait and see what works before committing to weapon systems that are later found to be plagued with defects. A true R&D Program is not a withdrawing of our commitment to technologically advanced U.S. forces. America has long depended on its technological edge over the enemy, which is often numerically superior, to defeat that enemy. In fact, there is $450 million over the administration's request for the Defense Advanced Research Projects Agency [DARPA] and a 2-percent-real increase over inflation in high-technology devoted funds. I have always supported, and will continue to support, continuing efforts to develop next-generation weapons that give us an edge over any adversary. These funds, and a true R&D Program represent a go-slow and go-smart approach to weapons procurement, a condition that the post-cold war era both allows and demands.

In conclusion I would like to commend Chairman ASPIN and the House Armed Services Committee on its tremendous effort on this bill. While cutting defense spending by billions, they have managed to construct legislation that maintains the strength of America's Armed Forces in the years to come.

A TRIBUTE TO JOHN C. VILLFORTH

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. YATRON. Mr. Speaker, I have the pleasure of paying tribute to one of Reading, PA's native sons, whose distinguished career in Federal service ended with his retirement last month. Mr. John C. Villforth is an institution at the Food and Drug Administration and a 29-year veteran of the U.S. Public Health Service Commissioned Corps, with another 7 years spent as a commissioned officer in the U.S. Air Force.

Mr. Villforth is a graduate of Pennsylvania State University with B.S. and M.S. degrees in sanitary engineering. After graduating, he was stationed at Loring Air Force Base as a sanitary and industrial hygiene engineer. He then traveled to Oak Ridge National Laboratory and obtained a M.S. degree in physics from Vanderbilt University. He concluded his Armed Forces duty at Wright-Patterson Air Force Base.

In 1961, Mr. Villforth was commissioned in the Public Health Service and held several supervisory posts in the radiological health program. After the program was placed in the FDA and renamed the Bureau of Radiological Health in 1969, he was appointed its new Director and for the next 13 years devoted his energy to building a committed, innovative, national radiation protection program.

A masterful communicator, Mr. Villforth placed a high premium on education and was able to stir the Nation's consciousness about potential radiation hazards through educational and public information programs which stimulated interest in personal health care and the quality and frequency of medical x rays.

When the Three Mile Island accident occurred, Mr. Villforth was a central figure in managing the crisis. Designated by Health and Human Services Secretary Califano as the coordinator of the emergency response team, he was responsible for the safety of the food supply and for monitoring radiation exposures of the population around the Harrisburg region. Through his efforts, the public health and emotional impact of the accident was lessened.

In 1982, the FDA Commissioner decided to merge the agency's radiation and medical device programs and put John Villforth at the helm. He is credited with strengthening marketing processes for new medical devices, with establishing a surveillance program to pinpoint device failures, and with building educational programs for device users and patients.

Mr. Villforth has been a member of many prestigious national and international organizations dealing with the study of radiation. He has shared his views and ideas through 31 major publications and in over 160 presentations at professional and technical conferences throughout the world.

These extraordinary accomplishments have not gone unnoticed. He was presented with the Air Force Commendation Medal, the Elda E. Anderson Award in Health Physics, the Public Health Service Meritorious Service Medal, the FDA Commissioner's Special Citation, the PHS Foreign Duty Service Ribbon, the PHS Special Assignment Service Ribbon, the PHS Outstanding Service Medal, the Richard E. Greco Professional of the Year Award, and the Division Service Award of the Biomedical Division Council. He also was awarded the College of Engineering's Outstanding Engineering Alumnus Award by Pennsylvania State University.

Mr. Speaker, this uniquely gifted, warmhearted man and skilled administrator has truly made the citizens of Pennsylvania proud. He has contributed greatly to the public health of our Nation and has been an inspiration and a positive role model for young professionals in the Federal Government.

To John Villforth, we say thanks for a life of exemplary service. We wish him, his wife Joanne, and his three daughters—Mary Jane, Elaine, and Jennifer—much happiness and success in the years ahead.

IN NEED OF IMPROVED AIRLINE SECURITY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mrs. ROUKEMA. Mr. Speaker, 2 years ago, on December 21, 1988, America suffered the most serious terrorist attack against a civilian target in its history. A terrorist bomb exploded aboard Pan Am flight 103 over Lockerbie, Scotland killing 270 passengers and crew. People worldwide share the anguish with the families of the victims. Many of those killed were sons and daughters in the springtime of their youth.

Let us not forget that but for the grace of God each of us could have easily been one of those 270 victims. Are we all to be at the mercy of terrorists? Are we to be thrown into the Dark Age, intimidated by terrorist anarchy? Our lessons are far from over, but we have learned.

Immediately after the bombing I introduced legislation to establish an Independent Commission to conduct a comprehensive investigation of the events leading up to this incident and report to the President and the American people. However, in August, President Bush established the Commission on Aviation Security and Terrorism. In May 1990, the Presi-

dent's Commission presented a series of recommendations to improve aviation security and the ability of the Government to respond to such an act of terrorism.

During the Commission's investigation it was revealed that in addition to dealing with their private grief, the families and friends of those aboard flight 103 had to struggle with State Department bureaucracy and insensitivity to secure the return of the bodies and personal effects. The Commission also found that the families, along with all Americans, have gained a growing skepticism about the ability of the Federal Government to protect civil aviation targets from future acts of terrorism.

Recently, the Commission's recommendations have been introduced in the Aviation Security Act, H.R. 5200, of which I am a cosponsor. This legislation will help to ensure the safety and security of passengers of U.S. planes against terrorist threats and gives this responsibility the highest priority. This legislation includes many of the Commissions findings especially language that requires the State Department to be sensitized to the demands posed by tragedies such as Pan Am 103, and that the U.S. Government consider the question of notification.

The American people need the quick passage of the Aviation Security Act. Support for this bill is not only found in the halls of Congress. I have received many letters of support from constituents of mine, including one from State Senator Henry McNamara. Senator McNamara expressed his support for this legislation in a letter to Mr. and Mrs. Dater, who tragically lost their daughter Gretchen in the bombing. I hereby submit a copy of his letter for the RECORD:

NEW JERSEY SENATE,
Franklin Lakes, NJ, August 31, 1990.

STATEMENT BY NEW JERSEY STATE SENATOR HANK MCNAMARA IN SUPPORT OF THE AVIATION SECURITY IMPROVEMENT ACT OF 1990

Mr. and Mrs. THOMAS E. DATER,
Ramsey, NJ.

DEAR MR. AND MRS. DATER: Two years ago, four days before Christmas, we lost Gretchen Dater forever.

She perished, along with hundreds of others, in the tragic crash of Pan Am Flight 103.

Gretchen is from Ramsey, a town in my legislative district. Her parents Tom and Joan have become my friends. Gretchen's loss touched me personally. I'll be left to wonder forever how things might have been different had this artistically-gifted and life-loving young woman not, on December 21, 1988, stepped aboard a plane whose cargo held a ticking bomb.

I can't help but think, too, that Gretchen boarded Flight 103 secure in the fact that everything humanly possible had been done to insure her safety. She was trusting. But, tragically, she was wrong. We have since learned that measures undertaken to protect Gretchen were lax. Both the airline security system and those who operate and oversee it proved imperfect.

Well, we have come to expect imperfection from government, haven't we? We have grown used to mistakes.

If we did not know it before Flight 103 crashed in Lockerby, Scotland, we know now that when it comes to protecting the life of a young college junior named Gretchen Dater, nothing less than perfect will do.

I'm amazed at how often in the course of debating taxes and budgets, we lose sight of government's first and most important duty; protect the life and welfare of our citizens. We can be nothing less than earnest in living up to that responsibility. We must—simply must—strive for perfection.

I wanted to express for myself, and on behalf of hundreds of my constituents who knew and loved Gretchen, support for the Aviation Security Improvmeent Act of 1990 now being considered before the Congress.

It is, if not perfect, a reaffirmation of government's priority: No effort is too great when it comes to protecting our citizens. I urge the Congress, in its deliberation of this measure, to demand nothing less than the best efforts from the Department of State, the FBI and FAA and all other agencies and air carriers involved in the constant vigil over airport security.

It is my hope, shared by many of my colleagues in the New Jersey State Senate, as well as by many New Jerseyans, that the Congress act to improve airline security today and make enduring improvements so that we will never again suffer the pain caused by the Flight 103 crash.

I am no expert in airline security. I do not know my way around the federal bureaucracy. And the internal workings of Congress remain to me, as to so many Americans, a mystery. But I would suggest that Members of Congress pay careful attention to the recommendations of the President's Commission on Aviation Security and Terrorism and, wherever possible, incorporate those recommendations into its final aviation security plan.

I ask you to look at the airline security problem through the eyes of Joan Dater, Gretchen's mother. What you will see, when you are able to shake away the anguish that seems never to go away, is the need to know that another Gretchen from Florida, or Michigan or California will board a plane for home, now, or in the years to come, and make it home safely into the arms of her mother.

Respectfully submitted on this date,
HANK MCNAMARA,
New Jersey State Senator.

I am sure that Senator McNamara would join me in saying "Never again! No more Lockerbies. No more innocent victims." We can and must do more to protect the traveling public from the repugnant threat of terrorism.

IONA COLLEGE: 50 YEARS OF EXCELLENCE

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mrs. LOWEY of New York. Mr. Speaker, I rise today to bring to the attention of my colleagues, the 50th anniversary of Iona College in New Rochelle, NY. Iona has grown from the 93 students it began with in 1940 to over 7,000 today, and its degree programs, now include 17 graduate degrees, four post-master's programs and numerous certificate programs. Iona's commitment to excellence in education should stand as an example for all institutions of higher education. Iona was founded to serve the sons of the poor and the working class. Today, it is reaching out to new immigrants and older and part-time students. The college's growth is not only academic. Iona has expanded its commitment to career counseling, the arts, athletic programs and campus outreach activities which are essential to providing a well-rounded education for its student body.

Iona has expanded its service for the community through new branches in Rockland and Putnam Counties, as well as in midtown Manhattan. This growth in size and diversity of programs has brought Iona national attention and increased support for its value-structured educational system.

As this anniversary is celebrated, Iona is fortunate to have at its helm, Brother John Driscoll. In his 20 years as president, Brother Driscoll has been a leader not only to Iona, its students and faculty, but also to the entire Westchester community. Time and time again, Brother Driscoll has stepped forward to help grapple with problems and to achieve the consensus which is so essential to progress. Brother Driscoll has fostered understanding and brought inspiration to all of those with whom he was worked. The strides that Iona has made are a tribute to his dedication, his insight and his perseverance. The college and all of Westchester are better today as a result of his service.

I congratulate Iona on its dedication to academic enrichment and know that this exceptional institution faces a great future.

INTRODUCTION OF LEGISLATION TO CLOSE SAVING AND LOAN TAX LOOPHOLES

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mrs. KENNELLY. Mr. Speaker, today I am introducing legislation to close savings and loan tax loopholes.

We are all aware of the seemingly never-ending cost spiral of the savings and loan bailout. And we all know that Congress, last year, repealed a variety of savings and loan-specific tax breaks that are generally believed to be responsible for part of the unprecedented taxpayer subsidies provided failed savings and loans in the so-called 1988 deals.

Recently, however, it was brought to my attention that considerable indirect and unintended tax subsidies for this industry remain despite the best efforts of the Congress. The legislation I am introducing would close these loopholes.

The first provision involves the use of net operating loss carrybacks [NOL's]. Thrift institutions may, in general, take a deduction for bad debts equal to 8 percent of their taxable income in a particular year. In the case where a thrift institution has an NOL that is carried back, thereby reducing its taxable income in a prior year, the issue arises whether the taxable income base on which the bad debt reserve deduction for that prior year is calculated is also reduced.

Treasury regulations in effect from 1978 to the present require that taxable income be reduced by NOL carrybacks for purposes of calculating the bad debt reserve deduction of

thrift institutions. However, The U.S. Tax Court in Pacific First Federal Savings Bank versus Commissioner held that the regulations on this point were invalid.

My legislation would simply restore congressional intent so that troubled thrifts cannot reap huge tax refunds. It is important to note that while troubled thrifts receive huge refunds, this additional expenditure of tax dollars in no way reduces the overall cost of the bailout. Rather, these refunds are simply a windfall from the Treasury.

The second provision would close a classic loophole by disallowing losses on tax motivated transactions. In 1980, the Federal Home Loan Bank Board permitted thrift institutions to enter into reciprocal sales of substantially identical mortgage loans without having to reduce their net worth by the difference between the transferred loans' book value and market value. Many thrift institutions have entered into such reciprocal sales for the sole purpose of generating tax losses.

Since institutions do not report losses on these transactions for regulatory purposes and, in fact, have not altered their business position, the sole purpose of such transactions is to generate losses for tax purposes. The second provision of my bill would disallow these losses. In addition, because there is substantial evidence that other financial institutions as well as certain other corporations also conduct similar transactions, this provision would apply to any entity conducting such a transaction.

Mr. Speaker, it is time to take away these unintended benefits. Our constituents are already outraged at the cost of the bailout. These transactions do not reduce the cost of the bailout by 1 penny. We need to send a message to the regulators to stop trying to divert taxpayer's dollars to troubled thrifts through the backdoor.

I would urge my colleagues support.

1. Computation of Bad Debt Deduction of Thrift Institutions with NOL Carrybacks

PRESENT LAW

Thrift institutions may, in general, take a deduction for bad debts equal to 8 percent of their taxable income in a particular year. In the case where a thrift institution has a net operating loss (NOL) that is carried back, thereby reducing its taxable income in a prior year, the issue arises whether the taxable income base on which the bad debt reserve deduction for that prior year is calculated is also reduced.

Treasury regulations in effect from 1978 require that taxable income be reduced by NOL carrybacks for purposes of calculating the bad debt reserve deduction of thrift institutions. One recent decision of the U.S. Tax Court held that the regulations on this point were invalid (*Pacific First Federal Savings Bank* v. *Commissioner,* 94 T.C. No. 10, 2/27/90.

DESCRIPTION OF PROPOSAL

The proposal would codify that portion of the regulation which provides that taxable income be reduced by NOL carrybacks for purposes of calculating the bad debt reserve deduction of thrift institutions under the percentage of taxable income method. The proposal is consistent with the purpose behind allowing carryovers of NOLs to average the taxable income of a taxpayer over multiple years, which results in a more accurate determination of the taxable income of a taxpayer over an extended period of time. If NOL carrybacks do not reduce taxable income for purposes of calculating a thrift institution's bad debt deduction, a thrift institution's deduction for bad debts will be a greater percentage of its taxable income than the 8 percent of the thrift institution's total taxable income.

2. Deduction for Loss on Reciprocal Sales of Loan Pools

PRESENT LAW

Under present law, banks and thrift institutions generally may deduct losses on sales or exchanges of bonds, debenture, note, certificate, or other evidence of indebtedness as an ordinary loss. A loss from an exchange of property arises only where the property received in the exchange differs materially either in kind or in extent from the property exchanged.

Since 1980, the Federal Home Loan Bank Board has permitted thrift institutions to enter into "reciprocal sales" of "substantially identical" mortgage loans without having to reduce their net worth by the difference between the transferred loans' book value and their market value.

A number of courts have held that losses on reciprocal sales of mortgage pools between thrift institutions were deductible as ordinary losses, even though the mortgage pools where subtantially indentical, were tax motivated, and the losses were not recognized for accounting or regulatory purposes. See for example, *Cottage Savings Association* v. *Commissioner,* 90 T.C. 372 (1988)

DESCRIPTION OF PROPOSAL

In general, a loss in connection with exchanges or reciprocal sales of 25 or more substantially identical mortgage loans would not give rise to a loss for tax purposes. A loss will be presumed to be in connection with an exchange or reciprocal sale of substantially identical mortgage loans if a taxpayer does not record a loss resulting from such sale or exchange for accounting purposes. The proposal would stop tax-motivated reciprocal sales entered into for the sole purpose of generating tax losses.

EXCERPT FROM MARK TWAIN'S "THE MYSTERIOUS STRANGER, ETC."

HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. JACOBS. Mr. Speaker, in Mark Twain's "The Mysterious Stranger, Etc." at page 119 one finds the following words:

There has never been a just [war], never an honorable one—on the part of the instigator of the war. I can see a million years ahead, and this rule will never change in so many as half a dozen instances. The loud little handful—as usual—will shout for the war. The pulpit will—warily and cautiously—object—at first; the great, big, dull bulk of the nation will rub its sleepy eyes and try to make out why there should be a war, and will say, earnestly and indignantly, "It is unjust and dishonorable, and there is no necessity for it." Then the handful will shout louder. A few fair men on the other side will argue and reason against the war with speech and pen, and at first will have a hearing and be applauded; but it will not last long; those others will outshout them, and presently the anti-war audiences will thin out and lose popularity. Before long you will see this curious thing: the speakers stoned from the platform, and free speech strangled by hordes of furious men who in their secret hearts are still at one with those stoned speakers—as earlier—but do not dare to say so. And now the whole nation—pulpit and all—will take up the war-cry, and shout itself hoarse, and mob any honest man who ventures to open his mouth; and presently such mouths will cease to open. Next the statesmen will invent cheap lies, putting the blame upon the nation that is attacked, and every man will be glad of those conscience-soothing falsities, and will diligently study them, and refuse to examine any refutations of them; and thus he will by and by convince himself that the war is just, and will thank God for the better sleep he enjoys after this process of grotesque self-deception.

Mr. Speaker, Uncle Sam is in Saudi Arabia to defend everything we do not believe in and one thing we want. You might even say that though they send our young to foreign soil, they won't spill a drop of American oil.

INTRODUCTION OF LEGISLATION CONCERNING LOW INCOME HOUSING TAX CREDIT

HON. BRIAN J. DONNELLY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. DONNELLY. Mr. Speaker, I am introducing legislation today concerning the low income housing tax credit. This legislation encourages nonprofit organizations to invest in and operate low income housing projects, and insures that these projects continue to serve the poor.

Mr. Speaker, the 1986 Tax Reform Act established a tax credit for investors in low income housing projects. This tax credit is one of the few programs that the Federal Government has remaining for low income housing. As one of the Members of the House that helped draft the low income housing credit, I have long held an interest in insuring that the credit works properly and that it encourages the development of housing for the poor.

The Omnibus Budget Reconciliation Act of 1989 contained an important provision to insure that low income housing remains available to those who need it. OBRA 89 contained a provision to make it easier for tenants of low income housing to purchase projects in which they live. My bill extends a similar rule to certain nonprofit organizations, as well as making certain technical corrections to last year's legislation.

Mr. Speaker, as a member of the Committee on Ways and Means, I hope to have this legislation included in any tax bill enacted by Congress this year. I urge support for this legislation, and ask that a technical description of my legislation be printed at this point in the RECORD.

TECHNICAL DESCRIPTION OF LEGISLATION

PRESENT LAW

The low income housing credit is available to owners of qualified low income housing projects. In general, to be considered an

"owner" of property for income tax purposes, the taxpayer must possess all of the burdens and benefits of ownership, including risk of loss or benefit of increase in the value of property over time. One other indicia of ownership is a free and unencumbered right to dispose of property.

If a right of first refusal attaches to property, a question of owership may arise. The Omnibus Budget Reconciliation Act of 1989 contained a provision which provided that the low income housing credit would still be allowed to investors in low income housing projects even if the tenants of the building had a right of first refusal to purchase the project at the end of the compliance period for a price at least equal to the outstanding indebtedness on the property plus accrued taxes.

A right of first refusal generally implies that an owner of property is required, when and if he decides to sell, to offer the property first to the person entitled to the pre-emptive right at a stipulated price. A right of first refusal differs from an option in the sense that an option gives the pre-emptioner the power to compel an unwilling owner to sell.

EXPLANATION OF PROPOSAL

The legislation makes several changes to present law. Under the legislation, the provisions of OBRA '89 relating to tenants would be extended to qualified nonprofit organizations. The legislation also makes clerical corrections to the statute and clarifies the right which currently exists to tenants.

A nonprofit organization is qualified only if (1) it is exempt from tax under section 501 of the Internal Revenue Code and described in paragraphs (3) or (4) of section 501(c) of the Code; (2) one of the exempt purposes of the organization is fostering low-income housing; (3) the organization has been engaged in fostering low income housing for at least three years; and, (4) a majority of the members of the board of directors of the organization are residents of the area in which the project is located and have been residents of the area for at least three years. If the qualified nonprofit organization acquires the project, the organization must operate it in accordance with its exempt purpose for the remainder of the extended use period.

For purposes of the bill, board members are residents of the area in which the building is located if the building is in a region which is geographically proximate and economically similar to the residence of the board members. Nothing in the legislation should be construed as requiring that the board members reside in the same Metropolitan Statistical Area in which the project is located.

In addition, the legislation clarifies the rule which currently applies to tenants. Under the bill, the rule only applies with respect to tenants who are occupying the low income units of the building.

EFFECTIVE DATE

The legislation is effective as if included in the Omnibus Budget Reconciliation Act of 1989.

REMEMBER OUR TROOPS IN SAUDI ARABIA

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mrs. ROUKEMA. Mr. Speaker, I doubt that there is a person in this Chamber who is not thinking of, or praying for, our men and women of the Armed Forces who are stationed in Saudi Arabia today. We also remember their mothers, fathers, husbands, wives, brothers, sisters and, yes, children whom they have left behind here in the United States.

I rise today to call to the attention of my colleagues a constituent of mine who has answered this call to duty and the manner in which his wife has also responded to this call.

In order to keep her friends and relatives informed, Lucia O'Dowd, whose husband Michael has been deployed to the Saudi desert, has begun to publish a newsletter in which she explains that it is not just those in uniform who must answer the call to duty, we as civilians must also do our part. I ask my colleagues to listen to the text of the newsletter:

OPERATION DESERT SHIELD UPDATE

DEAR FAMILY AND FRIENDS: I want to first thank all my family and friends that have called Mike and I, concerned about the Middle East situation. The fact that you cared enough to call or just think about us, means so much to both of us.

This past Monday I saw Mike off, on his way to Saudi Arabia. His length of stay could be anywhere from six to nine months. I can't give you his exact location, as that is Classified. We tried, and are still trying, to notify all of our family and friends to let them know the latest in this crisis, as it affects us all.

I decided to start a news letter informing all our family and friends of Mike's status and how he is doing. I also have a favor(s) to ask. It's important that we support our soldiers over in the Middle East and there are several ways for you as individuals to do that. The first, place a yellow ribbon and a red ribbon around a tree in your yard. The yellow is for all of the soldiers over there and the red is Mike's Squadron color. Also, you could wear a yellow and red ribbon. The second, if you have an American flag, please fly it daily, and if you don't have one, get one. The third, following is Mike's address, please write him and let him know you support him and are thinking about him. A few short lines would be worth a thousand words. The fourth, but most important, is, he and the rest of the men and women over there need your prayers. Pray for safety, strength and peace.

My promise to you is to keep you informed with the information I find out. Information coming out of Saudi Arabia will be slow in coming but we have good communication with the Squadron here. I will send my updates out as often as I can and as often as situations change.

To say the least, seeing Mike off was one of the hardest things I have ever had to do. The fact that there is no fighting currently going on there is not much comfort. My comfort comes from my family and all my friends, your prayers and show of support for Mike and the rest, and the fact that I know my husband is one of the best at what he does.

Until the next Desert Shield Update, my thoughts and prayers are with you. God bless America!

Love always,

LUCIA.

Mr. Speaker, the men and women of the U.S. Armed Forces in the desert have the full support of the American people. It is imperative that we, back here at home, follow Lucia O'Dowd's example and continue to express this support whether it be with a yellow ribbon on a tree, by flying the American flag or sending a letter to the troops.

NATIONAL BEACH CLEANUP DAY 1990: CITIZENS MAKING A DIFFERENCE

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mrs. LOWEY of New York. Mr. Speaker, I rise today to commend the people of Westchester County and all of the responsible citizens in coastal areas of the United States who are giving of their time and energy as participants in National Beach Cleanup Day, 1990, this weekend. This is a laudable effort which will greatly enhance our fragile coastal areas.

There is inspiration and real hope for the future of our coast as participation in National Beach Cleanup Day grows with each passing year. Last year beach cleanups were held in 25 U.S. States and territories. More than 65,000 volunteers participated. These dedicated individuals, from toddlers with their parents to senior citizens, collected 850 tons of debris from nearly 3,000 miles of coastline.

The cleanup crews document the collected debris for a national data bank on coastal pollution. This valuable information will help us develop strategies for specifically targeted pollution control in coastal States. In addition, this year a strong emphasis is being placed on recycling as much beach debris as possible.

Looking at the scope, range and commitment of all those dedicated individuals who care so deeply about our beaches, wetlands and coastal areas, I have no doubt that National Beach Cleanup Day 1990 will be an environmental success. I encourage all of my colleagues to join me in pitching in, rolling up your sleeves, and cleaning up our beaches. It will help drive home the point that we have work to do to save our coasts for future generations.

THE S&L BAILOUT: WHO PAYS?

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. VENTO. Mr. Speaker, during the past month, we have all been at the fairs, parades, and town meetings and have heard opinions expressed on numerous issues ranging from the situation in the Middle East to the ongoing

budget negotiations and the need for progress on a variety of other issues such as clean air, child care, and rising health care costs.

But the savings and loan issue that persists in being raised more often and more strongly than others is who should pay for the S&L bailout.

The American people know the story behind the S&L crisis. They know that greed, fraud, mismanagement, and speculation were the precepts for S&L default and failure. They know that the windfall profits of S&L mismanagement went to S&L executives and those rich enough to participate in the brokered deposits, the junk bonds, and the speculative land schemes. What the American people do not understand is why they have to pay for the ill-gotten profits that resulted from the folly of a complete regulatory breakdown.

The current policy path is indeed unfair. Working middle class Americans should not pay for the excesses of the S&L's. We should redress this inequitable policy by ensuring that the Resolution Trust Corporation implement the S&L bailout law in as cost-effective a manner as possible and by recasting the current policy of who pays for the S&L bailout.

A number of proposals have been offered by my task force on the Resolution Trust Corporation to improve the administration of the law. These recommendations, some of which have already been implemented, will result in significant savings to the Federal Government and a reduction in the cost of the bailout. The Vento RTC Task Force will continue to monitor the implementation of the law and to suggest changes aimed at saving taxpayer dollars.

In light of the growing problem with the Bank Insurance Fund, it is crucial that the task force and the whole Congress focus attention on the emerging issue of how and who will pay for the bailout in the S&L crisis. A national focus on this issue is crucial. I and others are concerned that the ongoing budget negotiations will settle for a temporary $100 billion fix to the problem. The problem with this fix is that it is not temporary and it is highly probable to leave middle class America holding the bag.

In order to focus the debate on this issue, the RTC Task Force will hold a hearing on September 26 on the S&L crisis: Who pays? It is my intent to focus the hearing on alternative proposals which will take the nearly $300 billion elephant off the backs of working Americans and put the burden where it belongs on those who have profited from the S&L crisis.

IT'S TIME TO PASS THE BUCK ON FINANCIAL AID IN GULF

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. BROOMFIELD. Mr. Speaker, I read with interest a story in today's New York Times which reports that Jordan may well be ceasing its shipments of food and other goods to Iraq.

If true, it comes long after the United Nations voted strict sanctions against Iraq. According to the Times, 200 trucks a day were crossing Jordan's border into Iraq, stuffed with food and other items.

Its refusal to strictly adhere to the UN sanctions has eased the pain of the blockade, and has given Saddam Hussein additional time to destroy the nation of Kuwait.

Admittedly, Jordan is in a precarious position—both militarily and economically. If the Jordanians finally abide by the UN sanctions, their economy will certainly suffer. Much of it depended on commerce with Iraq and Kuwait.

As a result, they are reportedly asking for more international assistance to compensate them for any losses they might sustain in closing down their borders to commerce with Iraq.

They certainly have just cause to ask for more assistance. But it is worth pointing out that they are already receiving quite a bit of assistance from the Saudis and a number of Western European nations, not to mention the economic and military assistance they continue to receive from the United States.

But if they are forced to look for more aid, I hope they will not look to the United States, which already has committed more than enough of its taxpayer dollars to this crisis, in addition to the far more important commitment of young Americans who are now defending Saudi Arabia from Saddam.

If the Jordanians need assistance, I'd suggest they turn elsewhere, particularly to the oil rich countries in the Gulf. The price of oil is shooting skyward, and if anyone can afford to assist Jordan, it is those countries with plenty of oil and small populations.

What's more, these are the very countries that are benefitting from the blockade and from the international military response to Iraq's invasion of Kuwait.

The American taxpayers are generous people, but there is a limit to how much money they want to lavish on every country that faces financial difficulties.

This is a good time for the international community to start relieving America of some of the burden of keeping peace in the world. And it is time for America to start facing some of its fiscal realities and realize that sometimes the wisest thing to do is to simply pass the buck.

MOOD FOR ENERGY CONSERVATION

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. MAVROULES. Mr. Speaker, in July, I called for a national commitment to energy conservation and a renewed push to develop alternative energy sources. This, I said, would decrease our dependence on foreign sources of energy, specifically petroleum products.

We all know what occurred in August. Since the Persian Gulf crisis our concern over our Nation's energy supplies are more critical than ever.

During the 1970's, after two oil shocks led to economic recessions, this Nation developed a forward-looking energy policy. Research and development for alternative sources of energy, including solar, alternative fuels, coal liquifaction, electric car technology, and others, was funded by the Federal Government. Energy conservation and efficiency was encouraged in our homes and office buildings, in our cars, and in our appliances. Between 1979 and 1986, improved energy efficiency rsulted in saving seven times more energy than that obtained by increased capacity. With today's increased energy consumption, even more could be saved by realistic conservation programs and increased energy efficiency.

What is needed is a national commitment to energy conservation. This takes leadership, especially from the President. In last week's address before a joint session of Congress, President Bush barely mentioned the need for energy efficiency and conservation. This is not leadership. He should be calling on America to use its ingenuity and know-how to develop secure energy sources. In a time of crisis overseas, Americans can be depended upon to take steps to benefit our Nation. This opportunity should not be lost. If we act now, this crisis will be seen as a wake up call for us to address our Nation's energy problems before they become acute and cause tremendous economic displacements.

For example, we can reverse the trend in decreased support for R&D into solar, wind, and geothermal power, and alternative fuels. While any one of these sources may not be applicable in parts of the country, each could be important in the region best suited to its particular utilization. In addition, the use of natural gas, of which our Nation has abundant supplies, should be encouraged as a substitute for imported petroleum products. Conversion of utilities to natural gas, once fully implemented, would save hundreds of thousands of barrels of oil each day by the year 2003. Since more than half the petroleum products used in this country goes for transportation, the use of alternative fuels in automobiles, the World Resources Institute estimates, would save 3 million barrels of oil per day by the year 2005—through implementation of Senator BRYAN's CAFE standards bill from 28 mpg to 40 mpg average efficiency for automobiles.

While increasing our independence of foreign sources of oil, improved efficiency and conservation would also have other desired effects. Our balance of trade would improve since less money would be spent overseas for imported oil. In addition, air pollution would be lessened since some energy sources we have in plentiful supply, that is natural gas, are less polluting than much imported oil. These pollution improvements would be even more dramatic if renewable, nonpolluting energy sources such as solar, wind, and geothermal were substituted for oil. In short, we can improve our energy efficiency, balance of trade and pollution problems simply by becoming more efficient in our use of energy.

The administration, and oil company interests, all but ignore conservation in favor of further development of domestic reserves. These domestic reserves represent less than 2 percent of proven world oil reserves and their use, without the implementation of conservation practices, would only delay the day of reckoning by several years to a decade at the most. Also, many of these reserves are in

environmentally sensitive, ecologically unique, or ecomically important parts of our Nation. The development of areas like the Arctic National Wildlife Reserve in Alaska, or the offshore regions near some of our most important fisheries, like Georges Bank, should be a last resort to insure our Nation's energy supplies, not the first resort. How much better to simply use our energy more efficiently and utilize renewable energy sources than to spoil the last remaining natural areas of our Nation.

In conclusion, it is past time to develop alternative energy resources and implement energy conservation and efficiency programs. It is unconscionable to further delay the drive for energy independence through increased utilization of renewable energy resources and increased energy conservation.

THE TELEPHONE CONSUMER ASSISTANCE ACT

HON. BART GORDON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. GORDON. Mr. Speaker, recent technological innovations have created a new telecommunications business known as pay-per-call or audiotext, using 1-900 numbers or 976 numbers.

The 900 business has exploded into a billion-dollar enterprise that almost completely avoids oversight. Of course, the usual fly-by-night scam artists have moved in. They are threatening to give the whole business a bad name, using shady advertising and sales practices to lure children and others into unknowingly running up huge phone bills.

Because almost all of these 900 numbers cross State lines, it is nearly impossible for our State regulatory commissions to supervise them. We need a uniform, national system of rules to inform and protect the public.

That is why today, I am introducing the Telephone Consumer Assistance Act. My bill will set up a comprehensive system of checks and balances in the 900 business so telephone bill payers know what they are getting—and what they are getting themselves into when they dial a 900 number.

Mr. Speaker, my bill is a fair, balanced, and necessary approach that would keep telephone users informed while allowing the 900 industry to continue its growth. I don't think any of us want to see the 900 industry follow the 976 business into oblivion.

ENTREPRENEURIAL EDUCATION PROMOTION ACT OF 1990

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. McDADE. Mr. Speaker, I rise today to introduce a measure of great importance to the long-term health and vitality of our economy and Nation. The Entrepreneurial Education Promotion Act of 1990 is targeted at the young people of America in the hope that through them our position in the world marketplace and as the bastion and protector of free enterprise may be maintained and strengthened in the years ahead.

While it has been the burden of recent generations to toil under the constant military threats and pressures of the cold war, today that dark chapter in global history stands ready to close. In its place an era is opening in which economic might will be the chief determinant of achieving superpower status. While it is those of us in this Chamber who must labor to put our fiscal house in order today and in the remaining years of this century, the young people who sit today in the classrooms of our elementary schools are responsible for managing the crises of the future.

The measure that I unveil today is aimed at instilling in these inheritors of the American dream an understanding of and respect for the importance of this Nation's economic system and how it functions. Only by imparting to our children an awareness of the ingredients of a strong economy, and cultivating in each of them a respect for the important role they can and must play in bringing it about, can the United States maintain its high standard of living and endure as a shining example of what free people can achieve through free enterprise.

Specifically, the legislation, which was one of the key recommendations of the 1986 White House Conference on Small Business, calls for the President and Congress to appoint a national commission to explore how topics such as marketing, micro and macro economic principles, labor relations, finance, management, and foreign language proficiency, among many other subjects, can be better communicated by teachers and mastered by students. In addition, the Commission would be directed to review current domestic efforts in this area as well as analyze the success other nations have enjoyed in this undertaking. The panel, comprised of outstanding citizens with firsthand experience in either free enterprise or education, would issue a comprehensive legislative and executive agenda for the Federal Government to pursue in achieving the goal of more economically literate young people. The Commission's findings are to be submitted to the President and the Congress not later than 1 year after its convening.

Mr. Speaker, each of us here recognizes the critical responsibility we bear in insuring that our children enjoy a better life than we have had. The most important gift we can give them to help guarantee this is the knowledge and understanding of how we have become who we are and how they can take America to even higher levels of greatness. This is the goal of the Entrepreneurial Education Promotion Act of 1990. I hope my colleagues will join with me in bringing about the enactment of this proposal.

THE 1990 CENSUS

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington report for Wednesday, September 19, 1990 into the CONGRESSIONAL RECORD:

THE 1990 CENSUS

The results of the 1990 census will provide a snapshot of America. The census—which collects information not only on population but on race, income, housing, and family size—will affect all Americans. The changing nature of America, as reflected in the 1990 census, will alter the political and economic realities of the United States for decades to come.

The Constitution requires that the population be counted every ten years. Census results determine the number of seats each state has in the U.S. House of Representatives. Boundaries of congressional and state legislative districts, as well as school boards and city council districts, are redrawn based upon census data. Federal aid to states is based on population figures. In 1989, $120 billion was distributed to state and local governments for over 100 federal programs including: job training, housing assistance, child nutrition, and community development. The census also benefits the private sector by providing businesses with information about consumers. Although the 1990 census data will not be finalized until December, several trends and issues arise from the preliminary data.

BASIC TRENDS

The U.S. population is 250 million, an increase of 24 million over the last census. Some 40% of the growth is from immigration. Four states—California, Arizona, Texas, and Florida—account for 63% of the growth of the American population over the past ten years. As a result, they will gain 15 new seats in the House of Representatives. Washington, Georgia, Virginia, and North Carolina are also likely to collect new seats. States losing seats are located primarily in the Northeast and Midwest, and include: New York, Pennsylvania, Ohio, Illinois, Michigan, and Kentucky. This transfer of political power toward the South and the West is not a new phenomenon, as the Northeast and the Midwest have lost 36 House seats over the past 30 years. A major factor in the Midwest's population loss has been a decline in manufacturing jobs.

Besides the overall population shifts, various trends emerge from the preliminary data. Central cities are shrinking, as the core of older cities loses population to metropolitan areas. Detroit, for example, appears to have lost 19% of its population and Chicago 9%. People are leaving the cities and moving into new, high-growth areas. As a result, the U.S. is becoming a suburban nation, and the central cities face a weakened political base, less federal funding, and few tax dollars to deal with the demands of their lower-income populations. The census data verify the existence of a new trend: the "exurb". The exurb is an area outside of the suburb, but still within commuting distance of the city. Young families in search of affordable housing often move into exurban areas. Rural areas are losing population, marking an end to the "rural renaissance"

of the 1970s. An aging population is moving to popular retirement spots. There has been a hollowing out of the country, as Americans move toward the coastal regions of the United States. Some 47% of Americans now live in states located on the two coasts. While all states bordering on Indiana are expected to lose House seats, Indiana will likely keep all of its ten seats. Final Census Bureau figures are expected to show that Indiana's population has grown by 1%, from 5,490,000 in 1980 to 5,560,000 today. Indianapolis grew while Gary declined sharply. Population growth in the Ninth Congressional District slightly exceeds state growth, with big gains in Monroe, Dearborn, Franklin, and Ohio Counties. Preliminary data suggest a narrowing of the income gap between the northern and southern parts of Indiana.

PROBLEMS WITH THE CENSUS

The 1990 census has been controversial and costly. Alleged undercounting and mismanagement, as well as public apathy and mistrust, have posed problems for the census. Some charge that the Postal Service failed to deliver millions of census forms. Others charge that the Census Bureau has asked too many personal questions. The homeless, the illiterate or non-English speakers, and illegal aliens have been difficult to count. Preliminary census data for Indiana suggest a significant undercount of housing units, resulting in a possible undercount of between 40,000 and 60,000 people. A review process is underway to help correct undercount problems.

PUBLIC POLICY

The population trends will affect American politics. The borders of various congressional districts will be changed to reflect a changing population. How the map is redrawn and what type of people will be added to a district will influence the outcome of elections. With redistricting in the hands of governors and state legislators, partisan conflict is assured. The states gaining population have been more likely to support Republican candidates.

Population growth will force Americans to address issues like infrastructure and immigration, while population decline in central cities will force attention to their isolated social conditions. Organized labor may continue to lose political strength since many of the House seats lost are in areas that have strong unions. Environmentalists may grow more powerful, as environmentally-sensitive states like California become more influential. By picking up seven new House seats, California will have the largest delegation in the history of the Congress. One-eighth of the House of Representatives will be from California, making it a mega-state with enormous potential power. States in the South and West will increase their share of federal funds. With Indiana's population remaining fairly constant, no major changes in its allocation of federal funds are expected.

Taking the census is an enormously complicated task, and is among the government's largest peacetime programs. As more detailed information becomes available from the financial census data, a portrait of America for the next ten years will emerge.

EDUCATIONAL PROGRAMS FOR U.S. PATENT AND TRADEMARK OFFICE EMPLOYEES

HON. CARLOS J. MOORHEAD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. MOORHEAD. Mr. Speaker, today I am introducing legislation that would help restore an important financial incentive for U.S. Patent examiners that would codify the Commissioner' current authority to establish and maintain educational programs for U.S. Patent and Trademark Office employees.

Today, the U.S. Patent and Trademark Office [USTPO] receives an increasingly number of patent applications in all areas of technology, including highly competitive areas such as bioengineering, robotics, telecommunications, and computer equipment. To examine these applications in a timely manner, the office needs to hire competent scientists and engineers in many technologically sophisticated disciplines including biochemistry, genetic engineering, and electrical engineering.

These same scientists and engineers, however, are in high demand in the private sector. Thus, the Office currently competes with the private sector, that often offers $5,000 more per year than the office, to hire the 400 to 500 scientists and engineers it needs each year to maintain its current processing goals. After the USPTO hires and trains these people, the private sector can lure them away with promises of higher salaries than the USPTO can offer.

One of the benefits that the office has been able to offer that has tipped the balance in favor of Federal employment in the case of many talented young scientists and engineers is to provide assistance to these examiners who wish to attend law school by paying for those courses directly related to their job duties and performance. This represents roughly half of the expenses of law school. The Office policy, that is consistent with Federal training regulations, has been to pay the tuition directly to the institution as it does with all other job related training programs. It did not include these payments in the employee's wage and earnings statements.

Unfortunately, this benefit has been made less attractive and will not be as effective a tool to attract new scientists and engineers in the future or to retain examiners now at the Office. In 1988, section 127 of the Internal Revenue Code, relating to educational benefits, was amended to make all payments by employers for law school expenses taxable income to the employee unless otherwise excluded. This amendment coupled with very narrow interpretations by the Internal Revenue Service of provisions relating to fringe benefits (section 132) and trade and business expenses (section 162) led the Internal Revenue Service to conclude that these payments are taxable income. As a result, the Patent and Trademark Office announced in July of this year, that they had been advised by the IRS that these payments were taxable income and that the Office would issue revised W-2 forms for tax years 1988 and 1989. They also announced that they will include all payments in the W-2 forms for 1990 and future years.

Including payments for tuition assistance in the employee's gross income effectively reduces the employee's after tax income as much as $3,000 to $4,000 per year. As most examiners participating in this program are paid at the GS-7 through GS-12 levels, approximately $20,000 to $36,000 per year, this additional tax burden represents a significant reduction in their take-home pay. When potential employees now compare the pay and benefits offered by the USPTO and the salary and benefits level offered by the private sector, fewer will accept jobs at the USPTO. Those who do decide to work at the USPTO will be less likely to hone their skills by attending law school because of the cost, and those now in the law school tuition program will seek higher salary positions in the private sector.

Thus, the Office will fail to attract or will lose many highly motivated and productive young employees, those employees who would otherwise be the most likely to move into management and specialized positions in the Office. In the long term, both the public and industry will be the losers in this brain drain at the Office while the Treasury will reap only an extremely modest amount of money.

Furthermore, the Office will have to apply these rules to prior tax years. Examiners who have participated in the law school assistance program will be taxed on the payments made in tax years 1988 and 1989, years in which they did not believe they incurred a tax liability by accepting this assistance. Depending on the amount of assistance received, this could cost examiners an additional $6,000 to $8,000 in taxes. To meet this financial obligation, employees will seek out higher paying private sector jobs, making the brain drain a certainty instead of merely conjecture.

To restore this incentive for patent examiners, this bill would add a new subsection to title 35 that would codify the Commissioner's current authority to establish and maintain these educational programs for USPTO employees. Specifically, it would permit the Commissioner to authorize participation in and payment for law school courses. More significantly, however, the bill would add a new section to the Internal Revenue Code that would specify that certain authorized educational benefits provided by the Patent and Trademark Office under title 35 would be excluded from gross income. That is to say, these benefits would not be taxable. This provision would only apply to employees of the USPTO; others would not be affected. Also, this proposal, like existing exclusion for similar Department of Defense programs, would not affect the existing provisions of the Internal Revenue Code related to educational benefits, fringe benefits, or trade and business expenses. These provisions would be retroactive to include tax year 1988.

While it is conceded that each year the Treasury may lose some income due to this provision, it would be only a small amount, and is justified in comparison to the benefits received by the public and our high-technology industries through prompt and high-quality patent examination. Moreover, in most cases, the taxes have not yet been collected, so there will be no net loss to the Treasury.

FEDERAL FUNDING FOR STUDENTS IS NOT EQUITABLE

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. OWENS of Utah. Mr. Speaker, last week I was briefed on the interim education study that was required under the Hawkins-Stafford amendments in 1988, a requirement which was added to that bill by an amendment which I offered. This shocking study blatantly shows that the formulas used today for dispursing Federal education funding are not equitable in any manner or degree. As we in Utah suspected, Utah falls last in overall Federal funding for students.

This is an outrage. Utah has 1 percent of the student population in the United States. Over one-third of Utah's population is below the age of 18. Utah is increasingly becoming a source of skilled workers for the rest of the Nation's future, yet our share of Federal funding for education is dead last.

The interim study shows that a bias exists in chapter 1 funding disbursements. Since many of the appropriation bills already passed by the House rely on chapter 1 disbursements, I recommend that all Members look very carefully at their own States to see how this formula causes inequity in Federal funding allocations in education.

The interim study shows the disparity of the total Federal aid/pupil varies by up to a ratio of 2.6:1. It shows that large States, States with high enrollment-to-population ratios, and States with declining enrollments tend to receive more aid. Per pupil allocations of chapter 1 LEA grants are far above average in the Midwest and well below average in the West.

These are only a few of the interim report's findings. The Department of Education is looking at alternatives to a more equitable allocation of Federal funding formulas. I strongly urge all Members to look carefully at this interim study. If we are truly committed to education this decade as a requirement for a viable, competitive work force, we must guarantee that Federal funds reach the intended student populations. All students deserve an equitable, quality education without discrimination based on institutional inequities. There are already enough barriers to a quality education locally without the Federal hand slapping local educators in the nose. I urge all of us to change this heavy hand to a helping hand.

ALTHEA T.L. SIMMONS, AN INCURABLE ACTIVIST

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. EDWARDS of California. Mr. Speaker, 12 years ago, Althea T.L. Simmons was appointed director of the Washington office of the NAACP, becoming chief lobbyist for the Nation's oldest civil rights organization.

She succeeded Clarence Mitchell, who walked these Halls for nearly 30 years lobbying for enactment of Federal antidiscrimination legislation.

Clarence was known as the 101st Senator and when he retired, the unspoken assumption was that his successor would pale in his long shadow. Althea, sensitive to those perceptions, dealt with them in her characteristic fashion—head-on. She acknowledged Clarence's special standing and then took steps so that civil rights advocates and Members of Congress and their staffs got to know her. She didn't compete with the Clarence Mitchell legend; no, she was her own person. And what a person she was.

Althea arranged an introductory meeting with me shortly after her arrival in Washington, DC, and proudly told of her Texas and California ties. I remember too, how striking she was, so tall and regal. She had a commanding aura which let you know in no uncertain terms that her mission was important. And she also had a smile that could melt the snows of Mt. Kilamanjaro. Indeed, she was majestic just like that mighty mountain.

Mrs. Simmons was an effective and principled advocate; her constituents were justifiably confident that she would not support legislation which in any way diminished the hard-won rights of African-Americans. Time and again she demonstrated her deep commitment to guaranteeing civil rights to persons of African descent around the world and her compassion for the equality struggles of other minorities and women. Perhaps the best testament to Althea's success and influence as a lobbyist is the fact that whenever a civil rights issue was presented to the Congress, Members and staff wanted to know Althea's position.

This, understandably, is a difficult time for Althea's family and friends. But I know in the last several months she took great care in bringing family members together with her friends so that they might get to know each other. I hope her friends and loved ones can find solace in the fact that her contributions were recognized during her lifetime. In 1989, Althea was one of 75 women featured in the book, "I Dream a World—Portraits of Black Women Who Changed America." What follows is Althea's self-description of "an incurable activist":

A turning point in my life came while I was at Southern University. Thurgood Marshall came to Louisiana to argue the equalization of teachers' salaries. He asked to have two students take notes and, luckily, I was one of them. I saw him question the state superintendent of education who squirmed like a little boy who had gotten caught with his hand in the cookie jar. I said wherever Marshall went to law school that's where I wanted to go. I went to Howard University because that's where they were teaching civil rights.

When I got out of law school in 1956, I went back home to Dallas and the person I was working for was the dean of black lawyers in Texas. He said, "All right, baby, I'm going to teach you some law." The first case I had to do some research on was the State of Texas against the NAACP. They were putting the NAACP out of business.

After being a volunteer for the NAACP, I decided to come on staff for one year to help them out. Well, that one year was over twenty-five years ago.

When Clarence Mitchell, who was my predecessor in this job and who had been here twenty-nine years, retired in 1978, I was transferred to Washington to be the chief lobbyist. Clarence Mitchell was a living legend. There was not a civil rights measure that had been passed in modern history that his fingerprints were not on.

I recall quite vividly when Mr. [Benjamin] Hooks [Executive Director of the NAACP] took me to the White House to introduce me to President Carter. The President said, "Miss Simmons, you've got some very big shoes to fill." And I said, respectfully, "Mr. President, nobody can fill fill Clarence Mitchell's shoes. I'll have to walk in my own footsteps."

I think I have the respect of both parties on the Hill. A lobbyist's stock in trade is your credibility, and even though I had my association, whether or not I could represent it depended on me.

I often say that I am a double minority, black and female, and it cuts both ways. Even when I'm accepted as a black, I have to fight the female portion. If you're female, you've got to be able to prove that once a month you're not going to go down the drain, that you're able to hold your own. And that's true within the race and outside the race.

We do the voting records on all 535 members of the Congress. We put out voting records on a quarterly basis and then we do what we call a civil rights report card. When a bill is signed into law, it gives me a good feeling to know that I was here and an important link in the chain that made this law a reality.

You find people who misunderstand affirmative action. We still have not determined that America is for everybody. If you go to Appalachia with rural whites, you can really see it when you start talking about empowerment. When you find people in certain classes, there is an attempt to keep them in those classes, be it the rural white in Appalachia or the rural black.

When the 1964 Civil Rights Act passed with the public accommodations section, we went down to Mississippi to help people learn to use the law. I stayed in a motel where the windows went all the way down to the floor, and I was terrified. I put a chair on the bed next to the window, then my luggage and then another chair. Then I got on the edge of that other bed and had one hand on the floor and one hip on the bed. That's how I slept. But we knew that if some of us didn't go down there and stay in those motels and go to those eating places, the folk who were there would be loath to go becuase of the hostility. The Congress had spoken, the President had signed the bill, and we had to show that it was available for them.

In Mississippi two young Klansmen came in and threw trash on the table where my secretary was registering people to vote. They said to get out of town and that they were going to tear the place up. I walked up to one of them and jammed my finger in his chest and said, "You don't tear up anything I put together. Now get out of here!" Common sense would tell you, don't do that. I didn't think, I just acted. I was mad.

The most dehumanizing incident of my life occurred in the late 1950s while we were trying to desegregate the eating facilities in Dallas. My sister, who was one of the first black students in law school at SMU [Southern Methodist University], and a white male law student and I sat at the lunch counter in the bus station downtown.

Nobody shouted at us, nobody said anything to us, nobody wiped the counter where we were. They just ignored us. We sat there for about five or six hours. Nobody made any kind of gesture that could be perceived as being hostile. We just didn't exist. Even now it's painful because I am a person and for all practical purposes, I did not exist.

We are seeing increased racial bigotry and that disturbs me. There should be no need for my organization. We're trying to work ourselves out of business. Unfortunately, I wanted to see that in my lifetime.

Have I given up hope? No. I am an incurable activist. I can't believe that the American people are so closed-minded that they can't see the necessity to use all our human resources.

TRIBUTE TO MARTHA TRUE, PIONEERING LABOR LEADER

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. DARDEN. Mr. Speaker, one of the leading figures in Georgia's labor movement is retiring this week when Martha True departs from her position as Secretary-Treasurer of the Georgia State AFL-CIO. Ms. True has been involved in the labor movement for 39 years. She has spent 18 of those years with the AFL-CIO.

She was the first and only woman president of Communications Workers Local 3204, and she has distinguished herself as a statewide labor leader. Her active service will be missed, but she is certainly deserving of more time for herself and her family.

Mr. Speaker, Martha True is being honored on September 21 by those she served and served with, and I am pleased to bring her work and the admiration many have for her to the attention of the House of Representatives.

On a personal note, I want to also state that she has been my personal friend and loyal supporter for almost 20 years. Her sense of humor, candid assessments of her friends and foes alike, and her strong loyalty to her friends and family are legend. While we will miss her on the job, I look forward to our continued friendship and association.

A SALUTE TO THE NAVAL ORDNANCE STATION, INDIAN HEAD, MD

HON. ROY DYSON

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. DYSON. Mr. Speaker, I rise today to salute the Naval Ordnance Station, Indian Head, MD, which will be celebrating its 100th anniversary on September 25, 1990. The continuing success of this facility is a tribute to the hard work and dedication of its employees, who have responded admirably to the sweeping changes and challenges which our Navy has faced in the century since the station's founding. I would also like to salute the residents of the town of Indian Head, its mayor, Warren Bowie, and town council members, Helen J. Todd and Dennis J. Scheessele, for their strong and continuous support of this vital military base. I am proud to share with my colleagues a brief history of the Naval Ordnance Station on this momentous occasion.

The Naval Ordnance Station began in 1890 as the Naval Proving Ground, responsible for the proof-testing of all guns turned out at the Navy Yard, and for testing powder purchased by the Navy Department. In 1921, the facility became known as the Naval Powder Factory, reflecting its new function as a chemical factory and research laboratory, and producer of gunpowder for the U.S. Navy. During World War II, it was considered one of the leading war supply stations, rapidly expanding to meet the demand for gunpowder.

Taking a new direction after World War II, the facility shed its former name and became the Naval Propellant Plant in 1958, providing missle fuel and propellant for increasingly sophisticated weapons, aircraft, and ships. The facility retained its status as the Naval Propellant Plant until 1966, when it became the Naval Ordnance Station, reflecting its expansion from propellants into the related fields of chemistry and engineering. Today its mission centers on providing a range of energetic materials and technical support to the Navy, as well as assistance in projects for NASA and other agencies.

The Naval Ordnance Station's talented employees take great pride in their missions. In recognition of their achievements, the station has been designated a U.S. Navy "Center of Excellence" for six of its technologies. These are: Guns, rockets, and missile propulsion; energetic chemicals; ordnance devices; missile weapons simulators; explosive process development engineering; and safety and environmental protection.

Among its dedicated employees, the Naval Ordnance Station boasts nearly 800 engineers. With aerospace, chemical, electronic, mechanical, civil, material, industrial, and safety engineers, the Naval Ordnance Station possesses capabilities unrivaled by any Department of Defense military base. In addition, the facility is a national resource for solid propulsion and explosive technology. For example, one of the station's divisions manufactures cartridge actuated devices [CAD's] used in military aircraft aircrew escape systems, which eject pilots from aircraft during emergencies.

The station, the town of Indian Head, and Charles County have spent 2 years planning exciting events for this landmark centennial celebration. Despite the technological evolution our military has undergone over the past century, the Naval Ordnance Station has successfully met all challenges and responded to the needs of our Nation. Further, there are very few bases which last for 100 years—and it is even rarer to find a base this old that serves as more than a site for administrative work.

Capt. Edwin P. Nicholson, the current commanding officer of the Naval Ordnance Station, recently put into words what he envisions for the Naval Ordnance Station over the next 25 years: "Before us stands an open book * * * I envision an ever-increasing role for the Naval Ordnance Station. In 1890, the Naval Ordnance Station began with proof-testing cannons, and with each passing quarter century we have seen its leadership explore and develop new technologies to meet the ever-changing needs of America. I know that whatever tomorrow brings, it is certain that with the dedication of its people and commitment to technical excellence, the Naval Ordnance Station at Indian Head will continue to be the site of history-making progress."

TRIBUTE TO HON. MICHAEL G. MOSCHETTI

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. MURTHA. Mr. Speaker, I would like to take this opportunity to congratulate a distinguished public servant from the 12th Congressional District of Pennsylvania who will be retiring on September 28, 1990. The Honorable Michael G. Moschetti, district justice in Westmoreland County, has been serving the people of our area in many different capacities over the past 34 years.

Mr. Moschetti was appointed as deputy sheriff in Westmoreland County in 1956. He spent 15 years in the sheriff's office, and served as an alderman from 1962 to 1970. He was appointed as a district justice in 1975, and has been reelected to this position since that time.

Mr. Moschetti exemplifies the dedication and hard work that so many of our local public officials display. People in Westmoreland County have come to rely on him for his fairness and evenhandedness as a district justice over the past 15 years, and his presence on the bench will be sorely missed. I salute Mr. Moschetti upon his retirement as district justice, and wish him many enjoyable and productive years to come.

THE PROVIDENCE-ATTLEBORO BRANCH OF THE AMERICAN ELECTROPLATERS' AND SURFACE FINISHERS' SOCIETY CELEBRATES ITS DIAMOND ANNIVERSARY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. MACHTLEY. Mr. Speaker, I rise today to recognize the Providence-Attleboro Branch of the American Electroplaters' and Surface Finishers' Society. The Providence Branch is celebrating its Diamond Anniversary Year.

Founded in 1916, the society is a nonprofit professional and educational society for the advancement of the science of electroplating and allied surface finishing techniques.

The primary purpose of the society is that of education through monthly technical meetings, and offers the only yearly Metal Finishing Training Course in New England.

The impact of electroplating and surface finishing is seen in nearly every segment of the

national economy. Consider that the aerospace, electronics, jewelry, aircraft, automotive, emblematic, applicance, marine, and lighting industries could not produce finished products without the surface finishing operations which give functionality and aesthetics to finished products.

Since 1979, the branch has been an active supporter of Meeting Street School for Handicapped children in East Providence, RI. Through raffles at monthly meetings and biennial auctions, the Providence-Attleboro Branch has raised over $27,000 for Meeting Street School.

I congratulate the Providence-Attleboro Branch of the American Electroplaters' and Surface Finishers Society for their 75 years of commitment to the education of our community in its constantly changing industry.

TRIBUTE TO THE LATE BILL AUST

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. HERTEL. Mr. Speaker, this is National Firefighter's Week and I rise today to speak in memory of Mr. Bill Aust who was a dedicated member of the Detroit Fire Department. Bill died on June 2, 1990 and those of us who loved him, his family, his friends and his fellow firefighters recall him fondly during this week set aside to honor those dedicated to the profession that he loved so much.

Bill was a lifetime resident of Detroit. He fought age limitation regulations in 1986 to become the oldest individual to graduate from the Detroit Fire Department Training Academy at the age of 41. Graduation day was said to be the happiest day of Bill's life; he admitted that he always dreamed of being a firefighter and waited a long time to see his dream come true.

Prior to joining the Detroit Fire Department, Bill met with success in many other endeavors. He served two tours in Vietnam and was awarded the Purple Heart. After returning from Vietnam, he worked as a journeyman bricklayer for the City of Detroit Housing Department from 1977 to 1986. He attended courses at Wayne State University evenings and earned a Bachelor of Science Degree in 1986. He was active in the Veterans of Foreign Wars, the Disabled American Veterans, the American Youth Hostel, and the Boy Scouts of America.

Bill's wife Patricia, his daughters Kristie and Shawn, his mother Irene, and his sister Suzanne Roels, will certainly recall their loved one during this week that has been set aside to honor those, like Bill, who sacrificed of themselves to serve as firefighters. There are certainly many very positive things in his life to ponder and I ask my colleagues in the House to pause at this time to pay tribute to this man who accomplished a great deal, and did so much for other people in his life. Although he was not amongst us long, we will remember the good that he did for so many others for a long time to come.

SCHEDULE THE BRADY BILL FOR A VOTE

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. GONZALEZ. Mr. Speaker, I rise today to urge that the Brady Handgun Violence Prevention Act, H.R. 467, be allowed under the rule as an amendment to the omnibus crime bill. I have heard that the National Rifle Association is being given an opportunity to offer its amendment to the crime bill, and it is only fair that the Brady bill be given equal time.

I am a cosponsor of the Brady bill. This bill does not ban handguns, but only restricts their sale, delivery, or transfer in a way that will prevent those who should not have possession from gaining possession. It is not unduly burdensome to require a waiting period for the purchase of a handgun; most States already require a waiting period for other public policy reasons, such as for marriage.

Mr. Speaker, I was one of the original sponsors of legislation to provide benefits to the families of public safety officers killed in the line of duty. Now, I am hearing from these same people, from the public safety officers' organizations, and they are actively supporting the Brady bill. We owe it to those who place their lives on the line every day in protecting the public an opportunity to have their legislation voted on. If those who argue for the complete freedom of gun ownership are allowed their day, I believe that those who are often the target of illegal use of guns should also have their day. The increases in domestic violence and accidents resulting from the unlawful possession and use of firearms make the strongest case for the enactment of a measure whose primary goal is that of public safety.

Mr. Speaker, if those of us who support this bill cannot be accommodated under the rule for the crime bill, then I urge that floor action be scheduled separately on this legislation prior to adjournment. With each assassination or attempted assassination of a public official, there are renewed calls for such legislation. We should not have to wait for another assassination, Mr. Speaker. If we act now, we may be able to prevent future tragedies.

CURRENT SITUATION IN ARMENIA

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. HUGHES. Mr. Speaker, I would like to draw my colleagues' attention to the current situation in Armenia. Several areas of the Soviet Union have been torn by ethnic strife, but perhaps none more so than Armenia. Tension growing out of the ethnic and territorial conflicts with neighboring Azerbaijan raises the possibility that the Armenian people may have to endure yet another great tragedy.

Armenia has certainly had its share of misfortune. Between 1915 and 1923, 1.5 million Armenians were killed under the Ottoman Empire. The U.S. Congress, to my deep regret, has yet to officially recognize this great tragedy. I have repeatedly supported legislation to do so, but the political concerns of other Members that such a bill would offend the current Government of Turkey have so far prevented enactment of this legislation. The modern Government of Turkey is a completely different entity than that of the Ottoman rulers. It should be understood by all that the purpose of these bills is not to blame a modern country for something that happened 70 years ago, but rather to acknowledge this terrible tragedy and the sorrow it caused.

More recently, Armenia has endured a horrible earthquake, violent clashes with its Azeri neighbors, and is still suffering because of an Azerbaijan blockage. We must also take advantage of the goodwill that is developing between our country and the Soviet Union and urge President Gorbachev to protect the safety of all people in that region and recognize Armenia's right to self-determination.

Mr. Speaker, this situation is a frustrating one, because there is only so much that a Member of Congress can do about conflicts in another country. Nonetheless, I urge my colleagues not to forget Armenia amidst the crisis in Kuwait, and to join me in supporting the Armenian people.

IN SUPPORT OF THE BOSCO AMENDMENT

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. MARKEY. Mr. Speaker, in 1981, Ronald Reagan took office saying that nuclear nonproliferation was none of our business and that the United States shouldn't sign a Comprehensive Test Ban [CTB] Treaty with the Soviet Union until we no longer had to rely on nuclear weapons for our defense. These two policies are inextricably linked—they are different sides of the same nuclear coin.

It is because we had no effective nuclear nonproliferation policy;

Because the United States attacked Israel when it tried to prevent Saddam Hussein from getting the bomb by destroying the Osirak reaction;

Because we turned a blind eye when France, West Germany, Italy, and Brazil sold nuclear materials and nuclear technologies to Iraq;

Because we valued signing a nuclear cooperation agreement with the People's Republic of China more than we feared China's reckless proliferation policies around the world;

Because we repeatedly waived United States nonproliferation laws for Pakistan despite its relentless efforts to acquire nuclear explosives; and

Because we failed to fulfill our disarmament obligations under article VI of the Nuclear Non-Proliferation Treaty, that we today find ourselves facing down a Saddam Hussein who is estimated to be within 5 years of obtaining nuclear explosives.

We have to recognize that if we want to have an effective nuclear nonproliferation regime, we have to meet our article VI disarmament obligations. A comprehensive test ban is viewed by most of the world as the sina qua non for meeting our article VI treaty obligations. Last week, the NPT Review Conference broke down without issuing a final declaration because the United States refused to commit to negotiating a CTB by 1995.

The Soviets are now in a defacto test moratorium. They haven't tested since last October because of internal environmental and political concerns. We've already have installed nearly a dozen seismic monitoring stations on Soviet soil using Pentagon funding that we can use to detect any cheating. It seems to me that we have a perfect opportunity to conclude a test ban, meet our article XI obligations, and move on to build a new alliance with the Soviets to stem the spread of weapons of mass destruction to unstable and dictatorial regimes in the Third World.

IN MEMORY OF CLIFFORD SEGERBLOM

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, September 19, 1990

Mr. BILBRAY. Mr. Speaker, it is with great sorrow that I rise today to pay tribute to an outstanding Las Vegan, Clifford C. Segerblom, who died Saturday, September 8, at the age of 75

Cliff Segerblom was a renowned artist, teacher, photographer, and Boulder City judge. He will be remembered for his many contributions to the community both in Nevada and the Nation.

Cliff was born August 1, 1915, and lived in Clark County for 51 years. He served as a foundation of the local community through his service on the Boulder City Library board and the State park commission, including its chairmanship. He also served as a justice of the peace and for 16 years a Boulder City municipal judge. Cliff's loss to the local community is already felt.

Cliff's contributions to photography and painting are well-known, including his rendition of the Apollo 12 splashdown that hangs in the National Air and Space Museum in Washington, DC. Cliff's photography graced the pages of national magazines including Time, Life, and National Geographic.

While achieving national recognition, Cliff made long-lasting contributions to the development of local art and culture. He founded the photography department of UNLV and taught painting at the school. Cliff's works include many depictions of rural Nevada and has a strong representation in the artwork of Nevada. Cliff's local contributions to art will be sorely missed.

For his dedication and success in our community, Cliff received the Governor's Arts Award and the UNR Alumni's Professional Achievement Award, but no award could properly reflect the consistent rewards that Nevada reaped from Cliff.

I extend my deepest sympathies to his wife Gene, his son Richard, daughter Robin Liggett, and all of his family.

Mr. Speaker, the passing of Cliff Segerblom is a great loss to the State of Nevada. His contributions to national and local culture will be sorely missed for generations. I hope that many learn from and follow Cliff's example.

I thank my colleagues for this opportunity to pay tribute to this admirable man in the permanent history of this body. It is a great privilege.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, September 20, 1990, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

SEPTEMBER 21

9:30 a.m.
Energy and Natural Resources
Mineral Resources Development and Production Subcommittee
To hold hearings on H.R. 4111, to establish a Strategic Resources Mineral Technology Center to improve existing and develop new technologies on U.S. supplies of strategic and critical materials.
SD-366

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on the nomination of Richard Y. Roberts, of Virginia, to be a Member, Securities and Exchange Commission.
SD-538

Finance
International Trade Subcommittee
To hold hearings to review the final report on the U.S.-Japan Structural Impediments Initiative (SII) talks.
SD-215

Foreign Relations
To hold open and closed hearings on the nomination of Frederick Vreeland, of New York, to be Ambassador to the Union of Burma (Myanmar).
SD-419

Judiciary
To hold hearings on the nominations of William B. Shubb and David F. Levi, each to be a United States District Judge for the Eastern District of California, James Ware, to be United States District Judge for the Northern District of California, Jean C. Hamilton, to be United States District Judge for the Eastern District of Missouri, Samuel B. Kent, to be United States District Judge for the Southern District of Texas, and Gary L. Taylor, to be United States District Judge for the Central District of California.
SD-226

Joint Economic
Technology and National Security Subcommittee
To hold hearings to examine U.S. policies on high technology exports to developing countries, focusing on export control programs and whether the policies that guide the programs effectively serve U.S. foreign policy, national security and economic objectives.
SD-138

2:00 p.m.
Armed Services
Closed business meeting, to mark up S. 3025 and S. 3026, bills to make members of the Armed Forces involved in Operation Desert Shield or similar operations eligible for certain benefits and to make members of the reserve components of the Armed Forces and retired members of the Armed Forces eligible for certain benefits when ordered to active duty in connection with a mobilization, and other related proposals.
SR-222

SEPTEMBER 25

8:30 a.m.
Office of Technology Assessment
Board meeting, to consider pending business.
EF-100, Capitol

9:00 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To resume hearings to examine student loan abuse.
SD-342

Conferees
On S. 2830, to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, and to ensure consumers an abundance of food and fiber at reasonable prices.
SR-332

9:30 a.m.
Governmental Affairs
Permanent Subcommittee on Investigations
To hold hearings to examine abuses in Federal student assistance programs, focusing on lenders, guarantee agencies, loan services and the secondary markets.
SD-342

10:00 a.m.
Environment and Public Works
Business meeting, to consider pending calendar business.
SD-406

Select on Indian Affairs
Business meeting, to mark up S. 2870, to approve the Fort Hall Indian Water Rights Settlement, S. 2895, to provide for the renegotiation of certain leases of the Seneca Nation, and S. 1554, to ratify and implement water settlements involving the Pyramid Lake

Paiute Tribe, the States of California and Nevada and other parties regarding the waters of the Truckee and Carson Rivers and Lake Tahoe in Nevada and California; to be followed by a hearing on proposed legislation to establish Wounded Knee Memorial and Historic Site.

SR-485

2:00 p.m.
Foreign Relations
Western Hemisphere and Peace Corps Affairs Subcommittee
To hold hearings to review Peace Corps programs in Eastern Europe.

SD-419

SEPTEMBER 26

9:30 a.m.
Energy and Natural Resources
Business meeting, to consider pending calendar business.

SD-366

Governmental Affairs
Permanent Subcommittee on Investigations
To continue hearings to examine student loan abuse.

SD-342

10:00 a.m.
Banking, Housing, and Urban Affairs
To hold hearings on S. 3045, to authorize the Federal Deposit Insurance Corporation to increase deposit insurance premiums as necessary to protect the Bank Insurance Fund (BIF).

SD-538

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2474, to authorize an exchange of lands in South Dakota and Colorado, S. 2543, the Admiralty Island National Monument Land Management Act, S. 2815, to establish the Kokapelli National Outdoor Theater in the State of Utah, S. 2816, to disclaim all Federal right, title, interest in specified base lands over which the U.S. hold record title, S. 2891, to authorize and direct an exchange of lands in Colorado, H.R. 2566, to disclaim any interests of the U.S. in certain lands on San Juan Island, Washington, and H.R. 3888, to allow a certain parcel of land in Rockingham County, Virginia to be used for a child care center.

SD-366

Foreign Relations
To hold hearings on the nominations of Richard C. Brown, of Maryland, to be Ambassador to the Oriental Republic of Uruguay, Eugene L. Scassa, of Virginia, to be Ambassador to Belize, and Michael Martin Skol, of Illinois, to be Ambassador to the Republic of Venezuela.

SD-419

Governmental Affairs
Oversight of Government Management Subcommittee
To hold oversight hearings to review the United States position in GATT negotiations affecting American manufacturing jobs.

SD-342

SEPTEMBER 27

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings to examine foreign influence in the United States.

SR-253

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 2882 and H.R. 3209, to modify the boundaries of the Indiana Dunes National Lakeshore.

SD-366

SEPTEMBER 28

10:00 a.m.
Finance
International Trade Subcommittee
To hold hearings to review progress made on important trade issues between the U.S. and Canada, focusing on subsidies, dispute settlement panels, and general implementation of the Free Trade Agreement and the 1986 Softwood Lumber Memorandum of Understanding.

SD-215

OCTOBER 3

9:30 a.m.
Environment and Public Works
Toxic Substances, Environmental Oversight, Research and Development Subcommittee
To hold hearings to review the Office of Technology Assessment's report, "Neurotoxicity, Identifying and Controlling Poisons of the Nervous System," and to examine related research and regulatory issues.

SD-406

FEBRUARY 26

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review legislative recommendations of the Disabled American Veterans.

345 Cannon Building

FEBRUARY 28

9:30 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the Paralyzed Veterans of America, Blinded Veterans Association, Vietnam Veterans of America, Military Order of the Purple Heart, and Non-Commissioned Officers Association.

345 Cannon Building

APRIL 17

9:00 a.m.
Veterans' Affairs
To hold joint hearings with the House Committee on Veterans' Affairs to review legislative recommendations of AMVETS, Ex-Prisoners of War, Jewish War Veterans, and World War I Veterans.

345 Cannon Building

SENATE—*Thursday, September 20, 1990*

(Legislative day of Monday, September 10, 1990)

The Senate met at 10 a.m., on the expiration of the recess, and was called to order by the Honorable HARRY REID, a Senator from the State of Nevada.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

For my people have committed two evils; they have forsaken me the fountain of living waters, and hewed them out cisterns, broken cisterns, that can hold no water.—Jeremiah 2:13.

Baruch Ha Shem. Blessed be the name of the Lord.

God of our father, Abraham, the severe words of Jeremiah remind us on this second day of Hashanah of our propensity to forsake the living God and choose substitutes which are empty. As devout Jews all over the world repent of their waywardness through the centuries and God's faithfulness in calling them back, may we who take pride in the biblical, spiritual roots of our nationhood repent of our propensity to forsake Thee in the assurance of Your availability when we return. Gracious Father, in these critical and unpredictable days when Thy servants struggle with intractable issues, may we return to Thee, acknowledging our neglect of spiritual realities and turning to Thee for forgiveness and healing.

We pray in the name of Jesus, the great Healer. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, September 20, 1990.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HARRY REID, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. REID thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is now recognized.

THE JOURNAL

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Journal of the proceedings be approved to date.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

VITIATION OF CLOTURE VOTE

Mr. MITCHELL. Mr. President, I ask unanimous consent that the cloture vote on S. 1511 which would have occurred this morning under the rule be vitiated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time and all of the time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Hearing no objection, that is the order.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond 11 a.m. with Senators permitted to speak therein for not to exceed 5 minutes each.

The Senator from California is recognized.

ARMS SALES TO SAUDI ARABIA

Mr. CRANSTON. Mr. President, I rise to discuss the situation in the gulf where we have many American young men and women facing potentially a very grim situation and presently enduring circumstances that are almost beyond belief in terms of the heat and the isolation and the loneliness.

I rise particularly to address the proposed sale of very sophisticated American-made weapons in huge amounts to Saudi Arabia. I recognize, Mr. President, that Saudi Arabia is a full partner with us on the front line in the current gulf crisis. I agree with the administration that we should give the Saudis the weapons they have requested provided it is demonstrably clear that they need them to defend against aggression and that they can assimilate them into their very small armed forces. Congress should insist that both of these conditions are met before we approve any arms sales to the Saudis.

I anticipate that some of the additional weapons systems the Saudis request will be quickly sent to them, as they should be, without congressional objection. I and other Senators have been disturbed, however, by reports that the administration plans to make the biggest arms sale in all history to the Saudis.

Several of us suggested to the administration yesterday that the sale should be separated into two parts. The first part submitted to Congress for our consideration should be those weapons which can be gotten to the Saudis immediately, to bolster their strength, to bolster the strength of an ally of ours in this situation, because the stronger they are, the safer our American forces will be if it comes to combat.

The second part should be those weapons that cannot be sent at once some of which could not get over there for 2 or even 3 years. Plainly they would not play any part in the immediate crisis that we and the Saudis face.

But—this is a very big but—before we rush still more arms to the gulf, we should do all we can to ensure that U.S. arms do not fall into the hands of our enemies. I am particularly concerned about the super-sophisticated weapons reportedly included in a $23 billion arms transfer. That is the figure we have heard—which the administration is considering. Some of the weapons, I understand, could not be delivered for several years. These weapons include upgraded F-15 aircraft, Apache helicopters, Patriot antiaircraft missiles, depleted uranium antitank ammunition and armor, M-1A2 tank modifications, Bradley armored fighting vehicles, and electronic security measures, plus other assistance and weapons.

If the Congress and the President—Congress must be involved—determine that it is in our best interests to provide these highly sophisticated weapons to the Saudis in response to the present crisis, then I submit it should be done in this way:

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

First, the U.S. Government should lease rather than sell these arms outright. Second, the Saudis should pay to lease these weapons. Third, the lease should expire and the weapons be turned over to the United States immediately after the current crisis is ended. Fourth, the United States should determine when the crisis is over, perhaps in concurrence with the United Nations.

The proliferation of U.S. arms in the gulf raises concerns about the possibility of arms falling into hostile hands during some future crisis and being used against our own fighting forces and allies.

My concern is not hypothetical. Considerable weaponry now in the hands of Saddam Hussein, ready to be used against our American soldiers and sailors and marines and airmen, was made in the United States. We sold it to the Shah of Iran, the Ayatollah Khomeini acquired it and Saddam Hussein captured it during the Iran-Iraq War. It included armored vehicles, self-propelled howitzers and armored personnel carriers, along with all the frontline equipment that accompanies these items.

When he invaded Kuwait, Saddam Hussein captured still more United States weapons, including howitzers and Hawk antiaircraft missiles.

The recently dismissed Air Force Chief of Staff, Gen. Michael F. Dugan, may have committed still another indiscretion when he recently said of these American-made Hawks now in Iraqi hands: "We typically do not have any protection against Hawk missiles."

Imagine. We sold these weapons to a country that lost them to Iraq, and now our American forces face an Iraq Army equipped with American-made missiles for which we have no real defense!

By leasing rather than selling weapons outright, Mr. President, we still could expeditiously provide the sophisticated weapons the Saudis truly need and yet retain control over the weapons' ultimate disposition.

I am very concerned about our spewing weapons out all around the world, never knowing in whose hands they might eventually land, and finding more than once that they land in the hands of those who are prepared to use them against us.

Our lend-lease program during World War II served the cause of freedom when Great Britain and other allied nations were under attack by Adolf Hitler. We leased weapons to them, and we did not demand full repayment after the war because they could not afford to pay for the leasing of the weapons they needed to survive, and to help us stop Hitler.

Once again we face an ambitious, power-hungry tyrant who many people liken to Adolf Hitler. But the Saudis, unlike our World War II allies, can well afford to pay to lease weapons for their own defense.

There are other precedents for leasing, not selling, our weapons to other nations. We leased some Stingers not too long ago to Bahrain. There are reports now that we intend to lease some arms to Israel.

Israel, our friend and ally, has always been concerned about the sale of sophisticated weapons to Saudi Arabia, a nation that is still in a state of declared war with Israel. Those concerns have been shared by American friends of Israel—I among them. Astounding evidence that these concerns are as justified as ever now despite the new circumstances in the gulf and our closer relationship with the Saudis has just come to light.

Crown Prince Abdallah of Saudi Arabia, a very important member of the ruling family, recently addressed the soldiers of the King Abed-el-Aziz division as they departed for the Iraq front. According to Royal Saudi TV, and the Saudi newspapers, Al-Jazira and Al-Medina, August 23, 1990, the Crown Prince said:

> On my way to see you, I wished my visit with you and your brethren would be a farewell visit, with the hope to see you together with your brothers at arms and your friends, soldiers of the fearless Iraqi army and all the Arab armies striving to regain the plundered rights in Palestine. Unfortunately, this is Allah's will, but the hope still remains and will never die in our hearts.

Mr. President, this top leader in Saudi Arabia referred to the Iraqi Army as friends, and said that he wished that the Saudi soldiers, to whom he was bidding farewell, were going with other Arab armies to wage war against Israel. And he said that, unfortunately, Allah's will is otherwise now. But again to quote him "* * * the hope still remains and will never die in our hearts."

Mr. President, within the next few days I will introduce legislation to require that certain sophisticated defense weapons may only be leased and not sold to Saudi Arabia during the current national emergency with respect to Iraq. I offer this proposal, as a contribution to the debate over the proposed proffering of weapons to Saudi Arabia as one way—perhaps there is some better way—to assure that when this crisis is over those weapons do not remain where they might be turned against us in some future circumstance or against our friends and allies.

I think we have to give great thought, the most careful consideration the best minds can bring to bear, on how to avoid spewing arms around the world, proliferating American arms all over the place, and never knowing when they may come back to bite us.

I trust that this proposal and perhaps others, designed to lessen the scale of the arms race now and in the future, designed to reduce the threat that more and more arms will be piled up by more and more nations in the gulf and elsewhere, will be given the most careful consideration.

We must remember that when we sell arms in unstable parts of the world—and in the gulf, the Middle East is certainly an unstable part of our world—we never know where those weapons may finally wind up and against whom they may be aimed and fired.

Mr. President, I yield the floor.

Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRANSTON). Without objection, it is so ordered.

Mr. REID. Mr. President, I was in the Senate Chamber during the time the senior Senator from California was rendering his remarks about the situation in the Middle East. I would like to recognize the statement for the content of the statement.

I think that the Senator who has been a long time leader in setting foreign policy in this body has certainly reviewed what has taken place in the past, what is now taking place, and has rendered a statement to this body that is well worth considering. I would think that in the days to come this is an approach that this body should strongly consider.

YUCCA MOUNTAIN

Mr. REID. Mr. President, in last Friday's newspapers all across this country, the syndicated column by Jack Anderson appeared. In this syndicated column, the Department of Energy's enterprise called Yucca Mountain was highlighted. I commend this article to my colleagues, and I ask unanimous consent that it be printed in the RECORD in its entirety at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. REID. This Yucca Mountain issue, nuclear waste issue, has been visited before and will be visited again.

Mr. President, in the rush to establish public policy to deal with high-level radioactive waste, we neglected to take testimony of the most influential participant in the process—Mother Nature.

As much as we want, we cannot legislate nor regulate science. We cannot regulate or legislate mother nature.

Soon, the Department of Energy's independent scientific panel that was seated to evaluate the findings of the Department of Energy scientists will offer their collective judgment on the adequacy of Yucca Mountain to serve as the Nation's nuclear graveyard. The nuclear waste dump issue is an issue of passion in Nevada. It is not as simple as vilifying the governmental representative charged with the responsibility of implementing legislation; we all recognize that Admiral Watkins is trying to do a very important job for our country in this area.

The nuclear waste dump issue is on the minds of all Nevadans, folks in the towns and cities, all over Nevada, who look upon the contribution that they are now making and have made to our Nation's security in the nuclear arena and the legislative insult they have received from Washington in return by virtue of the "screw Nevada" legislation.

Mr. President, recently, the National Academy of Science's and National Academy of Engineering's National Research Council, one of the organizations that specifically provides advice to the Government on science issues, proffered their perspective on the Yucca Mountain enterprise. The Nuclear Regulatory Board on Radioactive Waste Management reported that the current approach to construct the high level waste dump is "bound to fail."

If we are not going to allow sound scientific investigation to get in the way of legislation, then we have been too modest in our goals, Mr. President. We should pass legislation to prohibit seismic and volcanic activity and even eliminate storms and floods. I am sure people throughout America would appreciate this new-found power of legislation to protect the public from suffering at the hands of calamaties. Just think of the significant savings of resources that would otherwise be expended to protect them.

I welcome the challenge offered by Admiral Watkins and the Secretary of the Department of Energy, after the NRC report was issued, that we can, in his words, "cool the rhetoric and take advantage of the best, unbiased minds the country has to offer in renewing a constructive dialog."

That was a direct quote from Admiral Watkins.

We need to shed the biased opinion and start attending to the problem with the nuclear fuel cycle: Dealing with high level radioactive waste. Under today's ground rules, the Federal Government has little alternative but to attempt to justify the viability of the Yucca Mountain site as the Nation's nuclear garbage pile.

The process established by Congress dictated that the U.S. Nuclear Regulatory Commission would ultimately be responsible for the licensing of the Nation's waste repository. The U.S. Nuclear Regulatory Commission was to be wholly independent. The U.S. Nuclear Regulatory Commission was to establish a criteria for the evaluation of any application for the disposal of high level radioactive waste. But on Monday, at a forum sponsored by the National Research Council to examine the problems related to licensing of a high level waste repository, a commissioner of the U.S. Nuclear Regulatory Commission stated that we ought to shift from traditional analytical methods and provide the Department of Energy greater freedom to juggle numbers.

Mr. President, standards are set to provide for public health and safety. We do not compromise on health and safety by juggling numbers. Where does Secretary Watkins expect to find those "best unbiased minds" if even a commissioner of the Nuclear Regulatory Commission is predisposed to rewriting science to make it fit the goal?

Whatever happened to the real goal that puts regulatory programs on the map: The safety and protection of the health and welfare of the public? Is anyone involved in the process unbiased and untainted?

I ask unanimous consent that an article by Steve Adams on the Nuclear Regulatory Commission symposium be printed in the RECORD at the end of my statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. REID. Mr. President, a decision with respect to a high level nuclear waste repository will be like few others that we face personally. While we here routinely deal with legislation that has a significant nationwide impact on our society, in my opinion, they pale with respect to a decision on high level nuclear waste.

Few appreciate the enormity of this decision, because it does not impact on them or their constituency directly. Mr. President, this decision about which I speak will have ramifications for a period that is 50, and I repeat, 50 times longer than our Nation has been in existence. America is less than 10 generations old. Columbus set sail less than 25 generations ago. The decision on a high level waste repository will be with us for more than 500 generations. This is longer than recorded history or any manmade structure has survived.

In the rush to repair a weak link in the nuclear fuel cycle, a problem that has been with us little more than a single generation, the solution must be one with which our entire Nation can live, and live with for 500 generations.

If we insist on giving short shrift to the oversight and quality assurance activities of large-scale Government projects, we wind up with Hubbles and maybe even Challengers.

We have been accused of taking the politically expedient route to resolutions all too long. We need to do what is right, rather than what is expedient.

It is easy to say "not in my backyard, put it in my neighbor's backyard." We need to move on the right course. If this means starting fresh in search of the optimal solution for dealing with high level nuclear waste, Mr. President, will the next 500 generations not agree with us? The answer is a resounding "yes."

EXHIBIT 1

[From the Washington Post, Sept. 14, 1990]

NEVADA: SHAKY SITE FOR A NUCLEAR DUMP

(By Jack Anderson and Dale Van Atta)

It's a hot potato, the proverbial ticking time bomb. America's nuclear waste needs a safe resting place, and soon. The government has spent years searching for the perfect spot, a location that some esteemed scientists now say could be a catastrophic mistake.

Yucca Mountain in the Nevada desert is the main site under consideration to hold spent nuclear fuel for at least the next 10,000 years.

Nevada became the reluctant target owing as much to political gyrations in Washington as practical considerations at Yucca Mountain. From the moment that the Energy Department picked Yucca Mountain in 1987, the most credible critic of the choice has been the department's chief geologist on the project.

Jerry Szymanski says he is neither a whistle-blower nor a political activist. He is just an Energy Department employee who is willing to say what others won't: Yucca Mountain is the wrong place.

It seems that groundwater under the mountain could flood the radioactive dump in the event of an earthquake, which his study says is highly likely in the next 10,000 years, barely a tick on the radioactive clock. If that happened, the water and earth would be poisoned.

Nevada's leadership, understandably opposed to turning their state into a nuclear dump site, got an early copy of Szymanski's study and made it public several years ago. Syzmanski's bosses fired back with a propaganda blitz suggesting that his analysis was off-the-wall and solitary.

Szymanski didn't back down. When the final draft of his study was finished last year, he insisted that it be reviewed by five scientific peers. That panel of geologists is winding up its review and the preliminary report is due out any day.

While the panel chairman declined to tell us which way the panel was leaning, one prominent member told our associate Dan Njegomir that it looks like Szymanski is right on the money.

"You've got a volcano staring you right there in the face," said panel member Charles Archambeau, an eminent geologist at the University of Colorado. "I've already decided they should start looking for another place."

Archambeau said he was reluctant to jump the gun and preempt other panel members. He also doesn't want his criticism to delay construction of the dump even longer. It's just that he wants it in the right place.

Why would the federal government be so blindly devoted to Yucca Mountain?

Szymanski offered one explanation—inertia. The bureaucracy gets sold on one notion and can't change course. He noted that two other sites under consideration earlier were also touted as ideal by their respective fans in the Energy Department.

The panel's findings won't be the last word on Yucca Mountain. Politics and yet other studies will see to that. But Archambeau said that if science alone is the judge, it won't take much to scratch Yucca Mountain off the list. The federal licensing requirement for the dump allows almost no possibility of any of the geological catastrophes that Szymanski says are likely. "If Szymanski is correct, it will kill the site," Archambeau said.

EXHIBIT 2

[From the Las Vegas Review Journal, Sept. 18, 1990]

REVISION OF EPA'S NUKE DUMP SAFETY STANDARDS URGED

(By Steve Adams)

WASHINGTON.—Safety standards could doom the proposed Yucca Mountain nuclear waste repository unless requirements are revised to make it easier for the Nuclear Regulatory Agency to license the project, several federal officials said Monday.

A two-day symposium to examine problems related to licensing of the radioactive waste repository started off with calls for reevaluation of the Environmental Protection Agency's standards for the project.

The symposium is sponsored by the National Research Council, which last month issued a report criticizing EPA standards as too inflexible and unrealistic.

The EPA is revising standards designed to ensure that the underground repository, proposed 100 miles northwest of Las Vegas, will safely contain highly radioactive wastes for at least 10,000 years. The standards will set maximum levels for radioactive releases into ground water and air, and performance requirements for waste containers.

U.S. Nuclear Regulatory Commissioner James Curtiss set the tone for the conference's first day when he warned in an opening speech that a complex mix of EPA standards and NRC requirements could make it difficult for the commission to license a repository.

Curtiss said he was troubled by the legal difficulties that may arise from the fact the EPA standards require scientists to compute the probability of many natural events to determine whether a repository will be safe. The NRC has long used a "deterministic" method that relies more heavily on design and engineering criteria to assess risks.

"We now have what amounts to two legally distinct licensing standards: NRC's deterministic requirements . . . and EPA's probabilistic standards," Curtiss said. The use of two methods to evaluate repository plans could make it difficult for the NRC to defend any license in court, he said.

"In short, while we may have reduced the technical uncertainty with such an approach, we have increased the legal uncertainty," Curtiss said. Conflicts between the two risk assessment methods could "overwhelm the programs," the commissioner said.

Curtiss called for the EPA to consider switching to the risk assessment method traditionally used by the NRC. He declined to say whether the EPA standards also should be relaxed to make licensing easier, but he said the Energy Department should have greater freedom to juggle numbers as long as the overall performance of the repository wasn't affected.

Not all speakers showed the same restraint.

Mel Carter, a member of the Nuclear Waste Technical Review Board, and Dade Moeller, chairman of the NRC Nuclear Waste Advisory Committee, said the EPA standards are too strict.

The EPA has said that an underground repository like the one proposed at Yucca Mountain should cause no more than 1,000 cancer fatalities over 10,000 years. That translates into one cancer death every 10 years, on average, attributed to operation of the repository and transportation of nuclear waste to the facility.

Moeller suggested that standard was unrealistically stringent. He said risk assessment experts believe radon, a radioactive gas that seeps through the ground into some homes, claims the equivalent of one life every three minutes. Although Moeller did not advocate raising the repository standard to match the risk from radon, he said he believed it could be increased to a level higher than the risk from unmined uranium ore.

The symposium is likely to hear a wider range of views today. Bob Loux, director of Nevada's Agency for Nuclear Projects, said he plans to tell the conference that it is problems with the Yucca Mountain site, not with the EPA standards, that will make it difficult to license a repository.

Loux, who is spearheading Nevada's fight against the project, alleged in an interview Monday that the two-day conference is an attempt by the "nuclear priesthood"—pronuclear regulators and businesses—to interfere with EPA's effort to set reasonable standards for a repository. Loux said relaxing the standards to make it easier to win approval of a repository at Yucca Mountain would be like "having the ball in the air and moving the goal posts."

The conference also will hear today from EPA, NRC and Energy Department staff.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. REID). Without objection, it is so ordered.

Mr. CRANSTON. I want to amplify on one point in the remarks I made a few moments ago proposing that we lease rather than sell weapons to Saudi Arabia.

I cited the transfer of Stinger missiles to Bahrain as one of the precedents. I want to provide some details. The transfer of 70 Stinger missiles to Bahrain occurred on April 9, 1988. It was technically not a lease, but rather a sale with buy-back provisions, as mandated by Congress. It had the same effect as a lease. We could get the Stingers back whenever we wanted. This might be an alternative way of approaching the disposition or transfer of weapons to Saudi Arabia.

In the Foreign Assistance Appropriations Act of 1988, which was enacted December 22, 1987, a DeConcini amendment was enacted prohibiting the sale, lease, grant, or transfer by other means, of Stingers to any country in the Persian Gulf region. An exception was made for Bahrain, which was allowed to buy the missiles on the basis of a Presidential certification that four requirements were met, including Bahrain's written agreement to return all Stingers other than those fired or otherwise destroyed, whenever the United States requested their return, or not later than 18 months after enactment, which would be June 22, 1989. That date was extended by law to December 30, 1990, and extended again to September 30, 1991, in view of the unsettled situation in the gulf and the threat to the security of Bahrain and to our interests there. That was done in the appropriations bill enacted November 21, 1989.

Another of the requirements was that there be a finding that:

The Stingers are needed by Bahrain to counter an immediate air threat or to contribute to the protection of United States personnel, facilities, equipment, or operations.

Plainly, a similar situation and a similar proviso could well relate to the assigning of any arms to Saudi Arabia.

Under this arrangement, Bahrain paid for the missiles in the normal manner. If the buy-back right is exercised by the United States, the buy-back price is to be the final delivered price paid by Bahrain, less the established refurbishment cost required to return the weapons to serviceable condition. The United States has agreed, if the buy-back occurs, to take title in Bahrain and to pay for packing, crating, handling, and transportation.

Mr. President, I cite this simply to demonstrate that what I have proposed for consideration in connection with the furnishing of any arms to Saudi Arabia is not some brand new notion. There are ample precedents for it, and it seems to me that there could be no more appropriate time than now to consider this approach where we regain control over these weapons when the present crisis is over. And we all hope and pray that that will be soon, not late.

Mr. President, I yield the floor once again, and I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DIXON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. KERREY). Without objection, it is so ordered.

Mr. DIXON. Mr. President, I ask unanimous consent to speak as though in morning business for less than 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

MILITARY AID TO EL SALVADOR

Mr. DIXON. Mr. President, I have been listening very carefully to the statements made by Salvadoran President Alfredo Cristiani and others in El Salvador and here in the United States about the investigation into the murders of the six Jesuits, their housekeeper and her daughter. I have followed with great interest the progress in the negotiations between the Government and the FMLN toward a peaceful resolution of the war.

I have also reviewed the "Interim Report of the Speaker's Task Force on El Salvador." Its findings are very disturbing. The task force's well-documented reports of missing evidence, vanished military officers, and obstruction of investigations into the murders lead me to conclude that our current policy in El Salvador has failed. The net result of all the time and money we have spent on the El Salvadoran military seems to be rising corruption, endless and growing violence against the civilian population, and terrible destruction in the country. Given the situation in the Salvadoran military, it is difficult to see how our current policy could ever end the civil war.

Therefore, Mr. President, I am rising today to announce my intention to support cuts and restrictions on further military aid to El Salvador. Frankly, I would not rule out making even more dramatic changes in our policy.

The military clearly has gone out of control, and the Cristiani government, however well intentioned in its efforts to bring the military under control, has clearly not been able to do the job. It is now up to Congress. Only Congress, using our power of the purse, has any hope of being able to force the changes in the Salvadoran Armed Forces that asking, demanding, and pleading have so far failed to produce.

Words resound; actions thunder. It is time for the Senate to act.

Cuts in military aid to El Salvador are not, in this Senator's opinion, an indictment of the elected Government. I have been pleased by the seriousness with which the Cristiani government has approached the monthly rounds of peace talks. They are negotiating, by all accounts, in good faith.

However, we have funded, and I have supported, appropriations to the Salvadoran military. I supported it because I believed the threat by the FMLN to the Government to be real, and the need to support democratic institutions within El Salvador to be in our interest. The United States clearly has an interest in the development of democracy in El Salvador.

The United States supplied military assistance to the Salvadoran Government with three goals in mind: first, to prevent the overthrow of the civilian government by the FMLN; second, to professionalize the Salvadoran Armed Forces in order for them to do their job; and third, through United States training, to develop an effective, ethical fighting force. The Salvadoran Armed Forces' inability to meet all of these standards thus is the basis for my decision to support cuts and restrictions on further military aid to El Salvador.

It is true that the Armed Forces have been able to prevent the overthrow of the Salvadoran Government by the FMLN. The FMLN, of course, still threatens to launch a second offensive against the Government in order to coerce more concessions from the Government at the negotiating table. The FMLN should be on notice that should they engage in such an offensive, there will be serious implications for U.S. aid policy to the Salvadoran Government. The ball is in the FMLN's court.

Their November offensive showed that their level of popular support was less than previously thought. It also proved that there is no military solution to the conflict. The November offensive provided a victory for no one. Clearly, that is not a path to peace.

Unfortunately, it is FMLN weakness, and not the strength and professional ability of the Salvadoran military, that has prevented the overthrow of the legitimate Government of that country. The chief results of our military aid have been the creation of wealthy Salvadoran soldiers and a separate military economy within the country, not the creation of an effective fighting force. The Salvadoran Armed Forces, Mr. President, are now the largest holders of liquid capital in the country. A 1988 Harvard study by four U.S. lieutenant colonels called the military's system of corruption "a West Point protection association gone berserk."

A December 1989 New York Times magazine article documented the pervasive practice of adding names of "ghost soldiers" to brigade rosters, thereby drawing salaries into brigade slush funds. Approximately $24 million annually is diverted into these slush funds, according to the same article.

Mr. President, that isn't even the half of it. Through such practices, the Armed Forces have built up their own social security-type system for soldiers, called the Social Provision Institute of the Armed Forces [IPSFA]. It has over $100 million in reserves and has gone into a conglomerate, financing home mortgages, running its own small business administration and developing real estate, including a shopping mall and the piece de resistance, Mr. President, a $5 million 13-story office tower for the new Bank of the Armed Forces.

Mr. President, our military aid was designed to help an army in need of decent weapons and some training to shoot straight. Instead, we have created a kind of Latin American real estate conglomerate with guns.

Finally, our military assistance was to provide training in Central America and in the United States that would help develop an ethical fighting force. Our aid has not achieved that purpose in any sense of the word. The Armed Forces have acted brutally, against church workers, peasants, and members of the clergy.

A bipartisan congressional study issued in May 1990 by the Arms Control and Foreign Policy Caucus found that of the 14 primary commanders whose troops reportedly committed human rights abuses against civilians—including murder, rape, torture, as well as coverups of these abuses—11 of these commanders received U.S. training.

All of the soldiers in the famous Atlacatl Immediate Reaction Battalion charged with murdering the Jesuits, except the commanding officer, had received at least some U.S. training, some in the United States.

As a visiting professor at the U.S. Army School of the Americas at Fort Benning, GA, stated about the Atlacatl battalion, "We've always had a hard time getting [them] to take prisoners instead of ears."

The lack of progress in the investigation of Jesuit murders further underscores the impunity with which the Armed Forces operate in El Salvador. The interim report of the Speaker's task force concluded, "The investigation and preparations for prosecuting the case have come to a virtual standstill." The blunt criticism of the investigation has spurred the judge into action; questioning military officers heretofore not questioned, and attempting to gather enough information to bring the case to trial. Even the Cristiani government is pessimistic the case will be successfully prosecuted. The Armed Forces are effectively blocking successful prosecution of all involved in the vicious murders of the Jesuits. That is an intolerable situation.

In conclusion, Mr. President, I have consistently supported administrations in this matter. Under our Constitution the President is our chief foreign policy official. His views on foreign policy issues are necessarily entitled to considerable weight in Congress, and I have heretofore chosen on a number of occasions to join bipartisan majorities in following the President's lead.

In the case of El Salvador, I think Congress has given the policy of the last two Presidents ample time to succeed. Despite our best efforts, however, the situation in El Salvador has not improved. Our policies in El Salvador

no longer fit as conditions there continue to deteriorate.

It is important to remember that, although the President is charged under our Constitution to conduct foreign policy, the Constitution also makes it clear that no money can be spent without congressional action. Given the mounting body counts in El Salvador and the unbridled acts of violence by both sides, I believe we must use that power to change our policy in El Salvador.

As I have outlined, our military aid has fostered corruption, abuse, and a burgeoning economic force independent of the private sector. That was not this country's intention when our aid policy began. The hierarchy of the Armed Forces have shown themselves to be more adept at managing capital than commanding troops. They have been more successful shooting clergymen and women than stopping the advance of the rebels. They have thumbed their nose at their elected Government, two administrations, and the Congress. Further unrestricted aid will not change them; it will simply give us more and more of the same.

The question before us, Mr. President, is not whether the Salvadoran Armed Forces need more money than they have received in the past. They do not. In fact, a cut in military aid may force them to clean up their act. It certainly cannot hurt their military capability, since the rank and file operate on much less than they expected to receive, while their commanders live high on the hog.

We need to deliver a clear message to the Salvadoran military: "No more." No more corruption; no more murders of innocent civilians; no more delay in making fundamental reforms. Only major changes in our AID policy—only major cuts and conditions on any future AID—will deliver that message. This is one Senator who is unwilling to take even one more step down the path we have been following so far. We need to change our policy direction—now.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

EL SALVADOR: LEAHY-DODD GIVES PEACE A CHANCE

Mr. CRANSTON. Mr. President, I rise to speak on the situation in El Salvador. On Tuesday, the Salvadoran Government and the FMLN guerrillas ended another round of U.N.-mediated talks in San Jose, Costa Rica. Progress in these negotiations is vital if the legislative and municipal elections slated for March 1991 are to be used to consolidate democratic processes and procedures in El Salvador. The urgency of the situation, however, does not appear to be reflected in current U.S. policy.

A meeting in San Jose last July produced a partial accord on human rights, allowing for a U.N.-appointed international verification commission to monitor the human rights situation in El Salvador once a cease-fire takes effect. However, a followup meeting in mid-August resulted in no agreement on the key issue of reform of the armed forces.

In practical terms, this has meant the goal of a mid-September cease-fire has proven elusive, although the verification commission, nonetheless, plans to set up an office in mid-October, and the prospects for free and fair elections next March remain murky.

According to the guerrillas, a truce is not possible until the armed forces undergo a major restructuring. This, they say, should include cashiering all serving generals and colonels; the replacement of the Salvadoran security forces with a civilian police force; and the prosecution of six key human rights cases.

In response, the Cristiani government has promised to reshuffle the security forces within various ministries prior to a cease-fire; grant amnesty to the guerrillas; and create a special tribunal to judge human rights violators in the armed forces.

On paper, the two positions may not seem that far apart. In fact, there are light years separating them.

So far, the proposed reorganization has meant little more than window dressing. Little progress has been made on the case of the military massacre of the six Jesuit priests late last year, nor on the other leading cases which a broad spectrum of the opposition say is their bottom line in talks with the Government.

One key opposition demand is the creation of a professional police force under civilian command and control. Reportedly, the Cristiani government may announce the creation of such a force, with a broad mandate in the area of public safety, in the next few weeks. This would certainly be a positive development and an important concession.

However, if such a ministry is not really separate from the military command structure, or if the current police forces do not undergo their own housecleaning, or if the Government seeks to incorporate civilian elements of the death squads into its ranks, this obviously would be unacceptable.

The military's proposal to stand in judgment of its own is similarly unacceptable.

There is nothing in the record to suggest that the Salvadoran military has ever admitted responsibility for any kind of wrongdoing—and there has been a lot of wrongdoing. Even in the cases where armed forces complicity is most apparent, such as that of the Jesuits, the military's stock response has been stonewalling, denial, and obfuscation.

One only has to look to the example of Argentina to see how such proposals are quickly revealed to be ruses to ensure military impunity. After he was elected in December 1983, President Raul Alfonsin similarly gave the Argentine military a year to bring those officers responsible for the dirty war up on charges.

This good faith effort was meant to give the military a chance to take credit for carrying out their own housecleaning. Yet, by casting his bread upon the waters, Alfonsin found he was only feeding the sharks. Rather than taking a broom to its corrupted officer corps, the military used the time to stall; for the civilian government to lose political momentum; and, finally, to issue several challenges to civilian control itself.

Even after the military question is settled in El Salvador, other issues—such as electoral and judicial reform—must be dealt with. These subjects appear more likely to generate a consensus. But opposition leaders, who range from the Christian Democrats to the Marxist left, say that unless there is a meaningful change in the structure and mission of the military, other reforms are meaningless.

Despite the fact that it is clear that the issue of the armed forces must be addressed before a real pacification can take place, the Government is resisting the kind of major military reforms that are the guarantee of real democratization.

Some military sectors apparently feel that time is on their side; that increased guerrilla military action would provide the justification—and support from Washington—that would allow them to continue their reign of counterterror.

Others in Government privately support a restructuring of the Salvadoran military and an end to its impunity in violating human rights. Their voices are muted, apparently because they feel that—politically and otherwise—they are outgunned in the councils of government.

At the same time, the Bush administration has sent mixed signals on the importance of meaningful military reform. Rather than flatly stating that the bottom line for continued U.S. support is good faith negotiations on the size and mission of the military, the administration appears unwilling or unable to bring what is an essentially client army to parley in good faith.

Recently American journalist Chuck Lane wrote an insightful article in the New Republic. In focusing on the highly successful, but very checkered career of one man, Air Force Gen. Juan Rafael Bustillo, Lane traces the folly of United States policy in El Salvador.

For 10 years, Lane writes, the United States had no qualms about using him and the force he commanded in its wars against communism in Central America:

This is a principal reason the United States can't get to the bottom of the Jesuits' massacre or root out military corruption. In its pursuit of an elusive military victory, the United States tolerated so much military crime that U.S. claims of good intentions have lost credibility.

Now, for the first time, it seems likely Congress will cut military aid as punishment for killing the Jesuits, and the Bush administration may well go along. The move could send the Salvadoran armed forces a message they have long needed to hear—if it isn't already too late.

Mr. President, in the next few weeks we will be again taking a look at the assistance we are providing the right-wing Government of El Salvador.

Our distinguished colleagues, Senator DODD and Senator LEAHY, have introduced a bill that would withhold 50 percent of military aid to El Salvador in order to support the negotiations process.

This splendid initiative offers us the chance to send the Salvadoran military the message they have long needed to hear, that the United States is backing its strong rhetoric on human rights with credible commitments to cut American assistance if real progress is not made.

This goes far beyond anything that has already been tried. While commendable in spirit, the move by the United States Embassy in San Salvador in August to halt $2 million in aid to the supreme court due to a lack of progress in the San Sebastian massacre and kidnaping-for-profit cases nonetheless misses the mark. It is the military, not civilian institutions, that need to feel the practical effect of their own impunity.

Mr. President, let us give peace a chance in El Salvador. Let us make our actions speak as loud as our words.

I urge my colleagues not only to support the Dodd-Leahy proposal, but to sign on as cosponsors to the bill. Let us show we really support democracy in El Salvador.

Mr. President, I ask unanimous consent that an article entitled "The Pilot Shark of El Salvador" to be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New Republic, Sept. 24, 1990]

THE PILOT SHARK OF EL SALVADOR

(By Charles Lane)

(Charles Lane recently returned from a three-year assignment as Central America correspondent for Newsweek.)

Few Americans have ever heard of General Juan Rafael Bustillo, but for more than a decade he was a pillar of American foreign policy in Latin America. As the commander of El Salvador's air force, his troops received almost one-quarter of the $1 billion in military aid El Salvador has gotten from the United States since 1981. In deference to the critical role he played in the war against Salvador's leftist rebels and in aiding Nicaragua's contras. Bustillo was courted by U.S. military officers, diplomats, and CIA agents. He was even invited to George Bush's inauguration in 1989—the only Salvadoran military officer so honored.

Today, however, the once indispensable general lives in semi-retirement, dividing his time between his home in San Salvador's tightly guarded military colony, the Colonia Arce, and a discreet abode he maintains in Miami. He is no longer in command of the air force, having had a nasty falling-out with his erstwhile U.S. patrons. The air force's brutality, its corruption, and its refusal to cooperate with El Salvador's army (much less submit to civilian authority) had become extreme, even for a miltary known for lawless behavior.

But the problems persist after Bustillo's departure, and U.S. officials concede there's little they can do about them. The legacy of a decade of American support, it seems, is a divided, fiercely insular air force that depends on millions of U.S. dollars to function but has little use for American lectures about the rule of law. And the relationship between the United States and Bustillo's air force, and how it went sour, is emblematic of the failure of U.S. policy in El Salvador as a whole.

In the early '80s Pentagon plans to stop "Communist expansion" in El Salvador called for an infusion of planes and helicopters to offset the rebels' greater mobility in the field. The aircraft fell under the control of Bustillo, who had been picked by his fellow colonels to run the air force in 1979 because he was one of the few trained military pilots in the country, and because his military school classmates held key positions in the officer corps. Bustillo also was a man El Salvador's powerful far right could trust. A devotee of the virulent local brand of anti-communism, the terse, square-jawed military aviator effected the bearing of a Latin MacArthur. If ex-Major Roberto d'Aubuisson was the right's flamboyant hit man and rabble-rouser, Bustillo was its gray-eyed man of destiny.

From the outset, then, U.S. plans to make the air force a lynchpin of counterinsurgency were at odds with U.S. promises to isolate the right and build a moderate civilian government. Air-launched bombs, bullets, and rockets did prove more efficient at killing leftists than anything since the death squads. But at the same time, aerial attacks inevitably entailed civilian casualties, driving campesinos into the arms of the guerrillas.

Even more ominously, with U.S.-supplied aircraft and crack U.S.-trained ground forces at its command near the capital, the air force suddenly had all the tools to stage a coup by itself. The potential for such a disaster became clear in January 1983, when Bustillo threw his choppers and planes behind a mutiny led by a rightist army colonel. The colonel demanded the firing of the defense minister, General José Guillermo Garcia, who was backed by the United States because he tolerated civilian provisional president Alvaro Magaña. In a negotiated settlement, Garcia was removed while preserving Magaña in office; American Embassy officials later reported that Bustillo's pressure was the key factor in getting rid of Garcia. The United States acquiesced in the deal, deeming it unwise to rock the boat at that phase of the war.

The contradictions of U.S. policy sharpened when José Napoleón Duarte, a Christian Democrat, was elected president in 1984. Duarte, the moderate, persuaded Congress to provide more military aid, including millions for the air force, on the grounds that it would help Salvador's fledgling democracy. Bustillo, meanwhile, saw Duarte as a closet Communist. Rumors of rightist coup plots involving the air force were constant during Duarte's presidency.

Once again the U.S. approach was to try to keep the air force chief happy and hope for the best. A modus vivendi was worked out; Bustillo withheld his support from rightist coup plots and was allowed a U.S.-supplied fiefdom at Ilopango free of outside interference. The air force base became "a military dictatorship," says a former Bustillo aide—complete with its own PX, sports club, pilots' academy, and officer housing. Salvadoran and American officials say the general systematically co-opted or ousted his potential rivals, regardless of military merit. Pilots even sang a hymn that eulogized Bustillo by name.

Soon, though, the fine line between merely appeasing Bustillo and actively supporting him began to fade, as U.S. officials competed with each other to show the benefits of cooperating with Washington. The CIA's San Salvador station, which had been parking its helicopters at Ilopango and keeping a warehouse for its special operations there, provided money and training to elite air force ground units, according to U.S. military sources. Edwin Corr, who was U.S. ambassador in San Salvador for most of Duarte's term, lent Bustillo an armor-plated luxury car from the embassy motor pool and lobbied Congress to get more helicopters for the air force. Bustillo was the only Salvadoran commander with a private counterinsurgency adviser: Felix Rodriguez, a former CIA operative in Vietnam and Latin America with close ties to then-Vice President George Bush's office; he arrived in El Salvador in early 1985.

The high point of U.S. collaboration with Bustillo came later that year, when Oliver North made Ilopango the hub of his contra resupply network. Bustillo's help, arranged through Rodriguez, was invaluable: false end-user certificates to buy arms; the expansion of an overflowing warehouse for contra weapons; air force ID cards for nineteen resupply pilots. Some 109 secret flights shuttled in and out of Ilopango, according to the congressional Iran-contra committee report.

Not only did this direct link to the White House strengthen Bustillo, it also weakened Duarte, whom the United States was ostensibly trying to bolster. When the Ilopango operation was exposed in October 1986, Duarte, who had warned U.S. officials that his government would suffer if contra aid from El Salvador were ever exposed, wanted to fire the air force commander. That would have been a breakthrough assertion of civilian authority. But the defense minister, General Carlos Eugenio Vides Casanova, objected, pointedly raising the specter of an

air force revolt, a former senior Duarte aide told me.

Still, support from the United States might have encouraged Duarte to take on Bustillo. No such support was given. Ambassador Corr sat in on the meeting in which Duarte and Vides debated firing Bustillo. Duarte aides have said Corr backed Vides. Corr told me he neither urged Durate to assert his authority and remove a right-wing menace to civilian rule nor defended the air force general whom Corr was cultivating, and who was in a position to expose Corr's government and Corr's embassy. "It was cowboy time and Bustillo was our man," says a U.S. diplomat who served in San Salvador during this period.

All the while, bad air force habits were allowed to grow worse. Bustillo irked the army by reserving choppers for the air force's own paratroop battalion, or army troops commanded by his friends. Air force ground units, especially CIA-assisted ground units, remained notorious for human rights abuses. In late 1986, for example, the body of twenty-three-year-old Nelson Rodriguez, who had been arrested by air force troops as a rebel suspect, was found, thumbs tied behind the back death-squad style. In April 1989 an air force unit ambushed a rebel field hospital, reporting nine guerrillas killed. Later foreign human rights groups found evidence that the air force men had captured, tortured, and killed five of the rebels it claimed to have killed in combat. An autopsy by a French doctor on a guerrilla nurse from France showed she had probably been raped before being killed.

Air force officers spent much of their time pursuing illicit gain. For years a Salvadoran air force DC-6 that carried pilots to training at the U.S. Howard Air Force Base in Panama returned full of contraband liquor and appliances, Salvadoran military officers say. The goods were sold on the black market, shared as patronage, or stocked in the ample air force PX. Other rackets included a fencing operation for stolen cars. A former top-level Salvadoran military officer told me that police arrested an air force captain running a car theft "gang" at the airbase in 1986. The captain escaped to the United States.

There are also indications the air force ripped off the United States itself. Last year the General Accounting Office found that the Salvadoran air force had sold more than $100,000 worth of Pentagon-supplied fuel to the contra resupply network, keeping the money in apparent violation of U.S. rules. Separately, the air force sold $700,000 worth of U.S.-supplied fuel back to the United States to refuel visiting U.S. planes. Apparently that money went into an Air Force slush fund. When the GAO inquired, Bustillo said he spent it to remodel the Ilopango base; as for contra aid, he said that "Salvadoran national security interests" prevented him from answering any questions.

Even more disturbing, reports that the air force was involved in cocaine trafficking began to reach U.S. ears. Sources in the Drug Enforcement Administration told me it has confirmed long-standing rumors that air force members are involved in street-level sales of the drug within El Salvador.

The more important question is whether the air force dabbled in international drug trafficking as well. Reports that it might have done so date from at least 1986—around the time the contra resupply operation was exposed. At that time, an agent from the DEA's branch office in Guatemala City came to San Salvador, seeking access to Ilopango. Bustillo stalled, says a U.S. official with first-hand knowledge of the case. "There was never a good reason why [the DEA] couldn't get on to Ilopango," he told me. "They just kept putting off meetings, stuff like that. [The DEA] wasn't going to beat its head against the wall."

On June 21, 1988, Salvadoran army troops came upon a light plane that had run out of gas and landed near a remote hacienda on the country's Pacific coast. Police found it had been carrying almost half a ton of cocaine, worth more than $30 million. Some drugs had been off-loaded and stuffed into secret compartments in a pickup truck that was discovered later. Police followed the trail to a warehouse on the Boulevard of the Army, in an industrial area that falls under air force security jurisdiction. Inside, they found cocaine packed in large spools of cotton yarn bound for the United States; apparently this was a large, ongoing transshipment operation.

Five weeks after the discovery of the plane, an air force lieutenant colonel, Edwin Napoleón Lazo, was shot to death. The case remains unsolved. The air force never blamed the murder on the rebels and the rebels never claimed it, though they have singled out air force officers for attack. Two officials with close ties to the military, a Salvadoran and an American, told me they believe Lazo was killed by others in the air force because he was about to blow the whistle on cocaine trafficking. Though there is no direct proof of that view, it is indirectly supported by the fact that air force officers resorted to kidnap and torture to frame two civilians for Lazo's murder.

Lazo and a friend named Juan Alexander García Prieto were killed in front of García Prieto's home near Ilopango. Court records in San Salvador show the first authorities on the scene were air force troops. They immediately produced a witness who claimed that a taxi driver named Luis Ernesto Cuellar had shot García Prieto because he owed García Prieto money. Lazo, purportedly, was an unlucky bystander. The witness was brought to court by heavily armed members of the air force who refused to give their names to the judge. But his story clashed with those of other witnesses. The judge said he fell into "a series of contradictions." Paraffin tests on Cuellar to determine if he had recently fired a gun were negative.

Shortly before Cuellar's defense attorney, Roberto Orellana, was to cross-examine the air force witness, the lawyer was kidnapped by heavily armed men, thrown face down into the back of a red Toyota pickup, then handcuffed and blindfolded. For five days, according to Orellana's sworn court testimony, he was beaten, deprived of food and sleep, threatened with death, and so tightly handcuffed that he lost all feeling in his hands. To his astonishment, the kidnappers were trying to force him to confess to helping his client kill Lazo.

Orellana was put in a secret cell—at Ilopango. He recalled hearing helicopters outside as the questions and beatings went on. Finally the door of his secret prison opened and a new questioner entered. The man, whom Orellana never saw, spoke as a superior to the others and questioned the lawyer for several minutes, without harming him. When Orellana's blindfolded was removed later in a different room, a guard told him his mystery interrogator had been Bustillo.

The court records include a letter to the National Police from Major Roberto Antonio Leiva Jacobo of the air force intelligence unit, S-2. (S-2 operated an "infamous" red Toyota pickup, a U.S. military officer told me.) Citing order from Bustillo, the major said he was sending Orellana to the police as a suspect in Lazo's death. Though it is not clear how involved Bustillo was in the affair, at a minimum wasn't fazed by the brutalized condition of his men's capitve.

Eventually a judge dismissed the charges and both Cuellar and Orellana were released. A friend of Cuellar's told me that he fled to asylum in Australia; Orellana stayed in Salvador, Neither the air force nor anyone else has investigated the Lazo murder since the trumped-up case fell apart. Nor have the authorities looked into the apparent frame-up. As for the drug plane, three Salvadorans arrested as suspected smugglers, one of whom is rumored to be related to a former top army officer, have all gone free: two were ordered released by a judge who was later disbarred for taking a bribe to release a gang of kidnappers with ties to rightist death squads; the third walked using a forged release order.

A few months after Lazo's death, Bustillo asked the U.S. Embassy if the DEA would check out the drug rumors swirling around his men, DEA agents in the region were wary of this change of heart, according to U.S. officials. At the time Bustillo was bidding to become minister of defense; the agents thought he had to know what was going on at his base and just wanted to curry American favor for his campaign. "It was all a show for the embassy's benefit," says an official sympathetic to the DEA's view. But William G. Walker, the new U.S. ambassador in San Salvador, agreed to the idea, deciding it would be even riskier to let Bustillo say he had spurned his offer.

The DEA report, according to U.S. officials who have seen it, contained strong leads on air force drug smuggling, but not conclusive proof. Much of the report apparently came from sources within the air force itself. The document named Colonel Manfredo Koenigsberg, then director of the air force pilots' academy, as a key figure in alleged transshipment.

Koenigsberg had run S-2 in the early '80s, when the secret jails at Ilopango were a route to "disappearance" for perhaps hundreds of Salvadorans. Christian Democratic Party officials say that in 1981 bodyguards for Antonio Morales Ehrlich, the Christian Democratic head of the U.S. supported land reform, caught Koenigsberg waiting outside Morales Ehrlich's house carrying a gun. He also commanded civil defense groups that enforce security in barrios around Ilopango, including the industrial area on the Boulevard of the Army, and he maintained close ties to S-2. He supervised the air force DC-6 shopping trips to Panama, sometimes flying the plane himself.

After El Salvador's presidential elections in March 1989 U.S. officials briefed Bustillo on the DEA report. At that point, U.S. officials told me, Bustillo tried to fire Koenigsberg. Reportedly he made his accusation directly to Vides, still defense minister at the time. But Koenigsberg insisted on his innocence, and for reasons that are still unclear, Vides took no action. Apparently Koenigsberg was one of the few Salvadorans who could cross Bustillo and survive, perhaps because he was on good terms with Colonel Rene Emilio Ponce, the army chief of staff who was Bustillo's rival for the defense minister post.

Bustillo's bid for defense minister, a job that would have given him overall control of the armed forces, was a joint project with

d'Aubuisson and other hardline leaders of the right-wing Nationalist Republican Alliance (ARENA). D'Aubuisson got Cristiani, the new president, to promise Bustillo the job. Bustillo had a strong claim: he was the senior officer on active duty. The right wing had won at the polls, seemingly validating his worldview. And he had always been able to deal with the United States.

But George Bush had replaced Ronald Reagan, and U.S. interests in Salvador had begun to diverge from Bustillo's interests. Bush inherited a collapsed center, a resurgent right, increased guerrilla activity, and a rising number of human rights abuses by the military. With the cold war ending, the new administration's plan for the El Salvador mess was to keep it on the back burner. So when U.S. officials learned that Bustillo's choices for two vice minister slots were far rightists who had been exiled for human rights violations at U.S. request, they feared the reaction in Congress.

Suddenly all the air force misdeeds that U.S. officials had rationalized earlier were coming back to haunt U.S. policy. The United States began urging Cristiani to name Bustillo's army rival, Colonel Ponce, instead. The air force lashed out. An air force officer threatened the life of Colonel Miton Menjivar, the top U.S. military adviser in El Salvador. On May 24, 1989, a week before Cristiani was sworn in, air force jets buzzed a ceremony at army headquarters-drowning out a speech by Vides. As another protest, the air force withdrew its helicopters from combat for two days. The army responded by threatening the air force.

In the end, however, Bustillo couldn't win against both the United States and the army. But before he left, he exacted concessions. Ponce was denied the defense ministry; it went instead to a caretaker, General Rafael Humberto Larios. (Ponce finally got the job this month.) General Rafael Villamariona, groomed by Bustillo as a handpicked successor, was installed as commander of the air force. Bustillo stayed at Ilopango for two months after January 1, when his transfer to his new post, military attaché in Israel, supposedly took effect. It is understood that he will never have to set foot in Israel if he doesn't want to.

The end of Bustillo's decade of U.S.-indulged total dominance of the air force has prompted a fierce power struggle. One contender is Lieutenant Colonel Juan Antonio Martinez Varela, an ultrarightist protégé of Bustillo. He is believed to have piloted one of the planes that buzzed Vides's speech. Another contender is Koenigsberg, who was recently promoted to full colonel. Guns were reportedly drawn and fired in the air when Koenigsberg's supporters and Martinez Varela's people met at a recent party in San Salvador. The free-for-all threatens a branch of the armed forces upon which the government will have to rely if, as expected, the current round of stalled peace talks gives way to a new fall offensive by the rebels. But the United States has virtually no say in the matter, because of lingering bad blood over the way Bustillo was treated.

The issue of drug dealing, and what Bustillo might have known about it, was left unresolved. Earlier this year Koenigsberg told the United States either to prove its suspicions or shut up. He said he would take a lie detector test, so the U.S. Embassy brought two DEA lie detector specialists to San Salvador. The tests showed Koenigsberg was telling the truth when he denied dealing drugs.

Of course, the record of U.S.-run lie detector tests in El Salvador is mixed. In the case of the six Jesuit priests murdered last November by army troops, a lie detector test given the priests' maid by FBI agents in Miami showed she was lying when she recalled seeing soldiers at the scene of the crime. She was, of course, being truthful. Koenigsberg told me he wasn't asked anything about either the drug-laden 1988 plane or the Lazo killing. (He says he has no knowledge of either matter.) Not surprisingly, Koenigsberg is telling anyone in San Salvador who will listen that he has a clean bill of health from the U.S. government

U.S. officials in San Salvador aren't sure what to believe. Was Bustillo really in the dark about drugs? Or was he trying to use the DEA to pin the blame on Koenigsberg and ease his campaign for minister of defense? Or is Koenigsberg really a drug smuggler, as many U.S. and Salvadoran officials said he is, but cool enough to brazen out general questions on a polygraph test? Perhaps the main point is that, whatever the truth, the United States is in no position to find it. The United States got just close enough to the air force to be tarred by its abuses, but not so close that it could trust officers to tell U.S. officials the truth—though given the see-no-evil attitude of many of those officials in the past, air force officers could perhaps be forgiven for wondering if the truth was really what they wanted to hear.

Bustillo didn't respond to a request, communicated to him by Salvadoran officials, for an interview. If he had spoken, he might well have said he feels betrayed by the U.S. government. Who could blame him? For ten years the United States had no qualms about using him and the force he commanded in its wars against communism in Central America. Then it got all huffy. There are many other military commanders in El Salvador who could, and do, make the same argument, when the United States starts challenging their human rights performance or personal probity. This is a principal reason the United States can't get to the bottom of the Jesuits' massacre or root out military corruption. In its pursuit of an elusive military victory, the United States tolerated so much military crime that U.S. claims of good intentions have lost credibility. Now, for the first time, it seems likely that Congress will cut military aid as punishment for killing the Jesuits, and the Bush administration may well go along. The move could send the Salvadoran armed forces a message they have long needed to hear—if it isn't already too late.

Mr. CRANSTON. I thank the Presiding Officer. I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GRAHAM). The absence of a quorum having been suggested, the clerk will call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. I ask unanimous consent I might proceed for 3 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. I thank the Chair.

BUDGET NEGOTIATIONS

Mr. FORD. Mr. President, I remain hopeful that budget summit negotiations will develop a comprehensive deficit reduction package in a matter of days. Whatever the contents, we know it will involve painful choices for our State. We will all need time to examine it and to examine it closely.

For example, recent rumor suggests that a significant increase in cigarette excise taxes may be included in the package.

Everyone knows my position on excise taxes. They are regressive and hurt lower-income Americans the most, and they are already too high. They represent bad tax policy and bad economic policy. But it is too easy, Mr. President, to simply say I will oppose excise taxes in this package. It is also naive.

In reality, this will not be a yes or no vote. It will be a tax or slash vote. It will come down to a choice between the deficit package or a sequester, which will mean across-the-board cuts of about 40 percent in many of our programs.

We only have 10 days, Mr. President, to avoid these slashes. For tobacco, this would mean a choice between an excise tax increase or drastic cuts in price support levels for my tobacco farmers.

Hundreds of these examples exist for various and other aspects of our economy. So I anticipate that a very difficult decision lies ahead for all of us.

I will be examining each alternative quite carefully to determine which one is best for my State, and ultimately what is best for this country. This is why it is so important that the budget summit negotiations produce a package, and produce it quickly so that each of us will have the opportunity to examine it in detail.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KERREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection it is so ordered.

RECENT EVENTS IN CAMBODIA

Mr. KERREY. Mr. President, there has been recent progress toward the settling of conflict in Cambodia, and to me personally it is very exciting to watch that progress. There was a recent breakdown in the discussions going on in Bangkok yesterday that illustrates how difficult this process is and how difficult it will be to sustain it.

With the outside pressure from the permanent five members of the U.S. Security Council, they will be forced to sustain the negotiations that are currently underway with the newly composed three-man council, and I do not underestimate the difficulty of getting that done.

Mr. President, the Bush administration has worked very hard, and it has acted boldly to bring together the other four permanent members of the U.N. Security Council in order to reach the agreement that was announced recently and subsequently accepted by all the Cambodian factions.

In the words of the Under Secretary of State for Political Affairs, Mr. Robert Kimmitt:

> The past two months have seen a dramatic upswing in the prospects for a peaceful settlement to the Cambodian conflict. As a result of a combination of diplomatic efforts by a number of countries—including, I'm pleased to say, some well-timed initiatives by the United States—a major step has been taken toward a comprehensive political settlement.

The settlement agreement would not have been possible if Secretary Baker had not made the pivotal decision to begin a dialog with the Hun Sen regime. His flexible approach demonstrates that he genuinely seeks an end to the fighting and that he is willing to put American credibility on the line even—I say this with emphasis—when there is no clear United States strategic interest in the nation of Cambodia.

It also demonstrates the United States of America has a genuine concern for the Khmer people, particularly their freedom and their independence. I believe and I hope that Secretary Baker will take the next logical step, and that is lifting the Trading With the Enemy Act economic restrictions imposed upon Cambodia and the assignment of a diplomatic-political team to Phnom Penh. Both of these actions should be taken in anticipation of an acceptable transitional government, and to encourage all parties to continue working toward the goals that have been set out by the permanent five members of the Security Council.

Equally important, this will give Cambodian-Americans, as well as Cambodian refugees living on the Thai-Cambodian border, the opportunity to return. It will permit the kind of on-site and detailed observation which will be crucial as the final details of this agreement are developed.

The Supreme National Council must be seen as an interim measure that will transfer power first to the United Nations and later to a duly elected government. Significantly, there are no representatives from any of the factions who have any experience with democracy at the national or at the local level.

What they and the five permanent members of the U.N. Security Council focused upon was the power sharing which would occur until free elections could be held. The power sharing issues concern a central government and the various ministries of that national government.

The neutral political process, which is the Bush administration's No. 1 objective, does not refer to the action at the village level. It refers instead to an arrangement whereby no one faction controls the government, which it is assumed then gives it the ability to control the political process, and thus the outcome of the election.

This assumption, as we know from the electoral experiences of Eastern Europe, or Washington, DC, for that matter, does not always hold.

Focusing our attention only on the power sharing agreement for the central government could set the stage, and I believe tragically, for two major problems. First, the election in Cambodia will be won or lost according to the level of support and/or trust of the people themselves. That should be obvious to those of us who understand democracy well.

While we are debating the makeup of the Supreme National Council, the Khmer Rouge are working hard to organize small-scale civic governments throughout Cambodia. The Khmer Rouge continues to use a political message which is anti-Vietnamese and opposed to the corruption of their nation's capital, the nation's central government.

Both of these pitches, combined with the willingness to apply brutal physical pressure upon those who dissent, make them a formidable political operation.

The second major problem is that our acceptance of former and/or current Pol Pot members as members of the Supreme National Council is in conflict with the third objective of the United States policy, and that is to guard against the Khmer Rouge again imposing their violent rule on the Cambodian people.

The Khmer Rouge's current political message—their current political message, what they say in the field—their murderous rule from 1975 to 1978 where 25 percent of the population of Cambodia died they describe as a mistake.

They described that as a mistake and asked to be trusted again with power. Mr. President, unfortunately, the acceptance of two high-ranking members of the Pol Pot government, Khieu Sompong and Son Sen, sends a message to the people of Cambodia that we agree.

When we are applying external pressure to get the internal parties to agree, unfortunately, I do not know of any realistic alternative to accepting their choices. I cannot, in good faith, oppose the composition of the Supreme National Council if it has been agreed to by Cambodians.

The best way I know to help reduce the possibility of a disaster—in other words, the election of a government that allows Pol Pot back into power—is to increase our attention to the detail of Cambodian life, particularly at the village level. Thus, I believe strongly that the time has come to lift the economic and diplomatic sanctions that are currently in place. Indeed, I believe there is an urgent moral imperative to do so.

This action will also send a strong signal to all parties that we are serious about helping to initiate and sustain the long, arduous task of working side by side with the Cambodian people to build a free, independent, and democratic nation.

It is important to consider that what got this process going at a critical moment was Secretary of State Baker's willingness to talk directly to the Cambodian Government. It sent a clear message to all the parties that we are serious about building an independent and free government in the nation of Cambodia itself. We should not underestimate either the enormous job ahead of us or the potential, the real potential for Americans to help.

As friends and experienced voyagers in the quest for true democracy and the development of free, productive markets, we have much to teach the people of Cambodia. Making the choices which will create a system which protects the rights of the individual to dissent, without sacrificing the order of the community, is neither easy nor obvious. Protecting and building upon the rights of private property without exploiting or ruining their culture are difficult lessons to learn; they are not as self-evident to the Khmer people as they are to us.

As friends, we stand to learn a great deal, as well, from the Khmer people. They have suffered greatly but have survived with an impressive and enthusiastic desire to be free. There is much about their culture and values which will benefit us, if we are respectful.

In short, the Cambodian people need us and we need them. I believe, moreover, that the time is right to seize this new opportunity that presents itself to us and to them, as a consequence of the work the Bush administration has done thus far, and to end the tragic conflict in this good and wonderful nation.

I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. CRANSTON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAR POWERS NOT JUST AN EXECUTIVE RESPONSIBILITY

Mr. CRANSTON. Mr. President, Americans are united in their hopes for a quick and peaceful end to the crisis in the gulf. A broad-based bipartisan consensus has been forged in support of forcing Saddam Hussein to roll back his ill-gotten gains of territory and wealth.

Democrats and Republicans alike have spoken with one voice. Let the Iraqis know that, rather than rewards, their barbaric, bully-boy tactics have reaped for them international ignominy, and isolation from the family of civilized nations.

However strong and true American hearts are in this matter, there is a gnawing feeling that, perhaps, a vital component has been left out of this international effort.

The missing ingredient is, quite simply, Congress.

Mr. President, on Sunday our distinguished friend and colleague, Senator PELL, published a compelling argument in the Washington Post outlining why the Bush administration needs to draw Congress into the decisionmaking process.

This is the first important post-cold-war military crisis. Yet, as Senator PELL correctly noted, "the administration's likely inclination may be to go it alone," should the United States end up in a shooting war in the gulf.

"So far," he wrote, "the administration has not been tolerant of any meaningful congressional role in foreign affairs. Indeed, when pressed the President's men will admit they would like to roll back as many of the post-Vietnam constraints on Presidential action as they can.

"They seem oriented to nothing less than restoring the arrogance of power, at least within our own government, that Sen. J. William Fulbright rightly denounced 25 years ago."

Mr. President, 25 years ago Congress was faced with the issue of war powers in the form of the Tonkin Gulf resolution. The eventual language that was passed seemed innocuous enough. But the result was a terrible toll on the postwar sense of comity and purpose that had been the hallmark of the first 20 years of the cold war.

Today, Americans face the crisis in the gulf with a unanimity of resolve and of purpose. Yet, even when dealing from a position of political strength, President Bush has not involved Congress in any meaningful way to set the course of U.S. policy.

This is a mistake of uncalculable proportions. There is no guarantee that our massive troop presence in the gulf will be a short-term thing. Nor can we be sure that, whether there is a shooting war or not, public enthusiasm for a sustained effort may not wane.

The best insurance to avoid a political quagmire would be to heed Senator PELL's words, when he said:

> If there is to be war, let it be a collective decision reflecting the will of the American people as expressed through their 535 elected Representatives.
>
> America's banner must never be, "Our President, right or wrong."

Mr. President, if ever there was a case for Congress being given a place at the foreign policymaking table, Iraq is it.

Any administration claim to special insight or knowledge in the conduct of foreign policy in the gulf region is vitiated by this administration's abysmal record on Iraq before the invasion of Kuwait. Their failed policy of appeasement of Saddam has been amply documented in the press, and is no secret to those of us in the Senate. As the Washington Post recently noted:

> Presidents Reagan and Bush repeatedly opposed Congress's proposed trade sanctions against Iraq—the last time only two days before Kuwait was invaded. Between 1983 and 1989, annual trade between Iraq and the United States grew nearly sevenfold, from $571 million to $3.6 billion. Using loans from U.S.-based banks, many guaranteed by the Federal Government, Iraq during that period bought $5.2 billion in U.S. exports of food, technology and industrial goods. The United States in turn bought $5.5 billion in Iraqi petroleum over the same period.

Mr. President, at the close of World War II Gen. George Marshall observed that those nations who did not respect the human rights of their own citizens were likely to be aggressive and unwelcome neighbors as well. Unfortunately, the Reagan-Bush administrations have not always heeded such sage advice.

Human rights have not, contrary to public pronouncements, always been paramount to administration policymakers.

And there have been unfortunate consequences.

In the 1970's, the Argentine dirty war generals presided over the massacre of their own people. In 1982, after a brief stint serving as Reagan administration proxies in Central America, Gen. Leopoldo Galtieri—a man toasted by Reagan National Security Adviser Richard Allen and Defense Secretary Caspar Weinberger—led his army of human rights offenders on an invasion of the Falkland Islands.

In Panama, strong man Gen. Manuel Antonio Noriega stole elections and presided over the jailings and torture of hundreds of Panamanians.

Despite the fact the Panamanian dictator was helping the Medellin cartel put cocaine on Main Street America, for too long the Reagan administration stood silent, apparently convinced there were more important geostrategic concerns in which Noriega was a valuable ally. We wound up invading Panama.

And, in reaction to events in Iran, the Reagan-Bush administration embraced Saddam Hussein, despite the well-publicized massacres against Iraq's kurdish civilian population, despite the use of poison gas, despite collaboration with terrorists, despite many other provocations, and despite warnings from Congress.

The results are there for all to see.

Today, the Bush administration is making common cause with Syria's Assad, who himself caused the death of thousands of his own people and whose regime is deeply complicit with international terrorism.

Mr. President, the 19th century German philosopher who said that history repeats itself, the first time as tragedy, the second time as farce, was as wrong about that as he was about a lot of other things. Sometimes history seems to be nothing more than a mindless succession of avoidable tragedies; incidents and events that could easily be foreseen and just as easily averted.

For that reason, we should heed the wise words of Senator PELL and ensure war powers do not remain an executive prerogative alone. We know, given past experience, where that might lead us.

Mr. President, I ask unanimous consent that the article by Senator PELL, "Let Congress Decide About War in the Gulf," be printed in the RECORD, along with other articles from the Washington Post.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Sept. 16, 1990]

LET CONGRESS DECIDE ABOUT WAR IN THE GULF

(By Claiborne Pell)

Justifiably, President Bush's decision to deploy American forces in the Middle East has earned broad bipartisan support. He enjoys this support despite the fact that his decision was not preceded by consultations with congresssional leaders. Nor has timely information been provided on the scope or cost of the deployments.

Congressional support after the fact was possible for two reasons. First, limited and defensive goals were enunciated and the threat to U.S. interests was unambiguous. Second, Congress had already branded Iraq an outlaw nation even before the invasion of Kuwait—in legislation the administration then opposed; the president knew he would be acting in a supportive environment.

Operation Desert Shield has achieved quick success. Sufficient forces are in place to deter and defend against further Iraqi aggression and to enforce the U.N. economic embargo. On the diplomatic front, Secretary of State Baker has made clear that if Saddam Hussein wishes to discuss his grievances against Kuwait, that can be done—but

only after he withdraws from Kuwait. No gains from aggression will be tolerated.

Despite his success in shaping and implementing this sound approach, there are those within and outside the administration who persist in urging President Bush to raise the stakes and launch an offensive against Iraq. So far, the president has resisted the calls for war and instead counseled Americans to be patient as the economic embargo, designed to pressure Iraq to withdraw from Kuwait, squeezes the Iraqi economy. But the pressure and temptation to attack may mount inexorably as the military buildup is completed and the standoff continues.

An effort to oust entrenched Iraqi forces from Kuwait would, according to some estimates, cost the lives of 20,000 American soldiers and escalate the daily cost to the taxpayer from $30 million to $1 billion. Liberating Kuwait is a laudable goal, but it is doubtful that Americans would be willing to pay in blood and greater treasure so that Kuwait's autocrats can reclaim their palaces. Certainly, the removal of Saddam Hussein would be welcome. But can that be accomplished without touching off a wider conflict?

If the economic embargo does not succeed—this cannot be known for several months—the president should, and I trust would, consult Congress before contemplating taking the nation to war. The need to go to war should be debated by the poeple's representatives, as the Founding Fathers of our country intended. Debating this decision is not the sole responsibility of the executive branch.

If the president does finally conclude that taking up arms against Iraq is required, he should seek a specific authorization from Congress, preferably invoking the War Powers Resolution.

Most Americans, I believe, would agree with this proposition. Yet the administration's likely inclination may be to go it alone. So far, the administration has not been tolerant of any meaningful congressional role in foreign affairs. Indeed, when pressed the president's men will admit they would like to roll back as many of the post-Vietnam constraints on presidential action as they can. They seem oriented to nothing less than restoring the arrogance of power, as least within our own government, that Sen. J. William Fulbright rightly denounced 25 year ago.

The deserts of the Middle East may not appear as daunting as the jungles of Southeast Asia. But perils abound nevertheless. If there is to be war, let it be a collective decision reflecting the will of the American people as expressed, through their 535 elected representatives. America's banner must never be "Our President, Right or Wrong."

[From the Washington Post, Sept. 16, 1990]

AT WAR, IRAQ COURTED U.S. INTO ECONOMIC EMBRACE

(By Glenn Frankel)

From the early 1980s until the invasion of Kuwait Aug. 2, Iraqi leader Saddam Hussein aggressively courted U.S. companies and government agencies, securing food, loans and technology to help survive a bloody war with Iran and to promote his dreams of Iraqi greatness.

It was a mutual seduction. The U.S. government, bitterly opposed to Iran and its leader, Ayatollah Ruhollah Khomeini, first tilted toward Iraq to ensure that Iran did not win the war; later, it became equally interested in Iraqi oil and trade.

Iraq, a Soviet client, was anxious to forge closer ties to the United States after years of anti-American rhetoric. The war had drained Iraq's oil wealth, plunged it into debt and left it nearly destitute. Before Iraq invaded Iran in 1980, it was one of the richest nations in the Middle East, with hard currency reserves between $25 billion and $38 billion. By 1982, it was all gone.

"I don't think there's any question he [Saddam] wanted to establish a much better relationship and get as much good out of it as possible, agricultural and high technology," said Richard L. Armitage, an assistant secretary of defense in the Reagan administration.

The U.S. response was schizophrenic: Military and trade officials differed sharply on whether to release sophisticated technology to Iraq that might be used to produce chemical or nuclear weapons. Agricultural interests clashed with Israel's supporters and others in Congress over whether the United States should export food to a nation that used poison gas and harbored terrorists.

In the end, Iraq largely won out. Presidents Reagan and Bush repeatedly opposed Congress' proposed trade sanctions against Iraq—the last time only two days before Kuwait was invaded. Between 1983 and 1989, annual trade between Iraq and the United States grew nearly sevenfold, from $571 million to $3.6 billion. Using loans from U.S.-based banks, many guaranteed by the federal government, Iraq during that period bought $5.2 billion in U.S. exports of food, technology and industrial goods. The United States in turn bought $5.5 billion in Iraqi petroleum over the same period.

Iraq sent high-ranking ministers to promote its cause, frequently crossing the Atantic to buttonhole U.S. government officials and woo grain company executives and bankers. It also recruited boosters in the United States, former diplomats, business executives and a pair of Atlanta bankers.

"They sent people around saying they wanted help, any kind of help, and they set out to create a climate in this city partial to Iraq," said Rep. Lee H. Hamilton (D-Ind.), longtime chairman of the House Foreign Affairs subcommittee on Europe and the Middle East. "It was a real pitch and we were receptive because we were anti-Iran."

The Iraqis also benefited militarily from the relationship. While the U.S. government did not engage in arms sales to Iraq, the Commerce Department has approved $730 million in exports of sensitive U.S. technology to Iraq since 1985. Some of it was diverted to Iraq's nuclear, chemical and missile programs, Pentagon officials believe.

A U.S. Customs agent, who has been investigating the sale of U.S. technology to Iraq, said he has no doubt that such exports have augmented Saddam's military capabilities. "If, God forbid, one of our kids gets shot, it's going to be done by a Soviet bullet. If they are exposed to chemical or biological attacks, the rocket that delivered that chemical was probably provided by the Soviets. But chances are the trajectory of the rocket was set by an American computer and the design of that rocket was probably done by American technology," the agent said.

On the day Saddam's forces invaded Kuwait, Iraq had a foreign debt estimated by U.S. Export-Import Bank sources at $80 billion, second in the developing world only to Brazil, a country with 15 times as many people. Iraq owes money to several West European countries, Japan, the Soviet Union and most of the rest of the Eastern Bloc. Kuwait and Saudi Arabia hold half its debt.

Iraq had already defaulted on most of its loans, banking sources said, but the one country where it never missed a payment—right up to the August invasion—was the United States.

A LONG-TERM INVESTMENT

Iraq's tilt toward the United States began in the early 1980s during some of the darkest days of the Iran-Iraq War. Iraq attacked its neighbor in September 1980, but its early advances had bogged down, resulting in a bloody standoff that favored Iran, the more populous nation.

"We were terrified Iraq was going to lose the war," said Geoffrey Kemp, then head of the National Security Council's Middle East section. By 1982, Iran had destroyed Iraqi oil facilities at the Faw peninsula and crossed Iraq's border to attack the port of Basra, Iraq's second-largest city. "Our policy was never that we wanted Iraq to win the war," Kemp said. "It's just that we didn't want Iran to win."

When Syria shut down Iraq's oil pipeline through that country, Iraq's cash flow was limited to revenue from its pipeline through Turkey. "They ran out of money," said Marshall W. Wiley, a former U.S. ambassador to Oman who formed the United States-Iraq Business Forum in 1985 to promote U.S. investment in Iraq. "So they were looking for credits."

It was an unaccustomed role for Iraq, an insular, isolated nation that was almost xcnophobic about protecting its financial independence. Before the war, Iraq paid cash for nearly all its foreign purchases. "It was part of their colonial past," said James Placke, a former deputy assistant secretary of state for the region. "They approached debt with the idea that it was bad."

Overnight, Iraq's debts to other nations ex;oded: $1.5 billion each to France, Italy and Germany; almost $1 billion to Japan. Iraq managed to defer payment for two years.

The United States escaped this first rude awakening. Trade was minimal between the two countries, which had not had full diplomatic relations since the 1967 war in the Middle East. In Baghdad, the U.S. government was represented by an interests section in the Belgian Embassy.

Soon the relationship began to change. In March 1982, the State Department removed Iraq from its list of countries supporting terrorism, making Iraq eligible for a fuller range of trade and credits with the United States.

U.S. officials justified the action by saying Saddam had diminished his role in international terror. That was a cover, according to Noel C. Koch, then the Defense Department's director for counterterrorism programs. "No one had any doubts about his continued involvement with terrorism," Koch said. "The real reason was to help them succeed in the war against Iran."

It did not take long for American businesses to make overtures to Iraqi officials, and for Iraq to respond. One Sunday morning in Denver, Ghaham Aziz, head of Iraq's grain board, met with U.S. grain representatives and a Department of Agriculture official to arrange $300 million in U.S. guaranteed loans to buy rice and wheat. "He told me they wanted to strengthen both their economic and political ties with the United States," recalled Mel Sims, the official. "They wanted to develop into a long-term customer."

Early in 1983, Iraq's foreign minister, Saadoun Hammadi, met with Secretary of State

George P. Shultz and other senior State Department officials. "It was a very frank discussion," recalled Nicholas A. Veliotes, then assistant secretary of state for the Middle East. "He said, 'We want help from you.' "

Hammadi said he knew the United States was closely allied with the Saudis. They're our friends too," Veliotes recalled Hammadi saying. "They have lots of wealth and oil. But don't confuse that with power. We have the power."

"Think of it as a long-term investment," Hammadi said.

While publicly neutral in the Iran-Iraq War, the United States was willing to open the door to Iraq and keep it open. Iraq began treating the U.S. Interests Section in Baghdad as a virtual embassy. In late 1983, Saddam sent Nizar Hamdoon to Washington as his diplomatic representative. It was an inspired choice.

Hamdoon perfected his English and became a master of the Washington scene. To his own parties he invited policy-makers from the State Department and the White House, as well as academics, journalists, Jewish leaders, and members of Congress. He was good at promoting the image of a new Iraq: modern, moderate and pragmatic.

Leading newspapers printed glowing profiles of him. In a later article in The Washington Post entitled "How to Survive in Washington," Hamdoon wrote that "everything and everyone is workable, depending on how you approach them and how much time you spend."

On Nov. 26, 1984, just after President Ronald Reagan was reelected, the United States restored full diplomatic relations with Iraq. It was a controversial decision: For all Iraq's image-making, there were signs that Saddam Hussein had other things than grain on his shopping list.

Eight months earlier, U.S. Customs had seized a half-ton of potassium fluoride destined for Iraq's "Ministry of Pesticides." Potassium fluoride is a principal ingredient in nerve gas.

Because there was an embargo on U.S. arms shipments to Iraq and Iran; Iraq could not legally buy U.S.-made weapons. Instead Iraq sought, with the approval of U.S. officials, intelligence and American technology.

PURCHASES OF SENSITIVE TECHNOLOGY

In 1984, Hamdoon and other Iraqi officials began holding secret meetings with CIA Director William J. Casey, who passed along sensitive satellite reconnaissance photographs to assist Iraqi bombing raids on key Iranian targets, according to a 1986 report in The Post.

Since 1985, the Commerce Department has granted 486 licenses for shipments of sensitive technology to Iraq after being assured that it was intended for non-military purposes. A total of 160 were pending at the time of the Kuwait invasion.

"The Iraqis saw it as in their long-term interest to get as much technology from us as possible," said Stephen Bryen, a former Pentagon official whose office complained repeatedly that the technology could be used for military purposes. "Their strategy was to try and have some fail-safe weapons capability so they could pursue expansion without risk of serious retaliation."

Defense Department officials repeatedly objected to the sale of computer technology, according to internal government documents. In one case, the Pentagon said it was "inclined to deny completely this export because of the high likelihood of military end use." In a second case, defense officials said "this system has uses in the production of chemical weapons and we have no credible assurances that it will not be used in that way." The department called a third system "ideal" for designing and testing weapons, and rejected Iraq's contention that the computers were for bookkeeping as "not believable."

The sales went through anyway, Commerce Undersecretary, Dennis E. Kloske, said in an interview his department had no proof the technology was to be used for military purposes and that, in the end, Defense Department officials acquiesced.

AN "IMPECCABLE" RECORD

Paying for all this was a constant problem. The war continued to gobble oil revenue as quickly as Iraq could earn it. In 1986, Iraq opened a pipeline through Saudi Arabia, but collapsing oil prices negated any benefit. By then, Iraq had defaulted on its debts at least once in most countries.

"The Iraqis developed a line," said an Export-Import Bank economist. "It went like this: 'The war will end soon, and after the war, once we've rebuilt our oil export capability, Iraq will be a huge boom market.' "

The Europeans and Japanese complained, not only because they were not being paid, but also because Iraq was trying to reschedule its debts separately with each country, hoping to get better individual deals. In international finance this tactic is considered bad form. Debtors are encouraged to renegotiate in a multilateral setting: the "Paris Club" and the International Monetary Fund.

Iraq was having none of it.

"Saddam had a psychological block about that," said Wiley, who got to know Saddam through his work with the U.S.-Iraq business forum. "He thought it would make Iraq look like a banana republic."

By refusing to deal collectively with its creditors or open its books, Iraq could never obtain U.S. government loan guarantees for major development projects. The Ex-Im Bank would offer Iraq only a $200 million revolving line of short-term credit guarantees—a pittance in the banking world—with strict repayment terms and minimal risk to the U.S. government.

Iraq thus turned to private banks in the United States. Its favorite was an unlikely one: the Atlanta branch of the Italian-owned Banca Nazionale de Lavoro, or BNL. Between 1984 and 1990, BNL arranged about $3 billion in loans to Iraq.

BNL Atlanta was not as odd as it seemed. The Italian government was the majority owner of the parent bank in Rome and BNL was one of Italy's largest.

By the mid-1980s, under the aggressive leadership of branch manager Christopher Drogoul and chief foreign trade expert Paul Von Wedel, BNL Atlanta had a growing reputation as a financier for U.S. agricultural exports.

Looking to broaden the bank's clientele, the two men flew to New York in late 1984 to meet with Iraqi Central Bank Director General Sadik Taha. "They took a liking to the both of us." Von Wedel said in an interview. "Things went well, and they finally agreed to do $100 million [in loans]."

Those loans were used to buy commodities through the Agriculture Department's Commodity Credit Corp. Under the program, Iraq borrowed money from U.S. banks and bought grain from U.S. exporters. The Commodity Credit Corp. guaranteed the loans and Iraq had up to three years to repay, a welcome respite for the cash-starved country. Should Iraq default, the U.S. government would assume the debt.

Iraq's position in the program grew dramatically, from $215 million in 1983 to $567 million in 1987 and $1.045 billion in 1989. It became the second-largest user of the credit program after Mexico, the eighth-largest purchaser of U.S. wheat and the leading purchaser of U.S. rice.

And Iraq always paid its U.S. creditors on time. "I think the word our international section liked to use . . . is 'impeccable,' " said Jack Cassidy, a senior vice president for CoBank in Denver, one of the participating banks.

But BNL was driving out CoBank and other competitors by offering Iraq lower interest rates. In late 1985 Iraq asked Drogoul and Von Wedel to finance all of the next year's commodity exports. Soon the Iraq deals had transformed Atlanta BNL—what Von Wedel called "a little branch out in the boondocks"—into Iraq's principal source of credit in the United States.

And not just for commodities. Besides $700 million in agricultural loans, BNL wrote $2 billion in Iraqi loans between 1986 and 1989, financing everything from lubricating oil from a small New Jersey company to oil port machinery from Brown & Root. When the Ex-Im Bank declined to support an Iraqi plan to buy General Motors automobiles and build an auto plant near Baghdad, the Iraqis turned to Von Wedel and Drogoul. The result: an open-ended contract in 1989, beginning with $150 million in Cutlass Cieras and Chevrolet Celebrities.

In August 1989, Iraq's relationship with BNL Atlanta was interrupted by a federal investigation into allegations that BNL Atlanta had violated U.S. banking laws by failing to report $2.7 billion of its $3 billion in Iraqi loans. BNL Atlanta denied any wrong doing and the investigation is pending.

As a result, the Agriculture Department suspended $500 million—half Iraq's annual allotment—in Commodity Credit Corp. guarantees for 1990. When Iraq invaded Kuwait it owed the corporation about $2 billion and BNL Atlanta about $1 billion.

HOW FAR MUST THEY GO?

After years of improving relations, the Iraq-U.S. courtship took a temporary nose dive in November 1986 with the disclosure that the United States had secretly sold arms to Iran. But the damage was repaired when the United States played a major role in the final stages of the Iran-Iraq War.

In 1987, Iran threatened to attack oil tankers from Kuwait, which was Iraq's ally at the time and had given Iraq huge loans for the war. To protect the tankers, the U.S. government announced that it would "reflag" them and escorted them through the Persian Gulf.

About the same time, an event occurred that could have upset the relationship again. An Iraqi jet hit the USS Stark with a French-made Exocet missile, killing 37 American sailors. Saddam swiftly apologized, called it an accident and paid $27 million to the victims' families.

In August 1988, the long and bloody war between Iraq and Iran ended in a cease-fire. The U.S.-Iraq relationship continued to flourish: Iraq still wanted U.S. technology and know-how to promote its industry and rebuild and develop its military capacity.

The United States wanted Iraqi petroleum and export markets, and overlooked warning signals about Saddam's intentions.

Immediately after the cease-fire Saddam attacked Iraq's Kurdish minorities with poison gas. Then in late 1989, Iraq an-

nounced that it had launched a rocket capable of carrying a satellite—or a warhead.

Last spring, there were more troubling developments: U.S. Customs agents blocked Iraqi efforts to export electrical devices that could be used to trigger nuclear weapons. British authorities seized parts of a huge cannon that could deliver nuclear or chemical warheads. Saddam executed a British journalist for alleged spying.

Some members of Congress pressed for sanctions against Iraq, but the Bush administration opposed them. At a congressional hearing last April 26, several lawmakers expressed astonishment at the administration's position.

"How far must they go before the administration embraces a much tougher policy asked Rep. Mel Levine (D-Calif.) "What is the positive conduct you are looking for and what negative conduct would finally trigger an administration in the direction of sanctions?"

Testifying was John H. Kelly, assistant secretary of state for Near Eastern and South Asian affairs. "You have put your finger, congressman, on the dilemma one faces in dealing with a regime like this, Kelly replied. "We want to see them stop violating laws of the United States."

Kelly argued throughout the hearing however, that sanctions were not the answer. "They would hurt U.S. exporters and worsen our trade deficit," he said.

In late July, as 100,000 Iraqi troops massed on the Kuwait border, Kelly returned to Capitol Hill. He said the administration was "profoundly concerned" about Iraq but still opposed trade sanctions. "We believe that what you need are devices that allow you to modulate policies toward countries not a meat-ax approach."

Two days later, Iraq invaded Kuwait

[From the Washington Post, Sept. 11, 1990]

How Saddam Built His War Machine

(By Glenn Frankel)

LONDON.—It's a small, nondescript corporate headquarters nestled within a complex of anonymous office buildings on a quiet west London side street. But, according to Western defense sources, Technology and Development Group Ltd. is in fact a link in a secret international network that has supplied Saddam Hussein's Iraq with a vast array of Western arms and technology.

Purchased by an Iraqi firm in 1987. TDG has acquired interests in high-tech European firms and has bought sophisticated machinery and tools that experts say have helped Saddam develop an ambitious arsenal of advanced, nonconventional weapons.

During its eight-year war against Iran, Iraq became the world's largest retail purchaser of arms. But in recent years, it also has sought the technology to develop its own arms industry, both to free itself from dependence on foreign suppliers and to develop the kind of doomsday armaments—nuclear bombs, chemical and biological weapons, ballistic missiles—that would make Iraq the Arab world's dominant power.

Experts say the development of Iraq's arms industry has its roots in the desire to lead the Arab world, as well as in Israel's humiliation of the Arab states in the 1967 Six-Day War. Saddam, whose Baath Socialist Party took power in Iraq the following year, saw the Israeli experience as a lesson in how a small but resourceful nation could become a regional superpower.

He began to put his program into practice in the mid-1970s, secretly launching projects to develop chemical, biological and nuclear weapons, intelligence sources say.

Some of those weapons are already available and likely to be used by Iraq in any military showdown with U.S. forces. The bleak irony is that much of the technology and expertise that created those weapons was bought by Iraq in the West, sometimes by deception but often with the silent acquiescence of Western governments. Those sales continued even after Saddam's regime was accused of using chemical weapons against Iran and Iraq's own Kurdish citizens.

W. Seth Carus, defense analyst with the Washington Institute for Near East Policy, said the combination of petrodollars and technological help from the West made Iraq a new phenomenon in the Third World. "Iraq is a unique case. No one's really done this before," he said.

Everyone, it seems, took a slice of the Iraqi arms pie. The Soviet Union, France, China and Chile sold Baghdad much of its off-the-shelf weaponry. West Germany, France, Britain, the United States, Belgium, Austria, Switzerland and Brazil all sold the components, machines and tools—much of it material with civilian as well as military application— that are the building blocks of the modern Iraqi war machine.

As a result, military and intelligence analysts say. Iraq can make some of its own chemical weapons, has a fledgling nuclear-weapons program that could produce a bomb in five years or less and is working on a long-range missile that would enable it to deliver such a bomb to Tel Aviv, Tehran or Riyadh, Saudi Arabia.

"This is a Frankenstein monster that the West created," said Hans-Heino Kopietz, Middle East analyst with Control Risks Group, a private security firm here. "We closed our eyes because some businesses wanted to make money and because Saddam was a useful tool against Iran."

The size and scope of the Iraqi network is only now beginning to emerge as Western nations and the former Soviet bloc take stock of what they sold and transferred to Baghdad during the past decade. Some of it has become clear following arrests made here and in West Germany over the abortive attempt to smuggle nuclear triggering devices, the export of chemical warfare materials and the so-called supergun affair.

But much remains concealed behind a web of dummy companies, false documents and middlemen. This article is based on court records from those cases, interviews with defense analysts and published accounts in Europe and the United States.

Despite the fact that most Western nations adopted an arms embargo against both sides during the war between Iran and Iraq, Saddam's purchasing agents found it relatively easy to make deals. One of their first major purchases was for 200 155mm guns designed by Gerald Bull, Canadian-born architect of the legendary supergun. An informed Arab banking source said it was typical of many of Iraq's deals—multinational, clandestine, yet monitored by several Western intelligence agencies that did nothing to prevent it.

Bull, who was assassinated by unidentified gunmen in Brussels last March, designed the guns for South Africa's state-run Armscor munitions company, but they were built in Austria by Voest-Alpine, Austria's state-run steel and arms manufacturer. Jordan provided the letter of credit guaranteeing payment and the "end-user" certificate that purportedly ensured the weapons would wind up in Amman. Yet they were shipped via the Jordanian port of Aqaba directly to Iraq. Jordan, the banking source said, charged Iraq a "commission" on each gun and made a total profit of $60 million. The result: Iraq wound up with the most sophisticated artillery weapon in the world, one that experts say can be modified to lob chemical shells on U.S. troops in the gulf.

The faking of end-user documents to aid Baghdad was standard procedure throughout the Iran-Iraq war, sources say. A senior Kuwaiti official, who asked not to be identified, said such certificates for U.S.-made arms were regularly filled in at the Kuwaiti Embassy in Washington. "Of course, the stuff was going direct to Iraq, and everybody knew it—your government and mine," he said.

There were many other deals in the early years of the war—tanks, missiles and MiG warplanes from the Soviet Union; Mirage jet fighters and Exocet missiles from France; multiple rocket launchers and armored vehicles from Brazil; bombers, artillery and armored personnel carriers from China; antitank missiles, rifles, ammunition and Soviet-designed tanks from Poland. At the peak of the war in 1984, Iraq spent half its gross domestic product—$14 billion—on arms and defense, according to the Stockholm International Peace Research Institute.

By then, however, Saddam had shifted focus. Iraqi agents, aided by investment advisers in Switzerland, France and Britain, had begun a year earlier quietly buying into foreign companies specializing in technology and machinery with potential military applications. Eventually, sources say, the effort was concentrated in one government agency, the Ministry for Industry and Military Industrialization, and placed under the control of Hussein Kemal, Saddam's son-in-law.

It was an extraordinary effort, according to witnesses, one that commanded priority within Iraq's centralized, wartime economy. Christopher Cowley, a British engineer who worked for Bull on the supergun project, described to BBC Television his visit to Iraq's Saad 16 missile-building complex last year.

"It was absolutely brilliant," he recalled, "I've never seen anything in Europe that compared with that particular research facility [or] that had such superb equipment."

The supergun affair demonstrates the sheer sweep of Iraq's European network. Private companies in seven European countries were contracted to build parts for the gun, but no one knew what any of the others were doing, and all deny they knew what the end product was.

The Iraqis spent millions on the project, while governments turned a blind eye. When British customs agents finally moved in earlier this year to stop shipment, 44 of 52 gunbarrel sections had already been sent to Iraq—enough to build two experimental weapons, experts believe.

London-based TDG, which is still operating is one part of the network, according to a British defense source. The British firm was bought in 1987 by Al Arabi Trading, a Baghdad-based company. One of its current directors, Safa Habobi, and a former director, Fadel Jawad Kadhum, are Iraqis who have been identified in the British press as top officials of the Nasr State Enterprise for Mechanical Industries, a key defense firm under Hussein Kemal's direct control.

Shortly after its purchase, TDG bought a computerized machine tool that British sources say is capable of cutting aluminum

sheets for outer shells of missiles. Later, the company reportedly purchased a consignment of uranium oxide and electronic vacuum tubes that can be used in firing mechanisms for nuclear warheads.

TDG also bought pieces of other firms and purchased Matrix Churchill, a British engineering firm based in Coventry. Habobi also bought an 18 percent stake in a Swiss engineering firm called Schmiedemeccanica.

The Swiss firm specializes in precision forging of high-technology components. At Frankfurt airport two months ago, German customs officials seized shipments of components from Schmiedemeccanica that investigators said were destined for use as part of a centrifuge system to produce weapons-grade uranium for Iraqi's nuclear program. The company has said it was assured by Iraq that the parts were for civilian use.

TDG ran into an obstacle last year when defense officials vetoed its efforts to buy Lear Fan, a Belfast plastics factory whose products could be used to manufacture nose cone and engine nozzle parts for long-ranged missilles.

Officials at TDG did not respond to questions submitted in writing at the company's request. They previously have denied "any formal relationship with the Iraqi government or involvement in military purchases. Matrix Churchill also has said its products are strictly for civilian use—although it did maintain a display at the Baghdad armstrade fair last year.

The opposition Labor Party contends that Britain has failed to close down its portion of the Iraqi network by allowing companies like TDG to continue operating. A senior government spokesman insisted, however, that Britian had maintained tighter controls on dual-use exports to Iraq than most of its European neighbors and had lost lucrative defense contracts as a result.

By contrast, critics contend West Germany allowed flagrant violations of its own laws against military exports. "It may be true that when it comes to Iraq, everybody's hands are somewhat dirty," Carus said, "But the people who exceeded it by order of magnitude were the Germans. Everything that showed up in Iraq—chemical, biological, nuclear—had a German element to it."

West German officials say they are investigating 59 companies on suspicion of illegally exporting arms and technology to Iraq, 25 of them specifically for alleged supplies to the chemical-warfare program. Last month, seven people were arrested and charged with supplying parts and plans for Iraq's chemical-warfare facility at Samarra, 45 miles northwest of Baghdad, and intelligence sources contend German companies designed and built two of Samarra's plants. They were purportedly designed to make pesticides, but in fact manufacture small quantities of sarin and tabun, both nerve agents.

Critics say Bonn was aware of charges of West German involvement as early as 1984 but did not launch an investigation until 1987. It took three more years for the first arrests to be made.

Because Iraq is a closed society, now sealed off even more completely by United Nations sanctions, it is unclear just how much functional military power Saddam was able to buy or how quickly that power could erode.

"He has no real industry to speak of, no raw materials; he can't make his own steel," said an exiled Iraqi financier. "He still has to import every single component. What he really owns is a huge weapons assembly industry, not an independent weapons industry."

Others are not so sure. Some believe Saddam has stockpiled enough weapons, spare parts and ammunition to operate for months or years without a single shipment from the West. Christopher Foss, editor of the authoritative reference work Jane's Armor and Artillery, recalls how impressed he was at the military hardware and expertise he saw on display at the Baghdad armstrade fair in April 1989. About 30 countries exhibited there—and much that was on display then is part of the Iraqi arsenal now.

[From the Washington Post]

AN ECHO OF VIETNAM ON CAPITOL HILL

(By Walter Pincus)

The congressional debate over President Bush's decision to send U.S. troops to the Persian Gulf contains echoes of a similar debate 25 years ago when legislators were struggling with their response to the buildup of U.S. forces in Vietnam.

Today there is disagreement on Capitol Hill, particularly among Democrats, over whether to pass a resolution supporting the Bush administration deployments and, if so, what it should say. Some legislators fear that any resolution passed by Congress could be used as an open-ended authorization for unlimited military action, much as the Tonkin Gulf resolution was used 25 years ago.

According to declassified transcripts of secret 1965 Senate hearings that were released yesterday, administration officials and congressional leaders said then, as some argue now, that a public debaste on a resolution would be seen as a sign that the United States lacked resolve for the long haul.

Then, as now, there was also congressional concern that other nations with a more direct interest in the outcome were not providing troops or supplying other kinds of support.

Uppermost today on the minds of many lawmakers as they discuss a possible Persian Gulf resolution is the Tonkin Gulf resolution that was central to many of the discussions in the once-secret 1965 Senate hearings.

That resolution was introduced and passed overwhelmingly in August 1964 to show American resolve in the wake of official U.S. claims of an unprovoked North Vietnamese attach on U.S. warships on patrol in the Tonkin Gulf off the Vietnamese coast. The resolution gave President Lyndon B. Johnson authority "to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression."

When it passed, Sen. J. William Fulbright (D-Ark.), then chairman of the Foreign Relations Committee, said on the Senate floor that the resolution permitted only limited military actions in response to provocations and did not authorize sending ground troops to Vietnam.

Within six months, however, the Johnson administration cited the resolution as authority for sending 30,000 U.S. soldiers to South Vietnam to protect U.S. aircraft already stationed there.

In a closed April 30, 1965, hearing of his committee, Fulbright asked then-Secretary of State Dean Rusk whether the Johnson administration would seek "authorization or approval" from Congress for the "substantial increase" of U.S. forces then being sent to Vietnam, according to the newly released transcript.

Rusk responded that the administration "has not, quite frankly, taken that up for systematic discussion." He added that there was no plan "for further [congressional] resolutions on this subject," even though additional forces were then expected to be sent.

When Fulbright argued that "traditionally, when we send large numbers of troops abroad, the Congress is consulted and usually their approval is sought," Rusk responded, "I would think it would be quite disadvantageous for the Congress to take up a resolution which dealt with numbers of troops rather than policy."

In an argument that sources said is being used on Capitol Hill today, Rusk contended then that a public debate over the increasingly large numbers of U.S. troops involved in Vietnam "could be inflammatory and increase the risks of larger reaction from the other side." Eventually, more than 500,000 U.S. troops were sent to Vietnam.

Fulbright, in that hearing, introduced another thought that has been voiced in the discussion of the Persian Gulf.

"A lot of us have been quiet," he said. "We do not want to embarrass the administration. We have not discussed it in public . . . because we realize this is a very difficult situation."

Rusk replied, in a statement that seems somewhat akin to Bush administration statements today about Iraq's Saddam Hussein, that the Hanoi government "is not yet convinced it cannot win in the south. We also have the impression that they are relying heavily on the buildup of international and domestic opinion in this country to cause the United States in some way to pull back from the situation."

Another subject being discussed today—the use of troops by countries in the area of conflict to fight alongside Americans—was raised at a Feb. 9, 1965, closed hearing, a transcript of which was also released yesterday.

Sen. Claiborne Pell (D-R.I.), then a Foreign Relations Committee member and now the panel's chairman, asked then-Assistant Secretary of State William P. Bundy why so few Asian troops were being sent by their governments to fight in Vietnam.

"The point I am trying to get across, and perhaps clumsily," Pell said, "is that if we are really so right and reflect the national wishes of that part of the world, shouldn't there be a far larger number of people of the Oriental race there than of the Caucasian race?"

Bundy responded that "we would very much like to see that," but he went on to provide reasons why that was not happening. He noted that he wanted to see a "very much larger contingent of Filipinos" in Vietnam than the 34 he said were there, but added that they "have been asking us to pick up the tab on per diem rates equivalent to what their attaches get in Washington."

At that rate, Bundy said it would cost the United States $10 million a year for a 1,800-man Filipino force. He called that unsound and "out of key" with the help given "quietly" to pay for a 2,000-man Korean force in Vietnam.

Eventually the Johnson administration paid the price for the Filipinos.

But five years later, when the Senate committee disclosed the payments, they were withdrawn.

[From the Washington Post, Aug. 26, 1990]

IN BACKING SADDAM HUSSEIN AGAINST THE AYATOLLAH, OUR POLICYMAKERS FAILED TO SEE IRAQ'S INTENTIONS

(By Lally Weymouth)

In the spring of 1984, as I prepared for an interview with Saddam Hussein, State Department experts told me that Saddam would use the occasion to explain that Iraq had joined the "moderate" Arab camp. In fact, he did nothing of the kind during the 90 minutes we spent together. Saddam even praised the Soviet Union and claimed he was not interested in resuming full diplomatic relations with the United States.

White House and State Department officials insisted that what Saddam said that day was a mere aberration. They continued to argue that Saddam had changed—that he was moderating his extreme positions, distancing himself from his former radical allies, Syria and Libya, and moving closer to Jordan and Egypt. Saddam, these officials stressed, was preferable to the Ayatollah Khomeini, with whom he was at war. Iraq deserved U.S. support.

Not only did Saddam get U.S. aid in the form of intelligence, money and assistance in stopping the international flow of arms to Iran, he also received aid from many other Western countries—aid that preceded the U.S. tilt to Iraq. As one Reagan administration Cabinet official put it, "The whole Western world wanted Iraq to win because the ayatollah was so evangelical. People feared Moslem fundamentalism. Moreover, there was a romanticization of the Arabs in the foreign offices of the West—the Lawrence of Arabia complex."

The result: Today President Bush is left with limited options, not because of an intelligence failure but due to a misguided policy. Obsessed by the danger posed to the Gulf and to the oil supply to the ayatollah, the U.S. government sided with Iraq during most of the eight-year Iran-Iraq war. While this may have been appropriate for a limited period, U.S. policymakers went overboard and actually helped secure an Iraqi victory, failing to anticipate the dangers that a victorious Saddam might pose to U.S. interests in the region.

Saddam, who started the war with Iran, was originally seen as relatively weak. But he gradually gained strength through direct U.S. assistance, and—perhaps more importantly—from the willingness of American policymakers to turn a blind eye as European countries sold Iraq missiles and technology that enabled Baghdad to manufacture and store chemical weapons. U.S. officials also deliberately ignored the continued Soviet effort to provide Iraq with sophisticated weaponry. The decision to favor Iraq was made in the early '80s, in the aftermath of the seizure by the Tehran government of American hostages. As Iran began to roll up impressive victories over Iraq in late 1981 and early 1982, the Gulf states panicked. A senior State Department official recalls "a decision . . . to prevent an Iranian victory. That's when we started to provide intelligence, to deny things to Iran and to tilt. We chose the lesser of two evils for U.S. policy interests."

One of the first results of this tilt was that the administration, in 1982, took Iraq off the international terrorism list—on which it had been placed in 1979. Iraq had earned this new status, policymakers argued, by kicking archterrorist Abu Nidal out of Baghdad, his longtime home. Another major terrorist, Abu Ibrahim, was also asked to leave by the Iraqis.

The following year, Saddam's image was further enhanced by a statement he made on Israel to Representative Stephen J. Solarz (D-N.Y.): "The simultaneous existence of an independent Palestinian state acceptable to the Palestinians and the existence of a secure state for the Israelis are both necessary." U.S. officials saw this as a significant softening of Saddam's position, a signal that he had separated himself from the rejection line of Syria's president, Hafez al-Assad.

A key part of the tilt toward Iraq was Operation Staunch, launched in 1983 and designed to persuade other nations to cut off the flow of weapons to Iran. According to Iran-Contra testimony, over 400 cables were sent between 1984 and 1987, urging compliance with Operation Staunch.

Meanwhile, even as Operation Staunch prevented weapons from reaching Iran, the U.S. allowed strategic weapons to be purchased by Iraq. France supplied Iraq with jet fighters and AWACs; West Germany sold Iraq the technology to make and store nerve gas. (According to one former Pentagon official, Germany, in collaboration with Argentina and Egypt, also sold Iraq the means to design and build medium-range ballistic missiles, which would give Saddam a way to attack Israel and Saudi Arabia with chemical weapons.)

By the end of 1984, Iraq and the United States had resumed full diplomatic relations. (Relations had been broken off by Iraq in 1967.) This unleashed a flow of credits and loans from U.S. government institutions—amounting today, according to a Treasury Department official, to a U.S. exposure in Iraq of $2.24 billion.

Chemical weapons proved the key factor in turning the war in Iraq's favor during 1987 and early 1988, when—as one U.S. official put it—Iraq was on the ropes. Iraqi use of chemical weapons in the battlefield had actually begun as early as 1983. Washington chose to overlook this outrage—an act that went beyond anything even Hitler had attempted.

The final American contribution to Iraq's victory was the reflagging and escorting of Kuwaiti ships, which resulted in the blockade of arms shipments meant for Iran. The reflagging also made it impossible for Iran to attack Iraq's military supply route which ran through Kuwait. Not everyone was enthusiastic about the U.S. tilt. As early as 1985, for example, CIA analyst Graham Fuller wrote a now widely cited memo arguing that administration policymakers should not forget that the Soviets could take advantage of unmitigated U.S. hostility toward Iran. Iran, Fuller noted, was still a strategic prize. Fuller, moreover, was skeptical of Saddam's alleged change of heart—he saw no changes in Iraqi domestic policy, and he called for a policy review. But the ensuing review rejected major policy changes, especially the idea of an opening to Iran, a notion Israel was promoting. "People were more afraid of Islam than of communism," recalls Fuller.

This memo is often cited as the beginning—or ideological legitimation—of the Iran-Contra scheme: A small band of Reagan administration officials who didn't agree with the tilt and believed in pursuing an opening toward Iran began an effort to trade arms for hostages. When their dealings were exposed, the consequence was an even stronger tilt toward Baghdad.

The tilt involved more than fear of the ayatollah: Iraq meant big business. The Commerce and Agriculture departments actively promoted U.S. exports to Iraq, while the Defense Technology Security Administration, a section of the Defense Department, headed by then-deputy undersecretary Stephen Bryen, fought an unpopular rearguard action to prevent the export of U.S. products that could be used by the Iraqis for military purposes. For a year and a half, Bryen recalls, he battled Commerce and State over the proposed sale of an advanced computer. He contended that the computer was ordered by the Iraqis to make their long-range missiles more accurate. The sale didn't go through.

A second fight took place in June 1988 when the Iraqis wanted to buy between half a million and a million AtroPen auto-injectors, devices, designed to protect soldiers from the effects of nerve gas. This sale, too, failed to go through, though only after a bitter internecine battle. (Bryen noted, with a measure of irony, that the U.S. Army last week ordered the same protective material.)

This year, the Iraqis sought to buy three or four specialized furnaces, which the manufacturer concedes can have nuclear applications. In the end, the Defense Department ordered Customs to seize a shipment of the furnaces and the White House stopped the sale.

By late 1987, Iran was incredibly weak, notes one expert. He adds, "We had underestimated the Iraqis." But U.S. policy didn't change.

Yet when the war was over, Saddam did not turn his attention to rebuilding his country. He began shipping arms to radical Christian forces in Lebanon to cause trouble for his old Syrian enemies. At home, he continued to build up his strategic forces. The Iraqi dictator's aims should have been clear even to untutored observers when, earlier this year, a shipment of nuclear detonators was seized in London en route to Iraq. If that wasn't sufficient to demonstrate that Saddam's intentions were less than benign, he gave a bloodcurdling speech in April in which he threatened to burn half of Israel.

Nor did the end of the war mean that Saddam ceased using nerve gas. Instead, he turned chemical weapons on part of his own population—the Kurds. Indeed, congressional action was prompted by the discovery in 1988 that the Iraqis had slaughtered upwards of 10,000 Kurds with poison gas. As Senate Foreign Relations Committee staff member Peter Galbraith pointed out in a report prepared by the committee, poison gas was part of Saddam's campaign of genocide: "Since 1986 Iraq has been systematically dynamiting and leveling all but the largest towns in Kurdistan." Various senators, led by Claiborne Pell (D-RI) and Jesse Helms (R-NC) attempted to impose sanctions on Iraq for Saddam's attempt to annihilate the Kurds. But the Reagan administration, unwilling to offend Saddam, managed to kill the bill in the House. The following year, Helms and Pell introduced new legislation—this time imposing sanctions on any firms involved in the manufacture or transfer of biological and chemical agents to Iraq and certain other outlaw states. This bill, too, was opposed by the administration.

But the Senate persisted. Only a few days before Iraq invaded Kuwait, Sens. Alfonse D'Amato (R-NY) and Pell introduced legislation to cut off any further U.S. financial credits or assistance to Iraq. Due to Bush administration opposition, the legislation was so watered down in the House as to render it meaningless.

In the end, it's easy to understand why Saddam, if he studied U.S. policy, might

have concluded that he could get away with seizing Kuwait. Only a few weeks before Iraqi troops marched across its neighbor's border, the Bush administration was still pandering to Saddam. Perhaps the administration should have listened to Sen. Daniel P. Moynihan (D-NY), as he explained to Assistant Secretary of State John Kelly that "the idea of international law got lost in the fog of the Cold War"—and that the use of poison gas in World War I was "a shock to mankind." Moynihan told Kelly, "The whole world came together in Geneva in 1925 and said never again will poison gas be used. Never. . . . And we solemnly undertook never to use it again, with the absolute presumption that the first nation that did would be punished."

But after systematically violating the Geneva Convention, Saddam received more arms and more aid—certainly not punishment.

Mr. CRANSTON. Madam President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER (Ms. MIKULSKI). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BINGAMAN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. BINGAMAN. Madam President, I ask unanimous consent that I be permitted to speak as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator may proceed.

NATIONAL ENERGY POLICY

Mr. BINGAMAN. Madam President, Iraq's invasion and occupation of Kuwait and the resulting disruption of oil supplies on the world market have caused the public and Congress finally to focus on energy issues. It is unfortunate that once again we seem to respond to an energy crisis only after the fact. It took the invasion of a sovereign nation, the deployment of U.S. troops in the Middle East, and the disruption of oil from the Persian Gulf to draw our attention to the fact that we have no policy and no action plan to deal with such a crisis.

Unfortunately, even in the face of the crisis, the response from this administration has been woefully inadequate. In my view, the American public deserves better.

The American people expect more than fancy public relations campaigns and media hype to deal with the energy problems of the country. They expect and deserve concrete steps which will reduce our dependency on foreign sources of oil and provide a stable supply of reasonably priced energy. In the near term, they expect a concrete set of proposals to cut our addition to foreign oil which is now at 50 percent. They expect assurances that we will have the capability to transform crude oil into the refined products that fuel our economy. They expect something also to be done to calm the wild price gyrations that have created the opportunity for price profiteering that has victimized the American consumer.

The President had the opportunity last week in his address to Congress to show courage and leadership in meeting our energy crisis, but regrettably he did not demonstrate that leadership.

At the centerpiece of his proposal, the President announced efforts to encourage energy conservation and efficiency, including asking Americans to maintain proper tire pressure and observing posted speed limits. Two days later in testimony before the Senate Energy Committee, Secretary Watkins outlined the administration's medium term energy measures. Six of the nine energy efficiency measures mentioned by the Secretary could be summed up as "better driving techniques." Compliance with these measures would be totally voluntary and would be left up to the initiative of millions of individual motorists in our country.

The American people will get serious about saving energy only when they see their Government has gotten serious about energy policy. A call by the President to pump up your tires is a pretty weak call to arms.

It is going to take leadership to achieve a real energy policy in this country. If the White House is not willing to provide that leadership, those of us in Congress need to be ready to step in. Some tough decisions will have to be made. But if we have the political courage to make those decisions, I think the American people are ready to accept the consequences.

ENERGY POLICY

What are the essential elements of a national energy policy?

First, let me mention oil.

We need to disregard once and for all the myth that free trade in oil is possible and that market forces will tell us what mix of energy supplies is in our national best interest. The cold hard fact is that OPEC controls over 75 percent of world oil reserves. Saudi Arabia alone accounts for almost 26 percent of world reserves. Iraq, occupied Kuwait, and Iran account for 29 percent of world reserves. The bottom line is that other governments, some of whom are openly hostile to the United States, control a significant portion of our oil supply and those governments can dictate the price that we will pay for oil. They can bleed us by raising the price and can turn around and keep us dependent on this oil by lowering the price.

The question needs to be asked: Do we want to bet our future on the hope that we will remain in the good graces of such governments? I do not believe so.

The answer is to institute an oil import fee or price stabilizer on imported oil.

Even at today's prices investors are reluctant to commit capital to develop domestic oil and gas or develop alternatives to oil for fear that oil prices will retreat as quickly as they have risen. An oil import fee or mechanism to stabilize the price of imported oil will restore the stability that is necessary to revive our domestic oil and gas industry and to launch the alternative fuels industry that we need in this country.

We have now authorized expansion of the strategic petroleum reserve to 1 billion barrels. We must do a better job articulating the circumstances in which the reserve will be drawn down. And we must test the delivery system for the reserve to make sure that it will work in a crisis.

We need to promote domestic production of crude oil in an environmentally sound manner. To do this, we need to provide tax and tax accounting incentives to oil producers for domestic exploration and development efforts. Investment tax credits must be made available as incentives for research and development and for enhanced oil and gas recovery.

We also can help alleviate oil dependency by funding research and development to perfect alternative fuels, particularly for the transportation sector. This includes enhanced oil and gas recovery from known reserves and a research, development, demonstration and commercialization program for unconventional sources of crude oil.

Let me say a few words about natural gas.

We must promote the use of clean, efficient natural gas in residential, commercial, industrial, electric utility, and transportation applications. Such uses include the cofiring of natural gas with other fuels for both greater efficiency and environmental quality.

Natural gas is a strategically secure source of energy. Of our natural gas. 93 percent is procured here in the United States: Most of the rest comes from our neighbor, Canada.

We must support environmental policies, including the Clean Air Act, which is pending here in Congress, that encourage substitution of clean natural gas for imported oil. We must remove regulatory road blocks to the greater utilization of natural gas such as EPA's WEPCO policy which discourages fuel switching.

We need to accelerate the regulatory approval of increased pipeline capacity into the high-growth areas now using imported oil, such as the Northeast United States, California, and Florida.

To do this we must streamline the regulatory process at the FERC, Federal Energy Regulatory Commission, and at other agencies responsible for permitting new pipeline projects.

With sharply expanded Federal R&D investment in natural gas supply and end-use technologies, we can give the consumer even greater assurance of the natural gas contribution to energy security and efficiency for the country.

Let me say a few words about coal.

Coal holds the promise of long-term energy security for this Nation. However, its current use is constrained by dated technology and environmental concerns.

We must continue the Clean Coal Technology Program which funds programs that burn coal in an environmentally safe manner and more efficiently.

This program will make the United States a technological leader, with the ability to export not only coal but clean, efficient coal technology to other nations.

Let me say a few words about renewable energy and alternative fuels.

Renewable energy sources such as hydrogen, solar, and geothermal are characterized by a broad range of technologies, costs, efficiencies, and environmental concerns. We must institute a long range, stable renewable energy development program which identifies and assists renewable energy sources from research and development through demonstration projects and commercialization in a cooperative effort among industry, higher education, and national laboratories.

Renewable energy resource development must be ranked and funded on the basis of factors including energy efficiency, economic competitiveness, environmental impacts, and technological adaptability. Part of this program, and critical to its success, is Federal development of technologies that improve renewable energy efficiencies, cut costs and assist in integrating renewable energy into existing energy systems.

The development and promotion of alternate transportation fuels is essential if we are ever going to kick the oil habit. Clean air legislation will create a real impetus for the deployment of alternate fuel vehicles. The Federal Government and State and local governments can really prime the pump in terms of developing a manufacturing, servicing, and refueling infrastructure for alternate fuel vehicles by converting their own fleets to alternate fuels.

Let me also indicate a few points about conservation.

We must promote energy conservation. We can improve energy efficiency in a variety of ways by setting or strengthening: corporate average fuel efficiency standards [CAFE] for automobiles; energy efficiency provisions in building codes, including lighting efficiency standards; home appliance, heating and cooling unit efficiency standards; and waste recycling or reduction standards for industrial manufacturing.

Also, the Federal Government should promote energy conservation education and fund research into conservation technologies.

In the area of electricity, research and development efforts should be intensified with regard to energy efficiency, environmental controls in power generation, and development of cost-effective renewable supply technologies. The development of electric vehicles should also be pursued more aggressively than it has.

CONCLUSION

We are following a dangerous course in our reliance on oil imports. We have made the same mistake twice. We cannot afford to do it a third time. We must act now. I am afraid this situation will not correct itself and lack of action will only make matters worse and threaten future generations.

Madam President, if the present crisis in the Middle East and the escalation of oil prices to their highest price in a decade brings from the administration no more vigorous response than we have seen to date, what can we expect to see proposed by the administration when the worst of the crisis has passed?

The present plans of the administration are to wait until April to present legislative proposals to the Congress.

As far as I can tell, the administration feels no sense of urgency to do anything about the problem. And not only is there no sense of urgency to act, I doubt seriously if there is a genuine belief in the White House that the Federal Government should take strong action to deal with our energy problems.

We cannot wait, as the administration has suggested, until the end of the year or until April of next year to look at a national energy strategy. I urge the administration to send forward a legislative package that incorporates the recommendations I have made here today. The American people are looking for leadership. I encourage the President to demonstrate the leadership he was elected to provide. I—and I am sure my colleagues—stand ready to assist him in that effort.

I thank the Chair and I yield the floor.

Mr. HATFIELD. Madam President, I ask unanimous consent to proceed as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

WAR POWERS RESOLUTION

Mr. HATFIELD. Madam President, when we were first elected to represent the American people in the U.S. Senate, we all took an oath. We took an oath to uphold the Constitution of the United States and the laws of this land. I still remember taking my first oath of the U.S. Senate—I remember the enormous pride that I felt in assuming this high office—and the subsequent oaths that I have taken upon each period of reelection.

But today, Madam President, that pride has somewhat diminished, because, as tens of thousands of American men and women are being sent to defend Saudi Arabia and the nations of the Persian Gulf—as the largest United States military deployment since the Vietnam war is well underway—this very Congress is cheering with one hand and sitting on the other hand. With the responsibility entrusted to this body by the Constitution and the War Powers Resolution staring us in the face, we are turning the other way. Collectively and individually, we are turning our backs on that sacred oath of office that we have taken. We are turning our backs on the law that we swore to uphold—and we are turning our backs on the responsibilities given to us by the framers of the Constitution.

I have waited, and I have waited for someone to raise this issue of the congressional responsibility to act. Most importantly, have I waited for leadership whether from the committee or the full Senate. But, nevertheless, I have an individual responsibility, whether or not others seek to address the issue or not.

Let there be no mistake: I did not come to the floor today to criticize the President's policy decisions. In fact, I did not come to the floor today to even discuss the President's policy. We certainly need to begin that discussion at some particular point, and certainly not within a vacuum. We need to begin an intelligent and rational discussion of the executive branch's policy in the context of a national policy—developed and implemented by the President and the Congress—in partnership.

That is what the War Powers Resolution is all about. It is not about the undermining of the President's power. It is not about confusing our allies. And it is not about putting U.S. soldiers in jeopardy. Those are tired and worn arguments—tired and worn excuses for our cowardly refusal to stand up and address the issue.

The issue is very simple. The Congress has as much responsibility for a decision to send U.S. soldiers into harm's way as does the President. Of course, the President is the Commander in Chief of our Armed Forces, but the Constitution assigned the powers

to declare war to the Congress, so we are in this together, or at least we should be in this together.

During our United States military involvement in Vietnam, we lost sight of that fact. Congress appropriated the money and stood silently by as the President, indeed several Presidents, pursued a policy, a disastrous policy.

It was as a result of that experience that the Congress of the United States passed the War Powers Resolution in the first place. And not only did they pass it once, but when President Nixon vetoed the War Powers Resolution, the Congress passed that act a second time, overriding President Nixon's veto. The resolution reflected the determination of the Congress; it was the standing up and being counted action of the Congress to say: Never again will America find itself involved in a bloody, disastrous war without the Congress assuming its full responsibility as created under our Constitution.

How easy it was for the Congress during the Vietnam war to criticize the President's policy, because they had not really been partners in the establishment of that policy—so they could duck it, hiding in cowardice, their responsibility avoided. It was that experience which reminded us that the President and the Congress must be full partners when the lives of our young people are on the line.

Partners? That does not mean that the White House develops a policy while we adopt meaningless resolutions condemning Saddam Hussein. That does not mean that the White House implements a policy and then briefs our leadership after the fact. Partnership means the White House and the Congress acting together, taking responsibility together. That is the heart of the War Powers Resolution that is on the statute books—that we have sworn to uphold.

When do we need to act? Let me read from section 4 of the War Powers Resolution that we adopted as a Congress. It says:

> In the absence of a declaration of war, in any case in which United States troops are introduced into hostilities or into situations where imminent involvement in hostilities is clearly indicated by the circumstances—

It could not be more clear: I think the circumstances do indicate imminent hostilities. God forbid that they break out, but the situation is, nevertheless, very clear. Now is when the Congress is supposed to act.

But instead of acting, we are practicing an elaborate game of avoidance. Dozens of ships, hundreds of planes, thousands of tanks, and tens of thousands of soldiers are in a circumstance where hostilities could be imminent, and we must act.

If we are to discuss the contents of a resolution that I and perhaps others would like to offer, let me just offer a few thoughts as to possible content. I am not here today with a resolution. But that does not mean that we are not in possible preparation of a resolution.

The President stated four objectives of our present deployment of troops into the Middle East prior to United Nations action on the crisis. I think all of us would add then a fifth mission, and that is to implement the sanctions of the United Nations.

I would like to think that we are, prepared in any kind of a resolution-forming debate to consider the stated missions, as defined by the administration. And I would expect that Congress would consider authorizing part or all of those missions. I would think that at least as a minimum we would authorize the mission of protecting Saudi Arabia from invasion. And then I would guess that the resolution would include the implementation of the U.N. sanctions. As I say, that is just as an illustration of a beginning. That may be sufficient, but there may be other necessary statements to be included.

Further, I believe that we have to understand that this situation is very fluid and to authorize an action should at least have some kind of parameter—18 months, 2 years, a year, whatever—that would be reasonable, and work it out with the administration.

I think we must revisit this issue from time to time, both to ensure the policy continues to have the full support of the President, the Congress, and the American people, as well as to fully reflect the changing situation.

Madam President, when I talk about a resolution, let me make it very, very clear that we are not talking about revisiting a Gulf of Tonkin resolution; a Gulf of Tonkin resolution, which was a supreme act of abdication on the part of the Congress to assume any responsibility for the policy in Vietnam.

Let me only recall this very broad, open-ended statement and words:

> • • • the Congress approves and supports the determination of the President, as Commander in Chief, to take all necessary measures to repel any armed attack against the forces of the United States and to prevent further aggression.

A total blank check. That is not the kind of resolution we are talking about today.

Having said all this, I am under no illusion that we will be voting on a resolution which encompasses all these points. From my years of experience, I know all too well that we will in all likelihood consider a resolution that sounds tough, but actually offers little more than a rhetorical endorsement of existing policy.

I want to be on the record here today saying that I will continue to call for full implementation of both the spirit and the letter of the War Powers Resolution. Inevitably, there are those who will suggest that the War Powers Resolution does not work. I have a few responses to that statement.

It does not work, from my personal viewpoint, because we do not want it to work. The War Powers Resolution does not work because we do not want to take the responsibility. We want to be free to cheer when the policy is working, and to criticize and condemn when the policy does not work. But we do not want any part of having to be a partner in the policy.

But the irony is that we are not free; we are, instead, bound by the Constitution of this country and the oath of office we took when we came here. We are bound by the single most valuable thing a democracy has to offer: The trust of the people.

And then there are those who will accuse us of trying to undermine the President, of being unpatriotic while American soldiers are being sent overseas.

My response is very simple. The War Powers Resolution was designed to improve policies and to make them sustainable. Each one of us represents millions of people, and if we are not full partners in this policy, then they are not full partners in this policy, either.

If it is a conscientious belief that the War Powers Resolution does not work, then let us repeal it; let us get it off the statute books. But to leave it on the statute books and to raise the hope or expectation that the Congress is going to assume full responsibility is ludicrous. Anyone who does not believe it is workable, then, has a responsibility to offer a resolution to repeal it. Short of doing that, then we have a responsibility to implement it.

As things stand now, U.S. soldiers are implementing only an executive branch policy.

And that is not enough. They should be implementing a U.S. policy that has the full support of the Congress of the United States and involves all of this Nation's people.

Madam President, I very strongly believe that when we talk about a policy that has the support of the American people, that is the minimum—we are elected representatives of the American people, and assuming our responsibility to authorize this military commitment is the minimum that we owe to our constituents. This is the minimum that we owe to our soldiers. This is the minimum we owe to the families of our soldiers. It is the minimum we have as a responsibility to this Nation.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. DOLE. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO THE MOST REVEREND ROBERT F. JOYCE

Mr. LEAHY. Mr. President, the Most Reverend Robert F. Joyce, who remained a close friend of our family from his days as a village priest in Northfield to his ascension as Bishop of Vermont, was lost to all of us at the age of 93.

He was man of deep and abiding faith in both his church and his fellow human beings. He was of keen intellect and gentle soul, a man loved by all Vermonters, of all religious faiths. The outpouring of love and respect during funeral ceremonies in Vermont 2 weeks ago was universal—a spontaneous and heartfelt expression of thanks for a gentle man who had served his church and state with compassion and understanding. Marcelle and I marveled at this ability, even in death, to bring neighbors, friends, strangers and adversaries together.

From my early boyhood I have memories of Father Joyce, seated in the kitchen of our home in Montpelier, visiting our family. I later served mass with him as altar boy, and as I grew older I had the pleasure of sharing stories of people who had touched our lives. He knew and loved as many people in Vermont as any one person could, and his gentle consultation enriched every life that he entered.

Born in Proctor, VT, in the last century, he lived to see most of this one. The tributes from his fellow clerics, parishioners, friends, and admirers were many and varied throughout Vermont.

I ask unanimous consent to include some of these remembrances in the CONGRESSIONAL RECORD as a permanent tribute to this man who meant so much to me and my family, and all Vermonters who were influenced by his exemplary life.

I include in this remembrance, the obituary notice that appeared in the Burlington Free Press, September 4, 1990, and the report of his death, public reaction and the funeral that appeared in this same newspaper. I also include a tribute from the Catholic Tribune, September 18, and an editorial that appeared in the Rutland Daily Herald, September 5, that would have brought a smile to the face of an old and special priest.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Burlington (VT) Free Press, Sept. 4, 1990]

THE MOST REVEREND ROBERT F. JOYCE, D.D.

The Most Reverend Robert Francis Joyce, D.D., Sixth Bishop of Burlington, died Sept. 2, 1990. Bishop Joyce was born in Proctor on October 7, 1896, the son of Patrick J. and Nellie Connor Joyce. He graduated from Proctor High School and from the University of Vermont in 1917. While at the University of Vermont "Pat" Joyce was editor of the Cynic, graduating cum laude, Phi Beta Kappa. He spent the next two years at the Seminaire de Philosophie and four years at the Grand Seminary of St. Sulpice in Montreal, receiving his degree of Licentiate of Theology.

Ordinated May 26, 1923, in the Cathedral of the Immaculate Conception, Burlington, by Most Reverend Joseph J. Rice, Father Joyce was curate at St. Michael, Brattleboro (1923), St. Francis de Sales, Bonnington (1923-26), administrator, St. Paul, Manchester (1926-27), and principal of Cathedral High School, Burlington (1927-1932). His first pastorate was at St. John Parish in Northfield. Father Joyce volunteered for the military and served as chaplain in the U.S. Army (1943-46) at Fort Custer, Michigan, and then was assigned to the 103rd General Hospital in England and the European Theatre of War. His last years in the Army were spent at Fort Oglethorpe, Georgia, and he was discharged with the rank of major. He maintained his military contacts throughout his life.

On his return from the service, Father Joyce was appointed pastor of St. Peter Parish in Rutland, and in 1954, he was named Auxiliary Bishop of Burlington with the Titular Sec of Citium by Pope Pius XII. He was consecrated Oct. 28, 1954, and on the death of Most Reverend Edward F. Ryan, he was appointed sixth Bishop of Burlington. He was installed at immaculate Conception Cathedral in Burlington on Feb. 26, 1957.

After a 15 year episcopate, Bishop Joyce submitted his mandatory resignation at the age of 75. The present Bishop of Burlington, the Most Reverend John A. Marshall, was appointed his successor.

Bishop Joyce served on the Diocesan Marriage Tribunal (1934-43), was diocesan director of the Holy Name Society (1947-1957), chaplain of the Newman Centers at both the University of Vermont and Norwich University, and was the first Catholic priest to sit on the board of trustees both at the University of Vermont and Champlain College.

For 35 years he was on the board of the Vermont division of the American Cancer Society, and was on the national board for 10 years. He was instrumental in bringing about the merger of the Bishop DoGoesbriand and the Mary Fletcher hospitals.

He attended all the sessions of the Second Vatican Council in Rome during the years 1962-65.

Honorary degrees received by the late Bishop were D.D. from the University of Vermont in 1955, LL.D. from St. Michael's College in 1956, and L.H.D. from Norwich University in 1957.

In 1960, UVM named Bishop Joyce Alumnus of the Year. In 1970, the state Chamber of Commerce named him Vermonter of the Year. In 1979, the University of Vermont announced the establishment of the Bishop Robert F. Joyce Distinguished Professorship in Gerontology, which conducts classes and provides regular public lectures on problems of the aging. Endowment of the chair was raised by UVM from alumni and friends.

While Bishop Joyce was a member of the trustees of the University of Vermont from 1948 to 1954, he defended UNVM professor Alex Novikoff, who had been accused of Communist activity. Throughout the controversy and to the last vote, Bishop Joyce stood alone in the professor's defense. Later the university regretted its dismissal of Professor Novikoff and conferred upon him an honorary degree.

He was predeceased by a sister, Eleanor, and a brother, Charles.

At the time of his death, Bishop Joyce was the oldest bishop in the ecclesiastical Province of Boston.

The transfer and reception of the body of Bishop Joyce will take place at the Cathedral of the Immaculate Conception on Wednesday, Sept. 5, at 2 p.m. with the Most Reverend John A. Marshall, D.D., presiding. Bishop Joyce will lie in state until 9 p.m. at the Cathedral of the Immaculate Conception, and from 9 a.m. to 11 a.m. on the morning of the funeral in St. Michael's College Chapel.

The Liturgy of Christian Burial for the Most Reverend Robert F. Joyce, D.D., will take place at noon Sept. 6, 1990, with Most Reverend John A. Marshall, principal celebrant, in St. Michael the Archangel Chapel, St. Michael's College, Colchester. Burial will follow in the bishops/priests section in Resurrection Park in South Burlington. In lieu of flowers, donations may be made to the Bishop's Fund of the Diocese of Burlington, 351 North Avenue, Burlington, VT. 05401. Arrangements are by the Ready Funeral Service, South Chapel, 261 Shelburne Road, Burlington.

[From the Burlington (VT) Free Press, Sept. 4, 1990]

RETIRED CATHOLIC LEADER REV. ROBERT F. JOYCE DIES

(By Paul Testor and Mike Donoghue)

The Most Rev. Robert F. Joyce, the retired bishop of the statewide Roman Catholic Diocese of Burlington, died Sunday night. He was 93 years old.

Joyce served as spiritual leader of the state's Catholics for 15 years until he retired in 1972. He was well-known for his motto "Ut Vitam Habeant"—"That They May Have Life"—which also served as the name of his column for the Vermont Catholic Tribune.

Joyce was known as a leader in ecumenism and human rights.

"His greatest impact on the community was in the area of being open to people of every religion, including those who had no religion. He was a great Christian," recalled former Burlington mayor Francis Cain.

Cain, was mayor from 1965 to 1971, added: "He was one of the most outstanding Vermonters I've ever known. He affected the lives of more people than anyone else I knew."

In 1967, Time magazine ran a picture of Joyce in his pontifical robes with a story about his open mindedness.

J. Warren McClure, former publisher of the Burlington Free Press, remembered Joyce as a man who served as a go-between for disparate groups.

"Bishop Joyce will be remembered for bridging people, be they students, parents or parishioners," McClure said Monday night. "He bridged various religious groups, educational institutions, health organizations and the rich and the poor. He brought God closer to everyone he touched."

One of his major contributions was the merging of two Burlington hospitals into the Medical Center Hospital of Vermont in the mid 1960's, McClure said.

Joyce was also held in high esteem by Protestants, according to a ranking Presbyterian clergyman and national religion columnist. The Rev. Carlyle Adams said he witnessed Joyce's actions first hand at the Vatican, noting that Joyce was well received by the people on the streets of Rome.

Joyce, who would have celebrated his 94th birthday in October, had been in failing health during the past year. He had been living at St. Joseph's Home for the Aged on North Prospect Street in recent years.

Joyce, who insisted on a listed phone number while bishop, continued that practice later.

Joyce took pride in his humble beginnings in Proctor, where he was valedictorian of the Class of 1913.

Joyce was known as the "people's bishop." Friends said he possessed the rare combination of traits as a scholar and a man who clearly enjoyed the common touch with people from all walks of life and all faiths.

Joyce's reputation was that of an outgoing, warm, friendly person and great orator.

In 1953, while a church pastor in Rutland, Joyce was named to a three-member citizens' commission organized to settle a strike that paralyzed the Rutland Railroad. Later that year he was a mediator in the Howe Scale Co. strike.

He served as chaplain to numerous groups, including the Vermont National Guard, the American Legion, the Vermont Civil Air Patrol and the Veterans of Foreign Wars in Rutland. During World War II he was a chaplain for the U.S. Army.

Joyce's belief in strong communications stemmed from his college work as editor-in-chief of the University of Vermont student newspaper, the Vermont Cynic, and from working on the yearbook.

Before he was named bishop, Joyce was a member of the editorial board of the Vermont Catholic Tribune, the diocesean newspaper.

He was a strong defender of press freedom. In 1955 he said, "Take away freedom of the press and it is impossible to enjoy, to vindicate or even defend the other freedoms. In the modern world the Church could not carry out her mission to preach the gospel to all nations if freedom of the press was curbed."

Joyce's best columns from the Vermont Catholic Tribune were compiled into a book entitled "Thoughts to Ponder."

Joyce's motto, "That They May Have Life," extended to health programs. He helped incorporate the former Rutland Hospital, was a trustee of the Rutland Visiting Nurses Association, and was a member of the Advisory Council of the Vermont Health Department. For three years he was a trustee of the Vermont Cancer Society and represented the state at several national conventions, including New York City in 1952 and Atlanta in 1972.

After a Burlington attorney was sentenced to eight to nine years in prison for a $128,567 embezzlement, Joyce went to the state prison to play bridge with the man. When attempts for the man's pardon were rejected. Joyce worked successfully to have the sentence commuted.

For many years the prelate attempted to say Mass at every institution in the state, including the Veterans Hospital in White River Junction.

After graduating with honors from UVM in 1917, Joyce went to Montreal for four years to prepare for the priesthood. After his graduation from Grand Seminary, he was ordained in May 1923 by the Right Rev. Joseph J. Rice, Bishop of Burlington. He was a curate at St. Michael's in Brattleboro for a short period, then served as an assistant at St. Francis Desales from 1923–26.

He was the administrator at St. Paul's in Manchester for about a year before he was appointed in 1927 as principal of Cathedral High School, now known as Rice Memorial. During his five years at the school he established Class Night, an interclass talent competition which continues today as Stunt Nite.

His return to Burlington allowed Joyce to renew friendships and added to his wide circle, embracing all denominations.

He was a frequent speaker to clubs and groups, at baccalaureate services, graduations and alumi functions. He was chaplain for the Newman Club at UVM, and when he was appointed pastor at St. John's parish in Northfield he helped create a similar club at Norwich University.

During World War II, Joyce volunteered as a chaplain for the U.S. Army from 1943–46. He was initially assigned to Fort Custer, Michigan, before being shipped to Europe as chief chaplin for the 103rd General Hospital, a 2,000-bed unit in England. After his discharge as a major at Fort Oglethorpe, Joyce maintained his military contacts throughout his life. It was because of a love for Joyce that when the 103rd had its 25 year reunion, they opted to come to Burlington in 1970.

Upon his return to Vermont in July 1946, he was appointed pastor of St. Peter's in Rutland.

In 1954 he was named Auxiliary Bishop by Pope Pius XII. He was consecrated Oct. 28, 1954 before an overflow crowd at the Cathedral of the Immaculate Conception in Burlington. He continued to serve in Rutland, but following the death of the Most Rev. Edward F. Ryan he was elevated to Bishop in 1957.

Joyce was invited to and attended Vatican II, a series of meetings beginning in 1962 and lasting for four years in which top Catholic leaders discussed the future of the church. It was the first such ecumenical council since 1970.

Joyce said Vatican II laid the foundation for for a whole new era of relations with other Christian churches.

He was the first Catholic clergyman appointed as trustee for the University of Vermont, serving a six-year term beginning in 1948. Joyce was a leader of the Alumni Council, and UVM granted him an honorary degree in 1955. The following year he received an honorary degree from St. Michael's College, which also named one of its dorms after him in 1962. Norwich University granted him an honorary degree in 1957.

He was named the Citizen of the Year in 1971 by the State Chamber of Commerce.

Joyce was diocesan director of the Holy Name Society for 10 years and district director for the National Council of Catholic Women.

[From the Burlington (VT) Free Press, Sept. 5, 1990]

BISHOP'S FUNERAL TO DRAW LEADERS

(By Ann E. Donlan)

Catholic dignitaries from throughout New England—including Boston's Cardinal Bernard Law—will pay respects Thursday to Bishop Robert F. Joyce at his funeral in St. Michael the Archangel Chapel at St. Michael's College.

Joyce, retired bishop of the statewide Roman Catholic Diocese of Burlington, died Sunday night. He was 93.

Law will speak to hundreds during the noon Mass at the chapel, said Gloria Gibson, the diocese's assistant communications director. Bishop John A. Marshall will be the celebrant.

"There will be a procession of many priests and deacons and many ecumenical clergy before the funeral," Gibson said. Ecumenical clergy who want to participate are going to dress in choir robes and meet by 11:45 a.m. in the upper room of St. Michael's chapel in Colchester.

Others expected to attend the funeral are: Bishop Louis E. Gelineau * * * Bishop Daniel Cronin of Fall River, Mass.; Bishop Stanislaus J. Brzana of Ogdensburg, N.Y.; Archbishop John Whealon of Hartford, Conn.; and Bishop Thomas Dupuis of Springfield, Mass.

The public is invited to attend the funeral and wake.

Joyce's body will lie in state in the Cathedral of the Immaculate Conception in Burlington today from 2 to 9 p.m. The wake continues Thursday in St. Michael's chapel from 9 to 11 a.m.

Joyce retired in 1972 after serving as Vermont's bishop for 15 years.

"We are grateful to Bishop Joyce for his acceptance of God's grace, which enabled him to become a priest and a bishop, to be a holy person, and to give us the example of one who knew the way, and lived the truth and the life of Jesus Christ," Marshall said.

"He was a religious leader who brought people together," U.S. Sen. Patrick J. Leahy, D-Vt., said. "He dwelt on our commonality and not our differences, remaining true to that principle throughout his lifetime."

[From the Burlington (VT) Free Press, Sept. 7, 1990]

RELIGIOUS COMMUNITY REMEMBERS BISHOP

(By Lori Campbell)

"The way of victory is to 'raise our eyes to the mountains whence comes our strength.' "—The Most Rev. Robert F. Joyce.

Called the "son of Vermont" at his funeral Thursday, Bishop Robert F. Joyce lived his 93 years to achieve his personal motto, "that they may have life."

As the retired bishop of the Roman Catholic Diocese of Burlington lay in state in the Chapel of St. Michael the Archangel at St. Michael's College, nearly 1,000 of his flock walked up to him, gazed at him and prayed before him.

Some touched his hands intertwined with rosary beads, reaching one last time for the faith he gave them.

His followers knew him best by his daily actions and words he often repeated: "Love is not love until you give it away," and especially, "Don't go to heaven alone, take someone with you."

Kneeling to pray for the man that confirmed many of them, Vermont leaders U.S. Sen. Patrick Leahy, former Govs. Richard Snelling and Thomas Salmon, Burlington Mayor Peter Clavelle, and former Burlington Mayor Frank Cain attended the ceremony.

Gov. Madeleine Kunin, who was in Hungary, was represented by her husband, Dr. Arthur Kunin.

Educational leaders, including St. Michael's College president Paul Reiss, Champlain College president Robert Skiff, and Rice Memorial High School principal Brother John Collignon also bowed in solemn respect for Bishop Joyce.

Judges, doctors, military officers, farmers, laborers and homemakers attended to pay homage to the man many of them knew as children.

A formal procession greeted the faithful in the chapel. Knights of Columbus dressed in silk-lined capes and plumed hats, sashes and swords at their hips, led the procession of high religious leaders into the cross-shaped chapel for the noon-time funeral that lasted two hours.

Leaders in the New England Catholic archdiocese attending the service included Boston's Cardinal Bernard Law, Bishop Louis E. Gelineau, and the Bishop of Burlington, John A. Marshall.

The service included a procession of 150 clergy, including Edmundites and their superior general, the Rev. Joseph Hart.

Religious leaders from other faiths also attended the service, including Joyce's longtime friend, Rabbi Max Wall. Bishop Joyce was known during his life for his support of Vermonters of all faiths.

Burlington's Bishop Marshall gave the day's homily.

"I am not trying to praise the man, so much as I am trying to show the power of God in this holy priest," he said.

Marshall acknowledged that Joyce's funeral was not a sad day, although his faithful were filled with emotion.

"Our souls are filled with fond memories, the peace and joy and love, that's the kind of person we knew Bishop Joyce to be.

"He was a man of his times, he lived in the present to do God's work, to live like him. He was always a little ahead of his time, better yet, a little above his time," Marshall said. "He stood tall."

[From the Burlington (VT) Free Press, Sept. 7, 1990]

JOYCE'S LOVING WAYS REMEMBERED

(By Lori Campbell)

They'd known Bishop Robert F. Joyce since 1928. He was their principal at Cathedral High School, where they used to memorize his license plate so they could date.

This is a hush-hush story. But after 62 years, with the bishop resting peacefully now and after such a beautiful funeral at the St. Michael's College chapel with at least 1,000 people in attendance Thursday, the two women guessed they could tell it.

Elizabeth Tilley of Burlington and Florence Thabault of Winooski, who attended the bishop's funeral side by side, beamed with the memories of growing up with him in their lives, from schoolgirls to grandmothers.

"He was very, very strict and we had a great education because of that," said Thabault, who exchanged a knowing smile with Tilley.

"He thought students were there to study, not to date," Thabault said of life at Cathedral High, which has since moved and been renamed Rice Memorial High School.

To keep his sheep in line, Joyce drove around town at night to make sure his flock was inside studying and not outside dating.

"We were friendly with him this summer. He called us very frequently," Tilley said. "He never forgot anybody's name. His memory was wonderful, He loved everybody."

Thabault visited Joyce a month ago at St. Joseph's Home for the Aged in Burlington, and his nurse warned her, as other visitors were warned, not to stay more than 15 minutes. The bishop lost his sight three years ago, and his constitution had been slipping since.

"But since the bishop was blind, he could not see the clock," Thabault said, grinning. "So we talked and talked past the time limit. He'd always have one more thing to say."

"We'll miss him," Tilley said.

Although the bishop may not have wanted high school students to date, once they were married, he wanted them to have children.

Fernand Poulin, 61, of Williston, who came to the bishop's funeral, can vouch for Joyce's affinity for newborns.

"He came to the hospital and blessed my wife, Patricia, every time she had a baby—and she had 10," said Poulin, who is retired from working on the assembly line at International Business Machines Corp.

When asked how the bishop touched her life, Mercedese Patenaude, 58 raised her hand to her heart and said proudly, "He confirmed me and all my children! I have seven."

What she remembers most about Joyce is how he remembered everyone else.

"He always remembered your name and he always knew what type of work you were doing," she said, shaking her head. "How he did it, I'll never know."

"My little kids always asked to kiss his ring. That was their big thrill."

Wearing sunglasses to hide her moist eyes, Audrey Collins, 52, said that she was born and raised in Burlington, and that Joyce "was always a part of my life."

"He has touched my life in ways that has moved me to tears beyond myself," said Collins, a homemaker and mother of four. "This man loved everybody. It didn't matter who you were, what you looked like. He seemed to radiate.

"He leaves such joy and peace with me. I'll always remember him."

Joyce served at Collins' parish, the Holy Family Church Rectory in Essex Junction, after he retired as a bishop.

"He was just happy, always filled with happiness. He would smile and say, 'Hi' to you. You could meet him a month later and he knew you," Collins said.

Marge and Jack Stanton of Burlington left the bishop's funeral holding hands and reflecting on 30 years of memories of him.

"We lived in the North End, our parish was St. Mark's," Jack Stanton said.

"Bishop Joyce was a kind and loving person," Marge Stanton said.

"He was a go-getter, always at the Chamber of Commerce meetings to say the prayer," said Mr. Stanton.

"I remember the beautiful talk that he gave to my daughter's confirmation class," he said, with Mrs. Stanton completing the sentence, "about living right, do what's right, and when you go to heaven, take someone with you."

Paul Meacham, 64, of Burlington, also remembered Joyce as his principal at Cathedral High, and a stern one, too.

"But he got law and order, and he did it with love," Meacham said.

His wife, Shirley Meacham, who also went to Cathedral High, said, "I'll never forget his melodious voice."

And whenever the bishop was asked to pose with children for a picture, he would say, " 'It's going to cost you five Hail Marys, and five Our Fathers.' Everytime," Paul Meacham said. "Everytime."

Evelyn Nelson, 58, and John Nelson, 61 of Barre remember being a young couple struggling to raise six children and the bishop coming to their house one winter night.

"My father-in-law is a Flanagan, and Bishop Joyce wanted to find out about our family tree," John Nelson recalled. "I will never forget them pouring over the chronology of scroll and Bishop Joyce pointing to a spot and saying he and Flanagan were second cousins once removed."

"We were a young family then," Nelson said, "and to have a bishop there in our living room—it was a thrill."

[From the Burlington (VT) Pree press, Sept. 6, 1990]

PARISHIONERS ATTEND RETIRED BISHOP'S VIGIL

(By Laura Decher)

More than 35 religious leaders and 100 parishioners attended a vigil Wednesday night for Robert F. Joyce, the retired bishop of the Roman Catholic Diocese of Burlington.

Joyce, 93 died Sunday night.

Bishop Louis E. Gelineau of Providence, R.I., led the vigil, saying the current bishop, John A. Marshall, had asked that the service's tone be like a family gathering. Gelineau said that was appropriate because the bonds between Joyce and his friends were similar to a family's.

"The image that most comes to mind when I think of him is that of the Good Shepherd," said Gelineau, who was a chancellor and vicar general of the diocese under Joyce for many years. "His was a life of helping others to share in the life of Jesus."

After the service, Marshall recalled Joyce as a very positive force in many people's lives. "He was very helpful to me, because he was a native Vermonter and knew so many people. He helped to make me feel right at home in Burlington and Vermont. It is the place to be."

Marshall, a Massachusetts native, came to Vermont in January 1972. He replaced Joyce, who retired at age 75. Marshall will give the homily at today's noon Mass of Christian Burial at St. Michael's College Chapel in Colchester.

Gelineau was appointed to be bishop of the Diocese of Providence shortly after Joyce retired.

During a prayer service throughout the day, an uncounted number of people filed through the Cathedral of the Immaculate Conception on Pine Street to view Joyce's body in state. One hundred parishioners stayed to attend the 8:30 p.m. vigil closing the day's prayers.

Additional viewing times are scheduled from 9 to 11 a.m. today at the chapel at St. Michael's College.

During the vigil, Gelineau told the parishioners about Joyce's attempt to get into seminary school without any previous theological schooling. "Bishop Rice gave him a chance, because he had such a good family," Gelineau said, smiling.

He said Joyce believed that Christ was calling him to be a priest, and that he knew so by the time he graduated from the University of Vermont in 1917.

Gelineau remarked about Joyce's ability to see the good in other people. "He never let a day go by that was just administration," Gelineau said. "There had to be a phone call, visit, walk, something to bring goodness to others."

Joyce felt strongly about wearing his collar at all times: "He wanted to be recognized first and foremost as a priest—he would go to the golf course in his garb, change, and then play golf, and change back again—because it would remind people of the presence of Christ in their lives."

[From the Vermont Catholic Tribune, Sept. 18, 1990]

BISHOP ROBERT FRANCIS JOYCE—REMEMBRANCES

"THE SMILING PASTOR OF OUR SOULS WHO HAS GONE BEFORE US";

WINOOSKIPARK.—"Our emotions are stirred by fond memories of the smiling pastor of our souls who has now gone before us," Burlington Bishop John A. Marshall told more than 1,100 mourners who attended the September 6 Mass of Christian Burial for retired Bishop Robert Joyce. "So our thoughts are not thoughts of sorrow, but of peace, joy and love. That was the kind of person and priest we knew Bishop Joyce to be. That was the way he touched our lives.

Fellow bishops, clergy, friends and family of Bishop Joyce filled the Chapel of St. Michael the Archangel at St. Michael's College to pay tribute to the man who had spent 67 years of his life in service to God and His people. Bishop Marshall served as principal celebrant and homilist at the funeral, and among the many dignitaries present were Cardinal Bernard Law of Boston, who presided at the liturgy, Archbishop John Whealon of Hartford, Conn., retired Bishops Bernard Flanagan of Worcester, Mass., and Edward O'Leary of Portland, Maine, and Bishops Roberto Gonzalez of Boston, Stanislaus Brzana of Ogdensburg, N.Y., Timothy Harrington of Worcester, Daniel Cronin of Fall River, Mass., Louis Gelineau and Kenneth Angel of Providence, R.I., Thomas Dupre of Springfield, Mass., and Joseph Gerry and Amedee Prouis of Portland. More than 130 priests from the Burlington Diocese and from dioceses and religious orders throughout New England also cocelebrated.

Bishop Joyce's popularity transcended religious boundaries, as evidenced by the presence, too, of a number of ecumenical leaders, including Rabbi Max Wall, a longtime friend, and Reverend Arthur Baron. Local political figures also paid their respects—among them Senator Patrick Leahy, former governors Richard Smelling and Thomas Salmon, Burlington Mayor Peter Clavelle, and Dr. Arthur Kunin, representing his wife, Vermont Governor Madeleine Kunin.

Bishop Louis Gelineau, who worked with Bishop Joyce for almost 15 years, "I ate with him, traveled with him, he became like a father to me. And I'm sure that I would not be where I am today if it had not been for this father-son relationship. He promoted my welfare, and I'm sure he was responsible for my becoming a bishop. He would have put my name in Rome to have me named a bishop, so I owe everything to him."

Marjorie Westphal, a weekend nurse to Bishop Joyce for the past four years: "He taught us to care for other people all the time, and to always treat them with love and respect. Whenever we left the apartment to go get a meal tray for him, he would say 'Salute the staff!' So when we went, we were always sure to treat whomever we met in the kitchen or the dining room with respect. Yes, he was truly a servant of the people and always a preacher too. He would say, 'Once a preacher always a preacher.' And so he was teaching us to be servants. It's a great emptiness for us right now. We felt honored to be his nurses."

Bo Hie, the bishop's nephew from Latham, New York shared a very special story with the Tribune: "I remember when he was in this last years of driving, which was in his early eighties, he told a story about himself. He was driving home rather slowly one night and a trooper stopped him, thinking perhaps that he had been drinking. He asked for his license and asked: 'Father have you been drinking?' The bishop replied, 'No, I was just saying my rosary.' I would have liked to have seen that poor trooper's face. He didn't get a ticket because he was actually just driving slowly. It was shortly after that, being a very practical person, that, he realized he shouldn't be driving anymore, and he turned in his license."

Noel Dussault, a parishioner at the Cathedral of the Immaculate Conception: "I just feel like I've lost my father again, my dearest friend. He was such a warm, great man. Everyone should remember what a good, saintly man he was. I think he's touched many hearts and made the world better because he was in it."

Bishop Joyce was the oldest priest in the Vermont Presbyteral. That honor now rests with Monsignor Francis B. Flanagan, actively retired at Bomoseen. Msgr. Flanagan is possibly the only living cleric who was present at Bishop Joyce's ordination back in 1923: "I was a junior in high school and Father Lawrence Cain, curate of my parish, St. Peter's in Rutland, brought me up to Burlington to the ordination of Robert Francis Joyce and William Tennien. So I can testify that he was properly ordained."

He also recalls that Bishop Joyce's column in the Catholic Tribune was a fertile ground for priestly homilies. "Many of us would crip from his column, 'That They May Have Life,' for thoughts on our homilies."

Marie Voigtlander of St. Joseph's parish recalls that when her husband came to work at Vermont College in 1957, as newcomers, they felt a little awkward at a college dinner: "The bishop was there and he came over to say hello to us, and was so gracious. We had just come to Vermont, and it made us feel so much at home."

Father Thomas Ball, rector of the Cathedral, remembers being ordained by Bishop Joyce in 1956 and recalls most of all "his example." "He was * * * always found him extremely outgoing no matter who was present. Apparently he saw Christ in everybody regardless of race, color or creed. I think we all expected he was a man who was just going to go on and on. And we thank God that he has earned and can now enjoy his eternal reward."

Margaret Dow, another weekend nurse: "it was a great privilege in my life to be able to spend this time with the bishop. He was a fine gentleman, and he lived with great dignity and he never once complained. I learned so much from him. It was very important to the bishop to be in contact with shut-ins and elderly people. He had a very special feeling for them. Even when he knew his end was coming near, he still would try to call people, even if it was only two or three people a day and he'd say: "We touched some lives today."

James Meunier, Funeral Director at Elmwood Memorial recalls. "He came to our house once. My mother always thought highly of him, and she went to kiss his ring which was a custom that made him a little uncomfortable and he didn't want that. He visited us, he visited a lot of people. I can remember him coming down from St. Joseph's Home just about every day. He'd walk all over in the summer with his straw hat, seeing people, just loving people."

Father John McSweeney, Diocesan Vicar for Finance. "He ordained me at the Cathedral of the Immaculate Conception some 29 years ago. It was he who sent me off to continuing my education which resulted in my working in the office with him for 6-7 years, and I've remained there now for some 25 years as chancellor mainly through his efforts and his interests in my talents."

Aggie Smith of the Cathedral parish credits her career to Bishop Joyce. "It was through him that I went to nurses' training back in 1934." Explains husband, John Aggie was one of eight children who wanted dearly to be a nurse but her mother had to call her back home to help support the family. Bishop Joyce wouldn't hear of this, and arranged to help the family financially so that Aggie could become a nurse."

Father Tom Hoar, SSC, director of campus ministry at St. Michael's College," The first time I met Bishop Joyce was over 20 years ago; I was a freshman at St. Michael's and Bishop Joyce had come to Campus to celebrate Mass for the students.

He quoted from Rogers and Hammerstein's South Pacific." A bell is not a bell until you ring it, a song is not a song until you sing it, love is not love until you give it away." I thought, what a wonderful way to get the message across—to use the words of a popular song. I came back for his second Mass that Sunday and brought with me a copy of Simon and Garfunkel's "Bridge Over Troubled Water," which was often heard in the dormitories at that time, to give him. I thought that maybe a contemporary song would be helpful to reach college students. Little did I know at that time that Rogers and Hammerstein wrote some of the Bishop's favorite music and that he often used that quote in his homilies.

"I later came to realize it was not the words of a song that Bishop Joyce used or did not use that got his message across, it was the person who transcended the words. People of every age, social status and religion found a kind word and a warm smile from this man who had been chosen to be pastor and a Sheperd.

One of the custodians at St. Michael's told me that his son was in a body cast for over a year and that all during that time not a day went by without Bishop Joyce stopping by to see the young man. This I believe, tipified his approach to his ministry and his care and concern for God's people. Whether you were a member of the Catholic Church or not, Bishop Joyce loved you as a child of God."

Father Peter Routhier, director of Liturgical Formation for the Diocese, remembers Bishop Joyce as "always very gracious and a perfect gentleman. He was the bishop when I first entered the seminary, and was very friendly to us and would ask how things were going. He even came and visited us at the seminary. When my mother was so ill while I was in high school, and she was at the DeGoesbriand Hospital, so often he would stop to visit her. He would take that time. He would be present to the people."

Vermont Senator Patrick Leahy: "Bishop Joyce was a friend of my parents and my family since the time he was a young priest in Northfield. I served Mass with him in Montpelier and he handed me my diploma when I graduated from college (St. Michael's).

"Even after becoming bishop, he continued to fulfill the role of a parish priest. He was a great and understanding religious leader who appealed to the conscience of people of all beliefs. His intellect and humor never left him, even in recent years when his health and eyesight failed him. He was a great walker—because he could visit and

talk to more people that way. So many times I remember him, seated at the kitchen table, visiting my parents and our family in Montpelier."

[From the Rutland Daily Herald, Sept. 5, 1990]

BISHOP JOYCE

Without much question Bishop Robert F. Joyce, who died Sunday at the age of 93, was the most popular Catholic clergyman among all faiths in Vermont in modern times. And not because he was an innocuous person who ducked tough issues or avoided offending people, but because he was so widely respected for his integrity and courage. Admittedly an exceptionally engaging personality helped. So did a sense of humor.

Bishop Joyce was not afraid to challenge tradition in the church. In 1962 despite some disapprobation among parishoners he led in changing the Mass from Latin to English. He was influential in 1967 in the merger of the Catholic-affiliated Bishop DeGoesbriand Hospital and Mary Fletcher Hospital in Burlington which became the Medical Center Hospital of Vermont.

During his years as a priest before his elevation to the Catholic hierarchy he earned a statewide reputation as one who was invariably popular wherever he was assigned and as one frequently sent to trouble spots in the diocese.

One of his major claims to fame stemmed from the time when in 1953 he was pastor of St. Peter Church in Rutland and he was serving on the University of Vermont board of trustees. Prof. Alex B. Novikoff was fired at the height of the Red scare hysteria of the 1950-55 period, whipped up by Sen. Joe McCarthy and his ilk. At the time Father Joyce was asked to serve as chairman of a faculty-trustee committee to investigate the Novikoff case. The committee was expected to recommend whether or not Novikoff should be retained on the faculty.

An honors graduate of the university, Joyce wondered whether he had been named a member and chairman of the committee because of the widely recognized anti-Communist stand of the Catholic Church and the likelihood that he would have little sympathy for a suspected Communist. If so, the position of the church and his affiliation with it proved to have no influence on his conduct in the Novikoff case.

While the committee conducted its inquiry in private, all kinds of pressures were building against Novikoff in the press, on the board of trustees, in Montpelier from Gov. Lee Emerson and in the Legislature, State funding for the university was at stake. A resolution offered by a senator from the governor's home county was defeated but would have had the effect of cutting off state funds if Novikoff was retained on the faculty. The Burlington Daily News and Vermont Sunday News owned by William Loeb screamed for blood. The Burlington Free Press was only slightly less critical of retaining Novikoff.

In such an atmosphere the Joyce committee brought in a report supporting Novikoff's retention by a vote of 5 to 1. At the time the one negative vote was suspected wrongly of being that of the Catholic priest. The group was made up of three trustees and three faculty, including one lawyer.

After the trustees read and discussed the report over two days a straw vote was reported to have favored retaining Novikoff by a substantial margin. The tide was turned the other way by Governor Emerson when he asked Novikoff whether he would return to Washington and answer all questions by the infamous Jenner Committee and his motion to that effect was adopted by the board of trustees. Novikoff refused. His resolve not to testify further and disclose names was supported by none other than Albert Einstein whose support later led to Novikoff's appointment at Albert Einstein College of Medicine.

After more weeks of controversy, with Father Joyce in the eye of the storm, the trustees under pressure from Governor Emerson and the threat of lost state support voted to fire Novikoff. As related in "Stalking the Academic Communist" by David R. Holmes in his book about the case, "Joyce stood alone in opposition to Novikoff's firing." His lone opposition was not widely known at the time. In many respects it may have been his finest hour.

Later Father Joyce's judgment about Novikoff was vindicated when the university invited him back in 1983 to accept an honorary degree in a ceremony that was described as signaling the university's effort to come to terms with the extraordinary wrong it had done to Novikoff 30 years earlier.

It was the closest approach to an apology that the university could offer and one that wouldn't have been necessary if those responsible had remained in support of Father Joyce's position in the Novikoff case.

BLACK HILLS GIVEAWAY

Mr. PRESSLER. Mr. President, I rise today to register my extreme disappointment in an action taken by a Member of the other body. Representative MARTINEZ has introduced legislation that would give the Black Hills of South Dakota to the Sioux Indians. This legislation is just an updated version of the old "Bradley Bill," legislation that was introduced in this chamber in the 100th Congress and which died upon the adjournment of that Congress. I adamantly opposed that legislation and will fight this bill just as vigorously. It is a very ill-advised measure.

By introducing this legislation, Representative MARTINEZ overlooks the fact that this issue has been settled by the Supreme Court of the United States. The Court has ruled on this matter, and has decided that the Sioux are entitled to monetary compensation for the land. The judgments have been awarded and with interest total over $240,000,000. To date, the Sioux tribal leaders have refused to unanimously accept any plan to distribute this judgment. Indeed, these repeated attempts to substitute land for money in settlement of the Black Hills claim delay and impede efforts to distribute the money judgment to the rightful beneficiaries who desire and need the judgment funds.

This type of legislation is opposed overwhelmingly by the people of South Dakota. In fact, it only serves to raise racial tensions. This is the Year of Reconciliation in South Dakota and South Dakotans have been working hard to improve race relations all over the State. Action like this by people wholly unfamiliar with the problem do not serve to resolve the issue. It serves only to aggravate it.

Press accounts indicate that Representative MARTINEZ was encouraged to introduce this legislation by a California millionaire and self-proclaimed Indian Chief who I debated on national television several years ago on this very issue. Instead of listening to self-proclaimed Indian chiefs, I suggest he research the Black Hills land claim and understand the facts. The Sioux Black Hills land claim has been reviewed by the highest court in the land. The Supreme Court decision should be the final say on the matter. I urge my colleagues not to introduce this type of irresponsible legislation in this Chamber. I will fight to stop it.

Thank you, Mr. President.

ALTHEA SIMMONS

Mr. SPECTER. Mr. President, anyone who shares a concern for justice and equality in American society was deeply saddened last Thursday by the death of Althea Simmons. In her 28 years with the National Association for the Advancement of Colored People [NAACP], Althea was continually on the front line of the battle for civil rights. As Director of the NAACP's Washington Bureau, she was a powerful and effective voice for those Americans for whom the realization of "equal protection under the law" is an everyday struggle.

The long list of legislative victories which Althea Simmons helped to bring about only begins to indicate the amount of influence and respect she was accorded by lawmakers of all perspectives. She was widely regarded as one of Capitol Hill's most effective lobbyists. Her ability to work quietly but persistently behind the scenes was vital to the enactment of much important civil rights legislation.

I was fortunate enough to have worked closely with Althea on several civil rights bills. We worked together on the passage of the Fair Housing Act of 1988 which expanded the 1968 Civil Rights Act's prohibition on housing discrimination and provided effective remedies for its victims. Althea was instrumental in organizing the various constituencies of the Leadership Conference on Civil Rights behind the Fair Housing Act, and in strongly representing these constituencies to Members of Congress. It was her active involvement with both Congress and the White House that allowed a nonpartisan agreement to be reached on an issue that truly required nonpartisan action.

The Fair Housing Act was not the only legislation that benefited from Althea Simmons' efforts. The 1982 extension of the Voting Rights Act, the creation of a holiday honoring Dr. Martin Luther King, Jr., the sanctions

against South Africa, and the Civil Rights Restoration Act of 1987 all were a result of intense effort on her behalf. She was also invaluable in her scrutiny of judicial nominations, most notably that of Robert Bork to the Supreme Court in 1987. In that instance, she organized a nationwide lobby of the more than 2,200 NAACP branches. Recently, even though ill, Althea remained active from her hospital room and her home, and worked diligently for the passage of the 1990 Civil Rights Act. To the very end, she remained engrossed with the pursuit of equality for all American citizens.

The loss of such a staunch defender of civil rights is deeply disturbing, not just to those of us who knew her, but to all who seek justice and equality in American society. We can be comforted by the fact that the work done by Althea Simmons lives on after she has left us, and will benefit generations of Americans to come. It is our responsibility as elected officials not to allow her efforts to die with her, but rather to continue on in the struggle for justice to which she devoted her life.

"EMBRACE OUR ARMED FORCES WEEK" SPONSORED BY THE CULTURAL COUNTIES OF RICHLAND AND LEXINGTON COUNTIES

Mr. THURMOND. Mr. President, on Wednesday, September 26, the South Carolina Cultural Councils of Richland and Lexington Counties will salute America's Armed Forces on the steps of the statehouse in Columbia, SC. In doing this, they will kick off "Embrace Our Armed Services Week." I join my friends in expressing my deepest thanks and most sincere appreciation to our brave soldiers, sailors, and airmen in the Mideast. We stand in strong and unflinching support of the courageous Americans who make up our Nation's Armed Forces.

Over the past months, much support has been given to the President, both by the Congress and the American people, regarding his decision to commence Operation Desert Shield. We have learned more about the atrocious and ruthless nature of Saddam Hussein. We have shuddered at the prospect of such a man let loose in the free world with a control of the world's oil supply. We have witnessed the intricate plans that have been set in motion by the Department of Defense.

But what really makes Operation Desert Shield work? It is the valiant men and women of the Army, Navy, Air Force, and Marines, as well as our dedicated reservists. Without these fighting people, even the most sophisticated fighter plane would be useless, and our most confidential strategy papers would be meaningless.

We deeply appreciate the devoted service of all our Armed Forces. Yet at this embrace our armed services event, we would like to take the opportunity to specifically recognize the 170 Desert Shield families at Fort Jackson as well as the many families at Shaw Air Force Base who have a loved one in the Mideast. Whether it be a hushand or wife, father or mother, sister or brother, or son or daughter, each and every member of these families should be justifiably proud of the bravery and patriotism of their cherished member of the Armed Forces. We, too, are proud of them.

REMARKS BY PRESIDENT RICHARD NIXON AT THE NIXON LIBRARY AND BIRTHPLACE DEDICATION

Mr. THURMOND. Mr. President, I would like to take this opportunity to bring to the attention of my distinguished colleagues the outstanding remarks made by President Richard Nixon at the recent dedication of the Nixon library and birthplace.

President Nixon's eloquent speech serves as a vital reminder of the importance and power of the American dream—not just as a part of our national history, but as a contemporary ideal that demands our support and our foresight in order to live on into the future.

In this era of tremendous change, I think it well worth remembering the following words of President Nixon as we carry out our duties here in the U.S. Senate, "Above all, know in your hearts that there was never a better time to be alive than now, and never a better country in which to live than in America."

President Nixon is a very able man, and he rendered long and dedicated service to his country. He is greatly appreciated by knowledgeable people for his great accomplishments in foreign affairs and other matters. He will go down in history as a skillful and able President, a true patriot, and a dedicated American. It is therefore fitting that the Nixon library and birthplace be preserved so that future generations can witness the promise that America offers, as illustrated by the rise of Nixon from humble beginnings to the Oval Office of the President of the United States.

Mr. President, I ask that President Nixon's speech be included in the RECORD at the close of my remarks.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY PRESIDENT NIXON AT THE NIXON LIBRARY AND BIRTHPLACE DEDICATION, JULY 19, 1990

Mr. President, may I express my deep appreciation for your very gracious introduction. I have been introduced to thousands of audiences over the past 44 years. This is the first time I have been introduced by the President of the United States.

I know I speak for all of the people gathered here today in expressing our deep appreciation to you, to President Reagan, and to President Ford for honoring us with your presence. To have four men who have served as President here makes this a very special occasion. What makes it even more special is to have for the first time in history four First Ladies on such an occasion.

I know from experience that there could be no more important career for a woman than to be First Lady—the wife of the President of the United States. Or as First Lady Barbara Bush might put it, there could be no more important career for a man that to be the husband of the President of the United States.

May I also express appreciation to all who made this occasion possible today. Over the past 44 years Pat and I have visited Westminster, Versailles, the Vatican, the Kremlin, the Great Wall of China, the Imperial Palace in Japan, the Taj Mahal in India, the Valley of the Kings in Egypt, and Angkor Wat in Cambodia. Each was a memorable experience but nothing we have ever seen could match this moment to be welcomed home so warmly by our friends and neighbors in California.

May I share with you what you will see here.

You will see a personal life—the influence of a strong family, of inspirational ministers, of great teachers.

You will see a political life covering 44 years with campaigns for Congress, the Senate, Vice President, Governor and President. Some winning, some losing—all interesting.

You will see 77 years in the life of a great Nation—a period of unprecedented progress.

You will see how great leaders changed the world in which we live.

But interesting as the past may be, I hope that all who visit this Library and Birthplace will always bear in mind that the past is important only as it points the way to a better future.

My friend Paul McCracken of the University of Michigan sent me a little poem which graphically makes that point:

> "The lightning bug is brilliant,
> But it doesn't have a mind.
> It travels through creation,
> With its headlight on behind."

Let us learn from the past but let us always keep our headlight on the road ahead.

Seventy years ago as I laid in bed in the little house over there in which I was born, I would hear the train whistle in the middle of the night and dream of places far away I hoped to visit some day. I never dreamed I would visit over 80 countries in my lifetime.

We hear today that America is in decline, that our best days are behind us, that we no longer have the means or the will to play a leading role in the world.

Don't you believe it. In my travels I have found some who like us, some who envy us, some who hate us. But in their hearts most people of the world know what every American should know: that unless America continues to play a leading role on the world stage, peace and freedom will not survive in the world. That is why President Bush deserves our whole-hearted support as he provides that leadership.

This is not a burden to be grimly borne. It is a challenge worthy of a great people.

What is that challenge? I was born a year before World War I. Since that time more people have lost their lives in war than in

all the wars in the history of civilization before this century began.

The 20th century will be remembered as a century of war. Our challenge is to help make the 21st century a century of peace.

Peace is not our only goal. Let us be remembered not just for saving the world from communism, but for helping to make the world safe for freedom.

Let our legacy be a new world in which all people can enjoy the blessings of peace, freedom, justice, and progress. In times past, we could only dream of such goals. Today, because of recent breathtaking changes in the world, we can make those dreams come true.

In 1971 after a State dinner in the White House, we were entertained by a superb musical group from California. At the conclusion of the program, the leader of the group expressed appreciation for the invitation to perform in the White House. He concluded his remarks by saying, "It's a long way from Watts to the White House." He was right.

I would add today that it's a long way from Yorba Linda to the White House. I have made that journey. Let our goal be that every American will have the opportunity to make that journey. We can't all be Congressmen or Senators. We can't all be Governors. I found that out. But let us make sure that the road is open for all Americans to go as far as their talents can take them, and that the road ahead is never blocked by prejudice poverty or ignorance.

To the young people listening to me today, may I add a personal note.

I believe in the American dream because I have seen it come true in my own life. As you travel through life you may sometimes suffer the disappointment of defeat. Losing is sad. But the greatest sadness is to travel through life without knowing either victory or defeat.

Whatever happens always remember that only by participating in a cause bigger than yourself can you be true to yourself. Above all, know in your hearts that there was never a better time to be alive than now, and never a better country in which to live than in America. Because you hold the future in your hands.

TERRY ANDERSON

Mr. MOYNIHAN. Mr. President, I rise to inform my colleagues that today marks the 2,014th day that Terry Anderson has been held captive in Beirut.

RECONSIDERING ARMS SALES IN THE MIDDLE EAST

Mr. MOYNIHAN. Mr. President, we have read in recent days that the administration is considering selling to Saudi Arabia more than $21 billion of America's most advanced weaponry. As described in press reports and by administration officials the sale would be the largest single arms transfer in history. I believe strongly that President Bush should delay any such sale for at least 6 months to allow for a thorough opportunity to review its impact on regional stability and, more generally, U.S. policy on the transfer of sophisticated weaponry.

Because these weapons would not actually be delivered to Saudi Arabia for several years it is manifest that the proposed sale has nothing whatsoever to do with the immediate crisis in the Persian Gulf region. Even if approved tomorrow this sale will do nothing to help remove Saddam Hussein from Kuwait.

Recent events have provided the United States, the Soviet Union, and other major arms suppliers with sobering lessons about providing massive amounts of sophisticated weapons to states in this unstable region. American troops are at risk from American weapons captured in Kuwait; French forces headed for Saudi Arabia will soon be within range of aircraft and missiles France sold to Saddam Hussein.

Moreover, the unprecedented cooperation of the international community—including the Soviet Union—in confronting Iraq suggests that for the first time there may be a realistic possibility of limiting the flow of advanced weaponry to the region. Might we not consider alternatives to continuing to feed the escalation spiral of arms and more arms? Is there any reason to rush this sale before its implications and possible alternatives have been thoroughly studied?

This sale could have a very significant effect on the military balance in the region. This should be carefully considered as well. We have worked closely with Saudi Arabia, but not all of their interests are congruent with our own. This and other considerations seem to mandate that any consideration of such a massive sale be delayed for at least 6 months.

INTERNATIONAL LAW AND DIPLOMATIC IMMUNITY

Mr. MOYNIHAN. Mr. President, in confronting Saddam Hussein, President Bush claims that important principles of international law are at stake. He is right to do so. The most fundamental tenets of the U.N. Charter have been violated. This illegal invasion must fail if we are to put into place the new world order of which the President has spoken so eloquently.

Even as we applaud the President for the position he has taken in this immediate crisis, we need to acknowledge that there are skeptics. The argument is made that oil—not the rule of law—is what drives American policy. And we would do well to consider that this argument has a certain force for the simple reason that concerns for international law have been conspicuously absent from American pronouncements and American conduct in recent years. The administration needs to establish that what we now profess we do indeed believe. That we have in fact changed our minds with regard to matters of large seriousness and consequence.

Consider the matter of diplomatic immunity. I recently noted in a small work titled "On the Law of Nations" that:

> When Iranian students seized embassy buildings protected by the Vienna Convention of 1961, the United States argued that such conduct should be vigorously denounced by all nations. But when U.S. troops in Panama raided the Nicaraguan ambassador's residence during their search for General Noriega, President Bush's response was so mild that a Washington Post editorial said that he was virtually "conducting" the raid.

Now Iraqi soldiers have raided diplomatic facilities in Kuwait and the United States has returned to the position it held during the Iran hostage crisis, namely, that violations of the sanctity of diplomatic facilities are, to quote President Bush, "outrageous" acts and "clear violations of international law."

In the aftermath of the invasion of Panama, Lars-Erik Nelson wrote of the administration's attitude toward international law: "America's message to the world is that we are strong, we are good, we are moral, and we will do whatever we think is right." Regardless of the charter. Or the Vienna Convention on Diplomatic Immunity.

Are we using law and the United Nations simply because it is a convenient club with which to bludgeon Iraq? If so, there will be no new world order. Just the "good old rule * * * the simple plan, that they should take, who have the power, and they should keep who can."

YUGOSLAVIA

Mr. DOLE. Mr. President, during the August recess, I led a Senate delegation on an eye-opening trip to four countries in Eastern Europe: Yugoslavia, Bulgaria, Romania, and Czechoslovakia, as well as the Soviet Union.

Each country was fascinating in its own right—each struggling with fundamental political and economic problems. But I think all of us in the delegation would agree that no country provided us with a more diverse and profound experience than Yugoslavia.

Indeed, there is serious question whether Yugoslavia, as a country, will long exist. Right now, it is a conglomeration of eight disparate republics and autonomous provinces, and eight major ethnic groups, held together with the geopolitical equivalent of baling wire. Two of its republics, Croatia and Slovenia, have already struck out on the path toward democracy and free enterprise. One of its republics remains mired in the hard line Communist mold. And, the Central Government in Belgrade seemsincreasingly irrelevant to the real critical political developments and problems at the republic level; it seeks to put together an economic strategy to move from Com-

munist statism to free markets, a process that it hopes will somehow serve to bind together the whole country.

Traveling from increasingly democratic Croatia to Communist Serbia, as we did, is like traveling through a time warp—back to the days before the democratic revolution began to seep through the Communist bloc; back to the days when brutal dictatorships of the center ruled with an iron hand over people throughout the domain.

Let me make clear, Madam President, we did not go to Yugoslavia to make the case for any one republic, or any one ethnic group. We went to learn the truth about events in Yugoslavia, and to deliver the message that the United States was squarely on the side of democracy, human rights and free enterprise for all the people of Yugoslavia.

The truth we discovered in Serbia—especially in the ethnically Albanian province of Kosova—was a harsh truth, indeed.

In fact, Serbian authorities did their best to keep us out of Kosova entirely. The Serbian Prime Minister in Belgrade, at the very start of our meeting, tried to set last minute and unacceptable conditions on our travel to Pristina. He wanted us to take a Government host with us, in effect a political watchdog to intimidate those with whom we were meeting. We refused to go under any such conditions; we stressed that we were an independent delegation and that we viewed these late hour maneuverings for what they were: Attempts to keep us from going to Kosova.

While in Belgrade that morning, we learned from Embassy staff on the ground in Pristina, that thousands of Albanians were already waiting for us in the streets chanting, "USA, USA." We also learned that the police were forcibly dispersing these peaceful crowds and that tear gas was being used.

When we finally got to Kosova nonetheless, we found out just why the Serbians tried so hard to keep us away. They did not want us to see that the people of Kosova live in a police state. But, we saw exactly that despite the fact that they drove our bus at breakneck speeds into Pristina.

We could not help but notice the hundreds of people running across the fields to wave to our bus. And, we could not help but notice police wielding guns and clubs chasing these people.

As we got closer to Pristina, we saw more people and more police. And, although we entered the city by way of back roads, we were still able to see thousands of people in the streets; and, we were still able to see clouds of tear gas. Once we arrived in downtown Pristina, the crowds had been cleared away from the hotel in which we were holding our meetings.

Once there, we met with representatives of the Albanian community, including Dr. Ibrahim Rugova, the leader of the Albanian Democratic Alliance and other human rights activists. Dr. Rugova presented us with a declaration, signed by the leaders of the Albanian community, which advocated democracy and peaceful change and stated their opposition to the use of violence.

In this meeting we learned the following:

A young man was brutally beaten that morning by the Serbian police; we brought his photo back with us, along with photos of people who were being led away by police, people whose crime was waiting to see our delegation, people whose crime was raising their hands up and making a "V" sign.

Albanian radio and TV programs and stations have been shut down; 6,000 Albanians have been fired because of their political views and open support of democracy.

Albanian doctors have also lost their jobs and have been replaced by Serbians who cannot communicate with their Albanian patients.

An Albanian labor leader is in jail for calling a strike. In fact, I think since this was written his deputy has also been jailed for the same reason. The list goes on and on. The Albanians in Kosova do not have freedom of assembly, do not have freedom of speech, do not have freedom of the press. Yet, the hardline Serbian authorities deny that the rights of Albanians are being violated. Instead, they claim that no minority has more rights than the Albanians in Yugoslavia. Moreovoer, this line was echoed by the President of Yugoslavia and other federal officals in Belgrade.

While in Pristina, we also met with representatives of the Serbian community in Kosova, including clergy from the Serbian orthodox church.

We made it clear that we did not come to Kosova to advocate a particular view or ethnic group, but to show support for democarcy, human rights and individual rights for all the people of Kosova and for all the people of Yugoslavia, or any other country where we may have been visiting.

It was clear from our meeting with the Serbs of Kosova that tensions are high and that the policestate atmosphere is wearing heavy on their community, as well.

Our delegation has been back for 2 weeks and nothing has changed; Communist repression lives on in Kosova. But, it is not only directed toward those who live there, but toward American citizens, as well.

Upon our return, we learned that on the day our delegation visited Pristina, A 19-year-old American was arrested by Serbian police in Pristina—Shaban Kastrati was born in the United States; his mother is Croatian and his father is an Albanian from Kosova. Shaban was visiting his grandparents and on August 29—the day of our visit—was riding in a car with his relatives when the car was pulled over by police who demanded identification. When the policeman saw Shaban's U.S. passport, he struck him and arrested him. Since that day, Shaban Kastrati has been serving a 60-day sentence in a prison near Pristina, under what our State Department believes are false charges. Although our ambassador has delivered protests to the Serbian Government, these diplomatic protests have yielded no results.

Mr. President, 4 months ago Senator PELL and I cosponsored a sense-of-Congress resolution on human rights abuses against the Albanian population in Kosova. In June, the Senate Foreign Relations Committee reported the resolution out. It has been on the calendar ever since, but some of my colleagues have blocked action on it.

Mr. President, now is the time to act on this resolution. Now is the time to take a strong and vocal stand in support of human rights and democracy in Yugoslavia. Now is the time to choose sides—not against any of the nations who make up Yugoslavia, any of the provinces, but against Communist tyranny.

We have to think not only of the suffering people of Kosova, but of Shaban Kastrati, as well. Albanians, Croatians, Slovenes, and Serbs all deserve the freedoms that come with democracy. And American citizens who travel to Yugoslavia deserve to have their rights respected.

Mr. President, the situation in Kosova is worsening. Seven Senators got a firsthand look at the grim reality of life in Kosova. The Serbian Government is running a police state with the acquiescence of the Federal Government of Yugoslavia. The United States cannot sit this out on the sidelines, we have a moral obligation to take a strong stand in defense of the individual rights of Albanians and all of the people of Yugoslavia.

In the coming days, I will be in touch will those Senators who do not wish the Congress to voice its concerns about the tragic human rights situation in Kosova.

But, I urge my colleagues, especially the skeptical ones to go to Kosova—to see for themselves—the grim reality there. Six Senators traveled with me—none were aware of the situation in Kosova prior to our trip—all returned gravely concerned about the human rights abuses there and with the view that the United States must speak out clearly on this tragedy.

Mr. President, I ask unanimous consent that a copy of the resolution that is printed on the calendar be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. CON. RES. 124

Whereas recent events in Eastern Europe underscore the need for a strong United States role in the promotion of human rights and democracy throughout the region;

Whereas the human rights situation in certain areas of Yugoslavia, particularly in the Socialist Autonomous Province of Kosova, has deteriorated while other countries in Eastern Europe are embracing democratic freedoms and fundamental rights;

Whereas the Department of State's Country Reports on Human Rights Practices for 1989 cites many human rights practices in Yugoslavia that violate internationally accepted human rights standards, including infringement upon and abrogation of the rights of assembly and fair trial, freedom of speech, and freedom of the press;

Whereas the Country Reports also document that these human rights violations are targeted against certain ethnic groups and regions, particularly against the ethnic Albanian population of the Province of Kosova and to a lesser extent the ethnic Albanian population of the Republic of Macedonia;

Whereas the Government of the Yugoslav Republic of Serbia abrogated the autonomous status of the Socialist Autonomous Province of Kosova in March 1989 against the clear wishes of the ethnic Albanian population of that Province, which comprise the overwhelming majority of the population of that Province;

Whereas these serious and continuing human rights violations, in addition to the continued denial of autonomous status to the Province of Kosova, have precipitated a severe and continuing ethnic crisis in southern Yugoslavia;

Whereas the Albanian majority of Kosova have been denied the right to free trial and other civil rights;

Whereas the democratic movements in Kosova have attracted large numbers of Albanian supporters despite the severe restrictions on human rights and the democratic process;

Whereas the Government of Yugoslavia and the Government of the Republic of Serbia have responded through the use of force to suppress Albanian dissent which has arisen in opposition to these intolerable conditions;

Whereas the use of force by the Government of Yugoslavia and the Government of the Republic of Serbia has led to indiscriminate killing and brutal treatment of peaceful Albanian demonstrators by the police, mass arbitrary arrest and detention of Albanians, summary trial and imprisonment of Albanian peasants and workers, the banning of Abanian demonstrations and strikes, and the silencing of Albanian journalists and broadcasters; and

Whereas these human rights abuses and the abridgement of the civil rights of ethnic Albanians violate the principles of the Universal Declaration of Human Rights and the political obligations undertaken by the Government of Yugoslavia as a signatory to the Helsinki Final Act: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) expresses grave concern about the human rights abuses by the Government of Yugoslavia and the Government of the Republic of Serbia;

(2) urges the Government of Yugoslavia and the Government of the Republic of Serbia to cease the use of force in the Province of Kosova and to protect basic human rights and fundamental freedoms;

(3) urges the Government of Yugoslavia to investigate the indiscriminate killing of civilians by police forces;

(4) Welcomes the decision of the Presidency of Yugoslavia to lift the state of emergency in the province of Kosova and the decision of the Yugoslav courts to acquit Azam Vlasi and thirteen other ethnic Albanian defendants of all charges against them;

(5) urges the Government of Yugoslavia and the Government of the Republic of Serbia to ensure that the lifting of the state of emergency results in the full restoration of freedoms curtailed under the state of emergency;

(6) urges the Government of Yugoslavia and the Government of the Republic of Serbia to restore full autonomous status to the Socialist Province of Kosova;

(7) urges the Government of Republic of Serbia to begin a genuine dialogue with the recently formed Democratic Alliance Movement and other democratic forces in the Province of Kosova in the interests of resolving the political and economic crisis in that Province;

(8) urges the Government of Yugoslavia to observe fully its obligations under the Helsinki Final Act to assure full protection of the human and civil rights of the Albanian nationality and all other national groups in Yugoslavia;

(9) requests the Department of State to monitor more closely and on-site the human rights conditions in Yugoslavia;

(10) requests the President to express the concerns of the Congress about the situation in the Province of Kosova and the increase in human rights violations in other areas of Yugoslavia at the highest levels of the Government of Yugoslavia;

(11) urges the Government of the Republic of Serbia to begin a genuine dialogue with the recently formed political parties and other democratic forces in Serbia in the interest of resolving the political and economic crisis in Yugoslavia; and

(12) urges the Government of Yugoslavia and the Government of the Republic of Serbia to allow free and fair democratic elections throughout Yugoslavia at all levels of government.

RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS ACT, 1991

Mr. BURDICK. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar 835, H.R. 5268, the agriculture appropriations bill.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 5268) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1991, and other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Appropriations, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italics.)

H.R. 5268

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1991, and for other purposes; namely:

TITLE I—AGRICULTURAL PROGRAMS

PRODUCTION, PROCESSING AND MARKETING

OFFICE OF THE SECRETARY

For necessary expenses of the Office of the Secretary of Agriculture, and not to exceed $50,000 for employment under 5 U.S.C. 3109, $1,943,000: *Provided,* That not to exceed $8,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Secretary.

OFFICE OF THE DEPUTY SECRETARY

For necessary expenses of the Office of the Deputy Secretary of Agriculture, including not to exceed $25,000 for employment under 5 U.S.C. 3109, $477,000: *Provided,* That not to exceed $3,000 of this amount shall be available for official reception and representation expenses, not otherwise provided for, as determined by the Deputy Secretary.

OFFICE OF BUDGET AND PROGRAM ANALYSIS

For necessary expenses of the Office of Budget and Program Analysis, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $5,000 is for employment under 5 U.S.C. 3109, $4,971,000.

OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION

For necessary expenses of the Office of the Assistant Secretary for Administration to carry out the programs funded in this Act, $544,000.

RENTAL PAYMENTS (USDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Department of Agriculture which are included in this Act, $49,305,000, of which $3,000,000 shall be retained by the Department of Agriculture for non-recurring repairs as determined by the Department of Agriculture: *Provided,* That in the event an agency within the Department of Agriculture should require modification of space needs, the Secretary of Agriculture may transfer a share of that agency's appropriation made available by this Act to this appropriation, or may transfer a share of this appropriation to that agency's appropriation, but such transfers shall not exceed 10 per centum of the funds made available for space rental and related costs to or from this account.

BUILDING OPERATIONS AND MAINTENANCE

For the operation, maintenance, and repair of Agriculture buildings pursuant to

the delegation of authority from the Administrator of General Services authorized by 40 U.S.C. 486, $25,093,000.

ADVISORY COMMITTEES (USDA)

For necessary expenses for activities of Advisory Committees of the Department of Agriculture which are included in this Act, $1,407,000: *Provided,* That no other funds appropriated to the Department of Agriculture in this Act shall be available to the Department of Agriculture for support of activities of Advisory Committees.

HAZARDOUS WASTE MANAGEMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Department of Agriculture, except for expenses of the Commodity Credit Corporation, to comply with the requirement of section 107g of the Comprehensive Environmental Response, Compensation, and Liability Act, as amended, 42 U.S.C. 9607g, and section 6001 of the Resource Conservation and Recovery Act, as amended, 42 U.S.C. 6961, $24,757,000, to remain available until expended: *Provided,* That appropriations and funds available herein to the Department of Agriculture for hazardous waste management may be transferred to any agency of the Department for its use in meeting all requirements pursuant to the above Acts on Federal and non-Federal lands.

DEPARTMENTAL ADMINISTRATION

(INCLUDING TRANSFERS OF FUNDS)

For Personnel, Finance and Management, Operations, Information Resources Management, Advocacy and Enterprise, and Administrative Law Judges and Judicial Officer, $23,002,000; and in addition, for payment of the USDA share of the National Communications System, $50,000; making a total of $23,052,000 for Departmental Administration to provide for necessary expenses for management support services to offices of the Department of Agriculture and for general administration and emergency preparedness of the Department of Agriculture, repairs and alterations, and other miscellaneous supplies and expenses not otherwise provided for and necessary for the practical and efficient work of the Department of Agriculture, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 is for employment under 5 U.S.C. 3109: *Provided,* That this appropriation shall be reimbursed from applicable appropriations in this Act for travel expenses incident to the holding of hearings as required by 5 U.S.C. 551-558.

WORKING CAPITAL FUND

To increase the Government's equity in this fund and to provide for the purchase of automated data processing, data communication, and other related equipment necessary for the provision of Departmental centralized services to the agencies, $3,750,000 (7 U.S.C. 2235).

OFFICE OF THE ASSISTANT SECRETARY FOR CONGRESSIONAL RELATIONS

For necessary expenses of the Office of the Assistant Secretary for Congressional Relations to carry out the programs funded in this Act, $1,095,000.

OFFICE OF PUBLIC AFFAIRS

For necessary expenses to carry on services relating to the coordination of programs involving public affairs, and for the dissemination of agricultural information and the coordination of information, work and programs authorized by Congress in the Department, $8,442,000 including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which not to exceed $10,000 shall be available for employment under 5 U.S.C. 3109, and not to exceed $2,000,000 may be used for farmers' bulletins and not fewer than two hundred thirty-two thousand two hundred and fifty copies for the use of the Senate and House of Representatives of part 2 of the annual report of the Secretary (known as the Yearbook of Agriculture) as authorized by 44 U.S.C. 1301: *Provided,* That in the preparation of motion pictures or exhibits by the Department, this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

INTERGOVERNMENTAL AFFAIRS

For necessary expenses for programs involving intergovernmental affairs and liaison within the executive branch, $440,000.

OFFICE OF THE INSPECTOR GENERAL

For necessary expenses of the Office of the Inspector General, including employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and the Inspector General Act of 1978, as amended, $55,580,000, including such sums as may be necessary for contracting and other arrangements with public agencies and private persons pursuant to section 6(a)(8) of the Inspector General Act of 1978, as amended, and including a sum not to exceed $50,000 for employment under 5 U.S.C. 3109; and including a sum not to exceed $95,000 for certain confidential operational expenses including the payment of informants, to be expended under the direction of the Inspector General pursuant to Public Law 95-452 and section 1337 of Public Law 97-98.

OFFICE OF THE GENERAL COUNSEL

For necessary expenses of the Office of the General Counsel, $23,130,000.

OFFICE OF THE ASSISTANT SECRETARY FOR ECONOMICS

For necessary expenses of the Office of the Assistant Secretary for Economics to carry out the programs funded in this Act, $529,000.

ECONOMIC RESEARCH SERVICE

For necessary expenses of the Economic Research Service in conducting economic research and service relating to agricultural production, marketing, and distribution, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and other laws, including economics of marketing; analyses relating to farm prices, income and population, and demand for farm products, use of resources in agriculture, adjustments, costs and returns in farming, and farm finance; research relating to the economic and marketing aspects of farmer cooperatives; and for analysis of supply and demand for farm products in foreign countries and their effect on prospects for United States exports, progress in economic development and its relation to sales of farm products, assembly and analysis of agricultural trade statistics and analysis of international financial and monetary programs and policies as they affect the competitive position of United States farm products, $54,400,000; of which $500,000 shall be available for investigation, determination and finding as to the effect upon the production of food and upon the agricultural economy of any proposed action affecting such subject matter pending before the Administrator of the Environmental Protection Agency for presentation, in the public interest, before said Administrator, other agencies or before the courts: *Provided,* That this appropriation shall be available to continue to gather statistics and conduct a special study on the price spread between the farmer and the consumer: *Provided further,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225): *Provided further,* That this appropriation shall be available for analysis of statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis.

NATIONAL AGRICULTURAL STATISTICS SERVICE

For necessary expenses of the National Agricultural Statistics Service in conducting statistical reporting and service work, including crop and livestock estimates, statistical coordination and improvements, and marketing surveys, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627) and other laws, $76,451,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109.

WORLD AGRICULTURAL OUTLOOK BOARD

For necessary expenses of the World Agricultural Outlook Board to coordinate and review all commodity and aggregate agricultural and food data used to develop outlook and situation material within the Department of Agriculture, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1622g), $2,196,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

OFFICE OF THE ASSISTANT SECRETARY FOR SCIENCE AND EDUCATION

For necessary salaries and expenses of the Office of the Assistant Secretary for Science and Education to administer the laws enacted by the Congress for the Agricultural Research Service, Cooperative State Research Service, Extension Service, and National Agricultural Library, $512,000.

AGRICULTURAL RESEARCH SERVICE

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to enable the Agricultural Research Service to perform agricultural research and demonstration relating to production, utilization, marketing, and distribution (not otherwise provided for), home economics or nutrition and consumer use, and for acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100, [$631,208,000] *$612,495,000*: *Provided,* That appropriations hereunder shall be available for temporary employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $115,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That funds appropriated herein can be used to provide financial assistance to the organizers of national and international conferences, if such conferences are in support of agency programs: *Provided further,* That appropriations hereunder shall be available for the operation and maintenance of aircraft and the purchase of not to exceed one for replacement only: *Provided further,*

That uniform allowances for each uniformed employee of the Agricultural Research Service shall not be in excess of $400 annually: *Provided further,* That appropriations hereunder shall be available to conduct marketing research: *Provided further,* That appropriations hereunder shall be available pursuant to 7 U.S.C. 2250 for the construction, alteration, and repair of buildings and improvements, but unless otherwise provided the cost of constructing any one building shall not exceed $250,000, except for headhouses or greenhouses which shall each be limited to $1,000,000, and except for ten buildings to be constructed or improved at a cost not to exceed $500,000 each, and the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building or $250,000, whichever is greater: *Provided further,* That the limitations on alterations contained in this Act shall not apply to modernization or replacement of existing facilities at Beltsville, Maryland: *Provided further,* That the foregoing limitations shall not apply to replacement of buildings needed to carry out the Act of April 24, 1948 (21 U.S.C. 113a): *Provided further,* That the foregoing limitations on purchase of land shall not apply to the purchase of land at Kimberly, Idaho: *Provided further,* That not to exceed $190,000 of this appropriation may be transferred to and merged with the appropriation for the Office of the Assistant Secretary for Science and Education for the scientific review of international issues involving agricultural chemicals and food additives: *Provided further,* That funds may be received from any State, other political subdivision, organization, or individual for the purpose of establishing or operating any research facility or research project of the Agricultural Research Service, as authorized by law.

Special fund: To provide for additional labor, subprofessional, and junior scientific help to be employed under contracts and cooperative agreements to strengthen the work at Federal research installations in the field, $2,500,000.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities as necessary to carry out the agricultural research programs of the Department of Agriculture, where not otherwise provided, [$26,039,000] *$65,122,000*: *Provided,* That facilities to house Bonsai collections at the National Arboretum may be constructed with funds accepted under the provisions of Public Law 94-129 (20 U.S.C. 195) and the limitation on construction contained in the Act of August 24, 1912 (40 U.S.C. 68) shall not apply to the construction of such facilities.

COOPERATIVE STATE RESEARCH SERVICE

For payments to agricultural experiment stations, for cooperative forestry and other research, for facilities, and for other expenses, including [$163,327,000] *$161,260,000* to carry into effect the provisions of the Hatch Act approved March 2, 1887, as amended, including administration by the United States Department of Agriculture, and penalty mail costs of agricultural experiment stations under section 6 of the Hatch Act of 1887, as amended, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); [$13,494,000] *$18,361,000* for grants for cooperative forestry research under the Act approved October 10, 1962 (16 U.S.C. 582a-582-a7), as amended by Public Law 92-318 approved June 23, 1972, including administrative expenses, and payments under section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.); $26,346,000 for payments to the 1890 land-grant colleges, including Tuskegee University, for research under section 1445 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (Public Law 95-113), as amended, including administration by the United States Department of Agriculture, and penalty mail costs of the 1890 land-grant colleges including Tuskegee University; [$56,909,000] *$56,811,000* for contracts and grants for agricultural research under the Act of August 4, 1965, as amended (7 U.S.C. 450i); $73,000,000 for competitive research grants including administrative expenses; [$5,695,000 for the support of animal health and disease programs authorized by section 1433 of Public Law 95-113, including administrative expenses; $918,000] *$1,418,000* for supplemental and alternative crops and products as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3319d); [$500,000] *$800,000* for grants for research and construction of facilities to conduct research pursuant to the Critical Agricultural Materials Act of 1984 (7 U.S.C. 178); and section 1472 of the Food and Agriculture Act of 1977, as amended (7 U.S.C. 3318), to remain available until expended; $475,000 for rangeland research grants as authorized by subtitle M of the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended; [$7,000,000] *$7,500,000* for higher education grants under section 1417(a) of Public Law 95-113, as amended (7 U.S.C. 3152(a)); $3,750,000 for grants as authorized by section 1475 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 and other Acts; [$2,227,000] *$5,000,000* for grants to States for the operation of international trade development centers, as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977, as amended (7 U.S.C. 3292); [$4,450,000] *$9,000,000* for low-input agriculture as authorized by the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 4701-4710); and [$14,985,000] *$16,245,000* for necessary expenses of Cooperative State Research Service activities, including coordination and program leadership for higher education work of the Department, administration of payments to State agricultural experiment stations, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), of which $8,250,000 shall be for a program of capacity building grants to colleges eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321-326 and 328), including Tuskegee University, of which and not to exceed $100,000 shall be for employment under 5 U.S.C. 3109; in all, [$373,076,000] *$379,966,000*.

BUILDINGS AND FACILITIES

For acquisition of land, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities and for grants to States and other eligible recipients for such purposes, as necessary to carry out the agricultural research, extension and teaching programs of the Department of Agriculture, where not otherwise provided, [$45,361,000] *$67,758,000*.

EXTENSION SERVICE

Payments to States, Puerto Rico, Guam, the Virgin Islands, Micronesia, Northern Marianas and American Samoa: For payments for cooperative agricultural extension work under the Smith-Lever Act, as amended, to be distributed under sections 3(b) and 3(c) of said Act, for retirement and employees' compensation costs for extension agents and for costs of penalty mail for cooperative extension agents and State extension directors, [$253,858,000] *$251,358,000*; payments for the nutrition and family education program for low-income areas under section 3(d) of the Act, $60,525,000; [payments for the urban gardening program under section 3(d) of the Act, $3,640,000;] payments for the pest management program under section 3(d) of the Act, $7,450,000; payments for the farm safety program under section 3(d) of the Act, [$970,000] *$2,470,000*; payments for the pesticide impact assessment program under section 3(d) of the Act, [$3,080,000] *$3,380,000*; grants to upgrade 1890 land-grant college extension facilities as authorized by section 1416 of Public Law 99-198, $9,508,000, to remain available until expended; payments for the rural development centers under section 3(d) of the Act, $950,000; payments for extension work under section 209(c) of Public Law 93-471, $991,000; payments for a groundwater quality program under section 3(d) of the Act, $10,375,000; [payments for a financial management assistance program under section 3(d) of the Act, $750,000;] for special grants for financially stressed farmers and dislocated farmers as authorized by Public Law 100-219, [$1,750,000] *$3,350,000*; payments for youth-at-risk programs under section 3(d) of the Act, $7,500,000; [payments for a food safety program under section 3(d) of the Act, $1,500,000;] *payments for Indian reservation agents under section 3(d) of the Act, $4,000,000; payments for carrying out the provisions of the Renewable Resources Extension Act of 1978 under 3(d) of the Act, $2,765,000;* and payments for extension work by the colleges receiving the benefits of the second Morrill Act (7 U.S.C. 321-326, 328) and Tuskegee University, [$22,880,000] *$22,709,000*; in all, [$385,727,000] *$387,331,000*, of which not less than $79,400,000 is for Home Economics: *Provided,* That funds hereby appropriated pursuant to section 3(c) of the Act of June 26, 1953, and section 506 of the Act of June 23, 1972, as amended, shall not be paid to any State, Puerto Rico, Guam, or the Virgin Islands, Micronesia, Northern Marianas, and American Samoa prior to availability of an equal sum from non-Federal sources for expenditure during the current fiscal year.

Federal administration and coordination: For administration of the Smith-Lever Act, as amended, and the Act of September 29, 1977 (7 U.S.C. 341-349), as amended, and section 1361(c) of the Act of October 3, 1980 (7 U.S.C. 301n.), and to coordinate and provide program leadership for the extension work of the Department and the several States and insular possessions, [$8,150,000] *$8,146,000*, of which not less than $2,300,000 is for Home Economics.

NATIONAL AGRICULTURAL LIBRARY

For necessary expenses of the National Agricultural Library, [$16,373,000] *$16,423,000*: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $35,000 shall be

available for employment under 5 U.S.C. 3109: *Provided further,* That not to exceed $675,000 shall be available pursuant to 7 U.S.C. 2250 for the alteration and repair of buildings and improvements: *Provided further, That $425,000 shall be available for a grant pursuant to section 1472 of the National Agricultural, Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3818), in addition to other funds available in this appropriation for grants under this section.*

OFFICE OF THE ASSISTANT SECRETARY FOR MARKETING AND INSPECTION SERVICES

For necessary salaries and expenses of the Office of the Assistant Secretary for Marketing and Inspection Services to administer programs under the laws enacted by the Congress for the Animal and Plant Health Inspection Service, Food Safety and Inspection Service, Federal Grain Inspection Service, Agricultural Cooperative Service, Agricultural Marketing Service (including Office of Transportation) and Packers and Stockyards Administration, $497,000.

ANIMAL AND PLANT HEALTH INSPECTION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For expenses, not otherwise provided for, including those pursuant to the Act of February 28, 1947, as amended (21 U.S.C. 114b-c), necessary to prevent, control, and eradicate pests and plant and animal diseases; to carry out inspection, quarantine, and regulatory activities; to discharge the authorities of the Secretary of Agriculture under the Act of March 2, 1931 (46 Stat. 1468; 7 U.S.C. 426-426b); and to protect the environment, as authorized by law, [$380,266,000] *$381,120,000,* of which $4,500,000 shall be available for the control of outbreaks of insects, plant diseases, animal diseases and for control of pest animals and birds to the extent necessary to meet emergency conditions: *Provided,* That $1,000,000 of the funds for control of the fire ant shall be placed in reserve for matching purposes with States which may come into the program: *Provided further,* That no funds shall be used to formulate or administer a brucellosis eradication program for the current fiscal year that does not require minimum matching by the States of at least 40 per centum: *Provided further,* That this appropriation shall be available for field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $40,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That this appropriation shall be available for the operation and maintenance of aircraft and the purchase of not to exceed four, of which two shall be for replacement only: *Provided further,* That uniform allowances for each uniformed employee of the Animal and Plant Health Inspection Service shall not be in excess of $400 annually: *Provided further,* That, in addition, in emergencies which threaten any segment of the agricultural production industry of this country, the Secretary may transfer from other appropriations or funds available to the agencies or corporations of the Department such sums as he may deem necessary, to be available only in such emergencies for the arrest and eradication of contagious or infectious disease or pests of animals, poultry, or plants, and for expenses in accordance with the Act of February 28, 1947, as amended, and section 102 of the Act of September 21, 1944, as amended, and any unexpended balances of funds transferred for such emergency purposes in the next preceding fiscal year shall be merged with such transferred amounts.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment or facilities, as authorized by 7 U.S.C. 2250, and acquisition of land as authorized by 7 U.S.C. 428a, [$21,396,000] *$25,396,000.*

FOOD SAFETY AND INSPECTION SERVICE

For necessary expenses to carry on services authorized by the Federal Meat Inspection Act, as amended, and the Poultry Products Inspection Act, as amended, $440,882,000: *Provided,* That this appropriation shall be available for field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $75,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building.

FEDERAL GRAIN INSPECTION SERVICE

SALARIES AND EXPENSES

For necessary expenses to carry out the provisions of the United States Grain Standards Act, as amended, and the standardization activities related to grain under the Agricultural Marketing Act of 1946, as amended, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $20,000 for employment under 5 U.S.C. 3109, $9,706,000: *Provided,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building: *Provided further,* That none of the funds provided by this Act may be used to pay the salaries of any person or persons who require, or who authorize payments from fee-supported funds to any person or persons who require nonexport, nonterminal interior elevators to maintain records not involving official inspection or official weighing in the United States under Public Law 94-582 other than those necessary to fulfill the purposes of such Act.

INSPECTION AND WEIGHING SERVICES

LIMITATION ON INSPECTION AND WEIGHING SERVICES EXPENSES

Not to exceed $37,164,000 (from fees collected) shall be obligated during the current fiscal year for Inspection and Weighing Services: *Provided,* That if grain export activities require additional supervision and oversight, or other uncontrollable factors occur, this limitation may be exceeded by up to 10 per centum with notification to the Appropriations Committees.

AGRICULTURAL COOPERATIVE SERVICE

For necessary expenses to carry out the Cooperative Marketing Act of July 2, 1926 (7 U.S.C. 451-457), and for activities relating to the marketing aspects of cooperatives, including economic research and analysis and the application of economic research findings, as authorized by the Agricultural Marketing Act of 1946 (7 U.S.C. 1621-1627), and for activities with institutions or organizations throughout the world concerning the development and operation of agricultural cooperatives (7 U.S.C. 3291), $4,864,000; of which $99,000 shall be available for a field office in Hawaii: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $15,000 shall be available for employment under 5 U.S.C. 3109.

AGRICULTURAL MARKETING SERVICE

MARKETING SERVICES

For necessary expenses to carry on services related to consumer protection, agricultural marketing and distribution and regulatory programs as authorized by law, and for administration and coordination of payments to States; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $70,000 for employment under 5 U.S.C. 3109, $47,914,000; of which not less than $1,934,000 shall be available for the Wholesale Market Development Program for the design and development of wholesale and farmer market facilities for the major metropolitan areas of the country: *Provided,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during the fiscal year shall not exceed 10 per centum of the current replacement value of the building.

LIMITATION ON ADMINISTRATIVE EXPENSES

Not to exceed $40,162,000 (from fees collected) shall be obligated during the current fiscal year for administrative expenses: *Provided,* That if crop size is understated and/or other uncontrollable events occur, the Agency may exceed this limitation by up to 10 per centum with notification to the Appropriations Committees.

FUNDS FOR STRENGTHENING MARKETS, INCOME, AND SUPPLY (SECTION 32)

(INCLUDING TRANSFERS OF FUNDS)

Funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c) shall be used only for commodity program expenses as authorized therein, and other related operating expenses, except for: (1) transfers to the Department of Commerce as authorized by the Fish and Wildlife Act of August 8, 1956; (2) transfers otherwise provided in this Act; and (3) not more than $8,255,000 for formulation and administration of Marketing Agreements and Orders pursuant to the Agricultural Marketing Agreement Act of 1937, as amended, and the Agricultural Act of 1961.

PAYMENTS TO STATES AND POSSESSIONS

For payments to departments of agriculture, bureaus and departments of markets, and similar agencies for marketing activities under section 204(b) of the Agricultural Marketing Act of 1946 (7 U.S.C. 1623(b)), $1,250,000.

OFFICE OF TRANSPORTATION

For necessary expenses to carry on services related to agricultural transportation programs as authorized by law; including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $20,000 for employment under 5 U.S.C. 3109, $2,429,000: *Provided,* That this appropriation shall be available pursuant to law (7 U.S.C. 2250) for the alteration and repair of buildings and improvements, but, unless otherwise provided, the cost of altering any one building during

the fiscal year shall not exceed 10 per centum of the current replacement value of the building.

PACKERS AND STOCKYARDS ADMINISTRATION

For necessary expenses for administration of the Packers and Stockyards Act, as authorized by law, and for certifying procedures used to protect purchasers of farm products, including field employment pursuant to section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $5,000 for employment under 5 U.S.C. 3109, $10,687,000.

FARM INCOME STABILIZATION

OFFICE OF THE UNDER SECRETARY FOR INTERNATIONAL AFFAIRS AND COMMODITY PROGRAMS

For necessary salaries and expenses of the Office of the Under Secretary for International Affairs and Commodity Programs to administer the laws enacted by Congress for the Agricultural Stabilization and Conservation Service, Office of International Cooperation and Development, Foreign Agricultural Service, and the Commodity Credit Corporation, $506,000.

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary administrative expenses of the Agricultural Stabilization and Conservation Service, including expenses to formulate and carry out programs authorized by title III of the Agricultural Adjustment Act of 1938, as amended (7 U.S.C. 1301-1393); the Agricultural Act of 1949, as amended (7 U.S.C. 1421 et seq.); sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q); sections 1001 to 1004, 1006 to 1008, and 1010 of the Agricultural Act of 1970 as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501 to 1504, 1506 to 1508, and 1510); the Water Bank Act, as amended (16 U.S.C. 1301-1311); the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101); sections 202(c) and 205 of title II of the Colorado River Basin Salinity Control Act of 1974, as amended (43 U.S.C. 1592(c), 1595); sections 401, 402, and 404 to 406 of the Agricultural Credit Act of 1978 (16 U.S.C. 2201 to 2205); the United States Warehouse Act, as amended (7 U.S.C. 241-273); and laws pertaining to the Commodity Credit Corporation, not to exceed $630,406,000, to be derived by transfer from the Commodity Credit Corporation fund: *Provided*, That other funds made available to the Agricultural Stabilization and Conservation Service for authorized activities may be advanced to and merged with this account: *Provided further*, That these funds shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $100,000 shall be available for employment under 5 U.S.C. 3109: *Provided further*, That no part of the funds made available under this Act shall be used (1) to influence the vote in any referendum; (2) to influence agricultural legislation, except as permitted in 18 U.S.C. 1913; or (3) for salaries or other expenses of members of county and community committees established pursuant to section 8(b) of the Soil Conservation and Domestic Allotment Act, as amended, for engaging in any activities other than advisory and supervisory duties and delegated program functions prescribed in administrative regulations.

DAIRY INDEMNITY PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses involved in making indemnity payments to dairy farmers for milk or cows producing such milk and manufacturers of dairy products who have been directed to remove their milk or dairy products from commercial markets because it contained residues of chemicals registered and approved for use by the Federal Government, and in making indemnity payments for milk, or cows producing such milk, at a fair market value to any dairy farmer who is directed to remove his milk from commercial markets because of (1) the presence of products of nuclear radiation or fallout if such contamination is not due to the fault of the farmer, or (2) residues of chemicals or toxic substances not included under the first sentence of the Act of August 13, 1968, as amended (7 U.S.C. 450j), if such chemicals or toxic substances were not used in a manner contrary to applicable regulations or labeling instructions provided at the time of use and the contamination is not due to the fault of the farmer, $5,000: *Provided*, That none of the funds contained in this Act shall be used to make indemnity payments to any farmer whose milk was removed from commercial markets as a result of his willful failure to follow procedures prescribed by the Federal Government: *Provided further*, That this amount shall be transferred to the Commodity Credit Corporation: *Provided further*, That the Secretary is authorized to utilize the services, facilities, and authorities of the Commodity Credit Corporation for the purpose of making dairy indemnity disbursement.

CORPORATIONS

The following corporations and agencies are hereby authorized to make expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the budget for the current fiscal year for such corporation or agency, except as hereinafter provided:

FEDERAL CROP INSURANCE CORPORATION

ADMINISTRATIVE AND OPERATING EXPENSES

For administrative and operating expenses, as authorized by the Federal Crop Insurance Act, as amended (7 U.S.C. 1516), [$101,579,000] *$325,857,000*: *Provided*, That not to exceed $700 shall be available for official reception and representation expenses, as authorized by 7 U.S.C. 1506(i).

FEDERAL CROP INSURANCE CORPORATION FUND

For payments as authorized by section 508(b) of the Federal Crop Insurance Act, as amended, [$162,939,000] *$337,365,000*, of which up to $117,368,000 is to reimburse the Federal Crop Insurance Corporation Fund for agents' commission and loss adjustment obligations incurred during prior years, but not previously reimbursed, as provided for under the provisions of section 516(a) of the Act.

COMMODITY CREDIT CORPORATION

REIMBURSEMENT FOR NET REALIZED LOSSES

For fiscal year 1991, such sums as may be necessary to reimburse the Commodity Credit Corporation for net realized losses sustained, but not previously reimbursed (estimated to be $6,100,000,000 in the President's fiscal year 1991 Budget Request (H. Doc. 101-122)), but not to exceed $5,000,000,000, pursuant to section 2 of the Act of August 17, 1961, as amended (15 U.S.C. 713a-11).

Such funds are appropriated to reimburse the Corporation to restore losses incurred during prior fiscal years. Such losses for fiscal years 1989 and 1990 include $566,000,000 in connection with carrying out the Export Enhancement Program (EEP), $200,000,000 in connection with carrying out the Targeted Export Assistance Program (TEA), $150,000,000 in connection with carrying out the Federal Crop Insurance Program, $472,326,000 in connection with domestic donations, $208,412,000 in connection with export donations, and $3,403,262,000 in connection with carrying out the commodity programs.

SHORT-TERM EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than $5,000,000,000 in credit guarantees under its export credit guarantee program for short-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 1125(b) of the Food Security Act of 1985 (Public Law 99-198).

INTERMEDIATE EXPORT CREDIT

The Commodity Credit Corporation shall make available not less than $500,000,000 in credit guarantees under its export guarantee program for intermediate-term credit extended to finance the export sales of United States agricultural commodities and the products thereof, as authorized by section 1131(3)(B) of the Food Security Act of 1985 (Public Law 99-198).

GENERAL SALES MANAGER

(INCLUDING TRANSFERS OF FUNDS)

Not to exceed $7,803,000 may be transferred from the Commodity Credit Corporation funds to support the General Sales Manager, of which up to $4,000,000 shall be available only for the purpose of selling surplus agricultural commodities from Commodity Credit Corporation inventory in world trade at competitive prices for the purpose of regaining and retaining our normal share of world markets. The General Sales Manager shall report directly to the Secretary of Agriculture. The General Sales Manager shall obtain, assimilate, and analyze all available information on developments related to private sales, as well as those funded by the Corporation, including grade and quality as sold and as delivered, including information relating to the effectiveness of greater reliance by the General Sales Manager upon loan guarantees as contrasted to direct loans for financing commercial export sales of agricultural commodities out of private stocks on credit terms, as provided in titles I and II of the Agricultural Trade Act of 1978, Public Law 95-501, and shall submit quarterly reports to the appropriate committees of Congress concerning such developments.

TITLE II—RURAL DEVELOPMENT PROGRAMS

RURAL DEVELOPMENT ASSISTANCE

OFFICE OF THE UNDER SECRETARY FOR SMALL COMMUNITY AND RURAL DEVELOPMENT

For necessary salaries and expenses of the Office of the Under Secretary for Small Community and Rural Development to administer programs under the laws enacted by the Congress for the Farmers Home Administration, Rural Electrification Administration, Federal Crop Insurance Corpora-

tion, and rural development activities of the Department of Agriculture, $530,000.

FARMERS HOME ADMINISTRATION

RURAL HOUSING INSURANCE FUND

From funds in the Rural Housing Insurance Fund, and for insured and guaranteed loans as authorized by title V of the Housing Act of 1949, as amended, [$2,014,340,000] *$1,942,823,000,* of which not less than [$1,963,740,000] *$1,892,223,000* shall be for subsidized interest loans to low-income borrowers, as determined by the Secretary, and for subsequent loans to existing borrowers or to purchasers under assumption agreements or credit sales, and for loans to finance sales or transfers to nonprofit organizations or public agencies of not more than 5,000 rental units related to prepayment; and not to exceed $10,000,000 to enter into collection and servicing contracts pursuant to the provisions of section 3(f)(3) of the Federal Claims Act of 1966 (31 U.S.C. 3718). During fiscal year 1991, commitments to guarantee loans may be made only to the extent that the total loan principal, any part of which is to be guaranteed, shall not exceed $100,000,000.

For rental assistance agreements entered into or renewed pursuant to the authority under section 521(a)(2) of the Housing Act of 1949, as amended, total new obligations shall not exceed $308,100,000, to be added to and merged with the authority provided for this purpose in prior fiscal years: *Provided,* That of this amount not less than $128,158,000 is available for newly constructed units financed by section 515 of the Housing Act of 1949, as amended, and not more than $5,214,000 is for newly constructed units financed under sections 514 and 516 of the Housing Act of 1949: *Provided further,* That $174,728,000 is available for expiring agreements and for servicing of existing units without agreements: *Provided further,* That agreements entered into or renewed during fiscal year 1991 shall be funded for a five-year period, although the life of any such agreement may be extended to fully utilize amounts obligated: *Provided further,* That agreements entered into or renewed during fiscal years 1987, 1988, 1989 and 1990, may also be extended beyond five years to fully utilize amounts obligated.

For an additional amount to reimburse the Rural Housing Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of title V of the Housing Act of 1949, as amended (42 U.S.C. 1483, 1487(e), and 1490a(c)), including $40,000 as authorized by section 521(c) of the Act, also including not to exceed $11,800,000 for debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Act, and not to exceed $10,000 per project for advances to nonprofit organizations or public agencies to cover direct costs (other than purchase price) incurred in purchasing projects pursuant to section 502(c)(5)(C) of the Act; [$2,167,186,000] *$2,667,186,000.* For an additional amount as authorized by section 521(c) of the Act, such sums as may be necessary to reimburse the fund to carry out a rental assistance program under section 521(a)(2) of the Housing Act of 1949, as amended.

SELF-HELP HOUSING LAND DEVELOPMENT FUND

For direct loans pursuant to section 523(b)(1)(B) of the Housing Act of 1949, as amended (42 U.S.C. 1490c), $500,000 shall be available from funds in the Self-Help Housing Land Development Fund.

AGRICULTURAL CREDIT INSURANCE FUND

For direct and guaranteed loans as authorized by 7 U.S.C. 1928-1929, to be available from funds in the Agricultural Credit Insurance Fund, as follows: farm ownership loans, $542,000,000, of which [$475,500,000] *$542,000,000* shall be guaranteed loans; $7,000,000 for water development, use, and conservation loans, of which $1,500,000 shall be guaranteed loans; operating loans, [$3,550,000,000] *$3,450,000,000,* of which $2,600,000,000 shall be guaranteed loans; Indian tribe land acquisition loans as authorized by 25 U.S.C. 488, $1,000,000; for emergency insured and guaranteed loans, $600,000,000 to meet the needs resulting from natural disasters; and for matching grants authorized by section 502(b) of the Agricultural Credit Act of 1987 (7 U.S.C. 5101-5106), [$3,500,000] *$4,000,000.*

For an additional amount to reimburse the Agricultural Credit Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), [$5,620,159,000] *$6,014,356,000.*

RURAL DEVELOPMENT INSURANCE FUND

For direct and guaranteed loans as authorized by 7 U.S.C. 1928 and 86 Stat. 661-664, to be available from funds in the Rural Development Insurance Fund, as follows: water and sewer facility loans, $535,000,000, of which $35,000,000 shall be for guaranteed loans; guaranteed industrial development loans, $100,000,000; and community facility loans, $125,000,000, of which $25,000,000 shall be for guaranteed loans.

For an additional amount to reimburse the Rural Development Insurance Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1988(a)), [$1,466,160,000] *$1,666,160,000.*

RURAL DEVELOPMENT LOAN FUND

For direct loans to intermediary borrowers, [$25,000,000] *$40,000,000,* as authorized under the Rural Development Loan Fund (42 U.S.C. 9812(a)), to be available from funds in the Rural Development Loan Fund, $2,000,000 and from funds appropriated to this account, [$23,000,000] *$38,000,000.*

RURAL WATER AND WASTE DISPOSAL GRANTS

For grants pursuant to sections 306(a)(2) and 306(a)(6) of the Consolidated Farm and Rural Development Act, as amended (7 U.S.C. 1926), $300,000,000, to remain available until expended, pursuant to section 306(d) of the above Act: *Provided,* That these funds shall not be used for any purpose not specified in section 306(a) of the Consolidated Farm and Rural Development Act.

VERY LOW-INCOME HOUSING REPAIR GRANTS

For grants to the very low-income elderly for essential repairs to dwellings pursuant to section 504 of the Housing Act of 1949, as amended, $12,500,000, to remain available until expended.

RURAL HOUSING FOR DOMESTIC FARM LABOR

For financial assistance to eligible nonprofit organizations for housing for domestic farm labor, pursuant to section 516 of the Housing Act of 1949, as amended (42 U.S.C. 1486), $11,000,000, to remain available until expended.

MUTUAL AND SELF-HELP HOUSING

For grants and contracts pursuant to section 523(b)(1)(A) of the Housing Act of 1949 (42 U.S.C. 1490c), $8,750,000.

RURAL COMMUNITY FIRE PROTECTION GRANTS

For grants pursuant to section 7 of the Cooperative Forestry Assistance Act of 1978 (Public Law 95-313), $3,500,000 to fund up to 50 per centum of the cost of organizing, training, and equipping rural volunteer fire departments.

COMPENSATION FOR CONSTRUCTION DEFECTS

For compensation for construction defects as authorized by section 509(c) of the Housing Act of 1949, as amended, $500,000, to remain available until expended.

RURAL HOUSING PRESERVATION GRANTS

For grants for rural housing preservation as authorized by section 552 of the Housing and Urban-Rural Recovery Act of 1983 (Public Law 98-181), $23,000,000.

RURAL DEVELOPMENT GRANTS

For grants authorized under section 310(B)(c) (7 U.S.C. 1932) to any qualified public or private nonprofit organization, [$16,500,000] *$25,000,000*: *Provided,* That $500,000 shall be available for grants to qualified nonprofit organizations to provide technical assistance *and training* for rural communities needing improved passenger transportation systems or facilities in order to promote economic development: *Provided further,* That $2,000,000 shall be available for grants to statewide private, non-profit public television systems in predominantly rural States to provide information and services on rural economics and agriculture.

SOLID WASTE MANAGEMENT GRANTS

For grants for pollution abatement and control projects authorized under section 310(B)(b) (7 U.S.C. 1932) of the Consolidated Farm and Rural Development Act, $3,000,000: *Provided,* That grants made under this section shall be for 100 percent of the cost of such assistance.

EMERGENCY COMMUNITY WATER ASSISTANCE GRANTS

For emergency community water assistance grants as authorized by title V of the Disaster Assistance Act of 1989 (Public Law 101-82), $20,000,000.

OFFICE OF THE ADMINISTRATOR

For necessary salaries and expenses of the Office of the Administrator of the Farmers Home Administration, $600,000: *Provided,* That no other funds in this Act shall be available for this Office.

SALARIES AND EXPENSES

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Farmers Home Administration, not otherwise provided for, in administering the programs authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-2000), as amended; title V of the Housing Act of 1949, as amended (42 U.S.C. 1471-1490o); the Rural Rehabilitation Corporation Trust Liquidation Act, approved May 3, 1950 (40 U.S.C. 440-444), for administering the loan program authorized by title III-A of the Economic Opportunity Act of 1964 (Public Law 88-452 approved August 20, 1964), as amended, and such other programs which the Farmers Home Administration has the responsibility for administering, $439,854,000, together with not more than $3,000,000 of the charges collected in connection with the insurance of loans as authorized by section 309(a) of the Consolidat-

ed Farm and Rural Development Act, as amended, and section 517(i) of the Housing Act of 1949, as amended, or in connection with charges made on borrowers under section 502(a) of the Housing Act of 1949, as amended: *Provided,* That, in addition, not to exceed $1,000,000 of the funds available for the various programs administered by this agency may be transferred to this appropriation for temporary field employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), to meet unusual or heavy workload increases: [*Provided further,* That not to exceed $500,000 of this appropriation may be used for employment under 5 U.S.C. 3109: *Provided further,* That not to exceed [$3,359,000] *$3,700,000* of this appropriation shall be available for contracting with the National Rural Water Association or other equally qualified national organization for a circuit rider program to provide technical assistance for rural water systems: *Provided further,* That, in addition to any other authority that the Secretary may have to defer principal and interest and forego foreclosure, the Secretary may permit, at the request of the borrowers, the deferral of principal and interest on any outstanding loan made, insured, or held by the Secretary under this title, or under the provisions of any other law administered by the Farmers Home Administration, and may forego foreclosure of any such loan, for such period as the Secretary deems necessary upon a showing by the borrower that due to circumstances beyond the borrower's control, the borrower is temporarily unable to continue making payments of such principal and interest when due without unduly impairing the standard of living of the borrower. The Secretary may permit interest that accrues during the deferral period on any loan deferred under this section to bear no interest during or after such period: *Provided,* That, if the security instrument securing such loan is foreclosed, such interest as is included in the purchase price at such foreclosure shall become part of the principal and draw interest from the date of foreclosure at the rate prescribed by law.

CITY OF BURLINGTON

Hereafter, the area within the present city limits of the city of Burlington, Ward County, State of North Dakota, shall be eligible for loans and payments administered by the Farmers Home Administration through the Rural Housing Insurance Fund.

RURAL ELECTRIFICATION ADMINISTRATION

To carry into effect the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), as follows:

RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND LOAN AUTHORIZATIONS

Insured loans pursuant to the authority of section 305 of the Rural Electrification Act of 1936, as amended (7 U.S.C. 935), shall be made as follows: rural electrification loans, not less than [$622,050,000] *$760,050,000, of which $138,000,000 shall not become available for obligation until September 1, 1991, and pursuant to section 202(b) of the Balanced Budget and Emergency Deficit Control Reaffirmation Act of 1987, this action is a necessary (but secondary) result of a significant policy change,* nor more than [$933,075,000] *$1,071,075,000;* and rural telephone loans, not less than $239,250,000 nor more than $311,025,000; to remain available until expended: *Provided,* That loans made pursuant to section 306 of that Act are in addition to these amounts but during fiscal year 1991 total commitments to guarantee loans pursuant to section 306 shall be not less than $933,075,000 nor more than $2,100,615,000 of contingent liability for total loan principal: *Provided further,* That as a condition of approval of insured electric loans during fiscal year 1991, borrowers shall obtain concurrent supplemental financing in accordance with the applicable criteria and ratios in effect as of July 15, 1982: *Provided further,* That no funds appropriated in this Act may be used to deny or reduce loans or loan advances based upon a borrower's level of general funds.

REIMBURSEMENT TO THE RURAL ELECTRIFICATION AND TELEPHONE REVOLVING FUND

For an additional amount to reimburse the rural electrification and telephone revolving fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in carrying out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), $266,603,000.

RURAL TELEPHONE BANK

For the purchase of Class A stock of the Rural Telephone Bank, $28,710,000, to remain available until expended (7 U.S.C. 901-950(b)).

The Rural Telephone Bank is hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to such corporation in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out its authorized programs for the current fiscal year. During fiscal year 1991 and within the resources and authority available, gross obligations for the principal amount of direct loans shall be not less than $177,045,000 nor more than $210,540,000.

RURAL COMMUNICATION DEVELOPMENT FUND

To reimburse the Rural Communication Development Fund for interest subsidies and losses sustained in prior years, but not previously reimbursed, in making Community Antenna Television loans and loan guarantees under sections 306 and 310B of the Consolidated Farm and Rural Development Act, as amended, $1,264,000.

RURAL ECONOMIC DEVELOPMENT SUBACCOUNT

For grants and loans authorized under section 313 of the Rural Electrification Act, for the purpose of promoting rural economic development and job creation projects, $5,000,000, to remain available until expended: *Provided,* That this amount will be in addition to any amounts generated by the interest differential on voluntary cushion of credit payments made by REA borrowers.

OFFICE OF THE ADMINISTRATOR

For necessary salaries and expenses of the Office of the Administrator of the Rural Electrification Administration, $229,000: *Provided,* That no other funds in this Act shall be available for this Office.

SALARIES AND EXPENSES

For administrative expenses to carry out the provisions of the Rural Electrification Act of 1936, as amended (7 U.S.C. 901-950(b)), and to administer the loan and loan guarantee programs for Community Antenna Television facilities as authorized by the Consolidated Farm and Rural Development Act (7 U.S.C. 1921-1995), and for which commitments were made prior to fiscal year 1991, including not to exceed $7,000 for financial and credit reports, funds for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $103,000 for employment under 5 U.S.C. 3109, $32,826,000: *Provided,* That none of the funds in this Act may be used to authorize the transfer of funds to this account from the Rural Telephone Bank: [*Provided further,* That not less than $500,000 of this appropriation shall be expended to provide community and economic development technical assistance by Rural Electrification Administration employees to rural electric and telephone systems] *Provided further, That not less than $500,000 of this appropriation shall be expended to provide community and economic development technical assistance to rural electric and telephone systems by Rural Electrification Administration employees who are located within REA and assigned to REA's Rural Development Coordinator and who may not be reassigned or relocated to the Rural Information Center or other agency or office.*

CONSERVATION

OFFICE OF THE ASSISTANT SECRETARY FOR NATURAL RESOURCES AND ENVIRONMENT

For necessary salaries and expenses of the Office of the Assistant Secretary for Natural Resources and Environment to administer the laws enacted by the Congress for the Forest Service and the Soil Conservation Service, $520,000.

SOIL CONSERVATION SERVICE

CONSERVATION OPERATIONS

For necessary expenses for carrying out the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-590f) including preparation of conservation plans and establishment of measures to conserve soil and water (including farm irrigation and land drainage and such special measures for soil and water management as may be necessary to prevent floods and the siltation of reservoirs and to control agricultural related pollutants); operation of conservation plant materials centers; classification and mapping of soil; dissemination of information; acquisition of lands by donation, exchange, or purchase at a nominal cost not to exceed $100; purchase and erection or alteration or improvement of permanent and temporary buildings; and operation and maintenance of aircraft, $509,056,000, of which not less than $5,563,000 is for snow survey and water forecasting and not less than $7,873,000 is for operation and establishment of the plant materials centers: *Provided,* That of the foregoing amounts not less than $370,000,000 is for personnel compensation and benefits: *Provided further,* That except for $2,399,000 for improvements of the plant materials centers, the cost of any permanent building purchased, erected, or as improved, exclusive of the cost of constructing a water supply or sanitary system and connecting the same to any such building and with the exception of buildings acquired in conjunction with land being purchased for other purposes, shall not exceed $10,000, except for one building to be constructed at a cost not to exceed $100,000 and eight buildings to be constructed or improved at a cost not to exceed $50,000 per building and except that alterations or improvements to other existing permanent buildings costing $5,000 or more may be made in any fiscal year in an amount not to exceed $2,000 per building: *Provided further,* That when buildings or other structures are erected on non-Federal land that the right to use such land is obtained as provided in 7 U.S.C. 2250a: *Provided further,* That no part of this appropriation may be expended for soil and

water conservation operations under the Act of April 27, 1935 (16 U.S.C. 590a-590f) in demonstration projects: *Provided further,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225) and not to exceed $25,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That qualified local engineers may be temporarily employed at per diem rates to perform the technical planning work of the Service (16 U.S.C. 590e-2): *Provided further,* That none of the funds in this Act shall be used for the purpose of consolidating equipment, personnel, or services of the Soil Conservation Service's national technical centers in Portland, Oregon; Lincoln, Nebraska; Chester, Pennsylvania; and Fort Worth, Texas, into a single national technical center.

RIVER BASIN SURVEYS AND INVESTIGATIONS

For necessary expenses to conduct research, investigation, and surveys of watersheds of rivers and other waterways, in accordance with section 6 of the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1006-1009), $12,783,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $60,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED PLANNING

For necessary expenses for small watershed investigations and planning, in accordance with the Watershed Protection and Flood Prevention Act, as amended (16 U.S.C. 1001-1008), $9,176,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

WATERSHED AND FLOOD PREVENTION OPERATIONS

For necessary expenses to carry out preventive measures, including but not limited to research, engineering operations, methods of cultivation, the growing of vegetation, rehabilitation of existing works and changes in use of land, in accordance with the Watershed Protection and Flood Prevention Act approved August 4, 1954, as amended (16 U.S.C. 1001-1005, 1007-1009), the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and in accordance with the provisions of laws relating to the activities of the Department, [$191,544,000] *$179,867,000* (of which [$27,789,000] *$25,744,000* shall be available for the watersheds authorized under the Flood Control Act approved June 22, 1936 (33 U.S.C. 701, 16 U.S.C. 1006a), as amended and supplemented): *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $20,000,000 shall be available for emergency measures as provided by sections 403-405 of the Agricultural Credit Act of 1978 (16 U.S.C. 2203-2205), and not to exceed $200,000 shall be available for employment under 5 U.S.C. 3109: *Provided further,* That $4,000,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): *Provided further,* That not to exceed $1,000,000 of this appropriation is available to carry out the purposes of the Endangered Species Act of 1973 (Public Law 93-205), as amended, including cooperative efforts as contemplated by that Act to relocate endangered or threatened species to other suitable habitats as may be necessary to expedite project construction.

RESOURCE CONSERVATION AND DEVELOPMENT

For necessary expenses in planning and carrying out projects for resource conservation and development and for sound land use pursuant to the provisions of section 32(e) of title III of the Bankhead-Jones Farm Tenant Act, as amended (7 U.S.C. 1010-1011; 76 Stat. 607), and the provisions of the Act of April 27, 1935 (16 U.S.C. 590a-f), and the provisions of the Agriculture and Food Act of 1981 (16 U.S.C. 3451-3461), $29,900,000: *Provided,* That $600,000 in loans may be insured, or made to be sold and insured, under the Agricultural Credit Insurance Fund of the Farmers Home Administration (7 U.S.C. 1931): *Provided further,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $50,000 shall be available for employment under 5 U.S.C. 3109.

GREAT PLAINS CONSERVATION PROGRAM

For necessary expenses to carry into effect a program of conservation in the Great Plains area, pursuant to section 16(b) of the Soil Conservation and Domestic Allotment Act, as added by the Act of August 7, 1956, as amended (16 U.S.C. 590p(b)), $24,637,000, to remain available until expended (16 U.S.C. 590p(b)(7)).

AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE

AGRICULTURAL CONSERVATION PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry into effect the program authorized in sections 7 to 15, 16(a), 16(f), and 17 of the Soil Conservation and Domestic Allotment Act approved February 29, 1936, as amended and supplemented (16 U.S.C. 590g-590o, 590p(a), 590p(f), and 590q), and sections 1001-1004, 1006-1008, and 1010 of the Agricultural Act of 1970, as added by the Agriculture and Consumer Protection Act of 1973 (16 U.S.C. 1501-1504, 1506-1508, and 1510), and including not to exceed $15,000 for the preparation and display of exhibits, including such displays at State, interstate, and international fairs within the United States, [$197,935,000] *$182,369,000,* to remain available until expended (16 U.S.C. 590o), for agreements, excluding administration but including technical assistance and related expenses (16 U.S.C. 590o), except that no participant in the Agricultural Conservation Program shall receive more than $3,500 per year, except where the participants from two or more farms or ranches join to carry out approved practices designed to conserve or improve the agricultural resources of the community, or where a participant has a long-term agreement, in which case the total payment shall not exceed the annual payment limitation multiplied by the number of years of the agreement: *Provided,* That no portion of the funds for the current year's program may be utilized to provide financial or technical assistance for drainage on wetlands now designated as Wetlands Types 3 (III) through 20 (XX) in United States Department of the Interior, Fish and Wildlife Circular 39, Wetlands of the United States, 1956: *Provided further,* That such amounts shall be available for the purchase of seeds, fertilizers, lime, trees, or any other conservation materials, or any soil-terracing services, and making grants thereof to agricultural producers to aid them in carrying out approved farming practices as authorized by the Soil Conservation and Domestic Allotment Act, as amended, as determined and recommended by the county committees, approved by the State committees and the Secretary, under programs provided for herein: *Provided further,* That such assistance will not be used for carrying out measures and practices that are primarily production-oriented or that have little or no conservation or pollution abatement benefits: *Provided further,* That not to exceed 5 per centum of the allocation for the current year's program for any county may, on the recommendation of such county committee and approval of the State committee, be withheld and allotted to the Soil Conservation Service for services of its technicians in formulating and carrying out the Agricultural Conservation Program in the participating counties, and shall not be utilized by the Soil Conservation Service for any purpose other than technical and other assistance in such counties, and in addition, on the recommendation of such county committee and approval of the State committee, not to exceed 1 per centum may be made available to any other Federal, State, or local public agency for the same purpose and under the same conditions: *Provided further,* That for the current year's program $2,500,000 shall be available for technical assistance in formulating and carrying out rural environmental practices: *Provided further,* That no part of any funds available to the Department, or any bureau, office, corporation, or other agency constituting a part of such Department, shall be used in the current fiscal year for the payment of salary or travel expenses of any person who has been convicted of violating the Act entitled "An Act to prevent pernicious political activities" approved August 2, 1939, as amended, or who has been found in accordance with the provisions of title 18 U.S.C. 1913 to have violated or attempted to violate such section which prohibits the use of Federal appropriations for the payment of personal services or other expenses designed to influence in any manner a Member of Congress to favor or oppose any legislation or appropriation by Congress except upon request of any Member or through the proper official channels.

FORESTRY INCENTIVES PROGRAM

For necessary expenses, not otherwise provided for, to carry out the program of forestry incentives, as authorized in the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101), including technical assistance and related expenses, $12,446,000, to remain available until expended, as authorized by that Act.

WATER BANK PROGRAM

For necessary expenses to carry into effect the provisions of the Water Bank Act (16 U.S.C. 1301-1311), [$10,498,000] *$15,000,000,* to remain available until expended.

EMERGENCY CONSERVATION PROGRAM

For necessary expenses to carry into effect the program authorized in sections 401, 402, and 404 of title IV of the Agricultural Credit Act of 1978 (16 U.S.C. 2201-2205), $10,000,000, to remain available until expended, as authorized by 16 U.S.C. 2204.

COLORADO RIVER BASIN SALINITY CONTROL PROGRAM

For necessary expenses for carrying out a voluntary cooperative salinity control program pursuant to section 202(c) of title II of the Colorado River Basin Salinity Control Act, as amended (43 U.S.C. 1592(c)), to be used to reduce salinity in the Colorado River and to enhance the supply and quality of water available for use in the United States and the Republic of Mexico, $14,783,000, to be used for investigations and surveys, for technical assistance in developing conservation practices and in the preparation of salinity control plans, for the establishment of on-farm irrigation management systems, including related lateral improvement measures, for making cost-share payments to agricultural landowners and operators, Indian tribes, irrigation districts and associations, local governmental and nongovernmental entities, and other landowners to aid them in carrying out approved conservation practices as determined and recommended by the county ASC committees, approved by the State ASC committees and the Secretary, and for associated costs of program planning, information and education, and program monitoring and evaluation: *Provided,* That the Soil Conservation Service shall provide technical assistance and the Agricultural Stabilization and Conservation Service shall provide administrative services for the program, including but not limited to, the negotiation and administration of agreements and the disbursement of payments: *Provided further,* That such program shall be coordinated with the regular Agricultural Conservation Program and with research programs of other agencies.

CONSERVATION RESERVE PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the conservation reserve program pursuant to the Food Security Act of 1985 (16 U.S.C. 3831-3845), $1,314,926,000, to remain available until expended, to be used for Commodity Credit Corporation expenditures for cost-share assistance for the establishment of conservation practices provided for in approved conservation reserve program contracts, for annual rental payments provided in such contracts, and for technical assistance: *Provided,* That none of the funds in this Act may be used to enter into new contracts that are in excess of the prevailing local rental rates for an acre of comparable land.

TITLE III—DOMESTIC FOOD PROGRAMS

OFFICE OF THE ASSISTANT SECRETARY FOR FOOD AND CONSUMER SERVICES

For necessary salaries and expenses of the Office of the Assistant Secretary for Food and Consumer Services to administer the laws enacted by the Congress for the Food and Nutrition Service and the Human Nutrition Information Service, $485,000.

FOOD AND NUTRITION SERVICE

CHILD NUTRITION PROGRAMS

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the National School Lunch Act (42 U.S.C. 1751-1769b), and the applicable provisions other than sections 3 and 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1773-1785, and 1788-1789); [$5,265,539,000] *$5,577,199,000,* to remain available through September 30, 1992, of which [$569,038,000] *$880,698,000* is hereby appropriated and $4,696,501,000 shall be derived by transfer from funds available under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c): *Provided,* That funds appropriated for the purpose of section 7 of the Child Nutrition Act of 1966 shall be allocated among the States but the distribution of such funds to an individual State is contingent upon that State's agreement to participate in studies and surveys of programs authorized under the National School Lunch Act and the Child Nutrition Act of 1966, when such studies and surveys have been directed by the Congress and requested by the Secretary of Agriculture: *Provided further,* That if the Secretary of Agriculture determines that a State's administration of any program under the National School Lunch Act or the Child Nutrition Act of 1966 (other than section 17), or the regulations issued pursuant to these Acts, is seriously deficient, and the State fails to correct the deficiency within a specified period of time, the Secretary may withhold from the State some or all of the funds allocated to the State under section 7 of the Child Nutrition Act of 1966 and under section 13(k)(1) of the National School Lunch Act; upon a subsequent determination by the Secretary that the programs are operated in an acceptable manner some or all of the funds withheld may be allocated: *Provided further,* That only final reimbursement claims for service of meals, supplements, and milk submitted to State agencies by eligible schools, summer camps, institutions, and service institutions within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act for meals, supplements, and milk served during any month only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary: *Provided further,* That up to $3,653,000 shall be available for independent verification of school food service claims: *Provided further,* That [$500,000] *$1,786,000* shall be available to operate the Food Service Management Institute.

SPECIAL MILK PROGRAM

For necessary expenses to carry out the special milk program, as authorized by section 3 of the Child Nutrition Act of 1966 (42 U.S.C. 1772), $19,268,000, to remain available through September 30, 1992. Only final reimbursement claims for milk submitted to State agencies within sixty days following the month for which the reimbursement is claimed shall be eligible for reimbursement from funds appropriated under this Act. States may receive program funds appropriated under this Act only if the final program operations report for such month is submitted to the Department within ninety days following that month. Exceptions to these claims or reports submission requirements may be made at the discretion of the Secretary.

SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR WOMEN, INFANTS, AND CHILDREN (WIC)

For necessary expenses to carry out the special supplemental food program as authorized by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786), $2,350,000,000, to remain available through September 30, 1992, of which up to [$2,000,000] *$3,500,000* may be used to carry out the farmer's market coupon demonstration project[: *Provided,* That $25,000,000 shall be placed in reserve to be released by the Secretary only to meet unanticipated needs].

COMMODITY SUPPLEMENTAL FOOD PROGRAM

For necessary expenses to carry out the commodity supplemental food program as authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), including not less than $8,000,000 for the projects in Detroit, New Orleans, and Des Moines, $81,928,000: *Provided,* That funds provided herein shall remain available through September 30, 1992: *Provided further,* That none of these funds shall be available to reimburse the Commodity Credit Corporation for commodities donated to the program.

FOOD STAMP PROGRAM

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses to carry out the Food Stamp Act (7 U.S.C. 2011-2029), [$19,038,806,000] *$19,050,901,000*; of which [$2,100,000,000] *$823,513,000* shall be available only to the extent an official budget request, for a specific dollar amount, is transmitted to the Congress: *Provided,* That funds provided herein shall remain available through September 30, 1991, in accordance with section 18(a) of the Food Stamp Act: *Provided further,* That up to 5 per centum of the foregoing amount may be placed in reserve to be apportioned pursuant to section 3679 of the Revised Statutes, as amended, for use only in such amounts and at such times as may become necessary to carry out program operations: *Provided further,* That funds provided herein shall be expended in accordance with section 16 of the Food Stamp Act: *Provided further,* That this appropriation shall be subject to any work registration or work fare requirements as may be required by law: *Provided further,* That $345,000,000 of the funds provided herein shall be available only to the extent necessary after the Secretary has employed the regulatory and administrative methods available to him under the law to curtail fraud, waste, and abuse in the program: *Provided further,* That [$962,125,000] *$974,220,000* of the foregoing amount shall be available for Nutrition Assistance for Puerto Rico as authorized by 7 U.S.C. 2028, of which $10,825,000 [shall be transferred to the Animal and Plant Health Inspection Service] *is available* for the Cattle Tick Eradication Project.

FOOD DONATIONS PROGRAMS FOR SELECTED GROUPS

For necessary expenses to carry out section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c (note)), section 4(b) of the Food Stamp Act (7 U.S.C. 2013), and section 311 of the Older Americans Act of 1965, as amended (42 U.S.C. 3030a), $228,138,000.

For necessary expenses to carry out section 110 of the Hunger Prevention Act of 1988, $32,000,000.

TEMPORARY EMERGENCY FOOD ASSISTANCE PROGRAM

For necessary expenses to carry out the Temporary Emergency Food Assistance Act of 1983, as amended, $50,000,000: *Provided,* That, in accordance with section 202 of Public Law 98-92, these funds shall be available only if the Secretary determines the existence of excess commodities.

For purchases of commodities to carry out the Temporary Emergency Food Assistance Act of 1983, as amended by section 104 of the Hunger Prevention Act of 1988, $120,000,000.

FOOD PROGRAM ADMINISTRATION

For necessary administrative expenses of the domestic food programs funded under this Act, $96,778,000; of which $5,000,000 shall be available only for simplifying procedures, reducing overhead costs, tightening regulations, improving food stamp coupon handling, and assistance in the prevention, identification, and prosecution of fraud and other violations of law: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), and not to exceed $150,000 shall be available for employment under 5 U.S.C. 3109.

HUMAN NUTRITION INFORMATION SERVICE

For necessary expenses to enable the Human Nutrition Information Service to perform applied research and demonstrations relating to human nutrition and consumer use and economics of food utilization, $9,923,000: *Provided,* That this appropriation shall be available for employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225).

TITLE IV—INTERNATIONAL PROGRAMS

FOREIGN AGRICULTURAL SERVICE

For necessary expenses of the Foreign Agricultural Service, including carrying out title VI of the Agricultural Act of 1954, as amended (7 U.S.C. 1761-1768), market development activities abroad, and for enabling the Secretary to coordinate and integrate activities of the Department in connection with foreign agricultural work, including not to exceed $125,000 for representation allowances and for expenses pursuant to section 8 of the Act approved August 3, 1956 (7 U.S.C. 1766), $105,048,000: *Provided,* That this appropriation shall be available to obtain statistics and related facts on foreign production and full and complete information on methods used by other countries to move farm commodities in world trade on a competitive basis: *Provided further,* That, hereafter, notwithstanding any other provision of law, upon the request of the Secretary of Agriculture, the Secretary of State shall accord the diplomatic title of Minister-Counselor to the senior Foreign Agricultural Service officer assigned to any United States mission abroad: Provided further, That the number of senior Foreign Agricultural Service officers accorded such diplomatic title at any time shall not exceed twelve.

[AMERI FLORA '92 EXPOSITION

[To enable the Secretary to meet any extra expenses of participating in the planning, organizing and carrying out of the Ameri Flora '92 Exposition, the first international horticulture and environment exposition to be held in the United States, $500,000 as authorized by section 1472 of the Food and Agriculture Act of 1977, as amended (7 U.S.C. 3318), to remain available until expended.]

PUBLIC LAW 480

(INCLUDING TRANSFERS OF FUNDS)

For expenses during the current fiscal year, not otherwise recoverable, and unrecovered prior years' costs, including interest thereon, under the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1691, 1701-1715, 1721-1726, 1727-1727f, 1731-1736g), as follows: (1) financing the sale of agricultural commodities for convertible foreign currencies and for dollars on credit terms pursuant to titles I and III of said Act, or for convertible foreign currency for use under 7 U.S.C. 1708, and for furnishing commodities to carry out the Food for Progress Act of 1985, not more than $880,000,000, of which $314,853,000 is hereby appropriated and the balance derived from proceeds from sales of foreign currencies and dollar loan repayments, repayments on long-term credit sales, carryover balances and commodities made available from the inventories of the Commodity Credit Corporation by the Secretary of Agriculture pursuant to sections 102 and 403(b) of said Act, and (2) commodities supplied in connection with dispositions abroad, pursuant to title II of said Act, not more than $696,000,000, of which $696,000,000, is hereby appropriated: *Provided,* That not to exceed 10 per centum of the funds made available to carry out any title of this paragraph may be used to carry out any other title of this paragraph.

OFFICE OF INTERNATIONAL COOPERATION AND DEVELOPMENT

(INCLUDING TRANSFERS OF FUNDS)

For necessary expenses of the Office of International Cooperation and Development to coordinate, plan, and direct activities involving international development, technical assistance and training, and international scientific and technical cooperation in the Department of Agriculture, including those authorized by the Food and Agriculture Act of 1977 (7 U.S.C. 3291), [$5,268,000] *$7,268,000*: *Provided,* That not to exceed $3,000 of this amount shall be available for official reception and representation expenses as authorized by 7 U.S.C. 1766: *Provided further,* That in addition, funds available to the Department of Agriculture shall be available to assist an international organization in meeting the costs, including salaries, fringe benefits and other associated costs, related to the employment by the organization of Federal personnel that may transfer to the organization under the provisions of 5 U.S.C. 3581-3584, or of other well-qualified United States citizens, for the performance of activities that contribute to increased understanding of international agricultural issues, with transfer of funds for this purpose from one appropriation to another or to a single account authorized, such funds remaining available until expended: *Provided further,* That the Office may utilize advances of funds, or reimburse this appropriation for expenditures made on behalf of Federal agencies, public and private organizations and institutions under agreements executed pursuant to the agricultural food production assistance programs (7 U.S.C. 1736) and the foreign assistance programs of the International Development Cooperation Administration (22 U.S.C. 2392).

SCIENTIFIC ACTIVITIES OVERSEAS (FOREIGN CURRENCY PROGRAM)

For payments in foreign currencies owed to or owned by the United States for market development research authorized by section 104(b)(1) and for agricultural and forestry research and other functions related thereto authorized by section 104(b)(3) of the Agricultural Trade Development and Assistance Act of 1954, as amended (7 U.S.C. 1704(b)(1), (3)), [$875,000] *$1,250,000*: *Provided,* That this appropriation shall be available, in addition to other appropriations for these purposes, for payments in the foregoing currencies: *Provided further,* That funds appropriated herein shall be used for payments in such foreign currencies as the Department determines are needed and can be used most effectively to carry out the purposes of this paragraph: *Provided further,* That not to exceed $25,000 of this appropriation shall be available for payments in foreign currencies for expenses of employment pursuant to the second sentence of section 706(a) of the Organic Act of 1944 (7 U.S.C. 2225), as amended by 5 U.S.C. 3109.

TITLE V—RELATED AGENCIES

DEPARTMENT OF HEALTH AND HUMAN SERVICES

FOOD AND DRUG ADMINISTRATION

SALARIES AND EXPENSES

For necessary expenses of the Food and Drug Administration; for rental of special purpose space in the District of Columbia or elsewhere; and for miscellaneous and emergency expenses of enforcement activities, authorized and approved by the Secretary and to be accounted for solely on the Secretary's certificate, not to exceed $25,000; [$654,808,000, of which $157,175,000 shall be available only to the extent an official budget request, for a specific dollar amount, is transmitted to the Congress] *$661,652,000*: *Provided,* That none of these funds shall be used to develop, establish, or operate any program of user fees authorized by 31 U.S.C. 9701: *Provided further,* That of the sums provided herein, not to exceed $2,000,000 shall remain available until expended, and shall become available only to the extent necessary to meet unanticipated costs of emergency activities not provided for in budget estimates and after maximum absorption of such costs within the remainder of the account has been achieved.

BUILDINGS AND FACILITIES

For plans, construction, repair, improvement, extension, alteration, and purchase of fixed equipment of facilities of or used by the Food and Drug Administration, where not otherwise provided, [$8,350,000] *$10,850,000.*

RENTAL PAYMENTS (FDA)

(INCLUDING TRANSFERS OF FUNDS)

For payment of space rental and related costs pursuant to Public Law 92-313 for programs and activities of the Food and Drug Administration which are included in this Act, $25,612,000: *Provided,* That in the event the Food and Drug Administration should require modification of space needs, a share of the salaries and expenses appropriation may be transferred to this appropriation, or a share of this appropriation may be transferred to the salaries and expenses appropriation, but such transfers shall not exceed 10 per centum of the funds made available for rental payments (FDA) to or from this account.

DEPARTMENT OF THE TREASURY

PAYMENTS TO THE FARM CREDIT SYSTEM FINANCIAL ASSISTANCE CORPORATION

For necessary payments to the Farm Credit System Financial Assistance Corporation by the Secretary of the Treasury, as authorized by Section 6.28(c) of the Farm Credit Act of 1971, as amended, for reimbursement of interest expenses incurred by the Financial Assistance Corporation on obligations issued through 1991, as authorized, $90,000,000: *Provided,* That not to exceed $2,017,000 of the assistance fund shall be available for administrative expenses of the Farm Credit System Assistance Board: *Provided further,* That officers and employees of the Farm Credit System Assistance Board shall be hired, promoted, compensat-

ed, and discharged in accordance with title 5, United States Code.

COMMODITY FUTURES TRADING COMMISSION

For necessary expenses to carry out the provisions of the Commodity Exchange Act, as amended (7 U.S.C. 1 et seq.), including the purchase and hire of passenger motor vehicles; the rental of space (to include multiple year leases) in the District of Columbia and elsewhere; and not to exceed $25,000 for employment under 5 U.S.C. 3109; [$39,691,000] *$44,960,000*, including not to exceed $700 for official reception and representation expenses.

FARM CREDIT ADMINISTRATION

LIMITATION ON REVOLVING FUND FOR ADMINISTRATIVE EXPENSES

[Not to exceed $41,548,000 (from assessments collected from farm credit system institutions and the Federal Agricultural Mortgage Corporation),] *Not to exceed $37,926,000 (from assessments collected from farm credit institutions) and not to exceed $908,000 (from assessments collected from the Federal Agricultural Mortgage Corporation); in all, $38,834,000* shall be available for administrative expenses as authorized under 12 U.S.C. 2249, of which not to exceed $1,500 shall be available for official reception and representation expenses.

TITLE VI—GENERAL PROVISIONS

SEC. 601. The expenditure of any appropriation under this Act for any consulting service through procurement contract, pursuant to 5 U.S.C. 3109, shall be limited to those contracts where such expenditures are a matter of public record and available for public inspection, except where otherwise provided under existing law, or under existing Executive Order issued pursuant to existing law.

SEC. 602. Within the unit limit of cost fixed by law, appropriations and authorizations made for the Department of Agriculture for the fiscal year 1991 under this Act shall be available for the purchase, in addition to those specifically provided for, of not to exceed 612 passenger motor vehicles, of which 607 shall be for replacement only, and for the hire of such vehicles.

SEC. 603. Funds in this Act available to the Department of Agriculture shall be available for uniforms or allowances therefor as authorized by law (5 U.S.C. 5901-5902).

SEC. 604. Not less than $1,500,000 of the appropriations of the Department of Agriculture in this Act for research and service work authorized by the Acts of August 14, 1946 and July 28, 1954, and (7 U.S.C. 427, 1621-1629), and by chapter 63 of title 31, United States Code, shall be available for contracting in accordance with said Acts and chapter.

SEC. 605. No part of the funds contained in this Act may be used to make production or other payments to a person, persons, or corporations upon a final finding by court of competent jurisdiction that such party is guilty of growing, cultivating, harvesting, processing or storing marijuana, or other such prohibited drug-producing plants on any part of lands owned or controlled by such persons or corporations.

SEC. 606. Advances of money to chiefs of field parties from any appropriation in this Act for the Department of Agriculture may be made by authority of the Secretary of Agriculture.

SEC. 607. The cumulative total of transfers to the Working Capital Fund for the purpose of accumulating growth capital for data services and National Finance Center operations shall not exceed $2,000,000: *Provided*, That no funds in this Act appropriated to an agency of the Department shall be transferred to the Working Capital Fund without the approval of the agency administrator.

SEC. 608. New obligational authority provided for the following appropriation items in this Act shall remain available until expended: Public Law 480; Mutual and Self-Help Housing; Watershed and Flood Prevention Operations; Resource Conservation and Development; Colorado River Basin Salinity Control Program; Animal and Plant Health Inspection Service, $4,500,000 for the contingency fund to meet emergency conditions, $5,000,000 for the Grasshopper and Mormon Cricket Control Programs, and buildings and facilities; Agricultural Stabilization and Conservation Service, salaries and expenses funds made available to county committees; the Federal Crop Insurance Corporation Fund; Agricultural Research Service, buildings and facilities, and up to $10,000,000 of funds made available for construction at the Beltsville Agricultural Research Center; Cooperative State Research Service, buildings and facilities; Scientific Activities Overseas (Foreign Currency Program); Dairy Indemnity Program; $3,500,000 for higher education training grants under section 1417(a)(3)(B) of Public Law 95-113, as amended (7 U.S.C. 3152(a)(3)(B)); $8,250,000 for a program of capacity building grants to colleges eligible to receive funds under the Act of August 30, 1890, including Tuskegee University; and buildings and facilities, Food and Drug Administration.

SEC. 609. No part of any appropriation contained in this Act shall remain available for obligation beyond the current fiscal year unless expressly so provided herein.

SEC. 610. Not to exceed $50,000 of the appropriation available to the Department of Agriculture in this Act shall be available to provide appropriate orientation and language training pursuant to Public Law 94-449.

SEC. 611. Notwithstanding any other provision of law, employees of the agencies of the Department of Agriculture, including employees of the Agricultural Stabilization and Conservation county committees, may be utilized to provide part-time and intermittent assistance to other agencies of the Department, without reimbursement, during periods when they are not otherwise fully utilized, and ceilings on full-time equivalent staff years established for or by the Department of Agriculture shall exclude overtime as well as staff years expended as a result of carrying out programs associated with natural disasters, such as forest fires, droughts, floods, and other acts of God.

SEC. 612. Funds provided by this Act for personnel compensation and benefits shall be available for obligation for that purpose only.

SEC. 613. No part of any appropriation contained in this Act shall be expended by any executive agency, as referred to in the Office of Federal Procurement Policy Act (41 U.S.C. 401 et seq.), pursuant to any obligation for services by contract, unless such executive agency has awarded and entered into such contract as provided by law.

SEC. 614. None of the funds appropriated or otherwise made available by this Act shall be available to implement, administer, or enforce any regulation which has been disapproved pursuant to a resolution of disapproval duly adopted in accordance with the applicable law of the United States.

SEC. 615. Certificates of beneficial ownership sold by the Farmers Home Administration in connection with the Agricultural Credit Insurance Fund, Rural Housing Insurance Fund, and the Rural Development Insurance Fund shall be not less than 65 per centum of the value of the loans closed during the fiscal year.

SEC. 616. No funds appropriated by this Act may be used to pay negotiated indirect cost rates on cooperative agreements or similar arrangements between the United States Department of Agriculture and nonprofit institutions in excess of 10 per centum of the total direct cost of the agreement when the purpose of such cooperative arrangements is to carry out programs of mutual interest between the two parties. This does not preclude appropriate payment of indirect costs on grants and contracts with such institutions when such indirect costs are computed on a similar basis for all agencies for which appropriations are provided in this Act.

SEC. 617. None of the funds in this Act shall be used to carry out any activity related to phasing out the Resource Conservation and Development Program.

SEC. 618. None of the funds in this Act shall be used to prevent or interfere with the right and obligation of the Commodity Credit Corporation to sell surplus agricultural commodities in world trade at competitive prices as authorized by law.

SEC. 619. Notwithstanding any other provision of this Act, commodities acquired by the Department in connection with Commodity Credit Corporation and section 32 price support operations may be used, as authorized by law (15 U.S.C. 714c and 7 U.S.C. 612c), to provide commodities to individuals in cases of hardship as determined by the Secretary of Agriculture.

SEC. 620. During fiscal year 1991, notwithstanding any other provision of law, no funds may be paid out of the Treasury of the United States or out of any fund of a Government corporation to any private individual or corporation in satisfaction of any assurance agreement or payment guarantee or other form of loan guarantee entered into by any agency or corporation of the United States Government with respect to loans made and credits extended to the Polish People's Republic, unless the Polish People's Republic has been declared to be in default of its debt to such individual or corporation or unless the President has provided a monthly written report to the Speaker of the House of Representatives and the President of the Senate explaining the manner in which the national interest of the United States has been served by any payments during the previous month under loan guarantee or credit assurance agreement with respect to loans made or credits extended to the Polish People's Republic in the absence of a declaration of default.

SEC. 621. None of the funds in this Act shall be available to reimburse the General Services Administration for payment of space rental and related costs in excess of the amounts specified in this Act; nor shall this or any other provision of law require a reduction in the level of rental space or services below that of fiscal year 1990 or prohibit an expansion of rental space or services with the use of funds otherwise appropriated in this Act. Further, no agency of the Department of Agriculture, from funds otherwise available, shall reimburse the General Services Administration for payment of space rental and related costs provided to such agency at a percentage

rate which is greater than is available in the case of funds appropriated in this Act.

SEC. 622. In fiscal year 1991, the Secretary of Agriculture shall initiate construction on not less than twenty new projects under the Watershed Protection and Flood Prevention Act (Public Law 566) and not less than five new projects under the Flood Control Act (Public Law 534).

SEC. 623. Funds provided by this Act may be used for translation of publications of the Department of Agriculture into foreign languages when determined by the Secretary to be in the public interest.

SEC. 624. None of the funds appropriated by this Act may be used to relocate the Hawaii State Office of the Farmers Home Administration from Hilo, Hawaii, to Honolulu, Hawaii.

SEC. 625. Provisions of law prohibiting or restricting personal services contracts shall not apply to veterinarians employed by the Department to take animal blood samples, test and vaccinate animals, and perform branding and tagging activities on a fee-for-service basis.

SEC. 626. None of the funds provided in this Act may be used to reduce programs by establishing an end-of-year employment ceiling on full-time equivalent staff years below the level set herein for the following agencies: Food and Drug Administration, 8,259; Farmers Home Administration, 12,675; Agricultural Stabilization and Conservation Service, 2,550; Rural Electrification Administration, 550; and Soil Conservation Service, 14,177.

SEC. 627. Funds provided in this Act may be used for one-year contracts which are to be performed in two fiscal years so long as the total amount for such contracts is obligated in the year for which the funds are appropriated.

SEC. 628. Funds appropriated by this Act shall be applied only to the objects for which appropriations were made except as otherwise provided by law, as required by 31 U.S.C. 1301.

SEC. 629. None of the funds in this Act shall be available to restrict the authority of the Commodity Credit Corporation to lease space for its own use or to lease space on behalf of other agencies of the Department of Agriculture when such space will be jointly occupied.

SEC. 630. None of the funds provided in this Act may be expended to release information acquired from any handler under the Agricultural Marketing Agreement Act of 1937, as amended: *Provided,* That this provision shall not prohibit the release of information to other Federal agencies for enforcement purposes: *Provided further,* That this provision shall not prohibit the release of aggregate statistical data used in formulating regulations pursuant to the Agricultural Marketing Agreement Act of 1937, as amended: *Provided further,* That this provision shall not prohibit the release of information submitted by milk handlers.

SEC. 631. Unless otherwise provided in this Act, none of the funds appropriated or otherwise made available in this Act may be used by the Farmers Home Administration to employ or otherwise contract with private debt collection agencies to collect delinquent payments from Farmers Home Administration borrowers.

SEC. 632. None of the funds in this Act, or otherwise made available by this Act, shall be used to sell loans made by the Agricultural Credit Insurance Fund. Further, Rural Development Insurance Fund loans offered for sale in fiscal year 1991 shall be first offered to the borrowers for prepayment.

[SEC. 633. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries of personnel who carry out a targeted export assistance program under section 1124 of the Food Security Act of 1985 if the aggregate amount of funds and/or commodities under such program exceeds $200,000,000.

[SEC. 634. None of the funds appropriated or otherwise made available by this Act shall be used to pay the salaries of personnel who carry out an export enhancement program (estimated to be $900,000,000 in the President's fiscal year 1991 Budget Request (H. Doc. 101-122)) if the aggregate amount of funds and/or commodities under such program exceeds $500,000,000.]

SEC. [635] *633.* None of the funds in this Act, or otherwise made available by this Act, shall be used to regulate the order or sequence of advances of funds to a borrower under any combination of approved telephone loans from the Rural Electrification Administration, the Rural Telephone Bank or the Federal Financing Bank.

SEC. [636] *634.* In fiscal year 1991, section 32 funds shall be used to purchase sunflower and cottonseed oil, as authorized by law, and such purchases shall be used to facilitate additional sales of such oils in world markets at competitive prices, so as to compete with other countries.

SEC. [637] *635.* Such sums as may be necessary for fiscal year 1991 pay raises for programs funded by this Act shall be absorbed within the levels appropriated in this Act.

SEC. [638] *636.* When issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs funded in whole or in part with Federal money, all grantees receiving Federal funds, including but not limited to State and local governments, shall clearly state (1) the percentage of the total cost of the program or project which will be financed with Federal money, and (2) the dollar amount of Federal funds for the project or program.

SEC. [639] *637.* None of the funds in this Act shall be available to pay indirect costs on research grants awarded competitively by the Cooperative State Research Service that exceed 14 per centum of total direct costs under each award.

SEC. [640] *638.* Funds available to the Animal and Plant Health Inspection Service (APHIS) under this and subsequent appropriations shall be available for contracting with individuals for services to be performed outside of the United States, as determined by APHIS to be necessary or appropriate for carrying out programs and activities abroad. Such individuals shall not be regarded as officers or employees of the United States under any law administered by the Office of Personnel Management.

This Act may be cited as the "Rural Development, Agriculture, and Related Agencies Appropriations Act, 1991".

Mr. BURDICK. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc, and that the bill thus amended be regarded as original text provided that no point of order shall be waived by reason of the agreement to this request. Mr. President, I further ask unanimous consent that the majority leader or his designee may proceed at any time to the consideration of this bill notwithstanding the provisions of rule XXII, and that the majority leader or his designee may at any time return this bill to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BURDICK. Mr. President, today we take up the agriculture appropriations bill. I would like to summarize the bill briefly for my colleagues before considering any amendments Senators may have.

First of all, I want to point out that this bill fully funds the Federal Crop Insurance Program. The House underfunded the program by almost $400 million. We had to make some cuts in the farm operating and ownership loans, rural housing loans, and conservation programs in order to fund crop insurance. These were not cuts that the committee made easily, but we felt that the crop insurance program is vital to our farmers and we had to fund it accordingly.

For research, extension, and pest control, the bill restores many special projects proposed for elimination by the President, and provides increases for particular emphasis in several areas such as water quality, competitive research grants, pseudorabies, and boll weevil.

Direction and added emphasis are placed on domestic marketing programs, as well as continuation of various export enhancement programs and Public Law 480, which are largely responsible for our country's positive agricultural trade balance.

For conservation programs, the bill increases the traditional nonemergency programs and provides for the continuation of the Conservation Reserve Program.

Rural development is given key emphasis in the bill in several accounts administered by the Farmers Home Administration. Overall an increase of $267 million is provided for rural development programs.

Under REA, the committee has increased the floor for electric insured loans by $138 million and restores other electric and telephone loans to their 1990 levels.

Domestic food assistance programs are also a priority in the bill. Based on current estimates of need, the Food Stamp Program is increased by $2.1 billion over last year's level. Funding for commodity distributions under the Temporary Emergency Food Assistance Program, the Elderly Feeding Program, and for Indian reservations is increased. The WIC Program is funded at $224 million over the 1990 level, and the commodity supplemental food program is increased by $14 million over last year.

For the Food and Drug Administration, the bill restores the $157 million in funds assumed by the administration through user fees and has added $97 million over the 1990 appropriations for the agency.

In summary, the committee bill proposes to spend $52,264,792,000. We are just within our allocation for discretionary spending.

I commend the bill to my colleagues and recommend that it be accepted.

Finally, Mr. President, I want to thank the ranking member of the subcommittee, Senator COCHRAN, for his help and advice in writing this bill. We have worked very well together and I just want him to know how much I appreciate his help.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi.

Mr. COCHRAN. I thank the distinguished chairman of the subcommittee for his kind remarks and for his leadership in helping in develop this legislation, and for bringing it through the subcommittee, full committee, and to the floor of the Senate for consideration today.

This bill provides funding for a wide range of Federal programs, including research, conservation, lending, price support, export promotion, and nutrition programs adminstered by the Department of Agriculture. It also funds related agency activities, such as the Food and Drug Administration, Commodity Futures Trading Commission, the Department of Treasury for interest expenses incurred by the Farm Credit System Financial Assistance Corporation, and establishes limitations on the administrative expenses of the Farm Credit Administration and the Farm Credit Assistance Board.

A key element in the success of U.S. agriculture is the support it has enjoyed from both private and public research. I believe this bill proposes a comprehensive, geographically broadbased, well-funded research program for agriculture and technology transfer needs.

The conservation programs of the Department of Agriculture are critical to improving and conserving our soil and water resource quantity and quality, improving agriculture, and reducing damage caused by floods and sedimentation. This bill supports continuation of the existing cost-share conservation programs, as well as the Conservation Reserve Program.

Mr. President, I am pleased to report, also, that the committee has given increased attention to rural development and has emphasized the programs that will sustain and improve economic development activities in this legislation. Programs have been developed over the years to help meet important needs in rural areas, such as transportation, water, credit, housing and electricity. Many of these programs have been very beneficial and have improved the lives of those who live in our Nation's small towns and rural communities.

Incidentally, Mr. President, the nutrition programs that are funded by this bill have now become a major part of the legislation that we review every year. This year, about half of the total amount of money that is appropriated in this bill goes to help meet the nutrition needs of citizens in our country, many of whom cannot adequately provide for their own nutrition needs within their own resources. The Food Stamp Program, the Women, Infants and Children Feeding Program, and the School Lunch Program, are examples of the programs that are funded in this legislation.

Mr. President, under the current fiscal conditions that we face, I am convinced that the Appropriations Committee has produced a rural development, agriculture appropriations bill that deserves the support of the Senate. I recommend it to my colleagues.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. Senator BYRD is recognized.

Mr. BYRD. Mr. President, today we are considering H.R. 5268, the Agriculture, Rural Development and Related Agencies Appropriation bill for fiscal year 1991.

Included in this bill are funds for the necessary activities of the Department of Agriculture, including agriculture research and extension activities, a variety of conservation programs, farm income and crop price support programs, agriculture export programs and domestic food and nutrition programs. The bill also provides funding for the Food and Drug Administration, the Commodity Futures Trading Commission, and sets limitations on the administrative expenses of the Farm Credit Assistance Administration and the Farm Credit System Assistance Board.

The bill as recommended by the committee provides total obligational authority of $52,264,792,000. This represents a decrease of $483,304,000 from the President's request and an increase of $1,913,564,000 above the House bill. I make special note that of the amount above the House bill, $1,094,197,000 is attributable to funding Farmers Home Administration reimbursement accounts at the levels requested by the President. An additional $398,704,000 above the House amount is attributable to accommodating the Federal Crop Insurance Program as requested by the President, but which the House proposes to terminate.

I wish to commend Senator BURDICK, chairman of the subcommittee, and Senator COCHRAN, the ranking minority member, for their excellent and prompt work in accommodating the priorities of the Senate within the restraints of the budget. The bill is within the subcommittee's allocations for discretionary spending. Their work was greatly assisted by the cooperation of their colleagues on the subcommittee and on the full Committee on Appropriations.

Mr. President, I would also like to compliment both the majority and minority staff for their months of hard work in connection with this legislation: Rocky Kuhn, Debbie Dawson, Irma Pearson, Carole Geagley, and Judee Klepec.

The managers have explained in much greater detail the contents of the measure as recommended to you. I will not review those highlights so that we can get down to the business of considering and passing this bill. The bill as reported by the Appropriations Committee deserves the support of the Senate.

I yield the floor.

Mr. SANFORD. Mr. President, I would like to engage my friends, the managers of this bill, Senators BURDICK and COCHRAN in a discussion regarding the rural housing programs—specifically the section 502 direct subsidized loan program. It is my understanding that this account was reduced from the level the House had provided by $71.5 million. The section 502 direct loan program is seriously underfunded. Its funding has almost been cut in half since 1985, and currently, two out of three applications for this program cannot be funded due to a lack of funds. I am very concerned that this reduction will further damage the viability of this program. I have worked very hard to get increases in rural housing programs. I and a number of my colleagues had originally requested an increase of $300 million for these programs, and I am deeply disturbed about this deeper cut in the direct loan program.

I understand, after talking with the managers of the bill, that it could not be funded at a higher level due to the shortfall of funds for the Federal Crop Insurance Program. I do not call into question the merits of this program, but I would like to have some assurance that the managers of this bill will work, in conference with the House, to bring funding for rural housing section 502 to the House levels.

Mr. BURDICK. I thank my good friend for bringing this matter up. I, too, have always been a strong supporter of rural housing programs, and it was with considerable regret that I bring this bill to the floor without a higher level of funding for rural housing. It is my hope, and I will do everything I can in conference, to bring the rural housing funding up to a higher level and I would hope that we could come back to the House level. I also know that Senator BYRD, the chairman of the Appropriations Committee, is doing his best in the budget summit negotiations, to get more money for us to spend on discretionary programs.

So perhaps, in conference, we will have more money to spend.

But even if there is no more money, I will still attempt to increase the rural housing loans to the House level. I also know that Senator COCHRAN feels very strongly about these rural housing programs, and I am sure he will help in conference to increase the rural housing programs.

Mr. COCHRAN. Mr. President, while it will be difficult to achieve the goal of the chairman of the Agriculture Appropriations Subcommittee, I am very concerned about the level of funding for section 502, and I will also try in conference to bring the level of funding back up to the House level.

Mr. SANFORD. I thank my friends for their assurances on this matter, and I will look forward to seeing the conference report with the House appropriations level for the section 502 direct subsidized loan program.

Mr. President, I would like to ask the distinguished chairman of the Agriculture Appropriations Subcommittee a question regarding the committee's intention to make available the $2.89 million in funds appropriated in fiscal year 1990 for the Bowman Gray Nutrition Center at Wake Forest University in Winston-Salem, NC. Is it the committee's intention to make these funds available in fiscal year 1991 and is the committee satisfied that Bowman Gray has met the matching requirements of USDA?

Mr. BURDICK. Yes, it is the committee's intention that the funds are to be made available in fiscal year 1991.

Mr. SANFORD. Is it the Senator from North Dakota's intention to support the committee's intent to make these funds available when this bill goes to conference?

Mr. BURDICK. The Senator from North Carolina has my word that I will do all I can to ensure that the conference report includes language obligating USDA to make these funds available and includes an indication that the matching requirement for these particular funds has been met.

Mr. SANFORD. I thank the Senator from North Dakota for his assistance and assurances.

Mr. BAUCUS. Mr. President, first, I want to highly compliment the chairman of the full Appropriations Committee, Senator BYRD. He is doing a magnificent job as chairman of the committee in shepherding through these appropriations bills.

I know in an earlier era we, unfortunately, in the Senate and in the Congress were forced to pass continuing resolutions; that is, we were unable to pass appropriations bills on time. The Senator from West Virginia as chairman of the Appropriations Committee, in my judgment, has done a superb job in being sure that the bills are moving through in an expeditious and orderly way.

Here again, today, September 20, the agriculture bill is before us, with the able assistance of Senator BURDICK and the ranking member, Senator COCHRAN of Mississippi, who are doing a magnificent job. I want to compliment all three of them for doing a very good job.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. BAUCUS. I yield.

Mr. BYRD. I wish to thank the distinguished Senator on behalf of the very able chairman of the subcommittee, Mr. BURDICK, and the equally able ranking minority member, Mr. COCHRAN, for his very generous remarks, and I deeply appreciate them.

Mr. BAUCUS. Mr. President, the same also applies to the Senator from North Dakota and the Senator from Mississippi. They are doing as much work on this as other Senators on the Appropriations Committee have done.

I think I can speak on behalf of all Members of the Senate in thanking them for their very hard and diligent work and also for their grace, generosity, and good faith in dealing with all Members of the Senate.

Mr. President, I am quite thankful for various provisions in this bill. There are several. I will not list them all. But one in particular means a lot to me and to Montana farmers and that is full funding for Federal crop insurance.

The participation rate in my State of Montana is as high as 80 percent; that is, 80 percent of Montana farmers participate in Federal crop insurance. With the price of grain, the price of wheat, at such abysmally low levels today and recent drought conditions in the State of Montana as well as other States in the high plains, I can say we in Montana and the Dakotas are appreciative of the full funding of Federal crop insurance contained in this appropriations bill.

Speaking for the Montana farmers, they were grateful to the chairman of full committee and subcommittee and ranking members for the wise inclusion of that provision.

AMENDMENT NO. 2710

(Purpose: To provide for payment of claims by United States nationals against Iraq)

Mr. BAUCUS. Mr. President, I also, on a related matter, have an amendment to this bill and I now send that amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

The Senator from Montana [Mr. BAUCUS] proposes an amendment numbered 2710.

At the end of the bill, add the following new section:

SEC. . PAYMENT OF CLAIMS BY UNITED STATES NATIONALS AGAINST IRAQ.

(a) Notwithstanding any other provision of law, the President is authorized—

(1) to vest title in a portion of the property in which transactions have been blocked pursuant to Executive Order 12722 of August 3, 1990, which portion shall be equal to the total amount of obligations owed to United States Government (including the Department of Agriculture and the Commodity Credit Corporation) and United States nationals for which Iraq has suspended repayment; and

(2) to liquidate such property and pay United States creditors the amount of the obligations referred to under paragraph (1).

(b) In the event that property liquidated under subsection (a)(2) is less than the total amount of obligations described in subsection (a)(1), then obligations the repayment of which is guaranteed by the Commodity Credit Corporation shall be given priority in payment of creditors.

Mr. BAUCUS. Mr. President, I rise to offer an amendment to liquidate Iraqi assets to pay their debts to United States creditors, including the Commodity Credit Corporation.

The United States has frozen between $600 and $900 million in Iraqi assets in the United States.

In retaliation, Iraq suspended payments on debts to creditors in the United States.

Yesterday, Iraq seized all United States assets in Iraq.

Iraq now owes creditors in the United States about $2.6 billion.

This includes about $1.9 billion in loans to Iraq guaranteed by the United States Department of Agriculture for loans to purchase United States agricultural exports.

If Iraq defaults on these debts, USDA's Commodity Credit Corporation would be forced to pay off the loans.

These debts would cost the CCC approximately $900 million in fiscal year 1991 alone.

That would be a tremendous drain on CCC assets that are already drawn thin to support the farm program.

My amendment would direct the President to liquidate a portion of Iraqi assets sufficient to repay their debts to U.S. creditors, particularly the Department of Agriculture.

The point of this amendment is simple.

American farmers are already suffering because of the Middle East crisis in many ways.

Farmers are paying drastically higher fuel prices because of the threat to the flow of oil.

Farmers also stand to lose hundreds of millions in sales to Iraq because of the embargo.

But if we do not take action, farmers will also be effectively forced to pay off Iraqi debts out of the farm program.

This is simply unacceptable.

Iraq has seized our assets. It is now time for us to follow suit.

We must move to adopt this critical amendment quickly.

The PRESIDING OFFICER. Is there further debate?

Mr. BURDICK. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. COCHRAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, we have looked at this amendment, and it is clear from the wording of the amendment that it does not fall within the jurisdiction of the Appropriations Committee. We are troubled about proceeding to consider including this amendment as a part of this committee's bill. It concerns a matter that would relate to a trade issue which would be under the jurisdiction of the Finance Committee.

In addition, the Foreign Relations Committee would have concerns about this amendment. As I understand it, members of that committee have not been consulted about this legislation being included in this bill.

If I understand the amendment correctly, it would direct the President of the United States to seize assets of Iraq that presumably are located within this country. Whatever the merits of that suggestion might be, it seems inappropriate that we be asked to include that in the agriculture appropriations bill.

The assets that would be seized, as I understand it, would be given to and/or assigned or allocated to the Commodity Credit Corporation.

I hope the Senator will consider withdrawing the amendment and waiting for a more appropriate time to bring it before the Senate. That is what our problem is. We do not want to have a prolonged debate about this amendment on this bill.

If the Senator insists on proceeding, we would like an opportunity to get other Senators here so they can look at it and offer their comments.

Mr. BAUCUS. Mr. President, I understand the predicament of the managers of the bill. This is an amendment which is not within the jurisdiction of the Senate Agriculture Appropriations Committee. Understand that. We unfortunately in life are faced with circumstances that require solutions that do not fit into neat, tidy little boxes. The box that we are dealing with here is the Senate Agriculture Appropriations Committee bill.

However, we are faced with another emergency, and that is the country of Iraq's invasion of Kuwait, and all the consequences that follow. The legislative process is sometimes slow. It is sometimes cumbersome. And very often it is slow; very often it is cumbersome.

It seems that the American people want solutions from the Congress, and the American people do not take kindly to words such as: Well, it is not the proper bill; it is not the proper box that this solution must fit into.

I do not know when we are next going to take up a Foreign Relations bill. I do not know when we are next going to take up a bill that comes from the jurisdiction of the Banking and Currency Committee. Both those committees have more jurisdictional claim to this than does the Senate Agriculture Committee. So we are faced with a dilemma here; what do we do?

I want to help the managers of the bill move their appropriations bill. They worked very hard and they should not be held up, in my judgment, because of this amendment.

I must say, Mr. President, that the amendment, I think, is eminently fair. If Iraq seizes the assets of the United States, why should not America seize the assets of Iraq? It is that simple.

In the meantime, Iraq has suspended payments totaling $1.9 billion to Americans, credits which are guaranteed by the Commodity Credit Corporation. So it looks like the Commodity Credit Corporation will have to come up with at some point a $1.9 billion guarantee. They will have to make good on their guarantee of American exporters of wheat to Iraq. It is that simple.

Iraq has suspended its obligation, totaling $1.9 billion, an obligation that is guaranteed by the Commodity Credit Corporation. The total value of Iraqi assets in the United States is between $600 and $900 million, much less than the $1.9 billion of guarantees on which Iraq has suspended payment.

So it only seems fair to me that we should liquidate those assets and make partial retribution to the Commodity Credit Corporation in the event that the CCC has to make good on its guarantee, which is very likely.

I will withdraw the amendment, because I want to help move the Agriculture appropriations bill. But I will bring up this amendment at the earliest possible date because I think the American people believe that if Iraq is going to seize the assets of Americans, certainly we should seize the assets of Iraq, particularly when Iraq has suspended payment amounting to $1.9 billion in the CCC, which in the first year amounts to about $900 million that the CCC will not receive that it otherwise would receive.

So I withdraw the amendment, because I do want to be of assistance to the managers of this bill so they can move it through at this point.

The PRESIDING OFFICER. The Senator has a right to withdraw his own amendment, and the amendment is deemed withdrawn.

The amendment (No. 2710) was withdrawn.

Mr. COCHRAN. Mr. President, I thank the distinguished Senator from Montana for his cooperation and his forbearance today, because it does permit the committee to move forward with this legislation. It provides some important appropriations that benefit the State of Montana and all other States, as a matter of fact. It would hold up the progress that we had hoped to make with the legislation.

We are indebted to the Senator for his understanding and his willingness to withhold pursuing this issue until later. We are genuinely grateful to the Senator.

AMENDMENT NO. 2711

(Purpose: From within appropriated funds USDA is to conduct a feasibility study on a rural health information and technology initiative at the Medical College of Wisconsin)

Mr. COCHRAN. Mr. President, I send an amendment to the desk on behalf of Senator KASTEN, for himself and Mr. KOHL, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Mississippi [Mr. COCHRAN], for Mr. KASTEN (for himself and Mr. KOHL), proposes an amendment numbered 2711.

Mr. COCHRAN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

On page 16, line 10, after "$67,758,000", insert: ": *Provided*, That from funds provided, a feasibility study shall be conducted on the rural health information technology initiative at the Medical College of Wisconsin".

Mr. KASTEN. Mr. President, I rise today to offer an amendment to the fiscal year 1991 appropriations bill for Agriculture, rural development, and related agencies to fund a feasibility study for a rural health information technology initiative at the Medical College of Wisconsin.

Declining rural incomes and other adverse economic factors, combined with an aging population and the escalating costs of medical care, threaten to undermine the basic health care system in rural America. Access to quality health care will soon be out of reach for most rural families.

Health manpower shortages are an enormous problem in rural areas. Inadequate levels of financial reimbursement, lack of modern technologies, isolation from peers and specialists, and inaccessible medical support systems combine to create an inexcusably inferior situation of health care in rural areas.

It is nearly impossible for rural communities to attract new doctors and to retain those now practicing there.

The rural health information technology initiative at the Medical College of Wisconsin would create a model medical support network to assist rural health care service providers to deliver cost-effective, high quality care. Doctors, hospitals, clinics, and nursing homes will all benefit from this project, but more importantly, the residents of rural America will benefit.

This project will help reduce shortages of doctors and other health professionals in rural areas by eliminating the isolation they have to deal with from new technologies and the latest sources of medical information.

Through the medical support network of the rural health information technology initiative, a rural doctor would be able to initiate a computer search of patient registries and the most up-to-date literature on techniques and methodologies. This will give patients in rural areas the most cost-effective high quality care.

This is an innovative demonstration research project that can provide a major breakthrough in meeting the health care needs of people in rural areas. By putting this project in place at the Medical College of Wisconsin, the Federal Government will be helping to develop a way to stabilize the rural economy in every region of the country.

Time is running out for rural health care and the many facets of society that health care affects. This project is long overdue. This feasibility study is critically needed to finally bring the Rural Health Information Technology Center off the ground.

This feasibility study is needed right now. Some $2.5 million has already been raised for equipment and land has been granted for the facility.

Information is the key to quality health care. The failure of doctors to correctly diagnose patients afflicted with Lyme disease has most recently made the need for this information center clear. This center will bring the most modern technology to the most remote areas. I strongly urge the acceptance of this amendment.

Mr. COCHRAN. Mr. President, as I understand the amendment, it does not appropriate any new funds and, therefore, would not violate the 302(b) allocation for discretionary funding that the committee has.

It simply asks that a feasibility study be done for the Medical College of Wisconsin's rural health information technology initiative. This has been reviewed by the committee and, as I understand it, there will be no need for a record vote on it.

We are prepared to accept the amendment on this side of the aisle.

The PRESIDING OFFICER. Is there further debate on the amendment?

Mr. BURDICK. We have no objection.

The PRESIDING OFFICER. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 2711) was agreed to.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. BURDICK. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Are their further amendments?

Mr. COCHRAN. Mr. President, I know of no other amendments on this side of the aisle. We may have some additional material for the RECORD, however.

There were some colloquies, but as I understand it, the chairman has already put them in the RECORD.

The PRESIDING OFFICER. Without objection, the bill is deemed read a third time.

Mr. BURDICK. Mr. President, on behalf of the majority leader, I ask unanimous consent that on Tuesday, September 25, upon completion of the votes on the Executive Calendar business, covered under the provisions of a previous order, and the Senate has resumed legislative session, that the Senate then proceed to vote, without intervening action or debate, notwithstanding the provisions of rule XXII, on final passage of H.R. 5268, the agriculture appropriations bill; that upon disposition of this bill, the Senate resume consideration of S. 110, as under a previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. COCHRAN. Mr. President, again, I appreciate the cooperation and leadership of the distinguished Senator from North Dakota, the chairman of the subcommittee.

Also, before we conclude our action on this legislation today, I want to express our appreciation for the excellent work and support of the members of the staff of the Agriculture Appropriations Subcommittee: Rocky Kuhn and Debbie Dawson on the Democratic side, and Irma Pearson on the Republican side.

I also want to thank Mark Keenum, who is a member of my personal staff, for his assistance with the hearings and in developing suggestions for this legislation.

Mr. BURDICK. Mr. President, I do not want the Senate to overlook the fine cooperation we have had from Senator COCHRAN. He does a great deal of work.

MORNING BUSINESS

Mr. BURDICK. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

The PRESIDING OFFICER. The Senator from Hawaii is recognized.

Mr. AKAKA. I thank the Chair.

(The remarks of Mr. AKAKA pertaining to the introduction of S. 3088 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. AKAKA. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. BYRD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. I thank the Chair.

(The remarks of Mr. BYRD and Mr. WARNER pertaining to the introduction of S. 3087 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER (Mr. SIMON). Does the Senator from Maryland seek recognition?

Ms. MIKULSKI. Mr. President, I seek recognition, and I ask unanimous consent to speak as if in morning business.

The PRESIDING OFFICER. We are in morning business.

Ms. MIKULSKI. I thank the Senator. I apologize.

KUWAITI REFUGEES

Ms. MIKULSKI. Mr. President, I dashed over to make a statement after I read a newspaper account in my local hometown paper about an event that deeply disturbed me. And I wanted to just kind of get it off my chest.

Mr. President, it deals with some people who come to this country from Kuwait under a refugee parole status, and we in Maryland have accepted three planeloads of people who came under these most difficult and arduous circumstances.

The people of Maryland have opened up our State and our communities with a spirit of generosity, knowing that they have gone through a terrible upheaval. Our Governor has moved with his usual quick step to make sure that they had housing and shelter arrangements, and we thought we were doing our share and kind of following the philosophy of Lady Liberty that is intrinsic to our State.

But when I picked up a local Baltimore paper today, I found out that 60 of the refugees or parolees did not like what we did for them. We had them

staying at a local hotel down by the Inner Harbor for a few nights, and then they were moved to a shelter in one of our suburbs, a facility used ordinarily to care for some of our homeless or some of our battered spouses that I know the Senator from Illinois has been advocating for, and they did not like it. They said it was not what they were used to. One of the refugee parolees, with her MBA, said it was not what she was used to in Kuwait. She had to walk down the hall to a bathroom.

Mr. President, I do not know what she is used to in Kuwait. And you know I support the President in what he has done. But I tell you something; it might be not what she is used to in Kuwait, but there are a lot of Marylanders who would like to be in that shelter. My mayor of Baltimore has a waiting list for 37,000 people.

We have homeless in our neighborhoods and in our communities who would love to be in a shelter. We have battered women, rape victims who are afraid to go back to their own homes, who want a facility.

I understand that people are upset because they have lost their homes and had to leave their loved ones behind. And, Mr. President, the United States of America can provide temporary shelter. But we cannot restore an MBA lifestyle based on a Kuwait income of $24,000 a year, and I do not think that is the job of the American taxpayer.

Now, you know my record on refugees and human rights, and my heart goes out to anyone who has lost their home or their homeland.

However, Mr. President, when I move around Maryland, people are taxed out, and the middle class cannot breathe because of their economic situation. I am concerned about what happened in that shelter in Carroll County, MD.

There is a myth of what people expect of the United States of America, that somehow or another we are going to restore for people what they had. Well, let me tell you, Mr. President, that is not the way it is going to be. And when that lady says her life is not what it used to be, our lives are not what they used to be either.

Right now I have men and women called up as reservists in the National Guard who gave up their incomes to go into a combat area and some have suffered as much as $20,000 to $30,000 loss of income. Some might even be facing the loss of their own health insurance. Life is not what it used to be for them either. And when there are senior citizens in the Northeast-Midwest corridor facing home heating oil problems, life is not what it used to be for them either.

As we take a look at what is happening on our budget stalemate, life is not what it used to be for a lot of people.

So, Mr. President, I hope that when people look to the United States of America in this time of crisis, they do not look to us to provide gold-plated responses.

Mr. President, I believe in burden sharing. I hope that when we are overseas preventing Saddam Hussein from invading Saudi Arabia and extending his aggressive activities in other areas, we stand firm. But, Mr. President, other people in the world have to help pay the bill, and other people in the world have to send troops, and other people in the world have to send medical supplies. The United States of America cannot do it by itself and it should not do it by itself.

Mr. President, we are facing a very serious budget problem in our own country. We face, on October 1, the possibility of a $100 billion sequester. Sequester is a word that people do not understand. What that means in plain, ordinary Main Street English is $100 billion in across-the-board cuts.

I believe in burden sharing not only overseas but here in the United States of America. The question becomes, who will share the burden and who will not share the burden in this budget deficit? I hope that we do not call upon our Federal employees or our retired Federal employees to bear that burden entirely by themselves. And, Mr. President, I hope we do not give a kidney punch once more to the American middle class, who are already paying a substantial amount of their money in income tax and a substantial amount of their money in property tax. They are tuition poor or mortgage poor and at the same time they are paying exorbitant rates for health insurance or car insurance, and they wonder who is on their side.

So, Mr. President, when we look at cuts and revenues, I hope we do not take it out on Federal employees. I hope we do not hold them hostage. I hope that they are not the subject of a swashbuckling furlough policy. At the same time, when we talk about revenues, for God's sake, let us not place it on the middle-income people.

There are people in this country who make $500,000 a year. They pay less taxes than my cop on the beat or that FBI agent right now wondering what is going to happen as he intervenes in trying to stop a drug deal. I think that people who make over $500,000 a year ought to pay as much as a schoolteacher, a cop on the beat, a farmer, a steelworker, an insurance salesman, and so on. I do not think that is unreasonable. I do not think that is a hardship. I think that is one area where we could come up with some money. I could go on, and I am not here today to go into a whole policy on that, but I think I would recommend that the budgeteers follow three principles:

No. 1, burden sharing. Those who have been getting their share ought to bear the budget. We know, in this last decade, what a lot of people who get their big share with casino-type economics who now make megamillionaire incomes ought to do.

Second, no gimmicks. The gimmicks are over. The American people deserve straight talk, and we should just do it.

And last but not at all least, Mr. President, we ought get a dollar's worth of services for a dollar's worth of taxes. If we do not need the weapons, do not buy them. If we do not need the MX missile, because we can now look at Mr. Gorbachev as a new ally, do not buy it. Do not buy $7,000 coffee pots. If we go over this item by item, I am sure we could squeeze some more money out.

Tomorrow night is Friday night. For a lot of people in my blue collar neighborhoods, Friday night is payday. They sit down with envelopes: So much for the house payment, so much for the insurance, so much for the food. Maybe that is what we ought to do and get down to a bottom line, no-frills budget agreement.

So, Mr. President, I hope we come to agreement on that. I just want you to know I was hot because somebody lost their income at $24,000 a year under the attack of a brutal dictator. When they come to the United States of America, they should know that most people in this country do not have incomes of $24,000 a year. We welcome them. We hope they can find a new life. But do you know what? Our streets of America are not paved with gold, and they are not paved with oil. They are paved with hard work, sweat, and a spirit of generosity. And they ought to thank God that they are here. I thank God that I am.

Mr. President, I yield the floor.

Mr. BRYAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FORD). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BRYAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Kalbaugh, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United

States submitting a nomination, which was referred to the Committee on Energy and Natural Resources.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:20 a.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 566) to authorize a new Housing Opportunities Partnerships Program to support State and local strategies for achieving more affordable housing, to increase homeownership, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Banking, Finance and Urban Affairs: Mr. GONZALEZ, Ms. OAKAR, Mr. VENTO, Mr. SCHUMER, Mr. FRANK, Mr. TORRES, Mr. KENNEDY, Mr. MCDERMOTT, Mr. WYLIE, Mrs. ROUKEMA, Mr. HILER, Mr. RIDGE, and Mr. BARTLETT.

From the Committee on Ways and Means, for consideration of section 110 of the Senate bill and modifications committed to conference: Mr. ROSTENKOWSKI, Mr. GIBBONS, Mr. PICKLE, Mr. STARK, Mr. JACOBS, Mr. FORD of Tennessee, Mr. JENKINS, Mr. DOWNEY, Mr. ARCHER, Mr. VANDER JAGT, Mr. CRANE, Mr. FRENZEL, and Mr. SCHULZE.

From the Committee on Education and Labor, for consideration of sections 1006 and 1008 and subtitles D through G of title XIII of the Senate bill and section 768 of the House amendment and modifications committed to conference: Mr. HAWKINS, Mr. FORD of Michigan, Mr. MURPHY, Mr. KILDEE, Mr. WILLIAMS, Mr. MARTINEZ, Mr. OWENS of New York, Mr. SAWYER, Mr. GOODLING, Mr. PETRI, Mr. GUNDERSON, Mr. TAUKE, and Mr. SMITH of Vermont.

From the Committee on Energy and Commerce, for consideration of title XIV of the Senate bill and modifications committed to conference: Mr. DINGELL, Mr. MARKEY, Mr. SWIFT, Mrs. COLLINS, Mr. SYNAR, Mr. TAUZIN, Mr. HALL of Texas, Mr. ECKART, Mr. LENT, Mr. RINALDO, Mr. MOORHEAD, Mr. RITTER, and Mr. BLILEY.

The message also announced that the House insists upon its amendments to the bill (S. 2830) to extend and revise agricultural price support and related programs, to provide for agricultural export, resource conservation, farm credit, and agricultural research and related programs, to ensure consumers an abundance of food and fiber at reasonable prices, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

From the Committee on Agriculture on the part of the House: Mr. DE LA GARZA, Mr. BROWN of California, Mr. ROSE, Mr. ENGLISH, Mr. HUCKABY, Mr. GLICKMAN, Mr. STENHOLM, Mr. VOLKMER, Mr. HATCHER, and Mr. PANETTA. for subtitle G of title XII, title XIV (except section 1414 and subtitles C and D), and title XVII of the House amendment, and title XVII (except section 1730), subtitle I of title XIX, section 1973, subtitle G of title XXI, and title XXIV of the Senate bill.

Mr. STALLINGS, in lieu of Mr. PANETTA, for titles II, XXVIII, and XXIX of the House amendment and title IX, title XIII (except section 1303), and subtitle B of title XX of the Senate bill.

Mr. OLIN, in lieu of Mr. PANETTA, for title IV, title XIII (except for subtitle H), subtitle D of title XIV and section 1843 of the House amendment and title I, section 1283, title XIV (except section 1496), and title XVI of the Senate bill.

Mr. JOHNSON of South Dakota, in lieu of Mr. PANETTA, for title V (except section 502) and subtitle A of title VI of the House amendment and title II and subtitle C of title X of the Senate bill.

Ms. LONG, in lieu of Mr. PANETTA, for title X, title XI (except section 1109), section 1215, and subtitle A of title VII of the House amendment, and for title IV title VIII, title X (except subtitle C), section 301 (insofar as it adds a new section 107A(e)(4)(E) to the Agricultural Act of 1949), section 501 (insofar as it adds a new section 103A(e)(4)(D) to the Agricultural Act of 1949), and section 601 (insofar as it adds a new section 101A(e)(4)(D) to the Agricultural Act of 1949).

Mr. DYSON, in lieu of Mr. PANETTA, for section 502, subtitle B of title VI, subtitle B of title VII, section 1414, subtitle C of title XIV, and section 1841 of the House amendment, and title XXI (except subtitle G) and section 1730 of the Senate bill.

Mr. LANCASTER, in lieu of Mr. PANETTA, for title VIII of the House amendment and title VII of the Senate bill.

Mr. JONTZ, in lieu of Mr. PANETTA, for subtitle A of title XVIII, and section 1508 of the House amendment, and subtitle B of title XIX and title XVIII of the Senate bill.

Mr. CONDIT, in lieu of Mr. PANETTA, for section 1109, title XII (except section 1215 and subtitle G), and section 1833 of the House amendment and title XI (except subtitle E), section 1551, and title XXIII of the Senate bill.

Mr. HARRIS, in lieu of Mr. PANETTA, for title XV (except for section 1508) and title XXVII of the House amendment and title XV (except section 1551) of the Senate bill.

Mr. ESPY, in lieu of Mr. PANETTA, for title III of the House amendment, and title VI (except new section 101A(e)(4)(D) of the Agricultural Act of 1949, as added by section 601), and subtitle K of title XIX of the Senate bill.

Mr. SARPALIUS, in lieu of Mr. PANETTA, for titles I, IX, and XXX of the House amendment and title III (except new section 107A(e)(4)(E) of the Agricultural Act of 1949, as added by section 301), title V (except new section 103A(e)(4)(D) of the Agricultural Act of 1949, as added by section 501), and subtitle E of title XI of the Senate bill.

Mr. PENNY, in lieu of Mr. PANETTA, for title XVI, section 1844, and subtitle H of title XIII of the House amendment, and title XII (except section 1283), section 1303, and subtitle A of title XIX of the Senate bill.

Mr. TALLON, in lieu of Mr. PANETTA, for titles XIX, XXII, XXIII, XXIV, and XXVI, and section 1857 of the House amendment, and title XX (except subtitles A, B, and F), and title XXII of the Senate bill.

Mr. STAGGERS, in lieu of Mr. PANETTA, for title XVIII (except subtitle A, sections 1833, 1841, 1843, 1844, and 1857), title XX, and title XXI of the House amendment and section 1496, subtitles H and J (except section 1973) of title XIX, and subtitles A and F of title XX of the Senate bill.

Mr. WISE, in lieu of Mr. PANETTA, for title XXV of the House amendment.

Ordered, That the following Members be additional managers of the conference on the part of the House from the Committee on Agriculture: Mr. MADIGAN, Mr. COLEMAN of Missouri, Mr. MARLENEE Mr. STANGELAND, Mr. HOPKINS, and Mr. ROBERTS.

Mr. EMERSON, in lieu of Mr. MARLENEE on section 502, title XIV, title XVII, and section 1841; in lieu of Mr. HOPKINS of subtitle B of title VII and subtitle B of title VI of the House amendment and subtitles A and B of title XVII, section 1730, subtitle I of title XIX, section 1973, subtitle G of title XXI, and title XXIV of the Senate bill.

Mr. MORRISON of Washington, in lieu of Mr. HOPKINS on titles XV and XXVII of the House amendment and title XV (except section 1551) and subtitle B of title XIX of the Senate bill.

Mr. GUNDERSON, in lieu of Mr. MARLENEE on titles IV, V (except section 502), title VI (except subtitle B) of the House amendment and titles I and II and subtitle C of title X of the Senate bill.

Mr. ROBERT F. SMITH, in lieu of Mr. HOPKINS on title IX and title XI (except section 1109) of the House amendment and title III, title X

(except subtitle C), section 301 (insofar as it adds a new section 107A(e)(4)(E) to the Agricultural Act of 1949), section 501 (insofar as it adds a new section 103A(e)(4)(D) to the Agricultural Act of 1949), and section 601 (insofar as it adds a new section 101A(e)(4)(D) to the Agricultural Act of 1949) of the Senate bill.

Mr. LEWIS of Florida, in lieu of Mr. MARLENEE on title II of the House amendment and title IX of the Senate bill.

Mr. COMBEST, in lieu of Mr. MARLENEE on title I of the House amendment and title V (except new section 103A(e)(4)(D) of the Agricultural Act of 1949, as added by section 501) of the Senate bill.

Mr. SCHUETTE, in lieu of Mr. HOPKINS on subtitle A of title XVIII of the House amendment and title XVIII of the Senate bill.

Mr. GRANDY, in lieu of Mr. HOPKINS on title X; and in lieu of Mr. MARLENEE on titles XVI and XXIX and section 1857 of the House amendment and title IV, title XII, and title XIII of the Senate bill.

Mr. HERGER, in lieu of Mr. MARLENEE on section 1109 and title XII except for subtitle G of the House amendment and title XI (except subtitle E), title XIII, and section 1551 of the Senate bill.

Mr. HOLLOWAY, in lieu of Mr. HOPKINS on title III of the House amendment, and title VI except section 601 (insofar as it adds a new section 101A(e)(4)(D) to the Agricultural Act of 1949) of the Senate bill.

Mr. WALSH, in lieu of Mr. HOPKINS on title XVIII except subtitle A of the House amendment and subtitle H (except section 1962), subtitle J (except section 1973), and subtitle K of title XIX of the Senate bill.

Mr. GRANT, in lieu of Mr. MARLENEE on title VIII of the House amendment and title VII of the Senate bill.

The message further announced that the House agrees to the amendments of the Senate to the bill (H.R. 4328) to authorize appropriations for fiscal years 1991 and 1992 for the customs and trade agencies, and for other purposes.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 2419. An act to authorize the Secretary of Agriculture to exchange certain property in the Chattahoochee National Forest for the construction of facilities in the national forest; and

H.R. 4309. An act to establish the Smith River National Recreation Area in the State of California, and for other purposes.

MEASURES REFERRED

The following bills previously received from the House of Representatives for concurrence were read the first and second times by unanimous consent, and referred as indicated:

H.R. 1576. An act to modify the boundary of the Cranberry Wilderness, located in the Monongahela National Forest, West Virginia; to the Committee on Energy and Natural Resources.

H.R. 4632. An act to amend title 14, United States Code, to impose penalties for inducing the Coast Guard to render aid under false pretenses, to impose liability for costs incurred by the Coast Guard in rendering that aid, and to authorize appropriations for use for acquiring direction finding equipment for the Coast Guard; to the Committee on Commerce, Science, and Transportation.

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 2419. An act to authorize the Secretary of Agriculture to exchange certain property in the Chattahoochee National Forest for the construction of facilities in the National Forest; to the Committee on Agriculture, Nutrition, and Forestry.

H.R. 4309. An act to establish the Smith River National Recreation Area in the State of California; to the Committee on Energy and Natural Resources.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-3603. A communication from the Principal Deputy Comptroller of the Department of Defense, transmitting, pursuant to law, a supplemental contract award report for the period September 1, 1990, to October 31, 1990; to the Committee on Armed Services.

EC-3604. A communication from the Comptroller General of the United States, transmitting, pursuant to law, an analysis of the estimated costs of the assistance agreements the Federal Savings and Loan Insurance Corporation entered into during 1988 and 1989; to the Committee on Banking, Housing, and Urban Affairs.

EC-3605. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, an assessment of the flexible subsidy program; to the Committee on Banking, Housing, and Urban Development.

EC-3606. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, a report of HUD's internal control review of the capital and administrative requirements of the multifamily coinsurance programs; to the Committee on Banking, Housing, and Urban Development.

EC-3607. A communication from the Assistant to the Chairman and Director of the Interstate Commerce Commission, transmitting, pursuant to law, a copy of the Interstate Commerce Commission's annual report of 1989; to the Committee on Commerce, Science, and Transportation.

EC-3608. A communication from the Secretary of Transportation transmitting, a draft of proposed legislation to amend the Hazardous Materials Transportation Act; to the Committee on Commerce, Science, and Transportation.

EC-3609. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, the annual report describing the technology transfer program for the period 1989–1990; to the Committee on Commerce, Science, and Transportation.

EC-3610. A communication from the Secretary of Commerce, transmitting, pursuant to law, the annual report for fiscal year ending September 30, 1989; to the Committee on Commerce, Science, and Transportation.

EC-3611. A communication from the Secretary of the Interior, transmitting, pursuant to law, the Federal Onshore Oil and Gas Leasing Report for fiscal year 1989; to the Committee on Energy and Natural Resources.

EC-3612. A communication from the Deputy Associate Director for Collection and Disbursement of the Minerals Management Service of the Department of the Interior, transmitting, pursuant to law, notification of the intention to make refunds listed on the enclosure; to the Committee on Energy and Natural Resources.

EC-3613. A communication from the Deputy Associate Director for Collection and Disbursement of the Minerals Management Service of the Department of the Interior, transmitting, pursuant to law, notification of the intention to make refunds listed on the enclosure; to the Committee on Energy and Natural Resources.

EC-3614. A communication from the Deputy Associate Director for Collection and Disbursement of the Minerals Management Service of the Department of the Interior, transmitting, pursuant to law, notification of the intention to make refunds listed on the enclosure; to the Committee on Energy and Natural Resources.

EC-3615. A communication from the Deputy Associate Director for Collection and Disbursement of the Minerals Management Service of the Department of the Interior, transmitting, pursuant to law, notification of the intention to make refunds listed on the enclosure; to the Committee on Energy and Natural Resources.

EC-3616. A communication from the Deputy Associate Director for Collection and Disbursement of the Minerals Management Service of the Department of the Interior, transmitting, pursuant to law, notification of the intention to make refunds listed on the enclosure; to the Committee on Energy and Natural Resources.

EC-3617. A communication from the Deputy Associate Director for Collection and Disbursement of the Minerals Management Service of the Department of the Interior, transmitting, pursuant to law, notification of the intention to make refunds listed on the enclosure; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

S. 2846. A bill to authorize and direct the Secretary of the Interior to conduct a study of the feasibility of establishing a unit of the National Park System to interpret and commemorate the origins, development, and progression of jazz in the United States, and for other purposes (Rept. No. 101-469).

By Mr. AKAKA, from the Committee on Veterans' Affairs, with an amendment in the nature of a substitute:

S. 190. A bill to amend section 3104 of title 38, United States Code, to permit certain service-connected disabled veterans who are retired members of the Armed Forces to receive compensation concurrently with retired pay without reduction in the amount of the compensation and retired pay.

Mr. AKAKA. Mr. President, on behalf of the Committee on Veterans' Affairs, I am pleased to report S. 190, as amended, to the Senate. This bill was ordered reported by the Committee on June 28, 1990, by a 5-to-4 vote. Under a previous unanimous-consent agreement, the legislation will be referred to the Committee on Armed Services for further consideration.

S. 190, as amended, would eliminate the statutory offset between veterans disability compensation and military retirement pay to the extent that a retiree is disabled. For example, a 100-percent disabled veteran would not be subject to the offset. A veteran rated 30 percent disabled, however, would receive both his retirement pay and compensation minus an amount equal to 70 percent of his disability compensation. A veteran rated 0 percent disabled would, of course, be subject to the full offset. Thus, S. 190, as amended, is carefully designed to benefit the most needy or seriously disabled veterans.

Mr. President, legislation to eliminate or modify the offset was first introduced by my predecessor, Senator Spark Matsunaga, in the 100th Congress. His strong advocacy impelled the committee to hold hearings on the so-called concurrent receipt bill on June 9, 1989, at which military and veterans service organizations unanimously expressed support for the measure. Now, little more than a year later, the committee has acted favorably on a measure that goes a long way toward addressing a century-old injustice done to the Nation's retired disabled veterans. In fitting tribute to the late legislator's efforts, the committee has agreed to name the bill the Spark M. Matsunaga Disability Benefits Improvement Act of 1990.

Mr. President, it would be remiss of me not to recognize the outstanding efforts of another committee member, Senator BOB GRAHAM of Florida, who assumed primary advocacy of the offset bill upon Senator Matsunaga's untimely death last Easter. It was Senator GRAHAM—supported by myself, Senator DENNIS DECONCINI of Arizona, Senator JAY ROCKEFELLER of West Virginia, and Senator JIM JEFFORDS of Vermont—who, with the gracious permission of Chairman ALAN CRANSTON, managed to steer the bill to a committee vote. Whatever the ultimate fate of this legislation, the nearly half a million retired disabled veterans who stand to benefit from this bill should rest assured that in Senator GRAHAM they have the finest possible advocate.

Mr. President, I ask unanimous consent that the text of the bill, as reported, be printed in the RECORD.

There being no objection, the bill, as reported, was ordered to be printed in the RECORD, as follows:

S. 190

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Spark M. Matsunaga Veterans Disability Benefits Improvement Act of 1990".

SEC. 2. CONCURRENT PAYMENT OF RETIRED PAY AND COMPENSATION.

(a) LIMITATION ON DUPLICATION OF BENEFITS.—Section 3104(a) of title 38, United States Code, is amended—

(1) in paragraph (1), by inserting "as provided in paragraph (3) of this subsection and" after "Except"; and

(2) by adding at the end the following new paragraph:

"(3)(A) Subject to subparagraph (B) of this paragraph, a person may be paid emergency officers', regular, or reserve retirement pay concurrently with the payment of compensation for any service-connected disability if the person's entitlement to such retirement pay is based solely on—

"(i) the person's age;

"(ii) the length of the person's service in the Armed Forces, the Regular or Reserve Corps of the Public Health Service, or the National Oceanic and Atmospheric Administration; or

"(iii) both the person's age and the length of such service.

"(B) In the case of a person who is receiving both retirement pay and compensation, the amount of retirement pay paid such person shall be reduced (but not below zero)—

"(i) if and while the disability is rated 10 percent, by the amount equal to 90 percent of the amount of the disability compensation paid such person;

"(ii) if and while the disability is rated 20 percent, by the amount equal to 80 percent of the amount of the disability compensation paid such person;

"(iii) if and while the disability is rated 30 percent, by the amount equal to 70 percent of the amount of the disability compensation paid such person;

"(iv) if and while the disability is rated 40 percent, by the amount equal to 60 percent of the amount of the disability compensation paid such person;

"(v) if and while the disability is rated 50 percent, by the amount equal to 50 percent of the amount of the disability compensation paid such person;

"(vi) if and while the disability is rated 60 percent, by the amount equal to 40 percent of the amount of the disability compensation paid such person;

"(vii) if and while the disability is rated 70 percent, by the amount equal to 30 percent of the amount of the disability compensation paid such person;

"(viii) if and while the disability is rated 80 percent, by the amount equal to 20 percent of the amount of the disability compensation paid such person; and

"(ix) if and while the disability is rated 90 percent, by the amount equal to 10 percent of the amount of the disability compensation paid such person.

The amount of the retirement pay of a disabled person may not be reduced under this subparagraph if and while the disability is rated as total.".

(b) TECHNICAL AMENDMENTS.—(1) Section 3104 of such title is further amended by striking out the section heading and inserting in lieu thereof the following:

"§ 3104. Limitation on duplication of payments".

(2) The table of sections at the beginning of chapter 53 of such title is amended by striking out the item relating to section 3104 and inserting in lieu thereof the following:

"3104. Limitation on duplication of payments.".

SEC. 3. EFFECTIVE DATE AND PROHIBITION ON RETROACTIVE BENEFITS.

(a) IN GENERAL.—The amendments made by this Act shall take effect on October 1, 1990.

(b) RETROACTIVE BENEFITS.—No benefits shall be paid to any person by virtue of this Act for any period before October 1, 1990.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous concent, and referred as indicated:

By Mr. REID (for himself and Mr. INOUYE):

S. 3084. A bill to provide for the settlement of water rights claims of the Fallon Paiute-Shoshone Indian Tribe, and for other purposes; to the Select Committee on Indian Affairs.

By Mr. JOHNSTON (for himself, Mr. BINGAMAN, Mr. WIRTH, Mr. DOMENICI, Mr. BUMPERS, Mr. NICKLES, and Mr. BRADLEY):

S. 3085. A bill to limit the jurisdiction of the Federal Energy Regulatory Commission over local distribution company wholesalers of natural gas for ultimate consumption as a fuel in motor vehicles; to the Committee on Energy and Natural Resources.

By Mr. LIEBERMAN (for himself, and Mr. DODD):

S. 3086. A bill to amend the Federal Unemployment Tax Act with respect to the provisions of State law required by such Act; to the Committee on Finance.

By Mr. NUNN (for himself, Mr. BYRD, Mr. WARNER, Mr. HATFIELD, and Mr. EXON):

S. 3087. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to accept gifts of money and property for use by the Department of Defense; to the Committee on Armed Services.

By Mr. AKAKA:

S. 3088. A bill to establish a commission to study and recommend terms and conditions for returning Kahoolawe Island, Hawaii, from the United States to the State of Hawaii, to prohibit the use of the land as a bombing range, to provide a study of a potential marine sanctuary in the vicinity of the land, to limit improvements to the land during the period for the study, and for other purposes; to the Committee on Armed Services.

By Mr. AKAKA (for himself, and Mr. INOUYE):

S. 3089. A bill to direct the Secretary of the Interior to study the suitability of the Ka Iwi shoreline on the island of Oahu, Hawaii, for inclusion in the National Park System; to the Committee on Energy and Natural Resources.

By Mr. SIMON:

S. 3090. A bill to amend the National Trails System Act to require the establishment of interpretive sites for the Trail of Tears National Historic Trail; to the Committee on Energy and Natural Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. WARNER (for Mr. DOLE (for himself, Mr. GARN, Mr. AKAKA, Mr. BENTSEN, Mr. BOND, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRYAN, Mr. BURDICK, Mr. BURNS, Mr. CHAFEE, Mr. COATS, Mr. COCHRAN, Mr. CONRAD, Mr. CRANSTON, Mr. DANFORTH, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. DOMENICI, Mr. DURENBERGER, Mr. GLENN, Mr. GORE, Mr. GORTON, Mr. GRAMM, Mr. GRASSLEY, Mr. HEFLIN, Mr. HELMS, Mr. HUMPHREY, Mr. INOUYE, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KERREY, Mr. KERRY, Mr. LAUTENBERG, Mr. MACK, Mr. MCCAIN, Mr. MCCLURE, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. PACKWOOD, Mr. PRYOR, Mr. RIEGLE, Mr. SANFORD, Mr. SHELBY, Mr. SIMPSON, Mr. SPECTER, Mr. STEVENS, Mr. THURMOND, Mr. WARNER, Mr. WILSON, and Mr. WIRTH)):

S. Res. 326. A resolution to designate the week of October 8, 1990, through October 12, 1990, as "Youth Space Education Week"; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. REID (for himself and Mr. INOUYE):

S. 3084. A bill to provide for the settlement of water rights claims of the Fallon Paiute-Shoshone Indian Tribe, and for other purposes; to the Select Committee on Indian Affairs.

FALLON PAIUTE-SHOSHONE INDIAN TRIBE WATER RIGHTS SETTLEMENT ACT

Mr. REID. Mr. President, I am pleased today to be able to introduce legislation to settle claims that the Fallon Shoshone Tribe of Nevada has against the United States that date back to the turn of the century.

In 1906, the Fallon Tribe relinquished 31,000 acres of land that had reserved water rights in exchange for 4,640 acres and the promise of an irrigation system. For 84 years, the Fallon Tribe has been denied the benefits that were to accrue to them under this agreement. Twelve years ago, Congress enacted Public Law 95-337 which directed the Secretary of the Interior to provide the promised irrigation system as a matter of first priority. However, to this day that law has not been implemented.

In 1988 the Interior Department issued new operating regulations for the Newlands project in Nevada that prohibited the creation of any new irrigated land in the project. Thus, the Fallon Tribe is caught in a catch-22 that permanently blocks them from receiving fair treatment under the 1906 agreement.

Over the last several years I have been encouraging the tribe to look for different approaches to settling their claims against the United States. Now, after months of intensive negotiations, it is possible to introduce this bill which will hopefully serve as the vehicle to finally resolve this situation and provide the Fallon Tribe fair settlement of their claims.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3084

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be cited as the "Fallon Paiute-Shoshone Indian Tribe Water Rights Settlement Act of 1990".

SEC. 2. SETTLEMENT FUND

(A) There is hereby established within the Treasury of the United States, the "Fallon Paiute-Shoshone Tribal Settlement Fund."

(B) There is authorized to be appropriated to the Fallon Paiute-Shoshone Tribal Settlement Fund the sum of $48,000,000.

(C)(1) The interest accruing from the investment of the principal of the Fallon Paiute-Shoshone Tribal Settlement Fund shall be available only for the following purposes.

(a) Tribal economic development, including development of long-term, profit-making opportunities for the Fallon Paiute-Shoshone Tribe and its members, and the development of employment opportunities for tribal members;

(b) Tribal government services and facilities;

(c) Per capita distributions to tribal members;

(d) Rehabilitation and betterment of the irrigation system on the Fallon Paiute-Shoshone Indian Reservation, not including lands added to the Reservation pursuant to the provisons of Public Law 95-337, 92 Stat. 455;

(e) Acquisition of lands, water rights or related property interests located outside the Fallon Paiute-Shoshone Indian Reservation from willing sellers, and improvement of such lands;

(f) Acquisition of individually-owned land, water rights or related property interests on the Fallon Paiute-Shoshone Indian Reservation from willing sellers, including those held in trust by the United States.

(2) In obligating and expending funds for the purposes set forth in subsections (d), (e) and (f), the Fallon Paiute-Shoshone Tribe may withdraw no more than 20 percent of the principal of the Settlement Fund, provided that any amounts withdrawn from principal must be restored to the principal from interest accruing from the investment of the remaining principal.

(D) The Fallon Paiute-Shoshone Tribe shall invest, manage, and use the monies appropriated to the Fallon Paiute-Shoshone Tribe Settlement Fund for the purposes set forth in this section in accordance with the plan developed in consultation with the Secretary of the Interior under subsection (F) of this section.

(E) Upon the request of the Fallon Paiute-Shoshone Tribe, the Secretary of the Interior shall invest the sums deposited in, accruing to, and remaining in the Fallon Paiute-Shoshone Tribal Settlement Fund, in interest-bearing deposits and securities in accordance with the Act of June 24, 1938, 52 Stat. 1037, as amended. All interest earned on such investments shall be added to the Fallon Paiute-Shoshone Tribal Settlement Fund.

(F)(1) The Fallon Paiute-Shoshone Tribe shall develop a plan, in consultation with the Secretary of the Interior, for the expenditure of the funds in the Fallon Paiute-Shoshone Tribal Settlement Fund, and shall submit the plan to the Secretary. The plan shall set forth the manner in which funds will be expended for the purposes outlined in subsection (C)(1) of the section. Such plan may be revised and updated by the Fallon Paiute-Shoshone Tribe in consultation with the Secretary.

(2) The plan shall include a description of a project for the rehabilitation and betterment of the existing irrigation system on the Fallon Paiute-Shoshone Indian Reservation. The rehabilitation and betterment project shall include measures to increase the efficiency of irrigation deliveries. The Secretary may assist in the development of the rehabilitation and betterment project, and the Fallon Paiute-Shoshone Tribe shall use its best efforts to implement the project within four years of the time when appropriations authorized in subsection (B) of this section become available.

(3) Upon the request of the Fallon Paiute-Shoshone Tribe, the Secretary of the Treasury and the Secretary of the Interior shall make available to the Tribes, monies from the Fallon Paiute-Shoshone Tribal Settlement Fund to serve any of the purposes set forth in subsection (C) of this section, except that no disbursement shall be made to the Tribe unless and until it adopts the plan required under this section.

(G) The provisions of section 6 of Public law 93-134, 87 Stat. 468, as amended by section 4 of Public Law 97-458, 96 Stat. 2513, shall apply to any funds which may be distributed per capita under subsection (C)(1)(c) of this section.

SEC. 3. ACQUISITION AND USE OF LANDS AND WATER RIGHTS.

(A) All lands, water rights, and related property interests acquired under section (2)(C)(1)(e) and (f) within the counties of Churchill and Lyon in the State of Nevada, shall be held in trust by the United States for the Fallon Paiute-Shoshone Tribe as part of the Fallon Paiute-Shoshone Indian Reservation, provided that no more than 2,415.3 acres of such acquired lands and not more than 8,453.55 acre feet per year of such water rights shall be held in trust by the United States and become part of the Fallon Paiute-Shoshone Indian Reservation.

(B) Any lands acquired under section (2)(C)(1)(e) or (f) shall be subject to the provisions of section 20 of the Act of October 17, 1988, 102 Stat. 2485.

(C) Total annual use of water rights appurtenant to the Fallon Paiute-Shoshone Indian Reservation which are served by the Newlands Reclamation Project, including Newlands Reclamation Project water rights added to the Fallon Paiute-Shoshone Indian Reservation under subsection (B) of this section, whether used on the Fallon Paiute-Shoshone Indian Reservation or transferred

and used off the Reservation pursuant to applicable law, shall not exceed the sum of:

(1) 10,587.5 acre feet of water per year, which is the quantum of water rights served by the Newlands Reclamation Project appurtenant to the Fallon Paiute-Shoshone Indian Reservation lands that are currently served by irrigation facilities; and

(2) the quantum of active Newlands Reclamation Project water rights currently located outside of the Fallon Paiute-Shoshone Indian Reservation that may be added to the Reservation under subsection (B) of this section of water rights which are acquired by the Secretary and exercised to benefit Reservation wildlife areas.

(D) The Secretary of the Interior is authorized and directed to reimburse non-Federal entities for reasonable and customary costs for delivery of Newlands Reclamation Project water to serve water rights added to the Fallon Paiute-Shoshone Indian Reservation under subsection (B) of this section, and to enter into renewable contracts for the payment of such costs.

(E) Subject to the limitation on the quantum of use set forth in subsection (C) of this section, all water rights appurtenant to the Fallon Paiute-Shoshone Indian Reservation that are served by the Newlands Reclamation Project, including Newlands Reclamation Project water rights added to the Reservation under subsection (B) of this section, may be used for irrigation or any other purpose. The jurisdiction of the Fallon Paiute-Shoshone Tribe over the use and transfer of such water rights within the Pallon Paiute-Shoshone Indian Reservation is recognized and confirmed. Such water rights shall not be subject to loss through forfeiture for non-use or abandonment.

(F)(1) The Fallon Paiute-Shoshone Tribe is authorized to acquired by purchase, by exchange of lands or water rights, or interests therein, including those held in trust for the Tribe, or by gift, any lands or water rights, or interests therein, including those held in trust, located within the Fallon Paiute-Shoshone Indian Reservation, for any of the following purposes:

(a) Consolidating reservation landholdings of water rights, including those held in trust;

(b) Eliminating fractionated heirship interests in reservation lands or water rights, including those held in trust;

(c) Providing land or water rights for any tribal program;

(d) Improving the economy of the Tribe and the economic status of tribal members through the development of industry, recreational facilities or housing projects; and

(e) General rehabilitation and enhancement of the total resource potential of the Reservation.

(2) Title to any lands or water rights, or interests therein, acquired by the Fallon Paiute-Shoshone Tribe within the counties of Churchill and Lyon in the State of Nevada under the authority of this subsection shall be held by the United States in trust for the Tribe.

SEC. 4. RELEASE OF CLAIMS.

(A)(1) The Secretary of the Treasury and the Secretary of the Interior shall not disburse any monies from the Fallon Paiute-Shoshone Tribal Settlement Fund until such time as the following conditions have been met:

(a) the Fallon Paiute-Shoshone Tribe has released any and all claims it may have against the United States resulting from any failure of the United States to comply with section 7 of Public Law 95-337, 92 Stat. 457;

(b) the Fallon Paiute-Shoshone Tribe has dismissed with prejudice its claims in *Northern Paiute Nation v. United States*, Docket No. 87-A, United States Claims Court;

(c) the Fallon Paiute-Shoshone Tribe has agreed to accept and abide by the limitation on use of water rights served by the Newlands Reclamation Project on the Fallon Paiute-Shoshone Indian Reseration, as set forth in section (3)(C); and

(d) the Fallon Paiute-Shoshone Tribe has dismissed, without prejudice, its claims in *Pyramid Lake Paiute Tribe of Indians v. Lujan*, No. R-85-197 (D.Nev.), provided that such dismissal shall not prejudice in any respect the Tribe's right to object to revisions, if any, of the Operating Criteria and Procedures adopted April 15, 1988, or to assert that such Operating Criteria and Procedures should be changed due to new information, changes in environmental circumstance, changes in project descriptions or other relevant considerations, in accordance with the requirements of all applicable court decrees and applicable statutory requirements.

(2) If the appropriations authorized in section (2)(B) are not appropriated by the Congress, it shall be deemed that the conditions set forth in this act have not been satisfied, and the Fallon Paiute-Shoshone Tribe may rescind its release of claims under this section and its agreement under subsection (c) of this section.

(3) Upon the appropriation of funds authorized in section (2)(B) of this Act, and the allocation of such funds to the Fallon Paiute-Shoshone Tribal Settlement Fund, Section 7 of Public Law 95-337, 92 Sat. 457, is repealed.

SEC. 5. LIABILITY OF THE UNITED STATES.

(A) Except with regard to the responsibilities assumed by the United States under section (2)(E), the United States shall not bear any obligation or liability regarding the investment, management, or use of funds by the Fallon Paiute-Shoshone Tribe.

(B) Except with regard to the responsibilities assumed by the United States under section 2(B), section (3)(A), section 3(D) and section (3)(F)(2), the United States shall not bear any obligation or liability for the implementation of the provisions of this Act.

By Mr. JOHNSTON (for himself, Mr. BINGAMAN, Mr. WIRTH, Mr. DOMENICI, Mr. BUMPERS, Mr. NICKLES, and Mr. BRADLEY):

S. 3085. A bill to limit the jurisdiction of the Federal Energy Regulatory Commission over local distribution company wholesalers of natural gas for ultimate consumption as a fuel in motor vehicles; to the Committee on Energy and Natural Resources.

VEHICULAR NATIONAL GAS JURISDICTION ACT

● Mr. JOHNSTON. Mr. President, on behalf of Senators BINGAMAN, WIRTH, DOMENICI, BUMPERS, NICKLES, BRADLEY, and myself, today I am introducing the Vehicular Natural Gas Jurisdiction Act of 1990, legislation to limit the Federal Energy Regulatory Commission's jurisdiction over local distribution companies engaged in the sale of natural gas for automotive consumption.

Under the pending amendments to the Clean Air Act it is likely that the use of alternate fuel vehicles will be mandated in urban areas with ozone nonattainment problems. Compressed natural gas is one of the alternate fuels that is likely to be used to comply with this mandate. The use of CNG as an automotive fuel also offers an opportunity to reduce our Nation's dependence on imported oil by displacing gasoline with a fuel from a safe domestic source.

Local distribution companies engaged in the retail sale of natural gas to homes, businesses, and industries are logical outlets for the sale of CNG as an automotive fuel. LDC's already have in place much of the local pipeline distribution infrastructure that will be needed to supply natural gas to the retail outlets that will sell CNG to motorists. It makes sense for LDC's to enter this business as the operators of CNG retail outlets, as suppliers to independently operated CNG service stations or as suppliers to central refueling facilities owned by the operators of fleet vehicles.

Under the Natural Gas Act, the regulation of the local distribution and retail sale of natural gas has been left to State and local authorities. Federal jurisdiction extends to the interstate transportation and wholesale sale of natural gas. The Congress has also carved out limited statutory exceptions which permit LDC's to engage in certain interstate activities that are an adjunct to local distribution. Under section 1(c) of the NGA, known as the "Hinshaw" exemption, an LDC may engage in the interstate transportation of natural gas within the boundaries of a State and may sell gas at wholesale within that State so long as the gas is ultimately consumed within such State and such activities are subject to regulation by a State commission. Under section 7(f) of the NGA, LDC's with multistate service areas that have received a service area determination from the Federal Energy Regulatory Commission may transport natural gas across State lines for delivery to ultimate consumers without triggering NGA certificate jurisdiction.

It is conceivable that the Natural Gas Act could be interpreted to extend Federal jurisdiction to an LDC's CNG activities. For example, suppose that an LDC with a section 1(c) Hinshaw exemption operated or supplied a CNG retail outlet which then sold CNG to a vehicle which then drove across the State line. It could be argued that the LDC was no longer entitled to its Hinshaw exemption because the gas that it sold or transported was not ultimately consumed within the same State in which the LDC received the gas.

Another example might involve an LDC with a multistate service territory which was exempt from Federal certificate jurisdiction under section 7(f) of the NGA. Suppose that this LDC sold CNG to a retail outlet which then resold the fuel to motorists. It could be argued that this wholesale transaction was subject to NGA jurisdiction.

While these examples might seem farfetched, it is far better to remove the ambiguity by means of this legislation rather than permit these issues to remain unresolved. The uncertainty surrounding this issue might deter LDC's from entering the CNG business. The legal ambiguity might offer a means for the advocates of competing alternate fuels to challenge LDC's efforts to get into the CNG business. There is no legitimate Federal interest to be protected by the FERC exercising its jurisdiction under the Natural Gas Act to regulate the local distribution of natural gas for automotive consumption. In fact, in declaratory orders the FERC has disclaimed jurisdiction over CNG sales by LDC's. These orders have not been tested in court.

This legislation removes the legal ambiguities surrounding CNG sales in the following way. First, it clarifies that the section 1(c) Hinshaw exemption is fully available no matter where a motor vehicle may go after filling up with CNG. The statutory assumption is that the CNG is ultimately consumed at the pump. Second, it clarifies that multistate LDC's exempt from NGA certificate jurisdiction under the section 7(f) service area exemption would not trigger NGA wholesale sale jurisdiction on account of sales to CNG retail outlets. Third, the legislation clarifies that the section 7(f) exemption from NGA certificate jurisdiction remains intact even if CNG is consumed outside the service area by virtue of where a motor vehicle drives after filling up with CNG. The statutory assumption regarding where the CNG is consumed is the same as that made in the case of the Hinshaw exemption.

This legislation would not confere any advantage on CNG over other alternate fuels. Rather, it removes a potential obstacle to CNG competing on an equal footing with other alternate fuels. In the marketplace, the fortunes of CNG will rise or fall depending on its relative merits as an automotive fuel and the efforts of those marketing the fuel.

The scope of this legislation is limited to entities that currently are exempt from Natural Gas Act jurisdiction under the express terms of that statute, namely pipelines and LDC's with Hinshaw exemptions under section 1(c) and LDC's with service area determinations under section 7(f). The purpose of this legislation is to ensure that such exemptions are not forfeited as a consequence of activities involving the sale and transportation of natural gas for ultimate consumption as automotive fuel. I wish to emphasize that this legislation does not create any loophole in Federal regulation of the natural gas industry under the NGA. An interstate pipeline's transportation or sale of natural gas for ultimate consumption as vehicular fuel will remain subject to NGA jurisdiction.

I urge the quick passage of this noncontroversial legislation. Mr. President, I ask unanimous consent that the text of the bill that I have introduced and a section-by-section analysis of the bill be printed in the RECORD, as follows:

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3085

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE

This Act may be referred to as the "Vehicular Natural Gas Jurisdiction Act of 1990".

SEC. 2. FINDINGS.

The Congress recognizes that—

(a) natural gas is a viable motor vehicle fuel;

(b) markets for natural gas as a vehicular fuel should be open and robust;

(c) institutional barriers to an equal opportunity for full market development of natural gas as a vehicular fuel should be minimized; and

(d) regulation under certain provisions of the Natural Gas Act is a potential restraint on full market development of natural gas as a vehicular fuel.

Therefore, it is in the national interest to insure an equal opportunity for natural gas to develop as a vehicular fuel and to remove aspects of Natural Gas Act regulation that may inhibit the development of natural gas in vehicle fuel markets.

SEC. 3. DEFINITIONS.

For the purposes of this Act—

(a) the term "VNG" means natural gas for ultimate use as a fuel in a motor vehicle, and includes compressed natural gas.

(b) the term "Motor Vehicle" includes any automobile, truck, bus, van, or other on-road or off-road motor vehicle, including a boat.

(c) all terms defined in section 2 of the Natural Gas Act shall have the same meaning as stated therein.

SEC. 4. PERSONS WITH HINSHAW EXEMPTIONS.

For purposes of section 1(c) of the Natural Gas Act, in the case of any sale of VNG, such VNG shall be deemed to be "ultimately consumed" within the state in which physical delivery of such VNG occurs, whether or not physical combustion of such VNG occurs in another state.

SEC. 5. PERSONS WITH SERVICE AREA DETERMINATIONS.

For purposes of the Natural Gas Act—

(a) WHOLESALES—In the case of a wholesale of VNG by the holder of a service area determination under section 7(f) of the Natural Gas Act, such holder shall be subject to the exclusive jurisdiction of the state commission in the state in which physical delivery of such VNG occurs, whether or not physical combustion of such VNG occurs in another state.

(b) TRANSPORTATION—In the case of transportation of VNG by the holder of a service area determination under section 7(f) of the Natural Gas Act, such VNG shall for purposes of section 7(f)(2) of the Natural Gas Act be deemed to be "consumed" within the state in which physical delivery of such VNG occurs, whether or not physical combustion of such VNG occurs in another state.

SECTION-BY-SECTION ANALYSIS OF THE VEHICULAR NATURAL GAS JURISDICTION ACT OF 1990

Section 1: Short Title—The short title of the legislation is the Vehicular Natural Gas Jurisdiction Act of 1990.

Section 2: Findings—It is found that it is in the national interest to insure an equal opportunity for natural gas to develop as a vehicle fuel and to remove aspects of regulation under the Natural Gas Act that may inhibit the development of natural gas in vehicle fuel markets.

Section 3: Definitions—The terms "VNG" and "Motor Vehicle" are defined for purposes of the legislation. The term "VNG" (for Vehicular Natural Gas) is used instead of "CNG" (for Compressed Natural Gas), because there are processes that could permit the use of uncompressed natural gas as vehicle fuel. Terms used in the legislation that are defined in section 2 of the Natural Gas Act shall have the same meaning as stated therein.

Section 4: Persons With Hinshaw Exemptions—This section addresses the possible claim that a local distribution company (LDC) might fail to meet the statutory requirements of section 1(c) of the Natural Gas Act, the "Hinshaw" exemption, because natural gas sold for ultimate use as a vehicular fuel is not "ultimately consumed" within the state in which the LDC receives the gas from another person. The problem is addressed by making the statutory assumption that with respect to natural gas sold as vehicular fuel, the gas is "ultimately consumed" within the state in which physical delivery occurs, whether or not physical combustion of the gas occurs in another state.

Section 5: Persons With Service Area Determinations—This section address LDCs that have multistate operations because they are located along state borders. Such LDCs have service area determinations under section 7(f) of the Natural Gas Act pursuant to which they may transport natural gas across state lines for delivery to ultimate consumers without triggering Natural Gas certificate jurisdiction. There are about ten such LDCs nationwide.

Subsection (a): Wholesales—This subsection states that wholesale sale jurisdiction under section 1(b) of the Natural Gas Act shall not attach to wholesale sales of natural gas for ultimate consumption as vehicle fuel made by LDCs with service area determinations under section 7(f), regardless of where physical combustion of the natural gas occurs.

Subsection (b): Transportation—This subsection is necessary because section 7(f) of the Natural Gas Act stipulates that in order for transportation provided by an LDC with a service area determination to be exempt from Natural Gas Act certificate jurisdiction, the transportation must be "to ultimate consumers in such service area." Section 7(f) stipulates further that such trans-

portation "shall be subject to the exclusive jurisdiction of the State commission in the State in which the gas is consumed." In the case of natural gas delivered for ultimate consumption as vehicle fuel, it can be claimed that such gas is not consumed in the state where delivery occurs if a motor vehicle leaves the state after refueling. This subsection addreses the issue by making the statutory assumption that the gas shall be deemed to be consumed in the state in which physical delivery occurs, whether or not physical combustion of the gas occurs in another state.●

By Mr. LIEBERMAN (for himself and Mr. DODD):

S. 3086. A bill to amend the Federal Unemployment Tax Act with respect to the provisions of State law required by such act; to the Committee on Finance.

UNEMPLOYMENT TAX AMENDMENTS

● Mr. LIEBERMAN. Mr. President, I rise today to introduce, together with my colleague Senator DODD, a bill which we believe will smooth the workings of our unemployment compensation system to the benefit of both workers and employers. This is a companion to H.R. 2369, which was introduced last year by Congressman BRUCE MORRISON, who has taken the lead in addressing this issue, and which passed the House of Representatives last year as part of the reconciliation package.

Under our unemployment compensation system, States are required to provide a fair hearing to anyone denied unemployment compensation benefits. In nearly all States, appeals referees adjudicate these disputes, and their decisions can be appealed to a board of review. The issues covered in these hearings are usually limited, the amounts in controversy are usually small, and most hearings are brief and straightforward.

This simple and prompt procedure for adjudicating disputes over unemployment compensation has been seriously disrupted by application of the legal doctrine of collateral estoppel to a hearing officer's decisions. Under the doctrine of collateral estoppel, or issue preclusion, a party that has had a full and fair opportunity to litigate an issue can be precluded from relitigating that issue in a later proceeding, even if the causes of action are completely different. The application of this doctrine in this context has greatly complicated what had been the efficient operation of the unemployment adjudication system to the detriment of both employers and employees.

As an example, if an unemployment compensation hearing officer's decision against an employer is given preclusive effect, the employer may also lose the right to assert certain defenses in a wrongful discharge suit. Conversely, an employee that loses his or her unemployment compensation claim could unwittingly lose the right to bring an action under title VII or other employment discrimination laws barring race or gender discrimination.

The effect of collateral estoppel on the unemployment compensations dispute resolution system is clear. Instead of weighing the costs of proceeding to a hearing against the potential exposure for unemployment compensation liability, the employer or its attorneys must weigh the costs of a vigorous defense before the unemployment compensation hearing officer against both the potential unemployment compensation liability and any related downstream liability such as a wrongful termination suit. This creates a much stronger incentive for employers to litigate unemployment compensation decisions fully instead of settling these cases promptly. The result has been a growth in the number of unemployment compensation trials spanning as much as 3 weeks.

In addition, application of collateral estoppel doctrine to unemployment compensation hearings has also made the unemployment compensation process a trap for unwary claimants. The vast majority of claimants are not represented by counsel, and the hearing usually occurs within 3 to 4 weeks after separation. At that time, the claimant may not have fully explored all possible legal remedies. It is simply unfair to give such an early and limited hearing a decisive role in establishing the parties' relative rights and responsibilities.

In short, the formerly straightforward and simple unemployment administrative proceedings are increasingly becoming arenas for Dickensian legal maneuvers to the detriment of employers and employees. In order to correct these problems, we are introducing this legislation to sever the links between the unemployment compensation process and the general employment discrimination and tort systems. The bill is simple: It bars use of an unemployment compensation decision as binding or evidence in any other action or subsequent proceeding. Thirteen States—Arkansas, California, Colorado, Connecticut, Idaho, Louisiana, Missouri, New Hampshire, New York, South Dakota, Utah, Washington, and Wyoming—have already acted under State law to deny preclusive effect to unemployment compensation hearings. It is time now to extend that rule nationwide.

In formulating this legislation, Senator DODD and I have appreciated the advice of Bennett Pudlin, who is both the chairman of the board of review of the employment security appeals division of the Connecticut Department of Labor, and the first vice president of the National Association of Unemployment Insurance Appellate Boards and a past chairman of its issues and legal concern committee.

I ask unanimous consent that the text of the bill be printed in the RECORD immediately following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 3086

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO FEDERAL UNEMPLOYMENT TAX ACT.

(a) IN GENERAL.—Section 3304(a) of the Internal Revenue Code of 1986 (relating to approval of State laws) is amended—

(1) by striking out "and" at the end of paragraph (17);

(2) by striking out the period at the end of paragraph (18) and inserting in lieu thereof "; and"; and

(3) by adding at the end the following new paragraph:

"(19) a finding of fact, conclusion of law, judgment, or final order made with respect to a claim under the State's unemployment compensation law shall not be—

"(A) binding, or

"(B) used as evidence

in any other action or proceeding (other than under such unemployment law), even if such action is between the same or related parties or involves the same facts."

(b) EFFECTIVE DATE.—

(1) GENERAL RULES.—Except as provided in paragraph (2), the amendments made by subsection (a) shall take effect on October 31, 1990 and shall apply with respect to any State law required to be certified on or after October 31, 1990, under section 3304(c) of the October 31, 1990, under section 3304(c) of the Internal Revenue Code of 1986.

(2) EXCEPTION.—In the case of any State the legislature of which has not been in session for at least 30 calendar days (whether or not successive) between the date of the enactment of this Act and October 31, 1990, the amendments made by subsection (a) shall take effect on the day which is after the 30th day such legislature is in session on or after October 1, 1990.●

By Mr. NUNN (for himself, Mr. BYRD, Mr. WARNER, Mr. HATFIELD, and Mr. EXON):

S. 3087. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to accept gifts of money and property for use by the Department of Defense; to the Committee on Armed Services.

ACCEPTANCE OF GIFTS FOR DEFENSE PROGRAMS, PROJECTS, AND ACTIVITIES

Mr. NUNN. Mr. President, today I am introducing legislation, along with Senator BYRD and Senator WARNER, to authorize the Secretary of Defense to accept gifts of money and property for use by the Department of Defense and the military services. This legislation is needed to establish a process for the executive branch and Congress to oversee and manage the anticipated donations of money and property from foreign governments to the United States to offset the costs of Operation Desert Shield.

The world community has generally joined in the condemnation of the ac-

tions of Iraq, and numerous nations are participating in the multinational force that is being assembled in connection with Operation Desert Shield. The United States, however, has borne the primary responsibility for the deployment and support of military forces in this operation. The administration has made a vigorous effort to secure financial support from other countries for the large cost of Operation Desert Shield to the United States.

In testimony before the Armed Services Committee, Secretary of Defense Cheney stated that he expected that the incremental cost of Operation Desert Shield to the United States in fiscal year 1991, in the absence of hostilities, would be $15 billion on an annual basis. He also testified that the administration was hopeful that at least $7 billion of that cost could be paid for through donations by foreign nations.

I believe that such contributions are appropriate in light of the impact of the Iraqi aggression on the world community. However, a $7 billion contribution—nearly half the anticipated costs of the operation for next year—would represent a degree of foreign financial participation in a U.S. military operation unprecedented in modern times. I strongly support these contributions. However, as the chairman of the Appropriations Committee, Senator BYRD, pointed out so eloquently yesterday on the Senate floor, it is essential that the funds be collected, managed, and accounted for through established financial procedures that do not circumvent the constitutional power of Congress to authorize and appropriate funds.

Secretary Cheney testified before the Armed Services Committee that the administration planned to process contributions from foreign nations through the National Defense Conditional Gift Fund established under chapter 26 of title 50, United States Code. Chapter 26 permits the Secretary of the Treasury to accept monetary gifts, and the Administrator of General Services to accept gifts of other property, "to further the defense effort of the United States." Donated funds are deposited into the Treasury. The Secretary of the Treasury has broad discretion to place the money "in such of the various appropriation accounts as * * * will best effectuate the intent of the donars." Once the money is placed in a broad category, such as "research and development," "personnel," or "operation and maintenance," it may be spent for purposes selected by the Department of Defense without any authorization or appropriation by Congress. The Department has proposed to revise this authority to permit DOD to directly allocate funds and use gifts without involving other Federal agencies. The Department's General Counsel Terry O'Donnell has testified before the committee on this subject and has been very helpful and cooperative.

Mr. President, this section of law was enacted in 1954, and the legislative history makes it clear that this authority was not intended to fund a massive overseas military activity, such as Operation Desert Shield. The purpose of the statute, as explained in the legislative history, was to permit citizens motivated by "patriotic feeling" to make donations "to support the defense effort." The legislative history notes that "the aggregate amounts of money likely to be received from these sources are relatively small."

Experience under this statute bears out the expectations of Congress. In recent years, for example, the balance in the gift fund has not exceeded $300,000. Since July 1987, there have been only three disbursements, totaling less than $90,000, all of which have been for the Uniformed Services University of the Health Sciences.

Mr. President, the use of the authority in chapter 26 to channel foreign contributions into military operations would provide the executive branch of Government with the authority to both raise funds and conduct military operations. Such combined authority would be in direct conflict with the intent of the framers of the Constitution. George Mason, for example, stated that "the purse and the sword ought never to get into the same hands, whether legislative or executive."

I believe that Congress must clarify the gift statute in a manner that assures accountability. This bill establishes a new provision of law, section 2608 of title 10, United States Code, to establish procedures for accepting, processing, and using gifts of money and property, including gifts from foreign countries.

This bill would authorize the Secretary of Defense to accept gifts of money or property from any person, foreign government, or international organization. Any money received, along with proceeds from the sale of any property received, would be placed in the defense gift account in the Treasury. Money in the defense gift account would be available to the Department of Defense in accordance with standard congressional authorization and appropriation procedures. Property received by the Department could be used without further authorization by Congress.

Under this legislation, the Defense Department would be required to submit periodic reports on the property received in order to permit congressional assessment of the effect, if any, on current and anticipated funding needs for the Department of Defense. The Comptroller General would also be required to conduct an annual audit of money and property accepted by the Secretary of Defense under this section and provide the results of this audit of Congress.

Mr. President, this legislation will establish the appropriate process for the Defense Department and Congress to oversee the expenditure of funds provided by foreign countries to offset the costs to the United States of Operation Desert Shield. I will work with the leadership to enact this bill into law as promptly as possible.

Mr. BYRD. Mr. President, I am pleased to be a cosponsor of this legislation, which is clearly needed, given the stated intentions of the administration concerning the potential use of the 1954 Defense Gift statute, which would hereby be repealed and replaced.

The original Defense Gift Act, 50 United States Code 1151, enacted in 1954, has not been used for the purposes of serving as a siphon for billions of dollars of contributions from foreign nations, international organizations and individuals, nor was it ever contemplated for such use. However, the administration has seized on this statute as a mechanism to avoid the constitutional requirement in article I, section 9, clause 7 that Congress appropriate any funds that are held in the Treasury of the United States before they may be used for any purpose. Indeed, the administration has asked, in connection with its request for supplemental appropriations for fiscal year 1990, for even wider discretionary authority, outside the normal constitutional process, to use funds, services, and property that are contributed as a part of the burden-sharing arrangements underpinning Operation Desert Shield in the Middle East.

The sweeping new authority that the administration would have the Congress grant as part of the supplemental appropriations measure for our military operations in the gulf region would, in effect, create a huge Defense slush fund. The tens of billions of dollars in contribution of funds, property, and services that we all hope will flow in from abroad to spread the load, and lighten the burden on American taxpayers, need to be carefully accounted for and allocated according to the normal process established by the Constitution.

The revision to the Gift Act that is offered today will accomplish that goal. It will permit the contribution of funds into a specially established defense gift fund in the Treasury, require that the use of the funds be obligated only for those purposes appropriated through an appropriations act, establish quarterly reporting requirements on property which may be donated, and include appropriate notifi-

cation and audit provisions so that adequate oversight of such donations will be conducted.

Mr. President, there is nothing in this new legislation which would impede, obstruct, or otherwise condition the effective and expeditious use by our Armed Forces of gifts of property in the gulf theater. If the Saudis contribute fuel, or other property and services in the region, our commanders can fully utilize those things on the spot. Of course, the property could not be used for purposes that were otherwise prohibited by law. However, since we hope that large amounts of valuable resources will be provided to the forces we have deployed to the region, we should expect full and timely reports regarding those donations.

I congratulate the distinguished Senator from Georgia for his initiative in introducing this legislation, and I have been pleased to join with him and Senator WARNER in developing its provisions.

Mr. President, I yield the floor.

Mr. WARNER addressed the Chair.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. WARNER. Mr. President, it is always a privilege, a special privilege, to join with our distinguished chairman of the Appropriations Committee, and our distinguished former majority leader—and also he is a valued member of the Armed Services Committee—introducing this special legislation.

Senator NUNN and I have been engaged for some several days now in drafting this bill. I am pleased today to join in introducing it.

Mr. President, the Iraqi invasion of Kuwait and the continued Iraqi threat to Saudi Arabia, and, indeed, the stability of the whole Persian Gulf and Middle East, has resulted in an unprecedented response by the world community. The swift and powerful response by the United States to Iraqi aggression provided the impetus for the United Nations to first condemn the Iraqi actions and then to follow up that condemnation by the imposition of sanctions.

President Bush, along with his Secretary of Defense, Richard Cheney, and the Secretary of State, James Baker, have skillfully and diplomatically ensured that Iraq be subjected to the full weight of the world diplomatic efforts and that those diplomatic efforts be backed up by a multinational military force now being assembled in connection with Operation Desert Shield.

It is only proper that the United States in its role as one of the great American powers and, indeed, the recognized leader of the democratic world was among the first nations to immediately respond to this challenge and deploy military forces swiftly in pursuit of Operation Desert Shield.

I expect that while we might wish otherwise, Mr. President, in the future the United States will be called upon again to bear responsibility in responding to military aggression elsewhere in the world. We must recognize that so long as the Americans wish to enjoy a position as a world leader and great power, we must also bear this type of responsibility again in the future.

I am hopeful that we will experience, should ever a contingency such as this one arise, again the rapid joining by other nations in the world to form a multinational force. Saudi Arabia as the host nation has extended these invitations to other nations to join the United States in providing the deterrent force and defensive force in Operation Desert Shield.

At the same time, it is entirely appropriate that other nations, primarily those who are unable for reasons of their constitutions, or reasons of the absence of military forces of other nations in the world, to contribute to this ongoing effort to halt and reverse Iraqi aggression.

I applaud the President and his Cabinet members in their efforts to ensure that others who are able to assist our efforts do share in the responsibility of responding to the situation in the gulf.

The present efforts have paid off. The administration now believes that other nations will provide at least $7 billion as of today in contributions to the United States to help defray the estimated fiscal year 1991 cost to the United States alone of $15 billion. That $15 billion is primarily to the Department of Defense to maintain and sustain U.S. military force now deployed as a part of the Operation Desert Shield defensive deterrent force.

Mr. President, the deployment of U.S. forces to the Persian Gulf is designed to protect the interests of the United States as well as the interests of many other nations. Under these circumstances it is entirely appropriate that the United States accept and utilize contributions from foreign nations to help finance the cost of that military deployment, and the military deployment that will ensue until this operation has concluded, hopefully, sparing any loss of life and primarily through diplomatic negotiations.

Those negotiations would not have taken place, and cannot be expected to be effective, unless the United States and other nations of the world had not responded promptly with these military forces.

Having said that, Mr. President, it is also of utmost importance that the American people be fully represented in the decisions about how such money will be expended to support military operations. That representation must come from the Congress as provided by the Constitution of the United States through its exercise of the power of the purse.

Unfortunately, the existing statute, chapter 26 of title 50, United States Code which permits the United States to accept gifts for defense purposes, fails to require the appropriation congressional review of expenditure of gift funds.

The distinguished chairman of the Appropriations Committee has just recited on behalf of Mr. NUNN and others the legislative history of that law. I remember, as Secretary of the Navy, utilizing that law to accept gifts for the Department of the Navy, primarily to help the Naval Academy in its mission to train our future officers.

The statute enacted in 1954 vests broad authority in the executive branch to both receive and expend gifts for defense purposes. This is perhaps understandable because Congress in 1954 could not anticipate that large sums of money would become available for defense purposes through gifts from other nations.

As a matter of fact, Mr. President, there is precedent-setting legislation in the 200-year-plus history of the United States. There is really no precedent for this type of multinational financing of an operation of primarily being discharged at the moment by large numbers of U.S.-deployed military. The unprecedented level of contributions anticipated to support Operation Desert Shield requires that we now, the Congress of the United States, amend that statute to ensure that one of the most important of the constitutional powers bestowed on the Congress, the power of the purse, be properly exercised.

Therefore, Mr. President, I join today with other leaders of the Armed Services Committee and the Appropriations Committee in introducing this bill which would clearly require that no funds contributed to the United States for defense purposes could be expended for these purposes without first the customary authorization and appropriations process by the Congress. We need to have that prescribed and set forth very clearly in the law. It is for that purpose that we are setting forth this bill today.

Mr. President, this bill makes clear that the Secretary of Defense can receive on behalf of the United States gifts or funds of property to be used for defense purposes, but it also ensures that the executive branch does not have the authority to utilize those funds for purposes which have not been approved by Congress through the normal traditional authorization and appropriations process. This does not alter the balance of power between the executive and legislative branches. It merely ensures that the balance struck by the Constitution is maintained.

Mr. President, the bill we introduce today will go a long way in avoiding conflicts between the executive and legislative branches over the use of defense gift funds by maintaining the constitutional scheme for the use of such funds. I urge each of my colleagues to join with us in cosponsoring and supporting this legislation.

Mr. BYRD addressed the Chair.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, what is the bill number that has been assigned to the bill introduced by Mr. NUNN?

The PRESIDING OFFICER. The Chair does not know at this moment. We will find out.

Mr. WARNER. Mr. President, might I inquire of our distinguished chairman, would it not be inappropriate to ask unanimous consent that those Senators desiring to be cosponsors can be so noted up to the close of business today?

Mr. BYRD. Absolutely. I urge the distinguished Senator to make that request.

Before he makes that request, I ask unanimous consent that the distinguished Senator from Nebraska [Mr. EXON] be added as cosponsor of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair would inform the President pro tempore that the number is S. 3087.

Mr. BYRD. I thank the Chair.

Mr. WARNER. Mr. President, at this time, on behalf of the distinguished Senator from West Virginia and myself, I ask unanimous consent that the RECORD remain open for the balance of this business to be conducted today such that Senators may indicate their desire to become cosponsors of this bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, on yesterday, I made a statement which appears on page 13415 and on page 13416 of the CONGRESSIONAL RECORD. I ask unanimous consent that at this point in the RECORD it again appear, and that an editorial of yesterday from the Washington Post titled "End Run by the Pentagon" be also printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PAYING FOR DESERT SHIELD

Mr. BYRD. Madam President, I support the actions that the President has taken thus far in response to the unprovoked and totally unjustifiable Iraqi invasion of Kuwait. He has acted forcefully, and, at the same time, he has helped to increase the stature of the United Nations by helping to build strong coalitions around resolutions to enforce an effective embargo against Iraq. In addition, the President and his Cabinet have engaged in a productive campaign to enlist the support of our allies and friends around the world to provide the necessary resources on the ground and in the waterways in the Middle East to deter further Iraqi aggression.

One can only speculate, but, without such expeditious and forceful actions by the President, the chances of further aggression by Iraq into Saudi Arabia may very well have already taken place.

The Department of Defense has incurred additional costs in fiscal year 1990 due to the extensive deployment of American men and equipment that has been made in the region of the Persian Gulf. I believe that we should support the request that has been submitted to the Congress for supplemental appropriations of $1.89 billion in funds to offset those heretofore unexpected expenditures at the end of the fiscal year.

The administration has made a strenuous effort to enlist financial commitments by many countries for the Desert Shield operation, and operation that very well may endure for many, many months in the next fiscal year. Reports vary on the size of the commitments to date, but they are fairly substantial, certainly running well over $10 billion. One report of Secretaries Baker and Brady's recent worldwide solicitation efforts to secure commitments of men, equipment, and financial resources indicated that the administration has set a goal of some $23 billion in such financial commitments. Other indications are that the administration expects Desert Shield to cost $15 billion in fiscal year 1991, and expects to offset that with at least $7 billion in foreign contributions. These are very large sums of money.

Madam President, I believe it is appropriate for all nations to shoulder as much of the burden, in men and money, as they can. Some countries have indicated, as have Saudi Arabia, Kuwait, the United Arab Emirates, Japan, Germany, France, and Great Britain, that they are prepared to commit large amounts of financial resources and in some cases very sizable numbers of men and equipment. I am gratified to hear of the commitments that have been made to date. These dollars will make the load on the American taxpayer easier to bear over the duration of this expensive enterprise.

However, Madam President, the existence of this emergency and the financial contributions that will be made do not provide any rationale for the President to circumvent the constitutional powers of the Congress to exercise its responsibilities over the purse. There is no legitimate reason for the administration to ask, as it has in the supplemental appropriation request, that the contributions be given directly to the Secretary of Defense so that he can dispense it pretty much as he likes without its first being appropriated out of the Treasury by the Congress.

The administration appears to be relying on the precedent of a little known statute enacted in 1954, the Defense Gift Act, chapter 26, 50 U.S.C. 1153, which was apparently enacted to allow patriotic citizens to donate small gifts into a special fund to be used for defense purposes. These small donations are supposed to go to the Treasury, which then disburses them to the Pentagon to be used in accordance with the wishes of the donating American citizens.

The statute certainly never contemplated that such a petty cash fund would be used to accept donations of billions of dollars from foreign countries, international organizations, or foreign citizens outside the normal process set up by the Constitution for the appropriation and accounting of funds.

The use of the Gift Act is completely inappropriate for this purpose. Even more inappropriate is the statutory language submitted by the administration, in its supplemental request, which would give sweeping new authority for the Secretary of Defense to accept property, services, or money from anyone and everyone to be used in the wide exercise of discretionary authority—in effect, to establish a military spending slush fund.

The Constitution, in article I, vests the power of the purse in the legislative branch. Article I, section 9, clause 7 contains a key foundation of our system of government, and it states, "no money shall be drawn from the Treasury, but in Consequence of Appropriations made by Law." The administration has abided by this provision in submitting a request for $1.89 billion in supplemental appropriations to offset the increased defense expenditures associated with Desert Shield. I certainly support the request for appropriations contained in the supplemental.

In addition, as I have said, I support the financial commitments to help offset this operation by those countries and international organization that can afford it, as well as substantial commitments of forces and equipment by as many members of the international community as possible. Certainly, the Congress will want to take into account the contributions that are made to the U.S. Treasury for these purposes and will want to know about them, will want to know the amounts involved, and will want to expend them through the legislative process set forth in the Constitution.

The American people do not feel that they should foot the entire bill,

so we should offset that bill as much as possible with the funds contributed from abroad. When it becomes clear how long the operation will last—and there is no way of knowing that—and how much it is costing, the administration will certainly get expeditious consideration of additional supplemental appropriations requests as we go down the road. All requests will be very carefully examined by the appropriations committees of the Congress, and the Congress will respond appropriately, I am sure.

All this, however, has nothing to do with altering the basic balance of powers of the respective branches in the Constitution. No amount of Desert Shield requirements can justify eroding the power of the legislative branch under the Constitution to appropriate money by setting aside that constitutional authority.

Madam President, I ask unanimous consent that an editorial on this subject from today's Washington Post be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

END RUN BY THE PENTAGON

Who should control the billions of dollars that foreign governments are contributing toward the cost of operation Desert Shield? The Pentagon has come up with the bright idea that it should. True, the Constitution says "no money shall be drawn from the Treasury, but in consequence of appropriations made by law." But this is a special circumstance, the national interest is involved, and what if the money never reaches the Treasury in the first place?

The administration's proposal is that a special gift fund be created, on which it could draw to finance the operation in the Saudi desert without having to go to Congress for step-by-step approval. Of course it would keep Congress informed and not violate congressional strictures, but . . .

Nice try, but no cigar. The face-off with Saddam Hussein should not be the pretext or precedent for a detour around the Constitution. A Congress still smarting over the extralegal funding, also from foreign sources, of the Iran-contra affair is hardly likely to authorize such a fund, nor should it, nor should a prudent administration ask.

The Pentagon is presumably anxious to make sure that as little as possible of the cost of Desert Shield is taken out of its regular budget. Defense officials may think that by paying part of the cost from a separate fund, they would reduce their exposure; there would be less left to argue about. No doubt they covet the flexibility that separate funding would provide as well.

But the foreign contributions ought to go to the Treasury, then become a resource for Congress to take into account like any other in allocating funds. The contributions are meant to reduce the burden on the U.S. government generally, not just the burden on the Pentagon. Congress has the power of the purse, and not just part of the purse, but all of it.

Mr. BYRD. I yield the floor.

Mr. WARNER. Mr. President, one of the reasons that the distinguished Senator from West Virginia, myself, Mr. NUNN, and others, have put this bill in this afternoon, the Senate Armed Services Committee anticipates a markup session on several pieces of legislation that we have pending, primarily a supplemental bill. That markup, Mr. President, could occur as early as Tuesday afternoon.

Mr. NUNN and I are contemplating at the moment putting on that bill, this particular bill that we have submitted today, as possibly modified between now and that time on Tuesday afternoon. Consequently, I urge that the executive branch and Members of the Senate who have suggestions convey those suggestions as rapidly as possible to the principal cosponsors of this legislation, both the appropriation seniors as well as those on the authorizing side, such that we can review those comments prior to Tuesday afternoon, because I would think that the supplemental bill, once it is reviewed by our committee, an authorization would be acted upon expeditiously by the Appropriations Committee, and that cycle will move very quickly.

Mr. BYRD. Yes. The House will be sending over the supplemental appropriations bill next week, and this legislation, I would anticipate, or some similar legislation, may be incorporated into that bill. I, as chairman of the Appropriations Committee, will certainly welcome the opportunity to work with the Senate Armed Services Committee, the chairman and ranking member, Senator NUNN and Senator WARNER respectively, as we proceed to consider that measure.

I count it a privilege to be joining with them in the introduction of this bill that has been introduced by Mr. NUNN on behalf of himself and Mr. WARNER and myself. Mr. EXON has been added as a cosponsor. I hope that other Senators will join in the cosponsorship of this legislation.

Mr. WARNER. Mr. President, I thank the distinguished chairman, because this is landmark legislation. So far as I know, in my research, we have never had any comparable situation, in the 200-plus-year history of our Nation, where sums of this magnitude are forthcoming from other nations to help us defray the cost of our military operations.

If I may take a moment here with the distinguished chairman, early on, certain press reports and comments with respect to the initiative undertaken by the United States, at times—I think not with any malice aforethought—have incorporated the word "mercenary" as it referred to our forces. A quick reference to any dictionary defines that term very clearly. The term "mercenary" applies to an individual, historically, who has gone forth bearing arms solely—underline solely—for the purpose of the pay that that individual receives.

The men and women in the Armed Forces of the United States are brought today, as they have been throughout our history, in the cause of freedom, to protect the sovereignty, to protect those principles for which our Nation has stood and fought and many have died and sacrificed for throughout our history.

I think it is a disgrace to those men and women over there today in that Persian Gulf operation, both at sea and on land, to make any reference to the term "mercenary." I think we have an obligation, those of us working on this particular bill and those of us otherwise engaged in speaking about this operation, to completely inform the American public, indeed the world, as to the exact purpose that our President stepped up and met this challenge swiftly and courageously to stop this aggression, and it is for the purpose of stopping this aggression, protecting the principle of sovereignty, and has absolutely no relationship to the Redcoats that served here in the period of our Revolution as true mercenaries.

I thank the Chair.

Mr. BYRD. Mr. President, I could not agree more with the able Senator from Virginia [Mr. WARNER]. Our men and women are not mercenaries. They are in the Persian Gulf region as a result of the order of the Commander in Chief of the United States, the President of the United States. They are there in the best interests of this country, and I am glad that the Senator has made that point clear.

They are not there as hired people on the part of any country. They are voluntarily serving this Nation, and carrying out the orders of the Commander in Chief.

I think we can all be very proud of the men and women who are serving this country in conditions that are certainly most uncomfortable and rigorous at this time.

Mr. WARNER. Mr. President, I thank the distinguished chairman, my friend and my colleague. I wonder if I might engage him in a brief colloquy on another issue. We have stood here time and time before, and we recall the days of the earlier operation in the Persian Gulf when so often some of our colleagues questioned the law of the land, namely the War Powers Act; and subsequent thereto, the distinguished chairman and I and the current majority leader, Mr. NUNN, Mr. COHEN, the Senator from Maine, and others joined us, we put in our version of an amendment to that act.

I think it is fortunate that we have not thus far felt the need in this body to examine the War Powers Act in the context of this present military operation; but I say to my good friend and former leader, it may well be that in

the review by the Senate of this statute, that subject could arise.

I simply say at this time that perhaps he and I and others who have spent a good deal of time on that issue should be prepared to answer, should some of our colleagues think that this law, which is passed primarily to cover this particular operation, somehow has the semblance, should I say, of a Gulf of Tonkin resolution or somehow impinges on the current statutory version of the War Powers Act.

I just raise that subject by way of future preparation.

Mr. BYRD. The Senator is not referring to the bill that has been introduced today.

Mr. WARNER. No, not at all. But in the course of deliberation on this bill, even though it is to be applicable as passed today, and henceforth for the indefinite period, it is drawn up in the context of the unusual unprecedented development of funds coming to our Nation as a consequence of the deployment of our forces in the pursuit of Operation Desert Shield.

Mr. BYRD. At the moment, I am unprepared to respond.

Mr. WARNER. I was not suggesting we have a responsive colloquy. I think we ought to be prepared, as we consider this bill, to answer any inquiries as to how it may or may not relate in any way to the War Powers Act.

Mr. BYRD. As I was about to say, I am not prepared to respond on the basis of any considered, thoughtful judgment, because I have not thought this through. I have not pondered that aspect or focused on the War Powers Act.

And I would doubt that this particular legislation that Senator NUNN has introduced today, with the cosponsorship of the distinguished Senator from Virginia and myself and other Senators, would necessarily gather into its folds any contemplation or debate with respect to the War Powers Act. I would hope to keep those two things separate. It seems to me that this is a horse that ought to travel by itself, and certainly should not be involved in controversy that any discussion of the War Powers Act might entail.

I would hope that it would be kept free of that.

Mr. WARNER. Mr. President, I certainly share those views, but in discussing this with another colleague, quite candidly this colleague simply said, "Well, if I vote in favor of this legislation, it condones the receipt of dollars to prosecute a military operation, and could that be interpreted," he asked the Senator from Virginia, "as my voting on a piece of legislation which in effect says to the President and the American public 'I approve of the actions being taken in Desert Shield'?"

And this colleague happens to approve of those actions taken by our President, but he said, "My vote in support of that legislation, I am trying to analyze how it would be interpreted back home."

I hope that the Senator and I know this, can draw a distinction, and we can, as the Senator says in our Virginias, this horse can march in its own way without being burdened with that argument.

Mr. BYRD. Mr. President, if the Senator will yield, with all great respect to the Senator who raised that question—I do not know who the Senator is; this is entirely an aside—I think that a very careful examination of this bill, however, that has just been introduced, would require an extremely strained interpretation for it to be construed in that fashion.

I do not think that our support, or any Senator's support of this measure, in any way should foreordain or imply a conclusion, one way or the other, with respect to the application of the War Powers Act. They are two separate matters.

Here we are trying to repeal legislation that is on the books which might be wrongly interpreted as allowing the administration—any administration, not just this one—to dispense funds outside the appropriations process as set forth in the Constitution.

We are seeking here to support the Constitution of the United States and to make clear that the legislative branch, which was given the power of the purse by the constitutional framers, is going to retain that power of control over the purse, peace or in war.

I do not think it has anything to do with the War Powers Act. I hope that other Senators will see it as the able Senator and I see it. I see no relation whatsoever between the two.

Mr. WARNER. Mr. President, I share those views. I simply brought the subject up so that we could put in the RECORD our current interpretation of this bill as drafted by the two of us, Mr. NUNN and me.

Mr. BYRD. Mr. President, I thank the distinguished Senator for his service in making this point.

Mr. President, I ask unanimous consent that Mr. HATFIELD be added as a cosponsor to the legislation which Senator NUNN and Senator WARNER and I have introduced today.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD. Mr. President, as I understand it now, the statement by Mr. NUNN, which will appear in the RECORD as though read in its entirety, precedes all of the colloquy that has ensued.

Mr. WARNER. Mr. President, that is correct.

The PRESIDING OFFICER. That is the Chair's understanding.

Mr. BYRD. I thank the Chair.

Mr. WARNER. Mr. President, that order would be Mr. NUNN, statements by the distinguished chairman of the Appropriations Committee, followed by the statements of the Senator from Virginia.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WARNER. Perhaps we should ask unanimous consent that the Senator from Nebraska [Mr. EXON] may include a statement which would follow mine. He may wish to do so.

Mr. BYRD. And other Senators. Would the Senator make that request?

Mr. WARNER. Yes, and others. Mr. President, and such other Senators as may desire.

The PRESIDING OFFICER. Without objection, it is so ordered.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 3088. A bill to establish a commission to study and recommend terms and conditions for returning Kahoolawe Island, Hawaii, from the United States to the State of Hawaii, to prohibit the use of the land as a bombing range, to provide a study of a potential marine sanctuary in the vicinity of the land, to limit improvements to the land during the period for the study, and for other purposes; to the Committee on Armed Services.

COMMISSION TO STUDY LAND CONVEYANCE OF KAHOOLAWE ISLAND, HAWAII

Mr. AKAKA. Mr. President, today I am introducing legislation to require the U.S. Government to return Kahoolawe Island to the people of Hawaii. Kahoolawe is an island of some 27,000 acres. Since the Second World War, it has been used for target practice by the U.S. military and by the armed service of other nations that participate in joint training exercises. Some estimate that Kahoolawe has been bombarded more than any island in the Pacific.

Kahoolawe was never settled in any meaningful way by Europeans after the arrival of Captain Cook. We know that it was home to early Native Hawaiian settlements. In an area of less than 44 square miles, over 500 archaeological and cultural sites can be found. In light of this rich heritage, Kahoolawe was placed on the National Register of Historic Places. Kahoolawe is the only island in the Hawaiian chain where the total archaeological history of the early Hawaiians remains intact. It is a gross understatement to say that the bombing of this island is inconsistent with the preservation of these archaeological sites.

Decades of bombing have turned the island into an environmental nightmare. Years of neglect have reduced Kahoolawe to a barren, forbidding landscape. Eight feet of topsoil have been lost due to wind and water erosion triggered by the impact of bombs.

My legislation proposal is based upon a 1953 Executive order which assured that Kahoolawe would be returned to the State of Hawaii. The order also guaranteed that the island would be restored to a safe condition.

Kahoolawe may be the smallest of our Hawaiian Islands, yet its importance to our heritage overshadows its small size. My bill would make the return and restoration of Kahoolawe a reality. It requires the removal of *all* explosives. This legislation is justified for overwhelming environmental, cultural, and safety reasons. Under my bill, bombing will be stopped immediately. During the halt of the bombing, a "Kahoolawe Island Conveyance Commission" will determine the terms and conditions for its return. Consistent with the 1953 Executive order, the Commission will identify areas of the island to be restored to a safe condition. The U.S. military will be required to render the balance of the island to a condition that is ecologically sound.

Some areas, particularly the higher elevations, will never be habitable even if they were cleared of ordinance. These areas should nonetheless be restored to a condition that permits reforestation, erosion control efforts, and removal of nonnative plants and animals.

For decades, the State of Hawaii, its elected officials, environmentalists, and native Hawaiian groups have asked for the return of the island. We have called for an end to the bombing. We have been rebuffed. We can no longer continue to wait.

Therefore, I have initiated a legislative solution for its return. I have already begun discussions with my Senate colleagues about consideration of this legislation, and I am encouraged by their response.

I intend to make the return of Kahoolawe Island a priority during the remainder of the 101st Congress.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 3089. A bill to direct the Secretary of the Interior to study the suitability of the Ka Iwi shoreline on the island of Oahu, HI, for inclusion in the National Park System; to the Committee on Energy and Natural Resources.

KA IWI SHORELINE NATIONAL PARK

Mr. AKAKA. Mr. President, anyone who has visited Hawaii can attest to the unparalleled beauty of the Ka Iwi shoreline. In recognition of this, today I have introduced legislation to direct the Secretary of the Interior to study ways of turning the Ka Iwi shoreline into a national park.

With a study in hand, boundaries for the Ka Iwi National Park could then be established and the Secretary of Interior would be authorized to acquire land to preserve this scenic treasure. The island of Oahu, where 80 percent of our population lives, has no national park to call its own. The majestic Ka Iwi shoreline is a rough, rocky, windswept stretch along the east Oahu coast. Its scenic grandeur is evidenced by Hanauma Bay, Makapuu Point, Koko Head, Koko Crater, the Halona Point blow hole, Queen's Beach, and perhaps most significantly, Sandy Beach.

It was the threat of development near Sandy Beach that triggered the park proposal I have introduced today. A national shoreline park would fulfill the dream of residents and community groups and concerned citizens who wish to preserve east Oahu's coastline beauty.

For those of us who love this remarkable coast as I do, creating this park is the answer. I originally proposed that the Senate consider this legislation in early June. Hearings on this proposal were scheduled by the Subcommittee on National Parks for July 14. Shortly before the hearing was to take place, the majority leader announced that he would begin scheduling votes during Friday sessions. This notice was delivered to all Senate offices in early July. Schedule changes are a fact of life that I understand and accept. However, the Ka Iwi bill must still go forward. As a member of the Energy and Natural Resources Committee, I will work to see that the Ka Iwi National Shoreline Park is established.

By Mr. SIMON:

S. 3090. A bill to amend the National Trails System Act to require the establishment of interpretive sites for the Trail of Tears National Historic Site; to the Committee on Energy and Natural Resources.

TRAIL OF TEARS NATIONAL HISTORIC SITE

Mr. SIMON. Mr. President, today I am introducing a bill that would amend the National Trails System Act to require the establishment of interpretive sites for the Trail of Tears National Historical Trail in Hopkinsville, KY; Fort Smith, AR; Trail of Tears State Park, MO; Tahlequah, OK; and Jonesboro, IL.

The Trail of Tears is not an inspiring or proud moment from American history, but it is an important one. One we should not forget. The Trail of Tears was the name given by the Cherokee to the forced journey in 1837 through 1838 from their lands in Georgia through Kentucky, Illinois, and Missouri to Oklahoma. This removal was based on the signing by a minority of the Cherokee leaders of the Treaty of New Echota in 1835, under the terms of which the Cherokee were to surrender their lands and move west of the Mississippi. The document was overwhelmingly repudiated by most of the tribe, and they refused to move; but the State of Georgia obtained a court order for Cherokee removal, to be accomplished by military force. Conditions for the Cherokee were growing progressively worse, no more than three Indians could gather at any one time without being arrested at gun-point, and local whites ran off Cherokee livestock and plundered and burned their homes. The Cherokee nation numbered in the thousands, their removal to west of the Mississippi was to be done in gradual stages; however, discovery of gold in the Appalachian mountains within their territory brought on a clamor for their immediate exodus. Troops under Gen. Winfield Scott rounded up the Indians and drove them into concentration camps, where they were held until they were sent on the long journey. In all, some 15,000 Cherokee were forced to move west.

The journey was made mostly on foot, beginning in October and November, and as winter came on, many of the Cherokee fell ill and died en route. In fact, one of every four Cherokees died from cold, hunger, or disease. The journey was mismanaged, and there was a shortage of supplies; the escorting troops rushed the Indians onward, refusing to allow them to minister to their sick or to bury their dead. On this Trail of Tears, one of the most pathetic episodes in American history, some 4,000 Cherokee perished.

The military forced the Cherokee to take two different routes—a northern route and a southern route. Although both groups suffered great hardship, those who traveled completely by land in the northern route suffered worse fates. The northern route entered in Golconda, IL, and split in Jonesboro, IL, which are small towns in the southern part of the State. In addition to brutal white hostility, a high rate of infant mortality, and starvation, the Cherokee were forced to do hard manual labor along the way. For example; on November 10, 1837, just outside of Jonesboro, IL, the Indians had to build a bridge across Cyprus Creek. Upon reaching Jonesboro, the soldiers split the Cherokee into more manageable groups before continuing westward.

In 1988, 150 years after the Trail of Tears, Ray Morris, of Golconda, IL, reenacted the march. It took almost 3 months to complete and even with modern technology incorporated into the covered wagons, it was still a very difficult journey. I would ask unanimous consent to include a moving article written about his memorial trek in the RECORD.

This bill won't amend the tragedy that America inflicted upon native Americans, but it will teach current and future generations not to repeat our mistakes. In addition, it will memorialize an important historical event. I urge my colleagues join me in support of the National Trails Act and this legislation.

Mr. President, I ask unanimous consent that the text of my bill follow my statement.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 3090

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. INTERPRETIVE SITES REQUIRED FOR THE TRAIL OF TEARS NATIONAL HISTORIC TRAIL

Section 5(a)(16)(B) of the National Trails System Act (16 U.S.C. 1244(a)(16)(B)) is amended to read as follows:

"(B) In carrying out his responsibilities under sections 5(f) and 7(c) of this Act, the Secretary of the Interior shall establish an appropriate interpretive site for the Trail of Tears National Historic Trail in the vicinity of each of the following locations: Hopkinsville, Kentucky; Fort Smith, Arkansas; Trail of Tears State Park, Missouri; Tahlequah, Oklahoma; and Jonesboro, Illinois.".

[From People magazine, Dec. 12, 1988]

PAYING HOMAGE TO A BRUTALIZED PEOPLE, A WAGON TRAIN FOLLOWS THE INFAMOUS TRAIL OF TEARS

Three days before Thanksgiving, near twilight, a train of horse-drawn covered wagons halted on a mountain road in the Ozarks, unable to negotiate the icy hill. Cold, hungry and awaiting help from strangers, the band of stalled adventurers looked at what they had for protection and comfort—long underwear, insulated shirts, down vests, even a wagon-borne mobile sanitary facility—and gave thanks.

In 1838 nearly 15,000 Cherokees walked this same path, wearing thin homespun clothing, eating weevil-infested grain and enduring disease, malnutrition and intense cold. The dreadful 1,000-mile journey through six states and territories took six months and 4,000 lives and came to be known as the Trail of Tears. Exactly 150 years later, a commemorative wagon train made up of 32 horse-drawn covered wagons, one buggy, several mules and more than 100 men, women and children set out to reenact the trek, although the discomforts of this latter-day journey could never approach the wretchedness of the original. "When I get cold and miserable, I get to thinking about what them people went through," said Ray Edgar, 54, a retired painter from Arkansas. "And I don't feel so bad no more."

In 1830 Congress passed the Indian Removal Act, a law that lived brutally up to its name. Starting in 1836 Cherokees living in the southeast were rounded up, placed in stockades and taken to departure points for transportation to Indian Territory—later to become Oklahoma. The white man wanted their lands. Indians who resisted were forcibly removed or shot.

Reenacting the Trail of Tears was the idea of Ray Morris, 43, an agriculture specialist at the University of Illinois who formerly worked on an Indian reservation in Washington State. Morris wanted "a chance to educate people" on a dark chapter in American history. After discussing his plan with friends and colleagues, who spread the word, he was amazed at the response from people willing to leave their jobs and use their savings in order to participate. Most who volunteered lived along the route and had heard stories of the Trail of Tears since childhood. Some had Indian forebears.

Morris asked Tom Gulley, 41, a Marion, Ill., horse farmer with Cherokee ancestors, to serve as wagon master. Gulley fretted over postponing marriage plans, then decided, "Aw, hell, we can get married anytime." (Proving his point, he and his wife, Cheryl, 34, were wed in a barn during the trip, and she called her highway honeymoon "real romantic.") Jesse Aldridge, 53, a Greenbrier, Tenn., farmer and factory worker, took an unpaid leave to join the trek after his teenage daughter said to him, "Daddy, you do it." Ray Edgar said he came to "apologize for what our forefathers did."

The wagon train that left Red Clay Historical State Park in Tennessee was an anachronism—some of the wagons were equipped with disc brakes, some with television sets—but the symbolism was potent nevertheless. Although the horses pulling the wagons were occasionally spooked by speeding trucks and horn blasts from thoughtless motorists, the travelers were usually treated with kindness. They were fed often, sheltered sometimes, even serenaded by Girl Scouts. Most moving were the greetings from descendants of Cherokees who had made the original march—they stood by the roadside with tears in their eyes.

Archie Mouse, 36, whose great-great-grandfathers survived the Trail of Tears, took a vacation from his job at a paper-reprocessing plant in Smyrna, Tenn., to travel two weeks with the caravan. After joining up, he took a leave of absence and stayed on. "I sometimes get bitter at what the government did and still does to Indian people," he said. "But mostly I'm sad because I imagine what it was like for my ancestors to watch their friends and family die. I imagine the long trail of blood in the snow. It was a death march."

Last week, after 2½ months on the road, the wagon train approached its destination, the Cherokee Nation capital at Tahlequah, Okla. To commemorate the pilgrimage, the travelers plan to present the Cherokees with a granite plaque symbolizing their concern. Says Morris: "We want the Indian people to know that we care."

ADDITIONAL COSPONSORS

S. 342

At the request of Mr. DANFORTH, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 342, a bill to amend the Internal Revenue Code of 1986 to provide that certain credits will not be subject to the passive activity rules, and for other purposes.

S. 1212

At the request of Mr. SANFORD, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 1212, a bill to amend title II of the Social Security Act to provide for a more gradual period of transition (and a new alternative formula with respect to such transition) to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927 (and related beneficiaries) and to provide for increases in such workers' benefits accordingly, and for other purposes.

S. 1224

At the request of Mr. BRYAN, the name of the Senator from Texas [Mr. BENTSEN] was added as a cosponsor of S. 1224, a bill to amend the Motor Vehicle Information and Cost Savings Act to require new standards for corporate average fuel economy, and for other purposes.

S. 1661

At the request of Mr. PRYOR, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1661, a bill to amend the Internal Revenue Code of 1986 to provide for a tax credit for qualifying disability expenses.

S. 2071

At the request of Mr. PACKWOOD, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 2071, a bill to amend the Internal Revenue Code of 1986 to provide incentives for savings and investments in order to stimulate economic growth.

S. 2165

At the request of Mr. BINGAMAN, the name of the Senator from New Mexico [Mr. DOMENICI] was added as a cosponsor of S. 2165, a bill to establish the Glorieta National Battlefield in the State of New Mexico.

S. 2307

At the request of Mr. RIEGLE, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2307, a bill to require the Secretary of Health and Human Services to provide intensive outreach and other services and protections to homeless individuals.

S. 2331

At the request of Mr. DASCHLE, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2331, a bill to amend the Internal Revenue Code of 1986 to make permanent, and to increase to 100 percent, the deduction of self-employed individuals for health insurance costs.

S. 2822

At the request of Mr. LAUTENBERG, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 2822, a bill to promote and strengthen aviation security, and for other purposes.

S. 2901

At the request of Mr. PRYOR, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 2901, a bill to amend the Internal Revenue Code of 1986 to simplify the application of the tax laws with respect to employee benefit plans, and for other purposes.

S. 2902

At the request of Mr. PRYOR, the name of the Senator from Minnesota [Mr. DURENBERGER] was added as a cosponsor of S. 2902, a bill to amend the

Internal Revenue Code of 1986 to clarify portions of the Code relating to church and welfare benefit plans, to modify certain provisions relating to participants in such plans, to reduce the complexity of and to bring workable consistency to the applicable rules, to promote retirement savings and benefits, and for other purposes.

S. 2933

At the request of Mr. EXON, the names of the Senator from Oregon [Mr. PACKWOOD], and the Senator from North Carolina [Mr. HELMS] were added as cosponsors of S. 2933, a bill to amend title 49, United States Code, regrding the collection of overpayments of undercharges on shipments via motor common carriers of property and nonhousehold goods freight forwarders, and for other purposes.

S. 2993

At the request of Mr. DASCHLE, the names of the Senator from Delaware [Mr. BIDEN], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from California [Mr. CRANSTON], and the Senator from New Mexico [Mr. BINGAMAN] were added as cosponsors of S. 2993, a bill to amend the Internal Revenue Code of 1986 to extend the solar, geothermal, ocean thermal energy tax credits through 1995.

S. 3035

At the request of Mr. LIEBERMAN, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 3035, a bill to protect the national security by prohibiting profiteering of essential commodities during periods of national emergency.

At the request of Mr. LIEBERMAN, the name of the Senator from Alabama [Mr. SHELBY] was withdrawn as a cosponsor of S. 3035, supra.

S. 3068

At the request of Mr. SYMMS, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 3068, a bill to establish the Office of Take Pride in America, and for other purposes.

SENATE JOINT RESOLUTION 291

At the request of Mr. HATCH, the names of the Senator from Louisiana [Mr. BREAUX], the Senator from Illinois [Mr. DIXON], the Senator from Louisiana [Mr. JOHNSTON], the Senator from North Dakota [Mr. CONRAD], the Senator from Virginia [Mr. WARNER], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Arizona [Mr. DECONCINI], and the Senator from Minnesota [Mr. DURENBERGER] were added as cosponsors of Senate Joint Resolution 291, a joint resolution designating the week of October 14, 1990, as "National Standards Week."

SENATE JOINT RESOLUTION 323

At the request of Mr. BRADLEY, the names of the Senator from Alabama [Mr. HEFLIN], the Senator from Montana [Mr. BURNS], the Senator from Tennessee [Mr. SASSER], the Senator from Indiana [Mr. COATS], the Senator from Arkansas [Mr. BUMPERS], the Senator from Missouri [Mr. BOND], the Senator from Wisconsin [Mr. KASTEN], the Senator from Alaska [Mr. STEVENS], the Senator from Hawaii [Mr. AKAKA], and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of Senate Joint Resolution 323, a joint resolution designating November 11 through 17, 1990, as "Geography Awareness Week."

SENATE JOINT RESOLUTION 326

At the request of Mr. D'AMATO, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resolution 326, a joint resolution to designate December 21, 1990, as a "Day of Observance for the Victims of Terrorism."

SENATE JOINT RESOLUTION 340

At the request of Mr. WILSON, the names of the Senator from Utah [Mr. HATCH], the Senator from Missouri [Mr. BOND], the Senator from California [Mr. CRANSTON], the Senator from Virginia [Mr. ROBB], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Vermont [Mr. JEFFORDS], the Senator from South Carolina [Mr. THURMOND], the Senator from Colorado [Mr. ARMSTRONG], the Senator from Idaho [Mr. MCCLURE], the Senator from New Hampshire [Mr. RUDMAN], the Senator from Virginia [Mr. WARNER], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Joint Resolution 340, a joint resolution designating the week beginning November 11, 1990, as "National Disabled Veterans Week."

SENATE JOINT RESOLUTION 350

At the request of Mr. BYRD, the names of the Senator from Montana [Mr. BAUCUS], the Senator from Minnesota [Mr. BOSCHWITZ], the Senator from Louisiana [Mr. BREAUX], the Senator from Arkansas [Mr. BUMPERS], the Senator from Montana [Mr. BURNS], the Senator from Indiana [Mr. COATS], the Senator from Mississippi [Mr. COCHRAN], the Senator from North Dakota [Mr. CONRAD], the Senator from New York [Mr. D'AMATO], the Senator from Tennessee [Mr. GORE], the Senator from Washington [Mr. GORTON], the Senator from North Carolina [Mr. HELMS], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Wisconsin [Mr. KASTEN], the Senator from Massachusetts [Mr. KERRY], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Mississippi [Mr. LOTT], the Senator from Indiana [Mr. LUGAR], the Senator from Idaho [Mr. MCCLURE], the Senator from Georgia [Mr. NUNN], the Senator from Arkansas [Mr. PRYOR], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from North Carolina [Mr. SANFORD], the Senator from Tennessee [Mr. SASSER], the Senator from Alabama [Mr. SHELBY], the Senator from Alaska [Mr. STEVENS], the Senator from Idaho [Mr. SYMMS] were added as cosponsors of Senate Joint Resolution 350, a joint resolution to designate October 18, 1990, as "National Hardwood Day."

SENATE JOINT RESOLUTION 351

At the request of Mr. BYRD, the names of the Senator from Illinois [Mr. SIMON] the Senator from Arkansas [Mr. PRYOR], the Senator from Arkansas [Mr. BUMPERS], the Senator from Maryland [Ms. MIKULSKI], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Rhode Island [Mr. PELL] were added as cosponsors of Senate Joint Resolution 351, a joint resolution to designate the month of May 1991, as "National Trauma Awareness Month."

SENATE JOINT RESOLUTION 363

At the request of Mr. RIEGLE, the name of the Senator from Hawaii [Mr. INOUYE] was added as a cosponsor of Senate Joint Resolution 363, a joint resolution to designate the week of October 22 through October 28, 1990, as the "International Parental Child Abduction Awareness Week."

SENATE RESOLUTION 326—DESIGNATING YOUTH SPACE EDUCATION WEEK

Mr. WARNER (for Mr. DOLE, for himself, Mr. GARN, Mr. AKAKA, Mr. BENTSEN, Mr. BOND, Mr. BOREN, Mr. BOSCHWITZ, Mr. BRYAN, Mr. BURDICK, Mr. BURNS, Mr. CHAFEE, Mr. COATS, Mr. COCHRAN, Mr. CONRAD, Mr. CRANSTON, Mr. DANFORTH, Mr. DECONCINI, Mr. DIXON, Mr. DODD, Mr. DOMENICI, Mr. DURENBERGER, Mr. GLENN, Mr. GORE, Mr. GORTON, Mr. GRAMM, Mr GRASSLEY, Mr. HEFLIN, Mr. HELMS, Mr. HUMPHREY, Mr. INOUYE, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KASTEN, Mr. KERREY, Mr. KERRY, Mr. LAUTENBERG, Mr. MACK, Mr. MCCAIN, Mr. MCCLURE, Mr. MOYNIHAN, Mr. MURKOWSKI, Mr. PACKWOOD, Mr. PRYOR, Mr. RIEGLE, Mr. SANFORD, Mr. SHELBY, Mr. SIMPSON, Mr. SPECTER, Mr. STEVENS, Mr. THURMOND, Mr. WARNER, Mr. WILSON, and Mr. WIRTH) submitted the following resolution; which was considered and agreed to:

S. RES. 326

Whereas, by investing substantial resources and talent in this Nation's space program, the United States has overcome seemingly insurmountable challenges and achieved the successful exploration of space;

Whereas this achievement stems from the enduring support of the people of the United States who have championed this Nation's space program through triumph and tragedy;

Whereas this success also stems from the beneficial contributions made by volunteer

and school organizations in fostering in the young of this Nation an interest in space technology, math and science;

Whereas by providing self-development and educational opportunities for this Nation's youth, these volunteer and school organizations have encouraged such youth to consider the future of the United States' space program and the role of the program in space exploration;

Whereas this decade begins with the promise of a new era in international cooperation in the exploration of space;

Whereas this cooperation provides opportunities to combine the efforts of organizations around the world to promote educational programs on space exploration for the young of all nations; and

Whereas the flowering of an interest in the exploration of space coincides with the quincentennial anniversary of the exploration of the new world: Now, therefore, be it

Resolved, That the week of October 8, 1990, through October 12, 1990, is hereby designated as "Youth Space Education Week", and the President is requested to issue a proclamation calling upon the people of the United States to celebrate the week with appropriate ceremonies and activities.

AMENDMENTS SUBMITTED

RURAL DEVELOPMENT, AGRICULTURE, AND RELATED AGENCIES APPROPRIATIONS, 1991

BAUCUS AMENDMENT NO. 2710

Mr. BAUCUS proposed an amendment to the bill (H.R. 5268) making appropriations for Rural Development, Agriculture, and Related Agencies programs for the fiscal year ending September 30, 1991, and for other purposes, as follows:

At the end of the bill, add the following new section:

SEC. . PAYMENT OF CLAIMS BY UNITED STATES NATIONALS AGAINST IRAQ.

(a) Notwithstanding any other provision of law, the President is authorized—

(1) to vest title in a portion of the property in which transactions have been blocked pursuant to Executive Order 12722 of August 3, 1990, which portion shall be equal to the total amount of obligations owed to United States Government (including the Department of Agriculture and the Commodity Credit Corporation) and United States nationals for which Iraq has suspended repayment; and

(2) to liquidate such property and pay United States creditors the amount of the obligations referred to under paragraph (1).

(b) In the event that property liquidated under subsection (a)(2) is less than the total amount of obligations described in subsection (a)(1), then obligations the repayment of which is guaranteed by the Commodity Credit Corporation shall be given priority in payment of creditors.

KASTEN (AND KOHL) AMENDMENT NO. 2711

Mr. COCHRAN (for Mr. KASTEN, for himself, and Mr. KOHL) proposed an amendment to the bill H.R. 5268, supra, as follows:

On page 16, line 10, after "$67,758,000", insert: *": Provided,* That from funds provided, a feasibility study shall be conducted on the Rural Health Information and Technology Initiative at the Medical College of Wisconsin".

MOTOR CARRIER SAFETY ACT

EXON (AND BURNS) AMENDMENT NO. 2712

Mr. BRYAN (for Mr. EXON, for himself and Mr. BURNS) proposed an amendment to the bill (S. 2393) to prohibit certain food transportation practices and to provide for regulation by the Secretary of Transportation that will safeguard food and certain other products from contamination during motor or rail transportation, and for other purposes, as follows:

At the end, add the following new section:

SEC. 17. AGRICULTURE WAIVER.

In addition to the authority which the Department of Transportation has granted to States to waive application of the Commercial Motor Vehicle Safety Act of 1986 (49 App. U.S.C. 2701 et seq.) with respect to farm vehicles contained in volume 53, pages 37313-37316, of the Federal Register (September 26, 1988), such States may extend such waivers to vehicles used to transport farm supplies from retail dealers to or from a farm, and to vehicles used for custom harvesting, whether or not such vehicles are controlled and operated by a farmer.

NOTICES OF HEARINGS

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. PRYOR. Mr. President, I would like to announce that the Subcommittee on Federal Services, Post Office, and Civil Service, of the Committee on Governmental Affairs, will hold a hearing on Monday, September 24, 1990. The focus of the hearing will be to examine the procurement problems involving the use of contractors by the Resolution Trust Corporation to administer the S&L bailout. The subcommittee will hear witnesses from the Resolution Trust Corporation and the General Accounting Office.

The hearing is scheduled for 9:30 a.m., in room 342 of the Senate Dirksen Office Building. For further information, please contact Ed Gleiman, subcommittee staff director, on 224-2254.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for the Senate and the public that a hearing has been scheduled before the full Committee on Energy and Natural Resources.

The purpose of the hearing is to receive testimony from expert witnesses on the key elements of a national energy policy that can effectively address U.S. dependence on oil and the actions Congress must take to implement such a policy.

The hearing will take place on Tuesday, October 2, 1990, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

Those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510, attn: Ben Cooper.

For further information, please contact Ben Cooper at (202) 224-7569.

SUBCOMMITTEE ON ENERGY REGULATION AND TAXATION

Mr. WIRTH. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Energy Regulation and Conservation.

The hearing will take place on Tuesday, September 25, at 9:30 a.m. in room SD-366 of the Senate Dirksen Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on S. 3085, legislation to limit the jurisdiction of the Federal Energy Regulatory Commission over local distribution company wholesalers of natural gas for ultimate consumption as a fuel in motor vehicles.

For further information, please contact Don Santa at (202) 224-4820, or Joel Saltzman at (202) 224-7932.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Banking, Housing and Urban Affairs be allowed to meet during the session of the Senate Thursday, September 20, 1990, at 10:30 a.m. to conduct a hearing on the FSLIC's 1988 deals.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on September 20, 1990, at 10 a.m. on the nomination of Gail C. McDonald, of Oklahoma to be a member of the Interstate Commerce Commission, and Mary Sterling of Virginia to be inspector general of The Department of Transportation.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks, and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate 2 p.m., Thursday, Sep-

tember 20, 1990, for a hearing to receive testimony concerning S. 2771, to establish the Vancouver National Historical Reserve in the State of Washington, and for other purposes; S. 2802, to authorize the establishment of the Fort Totten National Historical Site; S. 2809 and H.R. 3683, to amend the National Trails System to provide for the study and designation of the Underground Railroad Historic Trail; S. 2818 and H.R. 4834, to provide for a visitor center at Salem Maritime National Historic Site in the Commonwealth of Massachusetts; and H.R. 5084, to authorize the National Park Service to acquire and manage the Mary McLeod Bethune Council House National Historic Site, and for other purposes.

The PRESIDING OFFICER. Without objection, it so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, September 20, at 10 a.m. to hold a hearing on the Persian Gulf Crisis: Role of the United Nation.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

AT&T AND THE DESERT FAX

Mr. NUNN. Mr. President, all of us are aware of the many examples of U.S. corporations and businesses going out of their way to show support for the military men and women serving in Operation Desert Shield. I know from having visited the region that the troops deployed in and around Saudi Arabia and the Persian Gulf are working under extremely difficult and harsh conditions. The strong support from the U.S. business community is very much appreciated by the military services.

Today I want to bring to the attention of the Senate one example of U.S. corporate support to the military personnel in the Persian Gulf—and the role of our colleague Senator ALAN CRANSTON in this important effort.

Mail is the lifeline of the troops in the field back to their homes and loved ones. AT&T recently announced that it is setting up a service that will enable family and friends of U.S. military personnel serving in the Middle East as part of Operation Desert Shield, to send facsimile greetings to the troops free of charge. AT&T will begin accepting messages September 21 at its 400 phone centers across the country.

AT&T calls this morale-boosting effort Desert Fax. AT&T will offer free use of its facilities to transmit letter and drawings one-way to troops in the Middle East. After the fax messages are sent from the phone centers to the Middle East, the military postal service will deliver the messages to the troops in Operation Desert Shield at regular mail calls. Because the fax messages will be sent electronically, the time required to reach their destination will be significantly reduced.

Mr. President, the idea of using fax machines to speed mail and messages to our troops originated with Senator ALAN CRANSTON when he visited the Persian Gulf region earlier this month. He first raised the idea with General Schwarzkopf, the U.S. Commander in the region. General Schwarzkopf was enthusiastic, and offered full military cooperation. Senator CRANSTON then pursued the idea with AT&T and other phone companies. AT&T was the first to act, and Desert Fax is the result.

I want to congratulate Senator CRANSTON for coming up with this idea to sustain the morale of our troops in the Middle East and pursing it with his customary determination. His effort in this area is another example of his long-standing, strong commitment to the well-being of our men and women in uniform and their families. I also want to congratulate AT&T for responding to this idea so promptly and so generously. I know it will be appreciated by the men and women serving in Operation Desert Shield as well as their families here at home.●

VERMONT'S LUCKY CATCH

● Mr. LEAHY. Mr. President, Vermonters are well-known for their entrepreneurial energy and creativity. Patricia Alley and her husband Bill personify this spirit. Surrounded by Vermont's trout fishing mecca, they manage REC Corp., the country's third-largest fly-rod manufacturer, and also run Vermont's largest fly-fishing shop. Anglers come from all over the world to buy these Vermont-made products.

I have thoroughly enjoyed visiting the Alley's business, and only wish my fishing abilities matched the quality of the equipment they sell.

Patricia Alley was recently elected president of the Women Business Owners of Vermont. The Burlington Free Press published an article about this and her other impressive achievements, and I ask that it be included in the RECORD at the conclusion of my remarks.

The article follows:

[From the Burlington Free Press]

VERMONT'S LUCKY CATCH—WOMEN BUSINESS OWNERS ELECT PATRICIA ALLEY PRESIDENT

(By Kathryn Van Sant)

STOWE.—Inventor and professor, shop owner and head of a Vermont businesswomen's group, Patricia Passmore Alley is one of the state's Renaissance women.

A business planning specialist, Alley taught at Trinity College's business and economics planning department, helped run Vermont's largest fly fishing store for more than a decade and devised a special cane for the visually impaired.

Next time you cast an L.L. Bean rod, you'll probably be holding one made by REC Corp., the country's third-largest fly rod builder and another company Alley helps run.

"One of our biggest accounts is L.L. Bean," said Alley, REC's secretary. "We have large accounts in Japan and France and Italy."

The company's emphasis is on quality, fun and conservation. Its dozen employees make fly rods out of 30 types of wood. In 1985 REC bought E.F. Payne Rod Co. At 92 it's the oldest surviving rod company in America.

Alley also runs Lifetek Co. Inc., which she created to manufacture Sensorguide, a carbon fiber cane for the visually impaired.

The idea for the lightweight cane came to Alley while discussing carbon fiber with her husband in 1987. Not an everyday subject for most people, but for her and Bill Alley, a mechanical engineer who designs the rods, carbon fiber is a normal topic of discussion because it's used in fishing rods.

"I thought, 'Wouldn't it make a great cane for the blind?'" said Alley, whose father and grandmother worked with the visually impaired. "Bill made a prototype and I took it to the Vermont Association for the Blind, and they tested it.

"One of the properties of carbon fiber is that it transmits vibrations very well," she explained. "With a traditional aluminum cane people can't tell different kinds of pavements. But with Sensorguide they can differentiate between concrete pavement and asphalt road, for example."

The $49.95 canes have sold by word of mouth.

"We have not advertised, but there's a steady flow of orders. We've put more of our energy into the Fly Rod Shop," she said.

The shop evolved from a roadside outfit in Morrisville in the early 1970s to an internationally sought compound off Vermont 100 in Stowe. Nearly 200,000 rods later, Alley said the shop "began from consumer demand, and word of mouth made it grow. Anglers are pretty neat people, and we have customers from all over the world."

The shop includes a free casting clinic at its pond and has hundreds of graduates from its Green Mountain Fly Fishing School.

Alley also is the president of Women Business Owners of Vermont, a professional organization of female business owners in Vermont and parts of New Hampshire.

Although the group is useful, Alley said, it should ideally one day cease to exist.

"WBOV was founded with the idea that it would go out of business someday because the need to have a women's business organization would not exist."

"I've been a member and board member of other organizations. Often everyone shows up trying to impress others. But people come (to WBOV meetings) to share their experiences with each other to use each other as a resource. There's a lot of positive interaction."

Alley said she would like to expand the organization's focus during her one-year term, emphasizing local activity.

Alley came to Vermont in 1976 to be a business planner at General Electric Co. She met Bill when the two were among Ver-

mont representatives to the White House Conference on Small Business.

Their business contributes to Vermont clean-up and conservation groups and encourages catch-and-release fishing.

Alley has many anecdotes about her customers' devotion to the Fly Rod Shop.

There was the time, for instance, that Bill Alley interrupted a WBOV meeting to announce that two Japanese businessmen browsing at the shop would stay for dinner. Could she pick up some American chow?

Burgers were served that night at the Alley residence.

"The next morning the two Japanese businessmen placed their first of four orders—for $27,000," she said.

That kind of devotion made 1990 the shop's best year ever, despite the faltering economy, Alley said.

"Our sales to date are up 25 percent over last year's," Alley said, although she would not release figures. "That tells a lot about the increased interest in fly fishing. A lot of women are getting into it, and now it's increasingly seen as a family activity."

The shop sells various fish cookbooks, videos, clothes, and a book for female anglers called "Wade a Little Deeper, Dear."

"We want to appeal to the angler's companion," Alley explained.

Last week a casting class graduate sent the Alleys by overnight mail part of a tuna he caught.

"We get letters all the time from our customers." Alley laughed.●

EMPLOYER SUPPORT FOR THE NATIONAL GUARD AND RESERVE

● Mr. NUNN. Mr. President, all of us are proud of the extraordinary dedication and professionalism being demonstrated by the men and women of all of the military services in support of Operation Desert Shield. I know from having visited the region that the men and women deployed in and around Saudi Arabia and the Persian Gulf are working under extremely difficult and harsh conditions.

But I also want to take a moment today to congratulate another very important group for their contributions to Operation Desert Shield, the civilian employers of our National Guardsmen and Reservists.

One of the unique aspects of Operation Desert Shield is that it involves the first involuntary callup of National Guard and Reserve units since the total force policy was established in 1973. Secretary Cheney has indicated that by the end of September, close to 50,000 National Guardsmen and Reservists will be called up for a period of 90 days active duty. Under the law, this 90 days can be extended for an additional 90 days, for a total period of active duty of 180 days.

Like their active duty counterparts, the families of the National Guardsmen and Reservists are making a special sacrifice as Operation Desert Shield continues. Unlike their active counterparts, however, National Guardsmen and Reservists have a civilian job which they will come to after their period of active duty is completed.

Under the law all National Guardsmen and Reservists called to active duty to support contingencies like Operation Desert Shield have reemployment rights when their period of active duty is finished. But Mr. President, there are many civilian employers today who are doing much more than guaranteeing the jobs of their employees who are National Guardsmen and Reservists and who have been called to active duty. I want just to mention two companies whose strong support of the National Guard and Reserve has come to my attention recently.

Earlier this month, the McDonnell Douglas Corp. of St. Louis, MI, the Nation's largest defense contractor, announced that it will provide paid leaves of absence of up to 90 days for its employees in the National Guard and Reserves who are called to or volunteer for active duty during the current Persian Gulf crisis. McDonnell Douglas will pay these employees the difference between their military pay and their regular McDonnell Douglas pay. In addition, the company will continue all health, dental, disability, and life insurance and other benefits for their employees and their dependents during their 90-day leave.

Another major defense contractor, Allied-Signal, Inc. of Morristown, NJ, recently announced that any Allied-Signal employee called to active duty as a National Guardsman or Reservist will be placed on a 1-year leave of absence and will have his or her base wage or salary continued for the first 90 days of the leave. The employees also have the option to elect to continue coverage under almost all employee benefits for the duration of the military leave of absence.

Mr. President, the strong support that these two companies are providing to their employees serving in the National Guard and Reserves goes far beyond what the law requires. I am sure that there are many other companies who are providing similar benefits and support to their employees that are being called to support Operation Desert Shield. Employer support is a critical element in the success of the total force policy. I want to congratulate these two companies and all of the others who are providing this kind of support to their employees who serve in the National Guard and Reserves.●

LETTER FROM SOCIETY FOR NUTRITION EDUCATION ON CONVENTION ON THE RIGHTS OF THE CHILD

● Mr. BRADLEY. Mr. President, I recently received correspondence from the Society for Nutrition Education to President Bush concerning the Convention on the Rights of the Child. Their letter urges the President to sign the convention before the World Summit for Children which will take place on September 29 in New York.

Mr. President, the Convention on the Rights of the Child is a Magna Carta for children. This historic international treaty provides basic rights and special protections all children need: protection from disease and hunger, from sexual abuse, torture, the illegal narcotics trade, and dangerous working conditions. Perhaps most important, the convention provides advocates on behalf of children a powerful tool for focusing the attention of governments and societies on the needs of children, both in the United States and in other countries.

Almost 100 countries have signed the convention and have initiated the process of ratification; some 30 countries have ratified it, making it international law in record time. The United States, always a leader in human rights and on behalf of children, should not go to the summit without a firm commitment on behalf of children.

Mr. President, I thank the Society for Nutrition Education for its support of the convention, and I ask unanimous consent that a copy of their letter be entered in the RECORD at this point.

HON. GEORGE BUSH,
President of the United States, the White House, Washington, DC.

DEAR PRESIDENT BUSH: On behalf of the Society for Nutrition Education, I am writing regarding the Convention on the Rights of the Child, adopted unanimously by the United Nations last November. We urge you to approve the Convention swiftly and send the matter to the Senate for expeditious ratification. We urge you to act on this issue prior to September 29, 1990 when numerous heads of state will convene in New York for the International Summit on Children. U.S. support for the Convention and your participation at the Summit will send a clear signal to the nations of the globe that the basic needs of children are of paramount importance.

The Society for Nutrition Education, the premier organization linking the fields of nutrition and education, draws its membership from the United States, Canada, and around the world. The Society enhances the ability of its members to help the public make informed food choices. As caring professionals, we are keenly aware that the devastating consequences of poverty, hunger and malnutrition afflict far too many children around the world and here at home. Insufficient food and substandard diets are major contributors to low birthweight and infant mortality. In the early stages of life inadequate food severely limits physical growth, intellectual development and places children at risk of infection.

Knowledge about proper food and nutrition is key, yet the success of educational efforts will be determined in large measure by whether or not individuals have the resources to implement what they have learned. By establishing universal legal standards, the Convention on the Rights of

the Child will protect children by recognizing their rights to basic needs such as food and health care.

Through our Society's Division of Nutrition Education of Children, we have joined with scores of other organizations as cosponsors of the public awareness events scheduled to coincide with the Summit on Children. Your participation will add the powerful voice of American citizens and will demonstrate that the U.S. is ready to give the needs of children the highest consideration.

When we compromise the potential of children, we compromise the health of nations and the possibility for the world community to achieve peace and prosperity. Please act affirmatively and quickly on this matter.

Thank you for your consideration of this request.

Sincerely,

NANCY SCHWARTZ, PH.D., RD,
President, 1990-91.●

A LIBERAL'S LAST THOUGHTS

● Mr. HUMPHREY. Mr. President, I would like to bring to all Members' attention an op-ed by John H. Fund recently published in the Wall Street Journal, entitled "A Liberal's Last Thoughts".

Although I will let the piece speak for itself, I would simply like to point out that Edward Pattison's words are testimony to the idea that politicians need to leave office and live under the laws and systems they have created.

We all know that real, Congress-proof institutional reform is long overdue. The voters in Oklahoma, and many States, tell us that Congress needs to change.

In that regard, Mr. Pattison was a unique individual who serves as an example to us all. I strongly urge all Members to take Mr. Pattison's thoughts to heart, and work toward the types of institutional reforms that Congress so obviously needs.

I ask that the op-ed appear in the RECORD immediately following my remarks.

The article follows:

A LIBERAL'S LAST THOUGHTS
(By John H. Fund)

They were known as the "Watergate babies." The 75 Democrats elected to the House in their party's 1974 landslide represented the arrival of a generation of idealistic post-New Deal liberals in Congress. They led a mini-revolution in the House by ousting three powerful Southern committee chairmen and giving the Democratic Caucus the power to enforce party discipline. To a remarkable extent, today's Congress is run by the 50 or so members of the Class of '74 who haven't been defeated or gone on to other offices.

Last week, one of those who lost his seat, Edward Pattison of New York, became, at age 58, the first Watergate baby to die of natural causes. Mr. Pattison remained a civil libertarian and social liberal until his death. But unlike his colleagues who stayed in office, Mr. Pattison became increasingly suspicious of governmental intervention in the economy and appalled at the "bloated beast" he felt Congress had become.

I first spoke with him in February, when he was already ill with cancer. I knew he was one of several former Democratic members backing term limits on Congress. I expected a pro forma chat when I called him at his home near Troy, N.Y. Instead, I had the first of several long talks with a man who had thought deeply about why government no longer was capable of doing the things he had wanted it to do while he was in Congress.

"There are simply a lot of things the government will never do well," he told me. "The problem neo-liberals have today is while they want to oppose special-interests, they are committed to voting more money for some of the most rigid, unresponsive bureaucracies ever created."

Ned Pattison was the first Democrat to represent his upstate New York district since the Civil War. Unlike many of his Class of '74 colleagues who trimmed their liberal sails, Mr. Pattison voted a strict liberal line in Congress. That record, coupled with an admission that he had smoked marijuana, cost him his seat in 1978. Mr. Pattison didn't follow the usual course by staying in Washington and lobbying his former colleagues. He served as a fellow at Harvard's Kennedy School of Government and then returned home to practice law.

Over time he abandoned liberalism and became interested in Jeffersonian ideas. He found the work of the libertarian Cato Institute "fascinating." He remained skeptical of conservatives because he said they had their own ideological blind spots, namely blank-check spending on dubious military programs: "They couldn't see the Pentagon was like any other bureaucracy, the post office with guns."

A former county official, Mr. Pattison felt the federal government had grown beyond "human scale" and could accomplish few of its purported goals. To him, federalism was an idea to be rescued from dusty history books. He admired Charles Murray's 1988 book, "In Pursuit of Happiness," which argues that "little platoons" of communities and voluntary associations can best handle most social problems.

Mr. Pattison frequently returned to Washington as chairman of the Congressional Institute on the Furture and to visit the now-graying Watergate babies. He found friends who were finally wielding the levers of power, but enjoying it less and less. "I'd never thought I'd see the House gym so well used," he said, "A lot of members realize they're engaged in playacting, merely managing a bureaucratic empire they came to Washington to change."

He came to regret the role he played in building up Congress's power to micromanage the federal government. He was especially critical of how he and his fellow Watergate babies perfected the skills of incumbency protection and constituency service. "There is no justification for constituency service the way it's done today," he said. "Members don't act as ombudsmen waiting for people to come to them; they're out soliciting business. It's a bureaucracy within a bureaucracy. Over half of the staff works on constituent service to re-elect their boss."

Congressional reform was a favorite topic of his. His 1990s version started with limiting members of Congress to 12 years of service. "You wouldn't believe how many members privately tell me it's a good idea," he said during a luncheon meeting earlier this year. Other reforms would include limiting members to one district office, cutting current staff levels in half and sharply limiting the amount of franked mail propaganda a member could send out. "I'd finish up by doing something about the dirty secret of American politics: gerrymandering," he said with a smile.

Inspired to enter politics by John F. Kennedy, Mr. Pattison ended up having little use for is party's leaders. "I couldn't believe Dick Gephardt and his Japan-bashing," he said, shaking his head. "Even the White House isn't worth doing things like that." As for 1988 nominee Michael Dukakis: "Michael always confused governmental process with progress."

As we left the country restaurant where we had lunched, I asked him why he had been so candid. "It's said that a statesman is a politican who is no longer in office," he said. "Well, the definition of someone who tells it like it is could be someone who is soon checking out of life."●

C. DALE HAMILTON, SPECIAL AGENT

● Mr. SASSER. Mr. President, I rise today to recognize the accomplishments of C. Dale Hamilton, who is leaving the Senate Budget Committee to return to his position as a special agent with the Office of Inspector General at the Tennessee Valley Authority in Knoxville, TN.

For the past year, Dale has been a valuable member of the Senate budget Committee staff. He is a dedicated public servant whose commitment to excellence was an inspiration to all of those who had the opportunity to work with him. Dale is an outstanding individual who possesses the qualities necessary for great achievement in his career.

This time last year, we were eagerly looking forward to having Dale join us on the Budget Committee. His unique background of previous Capitol Hill experience combined with a distinguished career with the Federal Bureau of Investigation made him an eagerly-awaited addition to our staff. During his FBI career, Dale was on loan to the House Appropriations Committee survey and investigations staff, where he concluded studies of a variety of civilian and defense programs.

Our high expectations for Dale were soon exceeded by his willingness to jump in, work hard and serve as a wise counsel. We on the Budget Committee who had the pleasure to work with Dale can attest that he served as a knowledgeable and experienced advisor.

Dale is a native of Athens, AL, and was graduated from the University of Alabama with a degree in accounting. He is a certified public accountant.

We on the Budget Committee will miss him. Besides his consistent professionalism and strong ethical principles, he was widely liked for his affable personality and unfailing politeness. It was a pleasure to have Dale as a member of the Senate Budget Committee staff. We wish him well.●

THE 100TH ANNIVERSARY OF THE U.S.S. "JEANNETTE" ARCTIC EXPEDITION

● Mr. WILSON. Mr. President, 100 years ago, a congressional medal was awarded to the crew of U.S.S. *Jeannette* "in commemoration of the perils encountered by the officers and men of the *Jeannette* Arctic Expedition and as an expression of the high esteem in which Congress holds their services in the said expedition."

On September 30, 1990, this centennial anniversary will be observed in Los Angeles, CA, by members of State Department Watch, a nonpartisan foreign affairs study group with approximately 15,000 members nationwide, 3,000 of whom reside in California.

It is appropriate at this time to illuminate once again the heroic Arctic expedition undertaken by the crew of U.S.S. *Jeannette* between 1879 and 1882. Commanded by Lt. George Washington DeLong, with Chief Engineer George W. Melville, the expedition resulted in the discoveries of Bennett, Henrietta, and Jeannette Islands, known together as the DeLong Islands.

From September 6, 1879, to June 12, 1881, U.S.S. *Jeannette* was caught in an ice pack of the Arctic Ocean where the ship was crushed and sank. The officers and crew abandoned ship and headed southward over hundreds of miles of icebergs and open ocean, eventually reaching land, but suffering the loss of approximately half of the crew, including Lieutenant DeLong.

The expedition of the U.S.S. *Jeannette* was a joint venture between Government and industry, cosponsored by the U.S. Navy and the New York Herald publisher, James Gordon Bennett. It is remembered and revered for its success in pushing forward the northward frontier of explored Arctic Ocean and providing valuable scientific knowledge to the world community.

The U.S. Congress will see fit to express its appreciation by awarding a medal to each crew member by an act of Congress to be approved on September 30, 1990.

I have the honor and privilege of bringing the historic accomplishments of U.S.S. *Jeannette* to the attention of my Senate colleagues today and would ask them to join with me in recognizing remarkable, unprecedented, and arduous expedition undertaken over 100 years ago by a crew whose courage and pioneering spirit opened new frontiers for the enlightenment and enrichment of their fellow man. We salute them again today in this Chamber of the U.S. Senate as they were saluted 100 years ago, with national pride and with gratitude and respect for the great legacy the crew of U.S.S. *Jeannette* left to our Nation.●

THE VOTERS ROAR

● Mr. HUMPHREY. Mr. President, I would like to bring the September 20 Wall Street Journal editorial entitled "Voters Roar" to the attention of all Senators.

By now everyone knows that voters in Oklahoma have adopted a ballot initiative that will limit the service of all State elected officials to 12 years.

Mr. President, Congress has ignored polls showing 70 percent of the American public in favor of term limitation. Congress has ignored resolutions introduced in over 20 State legislatures this year, and adopted in two. But the statement of Oklahoma voters cannot be ignored. It proves that the citizens want term limitation, and that they will get it.

Mr. President, I urge all Senators to read this editorial carefully, and then reconsider cosponsoring Senate Joint Resolution 235, a constitutional amendment to limit terms. It is not too late to show the voters in your State that you are listening to them.

I ask that the editorial appear in the RECORD immediately following my remarks.

The article follows:

[From the Wall Street Journal, Sept. 20, 1990]

THE VOTERS ROAR

This week's primaries have identified the most explosive issue in this fall's election: the war on incumbents. As the saying goes, the voters are mad as hell, and aren't going to take it anyone.

We suspect the anti-establishment vote just recorded in Massachusetts is going to get most of the attention, but for a more revealing look at what may lie ahead, check out Oklahoma. Oklahoma has become the first state to vote to limit the terms of its state legislators.

Oklahoma's term-limitation initiative won more than 67% of the vote, carrying every one of the state's 77 counties and all demographic groups. It made the difference in the come-from-behind victory of businessman David Walters in the Democratic primary for Governor. Mr. Walters defeated Wes Watkins, a seven-term Congressman, by running pro-term limit commercials and declaring "it's time to reclaim our government." Congressman Watkins didn't take a position on term limits, leading us to wonder what might happen to someone in Oklahoma who had actually crusaded against term limitation. In the GOP primary, the candidate most strongly in favor of term limits scored an upset victory.

The Oklahoma initiative won wide bipartisan support. A key backer was former State Rep. Cleta Deatherage Mitchell, who chaired the Appropriations Committee before she retired from politics. Ms. Mitchell, a self-described liberal Democrat, says term limitation will be good for her party. The national Democratic Party doesn't understand America outside the Beltway," she says. "I think term limitation is the only way Democrats will survive long term. We either force new blood into the party or we will be increasingly out of touch."

The Oklahoma initiative doesn't limit terms for Members of Congress, but it serves as a rocket booster for term-limit votes in Colorado and California this November. The Colorado initiative also covers that state's congressional delegation. Oklahoma supporters of term limits say they plan another initiative extending term limits to Congress.

In Massachusetts, the state's Democratic establishment is still reeling from John Silber's landslide victory in the Democratic gubernational primary over Francis Bellotti, a 30-year political insider and conventional liberal. Though no conservative, Mr. Silber, the acerbic president of Boston University, used his campaign to lambaste liberals and call for wholesale change in government. So the same Massachusetts party that nominated Michael Dukakis for Governor three times has now chosen John Silber, who voted for Ronald Reagan and George Bush for President.

"There is no question this is a voter rebellion by anybody's definition of the term," says former Massaschusetts Democratic Senator Paul Tsongas. Angry Democrats, furious at their party's role in dragging the state into fiscal ruin, also defeated Attorney General James Shannon and at least eight state legislators.

A new Times Mirror poll confirms what some of us have been pointing at for some time now: Americans feel increasingly disconnected from their government. The percentage of adults who "agree completely" that politicians in Washington lose touch with their constituents quickly has increased from 22% in 1987 to more than 30% today. Exhibit A in this respect is the Glass Cocoon budget summit in Washington, which persists in believing that voters will support higher taxes to help Washington get control of the federal budget. Democratic candidates around the country know better.

On taxes, Neil Hartigan, the Democratic candidate for Governor in Illinois, is running to the right of his Rockefeller Republican opponent, Jim Edgar. He pledges to weed out marginal programs and not raise taxes. In New Jersey, congressional candidate Marguerite Chandler is fleeing from Jim Florio, her party's Governor. She's running a radio ad in her House race denouncing the Florio tax increases and saying "it's time to tell the Governor enough is enough." In a Nebraska House race, State Senator Sandra Scofield is touting her vote against a state tax increase backed by her GOP opponent.

With only seven weeks to go in the campaign, the White House appears uninterested in helping discontented voters find their way to candidates who would challenge the status Quo. The fact remains that voters are frustrated with politicians who have cemented themselves into office with incumbent-protections, and they are now willing to back term limits—a radical measure that is the equivalent of a national vote of no-confidence. The political momentum of this movement is now headed straight into November, and once it's finished with that slate of candidates we suspect it'll head for 1992.●

YOUTH SPACE EDUCATION WEEK

Mr. WARNER. Mr. President, I send to the desk a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 326) to designate the week of October 8, 1990, through October 12, 1990, as "Youth Space Education Week."

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

THE RESOLUTION DESIGNATING YOUTH SPACE EDUCATION WEEK

Mr. DOLE. Mr. President, the purpose of our resolution designating October 8 through October 12, as Youth Space Education Week, is twofold. First, to acknowledge the great contribution to America's space program that the many school and volunteer organizations have made over the years. These volunteers are a vital force in space education for all young Americans, and their work has been a major force in pursuing our Nation's goals in space.

But in adopting this resolution today, we offer a challenge. Now is the time for educators, industry, and space organizations to pull together, and establish new educational resources for young Americans. Our economic and technological progress depends on ensuring educational opportunities for all young Americans in the fields of space exploration, math, and science. By creating an environment to learn and become involved in space exploration, I believe that our Nation's young men and women will lead America into the 21st century.

In these times of tight budgets and international turmoil, it is important that we plan toward the future. Nowhere is the future more manifest than in the young. They will be the next leaders of our exploration of space. It will be their education, their will to succeed, their reach for the stars, that will be our Nation's next step into space.

In 1992, we will celebrate the 500th anniversary of Columbus discovering America. It is fitting that 1992 also be International Space Year. By establishing Youth Space Education Week now, schools, universities, private industries, and space organizations nationwide will have the opportunity to coordinate their efforts in creating a network of educational and information resources. The goal is to allow all Americans the opportunity to get involved in our space program.

Our Nation's real strength is the ability of Americans to accomplish goals that others said were impossible. The President's space exploration initiative is a goal that all Americans can help accomplish. Through the passage of Youth Space Education Week, we in the Senate support the expansion of science and space educational opportunities for young Americans. With the support of Congress, the administration, and all Americans, I believe we, as Americans, will accomplish our goal.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 326) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 326

Whereas, by investing substantial resources and talent in this Nation's space program, the United States has overcome seemingly insurmountable challenges and achieved the successful exploration of space;

Whereas this achievement stems from the enduring support of the people of the United States who have championed this Nation's space program through triumph and tragedy;

Whereas this success also stems from the beneficial contributions made by volunteer and school organizations in fostering in the young of this Nation an interest in space technology, math and science;

Whereas by providing self-development and educational opportunities for this Nation's youth, these volunteer and school organizations have encouraged such youth to consider the future of the United States' space program and the role of the program in space exploration;

Whereas this decade begins with the promise of a new era in international cooperation in the exploration of space;

Whereas this cooperation provides opportunities to combine the efforts of organizations around the world to promote educational programs on space exploration for the young of all nations; and

Whereas the flowering of an interest in the exploration of space coincides with the quincentennial anniversary of the exploration of the new world: Now, therefore, be it

Resolved, That the week of October 8, 1990, through October 12, 1990, is hereby designated as "Youth Space Education Week", and the President is requested to issue a proclamation calling upon the people of the United States to celebrate the week with appropriate ceremonies and activities.

Mr. WARNER. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. BRYAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

SAFE FOOD TRANSPORTATION ACT

Mr. BRYAN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 609, S. 2393, the safe food transportation bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 2393) to prohibit certain food transportation practices and to provide for regulation by the Secretary of Transportation and will safeguard food and certain other products from contamination during motor or rail transportation, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Commerce, Science, and Transportation, with amendments; as follows:

(The parts of the bill intended to be stricken are shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

S. 2393

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as "Safe Food Transportation Act of 1990".

SEC. 2. FINDINGS.

Congress finds that—

(1) Americans are entitled to receive food and other consumer products that are not made unsafe as a result of certain transportation practices;

(2) the American public is threatened by the transportation of products potentially harmful to consumers in motor vehicles and rail vehicles which are used to transport food and other consumer products; and

(3) the risks posed to consumers by such transportation practices are unnecessary, and such practices must be terminated.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) FOOD, FOOD ADDITIVES, DRUGS, DEVICES, OR COSMETICS.—The terms "food", "food additives", "drugs", "devices", and "cosmetics" have the meanings given to them by section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321).

(2) MUNICIPAL WASTE.—The term "municipal waste" means any discarded material to be transported to or disposed of in a landfill or incinerator, or required by law to be transported to or disposed of in a landfill or incinerator.

(3) NONFOOD PRODUCT.—The term "nonfood product" means any material, substance, or product (including solid waste, as such terms is defined in section 1004 of the Solid Waste Disposal Act (42 U.S.C. 6903)) which (except as provided under section 4(a)(2)) is not a food, food additive, drug, device, or cosmetic.

(3) SECRETARY.—The term "Secretary" means the Secretary of Transportation.

(4) STATE.—The term "State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Virgin Islands, American Samoa, Guam, or any other territory or possession of the United States.

(5) TRANSPORTS OR TRANSPORTATION.—The term "transports" or "transportation" means any movement of property in commerce (including intrastate commerce) by motor vehicle or rail vehicle.

(6) UNITED STATES.—The term "United States" means all of the States.

SEC. 4. REGULATIONS.

[1] (*a*) IN GENERAL.—

(1) RESPONSIBILITY OF SECRETARY.—In accordance with this Act, the Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human

[Services] *Services,* and the Administrator of the Environmental Protection Agency, shall issue regulations, pursuant to a rulemaking proceeding, with respect to the transportation of food, food additives, drugs, devices, and cosmetics in motor vehicles and rail vehicles which are used to transport either municipal [wastes] *waste* or nonfood products which, when so transported, would make such food, food additives, drugs, devices, or cosmetics unsafe to the health of humans or animals.

(2) TREATMENT AS NONFOOD PRODUCTS.—If a drug, device, or cosmetic is transported in a motor or rail vehicle at the same time or before a food or food additive is transported in such vehicle, the Secretary shall treat such drug, device, or cosmetic as a nonfood product if such transportation would make such a food or food additive unsafe to the health of humans or animals.

(b) SPECIAL REQUIREMENTS.—In issuing regulations under subsection (a)(1), the Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, shall establish standards, requirements, and other provisions relating to—

(1) appropriate recordkeeping, identification, marking, and other means required to promote compliance with the requirements of sections 5, 7, and 8;

(2) appropriate decontamination, removal, disposal, and isolation standards with respect to regulations implementing sections 5 and 7;

(3) appropriate certification or other means of verification of compliance by any person, with respect to any standard, requirement, or other provision of the regulations implementing sections 5, 7, and 8; and

(4) appropriate materials for construction of tank trucks, rail cars, cargo tanks, and accessory equipment to comply with regulations implementing section 7.

(c) CONSIDERATIONS.—In issuing regulations under subsection (a)(1), the Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, shall consider each of the following and may establish standards, requirements, or other provisions relating to any or all of the following:

(1) The extent to which packaging or similar means of producing and isolating commodities are adequate to ameliorate or eliminate the potential risks of transporting food, food additives, drugs, devices, or cosmetics in motor vehicles or rail vehicles used to transport nonfood products. If packaging standards are found to be adequate by the Secretary, regulations issued under subsection (a)(1) shall not apply to food, food additives, drugs, devices, or cosmetics or nonfood products which are packaged in packages which meet such standards.

(2) In the case of transportation described in section 6, appropriate recordkeeping, identification, marking, and other means which are desirable to assure compliance with this Act.

(3) In the case of transportation described in section 6, appropriate decontamination, removal, disposal, and isolation standards for motor vehicles and rail vehicles covered by this Act.

(4) In the case of transportation described in section 6, appropriate certification or other means of verification of compliance by any person, with respect to any standard, requirement, or other provision of the regulations issued under subsection (a).

(5) Appropriate compliance and enforcement measures carrying out this Act.

(6) Appropriate minimum insurance or other liability requirements for any person covered by this Act.

(7) In the case of transportation described in section 6, appropriate standards, requirements, or other provisions for any motor vehicle or rail vehicle used to transport food, food additives, drugs, devices, or cosmetics and used to transport nonfood products which, when so transported, would make such food, food additives, drugs, devices, or cosmetics unsafe to the health of humans or animals.

(d) DEADLINES.—The rulemaking proceeding referred to in subsection (a)(1) shall be initiated within thirty days after the date of enactment of this Act. The regulations referred to in subsection (a)(1) shall be issued within one hundred and eighty days after such date of enactment.

SEC. 5. MOTOR AND RAIL TRANSPORTATION OF MUNICIPAL WASTE.

(a) PROHIBITION.—At a minimum, the regulations issued under section [4] *4(a)(1)* shall prohibit any person from using, offering for use, or arranging for the use of a motor vehicle or a rail vehicle to provide transportation of food, food additives, drugs, devices, or cosmetics, if such vehicle is used to transport municipal waste not included on a list published under subsection [(b).] *(b), except that the Secretary may exempt from such prohibition vehicles that meet standards established under section 4(b)(2) that safeguard the health of humans and animals.*

(b) LIST OF ACCEPTABLE PRODUCTS.—

(1) PUBLICATION.—The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, shall publish in the Federal Register a list of the articles of municipal waste, if any, that the Secretary has determined do not make food, food additives, drugs, devices, or cosmetics unsafe to the health of humans or animals as a result of transportation in a motor or rail vehicle which is used to transport food, food additives, drugs, devices, or cosmetics. The Secretary may periodically amend the list by publication in the Federal Register.

(2) CARDBOARD, PALLETS, BEVERAGE CONTAINERS, AND OTHER FOOD PACKAGING.—The list published under paragraph (1) shall include cardboard, pallets, beverage containers, and other food packaging except to the extent the Secretary determines that the transportation of cardboard, pallets, beverage containers, or other food packaging in a motor or rail vehicle which is used to transport food, food additives, drugs, devices, or cosmetics would make the food, food additives, drugs, devices, or cosmetics unsafe to the health of humans or animals.

SEC. 6. MOTOR AND RAIL TRANSPORTATION OF OTHER NONFOOD PRODUCTS

(a) STANDARDS, REQUIREMENTS, AND OTHER PROVISIONS.—In issuing regulations under section 4(a)(1), the Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, shall consider and may establish standards, requirements, or other provisions relating to the transportation by motor vehicle or rail vehicle of food, food additives, drugs, devices, or cosmetics where such vehicle is used to transport any nonfood product included on a list published under subsection (b).

(b) LIST OF OTHER NONFOOD PRODUCTS.—

(1) PUBLICATIONS.—The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, shall publish in the Federal Register a list of nonfood products (other than municipal waste) which the Secretary has determined would make food, food additives, drugs, devices, or cosmetics unsafe to the health of humans or animals as a result of transportation in a motor vehicle or rail vehicle which is used to transport food, food additives, drugs, devices, or cosmetics. The Secretary may periodically amend the list by publication in the Federal Register.

(2) CARDBOARD, PALLETS, BEVERAGE CONTAINERS, AND OTHER FOOD PACKAGING.—The list published under paragraph (1) shall not include cardboard, pallets, beverage containers, and other food packaging except to the extent the Secretary determines that the transportation of cardboard, pallets, beverage containers, or other food packaging in a motor vehicle or rail vehicle which is used to transport food, food additives, drugs, devices, or cosmetics would make the food, food additives, drugs, devices, or cosmetics unsafe to the health of humans or animals.

SEC. 7. TANK TRUCKS, RAIL TANK CARS, AND CARGO TANKS.

(a) PROHIBITION.—At a minimum, the regulations issued under section 4(a)(1) shall prohibit any person from using, offering for use, or arranging for the use of a tank truck, rail tank car, or cargo tank used in motor vehicle transportation or rail transportation of food, food additives, drugs, devices, or cosmetics, if such tank truck, rail tank car, or cargo tank is used to transport a nonfood product (other than any nonfood product which is included on a list published under subsection [(b)).] *(b)); except that the Secretary may exempt from such prohibition tank trucks, rail tank cars, and cargo tanks that meet standards established under section 4(b)(2) that safeguard the health of humans and animals.*

(b) LIST OF ACCEPTABLE NONFOOD PRODUCTS.—The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, shall publish in the Federal Register a list of nonfood products which the Secretary has determined do not make food, food additives, drugs, devices, or cosmetics unsafe to the health of humans or animals as a result of transportation in a tank truck, rail tank car, or cargo tank which is used to transport food, food additives, drugs, devices, or cosmetics. The Secretary may periodically amend such list by publication in the Federal Register.

(c) IDENTIFICATION.—The regulations issued under section 4(a)(1) shall, at a minimum, provide that—

(1) no person shall use, offer for use, or arrange for the use of a tank truck or a cargo tank to provide motor vehicle transportation of only food, food additives, drugs, devices, or cosmetics or nonfood products which are included on the list published under subsection (b) unless such truck or cargo tank is identified, by a permanent marking on such tank truck or cargo tank, as transporting such food, food additives, drugs, devices, or cosmetics or nonfood products;

(2) no person shall use, offer for use, or arrange for the use of a tank truck or a cargo tank to provide motor vehicle transportation of a nonfood product which is not

included on the list published under subsection (b) if such tank truck or cargo tank is identified pursuant to paragraph (1) as a tank truck or cargo tank transporting only food, food additives, drugs, devices, or cosmetics and nonfood products included on such a list; and

(3) no person shall receive, except for lawful disposal purposes, any food, food additive, drug, device, or cosmetic or nonfood product which has been transported in a tank truck or cargo tank in violation of paragraph (1) or (2).

(d) DISCLOSURE.—Any person who arranges for the use of a tank truck or a cargo tank used in motor vehicle transportation for the transportation of a food, food additive, drug, device, or cosmetic or nonfood product shall in making such arrangement disclose to the motor carrier or other appropriate person if the food, food additive, drug, device, or cosmetic or nonfood product being transported is to be used—

(1) as, or in the preparation of, a food or food additive; or

(2) as nonfood product which is included in the list published under subsection (b).

SEC. 8. DEDICATED VEHICLES.

At a minimum, the regulations issued under section 4(a)(1) shall prohibit any person from using, offering for use, or arranging for the use of a motor vehicle or rail vehicle to provide transportation of asbestos or products which present an extreme danger to human or animal health, despite any decontamination, removal, disposal, packaging, or other isolation procedures, unless such motor vehicle or rail vehicle is used only to provide transportation of one or more of the following: asbestos, such extremely dangerous products, and municipal waste. The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, shall publish in the Federal Register a list of the products covered by this section. The Secretary may periodically amend such list by publication in the Federal Register.

SEC. 9. WAIVER AUTHORITY.

The Secretary, in consultation with the Secretary of Agriculture, the Secretary of Health and Human Services, and the Administrator of the Environmental Protection Agency, may waive, in whole or in part, application of any provision of this Act or any regulation issued under this Act with respect to any class of persons, class of motor vehicles, class of rail vehicles, class of food, food additives, drugs, devices, or cosmetics, class of municipal waste, or class of nonfood products, if the Secretary determines that such waiver would not result in transportation of food, food additives, drugs, devices, or cosmetics that would be unsafe to human or animal health and otherwise is not contrary to the public interest and this Act. Any waiver under this section shall be published in the Federal Register, together with the reasons for such waiver.

SEC. 10. FOOD TRANSPORTATION INSPECTIONS.

(a) INSPECTION AUTHORITY.—The Secretary may carry out the requirements of this Act through inspections conducted by State employees which are funded with moneys authorized under section 404 of the Surface Transportation Assistance Act of 1982 (49 App. U.S.C. 2304) to carry out the Motor Carrier Safety Assistance Program.

(b) ASSISTANCE OF OTHER AGENCIES.—Upon request by the Secretary, the Secretary of Agriculture, the Secretary of Health and Human Services, the Administrator of the Environmental Protection Agency, and the heads of other appropriate Federal agencies shall provide assistance, to the extent such assistance is available, to the Secretary for the purpose of carrying out this Act, including assistance in the training of personnel under a program established under subsection (c).

(c) TRAINING PROGRAM.—The Secretary in cooperation with the Secretary of Agriculture, the Secretary of Health and Human Service, the Administrator of the Environmental Protection [Agency] *Agency,* and the heads of appropriate State transportation and food safety agencies, shall develop and carry out a training program for inspectors to conduct vigorous enforcement of this Act and regulations issed under this Act. As part of such training program, the inspectors, including State inspectors paid with funds under the Motor Carrier Safety Assistance Program, shall be trained in the recognition of adulteration problems associated with the transportation of food, food additives, drugs, devices, and cosmetics and in the procedures for securing the assistance of the appropriate Federal and State agencies to support such enforcement.

SEC. 11. POWERS AND DUTIES OF THE SECRETARY.

The Secretary shall have the same powers, duties, and authorities under this Act with respect to transportation regulated under this Act as the Secretary has under section 109 (other than subsections (c)(1), (d), and (e) of such section) of the Hazardous Materials Transportation Act (49 U.S.C. App. 1801 et seq.) with respect to transportation regulated under such Act.

SEC. 12. VIOLATIONS, PENALTIES, AND SPECIFIC RELIEF.

(a) VIOLATIONS; PENALTIES.—The Secretary shall—

(1) determine civil or criminal violations, or both, of regulations issued under this Act, or of an order issued under this Act, and

(2) impose civil or criminal penalties, or both, for such violations.

in the same manner and to the same extent that violations may be determined and penalties may be imposed under section 110 of the Hazardous Materials Transportation Act (49 U.S.C. App. 1809).

(b) EQUITABLE RELIEF.—The Secretary shall request equitable relief and take action to eliminate or ameliorate an imminent hazard with respect to any violation of regulations issued under this Act, or of an order issued under this Act, in the same manner and to the same extent that the Secretary is authorized to take under section 1111 of the Hazardous Materials Transportation Act (49 U.S.C. App. 1810).

SEC. 13. RELATIONSHIP TO OTHER LAWS.

The provisions of the Hazardous Materials Transportation Act (49 U.S.C. App. 1801 et seq.) relating to the relationship of that Act to a law, regulation, order, ruling, provision, or other requirement of a State or political subdivision thereof or of an Indian tribe shall apply with respect to the relationship of this Act to a law, regulation, order, ruling, provision, or other requirement of a State or political subdivision thereof or of an Indian tribe which concerns a subject covered under this Act.

SEC. 14. COORDINATION PROCEDURES.

Not later than one year after the date of enactment of this Act, the Secretary, after consultation with appropriate State officials, shall establish procedures to promote more effective coordination between the agencies of the United States and agencies of the States with regulatory authority over motor carrier safety and railroad safety with respect to implementation and enforcement of this Act.

SEC. 15. APPLICABILITY.

This Act shall take effect on the date of enactment of this Act, except that section [9 and 10] *12 and 13* shall only apply to transportation occurring on or after the date that regulations issued under section 4(a)(1) take effect.

SEC. 16. MOTOR CARRIER SAFETY.

(A) SHORT TITLE.—This section may be cited as the "Motor Carrier Safety Act of 1990".

(b) MOTOR CARRIER SAFETY RATING.—

(1) IN GENERAL.—Not later than one year after the date of enactment of this Act, the Secretary, in consultation with the Interstate Commerce Commission, shall issue a final rule amending the Federal motor carrier safety regulations contained in subchapter B of Chapter III of title 49, Code of Federal Regulations, to—

(A) establish a system to make readily available to the public, and to periodically update, the safety ratings of motor carriers which have been assigned safety ratings determined by the Secretary to be unsatisfactory; and

(B) provide that, in any case in which a motor carrier has been assigned a safety rating determined by the Secretary to be unsatisfactory and has submitted a written request to the Secretary for a reassessment of the rating, the Secretary shall, to the extent practicable, conduct the reassessment within nine months after receipt of the request.

(2) PROHIBITION.—The Secretary shall, not later than one year after the date of enactment of this Act, issue a final rule providing that any motor carrier that receives a safety rating determined by the Secretary to be unsatisfactory shall be prohibited from operating a commercial motor vehicle which meets the description set forth in sction 204(1) (B) or (C) of the Motor Carrier Safety Act of 1984 (49 App. U.S.C. 2503(1) (B) or (C) until such motor carrier has received a safety rating determined by the Secretary to be conditional or satisfactory.

(c) IMMINENT HAZARDS TO SAFETY.—

(1) GUIDELINES.—Not later than sixty days after the date of enactment of this Act, the Secretary shall develop and submit to the Congress operational guidelines for taking actions under section 521(b)(5) of title 49, United States Code, with respect to any violation, or combination of violations, that poses an imminent hazard to safety. The guidelines, which shall be effective on the date that is sixty days after such date of enactment, shall specify the criteria for determining when such actions shall be taken.

(2) REPORT.—Not later than January 1 of 1991, 1992, and 1993, the Secretary shall submit to the Congress a report describing the actions taken under the operational guidelines required by paragraph (1).

(d) DRUG VIOLATIONS AT TRUCK STOPS AND REST AREAS.—

(1) FINDINGS.—The Congress finds that—

(A) the illegal use of controlled substances by operators of commercial motor vehicles represents an enormous threat to the safety of all motorists and their passengers on the Nation's roadways; and

(B) as indicated by numerous studies, congressional hearings, and investigations, individuals often use the areas surrounding roadside truck-stops and roadside rest areas as sites for the distribution of these con-

trolled substances to the operators of commercial motor vehicles.

(2) AMENDMENT TO CONTROLLED SUBSTANCES ACT.—

(A) In light of the findings in paragraph (1) part C of the Controlled Substances Act (21 U.S.C. 801 et seq.) is amended by inserting immediately after section 408 the following new section:

"TRANSPORTATION SAFETY OFFENSES

"SEC. 409. (a) Any person who violates section 401(a)(1) or section 416 by distributing or possessing with intent to distribute a controlled substance in or on, or within one thousand feet of, a truck stop or safety rest area is (except as provided in subsection (b)) punishable—

"(1) by a term of imprisonment, or fine, or both, up to twice that authorized by section 401(b) of this title; and

"(2) at least twice any term of supervised release authorized by section 401(b) for a first offense.

Except to the extent a greater minimum sentence is otherwise provided by section 401(b), a term of imprisonment under this subsection shall be not less than one year. The mandatory minimum sentencing provisions of this paragraph shall not apply to offenses involving five grams or less of marijuana.

"(b) Any person who violates section 401(a)(1) or section 416 by distributing or possessing with intent to distribute a controlled substance in or on, or within one thousand feet of, a truck stop or a safety rest area after a prior conviction or convictions under subsection (a) have become final is punishable—

"(1) by the greater of (A) a term of imprisonment of not less than three years and not more than life imprisonment or (B) a term of imprisonment of up to three times that authorized by section 401(b) of this title for a first offense, or a fine up to three times that authorized by section 401(b) of this title for a first offense, or both; and

"(2) at least three times any term of supervised release authorized by section 401(b) of this title for a first offense.

"(c) In the case of any sentence imposed under subsection (b), imposition or execution of such sentence shall not be suspended and probation shall not be granted. An individual convicted under subsection (b) shall not be eligible for parole under chapter 311 of title 18 of the United States Code until the individual has served the minimum sentence required by such subsection.

"(d) For purposes of this section—

"(1) the term 'safety rest area' has the meaning given that term in part 752 of title 23, Code of Federal Regulations, as in effect on the date of enactment of this section; and

"(2) the term 'truck stop' means any facility (including any parking lot appurtenant thereto) with the capacity to provide fuel or service, or both, to any commercial motor vehicle as defined under section 12019(6) of the Commercial Motor Vehicle Safety Act of 1986, operating in commerce as defined in section 12019(3) of such Act.".

(B) Section 401(b) of such Act (21 U.S.C. 841(b)) is amended by striking "or 405B" each place it appears and inserting in lieu thereof "405B, or 409".

(C) The table of contents of the Comprehensive Drug Abuse Prevention and Control Act of 1970 is amended by inserting, immediately after the item relating to section 408, the following:

"Sec. 409. Transportation safety offenses.".

(3) SENTENCING GUIDELINES.—

(A) Pursuant to its authority under section 994 of title 28, United States Code, and section 21 of the Sentencing Act of 1987 (28 U.S.C. 994 note), the United States Sentencing Commission shall promulgate guidelines, or shall amend existing guidelines, to provide that a defendant convicted of violating section 409 of the Controlled Substances Act, as added by this subsection, shall be assigned to an offense level under chapter 3 of the sentencing guidelines that is—

(i) two levels greater than the level that would have been assigned for the underlying controlled substance offense; and

(ii) in no event less than level 26.

(B) If the sentencing guidelines are amended after the effective date of this section, the Sentencing Commission shall implement the instruction set forth in subparagraph (A) so as to achieve a comparable result.

(C) The guidelines referred to in subparagraph (B), as promulgated or amended under such [paragraph,] *subparagraph* shall provide that an offense that could be subject to multiple enhancements pursuant to such [subsection] *subparagraph* is subject to not more than one such enhancement.

(e) IMPROVED BRAKE SYSTEMS FOR COMMERCIAL MOTOR VEHICLES.—

(1) AMENDMENT TO 1988 ACT.—Section 9107 of the Truck and Bus Safety and Regulatory Reform Act of 1988 (Public Law 100-690, subtitle B of title IX; 102 Stat. 4530) is amended—

(A) by striking "REPORT ON" in the heading;

(B) by inserting "(a) REPORT.—" immediately before "Not later than"; and

(C) by adding at the end the following new subsection:

"(b) RULEMAKING PROCEEDING.—The Secretary shall initiate a rulemaking proceeding not later than February 1, 1991. Such proceeding shall concern the need to adopt methods for improving braking performance standards for commercial motor vehicles and shall include an examination of antilock systems, means of improving brake compatibility and methods of ensuring effectiveness of brake timing. Any rule which the Secretary determines to issue as a result of such proceeding regarding improved brake performance shall take into account the necessity for effective enforcement of such a rule. The Secretary shall conclude the proceeding required by this subsection not later than October 30, 1991."

(2) CLERICAL AMENDMENT.—The table of contents contained in section 910(b) of the Truck and Bus Safety and Regulatory Reform Act of 1988 (102 Stat. 4527) is amended by striking "Report on improved" in the item relating to section 9107 and inserting in lieu thereof "Improved".

(f) SAFETY INSPECTOR GRADE LEVELS.—Notwithstanding any other provision of law, the position held by a fully experienced and qualified senior or journeyman motor carrier safety specialist working primarily in the field and employed by the Department of Transportation shall be classified in accordance with chapter 51 of title 5, United States Code, at grade GS-12 of the General Schedule.

(g) PROCEDURES TO ENSURE TIMELY CORRECTION OF SAFETY VIOLATIONS.—

(1) ISSUANCE OF FINAL RULE.—The Secretary shall, within nine months after the date of enactment of this Act, issue a final rule establishing procedures to ensure the proper and timely correction of commercial motor vehicle safety violations noted during inspections funded with moneys authorized under section 404 of the Surface Transportation Assistance Act of 1982 (49 App. U.S.C. 2304) to carry out the Motor Carrier Safety Assistance Program.

(2) VERIFICATION PROGRAM.—Such final rule shall establish a verification program, including all States participating in the Motor Carrier Safety Assistance Program, to ensure that commercial motor vehicles and operators thereof found in violation of safety requirements have subsequently been brought into compliance with such safety requirements. The final rule shall, among other things, institute—

(A) a nationwide system for random reinspection of the commercial motor vehicles and operators thereof that have been declared out-of-service as a result of such safety violations, the main purpose of which system shall be to verify that the violations have been corrected on a timely basis;

(B) a program of accountability for correcting all safety violations, which shall provide that—

(i) the operator of a commercial motor vehicle for which a safety violation has been noted shall be issued a form prescribed by the Secretary;

(ii) the making of the repairs necessary to correct such violation and the date, location, and time of such repairs shall be certified on such form by the person making such repairs;

(iii) the motor carrier responsible for such commercial motor vehicle or operator shall certify on such form that, based on the knowledge of the carrier, the repairs necessary to correct such violation have been made; and

(iv) appropriate State penalties shall be assessed for false statements on such forms or for failure to return such forms to the appropriate State entity; and

(C) a system for ensuring that appropriate State penalties are assessed for failure to correct any such safety violation.

(h) SERIOUS SAFETY VIOLATIONS.—

(1) FINDINGS.—The Congress finds that—

(A) the present system for ensuring compliance with Federal motor carrier safety laws and regulations needs improvements;

(B) relying primarily upon voluntary compliance methods has not resulted in an acceptable level of commercial motor vehicle safety; and

(C) improvements in the existing enforcement authorities are required to bring about greater safety.

(2) OPERATIONAL PROCEDURES.—In light of the findings in paragraph (1), section 521(b)(1) of title 49 United States Code, is amended—

(A) by redesignating the existing text as subparagraph (A); and

(B) by adding at the end the following new subparagraph:

"(B) The Secretary shall, not later than [January 1, 1990,] *sixty days after the date of enactment of this subparagraph*, establish operational procedures to require a highway safety specialist or other appropriate representative of the Secretary to initiate, at the time of a safety review, compliance review, or other inspection or audit activity, or within a reasonable time thereafter, an enforcement action whenever any of the offenses referred to in paragraph (2) (A) and (B) can be documented, except recordkeeping violations not specified by the Secretary as serious. The procedures shall—

"(i) specify those serious recordkeeping violations for which an enforcement action

shall be initiated, including instances in which the falsification of records of duty status or drivers' medical certificates is required or permitted, and such other recordkeeping violations as the Secretary determines to be serious; and

"(ii) authorize, but not require, initiation of an enforcement action for recordkeeping violations not specified by the Secretary as serious.".

(i) TRUCK VISIBILITY.—Not later than sixty days after the date of enactment of this Act, the Secretary shall initiate a rulemaking proceeding on the need to adopt methods for making trucks more visible to motorists so as to reduce accidents, particularly at night, taking into consideration such factors as truck illumination and truck color. Such proceeding shall be completed within two years after the date of enactment of this Act.

(j) DEFINITIONS.—As used in this section—

(1) COMMERCIAL DRIVER'S LICENSE.—The term "commercial driver's license" has the meaning given such term in section 12019(4) of the Commercial Motor Vehicle Safety Act of 1986 (49 App. U.S.C. 2716(4)).

(2) COMMERCIAL MOTOR VEHICLE.—The term "commercial motor vehicle" has the meaning given such term in section 204(1) of the Motor Carrier Safety Act of 1984 (49 App. U.S.C. 2503(1)).

(3) CONDITIONAL; UNSATISFACTORY.—The terms "conditional" and "unsatisfactory" have the meanings given those terms in part 385 of title 49. Code of Federal Regulations, as in effect on the date of enactment of this Act.

(4) SECRETARY.—The term "Secretary" means the Secretary of Transportation.

(5) TRUCK.—The term "truck" means a commercial motor vehicle that meets the description set forth in section 204(1) (A) or (C) of the Motor Carrier Safety Act of 1984 (49 App. U.S.C. 2503(1) (A) or (C)).

Mr. EXON. Mr. President, I appreciate the scheduling of time by the leadership for consideration of S. 2393, the Safe Food Transportation Act of 1990. I introduced this legislation earlier this year with Senators GORE and GORTON. This bill is designed to address an abhorrent practice—the unregulated backhauling of food and consumable liquids in the very same vehicles that are used to transport municipal waste, hazardous chemicals, and other materials that endanger human health. This sort of backhauling poses a serious threat to the integrity of the food that we put onto our tables.

On March 1, 1990, I chaired a Surface Transportation Subcommittee hearing that focused on the problems of backhauling. That hearing evidenced that, in the absence of proper protections, this practice not only is dangerous but also can be deadly. The Safe Food Transportation Act of 1990 was developed as an outgrowth of this hearing. On April 3, the Senate Commerce Committee, without objection, ordered S. 2393 reported.

The Safe Food Transportation Act requires the Secretary of Transportation to issue backhaul regulations in conjunction with the Department of Agriculture, the Department of Health and Human Services, and the Environmental Protection Agency. These regulations would set standards of decontamination and evidence of compliance for rail and motor vehicles that haul nonfood products in the same vehicles that also haul food and related consumer products. The regulations would require the Department of Transportation, after conducting a rulemaking to determine other nonfood products, in addition to municipal waste, that could make food unsafe, to regulate any associated backhauling practices. The bill establishes strict standards regulating tank trucks and rail tank cars that would allow only food and food compatible substances to be hauled in tanks marked as food grade. The legislation requires dedicated vehicles, which may never be used to haul food, for asbestos and other ultrahazardous products. The bill further sets stiff penalties for violations of this bill as in the Federal Hazardous Materials Transportation Act and provides authority for State motor carrier inspectors trained under the Motor Carrier Safety Assistance Program to identify violations and enforce provisions of the act.

Motor carrier safety in particular and highway safety in general have been issues of continuing concern for the Commerce Committee and the Senate. Included in S. 2393 are all of the substantive provisions originally contained in S. 819, the Motor Carrier Safety Act of 1989. This bill passed the Senate over a year ago. Since the House has yet to act on S. 819 in that time, our committee felt it was imperative to emphasize our firm position in support of this legislation by including the provisions of S. 819 in S. 2393. These provisions make a number of prudent improvements to current motor carrier safety programs. The committee believes that the continuing human and financial toll on the highways must be addressed.

In conclusion, S. 2393 appears to have broad-based support within the Senate, from various interest groups—food shippers, trucking, and rail industries, the States, and other groups interested in food safety. Regrettably, the administration has been slow in recognizing a lead role for the DOT in this process. Our committee, however, feels strongly that this is a transportation problem which must be addressed by DOT. Of course, this must be accompanied by the active participation of the other Federal agencies with expertise in the area, including the Department of Health and Human Services, the Department of Agriculture, and the Environmental Protection Agency. Cooperative efforts with full participation by all interested parties and agencies will be necessary if we are to successfully protect our Nation's food supply.

I know that we all want to do what we can to ensure that the juice we give our children in the morning is pure apple or orange juice and not juice laced with petroleum products or toxic chemicals. The Safe Food Transportation Act of 1990 goes a long way towards protecting the integrity of our food supply as it travels across the country. It also strengthens the enforcement of our motor carrier safety laws. I urge my colleagues to join me in supporting passage of this legislation.

Mr. HOLLINGS. Mr. President, one of the primary functions of government is to protect the health and safety of its citizens. The bill under consideration today, S. 2393, the Safe Food Transportation Act, accomplishes this by helping to ensure the integrity of the food we eat and by promoting safety on our highways. The twin goals of this legislation are noteworthy, and I commend the chairman of the Surface Transportation Subcommittee, Senator EXON, for bringing both of these issues before the Senate.

The underlying legislation the Senate is considering is the outgrowth of a hearing the Commerce Committee held earlier this year regarding the problem of hauling garbage and hazardous substances in the same vehicles that haul food products. Commonly known as "backhauling," this practice poses a number of problems that call for the enactment of legislation if we are to meet our responsibilities to the citizens of our Nation. The bill that is under consideration would meet this obligation by requiring the establishment of regulations to govern the type of vehicles that can be used to haul food and consumer products and by ensuring that such vehicles are clean and sanitary.

If approved, this bill would prevent the contamination of food that could result from unregulated backhauling, a dangerous practice that exists because no Federal agency with food safety authority has stepped forward to clearly address this problem. This is due in part to the fact that Federal jurisdiction is fragmented and because the Federal agencies with existing jurisdiction over food safety—the Department of Health and Human Services [HHS] and the U.S. Department of Agriculture [USDA]—have not had sufficient access to motor carrier safety programs to address this problem at its source—the vehicle. The Safe Food Transportation Act would rectify this by establishing jurisdiction and a statutory mandate for the Department of Transportation [DOT] to regulate transportation practices that could contaminate food and by providing for an exercise of this mandate in cooperation with other appropriate Federal agencies—HHS, USDA and the Environmental Protection Agency. A collective Federal effort can address

this problem at its source, and it is just such an effort that this legislation is intended to encourage.

Also included within S. 2393 are the provisions of S. 819, the Motor Carrier Safety Act of 1989. This legislation was approved by the Commerce Committee in June 1989 and by the full Senate in August of last year. Yet, it has not been acted on by the House since that time. Inclusion of the provisions of S. 819 within the Safe Food Transportation Act is intended to foster consideration by the House of these provisions. Most importantly, however, it is intended to build on the progress that has been made in recent Congresses in the area of motor carrier safety. The Safe Food Transportation Act would accomplish this by including provisions of S. 819 which, among others, require DOT to make publicly available the names of all motor carriers that receive an unsatisfactory safety rating and by preventing such carriers from transporting hazardous materials or operating passenger buses; by requiring the development of operational guidelines for suspending the operation of any motor carrier which poses an imminent hazard to safety; by doubling penalties for the distribution of illegal drugs at truckstops and rest areas; by mandating rulemakings on brake improvements and improving the visibility of trucks to motorists; and by requiring DOT to create a system to randomly reinspect certain vehicles placed out-of-service for motor carrier safety infractions. All of these are important provisions, ones about which we feel so strongly that we include them again in legislation before the Senate. It is our hope that this will yield positive consideration of these provisions by the House.

In closing, I strongly urge my colleagues to support the measure before the Senate. Passage of this legislation will help ensure the integrity of our food supply and promote general highway safety. These are eminently worthwhile objectives, and this is sound legislation to address both of these important issues.

Mr. DANFORTH. Mr. President, I am pleased that the Senate is considering this legislation, which contains the provisions of the Motor Carrier Safety Act of 1989. Last August, the Motor Carrier Safety Act passed the Senate as a freestanding measure, but today's action will expedite consideration of these vital safety provisions.

The Senate is reconfirming its commitment to safer highways through its efforts to improve the safety of large trucks and buses. In 1989, more than 5,800 persons were killed in accidents involving these trucks and buses. Eighty percent of those fatalities were passenger car occupants or pedestrians. Each year, motor carrier accidents also account for about 160,000 injuries. Even if one is fortunate never to be involved in a truck accident, society suffers the loss of countless millions of dollars in the form of traffic delays and cleanup expenses. In May of last year, for example, a single truck accident in Kansas City, MO, closed a major interstate for 9 hours, forcing thousands of motorists to be rerouted.

Improved highway safety is not a partisan issue. The Motor Carrier Safety Act of 1989 has strong support from both sides of the aisle. I would like to thank Senator EXON, chairman of the Surface Transportation Subcommittee, for taking the lead on this important safety legislation. In addition, I want to commend Senator KASTEN, the ranking member of the subcommittee, and Senators ADAMS and MIKULSKI, for their support.

During the past 2 years, the National Transportation Safety Board [NTSB], the Congressional Research Service, and the Office of Technology Assessment [OTA] all have completed major studies of the motor carrier industry. The recommendations in these studies formed the basis for the Motor Carrier Safety Act of 1989.

The motor carrier industry is a major economic force in this country. An estimated 180,000 interstate motor carrier companies, employing 3 to 5 million drivers, operate daily on our Nation's roads. Most of these companies are serious about highway safety. This bill is targeted to those unsafe operators who refuse to meet their safety responsibilities.

SAFETY RATING SYSTEM

The Department of Transportation, [DOT] currently evaluates the safety systems of individual motor carriers. These reviews determine whether the carrier is in compliance with the Federal Motor Carrier Safety Regulations [FMCSR]. After the review is completed, the motor carrier receives a safety fitness rating of satisfactory, conditional, or unsatisfactory. In order to receive an unsatisfactory rating, a carrier must lack basic safety control systems required by law. Only an estimated 8 percent of the carriers rated are so unsafe as to earn an unsatisfactory rating. Because these unsatisfactory carriers have the greatest chance of being involved in a serious accident, the Motor Carrier Safety Act will restrict their operation. Specifically, no carrier with an unsatisfactory safety rating will be allowed to operate a passenger bus or transport hazardous materials until the carrier has improved its operations to the point of earning a satisfactory or a conditional rating. The legislation also requires DOT to publicize an updated list of all carriers with an unsatisfactory safety fitness rating.

DRUG-FREE TRUCK STOPS AND REST AREAS

Drug use has become an epidemic in virtually every sector of our society. The trucking industry is no exception. A series of police undercover operations highlight this danger. In January 1988, the California attorney general's office concluded an undercover sting operation in which 130 persons were arrested for selling cocaine, methamphetamines, and other drugs to truckdrivers at California truckstops. More recently, the States of Oregon, Washington, and Idaho conducted a joint undercover investigation which led to 94 indictments against 45 people for selling illegal narcotics at truckstops in these three States. Unfortunately, drug dealing at truckstops and other roadside areas is becoming shockingly common.

Drug use in the trucking industry is deadly. All too often, those who die are innocent victims. On October 30, 1988, a truckdriver in a remote area of west Texas went on a 70 mile, hour-long rampage in his tractor-trailer rig. The driver collided with at least nine other vehicles and killed a 48-year-old El Paso woman after her Ford Bronco was forced off the roadway and flipped over. During the subsequent chase, the truckdriver fired several rounds from a 357-magnum pistol at a passenger car and a police officer. He then attempted to run over the wounded officer with his rig. When the driver was finally arrested, witnesses reported that the driver was disoriented and apparently high under the influence of drugs.

I wish I could tell you that this incident is an isolated case. I cannot. Tragedies such as this one have become more frequent in recent years. In May 1988, a Los Angeles truckdriver was arrested after ramming more than 2 dozen vehicles with his truck. Marijuana and drug paraphernalia were found in his cab. Less than 2 months after the incident near El Paso, police in San Antonio filed drug charges against a truckdriver who had seriously injured 2 people after crashing his huge truck into more than 20 vehicles.

We must stop the flow of drugs in the trucking industry. Roadside locations, such as truck stops and rest areas, are the common places for drug distribution. The Motor Carrier Safety Act doubles the criminal penalties for persons convicted of selling drugs within 1,000 feet of these areas. This drug-free zone is intended to choke off the supply of drugs and thereby protect the motoring public.

IMPROVING BRAKES

The Motor Carrier Safety Act contains may other safety proposals. For instance, NTSB and OTA both found poor braking performance to be a major cause of truck accidents. A 1987 DOT study concluded that bad brakes contributed to one-third of all truck accidents. This legislation requires a comprehensive DOT rulemaking on motor carrier braking systems, which

will address issues such as antilock brakes and brake compatibility.

These are not new issues. In the mid-1970's, a DOT rule mandating antilocks was nullified by the courts because of mechanical problems with the systems. Since that time, technological advances have led to the development of successful antilock systems. These brakes are so reliable that the European Economic Community will require them on all new trucks and buses in 1991. With these advances, the time has come for DOT to review braking system improvements.

OTHER PROVISIONS

This legislation also requires DOT to: First, initiate a program for reinspecting trucks and buses placed out-of-service for safety violations; second, strengthen its response to carriers found guilty of serious safety violations; third, develop guildelines for suspending carrier operations that pose an imminent hazard to safety; fourth, examine possible improvements in truck visibility; and fifth, increase salaries of Federal Highway Administration inspectors to levels comparable to those of Federal Railroad Administration and Federal Aviation Administration inspectors.

CONCLUSION

The Commerce Committee has worked closely with both industry and safety organizations to draft a bill that improves safety without placing an undue burden on the motor carrier industry. I urge my colleagues to support this important safety legislation as part of S. 2393.

Mr. GORE. Mr. President, I come before the Senate today to ask for passage of S. 2393, the Safe Food Transportation Act.

Ten months ago, I introduced S. 1904, the Clean Food Transportation Act, because backhauling—the dangerous practice of hauling garbage or hazardous chemicals in one direction and then without proper cleaning, using the same vehicle to transport food—is inexcusable, and it has to stop.

Right now, it is legal for a trucker to use the same tank to ship hazardous materials one way and food the other. Truckers from all across the country have come forward with horror stories about backhauling. One trucker recalled hauling asphalt emulsion in one direction and table wine for the return trip. Another trucker told how he had washed out his tanker more than 15 times but still found a substance traced to a load of plastic resin hauled 2 months before, a substance that remained in that tanker through loads of vegetable oil, whiskey and chocolate—products that could be on any of our kitchen shelves.

My bill would have prohibited refrigerated vehicles used to transport food from being used to transport solid waste. It would have prohibited cargo tanks used to transport food to be used to transport nonfood products. And cargo trucks would have had to be labeled as food or nonfood.

After extensive hearings in the Commerce Subcommittee on Surface Transportation on backhauling, I was pleased to join Senators EXON and GORTON to introduce an improved bill. The Safe Food Transportation Act won the unanimous approval of the Senate Commerce, Science, and Transportation Committee, and I believe it goes a long way toward ending the disgusting practice of backhauling.

I am especially pleased that the Safe Food Transportation Act, includes the provision of my bill which would involve the participation of the Motor Carrier Safety Assistance Program inspectors in enforcing the decontamination requirements of the bill. Hopefully, these inspectors will be able to help stop drivers who falsify shipping documents by stating that the previous loads were food grade, drivers like those who testified before the House committees last summer. The bill requires DOT rulemaking to make sure drivers and shippers verify that appropriate records and markings are maintained regarding food-carrying vehicles.

I believe S. 2393 represents the best of all legislative efforts, and I ask the Senate to vote for passage of this measure. I, along with others on the Senate Committee on Commerce, Science, and Transportation, have responded swiftly. Now is the time for the full Senate to do the same. There is no justification for contaminating the food we eat, the food we serve our families.

Mr. GORTON. Mr. President, I am delighted that the Senate is finally considering S. 2393, the Safe Food Transportation Act of 1990. This bill has the support of consumer groups, the agricultural industry and the trucking industry, all of which recognize the utmost importance of the highest standards for food quality in America.

I am proud to have played a role in crafting this legislation from the time of my introduction of S. 1751, upon which this bill is based. My interest in this issue was sparked by an investigative series of articles run last fall in the Seattle Post-Intelligencer. James Wallace, in a shocking series of articles, detailed an appalling practice known as backhauling. His articles were based on interviews with Washington State truckers who courageously came forward to reveal a common practice of which most of us had never heard.

Jim and Rikki Pomerenke, of Yakima, WA, and Sharon Sonner and Dave Helzer, originally from Yakima and now residing in Hermington, OR, deserve to be publicly commended for their decision to break the code of silence. These brave truck drivers told of alternately hauling dangerous liquid chemicals in a tank truck on one trip and then returning with edible liquids such as fruit juice on the trip home. Frequently, the truck was not properly washed-out between shipments. They blew the whistle on this practice and for that the Nation owes them a debt of gratitude.

As shocked as I was to read about backhauling, I was astounded to learn that this practice was perfectly legal. While trucking firms could be charged under the Food, Drug and Cosmetic Act if adulteration of food occurs, that law offered the consumer very little real protection.

I welcomed the opportunity to work with Senator GORE, who introduced his own bill on this issue, as well as with Senator EXON who recognized the issue's importance and quickly scheduled a hearing in the Surface Transportation Subcommittee of the Senate Commerce, Science, and Transportation Committee on both bills. S. 2393 is the product of our combined efforts. We were greatly assisted by many agricultural and transportation industry representatives. Without exception, their comments were constructive and their suggestions were useful in our efforts to craft a fair and reasonable bill. Our objective in writing this legislation was to primarily maximize the protection of public health and safety. Every effort was made, however, to minimize new federal rules which did not effectively further that goal.

Similar legislation to S. 2393 has already been approved in the House. I hope that we will be able to resolve our differences quickly and that this important legislation to protect America's food supply will soon be signed into law by the President.

Mr. KASTEN. Mr. President, I note that this bill would make the Department of Transportation responsible for managing a nationwide program to protect food from contamination by garbage or other nonfood items. While it does call for this to be done in consultation with the three Federal agencies which regulate the appropriate handling of food and solid waste, the extent of the obligation placed upon those agencies may need clarification. Is it the intent of the drafters that DOT recreate the extensive technical data and expertise which already reside in the USDA, HHS, and EPA?

Mr. EXON. Mr. President, my colleague from Wisconsin, the ranking Republican member of the Surface Transportation Subcommittee, has raised an important issue which merits explicit clarification. In the course of hearings on this matter, the committee learned to its dismay that the issue of food contamination during transport did not fall within the jurisdiction of any single agency. Moreover,

there were no specific regulations governing the vehicles used to transport food products. The purpose of this bill is to correct that unacceptable situation. The committee believes there is a need for a comprehensive and coordinated Federal program of food safety regulation and enforcement—one in which leadership is assigned to one agency and implementation is effected by all.

In the committee's view, the one unifying aspect of this problem is the transport vehicle. Whether the contamination affects the foods subject to USDA regulation or the foods, drugs, and cosmetics subject to HHS regulation, or involves hazardous or solid wastes subject to EPA regulation, the contamination would occur on the transport vehicle. It is for this reason that primary responsibility was assigned to the DOT. But it was not the committee's intent to make DOT solely responsible for curing the problem. Rather, the bill was crafted to specifically identify the four Federal agencies with regulatory responsibilities in this area, to assign the overall leadership role to the most appropriate agency, DOT, and to create an affirmative obligation on the part of the other three to support the leader in the development of a solution to this disturbing public health problem.

By directing DOT to consult with the other agencies, the committee intended that DOT be empowered not only to call upon the technical expertise of those agencies to devise regulatory solutions under the various transportation safety statutes, but also to recommend that the agencies take regulatory actions under their respective statutes to address the problems identified.

AMENDMENT NO. 2712

(Purpose: To permit States to waive application of the Commercial Motor Vehicle Safety Act of 1986 with respect to certain farm vehicles).

Mr. BRYAN. Mr. President, I send to the desk an amendment on behalf of Senator EXON and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. BRYAN], for Mr. EXON [for himself and Mr. BURNS], proposes an amendment numbered 2712.

Mr. BRYAN. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end, add the following new section:

SEC. 17. AGRICULTURE WAIVER.

In addition to the authority which the Department of Transportation has granted to States to waive application of the Commercial Motor Vehicle Safety Act of 1986 (49 App. U.S.C. 2701 et seq.) with respect to farm vehicles contained in volume 53, pages 37313-37316, of the Federal Register (September 26, 1988), such States may extend such waivers to vehicles used to transport farm supplies from retail dealers to or from a farm, and to vehicles used for custom harvesting, whether or not such vehicles are controlled and operated by a farmer.

Mr. EXON. Mr. President, the amendment I am offering would amend the Commercial Motor Vehicle Safety Act to give States limited authority to waive application of the Commercial Motor Vehicle Safety Act of 1986 [CMVSA] to vehicles used to transport farm supplies from retail dealers to or from a farm, and to vehicles used for custom harvesting, whether or not such vehicles are controlled and operated by a farmer. This authority should be viewed in a manner similar to the authority which the Department of Transportation granted to States to waive application of the CMVSA to most farm vehicles.

The amendment I am offering is identical to a provision that was recently approved by the Commerce Committee as part of another measure. The Senate report accompanying that measure, Senate Report 101-448, provides further information regarding the extent and interpretation of this provision. This amendment is being offered today in an effort to advance consideration of this proposal in conference with the House. I urge my colleagues' support for this amendment.

Mr. BURNS. Mr. President, the amendment we are offering today to the Safe Food Transportation Act of 1990 will bring much needed relief to small agribusiness and custom harvesters across our country. This legislation, which I introduced earlier this year as S. 2653, currently has 19 cosponsors in the Senate. It was reported out of the Senate Commerce Committee as a part of S. 2933, the negotiated rates bill on July 31, 1990. We are offering it as an amendment to this legislation to ensure its passage this session. I want to thank Senator EXON, the chairman of the Senate Commerce Surface Transportation Subcommittee, for his sponsorship of this amendment. Senator EXON obviously understands the importance that this legislation has to the farm community in States like Nebraska and Montana. I also want to thank Senators DANFORTH and KASTEN for their support.

This legislation will give States the authority to waive commercial driver's license [CDL] requirements included in the Commercial Motor Vehicle Safety Act of 1986 for vehicles used to transport farm supplies from retail dealers to or from a farm whether or not such vehicles are operated by a farmer. It also extends the same waiver authority to States for vehicles used for custom harvesting.

Let me back up for a moment and give Senators some history on this issue. In 1986, the Commercial Motor Vehicle Safety Act was passed into law and established the commercial driver's license program which applies to both interstate and intrastate drivers involved in trade, traffic, and transportation. The Department of Transportation issued regulations in the fall of 1988 to implement that law. The DOT regulations gave States the authority to waive CDL requirements for farm vehicles which are controlled and operated by a farmer. In granting this waiver, DOT recognized the excellent safety record of seasonal farm vehicle movements.

I believe that this excellent safety record holds true for agribusinesses and their employees as well as for custom harvesters and their employees, and that they should be extended the same opportunity for exemption from CDL requirements. The safety concerns addressed in 1986 law are certainly legitimate, and I am in no way attempting to undercut them. I want to be very clear on that point. This is not a Federal exemption of those requirements. All this legislation does is give the States—which are more familiar with the way our rural farming economies work—the opportunity to waive CDL requirements if they determine that the safety concerns can be met without them.

Mr. President, where I come from family members and young workers have always worked on the family farm or in the family business. If it is not a family member, then it is the young neighbor home from college. In rural America, it is a cost effective and productive way of doing business. It holds true for farmers, farm retailers, and custom harvesters alike. It is American tradition. Now, we are seeing a Federal regulation which interferes with that practice making it impractical at best and illegal at worst.

All we are doing is giving the States most affected by these requirements—our Nation's farm States—the opportunity to exempt not only farmers, but farm retailers and custom harvesters. I think this is a reasonable piece of legislation and thank my colleagues for accepting it.

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 2712) was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill, as amended.

The bill as amended, was ordered to be engrossed for third reading, was read the third time.

Mr. BRYAN. Mr. President, I ask unanimous consent that the Commerce Committee be discharged from further consideration of H.R. 3386, the House companion, and that the Senate proceed to its immediate consideration; that all after the enacting clause be stricken and the text of S. 2393, as amended, be inserted in lieu thereof; that the bill be advanced to third reading and passed, and the motion to reconsider the passage of the bill be laid upon the table; and that S. 2393 be returned to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

MINTING OF COMMEMORATIVE COINS

Mr. WARNER. Mr. President, on behalf of Senator MCCAIN, I ask unanimous consent that the Banking Committee be discharged from further consideration of H.R. 2761, to mint coins for the 50th anniversary of the United Services Organization, and I ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2761) to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United Services Organization.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MCCAIN. Mr. President, I am pleased to support final passage of H.R. 2761, a bill to require the Secretary of the Treasury to mint coins in commemoration of the 50th anniversary of the United Services Organization [USO]. The role the USO plays is invaluable, and passage of this measure will ensure that the USO is able to continue its good work in the future.

On September 20, 1989, I introduced S. 1651, legislation identical to H.R. 2761. H.R. 2761 passed the House on May 15, 1990. It was subsequently sent to the Senate and referred to the Committee on Banking and Urban Affairs. Because the current legislative schedule calls for the Senate to adjourn during the second week of October, and the importance of this bill mandated quick passage, I urged the leadership to place H.R. 2761 on the Senate Calendar for consideration by the full Senate.

The USO will celebrate its 50th anniversary on February 14, 1991. The coin this legislation mandates will commemorate the vital service this congressionally chartered agency gives our men and women who serve this country in the Armed Forces. The hard work of this organization merits our recognition and admiration.

As the unfortunate crisis in the gulf escalates, the role the USO plays is once again highlighted. As U.S. service men and women are deployed to the Middle East, the USO's airport and fleet centers are busy assisting soldiers and their families. The USO and AT&T are now working on establishing special phone lines so that men and women in uniform can call their loved ones back home. Finally, the USO is setting up one of its famous USO tours of the Middle East.

Mr. President, now, as it always has, the USO is providing these and other services entirely at no cost to the U.S. Government. During this time of defense budget cuts and debate on the costs of such military action, the role the USO plays is more important than ever. The voluntary services provided by the USO may prove to be even more valuable as defense funds are further channeled away from manpower and personnel. H.R. 2761 mandates that 50 percent of the funds generated by the sale of the USO coin be allocated for services provided by the USO. The remaining 50 percent of funds generated will be deposited into a special account to lower the Federal deficit.

H.R. 2761 orders the Secretary of the Treasury to mint and issue silver coins in uncirculated, proof qualities for collecting purposes. The act also instructs the Treasury to take such action as necessary to ensure that the issuance of these coins will not result in any net cost to the Federal Government.

The 40,000 volunteers in over 160 locations worldwide touch the lives of more than 4½ million people—both civilian and military—per year. More than 2 million Americans in the Armed Forces today are in the lowest enlisted ranks, between 18 and 25 years old, and over 54 percent are married with children. Over 800,000 military personnel and their families are stationed abroad. This population has unique needs for which the USO continues to develop programs, touching 15,000 individual lives a day.

Mr. President, I want to thank all who have supported this measure. I especially want to thank the following organizations who gave their time and support to help pass this bill: The Air Force Association, the American Legion, the American Veterans of WWII, Korea, and Vietnam [AMVETS], the Association of the U.S. Army, the Blinded Veterans Association, the Disabled American Veterans, the Military Order of the Purple Heart of the U.S.A., Inc., the National Association of State Directors of Veterans Affairs, the Navy League of the United States, the Non Commissioned Officers Association [NCOA], the Paralyzed Veterans of America, the Polish Legion of American Veterans, USA, the Retired Officers Associations, the Veterans of Foreign Wars of the United States, and the Vietnam Veterans of America, Inc.

Finally, Mr. President, I want to thank the devoted men and women of the USO. The many successes of the USO are a tribute to their hard work, and they deserve our thanks. The USO has served our Nation well for 50 years, and I hope that we will continue to be the beneficiaries of their efforts for the next 50.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be offered, the question is on the third reading and passage of the bill.

The bill (H.R. 2761) was ordered to a third reading, was read the third time, and passed.

Mr. WARNER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. BRYAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

INCLUSION OF CERTAIN EMPLOYEES OF THE DEPARTMENT OF COMMERCE AS FOREST FIREFIGHTERS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 733, S. 1542, concerning National Weather Service personnel as firefighters.

The PRESIDING OFFICER. The bill will be stated by title.

The legislative clerk read as follows:

A bill (S. 1542) to amend chapter 55 of title 5, United States Code, to include certain employees of the Department of Commerce as forest firefighters.

There being no objection, the bill was considered, ordered to be engrossed for a third reading, read the third time, and passed; as follows:

S. 1542

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5547(b)(3) of title 5, United States Code, is amended—

(1) in subparagraph (A) by striking out "or the Department of the Interior" and inserting in lieu thereof ", the Department of the Interior, or the National Weather Service of the Department of Commerce"; and

(2) in subparagraph (B) by striking out "or the Bureau of Indian Affairs, or the National Weather Service of the Department of Commerce".

Mr. BRYAN. Mr. President, I move to reconsider the vote.

Mr. WARNER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MINTING OF COMMEMORATIVE COINS

Mr. BRYAN. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4962, an act to authorize the minting of commemorative coins to support the training of U.S. athletes participating in the 1992 Olympic games just received from the House.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 4962), to authorize the minting of commemorative coins to support the training of American athletes participating in the 1992 Olympic Games.

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

Mr. WARNER. Mr. President, I move to reconsider the vote.

Mr. BRYAN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAHAM. Mr. President, I am pleased that the Senate has completed action today on a bill which will greatly help America's finest amateur athletes prepare for competition in the 1992 Olympic games.

Congress has spoken clearly by passing the 1992 Olympic Commemorative Coin Act. This effort is the only method by which Congress supports our Olympic athletes. On behalf of those athletes, I want to thank my colleagues for continuing this coin program, whose effects are felt throughout the Olympic training facilities.

On July 31, I met with several current and former Olympic athletes representing the U.S. Olympic Committee's support for this coin bill. Some, like swimmer Nancy Hogshead of Florida, earned gold medals in previous Olympiads. Others, however, are working constantly today to improve their ability and must rely on private money and the congressional Olympic coin program to support their training.

Here are but a few examples of the myriad ways these coin proceeds touch the lives of America's Olympic competitors:

Money raised from the Olympic Commemorative Coin Act has helped revamp the bobsled facility in Lake Placid, NY. That training site is the only Olympic-quality facility of its kind in the country and thus the only place for members of the bobsled and luge teams to train. Badly needed renovations to that track are now underway through coin program funding.

Coin sales have allowed Larry McDonald of Cincinnati, OH, to train full time in pursuit of the gold medal in heavyweight boxing. There are approximately, 1,800 athletes in the direct grant program currently benefiting from the 1988 coin proceeds.

I have included for the RECORD letters from Larry and two other grant recipients, personally describing the impact of this legislation on their Olympic efforts. I will ask unanimous consent they be printed at the conclusion of my remarks.

The primary uses of money raised for the 1992 games will be continued direct grants to athletes, training center renovations, and programs to support the eradication of drug use among athletes.

In other words, the U.S. Olympic Committee expects to increase the number of direct grants awarded to athletes, as this program has had a measurable impact on performance. Training center enhancements will include the construction of an Olympic-size swimming pool and new gymnasium in Colorado Springs. Additionally, a special program to rid the U.S. Olympic team of steroid and other drug use will be augmented by these proceeds, as will a joint United States-Soviet drug testing project.

H.R. 4962 is the House companion measure to S. 2813, which I introduced in June and which 44 Senators have cosponsored. H.R. 4962 passed the House on September 17. The bill was amended by the House Banking Committee at the suggestion of numismatic representatives and the U.S. Olympic Committee. The changes reduce the minting authorizations for gold and silver coins. In addition, a half-dollar clad coin was added, which will sell for only a few dollars and thus be affordable for virtually every American who wants to support our Olympic athletes. I support these changes and am pleased they have been incorporated into the final legislation.

Mr. President, I want to thank the senior Senator from California [Mr. CRANSTON] for sponsoring this bill with me and providing key support. In addition, I want to commend the 44 cosponsors of the S. 2813, including the distinguished chairman and ranking member of the Senate Banking Committee, Senators RIEGLE and GARN, who were original cosponsors. I want to commend Senators RIEGLE and GARN, their staffs, and my own staff, for their assistance in getting this legislation adopted.

Mr. President, as the 1992 Olympic Commemorative Coin Act went through its final legislative stages, the International Olympic Committee was busy finalizing another decision which greatly benefits our country. On Tuesday morning, the IOC announced that the 1996 summer games will take place in Atlanta, GA.

In this swelling spirit of patriotism and amateur competition, I am especially pleased by the cooperative nature by which H.R. 4962 has passed Congress. I am hopeful that President Bush will sign this bill shortly, so that coin sales may start promptly and further preparations for the 1992 games may begin.

I ask unanimous consent that the letters to which I referred be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

CINCINNATI, OH,
December 30, 1989.

Dr. RALPH HALE,
Chairman, USOC Games Preparation Committee, Colorado Springs, CO.

DEAR SIR: On December 4, 1989, I received a check for $2,000 in Operation Gold funding. I would like to take this opportunity to thank you for making this funding possible through a special allocation.

The Operation Gold funding has allowed me to quit my part-time job and train full-time devoting many hours to boxing. I'm now able to purchase different types of equipment that is needed to enhance my speed, strength and endurance.

It's going to be a real pleasure for me to compete in the tournament schedule for 1990. I'm going to try to remain the number one contender. I'm really looking forward to becoming the heavyweight champion of the world. It's people like you that will help me to achieve that goal.

Thank you once again for your support and assistance in obtaining the additional funds.

Respectfully yours,

LARRY MCDONALD.

FEBRUARY 24, 1990.

MS. CAROL BROWN,
Chair, USOC Athlete Support Committee, c/o Jim Page, U.S. Olympic Committee, Colorado Springs, CO.

DEAR MS. BROWN: I would like to take this opportunity to thank all of you for awarding me a Level II grant in the amount of $2,500. This award, along with my Level I grant and a special USTTA grant has allowed me to train for eight months in Sweden.

I am training daily with members of the World Championship Swedish National table tennis team and am under the supervision of Stellan Bengsston, a former Men's Singles World Champion recognized as one of the very finest coaches in the world.

My play is showing marked improvement. In January of 1990 I was in the finals of all three Men's National Championship events: Men's Doubles, Men's Singles, and Mixed Doubles. My brother and I won the Men's Doubles. At age 18 I was the youngest three-event finalist since a former U.S. World Champion was in the same three events at age 15 in the 1930's.

In late January 1990, I went to the Men's Singles finals of a smaller European tournament and last week I went to the semifinals of a European Grand Prix tournament, losing to the eventual winner, Kurtharski of Poland (ranked in the top twenty players in the world).

If the grant money had not been provided, I would not have been able to take advantage of this incredible opportunity. It is only through support such as this that U.S. athletes will be able to keep pace with the rest of the world, especially in the smaller sports.

Thank you most sincerely for allowing me to pursue my goal and my Olympic dream.

Cordially,

JIM BUTLER.

LEONIA, NJ,
October 20, 1989.

DEAR MR. HALE/USCO: I needed to write you to tell you how much difference the two grants that I have received this year have made to me. Having spent the last fifteen years going for the glory and the dream of Olympic competition and always wondering if I was worthy of such a goal, it is the most amazing feeling having the USOC say "yes, go for it!" The money, of course, enabled me to get to Europe to train and compete, but the psychological boost is what gave me that extra spark of confidence to help our U.S. Equestrian Team win the Gold Medal at the North American Dressage Championships in Montreal this fall.

It must be easy to lose yourself in the every day bureaucratic chores of running the USOC, but please try to imagine what it feels like, after spending all my salary and all my time studying and training with my horses, to see an envelope with the USA logo on it in my mailbox. I am so proud to be spending my life dedicated to my sport and tremendously relieved to know that there are others that appreciate and encourage it.

Very sincerely yours,

HEIDI ERICKSEN,
Aspirant, U.S. Olympic Dressage Team.

AUTHORITY FOR COMMITTEES TO FILE CALENDAR BUSINESS

Mr. BRYAN. Mr. President, I ask unanimous consent that on Friday, September 21, when the Senate is in recess, the Senate committees may file reported Legislative and Executive Calendar business from 10 a.m. to 12 noon.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER FOR RECORD TO REMAIN OPEN

Mr. BRYAN. Mr. President, I ask unanimous consent that the RECORD remain open today until 4 p.m. for the introduction of bills and statements.

The PRESIDING OFFICER. Without objection, it is so ordered.

MEASURE RETURNED TO CALENDAR—H.R. 5268

Mr. BRYAN. Mr. President, on behalf of the majority leader, I ask unanimous consent that H.R. 5268 be returned to the calendar.

The PRESIDING OFFICER. Without objection, it is so ordered.

FILING OF AMENDMENTS

Mr. BRYAN. Mr. President, the majority leader has asked me to state for the record so that all Senators have been alerted in advance that Senators must file first-degree germane amendments they may wish to offer to the CAFE standards bill, should cloture be invoked, by 1 p.m., Monday, September 24, and that second-degree germane amendments to the CAFE standards bill as well as first-degree germane amendments to the title X bill must be filed by 12:30 p.m., Tuesday, September 25, because the Senate will be in recess for the two party conferences.

ORDER OF PROCEDURE

Mr. BRYAN. Mr. President, I ask unanimous consent that Senator ROTH now be recognized to speak, and at the conclusion of his remarks the Senate stand in recess under the previous order until the hour of 9:30 a.m., Monday, September 24.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Delaware is recognized.

Mr. ROTH. I thank the Chair.

THE BUDGET SUMMIT

Mr. ROTH. Mr. President, today's newspapers carry two stories that should grab the attention of every one of us. The first deals with our Federal Reserve Chairman's assessment of the economic outlook. Quite frankly, it is a pessimistic forecast that highlights the need to reduce the deficit if we are to avoid a recession. What generally happens when there is a recession is both political parties point fingers and put their slick media machines into action to convince the voters that it was the other person's fault. However, the second story the papers are carrying warns that growing voter cynicism is impartial to party lines. As today's Wall Street Journal reports: "The most explosive issue in this fall's election is the war on incumbents."

A Times Mirror poll found a sharp increase in distrust of politics and politicians—or as the Washington Post reported: "misgivings about the Democrats' ability to govern and the Republicans' links to wealthy." All across America we see a ground-swell of support for limited terms and support for antiestablishment politicians. Is there any question why the voters are growing frustrated? Is there any question why Alan Greenspan has to come to Capitol Hill to warn us that we had better get our house in order?

There is a direct relationship between these two stories, and it centers on Government's inability to balance its own checkbook.

The blueprint that emerges from the budget summit is going to have a lasting influence on our economy, and on the voter attitudes about Congress, especially as the economy slows down in what has been the longest peace-time expansion in U.S. history. The wrong policies, as Greenspan warns, could push our economy over the edge and into a recession. The right policies could secure the expansion well into the 1990's and even beyond. But frankly I am concerned with the latest news that has come out of what the Wall Street Journal called the Glass Cocoon Budget Summit. I am concerned about the emphasis being placed on tax increases—excise taxes, energy taxes, surtaxes, and limits on deductions.

To a very disturbing degree, it reminds me of 1982 all over again. And polls indicate it reminds the voters of 1982 as well—1982—when Congress enacted a deficit package that brought the taxpayer $20 billion in new taxes and only offered $3 billion in spending cuts. This, of course, was followed by tax increases for Americans—for American families—in 1983, 1984 and 1985. Each year, Congress tried to legitimize the increase by saying they were to reduce the deficit. But what happened? By 1986 when the Federal deficit hit its previous all-time high. It prompted me to release a study that demonstrates for every dollar Congress increases taxes, it increases spending by a $1.58. Which leads me to fear what the tax increases currently being discussed in the budget summit will eventually lead to.

Quite frankly, the Federal deficit can't afford another tax increase. Once again, the taxpayers are going to be hit with higher levies while meaningful budget cuts remain elusive—especially if the budget summit fails to produce enforcement procedures to insure that spending cuts are real? Then, of course, Congress has to convince the taxpaying public that Congress won't simply change its fickle mind next year.

Personally, I do not think our families will buy it.

Time magazine ran a poll this week showing that 70 percent of Americans believe that any accord between the administration and Congress pertaining to a budget plan will only avoid the real issue. I guess the increasing taxes in the 1980's, along with the more rapidly increasing spending has wizened them to this budgeting sleight-of-hand. And frankly, I do not know how long the taxpayer will take it. Mounting tax rebellion across America—in New Jersey, Illinois, California, and Virginia, to name only a few, demonstrates the voters have had it. The taxpayers want real reform. They want an economy they can count on, a government they can trust, and a future that offers opportunity.

I hope meeting these three objectives is the goal of the budget summit. Anything short of these would be denying the American people their due and prolonging the inevitable need of real reform. Anything short of these would be potentially devastating to the economy, which has already slowed in response to shaken confidence among consumers, investors, and employers—not to mention the myriad variables introduced by the crisis in the gulf. It would be counter-

productive, and possibly devastating to our economy, for these important objectives to be lost in a battle over capital gains and tax increases. I propose that we do away we do away with both—capital gains and tax increases. On Inauguration Day President Bush said that we have come to Washington not to bicker, but to govern. And I believe it is time we get on with it.

Holding the line on taxes and bringing spending under control is the only acceptable answer the American taxpayer can expect from the budget conference. The Roth-Kemp tax cuts improved the economic vitality of America so that today the U.S. Treasury Department is collecting more revenue than ever before. Between 1980 and 1990 Federal revenues jumped $527 billion. The problem is congressional spending increased by $671.6 billion—no way to bring the budget under control.

The way out of the problem—the only way to initiate real reform—is rather simple—simple and proven: We reduce the growth in spending and promote incentives that will fuel economic growth—growth that will, in turn, increase Federal revenues. I hope this is the direction the budget conference is taking. We must keep the amount of spending growth below the annual growth of revenues—which should not be too difficult for a responsible Congress. This approach to the deficit would be good for family, good for business, good for the economy and even good for a Government that would have to concentrate on making our current programs more efficient.

Nothing could be more important at this time—when the economy is beginning to slow down. To bring down the deficit while at the same time encouraging economic growth, job creation, and family security, we need to provide tax incentives for saving and investment. We need to restrain the amount of private resources drained away by Government spending. We need to increase capital formation and reduce Federal obligations. How can Congress ask the taxpayer for more money when it hasn't done its utmost to implement the Grace Commission recommendations?

We need to go back to what has worked. Reasonable taxation, responsible Government management, and incentives for thrift, family, risk-taking, research and development and hard work. We need an IRA plus to enhance tax incentives for saving as well as actually raise Federal revenue. This way, after taxes are paid on the income, the interest earned in IRA's could compound tax free, and the qualifying withdrawals would be exempt from income taxation forever. Such a provision would provide $1.5 billion in revenue in fiscal 1991, and $15 billion over the next 5 years. We need to make the research and development credit permanent to insure long-term incentive for important research and development to keep our industries competitive and our employment base strong.

We need to make responsible reductions in Government spending. Deficit reduction can be achieved through cost-saving measures in agricultural subsidies, restraining growth in Medicare and domestic discretionary programs, and trimming indirect government subsidies. These savings can be achieved without tampering with COLA's for any group.

These ideas demonstrate that we can bring the deficit under control, that we can return responsibility to congressional spending, and that we can restore confidence to the American home and business community. Congress can meet the three objectives I mentioned earlier—the three objectives the taxpayers want: An economy they can count on, a government they can trust, and a future that offers opportunity. Congress can do it while maintaining the longest peacetime economic expansion in U.S. history.

I hope this is the direction the budget conference is moving, because anything less will be unacceptable.

I yield the floor.

RECESS UNTIL MONDAY, SEPTEMBER 24, 1990

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9:30 a.m., Monday, September 24, 1990.

Thereupon, the Senate, at 4:07 p.m., recessed until Monday, September 24, 1990, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate September 20, 1990:

DEPARTMENT OF ENERGY

BRANKO TERZIC, OF WISCONSIN, TO BE A MEMBER OF THE FEDERAL ENERGY REGULATORY COMMISSION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 20, 1991, VICE MARTHA O. HESSE.

HOUSE OF REPRESENTATIVES—*Friday, September 21, 1990*

The House met at 10 a.m. and was called to order by the Speaker pro tempore [Mr. WHITTEN].

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC.,
September 21, 1990.

I hereby designate the Honorable JAMIE L. WHITTEN to act as Speaker pro tempore on Friday, September 21, 1990.

THOMAS S. FOLEY,
Speaker of the House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

Let us pray hearing the words of the 100th Psalm:

Make a joyful noise to the Lord, all the lands!

Serve the Lord with gladness! Come into his presence with singing!

Know that the Lord is God! It is he that made us, and we are his; we are his people, and the sheep of his pasture.

Enter his gates with thanksgiving, and his courts with praise! Give thanks to him, bless his name!

For the Lord is good; his steadfast love endures for ever, and his faithfulness to all generations.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The gentleman from Minnesota [Mr. FRENZEL] will please come forward and lead the House in the Pledge of Allegiance.

Mr. FRENZEL led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair desires to announce that pursuant to clause 4 of rule I, the Speaker signed the following enrolled bill on Thursday, September 20, 1990:

H.R. 4328, to provide for the orderly imports of textiles, apparel, and footwear.

PERMISSION FOR COMMITTEE ON THE JUDICIARY TO FILE VARIOUS LEGISLATIVE REPORTS

Mr. BROOKS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight, Friday, September 21, 1990, to file various legislative reports.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

SEQUESTRATION DRAWS NEAR, ARMAGEDDON 10 DAYS CLOSER

(Mr. FRENZEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FRENZEL. Mr. Speaker, on October 1, the sequester under Gramm-Rudman will be ordered unless Congress can agree on a summit budget agreement. That means that we are 10 days from Armageddon.

Not only public employees will find their incomes reduced but many families in private employment will find the same result, and many of our daily lives are going to be affected by sequester. Nobody wants that to happen.

However, Congress seems to be unwilling to change its habits to accommodate a need for fiscal sanity and deficit reduction. Unless the summit will go forward and produce a reasonable agreement that includes spending reductions, then sequester will take effect and Congress will stand judged.

NOTIFICATION REGARDING H.R. 5422, THE INTELLIGENCE AUTHORIZATION ACT FOR FISCAL YEAR 1991

Mr. BEILENSON. Mr. Speaker, I would like to notify all Members of the House that the "Classified Schedule of Authorization" and the "Classified Annex" to the report accompanying H.R. 5422, the Intelligence Authorization Act for fiscal year 1991, are now available for review by Members in the offices of the Intelligence Committee, room H-405 in the Capitol. Access to these documents, which is restricted to Members only, will be provided from Monday through Friday between the hours of 8:30 a.m. and 5 p.m.

The committee hopes that the intelligence bill will come before the House in the near future. The schedule and annex contain the committee's recommendations on the fiscal year 1991 budgets for the intelligence agencies and intelligence-related programs, which cannot be discussed publicly. Accordingly, I urge Members to avail themselves of the opportunity to thoroughly review these documents so that they may be fully informed about the committee's decisions.

LANGUAGE IN GOVERNMENT ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri [Mr. EMERSON] is recognized for 5 minutes.

Mr. EMERSON. Mr. Speaker, as author of the Language in Government Act, I am frequently asked such questions as: Why do we need an official language? Why do we need to designate English as our country's language of government? The United States has never had an official language before. Why do we need it now?

I like to point out that we are dealing with a number of issues our country has not addressed before. The Congress is—or will be—formulating national policy on health insurance and day care. These are areas in which we are developing new, or relatively new, national goals. To say we have never faced these issues before doesn't mean we don't need to face them now. Health insurance and day care are issues that have evolved into national priorities important to our people. Language policy has, too.

English is the de facto language of our Government. For more than 200 years, we have benefited from a common tongue. Having a shared language is crucial to our Nation's well-being. The role of the English language as a unifying element in our diverse Nation is widely acknowledged. Mikhail Gorbachev, in his book "Perestroika," pointed to the value of a common language in the history of the United States. The Soviet President said:

One can imagine what would have happened if members of each nation moving to the United States had spoken only their own tongues and refused to learn English.

By making English our official language of our Government, we reaffirm our belief that a common language promotes unity and serves as a bridge for understanding in our diverse society. Adopting a policy of official English establishes a more efficient, less costly means of conducting public business in a country with 148 different languages. This does not mean that emergency services such as 911 and social services would not be provided in other languages. They would continue to be, as they are now.

Official English does not mean English is better than any other language, nor does it mean that English would be the only language spoken in our country. That would be ridiculous. Official English means simply that our Government will continue to function in English.

Official language is not a new or radical concept. More than half the nations of the world have designated a language to proclaim their language of government. In South America, Spanish is the official language of Ecuador, Honduras, Venezuela, and Paraguay. Other languages are spoken in those countries, but their Governments function in Spanish. French is the language of government for Haiti, the Ivory Coast, Senegal, and Monaco. Other languages are used in those countries, but the Governments function in French. I cannot say it too often: Official language means language of government.

The Language of Government Act will not affect the teaching and learning of other languages in the United States. This legislation is not meant to dampen the enthusiasm or interest that our citizens hold for other languages. It will not deter the private use of other languages in the home, the community, the church, and elsewhere. Again, official language is the language of government. It is the language of public business, not the language of private conversation.

Designating English as our official language will change very little about government in the United States. After all, Congress conducts business in English, courts operate in English, documents are filed in English. And we feel a historical link to the English language: We built this country on ideals and dreams that we debated in English. We often had different opinions but through our shared language, we found our way to compromises that made our Nation strong.

People the world over dream of living in the kind of country we have created here. The freedoms that we enjoy are truly the envy of the world. And the English language played a key role in creating those freedoms. Like President Gorbachev, I can imagine how fragmented we would have become if the people who came here from all over the world had refused to learn English and spoken only their native tongues.

At the same time, we are among the most culturally and ethnically diverse people in the world. Our people live together and work together in peace and freedom. We do not deny the services of our Government to anyone, nor do we ever intend to. But the English language is the glue that holds us together, a common thread woven through our diverse tapestry. Our Nation's motto says E Pluribus Unum. Out of many, one. We owe much of that unity to our common language. Many Americans already believe English is our official language. It is time to make it so.

□ 1010

ENFORCEMENT OF FEDERAL MONEY LAUNDERING STATUTES NEEDED

The SPEAKER pro tempore (Mr. BEILENSON). Under a previous order of the House, the gentleman from Texas [Mr. PICKLE] is recognized for 5 minutes.

Mr. PICKLE. Mr. Speaker, the law says that any trade or business that receives cash in excess of $10,000 must report that to the Internal Revenue Service. The law was put on the books in 1984, primarily as a means of helping control the laundering of money by drug traffickers. It is a good law and should be complied with.

Yesterday at a hearing before the Subcommittee on Oversight of the Committee on Ways and Means, we received testimony from individuals who served as investigators for our committee, who had gone to 9 different States and called on 79 different businesses to see if they could buy items costing in excess of $10,000 in cash, and not have it reported.

These investigators were representatives of our committee, and they approached these various institutions openly saying that they wanted to buy these items and pay cash and have no record of it.

Out of the 79 different businesses visited, 76 said they would take the cash. No problem, we will not report it. Nobody will know the difference. Give me that money; 76 out of 79 said they would take the cash. In other words, 76 out of 79 said, "I will help you evade paying taxes to the U.S. Government."

Mr. Speaker, that is a disgrace to the American taxpaying system. It is a disgrace to the business community that this kind of practice is taking place. This was not a matter of concealment on the part of the investigators or entrapment. It was an open approach, that they wanted to buy these items, and the businesses would almost, without fail, in 95 percent of the cases, say, "Give me the cash. I will report it to nobody. Nobody will know the difference."

Mr. Speaker, they are partners in conniving to evade our tax system. That is improper, and it is wrong.

Mr. Speaker, the merchants are very open about it. They know that it is the law. They will say to a potential purchaser, "The law has something to do with money laundering. I don't know what it is. But let me see, if you have the cash, I think we can work it out."

Mr. Speaker, they even said they had some goods on hand that they used for cash sales. They said, "We do not put these in our inventory. We keep them separate and apart. So if you want to buy something for cash, you can do it with no record." It is that open and brazen.

Mr. Speaker, in one instance in Atlanta, GA, the particular business was apparently under investigation by the Internal Revenue Service for conducting these kinds of practices. As our two investigators talked to them, they said, "Yes, we do have a problem sometimes." They said, "As a matter of fact, at this very moment there are two IRS investigators in the back room looking at our books now. If you don't mind, lower your voice just a little bit while we transact this little sale." They then proceeded to offer to do that.

Mr. Speaker, this practice is so common that businesses across the land are doing this. Yesterday representatives of the Treasury, Internal Revenue Service, and the Justice Department, admitted that this is a law that is relatively new and they had not really geared up. The Treasury has recommended a lot of this money activity be monitored by a new program called FinCEN. They are gearing up to try to stop this kind of practice.

Mr. Speaker, at this point we could not find a single conviction that had taken place in the last 4 or 5 years regarding this money laundering approach by businesses, not one. Perhaps there are some somewhere. Some are under indictment, but there has not been one conviction.

Some 4 or 5 years ago when we put this law on the books, the Government's efforts were aimed primarily at banks. At that time money launderers, or Smurfs, as they called them, were coming into the banks and making deposits in excess of this amount of money. In many cases literally millions of dollars were being put into banks by the drug dealers

Mr. Speaker, we passed a law that said you could not do that. Then the Justice Department brought suit in the Bank of Boston case and convicted some of the banking people. Banks

and savings and loans throughout the country got the message. When there was a conviction up there, all at once many of them got religion, or at least they realized this law must be obeyed.

A similar law applies to businesses, whether it is automobiles, whether it is Persian rugs, whether it is antiques, or whether it is condominiums. The law says that businesses who receive cash in excess of $10,000 must report it.

That is the law. Businesses are not complying. They are in violation. They think it is a matter of business to be conducted as usual, and they just simply do not have to do that.

Mr. Speaker, we are serving notice to them that the law must be complied with. We are not saying you cannot buy things for cash, not at all. But if you do, in excess of $10,000, there is a presumption that that might not be money that has been accounted for in our tax system. Worst of all, Mr. Speaker, the businesses are not only receiving cash and covering it up by evading taxes, the individual who comes in and wants to spend this money in cash should surely be held accountable for the fact they have $10,000, $20,000, $50,000, and in some cases over $200,000 when they buy a condominium. You have to ask yourself, has that money ever been accounted for? Has the source of that income ever been reported to the Treasury? The chances are it has not.

□ 1020

So on both of these, business and the purchaser, there is a responsibility to report it, and it is a responsibility of our Treasury and Justice Departments and the Internal Revenue Service to see that this law is carried out.

Our committee is going to continue this investigation to make certain that the law is complied with.

Mr. Speaker, I would like to submit for the RECORD a copy of my opening statement which sets forth in more detail the nature and scope of yesterday's hearing. I would also like to submit my statement on the need for legislation.

OPENING STATEMENT OF HON. J.J. PICKLE, CHAIRMAN, SUBCOMMITTEE ON OVERSIGHT, COMMITTEE ON WAYS AND MEANS HEARING ON BUSINESS COMMUNITY'S COMPLIANCE WITH FEDERAL MONEY LAUNDERING STATUTES, SEPTEMBER 20, 1990

In 1984, Section 6050I of the Internal Revenue Code was enacted requiring businesses to report to the IRS all transactions that involved more than $10,000 in cash. This requirement was added because Congress believed that reporting the spending of large amounts of cash would enable the IRS to identify taxpayers with large cash incomes that might otherwise be underreported.

The business community was asked six years ago to help its government. To date, the Government's call has been largely ignored. In fact, I believe Subcommittee investigators have uncovered a national disgrace involving our business community.

Since July, Subcommittee investigators went to 79 businesses nationwide and negotiated for the purchase of $4.2 million in luxury goods—each for more than $10,000 in cash and subject to section 6050I. The investigators made arrangements to purchase, with cash, expensive items including a $55,000 Persian rug, a $250,000 condominium, a $22,000 antique mirror, a $73,000 Porsche, a $15,000 Mazda Miata, and a $17,000 Rolex watch. Seventy-six out of seventy-nine of these businesses agreed to accept cash and not report the transactions to the IRS. In fact, some of the businesses actually suggested ploys to circumvent the reporting requirements.

It is shocking that businesses throughout the country are routinely conniving with customers to violate the law. The testimony of Subcommittee investigators, which follows, is in my opinion a serious indictment of the U.S. business community. To say the least: it is an embarrassment to the business community.

While some of the unreported cash being used to purchase expensive consumer items may be from drug dealers, the law is intended to enhance tax compliance by everyone, including those doctors, lawyers, professional executives, businessmen, and others with large cash incomes. The business community is in the best position to witness the spending of ill-gotten gains, and they are the ones responsible for reporting these transactions.

Just like for banks, there is a law on the books which clearly requires the reporting of cash transactions over $10,000. Just like the Currency Transaction Reports (CTRs) filed by banks, businesses must faithfully comply with the law and file the Form 8300. The Form 8300 is a simple, one page document. The information required by statute is essentially the same as demanded by most businesses for credit card purchases—name, address, amount, and other data, most of which is contained on a driver's license.

Our investigation will show that violation of the law is common practice. Section 6050I has been on the books for six years and yet only 94,000 Form 8300s have been filed, including 22,000 filed in 1989, in the entire USA. Businesses in the District of Columbia, by way of example, only filed 3 Form 8300s so far this year. Something's clearly wrong.

Businesses from across our land are willing to assist others in laundering money and evading taxes for a "quick buck". This is a shocking and unacceptable fact. It seems that businesses will take cash from anybody—without question and regardless of where it comes from. These businesses are costing taxpayers billions in uncollected taxes. I consider such businesses as co-conspirators and, they must, and will, be held accountable.

Today's hearing will show that 95% of the businesses investigated were ready, able, and willing to violate the law. In many cases, the merchants suggested to the Subcommittee investigators how to structure the transactions with money orders or cashier's checks, multiple payments, fictitious names, or other questionable schemes, in order to avoid the reporting requirements.

There was one case where an established jewelry store in Atlanta was willing to accept in excess of $17,000 for two Rolex watches despite the fact that two IRS agents were literally in the store's backroom looking at the company's records for cash transactions. The salesman even asked the Subcommittee investigators to lower their voices while he preceded to concoct a scheme to circumvent the law.

Several dealers admitted having clients who regularly dealt in cash—like "doctors and lawyers". In one instance, the sales representative said he had a "pastor who brought in a satchel of bills in small denominations," and wondered if the pastor had been dipping into the collection plate.

Subcommittee investigators also looked at the trial records of the notorious Washington, D.C. drug dealer, Rayful Edmond, who was recently prosecuted along with 29 other defendants for narcotics trafficking. It is well known that this drug ring freely spent millions of cash dollars for consumer goods and services in the metropolitan D.C. area. In order to understand the nature of cash sales and schemes to evade section 6050I reporting, the Subcommittee obtained public records relating to cash transactions from the trial and talked with the merchants who did business with the defendants and others on a cash basis. According to the merchants themselves, none of these transactions were ever reported to the IRS. We will hear more about this and other aspects of the Subcommittee's investigation in a few minutes.

The fact that any merchant would knowingly accept large sums of cash and deliberately conceal these transactions is unconscionable—but more importantly a violation of the law. It is quite possible that the civil sanctions applicable to willful violations are not sufficient to promote compliance. Perhaps some of the merchants did not understand the law. Maybe there are flaws in the statute which allow businesses to easily circumvent the requirements. Possibly the business community needs to be forcefully reminded that their country needs their help to fight money laundering and tax evasion.

Everyone has a role in supporting our tax system. The time has certainly come for the business community to do their share. Today, we hope this message is heard "loud and clear."

At the conclusion of this hearing, we intend to turn over to the Internal Revenue Service all of the information gained during our investigation. We expect the IRS to use our investigative files in the manner it deems appropriate.

The results of this investigation are appalling and the IRS should have access to all of the information gathered. It is difficult to believe that jewelers, oriental rug dealers, automobile salespeople, and antique dealers, are so familiar and comfortable with transactions involving over $10,000 in cash that they can easily explain how to circumvent the rules and are so willing to participate.

The broad and troublesome fact is that individuals are paying for luxury items with cash. It is obvious that they do not want a record of the transaction—on either side. This raises a clear assumption that there is something "funny" about this cash and it probably never get reported as income. In such cases not only are the businesses guilty of violating the law, the person making the purchase is engaged in tax evasion. This is as much the "underground economy" as drug dealing as far as the tax code is concerned. This investigation means that there is a lot of business activity taking place for large sums of cash and, to me, that means there's a lot of income probably going unreported and tax free.

I am hopeful that the business community realizes our outrage and does what is expected. They have been fairly warned.

STATEMENT FOR HON. J.J. PICKLE ON THE NEED FOR LEGISLATION

This hearing has uncovered problems that need to be addressed in legislation if we are to have an effective program to prevent tax evasion and money laundering:

First, we have heard that many businesses are not reporting to the IRS because the transactions are structured with multiple cashier's checks, money orders, or cash. Proposal: We need to include cashier's checks and money orders of less than $10,000, in the definition cash and close the loophole that allows these transactions to go unreported.

Second, we have heard that businesses are eager and willing to take cash without reporting the transaction. Clearly, the penalty of 10% of the transaction is not a deterrent to non-reporting. Proposal: We need to treat businesses just like banks, where the penalty for intentional violations would be 100% of the transaction.

Third, we have heard that many businesses were willing to provide a quick course on how to circumvent the law. Proposal: We need to clarify that it is illegal for any party, including the business itself, to cause or atempt to cause a business not to file a report with the IRS.

Fourth, we have heard that very few businesses are complying with the reporting requirements. Proposal: We need to legislatively mandate a study that would force the IRS to review its educational efforts, compliance programs, and examination procedures directed at businesses.

FAMINE IN SUDAN

The SPEAKER pro tempore (Mr. BEILENSON). Under a previous order of the House, the gentleman from Virginia [Mr. WOLF] is recognized for 60 minutes.

Mr. WOLF. Mr. Speaker, in 1988 and 1989 between 250,000 and 500,000 Sudanese people starved to death in a famine fueled by drought and a bitter civil war.

Today, famine again threatens the Sudanese people, only this time no one seems to be paying attention.

In recent months world attention has focused on the drama in the Middle East and on the tremendous changes occurring in Eastern Europe. Even among those who focus on Africa, famine in Sudan is taking a back seat to problems in South Africa, Angola, and other regions.

All of these issues are important and deserve attention. We must not, however, allow hundreds of thousands of innocent people—men, women, and children—to starve to death.

Famine and starvation occurred in 1988 and 1989 in Sudan, but it must not occur again.

But the signs of tragedy are there and they are unmistakable.

The U.S. Agency for International Development [AID] in a report 3 weeks ago noted:

> We may be seeing the initial stage of a major, nation-wide food crisis of 1984 proportions in Sudan. * * * The ability of the people to cope is presently being overwhelmed. * * * Planning for the worst may not now be an overreaction.

Famine of 1984 proportions. Planning for the worst. Ability to cope overwhelmed. These are code words, Mr. Speaker, and they mean that hundreds of thousands of people may die.

And no one seems to be paying any attention.

The U.S. Committee for Refugees notes that the numbers threatened by the evolving famine in Sudan could well run into the millions.

In many areas the suffering has already begun. In Sudanese refugee camps located in western Ethiopia—the same camps Congressman Mickey Leland was attempting to visit when his plane crashed—the stream of hungry Sudanese wandering in from the bush has begun. Many resemble stick figures.

Roger Winter, executive director of the U.S. Committee for Refugees, recently returned from the camps. In 1988, Roger worked to raise public awareness of the famine that took the lives of as many as half a million Sudanese and his efforts helped save many lives.

Today, Roger reports conditions similar to those he witnessed in 1988. He says many of the refugees arriving in Ethiopia today are severely malnourished. "Even now, many of the children I saw are no more than skin and bones," he wrote. "It is hard to imagine what conditions will be like when the worst of the famine strikes."

These pictures were taken in the camps just a few weeks ago. They are a startling reminder of the suffering that occurred in the very same camps just 2 years ago.

Right now, the number of refugees arriving at the camps in western Ethiopia is not large and fortunately few are dying. But their very presence is an ominous sign of what is to come.

They have left family and familiar surroundings to find food in the refugee camps.

Population movements have also been noted in other areas of the country as people begin to search for food that is not available where they live.

The AID Famine Early Warning System has noted that "[R]eports are now coming in from the South, West and East of abnormal movements of population from their homes."

There are many causes for food shortages. One cause is the lack of adequate rains in large portions of the country. Late and poor rains in virtually every agricultural region of the country have threatened crops that are desperately needed to feed the people. Often times, even when the rains come, they are too late and seeds still shrivel.

Low food reserves, especially in southern sections, may be completely exhausted by October, which complicates the problems. Even though last year's harvest in Sudan was a successful one, much of the surplus food has been exported.

Many areas affected by the famine are seeing an increase in population as refugees who 2 years ago fled their homes to avoid famine are now starting to return. This puts an additional unexpected strain on the food supply.

The tragedy is that these refugees who left their homes to avoid famine are now returning only to find the same conditions they left. They are forced to continue on—leaving their homes once again—in search of food. Many survive only by consuming wild fruits, water lilies, and fish.

Widespread military conflict throughout Sudan has complicated the situation, especially the relief efforts of private nongovernmental organizations trying to bring aid to suffering civilians.

In addition, many reports indicate that Operation Lifeline Sudan [OLS] II, designed to avoid famine last year, is not working.

The work of private relief organizations such as the Norwegian People's Aid, World Vision, the International Committee of the Red Cross, Catholic Charities, and others have been instrumental in preventing the situation from becoming worse than it currently is. But these groups also face many difficulties and are having a difficult time meeting the demand for assistance.

In previous famine situations in Sudan—both in 1984 when 150,000 people starved and in 1988 when as many as 500,000 died—the international community ignored the early warning signs. That slow response by the world donor community cost many thousand of lives.

I was there twice in 1989, Mr. Speaker, and I saw the suffering. In refugee camps in northern Sudan where over 1 million displaced persons lived in makeshift camps—one located on top of a garbage dump—I saw hunger and disease and living conditions that were so bad it is hard to explain.

In feeding camps in western Ethiopia, where hundreds of thousands of Sudanese arrived after treks of as long as 3 months, I saw people who were no more than skin and bones. Thousands died along the paths to the camps.

In southern Sudan, in areas controlled by rebel forces, I saw the same type of grim human suffering. We are again seeing the early warning signs. They are unmistakable.

And again, unfortunately, we are witnessing a slow response by the world community.

Both sides in the conflict in Sudan seem to be contributing to the problem. The Government of Sudan has made it difficult for nongovernmental organizations to assist displaced Sudanese in camps in the north and has done little to help themselves. Barges

and trains loaded with food destined for drought-stricken areas are delayed for months while people go hungry.

Reports indicate that only about half of a $120 million United Nations appeal for relief in Sudan made in March has been met.

Now is the time for the world community to respond, before large numbers of people begin to die.

□ 1030

Now is the time, Mr. Speaker, for the media to respond and cover this critical story whereby hundreds of thousands of people may die. Now is the time to act, Mr. Speaker, before large numbers of people begin to die.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. EMERSON) to revise and extend their remarks and include extraneous material:)

Mr. WOLF, for 60 minutes, today.

Mr. ARMEY, for 60 minutes, on September 25.

Mr. EMERSON, for 5 minutes, today.

Mr. PICKLE, for 5 minutes, today.

(The following Member (at the request of Mr. BEILENSON) to revise and extend his remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. EMERSON) and to include extraneous matter:)

Mr. DANNEMEYER.

Mr. GINGRICH.

Mr. SHUSTER.

(The following Members (at the request of Mr. BEILENSON) to revise and extend their remarks and include extraneous material:)

Mr. TRAFICANT.

Mr. SKELTON.

Mr. CLAY.

ENROLLED BILLS SIGNED

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H.R. 4328. An act to provide for orderly imports of textiles, apparel, and footwear.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mr. ANNUNZIO, from the Committee on House Administration, reported that that committee did on the following date present to the President, for his approval, bills and a joint resolution of the House of the following titles:

On September 19, 1990:

H.R. 1101. An act to extend the authorization of appropriations for the Water Resources Research Act of 1984 through the end of fiscal year 1994;

H.R. 2174. An act to provide for the establishment of the Mississippi River Corridor Study Commission, and for other purposes;

H.R. 3265. An act to amend the Communications Act of 1934 to provide authorization of appropriations for the Federal Communications Commission, and for other purposes;

H.R. 4501. An act to provide for the acquisition of the William Johnson House and its addition to the Natchez National Historical Park, and for other purposes; and

H.J. Res. 568. Joint resolution designating the week beginning September 16, 1990, as "Emergency Medical Services Week."

ADJOURNMENT

Mr. WOLF. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 10 o'clock and 32 minutes a.m.), under its previous order, the House adjourned until Monday, September 24, 1990, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3916. A letter from the General Counsel, Department of Defense, transmitting a draft of proposed legislation to authorize the Department of Defense to use simplified small purchase procedures outside the United States for procurements of supplies and services with a value of $100,000 or less in support of Operation Desert Shield; to the Committee on Armed Services.

3917. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of John P. Leonard, of Virginia, to be Ambassador to the Republic of Suriname, and members of his family, pursuant to 22 U.S.C. 2944(b)(2); to the Committee on Foreign Affairs.

3918. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of John A. Bushnell of Connecticut, to be Ambassador to the Republic of Costa Rica, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3919. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Robert H. Flaten, of Minnesota, to be Ambassador to the Republic of Rwanda, and members of his family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3920. A letter from the Comptroller General, General Accounting Office, transmitting a list of all reports issued by GAO in August 1990, pursuant to 31 U.S.C. 719(h); to the Committee on Government Operations.

3921. A letter from the Secretary of Health and Human Services, transmitting an interim report prepared by the Advisory Council on Social Security on Social Security and the Federal budget; to the Committee on Ways and Means.

3922. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification of the President's intention to exercise authority under section 506(a) of the Foreign Assistance Act of 1961, as amended, in order to authorize the furnishing of up to $10 million in emergency assistance for the Philippines in the wake of the recent earthquake, pursuant to 22 U.S.C. 2318(b)(2); jointly, to the Committees on Foreign Affairs and Appropriations.

3923. A letter from the General Counsel, Department of Health and Human Services; and Deputy Assistant Attorney General for Legislative Affairs, transmitting a draft of proposed legislation to amend the Omnibus Budget Reconciliation Act of 1989; jointly, to the Committees on Ways and Means and Energy and Commerce.

REPORTS OF THE COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on the Judiciary. H.R. 2006. A bill to expand the powers of the Indian Arts and Crafts Board, and for other purposes; with an amendment (Rept. 101-400, Pt. 2). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 3613. A bill to establish an Upper Sacramento River fishery resources restoration program; with amendments (Rept. 101-726, Pt. 1). Ordered to be printed.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4143. A bill to settle certain claims of the Zuni Indian Tribe, and for other purposes; with an amendment (Rept. 101-727). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 4567. A bill to authorize an exchange of lands in South Dakota and Colorado; with an amendment (Rept. 101-728, Pt. 1). Ordered to be printed.

Mr. CONYERS: Committee on Government Operations. H.R. 4131. A bill to ensure that executive agencies have adequate authority to review the performance of foreign contractors and subcontractors under certain procurement contracts, and for other purposes; with an amendment (Rept. 101-729). Referred to the Committee of the Whole House on the State of the Union.

Mr. FORD of Michigan: Committee on Post Office and Civil Service. H.R. 3979. A bill to amend title 5, United States Code, to provide for greater flexibility in the procedures by which rates of pay for Federal employees are adjusted in order to contribute to the effectiveness of the Government's recruitment and retention efforts, and for other purposes; with an amendment (Rept.

101-730). Referred to the Committee of the Whole House on the State of the Union.

Mr. UDALL: Committee on Interior and Insular Affairs. H.R. 1330. A bill to transfer a parcel of land located in the Los Padres National Forest, California (Rept. 101-731). Referred to the Committee of the Whole House.

Mr. BROOKS: Committee on the Judiciary. H.R. 3898. A bill to require certain procedural changes in United States district courts in order to promote the just, speedy and inexpensive determination of civil actions, and for other purposes; with an amendment (Rept. 101-732). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. H.R. 5316. A bill to provide for the appointment of additonal Federal circuit and district judges, and for other purposes; with an amendment (Rept. 101-733). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. H.R. 5381. A bill to implement certain proposals of the Federal Courts Study Committee, and for other purposes; with an amendment (Rept. 101-734). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. H.R. 5498. A bill to amend title 17, United States Code, relating to computer software, fair use, and architectural works; with an amendment (Rept. 101-735). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. H.R. 5640. A bill to amend title 28, United States Code, to provide Federal debt collection civil procedures; with an amendment (Rept. 101-736). Referred to the Committee of the Whole House on the State of the Union.

Mr. BROOKS: Committee on the Judiciary. House Concurrent Resolution 172. Concurrent resolution expressing the sense of the Congress that for purposes of determining child custody, evidence of spousal abuse should create a statutory presumption that it is detrimental to the child to be placed in the custody of an abusive parent; with an amendments (Rept. 101-737). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROYBAL:

H.R. 5686. A bill to amend the Internal Revenue Code of 1986 to require tax-exempt hospitals to provide sufficient charity care and community benefits, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. CONYERS:

H.R. 5687. A bill to amend title 31, United States Code, to improve the financial management of the Federal Government by establishing a Chief Financial Officer of the United States within the Office of Management and Budget; by establishing a Chief Financial Officer within each executive department and within each major executive agency; and by requiring the development of systems that provide complete, accurate, and timely reporting of financial information; to the Committee on Government Operations.

By Mr. GINGRICH:

H.R. 5688. A bill to amend the Elementary and Secondary Education Act of 1965 to authorize the use of funds provided under part A of chapter 1 of title I of such act for programs to provide monetary compensation to students for reading and reporting on books; to the Committee on Education and Labor.

By Mr. KANJORSKI:

H.R. 5689. A bill to amend the National Vaccine Injury Compensation Program under title XXI of the Public Health Service Act to extend the time persons injured from vaccine administration before the effective date of the program may file petitions for compensation under the program; to the Committee on Energy and Commerce.

By Mr. PORTER:

H.R. 5690. A bill to establish a Radio Free China; to the Committee on Foreign Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 118: Mr. REGULA.

H.R. 1730: Mr. MINETA.

H.R. 2531: Mr. BUSTAMANTE, Mr. STALLINGS, and Mr. CLINGER.

H.R. 2845: Mr. MCEWEN.

H.R. 2870: Mr. WHITTAKER.

H.R. 3080: Mr. BRYANT.

H.R. 3120: Mr. GALLO.

H.R. 3243: Mr. GALLO, Mr. HUCKABY, Mr. PENNY, Mr. HENRY, Mr. PORTER, Mr. DENNY SMITH, and Mr. NIELSON of Utah.

H.R. 3440: Mr. BAKER.

H.R. 4518: Mr. FISH.

H.R. 4548: Mr. MFUME, Mrs. BOXER, and Mr. FISH.

H.R. 4840: Mr. SANGMEISTER and Mr. JAMES.

H.R. 4864: Mr. MCNULTY, Mr. SMITH of New Jersey, Mr. FORD of Tennessee, and Mr. FISH.

H.R. 4865: Mr. MCNAULTY, Mr. SMITH of New Jersey, Mr. FORD of Tennessee, and Mr. FISH.

H.R. 4975: Mr. RITTER.

H.R. 5103: Mr. LIPINSKI, Mr. MRAZEK, Mr. MADIGAN, and Mr. FAUNTROY.

H.R. 5104: Mr. LIPINSKI, Mr. MRAZEK, Mr. MADIGAN, and Mr. FAUNTROY.

H.R. 5105: Mr. LIPINSKI, Mr. MRAZEK, Mr. MADIGAN, and Mr. FAUNTROY.

H.R. 5225: Mr. SLATTERY.

H.R. 5315: Mr. JONTZ.

H.R. 5359: Mr. HUGHES.

H.R. 5364: Mr. RITTER.

H.R. 5373: Mr. ECKART, Mr. BEREUTER, Mr. MOODY, Mr. BEVILL, Mr. ERDREICH, Mr. SUNDQUIST, and Mr. WHITTAKER.

H.R. 5504: Mr. RAHALL, Mr. MANTON, Mr. BATES, and Mr. HAYES of Louisiana.

H.R. 5551: Mr. DELLUMS, Mr. FAUNTROY, Mr. VALENTINE, and Mr. BOEHLERT.

H.R. 5580: Mr. BERMAN and Mr. COSTELLO.

H.R. 5589: Ms. KAPTUR, Mr. MRAZEK, Mr. BRYANT, Mr. HERTEL, Mr. HUGHES, Mr. LIPINSKI, and Ms. PELOSI.

H.R. 5625: Mr. MACHTLEY, Mr. DEFAZIO, Mr. MANTON, Mr. JACOBS, Mrs. UNSOELD, and Mrs. COLLINS.

H.R. 5662: Mr. BRUCE.

H.J. Res. 572: Mr. IRELAND, Mr. BARNARD, Mr. BROWN of California, and Mr. LANCASTER.

H.J. Res. 580: Mr. SCHEUER, Mr. BERMAN, Mr. LAGOMARSINO, Mr. KOLTER, Mr. FISH, Mr. SMITH of Texas, Mr. PALLONE, and Mr. FRANK.

H.J. Res. 602: Mr. BONIOR and Mr. DE LA GARZA.

H.J. Res. 615: Mr. MURTHA, Mr. ERDREICH, Mr. HUTTO, Mr. CARPER, Mr. SCHUETTE, and Mr. QUILLEN.

PETITIONS, ETC.

Under clause 1 of rule XXII,

232. The SPEAKER presented a petition of the City Council of Slidell City, LA, relative to the desecration of the American flag; which was referred to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

THE BRAVE NEW WORLD OF THE AMERICANS WITH DISABILITIES ACT

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. DANNEMEYER. Mr. Speaker, President Bush recently signed into law the Americans With Disabilities Act [ADA], which establishes broad antidiscrimination protections for Americans who are disabled or who are "regarded as being" disabled.

Those of us who voted against this legislation argued that it would often lead to perverse and unintended results. Well, the President's signature is barely dry and the horror stories have already begun to accure. I have enclosed two editorials from the Wall Street Journal and an article from American Medical News, the publication of the American Medical Association, which describe three such stories.

In Sanders versus Parker Drilling, the Ninth Circuit Court of Appeals ruled in favor of two employees who had been suspended for smoking marijuana while working on an oil rig. At issue was the extent to which employers with environmentally sensitive facilities, such as oil rigs, can dismiss employees suspected of drug use. The employee won, using an employees' rights argument grounded in labor law. The ADA will further complicate these cases by giving suspended employees additional causes of action to pursue.

Mother Teresa and her noble order of nuns confronted the radical disability rights mentality head-on when she petitioned the city of New York for a waiver from a requirement that they install $100,000 elevators in two buildings they were renovating to house the homeless. Anne M. Emerman, director of the city's Office for People with Disabilities, refused to consider the nuns' offer to waive the requirement and allow the nuns to carry disabled homeless individuals up and down the stairs, saying, "We said no, you don't carry people up and down in our society. That's not acceptable here." Confronted with this additional expense, Mother Teresa and her supporters have abandoned their project. Will this become the standard interpretation of "undue burden" as it appears in the ADA?

Finally, the American Medical News reports that a New York surgeon has been sued under an ADA-style New York law for referring an AIDS patient to a nearby AIDS clinic. At issue in the New York law is whether a physician's private office is a "public accommodation." Under the ADA, however, a public accommodation specifically includes a "professional office of a health care provider." Under the ADA, these sorts of suits will multiply and further erode the relationship between physicians and their patients.

Mr. Speaker, legal seminars on how to use the ADA have already begun to proliferate since President Bush signed it into law. I guarantee that the number of perverse and unintended results will proliferate as well.

I urge my colleagues to review and ponder the significance of these articles.

[From the Wall Street Journal, Aug. 27, 1990]

SUED IF YOU DO . . .

In litigious times, it's crucial for business to keep up to date with possible new liabilities. Current events offer some simple lessons on the risks of employees who use alcohol or drugs on the job. If you help run an oil company and get information that a captain on an oil tanker has a drinking problem, waste no time getting him off that ship. If you run an airline and three of your pilots are spotted at a bar before takeoff, ground them and yank their wings.

Simple, common-sense rules—unless you operate in Alaska, Arizona, California, Guam, Hawaii, Idaho, Montana, Nevada, Oregon, Washington or the Northern Mariana Islands. These unlucky places are the jurisdiction of the federal Ninth Circuit Court of Appeals. The new rule there is that if you fire a worker you reasonably suspect of using drugs on even a hazardous job site, expect a huge lawsuit as your reward.

This is the nightmare result for an oil drilling firm operating in Alaska's North Slope, which must now pay $360,000 to three former employees it suspected of smoking marijuana while working on an oil rig. This month's case of Sanders v. Parker Drilling is a court-made Catch-22, making efforts to fight drugs on the job at least as risky as failing to stop drug use. As Judge Alex Kozinski wrote in an outraged dissent. "This strikes me as a result so preposterous it would be laughable if it were not so scary."

Oil drilling in the tundra is dangerous business, involving delicate work on heavy pipes and equipment in temperatures of 30 degrees below zero. Serious accidents are so frequent that Parker Drilling flatly bans the use of drugs or alcohol. Several years ago, the firm discovered stashes of cocaine, amphetamines and even LSD, so managers were understandably alarmed when they got reports that three workers routinely smoked dope on the job. After getting signed statements from several co-workers who claimed to be eyewitnesses, and after contronting the three, the firm suspended them.

Naturally, they sued. The appeals court somehow treated the jury verdict for the workers as a ruling that the three hadn't used drugs. In fact, there has been no criminal trial on drug charges. The only legal issue at the trial was supposed to be whether the firm had violated its contractual duty to its workers to use good faith in deciding to fire them. There was good reason to think the three had used drugs.

"By affirming the jury verdict against Parker, we are saying that management erred grievously by failing to send the employees back onto the oil rig after receiving three eyewitness reports that they were regularly observed abusing drugs on the job," Judge Kozinski wrote. "We should not require company officials to catch employees with a lit joint hanging from their lips before they can dismiss them for misconduct."

The case includes an instructive clash of judicial views. One of the country's most liberal judges, Stephen Reinhardt, wrote a separate opinion that treated this as a standard labor-rights case. The Kozinski view, he said, "would leave workers stripped of their basic job rights and personal security." Judge Kozinski, a libertarian/conservative Reagan appointee, replied that the majority opinion had misconstrued the contractual issues here and, besides, being protected from drugged-out coworkers is also a job right.

For now, count the courts—or at least the Ninth Circuit—as part of the problem when it comes to fighting drugs. It makes a mockery of justice for the courts to hold an Exxon or Northwest Airlines liable for failing to keep their employees sober, than to hold Parker Drilling liable for trying to do just that. The new rule is: Sued if you do, sued if you don't.

[From the Wall Street Journal, Sept. 19, 1990]

ONLY 998 POINTS OF LIGHT

Two separate instances in recent days prove what we have always known. Our sentinels of progress and social welfare never sleep. Now, in their endless struggle on behalf of the needy, they have taken on both Mother Teresa and the Salvation Army.

The conflict involving Mother Teresa began when her order, the Missionaries of Charity, undertook, to renovate two old buildings in New York City into residences for the homelsss. Bearing all the costs of the extensive renovation themselves, the nuns planned to provide food, clothing, shelter and job referrals for more than 60 homeless men.

The trouble began when New York City officials demanded that the nuns install an elevator for disabled tenants, as per the requirement that such housing include facilities for the handicapped. The nuns, unprepared for the additional expenditure of something close to an additional $100,000, assured the city that they stood ready to carry any handicapped resident who could not climb stairs. They asked for a waiver of the elevator requirement, which the city's Buildings Department was prepared to grant. Until, that is, Mayor David Dinkins's Office for People With Disabilities weighed in.

As Director Anne M. Emerman saw it, approving the waiver didn't just have to do with elevators; it had to do with the endorsement of wrong *values*. Explaining why the nuns carrying people upstairs would not do for New York City (also occasionally known as Calcutta on the Hudson), Ms. Emerman noted, "Their attitude in India is, they go out and carry people in off the street. . . . We said no, you don't carry

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

people up and down in our society. That's not acceptable here."

Thanks to this intercession, Mother Teresa's nuns have scuttled their project to house the homeless of New York City. In place of housing for the homeless, the city instead got the Mayor's Office for People With Disabilities providing a ringing reaffirmation of our prevailing societal and cultural standards. That should help keep the homeless warm this winter.

Meanwhile, the Bush administration's Labor Department has gone to war with the Salvation Army, which has for more than a hundred years fed, sheltered and counseled the poor. Those who receive their services of food, board and roughly $20 a week are required, in exchange, to perform a modicum of work for the Army, such as gathering old clothes, unloading trucks or assisting in the kitchen.

The Labor Department has decided that the Salvation Army is an employer guilty of exploiting workers under the terms of the Fair Labor Standards Act and is demanding that the Army's beneficiaries be paid the minimum wage. The Salvation Army argues, unanswerably, that the destitute to whom they assign work, and whom they feed and try to teach discipline, cannot be considered employees in the usual sense of the word. The Labor Department's efforts to force them to pay a wage would, moreover, force their service centers out of business by bankrupting them. Until now, the Salvation Army has been providing 11,000 beds at 117 centers around the country.

We will continue to monitor the efforts of the public welfare bureaucracy to extinguish the 1,000 points of light one by one.

[From the American Medical News]

NEW YORK SURGEON REFERS AIDS PATIENT, FACES SUIT

(By Paul R. McGinn)

SYRACUSE, NY.—Orthopedic surgeon Daniel Elstein, MD, remembered that it took him only a few seconds to make up his mind.

But that decision—to refuse to see a patient with AIDS and to refer him to a nearby AIDS clinic—has made the solo practitioner the target of a discrimination suit by New York state.

At issue is whether Dr. Elstein's office, on the outskirts of this upstate city, is a "public accommodation" under state law and, if so, whether his refusal to treat the AIDS patient violated a state statute barring discrimination against someone with a disability.

The repercussions of the case are important for physicians nationwide, especially considering that federal legislation similar to the New York law was signed by President Bush on July 26.

The federal law—the Americans with Disabilities Act—prohibits health care providers from discriminating against any disabled person, including those with AIDS and cancer. Attorneys familiar with the new law say it could spark many lawsuits similar to the one against Dr. Elstein.

Dr. Elstein's case has pitted the state's medical and dental associations against a variety of the nation's leading civil, gay, religious, and women's rights groups. The medical and dental societies argue that a private doctor's office is not a public accommodation. The rights groups argue that not to rule it so will give professionals carte blanche to discriminate not only against the disabled but against any minority.

To Dr. Elstein, the choice not to see Ronald E. Derby was obvious.

The physician says his legal odyssey grew out of an Aug. 15, 1986, telephone call from Derby, who had been his patient for four years. Dr. Elstein said Derby, who was treated off and on for costal chondritis and chronic cervical sprain, told the receptionist he wanted the doctor to see him.

Dr. Elstein said the receptionist referred the call to one of his nurses, who in turn walked into a room where Dr. Elstein was examining a patient.

"All he said was that he wanted to come here for the treatment of his AIDS," Dr. Elstein recalled.

Dr. Elstein had just attended a seminar on AIDS at the nearby State University of New York Health Science Center. He remembered speakers at the seminar encouraging local physicians to tell any AIDS patient to go to the medical center clinic for treatment.

Dr. Elstein said that's what he decided to do, and he asked the nurse to relay the message. "It was a decision I made in 10 seconds," he said. "It was almost a conditioned response."

About 18 months later, Dr. Elstein received a letter from the state Division of Human Rights, which enforces a state law barring discrimination in "any place of public accommodation."

The letter, dated April 10, 1988, said the division had found there was "probable cause" that when he refused to see Derby, Dr. Elstein discriminated against a person with a disability. That disability was AIDS.

If the facts were exactly as Dr. Elstein remembered them, the state would never have brought charges against him, insisted Mitchell Netburn, director of the division's Office of AIDS Discrimination Issues.

Netburn said he doesn't believe Dr. Elstein's story, but rather that told to him by Derby, who has since died.

"We couldn't have asked for a better case from the point of view of the facts," said Netburn.

Netburn tells it this way. Derby called from Dr. Elstein's office on Aug. 25 to reschedule a monthly appointment he had missed. Derby told the receptionist he had missed the previous appointment because he had been in the hospital. While there, he was diagnosed as being HIV-infected.

According to Derby's account, the receptionist said she would call him about a new appointment for his chronic orthopedic problems and did so about a week later. According to the complaint Derby filed with the human rights division, someone from Dr. Elstein's office said "Dr. Elstein did not have the facilities to see me and suggested that I receive all future medical treatment from the AIDS clinic."

Derby was angered. Dr. Elstein "has caused me to suffer mental anguish and humiliation, as the AIDS Clinic is not equipped to deal with my orthopedic problems, and I believe that Dr. Elstein no longer will accept me as a patient," his complaint said.

To Dr. Elstein's attorney, however, the facts of the case—disputed or not—should mean little.

"Even if he did [discriminate against Derby], it would be beside the point," argued Catherine Gale. "He has the right to refuse to treat you even if he doesn't like the color of your eyes."

The state, she said, has no authority to investigate if Dr. Elstein's actions constituted discrimination in the first place. The state anti-discrimination law, she argued, applies only to public accommodations, and Dr. Elstein's office is a private accommodation.

For one, the attorney said, the state anti-discrimination law does not list the office of a private physician as a public accommodation. The law's list of such public facilities contains only three types of health-related sites: clinics, dispensaries, and hospitals.

Also, Dr. Elstein almost never treats walk-in patients, she said. The vast majority make an appointment; most are referred from another physician.

Another argument Gale makes against holding Dr. Elstein's offfice as a public accommodation is that he does not advertise. He simply lists his name, address, and telephone number in the yellow pages.

What's more, the attorney said, if the state rules that Dr. Elstein could not refer a patient to another physician, all physicians will face the prospect of being sued for doing what is in a patient's best interest.

"This case does not rest on factual issues." Gale said. "It's a question of law. Did the New York legislature ever intend a physician to be a public accommodation? I say 'No.' "

The state dental and medical societies make similar arguments in friend-of-the-court briefs filed on Dr. Elstein's behalf. In prosecuting Dr. Elstein, they say, the state is misplacing its priorities. Declaring a private doctor's office a public accommodation, they argue, would harm—not help—AIDS patients.

"The AIDS epidemic, of vital concern to all physicians, will not be resolved by classifying private practitioners as a 'public accommodation,' " reads the brief of the Medical Society of the State of New York.

"Nor will such designation alleviate the suffering experienced by AIDS patients and their families, or result in increased expenditures for treatment and research. Conversely, the determination that a solo physician is a public accommodation will have an immediate and far-reaching impact on the private practice of medicine as we know it and on those patients a private practitioner serves."

In August 1988, a trial court judge in Syracuse agreed, ruling Dr. Elstein's office was not a "place of public accommodation" under the state law.

"The relationship between a physician and a patient is one of unique character," wrote Judge Parker J. Stone. "It is based on the elements of reliance, trust, and confidence on the part of the patient who places his health and sometimes his life into the hands of the physician. . . . This relationship is thus highly private, personal, and confidential as reflected in the protection from disclosure granted communications between physician and patient. [Dr. Elstein], who is not engaged in the practice of medicine in an institution serving the general public, such as a clinic or hospital, therefore cannot be compelled to accept any particular individual as a patient."

The state appealed the ruling, and an appeals court set it aside. The court said the human rights division itself must first hold a hearing to determine if Dr. Elstein's office is a public accommodation and, if so, whether Dr. Elstein discriminated against Derby. Only after those determinations are made, it said, can Dr. Elstein fight the case in state court.

Dr. Elstein's attorney has appealed the ruling to the state's highest court, asking it to reinstate the lower court opinion. A decision was pending as of press time.

A wide variety of civil rights groups, arguing the case has far-reaching effects on discrimination against all minorities, have filed briefs in support of declaring Dr. Elstein's office a public accomodation.

"We all will hang together or fall by this case," said Evan Wolfson, an attorney for the gay and lesbian rights group Lambda Legal Defense and Education Fund. "If the courts were to rule against us on this, you could see the rise of 'No Jews Allowed' or 'No Blacks Allowed' signs in the windows of doctor's offices."

And the discrimination wouldn't end there, these groups argue.

"Not just doctors, but virtually all professionals would be able to discriminate with impunity," said a brief submitted by Lambda and more than a dozen civil rights organizations, including the American Civil Liberties Union, the American Jewish Congress, the National Assn. for the Advancement of Colored People, and the National Organization for Women.

"The legislature did not intend that a vital group of service providers be beyond the statute's reach. Professional businesses are not exempt from the obligation to serve equally and with dignity all members of our communities."

The Elstein case in many ways parallels two cases brought by New York City's human rights commission. The city charged that dentists refused to treat patients specifically because the patients were infected with HIV. One case, *Hurwitz v. New York City Commission on Human Rights,* is before a city administrative law judge. The other, *Sattler v. New York City Commission on Human Rights,* is on appeal in state court.

His day of seeing patients over, Dr. Elstein sits in a chair of his now-empty waiting room. He ponders why he would be accused of discrimination for making what he believed was a medically appropriate decision.

After all, he said, his wife, a nurse, was a long-time volunteer at an AIDS clinic in New York City. He noted that he has treated the orthopedic conditions of many AIDS patients since referring Derby to the nearby AIDS clinic.

"I don't feel I discriminated against him," he said. "But somebody was looking for a test case."

[From the American Medical News]

DISABILITIES ACT MAY SPUR SUITS

(By Paul R. McGinn)

The Americans with Disabilities Act, hailed by President Bush as giving disabled people "a bright new era of equality, independence, and freedom" may encourage lawsuits against doctors who refuse AIDS patients.

That warning, from attorneys who specializing in discrimination and health law, came as Bush signed the act on July 26. It takes effect in January 1992.

My gut feeling is that there is going to be a lot of litigation coming out of this law," predicted Chicago attorney Stephen D. Erf, who specializes in health care and labor law.

The act bars any discrimination "on the basis of disability in the full and equal enjoyment of the goods, services, facilities, privileges, advantages or accommodations of any place of public accommodation."

The act, which defines a public accommodation to include a "professional office of a health care provider," includes as disabled those infected with HIV.

Unlike many existing state anti-discrimination laws, there is no question that the federal law applies to a private doctor's office, "They've really just closed off the question of whether a doctor's office is a public accommodation," said Erf, of the law firm McDermott Will & Emery.

Despite the increased risk of being sued for refusing to treat AIDS patients, physicians will not be defenseless, attorneys say.

The law allows the denial of services to a disabled person posing "a direct threat to the health or safety of others." It defines a direct threat as "a significant risk to the health or safety of others that cannot be eliminated."

Although universal precautions promulgated by the Centers for Disease Control would appear to greatly reduce risk of physician exposure to HIV, doctors could argue that no precautions can completely remove all risks of infection, said Chicago attorney Mare D. Sherman.

"The question, practically speaking, is whether wearing a glove and face mask and other protective garb eliminates the health risk to the physician," said Sherman, labor law specialist at the Katten Muchin & Zavis law firm. "Ultimately, the decision will be made in the courts."

Although the act itself does not address physician referrals of AIDS patients, a Senate committee report recommended that proper referrals be exempted. The report could affect any suit resulting from the law, AMA attorneys said.

"A physician who specializes in treating burn victims could not refuse to treat the burns of a deaf person," read the report. "However, such a physician need not treat the deaf individual if he or she does not have burns. . . .

"Nothing in this legislation is intended to prohibit a physician from providing the most appropriate medical treatment in the physician's judgment or from referring an individual with a disability to another physician when the physician would make such a referral of an individual who does not have a disability."

DON'T TOUCH THE HOME MORTGAGE DEDUCTION

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. CRANE. Mr. Speaker, in the course of recent budget discussions, I have heard rumors that the budget negotiators are considering limiting the tax reduction for home mortgages. I sincerely hope that this proposal is not being seriously considered because such a proposal, if enacted, will do considerable damage to the dream of buying a home and will further act as a drag on an already slowing economy. The bottom line is that Americans do not need further increases in taxes—which further restriction of this deduction amounts to, rather, we need to limit spending. I urge my colleagues to review the following two articles by syndicated columnist Gray S. Meyers dated June 22 and July 6, 1990. Mr. Meyers makes it quite clear that limiting the mortgage deduction is ill advised to say the least.

JUNE 22, 1990.

HOME OWNERSHIP AND DEMOCRACY ARE UNDER ATTACK

(By Gary S. Meyers)

If you or your kids are planning on buying a home during the next 10 years or beyond, your legislators in Washington are about to make it very difficult, if not impossible.

Specifically, what appears at risk today is the tax deduction on your first mortgage which enables most Americans to purchase a home in the first place.

Owning a home, as 64.5 percent of American families do, has been called the American dream, but actually it is much more. When it comes to property ownership, no nation anywhere comes remotely close to the U.S. Owning a home, is the very foundation of our political and economic stability ever since the days of Thomas Jefferson. Home ownership is one of the things that makes this nation the envy of the world.

If Congress is successful, it could mean the beginning of the end of a major part of our economic system and democracy as we know it. If the majority of Americans no longer have a financial stake in the well being of this country, much will change.

In twin bills now awaiting Congressional review. H.R. 2147 and H.R. 2146, Congressman William Lipinski of Illinois is pushing for limiting the deduction of interest on home mortgages to the first $500,000 of a loan. At first blush this may not seem to effect many people. But think of your grandchildren, your children and even yourself 20 years from now when you want to retire. Consider this:

Prior to 1987 there were no restrictions at all on the deduction of interest paid on home mortgages. But in that year Congress set the limit at 1 million. The limit was way beyond the reach of most Americans and nobody really cared.

Proponents of the limit then said they were only taxing the rich. Critics said Congress was taking the first bite out of the sacred cow—housing.

In the early 1970's, "Ted Kennedy supported lowering the deduction to $20,000 or less, his definition of wealthy at the time," said Tim Hansen, legislative aid on the bills for Rep. Lipinski.

With today's average home priced at between $125,000 and $150,000, if Kennedy had been successful there would (for all practical purposes) be no mortgage interest deduction today and a generation of home-buying-Americans would have been locked out of their houses.

If your house is worth $150,000 today, it could be worth $750,000 to $1,000,000 by the year 2010, if you use the same rate of increase as we have seen over the last 20 years. That means that if you retired and wanted to buy a house of equal value in Florida, you couldn't unless you could do without a tax deduction on the first $500,000—providing Congress did not again lower the mortgage deduction limit or remove it entirely.

"It's clear, eventually there will be no deducting of any interest paid on a mortgage," said Roland Barstow, chairman of Chicago-based Bell Federal Savings, one of the nation's most profitable S&Ls.

Congress is not thinking ahead. In the great rush to enhance revenues (read as raising taxes) they are going to prevent Americans from buying homes, all because our legislators haven't the political courage to cut waste and unnecessary spending.

"The interest deduction is critical to making homes affordable for most Americans and it must be protected," said Burton C. Wood, staff senior vice president of the Washington, D.C.-based Mortgage Bankers Association of America.

THE COUNTER BALANCE

Lipinski's bills claim to have a balancing counter offer. The bills would allow for the establishment of IRA-like accounts for home purchases.

"We want to help the average American buy a house and not subsidize the wealthy," said Lipinski. That's the good news.

The bad news is that the contribution limits for a couple filling jointly, under the Lipinski bill, would be only $4,000 a year with a $20,000 total limit on the account—no matter how long you saved. At that rate would-be homebuyers could never keep up with the rising housing costs.

In addition, even with the full $20,000 today, after paying six or eight thousand in closing costs and other new home expenses, homebuyers would be left with only $12,000 to $14,000 for a down payment. With today's typical 20 percent down, you could only afford a house for up to $70,000; half of what an average house costs today, and about a third of what new homes are selling for in the Midwest. If you lived in a high-cost housing area; such as metropolitan New York, Boston, Washington, D.C. or Southern California, you most likely would have to rent for the rest of your life, or build a log cabin very deep in the woods.

While the proposed IRA-like housing account is a sound idea that should be expanded upon; as it stands, it would be as useful as the proverbial teats on a bull.

If the loss of your tax deduction concerns you, write to us at the Sun-Times and we will pass the letters on to Congressman Lipinski.

Chicago fixed-rate loan interest rates slimmed to 9.97 percent, and 15-year loans eased down to 9.77 percent. ARMs remained unchanged at 8.18 percent.

JULY 6, 1990.

READER RESPONSES TO "PROTECTING HOME OWNERSHIP AND DEMOCRACY IN AMERICA"

(By Gary S. Meyers)

For the last two weeks, this column has covered how the American homeowner could become an endangered species, if legislation introduced into Congress by William Lipinski (D-Illinois) were passed.

You may recall that bill H.R. 2146 and H.R. 2147 proposed that the deduction of the interest on a first mortgage be limited to the first $500,000. This may not sound like that much now, but remember that in 1970, the average price of a new home was $25,000; currently in 1990 the average price is $150,400. So for your children, or you, if you should decide to move or want to trade up in a few years, without the deduction, renting could be your only affordable option.

After hearing the arguments of two weeks ago, Congressman Lipinski said last week that he hadn't considered inflation, high cost areas, and the potential impact on the American way.

Since all politicians are influenced by public opinion, this column thought it would be a good idea to forward reader responses to the articles on to the Congressman. The mail has been coming in, and it is 100 percent against the loss of the deduction.

It was interesting that letters came from people of all backgrounds and income levels, and yet they all agreed that the loss of the deduction would change democracy as we know it for the worse.

Peter Andjelkovich, a Chicago attorney at Peter Andjelkovich & Associates wrote, "I have great concern about the restrictions to the deductions for home mortgage interest. Such a restriction will cripple the already stagnant Real Estate market, the construction industry and the mortgage industry. Furthermore, as your article points out, it will seriously alter the American social structure and cause us to rent apartments rather than own homes."

Byron Davenport from Buffalo, Utah said, "I too am opposed to reducing the allowable deduction for mortgage interest. Home ownership is a special privilege we have in America, and let's do everything we can to keep it."

Steve Fruscella of Amarillo, Texas stated, "I am adamantly opposed to H.R. 2146 and H.R. 2147. Home ownership is a hallmark of America, and a foundation of true freedom."

Michael Freda of Moline, Illinois: "Thanks for raising this issue—add my voice to the opposition of Congressman Lipinski's bills H.R. 2146 and H.R. 2147."

Mark W. Young from Salt Lake City, Utah wrote, "I found your article informative and I was unaware of the activities of Congressman Lipinski and others. Please forward my concern to the Congressman that I want to be able to afford another home, and my children after me. I do not want the mortgage deduction on my taxes tampered with.

Ray Baker from Rock Island, Illinois came in with, "Congress should try to find the necessary courage to cut some of the waste we have been reading about for years. Why take advantage of the few people that may have the potential to obtain the great American dream. Please leave the tax deduction for home mortgage interest alone."

Mr. and Mrs. G. Woodard Sandberg of Cedar City, Utah wrote, "We have three children who will most likely be looking toward home buying in the next five years. The loss of a mortgage tax deduction might well mean the difference in their acquiring first-time homes or not. Congressman Lipinski, please drop your ill-conceived efforts in this area."

Cathie Kimbell, also of Amarillo, said "It is my opinion that there should not be any limit at all."

Finally, Sheryl D. Gillilan of Salt Lake City related that, "We purchased our first home last year, and being able to deduct our mortgage interest made a critical difference in our tax returns. With $900 a month house payments, we need our mortgage deduction in order to stay on good financial footing."

So, the verdict is in, not only do Americans think Congressman Lipinski's bill is wrong, but they believe there should be no limit on the deduction for interest on a first mortgage whatsoever.

HOLOCAUST DOCUMENTATION AND EDUCATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to recognize today the notable actions of the Holocaust Documentation and Education Center, which seeks to educate the people of America about the significance of the Holocaust in world history. Organized in 1979, the center provides resources to preserve and define the historical value of the Holocaust.

The Holocaust Documentation and Education Center provides testimonies from Holocaust survivors, bearing witness to those abominable crimes against humanity; and perhaps speak for those whom the butchers of Dachau and Auschwitz and all the death camps sought to silence forever. Sadly, some misinformed groups have tried to deny the importance of the Holocaust in history, distorting and taking historical documentation out of context. Other groups use this denial of the Holocaust as a platform for their own continued prejudice and ethnic hatred. So the need for preserving the awful truth is great. But since the physical evidence reminding us of the Holocaust is literally disintegrating, the importance of actual testimonies has precious educational value.

As a way to preserve the history of the Holocaust, the center was organized to develop an oral history program of documentation to provide education regarding the genuine remembrance of the Holocaust. The Holocaust Documentation and Education Center has developed a comprehensive educational program which serves as a prototype for other Holocaust oral history programs worldwide.

I would like to give my full support for Government funding to this indispensable institution. Indeed, education concerning events of the Holocaust could help to prevent prejudice and bigotry today. I would like to commend the following people for their crucial services to the world: Harry A. "Hap" Levy, Goldie R. Goldstein, Rositta E. Kenigsberg, Sister M. Trinita Flood, Norman Gitler, Ellie Katz, Richard M. Kwal, Rev. D. Wayne Martin, Mildred C. Nitzberg, Ph.D., Arnold M. Picker, Lester Whitelocke, Ph.D., John Davies, Ruth Marmorstein, Terry Sundy, Joe N. Unger, Dr. Abraham S. Fischler, and Dr. Gregory B. Wolfe.

Again, I would like to extend my appreciation to the commitment of the Holocaust Documentation and Education Center for preserving the memory of the Holocaust. I again stress the importance of Government support for the center in the form of funding. We must continue to educate the world about these atrocities. We must continue to demand, "Never again."

TRIBUTE TO THE WOMAN TO WOMAN ORGANIZATION

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Woman to Woman, an organization dedicated to the women in my 17th Congressional District of Ohio.

On September 21, 1990, Woman to Woman kicked off its Drug Exposed Infant Community Awareness Campaign. The campaign was initiated because of the increasing amount of women who are using drugs and alcohol during pregnancy. Woman to Woman recognized this ominous trend and immediately set about to raise public awareness and secure a grant from the Ohio Department of Alcohol and Drug Addiction Services to help the women of the Youngstown area. Their goals include raising community awareness concerning drug-exposed infants, developing a program to educate high school students about using drugs during pregnancy, and teaching professionals how to identify at-risk pregnant females.

Woman to Woman is also working in conjunction with the Women's Resource Center at Youngstown State University to promote Women's Health Month by organizing a health fair for college-age women at Youngstown State University. The rationale is to provide health information and screening for college-age women who are at risk for chemical dependency, eating disorders, unwanted pregnancy, sexually transmitted diseases, and so forth.

Clearly Woman to Woman is very involved in the affairs of the women throughout the Youngstown area, and it is my great pleasure to rise and pay tribute to such an outstanding organization.

Again, I would like to honor Woman to Woman for their dedication to my to Woman for their dedication to my 17th Congressional District, and give them my continued support in all of their endeavors.

TRIBUTE TO MYRA ELLEN JENKINS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. RICHARDSON. Mr. Speaker, Myra Ellen Jenkins is one of New Mexico's most eminent historians. She served the State with distinction for 20 years as its archivist. We in New Mexico have come to greatly value her thoughtful and thorough historical analysis—as well as her wonderful personality.

Recently, Myra Ellen Jenkins wrote an article in response to critical comments regarding the Zuni Claims Settlement Act. Her analysis of the events which led to the destruction of the Zuni Indian Tribe's natural resources provide added and important historical perspective to discussion on this matter. I ask that this article be inserted in to the RECORD and commend it to my colleagues' attention.

[From the Albuquerque Journal, Sept. 1, 1990]

A 1901 REPORT WARNED OF DANGER TO ZUNI FROM OVERCUTTING, GRAZING

(By Myra Ellen Jenkins)

The Op-Ed column by Les McFadden headlined "Unsupported Claim of Zuni Doesn't Merit $25 Million Mea Culpa" cannot be permitted to stand unchallenged.

As one of the historian court witnesses for the Pueblo of Zuni before the U.S. Court of Claims I am appalled at the misrepresentations of the pueblo's position, the distortion of the documentary evidence and the errors in fact.

McFadden's bill of particulars is against the pending Zuni Claims Settlement Act, which will redress the federal government's ill-advised programs and its failure over the past century to halt the destructive practices of private interests against Zuni lands. This legislation will establish a long-term conservation program, enabling the Zunis to repair that damage.

The professor's characterization of the claims as based on the simple assertion that the deeply eroded arroyos on Zuni lands did not exist before this century is a simplistic misinterpretation of Zuni's position that many factors are responsible for the massive erosion which had accelerated since 1900.

In opposition, the author sets forth the thesis that the primary cause has been the geological processes of nature over a very long period of time, coupled with climatic changes. Hence, he deduces, the human-caused activities of clear cutting, overgrazing and dam construction have no bearing on the Zuni environmental disaster.

McFadden contends his theory that long-term natural causes, coupled with dry conditions at the turn of the century, were responsible for research of authorities from various scientific disciplines. But the Justice Department had no monopoly on expertise. A score of scientists for Zuni, all with recognized professional credentials, presented overwhelming evidence as to the real causes of the damage to pueblo lands.

The statement that documentary evidence showed the existence of deep arroyos on Zuni lands long before 1900 is in error. Travelers from the Spanish period to 1900 mentioned occasional wide, shallow arroyos, but these were a far cry from the scores of deeply incised channels now apparent.

When the author states that there is no evidence that logging was a factor in causing erosion because the land on the west side of the Continental Divide in this part of New Mexico was not logged until after 1912 he is just plain wrong. He has apparently done no research into the records of lumbering in the Zuni Mountains nor even scanned the meticulously annotated reports of the Zuni experts.

The implication that ponderosa pine had not grown in the areas which were later clear-cut is incomprehensible. Reports of surveyors and other travelers, including pioneer anthropologist Adolph F. Bandelier, during the 1880s and early 1890s described the heavy timber on the west side of the mountains.

With the coming of the railroad, logging in Townships 12 and 13 North, Ranges 15 and 16 West, begun on a small scale in the 1880s, had become a major industry by 1900. In 1892 the Mitchell Brothers built a six-mile logging railroad line into the Zuni Mountains. The American Lumber Co., its successor, extended the logging network throughout the mountains. By 1907 it had clear-cut some 9,640 acres in Townships 12 and 13 North. The Zuni Mountain Lumber and Trading Co., which had leased much of the Cibola Land and Cattle Co. land in 1902, did extensive lumbering.

By 1909 the majority of forested lands in the Nutria drainage had been clear-cut.

Large-scale grazing, especially in the cut-over areas, resulted in the destruction of most of the ground cover, adding to the erosion caused by logging. In 1894 the Cibola Land and Cattle Co. was pasturing 10,000 head of cattle. Two hundred thousand head of sheep were reported as being pastured in the fall of 1900.

This situation so alarmed the special agent for the U.S. Commissioner of Public Lands that in his 1901 report he warned of the serious danger to Zuni from the deforestation and grazing which was resulting in deep washes from the mountains. No attention was given to his report.

It is of little consequence whether the damage to the local watershed caused by the break of the Black Rock Dam in 1909 was due to the undermining of a lock, not to the failure of the dam itself. Surely the lock is part of the dam construction.

Much more important is the fact that in addition to being poorly constructed (it failed twice in the later years), the dam was unnecessary. Never wanted by Zuni, this attempt to allegedly provide irrigation was an environmentally poor substitute for the traditional pueblo check dam method of water conservation for the raising of crops.

It is incredible that in this day and age a scholar, let alone a scientist, would advance the thesis that destruction of ground cover by continuing overgrazing and overcutting of trees on steep slopes would not be major causes of erosion.

SOCIAL SECURITY NOTCH PROBLEM

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. DERRICK. Mr. Speaker, I rise today almost in desperation. We are coming to the close of the 101st Congress, and I have seen virtually no progress in correcting the Social Security benefit formula that works against some retirees who were born between the years 1917 and 1921. That is just unacceptable to my constituents and to me.

I understand the drawbacks of addressing a concern that is bound to cost the Social Security trust fund a great deal of money. As a former member of the Budget Committee, I am highly sensitive to any proposal that seeks to make long-term commitments with our current resources. Nevertheless, there is an issue of equity involved here. We must not allow simple corrective legislation to languish because we are unable to make whatever changes are necessary to pay an adequate benefit and keep sufficient funds in reserve for the baby boomers' retirement.

The rationale for limiting the erroneous growth rate of the benefit check was certainly reasonable, and I commend the former blue ribbon panel for taking this stand a decade

ago. However, the error in the formula that works against certain retirees who worked beyond age 62 should be acknowledged and amended also. Of course, not every person born during the notch years will realize an increase in monthly benefit checks and I believe this is an expense that we can handle. I urge the Social Security Subcommittee to take up H.R. 917 without delay. If that panel doesn't like our proposal, at least make us an alternative offer.

Mr. Speaker, I would also like to take this opportunity to voice my wholehearted support for continuing the necessary practice of adding a cost-of-living-adjustment [COLA] to Social Security benficiaries and Federal retirees. We must recognize that this year is no different: Inflation in the general economy lowers the buying power of a retirement benefit, even if the rate is only a few percentage points. It is my plea to the budget negotiators that we honor our commitment to senior citizens who have served this country so honorably and well.

Thank you for this opportunity to address the House. I trust that we will not have to begin this process all over again next year. Let's do the right thing in 1990.

NATIONAL FEDERATION OF INDEPENDENT BUSINESS OPPOSES STATE MANDATES ON HEALTH INSURANCE

HON. WILLIAM E. DANNEMEYER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. DANNEMEYER. Mr. Speaker, the 101st Congress has not been kind to the owners and operators of small businesses across America. Legislation ranging from the Americans With Disabilities Act to the Clean Air Act threaten to place unmanagable burdens on businesses, especially small businesses. These bills will add immeasurable capital and transaction costs to every conceivable type of business concern. Litigation, especially, will drive many businesses to bankruptcy.

Small businesses are also teetering from the explosion in health care costs. The attached article by John Sloan, president of the National Federation of Independent Business, describes an idea that is gaining momentum in State legislatures—the move to make no-frills health insurance available to all working Americans. As Sloan explains it:

By eliminating the requirement that all policies include coverage for a variety of specific treatments and services . . . lawmakers are enabling insurers to provide the product that their customers want—affordable, basic health plans.

I have also attached a short news account that describes a similar approach in Rhode Island. The sponsor of the plan estimates that it would reduce the cost of health insurance there by 50 percent. In Virginia, a proposal would allow insurers to market a no-frills policy for an adult with one child that would cover 30 days of hospitalization and preventive care at an annual cost of $1,644, barely half of the $3,168 it now costs to purchase a standard medical policy in Virginia.

The proliferation of State insurance mandates has driven up the cost of health insurance to the point where many working Americans cannot afford it. I commend Mr. Sloan's insightful article to my colleagues.

BARE-BONES HEALTH PLANS MAKE COVERAGE MORE AFFORDABLE

(By John Sloan)

A dramatic shift has occurred in the ongoing battle to find affordable health care for all Americans.

While Congress holds countless hearings on how to expand health-insurance coverage, some states are trying a new, but simple, approach to the problem—permitting insurance companies to offer "bare-bones" health plans.

The National Federation of Independent Business supports this approach. By eliminating the requirement that all policies include coverage for a variety of specific treatments and services such as liposuction and wigs, lawmakers are enabling insurers to provide the product that their customers need—affordable, basic health plans.

Lowering cost is the key to expanding health insurance coverage through the private sector. A survey by NFIB of small-business owners last year showed that nearly two-thirds already offer health insurance. Those that don't cited the high cost and limited availability of insurance as the main stumbling blocks to providing coverage.

One of the main contributions to the high cost of insurance is the coverages mandated by state law. For years, legislators have ignored business owners objections to such mandates. In 1988 legislatures in 38 states considered 316 bills to require insurers to cover specific medical services and providers.

At last count, there were 732 separate mandates on the books throughout the country. In Maryland, a nationwide high of 32 different coverages are required.

Among the mandated coverages are midwife care, alcoholism and drug abuse rehabilitation, and treatment with herbal medicines.

Jon Gabel and Gail Jensen of the Health Insurance Association of America and Wayne State University, respectively, calculated how much premiums increase by adding specific state mandates. Coverage of psychiatric hospital stays, for example, bumped up premiums by nearly 13 percent. Treatment for chemical dependency added another 9 percent.

There are signs that the trend is being reversed. Legislation passed this year in Virginia and Washington state will permit business owners to purchase low-cost health plans that would cover basic health services.

For example, the Virginia plan allows coverage for a minimum of 30 days of hospitalization annually; it also covers at least two annual physician visits, and comprehensive prenatal, obstetrical and well-baby and well-child care.

The Washington plan also would cover hospitalization and physician visits. Both state laws permit insurers to offer—as an option—more comprehensive medical coverage. State governments in Nebraska, Connecticut and Indiana are studying similar problems.

Even lawmakers in Massachusetts—the same ones who enacted the heralded mandated health insurance law in 1988 now are considering a proposal to allow insurers to offer a reduced benefits policy. Supporters of the "bare-bones" plan note that, unlike universal mandated health care, this program would cost the state nothing.

Not all policy-makers, however, see the merits of this simple, cost-effective solution. Legislators in Georgia this year defeated efforts to permit Georgia employers to purchase basic health coverage for their workers.

As federal and state lawmakers grapple to find the right government approach to expanding insurance coverage, some enlightened solutions, such as bare-bones policies affordable to small-business owners, would provide millions more Americans access to health care.

RHODE ISLAND—INSURANCE FOR "WORKING POOR"

The Rhode Island Legislature last week approved a bill to allow the state's workers who cannot afford health care coverage to buy basic insurance at reduced rates.

The legislation sets up a 30-month experimental program that would allow insurers to sell low-cost policies that are exempt from the benefits mandated of current law.

"Essentially, the bill allows third-party payers to develop an affordable package of benefits," said Edward W. Zesk, vice president of the Health Association of Rhode Island, Providence, RI.

According to the bill's sponsor, state Sen. James Donelan, monthly premiums are expected to average about $85 per enrollee, about one-half of the usual rate.

"The plan's affordability combined with its focus on preventive and primary care will provide incentives for the uninsured to seek care earlier on," Zesk said.

Plans would have to include coverage for at least 20 days of inpatient care and outpatient care, including surgery and anesthesia, preadmission testing, radiation therapy and chemotherapy.

To be eligible, individuals must have been uninsured for three months, or they must have been unemployed for three months and purchased their own coverage. Medicaid recipients also are eligible.

About 120,000 of Rhode Island's 1 million residents are uninsured.

OIL DISARMAMENT

HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. CRANE. Mr. Speaker, in light of the Persian Gulf crisis, it is clear that the United States needs to eliminate, or greatly reduce, its dependence on foreign oil. Unfortunately, producing a dent in America's demand for oil will be a painstakingly slow process with few immediate results. Instead, we must manipulate the other side of the economic equation and maintain more control over supply.

According to an article in the August 20, 1990, Wall Street Journal, reserves in Alaska could account for 20 percent of domestic production, contributing significantly toward reducing our demand for oil elsewhere. In fact, legislation to lease some of this land has been introduced in Congress. These proposals, though, have been thwarted by a group of individuals whose good intentions neglect the

political and economic repercussions of Iraq's aggression.

With an already teetering economy, the United States could likely plunge into a recession if the Middle East situation is not resolved soon. It is necessary for our Nation to create a working balance between economic needs and environmental concerns. By preventing exploration of the Arctic region environmentalists are forcing America to play into Hussein's hand.

Without America's demand for Mideast oil, Saddam Hussein would not have the leverage he is wielding today. We can lessen our dependence on foreign oil supplies, and consequently, Iraq, by developing resources here at home.

I encourage my colleagues to read the following article. Although preserving the environment remains a laudable objective, America is now involved in the largest military deployment since Vietnam. Let us not in the name of protecting the environment aid this ruthless dictator in his deplorable conquests but, instead, do everything possible to guarantee his failure.

[From the Wall Street Journal, Aug. 20, 1990]

OIL DISARMAMENT

The U.S. Energy Department's response to Saddam Hussein last week amounted to a seasonally adjusted version of Jimmy Carter in his green cardigan making his famous plea for conservation. Top item on the department's agenda is for Americans to inflate automobile tires to their recommended pressure, with carpooling, vanpooling and tuneups secondary weapons in the arsenal to reduce oil demand. As silly as all this sounds, the full measure of the sublime here is that the words "Alaska" and "Point Arguello" are nowhere to be found in Energy's program.

The first principle remains that the idea of domestic "independence" from foreign oil is as misplaced now as it was in the 1970s. Last we looked, oil remained a fungible commodity, so it makes no difference to price where the supply originates. That said, it makes a lot of sense for countries that have reserves in the ground to tap them to make up for the oil from Iraq and Kuwait that has now been quarantined. The U.S. alone had bought about 600,000 barrels of oil daily from these two countries. America now imports about half its crude oil, a new record, while domestic output has fallen to a 30-year low.

As Energy's oddball demand-side suggestions make clear, if the U.S. is going to close the gap between energy supply and demand, the place to start is with supply. Just as clearly, this means finding the will to disarm the environmentalists. As a colleague at Barron's put it last week, the environmentalists who have been so successful at getting politicians and judges to block development of American reserves have unwittingly become "Saddam's secret weapon."

The Interior Department recently finished a five-year study requested by Congress to identify the "best single opportunity to increase significantly domestic oil production." No surprise about the source: Alaska, or more precisely what is officially known as the Arctic National Wildlife Refuge. This is a vast coastal plain of some 1.5 million acres in the remote northeast part of the state, about 65 miles east of the North Slope. Interior estimates recoverable reserves of as many as nine billion barrels, enough eventually to account for some 20% of domestic production. Despite cries of despoilation, oil industry estimates are that exploration and drilling would occur on just 15,000 acres, about 23 square miles.

The good news is that there are five bills in Congress on leasing some of this Arctic land for exploration. The bad news is that two of these bills are environmentalist-backed bans on development. Worse, none of the bills that would open the area to serious exploration has gotten anywhere in Congress despite various committees holding more than 20 hearings.

The so-called compromise bill on exploration in Alaska reflects the pre-Saddam view that there is a free lunch when it comes to the environment. This House bill would allow drilling of only four exploratory wells. A time-consuming procedure would be set up to see whether any of the rest of the area could ever be leased.

Congress is not the only culprit. In June, President Bush happily announced he was in favor of making 99% of the California coast "off-limits to oil and gas leasing and development until after the year 2000." One extremely promising area off California that had already been leased is now caught up in a Byzantine permit battle that has let a local government block development.

Point Arguello is the largest domestic discovery since Prudhoe Bay, but the members of the Santa Barbara County Board of Supervisors have so far stymied development. Chevron has spent $2 billion on the project, which has been ready to go for two years. The field could produce some 100,000 barrels a day, which would be a fine start toward replacing all of Saddam's oil. The project is frozen pending a "supplemental environmental impact statement" due in November. The Energy Department has offered to mediate the dispute over whether the oil would be moved to refineries down the coast by pipeline or by tanker.

It's worth noting that nuclear power has helped some countries, notably Japan and France, greatly reduce their reliance on Middle East oil. In the U.S., Shoreham and Seabrook are hollow testaments to the ability of special interests to destroy an industry. It's also worth noting that almost all the oil that could be developed in this country would be delivered by pipeline, not by tanker a la the Exxon Valdez. While we're at it, we note that the much-discussed caribou herd at Prudhoe Bay has grown to 15,000 from 3,000 in 1970.

Saddam Hussein may have done the U.S. a big favor by reminding everyone that banning drilling in "wildlife" areas and offshore always includes tradeoffs. The cost of environmentalism is never easy to quantify, but neither is the risk of the oil weapon in the hands of a dictator.

HISPANIC HERITAGE FESTIVAL

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, to celebrate Hispanic Heritage Month, the Hispanic Heritage Council of Miami will be holding an event on October 5.

During the event, the "Quixote Award" will be presented by the Hispanic Heritage Council. This award was created to honor and recognize a leading Hispanic figure for his/her contribution to a better understanding and friendship between the Spanish speaking people and the people of the United States. In prior years the recipients have been Jose Ferrer, Raphael, Edward James Olmos, Rocio Jurado, and Gonzelez Facio.

I would like to congratuate the Hispanic Heritage Council officers Stephen P. Clark, chairman emeritus; Mr. Orlando Martinez, chairman; Mr. David Reddick, chairman elect; Mr. Gonzalez Sánchez, immediate past chairman; Mr. Mario Williams, secretary; Ms. María J. Boue, treasurer; and Mr. Eloy Vázquez, executive director. I would also like to thank the chairpersons of the gala organizing committee, Mr. and Mrs. Carlos Arboleya, as well as, the gala honorary chairman, the Honorable Erik Martel, for their hard work and diligence in preparing the event.

Mr. Speaker, I am heartened to see that throughout the United States, people are celebrating Hispanic Heritage Month and are able to recognize the achievements of Hispanic Americans and the contributions of Hispanic culture to the American society.

TRIBUTE FOR THE SLOVAK CATHOLIC SOKOL

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to the Slovak Catholic Sokol in my 17th Congressional District of Ohio on the occasion of its 85th anniversary.

The primary goals of the Slovak Catholic Sokol organization are to promulgate the Roman Catholic faith of the Latin and Byzantine rites, to encourage education, to promote brotherly love among its members, and to instill patriotic zeal in its members so that they will become good citizens of the United States and loyal sons and daughters of the Slovak nation. In addition, the Sokol is designed to ease the burdens of widows and orphans of deceased members and to provide legal reserve insurance benefits for its members as the organization shall, from time to time, determine.

The Slovak Catholic Sokol organization has, and remains, a primary focal point for the Youngstown area Slovak community. Its dedication to the Slovak community, as well as the Youngstown area in general, is exemplary, and it gives me great pleasure to rise today to pay tribute to the Slovak Catholic Sokol.

Again, I would like to pay tribute to the Slovak Catholic Sokol for its fine commitment to my 17th Congressional District, and I wish them 85 more years of success as an organization.

LONGTIME MISSOURI LEADER AND DECORATED WWI MARINE DIES

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. SKELTON. Mr. Speaker, my high school Latin teacher has died. But he was more than a Latin teacher; he was a friend and an inspiration throughout the years that I knew him.

Col. James McBrayer Sellers, 95, commandant, superintendent, and president of Wentworth Military Academy over a span of 70 years, died September 5. Sellers was born in Lexington, MO, where he lived his entire life except for 4 years in college and 3 years in the U.S. Marine Corps during World War I.

As a student at the University of Chicago, Colonel Sellers was a member of Beta Theta Phi and Phi Beta Kappa, graduating in 1917. Colonel Sellers was active in the community of Lexington. He was a Freemason, having served as grand master of the Masonic Lodge of Missouri. He was also active in the First Presbyterian Church.

Responding to a Marine Corps offer to commission 10 Wentworth graduates, Colonel Sellers entered officer training at Quantico, VA, with the first contingent to open the base. He received his commission as a second lieutenant and sailed to France in early 1918 as a platoon leader in the 6th Marine Regiment of the 2d Division. He was seriously wounded in the first American engagement of that war in Belleau Woods on June 6. Returning to the regiment in August as company commander, he participated in major engagements at St. Mihiel, Mont Blanc, and the Argonne. For bravery in action he was decorated with the Distinguished Service Cross, Navy Cross, Silver Star, Purple Heart, World War I Victory Medal with four battle stars, and the French Croix de Guerre. For a number of years he has been the most highly decorated living Marine veteran of World War I. He retired from the Marine Reserves as a lieutenant colonel in 1945.

His wife, Rebekah, died in 1985 and he is survived by three sons, Stephen Wentworth Sellers, James McBrayer Sellers, Jr., and Fred Evans Sellers; six grandsons; and one granddaughter.

Colonel Sellers was truly a great Missourian. Those who knew him as a student, such as I, had the opportunity to know one of the finest role models in our country. He was my friend, and I will miss him, as will many others whose lives were touched by this outstanding officer and gentleman.

COMMENDATION OF THE EPIPHANY OF OUR LORD PARISH

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. FOGLIETTA. Mr. Speaker, I rise today to pay tribute to a special landmark in the district which I represent. The Epiphany of Our Lord Parish has served south Philadelphia for over 100 years. Worshipers from diverse ethnicities have lovingly cared for this magnificent stone structure with its stained glass windows and marble altars.

With all of the Epiphany's splendor of today, the church was founded with an extremely humble beginning. In October 1888 the Reverend Patrick John Ryan, archbishop of Philadelphia, announced that a new church and parish would be founded to minister to this fast-growing section of south Philadelphia. One year later, the archbishop named the Reverend James Nash as the Epiphany's first pastor. Father Nash would be entrusted with the building of the church, parish, and other necessary buildings.

The parcel of land on which the church nows stands was purchased from former Congressman William McAleer. Mr. McAleer assisted in expeditiously obtaining the signature of the then Mayor Fitler for permission to build. Soon after, ground was broken for the erection of a temporary frame chapel.

The chapel was little more than a club house. There were no pews to sit on. Parishioners sat on the plasterer's scaffolding and knelt on bear floors. Nor was there an altar, Father Nash celebrated mass from an altar made of ordinary boards. These inconveniences provided the community with a challenge to work together for a place in which each and everyone could feel a part.

As Father Nash and the parishioners worked together over 100 years ago, so does Father Chiaravalle, the Franciscan nuns, and everyone today. For instance, this past month the nuns were in need of more living space thus the parish rented a home. However, the home was without furnishings. This could have created a dilemma in other communities, but, not at the Epiphany of Our Lord. On September 5, 1990, a house warming party was held and over 200 people appeared bearing gifts.

Mr. Speaker, in 1889, Mass was said only on Sundays because workmen were busy during the week building the Epiphany. Today, the work continues with the same common commitment. I am honored to represent one of the finest churches in Pennsylvania.

INTRODUCTION OF THE EARNING BY LEARNING BILL

HON. NEWT GINGRICH

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. GINGRICH, Mr. Speaker, this summer, the early childhood department at West Georgia College in Carrollton, GA, carried out a pilot program designed to motivate youngsters to read by giving them a monetary incentive. The program, called Earning by Learning, has already had a positive impact on my district. Today I'm introducing legislation to authorize the use of funds under the Elementary and Secondary Education Act for programs to provide monetary compensation to students for reading and reporting on books, so that the benefits of the program can be extended to youngsters across the country.

In the program, third and fourth grade students, who were considered to be at risk of not learning to read, were given $2 for each book they read. The children were allowed, with some adult guidance, to choose the books they wanted to read. After reading each book, the child reported on it to a volunteer. Each child had a form to keep track of how many books were read during the summer, and the forms were used to determine how much money the child had earned by the end of the program.

At the end of the program, 282 at-risk third and fourth graders had read 3,801 books. The total cost of the pilot program—less than $10,000—was money well spent. However, a program like this may not be eligible for funding under the Elementary and Secondary Education Act of 1965. Therefore, I have introduced the bill to specifically make this program, which is a proven success, an allowable use of Federal funds.

For information on the Earning by Learning Program or to cosponsor the bill, contact Siobhan Rieger of my staff at 225–4501.

CIVITAN CLUB CELEBRATES CHARTER NIGHT BANQUET

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Ms. ROS-LEHTINEN. Mr. Speaker, for years Civitan Clubs have worked selflessly in serving their communities, enriching the lives of others, and seeking to build a better society. The Civic Center Civitan Club, which serves the Miami, FL, area, is a credit to that mission.

This fine organization, chartered July 2, 1990, recently held their charter night banquet in Miami Springs to initiate members and install club officers. It was a great night of fellowship for all who attended and an excellent way to begin this magnanimous cause.

The Civitans are pledged to service, knowledge, and fellowship. By sharing their efforts they are able to meet the needs of the community, while providing each member with experiences essential to personal development. Dedicated to reaffirming and strengthening the dignity of each individual, Civitans seek to improve themselves in order to help others. By sponsoring activities such as Special Olympics, these committed citizens are making their hope for a better world come true. By feeling concern for every injury to humanity, every cry of a child, their dream for peace will be obtained.

Mr. Speaker, I am honored to recognize again today the Civic Center Civitan Club. Under the leadership of president, Charles Yatman and president-elect, Dr. Paul Benke; vice-president, Edward Pombier; secretary, Roxanne Singler; treasurer, Marion Baker; and directors, Mildred Baggett, Helen Glogger, and John Scheidt, this fine group is sure to be a resounding success. With charter members Dr. John Thomas Coursey, Mary Gonzalez, Marian Jones, Lisa Lannom, John LeFley, Tim Murphy, June Parker, Diana Petitto, John Williams, and Freddie Woodson, the community will be well served. They deserve the thanks

of us all, and I urge everyone to support their efforts.

PENNSYLVANIA TURNPIKE DESIGNATED ASCE NATIONAL HISTORIC CIVIL ENGINEERING LANDMARK

HON. BUD SHUSTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. SHUSTER. Mr. Speaker, the imagination of a traveler at the beginning of this century would have been greatly stretched to dream of a road without traffic lights, intersections, pedestrians, or railroad crossings. Nor would he probably have known that limited access to such a road would increase safety and enable him to travel greater distances at higher speeds. But that is precisely what the civil engineers who designated the original section of the Pennsylvania Turnpike had in mind when the original 160-mile stretch of the turnpike opened to traffic on October 1, 1940. The original section will be the newest National Historic Civil Engineering Landmark of the American Society of Civil Engineers [ASCE], when it is designated as such in a ceremony at the Sideling Hill Service Plaza on the turnpike at noon this Saturday, September 22, 1990.

Completed in less than 2 years, the original section of the turnpike was the Nation's first limited access, high-speed superhighway, and later served as the model for the Interstate Highway System.

In its planning and design, the turnpike was a unique combination of the old and the new. Large sections were laid atop and through the original roadbed and tunnels of an unfinished railroad abandoned in 1885. Unprecedented design and safety standards were used consistently throughout the entire route. The extra-wide double lanes were paved entirely by reinforced concrete, and, when possible, were sited with a southern exposure so that solar heating could help clear snow and dry wet pavement. Curves were banked and aligned to allow a gentle approach from straightaways, and their sharpness took into account drivers' tendency to maintain speed. Grades were limited to 3 percent, and like curves, were designed so that their approach from level sections was consistent with a minimum sight distance of 600 feet.

The $70 million turnpike was also unprecedented in scale among highway projects in the United States. In 1939, the engineering staff numbered over 1,100, and 155 companies had secured the many design and construction contracts. Many well-known civil engineering firms contributed to the project, including J.E. Greiner Co. of Baltimore, which served as the general engineering consultant to the Pennsylvania Turnpike Commission.

Mr. Speaker, I join the American Society of Civil Engineers in saluting these remarkable engineers who dared to dream of superhighways for the future. It is especially fitting that we pay tribute to them now as we in the Congress formulate a new transportation policy designed to carry the Nation beyond the end of this century.

KENT AMOS—DEDICATED TO THE CHILDREN

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. CLAY. Mr. Speaker, today, perhaps more than ever in the history of our Nation, we recognize that there is a pressing need to restructure our Nation's educational programs in order to better prepare our children for productive roles in society.

I would like to take this opportunity to share the inspiring story of one man's commitment to this goal. Kent Amos and his wife Carmen are dedicated to helping young black children develop the social skills and values to lead productive and successful lives. I was moved by the Amos' story and I am happy to share William Raspberry's report on their efforts. The following article appeared in the Washington Post on September 17, 1990.

[From the Washington Post, Sept. 17, 1990]

TURNING A SCHOOL INTO A COMMUNITY

(By William Raspberry)

In a few days, the Northwest Washington home of Kent and Carmen Amos will be buzzing again with the purposeful sound of teenagers at study.

The sound won't be as loud as it has been. The Amoses have decided to "adopt" only six new children this fall. In earlier years, easily twice that number have joined the Amos "family" for nightly study and talk sessions that focus on values. One year there were 25—so many, in fact, that Carmen Amos had to defer her hostess/cook role to the home economics department of Coolidge High School, where many of the youngsters are enrolled.

But if Kent Amos is cutting back on his unpaid efforts to get Washington's at-risk youngsters off to a solid academic and ethical start, he's doing it in order to expand its impact.

"As much as I try to do with these youngsters [the former Xerox executive estimates he has spent as much as $250,000 of his own money on outings, vacations, financial assistance and food since he started his informal program nine years ago] the numbers are just overwhelming. One person just cannot do enough. If we are going to change the course our children are on, we are going to have to find ways to affect large numbers of them dramatically."

He thinks he knows how. What he has in mind is the transformation of school clusters into hothouses for the nurture and protection of children—a recreation of his own LeDroit Park childhood in which a neighborhood's children were the neighborhood's concern. He wants to surround the children with what he calls "ozone."

"The value of ozone," he told a recent meeting of teachers at Brightwood Elementary School, "is that it protects you from things that can destroy you while miraculously letting through the things that are necessary for life. That's what school can be, if you are willing to undertake what's necessary to make it so."

He talked about school as a place where children can inculcate the values that are necessary for black survival in an often hostile environment, as a place where values are both taught and modeled, where children learn from how the adults in charge of them treat one another.

But he didn't give them the whole spiel. And, though I have known this former Xerox executive for some years, I hadn't heard it either until a subsequent interview. Here's what he said:

"We have to learn to look at schools as holistic development centers for our youth and our future—not just medical services and day care, but values instruction. As a matter of fact, I don't think much of the current trend of putting nurseries in schools to take care of students' babies. We need to be building into our children why having babies prematurely is detrimental to their development. We need to bring the family, the home and the community—all the things that affect a child's development—into the school."

His dream—no, his *plan*—is to fashion neighborhood schools into seamless webs of love and learning, perhaps starting with the cluster that includes Brightwood, Paul Junior High and his own alma mater, Coolidge.

His vision: the school day would begin at 8 with an hour of "mental preparation time," during which children would meet in a home-like lounge to talk, read the newspapers and go over the day's assignments. Then, after a day of classes, they would break for dinner (in "family" groups of 30 or 40, including children from all three schools), prepare and served by neighborhood parents.

Finally would come two hours of study, organized recreation, a break during which the children could discuss personal problems with volunteering adults, and transportation home.

"If our children are to be saved," he believes, "they have to have a controlled and structured environment that reinforces the values that are necessary for black survival. The problem is that for many of them, home is not a positive environment. It's not that there aren't people at home who love them; what they need is interpretation, some way to help them understand the vast amount of information that is coming after them and build a value system that will help them make choices. We need to take the children off the streets and put that ozone around them."

It seems such a pie-in-the-sky scheme that normally I wouldn't bother writing about. But I've seen Kent Amos in action, and I take him seriously.

He says his intention is to recruit foundations and corporate sponsors for a prototype of his scheme—someone who'll say here's X number of dollars—take the money and test your model." He is prepared to take the time from his consultant firm to "arhitect, manage and father it all." He expects to start as early as next fall, and I wouldn't bet against his success.

"It's really just a management issue," he says. "It's manageable. The fundamental question is whether we are willing to look at educating our children in a holistic manner, and whether we have the will to make a difference."

SERBIAN AUTHORITIES PERSECUTE INNOCENT AMERICAN

HON. JOHN EDWARD PORTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. PORTER. Mr. Speaker, the Kosovo region of Yugoslavia has been the violent setting for ethnic tensions between Serbian authorities and the ethnic Albanian population. In response to calls for human rights and political autonomy, some ethnic Albanians have been arrested, beaten, and even killed while participating in nonviolent protests.

Recently, Serbian authorities have turned their hostilities to innocent foreign visitors.

On September 5, members of the International Helsinki Federation for Human Rights were detained and expelled while attempting to examine the human rights situation in Yugoslavia.

On August 29, shortly after meeting, a U.S. congressional delegation, Mr. Shaban Kastrati from Plainfield, IL, was arrested and charged with participating in a demonstration. He has been sentenced to 60 days in prison, where he is reportedly being brutally mistreated.

As cochairman of the Congressional Human Right's Caucus, I am concerned about this blantant mistreatment of an American citizen. As charge sweeps through Eastern Europe, such violations of basic human rights only thwart Yugoslavia's efforts to develop a democratic and free society.

THE HOSPITAL CHARITY CARE ACT (H.R. 5686)

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, September 21, 1990

Mr. ROYBAL. Mr. Speaker, today I am calling upon the Congress and the administration and the nonprofit hospital community to take corrective action by once again requiring tax-exempt hospitals to provide, to the extent the hospital's finances allow, services to the medically indigent. The Charity Care Act, which I am introducting, will do just that.

I want to express my appreciation to the General Accounting Office, the Treasury Department and the Internal Revenue Service, the National Association of Counties, the Congressional Research Service, and several hospital organizations, including the American Hospital Association, the Catholic Health Association and volunteer trustees of not-for-profit hospitals, for their advice and assistance in preparing this legislation.

Let me provide some background on the issue as well as an overview of the Charity Care Act. On June 28 of this year, the House Select Committee on Aging held a hearing to examine: First, how much and what kind of charity care is provided by private, tax-exempt, nonprofit hospitals and, second, what legislation is needed to assure that all tax-exempt hospitals fairly provide appropriate amounts and kinds of charity care to poorer patients of all ages.

To help with this examination, I released a General Accounting Office [GAO] study, "Nonprofit Hospitals: Better Standards Needed for Tax Exemption," prepared at my request. The GAO probe of nonprofit hospitals and their tax-exempt status documented a troubling situation where many nonprofit, tax-exempt hospitals have too little commitment to poorer Americans. Fifteen percent of tax-exempt hospitals in GAO's study have less charity care and bad debts than the Federal and State value of their tax exemption. If only charity care is counted, 57 percent of the study's tax-exempt hospitals provide less charity care than the value of their exemption.

To quote the General Accounting Office, "This report concludes that the Congress should consider revising the criteria for hospitals' tax exemption if it believes that providing charity care should be a fundamental basis for such an exemption." Considering our critical need for hospital charity care, I believe legislative action is called for.

Over one-half of America's hospitals are private nonprofit institutions, a vital but uncertain cornerstone for ensuring hospital care for millions of underinsured Americans. Through the late 1960's, private nonprofit hospitals' tax-exempt status depended on their commitment to providing care to those with a limited ability to pay. Since 1969, the Internal Revenue Service has loosened its requirements allowing community benefits to be used to justify hospital tax-exempt status and allowing many nonprofit hospitals to substantially reduce or eliminate their commitment to lower income Americans.

According to the GAO study, many nonprofit hospitals are looking more like for-profit hospitals and are focusing almost totally on paying patients. Those nonprofit hospitals who remain committed to caring for poorer Americans are at a competitive and financial disadvantage. Their willingness and ability to continue substantial amounts of charity care are a great source of concern.

In recent years and as cost and competition pressures increased on hospitals, many nonprofit hospitals have not only reduced their commitments to poorer Americans but have apparently shifted available resources toward community activities which in effect market the hospitals to only insured Americans. As a result, the medically indigent are getting squeezed out and shipped off to government hospitals or to nonprofit hospitals still having a commendable commitment to indigent care. To their credit, many nonprofit hospitals are carrying their fair share, but they are unfairly penalized for being "good caring citizens" while their competitors focus on only paying patients.

No one should interpret the GAO report, or my request for the GAO study, as a call to remove tax-exempt status, but should interpret this as a call for America's conscience to prevail and for the appropriate use of tax-exempt status to help protect the poor and near poor. With the value—Federal, State, and local taxes foregone—of hospital Federal tax-exempt status estimated at over $8 billion annually, we must once again target this vital Federal resource at providing hospital care to uninsured, underserved, and disadvantaged Americans.

Further, no one should interpret my Charity Care Act as a solution to the problems of medically indigent Americans. It is not. However, until this Nation commits itself to a national health policy protecting all Americans, it cannot afford to lose the $8 billion in protection that the value of the tax-exempt status potentially offers. Tax-exempt status should continue for nonprofit hospitals and charity care should be a fundamental basis for that Federal tax-exempt status.

To bring about this change, we believe that the Charity Care Act needs to be quickly enacted into law. Our intent is to preserve hospital tax-exempt status and to ensure that it is used to fairly and humanely provide charity care to millions of Americans unable to afford desperately needed hospital care.

What would the Charity Care Act do? Beginning with tax years after December 31, 1992, the bill requires a private tax-exempt hospital to serve both Medicare and Medicaid patients. It requires a hospital to provide a reasonable amount of charity care—defined as unreimbursed care to the medically indigent, bad debts and Medicaid allowances. For a hospital with too few medically indigent in its service area, other service, contractual and financial arrangements may be made to make up any shortfall. Charity care must be worth at least as much as 50 percent of the value of a hospital's tax-exemption. Also, a hospital is required to provide other community benefits worth as least as much as 35 percent of the value of a hospital's tax-exemption. To assist the Internal Revenue Service [IRS] in administering this provision, hospitals are required to obtain review and comment from their respective State and furnish it to the IRS.

For purposes of this act, the value of the tax exemption is based on a national target percentage. This is the percentage which Federal, State and local taxes foregone—taxes which tax-exempt hospitals do not have to pay—are of gross hospital receipts. As appropriate, this figure is adjusted downward to ensure that no more than 25 percent of hospitals are affected. If a hospital can show that this percentage is too high for it, the IRS is to use the lower figure. If the IRS determines that the percentage is too low for a particular hospital, it may use the higher figure. In all cases, this requirement is dependent upon a hospital's financial ability.

If a hospital fails to meet the charity care and community benefit requirements, IRS is to publish a notice in the first year. In subsequent years, IRS is to impose a 100-percent excise tax on any shortfall between the amounts of a hospital's qualified charity care and community benefits and a hospital's tax-exemption value. In general, IRS still retains the authority to revoke the exemption when appropriate. To ensure that the hospital tax-exemption's value is not lost, any excise taxes collected from a State's hospitals is to be returned to that State to be used only for charity care in public hospitals and private tax-exempt hospitals.

Again, the intent of this legislation is to ensure that the value of the tax-exemption given to a private tax-exempt hospital is used to help meet critical social needs. In my view and given the state of health care in America,

the caring provisions of charity hospital care is a critical social need and one to which this legislation can make some contribution. This is not the panacea for the problems of the over 30 million uninsured Americans and millions more of underinsured Americans, but it can extend some measure of relief as we tackle more comprehensive solutions to ensuring financial access for all Americans. Further, it can restore some fairness between the hospitals who do more than their fair share to help the medically indigent and those who fail to do their fair share.

Mr. Speaker, I ask that the attached description of the bill be included in the RECORD.

H.R. 5686—CHARITY CARE AND HOSPITAL TAX-EXEMPT STATUS REFORM ACT OF 1990, "RESTORING COMMITMENT AND FAIRNESS"

SECTION 1. SHORT TITLE

SECTION 2. DETERMINATION OF TAX-EXEMPT STATUS FOR HOSPITALS TO BE BASED ON PROVISION OF CHARITY CARE, CARE TO MEDICAID AND MEDICARE PATIENTS, AND OTHER COMMUNITY BENEFITS

In addition to any other criteria set by the Commissioner of the Internal Revenue Service, the Commissioner is required to use the following criteria in determining whether or not a private, nonprofit hospital, including any nonprofit elements of a reorganized health system substantially engaged in hospital care, qualifies initially and on an ongoing basis for tax-exempt status:

a. The hospital is required to serve a reasonable number of Medicaid and Medicare patients consistent with its size and community needs and in a non-discriminatory manner, have an open door policy toward Medicaid and Medicare patients, and provide documentation to that effect, and

b. Except to the extent that the hospital can demonstrate financial inability, it is required to provide an amount of qualified charity health care (measured by costs) in a non-discriminatory manner that is at least as much as 50 percent of the value of its tax-exempt status. What qualifies to be counted as qualified charity care is 1) the amount of uncompensated care (defined as (i) free care provided to persons with limited or no ability to pay, (ii) care provided at a discount, commensurate with ability-to-pay, to persons with a limited ability to pay for care, and (iii) the amount of care written off as bad debt (not including bad debt for third party payers), and 2) Medicaid allowances (difference between costs and reimbursements) resulting from hospital care provided to Medicaid patients.

A hospital may also count as charity care the cost incurred in providing health care and other health-related services, whether provided directly or by establishing financial or other contractual arrangements, which together are designed primarily to improve the health of members of their community or other communities who are medically underserved and disadvantaged.

c. A hospital is required annually to provide other documentable community benefits in an amount that is at least as much as 35 percent of the value of its tax-exempt basis. In order to be counted toward meeting this requirement, the community benefits must be those that generally would not otherwise be provided in the community by hospitals that are not tax-exempt. For purposes of meeting this requirement, only the amount of costs not recovered from other funding sources can be used. In addition, any charity care qualifying under "b" and exceeding the requirements of "b" may be used to help satisfy this requirement.

d. A hospital is required to provide further written justification as to how it benefits the community in ways that are unique from hospitals that are not tax-exempt.

e. The Internal Revenue Service is to revise the annual information returns for exempt organizations to collect this information.

f. A hospital with tax-exempt status is required to send a complete copy of its annual information return to the State in which the hospital is located and to obtain and forward the State's review and comment in the same manner as is detailed in "Section 4."

The value of the tax-exempt status for a hospital is deemed to be the amount that represents the target percent of a hospital's gross revenues. Annually, the Internal Revenue Service is to set the national target percentage based on the most recent and best available data on nonprofit hospitals. The national target percentage is calculated from the estimated federal, state and local taxes foregone as a percentage of estimated gross revenues. However, the target percentage is to be set by the Internal Revenue Service so as to generate a deemed value of the tax-exempt status which 75 percent of private tax-exempt hospitals are estimated to exceed with their qualified charity care and community benefits.

If the Internal Revenue Service determines that the actual value of the tax-exempt status for a hospital is substantially greater than the requirement, the Internal Revenue Service may use the higher value. If the Internal Revenue Service determines that the value of the tax-exempt status for a hospital is substantially less than the requirement, the Internal Revenue Service shall use the lower value. As noted above, the application of this requirement shall take into account a hospital's financial inability to meet the requirement.

Within two years of enactment, the Internal Revenue Service is to implement, if feasible, a methodology for measuring the value of federal, state and local taxes foregone for individual hospitals and how this would change the charity care requirement. Within one year after enactment, the Internal Revenue Service, in consultation with the Department of Health and Human Services, is to submit recommendations to Congress on how to treat a nonprofit hospital that clearly and consistently a) meets the Medicaid and Medicare requirement and b) exceeds the basic requirements on charity care and community benefits. These recommendations are to suggest ways to reward this type of hospital by a) reducing the amount and/or frequency of reporting requirements or b) other appropriate methods.

SECTION 3. EXCISE TAX ON FAILURE TO MEET CHARITY CARE AND COMMUNITY BENEFIT REQUIREMENTS

While the Internal Revenue Service retains the authority to remove tax-exempt status in cases where they determine that such action is the most appropriate action, several other sanctions are established.

In the first year that IRS determines a tax-exempt, nonprofit hospital is not in compliance with this act, it is to notify the hospital and publish a public notice that the hospital is not in compliance and may lose its tax-exempt status. If the hospital continues to be out of compliance in the subsequent year, IRS is to assess the excise tax described in the following paragraph. If the hospital continues to be out of compliance in another subsequent year, the IRS may either continue the application of the excise tax or remove the tax-exempt status.

In general, IRS is also given the option to impose, when appropriate, a 100 percent excise tax on the amount by which the value of the tax-exempt status exceeds the value of charity care and other community benefits provided. If this amount is less than one percent of the amount of a hospital's total gross recepts and there are unusual circumstances justifying a higher sanction, IRS may impose a 100 percent excise tax on one percent of the amount of a hospital's total gross receipts.

All revenues collected from the above excise tax are to be used to offset an increase in the year's federal matching rate under Medicaid (Title XIX of the Social Security Act) that corresponds to the collection of the tax. The federal matching rate for Medicaid for a given State is to be adjusted to match revenues collected from hospitals located in that State. In order for a State to be eligible to receive increased federal matching funds, it is required to document that an additional amount at least equal to the amount of the increased federal matching funds is made available to public and tax-exempt, nonprofit private hospitals to help pay for the provision of charity care for the year in which the revenues are collected.

SECTION 4. STATE REVIEW AND COMMENT ON APPLICATION FOR TAX-EXEMPT STATUS FOR HOSPITALS

A hospital requesting tax-exempt status is required to send a complete copy of its federal request for tax-exemption to the State in which the hospital is located and to obtain the following:

a. A statement from the State Medicaid agency certifying that, to the best of the State's knowledge, the hospital is expected to openly serve Medicaid patients (this may be waived for States which only contract with a limited number of hospitals and the hospital has made a reasonable effort to obtain a contract) and Medicare patients and does not discriminate against Medicaid and Medicare patients, and

b. A statement from the State verifying that, to the best of the State's knowledge, the hospital is expected to meet the charity care and community benefits requirements.

The statements by the State must be furnished to the IRS in a timely fashion and prior to IRS rendering of a determination of tax-exempt status.

SECTION 5. EFFECTIVE DATES

Reporting requirements, including the State review and comment, made under this act take effect for tax years beginning after December 31, 1991. The new requirements for determining tax-exempt status under this act take effect for tax years beginning after December 31, 1992 for all hospitals. Nothing in this Act is intended to affect the interpretation of requirements in effect prior to the effective dates.

H.R. 5686

A bill to amend the Internal Revenue Code of 1986 to require tax-exempt hospitals to provide sufficient charity care and community benefits, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Charity Care and Hospital Tax-Exempt Status Reform Act of 1990".

SEC. 2. DETERMINATION OF TAX-EXEMPT STATUS FOR HOSPITALS TO BE BASED ON PROVISION OF CHARITY CARE AND COMMUNITY BENEFITS.

(a) IN GENERAL.—Section 501 of the Internal Revenue Code of 1986 (relating to exemption from tax on corporations, certain trusts, etc.) is amended by redesignating subsection (n) as subsection (o) and by inserting after subsection (m) the following new subsection:

"(n) CERTAIN CRITERIA INCLUDED IN DETERMINING EXEMPT STATUS OF HOSPITALS.—

"(1) IN GENERAL.—An organization which operates a hospital shall not be exempt from tax under this section unless—

"(A) each hospital operated by such organization has an open-door policy toward Medicare and Medicaid patients and serves in a nondiscriminatory manner a reasonable number of such patients, and

"(B) each such hospital provides in a nondiscriminatory manner sufficient qualified charity care and provides sufficient qualified community benefits.

"(2) STANDARDS.—

"(A) SERVICE TO MEDICARE AND MEDICAID PATIENTS.—The determination under paragraph (1)(A) of whether the number of Medicare and Medicaid patients served is a reasonable number shall be based on whether the proportion of the hospital's patients which are Medicare patients, and the proportion of the hospital's patients which are Medicaid patients, are reasonable under the facts and circumstances.

"(B) QUALIFIED CHARITY CARE AND QUALIFIED COMMUNITY BENEFITS.—

"(i) IN GENERAL.—The determination under paragraph (1)(B) shall be based on whether—

"(I) the hospital's unreimbursed qualified charity care costs are 50 percent or more of the value of the hospital's exempt status for the taxable year, and

"(II) the hospital's unreimbursed qualified community benefits costs are 35 percent or more of the value of the hospital's exempt status for the taxable year.

"(ii) QUALIFIED CHARITY CARE COSTS.—For purposes of this subparagraph, the term 'qualified charity care costs' means the aggregate of—

"(I) the hospital's costs in providing health care without charge to persons with no or a limited ability to pay or at a discount based on the ability to pay,

"(II) the hospital's costs in providing health care for which the charge was deducted as a bad debt,

"(III) the excess of the hospital's costs in providing health care to Medicaid patients over the reimbursements for such care; and

"(IV) if the community has too few charity care patients in need of charity hospital care, the hospital's costs in providing (either directly or by contract or other financial arrangement) health care and other health-related services designed to improve the health of members of the community who are medically underserved and disadvantaged.

There shall not be taken into account under subclause (II) debts payable by third parties.

"(iii) QUALIFIED COMMUNITY BENEFITS COSTS.—For purposes of this subparagraph, the term 'qualified community benefits cost' means the aggregate of—

"(I) the hospital's unreimbursed costs in providing those community benefits not customarily provided by hospitals which are not exempt from tax under subsection (a), and

"(II) the excess of the hospital's unreimbursed qualified charity care costs over 50 percent of the value of the hospital's exempt status for the taxable year.

"(C) VALUE OF EXEMPT STATUS.—

"(i) IN GENERAL.—The value of a hospital's exempt status for any taxable year shall be the amount equal to the national target percentage of the hospital's gross receipts for the taxable year.

"(ii) NATIONAL TARGET PERCENTAGE.—For purposes of this subparagraph, the term 'national target percentage' means, with respect to taxable years beginning in a calendar year, the percentage estimated by the Secretary which, when applied to the estimated average gross receipts of tax-exempt hospitals in the United States for such taxable years, will yield an amount equal to the average Federal, State, and local tax revenues which are foregone by reason of their exempt status.

"(iii) PERCENTAGE MODIFIED IF FEWER THAN 75 PERCENT OF PRIVATE HOSPITALS QUALIFY.—If the Secretary determines that fewer than 75 percent of the private tax-exempt hospitals will meet the requirements of subparagraph (B) using the national target percentage determined under clause (ii), the Secretary shall modify such percentage so that 75 percent of such hospitals will meet such requirements.

"(iv) CASE-BY-CASE DETERMINATION.—If, by reason of a hospital's financial ability or other factors determined by the Secretary, the application of the national target percentage to any hospital is—

"(I) inappropriately high, the Secretary shall prescribe a lower percentage which is more appropriate for such hospital, or

'(II) inappropriately low, the Secretary may prescribe a higher percentage which is more appropriate for such hospital.

"(3) MEDICARE PATIENT.—For purposes of this subsection, the term 'Medicare patient' means any individual entitled to medical assistance under title XVIII of the Social Security Act.

"(4) MEDICAID PATIENT.—For purposes of this subsection, the term 'Medcaid patient' means any individual entitled to medical assistance under title XIX of the Social Security Act.

"(5) HOSPITAL.—For purposes of this subsection, the term 'hospital' includes any facility which the Secretary determines was part of a hospital but which ceases to be part of a hospital to avoid the purposes of this subsection."

(b) INFORMATION REPORTING.—Section 6033 of such Code is amended by redesignating subsection (e) as subsection (f) and by inserting after subsection (d) the following new subsection:

"(e) SPECIAL REPORTING REQUIREMENTS FOR HOSPITALS.—Every organization which is exempt from tax under section 501(a) and which operates any hospital shall, notwithstanding any other provision of this section, be subject to the requirements of subsection (a) and shall include in its annual return, with respect to each such hospital—

"(1) the number of Medicare and Medicaid patients served by each hospital during the taxable year to which the return relates, a detailed description (and documentation) as to whether that number is a reasonable number for that hospital and as to whether care provided to such patients was nondiscriminatory,

"(2) the total number of patients served by each hospital during such year,

"(3) the total number of charity care patients served by each hospital during such year and a detailed description (and documentation) as to whether such care was nondiscriminatory,

"(4) the hospital's unreimbursed qualified charity care costs during such year,

"(5) the hospital's unreimbursed qualified community benefits costs during such year,

"(6) the community benefits provided by such hospital during such year which are not customarily provided by hospitals which are not exempt from tax under section 501(a) and which are not taken into account under paragraph (5), and

"(7) a statement from the appropriate official of the State in which the hospital is located that—

"(A) the official administering the program under title XIX of the Social Security Act in such State has determined that during such year—

"(i) the hospital has openly served individuals receiving benefits under such program and has not discriminated against such individuals, or

"(ii) the program limited the hospitals that provide services under contract with the program, the hospital made reasonable efforts to be awarded such a contract, and the State did not award the hospital such a contract, and

"(B) to the best of the appropriate official's knowledge, the hospital is expected to meet the requirements of section 501(n) during the following year.

Terms which are used in this subsection which are also used in section 501(n) shall have the respective meanings given terms by section 501(n)."

(c) REPORTS.—

(1) SPECIAL TREATMENT FOR HOSPITALS WHICH CONSISTENTLY MEET REQUIREMENTS.—Not later than 1 year after the date of the enactment of this Act, the Secretary of the Treasury, in consultation with the Secretary of Health and Human Services, shall submit to the Congress recommendations on rewarding hospitals which clearly and consistently meet the requirements of section 501(n) of the Internal Revenue Code of 1986 (as added by this section), including recommendations on exemptions from the reporting requirements imposed by section of 6033(e) of such Code (as added by this section).

(2) METHODOLOGY FOR MEASURING VALUE OF EXEMPT STATUS.—Not later than 2 years after the date of the enactment of this Act, the Secretary of the Treasury shall implement, if feasible, a methodology for measuring the Federal, State, and local tax revenues foregone by reason of the tax-exempt status of a hospital. If implemented, such Secretary shall submit to the Congress recommendations (if any) for modifying the standards under section 501(n)(2)(B) of such Code (as added by this section).

SEC. 3. EXCISE TAX ON FAILURE TO MEET CHARITY CARE AND COMMUNITY BENEFIT REQUIREMENTS.

(a) IN GENERAL.—Chapter 41 of the Internal Revenue Code of 1986 is amended by adding at the end thereof the following new section:

"SEC. 4913. FAILURE OF HOSPITAL TO MEET CHARITY CARE AND COMMUNITY BENEFIT REQUIREMENTS.

"(a) TAX IMPOSED.—

"(1) IN GENERAL.—There is hereby imposed on any hospital which is operated by an or-

ganization exempt from tax under section 501(a) and which has a charity care/community benefit shortfall for the taxable year a tax equal to such shortfall.

"(2) HOSPITAL ORGANIZATION LIABLE FOR TAX.—The organization which operates the hospital shall pay the tax imposed by paragraph (1).

"(3) EXCEPTION FOR 1ST TAXABLE YEAR OF NONCOMPLIANCE.—The tax imposed by paragraph (1) shall not apply to the first taxable year for which the hospital has a charity care/community benefit shortfall. As soon as practicable after the close of such taxable year, the Secretary shall publish in the Federal Register a notice that the hospital has a charity care/community benefit shortfall for such taxable year.

"(b) DEFINITIONS.—For purposes of this section—

"(1) CHARITY CARE/COMMUNITY BENEFIT SHORTFALL.—The term 'charity care/community benefit shortfall' means the sum of—

"(A) the excess of—

"(i) 50 percent of the value of the hospital's exempt status for the taxable year, over

"(ii) the hospital's unreimbursed qualified charity care costs for such year, and

"(B) the excess of—

"(i) 35 percent of the value of the hospital's exempt status for the taxable year, over

"(ii) the hospital's unreimbursed qualified community benefits costs for such year.

"(2) HIGHER TAX IN CERTAIN CASES.—If the Secretary determines that, because of unusual circumstances, the tax imposed by this section should exceed the charity care/community benefits shortfall of any hospital, the tax imposed by this section shall be increased to the amount specified by the Secretary (but not in excess of 1 percent of the hospital's gross receipts for such year).

"(3) OTHER DEFINITIONS.—Terms which are used in this section which are also used in section 501(n) shall have the respective meanings given terms by section 501(n).

"(c) COORDINATION WITH REVOCATION OF EXEMPT STATUS.—Except in cases of egregious failures to meet the requirements of section 501(n), this section shall apply to a hospital in lieu of revoking the exemption from tax under section 501(a) of the organization operating the hospital.

"(d) USE OF REVENUES.—Revenues received in the Treasury which are attributable to taxes imposed by this section on hospitals in a State may only be used for the purpose of providing for additional payments to the State under section 1903(w) of the Social Security Act."

"(b) USE OF REVENUES.—Section 1903 of the Social Security Act (42 U.S.C. 1396b) is amended—

(1) in subsection (a)(1) by striking "and (j)" and inserting ", (j) and (w)", and

(2) by adding at the end the following new subsection:

"(w) The Federal medical assistance percentage for a State for calendar quarters in a fiscal year, insofar as it applies to hospital services, shall be increased by such a percent as will provide for additional payments to the State under subsection (a) in an amount not to exceed—

"(1) the amount of revenues received in the Treasury during the previous fiscal year which are attributable to section 4913 of the Inernal Revenue Code of 1986 for hospitals in the State, or

"(2) the amount of payments (in addition to amounts provided for as of the date of the enactment of this subsection) made under the State's plan during the fiscal year for charity hospital services furnished by public hospitals or by tax-exempt private, nonprofit hospitals,

whichever is less. The amount described in paragraph (2) shall be documented by the State to the satisfaction of the Secretary".

"(c) CLERICAL AMENDMENT.—The table of sections for such chapter 41 is amended by adding at the end thereof the following new item:

"Sec. 4913. Failure of hospital to meet charity care and community benefit requirements."

SEC. 4. STATE REVIEW AND COMMENT ON APPLICATION FOR TAX-EXEMPT STATUS FOR HOSPITALS.

Section 508 of the Internal Revenue Code of 1986 (relating to special rules with respect to section 501(c)(3) organizations) is amended by adding at the end thereof the following new subsection:

"(f) ADDITIONAL REQUIREMENTS FOR HOSPITALS.—A hospital organization shall not be treated as satisfying the notice requirement of subsection (a) unless the notice is accompanied by a statement from the appropriate official of the State in which the hospital is located that—

"(1) the official administering the program under title XIX of the Social Security Act in such State has determined that (A) the hospital is expected to openly serve individuals receiving benefits under such program and does not discriminate against such individuals, or (B) the program has limited the hospitals that provide services under contract with the program, the hospital made reasonable efforts to be awarded such a contract, and the State did not award the hospital such a contract, and

"(2) to the best of the appropriate official's knowledge, the hospital is expected to meet the requirements of section 501(n)."

SEC. 5. EFFECTIVE DATES.

(a) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this Act shall apply to taxable years beginning after December 31, 1992.

(b) REPORTING REQUIREMENTS.—The amendment made by section 2(b) shall apply to taxable years beginning after December 31, 1991.

(c) STATE REVIEW OF APPLICATIONS FOR TAX EXEMPT STATUS.—Section 4 shall apply to hospitals with respect to which notice is given under section 508(a) of the Internal Revenue Code of 1986 after December 31, 1991.